UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 90th CONGRESS
FIRST SESSION

VOLUME 113—PART 27

DECEMBER 13, 1967, TO DECEMBER 15, 1967
(PAGES 36175 TO 37507)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1967

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SENATE

WEDNESDAY, DECEMBER 13, 1967

The Senate met at 12 o'clock meridian, and was called to order by the Acting President pro tempore (Mr. METCALF).

Rev. Edward B. Lewis, pastor, Capitol Hill Methodist Church, Washington, D.C., offered the following prayer:

Dear Lord and Father of all, during this season of the Christian Advent, mankind seeks the message of peace, good will toward men that the story tells. Thus, we pray with the poets:

"Light of the world, illumine this darkened earth of thine,
Till everything that's human be filled with the divine;
Till every tongue and nation, from sin's dominion free,
Rise in the new creation which springs from love and Thee."
—JOHN S. B. MONSELL.

"All glory be to God on high, and to the earth be peace;
Good will henceforth from heaven to men begin and never cease."
—NAHUM TATE.

We pray in the name of the Christ Child, the Prince of Peace. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, December 12, 1967, be dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Ratchford, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Post Office and Civil Service.

(For nominations this day received, see the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H.R. 14397) making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 14397) making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

SUBCOMMITTEE MEETING DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Subcommittee on Business and Commerce, of the Committee on the District of Columbia, be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER (Mr. HOLLINGS in the chair). Without objection, it is so ordered.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the order of yesterday, the Chair recognizes the Senator from Arkansas.

TRIBUTE TO WARREN DUFFEE

Mr. FULBRIGHT. Mr. President, this session of the 90th Congress is drawing to a close, but a new one will soon begin. The year 1967 is almost over, but another year is approaching. Men's lives on this earth must end. What they leave to their fellow men, however, lives on, and in this manner each man lives on.

Yesterday brought the death of a man all in this Chamber knew. Warren Duffee, Senate representative for the UPI, died at age 50, after spending the past 20 years in the Nation's Capital reporting the business of the people of this country. To each of us who knew him as a reporter, a friend, and a newspaperman of skill and integrity, a deep feeling of loss is inevitable.

But Warren Duffee left a legacy. He bequeathed to those who knew him, and to those in his profession and the public who knew only of him, an example of perception, candor, and integrity in reporting the news. He left an example those who remain and those who will follow can emulate. And in this way his life is renewed.

I will miss Warren, and I extend my sympathy to his family and friends.

RETURN TO VIETNAM

Mr. FULBRIGHT. Mr. President, Congress and the public recently have been exposed to another spate of optimistic reports about the outlook in Vietnam. I hope they prove to be accurate. But, as chairman of the committee that has been hearing optimistic reports on Vietnam from executive branch officials for more than a decade, I believe my skepticism is pardonable.

There have always been vast differences between the way reporters and officials view this war. These differences have escalated in proportion to the escalation of the war, to the point where the gap has become a chasm. In commenting on this problem, General Westmoreland said on "Meet the Press" on November 19:

> There is in Saigon a cynical element, and from this cynical element there grow a number of stories. The cynical element is inclined to take an isolated instance and write it up as a generalized situation. And in my opinion this has indeed distorted the real situation that exists in Vietnam as a whole.

Four years ago as the Diem regime blundered toward disaster, similar comments were being made about the reporting from Vietnam. David Halberstam of the New York Times was such a thorn in the side that the late President Kennedy sought to have him transferred out of the country. But Halberstam, and others like him, proved to be right, not the officials.

Halberstam recently returned to Vietnam and has written a revealing account of his reactions and observations which appears in the current issue of Harper's magazine. His conclusions stand in sharp contrast to the recent reports from Ambassador Bunker, General Westmoreland, and Mr. Kromer. Halberstam wrote:

> I do not think we are winning in any true sense, nor do I see any signs we are about to win. That is why this is such a sad story to write, for I share that special affection for the Vietnamese, and I would like to write that though the price is heavy, it is worth it. I do not think our Vietnamese can win their half of the war, nor do I think we can win it for them. I think finally we will end up lowering our sights, encouraging our Vietnamese to talk to their Vietnamese, hoping somehow they can settle what we cannot. That is what this country longs for right now, and it may well be that even if we stay here another five years, it is all we will end up with anyway.

In 1963, when we had 16,000 troops there, President Kennedy said:

> They (the Vietnamese) are the ones who have to win it or lose it.

And I think he would have agreed that, under the circumstances that exist today, they are the ones who have to settle it. After all the rhetoric about "aggression from the north" is stripped aside, this was—and still is—a war of South Vietnamese against South Vietnamese. Let us hope that our officials will exercise all the leverage available to get a dialogue established between the Thieu government and the National Liberation Front "encouraging our Vietnamese to talk to their Vietnamese," as Halberstam suggests, in an effort to reach a political accommodation to end this terrible war.

I ask unanimous consent to have David Halberstam's article, "Return to Vietnam," printed in the Record. I commend it to the attention of my colleagues and readers of the Record generally. But I warn them that it is not very pleasant reading.

There being no objection, the article was ordered to be printed in the Record, as follows:

Return to Vietnam

(By David Halberstam)

One of the great exports of South Vietnam has always been American optimism, but this time I thought when I returned that it would be at least tempered; there would be an end of illusion, a knowledge perhaps of just how dark the tunnel really is. But we flew into Tan Son Nhut and the scenes were familiar: the jetliner waiting too long on the tarmac, its air conditioning off, then the waiting room with the American AID men come out to welcome their new arrivals and steer them past all the waiting Vietnamese at immigration. Finally I got through customs and Mert Perry, an old friend, five years here and one of the very best reporters in town, met me and assured me I was wrong: the illusions still exist. When you pay $30 billion a year you buy at least a fair share of illusions.

We drove downtown and checked into the American press office. Perry introduced me to Barry Zorthian, the chief press officer. While we were talking, Perry asked Zorthian: "Say, Barry, what's all this crap Komer [the chief of pacification, rank of Ambassador, six photos of Lyndon Johnson on his office wall] is putting out about the war being over in six months?"

Zorthian is a real pro, a very tough operator, and I think he has many changes of speed for different reporters. For people like Perry and me he didn't want that kind of optimism, he wanted it more controlled, an optimism that recognizes all the problems but triumphs anyway. "I don't think Bob said that . . . ," he began.

"No, goddamnit," Perry said. "He's told it to a couple friends of mine. Different friends. Six months."

Zorthian began again: "Well, what I think Bob meant is that the conventional war phase would be over in six months, you know. They've got one good campaign in them."

That night a group of us, experienced reporters here, went out to a restaurant in Cholon. The subject of the Komer-Zorthian quotes came up. Everyone boggled, and reminisced about the last campaign and its lineal antecedents: the *dernier quart d'heure* [for the French] . . . the corner being turned . . . home by Christmas 1965. Then one of the group picked up the inevitable box of toothpicks always in the Vietnamese restaurants and spilled them all over the table. "Each toothpick," he said, "represents one French or American spokesman who over the last twenty-one years has said they have one last campaign in them."

I have never been a dove or a hawk—few reporters who have spent any length of time here are. When I was here in 1962 and 1963 I belonged to a group of reporters who thought the war was worth winning but who doubted the effectiveness of the fight against the enemy and sensed the seed of failure in our own efforts. That group was roundly attacked by American officialdom for being too pessimistic, but in retrospect I think the great sin was that we were not pessimistic enough.

More than three years later, I still think the enemy is a real one. I think the evidence is more complete than ever that Hanoi has controlled this war since 1957, but now I doubt our capacity to win. The important things in talking about Vietnam now are: Can the war be won? Do we have the resources to win, and can we really afford these resources? People here now are talking about reorganizing the Vietnamese Army, just as they did six years ago. But it is very late here, the fabric is strained at home now, and what guarantee is there that the Vietnamese Army can be reorganized, or that it will make any difference? Can you have a fine young army in a rotting society?

The morality of this war has always been mutually ugly. We are waging a very tough war, and the enemy has waged a tough war on its own people since 1945, when Vo Nguyen Giap systematically murdered hundreds of non-Communist nationalists so that the choice for Vietnamese would be the Vietminh or the French. So the questions have become more pragmatic than moral. "The only difference between Richard Russell and me," Senator Fulbright is reported to have said recently, "is that he thinks the war can be won." Or as Senator Symington said of both Fulbright and Russell, "They went into the woods separately and came out holding hands."

So is the war being won?

The answer is yes it is, and no it isn't. On those occasions when we can use our massive power, those rare instances when our main force units find their main force units, our power is decisive, and there is more often than not a victory.[1] Similarly in those areas which we choose to saturate with American troops, the Vietcong must move back, and in that specially protected, hothouse atmosphere a kind of pacification takes place. But the sense one finally gets is of the fragility of the situation rather than the permanence. It may be that to a particular American general, five months into his twelve months' tour the progress of the war in his zone is a final and concrete entity, but to an experienced Indochina hand there is more hesitance. Progress at a given moment is a fleeting experience unless it is brought about by the deeprooted desire of the Vietnamese peasants themselves. That is why I am so pessimistic; for the other war, the nation building, helping the Vietnamese to help themselves, has not changed.

There is no doubt that the arrival of half a million Americans here has brought considerable military progress to Vietnam. In 1965 the Arvin (Vietnamese Army) had been defeated and the country was the Vietcong's to take. The Americans instead came and have fought well. Even General Westmoreland's critics—and their number is increasing—praise him for the way he imposed a growing American commitment on a very weak base, maneuvered his troops, and staved off defeat.

Nor is there any doubt of the massive power we have accumulated here. The mind boggles at the firepower an infantry company possesses. If anything we may have too much firepower, and with it there may be too much of a tendency not to come to grips with the more subtle problems of the war. The Vietcong and the regular North Vietnamese units have been hurt, and at times hurt badly, although it would be a great mistake to underestimate, as Westerners traditionally have, the enemy's resilience and durability, his ability to recover from his wounds, and his *passion* to keep coming.

The Americans here talk a good deal about rooting out the Vietcong infrastructure, the invisible shadow government which is the Communist key to local success. Yet it is frankly admitted that the infrastructure has barely been touched. Thus while the enemy has lost bodies, it has not lost its apparatus, which is a very important distinction. Hence the real power of the Vietcong has not been affected.

The escalation of the war has escalated the pressure the Vietcong are putting on the population. They no longer have the luxury of working side by side with the peasants in the field, nor do they have the Ngo Dinh Diem government to help them with their own recruiting as in the old days. The VC are inflicting higher taxes on the population, recruiting boys at younger and younger ages. A friend of mine who has always been a dissenter from official optimism feels that the most striking change in the last two years has been the weakening of the Vietcong. "In 1963 and 1964 they controlled fifty per cent of the population, and they did it while being liked," he said, "and now they are down to about twenty-five. The important thing, of course, is that the South Vietnamese government has not been able to move into the vacuum, there's been no real government pickup. But there's no doubt of the problems the VC face—a couple of years ago if I were a young Vietnamese boy I'd have gone with the VC, but now it's different. They're putting a lot of pressure on the population too. They've lost some of their mystique."

(It should be noted that this has been done at a very high price to the Vietnamese peasants. In the Delta, for instance, the Vietcong has been hurt, but not by an aggressive Vietnamese Army searching out and waiting at night for VC units, but rather by constant bombing and shelling of those villages not controlled by the government, so that finally life becomes unbearable. The people either drift out of the villages toward government-controlled areas, or sleep at night, not in their huts, but in the paddies themselves to escape the shelling. Thus they no longer welcome the Vietcong into their villages, and when they come into the government areas, they say, yes, we understand why you are shelling us, yes, we know it's the Vietcong's fault; but I have my doubts about what they really feel and what the final political outcome of this will be. In the past, methods such as this have come back to haunt us.)

Yet for that reason our task seems immense. If the mythmakers with the fine speeches—a Vietnamese war which can finally only be won by Vietnamese—are right, and I think they are, then anyone with a serious knowledge of this country must be more pessimistic than ever. For the easy way of building a nation is to rally behind a popular national figure. There was one rare chance when Diem fell and Duong Van Minh, the one truly popular figure in the South, took over. That missed chance is a landmark. Now if anything effective is going to be done, it will be the hard way.

The society is rotten, tired, and numb. It no longer cares. Twenty-one years of the war, of first the French and then Diem, have weakened the Vietnamese deeply. The sons are more corrupt than the fathers. The few patriots increasingly withdraw from the society and the struggle. The fine young men do not want to die in the U Minh forest; they want to drive their Hondas, get their draft deferments, and sit in the cafes. We are not building a nation.

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[1] The exception to this would be the area near the Demilitarized Zone, where we have repeated French mistakes and placed Marines in static outposts within artillery range of the North Vietnamese. There the Marines are taking a terrible pounding and quite heavy casualties from the enemy with very little hope of the situation changing. In effect we are giving away one of our greatest advantages—our mobility—and permitting them one they usually lack—artillery—in a sad repeat of history. Worse, the U.S. seems paralyzed by its own mistakes. Recently Westmoreland told *Time* Magazine Con Thien was a "Dienbienphu in reverse."

II

Before I came back I was assured again and again by people who had been in Vietnam more recently that I would never recognize it, that it was not the same country. The American presence was so great. And yes, there is Cam Ranh Bay, and the endless Long Binh military complex outside Saigon, trucks, generators, barracks, helicopters, as far as the eye can see. There is American television, and one sees American troops still in combat gear watching *Combat*, and a blonde weather girl pointing at the map of the U.S. and saying "Los Angeles is clear and sunny . . .," and most Vietnamese seem to have Batman T-shirts for their kids. And there is a strip of bars in Bien Hoa so long that one American there calls it Tijuana East, with sign after sign offering car wash (The Vietnamese are ingenious that way. One friend of mine has a song which goes, "Baby, won't you wash my car.") All these are signs of Americanization, but what finally struck me was how little had really changed here.

For it is the essential problems of this society that have not changed. They are the same problems, virtually insoluble, caused by the same terrible historical truths. The government of Vietnam is largely meaningless to its citizens. The rare good province chief or district chief is talked about avidly in the American Mission. (Perhaps Romney was sent to see him.) Yet it is a fact of life that most province and district chiefs are corrupt and incompetent. There is talk of improvement in the Vietnamese Army, yet it is widely known that the Arvin is still poorly led and barely motivated. Its officers represent a microcosm of existing privilege in Vietnam. It does not change, perhaps because it cannot change and let in new blood—but unless it does it is dooming itself to its own defeat.

The pacification program, known periodically as The Other War, heir apparent to a long line of programs tried, programs vaunted, programs praised, programs failed—*agrovilles*, strategic hamlets, spreading oil slicks, national priority areas—is a study in the past. At very best there is creeping pacification. Pacification, of course, is always difficult. The social and political problems which the Americans can avoid when they simply are fighting the war and killing VC suddenly reappear when we try to create something here.

There are Americans here who have become over the past five or six years good but bitter diagnosticians. They know the reasons the programs have failed in the past, and the best of them fear the same failures rising again out of the same causes. They are angry but powerless. The ones in the field are angry at the Americans in Saigon; Saigon does not get them any leverage. Perhaps Saigon is angry at the top Vietnamese, and privately shares the frustration of the field.

Yet the pressure from Washington is greater than ever, pressure which produces the optimism, coonskins, yes, coonskins, to be hunted and tacked to walls, and the sooner the better. Progress is reported here as certain as the tide, and the tide comes in each day at the exact hour of the daily press briefing.

The third day I was here I went to a briefing by a high pacification official. He began by saying that Quang Ngai province was going to be the success story of 1967, and to mark his words: *Quang Ngai*. Even as he was talking the Vietcong were walking into Quang Ngai and freeing twelve hundred prisoners from the jail there. He was saying *this* pacification program, his pacification program, was different from the other pacification programs, because this time we had the *resources*.

I thought to myself, My God man, didn't they tell you about the strategic hamlet program, how the province chiefs used to choke to death on resources, how they were afraid to stand out on the little airstrips for fear of being buried alive by resources tumbling out of the sky: barbed wire, bricks, pigs, rat killers, pig fatteners, mosquito killers, snow plows? In those days I talked with one British expert on Malaya, and he said there was one thing which bothered him about this war: too much in the way of resources, too many material goods. He had never seen so much gear in his life, stuff going to rust and rot, being black-marketed, creating all the wrong attitudes in the Vietnamese.

The day after the briefing I was with one of the rural pacification workers, a competent American professional who had spent four years here. He recounted his past year; more of the same Vietnamese apathy, American indifference to his pleas, faking of provincial operations, increased corruption by his Vietnamese counterpart, resources not reaching their destination, his counterpart's interest in his own building business.

The American had documented it all, handed in his report, and for a brief time the job of his Vietnamese counterpart was in the balance, and then he was given it back. "I'm going to stay in this country until I see that son of a bitch in jail," the American said. "Pacification," he said, "what the hell is pacification? You find it." Then he added: "We are losing. We are going to lose. We deserve to lose."

III

There is a reason for all these problems. It is not simple happenstance, although some Americans here think it is. One knowledgeable American colonel thinks it is just bad luck catching up with the Americans: we had fine commanders and leaders in World War II and Korea, and now we have fallen short in *American* leadership. If only Westy or Taylor or Lodge had been a real leader, had really put the blowtorch to old Ky, made him get with our program and stay with it, things would be different.

There is much subsurface criticism of Westmoreland here, particularly among experienced Americans, because they feel in large part he has abdicated his responsibilities with the Vietnamese. The job was just too tough, and so he preferred to work with the Americans, which was natural enough. Push an American button and an American jumps; push a Vietnamese button and then push it again. And then again.

Certainly Westmoreland accepts too much at face value what the Vietnamese say they are doing, and he is too eager to impress on the reporters his own debatable view of the quality of Vietnamese troops. But at this late hour he cannot make the Vietnamese do what they really don't want to do. And so because the Americans were easier to work with and because the problems were so immediate—imminent defeat—he worked with the Americans and the situation of the Vietnamese military remained unchanged.

But the frustrations go so very deep. They are the product of the colonial era and the divisions brought about by the French-Indochina war, and to a much lesser degree the Diem era, both of which saw the destruction of anti-Communist nationalism. We are prisoners of that time now, more than we know. All of our fallings, I think, are traced back to them. The enemy has had a revolution, and we, failing to have one, have tried to compensate for it piecemeal. But we have never really changed the order of the society. Rather, our presence, despite our words and our good intentions, has tended to confirm and strengthen the existing order.

The French-Indochina war divided this country in a more important way than the separation at the seventeenth parallel. In the process of driving the French out of Vietnam, the Vietminh—communist led and Communist dominated—captured the nationalism of the country. They drove the white man out and they appealed to the highest aspirations of the best young Vietnamese of a whole generation. There was no choice; it was French or Vietminh. If later some of these same Vietnamese became disillusioned because of the dominance of the Communists, the apparatus and the system survived.

The Communists had not only driven out the French, and developed a new and cunning type of warfare, they had also brought the best men in their ranks to the fore. They offered hope to the peasants, they released something latent and very powerful in the country, and they broke down petty divisions until finally that which united them was stronger than that which divided them.

One of the most telling stories from the first Indochina war is recounted in Jean Larteguy's *The Centurions*. A French officer by the name of Glatigny, just overrun and defeated at Dienbienphu, sees his enemy counterpart for the first time:

"No canvas shoes on his feet and his toes wriggled voluptuously in the warm mud of the shelter. Glatigny's reaction was that of a regular officer. He could not believe that this *nha que* squatting on his haunches and smoking foul tobacco was, like him, a battalion commander with the same rank and the same responsibilities as his own. This was one of the officers of the 308th Division, the best unit in the People's Army. It was this peasant from the paddy fields who had beaten him. Glatigny, the descendant of one of the great military dynasties of the West, for whom war was a profession and the only purpose in life. . . ."

The other day I interviewed a Vietnamese lieutenant colonel who had recently defected. He came from a stock slightly above that of peasant. His father had been something of a low-level medicine man. Although he had been a Vietminh since 1945, he had spoken with a slightly different accent and dressed a little better than some of the others at first, and though he excelled in combat he was sure that his lack of true peasant origin had been held a little against him—perhaps if he had been a pure peasant, he said, he would be a general now. . . .

Equally important in these years was what happened on our side. Our Vietnamese, by and large, had fought under the French. The enemy had revolutionaries, we had functionaries with functionary mentalities. Our high officers were former French corporals.

Things which divided men below the seventeenth parallel were far more powerful than the things which united them. The nearest enemy was the real one; the Communists were an enemy, but they were distant, and there were the French and then the Americans to hold them off.

Under Diem and for a long time afterwards no book could be published here which told at all about any Vietnamese struggle against the French. To this day, despite the talk of revolution, a Vietnamese who collaborated with the French can get a job with the Americans or his own government much more easily than anyone who had fought against the French but had become disillusioned. The Americans push hard for a Chieu Hoi center for defectors, but they admit privately it is almost impossible to integrate any ranking defector into the open society here or anything about a cab-driver level. The Army in the South, rather than having any national purpose, is riddled with intrigues and divisions.

I talked with another high-level defector, a major, and asked what he could do if given an Arvin battalion. "I could command a division in North Vietnam," he answered. "I have the ability to do that. But a platoon here, even a squad, I could not do that. What can you do? They have no purpose."

But if the troubles go back to the French, we can no longer blame them. When I was here in 1962 there was a tendency to blame everything on the French legacy of training, of tactics, of civil service. Now, however, we have been here long enough on our own. The French are a vanishing scapegoat.

Near Danang not too long ago one of the foremost figures of American television was talking to a tough little French female photographer. He started talking about an area where he saw some improvements since his last visit. No, she quickly disabused him, it was not good in that area, it was getting worse. So he discussed another area. Again she disabused him. Finally he raised his eyes to the sky and said, "Well, I guess the only answer then is to give the whole country back to the French." No, no, monsieur," she said. "You sleep in your own ———."

One of the smartest Americans in the Embassy, spelling out the progress the Americans had made here since 1965—the dead VC, the improved security in certain areas—told me, "The VC are hurting and they're licking their wounds, real hurts and real wounds this time. This time we're really getting to them. The trouble is that every single thing that's taking place here is directly attributable to the presence of half a million Americans."

Was there anything local that was viable? I asked him.

"No," he said, "I don't think so. We can go into an area and improve the security. Pacify if you want to call it that. But then pull the American boots out of the area and it would go Red in a week."

IV

Recently the American Mission, realizing that among the longest suffering people in this country were the Arvin veterans, decided to do something to improve their morale and at the same perhaps improve the society. The Mission decided to offer 120 four-year scholarships to colleges in the United States for deserving veterans, with a full English-language course thrown in. It was a widely praised idea in Mission circles, and no one really minded that it came from the Americans and not the Vietnamese. And the Vietnamese were enthusiastic.

The idea was taken to the Ministry of Education, which shortly presented the Americans with a list of 120 deserving veterans. Just by chance someone at the Mission checked out the list—Americans are learning to do that these days—and found that any relationship between those nominated and veterans was purely coincidental. All 120 were simply brothers, cousins, friends, creditors, debtors of people in the ministry.

Then the Americans went to veterans' groups themselves and advertised in the newspapers. Eventually the deserving recipients were found and chosen, and off they went to America. The Mission congratulated itself, both on the idea, and on catching the fake list, and it was not until several weeks later that someone found out that each veteran had been forced to pay a bribe of 40,000 piastres (six months' pay at the very least) in order to get his passport so he could leave.

This corruption works from the top down, from the corps commander selling everything in his area, the corruption of venality, to the poor schoolteacher making only 1,400 piastres a month, selling questions and answers to exams to all of her students, making an additional 8,000 piastres a month—all to offset the terrible inflation, the corruption of survival. It is very bad and getting worse. Each day in the Vietnamese government and the Vietnamese Army it is a little more likely that if a position is any good it must be bought.

We have created a new class here, at a time when men are supposed to go out and die for their country. We are rewarding all the wrong values, the grafters, the black marketeers, the 20 per centers. There are some in the American Mission who believe that worrying about Asian corruption is naive, that it is traditional, but I do not think this is true. One of the reasons for the success of the other side has been its relative lack of corruption. The corruption here has long since[3] passed the marginal phase and now dominates and indeed paralyzes the society. Unless it is checked and checked quickly and ruthlessly, it is impossible to win this war.

Thieu and Ky are reportedly not corrupt, but they are propped up by men who are rank with corruption. They can fire one or two generals or province chiefs for corruption (usually men not of their cliques—who have been a little too blatant, or no longer useful) but although they talk articulately to the American Ambassador about what a serious problem it is, they have shown neither the capacity nor the desire to stop it or punish it. Perhaps this is because it goes beyond individuals into the system.

Cao Van Vien, chief of staff of the Vietnamese armed forces, a favorite of the Americans, and his wife, Madam Vien, are deeply involved in the system. In the resort city of Vung Tau, Madam Vien has exploited government land holdings and developed buildings which she rents to Americans at a total profit of 400,000 piastres, roughly $3,000, a month. In addition she has considerable property in Saigon, and manipulates government land on the Bien Hoa highway.

Recently a young American, a Vietnamese language officer, was with her and some local officials in Vung Tau. She was giving orders on how the distributorship for San Miguel beer would be handled. "What was so amazing," he said later, "was not the extent of her financial interest, which was very considerable, but the *flagrancy* of it—the absolute indifference to what we thought. She knew I spoke Vietnamese and she simply did not give a damn." (One high Mission official, when asked about her, said, "Well, she has been quite forceful and successful in her real-estate dealings.")

The province chief of Bien Hoa province, a former airborne officer, is a protégé of Vien's. Bien Hoa is one of the most profitable provinces in the country for graft because the Americans at the Long Binh base use it for relaxation. The Americans there have tried to get the province chief on graft charges several times, but Vien has intervened for him. The Americans are now convinced that Madame Vien is sharing in the Bien Hoa profits.

But Vien is one of the better ones. The corps commanders are the worst, particularly in Two, Three, and Four Corps (there is too much fighting these days in the first corps area, near the Demilitarized Zone, for very much profiteering). They have become the new warlords of Vietnam, holding a certain balance of power which in the past has supported, or not supported, the government in Saigon. They buy and sell almost everything conceivable and a few things which are inconceivable.

They sell the province and district chiefs' jobs: up to three million piastres for a province chief's job; one million or more for a district chief's job, plus of course a monthly kickback, varying from 10,000 piastres a month to 10 per cent of the chief's budget. A division commander's job may cost as much as five million piastres.

The profits vary. Smaller fry make money off what are known here as ghost soldiers, the 30 per cent of a unit roll which does not exist—dead or never existed—but for which the commander still draws money. But the bigger men make the real money off the new construction wave. Everything that is built has its take, an immense percentage. Nothing can be done without bribery, and the bribes go to the highest officials in the region.

Then there are the vast amounts of material brought in by the Americans. The docks become a gold mine, as do the bars which the Americans frequent. One corps commander is the opium king. In the Delta there is massive taxation on the rice harvest, which slips out illegally to Cambodia while Vietnam imports most of its rice. Along the Cambodian border there is a thriving two-way illicit traffic—rice and beer going out, food, fish, and clothes coming in.

A division commander like Nguyen Van Minh in the 21st Division (lower Delta) will make an agreement at rice harvest time to share the profits on collected taxes with absentee landlords and thereupon launch operations for that purpose. He will share also in the profits of outgoing charcoal and of trucking beer and supplies into the area. Minh is the prototype of the new Vietnamese officer. He is very popular with the Americans, speaks good English, knows American staff styles, and is on the surface quite cooperative. In Saigon among the Americans his division is considered a good one. But in the area, provincial advisers who are not directly in his chain of command feel that he is vastly overrated and that his division does not pursue the Vietcong all that actively.

The province chiefs make theirs in construction (faked sealed bids, with Americans there to watch the surface honesty—one province chief even created his own proxy building company) and local smuggling. In Kien Phong and Chau Doc provinces, district chiefs along the border are so wealthy that they have to kick back at least 50,000 piastres a month to their superiors. The price for certifying that Cambodian fish is indigenous Vietnamese fish is two piastres a kilo, and since as much as 20,000 kilos may enter a day, the profits are very handsome indeed.

In Bien Hoa, typical of those provinces where there are large numbers of Americans, bars are big business: at Tet alone the province chief has made an estimated 10 million piastres from the bars. He gets an estimated kickback of 10,000 piastres a month from each bar and he periodically extorts more by threatening to open new ones. The Americans have documented his corruption, but so far he has managed to stay in power.

And this works down. The assistants to these men, assistant province chiefs and district chiefs, buy their jobs and then make the payoffs back by selling positions under them. The assistant district chief for security sells police jobs and the police get their smaller payoffs at resource checkpoints or working the bars. Finally everyone is selling something: 5,000 piastre bribes to get a driver's license, 20,000 piastres to get a Honda out of the docks, 6,000 piastres to get a free place on a military aircraft, 50,000 piastres to get permission to have a job with the Americans.

Someone both honest and capable like General Nguyen Duc Thang, head of revolutionary development, is almost overwhelmed by this cynicism. He is trying to run an honest program, and corruption has become his favorite subject with visitors. An able Vietnamese friend of mine was offered a province in the Delta to run. He went there for a month and was told at the end of the month to kick in. He asked where he would find the money. That is your problem, the corps commander said. He immediately asked to be relieved. "It is very bad," he said. "If you are not one of them you become a threat to them and very dangerous." The handful of Americans who are fighting the massive corruption are numbed by the problem. One of them told me, "You fight like hell to get someone removed and most times you fail and you just make it worse than ever. And then on the occasions when you win, why hell, they give you someone just as bad who's a little more careful about it. I mean he's been warned about you, that you're a little smarter than the other long noses, and the guy you had relieved, why, they promote him."

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[3] Corruption has always been a problem here, as has American indifference to it. In 1963, when Marine Major General Victor Krulak was assigned by President Kennedy to find out whether or not the war was being won, he sent the American military command here a questionnaire with about sixty questions. One was: "Is there government corruption?" The answer: "To our knowledge there is not."

There was for a time earlier this year an American Mission committee on corruption, but it met three times and has not met in six months. The problem is so delicate that it can only be handled by the very highest Americans, and indeed it is so delicate even there that it may not be discussed in the blunt and strong terms which it demands. A real attack on it, and real punishment, have yet to come, and there lingers among fair-minded Americans here a good deal of doubt that the government has either the desire or the capacity to take strong steps.

Right now there is some talk about a military reorganization which would strip the corps commanders of their power, and make the province chiefs responsible to the central government. If so, it would be a significant step. But as with many other things that are being talked of here, this reform has not come. The Ky government in the past has been more notable for words than deeds.

I have described this at length not just because the corruption is so serious and so corroding, but also because there is a new and growing Mission view of the war, a view which I think is the product of frustration in pacification and other nation-building programs. It says, in effect: military power will not win the war alone, and though the government is weak and indeed frequently venal, and Arvin is a myth, we Americans are doing so many things, so much gear is going into so many places, that relentlessly, almost in spite of ourselves, we are producing results.

"We are smothering them into victory," one very high official said. The failure of the past, this official added, was not just weak people and a weak policy, although that is now acknowledged. It was a lack of resources: 15,000 Americans and a half billion dollars a year simply weren't enough.

This is a philosophy that is at times quite well argued here, and it has the advantage of admitting the weakness of our Vietnamese. But I am not so sure: the failures of the past were deeply tied not so much to lack of resources—we always had more helicopters than the enemy—but to lack of leadership, motivation, unity. I am not sure but that the more resources we feed into this country, the more we weaken the fiber and the more we corrode our own Vietnamese.

VI

We flew over the southern part of Long An province. My guide, an experienced American here, pointed down to the strange scene: deserted pathways leading nowhere, mud paths leading up to shacks which barely existed, a few deserted huts still left. "You know what that is?" he asked. I shook my head.

"Strategic hamlets," he said. "All that's left. You can see the outlines of where they used to be, where they built up the mud for paths. Part of the scenic beauty of Long An. Vacant since November 3, 1963, the first day the new government said they could all go; they left. I'm not even sure they waited that long. Those that we controlled, that is, and that was damn few enough. Mass desertion. Funny people, they preferred their ancestors' ashes to our barbed wire."

I looked down and he was right, there they were. One could still see the traces of the paths, neatly laid out, neatly eroding, and it all came back to me, the visits to Long An, and other provinces, the hamlet program, the *key* to success, making the population turn on the enemy, all those fine charts showing that we were way ahead of schedule, only X hamlets programed and 3X completed.

In 1963 when Washington's confidence about the hamlets mounted and doubts mounted in the field, a young American civilian named Earl Young came down to take over Long An as province representative. Long An was allegedly almost completely government controlled; Young was appalled and quickly told Saigon that 80 per cent of Long An was VC controlled, and the war was virtually over in it. It was a report which jarred Saigon's sensitivities, and as a reward for this Paul Reveremanship a two-star American general tried to have Young fired.

Long An is not exactly typical; its problems are more serious, but they are not much more serious than other areas. If we cannot make real progress in Long An, then we cannot win this country. The area touches on the Plain of Reeds on the west, a traditional VC bastion, and it has a long history of VC influence and government stupidity. Part of the population, says one American, does not have a Vietcong infrastructure. It is actually a Vietcong society, more than three generations of it.

What is astounding about Long An is that it sits just south of Saigon, virtually a suburb—500,000 people in a very rich province. It sat there and always got its resources, through 1963, but never got any more than some very distant province. Ambassador Lodge, having saved Earl Young his job, was unsettled by the idea of the VC controlling what amounted to his backyard. He made Long An a priority area. The 25th Arvin division was brought down from the coastal region, and two of its regiments placed there with much heralding and exclamation. (There is still much exclamation about the 25th, not only that it may be the worst division in the Army, but the worst in any army.) But resources did not arrive, local officials were lethargic and unsure of their standing, and the 1964 priority failed to succeed.

Later in 1964 and 1965 Long An became a *hop tac* area, the spreading of oil slicks out from Saigon, the gradual driving back of the enemy. One American who was there said, "We knew what we wanted to do, but we couldn't get them to do it. There would be agreement, this was a priority operation and this or that program would be done, and they would nod and say yes, and then nothing would happen. You ask me why, I don't know why. If I had known why, I'd have been able to do something. So you'd send the word up to Saigon, and the top Americans there would say, 'Yes, look, we just talked to the Vietnamese about that problem and they're taking care of it—it's all okay.' And of course not a damn thing would happen."

In 1965, still almost completely Vietcong controlled, still squeezing Saigon, Long An was dubbed a National Priority Area. One American told me, "I don't know what happened to all the other national priority areas, but we couldn't cut it there. It was the same old goddamn story. You could tell the story of this country from Long An, like a dying man seeing his whole life flash before him. Their battalion commanders, peasants from the area who had everything to gain and nothing to lose if the VC won, had a rainbow waiting in this war. And up against them our little Arvin officers all from the upper or middle class, holding those damn baccalaureates, hating Long An a hell of a lot more than I ever did, with nothing to gain if there was a victory and a damn lot to lose down here, not wanting a bit to get wounded. So they tore us up when we went out. Most of the time the division advisers would be reporting how many operations they were on and all these things they were doing, and the troops wouldn't be doing anything at all, just sitting around and letting the VC have it free."

The National Priority Area never got off the ground there; Long An remained a particularly ugly sore. By late 1966 it remained as bad as ever (no American troops set foot there until September 1966) until by American estimates the VC controlled the entire rural province at night and all but 5 per cent during the daytime. Bridges were out, ferries were out, yet another try was made.

American troops were sent into the area and Colonel Sam Wilson, then Lodge's Mission coordinator, left his high Saigon post to try and oversee all operations there. He was somewhat appalled by what he found: "The province chief and the district chiefs do things for the people as if it were some form of largess. If a district chief wants to build a marketplace it doesn't really matter whether the village wants it or needs it—that's what it gets." But the Wilson experiment started with the best of intentions, floundered too. There was always some doubt over just how much control he had over the American military; and the Vietnamese military was always divided between the province chief's wishes and the division commander's whims. Finally neither high nor low goals were reached.

Now, in late 1967, Long An is somewhat better. There is what one American who knows the past failures calls "marginal improvement or even better under difficult conditions." A brigade and a half of American troops, in addition to two Vietnamese regiments, are operating there. The Americans, working the difficult terrain, are paying a high price, but have hurt the tough Vietcong battalions in the area. Latest intelligence is that these battalions are at about 60 per cent strength, which means that they are still quite effective fighting forces. Security is somewhat better and some areas have been opened up.

But the local officials are no better, the Arvin forces are as bad as ever, and knowledgeable Americans speak of progress in muted tones, knowing it can vanish the next day. In addition, the Americans here—as elsewhere in the Delta—are wary of areas where they think local forces have reached an accommodation with the enemy. One Vietnamese described it to me in Long An: "They sit there and make their gentlemen's agreements. The VC let our people know when they want to move and not too much happens. If the boss comes down from Tan An, the local commander lets the VC know and the province chief arrives. So everyone walks around freely and the chief tells the local man what a fine commander he is."

Long An is at least without illusions.

VII

One of the smaller wars in Vietnam these days is the one taking place between American military command and the American reporters over that most time-honored subject, the quality of the Vietnamese Army. To the military they are constantly improving. To the reporters, nothing has changed. There is the same vast discrepancy between their statistics and their actual performances.

The other day an American officer from Three Corps, the area right above Saigon, was brought in to brief reporters on the Arvin units in his area. The briefing was standard: the officer patiently and politely went through his line about better leadership, better motivation, better morale. But the area is close to Saigon and most reporters have friends there; they listened in obvious disbelief. After the officer finished his briefing and was moving toward the door, one veteran reporter caught him, and asked what could really be done to shape Arvin up. "Fire all three goddamn division commanders and two-thirds of the regimental commanders," he said, and walked out the door.

Yet there are some here who claim that we have one last chance in Vietnam. The history of Vietnam in recent years has been littered with last chances. One follows another faithfully. But, say men whose judgment I have respected in the past, this is another: we have all the material and we have just had an election, and perhaps now all the mistakes can be corrected. President Thieu will have the power he lacked before and we can get him to do these things which all his predecessors have failed to do. Thieu can use power; he can crush the little warlords.

Perhaps so, but one senses in Thieu a clever operator who will play it close to his vest. His ability to perform these late miracles is questionable. Give him six months, one very high American says. But what is it going to be at the end of it? Something dramatic—or just more statistics and briefings?

There are a few good things happening, friends of mine in our Mission say. At this writing, the National Assembly elections are stirring feelings never stirred here before. They are touching basic regional and factional feelings in this pluralistic society—and for the first time giving people a sense of representation in the government. These developments are certainly to be encouraged, for they might be the one thing which could save us in a political showdown with the Communists. But, otherwise, they amount to a very small plus in a very tired country.

They say also that there are changes within the Mission; the real dissenters are getting a better hearing in Mission councils than ever before. Yet there is little in what the Mission says, or thinks to support this hope. I fear for the dissenters in the months ahead as the pressure for results intensifies; for that kind of pressure does not want to hear dissent of complicated answers. It wants reams of prepared statistical documents, and it most surely will get them.

VIII

And the alternate solutions?

Putting American and Vietnamese troops together into joint units, thereby improving the morale of the Vietnamese—where tried so far is this country it has worked. . . . Giving the Americans complete command of Vietnamese forces, and giving them good American leadership. . . . forgetting about the Vietnamese and bringing out one million more American troops and do the job right.

But instead I have a sense that we are once again coming to a dead end in Indochina. We have in the past narrowly staved off defeat several times in the South. In 1954 at Geneva, in 1956 with Diem, in 1961 with the Taylor report and the beginning of the American buildup, in 1965 with the commitment of American combat troops. Each time we have averted defeat and grabbed victory out of the hands of Hanoi, but in doing it, we have always been forced to up the price of the game, we have increased the stakes, so that now we stand with the present frustrating situation, neither victory nor defeat, a half-million troops, a heavy bombing program, with the military wanting more troops and more bombing. Yet meanwhile we are more aware than ever of the frustrations of that particular war and of the strains that a commitment of half a million men places on our own society at home.

Or perhaps all the very best critics, such as the late Bernard Fall, will be proven wrong: you can gain a military victory without any decent political basis. You can simply grind out a terribly punishing war, year after year, using that immense American firepower, crushing the enemy and a good deal of the population, until finally there has been so much death and destruction that the enemy will stumble out of the forest, as stunned and numb as the rest of the Vietnamese people.

What would become of the country in this case I do not know. It could happen, but I doubt it. For though the highest Americans here have talked in terms of victory through a war of punishment and attrition, I have my doubts that we can win in a war of attrition. Attrition, after all, is not just a physical thing. It is a psychological state as well, and I wonder if they will fold first. Rather, the war is to them an immediate thing; it is their highest priority, their most important commitment like the Israelis viewing the Arabs; they see it in terms of *survival*, while we are far away. We have our other fronts, other commitments, other priorities. We talk about this as a war of our national security, but we treat it as a war of luxury. Nothing shows this more than the casual way the war has been reported from Saigon to Washington, the willingness to pass on gentle fallacies instead of hard and cold truths. The general who tried to have Earl Young removed would, I am sure, give a very accurate report to Washington if the Vietcong were moving north from San Diego.

Perhaps. Perhaps. I do not think we are winning, and the reasons seem to me to be so basic that while I would like to believe my friends that there is a last chance opening up again in Vietnam, it seems to me a frail hope indeed. I do not think we are winning in any true sense, nor do I see any signs we are about to win. That is why this is such a sad story to write, for I share that special affection for the Vietnamese, and I would like to write that though the price is heavy, it is worth it. I do not think our Vietnamese can win their half of the war, nor do I think we can win it for them. I think finally we will end up lowering our sights, encouraging our Vietnamese to talk to their Vietnamese, hoping somehow they can settle what we cannot. That is what this country longs for right now, and it may well be that even if we stay here another five years, it is all we will end up with anyway.

INTERNATIONAL TREATY VIOLATIONS

Mr. FULBRIGHT. Mr. President, the recent remarks by former Secretary of State Dean Acheson dismissing the usefulness of negotiations in Vietnam illustrate the reluctance on the part of some to discuss more fully the history of East-West relations since 1945. We are all well aware of the lack of good faith which characterized the Soviet position at Potsdam in 1945, Moscow in 1947, and London in 1948. Mr. Acheson played a vital and constructive role as a negotiating official for the West during these crucial years following World War II. The prosperity of Europe is due, in part, to his insistence that the U.S.S.R. was not to dictate the terms by which Western Europe was to exist.

However, this is not the whole story. The long negotiations which preceded the Austrian Peace Treaty of 1955 laid the groundwork for a most successful arrangement for that country. That same year, the Soviets, in good faith, returned the Porkkana Peninsula to Finland.

The matter of international treaty violation was reviewed most carefully when the Committee on Foreign Relations was considering the Nuclear Test Ban Treaty in August 1963. A list of treaties to which the Soviet Union has adhered was provided at that time. It suggests that negotiations with the Communists are not always as hopeless as the former Secretary suggests. I ask unanimous consent to have this list printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. FULBRIGHT. So the record of Communist observance of international promises is mixed, and in Southeast Asia, violations have been committed by both sides. The United States shares responsibility for the manner in which diplomacy has been conducted in that region of the world. If we are to have a constructive impact in Southeast Asia, our diplomatic efforts must be guided by the same principles and constraints which characterized our postwar efforts in Europe. Since this evidently cannot be done within the framework of existing accords, then new negotiations should be called for.

Mr. Acheson knows better than anyone else the results of skilled diplomacy. Peace and prosperity came to Europe because military conflict was avoided. The tragedy of Vietnam is that honest diplomacy has never been attempted.

Exhibit 1

[From the Department of State,
Aug. 22, 1963]

Treaties Which the Soviet Union Has Observed Satisfactorily

Austrian State Treaty.

Antarctic Treaty.

Statute of International Atomic Energy Agency.

State Treaty for the Reestablishment of an Independent and Democratic Austria.

Convention on Road Traffic.

Customs Convention on the Temporary Importation of Private Road Vehicles.

Convention for the Unification of Certain Rules Relating to International Transportation by Air.

Constitution of UNESCO.

International Convention for the Northwest Atlantic Fisheries.

Instrument for the Amendment of the Constitution of the International Labor Organization.

Convention for the Unification of Certain Rules With Respect to Assistance and Salvage at Sea.

Convention on the Intergovernmental Maritime Organization.

Convention on Safety of Life at Sea.

Regulations for Preventing Collisions at Sea.

Convention of the World Meteorological Organization.

Universal Postal Convention.

Agreement for the Suppression of the Circulation of Obscene Publications.

Interim Convention on Conservation of North Pacific Fur Seals.

International Sugar Agreement.

International Telecommunication Convention.

Convention Amending the Convention Relating to Weights and Measures.

Agreement on Cooperation in Exchanges in the Fields of Science, Technology, Education and Culture in 1960–61.

Agreement on Cooperation in Exchanges in the Fields of Science, Technology, Education, and Culture in 1962–63.

Agreement Relating to the Exchange of Medical Films.

Memorandum for Cooperation in the Field of the Utilization of Atomic Energy for Peaceful Purposes.

Agreement Relating to the Reciprocal Waiver of Visa Fees to Nonimmigrants.

Agreement on the Organization of Commercial Radio Teletype Communications Channels.

THE WAR AND ITS EFFECTS—II

Mr. FULBRIGHT. Mr. President, today I resume my comments on the Vietnamese war and its far-ranging effects. In the first half of my statement I questioned the assumption on which the American war policy is based and suggested what seem to me to be the principal causes of the deep and widening division among the American people. Today I shall point to some of the destructive effects of the war upon our domestic life—to the growing militarization of the economy and the universities, to the deepening crisis of poverty and race, and to the underlying question of America's concept of herself, either as a traditional world empire as we seem to be becoming, or as an example of creative democracy, as we have traditionally regarded ourselves.

1. THE MILITARY-INDUSTRIAL-ACADEMIC COMPLEX

While young dissenters plead for resurrection of the American promise, their elders continue to subvert it. As if it were something to be very proud of, it was announced not long ago that the war in Vietnam had created a million new jobs in the United States. Our country is becoming conditioned to permanent conflict. More and more our economy, our Government, and our universities are adapting themselves to the requirements of continuing war—total war, limited war, and cold war. The struggle against militarism into which we were drawn 26 years ago has become permanent, and for the sake of conducting it, we are making ourselves into a militarized society.

I do not think the military-industrial complex is the conspiratorial invention of a band of "merchants of death." One almost wishes that it were, because conspiracies can be exposed and dealt with. But the components of the new American militarism are too diverse, independent, and complex for it to be the product of a centrally directed conspiracy. It is rather the inevitable result of the creation of a huge, permanent military establishment, whose needs have given rise to a vast private defense industry tied to the Armed Forces by a natural bond of common interest. As the largest producer of goods and services in the United States, the industries and businesses that fill military orders will in the coming fiscal year pour some $45 billion into over 5,000 cities and towns where over 8 million Americans, counting members of the Armed Forces, comprising approximately 10 percent of the labor force, will earn their living from defense spending. Together all these industries and employees, drawing their income from the $75 billion defense budget, form a giant concentration of socialism in our otherwise free enterprise economy.

Unplanned though it was, this complex has become a major political force. It is the result rather than the cause of American military involvements around the world; but, composed as it is of a vast number of citizens—not tycoons or "merchants of death" but ordinary, good American citizens—whose livelihood depends on defense production, the military industrial complex has become an indirect force for the perpetuation of our global military commitments. This is not—and I emphasize "not"—because anyone favors war but because every one of us has a natural and proper desire to preserve the sources of his livelihood. For the defense worker this means preserving or obtaining some local factory or installation and obtaining new defense orders; for the labor union leader it means jobs for his members at abnormally high wages; for the politician it means preserving the good will of his constituents by helping them to get what they want. Every time a new program, such as Mr. McNamara's $5 billion "thin" antiballistic missile system, is introduced, a powerful new constituency is created—a constituency that will strive mightily to protect the new program and, in the case of the ABM, turn the "thin" system into a "thick" one, a movement already underway according to reports in the press. The constituency-building process is further advanced by the perspicacity of Defense officials and contractors in locating installations and plants in the districts of influential key Members of Congress.

In this natural way generals, industrialists, businessmen, labor leaders, workers, and politicians have joined together in a military-industrial complex—a complex which, for all the inadvertency of its creation and the innocent intentions of its participants, has nonetheless become a powerful new force for the perpetuation of foreign military commitments, for the introduction and expansion of expensive weapons systems, and, as a result, for the militarization of large segments of our national life. Most interest groups are counterbalanced by other interest groups, but the defense complex is so much larger than any other that there is no effective counterweight to it except concern as to its impact on the part of some of our citizens and a few of our leaders, none of whom have material incentive to offer.

The universities might have formed an effective counterweight to the military-industrial complex by strengthening their emphasis on the traditional values of our democracy, but many of our leading universities have instead joined the monolith, adding greatly to its power and influence. Disappointing though it is, the adherence of the professors is not greatly surprising. No less than businessmen, workers, and politicians, professors like money and influence. Having traditionally been deprived of both, they have welcomed the contracts and consultantships offered by the Military Establishment.

The great majority of American professors are still teaching students and engaging in scholarly research, but some of the most famous of our academicians have set such activities aside in order to serve their government, especially those parts of the government which are primarily concerned with war.

The bonds between the Government and the universities are no more the results of a conspiracy than those between Government and business. They are an arrangement of convenience, providing the Government with politically usable knowledge and the universities with badly needed funds. Most of these funds go to large institutions which need them less than some smaller and less well-known ones, but they do on the whole make a contribution to higher learning, a contribution, however, which is purchased at a high price.

That price is the surrender of independence, the neglect of teaching, and the distortion of scholarship. A university which has become accustomed to the inflow of government contract funds is likely to emphasize activities which will attract those funds. These, unfortunately, do not include teaching undergraduates and the kind of scholarship which, though it may contribute to the sum of human knowledge and to man's understanding of himself, is not salable to the Defense Department or the CIA. As Clark Kerr, former president of the University of California, expressed it:

> The real problem is not one of Federal control but of Federal influence. A Federal agency offers a project. The university need not accept, but as a practical matter, it usually does. . . . Out of this reality have followed many of the consequences of Federal aid for the universities; and they have been substantial. That they are subtle, slowly cumulative and gentlemanly makes them all the more potent.[1]

From what one hears the process of acquiring Government contracts is not always passive and gentlemanly.

> One of the dismal sights in American higher education—

Writes Robert M. Rosenzweig, associate dean of the Stanford University graduate division—

> is that of administrators scrambling for contracts for work which does not emerge from the research or teaching interests of their faculty. The result of this unseemly enterprise is bound to be a faculty coerced or seduced into secondary lines of interest, or a frantic effort to secure nonfaculty personnel to meet the contractual obligations. Among the most puzzling aspects of such arrangements is the fact that Government agencies have permitted and even encouraged them. Not only are they harmful to the universities—which is not, of course, the Government's prime concern—but they insure that the Government will not get what it is presumably buying; namely, the intellectual and technical resources of the academic community. It is simply a bad bargain all the way around.[2]

Commenting on these tendencies, a special report on government, the universities and international affairs, prepared for the U.S. Advisory Commission on International Educational and Cultural Affairs, points out that—

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[1] Clark Kerr, *The Uses of the University*, (Cambridge: Harvard University Press, 1964), pp. 57–58.

[2] Quoted in: Walter Adams and Adrian Jaffe, *Government, The Universities, and International Affairs: A Crisis in Identity*, Special Report Prepared for the U.S. Advisory Commission on International Educational and Cultural Affairs, 90th Congress, 1st Session, House Document No. 120 (Washington: U.S. Government Printing Office, 1967), pp. 5–6.

> The eagerness of university administrations to undertake stylized, Government-financed projects has caused a decline in self-generated commitments to scholarly pursuits, has produced baneful effects on the academic mission of our universities, and has, in addition, brought forward some bitter complaints from the disappointed clients.[3]

Among the baneful effects of the Government-university contract system the most damaging and corrupting are the neglect of the university's most important purpose, which is the education of its students, and the taking into the Government camp of scholars, especially those in the social sciences, who ought to be acting as responsible and independent critics of their Government's policies. The corrupting process is a subtle one: no one needs to censor, threaten, or give orders to contract scholars; without a word of warning or advice being uttered, it is simply understood that lucrative contracts are awarded not to those who question their Government's policies but to those who provide the Government with the tools and techniques it desires. The effect, in the words of the report to the Advisory Commission on International Education, is—

> To suggest the possibility to a world—never adverse to prejudice—that academic honesty is no less marketable than a box of detergent on the grocery shelf.[4]

The formation of a military-industrial complex, for all its baneful consequences, is the result of great numbers of people engaging in more or less normal commercial activities. The adherence of the universities, though no more the result of a plan or conspiracy, nonetheless involves something else: the neglect and, if carried far enough the betrayal, of the university's fundamental reason for existence, which is the advancement of man's search for truth and happiness. It is for this purpose, and this purpose alone, that universities receive—and should receive—the community's support in the form of grants, loans and tax exemptions.

When the university turns away from its central purpose and makes itself an appendage to the Government, concerning itself with techniques rather than purposes, with expedients rather than ideals, dispensing conventional orthodoxy rather than new ideas, it is not only failing to meet its responsibilities to its students; it is betraying a public trust.

This betrayal is most keenly felt by the students, partly because it is they who are being denied the services of those who ought to be their teachers, they to whom knowledge is being dispensed wholesale in cavernous lecture halls, they who must wait weeks for brief audiences with important professors whose time is taken up by travel and research connected with Government contracts. For all these reasons the students feel themselves betrayed, but it is doubtful that any of these is the basic cause of the angry rebellions which have broken out on so many campuses.

It seems more likely that the basic cause of the great trouble in our universities is the student's discovery of corruption in the one place, besides perhaps the churches, which might have been supposed to be immune from the corruptions of our age. Having seen their country's traditional values degraded in the effort to attribute moral purpose to an immoral war, having seen their country's leaders caught in inconsistencies which are politely referred to as a "credibility gap," they now see their universities—the last citadels of moral and intellectual integrity—lending themselves to ulterior and expedient ends, and betraying their own fundamental purpose, which, in James Bryce's words, is to "reflect the spirit of the times without yielding to it."

2. POVERTY IN AMERICA

Students are not the only angry people in America, nor the only people with cause for anger. There is also the anger of the American poor, black and white, rural and urban. These are the dispossessed and neglected children of the affluent society, the 32 million Americans whose hopes were briefly raised by the proclamation of a war on poverty, only to be sacrificed to the supervening requirements of the war on Asian communism, or, more exactly, to the executive preoccupation and congressional parsimony induced by that war.

In our preoccupation with foreign wars and crises we have scarcely noticed the revolution wrought by undirected change here at home. Since World War II our population has grown by 59 million; a mass migration from country to city has crowded over 70 percent of our population onto scarcely more than 1 percent of our land; vast numbers of rural Negroes from the South have filled the slums of northern cities while affluent white families have fled to shapeless new suburbs, leaving the cities physically deteriorating and financially destitute, and creating a new and socially destructive form of racial isolation combined with degrading poverty. Poverty, which is a tragedy in a poor country, blights our affluent society with something more than tragedy; being unnecessary, it is deeply immoral as well.

Distinct though it is in cause and character, the Negro rebellion is also part of the broader crisis of American poverty, and it is unlikely that social justice for Negroes can be won except as part of a broad program of education, housing and employment for all of our poor, for all of the great "underclass" of whom Negroes comprise no more than one-fourth or one-third. It is essential that the problem of poverty be dealt with as a whole, not only because the material needs of the white and colored poor are the same—better schools, better homes and better job opportunities—but because alleviating poverty in general is also the best way to alleviate racial hostility.

It is not the affluent and educated who account for the "backlash" but the poorer white people, who perceive in the Negro rights movement a threat to their jobs and homes and—probably more important—a threat to their own meager sense of social status.

There is nothing edifying about poverty. It is morally as well as physically degrading. It does not make men brothers. It sets them against each other in competition for jobs and homes and status. It leaves its mark on a man and its mark is not pretty. Poverty constricts and distorts, condemning its victims to an endless, anxious struggle for physical necessities. That struggle in turn robs a man of his distinctly human capacities—the capacity to think and create, the capacity to seek and savor the meaning of things, the capacity to feel sympathy and friendliness for his fellow man.

If we are to overcome poverty and its evil byproducts, we shall have to deal with them as human rather than as racial or regional problems. For practical as well as moral reasons, we shall have to have compassion for those who are a little above the bottom as well as for those who are at the bottom. We shall have to have some understanding of the white tenant farmer as well as the Negro farm laborer, of the urban white immigrant workingman as well as the Negro slum dweller. It would even benefit us to acquire some understanding—not approval, just understanding—of each other's group and regional prejudices.

If the racial crisis of recent years has proven anything, it is that none of us, Northerner or Southerner, has much to be proud of, that our failures have been national failures, that our problems are problems of a whole society, and so, as well, must be their solutions.

All these problems—of poverty and race, jobs and schools—have come to focus in the great cities, which, physically, mentally, and esthetically, are rapidly becoming unfit for human habitation. As now taking shape, the cities and suburbs are the product of technology run rampant, without effective political direction, without regard to social and long-term economic cost. They have been given their appearance by private developers, builders and entrepreneurs, seeking, as they will, their own short-term profit.

Rivers and bays are polluted and the air is filled with the fumes of the millions of cars which choke the roads. Recreation facilities and places of green and quiet are pitifully inadequate and there is no escape from crowds and noise, both of which are damaging to mental health.

At the heart of the problem is the absence of sufficient funds and political authority strong enough to control the anarchy of private interest and to act for the benefit of the community. Despite the efforts of some dedicated mayors and students of urban problems, the tide of deterioration is not being withstood and the cities are sliding deeper into disorganization and demoralization.

The larger cities have grown beyond human scale and organizing capacity. No matter what is done to rehabilitate New York and Chicago, they will never be places of green and quiet and serenity, nor is there much chance that these can even be made tolerably accessible to the millions who spend their lives enclosed in concrete and steel. Ugly and inhuman though they are, the great urban complexes remain nonetheless a magnet for Negroes from the South and whites from Appalachia. Crowding the fetid slums and taxing public services, they come in search of jobs and opportunity, only to find that the jobs which are available require skills which they lack and have little prospect of acquiring.

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[3] Ibid., p. 6.

[4] Ibid., p. 8.

One wonders whether this urban migration is irreversible, whether it may not be possible to create economic opportunities in the small towns and cities where there are space and land and fresh air, where building costs are moderate and people can still live in some harmony with natural surroundings. The technology of modern agriculture may inevitably continue to reduce farm employment, but we have scarcely begun to consider the possibilities of industrial decentralization—of subsidies, tax incentives and other means—to make it possible for people to earn a living in the still human environments of small town America.

A decent life in a small town is not only very much better than slum life in a big city; it is probably cheaper too. The Secretary of Agriculture has suggested that it would be better to subsidize a rural family with $1,000 a year for 20 years than to house them in a cramped urban "dwelling unit" at a cost of $20,000. In New York or Chicago $2,500 a year of welfare money will sustain a family in destitution; in the beautiful Ozark country of Arkansas it is enough for a decent life.

Aggravating the material ills is the impersonalization of life in a crowded, urban America. Increasingly we find wherever we go—in shops and banks and the places where we work—that our names and addresses no longer identify us; the IBM machines require numbers—ZIP codes, account numbers, and order numbers. Our relevant identity in a computerized economy is statistical rather than personal. Business machines provide standard information and standard services and there are no people to provide particular information or services for our particular needs.

The governing concept, invented I believe in the Pentagon, is "cost effectiveness," which refers not to the relationship of cost to human need or satisfaction but to the relationship of cost to the computerized system. Technology has ceased to be an instrument of human ends; it has become an end in itself, unregulated by political or philosophical purpose. The toll which all this takes on the human mind can only be guessed at, but it must surely be enormous, because human needs are different from the needs of the system to which they are being subordinated. Someday the human requirements may be computerized too, but they have not, thank God, been computerized yet.

The cost of rehabilitating America will be enormous, beyond anything we have even been willing to think about. When Mayor Lindsay said that it would cost $50 billion over 10 years to make New York a fit place to live in, his statement was dismissed as fanciful, although $50 billion is less than we spend in 2 years in Vietnam. The Swedish sociologist Gunnar Myrdal has ventured the guess that it will cost trillions of dollars to rehabilitate our slums and their inhabitants.

> [T]he common idea that America is an immensely rich and affluent country—

He says—

> is very much an exaggeration. American affluence is heavily mortgaged. America carries a tremendous burden of debt to its poor people. That this debt must be paid is not only a wish of the do-gooders. Not paying it implies the risk for the social order and for democracy as we have known it.[5]

Before we can even begin to think of what needs to be done and how to do it, we have got to reevaluate our national priorities. We have got to weigh the costs and benefits of going to the moon against the costs and benefits of rehabilitating our cities. We have got to weigh the costs and benefits of the supersonic transport, which will propel a few business executives and Government officials across the Atlantic in 2 or 3 hours, against the costs and benefits of slum clearance and school construction, which would create opportunity for millions of our deprived "underclass."

We have got to weigh the benefits and consider the awesome disparity of the $904 billion we have spent on military power since World War II as against the $96 billion we have spent, out of our regular national budget, on education, health, welfare, housing, and community development.

Defining our priorities is more a matter of moral accounting than of cost accounting. The latter may help us determine what we are able to pay for, but it cannot help us to decide what we want and what we need and what we are willing to pay for. It cannot help the five-sixths of us who are affluent to decide whether we are willing to pay for programs which will create opportunity for the one-sixth who are poor; that is a matter of moral accounting.

It cannot help us to decide whether beating the Russians to the moon is more important to us than purifying our poisoned air and lakes and rivers; that, too, is a matter of moral accounting. Nor can it help us to decide whether we want to be the arbiter of the world's conflicts, the proud enforcer of a pax Americana, even though that must mean the abandonment of the Founding Fathers' idea of America as an exemplary society, and the betrayal of the idea of world peace under world law, which, as embodied in the Covenant of the League of Nations and the Charter of the United Nations, was also an American idea. These, too, are matters of moral accounting.

THE AMERICAN EXAMPLE

Rich and powerful though our country is, it is not rich or powerful enough to shape the course of world history in a constructive or desired direction solely by the impact of its power and policy. Inevitably and demonstrably, our major impact on the world is not in what we do but in what we are. For all their worldwide influence, our aid and our diplomacy are only the shadow of America; the real America—and the real American influence—are something else They are the way our people live, our tastes and games, our products and preferences, the way we treat each other, the way we govern ourselves, the ideas about man and man's relations with other men that took root and flowered in the American soil.

History testifies to this. A hundred years ago England was dominant in the world, just as America is today. Now England is no longer dominant; her great fleets have vanished from the seas and only fragments remain of the mighty British Empire. What survives? The legacy of hatred survives—hatred of the West and its arrogant imperialism, hatred of the condescension and the exploitation, hatred of the betrayal abroad of the democracy that Englishmen practiced at home. And the ideas survive—the ideas of liberty and tolerance and fair play to which Englishmen were giving meaning and reality at home while acting on different principles in the Empire. In retrospect, it seems clear that England's lasting and constructive impact on modern India, for example, springs not from the way she ruled in India but, despite that, from the way she was ruling England at the same time.

Possessed as they are of a genuine philanthropic impulse, many Americans feel that it would be selfish and exclusive, elitist and isolationist, to deny the world the potential benefits of our great wealth and power, and to restrict ourselves to a largely exemplary role.

It is true that our wealth and power can be, and sometimes are, beneficial to foreign nations, but they can also be, and often are, immensely damaging and disruptive. Experience—ours and that of others—strongly suggests that the disruptive impact predominates, that, when big nations act upon small nations, they tend to do them more harm than good. This is not necessarily for lack of good intentions; it is rather for lack of knowledge. Most men simply do not know what is best for other men, and when they pretend to know or genuinely try to find out, they usually end up taking what they believe to be best for themselves as that which is best for others.

Conceding this regrettable trait of human nature, we practice democracy among ourselves, restricting the freedom of individuals to impose their wills upon other individuals, restricting the state as well, and channeling such coercion as is socially necessary through community institutions. We do not restrict the scope of Government because we wish to deny individuals the benefits of its wealth and power; we restrict our Government because we wish to protect individuals from its capacity for tyranny.

If it is wisdom to restrict the power of men over men within our society, is it not wisdom to do the same in our foreign relations? If we cannot count on the benevolence of an all-powerful Government toward its own people, whose needs and characteristics it knows something about and toward whom it is surely well disposed, how can we count on the benevolence of an all-powerful America toward peoples of whom we know very little? Clearly, we cannot, and, until such time as we are willing to offer our help through community institutions such as the United Nations and the World Bank, I think that, in limiting our commitments to small nations, we are doing more to spare them disruption than we are to deny them benefits.

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[5] Gunnar Myrdal, "The Necessity and Difficulty of Planning the Future Society," Address to the National Consultation on the Future Environment of a Democracy: The Next Fifty Years, 1967–2017, called by the American Institute of Planners, Washington, D.C., October 3, 1967, p. 15.

Mr. President, I might add that it has struck me as rather inconsistent that some of my friends who are most devoted to the rights of the States in domestic affairs are, at the same time, very determined to project our Nation's power into the affairs of peoples abroad.

Wisdom consists as much in knowing what you cannot do as in knowing what you can do. If we knew and were able to acknowledge the limits of our own capacity, we would be likely, more often than we do, to let nature take its course in one place and another, not because it is sure or even likely to take a good course but because, whatever nature's course may be, tampering with it in ignorance will almost surely make it worse.

We used, in the old days, to have this kind of wisdom and we also knew, almost instinctively, that what we made of ourselves and of our own society was far more likely to have a lasting and beneficial impact on the world than anything we might do in our foreign relations. We were content, as they say, to let conduct serve as an unspoken sermon. We knew that it was the freedom and seemingly unlimited opportunity, the energy and marvelous creativity of our diverse population, rather than the romantic nonsense of "manifest destiny," that made the name of America a symbol of hope to people all over the world.

We knew these things until events beyond our control carried us irrevocably into the world and its fearful problems. We recognized thereupon, as we had to, that some of our traditional ideas would no longer serve us, that we could no longer, for example, regard our power as something outside of the scales of the world balance of power, and that, therefore, we could no longer remain neutral from the major conflicts of the major nations.

But, as so often happens when ideas are being revised, we threw out some valid ideas with the obsolete ones. Recognizing that we could not help but be involved in many of the world's crises, we came to suppose that we had to be involved in every crisis that came along; and so we began to lose the understanding of our own limitations

Recognizing that we could not help but maintain an active foreign policy, we came to suppose that whatever we hoped to accomplish in the world would be accomplished by acts of foreign policy, and. this—as we thought—being true, that foreign policy must without exception be given precedence over domestic needs; and so we began to lose our historical understanding of the power of the American example.

The loss is manifest in Vietnam. There at last we have embraced the ideas that are so alien to our experience—the idea that our wisdom is as great as our power, and the idea that our lasting impact on the world can be determined by the way we fight a war rather than by the way we run our country. These are the principal and most ominous effects of the war—the betrayal of ideas which have served America well, and the great moral crisis which that betrayal has set loose among our people and their leaders.

The crisis will not soon be resolved, nor can its outcome be predicted. It may culminate, as I hope it will, in a reassertion of the traditional values, in a renewed awareness of the creative power of the American example. Or it may culminate in our becoming an empire of the traditional kind, ordained to rule for a time over an empty system of power and then to fade or fall, leaving, like its predecessors, a legacy of dust.

Mr. GORE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. GORE. I have followed with the greatest interest and with close attention and appreciation the very eloquent and provocative address which the able Senator has just concluded.

The Senator has approached not only one problem, but several though many of our problems today seem to stem from war. From a philosophical standpoint, the Senator's address merits the consideration not only of all Senators, but all citizens of learning and responsibility throughout America. It is one of the ablest treatises I have heard in a long time. I sincerely and wholeheartedly congratulate the junior Senator from Arkansas.

Mr. FULBRIGHT. I appreciate very much the comments of the Senator from Tennessee. As one of the senior members of the Committee on Foreign Relations, he has followed our hearings and the studies on these matters as closely as anyone in the Senate. I value his words and comments about these remarks very highly indeed, and deeply appreciate his attention.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. FULBRIGHT. I yield.

Mr. GORE. On a somewhat unrelated matter, now that the Committee on Foreign Relations will be having an executive session tomorrow with the Under Secretary of State on possible efforts at conferences between and related to developments with respect to the U.S. Government and the National Liberation Front, and other related matters, about which, as the Senator knows, there has been a good deal of publicity recently, I remind the Senator that last year I suggested to him that one subject of possibly fruitful inquiry of an informative and educational nature would be a committee hearing in the nature of an inquiry, not an investigation but a study, if we could find scholars learned in the field, as to the nature of the National Liberation Front and the Vietcong organization, its infrastructure, to what extent it is a government, and by what means that government or quasi-governmental organization exercises its influence and control.

There must be something extremely tenacious about it; there must be some binding element, some methods of discipline and order. If, as Ambassador Goldberg has indicated, there is a willingness to do, their representatives may be invited, or possibly to be invited, to come to the United Nations, I suggest to the Senator again that if scholars and authorities in this field can be obtained, it might be a subject of fruitful and informative inquiry.

Mr. FULBRIGHT. I appreciate very much the suggestion of the Senator. I would be very much interested in such an educational hearing. We have had very little in this field, and I think there ought to be considerable interest. I have read books about the subject by scholars, but we have never really had a hearing directed at this matter.

Speaking personally, I intend to suggest to the committee that we have some educational hearings during the coming year. I think they are more needed than ever, inasmuch as the Secretary of State has declined to discuss our policy in public; and therefore, I think the committee is under even heavier obligation and responsibility to hold hearings and try to develop, as best we can, what our policies ought to be.

To do that, we surely ought to know the nature of our enemies, especially the Vietcong. I think the Senator from Tennessee has made a very good suggestion, and I personally will support it.

COMMITTEE MEETING DURING SENATE SESSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Subcommittee on Migratory Labor of the Committee on Labor and Public Welfare be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE UNIVERSAL MILITARY TRAINING AND SERVICE ACT

Mr. KENNEDY of Massachusetts. Mr. President, I introduce for appropriate reference a bill to amend the Universal Military Training and Service Act, as amended.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2773) to amend the Universal Military Training and Service Act, introduced by Mr. KENNEDY of Massachusetts (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Armed Services.

Mr. KENNEDY of Massachusetts. Once again I am compelled to take the floor of the Senate to discuss our draft laws. I do so with a growing uneasiness over the basic health of the laws themselves and over their administration.

I believe we face a crisis of confidence in our draft laws. There is, I fear, a rising swell of dissatisfaction across the Nation with the way these laws operate—with their unfairness, their uncertainty, and their unpredictability.

The events of recent days have only served to compound this dissatisfaction and confusion. Let me summarize them very briefly.

On October 26, Selective Service Director, Gen. Lewis B. Hershey, issued a directive to the nearly 4,100 local draft boards in the country urging them to use the threat of accelerated induction as a means of reducing antidraft protests at induction centers. When it was made public, the insistent clamor which arose from among educators, Government officials, and private citizens indicated how seriously the country viewed this directive.

In an apparent effort to clarify the disturbing constitutional issue raised by this directive, Attorney General Ramsey Clark and General Hershey on Saturday, December 9, issued a joint statement. This statement said in part that "lawful protest activities, whether directed to the draft or other national issues, do not subject registrants to acceleration or any other special administrative action by the Selective Service System." This would seem to have settled all but one of the issues: Could draft boards judge which activities are lawful? Are the local draft boards to be prosecutor, judge, and jury?

But even this partial clarification was soon muddied. General Hershey indicated, after release of the joint statement, that he continued to believe that anyone interfering illegally with draft procedures could be reclassified and subject to immediate induction. This appears to be in direct contravention to the December 9 joint statement. It also raises the specter of the draft being used as punishment, rather than as a means of raising an armed force.

Then Monday, December 11, the Attorney General and General Hershey met to discuss further the implications of the joint statement. After the meeting, General Hershey reiterated his belief that the October 26 directive meant what he had said it did all along—that the draft can be used as punishment.

Let me just ask at this point: What, exactly, is the policy of the U.S. Government with respect to the draft? If we in the Congress cannot determine what it is, then how can the 4,100 local boards know? How can the millions of draft age young men? How can their families?

For those of us who have long been concerned with the operation of our draft laws, this action is ominously like a similar action in 1965, which reveals the dangerous waters we are entering. Then, a number of college students staged a sit-in at the Ann Arbor, Mich., draft board. The students were subsequently stripped of their II–S deferments and reclassified as eligible for immediate induction. A number of voices were raised in Congress against this action, most notably by Senator PHILIP HART, of Michigan. His warnings that these reclassifications were unconstitutional have been amply borne out in subsequent court decisions. But these warnings were not heeded in 1965, and they had their intended effect—to scare potential and peaceful demonstrators away from draft boards, using induction as a threat.

Demonstrations are not the only case in which the Selective Service System views the draft as an instrument of coercion. In June 1965, the Selective Service issued an orientation paper to its local board members. This paper discussed the "channeling" of students and job applicants into "desirable" activities—those activities deferrable because they are deemed to be in the national interest. This paper said, in part, that:

> The club of induction has been used to drive out of areas considered to be less important to the areas of greater importance in which deferments were given, the individuals who did not or could not participate in activities which were considered essential to the defense of the nation.

That is, I think, an incredible statement. Yet it guided the 6,500 members of the local draft boards in their classification decisions until a short time ago, when, after considerable pressure, it was withdrawn.

Let me cite another related area of our draft law's administration. On August 30, 1966, Barry S. Thompson, formerly of Andover, Mass., was declared delinquent for having failed to report for induction, and was ordered inducted. Mr. Thompson, now living in California, appealed the local board's ruling. Last week, Chief Judge Charles E. Wyzanski of the U.S. District Court in Boston ordered a directed verdict for Mr. Thompson, on the basis of the due process clause of the Constitution. Mr. Thompson, it turns out, was not given a chance to appear before the local draft board when his case was reviewed and he was ordered inducted. Judge Wyzanski argued very simply that the due process clause of the Constitution requires that a person be offered the opportunity to be heard with respect to an order affecting him.

This case is illustrative of the haphazard treatment given constitutional guarantees by the Selective Service regulation. It gives some idea of the mischief possible when draft boards are judge and jury for what actions are lawful and what are not. The specter of similar cases is raised by the October 26 directive, which is, to all intents and purposes, still fully operative.

There are large problems all through the draft law. I mentioned some when I spoke in the Senate last Thursday, December 7. I mentioned many others when I urged the Senate, last June 12 and June 14, to reject the 1967 amendments to the draft law because they were a step backward. These problems are the reason I will, next session, introduce legislation to work a comprehensive revision of the draft laws.

But we are faced, today, with a problem which cannot wait. This is the problem of whether the United States will treat the draft as a tool to frighten potential antidraft or antiwar demonstrators.

I have sought clarification from the administration on this. I know that Senator HART and Representative JOHN MOSS have done likewise. To date, we have had no satisfaction.

It is very late in this session of Congress. Some would argue that it is futile to introduce legislation at this late date. But I am, today, introducing a very simple bill. It would state that our draft laws should not be used as a punishment for either legal or illegal protest activities. If the activity is illegal, as determined by the courts, then there are penalties prescribed in the draft and other laws, and the activity would not be a basis for reclassification. If the activity is legal, then there would also be no basis for reclassification or acceleration of induction.

While we may not get action this session on this bill, we must push for early action next year. We simply cannot tolerate the existing situation.

The draft has become a corrosive and divisive element in our society. Three universities—Columbia, Amherst, and George Washington—have banned recruiting from the campuses pending clarification of the October 26 directive. Graduate schools are divided on whether certain fields of graduate study should be deferred, while others are not deferred. Undergraduate colleges are concerned about the different draft treatment accorded different types of colleges. Labor unions are deeply upset, with the discrimination against apprentices.

I think Kingman Brewster, president of Yale and a member of the National Advisory Committee on Selective Service, summed up very well the public sentiment on one of these corrosive and divisive elements—the use of the draft as punishment. He said:

> I think it destroys the whole notion of military service being a privilege and an obligation and not a punishment. I think it bypasses all the normal administrative protections of the process of law. And I think it acts as a real damper on free discussion and dissent. So, for all three reasons, it seems to me an absolutely outrageous usurpation of power by General Hershey.

We must act forthrightly if we are to bring fairness to a system which bears down hard on the lives of all our young people. Today's system is unfair. It is a disgrace to our democracy.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KENNEDY of Massachusetts. I am glad to yield to the Senator from New York.

Mr. JAVITS. Mr. President, I gather the Senator is talking about this idea of General Hershey that we have to draft protestors.

Mr. KENNEDY of Massachusetts. The Senator is correct.

Mr. JAVITS. Mr. President, I use this occasion, as I have before, to express my stand as being side by side with that of the distinguished Senator from Massachusetts.

Our laws are based upon the concept that a man will be treated the way he must be treated under the law which is applicable at a given time. Our laws are not punitive. We have no ex post facto laws.

We do not use one law to punish a person because he did something else, and certainly not to punish him because we do not like what he did. I simply cannot understand why this has not aroused greater protest in the country.

I am pleased that the Senator has

repeated this view, and I am honored to stand with him in respect of it.

Mr. KENNEDY of Massachusetts. I appreciate the comments of the Senator from New York.

As I understand it, we are involved in a rather anomalous situation currently, in which the Justice Department has indicated to General Hershey its opinion as to the appropriate administrative procedures to be followed in order to protect every individual's right of due process, as well as his right of free speech. Yet, there are a number of cases instituted in the Federal courts, some 26 to date, in which the Justice Department, which disagrees with the Selective Service System, will be called upon to defend the System in the various court suits. This is certainly a situation which could lead to great distress.

Mr. JAVITS. Mr. President, will the Senator yield with respect to that point?

Mr. KENNEDY of Massachusetts. I yield.

Mr. JAVITS. What the Senator has said seems to indicate to me some confusion in the house of the President, if that should be so. Does not the Senator feel, without being partisan about it—without partisanship on his part or on my part—that this is something which is anomalous and that it is susceptible to the Executive's control over two great departments of Government on an issue of policy guidelines, and so forth?

Mr. KENNEDY of Massachusetts. As I have said, I believe that we felt the December 9 memorandum issued by the Department of Justice and General Hershey was going to be a clarification of this situation. If Selective Service had followed the interpretation made by the Department of Justice, it would have provided at least some respect for the rights of individuals.

Now, with the attitude of General Hershey, as respects one provision of the entire statement—the savings clause, which controverts the rest of the statement—I believe we are in a preposterous situation. General Hershey has, using this savings clause, gone right back to his October 26 letter.

As the Senator from New York has mentioned, when we do not have a single policy within our Government, how can we expect any of the young people to understand exactly what the implications of their actions will be? Clearly, this is something we must adjust.

Mr. JAVITS. The President is the man to do it, and we might just as well say so and have it understood.

I thank my colleague for yielding to me.

Mr. KENNEDY of Massachusetts. Mr. President, I shall write General Hershey today and request that he supply me with a list of the men who have been reclassified under his October 26 letter. This would give us some idea, in that we would be able to examine the circumstances of the particular young people who have been reclassified. We can then see exactly what the implications of that letter are. I believe this will be extremely helpful, and I shall make the information available to Members of the Senate.

Mr. President, I should like to explain briefly what my bill would do. The bill reads:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Universal Military Training and Service Act is amended by adding at the end of subsection 5(a) the following new subparagraph:
>
> "(3) For the purposes of regulations issued under this subsection, a delinquent is a person required to be registered under this Act who fails to perform or who violates any duty, with respect to his own status, required of him under the provisions of this Act and the regulations issued thereunder."

Let me explain briefly what my bill would do, and how it would do it.

It is an amendment to the Universal Military Training and Service Act, our basic draft law.

It would incorporate into the language of that act a definition of the term "delinquent," because the regulations issued under the terms of the act permit an accelerated induction for registrants classified delinquent. Only once is the word "delinquent" mentioned in the act itself, and only then in the 1967 amendments. In those amendments, in a statement of the order of induction, the law now declares:

> The term "prime age group" means the age group which has been designated by the President as the age group from which selections for induction into the Armed Forces are first to be made after delinquents and volunteers.

Thus, the 1967 amendments gave explicit statutory sanction to a practice long spelled out in the regulations and sanctioned by the courts—that delinquents are subject to an accelerated induction procedure.

My amendment would define "delinquent" in the statute. It would restrict the use of the term delinquent to those individuals who failed to perform or who violated any duty imposed on them by either the Selective Service Act or the regulations issued under its authority, insofar as the failure or violation related to the individuals' own status.

Acceptance of this amendment would clear up the present confusion concerning our Government's position. On the one hand, the Attorney General and the court say that a delinquent is one "who violates any duty affecting his own status." On the other hand, the Selective Service System says that anyone who interferes with military recruiting or the draft process by taking part in an "illegal activity" should be declared delinquent.

This is not mere semantics. Delinquents are drafted first, ahead of any other group.

No one can condone illegal or irresponsible protests, whether against the draft or the war. There are laws which declare certain activities illegal, and also provide sanctions for the illegal acts. Section 12 of the selective service laws is just such a provision.

But we cannot permit the draft laws to be used as a club to forestall the free exercise of constitutional rights. My amendment would ensure that the draft laws retain their original and primary purpose—to raise an armed force. They could not be used to fill a role both declared unconstitutional by the courts and unintended by the framers of the laws.

Let me illustrate how this amendment would operate. A registrant is required to carry his registration certificate, or draft card, with him at all times. Failure to do so, according to the regulations, is "prima facie of this failure to register." This is the type of duty imposed by the Selective Service laws or regulations relating to an individual's own status, to which the amendment refers.

But there are many other activities related to the draft which do not involve an individual's own draft status. These would include group demonstrations against the unfairness of the draft, peaceful protests against the war in Vietnam, and any number of other group activities. These activities would, under my amendment, not be any basis for a determination that an individual involved was delinquent.

One other aspect of the amendment deserves comment. This involves a judgment that a particular act is "illegal." Clearly, this is a determination to be made not by local draft boards, but only by courts of law. The courts are empowered to decide issues of guilt or innocence, and the procedures by which these decisions are made have developed over centuries. Local draft boards should not take it upon themselves to make decisions of this sort.

Mr. President, I ask unanimous consent to have printed in the Record, following my remarks, the statement issued by Attorney General Ramsey Clark and the Director of Selective Service, Gen. Lewis Hershey, on December 9. I ask that a number of other items also be printed at this point, for the use of Senators.

There being no objection, the material was ordered to be printed in the Record, as follows:

Joint Statement by Attorney General Ramsey Clark and Director of Selective Service Lewis B. Hershey, December 9, 1967

The Department of Justice has established a special unit in the Criminal Division to coordinate prompt prosecution of offenses against the Selective Service laws and related statutes. The responsibilities of this unit include prosecution of violations of provisions of the Selective Service law making it unlawful knowingly to counsel, aid, or abet others to refuse to register or serve, or knowingly to interfere by force or violence or otherwise with the administration of the System. This unit also has responsibility for prosecution of violations of the related statutes outlawing interference with the Armed Forces or obstruction of recruiting and enlistments. The special prosecution unit is under the direction of John Van de Kamp, formerly U.S. Attorney for the Central District of California and now Deputy Director of the Executive Office for U.S. Attorneys.

All U.S. Attorneys have been instructed to expedite investigation and prosecutorial recommendations on these cases. They have also been directed to cooperate with local law enforcement officials and to urge them to vigorously prosecute violations of local laws which may occur in demonstrations against the Selective Service System.

It has long been the law that a registrant who violates any duty affecting his own status (for example, giving false information, failing to appear for examination, or failing to have a draft card) may be declared a "delinquent" registrant by his local draft board. Under consistent practice, information received by federal law enforcement officials regarding a registrant's own status is turned over to his local draft board for appropriate action. When a person is declared to be a delinquent registrant by his local board, he may be reclassified and becomes subject to the highest priority for induction if otherwise qualified. If he fails to step forward for induction, he is subject to prosecution by the Department of Justice. This procedure is firmly established, approved by the courts, and has been followed since the enactment of the 1948 Selective Service Act, as well as under earlier Selective Service Acts.*

Lawful protest activities, whether directed to the draft or other national issues, do not subject registrants to acceleration or any other special administrative action by the Selective Service System. Activities which violate federal law will be dealt with under the procedures outlined above depending upon the nature of the conduct. The lawful exercise of rights of free expression and peaceful assembly have incurred and will incur no penalty or other adverse action. These rights are guaranteed by the Constitution. They are vital to the preservation of free institutions, which our men in Vietnam are fighting to protect.

No single statement can cover the myriad different factual situations presented by the conduct of individual registrants. In approaching these situations, we will continue to work to preserve the integrity and effective operation of the Selective Service System while fully protecting the constitutional rights of the registrants.

[Oct. 26, 1967, letter to local boards]

National Headquarters,
Selective Service System,
Washington, D.C., October 26, 1967.

Letter to all members of the Selective Service System.

The basic purpose and the objective of the Selective Service System is the survival of the United States. The principal means used to that end is the military obligation placed by law upon all males of specified age groups. The complexities of the means of assuring survival are recognized by the broad authority for deferment from military service in the National health, safety, or interest.

Important facts too often forgotten or ignored are that the military obligation for liable age groups is universal and that deferments are given only when they serve the National interest. It is obvious that any action that violates the Military Selective Service Act or the Regulations, or the related processes cannot be in the National interest. It follows that those who violate them should be denied deferment in the National interest. It also follows that illegal activity which interferes with recruiting or causes refusal of duty in the military or naval forces could not by any stretch of the imagination be construed as being in support of the National interest.

The Selective Service System has always recognized that it was created to provide registrants for the Armed Forces, rather than to secure their punishment for disobedience of the Act and Regulations. There occasionally will be registrants, however, who will refuse to comply with their legal responsibilities, or who will fail to report as ordered, or refuse to be inducted. For these registrants, prosecution in the courts of the United States must follow with promptness and effectiveness. All members of the Selective Service System must give every possible assistance to every law enforcement agency and especially to United States Attorneys.

It is to be hoped that misguided registrants will recognize the long-range significance of accepting their obligations now. rather than hereafter regretting their actions performed under unfortunate influences of misdirected emotions, or possibly honest but wholly illegal advice, or even completely vicious efforts to cripple, if not to destroy, the unity vital to the existence of a nation and the preservation of the liberties of each of our citizens.

Demonstrations, when they become illegal, have produced and will continue to produce much evidence that relates to the basis for classification and in some instances, even to violation of the Act and Regulations. Any material of this nature received in National Headquarters or any other segment of the System should be sent to State Directors for forwarding to appropriate Local Boards for their consideration.

A Local Board, upon receipt of this information, may reopen the classification of the registrant, classify him anew, and if evidence of violation of the Act and Regulations is established, also to declare the registrant to be a delinquent and to process him accordingly. This should include all registrants with remaining liability up to 35 years of age.

If the United States Attorney should desire to prosecute before the Local Board has ordered the registrant for induction, full cooperation will be given him and developments in the case should be reported to the State Director and by him to National Headquarters.

Evidence received from any source indicating efforts by non-registrants to prevent induction or in any way interfere illegally with the operation of the Military Selective Service Act or with recruiting or its related processes, will be reported in as great detail as facts are available to State Headquarters and National Headquarters so that they may be made available to United States Attorneys.

Registrants presently in Classes IV-F or I-Y who have already been reported for delinquency, if they are found still to be delinquent, should again be ordered to report for physical examination to ascertain whether they may be acceptable in the light of current circumstances.

All elements of the Selective Service System are urged to expedite responsive classification and the processing of delinquents to the greatest possible extent consistent with sound procedure.

Lewis B. Hershey,
Director.

[Excerpt from *Wolff* v. *Selective Service Local Board 16,* U.S.C.A., 2nd Circuit, Jan. 30, 1967, Medina, J.]

We hold that the Local Boards lacked authority to decide that Wolff and Shortt were "delinquents" by reason of their violation of the terms of this portion of Section 12. Accordingly, as these two students have never been indicted or tried or convicted of this offense in a District Court, the two Local Boards, appellees, exceeded their jurisdiction by reclassifying the two students I-A.

There is nothing to prevent the prosecution of registrants or others for conduct by them in violation of either federal or state criminal laws, subject to such defenses as may be alleged and established. What we hold in this case is that it is not the function of local boards in the Selective Service System to punish these registrants by reclassifying them I-A because they protested as they did over the Government's involvement in Vietnam.

[From the Washington Post, Nov. 11, 1967]

Hershey Should Retire

The latest decree from the office of Selective Service Director Hershey ought to be sufficient to convince even his most ardent supporters that he should retire. In a letter to draft boards, General Hershey recommended that college students who interfere physically with military recruiting officers should be drafted immediately.

The harassment that recruiters, both military and civilian, have received on some college campuses is deplorable, but the General's proposal is outrageous.

The Selective Service Act is not a penal statute intended to prescribe the penalty for illegal or immoral or otherwise reprehensible behavior. The officials who operate under it are not courts or judges empowered to ascertain guilt and prescribe penalties. To put the brand of a criminal statute upon the draft laws is to denigrate and demean the young men who cheerfully and bravely accept military service as a patriotic necessity. If service is a "punishment" what are they being punished for?

The General's silly recommendation ought to be disregarded and some very drastic step should be taken to see that he does not repeat this folly.

[From the Wall Street Journal, Nov. 17, 1967]

A Bad Draft Decision

The decision to force draft protesters into the military services is wrong on so many counts that it's difficult to believe a responsible official actually could have made it.

Lieut. Gen. Lewis B. Hershey, the Director of Selective Service, is right when he says that those who violate the law in opposing the war should be prosecuted. Since plenty of laws exist to deal with illegal demonstrations, however, it's hard to see why the general needs the draft as an additional weapon.

For one thing, using the draft in that way is an insult to men now in uniform. They presumably feel they are fulfilling their military obligation to their country, not absorbing criminal punishment.

Drafting protesters, moreover, can lead to an unequal justice. A lot of the people who take part in antiwar demonstrations, after all, are not subject to the draft; they may be too young, too old or physically incapacitated. For that matter, they may be women. So some dissidents would be drafted but others couldn't be.

If those objections are not weighty enough, there's also more than a little question whether Gen. Hershey's plan is even legal. The general himself concedes there may be some question about drafting persons who impede the work of military recruiters, but he intends to push ahead anyway.

Last January, it so happens, a U.S. Circuit Court of Appeals held it illegal to use the draft even against students who staged a sit-in at a local draft board. The proposed distortion of Selective Service would be no service to the nation, its armed forces or any of its citizens.

[From the Boston Globe, Dec. 5, 1967]

Hershey the Intractable

When John Milton inveighed against "the inquisitorious and tyrannical duncery" he must have had in mind someone very much like U.S. Selective Service Director Lewis B. Hershey. There is a comic opera quality in Gen. Hershey's adamant insistence that there is nothing wrong about his Oct. 26 memorandum advising all local draft boards to review the classifications of persons involved in activities deemed contrary to "the national interest."

It is, of course, illegal and unconstitutional to use the draft as summary punishment for acts of political opposition to the war in Vietnam. As President Kingman Brewster, Jr., of Yale pointed out last weekend on "Face the Nation," Gen. Hershey's memorandum destroys the whole notion of military service as a privilege and an obligation, bypasses all the normal administrative protections of the process of law, and acts as a severe damper on free discussion and dissent.

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*The Attorney General reported that prosecutions under the selective service laws are at an all-time high, although the number and percentage of men who fail to report for induction are substantially lower now than during the Korean War. During the 1967 fiscal year, 1,306 such cases were filed, compared with 642 the previous year. The previous high under the 1948 Act was 1,022 in fiscal 1954.

It would all be rather funny but for the fact that the general's memorandum is being used around the country as an excuse to strip American citizens of the rights for the preservation of which American fighting men have bled and died since the founding of the Republic.

Already the American Civil Liberties Union has filed law suits in behalf of 26 young men reclassified as 1–A after acts of opposition to the war—12 from the Boston area, 9 from the New York area, one from Utah, one from Oklahoma, one from Rhode Island and two from New Jersey. Two of the 26 are Protestant clergymen. And next week the A.C.L.U. will file a similar suit in behalf of a Catholic priest.

A typical case involves John Ratliff, a student at the University of Oklahoma who lost his deferment because his local board "did not feel (his) activity as a member of Students for a Democratic Society is to the best interest of the U.S. Government."

The Selective Service Act is not a penal statute intended to prescribe the penalty for illegal or immoral or otherwise reprehensible behavior, and Gen. Hershey has no business "advising" local draft boards to employ it as such. If he will not respect the law—and it is apparent that he has no intention of doing so—he should resign. If he will not resign, President Johnson should take steps to have him removed.

[From the New York Times, Dec. 11, 1967]

Graduate Deferments

To the Editor:

As a college senior majoring in history I was fascinated and thrilled by the National Security Council's announcement that my career is not in the national interest. I am, of course, thoroughly pleased that scientists and mathematicians have been given the nod; for I believe that dullness, lack of imagination, and ability to adhere to method should have their reward.

The machine people get so little out of life that they deserve some compensation. I only regret that it is at my expense.

It is an interesting concept of national interest that will favor the construction of larger bombs and deadlier weapons over the accumulation of economic and political knowledge competent to solve the most dangerous problems of our era.

As a rich nation, we stand fair to be engulfed by the poor of the world, unless we are willing and able to tackle problems of population control and economic development. As a powerful nation, we stand to be bled by countless Vietnams unless we are willing and able to train and develop statesmen.

In a clear evaluation of national interest, economists and diplomatists mean more to national interests than do physicists or engineers.

Where are the deferments for people whose desire is to prevent catastrophe, not engineer it? What of our future leaders, of whom so much is heard? In the past most of them have gone to law school. Are not they part of a vital national interest?

Winston Churchill never programed a computer. I submit that a scientific mind could never have saved England in 1940.

What vital national interests are being served by the system of deferments recommended by the N.S.C. is beyond description. All I can say is the assumptions behind the system of graduate deferments insult my sensibilities and betray the stupidity of our Government officials.

Robin Bernhoft.

Cambridge, Mass., *December 4, 1967*.

[From the Washington Post, Dec. 12, 1967]

Drafting Protesters

The only thing clarified by the controversy about the draft-protesters statement issued over the weekend is the need for General Hershey to resign. The original statement had all the earmarks of a carefully-drafted compromise aimed at taking the General and the Administration off an untenable spot. But by going beyond the statement in his comments to the press, General Hershey has only muddied the situation, demonstrated once again his inability to understand the issues involved, and made the life of the Johnson Administration that much more difficult.

Standing alone, the statement is somewhat vague. But it does seem to repudiate Hershey's earlier letter advising draft boards to expedite induction of all those who protest too much against the Vietnam war. The statement says those who violate the law in their protests will be prosecuted in the courts and that only those who commit acts involving their personal relationships with the Selective Service System, such as burning draft cards, will face expedited induction. This seems to mean that protesters who harass recruiters or picket draft boards, for example, face criminal charges but not speedy induction. As we understand the law and Government policy, this was what it was before General Hershey sent off his ill advised instructions last month.

But Hershey now says the statement he released with Attorney General Clark merely opens up two ways of handling protesters. They can be drafted or prosecuted. This misses the point of the outcries against his first instructions and of the statement, as well. If a protester has broken the law, he ought to be prosecuted. But his protests have no bearing on when he is called to duty in the military services.

To replace punishment with military duty is to degrade both military duty and those who accept the draft as a fact of life. President Johnson and Attorney General Clark ought to make that the Government's policy, even though it would require a revision of the weekend statement to remove the idea that a draft-card burner faces speedy induction instead of prosecution. And General Hershey ought to accept the retirement that his long years of Government service entitle him to.

[From the Boston Globe, Dec. 12, 1967]

Hershey Hangs On

U.S. Selective Service Director Lewis B. Hershey and U.S. Atty. Gen. Ramsey Clark have now announced that draft registrants who engage in "lawful protest activities" need not fear that they will be called up for military service ahead of time.

That this assurance had to be given at all is a tacit indictment of Gen. Hershey and his flagrantly illegal efforts to use the Selective Service Act as a club with which to punish draft-age citizens for protesting against the war in Vietnam.

Two years ago Gen. Hershey was sternly rebuked by the U.S. Court of Appeals for the Second Circuit for having two University of Michigan students classified 1–A by local draft officials because of opposition to the war. Wrote Judge Harold Medina for the court: "It is not the function of local (draft) boards to punish registrants by reclassifying them 1–A because they protested as they did over the Government's involvement in Vietnam."

Yet even now Gen. Hershey is unrepentant.

He says the new announcement does nothing to change his Oct. 26 directive to all local boards. Under this directive, reclassification was urged for those who engaged in activities "contrary to the national interest." It has already been used as the foundation for the call-up of a number of men who have not been legally proved to have engaged in anything other than "lawful protest activities."

Gen. Hershey has outlived his usefulness if he thinks that local draft boards, rather than the courts, are the appropriate agencies for determining whether citizens have violated the law.

[From the Washington Post, Dec. 12, 1967]

Hershey, Clark Split on Draft Protesters

(By Richard Harwood)

A major disagreement emerged publicly last night between Attorney General Ramsey Clark and Selective Service Director Lewis B. Hershey over the treatment of anti-draft demonstrators by draft boards.

They met for an hour at the Justice Department yesterday but the session failed to resolve the confusion and controversy that now surround national policy on dealing with anti-draft demonstrators.

Hershey—with Clark dissenting—continued to insist that demonstrators subject to the draft can be reclassified for immediate induction if they interfere illegally with the Selective Service or military recruiting programs.

It is Clark's position that such demonstrators should be dealt with by the Federal courts and not by local draft boards.

In confirming the dispute with Clark, Hershey said last night: "We disagree without being disagreeable. This is no personal vendetta, We are 99 per cent together.

[United Press International quoted Hershey as saying that court cases are too time consuming, and adding: "To keep producing the people we need, you've got to move. We would have had quite a time at Lexington if someone said he was going to enjoin Paul Revere from waking him up because he didn't want to shoot at something red."]

The Justice Department had no comment. Administration sources said the situation is where it has been for days—unsettled. "In other words," said an official, "nothing is clarified. We have no policy (toward demonstrations)."

The problem dates from Oct. 26 when Hershey mailed a letter to the Nation's 4088 draft boards recommending that Selective Service registrants be denied draft deferments and be called up for induction if they engage in "illegal" demonstrations. He specifically mentioned demonstrations aimed at obstructing either the draft or recruiting by the military services.

The letter produced a torrent of protests from the academic community, anti-war groups and civil libertarians who argued that the draft cannot be used to stifle dissent.

But Hershey refused to back down. Since the Oct. 26 letter—which was not an order or directive, but simply an expression of Hershey's opinions—35 to 40 young men have been reclassified. Hershey has no authority to order draft boards to reclassify anyone, but his expressions of opinion have been compared to holy writ.

As the controversy mounted, discussions were initiated by the Justice Department between Hershey and Clark. Whether the White House got involved is not known.

The discussions, in any case, resulted Saturday in a joint statement by Hershey and Clark that was designed to "clarify" the problem. Justice officials interpreted the statement to mean that Hershey was backing down and that he had agreed to let the courts deal with demonstrators.

But Hershey quickly dispelled that notion by announcing that the Oct. 26 letter was still in effect and that the policies it recommended were unchanged.

The Administration discounted the appearance of disagreement until it surfaced openly yesterday.

The basic area of dispute is indicated in an unpublished draft of Saturday's joint statement which had been written at Justice.

In that draft, Justice was given the specific responsibility for prosecuting "registrants of the Selective Service System who interfere with either the conscription or recruiting of servicemen. In the published version of the statement, the word "registrants" was omitted.

The reason for that omission became clear last night when Hershey said he still takes the position that "registrants may be reclassified for illegal demonstrations.

For example, he said a student deferment is granted on condition that the student maintain a "satisfactory" school record. But a "satisfactory" record, he said, involves more than good grades. "Is a student 'satisfactory'," he asked, "if he breaks the laws of the United States (by illegal demonstrations) . . . I think local draft boards can decide that by administrative action."

The Justice Department disagrees. It is Clark's view that a registrant should be reclassified only if his actions affect his own status as a potential draftee—burning or turning in a draft card, for example.

If a student, according to the Justice Department view, interferes with others—potential recruits or potential draftees, for example—he is not affecting his own status but the status of others. Therefore, says Justice, he should be prosecuted in the courts if law violations are involved. That is the general position of the academic community, too.

Hershey takes a much broader view of acts that affects a registrant's own status. As he sees it, the status of a registrant is affected if he interferes with others.

[From the Public Interest, fall 1967]

ON THE DRAFT

A HARVARD STUDY GROUP

[EDITORIAL NOTE.—Last spring, a study group of Harvard scholars was organized at the Institute of Politics, in the John Fitzgerald Kennedy School of Government, to look at a variety of alternatives in selective service, and to consider their fairness, their efficiency, and their workability. The group met every weekend, from February through April.]

[Professor Thomas C. Shelling, economist and defense analyst, was chairman of the study group. Other members were Professor John T. Dunlop, labor economist and mediator; Professor Samuel P. Huntington, who has written on civil-military relations; Professor John Rawls of the philosophy department; and Professor Charles Fried, a lawyer. They were joined in the study by younger faculty members and graduate students. The following text represents the conclusions and recommendations of this study group.]

Many teachers in American colleges and universities have been concerned about the draft. They naturally are, not only because the draft is related to war in general and to the war in Vietnam in particular, but also because the draft raises some fundamental questions about the obligations of citizenship in a democracy and the way those obligations are divided among the citizens. Moreover, most of the students we teach, and even many of the teachers among us, are qualified by age, health, and education to perform military service. A main feature of the present draft is that it singles out college students, and their teachers, as a group especially eligible for deferment, we are bound to be concerned with the wisdom of such an arrangement.

In January of this year several of us on the Harvard faculty, all holding opinions about the draft but not the same opinion, discovered that the strength of our opinions was out of proportion to our knowledge of the present selective service system, our acquaintance with alternatives, and our understanding of the issues raised by a choice among alternatives. Holding widely different views about military and foreign policy, and especially about the war in Vietnam and differing greatly in the emphasis we attached to different consequences of the military manpower system, we wondered whether we could arrive, through patient exploration and argument, at an agreed set of recommendations. We knew we could not reach agreement on every matter of principle that would arise; we hoped we could reach agreement on a set of recommendations compatible with the differing premises from which we approached the problem.

Under the auspices of the Institute of Politics in the John F. Kennedy School of Government, a faculty study group was organized that met regularly during February, March, and April. Comprising a dozen members, mostly faculty, it brought together not only diverse opinions but diverse fields as well—economics, political science, law and philosophy. We drew on materials contained in Congressional hearings, in the report of the National Advisory Commission on Selective Service, and in other studies done both inside and outside of government. We considered many alternatives, each in the light of several criteria—fairness with respect to who serves, fairness in respect to conditions of service, efficiency in the use of the nation's manpower, efficiency in the use of military manpower within the services, the impact on race relations and on education and poverty, the impacts of alternative systems on politics and on policy-making, the satisfaction or resentment of those rejected and those selected, the technical workability of alternative systems, the uncertainty or disruption in the lives of young men, the career opportunities in military service, and matters of conscience, tradition, and law.

We still differ over the war in Vietnam and over other issues of military and foreign policy. We still differ in the importance we attach to the several criteria we examined. We still differ on a number of guesses and estimates about the results of certain policies for which the evidence is scanty. Somewhat to our surprise, we reached unanimous agreement on what we perceive to be the main policy issues.

If our recommendations carry any claim to attention, it is not because we were, as individuals, specially qualified in the subject nor because three months of collective study have made us experts on military manpower. Nor is it because we in any way represent Harvard University or any other organization, governmental or private; we represent nobody but ourselves. If our recommendations carry any weight it is precisely because we differ in our politics, in our policy preferences and in our professional interests, and yet these recommendations, after our three months of wide-ranging discussion and argument, appeal to us all.

These recommendations are addressed to the question, how should the government obtain military manpower, in peace and in war, when the number of men in service is not expected to exceed five or six million men. It assumes an economy not characterized by comprehensive wartime controls. Specifically, we are talking about military manpower when the supply of eligible young men, relative to military needs, raises the question posed in the title of the Selective Service Commission's report, "Who Serves when not all Serve?".

These are our recommendations:

1. All young men whose age, mental and physical fitness, and educational attainment qualify them for military duty should be equally eligible for conscription. Nobody needs to be deferred or exempted at age 19 or 20 on grounds that his career plans and educational intentions make him too valuable a citizen to go into the Army, or make it a national interest that his, and not others', service be postponed a few years. The economic benefits of discriminating among young men are modest, and largely confined to the young men who benefit. It is even doubtful whether, in the interest of a student's education and career, the best time to do his service is after completion of college.

2. If, as should be done, specific deferment of students is abolished, or comparable postponement is made equally available to all young men, the number of men eligible will exceed the number needed by the military services. The means of determining who serves and who does not serve, within this eligible group, must be fair and nondiscriminatory and must appear fair and nondiscriminatory both to those who are selected and to those who are not. We know of nothing but a random process—a "lottery"—that will meet those conditions. We therefore recommend choice by lottery.

3. Military pay should be increased sufficiently to attract, in the absence of hostilities, at least two and one-half million men. There is no magic in this figure. It corresponds to what, a few years ago, was acknowledged to be the approximate "peacetime" level of the armed forces, less one or two hundred thousand that we believe might be replaced by civilian employees during the coming years. Nobody can exactly estimate the pay scale required to reach the goal, but pay scales must be set with some goal in mind, and this should be the goal. In time of hostilities the additional men needed and any short-fall of enlistments below this goal, should be acquired through the draft, preferably by lottery.

4. We have to ask young men to do our fighting for us, involuntarily if necessary; we should not ask the same young men to pay our taxes for us. The draft should not be used as a means of shifting the financial burden of war or preparedness onto the same young men who are selected to carry the burden of risk and disrupted careers. The "cost" of attracting 2.5 or 2.75 million enlistees in peace-time is not really saved when we draft men; it is merely shifted, in the form of lower wages, from taxpayers to the men in the service. Too often the questions of fairness and discrimination are confined to the choice of who shall serve, with little attention to how we might shift some of the burdens of service from those who serve onto those who are served. Those of us who do not serve because we are too old or because we are otherwise not selected, should be careful not to use the draft as a way of holding military wages down. And there is no reason to suppose that a man's sense of duty is weakened, or his morale undermined, by having his services appreciated with a decent wage. Surely the federal minimum wage is not too extravagant for a young man serving in the army in either peace or war.

5. Most of the inequity in the present pay scale for draftees could be eliminated, and reasonable pay differentials maintained among servicemen, with pay increases that would total between $2 billion and $3 billion per year. We recommend such increases on grounds of fairness and in the belief that a democracy with a GNP of over half a trillion dollars, and with income-tax rates lower than those prevailing before Viet Nam, has no compelling need to use conscription to keep military wages down. Official estimates of the likely cost of achieving a volunteer force of about 2.7 million men in peacetime appear to us somewhat exaggerated; pay increases on the scale we recommend should have an appreciable effect on enlistments. If so, the net cost will be reduced through reductions in training and other expenses associated with the higher turnover of drafted men.

6. Paying young men more nearly what they are worth in the civilian economy can have other benefits, through a better appreciation within the military services that drafted men are not cheap resources. An energetic and continuous effort should be made to replace uniformed men with civilian employees, male and female, in all of those tasks in which the discipline, the

traditions, and the other qualities associated with uniformed armed forces are not essential. This may cost more; if so, we have been using the draft to save ourselves money by putting civilians in uniform.

7. The Reserves and National Guard should be considered ready, and should actually be ready, to serve in an emergency. If, however, as recent experience suggests, they are either not ready or not available for a war on the scale of the war in Vietnam, the worth of continuing the present Reserve and National Guard system ought to be brought into question.

8. Military service is national service, not service to a state or locality. Eligible young men ought to be equally vulnerable to selection, no matter what state they reside in. Randomized selection should be designed to achieve this and should not be based on state quotas.

9. A lottery can be designed that, without becoming too complicated, permits a young man some freedom of choice in the year that he chooses to serve. Such freedom of choice should be equally available to all young men. One workable arrangement would be to call young men in their twenty-first year in an order of call determined by lottery, but with the lottery taking place in the young man's nineteenth year. At age nineteen a young man would have a good idea of the likelihood of his being called two years later, and could anticipate his service by electing to be drafted at age nineteen or twenty. A longer period of choice might have the unhealthful effect of inducing young men to speculate unduly on changes in the prospects for war and peace or even for changes in the draft law. Young men high in the priority of call would be on notice that two years' service probably awaited them at age twenty-one, and a strict denial of dependency exemption at age twenty-one would not then involve significant hardship. This arrangement would substantially eliminate the issue of college-student deferment: and it would benefit the college student by letting him know at age nineteen the likelihood that he would be called at twenty-one, so that he could make his own choice whether to complete college before or after military service.

10. If, contrary to what we believe best, college students are deferred and others not, college students should become, upon graduation, equally vulnerable to the draft along with younger men who are not deferred. Exceptions should be made only for medical students, officer candidates, and others whose choice of career makes them more liable to military service, not less liable, than others. If college students are not permitted—and they should not be permitted—to avoid eventual liability for military service, the supply of eligible young men will exceed the military demand for them about as much as if nobody were deferred. Thus the need remains for a randomized selection process to determine who shall serve.

11. The pay structure of the armed services should be continually rationalized to improve efficiency, to provide stronger incentives to remain in service and thus to reduce training costs and to preserve the skills created by both experience and training, to achieve the best allocations of skills and qualities among and within the services, and to avoid wasting military manpower on jobs that civilians or civilian contractors can do.

12. Increased pay, along the lines we recommend, should increase the nunber of men who enlist under the present physical and mental standards. There is a natural tendency, and a commendable one, for the armed services to want the highest quality personnel they can get; and with higher pay they would be able, and might be tempted, to raise standards of acceptance rather than to admit a larger number of enlistees. In order, however, to reduce reliance on the draft and to spread the opportunities for service as widely among the population as is consistent with military needs, standards of acceptance should be kept at present levels and the full effect of higher pay should be allowed to reflect itself in the number of enlistees.

13. We recommend the re-examination by the Federal government of the entire structure of G.I. benefits and Veterans' pensions and preferences, state as well as Federal. There is some tendency, especially because state and Federal efforts are poorly coordinated for benefits to be haphazardly related to civil service preference, to income and property taxes, and to the state a man resides in. The consequences, in both equity and economic efficiency, are not guaranteed to be favorable. What we have is a system of partially deferred compensation, often on a contingent basis, that makes less sense altogether than each particular piece of legislation makes by itself.

A POSTSCRIPT BY THOMAS C. SCHELLING

Among the more favorable responses to our statement, one particular reservation has been so repeatedly expressed that I regret we did not deal with it explicitly in our statement. The editors have invited me to comment on it personally here. What concerns so many people is the prospect of the armed services' becoming predominantly Negro in peacetime if there is no compulsory service to bring in nonvolunteer white men. Whether the people who raise this point would actually favor a permanent draft to keep some racial balance in the armed services, perhaps accompanied by low pay for enlistees to avoid having to turn away Negroes who volunteer, or instead are merely anticipating the social consequences of more attractive military pay, the point deserves attention.

There would indeed be serious problems with a predominantly Negro army, although there might be substantial advantages to the Negro as well. The main safeguard against the occurrence of this problem, at least in any extreme form, seems to be simple arithmetic. Negro men of the right age are slightly more than ten percent of their age group. With the present educational and physical standards, about one-quarter of the Negroes qualify and about half the whites, for the United States as a whole. If Negroes found volunteer military service three or four times as attractive as whites did—if, that is to say, the percentage of Negroes attracted to the armed services were three or four times as high as the percentage of white young men—there would be 30 or 40 Negroes volunteering for every 100 whites. At present acceptance rates, about 10 Negroes would be accepted for every 50 whites, with an ultimate ratio of about 20 percent.

Considering totals only, and not individual services, this is such a modest percentage that one might hope for it, rather than deplore it, on grounds that it provides a respectable career for Negroes in one of the best-integrated organizations in the country. At what percentage figure the "image" of America and its armed forces would be adversely affected, either abroad or at home, is hard to judge, but I should think proportions of 30 to 35 percent, even 40 percent, would pose no danger and would offer about a million respectable jobs to young Negroes.

One hopes and expects, of course, that the acceptance rate for Negroes will rise in the future; but one must then also expect that the availability and attractiveness of civilian jobs for Negroes will rise in competition with the armed service.

The more serious problems would be the concentration of Negroes in the Army and the fewness of Negro officers. These problems can be solved, but not easily. In part the tendency of the Navy and the Air Force to be white is due to the higher enlistment standards in these services.

On the overall question of proportions, the experience of professional baseball and football is reassuring. Negroes are significant but not dominant numerically, the proportion varies from team to team and from game to game with occasionally a majority of Negroes on the field. Baseball fans have little trouble recalling which particular players are Negro, but if asked about proportions, they have to start counting on their fingers and have no reliable image of what the proportions are.

* * * * *

Mr. HART. Mr. President, I want to commend the senior Senator from Massachusetts for his statement and leadership in introducing this bill (S. 2773) which would prevent the Universal Military Training and Service Act from being used to stifle student protests over our involvement in Vietnam.

Let me make clear, none of us want to encourage illegal or irresponsible protest against the Vietnam war or firing the football coach after a losing season. Many of the recent protests involve illegal acts which cannot be condoned. However, under Federal and State law, there are adequate sanctions in the form of fines and jail terms which can be applied to illegal acts of protest. Cancellation of student deferments is not, General Hershey notwithstanding, one of the sanctions which can be applied to Vietnam war protesters.

Mr. President, ever since those University of Michigan students sat-in at the Ann Arbor draft board in October 1965, and were subsequently stripped of their student deferments and reclassified as eligible for immediate induction, I have been vitally concerned with General Hershey's unconstitutional attempt to use the threat of induction to stifle student protests over our involvement in Vietnam. In January 1966, I thought this issue was resolved when Fred Vinson, Assistant Attorney General, wrote, in response to my letter protesting the reclassification of those University of Michigan students:

> I am satisfied, as a matter of both law and policy that sanctions of the Universal Military Training and Service Act cannot be used to stifle constitutionally protected expression of views. In short, where opinion is expressed, if there is no transgression of law, then no sanctions can be imposed. If there is a transgression, then the sanctions which attach to it are all that should be applied.

On January 30, 1967 the U.S. Court of Appeals for the Second Circuit in a case involving reclassification of two of the University of Michigan students who had participated in the October 1965 sit-in at Ann Arbor stated:

> "What we hold in this case is that it is not the function of local boards in the Selective Service System to punish these registrants by reclassifying them I–A because they protested as they did over the Government's involvement in Vietnam." *Wolf* v. *Selective Service Board 16.*

The official position of the Justice Department and the clear holding of the Second Circuit Court of Appeals did not, however, appear to carry much weight with Selective Service Director, Gen. Lewis B. Hershey. On October 26, 1967, General Hershey recommended in a letter to our Nation's draft boards that student Vietnam war protestors who engage in illegal acts of protest be declared "delinquent" and drafted.

Mr. President, since apparently only an act of Congress or an official order from no one less than the President will deter General Hershey from his October 26 unconstitutional recommendation, I am pleased to join the senior Senator from Massachusetts in cosponsoring this bill (S. 2773) which prevents the draft law from being used by General Hershey to stifle student dissent over the Vietnam war.

Even as I say this, one can wonder how effective adoption of this bill will be with General Hershey.

WAR IN VIETNAM AND DRAFT INEQUITIES CAUSE GROWING DIVISIVENESS

Mr. GRUENING. Mr. President, the amendment to the Universal Military Training and Service Act introduced by the Senator from Massachusetts [Mr. KENNEDY], which I have cosponsored, is essential if Gen. Lewis B. Hershey is to be stopped from riding roughshod over the constitutional rights of the young men of this country. There is no justification in law or in precedent for using the Selective Service System as a punitive device for exacting retribution against those who criticize the administration's policies in Vietnam—policies which have resulted in our being bogged down in an endless war, the costs of which have skyrocketed far beyond any conceivable benefits even if military victory can be achieved—which appears more doubtful each day.

General Hershey has made it clear in his October 26, 1967, directive to the over 4,000 draft boards, that the draft is to be used to discourage antiwar and antidraft demonstrators. He reaffirmed this as the policy of the Selective Service after a meeting on December 11, 1967, with the Attorney General, during which Mr. Ramsey Clark had tried, unsuccessfully, to obtain a modification of this policy.

This situation should be corrected. An immediate remedy must be found to protect the basic rights of young men subject to the draft and to prevent their induction into the service on the basis of capricious and arbitrary criteria as to what constitute lawful activities of prospective inductees. It may be that the courts will in due time overturn inductions which come before them as a result of General Hershey's October 26, 1967, policy directive. But this will take considerable time, and in the meantime many innocent young men are likely to be punished by having their inductions accelerated. Other young men, who cannot take their cases to the courts, are likely to suffer in silence.

If the administration cannot control General Hershey, it is up to Congress to take the necessary action through enactment of Senator KENNEDY's amendment to protect the rights of the young men of this country.

Senator KENNEDY has said today that the draft has become a corrosive and divisive element in our society. I could not agree with him more. I have twice introduced an amendment to the Selective Service Act which provided that no draftee could be sent to Southeast Asia without his approval. My reasons for doing so were twofold. In the first instance, I believed the involvement of the United States in a civil war in Vietnam was wrong from the beginning to end and that it was wrong for our Government to force young men to fight in a war which is morally and legally unjustifiable. Since then the opposition to the war, especially among our young people, has grown by leaps and bounds, an event which I had clearly foreseen and do not hesitate to predict will encompass an ever-growing proportion of Americans. Second, I made the distinction between enlistees and draftees and pointed out the inequity of garrisoning our troops in Europe and in other noncombat areas, with thousands of men who joined the service on their own, while thousands of draftees were sent to Vietnam, many of whom it is probable would not choose to be there of their own volition.

There is a vast difference between sending enlisted men of the Armed Forces to Vietnam and sending draftees there. When a man voluntarily enlists in one of the branches of the armed services, he does so with his eyes open—he knows that he must obey the orders of the Commander in Chief and go where he is sent—even if it is to fight and perhaps die in Vietnam. His is not "to reason why." He undertook to obey orders when he voluntarily entered military service. No one forced him to enlist.

The draftee, after he is inducted, also agrees to obey orders but his agreeing to do so is not on a voluntary basis. He has no choice. But he does know that he is being sent to fight in a war which the Congress did not declare. And he does know that under the Constitution, which he must swear to uphold and defend when he is inducted, only the Congress can declare war. This is a part of the crux of the reluctance of so many of our young men to serve in Vietnam, in addition to the fact that the United States is there illegally, and having invited itself in—contrary to the official allegations that it was invited in.

In 1965, there were 96,000 desertions from the South Vietnamese Army. In 1966, that figure had climbed to 110,000 men deserting the South Vietnamese Army. No one knows how much higher it will go in 1967.

The President, in his recent draft message, proposed:

> Almost 2 million young men, and soon, many more, reach age 19 each year. The foreseeable requirement is to draft only 100,000 to 300,000 of them annually.

What are we doing? Are we drafting American youths to go to Vietnam to replace the South Vietnamese draft dodgers and to fight and perhaps die there for a people who do not care enough about the conflict to stand and fight for what is presumably their own cause? That makes utterly no sense. It is entirely unfair to American draftees.

Can there be any wonder that under these conditions the draft has become a corrosive and divisive element in our society? Is there anyone who doubts that this war has split the country right down the middle and that as it goes on month after month and year after year despite the rosy forecasts of the generals and diplomats, it will further fragment the country?

Senator KENNEDY's amendment should be promptly enacted into law as a first step in restoring equity and fairness in our selective service procedure. A more far-reaching step would be to extend to draftees the option of whether to serve in Vietnam or not. If that proposal of mine were enacted, I believe half of the draftees would be willing to serve in Southeast Asia. But it would be a fine affirmation of democratic principles and an act of justice to our young Americans.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business and that statements therein be limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, without amendment:

S. Res. 193. A resolution to provide additional funds to study any and all matters relating to the problems created by the flow of refugees and escapees (Rept. No. 936);

S. Res. 195. A resolution authorizing the printing for the use of the Committee on Government Operations of additional copies of its hearings entitled "Riots, Civil and Criminal Disorders" (Rept. No. 937); and

S. Res. 196. A resolution increasing the limit of expenditures for hearings before the Committee on Armed Services.

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

H.R. 13273. An act to amend the Marine Resources and Engineering Development Act of 1966, as amended, to extend the period of time within which the Commission on Marine Science, Engineering, and Resources is to submit its final report and to provide for a fixed expiration date for the National Council on Marine Resources and Engineering Development (Rept. No. 939).

By Mr. PASTORE, from the Committee on Appropriations, with amendments:

H.R. 14397. An act making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes (Rept. No. 938).

By Mr. TYDINGS, from the Committee on the District of Columbia, with an amendment:

S. 1941. A bill to prevent, abate, and control air pollution in the District of Columbia, and for other purposes (Rept. No. 941).

By Mr. SPONG, from the Committee on the District of Columbia, with an amendment:

H.R. 827. An act to amend the Presidential Inaugural Ceremonies Act (Rept. No. 940).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMATHERS:

S. 2772. A bill to impose a tax of $250 on residents of the United States who visit France; to the Committee on Finance.

(See the remarks of Mr. SMATHERS when he introduced the above bill, which appear under a separate heading.)

By Mr. KENNEDY of Massachusetts (for himself, Mr. Hart, Mr. Hatfield, Mr. Gruening, and Mr. Nelson):

S. 2773. A bill to amend the Universal Military Training and Service Act; to the Committee on Armed Services.

(See the remarks of Mr. Kennedy of Massachusetts when he introduced the above bill, which appear under a separate heading.)

By Mr. LAUSCHE (for himself and Mr. Morton):

S. 2774. A bill to exempt rail carriers from minimum rate regulation in the transportation of bulk commodities, and for other purposes; to the Committee on Commerce.

(See the remarks of Mr. Lausche when he introduced the above bill, which appear under a separate heading.)

By Mr. BIBLE:

S. 2775. A bill for the relief of the McCarran Ranch; to the Committee on the Judiciary.

By Mr. ERVIN (for himself and Mr. Jordan of North Carolina):

S. 2776. A bill to provide for the issuance of a special postage stamp in commemoration of the 200th anniversary of the birth of Dolley Payne Madison, wife of the fourth President of the United States; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. Ervin when he introduced the above bill, which appear under a separate heading.)

By Mr. GRUENING:

S. 2777. A bill for the relief of Cheng, Wai Shing; Chan, Shu Yau; Sun, Shing Fa; Wong, Sui Kowng; To, Shiu Hung; Leung, Wing Cheung; Ngai, Fuk Yu; Yue, King Zee; Yuen, Kei; Szeto, Chun; to the Committee on the Judiciary.

By Mr. DIRKSEN:

S. 2778. A bill to establish a Central Security Office to coordinate the administration of Federal personnel loyalty and security programs, to prescribe administrative procedures for the hearing and review of cases arising under such programs, and for other purposes; to the Committee on Government Operations, by unanimous consent.

(See the remarks of Mr. Dirksen when he introduced the above bill, which appear under a separate heading.)

PROPOSED HEAD TAX ON U.S. CITIZENS WHO VISIT FRANCE

Mr. SMATHERS. Mr. President, I introduce at this time, for appropriate reference, a bill which would impose a head tax of $250 on residents of the United States who visit France.

The purpose of the proposed legislation is to take action to straighten out our balance-of-payments deficit since our gold reserves have already reached an all-time 30-year low in the amount of $12½ billion.

It makes no sense for our citizens to take American dollars to France and increase De Gaulle's hoard of U.S. currency, which he in turn exchanges for gold when he thinks it will embarrass this country.

De Gaulle already has accumulated a gold reserve of $5.2 billion, second only to the United States, and is apparently ready to deplete even more of our $12½ billion gold reserve.

He has been accomplishing this objective by converting American dollars into gold, and from 1962 through 1966 made some $2.8 million in gold purchases.

I am sure Americans do not want to give De Gaulle the tools with which he opens and operates on our dwindling gold reserve. Last year France alone bought $604 million and in 1965 purchased $884 million.

During this same period, 685,000 and 671,000 American tourists, respectively, spent $116 million and $125 million in France.

This is tantamount to handing the holdup man your checkbook as well as your wallet. De Gaulle has elevated ingratitude to national policy and the hand he extends to the American tourist is offered palm up.

The United States has suffered a chronic balance-of-payments deficit which has averaged $2 billion a year, and statistics showed a worsening trend in the third quarter of 1966.

Since tourist spending contributes to a large part of that payments deficit, we could make a substantial improvement in our balance-of-payments position by reducing U.S. travel to France. At the same time, the proposed bill would still make it possible for Americans to travel to other nations in Europe if they wished.

The proposed legislation, in my opinion, is a step in the direction of correcting what I believe to be a very bad situation adversely affecting the value of the dollar.

I feel confident that all patriotic Americans will want to cooperate in every way to curb the dangerous course of action being pursued by De Gaulle.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2772) introduced by Mr. Smathers was received, read twice by its title, and referred to the Committee on Finance.

EXEMPTION OF RAIL CARRIERS FROM MINIMUM RATE REGULATION IN THE TRANSPORTATION OF BULK COMMODITIES

Mr. LAUSCHE. Mr. President, I introduce for myself and Mr. Morton, for appropriate reference, a bill to exempt rail carriers from minimum rate regulation in the transportation of bulk commodities.

This bill proposes to amend section 1 of the Interstate Commerce Act by adding a new paragraph to withdraw from the ICC authority to determine that a rate or charge is lower than a reasonable minimum rate or charge in the transportation of bulk commodities. The bill specifically provides that the ICC would retain all currently effective authority to determine that such a rate or charge in the transportation of bulk commodities violates provisions against discrimination or undue or unreasonable preference or advantage. Moreover, rail carriers exempted from minimum rate regulation on bulk commodities, would, except for the establishment of through routes and joint rates, be subject to the provisions of the antitrust laws.

On September 29, 1967, the Commerce Committee in favorably reporting S. 1314 stated in its report:

> The committee is of the judgment that competitive equality must be established for all modes of transportation so that rights under law granted to one mode shall also be granted to other modes similarly situated.

On pages 6 through 9 of this Commerce Committee Report No. 576, passages are quoted on the need for competitive equality from the 1958 committee report on the Transportation Act of 1958; the 1961 report of the Special Study Group on Transportation Policies in the United States, of the Committee on Commerce, commonly known as the Doyle report; the 1962 message relative to the transportation system of our Nation of the late President Kennedy; the 1963 letter transmitted to the Congress under date of March 5, 1963, by the late President Kennedy; and the January 27, 1964, letter of President Johnson to the chairmen of the House and Senate Committees on Commerce.

Despite this oft-repeated recognition of the need for changes to provide competitive equality, the Congress has yet to act to grant equal opportunity to all transportation competitors.

In the late President Kennedy's 1962 message on transportation, he succinctly stated what a more coordinated Federal policy and a less segmented approach would be:

> It means equality of opportunity for all forms of transportation and their users and undue preference to none. It means greater reliance on the forces of competition and less reliance on the restraints of regulation. And it means that, to the extent possible, the users of transportation services should bear the full costs of the services they use, whether those services are provided privately or publicly.

The bill, which I am today introducing in section 1 of S. 1061—88th Congress, first session—submitted to the Congress to carry out the recommendations contained in President Kennedy's transportation message of 1962, limited however, to first, rail carriers; and second, bulk commodities. I have so limited this bill because S. 1314, pending before the Senate, proposes to broaden the scope of the water carrier bulk commodity exemption from ICC, regulation.

The other changes recommended by President Kennedy to provide competitive opportunity are desirable, but the water carrier bulk commodity exemption is currently proposed to be extended without consideration of parallel changes to provide the equality requested by the rail industry.

The committee's report accompanying S. 1314 also stated:

> The Committee will give priority consideration to hearings on legislative changes in our present regulatory statutes to equalize the impact of regulation on various modes of transportation.

President Kennedy's proposals to provide competitive equality were the subject of extended hearings before the Committee on Commerce and its Subcommittee on Surface Transportation in 1962 and 1963. Since the substance of the bill which I am introducing today was considered at these hearings, it should not be necessary to retrace already covered ground and committee action can proceed expeditiously.

I ask unanimous consent that the portion of Commerce Committee Report No. 576 treating the subject of "Competitive Equality," at pages 6 through 9, and the text of the bill which I am today introducing, be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and excerpt of the report will be printed in the Record.

The bill (S. 2774) to exempt rail carriers from minimum rate regulation in the transportation of bulk commodities, and for other purposes, introduced by Mr. Lausche (for himself and Mr. Morton), was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the Record, as follows:

S. 2774

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1 of the Interstate Commerce Act, as amended (49 U.S.C. 1), is amended by adding thereto a new paragraph (23) to read as follows:

"(23) Notwithstanding any other provisions of this Act, in the case of rates or charges for the transportation of commodities in bulk which are loaded and carried without wrappers or containers and received and delivered by the carrier without transportation mark or count, or to the transportation of liquid commodities in bulk, the Commission shall have no authority or power to determine that such a rate or charge is lower than a reasonable minimum rate or charge. The Commission, however, shall retain all currently effective authority and power to determine that such a rate or charge is in violation of applicable provisions against unjust discrimination, or undue or unreasonable preference or advantage. When used in this paragraph, the terms 'rates or charges' shall include all classifications, regulations and practices relating thereto. If any carrier or carriers exempted by the provisions of this paragraph from minimum rate regulation shall engage in any act, practice, or conduct or be a party to any arrangement, contract, combination or conspiracy with respect to any rate or charge for transportation of any commodity referred to in this paragraph, in violation of the provisions of the 'antitrust laws', as designated in section 1 of the Act of October 15, 1914, entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' such carrier or carriers shall be subject to the proceedings and penalties specified in such laws and all amendments thereto with respect to such violations: *Provided,* That nothing contained herein shall be construed to prohibit a common carrier from establishing reasonable through routes with other such carriers, or from considering the rates, classifications, divisions, allowances, or changes applicable solely to such reasonable through routes."

(b) Section 5a of the Interstate Commerce Act is amended by changing the period at the end of paragraph (9) to a comma, and adding the following: "except that such relief shall not extend to any party to an agreement with respect to any rate or charge for transportation of any commodity referred to in section 1(23) of the Interstate Commerce Act."

The excerpt from the report, presented by Mr. Lausche, is as follows:

COMPETITIVE EQUALITY

Testimony was presented at these hearings on behalf of the Association of American Railroads in opposition to S. 1314. The railroads pointed out that at present in competing for bulk commodities they are under a competitive disadvantage in that their rates are subject to Interstate Commerce Commission rate regulation while water carriers, operating within the bulk commodity exemption, are not so subject. The railroads further pointed out that the elimination of the "mixing rule" provided under S. 1314, would worsen this inequality.

The views of the Department of Transportation and the Interstate Commerce Commission were requested on the following question: "[I]f section 303(b) is amended as proposed in S. 1314, what, if any, changes should be considered in the regulatory provisions applicable to railroads to provide for equality of competitive opportunity in the transportation of bulk commodities?"

The Department of Transportation on August 29, 1967, advised that S. 1314 is justified on its own merits as a welcome recognition that realistic economics and technological progress have an obvious and meaningful place in transportation life. The Department replied with respect to the matter of competitive equality: [1]

"It may well be that there are other areas where amendment of the basic regulatory and promotional statutes affecting other modes of traffic are appropriate. It would be desirable if all such changes could be accomplished at once. All too frequently, however, the best is the enemy of the good with inaction the result. That should not be allowed to happen in this situation where the committee has before it a piece of legislation which is clearly meritorious in its own right."

The Interstate Commerce Commission on August 30, 1967, advised that it has recognised for many years that the existence of the exemption from economic regulation afforded to the water carrier industry by section 303(b) serves to perpetuate the inequality of competitive opportunity for the transportation of bulk commodities between the water carriers and railroads. The Commission further states: [1]

"It has always been the Commission's view that the repeal of the exemption contained in section 303(b) along with repeal of the exemption from economic regulation of the motor carrier transportation of agricultural commodities, provided in section 203(b)(6) of the act, would bring about greater equality of competitive opportunity and at the time effectuate the goals of the national transportation policy."

The need for equality of treatment of all modes considered by the Commerce Committee in the hearings on "The Problems of the Railroads," which preceded passage of the 1958 Transportation Act. The report of the Committee on Commerce on this legislation adopted, with amendments, the report of the Subcommittee on Surface Transportation, including the recommendation that a study be made of basic long-range transportation problems. The subcommittee report discussed at length the subject of competitive ratemaking, and the agricultural commodity and other exemptions.

With respect to the proposed transportation policy study, the subcommittee report recommended that it include, among other items:

"The need for regulation of transportation under present-day conditions and, if there is need for regulation, the type and character of that regulation. The hearings on the railroad situation show one thing above all else: The existence of substantial doubt concerning the efficacy of present transportation regulation. To ascertain the public interest in regulation, the burden should be placed on the public and the carriers to show why it is needed and to what extent. Critical answers to specific proposals for less regulation are required to settle the constant agitation for change and the resulting confusion in the public mind concerning the need and propriety of Government regulation of transportation under prevailing conditions."

In its report to this committee, the Special Study Group on Transportation Policies in the United States, recommended that "regulation of transportation is essential for the foreseeable future in the public interest (p. 14)." The report stated with respect to the matter of exemptions from regulation (p. 130):

"Although the national transportation policy (54 Stat. 899) declares the congressional purpose 'to provide for fair and impartial regulation of all modes of transportation,' exemptions spelled out specifically in or permitted by the Interstate Commerce Act are diametrically opposed to this declared purpose."

In his 1962 message relative to the transportation system of our Nation, the late President Kennedy recommended the following changes in the law to provide equal competitive opportunity.

"(1) Bulk commodities: At present, the transportation of bulk commodities by water carriers is exempt from all rate regulation under the Interstate Commerce Act, including the approval of minimum rates; but this exemption is denied to all other modes of transportation. This is clearly inequitable both to the latter and to shippers—and it is an inequity which should be removed. Extending to all other carriers the exemption from the approval or prescription of minimum rates would permit the forces of competition and equal opportunity to replace cumbersome regulation for these commodities, while protecting the public interest by leaving intact the ICC's control over maximum railroad rates and other safeguards (such as the prohibition against discrimination, and requirements on car service and common carrier responsibility). While this would be the preferable way to eliminate the existing inequality, Congress could elect to place all carriers on an equal footing by repealing the existing exemption—although this would result in more, instead of less, regulation and very likely in higher though more stable rates. Whichever alternative is adopted, these commodities are too important a part of carrier traffic to continue to be governed so unequally by Federal rate regulation.

"(2) Agricultural and fishery products: An exemption similar to that described above, and now available only to motor carriers and freight forwarders, relates to agricultural and fishery products. This exemption from minimum rates should also be extended to all carriers. Here, too, the ICC should retain control of maximum railroad rates and certain other controls, to protect the public interest in those areas where there is no effective truck or water carrier competition to keep rates down.

"The combined effect of extending these bulk and agricultural exemptions will be to reduce drastically and equalize fairly the regulation of freight rates in this country. Freed to exercise normal managerial initiative, carriers will be able to rationalize their operations and reduce costs; and shippers should consequently enjoy a wider choice, improved service and lower rates."

In a letter transmitted to the 88th Congress under date of March 5, 1963, the late President Kennedy urged that action be taken on the recommendations contained in his transportation message to the 87th Congress. His letter stated in part:

"The most significant recommendation in my message of last year dealt with the inequality resulting from exempt transportation of bulk commodities by water and agricultural products by truck. All traffic, however, moving by railroad is fully regulated. I recommended that this inequality be corrected by removing minimum rate regulation from all transportation of bulk and agricultural commodities, but under the protection of existing laws against monopolistic and predatory trade practices applicable to business generally. In the alternative, appropriate regulation might be applied in the areas presently exempt, as I recommended in my message last year. I, therefore, renew my request that, in the interest of equality, one of these solutions be adopted."

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[1] The comments are set forth in full under "Agency Comments."

President Johnson in identical letters dated January 27, 1964, to Senator Warren G. Magnuson, chairman, Senate Commerce Committee, and Congressman Oren Harris, chairman, Committee on Interstate and Foreign Commerce, urged action on the late President Kennedy's transportation recommendations, stating in part:

"Legislative proposals before your committee would equalize the impact of regulation on various modes of transportation by providing exemption from minimum rate control to the transportation of agricultural and fisheries products and to bulk commodities. Equalization is also sought, in some proposals before your committee by legislation extending regulation to these commodities in those instances where they are exempt. Either approach to the equalization of competition would be appropriate."

The committee in favorably reporting S. 1314 is following the recommendation of the Department of Transportation that this legislation is justified on its own merits, and that action should not be postponed to await the accomplishment of all changes at once.

The committee is of the judgment that competitive equality must be established for all modes of transportation so that rights under law granted to one mode shall also be granted to other modes similarly situated.

The committee will give priority consideration to hearings on legislative changes in our present regulatory statutes to equalize the impact of regulation on various modes of transportation.

The committee requests the Secretary of Transportation, the Interstate Commerce Commission and the Civil Aeronautics Board to promptly prepare and submit legislation providing for uniformity and equality of treatment of all modes of transportation in the carrying of bulk commodities.

The committee urges that priority be given to the preparation of studies and legislative recommendations in order that committee hearings may proceed without delay.

A COMMEMORATIVE STAMP FOR DOLLEY MADISON

Mr. ERVIN. Mr. President, on December 7, 1967, the Honorable HORACE KORNEGAY, U.S. Representative from the Sixth Congressional District of North Carolina, introduced in the House of Representatives a measure, H.R. 14338, which would provide for the issuance of a special postage stamp in commemoration of the 200th anniversary of the birth of Dolley Payne Madison, wife of the fourth President of the United States.

Dolley Madison was born on May 30, 1768, in the Guilford College settlement now included within the city limits of Greensboro, N.C.; and Senator JORDAN and I share Congressman KORNEGAY's feeling that a commemorative stamp marking the 200th anniversary of her birth would serve to remind the Nation of the prominent role Dolley Madison played in the social and cultural life of our country.

Consequently we are introducing a bill to accomplish this purpose, and ask that it be appropriately referred.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2776) to provide for the issuance of a special postage stamp in commemoration of the 200th anniversary of the birth of Dolley Payne Madison, wife of the fourth President of the United States introduced by Mr. ERVIN (for himself and Mr. JORDAN of North Carolina), was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

FEDERAL SECURITY ACT

Mr. DIRKSEN. Mr. President, this week the Supreme Court handed down a decision with reference to the employment of a Communist in a defense plant. This is certainly not a new matter. It was considered by a very distinguished committee some years ago in the Eisenhower administration. The very distinguished Senator from New Hampshire [Mr. COTTON] was a member of that Commission. They labored rather earnestly and developed what they thought was an all-inclusive bill, which, of course, would take care of the decision by the High Court this week.

Accordingly, I think it should be submitted for the consideration of the Senate. While I know, of course, it cannot be considered in the present session, it could be early in 1968.

At that time, in the summary of recommendations, the Commission said:

> The commission's recommendations, if put into effect, would enhance the protection afforded national security while substantially increasing the protection of individuals.

Along with the distinguished Senator from New Hampshire, the distinguished Senator from Mississippi, Mr. JOHN STENNIS, was also a member of that Commission. I am sure he not only concurred in this rather voluminous report but concurred in the text of the bill which was introduced under the title "The Federal Security Act."

I submit it for printing under the rule.

The PRESIDING OFFICER. The bill will be received and printed.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. COTTON. I thank the distinguished minority leader for yielding. I merely wanted to express my own pleasure and gratification that the distinguished minority leader has seen fit to introduce this bill. The Commission on Government Security labored long and hard years ago and prepared this, among other measures. It was introduced back during the Eisenhower administration by the distinguished Senator from Mississippi [Mr. STENNIS] and myself, who were members of the Commission.

I just wanted to say this one word. On that Commission, the congressional members were associated with some of the finest minds in the country. The general counsel of that Commission, Samuel H. Lieberman, Esq., of St. Louis, Mo., was one of the ablest legal minds with whom I have ever come in contact. He, incidentally, is what I would term a careful and restrained liberal. He leaned over backwards in his work and the work of the staff in trying to frame recommendations and prepare suggested legislation that would protect the national security while protecting the rights of the individual, as the Senator from Illinois has just stated. I watched him do that over a period of months.

I am greatly pleased, as I know the Senator from Mississippi will be, that the distinguished minority leader has seen fit to resubmit, with some modifications, I understand, this measure to the Senate, because it was the result of long and careful study and consideration by a group of men as able, I think, as I have ever been associated with. And, as the distinguished minority leader has pointed out, it would certainly take care of the decision by the High Court this week.

Mr. DIRKSEN. Mr. President, I am grateful for the observations of the distinguished Senator from New Hampshire. I know that at the proper time he will give ample time to this matter, because, in my judgment, it is of the highest importance.

I am particularly concerned with that part of the bill having to do with defense installments and the operation of various contractors and their employees who operate under Government contracts. This concern of mine for safeguarding the national security was heightened by the Supreme Court decision of this week dealing with an admitted Communist who was employed in a defense installation. Legislation along the lines of this bill was originally recommended by the Commission on Government Security, which Commission was established by Congress to fill an urgent need for an objective, nonpolitical, and independent study of the innumerable laws, Executive orders, regulations, programs, practices, procedures intended for the protection of the national security. In their summary of recommendations, the Commission indicated that:

> The Commission's recommendations, if put into effect, would enhance the protection afforded national security while substantially increasing the protection of the individuals.

In view of this weeks decision by the Supreme Court in the case involving an admitted member of the Communist Party, I think it urgent that Congress adopt new legislation to take the place of that which the Court struck down. This modified version of the Commission's recommended legislation has been altered in an attempt to fit it within the framework of the case decided by the Court this week and at the same time provide the country with the complete protection that we need.

Considering the situation in this country at this particular time in our history, I feel that there is great urgency for comprehensive legislation of this type and I would hope that my colleagues share this urgency and act promptly to secure its enactment.

Mr. DIRKSEN subsequently said: Mr. President, I introduced a bill out of order today which, when it was first prepared in the Eisenhower administration, had been referred to the Committee on Post Office and Civil Service.

I ask unanimous consent that the bill which I introduced earlier today be referred to the Committee on Government Operations.

The **PRESIDING OFFICER.** Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

The bill (S. 2778) to establish a Central Security Office to coordinate the administration of Federal personnel loyalty and security programs, to prescribe administrative procedures for the hearing and review of cases arising under such programs, and for other purposes, introduced by Mr. DIRKSEN, was received, read twice by its title, and, by unanimous consent, was referred to the Committee on Government Operations.

AMENDMENT OF TENNESSEE VALLEY AUTHORITY ACT OF 1933—AMENDMENT

AMENDMENT NO. 495

Mr. **BAKER** submitted an amendment, intended to be proposed by him, to the bill (S. 1637) to amend the Tennessee Valley Authority Act of 1933 to provide that the issue of just compensation may be tried by a jury in any case involving the condemnation of real property by the Tennessee Valley Authority, which was ordered to lie on the table and to be printed.

ADDITIONAL COSPONSORS OF BILLS

Mr. **MONTOYA.** Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from California [Mr. MURPHY] be added as a cosponsor of the bill (S. 1975) to amend section 202 of the Agricultural Act of 1956.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **BURDICK.** Mr. President, I ask unanimous consent that, at its next printing, the names of the Senator from Indiana [Mr. BAYH], the Senator from Oklahoma [Mr. HARRIS], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from West Virginia [Mr. BYRD] be added as cosponsors of the bill (S. 2648) to amend subchapter III of chapter 19 of title 38, United States Code, in order to authorize the Administrator of Veterans' Affairs to pay the total cost of a member's servicemen's group life insurance during any period that such member is serving in a combat zone.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **BYRD** of West Virginia. Mr. President, on behalf of the Senator from Washington [Mr. MAGNUSON] I ask unanimous consent that, at its next printing, the names of the Senator from Washington [Mr. JACKSON], the Senator from Virginia [Mr. SPONG], the Senator from Texas [Mr. TOWER] and the Senator from Maryland [Mr. TYDINGS] be added as cosponsors of the bill (S. 2650) to amend the Merchant Marine Act, 1936, and other statutes to provide a new maritime program.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

HEARTS AND MINDS IN VIETNAM

Mr. **MORTON.** Mr. President, the often stated objectives of the United States in Vietnam is to lend assistance to the people of that troubled land in their search for self-determination.

Many of the Members of this body have questioned whether present military operations in Vietnam—particularly in the south—are designed to win the hearts and minds of the Vietnamese. For if we are failing in this task, then every aspect of our policy there will also prove a failure.

Recent official reports indicate that the death toll among South Vietnamese civilians has surpassed those of American and South Vietnamese armed forces, and, at the very minimum, civilian casualties will reach more than 100,000 this year. Is this the way to win hearts and minds?

Administration leaders boast that two-thirds of the Vietnamese population are now in "secure" areas. But at least one-third of the total population of Vietnam are refugees who have been driven from their land and their homes by U.S. military action. Is this the way to win hearts and minds?

Mr. President, one of the best examples of how Americans can win the hearts and minds of the Vietnamese has been the splendid operations of the International Voluntary Services. While this fine organization continues to perform invaluable services in Vietnam, particularly in the field of agriculture, education, and health, three of its top leaders felt compelled several months ago to resign because they believed that our military action was proving counterproductive, and threatened to alienate the majority of the Vietnamese from their American saviours.

Mr. President, I ask unanimous consent to insert in the RECORD a statement of the former IVS leaders that discusses the present tragedy unfolding in Vietnam.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

VIETNAM: AN INSIDE VIEW

One of the main reasons that the United States Government has given for years to support our involvement in Vietnam, is that United States assistance is being given at the request of the Vietnamese to help them build a viable and independent, non-communist State and to help them oppose any force that threatens this State. The element of Vietnamese society on which this commitment has always depended is the urban-educated group, which has felt that a non-communist, independent government would best serve their interests and the interests of their compatriots in the rural villages of South Vietnam.

But things have changed. On October 9 of this year a headline article appeared in *Song*, a consistently anti-communist newspaper in Saigon, written by a former Vietnamese Army Officer, who said in part:

"For the time being, the Vietnamese are suspicious of the Americans' goodwill, because the Americans always try to interfere in Vietnamese internal affairs and support those whom the Americans like and the Vietnamese do not. That is why the Vietnamese suspect the Americans and think that if this war is an American one, then let the Americans take care of it. And at the present time, the Americans are trying to pacify the political situation at any cost to help Johnson succeed in the '68 campaign, not to help Vietnam win over communism."

This is not an isolated opinion. It is similar to the opinions and feelings that have been expressed to us personally by many Vietnamese students, teachers, civil servants and army officers, especially during the last year. It is an indication of the growing belief that the huge and ubiquitous American presence is alien to rather than allied to the national interests of Vietnam.

This belief has grown steadily since the massive introduction of American military and civilian personnel began in 1965 and is one of the main reasons why we decided to leave Vietnam and publicly express our concern.

In order to understand this change of attitude in Vietnam, we have to look at how the intensification and Americanization of the war has effected the rural and urban people of Vietnam.

RURAL VIETNAM

The villager in Vietnam does not concern himself with ideologies; and while opposing forces try to capture his heart and mind, he wishes only to protect his family and plant his rice in peace. His daily life is strongly tied to the well-being of his family and the veneration of his ancestors. He may cooperate with the NLF and the Vietnamese Government and the Americans in order to protect his family and home, but he will despise the man who does harm to his family. Many villagers have ample reason to resent all the fighting partisans; but since 1965, the Americans with their airplanes and massive ground operations have loomed as the greatest threat to their well-being.

Since 1965, more than one fifth of the rural population north of Saigon have been chased by bombing or forced by ground operations from their homes and fields. Most of these people have been relocated in areas where land is not available and where even their own meager comforts of home are not to be found. A German psychiatrist who has been in Vietnam for seven years was recently quoted in the *New York Times* commenting on another result of this dislocation:

"The strength that the Vietnamese peasant draws from his familiar surroundings, his home, his field, his coconut trees, most of all, perhaps, the graves of his ancestors, can give him the strength he needs to carry on in the face of great difficulties and hardships. Take him away from these things and you soon see the beginnings of apathy and even disorientation."

This the United States has done in the name of freedom and self-determination. Even the communists have not so violated the villager's deep attachment to his homeland. The villagers know this and our urban friends know it and begin to wonder which is the greater evil.

We have seen the apathy and disorientation of the people in refugee camps. They have little desire to improve their new and strange surroundings, for their deepest longing is to go back to their homeland. But going back is forbidden and also risky, because most of their former lands are now in Free-Strike Zone areas. This means simply that any aircraft and any artillery can shell the area at will. Planes drop their leftover bombs there, and sporadic harassment and interdiction (H&I) fire is directed into the areas by nearby artillery to "keep the VC on their toes". If any human is spotted in the area by passing planes or helicopters, he is considered "fair game".

But in spite of regulations and risks, farmers do go back. Sometimes they go back to harvest their rice and sometimes because their desire to be home is greater than the fear of death. They may later be added to the rising toll of "enemy dead".

These incidents may not be reported in the United States, but they travel quickly in village markets; and everyone knows who flies the planes. It is not difficult to understand, then, why the NLF finds it easier to solicit the cooperation of the villagers.

OUR URBAN "ALLIES"

The sensitive members of this urban group have watched in dismay as so many of their rural compatriots have been uprooted. They see the two great strengths of Vietnamese society—village and family—seriously weakened, not only in refugee camps, but also in the crowded cities where the uncounted refugees go; and they know this cannot be the way to build a nation.

They also have many problems of their own. While their wage scales have increased only slightly, the cost of living has increased roughly 50% each of the last years. Housing is harder to find as profit-seeking landlords rent to free-spending Americans. They have seen their own families effected by the social deterioration in the cities and have seen their sons and brothers die in a battle they can no longer call their own.

But these sensitively nationalistic people are perhaps most disturbed by the increasingly dominant role the Americans are playing in the affairs of their nation. What began as a Vietnamese struggle with American assistance, has increasingly become an American war which solicits Vietnamese support. One may say that Americans have been obliged to assume a larger role because the Vietnamese have failed to do their share. But it is for them to decide how hard to struggle and for what objectives.

Vietnamese Civil servants and army officers have felt directly the pressures of the Americanization of this war. In 1963 there was one civilian and a few military advisors in each of the forty-three Provinces of South Vietnam. Today there are close to 100 advisors in each Province, who not only advise, but many times bring great pressure to bear on Vietnamese officals to carry out this or that program in this or that way. This is hardly the way to help develop an effective and independent government in Vietnam. On the contrary, it is antagonizing Vietnamese officials and destroying any chance of building good government. More and more these harassed officials are saying, "It's an American program, let them execute it. It's an American war, let them fight it".

On a broader scale, these Vietnamese are humiliated to see their country increasingly dominated by a foreign power. They are doubly insulted when this foreign power not only interferes in their affairs, but interferes in ways they consider detrimental to their national interests.

In summary, they no longer see the United States as a friendly nation helping to build an independent, non-communist State. They have begun to see us as a foreign power interfering in their affairs and destroying the foundations of Vietnamese society. A few of these non-communist patriots are so distressed that they have joined the NLF as a last resort; many feel helpless to do anything.

THE FUTURE

If present Vietnam policies continue, we can expect to lose the support of increasing numbers of Vietnamese people in the rural and urban areas. It is thus clear that the longer we continue the present course, the weaker we will be at the negotiating table that must eventually end the conflict. And as long as we continue the present course, the NLF and North Vietnam will have no reason to negotiate, since we are driving people to their side.

The road to Peace will also not be easy, but it cannot even be discovered unless we tie our policies to a political rather than a military solution and unless we recognize that the deepest desires of the Vietnamese people are for sovereignty and peace.

NOTE.—Don Luce, nine years in Vietnam; Gene Stoltzfus, four years in Vietnam; Willie Meyers, three years in Vietnam.

(Luce was the Director, Stoltzfus the Deputy Director, and Meyers the Corps IV Team Leader for International Voluntary Services in Vietnam until September 1967, when they resigned to protest United States policies in Vietnam. IVS, in the words of former Ambassador Lodge, is "one of the success stories or American assistance in Vietnam".)

Mr. KENNEDY of Massachusetts. Mr. President, will the Senator yield?

Mr. MORTON. I yield.

Mr. KENNEDY of Massachusetts. Mr. President, I wish to commend the Senator from Kentucky on the statement he has made.

Recently Mr. Don Luce, who was the head of the International Voluntary Services in Vietnam, appeared before our committee. In addition, I had an opportunity to meet many of the young people representing us when I was in Vietnam.

I could not agree more with the comments made by the distinguished Senator from Kentucky about the extraordinary contributions they have made working with the people in South Vietnam and also their great interest and humanitarian concern in programs to help raise the South Vietnamese level of health, education, and related nation-building programs.

I commend the Senator for bringing this matter to the attention of the Senate. I think it is important.

Mr. MORTON. I appreciate the comment of the distinguished Senator from Massachusetts. I know of the great work he has done in studying the entire refugee problem.

While Don Luce is a young man, he has been in Vietnam for 9 years. I believe his dedication is unquestioned and he raises such serious questions that it caused him to resign this position because he felt he was completely frustrated in his efforts.

Mr. KENNEDY of Massachusetts. The Senator is correct about the 9 years of service of Mr. Luce. He went before many of us in this body and before many people around the country became concerned about Vietnam. He was concerned about the welfare and well-being of the people of that area in the late fifties and gave of his time, his energy, and his skills without any thoughts of self-interest or personal advancement.

When he makes comments of this kind about nation building, they should be brought to the attention of the Senate and the American people.

Mr. President, I commend the Senator.

Mr. MORTON. I thank the Senator from Massachusetts.

DANGER OF A CESSATION OF BOMBING IN VIETNAM

Mr. MURPHY. Mr. President, in the debate on another bombing pause, we should carefully weigh the faint hope that this would be the first step toward the resolving of the conflict with the effect that such a pause will have on our boys on the firing line.

I have a letter from a constituent of mine stationed in Dong Ha. His feelings "that the ones who want to stop the bombing are not the ones who must face the dangers that a bombing cessation would bring" should be shouldered by all Members of Congress.

I ask unanimous consent that the letter from Cpl. Jerry M. Plewak, of San Diego, Calif., be printed in the RECORD; and also a September 8 article published in the Daily News-Post, in which Mr. Ken Deardorff has been called to my attention.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

3D MARINE DIVISION,
Vietnam, September 22, 1967.

HON. GEORGE MURPHY,
Post Office Box,
Beverly Hills, Calif.

DEAR SIR: As a constituent of yours whose home is San Diego, I would like to pass on to you my feelings about the proposed cessation of bombing North Viet Nam.

I am a Marine presently stationed in Dong Ha. As you know, Dong Ha is often shelled by the NVA and VC because of its proximity to the DMZ. I have often watched our jets returning from their missions in the north to Da Nang and wondered what would happen if the enemy's supply routes in the north were not cut off. The thought of the NVA passing freely through their supply trails bringing tons of ordinance to shell our positions, to say the least, makes me tremble.

I hope you see my point. I hope you also remember that the ones who want to stop the bombing are not the ones who must face the dangers that a bombing cessation would bring.

Respectfully,

JERRY M. PLEWAK.

WOUNDED GI GIVES VIEWS ON VIETNAM

MONROVIA.—A 23-year-old Monrovia soldier is home with his family recuperating from a leg wound he received in Vietnam during what he called a "one-sided New Year's truce."

Army Spec. 4 Ken Deardorff, son of Mr. and Mrs. F. W. Deardorff, 608 W. Palm Ave., is home on seven-day leave from Ft. Ord Hospital.

He was wounded Feb. 11 while he was on a reconnaissance flight over a rice paddy near Bong Son, on the coast 300 miles northeast of Saigon.

Deardorff was the observer and gunner in a small two-man helicopter, much like ones used for police traffic work.

"We were seven or eight feet off the ground when a Viet Cong suddenly jumped out of a hedge and started shooting with a submachine gun," Deardorff said.

He was hit in the leg, but because of the truce could not fire back.

"The pilot radioed for permission to return fire and the helicopter behind us got him," he said.

This was on the second day of a four-day truce that was broken often by the enemy, Deardorff said. "In fact, I would say that the truce was broken within half an hour after it went into effect."

Most of the men in Vietnam feel that truce and others are useless, the life-long Monrovia resident said. They feel in general that there is too much political influence in the war that prevents it from being concluded quickly and in victory, he added.

"The commanders in Vietnam should be allowed to run the war if any progress is to be made," he said.

Most troops feel the war should be escalated as far as this country dares, he said. Two years ago it could have been done without any threat from Communist China, but now the threat is there, Deardorff said.

"I think we are just saving face now," he said. "We are in too far to get out now."

Troop morale is great, he said, but actions of anti-war demonstrators bothers the men some.

"They feel these protestors should be the first ones to go into battle," Deardorff said. "But draft-dodgers, like those who go to Canada and lose their citizenship, are probably more sincere than others," he said.

The feeling is the same toward those who simply speak or write against the war instead of demonstrating, he said.

Deardorff will return to Ft. Ord Tuesday and possibly be transferred to a hospital closer to home. He said he might be discharged afterwards. Bones in his leg and knee were broken when he was wounded.

He said he will continue his college education after he gets out.

THE AMERICAN FIGHTING MAN

Mr. MOSS. Mr. President, there is no subject of deeper concern to the American people than the well-being of our men in Vietnam. What do they feel, and do and believe? How are they faring in the Asian jungle thousands of miles from home?

Gen. Harold K. Johnson, Army Chief of Staff, was in Salt Lake City on November 9, where he made a stirring Veterans' Day address in our great tabernacle on "The American Fighting Man."

He found a strong link between the cause of the soldiers of the American Revolution who fought for our freedom in 1776 and the aims of the GI in Vietnam today.

He read letters which indicate that our fighting men there understand very well what they are fighting for, and that they believe in what they are doing. One officer, who had just lost his son in battle, predicted that—

> The day will come when Vietnam will stand as the finest monument to the American people that we have ever built.

General Johnson also described how our men face battle in the words of their commanding officers:

> They are aggressive. They fire their weapons. They are smart. They are proud to be doing what they are doing.

Mr. President, I ask unanimous consent that the forceful and eloquent speech by General Johnson on "The American Fighting Man" be printed in the RECORD, so that anyone who has a son or a brother or a husband or a friend fighting in Vietnam may read it, and know a little more about him, and about what this war is all about.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE AMERICAN FIGHTING MAN

(Address by Gen. Harold K. Johnson, Chief of Staff, U.S. Army, Salt Lake City, Utah, November 9, 1967)

We have the privilege here tonight of giving the American fighting man about the only thing he does not already have—our renewed pledge to remember all that he has done for us and our country. He does not need a pat on the back, for he has written a record in every generation that has won more praise than he would want to hear. His own words, old and new, tell us, he fought out of conviction, not by compulsion, so he wouldn't sit still for tears and sympathy. But his accomplishments, won by hard work and sacrifice, cry for the monument of memory that we raise a little closer to eternity every time we come together and promise that we will never forget to remember. If, as men have so often said, "Eternal vigilance is the price of liberty," then remembrance is its shrine and rededication is its surety.

I find new inspiration every time I remember the American soldier as he was so long ago in homespuns and buckskins. I see a relation between his cause then and our aims today. In both his yesterday and our today I see a pattern for the future which, without restricting us to stereotyped responses, assures us that we can face any new challenge as long as we retain and cultivate the qualities that "made and preserved us a nation."

It all began—if you can really stake out a beginning—on the 19th of April 1775 when some 70 Minutemen in the Colony of Massachusetts skirmished against an advancing column of 700 British Regulars and struck the first blow for the freedom and sovereignty of an emerging Republic.

Those colonial Americans were not quixotic heroes, nor were they bearded economic theorists with a vision of something for everybody—for nothing. They were practical men who loved freedom, who, like the South Vietnamese today, wanted to hold on to the privilege of self-determination which was already theirs. As late as 1842, a 91-year-old veteran of the Concord skirmish was asked if he fought against oppression or the tea tax. To the 21-year-old man who questioned him he replied: "Young man, what we meant in going for those redcoats was this: we always had governed ourselves, and we always meant to. They didn't mean we should."

Today, having advanced from that precarious beginning on Lexington Green and at Concord Bridge to a position of world eminence, the United States of America is using a portion of its strength and resources to help other freedom-loving people resist aggression and secure their right of self-determination.

And what does our soldier think of this idea? He's all for it. I could show that by the many letters that have been written to me alone. Let me read a small part from just one of them, written by an officer, himself a veteran of two wars, whose son was killed shortly after he, the father, arrived in South Vietnam. He wrote:

"Now that I have had a brief first-hand glimpse at our effort here, I am all the more convinced that the day will come when Vietnam will stand as the finest monument to the American people that we have ever built."

For tomorrow, this country of ours seeks a world in which—though there still may be "wars and rumors of wars"—the conference table will loom ever larger and the battlefield smaller and smaller in the settlement of international disputes and differences. Although many of our people here at home seem to miss the connection between this aim and our efforts in South Vietnam, the soldier knows—or soon learns—how it all dovetails. Most of you, I am sure, remember the letters of Captain J. P. Spruill which were published a few years back. As a military adviser to the South Vietnamese, Captain Spruill saw a resemblance between what some other "advisers"—von Steuben and Lafayette—had done for our young Republic and what he was doing for South Vietnam. In one of his last letters to his wife he wrote:

"There is no backing out of Vietnam, for it will follow us everywhere we go. We have drawn the line here and the America we all know and love best is not one to back away."

A 20-year old sergeant wrote this to his parents just before he was killed in action:

"If the Commies win in Vietnam they will just start another war somewhere else. Sooner or later it would be just the United States against the world, and we could not win that war.

"I could never be like the pacifists who let the enemy take what they want, and then hope they don't want any more. The communists will never be satisfied until they have the whole world oppressed and under their heel."

Yes, our fighting men understand, and one cannot help but wonder what might have happened if they had not been so understanding over the years. What might the alternatives have been? Suppose the Colonial soldier, awakened in the night by a Paul Revere, had stuck his head out the upstairs window and cried, "Why me? I've got some spring plowing to do tomorrow." Suppose the frontiersmen of Maryland and Virginia, hearing of the trouble in New England—misunderstanding it—had said, "Let's not get involved up there. That's a civil war of Englishman against Englishman—Loyalist against Tory." Suppose the staunch young supporters of Joseph Smith and Brigham Young, succumbing to the outside criticism and internal doubts of which the 19th Century Mormon's hair shirt was woven, had fled the ranks—accepting an easy refuge short of the Promised Land.

One also wonders what would have happened if Hitler had been allowed to march unchecked across the face of Europe in the early 1940's and then spring with his Fascist ally, Mussolini, to the south across Africa and South America—if he had been allowed to go with his Japanese ally across the Pacific . . . the Far East . . . and the Middle East. He almost was, you know.

By only a single vote in the House of Representatives on August 12, 1941, Selective Service and the 800,000 new men it had given the Army were retained. What a blessing that was. On December 7th the Japanese struck at Pearl Harbor. Four days later, Germany and Italy declared war on us. But after a few months of catching our breath, we were able to take the first of many steps to clear the world of that particular threat to freedom. Between December 1941 and December 1945, more than 16 million Americans entered the Armed Forces, 11 million or more of them into the Army. During this time, these men wrecked a German Army which had conquered—among several others—Poland in 27 days, France in 39 days, Yugoslavia in 12, and Greece in 21. Fighting at the end of the longest supply line in history, American soldiers in the Pacific rolled back the Imperial Japanese Army in a series of island battles that removed the menace of aggression from one of the largest geographical areas on the globe.

The pattern of communist strategy in Asia, creeping into and nibbling away at the struggling fringes of the Free World, became painfully apparent in 1950 when the North Koreans, later aided by the Red Chinese Army, invaded South Korea. Once again, American fighting men—nearly six million in all—2.8 million in the Army alone—went to the aid of a valiant young nation—and saved it.

The real issues they fought for—that we still fight for—were poignantly described in a letter written by General Ridgway. In part it read:

"The real issues are whether the power of Western civilization, as God has permitted it to flower in our beloved lands, shall defy and defeat Communism; whether the rule of men who shoot their prisoners, enslave their citizens, and deride the dignity of man, shall displace the rule of those to whom the individual rights are sacred; whether we are to survive with God's hand to guide and lead us, or to perish in the dead existence of a godless world."

From that war, the United States gained not one inch of new soil, not one red cent for its treasury, and not one single knee bent in subjugation. But the communist seepage was sealed off and South Korea saved to become a prosperous, proud and helpful ally of the Free World.

Today the struggle goes on, because certain communist nations will not allow their world neighbors the right to free and independent government. The United States is determined to stay free. Furthermore, it has repeatedly demonstrated its willingness to assist other freedom-loving people. We do this because it is right in principle and because we realize our freedom is jeopardized whenever and wherever it is denied or taken away from another nation, next door to us or half a world away.

As a result, we are once again calling on our young men to give us the strength we need in this resolve. How, you may ask, do they regard all of this? How do they feel about the duty that turns them so far aside from the course they would normally follow as human beings? General Abrams, who was my Vice Chief of Staff until he went to South Vietnam in May of this year, gives some answers in a letter he wrote just last month:

"Scarcely a day goes by that I don't gather inspiration from individual performances by Army personnel both officer and enlisted. They have the capacity and use it to rise above any obstacle. Many are quite young. The rare combination one finds many times . . . is patience, determination, enthusiasm, optimism, compassion, and discipline—all wrapped up in a 21-year old package from just any town in the U.S. They seem to have more faith in themselves and in the country they represent than the people at home."

Colonel Harold Moore, who led the 3d Brigade of the 1st Cavalry Division into its history-making baptism by fire a little more than two years ago, described our soldiers in Vietnam with these words:

"They are aggressive. They fire their weapons. They are smart. They are proud to be here doing what they are doing. They are not afraid of the night. They pick up battlefield knowledge quickly. They fight hard. They close with the enemy without reluctance. I am unable to describe completely how proud I am of these men."

I more than share in his pride. Two years ago, I thought I couldn't be prouder. These young lads make me change my mind every day. Their performance is magnificent. More than 100,000 of them have volunteered for service in South Vietnam. Their return-to-duty rate when sick or wounded—thanks in a great measure to our Army doctors, American medical science and the helicopter with courageous pilots—is the highest in history. Fighting in the enemy's back yard and in a kind of war and environment that favor the insurgent, these soldiers have seized the battlefield initiative from the enemy, entered his sanctuaries, and are slowly driving him from his hideouts. The enemy can no longer seize and hold any objective against our will.

But the American fighting man in South Vietnam is also compassionate. He is a builder, a teacher, a friend. In his own spare time he has helped to build orphanages, schools and hospitals to alleviate the suffering of the helpless old men, women and children caught in the path of war. Skilled teams administer free medical care and give instruction in modern sanitation measures. One young officer who was teaching an English class in his free time, was killed by a terrorist while in his classroom. There are tens of tens of examples.

While I am on this subject, I want to squelch any exaggerations you may have heard about the injury or death we have inflicted on South Vietnamese people or the damage we have wrought on their property through our combat actions. Of course there have been some isolated instances in which damage has been done. Some innocent people have been accidentally wounded or killed by misdirected artillery fire and other human error. General Sherman did not exaggerate when he said, "War is Hell." But I ask you to compare those few accidental deaths with the cruel, calculated, ruthless campaign of terror that has been and still is being carried on by the Viet Cong. Never have I heard of American soldiers standing a town mayor in front of his people and disembowelling him. The Viet Cong soldiers do—regularly. I have never heard of an American who cut off a young girl's hand as a warning to others simply because she had chosen to go to school to learn to write. The Viet Cong have done this and many barbaric deeds like it, over and over. Thus far in 1967 they have murdered 1,500 civilians, wounded nearly 2,700 and kidnaped around 2,000—many of whom were village officials, civil workers, and school teachers. During the first week of September alone—the week of the recent elections—the Viet Cong committed nearly a thousand atrocities—many, many more than the total accidental deaths that can be attributed to our operations.

I spoke a moment ago of my pride in the American soldier. That pride shot upward again on the weekend of 21–22 October as a result of the manner in which our soldiers handled themselves while maintaining law and order at the Pentagon during the antiwar demonstration. They stood up in the face of intense provocation—not from the demonstrators as a whole, but from a few who lost sight of what they were there for—in an extremely professional and effective manner. Most of these soldiers were about the same age as the demonstrators. A great number of them had been in the Army less than a year. They exemplified what can happen when young men have been given a proper set of values and are ready to accept the responsibilities of citizenship. Only with the deepest sense of sorrow can I view what happens to a young man or woman who is lured away from duty and responsibility by false ideals and the misapplication of the principle of individual liberty.

But let me make one point clear. Public dissent and debate, including public assembly and protest, are part of the American way of life. They are symptoms of an alert and vigorous body politic. We teach our citizens to have convictions. We urge them to voice these convictions. Therefore, we dare not forget that most of the people assembled at the Pentagon on the weekend of 21–22 October were motivated by deep and honest convictions. For this, we cannot condemn them.

But somewhere along the line, something has been forgotten by a great many of our people. We must take steps to see that reason and decency are restored to all that we do. Opposing sides in controversies must seek to identify and describe issues and argue from the basis of substantially the same set of facts so that we as reasonable people, governed by the same values and goals, can reach logical conclusions. How do we do this? There is no quick, easy and absolute solution, but I think we can test the course we are taking at any given time simply by asking, "Is this consistent with what we are—with what we stand for? Is this or that inconsistent—a cut against the grain—a step backwards?" This process is something we must work on every day.

The Army's part in maintaining law and order during the demonstrations also dramatized a part of the fighting man's role in a democracy. When a soldier enters the Army, he takes an oath to uphold and defend the Constitution which guarantees, among other things, the right to free speech and assembly. In a sense, he surrenders many of his personal liberties for a time so that others can exercise theirs more fully—so that these cherished privileges will endure to be enjoyed by our children and grandchildren.

Never let this thought go far from you—all the blessings and rights that we enjoy as citizens of this great Nation were won and have grown firm behind the defensive shield provided by our fighting men. Many men have suffered and died that this might be so. I wish I could stand here and tell you that their labor and sacrifice have put the promise of peace within our grasp. I can foresee nothing that absolute. But I can see that these men have won for us the right and the strength to meet our responsibilities from a position of strength.

I know that you share my pleasure in recalling how deeply—how very intimately—America's fighting men have been involved in so many of the events of peace and war that have marked our progress as a nation and a people. Even before the Nation was these fighting men were. From New England to Georgia, they were called up and committed before their cause had a formal name. They were earning battle streamers before they had a national flag. They built the rough framework of an Army and a Navy even before the mold for their government could be cast.

But—and this is a point never to be forgotten—once that mold had been forged, those fighting forces were recast in the national image and began a steady growth to maturity in the likeness of the people they serve. I hardly need to impress that further on an assembly sponsored by the National Guardsmen and veterans, who have been so much a part of all I have described.

There is another side to the picture. Our fighting men must share credit for the nation's past glory, present strength, and future promise with the people, who create the basic economic, political, moral, and spiritual stability upon which military power must be built. The military strength needed to protect and preserve the precious blessings we have can never emerge from a weak and vacillating people. The Army and the other Services will be just as well motivated, capable and ready as our people want them to be.

That's not a bad prospect at all. I have infinite faith in the American people's continuing will to set their sights a little higher every day and to battle, in and out of uniform, in the traditional American belief that right makes might.

There is a part in this for all of us—soldier and civilian, man and woman, young and old. But inherent in everyone's part is an appreciation of what our men-at-arms have done for us, a realization of what they must continue to do, and an understanding of why they must do it. These fighting men have stood guard over us through a glorious past. They now offer a love and loyalty which we need in today's chaos of change more than ever before. And when we launch into the outer spaces of a fantastic tomorrow, we shall need their strong hands and stout hearts on the flight, and we shall need them here with their feet resolutely planted on the solid ground of the already-known and long-accomplished, watching over hearth and home.

They, in turn, need that hearth and home. It is what they fight for. Together we shall see that it is here—thriving, sound—as warm and familiar as mother's pie—every time their duty is done and their faces turned homeward.

ADDRESS BY SENATOR METCALF CONCERNING OVERCHARGES BY PRIVATE POWER COMPANIES

Mr. MUSKIE. Mr. President, the privately owned electric power companies have long claimed to be a free enterprise industry. As such, they have opposed the construction of Federal power projects, claiming, among other things, that such projects are an unfair infringement on the private sector of the economy.

This has been one of the arguments the power companies have used in their campaign against the Dickey-Lincoln School multipurpose hydroelectric project on Maine's St. John River.

The distinguished junior Senator from Montana [Mr. METCALF] recently discussed this aspect of the private companies' activities in a speech to the Consumer Assembly in Washington.

Senator METCALF refutes the contention by the power industry that it practices within free enterprise systems.

An understanding of the utilities—

Senator METCALF told the consumers—

begins with the realization that they have the fundamental characteristics of governments, without appropriate checks and balances.

He demonstrates that a power company has a complete monopoly and a privileged sanctuary. He reports that in some States, power companies are free to raid the territories of consumer-owned utilities, and that they are attempting to keep the opportunities of nuclear power, developed by the Federal Government, only for themselves.

We in the Northeast, the only region of the Nation not now benefiting from Federal power projects, are especially sensitive to the power companies' monopolies because we pay the highest electric bills in the country. I ask unanimous consent that his remarks to the Consumer Assembly be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

HOW TO REDUCE UTILITY OVERCHARGES

(Speech by Senator LEE METCALF, Consumer Assembly, Washington, D.C., November 3, 1967)

I share your regret that the discussion of utility overcharges before Consumer Assembly must take the form of a speech, rather than a debate. Five leading power company officials declined the invitation to state their case to you, and answer questions. That makes a total this year of eighteen rejections by electric power company people to debate or discuss the issue.

One would think that an industry which emphasizes voluntary approaches would produce some volunteers.

Through its advertising and public relations programs the Nation's largest industry—electric power—has adroitly associated itself with the free enterprise, risk-taking sector of the economy, including the freckled boy who sells pop bottles. Perhaps we should begin by disposing of this false analogy, even as Freckled Freddy junks his throwaway bottle nowadays. An understanding of utilities begins with the realization that they have the fundamental characteristics of governments, without appropriate checks and balances.

To begin with, can you visualize Betty Furness, or Esther Peterson, or Jake Clayman, or any of us, pushing our grocery cart through the supermarket, looking for the best buy in electricity? Are those shelves crowded with Super Krunchy Kilowatts, or festooned with banners advertising an Anniversary Sale On Electricity?

Hardly. You buy your electricity from the one place you can get it. At the one price that is set, but never set in the marketplace.

The investor-owned utilities—the I.O.U.s—have boundaries, just as states and nations do. They have a complete monopoly on their essential product in their territory.

And in some states they are free to raid the territory of consumer-owned utilities, which are prohibited from entering the fiefdom of the investor-owned utility.

As MacArthur might have said, those I.O.U.s have privileged sanctuary.

Utilities and governments alike are empowered to require public payments, through rates or taxes. Neither governments nor I.O.U.s go broke. They adjust the taxes in government, the rates in utilities, or, in both cases, the debt. The debt of electric utilities, I might point out, is increasing at a faster rate than that of the Federal Government.

What would be your reaction if an employee of a clothing store, or a filling station, knocked at your door and said "Our company has decided we need your land. In fact, we need to put some of our property right where your house is. We'll pay you, but we'll take it."

You and I would of course react strongly against such an unlawful attempt by a business to obtain our property. However, the law would be against you were the party who wanted your property an agent of the state, such as the highway department—or a utility.

Utility corporations have one of the most powerful rights of government, the right of eminent domain. Many of you have read of Potomac Edison's acquisition of lands over which it hopes to erect a one-hundred-and-fifty-mile transmission line alongside Antietam Battlefield. No public body at the Federal, State or local level is empowered to review and approve this corporate decision. The Secretary of Interior may be able to influence this use of eminent domain, only because a portion of the line would extend over land he administers.

The president of Potomac Edison is the man who created the most famous power company ad of all time. It follows the "Ten Little Indians" themes, and pictures the Federal Government as socialistic, gobbling up industry after industry, ten in all, starting with electricity and ending with the press. Nowadays, Potomac Edison treats governments and landowners as cavalierly as those little Indians are treated in the utility ad. Perhaps someone ought to draw a new cartoon to remind Potomac Edison's President Lyons that utility governments have public responsibilities, even when public sanctions are lacking.

Use of the power of eminent domain illustrates how utility governments in some states are beyond the reach of elected government officials.

Nor are the investor-owned utilities controlled by stockholders. The outcome of an electric utilities' annual election is as predictable as the balloting in Soviet Russia. Most of the votes—in a majority of cases every single vote—are cast by proxy, by management, for management's candidates and policies.

I conclude the analogy between utility governments and ordinary governments on a dismal note. Many government officials are also utility officials, despite the obvious conflict of interest. The public has a right to know who is retained by each utility. I would hope that this area would receive more attention from the news media.

What is the consumers' stake in electric utilities? It is figured in the billions of dollars. Possible savings of eleven billion dollars annually are possible by nineteen hundred eighty, the Federal Power Commission has said, because of the cost savings made possible by interconnections, larger and more efficient plants and nuclear power. That estimate may prove more conservative when the bugs are removed from the nuclear breeder reactor, which will produce more fuel than it consumes. The eleven billion dollar question is: Will those extraordinary savings be passed on to the consumer or will they be added to the overcharge already collected by most power companies?

One does not need to be expert to understand how utilities function. The underlying principle is taught in fifth grade arithmetic. Let's review our fifth grade math for about two minutes, so we will all understand how utility overcharges develop, then get on to a discussion of what to do about it.

You all remember that the numerator of an equation is the figure on top. The denominator is on the bottom. Divide the numerator by the denominator and you get the quotient. Thus ten divided by one hundred equals ten hundredths, or ten per cent.

If the numerator—the ten—remains the same, and the denominator is increased from one hundred to, say, one hundred and sixty, the quotient is reduced, to about six hundredths, or six per cent.

Now apply that to utilities. The numerator is the net operating revenues allowed to the company. The denominator is the rate base, or plant investment. The quotient is the rate of return.

Every utility tries to increase the denominator, the rate base, so that the quotient, or rate of return, appears small.

One of the utility presidents who declined to appear before you today contends that his company has a rate of return of only five point thirty-three per cent. Actually, when it is computed by standards used by the FPC and some of the better state utility commissions, it is more than twice that amount, eleven point thirty-seven per cent.

In other words, there is enough padding in Montana Power's rate base to make Twiggy look like Santa Claus.

The median rate of return *theoretically allowed* electric utilities, according to the state commissions, is about six point one per cent. The median *actual* rate of return, according to the Federal Power Commission, is about seven point four per cent. Two factors account for the difference between the figures.

One is that many states are more lenient than the FPC and some states are on this matter of rate base component. Some state commissions permit inclusion in the rate base of such things as estimated "fair value" of facilities, accumulated tax deferrals, plant held for future use and construction work in progress.

The padding simply has to be taken out of those rate bases. I concur in the statement by Commissioner Carver of the FPC, in his speech in September before the Pacific Coast Gas Association, that "firm regulation can succeed as well by concentration on the components of the rate base as on control of profits."

The second reason for the difference between the "allowed" and actual profits is that some utilities simply make more than they are allowed and the state commissions, which regulate retail rates, do not or cannot do anything about it, for reasons I shall discuss shortly.

Average interest rate on electric utility debt is only three point eight per cent. Thus, after servicing the debt and preferred stock, power companies have a nice sum left over to apply as earnings on common stock, which averaged more than twelve per cent in nineteen hundred sixty-five. The average return on equity of electric utilities has been more than three times the average interest rate on utility debt every year since the end of World War Two.

The return on common equity of the risk-free, government-protected electric utilities has climbed steadily upward through the years—seven per cent prior to World War Two, ten per cent in the post-war era, eleven per cent in nineteen hundred sixty and up to twelve point three per cent in nineteen sixty-five. It is now above the average of the risk industries, despite the decision of the Supreme Court in its utility rate decision—a generation ago—that "the return of the utility equity owner should be commensurate with risks on investments in other enterprises having corresponding risks." The difficulty with the Court-decreed standard is that there simply are no other enterprises as completely risk-free as those of the cost-plus government-protected utilities, which have a monopoly on the energy that is essential to modern civilization. Yet despite what the Court said, the risk-free utilities make more than the risk enterprises.

The overcharge figures which you and I have used, based on utility reports to the FPC, are understated, for two reasons. In the first place, industry statistics sometimes misstate revenues or expenses, as recent rate cases in Florida and New York have shown. The Florida Public Service Commission, never one to hound utilities, disallowed millions of dollars in excess depreciation when the facts were put before it. The New York commission, in the Consolidated Edison case still in progress, has received evidence that substantial political and institutional advertising expenditures have been slipped into a number of operating expense accounts, and thus charged to those who pay electric bills instead of those who own utility stock.

Secondly, when an overcharge is reduced, the company's profit and forty-eight per cent tax on profit is reduced. This permits further rate reduction, as all utility taxes are included in the operating expenses which are paid by the utility customers.

Thus, if the six hundred and eighteen million dollar a year overcharge were removed rate reductions would actually amount to one billion one hundred and eighty-eight million dollars annually. The mimeographed copies of my speech contain a detailed explanation of the effect of rate changes on tax collections.

EFFECT ON UTILITY REVENUE REQUIREMENT OF A DECREASE OR INCREASE IN THE AMOUNT OF ALLOWABLE RETURN

The legal principles which govern the regulation of public utility rates require that revenues be sufficient to recover the reasonable costs of operation, maintenance, depreciation and taxes and provide a fair return on the rate base. Thus, the fair return received by the utility is after allowance for all taxes, including income taxes, both Federal and State.

Because income taxes are based on profit (return) it is necessary to make an allowance therefore wherever the return amount is changed. If, for example, the earned return of a utility is $1 million and it is desired to increase the allowed return of the utility by $100,000, to $1,100,000, the additional revenue necessary to provide the utility with return of $1,100,000 is $100,000 plus ($100,000 x .92308) or the sum of $192,308. The factor of .92308 is based on the 48% tax rate. The converse holds true where the return amount is decreased. Thus, in the above example, the return is reduced by $100,000, the revenue requirement is reduced by $192,308 and rates can be lowered by that amount.

The factor of .92308 is derived by dividing the tax rate of .48 by its complement of .52. If the return amount is reduced by $1.00, then there is a saving of 48¢ in income tax. If revenue is then reduced by the additional 48¢, the income tax is further reduced by 48% of the 48¢, or 23¢. This further reduction in taxes generates a further reduction in revenue requirement and so on. The total of the tax saving for each reduction of one dollar of return will come out to $.92308 at the 48% tax rate.

Under the statutes the Federal Power Commission possesses sharply limited regulatory powers. The burden of utility regulation rests with the state utility commissions. I commend to anyone who wants to know more about them the committee print entitled "State Utility Commissions," issued in September by Senator Muskie's Subcommittee on Intergovernmental Relations.

The regulated industries account for about one-fifth of this Nation's gross national product. Yet the regulatory commissions, especially those at the state level, are the most neglected arms of government. Neglected by the universities and foundations. Neglected by the legislatures, both state and Federal, including the appropriations committees.

On these commissions you will find men at both the commission and staff level attempting under the most trying circumstances to fulfill their public responsibility. Nevertheless, in state after state, a similar story is told about their insufficiency. Consider these excerpts from articles and editorials, all appearing in leading newspapers this year:

The investigators for the Illinois Commerce Commission, reported the Chicago Tribune, "are paid such low wages that they spend most of their time working at other jobs and do little work for the state." I would add that this commission, with jurisdiction over some ten thousand companies with assets of more than ten billion dollars, reported to the Muskie subcommittee that it had no attorney.

The Oklahoma Corporation Commission was investigated by a State Senate committee this year, following revelation of cash gifts by a utility to members and staff of the commission. The Tulsa Tribune noted that the commission "has had only the services of its underpaid, political patronage staff . . . confronted with batteries of corporation attorneys arguing for rate increases."

The Virginia State Corporation Commission, commented the Northern Virginia Sun, "has earned the disrespect of the State, principally because of its closed hearings and mutual disrespect for the public."

A "veil of secrecy" around a report on Consolidated Edison by an expert hired by New York City, led the New York Times to observe that "the long, dismal record of confrontations between the city and Con Ed shows that the company has invariably been able to persuade the (New York Public Service) Commission that its position is the right one. "The P.S.C.," continued the Times, "has gone along with Con Ed mainly because it lacks the qualifications or the disposition to do anything else."

In Arkansas, said the Blytheville Courier News, "the industry to be regulated has the strongest hand in regulation. In short, the consumer in Arkansas has not had the benefit of the protection due him under the law because of the obvious political influence brought to bear in state government.

Counsel for the Virginia Association of Counties pointed out a few weeks ago that Virginia cities, counties and towns are being deprived of millions of dollars in taxes because of a truly outrageous practice of the Virginia State Corporation Commission. Public utilities in Virginia pay no taxes on the value of easements which they own. But the value and cost of these easements are included in the utility rate structure. So the Virginia consumer-taxpayer gets the double whammy. The utilities there don't pay their share of taxes but collect revenue as though they did.

And in Massachusetts, where several newspapers have endorsed Senator Edward Kennedy's call for a rate investigation, the Boston Herald-Traveler observed that a full rate case would be out of the question with the state utility commission's present staff, which includes but three accountants assigned to checking the accuracy of financial statements filed by all the electric, gas, railway, bus, telephone and telegraph companies in the State.

So what do we do about it? How can regulation be made effective?

There is an answer, a practical answer. The technology has only recently been made available, but it is here, now, awaiting application to utilities. Moreover, the answer is in consonance with the utilities' own claim that they live in a goldfish bowl with—and I quote from the Southern Company's annual report last year—"their every corporate activity subject to scrutiny by regulatory authorities."

Let me just point out here that one of the Southern Company's power company subsidiaries is located in Mississippi, where there hasn't been an electric rate case in the history of the state commission. Another Southern subsidiary is in Alabama, where the last rate case was during the Hoover Administration. A few years ago the chairman of the Alabama commission said he couldn't get a rate case going unless he got some money for staff. That chairman has now been succeeded by the former Birmingham commissioner of public safety, "Bull" Connor—who may be working doggedly—even courageously—but I still haven't heard of an Alabama electric rate case.

The answer to this regulatory lapse lies in full-scale use of automatic data processing. A nation with the know-how to project and direct a satellite millions of miles out in space, and to predict the result of an election with only two per cent of the vote in, can easily devise a system to compute and regulate the components of a rate base and the bounds of a fair rate of return.

An industry which uses computers for calling in electricity from distant states or a neighboring country, for accounting, billings, engineering and management information retrieval, can easily comply with modernized reporting requirements.

A government which this fall revealed a modern system for almost instantaneous print-out of material can make full data on electric utilities conveniently available to state and federal regulators, to parties to a rate case, to the public. And to the press, which could then find out in detail the now unanswered fundamental questions about utilities:

Who owns them?
Who works for them?
Who benefits from their stock options?
What do they actually earn?
Where does the money go?

Such a system is bound to save time and money. No longer will parties to a rate case have to spend months trying to determine factual data on utility operations. The unfair "water over the dam" rule, under which overcharges cannot be recovered, will be obviated. Comparability of utility earnings, a vexatious area now even for investment bankers, can be easily ascertained. And utilities themselves, knowing that regulators and the public will have convenient access to their accounts, will be less inclined to pass on to the customer their political expenditures and donations to the right-wing organizations through which the utilities disseminate their propaganda, beginning in the elementary schools.

When President Johnson established the President's Committee on Consumer Interests in nineteen sixty-four he issued an executive order, stating that "the Committee shall from time to time consider the Federal policies and programs of primary importance to consumers or the unmet consumer needs which can appropriately be met through Federal action, either under existing laws or new legislation."

In my view modernization of regulatory equipment and techniques merits the sustained support of the President's Committee, the Executive branch and Congress.

I hope Consumer Assembly agrees—and sees that we do the job.

Until regulation is modernized the only way you are going to get rates down where they should be is through strong representations by consumer groups to the state commissions. This can be accomplished through a Peoples Council, such as they have in Maryland, or through a state consumers council, such as the one established by the Massachusetts legislature. A third technique was used by the City of Miami, which engaged a public utility consultant. His findings were reported in an excellent series of articles by Juanita Greene in the Miami Herald. The combination of his report and her reporting, plus the preliminary efforts of a few interested individuals, led to multimillion dollar reductions in both electric and telephone bills.

A fourth technique is being tried in Virginia, under the auspices of the Virginia Citizens Consumers Council. Impatient with the failure so far of any county or city to do as Miami did, and finance an expert study, the Virginia Council is forming a Committee of One Thousand, hoping thus to raise, through five-dollar contributions from each, enough money to finance a preliminary study upon which a successful rate case may be based.

I commend all of these approaches. The Committee of One Thousand approach may be the best way to get action started. After all, many of us are overcharged five dollars each month by a power company. Residential customers and small businessmen alike stand to get their five dollars back, many times over, through needed rate reductions.

So, I hope that from this Consumers Assembly will ensue Committees of One Thousand in State after State, composed of persons who will start to get the rates down, who will see that the facts about utilities are taught in the schools, reported in the press, discussed in public forums and reflected in legislation.

My third suggestion relates primarily to nuclear power, which holds at once the prospect of immense savings and awesome monopoly.

More than half of the new generating capacity contracted last year was nuclear. By the end of this century all new plants will probably be nuclear. Nuclear power is here now, to stay and to grow. It is here now because the taxpayers put up more than two billion dollars to make it practical. Now that it is practical the investor-owned utilities want it all to themselves.

They are attempting to exclude city-owned and consumer-owned systems who seek to become paying partners in nuclear generating and transmissions systems proposed by private power companies. And they are attempting to prevent any agency of the Federal government from building, as only the Tennessee Valley Authority plans, a nuclear power facility.

The evidence of this attempt to arrogate nuclear power is overwhelming and continuing, in proceedings before the Federal Power Commission, Atomic Energy Commission, Securities and Exchange Commission and House of Representatives. In the Massachusetts case before the Federal Power Commission, FPC staff counsel has found that the Massachusetts municipals were denied participation in the planning activities of the New England utilities, and further found such exclusion detrimental to the city-owned systems and constituted possible violation of anti-trust statutes.

The survival and growth of city-owned and other consumer-owned power systems is essential to reduction of overcharges. The consumer systems provide the yardstick of competition which the investor-owned utilities abhor more than regulation. Customers of I.O.U.s pay more than half again as much for power as customers of publicly owned systems do. I could cite case after case where the presence of a competitor or even a prospective competitor causes a power company to reduce rates or forestall rate increases. I will cite here only the most recent example in Texas. Southwestern Public Service has proposed rate increases in sixty West Texas towns. But it held off on proposing rate increases also served by municipal systems in three towns which generate their own power.

The utilities which do lower their rates to meet the competition find that they sell more power that way and do even better financially. However, it takes a competitor from outside the club to get those rates down.

But, you may ask, is there not a preference clause to help consumer-owned power systems benefit from nuclear power and from power generated at Federal plants?

The preference clause in the Atomic Energy Act is useless in present circumstances. It provides that public bodies and cooperatives shall be preference customers for electric energy generated by the Atomic Energy Commission. The trouble with that is, AEC isn't selling any electric energy. The situation is analogous—as my California friend, Congressman John Moss says, with the French law which prohibited rich and poor alike from begging in the streets or sleeping under bridges.

The Federal Government does not retail electricity to anybody, despite what one reads in the biennial reports for the power industry by Opinion Research Corporation. The Federal Government generates a decreasing percentage—now thirteen per cent—of the Nation's electricity and sells it at wholesale, at the same rates, to all types of power suppliers. Less than half of the Federally-produced power goes to the municipal, state and cooperative power systems. Most Federally-generated power is hydroelectric. There are few good dam sites left for additional big projects and there is increasing opposition to them. Hydroelectric power is most efficiently used for peaking purposes—to provide that extra power you need at the breakfast and dinner hours. Increased use of hydro for peaking diminishes its usefulness to most preference customers. So what it all boils down to is this:

Competition lowers rates. The short yardstick of competition has shortened and will shorten some more. The giant I.O.U.s are trying to lock out their small competitors who want in on nuclear power. What to do?

At this point someone usually asks: What about the Antitrust Division of the Justice Department?

I am afraid Galbraith was right, when he characterized promises to enforce antitrust laws "an overture to nostalgia." Especially, I would add, when the Nation's largest and most powerful industry is involved. I have referred to Justice what I thought were good cases. But so far the Department has been more interested in dairy farmers who spill the milk than in power companies who will not serve or permit service to cities and towns from Minnesota to Maine whose mayors and councilmen refuse to be blandished or intimidated by power company officials.

Therefore the remedy lies in construction by the Federal Government of additional generating facilities, including nuclear plants, or in iron-clad assurances that all power systems can participate on an equitable basis in the giant generating and transmission facilities of the present and the future, as proposed in the Aiken-Kennedy bill, S. 2564.

The stakes are large. The time is short. I know that you will help. Thank you.

SPEECH OF PRESIDENT JOHNSON REGARDING OUR INVOLVEMENT IN SOUTH VIETNAM

Mr. BYRD of West Virginia. Mr. President, in his speech last night to the AFL–CIO convention, President Johnson declared:

> It is easy to agonize and moralize, to pin your heart on your sleeve or a placard on your back and think that you are helping to stop the war.

And he added:

> But I only wish that those who bewail war would bring me just one workable solution to end the war.

They must also have a practical solution, "not a concoction of wishful thinking and false hopes, however well meaning."

And it must be a solution "that does not call for cutting and running now."

The President served notice that he will not be pressured into taking an extreme position in this war—either running from the conflict or dangerously escalating it.

The President also made it clear that the onus for peace rests in Hanoi. But until the Communists decide that they are ready to negotiate, the United States has no choice but to continue to defend the people of South Vietnam against aggression.

I think the American people agree with the President that we are defending freedom in Southeast Asia in order to preserve our freedom here at home. To run from this war, is to invite even more costly and dangerous future wars—perhaps even the threat of nuclear war.

> Peace will come—

The President said—

> I am convinced of that. But until it does, I will continue, with the support of our determined people, to hold the line we have drawn against aggression, and hold it firm and steady.

I believe that this is the position shared by the overwhelming majority of the American people, who stand with the President in equal determination to see this conflict through to a peaceful and honorable solution.

ACTIVITIES OF THE COMMITTEE ON GOVERNMENT OPERATIONS, 90TH CONGRESS, FIRST SESSION

Mr. McCLELLAN. Mr. President, as chairman of the Committee on Government Operations, I submit for the information of the Senate a brief summary of the activities of the committee and its subcommittees during the 1st session of the 90th Congress, and ask that it be printed in the Record at this point as a part of my remarks.

There being no objection, the items were ordered to be printed in the Record, as follows:

Permanent Subcommittee on Investigations

ACTIVITIES REPORT, 90TH CONGRESS, 1ST SESSION

Senate Resolution 53 of the 90th Congress, First Session, passed by the United States Senate on February 17, 1967, authorized and directed the Committee on Government Operations to conduct investigations into three areas. These areas are: (1) efficiency and economy in the operation of the Federal agencies in the executive branch of the Government, (2) improper and criminal activity in the labor or management fields, and (3) organized criminal activities utilizing the facilities of interstate or foreign commerce.

In the carrying out of these responsibilities, the Senate Government Operations Committee delegated its authority in these fields to the Permanent Subcommittee on Investigations.

The principal investigations conducted under this resolution during 1967 are:

1. Small business investment companies

In August of 1966, the Subcommittee conducted hearings relating to the Small Business Investment Company program supervised by the Small Business Administration. These hearings disclosed a failure on the part of SBA to screen adequately the individuals who received Government funds. They indicated also inadequacy in the examination and investigative procedures used in the agency at that time and that self-dealing, conflicts of interest and possible fraud were prevalent in the program.

Hearings were suspended in August 1966 to permit the new Administrator, Mr. Bernard L. Boutin, to take corrective measures and to report back to the Subcommittee.

An additional hearing was held by the Subcommittee on April 12, 1967, to permit Mr. Boutin to describe the results of the changes he had brought about. Mr. Boutin said that a new minimum private investment floor of $300,000 was now required before SBA funds would be available. He said the agency has tightened up on procedures for changing control of a small business investment corporation after having been licensed by SBA. It was his intention to eliminate the fraudulent and the incompetent operators from the program and reduce the number of licensees from 700 to about 200. The examination and investigation procedures were tightened up considerably permitting more up to date information and better control. A number of cases have been referred to the Department of Justice on the basis of facts developed by this investigative action. As opposed to a previous estimate of $18 million to be lost by the Government, Small Business revised this figure upward so that their reserve for losses now amount to $50,571,607 out of a total outstanding indebtedness by these SBIC's of $284,389,052. Prior to his resignation in June, 1967, Mr. Boutin submitted a package of legislative proposals making substantial changes in the program and these proposals are being considered by the Congress.

2. *Vietnam, improper practices in the commodity import program—AID*

Hearings—Part I—Chemicals

On April 25, 26, and 27 of this year, the Subcommittee held public hearings into the operations of the Commodity Import Program administered by AID. For the fiscal year 1967, the USAID budget for Vietnam was $800 million. One-half of this amount was obligated in fiscal year 1966 to the Commodity Import Program.

The primary concern of the Subcommittee during these hearings centered around waste and inefficiency in the administration of this program, particularly in procurement of chemicals shipped to Vietnam and which were financed by AID officials without adequate knowledge as to the economic need, quality, or quantity of the goods being shipped.

The Subcommittee also revealed evidence that unscrupulous Vietnamese importers circumvented AID regulations which required public announcement as to bids, etc., as required by the Small Business Administration for commodity purchases going into Vietnam over $10,000. These safeguards against possible collusion between the suppliers and the importers are not applicable in transactions under $10,000. The hearings disclosed that 85 percent of the licenses issued for the importation of these chemicals were slightly under $10,000, thus not subject to the Small Business Administration's regulations. Circumvention of this regulation was clearly illustrated in testimony that 39 licenses were issued by the Vietnamese Government for a worthless battery additive, primarily made up of Epsom salts, and a rust inhibitor involving the same suppliers. All of these import licenses were under $10,000.

In May of 1966, Higgins exported, under 26 separate export licenses, this worthless battery additive to Vietnam and was paid approximately $250,000 by AID.

Letters of credit were issued after Higgins had conspired with a Vietnamese national named Dinh Xuan Thao to have certain Vietnamese importers obtain import licenses for Higgins' battery additive. Under this arrangement, importers were financed by Thao and received a commission for the use of their names on licenses in violation of Vietnamese law. For this fraudulent scheme, Thao was paid by Higgins approximately $125,000 which was deposited in Thao's Swiss bank account in May and June 1966. In June of 1966, AID banned further imports into Vietnam of battery additive products. Within 30 days, the same importers modified their import licenses and they proceeded to import another of Higgins' products, a radiator rust inhibitor. Mr. Thao admitted that these monies were placed in a Swiss bank account in order to circumvent Vietnamese currency regulations which enabled him to finance his Vietnamese operations through converting dollars into piasters in the black market.

At the conclusion of these hearings, the Subcommittee recommended that the loopholes in AID regulations be tightened up and the $10,000 limitation be drastically reduced; that commodity requests by the Vietnamese Government or by importers receive a more intelligent evaluation; and that the Agency increase its alertness so as to detect fraud and other improprieties.

Hearings—Part II—(a) Pharmaceuticals

On August 1, 2, and 3 of this year, the Subcommittee held its second series of public hearings involving pharmaceuticals exported to Vietnam under the Commodity Import Program. These hearings disclosed a disturbing pattern of kickbacks, overpricing, and collusive deals in Vietnam under this program. Testimony before the Subcommittee disclosed that a total of $807,037.47 was paid in kickbacks and illegal commissions to Vietnamese importer LaThanh Nghe and members of his family by American and European drug firms which shipped AID-financed pharmaceuticals into Vietnam during the period 1957–1965. LaThanh Nghe was, until recently, a Cabinet member of the Vietnamese Government and is presently running for election to the Senate in the Constitutional Assembly of Vietnam. The Subcommittee also heard testimony that French and Italian drug products shipped into the United States and later shipped to Vietnam were falsely certified as having been manufactured in the United States.

AID announced that it had adopted the Subcommittee's recommendation made in its first set of hearings in April relating to the practice of limiting transactions on Vietnamese imports to amounts under $10,000 for the purpose of circumventing the AID requirement that such procurement be advertised through the Small Business Administration. Effective July 15, 1967, no new licenses under $5,000 will be approved for AID financing under the AID program. Also, effective July 15, 1967, all AID-financed transactions are to be advertised in AID's Small Business Circular except where a waiver is specifically granted by the Agency.

At the hearings, the representatives of AID announced that they had, as of July 15, 1967, discontinued financing of all pharmaceuticals to Vietnam under the Commodity Import Program because they were unable to protect the Commodity Import Program in Vietnam from abuses in the pharmaceutical field.

Additional claims involving kickbacks and ineligible commissions in the amount of approximately $250,000 have been or are in the process of being issued by AID against American drug firms as a result of joint investigative effort by the Subcommittee's staff and representatives of AID.

(b) Procurement of Railroad Bridges for Vietnam

During the summer of 1967, the Subcommittee staff conducted inquiries into the propriety of an award for 12 steel railroad bridges for the Vietnam Railroad made in 1965 to a company in Norfolk, Virginia. This procurement was financed by AID under its Counter-Insurgency Program for Vietnam.

Although another bid from an established supplier of railroad bridges was $250,000 lower, this bid was declared non-responsive by AID. The inquiries showed that the basis for the finding that the low bid was nonresponsive related to the amount of shop assembly to be performed. The investigation shows substantially no difference in the amount of shop assembly proposed by the two bidders.

Further, the investigation disclosed that the agent for the successful bidder had access to advance information on the proposal before it was officially published; that he wrote he could guarantee the bid would be accepted even if it was higher because he was splitting his five percent commission with people in Saigon. The successful bidder paid part but not all of this commission to a Swiss bank account at the instructions of the agent, Dinh Xuan Thao, who also figures in the Subcommittee investigation of the Vietnam battery additive case.

3. *Procurement of computers*

In June of 1967 the Subcommittee made inquiries into a proposed procurement by the Air Force of 135 computer systems for Air Force bases all over the world. These systems are to replace older computer systems now handling routine data processing in the fields of personnel, financial, construction, maintenance and medical records.

This was to be the largest single order for computers ever placed. The requirement was for commercially available, off-the-shelf equipment. Four companies submitted bids. The bid range was from about $70 million to about $140 million. The Air Force rejected the three low bidders on the grounds that they were nonresponsive and accepted the highest bid. The three rejected bidders filed protests with the Subcommittee, the Defense Department and the General Accounting Office. Intensive inquiries were made by the staff in June and July 1967 into the basis for the rejection of the low bidders as nonresponsive, the economic factors considered and the validity of an Air Force cost effectiveness study used to justify the award.

Hearings were scheduled in Executive Session on July 18, 1967. However, on July 14, 1967, the General Accounting Office issued a report indicating that additional negotiation should have taken place and on the same day, the hearings were postponed at the request of Air Force Secretary Harold Brown who advised the Chairman that he intended to reopen negotiations with all four suppliers. A substantial savings of many million dollars should result.

This inquiry is illustrative of an area in which this Subcommittee renders effective service. With a relatively minor change in equipment, the lower bidders can meet Air Force specifications. Even though no hearings were held on this subject, yet a saving of more than $50 million should be effected.

4. *TFX*

Throughout the last several years, the Subcommittee has maintained a group assigned to maintain a day to day knowledge of the progress of the research and development in the TFX airplane. This plane now carries the designation F–111 (Air Force version). F–111B (Navy version), and the F–B111 (the bomber version). This information was made available to the Senate Appropriations Committee at the time the Defense Department was asking funds to pursue the TFX program. This Subcommittee will continue to maintain contact so as to keep currently informed as to the progress of this airplane.

Reports and Legislation

1. Labor racketeering

On April 24, 1967, a report was filed in the Senate based on hearings conducted earlier. This report described persons acting in a conflict of interest position in labor organizations in New York City. The fact that these men controlled the welfare and pension funds of several unions deprived the legitimate beneficiaries of these funds of their use. The Chairman of this Subcommittee recommended legislation (S. 1255 in the 90th Congress) which would, if enacted, tighten the control by the Department of Labor over those acting in a fiduciary function, thereby protecting the funds of union members.

2. FHA multiple dwelling projects

On June 28, 1967, this Subcommittee issued a report entitled "Investigation into FHA Multiple Dwelling Projects." This report contained information secured in public hearings earlier and related to the FHA Multifamily Housing Projects with particular emphasis on that portion of the program known as Section 220 or urban renewal.

In the specific project studied, FHA ultimately acquired title to the Barrington Plaza for $20,758,413. Ultimately, the property was sold for $21.2 million on a 40-year mortgage with 5½ percent interest. This price is so high that the income cannot possibly meet the payments to maintain it. The income figures and the value estimates would suggest a purchase price of about $13,735,000. This loss to the Government is compounded by the fact that not only did the Government pay more for the property than it is worth but they have given the purchaser a built-in tax shelter.

Based on this report, the Chairman of this Subcommittee introduced in the Senate a bill (S. 1249 in the 90th Congress) to amend the National Housing Act. Its purpose is to provide further protection for the interest of the United States in the insurance of mortgages in the multifamily housing field. Because of the possibility that weaknesses described in the program during the course of this investigation might also exist in other FHA programs, this Subcommittee plans to pursue investigation into additional programs of housing administration.

Future Work

1. Nursing homes

The Subcommittee has received allegations to the effect that nursing homes, in some instances, have received loan insurance from FHA in excess of a reasonable amount considering the financial ability of the sponsors and the possible income after completion of the homes. It is anticipated this matter will be explored further.

2. Labor

In the field of labor, the Subcommittee has maintained continuous surveillance over the functioning of the Landrum-Griffin Act. It appears that Section 504 of the Act, which makes it illegal for persons guilty of certain offenses to hold union offices for five years, should be amended so as to include more offenses. Persons guilty of serious offenses are in no way prohibited under the present law from holding office. It is anticipated that this matter will be explored in the near future.

3. TFX

The TFX progress will be followed by this Subcommittee in the future as it has been in the past.

4. Civil defense

A preliminary inquiry is being conducted by the staff of the Subcommittee into the economy and efficiency of the Office of Civil Defense (OCD). An allegation was received that the OCD management was overstaffed and excessively expensive. In this connection, of the appropriation of $105,090,894 OCD received for Fiscal Year 1966, $11,994,222 was for Management. Another allegation received was that eight Federal emergency operations centers (EOC's) were to be built in strategic sections of the United States and in the event of an enemy attack were to function as a protected underground alternative or subordinate command headquarters from which the Federal recovery effort could be directed, if necessary, by the President, Cabinet members, or other Government officials. However, it is alleged that the design and specifications for these EOC's were inadequate, thereby raising a serious question as to waste and inefficiency within the OCD.

5. Riot investigation

On August 11, 1967, the Senate passed Senate Resolution 150. This resolution authorized and directed the Government Operations Committee to make a "complete study and investigation of riots, violence, disturbances of the peace, vandalism, civil and criminal disorders, insurrection . . ." and to seek out the "immediate and long-standing causes" of such occurrences as well as to study "measures necessary for their immediate and long-range prevention . . ." This responsibility and authority was delegated to the Senate Permanent Subcommittee on Investigations.

When the Subcommittee received this delegation, an initial inquiry of available documents indicated that since January of 1964 there were approximately 140 civil disorders and disturbances in varying degrees of severity and magnitude. Approximately 80 of the cities were subjected to disorders within the last three years which might be considered major events. In an effort to assemble a comprehensive account of these events in the shortest time possible, the Subcommittee augmented its professional staff by seeking the assistance of various Federal agencies and by employing on a temporary basis trained and experienced investigators and researchers.

The two largest and most destructive riots in 1967 occurred in the cities of Detroit, Michigan, and Newark, New Jersey. The Subcommittee has established offices in those cities and teams of investigators have been working in these localities since shortly after the authorizing resolution was passed in the Senate. Other teams of staff members have been assigned to other areas including Houston, Texas, Nashville, Tennessee, Plainfield, and Englewood, New Jersey. It is anticipated that many of the other cities will be visited during the course of this investigation.

The Subcommittee has been able to conduct hearings on certain of these disturbances. Beginning on November 1, 1967, the Subcommittee heard testimony relating to disturbances in Houston, Texas, Nashville, Tennessee, and Plainfield, New Jersey. As of the conclusion of the first session of the 90th Congress, the investigation is in its early stages and the Subcommittee plans extensive work in this area during the second session of the 90th Congress.

Subcommittee on National Security and International Operations

ACTIVITIES REPORT, 90TH CONGRESS, 1ST SESSION

In the 90th Congress, first session, the Subcommittee on National Security and International Operations, under the chairmanship of Senator Henry M. Jackson, carried forward its inquiry on the Atlantic Alliance and initiated a major inquiry into the Planning-Programming-Budgeting System (PPBS) in the national security area.

The Atlantic alliance

In March the Subcommittee issued a special staff report entitled "The Atlantic Alliance: Unfinished Business," suggesting certain attitudes and approaches that might be helpful in dealing with the unfinished Alliance tasks of mutual defense and of winning eventual Soviet acceptance of a genuine European settlement. This report, drawing on the testimony and counsel received by the Subcommittee during the 89th Congress, has gained a wide audience in official circles in Washington, in allied capitals in Canada and Europe, and in the headquarters and international commands of the Alliance.

The Subcommittee published two additional publications in this area:

"The Atlantic Alliance: Current Views," which makes readily available recent important statements from American and allied sources on relations between the United States and our partners in the Atlantic Alliance.

"The Soviet View of NATO: Speech by Leonid I. Brezhnev April 24, 1967," which provides revealing evidence of current Soviet and European communist approaches to NATO and to problems of security in Europe.

Planning-programming-budgeting (PPBS)

In the summer of 1967, the Subcommittee initiated the first major Congressional inquiry into the Planning-Programming-Budgeting System, applied in the Department of Defense starting in 1961 and extended to the other major federal departments and agencies in President Johnson's directive of August 25, 1965. Consistent with its jurisdiction, the focus of the Subcommittee is in the operation of the system in the national security area, and the lessons to be learned from that experience.

The government-wide application of PPB systems, similar to that of the Department of Defense, is not without problems and risks. Most executive departments and agencies, in the words of Charles J. Hitch, "are still struggling manfully to learn just what this means and how to comply."

The Subcommittee's interest is professional and nonpartisan. It is examining the risks and limits as well as the possibilities in the application of planning, program budgeting, systems analysis and cost-effectiveness study in the national security departments and agencies. It is seeking to get the basic issues involved in these tools and management techniques out on the table to encourage, to the extent that it may be possible, a balanced view of their value. At a later time in its study certain findings, suggestions and recommendations for improvement will be issued. In undertaking this inquiry, the Subcommittee's purpose is to be helpful both to the Executive Branch and to Congress.

In the 90th Congress, 1st session, executive hearings were held in August, September, and October. The Subcommittee released this testimony in two parts:

Part 1: With Charles L. Schultze, Director, Bureau of the Budget, August 23, 1967

Part 2: With Dr. Alain C. Enthoven, Assistant Secretary of Defense (Systems Analysis), September 27 and October 18, 1967

Other witnesses will be called as the Subcommittee inquiry proceeds.

The following additional publications on PPB were issued this year:

"Planning-Programming-Budgeting: Official Documents," which makes available the Presidential directive of August 25, 1965, and the texts of related Presidential statements and of current Budget Bureau guidelines on PPBS.

"Planning-Programming-Budgeting: Selected Comment," which provides recent comment, from a variety of viewpoints, on program budgeting, systems analysis and cost-effectiveness studies—key features of PPB.

"Planning-Programming-Budgeting: Initial Memorandum," a staff study which identifies the range of issues on which the Subcommittee seeks counsel and is holding hearings.

Subcommittee on Foreign Aid Expenditures

ACTIVITIES REPORT, 90TH CONGRESS, 1ST SESSION

1. On January 30, 1967, a report was issued on the "Disposal of United States Military Installations and Supplies in France."

This was issued as a Senate Document on April 6, 1967.

2. In April, Senator Gruening and the Subcommittee staff made an inspection trip overseas. Senator Gruening visited France and Belgium in connection with the pullout of U.S. forces from France. The purpose of the inspection was to determine whether economy and efficiency were being exercised by the Department of Defense in the removal of the one million tons of military supplies. The inspection trip also included a follow-up on the criticism of the Department of State and Defense contained in the January 30, 1967, report referred to above.

3. The Subcommittee staff continued the trip in the latter part of April and May by visits to Turkey, Thailand, Vietnam, Korea, Japan and Hong Kong. Investigations in these countries were concerned with the administration of the excess property program of AID authorized by section 608 of the Foreign Assistance Act of 1961. Very large quantities of material and equipment no longer needed by the military services are obtained by AID at no cost and given to foreign countries as economic assistance after the equipment is repaired and overhauled. The investigation disclosed gross mismanagement of the program involving: 1) overpayments to overhaul contractors; 2) inadequate repairs leading to equipment breakdown; 3) non-utilization of equipment after delivery to foreign countries; and 4) overprogramming of equipment deliveries in excess of country capabilities to maintain or utilize.

4. The visit to Hong Kong and Vietnam was a follow-up to determine the effectiveness of the Department of Defense procedures to prevent procurement from communist Chinese firms. New procedures had been established in 1966 by DoD as a result of disclosures and recommendations of Senator Gruening regarding purchases from communist firms. The inspection developed evidence that AID had made some procurements from communist Chinese firms for aid shipments to Vietnam, and this information was turned over to Mr. Alderman for use in his current investigation of the Vietnam aid program.

5. Hearings were held in September, 1966, on AID's mismanagement of the excess property program. The hearings also included testimony of officials from AID, General Services Administration, Health, Education and Welfare, and Bureau of the Budget on S. 1794, which has been referred to the Subcommittee. The bill would make excess property available to state and local health, education and civil defense agencies before such property could be sent to foreign governments.

6. At the request of Senator McClellan, the Subcommittee staff began a review of AID's Rural Community Development program in Bolivia. Meetings were held with AID officials, and considerable data was accumulated from the agency's files.

7. The study of the worldwide population crisis continues to be of interest to the Subcommittee because the proper coordination of the programs of the agencies involved and the necessary staffing and funding of such programs has not taken place. A bill, S. 1676, to coordinate and disseminate birth control information upon request at home and overseas has again been introduced. The bill has cosponsors representing both political parties and the major religions. Again identical legislation has been introduced in the House of Representatives by Rep. Morris Udall of Arizona and others.

8. The Subcommittee continues to be concerned about the lack of coordination of federal government programs in the family planning field, both domestic and foreign. On November 2, 1967, it held its 29th hearing on S. 1676 and the Population Crisis to explore domestic programming. At the request of the Subcommittee, the Department of Health, Education and Welfare released publicly a consultant's (Harkavy) report entitled "Implementing DHEW Policy on Family Planning and Population" at the hearing.

The hearing unfortunately confirmed what the Subcommittee feared—that the Department had neither implemented Presidential mandates on family planning nor carried out in the field the specific directives of Secretary Gardner.

9. A review has been started of AID and Peace Corps contracting procedures for training Peace Corps volunteers and foreign nationals. A formal opinion has been obtained by the Subcommittee from the Comptroller General which states that under existing agency contracting procedures, inadequate competitive bidding is taking place.

Subcommittee plans for the remainder of the year include the following:

1. Completion of a report on the investigation and hearings of AID's excess property program.

2. Continuation of the study of AID's community development program in Bolivia. A field trip to Latin America will probably be required, and consideration is being given to studying community development programs in other countries.

3. Hearings on the disposal of supplies and installations in France by the Department of Defense and on DoD disposals in other countries may be held depending on an evaluation of data now being reviewed.

4. The study of AID and Peace Corps contracting procedures will be completed and hearings undertaken depending on the outcome of the study.

5. The Subcommittee will hold a follow-up hearing on population control late in January to determine if the so-called Harkavy report has been augmented properly by staff and by funding. The Chairman has expressed his belief that the federal government cannot expect to be a world leader in family planning when its own programs are in disarray.

The Subcommittee will also look specifically at the foreign aspects of U.S. policy in the family planning field. A hearing to determine what is being done in this area will be held early in 1968. A third hearing is now being prepared with the assistance of the National Institutes of Health which will analyze the advances in medicine and its related fields which have been the principal factor in creating the present population dilemma.

More than ever, the desirability of coordinating and disseminating family planning information upon request at home and overseas becomes apparent if federal funds are to be expended economically.

Lack of coordination at the federal level is apparent, and the Subcommittee, while still attempting to answer the many requests it receives for information, simply does not have the staff necessary to do the job.

SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS

ACTIVITIES REPORT, 90TH CONGRESS, 1ST SESSION

On July 12, 1962, the Subcommittee on Intergovernmental Relations, chaired by Senator Edmund S. Muskie, of the Senate Committee on Government Operations, was legally constituted. Since its inception, the Subcommittee has conducted its operations under its mandate "to examine, investigate, and make a complete study of intergovernmental relations . . . including an evaluation of studies, reports, and recommendations made thereon and submitted to the Congress by the Advisory Commission on Intergovernmental Relations."

Legislation and research comprise the Subcommittee's activities. During the first session of the 90th Congress, the principal legislative concerns of the Subcommittee have been S. 699 and S. 1485, both of which provide for Federal aid to State and local governments for training and personnel administration, and S. Res. 68, to establish a Senate Select Committee on Technology and the Human Environment.

Legislative activities

S. 699 and S. 1485.—On January 26, 1967, Senator Muskie introduced S. 699, the Intergovernmental Personnel Act of 1967. This measure contains basically the same provisions as S. 3408, the Intergovernmental Personnel Act of 1966, introduced by Senator Muskie during the 89th Congress, Second Session. On April 11, 1967, at the request of the Administration, Senator Muskie introduced S. 1485, the Intergovernmental Manpower Act of 1967. The objectives of the two bills were identical—to improve intergovernmental cooperation in the management of Federal aid programs through: (1) broader use of the merit principle in public employment; (2) improvement of State and local personnel administration; (3) special training for public employees engaged in the administration of federally aided programs; and (4) opportunity for interchange of employees between Federal, State, and local levels of government. Hearings on both measures were held on April 26, 27, and 28, 1967. The Subcommittee held six executive sessions on the bills, June 28, 1967, August 2, 1967, September 27, 1967, September 28, 1967 a.m. and p.m., and October 10, 1967. In the executive session on October 10, 1967, the legislation was reported, with amendments, to the parent committee. The Committee on Government Operations considered this legislation on October 26, 1967 and October 31, 1967 at which time S. 699, the Intergovernmental Personnel Act of 1967 was reported to the Senate. On November 7, 1967, the Senate considered the legislation, adopted two amendments, and enacted it with the amendments. The bill is now pending before the House Committee on Education and Labor.

S. Res. 68.—This resolution provides for the establishment of a Senate Select Committee to study the problems of Technology and the Human Environment, giving particular attention to the hazards and the potential benefits of technological change during the next fifty years. Hearings were held on March 15, 16, and 20th, and on April 5, 6, and 11th, 1967. In executive session, June 28, 1967, the resolution was agreed to, with minor amendments, and reported to the parent committee.

Legislation pending before and yet to be acted upon by the Subcommittee includes:

S. Res. 79.—Introduced by Senators Mondale and Muskie, to authorize a study of revenue sharing by the Committee on Government Operations.

S. 458.—Introduced by Senator Mundt, to provide for periodic Congressional review of Federal grants-in-aid to States and to local units of government.

S. 567.—Introduced by Senator Kennedy of Massachusetts, to establish a Temporary National Commission on Intergovernmental Fiscal Needs and Resources.

S. 671.—Introduced by Senator Muskie, to establish a National Intergovernmental Affairs Council in the Executive Office of the President.

S. 698.—Introduced by Senator Muskie, the Intergovernmental Cooperation Act of 1967, to promote the fullest cooperation and coordination of activities among the levels of government by improving the administration of grants-in-aid to the States, providing for periodic Congressional review of Federal grants-in-aid, permitting provision for reimbursable technical services to State and local government, establishing coordinated intergovernmental policy and administration of grants and loans for urban development, and authorizing consolidation of certain grant-in-aid programs. It would also provide for the acquisition, use, and disposition of land within urban areas by Federal agencies in conformity with local government programs, establish a uniform relocation assistance policy, and establish a uniform land acquisition policy for Federal and federally-aided programs. This is a revised version of S. 561, 89th Congress and S. 1681, 89th Congress, both of which were approved by the Senate.

S. 735.—Introduced by Senator Scott, to provide for periodic review of Federal programs of grant-in-aid assistance to States.

S. 799.—Introduced by Senator Scott, to institute a system of comprehensive planning and coordination among the several levels of government.

S. 1364.—Introduced by Senator Muskie, to establish certain conditions under which States or other taxing authorities might subject persons to liability for payment of property taxes on property located in Federal areas within such States.

Research and information

Creative Federalism.—This is a continuous study in the course of which hearings are held from time to time. Part I of the hearings, containing testimony of representatives of the Executive Branch of the Federal Government presented on November 16, 17, 18, and 21, 1966, was published in January, 1967. Testimony of officials from the State-Local-Regional level was taken at hearings held February 1, 2, 7, and 9, and March 21 and 22, 1967, and this has been published as Part II of Creative Federalism.

During the First Session of the 90th Congress, the Subcommittee issued several committee prints.

The Federal System as Seen by Federal Aid Officials.—S. Con. Res. 6 was considered and agreed to on May 11, 1967, authorizing the printing of additional copies of this publication.

Criteria for Evaluation in Planning State and Local Programs.—This study was prepared for the Intergovernmental Relations Subcommittee by Harry P. Hatry, Chairman of the State-Local Finance Project of George Washington University, and was issued July 1967.

Periodic Congressional Reassessment of Federal Grants-in-Aid to State and Local Governments.—Prepared by the Advisory Commission on Intergovernmental Relations for the Subcommittee on Intergovernmental Relations, this report, first adopted by the Commission, June, 1961, was revised to include fiscal data as of January, 1967, and was issued July, 1967.

Federal Disaster Relief Manual.—The Subcommittee staff is engaged in revision of this manual. Questionnaires were sent to approximately twenty-five departments and agencies of the Federal Government requesting detailed pertinent information to be used in the revision.

State Utility Commission.—This publication is composed of data compiled from responses by State utilities regulatory bodies to questionnaires regarding their form of organization, jurisdiction, staffing, and other characteristics, and was issued on September 11, 1967.

Since issuance of this publication, the demand was such that an additional printing of 2400 copies was authorized.

Catalog and Federal Aids to State and Local Governments.—With assistance from the Legislative Reference Service of the Library of Congress, the Subcommittee is compiling a current and consolidated edition of the *Catalog of Federal Aids to State and Local Governments*, first issued by the Subcommittee in 1964, and its 1965 and 1966 supplements.

SUBCOMMITTEE ON EXECUTIVE REORGANIZATION ACTIVITIES REPORT, 90TH CONGRESS, 1ST SESSION

During the first session of the 90th Congress, the Subcommittee on Executive Reorganization held the following hearings: On April 4, Reorganization Plan #1, transferring from the Secretary of Commerce to the Secretary of Transportation authority to approve the surrender of certain ship documents; on May 3, 1967 on Reorganization Plan #2, concerning the U.S. Tariff Commission and ways to promote its more efficient operation; on July 25, 26 and 27, hearings were held on Reorganization Plan #3, to reorganize the District of Columbia government. A committee report disapproving Reorganization Plan #2 was submitted on May 10, 1967. Seven days of hearings were held on the Federal Role in Urban Affairs concluding the subcommittee's year-long investigation. The hearing dates were April 18–21 and 26, May 16 and June 28.

The Subcommittee concluded its study of the Federal role in traffic safety with the publication of an appendix listing all the domestic and foreign car defects reported to the Subcommittee in its defect investigation. A final report on the hearings and investigation has been prepared and will be filed early in the second session. Another report nearing completion deals with the subcommittee inquiry into the organization and coordination of Federal drug research and regulatory programs concerning the drug LSD. The subcommittee hopes to file a final report on the Federal role in urban affairs by final adjournment next year.

On October 17, 19 and 20, the subcommittee held hearings on S. 886, a bill to redesignate the Department of the Interior as the Department of Natural Resources and to transfer certain agencies to and from such Department.

SUBCOMMITTEE ON GOVERNMENT RESEARCH ACTIVITIES REPORT, 90TH CONGRESS, FIRST SESSION

Legislation

S. Res. 110.—Concerning Geographic Distribution of Federal Research and Development Funds.

S. 836.—A Bill to Create a National Foundation for the Social Sciences.

S. 843—The Full Opportunity and Social Accounting Act of 1967.

S. Res. 181.—Providing for publication of Senate Document No. 55, "Research in the Service of Man."

Activities of subcommittee

S. Res. 110.—Hearings—Geographic Distribution of Federal Research and Development Funds May 10, 11, 17, 18, July 11, 17, 18, 31 Witnesses.

S. 836.—Hearings—A Bill to Create a National Foundation for the Social Sciences—Part I February 7, 8, 16, 9 Witnesses.

S. 836.—Hearings—A Bill to Create a National Foundation for the Social Sciences—Part II and Part III June 2, 6, 7, 20, 21, 27, 28, July 12, 13, 45 Witnesses.

Hearing—Research in the Service of Man: Biomedical Development, Evaluation of Existing Federal Institutions; February 28, March 1, 2, 3, 16, 21 Witnesses.

S. 843.—Seminar—The Full Opportunity and Social Accounting Act of 1967, June 26, 15 Participants.

S. 843.—Hearing—The Full Opportunity and Social Accounting Act of 1967, July 19, 20, 26, 27, 28, 27 Witnesses.

The Subcommittee has held a total of 30 days of hearings during 1967, at which a total of some 148 witnesses have appeared.

Publications

An Inventory of Congressional Concern With Research and Development, Part I and Part II (88th and 89th Congresses) December 15, 1966 and October 11, 1967. Document has been printed and distributed.

Federal Support of International Social Science and Behavioral Research. Hearing held June 27, 28 and July 19, 20, 1966. Document was printed and distributed.

A Bill to Provide for the Establishment of the National Foundation for the Social Sciences.—S. 836—Parts I, II and III. Document was printed and is being distributed.

Distribution Among the States of Research and Development Funds Made Available by Government Agencies.—S. Res. 231. Part I—July 25, 26, and 27, 1966 Hearings. Document was printed and distributed.

Distribution of Research and Development Funds.— S. Res. 110. Parts II and III. May 10, 11, 17, 18, July 11, 17, 18, 1967 Hearings. Document was printed and is being distributed.

Research in the Service of Man: Biomedical Knowledge, Development and Use. A Conference sponsored by the Subcommittee on Government Research and the Frontiers of Science Foundation of Oklahoma, October 24–27, 1966. Document was printed and distributed, October, 1967. Senate Document No. 55 is on sale at GPO.

Research in the Service of Man: Biomedical Development, Evaluation of Existing Federal Institutions. Hearings Held February 28, March 1, 2, 3, 16, 1967. Document was printed and distributed.

The Full Opportunity and Social Accounting Act of 1967.—S. 843. Seminar, June 26. Document in preparation.

The Full Opportunity and Social Accounting Act of 1967.—S. 843. Hearings Held July 19, 20, 26, 27, 28, 1967. Document in preparation.

A Bill to Create a National Foundation for the Social Sciences, S. 836.—Draft Report is being prepared.

Research in the Service of Man.—Draft Report is being prepared.

S. Res. 110.—Distribution of Federal Research and Development Funds. Draft Report is being prepared.

Mr. McCLELLAN. Mr. President, a full, detailed report on the activities of the committee and all subcommittees will be submitted at the end of the 90th Congress.

Seventy-three bills and resolutions were referred to the committee during the first session. Two bills were enacted into law; 18 resolutions were agreed to; and six legislative proposals were reported favorably and approved by the Senate but were not acted upon by the House of Representatives.

LEGISLATION ACTED UPON BY THE COMMITTEE

First. H.R. 4241—S. 826: To extend for 2 years the period for which payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments—Senate Report No. 350, passed Senate June 26, 1967, Public Law 90–50, July 7, 1967.

Second. S. 188: Creating a Commission to be known as the Commission on Noxious and Obscene Matters and Materials. The House, after passing H.R. 10347, then passed S. 188, amending it by substituting for its text the language of H.R. 10347. The Senate agreed to House amendments and the bill became Public Law 90–100 on October 3, 1967.

Third. S. 538: To amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government of the United States. The bill was reported favorably—Senate Report No. 220—on May 9, 1967; passed the Senate May 11, 1967, and referred to the House Committee on Rules.

Fourth. S. 805: To amend section

202(b) of the Federal Property and Administrative Services Act of 1949, to authorize the Administrator of GSA to take over the care and handling of excess real and related personal property until a determination is made as to its use or disposal. Bill was reported favorably with an amendment—Senate Report No. 351—on June 23, 1967, passed the Senate on June 26, 1967, and referred to the House Committee on Government Operations.

Fifth. S. 878: To amend section 201(c) of the Federal Property and Administrative Services Act of 1949 to permit further Federal use and donation of exchange sale property. Reported favorably with an amendment—Senate Report No. 642—On October 17, 1967, passed the Senate on October 19, 1967, and referred to the House Committee on Government Operations.

Sixth. S. 1602: To create a Northwest Regional Services Corporation. Three days of hearings were held—jointly with Senate Joint Resolution 64—with Senator METCALF serving as acting chairman of the committee. Bill was reported favorably with amendments on October 26, 1967—Senate Report No. 689—passed the Senate on October 27, 1967, and was referred to the House Committee on the Judiciary on October 30, 1967.

Seventh. Senate Joint Resolution 64: To establish a Commission on Balanced Economic Development. Three days of hearings were held—jointly with S. 1602—with Senator METCALF serving as acting chairman of the committee. Bill was repored favorably with amendments—Senate Report No. 675—on October 23, 1967. Passed the Senate on October 23, 1967, and was referred to the House Committee on Interstate and Foreign Commerce on October 30, 1967.

Eighth. S. 699: Intergovernmental Personnel Act—subcommittee held 3 days of hearings; reported favorably with amendments—Senate Report No. 701—on October 31, 1967. Passed Senate on November 7, 1967, and referred to the House Committee on Education and Labor on November 8, 1967.

REORGANIZATION PLANS OF 1967

Under the Reorganization Act of 1949, as amended, the President is authorized to submit plans to the Congress to reorganize the executive branch of the Government. Such plans become effective within 60 calendar days following submission to the Congress, unless disapproved by a majority vote of either the House or the Senate.

In 1967, the President submitted three reorganization plans to Congress. Hearings were held by the full committee or the Subcommittee on Executive Reorganization on all three plans, and two of them became effective. The plans were as follows:

Reorganization Plan No. 1 of 1967—transferring from the Secretary of Commerce to the Secretary of Transportation, authority to approve the surrender of certain ship documents. Hearings were held and the Plan became effective on May 9, 1967.

Reorganization Plan No. 2 of 1967—concerning the U.S. Tariff Commission and ways to promote its more efficient operation. Following hearings, S. Res. 114, disapproving the plan, was filed by Senator Baker. The Senate agreed to the resolution on May 15, 1967, and the plan was rejected.

Reorganization Plan No. 3 of 1967—to reorganize the government of the District of Columbia. Hearings were held by the full committee. A resolution of disapproval was rejected in the House of Representatives on August 9, 1967, and the Plan became effective on August 11, 1967.

GAO AUDIT REPORTS

Pursuant to the requirements of the Legislative Reorganization Act of 1946, and the rules of the Senate, a total of 203 audit reports and other communications relating to fiscal and related operations of the Government were submitted to the Senate by the Comptroller General of the United States, and referred to the committee. These reports were reviewed by the staff of the committee and, when warranted, by the Senate Permanent Subcommittee on Investigations. The great majority of the reports relate to excessive expenditures or agency actions which are considered to be irregular or not in accord with existing law. Unless some specific recommendations for action were suggested by the Comptroller General, the committee took no further action on these reports.

GOVERNMENT POLICY AND PRACTICES WITH RESPECT TO CONTRACTS FOR TECHNICAL SERVICES

The committee held a series of public hearings reviewing Government policy and practices with respect to contracts for technical and other support service contracts, involving annual expenditures by the Department of Defense of approximately $3.5 billion in contracts with private industry. Particular attention was given to the planned and partially executed conversion of approximately 10,500 positions from contract to civil service. The committee is concerned with the relative efficiency and economy of support services generally, whether performed inhouse or by contract, and it is anticipated that this matter will remain under consideration during the second session of the 90th Congress.

CHART AND REPORT OF GOVERNMENT ORGANIZATION

As initiated in the 80th Congress, the committee continued the compilation of an annual organization chart and report reflecting by calendar year all reorganizations and changes effected in the basic structure and increases or decreases in personnel of all departments and agencies in the executive branch of the Government. The chart and accompanying report for calendar year 1966 reflecting data as of January 1, 1967, were printed on April 20, 1967, as Committee Report No. 27. The organization chart is a tabulation of personnel assignments to major operating components of each department and agency. The accompanying report contains complete details concerning major reorganizations effected, the resulting improvements in administration as reported by the agencies, as well as the total reductions or increases in Federal personnel.

INVESTMENT IN TITLE V WORK EXPERIENCE AND TRAINING PROGRAMS PAYS HUGE DIVIDENDS

Mr. NELSON. Mr. President, Mrs. Jean Spesock of Superior, Wis., was one of six graduates of title V, Economic Opportunity Act work experience and training programs to receive a citation of outstanding achievement on December 8. She was chosen for this recognition as an outstanding representative of nearly 56,000 former public assistance recipients who have found jobs immediately after completing work training projects or have gone on to advanced training. The citations were awarded by Miss Mary E. Switzer, Administrator of Social and Rehabilitation Services of the Department of Health, Education, and Welfare.

Mr. President, I congratulate Mrs. Spesock. Returning to her parents' home in Wisconsin in January 1960 with three children, she began receiving an aid to families with dependent children grant of approximately $200 per month in June of that year. This was her situation until she entered a work experience and training program in June 1966. Although she had completed the 11th grade before her marriage, Mrs. Spesock had never been employed. Under title V, she was assigned to a high school equivalency course. On March 8, 1967, she received a regular high school diploma.

However, she still could not find employment. She therefore returned to the title V project in May and was sent to the Superior Vocational School for clerical training. At the same time she was placed in the Douglas County, Wis., treasurer's office for on-the-job training. Within 2 months, in July 1967, Mrs. Spesock was hired as a clerk in that office on the basis of her performance as a title V trainee. When the position of deputy treasurer of the county fell open, Mrs. Spesock was promoted to that position with the concurrence of two employees senior to her who recognized her ability and industry. Mrs. Spesock now earns $440 per month and, after 6 months in her new position, will receive $475, nearly 2½ times what she had been receiving.

Mr. President, investment in training programs of this type has long-range benefits both for the individual and for the entire community. It is estimated that another 54,000 persons will be enrolled in work experience and training projects in the current fiscal year. Mrs. Spesock's success is only one among many. After training, the average wage earner in these families earns almost twice as much as his family received through the AFDC program. Public assistance payments for the six citation recipients were $16,000 a year. They now earn a combined total of over $30,000. For all 56,000 successful trainees, monthly AFDC payments averaged $152. Average earnings for them are now $273 a month. I am happy to see the continuation of this program.

PRESIDENT JOHNSON STATES RECORD OF DEMOCRATIC ACCOMPLISHMENTS DURING THE PAST 4 YEARS

Mr. SMATHERS. Mr. President, in an address to the AFL-CIO convention last night in Miami Beach, President Johnson eloquently summed up the record of solid Democratic accomplishments during the past 4 years.

I believe the American people know and understand that we Democrats have kept our word and our promises to them to bring new progress to all Americans.

On Vietnam, the President eloquently restated his determination not to be pressured by extremists of the right or of the left from abandoning a middle course that will avoid the dangers of an expanded war, while maintaining our position to stand by the people of South Vietnam until peace is assured.

The President declared:

> Peace will come, I am sure of that. But until peace does come, I will continue with the support of our loyal and determined people to hold the line we've drawn against aggression and to hold it firm and to hold it steady.

This is the position that an overwhelming majority of the American people support. And no amount of election-year rhetoric can change this position or alter our determination to see this terrible conflict through.

I ask unanimous consent that the text of President Johnson's address to the AFL–CIO convention be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

[From the Washington (D.C.) Post, Dec. 13 1967]

L. B. J.: "I Will Advance, Doing My Duty as I See It"

(Note.—Following is the official text of President Johnson's nationally televised address to the biennial convention of the AFL–CIO tonight (introductory section deleted).)

I know what your fight has meant for America in my time.

Listen to the rollcall of what we have done together:

Medicare—Already, four million Americans have had their hospital bills paid, and more than five million have had their doctor bills paid.

Aid to Education—Already, nine million needy children have been helped into elementary and secondary schools. Nearly a million and a quarter college students—many of them sons and daughters of union families—now receive Federal help in education grants and loans.

Minimum Wage Protection—We have brought over nine million more workers under the minimum wage. By next February we will have raised that minimum by 35 cents in our own time. That's 10 cents more than when I cast one of my first votes in Congress, to make the minimum wage law of the land 30 years ago.

Poverty—More than five and a half million Americans have been lifted above the poverty line.

Employment—We've added six million workers to our labor force, and set a record of 81 months of solid prosperity.

Civil Rights—We've cleared away the last big obstacles to the right of every American to vote; to be judged for a job on his skill, not his skin; to enjoy public accommodations and facilities as a free man.

Immigration—We've scrapped the old discrimination of the national origins system, and replaced it with an American system of open opportunity.

Conservation—We've added three-quarters of a million acres to our national seashores and parklands, more than ever before in our history.

The Cities—We've finally got the program we need to build model cities. Blight, decay and despair can be banished from our life—but we are going to need the muscle of American labor to turn our bold ideas into shining realities.

Pollution—For the first time, we recommended and passed the bills through Congress to give us the weapons to make an all-out attack on the filth that fouls our water and air.

CONSUMER PROTECTION

We've ended the packaging tricks that have plagued the American housewife for so long.

We have spared our children from dangerous and deadly toys.

We have shut the door to unsafe products that make the home a booby-trap for the unwary.

We have an Auto and Highway Safety Act to reduce the accidents that make our roads a death-trap for the innocent and the careless.

We have moved against accidents in the doctor's office and hospital, by insisting that laboratories run the right tests—and get them right the first time.

We have acted against the money-lender who victimizes the poor and exploits the needy by concealing interest charges.

This week I will sign the Flammable Fabrics Act. It means that your family and home will be safe from clothing and furnishings that blaze without warning.

Next week, I will sign the Wholesome Meat Act. It means that the meat on the family table will be pure, not rancid—that a mother can shop without fear of finding worms in a steak or wood splinters in the hamburger.

In the weeks to come, I hope also to sign the pipeline safety bill. It will guard against a gas explosion ripping through a home, a school or a crowded street.

Isn't this a remarkable and wonderfully hopeful record in itself? Yet these are only some of the happy new triumphs we have won for our families.

The full record will show more consumer legislation enacted in the last two years than in all 88 congresses before.

History will testify that this Administration, after 180 years, finally proclaimed a consumers bill of rights. And about time, too.

IT WASN'T EASY

There is more—much more—that we have done together.

It wasn't easy. Every step of the way there were voices and votes that said:

"Not so fast."

"Don't try it, it's never been tried before."

"It's only a rehash of the new deal."

"Don't you know there's a war on? You'll have to stop progress at home."

Or one side cried: "It's all for labor or minorities." And the other side cried: "It's all for the middle class."

And we answered: "Yes. It is for labor. It is for the minorities. It is for the middle class. And it's for the young, the old, the worker, the businessman, the farmer, the teacher, the student, the doctor, the patient

Yes, we said, for once you're close to being right. Our fight is for all America.

But in Congress they closed their ears and ranks. In vote after vote, the House members of the other party lined up like wooden soldiers of the status quo:

93 per cent of them voted to kill the Medicare bill.

90 per cent of them voted to kill the poverty bill.

68 per cent of them voted to kill the education bill.

66 per cent of them voted to kill our civil rights bill.

80 per cent of them voted to kill all funds for model cities.

93 per cent of them voted to kill all funds for rent supplements.

And, my friends, 72 per cent of them voted to kill your minimum wage bill.

The only time they said "yes" was when they could vote to recommit a bill—to bury it in a blanket of rhetoric beneath the wave of Republican reaction.

But they are not fooling anybody, are they?

The people know that the old Republican buggy can only go one way—backwards downhill.

The only program that Grand Old Party offers is the remains of what they have backed into and run over on the road, the bits and pieces of what somebody else has built.

No wonder we have worked so hard to pass the Highway Safety Act. That old Republican buggy has been colliding with us all year long.

MORE PASSENGERS

And it is carrying more passengers this year—more dead weight. Forty-seven Democrats who helped write the historic legislative record of the 89th Congress are gone. They have been replaced by forty-seven Republican nay-sayers. And America's advance had been checked.

Not always; not by any means. We've found and won some funds for model cities—the Teacher Corps—rent supplements.

We've continued our efforts for older Americans, mental health, the consumer. We've passed a good bill for Vietnam veterans. And we passed a bill to control rats in our cities—because a Nation's conscience cried out louder than Republican laughter.

Don't let anyone fool you. This has been a productive Congress. And labor's leadership has made it so.

But we need great Congresses again, not just good ones. They must match and even surpass the 89th. And we are going to have to work to get them.

We still have to meet the great tests of our time—improving our educational and medical systems—rebuilding our cities—providing jobs for all who can work—ending lawlessness in our streets—uniting our people in common and progressive purpose.

This is our national agenda. It can only succeed if there are men in Congress and the Administration who will make it their personal agenda. We must work harder than ever to elect these men. It can be done; it will be done; because a nation depends on us not to fail, not to fall back—but to go fighting and winning for all America.

As America depends on your social leaderships, it also relies on your sense of economic responsibility.

In our system, price changes are inevitable and desirable. But if we are to have the full blessings of free enterprise, business and labor must place the fundamental national interest first. Each must do its share to maintain a stable level of over-all prices.

I emphasized this to your partners in prosperity—American businessmen—just a short time ago in Washington, and I told them you would expect equal time.

WAGE RESTRAINT URGED

If industry, I said, tried to raise prices and profit margins—even when they have excess capacity—we are bound to suffer rising prices, and this is murder to all labor and people with low or moderate incomes.

If labor, I say, tried for a wage rise twice the nationwide increase in output per man-hour—even where there is no real labor shortage—we are bound to suffer rising prices.

Business suffers. Labor suffers. All America suffers from a wage-price spiral.

I told the businessmen that they should not point the finger of blame at you. And I say that you cannot point it at them.

I say to you both—labor and business—that you are two fingers on one hand—it is your joint responsibility to stop the spiral.

To both of you I say: It is your America. It is your prosperity—your jobs and profits we seek to protect—your dollar whose strength we must maintain.

I have urged business to refrain from avoidable price increases, and to intensify its competitive efforts.

I now urge labor to look at its responsibilities—to look hard and deep into its wise heart and restrain its demands; for excessive wage increases.

Look around you as you calculated. Here is your country, fighting gallantly, again for freedom—but doing it for the first time without wage and price controls.

It is voluntary restraint that has made involuntary curbs unnecessary. Your Government wants to keep it that way. We want to be partners in responsibility and prosperity with labor and business.

And we will be, if each of us does his share for the good of all.

I cannot close without sharing a few thoughts with you on the matter that most troubles our hearts—the tragic but vital struggle in Vietnam.

You have long stood in the front ranks of this fight for freedom, too. But here you have added bright new testimony to your resolve—and given new heart to all who stand with you for peace.

I am proud and grateful for the resolution you have passed here in support of freedom's cause. It is a ringing declaration of your firm resistance to aggression. That staunch spirit is personified by your courageous leader—"Mr. Labor"—George Meany. I thank him, and I thank you—from the bottom of my heart.

I thank you, too, for another man.

He does not live in the White House. He is face down in the mud of the DMZ. Or storming a hill near Danang. Or crouched in a rice paddy in the Mekong Delta.

The American soldier thanks you, from the bottom of his heart. He knows, even if some others don't, that your expressions of support are not just flag-waving words.

Whoever thinks that has never heard the question that comes to me so often from the foxhole. He has never felt the ache of a soldier asking: "We're doing O.K.—but are the folks back home really with us?"

American labor has answered with a resounding "yes." You have said it before and repeated it here—so strongly that even Hanoi cannot mistake its meaning.

I know that many of labor's sons have left their homes to risk their lives in Vietnam. I know that is torture for you, as it is for me. I know that you regret every dollar spent on war—dollars that should be spent on the works of peace.

But you and I know that we must persevere. The torture we feel cannot beg the truth. It is only our unswerving will and unshakeable determination that can bring us peace.

It is easy to agonize and moralize, to pin your heart on your sleeve or a placard—and think that you are helping to stop war.

ASKS WORKABLE SOLUTION

But I only wish that those who bewail war would bring me just one workable solution to end war.

The peacemakers are in the field. The soldier and the statesman need and welcome the sincere and responsible assistance of concerned Americans. But they need reason, not emotion. They must have a practical solution, not a concoction of wishful thinking and false hopes—however well-meaning.

It must be a solution that does not call for cutting and running now. Those fantasies hold the nightmare of a larger war tomorrow.

It must be a solution that does not call for stepping up our military efforts to flash point, where we risk a larger war today.

I, for one, would be profoundly grateful for that kind of help. Thousands of our soldier sons would also give thanks. And I cannot help but feel that we would be joined in our gratitude and gladness by millions of thoughtful Americans. They are the concerned Americans who recognize the responsibilities that accompany their rights, and who see it as a duty of citizenship to be constructive in word and deed.

For as long as I have borne the responsibility of conducting our foreign policy, I have known that it is easier to protest a policy than to conceive one. And so I have followed a rather simple practice:

If someone has a plan, I listen to it.

If it seems worth pursuing, I ask the best Americans I can find to give me their judgments on it.

If they like it, and it seems wise to me, I try to put it into operation.

WILL STUDY PROPOSALS

I can promise all who shout their opposition, as well as any who have quieter doubts, that I will continue this practice. I will always be ready to hear and act on any proposal they offer.

In the meantime, I will do my duty.

I want you and the American people to know that I am not going to be deterred, influenced or inflamed by a bunch of politically selfish men who want to advance their own interests. I will advance down the center of the road, doing my duty as I see it regardless of the polls and regardless of the elections.

I will devote my days and nights to supporting and supplying half-a-million of the bravest men who ever left these shores to fight for freedom.

I will honor our sworn commitments to protect the security of Southeast Asia, because it is our security too. We will not now betray the troubled leaders and hopeful people of that region who rely on us to shield them from aggression—not after other presidents who preceded me gave their solemn word too.

I will hold the line against aggression as it has been drawn so often by the President and the Congress. We will not now nullify the word of the Congress, or the people, as expressed in the SEATO treaty, the Tonkin Gulf resolution, and the many defense appropriation measures passed specifically to deter aggression in Vietnam.

At all times, in all ways, with all patience and hope—we will strive for peace.

Let no man, friend or foe, American or Asian, mistake our meaning.

I remind all of you again of my own exchange of correspondence with Ho Chi Minh. The North Vietnamese themselves released my letter on March 21. In it, the United States made a fair and firm offer:

"There is one good way," I said, "to overcome this problem and to move forward in the search for a peaceful settlement. That is for us to arrange for direct talks between trusted representatives in a secure setting and away from the glare of publicity . . .

"As to the site of the bilateral discussions I propose, there are several possibilities. We could, for example, have our representatives meet in Moscow where contacts have already occurred. They could meet in some other country such as Burma. You may have other arrangements or sites in mind, and I would try to meet your suggestions. . ."

Can we be any more specific? Hanoi has spurned the olive branch. They answered with a rude "no" and they have repeated it time after disappointing time. Until they relent, until they see room for compromise and area for agreement we must stand firm and unafraid. And we will.

Peace will come, I am convinced of that, but until it does, I will continue, with the support of our determined people, to hold the line we have drawn against aggression—and hold it firm and steady.

In all that I do, I will be strengthened by the powerful testimony for freedom that you have given in this hall. You courageous men of labor support our fighting men, and you have spoken as free men must speak. May all the world hear you. And may God bless you for it.

NATO CONFRONTS A NEW CHALLENGE

Mr. HANSEN. Mr. President, during the week of November 20, it was my real privilege to be one of the delegates to the NATO Parliamentarians Conference in Brussels, Belgium.

I need not emphasize the importance of improved understanding between the various members of the NATO organization. I suspect most Americans would agree with me that, of all of our international treaties, this particular one has been more meaningful and effective—as a shield against the aggressive aims of communism—than any other.

It must be strengthened. We must understand the importance of working together.

In these difficult and trying times, however, NATO would miss a great opportunity if it were to consider its mission and, indeed, its opportunities to be simply those of a defensive character—as was brought so forcefully to all of the world during that week when Britain was forced to devalue the pound. We all understand more clearly that our mutual welfare, our defenses and our opportunities for greater accomplishments are intertwined.

It was in this context that the Senator from South Dakota [Mr. MUNDT] proposed a new challenge to the Conference. He said:

> It seems to me that increasingly, in our hearts and in our minds, in this Session we have begun to build a new vision and to recognize a broader responsibility than those which originally brought us together and those which have occupied so much of our time in previous sessions. I think we are recognizing this time, more than ever, that we are not the world in itself, but that NATO is part of the world, and that what happens in other places in the world has a great impact upon NATO, and that what happens in NATO should begin to have a great impact on the rest of the world.

Senator MUNDT points out with great clarity the reasons for some of America's wide-ranging commitments. He goes on to say:

> I doubt that you can really divide freedom into different areas of the world. I am concerned a little bit about this concept that NATO, for too long in my opinion, has been practicing not only collective security but also collective isolationism, because I sense in the country which I represent something I hate to talk about, but I think I would be less than frank and less than friendly if, as a member of the Foreign Relations Committee and the Appropriations Committee, which deal daily with these problems, I did not at least call to your attention for your individual reflection for whatever value it may have to you as information coming from one of your friendly allies, that there is, in fact, in my country a new isolationism developing.

The Senator continues:

> I speak about it as a friend of NATO, because of this I am fairly certain, that my country is never going to adopt a two-ocean policy in which the policies are different in each ocean. If, in fact, those who advise us at home, and sometimes from abroad, that we should pull out of Viet Nam, let happen there whatever is going to happen there, accept defeat or a stalemate, or try less valiantly and vigorously to win, if they prevail and isolationism becomes the policy of my country in the Pacific, I am convinced

as I stand here that it will soon then also embrace the Atlantic.

Senator MUNDT continues to discuss frankly and candidly before the members of the NATO nations the problems that face Members of Congress. As a member of the Committee on Foreign Relations and the Committee on Appropriations, he is well qualified to discuss these important concerns.

I ask unanimous consent that Senator MUNDT's complete remarks be printed in the RECORD, so that Members of both bodies may gain the advantage of his observations.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

NATO CONFRONTS A NEW CHALLENGE

(Address of Senator KARL E. MUNDT, Republican, South Dakota, before plenary session of NATO Parliamentarians Conference in Brussels, Belgium, Friday, November 24, 1967)

(NOTE.—A member of the American NATO delegation, Senator MUNDT spoke as the Chairman of the NATO Committee on Education, Cultural Affairs and Information.)

Senator K. E. MUNDT (United States of America). May I say first of all I want to express my gratitude for having had a wonderful committee with which to work; they were diligent, they were active and they were most constructive.

I want to spend my time in summarizing some of the background philosophy which motivated us as we arrived at these resolutions which, I think, took a new and most constructive step forward in the whole policy of NATO.

I was impressed, and I am sure you were, by the magnificent address of Mr. Ryan of Canada, in which he very skillfully and succinctly listed three problems which confront us here in NATO. I shall not repeat them, but I think we are all aware that they were accurately described.

During the course of my remarks today, I shall draw on nearly thirty years of experience in the Congress of the United States and as one who has sat with you and worked with you now for seven or eight sessions of NATO meetings to suggest a problem or two in addition, because I did not elect to solicit time during the Political Committee debate yesterday, knowing I was to appear today in my capacity of Chairman of this Committee. But none of us as members of an individual committee can operate without a recognition and understanding that what we do is interrelated with the work of all the committees. So it is important that we should fit ourselves into that particular kind of scheme.

From my standpoint, despite the problems outlined by Mr. Ryan, despite the difficulties which we find present in different areas of the world, the Far East, the South East, the Middle East and elsewhere, to me in many ways this has been one of the most fruitful and inspiring and constructive sessions of NATO among the many Assemblies which I have been privileged to attend. And I say that primarily because it seems to me that increasingly in our hearts and in our minds in this session we have begun to build a new vision and to recognize a broader responsibility that those which originally brought us together and those which have occupied so much of our time in previous sessions. I think we are recognizing this time more than ever that we are not the world in itself but that NATO is part of the world, and that what happens in other places in the world has a great impact upon NATO and that what happens in NATO should begin to have a great impact on the rest of the world. And it is in the area of those interrelationships that I wish to address you this morning.

Since the very beginning, of course, NATO necessarily and understandably, and in my opinion properly, has concentrated to begin with on the necessity of developing a defensive mechanism against what then appeared to be the relentless western movement and outward flow of communist aggression. So we have concentrated on the military.

I think of course that this must continue to be an essential part of the work of NATO, because if we should fail there we fail everywhere. If suddenly we become weak, or suddenly what we anticipated so long ago begins to happen now under a new leadership, or with a change of attitude of the present leadership among the Communists, and the great forces which they have the capacity to unleash and bring out succeed, nothing else which we do in NATO counts any more. So I think we should remember that our military function is essential; that it is basic. Until happier and safer days and more predictable times come to us, I think we should continue to do all we can to develop this collective security which gave birth to the concept of NATO. If at times we assume that an era of peace means we are going to have permanent peace, and so we desist from doing those things which made that peace possible, we court disaster. This is like the foolish householder who insures his house against fire for five years, and then because there has been no fire cancels his insurance policy. I think we should not cancel the insurance policy of the defensive shield of NATO. But neither should we continue to rely solely upon that as a function of NATO.

I recall saying some seven or eight years ago to a Plenary Session of NATO down in Paris that I did not like to think that NATO was strictly a defensive mechanism, that all we were here to do was to build a shield. As an old teacher of history, I am conscious of the fact that no nation in the world has ever won a war fighting only with a shield, we must also have the capacity to project, we must have a sword, we must make our impact felt in other areas, and we cease to be thoroughly significant if we simply cringe behind a shield and say hopefully we believe we are safe from disaster. I think we must do more than that. Our committee has been striving increasingly through the years to try to set up a mechanism to do more than that, to bring something greater into play.

I think our resolutions, which you have heard read, move in that direction and in connection with what I think I sense in this body as an awakening feeling that we should not become the practioners of a new system of isolationism, a sort of collective isolationism, not one nation by itself, but fifteen nations by themselves, accused by some of trying to formalize and maintain an exclusive white man's club of fifteen nations in a world in which we are badly outnumbered by people of a different color, in a time and in an atmosphere where those who disagree with our basic concepts of democracy outnumber us and where those who either disagree or who are uncommitted outnumber us by more than two to one. Certainly I hope for NATO increasingly to move away from concepts involving just a NATO country to NATO country to NATO country, feeling that we have here collective security and we can live behind our wall in an atmosphere of collective isolationism.

I like the emblem of NATO. I think increasingly we should recognize that in the circle of NATO it is true that the bulk of it is within the circle. That to me envisions this defensive mechanism we must maintain, this increasing solidarity, this greater understanding amongst ourselves, this greater co-operation and camaraderie among ourselves. But I call your attention to the NATO symbol. It does not stop at the outer periphery of the circle; points pierce it in all directions, not simply to the East or to the West, they pierce it to the North and to the South.

I think that this was fortuitous, guided by Divinity perhaps, but those who concocted NATO in the first instance built into it this emblem which gives us a responsibility to have an impact on the rest of the world, and not to be satisfied with passing resolutions which influence ourselves. I think that NATO ideas and ideals, NATO principles and practices, NATO's philosophy of government and procedures of self-determination, are important enough that we should be prepared to help impart them to those who lack them, and thereby do something to try to induce the members of the non-committed world to accept this doctrine in which you and I believe instead of the doctrine which is arrayed against us as the ideological adversary for all and the military adversary for some.

As has been said quite often in these hearings, in this room, at this Meeting, the country which I represent is not only engaged in the ideological contest but we are at war with this Communist concept spewed out of Hanoi, moving against freedom, which I feel if it can subdue some can subdue all.

I doubt that you can really divide freedom into different areas of the world. I am concerned a little bit about this concept that NATO, for too long in my opinion, has been practicing not only collective security but also collective isolationism, because I sense in the country which I represent something I hate to talk about, but I think I would be less than frank and less than friendly if, as a member of the Senate Foreign Relations Committee and the Senate Appropriations Committee which deals daily with these problems, I did not at least call to your attention for your individual reflection, for whatever value it may have to you as information coming from one of your friendly allies, that there is, in fact, in my country a new isolationism developing.

I would hate to see it prevail, but it would be a bold man today who could tell you with finality that the great debate now taking place in the United States, and being discussed almost daily in the Committee of which I am a member between those who would once again prevail upon my country to become isolationist and pull out of Asia, and pull out of Vietnam, who say that the price is too high, and the cost is too great and the dividends are too vaporous, so now we chuck out and pull out, or pull back and just sit there while the thing simmers along and boils up in some other area—I do not know whether that point of view is going to prevail; I hope it does not. I speak as a Republican supporting a Democratic President in his determination not to let Communism succeed in that area of the world, not to let it put up on its totem pole a slogan or an emblem that it has defeated one of the great partners of NATO and driven us back. But no one can today be positive as to which side will eventually prevail in this debate now occurring in my country.

I speak about it as a friend of NATO, because of this I am fairly certain, that my country is never going to adopt a two-ocean policy in which the policies are different in each ocean. If, in fact, those who advise us at home, and sometimes from abroad, that we should pull out of Vietnam, let happen there whatever is going to happen there, accept defeat or a stalemate, or try less valiantly and vigorously to win, if they prevail and isolationism becomes the policy of my country in the Pacific, I am convinced as I stand here that it will soon then also embrace the Atlantic. I do not think that you would like that. We would not like it. We believe in the concept of collective security, in working together.

However, as a country which has two great oceans, as a country which has commitments of a tremendously sincere and lasting nature in the Pacific, I just suggest to you that, as you counsel with us and with others, you ask yourselves whether it would be good for the world if the United States were driven back into the shell of isolationism. You see in the Pacific our fiftieth State, Hawaii, is hundreds of miles deep in the Pacific. In the Pacific we have a tremendous moral and legal responsibility to protect Japan, because in the Peace Treaty we said to the Japanese, "You shall have no army, you shall have no navy; if trouble should come and the Communists should strike at you, we will come to you for protection." We said to Formosa in the Eisenhower Doctrine that if a single Chinese Red soldier were to set foot on Matsu in the direction of Formosa he would be at war with Uncle Sam and that we would protect the Free Chinese. The Philippines, over whom we had a protectorate for so long, with whom we worked so hard and diligently to try to teach them how to utilize the machinery of freedom first and granted them their independence next, instead of reversing the trend as we so frequently now do to give countries their independence first and try to teach them how to use the machinery of freedom afterward—it seldom works out effectively that way. We stand committed to the protection of the independence of the Philippines.

In addition to that we are partners not only of NATO but of SEATO. Our commitments are as clear and as broad and as sharp in the one treaty as in the other. If we make ourselves prevaricators and deserters and treaty-breakers with SEATO it sets a bad example for those who would say, "Let's break them also now with NATO." So we have a common concern in this matter, and I mention it only because I think it is proper that among friends we should discuss this serious and related ramifications of the proposition.

We come to you not asking for support for the proposition which we are involved in, in Vietnam; we ask no resolutions; we ask no financial contributions; we ask no money; we ask no manpower; we ask only for a sympathetic understanding; and we ask only that you relate that war in your thinking to the problems of Europe and the problems of NATO.

It was alluded to by several speakers yesterday when they were talking about trade. Trade is important to us all. No country is too large, no country is too small but what it is interested in expanding profitable trade, and trade is important. But I submit that there is something more important than trade. I think enduring peace is more important than trade.

I think freedom for individuals to express themselves according to their inclinations—self determination, if you please—is more important than trade. Sometimes trade helps provide enduring peace. Sometimes trade is conducive to the exercise of personal freedom, but sometimes it runs counter to those objectives and has a divisive influence. I do not want to belabor the point, it was discussed yesterday, but surely we do not build firmly the structure of NATO if we conceal from one another the problems within our own countries in pursuing a common course.

Let me mention to you, from the inside of the committee room in which I serve, some of the problems within the United States which may or may not concern you, but I think they should as they are concerned with the problems you have within your countries. Let me mention some of the results flowing from them today. You heard yesterday from Congressman Chamberlain from Michigan and Congressman Findley from Illinois of the problems we run into in my country because there is so much shipment of supplies from NATO countries to Hanoi, the fountainhead of military communism with which we are today engaged in bloody war. I mention this not to suggest a resolution, I mention it not to suggest to you changes of policies which you deem are wise, because it is none of our concern, none of our authority, to talk about that, but I mention it because we should know among ourselves the ramifications upon others of the policies we follow. Let me point to three of them which we deal with every day.

First, the questions from our constituents. As we move in the direction of greater support for NATO and greater implementation of NATO, the questions come flowing in from our 200 million people: Why should we cooperate with NATO at a time when NATO is sending the supplies that kill the soldiers of America, 500,000 strong? Some of them are dying every hour because of shipments carried in under a NATO flag, sometimes with a weapon supply directly from a NATO country or carried in the bottoms of NATO ships. I raise that question not to answer it, because it is difficult to answer, but I raise it so that we can all think about it when we think about NATO and trade.

The second point I call to your attention as a practical realist and former businessman is that one of the great elements of trade is acceptability of products, the good will of customers for the corporation or company or country selling their supplies. Of course there is some profit in the trade that the free world has with Hanoi, and from the shipping rates that they acquire, but I submit as a practical economist that I believe there is greater economic loss as of now to those supplying that trade than there is a profit derived from either the selling or shipping of such supplies.

We try constantly in our country to keep people from formulating buyers boycotts, from publicizing in the newspapers "Don't buy products from this country or that country because they are helping our enemy in the war". We strive to hold it down, and in the main we have, but in many areas housewives and purchasers have bound themselves together to say, "Of course any country has a right to sell supplies to our enemies, but as free citizens we have the right not to buy products from that country". We do not want that to be extended. We want the good will to be created, because it is important, but it is a danger we encounter. Among free people we cannot insist "You must buy a product which is available regardless of the political consequences". As mature parliamentarians who deal with the public every day as I do, you can imagine the attitude of a mother whose son is in Vietnam being confronted in a store with a product from a country which is helping, in her opinion, to make more likely the fact that her son will not return from the war. It is a practical consideration. I mention it only for your consideration and reflection because it is there.

The third is the most serious. Congressman Chamberlain recalled, I think, three or four resolutions that the House had passed this year, trying to strike back at what those Congressmen feel is an unfriendly action from their friends and from the free world: prohibitionist riders put on the Export-Import Bank renewal act. I can tell you as a member of the United States Senate there have been many more offered in the Senate, several of which have already been enacted in rollcalls with big majorities.

This is an attitude I dislike watching expand but it is human nature, it is bound to occur, it has become an inevitable and justifiable American reaction. I go back tomorrow, and on Monday we confront a whole new series of suggestions in my committee to place resolutions which create new kinds of tariff barriers, new kinds of trade restrictions, motivated not so much because of fear of economic competition but by some kind of feeling that those who are parents of men fighting abroad should do something in their way to discourage the increased danger to their sons caused by the shipments from abroad going in to help strengthen our enemy in Hanoi.

I could go on. I mention three because, as a friend of NATO, it would be deceptive for me to say everything is lovely, everything is fine, that we are a bit disappointed about the trade which goes on but we have no big concern about it. It is serious, however, because in this war we must prevail or be pushed toward an isolationism which I do not like, either in the Pacific or in the Atlantic, but which inevitably, once it comes, will strike both oceans in the same way.

I come now to the resolutions which we have proposed. The first needs no further explanation. Dr. Brosio put it before us clearly in his first address to the Plenary Session. Let us get the youth of the world to understand NATO, not just the youth of NATO to understand each other. It is important that the uncommitted people understand NATO. I think it is important that people in the Iron Curtain countries or those dominated by communism, to the extent that we can make it available to them by broadcasts and by presentations, should come to understand NATO, because NATO stands for nothing which a human being in any place in the world would not enjoy as much as a human being living in any of the fifteen countries of NATO.

The second resolution proposes that for the first time NATO, in conjunction with the authorities of the College of Europe, in cooperation with a working committee which has been appointed, a committee of three headed by Jakob Aano of Norway, as a continuing force to work with the secretariat in the Council of Ministers and the Secretary-General of the Parliamentary Union and the College of Europe authorities, should set up in the summer of 1969, for the first time in the free world, a place where the people working in government below policy-making levels, in the areas of public administrators, can meet together for sixty days and concentrate on certain problems of fiscal affairs, or personnel management, and under good tutelage made available come to learn more about how to render better services as part of our resolution, and the one that to me has a great encouragement for the future.

We also provide that NATO in that operation is not to be an exclusive white man's club of fifteen self-satisfied nations trying to operate in a vacuum or in an area of collective isolationism, because it is proposed that we provide, in addition to thirty student-delegates from NATO countries, two from each which desire to send people to Bruges, scholarships for five or six other people working in similar capacities in the underdeveloped countries of the world, so they can work together with these people from NATO in helping them analyze their problems and make progress in this important business of self-government, which cannot function—and we parliamentarians sometimes hate to admit it—without the civil servants, and cannot function well unless the civil service functions effectively and efficiently. That is our second resolution.

So I close where I began, expressing not only the hope but the conviction that we are entering into a new era of NATO where we are no longer satisfied to feel the impact of the world upon us, but where we are determined to have some impact on the world outside our little circle of fifteen NATO countries. Thus, we shall begin to help do, on our side, what our adversaries have so skillfully done on their side. The Communists have been skillful and effective, working not only among themselves but in your country and in mine, which is bad enough, but what is even worse they work in all the uncommitted areas of the world, representing over half of the people in the world. We offer them nothing but sympathy, but by the Communist Bloc they are given, in seven different training institutions sponsored by the Soviet Union alone, training in the functions of government to give them the expertise to make them efficient operators in their uncommitted lands and to indoctrinate them with communism. Now we proposed for the first time to offer them a place where they can learn to make their governments effective, we offer not only the outstretched hand of fellowship but the helping hand of the Good Samaritan as well, and we do something practical to make them know we care. We support them and we want them and they need not go into a subversive area of a Communistic state to get the training they need in the efficient operation of the complicated machinery of government.

Let me close with the words of a poet who put my theme very succinctly and very clearly, as I see it. He says, "The hermit who would shut himself out from worldly sins, shuts out more of God than he shuts in."

I do not want NATO to shut out more of freedom than it shuts in.

FRESH WATER FOR THE MIDDLE EAST

Mr. FANNIN. Mr. President, yesterday the Senate overwhelmingly agreed to Senate Resolution 155. The resolution, submitted by my good friend, the Senator from Tennessee [Mr. BAKER], and cosponsored by a long list of fellow Senators on both sides of the aisle, will do much to resolve the bitterness and volatile atmosphere now suffocating the Middle East.

Behind the strident clamor of Israeli and Arab nationalism, there lies a more fundamental issue—water. In the Middle East there has never been enough. Some years ago, then President Dwight D. Eisenhower, with the aid of Adm. Lewis Strauss, former Atomic Energy Commission chairman, began to sort out the elements of this crisis and piece together the skeleton of a unique plan. As now envisaged by Senate Resolution 155, this plan calls for the construction of three nuclear desalting plants in the Middle East to bring fresh water into this parched area far exceeding present supplies in the Jordan River and tributaries. The project would be financed and operated through a public corporation similar to Comsat.

Peace in the Middle East is no small objective. Consequently, if this project merely begins harmonious intercourse between the Middle Eastern nations, it would be justification alone for its authorization. This plan, however, will be more than a beginning; its benefits will not be limited to the Middle East.

The plan will have an impact on water problems thousands of miles from the River Jordan, foremost of which is the Colorado River Basin, battleground of a historic, albeit bloodless, water war. Some of the latest skirmishes on the Colorado River have been over the issue of possible shortages in the basin by the latter part of this century, shortages occasioned by our treaty with Mexico to deliver 1.5 million acre-feet annually. Although those shortages are not upon us at this time, they can easily be met when they occur by the installation in stages of four nuclear desalting plants equally spaced over the 30 years following 1992, and each with a capacity only one-third the size of one of the three anticipated for the Middle East. Other regions in the United States will soon begin feeling the effects of lowering water supplies, as has the Northeast already. Additional water through desalination can also help to flush our rivers of pollution. The technology we gain from operation of the Middle East nuclear desalting plants will greatly accelerate the development of such plants in this country. Finally, the construction of nuclear desalination plants in the Middle East will demonstrate the peaceful use of atomic energy and hopefully bring enlightenment about this potentially exciting source of energy.

We often forget in these times of complicated diplomacy that many of the issues which provoke war are as elementary as the lack of water. Senator BAKER's leadership in guiding the resolution through the Senate, evidences once again his wisdom in discerning the solutions to such difficult problems.

TAA SELEY TRANSPORTATION AWARD TO DR. GEORGE P. BAKER

Mr. LAUSCHE. Mr. President, an editorial published in the weekly transportation magazine Traffic World for November 25, 1967, paid tribute to a distinguished American who has played an important—and I hasten to add, extremely difficult—role in helping to bring the various transport business interests together during the past 20 years on solutions to problems besetting the Nation's transport complex. This, gentlemen, is Dr. George P. Baker, dean of the Graduate School of Business Administration of Harvard University. The editorial honoring Dr. Baker was an outgrowth of the award given to him in the form of the TAA Seley Transportation Awards given annually to a worthy individual for his contributions to the continued development of the Nation's transport complex. It is my understanding that the awards consist of a personalized gold medal plus two $1,000 grants to further a transportation scholarship at a college or university designated by the recipient. They are made possible by the Seley Foundation, Inc., of which Louis E. Seley is president.

Dr. Baker's distinguished career in the field of transportation has included a number of significant achievements. He served for 2 years as a member of the Civil Aeronautics Board, and resigned to undertake various wartime responsibilities as a colonel in the Army. He was Director of the Office of Transport and Communications Policy in the State Department in 1945–46, was a member of the President's Air Policy Commission in 1947, was for 10 years U.S. member of the United Nations Transport and Communications Commission, and is now a member of the President's Commission on Postal Organization. For many years he has served as the chairman of the board of directors of the Transportation Association of America, and as moderator of the association's national cooperative project. Dean Baker is a member of the boards of directors of the Lockheed Aircraft Corp., the First National Bank of Boston, and Mobil Oil Corp.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DEAN BAKER AND THE TAA COOPERATIVE PROJECT

Pleasing to many people who make a living in the transportation business or in work closely related thereto was the disclosure, on November 22, that a committee of the Transportation Association of America had recommended, and the TAA board of directors had approved, selection of Dr. George P. Baker, dean of the Graduate School of Business Administration at Harvard University, to be the 1967 recipient of the Seley Transportation Awards.

Those awards, offered annually by Louis E. Seley, president of the Seley Foundation, are given to persons, chosen from among individuals nominated by traffic and transportation people in all the states of the Union. In making its choice from the list of nominees, the TAA awards committee—headed this year and for several years past by Donald G. Ward, manager of container operations for General American Transportation Corp., Chicago—keeps in mind the Seley precept that the Seley awards are designed to "pay appropriate tribute to notable achievements by individuals whose contribution to agreement or action on transportation issues has been most constructive.

There shouldn't be the faintest shadow of doubt about the evidence of constructiveness of George P. Baker's "contribution to agreement or action on transportation issues." So outstanding and effective has been his counseling and leadership in striving for, and frequently in bringing about, agreement among separate segments of the transportation industry—segments often hostile toward each other—that for years he has been regarded by traffic managers, transportation company executives, government officials and others concerned with transport activities as the best qualified nominee for the honor of receiving the Seley awards.

As noted by Mr. Ward when he submitted his committee's Seley Awards recommendation to the TAA board of directors, the giving of the 1967 awards to Dean Baker is particularly appropriate at this time. This year marks the twentieth anniversary of the TAA's National Cooperative Project, and at the annual TAA meeting in New York City next January, Dean Baker will conclude his service as moderator of the Cooperative Project. He has done this "moderating" job with exceptional skill for about 19 years.

Anyone who feels at all skeptical about Dr. Baker's ability to cause agreement to be reached among groups that, at the outset, appeared determined to disagree vigorously needs only to ask any of the numerous business leaders who are serving or have served on the various Cooperative Project panels of the TAA or on its board of directors. They are the ones who for a long time have led the "agitation" for the giving of the Seley Awards to Dr. Baker. Each year in the past he has declined to be considered for that honor. This year, in view of his decision to withdraw as the Cooperative Project moderator, the awards committee succeeded in getting him to agree to accept the awards—thus, he himself became a subject of a good job of "moderating." (Incidentally, the first year of presentation of the Seley awards was 1958, when the winner was Senator George A. Smathers (D-Fla.), who was credited with having been the principal "sparkplug" in Congress behind enactment of the legislation that became the transportation act of 1958.)

The story of how the National Cooperative Project of the TAA got its start is related in Chapter II of the book titled "Sound Transportation for the National Welfare," published by the TAA in 1953 and subtitled "Submission of the Board of Directors, Transportation Association of America, to the Congress of the United States, Including the Report of the Policy Administration Board and Panels of the Cooperative Project on National Transportation Policy." (That subtitle, by its length, might have inspired the titles of some of the plays presented recently in New York City theaters.)

While assisting the House interstate commerce committee in a transportation policy investigation in 1946, the TAA said in Chapter II of its book on "Sound Transportation" that it (the TAA) had set up procedures that "made the Cooperative Project possible." It quoted several paragraphs from the progress report the House committee submitted to the Eightieth Congress December 29, 1948, including the following:

". . . The Transportation Association of America . . . undertook to create the machinery for a complete reappraisal of transportation and the national policies and regulation with respect thereto.

"Obviously, such a project involved the creation of an organization competent to appraise the economic issues involved and to seek public reaction in all areas of the country. It was necessary, therefore, to first define the areas of common interest among users, investors, labor, and carriers; and, having done so, to establish a procedure to interpret and implement these interests. A steering committee composed of leading shipper, carrier and investor representatives was formed to gather the issues, 'separate the wheat from the chaff,' instruct the association's legal and research divisions as to the studies required for each issue, and then submit the subjects, with research analysis, to various panels. . . . Probably never before has a national economic problem been approached for solution on such an elaborate basis as this cooperative endeavor. . . ."

We recall times, 20 or 25 years ago, when such "meetings of the minds" of differing transport interests as are now rather frequently achieved through the TAA's Cooperative Project processes would have been regarded by most "sensible" people as utterly impossible.

George P. Baker (who's probably weary of being referred to as "the truly distinguished son of a distinguished father") helped this writer, unwittingly, to make good use of his first opportunity to write an editorial for this magazine under its present management. Titled "Men Who 'Know Their Stuff' in Transportation," the editorial appeared in the November 29, 1952, issue. It was based in large part on Dr. Baker's timely admonition, in a speech to the Railway Business Association in New York City, that the suppliers should keep themselves well informed about the problems of their customers (the railroads) and should thus equip themselves to assist the carriers in obtaining legislative or other relief they required. We picked up that idea with the suggestion that reading the contents of this magazine each week would be an excellent way for the suppliers, and others, to acquire transportation knowledge. And now that we have taken another look at that suggestion, we still think it's a good idea!

MAKING IT EASIER FOR COMMUNISTS TO MAKE IT HARDER FOR US

Mr. MURPHY. Mr. President, I was delighted to read a commentary carried by Los Angeles radio station KPOL entitled "We Are Making It Easier for the Communists To Make It Harder for Us."

This commentary by James Marine examines sensibly the question of free world trade with the Communist nations which are supplying our enemies in Vietnam. The editorial gives a big boost to the commendable efforts of the distinguished Senator from South Dakota [Mr. MUNDT] and of California Representative GLEN LIPSCOMB to prevent strategic aid being supplied by the West to our Communist enemies.

I believe many Americans will appreciate the opportunity to read this commentary. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the commentary was ordered to be printed in the RECORD, as follows:

WE ARE MAKING IT EASIER FOR THE COMMUNISTS TO MAKE IT HARDER FOR US

(A five part commentary by James Marine, October 1967)

As is pretty widely known, Russia and her communist satellites recently announced a sharp increase in aid to the North Vietnamese. As is *not* so widely known, President Johnson recently announced his intention to sharply increase U.S. trade with Russia and her communist satellites. If these two announcements strike you as self-contradictory, you've hit upon the root of a great deal of new controversy in Washington.

Even if you don't believe Communist threats that they're going to *bury* capitalism, there's no question that the Reds are bitterly competitive with us—politically, militarily and economically . . . so any help we give them is at least aiding a powerful competitor if not a sworn enemy. It would take some very compelling arguments to prove that such help benefits *us*.

In this series of commentaries, therefore, I'm going to review the major ingredients of this policy: the arguments the administration presents in favor of East-West trade; the degree to which the stated goals of such trade have been reached; the kinds of products, materials and services involved in this trade; the arguments *against* trading with the communists; and some of the legislation now pending that would affect such trade.

It should be noted first that the United States has been helping the Soviet economy since 1929, when we provided technical know-how and materials for the construction of the Magnitogorsk blast furnace—which still, incidentally, is the largest in the world. It was, in fact, U.S. technology that *built* Russia's industrial base in the early 1930s . . . and some of the factories we helped build them still produce the great bulk of all Russian automobiles, trucks and tractors.

Following World War Two, it was American expertise and millions of tons of American materiel that helped Russia get back on her feet . . . and, of course, in the process, helped the somewhat shaken Communist regime to reentrench itself.

Today, according to the U.S. State Department, we trade with the Communists—and should trade more—for five basic reasons: we hope to build bridges of understanding, so that the Communists will become less hostile and, perhaps, positively amicable; we hope to decrease the dependence of Russian satellites on Russia, partially by converting their dependence to us; we need badly to improve our balance of payments, by bringing in more dollars; if *we* don't furnish the Communists with the equipment they need, somebody else will . . . so it might as well be American firms making the buck instead of English or French or somebody else; and, finally, we hope to divert the Soviets' historical emphasis on military production to non-military, by bolstering their domestic economy.

Furthermore, as President Johnson said recently, we're not going to let the Vietnamese war stand in the way of trying to be friends with Russia, even if Russia *is* helping our enemy!

All right, let's look at those arguments, one-by-one, to see how they have borne up in the light of experience, logic or plain ordinary mortality. Have the Communists become less hostile, for example, because of our nearly three decades of helping to bolster their economy? The answer, no matter how optimistically one may view the world, must be a resounding "No!"

The Communists have steadily increased their support of North Vietnam, and vowed to increase it further—and they consistently refuse to use their influence in behalf of peace. The Communists were openly involved in triggering the Israeli-Arab war, certainly with no intention of benefiting us, and they are now involved in replacing the equipment the Arabs lost in that fracas. The Russians, by their own admission, continue to pour huge amounts of materiel and money into Cuba, as well as technical personnel . . . and provide funds, training and personnel for Communist bands throughout Latin America and Africa.

The *Chinese* Communists showed their gratitude for several years of trade with Great Britain by wrecking the British Embassy in Peking, beating up all the embassy personnel they could lay their hands on and ordering all *their* representatives in London to attack the English bobbies with axes and baseball-bats.

Furthermore, as the F.B.I. has reported, Communist espionage in the U.S. has *intensified* in recent years, not lessened, and has spread into so many forms that, for all practical purposes, every Russian citizen in America can be considered a potential spy.

And to top it all off, the Communists *talk* as nastily as they act; the U.S. is still the brunt of practically every outrageous insult the Russians and their satellites can think of . . . and there's been a noticeable upsurge in these tirades in just the past few months.

Would anybody *really* insist, therefore, that trade has made the Communists any more cooperative, any less hostile toward us? I would hope not, but still, the pro-trade people have the *other* arguments to fall back on.

The second argument is that trade will somehow wean Russia's satellites away from Russia and toward us, and make them a little more democratic in the process. Experience, however, proves that *this* hasn't happened, either. Every Russian satellite is furnishing aid to North Vietnam and bragging about its solidarity with Russia in nourishing the fight against the United States. In addition, there are proven instances of material we've shipped to satellites which they immediately forwarded to Mother Russia, though it theoretically was destined for them . . . and, worse yet, of material that's been transferred from *our* ships to, for example, Polish ships, and sent straight to North Vietnam.

With the possible exception of Rumania's refusal to condemn Israel in the recent war, I cannot recall a single instance in which Russia's satellites have not actively sided with Russia, and against us, on any important issue, despite all our efforts to convince those satellites that we love them.

In fact, according to the *Wall Street Journal*, our aid to satellites actually strengthens their allegiance to Communism and their resistance to change. The *Journal* points out, for example, that Rumania waited, in 1964, until being assured of a U.S. trade deal, then issued an edict forbidding even discussions of reform . . . and that Yugoslavia's alleged relaxation of totalitarian methods occurred only *after* we threatened to cut off trade with Tito two years ago.

At this rate, if we have to rely on trade to break up the Russian bloc, we'll run out of goods first!

The administration also argues that trade with the Communists is beneficial to us because it improves our total balance-of-payments picture. Well, in 1966, our East-West trade, according to the Department of Commerce, netted us a paltry 20-million dollars, against a *loss*, in the *total* balance of payments that year, of more than one-and-quarter billion dollars . . . which comparison ought to take care of *that* argument without further comment.

Actually, it's not the dollar volume of such trade that's important, but the products and services and, *most* significant, the political elements, *involved* in the trade. As Nikita Khrushchev said, "We value trade least for economic reasons and most for political reasons." And yet, just to show you how intensely the administration clings to this discredited argument, Averell Harriman—a leading administration spokesman—said a year ago that people who oppose the balance-of-payments proposition are, in his words, "bigoted and pig-headed"—that's right, "bigoted and pig-headed" if you disagree, according to Averell Harriman.

The administration's fourth argument is—and there's no nicer word for it—pure economic harlotry. That's the argument that says we should supply the Reds because if we don't, the Reds will go elsewhere . . . which is the equivalent of saying—if you'll remember the recent articles in *Life* on the activities of the Mafia—that *you* might just as well play the slots because somebody else will if you don't. Furthermore, if the Communists could, in fact, get what they want elsewhere, they wouldn't be yenning so frantically to deal with us. The fact of the matter is that they *can't* get the quality, speed of delivery, service and replacement parts from anybody else; we make the best and sometimes the *only* kind of materials they need the most, and if they didn't get them from us, they couldn't get them *any* place. They would, in other words, have to make them themselves, if they could or wanted to.

Now, the administration's final argument is that our bolstering the Communists domestic economy will divert them from their emphasis on the military, which is, on its face, completely illogical. The opposite, in fact, is true: bolstering their domestic economy actually has helped them *strengthen* their military production . . . for the simple reason that every ruble they save on nonmilitary needs—factories and chemicals and wheat and so forth—is another ruble they can spend on military needs.

Our Joint Economic Committee has reported, for instance, that Russia's industrial defense establishment has grown at a rate twice as fast as its domestic economy. A Russian economist has admitted that 30-to-40 million people are employed in that industrial defense establishment—30-to-40 per cent of all the workers in Russia—and that only 15 million or so work in other, nonagricultural jobs. It's no wonder the Reds pine so longingly for our products and our technical expertise, no wonder they're still using factories we helped them build before World War Two, and no wonder that they still produce less than one-and-a-half million automobiles for a total population of over 230 million people.

Furthermore, as the C.I.A. has reported, there is absolutely no evidence that the Communists plan any change in their present policy of emphasizing military-and-political efforts to the continuing detriment of their domestic economy.

Why the United States should pull Russia's domestic chestnuts out of the fire and thereby strengthen their defense industry—especially when the Communists obviously don't care that much about the domestic scene themselves—is incomprehensible to me. But what makes it even more incomprehensible is that many of the items we've licensed for export to Russia could be used for *defense* purposes as well as non-defense. Let's just review a few examples:

. . . nearly half-a-million dollars worth of diethylene glycol, which is used for, among other things, explosives and liquid rocket propellants;

. . . more than 6-million dollars worth of chemical wood pulp, which sounds innocent enough except that it's used to make solid rocket fuels;

. . . computers and computer parts, which the Russians admit they can't duplicate;

. . . precision machine tools, in which the Reds also confess they're inept . . . jet aircraft engines . . . rifle-cleaning compounds . . . diamond drill bits—which nobody else can supply—to help produce more oil . . . chemicals of all kinds . . . and countless varieties of scientific instruments, including ones to measure radiation, aircraft flight performance and the quality of sophisticated optics.

The lists of such harmless little, nonstrategic items run for pages and pages in government documents. The Department of Commerce was even ready to ship the Communists an instrument to improve the accuracy of Soviet missiles until South Dakota Senator Karl Mundt found out about it, last winter, and forced them to cancel the license.

Furthermore, the Department of Commerce—under constant harassment from the White House to free more items for export and to speed up the granting of applications for product shipment—removed some 400 items from the previously restricted list of trade goods, last Fall. . . and did so without even checking with the major intelligence organizations to determine if any of those items had strategic value. The Department said it had checked with what it called the "intelligence community", but when California Congressman Glen Lipscomb asked the intelligence agencies of the Army, Navy, Air Force and Defense Department about it, not one of them said they'd been asked for technical advice.

And that's not the only subterfuge going on. Another government report on items for export to the Communist bloc deliberately omitted a full list of types of machine tools because, said the committee which issued the report, "publication might upset normal commercial relationships". Result: nobody knew *what* was on the list until Congress got extra curious.

This haphazard, sometimes downright secretive, approval of commerce-for-communists takes on special meaning in view of the fact that the very communists we're helping so much by our trade are helping *other* communists to kill Americans. Commenting on this paradox, South Dakota Senator Karl Mundt stated last summer, "Americans are getting sick to their stomachs with an administration policy which is increasing American casualties through the supplies we send to the Communist states, which in turn are used to shoot and kill American boys . . . in Vietnam".

This continuing policy of shipping materiel and technical expertise to Communist nations has not only provoked a rash of proposed legislation in Washington, but has caused a large number of Red-trade advocates to have second thoughts about the benefits, wisdom and morality of such trade.

Russia and her satellites *are*—without the slightest reticence about it—supplying North Vietnam with hundreds of millions of dollars worth of materiel to support their war effort against us, including, of course, missiles, aircraft and weapons. Russia's aid to the North Vietnamese increased 50 per cent in 1966 over 1965, rose again in 1967 and, according to the Russians, will rise sharply this year. An estimated 80 per cent of all North Vietnam's imported war materiel comes from Russia and her satellites.

There's no question—even in the minds of administration spokesmen—that our present trade with Russia and her satellites makes it easier for them to help the North Vietnamese, though the pro-trade people *do* argue that the difference isn't significant.

There's more to this argument, of course, than the mere *practical* consideration of whether our trading with Eastern Europe helps North Vietnam prolong its war against us. There also is the *moral* question. As Senator Mundt puts it, "Never before in our history have we found it conscionable to trade with the enemy in time of war." New York Congressman Paul Fino states, "There is no moral justification for giving aid to those nations who are supplying our enemies in Vietnam." And California Congressman Glen Lipscomb says, "I am utterly unable to understand how it makes any sense to help equip the Communists who are assisting aggressors to kill and maim our soldiers in Vietnam."

Certainly this policy of trading with people who openly capitalize on that trade to help our enemies, is something new in American diplomacy. During the Korean War, for example, we cut our trade with Russia to virtually zero . . . and during the crisis over the Berlin Wall's construction, we deferred all applications for export to the Communist bloc. Why, then, are we doing the opposite today, particularly when there's an amazing parallel between our increase in trade to the Communists and *their* increase in trade to the North Vietnamese?

I don't know the answer to that question, and I'm not sure anybody does, but Senator Mundt smells more in it than just "immorality, inconsistency and a lack of regard for the men fighting for us." He says, "Communists are not idiots. They know that something is lacking in our American desire to conclude this war successfully when we not only ship their side of the war hundreds of different types of the supplies they need, but also encourage our American exporters to expand even greater trade with the enemy . . ." And then he raises the question that may, in fact, be the answer: "Are we really interested in ending the war successfully? Or is this conflict to be prolonged as a sort of giant W.P.A. project to give millions of dollars in profits to those in America who are privileged to sell supplies to the enemy in time of war? What *really* are the facts behind this curious and self-defeating, war-prolonging trade policy?"

Well, there are two ways to find *out* "what really are the facts". The first is to stop all trade with the Communist bloc immediately and the second is to launch a saturation investigation of the entire subject.

If you agree that we should stop bolstering Communist economies, the first thing you can do is express your support for legislation now pending in Washington that would both halt our trade and initiate a thorough study of the entire subject.

Senator Karl Mundt, for example, has a bill that would slap an embargo on the export of all items to Communist countries furnishing materiel to North Vietnam. The bill—which is Number 2908—presently is idling in the Senate Banking and Currency Committee. You should, therefore, write a letter to Senators George Murphy and Thomas Kuchel, asking them to see that Senate Bill 2908 gets some action . . . and you should send a carbon of your letter to Senator John Sparkman, who's chairman of the Banking & Currency Committee.

There's another piece of legislation kicking around both the House and the Senate that would bar a 50-million-dollar loan from the Export-Import Bank to Russia to help the Reds build an automobile plant. It's known generally as the Fino bill, and you should write your Congressman and the two California Senators urging them to support Fino's proposal to stop the use of Export-Import Bank funds for the benefit of the Communist.

Finally, California Congressman Glen Lipscomb has introduced a resolution—House Resolution Number 847—which calls for the establishment of a Congressional Committee to make a complete investigation of such topics as the impact of East-West trade on our national and international interests, its effect on the productivity and capability of nations aiding North Vietnam or any *potential* tinder-box, and the effectiveness of U.S. controls on exports to Communist nations. Congressman Lipscomb says, incidentally, that present Export Control rules and practices are a "farce".

The Lipscomb resolution is pending before the House Rules Committee, so you should send a carbon of your letter on House Resolution 847 to Congressman William Colmer, the Rules Chairman.

If enough people will write to their Congressmen and Senators about the whole subject of Communist trade and specifically about these three pieces of legislation, I can promise you, you'll see some action.

But there's something else you can do, too: you can refuse to do business with companies that currently do business with Communists. After all, American business is under no obligation to trade with countries that help our enemies, even if the administration urges them to do so. In my opinion, it all boils down to a simple question of a modicum of morality versus a maximum of greed, and any company that will opt for greed doesn't *deserve* your business.

Find out, therefore, if your own company sells anything to the Communist bloc, and keep an eye open for stories in newspapers and trade magazines about other companies who seem to think a dollar is more important than winning a war. Then write those companies a letter or, if you want, send them these five commentaries . . . but in any case, hit them where they obviously will feel it the most: in their pocketbooks. If we can show American businessmen that—all questions of morality aside—it is very bad *business* to trade with Communists . . . and if we can simultaneously show Congress that it is very bad *politics* to trade with Communists . . . we can end what Senator Mundt calls this "incomprehensible, morally indefensible policy" of making it easier for our enemies to make it harder for us.

REMOVE THE GOLD COVER

Mr. HARTKE. Mr. President, gold has been much in the press in recent days. Usually international monetary affairs are discussed on the finance pages, but currently they have moved up to the front page, a fact which indicates the importance of the problem just now.

As a result, vast numbers of citizens who are untrained in economics but who are concerned for international and domestic affairs are learning that the U.S. Treasury gold stocks are being drawn down at a very high rate and that the outflow of our gold to settle balance-of-payments accounts poses genuine problems for the Nation. That problem is not the calling into question of the soundness of the dollar, or resultant fears that we are about to follow Britain's example with our own devaluation. It is rather, at least for a considerable time to come, the problem of gold as the international transfer medium behind dollars as a medium of world exchange.

Today's Washington Post, in its lead editorial entitled "What To Do About Gold," notes that the outflow from Treasury stocks was $475 million in the week following the pound's devaluation. As the editorial observes:

> Ultimately, the link between gold and the dollar must be severed.

But for now, our payments balance is of equilibrium by at least the $2 billion per year attributable to Vietnam. Other nations feel little urgency about implementing the growing plans, crystallized, in part, at Rio de Janiero with the Group of Ten meeting and followed up recently in the Frankfurt meeting, so long as our dollars are available to carry the world exchange burden.

But this is where our gold stock becomes threatened. While we continue to offer to buy gold at $35 per ounce, none is available for purchase at that price and so we cannot replenish the Treasury stock. Now the net outflow has brought the stock of available gold, for international settlement of dollars held, down to somewhere around two and a half billion dollars. A few weeks of drawing it down by the $475 million figure I have mentioned will exhaust the nonearmarked supply.

Almost all of that which cannot at present be used is in the reserve required by law as backing for Federal Reserve notes. My bill, S. 1983, to remove that requirement of a gold cover and thus free those $10 billion for international use, has received endorsement from Chairman Martin of the Federal Reserve, the Treasury Department, and other concerned administration figures. It should be enacted as soon as possible in the second session of the 90th Congress, as the editorial I have previously quoted says:

> Congress should forthwith repeal the law that ties up more than $10 billion of our $12.4 billion gold stock as a "cover" for Federal Reserve notes.

It is my hope, Mr. President, and I am suggesting to the Committee on Finance, to which the bill was referred by unanimous consent, that we may proceed so as to have the matter before us for action at the earliest possible moment. If possible, I would like to see hearings held even before we return to the Senate Chamber for business—that is, in the first 2 weeks of January—so that action can be high on the calendar.

I ask unanimous consent, that the Washington Post editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

What To Do About Gold

In attempting to enforce the price ceiling of $35 an ounce, the United States lost $475 million from its gold stock in the week following the devaluation of the pound. The Treasury now has $12.43 billion in gold, and foreign central banks and governments, which finance our balance-of-payments deficits, have more than $14 billion in claims against it. Save for the unlikely event that all foreign central banks decide to convert their dollars at once, there is no danger of an immediate crisis. But it is clear that the United States cannot for long continue to be the only country which undertakes to buy and sell gold freely at a fixed price. Ultimately, the link between gold and the dollar must be severed.

The exchange values of currencies in the non-Communist world are fixed with respect to the dollar, and the dollar, which serves as the principal reserve currency, is linked to gold by the Treasury's pledge to buy and sell it freely at $35 an ounce. But the demand for gold at that low price—it was set in 1934—far exceeds the supply. There is the rub. Permitting the price of gold to rise under the present system of fixed exchange rates is equivalent to devaluing the dollar. And it is doubtful, aside from all the other objections that might be raised, whether other countries would permit a dollar devaluation. They would be likely to retaliate by devaluing their currencies, and in that event the nominal value of the gold stock would be increased without solving the fundamental problem of the present international monetary system.

As an interim step, Congress should forthwith repeal the law that ties up more than $10 billion of our $12.4 billion gold stock as a "cover" for Federal Reserve notes. Removing that relic of the past would doubtless enhance confidence in the dollar. But there should not be any illusions about the viability of the present link between gold and the dollar. The Government, through the pooling operations and other means, has been attempting to maintain a price ceiling on gold, but it will not work.

There are three options open with respect to gold. The demand for gold could be reduced by demonetizing it. But that would require an agreement by central banks to give it up as a monetary reserve, an event about as likely as a decision by the French to enter the Vietnam war on our side. Prices, costs and money incomes the world over could be lowered so as to increase the purchasing power of gold at its $35 an ounce price. That feat, however, would require a deflation, a depression more severe than that of the 1930s. Happily, that also isn't going to happen. Finally, the United States can move to sever the troublesome link between gold and the dollar.

One way in which the link can be severed would be to sell gold until the Treasury's supply is exhausted and thereafter refuse to buy any of it back. But that tactic would cause a $12.4 billion reduction in the world's international monetary reserves unless other countries were willing, as they now are not, to create new reserve assets—"paper gold"—on a massive scale. The danger of a sharp reduction in monetary reserves would be averted if the United States would discontinue its efforts to maintain a gold-price ceiling and instead fulfill its obligations to the International Monetary Fund by maintaining stable exchange rates between dollar and other currencies within its territorial limits.

Severing the gold link in the latter way—it can be done in accordance with the IMF articles—would open possibilities for the constructive reform of the international monetary system. Other countries, which rely on the dollar as the currency in which international trade is conducted, would be conducted, would be confronted with a clear choice. They can maintain the present system of fixed exchange rates by closer cooperation with the United States or, by failing to cooperate, move toward floating rates. If they opt for stable rates—and they need not be so rigidly fixed as they are now—the IMF can then become the repository for gold, and its monetary role would be determined by collective decisions.

AMERICANS—MEN, WOMEN, AND CHILDREN—NEED OUR CONSTRUCTIVE ACTION TO PROVIDE A LIBERALIZED SOCIAL SECURITY LAW—WE SHOULD NOT STEP BACKWARD INTO THE 17TH CENTURY

Mr. YOUNG of Ohio. Mr. President, we in the Senate passed an excellent social security bill for the welfare of all Americans. The compromise bill reported by the conference committee is actually no compromise whatever. It almost completely eliminates the liberalized provisions in the Senate bill. Even worse, the conference report on the social security bill is one of the most regressive legislative proposals to come before the Senate in many years. It appears to me it is an insult to the millions of Americans—children, men, and women—regularly receiving social security benefit checks from our social security insurance system.

The House bill provided for a 12½-percent across-the-board increase in benefits to all recipients; we in the Senate increased this to 15 percent; the compromise was 13 percent. Some compromise. From our point of view that was tantamount to a surrender.

The other legislative body raised the minimum benefit to $50; we in the Senate had fixed $70 per month as our minimum. The compromise was $55. Some compromise. Does anyone really believe that a citizen can live on $55 a month in this inflationary period? Even the $70 figure approved by the Senate would by itself hardly provide a decent standard of living for anyone.

The public welfare provisions in the conference report are demeaning and degrading and further strip from those unfortunate citizens on relief rolls what little dignity has been left to them by present redtape and administrative procedures. The acceptance of the House provision for a freeze on the ratio of children from fatherless homes who could qualify for welfare gives the States the option of permitting some of those innocent and unfortunate children to go hungry. The restoration of the House of Representatives freeze on aid to dependent children is deplorable. States and municipalities will have no recourse except either to reduce welfare rolls—eliminating thousands of children from this aid—or bear the added expense. Yesterday afternoon I received the following telegram from the Governor of Ohio, James A. Rhodes:

> Strongly urge that freeze on AFDC rolls be removed from H.R. 12080 it would cost Ohio $1,500,000 in federal reimbursement.

The fact is that the aid to dependent children program is the largest welfare program in Ohio, and in my opinion the most needed. More than 190,000 women and children depend on it to enable them to maintain the most minimum standards of health and decency. Between 15,000 and 18,000 additional women and children are expected to be added to the ADC rolls in Ohio very soon after the first of next year. As Governor Rhodes pointed out in his telegram, the conference report provisions for the ADC program will have serious damaging repercussions in the State of Ohio and in other States as well.

Mr. President, yesterday, December 12, 1967, the Cleveland Press, one of the great newspapers in Ohio and the Nation, published an excellent editorial entitled, "ADC—Back to the 17th Century." The editorial clearly and concisely points out the inequities and iniquities of the ADC provisions of the conference report and how they will have a direct adverse effect on almost 200,000 Ohio women and children and indirectly be injurious to all Ohio citizens who will have to bear this additional financial burden without Federal assistance. The heartless provisions in the conference report will perhaps have an even more serious impact in months to come as their callousness invites further poverty, hopelessness, despair and the racial turmoil that may ensue as a result. I ask unanimous consent that this editorial be printed in the RECORD at this point as part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ADC—BACK TO THE 17TH CENTURY

Aid to Dependent Children is Ohio's largest welfare program. It also has the lowest priority, providing 190,000 women and children with only a little more than 80% of the money needed to permit a minimum standard of health and decency set eight years ago.

This could have been improved considerably if a congressional conference committee had chosen last week to settle on a public welfare bill substantially as it came from the Senate. Instead the bill which came out of committee embodies most of the inhumane, cruel and restrictive provisions of the House version.

Senator Robert Kennedy calls it a disgrace, adding: "It is a step backward into the 17th century . . . It says we don't care what happens to children. They can starve."

The bill's worst feature is that it will curtail federal ADC payments to the states. The number of children on the rolls next January 1 would be determined and also the total number of children in the state. Then the proportion on welfare would be frozen thereafter.

With 190,000 mothers and children in Ohio on ADC now and 15,000 to 18,000 expected to be added next year, it is easy to see the severe hardship that would be worked.

Further, the section of the bill intended to encourage those on relief to get jobs has been watered down. The amount of money an employed recipient could keep from outside earnings has been trimmed so as to take away much of his incentive.

Several weeks ago Governor Rhodes and the State's welfare director, Denver White, informed President Johnson and Congress that the House version would wreck the ADC program in Ohio. It is time to speak up again.

Congress is hoping to go home by the end of the week, so time is short. There is some hope that liberal Senators strongly opposed to the conference committee bill can stop the Senate from passing it and send it back for revisions. Senators Stephen Young and Frank Lausche ought to add their voices to those already raised. So should Mayor Stokes.

A society that chooses not to care for its most unfortunate citizens—most of them in minority groups—is deepening their despair and inviting further racial turmoil.

Mr. YOUNG of Ohio. Mr. President, the conference report represents a refusal by the Federal Government to assume its responsibility for taking over an increased share of the relief burden from financially hard-pressed cities and States.

Mr. President, it appears that the Senate conferees apparently surrendered on almost every issue where the Senate version of the bill was more liberal than that of the House. If the conference report in its present form is enacted into law, it will be almost as if the Senate had never acted justly and wisely on the Social Security Amendments of 1967.

Furthermore, as a result of the cuts made in the Senate version of the bill, there will be an increased surplus in the social security trust funds in 1968, conservatively estimated at $620 million in addition to the present surplus of more than $26 billion. The bill reported by the Senate Finance Committee would have produced an additional surplus of $1,230 million, and the version finally passed by the Senate would have produced a much smaller surplus. The conference committee bill will produce an additional surplus of $1,850 million. Therefore, the more than $620 million in additional surplus funds created by the conference report represents an additional tax—a backdoor tax—on American working men and women without providing additional benefits to social security recipients.

We in the Senate raised the earnings limitation for those receiving social security payments from $1,500 to $1,680 in 1968, and $2,000 annually thereafter with no reduction in benefits. The conference report limits earnings to only $1,680 per year without equivalent deductions from benefits. This limitation imposes a cruel financial burden on people still able to work after 65 and denies them a right which they have earned by their own contributions into the social security fund. It is reasonable to look forward to dramatic new breakthroughs in the search for cures for cancer and heart disease that will push higher and higher the life expectancy of Americans. Men and women of 65 and 70 and 75 will—and many now do—have the ability to participate in gainful employment following retirement, in some instances compulsory at the age of 65.

It is unfair to bar these men and women from receiving social security retirement payments for which they have paid premiums during their more active years.

Mr. President, I could go on at length detailing the regressive features of the conference report. It is a throwback to those dark depression days of 1931 and 1932 when a high-placed Government official said, "Relief is a local problem."

It is a happy personal recollection that as Congressman at Large from Ohio and a member of the Committee on Ways and Means in the House of Representatives, I helped draft our present liberalized and expanded social security law. Over the years I have always supported and voted for liberalizing amendments. I considered it a privilege to vote for the bill passed by the Senate a few weeks ago. During the past 32 years we have slowly moved forward in the field of welfare and social security legislation. The bill as reported by the conference committee is an unfortunate step backward. It should be voted down.

Mr. President, we are nearing the end of this session of the Congress. Rather than hastily enact what is so obviously bad legislation, we should remain in session until social security amendments could be enacted providing adequate benefits and a more humane set of welfare provisions.

Since this may not be feasible, I will certainly support efforts to postpone final action on the conference report until Congress reconvenes next month, when more careful consideration can be given this important legislative proposal.

Every aspect of this conference report

is in conflict with the basic concepts of the social security program as it was envisioned by those who created it more than 32 years ago and by those of us who have since worked to liberalize and expand it. It embodies the concept that somehow and for some reason unknown to me it is a crime to be poor, underprivileged, and underfed.

I strongly urge that another conference be held, early in the next session next January if necessary, to secure passage of adequate and liberalized social security amendments.

VIETNAM

Mr. CANNON. Mr. President, I request unanimous consent to have printed in the RECORD an article from the November 27 issue of Newsweek, "Why Are We in Vietnam?" Written by Newsweek's foreign editor, Robert Christopher, this candid article explores the possibilities of American withdrawal from Vietnam.

During the preparation of this article, Mr. Christopher questioned foreign affairs experts in the United States, while Newsweek correspondents in 32 foreign countries questioned politicians and diplomats about how their countries would react if the United States were to seek a settlement in Vietnam on terms that would permit a Communist takeover in Saigon or the absorption of South Vietnam by North Vietnam. The investigation demonstrated generally that while there was little foreign support for U.S. involvement in Vietnam, there was even less for a U.S. retreat. In all their interviews, Newsweek's correspondents failed to come up with a single instance of any concrete benefit to U.S. interests that would result from a withdrawal.

Of the many statements I have read on Vietnam, few have impressed me more. I particularly endorse the conclusion that the question is not how we can finish the war off without great cost, but how we can end it at the least cost. As of now, Mr. Christopher concludes, the cost of fighting the war is far less than the long-range costs that would be incurred by retreat.

Mr. President, I commend this article to the attention of my colleagues.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY ARE WE IN VIETNAM?

(By Robert Christopher)

Over the past few weeks, it has been my misfortune to spend virtually all my waking hours talking or thinking about Vietnam. I have discussed the war with some of the most eminent and articulate of the critics of the U.S. involvement. I have discussed it, too, with many of the men responsible for shaping U.S. policy in Vietnam over the past seven years. The purpose of this exercise was to try to determine what, if any, vital U.S. interests are at stake in Vietnam. To that end, I concentrated on three questions: (1) why did the U.S. become involved in Vietnam in the first place; (2) do those reasons still hold good; (3) if not, why are we still there?

Of all the members of the Administration with whom I talked, no two gave precisely the same explanation for our original involvement in Vietnam nor for the escalation of the war. But without exception, they all agreed that, even if every one of the decisions which led to the present state of affairs in Vietnam were wrong, there remains one compelling reason why the U.S. cannot now afford to accept defeat there.

That reason, as they see it, is this: the U.S. Government has made so great a commitment in South Vietnam, both in words and in military effort, that failure to achieve our stated objectives there would gravely damage the U.S. position all around the world. It would, more precisely, cast doubt upon the believability of U.S. guarantees and the consistency of U.S. purpose in the eyes of both our allies and our enemies. And this, in turn, would make the world a far less secure place for Americans to live in.

This argument is given particularly lucid expression by Secretary of Defense Robert McNamara. Says McNamara: "If we failed to fulfill our treaty commitments in Vietnam, there would, I am convinced, be profound repercussions internationally. I do not mean that all the 40-odd security treaties which we have with other nations would become worthless scraps of paper overnight. But over a period of years there would, I believe, be a series of adverse shifts in our relationships with other nations, including some with which we have no formal treaty ties. These shifts would in part reflect a shifting of world power balances, but in part they would also reflect uncertainty about U.S. reactions."

This, of course, is not a proposition that greatly impresses critics of U.S. policy in Vietnam. In the eyes of many doves, the "credibility thesis" is merely the latest in a series of shifting—and sometimes mutually contradictory—rationalizations of Administration policy in Vietnam. "Listening to Dean Rusk," Minnesota's Sen. Eugene McCarthy told me, "is like listening to an accordion concert; you start out with the melody and gradually you get all the chords and variations . . . The Administration has consistently escalated its objectives in Vietnam to match the escalation of the war."

In a sense, however, it would be unhealthy if the Administration's explanations of our presence in Vietnam had *not* changed in emphasis. It does not seem unreasonable to assume that when a war vastly increases in magnitude, the stakes involved also change. When critics complain that the Administration cannot have it both ways—that it cannot first escalate the war and then proclaim that its significance far transcends the fate of Vietnam—their sense of grievance is understandable. But their logic is not necessarily sound.

THE BASIC QUESTION

Yet that, in essence, is the position taken by most of those who oppose our present course in Vietnam. Their answer to the credibility argument is simply to deny that it is true. But a simple denial will not do. Surely, the possibility that defeat or quasi-defeat in Vietnam could seriously weaken the entire U.S. international position is critical enough to the nation's future to warrant careful examination of such evidence as is available.

By questioning the widest possible range of experts on foreign affairs. I have tried to make such an examination here in the United States. And while I was doing this, Newsweek correspondents in 32 other countries were making similar investigations on the spot. Wherever possible, they confined their questioning to politicians and diplomats—the men likely to shape the policies of their countries in the years ahead. In every case, the basic question was posed in the same terms: how do you think your country would react if the U.S. were to seek a settlement in Vietnam on terms that would permit a Communist take-over in Saigon or the absorption of South Vietnam by North Vietnam?

In general, Newsweek's correspondents found that while there was relatively little foreign support for the U.S. involvement in Vietnam, there was even less meaningful support for a U.S. retreat. In all their interviews, in fact, they failed to come up with a single instance of any concrete benefit to U.S. interests that would result from a withdrawal from Vietnam. Their specific findings:

Africa: In Morocco, Tunisia and the Republic of South Africa, a retreat from Vietnam would seriously affect confidence in the U.S., but in Black Africa it would make little difference. "U.S. withdrawal from Vietnam without a saving grace would be almost as hard on my government as on the White House," said one North African diplomat. And a South African official predicted that "if America did withdraw, my country would tend to drift toward neutralism, fearing an increased Communist presence in the Indian Ocean." The prevailing attitude of the Black African governments, on the other hand, was reflected by a senior Kenyan official who frankly declared: "Whether or not America withdraws from Vietnam is not our concern. Our future relations with the U.S. will be governed by other factors."

Latin America: The effects here could be serious, but probably would not be fully apparent for some years. The extent to which Latin American governments would lose confidence in the U.S. is suggested by the fact that most of them flatly refuse to believe that Washington will ever accept an unfavorable settlement in Vietnam. "The U.S.," says an official of the Argentine Foreign Ministry, "is in the same position as any boss. He can't afford to be weak because he will lose the respect of his underlings." What concerns students of Latin America most, however, is the likelihood that a U.S. setback in Vietnam would revive the flagging morale of the hemisphere's Castroite revolutionaries and so increase their strength that a Latin American "war of national liberation" would become a real possibility within a decade. Such a war might well lead to a nuclear confrontation since the Russians, who are currently soft-pedaling revolution in Latin America, would be under great pressure to change their tune if the Vietnamese were to demonstrate that the U.S. can be humbled by guerrillas.

Western Europe: Disengagement from Vietnam would almost surely lead to some further erosion of U.S. influence in Europe, but just how much is hard to measure. The majority of Continental politicians insist that they would still have faith in U.S. guarantees to their countries. But in many cases, their assurances ring hollow. "The very people now crying for an American withdrawal," predicted a spokesman for the West German Foreign Office, "would complain afterward at the unreliability of U.S. commitments."

That seems virtually inevitable—and was, in fact, tacitly admitted by a senior French official. "America is too strong," he said, echoing a favorite thesis of General de Gaulle. "It would be a good thing for her to suffer a setback." In a different way, Berlin's Mayor Klaus Schütz was equally candid. Said he: "It would take a lot of explaining to make clear to people the difference between U.S. commitments in Vietnam and in West Berlin."

The Middle East: In the Middle East, the consequences of a U.S. reverse in Vietnam would be felt hard—and fast. Israel and such pro-Western states as Jordan and Saudi Arabia would be weakened, while Iran and Turkey would be driven to reconsider their dependence on the U.S.

Israel, whose own survival ultimately depends on U.S. support, is all for negotiated peace in Vietnam—but not a sellout of the South Vietnamese. "If the U.S. simply reneged on its commitments in Vietnam," says a confidant of Prime Minister Eshkol, "this would cause a great deal of anxiety and rethinking in connection with our defense posture." What that means, in the eyes of many Mideast experts, is that Israel would give consideration to starting its own nuclear weapons program. And such a move would not be totally unjustified in view of the probable Arab reaction. "If you pulled out of Vietnam," said one Arab ambassador, "there would be an automatic tendency on our part to expect a disengagement from Israel, and the Arab line would harden."

The first of the non-Arab Moslem states of the Middle East to be affected would probably be Turkey. U.S. withdrawal from Vietnam, said an aide to Turkish Premier Suleyman Demirel, would be taken as a sign of a return to isolationism and "could weaken Turkish ties with the U.S. and NATO." And such a reaction in Turkey, coupled with the probable reaction in Pakistan and India, would in time affect Iran's posture. One possible result: a replacement of Iran's present U.S. military mission by Russian officers.

India and Pakistan: Though they will not say so openly, their deep fear of China leads most Indian officials to favor U.S. withdrawal from Vietnam only after the survival of an independent, non-Communist South Vietnam has been assured. "Anything else," one influential Indian says, "would cause an irreparable loss of credibility to the U.S." It might also ultimately cause India to reconsider its "firm" decision not to manufacture nuclear weapons. As for Pakistan, many diplomatic observers believe that in the event of a U.S. defeat in Vietnam, the Pakistani Government might well oust the U.S. Air Force from its Peshawar base—a prime source of intelligence about the U.S.S.R.

Asia: Throughout Southeast Asia, a Communist take-over of South Vietnam would immediately shift the balance of power in favor of China. In Japan and South Korea, the immediate effects would be less drastic, but the long-range consequence might be even more ominous. And in Australia and New Zealand, fears of a wholesale U.S. withdrawal from the Pacific would be aroused.

Part of what disengagement from Vietnam would mean to U.S. allies in Southeast Asia was spelled out for Newsweek by President Marcos of the Philippines. "We would no longer look to America for the kind of mutual defense alliance on which small countries like the Philippines depend for security and survival," he said: "We should perhaps be faced with no other alternative than . . . a strict policy of neutrality and accommodation to Communist intentions."

With the exception of Cambodia's Prince Norodom Sihanouk, virtually every other national leader in non-Communist Asia shares Marcos' fears in some degree. The specter of Chinese dominance of Southeast Asia has led Japan's Prime Minister Sato, Singapore's Prime Minister Lee Kuan Yew and Malaysia's Prime Minister Tunku Abdul Rahman to risk their domestic political fortunes by publicly expressing support for the U.S. position in Vietnam. Even in Indonesia, which is primarily preoccupied with its own economic problems, an army newspaper recently expressed the belief that if the U.S. were to follow Walter Lippmann's prescription and withdraw its Pacific power to Australia "the greatest part of Southeast Asia would probably fall into Communist clutches."

Quite clearly, the average citizen in many Asian countries would applaud almost any settlement in Vietnam. But that applause would likely be short-lived if the settlement produced a Communist South Vietnam. Former Ambassador to Japan Edwin Reischauer believes that a U.S. retreat from Vietnam would at first please most Japanese but later "would strongly increase Japanese worries about the nuclear umbrella we hold over them . . . This would tend to push them toward neutralism—which would further weaken their faith in U.S. nuclear protection and, in the long run, might lead them to decide that they needed their own nuclear weapons."

To me, both my own investigations and those of Newsweek's correspondents abroad amply bear out the Administration's contention that U.S. credibility is at stake in Vietnam. But it must be added that, whatever they say in public, the members of the Administration to whom I have talked emphasize in private that they do not believe a U.S. defeat in Vietnam would be an apocalyptic disaster. Most of them do not believe that there would be great immediate risk of overt Chinese military conquests in Southeast Asia—a view shared by such academic experts on China as Columbia's A. Doak Barnett and Harvard's John Fairbank. Rather, they feel that China would be in a position to overawe her Asian neighbors diplomatically and that Chinese-supported subversion in Burma, Thailand, the Philippines and Malaysia would sharply increase. This, in time, would almost surely overturn some Asian governments. (Singapore's Lee Kuan Yew has reportedly said that if the U.S. leaves Vietnam, he will either have to leave his country or die fighting the Communists.) And it would certainly destroy one of the great U.S. achievements of recent years: the creation of a climate of stability in Asia which has permitted the emergence of prosperous and relatively acceptable societies in such countries as Korea, Malaysia, Thailand and even Taiwan.

Similarly, most Administration officials do not believe a U.S. failure in Vietnam would inspire the Russians to quick, new probes—say, in Berlin. But they do share the view of a European diplomat in Moscow who says: "The next time it came to the crunch, the Soviets would remember that you lack staying power and would act more boldly." Expanding on this theme, Zbigniew Brzezinski, one of the leading American students of Soviet affairs, predicts: "What would seem attractive to the Russians—and what they would seek—would be opportunities to maintain a sustained but limited level of violence elsewhere in the world. And that, of course, is the definition of a 'war of national liberation'."

What the precise consequences of the new Soviet and Chinese boldness would be, no one in the Administration is prepared to say flatly. Presumably, not all the disasters conceivable would happen nor would the situation necessarily be completely irreversible. But how, Administration spokesmen ask, do you justify taking such a gamble with the U.S. position in the world?

CHANGING TUNES

To this, critics of the Administration, insofar as they concede that there would be any consequences at all, offer several answers. Some of them, including Edmund Stillman of Hudson Institute, argue that the costs of disengagement could be minimized if the U.S. now changed tunes and began to proclaim that nothing is really at stake in South Vietnam but the fate of a single, rather unpromising society. Hans Morgenthau of the University of Chicago offers a variation on this: he believes that if President Johnson were to say that all the United States was ever fighting for was South Vietnam's right of self-determination and that this was fully achieved in the recent South Vietnamese elections, the Administration could then disengage to the applause of the American electorate and of the whole world. But I have yet to talk with a single practical politician who believes that it is that easy to pull the wool over the eyes of the American people—and I see no reason to assume that the statesmen of the world would be any easier to deceive than American voters.

Some doves, of course, argue that the consequences of disengagement from Vietnam would, on balance, actually be good. To prove their case, they most often cite the French withdrawal from Algeria engineered by General de Gaulle and the consequent upsurge in French prestige. But to this, American officials make an effective if cold-eyed rejoinder: France could afford to accept defeat in Algeria because she is no longer a major power and the survival of numerous other nations is not dependent upon the credibility of her pledge and her military might.

Perhaps the strongest argument made by opponents of our present policy in Vietnam is that, whatever the price of failure there, it cannot equal the price we are now paying in blood, treasure, domestic discord and international obloquy. But it seems to me blindly optimistic to assume that an unfavorable settlement in Vietnam would restore domestic tranquility. What form the U.S. reaction to defeat would take is impossible to predict. It might be a witch-hunt reminiscent of the McCarthy era; it might, as many foreigners fear, be a resurgence of isolationism under new guises; it might ultimately even express itself in a fit of aggressiveness designed to show the world that, despite Vietnam, we were still a power to be reckoned with. In any case, I do not think it would be pretty—and neither do most of the eminent Americans with whom I have talked in the past weeks.

BALANCE OF POWER

As for the notion that the U.S. could regain its international image as a benevolent power by magnanimously conceding that it had made a mistake in Vietnam, that is doubtless partly true. But many foreign critics of the U.S. openly admit that they would simply go on belaboring this country on other grounds. And public applause overseas, however gratifying, scarcely seems worth the risk inherent in accepting defeat—which is, in essence, a diminution of U.S. capacity to influence the course of world affairs.

The prospect of a decline in U.S. influence obviously does not worry the increasing number of Americans who appear to be opposed to all war and who regard balance of power as an evil concept. But as Richard Rovere conceded in The New Yorker recently, balance of power is what foreign policy is about. Peace is not the natural state of man and does not keep itself; it has to be enforced—and currently it is being enforced by the U.S. and the Soviet Union. If the U.S. opts out, it will leave the task of determining the world order to those who have no cause to love us. I do not suggest that this would mean the immediate downfall of the Republic. What I do think it would mean has been vividly expressed by Zbigniew Brzezinski. "If the U.S. withdraws from Vietnam," he says, "it will find itself in the years ahead in the position of a millionaire living in a small town that seethes with potential riots and whose inhabitants are united only by their dislike for the millionaire."

Of the thousands of statements on Vietnam to which I have been exposed, none has impressed me more than one made by John Fairbank. "When you make a mistake before history," he told me last week, "you have to pay for it." Somewhat uncertainly, I have come to share his assumption that the U.S. made a mistake by becoming so deeply involved in Vietnam. I say somewhat uncertainly because the chain of causality runs so far back and involves so many decisions which seemed perfectly sensible at the time that I am not convinced that things could have happened any differently. Still, it is hard not to agree with the general who recently told a visitor to the Pentagon: "If anybody could have foreseen the present situation four years ago, I do not for a moment think we would be in Vietnam in force now."

But we *are* there. And, mistaken or not, this war, like all wars, must be paid for. The question is not how we can finish the war off without great cost; it is how can we finish it off at the least cost. And, as of now, it seems to me that the cost of fighting the war is far smaller than the long-range costs we would incur by a retreat.

WORK EXPERIENCE AND TRAINING PROGRAMS PAY DIVIDENDS

Mr. MOSS. Mr. President, under title V of the Economic Opportunity Act of 1964, the Federal Government is authorized to pay up to 100 percent of the cost of family centered projects to tackle the vocational, educational, health, and welfare problems which contribute to the financial dependency of a family.

These projects are administered by public welfare agencies with grants from the Social and Rehabilitation Service of the Department of Health, Education, and Welfare. In the past 3 years, nearly 190,000 persons in more than 800 communities have been enrolled.

The results are most encouraging. Many of the trainees get and hold jobs. On the average, they earn almost twice as much as their families were receiving through the aid to families with dependent children program. Where public assistance payments averaged $152 a month, earnings average $273 a month.

But what does a work training project really mean to an individual? Mrs. Shirley Woodward, who lives in my home State of Utah, could tell you. She was in Washington last Friday to receive a Citation for Outstanding Achievement in a title V program.

Mrs. Woodward, the mother of five boys, is divorced. Born in Idaho, she grew up in Utah and was graduated from East High School in Salt Lake City. When she entered the title V program, she had only 3 months experience as a domestic worker.

Mrs. Woodward had received public assistance almost continuously since July 1953. In Salt Lake City, in 1965, she had attended an 8-month clerk-stenographer course at the Trade Technical Institute, but after failing to find work she had moved to Ogden, Utah.

At the Weber County welfare office, Mrs. Woodward was placed in the title V program and given counseling to develop her own confidence in her ability. She attended Weber State College in Ogden for two semesters—from September 1965 to May 1966—taking vocational courses in business math, typing, general office procedure, filing, general office machine operation and basic bookkeeping, and a course in human relations.

Later, Mrs. Woodward was assigned to a work experience program at the Hill Air Force Base Hospital. She was hired as a general office clerk at the base in September 1966 at $325 per month and will be eligible for a pay raise on January 1, 1968.

When Mrs. Woodward entered the title V program in October 1965, she was receiving an AFDC grant of $221. She is now independent of public assistance Her AFDC case has been closed.

Mr. President, I congratulate Mrs. Woodward upon the success she has worked so hard to attain. I trust that others will be encouraged to plunge into a work training project as she did. And I am most pleased that such projects will be continued under the antipoverty bill approved by the Senate this year.

COMMENDATION OF JESSE R. NICHOLS

Mr. SMATHERS. Mr. President, I was necessarily absent on November 15 when members of the Committee on Finance and other Senators paid just and deserving tribute to Jesse R. Nichols, a member of the committee staff, for rendering 30 years of faithful, devoted, and outstanding public service to the committee, the Senate, and his country.

Jesse has been well known to the members of the committee as an extraordinary public servant and enjoyed the respect of all of us.

I am pleased at this time to join with other Senators in commending him for the example which he has shown in rendering outstanding public service, not only to the Committee on Finance and the Senate, but to his country as well.

D. W. BROOKS, PRESIDENT, COTTON PRODUCERS ASSOCIATION, ATLANTA, GA.

Mr. TALMADGE. Mr. President, the December 12 edition of the Atlanta Journal-Constitution magazine contains an excellent profile of D. W. Brooks, the dynamic president of the agribusiness cooperative, the Cotton Producers Association, that has headquarters in Atlanta.

It is stated in this article that—

> Nobody has done more to raise sights, ambitions, and prosperity of Southern farm people than D. W. and his Cotton Producers Association.

This is no idle statement. I am proud to share this view of D. W. Brooks' accomplishments in promoting agricultural efficiency and economy, and I join in saluting my friend for his good work.

D. W. Brooks built the Cotton Producers Association on hard work, sound business judgment, and a staunch belief in the free enterprise system. As he states in the article:

> You can't wish yourself a better life, and you can't count on your government—or any government—to give you one. The only way you can get a higher standard of living is to earn it for yourself by increasing your own individual productivity.

He is exporting this philosophy to farmers all over the world, particularly in the developing nations, and in years to come it will pay dividends in many nations, just as it has done for Southern farmers.

Mr. President, I ask unanimous consent that this fine article tracing D. W. Brooks' career be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE AMAZING GEORGIAN'S VISION PAID OFF IN MILLIONS: A SUPER-FARMER ATTACKS GLOBAL POVERTY

(By Allen Rankin)

Whether he is tearing down the back roads of his native Georgia or urgently jet-cruising around Asia or Africa, Atlanta's David William "Ole D.W." Brooks not only pays his own way in life but helps millions of others pay theirs. A gangling, six-foot super-farmer of 66, he does it by scrambling as hard as a professional quarterback in a bashing, worldwide economic scrimmage that, for him, goes on 18 hours a day. Because of his incorrigible old-fashioned get-up-and-get, Ole D.W. is one of the most formidable foes poverty ever had.

When he speaks on how to beat world hunger and deprivation, powers ranging from foreign ministers of agriculture to U.S. presidents (Brooks has been a valued adviser, in one capacity or another, to the last four chief executives) listen with respect. From a handful of once-destitute Georgia farmers he has built the South's biggest agribusiness, a cooperative which employs 7,000 workers and dramatically boosts the incomes of its 150,000 members, white and Negro. Further to swell the profits of his misleadingly called Cotton Producers Association—one of the nation's largest exporters of *many* kinds of farm commodities, especially of poultry—Brooks frequently canvasses the globe. In a single order, he may sell 40 tons of Georgia chicken wings to Hong Kong; 100 tons of Alabama drumsticks to Japan; or, ducking behind the Iron Curtain, 400,000 bushels of Southern corn to Poland.

Last year the company grossed $245 million. Operations have become so efficient that, despite rising tariffs in some of the 30 countries with which D.W. now does business, CPA can still sell these nations chicken and other products more cheaply than can local producers. But since his most urgent business these days is trying to help teach famine-threatened countries to learn to feed themselves before it's too late, the thing D.W. sells hardest is the free-enterprise system.

"Look here, you can't *wish* yourself a better life," he preaches to farmers from Russia to India, to Greece, to the Congo, to the Caribbean, "and you can't count on your government—or any government—to give you one! The only way you can get a higher standard of living," Brooks hammers home, his blue eyes earnest, his twangy voice beseeching, *"is to earn it for yourself,* by increasing your own individual productivity!!"

The year was 1925 and the farmer's son Brooks was a young agronomy instructor at the University of Georgia when he first sounded that keynote through his region. At that time, the average Southern farmer was poorer by far than most slum-dwellers of today. On washed-out, eroded land, with sorry seed and fertilizer and worse marketing facilities, most cotton farmers cleared just enough each harvest-time to guarantee a more dismal failure the next season

"All you're producing is poverty!" teacher Brooks chided his students and their fathers. "And that's all you'll deserve until you buck up and get smarter!"

Then the Depression hit, bringing really terrible times. Per capita farm income in the state plummeted to only $72 a year; the price of cotton to a nickel a pound. Rural families were reduced to clothes made from flour sacks. They had so little cash that they often had to give the postman two eggs instead of a two-cent stamp. In the critical winter of 1933, when Brooks was 31, a few of his farmer-friends in small-town Carrollton, Ga., pleaded with him: "Why don't you quit telling us what we ought to do, and come and help us do it?"

"They're right," Brooks said to his wife, Ruth. "It's too late for 'talk-teaching.' 'Do-teaching' will be faster." Making a painful decision, he turned down both the University of Georgia's offer of an associate professorship and a chance to go into an assuredly profitable business for himself. Instead, he joined five hard-up-against-it farmers who met in a cold, rented Carrollton warehouse. With them—"to help each other help ourselves"—he formed the co-op called Cotton Producers Association (CPA).

The little group, who had scratched up $2,100 to start the partnership, elatedly told Brooks they'd pay him $5,000 a year to manage it. "No, you won't," D.W. corrected them. "If you start off paying me that kind of money, we'll be sure to go broke. I'll start at $2,400." (This was 60 per cent less than he would have gotten from the declined University job!)

Somewhat bug-eyed, the fledgling co-op's members heard Brooks outline his wildly ambitious plans for them. "Small farmers like us can no longer make the grade just by producing raw materials," he declared.

"To get on an equal footing with large corporate farms and other big businesses, we've got to pool our resources, buy—and later manufacture—our own supplies in wholesale quantities. We've got to get into the *profit side* of agriculture," D. W. concluded, "operate our own warehouses, feed mills, stores, market outlets, etc." To members who couldn't afford good shoes, such grandiose notions seemed impossible, even crazy.

Yet, somehow Brooks talked a soft-hearted Atlanta broker into lending the group $3,500 to buy a fire-damaged cotton warehouse, and later, an equal amount to purchase an abandoned fertilizer plant. He hired four cotton graders, and put out the word that local farmers would no longer be at the mercy of arbitrary buyers, but would receive premium prices from CPA for quality cotton. Incomes from cotton began to rise. Even so, many of the growing co-op's members soon wished that they'd never heard of their hard-driving manager. He insisted that they borrow all they could, even if it meant real sacrifices, to invest in the superior seeds, feeds and fertilizers CPA began to develop and promote.

When, in 1940, some of the co-op's directors rebelled at this "extravagance," Brooks quietly told them: "Now see here. You hired me as your doctor. Either you take my medicine or I'll walk off and leave you sick. I told you these prescriptions would work," he added. "I didn't tell you they'd be easy to take."

Complaints subsided when Ole D.W.'s patients began to see the results of his treatments. Once-dusty fields turned lush green, Cotton yields sprang up fantastically from half-a-bale to two, even three bales an acre in some areas. Farmers who had been raising "just enough corn for the mule" learned to produce 10 times that much, and had "corn money" left over for their families.

But chicken was the most spectacular star of Ole D.W.'s anti-poverty program. By the mid-1940's, government controls on cotton had left many farmers with such small acreage allotments that they could no longer eke out a subsistence from cotton alone. The scientific raising of broilers, Brooks decided, would offer these small operators an ideal means of supplementing their income. Huge chicken "crops" could be mass-produced on a small spot of land. "And broiler-growing," he began to preach to the South, "is the quickest and most efficient way of converting plant-food to meat."

To help interested co-op members get into the industry, he eventually set up completely integrated assembly lines for handling broilers from egg to market stage. Today CPA breeder-flock owners deliver eggs to one of the co-op's eight hatcheries. The hatcheries supply CPA broiler-growers with day-old chicks; and the growers in turn furnish market-weight chickens—many thousands at a time—to one of the co-op's four vast poultry-processing plants in Alabama, Georgia, Florida and North Carolina. Last year these plants processed more than 100 million broilers.

From the start Brooks hired for his company some of the best poultry experts and researchers in the country. "We'll get along just fine," he grinned at them, "as long as every working day, and every hour of it, you look for, and find, better and better ways to do things." These high expectations have been lived up to. Thanks to better breeding, feeding and disease-control methods developed by CPA, its broiler-growers today turn out about three times as many birds as they did 10 years ago, and in about half the time. Moreover, they do it on about half the feed (now less than two pounds of feed to a pound of meat); Results:

The average small part-time chicken-raiser has increased his production from 4,000 three-pound birds every 14 weeks up to 15,000 3½-pound birds every 8½ weeks! His take from chickens has shot up proportionately—to up to $4,950 a year for a top-efficiency operation. But this is usually "extra money" used to boost other income made in small-farming or a regular job in town. So even this little man is in fine shape, in no danger whatever of being included on the anti-poverty dole. Big growers do many times as well.

Keeping his poultrymen out of government control programs has taken no little doing. In the winter of 1961, during a period of over-production, the price many farmers received for broilers plummeted to an alarming low of 10 cents a pound. As in some earlier crises, federal agents asked temptingly, "How can we help you? What kind of stabilization program do you want?"

"No kind!" thundered Brooks. "Federal 'help' programs have the tendency to move in and take over—and we've had far too much of that already. Just lay off the poultry industry, and we'll make our own adjustments." Sure enough, today the poultryman can make a profit at 14 or 15 cents a pound liveweight, and the housewife gets plumper, tastier, dressed meat from 29 to 39 cents a pound (as against 59 cents a pound, 15 years ago).

Near the little town of Boaz, Ala., once an especially depressed area, Brooks gave me a glimpse of one of the co-op's model processing plants. Lines of chickens several blocks long dangled from overhead conveyor belts, glided swiftly from killing rooms to scalding vats to plucking machines. On through files of human dressers and cutters they went, and finally into packages ready for freezing.

"They're coming off the line at the rate of 150 birds a minute," Brooks said proudly. "That means 140,000 a two-shift day. We use everything but the cackle. The feathers we grind up to make feather meal that goes back into our chicken feed. The viscera we process to make dog, cat and mink feed."

The Boaz plant spouts out an annual $1,876,000 in salaries to its 600-odd employees, has brought lively business year-round to the merchants of Marshall County.

Atlanta bank vice president William A. Sutton declares that "Nobody has done more to raise sights, ambitions and prosperity of Southern farm people than D.W. and his Cotton Producers Association."

Ole D.W., however, never rests on his laurels He keeps on looking for—and finding—other ways to hike farm incomes, cut food costs. At a new model cattle-feed lot at Valdosta, Ga., Brooks and his researchers are trying to lower the price of steak by making steers grow faster on less, but better, food. In only two years or so of experimenting, they are already making progress: they now get a pound of beef for 6½ pounds of cattle food—about a 12 per cent improvement over the average feed-conversion ratio. And experimenters at the co-op's pilot pecan plant at Albany, Ga., have slashed the cost of harvesting some pecan crops from eight cents to three cents a pound.

For floundering peanut farmers who joined CPA, Brooks and company worked another kind of miracle. At the co-op's Graceville, Fla., peanut research center, scientists learned to lick "goober" problems one at a time. Among their innovations: new varieties of chemically treated seeds which defy six kinds of growth-stunting fungi. Now CPA is the nation's largest peanut processor, and has played a signal role in increasing U.S. peanut yield from 969 pounds an acre in 1957, to 1,827 pounds an acre in 1967. This breakthrough is the more significant because much of the soil and climate in underfed Asia and Africa are ideal for growing high-protein peanuts.

Now Brooks is trying to promote fish-farming. "Nearly every farm in the South," he points out, "has a pond. What we want to do is turn these ponds into fish ponds. Through the use of more high-powered pond fertilizers and fish foods, fish crops can be harvested by the ton every few months. Then while hiking their own incomes substantially, part-time 'fish farmers' may provide another major protein source to help feed the world."

These days Ole D. W.'s most urgent business is trying to help underdeveloped nations learn to feed themselves before it's too late. "Starvation anywhere is *everyone's* greatest enemy and threat to peace," he says. "If a country gets hungry enough, it will fight its neighbor for food." Accordingly, every year, CPA plays host to more than 1,000 visitors from less-developed nations, some of them Communist. No secrets are withheld from the guests. They are not only allowed to study the company's model farming machinery and methods, but urged to imitate them—and prosper. "You *can* do it, of course," Brooks assures his visitors. "How do I know? Because once our farmers were nearly as bad off as yours are, and look at us now!"

Ole D. W. has his own predictable cures for the poverty that dogs struggling nations, and he voices them loud and clear:

"Let's try to break the paralyzing grip that big government is getting on agriculture in too many countries today. Farmers can always run their own business better than somebody far off in the capital can do it for them." He objects to federal tampering with all-out production.

"How can we talk about producing 'too much food,' " he cries, "when two thirds of the world's population is undernourished, when we know that if we and every other country don't learn to produce an almost impossible amount of *additional* food, we'll soon have the durndest famines history has ever seen? The problem of the century is to grow *enough* food, and to get it spread around.

"Let's get more trade doors open, and keep them open. Then we'll not only sell all the food *we* can produce—we'll help other countries sell all *they* can produce, too! How? By creating a knowledge of, and a taste for, better eating—and by furnishing the know-how that can provide it.

"Is there any better way to fight poverty?" asks Ole D. W. "And is there any *other* way to meet the world's oncoming food crisis?"

SERMON ON VIETNAM BY REV. JAMES ROY SMITH

Mr. TOWER. Mr. President, I ask unanimous consent that there be printed in the Record, a most thoughtful and perceptive address recently delivered by Rev. James Roy Smith, of the Mount Olivet Methodist Church, Arlington, Va. Mr. Smith's thoughts on the Vietnam conflict are worthy of close consideration by all Americans.

There being no objection, the sermon was ordered to be printed in the Record, as follows:

Vietnam—As I See It

(By Rev. James Roy Smith)

Increasingly the church today is speaking its mind in ever-increasing statements on the war in Vietnam. To read some of these statements makes one wonder just how responsible is the church. Some believe that to be against war is equivalent to being against sin. Would to God that the choices involved in Vietnam were as clear cut and sharply focused as so many statements imply.

I believe the responsible churchman must try to see the Vietnam conflict in its right perspective if he is to understand the present dilemma of Vietnam for the Christian. To try to be helpful, let me begin with a bit of history.

Vietnam came under the French control in 1863 and from that time until World War II was a part of Indo China. Cambodia and Laos were the other two parts.

When France fell in 1940, Vietnam was occupied by the Japanese. This occupation continued until 1945 when the Japanese granted them independence under Bao Dai. Meantime, a group of anti-French Vietnamese formed in South China under a dedicated communist named Ho Chi Minh, who entered Hanoi in 1944 with the intent of taking over Vietnam in the name of communism.

In 1945, following the defeat of Japan, Ho's forces became known as the "Vietnam Liberation Army" and the government of Emperor Boa Dai soon fell to the communist leader's well-organized onslaught. The emperor abdicated, handing his powers over to Ho. At the same time a "Provisional Executive Committee For South Vietnam" with 7 communists and 2 non-communists took control of Saigon.

Like most people, the Vietnamese wanted independence, and when Ho Chi Minh, like Castro in the hills of Cuba, pretended to be a Non-Communist leader fighting for the independence of the country, the people followed him.

In 1946 the French tried to regain a foothold in Vietnam, and they were attacked by the Ho Chi Minh forces, now believing they were fighting for their independence. So began the eight year Indo China War that ended in July 1954 with a division of the country: The southern part, a free nation, called the Republic of Vietnam, under Ngo Dinh Diem, with its capital in Saigon, and the northern part, known as the Democratic Republic of Vietnam, ruled by the communists under Ho Chi Minh, with its capital in Hanoi.

It was at this time in 1954 that South Vietnam first asked the United States for help.

In October 1955 the people of South Vietnam held a referendum to determine their choice between Emporer Bao Dai as chief of state patterned on the old regime and Ngo Dinh Diem as chief of a republic. The vote was overwhelmingly in favor of Diem, and the republic was proclaimed under Ngo Dinh Diem as President. A constitutional assembly was elected in March 1956, and on July 7, 1956, a national constitution was adopted.

North Vietnam had expected the South to collapse under Diem and to fall into their hands. When it did not, the Communists in 1959 launched the Viet Cong Guerrillas on an intensified campaign of guerrilla warfare and terrorist activities in the South. Infiltration began in the South, aided by arms and aid from Communist China. They attacked villages, torturing, killing, or kidnapping those who refused to cooperate. Thousands of local officials, teachers, and health workers were murdered. Crowded trains and buses were bombed, roads destroyed, bridges and schools burned.

In 1954 the United States sent a MAAG (Military Assistance Advisory Group) to help improve the military effectiveness of the South Vietnamese Armed Forces. As the Viet Cong stepped up its terror and guerrilla tactics it became evident that more U.S. help was needed.

In 1962 the MACV (Military Assistance Command, Vietnam) was established. Since then, the build-up to protect and defend the South has continued. The U.S. is not alone, for 36 other free world countries have also sent aid, both military and economic.

During the period 1956–63 South Vietnam was governed under a constitution patterned much after that of the United States, but its leader, President Diem, became dictatorial and in 1963 his government was overthrown and Diem and his brother Ngo Dinh Nhu were killed.

Since 1963, political instability has been the mark of South Vietnam, although during the past year partial stability has returned, a national election has been held while fighting a war (which is no easy task), a constitution has been adopted, and relative stability has been in evidence.

OUR POSITION

I am persuaded that we have more than a legal right to be in Vietnam—indeed we have a MORAL obligation to be there. If we had not gone into Vietnam as advisors in the late 50's and with large numbers of combat troops in 1965, every Communist nation in the world would believe that it had found the formula for taking over any territory it had set its mind to have. The lesson in Korea had not been very clear to them.

Every one of the five respective governments of South Vietnam have asked us to assist their struggle to maintain independence and three successive American presidents consistently have responded to their pleas for help. The reason the South Vietnamese requested our help was that a deliberate, piecemeal, invasion from the North was occurring, jeopardizing self-determination and making it less and less possible for the free government of South Vietnam to survive.

When the call of a free people cried out for help, all the lessons of history and of Christian conscience said to us that we could not turn our backs and run out on our responsibility, and that voice is still calling loud and clear.

From the very beginning, our policy toward Vietnam has been and still is that: "We have no intention of overthrowing Ho Chi Minh's or Mao Tse-tung's governments, or to capture their territory."

Our policy is to communicate the message:

"You cannot take over someone else's territory by force. We will not allow you to do this."

We have spoken this message in a successively louder tone of voice and in carefully measured words. Everything we have done, including the bombings, has been consistent with this original policy.

BASIC PROBLEM

The basic problem in Vietnam is still a brutal and sustained attack from the North upon the South. This attack is marked by terror and sneak attacks and by the killing of women and children in the night and mass infiltration in large numbers across the DMZ.

North Vietnam is apparently not ready to come to the peace table. Three times—1-for 5 days and 20 hours in May 1965; 2-for 36 days and 15 hours in December 1965; and 3-for 5 days and 18 hours in February 1967—the bombings have ceased; but each time the North not only has not sought peace but used the lull to re-supply and reinforce. Many attempts, including attempts by Ambassador Goldberg to bring the United Nations into this matter, have failed. Repeatedly Hanoi has refused to come to the Security Council. Britain has tried to reconvene the Geneva Conference; but Hanoi and Peping told the British they are not interested. Apparently Hanoi insists on two conditions prior to cessation: 1-Withdrawal of American forces, and 2-A Hanoi government in Saigon. In other words, they require surrender and a defeat on our part.

OUR TERMS FOR PEACE

I am persuaded that we seek a peace that will assure—

1. An end to aggression and subversion.
2. Freedom for South Vietnam to choose, shape, and determine her own destiny.
3. As soon as aggression has ceased, the removal of foreign military forces from South Vietnam.
4. Effective guarantee for the independence and freedom of the people of South Vietnam.

In August 1964, the Senate by an 88–2 vote and the House with no negative vote passed a bill authorizing the President "to take all necessary measures to repel any armed attack against the forces of the United States."

BASIC ISSUES

What are the basic issues? The goals of our Government in Vietnam have always centered around discouraging aggression throughout the world so as to prevent a larger war from developing. This, to me, is the basic issue in Vietnam—but one that is being clouded by emphases on lesser objectives, and much of the public debate today is centered around the lesser objectives.

These lesser objectives usually proclaim that the Vietnamese people don't want us there, that the Vietnamese election was rigged, that South Vietnam will not fight with her own troops, that if we give in to the North Vietnamese claims, peace will come. None of these, I believe, is the basic problem.

The main reason we cannot quit—why we have got to stay and finish the job—was outlined by President Johnson when he said:

"I cannot tell you tonight as your President that a Communist conquest of South Vietnam would be followed by a Communist conquest of Southeast Asia. . . .

"Neither can I tell you with certainty that a Southeast Asia dominated by a Communist power would bring a third World War much closer to terrible reality. . . .

"But all that we have learned in this tragic century strongly suggests to me that it would be so. And as President of the United States, I am not prepared to risk the security—indeed the survival—of the American nation on mere hope and wishful thinking. I am convinced that by seeing this struggle through now, we are greatly reducing the chances of a much larger war—perhaps a nuclear war."

To me, this is the basic issue—not the defense of Vietnam or the rest of the world, but the defense of our own homeland.

To be sure, the tremendous might of America could break the back of the Ho Chi Minh government at any time it so desires; but Ho Chi Minh is not the real enemy. The real threat comes from mainland China who aggressively believes in the support of "wars of national liberation" as a cheap and riskless method of conquest. If China succeeds in assuring North Vietnam victory, it will simply add fuel to their fires and Thailand will be next. Recently the President said, "I do know there are North Vietnamese troops in Laos. I do know there are North Vietnamese-trained guerrillas tonight in northeast Thailand. I do know that there are Communist-supported guerrilla forces operating in Burma. And a Communist coup was barely averted in Indonesia, the fifth largest nation in the world."

When you add to this statement one made by President Eisenhower, this point becomes even sharper in its focus. President Eisenhower in 1959 said:

"Strategically, South Vietnam's capture by the Communists would bring their power several hundred miles into a hitherto free region. The remaining countries in Southeast Asia would be menaced by a great flanking movement. The freedom of 12 million people would be lost immediately, and that of 150 million in adjacent lands would be seriously endangered. The loss of South Vietnam would set in motion a crumbling process that could, as it progressed, have grave consequences for us and for freedom."

Those who contend that we should stop the bombing and withdraw from Vietnam are simply preaching withdrawal without cognizance of the main issue. They are suggesting that the peoples of Southeast Asia be left to struggle with their own problems no matter what the consequence.

The basic issue in Vietnam as far as America is concerned is American security. A withdrawal or defeat threatens that security. The willingness to stay and deter the militant march of Maoist power is the basic issue, and if we believe in our system, it is an issue for which we must be willing to pay the price. As far as the Christian is concerned, the basic issue is human freedom and worth. The South Vietnamese are children for whom Christ died; and being forced against their wills to be taken over by an invasion from the North, they have appealed to us for help. We cannot allow them to be taken over against their wills. We do have a moral responsibility which we cannot escape. I see America as a strong nation without any desire for territorial gain responding to the call of a weak nation who needs protection against the ravages of an aggressive government who seeks to dominate and claim her soil and her souls. To me, our response is in accordance with our Christian teachings.

CHRISTIAN POINT OF VIEW

The great St. Augustine laid down three basic rules which he contended justified war, and I believe the response we have made to the conflict in Vietnam is consistent with these three basic rules. They are as follows:

1. War should be waged only as a necessity.
2. Its only legitimate objective is to achieve a just and stable peace as quickly as possible.
3. It should be fought with mercy, avoiding all needless brutality and restricting use of violence to the minimum that will serve the purpose of preventing a "greater evil."

In principle the American involvement in Vietnam has been within this framework. The President has stated it again and again and each added step of increasing strength has been done with hesitancy, with reluctance, with responsible judgment and has been minimal in nature.

So long as North Vietnam continues to be used by the Communists to force its will upon South Vietnam and so long as South Vietnam calls to us to prevent this forceful take-over, I believe we have no choice but to see the conflict through to an honorable solution that assures the world that forceful aggression will neither be rewarded nor tolerated.

ROLLOUT OF BRITISH-FRENCH CONCORDE

Mr. MAGNUSON. Mr. President, this morning the New York Times, the Washington Post, and a number of other newspapers published an account of the rollout of the world's first supersonic airliner, the British-French Concorde, at Toulouse, France.

These reports further point out that the British and French are some 3 years ahead of the United States in the development of a supersonic transport plane. They further confirm the fact that the British and the French are most serious about this venture and the serious challenge it presents to the position of leadership held by the United States in aviation.

I ask unanimous consent that the New York Times article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, Dec. 12, 1967]

Political Rhetoric Warms Unveiling of British-French Supersonic Plane

(By Lloyd Garrison)

Toulouse, France, December 11.—The world's first supersonic airliner, the British-French Concorde, made its debut here today in subfreezing weather. The plane, which has not yet flown, was towed from its hanger before 1,000 dignitaries warmed only by the heat of the political rhetoric. Everyone was in concord—which means harmony in both English and French, although the French spell it with an "e"—about the high degree of technical cooperation in developing the plane. But British officials seized the occasion to rib the French for the veto of Britain's application to cooperate even more broadly in the European Common Market. And, to almost everyone's surprise, the French took it all very seriously. The tone was set by Sir George Edwards, managing director of the British Aircraft Corporation. "Let us hope," he suggested with a twinkle in his eye, "that the inspiration of our cooperation may also someday influence certain heads of state." There was no doubt that the head of state he had in mind was President de Gaulle, who two weeks ago slammed the door on Britain's entry into the Common Market. Next up was Anthony Wedgwood Benn, British Minister of Technology. Standing without gloves or a hat before a shivering audience wrapped in steamer rugs, Mr. Benn remarked:

"Only one disagreement has marred our work, and no amount of ministerial meeting has produced a compromise. The French insist that Concorde be spelled the French way. So we, too, will spell it with an 'e'. It will be an 'e' for England, 'e' for Europe, 'e' for entry and 'e' for entente."

The English-speaking guests, who included presidents and senior executives of major American airlines, laughed and applauded Mr. Benn's humor.

But it was not funny to Jean Chamant, French Minister of Transport. Unsmilingly, he recited the achievements of the Concorde and thanked British technicians for their contribution. Then he looked over at the British delegation and, departing from the text, added in slow, measured French:

"This very important cooperation should not be taken out of context."

DIFFERENCE NOTED

In effect, Mr. Chamant said, cooperation is fine, but designing an airplane is one thing and building political bridges is another; the two have nothing in common.

With that, a French Army band played a garbled version of "God Save the Queen," a Royal Air Force band flawlessly rendered "La Marseillaise," and the huge, white delta-wing fan jet was towed out of the Sud-Aviation hangar and on to the runway for its first public showing.

At rest, the plane appears to be ungainly. Its nose droops and it stands nearly 50 feet off the ground on three stilt-like wheel struts. Because of its small, razor-like delta wings, the Concorde needs the extra height for a high angle of attack required for take-off.

In the air, with its wheels retracted and its nose molded straight into the fuselage for supersonic flight, the Concorde will carry 130 passengers at 1,000 miles an hour, almost twice the speed of sound. For the Concorde, New York will be only 3 hours 17 minutes from Paris, enabling businessmen to make an easy round trip in one day, and Tokyo will only be 12 hours from Paris.

SMALLER THAN U.S. MODEL

The Concorde will be smaller and slower than the American supersonic transport, now on Boeing's drawing boards, but it has at least a three-year head start.

United States airlines, with Pan American World Airways in the lead, account for more than half of the 74 orders placed for Concordes, which will cost at least $16-million each.

LARGE LOSS SEEN

But few aviation observers here believe that the venture will come close to paying for the initial $1.4-billion investment, which was shared equally by Britain and France. It is estimated that more than 500 Concordes must be sold to break even, and even the most optimistic members of the Concorde Committee predict a sale of no more than 350 planes.

Sales will depend largely on cost and on the aircraft's sonic boom. When flying at full speed, the plane will produce reverberations like thunderclaps. Most countries are expected to bar the Concorde from flying over land, which would deprive it of access to about 40 percent of the world's air routes.

Just how expensive the Concorde will be in operation will not be known until the conclusion of exhaustive tests. The first test flight is scheduled for about 10 weeks from now, with the hope that the plane will be ready to fly commercially by the summer of 1971.

U.S. DESIGN COMPLETED

With the final design recently completed, manufacture of the United States supersonic transport, the Boeing 2707, is about to begin at the Boeing Company's plants in the Seattle area. The plane is scheduled to make its debut in late 1970 and to be placed in airline service in 1974.

The Boeing 2707 will carry nearly 300 passengers, while the Concorde will carry 132, and will fly at 1,780 miles an hour, compared to 1,450 miles an hour for the Concorde. A total of 125 of the American craft, valued at $40-million each, have been ordered.

AMERICA MUST FACE A DECISION

Mr. BROOKE. Mr. President, former Representative Laurence Curtis, of Newton, Mass., an ex-member of the Committee on Foreign Affairs, urged in a recent speech that "America must face a decision."

He emphasized that the issue now was not whether people liked the war, but was what to do about it; that it was hard to envisage a compromise that was not virtually a surrender by one side or the other; that negotiations usually involved some concessions; that the question of making concessions must depend on whether U.S. vital national interests were at stake; and that four Presidents and the Congress had found Vietnam of vital U.S. interest.

I ask unanimous consent that the speech of my friend, former Representative Curtis, be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

America Must Face a Decision

(Speech of former Representative Laurence Curtis to the Newton Kiwanis Club in Newton, Mass., on November 15, 1967)

How to extricate ourselves from the morass in Vietnam is uppermost in people's minds. But many people are just against the war, and fail to face up to the decision as to what America should actually do to get out. Should we get out on almost any terms? Should we stand fast? If concessions are necessary to reach a settlement, how much can we concede?

Our objective, as recently stated by President Johnson, is to "permit self-determination in South Vietnam"; and this means that communist North Vietnam should not be permitted to gain control of South Vietnam by force, as it seeks to do; and it means that the southward expansion of communism at that point must be contained.

The Geneva Conference of 1954 was supposed to have settled this question. The demarcation line and the demilitarized zone (the D.M.Z.) were intended to separate the communist north from the non-communist south. Nearly a million people who did not wish to live under communism fled from the north and took refuge in the south.

The heart of the present conflict is that the communists want to take over South Vietnam, and we don't want them to.

That is a conflict which is hard to compromise. Indeed, Prof. Edwin O. Reischauer, former Ambassador to Japan, writing in Look Magazine in September, said: "It is hard to envisage at this stage a negotiated settlement that is not virtually a surrender by one side or the other".

Today some people favor our withdrawal from the war on almost any terms. Others favor more massive use of power to defeat our adversary. Nearly all desire an honorable peace through negotiations. But a settlement may be impossible without concessions and, as has been seen, meaningful concessions may amount to surrender.

It seems clear that the question of making concessions must depend on whether our vital national interests are at stake in Vietnam and would be imperiled by our failure to attain our objectives there. In short, is it a matter of vital national interest that the communists be contained from expanding beyond the demarcation line and gaining control of South Vietnam by force?

Before discussing that question, a glance at the history of other difficult confrontations might give us insight. Let us look at President Lincoln's experience.

In the fall of 1864, while the Civil War was unpopular, and while a national election was approaching, President Lincoln was urged to confer with negotiators from the South, and did so. Lincoln listened carefully, then took out a piece of paper and wrote at the top: "Number one: The Union must be preserved. Number two: slavery must be abolished." He said: "Gentlemen, you fill in the rest of it . . . you write that in there, but just leave number one and number two at the top, and I will sign it." The negotiation failed.

Some people maintain that it is not a matter of vital national interest that the communists be contained from expanding south and gaining control by force over South Vietnam.

But four presidents have advised otherwise.

"The possible consequences of the loss are just incalculable," said President Eisenhower.

President Kennedy said: "Vietnam represents the cornerstone of the free world in Southeast Asia, the keystone to the arch, the finger in the dike."

President Johnson said in his state of the Union message last January: "We have chosen to fight a limited war in Vietnam in order to prevent a larger war . . . almost certain to follow if the Communists succeed in taking over South Vietnam by force."

And finally the Congressional Resolution, passed almost unanimously in 1964 reads: "The United States regards as vital to its national interest and to world peace the maintenance of international peace and security in Southeast Asia."

Despite the views of four Presidents and of the Congress, confirmed by leaders of the free nations in the area of Southeast Asia, the dissent continues, and the public is confused.

We, in America, believe in the right of dissent, but we deplore inflammatory words and actions which are an abuse of that right. We have nothing but contempt for those who attacked the Pentagon and desecrated the Lincoln Memorial. General Giap, able commander in North Vietnam, has publicly stated that such actions give his people encouragement. It encourages them to hang on and hope for victory on our home front, just as in 1954 they achieved victory in Paris as much as in Vietnam. Such rabid dissent does not shorten the war. It prolongs it and causes added loss of American lives.

When we are asking men to fight and die, we have an obligation to support them. That means also supporting the cause for which they are fighting. How would you like to lose a son or brother in Vietnam, and then hear people saying that the whole effort was a mistake?

One reason for public confusion is that so many distracting questions are raised which do not really answer the fundamental issue, which is what America must do. Some of those questions are the following:

"There was no aggression from the North," say some. Our government answers, "There certainly is now."

"We intervened in a civil war," say some. Our government points out that since the Geneva Agreement of 1954 the intended "temporary" demarcation line between North and South Vietnam has hardened into a division between two de facto political entities, and that it is no more "civil war" when North Vietnam wages war on South Vietnam than it would be if there were a war between North and South Korea, or East and West Germany.

Some argue that Ho Chi Minh is first of all a nationalist. Our government points to his long history as an ardent communist organizer, and his tyranny over North Vietnam after he got power there in 1954, including the slaughter of thousands of "dissenters". It points out that the communism of Mao and Castro was at one time doubted by many people; that many non-communists in South Vietnam are ardent nationalists; and that the late President Diem's intense devotion to nationalism was recognized by all.

Some dissenters say that our whole policy and alleged vital interest is based on the misconception that "monolithic communism" still exists, which is no longer true. Our government answers that it is aware of that fact; and it points to the danger resulting from China's sponsorship of wars of national liberation.

No wonder the public is confused. The voices of dissent are more newsworthy and spectacular than the voices of support. They get more publicity. In fact, when President Truman, President Eisenhower, General Omar Bradley, our own Senator Leverett Saltonstall, and others issued a statement of support, it received very little notice in our papers.

So, it behooves people to look at the record; and it is helpful to cut through the fog of discussion and focus on the real issue: that is, we face a decision: do we quit; do we retreat; or do we go forward to carry out our stated and limited objectives by the best means available?

A NEW LOOK AT FARM PROGRAMS

Mr. HANSEN. Mr. President, considerable interest has been generated in agricultural areas by legislative proposals to authorize a "strategic reserve" in the hands of the Commodity Credit Corporation for such crops as wheat, feed grains, and soybeans.

The majority of my constituents who have been concerned enough to write about this issue are dead set against the idea. And who can blame them? Wheat and feed grains producers remember only too well that not long ago, Government-held stocks of wheat and feed grains were dumped on the open market and prices plummeted.

Neither have farmers forgotten several other actions of the Department of Agriculture and their ultimate disastrous effect on farm income.

The editor of the Cody, Wyo., Enterprise has spoken out in his December 7 column concerning the "strategic reserve" proposal. The points he makes in opposition to this approach are well-stated. I ask unanimous consent that the editorial be printed in the Record at the conclusion of my remarks.

I would only say further that when we compile our list of things to get done in the next session of Congress, a reappraisal and revamping of Federal policies affecting agriculture ought to receive top priority.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Needless Expense

Proposed legislation now before the House subcommittee on agriculture would authorize the Commodity Credit Corporation to establish and maintain Government-owned reserve stocks of wheat, feed grains and soybeans.

It is important to understand that this proposal (H.R. 12067) would authorize a huge needless governmental expenditure at a time when the utmost fiscal restraint should be the first order of the day. This bill does not contain any dollar limitation on the amount of money which could be spent by the Commodity Credit Corporation to acquire these reserve stocks of farm commodities; thus the "blank check" could exceed $1 billion, including storage and interest costs.

American agriculture has a tremendous productive capacity and the agricultural processing and transportation industries constitute our best insurance against shortages. Therefore, it is not necessary for the government to carry out a deliberate program of purchasing and maintaining such reserves.

We strongly favor a program permitting return to a free agricultural market as the regulator of supply and demand. H.R. 12067 is a backward step and should be rejected.

SERMON BY RABBI HARVEY J. FIELDS

Mr. BROOKE. Mr. President, several weeks ago Rabbi Harvey J. Fields, of Temple Israel, in Boston. delivered a moving and thought-provoking Rosh Hashana sermon entitled "With Grief Acquainted." In this sermon, which contains a lesson of value for us all, Rabbi Fields discussed the problems of our cities and the people in them, and the responsibility which we all share to improve the lot of the unfortunate.

I ask unanimous consent that Rabbi Fields' most appropriate sermon be printed in the Record.

There being no objection, the sermon was ordered to be printed in the Record, as follows:

With Grief Acquainted

(A Rosh Hashanah Sermon delivered at Temple Israel, Boston, Mass., on 4–5 October 1967 by Rabbi Harvey J. Fields)

The holidays fall late this year. Autumn is upon us and summer is over. And despite the momentary *hoopla* of the World Series now inundating this city, this summer has been a miserable one for the soul of America.

Those who write our history and tell our tale will not only extol the Red Sox. They will be forced to record the hate, and riots and violence that erupted like fiery volcanoes throughout the land. They will tell about the returned veteran who, while standing in the smoke and rubble of his Detroit home, remarked: "I just got back from Vietnam a few months ago, but you know, I think the war is here." Or they will show the cartoon of two Negro soldiers wading through some Vietnamese rice-paddy with one saying to the other: "This is great training for civilian life!" Or they will let the bitter angry words of a sixteen-year-old youth in Harlem capture the terrible mood of destruction: "There is nothing in this country worth saving."

Those words, and the violent events of this summer etch out the message. Our nation is once again in the agonizing throes of racial revolution. And the grim reality is all about us. We have seen the looting and burning, the rioting and shooting, the wounding and killing. The statistics read like a war report. Thirty-two of our cities exploded. Eighty-six persons were killed. Over two thousand were injured, and over eleven thousand were arrested. Property damage is estimated at more than half a billion dollars. Senator Morton, reflecting upon all of this has said: "the terror besetting our cities . . . is the worst since the Civil War." And Senator Fulbright has declared: "the great society is a sick society." All of this spells out the reality of our urban world in this sacred moment of meeting.

FACING UP TO THE ISSUE

For our forefathers this was always a day set aside for solemn scrutiny. In it they drew back the veil of comfortable self-centeredness. They attempted to grapple with the ethical and spiritual issues at the heart of human existence. Rosh Hashanah was never a day of retreat from reality. It was rather a *Yom T'ruah*—a day when the Shofar blast reminded the Jew of the yawning gap separating the society in which he lived from the society he was commanded to build.

Today, no less than in years past, Rosh Hashanah once again thrusts upon us the moral issue of our times. It summons us, in these moments set aside for honest searching and conscientious probing, to confront the reasons for the revolution now convulsing our cities in so much suffering, agony, and fear.

Yet, even as I say this, I know there are many who refuse to face up to the issue. You see the signs of the closed-insensitive society wherever you go. You hear it in the words: "It's the Negroes problem, not mine!" You encounter it in the brutal terms: "Let the police handle them—they are nothing but mad dogs anyway." And this callous indifference is catching. Our Jewish community, hitherto active and involved supporters of the Negro demand for freedom and justice, is now heard less and less. Our financial support is sadly sagging. We too, it seems, are prone to turning off this critical question of conscience when it begins to pinch our toes—when it presses closer to home.

It is precisely for these reasons that our tradition would speak to us on this *Yom T'ruah*. It would remind us that, in these times of fear and growing indifference, we must not permit ourselves the false luxury of retreat. Nor can we stand idly by. For if we do—if we fail to examine and assess the causes of the revolution now upon us—we may be consumed in the scorching white heat of the fire next time.

Let us then, you and I, wrestle with the heart of the matter. Let us ask, in candor and honesty: "What are the ingredients brewing in this bitter caldron of discontent and upheaval?" And as we commence our inquiry, let us realize that some answers are as deceptively simple as they are patently foolish!

FOOLISH ANSWERS

There are those, for instance, who fear subversion. One housewife in California spoke for many when she said: "It's the Communists behind them. They'd never have the guts to do it without the Communists." Unfortunately, the continued existence of the useless and absurd House Un-American Activities Committee has given this claim a degree of respectability in the eyes of a few. We, however, cannot afford to be so blind. There has been no evidence that organized Communism has precipitated racial strife in our cities. Even Mr. J. Edgar Hoover admits this! What Mayor Lee said of New Haven has been repeated by other responsible officials across the nation. Asked if outside agitators had stirred the problem he responded: "No outside influences were involved in the ferment. What happened here is part of urban America 1967."

And what Mayor Lee has so candidly indicated about so-called "outside influences" applies not only to the paranoid cry, "It's the Communists," but to the equally specious claim, "It's the militant Black Power agitators who have caused all the trouble."

Let me set the record straight here lest I be misunderstood or, what's worse, misquoted! I find the hate declarations of those rabble rousers who cry: "let's wage a guerrilla war on the honkey-white man" or, "let's shoot the Niggers now and ask questions later," both equally irresponsible and morally reprehensible. Yet, when all of this has been articulated, it is a grave error to blame this past summer's epidemic of explosions upon Negro militants. To do so is to find a convenient scapegoat. It is to run away from reality with simple-minded answers to tangled issues. It is to veil from our minds and hearts the grim reality of black ghetto America 1967.

What is that reality? What did Mayor Lee mean when he said: "What happened (in New Haven) is part of urban America 1967?"

CALLOUS NEGLECT AND INDIFFERENCE

That reality—so far as the ghettoized Negro is concerned—is nothing short of *callous neglect* and *indifference*. Are you aware that thirteen years have passed since the Supreme Court of this land ruled against segregation; and that, tragically, the Negro is now more segregated than ever before? He has been locked into city slums—choked and cordoned off by the white noose of comfortable suburbs. Did you know that in the past five years 9,300,000 whites moved easily to suburbs, while only 400,000 Negroes found places to live in those same communities? During that same time the Negro population in our cities increased by 2,000,000. This meant packing people into congested-polluted slums that simply sicken the senses. Secretary of the Interior, Stewart Udall, reports that the average population density for urban areas is about 4,000 people per square mile, and that in New York City it is 25,000 per square mile! He warns:

"One does not need to be a trained psychiatrist to conclude . . . that congested, polluted living conditions sicken the senses and make slum dwellers less humane toward themselves and even their own neighbors."

As if this situation of over-crowding were not enough in itself to breed violence—ghetto dwellers are forced to live in miserable hovels too hot in summer and too cold in winter. They suffer from too few recreational facilities, and too much unemployment. They endure neglected garbage routes and too many rats. And they have to tolerate landlords and city bureaucrats who won't listen and refuse to see. When you add all of this up, is there any doubt in anyone's mind that you have the explosive brew for violence?

If there is, hear the pathetic words of a young woman who lives no more than three miles from where you are now sitting. "I can't stand it," she says, "the walls are dirty and the plaster is fallen. The garbage is not collected. The milk I just bought is sour. There are rats in the house. I want to get out, but I can't—I feel like I am suffocating to death." Or listen to the testimony of Charles Evars before the Massachusetts State Advisory committee to the United States Commission on Civil Rights. "Being a Negro in Boston is the worst thing in the world. You have no way to communicate with anybody."

When such desperate cries of pain and frustration are answered with indifference—there is bound to be anger. When people in need see the already impoverished poverty program shredded away—there is bound to be the feeling: "Nobody cares!" When you sense that a nation's interest in you is like playing with a yo-yo—it is roll out the aid in the long hot summer, and yank it back in winter—you are going to feel resentment. And when your so-called "representatives" jokingly defeat a bill to spend twenty million dollars a year, 1/100th of the *monthly* cost of the war in Vietnam, on action that would protect your home from being polluted, and your children from being bitten by rats—you are likely to explode! At that point, you might be ready to answer the reporter who asks: "Why would you want to burn down your own neighborhood?", with, "Man can't you understand—haven't you got the message—I'm dead already!"

Those are not my words. They are from the anguished angered heart of a Roxbury resident. And they reflect accurately the stormy atmosphere about us. They are a part of the reality that has caused the violence and destruction. I say a part of the reality, because in truth the story is still incomplete. For beyond the callous neglect and indifference, is the *brutality* and *degradation* which plagues the Negro American at almost every turn of his life.

BRUTALITY AND DEGRADATION

From childhood to death he is subjected to the cruel hostility of white teachers, the emasculating inhumanity of the police; and, if we are honest, the degrading treatment of many of us. But let me not indulge in generalizations. See the picture as it is. A fellow congregant has sensitively drawn the plight of the Negro child in our slum schools. Jonathan Kozol, in his new book, Death at an Early Age, has revealed the brutality. And, parenthetically, let me add that I believe his book should be read by every teacher and social worker, and pondered carefully by all of us who care about our relationships with other human beings. He describes, for instance, the treatment of an eight-year-old pupil in a compensatory art class in our Boston public schools in the following way:

"If Stephen began to fiddle around during a lesson, the art teacher generally would not notice him at first. When she did, both he and I and the children around him would prepare for trouble. For she would go at his desk with something truly like a vengeance and would shriek at him in a way that carried terror. 'Give me that! Your paints are all muddy! You've made it a mess. Look at what he's done! He's mixed up the colors! I don't know why we waste good paper on this child!' Then: 'Garbage! Junk! He gives me garbage and junk! And garbage is one thing I will not have!' "

Mr. Kozol continues by drawing the tragic lesson. "The art teacher did not know . . . or care anything at all about the way in which you can destroy a human being. Stephen, in many ways already dying, died a second and third and fourth and final death before her anger."

In these United States—especially in our segregated slum schools—there are many million Stephens, who in childhood are, already crushed. But, if we are honest in our scrutiny we shall see that the brutality is not confined to the schools alone. It is a pervasive pattern. It occurs every time a white police officer calls a Negro, "boy"; or says, while holding him in the back seat of the patrol car, "Nigger I'd like to kill you." It happens when an officer on the Detroit force, talking with a white store-keeper, says loudly within the hearing of several Negroes: "Why build your store again? Why not just put poison in the cans you got left and feed it to these Niggers?" And this same dehumanization is felt when a Milwaukee machinist remarks to his buddies: "They've come from cannibals in a short time, there should be more police brutality, more martial law. They should be treated like the Jews in Germany!"

These are some quotes. I haven't changed a word. And they show how the Negro's manhood has been ripped from him. How in a thousand ways so subtle and other crass and pervertedly brutal, he has been told: "You're worthless—you're not human—you're nothing."

Is there any wonder, then, that his protest expresses the pent-up combustible rage that seethes in his heart? Should we really be surprised if he responds now to the frightening warning of H. Rap Brown: "They are going to do more than kill you; they are going to de-humanize you and make you a slave again"?

When we on this sacred *Yom Din*, this day of judgment, seek an understanding of the causes of unrest and riot, let us realize that they are born out of justice and mercy too long delayed. That they were spawned out of disaster areas we call slums. And that they represent the shrieking of a people whose cries have too long fallen on insensitive—indifferent hearts. Let's not forget that here in this nation amidst a sea of unsurpassed affluence and ease, our black brothers are yet condemned to endure on islands of torment, misery and squalor.

OUR TASK AS JEWS

For us Jews this is a *Yom Zikaron*, a day on which we return to the rich wellsprings of our faith. And it is that faith which gives us our direction in these moments of crisis.

It is the wisdom of Judaism that warns: "Do not judge your fellowman until you have put yourself in his place." Translated into our context, this means putting ourself into the skin of our Negro brothers. It means feeling the frustration, and sensing the pain and grief. For us that shouldn't be hard. After all, if we are Jews, we are the children of the brutalized and oppressed.

And Judaism would teach us more. It would remind us: "Whoever can do something about the sins of his household, his city, or his world and does not—he is held guilty for those sins." Translated into our context, this means taking a stand. It means not ducking the issue, or "copping out" when it hits close to home—or when the first bitter words of anti-Semitism are thrown at us. It means that each of us is called upon to give *more* support to Civil Rights organizations now, than ever before. It means going out of our way to provide help and jobs. And it summons us to take every action, within our power, to open the white suburbs where we live for both low and middle income Negro families.

And, yes, Judaism demands of us something else. It bids us hear the ethical mandate of Isaiah spoken centuries ago. He told his people: "Look . . . that you may see, here are people . . . ensnared in hovels, and hid in slums. They have become a prey, with none to rescue them . . . who among you will harken?"

That message still has a claim on each and every one of us. To harken means to end gradualism and tokenism. It means radical action. It means political involvement. It thrusts upon us the determined call for a comprehensive crash program for the reconstruction of our urban centers into livable, and productive environments. To do anything less means forsaking our responsibility as Jews.

This, then, is the summons of this sacred hour. To awaken, to understand, to resolve for action. We live in perilous times of testing. And we know that man alone makes this earth a blessing or a curse. The time is short—the matter before us is urgent. Let us look into our hearts and find our brothers. Let us begin the task.

TRANSPORTATION CRISIS IN URBAN AMERICA

Mr. MAGNUSON. Mr. President, that there is a transportation crisis in urban America is a fact with which we all agree. The solution to the problem, however, is not as obvious. Metropolitan Seattle has embarked on an ambitious program to establish a truly balanced transportation system. The innovative concepts being used there have gained national recognition for this community in my State. The voters of Seattle will decide this coming February 13 whether or not they will bond themselves to the extent of $385 million for this purpose.

The local activity has been spearheaded by my good friend, Mayor J. D. Braman, a man of great industry and unusual talents. He is currently serving on the executive committee of the National League of Cities and is chairman of their transportation committee. In addition, he is a member of the advisory board of the United States Conference of Mayors.

We in Congress have an obligation to support those communities which have undertaken the burden of committing themselves for the local share of the cost involved. We must honor this responsibility because to do otherwise would be to risk a complete breakdown not only of our public transportation systems but of our cities as well.

Mayor Braman has been addressing himself to the current urban transportation crisis on several fronts. He made an important speech before the American Association of State Highway officials at their recent convention in Salt Lake City. He testified before the Senate Committee on Public Works last month, and spoke at the recent conference sponsored by the Department of Housing and Urban Development on the problems of design in urban transportation. I ask unanimous consent that these significant materials be printed in the Record.

There being no objection, the items were ordered to be printed in the Record, as follows:

Transportation and Councils of Government: Framework for Action

(By Mayor J. D. Braman, Seattle, Wash., before the Urban Transportation Planning Committee of the American Association of State Highway Officials, Salt Lake City, Utah, October 20, 1967)

The problems which beset America's metropolitan regions are profound. What the solutions to these problems are can be debated, but some of the causes are inherent in a breakdown of our transportation network in urban areas. Today I should like to share with you some thoughts I have on the scope of the problem and a possible approach to dealing with it.

We are all aware that Metropolitan areas are in a period of difficult times. This past summer was again a period of severe social strife and civil unrest. For every area that went beyond the breaking point, there were several who could have just as easily been in the same category if one unfortunate event had sparked the flame.

The pressures which have brought about the urgent problem that we are now attempting to cope with have been evolving since the end of World War II.

The historic pattern of rural movement to urban areas has been continuing at an accelerating rate since 1946. This in turn has been coupled with a counterflow of people from the Central city to the adjacent suburban areas. Those who have left the core city have to a large extent been replaced by the rural migrant who, all too frequently, is an individual with few salable skills and an extremely limited educational background. In the short span of one generation there has been a dramatic recasting of the population in metropolitan America. The disadvantaged have been left in the Central city and their numbers added to by incoming migrants while the more affluent moved to suburbia and have become two-car families.

A chief stimulus for individual home ownership in suburban subdivisions was the Federally guaranteed mortgage program which enabled the individual climbing up the economic ladder to become a home owner earlier in his career. Subdivision upon subdivision combined with new schools and shopping centers to become new satellite communities. Once established, rigid zoning controls were enacted to preserve the character of the community—modifying this only to permit the entry of light industry which served to improve their tax base.

As more and more communities become established, there is an increasing demand for ease of access to the Central city and to its principal employment centers—the CBD, the commercial and industrial areas. The answer has been in the construction—using federal aid—of multi-laned freeways, designed to permit high-speed access. These new highways resulted in the establishment of high-rise, high-density apartment developments because of cheaper land outside the established city, and once again siphoned off middle and upper income citizens. The irony of the situation is that we have two federally assisted programs working to disintegrate the existing social fabric.

We simply cannot continue on as we have, accepting the benefits of narrowly focused federal programs which do not take into consideration the overall social and economic impact on the area in which they are being implemented. This is particularly true in the area of transportation facilities. We must go forward on some rational basis which considers the total needs of the metropolitan area and what impact our solutions will have.

To say that one is for a balanced transportation system is the equivalent to saying that one is for good 5¢ cigars—few will take issue. The problem comes when you attempt to implement the concept. Just why this should be is not clear to me. When talking about a balanced transportation system, I am thinking of bringing together all of the available modes into a system which is complementary—not competitive. To give you one example of this resistance, I cite the case of rapid transit as an adjunct to a well-conceived highway system. Rapid transit, as I see it, addresses itself to the most vexing problem that faces the Highway Engineer; that is, how do we cope with the peak load. In designing a highway system in an urban area, a key element is the two-hour traffic count between 7:00 and 9:00 a.m. This peak, plus the growth factor, determines the number of lanes which must be made available. If the number is not sufficient, a slowdown or complete stop quickly results. I will concede that the automobile has the advantage of providing door-to-door service and is not tied to schedules or a specific route. However, a comprehensive, properly planned rapid transit system will perform an invaluable transportation service between high-density areas. The system that we are considering for the metropolitan Seattle area is capable of carrying 23,000 seated passengers per hour on one track as against the average of one freeway lane carrying 2,200 persons per hour. The economies of scale that are inherent in these figures are so persuasive that I would ordinarily assume that those charged with the responsibility of highway construction would be eager to encourage such peak hour relief.

No one that I know believes that rail transit or buses can, will, or should replace the automobile. We all enjoy the flexibility that our car gives to us. We want to continue to enjoy a reasonable utilization of our cars without turning vast areas of our metropolitan regions into highway lanes whose sole utility is moving people between 7:00 to 9:00 a.m. and from 4:00 to 6:00 p.m. Those people who do not require an automobile in their daily lives should have the benefit of some other form of urban mass transit. This has to be a safe, economical, pleasant and convenient way to move them into and around the city.

In June of this year, AASHO appeared before the Public Works Committee of the U.S. House of Representatives and made what was characterized as a preliminary report of the Federal Aid to Highways Needs after 1972. The testimony was essentially based upon the following three considerations:

1. What are the public desires in regard to transportation?

2. Highways should be the dominant force in transportation planning.

3. The Highway Trust Fund, as currently constituted, should be continued with 10 percent of the fund going to the Interstate System, 30 percent going to Urban Highway needs, and 60 percent going to Rural Highway needs.

Gentlemen, let's be realistic. The transportation needs of today are in the urban areas. The population density in metropolitan areas continues to increase at an astounding pace. The best judgment is that by the year 2000, a little more than a generation away, 90 percent of the entire population of the United States will reside in metropolitan areas.

In the hope of stimulating dialogue, I would like to suggest to AASHO three alternative assumptions which I would like to have them compare with the three I previously mentioned:

1. A transportation system should be a tool to shape the growth of metropolitan areas and should have as its goal the improvements of the quality of the environment.

2. The particular characteristics of each urban region should determine the transportation modes most appropriate for that area.

3. Priority consideration should be given to the funding of a balanced transportation system for urban areas.

Balanced transportation is not simply a passive force which concerns itself only with movement of people, but rather, it is an exciting opportunity to help shape and mold the community. We have here a land use planning tool which can be of tremendous value in assisting us in improving the quality of the environment in which we live.

In planning a balanced transportation system, we should combine at the inception all of the disciplines that relate to the problem. The inter-disciplinary relationship should be that of a team working toward a system which represents the best that can be obtained. The components of the design team may vary, but at a minimum should contain first of all the responsible decision makers, then the engineer, an urban design specialist, an architect, an economist and a sociologist. It is important that no one discipline dominate the team and that communication be established early between all members. There should be a free exchange of views with policy decisions already outlined being a fundamental part of the considerations. It is my general impression that in the past the policy makers have not been as closely coordinated with the technical people as they should have been. As a result, in many instances a politically unacceptable solution has been suggested resulting in a great deal of money and effort being needlessly expended.

A balanced transportation plan must be predicated on the particular characteristics of the area to be served. There are practically no two metropolitan areas in the United States which have identical transportation requirements. The City of Seattle is bounded on each side by large bodies of water. This is combined with hilly topography and an hour-glass shape, with the central business district area being in the most constricted section. There is no similarity to a city such as Phoenix, Arizona, which has completely different physical characteristics and yet has an immediate need also for a satisfactory transportation solution.

The requirement of the Federal Highway Act of 1962 that communities of 50,000 or over have a continuing regional transportation plan is a good one provided that it is combined with a comprehensive land use plan and, further, that it fairly represents an objective effort to solve the particular problems of the region and is not merely an effort to meet the 1962 requirement so that the highway building can go on.

The requirement, of course, is for a "continuing comprehensive cooperative transportation planning program." This is another area in which it is essential that the decision makers be currently informed in a manner in which they comprehend changes and the reasons therefor. All too frequently the public official is kept informed on a rather perfunctory basis, and when the time comes to implement the plan, there is a great hue and cry from the public; and an emotionally charged meeting makes a poor atmosphere for making an intelligent policy judgment. In many cases, I feel certain that the decision maker could have avoided some problems had he been made aware of the full significance of what was going to be proposed. Elected officials come from all walks of life and have varying educational backgrounds. To make a decision they need to know just what is involved and what will be asked of the public. They should fully understand the complete significance of what they are told. I am specifically thinking here of non-technical language.

If we are going to implement a total transportation system for the urban areas, priority consideration must be given to just how the system will be funded. The present approach is unsatisfactory. We have one facet of the system receiving annual funding on a very substantial basis, whereas other elements are catch-as-catch-can. With the limited funds available, the challenge seems to be to find who is most proficient in the art of grantsmanship.

The problem we must face is how do we proceed in the urban areas to do that which has to be done? In my opinion, we who are concerned about metropolitan transportation problems can learn a valuable lesson by analyzing the method by which this country was able to obtain the National System of Interstate Defense Highways.

There are 41,000 miles of superb highways linking together all of the major centers of the United States. The fact that these funds for construction were generated by the users was the foundation upon which the whole system was predicated. Your organization has done a public service which will last indefinitely. I am honored to be with you and want you to know that I respect the competence and dedication of the individuals who make up this organization.

In my opinion, the reason that the interstate program has been so successful is because a workable concept was utilized at the outset. The Federal government collected and administered the funds, a role which we all know they perform very well. Their partner was each of the States operating through their Highway Departments and Highway Commissions. The emphasis in each instance was exactly where it should be—a nation-wide problem met by funding through a Federal program. But equally important was the fact that the highway system for each state was designed at the State level. That is, that each State was given the widest latitude to determine how its needs could best be fulfilled while meeting interstate highway needs. The wisdom of this combination is best evidenced by the fact that in just a few years the entire system as originally conceived will be a reality. I believe that a system that has worked so well at the State level has certain analogies which are equally as applicable to the metropolitan problem.

Is there some means upon which urban needs and urban priorities can best be resolved? My present thinking is that an instrumentality such as the Council of Governments could possibly be modified to help accomplish this purpose.

The Council of Governments is an attempt to cope with concerns common to a given metropolitan area. There is no established structure for such an organization. The problems common to a particular area serve as the catalyst which brings the members together. The whole concept is in its embryonic stages, the first Council having been formed a little over ten years ago; and at the present time there are approximately 50 existing in the United States—the majority of which have been formed in the last few years. Basically, a COG is a voluntary association of local governments usually represented through their locally elected officials. Some functions and activities of Councils of Government presently in existence include comprehensive planning to help solve physical development issues, coordination of programs, cooperative services, research, and in some instances, joint legislative activity. These organizations function only in an advisory capacity. The chief purpose is to coordinate planning, but they also provide a means by which opinions can be exchanged and plans can be crystalized.

The Puget Sound Governmental Conference, of which Seattle is a member, is one of the older Councils—having been in existence since 1957. Our Conference is composed of four counties with their cities. The area in question is just under 7,000 square miles, and the population involved is slightly under 2,000,000. Our Conference has been helpful in developing a regional comprehensive open space plan, evaluating regional land use and development. It has also supervised a transportation study for our region, and is now responsible for the continuing Transportation Study required by the Federal Highway Act of 1962.

I want to make clear, I do not regard COGs as they have been constituted to date as completely satisfactory to do the job that has to be done in implementing a total urban transportation system. However, they seem to me to hold the most promise among those governmental structures which have gained acceptance throughout the United States. The principal reservation that I have concerns itself with the method of representation that the Councils afford. Generally, each member unit of government has but one vote, notwithstanding how many citizens it may represent. I am aware that there are some practical reasons why smaller communities would only come into the Council with this being the case. But the fact remains that decisions should be predicated on the needs of the people of an area. My own personal experience has been that in the planning phase it is relatively easy to reach agreement on what should be our goals and what should be our methods. When it comes to implementation, that is an entirely different question. This, I suggest, is where some adjustments will have to be made. Let us assume for the moment that the mechanics of implementation can be resolved, and let us consider what we then could do.

I would willingly support the continuation of the Highway Trust Fund as it is presently constituted with the revenues now going into the fund being reserved for highway purposes, but I would do this only provided that two conditions were met:

(1) That a separate account within the Highway Trust Fund be established for non-highway urban transportation problems. To accomplish this purpose, some other revenue source possibly auto excise taxes now going into the general fund, could be earmarked for such an account; and

(2) That a Council of Governments, competent to do the job for the urban area, should be constituted and that it should have the necessary authority to commit and obligate the area under its jurisdiction on transportation matters affecting that area.

I would have no objection to monies being funneled through the State Highway Department or State Department of Transportation, as the case might be, provided that no expenditure of funds could be made unless it conformed to the plan which is being implemented by COG. Funds would come to urban areas based on a formula which would prevent any diversion of either highway or non-highway transportation funds away from the metropolitan area.

The time has come when we must all work together. I believe that the job can be done provided that we agree on how to implement a concept which we can all accept in principle. We need your help—you need ours. Let us cooperate to develop a safe, convenient, and balanced transportation system for the congested urban areas of our nation.

Testimony of J. D. Braman, Mayor of Seattle, Wash., Before the Senate Committee on Public Works, November 29, 1967

Mr. Chairman, members of the Committee, my name is J. D. Braman. I am the Mayor of Seattle, Washington. I am delighted to have this opportunity to appear on behalf of the National League of Cities and the United States Conference of Mayors. I am the Chairman of the Transportation Committee of NLC and a member of the Advisory Board of the Conference of Mayors. The problem of relating highway construction to urban needs has long been a major concern of the National League of Cities and the Conference of Mayors. In addition to actively participating in the legislative process, both organizations were principals in the 1958 Sagamore Conference, the 1962 Hershey Conference and the most productive Williamsburg Conference of 1965. By meeting on a regular basis with the Association of Highway Officials and also the National Association of County Officials, we have attempted to develop an orderly philosophy that would assist in developing appropriate legislation to address itself to that most vexing of problems, namely how do we move people into and through cities.

When considering an urban problem, in the final analysis it is *people* we are talking about. What impact will a proposed solution have on all the citizens of the area. Too often we become hypnotized by the scale of monuments that we construct and lose sight of just exactly what is their purpose. In the same vein, proposed solutions to one problem have an impact on other areas of social concern. We must always consider the collateral effect of our decisions. An eight-lane freeway may temporarily relieve a traffic jam and, at the same time, devastate a neighborhood far beyond the measure of simply the acreage required. In all too many cases we have been far more conscious of the amount of dollars we were spending than the lives we were disrupting.

We all have been guilty of looking at our government problems on the same basis that we look at our personal problems—take care of that which is of immediate concern, be aware that this does not solve the long-range problem, and let the future take care of itself.

The National System of Interstate & Defense Highway stands as a hallmark to dedication and planning. The major centers of all the contiguous states are now linked together by almost 41,000 miles of superb highway. That this has been done is a remarkable achievement. That it has varied slightly from the original proposal is understandable. It is the results that we should all laud. The interstate system is a remarkable accomplishment, and it is now time that we reexamine the premises upon which we proceeded.

The Interstate System should be applauded for what it is—a tremendous physical accomplishment which had little social impact until it entered urban areas. The concerns that we should have now are related to people. How do we move people into and through metropolitan areas and, at the same time, create a better environment for all of the citizens?

This country has taken two hundred years to reach a population of 200 million. In a little more than one generation we will add 150 million more to our population. In that short period, the population of the urban areas will become 280 million people. Within the next ten years, we will add the equivalent of another Seattle to our metropolitan area. We will add, in less than 10 years, the equivalent of a major city which has been growing for 100 years.

One of the most hopeful signs that we are awakening to our problems was the passage of the Model Cities Act, and I am intensely proud that Seattle has been selected to be one of the laboratories in urban survival. The Federal government has freed 63 committees from the constraint of institutionalized approaches. It will be the responsibility of each to use challenging and innovative techniques to deal with traditional problems.

In the field of highway planning we must be bold and venturesome as well. The past is not prologue, we move on to meet new problems with new solutions.

Senator Randolph, your able chairman, put it very well when he said recently,

"We have reached the time when we must carefully examine the processes of highway planning to insure that meaningful account is taken of the social, economic, ecologic, demographic, and other factors which constitute the total environment and life of the city."

This should become the guideline by which all urban transportation planning is done.

Recently, at a national meeting of the State Highway Officials, I suggested the following criteria for metropolitan transportation planning:

1. A transportation system should be a tool to shape the growth of metropolitan areas and should have as its goal the improvement of the quality of the environment.
2. The particular physical characteristics of each urban region should determine the transportation modes most appropriate for that area.
3. Priority consideration should be given to the funding of balanced transportation for urban areas.

To illustrate my thinking, I would like to draw upon some of my own experiences in Seattle.

Prior to becoming Mayor, I served on the City Council for 10 years. During that time, we were briefed by the City Engineering Department on programs in progress. It is easy to be beguiled by the technician when you respect the professional competence of the individual. As a result, the full impact of certain changes escaped me and my brother Councilmen. For, during a period of several years, what had started out as a crosstown arterial evolved into an eight-lane freeway. This particular freeway bisected our ghetto area and was obviously a divisive force of major proportions as well as dislocating many minority families. In addition, the State Highway Department produced a possible interchange of rather major proportions between this freeway and Interstate 90 which further exacerbated the problem. I have now proposed that I–90 be designed without the interchange and that the scale of the freeway be reduced and coordinated with rapid transit so that the net result will be to enhance the area as a place to live rather than reducing it to the status of a passageway for those driving their cars from the suburbs to work.

Surrounded by water and rimmed by mountains, Seattle enjoys a magnificent setting. These assets, by the same token, restrict the amount of land that we have available for highway systems. We retained the firm of De Leuw Cather & Company to do an evaluation of our transportation needs. They found that rapid transit, as an integral part of our transportation networks, was practical. The State Highway Department has authorized the construction of a bridge from Seattle to Mercer Island, a residential community, and thence onto the east side of Lake Washington, which is the principal suburban bedroom of Seattle. This bridge is the natural rapid transit corridor to the commuter shed and our system has been so planned. We have asked the Highway Department to dedicate two lanes of this eight-lane bridge for rapid transit purposes. To date, we have been unable to get a commitment from the State. We have had to proceed on the assumption that this situation will be corrected, for we go to the voters for $335 million bond authority for our local share this coming February.

In the middle of 1965, we in Seattle felt that traditional approaches to transportation dealt only partially with the problem. We came to the conclusion that we should bring together all of the disciplines that could make a contribution. Our team consisted of an engineer, an urban design specialist, an architect, an economist, and a sociologist. It was our conclusion that a vital element of any design team is total involvement of the decision maker. It is important that no one discipline dominate the team and that communication be established early between team members. It is my general impression that in the past, policy makers have not been as closely coordinated with the technical people as they should have been.

Each urban area has its own problems. There are practically no two metropolitan areas in the United States which have identical transportation requirements.

The requirement of the Federal Highway Act of 1962 that communities of 50,000 or over have a continuing regional transportation plan is a good one—provided that it is combined with a comprehensive land use plan and that it fairly represents an honest attempt to solve the transportation problems and is not merely an effort to technically comply with 1962 requirements so that the highway building can go on.

If we are going to truly solve the urban transportation problem, I suggest that we will have to solve two basic problems:

1. Equality of funding of the total urban transportation system, possibly by making provision for additional revenues to be added to the trust fund for non-highway urban mass transit needs.
2. Metropolitan transportation problems have to be resolved by the decision makers

at the local level, for only then will we be assured that people affected have the means by which they can make their views effectively known.

We live in an age of unprecedented population growth, and at the same time we are living in the age of the individual. The dignity of the individual has struck the social consciousness of all but the most indifferent. We must get on with the resolution of our transportation problems, for only then will we be able to begin to weave together a logical urban area and, at the same time, improve the quality of the environment in which we live.

RAPID TRANSIT AND URBAN SURVIVAL

(Remarks of Mayor J. D. Braman, Seattle, Wash., before Department of Housing and Urban Development Conference: "New Approaches to Urban Transportation," Washington, D.C., November 29, 1967)

I suppose that at a meeting called by the Department of Housing and Urban Development it is unnecessary to debate whether Urban Survival is a good thing. In any event, the statisticians and forecasters tell us that our cities are not only going to survive, they are going to double—even treble—in size in the next half-century. If sheer numbers are a guide to survival, then the American city will surely be a success.

Unfortunately, the people who will have to live and work in the city of the next century may well be wondering whether survival was all that good, if we continue the policies—or lack of them—which are guiding our urban development today.

Even our best friends sometimes have worked against us. With FHA money relatively easy to get for new single-family construction, suburbs flourished while the cities on which they depend for jobs and services have crumbled. Today, highrise apartments are rising above land which was in farm or recreational use only a few years ago. In the city, partly because of obsolete land-use policies and partly because of economic realities in the mortgage market, higher density housing is much slower to develop.

The transportation system which was designed to link the cities of this nation, and the inner-city roads which were aimed at reducing the congestion which threatens to bring city services to a halt, has been more destructive of the city and the urban way of life.

The Interstate Highway system—certainly a monument to 20th Century technology—has solved the problem of moving people and goods between cities. But, the principal reason that highways are needed is to serve the concentrations of *people* in urban areas. Now, Interstate Highways disgorge thousands of vehicles per hour into a metropolis and increase downtown congestion. They sweep into the hearts of our cities and eat up the real estate, which compresses our cars and people and services into even narrower confines. This is not servicing the total needs of the people.

The convenience of the highway puts more people into cars or makes it possible for them to move into newer, more remote suburbs, where public transportation cannot possibly serve them; and the two, the three, the four-car garage is not just a status symbol but a necessity of the living patterns.

All this traffic makes the Highway Planner secure in the belief that his highway is a success, and he starts construction on another highway while planning yet another. He claims their use as proof that the American public will not be enticed from their automobiles, and bases his arguments against any other mode of travel on the love affair between the American male and his private car.

The reasoning of the highway planner is perfectly true, if we believe that transportation is a convenience and not a utility. If it is a convenience, then certainly, we should be guided by an individual's desires.

But transportation to the planner, to the urban designer, to the investors, and even to the politicians, must be considered as a utility which is designed to serve the full needs of the community.

I do not suggest that we arbitrarily stop the entrance of automobiles into the inner city, even though the plans for taxing the motorist who uses critical streets in London bears some careful study. I do not even suggest that we halt the construction of highways, either to or through our major cities. Not only do I personally wish to enjoy the use of my car, but I recognize that population increase alone will require more highway space for trucks and personal vehicles than we presently have.

What I do suggest, and suggest quite strongly, is that we do not build highways which are designed to carry our peak traffic loads with no attempt to reduce their impact by alternative modes. What I insist upon is a balanced transportation system which will carry peak-hour traffic to business and industrial job concentrations without congestion, will serve areas of less dense use with easy access, permit those who must drive a personal car to do so, and provide for bypassing the core of the city for through travelers.

In my city, this can only be achieved by a combination of surface roads and mass rapid transit. In other cities, with varying topographies and differing needs, the balance could be achieved by a different combination or by a reliance on only one mode. The key to finding the right solution to the local problems should obviously be local determination. This should be a priority consideration of any legislation on transportation.

Local determination alone cannot solve the urban transportation dilemma. Today, no true alternatives exist. Highways, with federal and state aid, can be constructed with much lower local cost than Urban Mass Transit, which requires one-third local financing. In addition, there are relatively small amounts allocated to federal support for rapid transit—Seattle's plans alone would use fully five-year's funding. Uncertainty of future funding makes the choice for transit more and more difficult to make.

Alternate modes of transportation should be supported on an equal basis, should enjoy the same security for future funding and should receive allocations in relationship to the national requirements of each.

With local determination comes local responsibility. In Seattle, with the cooperation of King County and the organization of local governments which we call METRO, we are planning to do just that. This February, a special election will present 12 special bonding programs, totaling nearly $350 million. It represents the work of some 200 citizens, working with government officials, to plan the capital investment needs of the community for parks and open space, community centers, a domed stadium, as well as more mundane items such as sewers, flood control, fire stations and repair shops. The most expensive element in the package, and the most important, is rapid transit. All of these elements are integrated and coordinated with each other and with the basic needs of the community.

This dramatic program stands an excellent chance of being approved by the voters. While it is, in my opinion, one of the outstanding examples of a local community's willingness to tax itself to meet its needs, it will fall far short of meeting all the needs which the community must fill.

Our Forward Thrust program will accomplish approximately one-third of the total job to be done. It is a compromise between all of the elements in our capital funding program and will reach the practical limits of our constitutional taxing authority, with prudent reserves for emergencies. Even this massive program can only be achieved with continuing support from the Federal level that matches or exceeds present funding.

Our rapid transit program, for example, calls for a total investment of $1,150,000,000.00 over the next 15 years. We are requesting approval for $385,000,000.00 of bonds for our local share, with the expectation that the federal program will grow to match our needs and the needs of many cities which are now turning to rapid transit to solve their transportation problems.

It is apparent that the present state of support for rapid transit could hardly take care of Seattle's capital needs, even if there was no other city in the arena for these funds. But there is no practical alternative. We have extended our bonding capacity to its utmost limits of feasibility to meet our problems. Beyond this we must have federal and state support.

We need rapid transit in Seattle, as in many other cities in the nation, if we are to survive the technology of the 20th Century and maintain a livable environment in the 21st. Rapid transit is the only tool I can foresee which will permit us to reshape our cities and surrounding areas.

For one thing, if we are to maintain any open space in or within a fifty-mile radius of today's middle-size city, we are going to have to create sub-centers of high-density living inside and outside our city borders. They can only be served with rapid transit unless we are to cutup the remaining open-space preserves for transportation corridors.

Newly created jobs for the new millions will be located in new areas, but the bulk of employment will still be in concentrations in the core and in industrial preserves, designed for increased job density. Because the premium on land will force the shrinking of parking spaces, these plants, too, must be served by rapid transit.

In the city and in key suburbs, rapid transit will be the generator of traffic which will call for new development of offices, shops, and housing. The new concentrations of people will be followed by new public services in health, education and recreation.

I am not offering a brave new world with rapid transit as the hero. What I suggest is that the city of today is the laboratory of tomorrow's urbanized civilization, that our present policies in transportation have already failed the laboratory test, and that we must devise new methods and new systems if we are to succeed in preparing a foundation for a better life for tomorrow's urban society.

A FIGHTING SPEECH BY A COURAGEOUS PRESIDENT

Mr. RANDOLPH. Mr. President, last night, speaking at the national convention of the AFL–CIO in Miami Fla., President Lyndon B. Johnson delivered a fighting speech that is, I predict, a prelude to events to come in 1968.

If I were of the opposition, I would be somber and thoughtful today, for the President of the United States served notice that he will carry with vigor the message of his administration to the American people next year.

From the tone and content of the President's message, it is obvious that our party has the record, the achievements, the leadership, and, I believe, the support of the American people.

As the President told of the accomplishments of the Democratic-controlled Congress versus the record of the opposition, it became clear that the Democrats have provided the leadership and the impetus and the programs for progress which citizens of America, regardless of party, recognize and appreciate.

Yes, we have a fighting President who tells the American people that we have worked in their behalf with purpose and productivity.

This Democratic administration and this Democratic Congress are meeting with compassion and responsibility the needs of our country. The people know and appreciate this fact.

Mr. President, I request unanimous consent to have printed in the RECORD the text of President Johnson's forthright, persuasive, and compelling address to the AFL–CIO convention.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Dec. 13, 1967]

L. B. J.: "I WILL ADVANCE DOING MY DUTY AS I SEE IT"

(Text of President Johnson's nationally televised address to the biennial convention of the AFL–CIO, Bal Harbour, Fla., December 12, 1967)

I know what your fight has meant for America in my time.

Listen to the roll call of what we have done together:

Medicare—Already, four million Americans have had their hospital bills paid, and more than five million have had their doctor bills paid.

Aid to Education—Already, nine million needy children have been helped into elementary and secondary schools. Nearly a million and a quarter college students—many of them sons and daughters of union families—now receive Federal help in education grants and loans.

Minimum Wage Protection—We have brought over nine million more workers under the minimum wage. By next February we will have raised that minimum by 35 cents in our own time. That's 10 cents more than when I cast one of my first votes in Congress, to make the minimum wage law of the land 30 years ago.

Poverty—More than five and a half million Americans have been lifted above the poverty line.

Employment—We've added six million workers to our labor force, and set a record of 81 months of solid prosperity.

Civil Rights—We've cleared away the last big obstacles to the right of every American to vote; to be judged for a job on his skill, not his skin, to enjoy public accommodations and facilities as a free man.

Immigration—We've scrapped the old discrimination of the national origins system, and replaced it with an American system of open opportunity.

Conservation—We've added three quarters of a million acres to our national seashores and parklands, more than ever before in our history.

The Cities—We've finally got the program we need to build model cities. Blight, decay and despair can be banished from our life—but we are going to need the muscle of American labor to turn our bold ideas into shining realities.

Pollution—For the first time, we recommended and passed the bills through Congress to give us the weapons to make an all-out attack on the filth that fouls our water and air.

By consumer protection—

We've ended the packaging tricks that have plagued the American housewife for so long;

We have spared our children from dangerous and deadly toys;

We have shut the door to unsafe products that make the home a booby-trap for the unwary;

We have an Auto and Highway Safety Act to reduce the accidents that make our roads a death-trap for the innocent and the careless;

We have moved against accidents in the doctor's office and hospital, by insisting that laboratories run the right tests—and get them right the first time;

We have acted against the money-lender who victimizes the poor and exploits the needy by concealing interest charges;

This week I will sign the Flammable Fabrics Act. It means that your family and home will be safe from clothing and furnishings that blaze without warning;

Next week, I will sign the Wholesome Meat Act. It means that the meat on the family table will be pure, not rancid—that a mother can shop without fear of finding worms in a steak or wood splinters in the hamburger.

In the weeks to come. I hope also to sign the pipeline safety bill. It will guard against a gas explosion ripping through a home, a school or a crowded street.

Isn't this a remarkable and wonderfully hopeful record in itself? Yet these are only some of the happy new triumphs we have won for our families.

The full record will show more consumer legislation enacted in the last two years than in all 88 congresses before.

History will testify that this Administration, after 180 years, finally proclaimed a consumers bill of rights. And about time, too.

"IT WASN'T EASY"

There is more—much more—that we have done together.

It wasn't easy. Every step of the way there were voices and votes that said:

"Not so fast."

"Don't try it, it's never been tried before."

"It's only a rehash of the new deal."

"Don't you know there's a war on? You'll have to stop progress at home."

Or one side cried: "It's all for labor or minorities." And the other side cried: "It's all for the middle class."

And we answered: "Yes. It is for labor. It is for the minorities. It is for the middle class. And it's for the young. the old, the worker, the businessman, the farmer, the teacher, the student, the doctor, the patient.

Yes, we said, for once you're close to being right. Our fight is for all America.

But in Congress they closed their ears and ranks. In vote after vote, the House members of the other party lined up like wooden soldiers of the status quo:

93 per cent of them voted to kill the Medicare bill.

90 per cent of them voted to kill the poverty bill.

68 per cent of them voted to kill the education bill.

66 per cent of them voted to kill our civil rights bill.

80 per cent of them voted to kill all funds for model cities.

93 per cent of them voted to kill all funds for rent supplements.

And, my friends, 72 per cent of them voted to kill your minimum wage bill.

The only time they said "yes" was when they could vote to recommit a bill—to bury it in a blanket of rhetoric beneath the wave of Republican reaction.

But they are not fooling anybody, are they?

The people know that the old Republican buggy can only go one way—backwards downhill.

The only program that Grand Old Party offers is the remains of what they have backed into and run over on the road, and bits and pieces of what somebody else has built.

No wonder we have worked so hard to pass the Highway Safety Act. That old Republican buggy has been colliding with us all year long.

MORE PASSENGERS

And it is carrying more passengers this year—more dead weight. Forty-seven Democrats who helped write the historic legislative record of the 89th Congress are gone. They have been replaced by forty-seven Republican nay-sayers. And America's advance had been checked.

Not always; not by any means. We've found and won some funds for model cities—the Teacher Corps—rent supplements.

We've continued our efforts for older Americans, mental health, the consumer. We've passed a good bill for Vietnam veterans. And we passed a bill to control rats in our cities—because a Nation's conscience cried out louder than Republican laughter.

Don't let anyone fool you. This has been a productive Congress. And labor's leadership has made it so.

But we need great Congresses again, not just good ones. They must match and even surpass the 89th. And we are going to have to work to get them.

We still have to meet the great tests of our time—improving our educational and medical systems—rebuilding our cities—providing jobs for all who can work—ending lawlessness in our streets—uniting our people in common and progressive purpose.

This is our national agenda. It can only succeed if there are men in Congress and the Administration who will make it their personal agenda. We must work harder than ever to elect these men. It can be done; it will be done; because a nation depends on us not to fail, not to fall back—but to go fighting and winning for all America.

As America depends on your social leadership, it also relies on your sense of economic responsibility.

In our system, price changes are inevitable and desirable. But if we are to have the full blessings of free enterprise, business and labor must place the fundamental national interest first. Each must do its share to maintain a stable level of over-all prices.

I emphasized this to your partners in prosperity—American businessmen—just a short time ago in Washington, and I told them you would expect equal time.

WAGE RESTRAINT URGED

If industry, I said, tried to raise prices and profit margins—even when they have excess capacity—we are bound to suffer rising prices, and this is murder to all labor and people with low or moderate incomes.

If labor, I say, tried for a wage rise twice the nationwide increase in output per man-hour—even where there is no real labor shortage—we are bound to suffer rising prices.

Business suffers. Labor suffers. All America suffers from a wage-price spiral.

I told the businessmen that they should not point the finger of blame at you. And I say that you cannot point it at them.

I say to you both—labor and business—that you are two fingers on one hand—it is your joint responsibility to stop the spiral.

To both of you I say: It is your America. It is your prosperity—your jobs and profits we seek to protect—your dollar whose strength we must maintain.

I have urged business to refrain from avoidable price increases, and to intensify its competitive efforts.

I now urge labor to look at its responsibilities—to look hard and deep into its wise heart and restrain its demands for excessive wage increases.

Look around you as you calculate. Here is your country, fighting gallantly, again for freedom—but doing it for the first time without wage and price controls.

It is voluntary restraint that has made involuntary curbs unnecessary. Your Government wants to keep it that way. We want to be partners in responsibility and prosperity with labor and business.

And we will be, if each of us does his share for the good of all.

I cannot close without sharing a few thoughts with you on the matter that most troubles our hearts—the tragic but vital struggle in Vietnam.

You have long stood in the front ranks of this fight for freedom, too. But here you have added bright new testimony to your resolve—and given new heart to all who stand with you for peace.

I am proud and grateful for the resolution you have passed here in support of freedom's cause. It is a ringing declaration of your firm resistance to aggression. That staunch spirit is personified by your courageous leader—"Mr. Labor"—George Meany. I thank him, and I thank you—from the bottom of my heart.

I thank you, too, for another man.

He does not live in the White House. He is face down in the mud of the DMZ. Or storming a hill near Danang. Or crouched in a rice paddy in the Mekong Delta.

The American soldier thanks you, from the bottom of his heart. He knows, even if some others don't, that your expressions of support are not just flag-waving words.

Whoever thinks that has never heard the question that comes to me so often from the foxhole. He has never felt the ache of a soldier asking: "We're doing O.K.—but are the folks back home really with us?"

American labor has answered with a resounding "yes." You have said it before and repeated it here—so strongly that even Hanoi cannot mistake its meaning.

I know that many of labor's sons have left their homes to risk their lives in Vietnam. I know that is torture for you, as it is for me. I know that you regret every dollar spent on war—dollars that should be spent on the works of peace.

But you and I know that we must persevere. The torture we feel cannot beg the truth. It is only our unswerving will and unshakeable determination that can bring us peace.

It is easy to agonize and moralize, to pin your heart on your sleeve or a placard—and think that you are helping to stop war.

ASKS WORKABLE SOLUTION

But I only wish that those who bewail war would bring me just one workable solution to end war.

The peacemakers are in the field. The soldier and the statesman need and welcome the sincere and responsible assistance of concerned Americans. But they need reason, not emotion. They must have a practical solution, not a concoction of wishful thinking and false hopes—however well-meaning.

It must be a solution that does not call for cutting and running now. Those fantasies hold the nightmare of a larger war tomorrow.

It must be a solution that does not call for stepping up our military efforts to flash point, where we risk a larger war today.

I, for one, would be profoundly grateful for that kind of help. Thousands of our soldier sons would also give thanks. And I cannot help but feel that we would be joined in our gratitude and gladness by millions of thoughtful Americans. They are concerned Americans who recognize the responsibilities that accompany their rights, and who see it as a duty of citizenship to be constructive in word and deed.

For as long as I have borne the responsibility of conducting our foreign policy, I have known that it is easier to protest a policy than to conceive one. And so I have followed a rather simple practice:

If someone has a plan, I listen to it.

If it seems worth pursuing, I ask the best Americans I can find to give me their judgments on it.

If they like it, and it seems wise to me, I try to put it into operation.

WILL STUDY PROPOSALS

I can promise all who shout their opposition, as well as any who have quieter doubts, that I will continue this practice. I will always be ready to hear and act on any proposal they offer.

In the meantime, I will do my duty.

I want you and the American people to know that I am not going to be deterred, influenced or inflamed by a bunch of politically selfish men who want to advance their own interests. I will advance down the center of the road, doing my duty as I see it regardless of the polls and regardless of the elections.

I will devote my days and nights to supporting and supplying half-a-million of the bravest men who ever left these shores to fight for freedom.

I will honor our sworn commitments to protect the security of Southeast Asia, because it is our security too. We will not now betray the troubled leaders and hopeful people of that region who rely on us to shield them from aggression—not after other presidents who preceded me gave their solemn word too.

I will hold the line against aggression as it has been drawn so often by the President and the Congress. We will not now nullify the word of the Congress, or the people, as expressed in the SEATO treaty, the Tonkin Gulf resolution, and the many defense appropriation measures passed specifically to deter aggression in Vietnam.

At all times, in all ways, with all patience and hope—we will strive for peace.

Let no man, friend or foe, American or Asian, mistake our meannig.

I remind all of you again of my own exchange of correspondence with Ho Chi Minh. The North Vietnamese themselves released my letter on March 21. In it, the United States made a fair and firm offer:

"There is one good way," I said "to overcome this problem and to move forward in the search for a peaceful settlement. That is for us to arrange for direct talks between trusted representatives in a secure setting and away from the glare of publicity . . .

"As to the site of the bilateral discussions I propose, there are several possibilities. We could, for example, have our representatives meet in Moscow where contacts have already occurred. They could meet in some other country such as Burma. You may have other arrangements or sites in mind, and I would try to meet your suggestions. . . ."

Can we be any more specific? Hanoi has spurned the olive branch. The answered with a rude "no" and they have repeated it time after disappointing time. Until they relent, until they see room for compromise and area for agreement we must stand firm and unafraid. And we will.

Peace will come, I am convinced of that, but until it does, I will continue, with the support of our determined people, to hold the line we have drawn against aggression—and hold it firm and steady.

In all that I do, I will be strengthened by the powerful testimony for freedom that you have given in this hall. You courageous men of labor support our fighting men, and you have spoken as free men must speak. May all the world hear you. And may God bless you for it.

REPORT ON RADIATION

Mr. BARTLETT. Mr. President, by the year 2000, our Nation's population may well have gained another 100 million people, increasing to 300 million men, women, and children. What conditions will they live in? Will the air they breathe be safe? Will the water they drink be clean? Will the sounds they hear be the muted, civilized sounds of people living in harmony or an unholy din of uncontrolled machine and electronic circuit? Will they be exposed knowingly or unknowingly to invisible, insensible radiations that may injure them and their children and their children's children?

Mr. President, I have become very much interested in and concerned about creeping radiation pollution. The record shows the questions I have raised about radioactive fallout in Alaska and the Arctic. And from exploring this question I have learned how feeble and incomplete are many of the measures of our National and State Governments to reduce the exposure of their citizens to radiation from X-ray machines and sources of similar radiations. It was with this in mind that last year I put into the record the conclusions and recommendations of the National Advisory Committee on Radiation to the Surgeon General. And this same interest led me to introduce S. 2067, the Radiation Control for Health and Safety Act of 1957. Today, I would present to the Senate an interim report concerning that legislation. We will briefly review three landmark reports that underline the radiation situation, mention the hearings held in August, and then take up several key questions. How serious is the radiation problem? What do we know about effects of X-rays and similar radiations? What organization is there to reduce occupational, public, and private exposure? What are some of the ways to accomplish the desired reduction in exposure?

We are concerned with two kinds of radiation: Those that the physicists call the ionizing radiations, such as X-rays from machines and gamma rays from radium; and the nonionizing, which have the effects of electromagnetic radiations such as ultra-high-frequency radio waves, microwaves, and laser radiation. Setting aside the technical differences between these two kinds of radiation, their most important practical differences are in their potential effects upon people. Both kinds of radiation in large quantities can cause personal injuries which are soon apparent. But in addition, ionizing radiations in lesser amounts are believed to cause injuries that may appear years later and that may not be readily attributable to past exposure. Still worse, ionizing radiations may insidiously effect the quality of inherited characteristics of our children and their children and may reduce their ability to cope with the environment in which they will live. Genetic effects are seen only in descendants and may spread over many generations. Whether the non-ionizing radiations cause such genetic effects is not now known.

How radiation pollution can occur was dramatically illustrated this year by the discovery that some 111,000 color television sets shipped in interstate commerce emitted X-rays well in excess of present emission standards. Despite the prompt action of the manufacturer to correct the faulty sets, the incident raises an urgent signal to warn us to act on radiation pollution while it is still manageable and before control would impose heavy economic burdens. We stand at the threshold of great new productive, useful applications of ionizing and non-ionizing radiations. Let us determine now that the components and equipment sold in interstate commerce will be as safe as we can make them.

Mr. President, today we face costs of treating smoke and fumes, of treating sewage, of doing something about combined storm and sanitary sewers, of reducing the frightful toll of death, injury, and property damage caused by the automobile. Now we must pay dearly for our failure to realize years ago that the combination of a growing population and economy, together with what we think of as technological progress, would bring us to a time when one of the Great Lakes is dying from our wastes, when a manmade drug is ravaging our young people.

REDUCING EXPOSURE TO IONIZING RADIATIONS

For the first part of this progress report, let us confine our attention to the ionizing radiations, largely X-rays.

The Task Force on Environmental Health and Related Problems which reported to the Secretary of Health, Education, and Welfare last June warned that:

> Health experts have repeatedly pointed out that grave, delayed physical manifestations can result from repeated exposure to concentrations of environmental pollutants so small that they do not make one ill enough to send him to the doctor.
>
> I would include ionizing radiation as one of these pollutants.

Mr. President, it is against this sobering background that on July 10 of this year I introduced for myself and Senators BYRD of West Virginia, CHURCH, FONG, MUSKIE, and RANDOLPH, the Radiation Control for Health and Safety Act of 1967, S. 2067. The dual purpose of this bill is to hold in check the threat of radiation pollution from electronic devices and to gain the knowledge to enable our scientists, engineers, professional men, technicians, and others to use ionizing radiations safely in their work, and to prevent the unwitting exposure of others in public and private places.

S. 2067 authorizes the Secretary of Health, Education, and Welfare to protect the public health from hazardous radiations from electronic products. Briefly, the Secretary is to step up research to minimize radiation exposure, to study emissions and conditions of exposure, and to develop procedures and techniques for minimizing radiation exposure. The act authorizes him to prescribe standards for control of radiation from electronic products. Standards would be set after consultation with appropriate parties, and the Secretary would review and evaluate on a continuing basis whatever testing programs were set up by industry.

The Senate bill is similar to H.R. 10790 introduced by Representatives ROGERS of Florida and JARMAN of Oklahoma, with some minor changes to make the bill more flexible in its location of regulatory authority within the Department of Health, Education, and Welfare. The regulation of products would extend to imports. Thus far testimony has been largely favorable to the bill.

The Senate Commerce Committee held hearings on S. 2067 in August, and my purpose today is to briefly report some highlights from the testimony, and to indicate what may need attention in further hearings that I anticipate in February.

It is important to note that the act does not preempt or discourage State surveillance and control of radiation from electronic products. The Secretary would be authorized to set up and enforce certain standards, some of them preemptive, to govern the manufacture of devices. But he is also empowered and directed to stimulate and encourage the efforts of the States and industry. Perhaps even more important, the Secretary is directed to undertake a long-range, continuing program to inform and educate all State public health personnel about control of these radiations.

What I have just said about the States is no sop to those fearful of a continuing decline of the States in our Federal structure. Legislation is necessary but insufficient to reduce public and occupational exposure to ionizing radiation. No matter how comprehensively a law may be drafted, or how well supported may be its carrying out, there remains much to be done by the States and by professional and industrial groups. Ideally, the Federal legislation should serve as the keystone of an arch of Federal and State, public and private efforts that are unified in the purpose of reducing and limiting exposures to radiation.

But Federal action is needed because some States are unable to respond as needed. Furthermore, the coming years may see developments of international standards for X-ray equipment which can put our manufacturers at a disadvantage if they have to grapple with 50 possibly different sets of regulations governing sale of radiation-emitting products. In this connection, the International Electrotechnical Commission, a private organization with headquarters in Geneva, recently established Technical Committee 62, which will meet for the first time in May 1968 to begin the writing of worldwide standards for X-ray equipment.

THREE LANDMARK REPORTS

By way of refreshing our recollections of what already has been said by competent advisory bodies about control of ionizing radiations, let us briefly look at two reports by the Surgeon General's National Advisory Committee on Radiation and one by his National Advisory Environmental Health Committee.

THE MORGAN REPORT OF 1959

More than 8 years ago the National Advisory Committee on Radiation, chaired by Prof. Russell H. Morgan of the Johns Hopkins Medical School, who testified at the Senate Commerce Committee hearings in August, reported to the Surgeon General on the control of ionizing-radiation hazards in the United States. The Morgan committee cited the following serious weaknesses within then current radiation control efforts:

> Among these may be included the absence of uniform regulatory mechanisms covering all radiation sources, an insufficient quantity of scientific data for the development of radiation protection standards, the dual responsibility for promotion and regulation of atomic energy sources currently vested in a single governmental agency, and the shortage of trained personnel with which effective radiation control programs may be carried out.

It recommended that:

First. Primary responsibility for the Nation's protection from radiation hazards be established in the U.S. Public Health Service.

Second. The Service be authorized to plan for radiation control, including coordination of State and local regulation with those of Federal and private groups to provide a unified attack.

Third. The Service be authorized to develop a comprehensive program of control for all sources of radiation; to promulgate uniform, national standards on radiation protection; and to vest as much regulatory responsibility as possible in State and local governments—with the agency possessing supervening authority; and that the agency provide technical and financial assistance to State and local governments as in other public health programs.

Fourth. The Public Health Service undertake training to assure that the National, State and local needs for personnel trained in radiation protection will be satisfactorily met.

THE NELSON WORKING GROUP REPORT OF 1965

While the Morgan committee was at work, the National Advisory Environmental Health Committee of the Surgeon General was reviewing occupational health hazards. This committee found that the occupational health programs of the Public Health Service were in serious need of overhaul. A working group of the committee, headed by Dr. Norton Nelson of the New York University Medical Center, assisted by the Division of Occupational Health, turned out the report, "Protecting the Health of 80 Million Americans: A National Goal for Occupational Health," which relates directly to S. 2067 and to the control of radiation from electronic products.

The Nelson group reported to the Surgeon General on November 19, 1965. It found, and I quote:

> There is a serious deficiency in criteria for physical hazards—i.e. noise, vibration, extremes of temperature and humidity, effects of parts of the electromagnetic spectrum including visible lights, and extremes of pressure. The Division is the principal national resource in these areas and should be responsible for the development of appropriate criteria.

Concerning physical agents of occupational injury, the Nelson report said information is needed to determine the effects upon the body by exposures to vibration, microwaves, ultrasonics, infrared, ultraviolet, lasers, masers, and other electromagnetic phenomena as these are developed. Speaking of sight and vision, the report also called for new techniques to prevent eye damage from exposure to lasers, and masers, infrared and ultraviolet lights.

THE MORGAN REPORT OF 1966

A year ago last April Dr. Morgan's committee delivered a second report to the Surgeon General. This time the National Advisory Committee on Radiation looked into the protecting and improving of health through the radiological sciences. The thrust was the same: research, training, and regulation are needed if we are to adequately protect the public against needless exposure to radiation. The conclusions and recommendations of the 1966 Morgan report were so important that I placed their text in the CONGRESSIONAL RECORD of Thursday, July 21, 1966. In summary the five principal recommendations were that:

First. The Public Health Service immediately strengthen its programs in radiological sciences.

Second. The Service undertake training and research and development to upgrade the quality of the radiological services which have become such a critical part of medical and dental care and to improve radiation protection practices in the health professions.

Third The Service initiate drafting and setting of standards for qualifications of persons who operate X-ray equipment or use radioactive materials not regulated by the Atomic Energy Commission; design standards for radioactive sources not regulated by the AEC; and, standards for the "premarketing clearance of X-ray equipment used in the health professions and in industry."

Fourth. The Service act to assure official health agencies take part in appraisal of health risks associated with the construction and operation of major nuclear facilities, and

Fifth. The Service strengthen its laboratory and statistical resources in radiological sciences.

In the 8 years since Dr. Morgan's committee made its first report, and during the 19 months since his committee made its last report to the Surgeon General, the Congress has yet to receive recommendations for legislation to carry out the regulation recommended, or to mount the scientific research necessary to fill the gaps in our understanding of the effects of ionizing and nonionizing electromagnetic radiations.

HEARINGS ON S. 2067

The Senate Commerce Committee held hearings on S. 2067 on August 28, 29, and 30. I was privileged to preside and can assure the Members of this body that the testimony we received is well worth its attention. Our witnesses included many men in public and private life who are directly involved with the use, effects, and control of the ionizing radiations.

The men who testified included: Hanson Blatz, director, office of radiation control, city of New York, Department of Health; Prof. Merril Eisenbud, director of the laboratory for environmental studies of the Institute of Environmental Medicine, New York University Medical Center; Dr. Fred M. Medwedeff, a private dentist; Dr. Karl Z. Morgan, director, health physics division, Oak Ridge National Laboratory; Prof. Russell H. Morgan, departments of radiology and radiological science of the Johns Hopkins University; Prof. Albert G. Richards, University of Michigan School of Dentistry, for the American Dental Association; Dr. William H. Stewart, Surgeon General of the United States, accompanied by Mr. James G. Terrill, Jr., director, National Center for Radiological Health, and Dr. Vernon G. MacKenzie, Assistant Surgeon General; Dr. Lauriston S. Taylor, president, National Council on Radiation Protection and Measurements; and Mr. James F. Young, vice president-engineering services, the General Electric Co.

Taken together, these witnesses provided a good cross section of viewpoints from working scientists in the field, professional users of X-rays, State and Federal Government interests, and a principal manufacturer of X-ray equipment and accessories. And I expect to call more witnesses about ionizing radiations in our hearings in February.

Our witnesses included men of courage and conviction who were willing to incur the possible displeasure of the established professions by calling attention to failings in equipment, procedures and personnel that are causing unnecessary exposure of our people to X-rays. In particular, the committee is indebted to Dr. Karl Z. Morgan who drew upon a long and useful professional life in radiation control to estimate for the committee the possible deaths attributable to radiation exposure. The controversy that his testimony has generated will force many scientists to look seriously and deeply into how little we really know now about the long-term biological effects of the X-rays to which our people are exposed. Another example of courage in the best traditions of our country was the testimony of an independent, private dentist, Dr. Medwedeff, who came to Washington as a lone individual to inform the Congress what he and his associate had done at their own initiative to reduce X-ray exposure from dental X-ray machines, and the failure of professional groups to encourage effectively other dentists to take similar steps.

SOME OPEN QUESTIONS

Some of the questions we had in mind during the hearings included the following:

"How serious is the problem?"

"What are the dimensions of the radiation problem?"

"What are the organizations with a voice in radiation control?"

"How adequate is our present knowledge about effects of ionizing radiations?"

"How can we reduce radiation exposure?"

"How can we get better regulation to reduce exposure to ionizing radiations?"

HOW SERIOUS IS THE PROBLEM?

At the moment no one Federal agency has a responsibility to the public to set standards to guide and govern the design, construction, and use of electronic equipment that emit ionizing radiations. There is a gap in responsibilities at all levels. Although equipment manufacturers sell to a national market, each State may set different standards and enforce them in different ways, if they do at all. And looking for a moment to the broader question of regulating possession and use of both machines and materials that emit ionizing radiations, if a radiation emergency were to occur right now, probably the best people to send for first would be the lawyers to figure out who has jurisdiction.

What is our present situation?

Briefly, people can be exposed to ionizing radiations either deliberately, or in their occupation, or in public or private without the protection in many instances from either Federal or State regulation.

Our hearings and those of the House Subcommittee on Public Health and Safety have focused mainly on the ionizing radiations, particularly X-rays. Careful reading of the testimony shows that:

First, more physicians, dentists, radiologists, engineers, technicians, scientists, and others are using ionizing radiations than ever before for many new purposes, and the consequent chances that individuals may be exposed to ionizing radiations are increasing.

Second, the sources of ionizing radiation are multiplying. Whereas a few years ago X-ray tubes and machines were by and large the principal source, today consumer and industrial products may contain natural or artificial radioactive materials, while powerful new kinds of machines are sold in interstate commerce that generate intense ionizing radiations. Moreover, some devices and components used in the home or in industry may inadvertently emit radiation that can constitute a hazard to public, occupational, and individual health. The color television sets provide a case in point.

Third, responsibility and authority to control products and devices that emit ionizing radiations, and to reduce public and occupational exposures, is fragmented between many governmental, professional, and scientific, and trade and industrial associations. International organizations also may be involved. To put it mildly, the situation is confused. A product that contains radioactive materials may be within the domain of the Federal Government, or some, but not all, State governments. What determines who is responsible? Not the fact that ionizing radiations are emitted. Instead the jurisdiction depends upon the origin of the material. Radioisotopes made in a nuclear reactor are the responsibility of the Federal Government or those States which have taken up this responsibility under special provision in the Atomic Energy Act of 1954. But radioisotopes made with an accelerator are not subject to Federal jurisdiction and neither are radioactive materials extracted from nature.

If a product contains natural radium, product responsibility lies with the States, and such products made in States with no controls can be shipped in interstate commerce. If the same product contains cobalt that has been made radioactive in a nuclear reactor, the AEC has control unless that agency has delegated this function to a State through an agreement. If the same product contains a radioisotope made with a particle accelerator instead of a reactor, the AEC has no control. Thus a person possessing a product containing an unknown radioactive material cannot know who has jurisdiction, if anyone, until he has determined not only that ionizing radiation is being emitted, but whether the emitting material is natural or manmade, and if the latter whether it is the product of a nuclear reactor or an accelerator. How long do you think such a determination might take, or what would be involved if the product contained both natural and manmade radioactive materials?

The confusion does not end there. If the product is a machine that can generate ionizing radiations, the regulation lies with the States even though the radiation in characteristics may be the same as that emitted by radioisotopes of the kind regulated by the AEC. If a machine emits neutrons, who has the responsibility depends not upon the fact of neutron emission but upon the physical reaction that produces the neutrons. The AEC would control if the source is the fission process, but would not if some other atomic process were used. This situation is akin to keying highway speed regulations to the kind of engine used rather than to the common hazards of speed.

Once a machine or natural material that emits ionizing radiations is in the hands of a user, he finds there are no Federal standards to guide him, unless he is a Government contractor, or a Federal employee in one of the Government's laboratories. It seems strange to me that the Department of Agriculture has issued regulations to govern the amount of ionizing radiation which can be applied to a side of bacon for food preservation, but that the Public Health Service cannot specify how much radiation may be received by a human being in treatment, or in his occupation, or in public or private places. True, professional standards are available. Indeed, some standards set by the private National Council on Radiation Protection and Measurements have been incorporated by reference into law in some States, and have been copied verbatim into law—including errors—in others. But such private bodies that set such standards include no representation of the Federal or State Government, or labor, or consumers, or those at risk from the exposure.

Senators will, I think, agree that the situation is confused, which is why I agree with many of our witnesses who called for clarification. S. 2067 is a step toward clarification, for it will authorize the Public Health Service to deal with electronic products that emit ionizing radiations. The question of radiation from materials found in nature and from materials made radioactive in nuclear reactors or by particle accelerators will need attention later. But their situation is by far less urgent, for the AEC does have a major responsibility and is by far the most experienced organization in direct Federal control of reactor-produced radioactive materials, and the machine-made radioactive materials are presently quite limited in use.

DIMENSIONS OF THE IONIZING RADIATION PROBLEM

According to estimates of the Department of Health, Education, and Welfare, during fiscal year 1966 there were in use 109,643 medical X-ray units, 98,460 dental X-ray units, and 10,169 industrial X-ray units. In addition to 14,354 active licenses for artificial radioactive materials, of licenses for artificial radioactive materials, 4,791 were issued by States and 9,563 by AEC. Also 3,429 radium and radon sources were licensed or registered by the States, 58 sources of accelerator produced radioisotopes, and 610 powerful particle accelerators.

MEDICAL AND DENTAL EXPOSURE

Depending upon the figures chosen, from 75 to 90 percent of all X-ray exposures in the United States occur in the practice of medicine and dentistry. If the past rate of increase continues, the number of medical and dental X-ray exposures can be expected to double about every 13 years.

The most recent detailed information on medical and dental X-ray exposure was collected in 1964 by the Public Health Service and was based on a survey of some 33,000 households. Of the 187 million civilian, noninstitutional population of the United States in 1964, 108 million, or 58 percent, had one or more X-ray visits. Remembering that some people made more than one visit, there were approximately 93 million medical X-ray and 50 million dental X-ray visits in that year which involved some 173 million X-ray examinations or procedures. Of these, 105 million were radiographic examinations, 54 million were dental examinations, 10 million were fluoroscope examinations, and 3.5 million were X-ray treatment. Of the medical X-ray procedures, 58 percent were performed in hospitals, 20 percent in private offices, 5 percent in private groups, and 15 percent in health agencies and elsewhere. Of exposures in hospitals, almost 92 percent were performed in accredited facilities, but only 60 percent of these were performed under supervision of a radiologist. As for the equipment used, at least 30 percent was more than 10 years old. In terms of medical X-ray techniques, about one-half of all radiographic examinations exposed more of a patient's body to radiation than was necessary for the size of the X-ray picture taken, and more than 25 percent of these exposures used X-ray beam sizes that were two or more times larger than the area of the X-ray film plus an allowance of 25 percent.

Between 1961 and 1964, the annual number of medical X-ray visits increased by 8 percent, from about 48 visits per 100 population in 1961 to about 50 in 1964. Assuming the same rate of increase for the years 1964 to 1967, about 52 persons per 100 population will have a medical or dental X-ray visit in 1967, which, in terms of our population of 200 million, would mean some 104 million X-ray visits.

As for the quality of medical X-ray applications, one witness indicated that—

> Many medical diagnoses are carried out by doctors who have little or no training in the use of x-ray equipment. Often their techniques are very poor and the equipment they are using is substandard.

Even more to the point of S. 2067, he said:

> The doctor, dentist, x-ray technician, or secretary who exposes our children to x-rays perhaps must have his automobile inspected periodically and must have a driver's license before he can operate it. Yet, the x-ray machine he operates may be obsolete, it may fail to meet a large number of the minimum standards for such equipment and he may have little or no training and knowledge in how best to operate this equipment either from the standpoint of safety to his patients or obtaining the best possible radiographic information."

This witness also called attention to the differences in radiation X-ray exposures for chest X-rays and dental radiograms. He attributed the wide variation for the most part to use of poor techniques, improper equipment, and lack of concern of the doctor or dentist and/or his technician for radiation protection of the patient.

As for dentistry, 43 percent of the dental examinations in 1964 were made with equipment more than 10 years old. Here the exposure situation was better, for only 20 percent of the dental exposures exposed more of the patient's head than the 3-inch maximum circle recommended by the National Committee on Radiation Protection and Measurements.

INDUSTRIAL EXPOSURE

Although 90 percent of exposure to X-rays now occurs in medical and dental practice, the remaining 10 percent is not to be ignored. The Director of the National Center for Radiological Health, Mr. Terrill, confirmed our expectation that nonmedical applications of radiation are growing in industry, commerce and research. Industrial X-ray machines, particle accelerators, Van deGraaf generators, flash X-ray units, well-logging devices and neutron generators all are finding greater use in industry. And I am aware of experiments to use ionizing radiation from machines or radioisotopes to preserve fresh foods which, if successful, can multiply the number of industrial radiation sources and the size of the individual units. Mr. Terrill estimates there are presently about 150 particle accelerators, 150 neutron generators, 300 Van deGraaf accelerators, and 10,000 industrial X-ray machines in use in industry, training and research. In the the past 5 years about 8,000 X-ray tubes have been sold for nonmedical equipment. Other data indicate that sales of industrial X-ray equipment is increasing at about 10 percent annually. About 20,000 people use this equipment and may be exposed in their occupations. Based on surveys by State and Federal health agencies, perhaps 30 percent are not properly instrumented to detect potential exposures. The recent serious overexposure of three research workers to X-rays from a Van deGraaf generator near Pittsburgh could have been averted had the radiation detection system been designed to warn people present in the danger area.

How complete is our knowledge of the effects of ionizing radiations?

No simple answer exists. Leading scientists hold widely differing opinions on how much we know about effects of ionizing radiations. Dr. Lauriston Taylor, president of the National Council for Radiation and Protection and Measurement, believes that radiation and radioactive materials are one of the best understood and most studied of pollutants for exposures that would produce short term effects, but he says that effects of low level exposures are underdetermined. But other witnesses have stressed our ignorance of the delayed effects of continued exposure to those intensities of ionizing radiations that do not cause immediate symptoms of injury.

If we look at the insidious genetic damage, the shortening of life incidence of leukemia and tumors as examples of radiation damage, we run into statements such as:

> Until very extensive epidemiological studies can be carried out among human populations and until more accurate estimates of ionizing radiation dose can be obtained on a large number of individuals, it will be impossible to determine accurately the relationship between dose and effect at very low values of dose.

And—

> There are many theories of radiation damage but until a completely proven and reliable coherent theory is developed, there will be a considerable element of uncertainty.

Freely translated, these statements say that we simply do not know as much about the effects of ionizing radiation as we should, and this after 70 years of experience.

Probably the most controversial testimony that we heard was Dr. Karl Z. Morgan's estimate of deaths per year in the United States as a consequence of radiation damage from diagnostic medical exposure. He went far out on a limb to estimate that 3,500 to 29,000 such deaths occur each year, of which 2,000 to 26,000 are "genetic deaths" of offspring to persons who have been exposed to radiation with a consequent impairment in their children of those inherited characteristics necessary for a healthy life. Table I gives the details. We are mindful that others do not share these views, and I hope these differences of opinion will lead to the formulating of new questions to be answered by scientific research.

For example, one witness warned against proceeding in a panic kind of atmosphere and said there have been many gross exaggerations of the hazards, some deliberate and some because the problem is not adequately understood. But whatever the final truth may be, it is evident that scientists have much work to do to close existing gaps in our knowledge of radiation effects, both to the individual and to the population, and the Federal Government has a responsibility to furnish the means to do so.

Also evident from the testimony is that studies to date of effects of ionizing radiations for reasons of simplicity have not taken into account the possible synergistic effects of other pollutants in the environment. For example, what may be expected if people are exposed both to ionizing radiations and to chemicals that can cause genetic mutations? This is a complicated question, but we will have to have an answer or be reduced to groping in the dark.

ORGANIZATION TO REDUCE EXPOSURE TO IONIZING RADIATIONS

The testimony strengthens the case for effective organization now to reduce present and future public and occupational exposures to ionizing radiations. S. 2067 will do so by giving the Public Health Service a regulatory function for electronic products that emit ionizing radiations. Perhaps it should be revised now to include those radioactive materials not under AEC jurisdiction, and to permit the Public Health Service to turn over enforcement of such regulations to those States that are willing to make the requisite investment of trained manpower and money.

One of the main reasons for this interim report is to lay out the details of present organization for controlling radiation exposure by the Federal and State governments, scientific and professional, and trade and industrial organizations.

FEDERAL ORGANIZATIONS

The Federal Radiation Council; the Atomic Energy Commission; and the Department of Agriculture; Commerce; Health, Education, and Welfare; Interior; Labor; and Transportation all have some hand in regulating public and/or occupational exposure to radiation. Of them all, the one with the greatest practical experience to date is the Atomic Energy Commission, which also has been chartered by Congress to promote the uses of radiation and radioactive materials, as well as develop military and civilian uses of nuclear energy with their inevitable radioactive wastes.

The Federal Radiation Council was first established by Executive Order 10831 of President Eisenhower on August 14, 1959. Subsequently the Congress, with the initiative of the Joint Committee on Atomic Energy, made the Council statutory by adding section 274(h) to the Atomic Energy Act of 1954 through Public Law 86–37.

According to the Executive Director of the Council, its creation resulted directly from a Government-wide review of radiation hazards and radiation protection responsibilities conducted in 1959 by the Bureau of the Budget, the Atomic Energy Commission, and the Department of Health, Education, and Welfare. The review responded to public confusion and concern over fallout hazards from tests of nuclear weapons and the fact that there was no single agency within the executive branch responsible for the formulation of radiation protection guidance. The review found that the derivation of basic guidelines for radiation protection involved health, economic, social, and ethical considerations of such a nature that the persons responsible for decisions represented by that guideline should be publicly accountable. Rather than give one agency the appropriate breadth of responsibility and jurisdiction, it was recommended that the President be advised by a Federal Radiation Council on radiation matters directly or indirectly affecting health.

Since it is unrealistic to expect heads of such major departments to give such personal attention to radiation matters, the work of the Council is carried on through "working groups" of senior technical personnel of each agency who, despite their scientific competence, do not appear to hold authority to commit their parent organizations without prior approval. As a parenthetical thought, one reason the Congress on its own initiative created the Marine Sciences Council was because the Interagency Committee on Oceanography was in the same situation as the Federal Radiation Council: the ICO's members could meet and talk and recommend—if they could find recommendations acceptable to all the diverse interests represented, but they could not act, they could not approve, and they could not instruct. If the Marine Sciences Council meets our expectations, we shall have to take into account the lessons to be learned from its experience in arranging for Federal organization for radiation reduction.

Meanwhile, we find the Federal Radiation Council is directed to consult qualified scientists and experts in radiation matters, including the President of the National Academy of Sciences, the chairman of the National Committee on Radiation Protection and Measurement, and qualified experts in biology and medicine and health physics.

For fiscal year 1968 the FRC requested 64 permanent positions and a budget of $131,000, which is the same as their fiscal year 1967 figures.

The council neither establishes nor enforces standards. Its statutory function is to advise the President with respect to radiation matters, directly or indirectly affecting health, including guidance for all Federal agencies in the formulation of radiation standards and in the establishment and execution of programs of cooperation with the States. However the Council's advice can take the form of Federal requirements to the extent that the President approves its advice and directs Federal agencies to comply. To date the Council has submitted five memorandums which have been approved by the President, as follows:

May 13, 1960, President Eisenhower approved a first FRC report that provided a general philosophy of radiation protection to be used by Federal agencies—although this did not formally extend to the public and to private industry.[1] It introduced and defined the concept of "radiation protection guide" and provided numerical values for exposure guides for the whole body and certain organs of radiation workers and for the whole body of individuals in the general population as well as an average population gonadal dose.

September 20, 1961, President Kennedy approved the FRC memorandum of September 13, 1961, with recommendations for the guidance of Federal agencies to limit exposure of members of population groups to radiation from radioactive materials deposited in the body as a result of their occurrence in the environment.[2]

July 31, 1964, President Johnson approved the FRC memorandum of July 16, 1964, which recommended guides for protective actions affecting the normal production, processing, distribution and use of food products containing radioactive iodine-131 from fallout.[3]

May 22, 1964, President Johnson approved the FRC memorandum of May 17, 1965, which recommended guides for protective actions affecting the normal production, processing, distribution, and use of food product for human consumption when such products are contaminated with strontium-89, strontium-90 and cesium-137 from fallout.[4]

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[1] Federal Register, May 18, 1960, pp. 4402–3.

[2] Federal Register, September 26, 1961, pp. 9507–8.

[3] Federal Register, August 22, 1964, pp. 12056–7.

August 1, 1967, President Johnson approved the FRC memorandum of July 21, 1967, which recommended guidance for Federal agencies in the conduct of their radiation protection activities as they apply to the underground mining of uranium ore.[5]

The Federal Radiation Council also has published background reports to explain radiation effects and the bases of its recommendations.[6]

The U.S. Atomic Energy Commission has had the most entensive and active Federal experience with regulation of radioactive materials. Under the Atomic Energy Act of 1954, as amended, it regulates fissionable materials, radioisotopes produced in nuclear reactors, and nuclear reactors. AEC's approach has been to license users of fissionable and radioactive materials and to license individual nuclear reactors. It also issues general licenses under which small quantities of radiosotopes can be sold, used and incorporated into products without a license for each individual case. AEC regulations dealing with radioactive materials are found in title 10 of the Code of Federal Regulations.[7]

Radioisotopes produced in a nuclear reactor are regulated by the Atomic Energy Commission, except where the AEC has signed a cooperative agreement with a State to discontinue AEC regulation in favor of the State.[8] [9]

The Department of Agriculture has issued standards to govern the irradiation of bacon with gamma rays.[10] Similar regulations may be expected for other food products in the future. These regulations do not cover exposure of operators of the irradiating machinery.

The Department of Commerce, through its National Bureau of Standards, has had a long professional interest in radiation protection, especially in the measurements necessary to determine what the levels of exposure may be and how they compare with radiation standards. On the other hand, the Department and NBS have no authority to draft or issue standards for control of radiation exposure, nor have they sought such authority. Their preference is to serve as a technical resource for the Federal Government in connection with mandatory public safety standards covering flammable fabrics, refrigerator doors, automobile seatbelts and brake fluids. NBS has an extensive history of cooperation with private standardizing organizations in the development of numerous voluntary standards and codes that include considerations of safety.

The Bureau has done research in X-ray measurements and has provided X-ray instrument calibration services to the public for over 30 years, and its professional personnel were prominent in the early establishment and success of what is now the National Council for Radiation Protection and Measurement, and also the International Committee on Radiation Protection.

The Department of Health, Education, and Welfare is involved on four fronts. First, the Public Health Service, through its National Center for Radiological Health, provides professional and scientific advice and information on the setting of standards and regulations for ionizing radiations. Second, the Food and Drug Administration regulates application of ionizing radiations to foods and drugs. Third, the National Institutes of Health sponsors some research relating to radiation effects. Fourth, the Department, through conditions attached to Federal grants for hospitals, has specified some standards for X-ray equipment and installations.

Concerning the Public Health Service, neither it nor the National Center for Radiological Health issues standards to limit exposure to ionizing radiation; neither do they enforce such standards. Instead the Service follows its long tradition in public health matters of relying upon the States and localities to promulgate the necessary regulations and to enforce them. According to some witnesses, this approach has not always proven desirable for the reduction of personal exposure to ionizing radiations. Many States, particularly those with small populations, have found it difficult to undertake regulatory health programs because of the expense and the shortage of trained manpower. That the PHS outlook is changing, at least for radiation, is evident in their favorable attitude toward S. 2067.

The second Morgan report, described earlier, recommended in April 1966 that the Public Health Service immediately strengthen its programs in the radiological sciences. It specifically recommended that:

> The Service should take the initiative in the formulation and promulgation of (a) standards dealing with the qualifications of personnel who operate X-ray equipment or who use radioactive materials not regulated by the Atomic Energy Commission; (b) design standards for sources containing radium and other radioactive materials that are not reactor byproducts; and (c) standards for the premarking clearance of X-ray equipment used in health professions and industry.

The National Center for Radiological Health came into being within the Public Health Service last January 1. Its budget is estimated at $15.8 million for fiscal year 1967, and its staff at 814 positions. The budget request for 1968 is $15.7 million, with the staff unchanged. Of the total fiscal year 1968 requests, $2.3 million is in support of 105 grants to scientists in nongovernmental organizations, largely colleges and universities. The remaining $13.4 million is divided among the following activities:

	Positions	Amount
Effects of radiation on man	136	$3,391,000
Development of methods to reduce and control exposure	110	1,983,000
Training	119	1,584,000
Measurement and surveillance	284	4,088,000
Technical assistance	165	2,313,000
Total	814	13,359,000

The Food and Drug Administration regulates untested food additives. It has defined the use of radiation as equivalent to a food additive. Thus, FDA can and has established Federal standard for radiation inspection of food, gamma processing, electron beam processing, X-ray processing, ultraviolet ray processing, and low-dose electron beam treatment. These regulations appear in title 21 to the Code of Federal Regulations, part 121. None deals with exposures to the process operators. The FDA also is reportedly considering regulation of the use of accelerator-produced radioisotopes in drugs, but is leaving regulation of other artificial radioisotopes to the Atomic Energy Commission.

The Department of Health, Education,

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[4] Federal Register, May 22, 1965, pp. 6953–5.

[5] Federal Register, August 1967, pp. 11183–4.

[6] The 8 reports published to date include the following:

FRC Report No. 1. Basic radiation exposure limits for radiation workers and the general population. Present state of knowledge of biological effects of radiation on man. (May 1960)

FRC Report No. 2. General standards of control to limit exposure of the general population to radiation from radioactive materials taken into the body. Specific intake limits for iodine-131, radium-226, strontium-90 and strontium-89. (Sept. 1961)

FRC Report No. 3. Health implications of fallout from nuclear weapons-testing through 1961. (May 1962)

FRC Report No. 4. Estimates and evaluation of fallout from nuclear weapons-testing through 1962. (May 1963)

FRC Report No. 5. Standards for protecting the population from radioactive material after it has been released to the environment. (July 1964)

FRC Report No. 6. Revised fallout estimates for 1963–1965. (Oct. 1964)

FRC Report No. 7. Standards for protecting the population from strontium-89, strontium-90, and cesium-137 that has been released to the environment. (May 1965)

FRC Report No. 8 Standards for radiation protection in uranium mines. (July 1967)

[7] These regulations include the following:

10 CFR 20: Radiation protection standards for control and use of source, special nuclear, and by-product materials licensed by the Atomic Energy Commission.

10 CFR 30 & 31: Maximum permissible quantities of by-product materials that can be used under AEC general license and rules for such use.

10 CFR 32 & 33: Special rules for manufacturers distribution, or import of certain items containing by-product materials.

10 CFR 34: Special rules for sealed sources of by-product materials for radiographic use.

10 CFR 35: Special rules for medical uses of by-product materials.

10 CFR 36: Rules for export and import of by-product materials.

10 CFR 71: Rules to protect against criticality in the shipment of fissile or large quantities of licenses material.

[8] These radioisotopes are called "byproduct materials" in the Atomic Energy Act of 1954. Byproduct materials are defined in the Act to mean any radioactive material (except special nuclear materials) yielded in or made radioactive by exposure to radiation incident to the process of producing or utilizing special nuclear materials.

[9] Public Law 86–373 provides for such agreements in section 274 of the Atomic Energy Act of 1954. There are now 17 "Agreement States". They are Alabama, Arizona, Arkansas, California, Florida, Kansas, Kentucky, Louisiana, Mississippi, Nebraska, New Hampshire, New York, North Carolina, Oregon, Tennessee, Texas and Washington.

[10] 9 CFR 318.19.

and Welfare, in its administration of PHS grants to hospitals and financial assistance to hospital involved in medicare, has included some requirements for X-ray equipment and facilities. However, it appears that these requirements reflect present professional practice and do not seek to pioneer in application of advancements and improvements in machine design and installation.

42 CFR 53.144(6) provides with respect to general hospitals receiving PHS grants that each hospital is to have at least one radiographic room with adjoining darkroom, toilet, and office. The radiology department shall have X-ray protection as required. From a very limited initial inquiry it appears that the PHS uses the standards of the National Council on Radiation Protection and Measurements. More interesting is the thought that the National Center for Radiological Health has not been called upon, I understand, to review the radiation equipment or facilities for hospitals under the medicare program.

Title 20, Code of Federal Regulations, section 405.1029 deals with support to hospitals under the medicare program. This regulation specifies the following conditions of participation by the hospital:

The hospital is to have diagnostic X-ray facilities.

If therapeutic X-ray services are also provided, they, as well as the dignostic services, must meet professionally approved standards—for safety and personnel qualifications. Although this regulation calls for attention to modern safety design and good operating procedures for fluoroscopes, nothing is said about other kinds of X-ray equipment. The use of all X-ray equipment is to be limited to personnel designated as qualified by the radiologist, but nothing is said of what standards, if any, he will use in making such designations. Nothing is said in required reports of radiographic examinations of radiation received by the patient.

The Department of the Interior has authority, under Public Law 89–577, the Federal Metal and Non-Metallic Mine Safety Act, to promulgate health and safety standards for mines covered by the act. This general authority is interpreted to include standards for lung cancer and other diseases related to exposure to radioactivity. The regulations, however, will not be available for a time. The act provides that the Secretary after consultation with appropriate advisory committees shall publish in the Federal Register such standards which he proposes to promulgate and specifically identify those which will be mandatory and which have been recommended by an Advisory Committee. After procedures for contesting proposed regulations have been followed and the final regulation promulgated, it takes effect 1 year after publication in the Federal Register.

The Department of Transportation is bringing together, under Public Law 89–760, safety regulations for land, sea, and air transportation and is combining into one set of regulations the presently separate regulations of the Interstate Commerce Commission, the Federal Aviation Agency and the Coast Guard for the transportation of dangerous cargoes, which include radioactive materials. However, until this is accomplished, separate regulations still apply. Federal Aviation Administration regulations in 14 CFR 49 and 14 CFR 103 govern air transport of dangerous articles, including radioactive materials. Interstate Commerce Commission regulations in 49 CFR 71–78 govern their transport by rail and highway. The Coast Guard in 46 CFR 31 and 46 CFR 146 regulates the operations of nuclear-powered vessels and the handling of radioactive materials as cargoes; and also the packaging, marking, and labeling of radioactive material transported by water.

Lest it be thought that these regulations are of little practical importance, radioactive materials in many ways are under the least effective control when being shipped from place to place. The several losses of radium in rail shipments are an example. Moreover, such shipments are handled by workers who are not specially trained in the nature of radiation, radioactive materials, and their safe handling. I find it an interesting commentary on our times that regulations for shipment of radioactive materials were drafted not so much to protect humans as to protect photographic film from exposure by coming too close to packages of radioactive materials.

The Department of Labor has issued three regulations governing radiation exposure. In 29 CFR 1500.27, the Secretary of Labor has defined certain occupations involving exposure to radioactive substances and to radiation as particularly hazardous and detrimental to health of miners. This regulation specifically mentions the professional standards of the National Council on Radiation Protection and Management. In 41 CFR 50.204 the Secretary of Labor prescribed in detail the health and safety standards for Federal supply contractors working with radiation and radioactive materials, except that workers on AEC contracts are governed by AEC regulations in 10 CFR. Most recently on May 9, 1967, Secretary of Labor Wirtz used the authority of the Walsh-Healey Act to issue radiation standards for uranium mining. These regulations in 40 CFR 50–204.31, however, apply only to those mines working on Federal contracts.[11]

STATE REGULATION OF RADIATION

Before 1946 virtually all responsibility for Government control over ionizing radiations was exercised by the States. This situation changed when the Atomic Energy Act of 1946 carved out for the AEC Federal authority to regulate possession and use of certain artificial radioactive materials, but the act did not extend to radiation produced by machines, or by natural radioactive materials, or by artificial radioactive materials manufactured without use of a nuclear reactor.

According to the Public Health Services, as of 1966, 42 States had some form of enabling legislation for radiation protection and 39 of these have adopted regulatory programs, many patterned after the model regulations drafted by the Council of State Governments. But 22 States have no specific radiation exposure standards. Of the 28 States with standards, seven have adopted by reference the provisions of the National Committee on Radiation Protection and Measurement in its handbook No. 76 and seven other States had legislation permitting the adoption of such standards. Mr. Terrill reports that legislation in the States effects varying degrees of radiation protection, and that greater differences are to be found in terms of enforcement of the laws and resources to back them up.

The Southern Interstate Nuclear Board in 1964 surveyed its 17 member States and found that 10 of them had vested radiation protection in State departments of health or State boards of health; seven others have assigned authority to issue radiation regulations to other State agencies. Fourteen SINB States have specific legislative authorization for radiological health programs, while three rely on general legislation. In two States, the radiological health is primarily advisory; in nine the State program is primarily one of inspection, while only six indicated that advisory and inspection activities are equally important. Six SINB States have entered into agreements with the AEC to take over regulation of certain artificial radioisotopes. Five of these also register machines that produce ionizing radiations and license all other sources. Two SINB States neither register nor license sources of ionizing radiations, while one licenses radioactive materials but registers machines and other sources.

The Board found that "the support, endorsement, and assistance being provided the radiological health programs by the Governor and other agencies and legislative bodies is decidely inadequate in some States." In order of significance, the principal impediments to the advancement and perfection of radiological health programs reported by SINB were: First, insufficient funds; second, permissive statutes, codes, and directives; third, recruitment and retention of adequately trained personnel; and, fourth, equipment and laboratories.

This spotty record of State control of ionizing radiation is reason for enactment of S. 2067 so that equipment sold in those States which now lack effective control will nonetheless be as safe in design and construction as our technology and knowledge will allow.

As further indication of State organization to control exposure to ionizing radiations, the Public Health Service reports that in fiscal year 1966 a total of $6.8 million was spent by all State and local health authorities for radiological health. Of this, PHS grants accounted for about one-third. Annual per capita expenditures for radiological health ranged from 1 cent to 8 cents among the States, with the average at 3.4 cents. Twenty-nine States spent less than $100,000 per year on radiological health, while the other 21 States spent approximately 79 percent of the total. Only seven States spent as much as $200,000 for radiological health in fiscal year 1966. These were California, Illinois, Michigan, New Jersey, New York, Pennsylvania, and Texas. Their expenditures ranged from $222,000 for Michigan to $1,382,000 for New York.

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[11] Cf. 32 FR 7022–23, May 9, 1967.

As an example of State action, in June 1967 New Jersey amended the State radiation protection code. One of the substantial changes serves, in effect, as a product standard. Section 19.1.2 of the code now provides that after July 1, 1968, all new dental X-ray machine purchases shall use only open-ended cones and tubular type collimators.

SCIENTIFIC AND PROFESSIONAL ORGANIZATIONS

The principal scientific and professional group in the United States concerned with radiation standards is the National Council for Radiation Protection and Measurement. Other scientific and professional groups concerned with ionizing radiations, such as the American College of Radiology, the American Roentgen Ray Society, the Radiological College of North America, the American Radium Society, and the Health Physics Society, support the Council as the primary standard-setting agency for ionizing radiations. As for industrial users of radiation interested groups include the American Industrial Hygiene Association, the American Society for Testing Materials, and the Society for Non-Destructive Testing. The American Medical Association and American Dental Association also have a professional interest in use of ionizing radiations.

While these societies and organizations have a long history of early initiatives to set protective standards for ionizing radiation during the formative days of their use, the growing use of radiation and radioactive materials in research, in healing arts, in industry, in agriculture have brought us to the point where the Surgeon General testified in August that the final responsibility for health protection standards now must rest with those officially charged with protecting the health of our citizens, and that the Nation cannot rely solely on voluntary compliance with standards arrived at by consensus.

The functions of two international professional bodies concerned with ionizing radiations also must be considered because of their potential influence upon product standards for machines and equipment sold in international commerce and upon the competitiveness of American products in the world market. The two are the International Commission on Radiological Health and the International Electrotechnical Commission.

The National Council on Radiation Protection and Measurement is a unique wholly private body whose professional recommendations for control of exposure to ionizing radiations have been adopted verbatim or by reference in State law and remain a mainstay in such control today by Federal, State, and private users of radiation and natural radioactive materials.

The basic criteria for radiation protection in the United States have been developed and promulgated by the National Committee on Radiation Protection, now the National Council on Radiation Protection and Measurments. In developing these criteria, the NCRPM works closely with its international counterpart, the International Commission for Radiological Protection. Frequently the two bodies publish their recommendations at the same time. The maximum permissible exposure for radiation workers recommended by the NCRPM has changed several times as follows:

Maximum permissible limit:[12]	*Date promulgated*
0.1 roentgen[13] per day (or 0.5 roentgen per week)	Mar. 19, 1934
0.3 rem per week	Mar. 7, 1949
5 rems per year (or 0.1 rem per week)	Jan. 8, 1957

The recommended maximum permissible limit for exposure of the population at large was set at 0.03 rem per week, September 1952; 0.5 rem per year, April 15, 1958.

The NCRPM has published a long list of radiation protection standards which cover most of the hazards to individuals on or off the job. The position of the NCRPM and the International Committee on Radiation Protection that radiation exposure should be kept as low as practicable has, in the words of one witness, caused no end of trouble and that industry needs "go, no-go" standards for design of equipment.

The NCRPM and ICRP have both made recommendations for the maximum permissible exposure to X-rays from TV sets—and other electrical equipment. In 1954, one ICRP subcommittee recommended a limit of 0.6 microroentgen per second—equivalent to about 2.2 microroentgens per hour. In 1955, the NCRPM in NBS handbook 61 "Regulation of Radiation Exposure by Legislative Means," recommended a limit of one-tenth that for radiation workers; in other words, 30 microroentgens per week. In July 1960, the NCRPM published a statement on radiation exposure from TV sets recommending a limit of 0.5 microroentgens per hour at 5 centimeters under normal operating conditions. This limit was incorporated into the revision of NBS handbook 61 which was published in the Health Physics Journal. The limit has continued to be accepted since that time. According to Dr. Lauriston S. Taylor, president of the NCRPM, this standard is thought to be conservative and under it the genetically significant dose to the population will be less than 5 percent of that due to natural background.[14]

NCRP Report No. 26, NBS handbook 76, "Radiation Protection Standards for X-ray Equipment" gives a complete set of standards for X-ray equipment and facilities. These standards are included in Federal purchase specifications and have been adopted into the health and safety codes of many States.

In 1964 the Congress provided the Council with a Federal charter in Public Law 88–376. The functions of the Council are to—

> Collect, analyze, develop, and disseminate in the public interest information and recommendations about (a) protection against radiation (referred to herein as "radiation protection"), and (b) radiation measurements, quantities, and units, particularly those concerned with radiation protection;
>
> Provide a means by which organizations concerned with the scientific and related aspects of radiation protection and of radiation quantities, units, and measurements may cooperate for effective utilization of their combined resources, and to stimulate the work of such organizations;
>
> Develop basic concepts about radiation quantities, units, and measurements, about the application of these concepts, and about radiation protection;
>
> Cooperate with the International Commission on Radiological Protection, the Federal Radiation Council, the International Commisison on Radiological Units and Measurements, and other national and international organizations, governmental and private, concerned with radiation quantities, units, and measurements and with radiation protection.

The Council has established an ad hoc committee to examine the question of radiation from consumer products to determine whether there is a problem warranting attention of the Council and, if so, what should be done about it. The group will look at problems associated with all types of radiation-producing devices that might find their way into use under uncontrolled conditions.

The Council is made up of scientists who serve on 23 scientific committees. These committees draft proposed recommendations which are submitted to the full membership of the Council for review and approval before publication. Currently the following scientific committees are actively engaged in formulating recommendations on the following subjects:

Subcommittee No. 1: Basic Radiation Protection Criteria.

Subcommittee No. 2: Permissible Internal Dose.

Subcommittee No. 3: Medical X- and Gamma-Ray Protection Up to 10 Mev (Equipment Design and Use).

Subcommittee No. 4: Heavy Particles (Neutrons, Protons, and Heavier).

Subcommittee No. 7: Monitoring Methods and Instruments.

Subcommittee No. 9: Medical X- and Gamma-Ray Protection Up to 10 Mev (Structural Shielding Design).

Subcommittee No. 11: Incineration of Radioactive Waste.

Subcommittee No. 13: Safe Handling of Bodies Containing Radioactive Isotopes.

Subcommittee No. 16: X-ray Protection in Dental Offices.

Subcommittee No. 17: Veterinary X-Ray Protection.

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[12] All these maximum permissible limits are for exposure to the whole body or major portion thereof. The most recent limits listed also apply to the blood-forming organs, gonads, lens of eyes and other critical organs.

[13] By definition the unit "roentgen" applies only to X and gamma radiation. "Rem" is the biological equivalent unit for other types of ionizing radiation.

[14] U.S. Department of Commerce, National Bureau of Standards, "Regulation of Radiation Exposure by Legislative Means", Recommendations of the National Committee on Radiation Protection, NBS Handbook 61, Washington, U.S. Printing Office, 1955., p. 20.

The committee said: "There is little point in the close regulation of a feeble source of radiation from a radioisotope while at the same time, completely ignoring a chronic occupational exposure to X-rays."

Subcommittee No. 22: Radiation Shielding for Particle Accelerators.

Subcommittee No. 23: Dosimetry Models for Strontium.

Before the NCRPM received its congressional charter, it functioned as an informal professional organization. Originating in 1929 as the Advisory Committee on X-ray and Radiation Protection, by 1964 the committee with the help of the National Bureau of Standards had published 27 handbooks setting standards relating to radiation, radioactive materials, and radiation machines. The new Council took over the distribution function from the National Bureau of Standards. It now has 20 handbooks in print, two of which were issued in its new capacity. I will include a list of these publications at the end of my remarks.

AN NCRP RECOMMENDATION

In 1955, the then National Committee on Radiation Protection spoke of the importance in radiation control of including all forms of radiation in the same legislation. It said the postwar legislation which regulated only artificial radioisotopes and not other radiation sources was a mistake: "To control one and not others did not make sense." [14]

The committee stated its strong conviction that "any radiation-control act should provide coverage for all kinds of ionizing radiations regardless of source. To do otherwise is only to invite confusion and conflict." [15]

THE INTERNATIONAL COMMISSION ON RADIOLOGICAL PROTECTION

In 1929 the International Congress on Radiology established the International Commission on Radiological Protections. Since 1956 the ICRP has acted in an advisory capacity to the World Health Organization. It has 12 members, all scientists active in radiation protection, and five subcommittees whose areas of interest are as follows:

First. Dose limits for external radiation.

Second. Dose limits for internal radiation.

Third. Protection against X-rays and gamma radiation and against heavy particle radiation.

Fourth. Radioactive waste handling and disposal.

There is a close parallel between the structure and programs of the ICRP and the National Council for Radiation Protection and Measurements. Their relationship is said to be very close but informal since the international Commission has a policy of not dealing officially with national organizations. There has been a close parallel between the work of the ICRP and NCRPM, largely because of an overlap in membership which is said to be very effective in bringing U.S. views to international attention.

Note that both the ICRP and the NCRPM issue recommendations, not regulations, for neither is an official arm of government.

THE INTERNATIONAL ELECTROTECHNICAL COMMISSION

Another international professional organization with an interest in radiation—both ionizing and nonionizing—is the International Electrotechnical Commission, which is located in Geneva. Its Technical Committee No. 62, X-ray Medical Equipment, was set up in 1966. This Committee already has circulated a proposed program of work for medical X-ray equipment covering: terminology; safety requirements for radiation protection; safety requirements and test methods concerning protection against electrical shock, fire hazard, and explosion hazard; performance characteristics and ratings, methods of measurement; and interchangeability.

These matters will be discussed at a meeting scheduled for mid-May.

In addition, IEC Subcommittee 12C, Radiotransmitting Equipment, is currently active in the field of protection for high-frequency radiation, including microwaves. Its representatives have asked to meet with IEC Committee TC 61, Safety of Household Electrical Appliances, to determine how the IEC should deal with devices such as microwave cooking ovens now coming on the market. An IEC group has just been set up to review safety activities in electronics and telecommunications and will meet later this year. Lasers will be one of the devices to be considered by this group.

TRADE AND INDUSTRIAL GROUPS

Manufacturers of X-ray equipment and accessories and the suppliers of radiographic services have also acted through trade and professional organizations to draft private standards relating to exposure to ionizing radiations. The USA Standards Institute and the Underwriters Laboratories are the two principal organizations of this kind. And at this point I should note that as commerce in radiation emitters increases, and as potentialities for public and occupational exposure to ionizing radiations increases also, the Government and the public must participate in the setting of standards.

THE USA STANDARDS INSTITUTE

On September 1, 1966, American Standards Association, a private commercial organization for setting standards, changed its name to the USA Standards Institute. The institute has published the following standards that deal with ionizing radiations:

1. Handbook 66, Safe Design and Use of Industrial Beta-Ray Sources, which the Institute adopted verbatim from the publication of the National Bureau of Standards of that title.
2. Handbook 93, Safety Standard for Non-Medical X-ray and Seal Gamma-Ray Sources, which the Institute adopted verbatim from the publication of the National Bureau of Standards of that title.
3. Standard N2. 1–1960, Radiation Symbol.
4. Standard N2. 2–1966, American Standard Practice for Occupational Radiation Exposure Records System.
5. Standard N5. 1–1962, American Standard for Transportation of Source and Special Nuclear Materials.
6. Standard N5. 2–1963, Design Guide for a Radioisotope Laboratory.
7. Standard N5. 3–1964, Guide for Design and Operation of Shipping Containers for Irradiated Solid Fuel from Nuclear Reactors.
8. Standard N7. 1–1960, American Standard for Radiation Protection in Uranium Mines and Mills.
9. Standard N7. 2–1963, American Standard for Radiation Protection in Nuclear Reactor Fuel Fabrication Plants.

Two committees of the Institute currently have X-ray equipment within their jurisdictions. These are the PH6 Committee on Dental X-ray Machines, Films and Accessories, which is sponsored by the American Dental Association, and the C86 Committee on Shockproof Cable Terminals and Receptacles for X-ray Equipment.

THE UNDERWRITERS LABORATORIES

This organization is a testing laboratory sponsored by the National Board of Fire Underwriters. It maintains testing laboratories that in part look into hazards of various devices. Its home office is at 207 East Ohio Street, Chicago, Ill. The Underwriters Laboratory issued the UL standard for home television receivers setting an X-ray limit of 0.5 milliroentgens per hour at a distance of 5 centimeters from the surfaces.

THE NATIONAL ELECTRICAL MANUFACTURERS ASSOCIATION

Another trade association which has published standards for X-ray machines is the National Electrical Manufacturers Association. In 1957 it published NEWA Standards for X-ray Machines, publication No. XR 1–1957. Two years later it published standards for X-ray equipment, including cassettes, focal spot sizes and fluoroscopic diaphragms in its publication No. XR 2–1959.

WAYS TO REDUCE EXPOSURE TO IONIZING RADIATIONS

Effective Government action to reduce occupational, public and private exposure to ionizing radiations need not wait until every fact of their biological effects is determined. As the Secretary of Health, Education, and Welfare has said:

> We are never going to be able to wait for all of the evidence if we want to protect people, particularly when they are subjected to extremely complex dangers which they are now subjected to from our advancing technology.

A few years ago, in 1964, Dr. Donald Chadwick, of the Public Health Service, boiled down the reasons for prompt action to reduce exposure into the following statement:

> Our knowledge of the biological effects of radiation has many gaps, but enough is known that practitioners of medicine, dentistry and public health should make every feasible effort to prevent or reduce all unnecessary radiation exposures. The size of the population at risk and the possible consequences of failure to take appropriate action are too great.

The Surgeon General neatly summed up the present situation in his testimony when he said:

> To sum up, in protecting man from radiation emissions from electronic products, we need clearly stated performance standards, established, promulgated, and enforced by competent authority concerned with health protection, after free and full exchange of views and information among all parties concerned.

The Director of the National Center of Radiological Health describes its present efforts to minimize unnecessary exposure of people to medical and dental X-rays as taking four directions, which are to improve:

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[15] Ibid., p. 21.

First. The X-ray machine and its useful image.

Second. The technique of X-ray operators.

Third. The professional judgment of need for X-ray exposure.

Fourth. The systems and organization which affect and control these three factors.

The NCRH holds that the reduction of exposure in industrial applications of ionizing radiations will require measures to—

First. Correct existing defects in equipment design and facility construction;

Second. Educate operators in proper use of their machine; and

Third. Develop standards for new equipment and installations.

Not one witness advocated prohibiting the use of X-rays in the healing arts and in industry. All called for more careful use to attain the desired purposes with less exposure to patients, machine operators, nearby workers, or members of the public.

I would call attention particularly to the 63 specific recommendations in the testimony of Dr. Karl Z. Morgan to reduce radiation exposures. His recommendations encompass education and training; rules, records, inspection and enforcement of regulations; X-ray equipment and accessories, X-ray film and associated equipment; and techniques and procedures.

What practical measures are there to bring about the reduced exposure that everyone seems to desire? This is a major question that I expect to explore further in later hearings. For the moment we can point to technical improvements, education and training, economic incentives, and regulations as four distinct paths to this goal.

TECHNICAL IMPROVEMENTS

Two expert witnesses agreed that a tenfold reduction in exposures from many medical X-ray procedures could be achieved simply by employing the best of techniques and equipment that already exist. As an example, I am including a memorandum to Dr. Karl Z. Morgan in which is described the reduction in exposure scientists have been able to achieve at Oak Ridge for chest X-rays with no reduction in quality of the radiograph.

Earlier I reported that more than one half of all medical radiographs are taken with an X-ray beam so much larger in cross section that more than 25 percent of these radiographs exposed an area two or more times larger than the area of the film plus an allowance of 25 percent. Accessories have been demonstrated by the National Center for Radiological Health and others that can automatically reduce the beam size according to the size film used.

Still another technical improvement which should not be too difficult is to improve developing techniques for X-ray films. We repeatedly heard testimony that X-ray film is very sensitive to the temperature of the developing solutions, but that many X-ray users did not even have a thermometer in their developing tanks, let alone temperature-controlled tanks. This equipment is available now. Another technical improvement that probably would call for further research and development, probably by the X-ray film manufacturers, is the manufacture of film that is more sensitive to X-rays, thus reducing the exposure needed to get the required radiograph. Along similar lines, further work in image intensifiers is needed. Thinking as a layman, it seems to me that if we can record color television on magnetic tape, perhaps it is time to see whether we could substitute a television camera and a tape recorder to record radiographs with less exposure than the present film system.

The possibility of these technical measures brings us to the attitude of the manufacturers of dental and medical X-ray equipment and accessories. While they say that they are concerned with safety, they are too much in the position of the automobile manufacturers who did not incorporate safety measures because the market did not demand them. The manufacturers of X-ray equipment for the healing arts appear to rely too much on the users, who may be uninformed or disinterested, to take the initiative in improving the quality of product specifications, or to update their equipment, or for that matter, to maintain it in good operating condition. Just imagine how many aircraft might fall from the skies were regulation of aviation to be in the state of regulation of X-ray equipment.

Another needed technical improvement appears to be in instrumentation for measuring low intensities of less energetic X-rays of the kind involved in the color television set affair. Witnesses indicated that an adequate supply of instruments to measure that kind of radiation was not available, and this after more than 70 years' experience with the use of X-rays.

As evidence that technical measures can reduce exposure the NCRH and the American Dental Association both spoke of the NCRH's Surpak project which resulted in a tenfold decrease in skin exposure for at least 80 percent of the dental X-ray machines operating during the 1940's. But a similar undertaking for medical exposure has been dropped because of costs.

EDUCATION AND TRAINING

The testimony that patients often are exposed to X-rays by operators who have no training is hard to reconcile with testimony by the medical and dental societies which would lead one to think that the taking of X-rays is done under close professional supervision by people who are current in their field. The American College of Radiology, however, did acknowledge that the average of 4.4 hours of instruction on radiation protection received by medical students may or may not be sufficient to make them use X-rays sparingly and efficiently. Furthermore, the ACR said that if the assistant to a physician is untrained, then there is no assurance that procedures are performed well, even with the best and most foolproof of modern X-ray equipment.

I hope in our February hearings to bring out the experience of New York State, which is the only State that requires State certification of X-ray technicians, and controls the curriculums of schools that instruct X-ray technicians. Testimony suggests that the nearly 1,100 2-year hospital-based schools for training X-ray technicians may be more of a way to obtain cheap manpower than to give formal, high-quality training to future X-ray technicians.

ECONOMIC INCENTIVES

The philosophers say that man cannot live by bread alone. And, in the same vein, radiation control will not be achieved by Government alone. Progress toward lower exposure requires more than unwilling compliance with Government regulation. It require active interest and participation of the users of X-ray machines and other radiation emitting devices. If we are to get out of the position of a zookeeper forcing food down the gullet of a lethargic python, we will have to stimulate the personal interests of manufacturers and buyers. Economic incentives may be one answer. Perhaps a tax incentive would induce physicians and directors of hospitals and clinics to update or turn in their old X-ray equipment. Perhaps in the interest of public health, the Government might pay a bounty or allowance for X-ray machines over a certain age that are replaced by modern equipment. This latter suggestion would help the new practitioner, or the doctors in rural areas who cannot afford the prices of modern equipment.

Another step, and this would not require legislation, would be to have the Veterans' Administration, the Department of Defense, and the Department of Health, Education, and Welfare, which are the principal buyers of X-ray equipment for the Federal Government, use their purchasing power to establish a market for machine improvements and accessories that will reduce patient exposure. From what I understand, the present specification used by the Veterans' Administration, which is GSA purchasing specification GGX–635c, is largely a compilation of existing specifications and recommendations of the National Council on Radiation Protection and Measurements and the USA Standards Institute. That is, it reflects the present state of the art rather than an advancement. I intend to find out whether these Federal agencies, when they equip hospitals, or grant funds to others to do so, call for equipment such as automatic collimators, image intensifiers, and high-voltage tubes.

REGULATION

Government regulation to reduce exposure to ionizing radiations can take three principal forms: setting of product performance standards for the manufacture of X-ray equipment and accessories; licensing possession and use of X-ray equipment; and licensing or certificating operators of X-ray equipment.

If we are to have adequate reduction of radiation hazards from electronic and other products, the regulations contemplated under S. 2067 must be both effective and acceptable. The Surgeon General has proposed that creation of effective standards for health protection rest on the following conditions:

First. The standards should be truly relevant to man's health. We must assure that such standard is addressed to the prevention or control of a health hazard in man's environment.

Second. The standard must be realistic and attainable. A health protection standard must be attainable within the state of the art and at a financial cost which is not truly prohibitive. Otherwise, the standard would become in fact a flat prohibition rather than a charter for prudent continuation of a desirable activity under conditions not injurious to human health.

Third. Adherence to the standard should be measurable with reasonable precision and reliability. Those responsible for enforcing the standard must be able to ascertain when a violation has taken place; and the great majority of manufacturers who will wish in good conscience to comply with the standard must be able to ascertain that they are indeed doing so.

Fourth. The standard should be aggressive in terms of protecting the public health. Uncertainties as to the degree of control necessary should, in general, be resolved in that direction which will afford the greatest protection to the public.

What does industry think of formulation of standards? Without suggesting that the testimony of the General Electric Co. represents the views of the X-ray industry, GE did say that industry should not be concerned about the Government promulgating safety standards for ionizing radiation from consumer products and from medical, dental, and industrial products, and attaching sanctions for noncompliance. Rather, what GE was concerned about is the standards-making process.

> * * * will the standards be adequately protective, attainable separately by interested parties, and not unnecessarily restrictive; will the process of standards-making provide reasonable assurance of this; how can we best draw upon the experience and technical competence required to develop suitable standards?

Their answer would have S. 2067 provide a place for both the National Council on Radiation Protection and Measurements and the Federal Radiation Council. In addition, General Electric argues that where a standard is available, as from the U.S. Standards Institute, a Government agency should not promulgate an additional or different standard, unless it finds that the existing standard is inadequate. Otherwise, they would have the Government adopt existing standards of professional and trade organizations. Furthermore, where the Government determines that it should set a new standard, industry and professional bodies should participate through special advisory committees representative of all interested groups—Government—including State and local representatives—the consuming public, industry, and professional organizations.

By way of counterpoint, the Surgeon General said:

> As a general principle I will expect those responsible in the Public Health Service to conduct full and open discussions of prospective health protection standards with the same kinds of persons and interests who would be entitled to a hearing before the appropriate Senate or House Committee in the case of specific legislation.

The role of private, professional, and trade organizations in setting standards requires careful thought. In the ideal world, these people include those with much directly pertinent knowledge and experience, people whose input we must have. On the other hand, in the real world there have been expressed fears that such organizations may be the captives of special interests who prefer seeming regulation to actual regulation, that the standards set by industry may not represent the consumer or the citizen. This matter was argued before the Senate Commerce Committee last August in connection with S. 1166 on natural gas pipeline regulations.

The American College on Radiology has supported the idea of Federal responsibility for the safety of electronic devices which emit radiation, and that a single Federal standard for safe operating conditions for medical and industrial X-ray machines would be helpful in assuring that such machines function correctly and can be used by trained personnel with safety to themselvs and to patients. Given national standards, the college thinks it entirely appropriate that Federal and State agenices share the responsibility for dissemination and enforcement of such standards. The American Dental Association, while noncommittal in its support for the standards contemplated in S. 2067, did observe that any legislation authorizing the establishment of radiation protection standards should require close cooperation between responsible Federal agencies and interested private associations and agencies.

PRODUCT REGULATION

Since a major purpose of S. 2067 is to enable the Secretary of Health, Education, and Welfare to regulate electronic products that emit electromagnetic radiations, it is pertinent to ask about experience of the Federal Government with product regulation. Three principal agencies whose experience should be quite relevant are the Atomic Energy Commission, the Federal Aviation Administration, and the Federal Communications Commission.

The Atomic Energy Commission has authority to regulate products that contain certain radioactive materials. If the amount of radioactive material is large in terms of hazards, the manufacturer must obtain from the AEC a license for the loading, and his license application must furnish details about the design of the item. If the amount of radioactivity presents a small hazard, the manufacturer can apply for a general license to distribute products that contain small quantities. In this case, the manufacturer must supply information about the design, manufacture, testing, quality control, labeling, proposed uses, and potential hazards of the product to be licensed. The Commission requires that this data provide reasonable assurance that, among other requirements, the device can be safely operated by persons not trained in radiological protection.

The aircraft industry is one of the most closely regulated of American industries in terms of product performance. The Federal Aviation Administration of the Department of Transportation has authority to regulate. It has regulations providing for certification procedures for aircraft products and parts; airworthiness standards for aircraft, balloons, engines and propellers; and standards for maintenance, preventive maintenance, rebuilding, and alteration.

FAA certification procedures require a manufacturer to obtain a type certificate for each type of product proposed, a production certificate if the product is to be mass produced, and an airworthiness certificate for each aircraft. In addition, equipment used in aircraft is subject to FAA regulation. The FAA's Technical Standard Order Authorizations contain minimum performance and quality control standards for specified materials, parts or appliances for civil aircraft. Finally, FAA product regulations extend to the maintenance, preventive maintenance, rebuilding and alteration of aircraft products. These rules govern persons authorized to perform such services, who must hold FAA certificates for their specialty.

The radio communications industry and other users of radio frequencies are regulated by the Federal Communications Commission. Its principal responsibility is to prevent interference between different users of the electromagnetic spectrum, and its authority does not now extend to possible factors of public health. FCC regulations require that equipment manufactured in standard models and types be capable of meeting specified technical standards. A manufacturer can apply to the FCC for type approval or for type acceptance. Type approval is based upon tests of the product by the FCC, while type acceptance is based upon test data submitted by the manufacturer. Type approval is limited to a determination that if the equipment is properly maintained and operated without unauthorized change, it is capable of complying with the FCC technical requirements. Users of type-approved equipment may not modify their equipment, nor may a change be made in design without prior approval of the FCC. Type acceptance is interesting because of its do-it-yourself nature. A manufacturer must submit a separate type acceptance request for each type of equipment. Technical test data required by the FCC must be certified by an engineer and a statement of his qualifications is required. Type acceptance is limited to an FCC finding that insofar as can be determined by the data submitted by the manufacturer, and if the equipment is properly maintained and operated and no change is made in construction, the equipment complies with current FCC technical standards.

This brief sketch of three examples of Federal product regulation suggest that much of the experience of the Atomic Energy Commission, the Federal Aviation Administration, and the Federal Communications Commission is pertinent to our interest in product regulation for electronic products.

A LOOK AHEAD

S. 2067 deals with electromagnetic radiations from electronic products. As such it covers a small but manageable part of the whole problem of reducing personal exposure to harmful radiations. I would note parenthetically that while preparing for our hearings and in testimony we heard, we found many indications that another, equally important aspect of radiation protection is training and education of those who use X-ray and other equipment. This is a subject that I hope to investigate into later, for I have received too many letters about improper use of X-ray equipment to let the matter drop.

Coming back to S. 2067, there is good reason to extend its scope to electromagnetic radiations generally. Many products sold in interstate commerce can and do emit X-rays and other ionizing radiations which in excessive amounts can injure individuals or their children yet unborn. I think the bill could extend also to those nuclear radiations such as electrons, protons, alpha particles and neutrons which are not under the present jurisdiction of the Atomic Energy Commission. At some later date Congress will have to look into the present fragmentation and incomplete coverage of regulation for ionizing and nuclear radiations. That too is another step for the future. But for the moment, S. 2067 represents an important step which would enable the Public Health Service to give immediate attention to products that emit X-rays, and to seriously begin to prepare for control of microwave and laser radiations.

I include the latter for some injurious effects of exposure to microwaves and lasers are now known. Whether there are other hazards will have to be determined by study and research. At the moment the situation is not critical, for most applications of the more powerful microwave and laser units are in Government operations and are thus under direct control. But microwave and laser technology is pouring from our laboratories and very powerful units are in the offing for private applications so that the chances of exposure are increasing both in number and amount of exposure. At the moment it seems that lasers produce personal injury, but do not affect the genetic quality of our populations. As for microwaves, most data have focused on personal injury, although there may be some hints that this radiation can affect the unborn, and some authorities are not ready to deny that it can produce genetic damage.

The situation for microwaves and lasers is relatively calm in terms of their possible health hazards, which is why I hope that we will have the foresight now to do the research and get the information which will be needed to deal with them as more are made and sold in interstate commerce.

Let me develop the microwave and laser situations in more detail.

Microwaves are well established in communications and in that application appear to pose little risk to public health, although there are some researchers whose work might suggest early attention to the effects of ultra-high-frequency radiowaves in the region just below microwaves. The potential hazards of microwaves lie in the coming industrial, commercial and domestic uses for microwaves to heat things in factories, in service centers, in the home. As one range marking example, the Canadian Government is considering whether to proceed with a project that would require development of a 500-kilowatt magnetron. If successful, such a source of microwaves could provide radiofrequency power at 25 cents per watt instead of the typical $1 per watt and thus could expand the profitable use of microwave heating in wood, paper, chemical, and food industries. Likewise, powerful vacuum tubes are being developed for military microwave equipment and for the great accelerators that are probing into high energy physics. These new products can also lead to massive new applications of microwaves in commerce and industry. Looking further ahead, a professor at Stanford University has forecast that microwaves carried in waveguides may be able to carry energy from point to point at a cost competitive with moving electricity via extra-high-voltage cables. In another instance, a leading electronics company is experimenting with sending power by microwave to a helicopter which thus could stay aloft indefinitely without refueling. The literature of this new technology abounds with ideas and innovations that certainly will lead to beneficial and profitable new products. Our concern is that these developments do not, for want of attention to safety, lead to hazardous products.

The situation for lasers and masers is also one of rapid growth. Although this technology dates only from 1960, already lasers have emerged from the laboratories and are now finding commercial application in manufacturing and in civil engineering. Lasers which at first operated in the visible portion of the light spectrum now can generate beams in the ultraviolet and infrared regions, which are invisible to the eye and thus introduce the risks of unknowing exposure. The power of laser units is increasing dramatically, so much so that scientists and engineers at Massachusetts Institute of Technology are experimenting with lasers to fracture rocks in tunneling. Even small lasers can be dangerous to the eye and Mr. Terrill confirmed my concern that laser kits are available through the mails to high school students. Now I am well aware that many dangerous products can be obtained through the mails, but most of these are generally recognized as hazardous. A laser kit is thought of more as a scientific curiosity, an experiment, and the public often may not realize the hazards for there are no physical warnings of overexposure.

S. 2067 can inject into the design and manufacture of microwave and laser equipment a consideration of safety, of public health. One of our great problems with X-ray exposure now is to update or modify equipment that was made and sold before radiation safety became an issue. S. 2067 can prevent a similar situation in microwaves and lasers, thus reducing future exposure and also saving the costs of updating or replacing equipment that still had useful life. The research contemplated by S. 2067 can provide the basis for intelligent future regulation as that may become necessary and in the interim can provide the basis for professional and private standards. And the enactment of S. 2067 will certainly give the designers and manufacturers of microwave and laser equipment additional reasons to build safety into their products.

To this end of forestalling future overexposure of our people to microwaves and lasers, and to the end of reducing present exposure to ionizing radiations, and in further support of S. 2967, the Senate Commerce Committee is planning additional hearings in February. At that time we intend to look further into reduction of exposure to X-rays in medicine, dentistry, and industry. I hope also to explore with the Federal departments and agencies what standards they use when they buy X-ray equipment, and what standards they set for hospitals that use Federal funds for this purpose. Surely the Federal Government can employ its buying power to strengthen the market for improved X-ray equipment and accessories that will reduce exposure to patients, to operators, or to others. As for microwaves and lasers, we hope to present witnesses who can lay out in the public record current expectations for commercial and industrial applications and who can sum up our present understanding of their biological effects. Finally, since S. 2067 intends to equip the Secretary of Health, Education, and Welfare with new regulatory powers, we hope to have witnesses who can show what the Federal Government has learned from its experience with product regulation in the atomic, aircraft, and communications industries.

I ask unanimous consent that a table and report be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

TABLE I. *Price now being paid in deaths per year in the United States as a consequence of radiation damage from diagnostic medical exposure assuming a linear relationship between dose and effect*

1. Genetic deaths	2,000 to 26,000
2. Leukemic deaths	350 to 1,100
3. Thyroid tumors * from dental X-rays	50 to 400
4. Thyroid tumors * from mass chest X-rays	5 to 40
5. Bone tumors	170 to 550
6. Life shortening	1,000
7. Other causes of death	?
8. Damage other than death	?
Total death per year	+3,500 to 29,000

*These tumors have been estimated only for children up to age 15.

REPORTS OF THE NATIONAL COUNCIL ON RADIATION PROTECTION AND MEASUREMENT

NCRP Report No.	*Title and reference*
8	Control and Removal of Radioactive Contamination in Laboratories, National Bureau of Standards Handbook 48 (1951).

NCRP Report No.	*Title and reference*
9	Recommendations for Waste Disposal of Phosphorous-32 and Iodine-131 for Medical Uses, National Bureau of Standards Handbook 49 (1951).
10	Radiological Monitoring Methods and Instruments, National Bureau of Standards Handbook 51 (1952).
12	Recommendations for the Disposal of Carbon-14 Wastes, National Bureau of Standards Handbook 53 (1953).
14	Protection Against Betatron-Synchroton Radiations Up To 100 Million Electron Volts, National Bureau of Standards Handbook 55 (1954).
16	Radioactive Waste Disposal in the Ocean, National Bureau of Standards Handbook 58 (1954).
17	Permissible Dose from External Sources of Ionizing Radiation, National Bureau of Standards Handbook 59 (1954).
20	Protection Against Neutron Radiation Up to 30 Million Electron Volts, National Bureau of Standards Handbook 63 (1957).
21	Safe Handling of Bodies Containing Radioactive Isotopes, National Bureau of Standards Handbook 65 (1958).
22	Maximum Permissible Body Burdens and Maximum Permissible Concentrations of Radionuclides in Air and in Water for Occupational Exposure, National Bureau of Standards Handbook 69 (1959).
23	Measurement of Neutron Flux and Spectra for Physical and Biological Applications, National Bureau of Standards Handbook 72 (1960).
24	Protection Against Radiations from Sealed Gamma Sources, National Bureau of Standards Handbook 73 (1960).
25	Measurement of Absorbed Dose of Neutrons and of Mixtures of Neutrons and Gamma Rays, National Bureau of Standards Handbook 75 (1961).
26	Medical X-ray Protection Up to Three Million Volts, National Bureau of Standards Handbook 76 (1961).
27	Stopping Powers for Use with Cavity Chambers, National Bureau of Standards Handbook 79 (1961).
28	A Manual of Radioactivity Procedures, National Bureau of Standards Handbook 80 (1961).
29	Exposure to Radiation in an Emergency.
30	Safe Handling of Radioactive Materials, National Bureau of Standards Handbook 92 (1964).
31	Shielding for High-Energy Electron Accelerator Installations, National Bureau of Standards Handbook 97 (1964).
32	Radiation Protection in Educational Institutions.

OAK RIDGE NATIONAL LABORATORY,
October 23, 1967.

To: K. Z. Morgan.
Subject: Chest X-Ray Equipment and Techniques.

There are many factors which contribute to good, resultant radiographs and which at the same time attain a minimum of absorbed energy from ionizing radiation to the tissues of the patient. The desired end result of the radiography is to obtain a developed image in which there is *adequate* contrast between tissues of different absorbency of the radiation, with *adequate* definition to identify and localize any anomalies. "Adequate" is emphasized because a skilled analyst may be able to discern much information from a radiograph of low exposure which may reveal certain subtleties to him, while a lesser-skilled person may require a radiograph of high exposure to recognize even less information.

Among the factors which may affect the dose (gram-roentgen) of a patient in a chest radiography procedure, and some which may contribute to having to repeat the procedure (and the exposure) are:

1. The analyst,
2. The X-ray technician,
3. The quality of the X-ray equipment,
4. The size of the film. (Full-size requires much less exposure to the patient than optically coupled minature films.)
5. Speed of the film,
6. Use of image intensifiers,
7. Stereoscopic techniques,
8. Quality of the film,
9. Positioning of the patient,
10. Proper identification of the film,
11. Type of high voltage current rectification,
12. Kilovoltage setting,
13. Milliampere setting,
14. Time interval of exposure,
15. Inherent and added filtration,
16. Collimation of the beam and amount of penumbra effect,
17. Distance from target to patient and to the film,
18. Use of diaphragm at film, and
19. Area of patient exposed relative to useful area of radiographic interest.

The best chest X-ray techniques from the standpoints of both radiographs of good quality and minimum doses (gram-roentgen) to the patient are those which involve:

1. A skilled X-ray technician who is knowledgeable of and conscientious for both the quality of the radiograph and the dose to the patient.
2. X-ray equipment of good quality and condition,
3. Fast film, freshly manufactured and of good quality, used with intensifying screens,
4. Proper positioning and lung inflation of the patient,
5. A "clean" (filtered and collimated) beam of parallel X-rays of optimum energy and which covers only the necessary, minimum area of the patient,
6. Full-size radiographs, and
7. Minimum, necessary exposure times.

An example of one of the best techniques for chest radiographs is that used at the ORNL Health Center.

The doses (gram-roentgen) to the patients are quite low. The medical staff are knowledgeable of and concerned for X-ray hazards. Mr. T. L. Tuck, the X-ray technician, has had formal training and many years of experience. He is especially knowledgeable of radiation hazards and is registered by the American College of Roentgenology. The radiographs themselves are referred to a highly skilled specialist for analysis. The techniques and equipment used for chest radiography include:

1. Late model X-ray equipment with
   - a. a mechanically adjustable collimator which also minimizes penumbra effects,
   - b. a light source, beam simulator for alignment (aiming) and collimator adjustment,
   - c. an oscillating diaphragm (80 lines per inch),
   - d. calibrated KV and MA controls,
   - e. a photocell cumulator-timer, and
   - f. filtration equivalent to 3.5 mm of aluminum,
2. Target to film distance of 6 feet,
3. Full-size film, 14 x 17 inches,
4. The fastest film which is reliable and available, ordered and stocked for no more than three months in advance, and kept under proper storage conditions,
5. An intensifier screen incorporated with each film,
6. Machine settings of 90–110 KV (dependent upon size of the chest) and 100 MA,
7. Clearly understandable, precise instructions to the patient,
8. Short exposure times. (Time is variable, from 1/120 of a second or more, dependent upon thickness of chest. The photocell system normally used is backed up by an overriding electrical timer if the photocell system should fail.)
9. Good darkroom and equipment, fresh developing solutions and good techniques, and
10. Good quality, lead-filled, film identification legends.

In summary, I believe that minimal patient doses are much more dependent upon the knowledge, skills and attitude of persons who make and use the radiographs than upon the X-ray equipment. Most X-ray machines which are not archaic and which are given proper maintenance may be equipped with filters and collimating devices at nominal cost. Fast films, image intensifiers, localized shielding for the patient, etc., are also available at nominal additional cost. Such equipment and supplies, plus a skilled technician can result in a significant reduction of extraneous doses.

E. D. GUPTON.

INSTITUTE FOR URBAN DEVELOPMENT

Mr. HART. Mr. President, our urban problems have grown so large and so complex and our attack upon them was begun so late that we seem frequently to be obsessed with today's problems—without time, talent, or energy remaining to plan for the issues of tomorrow. Last week President Johnson took the first step to change this situation. When he announced the formation of a six-member Board to set up an Institute for Urban Development, he signaled the launching of a new effort designed to look beyond immediate problems and concerns to future requirements and to engage in basic inquiries as to how they may be satisfied.

From the wealth of tools to be found in existing and new space-age technologies the Institute for Urban Development will seek both short- and long-range solutions to the problems of urban growth and decay. It will seek to view these twin problems as a whole and to outline their relationship to Federal, State, and local institutions, organizations, policies, and programs. It will bring together architects, administrators, builders, physical scientists, engineers, economists, sociologists, lawyers, political scientists, city planners, and others to focus the whole range of their disciplines on these problems. And it will make possible an objective and independent base from which to review and evaluate the efforts made.

For the men and women charged with the day-to-day tasks of running our cities, the institute will develop an enormous range of aids. It will provide a repository of the latest technical information on building, pollution, and transportation. It will seek to develop cost-benefit ratios for the multitude of urban programs—housing, education, employment. And the Institute will help the city assess the most efficient long-range use of its resources—to determine the proper mix of education, health, job, water and sewer, and other programs.

The Institute for Urban Development will receive its initial funding from Department of Housing and Urban Development research funds and will look to the Department for day-to-day guidance. But Secretary Robert C. Weaver has stated that the Institute may acquire the capability to perform work for other Federal departments, for State and local governments, and for private institutions. In addition, the Institute may develop related research centers around the country.

I have already suggested Wayne State University, in Detroit, as one institution superbly well equipped to do this type of work. In fact the school has already embarked on an impressive program of urban study and, I trust, will be given very careful consideration.

As Chairman of the Institute's panel, the President has named Irwin Miller, chairman of the board of Cummins Engine, Columbus, Ind.

Working with him will be:

Arjay Miller, president of the Ford Motor Co.; McGeorge Bundy, president of the Ford Foundation; Kermit Gordon, president of the Brookings Institution; Richard Neustadt, director of the Kennedy Institute of Politics, Harvard University; and Cyrus Vance, New York attorney.

These men will guide the Institute through the chartering and incorporating process and will help select a Board of Directors.

President Johnson has selected an unexcelled group to begin bringing the problem solving capabilities of American technology to bear fully on the city of today and tomorrow.

FBI CHIEF J. EDGAR HOOVER SEES MERIT IN ONE UNIFORM FIRE REPORTING TELEPHONE NUMBER AND ONE UNIFORM POLICE REPORTING TELEPHONE NUMBER FOR THE UNITED STATES

Mr. GRUENING. Mr. President, on November 1, I submitted Senate Concurrent Resolution 50, proposing one uniform nationwide fire reporting telephone number and one uniform nationwide police reporting telephone number. The public response I have received to Senate Concurrent Resolution 50 has been uniformly favorable.

On November 13, I wrote to the Director of the Federal Bureau of Investigation, Mr. J. Edgar Hoover, requesting his views concerning nationwide uniform numbers for fire and police. Mr. Hoover advises me that he agrees with Senate Concurrent Resolution 50 in principle, since any means which would achieve the more rapid reporting of a request for assistance would also result in a quicker response. In the case of crime, this would result in more solutions and would, of course, save lives in certain emergency situations.

Mr. Hoover points out, as we know, that there are certain administrative and technical problems in achieving the goals of Senate Concurrent Resolution 50.

I ask unanimous consent that my letter of November 13 to Mr. Hoover and his response be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NOVEMBER 13, 1967.

Hon. J. EDGAR HOOVER,
Director, Federal Bureau of Investigation, Washington, D.C.

DEAR MR. HOOVER: It is my understanding that the Federal Bureau of Investigation supports steps which make it possible to centralize incoming emergency calls. Therefore, I am writing to ask your opinion concerning the concurrent resolution I introduced earlier this month which expresses as the sense of Congress "that the United States have one uniform nationwide fire reporting telephone number and one uniform nationwide police reporting telephone number."

Response from around the nation has been uniformly favorable.

Senate Concurrent Resolution 50 has the endorsement of many fire and police organizations.

The Federal Communications Commission has no objection, and the American Telephone and Telegraph Company does not close the door to development of nationwide emergency numbers.

At this time in our nation's history, we know that new, progressive steps are needed if we are to meet and overcome the pressures which confront our highly mobile and viable society. I believe uniform reporting numbers for police and for fire are two steps which will help us enormously. Enclosed for your information are two copies of my resolution, and the remarks I made when it was introduced.

I would, of course, welcome your comments and the support of the Federal Bureau of Investigation.

With best wishes, I am,
Cordially yours,
ERNEST GRUENING,
U.S. Senator.

U.S. DEPARTMENT OF JUSTICE,
FEDERAL BUREAU OF INVESTIGATION,
Washington, D.C., November 16, 1967.

Hon. ERNEST GRUENING,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR: This is in response to your letter of November 13, 1967, requesting my views concerning nationwide uniform numbers for fire and police.

Over the years, I have advocated the need at local level for a single telephone number to make calls for police service. This is done for better administrative control over requests for police service and also for quicker response on the part of the police.

I agree with your proposal in principle since any means which would achieve the more rapid reporting of a request for assistance would also result in a quicker police response. In the case of crime, this would result in more solutions and would, of course, save lives in certain emergency situations. You are, of course, aware of the administrative and technical problems in achieving this goal.

Sincerely yours,
J. EDGAR HOOVER.

SENATOR RANDOLPH PRAISES ON-THE-JOB TRAINING PROGRAM FOR OLDER CITIZENS—CITES PROGRESSIVE TRAINING AND EMPLOYMENT IN CINCINNATI

Mr. RANDOLPH. Mr. President, as chairman of the Subcommittee on Employment and Retirement Incomes of the Senate Special Committee on Aging, it is gratifying to learn of the success of Operation Late Start, which recently trained and placed in employment 21 older citizens in Cincinnati, who had previously been considered "super hard-core unemployables." It is an example of how on-the-job training programs, administered by the Department of Labor, can give new hope to older workers.

After a number of months of planning and preliminary discussions, the program began late in October 1966, when 30 trainees ranging in age from 44 through 62, drawn from the long-term unemployed in the Cincinnati area, began a 6-month period of classroom and shop training to prepare them for a 1-year period of on-the-job training in machine shops in that area.

Of the 30 who began, 21 successfully completed the preliminary training and began their employment and on-the-job training on May 1, 1967. Of the 21, 16 are white and five are Negro. All had been receiving some kind of welfare for as long as 17 years. Their successful completion of training and the beginning of on-the-job training brightened the future prospects of 93 persons, including these workers' wives and dependent children.

As can well be imagined, it was not an easy task either for the men or for those in charge of the program to transform these hard-core unemployables into independent, self-sufficient, contributing members of society after years of discouragements and rebuffs. The story of how it was done, despite numerous obstacles and difficulties, is told in an interesting Department of Labor publication, entitled "Program Report No. 1," which I commend to all those interested in increasing employment opportunities for older workers.

Suffice it to say, that Operation Late Start has demonstrated that on-the-job training is not just for the young, that it can work wonders in employing older workers who have been considered "unemployable," and that miracles can result in transforming helpless, hopeless lives into productive ones full of joy and anticipation for the future.

The Subcommittee on Employment and Retirement Incomes will be interested in additional information on the potential of on-the-job training and other techniques for providing jobs for older workers who are difficult to place in employment.

NO MAN IS ABOVE THE LAW

Mr. ERVIN. Mr. President, the December 1967, issue of the American Bar Association Journal contains an article entitled "No Man Is Above the Law," written by Joseph O'Meara, dean of the Notre Dame Law School. The article merits the thoughtful consideration of all Americans, including those who occupy official positions in the Department of Justice.

I therefore ask unanimous consent that the article be printed in the RECORD.

Mr. MILLER. Mr. President, an individual by the name of Stokely Carmichael returned to the United States on Monday after a 5-month world tour. Newspaper accounts of his arrival at Kennedy International Airport report that a U.S. marshal seized his passport, acting on a warrant issued because Carmichael had violated travel restrictions by going to Cuba and North Vietnam without permission; that in Havana, Carmichael called on Negroes to launch guerrilla warfare in the United States, saying that the only solution to racial problems in the United States was the destruction of the capitalist system; that in Algeria he said that genocide was a part of the American way of life; that in Paris he said "We want the Vietnamese to defeat the United States."

Nowhere was there a report that

Carmichael had been placed under arrest and charged with violating the laws of the United States, and there are a great many people who wonder why.

The December issue of the American Bar Association Journal contains a timely article on this subject written by Joseph O'Meara, dean of the University of Notre Dame College of Law. It is entitled "No Man Is Above the Law." Dean O'Meara carefully documents a case for prosecution of Carmichael; and a reading of the article cannot but convince the public that an overwhelming burden has been placed on the Attorney General of the United States to justify his failure to initiate prompt and effective action under the law passed by the Congress and long upheld by the Supreme Court of the United States, as disclosed by Dean O'Meara's article.

The article strongly implies that prosecution has not been instigated because of the color of Mr. Carmichael's skin, and while such a motivation would undoubtedly be denied by the Attorney General, it is another point which adds to his burden of justifying his inaction—especially when everyone knows that heroism in the war in Vietnam within our own military forces and those of our allies is unrelated to the color of one's skin.

I join the Senator from North Carolina in asking unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

No Man Is Above the Law

(By Joseph O'Meara)

"No man is above the law and no man is below it"[1]—this was Theodore Roosevelt's magnificent capsule statement of the rule of law which served as the theme for Law Day 1967. Far more eloquent, however, is John Courtney Murray's expression of the meaning, the intent and the effect of the rule of law. "Western man", Father Murray says, "has sought in the idea of law a manifold redemption—from the arbitrary despotisms of uncontrolled power; from the threat or fact of injustice to his person and to his property; from dispossession of his human and his civil rights; from the degradation that ensues upon social inequalities destructive of his personal significance and worth . . . from the disruption of life by the irrational forces of passion, caprice, and chance that militate against the 'life of expectability,' . . . that is guaranteed by the rule of law."[2]

What would happen to these values, so highly prized by us, if Communist aggressors should carry the day? We are locked in mortal combat with them at this moment—in Vietnam. There, in that hot and distant land, we are waging an escalating war, a war that is horrible and tragic as all wars always have been.[3]

Why are we fighting a war in that faraway corner of the earth?[4] First of all, because we have made commitments, which have been and are being relied on; because we are not and cannot afford to become welshers.

We are fighting that war, moreover, to preserve the rule of law and the values it protects.

We are fighting that war, finally, as a matter of self-preservation. If we do not stop Communist aggression in Vietnam, where shall we stop it? After the Reds have engulfed or neutralized Indonesia? Overwhelmed the Philippines? Reduced or isolated Japan? Established a beachhead in Australia? Or shall we wait until they have landed in Central America or Mexico?

To stop the Communist aggressors *now*, while they are still far from our own shores, American men are dying in Vietnam; American women are losing their sons, husbands and sweethearts. At the same time there are many in this country who are fighting another and different war, a war against what is called our "involvement" in Vietnam. Some of these are motivated by strongly held moral principles. They are entitled to respect, and nothing I shall say is directed against them. To a considerable extent, however, I am persuaded that the objectors are either Communists[5] or cowards, or they are persons of large good will but little insight who have been euchred into being stooges,[6] or persons who are seeking some end of their own (ambition, revenge or whatever) at the expense of their country.

To be specific I am referring to Martin Luther King, Stokely Carmichael and others like them. Such persons are doing a disservice to the cause of civil rights by seeking to link the civil rights movement with their efforts to persuade young men to avoid military service.[7] Like other malefactors, they should be prosecuted. And that goes for anyone else—white or black—who is urging young men to "become" conscientious objectors—a vicious absurdity, which is nothing less than urging them to become hypocrites and perjurers. These men should be prosecuted, I repeat, and there is no excuse for not doing so. As the record shows, I profoundly believe that no man should be discriminated against because of his color. I am equally convinced that no man should be protected by his color.

What I have said may be denied indignantly. But the men I have named and others like them let the cat out of the bag. They give themselves away. For never once do they condemn the terrorist tactics of the North Vietnamese. Never once do they condemn Hanoi's rejection of all peace proposals, not only those put forward by the Administration but also those advanced by neutral powers, by the Secretary General of the United Nations and by the Vatican. Never once do they lament the suffering and death borne by our forces in Vietnam. These men weep only for the enemy.

Let them criticize, protest and condemn to their heart's content. To do so is their privilege under the First Amendment. But let it be understood that the Constitution gives no right to obstruct the war effort, as by attempting to persuade young men to refuse to bear arms for their country. Such attempts are a violation of two sections of the United States Code, namely, Title 18, Section 2388 and Title 50, Section 462, which provide as follows:

Title 18, Section 2388(a):

"Whoever, when the United States is at war, willfully causes or attempts to cause insubordination, disloyalty, mutiny, or refusal of duty, in the military or naval forces of the United States, or willfully obstructs the recruiting or enlistment service of the United States, to the injury of the service or the United States, or attempts to do so—

"Shall be fined not more than $10,000 or imprisoned not more than twenty years, or both."

Title 50, Section 462(a):

"Any member of the Selective Service System or any other person . . . who knowingly counsels, aids, or abets another to refuse or evade registration or service in the armed forces or any of the requirements of this title . . . shall, upon conviction in any district court of the United States of competent jurisdiction, be punished by imprisonment for not more than five years or a fine of not more than $10,000, or by both such fine and imprisonment. . . ."

Section 2388 is in full force and effect by virtue of Section 2391 of Title 18.[9] An examination of the relevant materials discloses that the national emergency referred to in Section 2391 has not been terminated.[10]

But is it true that these statutes, in fact, have been violated by Messrs. King and Carmichael and others like them? The Department of Justice appears to believe that no violation has occurred. To show that the department is mistaken, I shall take up, for now, only the case of Stokely Carmichael.

Consider some of Carmichael's recent utterances. Compare them with the language for which the defendants were convicted in *Schenck* v. *United States*[11] and *United States* v. *Miller*.[12]

To facilitate the comparison, I set out in Table I, the relevant language from *Schenck* (as described by Mr. Justice Holmes at page 51) and *Miller*, and one of Carmichael's incendiary outbursts (as quoted in the April 22, 1967 issue of *The National Guardian*, published by Weekly Guardian Associates, 197 East Fourth Street, New York City).

TABLE I

Schenck

". . . In impassioned language it [*i.e.*, a circular distributed by the accused] intimated that conscription was despotism in its worst form and a monstrous wrong against humanity in the interest of Wall Street's chosen few. It said 'Do not submit to intimidation,' but in form at least confined itself to peaceful measures such as a petition for the repeal of the act. The other and later printed side of the sheet was headed 'Assert Your Rights.' It stated reasons for alleging that any one violated the Constitution when he refused to recognize 'your right to assert your opposition to the draft,' and went on 'If you do not assert and support your rights, you are helping to deny or disparage rights which it is the solemn duty of all citizens and residents of the United States to retain.' It described the arguments on the other side as coming from cunning politicians and a mercenary capitalist press, and even silent consent to the conscription law as helping to support an infamous conspiracy. It denied the power to send our citizens away to foreign shores to shoot up the people of other lands, and added that words could not express the condemnation such cold-blooded ruthlessness deserves, &c., &c., winding up 'You must do your share to maintain, support and uphold the rights of the people of this country.' "

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[1] 38 CONG. REC. 3 (1903).

[2] MURRAY, WE HOLD THESE TRUTHS 155 (1960).

[3] The legality of the war was affirmed by the House of Delegates of the American Bar Association in February of 1966. The resolution was published in the April, 1966, issue of the JOURNAL (52 A.B.A.J. 392–393).

[4] *Cf.* columnist Roscoe Drummond as reported in The South Bend Tribune for September 14, 1967, at page 12: ". . . The basic premise of the U.S. defense of South Vietnam was set out by President Eisenhower as early as 1953. It was that it is vital to the national interest of the United States to arrest further Communist expansion-by-force in Asia following the Korean war. This was the position of the Eisenhower administration, of the Kennedy administration and is that of the Johnson administration."

[5] Secretary of State Dean Rusk, commenting on "Vietnam Week", is quoted by the New York Times for April 17, 1967, as saying: "I have no doubt at all that the Communist apparatus is very busy indeed in these operations all over the world and in our own country. I do not mean to say that all those who have objections to the war in Vietnam are Communists. But the worldwide Communist movement is working very hard on this."

[6] Many of them, unhappily, are teaching in our colleges and universities.

[7] This is the official position of the National Association for the Advancement of Colored People. See the New York Times for July 16, 1967, page 1, column 7.

[9] "The provisions of section 2388 of this title, as amended and extended by section 1 (a) (29) of the Emergency Powers Continuation Act (66 Stat. 333), as further amended by Public Law 12, Eighty-third Congress, in addition to coming into full force and effect in time of war shall remain in full force and effect until six months after the termination of the national emergency proclaimed by the President on December 16, 1950 (Proc. 2912, 3 C.F.R., 1950 Supp., p. 71), or such earlier date as may be prescribed by concurrent resolution of the Congress, and acts which would give rise to legal consequences and penalties under section 2388 when performed during a state of war shall give rise to the same legal consequences and penalties when they are performed during the period above provided for. (Added June 30, 1953, ch. 175, § 6, 67 Stat. 134.)"

[10] This has been verified by the National Archives and Records Service in Washington.

[11] 249 U.S. 47 (1919).

[12] 233 F. 2d 171 (2d Cir. 1956).

Miller

"Defendant, Lucille S. Miller, was convicted in July, 1955, on all eighteen counts of an indictment charging her with knowingly counseling nine named persons to refuse to comply with certain provisions of the Universal Military Training and Service Act, in violation of 50 U.S.C. App. § 462 (a).

Carmichael

"The Student Nonviolent Coordinating Committee took a stand against [the Vietnam] war in 1965 because it is a brutal and racist war. We took our stand because we oppose the drafting of young Afro-Americans to defend a so-called democracy which they do not find at home. We took that stand because this war forms part and parcel of an American foreign policy which has repeatedly sought to impose the status quo, by force, on colored peoples struggling for liberation from tyranny and poverty. Only the white powers of the West will deny that this is a racist war. When the colored peoples of the world look at that war, they see just one thing. For them, the U.S. military in Vietnam represents international white supremacy.

* * * * *

"We have not only a right to speak out—we have an obligation. We must be involved, we must fight racism in all its manifestations. There is another America, and it is an ugly one. It is an America whose basic policy at home and abroad can only be called genocide.

* * * * *

"We must speak out more strongly against the draft. Our position on the draft is very simple: Hell no, we ain't going. The draft takes the enslaved black youth of this society and uses them to support enslavement abroad. The draft is white people sending black people to make war on yellow people in order to defend the land they stole from red people."[8]

What is there about Carmichael's inflammatory statements that is so different from the language for which Schenck and Miller were punished? Why is Carmichael entitled to an immunity that was denied to them? In point of fact, I submit that Carmichael's language is more violent, more provocative, more likely to inflame young men against conscription and to defy the draft than the statements made by Schenck and Miller.

In *Schenck* Mr. Justice Holmes, writing for the Court, which included Mr. Justice Brandeis, said that (page 52):

". . . The most stringent protection of free speech would not protect a man in falsely shouting fire in a theatre and causing a panic. It does not even protect a man from an injunction against uttering words that may have all the effect of force. . . . The question in every case is whether the words used are used in such circumstances and are of such a nature as to create a clear and present danger that they will bring about the substantive evils that Congress has a right to prevent. It is a question of proximity and degree. When a nation is at war many things that might be said in time of peace are such a hindrance to its effort that their utterance will not be endured so long as men fight and that no Court could regard them as protected by any constitutional right."

In a *per curiam* opinion in *Miller*, the Court said (at page 172) that defendant's

". . . constitutional objections have been met by the overwhelming weight of well-settled and unanimous authority. . . . Congress in fulfillment of its constitutional duty has enacted this legislation to provide for the national security; that defendant disapproves the Congressional action and has frequently and vehemently stated her position on this and other matters of public importance lends no weight to the validity of her arguments, which are without legal merit. Like the conviction of her husband this day affirmed . . . this is a sad case where self-delusion has carried defendant to the point where she apparently believes her own warped ideas of patriotism, interlarded with distressing racial, religious, and political biases, can justify her in the crudest of law violations."

Mr. Justice Holmes pointed out in *Gitlow* v. *New York*[13] (Brandeis concurring), as he had in *Schenck*, at page 52 that:

"The question in every case is whether the words used are used in such circumstances and are of such a nature as to create a clear and present danger that they will bring about the substantive evils that Congress has a right to prevent. It is a question of proximity and degree. . . ."

And in *Schaefer* v. *United States*,[14] Mr. Justice Brandeis (Holmes concurring) quoted exactly the same language from *Schenck* which Holmes had quoted in *Gitlow*.

So the question is: What are the circumstances, that is to say, in what conditions did Carmichael speak, since it is essential to consider his fiery utterances in context. Stokely Carmichael is a firebrand, a militant, a violent character. He seems to breed riots; they follow in his train. This is understandable in view of the inflammatory nature of his speeches as reported on the radio and in the press. Thus in Louisville (according to the *Courier-Journal* for June 20, 1967, at page A–11) he proclaimed: "It's not a question of law and order. We have to build a revolution . . . ."

The South Bend Tribune of June 22, 1967 (page 17) carries the following UPI dispatch from Atlanta:

"Atlanta's racial troubles began Monday night following a speech by Carmichael in which he:

"Urged Negroes to join a 'revolution' against whites;

"Told the audience not to clap . . . to save their energy for 'beating heads.' "

And, according to both ABC and CBS radio broadcasts on June 26, 1967, Carmichael, in Boston, suggested bombing stores owned by white merchants as a means of acquiring them for Negroes. An AP dispatch from the scene (according to *The South Bend Tribune* for June 26, 1967, at page 7) reads, in part, as follows:

"Stokely Carmichael led a march through the streets of Boston's heavily Negro Roxbury section Sunday and told Negroes they must take control of the land and stores in their areas.

" 'We will control things in our communities by any means necessary,' he told a rally in Franklin Park.

" 'If hunky (the white man) gets his store bombed out every Friday or Saturday,' Carmichael said, 'he's going to have to sell it to us.'

"He also told the crowd that the only way to stop 'racist aggression' by police 'is by armed resistance.' "

Finally, *The South Bend Tribune* for July 26, 1967, at page 9, carried the following AP dispatch from Havana:

"Stokely Carmichael says Negroes in American cities are going to wage a guerrilla 'fight to the death,' the Cuban news agency reported Tuesday as the U.S. black power leader arrived in Havana for a revolutionary conference.

"The Prensa Latina agency quoted the fiery 26-year-old Negro as saying: "In Newark we applied war tactics of the guerrillas. We are preparing groups of urban guerrillas for our defense in the cities. The price of these rebellions is a high price that one must pay. This fight is not going to be a simple street meeting. It is going to be a fight to the death.' "

If you have heard him on radio, you know that his language is so impassioned that he sometimes becomes almost incoherent. And he speaks to restless young Negroes, many, if not most, of draft age, who idolize him. The remarks I have quoted above from *The National Guardian* must be judged in this context. And their effectiveness, at least according to a column in the April 23, 1967, issue of *The Daily Worker* (page 9) is obvious:

"Led by Stokely Carmichael and marching behind the banner of the Black United Action Front, coordinating committee for the peace marchers in Harlem, the parade evoked sympathetic comments from many onlookers.

"Carmichael was besieged particularly by young Harlemites who eagerly shook his hand. A number asked for his autograph.

"THEME

"The theme of the marchers, 'Hell no; we won't go!', won the greatest response along the line of march, especially from draft-age youth. And it was evident from the determined expression on many faces that for many it was not just a march slogan.

"A rhythmic chant taken up repeatedly by the marchers seemed to express the mood of large numbers of onlookers.

"It was:

" 'We'll fight in Mississippi, in Watts, in Birmingham, in Harlem, but not in Vietnam.' "

If *Schenck* is followed, it is obvious, I submit, that Stokely Carmichael is guilty of attempting to sabotage the draft and should be prosecuted without further delay. There are some, however, who suggest that the authority of *Schenck* was destroyed by *Abrams* v. *United States*,[15] *Schaefer* v. *United States*,[16] and *Pierce* v. *United States*[17] because Justices Holmes and Brandeis dissented in those cases.

They did not dissent, however, in *Frohwerk* v. *United States*[18] or in *Debs* v. *United States*.[19] Like *Schenck* these were prosecutions under the Espionage Act of 1917. In *Frohwerk* the defendants were found guilty on the basis of articles in a newwspaper they published. In *Debs* the basis of the conviction was a speech the defendant had made. In both cases the convictions were affirmed by the Supreme Court and in both Mr. Justice Holmes wrote for a unanimous Court.

The authority of *Schenck* is supported, moreover, by *Gitlow* v. *New York*[20] and *Whitney* v. *California*.[21] In *Gitlow*, Justices Holmes and Brandeis dissented, as in *Abrams*, *Schaefer* and *Pierce*. In *Whitney* the same Justices concurred in the Court's judgment, which affirmed a conviction under the California Criminal Syndicalism Act, this time in an opinion by Mr. Justice Brandeis. In both cases, however, they cited and relied on *Schenck*. Indeed, in *Abrams* Mr. Justice Holmes, speaking for Mr. Justice Brandeis as well as himself, affirmed his faith in *Schenck*.

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[8] See also the New York Times for May 2, 1967, at page 11, column 1.

[13] 268 U.S. 652 (1925).

[14] 251 U.S. 466 (1920).

[15] 250 U.S. 616 (1919).

[16] 251 U.S. 466 (1920).

[17] 252 U.S. 239 (1920).

[18] 249 U.S. 204 (1919).

[19] 249 U.S. 211 (1919).

[20] 268 U.S. 652 (1925).

[21] 274 U.S. 357 (1927).

Those who brush aside the *Schenck* case argue that the Universal Military Training and Service Act (Title 50, U.S.C. App. § 462 (a)) is violated only by attempting to persuade specific persons to evade their duty under that act. There are only a few judicial decisions involving Title 50, U.S.C. App. § 462 (a), *e.g.*, *Gara* v. *United States*[22] and *United States* v. *Miller*.[23] Each involved the proscribed "counseling and aiding and abetting" in respect of specified individuals. But I find nothing in the opinion in either case suggesting the decision turned on that fact. In *Gara* the contrary is explicitly stated. This is demonstrated by the following excerpts from the opinion at pages 40–42. A letter written by the defendant to the United States Attorney in Toledo contained the following:

> "Appellant also signed a pledge in 1948, stating, 'I shall in every way possible assist and support Non-registrants.' Evidence was presented to the effect that at a meeting held in Reading, Pennsylvania on August 25, 1948, he advocated that men of draft age refuse to register under the Selective Service Act of 1948, and later stated, 'In making this speech I intended to violate the Selective Service Act.' [Page 40.]
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> * * * * *
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> "Here appellant admits that he agreed in every way possible to assist and support non-registrants. At an open meeting he advocated refusal to register. His repeated letters state that he counseled men of draft age to refuse registration. Such actions, if carried out extensively, might well nullify the law. Appellant may attack the Selective Service Act of 1948 from every platform in America with impunity, but he cannot, under the guise of free speech, nullify it by disobedience to its express provisions [pages 41–42]."

I want no misunderstanding of my position. The record shows, as I said earlier in this paper, that "I profoundly believe that no man should be discriminated against because of his color. I am equally convinced that no man should be protected by his color." As I see it, Carmichael *is* being protected by his color. This immunity, tacitly granted for *that* reason to a demagogue who is giving aid and comfort to the enemy, seems to me intolerable.

"No man is above the law and no man is below it"—no man is below the law and *no man is above it*.

A PLAN FOR PEACE IN THE MIDDLE EAST

Mr. GRUENING. Mr. President, earlier today I was highly honored by being presented with the Hadassah Myrtle Wreath Award which has previously been conferred on such distinguished Americans as Senator MARGARET CHASE SMITH, of Maine; Dr. James Bryant Conant, former president of Harvard University; Mary Ingraham Bunting, president of Radcliffe College; Robert Frost, the noted poet; Fannie Hurst, novelist; Marian Anderson, the internationally known singer; Esther Peterson, Assistant Secretary of Labor; Mary Lasker, philanthropist; and others. The award read:

> Myrtle Wreath Achievement Award presented by Hadassah to Senator Ernest Gruening in recognition of his distinguished government service and his dynamic efforts to achieve economic and social progress for all Americans, and peace in the world.

In accepting the award, I delivered an address entitled "A Plan for Peace in the Middle East."

It is my deep feeling, after studying the acute and recurring problems of the Middle East, that a solution and a way to permanent peace must and can be found. I have proposed one. It is unthinkable that every effort should not be made to put a stop to the inevitable recurrence of war in that region, on one side of which are the forces of freedom and democracy and on the other side the forces of communism and totalitarianism. Here is a great opportunity for the United States to lead the way by publicly ennunciating and then implementing a policy which is wholly consistent with all our professions and avowed purpose throughout the world.

I ask unanimous consent that my address, entitled "A Plan for Peace in the Middle East," be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A PLAN FOR PEACE IN THE MIDDLE EAST

For nearly 20 years, in one area on earth, there has been no peace.

That area is the Middle East.

In that part of the world, at least 10 nations, with a combined population of over 90 million people, occupying an area of about 4 million square miles, have declared and continued a state of war, and have, for two decades, poised a constant military threat to one little nation containing 2 million people, confined to an area of less than 8000 square miles.

That little country is Israel.

The nations which have declared unremitting war against it include Egypt, Syria, Lebanon, Iraq, Saudi Arabia, Jordan, Libya, Algeria, Morocco, Sudan and several lesser principalities and shiekdoms such as Kuwait.

These belligerents have publicly, loudly and repeatedly declared their purpose to wipe Israel off the face of the earth and to exterminate its people.

Events in the Middle East in the past 20 years have shown clearly that these bellicose Arab nations are not uttering empty threats but purpose to back their hostile words with equally hostile deeds.

First, was the constant harassment of Israel's borders by its neighbors with, not only the pillage of Israeli lands and killings of Israeli farmers, but also the constant fear with which the Israelis living on the border were forced to contend as they went about their daily tasks.

Immediately after the armistice of 1949—which specifically prohibited all warlike or hostile actions between the parties, Egypt and its Arab allies began an unrelenting and constantly intensified blockade against Israel.

After his seizure of the Suez Canal in 1956, Egypt, under the leadership of dictator Gamal Abdel Nasser, denied the transit through the canal not only of Israeli ships but also of all other ships of whatever nation carrying goods either to or from Israel.

At the same time, Nasser gave the Soviet Union what it had for centuries eagerly sought—a foothold in the Middle East and the ultimate possibility of securing a warm weather port. With the massive infusion of Soviet weapons into Egypt, the latter became increasingly dependent upon the Soviet Union for the maintenance and supply of these weapons.

In a report I made to the Senate Committee on Government Operations in 1963, after a study trip to the Middle East, I stated:

> "Today, militarily, Egypt is completely dependent on Soviet bloc countries. Colonel Nasser has maneuvered himself into the position of being completely dependent on Communist Russia for a continued flow of arms and parts . . . Syria and Iraq are in the same position."

The tragic events of the past six months have proved the validity of that assessment.

Never before have so many nations declared perpetual war against one. This is a condition which is unique and unprecedented in history.

Never before have the odds in favor of these hostile nations against their one intended victim been so great.

For let there be no mistake. The June Six Day War—however well Israel acquitted itself—has not lessened the danger of further Arab aggression. Already President Nasser's vituperative threats against the existence of Israel have resumed. Already the flow of Soviet arms into the Arab nations has resumed. Neither the Arab nations nor their supporter, Soviet Russia, have learned the lesson of 1967 any more than they learned the lesson of 1956.

All during these last 20 years—existing as it has under the unceasing threats and active hostility of neighbors on all its borders—the State of Israel not only has survived as a nation, but has set an example of freedom and democracy which likewise is unique among the seventy-odd nations that have been born and have achieved independence in the wake of the great anti-colonial revolt which followed World War II.

While many of these newly emerged nations are scarcely viable, with many in the grip of dictatorships, Israel alone has stood out like a shining beacon as a vibrant example of liberty, democracy, and of economic and social progress.

It alone in the Middle East represents an oasis of enlightenment in a desert of backwardness and barbarism.

Among the Arab States, it is the only exemplification of that basic principle so much cherished by the United States and by other free countries, the principle of government by consent of the governed. Indeed, it can truly be said that Israel was created and developed in the image of the United States, with its respect for individual rights and freedoms.

When I made my trip to the Middle East for the Senate Committee on Government Operations several years ago, to study the workings of our foreign aid program, that fact was clearly confirmed. I found there validation of an analysis of foreign aid made some six years ago in the quarterly magazine "Foreign Affairs" by John Kenneth Galbraith. Galbraith, as is well known, is a distinguished economist, one of the foremost in the world, Professor of Economics at Harvard University, author of several important books in his field and was, some years ago, United States Ambassador to India. In his article—which was an argument in support of the foreign aid program of the United States—Mr. Galbraith outlined four conditions which he considered basic to the success of our foreign economic aid program in any given country.

First, the recipient country should have a high degree of literacy and should be governed by a knowledgeable group of public officials—an elite, if you will—who know how to receive the sums of money and fulfill the obligations which the acceptance of foreign aid should entail.

Second, this governing group, or elite, would have to be honest, so that the economic aid given would not be stolen or otherwise misapplied. Unfortunately, this has not always been the case with some of the countries receiving United States economic aid.

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[22] 178 F. 2d 38 (6th Cir. 1949), *aff'd without opinion*, 340 U.S. 857 (1950), *rehearing denied*, 340 U.S. 893 (1950).

[23] 233 F. 2d 171 (2d Cir. 1956).

Third, in addition to being competent and honest, the governing group would have to have a sense of social consciousness so that the funds received as part of the foreign aid program would not go to the privileged few—to the oligarchs—as has happened in various other recipient countries, but would be distributed equitably through all the layers of society.

Fourth, and finally, the recipient country would have to have a sense of destiny, a sense of direction, a declared purpose and goal.

Galbraith concluded that, of the many countries which had been the recipients of United States foreign economic aid, only one fulfilled all four of these qualifications.

That country was Israel.

These facts entitle Israel to special consideration from those countries—like our own—which profess to wish the establishment of freedom and democracy wherever possible all over the world.

It is especially remarkable that Israel has achieved this unique eminence in spite of the unceasing harassment of its unrelenting enemies. Let it be noted, also, that Israel—because of these enemies—has had to expend substantial sums on arms and weapons in preparing for its own defense sums which it could much more usefully have expended on its own economic and social development.

Despite these handicaps, Israel has established a viable economy and a socially enlightened state. But it has done more than that. Israel has, during all these years, thrown open its doors to the harassed, persecuted and unwanted Jews from all over the world who wished to leave the countries of their disadvantagement to find refuge and hope for a new life in the one country which has welcomed them.

In and of itself, this mission of mercy which Israel is performing—a major achievement unprecedented in history save only, perhaps, in the United States—would justify the establishment and permanence of Israel and its defense by free nations everywhere.

In addition to this constant and continuing boycott, border warfare, and harassment, Israel, in its short recent lifetime has been subjected to three major wars.

First, there was the war in the late forties when Israel's borders were supposedly established. They were, even then, very inadequate for its needs and were intended only to mark the cease-fire line.

Second, there was the war in the middle fifties when Israel, together with Britain and France, also our traditional allies at the time, moved militarily to counter Nasser's aggressive and illegal seizure of the Suez Canal. It should ever be a cause of regret that it was the United States, under the mistaken policies of John Foster Dulles, which moved against these three free nations, took the side of Nasser, went to the United Nations, and demanded sanctions against these countries. The United States thus supported the illegal and ruthless actions of Egypt's dictator and indeed placed itself in bed with Soviet Russia.

In the following years, the United State's mistaken policy continued to supply economic support to Egypt's Gamal Abdel Nasser, despite the fact that his every policy and action were contrary to the United State's professed objectives and purposes.

During those years, he was receiving arms from Russia.

During those years, he had invited and given hospitality to ex-Nazi scientists who, having escaped their just fate in a post-Nazi Germany, were invited by Nasser to come to Egypt to help him build sophisticated weapons whose only purpose was for Nasser's use in destroying Israel.

During those years, Nasser carried on an undeclared war in Yemen at a cost estimated by our military men of one-half million dollars a day, diverting for that purpose the funds given him by the United States for the economic development of his country to benefit Egypt's wretchedly poor.

During those years, he showed his allegiance to the Communists by giving aid and comfort to the Communists in the Congo.

During those years, he attempted to pour oil on the brush fire in Cyprus in order to intensify the struggle there between the Greeks and the Turks.

During those years, his troops shot down an unarmed United States plane, killing two of its fliers.

During those years, he countenanced the burning of the John F. Kennedy library in Cairo.

During those years, he encouraged his neighbors in Libya to request the United States to abandon its important Wheelus Air Force base.

As a result of those actions, some of us in the Senate sought repeatedly to change the United States' policy of aid to Nasser. At that time we were repeatedly told by officials of our State Department that Nasser was making threats against Israel only for home consumption, that he really did not mean it, and that if Nasser fell, he would be replaced by someone much worse. We did not accept these attempted disculpations of Nasser by our State Department and continued to press for a more realistic policy.

The events in early June 1967 should have done much to belie the words that Nasser's threats were empty ones and that he really did not intend to move militarily against Israel.

In the Senate, finally, we succeeded in inserting in the foreign aid bill an amendment which would deny economic aid to Nasser. Unfortunately, in order to have this amendment adopted, we had to agree to the insertion of a qualifying clause to the effect that this aid would be withheld unless the President found that it was in the national interest to continue such aid.

For some mysterious reason, that loophole was always utilized and United States economic aid to Nasser's Egypt continued.

The loophole was utilized until last year when Nasser exceeded his previous acts of malfeasance by diverting some of the grain he had received from the United States to some of the Iron Curtain countries. Then an aroused Congress was able to cut off aid to Nasser, and to insert and secure the enactment of the amendment without the qualifying, indeed the nullifying, clause for which I and some of my colleagues in the Senate and House had worked.

When, after his June 1967 fiasco, Nasser, and some of his Arab allies, broke diplomatic relations with the United States, we in the Congress were further able to secure the adoption of an amendment forbiding aid to any country which had broken relations with the United States and that, even if there were a resumption of relations, aid could not be resumed without a new negotiation of aid agreements.

It is to be hoped that this aid to Nasser will cease until such time as there is a complete cessation of his oft-proclaimed policies of aggression.

That aggression was escalated to all-out armed attack against Israel last June.

The Arab attack was preceded by the closing of the Straits of Tiran at the entrance of the Gulf of Aqaba. This would have meant the strangulation of Israel. It was accompanied by the mobilization of the armed forces of Egypt, Syria, and Jordan with the support of the other Arab States. Its purpose was to carry out the repeatedly declared purpose to destroy Israel once and forever and to drive its inhabitants into the sea.

The little King of Jordan had for years been receiving of massive aid from the United States. Indeed, a large part of his budget has been paid by United States taxpayers on the mistaken assumption—or hope—that his attitude was a little less rabid than the violently expressed intentions of the other Arab States. Thus Jordan was created, conceived of and supported by the United States as a kind of buffer state against Arab aggression.

But just as the State Department was woefully mistaken in underestimating the intentions of Nasser, so was it mistaken also in underestimating those of King Hussein of Jordan.

When Nasser proceeded to close the Straits of Tiran and to mobilize against Israel, King Hussein rushed to embrace him and to join his cause.

Israel had clearly warned King Hussein that if he did not mobilize, if he did not prepare to attack, he had no need to fear Israeli troops.

But Hussein, at that crucial moment, showed his true colors. He mobilized his troops and issued secret orders—which his troop commanders neglected to destroy—that every man, woman and child in Israel in the areas which the Jordanian troops conquered were to be put to the sword.

On March 26, 1957, Secretary of State John Foster Dulles had stated that an arbitrary request for the withdrawal of United Nations forces in the Middle East could not unilaterally be made in Egypt. Despite that statement, Nasser asked for the withdrawal of United Nations forces and the United Nations complied.

After this happened and in the midst of a growing crisis in the Middle East, the United States conveniently forgot Mr. Dulles' statement and fumbled and bumbled trying to find some kind of a solution which would bring about a halt to the aggression.

Fortunately, the Israelis, unassisted, won one of the most brilliant victories in the annals of military history. In so acting, Israel saved the United States from profound embarrassment. Had the Arabs won, there would have been a ghastly slaughter of Israeli men, women and children which the United States would no doubt have deplored—and would have joined in the adoption of posthumous condemnatory resolutions in the United Nations against the Arab nations.

As a result of this overwhelming victory, it was to be expected that the Arab States would have learned their lesson.

One would have thought that after the debacle the Arab States suffered in June 1967 they would have been willing to forego their 19-year war against Israel, recognizing not only Israel's right to exist and, indeed, instead of continuing to hate Israel and to plot its destruction, they would emulate Israel by concentrating on educating their people, sanitizing them, ridding them of disease, irrigating their arid lands, building up a more viable economy and encouraging social progress.

But they have done nothing of the kind.

They have continued in their belligerence and have refused to face up to realities.

Not only have the Russians poured arms back into these Arab countries to take the place of the armaments lost in battle to the Israelis, but the Arabs have made it clear that they intend to resume their aggression at the first available opportunity.

A basic question now confronts the United States and the rest of the Free World.

Shall the events of the last 19 years in the Middle East be repeated again and again?

Shall perpetual war be a chronic condition there?

Or, can realistic steps now be taken to establish peace in that important area?

It is crystal clear that there is no intent or purpose on the part of the Arab nations, or on the part of the Soviet nation, to achieve this objective.

The only hope lies with the United States.

As I have said, Israel, supremely, and almost alone of the nations of the earth, embraces the principles and concepts in which the United States professes belief. Therefore, Israel is vital to the interests of the United States, for it serves as an example to other nations of what the United States professes to seek throughout the world.

Parenthetically, I may say at this point that at the present time the United States is deeply engaged in a war in Southeast Asia. I wholly disapprove of the United States' military engagement in that war, but that is not pertinent to this discussion. What is pertinent is that the United States is allegedly in Southeast Asia with its vast military might to establish there the freedom and democracy of the people of South Vietnam—a people who have never enjoyed it and who have not shown clearly that they want it.

On the other hand, in Israel, we have a living example of a nation that has lived up to all these high purposes and ideals.

What can be a sounder policy for the United States to pursue—if we are true to our professions—than to help Israel maintain its democracy and its survival?

How shall this be done?

I propose a three-pronged policy for the United States to pursue to bring about peace in the Middle East, not only in its own best interests but in the interest of peace throughout the world.

First, the United States should propose entering into a mutual security treaty with Israel. This is a policy which the United States pursues in other parts of the world, where United States interests are not nearly as crucial as they are in the Middle East.

Thus the United States has mutual security treaties with Nationalist China, Korea and the Philippines. It is not intended, of course, by any such mutual defense treaty to commit the United States to the sending of troops to the Middle East. I would oppose that. The United States should taper off its role as global policeman and of sending our young men far afield to fight and die when the United States security is not threatened and alternative non-military solutions are available. Moreover, as Israel made abundantly clear during the 1967 crisis, Israel wants no United States troops there. It proved in June 1967 that given the wherewithal to fight, Israeli troops are well able to give a very good accounting for themselves on the field of battle. The United States should supply whatever arms are necessary.

A mutual security pact between the United States and Israel would be an effective deterrent to Arab aggression and it would by implication place over that country the effective defense umbrella of the United States Sixth Fleet—which would really not need to go into action. Its presence, backed by a treaty, would suffice.

Second, in the face of the determination of the Soviet Union to continue to supply arms to the Arab nations in ever increasing amounts, the United States should offer to give whatever arms are needed to Israel to even its military defensive strength. Surely if the United States can give arms to Jordan—which has proved decisively in June that it would use those arms to carry on aggression, it can do no less than to give arms to Israel for its defense—at least until the Soviet Union desists in its present policy of engaging in an arms race in the Middle East on the side of the Arab nations, to the great disadvantage of Israel, which is so clearly aligned on the side of the West.

Such a policy of giving arms to Israel is especially needed at this time in view of the changed attitude of France, which now refuses to supply arms to Israel, and has lifted the embargo on supplying arms to Arab countries.

Third, it is also important that the United States buttress Israel's determination not to give up any territory occupied by it in the Six Day War unless and until, at the very least, the Arab nations declare unmistakably that they are no longer at war with Israel and are willing to negotiate directly with Israel to arrive at binding agreements designed to ensure lasting peace in the Middle East. Unless such assurances are unmistakably binding it could be the height of folly for Israel to give up the new post 1967 war boundaries which are essential to its defense. The older boundaries made Arab aggression all too easy. When that day comes—that the Arab nations irrevocably abjure war against Israel—the United States should be prepared to assist economically all the nations in that area which sincerely desire to build up their own economies and to better the economic and social lot of their own people.

So the Arab nations would also be the beneficiaries of our economic aid which some of them sorely need once they departed from their misguided and costly policy of aggression.

It is high time that the nations in the Middle East heeded the Biblical admonition that nations "shall beat their swords into plowshares, and their spears into pruning hooks."

So is the injunction that "nation shall not lift up sword against nation, neither shall they learn war any more."

In its own enlightened self-interest—and not because it favors one nation in the Middle East as opposed to another—the United States should strive with dedication and realistically to bring peace to that sorely troubled area of the world, and publicly to declare and adopt a policy that will ensure that the outstanding exemplar of freedom and democracy among the newborn nations shall not perish from the earth.

That policy—sincerely proclaimed and effectively implemented—will bring peace to the Middle East.

DUTY-FREE TREATMENT OF LIMESTONE

Mr. LONG of Louisiana. Mr. President, I shall send word to the two Senators from North Carolina that the Senator from Delaware [Mr. WILLIAMS], as well as the Senator from Tennessee [Mr. GORE], very strongly object to the amendment that was offered yesterday, referred to as the Duke endowment amendment. The amendment would help Duke University as well as other schools and certain charities. The RECORD of yesterday fully explains it.

Therefore, I find it necessary, in due course, to ask that this bill be reconsidered and the amendment withdrawn, with the assurance that we will study this matter next year; and if we can agree on it, we will bring out legislation to correct what we believe to be a problem that should be acted upon. Having done so, we would then propose to pass a bill without that amendment.

I now yield to the Senator from Delaware.

Mr. WILLIAMS of Delaware. Mr. President, I appreciate the attitude of the distinguished Senator from Louisiana.

There may be some merit to the argument of Duke University, but it should first be considered by our committee.

I have been advised overnight that the amendment agreed to yesterday not only would take care of its problem but it would also open a wide loophole with regard to many other existing trusts. The Treasury Department is strenuously opposed to its being adopted in its present form.

Perhaps we can come up with an amendment to correct the situation, but we all agree that the floor of the Senate is not the place to rewrite tax legislation of such importance.

I would join the Senator in stating that if the amendment is withdrawn it will be withdrawn without prejudice and that it will be placed on the agenda for early consideration by our committee.

INCOME TAX TREATMENT OF CERTAIN DISTRIBUTIONS PURSUANT TO THE BANK HOLDING COMPANY ACT OF 1956—CONFERENCE REPORT

Mr. LONG of Louisiana. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4765) relating to the income tax treatment of certain distributions pursuant to the Bank Holding Company Act of 1956, as amended. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The assistant legislative clerk read the report.

(For conference report, see House proceedings, CONGRESSIONAL RECORD, vol. 113, part 26, pp. 35946–35948.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. LONG of Louisiana. Mr. President, there was one particular item on which the Senate thought compelled to yield to in conference, which was somewhat controversial.

The Senator from Delaware [Mr. WILLIAMS] had always felt very strongly that when we require someone to divest themselves of stock, we should follow the precedent of the Du Pont Co. bill. Of course, when that measure was passed, the RECORD will show it involved a great deal of courage and statesmanship on the part of the Senator from Delaware because he was unwilling to go as far in providing relief to the company as were others, including myself, and including at that time, the junior Senator from Delaware, Mr. Frear.

The Senator from Delaware [Mr. WILLIAMS] insisted that that would be an appropriate occasion for the shareholders of the company to pay a capital gains tax where there had been considerable appreciation in the value of the stock. That is what the shareholders of the company were required to do when we passed legislation to give them relief.

However, there certainly is adequate precedent for the position of the distinguished Senator from Illinois [Mr. DIRKSEN], and it appears to me that when we pass a bill to force a company to divest itself of stock we should not charge the shareholders capital gains tax by reason of that fact. They should divide the cost or other basis they had for the original stock between that stock and the stock distributed to them in accordance with the fair market value of each, and then if they subsequently sell their stock or dispose of it, they should pay their tax. That was the view of the House conferees and the majority view in the Committee on Finance.

I regret that one cannot agree with everybody on a controversial amendment, but it was the view of the House Members that it would not be proper to impose a tax at the time of distribution. That is the only significant point, I believe, upon which the Senate conferees yielded.

Insofar as the remainder of the bill is concerned, it might be said that this was a satisfactory conference from the Senate's point of view.

Mr. WILLIAMS of Delaware. Mr. President, I object to this conference report. Stated very simply, it provides a special tax credit for one taxpayer and one company. Much has been said with respect to Financial General's having 14,000 stockholders and that these stockholders deserve the consideration of Congress. As near as can be determined 13,999 of those stockholders are not affected in the least by the bill which is before us. One stockholder is affected, and if this coneference report is agreed to in the form in which it now is, this stockholder would receive a $9 million tax-free distribution as a dividend on stock for which he only paid $1 million. In other words, he will have an $8 million profit on the distribution, and this bill provides that it will be completely tax free.

I realize that we are close to Christmas and that we should all have the Christmas spirit, but I think the conferees have carried this spirit a little too far, even though we all feel charitably inclined at this particular time of the year.

Mr. President, I call attention to one other point which I wish to explain for the RECORD. It is true that in 1956 Congress passed the Bank Holding Company Act, at which time it ordered the banks involved owning over 25 percent of the stock in a series of banks to dispose of this stock, and it allowed them to make that distribution tax free. Right or wrong, that was done at that time. However, in passing that bill there was a special item in the 1956 act which exempted this one company, by formula and not by name, from the provisions of the Bank Holding Company Act. It, therefore, did not have to distribute its holdings. At that time it had about $365 million in deposits. This company took advantage of the special exemption and accumulated over $1 billion worth of assets. It has expanded its holdings in many companies which were nonrelated to banking. Now in 1966 as the result of its large investments in the nonrelated companies it was ordered to divest, they made themselves responsible to the act.

I will quote Mr. C. Canby Balderston, Vice Chairman of the Federal Reserve Board, on this point when testifying before a congressional committee on June 3, 1965:

> The bill now before this committee (H.R. 7372) is designed to eliminate the most objectionable and least defensible of the six special exemptions contained in the Holding Company Act. Briefly stated, this exempton makes that act inapplicable to any company that was registered prior to May 15, 1955, under an entirely separate statute, the Investment Company Act of 1940, or to any company that is affiliated with such a registered investment company, unless the investment company or its affiliate owns directly 25 percent or more of the shares of each of two or more banks.
>
> As far as the Board knows, one corporation only, Financial General, enjoys this exemption. It has been operating as a bank holding company without being subject to the act. It holds a majority interest in 19 banks in Georgia, Maryland, New York, Virginia, and Washington, D.C.: 25 percent or more of the stock of 2 banks in Tennessee and Maryland: and 14 to 20 percent of the stock of 5 banks in Illinois, Virginia and Tennessee. *Of the 26 banks in the group, 17 have been acquired since enactment of the Holding Company Act*. These 26 banks have deposits aggregating over $1 billion whereas at the end of 1955, the deposits of the Financial General banks totaled about $365 million—roughly one-third as much.

From the above quotation it seems clear that in 1956 Financial General succeeded in obtaining a wholly unjustified exemption to the new law and it also seems clear that from 1956 to 1965 it took advantage of this exemption with vigor and enthusiasm.

Thus, it is ingenuous to say that Financial General is in the same position as those bank holding companies which were forced to divest under the original 1956 act. On the contrary, we are dealing with a corporation which obtained a special statutory exemption—in 1956—and then exploited that exemption for all it was worth and for as long as it could. The bill agreed on by the conference committee will now permit completely tax-free distributions of the property acquired in this way. Thus, Financial General is getting a very handsome reward for its ability to get a special provision in the 1956 act. In my opinion this kind of congressional action is shattering to citizen morale in the enforcement of both the banking laws and of the income tax laws.

If Congress enacted no relief statute at all, of course, distributions of banking or nonbanking property would be ordinary dividends to all the shareholders. I want to make it clear that this is not the course of action I urge. The proposal I submitted would simply provide for a capital gains tax on those who actually had a profit in hand. It must be observed that as to many—perhaps nearly all—of the small shareholders, no tax would be due on that approach. However, there is one large shareholder who, under this approach, would receive about $9 million of distributions with respect to stock which cost him only about $1 million. It is true that, under my amendment, which was rejected in conference, this shareholder would pay a substantial capital gains tax, just as many other stockholders would be obliged to pay substantial capital gains tax when they have a profit. However, it is in no sense punishment to impose an income tax when an individual has a profit in hand.

We are told that the administration approves this special tax-exemption feature for this one company, which is in effect a $2 million windfall for one man.

This position is hard to understand, particularly at a time when the administration is asking for a 10-percent tax increase on all other Americans.

I shall vote against this $2 million windfall for one taxpayer, even though I feel a little bit charitably inclined on the eve of Christmas.

Mr. LONG of Louisiana. Mr. President, I am well aware of the Senator's views on this matter and his consistency thereon. I shall not take time to debate this at much length. It should be pointed out, with regard to the item the Senator finds objectionable, that we must keep in mind it was the zeal of Representative WRIGHT PATMAN that Financial General should be required to divest. He labored and fought hard to pass the bill and the Senate went along with it as an antitrust matter. If it had not been required to divest, its shareholders would owe no tax. When we made them divest, the House Committee on Banking and Currency did not have jurisdiction of a revenue measure and so that committee did not consider the problem.

My guess is, had that bill been before one of the taxwriting committees we would at that time have provided for the tax-free distribution but this problem was not then before us.

I do not want to quarrel with the Senator, because he is most sincere in what he has said here. But so far as I am concerned, I do not know one of the 14,000 stockholders of Financial General. I have never met one of its officers. There is a great deal of precedent for what we have done here both in the manner other bank holding companies were treated when they divested and also when SEC requires divestiture in compliance with its orders. The House and, I believe also, a majority of the committee agree with me about this matter.

Mr. President, I ask unanimous consent to have printed in the RECORD, a statement amplifying my remarks on the bank holding company provision and explaining the other items in the conference report.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SENATE FLOOR STATEMENT—CONFERENCE REPORT ON H.R. 4765—BANK HOLDING COMPANY BILL

As passed by the House, H.R. 4765 contained only one provision—that making certain distributions by bank holding companies free of tax. The bill, as sent to conference by the Senate, contained 5 additional amendments, as well as a revised version of the House-passed provision dealing with bank holding company distributions.

The bill, as agreed to by the conferees, restores the House-passed version of the bank holding company provision but retains 3 of the 5 other provisions added by the Senate. In addition, the House conferees agreed with the Senate conferees that legislation was needed on one of the omitted provisions but favored a permanent solution to it rather than merely a solution for 1967.

BANK HOLDING COMPANY DISTRIBUTIONS

Let me now turn to the conference action on the original House-passed provision dealing with distributions by bank holding companies. The Senators will recall that the Committee on Finance made no change in the bank holding company provision as passed by the House, but the Senator from Delaware (Mr. Williams) favored a different version of this provision more nearly along the lines of the DuPont Company when it was required under the antitrust laws to dispose of General Motors stock.

The House-passed provision provided that the distributions were to be tax free in the same manner as had been true in 1956 when, under the original Bank Holding Company Act, these companies were required to dispose of either their banking or nonbanking interests. You will recall that the minority leader (Mr. Dirksen) outlined extensively why he thought this was the proper solution. However, it was agreed that the Senate would adopt the language desired by the Senator from Delaware to see whether he could prevail upon the House members to take the version of the bill which he preferred.

The House conferees on this point strongly opposed the version preferred by the Senator from Delaware and so the Senate conferees accepted the House version which had been the version favored by a majority of the members of the Senate Commitee on Finance when the bill was originally reported to the Senate.

As I have already said, the treatment provided by this amendment is substantially the same as that provided in 1956 in similar situations. It is also substantially the same treatment as we provided where distributions were required by SEC orders. The conferees thought that the situation under which DuPont was required to distribute General Motors stock represented a quite different type of situation. In that situation the courts determined that already existing law required the distribution. Here, the distribution is required only because of a specific change in the law. The conferees believed that this difference justified a tax-free distribution in this case and not in the case of the DuPont distribution. I should also point out that under the version of the bill agreed to by the conferees, each shareholder will allocate the basis that he had for his underlying stock between the stock received in the distribution and the underlying stock he retains in accordance with the fair market value of each. The effect of this is to assure that there will be a capital gains tax on appreciation if the shareholder sells either the bank holding company or nonbank holding company stock he holds. Therefore, the shareholders in this case will be in precisely the same position they would have been in with respect to the realization of capital gain had no distribution of stock to them been required.

HOUSE ACCEPTED SENATE AMENDMENTS

As I indicated before, the House accepted 3 out of the 5 new provisions added to the bill by the Senate.

One of these repealed a provision of existing law which prevented the carryback to earlier taxable years of an unused investment credit which results from the carryback of a net operating loss to the year in which the investment eligible for the credit was made. The House conferees agreed with the Senate that this represented an error in existing law which needed correction.

A second Senate amendment agreed to by the House conferees was the Senate amendment offered by the junior Senator from Wisconsin (Mr. Nelson) which, in certain situations, made a 5-year net operating loss carryback available and provided that the carryforward in these cases was to be 3 years instead of 5. You will recall this as the so-called "American Motors amendment" which numerous Senators strongly endorsed as an effort to maintain the existing competition in the automobile industry. The House conferees agreed with the Senate that this amendment was desirable as a means of maintaining competition in the automobile industry. However, the conferees on the part of the House expressed a desire to consider a broader version of this option for a 5-year net operating loss carryback and the conferees on the part of the Senate joined them in stating that in their opinion it would be appropriate in the future to consider the broadening of the types of cases to which the net operating loss carryback is available.

The third Senate amendment to which the House conferees agreed was the provision permitting a spin-off by a life insurance company of the stock of a subsidiary life insurance company without the imposition of the so-called phase III tax applicable to life insurance companies in certain cases under present law when they make distributions to shareholders. The House conferees agreed with the Senate that this amendment was appropriate and in line with prior amendments made in this provision in past years.

MORTGAGE GUARANTY INSURANCE

One of the two Senate amendments not agreed to by the House conferees was the amendment relating to deductions for mortgage guaranty insurance reserves. The House conferees indicated that they favor a permanent solution to this problem along the lines of the provision reported by the Senate Finance Committee. However, they thought that it was not worthwhile to attempt only a 1-year solution to this problem only to have to face it all over again in the very near future. For that reason the House conferees indicated a preference for separate action on this provision along the lines of the Senate Finance Committee amendment before it was amended by the Senator from Delaware (Mr. Williams) to limit it to 1 year. A statement to this effect can be found in the statement of managers on the part of the House. The Chairman of the House Committee on Ways and Means, Wilbur D. Mills, and a ranking minority member of that committee, Tom Curtis, have already introduced a bill, H.R. 14366, which is substantially the same as that initially reported by the Senate Finance Committee. The Senate Finance Committee has also acted on this matter by amending H.R. 6058, dealing with the Federal excise tax on cigars, to add a provision incorporating a permanent solution to the problem for the deduction of mortgage guaranty insurance reserves which is the same as the bill introduced by the House members and substantially the same as that initially reported by the Senate Committee on Finance. Therefore, I hope that this problem, too, will be resolved in the near future.

UNFUNDED PENSION PLANS OF EDUCATIONAL AND OTHER TAX-EXEMPT ORGANIZATIONS

The House conferees were unwilling to accept at this time the provisions in the Senate-passed bill relating to unfunded pension plans of educational and other tax-exempt organizations. This amendment would have extended special income, estate, and gift tax treatment to the employees of universities and other organizations exempt from tax under section 510(c)(3) of the code or State or local educational institutions. It also would have provided rules for tightening up on the application of the rule of existing law which allows up to 20 percent of the compensation to be paid to an employee of a tax-exempt organization to be paid in the form of a pension whether or not the pension is under a plan which qualifies under the anti-discrimination provisions of existing law. The House conferees in rejecting this provision made it clear that they were doing so because they believed there was no reason why action needed to be taken now with respect to this problem and they desired to have a further opportunity to study this matter before reaching a conclusion with respect to it.

I believe that the Senate conferees obtained a very substantial portion of what the Senate sought in this bill, and I believe that the conclusions reached by the conferees are sound ones. I urge the adoption of this report.

Mr. DIRKSEN. Mr. President, in May 1956, Congress enacted the Bank Holding Act. Under that act it permitted the distribution of shares on which a capital gains tax would be paid when the asset or the share was sold.

Thirteen companies were affected—some of them rather large, such as the General Bancshares Corp., formerly General Contract Corp., St. Louis, Mo.; Transamerica Corp., San Francisco, Calif.; Stephens, Inc., formerly W. R. Stephens Investment Co., Little Rock, Ark.; Chase Investment Co., Des Moines, Iowa; Keystone Corp., Kansas City, Mo.; Borgerding Investment Co., Belgrade, Minn.; First Security Corp., Salt Lake City, Utah; Union Bond & Mortgage Co., Port Angeles, Wash.; Hillsboro Enterprises, Inc., Nashville, Tenn.; Carlen Realty Co., Tarpon Springs, Fla.; Consolidated Naval Stores, Sebring, Fla.; Kemper Investment Co., Kansas City, Mo.; Farmers & Mechanics Trust Co., Childress, Tex.

That was over 10 years ago, in 1956. That is the provision which was made so that under the appropriate provisions of the Internal Revenue Code there would be a tax on that asset when it was sold, and it would be a capital gains tax.

Now we come along with the Bank Holding Act of 1966.

Financial General, operating under the earlier act, did in fact operate under a suspension. I was certainly no party to it, in the sense that I was not on the Finance Committee at the time, but the act provided that if a company was registered prior to 1955 under the Investment Company Act of 1940, or if it was an affiliate, it could not be considered a bank holding company unless it or its affiliate directly owned 25 percent or more of the net shares of two or more banks—which means it could indirectly own such shares, but not directly, and still not be considered to be under the Bank Holding Company Act. We changed that in the act of 1966.

Then came the question of how to tax those people. It does not make a particle of difference whether one corporate entity, one person, or 14,000 are involved. What we are dealing with here is the principle.

The distinguished Senator from Delaware [Mr. Williams], who has had long experience in this field, has taken the position of applying the formula that was used in the Du Pont case. I have taken the position that they are not analogous, for the reason that the Du Pont Co. was charged with violation of the Antitrust Act, and it was found guilty in the district court in Chicago, and the ultimate distribution was ordered by the Federal court of appeals in Chicago. Nothing like that happened so far as Financial General is concerned, which is incorporated under the laws of Virginia. Nobody has ever alleged that it violated the law. It never did. It is only that Congress came along with this sort of business and made both fish and fowl out of it at the same time.

My contention was that it did not violate the law, and that the Du Pont people did violate the law. I shall submit a memorandum that embodies some items from both the district court and the appellate court in Chicago to indicate exactly what happened there.

Now, then, do we treat Financial General differently from the 13 investment and bank operatives 10 years ago when we dealt with them by letting the distribution of stock take place, and then tax them on a capital gain on the assets? That is what is involved here.

Twice this bill passed the House, and twice it was reported by the Senate Finance Committee. Of course, I thought, in the interest of fairness, that should have been done. I hope, therefore, that the view of the distinguished Senator from Delaware will not prevail. It did not prevail in the conference when they finally discussed this matter around the table. I was a member of the conference committee. I thank the distinguished Senator from Delaware for making that possible, because I am a little lower down in seniority on the Finance Committee. As a matter of fact, I seldom want to be a conferee. But I had some knowledge of this and, as a result, I wanted to see equity and justice done, regardless of how many shareholders, whether individual or corporate, might be affected, and in so doing give them the same treatment we gave to these enterprises in 1956.

When all is said and done, the only reason they became bank holding companies was by act of Congress. Actually, what we were trying to do was penalize them, almost on an ex post facto basis. I could not see doing that as a matter of principle.

Mr. President, I ask unanimous consent to submit a memorandum to be printed in the Record at this point in connection with my remarks.

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

On May 9, 1956 the Bank Holding Company Act became a law. Congress had given consideration to the problems that had been created by such institutions as the Transamerica Corporation, the Chase Investment Company, the General Bancshares Corporation and other large financial structures in the banking business. They expressed concern at the control that these institutions were exercising in the money lending field. The purpose of the Act was to prevent the concentration of commercial bank facilities in a particular area under a single control and management and to prevent the grouping together of banking and nonbanking interests under a single control. This law provided for divestiture by these affected institutions. This measure that became law in 1956 did not affect Financial General Corporation.

The Bank Holding Company Act of 1956 provided that organizations that controlled two or more banks at the same time or owned interests in other businesses generally, were required to dispose of either their banking or nonbanking interests. These corporations that were classified as bank holding companies usually disposed of either their banking or nonbanking interests by distributing one or more of these classes of interests to their shareholders. Congress considered that this distribution should not create harsh tax consequences for the shareholders in regard to properties being distributed that had been acquired prior to the enactment of the Bank Holding Company Act. In order to avoid any such harsh tax consequences, Sections 1101–1103 of the Revenue Code were enacted and they provided that the distribution could be made without immediate tax consequences to the shareholders who received the distributed stock. The shareholder receiving such distributed assets was required to pay a capital gains tax when he sold the distributed assets. Without such an amendment to the Code the distributions would have been treated as ordinary income to the shareholders with disastrous tax consequences. The following companies made distribution following the enactment of the Bank Holding Company Act of 1956 under the provisions of Sections 1101–1103.

General Bancshares Corporation (formerly General Contract Corp.) St. Louis, Missouri.

Transamerica Corporation, San Francisco, California.

Stephens, Inc. (formerly W. R. Stephens Investment Co.) Little Rock, Arkansas.

Chase Investment Company, Des Moines, Iowa.

Keystone Corporation, Kansas City, Missouri.

Borgerding Investment Company, Belgrade, Minnesota.

First Security Corporation, Salt Lake City, Utah.

Union Bond & Mortgage Company, Port Angeles, Washington.

Hillsboro Enterprises, Inc., Nashville, Tennessee.

Carlen Realty Company, Tarpon Springs, Florida.

Consolidated Naval Stores, Sebring, Florida.

Kemper Investment Company, Kansas City, Missouri.

Farmers & Mechanics Trust Co., Childress, Texas.

By availing themselves of this provision of the Code, the distribution was made, and the shareholders paid their tax when they sold the distributed assets.

There was a provision, however, in the Bank Holding Company Act that permitted exceptions to those requirements. *One of these exceptions provided that if a company was registered prior to May 15, 1955 under the Investment Company Act of 1940 or was an affiliate of such a company, it was to be considered a bank holding company unless it or its affiliate directly owned 25% or more of the voting shares of two or more banks. This exception permitted companies of this type to own indirectly a 25% or larger interest in two or more banks.* Financial General Corporation qualified for this exception and was not covered or governed by the provisions of the Bank Holding Company Act of 1956.

Financial General Corporation was incorporated under the laws of the Commonwealth of Virginia on February 18, 1925. The present corporate name was adopted in April of 1956.

In 1966, however, Congress repealed this exception (Public Law 89–385: H.R. 7371). This amendment to the Bank Holding Company Act of 1956 requires Financial General Corporation to divest itself of its nonbanking interests. In both the House and Senate, assurances were given that Financial General Corporation would be afforded the same tax treatment that was provided the bank holding companies in 1956. H.R. 4765 furnishes such tax treatment. It has been reported and passed twice by the House and reported twice by the Finance Committee.

Financial General Corporation must divest itself of 95% of its stock interests in each of the companies included in the life insurance group, fire and casualty group, the mortgage banking group and the industrial-merchant banking group. The attachment indicates the companies held by Financial General Corporation in each of these groups.

Senator Williams has objected to the type of tax treatment that is being proposed for Financial General Corporation, insisting that formula used in the DuPont case should be the same formula used for Financial General, however, the situations are not at all alike. The DuPont Company was found by the court to be in violation of the Antitrust laws and was required to divest itself of its ownership of 23% of the common stock of General Motors Corporation. The following headnote from the syllabus in U.S. v. E. I. duPont de Nemours & Co., et. al. states the situation in summary:

"In this civil antitrust proceeding, this Court held that acquisition by the du Pont Company of 23% of the common stock of General Motors Corporation had led to the insulation from free competition of most of the General Motors market in automobile finishes and fabrics and tended to create a monopoly of a line of commerce, in violation of § 7 of the Clayton Act. Therefore, this Court reversed the District Court's judgment dismissing the complaint and remanded the case to that Court for a determination of the equitable relief necessary and appropriate in the public interest. 353 U.S. 586. After the taking of further evidence, pertaining mostly to the tax and market consequences to the shareholders of the two companies, the District Court declined to require du Pont to divest itself completely of the General Motors stock, as urged by the Government, and sought to satisfy the requirements of this Court's mandate by requiring du Pont to transfer its voting rights in most of the General Motors stock to certain of du Pont's shareholders, by enjoining the two companies from having any preferential or discriminatory trade relations with each other and by various other injunctive provisions designed to prevent du Pont from exercising any control over the management of General Motors. Held: This remedy is not adequate, and the District Court is directed to proceed expeditiously to enter a decree requiring du Pont to divest itself completely of the General Motors stock within not to exceed 10 years from the effective date of the decree. Pp. 3180335.

"(a) *When a violation of the antitrust laws has been proved, the initial responsibility to fashion an appropriate remedy lies with the District Court, and this Court accords due regard and respect to the conclusions of the District Court;* but this Court has a duty to be sure that a decree is fashioned which will effectively redress the violations of the antitrust laws."

Financial General Corporation is not and has not been in violation of any law. Its problems began when Congress decided to remove the exemption in the Bank Holding Company Act of 1956 and to make Financial General Corporation subject to the Bank Holding Company Act. Two alternatives exist so far as tax consequences to shareholders are concerned.

First Congress could do nothing. The results would be to require the shareholders who receive the distributions to report them as ordinary income or as dividends received to be taxed at ordinary income rates. The dollar amount of the dividends taxable as income to the stockholder, in this instance will be determined under Section 301 of the Internal Revenue Code. As a result noncorporate stockholders will be taxed on the fair market value of the stock distributed to them. Corporate stockholders will be taxed on the lesser of (a) fair market value of the stock distributed to them; (b) the adjusted basis (in the hands of the distributing corporation immediately before the distribution) of the stock distributed to them. Without tax relief, stockholders will owe a substantial tax, and Financial General Corporation has some 14,000 odd shareholders. They will owe this tax without receipt of a cash distribution with which to pay it. In many instances the stockholders will be forced to dispose of some or all of the stock received in order to generate cash with which to pay their tax. In addition to this involuntary tax liability, a disruption of the public market for these securities may result.

The second alternative would be to afford the shareholders the tax treatment provided by H.R. 4765. The effect of this treatment, the same as they furnished shareholders at the time of the original enactment of the Bank Holding Company Act is as follows:

"H.R. 4765

"This bill provides for Financial General stockholders the same tax treatment as was given the stockholders of bank holding companies which became such in 1956 at the time of the original enactment of the Bank Holding Company Act. It will result in no present taxation to the stockholder recipient of any distribution received pursuant to Sections 1101–1103 of the Internal Revenue Code. The basis of the distributing corporation's stock and the basis of the property distributed in the hands of the recipient stockholder will be the allocated basis of the stock of the distributing corporation prior to the distribution. This allocation is made proportionate to the fair market value on the date of distribution of the property distributed and the stock of the distributing corporation immediately after the date of distribution. *Upon the sale of either the bank holding company stock or the stock distributed, the stockholder will pay a gains tax on the excess of the sale price over his basis.*"

SUMMARY

The Bank Holding Company Act was enacted on May 9, 1956 and amended on July 1, 1966. The purposes of the Act were to prevent concentration of commercial bank facilities in a particular area under a single control and management and to prevent the grouping together of banking and nonbanking business enterprises under a single control. To accomplish this without harsh treatment to stockholders of bank holding companies, Sections 1101–1103 of the Internal Revenue Code were enacted. H.R. 4765 permits similarly situated stockholders as a result of the 1966 Amendments, to receive substantially the same treatment previously given.

In effect, H.R. 4765 postpones the assessment of a gains tax until the stockholder sells some of his holdings.

Financial General Corporation has complied with the Bank Holding Company Act at all times. Only as a result of a recently passed amendment is it required to make such distributions.

In both the Senate and House hearings on the Bank Holding Company Act amendments, statements were made that Financial General would receive the same type of tax treatment as was provided when the original Bank Holding Company Act of 1956 was passed.

In instances where distributions were required by the enactment of new legislation with regard to actions by the Federal Communications Commission and orders of the Securities and Exchange Commission, Congress has permitted the postponement of capital gains taxes. H.R. 4765 reaches the same result in similar circumstances.

APPENDIX A.—FINANCIAL GENERAL SUBSIDIARIES

	Percent of ownership of voting stocks	Date acquired
Alexandria National Bank	55.5300	Feb. 6, 1959.
Chesapeake National Bank	50.4000	Dec. 11, 1963.
Citizens National Bank in Pocomoke City.	64.5800	Oct. 11, 1962.
Arlington Trust Co., Inc	80.0100	Oct. 13, 1960.
Community State Bank	82.4438	Apr. 2, 1942.
Bank of Buffalo	54.9409	Do.
Bank of Commerce	64.4857	Dec. 31, 1941.
Bank of Crisfield	90.5850	Jan. 9, 1963.
Republic Bank & Trust Co	50.4000	Dec. 12, 1963.
County Bank & Trust Co	14.9925	May 26, 1947.
Pullman Bank & Trust Co	14.8302	Mar. 5, 1946.
Standard Bank & Trust Co	20.1031	June 27, 1947.
First National Bank of Lockport	14.9938	Oct. 29, 1962.
First National Bank of Washington.	78.2920	Feb. 6, 1959.
Valley National Bank	69.2311	Jan. 12, 1962.
First National Bank of Lexington.	52.3760	Aug. 19, 1963.
Round Hill National Bank	62.4750	Jan. 21, 1965.
Shenandoah Valley National Bank.	64.4589	Sept. 25, 1961.
First National Bank of Harrisonburg.	19.7575	Mar. 30, 1962.
American National Bank of Maryland.	45.4411	Dec. 7, 1955.
Peoples Bank of Buena Vista	57.3900	Feb. 18, 1963.
National Bank of Georgia	54.6385	Apr. 2, 1942.
Valley Fidelity Bank & Trust Co.	36.0390	Do.
Union Trust Co. of the District of Columbia.	66.6676	Oct. 18, 1946.
Peoples National Bank of Leesburg.	87.5000	Dec. 4, 1962.
Clarendon Trust Co	55.2993	Sept. 5, 1961.
Northeastern Insurance Co. of Hartford.	60.9413	1949.
United Security Insurance Co.	99.8250	1947.
Hawkeye-Security Insurance Co.	80.2822	1947.
Bankers Security Life Insurance Society.	39.9060	1917.
United Services Life Insurance Co.	13.2451	1953.
Bankers Financial Life Co	69.9128	Dec. 23, 1964.
Bradford Speed Packaging and Development Corp.	53.3000	Sept. 23, 1963.
Kliklok Corp	80.0000	Dec. 31, 1965.
Certipak Corp	100.0000	June 24, 1966.
Kliklok International Ltd	100.0000	Feb. 1, 1965.
Pierce Governor Co., Inc	33.7015	Nov. 29, 1965.
Central Manufacturing, Inc	100.0000	November 1966.
Woodman Co., Inc	68.8235	Dec. 28, 1964.
Foster Wheeler Corp	12.9972	Sept. 23, 1963.
Intermediate Credit Corp	100.0000	Jan. 11, 1955.
Financial General Industries, Inc.	100.0000	Jan. 27, 1964.

SCHEDULE A.—INVESTMENTS IN SUBSIDIARY AND AFFILIATED COMPANIES

[Stated at valuation basis]

	Percent ownership, 1966	Dec. 31, 1966	Dec. 31, 1965
Subsidiary companies:			
Banks:			
First National Bank of Washington (District of Columbia)	78.3	$3,372,667	$3,553,993
Union Trust Co. of the District of Columbia	66.7	8,223,396	7,804,311
National Bank of Georgia (Atlanta)	54.6	3,316,626	3,333,283
Bank of Crisfield (Maryland)	90.6	827,503	782,603
Citizens National Bank in Pocomoke City (Maryland)	64.6	317,342	328,424
Chesapeake National Bank (Towson, Md.)	50.4	588,119	570,291
Bank of Buffalo (New York)	54.9	3,161,100	3,419,487
Bank of Commerce (New York City)	64.5	7,988,242	7,668,525
Community State Bank (Albany, N.Y.)	82.4	1,619,711	1,561,068
Alexandria National Bank (Virginia)	55.5	2,345,587	2,246,706
Arlington Trust Co., Inc. (Virginia)	80.0	4,133,898	3,761,747
Clarendon Trust Co. (Arlington, Va.)	55.3	1,739,203	1,656,976
Peoples Bank (Buena Vista, Va.)	57.4	118,958	108,221
Valley National Bank (Harrisonburg, Va.)	69.2	652,836	601,899
Peoples National Bank of Leesburg (Virginia)	87.5	1,161,971	1,105,917
Shenandoah Valley National Bank (Winchester, Va.)	64.4	1,222,783	1,154,009
First National Bank of Lexington (Virginia)	52.4	232,331	207,663
Republic Bank & Trust Co. (Herndon, Va.)	50.4	231,680	238,812
Round Hill National Bank (Virginia)	62.5	305,268	317,778
Total	--------	41,559,221	40,221,713
Insurance companies:			
Hawkeye-Security Insurance Co	80.3	6,066,051	5,991,646
United Security Insurance Co	99.8	5,422,534	5,097,888
Northeastern Insurance Co. of Hartford	60.9	4,554,237	5,508,403
Bankers Financial Life Co	69.9	1,202,052	1,097,448
Total	--------	17,244,874	17,695,385
Subsidiary companies—Continued			
Other subsidiaries:			
Bradford Speed Packaging & Development Corp.	53.3	$5,958,705	$5,785,727
Intermediate Credit Corp	100.0	6,677,958	10,282,541
H. G. Smithy Co	63.8	1,451,763	----------
National Mortgage Corp	89.3	3,440,009	3,358,473
American Installment Credit Corp	100.0	212,233	184,895
Industrial Agency, Inc	100.0	210,410	146,606
Thomas J. Fisher & Co., Inc	--------	----------	115,863
Total	--------	17,951,078	19,874,105
Total subsidiary companies	--------	76,755,173	77,791,203
Affiliated companies:			
Banks:			
Pullman Bank & Trust Co. (Chicago)	14.8	766,735	740,995
Standard Bank & Trust Co. (Chicago)	20.1	429,256	419,652
County Bank & Trust Co. (Blue Island, Ill.)	14.9	191,215	184,530
First National Bank of Lockport (Illinois)	14.9	265,205	264,544
American National Bank of Maryland	45.4	6,008,232	7,657,160
First National Bank of Harrisonburg (Virginia)	19.8	777,106	790,703
Valley Fidelity Bank & Trust Co. (Knoxville)	36.0	1,849,535	1,849,535
Total	--------	10,287,284	11,907,119
Insurance companies:			
Bankers Security Life Insurance Society	39.9	3,088,070	7,068,440
United Services Life Insurance Co	13.3	2,907,186	7,377,496
Total	--------	5,995,256	14,445,936
Total affiliated companies	--------	16,282,540	26,353,055
Total investments	--------	93,037,713	104,144,258

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. LONG of Louisiana. If the Senator will recall, when we passed the 1966 act that created the problem, we in the Senate were powerless to correct the tax inequity, because the Constitution provides that tax measures must originate in the House. So if the House sends us a bill which is not a revenue bill and we proceed to put a revenue provision in it, the House sends it back with an attractive blue slip which says, "In our opinion, this is not a revenue measure, and we remind you that revenue measures must originate in the House." I have seen it happen many times. I saw it happen when President Johnson was majority leader.

We could not have done anything about this inequity when the bill was before us, but only after it became law was it possible to consider what would be the proper tax treatment for these people.

Mr. DIRKSEN. Mr. President, that is the whole story, if the Senator from Delaware is ready.

Mr. WILLIAMS of Delaware. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. There is not a sufficient second.

The yeas and nays were not ordered.

Mr. WILLIAMS of Delaware. I shall ask for a quorum in order to get the yeas and nays.

Mr. President, I want to point out that there are other factors involved than just the question of the 1956 act. A substantial part of the assets which are to be distributed has been purchased since the 1956 Bank Holding Act was enacted. All that this company is being required to get rid of is the nonrelated activities, insurance companies, et cetera, practically all of which were purchased since the 1956 act. In other words, the more they purchased the more they violated that act, and the more tax exemption they will get if this bill is approved. We cannot get away from the fact that we are dealing with a substantial tax windfall—$2 million for one stockholder of this company. But there is another section which gives a windfall of $20 million to just one company. I will discuss that case, but first, Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LONG of Louisiana. The records will indicate that there is quite a bit more in this conference report that the Senate wanted to do than merely this particular amendment. For example, the Senate voted earlier this year to give American Motors the benefit of investment credit which it failed to get because of a technicality in the law. We wrote it into law, but we dropped it because it was included in the presidential campaign financing proposal.

That is in the conference report. It is necessary and desirable, because the company may need this kind of help to insure its future.

In addition, there is a provision that has been strongly supported by the Senator from North Carolina. It involves the Jefferson Standard Life Insurance Co., which has a problem involving a spinoff. That is something that no one objects to at all. We managed to prevail upon the House to accept that provision.

Also, there is a provision for a 5-year net operating loss carryback, which the Treasury tells us is good legislation, although it is very closely drawn. The Treasury sent us a recommendation along this line to make it general law, so as to apply to everyone, because they think it makes good sense.

These matters are very important to many States and many segments of the economy. So this is an important bill and is needed.

As one member of the Committee on Finance, I feel that we really will not have done our job unless we have acted on these matters.

Mr. WILLIAMS of Delaware. Mr. President, the Senator from Louisiana is correct. There are other items in the bill. I had started to discuss one of them before asking for the quorum.

There is a $20 million windfall for American Motors. This is a special tax benefit. This bill is designed not as general law so that all corporations in America may use the same carryback provisions; but it is designed in such a manner that only one company in America can qualify under it; that company is American Motors. The total tax benefit for that one company will be $20 million or $22 million.

I realize that it is almost Christmas, but there are 200 million Americans, most of them paying taxes, who will not get Christmas gifts like that from Congress. It seems that at the end of every session of Congress it is necessary to have before us a Christmas tree bill trimmed with special provisions to benefit only one or two companies or one or two individuals. I personally believe this is a bad way to legislate. Changes in the Revenue Code should be general law so that all taxpayers may be beneficiaries of the provision.

The Senator from Louisiana is correct in his statement that the Treasury did endorse the special tax windfall of $20 million for American Motors, although it would not endorse making it general law so that all taxpayers could receive the same benefit. The Treasury defends its position by pointing out that from a competitive angle it would like the company to stay in business.

That is a poor defense. There are thousands of small businessmen who are having difficulty staying in business. There are many small taxpayers who are having difficulty paying taxes and meeting their other obligations. Yet we are not providing any special tax benefit for them to keep them operating.

I think it is a bad precedent to use the tax law as a relief measure or to try to correct a competitive disadvantage within an industry by giving a special tax credit to the underdog, much as we would like to keep them in business and much as we wish them the best of success.

After all, the question arises, when this tap windfall has gone, what is Congress going to do, give them another bonanza out of the Federal Treasury? Or are we going to take over and operate the business as a Government plant?

I think it boils down to the point, Do we want to endorse tax legislation such as this which is intentionally designated for the benefit of just one or two companies? Personally, I believe the conference report should be rejected. Those parts of the bill which we favor could be included in another bill.

Mr. President, in the December 8, 1967, issue of the Wall Street Journal, there appeared an excellent editorial denouncing the procedure whereby Congress would give to American Motors this $20-million tax bonanza.

I ask unanimous consent to have printed in the Record the editorial entitled "Aid for American Motors," published in the Wall Street Journal of December 8, 1967.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

AID FOR AMERICAN MOTORS

Congress is about to pass a special tax measure designed to benefit hard-pressed American Motors, and only American Motors. While the lawmakers' motive is understandable, the legislation is unwise.

Under the pending bill American Motors would be allowed to subtract current losses from profits earned any time within the past five years, instead of the three years the law specifies. The step could bring the company a tax rebate of $20 million.

One objection to this procedure is that American Motors is by no means the only enterprise in the nation that would be happy to have greater leeway in using losses to compute its taxes. By single-company legislation the tax system would become an instrument of economic discrimination against many businesses, which certainly makes for questionable public policy.

This is not to deny that the decline of the auto maker would be unfortunate. Involved are the economic interests of thousands: The company's stockholders, customers, suppliers, dealers and employes.

General Motors, Ford and Chrysler, the three larger auto firms, also would be disturbed if American Motors were to sink. Since Federal antitrust officials often measure competition mainly by the number of competitors, the demise of one would probably trigger a stepped-up attack on the rest.

When the Government assigns any private company special privileges, however, the free economy is distorted. It doesn't matter whether the privileges are special tax concessions, import restrictions or outright cash subsidies. In each case resources are diverted from more productive uses and thus are to some extent wasted.

We certainly wish American Motors the very best. It seems to us, though, that one company's health is less important than principles of economic fairness and wise use of the country's scarce resources.

Mr. WILLIAMS of Delaware. I am ready to vote, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Louisiana [Mr. Ellender], the Senator from Alaska [Mr. Gruening], the Senator from Hawaii [Mr. Inouye], the Senator from Missouri [Mr. Long], the Senator from

Wyoming [Mr. McGee], and the Senator from Connecticut [Mr. Ribicoff] are absent on official business.

I also announce that the Senator from Indiana [Mr. Bayh], the Senator from Maryland [Mr. Brewster], the Senator from Connecticut [Mr. Dodd], the Senator from Mississippi [Mr. Eastland], the Senator from Michigan [Mr. Hart], the Senator from Minnesota [Mr. McCarthy], and the Senator from West Virginia [Mr. Randolph] are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana [Mr. Bayh], the Senator from Maryland [Mr. Brewster], the Senator from Connecticut [Mr. Dodd], the Senator from Mississippi [Mr. Eastland], the Senator from Louisiana [Mr. Ellender], the Senator from Alaska [Mr. Gruening], the Senator from Michigan [Mr. Hart], the Senator from Hawaii [Mr. Inouye], the Senator from Missouri [Mr. Long], the Senator from Wyoming [Mr. McGee], the Senator from West Virginia [Mr. Randolph], and the Senator from Connecticut [Mr. Ribicoff] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. Aiken], the Senator from California [Mr. Kuchel], the Senator from Illinois [Mr. Percy], and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from Colorado [Mr. Allott] is absent on official business.

The Senator from Vermont [Mr. Prouty] is absent because of illness.

If present and voting, the Senator from Vermont [Mr. Aiken], the Senator from Colorado [Mr. Allott], the Senator from California [Mr. Kuchel], the Senator from Illinois [Mr. Percy], and the Senator from Pennsylvania [Mr. Scott] would each vote "yea."

The result was announced—yeas 78, nays 3, as follows:

[No. 389 Leg.]

YEAS—78

Anderson
Baker
Bartlett
Bennett
Bible
Boggs
Brooke
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Carlson
Case
Church
Clark
Cooper
Cotton
Curtis
Dirksen
Dominick
Ervin
Fannin
Fong
Fulbright
Griffin
Hansen
Harris
Hartke
Hatfield
Hayden
Hickenlooper
Hill
Holland
Hollings
Hruska
Jackson
Javits
Jordan, N.C.
Jordan, Idaho
Kennedy, Mass.
Kennedy, N.Y.
Lausche
Long, La.
Magnuson
Mansfield
McClellan
McGovern
McIntyre
Metcalf
Miller
Mondale
Monroney
Montoya
Morse
Morton
Moss
Mundt
Murphy
Muskie
Nelson
Pastore
Pearson
Pell
Proxmire
Russell
Smathers
Smith
Sparkman
Spong
Stennis
Symington
Talmadge
Tower
Tydings
Williams, N.J.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—3

Gore
Thurmond
Williams, Del.

NOT VOTING—19

Aiken
Allott
Bayh
Brewster
Dodd
Eastland
Ellender
Gruening
Hart
Inouye
Kuchel
Long, Mo.
McCarthy
McGee
Percy
Prouty
Randolph
Ribicoff
Scott

So the report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, informed the Senate that pursuant to the authority granted by the House, the Speaker had appointed as additional conferees in the conference on the bill (H.R. 7819) to strengthen and improve programs of assistance for elementary and secondary education by extending authority for allocation of funds to be used for education of Indian children and children in overseas dependents schools of the Department of Defense, by extending and amending the National Teacher Corps program, by providing assistance for comprehensive educational planning, and by improving programs of education for the handicapped; to improve authority for assistance to schools in federally impacted areas and areas suffering a major disaster; and for other purposes the following Members: Mr. Gibbons, of Florida and Mr. Ashbrook, of Ohio.

The message announced that the House had disagreed to the amendment of the Senate to the amendment of the House to the bill (S. 1367) to authorize the Secretary of the Interior to prevent terminations of oil and gas leases in cases where there is a nominal deficiency in the rental payment, and to authorize him to reinstate under some conditions oil and gas leases terminated by operation of law for failure to pay rental timely, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Aspinall, Mr. Edmondson, Mr. Baring, Mr. Saylor, and Mr. Burton of Utah were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 10864) to authorize the Secretary of Agriculture to convey certain lands in Saline County, Ark., to Dierks Forests, Inc., and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Poage, Mr. Gathings, Mr. McMillan, Mr. Belcher, and Mr. Teague of California were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H.R. 10964) to enable the District of Columbia to receive Federal financial assistance under title XIX of the Social Security Act for a medical assistance program, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H.R. 12505) to provide that a District of Columbia public school teacher may retired on a full annuity at age 55 after 30 years of service or at age 60 after 20 years of service, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution:

H.R. 5709. An act to amend the District of Columbia Teachers' Leave Act of 1940 to remove certain limitations, and for other purposes;

H.R. 6167. An act to authorize the extension of certain naval vessel loans now in existence and new loans, and for other purposes;

H.R. 8338. An act to create a new division for the western district of Texas, and for other purposes;

H.R. 8715. An act to amend the District of Columbia Alcoholic Beverage Control Act to limit the amount of wines, spirits, and beer that may be brought into the District of Columbia;

H.R. 13510. An act to increase the basic pay for members of the uniformed services, and for other purposes; and

H.J. Res. 888. Joint resolution making continuing appropriations for the fiscal year 1968, and for other purposes.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations, and that the nomination of Lt. Gen. Leonard F. Chapman to be Commandant of the Marine Corps be considered last.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to the consideration of executive business.

DEPARTMENT OF DEFENSE

The legislative clerk read the nomination of Charles A. Bowsher, of Illinois, to be an Assistant Secretary of the Navy.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

U.S. AIR FORCE

The legislative clerk proceeded to read sundry nominations in the U.S. Air Force.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

U.S. ARMY

The legislative clerk proceeded to read sundry nominations in the U.S. Army.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

U.S. NAVY

The legislative clerk proceeded to read sundry nominations in the U.S. Navy.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations will be considered and confirmed en bloc.

U.S. MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the U.S. Marine

Corps commencing with the nomination of Wood B. Kyle, to be major general.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

FEDERAL TRADE COMMISSION

The legislative clerk read the nomination of James M. Nicholson, of Indiana, to be a Federal Trade Commissioner.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. HARTKE. Mr. President, this is a moment of great pride to me since we have today, in short order, confirmed a new member of the Federal Trade Commission.

I am especially proud because the appointee is Mr. James M. Nicholson, a distinguished member of the Indianapolis bar and a personal friend of mine.

Mr. Nicholson is one of many brilliant young men who, in recent years, has heeded the call to come to the service of our country. He has accepted the invitation of the President to join the Federal Trade Commission at a sacrifice to himself, his family and his profession.

The FTC is at a stage in its history when it greatly needs the caliber of man of Mr. Nicholson. This body is being called upon to make decisions concerning the conduct of business and its relations with the public. We are in a period of unprecedented interest in consumer protection, a period in which caveat emptor is no longer the theme for government and business in relations with the people.

Mr. Nicholson will occupy, to this extent at least, a hotseat in the front lines of today's action.

The President has, in my opinion, chosen well for this sensitive position. Mr. Nicholson is well trained by education, professional experience and community service for this post.

Son of a newspaperman, native of Oklahoma, who has lived in many cities before settling in our own great State, Mr. Nicholson has a distinguished record of service to church, State, community, and Nation. His service extends to the handicapped, to conservation, to music, to education, to government, and to politics.

U.S. COAST GUARD

The legislative clerk proceeded to read sundry nominations in the U.S. Coast Guard.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

DEPARTMENT OF JUSTICE

The legislative clerk read the nomination of Stephen J. Pollak, of the District of Columbia, to be an assistant attorney general.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

U.S. MARINE CORPS

The legislative clerk read the nomination of Lt. Gen. Leonard F. Chapman, Jr., to be Commandant of the Marine Corps.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

The Senator from Florida is recognized.

Mr. HOLLAND. Mr. President, I am happy indeed to support the confirmation of Lt. Gen. Leonard Chapman, Jr., to be the 24th Commandant of the Marine Corps.

General Chapman was born at Key West, Fla., and educated in the State, which I have the honor to represent in part, graduating from the University of Florida in June 1935, where he was a member of the Reserve Officers' Training Corps for 4 years. While he was commissioned in the Army Field Artillery Reserve, upon graduation he resigned that commission to accept appointment as a Marine second lieutenant in July 1935.

Prior to the outbreak of World War II, General Chapman served in various stations throughout the United States and in Hawaii. He was serving as commanding officer of the Marine detachment aboard the cruiser *Astoria* at the outbreak of the war and took part in the early Pacific raids including participation in the battles of the Coral Sea and Midway. Later, he commanded the 4th Battalion, 11th Marine Artillery Regiment of the 1st Marine Division during the invasions of Peleliu and Okinawa.

General Chapman, a man of unusual military traits and qualifications, has earned the Distinguished Service Medal; two awards of the Legion of Merit, one with combat "V"; the Bronze Star Medal with combat "V"; the Navy commendation ribbon with combat "V"; two Presidential unit citations; the American Defense Service Medal with fleet clasp; the Asiatic-Pacific Campaign Medal with one silver star in lieu of five bronze stars; the American Campaign Medal; the National Defense Service Medal, with one bronze star; the Korean Service Medal; and the United Nations Service Medal.

General Chapman has risen steadily through the ranks and has served in many capacities, where his intelligence and diligence earned him the respect of all who served with him.

General Chapman's bravery, dedication to duty and quiet competence will make him a Commandant the Marine Corps, his native State of Florida and the entire Nation will look to with pride.

I commend the President for his excellent appointment to this vital post and look forward in the days ahead to working with General Chapman in the defense of our country.

In closing, I should like to say that no man can achieve great heights without the aid of his family. I therefore salute General Chapman's wife, the former Emily Ford, of Birmingham, Ala. General Chapman, being fully aware of this, asked permission, when he met with the President, to pay tribute to his own and other Marine wives who have stood by their men over the years. In addition, General Chapman has two fine sons, both Marine officers: Leonard F. Chapman III, commissioned in the Marine Corps in 1964 upon graduation from Duke University, and Walter Ford Chapman, commissioned in the Marine Corps in 1966 upon graduation from Duke University. One of them has already served in Vietnam—the other is there now. The Chapman family is a fighting Marine family in the finest tradition.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. HOLLAND. I am glad to yield to my distinguished colleague.

Mr. SMATHERS. Mr. President, I should like to join my colleague in paying commendation to the new Commandant of the Marine Corps, General Chapman. I have a double connection with him, of which I am very proud. It was my happy privilege to attend the University of Florida at the same time General Chapman was a student there, in the early thirties. Not only was he an outstanding student, but also, as Senator Holland has said, he was an outstanding leader in the Reserve Officers' Training Corps at the university.

At the beginning of World War II, I was privileged to join the U.S. Marine Corps, and, of course, I again began to hear—at that time it was Lieutenant Chapman—what an outstanding, brave, and competent marine he was.

It pleased all of us who have known him so well in Florida and those in the Marine Corps who have known him that the President of the United States selected him as the 24th Commandant.

General Chapman is the first Floridian to head the Marine Corps. He was born November 3, 1913, at Key West, attended public schools in De Land and the University of Florida. And I know how proud his many friends in his home State will be today, particularly his father, L. F. Chapman, who for many years headed the Florida prison system and now lives in retirement at Orlando.

General Chapman, who accepted his Marine commission upon graduation from the University of Florida in 1935, has had a long and honorable career in the Marines of more than 30 years duration.

He has had both an excellent combat record and a distinguished record as a military executive. In today's complex warfare, this background ideally suits General Chapman to the command which he will assume.

During World War II, General Chapman commanded a Marine detachment aboard the U.S.S. *Astoria* and took part in raids in the Pacific which culminated in the battles of Coral Sea and Midway. Returning later in the war to Pacific combat, he fought at Peleliu and Okinawa.

Following the war, General Chapman held many posts including command of the 12th Marines; commanding officer of the Marine Barracks at Yokosuka, Japan, and later, command officer of the Marine Barracks in Washington, D.C., and director of the Marine Corps Institute.

Subsequently, General Chapman served as commanding general of the Atlantic Fleet Marine Force, as Assistant Marine Corps Chief of Staff and as Chief of Staff of the Headquarters Marine

Corps. Prior to his nomination as Commandant, General Chapman had been serving as Assistant Commandant.

Not only has General Chapman had a splendid personal career, he can also be equally proud of the fact that his sons also serve in the Marines.

One son, Leonard F. Chapman III, served in Vietnam before being assigned to command a Marine detachment aboard the U.S.S. *Enterprise*. His younger son, Walton Ford Chapman, is a platoon leader in the 1st Battalion, 26th Marine Regiment, 3d Marine Amphibious Force.

President Johnson correctly appraised General Chapman as "a man of unusual military traits and qualifications," for he is indeed as qualified a man as can be found for his new post, a man of quiet confidence who can meet the stern demands which face the Marine Corps with the utmost competence.

I feel confident that the Marine Corps will go forward, in its usual illustrious way, to achieve even greater heights under its new Commandant, as it has done in the past.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HOLLAND. I am glad to yield to another ex-marine, our distinguished majority leader.

Mr. MANSFIELD. Mr. President, there are no ex-marines. Once a marine, always a marine.

I wish to join the two distinguished Senators from Florida in their commendation of the new Commandant of the Marine Corps, and to tell them and the Senate how happy I am with the President's nomination of this outstanding marine. In my opinion, under the circumstances, the President made the best possible choice, a choice which will prove wise in the years of his service.

I salute the Marine Corps and General Chapman.

Mr. HOLLAND. I thank the distinguished majority leader.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. HOLLAND. I am glad to yield to the distinguished Senator from Georgia.

Mr. RUSSELL. I do not want this discussion to close without pointing out that General Chapman received the only commission that was awarded at the University of Florida by the Marine Corps, in the year he graduated from the University of Florida, and that in itself is quite a distinction. The University of Florida ranks very high, sometimes too high, in football.

Mr. HOLLAND. I thank my distinguished friend, the Senator from Georgia, for his reference to football at the University of Florida. I must take off my hat in saying that the team by which we are most challenged every year is the fine team from the University of Georgia, the school from which the distinguished senior Senator from Georgia graduated.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. HOLLAND. I am glad to yield to the distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, when General Chapman appeared before the Committee on Armed Services, I was deeply impressed with him. I am confident that he will make one of the finest commandants the Marine Corps has ever had.

Mr. HOLLAND. I thank my distinguished friend, the Senator from South Carolina. That comment comes from a distinguished soldier.

Mr. President, I ask that the nomination be confirmed at this time.

The PRESIDING OFFICER (Mr. BYRD of Virginia in the chair). Without objection, the nomination is confirmed.

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. McCLELLAN, from the Committee on the Judiciary:

John T. Curtin, of New York, to be U.S. district judge for the western district of New York.

LEGISLATIVE SESSION

Mr. BYRD of West Virginia. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. BYRD of Virginia in the chair). The hour of 2 p.m. having arrived, morning business is concluded.

The Chair recognizes the Senator from New Mexico.

ELOY C. NAVARRO

Mr. MONTOYA. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 294, a bill for the relief of Eloy C. Navarro.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 294) for the relief of Eloy C. Navarro, which was, strike out all after the enacting clause and insert:

> That the claim of Eloy C. Navarro, of Albuquerque, New Mexico, for the loss of personal hand tools on or about April 29, 1964, shall be held and considered to be a timely claim under the Military Personnel and Civilian Employees Claims Act of 1964, as amended (Public Law 88–558, 78 Stat. 767, as amended) if such a claim is filed within one year of the effective date of this Act with the Secretary of the Interior, and the Secretary of the Interior is authorized to consider, settle and, if found meritorious, to pay that claim in accordance with the provisions of the Military Personnel and Civilian Employees Claims Act of 1964.

Mr. MONTOYA. Mr. President, I move that the Senate concur in the amendment of the House.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to.

DUTY-FREE TREATMENT OF LIMESTONE

Mr. GORE. Mr. President, I enter a motion to reconsider the vote by which the bill H.R. 1141 was read the third time and passed yesterday.

Mr. President, I now move that the Senate proceed to consider the motion to reconsider the vote by which H.R. 1141 was read the third time and passed.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 1141) to permit duty-free treatment of limestone, when imported to be used in the manufacture of cement, pursuant to the Trade Expansion Act of 1962.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

Mr. LONG of Louisiana. Mr. President, it was agreed yesterday, by unanimous consent, that the Senator could make the motion.

I ask unanimous consent that the vote by which the bill was passed be reconsidered, together with the third reading thereof, and that the Jordan-Ervin amendment be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LONG of Louisiana. Mr. President, we have discussed this matter, and we at last have a report from the Treasury on the amendment. The Senator from Tennessee [Mr. GORE] and the Senator from Deleware [Mr. WILLIAMS] desire that this matter should be studied further by the committee. We have discussed this matter with the Senators from North Carolina, and we have assured them that we will consider it next year and seek to act on it.

We do not think we could agree to it at this time. I hope very much that the amendment will be withdrawn without prejudice, with our assurance that we will consider it next year and try to act on it in a way which will not create problems for the Treasury Department.

Mr. JORDAN of North Carolina. Mr. President, I withdraw the amendment on the assurance that it will be taken up next year without prejudice.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. GORE. Mr. President, I wish to express deep gratitude to the able Senator from North Carolina for the action he has just taken. Certainly, it is not a pleasant duty to bring about reconsideration. I know that the able Senator and his senior colleague from North Carolina had but one motive in mind, and that is to serve the best interest of a very worthwhile foundation which distributes beneficially vast amounts to very worthy causes in the States of North Carolina and South Carolina.

Unfortunately, it develops, although unintended, that the bill as drawn and the amendment as adopted tentatively yesterday would have affected other trusts or foundations, some perhaps adversely and some perhaps beneficially. It might open opportunities for changes in existing trusts and foundations.

At any rate, because of this development the able Senator from North Carolina has generously suggested withdrawing his amendment so that the committee can consider it next year. I join the chairman in saying that it should be without prejudice to the amendment.

Mr. President, I ask unanimous consent that the Treasury Department report, which in all fairness to the chairman of the committee, only arrived at the offices of the committee this forenoon, be printed at this point in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

Treasury Department,
Washington, D.C.

Russell B. Long,
Chairman, Committee on Finance,
U.S. Senate, Washington, D.C.

Dear Mr. Chairman: This is in response to your request for the views of this Department on S. 2179 entitled, "A bill to provide that certain income required to be accumulated shall be disregarded in determining whether a charitable organization is exempt from income tax."

Under section 504 of the Internal Revenue Code, certain organizations otherwise exempt from taxation under section 501 are denied exemption for any year in which they accumulate income in an unreasonable amount or for an unreasonable duration. The second sentence of section 504 excepts, from this general rule, income attributable to property of a decedent dying before January 1, 1951, which was transferred under his will to a trust also created by that will. Section 681(c) provides comparable rules for certain non-exempt trusts.

S. 2197 would amend sections 504 and 681 in several respects. It would extend the present exception contained in section 504 to any organization described in section 501(c)(3) and the present exception contained in section 681(c) to any trust; it would extend the present exception contained in both sections to any irrevocable transfer occurring before January 1, 1951; and, it would limit the exceptions under both sections to income required to be accumulated by the terms of the instrument of transfer. Under the bill, the amendments would be made retroactive to taxable years beginning after December 31, 1953 and ending after August 16, 1954.

The Treasury Department is opposed to S. 2197.

This bill deals with one very minor aspect of a much broader problem—the tax treatment of foundations which accumulate income, rather than expend it for charitable purposes on a relatively current basis. This problem has been the subject of an extensive study by the Treasury Department as part of an overall review of the tax treatment of foundations undertaken pursuant to requests from the Committee on Finance and the Committee on Ways and Means. The results of that study, including recommendations for changes in existing law, have been published by the Finance Committee in the Treasury Department Report on Private Foundations, dated February 2, 1965. The report points to the inadequacy of the present law prohibiting unreasonable accumulations, and makes specific recommendations for rectification of those inadequacies through the enactment of requirements for relatively current distributions of foundation income. In view of the need for an overall revision of the tax treatment of foundations accumulating income, we recommend that consideration of legislation designed to deal with a specific, minor, aspect of that tax treatment be deferred until consideration of the entire problem is before your Committee.

Furthermore, the bill appears to be designed to dispose of an existing controversy concerning the tax liability of the Duke Endowment, a perpetual trust established by James B. Duke under an inter vivos indenture. Duke Endowment's tax liability is presently under consideration by the Internal Revenue Service, and we are opposed to S. 2197 for that reason. The administrative procedures of the Internal Revenue Service will provide full development of the facts surrounding the actions by the trustees of the Duke Endowment in accumulating income and full definition of the legal issues which effect its tax liability. If assessments of income tax deficiencies are made against Duke Endowment, the correctness of those assessments could then be tested in the courts. We believe that consideration of this legislation, primarily designed to resolve an existing controversy, should be deferred until resolution of that controversy before the Service or the courts.

The undesirability of acting while there is a controversy presently pending before the Internal Revenue Service is adequately demonstrated by the present proposal. It would exempt from consideration as unreasonable accumulations only income required to be accumulated by the terms of the instrument transferring the property. It is our understanding that certain amounts accumulated by Duke Endowment may be considered as having been accumulated over and above any requirements in any instruments of transfer. Thus, without the benefit of a full development of the facts and a clear definition of the issues involved in determining the tax liability of the Duke Endowment, legislation designed primarily to resolve an existing controversy may fall short of its purpose by leaving issues in controversy unresolved.

Finally, while the bill broadens present law as previously described, it also narrows the present exception by excluding from consideration as unreasonable accumulations only income required to be accumulated under the terms of the instrument of transfer. The purpose of the exception under present law appears to be to prevent retroactive application of the prohibition against unreasonable accumulations, added by the Revenue Act of 1950, to irrevocable transfers made before that date. While the proposed limitation is consistent with that purpose, we would oppose applying it to trusts excepted under present law as they may have accumulated income in reliance upon the present exception.

In summary, the Treasury Department recommends that consideration of this bill be deferred until review of the broader problems outlined in the Foundation Report is undertaken. Further, we believe that consideration of this bill should be deferred at least until your Committee has the benefit of a full development of the facts and legal issues that will result from the administrative and judicial procedures. Finally, should your Committee find the bill desirable, we would recommend redrafting it to prevent its restrictive portion from applying to income already excluded from consideration under the present exception.

The Bureau of the Budget has advised the Treasury Department that there is no objection from the standpoint of the Administration's program to the presentation of this report.

Sincerely yours,

Stanley Surrey,
Assistant Secretary.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. WILLIAMS of Delaware. Mr. President, I join the chairman of the committee and the Senator from Tennessee [Mr. Gore] in giving assurance to the Senators from North Carolina that this matter will be studied on its merits by our committee early next year, and we accept the withdrawal of the amendment without prejudice on any action to be taken thereon.

Mr. CARLSON. Mr. President, I wish to offer an amendment to H.R. 1141.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. CARLSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the Record.

The amendment ordered to be printed in the Record is as follows:

At the end of the bill insert:

"Sec. — (a) section 5701(a) of the Internal Revenue Code of 1954 (relating to rate of tax on cigars) is amended by adding after the penultimate sentence the following new sentence: 'For purposes of the preceding sentence, the amount of State or local tax excluded from the retail price shall be the actual tax imposed; except that, if the combined taxes result in a numerical figure ending in a fraction of a cent, the amount so excluded shall be rounded to the next highest full cent unless such rounding would result in a tax lower than the tax which would be imposed in the absence of State or local tax.'

"(b) The amendment made by subsection (a) shall apply to the removal of cigars on or after the first day of the first calendar quarter which begins more than 30 days after the date of the enactment of this Act.

"Sec. — (a) Section 832(b)(1) of the Internal Revenue Code of 1954 (relating to insurance company gross income) is amended by striking out 'and' at the end of subparagraph (C), by striking out the period at the end of subparagraph (D) and inserting in lieu thereof, 'and', and by adding at the end thereof the following new subparagraph:

"'(E) in the case of a company which writes mortgage guaranty insurance, the amount required by subsection (e)(5) to be subtracted from the mortgage guaranty account.'

"(b) Section 832(c) of such Code (relating to insurance company deductions) is amended by striking out 'and' at the end of paragraph (11), by striking out the period at the end of paragraph (12) and inserting in lieu thereof '; and', and by adding at the end the following new paragraph:

"'(13) in the case of a company which writes mortgage guaranty insurance, the deduction allowed by subsection (e).'

"(c) Section 832 of such Code (relating to insurance company taxable income) is amended by adding at the end thereof the following new subsection:

"'(e) Special Deduction and Income Account.—In the case of taxable years beginning after December 31, 1966, of a company which writes mortgage guaranty insurance—

"'(1) Additional deduction.—There shall be allowed as a deduction for the taxable year, if bonds are purchased as required by paragraph (2), the sum of—

"'(A) an amount representing the amount required by State law or regulation to be set aside in a reserve for mortgage guaranty insurance losses resulting from adverse economic cycles; and

"'(B) an amount representing the aggregate of amounts so set aside in such reserve for the 8 preceding taxable years to the extent such amounts were not deducted under this paragraph in such preceding taxable years,

except that the deduction allowable for the taxable year under this paragraph shall not exceed the taxable income for the taxable year computed without regard to this paragraph or to any carryback of a net operating loss. For purposes of this paragraph, the amount required by State law or regulation to be so set aside in any taxable year shall not exceed 50 percent of premiums earned on insurance contracts (as defined in subsection (b)(4)) with respect to mortgage guaranty insurance for such year. For purposes of this subsection, all amounts shall be taken into account on a first-in-time basis. The computation and deduction under this section of losses incurred (including losses resulting from adverse economic cycles) shall not be affected by the provisions of this subsection. For purposes of this subsection, the terms 'preceding taxable years' and 'preceding taxable year' shall not include taxable years which began before January 1, 1967.

"'(2) Purchase of bonds.—The deduction under paragraph (1) shall be allowed only to the extent that tax and loss bonds are purchased in an amount equal to the tax benefit attributable to such deduction, as determined under regulations prescribed by the Secretary or his delegate, on or before the date that any taxes (determined without regard to this subsection) due for the taxable year for which the deduction is allowed are due to be paid, as if no election to make installment payments under section 6152 is made. If a deduction would be allowed but for the fact that tax and loss bonds were not timely purchased, such deduction shall be allowed to the extent such purchases are made within a reasonable time, as determined by the Secretary or his delegate, if all interest and penalties, computed as if this sentence did not apply, are paid.

"'(3) Mortgage guaranty account.—Each company which writes mortgage guaranty insurance shall, for purposes of this part, establish and maintain a mortgage guaranty account.

"'(4) Additions to account.—There shall be added to the mortgage guaranty account for each taxable year an amount equal to the amount allowed as a deduction for the taxable year under paragraph (1).

"'(5) Subtractions from account and inclusion in gross income.—After applying paragraph (4), there shall be subtracted for the taxable year from the mortgage guaranty account and included in gross income—

"'(A) the amount (if any) remaining which was added to the account for the tenth preceding taxable year, and

"'(B) the excess (if any) of the aggregate amount in the mortgage guaranty account over the aggregate amount in the reserve referred to in paragraph (1)(A). For purposes of determining such excess, the aggregate amount in the mortgage guaranty account shall be determined after applying subparagraph (A), and the aggregate amount in the reserve referred to in paragraph (1)(A) shall be determined by disregarding any amounts remaining in such reserve added for taxable years beginning before January 1, 1967,

"'(C) an amount (if any) equal to the net operating loss for the taxable year computed without regard to this subparagraph, and

"'(D) any amount improperly subtracted from the account under subparagraph (A), (B), or (C) to the extent that tax and loss bonds were redeemed with respect to such amount.

If a company liquidates or otherwise terminates its mortgage guaranty insurance business and does not transfer or distribute such business in an acquisition of assets referred to in section 381(a), the entire amount remaining in such account shall be subtracted. Except in the case where a company transfers or distributes its mortgage guaranty insurance in an acquisition of assets referred to in section 381(a), if the company is not subject to the tax imposed by section 831 for any taxable year, the entire amount in the account at the close of the preceding taxable year shall be subtracted from the account in such preceding taxable year.'

"(d) Section 381(c)(22) of such Code (relating to carryovers in certain corporate acquisitions) is amended to read as follows:

"'(22) Successor insurance company.—If the acquiring corporation is an insurance company taxable under subchapter L, there shall be taken into account (to the extent proper to carry out the purposes of this section and of subchapter L, and under such regulations as may be prescribed by the Secretary or his delegate) the items required to be taken into account for purposes of subchapter L in respect of the distributor or transferor corporation.'

"(e) The amendments made by subsections (a), (b), (c), and (d) shall apply to taxable years beginning after December 31, 1966, except that so much of section 832(e)(2) of the Internal Revenue Code of 1954 (as added by the amendment made by subsection (c)) as provides for payment of interest and penalties for failure to make a timely purchase of tax and loss bonds shall not apply with respect to any period during which such bonds are not available for purchase.

"(f) The Second Liberty Bond Act is amended by adding at the end thereof the following new section:

"'Sec. 26. The Secretary of the Treasury is authorized to issue, from time to time, tax and loss bonds, the proceeds of which shall be available to meet any public expenditures authorized by law, and to retire any outstanding obligations of the United States issued under this Act. Tax and loss bonds shall be nontransferable except as provided by the Secretary of the Treasury, shall bear no interest and shall be issued in such amounts, subject to the limitations imposed by section 21 of this Act, as are necessary to permit persons to comply with section 832(e) of the Internal Revenue Code of 1954. Tax and loss bonds shall be issued in such amounts and on such terms and conditions as required by section 832(e) of such Code and as the Secretary of the Treasury shall prescribe. With respect to any taxable year in which amounts are subtracted from the mortgage guaranty account referred to in section 832(e)(3) of such Code, an amount of tax and loss bonds which was purchased under section 832(e)(2) of such Code with respect to the amount so subtracted shall be redeemed, and to the extent necessary shall be applied to pay any taxes due as a result of the inclusion under section 82(b)(1)(E) of such Code of amounts in gross income. In addition, tax and loss bonds may be redeemed as prescribed by the Secretary of the Treasury.'

"(g)(1) In the case of taxable years beginning before 1967, a company shall treat additions to a reserve, required by State law or regulations for mortgage guaranty insurance losses resulting from adverse economic cycles, as unearned premiums for purposes of section 832(b)(4) of the Internal Revenue Code of 1954, but the amount so treated as unearned premiums in a taxable year shall not exceed 50 percent of premiums earned on insurance contracts (as defined in section 832(b)(4) of such Code), determined without regard to amounts added to the reserve, with respect to mortgage guaranty insurance for such year. The amount of unearned premiums at the close of 1966 shall be determined without regard to the preceding sentence for the purpose of applying 832(b)(4) of such Code to 1967. Additions to such a reserve shall not be treated as unearned premiums for any taxable year beginning after 1966.

"(2) If a mortgage guaranty insurance company made additions to a reserve which were so treated as unearned premiums described in paragraph (1), such company, in taxable years beginning after 1966, shall include in gross income (in addition to the items specified in section 832(b)(1) of such Code) the sum of the following amounts until there is included in gross income an amount equal to the aggregate additions to the reserve described in paragraph (1) for taxable years beginning before 1967:

"(A) an amount (if any) equal to the excess of losses incurred (as defined in section 832(b)(5) of such Code) for the taxable year over 35 percent of premiums earned on insurance contracts during the taxable year (as defined in section 832(b)(4) of such Code), determined without regard to amounts added to the reserve referred to in paragraph (1), with respect to mortgage guaranty insurance,

"(B) the amount (if any) remaining which was added to the reserve for the tenth preceding taxable year, and

"(C) the excess (if any) of—

"(i) the aggregate of amounts so treated as unearned premiums for all taxable years beginning before 1967 less the total of the amounts included in gross income under this paragraph for prior taxable years and the amounts included in gross income under subparagraphs (A) and (B) for the taxable year, over

"(ii) the aggregate of the additions made for taxable years begining before 1967 which remain in the reserve at the close of the taxable year.

Amounts shall be taken into account on a first-in-time basis. For purposes of section 832(e) of such Code and this paragraph, if part of the reserve is reduced under State law or regulation, such reduction shall first apply to the extent of amounts added to the reserve for taxable years beginning before 1967, and only then to amounts added thereafter.

"(3) The provisions of this subsection shall apply to taxable years beginning after December 31, 1956."

Mr. CARLSON. Mr. President, this amendment is on the calendar as Calendar No. 901, H.R. 6058.

The first section of the bill, which is a House bill, deals with the manner of determining the tax on cigars, and it was unanimously approved by the Committee on Finance. It has the full approval of the Treasury. This measure also carries an amendment that deals with mortgage guarantee insurance reserves, which was also considered by the Committee on Finance, and unanimously reported, and it has the approval of the Treasury Department.

Mr. President, I ask unanimous consent that pertinent portions of the report which deals with these matters be printed in the Record.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

TREATMENT OF STATE AND LOCAL TAXES IN DETERMINING TAX ON CIGARS

(*a*) *Present law.*—Under present law, the manufacturer's excise tax on large cigars (those weighing more than 3 pounds per thousand cigars) is imposed on the basis of a bracket system with the rate of tax dependent on the retail price of the cigar. The brackets are as follows:

Retail price per cigar (in cents)		Tax per thousand
Over—	Not over—	
0	2½	$2.50
2½	4	3.00
4	6	4.00
6	8	7.00
8	15	10.00
15	20	15.00
20	----------------	20.00

The retail price of a cigar is defined for Federal tax purposes as "the ordinary retail price of a single cigar in its principal market." The law provides that any State or local tax imposed on cigars as a commodity is to be excluded when determining the ordinary retail price for Federal excise tax purposes.

(*b*) *Reasons for the provision.*—This provision as passed by the House and as agreed to by your committee is addressed to a problem which arises under the present bracket system when State or local taxes which do not amount to an even number of cents per cigar are imposed. When a State tax, for example, amounts to one-half cent per cigar, retailers often round off the retail price of a single cigar to the next highest cent. It would obviously be impractical for them to try to sell individual cigars for prices which include a fraction of a cent and they are reluctant to absorb the tax by holding the price of the cigar at the pretax level. However, this upward rounding of the retail price when a fractional-cent State or local tax is imposed may cause a cigar to be subject to a higher Federal tax if the retail price of the cigar is normally at the top of one of the excise tax brackets and the State comprises the principal market for the sale of the cigar. For example, a cigar which normally retails for 6 cents in its principal market is taxed at the rate of $4 per thousand. If a State were to impose a tax of one-half a cent per cigar, retailers would normally round this tax off to a full cent and sell the cigar for 7 cents rather than 6 cents. If the State imposing the tax were the principal market for the cigar, the Internal Revenue Service would have to conclude that the retail price of the cigar excluding the State tax was 6½ cents. Cigars priced at this level are taxed at the rate of $7 per thousand.

This problem has become more acute as the number of States levying a tax on cigars, particularly at the wholesale level, has increased. At the present time 17 States have excise taxes on cigars. These taxes rarely work out to an even number of cents per cigar. This is almost invariably true when the State tax is a percentage of the wholesale price. It is also often the case even when the tax is a specific tax. For example, a State tax of $15 per thousand is equivalent to a tax of 1½ cents on each cigar.

The present system at times results in undesirable interference in competitive relationships. The imposition of a State tax which works out to a fraction of a cent per cigar can result in the imposition of different Federal taxes on comparable cigars. If the cigars ordinarily retail at the top of one of the brackets, action by retailers who round off a fractional State tax to the next highest cent will increase the Federal excise tax only if the State imposing this tax happens to be the principal market for the cigar. Thus, the same tax on two comparable cigars may result in an increased Federal tax on the product of one manufacturer if the State imposing the tax is his principal market for that cigar but leave unchanged the Federal tax on the product of another manufacturer whose principal market for a comparable cigar happens to be elsewhere.

(*c*) *Effect of provision.*—This provision as passed by the House and as agreed to by your committee rectifies the situation just described by providing as a general rule that when the ordinary retail price of a cigar in its principal market is determined, the amount that may be excluded from the retail price on account of a State or local tax which ends in a fractional part of a cent is to be the next highest full cent.

An exception to this rule is provided, however, to prevent the enactment of this provision from reducing the Federal tax to less than the amount that would be imposed in the absence of a State or local tax. That is, if the rule above were followed strictly in all situations, cases could arise in which a cigar priced near the bottom of a bracket would have its retail price computed at the top of the next lower bracket as the result of the imposition of a State or local tax. For example, a cigar manufactured to sell at three for 25 cents (8⅓ cents per cigar) is now taxed at the rate of $10 per thousand. If a State tax of one-half cent per cigar were levied on the cigar in its principal market, retailers would round the ordinary retail price up to 9 cents. If the rule outlined above were followed, the Federal tax on the cigar would be determined on the basis of a cigar selling in its principal market for 8 cents and, therefore, the tax would be reduced to $7 per thousand. To prevent this result the provision specifies that a fractional-cent State or local tax, which is excluded in determining the price of the cigar for purposes of determining the applicable Federal excise tax, is not to be rounded to the next highest full cent for the purpose of exclusion if this would result in a lower Federal excise tax than would be imposed in the absence of the State or local tax.

(*d*) *Effective date.*—This provision is to be effective with respect to removals of cigars made on or after the first day of the first calendar quarter which begins more than 30 days after the date of enactment of this bill.

MORTGAGE GUARANTY INSURANCE

(*a*) *Reasons for the provision.*—Mortgage guaranty insurance companies guarantee the holder of a real estate mortgage against loss on its mortgage loan, in a manner somewhat comparable to the mortgage insurance written by FHA. However, FHA insures the entire amount of the mortgage, while mortgage guaranty insurance companies have an option to pay 20 percent of the face of the mortgage in full satisfaction of the liability. While as a practical matter 20-percent coverage presently may be sufficient to cover any likely loss on a defaulted mortgage, nevertheless in the event of a serious depression, that option may be significant. Moreover, FHA insures mortgages representing as much as 97 percent of the appraised value of the property, while mortgage guaranty insurance is not written on loans for more than 90 percent of the appraised value of the property. Premiums on these policies are sometimes paid in a lump sum when the contract is written, but in most cases, perhaps 80 percent, annual premiums are paid over the period of risk.

These private insurers are regulated by State insurance commissions. On the possibility that extraordinary losses may occur from mortgage defaults, for example in a depression, State insurance commissions regulating this industry generally require the company's establishment of a contingency loss reserve to protect against extraordinary losses. For example, under the regulations of one State commission, a guaranty company is required to add up to 50 percent of earned premiums to its contingency loss reserves.[1] These reserve additions are not related to loss experience and remain in the reserve for 15 years, in the absence of authorization from the State commission for prior restoration to income. Normal losses are charged to income currently, rather than to the reserve. The regulations of this particular State commission indicate that reserve invasions may be authorized when losses exceed, by more than 10 percent of premiums, the expected losses set forth in the rate formula. Unless losses exceed 40 percent of premiums (30 percent in the rate formula plus the 10 percent margin) the reserve may not be invaded to meet current losses under the existing regulations of this State commission.

The typical life of a real estate mortgage is about 8 years, even though the mortgage may have been written for a 20-year life or longer (as a consequence of property transfers, mortgage loans on the average are paid off somewhat earlier than the original period of the loan). Even though there has been earlier payment in full of mortgage loans, and consequent termination of the need for the reserve, the State commission's regulations do not restore the reserve to income until after the entire 15-year period is passed.

Under section 832(b) (4) of the code a deduction is now allowed for contributions to a reserve for "unearned premiums." The Internal Revenue Service has defined unearned premiums as "that portion which the company has not yet had time to earn, or more precisely, that portion paid by the policyholder which must be returned on cancellation of the policy, and which is in direct proportion to the unexpired time which the policy is to run." In 1960 the Internal Revenue Service issued a ruling to a company writing mortgage guaranty insurance stating that its contingency loss reserve required by the State commission was a reserve for unearned premiums within the meaning of section 832(b) (4). A similar ruling was subsequently issued to another company. Since that time requests for similar rulings from other companies have been submitted to the Internal Revenue Service, but the Service has not ruled on the requests.

The Service has now decided that its original rulings of 1960 also should be changed, although it has not yet revoked them. The tax returns of 10 or more other companies which did not receive favorable rulings, however, are being held in suspense. These other companies contend that they are competitively handicapped, and their ability to obtain equity capital is prejudiced because they have not received a ruling similar to those issued in 1960. The Treasury Department believes that a legislative solution of the problem is desirable. Your committee agrees. Your committee has been informed that the Treasury Department will revoke the rulings when this provision is enacted.

It is clear, where State law requires 50 percent of the earned premiums to be placed in a reserve for extraordinary losses, that it would be extremely difficult for any company to operate without continuing additions to working capital. Their current losses and other expenses amount to more than half of their earned premiums. If half of those premiums must be placed in reserve, some of the current expenses will have to be paid from working capital. A current tax on the earned premiums dedicated to the reserve will necessitate an even greater depletion of the working capital. Your committee's amendment is designed to solve this unique problem created by unusual State requirements, and to afford uniform treatment to all companies engaged in writing mortgage guaranty insurance.

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[1] On loans for 80 percent or more of the appraised value of the property, 50 percent of earned premiums must be added to the reserve. On loans of less than 80 percent, 30 percent of earned premiums is added to the reserve. The likelihood is that most loans covered by this insurance are for 80 percent or more of appraised value.

While it is recognized that State law in these cases requires the set-aside of large amounts to cover these possible future losses, nevertheless, deductions of anything like 50 percent would be providing these companies deductions substantially in excess of what they presently can show is their actual loss experience. Should this present loss experience prove to be correct in the long run, deductions of these large reserves required by State law would permit substantial amounts to remain free of tax for a period of up to 15 years. This would provide substantially more favorable treatment for these companies than is available for other businesses.

Because of the considerations set forth above, the committee has concluded that it is appropriate to permit these mortgage guaranty insurance companies to obtain a deduction for additions to these special reserves over the approximate average life of the mortgages guaranteed, but, at the same time, to deny them the earnings on the portion of such reserves representing deferred taxes during the time that portion is held for these special contingencies. The latter is accomplished by requiring the investment of the tax savings attributable to the deduction of reserve additions in non-interest-bearing Government bonds. The fact that the tax savings are invested in special bonds of the Federal Government means that the companies have assets for purposes of their statements which are recognized by State commissions and for accounting purposes.

This provision is substantially the same as that initially reported by your committee on H.R. 4765. In the conference on that bill, the conferees concluded that the broader provision reported by the committee, rather than the provision passed by the Senate which related only to the year 1967, was preferable. Your committee's action in reporting this provision is, therefore, consistent with the action taken by the conferees on H.R. 4765.

(b) *Explanation of provision.*—Under the committee amendment, deductions for additions to a reserve for mortgage guaranty insurance losses resulting from adverse economic cycles will be allowed, but not in excess of 50 percent of premiums earned during the year. Any amount added to the reserve must be restored to income at the close of 10 years (rather than 15 years as is generally required under State regulations). The deduction is not allowed, however, unless the company purchases a special issue of "tax and loss" Federal Government bonds in the amount of the tax benefit of the deduction. These bonds are to be noninterest bearing, nontransferable, and redeemable only when the amounts added to the reserve are restored to income. It is expected that these bonds will be recognized, by both accountants and State insurance commissions, as an asset for statement purposes. At the time of restoration of the reserve to income, the bonds purchased when the addition was made to the reserve may be utilized to pay the resulting income tax. If the company has no tax to pay in the year of redemption because of other deductions, the bonds would be redeemable for cash.

The committee's amendment is less favorable to the taxpayer than the rulings issued by the Internal Revenue Service in 1966, since any amounts added to the reserve must be restored to income at the end of 10 years (rather than 15 years) and the tax benefit from the deduction must be invested in non-interest-bearing Federal bonds.

The bill amends the Second Liberty Bond Act to authorize the Secretary of the Treasury to issue the non-interest-bearing bonds for the purposes of the new tax provisions described above.

While the amendment of the Internal Revenue Code is applicable to taxable years beginning after December 31, 1966, the committee's amendment provides special rules for additions made prior to 1967 to reserves for mortgage guaranty insurance losses. These special rules are designed to validate the deductions taken in past years by all companies that made additions to such reserves. As a result, all companies in the industry will be treated alike. Tax-and-loss bonds are not required for past years, but the additions to reserves made prior to 1967 must be included in income at the end of 10 years following the year for which the addition was made. In addition, losses incurred for taxable years beginning after 1966, to the extent the losses exceed 35 percent of earned premiums for the year, are to be charged to the pre-1967 reserve rather than against current income.

Mr. LONG of Louisiana. Mr. President, one feature of the Senator's amendment is in effect a loophole closer. It is a matter that the committee studied and voted on before. I think we have voted on it twice since it has been on the calendar. The Senator is wise in offering it at this time because there is a hold order on the measure on which the amendment was offered. The hold order does not have to do with the bill, but some Senators would like to use it as a parliamentary vehicle in another matter that has nothing to do with the bill.

Mr. President, I hope we do not find it necessary to kill any more bills than necessary to afford Senators a vehicle for extraneous amendments.

I am in favor of the amendment, and I hope that it is agreed to. Let me now turn to an explanation of the two features of the amendment.

FEDERAL EXCISE TAX ON CIGARS

The manufacturer's excise tax on cigars is imposed on the basis of a bracket system. Under this bracket system the rate of tax for each cigar depends upon its intended retail price and the tax bracket in which this falls. The intended retail price under present law is the price for a given type of cigar in its principal market. In determining this price, the State and local taxes are not taken into account.

Under the system I have just described to you, discrimination can arise where the State or local tax in the principal market of a particular cigar brand amounts to a fraction of a cent. This results from the fact that retail cigar dealers almost always round off the retail price when a fractional cent State or local tax is imposed.

For example, cigars which normally retail for 6 cents in their principal market are taxed at the rate of $4 per thousand, and cigars which sell for more than 6 cents but less than 8 cents are taxed at the rate of $7 per thousand. Assume that a cigar is intended to sell at retail for 6 cents, but the State of its principal market imposes a tax of three-quarters of a cent per cigar. The retailers in that State are almost certain to round the price off from 6¾ cents to 7 cents a cigar. As a result the retail price of the cigar for purposes of the excise tax under present law is 6¼ cents; that is, 7 cents minus the three-quarters of a cent tax. As a result the manufacturer of such a cigar would have to pay a Federal excise tax of $7 per thousand instead of $4 per thousand. If another cigar competitive to the first is also manufactured to retail at 6 cents but the State of its principal market imposes no sales tax, the price on which the tax would be based in this case would be only $4 per thousand. As a result the manufacturer of this second cigar would pay a tax of $4 per thousand and have a considerable competitive advantage over the manufacturer of the first brand who must pay tax of $7 per thousand.

The amendment made by the House-passed provision which your committee accepted corrects the type of situation I have described to you. It provides that in the case of a State or local tax which ends in a fractional part of a cent, the amount to be excluded in determining the excise tax base for cigars is to be rounded off to the next highest full cent. A limitation, however, is imposed to be sure that this in no event will result in a lower tax than if no State or local tax were imposed.

This provision removes a discrimination in present law against some cigars and has been generally endorsed by the cigar industry and the Treasury Department.

This amendment is effective with respect to calendar quarters which begin more than 30 days after the date of enactment of this bill.

MORTGAGE GUARANTY INSURANCE RESERVES

The Finance Committee added a provision dealing with mortgage guaranty insurance reserves to the bill, H.R. 4765. However, the Senate amended this provision so that it dealt with mortgage guaranty insurance reserves only for the year 1967.

In the conference on that bill, the House conferees indicated that they favored a permanent solution to the problem raised with respect to mortgage guaranty insurance reserves but did not believe that it was worthwhile acting only for the year 1967. The conference report on that bill expresses the preference of the conferees to a permanent solution of this problem. This is also indicated by the fact that two of the conferees on the part of the House—the chairman of the Committee on Ways and Means, WILBUR D. MILLS, and one of the senior Republicans on the committee, TOM CURTIS—since our conference on the bank holding company bill have introduced a bill dealing with the mortgage guaranty insurance reserves which is substanially the same as the bill reported to the Senate by the Finance Committee before amendment by the Senate of that provision.

The provision the Finance Committee has added to this bill dealing with the Federal excise tax on cigars is identical to the bill introduced by Congressmen WILBUR D. MILLS and TOM CURTIS and is substantially the same as the provision previously reported by the Committee on Finance.

The problem dealt with by these bills relates to those companies which partially guarantee the holder of a real estate mortgage against loss in a manner substantially comparable to the manner in which the FHA guarantees against mortgage losses. These mortgage guaranty insurers are regulated by State insurance commissions which generally have required the establishment of very large contingency loss reserves—up to 50 percent of earned premiums in some cases—to cover the possibility of the loss on these mortgages in the case of a substantial depression.

In 1960 the Internal Revenue Service issued rulings to two of these companies permitting them to take deductions for the full additions to the special reserve required by State law. The Internal Revenue Service, however, has come to the conclusion that these rulings were wrong and they, therefore, are unwilling to issue similar rulings to other companies in the industry.

It is the resolution of this problem with which the Finance Committee provision is concerned. This provision in my estimation closes a loophole which the rulings previously issued by the Service suggest existed in present law. We cannot say whether this loophole actually existed or not, however, because as long as these rulings are outstanding there is no one to contest them.

This amendment removes this loophole in a way which nevertheless is fair to all of the mortgage guaranty insurance companies in the United States—both those who previously had the benefit of the ruling and the some eight or 10 who did not. The Treasury Department has also informed your committee that if this bill is enacted it will withdraw the existing rulings. The Treasury Department incidentally strongly favors the enactment of this provision.

Under your committee's amendment, the mortgage guaranty insurance companies are allowed as under the rulings the additions to a reserve for mortgage guaranty insurance losses required by State law or regulations. However, the amendment circumscribes this deduction in such a way that there will be no loss in real revenue to the Government unless the major depressions actually occur and the losses are actually realized.

The Government has no loss as a result of the provision reported by your committee because the company is entitled to the deduction only if the tax benefit derived from the deduction is in full invested in a special issue of Federal bonds which pay no interest, are nontransferable and are redeemable only when the amounts added to the reserves are restored to income. The amounts placed in these reserves must be restored to income at the close of 10 years unless required because of actual catastrophe-type losses in that interval.

Since the Government has the use of the funds without interest during this 10-year period, it is not out any revenue by reason of allowing this deduction unless the actual losses occur. Nevertheless, this is desirable from the company's standpoint for two reasons. First, should the actual catastrophe-type losses occur within the 10-year period, the Government bonds can be used to pay off these losses. Second, the fact that the companies have the bonds means that they will have assets which will be reflected on their balance sheet during this interval.

Nevertheless, as I indicated before, the Government is not out any money in the case of a deduction where the tax benefit must be invested in non-interest-bearing Government bonds. I consider this a worthwhile closing of an existing loophole in a manner which nevertheless does not work hardship on the companies involved.

This resolution of the issue is a good one which both the Treasury Department and the industry favor. I believe it is a good solution to a difficult problem which arose in no small part from what were probably incorrect rulings in 1960.

I ask unanimous consent at this point to insert in the RECORD some data supplied me by the Treasury Department relative to the companies who received the favorable rulings.

There being no objection, the extract was ordered to be printed in the RECORD as follows:

> The data show that the two companies who received the favorable rulings paid $1,596,835 in taxes in the period from 1957 through 1966. They show that the rulings reduced taxes of these companies by $9,028,253.
>
> Had this bill been in effect in that period, the same reduction in taxes for this period would have occurred but the Government would have had the interest-free use of this $9 million during this period.
>
> The operation of the bill can be shown by taking as an illustration the case of MGIC in the 1 year 1961. In that year it deducted $1,424,000 for this special reserve and paid $73,591 in taxes. Assuming a 50 percent tax rate for ease of illustration, the deduction lowered the company's taxes by $712,000 in 1961. Under the bill this $712,000 would be loaned to the Government on an interest-free basis for 10 years, or until 1971. If there were no major catastrophe-type losses in this 10-year period, the entire deduction of $1,424,000 would be restored to income in 1971 and the tax then due on it—assuming a 50 percent rate—of $712,000 would be paid by cashing in the Government bonds of a similar amount.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas [Mr. CARLSON].

The amendment was agreed to.

Mr. LONG of Louisiana. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CARLSON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 1141) was passed.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the title be appropriately amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

The title was amended, so as to read: "An act to continue the duty-free status of certain gifts by members of the Armed Forces serving in combat zones, and for other purposes."

Mr. LONG of Louisiana. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. WILLIAMS of Delaware. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

OFFICE OF ECONOMIC OPPORTUNITY LITERATURE

Mr. LAUSCHE. Mr. President, I have a letter from a citizen of Findlay, Ohio. I shall not identify him by name but I do wish to read the letter and to document what he says about being flooded with mail from the Office of Economic Opportunity without ever having requested the mail. Enclosed in the envelope with the letter are 2 weeks of mailings from the Office of Economic Opportunity.

The letter reads in part as follows:

> Now, just how I got on their mailing list, I do not know but other doctors in this area also tell me that their offices are being flooded with this literature.
>
> I read in the news dispatches and it is supported by the November 24th news release that this Government poverty measure is short on funds due to the fact that Congress is in a wrangle about the amount of appropriation. If the OEO is that short of money, then just why am I being flooded with this literature?
>
> I don't object if my income tax is raised another 10% for the Viet Nam war or for purposes of controlling inflation, but I do object vigorously to my tax money being blithely wasted in this manner.

Mr. President, that is the substance of the communication to me. He states in his letter, as Senators may have observed, that he enclosed to me the 2 weeks of literature which he received from the Office of Economic Opportunity. I would now wish to point out what these communications are.

Two of the items are entitled "News Summary of the War on Poverty," one being dated November 6 and the other dated November 27. I shall not quote the entire document but I do wish to quote a part of it:

> Meanwhile, a continuing resolution to provide stopgap funds for OEO operations pending approval of 1968 appropriations is still in a House-Senate conference committee. This has resulted in severe spending restrictions that have already begun to affect a number of local community action agencies. Some 35 of these will have to shut down by November 23rd if the present impasse continues.

Mr. President, my query is: Does not this language indicate a plea to the recipient of the document to interest his influence in getting a break in what the writer calls an "impasse"?

I submit that this is an abuse of the

proper exercise of functions by any official of any government, especially the Government of the United States.

Here is a document called a news summary of the war on poverty, and it is dated November 27, 1967. Let me read the headings and a few of the paragraphs:

> Outgoing general manager, St. Louis' Human Development Corporation, Samuel Bernstein, has issued a statement addressed to taxpayers in which he reports on the progress of that city's antipoverty program since its inception in late 1964.

Mr. Bernstein goes on to extol the great achievements of the OEO.

The next paragraph states:

> More than 9,300 persons have received legal assistance, 16,000 parents have been given birth control information; 11,000 adults in basic education instruction; 16,000 youths in summer recreation and job programs; . . .

Another propaganda statement, attempting to influence this citizen in Findlay, Ohio, to intervene, I suppose, with me, and with other members of the Ohio delegation to give support to the great work the OEO states it has generally done.

I concede that they have done some good work, but there is no justification for the use of taxpayers' money to propagandize, especially when the issue is acutely being discussed and controverted on the floor of the Senate.

Here is another one: OEO—news summary, dated November 20—I shall read from one paragraph:

> The administration's original request for a bill authorizing $2.06 billion was slashed by $460 million to the final $1.6 billion figure in the closing moments of six days of extensive debate. This crucial vote was 221 to 190.

Now, Mr. President, mark these words:

> The Republican "Opportunity Crusade" which would have dismantled the OEO by spinning off its program to other, well-established Government agencies was completely thwarted.

Mr. President, no one can argue that this is objective reporting of factual information dealing with the operations of the OEO. Those words are propaganda and political in nature.

When we begin to establish advertising agencies, propaganda offices, dealing with political issues, I say, most respectfully and humbly, that we are establishing a centralized control and promotion of programs which are controverted and are entering into the technique, keenly and fully, of the manner in which Communist governments operate.

Here is another news release, dated November 13, 1967, containing similar arguments.

This poor man in Findlay, Ohio, was so swamped with letters that he finally stopped opening them. I have two letters and a release dated November 25, 1967, which the Findlay citizen did not open but sent to me. One letter is a news release of certain good work being done by the OEO and another, which he did not open, is dated November 2, telling about the allocation of $77,000 in the Appalachian area of Ohio—I suppose pointing up the constructive work being done.

But that is not enough, Mr. President. In the 2-week period he received a bulletin, six pages long, entitled "Legal Services: Law in Action," telling of the accomplishments of this division of Government.

The next one is a communication by VISTA, its issue of November 1967, in booklet form, containing an interesting statement on the subject of landlords. It complains about the duly constituted courts in which actions have been brought against landlords, abusing their rights and abusing justice by appointing mortgagees and landlords as administrators of a tenement building while the litigation is in progress.

The article states:

> This gives the landlords time for stalling, since the tenants must wait twenty days in order to establish that no effort has been made to make repairs and that a new administrator should be appointed.

Further on in the article there is the statement:

> In presenting a 7A case, tenants must first petition the court to set a hearing to establish whether hazardous conditions really exist and whether they are due to the landlord's neglect. In conjunction with this petition, however, an official inspection of the building must be made by an architect, an engineer, or a contractor. The inspector must make an itemized list of the needed repairs. . . .

This article puts the finger on the courts of justice in this country that they are abusing their rights and abusing justice in appointing mortgagees so that the landlords themselves would be the administrators while the litigation is in progress.

Now I go to another document entitled "Communities in Action." This is a bulletin of 29 pages. I should like to emphasize what is said in the bulletin—"The Moral Law" is the heading:

> Congressional hearings are now being held to determine whether the OEO should continue to exist. A great deal of political rhetoric surrounds the suggestion of disbanning this agency for the poor, but stripped clean, the proposal is that America should once again turn its back on one-fifth of the American community.

The argument may be sound, but what right does the administrator have to use public funds to propagandize a program that is being debated and controverted on the floor of the Senate of the United States?

But it still has not come to an end. There is another book that was sent to this citizen of Findlay, Ohio. This one consists of 31 pages. I shall not attempt to quote from it. I did not see in it any particular propaganda material improperly used.

Why this argument, Mr. President? We are Members of this Congress. We have been chosen by the people of our States to represent them. In conformity with what we think is right, they have asked us to promote programs that will serve the welfare and the security interests of the people of the Nation.

What right is there, morally or legally, for any member of the Government to use taxpayers' money to propagandize and advertise one side of a cause without propagandizing the other side of the cause?

If the Senator from West Virginia is not in complete accord with this program, if there are certain citizens of West Virginia who are not in accord, what right does this office have to use the money of those taxpayers and citizens who are not in accord with the program in order to propagandize in the U.S. Congress? What right does the office have to flood this citizen's office in Findlay, Ohio, in a period of 2 weeks, with this sheaf of materials? In my judgment, none in the world. And yet it is happening.

In these documents the finger of guilt is put on the Republican Party. I want to repeat that so that the leader of the minority will hear it. In these documents the finger of guilt is put on the Republican Party. Let us assume that the Republicans win the election in 1968 and this administrator begins propagandizing and putting the finger of guilt on the Democratic Party. Would it be right? The answer must be in the negative.

I want to read further what this citizen in Ohio said. The Senator from Illinois [Mr. DIRKSEN] ought to read material of this type and see what is happening. In this letter, which is addressed to me, he says:

> I realize that this letter will never reach your desk, but will be noted briefly and compiled. . . .
>
> As I said in the opening sentence, this letter will never reach the Senator, but I can assure your third echelon clerk who scans this letter that I should have the opportunity to speak to Senator Lausche, personally, when he travels the State seeking votes for re-election.

I would like to include his name in this discussion. I do not have his permission. But I want this citizen of Ohio to know that the conduct of that office in delivering these documents is un-American. It is completely foreign to what we know as protecting the general citizenry and being fair to him.

I shall not ask that these documents be printed in the RECORD. I have quoted from them sufficiently.

I yield the floor.

UNEMPLOYMENT DROP GOOD NEWS NO BASIS FOR TAX INCREASE

Mr. PROXMIRE. Mr. President, the news just released this morning that unemployment dropped last month 4.3 down to 3.9 percent is very good news for the country as well as for the hundreds of thousands of Americans looking for work who found it in November.

This is a drop in unemployment of substantial significance because it is certainly one of the largest the Nation has enjoyed in a long time.

On the other hand, Mr. President, this statistic alone cannot be considered as a signal that the economy needs the 10-percent surtax to keep it from overheating.

As Commissioner Arthur Ross said in a statistical analysis only 2 weeks ago, these indicators may move erratically from month to month, a 3-month moving average gives us a clearer picture.

Even at 3.9 percent, unemployment is well above the 3.5 percent set unanimously by Democrats and Republicans on the Joint Economic Committee last March as a reasonable goal this year for unemployment.

Also, the 3-month moving average of unemployment for September through November shows an unemployment level of 4.1 percent. And the latest 3.9 percent is hardly a trend since it follows the biggest 2-month jump in unemployment in the past 7 years. Between August and October unemployment rose from 3.8 to 4.3 percent.

Perhaps most significant of all, unemployment, even after the substantial drop of last month, is well above the level of a year ago. In November of 1966 unemployment was 3.5 percent. Last month it was 3.9 percent.

In every category—for men, for women, for whites and nonwhites, for married men and full-time workers—unemployment was significantly higher last month than in November 1966.

For example, a year ago 11.6 percent of the labor force between the ages of 16 and 19 was out of work. Last month 15 percent of these teenagers were without jobs.

A year ago November 1966 6.9 percent of nonwhites were looking for work. Last month 8.8 percent were unemployed.

Inasmuch as the proposed tax cut would take about $10 billion out of the economy on an annual basis, and would eliminate roughly a million jobs, the case for the tax increase is not impressive in spite of November's encouraging showing in employment.

Other economic statistics, especially those that generally forecast future economic conditions, are mixed and give no indication that the relatively slow pace of the economy is likely to pick up.

The assertion by Bureau of Labor Statistics Commissioner Ross on November 29 that our growth in the past year is still less than half the rate necessary to absorb our increased productivity and the million and a half persons coming into our labor force each year, still seems valid.

Another 3 or 4 months of improvement of the kind the country enjoyed in employment in November, however, could change the economic outlook and the basis for tax policy significantly.

Mr. President, I ask unanimous consent that an analysis of the employment situation released this morning at 10 a.m. by the Bureau of Labor Statistics, together with tables detailing a breakdown of the statistics, be printed in the RECORD at this point.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

THE EMPLOYMENT SITUATION: NOVEMBER 1967

The job situation improved markedly between October and November, the U.S. Department of Labor's Bureau of Labor Statistics reported today.

Total employment rose 450,000 (seasonally adjusted) after remaining stable for several months, and the unemployment rate fell from 4.3 to 3.9 percent. These developments halted the two-month uptrend in joblessness, and unemployment returned to the range within which it has moved since late 1965.

Unemployment, which usually rises with November cutbacks in outdoor activities, edged down to 2.9 million. Jobless rates for most major segments of the labor force moved down significantly, returning to about the August level. There was an especially sharp drop for adult women.

Employment gains in trade and government, along with the return to work of strikers in manufacturing and transportation, contributed to a rise of nearly ½ million (seasonally adjusted) in nonagricultural payroll employment.

The factory workweek rose to 40.9 hours in November (seasonally adjusted), its highest point since January 1967.

UNEMPLOYMENT

The November drop in the seasonally adjusted rate and level of unemployment represented a return to the general situation before the September-October rises. Major declines occurred among women and teenagers, the same groups which had recorded large increases in the past 2 months. The unemployment rate for adult men, at 2.4 percent in November, was virtually unchanged from the level that has prevailed for the past year. For adult women and teenagers, however, rates and levels of unemployment have tended to move up over the year. As a result, the unemployment rate for all workers was up from the post-Korean low of last fall.

The October-to-November drop in unemployment was reflected in most occupation and industry groups. With the exception of construction, however, all industry unemployment rates were up over the year. Similarly, rates in most occupation groups were up from a year earlier.

Nonwhites accounted for 22 percent of the unemployment in November. Their unemployment rate was down from 8.8 percent in October to 7.3 percent in November. The rate for whites fell from 3.8 to 3.4 percent.

Unemployment covered under State unemployment insurance programs totaled 952,000 in mid-November. The State-insured unemployment rate, at 2.3 percent seasonally adjusted, was down slightly over the month, but was up from 2.1 percent a year earlier.

TOTAL EMPLOYMENT AND LABOR FORCE

Total employment was 75.1 million (seasonally adjusted) in November, up 450,000 over the month. Seasonally adjusted increases amounted to 325,000 in nonagricultural employment and 125,000 in agriculture.

The civilian labor force, at 78.1 million, was up 1.5 million from a year earlier. About 1.0 million of the increase occurred among adult women, while the adult male group increased nearly 800,000 after little change from 1965 to 1966. The increases were partially offset by a 200,000 decline in the teenage labor force. For the most part, these changes reflect shifts in the age distribution of the population.

INDUSTRY EMPLOYMENT

Payroll employment rose by nearly half a million in November, as all industries except the Federal government registered seasonally adjusted employment gains. Approximately 200,000 of the increase was accounted for by the termination of strikes. (In the household data strikers are counted as employed but not at work, while the payroll data shows them as absent from payrolls and thus not among the employed.)

The bulk of the employment increase was in durable goods manufacturing, where reduced strike activity accounted for most of the rise. Increases in transportation equipment (autos), machinery, fabricated and primary metals, and electrical equipment, returned employment close to August levels. Widespread small gains among nondurable goods industries (totaling 48,000 jobs) accounted for nearly all the manufacturing expansion not attributable to the sharp drop in strike activity.

In transportation and public utilities, the end of the truckers' strike was responsible for about half of the employment gain.

Other increases were concentrated in the service-producing industries, with gains in trade (65,000), State and local government (50,000), and services (60,000). Employment changes in mining, construction, and finance were slightly better than seasonally expected. Federal government employment was down in November for the fourth consecutive month. Since July, Federal employment has fallen by 63,000 (seasonally adjusted).

Over the year, payroll employment was up by 1.7 million to a November high of 67.3 million. The main sources of employment growth have been the service-producing industries and government. The goods-producing industries, which expanded rapidly from 1965 to 1966, have declined from a year ago, as the tabulation below indicates:

Industry	November 1966 to November 1967	November 1965 to November 1966
Total payroll employment	1,710	3,118
Private	1,078	2,252
Goods producing	−100	1,034
Service producing	1,178	1,218
Government	632	866

Particularly large increases have occurred recently in State and local government (550,000 since November 1966). The continued expansion of educational activities has played a major role in this increase. The latest available figures (October) indicate an over-the-year increase of nearly 300,000 in local education employment and 90,000 in State educational employment.

There has also been a sharp rise in the service industries (500,000 over the year). The largest increase has been in medical and health services where employment was up 230,000 over the year.

HOURS AND EARNINGS

Average weekly earnings of rank and file workers on private payrolls edged up to $103.90 in November. Over the year, weekly earnings were up $4.00. Much of the increase, however, has been offset by higher consumer prices. Average hourly earnings, at $2.72, were up 12 cents (4.6 percent) from a year earlier. Average weekly hours rose in November to 38.2 but were down 0.2 hours from November 1966.

Hours and earnings of factory production workers also rose in November. In spite of an 0.4 hour over-the-year decline in the average workweek, to 40.9 hours, weekly earnings were up $4.21 to $118.20. Hourly earnings rose 13 cents to $2.89.

(NOTE.—This release presents and analyzes statistics from two major surveys. Data on labor force, total employment, and unemployment are derived from the sample survey of households conducted and tabulated by the Bureau of the Census for the Bureau of Labor Statistics. Statistics on industry employment, hours, and earnings are collected by State agencies from payroll records of employers and are tabulated by the Bureau of Labor Statistics. A description of the two surveys appears in the BLS publication *Employment and Earnings and Monthly Report on the Labor Force*.)

TABLE A-1.—EMPLOYMENT STATUS OF THE NONINSTITUTIONAL POPULATION BY AGE AND SEX

[In thousands]

Employment status, age, and sex	November 1967	October 1967	November 1966	Seasonally adjusted				
				November 1967	October 1967	September 1967	August 1967	July 1967
Total:								
Total labor force	81,582	81,595	79,895	81,576	81,460	81,259	81,160	80,954
Civilian labor force	78,113	78,132	76,573	78,106	77,997	77,803	77,701	77,505
Employed	75,218	75,181	73,995	75,083	74,630	74,625	74,718	74,489
Agriculture	3,759	4,033	3,814	3,829	3,707	3,676	3,992	3,856
Nonagricultural industries	71,460	71,148	70,180	71,254	70,923	70,949	70,726	70,633
On part time for economic reasons	1,829	1,687	1,431	1,894	1,813	1,977	1,855	2,011
Usually work full time	1,078	922	773	1,080	949	1,081	992	1,058
Usually work part time	751	765	658	814	864	896	863	953
Unemployed	2,894	2,951	2,577	3,023	3,367	3,178	2,983	3,016
Men, 20 years and over:								
Civilian labor force	45,579	45,606	44,811	45,563	45,513	45,476	45,559	45,433
Employed	44,611	44,714	43,840	44,480	44,375	44,435	44,479	44,338
Agriculture	2,814	2,922	2,813	2,808	2,791	2,806	2,835	2,791
Nonagricultural industries	41,797	41,792	41,027	41,672	41,584	41,629	41,644	41,547
Unemployed	968	893	970	1,083	1,138	1,041	1,080	1,095
Women, 20 years and over:								
Civilian labor force	26,485	26,398	25,480	26,134	26,092	26,051	25,557	25,516
Employed	25,409	25,167	24,583	25,093	24,827	24,781	24,558	24,421
Agriculture	632	736	660	634	567	512	705	624
Nonagricultural industries	24,777	24,430	23,923	24,459	24,260	24,269	23,853	23,797
Unemployed	1,076	1,231	897	1,041	1,265	1,270	999	1,095
Both sexes, 16 to 19 years:								
Civilian labor force	6,049	6,128	6,282	6,409	6,392	6,276	6,585	6,556
Employed	5,198	5,300	5,572	5,510	5,428	5,409	5,681	5,730
Agriculture	313	374	341	387	349	358	452	441
Nonagricultural industries	4,885	4,926	5,231	5,123	5,079	5,051	5,229	5,289
Unemployed	851	828	711	899	964	867	904	826

TABLE A-2.—UNEMPLOYED PERSONS 16 YEARS AND OVER BY DURATION OF UNEMPLOYMENT

[In thousands]

Duration of unemployment	November 1967	October 1967	November 1966	Seasonally adjusted				
				November 1967	October 1967	September 1967	August 1967	July 1967
Less than 5 weeks	1,651	1,653	1,486	1,586	1,847	1,899	1,660	1,805
5 to 14 weeks	844	884	710	918	1,153	945	946	876
15 weeks and over	400	415	381	487	489	437	441	435
15 to 26 weeks	243	259	206	310	313	278	231	265
27 weeks and over	156	156	175	177	176	159	210	170

TABLE A-3.—MAJOR UNEMPLOYMENT INDICATORS

[Persons 16 years and over]

Selected categories	Thousands of persons unemployed		Seasonally adjusted rates of unemployment					
	November 1967	November 1966	November 1967	October 1967	September 1967	August 1967	July 1967	November 1966
Total (all civilian workers)	2,894	2,577	3.9	4.3	4.1	3.8	3.9	3.5
Men, 20 years and over	968	971	2.4	2.5	2.3	2.4	2.4	2.4
Women, 20 years and over	1,076	896	4.0	4.8	4.9	3.9	4.3	3.4
Both sexes, 16 to 19 years	851	711	14.0	15.1	13.8	13.7	12.6	11.4
White	2,272	2,003	3.4	3.8	3.6	3.5	3.5	3.1
Nonwhite	623	574	7.3	8.8	7.9	6.9	7.2	6.9
Married men	600	606	1.7	1.9	1.8	2.0	1.8	1.7
Full-time workers	2,034	1,968	3.6	3.9	3.8	3.6	3.6	3.4
Unemployed 15 weeks and over	400	381	.6	.6	.6	.6	.6	.6
State insured [1]	952	857	2.3	2.4	2.4	2.7	2.8	2.1
Labor force time lost [2]	-------------	-------------	4.1	4.7	4.6	4.3	4.3	3.8
Occupation:								
White-collar workers	769	653	2.2	2.5	2.5	2.2	2.2	2.9
Professional and managerial	193	162	1.2	1.2	1.3	1.1	1.2	1.0
Clerical workers	418	350	3.1	3.9	3.7	3.4	3.2	2.7
Sales workers	159	141	3.4	3.4	4.1	3.2	3.7	3.1
Blue-collar workers	1,159	1,085	4.4	4.9	4.6	4.4	4.7	4.2
Craftsmen and foremen	227	261	2.6	2.8	2.2	2.4	2.3	3.0
Operatives	669	534	5.0	5.3	5.4	4.8	5.4	4.0
Nonfarm laborers	263	290	7.5	9.2	8.1	7.8	8.0	8.3
Service workers	456	399	4.6	5.5	5.1	4.1	4.5	4.0
Industry:								
Private wage and salary workers [3]	2,108	1,904	3.9	4.4	4.2	3.9	4.1	3.6
Construction	236	278	7.6	7.2	5.4	7.1	7.6	9.2
Manufacturing	718	576	3.5	4.1	4.1	3.8	4.0	2.8
Durable goods	382	269	3.2	3.6	3.7	3.4	4.1	2.3
Nondurable goods	336	306	3.8	4.8	4.5	4.5	4.0	3.5
Transportation and public utilities	95	74	2.5	2.6	2.4	2.6	2.4	2.0
Wholesale and retail trade	542	504	4.5	5.0	5.1	4.2	4.4	4.4
Finance and service industries	493	457	3.8	4.2	4.0	3.5	3.5	3.3
Government wage and salary workers	201	175	1.9	2.2	2.1	1.5	1.7	1.7
Agricultural wage and salary workers	121	85	7.8	8.6	11.1	7.1	7.2	6.1

[1] Insured unemployment under State programs as a percent of average covered employment.

[2] Man-hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force man-hours.

[3] Includes mining, not shown separately.

TABLE A-4.—FULL- AND PART-TIME STATUS OF THE CIVILIAN LABOR FORCE, NOVEMBER 1967

Full- and part-time employment status	Total	Men, 20 and over	Women, 20 and over	Both sexes, 16 to 19 years
Full time:				
Civilian labor force	67,170	43,589	20,753	2,828
Employed:				
Full-time schedules	63,063	41,780	19,037	2,247
Part time for economic reasons	2,072	953	915	205
Unemployed, looking for full-time work	2,034	856	802	376
Unemployment rate	3.0	2.0	3.9	13.3
Part time:				
Civilian labor force	10,943	1,990	5,732	3,221
Employed (voluntary part time)	10,083	1,878	5,457	2,747
Unemployed, looking for part-time work	860	112	274	474
Unemployment rate	7.9	5.6	4.8	14.7

TABLE A-5.—EMPLOYED PERSONS BY AGE AND SEX

[In thousands]

Age and sex	November 1967	October 1967	November 1966	Seasonally adjusted				
				November 1967	October 1967	September 1967	August 1967	July 1967
Total, 16 years and over	75,218	75,181	73,995	75,083	74,630	74,625	74,718	74,489
16 to 19 years	5,198	5,300	5,572	5,510	5,428	5,409	5,681	5,730
16 and 17 years	2,129	2,237	2,174	2,316	2,288	2,246	2,341	2,322
18 and 19 years	3,069	3,063	3,398	3,192	3,106	3,148	3,331	3,402
20 to 24 years	8,719	8,525	8,077	8,699	8,514	8,522	8,612	8,604
25 years and over	61,301	61,355	60,347	60,872	60,718	60,724	60,393	60,128
25 to 54 years	47,538	47,510	46,820	47,106	46,876	46,768	46,709	46,471
55 years and over	13,763	13,845	13,527	13,782	13,712	13,698	13,632	13,563
Males, 16 years and over	47,388	47,624	46,826	47,548	47,425	47,479	47,712	47,555
16 to 19 years	2,777	2,910	2,986	3,068	3,050	3,044	3,233	3,217
16 and 17 years	1,256	1,330	1,267	1,439	1,400	1,409	1,436	1,399
18 and 19 years	1,521	1,580	1,719	1,644	1,639	1,653	1,786	1,810
20 to 24 years	4,757	4,787	4,560	4,792	4,806	4,849	4,891	4,856
25 years and over	39,854	39,926	39,281	39,669	39,688	39,589	39,566	39,468
25 to 54 years	30,919	30,913	30,481	30,765	30,637	30,648	30,638	30,584
55 years and over	8,935	9,014	8,800	8,941	8,915	8,898	8,889	8,860
Females, 16 years and over	27,831	27,557	27,169	27,535	27,205	27,146	27,006	26,934
16 to 19 years	2,422	2,390	2,586	2,442	2,378	2,365	2,448	2,513
16 and 17 years	873	907	907	877	888	837	905	923
18 and 19 years	1,548	1,483	1,679	1,548	1,467	1,495	1,545	1,592
20 to 24 years	3,962	3,738	3,517	3,907	3,708	3,673	3,721	3,748
25 years and over	21,447	21,429	21,066	21,203	21,130	21,135	20,827	20,660
25 to 54 years	16,619	16,598	16,339	16,341	16,239	16,120	16,071	15,887
55 years and over	4,828	4,832	4,727	4,841	4,797	4,800	4,743	4,703

Note: Due to the independent seasonal adjustment of several of the series, detail will not necessarily add to totals.

TABLE A-6.—UNEMPLOYED PERSONS BY AGE AND SEX

Age and sex	Thousands		Percent looking for full-time work, November 1967	Seasonally adjusted unemployment rates					
	November 1967	October 1967		November 1967	October 1967	September 1967	August 1967	July 1967	November 1966
Total, 16 years and over	2,894	2,951	70.3	3.9	4.3	4.1	3.8	3.9	3.5
16 to 19 years	851	828	44.2	14.0	15.1	13.8	13.7	12.6	11.4
16 and 17 years	421	373	20.0	16.2	16.5	15.6	15.3	14.4	12.9
18 and 19 years	430	455	68.1	12.0	13.9	12.6	12.7	11.4	12.7
20 to 24 years	480	521	81.9	5.6	6.5	6.6	5.5	6.2	5.0
25 years and over	1,563	1,602	80.9	2.6	2.9	2.7	2.5	2.6	2.5
25 to 54 years	1,221	1,293	82.5	2.6	3.0	2.8	2.6	2.7	2.6
55 years and over	342	309	75.7	2.4	2.5	2.3	2.5	2.3	2.4
Males, 16 years and over	1,418	1,324	73.8	3.3	3.4	3.0	3.1	3.1	3.0
16 to 19 years	450	431	42.2	14.5	15.0	12.4	12.4	11.6	10.5
16 and 17 years	240	238	25.4	16.1	17.3	13.2	15.3	14.5	11.5
18 and 19 years	209	194	61.7	12.0	12.9	11.4	10.2	9.2	9.7
20 to 24 years	328	206	82.4	5.4	5.3	4.9	5.0	5.0	4.9
25 years and over	730	686	90.4	2.0	2.1	1.9	2.0	2.1	2.2
25 to 54 years	502	490	95.9	1.8	2.0	1.9	2.0	2.0	2.1
55 years and over	229	196	80.3	2.6	2.5	2.0	2.4	2.3	2.4
Females, 16 years and over	1,477	1,627	66.9	4.9	5.8	5.9	5.1	5.3	4.4
16 to 19 years	401	397	46.4	13.4	15.1	15.6	15.4	13.8	12.6
16 and 17 years	181	135	12.7	16.3	15.3	19.3	15.4	14.3	14.9
18 and 19 years	220	261	74.5	12.0	15.1	13.8	15.4	13.8	11.5
20 to 24 years	243	315	81.1	5.9	8.0	8.8	6.1	7.6	5.2
25 years and over	833	916	72.6	3.6	4.3	4.1	3.5	3.7	3.1
25 to 54 years	720	802	73.6	4.1	5.0	4.5	3.7	4.1	3.4
55 years and over	113	113	66.4	2.1	2.6	2.9	2.7	2.2	2.4

PAUL DOUGLAS ON THE TAX LOOPHOLES

Mr. PROXMIRE. Mr. President, when the attention of the country is focused, as it has been this year, on a proposal to raise Federal income taxes, intelligent observers inevitably raise the question of the numerous loopholes in our Federal income tax code which, in essence, permit the rich to get richer at the expense of the poor. And it is well that they should raise that question. For the issue involved goes to the very root of this country's guiding principles. It is immoral and totally undemocratic for a Government constituted as ours is to pile the burden of taxes on the struggling wage earners of the country while allowing the fat cats who benefit the most from the stability that flows under a good system of government to carry the lightest load.

Our beloved colleague, former Senator Paul Douglas, of Illinois, more than almost any other public man in our history, recognized the great injustice of the loopholes and fought ably throughout his 18 years in this body to close them.

He has written an excellent article on his battle against the loopholes which has been published in the most recent issue of the American Scholar, entitled "The Problem of Tax Loopholes, or My 18 Years in a Quandary."

In the article, Senator Douglas wrote:

> I began my senatorial career in a quandary, and when I left, the quandary was even bigger than when I started. It was this: Can and will the people under the best system of government in the world, and with an able and high-minded Congress, ever be able to protect the public interest in tax matters and enforce the equal justice for all?
>
> I must admit that the eighteen years have, on the surface, been disillusioning. We have made a few improvements during that time

and may have saved a billion dollars or more a year, but the big loopholes and truckholes remain. Indeed, new ones have been opened, sometimes over our opposition and sometimes, as I have pointed out, without our knowledge. I daresay that there may be still other financial time bombs, presumably concealed in innocent-sounding verbiage, which will turn out to free still more income from taxation.

I commend to the attention of all Senators this fine article by our former colleague and ask unanimous consent that it be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Problem of Tax Loopholes: Or My 18 Years in a Quandary

(By Paul H. Douglas)

(Note.—Paul H. Douglas was U.S. Senator from Illinois for 18 years. He serves now as chairman of the National Committee on Urban Problems.)

By the summer of 1950, the attack by the North Koreans upon South Korea had plunged us into a full-scale Asiatic war. North Korea was being egged on and equipped by Red China and Russia, and the war was another effort by the Communist bloc to take over additional territory.

President Truman and the United Nations rose to the occasion and resisted this aggression, and it became necessary to raise large additional sums of money, running into many billions of dollars.

As the new tax bills moved onto the floor of the Senate, Senator Hubert Humphrey and I became more aware of the injustices in the existing tax structure and of new abuses that were being added.

Although we were only freshmen, and were not members of the Finance Committee, we felt it our duty both to become better educated on tax matters and to work for a more just revenue system. We believed this was particularly necessary because thousands of young Americans were being killed and many more were being wounded, and we felt that here at home profiteering should be reduced to a minimum.

A tax seminar was therefore organized which was attended by some of the small liberal bloc of senators. We got public-spirited experts to coach us in these secret sessions and to conduct what was, in effect, a cram course. Then, with fast-beating hearts, we ventured out on the floor to do battle with the two shrewdest minds of the Senate, namely, Walter George and Eugene Millikin, both of whom had impressive reputations and an awe-inspiring capacity for thunderous debate. We also had to face, on some issues, Tom Connally of Texas, who loved to lash his opponents with the bullwhip of his brutal sarcasm, and who treated dissenters as though they were pre-Civil War slaves in the cotton kingdom or rambunctious horses to be subdued by lash and spur. Tom still had traces of frontier populism, but he also had a deep hatred of northern liberal Democrats, which made us fair game.

For many days we fought on a variety of issues. It seemed an unequal struggle since George, Millikin and Connally not only had the votes, but also had many years' acquaintance with the intricacies of the tax code, and were equipped with a formidable bevy of tax experts at their elbows, while we had to stand alone.

We had to learn and learn fast, and to deal on our feet with a baffling series of arguments which in retrospect were sophistical, but which at the time to many were persuasive. The press galleries were unsympathetic and our fellow senators largely hostile.

We had a rough time, but the longer the discussion went on the more convinced I became that the tax code was, in fact, permeated with favors to particular groups and individuals, and that it violated what seemed to be an elemental principle of equity, namely, that people with approximately equal net incomes should pay approximately equal taxes. Despite all the battering we received, and the loss of prestige that we suffered, both Senator Humphrey and I felt that the correctness of our positions had been maintained under fire.

So apparently did some of the experts, because there shortly appeared able articles by two eminent lawyers, namely, William L. Carey, of Northwestern and Columbia, and Stanley Surrey, then of Harvard University, that echoed our criticisms. The dean of tax lawyers, the late Randolph Paul, in public testimony also stressed many of the points we had tried to advance.

In 1955, I became chairman of the Joint Economic Committee, and with the able staff assistance of Dr. Norman Ture the Committee began to assemble evidence and take skilled testimony on many of the inequities that we had spotted. In the same year, after a long struggle, and largely because of the hammering of the columnist, Doris Fleeson, I was finally placed on the Senate Finance Committee where I served for the next eleven years until my defeat for a fourth term in 1966.

On the Finance Committee I saw the formation of tax policy at first hand and took part in the intimate discussions that attended the writing and revision of our tax laws. I continued to urge most of the reforms that Senator Humphrey and I had advocated in 1950 and 1951 and, in addition, discovered new abuses that I thought needed to be corrected. After a little while, I was joined by Senator Albert Gore of Tennessee, who proved to be a strong and public-spirited colleague.

It was a tough decade. On major issues where enormous sums were at stake, we were almost always defeated, whether in committee or on the floor. But in the process we gained minor changes that reduced some of the specific injustices, so that we were never completely discouraged or frustrated.

There were two general sets of facts that convinced me that there were great abuses within our federal tax system.

The first was that only about half of the total personal income in the country was subject to taxation, while the other half completely escaped being levied on. The basic exemption of $600 a person accounted for only a fraction of this latter amount. The remainder was income that most people believed was taxable, but that was exempted in reality by a series of devices.

Then we discovered and got the Treasury to confirm that in every year there were a considerable number of persons with annual incomes of over $500,000 who paid no taxes at all. As we gathered evidence we found this number would never fall below twenty-five and somtimes went above thirty. We also found an even greater number with huge incomes who paid less than 10 or 15 percent.

We found that the averages paid by the groups with incomes above $50,000 was only a fraction of the amount they were presumed to pay, and that the uppermost group with incomes over $250,000, who according to the schedules were presumed to pay nearly 90 percent, actually paid on the average only 25 percent or slightly less. The "effective" rate was therefore far less than the nominal rate.

All this, plus the evidence on specific "loopholes" or "truckholes" that enabled large quantities of income to slip through the tax net, still further convinced Senator Gore and me that we should expose these abuses and seek to cure them. We continued to be helped by public-spirited experts, who gave us surreptitious information, sometimes at real risk to themselves, and in particular by the ability of my former assistant, Mr. Philip Stern, who, building on some of our work and adding much of his own, produced his brilliant and witty book, *The Great Treasury Raid* (New York, 1964), which is still the classic in this field.

Out of this experience of nearly two decades I have distilled certain facts and conclusions. They show that our tax system is riddled with injustices that violate the simple principle, upon which I would think that all could agree, that people with equal net incomes should pay equal or approximately equal taxes. Whether we believe in progressive, regressive or proportional taxation, can we not all agree on this elementary principle of horizontal justice?

But this experience of nearly two decades and our relative lack of success also plunged me ever more deeply in a quandary.

When the so-called Ruml plan for withholding a basic percentage of the federal income tax from wages and salaries was adopted by Congress, it did not apply the withholding principle to interest and dividends. Such income was, on the contrary, to be reported by the recipient and the taxes were to be paid by him.

The Economic Committee hearings that I held in 1955 showed that while virtually all of the wages and salaries were reported, there were a big volume of interest and an appreciable portion of dividends that were not. It became possible to estimate the size of this gap from the reports published by the Securities and Exchange Commission and by the Treasury. Our little liberal group in the Senate, therefore, began to advocate applying the withholding principle, or what the British term "payment at the source" to dividends and interest so that ownership would not receive any more favored treatment than employment.

In 1962, under President Kennedy and Secretary Dillon, the Administration adopted this provision, and the Office of Tax Analysis under Donald Lubig was most helpful in the preparation of evidence and in working out simple plans for collection. It was clear that in 1959 about a billion dollars in dividends and three billion dollars in interest were not reported, with a consequent annual loss in taxes of between $900 million and $1 billion. These unreported sums amounted to 8 percent of all dividends and 34 percent of all interest. The proportion of wages and salaries not reported in 1959 came, on the other hand, to only 3 percent. This showed the greater efficiency of the withholding method.

The Administration tax bill for 1962, therefore, contained a provision for the automatic deduction and transmission to the Treasury of 20 percent from the total sums credited to dividends and interest without specifying the individuals or their amounts, and then for the filing of claims for any excess to be made periodically by the recipients. The plan was simple and just, and was adopted by the House Ways and Means Committee and by the House itself. Senator Gore and I prepared to support it in the Senate Finance Committee and, if necessary, on the floor of the Senate itself.

We had heard rumblings of opposition, but I must admit we were not prepared for the storm that followed. Suddenly, from all over the country, but especially from Illinois, thousands of protests poured into my office. By the end of a month, I had received over sixty-five thousand such letters and other senators had received about as many. Inquiry proved that these had been stimulated by the building and loan associations, whose main national body had launched the campaign from Chicago. The banks also helped in the letter-writing blitz.

These letters showed an extraordinary misconception of the tax. A large proportion hotly attacked the requirement for withholding as the imposition of a completely new and additional tax. They apparently thought that interest either was not income or was so sacred that it should not be taxed. This very fact was in itself eloquent proof of the widespread evasion or avoidance of the tax. It was in vain that in my initial answer I pointed out to these protesters that this was not a new tax but merely a better means of collecting an existing tax that had been widely evaded and avoided, and that their confusion was indeed ample proof of an existing failure to report.

Another widely prevalent misconception was that the tax was a levy amounting to a 20 percent annual assessment on the total capital that a person owned. It was consequently attacked as part of a communist scheme to confiscate all capital. It was, of course, instead a tax on income, not on capital. Thus on $1,000 of holdings that paid 4 percent, the 20 percent tax would be levied on the $40 of interest and not on the principal of $1,000.

I then prepared a brief article summarizing the way in which the income tax had been avoided and evaded, and how simple the proposal was—namely, to withhold one-fifth of all payments of dividends and interest and send the totals to the Treasury, In the event of overwithholding, the individuals would then be able to file quarterly requests for refunds. I pointed out to all my correspondents that the basic income tax on wages and salaries had been similarly withheld for twenty years with only annual refunds and asked why interest and dividends should be given such especially favored treatment.

It was all in vain. No one was convinced. The tide of angry letters continued to pour in. Virtually every senator received thousands, and many counted their letters in the tens of thousands.

The result was inevitable. By a vote of eleven to five, the withholding provision was stricken from the bill in the Finance Committee. Then, on the floor of the Senate, when I moved to restore the clause, I was overwhelmingly defeated and mustered only twenty votes.

Here we were deserted by the Administration, which evidently decided that the struggle was useless. During the entire battle, the academic profession of economists was all but silent, so that Senator Gore and I felt that we had been allowed to die on an economic Berlin Wall without a hand ever being raised to help.

But as sometimes happens, to deaden the impact of our argument, and perhaps to quiet the consciences of our opponents, it was provided that institutions should report to the Internal Revenue Bureau the names and addresses of all those to whom they paid dividends and interest as well as the amounts so paid to each. Then at the regional computer centers these amounts were to be combined and the total tax due from each person was to be computed and compared with that which had been paid.

This is being done. It requires far more detailed reports from the savings institutions than the simple reporting requirements of our proposal. It will collect less money because the burden of collection from the individuals is thrown back upon the Bureau of Internal Revenue. But it does lead to somewhat more careful reporting by the recipients and, according to the Treasury, it has increased collections by about $250 million a year. Thus far we have, therefore, saved the taxpayers about a billion dollars. Perhaps in time, in order to avoid the red tape that has been heaped upon them, the savings institutions may lessen their opposition and consent to withholding at the source. If they do, at least around $750 million more will be saved each year for the American people. Even now the savings will probably be greater.

What then were the real reasons for this apparently illogical opposition? I think they were the following: A very large proportion of those who had savings accounts in the banks and shares in the building and loan institutions never drew out in cash the annual interest that accumulated on their accounts but allowed it to be added automatically to their principal. Many of these savers were sufficiently naive not to realize fully that this increase in their capital holdings came from income. They seemed to think it came from spontaneous generation. The banks and building and loan associations, of course, knew what was happening, but they also realized that a large share of the growth in their savings deposits was due to the accumulation of compound interest, and they did not want to have this increment of growth diminished by the amount of the tax. They had the use of the funds of which the federal government was deprived, and they wanted to hold on to them.

I left this battle with a wry taste in my mouth, but also with the realization that it could have been worse and that to save $250 million a year for the public might not have been so bad an achievement in so imperfect a world.

The biggest and longest battle was, however, over the worst abuse of all, namely the 27½ percent depletion allowance on gas and oil. Billions of dollars are at stake here, and a little explanation of the present tax procedures in the oil industry is appropriate.

The oil industry already had certain tax favors that I did not question. Of course, the deduction of operating costs from gross revenue is perfectly proper. Nor did I question the propriety of charging off the costs of the unsuccessful drillings or "dry holes" from the revenues obtained from the successful drillings when these are conducted by the same enterprise. I did not raise any objection to granting the industry the right to charge off in the first year all the "intangible" drilling and development costs. These so-called developmental costs comprise from 75 to 90 percent of the total exploratory and drilling costs and were granted the fastest of all rates of accelerated depreciation—namely, a complete write-off in the initial year. Men in the industry who were secretly in favor of my stand (and there are a few) have repeatedly assured me that this is an even more important special favor than the depletion allowance itself. But this issue was complicated since these costs could always be alleged to be operating costs and hence deductible dollar for dollar from the immediate income realized from the oil and gas.

So I determined to concentrate on the 27½ percent depletion allowance, which Hubert Humphrey and I had originally attacked in 1951 and 1952. This exempted from taxation 27½ percent of all gross income in the oil and gas industry up to 50 percent of net income, and it did this without any limitation as to the length of time for which this exemption was to continue or the ratio of the tax rebate to the original investment.

This provision had been inserted in our tax laws during the 1920's when the corporation income tax was only 14 percent of net profits, and when the total amount of the tax privilege thus conferred was not overwhelming, say, about 7 percent of the profits. But it continued to be retained after the corporate tax had risen to 52 percent and when the depletion allowance could and commonly did cut in half the taxes paid by this rich industry. Moreover, it had spawned a series of similar exemptions: sulfur had been granted a 23 percent exemption, and a number of minerals, including coal, had been allowed a 15 percent depletion grant. We had seen Tom Connally broaden this exemption by a 5 percent rate on clam and oyster shells, as well as on sand and gravel—although there was no danger of "dry holes" or unsuccessful explorations in these cases! Every mineral had come to be included.

We ultimately got the Treasury to tell us how much these exemptions amounted to, and their report was that in the late fifties and early sixties the total came to about $3½ billion annually with the Treasury losing about $1½ billion. Today it is undoubedly much more.

Long before this, however, I had prepared a counterproposal which I tried out in committee and on the floor nearly every year.

This was to introduce a sliding scale allowance that would amount to granting the existing 27½ percent on the first million dollars of annual gross income but decreasing this to 21¼ percent on gross incomes of between one and five million dollars and then having it fall to 15 percent on all incomes over five million dollars. This would have yielded in the earlier years from $350 to $400 million a year in revenue, while in later years the gain would have been around $500 million annually. Today it would probably be still more.

I justified this differential between small and large operators on the ground that the smaller operators were not able to distribute their risks to the same degree as the big operators and companies. Their fewer drillings exposed them, therefore, to higher risks.

I must confess, however, that I also hoped that this compromise would help to split off the small operators from the huge companies and make it more possible to pass the measure. In this, I was disappointed. Although there were only two or three concerns in Illinois that had gross receipts in excess of a million dollars, nearly all of the small operators lined up behind the big companies and in bitter opposition to me. They were the dominant economic interest in one congressional district covering the southeastern section of the state. Most of them insisted that I was proposing to cut their allowance to 15 percent, although this was, of course, not the case. No explanation was effective, although finally the more knowledgeable would privately admit that while they understood that they would not be hurt, for the sake of industry solidarity they must oppose the Douglas amendment and me personally. Despite all their efforts and the oil money that came into the state in the 1954 and 1960 election campaigns, I had been able to beat off their attacks, and had even carried the oil district. Their opposition continued, however, and in the Senate I had no such luck.

Despite help from Senator Albert Gore and an honorable conservative, Senator John Williams of Delaware, we were periodically snowed under on the Finance Committee. Indeed, I sometimes suspected that the major qualification for most aspirants for membership on the Finance Committee was a secret pledge or agreement to defend the depletion allowance against all attacks. I suspected, also, that campaign funds reinforced these pledges.

Once again, we received little or no support from the Administration, which evidently thought the depletion allowance to be "too hot to handle." And, once again, the economics profession was largely silent, except for a few scattered voices that correctly pointed out that the tax favors led to overinvestment in the industry, thus causing the average return, exclusive of tax favors, on the American investment to fall somewhat below the general average for all industry.

But there was little or no criticism from the economists of the morality of the tax advantage that helped a number of the fabulously wealthy to escape from paying any taxes whatsoever and helped many others to pay only nominal sums. There seemed to be no resentment among businesses that oil and gas companies only paid one-third to one-half the rate of taxation upon net profits paid by the main mass of American corporations. The prevailing sentiment seemed instead to be gratification that one group, at least, had been able to outwit the government and the reformers. Despite the fact that we wanted to lower the general tax rate once we had obtained greater uniformity in our tax system, and constantly stressed this point, we were about as popular among business executives as the revenue agents used to be among the mountaineers of Appalachia when they tried to put down "moonshining."

We gained a slight flicker of interest from among a few of the independents when we pointed out that the big oil companies that had concessions in Venezuela and the Persian Gulf countries were able to escape virtually all taxation by (1) successfully claiming the depletion allowance on their foreign oil (despite the fact that subsurface deposits, under Roman and national law, are the property of the state) and (2) counting as "taxes" the royalties that they paid for the extraction abroad of government-owned oil. In this way the 50 and later 75 percent payments for the extraction of the oil were not counted as an operating expense, but rather as a tax to be deducted dollar for dollar from the tax that otherwise would be paid to the United States government.

Despite all the propaganda and the pressures, there was a heroic group of senators who stood firm. Once we got as many as thirty-eight votes, but later we slumped to twenty. Calling for a roll-call vote was in a sense like marching brave troops into the valley of political death and reducing the number of public-spirited soldiers. Therefore, toward the end of the long bitter struggle, I would agree to a voice, rather than a roll-call, vote in order to shield our secret supporters. I was willing, as were my comrades, Senator William Proxmire and Senator Gore, to be marked for destruction in a cause that we believed to be in the public interest, but we did not want to drag down others to political disaster and reenact the role of Lord Raglan who sent the noble six hundred to death at Balaklava in the Crimean War.

Some of us have been effectively disposed of; more probably will be; but the issue remains. And as one who still believes (perhaps foolishly) that in a democracy no issue is settled until it is settled right, and that in the long run an educated public opinion will prevail, I remain guardedly hopeful. I am grateful to Senators Proxmire and Gore, as well all should be, for keeping the issue alive, and I pray that they may succeed where others of us have failed.

The third great abuse lies in the field of the capital gains tax. Here the profits realized from the sale of a capital asset that has been held for longer than six months are taxed, when sold,, at only one-half the income tax rate, but in no case at more than 25 percent. Moreover, the amounts not taxed are not counted as "taxable income," and hence do not appear in the statistics issued by the Treasury Department. Like the murdered victims of the criminal syndicate, they, with the oil and mineral depletion allowances, are given an anonymous burial so that even the buried bodies disappear.

Philip Stern estimated in 1962 that this favored treatment shrunk the tax base by $6 billion a year and cost the Treasury $2.4 billion annually. But this is only the beginning. An even greater leakage occurs when property is bequeathed. Let us take the case of a father who buys property for $100,000 during his lifetime, which by the time of his death is worth $1 million, or $900,000 more. His son inherits the estate and a year later sells this same property for $1,100,000. He will pay a capital gains tax only on the $100,000 that has accrued during his ownership, while the $900,000 gain inherited from his father not only will go tax free but will be unrecorded. Stern estimates that from $12 to $13 billion thus escape taxation every year and that the Treasury annually loses an approximate added $2.9 billion.

It was such injustices in the capital gains system (and not such incidental absurdities as giving capital gains treatment to the raising of cattle but not to chickens and turkeys) that most outraged me.

To deal with the untaxed capital gains during a testator's lifetime, I proposed collection at the time of ultimate sale, but, of course, with a deduction or tax credit given for all inheritance taxes paid in the meantime on the property. In other words, if a total inheritance tax of $50,000 had been levied on this property, this would be deducted dollar for dollar from the tax ultimately realized on the capital gains.

And if it be objected that to tax capital gains in years of bunched income would be inequitable, I constantly made it clear that I would agree to lengthen this period to any proper degree. This would reduce the total of the super-taxes that would be paid. But such conciliatory motions were overwhelmingly defeated in committee and on the floor. At first the Kennedy Administration supported the idea of taxing the inherited capital gains, but this support faded as we approached the hour of decision, while once again the voices of the economists were for the most part mute.

The treatment of stock options was, and is, an especially antisocial use of the capital gains principle.

It had been the custom of many corporations to give to a chosen group of executives the right to buy added quantities of stock, and for gains realized upon this to be taxed at capital gains and not at income tax rates. Very commonly this stock could be purchased at less than the market rate, thus extending the practice of the "preferred list" that had been the common custom during the 1920's of such financial giants as the Morgan firm and Samuel Insull. If the stock fell while the option was being held, then the beneficiary was commonly freed from his option.

The plan, by creating additional claimants for the net earnings of the companies, like the preferred lists, obviously diluted the equities of the existing stockholders.

The defense given for the stock options was, of course, that they would increase the incentive of management to make profits for the companies by increasing the amount of tax-free income that they would receive. It had a side effect of concentrating executive attention upon the price of the stock rather than treating this, as I believe should be done, as merely the by-product of an efficiently managed company. It could be argued that from the companies' standpoint it would be better to make these added payments in the form of cash bonuses or percentages of the net profits, rather than from profits from the sale of added shares of stock. But this would have meant that the added income would have been taxed at ordinary, rather than at capital gains, rates. In essence the stock option plan permitted executives to become wealthier than would otherwise have been possible, and to do so in a shorter period of time. It was touted as a means of helping young executives to climb the economic ladder more rapidly, although in practice the major rewards went to those in the later afternoon of their business careers. Often as members of the boards of directors, they voted themselves these large tax-free bonuses.

Due to the valiant efforts of Senator Gore, we succeeded in ending some of the worst abuses of the stock option plans. How much we have saved by these modifications is still unknown, but I estimate that while the gains are real they are still minor.

Another persistent loophole is the exemption from federal taxation of the interest on the bonds of state and local governments. This exemption was first enacted because of the fear that such a tax would be held unconstitutional by the courts, and also by a desire to make the financing of capital improvements easier for the state and local governments. That it has helped in the latter direction is shown by the fact that while high grade municipals are still much less safe than federal issues, their yield in March of 1967 was a full percentage point below the latter, namely, 3½ instead of 4½ percent. Without this tax advantage, the municipalities would probably have had to pay at least 4¾ percent interest and possibly 5 percent in order to float their loans. Since the total outstanding bonds issued by the state and local governments amount to approximately $100 billion, the total in interest that is saved for these bodies probably comes to somewhere around $1¼ to $1½ billion a year.

Such tax-free issues, however, become tax havens or sanctuaries for men and women in the upper income and tax brackets. Thus when Mrs. Horace Dodge, Sr., inherited $56 million from the estate of her husband, she immediately invested all of it in state and municipal bonds and thereby removed the entire income from her fortune from federal taxation. This is a particularly attractive tax route for those in the upper income tax brackets who do not wish to play an active role in the business world. If only the existing income from these bond issues were taxed, federal receipts would be at least 50 percent on the $3½ billion that is now immune from federal taxation. This would amount to $1¾ billion. If the federal government were to pay in outright subsidy to the local governments to compensate for these lost tax benefits, this would still net at least a half billion dollars a year for the federal government. It might indeed net more since the interest rate, and hence the total interest payments on state and municipals, would rise. Assuming that the total interest could increase to $4½ billion, at an average tax rate of 50 percent, this could net $2¼ billion or a billion dollars more than the compensating subsidy. Unless some such action is taken, the amount of lost income will probably increase as retired men and women of wealth seek these privileged sanctuaries.

A particularly bad form of this tax subsidy to localities occurs when local and state bonds are floated to finance the construction costs of runaway factories from other parts of the country. In many Southern states this is a common practice, and it serves to draw employment away from the North and the Midwest. It creates unemployment in these sections of the country and makes it harder for the workmen up North to obtain wage increases. Both of these factors, then, depress the tax base in these areas and decrease the ability of those who hire them to pay taxes, at the very time that they create higher local relief and welfare costs.

On top of all this, the taxpayers of the North and West have to pay higher federal income taxes or else short-change the general welfare because of this subsidy to their southern competitors. They in effect are being asked to help finance their own economic destruction.

Thus far the massed political power of the South has been sufficiently great as to prevent the closing of even this relatively tiny loophole. In self-defense, Northern and Western states are beginning to extend similar privileges, and the evil is spreading.

The depreciation allowances on buildings are computed on the money cost of the property to the last purchaser and not on the book value of the physical structure of the building itself. Thus if a man constructs an office building at a cost of $5 million, he can take accelerated depreciation for several years and use this as a credit against the net income from that property, or any other property that he may own. At 5 percent a year, he would thus get a credit of $250,000. If his net income from the building was $200,000, this would mean that he would pay no taxes and would have an additional credit, to be carried over, of $50,000. This could go on for at least five years, when the accelerated depreciation amounting to approximately $1.7 million would have to be greatly reduced. But office buildings enhance somewhat in value during the first years of occupancy, and it would be quite possible to sell the property for $5 million or more instead of the depreciated book value of aproximately $3,300,000. The original owner would pay a capital gains tax only on the $1.7 million profit made from selling at above book value, although he had used his depreciation allowance to reduce his higher regular income tax rate.

The newcomer could, however, start taking his double depreciation on his $5 million purchase price instead of on the $3.3 million of book value. This, as a matter of fact, would be an important reason why he would pay the full $5 million.

After a few years a third comer might even be willing to pay $5 million, although the $3.4 million taken for depreciation might have left but $1.6 million of the original cost of $5 million.

This process could be kept up almost interminably, with the ultimate total amounts deducted for depreciation far exceeding the original cost. This practice also puts a premium upon a frequent change of ownership, which is especially injurious in the case of tenements. We would save many hundreds of millions of dollars of taxes if depreciation were to be computed upon the book value of the building rather than upon the purchase price paid, and so that the total taken could not exceed the original cost or possibly the original cost plus replacements. It is true that double depreciation in the early years was eliminated for housing in the 1964 act, but the so-called "sum of the years" method gives substantially the same result, and the earlier provision has since been restored. Since all this is computed on the money cost of the building to the present owner, this is a stimulus to frequent changes of ownership. And this in turn leads to added neglect.

The depreciation allowance is, moreover, divorced from the performance of any major replacements or repairs. It would be better if the average depreciation rate were to be lowered from 2½ to 2 percent or less, thus assuming a life of fifty or more years, rather than forty, for the structure, and then to provide additional allowances for those major repairs and replacements to the degree that they are made subject to a maximum allowance in any one year or over a span of years. This would be a mighty stimulus for owners to keep houses in repair and would lessen the tendency for them to deteriorate.

There are many other quirks and loopholes in the taxation of commercial real estate that result in great losses of tax revenue, among them the "sell and lease back" arrangement. Here any gains will be taxed later only at capital gains rather than at income tax rates, while the rent payments can be deducted from gross profits as an operating cost. Time forbids going into all these complexities. But as the publications of various tax services demonstrate, they are complex and, for those who practice them, lucrative.

In 1962, the Treasury presented a mass of evidence showing excessive tax-deduction claims for travel and for entertainment. The instances presented were at once ludicrous and also, in a sense, nauseating. We were able to tighten the rules somewhat, most notably in limiting travel expenses (exclusive of actual transportation) to twice the amount allowed government employees, and at a present figure of $32.00 a day. We also restricted the deductibility of business presents to $25.00 from one person to another. But the major expenses for entertainment have been largely legalized, and the evils of an expense-account civilization are still largely unchecked.

During our consideration of one of the major tax bills a seemingly innocent provision was inserted that later turned out to be a Trojan horse. This was to exempt from taxation all future "charitable" contributions if in eight of the past ten years 90 percent of the *taxable* income had either been given to charity or paid in taxes. There were two booby traps carefully concealed within this seemingly public-spirited provision that was represented as an encouragement to private charity. I confess I was fooled by them. The first is that it is only 90 percent of the *taxable* income that is counted, and not 90 percent of the real income. By exempting capital gains income and "depletion income," which is not taxed, the proportion of income actually given away can be, and frequently is, only a small fraction of the actual real income. It is therefore especially popular among the oil barons of the Southwest.

The second joker is that by creating "personal foundations" the donor can retain control of those properties that he is apparently giving away and have the income spent in accordance with his wishes and frequently to his profit.

Congressman Wright Patman has unearthed many of the abuses perpetrated by these "foundations." And it is significant that the unlimited charitable deduction ranks alongside the depletion allowance, the fast write-off of drilling and developmental costs, and the capital gains privileges as an important reason why so many men with huge incomes pay small taxes, or none at all.

Men who own their homes are not taxed on the imputed income afforded by that ownership, while the renter receives no credit for the amount that he pays for shelter. A man with a $10,000 salary who lives in a $20,000 house that he owns, and for which, if he did not own it, he would have to pay another person $2,000 a year rent, really has the approximate equivalent of a $12,000 income, but he only pays on $10,000 (For convelence' sake, I am disregarding local property taxes and maintenance costs. These do decrease the tax advantage of the home owner.) His neighbor across the street who also has a salary of $10,000, but who pays $2,000 rent, is taxed on the *full $10,000*. If we were to preserve uniformity, either the first man's income should be reckoned at $12,000, as was once true in England, or his neighbor should be rated at $8,000. But to adopt this latter method would be to provide that amounts paid in rent should not be taxed as income. This exemption of rent hardly seems equitable.

But, even if justifiable, the inclusion of imputed rent in taxable income hardly seems possible in the near future.

Neither does changing the rule that a husband and wife may split their income for tax purposes. This allows taxation at a lower average rate than if the major share of the income were credited to the financial head of the family, who actually received it. While it does not cost a man and wife twice as much to live as it does a single man, it commonly does cost them more. And while the wife of a well-to-do man costs far more than the $600 of personal exemption that is allowed, nevertheless a distinct tax favor is giving to the married men, as it is to homeowners. This tax advantage increases as one moves into higher and higher tax brackets, so that matrimony is relatively more blessed financially for the millionaire than for the modest members of the middle and lower economic classes. I cannot believe that the wife of a wealthy man is correspondingly so much better and more socially valuable than the wives of the financially humble.

I began my senatorial career in a quandary, and when I left, the quandary was even bigger than when I started. It was this: Can and will the people under the best system of government in the world, and with an able and high-minded Congress, ever be able to protect the public interest in tax matters and enforce equal justice for all?

I must admit that the eighteen years have, on the surface, been disillusioning. We have made a few improvements during that time and may have saved a billion dollars or more a year, but the big loopholes and truckholes remain. Indeed, new ones have been opened, sometimes over our opposition and sometimes, as I have pointed out, without our knowledge. I daresay that there may be still other financial time bombs, presumably concealed in innocent-sounding verbiage, which will turn out to free still more income from taxation. The summing up that Philip Stern gave in his *The Great Treasury Raid* is substantially true today:

"For a raid of its magnitude, the time (high noon) and setting (the United States Treasury, a stone's throw from the White House) showed a breath-taking boldness of design and planning. From out of nowhere, it seemed, they appeared—old people and young, rich and poor, an oil millionaire here, a factory worker there, a real estate tycoon, a working mother, several well-known movie stars, some corporation presidents, even the chairman of a powerful Congressional committee. It was a mixed lot, all right, that converged on the Treasury Building that high noon. Into the building they strolled, gloriously nonchalant. No one stopped them; not a guard looked up to question them. Quickly and quietly they found their way to the vaults; opened them noiselessly with the special passkeys each had brought with him. Like clockwork, with split-second timing, each went to his appointed spot, picked up a bag and walked out as calmly as he had entered. At the exists the guards sat motionless. At precisely 12:04 it was all over. Each of the "visitors" had vanished into thin air."

So had forty billion dollars from the United States Treasury.

Despite all our efforts, the brutal fact must be admitted. We have largely failed.

Is the fault then in the structure of our economic life, "in our stars," so to speak, or in ourselves, that so little progress has been made?

It used to be said by some that the trouble with democracy is that the ablest and best educated men and women in the country do not take part in political affairs, but that if they would only interest themselves more in public matters they would set matters right.

But it has been the extremely able who have inserted these loopholes in the tax laws. The loopholes and even more, the truckholes, are defended against elimination or lessening by other extremely able men. The large hearing room of the Finance Committee seats a hundred and fifty persons. When we considered a tax bill, the room was filled with prosperous lawyers, graduates of great universities and of the top ranking law schools, whom Assistant Secretary of the Treasury Stanley Surrey once referred to in a burst of admiration as "the best minds in the country," all working to hold what they and their clients had and to enlarge it.

One major trouble with our tax system is, therefore, precisely this: that these "best minds" in the country have largely worked to make it what it is. Not more than one out of every hundred citizens actively working on a tax bill is trying to represent the general interest. And in the halls outside the hearing rooms the lobbyists are as thick as flies, while the publicity men and noisemakers are busily at work in Washington and elsewhere. In the halls of academe, erudite professors train their students in the intricacies of the tax code so that their students may succeed in the private practice of law by helping wealthy clients avoid taxes and thus beat the government of the people.

All this raises the question whether this is a fundamental weakness of our democratic system, namely, that the producing and possessing interests are compact, powerful and well-organized, while the consuming and nonpossessing classes are busy with other things, and their interests diffused; and that while the people are numerically more numerous, they are collectively weak, ignorant and unorganized. Does it follow that in a conflict between these two groups it is almost invariably the more powerful that wins?

As I watched the struggle and indeed took part in it for nearly two decades, I was struck with the similarity between it and the way the Spaniards were able to take over Mexico, Peru, and indeed all of Latin America, as narrated by William H. Prescott in his two classic histories, the *Conquest of Mexico* and the *Conquest of Peru*.

There were about thirteen million Indians in Mexico whereas there were only about five hundred Spaniards under Cortes. But the Spaniards wore armor, and they had gunpowder and powerful harquebuses, while the Indians were largely unarmed and unprotected. The Spaniards had horses, which gave them mobility, which the Indians did not have. They were, moreover, under tight discipline and moved as one, whereas the Indians were torn by internal dissension and overawed by the proud and arrogant newcomers.

So it sometimes seemed to me in these tax battles. A particular measure would mean millions to a few, but only a few cents to each of the two hundred million Americans. It was hard for the individual citizen to become informed. Even if he knew what was at stake, he was busy earning a living for his family and could not interrupt his work to defend his infinitesimal interest. Leisure, moreover, has its proper claims as well. So only a minute fraction can enlist in the common cause, and they can only do so at great risk to themselves. This in itself is a preventive to action.

James Madison saw this danger to our democracy at the very founding of our Republic and tried to develop an answer in the tenth essay of the *Federalist*. He thought he had found a partial answer to the peril in the mutual checks and balances that the divergent producing interests, called into being by a national market, would exercise upon each other.

This form of countervailing power is helpful in many fields. But I did not find it to be an adequate protection for the consumers or the small taxpayers. For producers seldom think of consumers, while those with big potential tax bills are commonly not solicitous about the other taxpayers. There is, moreover, a kind of fellow feeling among the powerful that makes it bad form for one group to balk another in a matter in which they are not themselves directly concerned.

Fortunately, in the history of our Republic, there have generally been some politicians who, at great risk to themselves, have defended the general interest with energy and ability. Such were George Norris of Nebraska, the two Robert LaFollettes of Wisconsin, and more recently the beloved Herbert Lehman of New York. Such, I believe, are my friends, Albert Gore of Tennessee and Bill Proxmire of Wisconsin, who have specialized in these very matters. There are many others on the national, state and local levels. Generally, these men in the past were ultimately defeated, but they lasted long enough to make an impression on their times and to win important victories. Their lives and the respect that is later accorded to them after they die is proof that there is a deep, if unexpressed, hunger, on the part of the inarticulate millions, for just such defenders.

But political battles cannot be won by solo combat. The days of the knightly tournaments celebrated by Sir Walter Scott in his *Ivanhoe* are over. Modern political struggles, like modern wars, need mass support and an adequate organizing staff if they are to be successful. Where is this support coming from?

The industrial unions, and most conspicuously the United Automobile Workers, have shown the greatest awareness of this need and have, in general, exercised a concerned interest in what may be termed the general welfare. There are various public groups with circumscribed interests that, from time to time, are also helpful, But we would be in a much stronger position if the organization of consumers, now embryonic, were more of a reality than a hope.

When I entered public life, now nearly three decades ago, I assumed in my innocence that man's efforts at just and humane self-government constituted the highest form of secular activity, and that the state was a fitting instrumentality through which men could lead the good life. I had been proud of our national government and thought of it as a friend and not an enemy, and as something to be served and not exploited.

But it is obvious that this view is not held by a large and influential proportion of the population. As some of their frankest spokesmen have said, they seem to regard the national government as their enemy and as something malign to be hated.

I once heard an eminent public figure declare that is was a man's duty to pay the federal government as little as possible in the way of taxes. Everywhere one finds powerful groups moving in to extract special privileges from our society, and they always seem to be able to attract to their cause skilled lawyers, technical experts, economists, publicity men and public relations practitioners, who then use their brains and wiles to promote the fortunes of their employers. Meanwhile the main mass of the general public and even of the academic profession stand by as mere spectators and allow without protest the power juggernauts to conquer. They behave indeed like so many city spectators who watch crimes being committed without raising a hand to defend the victims or lifting their voices to call the police.

To me this was and is a sign of the disintegration of a society that has lost sight of its common purpose. But to others it is the smart thing to do.

That is what deepened my quandary.

The query is appropriate: where are the champions of the people? Where are the men, better and more effective than we who have tried and lost, coming from?

I do not know. But I am an optimist. I cannot believe that the people with all their weaknesses will allow the noble ship of democratic government to be taken over by these well-clad pirates with impeccable credentials. For if they do, there may ultimately be such disillusion with our form of government as to cause the people in frustration to abandon ship and to allow it to be taken over by a still worse group of tyrants, who will suppress our liberties and shut the gates of mercy on mankind.

NEW YORK TIMES EDITORIAL HIGHLY CRITICAL OF S. 2171

Mr. PROXMIRE. Mr. President, this morning's New York Times contains an outstanding editorial on S. 2171—the bill to resuscitate the moribund Subversive Activities Control Board.

The editorial points out, as a number of us did during the Senate debate, that:

> The Board has spent $5 million of the taxpayers' money in 17 years without succeeding in registering a single Communist. It has had virtually nothing to do since 1965, when the Supreme Court ruled that forcing Communists to register with the Board was a violation of Constitutional guarantees against self-incrimination.

I ask unanimous consent that the New York Times editorial entitled "On the Communist Front" be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ON THE COMMUNIST FRONT

One bill that deserves to be forgotten in the Congressional rush for adjournment—but probably won't be—is the bill to reanimate the Subversive Activities Control Board.

The board has spent $5 million of the taxpayers' money in seventeen years without succeeding in registering a single Communist. It has had virtually nothing to do since 1965, when the Supreme Court ruled that forcing Communists to register with the board was a violation of constitutional guarantees against self-incrimination.

The Supreme Court's refusal this week to bar the board from holding hearings in another area of its concern—exposure of "Communist-front" groups—does permit the five board members to go ahead with hearings on whether the campus-based DuBois Clubs are a "front." But to do so would be an exercise in futility. Assuming the DuBois organization is found to be a "front," a requirement that it register as such would seem to be as questionable constitutionally as rulings invalidated by the previous court decisions.

Besides, under the new anti-subversion bill passed by both the Senate and the House and now in conference, there would be no need for any individual or group to register as Communist, Communist-front or Communist-infiltrated, or even to appear at a hearing. The board could make those findings on its own, and an organization so branded would have to carry that brand on all its literature.

The bill seeks to get around the self-incrimination difficulty, but in so doing it poses a threat to freedom Liberals and conservatives who fought the measure in both houses called vainly on the President to make his position clear. He still can—by vetoing the bill when it reaches his desk.

The Supreme Court's other civil-liberties ruling this week—voiding a provision that made it a crime for a Communist to work in a defense plant—restores a saner approach to the problem of keeping security risks from sensitive positions in defense industry. The way to do that is through specific laws and regulations, of which there are plenty, not through blanket proscriptions that do more to penalize the innocent than catch the subversive. Freedom cannot be defended by being undermined.

NELSON CHAIRS EXPORT EXPANSION MEETINGS IN MILWAUKEE

Mr. PROXMIRE. Mr. President, on December 1, Senator NELSON conducted hearings in Milwaukee on the prospects and problems facing an expansion of trade between the Midwest and foreign governments. My colleague from Wisconsin in an excellent opening statement stressed the importance of international trade to the Midwest and the Nation. As chairman of the Great Lakes Conference of Senators, I was particularly pleased by the emphasis Senator NELSON placed on the St. Lawrence Seaway, which has turned the Great Lakes into America's fourth seacoast.

So that all of my colleagues can read this excellent address, which masterfully delineates the vital significance of world trade, I ask unanimous consent that it be inserted in the RECORD at this point.

There being no objection, the address was ordered to be printed in the Record, as follows:

Remarks by Senator Nelson at the Luncheon Meeting on International Trade, Trade Expansion Hearings, Milwaukee, Wis., December 1, 1967

I am delighted to be conducting hearings in Milwaukee today and tomorrow on the opportunities facing Wisconsin and the Midwest in international trade, and to have an opportunity to present to this select audience some of the high hopes which we have for the future.

The facts which we will review in these two days of hearings may not seem new and spectacular to many of you who work with them every day. But to me they add up to an exciting new era, a challenging new frontier for American free enterprise.

The elements of this new era are these.

The St. Lawrence Seaway is now an established, accepted fact of life in world commerce, and the Great Lakes region, the rich heartland of American industry and agriculture, has achieved full status as our fourth seacoast. Meanwhile, the world is shrinking and our sense of world community is growing every day. Throughout the established nations of the world, rising tastes and rising incomes are expanding the traditional markets for the produce and the products of the American heartland. And in the more remote areas of the world, in the newly emerging, newly developing nations, a revolution of rising expectations is touching off an explosion of demand such as we never expected in our lifetimes.

The special hope of the Senate Select Committee on Small Business, which is holding these hearings, is that our small businessmen can find in this expanding world of international trade the opportunity for growth which they need to guarantee themselves a successful future.

The Milwaukee hearings are particularly concerned with the international trade opportunities of the states on the southern shore of the Great Lakes—Wisconsin, Michigan, Illinois, Indiana, and Ohio. This area produces much of the nation's steel, and most of the nation's automobiles. It manufactures a large proportion of our machine tools and electronic products. It produces immense quantities of consumer goods, from food to major appliances. And it does much of the research which blazes new trails into the industrial world of the future.

It is the very success of this industrial and agricultural heartland which makes the expansion of international trade so imperative. For the fact is, our highly successful American free enterprise system is progressing faster than our population. The gross national product is increasing twice as fast as population. Our great American system now can—and must—meet the needs of our own population and then move on to serve the needs of much of the rest of the world.

The Midwest already has won an important beachead in foreign markets. The Japanese school lunch program today includes reconstituted milk from Wisconsin dairy farms, and rolls baked with Midwestern wheat. Spanish housewives, who once used comparatively costly olive oil in their cooking, now use soybeans oil from Midwestern farms, and Spanish farmers feed their chickens and livestock with soybean meal.

Foreign trade already provides employment for about 3½ million American workers, about 4½% of the entire labor force. Wisconsin now ranks 10th in the nation in the value of manufactured exports. Michigan is sixth and Illinois is second. Eighteen Wisconsin companies have won "E" awards for excellence in exports. A great number of these firms can be classified as small businesses.

It is among these small businessmen—the 90% of our manufacturers and all of our farm producers—that we see the greatest new opportunities in international trade.

Our purpose in conducting these hearings is to discuss both the opportunities and the problems which confront our businessmen in foreign markets. We want to bring together the best ideas on how to profit from these opportunities, and we want particularly to know how the Congress and the Administrative agencies of our government can help our business firms to benefit from these opportunities.

We want to learn of ways in which our existing programs, such as the Export-Import Bank, and the Foreign Credit Insurance Association, can be improved to meet the needs of our world traders. We seek ideas for making groups like the National Export Expansion Council, the Wisconsin Regional Export Expansion Council, the U.S. State Department and the U.S. Commerce Department more effective and more helpful in developing a sound export expansion program.

And we seek the reaction of experienced businessmen to the idea that small firms should be encouraged to enter the export field through a system of limited trade incentives, based either on tax benefits or market subsidies.

The whole nation, of course, has a great stake in expanding exports. We have had a persistent balance of payments problem since 1958.

Last year, the trade surplus of this country declined by $1.5 billion to about $3.8 billion, almost 50% below the peak surplus of 1964 and the lowest trade balance since 1959. While exports grew by 4% in 1965 and 10% in 1966, imports climbed 14½% in 1965 and 20% in 1966. The overall balance of payments continues to show a deficit of over $1 billion. Authorities anticipate that it will be substantially larger for 1967.

Our gold reserves have declined from $17.8 billion or about 44% of the world's supply in 1960 to $13.2 billion or about 31% at the end of 1966.

The 25% gold banking requirement for our currency, the same percentage which the Soviet Union maintains, incidentally, leaves about $11 billion of the $13 billion gold reserve presently committed to backing our domestic currency, leaving a little more than $2 billion free for international transfers.

It is troubling to note that this nation compares unfavorably to other industrialized nations in terms of percentage of gross national product sold abroad.

In 1963 countries similar to ours sold 3 to 6 times as much of their production abroad as we did. Belgium exported 34%, Canada 31%, United Kingdom 20%, France 15%, and the U.S. less than 6%—all of these stated in terms of percentage of the gross national product.

The devaluation of the British pound poses a new threat to foreign markets which have been traditionally ours. All Wisconsin businessmen will have to be more aggressive in finding new business in order merely to stay even with their present levels of trade.

Yet, at the same time that the nation's trade surplus dwindles, Wisconsin continues to forge ahead in value of manufactured exports. During 1966 in Wisconsin, 68,000 individuals depended on foreign trade for jobs. Wisconsin's share of the export business totaled almost $630 million.

As you know, the state's leading exporters are machinery, $384 million; transportation equipment, $74 million; and food and dairy products, almost $40 million. Our electrical machinery manufacturers account for almost $54 million; fabricated metal products, $31.5 million; $7.6 million for lumber products; and about $8 million for paper and allied products. Other miscellaneous products include ordnance, printing and publishing, and chemicals; these total around $37 million.

Secretary of the Treasury Henry Fowler appeared before the Small Business Committee on March 22. He said:

"I can see unqualifiedly that the most vital aspect of our whole international balance of payments problem is the development and maintenance of a healthy trade surplus; and the role of the small business enterprises in this country ought to continue to be one of the most important aspects of our international program. It would be interesting to know just how many of the products that we take for granted in the United States are actually available in the markets of the world. I would suspect that a great many are not and these are not necessarily products that are produced by the large enterprises. I think we can and must do a great deal more in pressing forward on this point. I think it is a very real frontier that ought to be pushed."

Our Small Business Committee wants to look into problems and possibilities which arise from emerging trade blocks, trade with newly developing countries, the inter-relationships between aid and trade; the investment in foreign production by U.S. firms, including the possibility that some such foreign production may be displacing United States exports, or even exporting products back into our own country.

The Small Business Admin. is reactivating its foreign trade department to help small companies export their products, particularly to underdeveloped countries. SBA tells us that there are a great many of these markets that are ripe for small businesses. Many foreign buyers need to procure goods in small lots and these sales can best be handled by the small firm.

We cannot gloss over the fact that it's difficult for the small businessman to get into foreign trade. But once he does, it can pay tremendous dividends.

SBA is scheduling workshops all around the country to point out the way. They deal with taxes, customs and tariffs, credit, insurance, transportation and language barriers—all matters with which small firms may be unfamiliar. In addition, they will point out tax incentives that are available to exporters who trade with Latin American countries.

SBA is working on an agreement with the Commerce Department to set up within its Bureau of International Commerce small business trade specialists, similar to what we have been doing in Defense Procurement Agencies.

Too often we fail to recognize the important contribution that agricultural exports make to our balance of payments. Farm exports represent about one-fourth of all our merchandise exports. They have been rising rapidly during the past five to six years. If our exports of agricultural commodities had not risen and had remained the same, the deficit in our balance of payments during fiscal year 1965–66 would have been twice as big as it was.

Exports are becoming more important to the agricultural sector itself. About 85% of our farm production is consumed domestically and the rest goes abroad. The domestic market for farm products expands slowly, in about the same manner in which the population increases. The demand for food rises much more rapidly in the rest of the world.

Thus, these agricultural exports have become the fastest growing of the outlets available to our producers. Exports of agricultural products by the United States in the ficsal year 1965–66 were estimated to be the highest in history by a considerable degree. The estimate of about $6.5 billion or even more for fiscal 1966–67 exceeds export records set in each of the two previous years by at least one-half billion dollars.

These exports have improved to a great degree primarily because of feed grains, wheat, oil seeds and oil seed products. All these commodities are important in the upper Midwest.

We should see greater exports to Western Europe, Japan, and the Soviet Union in the next decade because these people are going to eat more meat. But they cannot produce enough feed grains in sufficient quantities to produce the meat the people want.

At the same time, beef exports to Western Europe and Japan will rise because these countries literally do not have the land on which to produce beef carcasses.

All this points to the importance of the great feed grain center of our country—the Midwest. At the same time this points to the increasing need for farm machinery which comes from Wisconsin for the American and foreign farmer.

Today we are in a foot race with famine all over the world. The developing nations are of immeasurable importance to us. They contain two-thirds of the earth's three billion people. That market is a sleeping giant of endless consumption capacity.

Their needs for food, for clothing, for every product that we can think of now and which can be invented in the near future, far exceed the needs of the highly developed world.

The hungry, developing world has food standards that are far below the minimum. Their deficits are so serious that on the average their diets are 10% below minimum caloric standards. And as their incomes go up their first and most consistent demand is for food. Various studies of these nations show that as economies rise by about 10%, the commercial imports in general rise by about 11% but imports of food go up by about 16%.

We have to find ways to sell to this part of the world by means of a system of credits.

While their needs develop moment by moment, we find that even though Wisconsin ranks 10th among all states in cash farm receipts, we are 24th in farm exports. Naturally, this is because agricultural exports are mainly grains while we produce dairy products.

For example, the U.S. exports half its rice, soybean and wheat crops, but hardly 1% of its dairy and meat production and only 3% of its poultry.

While Wisconsin's share of U.S. farm exports is only 1½%, about 7% of our state's agricultural production is exported and it's getting larger all the time. We are beginning to sell more dairy products to the underdeveloped countries and the demand is growing. They need and want more dairy products. But we will have to overcome the many barriers—the tariffs and levies and other forms of protection—besides their lack of foreign exchange and ignorance of trading techniques.

Meanwhile, there are many programs on which the dairy industry can embark. The most important, perhaps, is greater support for export expansion within the dairy industry itself, while at the same time studying its shipping and packaging methods, its markets and merchandising as well as the regulations.

These suggestions cannot be accomplished by government alone. They call for cooperation in the government, and by the private entrepreneurs who are the leaders of public opinion. What can be done depends to a great extent on you.

RATIFICATION OF GENOCIDE TREATY WILL PROVIDE SAFEGUARD FOR MANKIND

Mr. PROXMIRE. Mr. President, it is now 19 years since the United Nations General Assembly adopted the text of the Human Rights Convention on Genocide.

It was on December 9, 1948, that the United States became one of the nations added to the list of those who voted the approval of this significant development of international law.

I am certain that millions of Americans will feel that a historic step has been achieved if this particular convention, based on the mass murder of 6 million Jews by the Nazis—a tragic expression of genocide—is finally established as a part of the world's protection against another such reprehensible act against mankind.

There is a strong conviction in my mind that now is the time for this forum, at long last, to vote ratification of this convention.

Genocide, we tragically recall, also snuffed out the lives of many others in this century—Armenians, Poles, Slavs, Hungarians, Chinese, some of the European gypsy families—totaling some 20 million human beings deliberately killed because of their racial, religious, or ethnic backgrounds.

The Genocide Convention, since its adoption, has been ratified by 70 nations, including the Federal Republic of Germany. What has the United States done with this issue? Shamefully, we have let it lie idle and ignored for more than 18 years.

We all realize that the United States certainly is under challenge by friend and foe to maintain its role as a world leader. Other countries view our sincerity in terms of commitments we share with them. There should be no hesitancy on our part to make those commitments which agree with our own Constitution. But there has been a policy of inaction in this Nation.

As long as the colossal inhumanities of World War II and other times continue to haunt mankind, we face a basic moral and international obligation to champion the rule of law in the conduct of nations.

This country should take immediate steps to give vital leadership to the cause of peace and vote ratification. The rights of men must be fully accepted on faith. Faith of this type helped build the American form of government and kept it going through years of trial and growth. That same philosophy for the value of the individual human being must be believed and expressed by Americans of today.

I urge once again that the Senate give its attention to the Genocide Convention. We must not further delay action on the Convention on the Prevention and Punishment of the Crime of Genocide.

WATER IMPORTATION

Mr. MOSS. Mr. President, in a major address to the Senate on August 3 and 4, I urged the Senate to amend S. 1004, the bill authorizing the central Arizona project and certain water resource development projects in the Upper Colorado Basin, to provide for the initiation of planning studies leading to the augmentation of the supply of water in the Colorado River.

It was my position then, a position very strongly buttressed by the accumulation of facts over the years and testimony before the Interior Committees of both the Senate and the House, and it is my firm conviction now that there is not sufficient water in the Colorado River to meet all of the demands upon it.

The objectives I had in mind, of course, extended far beyond the Colorado Basin. I said then that the water problem is a national problem and should be solved on a national basis. But it is more than a national problem, it is a continental problem.

One of the most constructively provocative events in the lively history of water resource development in the United States was the publication in 1964 of a wholly new concept of continentwide planning by the Ralph M. Parsons Co.

Known as NAWAPA, for North American Water and Power Alliance, this imaginative approach to the problem of meeting the water requirements of three nations was the first study demonstration, or perhaps I should say the first reasonable indication, that continental redistribution of water makes sense both technically and economically.

Augmentation of the supply of water in the Colorado is necessary to assure the State of Arizona that it will actually get the water awarded under the Supreme Court decision without prejudice or damage to other claims. This will not be possible without augmentation of the flow by transfer of water from other basins, but such transfers may make sense only in a pattern of continentwide planning and redistribution of unused waters. Both Canada and Mexico have similar problems, an abundance of water in some areas and shortages in others. The NAWAPA approach offers solutions for all three nations.

It is time, I believe, for all three nations to examine the possibilities of integrated development of the continent's water resources. Sound continentwide planning, closely coordinated among Canada, Mexico, and the United States, should lead to productive and efficient sharing of the waters of North America. It would be to the advantage of all three nations.

I have spoken extensively on this subject over the past 3 years—ever since October 1964 when the Subcommittee on Western Water Development of the Public Works Committee reported on NAWAPA. Those initial studies indicated that cooperative development with Canada could make available to the Western States twice as much water as could be realized from full development of our own resources and for only a 25 percent greater investment. I have to admit that the comparison may not be a fair one because the U.S. program on which the comparison was based was not an integrated national plan. The United States has no national plan of resource development. That is what I am seeking.

I have spoken several times in Canada during this period, and the platform for cooperation I have tried to write contains these main planks, which I have referred to as stipulations:

First, the people of Canada, Mexico, and the United States want and expect to live together on this continent in constructive peace for a very, very long time.

Second, we occupy, together, lands

probably more favorable than any other on earth for the support of life.

Third, we can do a better job working together on the care and development of natural resources than we can working separately.

Now, if there is agreement on these three points, it makes sense to take advantage of the fact that the United States is in a position to provide both market and direct monetary assistance which would enable Canada and Mexico to invest appropriately for their sovereign interests and profitably for their economic interests in development of natural resources. Each of the three countries, of course, must determine its own role in such a program and determine for itself in the light of its own long-range interests the true advantages of participation.

There is a great deal of work in making such a determination. I recognize and have acknowledged that Canada, for example, could hardly be ready to discuss the export of water to the United States until she has completed extensive surveys and appraisals of her water resources and made the soundest possible projections of her own long-term water needs. I believe Canada will find it to her advantage to export surplus water.

I have also made clear that the United States has its homework to do. In preparing to import water from Canada we necessarily must integrate our own internal planning. The very concept of a continental system rests upon the most sensible and rational use of our own water. This means intensive conservation in water producing areas, cleaning up the stream courses we want to use for distribution, and a very great improvement in the efficiency of water use in agriculture, in industry, and in the home.

It is essential that we acquire a vast amount of geophysical and hydrological data for continental planning. We should also be carrying on continuing economic and social analyses and projections which are essential to sound resource planning. Fortunately, studies of this type are underway in both Canada and the United States.

In successive weeks in mid-October, speeches before the Los Angeles section of the American Society of Civil Engineers and before a national meeting of the ASCE in New York by qualified water experts of both the United States and Canada described work that is going on in the two countries. I commend these talks to anyone interested in water resource development. They are not only informative but encouraging in their reflections of the imaginative thinking among professionals in the water field.

I shall, therefore, ask unanimous consent that the following texts be inserted in the RECORD:

The remarks of Henry P. Caulfield, Jr., executive director, Federal Water Resources Council, at the seminar of the Los Angeles section, American Society of Civil Engineers, Los Angeles, Calif., October 11, 1967; a paper titled, "The Feasibility of Water Export," by Edward Kuiper, fellow, ASCE, professor of hydraulic engineering, University of Manitoba, Winnepeg, before the national meeting on Water Resources Engineering of the American Society of Civil Engineers, Hotel Statler, New York, N.Y., October 20, 1967.

For the United States, Mr. Caulfield, who is doing a very fine job as executive director of the policy coordinating council set up under the 1965 act, reveals clearly that the people who have technical responsibility for solutions to our water problems, the people at Federal, State, and local levels, recognize the importance of interbasin planning.

For Canada, Professor Kuiper reveals just as clearly that the Canadians are taking the long-range view of water resource development, that they are starting the hydrological and economic studies that will tell them how much surplus water they have to sell and for how much.

A careful reading of these two speeches also reveals a natural similarity in approach to the quite different problems facing the two nations.

The United States has an indicated shortage. Canada has an apparent surplus. The techniques of problem solving, however, dictate an approach in each case that calls for first gathering the essential data upon which policy decisions can be based.

Canada may have an easier job. The Canadian problem at least permits a straightforward approach to the solution—measuring the amount of water, estimating the national need, then determining the conditions of sale if it is found there is an exportable surplus. This is essentially the course Professor Kuiper outlined. I am happy to say that the views expressed in my address before the Royal Society of Canada at the University of Sherbrooke in June 1966 were completely compatible.

The difference in the situations facing us and facing the Canadians is like the difference in the problems facing newlyweds in making a budget when there is not enough income to pay all the bills, and making a budget when there is something left over after the weekly living costs are paid. Budgeting a surplus and budgeting a deficit are quite different, as every Senator knows.

Canada has only to decide how much to reserve for her maximum future growth, then consider whether she might also serve and strengthen that future growth by exporting water to the United States.

The United States has a massive complex of problems. We have serious shortages threatening in some parts of the country while there is unused water available in others. We must, of course, examine our indicated shortages very critically in order to make sure they are true shortages. We must determine on the basis of exhaustive economic and technical analyses the exact nature of the shortages, and we must make sure of the supplies in other parts of the country. This becomes more difficult as population and the Nation's economic momentum increase. But America's economic strength as surely as the health of her citizens depends upon a continuing supply of good water.

We have to assure ourselves that we are making the best use of the water resources with which nature has endowed our country, or face the consequences. In the long run, imports will pay off only if we make proper use of our own waters. As Professor Kuiper pointed out, the decision to import or not to import water is as critical as the decision to export or not to export.

In April of this year, I introduced S. 1429 to provide for an investigation and study to recommend a general plan to meet the future water needs of the Western United States. Its purpose was to extend to the whole West the kind of planning now being done in the West on separate river basins and in the Northeast under special legislation. Next year, I intend to press for legislation that would extend to the entire country, the type of investigation which is now under way in the Northeast under the direction of the Corps of Engineers.

I feel it is important to conduct these studies on a national scale. We are in a position to respond constructively if the Canadian studies lead, as they well might, to a decision on their part to offer water for export to both the United States and Mexico.

Professor Kuiper is not the only Canadian who is looking at this possibility. A plan with many of the features of the continent-spanning NAWAPA concept has been widely publicized in Canada. This is the Grand Canal scheme proposed by Thomas H. Kierans of Sudbury, Ontario, for the development of north-central Canada and to augment the supply of water in the Great Lakes. It would also make water available to the United States through the Great Lakes-St. Lawrence system.

Another plan proposed by Knut Magnusson of Ottawa, a successful businessman and rancher trained as a civil engineer, would collect some of the vast quantities of water now flowing into the Arctic Ocean via the Mackenzie River and into Hudson Bay via the Saskatchewan and Nelson Rivers. He would redistribute this water for the benefit of Canada's Prairie Provinces, and provide water, as Professor Kuiper's Central Canada plan would, for export to the water-short High Plains States of the United States. One of these Canadian studies would have a terminal reservoir near Amarillo, Tex., from which the great Ogallala Aquifer could be recharged.

One of Canada's great technical organizations, Acres Planning and Research, has recently done a preliminary study for the development of northern Canada. It proposes a carefully planned corridor of economic development from Quebec to the Yukon Territory. The Acres engineers report there are sufficient quantities of water in northern Canada to take care of the most intensive foreseeable economic development of those regions, then to meet all the needs of the Prairie Provinces, and still leave millions of acre-feet of surplus water available for export to the United States.

Only last month, one of the key natural resource officials of the Province of British Columbia participated in a panel discussion of water resource development in San Francisco. He made very clear that the Provincial Government had started studies of both its water resources and the ultimate probable demands for that water in British Columbia with a view toward consideration of the export question.

The Canadians are not only acting like good neighbors but also acting in their own best interest. I believe they are taking a very rational and constructive view of the possibilities of continent-wide water resource development. I want the United States to be in step with them. The Canadian approach is first to find out how much water they have, then figure out how much they might need for themselves. When they have done that, if there is a surplus, they will consider exporting the surplus, if there will be a market.

I would like to remove that second "if" and tell them that the United States can and will provide a market for Canadian water that is found to be truly surplus to their needs.

Alas, Mr. President, the state of our planning is such that we cannot tell them aye, yea, or nay about importing water. We simply are not in a position to say whether it is to our national interest to purchase water from another country. I am convinced that it would be to our advantage, but important national policies are not built on such testimony. We have homework to do.

Mr. Caulfield makes quite clear that extensive geophysical and economic investigations are underway. But these studies, with the exception of the work under Public Law 89-298 by the Corps of Engineers, are being done on an individual river basin basis. They do not provide the basis for a national policy determination as to the wisdom of importing water for use in the water-short areas of the country. We do not even have a clear definition of the elements of such a decision. What are the factors to be considered? What economic and technical data should be assembled to permit Congress and the people of the United States to make a sound decision on this vitally important question? What could we afford to pay for water imports? How do we make equitable distribution of the benefits of the additional supplies?

These are very difficult questions, but they are the merest sampling of the complications and problems of international trade in water. My concern now is that we have not even thought of all the questions we should ask, much less try to find answers. I propose now that we begin to define the parameters of the import problem, begin the studies that will provide data on which we can make the future decisions.

The study program of the Council covering the several major basins could very easily be expanded to cover the import question. Imports obviously will involve many basins, but as Mr. Caulfield points out, it is possible to gather on an individual basis much of the data which will eventually be required as a basis for a policy decision on interbasin transfers. It is very possible that many of the questions about interbasin transfers may be answered in the course of the import studies.

One of the duties of Federal Water Resources Council is to provide each biennium, on the basis of a continuing study, what has been called a national assessment, and I quote, "of the adequacy of supplies of water necessary to meet the water requirements in each water resource region in the United States and the national interest therein." Under the provisions of the Water Resources Planning Act of 1965, the first national assessment is due early in 1968.

In view of the critical time pressure under which the Senate is now working, Mr. President, I do not want to introduce legislation, nor suggest any other course of action which will further burden the legislative machinery at this time. I would like to make certain, however, that the Federal Water Resources Council includes in the first national assessment some estimate of the scope and nature of the problem of importing water and a suggested approach to its solution.

I would like to make clear to the Chairman of the Federal Water Resources Council that it would be of value to the members of the Senate to have included in the national water assessment in 1968 the views of the Council on the subject of water imports. I have, therefore, prepared the following letter to the Secretary of the Interior, who serves as Chairman of the Water Resources Council, urging that the import question be dealt with in the biennial national assessment:

DEAR MR. SECRETARY: Three years ago, a Special Subcommittee on Western Water Development of the Senate Committee on Public Works issued a report on the initial evaluation of the concept of continental water resource development called NAWAPA, for North American Water and Power Alliance, published by The Ralph M. Parsons Company. That preliminary evaluation indicated that joint development with Canada and Mexico of untapped water resources of the continent would solve western water problems.

Since that time, the question of importing water has drawn increasing attention in the United States, and the possibility of export is beginning to be studied seriously in Canada. It is time now for the responsible agencies of government to begin carefully ordered studies which will enable us at some point in the future to make proper decisions on this vitally important question.

This is truly a long range question. There are a number of problem areas, such as the Great Lakes, the Southern High Plains, the Lower Colorado, and others, which sooner or later will confront us with very difficult policy decisions. The nature and the complexity of all of the water supply problems are such that we had better begin the search for solutions. We may find it necessary, for example, to have a position on augumentation of the supply of water in the Great Lakes even before the National Water Study Commission reports back to the Congress at the end of the five years provided for in the pending legislation.

Whatever consideration the National Water Policy Commission gives the matter, the fact remains that it will be the direct responsibility of the Water Resources Council to see that the detailed supporting studies are made and to direct the follow-up work long after the President's Policy Commission has completed its work. It will certainly aid the Commission's work if the permanent Federal Council has a constructive study program under way.

Since the Council prepares a National Assessment every two years and the first one is due early in 1968, I believe it would be helpful to the Senate to have some indication from the Federal Water Resources Council as to how the possibility of imports might fit into their long term assessment of the adequacy of our water supplies. Does the Council have any position on imports? Has it ever discussed the role of imports in any of its deliberations? The biennial National Assessment is the proper place for the Council's views on the prospects for imports. We should have some comment in the first Assessment document as to how the Council proposes to attack the problem.

It seems to me we owe it to the Canadians to get ourselves ready to convey to them some indication of our attitude toward the importation of water. There are those in Canada who oppose export of water on almost any basis. There are others who are ready to start now. U.S. viewpoints cover the same wide spectrum. In between are many thinking people who say the question should be studied. I believe Canada has started. I am satisfied that joint development of water resources holds promise of great benefit to both countries. It promises an assured supply of water efficiently and productively distributed in both countries. Within Canada, it means conservation of the nation's water producing areas and promises in addition an assured and continuing inflow of capital available for public investment from the sale of a water harvest surplus not subject to depletion and not involving any threat of dilution of their equity.

If, on the one hand, the United States is not going to consider the importation of water, we had better let the Canadians know. If, on the other hand, we are interested in importing water, we should tell them so. Before we can tell them anything, however, we need to know the impact on our own programs of importing new supplies of water. We certainly don't want the prospect of imports to retard conservation efforts or pollution control, nor to deter any other aspect of our national program, which also calls for desalting. At the same time, we may find that within a sound pattern of continental planning and three-nation exchange, our own potential basin inter-connections become eminently practical. This is a problem for the Water Resources Council, and one to which the Council should address itself in the initial National Assessment called for every two years by the Water Resources Planning Act of 1965 under which the Council operates.

In view of the far reaching effects of this question, I believe it would be helpful to the members of the Senate and the American people to know how the Council proposes to deal with the question of importing water.

Yours truly,

FRANK E. MOSS.

Mr. President, I ask unanimous consent that the Caulfield and Kuiper papers including the charts therein follow my remarks in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WATER FOR THE WEST

(Remarks of Henry P. Caulfield, Jr., Executive Director, Federal Water Resources Council, at the Seminar of the Los Angeles Section, American Society of Civil Engineers, Los Angeles, Calif., October 11, 1967)

I am especially pleased and honored to be talking with you this evening.

I am pleased because your invitation has enabled me to return to Los Angeles—the city in which I grew up and lived through graduation at Hollywood High School in 1935 and my first year of college at Caltech the following year. I feel somehow like I am returning home—even though I have lived largely in Washington, D.C., for the past 30 years, no longer have family ties here, and only a very few old friends.

I am most honored because you asked me—a non-engineer—to speak before your professional group—an honor that all professional societies do not extend very often to one of another profession—especially one who is an economist! But for the quirk of fate—my acceptance of a scholarship in 1937 to attend Lingnan University in Canton, China, for one year and then conversion of my professional interest to economics and government—I might also be an engineer here in Los Angeles.

Early in my present position I recognized my professional limitations for the job and insisted that the Council's Deputy Director be a highly competent civil engineer of long experience. Many of you know the civil engineer appointed, Reuben Johnson. He served here for many years in the Los Angeles District, Corps of Engineers, and was a member of this Los Angeles Section of the American Society of Civil Engineers. Reuben asked me, just before I left Washington, to extend to you his best personal regards and his congratulations for the professional vitality manifest in the Public Service Paper that you have just released to the public.

THE ASCE PUBLIC SERVICE PAPER

The thrust of your Public Service Paper is set forth in the Preface:

"The continued economic and population development of the entire West depends upon an effective solution of its water problems.

"To avert the threat of limitation of growth due to possible water shortages, a regional plan based on a comprehensive inventory of the West's water resources must be started now."

In the body of the paper, after summarizing certain water needs in the Southwest, water sources generally assumed to be available in Northern California and the Pacific Northwest for inter-basin transfer to the Southwest, other sources available within the Southwest (i.e., ground water, reclamation of municipal waste water, reuse of water, desalting, surface evaporation, watershed management, and weather modification), the paper then concludes that "the technological problems, great as they are, can be overcome" in solving the water problems of the West—meaning the 11 Western States. "Modern engineering," the paper goes on to say, "is equal to the task. Nor should the economics and financial problems present any insurmountable problems."

"Modern engineering"—as enriched continually by the fruits of research—is certainly equal to realization of the vision of the authors in engineering terms. This is clear to me, even without completing my training as an engineer or receiving the advice of the Council's Deputy Director. Modern engineering has already solved, or is now solving, water problems on a scale to give full confidence to this extrapolation.

The economic and financial problems or issues are much more difficult of resolution; but with the will to surmount them, I agree, they are probably not "insurmountable."

Where the major problems lie—but they are not fully separable from the economic and financial issues—is in the area of political and organizational vision. Very correctly, in my opinion, the paper emphasizes the great need for such vision.

Where I would differ with the paper's main thrust is in the part of the preface I quoted earlier which states that ". . . a regional (meaning an eleven-State plan) based on a comprehensive inventory of the West's water resources must be started now."

In my personal view, such a regional planning effort has already been started. Clearly this effort has been underway since 1966. It could be argued that it got started in 1965!

You might feel that you had not received your money's worth for the fine dinner we have just had if I explained to you in a few brief sentences—so close to the beginning of these remarks—precisely why I hold to this view, and then we adjourned. So, for this reason, but also to discourage any of you from walking out early, I will build up my remaining remarks carefully and suspensefully—saving to the end my most specific reason for believing that the regional planning effort you have in mind has already been started.

THE ORIGINS OF COMPREHENSIVE MULTIPLE-PURPOSE RIVER BASIN WATER PLANNING AND DEVELOPMENT

I would like to begin my build-up to my conclusion by discussing, first, the origin and development of the concept of comprehensive multiple-purpose river basin planning and development. To the best of my knowledge, the origin of this concept was in the Inland Waterways Report of 1907—a collaborative effort of the Corps of Engineers, the Geological Survey, the Forest Service and other agencies under the leadership of Gifford Pinchot. Pinchot, who had direct access to President Theodore Roosevelt, was one of the principal leaders—along with Meade, Maxwell, Newell and others—of the Conservation Movement at the turn of the century.

The earliest, and probably the most important, comprehensive river basin plan which sprang from this concept was prepared by E. C. LaRue while he was employed by the U. S. Geological Survey, and published in two volumes before 1920. In LaRue's plan practically all, if not all, the damsites on the Colorado River and tributaries we know today were identified, and their interrelationships, merits and demerits (including their effects on the Grand Canyon) were discussed as means for development of irrigation and other water supplies and hydroelectric power. This pioneering effort in comprehensive planning provided a knowledge base for negotiation and agreement upon the Colorado River Compact of 1922. Subsequent planning and development of both the Upper and Lower Colorado River and its tributaries have been based upon, and have largely followed, LaRue's comprehensive river basin plan.

(Incidentally, E. C. LaRue's daughter, Miss Roberta LaRue, is precently Chief of the Hydrology Unit in the Los Angeles District, Corps of Engineers. I believe she is here and I hope to meet her for the first time tonight and express to her my personal admiration for her father's work which I read in full several years ago.)

The next milestone in comprehensive multiple-purpose river basin planning and development, as I see it, was passage by the Congress of section 308 of an Act of 1927 that authorized the Corps of Engineers to prepare such comprehensive plans throughout the United States. Many "308 reports" for the major rivers of the Nation were subsequently prepared by the Corps of Engineers. This comprehensive approach has been performed, increasingly, from year to year, with the cooperation and assistance of other Federal agencies and the States.

A "308 report," and two complete revisions thereof, have been prepared since 1927 for the Columbia River Basin. A major emphasis in these reports was on the development of navigation, hydro-electric power, and flood control and mitigation measures to prevent damage to the river's salmon and other anadromous fishes. These reports did not focus upon the long-run consumptive uses of Columbia waters through further development of irrigation, recreation and other water uses which are needed today.

The original "308 report" for the Missouri River basin is dated March 3, 1933. A review of this document, plus a navigation report, became the Pick part of the famous Pick-Sloan plan that was authorized in the Flood Control Act of 1944. Much of this plan—providing for major irrigation developments, mainstem dams for hydroelectric power, flood control, navigation, storage of water supplies, and tributary stream developments—has been carried out. But water and related land resource development in the Missouri River basin is far from completed. Renewed emphasis upon comprehensive river basin planning is now underway in that basin—as well as in other basins and groups of river basins throughout the Nation.

ORIGINS OF REGIONAL WATER PLANNING AND INTER-BASIN TRANSFERS

Regional water planning, that is, planning with regard to groups of river basins, might be said to have been the first form of Federal water planning in the United States. After the Louisiana Purchase in 1803, the United States Senate asked Secretary of the Treasury Gallatin to submit to it a *national development plan* for roads and canals. Gallatin's report of 1808 justified his plan on the policy grounds of economic development, furthering political unity and military defense. The plan projected the need for a complete system of canals and improved waterways from the Eastern Seaports at New York, Philadelphia, Washington, Charleston, and other points to the Great Lakes, to the Ohio and Tennessee Rivers and then on to the Mississippi and Missouri Rivers—largely, then, the whole of the United States. Trans-mountain portages were planned to provide links, where necessary, between the Eastern and Midwestern waterways.

In this era before invention of the railroad, a national system of navigable waterways was clearly a reasonable response to the need for means of long-distance, bulk-commodity transport. It was reasonable, also, to prepare a national plan because, as Gallatin argued, the economic feasibility of its parts depended upon the Midwestern agriculture, industry and commerce that would be generated by having a *complete waterway system*.

Gallatin's report, and revisions of it, with assistance from the Army Corps of Engineers, in reports of Secretary of War Calhoun in 1822, Senator Windom of Minnesota, Chairman of the Senate Commerce Committee in 1874, and the Inland Waterways Commission of 1907, served as comprehensive national plans for the States and then the Federal Government in their consideration of specific waterway projects well into this century.

Gallatin's report probably represents the most imaginative official water plan that has ever been produced in the United States. As a matter of general interest, the report is well worth your reading, if you have never done so.

Passage of the Reclamation Act of 1902, however, is the milestone most directly pertinent to our discussion here tonight—*Water for the West*. It was based upon the premise, as you well know, that planning for, and development of, the water and related land resources of the 17 arid Western States was essential to their growth in settlement, population and economic development.

Reclamation law, until very recently, gave general authority to the Secretary of the Interior through the Bureau of Reclamation to plan Western water development, from the reconnaissance through feasibility-grade studies—throughout the 17 Western States. Over many years, this general authority was utilized as the Bureau saw the need for specific planning studies, and as the Secretary of the Interior, the President, and the Congress could be persuaded to provide the necessary funds for such investigations.

Historically, so far as I am aware, the Bureau of Reclamation never saw the need, or thought it feasible to propose, a Westwide comprehensive plan for the 17 Western States. It did not propose such a study, I should suppose, because it did not think—among probably other reasons—that a study of this scope was necessary; that is, operationally useful. A "westwide plan" would only give the appearance of relatedness between what the Bureau undoubtedly saw—and correctly—as separate water problem areas, or more precisely, self-contained water-development opportunity regions within the 17 Western States.

One such region might be said to be the whole of the Colorado River Basin together with its associated inter-basin transfer areas—East of the Continental Divide, the service area of the Metropolitan Water District of Southern California, and other areas outside the basin.

I have never had the time to research and document what might appear to have been—in broad strokes—the implicit comprehensive plan for the Colorado River in the minds of former President Hoover and others closely associated with the negotiation and agreement upon the Colorado River Compact of 1922. With regard, however, to the Upper Colorado Compact I assume that the Colorado Storage Project and other projects in the Upper Basin indicate, up to the present at least, the comprehensive plan for the Upper Basin. These two compacts in themselves—whatever may be said today about any technical defects in them—obviously represent a grand design for the use of water within a very large region of more than one basin. Today, within this whole region, inter-basin transfers of water—present and proposed—are more the rule, rather than the exception, as I see the consumptive uses of its water.

I could go on and name many other water-development opportunity regions in the West within which inter-basin transfers now occur. The whole Central Valley of California, for example, is a region with a major inter-basin transfer from the Sacramento basin to the upper San Joaquin basin. The California State Water Plan, as you well know, is based upon major inter-basin transfers. The first inter-basin transfer that I ever saw and quite naturally took for granted, was in my teens as my family drove to camp, hike and fish on the East side of the Sierra-Nevada—the aqueduct, siphons and pumping plants from the Owens Valley to the Los Angeles basin.

A principal fact to note about all of these major inter-basin transfers is this: they are essentially intra-state transfers. They are not inter-state!

ORGANIZATION FOR REGIONAL WATER PLANNING

So much by way of historical background with regard to comprehensive multiple-purpose river basin planning, regional water planning and the present fact of many substantial—but essentially intra-state-inter-basin transfers. I have several friends who quickly grow tired of my penchant for historical analysis, important as it is in clearly understanding where we are today in policy and program development. So let us now quickly jump into the present.

What about regional water planning today? And, first, what are the recent and emerging organizational developments that have a bearing upon the topic *Water for the West?* Your Public Service Paper discusses these organizational developments and I have no quarrel with what is said, but I would like to point up for you certain significances that I see in them.

WESTERN STATES WATER COUNCIL

First, let us discuss briefly the Western States Water Council. As you know, the Western States Water Council was established upon the vision and initiative of the Governors of the 11 Western States. The "principles" embodied in Article III of its Rules of Organization, as unanimously adopted on August 3, 1965, at Stateline, Nevada, are truly remarkable. I would like to read them to you in full:

"Except as otherwise provided by existing compacts, the planning of western water resources development on a regional basis will be predicated upon the following principles for protection of states of origin:

"(1) All water-related needs of the states of origin, including but not limited to irrigation, municipal and industrial water, flood control, power, navigation, recreation, water quality control, and fish and wildlife preservation and enhancement shall be considered in formulating the plan.

"(2) The rights of states to water derived from inter-basin transfers shall be subordinate to needs within the states of origin.

"(3) The cost of water development to the states of origin shall not be greater, but may be less, than would have been the case had there never been an export from those states under any such plan."

What is remarkable, as I see it, is that the founding fathers of the Western States Water Council, right at the outset, agreed upon the principle of interstate inter-basin transfers within the 11 Western States, and upon basic terms and conditions on which they might be permitted to take place in the future. There would appear to have been no agreement to make interstate inter-basin transfers or not to make them. But there would seem to have been implicit agreement to consider them. Clearly they were not ruled out. Again, I say this is remarkable. It is especially so considering the magnitude of the possible transfers and the major public discussions that have ensued since August 3, 1965.

Even though there would appear to have been no commitments, express or implied, to any interstate inter-basin transfers, there was explicit agreement to prepare "criteria" for the formulation of regional water development plans and to undertake continuing review of "all large-scale interstate and inter-basin plans" and submit recommendations to the 11 Governors.

Looking at the whole problem of *Water for the West* from a national point of view, I believe that the chartered role of the Western States Water Council is very valuable indeed. Its deliberations and recommendations should make a major contribution in expressing the collective points of view of its member States on *Water for the West*. Its contribution should help substantially in resolving the national issues that are involved.

NATIONAL WATER COMMISSION

The Senate bill to establish a National Water Commission has passed the Senate, has been passed by the House of Representatives with amendments, and—so far as I am aware—the bill is still awaiting action in the Senate upon the House amendments. Thus the bill has not yet been enacted. It has not yet been passed by both Houses in identical terms and signed by the President.

As many of you know, the Commission that would be established by the bill would consist of seven members holding no other Federal positions. It would have a life of five years and probably a budget of around one million dollars per year.

The Commission would be charged with conducting a "comprehensive review of national water resource problems and programs" and with making recommendations to the President who is to transmit the Commission's final report to the Congress with his comments and recommendations for legislation as he may deem appropriate.

As a part of its review of "present and anticipated national water problems, making such projections of water requirements as may be necessary and identifying alternative ways of meeting those requirements" the Commission is to give consideration, among several other measures, to "interbasin transfers." Apart from its own initiatives in response to this statutory language, the Commission would be charged with advising "on such specific water resource matters as may be referred to it by the President and the Water Resources Council."

The Commission is to "consult with the Water Resources Council regarding its studies" and "furnish its proposed reports and recommendations to the Council for review and comments." The Water Resources Council is to submit to the President its views on the Commission's reports.

In the conduct of its work, the Commission may "enter into contracts or agreements for studies and surveys with public and private organizations and transfer funds to Federal agencies and river basin commissions created pursuant to Title II of the Water Resources Planning Act to carry out such aspects of the Commission's functions as the Commission determines "can best be carried out in that manner."

There are many types of water problems and several regions having major water problems that justify, from the point of view of the President and both Houses of Congress, the establishment of a National Water Commission. Among these problems Federal policy, program and planning issues loom large with respect to interbasin transfers.

The large number of inter-basin transfers involved in present Federal Water resources development projects in the West were handled piecemeal as regards their terms and conditions. Most, if not all, have been intrastate. Thus the basic issues of inter-basin transfer were settled by the State. No clearly defined Federal policy relating to interstate inter-basin transfers involving Federal projects has been developed and accepted that could guide program and project planning. If Federal projects are to be involved, clearly the establishment of Federal policy is a prerequisite.

The National Water Commission cannot yet be said to be contributing to the regional planning effort in the West. Nevertheless, the legislative record is clear that all those involved in the legislative process on this bill feel—despite their differences—that *they* have been contributing to the regional planning effort in the West.

WATER RESOURCES COUNCIL

The Water Resources Planning Act of 1965, in essence, is an act to better organize, coordinate, and support comprehensive water and related land resources planning.

The Water Resources Council, created by Title I of the Act, is composed of the Secretaries of Agriculture, the Army, Health, Education, and Welfare; the Interior; Transportation and the Chairman, Federal Power Commission. Now included by regulation as Associate Members are the Secretary of Commerce and the Secretary of Housing and Urban Development, and as Observer is the Director of the Bureau of the Budget. The Chairman, designated by the President, is Secretary of the Interior Stewart L. Udall. These officials are responsible within the Executive Branch for most of the Federal Government's activities in water and related land resource planning and development.

Each has named Representatives who function with the Executive Director in the conduct of the Council's business between meetings of the Members themselves. The Members meet regularly every three months and on the call of the Chairman.

The authorized level of the Council Staff is 24 positions. All positions are now filled. The Council's executive officers, in addition to the Executive Director and Deputy Director, are an Assistant Director for Planning and Research Advisor, an Assistant Director for Policy and Legal Advisor, and an Assistant Director for State Grants.

As regards functions, paraphrasing and quoting from the Act, I will only highlight those Council functions—apart from its functions in relation to the prospective National Water Commission—that seem particularly pertinent to the topic under discussion tonight.

First, the Council maintains "a continuing study and prepares an assessment . . . of the adequacy of supplies of water necessary to meet the water requirements *in each water resource region* in the United States and the *national interest therein*." In this connection, the Council maintains a "continuing study of the relation of regional or river basin plans and programs to the requirements of *larger regions of the Nation* . . ." This is what we call the *national assessment*. The first national assessment is now scheduled for release early in 1968; probably a number of you were involved in drafting the chapter for the Pacific Southwest.

Second, the Council establishes ". . . principles, standards, and procedures for Federal participation in the preparation of comprehensive *regional* or river basin plans . . ."

Third, the Council coordinates schedules, budgets, and programs of Federal agencies in comprehensive *regional* or river basin planning.

Fourth, the Council reviews comprehensive plans prepared by Title II river basin commissions from the points of view of "achieving optimum use of water and related land resources in the area involved" *and* of contributing to attainment of the "Nation's economic and social goals" and achievement of other programs for the development of ". . . resources of the entire Nation." I believe it can be safely assumed that the Council will review comprehensive framework studies and all other comprehensive plans coming before it, whether prepared by a Title II river basin commission or not, on the basis of these general points of view.

Finally, the Council carries out its responsibilities with regard to the creation, operation, and termination of Federal-State *regional* or river basin commissions under Title II of the Water Resources Planning Act. Also the Council carries out Federal responsibilities with regard to the several inter-agency field committees, such as the Pacific Southwest Interagency Committee, which it inherited upon termination of the Interagency Committee on Water Resources.

These five functions clearly indicate, generally, that the Federal Water Resources Council has major Federal responsibilities with regard to *national* and *large regional* water and related land matters in addition to its concern with such matters on a lesser geographical scale.

FEDERAL-STATE COMPREHENSIVE WATER PLANNING IN THE WEST

More specifically now, I want to discuss the contribution that the Council, together with its Member agencies and the States concerned, have made so far toward solution of the water problems of the West. In other words, what specifically is the status of Federal-State comprehensive water and related land resources planning in the eleven Western States?

PACIFIC NORTHWEST RIVER BASINS COMMISSION

As all of you know, the President established earlier this year the Pacific Northwest River Basins Commission upon request of the Water Resources Council and the Governors of Washington, Oregon, Idaho, Montana, and Wyoming.

The question was specifically raised, before the Council made its request to the President, whether it would not be better, as well as feasible, to establish instead a Commission with eleven Western State members. I discussed this possibility at the Western States Water Council meeting in Phoenix early in 1966, and with other groups and with numerous officials. Also considered, especially in the light of Pacific Northwest views in favor of a separate commission, was the special requirement in the Act that three out of the four States of Idaho, Montana, Oregon and Washington had to agree to any commission involving the Columbia River Basin. This, together with the other special requirement in the Act that three out of the four States of Colorado, New Mexico, Utah and Wyoming had to agree, indicated to the Council that a Federal-State Commission with eleven Western State members was not feasible, at least at that time.

When the Pacific Northwest River Basins Commission became organized, with Charles Hodde as its Chairman and William Holden of Idaho as its Vice Chairman, the long-standing Columbia River Interagency Commission was abolished. At the same time it was agreed that the Pacific Northwest River Basins Commission would assume overall responsibility for the Columbia-North Pacific Comprehensive Framework Study (Type I) covering the Commission's whole region and the two more detailed comprehensive planning studies (Type II) underway in the Willamette and Puget Sound Basins.

The Columbia-North Pacific Framework Study, which was stated in 1965, and is now scheduled for completion in 1970, is one of 18 such studies throughout the United States which stem from a recommendation in January 1961 of the Senate Select Committee on National Water Problems and accepted by President Kennedy.

PACIFIC SOUTHWEST INTERAGENCY COMMITTEE

Also as a part of the Council's nationwide program of comprehensive framework studies (Type I), such studies were started for the California region and the Upper and Lower Colorado regions in 1966. They are being conducted under the aegis of the Pacific Southwest Interagency Committee. When the Great Basin region is added to these three, the whole of the Pacific Southwest, in the Council's terms, will be covered. Moreover, a *Pacific Southwest Summary Analytical Report* is to be prepared for the Pacific Southwest region and the whole is now scheduled to be completed by 1971.

EFFECT OF SECTION 3(D) OF THE WATER RESOURCES PLANNING ACT

Thus the whole of the West, as defined in the Public Service Paper, is clearly covered by comprehensive framework studies now underway. But, the question can be legitimately asked, does not Section 3(d) of the Water Resources Planning Act prevent study of inter-basin transfers between the Pacific Northwest and the Pacific Southwest as a part of these comprehensive framework studies under present organizational arrangements? The answer would appear to be "yes." Section 3(d) of the Act reads as follows:

"Nothing in this Act shall be construed as authorizing any entity established or acting under the provisions hereof to study, plan, or recommend the transfer of waters between areas under the jurisdiction of more than one river basin commission or entity performing the functions of a river basin commission."

Clearly, the Pacific Northwest River Basins Commission is a "river basin commission" within the meaning of Section 3(d) and the Pacific Southwest Interagency Committee is "performing the function of a river basin commission."

All I can say about this prohibition is this, and I have said this in the Pacific Northwest as I am saying it now in the Pacific Southwest: I don't believe that those who sought inclusion of Section 3(d) in the Water Resources Planning Act were determined to bar study, planning, and recommending the "transfer of water between areas" permanently.

I believe, in effect, that Section 3(d) will not always be the law of the land. Certain proponents of Section 3(d) are also strong proponents of the National Water Commission, and they have made it clear that the National Water Commission is not barred from study of inter-basin transfers. Moreover, as I said before, this Commission would be authorized to transfer funds to Title II river basin commissions to carry out such functions it cared to assign. In other words, as I see it, what the Congress is trying to do is make certain that deliberate steps, with very careful consideration at each step, be taken in resolution of this unprecedented and major issue of interstate inter-basin transfers of water.

COMMON GUIDELINES FOR COMPREHENSIVE FRAMEWORK STUDIES

The Congressionally approved comprehensive framework studies for the Pacific Northwest and the Pacific Southwest are clearly part of this deliberate effort to have orderly resolution of this issue in the national interest. Thus I say, as I indicated earlier this evening, that the regional planning efforts for *Water for the West* has already been started. Engineering plans for interstate inter-basin transfer have not been started, but the necessary planning worf preparatory to any such specific engineering studies of possible water transfer has clearly been started, and under common guidelines.

In closing now, I would like to indicate the six major parts of those common guidelines.

(1) *Projection of Economic Development to 1980, 2000, 2020*. Both the Pacific Northwest and the Pacific Southwest are receiving economic projections to the year 1980, 2000 and 2020 out of our regional-projection effort in Washington, D.C. These projections are largely based on extrapolation of the past trends on a basis consistent for the country as a whole. Within the regions these projections are reviewed and revised on the basis of regional knowledge. Specifically, in the Pacific Southwest, projections are to be developed that will reflect the consequences of having no more water entering the Pacific Southwest, as well as projections reflecting the possible economic consequences of having more water.

(2) *Translation of Economic Projections into Demands for Water and Related Land Resources*. Both the Pacific Northwest planners and those in the Pacific Southwest are undertaking this technically difficult step. The Council has some work underway to develop improved methods for making this translation, both in terms of water demand and pollution loading, which would assist this effort.

(3) *Hydrologic Projections of Water Availability as to Quantity and Quality*. Recently the Council sponsored a seminar at Salt Lake City where planners involved in making these projections participated from all Western regions. Substantial agreement was reached upon detailed plans for making these projections.

(4) *Projections of Related Land Availability*. Another recent seminar at Salt Lake City was held to help assure common methods of land classification for argicultural purposes. It is important that the potential irrigation lands throughout the West be classified in the same manner, as you can well appreciate, if fair comparisons are to be made between the two regions.

(5) *Outline of Projected Water and Related Land Resources Problems within the Region*. The problems are derived and specified by interrelating the foregoing four analyses. This problem analysis also indicates areas of no problem, including in the Pacific Northwest the amount of water at various locations that might be considered "surplus" to that region.

(6) *Outline, on the Basis of General Knowledge of Development Opportunities and Costs, the Approaches that Appear Appropriate for Solution of the Problems Identified*. Neither the Pacific Southwest nor the Pacific Northwest comprehensive framework studies as I have said, can plan for the avail-

ability of resources external to each of their regions. But they can study, and the Pacific Southwest is definitely expected to study, the future consequences of obtaining more water than it now has at various possible costs—as well as the future consequences of obtaining no water by interstate inter-basin transfer.

Thus the Pacific Southwest and the Pacific Northwest Comprehensive Framework Studies, undertaken separately but consistently in terms of these identical guidelines, are expected to provide the analytical data and analyses essential for *basic decisions* as to:

(1) Whether the Pacific Northwest has any water that could be considered available for inter-basin transfer to the Pacific Southwest under terms and conditions that will need to be clearly specified in law;

(2) The magnitude of any such available water; and

(3) The general location of alternative routings from the Pacific Northwest and the Pacific Southwest that could be explored in detail for making any such inter-basin transfers.

The public at large, as well as many organizations and individuals, will be involved in any such basic decisions. First among the organizations will be the States that are directly involved through the Western States Water Council, and then the Federal Water Resources Council, and the prospective National Water Commission. In the final analysis, presumably, it will be the Congress of the United States that will make the final decisions. But before these basic decisions can be made, the necessary data and analyses must be available to all concerned. It is in this very important sense of preparing these necessary data and analyses that I believe that the regional planning effort to provide *Water for the West* has already been started.

Thank you. I will be glad to try and answer, Mr. Chairman, any questions that you may have.

THE FEASIBILITY OF WATER EXPORT

(By Edward Kuiper, professor of hydraulic engineering, University of Manitoba)

INTRODUCTION

This paper reviews the various aspects that are associated with exporting water from one country to another. The first part of the paper deals with the general criteria that must be satisfied before export can be contemplated. The second part of the paper discusses the application of these criteria to the Canada–U.S. situation.

GENERAL CRITERIA

This paper discusses only the feasibility of exporting water that flows entirely within the boundaries of one country. Thus, there can be no dispute about the original ownership of the water. All situations where water flows through more than one country, and where one country would wish to export this water, fall outside the scope of this paper. Perhaps some of the principles that are discussed hereunder can still be applied, but the situation may become more complicated since the ownership of the water may be in dispute.

Before export of water from one country to another becomes feasible it appears that the following four criteria must be satisfied.

1. The exporting country must have a surplus of water.

2. The importing country must have a deficit of water.

3. There must be a mutual advantage in the transfer of water.

4. The two countries must come to an agreement regarding a water export-import treaty. These four criteria will be discussed in detail in the following paragraphs.

WATER SURPLUS

It seems logical to stipulate that a country should have a surplus of water, before it would contemplate the export of water. However, when the expression "surplus water" is used, one should ask: "where and when". It is quite possible that a certain region has surplus water at the present time, but a possible shortage of water a few decades from now. It is also possible that a country has a water surplus in one region and a water deficit in another region. Therefore, the appraisal of the possible water surplus situation in a country becomes a matter of evaluating on the one hand the total water availability in the entire country, and on the other hand the present and future water requirements of the entire country.

To determine the water availability in a country requires three distinct phases of engineering studies. First of all, the available stream flow records must be collected and processed in the form of duration curves and mass-curves for easy appraisal. Where records are missing or incomplete supplementary hydrologic studies are required. The second phase will be an appraisal of potential reservoir sites, to determine at what cost water can be stored and certain flows be made dependable. The third phase will be a study of diversion routes, to determine at what cost different dependable flows can be made available at different locations throughout the country and at selected points along the international boundary. To be complete, this last study should include the transfer of desalinized water from the sea coast to possible points of use.

To determine the future water requirements of a country is an extremely difficult task. Not only because of the vast amount of work involved, but even more so because of the uncertainties of the different assumptions that have to be made. First of all, there is the uncertainty of the growth of the population and its associated economic activities. Then there is a wide range of water requirements per unit of population or per unit of industrial activity, depending on the price structure of the water and the anti-pollution requirements, imposed upon the water users. Finally, and most important of all, there is in nearly all countries great uncertainty to what extent irrigation will be developed or extended. This depends on world population, international policies, world-food-prices and other variables that are impossible to predict. Since irrigation requirements are in many countries pre-dominating, it follows that any estimate of future water requirements is highly speculative. However, for the orderly development of the water resources of a country, such estimates must be made. It would be advisable, though, to indicate possible deviation from the "most-likely" estimate.

The water requirements discussed in the above should include municipal and industrial requirements, irrigation requirements, water power requirements, navigation requirements, and recreation requirements. It is understood, of course, that the individual requirements should not be merely totalled up, but that they must be properly integrated. The same river flow may satisfy, for instance, in succession: water power requirements, industrial requirements, and irrigation requirements. After this has been done, patterns of water requirement become available for different parts of the country, for different times in the future. To be useful for a water export study, these figures should be associated with an approximate value of the water for the various purposes. For instance, a certain future allocation of water may have been made for a hydro-electric development over a total head of say 1000 feet. The associated energy value of the water may be in the order of $1 per acre-foot. Other water supplies may have been allocated to the dilution of industrial waste. The value of this water in terms of alternative more-thorough waste treatment, could be $10 per acre-foot. Other water supplies may have been allocated to irrigation. The value of this water, in terms of alternative food import from other regions, could be $50 per acre-foot.

Thus, the above studies will result, not so much in one simple figure of available water surplus, but in a series of figures, changing with time, and each associated with a point of delivery at the international boundary and a certain cost to the exporting country. One extreme case would be if the exporting country had a river with presently unused water supplies flowing close to the international boundary. The cost of making this water available would be practically nil. An extreme case in the other direction would be, if fifty years from now, water would have to be diverted over a large distance at a cost of $25 per acre-foot, and moreover, have a value of $5 per acre-foot to the exporting country. Then, the total cost of water at the point of delivery at the international boundary would become $30 per acre-foot.

If a comprehensive study were made, graphs could be prepared that could resemble Figure 1. Such a diagram, which would apply to a specific point of delivery, would show the cost in dollars per acre foot, for a certain volume of annual flow, for a certain time in the future. The hypothetical lines of Figure 1 indicate that the cost of export increases with the advance of time. The reason could be that the exported water must be obtained from more and more remote sources. However, it could be the other way around if the source can remain the same, if any required energy for pumping becomes less costly or after the capital cost of main diversion works is written off. Figure 1 also indicates that the unit cost of water export decreases with an increase in the total annual volume of export. The reason could be that the same diversion works are required for a small as well as a large diversion capacity. However, a reversal of this trend could be expected if an increase in diversion capacity requires the tapping of more remote sources.

In the above discussion the so called "cost of water" was intended to be the real cost, to the exporting country, of delivering water at the international boundary. If the exporting country received from the importing country this cost and no more, there would be no profit, and therefore no incentive to become engaged in the export of water. It is evident that the exporting country should add a certain profit or "resource value" to the basic cost of delivery, in order to arrive at an appropriate price of the exported water that would make the whole undertaking attractive. This aspect will be discussed more fully under "Mutual Advantage."

WATER DEFICIT

It was noted at the beginning of this section that one of the criteria to be satisfied, in order to make water export feasible, is the existence of a water deficit in the importing country.

At first glance, it may appear a relatively simple matter to determine whether or not a future water deficit could develop. One would carry out the same type of studies that were described in the above. A review of stream flow data with supplementary hydrologic and engineering studies will reveal the water availability in the country, while a study of population growth, industrial activity, agricultural development, and recreation demands, would reveal the future water requirements. By comparing the two sets of figures, one could decide whether or not a future water deficit may develop.

Unfortunately, the problem is much more complicated than this. The main reason is that economics plays such an important role in determining the magnitudes of water availability as well as water requirements.

It was indicated already in the above that water availability at any point in the country is a function of cost. If one chooses a point on a river with a certain dependable flow, then a certain volume of water is available every year at practically no cost. If one desires more water than that, it may be possible to construct upstream reservoirs and increase the dependable flow. This increment in water availability now has a certain cost associated with it. If one wants to further increase the water availability at that same point, it may be possible to divert remote and unused stream flow via dams, canals, pumping plants, pipelines, and tunnels. It is evident that this increment in water availability has a high cost associated with it. If one still wants to further increase the water availability at that same point it would be technically possible to desalt any desired quantity of seawater near the coast and pump it via pipelines and canals to any point of destination. This increment in water availability could have a very high cost associated with it, depending upon the location of the terminal point.

If a comprehensive study were made, graphs could be prepared that could resemble Figure 2. The lines in this Figure indicate that the cost of making a certain annual volume of water available decreases with the advance of time. The reason could be a gradual lowering of the cost of the required pumping energy, or the amortization of the major engineering works that have a longer useful life than their amortization period. Another important reason, particularly for the upper lines, could be an improvement or break-through in the seawater desalination technology. The lines of Figure 2 also indicate an increase in cost with increasing volume of water availability. This tendency was discussed in the above paragraph. In a real case these relationships could be irregular and discontinuous. For instance if one has to go to a remote source for incremental water supplies, the cost will go up by a great deal for small annual volumes, and then come down again for larger volumes from that same source.

In determining future water requirements, the cost of water also plays an important role. For instance, if the cost of water would be nil, every industry would choose to dump its raw wastes into the river system and let ample river flows carry them away. The resultant "industrial water requirements" would then be very large. However, if the cost of water would be very high, say equal to the cost of seawater desalination, no industry would use this water for waste disposal. Instead, they would process their own wastes and re-circulate the residual water. The resultant "industrial water requirements" would then be very small. A similar situation exists with regard to irrigation. In some countries there are vast areas where the soils are suitable for agriculture, but where the natural rainfall is deficient. If irrigation water could be made available at practically no cost, the demand for this water could be very high. However, if water can only be made available at a very high cost, the demand may be nil.

Therefore, to arrive at a realistic appraisal of the future water requirements of a country, one would have to prepare relationships for every region, for every type of water use, and for different times in the future, between the cost of water and the magnitude of the requirement. These relationships could be expressed in graphs that could resemble Figure 3. It may be seen from this figure that for a given cost of water, the annual requirements increase with time; and that at any future date, the annual requirements become less with an increase in the cost of water.

It may be advisable to prepare these relationships on the basis of gross intake requirements and then to make an allowance for the quantity, the quality and the location of the return flow. An alternative method would be to express the water requirements in terms of consumptive use, but to allow for the gross intake requirements.

Having prepared the types of graphs of Figures 2 and 3 for every region, and for every type of water use, and having properly integrated the different types of water use, one can now match water availability with water requirements on the basis of equal costs. For instance, the water availability and associated cost in a certain region, in the year 1980, can be read from Figure 2. These figures are replotted in curve a in Figure 4. The total water requirements with their associated cost, in the year 1980, can be read from the collected and integrated Figures 3. The results are plotted in curve b in Figure 4. The cross-over point of the two curves indicates the most economic volume of water availability. From Figure 2 it may be traced back how this water should be obtained.

Thus, the concept of "water deficit" has seemingly disappeared, and has been replaced by an economic matching of water availability and water requirements. This, of course, is small consolation to a growing population in a dry region, that needs more water, but cannot afford to pay for it; or to an irrigation farmer whose water is being reallocated to "more economic" industrial use. These people will convincingly speak about a "water deficit" in their region.

MUTUAL ADVANTAGE

If a country had no access to other water supplies than its own, then its water development might proceed somewhat along the lines as sketched in the above section. At all times, the cost of making water available would be equal to, or less, than the intrinsic value that the water has to its users. Normally, water would not be made available if the cost of doing so, would exceed the local value of the water.

At this point, the export of water from one country to another may enter the picture. It is conceivable that in one country the value quantities of water available, may cost that or for new irrigation projects, is say $25 per acre foot. However, to make the required of water for future industrial waste disposal country $40 per acre-foot. Obviously, these potential industrial and irrigation developments would not take place. Now let us assume that a neighbouring country could make the required quantities of water available at the boundary at a cost of $10 per acre foot, and that the transfer from the boundary to the region under consideration would cost another $5 per acre-foot. Then the situation would become of interest to both countries.

There is now a difference of $10 per acre foot between the value of the water at its destination and the cost of bringing it there. If the exporting country would be tempted to charge therefore $20 per acre-foot at the boundary, the importing country would lose all interest since no economic gain would result. If the importing country would only be willing to pay the bare cost of $10 per acre-foot at the boundary, the exporting country would lose all interest. However, if both countries would take the amiable attitude that the total net benefits should be divided on a 50–50 basis, then the resultant mutual advantage could lead to a fruitful coordinated water resources development of the two countries. Under this principle, the importing country should pay the exporting country, in the above example, a price of $15 per acre-foot at the boundary. Thus the exporting country makes a "profit", or receives a "resource value", of $5 per acre-foot. Similarly, the importing country has the advantage of paying $5 per acre-foot less than the maximum amount it would be willing to pay for the specific quantity of water.

If it would be possible to determine with a reasonable degree of accuracy, on the one hand the value of water to the importing country, and on the other hand the cost of water transfer to the exporting country, then the above procedure of arriving at an "export price" might have enough merits to be acceptable to both countries.

Unfortunately, it is nearly impossible to perform such calculations, several years in advance of implementation, with a satisfactory degree of accuracy. Moreover, the calculations of the cost of water transfer will be made by one country, while the calculations of the value of water will be made by the other country. Human nature being what it is, both parties would probably make the multitude of necessary assumptions somewhat to their advantage, but would resent the other party looking over its shoulder to verify to what extent this has taken place.

Therefore, it seems inevitable that in practice, the price of water for export becomes a matter of negotiation. In the first instance, the exporting country may calculate its bare cost of water transfer to the boundary, estimate the true value of this water, at the boundary, to the importing country, take 50 per cent of the difference, add it to its own cost and quote this figure as the price of export water. When it is nearly impossible for the exporting country, to estimate the value of water to the importing country, it may decide to simply add $5, or $10 or any appropriate "resource value" to its own cost, and quote the total as the price to be paid. The importing country, having made in the meantime its own calculations, can then begin to negotiate for a final settlement.

EXPORT-IMPORT TREATY

Let it be assumed that the activities, described in the above section, have now resulted in the following:

1. The exporting country has prepared a provisional document that shows at what prices, certain quantities of water, to be delivered at certain times, might be made available at certain locations at the international boundary. The prices that are quoted include: (a) the real cost of transfer to the point of delivery; (b) the benefits foregone to the exporting country, that would occur in the absence of water export; and (c) a certain resource value.

2. The importing country has reached the provisional conclusion that the purchase of a certain quantity of water, to be delivered at certain times and places, and at the quoted price, would be advantageous to its long-term, over-all resources development, and would result in greater net benefits than any other water resources development plan.

The two countries are then ready to start negotiating, not only about the final price, quantity, location and time of delivery, but also about other aspects of the treaty, that must be agreed upon.

Two other aspects that are important and would require careful deliberation are: the duration and the subsequent flexibility of a treaty. The initial period of the treaty may not cause too much concern. The exporting country would wish it to be sufficiently long to be able to amortize all, or a considerable part of its capital investment, associated with the export of water. The importing country would wish it to be sufficiently long to be able to fully develop its regional resources projects that are associated with the import of water. Let it be assumed, for the present discussion, that the initial treaty period, in order to satisfy the above requirements, should be in the order of 25 to 50 years.

A greater cause for concern, in both countries, would be the permissible flexibility of the treaty, after the initial period has lapsed. One extreme solution would be to permit either country to terminate the treaty completely. This could have decided advantages: the exporting country may have developed its own economy to the point that it needs all its water resources; or the importing country may have developed its technology to the point that it can satisfy its own water requirements at less cost than from water import. However, a clause that would permit complete termination of the treaty after the initial period, could also have decided disadvantages; the importing country may not have an economic alternative source of water, and thus its economy might collapse if the water import was suddenly cut off. This would not be an attractive bargaining position to enter new negotiations, for the extension of the treaty.

The other extreme solution would be to stipulate that the flow of export water may not be reduced, and that the price must remain the same. Such a clause would make the treaty in effect a treaty-in-perpetuity. This would probably be politically unacceptable.

A somewhat less extreme solution would be to stipulate that the flow of export water may not be reduced, but that its price is renegotiable. However, this would place the importing country at an unacceptably advantageous position at the bargaining table. It could offer to pay in the future one cent per acre foot of water, since it has been predetermined that the water must keep flowing.

Therefore, it appears that the original treaty should contain a clause that allows for a certain flexibility of water delivery, as well as price, between the initial and subsequent treaty periods. The degree of flexibility should depend upon the particular physical and economic circumstances in both countries.

If the exporting country has a probable abundance of future water supplies, and if the importing country has reasonably economical alternative sources of water supply, then the flexibility clause might read: "that after termination of the first treaty period, the volume of export water is not to be increased or decreased by more than 25 per cent; and the price of this water is not to be increased or decreased by more than 25 per cent; unless both countries agree to a more radical change".

With such a clause, the exporting country does not have to be afraid that perhaps it underestimated its future water requirements, and that because of the export commitments it would jeopardize its future economic development. On the one hand, it could gradually reduce the flow of export water and on the other hand it could gradually increase the price so that water can be obtained from more remote sources. In the extreme case, the exporting country could convert seawater, pump it to the boundary, and charge cost plus profit. However, it is more than likely that the importing country has developed in the meantime a less costly way of satisfying its water requirements, and would gradually reduce its water import to nil.

Even when the exporting country does not increase its unit price, it is possible that the importing country would still insist on the maximum permissible reduction of volume because of developments that have taken place in the technology and economy of saline water conversion, nuclear energy production, weather modification, reducing reservoir evaporation, reducing crop water requirements, and reducing industrial water requirements. If such would happen, this may be regretted by the exporting country, but it should not stand in the way of the initial treaty, since it does not jeopardize the recovery of the initial investment plus the receipt of substantial resource values.

If the exporting country will likely run out of cheap surplus water within several decades, or if the importing country has no reasonably economical alternative sources of water supply, the situation becomes more precarious. It is then conceivable that for subsequent treaty periods the exporting country must reduce its water export or increase the unit price, without the importing country being able to afford either of the two. As a result, the importing country would be forced into severe economic losses in the region that is served by water import. If this is a realistic prospect, both countries would be well advised to stay clear of any water export-import treaty. The ultimate harm in disrupting economics and loss of goodwill may be greater than the temporary gain during the initial treaty period.

It may be concluded from the above discussion that water export from one country to another would only be feasible if the following criteria can be met:

1. The exporting country should be prepared to sell its water at certain quantities, at certain times and at certain prices.

2. The importing country should find it advantageous to purchase that water under those conditions.

3. During the foreseeable future, the exporting as well as the importing country should be able to maintain bargaining positions of nearly equal strength, so that treaty adjustments from period to period can be made without disrupting the economy of one of the countries and without disturbing the existing goodwill that was created in the first place.

CANADIAN WATER EXPORT

After having discussed in the first part of this paper the general criteria that must be satisfied before the export of water from one country to another can be contemplated, this second part will attempt the application of these criteria to the Canada-U.S. situation. In order to do this, the following sequence of topics will be discussed: (1) Canadian Water Availability; (2) Canadian Water Needs; (3) Possible Price of Canadian Water; (4) Economic feasibility of U.S. import; (5) Political feasibility of a Canadian-U.S. treaty.

CANADIAN WATER AVAILABILITY

For the purpose of the present discussion it would be of interest to review some order-of-magnitude figures of the average flow of the major Canadian Rivers that would be available to satisfy Canadian water requirements or to be diverted to the United States.

Figure 5 shows the average river flow of the main Canadian rivers that are of interest to the present discussion. Table I lists the same figures and also show an estimate of the dependable flow of those rivers, assuming full regulation of natural lakes, existing reservoirs and potential reservoirs.

TABLE I.—WATER AVAILABILITY OF CANADIAN RIVERS

[In 1,000,000 acre-feet per year]

	Average	Dependable
Columbia River at international boundary	72	40
Fraser River at Hope, British Columbia	70	40
Yukon River at Dawson, Yukon Territory	55	55
Mackenzie River at Fort Simpson, Northwest Territory	185	120
Nelson River at Cross Lake, Manitoba	53	40
Churchill River at Granville Falls, Manitoba	20	15
Tributaries to James Bay, Ontario	260	200
St. Lawrence River at Cornwall, Ontario	175	140

CANADIAN WATER NEEDS

The present water requirements in British Columbia are in the order of a few million acre feet per year, mostly for water supply and waste disposal. A relatively small portion is used for irrigation. In addition to these water requirements, a fairly substantial flow is required on the Fraser River for fisheries and navigation interests.

The future water requirements in B.C. may be a few times as large as the present. It appears unlikely that irrigation requirements will ever become predominant. A total future water requirement of say 20,000,000 acre-feet per year would seem ample. If this figure is compared with the dependable water availability of the Fraser River, the Yukon River and other streams along the Canadian West Coast, it may be concluded that for many years to come there will be an excess of water availability over water requirements on the Canadian West Coast of at least 100,000,000 acre-feet per year.

The present water requirements in the Canadian Prairie region are also in the order of a few millon acre feet per year. However, the future water requirements may be much larger. Some 25,000,000 acres of land may eventually become suitable for irrigation, requiring some 50,000,000 acre feet of water. Moreover, the population could increase to some 50 or 100,000,000 before it reaches the density of eastern North America or Western Europe. The associated water requirements of such a population with its economic activities may be estimated at 30,000,000 acre-feet per year. Thus, the total water requirements, in the far future, could become as high as 80,000,000 acre-feet per year. If this figure is compared with the dependable water availability of the Mackenzie River, the Churchill River and the Nelson River, it may be concluded that for many years to come there will be an excess of water availability over water requirements in central Canada of about 100,000,000 acre-feet per year.

The present water requirements in north western Ontario, around James Bay, are practically nil. Since there is little prospect for agricultural development in that region, it may be expected that the future water requirements will be relatively small, say less than 10,000,000 acre-feet per year. When this figure, is compared to the dependable flow of the tributaries of James Bay, it can be concluded that for many decades to come, there will be a water surplus of 100–200,000,000 acre feet per year.

POSSIBLE PRICE OF CANADIAN WATER

It was noted earlier that the price of Canadian water-for-export would consist of three components: (1) the cost of transfer from the source to the international boundary. This would include interest, amortization, operation and maintenance of the required dams, dikes, tunnels, pipelines, canals, pumping stations and other diversion works. (2) the opportunity cost of the water in the Canadian region from where it is diverted. This cost represents the benefits foregone that would occur to Canada in the absence of water export. This component should include the value of hydro-electric energy that could otherwise be generated, or the value of transportation by navigation that may have to be partly or wholly sacrificed, (3) a profit or "resource value", that would enrich the Canadian economy, in return for the service that Canada is providing to the United States.

To estimate these three components of the Canadian water export price with any degree of accuracy would require many years of extensive engineering and economic studies, and many years of discussion between Canadian politicians and statesmen. However, for the purpose of the present discussion, where merely an attempt is made to review the general feasibility of water export, some very rough order-of-magnitude figures will be used.

In British Columbia a logical place for export would seem to be where the Kootenay River crosses the international boundary near Newgate at an elevation of about 3000 feet. The waters of the Columbia River shall not be considered for export since this river flows already into the U.S. The Fraser River is wholly Canadian, and part of its waters could be diverted to the point mentioned above. The diversion cost of a dependable flow of 20,000,000 acre-feet per year could be in the order of $20 per acre-foot. The opportunity cost of this water is substantial because of the fishing, navigation, waste disposal, salinity encroachment, and recreation interests along the lower Fraser River. A figure of $5 per acre-foot would appear none too high. The resource value that British Columbia would attach to this water might be in the same order. This would bring the total price of export water for the above quantity and location to $30 per acre foot.

It would be physically possible to export much greater quantities of water from British Columbia. By building a great number of dams and some pumping stations, by including the waters of the Yukon River, and by using the Rocky Mountain trench as a combined canal and reservoir, as proposed in the NAWAPA scheme, up to 100,000,000 acre-feet of water per year could be made available at the international boundary. An important component of the cost of this scheme would be the loss of the Rocky Mountain Trench for communication, for recreation, for mining and for other purposes, and the risk factor of creating a 500,000,000 acre feet reservoir from a viewpoint of geological or ecological stability. The total cost of diversion may come to $10 per acre-foot. The opportunity cost of this water is composed of hydro-electric energy, generated on the Peace River, and in the future perhaps on other streams in B.C. and the Yukon. A figure of a few dollars per acre foot would seem reasonable. The B.C. resource value of this water may be estimated again as in the previous case. This would bring the total price at the boundary and for the quantity quoted above, close to $20 per acre-foot.

In the Canadian Prairie Region, a logical place for water export would seem to be where the Souris River crosses the international boundary at an elevation of about 1500 feet. The first flow of water could be obtained from Lake Winnipeg and would have to be pumped up via pipelines and a series of reservoirs in the Assiniboine and Souris valleys. Preliminary studies indicate that a dependable flow of some 40,000,000 acre feet would have an associated diversion cost of about $15 per acre foot. The opportunity cost of this water would amount to a few dollars per acre-foot, mostly for hydro-electric energy production on the Nelson River. If a similar resource value is assumed as before, the total price at the boundary at the quoted location and for the quoted quantity would be in the order of $25 per acre-foot.

From an engineering viewpoint it would be feasible to increase the water availability at the boundary by substantial amounts. An additional 15,000,000 acre-feet could be obtained from the Churchill River. An additional 60,000,000 acre-feet could be obtained from Lake Athabasca. This water would have to be pumped up via the Fond-du-Lac River to Wollaston Lake and flow from there by gravity into the Lake Winnipeg-Souris Valley diversion route. The diversion cost of this water from its source to Lake Winnipeg may be estimated at an average of $5 per acre foot. This would bring the total price at the boundary in the order of $30 per acre foot.

In eastern Canada, the logical place for water export would be into the Great Lakes system, at elevations ranging from 600 feet on Lake Superior to 250 feet on Lake Ontario. The first flow of wholly owned Canadian water could be obtained from the head waters of the tributaries to James Bay. This water would be pumped via reservoirs and canals into Lake Superior. Preliminary studies indicate that a dependable flow of 30,000,000, acre feet would have an associated diversion cost of somewhat less than $5 per acre foot. The opportunity cost at the present time is practically nil. In the future, it could amount to a few dollars per acre-foot because of hydro-electric and water supply interests. Assuming again a resource value of $5, the price at the boundary could come to about $10 per acre-foot.

From an engineering viewpoint it would be possible to collect and divert nearly all the flow of the tributaries to James Bay, as pointed out by Kierens and Albery. This could produce a dependable flow of up to 200,000,000 acre-feet per year, at a diversion cost of about $10 per acre-foot, which would bring the price at the boundary to $15 per acre-foot.

ECONOMIC FEASIBILITY OF U.S. IMPORT

After having made a rough estimate of the possible price of Canadian water at the international boundary, the next question is whether or not it would be economically justified for the United States to pay such prices. The question resolves into two components: (1) is the price of Canadian water plus the cost of transfer in the U.S. equal to or less than the value of that water at its point of destination; (2) is there any less costly alternative to obtain similar quantities of water entirely within the U.S.? An answer to these two questions will be attempted for the three main points of possible Canadian water export that were discussed in the previous section.

If the United States were to import water from British Columbia at $30 per acre-foot it would be presumably for irrigation in the south western part of the country. Since the total distance from the boundary to the terminal point of the canals is about 1000 miles, and since the water must be lifted over mountain ranges of a few thousand feet high, it may be expected that the cost of U.S. transfer would amount to at least $40 per acre foot. Any recovery of energy by means of hydro-electric plants could be discarded for the time being, since it is questionable if a few decades from now, remote hydro-electric stations would still be competitive with nuclear power plants. Therefore, the total cost of Canadian water in the U.S. south west could be in the order of $70 per acre-foot.

At the present time such water would appear much too costly to be used in irrigation projects. Whether or not such a price could be justified in the foreseeable future, remains to be seen. That will depend much on population trends, world food prices, and international trade and foreign-aid policies. However, there are other reasons to question such a water development scheme. The first is the fact the United States has itself in its northwest a total water availability of some 200,000,000 acre-feet per year. Admittedly, most of this water is now being "used" for hydro-electric or navigation purposes, but the associated opportunity cost, expressed in $ per acre-foot is relatively small. Therefore, why would the U.S. pay Canada $20 to $30 per acre-foot for imported water, when it can make its own water available at a fraction of that amount?

Secondly, the technology of seawater conversion is presently in a state of swift improvements. It is predicted with confidence that in the near future fresh water can be processed from seawater at a cost of $90 per acre foot. It is anticipated with some speculation that the cost may drop to $50 per acre foot within a few decades. Of course, to the cost of desalination must be added the cost of transfer from the seacoast to the areas of destination. If this involves a few hundred miles of distance and some thousand feet of elevation, the added cost of transfer would be about $20 per acre foot. With these prospects looming up it is most unlikely that the U.S. South West would want to commit itself for many decades to come, to the purchase of Canadian water, at a price that approaches the cost of foreseeable alternatives.

In the eastern part of the United States there is a substantial excess of natural water availability over future consumptive use. Therefore, if the United States were to import Canadian water from the Great Lakes region, it would be presumably for purposes of municipal and industrial waste disposal. The question arises whether or not this could be economically justified. Roughly speaking, and only for certain chemical, biological and temperature conditions, one acre foot of raw municipal or industrial waste requires 40 acre feet of fresh water for dilution. To treat one acre-foot of waste flow by 50 per cent, costs about one dollar and reduces the dilution requirements to 20 acre feet. In other words, if the fresh water is worth more than 5 cents per acre foot, one should do this. To treat the waste to 90 per cent costs an extra $5 per acre-foot and reduces the dilution requirements to about 5 acre-feet. If fresh water is worth more than 33 cents per acre-foot, one should do this. To treat the waste to 99 per cent may cost an extra $10 per acre-foot and may reduce the dilution requirements to 1 acre-foot. If fresh water has a value, greater than $2.50 per acre-foot this would be justified.

It is evident from the order-of-magnitude figures quoted in the above, that any country would make a very critical review of its own waste treatment practices, before it would start importing water from another country, at some $10 per acre-foot, with the main purpose of diluting its own waste flows. It would seem that if the eastern United States started to process its municipal and industrial wastes to the order of 99 per cent, that very little demand for Canadian water would remain. Perhaps in a few cases, such as the Chicago situation, there might be an economically justified demand for Canadian water. However, the quantities involved are relatively small and nowhere near the available 100 or 200,000,000 acre-feet per year.

As far as an alternative to the James Bay diversion scheme is concerned, one should not overlook the fact that the St. Lawrence River itself has a dependable flow of some 140,000,000 acre-feet per year. Admittedly, this water is fully allocated at the present time for maintaining desired levels on the Great Lakes, for producing hydro-electric energy, for water supply and waste disposal, and for the maintenance of navigation between Montreal and the sea. However, the opportunity cost of say the upper 40,000,000 acre-feet is relatively small. Its hydro-electric value is in the order of one dollar per acre-foot; the value for lake level regulation, in terms of alternative control dams on the lakes, may also be in the order of one dollar per acre-foot; the value for waste disposal probably less than one dollar, as was discussed in the above; the value for navigation on the St. Lawrence below Montreal, in terms of a control dam with shiplocks near La Malbaie, perhaps also one dollar (capital cost $500,000,000, annual cost $40,000,000, to allow a flow reduction of 40,000,000 acre feet per year). Because of these relatively low values and since the St. Lawrence River is an international stream, it is conceivable that it could become a less costly source of water supply to the United States than the import of water from more northerly Canadian sources.

The Prairie Region of the United States is perhaps the most likely place where import of water from Canada could become attractive. The natural water supplies in this region are sufficient to satisfy the future municipal and industrial water requirements, but they are not enough to allow the full development of the agricultural potential of the region. The total area that could be used for crops or grazing, if ample water supplies were available, is in the order of 400,000,000 acres. Of this total area, only some 7,000,000 acres are presently irrigated. The official projection of the increase in irrigated area by the year 2000 represents less than doubling the presently irrigated area. The main reason for this modest projection would seem to be the lack of adequate water supplies. For instance, the Missouri River at Nebraska City, Nebraska, draining an area of 250,000,000 acres has an average flow of 25,000,000 acre feet per year.

If water were to be imported from Canada, its cost in the farmers ditch could be in the order of $35 to $75 per acre foot, depending on the location of the region that has to be irrigated. This cost figure is composed of the price of the imported water at the boundary, plus the cost of transfer in the United States.

Now the question arises whether or not it would be attractive to the United States to pay such a cost for the large-scale import of water from Canada. At first glance it would seem that the estimated costs are out of line with the prices, ranging from $1 to $10 per acre-foot, that are now being paid by irrigation farmers. However, it may very well be that the price structure of water will drastically change during the forthcoming decades. Within one or two generations, the population in North America may double and acquire a much higher living standard. This may require a vastly increased production of food and greater demands for living space, parks, lakes and other water-based recreation facilities. Moreover, the world-wide demand for food may also drastically increase. As a result of this, the price of food may substantially increase, relative to the price of other commodities; or the governments of Canada and the United States may adopt policies that encourage the production of more food for the people of this world.

In connection with these last remarks it is of interest to note that one acre of irrigated prairie land may yield about 50 bushels of wheat, or 3,000 pounds. Assuming a consumptive use of 2 acre-feet, and a cost of the water of $50 per acre-foot, this would mean that because of this costly water import, the wheat becomes 3 cents per pound more expensive. This, in turn, means that a loaf of bread would become a few cents more expensive. Unpleasant as this might be, it would not constitute an undue burden on our standard of living or on our programmes of food relief to hungry nations.

As far as alternative plans are concerned to bring more water to the Prairie Region, the United States would wish to look carefully into the possibility of diverting water from the Columbia River system. However, this might turn out to be more costly because of the formidable natural barrier that is imposed by the Rocky Mountains. Another alternative would be to divert water from the Ohio River-Lower Mississippi River system. This would call for a long series of reservoirs and pumping stations on the Mississippi and Missouri Rivers. At first glance, this alternative also appears more costly. A third alternative could be to purchase Canadian water in the Great Lakes system and to divert it via canals, pumping stations and pipelines in the designated areas. It seems likely that the lower price of Canadian water in the Great Lakes will be more than offset by its lower elevation (600 feet instead of 1500 feet) and greater distance from the point of delivery to the point of use.

POLITICAL FEASIBILITY OF A CANADA-UNITED STATES TREATY

Assuming that export of water from Canada to the United States would be physically and economically feasible, what are the chances that the two countries could come to a political agreement?

The first viewpoint from which this question will be approached is the one that was discussed in the first part of this paper. It appears that Canada has abundant water supplies available for export for many decades to come. Therefore, once Canada would agree to export, it would seem most unlikely that Canada could claim in the foreseeable future that the price would have to go up substantially (apart of course from inflationary trends). It appears that the United States, after it would start importing water from Canada, has reasonably alternative means available to satisfy its own requirements, in case Canadian water would become too costly. Therefore it appears that both countries could confidently enter into an agreement of export-import, if this were economically attractive, without having to fear that re-negotiations of future treaty extension could result in economic hardship or mutual hostility.

A negative factor towards the political feasibility of Canadian water export is the cool reception of such proposals by the Canadian public. Many Canadians feel that an abundant fresh water supply is our heritage, and that selling it to the United States would be irresponsible towards future generations. It is difficult to explain this attitude since this philosophy is certainly not applied to the export of oil, ores and other Canadian resources. Perhaps one of the contributing factors has been the fact that some spokesmen in the United States have made it appear as if the water resources of Canada are part of the water resources of North America and thus belong to all the people of North America. Canada, being a small country in population, became immediately suspicious of the real intentions of its powerful neighbour. One way to overcome this difficulty would be a comprehensive Canadian study of all aspects of water export. It may be of interest to note that such a study has been started at the University of Manitoba. Another helpful effort would be a clear statement on the part of the United States how it regards the ownership of Canadian water resources.

Another political difficulty that must be overcome, before Canadian water export would be feasible, is to settle the question of provincial ownership of the waters within Canada. This problem would particularly arise in connection with export from the Prairie Provinces. Suppose water were exported at the Manitoba-U.S. boundary, and suppose there would be an annual net revenue in "resource values" of $100,000,000. Who would be entitled to this revenue? The Province of Manitoba, because it exports the water? The Provinces of Manitoba, Ontario, Saskatchewan and Alberta, because they are all situated in the Nelson River Drainage Basin from which the export water is taken? Canada as one country, because this is an international treaty? There are no laws, or statutes, or precedents to be guided by, in attempting to answer these questions. It is to be hoped that if all other obstacles can be removed, that this last one can also be overcome with reason and unselfishness and that it will not become a cause for bitterness and misunderstanding.

CONCLUSIONS

The export of water from one country to another will only be feasible if the following criteria can be met:

1. The exporting country should have at its disposal, not only at the present but also in the future, certain quantities of surplus water or water to which it only attaches a small value. The exporting country should be willing to sell this water in certain quantities at certain times and at prices that include the cost of transportation to the boundary, the opportunity cost, and a certain resource value.

2. The importing country should find that the cost of importing certain quantities of water plus the cost of conveying this water to its destination is less than the value of this water at its destination and less than any alternative way of supplying the same quantities of water.

3. During the foreseeable future, the exporting as well as the importing country should be able to maintain bargaining positions of nearly equal strength, so that treaty adjustments, from period to period, can be made without creating economic hardship or mutual hostility. Regarding the feasibility of exporting water from Canada to the United States, the following tentative conclusions are reached:

4. Canada has a present and foreseeable water surplus and low-value water use of: at least 100,000,000 acre-feet per year in British Columbia and the Yukon; at least 100,000,000 acre-feet per year in the Prairie Provinces and the North West Territories; and at least 200,000,000 acre-feet per year in northwest Ontario.

5. The price of export water from British Columbia to the United States may have to be in the order of $20–$30 per acre-foot to make export attractive to Canada. The conveyance of this water to the southwestern part of the United States may cost another $40 per acre-foot. It does not appear that the total cost of $60–$70 per acre-foot would be attractive to the United States for several reasons. First, it seems too costly per se. Second, water may be derived from the Columbia River system at less cost. Third, the future cost of seawater desalination and transportation may be less.

6. The price of export water from northwest Ontario into the Great Lakes could be in the order of $10 to $15 per acre-foot. Since the purpose of using this water in the eastern part of the United States would be mostly for low-value use in waste disposal, it is doubtful if a substantial portion of the available surplus will ever be sold.

7. The price of export water from the Prairie Provinces could be in the order of $25 per acre-foot. The conveyance of this water over the U.S. Prairie Region for irrigation purposes, may cost $10–50 per acre-foot depending on the point of destination. The total cost of $35–$75 per acre-foot appears too high to be attractive to the United States under the present circumstances. However, it is conceivable that water on the prairie region will reach such a value in the foreseeable future.

8. There seems to be no major obstacle to make a Canada-U.S. water export-import treaty politically feasible. Two problems in Canada would be: to enlighten the public about the various aspects of water export, and to reach agreement about the provincial ownership of interprovincial waters.

9. It must be stressed that, although the possibility appears small that Canadian water export will become economically feasible in the near future, its impact on the economics and general well-being of Canada and the United States would be so large, that further and more comprehensive studies are fully justified.

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OCEANOGRAPHIC RESEARCH

Mr. MAGNUSON. Mr. President, on Monday, the new oceanographic research ship *Oceanographer,* after a 45,000-mile journey around the world on scientific research, returned to its home port in Seattle.

The ship was built in Jacksonville, Fla., and it is one of the finest research vessels afloat.

I delivered a speech at its landing in Seattle, and I ask unanimous consent that the speech be printed at this point in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Mayor Braman, Dr. White, John Haydon, Admiral Karo, Capt. Wardwell, scientists and crew of the *Oceanographer*, ladies and gentlemen:

Slightly less than two centuries ago, globe-circling expeditions in the interests of science and exploration excited the world. New lands were discovered. Their flora and fauna were studied. New areas for human endeavor and new sources of sustenance were located. On one of these pioneering voyages, in a sailing vessel which would fit comfortably on the deck of the ship we see before us, Captain Cook and his men visited this area of the Pacific Coast which will now become the home port of the *Oceanographer*, a 20th century explorer.

Admiral Karo, Capt. Wardwell, and your companions—we gather here to salute your achievements. Like Capt. Cook, you have explored the oceans, finding, this time, subterranean features unknown before. You have, with the latest scientific equipment and knowledge, studied the "flora and fauna" of the deeps. And now, after an eight-month voyage, you bring this proud and beautiful vessel to its home port.

We welcome you most heartily. We eagerly await knowledge of the results of your explorations and studies. This time, with the advanced, computerized methods of gathering and digesting vast amounts of technical data, we know that results will be forthcoming, not in years but in months.

I have a special affection for both the *Oceanographer* and her mission. I was present on July 13, 1966—the first birthday of the Environmental Science Services Administration—when President Johnson commissioned her at the Navy Yard in Washington, D.C. That was a great day—"the beginning of a new age of exploration," as President Johnson put it. He called upon you then to lead us into that age, to explore our last frontier on earth—the sea around us—to discover what lies beneath it, to probe its potential as a source of food and other requirements of a world with an ever-increasing population, to gain new knowledge of the interactions between air and sea.

In particular, the President stressed that the work of the *Oceanographer*, her sister ship the *Discoverer*, and of others of the research fleets of the United States should work to the benefit of all humanity.

Her 37,000-mile expedition around the world has taken *Oceanographer*, her scientists and crew, to England, Monaco, the Soviet Union, Egypt, Ethiopia, India, Malaysia, Australia, New Zealand, Chile, and Peru. We have heard with interest of the enthusiastic welcomes given you, as you represented your country and your science with distinction in these port calls. You have spread the word, among men of good will and scientific attainment, that all humanity, not one nation alone, must gain and benefit from the resources of the sea.

On this voyage, *Oceanographer* has played host to scientists of 17 other nations, providing facilities on board for their studies. Without regard to nationality, they have explored the seas. Our scientists have discovered a new "hot spot" in the depths of the Red Sea. They have probed the submerged mountain ranges lying beneath the South Pacific. Beyond the value of the new knowledge gained, I know that the opportunities for scientific exchange with the foreign scientists will bear fruit in the years to come, as the oceanographic program of the United States continues on a global scale.

The Report of last year on "The Effective Use of the Sea" by the President's Science Advisory Committee proposed many of the endeavors in which the *Oceanographer* has been engaged. We will have, early next year, a proposal for a comprehensive Government program in this field, by the new National Council on Marine Resources and Engineering, headed by Vice President Humphrey. This Council includes members of the Cabinet and other distinguished officials and scientists. We await their proposals with great interest, knowing that the personnel and facilities of the *Oceanographer* and of other oceanographic research vessels will be called upon to solve the mysteries of the ocean depths.

Based here at the Pacific Marine Center of ESSA's Coast and Geodetic Survey, the *Oceanographer* enhances Seattle's stature as one of the great centers of the Pacific Basin. As it once was the point of departure for the great northern gold rush, Seattle will become, in this ocean, the point of departure for our efforts to tame and use that last frontier—the sea.

Gentlemen—you have done your work well. Now, as you take a well-earned holiday from your long effort, I know that you are eager to re-provision and re-stock, to be on the way to new voyages of exploration. Our thoughts have been with you while you were far away, and today, in this welcome-home, we are happy to tell you that we shall follow your future work with great interest.

Today, when a spacecraft can circumnavigate the globe in less than 90 minutes, it is refreshing to find once more that the mighty ocean itself can be the scene for many months of a sustained effort that has few parallels in history. Your journey has ended, but its record will show that you have done much for the benefit of all humanity. And so I say "well done!"

Mr. MAGNUSON. Mr. President, I want the Senator from Florida [Mr. Holland] to know how pleased everyone was with the performance of this ship during its 45,000-mile journey, and I should like him to convey this information to the builders in Jacksonville.

When the ship was commissioned a year ago last July, the President of the United States delivered the principal address, and he invited all countries in the world to participate in this great scientific exhibition. The result was that during the course of the voyage, 17 countries, including the Soviet Union, participated, and they all admired this modern research ship, which is one of the finest in the world.

I should like the Senator from Florida to convey to the builders in Jacksonville how pleased the scientists and the crew are with the way the ship handled in the purpose for which it was built.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. HOLLAND. Mr. President, I say to the Senator from Washington that I will take great pleasure in seeing that his remarks, as they appear in the Record, are transmitted to the builders of the ship.

If I may add a personal note, I was present at the laying of the keel, and I delivered the speech at that time.

So the Senator from Washington and the Senator from Florida both have an interest in this ship, and we can take real pride in its fine performance. I am glad to hear how well it has measured up to its first real test.

Mr. MAGNUSON. And it has accomplished great scientific achievements. They were all happy with it.

The significant feature is that we have been able to correlate this research with the 17 nations, and whatever we learn will be for the benefit of all humanity.

Mr. HOLLAND. I join the Senator from Washington—let me say I follow him, because he has been the leader—in the matter of expressing great interest in oceanography and oceanology, both of which are being gone into in great detail.

I am glad that our Nation at last is taking a fit and proper place in this field; because, after all, the oceans cover a much larger portion of the earth's surface than does the land, and we know so little about them and what lies under them. I believe we will find that this research will be most fruitful from the standpoint of uncovering great riches, which will redound to the good of our Nation and the world generally.

I thank the Senator for his mention of the performance of this ship.

ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Moss in the chair). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT OF SENATOR THURMOND REGARDING STATE DEPARTMENT POSITION ON U.N. HEADQUARTERS SITE AGREEMENT

Mr. THURMOND. Mr. President, this morning's Washington Post carries a short item reporting that the State Department denies that the U.N. headquarters site agreement is invalid. According to the story, the spokesman was responding to my speech made in this Chamber on Monday in which I pointed out that the so-called U.N. headquarters site agreement does not exist.

In my speech on Monday I relied upon the documentation published by the Senate Internal Security Subcommittee. I pointed out that the U.N. General Assembly had ignored the internal security amendments which both Houses of Congress applied to the original draft agreement. The State Department has produced no evidence that the U.N. has ever accepted those conditions imposed by Congress and signed into law by President Truman.

I might point out here that the congressional amendments are not something annexed to the draft agreement. Under the terms of the act—Public Law 357 of the 80th Congress—the draft is incorporated into the law. The law consists of six sections, of which the first is the language of the draft agreement, and the other five are the sections written by Congress. The U.N. must accept the whole of Public Law 357 or nothing at all.

Nevertheless, the State Department has consistently pretended that both parties to the agreement have accepted all terms, even though no legal action nor official correspondence exists to supply substance to the illusion. Yesterday's statement is in the same vein. Let me quote:

> State's spokesman denied that [the whole agreement was void], citing an exchange of notes in 1947 as sufficient.

I am fully aware of the exchange of notes in 1947. In fact, the exchange of notes offers some of the most convincing proof that the U.N. never accepted the terms of Public Law 357. I repeat what I said Monday: The U.S. Ambassador, Warren Austin, said that he was authorized to apply the agreement "subject to the provisions of Public Law 357." U.N. Secretary General Trygve Lie evaded the question and said only that he was authorized to bring the agreement signed on June 26 into effect—in other words, the unamended draft that Congress had not accepted. The State Department is still refusing to face the issue.

Mr. President, I ask unanimous consent that the complete text of the exchange of notes of November 21, 1947, between Warren Austin and Trygve Lie be printed in the RECORD at the conclusion of my remarks.

There being no objection, the notes were ordered to be printed in the RECORD, as follows:

NOVEMBER 21, 1947.

His Excellency TRYGVE LIE,
Secretary-General of the United Nations, Lake Success, N.Y.

EXCELLENCY: I have the honor to refer to Section 28 of the Agreement between the United Nations and the United States of America regarding the Headquarters of the United Nations, signed at Lake Success June 26, 1947, which provides for bringing *that Agreement* into effect by an exchange of notes. Reference is made also to the provisions of United States Public Law 357, 80th Congress, entitled "Joint Resolution Authorizing the President to bring into effect an agreement between the United States and the United Nations for the purpose of establishing the permanent headquarters of the United Nations in the United States and authorizing the taking of measures necessary to facilitate compliance with the provisions of such agreement, and for other purposes", which was approved by the President of the United States of America on August 4, 1947.

Pursuant to instructions from my Government, I have the honor to inform you that the Government of the United States of America is prepared to apply the above-mentioned Headquarters Agreement subject to the provisions of Public Law 357.

I have been instructed by my Government to propose that the present note and your note of this date be considered as bringing the Headquarters Agreement into effect on the date hereof.

Accept, Excellency, the renewed assurances of my highest consideration.

WARREN R. AUSTIN.

Certified to be a true and correct copy of the original.

A. H. FELLER,
For the Assistant Secretary-General in charge of the Legal Department.

NOVEMBER 21, 1947.

Hon. WARREN R. AUSTIN,
Permanent Representative of the United States of America at the Seat of the United Nations, New York.

SIR: I have the honour to refer to the Resolution adopted by the General Assembly on 31 October 1947, at its one hundred and first meeting, relative to the Agreement between the United States of America and the United Nations regarding the Headquarters of the United Nations, signed at Lake Success on 26 June 1947.

By this resolution the General Assembly, after having studied the report of its Sixth Committee and endorsed the opinions expressed therein, has approved the above-mentioned Agreement, which states and defines the mutual obligations of the United Nations and the United States in connection with the establishment of the permanent Headquarters of the United Nations in the United States. The Resolution, consequently has authorized me to bring *that Agreement* into force in the manner provided in Section 28 of the Agreement.

Pursuant to the Resolution and in conformity with Section 28 of the Agreement, I have the honour to propose that the present note and your note of this day be considered as bringing the Headquarters Agreement into effect under date hereof.

I have the honour to be, Sir,
Your obedient servant,

TRYGVE LIE,
Secretary-General.

Mr. BURDICK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

GREECE

Mr. CLARK. Mr. President, the wires carry the heartening news from Greece that King Constantine has left Athens and has called upon the Greek Army and the Greek people to overthrow the fascist junta which has been governing Greece for the past many months.

I have the most enormous admiration for the bravery of the King in taking this step.

Senators will recall, only recently, that he had coffee with members of the Committee on Foreign Relations, that he told us, off the record, something about his plans, and indicated he had never supported the junta despite false stories to the contrary which had been spread during the early days of the coup.

King Constantine indicated his strong desire to see constitutional government return to Greece at the earliest possible moment.

The situation, as I understand it—and I have just talked to the State Department within the past few moments—is confused. No one knows exactly, at this moment, where the King is or what support he has been able to rally from the army or from the people.

I am sure that the State Department, under the able guidance of Lucius Battle, Assistant Secretary of State for Greece and the Middle East, is watching the situation very closely. I hope they appreciate that the overwhelming majority of the American people are against the Fascist junta and will support all legitimate efforts of the King to assure the restoration of constitutional government to his country.

It is too early to think in terms of specifics. I say this now on the floor of the Senate in order, as one Senator, and a member of the Committee on Foreign Relations, to bring at least some comfort and perhaps some solace to the King in his earnest and able efforts to see that the earliest and greatest of all democracies shall return to that form of government which it made famous and which we attempted, at a much later date, to follow.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, without losing my right to the floor.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, for the information of the Senate, I think it should be on notice that at the conclusion of my remarks, or shortly thereafter, the conference report on the social security bill will be called up for consideration by the Senate.

THE LEGISLATIVE RECORD OF THE SENATE IN THE FIRST SESSION OF THE 90TH CONGRESS—PRINTING AS SENATE DOCUMENT (S. DOC. NO. 60)

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate Democratic policy committee be permitted to have printed as a Senate document the yearend report of the accomplishments and statistics of the first session of the 90th Congress, together with a statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, the first session of the 90th Congress convened January 10 and, on this the 13th day of the 12-month session, it seems appropriate to summarize the accomplishments and also take into account the seeds that have been planted and left for consideration during the second session of this Congress.

The Vietnam war and the civil disorders in some of our large cities have had their impact on the legislative program of this session. Both problems have caused much soul searching and intensive debate. It is readily apparent that there are no easy solutions. However, we should note that the Senate, in this first session, has tried to meet responsibilities in both areas.

The Congress has voted the largest single defense budget in this Nation's history—$69.9 billion. Almost $20 billion of this amount was for Vietnam, and that was in addition to the $12.2 billion supplemental for support of military operations in Southeast Asia. The military draft was extended to July 1, 1971. Additional veterans' benefits and educational allowances were provided for our Armed Forces fighting in Vietnam as well as a 5.4-percent cost-of-living increase in pension payments. Military construction totaling $2.3 billion was authorized within and outside the United States, and $21.1 billion for military procurement. A Selected Reserve was created in each of the seven Reserve components to be maintained at annually authorized personnel levels, and a number of organizational changes were made to strengthen the Reserves.

In addition to providing the support necessary for our uniformed forces in Vietnam, the Senate, by a unanimous vote, expressed its hope that the President consider taking appropriate steps to assure United Nations Security Council consideration of the Vietnam conflict.

To help the States and local governments with the vast array of urban difficulties with which they are confronted, Congress appropriated $312 million for the model cities program. This program is designed to assist in providing the incentive and financial means for rebuilding and restoring entire sections or neighborhoods—now areas of slums and blight. Ten million dollars was appropriated for rent supplements to encourage a new approach to providing decent homes for the poor, and $170 million was authorized for the continuation and expansion of the Appalachia development program enacted in 1965 to revive the economy and improve the skills and health of residents in this 11-State region. The food stamp program was extended for 2 years and $425 million authorized to carry on this program of assisting low-income families to increase their expenditures for food and to upgrade the quality of their diets. Also, $13.1 million was appropriated so that the National Teacher Corps could serve in poverty-stricken areas. To aid in the war against poverty, the Congress authorized $1.980 billion for fiscal 1968, and $2.180 billion for fiscal 1969. In addition, the Senate authorized an additional $150,000 for its Government Operations Committee to make a study and an investigation of riots, with instructions to report its findings by January 31, 1968.

In the field of health, Congress authorized $428 million, over a 3-year period, to expand and improve the air pollution program; extended through fiscal 1970 the Federal grant program for construction of community mental health centers and authorized a total of $180 million for this purpose; extended for 2 years, through fiscal 1970, grants for staffing community mental health centers and authorized $26 million for fiscal 1969 and $32 million for fiscal 1970; authorized an additional $226 million through fiscal 1970 to improve and expand the health programs relating to mental retardation; authorized an additional $589 million through fiscal 1970 for the partnership for health programs emphasizing research, established a new program for licensing clinical laboratories, and earmarked $40 million for fiscal years 1968 and 1969 for rat control projects; broadened the scope of the present Flammable Fabrics Act to further protect the public against unreasonable hazards by authorizing the Secretary of Commerce to issue new or revised standards of flammability for fabrics or related materials used in articles of wearing apparel or interior furnishings; established a National Commission on Product Safety to conduct a study of the scope and adequacy of present measures to protect consumers from unreasonable risk of injuries caused by hazardous household products; and authorized a strong program of Federal meat inspection for both interstate and intrastate plants.

In pursuit of stable and beneficial relationship with other nations, the Senate ratified 27 treaties, which included the Outer Space Treaty establishing general principles for peaceful exploration and prohibiting the use of nuclear weapons in space, and the Consular Convention Between the United States and the Soviet Union.

The Congress also authorized the allocation of approximately $190 million in commodity credit funds to provide 3 million tons of food grain for India, and an additional $25 million of emergency food relief for distribution by CARE and other American voluntary agencies; extended the foreign aid program and authorized $2.67 billion for fiscal 1968 and $115.7 million for the Peace Corps program. In addition, the Congress authorized $900 million in three annual installments for the special operations of the Inter-American Development Bank.

To provide greater economic security for the elderly, the Older Americans Act was extended for 3 years and the authorized appropriations were increased for research and training grants. At the same time, employment of older workers was promoted by enactment of a prohibition against discrimination in hiring because of age, for those between 40 and 65.

The Social Security Act Amendments of 1967, approved by this Congress, contained the largest across-the-board increase in social security benefits in history—13 percent—and extended coverage to an additional 1 million persons and simplified and made more equitable tax laws for the older citizens.

To further education, the Congress extended the Elementary and Secondary Education Act through fiscal 1971; authorized new funds totaling $14.2 billion; authorized a new program of special incentive grants to be distributed to those States whose educational effort exceeded the national educational effort; added a 3-year program of demonstration projects to prevent dropouts and a new program of bilingual grants; authorized a study and fund demonstration projects in the field of school bus safety; and extended the Adult Education Act through 1971 and authorized $240 million with the Federal share for such programs set at 90 percent. Authorized $1.1 billion over a 2-year period for grants to the States for vocational rehabilitation services and to assist in establishing and operating a national center for the deaf and the blind. Established the Federal share of the college work-study program at 85 percent in 1967, 80 percent in 1968, and 75 percent in 1969, and provided a maximum of 15 hours a week that a student can work during a semester. And increased the annual authorization to $25 million for Indian adult vocational programs.

Also related to education has been the creation of the Corporation for Public Broadcasting. This memorable piece of legislation will facilitate the development and operation of educational radio and television broadcasting. It will provide support to establish production centers and to help local stations improve their proficiency.

The Congress also enacted legislation increasing the postal revenues by over $900 million; providing a 6-percent cost-of-living pay increase for the postal employees and a 4.5-percent increase for the military and other Federal employees.

The Civil Rights Commission was extended to January 31, 1973; and, to improve the administration and operation of the courts, the Congress established the Federal Judicial Center.

The first reorganization of the District of Columbia government in 89 years was approved replacing the three District of Columbia Commissioners with a Mayor and a nine-member City Council.

At the midpoint of the 90th Congress, the Senate has also passed the Truth-in-Lending Act requiring banks and other lending institutions to make full disclosure, in writing, of all finance charges prior to consummation of the transaction. It has authorized a 2-year, $5 million program of research into methods of lessening death and damage from fires and created a 20-member national Commission on Fire Prevention and Control to assess existing programs in fire research and to study Federal, State, and local responsibilities. The Senate has also approved the first congressional reform in 20 years and the second in the 20th century. It has passed a bill pertaining to elections which would extend reporting requirements to all general, special, primary, convention, caucuses and fund-raising events, and insure public disclosure of political contributions. The Senate has approved an authorization of $85 million to continue the highway beautification program and junkyard control. Senate-approved legislation would also authorize the Secretary of Transportation to establish Federal safety standards for the movement of natural gas and other gases by pipeline; extend the life of the Export-Import Bank for 5 years; establish the Redwood National Park in northern California; authorize the construction and operation of the central Arizona project in Arizona and New Mexico; establish the National Wild and Scenic Rivers System; create in the State of Washington the North Cascades National Park, the Ross Lake recreation area, and the Lake Chelan recreation area; establish the Apostle Islands National Lakeshore in the State of Wisconsin; authorize a 3-year, $90 million program of grants to States and local governments for planning and developing improved personnel systems; and improved the judicial machinery for the selection of Federal grand and petit jurors.

To cushion the financial shock of major natural disasters, the Senate and House authorized a joint Federal-industry program of flood insurance with the Government paying subsidies on premiums in high-risk areas, which will require further conference action next year.

Foremost among the items for consideration next year will be the tax surcharge measure, the bill to protect against the interference with civil rights, the omnibus housing bill, the constitutional amendment providing for District of Columbia voting representation in Congress, patent laws revision, amendments to the Higher Education and Vocational Education Acts, and firearms and crime control measures.

Specific comments have not been made on all the accomplishments of this first session of the 90th Congress. Those interested in a more detailed account may read the following brief summaries of the public bills enacted by this Congress and others which have been passed by the Senate and await House action next session.

May I say, as a note, that since Congress has not yet adjourned sine die, the status of some of these measure may change, but I doubt it very much.

I ask unanimous consent that, with this report on the legislative record of the Senate in the first session of the 90th Congress there be appended and printed in the RECORD a statement showing the Senate legislative activity through December 12, 1967, issued by the Senate Democratic policy committee.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SENATE LEGISLATIVE ACTIVITY THROUGH DECEMBER 12, 1967: SENATE DEMOCRATIC POLICY COMMITTEE, 90TH-1ST

Days in session	197
Hours in session	1065:09
Total measures passed	924
Treaties	27
Confirmations	63,169
Public Laws	182

Following is a brief summary of major Senate activity. Presidential recommendations and bills in accord with the President's program are indicated by (PR).

AGRICULTURE

Cropland adjustment program: Permits a farm to be placed in the cropland adjustment program without regard to the length of past ownership if that farm was acquired in replacement of an eligible farm which was taken by any Federal, State or other agency by means of eminent domain proceedings. S. 2126. PL 90–

Dairy indemnity payments: Extended to 6/30/68 the authority of the Secretary of Agriculture to authorize indemnity payments to dairy farmers required to remove milk from commercial markets because of chemical residues. PL 90–95.

Fair practices: Made it unlawful to discriminate against any agricultural producer because of membership in an association of producers or to interfere with his right to join. S. 109. P/S 8/4. H. Cal.

Farmers Home Administration loans and grants: Authorized loans to supplement farm income and convert farms to recreation; raised the aggregate annual limits on grants for water and sewer projects to $175 million; established a flexible loan interest rate; removed the annual ceiling on insured loans; and increased to $100 million the amount of unsold insured loans that may be made out of the fund. S. 1504. P/S 8/28. (PR)

FCA interest rates: Amended the Federal Farm Loan Act and the Farm Credit Act to substitute a ceiling fixed by the respective bank directors with the approval of the Farm Credit Administration for the 6% interest ceiling now prescribed by law for loans made by the Federal land banks and the banks for cooperatives. S. 2565. PL 90–

Federal Farm Loan Act amendments: Provided greater flexibility in eligibility requirements for loans to corporations by Federal land banks. S. 1568. P/S 8/29.

Food stamp authorization: Extended for two years the food stamp program and authorized a total appropriation of $425 million to be allocated as follows: $200 million for fiscal 1968 and $225 million for fiscal 1969. PL 90–91. (PR)

Forest resources survey: Authorized the annual appropriation of $5 million to keep current the comprehensive survey of the present and prospective requirements of the U.S. for timber and other forest products. S. 1136, PL 90– .

Forest Service land exchanges: Authorized the Secretary of Agriculture to accept payment in cash of all or part of the consideration for up to 80 acres of land conveyed to any public school authority under any law authorizing the exchange of lands administered by the Forest Service. PL 90–171.

Land conservation and utilization: Authorized the Secretary of Agriculture to furnish financial assistance in carrying out plans for works of improvement in land conservation and utilization. S. 852. P/S 9/21. H. Cal.

Marketing Research Advisory Committee: Reduced the number of required meetings from four to one a year. S. 1477. P/S 8/29. H. Cal.

Meat inspection: Authorized a strong program of federal meat inspection for both interstate and intrastate plants. HR 12144. PL 90– (PR)

Milk programs: Extended the Armed Forces and Veterans' hospital milk programs for three years, until 12/31/70. PL 90–140.

Obsolete laws: Repealed the Standard Container Acts of 1916 and 1928, Tobacco Seed and Plant Exportation Act of 1940, Naval Stores Act of 1923, and Wool Standards Act of 1928. S. 2068. P/S 10/20.

Pleasanton plant materials center: Authorized sale of the center in Alameda County, California and use of the proceeds to establish a more suitable center. PL 90–85.

Release of valueless liens: Authorized the Secretary of Agriculture to release valueless liens securing loans administered by the Farmers Home Administration. S. 1550. P/S 8/4.

Rice acreage allotments: Provided that a rice farm will be considered in compliance with its acreage allotment if the farm marketing excess is delivered to the Commodity Credit Corporation without payment to the grower. S. 2195. PL 90–

Tobacco

Allotments: Removed restrictions on leasing and transferring Maryland tobacco allotments. PL 90–6.

Five acre limitation: Removed the five acre limitation on the amount of tobacco allotment acreage that may be leased. PL 90–52.

Marketing quotas: Facilitated the computation of tobacco acreage allotments by providing for conversion of the national marketing quota for tobacco into a national acreage allotment to be apportioned among farms. PL 90–106.

Sale-transfers: Authorized the lease, sale and transfer of acreage allotments and acreage-poundage quotas for fire cured, dark air cured and Virginia sun cured tobacco to other farms in the same county. PL 90–51.

APPROPRIATIONS

Year 1967

Second supplemental: Appropriated a total of $2,197,931,417 for various departments. PL 90–21. (PR)

Vietnam: Appropriated a total of $12,196,520,000 for the support of military operations in southeast Asia. PL 90–8. (PR)

Year 1968

Agriculture: Appropriated a total of $4,952,945,700 for the Department of Agriculture and related agencies. PL 90–113. (PR)

Defense: Appropriated a total of $69,936,620,000 for the Department of Defense and barred foreign construction of U.S. Navy ships. PL 90–96. (PR)

District of Columbia: Appropriated $67,478,200 for the total Federal payment and $79.2 million in Federal loans and provided a total appropriation of $500,954,300. PL 90–134. (PR)

Foreign aid: Appropriated a total of $3.3 billion for foreign assistance and related agencies. HR 13893. In conf. (PR)

Independent offices: Appropriated a total of $10,139,473,900 for independent executive bureaus, boards, commissions, and the Department of Housing and Urban Affairs. (This bill includes $10 million for rent supplements, $312 million for model cities and $3.235 billion for participation sales.) PL 90–121. (PR)

Interior: Appropriated a total of $1,382,848,350 for the Department of Interior and related agencies. PL 90–28. (PR)

Legislative: Appropriated a total of $275,699,035 for the legislative branch and appropriated an additional $23,400 for a Legislative Assistant for each Senator. PL 90–57. (PR)

Labor-HEW: Appropriated a total of $13,255,356,000 for the Departments of Labor, Health, Education, and Welfare, and related agencies. PL 90–132. (PR)

Military construction: Appropriated a total of $2,093,362,000 for military construction for the Department of Defense. PL 90–180. (PR)

NASA: Appropriated a total of $4,588,900,000 for the National Aeronautics and Space Administration. PL 90–131. (PR)

Public Works: Appropriated a total of $4,690,813,000 for Public Works, AEC and related agencies. PL 90–147. (PR)

State-Justice-Commerce-Judiciary: Appropriated a total of $2,169,012,500 for the Departments of State, Justice, Commerce, the Judiciary and related agencies. PL 90–133. (PR)

Supplemental: Appropriated a total of $1.6 billion for various departments and agencies, including poverty. HR 14397. P/H 12/12.

Transportation: Appropriated $1,581,905,772 for the Department of Transportation from general revenues and $3,770,872,000 from the highway trust fund. (This bill includes $143,375,000 for the supersonic transport and $25 million for highway safety. PL 90–112. (PR)

Treasury-Post Office: Appropriated a total of $7,545,641,000 for the Departments of Treasury and Post Office. PL 90–47. (PR)

ATOMIC ENERGY

Authorization: Authorized $2,633,876,000 for the Atomic Energy Commission for fiscal 1968. Of this amount, $2,164,843,000 is for operating expenses and $469,033,000 is for plant and capital equipment. PL 90–56. (PR)

Omnibus: Improved and strengthened the AEC Community Act of 1955, the AEC Act of 1954 and the Euratom Cooperation Act. S. 2644. PL 90– (PR)

CIVIL RIGHTS

Civil Rights Commission: Extended the life of the Civil Rights Commission through 1-31-73, and authorized an annual appropriation of $2,650,000. HR 10805. PL 90– (PR)

Federal jury selection: Established basic machinery for the selection of Federal grand and petit jurors to assure all litigants that potential jurors will be selected at random from a cross section of the community and to all qualified citizens the opportunity to be considered for jury service. S. 989. P/S 12/8. (PR)

CONGRESS

Arts and Antiquities Commission: Established a bipartisan Commission on Arts and Antiquities to supervise, hold, place and protect all works of art, historical objects, and exhibits within the Capitol. S.J. Res. 27, P/S 4/6.

Capitol Buildings and Grounds: Enumerated and prohibited certain dangerous, disorderly and disruptive conduct in the Capitol buildings and on the Capitol grounds and increased the penalties for such violations. PL 90–108.

Capitol Grounds development: Provided for the formulation, adoption, administration and periodic updating of a comprehensive plan for the U.S. Capitol grounds. S.J. Res. 74. P/S 5/18.

Congressional redistricting: Banned at-large elections in all States with more than 1 US Representative, except Hawaii and New Mexico. HR 2275. PL 90–

Economic report: Extended required date for transmission of the President's economic report to Congress from January 20 to January 30. PL 90–1.

Joint Economic Committee: Expanded the Joint Economic Committee from 16 to 20 members, one member of each party from the Senate and the House. PL 90–2.

National Copyright Commission: Created in the Library of Congress a National Commission on New Technological Uses of Copyrighted Works to study and compile data on the reproduction and use of copyrighted works. S. 2216. P/S 10/12.

REORGANIZATION OF CONGRESS

Legislative Reorganization Act: Provided for major changes in committee procedures, strengthened fiscal control and informational sources in order to permit Congress to operate more efficiently. S. 355. P/S 3/7.

Special Committee: Extended this committee through 1/31/68 in order to take care of any conference requirements on S. 355, the Legislative Reorganization bill. S. Res. 188. Adopted 11/30/67.

CRIME AND RIOTS

National Advisory Commission on Civil Disorders: Authorize subpena powers for the commission appointed by the President on 7/29/67 to investigate the riot situation. PL 90–61. (PR)

Riot investigation: Authorized an additional $150,000 for the Government Operations Permanent Investigations Subcommittee to make a study and investigation of riots, violent disturbances of the peace, vandalism, civil and criminal disorders, insurrection, the causes, extent, and effects of such crimes and occurrences, with a final report on 1/31/68. S. Res. 150. Adopted 8/11/67.

Secret Service: Extended to 3/1/69 the period during which Secret Service protection may be furnished to a widow and minor children of a former President. PL 90–145. (PR)

DEFENSE

Allotments: Authorize the Secretaries of the military departments to initiate allotments for savings deposit for members of the Armed Forces who have been captured or are missing in action. PL 90–122.

Armed Forces Reserve: Created by statute a Selected Reserve in each of the seven Reserve components, and made a number of organizational changes which will enable the Reserves to more effectively fulfill their role as part of our national defense. PL 90–168.

Coast Guard auth.: Authorized $165,014,000 to be appropriated to the U.S. Coast Guard for fiscal 1968 for their capital requirements in ships, planes, shore facilities and aid to navigation. PL 90–37. (PR)

GI Bill: See Veterans.

Military construction and procurement, 1967: Authorized $4,548,200,000 in supplemental funds for fiscal 1967 as follows: $3,788,700,000 for procurement of aircraft and missiles; $135 million for research, development, test and evaluation; and $624,500,000 for military construction. Included a declaration of Congressional policy on supporting our Armed Forces in Vietnam. PL 90–5. (PR)

Military construction authorization, 1968: Authorized a total of $2,333,255,000 for construction of military installations within and outside the U.S., including $60 million for NATO construction. PL 90–110. (PR)

Military procurement authorization, 1968: Authorized a total of $21,168,032,000; of this amount, $13,862,400,000 is for procurement of aircraft, missiles, naval vessels and tracked combat vehicles and $7,305,632,000 is for research, development, tests and evaluation. PL 90–22. (PR)

Navy Judge Advocate General's Corps: Established a Judge Advocate General's Corps in the Navy. PL 90–179.

Savings bond and charity drives: Prohibited coercion of members of the Armed Forces in soliciting charitable contributions and the purchase of Government securities. S. 1036. P/S 11/22.

Selective Service Act of 1967: Extended the draft to 7/1/71, preserved student deferments and prohibited a lottery system unless authorized by Congress. PL 90–40. (PR)

U.N.-Vietnam: Urged the President to take appropriate steps to assure U.N. Security Council consideration of the Vietnam question. S. Res. 180. Adopted 11/30/67.

Stockpiling:

Bismuth: Authorized disposal of bismuth from the national stockpile. PL 90–153. (PR)

Molybdenum: Authorized disposal of molybdenum from the national stockpile. PL 90–151. (PR)

Rare-earth materials: Authorized disposal of rare-earth materials from the national stockpile. PL 90–152. (PR)

Women officers: Removed the provisions that limit the career opportunities available to women officers so that on the basis of merit they may have the same promotion and career tenure opportunities as male officers. PL 90–130.

DISTRICT OF COLUMBIA

Court of Appeals: Authorized an increase in the number of associate judges on the District of Columbia Court of Appeals from three to five and separation of the Court into two divisions. PL 90–178.

Crime bill: Made changes in and amendments to the D.C. Criminal Code, including criminal procedures, to help curb lawlessness while maintaining a fair and free society. HR 10783. In conf.

Escheat cases: Removed the dollar limit on the authority of the D.C. Board of Commissioners to settle claims of the District of Columbia in escheat cases. PL 90–33.

Federal payment —Borrowing authority: Established the level of the annual Federal payment authorization at 25% of the District local tax revenues including revenues obtained through motor vehicle registration, and provided that the total annual revenues from local District taxes and the annual Federal payment will be the basis for computing the annual borrowing authority for the District of Columbia general fund. PL 90–120. (PR)

Industry safety: Restored the general application of safety rules and regulations and the jurisdiction of the Industrial Safety Board to enforce the safety code generally in places of private employment in the District of Columbia. HR 11638. P/S amended 12/6.

Land-Grant college: Amended the Public Education Act to name the Federal City College as the land-grant college for the District of Columbia. S. 1999. P/S 12/6.

Liens: Provided that a judgment or decree of the U.S. District Court for the District of Columbia shall not constitute a lien until filed and recorded in the office of the Recorder of Deeds of the District of Columbia. S. 1227. P/S 6/13; P/H amended 11/20.

Marriage licenses: Transferred from the U.S. District Court for the District of Columbia to the District of Columbia Court of General Sessions the authority to waive premarital blood test and waiting period requirements relating to the issuance of marriage licenses in the District of Columbia. PL 90–53.

Medicaid: Authorized the D.C. Government to take the action necessary to furnish medical assistance to eligible residents under the medicaid program. HR 10964. P/S amended 12/6. (PR)

Motor vehicles titles: Facilitated transfers of motor vehicle or trailer ownership by eliminating the requirement that applications to the Director of Motor Vehicles for official certificates of title and statements relating to liens be made under oath. PL 90–172.

Operator permits: Authorized the D.C. Board of Commissioners to issue and renew motor vehicle operator permits for periods less than three years whenever it is found, on the basis of medical evidence, that the physical or mental condition of the applicant warrants such limitation. S. 762. P/S 6/13.

Parking facilities: Created a District of Columbia Parking Board and an Advisory Board authorized to issue nontaxable revenue bonds, not obligations of the Federal or D.C. Government, to finance acquisition of sites for and construction of facilities for lease or sale. S. 944. P/S 6/27.

Pennsylvania Avenue: Established the Commission on Pennsylvania Avenue to see that Pennsylvania Avenue is developed as a national historic site. S.J. Res. 18. P/S 3/13. (PR)

Physicians and dentists licensing: Authorized employment by the D.C. Department of Public Health of qualified physicians and dentists who are licensed outside the District of Columbia. PL 90–115.

Potomac interceptor: Increased the Federal contribution toward the cost of the Potomac interceptor sewer by $12.5 million to assure that the water supply of the District of Columbia is protected from pollution. PL 90–84.

Public crematorium: Provided for operation of the D.C. Public Crematorium on a no-fee basis. PL 90–173.

Public day care: Authorized public day care under available funds for children in low-income groups whose parents are working, seeking work or enrolled in training. S. 318. P/S 10/10.

Rail rapid transit: Authorized modification of the proposed subway system by adding a line between the Federal Triangle and Southwest Washington and deleting the Columbia Heights route. HR 11395. PL 90–

Register of blind persons: Established a register of blind persons in the District of Columbia to provide statistical information and make better aid available to all. S. 1224. P/S 10/10.

School census: Required that all children below the age of 18 be listed in the school census. S. 768. P/S 10/10.

School lunch: Authorized appropriation of $180,000 for fiscal year 1968 to provide assistance for the School Lunch Program. S. 2012. P/S 10/10.

Students—Reduced fare: Increased from 18 to 20 years the maximum age of schoolchildren eligible for transportation to and from school in the District of Columbia at a reduced fare. S. 1631. P/S 10/10.

Traffic Act amendment: Brings within the provisions of the D.C. Traffic Act any person operating a motor vehicle in the District of Columbia while under the influence of a drug rendering the person incapable of operating the vehicle safely. S. 765. P/S 10/10.

Vehicle registration: Permits an individual owner to add to the registration of a motor vehicle or a trailer the name of the spouse of such owner as a joint owner without obtaining an entirely new registration with full fees. PL 90–43.

DUTY

Bagpipes: Repealed the 15 percent tariff on the importation of bagpipes from non-Communist countries. HR 664. P/S amended 8/16.

Dicyandiamide: Delegated authority to the President to eliminate the duty on imports of dicyandiamide pursuant to a reciprocal trade agreement. PL 90–14.

Manganese ore: Extended duty-free treatment for manganese ore from 6/30/67 to 6/30/70. PL 90–49.

Metal scrap: Continued duty-free treatment for certain metal scrap through 6/30/69. PL 90–45.

Nickel: Extended tariff-free treatment for nickel from 6/30/67 to 9/30/67. PL 90–48.

Tariff refund claims: Extended the deadline for filing claims for refund of duty pursuant to the Tariff Schedules Technical Amendments Act of 1965 from 6/30/67 to 9/30/67. PL 90–36.

ECONOMY AND FINANCE

Alaska development planning: Authorized $300,000 for fiscal 1968 and for each fiscal year through fiscal 1970 for operating expenses of the Federal Field Committee for Development Planning in Alaska for long-range economic planning. PL 90–69. (PR)

Antipoverty: Authorized $1.980 billion for fiscal 1968 and $2.180 billion for fiscal 1969 for the continued operation of the economic opportunity programs. S. 2388. PL 90– (PR)

Appalachian development: Authorized $170 million for Appalachian programs for the two-fiscal-year period ending 6/30/69; expanded medical services and facilities, provided needed hardwood products research, gave technical assistance for low and moderate income housing, in addition to continuing programs established under the 1965 act; increased by $175 million the Appalachian highway program through 60/30/71; and authorized $75 million for fiscal 1968 and 1969 in new funds for the Economic Development assistance programs. PL 90–103. (PR)

Balance of payments: Extended to 6/30/69 the authority for exemptions from the antitrust laws to assist in safeguarding the balance of payments position of the U.S. PL 90–62. (PR)

Banks and credit unions: Strengthened regulations under which officers of member banks of the Federal Reserve System and officers of savings and loan associations may borrow from their institutions. PL 90–44.

Bank credit: Removed from the Federal Reserve Act certain outdated restrictions on the kinds of assets on which member banks may borrow from Federal Reserve banks without payment of a penalty interest rate and revised the procedures for extending credit to member banks in conformity with current economic needs and maintenance of sound credit conditions. S. 966. P/S 4/14.

Bank obligations: Authorized Federal Reserve banks to invest in securities which are direct obligations of or fully guaranteed as to principal and interest by any foreign government or monetary authority and which have maturities from date of purchase not exceeding 12 months and are denominated payable in any convertible currency. S. 965. P/S 4/14.

Commission on balanced economic development: Established a 20-member bipartisan commission to make a study and analysis of current geographic trends and population movements in the economic development of the Nation. S.J. Res. 64. P/S 10/27.

Export-Import Bank Act amdts. of 1967: Extended the life of the Export-Import Bank of the U.S. for 5 years, to 6/30/73; increased the limitation on the amount of loans, guarantees, and insurance permitted to be outstanding at any one time from $9 billion to $13.5 billion; and increased the bank's authority to issue export credit insurance and guarantees from $2 to $3.5 billion. S. 1155. P/S 8/11. HR 6649—H. Cal.—Rule granted 11/21. (PR)

Federal credit union modernization: Removed the $750 limit on loan officers' lending authority, authorized quarterly dividends, and permitted credit for the entire month for funds received during the first ten days of the month. S. 1085. PL 90–

Interest and dividends: Extended to 9/21/68 the authority for more flexible regulation of maximum rates of interest or dividends, higher reserve requirements for member banks and open market operations in agency issues. PL 90–87. (PR)

Lotteries: Prohibited federally insured banks and savings and loan institutions from selling lottery tickets to the public. HR 10595. PL 90–

National Flood Insurance Act of 1967: Authorized a joint federal-industry program of flood insurance with the Government paying subsidies on premiums in high-risk areas and provided reinsurance coverage for years of excessively high losses. S. 1985. In conf. (PR)

Northwest Regional Services Corporation: Established the Northwest Regional Services Corporation to take over the Glasgow Air Force Base, Glasgow, Montana, when it is declared surplus to military needs in 1968. The base will be used as a training center for social, cultural and economic programs and manpower development. S. 1602. P/S 10/27.

Public debt

Increase to 6/30/67: Provided temporary debt limit of $336 billion through 6/30/67. PL 90–3. (PR)

Permanent increase: Increased the permanent debt limit from $285 billion to $358 billion, effective 7/1/67; increased the debt limit temporarily by $7 billion to $365 billion, effective 7/1/68 and each July 1 thereafter until June 29 of each succeeding year; and provided that the limit would revert to $358 billion on each June 30. PL 90–39. (PR)

Savings and loan holding companies: Provided for regulation of savings and loan holding companies and subsidiary companies. S. 1542. P/S 6/26. H. Cal. (PR)

Securities Exchange Commission—Disclosure: Required the full disclosure of corporate equity ownership of securities. S. 510. P/S 8/30.

Silver certificates: Authorized the Secretary of the Treasury to free up to $200 million of silver in its stock by writing off a portion of outstanding silver certificates and to end redemptions for all outstanding silver certificates after one year. PL 90–29. (PR)

Small business amendments of 1967: Increased by $650 million (to $2,650,000,000) the authorization for the Small Business Administration's revolving fund and established new minimum capital requirements for small business investment companies. PL 90–104. (PR)

Truth-in-Lending Act of 1967: Required creditors to disclose to consumers the full cost of credit expressed in terms of dollars and cents, and for most forms of credit, as an annual percentage rate. S. 5. P/S 7/11. (PR) H. Cal.

EDUCATION

American Academy: Increased from $10 million to $25 million the value of real property which may be held by the American Academy in Rome in the District of Columbia. PL 90–79.

College work-study program: Established the federal share of the college work-study program at 85% in 1967, 80% in 1968, and 75% in 1969; and provided a maximum of 15 hours a week that a student could work during a semester. PL 90–82. (PR)

Elementary and Secondary Education Act amdts: Extended the act thru fiscal 1971; authorized new funds totaling $14.2 billion; authorized a new program of special incentive grants to be distributed to those States whose educational effort exceeded the national education effort; added a 3-yr. program of demonstration projects to prevent dropouts; a new program of bilingual grants; authorized a study and fund demonstration projects in the field of school bus safety; and extended the Adult Education Act through 1971 and authorized $240 million with the Federal share for such programs set at 90%. HR 7819. In conf. (PR)

Fire Research and Safety Act: Authorized a 2-year (fiscal 1968–69), $5 million program of research into methods of lessening death and damage from fires and created a 20-member National Commission on Fire Prevention and Control to assess existing programs in fire research and to study federal, state, and local responsibilities. S. 1124. P/S 8/16. H. Cal. (PR)

Library services and construction: Amended the Library Services and Construction Act to extend for an additional year the period during which the Federal share for State institutional library services, and interlibrary cooperation and library services to the physically handicapped would be 100%. PL 90–154. (PR)

Public Broadcasting Act of 1967: Provided grants for construction of educational television and radio facilities; established a Corporation for Public Broadcasting to facilitate expansion and development of noncommercial broadcasting and program diversity; and authorized the Secretary of HEW to conduct a comprehensive study of instructional television and radio. PL 90–129. (PR)

School construction—Washington: Authorized the State of Washington to use income from public lands to construct school facilities and other public institutions. PL 90–41.

Teacher Corps—Education Professions Development Act: Extended the Teacher Corps through fiscal 1970 and authorized $33 million for fiscal 1968, $46 million for fiscal 1969 and $56 million for fiscal 1970. Established a National Advisory Council on Education Professions Development and 4 new programs beginning in fiscal 1969 to provide—

(1) Grants and contracts to attract qualified persons to the education field;

(2) Grants to local educational agencies experiencing critical shortages of teachers;

(3) Grants and contracts to provide advance training;

(4) Fellowships, traineeships, institutes and preservice and inservice training. PL 90–35. (PR)

Temple Junior College, Texas: Authorized the Administrator of Veterans' Affair to convey to Temple Junior College, Temple, Tex., approximately 73 acres of land which have been reported as being excess to the needs of the Veterans' Administration. The land is to be used for educational purposes. HR 2730. PL 90– .

ELECTIONS

Election Reform Act of 1967: Extended reporting requirement to all general, special, primary, conventions, caucuses, and fund raising events; insured disclosure; and lifted the existing ceilings on spending by political committees and Congressional candidates. S. 1880. P/S 9/12. (PR)

FEDERAL EMPLOYEES AND POSTAL RATES

ASCS county office employees: Recognized periods of emploment service in the county offices of the Agriculture Stabilization and Conservation Service for the purposes of salary adjustment, annual and sick leave, and reduction in force for former county office employees who are appointed to positions as Federal employees in the Department of Agriculture. S. 1028. P/S 6/28.

Federal Voting Assistance Act amdts.: Revised procedures under the Federal Voting Assistance Act to facilitate absentee balloting by members of the Armed Forces and Federal civilian employees on duty away from home. S. 1581. P/S 7/17.

Foreign Service retirement: Placed annuitants of the Foreign Service retirement system on the same basis as civil service annuitants for purposes of computing future cost-of-living increases in annuities; provided retired Foreign Service Personnel and their survivors with the same cost-of-living increases accorded civil service annuitants and increased the maximum creditable service from 35 to 40 years. S. 2003. P/S 6/26.

High risk benefits: Authorized additional employee benefits for all U.S. Government personnel serving in hostile areas abroad, such as Vietnam, and for Foreign Service personnel and their dependents in emergency or extraordinary situations. S. 1785. PL 90– (PR)

Intergovernmental personnel: Strengthened intergovernmental cooperation and the administration of grant-in-aid programs; extended State and local merit systems to additional programs financed by Federal funds; provided grants for improvement of State and local personnel administration and training of employees; authorized Federal assistance in training State and local employees; authorized interstate compacts for personnel and training activities; and facilitated the interchange of Federal, State, and local personnel. S. 699. P/S 11/7. (PR)

Lighthouse service retirement age: Reduced the normal retirement age of employees of former Lighthouse Service from 60 years to 55 after 30 years of service. PL 90–164.

Lighthouse service—Retired pay: Increased the retired pay of members of the former Lighthouse Service by 11.3% if retirement was prior to 1/1/66 and by 4.1% if retirement was after 12/31/65 but before 1/1/68. PL 90–165.

Lighthouse service widows: Increased the monthly payments for widows of former Lighthouse Service employees from $75 to $100 a month. PL 90–163.

Lighthouse service widows annuities: Provided annuities for an additional number of widows of employees of the former Lighthouse Service. PL 90–167.

Medical Care: Authorized the Secretary of the Interior to pay, on a limited emergency basis, the costs of medical care for certain temporary employees of the Department in isolated areas, not directly attributable to the work of the employee. S. 448. P/S 11/7.

Military pay: Provided for a flat across-the-board increase of 5.6% in basic pay for all members of the uniformed services effective 10/1/67. HR 13510. PL 90– (PR)

Payroll deductions: Authorized payroll savings plans for Federal employees to encourage thrift and thereby aid in easing credit conditions and in reducing inflationary pressures. S. 1084. P/S 10/11.

Political activity: Extended the life of the Commission on Political Activity of Government Personnel to 12/31/67. PL 90–55.

Postal rates and pay: Increased postal revenues by over $900 million when fully effective, which includes increasing first class letters from 5 cents to 6 cents, postal cards from 4 cents to 5 cents, airmail letters from 8 cents to 10 cents and cards from 6 cents to 8 cents; provided a three step pay increase as follows: October 1, 1967—postal employees by 6%, all others by 4.5%; July 1, 1968—postal employees by 5%, all others not less than 3%; July 1, 1969—comparability with private enterprise salaries; and increased life insurance so that each employee will have a policy equal to his annual salary rounding off to the next higher $1,000, plus $2,000, up to a maximum of $32,000, and guaranteeing a minimum of $10,000. H.R. 7977. PL 90– (PR)

Protecting rights and privacy: Protects the constitutional rights of civilian employees of the executive branch and prevents unwarranted government invasions of their privacy; made the FBI subject to the bill's provisions, but gave the agency the same exemptions as have been allowed the CIA and NSA for purposes of psychological testing and polygraphying in national security cases; allows the Director of these agencies to delegate the decision as to when such a need exists in individual cases. S. 1035. P/S 9/13.

Supergrades: Provided 129 additional positions at grades GS–16, 17 and 18 to meet certain emergency needs of several executive branch agencies. H.R. 1411. P/S amended 12/11.

Surviving annuities: Included the potentially surviving spouse of an annuitant as a recipient of retirement benefits under the reemployment provisions of the Civil Service Retirement Act. S. 1190. P/S 5/9.

USIA Foreign Service personnel system: Authorized a career personnel system for the professional Foreign Service officers of the U.S. Information Agency (USIA) by creating the officer category of Foreign Service information officer, paralleling the Foreign Service Officer Corps of the Department of State. S. 633 P/S 11/13. (PR)

Wage Board employees: Provided a uniform system for fixing and adjusting the pay of employees in recognized trades or crafts. S. 2303. P/S 10/12.

Whitten rider repeal: Provided for acquisition of career status for certain Federal employees now serving temporarily. PL 90–105. (PR)

FISHING

Fisheries in territorial waters: Prohibited any vessel except a vessel of the United States or any master or other person in charge of such a vessel to engage in activities in support of a foreign fishery fleet within the territorial waters of the United States. S. 1752. P/S 10/27.

Fisherman's cooperatives: Authorized loans to fisherman's cooperative marketing associations from the fisherman's revolving loan fund and increased the fund from $20 million to $25 million. Permits loans to be made for the following purposes: to finance the purchase and storage of fish and shellfish; to provide operating capital needed to supplement the capital funds of such associations; to finance the acquisition or improvement of facilities used for handling and marketing of fish and shellfish. S. 1798. P/S 10/27.

Fishery resources survey: Authorized a survey of commercial and recreational fishery resources adjacent to the U.S. S.J. Res. 103 P/S 10/27.

Fishing vessel exemption: Broadened the fishing vessel exemption in certain inspection and loadline laws to include cannery and fishing tender vessels which provide a wide range of services. This exemption will permit cannery and fishing tenders serving isolated areas of Alaska and the Pacific Northwest to continue the present practice of carrying fish, cargo, stores and people to and from fishing vessels, canneries and other facilities used in the salmon and crab industries. S. 2047. P/S 10/27.

Northwest Atlantic Fisheries Act: Implemented a protocol to the International Convention for the Northwest Atlantic Fisheries by expanding the definition of "fishing" in the Northwest Atlantic Fisheries Act to include the taking of mammals as well as fish. S. 1260. P/S 10/27.

Territorial waters—Foreign vessels: Amended the seizure provisions of present law to allow for partial as well as complete seizure of foreign fishing vessels in violation of U.S. territorial waters or our contiguous fishing zone. S. 2324. P/S 11/17.

GENERAL GOVERNMENT

Copyright protection: Continued until 12/31/68 the renewal term of any copyright subsisting on the date of approval of this resolution or the term as extended by PL 87–688 or PL 89–442, where such term would otherwise expire prior to 12/31/68. PL 90–141.

Federal property accountability: Provided for increased accountability by a Federal agency over property under its control. S. 805. P/S 6/26.

Federal Property Act amendments: Amended section 201(c) of the Federal Property and Administrative Services Act, which authorizes agencies to exchange or sell personal property and apply the trade-in allowance or proceeds of sale for other personal property, to require that before the property can be disposed of it must be made available for transfer to other Federal agencies and for donation for health, education or civil defense purposes. S. 878. P/S 10/19.

Guam Development Fund: Established a $5 million fund for the Government of Guam to make loans to stimulate and develop private industries and private enterprise. S. 1763. P/S 8/30.

Guam Governor's election: Provided for the popular election of the Governor and Lieutenant Governor of the territory of Guam. S. 449. P/S 5/9.

Legislative power—Navy lands: Authorized the Secretary of the Navy to adjust the legislative jurisdiction exercised by the U.S. over lands comprising the U.S. Naval Station, Long Branch, California, to permit the State of California to furnish regular police protection to the families on the Station. PL 90–119.

Public land sale: Authorized the Secretary of Interior to sell certain small parcels of land in the West which are unsuitable for cultivation. S. 220. P/S 11/1.

Puerto Rico anniversary: Extended congratulations to the people of Puerto Rico on their fiftieth anniversary of U.S. citizenship. S. Res. 86. Adopted 3/2/67.

RFC property transfers: Extended for two years from 12/31/66 the period during which payment in lieu of taxes may be made to State and local tax authorities by the Federal Government with respect to certain real property transferred by the RFC and its subsidiaries to other Government departments. PL 90–50.

Ryukyu Islands: Increased from $12 million to $17.5 million the annual authorized appropriation for programs approved by the

President for the economic and social development in the Ryukyu Islands. PL 90–126.

Subversive Activities Control Act amendments: Amended the Subversive Activities Control Act of 1950, by eliminating the requirement for registration by the Communist Party or lesser organizations or by a member of the Party after they have been found to be such by the Subversive Activities Control Board for the purpose of conforming the act to the two court decisions; and by providing that the Board be abolished June 30, 1969, unless the Attorney General refers cases to the Board by December 31, 1968. S. 2171. In conf.

Trust Territory of Pacific Islands: Increased from an annual authorization of $17.5 million to a maximum of $25 million for fiscal 1967 and $35 million for fiscal 1968 and 1969; and provided that future appointments to the office of High Commissioner shall be made by the President and confirmed by the Senate. PL 90–16. (PR)

Virgin Islands: Provided for election by popular vote of Governor and Lt. Governor of the Virgin Islands. S. 450. P/S 7/18.

HEALTH AND WELFARE

Air Quality Act of 1967: Authorized $428.3 million over a three year period to improve and expand existing authority to conduct or assist research relating to air pollutants, to assist in establishing regional air quality commissions, to establish standards and to assist in establishing and maintaining State programs. PL 90–148. (PR)

Flammable fabrics: Broadened and strengthened the Flammable Products Act to further protect the safety of consumers; authorized the Secretary of Commerce to fix standards for blankets, draperies, upholstery and other household fabrics in addition to flammable wearing apparel, already banned from interstate commerce. S. 1003. PL 90– (PR)

Medicare enrollment period extension: Delayed until 1/1/68 the deadline for HEW to establish a new monthly premium rate for the voluntary portion of the medicare program. PL 90–97.

Mental health amendments of 1967: Extended through 6/30/70 federal grants for the construction of community mental health centers and authorized $50 million in fiscal 1968, $60 million in fiscal 1969 and $70 million in fiscal 1970; and extended for two years through fiscal 1970 grants for staffing community mental health centers and authorized $26 million in fiscal 1969 and $32 million in fiscal 1970. PL 90–31. (PR)

Mental retardation amendments of 1967: Extended through fiscal 1970 the public health laws relating to mental retardation and authorized $226 million in new appropriations to improve and expand the programs. PL 90–170. (PR)

National Commission on Product Safety: Established a 7-member National Commission on Product Safety to conduct a study of the scope and adequacy of measures now used to protect consumers from unreasonable risk of injuries which may be caused by hazardous household products. PL 90–146. (PR)

Older Americans Act amendments of 1967: Extended the grant programs under the Older Americans Act of 1965 through 6/30/72 and authorized $16,950,000 for these grants in fiscal 1968 and $26 million for fiscal 1969; and raised the maximum amount available for state administration of community aging projects to 15% of a state's grant or to $25,000, whichever was larger. PL 90–42. (PR)

Partnership for health: Extended the Partnership for Health programs through fiscal 1970 and authorized a total of $589 million in new appropriations to expand and improve the programs. $40 million of the above amount will be used for the rat control program. PL 90–174. (PR)

Physically handicapped: Required that public buildings financed with Federal funds are designed and constructed to be accessible to the physically handicapped. S. 222. P/S 8/25.

Social security: Provided a 13% across-the-board increase in old-age, survivors and disability insurance benefits for 23.8 million effective 3/1/68; raised to $55 the monthly minimum benefit; increased to $1680 the amount of money an OASDI recipient can earn without loss of benefit; and increased to $7800 the taxable base and the rate from 4.4 in 1968 to 5.9 by 1980 and thereafter. First full year coverage (1969) will cost $3.6 billion. HR 12080. Conf. Rept. filed 12/11. (PR)

Vocational rehabilitation amendments of 1967: Authorized $500 million in fiscal 1969 and $600 million in fiscal 1970 for grants to the States for vocational rehabilitation services and to assist in establishing and operating a National Center for Deaf-Blind Youths and Adults. PL 90–99. (PR)

Welfare amendments: Extended to 6/30/68 various expiring welfare programs, including those for dependent children of unemployed parents, foster care in childcare institutions, community work-and-training and demonstration projects (pending action on social security bill.) PL 90–36. (PR)

HOUSING

Homeowners assistance authorization: Authorized $11 million during fiscal 1967 for use by the Secretary of Defense to provide assistance to military or civilian employee homeowners who suffer financial losses in selling homes where military installations close. S. 1216. P/S 4/11. H. Cal.

Update housing laws: Amended several existing housing laws to conform them to the establishment of the new Department of Housing and Urban Development. PL 90–19.

Urban fellowship program: Extended for three years the authority to appropriate $500,000 annually for city planning and urban studies fellowship program. PL 90–66. (PR)

Urban Problems Commission: Provided an extension of time from 3/6/68 to 12/31/68 for filing the report of the Commission on Urban Problems. PL 90–118.

IMMIGRATION

Employees: Provided that the period of residence abroad in the employ of certain U.S. nonprofit organizations engaged in disseminating information which significantly promotes U.S. interests shall be considered as constructive residence and constructive physical presence in the U.S. for naturalization purposes. H.R. 2138. PL 90– .

INDIANS

Adult vocational education: Increased the annual authorization from $15 million to $25 million for Indian adult vocational programs. S. 306. P/S 8/2. H. Cal. (PR)

Apache Tribe of the Mescalero Reservation: Authorized the use of an $8.5 million judgment awarded to the Apache Tribe and bands of the Mescalero Reservation. S. 1727. P/S 8/21.

Cherokee Nation: Authorized conveyance of 2,668 acres of land in Oklahoma to the Cherokee Nation upon payment by the Nation of $3.75 per acre to the Federal Government. HR 536. In conf.

Cheyenne-Arapaho Tribes: Provided for the donation of approximately 116 acres of Federal land to the Cheyenne and Arapaho Tribes of Oklahoma. S. 1173. P/S 8/2.

Cheyenne-Arapaho Tribes: Authorized the Secretary of Interior to distribute $15 million awarded to the Cheyenne and Arapaho Tribes of Oklahoma. PL 90–117.

Colville Tribes: Provided for the termination of Federal supervision over the property of the Confederated Tribes of Colville Indians in the State of Washington. S. 282. P/S 8/23.

Colville-Yakima: Conferred jurisdiction on the Court of Claims to determine the respective rights of the Confederated Tribes of the Colville Reservation and the Yakima Tribes of the Yakima Reservation of the State of Washington in and to a joint judgment fund. S. 2236. P/S 11/1.

Creek Nation: Credited to the account of the Creek Nation of Indians of Oklahoma approximately $74,900 and provided for the escheat to the Creek Nation of the estates of its intestate and heirless members. PL 90–76.

Crow: Granted mineral rights to the Crow Indians on certain lands of the Crow Reservation, Montana. S. 1119. P/S 11/1.

Emigrant New York Indians: Authorized distribution of a judgment of $1.3 million awarded by the Indian Claims Commission to the Emigrant Indians of New York. PL 90–93.

Flathead Reservation: Authorized distribution of an award (approximately $4 million) by the Indian Claims Commission to confederated Salish and Kootenai tribes of the Flathead Reservation in Montana. PL 90–11.

Fort Peck: Cancelled certain construction costs chargeable against lands of the Fort Peck Indian Reservation, Montana. PL 90–143.

Gila River Indian Reservation: Authorized leases of lands of the Gila River Indian Reservation for a period up to 99 years. PL 90–182.

Higher education: Removed the prohibition against appropriation of Federal funds for the higher education of Indian children in any sectarian school. S. 876. P/S 11/1.

Hualapai Reservation: Authorized leases of Indian lands on the Hualapai Reservation in Arizona up to 99 years. HR 4919. P/S amended 12/1.

Indian Claims Commission extension: Extended the life of the Commission through 4/10/72 and expanded its membership from three to five commissioners and authorized the President to name the Chairman. PL 90–9. (PR)

Indian education: Authorized $35,000 for the Committee on Labor and Public Welfare to make a complete study of all matters pertaining to the education of Indian children and report by 1/31/68. S. Res. 165. Adopted 8/31/67.

Long-Term Leasing Act amendments: Increased from 50 to 65 years leases of individual and tribal lands for public, religious, educational, recreational, residential and business purposes; authorized leases for up to 99 years for several Indian pueblos and reservations in the states of New Mexico, Arizona, and Washington and provided for farming leases up to 40 years under certain circumstances on all reservations. S. 285. P/S 8/2.

Minnesota Chippewa: Authorized distribution of a $3.9 million judgment awarded to the Minnesota Chippewa Tribe. PL 90–94.

Navajo Indian Reservation: Broadened the provisions of existing law governing the use of revenue from oil and gas leasing on a portion of the Navajo Indian Reservation in Utah. S. 391. P/S 11/2.

Navajo-Ute Mountain Tribe: Authorized the Navajo Tribe or the Ute Mountain Tribe to commence litigation to determine the location of a part of the common boundary between their two reservations. S. 491. P/S 7/31.

Ottawa Tribe: Provided for the disposition of funds now on deposit in the Treasury to the credit of the Ottawa Tribe of Oklahoma. PL 90–63.

Protecting the rights: Insures that the American Indian is afforded the broad constitutional rights secured to other Americans. S. 1843. P/S 12/7.

Revolving fund: Authorized an increase of $35 million from $20 million to $55 million in the Indian revolving credit loan fund and consolidated all existing Indian loan funds into a single revolving fund of $62 million. S. 304. P/S 8/21.

Sac and Fox Tribes: Authorized the disposition of $2,885,734 in judgments awarded to the Sac and Fox tribe of the Mississippi in Iowa, the Sac and Fox tribe of Missouri in Kansas and Nebraska and the Sac and Fox tribe of Oklahoma. PL 90–80.

San Carlos Apache Reservation: Authorized leases of lands of the San Carlos Apache Reservation of Arizona for a period of up to 99 years. HR 4920. PL 90–

Upper and Lower Chehalis Tribes: Provided for the disposition of a judgment fund ($754,380) to the Upper and Lower Chehalis Indians in Washington State. PL 90–114.

Ute Indian Tribe funds: Provided for the disposition of judgment funds awarded to the Confederated Bands of Ute Indian Tribes by the Indian Claims Commission. PL 90–60.

INTERNATIONAL

Canadian centennial: Extended congratulations of Congress to Parliament of Canada as a gesture of good will and friendship in marking the 100th anniversary of the Confederation of Canada. H. Con. Res. 280. House adopted 3/20; Senate adopted 3/21/67.

Diplomatic Relations Act of 1967: Complemented the Vienna Convention on Diplomatic Relations by conveying greater privileges to foreign personnel. S. 1577. P/S 7/18.

Finland: Extended the congratulations and best wishes of Congress to the Parliament of Finland on the occasion of the 50th anniversary of the independence of Finland. S. Con. Res. 49. Senate adopted 11/1; House adopted 11/27/67.

Food for India: Recommended up to an additional three million tons of food grains for India and an additional $25 million of emergency food relief for distribution by American volunteer agencies. PL 90–7. (PR)

Foreign aid authorization: Authorized $2.67 billion for fiscal 1968; extended all programs for one year except contributions in international organizations and programs; and provided for military liquidation of the foreign military credit sales revolving fund as of 6/30/68. PL 90–137. (PR)

Inter-American Development Bank Act Amendments of 1967: Authorized the U.S. Governor of the Inter-American Development Bank to vote in favor of an increase of $1,200 million in resources of the Fund for Special Operations and authorized the U.S. to pay $900 million to the special fund in three annual payments of $300 million. PL 90–88. (PR)

International Bridge Act of 1967: Granted Congressional consent for the construction of international bridges and collection of tolls for their use. S. 623. P/S 4/3.

International claims: Provided for the disposition of funds received under the terms of claims settlement agreements concluded with the Governments of Bulgaria, Rumania, and Yugoslavia; and reopened the Italian claims program to pay claims of American nationals not previously compensable. HR 9063. P/S amended 12/7.

International human rights year committee: Created an 11 member advisory and coordinating committee to be known as the U.S. Committee on Human Rights to formulate plans for participation by the U.S. in observing 1968 as International Human Rights Year. S. 990. P/S 6/14.

International police: Removed the $25,000 limitation which the U.S. is authorized to pay for membership in the International Police Organization. PL 90–159.

Peace Corps authorization: Authorized appropriation of $115,700,000 for fiscal 1968 operation of the Peace Corps. PL 90–175. (PR)

Vessel loans: Authorized a 5-year extension of existing loans of 25 naval vessels to 10 foreign countries and authorized new loans to Korea of 2 destroyers and 1 to the Republic of China. HR 6167. PL 90–   .

JUDICIAL

Abusive and harassing telephone calls: Made it a Federal offense to make certain obscene or harassing telephone calls in interstate or foreign commerce or within the District of Columbia. S. 375 P/S 4/24.

Additional circuit judges: Provided for the appointment of eight additional Circuit judges as follows: one for the third, two for the fifth, four for the ninth, and one for the tenth; made permanent the four additional judgeships for the fifth Circuit created by the Act of March 18, 1966. S. 2349. P/S 11/17.

Appellate review: Provided for appellate review of sentences imposed in felony cases in U.S. district courts. S. 1540. P/S 6/29.

Attorneys' fees: Removed arbitrary limitations on attorneys' fees for services rendered in proceedings before administrative agencies of the United States. S. 1073. P/S 11/22.

Commission on obscene matters and materials: Created an 18 member advisory commission on obscenity and pornography to study the effect of obscenity and pornography and recommend appropriate action. PL 90–100.

District courts—Suit jurisdiction: Amended the Tucker Act to increase from $10,000 to $50,000 the limitation on the jurisdiction of U.S. district courts in suits against the U.S. for breach of contract or for compensation. S. 946 P/S 7/31.

Federal judicial center: Established, within the judicial branch of the Government, a Federal Judicial Center charged with furthering the development and adoption of improved judicial administration in the courts of the United States. H.R. 6111. PL 90–   . (PR)

Federal Magistrates Act: Abolished the Office of US Commissioner and established in lieu thereof the Office of US Magistrate within the judicial branch of the Government. S. 945. P/S 6/29.

Inmate transfer: Authorized the Attorney General to transfer an inmate of the D.C. jail to any other institution under the control of the D.C. Department of Corrections notwithstanding the pending of a petition for a writ of habeas corpus. S. 388. P/S 6/29.

Judicial review: Provided machinery necessary for instituting an equitable action for declaratory judgment to obtain judicial review of constitutionality of grants or loans to church-supported schools and universities. S. 3. P/S 4/11. (Included as an amendment to HR 7819, Elementary Education bill.)

Local law enforcement officers' survivors compensation: Provided disability and death benefits for local law enforcement officers killed or disabled while apprehending persons suspected of committing Federal crimes. HR 11816. In conf.

Multidistrict litigation: Provided formal machinery to transfer, for coordinated or consolidated pretrial procedures, civil actions pending in different judicial districts, that have one or more common questions in fact. S. 159. P/S 8/9.

Obstruction of criminal investigations: Prohibited obstruction of a Federal criminal investigation by attempting to influence, intimidate, impede or injure a potential witness or informant; fixed penalty of up to $5,000 fine or five years imprisonment or both. PL 90–123.

Trains—Dangerous persons: Amended title 18 of the US code to provide that committing acts dangerous to persons on or about to board trains shall be a criminal offense. S. 552. P/S 10/12.

Traveler's checks: Made it a Federal crime to transport in interstate or foreign commerce, with unlawful intent, traveler's checks bearing forged countersignatures. S. 1440. P/S 10/12.

U.S. Court of Military Appeals: Provided that the present Court of Military Appeals be redesignated the U.S. Court of Military Appeals. S. 2634. P/S 11/28.

Witness immunity: Provided statutory authority and procedure to grant immunity to witnesses in racketeering prosecutions to require them to give and/or produce evidence without subsequent penalty except for perjury or contempt of court. S. 677. P/S 6/13. (PR)

LABOR

Age discrimination: Authorized a program of education and information to reduce barriers to the employment of workers between 40 and 65, and made it unlawful for an employer of 50 or more persons (25 after 6/30/68) to fail or refuse to hire or to discharge or discriminate against any individual because of age. S. 830. PL 90– (PR)

Railroad Dispute

Additional 20 days: Extended until 5/3/67 the period for making no change of conditions under section 10 of the Railway Labor Act applicable in current dispute between railroads and certain of their employees. PL 90–10. (PR)

Additional 47 days: Extended for an additional 47 days, until 12:01 a.m. 6/19/67 the original 20-day cooling-off period in current railroad labor-management dispute. PL 90–13. (PR)

Special board: Provided for establishment by the President of a five member special board to operate during a 90-day no-strike, no lockout period which begins upon enactment of this resolution in order to maintain the nation's railroad transport without interruption during further collective bargaining to settle the dispute. PL 90–54. (PR)

MEMORIALS

American Battle Monuments and Corregidor-Bataan Commissions: Transferred the authority, functions and duties of the Corregidor-Bataan Memorial Commission to the American Battle Monuments Commission, together with its assets, liabilities, ocntracts, property, records, personnel, unexpended appropriations and allocations. HR 3399. P/S amended 12/6.

American Revolution Bicentennial Commission: Extended the life of the Commission to 7/4/69 and authorized an additional $450,000 for expenses. HR 8629. PL 90– (PR)

Golden Spike Centennial: Established a 13-member Federal Golden Spike Centennial Celebration Commission to cooperate with the Utah Golden Spike Commission in planning an appropriate observance of the 100th anniversary on 5/10/69. PL 90–70.

Kennedy birthplace: Established the birthplace of the late President John F. Kennedy in Brookline, Massachusetts, as a national historical site. PL 90–20.

Patrick V. McNamara Building: Provided that the Federal office building to be constructed in Detroit, Michigan be named the "Patrick V. McNamara Office Building" in memory of the late Senator from Michigan. S. 343. PL 90–

REORGANIZATION

Joint Committee on the Budget: Established a fourteen member Joint Committee on the Budget. S. 538. P/S 5/11.

Legislative reorganization: See Congress.

Plan No. 1—Ship documents: Transferred from the Secretary of Commerce to the Secretary of Transportation authority to approve surrender of certain ship documents. Effective 5/9/67.

Plan No. 3—D.C. Government: Abolished the present three man Board of Comissioners and created a single Commissioner, an Assistant Commissioner and a nine man Council. Effective 8/11/67. (PR)

RESOURCE BUILDUP

Apostle Islands National Lakeshore: Authorized the Secretary of Interior to establish and administer the Apostle Islands National Lakeshore in Wisconsin. S. 778. P/S 8/21. (PR)

Banks Lake: Authorized the Secretary of Interior, pending completion of Columbia Basin project, to operate and maintain Banks

Lake of the Columbia Basin project for the purpose of recreation as well as presently authorized project purposes for a period not to exceed six years. S. 605. P/S 3/6.

Cape Hatteras: Authorized the necessary appropriations to satisfy civil judgments for acquisition of lands for the Cape Hatteras National Seashore in North Carolina. S. 561. P/S 11/2.

Central Arizona project: Authorized $768 million for the construction of the Central Arizona Project in Arizona and New Mexico; and $360 million for five projects in the upper basin. S. 1004. P/S 8/7. (PR)

Colonial Historical Park: Authorized an additional $777,000 for the Secretary of Interior to acquire a historically significant Yorktown estate within the Colonial National Historical Park in Virginia. PL 90–74.

Desalting plant—California: Authorized the Department of Interior through its Office of Saline Water to participate in construction and operation of a nuclear desalting plant in California. PL 90–18. (PR)

Feasibility investigations for water resource development: Authorized the Secretary of Interior to continue feasibility investigations of certain specified water resource proposals which were not authorized by PL 89–561 or by other legislation and authorized feasibility investigations of new water resource projects. S. 1788. In conf.

Foss Reservoir: Authorized the Secretary of Interior to conduct feasibility studies of ways and means of alleviating the problems encountered by the Foss Reservoir Master Conservancy District associated with the poor quality and supply of water stored in Foss Reservoir, Washita River Basin, Oklahoma, and afforded relief to the district from the burden under its repayment contract wherein it is obligated to pay for water that is unusable. S. 1946. P/S 11/6.

Great Salt Lake National Monument: Authorized not to exceed $10,655,000 to create a Great Salt Lake National Monument on Antelope Island in Utah. S. 25. P/S 7/13.

Interstate Oil and Gas Compact: Granted Congressional consent to a 2-year extension of the interstate compact to conserve oil and gas. S.J. Res. 35. PL 90– .

Kennewick irrigation division extension: Authorized construction, operation and maintenance of Kennewick division extension, Yakima project, Washington, in order to bring an additional 6,300 acres of land under irrigation in the Yakima river valley. S. 370. P/S 3/6.

Migratory birds: Replaced the Secretary of Commerce with the Secretary of Transportation as a member of the Migratory Bird Conservation Commission. S. 2447. P/S 11/15.

Missouri River Basin: Increased to $68 million (from $60 million) the authorization for continuing work on the Tiber Dam of the Missouri River Basin project during fiscal 1967–68. PL 90–89.

National Park Foundation: Established an 8-member National Park Foundation to encourage and accept donations of money and property to the National Park Service. S. 814. PL 90– . (PR)

National Water Commission: Established a 7-member National Water Commission to make a comprehensive review of national water resource problems and programs. Limited the life of the commission to five years and the appropriation to $5 million. S. 20. P/S 2/6; P/H amended 7/12. (PR)

Navajo Reservoir, New Mexico: Granted authority to the Secretary of Interior to enter into two repayment contracts for the sale of water for industrial purposes from the Navajo Reservoir in New Mexico. S.J. Res. 123. P/S 11/30.

Nebraska Mid-State: Authorized $106 million for the construction, operation, and maintenance of the Nebraska Mid-State division of the Missouri River Basin Project. PL 90–136. (PR)

North Cascades: Established the North Cascades National Park and Ross Lake and Lake Chelan National Recreation Areas, designated the Pasayten Wilderness, and modified the Glacier Peak Wilderness, in the State of Washington. S. 1321. P/S 11/2. (PR)

Oahe Unit: Reauthorized the initial stage of the multipurpose Oahe irrigation unit, Missouri River Basin project, and authorized $188.5 million for new construction. S. 6 P/S 11/1.

Oil and gas leases: Conferred administrative discretion on the Secretary of the Interior to prevent termination of Federal oil and gas leases for nominal deficiencies in rental payments. S. 1367. P/S 11/1; P/H amended 11/20; Senate agrees to House amdt. with an amdt. 11/28.

Public Land Law Review Commission: Extended the time for a final report to the President and the Congress of the Public Land Law Review Commission from 12/31/68 to 6/30/70, and the life of the Commission from 6/30/69 to 12/31/70; increased the Commission's appropriations from $4 million to $7,390,000. HR 12121. PL 90– (PR)

Reclamation project—employee reimbursement: Made non-reimbursable the severance payments to which departmental employees are entitled when their Federal employment is terminated because of the transfer of reclamation works to a local agency for operation and maintenance. S. 1251. P/S 8/2.

Redwood National Park: Authorized up to $100 million to establish a Redwood National Park in northern California and provided for the land exchange of a 14,567-acre Forest Service tract. S. 2515. P/S 11/1. (PR)

River basin authorization: Authorized $472 million in fiscal 1968 for flood control and navigation projects in fourteen river basin development plans. PL 90–17. (PR)

Rogue River Basin-Merlin: Authorized $16,660,000 for the construction and operation of the Merlin division of the Rogue River Project in Oregon. S. 51. P/S 12/8.

Saline water conversion: Made available for appropriation in fiscal 1968 a total of $26,782,000 for the saline water conversion program. PL 90–30. (PR)

San Felipe project: Authorized $92,380,000 for the construction, operation and maintenance of the San Felipe division of the Central Valley project in California. PL 90–72.

San Rafael wilderness: Designated 145,000 acres of land located in the Los Padres National Forest, Santa Barbara County, California as the San Rafael Wilderness. S. 889. Conf. rept. filed 12/11. (PR)

Sawtooth National Recreation area: Authorized $27,380,000 for the establishment of the Sawtooth National Recreation Area in Idaho. S. 1267. P/S 11/9.

Small Reclamation Projects Act: Revised the Small Reclamation Projects Act to include any complete water development for irrigation or for irrigation and domestic, municipal or industrial use, and barred Federal participation under the Act until 30 days after the project's approval was submitted to Congress. S. 862. P/S 8/2. H. Cal.

Tehama-Colusa Canal, California: Authorized enlargement of the Tehama-Colusa Canal, Central Valley Project, for future irrigation needs. PL 90–65.

Unpatented mining claims: Extended the provisions of the Act of 10/23/62 relating to relief for occupants of certain unpatented mining claims to 6/30/71. PL 90–111.

Walla Walla project: Authorized $16,630,000 for construction, operation and maintenance of the Touchet Division of the Walla Walla project, Oregon-Washington. S. 485. P/S 8/23.

Wetlands—Migratory waterfowl: Extended for eight years the period during which funds may be appropriated for the acquisition of wetlands. HR 480. PL 90– (PR)

Wheeling Creek compact: Granted the consent of Congress to an interstate compact between West Virginia and Pennsylvania for the creation of a district to be known as the Wheeling Creek Watershed Protection and Flood Prevention District. PL 90–181.

Wild and Scenic Rivers Act: Established a National Wild and Scenic Rivers Systems to preserve some of America's unspoiled and free-flowing streams or their segments. S. 119. P/S 8/8. (PR)

SPACE

NASA authorization for fiscal 1968: Authorized appropriations totaling $4,865,751,000 for the National Aeronautics and Space Administration for fiscal year 1968 as follows: research and development, $4,147,565,000; construction of facilities, $69,980,000; Administrative operations, $648,206,000. PL 90–67. (PR)

TAXATION

Bank holding: Allowed corporations brought within the definition of bank holding companies by 1966 amendments to the Bank Holding Act to make a distribution of either banking or non-banking interests without the shareholder's having to pay tax on the stock or other property received so long as all distributions in kind are made on a pro rata basis to all shareholders. HR 4765. Conf. rept. filed 12/7.

Divorced parents: Provided objective rules for determining which divorced parent is entitled to the personal exemption for their dependent children. PL 90–78.

Interest equalization tax extension: Extended for two years until 7/31/69 the interest equalization tax and for the first time provided discretionary authority for the President to eliminate the tax or to set it at any level up to 50% above the present rates. PL 90–59. (PR)

Investment tax credit: Restored 7% investment tax credit and the allowance of accelerated depreciation methods effective 5/24/67; however, property or equipment ordered during the suspension period but not *delivered* before 5/24/67 will be eligible for the credit; made Presidential Election Campaign Fund Act inoperative until statutory guidelines are enacted. PL 90–26. (PR)

Wine withdrawal: Provided for the tax-free withdrawal from bonded wine cellars of wine and wine products containing up to 22% alcohol used for non-beverage purposes if it is rendered unfit for beverage use. PL 90–73.

TRANSPORTATION AND COMMUNICATIONS

Alaska: Authorized the disposal of government-owned longlines communication facilities in Alaska. PL 90–135 (PR)

Cargo containers: Prevented the application of discrimination policies by any Government agency against any steamship company not using cargo containers of a length, height, or width currently recommended by the U.S. Standards Institute. S. 2419. P/S 11/6. H. Cal.

Federal Maritime discovery procedures: Empowered the Federal Maritime Commission to adopt pretrial discovery procedures along with its existing power to issue subpenas in certain adjudicating proceedings. PL 90–177.

Federal ship mortgage: Increased the amount of Federal ship mortgage insurance available for tugs of more than 2,500 horsepower, and of barges or more than 2,500 gross tons. S. 2247. PL 90–

Highway beautification auth.: Authorized $85 million for the highway beautification program for fiscal 1968 as follows: $5 million to control outdoor advertising, $10 million to control junkyards and $70 million for landscaping and scenic enhancement. S. 1467. P/S 8/28. H. Cal. (PR)

Interoceanic Canal Study Commission: Extended to 12/1/70 the time in which the Atlantic-Pacific Interoceanic Study Commission must complete its study and make recommendations on the feasibility of and the most suitable site for a second overland canal through the American isthmus. S. 1566. P/S 6/12. P/H amended 11/20. (PR)

Interstate passenger train service jurisdic-

tion: Designed to close a jurisdictional loophole in section 13a(1) created as a result of a recent ICC decision involving removal of certain Santa Fe Railway Co. interstate passenger train service. Confirmed Interstate Commerce jurisdiction upon the filing by a carrier of a notice of discontinuance of an interstate train under the provisions of section 13a(1). S. 2711. P/S 12/1.

Mail by sea: Removed the statutory ceiling on rates payable to ocean vessels of U.S. registry for the transportation of mail. PL 90–109.

Mail frauds: Protects the public from false and misleading advertisements which purport to sell goods or property of substantial value, particularly in the fields of medical science and real estate. HR 1411. P/S amended 12/11. (PR)

Manele Bay: Authorized $172,000 for additional construction cost on the small-boat harbor at Manele Bay, Hawaii. PL 90–142.

Maritime Administration authorization: Required future authorization of funds for certain Maritime Administration programs after 12/31/67. PL 90–81.

Maryland bridges: Authorized the State of Maryland to construct and operate four new bridges, tunnels or bridge-tunnel combinations for Cheasapeake Bay and Baltimore City automobile traffic. PL 90–144.

National Highway Safety Advisory Committee: Increased the size of the National Highway Safety Advisory Committee from 29 to 35. PL 90–150.

National Traffic and Safety Act: Amended the National Traffic and Motor Vehicle Safety Act of 1966 to temporarily exempt a limited production motor vehicle (less than 500) from any motor vehicle safety standard if compliance would cause the manufacturer substantial economic hardship and would not result in undue hazard to the public. S. 2029. P/S 11/6.

Pipeline safety: Authorized the Secretary of Transportation to prescribe safety regulations for the transportation of natural gas by pipeline. S. 1166. P/S 11/9. (PR)

Postal rates: See page 20.

Post Office—Thirty-year lease: Extended to 6/30/72 the authority of the Postmaster General to negotiate and enter into lease agreements for periods up to 30 years for special purpose post office buildings. PL 90–15.

Ship mortgage insurance: Amended the Merchant Marine Act of 1966 to increase the amount of Federal ship mortgage insurance available for passenger vessels of not less than 1,000 gross tons with a sustained speed capability of at least 8 knots operating on inland rivers and waterways. S. 2211. PL 90–

Southeastern Alaska—Merchandise: Authorized the use of Canadian ferries between points in British Columbia for carriage of merchandise being transported by motor carrier from any point in the continental U.S. to southeastern Alaska when the merchandise has been transported in part over Canadian highways. S. 292. P/S 8/18.

Urban mass transit program: Extended to November 1, 1968, the emergency provisions of the Urban Mass Transportation Act to permit cities to complete plans to qualify for grants. PL 90–169.

Vessel exchange: Authorized the exchange of certain vessels for conversion and operation in nonsubsidized service between the west coast of the U.S. and the territory of Guam. HR 12638. PL 90–

VETERANS

GI bill: Authorized an average increase of 5.4% in nonservice-connected pensions to veterans, widows and dependents; provided additional benefits to veterans who have served in the Armed Forces during the "Vietnam Era" comparable to those benefits provided by Congress for veterans of World Wars I and II and the Korean conflict; and authorized increases in educational allowances under the 1966 G.I. bill. PL 90–77. (PR)

TREATIES (PR)

Commercial treaty with Thailand: Replaced a treaty of friendship, commerce and navigation which has been in effect since 1938. The new treaty contains the usual provisions found in other commercial treaties to which the U.S. is a party. Ex. P (89–2). Resolution of ratification agreed to 9/11.

Consular convention with France: Terminated and replaced the 1853 convention. The new treaty covers such subjects as the establishment of consular posts, privileges and immunities of personnel and the functions and authority of consular officers. Ex. I (90–1). Resolution of ratification agreed to 9/18.

Consular convention with the Soviet Union: Provided for prompt notification and access to nationals of one country arrested or detained in the other, and extended criminal immunities to consulate officials and employees. Ex. D (88–2). Resolution of ratification agreed to 3/16.

Convention concerning the exchange of official publications and government documents: Provided for the exchange, on a reciprocal basis, of official publications and Government documents. Ex. G (88–1). Resolution of ratification agreed to 5/8.

Convention concerning the international exchange of publications: In this general convention the parties undertake to encourage and facilitate the exchange of publications between both governmental bodies and non-governmental institutions of an educational, scientific and technical or cultural nature which are nonprofitmaking in character. Ex. G (88–1). Resolution of ratification agreed to 5/8.

Convention for the international council for the exploration of the sea: Authorized the Council to promote and encourage research and investigations for the study of the sea, particularly living resources, and to publicize and disseminate the results. Ex. H (89–2). Resolution of ratification agreed to 3/1.

Convention of Mar Del Plata: Reduced the burden of paperwork for ships in international voyages. Ex. Q (89–2). Resolution of ratification agreed to 3/1.

Convention on facilitation of international maritime traffic: Promoted international trade and travel by simplifying, standardizing and reducing the usual formalities. Ex. R (89–2). Resolution of ratification agreed to 3/1.

Convention on narcotic drugs: Simplified the international narcotic control machinery and provided additional measures for the international control of narcotic drugs. Ex. G (90–1). Resolution of ratification agreed to 5/8.

Convention on the service abroad of judicial and extrajudicial documents: Assured that parties involved in a suit be given timely notice with respect to judicial and extrajudicial documents served abroad and to facilitate international judicial assistance by simplifying and expediting the procedures. Ex. C (90–1). Resolution of ratification agreed to 4/14.

Customs convention on containers: Required member states to permit the temporary duty-free entry, generally three months, of large containers used in international trade. Ex. J (89–2). Resolution of ratification agreed to 3/1.

Customs convention on the ATA carnet for the temporary admission of goods: Provided for the issuance of a carnet for the goods covered by the convention in Ex. K (below), so it will not be necessary to post a bond. Ex. L (89–2). Resolution of ratification agreed to 3/1.

Customs convention on the international transport of goods under cover of TIR carnets: This is a companion to the container convention (Ex. J) above and allowed a loaded container to transit through a country or to pass the point of entry without inspection, which will take place at the point of destination. This carnet covers dutiable goods transported by road vehicles only. Ex. N (89–2). Resolution of ratification agreed to 3/1.

Customs convention on the temporary importation of professional equipment: Authorized temporary duty-free entry of articles such as press, radio, television equipment, movie cameras, typewriters and scientific materials. Such equipment must be reexported within 6 months unless the time period is extended for valid reasons. Ex. K (89–2). Resolution of ratification agreed to 3/1.

Customs convention regarding ECS carnets for commercial samples: This convention is a companion to the International Convention to Facilitate the Importation of Commercial Samples and Advertising Material approved in 1956, and obviated the necessity for posting bond. Ex. M (89–2). Resolution of ratification agreed to 3/1.

Intergovernmental Maritime Consultative Organization: Amended article 28 of the IMCO convention to increase the size of the Maritime Safety Committee to 16 members and modify the method of election. Ex. M (90–1). Resolution of ratification agreed to 12/11.

International convention for the conservation of Atlantic tunas: Established an International Commission to make a study of tuna and tunalike fish populations, including research on the abundance, biometry, and ecology of the fishes, the oceanography of their enivronment, and the effects of natural and human factors on their abundance. Ex. U(89–2). Resolution of ratification agreed to 3/1.

International sugar agreement: Extended the Administrative provisions of the International Sugar Agreement from 12/31/66 to 12/31/68. Ex. K(90–1). Resolution of ratification agreed to 12/6.

International telecommunication convention: The main purpose of this convention was to replace the Geneva Convention approved in 1961. The Geneva Convention formed the International Telecommunication Union (ITU), the organization which carries on negotiations among its members and coordinates the use of all forms of international telecommunications. The new convention follows the pattern of the 1961 convention but contains a number of minor improvements and several major modificatoins relating primarily to the functioning of the ITU and some of its organs. Ex. O (89–2). Resolution of ratification agreed to 4/18.

Notes amending the convention on Great Lakes fisheries: Amended the existing convention between the U.S. and Canada to increase the size of the Commission from six to eight, with the U.S. and Canada each entitled to name four instead of the present three commissioners. Ex. T (89–2). Resolution of ratification agreed to 3/1.

Outer space treaty: Established general principles for the peaceful exploration and use of outer space; including the moon and other celestial bodies. Ex. D (90–1). Resolution of ratification agreed to 4/25.

Partial revision of radio regulations: Established a revised high frequency allotment plan for radio frequencies used by the aeronautical mobile service. The new provisions set forth technical and operational principles, the determination of radio channel width interference range contours, classes of emission and power, and descriptions of various boundaries, including those of major world civil air route areas and the regional and domestic civil air route areas. Ex. H (90–1). Resolution of ratification agreed to 8/2.

Safety of life at sea convention amendments: Improved the fire protection of ships, particularly passenger vessels. Ex. E (90–1). Resolution of ratification agreed to 3/21.

Supplementary slavery convention: Required the abolition of the incidents of slavery such as debt bondage, serfdom, involuntary marriage, the sale of women, the transfer of widows as inherited property, the exploitation of children, the marking and branding of slaves, and the carrying on of the slave trade. Ex. L (88–1). Resolution of ratification agreed to 11/2.

Supplementary tax convention with Canada: Eliminated preferential treatment accorded to persons living outside both countries who receive investment income from the U.S. at substantially reduced rates. Ex. B (90–1). Resolution of ratification agreed to 11/2.

Tax convention with Trinidad and Tobago: Permitted corporations of one of the countries to receive dividends from their subsidiary corporations operating in the other country at a reduced rate of withholding tax. Ex. F (90–1). Resolution of ratification agreed to 11/2.

United Nations charter amendment: Amended article 109 of the U.N. charter to correct an oversight in the Security Council voting requirements. Ex. A (90–1). Resolution of ratification agreed to 5/8.

RECORD OF MINORITY JOINT COMMITTEE—PRINTING AS SENATE DOCUMENT (S. DOC. NO. 61)

Mr. DIRKSEN. Mr. President, it has been customary throughout the legislative year for the Republican leadership of the Congress to meet regularly and each time thereafter to hold a press conference and to present written statements of policy and opinion. We carefully document and assemble these statements, so that they can be offered at the end of the legislative period, be printed in the Congressional Record and then printed as a document.

Mr. President, I ask unanimous consent to have printed at this point in the Record a compendium of all those statements for the legislative year 1967, and that they be printed thereafter as a document.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and, without objection, the document will be printed in the Record and as a Senate document.

There being no objection, the compendium was ordered to be printed in the Record, as follows:

A Record of Press Conference Statements Made by Senator Everett McKinley Dirksen and Representative Gerald R. Ford for the Republican Leadership of the Congress

THE REPUBLICAN LEADERSHIP OF THE CONGRESS

For the Senate

Everett McKinley Dirksen, Leader.

Thomas H. Kuchel, Whip.

Bourke B. Hickenlooper, Chairman of the Policy Committee.

Margaret Chase Smith, Chairman of the Conference.

George Murphy, Chairman of the Republican Senatorial Committee.

Milton R. Young, Secretary of the Conference.

Hugh Scott, Vice Chairman, Republican Senatorial Committee.

For the House of Representatives

Gerald R. Ford, Leader.

Leslie C. Arends, Whip.

Melvin R. Laird, Chairman of the Conference.

John J. Rhodes, Chairman of the Policy Committee.

H. Allen Smith, Ranking Member, Rules Committee.

Bob Wilson, Chairman, Republican Congressional Committee.

Charles E. Goodell, Chairman, Committee on Planning and Research.

Richard H. Poff, Secretary of the Conference.

William C. Cramer, Vice-Chairman of the Conference.

Presiding officer

Ray C. Bliss, Republican National Chairman.

FOREWORD

This legislative session marks the seventh year of existence of the Republican Leadership of the Congress as an entity established at the suggestion of former President Dwight D. Eisenhower in January of 1961.

As before, the principal medium of communication from the Leadership to the Congress, the Party and the public is policy statements on subjects of both foreign and domestic significance, the first of these a now annual "Appraisal of the State of the Union" by the Minority Leaders of the House and Senate. These statements have, on 15 regular occasions since January, taken the form of press conference appearances by Senator Dirksen and Representative Ford. In addition, press releases have been issued by the Leadership separately from these conferences.

On January 11, 1965, the Republican Leadership called for the formation of a Republican Coordinating Committee. Since that time, this highly effective organization—composed of General Eisenhower, former presidential candidates Alf Landon, Thomas E. Dewey, Richard Nixon and Barry Goldwater, the Republican Leadership of the Congress, eight governors and representatives of multiple other Republican organizations—has held 11 meetings, maintained 8 task forces and approved and published nationally numerous task force reports. The presiding officer at these meetings is Republican National Committee Chairman, Ray Bliss. The Republican Coordinating Committee continues to be an increasingly positive force in the examination and determination of party policies and party operations.

As in previous years, the Leadership statements for 1967 are being published as a Senate document. They appear on the following pages and are indexed as to the issues covered.

THE BUDGET

(Issued following a leadership meeting, Feb. 2, 1967)

Senator Dirksen. Every American family knows the meaning of the word "budget". Every American family knows what it is to try to make ends meet—especially these days. Every American family knows that, while it can perhaps for a little while live beyond its means, it cannot do so for very long without finding itself on the short and rocky road to the poor house.

A government—any government—is no exception for a government is, after all, nothing more nor less than a collection of families. Like a family, a government cannot rely on hoped-for income nor can it endure economically for very long if needless expenditures which it can't afford are permitted. I suggest, therefore, that rather than dealing in countless billions of dollars and confusing ourselves with endless strings of zeros, we think hereafter of the operation of this government in family terms.

As has been emphasized already by the news media throughout the country and as has been emphasized already by members of the Congress, this Administration's budget for the coming fiscal year is difficult to comprehend. It contains sums that are astronomical. It contains, to be sure, provision for necessities—especially as regards the fearful conflict in Viet Nam—but it contains also a large number of absolutely non-essential items which, in aggregate, can and should and *will* be eliminated if the still-heavy Democratic majorities in the Congress will cooperate with us.

The budget of the United States, as submitted to the Congress by the Johnson-Humphrey Administration, is as big as a metropolitan telephone directory and every page contains print just as small. The Republican members of the Congress will, without exception, in the days immediately ahead, be examining every line and item of this budget with clear and knowledgeable eyes. We are determined to vote to retain every item of necessity both in domestic and defense programs but are equally determined if the Democrat majorities in the Congress can be so persuaded, to eliminate every single item, large, middling or small, that should be cut. Our recommendations in the days ahead will be specific, clear and unmistakable. In this area of non-essential expenditures, we are prepared to wield a swinging meat-cleaver or use a delicate scalpel as the operation may require.

From our school-day reading we have ever more occasion to recall, from Dickens' "David Copperfield", the timeless and timely lesson in budgeteering given young Copperfield by the seasoned and sensible Mr. Micawber:

"Annual income twenty pounds, annual expenditure nineteen nineteen six, result happiness. Annual income twenty pounds, annual expenditure twenty pounds ought and six, result misery. The blossom is blighted, the leaf is withered, the God of day goes down upon the dreary scene and you are, in short, flat."

If the Johnson-Humphrey Administration and its still dominant Democrat majorities in the Congress persist in the course they have now mapped out for the American people we too will be "in short, flat." This the Republican members of the Congress will do everything within their minority power to prevent. Let those in the seats of majority and authority be advised.

Representative Ford. The "Big If" budget of the United States for the coming fiscal year, as presented to this Congress by the Johnson-Humphrey Administration, is a *bad* budget. It should be returned to the President by the Congress immediately, with the demand that it be reviewed and revised into a document that makes sense to the Congress and to the American people.

This budget is misleading. We don't believe in it. The people don't believe in it. At a time when the living costs of every American family have never been higher—at a time when family income just can't keep up—at a time when we are fighting the third largest war in our history—this budget tries to provide for both guns and butter. It actually contains a great deal of lard.

The American people will not tolerate such fiscal manipulation. They will no longer permit such insults to their intelligence and raids on their pocketbooks. The budget is agonizing table-talk in every American home. The press is already echoing the same angry feeling. One illustration—shown here from a recent column in the Washington Daily News—makes the point dramatically. By any estimate hundreds of dollars will be added to each family's burden.

This budget should be labelled the "Big If" budget. It is the biggest and the "iffiest" in American history:

If the Administration's estimate of the cost of Viet Nam is anywhere near accurate;

If the Congress votes a postal fee increase;

If the Congress approves an income tax increase;

If the Congress approves the various tax measures the Administration recommends;

If the program cutbacks promised actually occur;

If the economy, despite the Administration's manipulations, proves healthy.

We cannot as a people, gamble on so many and such big "ifs".

If a business were operated with a budget like this, it would go bankrupt in a week. If a family budget depended on any such reasoning, the family would be cold, hungry and without a roof almost overnight.

What *must* be done *can* be done by this Congress to make this bad budget a good one. What *must* be done *can* be done by the Congress if the Democrat majorities in the Congress will heed the people's demand for economy. The Republican minorities in the Congress are determined to act. Let the Democrat leadership take heed.

BUILDING BRIDGES AND EAST-WEST TRADE

(Issued following a leadership meeting, May 25, 1967)

Representative Ford. Russian guns, Russian bullets, Russian surface-to-air missiles, Russian MIGS, Communist machine guns and Communist mortars continue to kill and maim American fighting men and innocent civilians by the thousands in Viet Nam. Nevertheless, the Johnson-Humphrey Administration continues to urge that we trade with the enemy by "building bridges" between us and these Communist dealers in death.

There may be some who find it wholly consistent that Americans should fight for freedom and survival against Communist aggression on the one hand, while trading and dealing for Communist enrichment on the other. We do not. We will continue to oppose economic aid to an enemy whose global goal is the extinction of freedom.

Trade can be an instrument for world peace but only when applied in the hard-nosed tradition of the Yankee trader, not with the soft-headed hope that it will somehow sway dedicated Communist governments from their stated international goals. The extension of most-favored-nation tariff treatment to Communist East Europe in existing circumstances is unwarranted and unwise.

The reduction of export controls on East-West trade in so-called "non-strategic items" is dangerous, and Congress should carefully review this whole subject. It may well be that present controls should be tightened and certainly they should be more clearly defined by the elected representatives of the people.

Guaranteeing commercial credits to Communist governments is a form of economic foreign aid heretofore reserved for our friends. Such a policy compels our own people, against their will, to encourage and strengthen Communism. It is illogical to do this while committing American lives to a Communist-supported war in Viet Nam.

The May Day order of the day issued by the Soviet Defense Minister, Marshall Andrei Grechko, accused the United States of "hatching sinister plots to spread aggression" in other parts of the world beyond Viet Nam. Anyone who has studied Soviet tactics knows that Moscow always accuses its adversary of doing what the Kremlin itself is plotting to do.

Since last May 1, violence and trouble clearly instigated by Communists have erupted almost on signal in widely scattered parts of the world—in the Sea of Japan, along the 38th parallel in Korea, in Hongkong, and the Middle East. The open threat of intervention by the Soviet Union to support Nasser's reckless gamble in the Gulf of Aqaba gravely threatens world peace and gives little evidence of any Russian desire for "building bridges" to the Free World.

In my judgment the Soviet bloc has embarked on a bold and concerted effort to divert the attention of the United States and Western Europe from the grim struggle in Southeast Asia at a time when the NATO shield is softer than at any time since it was raised by former President Truman and Eisenhower.

Surely it is no time to woo the Communist world with trade concessions. Let the Soviet Union and Eastern European Communist governments first convince us that they truly seek peace in Viet Nam, the Middle East and elsewhere. Until then we should refuse to be party to any mercenary deals in which the main advantage is with our avowed enemies.

We will support mutually beneficial, *really* reciprocal political and economic agreements with Communist governments only when they prove beyond question, as they easily can, that their policies and actions are aimed at lasting peace, honorable settlement of the war in Viet Nam and the crisis in the Middle East, and abandonment of their support for so-called "wars of national liberation" against free and independent peoples.

Senator Dirksen. Have you heard of a single Russian, who was reported as a casualty in Viet Nam? You haven't and you won't. What you see reported are American and South Vietnamese casualties. On May 25th, the U.S. Command reported that total American casualties were in excess of 70,000. This included 10,253 dead. South Vietnamese troop deaths exceed 46,000.

Here is the dreadful, current tabulation of our losses:

U.S. deaths:	
Army	6, 235
Navy	307
Marines	3, 370
Air Force	341
Total	10, 253
Non-combatant	2, 058
U.S. wounded:	
Army	37, 327
Navy	1, 645
Marines	21, 283
Air Force	1, 170
Total	61, 425
South Vietnam deaths	46, 626

How were they killed? For the most part by Red Russian weapons and Red Chinese weapons in the hands of the Red Viet Cong. It's that simple. And there are more weapons to come.

Our airmen have shot down 71 Russian-built Migs. It is estimated that another 350 Migs are available for replacements. Our military reports that 2,450 Russian-built missiles have been fired at our planes. Tens of thousands of Russian-built and Chinese-built rifles and mortars have been found by our troops in the jungles, fields, and Viet Cong supply dumps. The weapons come from the Russians and their wretched Red allies. The victims of these weapons are young Americans and South Vietnamese. The instruments of death are Red-built. The dead, the amputees, the armless, the legless are Americans and South Vietnamese.

These are the people with whom we are asked to set up a partnership to "build bridges." These are the people to whom we are asked to turn the cheek of compassion and embark on a policy of East-West trade. Is trade so sweet and profits so desirable as to be purchased at the price we now pay in death and agony? The volume of trade which might be developed would be a pittance compared with our gross national product. And how durable would such a bridge be when the trade and traffic which flows over it carries the taint of blood?

Whenever the ghastly business in Viet Nam comes to an end and the Reds are prepared to become reliable partners in peace, there will be time enough to talk about "building bridges."

How strange that the Reds are so interested in the American buck that they are ready to venture into the bridge-building business even with Yankee imperialists! We doubt however that the American people are so interested in a few rubles that they are willing to "build bridges" with American credit, American loans, American machine tools when the death cries from Viet Nam ring daily in their ears.

CLEAN ELECTIONS

(Issued following a leadership meeting, Nov. 16, 1967)

Representative Ford. In the course of our Appraisal of the State of the Union last January, Senator Dirksen and I said: "Congress must also move ahead on the President's year-old pledge for a Clean Election Law. Such a law must be on the books before 1968."

Recently, the House Republican Policy Committee in a strong, clear statement also urged prompt consideration of clean elections legislation.

We cannot emphasize too strongly the need for passage of legislation of this kind. Immediate action is required of Congress if such reforms are to take effect and be operative during the 1968 campaigns.

It should be emphasized that this effort is genuinely bi-partisan. The several reforms spelled out have been advocated and supported by both the Johnson-Humphrey Administration and the Republican Leadership of the Congress.

It should be emphasized equally that public confidence in the electoral process will suffer seriously if this reform legislation is not enacted into public law.

The bill as originally proposed contained an encouraging number of desirable features. To these, the Republicans in Congress added major provisions of importance and practical value. It is for these reasons that, as the House Republican Policy Committee put it, ". . . we are surprised and dismayed that the Election Reform Bill does not now appear on the Administration's list of must legislation."

We hope—very much—that the Johnson-Humphrey Administration and the Democrat majorities in the Congress have lost neither their wish nor their will that clean elections shall become a standard "to which the wise and honest can repair."

Therefore, Mr. President, our Question of the Week: "Why the delay in assuring clean elections?"

Mr. Dirksen. Republicans in the Senate stand firmly beside those in the House of Representatives in their unqualified support of election reform.

Time, as never before, is of the essence if a measure of this kind is to be enacted into law and if its provisions are to be effective in the course of the campaign months just ahead.

Congress cannot ask of other Americans what it is not prepared itself to observe. Unless this Congress is prepared to take this necessary action in campaign reform, it cannot require of others that they toe-the-line in other regards. We must, in short, practice what we preach. We cannot, fairly, urge upon others the conduct of clean elections unless we make very certain that our own house is in order, unless we assure the American people that we are fully and willingly prepared to set rules of conduct for ourselves before we attempt to reform others.

As public office is a public trust, so anything that causes a loss of confidence in the seeking of public office and the conduct of it thereafter produces a steady erosion of faith in our free society.

Needless to say, morality cannot be legislated, ethics cannot be established by law. Political campaigning and political office holding can win public confidence and achieve the people's respect only as the individuals involved set a worthy example to all others.

Periodically, however, circumstances and the questionable practices of a few require review by the many. At such times, helpful legislation can often produce genuine improvement in the campaigning for office and the conduct of public affairs.

We are mystified by the passage of so many months since this bi-partisan legislation was first enthusiastically proposed.

Therefore, Mr. President, our Question of the Week: "Why the delay in assuring clean elections?"

THE COST OF LIVING

(Issued following a leadership meeting, Sept. 21, 1967)

Representative FORD. How strange—how very strange it is—that as the cost of food goes up and up, the prices the farmers receive go down and down—to a near-all-time low—6% lower, in fact, than just a year ago!

From among the nation's headlines over the past year-and-a-half:

1966

March 28—"How Big the Price Rise? Is Lid Off?" (U.S. News & World Report)

May 31—"Food Surveys Show Prices Up Nearly 7%" (Washington Star)

August 15—"Food Price Anger Housewives" (New York Times)

1967

May 15—"U.S. Predicts 2-3% Rise in Food Prices" (Wash. Star)

May 25—"Living Costs Keep Climbing" (Christian Science Monitor)

June 5—"Inflation on the March" (Newsweek)

July 23—"Still Higher Food Prices Likely, Freeman Says" (Washington Star)

August 8—"Higher Food Prices Ahead?" (Washington Daily News)

August 17—"Living Costs Climbing at 3 Per Cent Rate" (Wash. Post)

August 28—"Purchasing Power Lags in U.S. as Costs Rise" (Christian Science Monitor)

September 3—"Price Rises on Basic Goods Becoming Daily Diet" (New York Times)

September 11—"Where the Cost of Living is Heading" (U.S. News & World Report)

September 18—"Housing Shortage Grows in Suburbs, Raising Prices" (New York Times)

And so it goes—on and on and on—with no real effort being made by the Johnson-Humphrey Administration to stop this rising cost of living.

Sugar is up—household appliances are up—carpeting is up—automobiles are up—clothing is up—and there is no end in sight!

Is there an answer? There is, indeed! But that answer is not, at present, the massive tax increase proposed by this Administration. If, to be sure, the Johnson-Humphrey Administration is unwilling or unable to apply the powerful means it does have at hand—the elimination of non-essential Federal spending—then the American people may have forced upon them by this Administration a crushing tax increase. But the President has *not* made a convincing case for the tax increase he seeks. We shall continue our demand for the elimination of non-essential spending.

We have, however, done far more than just demanded—and this over a period of many months. The Republicans in Congress, with the aid of some enlightened, disenchanted Democrats have already achieved, in the House, a reduction of some 4 billions of dollars in non-essential appropriations. That record is crystal-clear. But more, much more, is required. It will not result, however, until this Administration, with its Democratic majorities in the Congress, responds to the American *people's* demand that this dreadful pressure of the ever-rising cost of living be removed.

As to where such spending cuts have been made and can be made, I point to the Summary of Action on Budget Estimates by the House of Representatives in this 90th Congress—4 billion dollars worth of largely Republican reductions in the Johnson-Humphrey budget.

Beyond this we insist that the Administration come clean on the *real* cost of the war in Viet Nam. Until this happens, the American people can have no faith whatever in this Administration nor in *their* future. They insist, therefore, upon an end to all *non-essential* spending. This done, they will respond, as always, to what is best and necessary for our nation's safety and well-being.

Therefore, our Question-of-the-Week: "Mr. President: The Cost of Living: How Much Higher—How Much Longer?"

Senator DIRKSEN. Just a year ago this month we were told by the Johnson-Humphrey Administration that what America needed was "a strong dose of self-discipline". To this we replied, as we do now, "Physician, heal thyself". We believed then, as we do now, that to ask self-discipline of labor, to ask self-discipline of management, to ask self-discipline of the farmer, to ask self-discipline of the Congress, to ask self-discipline of the housewife and the consumer was pious and pointless, as it is now—until the President asks self-discipline of his Administration and his own Democratic majorities in the Congress. We were not impressed then. We are not impressed now.

To describe the nation's present economic trend as nightmarish, as several have done, is an understatement. The impact of Federal, state and local taxes has rarely been so great. Interest rates and growing curbs on available credit have seldom been as high or as strong. The jobless rate among the unskilled and minority group workers is dangerously high. The Federal budget deficit anticipated is astronomical. The nation's balance of payments and our growing weakness in the world market-place are ominous. This Administration's fiscal and monetary policies require drastic overhauling. We Republicans in Congress will do everything in our power to bring it about.

As always, the people who are hurt the most by this sky-rocketing cost of living and economic mismanagement are those who can stand it least—the housewife, the wage-earner, the pensioner, the poor. To the extent that the Republican minority in Congress can do so, we shall put a stop to it.

We are fighting a war on two fronts—one in Viet Nam and one here at home. Both have become critical. The Johnson-Humphrey Administration has regularly lambasted those "tired people" who oppose the so-called "Great Society's" multi-billion dollar programs, insisting that we can fight and win the war in Viet Nam while at the same time we spend even more billions for "Great Society" programs and experiments. We cannot. And if to our voices others are needed to swell the chorus of protest, add that of the respected Democratic Chairman of the House Ways and Means Committee, Mr. Mills, who insists, with us, that we *cannot* have both guns and butter.

To those who believe that "Federal money" will solve all our problems, this reminder: there is no such thing as "Federal money". It is *your* money, no one else's. And if you don't believe that, take another look at your last income tax payment. It is the American people's money, siphoned from every home and hearth, that is being spent for the national security—which is right! It is more and more of this same money that is being spent for these "Great Society" experiments and adventures—too many of which are wrong!

A New Direction is called for, as it has been for many long months—toward common sense, prudent management, and a decent respect for the opinions and the dollars of the American people.

Dr. Johnson, Dr. Humphrey—a new examination, a new diagnosis of the nation's economic ills are called for. A strong prescription of economy and truth is needed—now.

Therefore, our Question-of-the-Week: "Mr. President: The Cost of Living: How Much Higher—How Much Longer?"

CREATIVE FEDERALISM

(Issued following a leadership meeting, Apr. 20, 1967)

Senator DIRKSEN. The term "creative Federalism" was expressed in 1962 by a Republican governor, Nelson Rockefeller of New York. It was appropriated by the Johnson-Humphrey Administration and voiced by the President in a speech at Ann Arbor, Michigan in 1964—the same speech in which he first publicly uttered the impressive words, "Great Society". The gap between the Democrat and Republican concepts of "creative Federalism" is as wide as that between the poles.

It was another Democrat president, Woodrow Wilson, who wrote, "The question of the relationship of the states to the Federal government is the cardinal question of our constitutional system". It is indeed!

Unless and until the people and the Congress are given more practical and persuasive evidence of performance-in-partnership with the states by the Federal government, they will continue to view the Johnson-Humphrey concept of "creative Federalism" as nothing but "words, words, words". In this, as in so much else that relates to the credibility of this Administration, we are all from Missouri.

The main feature of this so-called "creative Federalism" appears to be a determination to establish direct Federal-local programs, bypassing the states and their governors and dealing, under Washington-controlled terms, with local authorities. This is neither "creative" nor is it "Federalism". It is instead cre*ma*tive and is likely to consume us all.

Unless and until the Johnson-Humphrey Administration is prepared to prove the sincerity of its use of the word "partnership", we will be skeptical.

Unless and until the Johnson-Humphrey Administration proves its willingness to cut non-essential Federal spending drastically and so to ease both the Federal and state tax burden on our people, we will be doubtful.

Unless and until the Johnson-Humphrey Administration is prepared to insist that its bureaucrats not only faithfully carry out the wishes of the people's representatives in Congress but, in doing so, cooperate fully and freely with State and local officials, credibility will remain in short supply.

We ask, in short, that the Johnson-Humphrey Administration stop voicing classic cliches. Instead, it should reduce spending. It should share revenues equitably with state and local governments. It should rein in its bureaucrats more tightly. It should release rigid, unnecessary controls.

Instead of *promoting* the "more perfect Union", the Johnson-Humphrey Administration's brand of "creative Federalism" will *impair and imperil* the "more perfect Union".

Representative FORD. Federal financial assistance to state and local governments has more than doubled since 1960. It has risen from a total of nearly 7 billion dollars per year to nearly 15 billion dollars per year. The end of this "creative Federalism" is not in sight. The President himself has unabashedly predicted an expansion to $60 billion in 5 years.

The ruthless extension of Federal authority, financing and control grows with every day that passes. With it grows the increased and corrosive dependence of our people on Washington. With it comes a corresponding shrinkage in their self-reliance, their freedom and their funds. "Spend and spend, borrow and borrow, control and control" appears to be a true definition of the Johnson-Humphrey Administration's "creative Federalism". As Senator Dirksen has said, this phrase is nothing thus far but "words, words, words".

We would be in neglect of our duty as the loyal opposition, however, if we were not to admit that there are no rights without responsibilities. This is true for a state and a community as for an individual. The Republicans in Congress will continue to exert every possible effort, despite the Democrat majorities here, to reduce nonessential spending, promote a program of revenue sharing, tax credits, or functional bloc grants to free the energies of state and local governments, improve bureaucratic practices, eliminate unreasonable Federal controls and restore to our people in their homes, their towns and their cities the rights and the funds of which they are steadily being deprived.

Responsive and responsible state governments are essential to the working of a *truly* creative Federalism. From the 25 Republican governors now in office wonderfully encouraging evidence of this can be seen. No state, however, will deserve freedom from the Johnson-Humphrey Administration's cre*mat*ive Federalism unless it provides the same proof of performance.

We insist, in short, that "creative Federalism" be just that, where Washington is concerned. We expect, at the same time, that our people at home will re-assert their ability to take over in their own best interest. The Republicans in Congress will continue to set the pace.

CRIME IN AMERICA

(Released Aug. 29, 1967)

Representative Ford. The war at home—the war against crime—is being lost. The Administration appears to be in full retreat. The homes and the streets of America are no longer safe for our people. This is a frightful situation. Our people will no longer tolerate it. In the past six years the population of the United States has increased by 9% while crime has risen by 62%. The end is not in sight.

The Republicans in Congress *demand* that this Administration take the action required to protect our people in their homes, on the streets, at their jobs. To this end, we have proposed—and vigorously pushed—bills which will provide the Administration with whatever tools it needs to do the job. We will continue to press this Administration and its top-heavy majority in Congress relentlessly, day after day after day. There can be no further Administration excuse for indecision, delay or evasion.

When a Rap Brown and a Stokely Carmichael are allowed to run loose, to threaten law-abiding Americans with injury and death, it's time to slam the door on them and any like them—and slam it hard!

In the 89th Congress, Republican efforts produced:

Reasonable extension and improvement of the Law Enforcement Assistance Act, to assist local and state law enforcement officers;

New thinking regarding means to improve probation and parole service and defeat of Administration efforts to remove supervision of probation officers by Federal judges;

Creation of a Commission to fully revise and reform our Federal criminal laws.

In the 90th Congress, Republican efforts have resulted in:

The rewriting through imperative amendments of the Administration's crime control bill, to further strengthen the hand of state and local governments in crime prevention, detection and prosecution;

Passage by the House of an Anti-Riot Bill, for prosecution of those who use the facilities of intrastate commerce with intent to incite a riot;

Passage in the Senate of a bill to strengthen and clarify the review by Courts of Appeal of criminal sentences of Federal courts;

Introduction of a bill, the Criminal Activities Profits Act, to prohibit the use of illegal funds in legitimate business;

Introduction of a bill providing for electronic surveillance control, in order that the right of individual privacy might be fully protected while the national security is equally preserved;

Introduction of an Omnibus Criminal Procedures bill, to strengthen the hand of law enforcement officers and judges;

Introduction of a bill to establish in Congress a Joint Committee on Organized Crime.

These are only a few of the actions already taken by the Republicans in Congress for the protection of our people against organized crime, group violence, and individual crime.

In addition, there has been created a House Republican Task Force on Crime and a Republican Coordinating Committee Task Force on Crime. Each has been hard at work.

Finally, the 25 Republican governors across the nation have activated their "Action Plan", to inaugurate a new era of creative state leadership to meet the national crisis of social injustice and lawlessness.

No one has a right to shout "Fire!" in a theater. No one has a right to incite riot, looting, destruction and murder. There is no such thing as the right to act against the public safety by any one, anywhere, any time.

Our people are frightened by the rampant crime of all types that is overwhelming the nation. The Congress can, if it follows Republican leadership, provide the tools for fighting crime that the Administration *must* use. We demand that the Congress and the Administration act—now!

Senator Dirksen. Not a day passes without hundreds of reports of individual crimes against our people. Not a week passes without evidence of the vicious successes of organized crime from coast to coast. Never in our history have our people been so threatened. Never before has civil discipline been so lax. Never before has leadership been so lacking.

The law *must* be enforced. The law *must* be obeyed. The law *must* be respected. The great failure of our society is its inability to maintain law and order.

Respect for the law is the duty of the people. The enforcement of the law is the responsibility of the Administration. The means it requires for the purpose is the responsibility of the Congress.

We demand that this Congress, with its overwhelming Democratic majority, take immediately the steps we have proposed for Administration use.

We demand also that the Administration:

Apply without further delay the major recommendations of its own, hand-picked Crime Commission;

Cease to restrict our law enforcement officers in their proper use of the investigative tools they have at hand;

Furnish our law enforcement officers with the investigative tools they *still* require and which Republican-proposed legislation would provide;

Establish, as Republicans have long urged, a National Law Enforcement Institute, for research and training in prevention and prosecution of organized and individual crime and for the dissemination of the latest techniques in police science.

Finally, as presented in our Appraisal of the State of the Union in January of this year and earlier, we remind America's judges to uphold the rights of the law-abiding citizen with the same fervor as they uphold the rights of the accused.

By unanimous resolution, the recent Conference of Chief Justices, attended by jurists from 45 states, reasserted this principle and necessity. We applaud their action and commend it without reservation to every judge in the land. The protection of the good citizen is paramount and compelling. I submit that the strengthening of *a good society* is more important than the creation of a so-called "Great Society".

On an earlier day, in his war against an international criminal, a redoubtable Englishman besought the United States to "Give us the tools and we'll finish the job". In this hour, the Republicans in Congress are prepared to provide this Administration with whatever tools it now needs to grind organized and individual crime into the dust that our people might be safe.

We demand that it delay no longer.

We demand that it finish the job.

LAW AND ORDER IN AMERICA

(Issued following a leadership meeting, Aug. 3, 1967)

Senator Dirksen. No person has a right to act against the public safety, anywhere, any time. There is no excuse—ever—for riot, arson and murder. On this Americans are agreed.

Americans also agree that:

When near-anarchy exists in this nation—

When trouble-makers defy the law, incite rioting, burning, pillaging and murder—

There must be action. Its urgency is extreme.

Punishment of those who break the law must be swift and decisive—no matter who they may be.

The protection of life and property must be primary and total.

The re-enforcement of every arm of the law everywhere must be maximum. There can be no compromise with crime—and crime is exactly what this is.

Republicans in Congress and across America call for firm, certain action at all levels and in total strength.

Explanations for this war in America's streets are many. Some may be well-founded. Others are not. To find the right answers is our first duty.

The Administration has named a "blue ribbon" commission to work to this end. This is not enough—not nearly enough. Congress itself must act to determine promptly the causes and the cures of this frightful situation. The Congress—for the people—must provide the solutions. Our people *must* be made safe in their homes, at their jobs and on the streets.

Mr. Ford and I, with many of our colleagues, have filed a resolution calling for immediate creation of a Joint Committee of the Congress to investigate riots and violent civil disorder, with full powers necessary to this purpose.

Additional measures having similar objectives have been filed by others in Congress. The Government Operations Committee of the Senate may be named to take initial investigative action. Whatever is done must be done promptly, without partisanship. We are all in this boat together and the winds are raging.

We repeat, punishment must be swift for those who break the law—whoever they may be. There must be *no* reward for those who riot and destroy.

But—

There *must* be found workable solutions to this unrest and violence that will permanently assure eradication of these evils.

There *must* be achieved a restoration of that strength-in-unity that has made America great and will keep America free.

Representative Ford. The statements just made by Senator Dirksen have my complete and wholehearted support.

This war in our streets *must* be brought to the earliest possible end for the safety and benefit of every American citizen.

I am wholly confident that the Congress and, hopefully, the Administration, will promptly and accurately determine the root causes and enduring cures for this malignant social cancer.

The Republican Leadership of the Congress believes that there are immediate steps to be taken by all of us—now. In our January appraisal of the State of the Union we urged several of these:

A total re-vamping and re-direction of the

Poverty War—where waste has been astronomical and administration ineffective. We said then and we repeat:

"We want an Opportunity Crusade that will enlist private enterprise and the States as effective partners of the Federal Government in this fight. We would give the children of poverty the very highest priority they deserve. As Republicans have urged for two years, Head Start requires follow-through in the early grades."

Creation of a new Industry Youth Corps "to provide private productive employment and training on the job".

The passage of a Human Investment Act "to induce employers to expand job opportunities for the unskilled".

The enlargement of "opportunities of low-income Americans for private home ownership".

Support for a system of tax sharing to return to the States and local governments a fixed percentage of personal income taxes without Federal control.

The elimination of the poverty of realistic ideas among Poverty War officials.

We believe that in vastly expanded educational opportunities and productive job training the earliest and best of these solutions will be found. A closer application of Federal resources to local needs is clearly necessary.

In help—and self-help—for this generation of Americans, in help—and opportunity—for the next generation—we will find the answers we seek and *must* have.

LAW AND ORDER IN AMERICA

(Issued following a leadership meeting, Oct. 26, 1967)

BY THE REPUBLICAN LEADERSHIP. The demonstrations that have taken place in Washington and across the nation in recent months have given the American people increasing and even frightening concern for the future. We share that concern, since never before in our history has lack of confidence in America's leadership been so evident.

We believe, very strongly, that the hour has now passed when firmness must continue to yield to tolerance in dealing with these violent few. They are unwilling to demonstrate peacefully. They are unwilling to debate without violence. They are permitted, nevertheless, to disturb the public peace, to endanger their fellow-citizens in their lives and property, and to undermine the very well-being of the nation itself by giving aid and comfort to our enemies.

We are well aware, as all Americans must be, of the Constitutional rights of freedom of speech and *peaceable* assembly which are so great a part of our treasured heritage. We are equally aware, however, that there is no right to act against the public safety by anyone, anywhere, any time—for any reason.

This nation had its origin in dissent. We have always believed in unlimited criticism—in time of war and in time of peace. Free speech—without violence—must always be permitted and approved. But lawbreaking and violence can *never* be condoned. Our country has prospered and survived as a democracy, in great part through *peaceful*, even if at times heated, discussion among men of good-will. Its future will be equally dependent upon the maintenance of this great tradition.

It is our conviction that it is the malcontent, the misguided and, yes, the malicious, who form the greatest part of these demonstrations. Fortunately, they represent only a very small fraction of our population. That there may be many others who share their *views* on particular issues is very possible. But it is these, and these alone, who see fit to breach the public peace, break the nation's laws, defy established authority, and destroy public property.

These wretched few can no longer be tolerated. They must be held in check hereafter and, when necessary, be brought to justice, legally but firmly by the scruff of their collective necks. The safety and the peace of mind of all decent, hard-working, law-abiding millions of other Americans *must* be preserved.

The first duty of those in authority—in Washington and in every community throughout the land—is the preservation of public order and the firm enforcement of the law. The rights and the privileges of those countless millions of good Americans who obey the law and keep the peace *must* be given priority above all others, at all times. Tolerance of marchers and demonstrators is all very well—up to the point at which they defy the law and endanger the public safety. We call upon those in authority everywhere to enforce the law, with our full backing, in the *public* interest. We urge them to do so without undue concern hereafter as to the protests and whinings of these lawbreakers, who have no regard whatever for the good of the community and who in our view, seek only publicity and selfish personal privilege.

We repeat, there is no right to act against the public safety by anyone, anywhere, any time—for any reason.

It is the conviction of the Republican Leadership of the Congress—and, we believe, of all good Americans everywhere—that the law *must* be enforced and the safety of our people preserved. We pledge our utmost efforts to this end.

THE CRITICAL FARM PROBLEM

(Issued following a leadership meeting, Mar. 23, 1967)

Representative FORD. Among the current headlines: "Farmers Vote to Cut Buying"—"Farmers Dismayed by Declining Prices"—"An Angry Rumble From the Farmers"—"Farmers Reported Dumping Milk"—"Farmers Approve Machine Boycott"—"Shooting, Hoarding Mark Dairy Boycott". The American farmer is angry!

The Johnson-Humphrey Administration's inflationary fiscal policies have shot farm production costs sky-high. The American farmer now has his back to the barn wall as never before.

The Johnson-Humphrey Administration's market price manipulations have sharply decreased prices received by farmers. The parity ratio today stands at 74—the lowest since June of 1934—down from last year's 82 and threatening to slide still further from the parity level of 100. As you know the parity ratio is the relationship between prices the farmer receives and the costs he has to meet.

Because of its lack of real concern for the consumer's as well as the farmer's interest, the Johnson-Humphrey Administration has stirred a storm of discontent and resentment on the part of our farmers. Consumers have *not* benefitted accordingly.

Constructively, Republicans in the House and in the Senate have introduced more than fifty farm bills in this new Congress, bills designed first to check and then to remedy the damage done to both the farmer and the consumer by the Johnson-Humphrey cost-price squeeze.

With the farm price of hogs down over 30 per cent in less than a year, with the farm price of eggs down 24 per cent, with the farm price of wheat down 14 per cent, with the farm price of chickens down 11 per cent—and with practically none of these price drops benefitting the consumer—the American people may well ask—as indeed they do—what price the Johnson-Humphrey Administration?

Senator DIRKSEN. Once again, as was true a year ago, the American farmer becomes the victim of the Johnson-Humphrey Administration's double-edged sword: a new record-high in farm operating costs—a near-record low in farm prices—and, we repeat, with no real benefit received by the American consumer.

A major factor in the impact of this double-edged sword is the unwanted and unwarranted flow of agricultural imports into this country. Their depressing effect upon farm prices is severe. It threatens to become far worse. One example: in 1965 this country *imported* 900 million pounds of milk and dairy products; in 1966 this country imported 2.7 *billion* pounds of milk and dairy products; this year the figure threatens to reach *4 billion* pounds of milk and dairy products. More than half of this deluge of milk imports is coming from the Common Market countries of Europe.

57 bills have been introduced by Members of the House and 42 Senators have co-sponsored a bill demanding that such imports be limited. Action by the Johnson-Humphrey Administration in this and every other imperiled area of American agriculture is not only called for but *demanded*. If agricultural imports continue unchecked at their present rate and volume, our entire agricultural economy is threatened. Our farm surplus is almost gone because of government manipulations and foreign imports. A world food crisis is impending. Our obligations to provide food for the world's needy are increasing annually. It is sheerest folly to impair in any slightest way the efficiency of American agriculture and its incentive and ability to produce food.

As the number and variety of constructive Republican proposals for solution of our *several* farm programs indicate, there is today no excuse whatever to tolerate the unwillingness or the inability of the Johnson-Humphrey Administration to act—and to act now—in the people's interest. How justified our people *are* in asking—as indeed they do—what price the Johnson-Humphrey Administration?

FOREIGN TRADE

(Issued following a leadership meeting, Mar. 17, 1967)

Senator DIRKSEN. The Kennedy Round negotiations at last reach crisis point. Our negotiators in Geneva rightly confess alarm over the magnitude and complexity of the issues still unsolved after nearly three years of effort.

These prolonged negotiations—still fruitless even at this late date—evidence the urgent need for a comprehensive reassessment of America's foreign trade policy by the 90th Congress.

Republicans in Congress strongly favor truly reciprocal trade. But for years the United States has not benefited reciprocally from its trade agreements. For seven years straight our commercial balance of trade has declined. Its alarming state has been misrepresented to Congress and the nation.

A number of basic domestic industries have suffered grievously under unwisely "liberalized" customs and tariff practices and ineptly administered trade agreements legislation. Foreign-produced goods have prospered in our markets. But foreign markets have not reciprocally responded to our products of America's mines, farms, forests and industry.

We welcome the pledge of Chairman Long of the Senate Finance Committee to conduct an early review of the nation's foreign trade operations and particularly the administration of the trade agreements program. This pledge is in accord with our own earlier recommendations. Our appended statement outlines areas and problems which the national interest requires be included in the Committee's investigation and hearings.

Let the Administration understand clearly the import of these remarks: a simple extension of the present law just will not do. We must proceed—and in good time—to give adequate attention to this nation's basic economic needs, and amend the law accordingly.

Representative **Ford**. If this nation's foreign trade position is not to decline further, a first order of business must be the creation of a House Select Committee on Export Controls, a move that has continuously been blocked by the Johnson-Humphrey Administration. This Committee should maintain a continuing evaluation of all related developments, including trade in strategic goods.

We have long recommended urgent solution of our deteriorating balance of payments position—a solution constructive for the rest of the world as well as for ourselves. The problem *must* be solved. In this critical area the Johnson-Humphrey Administration has failed utterly. Like sensible export controls, our balance of payments directly affects jobs for the American people and the health of American industry. We therefore urgently advocate these studies. The studies to which I refer are outlined in our appended statement.

We urge also, in the light of present world conditions, an objective reappraisal of the size and character of America's world-wide military and economic commitments. This recommendation is neither new nor partisan. It is urged by military experts and leaders of both parties. Its urgency is underscored by the sharp disagreement over it among the leaders of the President's party.

The Administration and its Democrat majorities in Congress cannot avoid responsibility for their continuing failure to act decisively on these problems so vital to every American citizen and family.

FOREIGN TRADE—THE NEED FOR INVESTIGATION AND PUBLIC HEARINGS BY THE SENATE FINANCE COMMITTEE BY WAY OF LEGISLATIVE OVERSIGHT OF THE ADMINISTRATION OF U.S. CUSTOMS, TARIFF, AND TRADE AGREEMENTS LEGISLATION

On January 18, 1967, the Chairman of the Committee on Finance, United States Senate, the Honorable Russell B. Long, delivered an address before the Economic Club of New York in which he declared that "our trade policies need a thoroughly new look and some hard-headed American businessmen are needed to devote a great deal of independent thought and study to the overall program."

The Chairman also made a statement on the floor of the Senate on February 3 concerning our Nation's foreign trade policy in which he declared that the developments thus far in the Kennedy Round and dissatisfaction with the Antidumping Act and other customs and tariff matters "are dramatic evidence of the necessity for a thoroughgoing inquiry into our foreign economic policy during the 90th Congress." The Minority Leader of the Senate, in an address delivered in New York on December 3, also called attention to the need for Congress to "restore some semblance of fairness and balance to our foreign trade policy and procedures."

The principal Congressional attention to foreign economic policy in recent years has been centered on the delegation or extension of authority to the President to enter into trade agreements providing for a reduction in U. S. rates of duty.

A study of U.S. foreign trade data for recent years prompts the conclusion that the United States has not received actual reciprocity in trade benefits in trade agreement negotiations conducted under the auspices of the General Agreement on Tariffs and Trade. Worse, it seems clear that the Congress has been misled as to the actual status of our merchandise balance of trade.

Misleading reports of the executive branch concerning the U.S. balance of trade

According to reports released by the Department of Commerce on January 25, 1967, the Nation's balance of merchandise trade for the year 1966 showed an export surplus of $3.4 billion, based on the following figures:

	Million
Exports of domestic merchandise (excluding defense shipments)	$28,958.6
General imports of merchandise	25,550.3
Balance of merchandise trade	3,408.3

A substantial part of the exports, however, were noncommercial, being financed by the U.S. Government. For the first 9 months of 1966, exports financed by the U.S. Government totaled $2,214 million.[*] Estimating the fourth quarter of the year at the same rate as the first 3 quarters, the total of Government-financed exports for 1966 was approximately $2,952 million. This compares with $2,768 million Government-financed exports for the year 1965.

If these Government-financed exports are subtracted from the total exports reported by the Department of Commerce, the favorable trade balance, on a commercial basis, shrinks to $456 million.

The United States balance of trade on a commercial basis in 1966 was the lowest of the past seven years. This is shown by the following chart: [Not printed in Record.]

Even the $456 million commercial export surplus figure is misleading. The practice of other nations is to record the value of their imports on a c.i.f. rather than an f.o.b. origin basis. Thus, if we are to compare the commercial balance of merchandise trade of the United States with that of other nations, our import figures should be coverted to a c.i.f. basis.

On February 7, 1967, the Tariff Commission released data based on an analysis of import entry documents for the year 1965. As reported by the Commission, these data show that U.S. imports when reported on a c.i.f. basis would be equal to 110% of the value as reported by the Department of Commerce. If this adjustment is made to the data for the year 1966, the true commercial balance of trade of the United States for comparison with that of other nations would appear to be as follows:

	Million
U.S. merchandise exports as reported by the Department of Commerce	$28,958.6
Less U.S. Government-financed exports	2,952.0
Commercial exports, net	26,006.6
Imports, c.i.f. (110 percent of the value as reported by the Department of Commerce)	28,105.3
U.S. balance of commercial merchandise trade	−2,098.7

Thus, it would appear that the net result of the years of trade agreement negotiations conducted by the Executive Branch of the Government is a steady worsening of our commercial balance of trade and, for the year 1966, an actual deficit in the order of $2 billion.

It is difficult to avoid the conclusion that our trade agreement negotiations in the past have not been reciprocal. The results appear contrary to the representations which have repeatedly been made by the Executive Department to the Congress in connection with foreign trade legislation. It would seem to be a matter of serious concern that the type of sweeping across-the-board reductions in duty being pursued by the United States in the Kennedy Round could have an even worse effect on the trade position of the United States in future years.

Domestic industries have increasingly sought the intervention of the Congress in recent years against the disruptive effects of rapidly increasing imports, and they have called attention to the balance of payments consequences to the Nation of the trends of increasing imports and declining exports. The situation of these industries, including several of the Nation's basic industries, may indicate that in the administration of the customs, tariff, and trade agreements laws of the United States, there has been a lack of balance and a one-sidedness in judgment which has reduced the protective effects of our domestic customs, tariff, and trade agreements legislation for domestic industries while exaggerating or "liberalizing" the administration of these laws for the benefit of importers of foreign-produced goods.

A careful investigation of the administration of the laws in each of these vital areas, which in totality make up the legislative expression of our foreign economic policy, should be conducted and completed prior to any consideration of a renewal or enlargement of the President's authority to enter into trade agreements for the modification of U.S. duties or other customs provisions.

It would appear that the Committee on Finance may have an exceptional opportunity during the next several months to devote extended consideration to these topics. While corrective legislation in the area of customs, tariffs, and trade agreements normally originates in the House of Representatives, an extremely useful service would be rendered to the Senate and the House if the Committee on Finance could take advantage of the present opportunity to carry out its responsibility for legislative oversight of the customs, tariff, and trade agreement laws of the United States by hearing, investigating, and reporting on the administration of these laws and the necessity or desirability, if any, of administrative reform including appropriate changes in the basic legislation itself.

Such a report should prove to be of exceptional value to both Houses of Congress in connection with any attention which the Committees and the Congress are called upon to give an extension of the Trade Expansion Act or replacement of the program defined by that Act with some other program responsive to the present and anticipated situation in the foreign commerce of the United States.

Accordingly, it is recommended that the Committee on Finance schedule public hearings on, and authorize appropriate staff investigation of, the following topics:

1. The prenegotiations safeguards of the Trade Expansion Act (19 U.S.C. §§ 1814-1845): Repeal of congressional policy by administrative flat.

The Trade Expansion Act repealed the "peril point" provision of the trade agreements legislation under which the Tariff Commission as a prerequisite to trade agreement negotiations prior to the Kennedy Round investigated, determined, and reported to the President the extent to which the rates of duty on articles to be considered in the negotiations could be reduced without causing or threatening serious injury to domestic industries.

To allay the concern of domestic industries and members of the Congress concerned with their welfare, there was set forth in the Trade Expansion Act an elaborate procedure for public hearings and Tariff Commission advice to the President concerning the probable economic effect of modifications in U.S. duties. The President was required to receive and consider such advice prior to entering into trade agreement negotiations.

Notwithstanding these provisions and the assurances which accompanied their enactment, the Administration participated in a meeting of the Ministers of the GATT member countries in May of 1963 and agreed to a resolution providing for linear (across-the-board) reductions in duty of 50% on all industrial products subject only to a *bare minimum of exceptions*, which exceptions were subject to confrontation and justification, and excusable only on the grounds of overriding national interests.

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[*] Merchandise exports financed by U.S. Government grants and capital outflows as reported by U.S. Dept. of Commerce, *Survey of Current Business*, December 1966, pp. 24, 25 (cf. line A 28, p. 25).

This commitment was made by the Executive Branch approximately one year prior to the date upon which the Tariff Commission's report of the probable economic effect of reductions in duty was submitted to the President. This commitment was renewed at the meeting of Ministers in May of 1964 at about the time the President received the Commission's report, but clearly well in advance of the date on which he or his delegates could have seriously studied and evaluated the Commission's advice.

U.S. negotiators have publicly stated that the U.S. "exceptions" list was indeed kept to a "bare minimum," and that the United States expected to reduce this "bare minimum" even further in the course of the negotiations. Evidently, therefore, the policy of careful evaluation and selectivity in the determination of articles to be placed in the negotiations, understood and intended by the Congress as a prerequisite to negotiations, has been ignored, or taken so lightly as to amount to a virtual dead letter in the Trade Expansion Act.

2. Tariff adjustment (19 U.S.C. §§ 1901, 1902, 1981, 1982): The total inoperativeness of the escape clause.

At the urging of the Executive Branch, the Congress repealed the escape clause provision of the trade agreements legislation under which Presidents Truman, Eisenhower, and Kennedy had made a few highly selective withdrawals of tariff concessions found by the Tariff Commission to have caused or threatened serious injury to domestic industries, and substituted in its stead the so-called "adjustment assistance" provision of the TEA.

Under the 1962 Act, such assistance might take the form of tariff adjustment, assistance to workers in the form of extended periods of unemployment compensation and retraining and relocation allowances, or tax incentives or loans to firms requiring such help in order to transfer their activities to other lines of endeavor. The criteria for relief in any case was the same, a finding by the Tariff Commission that due in *major* part to a tariff concession imports had increased and were a *major* factor in causing or threatening serious injury to a domestic industry, group of workers, or firm.

Thus far in nineteen cases, involving nine industries, five groups of workers, and five firms, the Tariff Commission has uniformly refused to make the necessary findings and Administration officials have acknowledged that the criteria of the Act impose too severe a standard.

3. Cancellation of past escape clause relief [19 U.S.C. § 1981(c)(1)(A)]: Has administrative policy made a sham of factfinding?

When the Trade Expansion Act became law, there were in effect a handful of cases in which tariff concessions had been wholly or partially withdrawn to correct the serious injury which domestic industries had suffered under rising imports. The Executive Branch has now canceled in whole or part all of these escape clause actions except two textile cases as a part of or prelude to the negotiations in the Kennedy Round.

The following industries are the victim of decisions which appear to have been based solely on negotiating policy rather than an objective consideration of the economic merits of the industry's case: clinical thermometers, stainless steel flatware, lead and zinc, flat glass, and jeweled watches.

4. The National Security Amendment (19 U.S.C. § 1862): The total inoperctiveness of the Finance Committee's particular remedy.

In the Trade Agreements Extension Act of 1955, the Committee on Finance fashioned a particular remedy to permit the regulation of imports affecting basic industries in a manner consistent with the national security. This amendment was carried forward in the subsequent Extension Act of 1958.

More than 20 cases have been brought before the Office of Emergency Planning (and its predecessor agencies), made the investigating agency by the statute. In only one, petroleum and petroleum products, acted upon during the Eisenhower Administration, has relief been granted. Though import competition has been found to be significant in the case of a number of industries suffering economic distress, the Office of Emergency Planning has in each instance "explained away" either the national security importance of these basic industries or of the imports as a contributing cause of the industry's distress. One case, textiles and textile manufactures, remains undecided after nearly six years.

In some instances the Director of the Office of Emergency Planning has cited the opinion of the State Department that import restrictions would affect the national security interests of the United States as seen in the international relations of the United States as a reason for denying relief.

Whereas the Finance Committee intended the national security provision as a remedy applicable to a number of basic industries, it has been converted through the policy imperatives of the Executive Branch into virtually a dead letter of the law.

5. Tariff Commission investigations and reports of the customs laws of the United States, tariff relations of the United States and other countries, cost of production and other facts pertaining to competition between domestic and foreign products in the principal markets of the United States (19 U.S.C. § 1332).

The Tariff Commission was established as a quasi-legislative body which would, through its investigations and reports, inform and assist the Congress in its consideration of tariff and trade legislation. To this end the Congress directed the Commission in Section 332 of the Tariff Act of 1930 to carry out on a continuing basis a variety of investigations and to make reports thereon to the Congress on a variety of topics.

These relate to the effect of customs laws on the industry and labor of the United States, practices of foreign countries through commercial treaties, preferential provisions, economic alliances, export bounties, and preferential transportation rates, and dumping which affect competition between U.S. and foreign industries; costs of production of U.S. and foreign-produced articles including the import costs of articles competitive with U.S. production, and other facts bearing on competition between articles of U.S. and foreign origins in U.S. markets.

There has been little attention by the Commission to these responsibilities in recent years. As a result, the Congress has been disabled in considering customs, tariff, and trade agreement legislation. Not in recent years have the Chairman or members of the Tariff Commission been interrogated by the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives. Information submitted in the name of the Commission to these Committees has frequently been in the form of unsigned memoranda which may not in fact represent the carefully considered judgment of the Commission's staff of industry specialists and of the Commissioners themselves.

In particular, the Commissions' continuing responsibilities to investigate and report on the topics specified in Section 332 as a means of keeping the cognizant Committees of the Congress fully informed of developments in customs, tariff, trade agreements, and foreign trade practices and competitive conditions between U.S. and foreign industries relating thereto have not been carried out. This makes it difficult for the Committees to become knowledgeable in these matters and to keep abreast of significant changes in the relationship of U.S. and foreign industries and the positions of the United States in world trade.

The Congress has been placed in the position of reacting to initiatives from the Executive Branch or foreign countries and industries rather than being forehanded with legislation which would enable the United States to deal effectively with developments in world trade. The acute disparity between the growth rate of U.S. imports and U.S. exports and the sharp decline in the balance of trade of the United States, especially in trade conducted on a commercial basis, is one consequence of this situation.

The rules for and manner of administration of customs valuation and of the basic remedies, such as antidumping and countervailing duties which are designed to prevent the circumvention or avoidance of the the amount of duties intended by the Congress as revenue and domestic protection measures, have fully as great an impact on total duties collected as the numerical level of the rate of duty itself. Problems of administration in the customs valuation, antidumping, and countervailing duties areas match the seriousness of the negative record of administration of the tariff adjustment provisions of the Trade Expansion Act in recent years.

1. The Antidumping Act (19 U.S.C. § 160 et seq.): The quality of its administration and appropriate amendments to make the act a more effective deterrent against unfair practices in the import trade.

Under the leadership of the then Senator Humphrey, a large number of the members of the Senate have in recent years requested substantial amendments in the substance and procedure of the Antidumping Act. In the 89th Congress, S. 2045, introduced by Mr. Hartke for himself and 31 other Senators, is representative of this effort.

2. The countervailing duties statute (19 U.S.C. § 1303): Its nonadministration and the need for legislative direction to restore the act as a check against the subsidization of exports by foreign countries.

The principal way in which foreign countries now pay or bestow, directly or indirectly, bounties or grants upon the production or export of articles imported into the United States is through the remission of the so-called value added or turnover taxes used by those governments as a principal means of raising tax revenues. By interpretation the Treasury Department is refraining from imposing countervailing duties in such instances contrary to the ruling of the United States Supreme Court in *Downs* v. *United States,* 187 U.S. 496, which held that a tax imposed upon the production of a commodity which is remitted upon the exportation of this commodity is, by whatever name the practice may be disguised, tantamount to a bounty upon exportation subject to countervailing duties.

3. Customs Valuation (19 U.S.C. §§ 1401a, 1402): Eleven Years' Experience Under the So-Called "Simplification" of Customs Valuation Rules; the Need to Reestablish Valuation Rules Designed to Check Undervaluation.

Eleven years ago the Congress enacted the Customs Simplification Act of 1956 on the urging of the Executive Branch. Two basic changes were made: the use of the higher of foreign [home market] or export value was eliminated as the primary valuation basis, export value becoming the principal valuation base; and the terms used in defining the various valuation bases were themselves defined.

The use prior to 1956 of the higher of foreign or export value as the primary valuation base accomplished three important results: it was an automatic check against undervaluation; it provided the Customs Service with a continuous body of foreign price information, thereby facilitating the administration of the Antidumping Act; and it prevented foreign exporters from achieving a measure of control over the actual amount of duties collected in the United States since the price they charged for exports to the U.S. became the basis of valuation for customs purposes only where such price was higher than the internal market price.

(In other words, prior to 1956 it was more difficult for foreign exporters to manipulate both the home market and export price in order to predetermine U.S. duty collections than the situation which obtained after 1956 in which the exporter's actual price on goods sold to the United States tended to become the principal basis for customs valuation.)

When the Customs Simplification Act of 1956 was considered in the Senate, the then Majority Leader, Senator Lyndon Johnson, in presenting and explaining the bill, stated that "Treasury representatives advised the committee that there would likely be more effective enforcement of the antidumping law" under the new Act because "foreign value information would continue to be required on customs invoices" so that there would be available "the information needed to initiate full-scale investigations whenever dumping was indicated." (*Congressional Record*, vol. 102, pt. 10, p. 13257.)

Unfortunately, following the enactment of the Customs Simplification Act of 1956, the administration of the Antidumping Act appears virtually to have collapsed inasmuch as there have been very few instances in which antidumping duties have been imposed notwithstanding many hundreds of complaints. In fact, there have been less than a dozen cases in which antidumping duties have actually been imposed out of several hundred complaints filed since 1956.

Equally disturbing in the opinion of domestic industries is the probability that customs personnel at the ports have, under pressure of the mounting workload of the sharply rising number of import transactions, settled into an administrative practice in which the price appearing on the commercial invoice covering the goods imported is accepted as evidence of the export value for customs valuation and duty purposes. This value is oftentimes significantly lower than home market prices which, under the definition of foreign value applicable prior to 1956, would as evidence of "foreign value" represent the basis for customs valuation for duty purposes.

Thus it is strongly feared that domestic industries are being injured not only by the nonadministration of the Antidumping Act, but also by the reduction in the amounts of duties collected as a result of the acceptance of deflated prices as a basis for customs valuation under the export value rule.

For the past eleven years domestic industries have suffered a reduction in duty as a result of the change in customs valuation rules (in addition to the reductions in duty flowing from the tariff cuts carried out under the trade agreements program), without any real protection from dumping which a differential in price between home market and export prices classically entails.

HOUSING

(Released Apr. 20, 1967)

By the Republican Leadership of the Congress. Less than an hour ago, as you know, Representative Widnall of New Jersey and Senator Percy of Illinois held a press conference to present their jointly sponsored housing bill, which will be filed in the House and Senate today.

This bill, wholly Republican in origin, is co-sponsored by 50 Republican Representatives and 30 Republican Senators. It offers an original and admirable approach to the solution of one of America's most pressing problems—that of fair, low-cost housing for both urban and rural areas through the application of private enterprise and government resources.

have the full and enthusiastic endorsement of the Republican Leadership of the Congress.

We urge the Democrat Leadership and its majorities in the House and Senate to join us in pressing for the earliest possible consideration and enactment of this vital housing program.

INFLATION

(Issued following a leadership meeting, July 13, 1967)

Representative Ford. The guessing game continues over higher Federal income taxes sought by the Johnson-Humphrey Administration. But meanwhile, there isn't the slightest doubt that we are going to have higher invisible taxes—the silent sales tax on everybody's paycheck and pension which economists call inflation.

Now we hear about an 8% instead of a 6% income tax surcharge. Under the steady escalation of consumer prices over the past year a family of four earning $10,000 already has paid an invisible tax three times the surcharge. Most housewives realize this—even if the bureaucrats do not!

The most recent official Price Index figures, those for the month of May, reveal the sharpest increase since last year. The Labor Department's own Bureau of Labor Statistics sees *no* likelihood of relief in the months to come. The chief of that Bureau predicts an additional two and one-half per cent price increase before long.

Does the Johnson-Humphrey Administration know what is happening to us? Does the Johnson-Humphrey Administration care? Does the Johnson-Humphrey Administration plan to take the steps necessary to protect the American people from these rapidly rising living costs, which will cancel out any wage increases, drain family budgets and shrink the pensions of the aging even further?

Mr. Ackley, the President's chief economic advisor, sees as solutions only a tax increase *or* what he calls "responsible use of private wage and price restraint." On the latter point, Mr. Ackley appears to be an Alice in an economic wonderland.

The Johnson-Humphrey Administration incredibly refuses even to test-fire the best weapon for fighting inflation it holds in its hands, common-sense cutting and prudent postponement of non-essential Federal spending. To this Administration, more domestic spending is the sure cure for everything, including its setbacks in last November's elections.

Higher inflation is here. Are higher income taxes just around the corner?

Therefore, our Question-of-the-Week: "Mr. President: More Inflation—More Debt—What Next?"

Senator Dirksen. To spend beyond income means to go into debt. To go into debt means to borrow. To borrow means to add to the money supply. To increase the money supply means to add to the cost of goods and services. There is but one real answer—to keep spending within income—to live within our national means.

Very closely related to ballooning inflation is the national debt, which has now risen, with the approval of this Democrat-controlled Congress, to 326 billions. To call it the national debt is accurate. Equally accurate and much clearer is its right name—the public debt—for this is without any question whatsoever a debt the American public owes and, one day, must pay.

Next time you walk into a bank, take from the display rack at the counter a copy of that bank's balance sheet and statement of condition. You will immediately find listed among its principal items, "U.S. Government Bonds". How did the banks acquire these U.S. Government Bonds? They did it with the money deposited with them by you and by me! Make no mistake about it—*you and I*, American citizens all, *owe* this incredible public debt!

The interest alone on this debt will soon be more than 14 billions. You and I—the owers of the public debt—will be paying over *a billion dollars per month* in interest on it for years and years to come. Can you picture our grandchildren facing this debt, which *they* too will have to pay?

Unless and until the Johnson-Humphrey Administration is brought up short by the American people, inflation will stop creeping and will begin galloping.

Therefore, our Question-of-the-Week: "Mr. President: More inflation—More Debt—What Next?"

POVERTY PROGRAM

Senator Dirksen. Contrary to the belief of some—particularly in the Johnson-Humphrey Administration—the endless spending of the American people's money is *not* the only answer to our many critical problems.

Only when common-sense—old-fashioned horse sense—is combined with prudent planning and calm, clear direction of Federal and State and local programs can we expect maximum results at minimum cost.

This has never been more painfully and expensively illustrated than in the waging of this alleged poverty war by the Administration's Office of Economic Opportunity, where politics takes priority over the poor.

Money alone—no matter how many tons of it—won't do the job. Only as this program is thoroughly overhauled legislatively and redirected from top to bottom can we look for satisfactory results from it.

Neither the Senate nor the House have thus far done much more than tinker with the poverty problem. Only as those recommendations to be made by Republicans on the House Floor next week are adopted can we hope for a return to sanity and efficiency in this multi-million dollar effort.

The Democratic leadership in Congress remains reluctant to help us take these necessary steps in all our people's interest—especially that of the poor, who will benefit most.

Nevertheless, we shall do *our* best to help win the poverty war—in the Nation's best interest. We hope—very much—that every like-minded American, in and out of Congress, will stand up and be counted with us. Let us hear from you—loud and clear.

November 3, 1967.

Congressman Ford. The Johnson-Humphrey Administration's poverty war was proclaimed with noble objectives—objectives which all good Americans have *always* shared. But it has been tragically weak, wasteful and ineffective in achieving those objectives.

Some of its programs—such as Head Start—have been worthwhile and deserve continuance. Too many others—such as the Job Corps—have, from the beginning, been woefully misdirected and very badly administered.

The Republicans in Congress are trying—as they have been for months—to correct the evils the so-called poverty war has spawned. We are working hard to prevent, in the months ahead, the reckless waste of millions of the taxpayers' dollars that has characterized this "war" from the start.

Next week, with new legislation to be offered on the Floor of the House, we Republicans will make yet another attempt to salvage the good in the poverty program and wholly eliminate the bad. Far better job training—more job opportunities—greatly improved educational programs—the full participation of private enterprise—greater state responsibility and direction. These are fundamental. These we will insist upon.

Present indications are that we will not have the support of the Democratic leadership in this constructive endeavor. They seem determined to maintain this program as it is—regardless of its weaknesses, regardless of its record of poor and top-heavy, national administration, regardless of its incredible waste of the American people's money and its failure to help the poor in any substantial way.

We Republicans, therefore, appeal to every American citizen to enlist in the fight to solve this problem by re-shaping and redirecting this massive endeavor. Wire, write or telephone your Representatives in Congress to take these firm, practical, prudent steps—now—to make of this poverty war something more than a terrible expensive exercise in marching up one hill and down another—endlessly—at the expense of and not for the benefit of the poor.

PUNTA DEL ESTE

(Released Apr. 6, 1967)

The Republican Leadership of the Congress. Next week the President of the United States will journey to Punta del Este, Uruguay, for a "summit" meeting of the Organization of American States. His announced objective will be to encourage and help stimulate further meaningful action by our Latin American neighbors toward economic and educational development and political stability.

We support programs of active cooperation with the peoples of Latin America. We recognize the need for cooperation now and in the future and also the need for United States assistance to be accompanied by self-help and self-initiative and effective community action by the recipients. We wish the President Godspeed and success in his mission.

We call your attention also to the statement on Latin America by the Republican National Coordinating Committee to be released Friday, April 7, 1967.

REVENUE SHARING

(Issued following a leadership meeting, Feb. 24, 1967)

Senator Dirksen. For more than three decades now, since the onset of the New Deal, our Federal system, upon which this nation was founded and because of which it has grown strong, has been steadily eroding, despite the strenuous efforts of the Eisenhower Administration to prevent it. This erosion, which had its origin in those days has now grown to the point where, with excessive concentration of power and control in National Government hands, the destruction of our Federal system could be imminent.

As the National Government has, increasingly, become the source of near-absolute authority, the principal collector and spender of the people's money, and a central point of control over much of our lives, the position and the strength of the individual states has been steadily undermined and enfeebled.

Because we fear this destruction of the Federal system and because we are so determined to prevent it, we urge again, as we did in our Appraisal of the State of the Union in January, that there be instituted and established by this 90th Congress some principle for the sharing of tax revenues or for tax credits between the National Government and the individual states. By such means, among others, we believe that the erosion of our Federal system can be arrested, that strangling National Government controls can be loosened and the rights and responsibilities of our people in our states and local communities can be restored.

The principal device through which National Government power and control over the states has become established has been through the torrent of Washington largesse and regulation known as "grants-in-aid". The chart shown here today illustrates in simple and fearful form the speed with which this Federal club over the states and local communities has grown in a shockingly short period of time. The hearings of the Senate Subcommittee on Intergovernmental Relations reveal that a projection of this chart would indicate a grants-in-aid total in excess of 50 billion dollars by 1975. Current examples of this are legion:

The Department of Health, Education and Welfare alone has published a book containing some 527 pages. It is entitled "Grants-in-aid and Other Financial Assistance Programs Administered by the U.S. Department of Health, Education and Welfare". This 527-page book merely lists and describes briefly the grants-in-aid programs administered by this *single* department of the Federal Government.

The Office of Economic Opportunity—the War on Poverty headquarters—has published a book entitled "Catalog of Federal Programs for Individual and Community Improvement." The book is 414 pages long!

Very recently the Office of Education prepared a *single* table for the use of Congressional offices. This table outlines the programs available from this bureau alone. There are *112* separate grant-in-aid categories in this table.

It might be noted also that the most recent edition of "The Encyclopedia of United States Government Benefits", a volume of 1,010 pages lists more than 8,000 Federal Government aid items.

Those in bureaucratic authority proudly refer to this as "Creative Federalism".

It ought to be called "Cre*ma*tive Federalism", likely to consume us all.

To these illustrations many others can and will be added by the Republicans in Congress as we urge the Democrat leadership and majority to schedule legislative hearings on this now vital subject of sharing of tax revenues between the Federal Government and the 50 states and local communities.

Let me emphasize—just as strongly as I can—that we do not believe such a policy and program to be ideal by any means. The truly ideal form of tax revenue sharing would consist of a reduction in Federal spending and in Federal taxes, tax reform, and a selective phasing-out of some Federal grants-in-aid. We face, however, a reality and not an ideal. We confront a fact and not a theory. We therefore urge—no, we demand—that this next best approach be made—and be made now—by this Congress and by the prompt action of the Democrat leadership and majority in scheduling public and thorough hearings on this important matter.

Representative Ford. Let me repeat and emphasize the vital point Senator Dirksen has just made—that we believe the truly ideal form of tax revenue sharing between the Federal Government and the states would consist of a reduction in Federal spending and in Federal taxes, tax reform, and a selective phasing-out of some Federal grants-in-aid. Only by this means can we truly hope to restore the Federal system to strength and balance. Only in this way can we restore to our people in the states and their local communities the rights of decision, historically theirs, to solve far more effectively than can be done from Washington the problems they know best.

Let me emphasize also that we do not now endorse any particular plan for tax revenue sharing that has been offered to date. In the 89th Congress 53 bills on this subject were filed, from both sides of the aisle. In the 90th Congress, again more than 50 bills have been filed thus far from both sides of the aisle. Governors, mayors, county supervisors and other public leaders have made specific recommendations. Economists and leaders from the academic community have done likewise. By thorough and extended public hearings and through the established legislative process we can achieve the best possible tax revenue sharing plan. We now demand, therefore, that the Democrat leadership and majority move promptly to schedule such hearings.

We are aware of the several important factors which must be taken into account in the preparation of a sound tax revenue sharing plan. We realize that allocation of tax revenues to the states might be done on any one of several bases, that those states with smaller population and modest state revenues must be individually provided for, that the authority of the governors of our states must be respected, that the revenue-raising responsibilities of the states must be re-enforced, that tax credit proposals must be carefully weighed, that the needs of our urban centers and the seasoned opinions of their mayors must be taken into full account. These are but a few of the necessary considerations that must be given this proposal. No one of them can be treated lightly nor can any thoughtful opinion be left unheeded.

The most recent Gallup poll reveals that 70 per cent of our people endorse the finding of a sound tax revenue sharing plan. The voice of the people is being heard—loud and clear. Our people resent fiscal plenty at the Federal level and fiscal poverty in their communities. They resent the labelling of Federal tax money as "free money", for they know every penny and dollar comes from their own pockets. They resent and will no longer accept remote, arbitrary dictation from Washington. Local officials know best how to solve the problems with which they live each day.

THE STATE OF THE CONGRESS

(Issued following a leadership meeting, Dec. 7, 1967)

Senator Dirksen. In our Appraisal of the State of the Union last January, Mr. Ford and I, speaking on behalf of the Republicans in Congress, assessed the situation in which we as a people then found ourselves, both at home and abroad. We refused, in concluding that assessment, to be dismayed or to despair. This, despite great provocation by this Administration since, we refuse to do now.

The sole objective of the Republicans in Congress in these past months, as over the years, has been the very best interests of all of the American people, at all times and on every issue. To help achieve those best interests we have had historic demands made upon us as the party of loyal opposition—historic because we have been faced with certain problems unparalleled in the nation's annals, demands because they have compelled us from time to time to make harsh and unpleasant judgments and decisions in order that those best interests might be fully served and fully protected.

Most importantly, we have given unhesitating support to every requirement and need of our fighting forces in Southeast Asia and our armed services elsewhere in the world. This we will continue to do, however heavy the burden. Americans prepared to give their lives in conflict must be given by us every single item of weaponry and other support they may at any moment need—and they will be.

The conduct of the conflict in Viet Nam is, as under our Constitution it must be, the full responsibility of the President in his capacity as Commander-in-Chief. Only he has the authority, only he has the duty, only he has the full information available for the execution of that responsibility. The decisions made and to be made can and must be made by him and him alone.

In order, however, that his hand may be guided and strengthened in this, it is imperative that the most thoughtful discussion possible continue in the Congress and among our people to this end. Let it be emphasized anew, nevertheless, that as we search together for a solution to Viet Nam we demonstrate our unity of purpose by conducting such discussion in a fully free but a wholly orderly manner. Dissent is one thing; disagreement by violence is quite another. Dissent we encourage and approve.

Violence, in any form and for whatever purpose, we condemn, now and hereafter.

We urge again that this Administration—to a degree and with a vigor not yet evident—look beyond Viet Nam and consider where we shall stand and with whom we shall sit when this conflict ceases. The Congress and the people have seen all too little evidence of genuine effort to explore and exploit the diplomatic opportunities available to us in this regard. Channels of diplomacy, economic and otherwise, still remain open for our use.

The Republicans in Congress have not been concerned alone with the war in Viet Nam. Other aspects of our foreign policy have been given equally sharp scrutiny. We have not hesitated to recommend or to implore an immediate re-shaping of it, whenever and wherever we have believed it necessary in the nation's interest.

In the Middle East—a tinderbox of appalling nature—Republicans have hoped for months for the adoption by the Administration of the atomic desalinization plan placed before it some time ago by Americans of unquestioned ability and patriotic purpose. We are now informed by the Department of State that this extraordinary project—which might well change the entire atmosphere in the eastern Mediterranean—is "not politically feasible". This we cannot believe. The proposal represents a thoughtful, practical instrument for peace without parallel in recent years. It might well provide the means of achieving political and economic stability in the Middle East. As Americans, we urge the retrieval and adoption of that proposal and its implementation at the earliest possible time.

In the American people's interest, we have continued to hold the line against a unilateral "building of bridges" with the Communist nations of the world. It is neither sensible nor safe to strengthen in the slightest degree the hand of an enemy which is at this moment striking down young Americans in Viet Nam—and in every corner of the globe conspiring activity for the destruction of free America. Where and when, in the Senate as in the House, we have taken this stand, we have done so for this reason and no other. If, in the months to come, we should be given good and convincing reason to expect otherwise of the Communists, we shall be pleased indeed to reassess our own thinking in this somber regard.

The state of the Congress today is one of vexation and deep-seated concern as we look about us here at home. We see an Administration wholly blind in its belief that the enormous costs of the war in Viet Nam can and will be borne by our people while at the same time the Administration seeks unrestrained license to promote and finance multi-billion dollar social programs. These have in too many instances proved valueless or dangerous or both. Yet we are asked to support more and more such projects stamped out in the same socialistic mint.

At this very moment the international air is filled with conversation and concern regarding the "defense of the dollar" now that the British pound has been devalued. The record is crystal-clear that the socialistic experiments and experience of Great Britain in recent years have been the primary reason for the near collapse of her economy. A continuation and multiplication of the so-called Great Society's experiments could bring identical results here. Socialism and a sound economy simply will not mix. Despite our nation's enormous resources *our* economy cannot long stand such abuse.

Let me make it quite clear, as we have done repeatedly, that ours is not and has not been opposition for its own sake. The legislative record in both the Senate and the House is studded with Republican proposals for meeting our urban and other domestic needs, proposals which have found their counterparts in the programs of Republican Governors from coast to coast. The Congressional Record and the nation's news media have documented these regularly. Mr. Ford and the House Republican Policy Committee have recently provided the press and the public with a detailed and comprehensive review of House Republican accomplishments thus far in this session of the Congress. I shall, within a few days, present an equally thorough report of the efforts and achievements of the Republicans in the Senate.

In summary, we Republicans in Congress have directed our efforts at home and abroad to making the most of our people's tax dollars in the achieving of maximum defense and sound economic progress. The mere spending of additional billions—which seems to be this Administration's only talent—will not, without sound economic planning, fully competent management and plain, old-fashioned horse sense, solve the fearful problems we face. Such a policy can achieve nothing but a total erosion of our people's confidence in their leadership and of their faith in our country's future.

In the months ahead, as in these months past, the Republicans in the Senate as in the House, will continue to hew to these policies and principles, convinced that the elections of 1966 gave us just this mandate, confident that the elections of 1968 will confirm it.

In the words of a latter-day Englishman, *not* of the socialistic breed: "Give us the tools and we'll finish the job".

Representative GERALD R. FORD. New direction—new ideas—new vigor. These the Republican Minority in the House have contributed in marked degree in this first session of the 90th Congress. Our chief interest and concern has been not only the best possible defense of the nation, the full support of our fighting forces in Southeast Asia and the cutting-back of reckless, wasteful nonessential Federal expenditure. Our equal interest and concern has been what lies ahead of us as a people—what course our government will take—or be forced to take—in the years immediately ahead.

Last January, in offering my domestic Appraisal of the State of the Union, I listed, on behalf of the Republicans in the House, 40 specific recommendations for action. These were not merely alternatives to proposals made by others. They were, in greater part, specific program proposals. Thirty of these were purely domestic in nature; 10 related to our national defense. As of this date, in the House, we have made visible and heartening progress with 24 of these. This has resulted in great part from 96% Republican solidarity on roll call votes in support of House Policy Committee positions. As a Minority, we consider this a good record and we intend to improve upon it in the months ahead.

The heart and core of our united Republican effort has been the sharp cutting-back of Federal expenditures for non-essential purposes. Our position in this has not changed. And we are not convinced by belated promises of this Administration to take action in this direction. Our original and continuing position was and is that Federal expenditures should be reduced not less than 5 billion dollars in this fiscal year. We know that it *can* be done, if the Administration truly wishes it.

In the course of these debt-propelled Sixties, Federal spending has run wild. This Administration has shown no concern whatever as to the crushing burden its socialistic policies and programs have placed upon our people. And for this Administration to use the war in Viet Nam as an excuse is unfair and unworthy. While defense spending has risen by 68% since 1960, non-defense spending has increased 97%—from 48.6 billion in fiscal 1960 to an estimated 95.6 billion for fiscal 1968.

Let it be recorded here and now—as on many occasions past—that we Republicans are more than willing, indeed anxious, to provide for Americans in need at home to the full extent that the nation's resources and economy make it prudently possible. To us, the word "prudently" means simply: with a decent, common sense regard for what we and our children and their children can afford. The economic chaos which this Administration's policies and practices now threaten to produce will undermine and destroy America just as surely as will our enemies at home and abroad, if permitted to do so.

Consistent, in the American tradition, with our stand against government waste and extravagance has been our effort, encouragingly successful in this Congress, to transfer some measure of responsibility and control of the people's affairs from Washington to our states and communities. We are greatly heartened by our success, even though a Minority, in shifting a sizable number of the so-called Great Society's programs away from the Federal bureaucracies and their categorical grants to our state and local officials through the Republican system of block grants. These make it possible for those at home, who know the problems best, to solve them with greatest speed and effect. The Comprehensive Health Act, the Law Enforcement and Criminal Justice Assistance Act, the Juvenile Delinquency Prevention and Control Act, the Elementary and Secondary Education Act, the Air Quality Act and the Meat Inspection Act, in their final House versions, provide concrete examples of this new direction and approach.

Last Monday, the House Republican Policy Committee published a detailed and comprehensive documentation of these House Republican accomplishments. I commend that release to your attention and review, now and in the months to come.

In 1966, the American people strengthened the Republican Minority in the House with unmistakable emphasis. We interpreted those results as a mandate to put a check-rein on this willful, wasteful Administration, to review and, where desirable, to modify its runaway programs and projects and to initiate proposals of our own that would restore sense and balance to public service. We believe our record to date represents a faithful response to that mandate for new direction—new ideas—new vigor. If, as I am confident we will, we continue to produce the Republican solidarity and good sense on major legislative items that we have thus far, we shall have done the American people a signal service and they will know it. Knowing it, they will, we feel certain, add to our Republican strength by their action at the polls next year.

In summary, our objectives and our accomplishments thus far in this Congress have been these:

(1) Full support of our armed services in Southeast Asia and elsewhere throughout the world;

(2) Insistence that this Administration, to the extent that it may still be able to do so, succeed in Viet Nam or be prepared to yield to a Republican Administration whose new direction, new ideas and new vigor might well offer our people and the world a more probable prospect of peace;

(3) Insistence upon the immediate establishment of a bi-partisan, blue ribbon commission of America's best experts to reexamine our short and long range defense posture in this time of national peril;

(4) To bring about a substantial reduction in non-essential Federal spending and to insist upon even greater reduction—an objective in which we have the full and encouraging support of the distinguished Democratic Chairman of the House Ways and Means Committee;

(5) To demand that this Administration's abuse of the American farmer cease and cease now—and that its inflation-blind indifference

to the American consumer come to an abrupt halt;

(6) To resist, until such satisfactory further reductions have been written into law, the Administration's proposed tax increase;

(7) To demand of this Administration whole-hearted backing of the initiative already taken by Republicans in Congress to make our streets and homes safe for our people;

(8) The continuing transfer of governmental authority, responsibility and control from Washington to the states and individual communities by the system of block grants already successfully initiated in a number of legislative areas;

(9) More and more to establish active, practical, effective cooperation between government and the private sector, as in the Republican-initiated Manpower Development and Training Act of 1962 and the Republican-proposed Human Investment Act of 1967;

(10) To continue to urge the reorganization and reform of the Congress, in order that it might better and more swiftly serve the needs of the American people and beyond this to assure by next year clean and orderly elections for all Federal offices.

The record of this Democratic-controlled Congress to date is far from impressive. Where it has succeeded in meeting our people's basic needs, it has done so in greatest part through Minority solidarity and singleness of purpose.

Our people deserve an effective, productive Congress. Republicans are determined they shall have it. We are fully prepared to do everything in our power to meet our people's fundamental needs—in defense and in human well-being. In so doing, we are resolved to maintain that national economic good health required to *guarantee* the continuance of such services to ourselves and our posterity.

SYSTEMS MANAGEMENT

(Released Feb. 28, 1967)

THE REPUBLICAN LEADERSHIP OF THE CONGRESS. 40 Republican members of the House of Representatives and 16 Republican members of the Senate have introduced legislation for the establishment of a National Commission on Pubic Management. We urge the Democrat leadership and majority to schedule hearings *promptly* on this significant measure.

This Commission would bring to bear on the management of public business the very best minds in private industry, Government, labor, and education. Its mandate is to answer two fundamental questions: How can new management technology aid us in solving governmental problems? What is the best way to take advantage of the opportunities these new techniques provide?

Examples of attempts to apply these modern management principles to State and local affairs already exist. In November 1964, the State of California announced its plan for the application of systems engineering techniques to four important public problems. New York State is currently developing a computer-based identification and intelligence system for law enforcement, the first of its kind in the world.

Congress has over the past decade enacted a host of creative programs designed to solve our public, social and economic problems. We have made important strides forward in education, health care, pollution control and urban development, but the dimensions of our remaining problems are staggering: 10,000 of our Nation's communities will face serious problems of air pollution; the demand for water consumption may exceed the available supply before the end of this century; there are 9 million substandard housing units in the United States, most of them in urban areas; traffic jams cost the Nation over $5 billion each year; and scientific and technical information is doubling every 15 years.

It is clear that problems of this magnitude are not susceptible to the traditional solutions. We must reach beyond our history for new ways to manage the public business effectively and economically.

We are sure that none of us can forecast the full measure of worth to this nation which such an endeavor may ultimately provide. We are equally certain that the use of modern technology coupled with the application of modern management techniques may provide solutions to many of the problems which now appear insoluble. It is up to us in the Congress to insure that these steps are taken in a timely fashion, hence our urging of *prompt* hearings on this measure.

ORDER FOR ADJOURNMENT UNTIL 9 A.M., TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, when the Senate completes its business tonight, it stand in adjournment until 9 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY AMENDMENTS OF 1967—CONFERENCE REPORT

Mr. LONG of Louisiana. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The assistant legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MANSFIELD. Mr. President, will the Senator yield without losing his right to the floor?

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that I may yield to the majority leader without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that certain advisers to the committee from the Legislative Reference Service of the Library of Congress, Mr. Fred Arner, Mr. William Fullerton, and Mr. Frank Crowley, be permitted to be present on the Senate floor during the consideration of the conference report.

The PRESIDING OFFICER. (Mr. TYDINGS in the chair). Without objection, it is so ordered.

Mr. LONG of Louisiana. Mr. President, this is the conference report of the Social Security Amendments of 1967. It provides for a minimum increase in the level of social security payments of 13 percent, and an increase in the minimum social security benefits to $55 from today's level of $44, which represents a 25-percent increase.

These increases will put $3.6 billion of new purchasing power into the hands of almost 24 million elderly retired citizens, widows, orphans, and disabled persons in the first full year of operation. They represent the single largest dollar increase in social security benefits Congress has ever enacted. Under the conference report, these new benefits will become payable for the month of February 1968—1 month sooner than the Senate bill would have provided—and will be reflected in checks that social security recipients receive early in March of next year.

The 13 percent we are acting on today more than offsets the rise in the cost of living that has occurred since social security benefits were last increased in July 1965. In general, the cost of living has gone up 8 percent since then. This bill, when considered with the cash increases enacted in 1965, provides retired persons, widows, orphans, and disabled persons with social security increases of 21 percent. For those age 65 and over, after taking medicare benefits into account, social security has been increased by more than 33 percent since July 1965, when the provisions of this bill are included. And as I have pointed out, the cost of living has increased only 8 percent in this same period.

Mr. President, I believe we are justified in making this large increase on the theory that social security payments have never been entirely adequate, and we should be trying to raise them to the point where we lift people out of poverty by means of a good, solid social security program—such as we seek to enact with this bill. While the bill does not do everything we would like to do, it is a move in the right direction.

The conference agreement is a good bill. There are still a lot of improvements we can make in the social security and welfare programs, but we have taken a major step forward with these 1967 amendments. Truly this is a landmark bill.

Before describing more of the important features of the conference agreement, let me tell the Senate something about the mood of the House conferees. This was one of the toughest conferences between the Senate and the House in which I have ever participated. I notice that the Senator from New Mexico [Mr. ANDERSON], who has gone through some of these conferences in years past, is present, and I am sure he understands what I mean.

Keep in mind, Mr. President, the House conferees came into the meeting with a 414-to-3 vote behind their bill which they interpreted as a mandate of the House that social security taxes should not be increased any higher than they provided in their bill.

And may I add, Mr. President, not only did they come to us with a mandate of 414 to 3, but the House has just acted, by a vote of 388 to 3 on the conference bill, to back up that mandate. So it is not difficult to understand why, without higher social security taxes, it was impossible for us in the Senate to convince the House conferees of the desirability of a number of the Senate amendments, which they contended, and quite correctly, would cause an actuarial imbalance in the trust funds, and add a measure of fiscal irresponsibility to the program, unless additional revenue was provided.

We would have preferred a greater benefit increase than the 13 percent we were able to get.

We would have preferred a minimum benefit of $70 rather than the $55 we finally settled on. We would have preferred to permit workers to obtain reduced social security benefits by retiring at age 60.

We would have preferred more flexibility in the earnings exemption as voted by the Senate, which broadens the amount of outside income a worker may receive without jeopardizing his social security benefits.

We would have preferred to do something for the non-AFDC children who have to go into foster homes. We would have preferred to do more for the disabled widows than we were able to do. We would have preferred to continue social security for mothers who care for children attending high school beyond age 18.

There are a number of other Senate amendments we would have preferred to see enacted into law. But the House conferees were unwilling to agree to any amendments requiring further increases in the social security tax in addition to those which we were able to prevail upon them to accept.

They were also unwilling to agree to Senate amendments which increased the Federal commitment for the social security programs financed out of the General Treasury.

They let us know as soon as we met with them that our bill was actuarially unsound. That is understandable, since we added $1½ billion of extra benefits to the committee bill after it reached the floor of the Senate without providing a single dollar of new tax to pay for them.

I want to make it clear to the Senators that the matter of tax rates was not before the conference. The tax rates in the Senate bill were identical to the rates in the House bill except for an increase to 5.9 percent from 5.8 percent in 1987—20 years from now. Since the rates were not in conference and the House conferees were adamant in their refusal to finance all these new Senate-sponsored benefits through an increase in the wage base, the Senate conferees had their backs against the wall from the beginning in this area. Mr. MILLS, the distinguished chairman of the House Committee on Ways and Means, and the chairman of the conference, pointed out to us that Congress had just increased the annual wage base from $4,800 to $6,600 effective in 1966 and that the House bill had added another $1,000 to bring the wage base to $7,600 in 1968. He was convinced that if we went above the $7,800 figure, the House would reject the conference bill. The conference figure means that the wage base will have increased by 63 percent since 1966—a very large increase. I might add, as a historical note, that the wage base did not increase above $3,000 for 13 years. The Senate wage base increase to $10,800 would have constituted a $6,000 increase or 2¼ times as high as it was just 2 years ago. And the House conferees just would not do it.

The House bill was actuarially sound; the Senate Finance Committee bill was actuarially sound; but the bill that passed the Senate was an unsound bill. It was badly out of balance. It did not provide the taxes necessary to pay for the benefits the Senate added to the bill. We were faced at the outset with the prospect of having to yield on $1½ to $2 billion of benefits before we could argue that our bill was actuarially sound.

The House conferees were arguing from strength. They argued with a single voice. They were united to a man; and the theme of their opposition was that if it costs money, they cannot accept it, on the theory that the money is not there with which to pay for it.

Although costs were of paramount importance to the House conferees, they never missed an opportunity to show us what they thought were defects in our Senate amendments whenever they could.

They pointed out a weakness in the amendment offered by the Senator from Wisconsin [Mr. NELSON] to let mothers have a social security benefit while her child over age 18 is still in high school. We put that amendment in to discourage children age 18 to 21 from dropping out of school to help care for mama since she loses her mother's benefit when they become age 18.

The House conferees said that with our amendment in the law, young children would drop out of school at age 15, and their mother could still get the check; then, they would come back into school at age 18 with the result that mama would be kept on the rolls for possibly 3 years longer than she would have been otherwise. No doubt with a little bit of hard work, we can find a way to provide relief in these cases without opening the law up to the abuse the House feared. We will work at it.

They showed us the defects in the Kennedy amendments relating to welfare benefits for mothers who refuse to undergo training or accept employment for which they are suitable. The Senator from New York [Mr. KENNEDY] wanted to prevent vendor and protective payments for her children from being used in such a case. He wanted the mother who refused to accept work or undergo training to continue to get the welfare check on their behalf and use it for her own selfish purposes rather than for the benefit of the children. His amendment did that, but it created the anomalous situation under which the mother's welfare benefit would have to be paid to someone else.

We could not have fixed that up in conference, even if the House conferees had been willing to accept it; and I might say that they were determined not to accept it. The House conferees felt, just as the Senate Committee on Finance felt, that the example of a good responsible working member of a welfare family was far more beneficial to the children in that family than would be the example set by a mother who could refuse with impunity to accept a good job when it was offered to her because she would rather live on a public dole. It is that sort of attitude which has led to three generations of the same family living on welfare. It is that sort of attitude which prompted the House and the Committee on Finance to seek ways to bring dignity and a better life to welfare families. Under the conference bill the money must go for the use of the children.

The House conferees pointed out to us that under the Hartke amendment relating to the blind, a person who was near-blind could qualify for disability benefits and continue to receive those benefits, even though he was actually employed at a very good job and able to earn all the income he needed to satisfy his wants. The House conferees were unwilling to agree that a man whose income demonstrated that his earning capacity had not been impaired by the condition of his eyes should be treated as if he were a disabled person for this purpose.

The House conferees pointed out that the amendment offered by Senator BYRD, of West Virginia, relating to early retirement, would place Congress under more pressure than it has ever been to do away with the earnings limitation, or to give them a full benefit at this age. They felt that people at this age were not ready for full retirement and that reduced social security benefits they would get would be so small that they would have to seek part-time employment to supplement them. The part-time employment would lead them to seek changes in the future to let them earn more and more and more without jeopardizing their social security benefit.

Again, we could not have dealt with this House objection even if we had been able to convince them that the Byrd amendment should be approved. It is a sort of thing that perhaps we can work out in the future. But at this time, it was not before the conferees. It could not be done.

I regret very sincerely that I was not able to persuade the House members to agree to the Byrd amendment. We had been in conference before with that very amendment. I tried diligently to persuade the House conferees to agree to it. I believe that the Senate conferees would testify that we made every effort we could to get the House conferees to accept the amendment. However, we were not able to persuade them to take the amendment.

On the earnings test itself, we met a solid wall of concerted opposition not only from the House conferees but from the administration, as well. They said that of all people, those who were able to work and earn an income for themselves were the least worthy candidates for increased social security benefits. The Bayh amendment would have provided

$1 billion of benefits to people who are still working.

Generally, it is presumed that Senate conferees would look after their own amendments with a little more interest than they would other Senators' amendments. But in this conference the Senate conferees lost several of their own pet amendments. It is no secret that I had an amendment to which I attached the greatest importance and for which I fought here on the floor of the Senate. However, the House conferees would not agree to accept my drug formulary amendment. We had to settle for the best we could get.

The Senator from New Mexico [Mr. ANDERSON], another conferee, lost his medicare planning amendment to which he attached great importance. This was something to which he had devoted a great deal of effort and attention in this year and prior years. The Senator from Georgia [Mr. TALMADGE] lost his $7.50 mandatory pass-along. And the Senator from Florida [Mr. SMATHERS] lost his medical expenses deduction. The Senator from Delaware [Mr. WILLIAMS] saw his savings bond amendment rejected by the House conferees. The Senator from Kansas [Mr. CARLSON] and the Senator from Nebraska [Mr. CURTIS] also sponsored amendments which did not come back from conference.

The House conferees were tough, but the bill we agreed on makes major improvements in the entire Social Security Act. Let me describe some of these improvements.

First of all, the Senate conferees have brought back the biggest social security increase Congress has ever acted on. It will pay out $3.6 billion in additional social security benefits during the first full year to almost 24 million people.

I pause to reflect that when Congress passed the original social security bill in 1935, the Committee on Finance estimated at that time that the program would build up to the point that it would be paying out $3.5 billion in the year 1970.

But the pending bill provides for an annual increase in benefits, when it is in full operation, of $3.6 billion. That is more than the whole program was estimated to cost by 1970 when Congress passed the first social security bill in 1935.

To be specific about the conference bill, a retired worker receiving $78.20 under present law will receive $88.40 monthly as a result of the conference agreement. The worker receiving the minimum $44 benefit today will get a 25-percent increase under the conference bill. His new benefit will be $55. The worker receiving today's maximum payment of $144 will have that increased to $160.50. In the future this amount can go as high as $218. To a husband and wife presently receiving the average social security payment of $145, this will mean that they will get a $20 a month increase which will raise their monthly check to $165.

These increases have been eagerly awaited by our elderly. They mean a new pair of shoes, a little more nourishment, a little more meat on the table, a little more protein in the diet, or perhaps better living accommodations and a little more comfort in the home. This is what this social security increase is all about, and this is what the conference agreement really achieves.

The conferees worked long and hard to make absolutely certain that the social security system is without question financed on an actuarially sound basis. No one can demonstrate that the social security benefits of anyone will be in jeopardy because of the condition of the trust funds as the result of the enactment of this bill.

In addition to providing a very substantial benefit increase for the one out of nine Americans who depend upon their social security check each month, the conference bill makes many other improvements in various titles of the Social Security Act.

We are making several improvements in the coverage provisions of the social security program. We are making many other changes designed to improve and simplify the social security program, including the medicare provisions.

Perhaps the most significant provisions in the bill, however, are those which will set us on a new road for dealing with the problems in the public assistance programs. Our work-incentive program administered by the Department of Labor, which the House agreed to, will, I believe, turn out to be the most far reaching and significant part of the bill which we are acting upon.

The bill will restore fiscal responsibility to the medicaid program. It will also provide many important improvements in the way care under that program is delivered and financed. The hundreds of thousands of older people who must spend their days in nursing homes will find their lot much improved as a result of the provisions in this bill.

We have made important improvements in the child welfare provisions of the law—increasing Federal responsibility in that area, with special emphasis on day care.

We are improving the child-health provisions of present law, putting more emphasis on the State role of this program and assuring that the poor will have family planning services available to them on a voluntary basis.

As I have said before, "This bill must rank with the greatest of the social security bills ever placed before the Senate."

I can make the same statement about the conference bill without reservation or equivocation.

There are indications that some Members of the Senate are displeased with the action of the conferees. Several have made statements to the Senate, even before they had the benefit of the full text of the conference agreement. Regardless of the timing of their action, the important thing to consider for the Senate is who will lose if the Senate fails to adopt the conference agreement.

First and most important will be the nearly 24 million retired people, widows, and children who have patiently waited for Congress to increase their social security benefits and give them needed additional purchasing power.

The Nation's old people were told by the President in October 1966, that a benefit increase should be enacted. How can the U.S. Senate tell them 15 months later that there will be no increase—just more promises—promises that may not be kept? These old people need the money just as soon as the Government can get the increased checks to them.

I want to make it very clear to every Senator that the Senate conferees were advised in no uncertain terms by the House conferees that should the Senate reject the conference agreement, the House Ways and Means Committee would not consider a social security bill any time soon. They would be unable to do it. There would be no social security bill, no benefit increase any earlier than 1969. Those who wish to nullify a full year's work on one of the largest social security and public welfare bills ever considered will have to answer to the 24 million people who will be hurt by their action. Furthermore, even if we did consider providing more benefits than are called for under the conference agreement, there is the question of who is going to pay for them.

Even under the proposal that we brought back from the conference, an employee earning at the wage base will be required to pay an additional $53.20 yearly during 1968 to finance the benefits that we have provided. Some of the Senate opponents of this bill apparently feel that 17 to 20 percent would be the only adequate level of increase, but they fail to indicate what the tax hike would have to be or how they would actually finance their generosity. The conference agreement strikes a reasonable balance between making adequate increases in benefits, which the Senate bill stressed, and the tax burden on workers, which the House bill emphasized.

If some of the more sweeping and less responsible proposals were adopted, and the taxes were imposed to pay for them, it could cause considerable resentment among our younger workers, who must pay the tax to finance these benefits. We owe them as much consideration as we do our elderly.

As a matter of fact, I saw the results of a poll from my State which indicated that the majority of people, when asked the question, "Would you favor a big increase in social security taxes if it could be accompanied by a big increase in benefits?" said, "No," they do not favor it, because they are aware of the big social security tax now.

Mr. President, I believe that the vote of 388 to 3 in the House today and the previous vote of 414 to 3 indicate that the Members of the House, all of whom must run for office next year, are very much aware of this situation.

Let us be completely honest regarding the issue. The conferees of the Senate are asking to have the conference agreement adopted. Others are demanding that it be rejected. A vote against the conference bill will be a vote against the aged; a vote against the conference bill will be a vote against the sick; a vote against the conference bill will be a vote against widows and orphan children; a vote against the conference bill might be interpreted as a vote in favor of welfare cheaters.

It is my understanding that some conferees have received telegrams from the AFL–CIO recommending that the conference agreement be rejected. I must say, Mr. President, that this action by the AFL–CIO is rather unprecedented, and I must express my disappointment in that large association for the way it has acted about this matter.

I have received no such telegrams, and no representative of that fine organization has been to my office to tell me why nearly 24 million people—including the sick, the aged, and orphan children—should be denied the social security increases that this bill provides. Many spokesmen of that organization have been very good friends of this Senator, and I have been their good friend. We have worked together on matters of mutual interest. As a matter of fact, the AFL–CIO spokesmen typically used my office in the Capitol as their meeting hall, you might say, and as a place to leave their hats, coats, and briefcases while they were looking for Senators, to persuade to vote for labor bills. In my opinion, that organization has never been less responsible than it has been with respect to this bill by suggesting that it not be agreed to. If they are worried about a few unemployed hoboes being put to work, they need not fear because these persons are not dues-paying members of their organization and the jobs we would create for them are not jobs which would displace AFL–CIO members.

That organization, which ordinarily does a magnificent job of representing the best interest of the working man, has done him a disservice in this instance, and has done the House and Senate conferees an injustice. I might note that the attacks on this bill were made by this fine organization before the conference report was printed. It may be that now that it is printed and that they have had an opportunity to read it they can understand that there is a lot of good in the landmark bill we have brought back to the Senate. Perhaps they will take a different position. I hope they will.

However, I am impressed by the fact that those telegrams, inspired from Miami by the AFL–CIO, did not make much of an impression on the House, which proceeded to agree to this conference report by a vote of 388 to 3. If anyone thinks that the Members of the House of Representatives or any considerable segment of them are stooges for the labor organization, I believe it is a pretty good indication, when the House, by a margin of over 99 percent, seems to have clearly ignored those communications and to have ignored the telephone calls of various people, which were inspired by business agents and others in various States, telling them to call their Congressmen. The House brushed those communications aside and said, "No. This is a good bill for the poor, the sick, the unfortunate, and we are going to approve the conference report."

Mr. President, there have been some misunderstandings which I believe we would do well to clear up. There has been much talk about the provision in the bill to require a freeze of the AFDC caseloads. Those in the administration who opposed the House provision with respect to this welfare freeze do not now see the danger or the threat that they feared at one point.

Mr. President, this is so because we have several things in this bill which offset and prevent the dire results that some persons might have anticipated:

First. The conferees limited the application of the freeze to children under the age of 18, thus making this much less onerous on States which add children 18 to 21 going to school.

Second. The conferees deleted the retroactive feature of the original House freeze, and made it wholly prospective after June of 1968. This also makes it less onerous on the States.

Third. The freeze applies not to the entire AFDC population, but only to those whose parent is absent from the home. It seeks to take the incentive out of illegitimacy, or out of a father's running away from his obligations to his children.

It does not seek to limit any other AFDC coverage in the States.

Fourth. There are a number of other provisions in the bill which operate to relieve pressure on the AFDC limit:

First. Family planning services, including birth control devices are to be provided at the option of the recipient.

However, the welfare department must go out and tell the recipients that these services are available. Today they do not have to look for people to aid with these services. The services are there if somebody wishes to go out to try it.

This provision will help poor and ignorant people who have a child year after year. By the time the child reaches maturity, he would have cost society $5,000 if he were one of these illegitimate children. Some of these poor and ignorant people know nothing about birth control or family planning services. Under this measure, it would be the duty of the State welfare agency to go out and look for these people and explain what it is all about. We expect that this will help to reduce those births.

Second. The work incentive program over a period of time will get welfare recipients into good jobs and off the welfare rolls.

Third. Help States to find runaway fathers and get support payments from them, and help ease the welfare load.

Mr. President, the combination of these other provisions and the conference modification of the freeze itself, have prompted the Department of Health, Education, and Welfare to revise its estimate of the savings expected from the freeze downward from $18 million to zero. They do not look for any savings from the freeze. Why? Because the Senate conferees were able to get modifications in the bill which tend to make the freeze inapplicable and inoperative.

At any rate, the freeze will not hurt a single child. The children will be cared for. The only difference is that their cost must be borne by the States, if the freeze ever does apply.

Mr. President, it is a freeze on the proportion of total child population and not a freeze on the absolute number of children. As the total population goes up in a State the numerical limit under the AFDC freeze will also go up. In essence, the freeze is not a factor which will save Government money. This is a Department of Health, Education, and Welfare estimate by the very able people in the Department who oppose the House provision on the freeze. How much do they estimate the Government will save? The figure is zero.

Mr. President, this has been a matter of great pride. This is a matter in which people tend to let pride carry them away and an impasse is created.

Some might contend that little children, the sick, and the poor do not get the help and do not receive the increases to which they are entitled; that people are left in poverty that should be helped. That kind of impasse should not be permitted to exist.

My mind goes back to an unfortunate situation that developed several years ago when House conferees decided they were going to insist that all of the Senate conferees from the Committee on Appropriations would have to go to the House side of the Capitol building. The Senate conferees said that that was ridiculous. The members of the Senate Committee on Appropriations refused to yield. For a period of several months that impasse continued with the result that the business of the Nation had nearly come to a halt because people could not decide if the House conferees were going to walk to the Senate side of the Capitol or whether the Senate conferees were going to walk to the House side of the Capitol.

Mr. President, the people of this Nation do not understand that sort of vanity. They think less of us when we deadlock on something as important as a major social security bill or a revenue bill, because of these distinctions without a difference.

Mr. President, we have worked this matter out to where experts in the Department are apparently no longer worried about the freeze, and they are the people who know the most about it and have studied it and they find we provide all these methods to relieve pressure on those who need aid for dependent children.

We are going to do more than just help the people. We are going to find ways for them to work on constructive employment and improve their lot and that of the people around them. When they make some money they will be able to keep some of it, contrasted to prior years.

Mr. President, for those Senators desiring a complete and detailed explanation of the conference agreement provisions, I ask unanimous consent at this point in the RECORD to insert a summary of the conference bill prepared by the staff of the Senate Finance Committee.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF SOCIAL SECURITY AMENDMENTS OF 1967

OLD-AGE, SURVIVORS, DISABILITY, AND HEALTH INSURANCE PROGRAMS

Old-age, survivors, and disability insurance

Increase in Social Security Benefits

The amendments provide an increase in benefit payments of 13 percent for all beneficiaries on the social security rolls. The average monthly benefit paid to a retired worker with an eligible wife now on the rolls is increased from $145 to $165. The minimum benefit for a worker retiring at age 65 is increased from $44 to $55 a month. Monthly benefits will range from $55 to $160.50, for retired workers now on social security rolls who began to draw benefits at age 65 or later.

The amount of earnings subject to tax and used in the computation of benefits is increased from $6,600 to $7,800 in 1968.

The $168 maximum benefit (based on average monthly earnings of $550—or $6,600 per year) eventually payable under present law would be increased to $189.90. The increase in the amount of earnings that can be used in the benefit computation would result in a maximum benefit of $218 (based on average monthly earnings of $650—$7,800 a year) in the future. The maximum benefits payable to a family on a single earnings record is $434.40. To qualify for the maximum retirement benefits just outlined, a wage earner who retires at age 65 in the future must have earned the maximum under the new earnings bases for a number of years.

Effective date.—The increased benefits are first payable for the month of February 1968 and will be reflected in checks received early in March. It is estimated that 22.9 million people are paid increased benefits. More than $3 billion in additional benefits will be paid in the first 12 months.

Special Benefits for People Age 72 and Over

The special payments made to uninsured individuals aged 72 and over are increased from $35 to $40 a month for a single person and from $52.50 to $60 a month for a couple.

Effective date.—The increased benefits will be first payable for February 1968 and will be reflected in checks received in March 1968.

Limitation on Wife's Benefit

The amendments limit the wife's benefit to a maximum of $105 a month. The effect of this provision will not generally be felt until many years into the future.

The Retirement Test

The amendments provide for an increase from $1,500 to $1,680 in the amount of annual earnings a beneficiary under age 72 can have without having any benefits withheld. Provision is made for an increase from $125 to $140 in the amount of monthly earnings a person can have and still get a benefit for the month. The bill provides that $1 in benefits be withheld for each $2 of earnings between $1,680 and $2,880 and $1 in benefits for each $1 in earnings above $2,880.

Effective date.—The provision is effective for earnings in 1968. It is estimated that about $175 million in additional benefits would be paid for 1968 to 760,000 people.

Benefits for Disabled Widows and Widowers

The amendments provide for the payment of monthly benefits to certain disabled widows and widowers of deceased workers who are between the ages of 50 and 62. If a disabled widow or widower first receives benefits at age 50, then the benefit would be 50 percent of the primary insurance amount. The amount payable would increase up to 82½ percent of the primary insurance amount, depending on the age at which benefits began. The reduction would continue to apply to benefits which were paid after the recipient reached age 62.

A widow or widower would be deemed disabled only if the disability is one that, under regulations prescribed by the Secretary of Health, Education, and Welfare, would preclude any gainful activity.

To be eligible for the benefits, the widow or widower must have become totally disabled not later than 7 years after the spouse's death, or in the case of a widowed mother, before the end of her benefits as a mother or within 7 years thereafter.

Effective date.—About 65,000 disabled widows and widowers could be eligible for benefits and about $60 million in benefits would be paid during the first 12 months of operation. Benefits would be payable starting for February 1968.

Dependency of a Child on the Mother

The amendments provide that a child will be considered dependent on the mother under the same conditions that he is now considered dependent on the father. As a result, a child could be entitled to benefits if the mother was either fully or currently insured at the time she died, retired, or became disabled. Under present law a mother must have currently insured status (six out of the last 13 quarters ending with death, retirement, or disability) unless she was actually supporting the child.

Effective date.—Benefits will be payable beginning for February 1968. It is estimated that 175,000 children will be eligible for benefits and that $83 million in additional benefits will be payable in the first 12 months.

Insured Status for Workers Disabled While Young

The amendments will allow a worker who becomes disabled before the age of 31 to qualify for disability insurance if he worked in one-half of the quarters between the time he is 21 and the time he is disabled, or alternatively, if he is under 24, works in six quarters out of the last 12. This requirement would be an alternative to the present requirement that the worker must have had a total of 5 years out of the last 10 years in covered employment.

Effective date.—Benefits would be payable for February 1968 on the basis of applications filed in or after December 1967.

Additional Wage Credits for Servicemen

For social security benefit purposes, the amendments will provide that in the future the pay of a person in the uniformed service would be deemed to be $100 a month more than his basic pay. The additional cost of paying the benefits resulting from this provision would be paid out of general revenues.

Disability Insurance Trust Fund

The amendments increase the percentage of taxable wages appropriated to the disability insurance trust fund (now at 0.70 of 1 percent) to 0.95 of 1 percent and would increase the percentage of self-employment income (now at 0.525 of 1 percent) to 0.7125 of 1 percent.

Extension of Retroactivity of Disability Applications

The amendments allow a longer period of time after termination of disability for the filing of a disability freeze application by an individual whose mental or physical disability interfered with his filing a timely application. This would enable workers who are totally disabled over an extended period but fail to file timely applications to nevertheless have the period of disability frozen, and thus not counted against them in subsequent determinations as to whether they are insured for social security benefits or the amount of such benefits.

The provision, however, does not apply to monthly disability benefits.

Children Adopted by Disability Beneficiaries

The amendments provide that a child adopted by a person who is getting disability benefits can become entitled to benefits if (*a*) the adoption takes place in the United States, (*b*) it was under the supervision of a public or private child-placement agency, (*c*) the disabled individual had resided in the United States for the year prior to the adoption, and (*d*) the child is under 18 at the time of adoption.

Effective date.—The provision is effective for benefits for February 1968 based on applications filed in and after December 1967.

Coverage of Ministers

The amendments permit a clergyman (other than members of religious orders who have taken a vow of poverty) to elect not to be covered if he is conscientiously opposed to social security coverage, or if he opposes such coverage on grounds of religious principle.

Coverage of State and Local Employees Ineligible for Membership in a State Retirement System

The amendments facilitate social security coverage for workers in positions under a State or local government retirement system who are not eligible to join the system. Under present law, these workers cannot be covered under social security in connection with the procedure for extending coverage to members of a retirement system by means of the provision permitting specified States to cover only those members of a retirement system who desire coverage. The amendments would permit these workers to be covered under this procedure.

State and Local Coverage in Illinois

The amendments add Illinois to the list of States (19 under present law) which are permitted to extend social security coverage to those current members of a State or local retirement system who desire coverage, with all future employees being compulsorily covered.

Firemen in Puerto Rico

The amendments add Puerto Rico to the list of States which may provide social security coverage for policemen and firemen.

Firemen in Nebraska

The amendments validate social security coverage for certain firemen in Nebraska for whom social security taxes were erroneously paid.

Coverage of Firemen

The amendments provide that social security coverage can be extended to firemen in States not specifically granted that right if the Governor of the State certifies that the total benefit protection of firemen would be improved as a result. However, the divided retirement system could not be used and the firemen would have to be brought into coverage as a separate group and not as part of a group which includes persons other than firemen.

Coverage for Erroneously Reported Former State or Local Government Employees

The amendments permit a State, when it provides retroactive coverage for a coverage group under a modification of the State's agreement, to provide retroactive coverage for former employees of the coverage group with respect to earnings that previously had been erroneously reported for them for quarters in the retroactive period, if no refund has been made of the taxes paid on the erroneously reported earnings.

State and Local Employees Receiving Fees

The amendments modify the social security coverage provisions applying to State and local government employees who are compensated solely on a fee basis (such as constables and justices of the peace). Under present law, fee-basis employees, like other State and local government employees, may be covered only under a State coverage agreement. Under the amendments, in the case of employees who are compensated solely on a fee basis, fees received after 1967 which are not covered under a State agreement would be covered under the self-employment provisions of law, except that people in fee-basis positions in 1968 could elect not to have their fees covered under the self-employment provisions. Under the amendments a State could, as under present law, modify its coverage agreement to provide coverage for fee-basis employees as employees. However, unlike present law, the amendments permit States to remove from coverage under its agreement persons who are compensated solely on a fee basis.

Family Employment

The amendments extend social security coverage to employment performed in the private home of the employer by a parent in the employ of his son or daughter. The employment would be covered if the son or daughter is (*a*) a widow or widower with a child under age 18 or a disabled child or (*b*) a person with such a child who either is divorced or has a disabled spouse. The amendments would continue to exclude from coverage employment performed in a private home by a parent when these conditions are not met, employment of a child under age 21 by his parent, and employment of a husband or wife by the spouse.

Employees of the Massachusetts Turnpike Authority

The amendments permit the State of Massachusetts to modify its agreement for social security coverage so as to exclude employees of the Massachusetts Turnpike Authority who are in positions being brought into a new State retirement system.

Children Adopted by Surviving Spouse

The amendments permit a child adopted by a surviving spouse to get benefits even though the adoption is not completed within 2 years after the worker's death, if adoption proceedings had begun before the worker died.

Effective date.—The provision would be effective for monthly benefits for February 1968 based on applications filed in and after December 1967.

Recovery of Overpayments

The amendments authorize the Secretary of HEW to recover overpaid benefits by requiring the overpaid beneficiary or his estate to refund the overpayment or by withholding the benefits payable to him, his estate or to any other person entitled to benefits on the same earnings record. (Under present law, overpayments may be recovered from the overpaid person while he is getting benefits, but recovery may not be made from any other person getting benefits on the same account. There is no specific provision for recovering an overpayment while the beneficiary is alive if he is not getting benefits.)

Benefits Paid on Basis of Erroneous Reports of Death in Military Service

The amendments provide that all benefits paid on the basis of official reports of death in military service issued by the Department of Defense will be considered lawful payments even though it is later determined that the person who was reported dead is still alive.

Effective date.—The provision will apply to all payments made to payees who get benefits for December 1967 or later.

Underpayments

The amendments provide that amounts due under the supplementary medical insurance program after the beneficiary's death be paid to the person who paid for the services, either before or after the beneficiary's death, or to the person who provided the services. (If the person who paid for the services is the decedent, the payment would be made to the legal representative of his estate if there is one.) Otherwise the benefits will be paid under the following uniform order of payment for both cash benefits and part B benefits:

1. Spouse living with the individual at time of his death or to the spouse not living with individual but entitled to benefits on the same earnings record.
2. Child entitled to benefits on the same earnings record.
3. Parent entitled to benefits on the same earnings record.
4. Spouse who was neither entitled to benefits on the same earnings record nor living with the individual.
5. Child not entitled to benefits on the same earnings record.
6. Parent not entitled to benefits on the same earnings record.
7. Legal representative of the individual's estate, if any.

Simplification of Benefit Computation

Where wages earned before 1951 are used to compute social security benefits, the amendments allow certain assumptions to be made so that the benefit could be computed by use of electronic data processing equipment.

Definitions of "Widow," "Widower," and "Stepchild"

The amendments provide a change in the definition of "widow," "widower," and "stepchild" so that they will be considered as such for social security purposes if the marriage existed for 9 months, or, in case of death in line of duty in the uniformed service, and in case of accidental death, if the marriage existed for 3 months, unless it is determined that the deceased individual could not have reasonably been expected to live for 9 months at the time the marriage occurred. Under present law a marriage must have existed for 12 months.

Requirements for Husband's and Widower's Insurance Benefits

The amendments eliminate the requirement in present law that a dependent husband or widower may become entitled to social security benefits on his wife's earnings only if his wife is currently insured at the time she died, became disabled, or retired.

Disability Benefits Affected by the Receipt of Workmen's Compensation

The amendments modify the provisions in present law for determining the amount of combined social security and workmen's compensation benefits that can be paid when a disabled worker is eligible under both programs. In cases where social security disability benefits are subject to reduction because the combined benefits would otherwise exceed 80 percent of the disabled worker's average current earnings, the computation of average earnings can include earnings in excess of the annual amount taxable under social security.

Extension of Time for Filing Reports of Earnings

The amendments authorize the Secretary of Health, Education, and Welfare to grant an extension of the time in which a person may file the report of earnings required for retirement test purposes if there is a valid reason for his not filing it on time. Permission to file a late report may be given in advance of the date on which the report is to be filed.

Penalty for Failure to File Timely Reports of Earnings

The amendments eliminate the possibility of imposing on a person, who does not file a timely report of earnings under the retirement test, a penalty which exceeds the amount of benefits which should have been withheld.

Limitation on Payment of Benefits to Aliens Outside the United States

The amendments would modify the provisions of present law under which an alien who is outside the United States for 6 consecutive months has his benefits withheld under certain conditions, so that, for purposes of the 6-month provision, an alien who is outside the United States for more than 30 days will be considered outside the United States until he returns to the United States for 30 consecutive days within 6 months after he leaves the country.

The amendments add a provision under which generally a person who is not a citizen of the United States is outside the United States for 6 months or more could be paid benefits only if he is a citizen of a country that provides reciprocity under its social security system for the payment of benefits to U.S. citizens who are living outside that country. (Payments would continue to be made under certain circumstances to a person who is a citizen of a country that has no generally applicable social security system.)

Also, benefits would not be payable to an alien living in a country in which the Treasury has suspended payments. Any amounts currently accumulated for aliens now living in countries where payment cannot be made would be limited to 12 monthly benefits.

Effective date—The provisions will be effective after June 30, 1968.

Advisory Council on Social Security

The amendments modify the provisions of present law relating to the time at which Advisory Councils are appointed and issue reports to provide that the Advisory Councils be appointed at any time after January 31 in 1969 and every 4 years thereafter. As in present law each Council would report to the Secretary not later than the first day of the second year following the year in which it is appointed. The final report of each Council, however, must include any interim reports the Council may have issued.

Disclosure to Courts of Whereabouts of Certain Individuals

The amendments require the Social Security Administration to furnish an appropriate court with the most recent address of a deserting father if the court wishes the information in connection with a support order for a child. Such information would be furnished to both courts in interstate support actions.

Payments to Certain Illegitimate Children

The amendments provide that benefits payable to illegitimate children who become entitled to benefits in the future under a provision contained in the 1965 amendments can not exceed the difference between the total amounts payable to other persons and the family maximum amount. The benefits payable to a person on the effective date of the 1965 amendments which were reduced because a child became entitled to benefits under the 1965 amendment will not be reduced in the future nor will the benefits payable to persons on the rolls on the effective date of the 1967 amendments be reduced.

Report of Board of Trustees

The amendments change the date on which the annual report of the trustees of the social security trust funds is due from March 1 to April 1. Also, the report is to contain a separate actuarial analysis of the benefit disbursements made from the old-age and survivors insurance trust fund with respect to disabled beneficiaries.

Expedited Benefit Payments

The amendments establish special procedures to expedite the payment of benefits. The new procedures would go into effect after June 30, 1968, but would not apply to disability benefits or negotiated checks.

Attorney's Fees

The amendments authorize the Secretary of HEW to fix a reasonable fee for the services provided before the Social Security Administration for an applicant for social security benefits by an attorney and to pay such attorney's fee out of past-due benefits. The fee could not exceed the smaller of: (*a*) 25 percent of the past-due benefits, (*b*) the fee fixed by the Secretary, or (*c*) an amount agreed to by the applicant and the attorney.

Exclusion of Emergency Services by State and Local Employees

The amendments would mandatorily exclude from social security coverage services performed for a State or local government by workers hired on a temporary basis in case of emergencies such as fire, storm, flood, or earthquake.

Election Officials and Election Workers

The amendments would permit a State to exclude from social security coverage, prospectively, service performed by election workers and election officials if they are paid, for such services, less than $50 in a calendar quarter. The exclusion could be taken for the election officials and workers of the State or any of its political subdivisions either at the time coverage is extended to employees of the State or the subdivision or at a later date.

Social Security Tax—Retirement Plans

The amendments exclude from the definition of wages subject to social security taxes certain payments made under plans established by employers and made to the employee or his dependents upon retirement, death, or disability.

Definition of Disability

The amendments provide a more detailed definition of disability for workers than is now in the law. Guidelines would be provided under which a person could be determined to be disabled only if he is unable to engage in any kind of substantial gainful work which exists in the national economy, even though such work does not exist in the general area in which he lives. A special more restrictive definition would apply to widows and widowers.

Definition of Blindness

The definition of disability due to blindness is changed so that a person who is "industrially blind" (i.e., visual acuity of 20/200 or less corrected or a visual field of 20 degrees or less) is disabled rather than one who has visual acuity of 5/200 or less corrected.

Time for Filing Applications for Exemption From Self-Employment Tax by Amish

The amendments permit members of a religious sect which is opposed to social insurance to file an application for exemption from the self-employment tax by December 31, 1968, if the person has self-employment income for years ending before December 31, 1967. If he first receives self-employment income in later years, the application would be timely if filed by the due date for the income tax return for the year in question. However, in these latter cases, the amendment also provides that valid applications may be filed within 3 months following the month in which the person is notified in writing by the Internal Revenue Service that a timely application has not been filed.

Retirement Income of Retired Partners

The amendments provide that certain partnerships income of retired partners would not be taxed or credited for social security purposes.

Hospital Insurance Contributions by Persons Employed Both Under Social Security and Railroad Retirement

The amendments provide that, beginning with 1968, persons employed both under the social security and railroad retirement programs who pay hospital insurance contributions on combined wages which are in excess of the taxable wage base would be entitled to a refund of the excess contributions.

General Savings Provision

The amendments provide that when an additional person becomes entitled to benefits as a result of the Social Security Amendments of 1967, the benefit paid to any other person on the same account would not be reduced by the family maximum provision because the new person became entitled to benefits.

Health insurance benefits

Payment of Physician Bills Under the Supplementary Medical Insurance Program

Under present law, payment may be made only upon assignment to the physician or to the patient upon presentation of a receipted bill. The amendment would permit payment either to the patient on the basis of an itemized bill (which could be either receipted or unpaid) or to the physician under the present assignment method. This provision would make it possible for patients to pay their medical bills without depleting their savings or resorting to loans.

Payment for Services in Nonparticipating Hospitals

Under existing law payments can be made to participating hospitals and, in an emergency case, to a nonparticipating hospital which met certain standards, only if the hospital agreed to accept the reasonable costs allowed by medicare as full payment for the services rendered.

For the period ending December 31, 1967, the amendment would permit direct reimbursement to an individual who was furnished nonemergency or emergency hospital services in certain nonparticipating hospitals. This transitional coverage would not extend to admissions after 1967. Payment would be limited to 80 percent of the hospital ancillary charges and 60 percent of the room and board charges, for up to 20 days in each spell of illness (subject to the $40 deductible and other statutory limitations of payment) if the hospital did not formally participate in medicare before January 1, 1969. If it did participate in medicare before that date and if it applied its utilization review plan to the services it provided before its regular participation started, up to the full 90 days of coverage could be reimbursed. Thus, there would be an incentive for nonparticipating hospitals to participate because participation is a condition for covering past services beyond 20 days as well as a condition for future coverage.

A similar provision would continue after January 1, 1968, for emergency care but only as an alternative to the other method of covering such care. Hospitals could apply for payment for a period of up to 150 days, or, if the hospital did not apply, the patient could obtain payment on the basis of 60 percent of room and board charges and 80 percent of ancillary services charges.

A new definition for hospitals eligible under these transitional and emergency care provisions is provided. Under it, a qualifying hospital must have a full-time nursing service, be licensed as a hospital, and be primarily engaged in providing medical care under the supervision of a doctor of medicine or osteopathy. This definition would apply back to July 1, 1966, so that some hospitals which would otherwise be ineligible to receive payment for emergency services may receive such payments in behalf of beneficiaries back to the beginning of the program provided they apply for them. If they do not apply for reimbursement, the patient could be paid under other provisions.

This provision would afford financial relief to those medicare beneficiaries who have received services in certain nonparticipating hospitals starting July 1966, sometimes entering such hospitals without realizing the services would not be covered under medicare.

Payment Under the Medical Insurance Program for Noncovered Hospital Ancillary Services

The amendments add a provision which permits payment under the medical insurance program for presently noncovered ancillary hospital and extended care facility services, principally X-ray and laboratory services furnished after the patient has been covered for the full period of hospital eligibility. Under prior law if a person is in a hospital or extended care facility qualified to participate under medicare, payment may not be made for services which could be paid for under part B if not received in a qualified hospital or extended care facility. As a result, sometimes the services are not covered under either part B or part A. The amendment will allow payment to be made for services ordinarily not paid for under part B, wherever part A payments could not be made, if the appropriate hospital or independent laboratory standards are met. Payment will be made to participating providers under the usual part B provisions applying to the $50 deductible and 20 percent coinsurance.

Limitation on Special Reduction in Allowable Days of Inpatient Hospital Services

The limitation on payment of hospital insurance benefits during the first spell of illness for an individual who is an inpatient of a psychiatric hospital at the time he becomes entitled to benefits under the hospital insurance program will be made inapplicable to benefits for services in a general hospital if the services are not primarily for the diagnosis or treatment of mental illness. The amendments also remove tuberculosis hospitals from the provision in present law under which days in a tuberculosis institution immediately before entitlement to hospital insurance are counted against the days of coverage an individual would otherwise have. In effect, the change makes an individual's entitlement to hospital insurance benefits the same if he received hospital services in a tuberculosis hospital as it would be if he received services in a general hospital.

Payment for Blood

The definition of "blood" is broadened to include packed red blood cells as well as whole blood and the application of the 3-pint deductible provision under the hospital plan is also extended to the supplementary medical insurance program.

Services of Podiatrists

The amendments include within the definition of physician a doctor of podiatry, but only with respect to functions he is authorized to perform by the State in which he practices. No payment will be made for routine foot care whether performed by a podiatrist or a medical doctor.

Physical Therapy

The amendments extend the provisions of present law to include outpatient physical therapy services furnished by physical therapists employed by or under an agreement with and under the supervision of hospitals and other providers of services as well as approved clinics, rehabilitation centers and local public health agencies. Additionally, the patient would not have to be homebound for the physical therapy services to be covered.

Supplementary Medical Insurance Enrollment Periods

The amendments add a provision, effective January 1, 1969, under whch the general enrollment periods of the supplementary medical insurance program will be placed on an annual basis and run from January 1 to March 31, rather than October 1 to December 31 of each odd-numbered year. The Secretary would determine and promulgate during December of each year the premium rate which would be applicable for a 12-month period to begin the following July 1. When the Secretary promulgates a rate for part B, he also is required to issue a public statement setting forth the actuarial assumptions and bases upon which he arrived at the rate.

Persons wishing to disenroll could do so at any time, but such termination would not take effect until the close of the calendar quarter following the quarter in which the notice was filed.

Additional Days of Hospital Care

Each medicare beneficiary will be provided with a lifetime reserve of 60 days of hospital care after the 90 days covered in a "spell of illness" have been exhausted. Coinsurance of $20 for each day would be applicable to such added days of coverage.

Incentive Reimbursement Experimentation

The Secretary of HEW is authorized to experiment with various methods of reimbursement to organizations, institutions, and physicians, on a voluntary basis, participating under medicare, medicaid, and the child health programs which offer incentives for keeping costs of the program down while maintaining quality of care.

Study of Drug Proposals and Retirement Test

The Secretary of HEW is required to study and report to the Congress, prior to January 1, 1969, the savings which might accrue to the Government and the effects on the health professions and on all elements of the drug industry which might result from enactment of two proposals relating to drugs: (1) a proposal to cover prescription drugs under medicare, and (2) a proposal to establish, through a formulary committee, quality and cost control standards for drugs provided under the various programs of the Social Security Act. The Secretary is also to study ways to improve the earnings test under social security and the feasibility of increasing payments to those who delay their retirement after age 65.

Physician Certification

The requirement of physician certification of the medical necessity for hospital outpatient services and admissions to general hospitals is removed. Such services and admissions are almost always medically necessary. The change will simplify administration of the program by eliminating unnecessary paperwork.

Transfer of Outpatient Hospital Services to the Supplementary Medical Insurance Program

The amendments transfer hospital outpatient diagnostic services from the hospital insurance program to the supplementary medical insurance program. The effect of the change is that all hospital outpatient benefits will be covered under the supplementary medical insurance program and thus subject to the deductible ($50 a year) and coinsurance features (20 percent). This provision simplifies the procedure for paying benefits for hospital outpatients by making such payments subject to a single set of rules for determining patient eligibility, patient and medicare liability and trust fund accountability.

Hospital Billing for Outpatient Services

Hospitals will be permitted, as an alternative to the present procedure, to collect small charges (if not more than $50) for outpatient hospital services from the beneficiary without submitting a bill to medicare.(The amounts collected would be counted as expenses reimbursable to the beneficiary under the medical insurance plan.) The payments due the hospitals would be computed at intervals to assure that the hospital received its final reimbursement on a cost basis. This provision will bring the requirements of the medicare program more closely into conformity with the usual billing practices of hospitals.

Radiologists' and Pathologists' Services

The amendments permit payment of full reasonable charges for radiological or pathological services furnished by physicians to hospital inpatients. Under present law, a 20 percent coinsurance factor is applicable as is also the $50 deductible if it is not met by other medical expenses. This provision improves the protection of the program as well as facilitating beneficiary understanding. It will simplify hospital and intermediary handling of medicare claims by bringing the requirements of the medicare program more closely in line with the usual billing practices of hospitals and the payment methods of private insurance.

Payment for Portable X-ray Services

The amendments permit payment for diagnostic X-rays taken in a patient's home or in a nursing home. These services will be covered under the supplementary medical insurance program if they are provided under the supervision of a physician and are performed under proper health and safety regulations.

Payment for Purchase of Durable Medical Equipment

The amendments permit payment to be made for durable medical equipment needed by an individual, whether rented or purchased. If purchased, payment would be made periodically in the same amount as if equipment were rented, for the period the equipment was needed but without covering more than the purchase price.

Reimbursement for Civil Service Retirement Annuitants for Premium Payments Under the Supplementary Medical Insurance Program

Federal employee group health benefit plans will be permitted to reimburse certain civil service retirement annuitants who are members of their plans for the premium payments they make to the supplementary medical insurance program.

Date of Attainment of Age 65 of Persons Enrolling in SMI Program

A person over 65, who believes, on the basis of documentary evidence, that he has just reached age 65, will be allowed to enroll in the supplementary medical insurance program as if he had attained age 65 on the date shown in evidence.

Use of State Agencies To Assist Health Facilities To Participate in the Various Health Programs Under the Social Security Act

States will be able to receive 75-percent Federal matching for the services which State health agencies perform to help health facilities qualify for participation in the various health programs under the Social Security Act (including medicare, medicaid, and the child health programs) and to help those facilities improve their fiscal records for payment purposes. Similar provisions in the medicare program (which finance such service on a 100-percent basis from the Federal hospital insurance trust fund) are repealed effective July 1, 1969, when this provision goes into effect.

Transitional Provisions for Uninsured Individuals Under the Hospital Insurance Program

A person attaining age 65 in 1968 will be entitled to hospital insurance benefits if he has a minimum of three quarters of coverage (existing law requires six), with the number of quarters of coverage needed by persons who reach age 65 in later years increasing by three in each year until the regular insured status requirement is met.

Appropriation to Supplementary Medical Insurance Trust Fund

Whenever the transfer of general revenue funds to the supplementary medical insurance trust fund (after June 30, 1967) is not made at the time the enrollee contribution is made, the general fund of the Treasury will pay, in addition to the Government share, an amount equal to the interest, that would have been earned by the trust fund had the transfer been made on time. Also, the contingency reserve now provided for 1966 and 1967 will be made available through 1969.

Health Insurance Benefits Advisory Council

The Health Insurance Benefits Advisory Council will assume the duties of the National Medical Review Committee. The Medical Review Committee, which has not yet been formed, will not be appointed. The Health Insurance Benefits Advisory Council membership is increased from 16 to 19 persons.

Study of Coverage of Services of Health Practitioners

The Secretary of Health, Education, and Welfare, will study the need for, and make recommendations concerning the extension of coverage under the supplementary medical insurance program to the services of additional types of personnel who engage in the independent practice of furnishing health services.

Creation of an Advisory Council to Make Recommendations Concerning Health Insurance for Disability Beneficiaries

The Secretary of Health, Education, and Welfare, will establish an Advisory Council to study the problems relative to including the disabled under the health insurance program, and also any special problems with regard to the costs which would be involved in such coverage. The Council is to make its report by January 1, 1969.

Financing the Social Security and Hospital Insurance Programs

The tax rates and the tax base under present law and under the amendments are shown in the following table:

TAX RATES UNDER PRESENT LAW AND UNDER THE AMENDMENTS

EMPLOYER-EMPLOYEE, EACH

[In percent]

Period	OASDI		HI		Total	
	Present law	Amendments	Present law	Amendments	Present law	Amendments
1968	3.9	3.8	0.5	0.6	4.4	4.4
1969–70	4.4	4.2	.5	.6	4.9	4.8
1971–72	4.4	4.6	.5	.6	4.9	5.2
1973–75	4.85	5.0	.55	.65	5.4	5.65
1976–79	4.85	5.0	.6	.7	5.45	5.7
1980–86	4.85	5.0	.7	.8	5.55	5.8
1987 and after	4.85	5.0	.8	.9	5.65	5.9

SELF-EMPLOYED

Period	OASDI Present law	OASDI Amendments	HI Present law	HI Amendments	Total Present law	Total Amendments
1968	5.9	5.8	0.5	0.6	6.4	6.4
1969–70	6.6	6.3	.5	.6	7.1	6.9
1971–72	6.6	6.9	.5	.6	7.1	7.5
1973–75	7.0	7.0	.55	.65	7.55	7.65
1976–79	7.0	7.0	.6	.7	7.6	7.7
1980–86	7.0	7.0	.7	.8	7.7	7.8
1987 and after	7.0	7.0	.8	.9	7.8	7.9

Note: The maximum taxable earnings base under present law, $6,600, is increased to $7,800 effective Jan. 1, 1968.

PUBLIC WELFARE AND HEALTH AMENDMENTS

Work Incentive Program for AFDC Families

The amendments establish a new work incentive program for families receiving AFDC payments to be administered by the Department of Labor. The State welfare agencies would determine who was appropriate for such referral but would not include (1) children who are under age 16 or going to school; (2) any person with illness, incapacity, advanced age or remoteness from a project that precludes effective participation in work or training; or (3) persons whose substantially continuous presence in the home is required because of the illness or incapacity of another member of the household. For all those referred the welfare agency will assure necessary child care arrangements for the children involved. An individual who desires to participate in work or training would be considered for assignment and, unless specifically disapproved, would be referred to the program.

People referred by the State welfare agency to the Department of Labor would be handled under three priorities. Under priority I, the Secretary of Labor, through the over 2,000 U.S. employment offices, would make arrangements for as many as possible to move into regular employment and would establish an employability plan for each other person.

Under priority II all those found suitable would receive training appropriate to their needs and up to $30 a month incentive payment. After training as many as possible would be referred to regular employment.

Under priority III, the employment office would make arrangements for special work projects to employ those who are found to be unsuitable for the training and those for whom no jobs in the regular economy can be found at the time. These special projects would be set up by agreement between the employment office and public agencies or nonprofit agencies organized for a public service purpose. It would be required that workers receive at least the minimum wage (but not necessarily the prevailing wage) if the work they perform is covered under a minimum wage statute (and in applying the minimum wage law, their welfare grants would be counted). Moreover, the work performed under special projects must not result in the displacement of regularly employed workers and would have to be of a type which, under the circumstances in the local situation, would not otherwise be performed by regular employees.

The special work projects would work like this: The State welfare agency would make payments to the employment office equal to: (1) the welfare benefit the family would have been entitled to, or, if smaller, (2) a portion of the welfare benefit equal to 80 percent of the rates which the individual receives on the special project.

The Secretary of Labor would arrange for the participants to work in a special work project. The amount of the funds paid by him into the project would depend on the terms he negotiates with the agency sponsoring the project. The amount of funds put into the projects by the employment office could not be larger than the funds sent to the Secretary of Labor by the State welfare agency.

The extent to which the State welfare expenditures might be reduced would depend upon the negotiating efforts of the Secretary of Labor. If he is successful in placing these workers in work projects where the pay is relatively good, the contribution the State must make into the employment pool would be less and there would be a savings to both Federal and State Governments.

Employees who work under these agreements would have their situations reevaluated by the employment office at regular intervals (at least every 6 months) for the purpose of making it possible for as many such employees as possible to move into regular employment.

An important facet of this suggested work program is that in most instances the recipient would no longer receive a check from the welfare agency. Instead, he would receive a payment from an employer for services performed. The entire check would be subject to income, social security, and unemployment compensation taxes, thus assuring that the individual would be accruing rights and responsibility just as other working people do. In those cases where an employee receives wages which are insufficient to raise his income to a level equal to the grant he would have received had he not been in the project plus 20 percent of his wages, a welfare check equal to the difference would be paid. In these instances the supplemental check would be issued by the welfare agency and sent to the worker.

A refusal to accept work or undertake training without good cause by a person who has been referred would be reported back to the State agency by the Labor Department; and, unless such person returns to the program within 60 days (during which he would receive counseling), his welfare payment would be terminated. Protective and vendor payments would be continued, however, for the dependent children to protect them from the faults of others.

The States would have to meet 20 percent, in cash or in kind, of the total cost of the program (excluding amounts paid on special work projects, priority III, which would come from the employer and the transferred welfare payments.

Earnings Exemption

Under the present aid to families with dependent children program, the States, at their option, may disregard not more than $50 per month of earned income of each dependent child under age 18 but not more than $150 per month in the same home in computing the family's income for public welfare purposes. The States also have the option of disregarding $5 of income from any source before applying the child's earned income exemption.

Under the amendments earned income of each child recipient who is a full-time student or is a part time student not working full time, will be excluded in determining need for assistance. In the case of any other child or an adult relative the first $30 of earned income of the group plus ⅓ of the remainder of such income for the month would also be exempt. The prior provision exempting $50 a month of a child's income would be superseded by these provisions.

Dependent Children of Unemployed Fathers

The amendments provide that under State programs of aid to families with dependent children of unemployed parents, Federal matching would be available only for the children of unemployed fathers. Under present law States may include children on the basis of the unemployment of mothers, as well as fathers. The amendments also provide that the Secretary will prescribe standards for the determination of what constitutes unemployment. The term is defined by the States under present law.

Under the amendments, State plans would have to provide for the payment of assistance when a child's father has not been employed for at least 30 days prior to receiving aid, if he has not refused a bona fide offer of employment or training without good cause, and if he has had a recent and substantial connection with the labor force. Assistance would be denied if the father is not currently registered with the public employment office in the State, if he refuses without good cause to undertake work or training, or refuses without good cause to accept employment, or if he is receiving unemployment compensation.

The States would have to refer the fathers to work incentive programs within 30 days after first providing them with welfare assistance.

States which are operating programs for the children of unemployed parents as provided for under present law would not have to add any additional children or families as a result of the new provisions prior to July 1, 1969. However, the amendment establishing criteria for persons covered would be effective January 1, 1968, and no Federal matching would be provided for persons who do not meet these criteria.

Limitation on Federal Matching in AFDC Program

The amendments set a limitation on Federal financial participation in the AFDC program related to the proportion of the child population under age 18 aided because of the absence from the home of a parent. Federal financial participation would not be available for any excess above the percentage of children of absent parents who received aid to the child population under age 18 in the State as of January 1, 1968.

This limitation will be effective after June 30, 1968.

Federal Payments for Foster Homes Care of Dependent Children

Effective July 1, 1969, States would have to provide AFDC payments for children who are placed in a foster home if in the 6 months before proceedings started in the court they would have been eligible for AFDC if they had lived in the home of a relative. The provision would be optional with the States before July 1, 1969. Under present law, children in foster care are eligible for AFDC payments only if they actually received such payments in the month they were placed in foster care. Federal matching would be available for grants up to an average of $100 a month per child.

Emergency Assistance

The amendments authorized up to 30 days of emergency assistance during a 12-month period to a child under 21 and his family, but could not be extended to a family for refusal (without good cause) to accept work or training under the work incentive program. This emergency aid could also be extended to migrant workers who have dependent children.

Protective or Vendor Payments

The amendments increase the limitation of recipients for whom protective payments could be made because they were unable to manage their funds from 5 percent to 10 percent but excludes from this overall limitation those recipients for whom such payments have been made because of the refusal without good cause, of an individual to work, register for work, or to participate under a training or work program.

Single Organizational Unit for Child Services

The amendments provide that child-welfare services and services to children receiving AFDC shall be provided by the same organizational unit at the State and local level, except that in those instances where such services were provided by separate State agencies or separate local agencies on the date of enactment of the amendments, they may continue to be provided by such agencies.

Pass Along

The amendments expand the provision enacted in 1965 which allows the State to exempt up to $5 a month of any type of income in determining eligibility and the amount of assistance. Effective upon enactment, the States would have the option of exempting up to a total of $7.50 a month for the aged, blind, and the totally and permanently disabled.

Increased Authorizations for Child Welfare Services

The amendments increase child welfare authorizations from $55 million for fiscal year 1969 to $100 million, and from $60 million for later years to $110 million.

Provision of Family Service State Plan Requirement

There is a provision in present law requiring State welfare agencies to make a plan for providing welfare services for each child in an AFDC family. Under the amendments, the plan must also provide for welfare services for the adults in the family.

Use of Subprofessional and Volunteer Staff

The amendments require States, effective July 1, 1969, to train and use subprofessional staff, with particular emphasis on the use of welfare recipients and other persons of low income, as community services aides for the kinds of jobs appropriate for them in the public assistance, child welfare, and health programs under the Social Security Act. The amendment also directs States to use volunteers in the program both for the provision of services to recipients, and for the assistance of advisory committees.

Parent Involvement in Day Care—Day Care Standards

The amendments add a State plan requirement to the child welfare day-care provisions for development of arrangements for the more effective involvement of parents in day care programs. Also, the day care standards in the child welfare services programs will be made applicable to day care provided to AFDC children.

Repatriation Extension

The amendments extend for 1 year, through June 30, 1969, the temporary legislation which authorizes assistance to needy Americans who have been repatriated to the United States by the Department of State from foreign countries.

Demonstration Projects

Two million dollars annually is currently available to encourage the States to develop demonstrations in improved methods of providing service to recipients or in improved methods of administration. The amendments increase this amount to $4 million annually.

Payment for Home Repairs

The amendment for the cash public assistance programs, allow 50 percent Federal matching for repairs (up to $500) of homes owned by recipients if to do so would be more economical from the standpoint of the program.

Purchase of Social Services

The amendments permit the purchase by welfare agencies of child care and other services under the public assistance title of the act. Such services may now be provided by welfare agency staff but existing law does not permit their purchase except from other State agencies.

Social Work Manpower and Training

The amendments authorize $5 million for the fiscal year ending June 30, 1969, and $5 million for each of the 3 succeeding fiscal years for grants to public or nonprofit private colleges and universities and to accredited graduate schools of social work, or an association of such schools, to meet part of the costs of development, expansion, or improvement of undergraduate programs in social work and programs for the graduate training of professional social work personnel. Not less than one-half of the amount appropriated would have to be used for grants for undergraduate programs.

Location of Absent Parents

The amendments provide that in those instances in which welfare agencies have been unable to locate absent parents of children receiving AFDC through all sources available to them, including records of the Social Security Administration, the Internal Revenue Service will make available any information concerning their whereabouts that it may have.

Limitation on Federal Participation in Medical Assistance (Medicaid)

States will be limited in setting income levels for Federal matching purposes to 133⅓ percent of the AFDC payment level. (For the period July-December 1968, the percentage is 150, and for calendar year 1969 it is to be 140 percent.)

Federal matching for medical care for all those who are receiving or eligible for cash assistance or who would be eligible for cash assistance if not institutionalized, will not be affected under the amendment.

Coordination of Medicaid and the Supplementary Medical Insurance Program

States will have until January 1, 1970 (rather than January 1, 1968) to buy-in title XVIII supplementary medical insurance for persons eligible for medicaid. Also, people who are eligible for medicaid but who do not receive cash assistance may be included in the group for which the State can purchase such coverage and persons who first go on the medicaid rolls after 1967 are also eligible. There is no Federal matching toward the State's share of the premium in such cases. Federal matching amounts will not be available to States for services which could have been covered under the supplementary medical insurance programs but were not as a result of a State's failure to buy in.

Modification of Comparability Provisions—Medicaid

States do not have to include in medicaid coverage for recipients under age 65 the same services which the aged receive under the supplementary medical insurance program furnished under the buy-in provisions discussed above.

Extent of Federal Financial Participation in State Administrative Expenses—Medicaid

States will get the same 75-percent Federal matching for physicians and other professional medical personnel working on the medicaid program in the State health agencies which they now get when such personnel work in the "single State agency," usually the public assistance agency. Under present law, matching is 50 percent in such cases.

Advisory Council on Medical Assistance

An Advisory Council on Medical Assistance, consisting of 21 persons from outside the Government, is established to advise the Secretary of Health, Education, and Welfare on matters of administration of the medicaid program.

Free Choice for Persons Eligible for Medicaid

Effective July 1, 1969 (July 1, 1972, for Puerto Rico, the Virgin Islands, and Guam), people covered under the medicaid program will have free choice of qualified medical facilities and practitioners, including community pharmacies.

Use of State Agencies To Assist Health Facilities To Participate in the Various Health Programs Under the Social Security Act

States will receive 75-percent Federal matching for services which State health agencies perform to help health facilities qualify for participation in the various health programs under the Social Security Act (including medicare, medicaid, and the child health programs) and to help these facilities improve their fiscal records for payment purposes. Similar provisions in the medicare program (which finances such services on a 100-percent basis from the Federal hospital insurance trust fund) are repealed effective July 1, 1969, when this provision goes into effect.

Payments for Services and Care by a Third Party—Medicaid

States are required to take steps to assure that the medical expenses of a person covered under the medicaid program, which a third party has a legal obligation to pay, will not be paid, or, if liability is later determined, that steps will be taken to secure reimbursement.

Medicaid Safeguards

The amendment requires States to establish methods and procedures designed to safeguard against unnecessary utilization of health care and services, as well as to assure that payments (including payments for drugs) do not exceed reasonable charges and that they are made on a basis consistent with efficiency, economy, and quality of care.

Skilled Nursing Home Standards Under Medicaid

States are required, as a condition for participation in the medicaid program, to place assistance recipients only in those licensed nursing homes which meet certain conditions. The conditions include requirements which relate to environment, sanitation, and housekeeping now applicable to extended care facilities under medicare, as well as fire safety standards of the life safety code of the National Fire Protection Association (unless the Secretary finds that a State's existing fire code is adequate).

States will also have to have a professional medical audit program under which periodic medical evaluations of the appropriateness of care provided title XIX patients in nursing homes, mental hospitals, and other institutions will be made.

Effective July 1, 1970, States which provide skilled nursing home care under medicaid will also be expected to provide home health care services.

Federal Matching for Assistance Recipients in Intermediate Care Facilities

Under current law, vendor payments may be made with Federal sharing only in behalf of persons in medical facilities, such as skilled nursing homes. There is no Federal vendor-payment matching for people who need institutional care in the intermediate range between that which is provided in a boarding house (for which eligible persons may receive a money payment under the money payment programs), and those who need the comprehensive services of skilled nursing homes.

The amendments provide for vendor payments in behalf of persons who qualify for OAA, AB, or APTD, and who are living in facilities (including a Christian Science sanitarium) which are more than boarding houses but which are less than skilled nursing homes. The rate of Federal sharing for payments for care in those institutions is at the same rate as for medical assistance under title XIX. Such homes will have to meet safety and sanitation standards comparable to those required for nursing homes in a given State.

This provision should result in a reduction in the cost of title XIX by allowing States to relocate substantial numbers of welfare recipients who are now in skilled nursing homes in lower cost institutions.

Maintenance of State Effort

Present law contains certain provisions which in effect require that the additional Federal dollars States received as a result of the Social Security Amendments of 1965 are passed on to recipients or are otherwise used in the State's welfare program, for a period ending July 1, 1969. The amendments add to the kinds of expenditures States may count (from July 1, 1966) in determining whether they are satisfying the maintenance of effort provisions. The maintenance of effort provision as amended would terminate July 1, 1968.

Direct Billing—Medicaid

Under present law, States are required to pay for health services under medical assistance programs directly to the provider of the services. Under the amendment, States will be permitted to make a direct payment to the recipient for physicians' and dentists' services with respect to those medical assistance recipients who are not also receiving cash assistance.

Required Services Under Medicaid

States now have to provide, as a minimum, five basic services: Inpatient hospital services, outpatient hospital services, other laboratory and X-ray services, skilled nursing home services, and physician's services. States may select a number of other items of service from an additional list in the law.

Under the amendments States will be required to provide the basic five services for all money payment recipients (the most needy receiving help under the program). With respect to the medically indigent, States would be allowed to select either the first five, or seven out of 14, services authorized under the law, except that if nursing home or hospital care services are selected, a State must also provide physician's services in those institutions. Subsequent to July 1, 1970, a State would also be required to provide home health services for its cash assistance recipients.

Christian Scientists—Health Programs

The amendments add a provision to the medical assistance (title XIX) and the child health programs (title V), making it clear that no provision in such titles requires an individual to undergo medical screening, diagnosis, or treatment, where contrary to his religious belief, except in cases involving contagious disease or environmental health.

Hospital Deductibles and Copayment for Medically Indigent

Under present law, States may not impose any deductibles or cost sharing provisions with respect to hospital care under the medicaid program. Under the amendments, the costs of hospital care received by the medically needy will be subject to deductibles or other cost sharing if a State desired to have such provisions in its program. No such deductible or cost sharing could be imposed with respect to money payment recipients, as under existing law.

Essential Person—Medicaid

The amendments extend medical assistance to certain "essential persons." At present there is no provision in title XIX which permits a State to receive Federal matching for medical assistance provided for "essential persons." An "essential person" is defined as the spouse to an aged, blind, or disabled public assistance recipient who is living with him, and essential or necessary to his welfare and whose needs are taken into account in determining the amount of his cash payment. The wife of an OAA recipient, for example, who herself is not eligible for cash assistance because she is under age 65 will be eligible for medical assistance if the State plan so provided.

Licensing of Nursing Home Administrators Under Medicaid

The amendments require States to license administrators of nursing homes. Administrators currently operating a home who do not qualify initially would have until July 1, 1972, to qualify. In the meantime, the States would be required to offer programs of training to assist administrators to qualify.

Optometric Services Under Child Health Programs

Persons receiving health services under child health programs will be free to utilize the services of optometrists when appropriate.

Family Planning

Family planning expenditures are now made under the maternal and child health program in title V and through medical assistance under title XIX, as a medical services expenditure. States are free to offer family planning services to AFDC recipients under title IV, but there are no Federal requirements. Under the amendments, States will be required to offer family planning services to all appropriate AFDC recipients. Federal matching of these expenditures will be provided. In addition, authorizations for the maternal and child health programs are increased, and 6 percent of the appropriated funds are earmarked for family planning. (An estimated $15 million would be spent for that purpose under the 1969 authorization, with increases thereafter). Demonstration projects would need to be developed for the provision of family planning services for mothers in needy areas.

Language is included to clarify that the acceptance of family planning services is voluntary and not a requisite for the receipt of assistance.

Training of Personnel for Health Care and Related Services for Mothers and Children

The amendments will direct the Secretary of Health, Education, and Welfare "to give special attention to" programs providing training at the undergraduate level in making grants for training of such personnel.

Consolidation and Increase of Child Health Authorizations

The amendments consolidate the existing separate child health authorizations into one single authorization with three general categories. Beginning with 1969, 50 percent of the total authorization would be for formula grants, 40 percent for project grants, and 10 percent for research and training. By July 1972 the States would have to take over the responsibility for the project grants, and 90 percent of the total authorization would then go to the States in the form of formula grants. Total authorizations would increase from $250 million in 1969 to $350 million in 1973 and thereafter.

Additional Requirements on the States Under the Formula Grant Program—Child Health

State plans must provide for the early identification and treatment of crippled children. Title XIX is amended to conform to this requirement. The States must also devote special attention to family planning services and dental care for children in the development of demonstration services.

Project Grants—Child Health

Until July 1972, the amendment authorizes project grants (1) to help reduce the incidence of mental retardation and other handicapping conditions caused by complications associated with childbearing, and to help reduce infant and maternal mortality; (2) to promote the health of children and youth of school and preschool age; and (3) to provide dental care and services to children. Beginning July 1972, responsibility for these projects will be transferred to the States.

The fiscal year 1968 authorization for maternity and infant care special projects grants is increased from $30 to $35 million.

Limitation on Federal Matching for Puerto Rico, Guam, and Virgin Islands

The dollar limit for Federal financial participation in public assistance for Puerto Rico is raised from the present $9.8 million to $12.5 million for 1968, $15 million for 1969, $18 million for 1970, $21 million for 1971 and $24 million for 1972 and thereafter. Up to an additional $2 million can be certified for family planning services and expenses to support work incentive programs.

Under medicaid an overall dollar limit of $20 million is applicable to Puerto Rico and the ratio of Federal matching is changed from 55 percent to 50 percent.

Proportionate adjustments are made for Guam and the Virgin Islands.

TABLE 1.—COMPARISON OF MONTHLY CASH BENEFITS UNDER PRESENT LAW AND UNDER H.R. 12080 AS AGREED TO BY THE CONFERENCE COMMITTEE

Average monthly earnings after 1950	$67 or less		$150		$250		$300		$350		$400		$550		$650 [1]—H.R. 12080
	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	
1. Retirement at 65 or disability benefit	$44.50	$55.00	$78.20	$88.40	$101.70	$115.00	$112.40	$127.10	$124.20	$140.40	$135.90	$153.60	$168.00	$189.90	$218.00
2. Retirement at 62	35.20	44.00	62.60	70.80	81.40	92.00	90.00	101.70	99.40	112.40	108.80	122.90	134.40	152.00	174.40
3. Wife's benefit at 65 or with child in her care	22.00	27.50	39.10	44.20	50.90	57.50	56.20	63.60	62.10	70.20	68.00	76.80	84.00	95.00	[2] 105.00
4. Wife's benefit at 62	16.50	20.70	29.40	33.20	38.20	43.20	42.20	47.70	46.60	52.70	51.00	57.60	63.00	71.30	78.80
5. 1 child of retired or disabled worker	22.00	27.50	39.10	44.20	50.90	57.50	56.20	63.60	62.10	70.20	68.00	76.80	84.00	95.00	109.00
6. Widow, 62 or older	44.00	55.00	64.60	73.00	84.00	94.90	92.80	104.90	102.50	115.90	112.20	126.80	138.60	156.70	179.90
7. Widow at 60, no child	38.20	47.70	56.00	63.30	72.80	82.30	80.50	91.00	88.90	100.50	97.30	109.90	120.20	135.90	156.00
8. Disabled widow at age 50	------	33.40	------	44.50	--------	57.60	--------	63.60	--------	70.30	--------	76.90	--------	95.00	109.10
9. Widow under 62 and 1 child	66.00	82.50	117.40	132.60	152.60	172.60	168.60	190.80	186.40	210.60	204.00	230.40	252.00	285.00	327.00
10. Widow under 62 and 2 children	66.00	82.50	102.00	132.60	202.40	202.40	240.00	240.00	279.60	280.80	306.00	322.40	368.00	395.60	434.40
11. 1 surviving child	44.00	55.00	58.70	66.30	76.30	86.30	84.30	95.40	93.20	105.30	102.00	115.20	126.00	142.50	163.50
12. 2 surviving children	66.00	82.50	117.40	132.60	152.60	172.60	168.60	190.80	186.40	210.60	204.00	230.40	252.00	285.00	327.00
13. Maximum family benefit	66.00	82.50	120.00	132.60	202.40	202.40	240.00	240.00	280.80	280.80	309.20	322.40	368.00	395.60	434.40
14. Maximum lump-sum death payment	132.00	165.00	234.60	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00

[1] Maximum AME under H.R. 12080.

[2] Maximum wife's benefit.

Source: Social Security Administration.

TABLE 2.—MAXIMUM CONTRIBUTION AMOUNTS UNDER AMENDMENTS—OLD-AGE, SURVIVORS, DISABILITY, AND HOSPITAL INSURANCE

Calendar year	OASDT		Health insurance		Total	
	Previous law	1967 amendments	Previous law	1967 amendments	Previous law	1967 amendments
	Employee					
1967	$257.40	$257.40	$33.00	$33.00	$290.40	$290.40
1968	257.40	296.40	33.00	46.80	290.40	343.20
1969–70	290.40	327.60	33.00	46.80	323.40	374.40
1971–72	290.40	358.80	33.00	46.80	323.40	405.60
1973–75	320.10	390.00	36.30	50.70	356.40	440.70
1987 and after	320.10	390.00	52.80	70.20	372.90	460.20

Calendar year	OASDT		Health insurance		Total	
	Previous law	1967 amendments	Previous law	1967 amendments	Previous law	1967 amendments
	Self-employed					
1967	$389.40	$389.40	$33.00	$33.00	$422.40	$422.40
1968	389.40	452.40	33.00	46.80	422.40	499.20
1969–70	435.60	491.40	33.00	46.80	468.60	538.20
1971–72	435.60	538.20	33.00	46.80	468.60	585.00
1973–75	462.00	546.00	36.30	50.70	498.30	596.70
1987 and after	462.00	546.00	52.80	70.20	514.80	616.20

Source: Chief Actuary, Social Security Administration.

TABLE 3.—ESTIMATED ADDITIONAL OASDI BENEFIT PAYMENTS IN CALENDAR YEARS 1968, 1969, AND 1972 UNDER AMENDMENTS

[In mil'ions of dollars]

Item	1968	1969	1972
General benefit increase	2,529	3,190	3,604
Benefit increase for transitional insured	6	7	5
Benefit increase for transitional noninsured	43	43	25
Liberalized benefits with respect to women workers	73	90	101
Special disability insured status under age 31	60	72	77
Disabled widow's benefits at age 50	50	63	73
Earnings test liberalization	140	221	244
Total	2,901	3,686	4,129

Source: Chief Actuary, Social Security Administration.

TABLE 4.—COMPARISON OF CONTRIBUTION INCOME AND BENEFIT OUTGO UNDER PRESENT LAW AND UNDER AMENDMENTS, OLD-AGE, SURVIVORS, DISABILITY, AND HOSPITAL INSURANCE

[In billions of dollars]

Calendar year	Contribution income	Benefit outgo	Excess of contributions over benefits
	Present law		
1967	28.5	24.2	4.3
1968	19.6	25.5	4.1
1969	33.7	26.9	6.8
1970	35.2	28.2	7.0
1971	36.2	29.4	6.8
1972	37.2	30.8	6.4

Calendar year	Contribution income	Benefit outgo	Excess of contributions over benefits
	Amendments		
1968	31.0	28.3	2.7
1969	35.2	30.4	4.8
1970	36.8	31.8	5.0
1971	40.8	33.3	7.5
1972	42.5	34.7	7.8

Source: Chief Actuary, Social Security Administration.

TABLE 5.—DETAIL OF PUBLIC WELFARE AND CHILD HEALTH COSTS AGREED TO BY THE CONFERENCE COMMITTEE

[In millions of dollars]

	Fiscal year 1968	Fiscal year 1969	Fiscal year 1970	Fiscal year 1971	Fiscal year 1972
Public assistance:					
AFDC costs if there is no change in present law [1]	1,462.0	1,555.0	1,647.0	1,741.0	1,837.0
Title XIX costs if there is no change in present law [2]	1,391.0	1,913.0	2,289.0	2,690.0	3,118.0
All other public assistance costs if there is no change in present law [3]	1,647.0	1,700.0	1,725.0	1,750.0	1,776.0
Subtotal, present law	4,500.0	5,168.0	5,661.0	6,181.0	6,731.0
Increases in the bill:					
Day care	(4)	35.0	80.0	160.0	350.0
Other social services	(4)	35.0	70.0	100.0	125.0
Earnings exemptions	(4)	20.0	25.0	30.0	35.0
Work training	30	129.0	165.0	209.0	308.0
Foster care	(4)	10.0	20.0	33.0	40.0
Emergency assistance	(4)	10.0	20.0	35.0	35.0
Puerto Rico, et al	(4)	7.8	11.0	14.2	17.5
Demonstration projects	(4)	2.0	2.0	2.0	2.0
Additional child health requirements in title XIX	-------	-------	30.0	40.0	50.0
OAA, AB, APTD spouses under medicaid	(4)	14.0	15.0	16.0	17.0
Medical review program for nursing homes	-------	2.5	5.0	7.5	10.0
Subtotal, increases	[4] 50	265.3	443.0	646.7	989.5
Decreases in the bill:					
AFDC limitation	-------	-------	-------	---------	---------
AFDC reductions for persons trained	-------	−11.0	−63.0	−145.0	−257.0
Decreases in the bill—Continued					
Restrictions on title XIX	-------	−329.0	−678.0	−1,037.0	−1,405.0
Decreases in public assistance due to social security benefit increase	−15	−65.0	−70.0	−75.0	−75.0
Federal participation in cost on care in "intermediate care facilities"	-------	−10.0	−20.0	−29.0	−29.0
Subtotal decreases	−15	−415.0	−831.0	−1,286.0	−1,766.0
Net cost of savings due to public assistance amendments	−35	−149.7	−388.0	−639.3	−766.5
Total public assistance as amended by bill	4,535	5,018.3	5,237.0	5,541.7	5,954.5
Child welfare:					
Present law	55	55.0	60.0	60.0	60.0
Increase for child welfare services	-------	45.0	50.0	50.0	50.0
Increase for child welfare research	-------	5.0	10.0	15.0	15.0
Subtotal, increases	-------	50.0	60.0	65.0	65.0
Social work manpower	-------	5.0	5.0	5.0	5.0
Net public welfare cost or savings in bill	35	−94.7	−323.0	−569.3	−706.5
Child health:					
Authorizations in bill	203	250.0	275.0	300.0	325.0
Authorization in present law	198	210.5	225.5	225.5	225.5
Increase in bill	5	39.5	49.5	74.5	99.5

[1] Assumes annual increase in the rolls of about 200,000, based on the experience of the past several years; allows increase of $1 each year in the average monthly payment per recipient, in line with recent experience.

[2] Includes all medical vendor payments; assumes 5-percent annual increase in unit costs after 1968.

[3] Assumes continued decline in number of old-age assistance and aid to the blind recipients, and continued increase in aid to the permanently and totally disabled, based on experience; allows increases for average payments.

[4] 1368 cost of $20,000,000 related to these items undistributed.

Note: Costs are based on 1968 prices except as noted in assumptions.

Source: U.S. Department of Health, Education, and Welfare.

TABLE 6.—WORK TRAINING IMPACT OF WORK INCENTIVE PROGRAM

Fiscal year	Work training expenses (millions)	Federal AFDC reduction due to training (millions)	Trainees (thousands) [1]	Full-time job placements after training (thousands)
1968	$30	----------	27	----------
1969	[2] 129	−$11	110	13
1970	165	−63	150	55
1971	209	−145	190	75
1972	308	−257	280	95
Total	841	−476	757	250

[1] Does not include recipients on priority III work projects.
[2] Includes $8,000,000 1-year cost for priority III work projects (for public agencies).

Source: U.S. Department of Labor.

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Source: U.S. Department of Labor.

Mr. LONG of Louisiana. Mr. President, I believe we have worked the drug matter out in a way which the Senate might find more acceptable than that which we might have had to agree to.

While the Senate conferees receded on most of the detailed provisions of the Senate's drugs amendment, we were nonetheless partially successful in our efforts. The House conferees acknowledged the need for the Federal Government to exercise much tighter supervision over payments for drugs under the welfare programs.

More specifically, the conference bill contains a modified amendment which requires the States to establish methods and procedures designed to assure that payments for drugs under medicaid are made on a basis "consistent with efficiency, economy, and quality of care." These methods and procedures are required to be approved by the Secretary of Health, Education, and Welfare.

It is perfectly conceivable for the Secretary to find that a State cannot provide drugs on an "efficient, economical basis, consistent with quality of care" unless that State employs a drugs formulary system. Furthermore, the Secretary could similarly find that emphasis upon providing drugs on a generic basis was also necessary to achieve the purposes of these new provisions in the law.

The only restriction upon the Secretary is that he not engage in "price fixing of drugs." This is perfectly all right. Price fixing has traditionally been the prerogative of the drug manufacturers. The Senate amendment, which I sponsored, contained absolutely nothing which would fix drug prices. Our amendment would simply have set a limit upon the amount of Federal matching funds which would be available toward whatever price had been established by a manufacturer for his drug products. He fixes the price—not the Federal Government.

The House, furthermore, accepted that portion of the Senate amendment which provides for "freedom of choice of community pharmacies" under medicaid. This means that a welfare patient will be able to get his prescription filled at any drugstore willing to meet the cost and service requirements of a given State. This important provision will help put an end to the "sweetheart" arrangements under which a single drugstore sometimes might get all of the welfare business—despite the fact that other drugstores in the community were perfectly willing to fill those prescriptions at the same price and under the same conditions as the so-called sweetheart.

Additionally, the House agreed to require the Secretary of Health, Education, and Welfare to study and report back, within 1 year, on proposals designed to reduce welfare and medicare drug costs as well as on proposals to provide coverage of prescribed drugs under part B of medicare. This is basically the Hartke amendment, but it was broadened so as to include other drug proposals, including that passed by the Senate.

Mr. President, I am not satisfied with what the conference did on drugs. We made some—but not enough—progress. I do want to thank all of those Senators who fought so hard to help bring some commonsense into the way the Federal Government pays for drugs under the welfare program. We all want drugs of proper quality at the most economical price—anything less is a disservice to the American people. I want to assure Senators that we will continue to battle for the objectives of the amendment passed by the Senate. I believe we will return to this "good fight" next year, stronger, and joined by more of our colleagues—in both Houses of the Congress—and that we will eventually prevail all the way.

In speaking on the subject of drugs, I should like to have the attention of the Senator from Tennessee [Mr. GORE], particularly, to express my gratitude to him, as one of the conferees, for the magnificent fight he made to make sure that we prevailed in substantial degree with regard to the Senate position on drugs—to keep the cost of those drugs within reason.

I recall so well that the former Senator from Tennessee, Estes Kefauver, stood in this Chamber and fought his heart out, year in and year out, trying to do something about the mischief in which some drug manufacturers were engaging—overpricing their products and preventing the public from obtaining those products at a reasonable price.

I recall so well the severe disappointment it was to former Senator Kefauver that his efforts to subpena some drug companies to appear and testify at hearings was frustrated by the Judiciary Committee, when the majority of its members declined to go along with a subpena which would have ordered them to testify.

Now I would say that, in the tradition of Senator Kefauver, another of Tennessee's Senators is fighting diligently and zealously to try to see to it that the old people in this country do not have to pay too much for drugs, and also to protect the taxpayers.

Mr. GORE. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. GORE. I should like to say to the Senator from Louisiana that I do not feel I am entitled to any credit for leadership in this field. That leadership is clearly in the hands of the junior Senator from Louisiana [Mr. LONG].

I think that the provision in the conference report, in this regard, is one of the real legislative achievements of the year. It is not only one of the victories which the Senate conferees won in conference with the other body; it is also the real legislative achievement of the year.

As the Senator from Louisiana knows, there have been many instances of charges for drugs with trade labels running several times the real cost of the generic drug involved.

Before I ask the Senator from Louisiana one question and make reference to something else, would the Senator mind reading the provision in the report which gives to the Secretary of Health, Education, and Welfare the jurisdiction and authority in this field?

Mr. LONG of Louisiana. I shall be glad to do so. It reads:

> The conference agreement contains the Senate provision, and adds a requirement that methods and procedures must also be provided to assure that payments (including payments for any drugs provided under the plan) are not in excess of reasonable charges consistent with efficiency, economy, and quality of care. It is the understanding of the conferees for the House that this provision does not authorize price fixing of drugs by the Secretary of Health, Education, and Welfare

The new language, just added, reads:

> . . . that methods and procedures must also be provided to assure that payments (including payments for any drugs provided under the plan) are not in excess of reasonable charges consistent with efficiency, economy, and quality of care.

That goes a little further than just on drugs. The chairman of the House conferees, Representative MILLS, was aware of the fact that, in some areas, doctors have been known to get together for the purpose of making up a ridiculously high minimum fee schedule.

Mr. GORE. Is it not a fact, as revealed to the conference committee, that in some areas in the State of New York office calls by old people under medicaid had been increased by 500 percent, and that there was a special list of charges which would be made against them. In other words, the fee for an office call jumped in 1 year from $5 to $25.

Mr. LONG of Louisiana. Yes; that is correct. Of course, when that sort of thing happens, it runs up the cost of the program.

Mr. GORE. Is it not one of the purposes of the provision which the Senator has just read to vest in the Secretary of Health, Education and Welfare the power and the authority to approve or disapprove plans on the basis of reasonableness of cost consistent with economy of operation?

Mr. LONG of Louisiana. Yes. That is the way it was meant to be. The costs that are now being paid have become tremendous, and the patient receives no additional service. Thus, we have provided that the Secretary of Health, Education and Welfare, where he did not have the authority in this matter, now has the authority and the duty to require that the States, under their plans, must resist that kind of unnecessary charging of old people which, of course, is a very great burden on the program.

Mr. GORE. In case my remarks should be considered prejudicial to any particular State, let me say that New York is not the only State in which an exorbitant schedule of fees has been uncovered; although I think that under present law, the Secretary of Health, Education and Welfare should have taken some steps in that regard. But unquestionably we have one good provision; namely, the legislative authority for him to deny a plan that permits such outrageous charges as $25 for a simple office call by older people who are in want and need.

Mr. LONG of Louisiana. Exactly. Let us understand each other. I have many good friends who are doctors. I am happy to say that my daughter is married to a man whose father is a doctor. Many of my relatives have been doctors. I have the highest regard for them. We do not propose to tell them what their fees shall be; but if a doctor charges a fee of, let us say, $2 for an office call for the average citizen, or $5 for an average call, and then proceeds to charge a $25 minimum fee for an aged person because the Government is going to pay the fee, that is not fair to the taxpayers, and neither is it fair to the older people.

Thus, we seek to get at that problem as well as the problem of the overpriced drugs.

Mr. GORE. The Senator affirms what I know to be the case, as well as the sentiments of the conferees on the part of both the House and Senate, that this provision goes not only to the unreasonable cost of drugs, but also to the unreasonable cost of the schedule of fees of paying the hospital, of paying the doctor, or of other costs which the Federal Government must pay.

Mr. LONG of Louisiana. The Senator from Tennessee is correct.

Mr. GORE. I thank the Senator. I wish to say again that I regard this provision as one of the legislative achievements in the bill. The Senator may recall that I took a part in the enactment of Medicare. I have taken a part in the enactment of social security improvements, even of medicaid. But unless we have a yardstick of reasonableness as to cost, there is a danger that the whole program can be broken down.

So in the interest of the soundness, the efficiency, and the economy of the program, it is necessary to write into the law the power to fix a yardstick of reasonableness as to cost. I thank the Senator from Louisiana for taking the lead.

I should say that the chairman of the House Committee on Ways and Means recognized, in conference, the necessity of doing something with respect to the reasonableness of the cost of drugs. But I am privileged to say that it was the chairman of the House Committee on Ways and Means, Representative MILLS, who brought up instances of unreasonable professional fees. It was at his instance that we compromised on a provision that went further in some respects than the provision the junior Senator from Louisiana had offered, and includes a much more reasonable cost.

Mr. LONG of Louisiana. So in some respects we got even more than we tried to get, even though we did not actually get all that we had hoped for. In the long run we might actually have ended with something better than we had hoped to get. I am very much pleased.

So that there will be no misunderstanding, and because some persons might seek to create the impression that the chairman of the House Committee on Ways and Means is an arrogant, unreasonable, unbending person, may I say that no one, in my judgment, could be farther from the truth than to suggest such a thing.

As a practical matter, when the chairman of that committee has taken his position, even to the extent that he might have frustrated the President of the United States on a number of occasions, such as the first time we went to conference on a medicare bill—as the Senator from Tennessee so well knows. After the Senator had fought so ably on the floor of the Senate and prevailed, the bill died in conference. When the chairman of the Committee on Ways and Means has taken a sound position and has declined to retreat, he has usually done so because he has felt that that was what the House wanted. The vote in the House in this instance reflects the feelings of the Members of the House and how far the House is willing to go.

In this particular matter, I have grave doubts whether we could have done anything in the area of unreasonable drug costs or unreasonable doctors' fees without the leadership, prestige, and respect that the chairman of the House Committee on Ways and Means, the Honorable WILBUR MILLS, enjoys in that body; just as I presently believe there will not be any major tax bill unless that distinguished chairman and highly regarded Member of the House should decide that his duty and conscience require him to take the lead and prevail upon the Members of the House to see it his way and to act in his way. I am not saying that he should or should not.

In this particular case, the chairman of the House Committee on Ways and Means was feeling the pulse, and he knew how far the House was willing to go. My impression is that the chairman of the House conferees was willing to be reasonable with us in deciding which of the Senate amendments the House conferees would take. But where the House backed off onto high ground and would not yield at all, it was on the general principle that it was not willing to put this program on a basis that was not actuarily sound and was not willing to permit the welfare program to become an irresponsible, wasteful, inefficient proposition, one which would be a disgrace to the country.

In those areas where they felt very strongly about it, where they had held lengthy hearings and their own studies proved their case, they were not going to yield. But I do think that, insofar as money was available and we had the votes for it, the House conferees were willing to deal with those provisions, assuming the money was there to pay for it.

Mr. GORE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. GORE. The Senator will recall that there was strong resistance on the part of the conferees representing the House to accept any provision with respect to excessive costs of drugs. The Senator will recall that the House Members took the position that it had never been the subject of legislation in the House, that it had never had a committee hearing or a vote on the floor, and therefore they did not wish to deal with it.

The Senate conferees, on the other hand, insisted that the Senate had not only a legislative history, but a long history of legislative effort in this field, and that after committee hearings and after a rollcall vote, we finally had brought to the conference a serious proposal to regulate excessive costs, which should not rightly be placed upon these programs and upon the American taxpayer.

The House finally yielded with a compromise, and we sought in the compromise to give to the Secretary the authority, which I have already indicated, to prevent excessive cost not only with respect to drug and professional fees, but other excessive costs.

Mr. LONG of Louisiana. The Senator is correct.

Permit me to say further that I have been in the Senate for some time. This is my 19th year of service here. It has been my privilege to serve on the Committee on Finance for a number of years and to be one of the conferees on the part of the Senate. In years gone by I have seen some magnificent bills which should have become law die because the conferees were not able to move closely enough together to resolve differences between the House and the Senate.

I recall so well two conferences in which the Senator from Tennessee worked diligently with me and others. One was a bill to provide medicare and the other to provide a cost-of-living increase in social security. I believe I was the only Senator who was against adjourning the Senate that year because to me it was a tragedy that we did not act to help the aged people who needed it. It served the purpose. The issue went to the people. The people voted for Lyndon Johnson, who was for medicare; and they voted against Senator Goldwater, who had taken a position against the medicare provision.

The same House conferees who had stood firmly against medicare then proceeded to take the lead in passing the bill, on the ground, apparently, that it was what the people wanted and indicated in their decision at the polls.

Then, we had a bill which could have been a landmark bill with regard to unemployment insurance. We wanted to be sure there would be minimum standards in State insurance plans. We went to conference on it. The Senator from Tennessee was one of the conferees. We made every effort to persuade the House members. They would not yield for a moment. Their view was that the House was not willing to put any Federal standards in that program. So what happened was zero. Even the House bill was a good bill. The Senate bill was a much better bill. But the work of both Houses went for naught and the unemployed workers did not get the improved program which they had a right to expect.

Those kinds of frustrations we must seek to avoid. I would hope that Senators who, like myself, saw some of their amendments go down to defeat when the conference was concluded, will keep in mind that there will be another day; that with it all this is the biggest increase in cash payments under social security ever voted by the House or the Senate.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. WILLIAMS of Delaware. I shall discuss this conference report in detail later, but first I wish to say that I think the Senator has done an excellent job in describing this report of the conferees. I agree with him that Representative Mills and the House conferees took the only position they thought could be sustained on the floor of the House. The rollcall vote in the House today showed that they were correct in analyzing the sentiment there.

The Senator from Louisiana mentioned the contribution the chairman of the House Ways and Means Committee made in getting written into the bill a provision under which HEW can approve or disapprove plans under medicare or title 19 which he thinks are excessive in cost as to doctors' fees and other charges.

The Senator will recall that it was the unanimous opinion of the conferees that the existing law already provided such authority; however, the Department was interpreting it otherwise. It was upon Chairman Mill's recommendation that we spell out in the law that authority which had previously been included in the House report at the time medicare was first enacted.

However, now there can be no question but that they have the authority to reject a plan submitted by a State agency or any group.

I think it should be pointed out that during this conference the House accepted scores of amendments which the Senate had adopted. At the same time we lost a lot of Senate amendments, some of which the Senator from Louisiana was the author. We lost an amendment or two of which I was the author. In fact, I do not think there was a single conferee who did not lose some of his amendments in this conference. That was to be expected on a bill of this size.

Mr. LONG of Louisiana. At least some of them.

Mr. WILLIAMS of Delaware. Likewise we lost other amendments which had been approved by the Finance Committee and the Senate as a whole. However, the position of the House conferees was that the only bill they could get approved by the House was one that held the tax base not to exceed $7,800. They could not go beyond that.

This meant that the benefits would have to be brought down to a level so that we could be assured the social security fund would be actuarially sound.

In doing this, the bill still provides a 13-percent increase in benefits for all.

Those social security beneficiaries who are today receiving the minimum will get a 25-percent increase.

The retirement income test is raised under this bill from the present rate of $1,500 to $1,680.

Many other additional benefits appear under the medicare and welfare sections, at the same time certain glaring abuses under both these latter two programs are corrected.

This is a good bill, one that is fair to the social security beneficiaries, and at the same time it has given consideration to the plight of the wage earner who pays this tax.

The Senate conferees brought back the best bill we could get. I think we brought back a good bill, one which should be and will be approved by the Senate by an overwhelming vote. In fact, I predict that after all the arguments have been made even those Members who appear to be unhappy with the report today will be voting for the conference report when the roll is called. I yield the floor.

Mr. LONG of Louisiana. Mr. President, in a very real sense the honor of the Senate is at stake in the action we take on this legislation. The whole Nation is watching to see if this body really intends to go back on a promise made to the Nation's sick, poor, and aged. Is this body going to sacrifice the well-being of millions of needy people by rejecting this conference report. I am confident that when the roll is called the Senate will not be found wanting.

Mr. CURTIS. Mr. President, I urge that the conference report be agreed to.

I do not take that position because of the feeling that, if we do not agree to it, there will be no legislation in the 90th Congress. I urge its adoption because I think it is a good bill, and merits the support of everyone who reads it.

On the other hand, I am satisfied that if this conference report is rejected, there will be no social security legislation in the 90th Congress. But this is a very good bill, and I intend at this time to summarize some of its features, for there will be many Senators who will have an opportunity, before we convene again in the morning, to read the Record.

In the first place, this bill carries the largest dollar increase in benefits that has ever been granted. Average benefits will be increased by 13 percent, the minimum benefit by 25 percent, effective by March next year. It will benefit 22.9 million people; and the total amount of the annual increase is over $3 billion.

The conference report also increases the amount of wages that a beneficiary can earn and still be eligible for retirement benefits. I realize there are many people who would like to have no limit. There are others who would like to have the maximum figure raised higher than it is from the present limit of $1,500 to $1,680 before any reduction of benefits occurs. However, the fact remains that social security is financed on the basis that retirement is one of the tests. At the present time, a retiree can earn only $125 a month without having his social security adversely affected. That figure is now raised to $140 a month. This provision will benefit 760,000 people.

A liberalization is provided in reference to disabled widows and widowers. This provision will work to the benefit of 65,000 such persons, and amounts to about $60 million in increased benefits.

The bill provides that a child shall be considered a dependent of a mother under the same conditions as the existing law considers a child dependent upon the father; 175,000 children will benefit from that provision.

If a person becomes totally disabled while very young, this bill makes provision for him to qualify as having an insured status much better than that provided in the present law.

A vote for this conference report will be a vote for a material benefit for all of the men in our Armed Forces. Some years ago, it was provided that a member of our Armed Forces shall have social security coverage to the extent of his base pay. This conference report fixes the serviceman's coverage as his base pay plus increments of $100 a month, in order to bring his average wage for coverage up to a higher point.

There are quite a number of other improvements which I shall not take time to enumerate, but shall mention only a few.

For example, the conference report provides that a child adopted by a surviving spouse may qualify for benefits, even though the adoption is not completed within 2 years after the death of the worker, as the present law provides. The only requirement is that the adoption proceedings must have been initiated prior to the death of the worker.

A remedy for the distribution of underpayments will favorably affect 300,000 cases.

The definition of the term "widow" is materially changed. Under existing law, a case arose where a serviceman was married, was immediately shipped out for Vietnam, and lost his life. He had not been married long enough for his widow to qualify for a mother's benefit under social security, yet he had given his life for his country. The bill provides for a lesser required duration of the marriage for an individual in the uniformed services of our country as a prerequisite to qualifying for such benefits.

Another helpful feature of the bill is a provision for expedited benefit payments. More timely payment of social security benefits is authorized. When it is apparent that a social security benefit is likely to be paid and has been delayed, the applicant does not have to wait a long time for a determination. It provides for a special determination and expeditious handling of such payments.

The bill liberalizes the definition of blindness.

Perhaps one of the most irritating items in the medicare program has been the way in which a doctor's bill has to be submitted in order to be paid. The present law amounts, in a practical way, either to the doctor having to do all the paper work, or the patient having to pay the bill and then submit a receipted bill.

Some of the old people have had to borrow the money, in order to obtain a receipted bill. This measure, upon which the Senate will soon be called upon to vote, provides that the patient can submit an itemized bill. It does not have to be paid prior to submission to social security. Then when it is processed, a check is made out to the recipient who can turn it over to his doctor for payment of the services. Surely, a much more logical and reasonable procedure than presently available.

The matter of participating hospitals is something that has needed the attention of Congress. There are people living in areas in which they do not have access to a hospital that meets all of the requirements of the Medicare Act. Yet, people get sick, become emergency cases, and must go to the nearest hospital. At the present time, a patient is often discriminated against because of the rather strict medicare regulations concerning the eligibility of the hospitals, he cannot be reimbursed for his hospital expenses. Yet he had little choice in selecting his hospital. The pending bill carries a provision that makes it possible for the payment for services, under certain conditions, in nonparticipating hospitals. This provision will not let the standards down, but it will lessen to a great degree the injustice done to patients now under the existing law.

At the present time an elderly person is entitled to 90 days of hospitalization during one spell of sickness. The pending bill provides that, even after that 90-day period has expired, certain services such as X-ray and laboratory services under part B can be paid for in the hospital.

There is another very important provision in the pending bill. Under the existing law, a patient may go to a hospital for 90 days. Then, after that patient has been out of the hospital for 60 days, he can be certified for another 90-day hospitalization stay. Sometimes an individual requires more than 90 days of hospitalization. Perhaps he should stay in the hospital for an additional 10 days. Perhaps he will never get out of the hospital.

The pending bill contains a provision which was agreed upon in conference that gives to every aged person a 60-day lifetime reserve that he can use at any time he wants to. In other words, if someone is in the hospital and remains there for 90 days, during which time he has not gone home, he can use 10 days of his 60-day lifetime reserve if that becomes necessary.

The services of podiatrists are included.

I believe that perhaps two of the most helpful of the many provisions under the medicare section are the 60-day lifetime reserve and the affording of an opportunity to receive some treatment, if it is needed, in a nonparticipating hospital.

Another improvement in medicare services is contained in the pending bill. One does not have to have a doctor's certificate to get into a hospital. Many people are rushed to a hospital. The hospitals are so crowded now that they are not going to admit a person unless that person belongs in the hospital. A person will not have to hunt up a doctor in order to get a certificate. However, the provision does require for a recertification, as does the present law.

Another improvement in the medicare provisions relates to X-ray services. A person can get X-ray services by going to the location of that X-ray service under the existing law. However, the pending bill provides for payment for X-ray services in the case of portable X-ray machines. That sometimes means a great deal to some of these people. It may also lessen the cost of the program.

Provision is made in the medicare part of the pending bill for the purchase of durable medical equipment. At the present time if a medicare patient needs a wheelchair, payment can be made for the rental of a wheelchair. However, the purchase of a wheelchair is not covered. There might be good reasons for buying a wheelchair. Provision is provided in the pending bill for that.

Under the existing law, individuals who reach 65 years of age in 1968 will not receive medicare services unless they have six quarters of coverage under social security. In the pending bill that period is reduced to three quarters.

Some new and beneficial features are contained in that part of the social security law that we generally refer to as welfare. For the first time the Federal Government under the Social Security Act will participate financially in a program making training and work available for welfare recipients.

We have reached a tragic situation in this country. There are people on welfare whose children are on welfare and whose grandchildren grow up to be on welfare. Provisions are made in the pending bill for referring these people for employment, or, if they cannot take employment, for training. However, that is not all. In order to get them over the hump and convert them from welfare recipients to wage earners, they can retain some of their earnings without losing their welfare payments. There is an incentive provided to work rather than merely to receive the assistance money.

One will ask where they are going to get jobs. A definite program has been worked out that will be of great assistance in that regard as these welfare recipients in appropriate cases are referred for work. If they can get a job in private employment, that is fine. If they cannot get a job, they are then referred for training.

If, after training, they cannot get a job in private employment, arrangements are made so that they can have employment with some governmental subdivision. The Secretary of Labor is authorized to enter into agreements with a county or a city and transfer to that agency money that would have been paid in welfare. The governmental subdivision in turn can hire these people to do useful work, putting up a portion of their wages. Maybe some of them are not physically able to scoop snow. However, that does not mean that they cannot help to clean up a public park or do some other useful thing.

In the work-incentive program, if people can get private employment, they are referred for that. If they cannot get private employment, they can work for some governmental subdivision. Whenever they reach a point at which they can graduate into private employment, that will be done.

Mr. GORE. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. GORE. Mr. President, was the Senator impressed—I am sure the senior Senator from Tennessee was—at the statistics given to the conferees concerning the success of the training program in bridging this gap from idleness to useful employment?

Mr. CURTIS. I was. I think that we are all indebted to the chairman of the Finance Committee for coming forth with this plan with the various priorities. I have described the three priorities—the first being referral for employment in private industry, and the second being training for regular employment, and the third, employment for a governmental subdivision. Under the third program with appropriate safeguards, they can be referred to a nonprofit organization that is performing a public service. But that has to be passed upon by a special panel. It was the desire of the committee that they do nothing that would give someone an advantage by employing welfare labor or subsidized labor in any way.

An illustration of the third category of employment will make this clear. If the welfare recipient is an appropriate person to go to work and could not be placed in private enterprise, he would work for the city or the county, and the city or the county would be given the relief money with which to pay him.

Mr. GORE. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. GORE. I call to the Senator's attention the summary of social security amendments, the committee print which is on his desk. I refer to page 29, the last page.

Based upon the experience of the Labor Department in this field, at the suggestion of the conferees, certain statistics are printed which show that the Labor Department anticipates that within 4 years they will be able to place into gainful employment 250,000 people who are not now gainfully employed and who are upon the welfare rolls.

Mr. CURTIS. I appreciate this contribution by the Senator. I also point out that this may involve their children and successive generations, because we are developing in this country categories of people who remain on welfare for generation after generation.

However, getting back to the third category of available employment, I might cite the situation in a community where the American Legion, the Salvation Army, or the Boy Scouts might want to build a camp for general public use of all children. The organization would be permitted to participate in a contract with the Secretary of Labor whereby welfare money would be turned over to it and the money would be paid out in wages for useful work performed for this public purpose, rather than a dole just given to the welfare recipient, assuming that it is a case in which his health or family is such that he should be employed.

I am supporting these provisions not only because they will result in a saving in public funds in the long run, I am also supporting them because we owe this to these people. I believe that most citizens would rather be productive than be on welfare.

I am thoroughly convinced that every child is much better off living in a family whose head is doing useful work for the money he receives, rather than receiving a welfare check. Perhaps it has been a mistake that some of these welfare rolls have grown so large. Nevertheless, they have. Something must be done to reverse the trend. I believe that what is offered in this proposal will move in the right direction.

Now, Mr. President, I should like to refer to another new provision in this measure. For the first time, the Federal Government will match money for emergency assistance. This has not been in the law before. For a period of 30 days, emergency assistance can be paid in cases where they cannot meet other qualifications. Many of the States have asked for this provision, and it is one that should be looked at by those who say they will reject this bill because it is not liberal. It would do many of the things for which States, welfare directors, and others have been asking for a long time.

I believe I have read that the conference report was criticized because it did not contain a provision for a pass-along to the recipient of an increase of the money available for old-age assistance. That is not quite correct. In fact, it is not correct at all.

In the act of 1965, when social security benefits were raised, old-age assistance benefits were raised, and provision was made to permit States to pass along at least $5 per month of that raise to the recipient, so that it would not just be a saving of funds for the State. Only 16 States have availed themselves of that provision. The provision is retained, and an additional $2.50 is provided. Most of the States, if they find they can and if they so choose, can use this increase in social security to pass along to those on old-age assistance, so that the recipient actually gets an increase, rather than just use that money to help carry the increased load.

I feel a few comments concerning the AFDC sections of this bill and the part that has been criticized should be made. The term AFDC means aid to families with dependent children. It is a welfare program in which the Federal Government participates. It involves, in part, children whose father is dead. It involves children whose father is disabled. It also provides aid in instances where the father is absent from the home.

In the latter category is the so-called freeze. It was felt by many that it was necessary to do something with the ever-increasing number of cases under the AFDC program in the category where the father has deserted.

It is not a harsh or a cruel freeze. It will not take anyone off the rolls who is there now. But this is what it amounts to: Beginning July 1 of next year, the total dollars that a State can receive can only be increased in accord with the proportion of this narrowed category of AFDC cases as a proportion of the population under 18 in the first calendar quarter after January 1, 1968.

Mr. President, while it is true that they can only increase their amount of Federal funds as the population increases, there are other features in the bill which offer remedies. In the first place, the work-incentive provisions will be available for a great many mothers and they can avail themselves of it and it will be helpful. Also, the State can do a better job if it enforces the law and requires deserting fathers to support their children.

There are provisions for family planning. Birth control services are on a voluntary basis and will not be forced on anyone, but will be made available.

I might point out that 28 States have yet to avail themselves of a program of aid to dependent children where the father is unemployed. Those 28 States can take advantage of it and thus relieve part of the temptation for fathers to desert.

I would point out that if a State is adversely affected by this freeze it can readjust its eligibility requirements so it can provide for the more needy cases.

While this provision has some very good aspects, it will not result in any wholesale cutting off of children from the AFDC rolls. As a matter of fact, the State cannot remove children that are on the rolls now. They may have to pay the entire bill but they have the means to keep them all on the rolls because these other training provisions are available to them to hold the load down.

Then, there is one other matter. The social security and Federal tax records can be used by an appropriate court in locating a deserting father so that he can be required to support his family.

Mr. President, I now wish to speak briefly about medicaid. Title XIX of the Social Security Act provides for Federal matching in the payment of medical bills for the medically indigent. It was up to the States to determine who was medically indigent. Some States fixed the amount rather high. It was apparent, in looking at the record for several years, that a program originally presented to us as costing only a few hundred million dollars was going to run into several billion dollars.

I believe it was sound and right that the Congress fix a limit on how high the State can go, but not place a limit on Federal participation. The solution arrived at by the conference amounts to this. The Federal matching money can be used to provide medical assistance to anyone or any family where the income does not exceed 133 percent of the AFDC payment level.

Under this definition, no person in any State who was receiving cash welfare benefits will be denied medicaid. In addition, anyone who is eligible but not drawing a welfare cash payment will automatically be available for medicaid.

I think this ceiling, if one wishes to call it that, is necessary. I think it is just and fair as between States. I believe it is in line with what Congress thought it was doing when the program was inaugurated at the time medicaid was inaugurated.

Mr. President, I shall take no further time. Again, I wish to repeat that this measure carries many improvements in the social security law. It provides for a number of improvements in the medicare program. It carries a 13-percent increase in social security benefits, with a 25-percent increase for those who receive the minimum benefits.

I regard this as a bill that is much more sound than it was when previously before the Senate. Some of the very costly provisions on the long range were eliminated.

Mr. President, it so happens that those particular portions of the social security law would not have been of much immediate benefit. Under the bill passed by the House of Representatives the maximum tax on an employee could reach $448.40 by 1987. Under the Senate bill the tax would have gone to $626.40 by 1980, and continued thereafter. Under the conference report the maximum tax will not exceed $460.20, and it will not be reached until 1987.

Mr. President, I hope that the conference report will be adopted.

I yield the floor.

Mr. ANDERSON. Mr. President, I rise to state my strong support in favor of the Senate's acceptance of the conference agreement on the Social Security Amendments of 1967.

This bill, which has survived an arduous legislative road, arrives in its present status in the Senate as a responsible piece of legislation containing both an adequate benefit increase and other fine and lasting improvements in programs under the Social Security Act. Most important of all, the package that is presented to the Senate for approval is reasonably priced and can be supported by the taxpayers of this country.

In order to consider the conference agreement in its proper light, one must be aware that it results from long, hard legislative labor. In March of this year, almost 10 months ago, the House Committee on Ways and Means initiated public hearings on this proposal. Literally hundreds of witnesses were heard and thousands of pages of testimony digested. The Ways and Means Committee met in almost constant and continuous executive session, meeting 60 times to mark up and forge a strong and adequate bill. The House committee presented to its Members what it felt was a responsive piece of legislation eagerly awaited by many millions of beneficiaries. The House responded with almost a full-fledged acceptance of the bill as reported by voting in favor, 414 to 3.

In August the Finance Committee received the House-passed measure and very shortly thereafter commenced public hearings lasting almost 4 weeks, followed by 3 weeks of executive sessions that gave depth and consideration to not only the House bill but the varied suggestions of witnesses and other social security legislation pending before it. The Finance Committee then reported a responsive but costly piece of legislation providing $2.4 billion more in benefits over the House proposal. The increase of benefits was great, but the committee responsibly provided the necessary financing to pay for these benefits. This meant that a worker earning the maximum covered wages in 1968, insteading of paying $334, would pay $28 more than under the House bill yearly or about $362, and by 1973 he would pay nearly $562 yearly—$130 more in taxes than what was called for under the House bill. By 1987, the worker would be paying on an annual basis $626.40 under the Finance Committee bill, which would have been approximately $180 more yearly than under the House bill.

The Senate and House tax rates were almost identical, but the difference in the tax payments resulted from the fact that the Finance Committee bill would have increased the wage base from the $7,600 permanently scheduled in the House bill to $8,000 in 1968, $8,800 in 1969, and $10,800 in 1972 and thereafter. The final base increase would have been $3,200 more than in the House bill. This additional financing put the more generous Senate bill in a balanced position when it went to the floor. There the bill was placed in a perilous position. After extensive debate and successful defeat of many costly and questionable amendments, the Senate added to the Finance Committee bill several far-reaching and costly floor amendments resulting in an actuarial imbalance of a previously responsible bill.

When the conferees took the Senate bill to the House side, we had a bill which provided over a billion and one-half more dollars of benefits and not 1 cent more of financing. In order to have placed the bill passed by the Senate in actuarial balance, it would have required that we raise the scheduled taxes contained in the Senate bill by one-half of 1 percent. This would have meant that the employer and employee, instead of paying at a rate of 4.4 percent in 1968, should have been paying at a rate of almost 5 percent. In dollars, this would have meant an additional employer-employee tax of $40 that year and increasing considerably thereafter.

While the Senate opened the bill to high-cost amendments, it was not responsible in financing them. This particular fact was consistently pointed out to us by the House conferees and ultimately led to the discarding of many of the Senate amendments.

This process follows the historical pattern of most social security legislation; namely, the House passes a social security bill—the Senate broadens and liberalizes it—the conference trims the excess. In this perspective, the conference agreement is a good bill. It contains among its highlights, first and foremost, a 13-percent overall benefit increase to social security beneficiaries with a guaranteed $55 minimum. This can hardly be called inadequate since the cost of living has not risen more than 8 percent since the last social security increase. In fact, this benefit increase of 13 percent, coupled with a $55 minimum, has been properly acclaimed as the largest cash increase in the history of the social security program.

With respect to medicare, a program which I can proudly say that I am associated with and knowledgeable in, the agreement provides 60 additional days of hospital coverage for individual medicare beneficiaries. This provision should be of great assistance to those individuals who have continual and recurring illnesses and thus can look to this bank of 60 days hospital coverage to help meet ever-rising hospital expenses. It should also be of benefit to those unfortunate enough to sustain a long-term illness and exhaust their present 90-day benefit.

Another significant medicare provision provides an easier method for the elderly to receive payment for the doctors' bills that they incur.

I was disappointed that the conferees did not agree to accept my amendment which would have provided a rational method for the expansion of medical facilities and the acquisition of large capital items under the medicare program. By proper coordination of medical facility expansion and acquisition, a great deal of savings could be achieved. However, it was the feeling of the House conferees that further time should be given to determine if this type of control were needed. It is my feeling that by taking the proper steps now, we would be able to control the ever-rising costs and forestall unnecessary expenditures under the medicare program. This particular problem is one that assuredly will be considered in the near future once again.

The next item that should receive attention is the savings which the conference committee agreement achieves in what has been sometimes referred to as the "dark horse" of the 1965 amendments—namely, title XIX—medicaid. If left unchecked and with no change in present law, the anticipated cost of this program would rise to the unprecedented level of $3.1 billion by 1972. This staggering cost was neither estimated, foreseen, nor intended, when the program was initiated in 1965. We should not have left it unrestricted in 1965, and I now warmly applaud the restriction agreed to by the conferees, which by 1972 will reduce the anticipated costs by an estimated $1.4 billion. This will go far to relieve the already heavy strain on our future Federal commitment. In my estimation, the brakes must be applied to medicaid before running uncontrolled it smashes the entire welfare program.

What I have just described are what I consider a few highlights of a bill which comprised nearly 500 pages when it was before the conferees. I do not feel that an adequate explanation can really be given of the overall provisions and excellence of this measure in the brief time I have spoken. However, perhaps its most significant feature is that it pays its way in a responsible manner—yet provides adequate benefit increases and improves the status of our needy, homeless, orphaned, and widowed.

The conference committee agreement does not overburden the workers with a tax that they cannot carry and still meet their own financial obligations.

I salute the chairman of the Finance Committee, Senator RUSSELL B. LONG, who labored diligently for the Finance Committee bill, fought hard on the floor to maintain its integrity, struggled valiantly with strong and forceful House conferee opposition, and succeeded in bringing back a fine piece of legislation. In this salutation I urge the support of the Senate for his fine work and the work of the conferees. Failure to give such support would kill a fine bill and deny benefits to 23 million Americans. Personally, I could not join in such shortsighted negative action. I know the Senate could not either. I, therefore, urge my fellow Senators to adopt the conference agreement.

Mr. MILLER. Mr. President, the bill before us is a far better bill from an overall standpoint than the bill which was passed by the Senate.

I might say that there were many of us here who would have voted against the bill as passed by the Senate had we not had the assurance that Members of the House of Representatives would stand firm, as they have indeed done. The distinguished Senator from Louisiana pointed out in his remarks on the conference report some of the defects that the conference committee readily found in the bill passed by the Senate, such as the failure by the Senate to match some of the benefits increased by amendments on the floor bill with actuarial provisions needed to meet them from a revenue point.

I must say that I think all of us in the Senate are much better satisfied by the work of the conference committee.

Mr. President, on page 69 of the conference report there is a section entitled "Assistance in the Form of Institutional Services in Intermediate Care Facilities." I ask unanimous consent to have that section printed in the RECORD at this point.

There being no objection, the section was ordered to be printed in the RECORD, as follows:

ASSISTANCE IN THE FORM OF INSTITUTIONAL SERVICES IN INTERMEDIATE CARE FACILITIES

Amendment No. 258: The Senate amendment added to the House bill a new section (251), amending title XI of the Social Security Act by providing (in a new section 1121) for Federal financial participation under titles I, X, XIV, and XVI, in vendor payments in behalf of certain aged, blind, or permanently and totally disabled individuals whose condition does not require care in a skilled nursing home or hospital but does require living accommodations and institutional care available through intermediate care facilities. Federal matching would, if a State elects, be at the same rate as for medical assistance under title XIX.

The House recedes with amendments providing that (1) intermediate care facilities must meet the safety and sanitation standards applicable to skilled nursing homes, and (2) Christian Science sanitoria may be considered to be intermediate care facilities with respect to such services. It is the intention of the conferees for the House that providing services in intermediate care facilities is not to be taken as authorizing, or acting as a precedent for, the furnishing of custodial care of a type which merely provides, for wel-

fare recipients in the program specified, room and board with no personal or other services.

Mr. MILLER. Mr. President, section 251 of the bill as passed by the Senate—section 250 of the bill approved by the conference—authorizes States at their option to modify their State plans under the categorical assistance programs and under MAA to provide for vendor payments to facilities which do not provide "skilled nursing home care," as described in title XIX, but which serve recipients who cannot live at home and who need some care. This is termed "intermediate care" in the bill.

This provision of the bill merely recognizes the facts of life about custodial care in "extended care" facilities. These facts are that there are different levels of care now available and that not all patients need the same level of care; that those who need "skilled nursing home care" should receive it; that those who do not require such a high level of care should receive what we have designated an "intermediate level of care"; and that those facilities which cannot or do not wish to provide "skilled nursing home care" can qualify to provide an intermediate level of care.

This will save money by not requiring the Government to pay for skilled nursing home care when the intermediate level of care will do; and it will enable more facilities to qualify to come into the program and meet the needs for an "intermediate level of care."

Intermediate care is a term selected by the committee to embrace nursing homes which offer less intensive services than those described in title XIX and which we generally call homes for the aging, retirement homes, nursing homes, and the like, many which the States now license. The authority given to the States to make vendor payments in these facilities and to receive matching at the title XIX level will encourage the placement of patients in facilities according to their needs and eliminate the incentive which has existed heretofore to overclassify patients and place them in facilities where the care is more intensive than they require. This should result both in benefits to the patients and economies in the public assistance programs.

Furthermore, the provisions of this section recognize that there are many facilities now licensed as nursing homes which do not provide the intensive services described in title XIX, but which are in no sense substandard for the patients they serve. This is especially true in rural areas and small towns where nursing homes do not purport to provide skilled and intensive nursing home service but nevertheless provide a valuable service to their communities for persons who require some care.

Of course, we must assure that each patient is placed in the facility which meets his particular needs. Elsewhere in this bill provision is made for the States to make periodic medical reviews of the needs and the care given to public assistance patients. It should be the function of the States, through these medical reviews, to determine whether a particular patient should be in a skilled nursing home as described in title XIX or in one of the several kinds of facilities embraced by the term "intermediate care." It should be a responsibility of the Department of Health, Education, and Welfare to closely coordinate the institutional care of public assistance recipients in skilled nursing homes or in the several types of facilities embraced in the term "intermediate care" to assure that the proper level of service is available to each patient according to his needs.

Mr. President, on the desk of each Senator is a committee print entitled "Summary of Social Security Amendments of 1967—Joint Publication, Committee on Finance of the U.S. Senate and Committee on Ways and Means of the U.S. House of Representatives."

On page 22 of this report is a section entitled "Federal Matching for Assistance Recipients in Intermediate Care Facilities," and I ask unanimous consent to have it printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

FEDERAL MATCHING FOR ASSISTANCE RECIPIENTS IN INTERMEDIATE CARE FACILITIES

Under current law, vendor payments may be made with Federal sharing only in behalf of persons in medical facilities, such as skilled nursing homes. There is no Federal vendor-payment matching for people who need institutional care in the intermediate range between that which is provided in a boarding house (for which eligible persons may receive a money payment under the money payment programs), and those who need the comprehensive services of skilled nursing homes.

The amendments provide for vendor payments in behalf of persons who qualify for OAA, AB, or APTD, and who are living in facilities (including a Christian Science sanitarium) which are more than boarding houses but which are less than skilled nursing homes. The rate of Federal sharing for payments for care in those institutions is at the same rate as for medical assistance under title XIX. Such homes will have to meet safety and sanitation standards comparable to those required for nursing homes in a given State.

This provision should result in a reduction in the cost of title XIX by allowing States to relocate substantial numbers of welfare recipients who are now in skilled nursing homes in lower cost institutions.

Mr. MILLER. Mr. President, one of the disappointments which has come to a number of us over the results of the conference is described on page 45 of the conference report relating to amendment No. 84. This amendment was offered by me and adopted—as the RECORD will show—by the Senate unanimously.

I have sat in this Chamber listening carefully to the explanation made by my good friend from Louisiana of the results of the conference committee, but I do not believe he mentioned this. However, I do think that this part of the conference report clearly explains what happened. It also points out that the Department of Health, Education, and Welfare has been directed to furnish certain data to the Committee on Ways and Means, and to the Committee on Finance, as soon as it is available which will, I understand, enable them to make some recommendations regarding the serious problem of proper reimbursement of hospitals.

Mr. LONG of Louisiana. Mr. President, will the Senator from Iowa yield?

The ACTING PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Louisiana?

Mr. MILLER. I yield.

Mr. LONG of Louisiana. Everyone agrees that there is much merit in the Senator's amendment. The House conferees also recognized its merit. However, it is an expensive item, something which will ultimately have to be settled. Everyone agreed that we should go into the matter next year and try to act on it in order to clear it up. The House felt that it should have a better opportunity to study it in depth, in order to understand it more clearly. I am confident that something along that line will happen. It is just that the House looked at the cost and, although it is an important item, it had an estimated cost of more than $200 million a year, the House conferees felt it was something they wanted to study and know more about.

I know of no disagreement with the Senator on the merits of his amendment. It is just a matter of procedure more than the merits.

Mr. MILLER. I think the Senator from Louisiana knows how much I appreciated his cooperation at the time the amendment was considered in the Senate. I know that he is as concerned as I am about proper reimbursement for the services furnished by our hospitals. I must say, however, that I part company with anyone who suggests that it is going to be a very expensive proposition.

The estimate furnished by the Senate Finance Committee staff is just an estimate. I would rather call it a "guesstimate." No one knows. There are a great many people who are in the business and they regard that estimate as grossly excessive.

One thing which disappoints me very much is that someone from the Department can come over to the Senate Finance Committee and throw around a figure without any particular figures to back it up to show that it was either just pulled out of the sky or was, indeed, worked out intensively with those in the business, as a result of which it has caused the conference committee to decide to put the matter over. I might say that with that kind of excuse, I am sorely tempted to try to get this thing back to the conference committee so that the amendment can stay in, because there is not a hospital in this country that has not been shortchanged or put to an inordinate amount of bookkeeping and record-keeping in order to meet the present requirements of the Department of Health, Education, and Welfare.

Mr. LONG of Louisiana. Let me say to the Senator from Iowa that that estimate is not a staff estimate. We do not have the expertise on our staff to do that.

Mr. MILLER. I did not say that it was a committee staff estimate. It was furnished to committee staff by the Department of Health, Education, and Welfare.

Mr. LONG of Louisiana. That is the estimate given us by Robert Myers, the Chief Actuary of the Department. He is also the actuary for the Ways and Means Committee of the House. Thus, it is not really our estimate.

I am sure the Senator realizes our problem, that we have to rely upon the best we can get to estimate what the cost will be. So far as the House is concerned, he is their actuary. They are relying upon him to look at the costs.

I wish it had prevailed, but I think I have explained to the Senator what some of the problems were in conference.

Mr. MILLER. Do I understand correctly from my colleague that it is his firm intention that, during the coming session of Congress, this matter will be worked on by the Finance Committee so that we can look forward to having the problem resolved in the coming year?

Mr. LONG of Louisiana. The problem is not with the Senate. The problem is with the House. The House Ways and Means Committee is asking for, and expects, a report from the Department on this matter next year, and they themselves may look into it and hold hearings. The House may very well legislate in this area. The Senator will be saved further frustration on this matter, I am positive; but we cannot get it now, I regret to say.

My guess is that next year we will achieve about what the Senator wants. It might not be precisely the same thing, the Senator understands, but it will have to be in that area, because the Senator's amendment points in the direction of what appears to be necessary for the hospitals.

Mr. MILLER. I understand that tax legislation must originate in the House. However, the report says that the Department is going to furnish figures both to the House Ways and Means Committee and to the Senate Finance Committee. I would hope that if the House committee lets this get bogged down, the Senate Finance Committee would be receptive to taking some initiative on its own to look into this program, to see that there is an appropriate amendment which could be adopted on a House-passed bill, or that we would be ready, if the House took action, to act on it as promptly as possible.

There is one other matter I would like to mention and ask the Senator from Louisiana about. Of course, there are many defects in social security legislation as encompassing as this is, but one of the most serious defects is in the windfalls going to people who do not need them. For example, the record is replete with instances of an individual who may have contributed through social security taxes possibly $1,000 or $2,000, but the value of the benefits he is going to receive down through the years may amount to $20,000, $25,000, or $30,000. That is what we call a windfall.

There are some cases where every Member of the Senate would agree that a windfall is quite proper from a social standpoint, because the person just could not get along without it. That is not my problem. My problem is with those who, quite apart from the social security benefits for which they never really paid enough money into the fund, have a very adequate standard of living and are still receiving the windfall.

I was hoping that, at an appropriate time, the Senate Finance Committee might look into this matter. I am not saying it should hold hearings, but I would think it should receive some kind of report from the Social Security Administration and the Department of Health, Education, and Welfare, or any other appropriate party regarding the impact on the cost of the Social Security Administration of these windfalls going to, let us say, people who have well above the minimum standard of living.

I wonder if the Senator from Louisiana could respond to that. He knows that at one time I was proposing an amendment that would require such a study, but I had the impression that such an amendment would not be necessary, and that the committee could look into the problem the coming year.

Mr. LONG of Louisiana. What we would propose to do would be to ask the Department to study it and report to us on it. We have requested a number of studies from the Department. That is contained in the report of the Finance Committee and of the conferees. It could be included in the studies we have requested. I would be glad to be of assistance to the Senator in getting that.

Mr. MILLER. I appreciate that.

Mr. HARRIS. Mr. President, later—that is, tomorrow—I want to discuss the conference report in more detail, but I would like at this time to make some brief opening remarks. I understand that some of my colleagues who share my general view toward this conference report will also want to be heard.

Mr. President, to say that I was deeply disturbed and depressed by the results of this conference report is to put it very mildly. But may I hasten to say that I make no criticism of my chairman on the Senate Finance Committee or my distinguished colleagues on that committee who served as members of the conference. We have had their assurances that they did the best they could in a very tough situation in the conference, and I accept that, as I have said before.

I stand here in order to defend the work of the Senate Finance Committee and of the Senate. I believe that the Senate Finance Committee met daily in executive session on this bill, taking it up section by section, for approximately 4 weeks. That is my recollection. I do not recall any except 1 day that I missed during the executive sessions of the Finance Committee as we considered this bill, a very lengthy bill, 350 pages or more long.

I think we did good work in the Senate Finance Committee, and I think the Senate as a whole did good work, though it was obvious that some amendments adopted, particularly those that had to do with social security, here on the floor, would not survive the conference.

Mr. President, at this time I want to comment on the welfare provisions of this bill, which I think are terribly regressive, and which I think will have a terrible effect on poor people and families throughout this country.

A statement was made a few minutes ago that a vote against the conference report is a vote against the aged. I have here in my possession a letter which I understand has now been mailed to each Member of the Senate. It is a letter signed by Mr. John W. Edelman, president of the National Council of Senior Citizens, Inc. To that letter, addressed to Members of the Senate, is attached what is termed an urgent memo to club leaders of the national council, members of the executive board, advisory committee, national organizing committee, and supporting groups of the national council. That memo is dated December 12, 1967.

Mr. President, I ask unanimous consent that the letter and the attached memorandum be printed in the RECORD at this point.

There being no objection, the letter and memorandum were ordered to be printed in the RECORD, as follows:

NATIONAL COUNCIL OF
SENIOR CITIZENS, INC.,
Washington, D.C., December 12, 1967.

DEAR SENATOR ———: On behalf of the officers of the National Council of Senior Citizens I have today addressed a memorandum to leaders of all affiliated clubs and supporting groups of the National Council of Senior Citizens in all states.

A copy of that memorandum is enclosed with this letter for your information.

It specifically asks all club presidents for the support of their clubs concerning the decision of officers of the National Council to urge all members of the U.S. Senate to reject the report of its Senate conferees on the social security bill.

We have urged their understanding of our rejection of the harsh and punitive welfare provisions of the conference report. We believe it is in the interests of human dignity for all Americans that the proposed work training provisions be eradicated or modified. The need for cash benefit increases is so great we believe the conferees should establish a much higher minimum benefit with a boost for other beneficiaries above the 13% granted in the conference report.

Sincerely,

JOHN W. EDELMAN,
President.

MEMO—NATIONAL COUNCIL OF SENIOR CITIZENS, INC.

To: Club leaders of the National Council, members of the executive board, advisory committee, national organizing committee, and supporting groups of the National Council.

From: John W. Edelman, president.

This is an urgent request to all club leaders and members to support the officers of the National Council of Senior Citizens in their decision to condemn and oppose the report of the Senate-House conference committee on social security.

In accordance with the National Council officers' decision, reached at a special meeting today, I have written all U.S. Senators asking them to disapprove the social security conference report and to instruct the conference committee to try to achieve a compromise guaranteeing more adequate and meaningful social security benefits when Congress reconvenes next January.

In reaching this decision, the National Council officers recognize that any delay in raising social security benefits adds to the heavy burdens of the elderly poor forced to live in misery and despair because of their inadequate income, but we have taken into consideration the equally heartrending plight of mothers with small children who would be forced to find work outside the home or surrender all claim to public assistance under the de-humanizing welfare provisions of the House-passed social security bill.

Upon careful consideration, the National Council officers have concluded they cannot and will not turn their backs on the millions of welfare cases who would become victims

> of the harsh, repressive features of the House-passed social security bill.
>
> The National Council officers have agreed to join social welfare agencies and other liberal groups in demanding that the Senate return the compromise social security bill to the House-Senate conference committee.
>
> While this probably would delay enactment of a social security increase until next year, it could—because 1968 is an election year—mean early action on an improved social security compromise bill that would insure seniors higher social security benefits—benefits on the order of the 15 per cent across the board and a minimum much closer to the $70 a month recommended by President Johnson and actually approved by the Senate.
>
> Even under the present social security compromise, recipients would not get an increase until next March. We would hope an improved compromise social security bill could be passed early in 1968 and that increased social security benefits could be made retroactive to January 1, 1968.
>
> In asking for a more meaningful social security compromise, the National Council officers appeal to all affiliated club leaders and National Council members for support in the form of letters to their U.S. Senators urging a return of the present social security compromise to the Senate-House conference committee for further consideration and action.

Mr. HARRIS. I particularly call the attention of Senators to three paragraphs of the memorandum. This, I remind Senators, is from the National Council of Senior Citizens, Inc. It says in part:

> In reaching this decision, the National Council officers recognize that any delay in raising social security benefits adds to the heavy burdens of the elderly poor forced to live in misery and despair because of their inadequate income, but we have taken into consideration the equally heartrending plight of mothers with small children who would be forced to find work outside the home or surrender all claim to public assistance under the de-humanizing welfare provisions of the House-passed social security bill.

The memorandum continues:

> Upon careful consideration, the National Council officers have concluded they cannot and will not turn their backs on the millions of welfare cases who would become victims of the harsh, repressive features of the House-passed social security bill.
>
> The National Council officers have agreed to join social welfare agencies and other liberal groups in demanding that the Senate return the compromise social security bill to the House-Senate conference committee.

The memorandum, in another paragraph, makes the further suggestion that if the bill were delayed until next year, past the point when the increased checks could still be mailed, as presently intended, on March 3, 1968—I might say that other Senators and I have offered more than one plan by which decision on the welfare provisions of this bill might be deferred while the social security provisions could become effective, all to no avail—nevertheless, as is pointed out in the memorandum I have just quoted, and as was advocated earlier in the year by some members of the Committee on Finance, it would always be possible to make any social security increase later enacted retroactive to whatever date Congress might choose.

The truth of the matter is, Mr. President, that there will be a social security benefit increase. The House of Representatives is for that; the Senate is for it; the President is for it; Republicans are for it, and Democrats are for it. There is no question that social security benefits, in any event, will be increased. Next year is an election year, and if there is pressure for social security benefit increase this year, there certainly will be no less pressure for such increases next year.

So that is not the question, Mr. President. What is in question is that there are provisions in the conference bill which should not become law. That is why my fellow Senators and I have offered various methods by which action might be delayed until these provisions might be better understood throughout the country.

In the conference, the Senate receded on all of the amendments regarding welfare for unemployed fathers. The Senate conferees receded from the amendment which I offered and the Senate agreed to on a rollcall vote, under which the families of unemployed fathers in a home would not be ineligible in any State for welfare assistance but, under other provisions of the bill, he himself then would be required to go into a work or training program within 30 days, and we would thereby see if we could not restabilize many of the families in the country, and eliminate the family destroying effects of present welfare programs. But furthermore, under the provisions of the conference report, even in those 22 States which now have some form of permissive program for families, the fathers who are unemployed, must have a substantial connection with the labor force before he or his family can obtain aid to families with dependent children.

This quite obviously, Mr. President, cuts out the families of young fathers who have never been able to obtain a job for any substantial length of time. Specifically, the conference report provides, in regard to the substantial connection with the labor force which is required in those 22 States that do have such programs, that a father must have a record of 6 calendar quarters of employment out of a 13-quarter period ending in the year before application for assistance, or have received unemployment compensation for his family to be eligible for aid under the aid-to-families-with-dependent-children program.

I think what the Senate should try to contemplate is what will happen then, in those families, and to those children, and whether this bill will, after all, accomplish what we hope to accomplish, which is to give people the opportunity to get out of poverty and into a life of self-sufficiency which this country values.

Mr. President, I think liberals and conservatives both agree that the welfare system of this country is a failure. Very recently, the commissioner of public welfare of the city of New York, Commissioner Ginsberg, called it a bankrupt policy. I do not think that is an overstatement or an overdramatization. While the numbers of people receiving old-age assistance, aid to the blind, and general assistance have remained relatively constant in recent years, the number of families receiving aid to families with dependent children has skyrocketed, and this fact has very alarming implications for us all.

Mr. President, we cannot get at that problem, a tremendous problem in this country, by simply saying that as of a given date—for example, as of January 1, 1968, effective July 1, 1968—there will be a freeze on the aid to families with dependent children in any of the States.

Mr. President, that is not a proper way to get at the problem unless, at the same time, we pass a law freezing the population growth in this country, which is rising at the rate of 6,400 additional Americans every day. It is not a proper way to solve a growing problem in this country, Mr. President, unless we are willing to pass a law in Congress freezing people in their present locations.

In the decade between 1950 and 1960, 11 million Americans moved from rural areas and small towns into the cities. Mr. President, that migration continues today at the rate of 500,000 to 600,000 a year. So as long as we do not repeal the population increase—and on that subject, I say in passing that the conference report provides only one-third of the funds for family planning, which might cut down on the birth rate, that were provided by the Senate—what will happen according to the official estimates of the Department of Health, Education, and Welfare is that on July 1, 1968, 300,000 children will be cut off the relief rolls unless the already overburdened State and local city governments can find additional funds to provide for them. That is why some of us are speaking here.

Mr. President, I have no intention to conduct a filibuster and will not do so. Neither does any other Senator, to my knowledge. What has been said by various individual Senators, myself included, is that the pending bill presents such a crisis of conscience for all of us and such a moral matter for many of us that we cannot stand aside and let it pass without being heard.

It is not our fault that we are in the closing days of the session. The Senate has spent, I think, much more time on bills of less impact on many occasions since I have been a Member of the Senate.

Mr. President, I intend to do my best to point out the effects of the pending bill. I have already read from the report of an organization which represents those who would stand to gain most from the social security provisions of the bill itself, the elderly.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HARRIS. I yield.

Mr. ANDERSON. Mr. President, the Senator mentioned the number of children who would be cut off. Can he point out the section of the bill which would do that?

Mr. HARRIS. I am talking about the freeze. That is the official estimate of the Health, Education, and Welfare Secretary, communicated to me in the presence of the majority leader and a great many other Senators, by Mr. Joseph Califano of the White House staff just yesterday.

Mr. ANDERSON. He might be mistaken.

Mr. HARRIS. The information was read from the actual statement by Secretary Gardner when he gave us that information.

Mr. ANDERSON. He issued a tabulation saying that it would not lop off any at all.

Mr. HARRIS. It does not lop off children. It does what the distinguished Senator from Louisiana said a while ago. It says to States: "We have put a freeze on. We will not prevent you from giving them welfare, but you will have to pay for it yourselves." That, in effect, I submit is lopping off children when we consider the terrible taxation burdens that most of the major cities of the country now have.

Mr. METCALF. Mr. President, will the Senator yield?

Mr. HARRIS. I yield.

Mr. METCALF. Mr. President, while it does not exactly lop off children, it takes away Federal benefits from the children.

Mr. HARRIS. The Senator is exactly correct.

Mr. METCALF. And the percentage is to be determined as of January 1, 1968.

Mr. HARRIS. The Senator is correct. That is why 18 Governors are on record against that provision.

Mr. METCALF. That is to go into effect on July 1, 1968.

Mr. HARRIS. The Senator is exactly correct.

Mr. METCALF. But the percentage will be estimated and determined as of January 1, 1968, a few days from now.

Mr. HARRIS. That is a freeze that will go into effect a few days from now. It will be as of that time, January 1, 1968, but will be effective as of July 1, 1968.

Mr. METCALF. Welfare is handled in many of our States by an appropriation of the State legislatures. And many of our State legislatures are not meeting at all next year.

Mr. HARRIS. I believe the Senator is exactly correct.

Mr. METCALF. In many of our States appropriations for welfare are handled by county boards and local township boards. And those people operate on a fiscal year basis. They will not have an opportunity to meet and take care of the freeze that is to start on January 1, 1968.

Mr. HARRIS. The Senator is correct. The distinguished Senator from Louisiana said awhile ago that the result would be that States would be a little more selective as to the number of children they take on the rolls. They would put some children off. That is exactly the point.

Mr. KENNEDY of New York. Mr. President, will the Senator yield?

Mr. HARRIS. I yield.

The PRESIDING OFFICER (Mr. COTTON in the chair). The Senator from New York is recognized.

Mr. KENNEDY of New York. Mr. President, the Senator from Oklahoma serves on the commission that has been investigating the riots and lawlessness and disorders that took place in the United States last summer.

Would the Senator from Oklahoma speculate as to what he thinks is a possible result of this kind of legislation, if the legislation is passed and this provision remains in the bill? What will be the effect of that legislation on our major urban centers next July and August and September?

Mr. HARRIS. Mr. President, I say, first, that much of what I know about the effect of our welfare system nationally has been learned as a result of my travels around the country and from my attendance at the hearings we have held since I have been a member of the President's National Advisory Commission on Civil Disorders.

I would not want to make any predictions in regard to the riots and the lawlessness which, of course, are intolerable. And I have made that clear.

If one looks at the ghetto areas of America and the conditions now existing there, and looks at the desire that exists there for work, the lack of available jobs, the lack of training to do such work, and the terrible conditions existing in cities around the country, it would seem to me that the pending bill would be harmful and not helpful in improving the conditions and living standards of those people of America.

Mr. KENNEDY of New York. It seems to me, if I may continue that point, that one of the great problems, one of the great complaints, one of the matters that causes the greatest concern to the poor has been the question of welfare and the knowledge that there are many children there who need help and this kind of assistance so that they may have something to eat and something to wear. Yet, the Congress of the United States and the executive branch of the Government are permitting legislation to be passed which would cut those children off so that they will have no place to turn.

It seems to me that the passage of this legislation would make the situation which we will be facing in this country completely intolerable.

I thought that we learned something last summer. We at least appointed a commission and said some prayers over it. It is out of those prayers and out of the establishment of that commission that we have come in with legislation like this, legislation which sets us back, it seems to me.

I thought that we had difficulties and problems with some of the minority members of our population in the United States 6 or 9 months ago.

What are we asking for in 1968? I cannot believe that a country with a gross national product of approximately $800 billion and with the knowledge and the intelligence and the courage that this country possesses, and the experiences that we have been through, would be willing to take a giant step backward rather than realize our responsibility and move forward and do something about these matters.

Without any question, the pending legislation would be a major step in the wrong direction.

Mr. HARRIS. Mr. President, I agree that it would be a major step in the wrong direction. As I said a while ago, we cannot answer up to the concern we all have over the skyrocketing number of cases involving families with dependent children and the breakdowns of families involving children. That is one of our major problems involved in the welfare system. We should provide jobs and training and better living conditions. All of those things are intertwined. However, we cannot achieve this simply by saying that we will put a lid on it unless we put a lid on the population of the country which is also skyrocketing and also put a lid on the migration of people which is taking place at a tremendous pace from the rural towns and areas into the cities. Since we cannot put a lid on either of those two situations by legislation, it seems to me to be manifestly unfair to the cities and to States like my own, where we have the ADC cases increasing rapidly, to say: "You will have to take care of them yourselves or the children will have no assistance whatsoever."

With respect to the pending bill, this is what has been primarily done. We all want to solve the matter of the increased welfare costs. We all have that same wish. However, it takes more than a wish, and it takes more than putting a lid on something, and it takes more than harsh laws.

As I have said, I believe that the bill which was reported by the Senate committee, as perfected in the Senate, in respect to the welfare provisions, was a landmark change of philosophy from the hopelessness and despair of poverty to the widened opportunities for self-sufficiency.

Consider what has happened to that bill since we passed it. The incentive provided for people to participate in the training programs is drastically cut from the Senate provision of $20 a week, in addition to the person's welfare payment, to $30 a month.

There were also other reductions or eliminations of increased incentive. For example, the Senate had provided that a person might keep the first $50 and half of anything thereafter that he might earn, in addition to his welfare payment. In regard to aid to families with dependent children, that was reduced to $30 and one-third of anything over that. In regard to emergency assistance, the more stringent House position—that is, 30 days—was accepted rather than the Senate position of 60 days for the number of days in any 12-month period during which emergency assistance might be given.

It is interesting to note, because I believe this is something of a pattern in this session, that, on emergency assistance, one of the few instances in which the Senate position was more restrictive, the incentives in this bill for people to work were reduced, but a provision was retained which provides that emergency assistance may not be used where need for assistance came about because of a child's or a relative's refusal, without good cause, to accept employment or training for employment.

The only other provision of this bill which I intend to mention tonight is with respect to the exemption of mothers with preschool children from the mandatory requirement for work. They might be required by a State to give up their children to a day care center of uneven quality and go to work in any kind of job that might be provided. That exemption was removed, and such mothers of preschool children, for the first time in the history of this country, can be forced to put their children in day care centers and be forced to leave those children and go into a job of indeterminate quality.

Mr. President, it is not just some of us in the Senate who are disturbed about this bill. I have already read a letter, or portions of a letter, from the group which represents the older people of this country, who stand to gain most by a social security increase and who stand to be hurt most by any delay in its consideration.

I ask unanimous consent to have printed at this point in the RECORD certain letters and telegrams from other groups which also take the same position.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
December 13, 1967.

Senator FRED R. HARRIS,
U.S. Senate,
Washington, D.C.:

The Railway Labor Executives' Association representing virtually all of the railroad workers in the United States concurs fully with the position of the AFL–CIO taken in their telegram of 12/11/67 on the pending social security legislation. We ask that the social security legislation be returned to the conference committee in an attempt to develop a just solution to the problem of the Nation's retired and poverty stricken.

G. E. LEIGHTY,
Chairman, Railway Labor Executives Association.

NEW YORK, N.Y.,
December 12, 1967.

Senator FRED R. HARRIS,
Senate Office Building,
Washington, D.C.:

We support and are encouraged by your efforts to return bill H.R. 12080 to the House-Senate committee for further review. We urge you to ask the Senate conferees to uphold the humane intent of the welfare provisions in the Senate bill (amendment 425).

ARTHUR M. STEVENSON, Jr.,
President, National Presbyterian Health & Welfare Association.

WASHINGTON, D.C.,
December 12, 1967.

Senator FRED R. HARRIS,
Washington, D.C.:

Farmers Union Board calls upon the Senate to reject the social security conference report.

Farmers Union feels that the conference report might push welfare concepts backward 20 years. Farmers Union continues to support the plan to give work and training opportunities for low income people instead of welfare as contained in the Senate version which was rejected by the conferees.

Farmers Union is deeply disappointed that the social security conference report failed to give significant increases in social security payments above a cost of living increase. There is little question that the bill will leave many millions on social security with total incomes below the poverty level, and future generations without adequate retirement incomes.

Farmers Union regrets that the drug lobby was successful in eliminating the generic drug provision from the bill, which would save an estimate of $100 million in taxes each year.

Farmers Union urges that the social security bill be reworked by the Congress early next year.

TONY T. DECHANT,
President, National Farmers Union.

WASHINGTON, D.C.,
December 13, 1967.

Senator FRED HARRIS,
Senate Office Building,
Washington, D.C.:

Public assistance and welfare provisions of 1967 social security amendments approved by conference committee represent major retreat from gains won over many years. Freezing of rolls on aid to dependent children and compulsory work programs are punitive and regressive in effect and would work hardship not only on the poor but on state and municipal welfare resources. We commend you for your leadership in urging that Senate stand by its version of bill.

ARTHUR S. FLEMING,
National Council of Churches.

NEW YORK, N.Y.,
December 12, 1967.

Hon. FRED R. HARRIS,
Senate Office Building,
Washington, D.C.:

We urge the Senate to reject the report of the conference committee on the 1967 social security amendments. The medievalism of the public welfare provisions far outweighs any gains to be realized from increases in OASDI benefits. We have a deep concern for the plight of the elderly but the additional hardships to be imposed by the bill on already deprived children and families render this bill an unsound public program. The conferees should be instructed to approximate the bill passed by the Senate, and to reject the inhumane and regressive House bill. Our committees on aging, on family and child welfare and on health join us in urging you to return the proposed bill to the conference committee.

COMMUNITY SERVICE SOCIETY
OF NEW YORK.
JOHN H. MATHIS,
Chairman, Committee on Public Affairs.

WASHINGTON, D.C.,
December 11, 1967.

Hon. FRED R. HARRIS,
U.S. Senate,
Washington, D.C.:

The executive committee of the Leadership Conference on Civil Rights urges you to vote against the conference report on the social security bill. What started out as a social security measure has become an instrument of social insecurity. It generates pressure to break up families. Under this bill fathers would abandon their families and mothers would be forced to leave their children and go to work. The war on poverty is becoming a war on the victims of poverty. Cities now wracked by terrible crises would be faced with the intolerable choice of leaving poor people destitute or trying to provide for them out of funds they do not have. This is a shocking and regressive bill. We urge you to send it back to conference and instruct the conferees to insist on the Senate provisions.

ROY WILKINS,
Chairman, Executive Committee, Leadership Conference on Civil Rights.

WASHINGTON, D.C.,
December 11, 1967.

Senator FRED R. HARRIS,
Washington, D.C.:

The National Association of Social Workers is deeply concerned about restrictive welfare provisions in conference report on H.R. 12080—the Social Security Amendments of 1967. Compulsory work requirements on mothers with small children and the AFDC freeze must be eliminated. Respectfully request that you not approve conference report but refer it back with request that new conferees be appointed.

CHARLES I. SCHOTTLAND,
President, National Association of Social Workers.

NEW YORK, N.Y.,
December 11, 1967.

Senator FRED R. HARRIS,
U.S. Senate, Washington, D.C.:

Please reject conference report on H.R. 12080. Title II irremediably endangers and deprives millions of children.

JOSEPH H. REID,
Executive Director,
Child Welfare League of America.

NEW YORK, N.Y.,
December 11, 1967.

Senator FRED R. HARRIS,
The Senate of the United States,
Washington, D.C.:

Urge your strongest leadership in opposing conference report which would provide seriously inadequate social security benefits and will cruelly punish the poor with progressive welfare changes.

PHILIP BERNSTIN,
Executive Vice President, Council of Jewish Federations and Welfare Funds.

NEW YORK, N.Y.,
December 11, 1967.

Senator FRED R. HARRIS,
Senate Office Building,
Washington, D.C.:

Family Service Association of America concerned for America's needy families and helpless children finds conferees' reports on social security amendments most unsatisfactory. Understand you are considering working to restore Senate provisions. Assure you of our continued support and gratitude for such effort to avoid regressive legislation adversely affecting strong family life.

CLARK W. BLACKBURN,
General Director, Family Service Association of America.

VALLEY FORGE, PA.,
December 12, 1967.

Senator FRED R. HARRIS,
Senate Office Building,
Washington, D.C.:

Support your refusal to accept the conference report on the social security bill with its regressive provisions regarding work and training programs and the freeze in the number of children on AFDC. We will try to interpret the problems in this bill to our constituency.

ELIZABETH J. MILLER,
Executive Director, Division of Christian Social Concern, American Baptist Convention.

WASHINGTON, D.C.,
December 11, 1967.

Senator FRED R. HARRIS,
Washington, D.C.:

The conference report on the social security bill is repugnant to human needs and dignity. Social security benefit levels are totally inadequate, and the work-training requirements imposed on mothers by the conference report are unconscionable. The welfare benefit freeze will impose heavy tax burdens on local communities and adjustments in old-age assistance and welfare standards may deprive the poorest of our retired citizens of any income increases at all. On behalf of more than 6 million members of the Industrial Union Department, AFL–CIO, I urge you to vote against the social security conference report and subsequently to instruct conferees to insist on the provisions of the Senate bill.

WALTER P. REUTHER,
President, Industrial Union Department, AFL–CIO.

MIAMI BEACH, FLA.,
December 11, 1967.
Senator FRED R. HARRIS,
Washington, D.C.:

AFL-CIO considers conference reports on social security absolutely inadequate. Most of Senate provisions designed to improve House bill have been abandoned. Benefits for OASDI recipients would barely exceed already increased costs of living. Retreats on welfare provisions enacted by Senate are travesty on America's image as compassionate and humanitarian nation. We urge every senator to vote against this deplorable attack on poor and underprivileged and request another conference to secure passage of an adequate social security bill.

GEORGE MEANY,
President, AFL-CIO.

WASHINGTON, D.C.,
December 12, 1967.
Hon. FRED R. HARRIS,
U.S. Senate, Washington, D.C.:

We are extremely dismayed over the conference committee report on social security amendments. The basic approach to public welfare embodied in the report is not in keeping with human dignity. We urge correction of the coercive features of the report, the elimination of the freeze on number of AFDC recipients and the limit on amount of medicaid payments. Urge you to oppose conference report and to seek the return of the bill to conference committee for results more in keeping with the Senate bill.

Very Rev. Msgr. LAWRENCE J. CORCORAN,
Secretary, National Conference of Catholic Charities.

SIOUX FALLS, S. DAK.,
December 12, 1967.
FRED HARRIS,
Senate Office Building,
Washington, D.C.:

Know of hearty professional support for your coalition of Senators Mondale, Kennedy, Morse, Kennedy, Harris, Hartke, and Metcalf regarding Senate position on 12080 ADC provisions better that the 1967 social security amendments perish than that we regress to the punitive era of the English poor laws of 1600.

Robert Mabbs National Assn. of Social Works Commission Social Actions for Iowa Kansas Minnesota Missouri Nebraska, North Dakota and South Dakota.

NEW YORK, N.Y.,
December 12, 1967.
Hon. FRED R. HARRIS,
U.S. Senate, Washington, D.C.:

The Board of Social Ministry, Lutheran Church in America is opposed to the regressive public welfare measures embodied in the conference report on the social security amendments of 1967. We support you in your efforts to keep the substance of the Senate bill.

CEDRIC W. TILBERG,
Secretary for Program and Leadership.

NATIONAL SOCIAL WELFARE ASSEMBLY,
New York, N.Y., December 11, 1967.
Hon. FRED R. HARRIS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HARRIS: Thank you for your letter of December 6 about the Senate floor action on H.R. 12080.

These are indeed great gains and it was heart-breaking to lose them all in conference. The welfare, church, labor and other groups supporting the earlier Senate action on welfare changes are, therefore, hoping that the conference report will be rejected in the interest of a better bill.

We are naturally concerned that the social insurance beneficiaries should not be long deprived of badly needed increases but feel the Senate can appropriately insist on the level of benefits in its bill as well as a welfare program which is morally and practically tenable.

Sincerely yours,
ELIZABETH WICKENDEN,
Technical Consultant on Public Social Policy.

Mr. HARRIS. Mr. President, I will not read the telegrams, but I will just point out the organizations that are represented by some of these letters and telegrams.

For example, here is a telegram from Mr. Arthur M. Stevenson, Jr., president of the National Presbyterian Health & Welfare Association.

A telegram from the Farmers Union.

A telegram from the chairman of the Committee on Public Affairs of the Community Service Society of New York.

A telegram from Mr. Arthur S. Fleming, president of the National Council of Churches. This telegram reads:

> Public assistance and welfare provisions of 1967 Social Security Amendment approved by conference committee represent major retreat from gains won over many years. Freezing of rolls on aid to dependent children and compulsory work programs are punitive and regressive in effect and would work hardship not only on the poor but on State and municipal welfare resources. We commend you for your leadership in urging that Senate stand by its version of bill.

Mr. President, I have a similar telegram signed by Mr. Roy Wilkins, chairman of the executive committee, Leadership Conference on Civil Rights.

Another telegram of similar nature was received from Mr. Charles I. Schottland, president of the National Association of Social Workers.

I have a similar telegram from Mr. Joseph H. Reid, executive director of the Child Welfare League of America.

Here also is a similar telegram from Mr. Philip Bernstin, executive vice president of the Council of Jewish Federations and Welfare Funds.

A telegram from the general director of the Family Service Association of America and from the executive director of the Division of Christian Social Concern of the American Baptist Convention have also been received.

A similar telegram from Mr. Walter P. Reuther, president of the Industrial Union, Department of AFL-CIO.

A telegram from Mr. George Meany, president of the AFL-CIO, as well as the Very Reverend Monsignor Lawrence J. Corcoran, secretary of the National Conference of Catholic Charities are at hand.

I have another telegram along the same general line from the National Association of Social Works Commission, Social Actions for Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota.

Another telegram is from the Board of Social Ministry of the Lutheran Church in America.

Finally I have here a letter from Elizabeth Wickenden, technical consultant on public social policy of the National Social Welfare Assembly.

Mr. President, I believe this illustrates the deep concern of these groups. The communications I have inserted in the RECORD for Senators to read illustrates why it is imperative that we lay over this bill, or at least these provisions of this bill, until next year, so that the country may know the situation and Congress may know what it is about to do to a great many poor people in this country.

KING CONSTANTINE CONGRATULATED ON EFFORTS TO RESTORE POPULAR GOVERNMENT TO GREECE

Mr. PELL. Mr. President, I congratulate King Constantine on the leadership and verve he is showing in his efforts to restore popular government to his beloved Greece. I only hope and pray that the venture he has launched so boldly will truly have the effect of restoring democracy and freedom.

I urge our administration to express our support as vigorously as we can. It is vital that we extend this support immediately in order to strengthen the King's hand while the situation is in flux.

Worst of all would be for us to say or do nothing. Silence at this time from our Government would be taken as assent to and approval of the course and cause of the military junta which siezed power illegally and in defiance of public sentiment last April. It was with silence that the United States greeted and treated the junta, perhaps leading many to believe that we supported the junta and its suppression of democratic processes, an impression I know was not correct in fact. As Edmund Burke said:

> The only thing necessary for the triumph of evil is for good men to do nothing.

We now have an opportunity to correct that impression and to encourage the revitalization of democracy in Greece. We should issue a clarion call of encouragement to King Constantine for doing just what so many of us felt would have to be done—and should be done. He is a brave man and deserves every encouragement.

I am particularly pleased to note the King's pledge that "a spirit of revenge will not prevail." I hope he will be able to honor this pledge and that it will extend to all of the political prisoners, including Andreas Papandreou and Mikis Theodorakis, who were incarcerated at the time of the military coup last spring.

Indeed, we can only hope that the more liberal elements in Greece will not be so alienated by the latest events that they resort to wider disorder. The true interests of Greece, of the United States and of the world can only be served by the swiftest possible return to constitutional democracy with an elected government. The United States should do everything possible to help Greece and King Constantine achieve that objective.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The PRESIDING OFFICER announced that on today, December 13, 1967, the Acting President pro tempore [Mr. METCALF] signed the following enrolled bill and joint resolution, which had previously been signed by the Speaker of the House of Representatives:

H.R. 13510. An act to increase the basic pay for members of the uniformed services, and for other purposes; and

H.J. Res. 888. Joint resolution making continuing appropriations for the fiscal year 1968, and for other purposes.

ADJOURNMENT TO 9 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 a.m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 10 minutes p.m.), the Senate adjourned until tomorrow, Thursday, December 14, 1967, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate December 13, 1967:

POSTMASTER

The following-named persons to be postmasters:

ARKANSAS

Ola M. Leach, Mount Vernon, Ark., in place of B. R. King, transferred.

CALIFORNIA

Grace E. McIntire, Herlong, Calif., in place of E. M. Freitas, resigned.

ILLINOIS

Paul J. Provines, Sumner, Ill., in place of S. L. Pool, retired.

MARYLAND

Una F. Harner, Boyds, Md., in place of A. G. Vitts, Jr., declined.

MINNESOTA

Patrick J. Donnelly, Lakeville, Minn., in place of K. N. Hullet, retired.

MONTANA

Wayne G. Casman, Fort Harrison, Mont., in place of H. J. Latsch, retired.

NEW YORK

Joan M. Herrington, Johnsonville, N. Y., in place of D. J. Ryan, retired.

OKLAHOMA

George W. Armstrong, Marlow, Okla., in place of Edwin Coyle, retired.

PENNSYLVANIA

Edwin G. Young, Wyncote, Pa., in place of F. T. McMahon, transferred.

TENNESSEE

Albert L. Roggli, Winchester, Tenn., in place of A. G. Shook, deceased.

TEXAS

Lou Ann Unger, Inez, Tex., in place of M. R. Koontz, retired.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 13, 1967:

DEPARTMENT OF DEFENSE

Charles A. Bowsher, of Illinois, to be an Assistant Secretary of the Navy.

U.S. AIR FORCE

Maj. Gen. Richard P. Klocko, FR1327, Regular Air Force, to be assigned to positions of importance and responsibility designated by the President in the grade of lieutenant general, under the provisions of section 8066, title 10, of the United States Code.

Lt. Gen. William W. Momyer, FR1964 (major general, Regular Air Force), U.S. Air Force, to be assigned to positions of importance and responsibility designated by the President, in the grade of general, under the provisions of section 8066, title 10, of the United States Code.

U.S. ARMY

The Army National Guard of the United States officers named herein for appointment as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3392:

To be major general

Brig. Gen. Glenn Charles Ames, O328307, Adjutant General's Corps.

Brig. Gen. Erbon Wilbur Wise, O1280066, Adjutant General's Corps.

To be brigadier general

Col. Laurence Bernard Adams, Jr., O396091, Adjutant General's Corps.

Col. James Harold Biddy, O390683, Adjutant General's Corps.

Col. Floyd Leonard Edsall, O555952, Adjutant General's Corps.

Col. Jack Kendall Elrod, O2091158, Adjutant General's Corps.

Col. Albert Lee Lemen, O391248, Adjutant General's Corps.

Col. Van Daley Nunally, Jr., O1167144, Adjutant General's Corps.

Col. Charles Henry Wilson, O485619, Adjutant General's Corps.

U.S. NAVY

Vice Adm. Bernard A. Clarey, U.S. Navy, to be Vice Chief of Naval Operations in the Department of the Navy, under the provisions of title 10, United States Code, section 5085.

Vice Adm. Bernard A. Clarey, U.S. Navy, having been designated, under the provisions of title 10, United States Code, section 5231, for commands and other duties determined by the President to be within the contemplation of said section, for appointment to the grade of admiral while so serving.

Adm. Charles D. Griffin, U.S. Navy, when retired, for appointment to the grade of admiral pursuant to title 10, United States Code, section 5233.

U.S. MARINE CORPS

Lt. Gen. Leonard F. Chapman, Jr., U.S. Marine Corps, to be Commandant of the Marine Corps with the rank of general for a period of 4 years from the first day of January 1968 in accordance with the provisions of title 10, United States Code, section 5201.

The following-named officers of the Marine Corps for permanent appointment to the grade of major general:

Wood B. Kyle
Joseph O. Butcher
Norman J. Anderson
Keith B. McCutcheon
William K. Jones
Raymond G. Davis
Charles J. Quilter

The following-named officers of the Marine Corps for permanent appointment to the grade of brigadier general:

Earl E. Anderson
Michael P. Ryan
Frank E. Garretson
George E. Dooley
Regan Fuller
John R. Chaisson
Oscar F. Peatross
Edwin B. Wheeler
James E. Herbold, Jr.
Webb D. Sawyer
Robert P. Keller
Alan J. Armstrong

FEDERAL TRADE COMMISSION

James M. Nicholson, of Indiana, to be a Federal Trade Commissioner for the unexpired term of 7 years from September 26, 1962.

U.S. COAST GUARD

The following-named officers of the U.S. Coast Guard for promotion to the grade of rear admiral:

Capt. John D. McCubbin
Capt. Robert E. Hammond
Capt. William L. Morrison
Capt. William F. Rea III

The following-named officer of the U.S. Coast Guard Reserve for promotion to the grade of rear admiral:

Capt. Arnold I. Sobel

DEPARTMENT OF JUSTICE

Stephen J. Pollak, of the District of Columbia, to be an Assistant Attorney General.

IN THE AIR FORCE

The nominations beginning Richard H. Bennett, to be captain, and ending Douglas B. Wood, to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 14, 1967; and

The nominations beginning John T. Abell, to be major, and ending John C. Trittschuh, to be first lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 27, 1967.

IN THE ARMY

The nominations beginning Albert L. Gore, to be major, and ending Maxl Willis, to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 14, 1967; and

The nominations beginning Harold R. Aaron, to be colonel, and ending Ludwig C. Hoffmann, to be captain, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 27, 1967; and

The nominations beginning Frank A. Barker, Jr., to be major, and ending Peter G. Yatsevitch, to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on December 5, 1967.

IN THE MARINE CORPS

The nominations beginning Gerald G. Abel, to be major, and ending William G. Bates, to be lieutenant colonel, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 14, 1967.

IN THE COAST GUARD

The nominations beginning Irving G. Sauer, to be lieutenant commander, and ending Edwin L. Knowles, to be captain, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 27, 1967.

HOUSE OF REPRESENTATIVES

WEDNESDAY, DECEMBER 13, 1967

The House met at 12 o'clock noon.

Rev. Edward L. R. Elson, National Presbyterian Church, Washington, D.C., offered the following prayer:

O Thou to whom in all ages men have lifted up their hearts in prayer, deliver us now from the clash and clamor of the world, from the tumult of our days, from the pressure of daily duties, and the confusion of many voices that we may hear again Thy "still small voice" and know the meaning of "Emmanuel"—"God with us." Grant us now the clean hands and pure hearts which enable us to walk and work with Thee this day.

Bless this Nation which Thou hast given us for our heritage. Correct us wherein we are wrong; confirm and strengthen us wherein we are right; preserve us from violence and discord; and make us good enough and great enough for the days in which we live. Equip us with a knowledge of the truth and so furnish us in righteousness that we may be a servant people to all mankind.

Guide by Thy spirit the President and all in authority over us. Be with our youth in the armed services, guarding them in moments of temptation and strengthening them in hours of peril. Lift all consultations for peace into the higher order of Thy kingdom.

Now, wilt Thou impart to Thy servants here that higher wisdom which comes to those who put their trust in Thee.

In the Redeemer's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 5709. An act to amend the District of Columbia Teachers' Leave Act of 1949 to remove certain limitations, and for other purposes; and

H.R. 8715. An act to amend the District of Columbia Alcoholic Beverage Control Act to limit the amount of wines, spirits, and beer that may be brought into the District of Columbia.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 10783. An act relating to crime and criminal procedure in the District of Columbia; and

H.R. 12505. An act to provide that a District of Columbia public school teacher may retire on a full annuity at age 55 after 30 years of service or at age 60 after 20 years of service, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 10783) entitled "An act relating to crime and criminal procedure in the District of Columbia," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BIBLE, Mr. TYDINGS, and Mr. DOMINICK to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 888) entitled "A joint resolution making continuing appropriations for the fiscal year 1968, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate to the foregoing bill.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2760. An act to amend the Federal Water Pollution Control Act to authorize research and demonstration programs for the control of lake pollution and acid and other mine water drainage, and to prevent pollution of water by oil.

APPOINTMENT OF ADDITIONAL CONFEREES ON H.R. 7819, ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1967

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that the Speaker be authorized to appoint two additional Members as House conferees on the bill, H.R. 7819, the Elementary and Secondary Education Amendments of 1967.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object, has this been cleared with the ranking Republican member?

Mr. PERKINS. It has been cleared with appropriate authorities on the House Committee on Education and Labor.

Mr. GERALD R. FORD. Can the gentleman indicate the need or necessity for this?

Mr. PERKINS. It is agreeable.

The SPEAKER. What was the gentleman's inquiry?

Mr. GERALD R. FORD. I was inquisitive, Mr. Speaker, as to the need and necessity for two additional conferees.

Mr. PERKINS. We felt that this would serve a good purpose.

Mr. GERALD R. FORD. Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER. Pursuant to the authority just granted by the House, the Chair appoints as additional conferees on the bill, H.R. 7819, the following Members: Mr. GIBBONS and Mr. ASHBROOK. The Clerk will notify the Senate thereof.

APPOINTMENT OF CONFEREES ON S. 1367 TO PREVENT TERMINATIONS OF OIL AND GAS LEASES

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1367) to authorize the Secretary of the Interior to prevent terminations of oil and gas leases in cases where there is a nominal deficiency in the rental payment, and to authorize him to reinstate under some conditions oil and gas leases terminated by operation of law for failure to pay rental timely, with a Senate amendment to the House amendment thereto, disagree to the Senate amendment to the House amendment, and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Colorado? The Chair hears none, and appoints the following conferees: Messrs. ASPINALL, EDMONDSON, BARING, SAYLOR, and BURTON of Utah.

RESTRICT TRAVEL TO ENEMY COUNTRIES

Mr. DORN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN. Mr. Speaker, I am today introducing the bill which would restrict travel of citizens of the United States to enemy countries.

This legislation is necessary and long overdue. It is incredible that any citizen of the United States would want to visit and be entertained by an enemy nation, a country with whom we are engaged in hostilities, an aggressor nation violating international law. Mr. Speaker, it is even more incredible that we would permit such a person to visit enemy countries and use their vast and intricate propaganda media to discredit our own country, undermine our commitments, and sabotage our fighting forces in the field.

The most effective allies the Communist aggressors have are those in the United States itself who espouse the cause of the aggressor, particularly those who tour the world advocating overthrow of our American Government and calling for defeat of our fighting forces in the field. This is sedition. This is treason. This is aiding the enemy and should be dealt with the same as desertion at the front lines.

Mr. Speaker, our Armed Forces fighting in the field need encouragement from the homefront. Prompt and favorable action by the House of this timely legislation would greatly encourage our men in uniform the world over.

THE GREAT SOCIETY OF LYNDON JOHNSON

Mr. GERALD R. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, the Great Society of Lyndon Johnson has become a runaway locomotive with a wild-eyed engineer at the throttle.

The American people can be thankful that the 90th Congress has slowed down this locomotive which is hurtling down the track toward national bankruptcy, the highest interest rates in a hundred years, devaluation of the dollar through a steady surge of inflation if not by official action in the money markets, and a papering over of national problems with paper dollars—money that shrinks in value with each passing month.

The man in the White House can only be described as wild when he talks of a $35 billion deficit at the same time that his Budget Bureau Director places it at $19.8 billion.

He can only be described as wild when he continues talking about greater and greater spending on social welfare schemes at the same time that he talks of a $35 billion deficit and talks to business and labor about the need for wage and price restraint. The President irresponsibly threatens to put the American economy and the American people in the straitjacket of wage and price controls.

The President's pleas to business and labor actually are meaningless because business and labor are trapped by Johnson inflation. It is Lyndon Johnson and he alone who has wrecked the price stability we enjoyed under the Eisenhower administration. He did it with his irresponsible spending policies—his guns-and-butter policy in time of war.

The President said in his speech to the AFL–CIO:

> I told the businessmen they should not point the finger of blame at you, and I say that you should not point the finger of blame at them.

He is right. The blame rests with just one man—Lyndon Johnson—the man who rejected every suggestion from his advisers and leading economists in early 1966 that he fight inflation with spending cuts or a tax increase then. The President is a Lyndon-come-lately to the inflation fight. The best way to fight inflation is to restrain irresponsibility in the White House.

Mr. Johnson says he wants a great Congress again, one like the 89th. President Johnson called the 89th "my Congress." That was completely natural. He owned it. It gave him everything he asked for and more. It was a runaway Congress.

Now Mr. Johnson again wants a Congress like the 89th. He wants a two-thirds Democratic majority in the House again. He wants to return to one-man government.

I agree with Mr. Johnson that the 90th Congress was a good Congress and a productive Congress.

Republicans and Democrats in 1967 joined together for the good of the country to cut Federal spending $4.1 billion and resisted President Johnson's income tax increase as the wrong medicine for the economy at this time.

Republicans and Democrats teamed up to launch a 3-year, $428 million attack on air pollution on a regional basis, a 3-year authorization for a revamped Teacher Corps to benefit slum children, a responsible approach to Federal school aid and a war on crime, a Comprehensive Health Act giving States and local communities the power to determine priorities on use of Federal funds to fight rats, communicable diseases, and narcotics addiction.

Republicans and Democrats joined to increase social security benefits, improve the operations of medicare and tighten up on medicaid, take the able bodied off the welfare rolls and put them to work, and to make all the meat purchased in America safe to eat.

Republicans joined with Democrats in support of the President's basic Vietnam policy—halting Communist aggression in Southeast Asia. It is only those in the President's own party who talk about "cutting and running."

I am not surprised that Mr. Johnson finds fault with the 90th Congress. The Congress repudiated him and his guns-and-butter policy by insisting on deep spending cuts in deferrable and controllable areas.

The President is unhappy because Republican strength in the House increased this year by 47 seats. This is simply proof that the American people rebuffed President Johnson in 1966 and will repudiate him completely in 1968.

THE DISTINGUISHED MINORITY LEADER AND THE SPEECH OF THE PRESIDENT OF THE UNITED STATES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I think we can all start out with one note of agreement this morning in the following observation that I make, the observation that we are all very happy in the justified and deserved recognition that our distinguished friend, the gentleman from Michigan [Mr. GERALD R. FORD] received yesterday by the mayor, the city government and the people of Grand Rapids, when the city of Grand Rapids set aside a special day in his honor and in recognition of such an outstanding legislator and in recognition of such a great American.

So I believe we can all join, not only in congratulating JERRY FORD, but in congratulating the mayor, the council, and the people of the city of Grand Rapids.

Mr. Speaker, I am very sorry that my friend was so much disturbed by the very powerful and truthful statements made last night by President Johnson at the American Federation of Labor and CIO convention. When one does not have a defense, then one tries to create an alibi. My dear friend from Michigan has failed to join the issue, and has really made a plea of confession and avoidance. He failed to answer the statements made by the President on the votes which are important to the American people. He brings up inflation, he brings up all of the other matters which he swiftly tried to use in his brief remarks to divert, so to speak—and of course that is a proper and legitimate effort if one can get away with it.

Mr. Speaker, the fact remains that the President gave figures, gave records, and gave the votes in this body on the vital and important bills which have been of such great concern to the people of our country. And the gentleman, my distinguished friend and dear friend from Michigan, the minority leader, has failed to join the issue. Therefore the remarks of the President and the charges he made stand unchallenged by the gentleman from Michigan. In fact, Mr. FORD has strengthened the President's remarks made last night by the weak and inept statements he made in an effort a few minutes ago to try to blunt the effectiveness of the truthful and forceful remarks made last night by the President.

The remarks made last night showed President Johnson as he is, a fighting President, which we have all known all along.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the distinguished Majority Leader.

Mr. ALBERT. Mr. Speaker, I wish to join our distinguished and beloved Speaker in the tribute he paid to our distinguished minority leader. I was somewhat amused by the statement the minority leader made in reference to the President which, if I understood him correctly, was that the President was unhappy about 47 new Republicans here in the House. Just let me state that when the voting records of those 47 new Republicans are analyzed, the American people are also going to be unhappy about their being here.

Last evening President Johnson delivered an outstanding, forceful, and eloquent address. He spoke to the largest labor organization in the Nation. At Bal Harbour, Fla., in convention assembled, the delegates representing the cause of American labor, again and again applauded the great President of this Republic as he referred to the outstanding programs which have engaged his constant interest and endeavor during his 4 years as Chief Executive of the United States of America. Of this 90th Congress he had this good word to say:

> This has been a productive Congress—

And he added:

> and labor's leadership has made it so.

He said to those who criticize our struggle for liberty and democracy in Vietnam:

> It is easy to agonize and moralize, to pin your sleeve or a placard and think that you are helping to stop war. But I only wish that those who bewail war would bring me just one workable solution to end war.

Mr. Speaker, our President pinpointed those who have been responsible for blocking legislative programs which would have brought increased welfare to the American people. In my judgment, this great address is worthy of our highest admiration. At this time, for the RECORD, I submit the entire text of President Johnson's great speech. In my judgment it is the greatest speech of the year.

Mr. ARENDS. Mr. Speaker, will the distinguished gentleman yield to me?

Mr. McCORMACK. I will be delighted to yield to the distinguished gentleman from Illinois.

Mr. ARENDS. I thank the gentleman for yielding.

I might say that, as I listened to the President last evening rather carefully, I became somewhat confused.

Mr. McCORMACK. Evidently the gentleman did not like what was said, so he shut the television off; is that correct?

Mr. ARENDS. No; now, please do not read my mind.

Mr. McCORMACK. The gentleman said that he had listened to a part of the President's message.

Mr. ARENDS. That is right. The thing that confused me was whether the President was really shooting at Republicans or whether he was lambasting Senators McCARTHY, KENNEDY, and others. I still wonder what the President was really trying to do.

Mr. McCORMACK. In reply I would say that the President certainly, correctly, and without mistake, stated what the record shows.

I believe the most effective statement my friend from Illinois has just made is that he listened to part of the President's message. Therefore, he must have shut it off because he did not like the truthfulness of what the President was saying.

Mr. ALBERT. Mr. Speaker, will the gentleman yield further?

Mr. McCORMACK. I will be delighted to yield further to the gentleman.

Mr. ALBERT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I ask unanimous consent that I may insert in the RECORD the greatest speech that has been made in this country this year, the speech that was made by the President of the United States last night to the AFL–CIO convention.

The SPEAKER pro tempore (Mr. EDMONDSON). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The address follows:

[From the Washington (D.C.) Post, Dec. 13, 1967]

L. B. J.: "I WILL ADVANCE, DOING MY DUTY AS I SEE IT"

(Official text of President Johnson's nationally televised address to the biennial convention of the AFL–CIO tonight (introductory section deleted).)

I know what your fight has meant for America in my time.

Listen to the roll call of what we have done together.

Medicare—Already, four million Americans have had their hospital bills paid, and more than five million have had their doctor bills paid.

Aid to Education—Already, nine million needy children have been helped into elementary and secondary schools. Nearly a million and a quarter college students—many of them sons and daughters of union families—now receive Federal help in education grants and loans.

Minimum Wage Protection—We have brought over nine million more workers under the minimum wage. By next February we will have raised that minimum by 35 cents in our own time. That's 10 cents more than when I cast one of my first votes in Congress, to make the minimum wage law of the land 30 years ago.

Poverty—More than five and a half million Americans have been lifted above the poverty line.

Employment—We've added six million workers to our labor force, and set a record of 81 months of solid prosperity.

Civil Rights—We've cleared away the last big obstacles to the right of every American to vote; to be judged for a job on his skill, not his skin; to enjoy public accommodations and facilities as a free man.

Immigration—We've scrapped the old discrimination of the national origins system, and replaced it with an American system of open opportunity.

Conservation—We've added three quarters of a million acres to our national seashores and parklands, more than ever before in our history.

The Cities—We've finally got the program we need to build model cities. Blight, decay and despair can be banished from our life—but we are going to need the muscle of American labor to turn our bold ideas into shining realities.

Pollution—For the first time, we recommended and passed the bills through Congress to give us the weapons to make an all-out attack on the filth that fouls our water and air.

CONSUMER PROTECTION

We've ended the packaging tricks that have plagued the American housewife for so long.

We have spared our children from dangerous and deadly toys.

We have shut the door to unsafe products that make the home a booby-trap for the unwary.

We have an Auto and Highway Safety Act to reduce the accidents that make our roads a death-trap for the innocent and the careless.

We have moved against accidents in the doctor's office and hospital, by insisting that laboratories run the right tests—and get them right the first time.

We have acted against the money-lender who victimizes the poor and exploits the needy by concealing interest charges.

This week I will sign the Flammable Fabrics Act. It means that your family and home will be safe from clothing and furnishings that blaze without warning.

Next week, I will sign the Wholesome Meat Act. It means that the meat on the family table will be pure, not rancid—that a mother can shop without fear of finding worms in a steak or wood splinters in the hamburger.

In the weeks to come, I hope also to sign the pipeline safety bill. It will guard against a gas explosion ripping through a home, a school or a crowded street.

Isn't this a remarkable and wonderfully hopeful record in itself? Yet these are only some of the happy new triumphs we have won for our families.

The full record will show more consumer legislation enacted in the last two years than in all 88 Congresses before.

History will testify that this Administration, after 180 years, finally proclaimed a consumers bill of rights. And about time, too.

IT WASN'T EASY

There is more—much more—that we have done together.

It wasn't easy. Every step of the way there were voices and votes that said:

"Not so fast."

"Don't try it, it's never been tried before."

"It's only a rehash of the new deal."

"Don't you know there's a war on? You'll have to stop progress at home."

Or one side cried: "It's all for labor or minorities." And the other side cried: "It's all for the middle class."

And we anwered: "Yes. It is for labor. It is for the minorities. It is for the middle class. And it's for the young, the old, the worker, the businessman, the farmer, the teacher, the student, the doctor, the patient.

Yes, we said, for once you're close to being right. Our fight is for all America.

But in Congress they closed their ears and ranks. In vote after vote, the House members of the other party lined up like wooden soldiers of the status quo:

Ninety-three per cent of them voted to kill the Medicare bill.

Ninety per cent of them voted to kill the poverty bill.

Sixty-eight percent of them voted to kill the education bill.

Sixty-six per cent of them voted to kill our civil rights bill.

Eighty per cent of them voted to kill all funds for model cities.

Ninety-three per cent of them voted to kill all funds for rent supplements.

And, my friends, 72 per cent of them voted to kill your minimum wage bill.

The only time they said "yes" was when they could vote to recommit a bill—to bury it in a blanket of rhetoric beneath the wave of Republican reaction.

But they are not fooling anybody, are they?

The people know that the old Republican buggy can only go one way—backwards downhill.

The only program that Grand Old Party offers is the remains of what they have backed into and run over on the road, the bits and pieces of what somebody else has built.

No wonder we have worked so hard to pass the Highway Safety Act. That old Republican buggy has been colliding with us all year long.

MORE PASSENGERS

And it is carrying more passengers this year—more dead weight. Forty-seven Democrats who helped write the historic legislative record of the 89th Congress are gone. They have been replaced by forty-seven Republican nay-sayers. And America's advance has been checked.

Not always; not by any means. We've found and won some funds for model cities—the Teacher Corps—rent supplements.

We've continued our efforts for older Americans, mental health, the consumer. We've passed a good bill for Vietnam veterans. And we passed a bill to control rats in our cities—because a Nation's conscience cried out louder than Republican laughter.

Don't let anyone fool you. This has been a productive Congress. And labor's leadership has made it so.

But we need great Congresses again, not just good ones. They must match and even surpass the 89th. And we are going to have to work to get them.

We still have to meet the great tests of our time—improving our educational and medical systems—rebuilding our cities—providing jobs for all who can work—ending lawlessness in our streets—uniting our people in common and progressive purpose.

This is our national agenda. It can only succeed if there are men in Congress and the Administration who will make it their personal agenda. We must work harder than ever to elect these men. It can be done; it will be done; because a nation depends on us not to fail, not to fall back—but to go fighting and winning for all America.

As America depends on your social leadership, it also relies on your sense of economic responsibility.

In our system, price changes are inevitable and desirable. But if we are to have the full blessings of free enterprise, business and labor must place the fundamental national interest first. Each must do its share to maintain a stable level of over-all prices.

I emphasized this to your partners in prosperity—American businessmen—just a short time ago in Washington, and I told them you would expect equal time.

WAGE RESTRAINT URGED

If industry, I said, tried to raise prices and profit margins—even when they have excess capacity—we are bound to suffer rising prices, and this is murder to all labor and people with low or moderate incomes.

If labor, I say, tried for a wage rise twice the nationwide increase in output per manhour—even where there is no real labor shortage—we are bound to suffer rising prices.

Business suffers. Labor suffers. All America suffers from a wage-price spiral.

I told the businessmen that they should not point the finger of blame at you. And I say that you cannot point it at them.

I say to you both—labor and business—that you are two fingers on one hand—it is your joint responsibility to stop the spiral.

To both of you I say: It is your America. It is your prosperity—your jobs and profits we seek to protect—your dollar whose strength we must maintain.

I have urged business to refrain from avoidable price increases, and to intensify its competitive efforts.

I now urge labor to look at its responsibilities—to look hard and deep into its wise heart and restrain its demands for excessive wage increases.

Look around you as you calculate. Here is your country, fighting gallantly, again for freedom—but doing it for the first time without wage and price controls.

It is voluntary restraint that has made involuntary curbs unnecessary. Your Government wants to keep it that way. We want to be partners in responsibility and prosperity with labor and business.

And we will be, if each of us does his share for the good of all.

I cannot close without sharing a few thoughts with you on the matter that most troubles our hearts—the tragic but vital struggle in Vietnam.

You have long stood in the front ranks of this fight for freedom, too. But here you have added bright new testimony to your resolve—and given new heart to all who stand with you for peace.

I am proud and grateful for the resolution you have passed here in support of freedom's cause. It is a ringing declaration of your firm resistance to aggression. That staunch spirit is personified by your courageous leader—"Mr. Labor"—George Meany. I thank him, and I thank you—from the bottom of my heart.

I thank you, too, for another man.

He does not live in the White House. He is faced down in the mud of the DMZ. Or storming a hill near Danang. Or crouched in a rice paddy in the Mekong Delta.

The American soldier thanks you, from the bottom of his heart. He knows, even if some others don't, that your expressions of support are not just flag-waving words.

Whoever thinks that has never heard the question that comes to me so often from the foxhole. He has never felt the ache of a soldier asking: "We're doing O.K.—but are the folks back home really with us?"

American labor has answered with a resounding "yes." You have said it before and repeated it here—so strongly that even Hanoi cannot mistake its meaning.

I know that many of labor's sons have left their homes to risk their lives in Vietnam. I know that is torture for you, as it is for me. I know that you regret every dollar spent on war—dollars that should be spent on the works of peace.

But you and I know that we must persevere. The torture we feel cannot beg the truth. It is only our unswerving will and unshakeable determination that can bring us peace.

It is easy to agonize and moralize, to pin your heart on your sleeve or a placard—and think that you are helping to stop war.

ASKS WORKABLE SOLUTION

But I only wish that those who bewail war would bring me just one workable solution to end war.

The peacemakers are in the field. The soldier and the statesman need and welcome the sincere and responsible assistance of concerned Americans. But they need reason, not emotion. They must have a practical solution, not a concoction of wishful thinking and false hopes—however well-meaning.

It must be a solution that does not call for cutting and running now. Those fantasies hold the nightmare of a larger war tomorrow.

It must be a solution that does not call for stepping up our military efforts to flash point, where we risk a larger war today.

I, for one, would be profoundly grateful for that kind of help. Thousands of our soldier sons would also give thanks. And I cannot help but feel that we would be joined in our gratitude and gladness by millions of thoughtful Americans. They are the concerned Americans who recognize the responsibilities that accompany their rights, and who see it as a duty of citizenship to be constructive in word and deed.

For as long as I have borne the responsibility of conducting our foreign policy, I have known that it is easier to protest a policy than to conceive one. And so I have followed a rather simple practice:

If someone has a plan, I listen to it.

If it seems worth pursuing, I ask the best Americans I can find to give me their judgments on it.

If they like it, and it seems wise to me, I try to put it into operation.

WILL STUDY PROPOSALS

I can promise all who shout their opposition, as well as any who have quieter doubts, that I will continue this practice. I will always be ready to hear and act on any proposal they offer.

In the meantime, I will do my duty.

I want you and the American people to know that I am not going to be deterred, influenced or inflamed by a bunch of politically selfish men who want to advance their own interests. I will advance down the center of the road, doing my duty as I see it regardless of the polls and regardless of the elections.

I will devote my days and nights to supporting and supplying half-a-million of the bravest men who ever left these shores to fight for freedom.

I will honor our sworn commitments to protect the security of Southeast Asia, because it is our security too. We will not now betray the troubled leaders and hopeful people of that region who rely on us to shield them from aggression—not after other presidents who preceded me gave their solemn word too.

I will hold the line against aggression as it has been drawn so often by the President and the Congress. We will not now nullify the word of the Congress, or the people, as expressed in the SEATO treaty, the Tonkin Gulf resolution, and the many defense appropriation measures passed specifically to deter aggression in Vietnam.

At all times, in all ways, with all patience and hope—we will strive for peace.

Let no man, friend or foe, American or Asian, mistake our meaning.

I remind all of you again of my own exchange of correspondence with Ho Chi Minh. The North Vietnamese themselves released my letter on March 21. In it, the United States made a fair and firm offer:

"There is one good way," I said, "to overcome this problem and to move forward in the search for a peaceful settlement. That is for us to arrange for direct talks between trusted representatives in a secure setting and away from the glare of publicity . . .

"As to the site of the bilateral discussions I propose, there are several possibilities. We could, for example, have our representatives meet in Moscow where contacts have already occurred. They could meet in some other country such as Burma. You may have other arrangements or sites in mind, and I would try to meet your suggestions . . ."

Can we be any more specific? Hanoi has spurned the olive branch. They answered with a rude "no" and they have repeated it time after disappointing time. Until they relent, until they see room for compromise and area for agreement we must stand firm and unafraid. And we will.

Peace will come, I am convinced of that, but until it does, I will continue, with the support of our determined people, to hold the line we have drawn against aggression—and hold it firm and steady.

In all that I do, I will be strengthened by the powerful testimony for freedom that you have given in this hall. You courageous men of labor support our fighting men, and you have spoken as free men must speak. May all the world hear you. And may God bless you for it.

SPEECH OF THE PRESIDENT BEFORE THE AFL-CIO CONVENTION

Mr. HAYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS. Mr. Speaker, there are two observations I would like to make: One is that I could not determine whether the President was not covering the field. I would suggest to my dear friend from Illinois that the old adage is that "if the shoe fits, try it on, and if it fits, then go ahead and wear it." That could also go for Mr. McCARTHY, and others.

The other suggestion I would like to make is, and I do not know if I am in order or not at this time—but I would like to establish a collection box to take up a collection to buy for whoever it may be—the gentleman from Michigan himself or the Republican National Committee or its staff or whoever wrote that speech—a timing device so that they can time it the next time they write a 1-minute speech and get it somewhere within the range of 1 minute.

AN OEO SUCCESS STORY

Mr. KARTH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KARTH. Mr. Speaker, Mrs. Magdalene Moses lives in St. Paul, Minn. She is 44, the mother of three children. Just a year ago, she and her family were receiving public assistance payments. But only last Friday, she was in Washington, one of six guests of honor at a ceremony in the Department of Health, Education, and Welfare.

This is her story: Mrs. Moses came to St. Paul from South Carolina where she had reached the 10th grade in school. Until 1966, she had worked only 1 year—in a laundry. She and her family had received public assistance continuously for more than 5 years.

Mrs. Moses hesitated to enroll in basic education classes at the high school level. But she was eager to take training to qualify as a nurse's aide. She was placed in the Ramsey County title V project, and assigned to the Gillette State Hospital in November 1966. The training was adapted to her needs.

Mrs. Moses' biggest obstacle was the civil service examination required for employment in a State hospital. Unsuccessful in her first efforts, Mrs. Moses persisted and subsequently passed. She has been employed by the Gillette State Hospital since last June as a nurses' aide at $304 per month.

The Ramsey County project in which she trained is authorized by the Economic Opportunity Act of 1964. The grants administered by the Social and Rehabilitation Service with HEW. And last Friday, Mrs. Moses and five other trainees received citations for outstanding achievement in their work experience projects.

Mr. Speaker, the citations were awarded for diligence in learning a skilled trade and for excellence of performance on the job. They are a fitting reward for Mrs. Moses and the other recipients. I hope there will be many more who qualify.

UNITED STATES OF AMERICA—STRONGEST COUNTRY IN THE WORLD

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, I have listened all this year to the songs of woe from the Republican side of the aisle about the deplorable condition of this country.

Now, as the session draws to a close, I hope, I would avail myself of this opportunity to say that notwithstanding all of the cries of alarm and woe and of fiscal irresponsibility and all of that, that certain facts are known to the American people. There are more people working today than ever worked before in the history of the United States. They are making more wages than they have ever made before. The standard of living of the people of the United States is higher than it ever has been before. The level of national savings of our citizens is higher than it has ever been before. The ratio of the national debt to the gross national product is 41.5 percent, lower than it has been in 25 years when compared with the gross national product.

These are some of the facts of economic life in the United States.

This country is not on the downgrade. This country is not going to the dogs fiscally or in any other way. This country is the strongest country in the world both industrially, economically, and militarily and it is going to go forward notwithstanding the cries of the prophets of doom.

EFFECTS OF TAX INCREASE

Mrs. GRIFFITHS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

Mrs. GRIFFITHS. Mr. Speaker, personally I congratulate the President of the United States for having the courage to stand before a great labor convention and tell them to slow down on their demands for wages and to tell their employers to slow down on their demands for prices.

On the day that the Secretary of the Treasury appeared before the Committee on Ways and Means to ask for a tax increase perhaps I, alone, observed that one of the great retail stores in this city announced that in the previous 3 months it had a 17-percent increase in profits on a 5-percent increase on sales.

I would like to point out also that in the State from which the gentleman from Michigan and I both originate that the Ford settlement struck that State with the effect of a small atomic bomb.

In my opinion in the demands for prices and for wages by the organized and by the monopolies, we are leaving at the gate those who are not organized—we are leaving those who are old and those who are on fixed incomes.

The tax increase would not affect the organized and those who are operating conditions of monopoly. They have insulated themselves against this type of sanction against inflation. Therefore, I think that those businessmen and organized labor who have been up at bat twice and who have struck out both times should now step up and assume a little responsibility themselves for inflation. Gentlemen, restrain your demands.

COUNTERCOUP IN GREECE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. EDWARDS of California. Mr. Speaker, we have learned this morning of the beginning of a countercoup in Greece. Although dispatches are thus far somewhat sketchy, I believe the development is favorable and will succeed.

King Constantine, in his critical role as constitutional monarch, has called for an end to the 7-month military dictatorship and a return to democracy and freedom. Thus, the first and major step toward restoration of democracy has been taken. The stain of totalitarianism has begun to be removed.

In my judgment, the next 48 hours are crucial. The King, backed by at least five army divisions plus the air force and navy, plus overwhelming public support, plus implied U.S. support, has the upper hand.

The crucial question is how far the hard core of the junta will go in the face of this power. Will the lives of the political prisoners be safeguarded? Will the Athens-based military supporters of the junta behave rationally? If they do, political amnesty and an avoidance of bloodshed can result.

I trust our representatives on the scene will play a skillful and constructive role in the hours ahead. The countercoup some of us had hoped for has come. With it will come at least a partial return to democratic forms. I trust that shortly thereafter full democracy will return to the cradle of democracy, with political parties reactivated, freedom of the press assured, and the traditional liberties of the Greek people rejuvenated.

GOLD SPECULATION IN THE WORLD

Mr. HANNA. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HANNA. Mr. Speaker, on several occasions the gentleman from Wisconsin [Mr. REUSS] of the Committee on Banking and Currency and I have talked to this House about the situation in gold speculation in the world.

I should like to remind the Members of the House that if you will look very simply at the situation in gold, you will realize there is an output of about $1,500,000,000 in gold from mines and that the requirements of industry and artisans and manufacturers have represented a factor of about $350 million until this last 2 years. Spurred primarily, I believe by the gold market actions legitimate gold users have been building inventory and latest buying is at a ratio of over $700 million.

Out of the total of new, mined gold, something in the nature of $225 million is being gathered by the governments. The price of gold is being established not by the demands of the artisans or the manufacturers. It is not being established by the governments. But it is being established by a combination of the dollar underwriting of $35 an ounce for gold, and the speculators in the European market.

I think that if you would look at the article which appeared in Sunday's newspaper, the Washington Post, by Hobart Rowen, you will see that he brings us right on target when he says, quoting McGeorge Bundy—

> The day may come when our Treasury will be enabled, because required, to teach the speculators the truth: that gold is not really worth its present price, that $35 an ounce is a tactical tribute to tradition, a convenient compromise with conservatives, and not at all a necessary market price. If the dollar and gold ever fight to a finish, it is not the dollar that will be devalued.

And if we, Mr. Speaker, fail to guarantee the $35 price, the speculators will not be able to get the loans from the bank of 100 percent. But I wonder how much gold would be available if the bank suddenly called on European speculators and asked for 20 percent more coverage on outstanding loans.

Facts available to any of us demonstrate there is no shortage of gold in terms of its legitimate uses and requirements. There is excessive hoarding and speculation which is the primary problem in the gold supply.

All nations, Mr. Speaker, have a stake in the maintenance of a stable international exchange. Less than all have taken all responsible steps required to assume the burdens of this stake. Congress should make clear through the Treasury that we are losing patience with those who have been and are now coddling the hoarder and conniving with the speculator.

We know and respect our obligation to reduce our international deficit but let that not be a cloak to condone irresponsibility in distinguishing legitimate channels of gold exchange and the parasitic channels being exploited by special classes in selected nations. Again to Mr. Rowen who recalls President Kennedy's well worded warning—

> The great free nations of the world must take control of our monetary problems or they will take control of us.

We contrived and constructed the gold exchange standards as reasonable leaders in a world seeking enlarged expansion of trade. Surely we are not now lacking in ingenuity and innovation so that we can both control and improve this artificial creature of our creation.

JEKYLL AND HYDE POLICY ON OUTDOOR RECREATION

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, on November 16, 1967, Acting Director Lawrence Stevens, of the Bureau of Outdoor Recreation, testified before a Public Works Subcommittee on pending legislation to repeal entrance fees and dock fees on Army Engineer reservoirs, and at that time made an astounding statement of policy on behalf of the Department of the Interior.

In substance the Director stated his view that outdoor recreational opportunity "should be available to all without charge" within the cities of the United States.

In the same testimony the Director defended vigorously a policy of entrance fees on Federal outdoor recreation areas located outside the cities, in the rural areas of the country.

Members of the subcommittee were astounded at this Jekyll and Hyde philosophy, and we have been waiting for nearly a month to hear it repudiated by someone in higher authority at the Department of the Interior.

Apparently it continues to be the Department's official policy, accounting for the fact that no charges are made for national park facilities in the District of Columbia, while charges are imposed at most of the park areas located in the country.

In my view, the man who lives in the small town or in the country is just as much entitled to enter a Federal outdoor recreational area near his home, without charge, as is the city dweller. I hope this Congress will move decisively in the near future to establish justice on this matter, and to eliminate the entrance fees which are costing more to collect than they are yielding in revenue at most of the points where they are being charged.

THE PRESIDENT IN GREAT FORM AS EVERY MAN'S POLITICIAN

Mr. EDWARDS of Alabama. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. EDWARDS of Alabama. Mr. Speaker, the President was in great form last night as every man's politician.

Having properly kept his planned appearance a deep secret so as to prevent hordes of picketers and protesters from barring his entrance to the building, Mr. Johnson proceeded to accuse the Republicans of being motivated by their own interests.

The people of this country will certainly welcome this discussion of whose interests are really involved in government affairs. Taxpayers are in a real revolt these days as they watch their tax dollars consumed in astronomical deficits of a size which would have been considered incredible only a few short months ago.

Important officials of the President's own party as well as Republicans are properly concerned today with such things as rising interest rates, increased costs of everything we must buy, the continuing aimless drift in foreign policy, and worldwide attacks on the integrity of the dollar.

Presiding at last night's meeting was none other than George Meany who just a few days ago at the same convention referred to Mr. Johnson's failures in merchant marine matters as a "stupid policy."

Mr. Johnson will surely have a lot to talk about as a politician in the next few months, if only he can avoid the protesters and picketers on his way to the convention halls of the Nation.

CONFERENCE ON FOREIGN AID APPROPRIATIONS

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I am hearing disturbing rumors that the Subcommittee on Appropriations for Foreign Operations, now in conference with the other body on the foreign handout appropriation bill, may be weakening.

Members of the House will remember that the other body passed a bill more than a half billion dollars higher than the House bill. Members of the House will also remember that the chairman of the House Subcommittee on Appropriations for Foreign Operations made a commitment to this House that he would bring the bill back from conference substantially in the form in which it left the House.

I notice the gentleman from Louisiana [Mr. PASSMAN] is on the floor of the House at this time. I wonder if there is any credence to the rumors and reports that the conference may be weakening on this most important issue of trying to save some money from the foreign handout program and thus help meet the huge deficit and financial crisis that confronts this country?

Mr. PASSMAN. Mr. Speaker, will the distinguished gentleman yield?

Mr. GROSS. I am happy to yield to my friend from Louisiana.

Mr. PASSMAN. In reading history and that precious document, the Constitution of the United States, I marvel at the wisdom manifested by our Founding Fathers. They must have suspected that what is happening today with respect to finances would happen; therefore, they included in the Constitution a provision that finances would originate in the House of Representatives and that we would exercise our prerogatives on this section of the Constitution the same as the other body exercises its prerogatives in confirming Presidential appointees. We do not interfere with that prerogative, but they certainly interfere with our prerogative to manage the finances of our Nation as our Founding Fathers intended. It is most difficult for me to understand why we yield so readily to the other body when it is not in the best interests of our beloved country.

We do our homework. We spend hundreds of hours on the average appropriation bill. They spend possibly many times less than 4 hours per billion dollars, and when we attempt to bring in the fruition of our labors on appropriation bills, then the bills go over to the other body and they load them down without justifications. Then they request a conference with the House conferees and holler to high heaven, "Why don't you respect us? Let us split the difference; let us cut it down the middle."

When we yield on the basis of loud talk and arm twisting, we wind up with thousands of programs overfinanced with large sums for the overambitious, bureaucratic spenders to waste throughout the world. Is it not sad that on account of this looseness, we can point to a miserable record to the extent that the Federal budget has been balanced only six times in 38 years, with perhaps a $35 billion deficit this year? I am quoting the President's latest utterances on this figure.

May I say to the distinguished gentleman from Iowa that he has been misinformed. At least, the gentleman from Louisiana is not weakening, nor do I intend to weaken. If the gentleman will yield further, may I say from the bottom of a sincere and grateful heart, thank God we have the gentleman from Iowa, H. R. GROSS, in the Congress.

WHAT THE PRESIDENT DID NOT MENTION ON HIS TELEVISION APPEARANCE

Mr. HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HALL. Mr. Speaker, last night, in full view of three television networks and millions of people, the President of the United States in a highly nasal and importuning voice put forth an incredible display of "gobbledygook." With less regard for the truth than the applause of a "captive" organized labor audience, he attempted to convey to the American people that there are only the "good guys" and the "bad guys," and that all the former are Democrats and all the latter are, you know what.

It was an astounding mish-mash of baloney. The present occupant of the White House seems to be suffering from "foot in mouth disease."

Today, a new wave of gold speculation hit the Paris gold market with over $12 million worth of trading, that will further deplete our exhausted gold reserves. No mention of this in the President's euphoric speech.

Yesterday the administration declared its intention to tax the advertising revenue of hundreds of nonprofit organizations including the Boy Scouts of America in a move that will have enormous impact on the very cultural heritage of our Nation. No mention of this in the President's speech last night.

The President claimed great credit for a so-called rat bill with no mention of the fact that we already have rat eradication programs coming out our ears, and no mention of the fact that he did not request a single penny of the $20 million authorization for which he claimed so much credit. No mention of this in his speech last night.

He did not mention the great depression in farm prices. He did not mention the simple mathematics of the political makeup of Congress, which vests responsibility in his own majority party.

He did not mention the inflationary spiral that is a direct result of the most irresponsible fiscal policy and planned deficits of all time.

He did not mention the decisions that have flowed from his own Supreme Court appointees whose latest exercise in folly declares there is no way a known Communist can be barred from employment in vital defense factories.

He did not mention the orgy of crime that affects this Nation as the result of his Attorney General's no-win war against the perpetrators of crime.

President Johnson's use of 40 minutes of prime free air time to berate the Republican Party and the millions of people who call themselves Republicans, and are truly responsibly progressive will go down in history as the biggest fairytale since Orson Welles said the Martians were taking over earth.

PROPOSED EMBARGO ON IMPORTATION OF LIVESTOCK

Mr. HALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HALL. Mr. Speaker, today I have joined in introducing legislation to place a strict embargo on the importation of all livestock and red meat from every country until the exporting country proves to the satisfaction of those departments responsible for such quarantines, that it is free from hoof and mouth disease.

Should this disease, which is now spreading through Great Britain, and which has been reported in the Soviet Union, get into the United States it would be impossible to check.

It is essential that Congress take immediate action to express its concern over this matter and to insist that the Department of Commerce initiate an embargo, until such time as the American people are assured that no avenue exists for importation of hoof and mouth disease. Besides, it will alleviate the impact pro tem of injudicious imports.

A VICTORY FOR THE AMERICAN PUBLIC

Mr. MICHEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MICHEL. Mr. Speaker, last night the American public heard the President admit that in spite of all the vast powers expanded under his administration and with substantial majorities in both Houses of Congress, his Great Society was bogging down.

In typical L. B. J. "hell-bent-for-election" style, he blamed the Republicans. He was partially right, for we Republicans have presented a united front against spendorama, waste, the contradictions that characterize the Great Society, and his attempts to stick the taxpayer with the check for his own profligacy.

However, when the President declares that the minority party, outnumbered in both Houses of Congress, has stopped his bandwagon cold—then it is obvious he and his party have let loose of the reins, and that is exactly what has happened on the inflationary scene. L. B. J. dumped the guidelines, he dumped prudence in spending, he dumped the freeze on Federal employees, and now he is trying to dump a bigger tax load on the American public.

The Old Fox of the Pedernales said he was not concerned about the polls, but he must be getting a little hard of hearing, for it is the American people who have spoken forcefully to their Representatives and Senators in both parties. It was the American people who elected 47 more Republicans last fall and it is the people who are getting sick and tired of getting stuck for the tab for the Great Society. The people have spoken loud and clear and as representatives of the people, we have listened.

Admitting that a minority party, outnumbered but not outfought, has derailed the "Great Society Express," is in itself a victory for the American public.

GREAT SOCIETY BOGGED DOWN

Mr. CEDERBERG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CEDERBERG. Mr. Speaker, I listened with interest to the President of the United States last night detailing the great progress that we have made under the Great Society. We have made great progress all right. We have a war in South Vietnam in which we are bogged down and do not seem to want to win. Inflation continues unchecked. Crime is so rampant that you cannot safely walk down the streets in the major cities of this country. If that is progress, we need less of it. As far as I am concerned in listening to the President last night, it is obvious to me that he does not expect Republicans to support him on any tax increase that he is requesting, because all of the spending has been accomplished through the Democratic votes in the House of Representatives. So why should he expect us Republicans to put up our vote to give him the money for his spending. We have a greater deficit than we have ever had before. The average man in this country is not better off under the Great Society than he was before. The average family man is having a difficult time to make ends meet and the end of price increases is not in sight.

Mr. Speaker, I received a little note from Santa Claus the other day, and I would like to read this:

I'm sending this note to remind you
  That taxes have taken away
The things I find most essential—
  My workshop, my reindeer, my sleigh.

Now I'm making my rounds on a donkey,
  He's old and he's crippled and slow;
So, if you don't see me on Christmas,
  You'll know I'm all bogged down in the snow.

SUPREME COURT DECISION IS SHOCKING

Mr. QUILLEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. QUILLEN. Mr. Speaker, I am outraged by the decision of the Supreme Court which struck down the section of Federal law banning Communists and members of Communist-action groups from working in defense plants.

This is deplorable and another victory for communism in our country. The Supreme Court has been whittling away at this law for a long time, but its action goes far beyond the bounds of reason.

Ignoring the pleas of the Justice Department and the Congress, the Court, in a 6-to-2 decision, has rushed ahead to provide protection for subversives at the possible expense of our national defense.

How long must we stand by and see the security of this Nation threatened by Supreme Court decisions which soft-pedal the threat of communism not only in vital areas of our defense, but in other areas as well.

I believe the Congress should take immediate action to offset this decision so that our defense facilities will not be infiltrated by those who would overthrow our Government, and I am going to introduce appropriate legislation to do this.

Shocking—incredible—a shattering blow to our freedom—the Supreme Court's power must be curbed.

APPOINTMENT OF CONFEREES ON H.R. 10864, AUTHORIZING THE SECRETARY OF AGRICULTURE TO CONVEY CERTAIN LANDS

Mr. POAGE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 10864) to authorize the Secretary of Agriculture to convey certain lands in Saline County, Ark., to the Dierks Forests, Inc., and for other purposes, with a Senate amendment, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. Poage, Gathings, McMillan, Belcher, and Teague of California.

TO AUTHORIZE THE SECRETARY OF AGRICULTURE TO CONVEY CERTAIN LANDS TO THE CITY OF GLENDALE, ARIZ.

Mr. POAGE. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture be discharged from further consideration of the bill (S. 974) to authorize the Secretary of Agriculture to convey certain lands to the city of Glendale, Arizona, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. CABELL. Mr. Speaker, I object.

DISTRICT OF COLUMBIA BUSINESS

The SPEAKER. This is District of Columbia day. The Chair recognizes the gentleman from South Carolina [Mr. McMillan], chairman of the Committee on the District of Columbia.

PUBLIC SCHOOL TEACHERS

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 12505) to provide that a District of Columbia public school teacher may retire on a full annuity at age 55 after 30 years of service or at age 60 after 20 years of service, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 6, line 3, strike out "Commissioners" and insert "Commissioner".

Page 6, line 4, strike out "their" and insert "his".

Page 10, lines 12 and 13, strike out "Commissioners" and insert "Commissioner".

Page 10, line 21, strike out "Commissioners" and insert "Commissioner".

Page 11, line 6, strike out "Commissioners" and insert "Commissioner".

Page 11, line 18, strike out "Commissioners" and insert "Commissioner."

Page 11, line 19, strike out "determine" and insert "determines".

Page 13, after line 15, insert:

"(10) Such Act is amended by adding at the end thereof the following new section:

"'Sec. 22. Wherever the term "Commissioners of the District of Columbia" is used in the first section of this Act and section 16 of this Act, as amended, such term shall be deemed to mean the District of Columbia Council. Wherever the term "Board of Commissioners of the District of Columbia," or "Commissioners of the District of Columbia is otherwise used in this Act, as amended or supplemented, such term shall be deemed to mean the Commissioner of the District of Columbia."

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McMILLAN. Mr. Speaker, this bill passed the House on August 28, 1967. It was amended by the Senate in order to comply with Reorganization Plan No. 3 of 1967, which abolished the Board of Commissioners of the District of Columbia, and transferred its functions to the single Commissioner and District of Columbia Council created under the reorganization plan. No substantive change was made in the bill that passed the House; the Senate amendments are wholly technical in nature and are required to clarify the reorganization changes in the District of Columbia government.

PURPOSE OF THE BILL

The purpose of H.R. 12505 is to amend the District of Columbia Teachers' Retirement Act of 1946 (60 Stat. 875) to permit District of Columbia public school teachers to retire on full annuity at age 55 after 30 years of service, or at age 60 after 20 years of service, thus affording teachers the same benefits as are provided for civil service retirees.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

TO ENABLE THE DISTRICT OF COLUMBIA TO RECEIVE FEDERAL ASSISTANCE UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 10964) to enable the District of Columbia to receive Federal financial assistance under title XIX of the Social Security Act for a medical assistance program, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That (a) the Commissioner of the District of Columbia (hereafter in this Act referred to as the 'Commissioner') may submit under title XIX of the Social Security Act to the Secretary of Health, Education, and Welfare (hereafter in this Act referred to as the 'Secretary') a plan for medical assistance (and any modifications of such plan) to enable the District of Columbia to receive Federal financial assistance under such title for a medical assistance program established by the Commissioner under such plan.

"(b)(1) Notwithstanding any other provision of law, the Commissioner may take such action as may be necessary to submit such plan to the Secretary and to establish and carry out such medical assistance program, except that in prescribing the standards for determining eligibility for and the extent of medical assistance under the District of Columbia's plan for medical assistance, the Commissioner may not (except to the extent required by title XIX of the Social Security Act)—

"(A) prescribe maximum income levels for recipients of medical assistance under such plan which exceed (i) the title XIX maximum income levels if such levels are in effect, or (ii) the Commissioner's maximum income levels for the local medical assistance program if there are no title XIX maximum income levels in effect; or

"(B) prescribe criteria which would permit an individual or family to be eligible for such assistance if such individual or family would be ineligible, solely by reason of his or its resources, for medical assistance both under the plan of the State of Maryland approved under title XIX of the Social Security Act and under the plan of the State of Virginia approved under such title.

"(2) For purposes of subparagraph (A) of paragraph (1) of this subsection—

"(A) the term "title XIX maximum income levels" means any maximum income levels which may be specified by title XIX of the Social Security Act for recipients of medical assistance under State plans approved under this title;

"(B) the term 'the Commissioner's maximum income levels for the local medical assistance program' means the maximum income levels prescribed for recipients of medical assistance under the District of Columbia's medical assistance program in effect in the fiscal year ending June 30, 1967; and

"(C) during any of the first four calendar quarters in which medical assistance is provided under such plan there shall be deemed to be no title XIX maximum income levels in effect if the title XIX maximum income levels in effect during such quarter are higher than the Commissioner's maximum income levels for the local medical assistance program.

"Sec. 2. The Commissioner may enter into an agreement (and any modifications of such agreement) with the Secretary under section 1843 of the Social Security Act pursuant to which (1) eligible individuals (as defined in section 1836 of the Social Security Act) who are eligible to receive medical assistance under the District of Columbia's plan for medical assistance approved under title XIX of the Social Security Act will be enrolled in the supplementary medical insurance program established under part B of title XVIII of the Social Security Act, and (2) provisions will be made for payment of the monthly premiums of such individuals for such program."

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McMILLAN. Mr. Speaker, this bill passed the House on June 26, 1967. It was amended by the Senate in order to comply with Reorganization Plan No. 3 of 1967, which abolished the Board of Commissioners of the District of Columbia, and transferred its functions to the single Commissioner and District of Columbia Council created under the reorganization plan. No substantive change was made in the bill that passed the House; the amendment is wholly technical in nature and was required to clarify the reorganization changes in the District of Columbia government.

PURPOSE OF THE BILL

The purpose of H.R. 10964 is to authorize the Commissioner of the District of Columbia to take such action and to promulgate such regulations as may be necessary or required to furnish medical assistance to eligible residents of the District of Columbia under the program established by title XIX of the Social Security Act, as added by the Social Security Amendment of 1965—79 Stat. 286; Public Law 89-97—and to permit publicly owned District of Columbia hospitals and other medical facilities to provide health and medical care and services to eligible aged individuals under the hospital insurance benefits program and supplementary medical insurance benefits program established by title XVIII of such act.

Such programs would be conducted in the District within the limits set forth in the bill, pursuant to regulations issued and policy and procedural guidelines established by the Secretary of Health, Education, and Welfare.

The House Committee on the District of Columbia concurs in the Senate amendment.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

Mr. McMILLAN. Mr. Speaker, at this time I yield to the gentleman from Texas [Mr. Dowdy] for presentation of bills from his subcommittee.

AMEND SALES PRICE FOR REPORTS OF OPINIONS OF THE U.S. COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

Mr. DOWDY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 8581) to amend section 11-341(b) of the District of Columbia Code which relates to the sales price for the reports of the opinions of the U.S. Court of Appeals for the District of Columbia Circuit, and ask unanimous consent that the Committee of the Whole House on the State of the Union be discharged from the further consideration of the bill and that it be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

H.R. 8581

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 11-341(b) of the District of Columbia Code is amended by striking out "at not more than $6.50 per volume".

With the following committee amendment:

In line 5, insert immediately before the period the following: "and inserting in lieu thereof 'at not more than $12.00 per volume' ".

The committee amendment was agreed to.

PURPOSE OF THE BILL

Mr. DOWDY. Mr. Speaker, the purpose of H.R. 8581 is to permit the U.S. Court of Appeals for the District of Columbia Circuit to approve an increase in the selling price of the reports containing its opinions, namely, from a price "not more than $6.50 per volume" to a price "not more than $12.00 per volume."

The price ceiling of $6.50 for these reports per volume was established by the Congress over 40 years ago, and it is completely unrealistic in the light of increased costs since, as is indicated by the increased prices paid for other court opinions now published. For example, the Maryland Reporter, which includes the District of Columbia Court of Appeals decisions, now sells for $12 per volume. Other published reports in this area, carrying similar Federal or State court opinions, such as the Supreme Court Reporter, Federal Reporter, Federal (2d), Federal Supplement, and Atlantic Reporter, all sell for in excess of $6.50 per volume.

It is believed the committee amendment establishes a fair limit within which the court may fix the price in question.

BACKGROUND

Provision for the sale of the reports of the Court of Appeals was first included by the Congress in the District of Columbia Appropriation Act of 1925—Public Law 595, 68th Congress, second session, approved March 3, 1925, 43 Stat. 1216, 1240—wherein it was stated:

> *Provided,* That the reports of the Court shall not be sold for a price exceeding that affirmed by the court and for not more than $6.50 per volume.

Similar language has been carried in later acts of the Congress, and is now found in the District of Columbia Code, 1967 edition, as title 11, section 341.

The present distribution of the U.S. District Court of Appeals Reports is stated to our committee as being comparatively small, namely 516, and local in nature as practically all are sold within the District and surrounding area.

CONCLUSION

This legislation has been recommended by the Judicial Council of the District of Columbia, and your committee has been apprised of no objection thereto.

It would seem manifestly unfair and inequitable to expect or require the publisher of these reports—who has ably served the court of appeals since 1919—to continue to carry the burden of publishing reports at such an inadequate figure.

The passage of the bill, as amended, is urgently recommended by our committee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA ALCOHOLIC REHABILITATION ACT OF 1967

Mr. DOWDY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 14330) to provide a comprehensive program for the control of drunkenness and the prevention and treatment of alcoholism in the District of Columbia, and for other purposes, and ask unanimous consent that the Committee of the Whole House on the State of the Union be discharged from the further consideration of the bill and that it be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

H.R. 14330

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "District of Columbia Alocholic Rehabilitation Act of 1967".

SEC. 2. (a) Section 28 of the District of Columbia Alcoholic Beverage Control Act (D.C. Code, sec. 25-128) is amended—

(1) by amending the second sentence of subsection (a) to read as follows: "No person in the District of Columbia, whether in or on public or private property, shall be intoxicated and endanger the safety of himself or of any other person or of property.";

(2) by striking out "this section" in subsection (b) and inserting in lieu thereof "subsection (a) of this section"; and

(3) by adding after subsection (b) the following new subsection:

"(c) Any person in the District of Columbia who is intoxicated in public and who is not conducting himself in such manner as to endanger the safety of himself or of any other person or of property, shall be dealt with in accordance with section 4 of the Act of August 4, 1947 (as amended by the District of Columbia Alcoholic Rehabilitation Act of 1967)."

(b) Section 400 of the Revised Statutes of the United States relating to the District of Columbia (D.C. Code, sec. 4-143) is amended by adding at the end thereof the following new sentence: "A member of the police force who deals with an individual in accordance with section 4(d) of the Act of August 4, 1947 (as amended by the District of Columbia Alcoholic Rehabilitation Act of 1967) shall not be considered as having violated this section."

SEC. 3. (a) The Act of August 4, 1947 (D.C. Code, secs. 24-501—24-514, 25-111a) is amended by striking out sections 1 through 13 and inserting in lieu thereof the following:

"SECTION 1. The purpose of this Act is to establish a comprehensive program in the District of Columbia for the prevention of alcoholism and the rehabilitation of alcoholics, discourage abuse of alcoholic beverages, and provide for medical, psychiatric, and other scientific treatment of chronic alcoholics; to minimize the deleterious effects of excessive drinking; to reduce the financial burden imposed upon the people of the District of Columbia by the abusive use of alcoholic beverages, as is reflected in accidents, inefficiency of personnel, and absenteeism; and to establish methods of handling intoxication and alcoholism that will benefit the individual involved and more fully protect the public. In order to accomplish this purpose and alleviate intoxication and chronic alcoholism, all public officials in the District of Columbia shall take cognizance of the fact that public intoxication shall be handled as a public health problem rather than as a criminal offense, and that a chronic alcoholic is a sick person who needs, is entitled to, and shall be provided appropriate medical, psychiatric, institutional, advisory, and rehabilitative treatment services of the highest caliber for his illness.

"SEC. 2. For purposes of this Act—

"(1) The term 'chronic alcoholic' means any person who chronically and habitually uses alcoholic beverages to the extent that (A) they injure his health or interfere with his social or economic functioning, or (B) he has lost the power of self-control with respect to the use of such beverages.

"(2) The term 'Court' means the District of Columbia Court of General Sessions.

"(3) The term 'Commissioner' means the Commissioner of the District of Columbia.

"SEC. 3. (a) The Commissioner shall establish and maintain an effective public health program in the District of Columbia to provide a continuum of appropriate services to intoxicated persons and chronic alcoholics. Such program shall coordinate all District of Columbia services for intoxicated persons and chronic alcoholics and shall include at least the following facilities which shall be available to both males and females:

"(1) One or more detoxification centers, which shall be located within the District of Columbia, which shall have a total capacity of not more than 150 beds, and which shall provide appropriate medical services for intoxicated persons, including initial examination, diagnosis, and classification.

"(2) An inpatient extended care facility which shall have a capacity of not more than 800 beds and which shall provide intensive study, treatment, and rehabilitation of chronic alcoholics. Such facility shall not admit intoxicated persons.

"(3) Outpatient aftercare facilities which may include clinics, social centers, vocational rehabilitation services, and supportive residential facilities and which shall have a total capacity of not more than 600 beds.

"(b) The Commissioner may—

"(1) establish or designate an agency of the District of Columbia government, and

"(2) designate any officer or employee of the District of Columbia government,

to carry out any of his functions, powers, and duties under this Act.

"SEC. 4. (a) Except as otherwise provided in subsection (b) of this section, any person who is intoxicated in public—

"(1) may be taken or sent to his home or to a public or private health facility, or

"(2) if not taken or sent to his home or such facility under paragraph (1), shall be taken to a detoxification center,

by the commissioner. Reasonable measures may be taken to ascertain that public transportation used for such purposes shall be paid for by such person in advance. Any intoxicated person may voluntarily come to a detoxification center for medical attention. The medical officer in charge of a detoxification center shall have the authority to determine whether a person shall be admitted to such center as a patient, or whether he should be referred to another health facility. The medical officer in charge of such center shall have the authority to require any person admitted as a patient under this subsection to remain at such center until he is sober and no longer incapacitated, but in any event no longer than 72 hours after his admission as a patient. If the medical officer concludes that such person should receive treatment at a different facility, he shall arrange for such treatment and for transportation to that facility. A detoxification center may provide medical services to a person who is not admitted as a patient. A patient in a detoxification center shall be encouraged to consent to an intensive diagnosis for alcoholism and to treatment at the inpatient and outpatient facilities authorized in section 3(a) of this Act.

"(b) (1) Any person who is taken into custody for violating section 28 of the District of Columbia Alcoholic Beverage Control Act (D.C. Code, sec. 25–128) shall be brought to a detoxification center where he shall either be admitted as a patient or transported by the Commissioner to another appropriate medical facility for treatment. The police officer who took such person into custody for violating such section shall leave a violation notice for such person with the medical officer in charge of the detoxification center. After such person is sober and no longer incapacitated, the medical officer in charge of the detoxification center shall detain him as long as is reasonably necessary to conduct a diagnosis for alcoholism. If such person is diagnosed as a chronic alcoholic the medical officer shall, after a review of such person's record, recommend to the Corporation Counsel whether a criminal charge should be filed against such person for violating such section in order to institute civil commitment proceedings under section 7 of this Act. If such a criminal charge is not filed, no entry relating to such person's arrest for violating such section shall be made on any arrest or other criminal record. If the Corporation Counsel concludes that a criminal charge should be filed, the medical officer in charge of the detoxification center shall deliver to such person the violation notice that had been left with him. If such person is not diagnosed as a chronic alcoholic the medical officer in charge of the detoxification center shall deliver to him the violation notice that had been left with the medical officer and such person shall, after he is released by the center, be handled as in any other criminal case.

"(2) Any person who is taken into custody in the District of Columbia for violating any criminal provision applicable in the District of Columbia (other than such section 28) and who appears to be intoxicated may be taken by the police to a detoxification center where he may be admitted as a patient for an immediate medical evaluation of his condition. As soon as it is determined that he is not in medical danger he shall be handled by the police as in any other criminal case. If his health is in danger, he may be detained either at the detoxification center or at some other appropriate medical facility until the danger has passed, and he shall then be handled as in any other criminal case. Such security conditions shall be maintained as are commensurate with the seriousness of the offense. In appropriate cases where there is no danger to the safety of any person, the police may leave with the medical officer in charge of the detoxification center a violation notice which shall be delivered to such person when he is released from the detoxification center.

"(c) The registration and other records of a detoxification center shall remain confidential, and may be disclosed only to medical personnel for purposes of diagnosis, treatment, and court testimony, to police personnel for purposes of investigation of criminal offenses and complaints against police action, and to authorized personnel for purposes of presentence reports.

"(d) The Commissioner shall promptly develop, in cooperation with the police, procedures for taking or sending an intoxicated person to a detoxification center, his residence, or a public or private health facility if no criminal charge is brought against such person.

"SEC. 5. (a) Any person may voluntarily request admission to the inpatient center authorized in section 3(a) of this Act, and no person committed under section 7 of this Act shall take precedence for purposes of admission over a person who voluntarily requests admission unless the person so committed is found by the Court to endanger the public safety. The medical officer in charge of the inpatient center is authorized to determine who shall be admitted as a patient. A complete medical, social, occupational, and family history shall be obtained as part of the diagnosis and classification at the inpatient center, and an effort shall also be made to obtain copies of all pertinent records from other agencies, institutions, and medical facilities in order to develop a complete and permanent history on each patient.

"(b) A program shall be developed for patients of the inpatient center who are diagnosed not to be chronic alcoholics which program shall be designed to inform them of the dangers of alcoholism.

"(c) In the case of a patient of the inpatient center who is diagnosed as a chronic alcoholic, he shall be given immediate, intensive treatment for chronic alcoholism at the inpatient center.

"(d) No patient may be detained at the inpatient center without his consent, except under an order of the Court issued under section 7 of this Act. Reasonable regulations for checking out of the inpatient center and for providing transportation may be adopted. If a patient checks out of the center against medical advice, he may be readmitted at the discretion of the medical officer in charge of the center.

"SEC. 6. (a) A chronic alcoholic shall be encouraged to consent to outpatient and aftercare treatment for his illness at the types of facilities authorized in section 3(a) of this Act. Any person may voluntarily request admission to outpatient treatment. The medical officer in charge of the outpatient treatment is authorized to determine who shall be admitted to such treatment. There shall be one central outpatient treatment office which shall coordinate the operation of all outpatient facilities, and particularly shall be responsible for locating residential facilities for indigent intoxicated persons and alcoholics.

"(b) For chronic alcoholics for whom recovery is unlikely, supportive services and residential facilities shall be provided.

"(c) The Commissioner shall be responsible, through the outpatient treatment programs, for coordinating all public and private community efforts, including welfare services, vocational rehabilitation, and job placement, to integrate chronic alcoholics back into society as productive citizens.

"(d) No person shall be required to participate in outpatient treatment without his consent unless required under an order of the Court issued under section 7 of this Act. Reasonable requirements may be placed upon such a person as conditions for his participation in such treatment. If a patient withdraws from outpatient treatment against medical advice, he may be readmitted at the discretion of the medical officer in charge of outpatient treatment.

"SEC. 7. (a) The Court may, on a petition of the Corporation Counsel on behalf of the Commissioner, filed and heard before the period of detention for detoxification and diagnosis expires, order a person to be committed to the custody of the Commissioner for inpatient treatment and care if (1) the Court determines that the person is a chronic alcoholic and that as a result of chronic or acute intoxication such person is in immediate danger of substantial physical harm, and (2) such person received notice of the filing of such petition within a reasonable time before the hearing held by the Court. The period of such commitment, computed from the date of admission to a detoxification center, shall not exceed (1) 30 days in the case of the first or second such commitment within any 24-month period, or (2) 90 days in the case of the third or subsequent such commitment within any 24-month period.

"(b) (1) The Court may, after making the findings prescribed in paragraph (2) of this subsection, commit to the custody of the Commissioner for treatment and care for up to a specified period of time a chronic alcoholic who—

"(A) is charged with any misdemeanor and who, prior to trial for such misdemeanor, voluntarily requests such treatment in lieu of criminal prosecution for such misdemeanor;

"(B) is charged with a violation of section 28 of the District of Columbia Alcoholic Beverage Control Act (D.C. Code, sec. 25–

128) and is acquitted on the ground of chronic alcoholism; or

"(C) is convicted of a violation of such section 28. The term of commitment of a chronic alcoholic ordered by the Court under this subsection may not exceed the maximum term of imprisonment authorized for the misdemeanor for which the chronic alcoholic was charged.

"(2) Before any person may be committed under this subsection, the Court shall, after a medical diagnosis and a civil hearing, find that—

"(A) the person is a chronic alcoholic;

"(B) adequate and appropriate treatment provided by the Commissioner is available for the person; and

"(C) in the case of a person described in subparagraph (C) of paragraph (1) of this subsection, he constitutes a continuing danger to the safety of himself or of other persons.

The Court shall give reasonable notice of such hearing to the person sought to be committed and his attorney. In the case of a person described in subparagraph (C) of paragraph (1) of this subsection, if the Court does not make the finding described in subparagraph (B) of this paragraph, the Court may sentence the person to a penal institution pending the availability of such treatment, but for a period not to exceed the maximum term of imprisonment authorized for a violation of such section 28.

"(c) A committed person may challenge by a petition for a writ of habeas corpus the applicability of such findings, except that no more than one such petition may be filed in any six-month period. The limitation prescribed in the perceding sentence shall not apply in the case of petitions based on newly discovered evidence.

"(d) The Commissioner may transfer a committed person who has been adjudged a continuing danger to the safety of himself or of other persons from inpatient to outpatient status only with permission of the Court. The Commissioner may transfer any other committed person from inpatient to outpatient status, and any committed persons from outpatient to inpatient status, without permission of the Court, but may not release a committed person without permission of the Court.

"(e) If any person subject to a commitment proceeding initiated under this section does not have an attorney and cannot afford one, the Court shall appoint one to represent him.

"Sec. 8. The provisions of this Act shall apply to chronic alcoholics who have not been determined to be mentally ill. The handling of a chronic alcoholic who has been determined to be mentally ill shall be governed by the provisions of chapter 5 of title 21 of the District of Columbia Code.

"Sec. 9. The Commissioner may contract with any appropriate public or private agency, organization, or institution that has proper and adequate treatment facilities, programs, and personnel, in order to carry out the purposes of this Act.

"Sec. 10. (a) The Commissioner shall be responsible for developing and maintaining, in cooperation with other District of Columbia agencies and departments, programs for the prevention and treatment of alcoholism and the rehabilitation of alcoholics among District of Columbia employees consistent with the intent of this Act.

"(b) The Commissioner shall also be responsible for fostering alcoholism rehabilitation programs in private industry in the District of Columbia.

"Sec. 11. The Commissioner shall be responsible for establishing and maintaining a program for the prevention and treatment of alcoholism and the rehabilitation of alcoholics in correctional institutions in the District of Columbia.

"Sec. 12. The Commissioner shall be responsible for establishing and maintaining, in cooperation with the schools, the police, the courts, and other public agencies in the District of Columbia, an effective program for the prevention of intemperance and alcoholism and the treatment and rehabilitation of incipient alcoholics, among juveniles and young adults.

"Sec. 13. (a) The Commissioner shall maintain a continuing evaluation of his programs and shall conduct pilot and demonstration projects to improve his programs, and shall from time to time submit to the Congress such recommendations for programs for the District of Columbia to further the rehabilitation of chronic alcoholics, prevent the excessive and abusive use of alcoholic beverages, and promote moderation in the use of such beverages.

"(b) The Commissioner shall prepare and publish materials, data, information, and statistics that relate to the problems of intoxication and alcoholism in the District of Columbia and that may be used in a program of public education directed toward the prevention of the excessive and abusive use of alcoholic beverages.

"(c) The Commissioner shall develop a comprehensive plan to implement the objectives and policies of this Act, and in so doing shall consult and collaborate with appropriate public and private agencies, institutions, and organizations in the District of Columbia, and with the Secretary of Health, Education, and Welfare. In developing such plan, the Commissioner shall make every effort to utilize funds, programs, and facilities authorized under Federal legislation.

"Sec. 14. (a)(1) Except as otherwise provided in paragraph (2), if a person receives care, treatment, or any other services under this Act—

"(A) such person (or his estate), and

"(B) such person's father, mother, spouse, or adult children,

shall be liable (each according to his ability, as determined by the Commissioner, and in the order listed above) to reimburse the District of Columbia, for all or such part of the actual cost of providing such services, as the Commissioner may require. The liability of any person described in subparagraph (B) of this paragraph shall be determined by the Commissioner after notice to such person that services have been or will be rendered under this Act and the Commissioner has found that such person is able to reimburse the District of Columbia for all or a part of the cost of providing such services. Such person may not be held liable for the cost of any services rendered more than ninety days prior to the date such notice was given to such person. The Commissioner shall determine the ability of the person who received services under this Act (or his estate) or his father, mother, spouse, or adult children, as the case may be, to reimburse the District of Columbia, by an examination conducted under oath. In any one case the Commissioner may conduct as many examinations as he determines are necessary to ascertain the ability of such person (or his estate) or his relatives to so reimburse the District of Columbia. In the case of a person committed under section 7(a) of this Act, the Commissioner may conduct such examination at any time after a petition for such person's commitment is filed under such section; and in the case of a person committed under section 7(b) of this Act, such examination may be conducted by the Commissioner at any time after the court serves notice of the hearing to be conducted under paragraph (2) of such section. In all other cases the Commissioner may conduct an examination at any time.

"(2) Any person described in subparagraph (B) of paragraph (1) who is liable to the District of Columbia under this section may apply to the Commissioner to have such liability waived. The Commissioner may waive such liability if he determines that it would be unreasonable to impose such liability because of the desertion or neglect of such person by the recipient of services under this Act or because of other factors similarly affecting the relationship between such person and such recipient. The Commissioner shall prescribe procedures for the filing and hearing of such application under this paragraph.

"(b) The Commissioner may bring an action against a person made liable under subsection (a) for all or any part of the cost of services provided under this Act to require such person to satisfy such liability. In such an action the court may issue an order requiring any such person who is a party to such action to satisfy such liability in accordance with such terms as the court may prescribe. Such order may be enforced in the same manner as orders for alimony.

"(c) Sums collected by the Commissioner under this section shall be deposited in the Treasury of the United States to the credit of the District of Columbia.

"Sec. 15. The Commissioner may accept on behalf of the District of Columbia donations of services or gifts of real or personal property, tangible or intangible, which are made for the purpose of carrying out his functions under this Act. Gifts of money and the proceeds from the liquidation of any other gift shall be deposited in the Treasury of the United States to the credit of a trust fund account, which is hereby authorized, and may be invested and reinvested as trust funds of the District of Columbia. The Commissioner shall use such donations and gifts to carry out the purposes of this Act."

(b) Section 14 of such Act is amended by striking out "Sec. 14" and inserting in lieu thereof "Sec. 16".

(c) Section 15 of such Act is repealed.

Sec. 4. The amendments made by section 3 of this Act shall take effect on the ninetieth day following the date of its enactment.

AMENDMENT OFFERED BY MR. DOWDY

Mr. DOWDY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Dowdy: On page 17, line 5, strike out "such notice was given to such person" and insert "of issue of such notice".

The SPEAKER. The question is on the amendment offered by the gentleman from Texas [Mr. Dowdy].

The amendment was agreed to.

PURPOSE OF THE BILL

Mr. DOWDY. Mr. Speaker, the underlying purpose of H.R. 14330 is to develop within the body of the law the concept that chronic alcoholism is primarily a medical problem, not a criminal offense, and to draw distinctions between the criminal and noncriminal alcoholic. This purpose is carried out through amendments to two areas of the present law: the criminal statute relating to drinking and intoxication, and the program for treatment and prevention of alcoholism.

H.R. 14330 would modify the present law relating to the offense of public drinking and intoxication by eliminating, with respect to intoxication, the element of dsturbing the peace and inserting in its stead the element of endangering one's self, other persons, or property. There is added to this provision a directive concerning the use of medical facilities in appropriate cases involving apparent intoxication.

H.R. 14330 would repeal existing provisions relating to rehabilitation of alcoholics and would require the Commissioner of the District of Columbia to establish a comprehensive program of medical and rehabilitative services for chronic alcoholics, and for the prevention of alcoholism. Contrary to present law, which places the primary responsibility for dealing with the chronic alcoholic on the criminal court, this bill outlines the basic requrements of effective medical treatment and rehabilitation program, including specific guidelines as to types and sizes of facilities, and provides for protective custody of intoxicated persons outside the criminal process when no crime has been charged to such persons.

Subcommittee No. 3 conducted extensive hearings on alcoholism and the problems of chronic alcoholism in the District of Columbia, and no objections were voiced to the proposal to establish a new program for the control of drunkenness and the treatment of alcoholism in the District.

Our committee urges passage of H.R. 14330 to implement reforms necessary to the alleviation of the grave chronic alcoholism problems in the Nation's Capital.

SUPPORT OF LEGISLATION

As stated, extensive hearings were held on proposed legislation (H.R. 6143) to provide a new program for the control of drunkenness and the treatment of alcoholism in the District of Columbia.

The principles of this legislation were strongly endorsed by the Board of Commissioners of the District; the District of Columbia Area Council on Alcoholism; Director of the District of Columbia Department of Public Health; Col. Edward L. Dowd, president, Board of Police Commissioners of St. Louis, Mo.; Dr. James Alford, Department of Psychiatry, Emory University, Atlanta, Ga.; Jack Donohue, Hope House, Boston, Mass.; and the following organizations: District of Columbia Medical Society; Federation of Citizens Associations of the District of Columbia; Greater Washington Central Labor Council, AFL–CIO; Medico-Chirurgical Society of the District of Columbia; North American Judges Association; American Council on Alcohol Problems; International Reform Federation; and the North American Association of Alcoholism Programs; and by numerous individuals.

No opposition was expressed to the committee to the aims of this legislation.

FINANCIAL RESPONSIBILITY

A person—or his estate—receiving services under this bill shall be liable to the District of Columbia for the actual cost of such services, limited only by his ability to pay, as determined by the Commissioner. Such person's father, mother, spouse, or adult children are made secondarily liable for all or part of such actual costs, limited not only by ability to pay but also by the requirement of notice to such person that services have been or will be rendered, and a finding by the Commissioner of ability to pay all or part of the cost thereof.

While liability for the services rendered attaches against the person or his estate from the date of such services it is further provided in the bill that any person secondarily liable—that is, the father, mother, spouse, or adult children of the patient—may not be held liable for the cost of any services rendered more than 90 days prior to the date of notice to such person.

The burden will be on the Commissioner to see that prompt notice is given the appropriate person sought to be assessed, but if he is negligent in issuing such notice, the relative in question will not, under this bill, be liable for any services rendered the patient more than 90 days prior to issuing such notice.

The Commissioner is given discretion in determining the ability of the persons sought to be assessed to meet such liability, and he is authorized to conduct examinations of such persons. Provision is also made for waiver of liability of third parties, at the discretion of the Commissioner, in cases where desertion, neglect or similar factors have destroyed the usual parent-child, husband-wife relationship.

Procedures for enforcement of such liability are provided.

COST ESTIMATES

Present facilities in use or available for treatment of alcoholics in the District of Columbia are: a 35-bed facility for detoxification purposes, in District of Columbia General Hospital; a 425-bed facility for rehabilitation purposes at Occoquan, Va.; and a 200-bed holding facility at Occoquan, Va.; or 70 beds for acute medically sick alcoholics in Community Mental Health Center, District of Columbia General Hospital.

The Department of Public Health of the District of Columbia estimates that the costs of providing the maximum facilities and services necessary and authorized by H.R. 14330 would be as follows:

Capital outlay (construction):	*Million*
Detoxification, 150 beds	$3
Inpatient, 375 additional beds	3
Outpatient, 600 beds	4
Total	10

Some of the foregoing facilities are presently available, as stated above. In addition, your committee is advised that a 50-bed detoxification unit, presently under construction, will be made available to the District of Columbia Department of Public Health through Law Enforcement Assistance Division. The annual rental, according to Dr. Murray Grant, of the Department of Public Health, was included in the annual costs estimated for detoxification service.

The amount required for the inpatient center extension may be affected by the availability for that purpose of the workhouse at Occoquan, which would eliminate the necessity of new construction for such a center.

As to operating costs, the District of Columbia Department of Public Health estimates the total cost to be $3.9 million annually, as follows:

Annual operation:	*Million*
Detoxification, 150 beds	$0.9
Inpatient, 800 beds	2.0
Outpatient, 600 beds	1.0
Total	3.9

The report of the President's Commission on Crime in the District of Columbia estimated that the cost of incarceration of drunkenness offenders to be $2 million annually, with an additional cost of $1 million for the costs of police processing, judicial procedure, and treatment. The report did not supplement these costs with an estimate of the economic loss to the community with respect to related costs, such as welfare, loss of productivity, and accident.

Mr. HAGAN. Mr. Speaker, my own position regarding the District's alcoholism care and control problem is best stated by the terms of the legislation itself.

In brief, here is a summary of the situation that led me to introduce this legislation and which, it is my sincere hope, will lead the 90th Congress to enact it into law.

First, the Federal court decision in the case of Easter against District of Columbia requires that the chronic alcoholic, as the victim of a disease, be transferred from the jurisdiction of our criminal courts and jails to the administration of public health authorities.

Second, the inadequacy of treatment facilities for chronic alcoholics in the District of Columbia has created a serious, if not critical, situation which finds local law enforcement and public health authorities unable to develop such alcoholism care and control programs as can meet the requirements of the court decision.

Third, what is needed to correct this situation is a comprehensive program which includes first, establishment of facilities and clinics to treat those persons found to be chronic alcoholics, on both an immediate and extended care basis; second, the expansion of rehabilitation programs and facilities in order, wherever possible, to take the "repeater" alcoholic off the public rolls and return him to a useful role in the community; and third, the pilot development of long-range research programs into the cause of chronic alcoholism, its possible prevention and cure.

Fourth, far from being a drain on the public treasury, such a program would in fact plug that drain, in terms of both human and material resources, which alcoholism makes on the community. As a ward of society, the "repeater" alcoholic can be more efficiently handled as a public health responsibility. Our law enforcement authorities and courts, already burdened with the effects of an increasing crime rate, will be well relieved of the task of trying to cope with "revolving door" inebriates through criminological and judicial processes which have proven inadequate and futile in the past.

Finally, the situation now confronting the District of Columbia will soon face other communities across the land. Court decisions similar to the Easter case are going to force a reevaluation of public attitudes and community facilities dealing with chronic alcoholism.

Therefore, as I said upon introducing this legislation, what we do here in the Nation's Capital can be an exemplary program for other American communities in the not too distant future. On the other hand, our failure to act—and our failure to act soon—will compound an already existing law enforcement and public health crisis in the District.

As sponsor of this legislation, I want to thank the chairman for his interest in this National Capital community problem.

In fact, this is not simply a National Capital community problem. It is a national problem, period. The disease of alcoholism knows no community of State boundaries or jurisdictions, nor is it a respecter of class or status in society.

My own interest in this problem is not new, but goes back many years, to the time I served as a member of the Georgia Legislature. I am gratified, indeed, proud, to count among my accomplishments as a State legislator the enactment of legislation providing for a State bureau of alcoholism, an agency specifically created to take up the problem of alcoholism care and control in my home State. And we have a wonderful record of accomplishment in this program in our State.

My purpose and my hope, Mr. Speaker, is that H.R. 14330 will provide here in our Nation's Capital an effective, comprehensive, alcoholism program to meet the needs of this community, the Nation's Capital, and to serve as a forerunner of similar programs in communities throughout the country.

BACKGROUND

The Alcoholic Rehabilitation Act of 1947—61 Stat. 744; District of Columbia Code, title 24, section 501—gave discretion to the District of Columbia court of general sessions, in any criminal case, upon certification by the District of Columbia Commissioners that adequate facilities were available, to commit suitable persons to the rehabilitation program for alcoholics. Voluntary admissions were also authorized. It was the function of the Commissioners to provide a clinic to render medical services. However, through the years not even the limited aims of the 1947 act were accomplished. The story of the derelict alcoholic was simple; he was picked up by the police, charged with intoxication, processed through the court, sent to jail for up to 90 days, and thereafter returned to the street, where the cycle began again.

The extent of the problem can be judged by statistics of the Metropolitan Police Department which show that of 88,464 total arrests in Washington in 1965, 44,792—or 51.8 percent involved intoxication charges and these constituted 45 percent of all nontraffic charges. Related statistics show that during the same period, more than 80 percent of the inmates received at the District of Columbia Workhouse were drunkenness offenders.

Sharp focus was brought on the problem when in March 1966, the U.S. Court of Appeals for the District of Columbia Circuit, in the case of Easter against District of Columbia, 361 F. 2d 50, decided en banc that chronic alcoholism is a defense to a charge of public intoxication. The court summarized its decision thus:

> We hold, therefore, by reason of the Act of 1947, for the independent reasons which underlay the theory of that Act, and on the precedential authority of Driver . . . that the public intoxication of a chronic alcoholic, lacks the essential elements of criminality; and to convict such a person of that crime would also offend the eighth amendment . . .

The court in *Driver* v. *Hinnant*, 356 F. 2d 761—fourth circuit, 1966—had some 2 months earlier found the conviction of a chronic alcoholic on charges of drunkenness to be unconstitutional, holding that it is cruel and unusual punishment, prohibited by the eighth amendment, to brand a person as a criminal in such circumstances, for the reason that the so-called unlawful conduct was unwilled and ungovernable by the chronic alcoholic.

The courts of the District of Columbia are bound by the Easter decision; however, no significant progress to date has been made by District officials to provide extra-penal care for intoxicated persons or chronic alcoholics. Chronic alcoholism has reached a critical stage for the individuals who have been adjudicated as chronic alcoholics and for administration of orderly justice by the city. The revolving door of the penal institution has more often than not become the revolving door of inadequate medical treatment, leading back to the streets, another arrest, acquittal on the grounds of chronic alcoholism, through that revolving door, and back again.

Approximately 5,000 persons, including about 500 women, have been adjudicated as chronic alcoholics since the Easter decision was handed down. The fact that intoxication arrests in Washington still average 2,000 per month attest the inadequacy of the program for treatment and rehabilitation of chronic alcoholics.

The police are not precluded by the Easter decision from making intoxication arrests, the court of general sessions having taken the position that the arresting officer shall not be charged with determining whether an intoxicated person is in fact a chronic alcoholic. The usual arrest procedure is followed in such cases; consequently, many drunks "dry out" at the various precincts.

The Metropolitan Police Department has issued a regulation relating to the handling of persons whose sole violation is intoxication:

> District Inspectors shall direct Commanding officers to instruct members of their commands, whenever reasonable and proper, to permit a person under the influence of alcoholic beverage to go home instead of arresting him. Provided, however, the person's condition is such that he is not likely to injure himself or others, and is not likely to be a source of public complaint or a subject of a police report.

The District of Columbia court of general sessions, which has jurisdiction over misdemeanor cases, may not incarcerate the chronic alcoholic charged with intoxication; in fact, it must discharge the information. But it must determine whether the person charged is a chronic alcoholic. In reaching such a determination, the court presently relies upon information submitted by a Public Health nurse assigned to the court for the purpose of interviewing persons charged with intoxication.

The adjudicated chronic alcoholic who is brought before the court on a charge of intoxication is either referred to the program for rehabilitation of alcoholics or is released, directly to the streets or to a mission-type operation.

The President's Commission on Crime in the District of Columbia made a study of the drunkenness offender, and its conclusions are included in the Commission's report at pages 474 to 503.

The background of the change to the criminal law proposed in H.R. 14330 is well stated by the court in the Driver opinion:

> This addiction—chronic alcoholism—is now almost universally accepted medically as a disease. The symptoms, as already noted, may appear as "disorder of behavior". Obviously, this includes appearances in public, as here, unwilled and ungovernable by the victim. When that is the conduct for which he is criminally accused, there can be no judgment of criminal conviction passed upon him.

The present criminal law defining intoxication—District of Columbia Code, title 25, section 128—includes disturbing the peace as an element of the offense. This indicates a behavioral pattern which the courts have found is not criminal. There is, therefore, an evident need to conform the criminal law relating to intoxication to the medical approach to chronic alcoholism, and at the same time afford proper protection of the public interests.

Mr. GUDE. Mr. Speaker, I would like to express my strong support of H.R. 14330, providing for the rehabilitation of alcoholics and the prevention of alcoholism, in the District of Columbia. This legislation is sorely needed in the District and I would like to commend the distinguished gentlemen from Georgia [Mr. HAGEN], the sponsor of the bill, and the honorable chairman of the House District Committee [Mr. MCMILLAN], for their perservance and work toward assuring better treatment and care for alcoholics in this city.

This piece of legislation embodies concepts and ideas that are the result of extensive research done in the District by interested persons and groups over the last 20 years. It carries on the work of the famous DeWitt Easter case of March 31, 1966, in which the U.S. Court of Appeals for the District of Columbia held that a chronic alcoholic may not be convicted for his public intoxication. This decision, therefore, recognized chronic drunkenness as a disease rather than a crime.

Such recognition is a great step forward. However, for the decision to be properly implemented, it is imperative that facilities for the treatment and care of the afflicted be made available by the city.

This legislation will provide a detoxification center with up to 150 beds to dry out and diagnose drunks; and an inpatient center with up to 800 beds for long-term treatment of alcoholics; and an outpatient center, including halfway houses with up to 600 beds for alcoholics who need attention, but not hospitalization. In order for there to be any effective attempt to treat and curb alcoholism, all these steps are needed. There is no fast cure and no shortcut; if there is to be any hope, there must be facilities to care for and treat alcoholics in various stages.

According to the American Medical

Association, alcoholism is our third most important health problem, costing the Nation 60 million man-hours, and $3 billion annually. In the District alone, the Public Health Department estimates that there are 50,000 alcoholics, with another 50,000 in the surrounding suburbs. But there is no way of estimating the cost in misery, sickness, and despair for which these 100,000 alcoholics are responsible.

As early as 1945, District citizens were attempting to gain recognition for alcoholism as a medical problem, and asking for the establishment of proper treatment facilities.

In 1947, the Alcoholic Rehabilitation Act gave discretion to the District of Columbia court of general sessions in any criminal case upon certification by the District of Columbia Commissioners that adequate facilities were available to commit suitable persons to rehabilitation programs for alcoholics. Needless to say, this statute had little effect due to the lack of facilities. The Easter case is a more binding decision, as it states that chronic alcoholism cannot be considered a crime.

Yet to date, no significant program has been established to provide adequate treatment and rehabilitation facilities. This fact has dashed the hopes of many who were greatly encouraged by the Easter case. It is our duty to insure that the necessary facilities are promptly made available; the legislation we are considering today would do just that. It will insure that chronic alcoholism can and will be taken care of, insofar as possible, in the District of Columbia.

The District Committee is to be praised for their diligent work in this field. They held extensive hearings in the writing of this particular bill, which will further the concept that alcoholism is a medical, not a criminal problem. It also will draw distinctions between the criminal and noncriminal alcoholic, by making safety rather than disturbing of the peace the decisive factor.

This bill will relieve the already congested police and judicial departments from the heavy burden involved in repeated arrests and jailing of chronic alcoholics—the so-called revolving door practice—and put the responsibility where it belongs—in the Public Health Department.

Currently, the Metropolitan Police spend an unnecessary amount of time arresting alcoholics who are sent to court, put in jail, then released only to start the same cycle again. No one pays attention to these people. They are routine repetitive cases and the judges and the police have no time to help them, nor any facilities that could be used to help them. Leaving aside the human tragedy of these people's lives, we should also take into account that this is an unproductive use of the policeman's and the court's time. In 1965, 51 percent of the total arrests in the District involved intoxication. Obviously, this cannot be continued, the police are needed to fight serious crime.

Mr. Speaker, I strongly urge prompt passage of this legislation to enable the District of Columbia to catch up with the courts and the legal and medical opinions that are being advanced across the Nation that alcoholism is a disease and must be treated as such.

Mr. HORTON. Mr. Speaker, I rise in support of the bill before us, H.R. 14330. The philosophy which underlies this bill is the same that underlies the legislation I have sponsored in both the 89th and 90th Congresses to establish an Office of Alcoholism under the Surgeon General: the alcoholic is not a criminal, rather he is sick, and requires treatment—not punishment.

For the protection of society we must continue to impose criminal penalties on those persons who drive while intoxicated or commit other acts which endanger their own lives or property or the lives and property of others. At the same time we should recognize that no useful purpose is served by repeatedly imprisoning the chronic alcoholic.

The bill before us recognizes these facts and amends the District of Columbia criminal law so as to eliminate the offense of public intoxication unless it is accompanied by some dangerous conduct. I am pleased that my home State of New York has recently amended its penal code so that it is essentially the same as the District law will be after this much needed and farsighted reform is approved.

In addition, this bill requires the government of the District to establish a comprehensive program for the prevention of alcoholism as well as one for the treatment and rehabilitation of those presently suffering from alcoholism. To assure that alcoholics actually take advantage of the opportunities for treatment offered under this bill, it also provides for the civil commitment of chronic alcoholics.

As I have pointed out in the past, all of the governmental units in the United States spend an aggregate of less than $20,000,000 annually to prevent and treat alcoholism. Perhaps the program we are today establishing for the Nation's Capital will provide the example needed to stimulate additional expenditures by a wide spectrum of State and local governments.

I am hopeful that the physiological, psychological, social, educational, and vocational training programs which the District government is required to establish under the bill will serve as models for other cities and States throughout the country. These are the same types of programs which I believe the Federal Government should be attempting to stimulate on a nationwide basis through a program of grants in aid to those State and local governments which initiate similar programs.

Mr. CORMAN. Mr. Speaker, I strongly support H.R. 14330, a bill to provide a program for the prevention and treatment of alcoholism in the District of Columbia, and I commend my distinguished colleague from Georgia [Mr. HAGAN] for having introduced this measure.

I have long been concerned about our national attitude toward alcoholism. The concept that chronic alcoholism is primarily a medical problem and not a criminal offense is a real breakthrough in our thinking about the causes, effects and control of drunkenness in this country.

We long ago recognized the need to do something about the plight of those Americans addicted to narcotics. We treat this addiction as a disease. We have begun to understand and to meet the needs of the mentally ill. Only a few short years ago this seemed a hopeless cause. And now, we must no longer neglect the problem of alcoholism. We must find ways to prevent its causes and treat its effects. Not only is the rehabilitation of the many alcoholics at stake, but we must bear in mind the tragic consequences this illness has on their families and the burden it places on our communities.

We begin today with the District of Columbia and its problem in this area. The Congress has a special responsibility for the District and through our actions today we can hopefully look toward a national effort in the near future.

Accepting the fact that chronic alcoholism is a disease, not a crime, it seems to me that we in the Congress must take up the challenge, as we have in other areas of disease control, and provide the legislative leadership and moral purpose to rehabilitate the almost 1 million Americans who suffer from the hopelessness of this chronic illness so that they may return to society as useful, healthy citizens.

Earlier this year I, and others, introduced legislation to establish a Federal Commission on Alcoholism. As we take action today on H.R. 14330, let us make sure that we do not stop with the District of Columbia, but rather that this program serve as a pilot project for the rest of the Nation. By offering help to the chronic sufferers of alcoholism today, we are perhaps at the same time saving thousands of young people from a life of despair and degradation. It is well known that young people from alcoholic homes are more prone to alcoholism than those coming from homes where this illness and addiction do not prevail.

Mr. Speaker, I cannot let the opportunity pass to commend Representative HAGAN for bringing to the attention of the House the critical problem of chronic alcoholism. He began introducing national alcoholism legislation in the 87th Congress and has continued to introduce additional measures in succeeding Congresses.

Even before he came to the House, he fought this battle in the Georgia Legislature. Representative HAGAN has labored long and hard to bring national recognition to the great need for programs to prevent and treat alcoholism. H.R. 14330 is the beginning fruits of his labor.

I enthusiastically support this legislation. I strongly urge our immediate acceptance of it.

Mr. HECHLER of West Virginia. Mr. Speaker, I strongly support H.R. 14330 which represents a modern and intelligent approach to the growing problem of chronic alcoholism. All leading health authorities have correctly labeled alcoholism as a disease rather than a crime, and all too often in the past we have treated alcoholics as hardened criminals rather than as sick men and women.

It is heartening to note the approach taken in the pending bill to establish a comprehensive program of medical and rehabilitative services for chronic alcoholics here in the District of Columbia. I commend the author of the bill, my good friend and able colleague, the gentleman from Georgia [Mr. HAGAN], for the study and effort which he has put into this legislation and related matters. I am glad to note that the pending bill is a precursor to national legislation, which I intend to cosponsor when it is perfected.

Mr. Speaker, the division of alcoholism of the West Virginia Department of Mental Health has made great progress over the past few years in analyzing, diagnosing, and treating the problem of alcoholism in our State. But we have a long way to go, because the problem is becoming far more serious at a much faster rate than many realize. In both urban and rural areas, arrests for excessive alcoholism are on a rise. Drunken driving appears to be on the upswing. Well over one-third of the admissions to our State mental hospitals are individuals who have serious problems with the excessive use of alcohol. The prisoners in our State institutions to a shocking degree—between 75 and 80 percent—are either alcoholic or have a related alcohol use problem.

We are making progress in West Virginia through intensive treatment and rehabilitation of alcoholics. Yet our alcoholism information centers currently are providing limited services only in those 20 counties of West Virginia which comprise about one-third of the State's population. Workshops, films, lectures and educational programs have helped. But there is yet a long way to go to keep abreast of the rising problem.

Mr. Speaker, I bring out these facts on the situation in my State not only to make a plea for passage of this legislation, but also to alert my colleagues to the need for more comprehensive national legislation which will cover the entire country as well as the District of Columbia. Let the District of Columbia law we are working on today provide the laboratory out of which we can gain new experience for the greater challenges ahead as we tackle this critical problem in every State.

Mr. FRASER. Mr. Speaker, I regard this bill, H.R. 14330, as one of the most constructive and significant measures to come out of the House District Committee since I have been a member of that committee.

The bill, when finally enacted and signed into law, will make the District of Columbia a model for the rest of the Nation in its approach to and treatment of alcoholism. Now that the bill has passed the House, I expect passage by the Senate early in the next session.

Most important, the measure recognizes that chronic alcoholism is a disease and not a crime. This is an enlightened viewpoint that is inevitably going to prevail throughout the country someday. But that day has not yet arrived. The example set by the city of Washington will, I hope, have a catalytic effect on other cities and States. The city of Minneapolis, which I represent, is probably not typical because it—and the State of Minnesota—have been quite forward looking in their approach to alcoholism. They have been leaning increasingly toward treatment, not punishment, of alcoholics. But the need remains for laws throughout the Nation such as the one the House has just passed.

H.R. 14330 will establish a comprehensive program for control of drunkenness and prevention and treatment of alcoholism in Washington. When the bill becomes law, it will require three types of service—

First. A detoxification or "drying out" center;

Second. An inpatient facility to provide psychological, social, educational, and vocational training; and

Third. Outpatient services, self-care assistance and therapeutic supportive environment.

The cost of this comprehensive program will not be cheap. It is estimated that capital improvements will cost $10 million and annual operation, $3.9 million.

But the cost will be cheap when measured against the staggering alternate cost of chronic alcoholism in its tragic drain upon both social and economic resources. Medical treatment of alcoholics will be a rehabilitative service to the individuals involved. They, in turn, will become contributors to, not detractors from, society. The community's law enforcement burden will be lessened appreciably, freeing policemen and judges for more relevant duties. And there will be no measuring the savings in human misery.

In closing, Mr. Speaker, I would like to pay tribute to my colleague on the District Committee, the gentleman from Georgia [Mr. HAGAN]. He deserves the major credit for this important bill's passage in the House. He drafted the legislation and, through his constant interest, made sure it would be approved by our committee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. DOWDY. Mr. Speaker, I ask unanimous consent that all Members may have permission to revise and extend their remarks prior to passage on all District bills considered today.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. This concludes the matters under the District of Columbia day.

CALL OF THE HOUSE

Mr. ASHBROOK. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 438]

Abbitt
Annunzio
Ashley
Bates
Bolling
Broomfield
Celler
Dawson
Dent
Dickinson
Diggs
Fountain
Gathings
Green, Oreg.
Halleck
Hansen, Idaho
Hardy
Harrison
Harsha
Hébert
Heckler, Mass.
Hosmer
King, N.Y.
Kuykendall
Lukens
McCulloch
Martin
Mathias, Md.
Moorhead
Multer
Pool
Reinecke
Resnick
Ruppe
St. Onge
Scott
Sikes
Sisk
Stratton
Talcott
Teague, Tex.
Watson
Williams, Miss.
Willis

The SPEAKER. On this rollcall 387 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SOCIAL SECURITY AMENDMENTS OF 1967—CONFERENCE REPORT

Mr. MILLS. Mr. Speaker, I call up the conference report on the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1030)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 16, 17, 18, 19, 20, 21, 22, 23, 24, 28, 29, 31, 32, 33, 34, 36, 38, 40, 42, 43, 62, 84, 85, 86, 89, 93, 94, 95, 110, 111, 112, 113, 114, 119, 142, 144, 154, 155, 170, 171, 172, 175, 176, 177, 178, 179, 181, 182, 183, 185, 189, 192, 197, 200, 207, 216, 222, 239, 245, 246, 250, 251, 254, 255, 257, 259, 260, 261, 262, 264, 272, 284, 285, 287, 289, 291, 292, 293, and 295.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 44, 45, 46, 47, 48, 49, 56, 57, 58, 59, 60, 61, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 75, 76, 78, 79, 81, 82, 83, 101, 102, 104, 106, 108, 115, 117, 118, 130, 131, 133, 147, 148, 149, 150, 151, 152, 153, 156, 159, 160, 161, 162, 163, 164, 165, 166, 168, 169, 173, 174, 187, 188, 193, 194, 195, 196, 199, 201, 202, 203, 204, 205, 206, 208, 209, 210, 211, 212, 215, 217, 218, 219, 220, 227, 228, 229, 230, 232, 234, 235, 237, 238, 247, 248, 249, 252, 256, 264a, 265, 267, 268, 269, 270, 271, 274, 277, 278, 279, 280, 281, and 283, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TABLE OF CONTENTS

"TITLE I—OLD-AGE, SURVIVORS, DISABILITY, AND HEALTH INSURANCE

"PART 1—BENEFITS UNDER THE OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE PROGRAM

"Sec. 101. Increase in old-age, survivors, and disability insurance benefits.

"Sec. 102. Increase in benefits for certain individuals age 72 and over.

"Sec. 103. Maximum amount of a wife's or husband's insurance benefit.

"Sec. 104. Benefits to disabled widows and widowers.

"Sec. 105. Insured status for younger disabled workers.

"Sec. 106. Benefits in case of members of the uniformed services.

"Sec. 107. Liberalization of earnings test.

"Sec. 108. Increase of earnings counted for benefit and tax purposes.

"Sec. 109. Changes in tax schedules.

"Sec. 110. Allocation to disability insurance trust fund.

"Sec. 111. Extension of time for filing application for disability freeze where failure to make timely application is due to incompetency.

"Sec. 112. Benefits for certain adopted children.

"PART 2—COVERAGE UNDER THE OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE PROGRAMS

"Sec. 115. Coverage of ministers.

"Sec. 116. Coverage of State and local employees.

"Sec. 117. Inclusion of Illinois among States permitted to divide their retirement systems.

"Sec. 118. Taxation of certain earnings of retired partner.

"Sec. 119. Inclusion of Puerto Rico among States permitted to include firemen and policemen; validation of certain past coverage in the State of Nebraska.

"Sec. 120. Coverage of firemen's positions pursuant to a State agreement.

"Sec. 121. Validation of coverage erroneously reported.

"Sec. 122. Coverage of fees of State and local government employees as self-employment income.

"Sec. 123. Family employment in a private home.

"Sec. 124. Termination of coverage of employees of the Massachusetts Turnpike Authority.

"PART 3—HEALTH INSURANCE BENEFITS

"Sec. 125. Method of payment to physicians under supplementary medical insurance program.

"Sec. 126. Elimination of requirement of physician certification in case of certain hospital services.

"Sec. 127. Inclusion of podiatrists' services under supplementary medical insurance program.

"Sec. 128. Exclusion of certain services.

"Sec. 129. Transfer of all outpatient hospital services to supplementary medical insurance program.

"Sec. 130. Billing by hospital for services furnished to outpatients.

"Sec. 131. Payment of reasonable charges for radiological or pathological services furnished by certain physicians to hospital inpatients.

"Sec. 132. Payment for purchase of durable medical equipment.

"Sec. 133. Payment for physical therapy services furnished to outpatients.

"Sec. 134. Payment for certain portable X-ray services.

"Sec. 135. Blood deductibles.

"Sec. 136. Enrollment under supplementary medical insurance program based on alleged date of attaining age 65.

"Sec. 137. Extension by 60 days during individual's lifetime of maximum duration of benefits for inpatient hospital services.

"Sec. 138. Limitation on special reduction in allowable days of inpatient hospital services.

"Sec. 139. Transitional provision on eligibility of presently uninsured individuals for hospital insurance benefits.

"Sec. 140. Advisory Council to study coverage of the disabled under title XVIII of the Social Security Act.

"Sec. 141. Study to determine feasibility of inclusion of certain additional services under part B of title XVIII of the Social Security Act.

"Sec. 142. Provisions for benefits under part A of title XVIII of the Social Security Act for services to patients admitted prior to 1968 to certain hospitals.

"Sec. 143. Payments for emergency hospital services.

"Sec. 144. Payment under supplementary medical insurance program for certain inpatient ancillary services.

"Sec. 145. General enrollment period under title XVIII.

"Sec. 146. Elimination of special reduction in allowable days of inpatient hospital services for patients in tuberculosis hospitals.

"PART 4—MISCELLANEOUS AND TECHNICAL AMENDMENTS

"Sec. 150. Eligibility of adopted child for monthly benefits.

"Sec. 151. Criteria for determining child's dependency on mother.

"Sec. 152. Recovery of overpayments.

"Sec. 153. Benefits paid on basis of erroneous reports of death in military service.

"Sec. 154. Underpayments.

"Sec. 155. Simplification of computation of primary insurance amount and quarters of coverage in case of 1937–1950 wages.

"Sec. 156. Definitions of widow, widower, and stepchild.

"Sec. 157. Husband's and widower's insurance benefits without requirement of wife's currently insured status.

"Sec. 158. Definition of disability.

"Sec. 159. Disability benefits affected by receipt of workmen's compensation.

"Sec. 160. Extension of time for filing reports of earnings.

"Sec. 161. Penalties for failure to file timely reports of earnings and other events.

"Sec. 162. Limitation on payment of benefits to aliens outside the United States.

"Sec. 163. Benefits for certain children.

"Sec. 164. Transfer to Health Insurance Benefits Advisory Council of National Medical Review Committee functions; increase in Council's membership.

"Sec. 165. Advisory Council on Social Security.

"Sec. 166. Reimbursement of civil service retirement annuitants for certain premium payments under supplementary medical insurance program.

"Sec. 167. Appropriations to supplementary medical insurance trust fund.

"Sec. 168. Disclosure to courts of whereabouts of certain individuals.

"Sec. 169. Reports of boards of trustees to Congress.

"Sec. 170. General saving provision.

"Sec. 171. Expedited benefit payments.

"Sec. 172. Definition of blindness.

"Sec. 173. Attorneys fees for claimants.

"TITLE II—PUBLIC WELFARE AMENDMENTS

"PART 1—PUBLIC ASSISTANCE AMENDMENTS

"Sec. 201. Programs of services furnished to families with dependent children.

"Sec. 202. Earnings exemption for recipients of aid to families with dependent children.

"Sec. 203. Dependent children of unemployed fathers.

"Sec. 204. Work incentive program for recipients of aid under part A of title IV.

"Sec. 205. Federal participation in payments for foster care of certain dependent children.

"Sec. 206. Emergency assistance for certain needy families with children.

"Sec. 207. Protective payments and vendor payments with respect to dependent children.

"Sec. 208. Limitation on number of children with respect to whom Federal payments may be made.

"Sec. 209. Federal participation in payments for repairs to home owned by recipient of aid or assistance.

"Sec. 210. Use of subprofessional staff and volunteers in providing services to individuals applying for and receiving assistance.

"Sec. 211. Location of certain parents who desert or abandon dependent children.

"Sec. 212. Provision of services by others than a State.

"Sec. 213. Authority to disregard additional income of recipients of public assistance.

"PART 2—MEDICAL ASSISTANCE AMENDMENTS

"Sec. 220. Limitation on Federal participation in medical assistance.

"Sec. 221. Maintenance of State efforts.

"Sec. 222. Coordination of title XIX and the supplementary medical insurance program.

"Sec. 223. Modification of comparability provisions.

"Sec. 224. Required services under State medical assistance plan.

"Sec. 225. Extent of Federal financial participation in certain administrative expenses.

"Sec. 226. Advisory council on medical assistance.

"Sec. 227. Free choice by individuals eligible for medical asssistance.

"Sec. 228. Utilization of State facilities to provide consultative services to institutions furnishing medical care.

"Sec. 229. Payments for services and care by a third party.

'Sec. 230. Direct payments to certain recipients of medical assistance.

"Sec. 231. Date on which State plans under title XIX must meet certain financial participation requirements.

"Sec. 232. Observance of religious beliefs.

"Sec. 233. Coverage under title XIX of certain spouses of individuals receiving cash welfare aid or assistance.

"Sec. 234. Standards for skilled nursing homes furnishing services under State plans approved under title XIX.

"Sec. 235. Cost sharing and similar charges with respect to inpatient hospital services furnished under title XIX.

"Sec. 236. State plan requirements regarding licensing of administrators of skilled nursing homes furnishing services under State plans approved under title XIX.

"Sec. 237. Utilization of care and services furnished under title XIX.

"Sec. 238. Differences in standards with respect to income eligibility under title XIX.

"PART 3—CHILD-WELFARE SERVICES AMENDMENTS

"Sec. 240. Inclusion of child-welfare services in title IV.

"Sec. 241. Conforming amendments.

"PART 4—MISCELLANEOUS AND TECHNICAL AMENDMENTS

"Sec. 245. Partial payments to States.

"Sec. 246. Contracts for cooperative research or demonstration projects.

"Sec. 247. Permanent authority to support demonstration projects.

"Sec. 248. Special provisions relating to Puerto Rico, the Virgin Islands, and Guam.

"Sec. 249. Approval of certain projects.

"Sec. 250. Assistance in the form of institutional services in intermediate care facilities.

"TITLE III—IMPROVEMENT OF CHILD HEALTH

"Sec. 301. Consolidation of separate programs under title V of the Social Security Act.

"Sec. 302. Conforming amendments.

"Sec. 303. 1968 authorization for maternity and infant care projects.

"Sec. 304. Use of subprofessional staff and volunteers.

"Sec. 305. Extension of due date for child mental health report.

"Sec. 306. Short title.

"TITLE IV—GENERAL PROVISIONS

"Sec. 401. Social work manpower and training.

"Sec. 402. Incentives for economy while maintaining or improving quality in the provision of health services.

"Sec. 403. Changes to reflect codificaton of title 5, United States Code.

"Sec. 404. Meaning of Secretary.

"Sec. 405. Study of retirement test and of drug standards and coverage.

"TITLE V—MISCELLANEOUS PROVISIONS

"Sec. 501. Extension of period for filing application for exemption by members of religious groups opposed to insurance.

"Sec. 502. Refund of certain overpayments by employees of hospital insurance tax.

"Sec. 503. Extension of time to provide assistance for United States citizens returned from foreign countries.

"Sec. 504. Exclusion from definition of wages of certain retirement, etc., payments under employer-established plans."

And the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

"I (Primary insurance benefit under 1939 act, as modified)		II (Primary insurance amount under 1965 act)	III (Average monthly wage)		IV (Primary insurance amount)	V (Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—		At least—	But not more than—		
	$15.60	$48.00 or less	------------	$74	$55.00	$82.50
$15.61	16.20	49.00	$75	76	55.40	83.10
16.21	16.84	50.00	77	78	56.50	84.80
16.85	17.60	51.00	79	80	57.70	86.60
17.61	18.40	52.00	81	81	58.80	88.20
18.41	19.24	53.00	82	83	59.90	89.90
19.25	20.00	54.00	84	85	61.10	91.70
20.01	20.64	55.00	86	87	62.20	93.30
20.65	21.28	56.00	88	89	63.30	95.00
21.29	21.88	57.00	90	90	64.50	96.80
21.89	22.28	58.00	91	92	65.60	98.40
22.29	22.68	59.00	93	94	66.70	100.10
22.69	23.08	60.00	95	96	67.80	101.70
23.09	23.44	61.00	97	97	69.00	103.50
23.45	23.76	62.10	98	99	70.20	105.30
23.77	24.20	63.20	100	101	71.50	107.30
24.21	24.60	64.20	102	102	72.60	108.90
24.61	25.00	65.30	103	104	73.80	110.70
25.01	25.48	66.40	105	106	75.10	112.70
25.49	25.92	67.50	107	107	76.30	114.50
25.93	26.40	68.50	108	109	77.50	116.30
26.41	26.94	69.60	110	113	78.70	118.10
26.95	27.46	70.70	114	118	79.90	119.90
27.47	28.00	71.70	119	122	81.10	121.70
28.01	28.68	72.80	123	127	82.30	123.50
28.69	29.25	73.90	128	132	83.60	125.40
29.26	29.68	74.90	133	136	84.70	127.10
29.69	30.36	76.00	137	141	85.90	128.90
30.37	30.92	77.10	142	146	87.20	130.80
30.93	31.36	78.20	147	150	88.40	132.60
31.37	32.00	79.20	151	155	89.50	134.30
32.01	32.60	80.30	156	160	90.80	136.20
32.61	33.20	81.40	161	164	92.00	138.00
33.21	33.88	82.40	165	169	93.20	139.80
33.89	34.50	83.50	170	174	94.40	141.60
34.51	35.00	84.60	175	178	95.60	143.40
35.01	35.80	85.60	179	183	96.80	146.40
35.81	36.40	86.70	184	188	98.00	150.40
36.41	37.08	87.80	189	193	99.30	154.40
37.09	37.60	88.90	194	197	100.50	157.40
37.61	38.20	89.90	198	202	101.60	161.60
38.21	39.12	91.00	203	207	102.90	165.60
39.13	39.68	92.10	208	211	104.10	168.80
39.69	40.33	93.10	212	216	105.20	172.80
40.34	41.12	94.20	217	221	106.50	176.80
41.13	41.76	95.30	222	225	107.70	180.00
41.77	42.44	96.30	226	230	108.90	184.00
42.45	43.20	97.40	231	235	110.10	188.00
43.21	43.76	98.50	236	239	111.40	191.20
43.77	44.44	99.60	240	244	112.60	195.20

"I (Primary insurance benefit under 1939 act, as modified)		II (Primary insurance amount under 1965 act)	III (Average monthly wage)		IV (Primary insurance amount)	V (Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—		At least—	But not more than—		
$44.45	$44.88	$100.60	$245	$249	$113.70	$199.20
44.89	45.60	101.70	250	253	115.00	202.40
		102.80	254	258	116.20	206.40
		103.80	259	263	117.30	210.40
		104.90	264	267	118.60	213.60
		106.00	268	272	119.80	217.60
		107.00	273	277	121.00	221.60
		108.10	278	281	122.20	224.80
		109.20	282	286	123.40	228.80
		110.30	287	291	124.70	232.80
		111.30	292	295	125.80	236.00
		112.40	296	300	127.10	240.00
		113.50	301	305	128.30	244.00
		114.50	306	309	129.40	247.20
		115.60	310	314	130.70	251.20
		116.70	315	319	131.90	255.20
		117.70	320	323	133.00	258.40
		118.80	324	328	134.30	262.40
		119.90	329	333	135.50	266.40
		121.00	334	337	136.80	269.60
		122.00	338	342	137.90	273.60
		123.10	343	347	139.10	277.60
		124.20	348	351	140.40	280.80
		125.20	352	356	141.50	284.80
		126.30	357	361	142.80	288.80
		127.40	362	356	144.00	292.00
		128.40	366	370	145.10	296.00
		129.50	371	375	146.40	300.00
		130.60	376	379	147.60	303.20
		131.70	380	384	148.90	307.20
		132.70	385	389	150.00	311.20
		133.80	390	393	151.20	314.40
		134.90	394	398	152.50	318.40
		135.90	399	403	153.60	322.40
		137.00	404	407	154.90	325.60
		138.00	408	412	156.00	329.60
		139.00	413	417	157.10	333.60
		140.00	418	421	158.20	336.80
		141.00	422	426	159.40	340.80
		142.00	427	431	160.50	344.80
		143.00	432	436	161.00	348.80
		144.00	437	440	162.80	350.40
		145.00	441	445	163.90	352.40
		146.00	446	450	165.00	354.40
		147.00	451	454	166.20	356.00
		148.00	455	459	167.30	358.00
		149.00	460	464	168.40	360.00
		150.00	465	468	169.50	361.60
		151.00	469	473	170.70	363.60
		152.00	474	478	171.80	365.60
		153.00	479	482	172.90	367.20

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS—Continued

"I (Primary insurance benefit under 1939 act, as modified) If an individual's primary insurance benefit (as determined under subsec. (d)) is— At least—	But not more than—	II (Primary insurance amount under 1965 act) Or his primary insurance amount (as determined under subsec. (c)) is—	III (Average monthly wage) Or his average monthly wage (as determined under subsec. (b)) is— At least—	But not more than—	IV (Primary insurance amount) The amount referred to in the preceding paragraphs of this subsection shall be—	V (Maximum family benefits) And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
		$154.00	$483	$487	$174.10	$369.20
		155.00	488	492	175.20	371.20
		156.00	493	496	176.30	372.80
		157.00	497	501	177.50	374.80
		158.00	502	506	178.60	376.80
		159.00	507	510	179.70	378.40
		160.00	511	515	180.80	380.40
		161.00	516	520	182.00	382.40
		162.00	521	524	183.10	384.00
		163.00	525	529	184.20	386.00
		164.00	530	534	185.40	388.00
		165.00	535	538	186.50	389.60
		166.00	539	543	187.60	391.60
		167.00	544	548	188.80	393.60
		168.00	549	553	189.90	395.60
			554	556	191.00	396.80
			557	560	192.00	398.40
			561	563	193.00	399.60
			564	567	194.00	401.20
			568	570	195.00	402.40
			571	574	196.00	404.00
			575	577	197.00	405.20
			$578	$581	$198.00	$406.80
			582	584	199.00	408.00
			585	588	200.00	409.60
			589	591	201.00	410.80
			592	595	202.00	412.40
			596	598	203.00	413.60
			599	602	204.00	415.20
			603	605	205.00	416.40
			606	609	206.00	418.00
			610	612	207.00	419.20
			613	616	208.00	420.80
			617	620	209.00	422.40
			621	623	210.00	423.60
			624	627	211.00	425.20
			628	630	212.00	426.40
			631	634	213.00	428.00
			635	637	214.00	429.20
			638	641	215.00	430.80
			642	644	216.00	432.00
			645	648	217.00	433.60
			649	650	218.00	434.40".

And the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "the month of February 1968"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "February 1968, for each such person for February 1968,"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "113"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "the month of February 1968,"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "February 1968,"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "entitled, after January 1968,"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "after January 1968"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "month of February 1968, or who died before such month"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "month after January 1968"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "after January 1968"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "of January 1968"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "month of February 1968, or who died in such month,"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "months after January 1968"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "months after January 1968"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with amendments as follow: Restore the matter proposed to be stricken out by the Senate amendment, and omit the matter proposed to be inserted by the Senate amendment.

On page 26, lines 8 and 9, of the House engrossed bill, strike out "the second month following the month in which this Act is enacted" and insert the following: "the month of February 1968"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "months after January 1968,"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: Restore the matter proposed to be stricken out by the Senate amendment.

On page 29, line 18, of the House engrossed bill, strike out "$7,600" and insert the following: "$7,800".

On page 30, line 5, of the House engrossed bill, strike out "$7,600" and insert the following: "$7,800".

On page 30, line 9, of the House engrossed bill, strike out "$7,600" and insert the following: "$7,800".

On page 30, line 13, of the House engrossed bill, strike out "$7,600" and insert the following: "$7,800".

On page 30, line 19, of the House engrossed bill, strike out "$7,600" and insert the following: "$7,800".

On page 31, line 5, of the House engrossed bill, strike out "$7,600" and insert the following: "$7,800".

On page 31, line 9, of the House engrossed bill, strike out "$7,600" and insert the following: "$7,800".

On page 31, line 12, of the House engrossed bill, strike out "$7,600" and insert the following: "$7,800".

On page 31, line 17, of the House engrossed bill, strike out "$7,600" and insert the following: "$7,800".

On page 31, line 25, of the House engrossed bill, strike out "$7,600" and insert the following: "$7,800".

On page 32, line 3, of the House engrossed bill, strike out "$7,600" and insert the following: "$7,800".

On page 32, line 9, of the House engrossed bill, strike out "$7,600" and insert the following: "$7,800".

And the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with amendments as follows: Restore the matter proposed to be stricken out by the Senate amendment, and omit the matter proposed to be inserted by the Senate amendment.

On page 33, line 5, of the House engrossed bill, strike out "1966" and insert the following: "1967".

On page 33, line 6, of the House engrossed bill, strike out "5.9" and insert the following: "5.8".

On page 34, line 4, of the House engrossed bill, strike out "years 1967 and 1968, the rate shall be 3.9" and insert the following: "year 1968, the rate shall be 3.8".

On page 34, line 19, of the House engrossed bill, strike out "years 1967 and 1968, the rate shall be 3.9" and insert the following: "year 1968, the rate shall be 3.8".

On page 35 of the House engrossed bill, strike out lines 9 through 16 and insert the following:

"(1) in the case of any taxable year beginning after December 31, 1967, and before January 1, 1973, the tax shall be equal to 0.60 percent of the amount of the self-employment income for such taxable year;".

On page 35, line 17, of the House engrossed bill, strike out "(3)" and insert the following: "(2)".

On page 35, line 21, of the House engrossed bill, strike out "(4)" and insert the following: "(3)".

On page 36, line 1, of the House engrossed bill, strike out "(5)" and insert the following: "(4)".

On page 36, line 5, of the House engrossed bill, strike out "(6)" and insert the following: "(5)".

On page 36 of the House engrossed bill, strike out lines 13 through 18 and insert the following:

"(1) with respect to wages received during the calendar years 1968, 1969, 1970, 1971, and 1972, the rate shall be 0.60 percent;".

On page 36, line 19, of the House engrossed bill, strike out "(3)" and insert the following: "(2)".

On page 36, line 22, of the House engrossed bill, strike out "(4)" and insert the following: "(3)".

On page 36, line 25 of the House engrossed bill, strike out "(5)" and insert the following: "(4)".

On page 37, line 3, of the House engrossed bill, strike out "(6)" and insert the following: "(5)".

On page 37 of the House engrossed bill, strike out lines 9 through 14 and insert the following:

"(1) with respect to wages paid during the calendar years 1968, 1969, 1970, 1971, and 1972, the rate shall be 0.60 percent;".

On page 37, line 15, of the House engrossed bill, strike out "(3)" and insert the following: "(2)".

On page 37, line 18, of the House engrossed bill, strike out "(4)" and insert the following: "(3)".

On page 37, line 21, of the House engrossed bill, strike out "(5)" and insert the following: "(4)".

On page 37, line 24, of the House engrossed bill, strike out "(6)" and insert the following: "(5)".

And the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with amendments as follows: On page 43, line 6, of the Senate engrossed amendments, strike out "112" and insert the following: "111".

On page 44, line 25, of the Senate engrossed amendments, strike out "time specified in subparagraph (E)" and insert the following: "then specified time period".

On page 45, line 10, of the Senate engrossed amendments, strike out "made." and insert the following: "made.' ".

On page 45 of the Senate engrossed amendments, strike out lines 11 through 16 and insert the following:

"(b) No monthly insurance benefits under title II of the Social Security Act shall be payable or increased for any month before the month in which this Act is enacted by reason of amendments made by subsection (a)."

And the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with amendments as follows: On page 47, line 3, of the Senate engrossed amendments, strike out "114" and insert the following: "112".

On page 47, lines 3 and 4, of the Senate engrossed amendments, strike out "202(d)(9) of the Social Security Act" and insert the following: "202(d)(8) of the Social Security Act (as redesignated by section 151(c) of this Act)".

On page 47, line 23, of the Senate engrossed amendments, strike out "February" and insert the following: "January".

And the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with amendments as follow: On page 50, line 4, of the Senate engrossed amendments, after "policemen" insert the following: "; validation of certain past coverage in the State of Nebraska"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows: On page 51, line 21, of the Senate engrossed amendments, strike out "system." and insert the following: "system.' "; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows: On page 52, line 9, of the Senate engrossed amendments, strike out "such Act" and insert the following: "the Social Security Act"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows: On page 55, line 17, of the Senate engrossed amendments, strike out "such Act" and insert the following: "the Social Security Act"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with amendments as follow: On page 57, line 10, of the Senate engrossed amendments, strike out "(I)".

On page 57, line 11, of the Senate engrossed amendments, strike out "(II)".

On page 57, line 16, of the Senate engrossed amendments, after "1954" insert the following: "(relating to definition of employment)".

On page 58, line 5, of the Senate engrossed amendments, strike out "(I)".

On page 58, line 6, of the Senate engrossed amendments, strike out "(II)".

And the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with amendments as follows: On page 58, line 18, of the Senate engrossed amendments, after "Massachusetts" insert the following: "to modify its agreement entered into under section 218 of such Act so as".

On page 58, line 19, of the Senate engrossed amendments, strike out "to be".

On page 58, line 21, of the Senate engrossed amendments, strike out "filing with him of such notice" and insert the following: "date on which such agreement is so modified".

On page 58, line 23, of the Senate engrossed amendments, strike out "has been" and insert the following: "is".

And the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment as follows: Omit the matter proposed to be stricken out by the Senate amendment, and on page 57, line 11, of the House engrossed bill, immediately before the comma insert the following: "as an outpatient"; and the Senate agree to the same.

Amendment numbered 77: That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with amendments as follows: On page 63 of the Senate engrossed amendments, strike out lines 13 through 16 and insert the following:

"(A) if furnished by a clinic or rehabilitation agency, or by others under arrangements with such clinic or agency, unless such clinic or rehabilitation agency—".

And the Senate agree to the same.

Amendment numbered 80: That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment as follows: On page 68 of the Senate engrossed amendments, strike out lines 12 through 17 and insert the following:

"(b) The second sentence of section 1813(a)(1) of such Act is amended to read as follows: 'Such amount shall be further reduced by a coinsurance amount equal to—

" '(A) one-fourth of the inpatient hospital deductible for each day (before the 91st day) on which such individual is furnished such services during such spell of illness after such services have been furnished to him for 60 days during such spell; and

" '(B) one-half of the inpatient hospital deductible for each day (before the day following the last day for which such individual is entitled under section 1812(a)(1) to have payment made on his behalf for inpatient hospital services during such spell of illness) on which such individual is furnished such services during such spell of illness after such services have been furnished to him for 90 days during such spell;

except that the reduction under this sentence for any day shall not exceed the charges imposed for that day with respect to such individual for such services (and for this purpose, if the customary charges for such services are greater than the charges so imposed, such customary charges shall be considered to be the charge so imposed).' "

And the Senate agree to the same.

Amendment numbered 87: That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with amendments as follows: On page 84, line 6, of the Senate engrossed amendments, strike out "145" and insert the following: "142". On page 84, line 17, of the Senate engrossed amendments, strike out "such part A" and insert the following: "part A of title XVIII of such Act".

On page 85, lines 7 and 8, of the Senate engrossed amendments, strike out "such part A" and insert the following: "part A of title XVIII of such Act".

On page 85, line 15, of the Senate engrossed amendments, strike out "defined" and insert the following: "described".

On page 86, line 15, of the Senate engrossed amendments, after "(4)" insert the following: "of the Social Security Act".

And the Senate agree to the same.

Amendment numbered 88: That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with amendments as follows: On page 88, line 5, of the Senate engrossed amendments, strike out "146" and insert the following: "143".

On page 89, line 1, of the Senate engrossed amendments, after "1814(d)" insert the following: "of such Act".

And the Senate agree to the same.

Amendment numbered 90: That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment as follows: On page 94, line 16, of the Senate engrossed amendments, strike out "148" and insert the following: "144"; and the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with amendments as follows: On page 95, line 22, of the Senate engrossed amendments, strike out "149" and insert the following: "145".

On page 97, line 16, of the Senate engrossed amendments, strike out "promulgated." and insert the following: "promulgated.' "

On page 97 of the Senate engrossed amendments, strike out line 17 and all that follows down through page 99, line 2.

On page 99, line 3, of the Senate engrossed amendments, strike out "(f)(1)" and insert the following: "(e)".

On page 99 of the Senate engrossed amendments, strike out lines 8 through 17.

And the Senate agree to the same.

Amendment numbered 92: That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment as follows:

On page 99, line 22, of the Senate engrossed amendments, strike out "149a" and insert the following: "146"; and the Senate agree to the same.

Amendment numbered 96: That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "months after January 1968,"; and the Senate agree to the same.

Amendment numbered 97: That the House recede from its disagreement to the amendment of the Senate numbered 97, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "months after January 1968,"; and the Senate agree to the same.

Amendment numbered 98: That the House recede from its disagreement to the amendment of the Senate numbered 98, and agree to the same with an amendment as follows: On page 103, line 10, of the Senate engrossed amendment, strike out "SEC. 204."

And the Senate agree to the same.

Amendment numbered 99: That the House recede from its disagreement to the amendment of the Senate numbered 99, and agree to the same with an amendment as follows: One page 105, line 3, of the Senate engrossed amendments, after "payment" insert the following: "for any month".

And the Senate agree to the same.

Amendment numbered 100: That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with amendments as follows: On page 105, line 22, of the Senate engrossed amendments, after "if any," insert the following: "who is".

On page 107, lines 2 and 3, of the Senate engrossed amendments, strike out "if each such person dies before the payment due" and insert the following: "if each person who meets such requirements dies before the payment due him".

On page 107, line 18, of the Senate engrossed amendments, after "due" insert the following: "him".

On page 107, line 21, of the Senate engrossed amendments, after the semicolon insert the following: "or".

On page 108, line 2, of the Senate engrossed amendments, strike out "any;" and insert the following: "any.' ".

On page 108 of the Senate engrossed amendments, strike out lines 3 through 10.

On page 108, lines 18 through 20, of the Senate engrossed amendments, strike out "or under section 144 of the Social Security Amendments of 1967".

On page 108, line 22, of the Senate engrossed amendments, after "due" insert the following: "him under this title".

On page 109, line 1, of the Senate engrossed amendments, strike out "before such individual's death" and insert the following: "(before or after such individual's death)".

On page 109, line 9, of the Senate engrossed amendments, after "if any," insert the following: "who is".

On page 110, lines 14 and 15, of the Senate engrossed amendments, strike out "if each such person dies before the payment due" and insert the following: "if each person who meets such requirements dies before the payment due him".

On page 110, line 20, of the Senate engrossed amendments, strike out "pargraph" and insert the following: "paragraph".

On page 111, line 6, of the Senate engrossed amendments, after "due" insert the following: "him".

On page 111, line 9, of the Senate engrossed amendments, after the semicolon insert the following: "or".

On page 111, line 15, of the Senate engrossed amendments, strike out "any;" and insert the following: "any."

On page 111 of the Senate engrossed amendments, strike out lines 16 through 23.

And the Senate agree to the same.

Amendment numbered 103: That the House recede from its disagreement to the amendment of the Senate numbered 103, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "February 1968"; and the Senate agree to the same.

Amendment numbered 105: That the House recede from its disagreement to the amendment of the Senate numbered 105, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "months after January 1968"; and the Senate agree to the same.

Amendment numbered 107: That the House recede from its disagreement to the amendment of the Senate numbered 107, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "months after January 1968"; and the Senate agree to the same.

Amendment numbered 109: That the House recede from its disagreement to the amendment of the Senate numbered 109, and agree to the same with amendments as follows: Restore the matter proposed to be stricken out by the Senate amendment.

On page 88, line 7, of the House engrossed bill, strike out "general" and insert the following: "immediate".

On page 88, line 9, of the House engrossed bill, after the period insert the following:

"For purposes of the preceding sentence (with respect to any individual), 'work which exists in the national economy' means work which exists in significant numbers either in the region where such individual lives or in several regions of the country."

And the Senate agree to the same.

Amendment numbered 116: That the House recede from its disagreement to the amendment of the Senate numbered 116, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "January 1968"; and the Senate agree to the same.

Amendment numbered 120: That the House recede from its disagreement to the amendment of the Senate numbered 120, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the amendment insert the following: "162"; and the Senate agree to the same.

Amendment numbered 121: That the House recede from its disagreement to the amendment of the Senate numbered 121, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "months beginning after June 30, 1968"; and the Senate agree to the same.

Amendment numbered 122: That the House recede from its disagreement to the amendment of the Senate numbered 122, and agree to the same wtih an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "after June 30, 1968"; and the Senate agree to the same.

Amendment numbered 123: That the House recede from its disagreement to the amendment of the Senate numbered 123, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "are, on June 30, 1968 being"; and the Senate agree to the same.

Amendment numbered 124: That the House recede from its disagreement to the amendment of the Senate numbered 124, and agree to the same with an amendment as follows: Strike out the matter proposed to be stricken out by the Senate amendment, and in lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"BENEFITS FOR CERTAIN CHILDREN

"SEC. 163. (a)(1) The last sentence of section 203(a) of the Social Security Act is amended to read as follows: 'Whenever a reduction is made under this subsection in the total of monthly benefits to which individuals are entitled for any month on the basis of the wages and self-employment income of an insured individual, each such benefit other than the old-age or disability insurance benefit shall be proportionately decreased; except that if such total of benefits for such month includes any benefit or benefits under section 202(d) which are payable solely by reason of section 216(h)(3), the reduction shall be first applied to reduce (proportionately where there is more than one benefit so payable) the benefits so payable (but not below zero).'

"(2) The amendment made by paragraph (1) shall apply only with respect to monthly benefits payable under title II of the Social Security Act with respect to individuals who become entitled to benefits under section 202(d) of such Act solely by reason of section 216(h)(3) of such Act in or after January 1968 (but without regard to section 202(j)(1) of such Act). The provisions of section 170 of this Act shall not apply with respect to any such individual.

"(b) Where—

"(1) one or more persons were entitled (without the application of section 202(j)(1) of the Social Security Act) to monthly benefits under section 202 or 223 of such Act for January 1968 on the basis of the wages and self-employment income of an individual, and

"(2) one or more persons became entitled to monthly benefits before January 1968 under section 202(d) of such Act by reason of section 216(h)(3) of such Act (but without regard to section 202(j)(1)), on the basis of such wages and self-employment income and are so entitled for January 1968, and

"(3) the total of benefits to which all persons are entitled under such section 202 or 223 of such Act on the basis of such wages and self-employment for January 1968 are reduced by reason of section 203(a) of such Act, as amended by this Act (or would, but for the penultimate sentence of such section 203(a), be so reduced),

then the amount of the benefit to which each such person referred to in paragraph (1) above (but not including persons referred to in paragraph (2) above) is entitled for months after January 1968 shall be increased, after the application of such section 203(a), to the amount it would have been if the person or persons referred to in paragraph (2) were not entitled to a benefit referred to in such paragraph (2)".

And the Senate agree to the same.

Amendment numbered 125: That the House recede from its disagreement to the amendment of the Senate numbered 125, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "164"; and the Senate agree to the same.

Amendment numbered 126: That the House recede from its disagreement to the amendment of the Senate numbered 126, and agree to the same with an amendment as follows: On page 116, line 14, of the Senate engrossed amendments, strike out "166" and insert the following: "165"; and the Senate agree to the same.

Amendment numbered 127: That the House recede from its disagreement to the amendment of the Senate numbered 127, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "166"; and the Senate agree to the same.

Amendment numbered 128: That the House recede from its disagreement to the amendment of the Senate numbered 128, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "167"; and the Senate agree to the same.

Amendment numbered 129: That the House recede from its disagreement to the amendment of the Senate numbered 129, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "168"; and the Senate agree to the same.

Amendment numbered 132: That the House recede from its disagreement to the amendment of the Senate numbered 132, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "169"; and the Senate agree to the same.

Amendment numbered 134: That the House recede from its disagreement to the amendment of the Senate numbered 134, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "170": and the Senate agree to the same.

Amendment numbered 135: That the House recede from its disagreement to the amendment of the Senate numbered 135, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "January 1968"; and the Senate agree to the same.

Amendment numbered 136: That the House recede from its disagreement to the amendment of the Senate numbered 136, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "February 1968"; and the Senate agree to the same.

Amendment numbered 137: That the House recede from its disagreement to the amendment of the Senate numbered 137, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "104, 112, 150, 151, 156, and 157 of this Act, and"; and the Senate agree to the same.

Amendment numbered 138: That the House recede from its disagreement to the amendment of the Senate numbered 138, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "February 1968"; and the Senate agree to the same.

Amendment numbered 139: That the House recede from its disagreement to the amendment of the Senate numbered 139, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "January 1968"; and the Senate agree to the same.

Amendment numbered 140: That the House recede from its disagreement to the amendment of the Senate numbered 140, and agree to the same with amendments as follows: Strike out the matter proposed to be stricken out by the Senate amendment, and omit the matter proposed to be inserted by the Senate amendment.

On page 105, line 18, of the House engrossed bill, strike out "(a)"; and the Senate agree to the same.

Amendment numbered 141: That the House recede from its disagreement to the amendment of the Senate numbered 141, and agree to the same with an amendment as follows: On page 119, line 12, of the Senate engrossed amendments, strike out "172" and insert the following: "171"; and the Senate agree to the same.

Amendment numbered 143: That the House recede from its disagreement to the amendment of the Senate numbered 143, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"DEFINITION OF BLINDNESS

"SEC. 172. (a) The first sentence of section 216(i)(1) of the Social Security Act is amended by striking out '(B)' and all that follows and inserting in lieu thereof '(B) blindness; and the term "blindness" means central visual acuity of 20/200 or less in the better eye with the use of correcting lens.'

"(b) the second sentence of section 216(i)(1) of such Act is amended to read as follows: 'An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered for purposes of this paragraph as having a central visual acuity of 20/200 or less.'

"(c) The amendments made by this section shall be effective with respect to benefits under section 223 of the Social Security Act for months after January 1968 based on applications filed after the date of enactment of this Act and with respect to disability determinations under section 216(i) of the Social Security Act based on applications filed after the date of enactment of this Act."

And the Senate agree to the same.

Amendment numbered 145: That the House recede from its disagreement to the amendment of the Senate numbered 145, and agree to the same with an amendment as follows: On page 129, line 5, of the Senate engrossed amendments, strike out "176" and insert the following: "173"; and the Senate agree to the same.

Amendment numbered 146: That the House recede from its disagreement to the amendment of the Senate numbered 146, and agree to the same with an amendment as follows: On page 130, lines 19 and 20, strike out "relative, child," and insert the following: "child, relative,"; and the Senate agree to the same.

Amendment numbered 157: That the House recede from its disagreement to the amendment of the Senate numbered 157, and agree to the same with an amendment as follows: On page 132, line 21, and page 133, lines 1 and 2, of the Senate engrossed amendments, strike out "services which are furnished pursuant to clauses (14) and (15) of section 402(a) and which" and insert the following: "any of the services described in clauses (14) and (15) of section 402(a) which"; and the Senate agree to the same.

Amendment numbered 158: That the House recede from its disagreement to the amendment of the Senate numbered 158, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(1)(A) by redesignating subparagraphs (C), (D), and (E) as subparagraphs (B), (C), and (D), respectively,

"(B) by striking out 'subparagraph (E)' in subparagraph (C) (as so redesignated) and inserting in lieu thereof 'subparagraph (D)', and

"(C) by striking out 'subparagraph (D)' in the matter following subparagraph (D) (as so redesignated) and inserting in lieu thereof 'subparagraph (C)';"

And the Senate agree to the same.

Amendment numbered 167: That the House recede from its disagreement to the amendment of the Senate numbered 167, and agree to the same with amendments as follows: On page 134, line 18, of the Senate engrossed amendments, after "that" insert the following: "(A)".

On page 135 of the Senate engrossed amendments, strike out lines 1 through 5 and insert the following: "services developed pursuant to part B of title IV of the Social Security Act, the provisions of section 402(a)(15)(F) of such Act (added thereto by subsection (a) of this section) shall not apply with respect to such agencies but only so long as such agencies of the State are different, and (B) if on such date the local agency administering the plan of a State under part A of title IV of such Act in a political subdivision is different from the local agency in such subdivision administering the State's plan for child-welfare services developed pursuant to part B of title IV of such Act, the provisions of such section 402(a)(15)(F) shall not apply with respect to such agencies but only so long as such local agencies are different."

And the Senate agree to the same.

Amendment numbered 180: That the House recede from its disagreement to the amendment of the Senate numbered 180, and agree to the same with an amendment as follows: Insert the matter proposed to be inserted by the Senate amendment, and on page 118, line 25, of the House engrossed bill, strike out "section" and insert the following: "Act"; And the Senate agree to the same.

Amendment numbered 184: That the House recede from its disagreement to the amendment of the Senate numbered 184, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(c) Effective with respect to quarters beginning after June 30, 1968, in determining the need of individuals claiming aid under a State plan approved under part A of title IV of the Social Security Act, the State shall apply the provisions of such part notwithstanding any provisions of law (other than such Act) requiring the State to disregard earned income of such individuals in determining need under such State plan."

And the Senate agree to the same.

Amendment numbered 186: That the House recede from its disagreement to the amendment of the Senate numbered 186, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"'(C) (i) such father has 6 or more quarters of work (as defined in subsection (d) (1)) in any 13-calendar-quarter period ending within one year prior to the application for such aid or (ii) he received unemployment compensation under an unemployment compensation law of a State or of the United States, or he was qualified (within the meaning of subsection (d) (3)) for unemployment compensation under the unemployment compensation law of the State, within one year prior to the application for such aid; and

"'(2) provides—

"'(A) for such assurances as will satisfy the Secretary that fathers of dependent children as defined in subsection (a) will be referred to the Secretary of Labor as provided in section 402(a) (19) within thirty days after receipt of aid with respect to such children;'".

And the Senate agree to the same.

Amendment numbered 190: That the House recede from its disagreement to the amendment of the Senate numbered 190, and agree to the same with an amendment as follows: Strike out the matter proposed to be stricken out by the Senate amendment, and on page 122 of the House engrossed bill, after line 2 insert the following:

"'(i) is not currently registered with the public employment offices in the State, or

"'(ii) receives unemployment compensation under an unemployment compensation law of a State or of the United States.'"

And the Senate agree to the same.

Amendment numbered 191: That the House recede from its disagreement to the amendment of the Senate numbered 191, and agree to the same with an amendment as follows: Strike out the matter proposed to be stricken out by the Senate amendment, and in lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"'(c) Notwithstanding any other provisions of this section, expenditures pursuant to this section shall be excluded from aid to families with dependent children (A) where such expenditures are made under the plan with respect to any dependent child as defined in subsection (a), (i) for any part of the 30-day period referred to in subparagraph (A) of subsection (b) (1), or (ii) for any period prior to the time when the father satisfies subparagraph (B) of such subsection, and (B) if, and for as long as, no action is taken (after the 30-day period referred to in subparagraph (A) of subsection (b) (2)), under the program therein specified, to refer such father to the Secretary of Labor pursuant to section 402(a) (19).

"'(d) For purposes of this section—

"'(1) the term "quarter of work" with respect to any individual means a calendar quarter in which such individual received earned income of not less than $50 (or which is a "quarter of coverage" as defined in section 213(a) (2)), or in which such individual participated in a community work and training program under section 409 or any other work and training program subject to the limitations in section 409, or the work incentive program established under part C;

"'(2) the term "calendar quarter" means a period of 3 consecutive calendar months ending on March 31, June 30, September 30, or December 31; and

"'(3) an individual shall be deemed qualified for unemployment compensation under the State's unemployment compensation law if—

"'(A) he would have been eligible to receive such unemployment compensation upon filing application, or

"'(B) he performed work not covered under such law and such work, if it had been covered, would (together with any covered work he performed) have made him eligible to receive such unemployment compensation upon filing application.'

"(b) In the case of an application for aid to families with dependent children under a State plan approved under section 402 of such Act with respect to a dependent child as defined in section 407(a) of such Act (as amended by this section) within 6 months after the effective date of the modification of such State plan which provides for payments in accordance with section 407 of such Act as so amended, the father of such child shall be deemed to meet the requirement of subparagraph (C) of section 407(b) (1) of such Act (as so amended) if at any time after April 1961 and prior to the date of application such father met the requirements of such subparagraph (C). For purposes of the preceding sentence, an individual receiving aid to families with dependent children (under section 407 of the Social Security Act as in effect before the enactment of this Act) for the last month ending before the effective date of the modification referred to in such sentence shall be deemed to have filed application for such aid under such section 407 (as amended by this section) on the day after such effective date."

And the Senate agree to the same.

Amendment numbered 198: That the House recede from its disagreement to the amendment of the Senate numbered 198, and agree to the same with amendments as follows: On page 150, line 16, of the Senate engrossed amendments, strike out "$20 per week" and insert the following: "$30 per month, payable in such amounts and at such times as the Secretary prescribes".

On page 150, line 19, of the Senate engrossed amendments, strike out "90" and insert the following: "80".

On page 154, line 10, of the Senate engrossed amendments, strike out "10" and insert the following: "20".

On page 154, line 24, of the Senate engrossed amendments, strike out "10" and insert the following: "20".

On page 155, line 2, of the Senate engrossed amendments, strike out "10" and insert the following: "20".

On page 159, line 4, of the Senate engrossed amendments, before "ad-" insert the following: "or".

On page 159, line 5, of the Senate engrossed amendments, strike out "or".

On page 159, line 9, of the Senate engrossed amendments, strike out "or".

On page 159, line 14, of the Senate engrossed amendments, strike out ", or" and insert a semicolon.

On page 159 of the Senate engrossed amendments, strike out line 15 and all that follows down through page 160, line 5.

On page 160, line 14, of the Senate engrossed amendments, strike out "10" and insert the following: "20".

On page 162, line 4, of the Senate engrossed amendments, after "(ii)" insert the following: "and section 407(b) (2)".

On page 162 of the Senate engrossed amendments, strike out lines 16 through 20 and insert the following:

"'(i) if the relative makes such refusal, such relative's needs shall not be taken into account in making the determination under clause (7), and aid for any dependent child in the family in the form of payments of the type described in section 406(b) (2) (which in such a case shall be without regard to clauses (A) through (E) thereof) or section 408 will be made;'"

On page 164, line 5, of the Senate engrossed amendments, after "State)" insert the following: ", but not before April 1, 1968,".

On page 164 of the Senate engrossed amendments, strike out lines 10 through 12 and insert the following: "beginning after June 30, 1968."

On page 165, line 1, of the Senate engrossed amendments, strike out "202(b)" and insert the following: "202(a) (2)".

And the Senate agree to the same.

Amendment numbered 213: That the House recede from its disagreement to the amendment of the Senate numbered 213, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(b) Section 403(a) of such Act (as amended by the preceding provisions of this Act) is amended by—

"(1) striking out '5' in the sentence immediately following paragraph (5) and inserting in lieu thereof '10';

"(2) adding at the end thereof the following new sentence 'In computing such 10 percent, there shall not be taken into account individuals with respect to whom such payments are made for any month in accordance with section 402(a) (19) (F).'"

And the Senate agree to the same.

Amendment numbered 214: That the House recede from its disagreement to the amendment of the Senate numbered 214, and agree to the same with an amendment as follows: Restore the matter proposed to be stricken out by the Senate amendment, and on page 141 of the House engrossed bill strike out lines 1 through 13 and insert the following:

"'(d) Notwithstanding any other provision of this Act, the average monthly number of dependent children under the age of 18 who have been deprived of parental support or care by reason of the continued absence from the home of a parent with respect to whom payments under this section may be made to a State for any calendar quarter after June 30, 1968, shall not exceed the number which bears the same ratio to the total population of such State under the age of 18 on the first day of the year in which such quarter falls as the average monthly number of such dependent children under the age of 18 with respect to whom payments under this section were made to such State for the calendar quarter beginning January 1, 1968, bore to the total population of such State under the age of 18 on that date.'"

And the Senate agree to the same.

Amendment numbered 221: That the House recede from its disagreement to the amendment of the Senate numbered 221, and agree to the same with an amendment as follows: On page 167, line 17, of the Senate engrossed amendments, strike out "209" and insert the following: "210"; and the Senate agree to the same.

Amendment numbered 223: That the

House recede from its disagreement to the amendment of the Senate numbered 223, and agree to the same with amendments as follows: On page 173, lines 12 and 13, of the Senate engrossed amendments, strike out "; ESTABLISHMENT AND COLLECTION OF LIABILITY TO UNITED STATES".

On page 175, line 10, of the Senate engrossed amendments, strike out "State;" and insert the following: "State'."

On page 175, of the Senate engrossed amendments, strike out line 11 and all that follows through line 19 on page 181 and insert the following:

"(b) Title IV of such Act is amended by adding after section 409 the following new section:

" 'ASSISTANCE BY INTERNAL REVENUE SERVICE IN LOCATING PARENTS

" 'SEC. 410. (a) Upon receiving a report from a State agency made pursuant to section 402(a)(21), the Secretary shall furnish to the Secretary of the Treasury or his delegate the names and social security account numbers of the parents contained in such report, and the name of the State agency which submitted such report. The Secretary of the Treasury or his delegate shall endeavor to ascertain the address of each such parent from the master files of the Internal Revenue Service, and shall furnish any address so ascertained to the State agency which submitted such report.

" '(b) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of subsection (a). The Secretary shall transfer to the Secretary of the Treasury from time to time sufficient amounts out of the monies appropriated pursuant to this subsection to enable him to perform his functions under subsection (a).' "

And the Senate agree to the same.

Amendment numbered 224: That the House recede from its disagreement to the amendment of the Senate numbered 224, and agree to the same with an amendment as follows: On page 181, line 22, of the Senate engrossed amendments, strike out "section (3)(a)(4)" and insert the following: "section 3(a)(4)"; and the Senate agree to the same

Amendment numbered 225: That the House recede from its disagreement to the amendment of the Senate numbered 225, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"AUTHORITY TO DISREGARD ADDITIONAL INCOME OF RECIPIENTS OF PUBLIC ASSISTANCE

"SEC. 213. (a)(1) Section 2(a)(10)(A)(i) of the Social Security Act is amended by striking out 'not more than $5' and inserting in lieu thereof 'not more than $7.50'.

"(2) Section 1002(a)(8)(C) of such Act is amended by striking out 'not more than $5' and inserting in lieu thereof 'not more than $7.50'.

"(3) Section 1402(a)(8)(A) of such Act is amended by striking out 'not more than $5' and inserting in lieu thereof 'not more than $7.50'.

"(4) Section 1604(a)(14)(D) of such Act is amended by striking out 'not more than $5' and inserting in lieu thereof 'not more than $7.50'.

"(b) Section 402(a) of such Act is amended by inserting before the period at the end thereof the following: '; and (23) provide that by July 1, 1969, the amounts used by the State to determine the needs of individuals will have been adjusted to reflect fully changes in living costs since such amounts were established, and any maximums that the State imposes on the amount of aid paid to families will have been proportionately adjusted'."

And the Senate agree to the same.

Amendment numbered 226: That the House recede from its disagreement to the amendment of the Senate numbered 226, and agree to the same with amendments as follow: Restore the matter proposed to be stricken out by the Senate amendment, and omit the matter proposed to be inserted by the Senate amendment.

On page 143, line 7, of the House engrossed bill, strike out "Payment" and insert the following: "Except as provided in paragraph (4), payment".

On page 143, line 13, of the House engrossed bill, strike out "in subparagraph (C) and".

On page 143, line 21, of the House engrossed bill, strike out "section 402" and insert the following: "part A of title IV".

On page 144 of the House engrossed bill, strike out lines 3 through 12.

On page 144, line 13, of the House engrossed bill, strike out "(D)" and insert the following: "(C)".

On page 144, line 14, of the House engrossed bill, strike out "or (C)".

On page 144, line 16, of the House engrossed bill, strike out "by" and insert the following "to".

On page 145, line 2, of the House engrossed bill, strike out "section 402" and insert the following: "part A of title IV".

On page 145 of the House engrossed bill, strike out lines 10 through 20 and insert the following:

" '(4) The limitations on payment imposed by the preceding provisions of this subsection shall not apply with respect to any amount expended by a State as medical assistance for any individual who, at the time of the provision of the medical assistance giving rise to such expenditure—

" '(A) is a recipient of aid or assistance under a plan of such State which is approved under title I, X, XIV, or XVI, or part A of title IV, or

" '(B) is not a recipient of aid or assistance under such a plan but (i) is eligible to receive such aid or assistance, or (ii) would be eligible to receive such aid or assistance if he were not in a medical institution.' "

And the Senate agree to the same.

Amendment numbered 231: That the House recede from its disagreement to the amendment of the Senate numbered 231, and agree to the same with amendments as follows: Insert the matter proposed to be inserted by the Senate amendment.

On page 150 of the House engrossed bill, strike out lines 14 through 20 and insert the following:

"(2) Section 1843(f) of such Act is amended—

"(A) by inserting after 'or part A of title IV,' (as added by section 241(e)(2) of this Act) the following: 'or eligible to receive medical assistance under the plan of such State approved under title XIX,'; and

"(B) by inserting after ', and part A of title IV' (as added by section 241(e)(2) of this Act) the following: ', and individuals eligible to receive medical assistance under the plan of the State approved under title XIX'."

And the Senate agree to the same.

Amendment numbered 233: That the House recede from its disagreement to the amendment of the Senate numbered 233, and agree to the same with an amendment as follows: On page 191 of the Senate engrossed amendments, strike out lines 3 through 8 and insert the following:

" '(D) for payment of the reasonable cost (as determined in accordance with standards approved by the Secretary and included in the plan) of inpatient hospital services provided under the plan;'.

And the Senate agree to the same.

Amendment numbered 236: That the House recede from its disagreement to the amendment of the Senate numbered 236, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "or dentists' services, at the option of the State, to individuals not receiving aid or assistance under the State's plan approved under title I, X, XIV, or XVI, or part A of title IV.' "

And the Senate agree to the same.

Amendment numbered 240: That the House recede from its disagreement to the amendment of the Senate numbered 240, and agree to the same with an amendment as follows:

On page 199, line 20, of the Senate engrossed amendments, strike out "234a" and insert the following: "234".

On page 200, line 3, of the Senate engrossed amendments, strike out "(26)" and insert the following: "(26)".

On page 200, line 10, of the Senate engrossed amendments, strike out "periodic" and insert the following: "for periodic".

And the Senate agree to the same.

Amendment numbered 241: That the House recede from its disagreement to the amendment of the Senate numbered 241, and agree to the same with amendments as follows: On page 205, line 13, of the Senate engrossed amendments, strike out "234b" and insert the following: "235".

On page 205, line 18, of the Senate engrossed amendments, strike out "X,".

On page 160, line 9, of the House engrossed bill, strike out "235" and insert the following: "240".

On page 172, line 10, of the House engrossed amendments, strike out "236" and insert the following: "241".

And the Senate agree to the same.

Amendment numbered 242: That the House recede from its disagreement to the amendment of the Senate numbered 242, and agree to the same with amendments, as follows: On page 206, line 20, of the Senate engrossed amendments, strike out "234c" and insert the following: "236".

On page 206, line 23, of the Senate engrossed amendments, strike out "'; and'" and insert the following: "a semicolon".

On page 207, line 2, of the Senate engrossed amendments, strike out "1907" and insert the following: "1908".

On page 207, line 5, of the Senate engrossed amendments, strike out "section 226" and insert the following: "the preceding sections".

On page 207, line 9, of the Senate engrossed amendments, strike out "1907" and insert the following: "1908".

And the Senate agree to the same.

Amendment numbered 243: That the House recede from its disagreement to the amendment of the Senate numbered 243, and agree to the same with amendments as follows: On page 213, line 10, of the Senate engrossed amendments, strike out "234d" and insert the following: "237".

On page 213, line 15, of the Senate engrossed amendments, strike out "(28)" and insert the following: "(29)".

On page 213, line 16, of the Senate engrossed amendments, strike out "234c" and insert the following: "236".

On page 213 of the Senate engrossed amendments, strike out line 18 and all that follows through line 22 and insert the following:

" '(30) provide such methods and procedures relating to the utilization of, and the payment for, care and services available under the plan as may be necessary to safeguard against unnecessary utilization of such care and services and to assure that payments (including payments for any drugs provided under the plan) are not in excess of reasonable charges consistent with efficiency, economy, and quality of care.' "

And the Senate agree to the same.

Amendment numbered 244: That the House recede from its disagreement to the amendment of the Senate numbered 244, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"DIFFERENCES IN STANDARDS WITH RESPECT TO INCOME ELIGIBILITY UNDER TITLE XIX

"SEC. 238. Effective July 1, 1969, section 1902(a)(17) of the Social Security Act is amended by striking out '(which shall be comparable for all groups)' and inserting in lieu thereof the following: '(which shall be comparable for all groups and may, in accordance with standards prescribed by the Secretary, differ with respect to income levels, but only in the case of applicants or recipients of assistance under the plan who are not receiving aid or assistance under the State's plan approved under title I, X, XIV, or XVI, or part A of title IV, based on the variations between shelter costs in urban areas and in rural areas)'."

And the Senate agree to the same.

Amendment numbered 253: That the House recede from its disagreement to the amendment of the Senate numbered 253, and agree to the same with amendments as follows: On page 216, line 5, of the Senate engrossed amendments, after "that" insert the following: "(A)".

On page 216, line 7, of the Senate engrossed amendments, strike out "part 3 of title V" and insert the following: "part B of title IV".

On page 216 of the Senate engrossed amendments, strike out lines 12 and 13 and insert the following: "not apply with respect to such agencies but only so long as such agencies of the State are different, and (B) if on such date the local agency administering the plan of a State for child-welfare services developed under part B of title IV of the Social Security Act is different from the local agency in such subdivision administering the plan of such State under part A of title IV of such Act, so much of such paragraph (1) as precedes such subparagraph (B) shall not apply with respect to such local agencies but only so long as such local agencies are different."

And the Senate agree to the same.

Amendment numbered 258: That the House recede from its disagreement to the amendment of the Senate numbered 258, and agree to the same with amendments as follows: On page 221, line 2, of the Senate engrossed amendments, strike out "applicable under State law" and insert the following: "applicable to nursing homes under State law".

On page 221, line 5, of the Senate engrossed amendments, insert immediately before the quotation marks the following: "The term 'intermediate care facility' also includes a Christian Science sanatorium operated, or listed and certified, by the First Church of Christ, Scientist, Boston, Massachusetts, but only with respect to institutional services deemed appropriate by the State."

And the Senate agree to the same.

Amendment numbered 263: That the House recede from its disagreement to the amendment of the Senate numbered 263, and agree to the same with amendments as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "Notwithstanding the preceding provisions of this section, of the amount appropriated for any fiscal year pursuant to section 501, not less than 6 percent of the amount appropriated shall be available for family planning services from allotments under section 503 and for family planning services under projects under sections 508 and 512."

On page 182, line 16, of the House engrossed bill, strike out "(a)".

And the Senate agree to the same.

Amendment numbered 266: That the House recede from its disagreement to the amendment of the Senate numbered 266, and agree to the same with an amendment as follows:

On page 222 of the Senate engrossed amendments, strike out lines 13 through 21 and insert the following:

"'(13) provides that, where payment is authorized under the plan for services which an optometrist is licensed to perform, the individual for whom such payment is authorized may, to the extent practicable, obtain such services from an optometrist licensed to perform such services except where such services are rendered in a clinic, or another appropriate institution, which does not have an arrangement with optometrists so licensed; and' ".

And the Senate agree to the same.

Amendment numbered 273: That the House recede from its disagreement to the amendment of the Senate numbered 273, and agree to the same with amendments as follows: On page 225, line 9, of the Senate engrossed amendments, strike out "CHILDREN'S EMOTIONAL ILLNESS" and insert the following: "EXTENSION OF DUE DATE FOR CHILD MENTAL HEALTH REPORT".

On page 225, line 10, of the Senate engrossed amendments, strike out "306" and insert the following: "305."

And the Senate agree to the same.

Amendment numbered 275: That the House recede from its disagreement to the amendment of the Senate numbered 275, and agree to the same with an amendment as follows: On page 225, lines 15 and 16, of the Senate engrossed amendments, strike out "INCENTIVE FOR ECONOMY WHILE MAINTAINING QUALITY OR IMPROVING THE PROVISION OF HEALTH SERVICES" and insert the following: "INCENTIVES FOR ECONOMY WHILE MAINTAINING OR IMPROVING QUALITY IN THE PROVISION OF HEALTH SERVICES"; and the Senate agree to the same.

Amendment numbered 276: That the House recede from its disagreement to the amendment of the Senate numbered 276, and agree to the same with an amendment as follows: Insert the matter proposed to be inserted by the Senate amendment, and on page 203, line 24, of the House engrossed bill, insert immediately after the period the following: "No experiment shall be engaged in or developed under subsection (a) until the Secretary obtains the advice and recommendations of specialists who are competent to evaluate the proposed experiment as to the soundness of its objectives, the possibilities of securing productive results, the adequacy of resources to conduct the proposed experiment, and its relationship to other similar experiments already completed or in process."

And the Senate agree to the same.

Amendment numbered 282: That the House recede from its disagreement to the amendment of the Senate numbered 282, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"STUDY OF RETIREMENT TEST AND OF DRUG STANDARDS AND COVERAGE

"SEC. 405. (a) The Secretary of Health, Education, and Welfare is authorized and directed to study (1) the existing retirement test and proposals for the modification of such test (including proposals for an increase in old-age insurance benefit amounts on account of delayed retirement), (2) quality and cost standards for drugs for which payments are made under the Social Security Act, and (3) the coverage of drugs under part B of title XVIII of such Act.

"(b) On or before January 1, 1969, the Secretary shall transmit to the President and the Congress a report which shall contain his findings of fact and any conclusions or recommendations he may have."

And the Senate agree to the same.

Amendment numbered 286: That the House recede from its disagreement to the amendment of the Senate numbered 286, and agree to the same with an amendment as follows: On page 231, line 15, of the Senate engrossed amendments, strike out "503" and insert the following: "501"; and the Senate agree to the same.

Amendment numbered 288: That the House recede from its disagreement to the amendment of the Senate numbered 288, and agree to the same with an amendment as follows: On page 239, line 4, of the Senate engrossed amendments, strike out "505" and insert the following: "502"; and the Senate agree to the same.

Amendment numbered 290: That the House recede from its disagreement to the amendment of the Senate numbered 290, and agree to the same with an amendment as follows: On page 242, line 5, of the Senate engrosssed amendments, strike out "507" and insert the following: "503"; and the Senate agree to the same.

Amendment numbered 294: That the House recede from its disagreement to the amendment of the Senate numbered 294, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"EXCLUSION FROM DEFINITION OF WAGES OF CERTAIN RETIREMENT, ETC., PAYMENTS UNDER EMPLOYER-ESTABLISHED PLANS

"SEC. 504. (a) Section 3121(a) of the Internal Revenue Code of 1954 (definition of wages) is amended by striking out 'or' at the end of paragraph (11), by striking out the period at the end of paragraph (12) and inserting in lieu thereof '; or', and by adding at the end thereof the following new paragraph:

"'(13) any payment or series of payments by an employer to an employee or any of his dependents which is paid—

"'(A) upon or after the termination of an employee's employment relationship because of (i) death, (ii) retirement for disability, or (iii) retirement after attaining an age specified in the plan referred to in subparagraph (B) or in a pension plan of the employer, and

"'(B) under a plan established by the employer which makes provision for his employees generally or a class or classes of his employees (or for such employees or class or classes of employees and their dependents), other than any such payment or series of payments which would have been paid if the employee's employment relationship had not been so terminated.'

"(b) Section 3306 (b) of such Code (definition of wages) is amended by striking out 'or' at the end of paragraph (8), by striking out the period at the end of paragraph (9) and inserting in lieu thereof '; or', and by adding at the end thereof the following new paragraph:

"'(10) any payment or series of payments by an employer to an employee or any of his dependents which is paid—

"'(A) upon or after the termination of an employee's employment relationship because of (i) death, (ii) retirement for disability, or (iii) retirement after attaining an age specified in the plan referred to in subparagraph (B) or in a pension plan of the employer, and

"'(B) under a plan established by the employer which makes provision for his employees generally or a class or classes of his employees (or for such employees or class or classes of employees and their dependents),

other than any such payment or series of payments which would have been paid if the employee's employment relationship had not been so terminated.'

"(c) Section 209 of the Social Security Act (definition of wages) is amended by striking out 'or' at the end of subsection (k), by striking out the period at the end of subsection (l) and inserting in lieu thereof '; or', and by inserting after subsection (l) the following new subsection:

"'(m) Any payment or series of payments by an employer to an employee or any of his dependents which is paid—

"'(1) upon or after the termination of an employee's employment relationship because of (A) death, (B) retirement for disability, or (C) retirement after attaining an age specified in the plan referred to in paragraph (2) or in a pension plan of the employer, and

"'(2) under a plan established by the employer which makes provision for his employees generally or a class or classes of his employees (or for such employees or class or classes of employees and their dependents), other than any such payment or series of payments which would have been paid if the employee's employment relationship had not been so terminated.'

"(d) The amendments made by this section shall apply with respect to remuneration paid after the date of the enactment of this Act."

And the Senate agree to the same.

W. D. MILLS,
CECIL R. KING,
HALE BOGGS,
FRANK M. KARSTEN,
A. SYDNEY HERLONG, Jr.,
JOHN W. BYRNES,
THOS. B. CURTIS,
JAMES B. UTT,
JACKSON E. BETTS,
Managers on the Part of the House.

RUSSELL LONG,
GEORGE A. SMATHERS,
CLINTON P. ANDERSON,
ALBERT GORE,
HERMAN TALMADGE,
JOHN J. WILLIAMS,
FRANK CARLSON,
CARL T. CURTIS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The following Senate amendments made technical, clerical, clarifying, or conforming changes: 1, 25, 26, 29, 30, 31, 32, 38, 49, 63, 64, 65, 66, 67, 68, 69, 70, 72, 73, 74, 75, 76, 81, 82, 83, 96, 97, 101, 102, 103, 104, 105, 106, 107, 108, 110, 111, 112, 113, 114, 115, 116, 117, 118, 120, 125, 127, 128, 129, 132, 133, 134, 135, 136, 137, 138, 139, 140, 148, 150, 151, 152, 156, 158, 159, 160, 161, 162, 163, 164, 165, 168, 169, 170, 171, 172, 177, 179, 180, 185, 187, 188, 192, 194, 196, 199, 202, 203, 204, 205, 206, 209, 210, 211, 215, 216, 218, 232, 252, 256, 264a, 265, 269, 274, 278, and 283.

With respect to these amendments (1) the House either recedes or recedes with amendments which are technical, clerical, clarifying, or conforming in nature; or (2) the Senate recedes in order to conform to other action agreed upon by the committee of conference.

BENEFIT AMOUNTS

Amendments Nos. 2 through 15: Section 101 of the House bill amended section 215(a) of the Social Security Act to provide a 12½ percent increase in benefits with a $50 minimum primary insurance amount through a new benefit table for determining primary insurance amounts and maximum family benefits (taking into account the $7,600 contribution and benefit base scheduled by section 108 of the House bill to be effective for years after 1967). This provision was to be effective beginning with the second month following the month of enactment.

Senate amendment No. 2 substituted for the benefit table in section 101 of the House bill a new table to provide a 15 percent increase in benefits with a $70 minimum primary insurance amount (taking into account the increases in the contribution and benefit base scheduled by Senate amendment No. 36—$8,000 for the year 1968, $8,800 for the years 1969 through 1971, and $10,800 for years after 1971).

Senate amendments Nos. 3 through 15 modified the effective date contained in the House bill to make the benefit increases effective beginning with March 1968. (The same modification, in the effective date of other provisions of the House bill involving OASDI benefits was made by Senate amendments 25, 26, 30, 96, 97, 103, 105, 107, 116, 135, 136, 138, 139.)

Under the conference agreement, section 215(a) of the Social Security Act is amended to provide a 13-percent increase in benefits with a $55 minimum primary insurance amount through a new benefit table for determining primary insurance amounts and maximum family benefits, taking into account the $7,800 contribution and benefit base scheduled under the conference agreement to be effective for years after 1967. The provision is effective for and after February 1968.

INCREASE IN BENEFITS FOR CERTAIN INDIVIDUALS AGE 72 AND OVER

Amendments Nos. 16 through 24: Section 102 of the House bill amended sections 227 and 228 of the Social Security Act to increase, from $35 for a single person and $17.50 for a spouse to $40 for a single person and $20 for a spouse, the amounts of the special payments provided for certain individuals age 72 and older who have no coverage or whose coverage is insufficient to qualify for regular benefits.

The Senate amendments modified the House bill to provide for an increase in the amounts of the special payments to $50 for a single person and $25 for a spouse.

The Senate recedes.

BENEFITS FOR DISABLED WIDOWS AND WIDOWERS

Amendment No. 27: Section 104 of the House bill amended title II of the Social Security Act to provide benefits for disabled widows and widowers age 50 or over, with benefits ranging from 50 percent to 82½ percent of the spouse's primary insurance amount depending on the age at which benefits begin. No trial work period was provided. (A special test of disability for widows and widowers was set forth in section 156 of the bill.)

The Senate amendment modified section 104 of the House bill to provide benefits for disabled widows and widowers at any age. In addition, payment would be made at the full widow's and widower's benefit rate of 82½ percent of the spouse's primary insurance amount, and a trial work period would be provided. (The special test of disability was eliminated by amendment No. 109, so that the definition in present law would apply to widows and widowers as well as to others whose benefits depend upon disability.)

The Senate recedes with a technical amendment.

REDUCED BENEFITS AT AGE 60

Amendment No. 28: The Senate amendment added to the House bill a new section (105), amending section 202 of the Social Security Act to provide for payment of reduced old-age, wife's, husband's, widower's, and parent's insurance benefits beginning at age 60. The old-age benefit would be reduced by ⅚ths of one percent for each month for which the worker takes the benefit while under age 65, and the widower's or parent's benefit (like widow's benefits under existing law) would be reduced by the same percentage for each month for which the benefit is taken while under age 62; the wife's or husband's insurance benefit would be reduced by $\frac{25}{36}$ths of one percent for each month for which the benefit is taken before age 65. (Under existing law, old-age benefits are payable in full at age 65 or on the basis of a ⅚ths reduction at age 62; wife's and husband's benefits are payable in full at age 65 or on the basis of a $\frac{25}{36}$ths reduction at age 62; and widower's and parent's benefits are payable in full at age 62 with no earlier entitlement provided.)

The Senate recedes.

LIBERALIZATION OF EARNINGS TEST

Amendments Nos. 33 and 34: Under the existing provisions of section 203 of the Social Security Act, if a beneficiary earns $1,500 or less in a year, no benefits will be withheld; if he earns more than $1,500 in a year, $1 in benefits will be withheld for each $2 of earnings between $1,500 and $2,700, and $1 in benefits will be withheld for each $1 of earnings above $2,700. Also, no benefit will be withheld for any month in which the beneficiary earns $125 or less in wages and does not engage in self-employment.

Section 107 of the House bill amended section 203 of the Social Security Act to increase the annual $1,500 and $2,700 cut-off points to $1,680 and $2,880, respectively, and the $125 monthly figure to $140.

The Senate amendments modified section 107 of the House bill so that the annual cut-off points are increased to $2,400 and $3,600, and the monthly figure is increased to $200.

The Senate recedes.

INCREASE IN CONTRIBUTION AND BENEFIT BASE

Amendments Nos. 35 and 36: Section 108 of the House bill amended title II of the Social Security Act and the Internal Revenue Code of 1954 to increase the earnings counted for benefit and tax purposes to $7,600, beginning with 1968.

Under the Senate amendments, the earnings counted for benefit and tax purposes were increased to $8,000 in 1968, $8,800 in 1969 through 1971, and $10,800 beginning with 1972.

Under the conference agreement, the amount of earnings counted for benefit and tax purposes is increased to $7,800, beginning with 1968.

CHANGES IN TAX SCHEDULE

Amendment No. 37: The following table shows the tax schedule in the House bill and that in the Senate bill:

CONTRIBUTION RATES FOR EMPLOYEES AND EMPLOYERS, EACH

[In percent]

Year	House bill			Senate bill		
	OASDI	HI	Total	OASDI	HI	Total
1967	3.9	0.5	4.4	3.9	0.5	4.4
1968	3.9	.5	4.4	3.8	.6	4.4
1969–70	4.2	.6	4.8	4.2	.6	4.8
1971–72	4.6	.6	5.2	4.6	.6	5.2
1973–75	5.0	.65	5.65	5.0	.65	5.65
1976–79	5.0	.7	5.7	5.05	.65	5.7
1980–86	5.0	.8	5.8	5.05	.75	5.8
1987 and after	5.0	.9	5.9	5.05	.75	5.8

CONTRIBUTION RATES FOR THE SELF-EMPLOYED

[In percent]

Year	OASDI	House bill HI	Total	OASDI	Senate bill HI	Total
1967	5.9	0.5	6.4	5.9	0.5	6.4
1968	5.9	.5	6.4	5.8	.6	6.4
1969-70	6.3	.6	6.9	6.3	.6	6.9
1971-72	6.9	.6	7.5	6.9	.6	7.5
1973-75	7.0	.65	7.65	7.0	.65	7.65
1976-79	7.0	.7	7.7	7.0	.65	7.65
1980-86	7.0	.8	7.8	7.0	.75	7.75
1987 and after	7.0	.9	7.9	7.0	.75	7.75

The conference agreement provides the following tax schedule:

[In percent]

	Employers and employees, each			Self-employed		
	OASDI	HI	Total	OASDI	HI	Total
1967	3.9	0.5	4.4	5.9	0.5	6.4
1968	3.8	.6	4.4	5.8	.6	6.4
1969-70	4.2	.6	4.8	6.3	.6	6.9
1971-72	4.6	.6	5.2	6.9	.6	7.5
1973-75	5.0	.65	5.65	7.0	.65	7.65
1976-79	5.0	.7	5.7	7.0	.7	7.7
1980-86	5.0	.8	5.8	7.0	.8	7.8
1987 and after	5.0	.9	5.9	7.0	.9	7.9

EXTENSION OF RETROACTIVITY OF DISABILITY APPLICATIONS FOR FREEZE PURPOSES WHERE FAILURE TO MAKE TIMELY APPLICATION IS DUE TO INCOMPETENCY

Amendment No. 39: Under existing law, an application to establish a period of disability must be filed no later than 12 months after the end of the period of disability. The Senate amendment added to the House bill a new section (112), amending section 216(i) of the Social Security Act to extend the time for filing an effective application to establish a closed period of disability (for disability freeze purposes only) for an additional 24 months—to a total of 36 months—in certain cases where it is shown to the satisfaction of the Secretary of Health, Education, and Welfare that the disabled individual's failure to file within the prescribed period is due to his mental or physical incapacity to execute such an application.

The House recedes with a technical amendment.

MARRIAGE OF A CHILD WHO IS A FULL-TIME STUDENT

Amendment No. 40: The Senate amendment added to the House bill a new section (113), amending section 202(d) of the Social Security Act to provide that a child's benefits will not stop when the child marries if and for as long as the child is a full-time student (and is otherwise entitled to benefits) and, in the case of a girl, her husband is also a full-time student. A child whose benefits stop because of marriage may subsequently (if otherwise entitled, and upon making a new application) become reentitled to such benefits if he becomes a full-time student (or, in the case of a girl, if both she and her husband become full-time students).

The Senate recedes.

BENEFITS FOR CERTAIN CHILDREN ADOPTED BY DISABLED WORKERS

Amendment No. 41: The Senate amendment added to the House bill a new section (114), amending section 202(d)(9) of the Social Security Act to provide that benefits can be paid to the legally adopted child of a worker entitled to disability benefits (or to old-age benefits after having been entitled to disability benefits) if the adoption took place under the supervision of a child-placing agency and was decreed by a court of competent jurisdiction in the United States, the worker had continuously resided in the United States for at least one year prior to the date of adoption, and the child was under the age of 18 on the date of the adoption, regardless of when the adoption occurred. (Under present law the adoption, even if other conditions are met, must have taken place within 2 years of the time the worker became entitled to disability benefits.)

The House recedes with technical amendments.

BENEFITS FOR MOTHERS OF CERTAIN FULL-TIME STUDENTS

Amendment No. 42: The Senate amendment added to the House bill a new section (114a), amending section 202(s) of the Social Security Act to provide that a wife or mother otherwise qualified may receive benefits on the basis of having an entitled child in her care, where the child is between 18 and 22 and is only entitled to child's benefits because he is a full-time student, if the school at which the child is a student is an elementary or secondary school. (Under existing law, a wife or mother can be entitled to benefits on the basis of having a child in her care only if the child is entitled to child's benefits because he is under 18 or is disabled—she cannot qualify on the basis of a child who is entitled only because he is a student, regardless of the level of the school at which he is enrolled.)

The Senate recedes.

STUDY OF DELAYED RETIREMENT INCREMENT

Amendment No. 43: The Senate amendment added to the House bill a new section (114b) to require the Social Security Administration to make a study with respect to the feasibility of providing increased old-age insurance benefit amounts for people who delay their retirement and may continue to work after age 65, and to report its findings to the Congress.

The Senate recedes (but the substance of the provision is included in section 405 of the bill—see Amendment No. 282).

COVERAGE OF MINISTERS

Amendments Nos. 44, 45, 46, and 47: Under existing law, the services which a clergyman (including a Christian Science practitioner or a member of a religious order who has not taken a vow of poverty) performs in the exercise of his ministry are excluded from coverage unless the clergyman elects coverage by filing a waiver certificate within a prescribed period; if he makes the election his services in his ministry are covered under the provisions of law applicable to self-employed persons. A member of a religious order who has taken a vow of poverty may not make such an election; his services are compulsorily excluded from coverage.

Section 115 of the House bill amended section 211(c) of the Social Security Act and section 1402 (c) and (e) of the Internal Revenue Code of 1954 to provide that the services performed in the exercise of his profession by a minister, a Christian Science practitioner, or any member of a religious order (including a member who has taken a vow of poverty) are to be covered under the provisions of law applicable to the self-employed unless he obtains an exemption from social security taxes (and coverage) by filing within a prescribed period (under the revised section 1402(e) of the Code) an application for exemption, together with a statement that he is conscientiously opposed to the acceptance (with respect to his professional service) of any public insurance such as social security; a clergyman who had elected coverage under existing law could not secure an exemption, and an exemption from coverage would be irrevocable.

Senate amendments Nos. 44, 45, and 46 added language providing that members of religious orders who have taken a vow of poverty are compulsorily excluded from coverage, as under present law, and need not file any application to secure the exemption. Senate amendment No. 47 provided an additional basis for the exemption from social security taxes (and coverage); clergymen opposed to the acceptance of public insurance on grounds of religious principle (in addition to those conscientiously opposed as provided in the House bill) may secure the exemption.

The House recedes.

STATE AND LOCAL DIVIDED RETIREMENT SYSTEMS

Amendment No. 48: The Senate amendment added to section 116 of the House bill a new subsection (d), amending section 218(d)(6)(F) of the Social Security Act so as to grant an additional opportunity, through 1969, for the election of social security coverage by members of State and local government retirement systems who did not elect coverage when they previously had the opportunity to do so under the divided retirement system procedure, which permits certain States to cover only those current members of a retirement system who desire coverage.

The House recedes.

COVERAGE OF POLICEMEN AND FIREMEN IN PUERTO RICO AND CERTAIN FIREMEN IN NEBRASKA

Amendment No. 50: The Senate amendment added to the House bill a new section (119), amending section 218(p) of the Social Security Act to add Puerto Rico to the list of States which may, if they so desire, provide social security coverage for policemen and firemen in positions under State or local retirement systems. The Senate amendment also included a provision validating amounts erroneously reported for past services performed by certain firemen employed by political subdivisions in Nebraska, if amounts representing social security taxes were erroneously paid in good faith and no refund has been obtained.

The House recedes with a technical amendment.

COVERAGE OF FIREMEN IN STATES NOT SPECIFICALLY LISTED

Amendment No. 51: The Senate amendment added to the House bill a new section (120), amending section 218(p) of the Social Security Act to allow social security coverage to be extended to firemen under a State or local retirement system in a State not designated by name (in section 218(p)) as one which is permitted to cover policemen and firemen, if the Governor of the State certifies that the overall benefit protection of the group of firemen which would be brought under social security coverage would be improved by reason of the extension of coverage to the group. Coverage could be extended under this provision only after a favorable referendum in which no person other than a fireman could vote.

The House recedes with a technical amendment.

COVERAGE OF ERRONEOUSLY REPORTED WAGES FOR FORMER STATE OR LOCAL GOVERNMENT EMPLOYEES

Amendment No. 52: The Senate amendment added to the House bill a new section (121), amending section 218(f) of the Social Security Act to permit a State, when it provides retroactive coverage for a coverage group under a modification of the State's agreement, to specify that whatever retroactive coverage is provided for the current employees of the coverage group will also be provided for former employees with respect to whose earnings amounts representing social security taxes had been erroneously paid in good faith to the Secretary of the Treasury. The retroactive coverage would not apply to any former employee for whom a refund of taxes had been made.

The House recedes with a technical amendment.

COVERAGE OF FEES OF STATE AND LOCAL GOVERNMENT EMPLOYEES AS SELF-EMPLOYMENT INCOME

Amendment No. 53: The Senate amendment added to the House bill a new section (122), amending section 211(c) of the Social Security Act and section 1402(c) of the Internal Revenue Code of 1954 to provide that fees received after 1967 by employees of State or local governments in positions compensated solely on a fee basis and not covered under a State social security agreement will be covered under the self-employment provisions; however, any person in a fee-basis position in 1968 may elect irrevocably (before the due date of his tax return for 1968) not to have the amendment apply to him—i.e., not to have his fees covered under the self-employment provisions. The Senate amendment also added to section 218 of the Social Security Act a new subsection (u) under which any future modification of a State's agreement may cover services in positions compensated solely on a fee basis only if the modification specifically includes such services as covered, and under which a State may remove such services from coverage under the agreement.

The House recedes with a technical amendment.

FAMILY EMPLOYMENT IN A PRIVATE HOME

Amendment No. 54: The Senate amendment added to the House bill a new section (123), amending section 210(a)(3)(B) of the Social Security Act and section 3121(b)(3)(B) of the Internal Revenue Code of 1954 to extend social security coverage, beginning after 1967, to domestic service in a private home of the employer performed by an individual in the employ of his son or daughter, provided that certain conditions are met. The service in any calendar quarter would be covered only if the employer has living in his home a son, daughter, stepson, or stepdaughter who is under age 18 or whose mental or physical condition requires the personal care and supervision of an adult for at least 4 continuous weeks in the quarter, and the employer either is widowed or divorced (and has not remarried) or has a spouse living in the home who, because of a mental or physical condition, is incapable of caring for the employer's son, daughter, stepson, or stepdaughter for at least 4 continuous weeks in the quarter.

The House recedes with technical amendments.

EMPLOYEES OF THE MASSACHUSETTS TURNPIKE AUTHORITY

Amendment No. 55: The Senate amendment added to the House bill a new section (124), giving the Secretary of Health, Education, and Welfare authority to permit the State of Massachusetts, under such conditions as he deems appropriate, to remove the employees of the Massachusetts Turnpike Authority from social security coverage before the expiration of 2 years after giving advance notice to the Secretary, with the provision that if the employees are thus removed from coverage the State cannot again extend coverage to employees of the Authority.

The House recedes with technical amendments.

METHOD OF PAYMENT TO PHYSICIANS UNDER THE SUPPLEMENTARY MEDICAL INSURANCE PROGRAM

Amendments Nos. 56, 57, 58, 59, and 60: The House bill amended section 1842(b)(3)(B) of the Social Security Act to provide, in addition to the present receipted bill and assignment methods of payment for physicians' services, an alternative method, effective with respect to bills received after December 31, 1967, under which a physician or other person providing the service could receive payment on the basis of an itemized bill if such bill is submitted in the form and manner and within the time specified by regulation and if the full charge does not exceed the reasonable charge for the service. Under the alternative method payment could be made to the patient if payment is not made to the person providing the service for the reason that the charge exceeds the reasonable charge, the person providing the service does not submit the bill as provided for by regulation, or such person directs that payment be made to the patient. The House bill also provided, with respect to bills received after December 31, 1967, that requests for payment under the supplementary medical insurance program for services reimbursable on a reasonable charge basis must be filed no later than the close of the calendar year after the year in which the service is furnished (service furnished in the last 3 months of a calendar year is deemed to have been furnished in the succeeding calendar year).

The Senate amendments changed present law, effective with respect to claims on which a final determination has not been made on or before the date of enactment, by eliminating the receipted bill method of payment (payment by the patient required before reimbursement) and by providing that payment can be made either to the patient on the basis of an itemized bill (either receipted or unpaid) or to the physician under the assignment method. The Senate amendments retained the House bill provision which establishes the calendar year limitation for filing medical insurance claims, but made such limitation applicable to bills submitted and requests for payment made on or after April 1, 1968.

The House recedes.

PODIATRISTS

Amendment No. 61: The House bill amended section 1861(r) of the Social Security Act to include within the definition of "physician" a doctor of podiatry or surgical chiropody, but only with respect to functions which he is legally authorized to perform as such by the State in which he performs them. Under the House bill a doctor of podiatry would not be considered a "physician" for purposes of sections 1814(a) and 1835 (relating to certification and recertification of medical necessity under parts A and B of title XVIII) and section 1861(k) (relating to utilization review). Certain services performed by a podiatrist were also excluded for purposes of payment under the hospital and medical insurance programs.

The Senate amendment provided, in addition to those restrictions in the House provision, that a podiatrist would not be considered to be a "physician" for the purposes of subsection (j) (relating to extended care facilities), subsection (m) (relating to home health services), and subsection (o) (relating to home health agencies) of section 1861.

The House recedes.

EXCLUSION OF CERTAIN SERVICES EXCEPT WITH REGARD TO PROSTHETIC LENSES

Amendment No. 62: Section 128 of the House bill amended section 1862(a)(7) of the Social Security Act, which provides that no payment may be made under title XVIII for expenses incurred for routine physical checkups, eyeglasses, eye examinations for the purpose of prescribing, fitting, or changing eyeglasses, or hearing aids or examinations therefor, by adding a provision that no payment may be made for expenses incurred for procedures performed (during the course of any eye examination) to determine the refractive state of the eyes.

The Senate amendment provided that the exclusion added by the House bill is not to apply with respect to expenses incurred for procedures performed in connection with furnishing prosthetic lenses.

The Senate recedes.

TRANSFER OF ALL OUTPATIENT HOSPITAL SERVICES TO SUPPLEMENTARY MEDICAL INSURANCE PROGRAM

Amendment No. 71: Section 129 of the House bill amended the appropriate sections in title XVIII of the Social Security Act to place coverage of all outpatient hospital services in the supplementary medical insurance program.

The Senate amendment made the provisions of the House bill applicable with respect to services furnished after March 31, 1968, rather than December 31, 1967, except that the elimination of the physician certification requirement with respect to outpatient hospital diagnostic services would apply to services furnished after the date of the enactment of the bill.

The House recedes.

PAYMENT FOR PHYSICAL THERAPY SERVICES FURNISHED TO OUTPATIENTS

Amendment No. 77: Section 133 of the House bill amended section 1861(s)(2) of the Social Security Act to provide supplementary medical insurance coverage of physical therapy furnished to an outpatient, in a residence used as the patient's home, by a hospital or by others under arrangements with the hospital, if such therapy is under the supervision of such hospital. This provision would apply with respect to services furnished after December 31, 1967.

The Senate amendment provided coverage for outpatient physical therapy services furnished by physical therapists employed by or under an agreement with, and under the supervision of, hospitals and other providers of services as well as approved clinics or rehabilitation centers, and local public health agencies that meet standards established by the Secretary of Health, Education, and Welfare relating to health and safety. The patient would not have to be homebound for the physical therapy services to be covered. Payment would be made for such services only when furnished in accordance with a plan, established and periodically reviewed by a physician, that would prescribe the type of physical therapy services to be provided and the amount and duration of such services. The Senate amendment would apply with respect to services furnished after June 30, 1968.

The House recedes with a technical amendment.

BLOOD DEDUCTIBLES

Amendments Nos. 78 and 79: Section 135 of the House bill amended sections 1813(a)(2) (as redesignated by the bill) and 1866(a)(2)(c) of the Social Security Act to provide that equivalent quantities of packed red blood cells shall be treated as blood under the hospital insurance program, and that a patient would have to replace 2 pints of blood for the first pint of blood received (rather than 1 pint as under present law) for purposes of the 3-pint deductible. The House bill also amended section 1833(b) by establishing a 3-pint deductible requirement with respect to blood (or equivalent quantities of packed cells) furnished to an individual during a calendar year under the supplementary medical insurance program.

The Senate amendments deleted the requirement in the House bill that the patient replace, for purposes of the 3-pint deductible, 2 pints of blood for the first pint of blood received.

The House recedes.

EXTENSION BY 60 DAYS DURING INDIVIDUAL'S LIFETIME OF MAXIMUM DURATION OF BENEFITS FOR INPATIENT HOSPITAL SERVICES

Amendment No. 80: Section 137 of the House bill amended section 1812 (a) (1) and (b) (1) of the Social Security Act to provide a maximum of 120 days (rather than 90) of inpatient hospital services for an individual during any spell of illness, and amended section 1813(a) (1) of the act to provide that the amount payable for such services for each day before the 121st day and after the 90th day of a spell of illness will be reduced by a coinsurance amount equal to one-half of the inpatient hospital deductible determined under section 1813(b). (The inpatient hospital deductible is currently established at $40.)

The Senate amendments provided an individual with a lifetime reserve of 60 days of additional coverage for inpatient hospital care for use after he has exhausted the 90 days of hospital services to which he is entitled during any spell of illness. The coinsurance amount for each such additional day of coverage would equal one-fourth of the inpatient hospital deductible determined under section 1813(b).

The conference agreement contains the Senate provision for a lifetime reserve of 60 additional days, but applies the House provision for a coinsurance amount equal to one-half of the inpatient hospital deductible.

METHOD OF DETERMINING REASONABLE COST FOR PROVIDERS OF SERVICES

Amendment No. 84: The Senate amendment added to the House bill a new section (142) amending section 1861(v) (1) of the Social Security Act by providing that the regulations prescribed by the Secretary of Health, Education, and Welfare for determining the reasonable cost of services under title XVIII shall give a provider of services the option of having the cost of covered services determined on a per diem basis (per diem costs prevailing in a community for comparable quality and levels of services would be taken into account in determining such per diem basis). Cost of services would otherwise be determined on the basis of a per unit, per capita, or other basis insuring the provider reasonable cost reimbursement.

The Senate recedes with the understanding on the part of the conferees for both the Senate and the House that this action is not to be taken as a final decision or prejudgment respecting the issue of reimbursing providers of service under the medicare program by alternative methods to those now employed. Such decisions should not be made until such time as adequate data concerning the actual cost of benefits furnished to medicare beneficiaries have been obtained and made available to Congress. At the present time such data have not been compiled since the actual costs incurred by providers for services furnished to medicare recipients during the first fiscal year of operation of the program have not been finally determined. The Department of Health, Education, and Welfare has been directed to furnish such data to the Committee on Ways and Means and the Committee on Finance as soon as it is available.

ALLOWANCE FOR DEPRECIATION AND INTEREST IN DETERMINING REASONABLE COST UNDER TITLES V, XVIII, AND XIX

Amendment No. 85: The Senate amendment added to the House bill a new section (143) providing that the Secretary of Health, Education, and Welfare would take into account any disapproval by State agencies carrying on planning under the Partnership for Health Act of expenditures (made after June 30, 1970, or an earlier date at the request of a State) by hospitals or other health facilities for substantial capital items. Depreciation and interest attributable to substantial capital items found not in accordance with a State's overall plan would not be includible as a part of the "reasonable cost" of covered services provided to individuals under titles V, XVIII, and XIX.

The Senate recedes.

STATE AGREEMENTS FOR COVERAGE UNDER THE HOSPITAL INSURANCE PROGRAM FOR THE AGED

Amendment No. 86: The Senate amendment added to the House bill a new section (144), adding a new section 1818 to the Social Security Act permitting a State to enter into an agreement with the Secretary of Health, Education, and Welfare for the provision of hospital insurance coverage beginning April 1, 1968, for State and local employees, retired or active (and their dependents and survivors), age 65 or over who do not otherwise qualify for medicare hospital insurance protection. A State would reimburse the Federal Hospital Insurance Trust Fund for the actual costs of benefits paid and administrative expenses incurred with respect to these persons. An agreement (either in its entirety or with respect to any one or more coverage groups) could be terminated if the Secretary finds that the State concerned is no longer legally able to comply with the provisions of the agreement. A State may also, at its option, terminate such an agreement.

The Senate recedes.

PROVISIONS FOR BENEFITS UNDER PART A OF TITLE XVIII OF THE SOCIAL SECURITY ACT FOR PATIENTS ADMITTED PRIOR TO 1968 TO CERTAIN HOSPITALS

Amendment No. 87: The Senate amendment added to the House bill a new section (145), providing that payment may be made, on the basis of an itemized bill, to an individual entitled to hospital insurance benefits for inpatient hospital services furnished after June 30, 1966, in certain nonparticipating hospitals as a result of admissions occurring before January 1, 1968. The hospital must be licensed as a hospital, have full-time nursing services, and be primarily engaged in providing medical care under the supervision of a doctor of medicine or osteopathy. Application for reimbursement under this provision would have to be filed before January 1, 1969, and payment would be limited to 60 percent of room and board charges and 80 percent of hospital ancillary charges for up to 90 days in each spell of illness (subject to cost-sharing provisions in present law) if the hospital formally participates in the hospital insurance program before January 1, 1969, and applies its utilization review plan to the services furnished such individual. If the hospital does not participate before January 1, 1969, payment under this provision would be limited to 20 days in each spell of illness.

The House recedes with technical amendments.

PAYMENT FOR EMERGENCY HOSPITAL SERVICES

Amendment No. 88: The Senate amendment added to the House bill a new section (146), amending section 1861(a) of the Social Security Act to redefine, effective July 1, 1966, the term "hospital" (for purposes of paying for emergency hospital services) to mean an institution which must be licensed as a hospital, have full-time nursing services, and be primarily engaged in providing medical care under the supervision of a doctor of medicine or osteopathy. The requirements under present law with respect to clinical records, medical staff bylaws, and care of patient by a physician are eliminated. The Senate amendment also provided that if the hospital does not bill for emergency hospital services, the patient could be paid 60 percent of the room and board charges and 80 percent of the hospital ancillary charges (or, if the hospital does not make separate charges for routine and ancillary services, two-thirds of the hospital's reasonable charges), subject to deductible and other existing limitations, with respect to hospital admissions occurring after December 31, 1967.

The House recedes with technical amendments.

PAYMENT FOR CERTAIN SERVICES FURNISHED OUTSIDE THE UNITED STATES

Amendment No. 89: The Senate amendment added to the House bill a new section (147), amending section 1814(f) of the Social Security Act to permit, effective with admissions occurring after March 31, 1968, direct payment of hospital insurance benefits to a resident of the United States for up to 20 days of inpatient hospital services furnished in a country contiguous to the United States by a hospital which is not more than 50 miles from the border of the continental United States. For nonemergency care, the hospital would have to be the nearest suitable one to the patient's residence. Payment would also be made for emergency inpatient services furnished in a foreign hospital within 50 miles of the United States border if the hospital was the closest one suitable for treatment and the emergency necessitating such services occurred no more than 50 miles outside the United States. Benefits would be payable only on the basis of a request for payment by an individual entitled to hospital insurance benefits and only if the foreign hospital met standards that are essentially comparable to those required of hospitals participating under the program in the United States. Subject to appropriate deductibles and other limitations, the amount payable under this provision would be equal to 60 percent of the hospital's reasonable charges for routine services in the room occupied by the individual or in semiprivate accommodations, whichever is less, plus 80 percent of the hospital's reasonable charges for ancillary services, or, if separate charges for routine and ancillary services are not made by such hospital, reimbursement may be made to the patient on the basis of two-thirds of the hospital's reasonable charges but not to exceed the charges that would have been made if the patient had occupied semiprivate accommodations.

The Senate recedes with the understanding that the Departments of Health, Education, and Welfare and State will explore, and report to the Committees on Ways and Means and Finance, the feasibility of entering into reciprocal agreements and arrangements with neighboring nations designed to make medicare benefits available to U.S. citizens who receive necessary hospital care in such nations.

PAYMENT UNDER SUPPLEMENTARY MEDICAL INSURANCE PROGRAM FOR CERTAIN INPATIENT ANCILLARY SERVICES

Amendment No. 90: The Senate amendment added to the House bill a new section (148), amending section 1861(s) of the Social Security Act to permit, effective April 1, 1968, payment under the medical insurance program for certain ancillary hospital and extended care facility services, principally X-ray and laboratory services, furnished to inpatients who cannot qualify for payments under the hospital insurance program—for example, in cases where hospital patients have exhausted their eligibility under the hospital insurance program, or when extended care facility patients have not met the 3-day hospitalization requirement.

The House recedes with a technical amendment.

GENERAL ENROLLMENT PERIOD UNDER SUPPLEMENTARY MEDICAL INSURANCE PROGRAM

Amendment No. 91: The Senate amendment added to the House bill a new section (149), providing that the general enrollment periods for the supplementary medical insurance program would be placed (beginning with 1969) on an annual rather than a biennial basis, and run from January 1 through March 31, rather than from October 1 through December 31 as under present law. The Secretary would determine and promulgate during December of each year the premium rate for the program which would be applicable for the 12-month period beginning on the following July 1 and would be required to issue a public statement setting forth the actuarial assumptions and other bases upon which he arrived at such rate. Under the Senate amendment persons wishing to disenroll could do so at any time, but such disenrollment would not take effect until the close of the calendar quarter following the quarter in which the notice of disenrollment was filed. The amendment would also substitute a one-time late enrollment charge (up to 3 additional monthly premiums) for the 10 percent premium increase in section 1839(c) of the Social Security Act for those who delay their enrollment in the program, and would modify section 1837(b)(1) to provide that no individual may enroll for the first time under the program unless he does so in a general enrollment period which begins within 3 years after the close of the first enrollment period during which he could have so enrolled.

The House recedes with an amendment providing for the retention of the percentage premium increase provision in present law for those who delay enrollment, and the deletion of the late enrollment charge in the Senate bill.

ELIMINATION OF SPECIAL REDUCTION IN ALLOWABLE DAYS OF INPATIENT HOSPITAL SERVICES FOR PATIENTS IN TUBERCULOSIS HOSPITALS

Amendment No. 92: Section 138 of the House bill provided that the limitation in section 1812(c) of the Social Security Act on payment of hospital insurance benefits during the first spell of illness for an individual who is an inpatient of a psychiatric or tuberculosis hospital at the time he first becomes eligible for benefits under the hospital insurance program would not be applicable to benefits for services in a general hospital if such services are not primarily for the diagnosis or treatment of mental illness or tuberculosis.

The Senate amendment changed the provisions of the House bill by eliminating the provision in present law under which days spent in a tuberculosis hospital by an individual immediately before his initial entitlement to hospital insurance reduced the days of inpatient hospital coverage for which he is eligible, after entitlement, during his first spell of illness. The Senate amendment would provide that no reduction would occur in such individual's hospital insurance coverage, after initial entitlement, during his first spell of illness, regardless of whether he receives inpatient services in a tuberculosis or general hospital. The Senate amendment retained the House provision with respect to inpatients of psychiatric hospitals.

The House recedes with a technical amendment.

INCLUSION OF OPTOMETRISTS' SERVICES UNDER SUPPLEMENTARY MEDICAL INSURANCE PROGRAM

Amendment No. 93: The Senate amendment added to the definition of "physician" in section 1861(r) of the Social Security Act a doctor of optometry but only for the purpose of including his services as medical and other health services covered under the supplementary medical insurance program and only with respect to functions he is authorized to perform by the State in which he practices. The Senate provision also added to section 1862(a) of the Act (relating to items and services excluded from coverage under title XVIII) expenses for an optometrist's services in connection with the detection of eye diseases, or for his referral of an individual to a physician (as presently defined in the act) arising from such services.

The Senate recedes.

INCLUSION OF CHIROPRACTORS' SERVICES UNDER SUPPLEMENTARY MEDICAL INSURANCE PROGRAM

Amendment No. 94: The Senate amendment added to the definition of "physician" in section 1861(r) of the Social Security Act a licensed chiropractor but only for the purpose of including his services as medical and other health services covered under the supplementary medical insurance program and only with respect to functions he is legally authorized to perform by the State in which he practices.

The Senate recedes.

INCLUSION OF PSYCHOLOGISTS' SERVICES UNDER SUPPLEMENTARY MEDICAL INSURANCE PROGRAM

Amendment No. 95: The Senate amendment added to the definition of "physician" in section 1861(r) of the Social Security Act a licensed or certified psychologist but only for the purpose of including his services as a medical and other health service covered under the supplementary medical insurance program and only with respect to functions which he is legally authorized to perform by the State in which he practices.

The Senate recedes.

OVERPAYMENTS

Amendment No. 98: The Senate amendment added to the House bill a new section (152), amending section 204(a) of the Social Security Act to direct the Secretary of Health, Education, and Welfare to recover benefits overpaid to an individual by withholding benefits payable to him or his estate or to any other person entitled to benefits on the same earnings record, or by requiring a refund from him or his estate, or by any combination of these. A beneficiary who is liable for repayment of an overpayment, whether the overpayment was made to him or to another person, would qualify for waiver of recovery of the overpaid amount if he is without fault and meets the other conditions prescribed in the law. (Underpayments would be paid to the underpaid beneficiary, or, if he has died, to other persons in accordance with section 204(d) of the Act as amended by the bill (see Senate amendment No. 100).)

The House recedes with a technical amendment.

BENEFITS PAID ON THE BASIS OF ERRONEOUS REPORTS OF DEATH IN MILITARY SERVICE

Amendment No. 99: The Senate amendment added to the House bill a new section (153), further amending section 204(a) of the Social Security Act to make benefits paid on the basis of an official report of the death of an active-duty serviceman in line of duty, issued by the Department of Defense, lawful payments even though it is later determined that the serviceman is still alive.

The House recedes with a technical amendment.

UNDERPAYMENTS

Amendment No. 100: Section 152 of the House bill amended section 204(d) of the Social Security Act to provide that cash benefits due a beneficiary at the time of his death are to be paid in the following order or priority:

(1) To his surviving spouse entitled to benefits on the same earnings record as he was, or

(2) to his child or children (in equal parts) entitled on that earnings record, or

(3) to his parent or parents (in equal parts) entitled on that earnings record, or

(4) to the legal representative or his estate, or

(5) to his surviving spouse not entitled to benefits on the same earnings record as he was, or

(6) to his child or children (in equal parts) not entitled on that earnings record.

If none of these persons exist, no payment would be made.

Section 152 of the House bill also amended section 1870 of the Act to provide that unpaid medical insurance benefits are to be settled as follows: Where a beneficiary who has received services for which payment is due him dies, and the bill for such services has been paid but reimbursement under the medical insurance program has not been made, payment of the medical insurance benefits would be made to the person who paid the bill. If payment could not be made to that person, payment would be made to the legal representative of the deceased beneficiary's estate, if there is one—otherwise to relatives of the deceased individual in the following order of priority:

(1) To his surviving spouse living with him at the time of his death, or

(2) to his surviving spouse entitled to benefits on the same earnings records as he was, or

(3) to his child or children (in equal parts).

If none of these persons exist, no payment would be made.

A further provision, not affected by the Senate amendment, authorized the Secretary to settle claims for unpaid medical insurance benefits, in cases where the bill for covered services had not been paid, by making payment to the physician or other person who provided the services, but only if such physician (or other person) agrees to accept the reasonable charge for the services as his full charge.

The Senate amendment modified section 152 of the House bill to provide the following uniform order of priority for both cash benefits and medical insurance benefits due after the beneficiary's death (except that any medical insurance benefits would of course be paid first to the person who paid for the services involved, or, if that person is the deceased beneficiary himself, to the legal representative of his estate if there is one):

(1) To the surviving spouse of the deceased individual if she was either living with him at the time of his death or entitled to benefits on the same earnings record as he was, or

(2) to his child or children (in equal parts) entitled to benefits on that earnings record, or

(3) to his parent or parents (in equal parts) entitled on that earnings record, or

(4) to his surviving spouse if she was neither living with him nor entitled to benefits on that earnings record, or

(5) to his child or children not entitled on that earnings record, or

(6) to his parent or parents not entitled on that earnings record, or

(7) to the legal representative of his estate, if any, or

(8) to any person or persons related to him by blood, marriage, or adoption who may be determined by the Secretary to be the proper person or persons to receive the payment due.

The House recedes with amendments (1) directing payment of supplementary medical insurance benefits to the person who paid the bill for the services involved (ahead of all the other categories) even though the payment of such bill occurred after the beneficiary's death, and (2) eliminating the Senate provision which authorized payment of benefits to persons related to the beneficiary by blood, marriage, or adoption where there is no one to pay in any of the first seven categories.

DEFINITION OF DISABILITY

Amendment No. 109: Under existing law, the term "disability" is defined in general as inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last at least 12 months.

Section 156 of the House bill amended section 223 (and related provisions) of the Social Security Act so as to clarify the definition by providing guidelines emphasizing the role of medical standards in determining disability so that an individual is not to be considered under a "disability" unless his impairment is of such severity that he is not only unable to do his previous work but cannot (considering his age, education, and work experience) engage in any other kind of substantial gainful work which exists in the national economy, regardless of whether such work exists in the general area where he lives, or whether a specific job vacancy exists for him or he would be hired if he applied for work. The Secretary of Health, Education, and Welfare is directed to establish criteria which are to be conclusive for determining when work or earnings demonstrate ability to engage in substantial gainful activity. Section 156 also provided a more restrictive definition of disability for disabled widows and widowers than exists in present law for disabled workers; a widow or widower would not be found to be under a disability unless his or her impairments are of a level of severity deemed sufficient to preclude an individual from engaging in any gainful activity (see discussion of Senate amendment No. 27).

The Senate amendment struck out of the House bill the language clarifying the definition of disability, retaining only a technical change, and also eliminated the more restrictive definition applicable to widows and widowers.

The conference agreement contains substantially the provision of the House bill, but includes language designed to clarify the meaning of the phrase "work which exists in the national economy". This language puts into the statute the same meaning of the phrase that was expressed in the reports of both committees. Under the added language, "work which exists in the national economy" means work that exists in significant numbers in the region in which the individual lives or in several regions in the country. The purpose of so defining the phrase is to preclude from the disability determination consideration of a type or types of jobs that exist only in very limited number or in relatively few geographic locations in order to assure that an individual is not denied benefits on the basis of the presence in the economy of isolated jobs he could do.

AMENDMENT TO COMPLY WITH TREATY OBLIGATIONS

Amendment No. 119: The Senate amendment added to the House bill a new section (162), amending sections 228(a) and 1836 of the Social Security Act and section 103(a) of the Social Security Amendments of 1965. Under the Senate amendment, the present 5-year residence requirements that uninsured aliens must meet in order to qualify for hospital insurance benefits or special age-72 cash payments, or to be eligible to participate in the supplementary medical insurance program, will not apply to any individual when their application would be contrary to present treaty obligations of the United States.

The Senate recedes.

EFFECTIVE DATE OF LIMITATION ON PAYMENT OF BENEFITS TO ALIENS OUTSIDE THE UNITED STATES

Amendment Nos. 121, 122, and 123: Section 160 of the House bill amended section 202(t) of the Social Security Act to provide that the present 40-quarters-of-coverage and 10-years-residence exceptions to the provision requiring the withholding of benefits from aliens outside the United States are not to apply to aliens who are citizens of a country that has a social insurance or pension system of general applicability under which benefits are denied to otherwise eligible Americans while they are outside of that country, or who are citizens of a country that does not have such a system if at any time during a specified 5-year period benefits to individuals in that country cannot be paid because of the Treasury ban on payments to Communist-controlled countries. This change was made applicable for and after the sixth month following enactment.

Section 160 of the House bill also prohibited payment of any benefits *for months after enactment* which are withheld on account of the Treasury ban, and provides that past benefits withheld (*through the month of enactment*) may not be paid, if and when the ban ends, in excess of the last 12 months' benefits or to anyone other than the beneficiary or a survivor entitled to benefits on the same earnings record.

The Senate amendment modified section 160 of the House bill to delay the effective dates of these provisions until December 31, 1968.

The conference agreement delays the effective dates of these provisions only until June 30, 1968.

SPECIAL PROVISION IN THE CASE OF CERTAIN CHILDREN

Amendment No. 124: Section 161 of the House bill amended section 203(a) of the Social Security Act to provide that benefits payable to illegitimate children whose entitlement to benefits derives from section 216(h)(3) of the Act as added by the 1965 Amendments may not exceed the difference between the total amount payable to other persons on the same wage record and the family maximum amount.

The Senate amendment modified section 161 of the House bill (1) to provide that where benefits payable on the effective date of the 1965 Amendments were reduced because such a child became entitled to benefits under the provision added by the 1965 Amendments, the benefits will no longer (after February 1968) be so reduced, and (2) to permit the provisions of present law to continue to apply in the case of children who became entitled under section 216(h)(3) after the effective date of the 1965 Amendments or become so entitled in the future.

The conference agreement incorporates in substance the Senate amendment with respect to those on the benefit rolls in the month of enactment and retains the House provision with respect to children becoming entitled to benefits in the future. It also makes appropriate adjustment in effective dates and qualifications to assure their proper coordination.

ADVISORY COUNCIL ON SOCIAL SECURITY

Amendment No. 126: Section 163 of the House bill amended section 706 of the Social Security Act to provide that an Advisory Council on Social Security is to be appointed in February 1969 and in February of every fourth year thereafter (instead of "during 1968 and every fifth year thereafter" as in existing law), and that each such Council is to report no later than January 1 of the year following the year of its appointment. (Section 163 also provided that the Chairman of each such Council is to be appointed by the Secretary; under existing law the Commissioner of Social Security serves as Chairman.)

The Senate amendment modified section 163 of the House bill to provide that the Advisory Council appointed in 1969 and every fourth year thereafter is to be appointed at any time after January 31 rather than "during February" as in the House bill, and will have until the first day of the *second* year following the year of its appointment (as in existing law) to make its report including any interim reports it might have issued.

The House recedes with a technical amendment.

DISCLOSURE TO COURTS OF THE WHEREABOUTS OF CERTAIN INDIVIDUALS

Amendment Nos. 130 and 131: Section 166 of the House bill provided that, upon request, the Secretary of Health, Education, and Welfare is to furnish an appropriate court with the most recent address of a deserting father (or his employer) if the court requests the information in connection with a support or maintenance order for a child.

The Senate amendment modified section 166 of the House bill so as to assure that information regarding the runaway parent's whereabouts will also be available to courts in interstate support or maintenance proceedings.

The House recedes.

EXPEDITED BENEFIT PAYMENTS

Amendment No. 141: The Senate amendment added to the House bill a new section (172), amending section 205 of the Social Security Act to provide for expedited payment of claims for monthly benefits on the basis of a written request filed under specified conditions in certain cases where an individual alleges that a benefit due him was not paid.

The House recedes with a technical amendment.

STUDY OF PROPOSED LEGISLATION

Amendment No. 142: The Senate amendment added to the House bill a new section (173), directing the Secretary of Health, Education, and Welfare to study and report to the Congress, on or before January 1, 1969, the effects (including the savings which might accrue to the Government and the effects on the health professions and on all elements of the drug industry) which might result from enactment of two proposals relating to drugs: (1) a proposal to cover qualified drugs under the supplementary medical insurance program, and (2) a proposal to establish, utilizing a formulary committee, quality and cost control standards for drugs provided under the various Federal-State assistance programs and the hospital insurance program.

The Senate recedes (but a somewhat similar provision is included in section 405 of the bill—see amendment No. 282).

DISABILITY INSURANCE BENEFITS FOR THE BLIND; DEFINITION OF BLINDNESS

Amendment No. 143: The Senate amendment added to the House bill a new section (174), amending section 223 (and related provisions) of the Social Security Act to provide that for purposes of both disability insurance benefits and the disability freeze the term "disability" includes blindness (as defined by the amendment) regardless of whether or not the individual involved can engage (or is engaging) in substantial gainful activity, and also to provide that an individual whose disability is blindness (as so defined) is insured for disability insurance benefits for any month if he had not less than 6 quarters of coverage before the quarter in which such month occurs; such an individual would continue to receive his disability insurance benefits after attaining age 65. (Existing law generally requires an individual to be fully insured and to have 20 quarters of coverage in the 40 quarters ending with the quarter in which the disability begins, with a limited relaxation of the latter requirement in certain cases involving blindness.) The term "blindness" is redefined to mean central visual acuity of 20/200 or less in the better eye, or visual acuity better than 20/200 if accompanied by a limitation of the field of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees.

The conference agreement contains the liberalized definition of blindness, but omits the other provisions of the Senate amendment.

CHILD'S INSURANCE BENEFITS WHERE DISABILITY BEGAN BETWEEN 18 AND 22

Amendment No. 144: The Senate amendment added to the House bill a new section (175), amending section 202 of the Social Security Act to permit a child to become entitled to child's insurance benefits on the basis of a disability which began at any time before age 22 (rather than only on the basis of a disability which began before age 18, as required under present law).

The Senate recedes.

ATTORNEYS' FEES

Amendment No. 145: The Senate amendment added to the House bill a new section (176), amending section 206(a) of the Social Security Act to authorize the Secretary of Health, Education, and Welfare to certify payment of attorneys' fees for services rendered in administrative proceedings from past-due benefits of a successful claimant. The amount of the fee so certified in any case would be the smaller of: (A) 25 percent of the total past-due benefits, (B) the amount of the attorney's fee fixed by the Secretary, or (C) the amount agreed upon between the claimant and the attorney.

The House recedes with a technical amendment.

PROGRAMS OF SERVICES FURNISHED TO FAMILIES WITH DEPENDENT CHILDREN

Amendments 146, 147, 149, 153, 157, and 166: Section 201 of the House bill amended title IV of the Social Security Act to require that services be provided under State AFDC plans to assure to the maximum extent possible that children and other family members will enter the labor force so that they will become self-sufficient and for the purpose of reducing the number of births out of wedlock including the offer of family planning services in all appropriate cases and otherwise strengthening family life. The House bill also strengthens services relating to the establishment of paternity, securing support and other specific services. (As under present law, States can secure Federal participation in other services if they choose to provide them.)

The Senate amendments generally accept the provisions of the House bill, appropriately adjusted to reflect the transfer of most of the responsibility for employability services to the Secretary of Labor. They also broaden the provision in existing law which requires a program of services for children so as to include other family members under the State plan. The program is to include any needed child-welfare services, and any other services needed for preserving, rehabilitating, reuniting, or strengthening the family and services that will assist members of the family toward maximum self-support and personal independence.

The House recedes with amendments which are largely of a technical or conforming nature.

STATE AND LOCAL SINGLE ORGANIZATIONAL UNIT PROVIDING SERVICES UNDER FAMILY PROGRAMS

Amendments Nos. 154, 155, and 167: Section 402(a)(15) of the Social Security Act under section 201(a)(1) of the House bill, required that where the programs of services furnished to families with dependent children are developed and the services provided by the staff of the State or local agency administering the State AFDC plan, the provision of the services must be the responsibility of a single organizational unit in such State or local agency.

Senate amendments Nos. 154 and 155 modified the provisions of the House bill so as to eliminate the single-unit requirement in the case of a local agency while retaining the requirement in cases where it is the State agency that develops and implements the program of services. Senate amendment No. 167 modified section 201(g) of the House bill to provide that if on enactment the State agency responsible for the State AFDC plan is different from the State agency responsible for the State's child-welfare services plan, the requirement for a single organizational unit would not apply for so long as such agencies are different. (See also Senate amendments Nos. 250 through 253.)

The conference agreement retains the House provision requiring a single organizational unit in a local agency as well as in a State agency; it retains the provisions of Senate amendment No. 167 waiving the single organizational unit requirement in cases where at time of enactment the two State agencies involved are different, and in addition provides a similar waiver for local agencies in cases where at time of enactment the two local agencies involved in a political subdivision are different.

EARNINGS EXEMPTIONS FOR PUBLIC ASSISTANCE RECIPIENTS

Amendments Nos. 173, 174, 175, and 176: Section 202(b) of the House bill amended section 402(a) of the Social Security Act to require each State under its AFDC plan to exempt all of the earnings of recipients who are under age 16, or who are age 16 to 21 if they are in full-time school attendance, and to exempt the first $30 of the total of the monthly earnings of the family plus one-third of the remainder of the earnings of the family (including children age 16–21 not in school, the caretaker relative, and any other individual living in the home and taken into account in the determination of need).

Senate amendments Nos. 173 and 174 modified the House bill to provide that all of the earnings of any child receiving AFDC are to be exempted only if the child is a full-time student or a part-time student who is not a full-time employee. Senate amendments Nos. 175 and 176 increased the amount to be exempted from the first $30 of total monthly earnings plus one-third of the remainder to the first $50 of total monthly earnings plus one-half of the remainder. The amendments would become effective July 1, 1969, but a State could put them into effect at any time after December 31, 1967.

The House recedes on amendments Nos. 173 and 174, and the Senate recedes on amendments Nos. 175 and 176.

With respect to amendment No. 174, the House recedes with the understanding that in order to qualify for the earnings exemption a part-time student must have a school schedule that is equal to at least one-half of a full-time curriculum.

EXEMPTION OF SUPPORT CONTRIBUTIONS AS EARNED INCOME OF RECIPIENTS OF AFDC

Amendment No. 178: The Senate amendment added to section 402(a)(8) of the Social Security Act, as amended by section 202 of the House bill, a provision that contributions by an absent parent under a court order for the support of a dependent child receiving AFDC are to be considered as earned income for purposes of determining need and the amount of the assistance payment, subject to the earnings exemptions provided in the bill (see Senate amendments Nos. 173 through 176).

The Senate recedes.

EXEMPTION OF EARNINGS UNDER OLD AGE ASSISTANCE AND AID TO THE PERMANENTLY AND TOTALLY DISABLED

Amendments Nos. 181, 182, 183, and 184: Senate amendments Nos. 181, 182, and 183 added to section 202 of the House bill provisions amending sections 2(a), 1402(a), and 1602(a) of the Social Security Act to apply the same provisions for exemption of earned income that are incorporated in title IV—i.e., the first $50 plus one-half of the remainder (under Senate amendments Nos. 175 and 176)—to persons receiving aid or assistance under titles I, XIV, and XVI of the Act. Senate amendment No. 184 modified section 202(d) of the House bill to apply to the determination of need under titles I, X, XIV, XVI, and XIX of the Act the requirement (applicable only to AFDC under the House bill) that States disregard any earned income exemptions which may be provided by other laws.

The Senate recedes on amendments Nos. 181, 182, and 183. The conference agreement contains the provision added by amendment No. 184, with amendments conforming to the Senate recession on the preceding amendments and making the provision effective July 1, 1968.

UNEMPLOYED FATHERS UNDER AFDC

Amendments Nos. 186, 189, 190, 191, 193, and 195: Section 407 of the Social Security Act, as amended by section 203(a) of the House bill, defined an unemployed father (for purposes of determining the eligibility of his children for AFDC) so as to exclude fathers who do not have 6 or more quarters of work in any 13-calendar-quarter period ending within one year prior to the application for aid, and fathers who receive (or are qualified to receive) any unemployment compensation under State law.

The Senate amendments removed these exclusions, and restored the provision of present law under which a State may at its option wholly or partly deny AFDC for any month where the father receives unemployment compensation during the month. (The Senate amendments also removed certain work or training requirements in order to conform with amendments No. 198, and modified the effective date provisions of the House bill.)

The Senate recedes (except on the conforming amendments and effective date provisions).

MANDATORY PROVISION OF AID TO CHILDREN IN NEED BECAUSE OF FATHER'S UNEMPLOYMENT

Amendment No. 197: The Senate amendment added to section 203 of the House bill a new subsection (c), amending section 402 (a) of the Social Security Act to require an approved State plan for AFDC to provide, effective July 1, 1969, for assistance to children in need because of the unemployment of their father as provided in section 407 of the Act. (Section 407 itself, under both the House bill and Senate amendments Nos. 185 through 196, simply gives the States the option of extending their AFDC programs to include these children.)

The Senate recedes.

WORK INCENTIVE PROGRAMS FOR RECIPIENTS OF AFDC

Amendment No. 198: Section 204 of the House bill provided for a community work and training program for all appropriate adults and older children receiving AFDC, to be administered by the welfare agencies. Participation by an individual in the program would be a condition of that individual's eligibility for aid; and if a relative refused without good cause to participate, aid for the children would be denied or if provided would be limited to protective or vendor payments or payments for foster care.

The Senate amendment substituted for the House bill's community work and training program a new work incentive program to be administered by the Department of Labor for AFDC recipients referred by welfare agencies. Those referred would be assigned to regular employment, institutional or work-experience training, or subsidized special work projects, depending upon their experience and qualifications; certain classes of persons for whom any referral would be inappropriate are specifically enumerated. Persons assigned to regular employment would qualify for the earnings exemption provided by section 202 of the bill; and an incentive training allowance of up to $20 a week would be provided for those assigned to training programs. If an individual refused without good cause (as determined by the Secretary of Labor) to accept work or training, AFDC payments on behalf of the dependent children to such individual would not terminate, and such individual's needs could continue to be taken into account for 60 days if he received counseling during that period (but his grant would have to be paid in the form of protective or vendor payments). Mothers or other relatives could not be required to participate in a work program necessitating their absence from home during times when the children are not attending school. Recipients under the District of Columbia's special program of temporary assistance for unemployed parents would be treated the same as recipients of AFDC under a regular unemployed parents program.

The conference agreement contains the provisions of the Senate amendment, with amendments (1) changing the incentive training allowance from $20 a week to $30 a month, (2) decreasing the Federal share from 90 to 80 percent of the costs of carrying out the program, (3) eliminating mothers and other relatives who care for pre-school children or children under 16 attending school from the specified classes of persons for whom referral under the program is declared to be inappropriate, (4) removing the provision which would have allowed the States, under criteria established by the Secretary, to set up other exclusions (the conferees believe that the language which allows the States to define the term "appropriate" gives sufficient flexibility to the States to determine who should be referred to the work incentive program), and (5) providing that if a relative refuses without good cause to accept work or training, AFDC payments on behalf of the dependent children must be made in the form of protective or vendor payments or payments for foster care.

It is the understanding and clear intent of the conferees that the Department of Labor functions in this program will be carried out through the system of State employment service offices.

The conferees noted that the agreed-upon bill contains provisions requiring the Secretary of Labor to make an annual report (the first one due July 1, 1970) on the program, and that the Secretary of Health, Education, and Welfare is to make similar reports (also beginning on July 1, 1970) on programs of the States furnishing services designed to make it possible for AFDC recipients to take work or training. The conferees intend to watch very closely the administration of this program and the emerging experience gained under it.

At the request of the conferees, the Department of Labor furnished its estimates, based upon the provisions of the bill agreed to by the conference committee, concerning expenditures for work and training activities under the program, the numbers of persons who could be trained and located in employment, and reductions in Federal expenditures under the AFDC program which will result from these activities. These estimates are shown in the following table furnished by the Department of Labor.

WORK-TRAINING IMPACT

Fiscal year	Work-training expenses (millions)	Federal AFDC reduction due to training (millions)	Trainees (thousands)[1]	Full-time job placements after training (thousands)
1968	$30	----------	27	----------
1969	[2] 129	−$11	110	13
1970	165	−63	150	55
1971	209	−145	190	75
1972	308	−257	280	95
Total	841	−476	757	238

[1] Does not include recipients on priority III work projects.

[2] Includes $8,000,000 1-year cost for priority III work projects (for public agencies).

FEDERAL PARTICIPATION IN PAYMENTS FOR FOSTER CARE OF CERTAIN DEPENDENT CHILDREN

Amendments Nos. 200 and 201: Section 205 of the House bill amended title IV of the Social Security Act to authorize Federal participation in payments for foster care of certain dependent children under the AFDC program to the extent that such payments do not exceed an average of $100 per month, effective with respect to foster care provided after September 1967.

Senate amendment No. 200 reduced this figure to $50, and Senate amendment No. 201 made the provision effective with respect to foster care provided after December 1967.

The Senate recedes on amendment No. 200, and the House recedes on amendment No. 201.

EMERGENCY ASSISTANCE FOR CERTAIN NEEDY FAMILIES WITH CHILDREN

Amendments Nos. 207, 208, and 212: Section 206 of the House bill amended title IV of the Social Security Act to provide that the Federal Government will participate in State expenditures under a program for emergency assistance to certain needy families with children which is furnished for not more than 30 days in any 12-month period.

Senate amendment No. 207 extended to 60 days in any 12-month period the period for which Federal sharing as provided in the House bill may be available. Senate amendment No. 208 excluded from such Federal sharing expenditures for children whose destitution or need for living arrangements arose because the child or the caretaker relative refused without good cause to accept employment or training for employment. Senate amendment No. 212 added a provision making it clear that the emergency assistance so authorized may be provided to migrant workers with families in the State or in a part or parts of the State designated by the State.

The Senate recedes on amendment No. 207, and the House recedes on amendments Nos. 208 and 212.

PROTECTIVE AND VENDOR PAYMENTS WITH RESPECT TO DEPENDENT CHILDREN

Amendment No. 213: Section 207 of the House bill, which authorized Federal sharing under the AFDC program in vendor payments made directly to a person furnishing goods and services as well as in protective payments made to another individual who is interested in or concerned with the welfare of the child or caretaker relative, struck out the provision of present law limiting the number of individuals receiving protective payments who may be included as AFDC recipients for any month to 5 percent of the number of other AFDC recipients for the month.

The Senate amendment retained the limit (which would now apply to vendor payments as well as protective payments) but increased it from 5 to 10 percent. The Senate amendment also eliminated the House provision for the inclusion of protective and vendor payments as AFDC without regard to certain specified conditions in cases where the child or caretaker relative refuses without good cause to accept employment or training.

The conference agreement contains the Senate provision retaining the limit and increasing it from 5 to 10 percent, but excludes from the computation of the 10 percent any individuals with respect to whom protective or vendor payments are required because of refusal without good cause to accept work or training.

LIMITATION ON NUMBER OF CHILDREN WITH RESPECT TO WHOM FEDERAL PAYMENTS MAY BE MADE

Amendment No. 214: Section 208 of the House bill amended section 403 of the Social Security Act to provide that the number of children receiving AFDC with Federal financial participation in any State for any quarter after 1967 because of the absence of a parent from the home may not represent a proportion of the total under-21 population of the State at the beginning of the year involved which is larger than the corresponding proportion for the first quarter of 1967.

The Senate amendment removed this limitation from the bill.

The conference agreement includes the House provision, but bases the limitation on the number of children under 18 receiving aid as compared to the total under-18 population of the State instead of taking into account children up to 21, uses the first quarter of 1968 instead of the first quarter of 1967 as the base quarter for purposes of the comparison, and makes the limitation effective after June 30, 1968, instead of after December 31, 1967.

FEDERAL PARTICIPATION IN PAYMENTS FOR REPAIRS TO HOMES OWNED BY RECIPIENTS OF AID OR ASSISTANCE

Amendments Nos. 217, 219, and 220: Section 209 of the House bill added to title XI of the Social Security Act a new section 1119, authorizing 50-percent Federal financial participation under specified conditions in expenditures not in excess of $500 for repairs to a home owned by an aged, blind, or permanently and totally disabled recipient of aid or assistance under title I, X, XIV, or XVI of the Act.

The Senate amendment extended this provision to include the same Federal financial participation in home repair expenditures for recipients of AFDC under title IV of the Act.

The House recedes.

USE OF SUBPROFESSIONAL STAFF AND VOLUNTEERS IN PROVIDING SERVICES TO INDIVIDUALS APPLYING FOR AND RECEIVING ASSISTANCE

Amendment No. 221: The Senate amendment added to the House bill a new section (209), amending sections 2, 402, 1002, 1402, 1602, and 1902 of the Social Security Act to require each State plan for public assistance under title I, X, XIV, XVI, and XIX, and part A of title IV, to provide for the training and use of paid subprofessional staff as community aides in the administration of the plans, and for the use of nonpaid or partially-paid volunteers in a social service volunteer program in providing services to recipients and assisting advisory committees. (For a similar requirement under other programs, see Senate amendments Nos. 249 and 271.)

The House recedes with a technical amendment.

SIMPLICITY OF ADMINISTRATION

Amendment No. 222: The Senate amendment added to the House bill a new section (210), amending sections 2, 402, 1002, 1402, and 1602 of the Social Security Act to require that a State's methods of administering its State plans approved under titles I, X, XIV, and XVI, and part A of title IV, be such as to assure that eligibility for and the extent of aid or assistance under the plans will be determined in a manner consistent with simplicity of administration and the best interests of the recipients.

The Senate recedes.

LOCATION OF CERTAIN PARENTS WHO DESERT OR ABANDON DEPENDENT CHILDREN; ESTABLISHMENT AND COLLECTION OF LIABILITY TO THE UNITED STATES

Amendment No. 223: The Senate amendment added to the House bill a new section (211), amending title IV of the Social Security Act and chapter 64 of the Internal Revenue Code of 1954 to require that State plans for AFDC provide for the use of certain procedures for obtaining information through the files of the Department of Health, Education, and Welfare and the Internal Revenue Service and for the use of such information in the location of a parent against whom a court order has been issued or a petition filed for an order for the support of his children receiving aid; to require inter-

State cooperation in securing compliance with a court order issued against a deserting parent; and to establish a procedure under which a deserting parent could become liable to the United States for the Federal share of the AFDC payments made for his children, or, if lower (for any unpaid portion of such a support order) which would be subject to collection by the Secretary of the Treasury.

The conference agreement contains the provisions of the Senate amendment on obtaining information for use in locating parents and on securing compliance with court support orders, but omits the provisions relating to the establishment and collection of liability to the United States.

PROVISION OF SERVICES BY OTHERS THAN A STATE

Amendment No. 224: The Senate amendment added to the House bill a new section (212), amending sections 3(a), 1003(a), 1403(a), and 1603(a) of the Social Security Act to permit the Secretary to make exceptions from the usual requirement that services (under a State plan approved under title I, X, XIV, or XVI of the Act) be obtained only from the State or local agency administering the plan or from certain other designated State agencies, in order to authorize the purchase of such services from other agencies and persons. (Section 201(d) of the House bill, which was not changed in substance by the Senate amendments, amended section 403(a) of the Act to provide that, except to the extent specified by the Secretary, child-welfare services, family planning services, and family services under a State plan for AFDC approved under title IV of the Act may be obtained from sources other than the designated State and local agencies.)

The House recedes with a technical amendment.

INCREASING INCOME OF RECIPIENTS OF ASSISTANCE

Amendment No. 225: The Senate amendment added to the House bill a new section (213), amending sections 2, 1002, 1402, and 1602 of the Social Security Act (effective July 1, 1968) to require each State to adjust its standards for determining need, the extent of its aid or assistance, and the maximum amount of the aid or assistance payable under its plans approved under titles I, X, XIV, and XVI so that the total aid or assistance and other income per recipient will be no less than $7.50 per month above the total aid or assistance and other income per recipient under the standards and maximums applicable on December 31, 1966 (or on June 30, 1966, in the case of States with statutory cost-of-living adjustments). The new section also amended section 402(a) of the Act to require that by July 1, 1969, and annually thereafter, each State (under its plan for AFDC approved under title IV) must adjust its standards so as to reflect current living costs and make proportionate adjustments in any maximums on the amount of aid.

Under the conference substitute, each State (under its plans approved under titles I, X, XIV, and XVI) would be authorized to disregard up to $7.50 per month (instead of $5 as under present law) of any income of a recipient, in addition to any amounts which the State agency is otherwise authorized to disregard. Under the agreement, the new section 402(a) provision (for adjustments to reflect living costs) would require State to make only one adjustment before July 1, 1969, after which date the provision would not apply.

LIMITATION ON FEDERAL PARTICIPATION IN MEDICAL ASSISTANCE

Amendment No. 226: Section 220 of the House bill amended section 1903 of the Social Security Act to limit Federal financial participation in medical assistance in any State to expenditures for families whose income does not exceed a level equal to 133⅓ percent of the AFDC title IV payment level, or in the alternative (if lower) 133⅓ percent of the State's per capita income applied to a family of four. (For the period July–December 1968, the percentages are 150, and for the calendar year 1969, 140 in the case of States whose plan was approved before July 26, 1967.)

The Senate amendment modified section 220 of the House bill to set the limiting income level at 150 percent of the old-age assistance (title I or XVI) standard, and reduced the Federal matching share in expenditures for the medically indigent to the square of the fraction equivalent to the Federal medical assistance percentage. (The income limit would be effective July 1, 1968, and the reduced Federal share on July 1, 1969, except in the case of Puerto Rico, Guam, and the Virgin Islands.)

The Senate recedes with amendments (1) exempting needy persons receiving or eligible for cash aid or assistance from the limitation, and (2) eliminating the alternative limitation based on the State's per capita income.

MAINTENANCE OF STATE EFFORT

Amendments Nos. 227, 228, 229, and 230: Section 221 of the House bill amended section 1117 of the Social Security Act to give States additional alternatives for measuring State effort under the provisions designed to assure that States maintain their fiscal effort after new Federal funds become available during a period expiring July 1, 1969.

The Senate amendments modified section 221 of the House bill by advancing the expiration date of the section 1117 period to June 30, 1968. They also amended section 1117 so that its provisions are applicable to quarters beginning after June 30, 1966, rather than after December 31, 1965.

The House recedes.

EXTENSION OF TIME TO MODIFY SECTION 1843 AGREEMENTS TO COVER SOCIAL SECURITY AND RAILROAD RETIREMENT BENEFICIARIES

Amendment No. 231: The Senate amendment modified section 222 of the House bill (relating to coordination of title XIX and the supplementary medical insurance program) to extend from January 1, 1968, to January 1, 1970, the period within which a State may request a modification of its agreement under section 1843 of the Social Security Act so as to cover under such agreement individuals (otherwise eligible) who are entitled to social security or railroad retirement benefits.

The House recedes.

REQUIRED SERVICES UNDER STATE MEDICAL ASSISTANCE PLAN

Amendment No. 233: Section 224 of the House bill amended section 1902(a)(13) of the Social Security Act to permit a State, as an alternative to providing the basic 5 items of services required under present law, to provide any 7 of the first 14 services listed in the law (section 1905(a) of the Act).

The Senate amendment modified section 224 of the House bill to require the States to continue to provide the basic 5 services for all money payment recipients; for the medically indigent, States would be allowed to select either the basic 5 or any 7 out of the first 14 services listed, except that if nursing home or hospital care services are selected a State must also provide physician's services in these institutions. After July 1, 1970, home health services would have to be provided to assistance recipients eligible for skilled nursing home care. The Senate amendment also required a State medical assistance plan to provide for the payment of the reasonable cost (under section 1861(v)(1)) of inpatient hospital services, and, effective July 1, 1970, of extended care (skilled nursing home and intermediate care facility) services and home health care services provided under the plan. (Present law requires the payment of reasonable cost only in the case of inpatient hospital services.)

The conference agreement contains the Senate provisions except those requiring payment of reasonable costs for extended care and home health services. It is the judgment of the managers for the House that adequate information concerning actual costs in this area is not yet available and that the method of making payment for such costs should not be changed until such information has been obtained.

FREE CHOICE BY INDIVIDUALS ELIGIBLE FOR MEDICAL ASSISTANCE

Amendments Nos. 234 and 235: Section 227 of the House bill amended section 1902(a) of the Social Security Act to assure that any individual eligible for medical assistance will be free to obtain such assistance from the qualified institution, agency, or person of his choice.

The Senate amendments modified the House provision to include community pharmacies and drugs among the providers and services with respect to which free choice is assured. (See also Senate amendment No. 295.)

The House recedes.

DIRECT PAYMENTS TO CERTAIN RECIPIENTS OF MEDICAL ASSISTANCE

Amendment No. 236: Section 230 of the House bill amended section 1905(a) of the Social Security Act to permit States to make direct payments to recipients of medical assistance to meet the cost of physicians' services to individuals not receiving cash assistance.

The Senate amendment modified section 230 of the House bill to permit States to include dentists' as well as physicians' services and to include cash assistance recipients as well as medically needy persons, under safeguards prescribed by the Secretary to assure quality and reasonableness of charge.

The conference substitute contains the Senate provision including dentists as well as physicians under the direct payment procedure, but omits the Senate provision extending the procedure to cash assistance recipients and providing for prescribed safeguards.

OBSERVANCE OF RELIGIOUS BELIEFS

Amendment No. 237: The Senate amendment added to the House bill a new section (232), providing (in a new section 1907 of the Social Security Act) that no individual will be compelled by reason of anything in title XIX to undergo medical screening, examination, diagnosis, treatment, or other care which is contrary to his religious beliefs (other than for the purpose of discovering or preventing the spread of infection or contagious disease or for the purpose of protecting environmental health).

The House recedes.

COVERAGE UNDER TITLE XIX OF CERTAIN SPOUSES OF INDIVIDUALS RECEIVING CASH WELFARE AID OR ASSISTANCE

Amendment No. 238: The Senate amendment added to the House bill a new section (233), amending section 1905(a) of the Social Security Act to permit a State to make medical assistance available under title XIX to the spouse of a recipient of cash assistance under title I, X, XIV, or XVI if the State determines that the spouse is essential to the well-being of the cash recipient.

The House recedes.

INSPECTION OF RECORDS AND PREMISES OF PROVIDERS OF CARE AND SERVICES UNDER PUBLIC ASSISTANCE AND MEDICAL ASSISTANCE

Amendment No. 239: The Senate amendment added to the House bill a new section (234), amending sections 2(a), 402(a), 1002(a), 1402(a), 1602(a), and 1902(a) of the Social Security Act to require State plans (approved under titles I, IV, X, XIV, XVI, and XIX) to provide for agreements with providers of medical care and services giving the General Accounting Office and the Department of Health, Education, and Welfare such access to the records and premises of the providers as may be necessary to assure that proper payments are being made under the plan and otherwise to carry out the purposes of the program involved.

The Senate recedes.

STANDARDS FOR SKILLED NURSING HOMES FURNISHING SERVICES UNDER STATE PLANS APPROVED UNDER TITLE XIX

Amendment No. 240: The Senate amendment added to the House bill a new section (234a), amending section 1902(a) of the Social Security Act to require State plans for medical assistance under title XIX to provide for a regular program of professional medical review and periodic inspection with respect to care furnished title XIX patients in skilled nursing homes and mental hospitals, and to provide that skilled nursing homes receiving payments under title XIX meet certain conditions including requirements pertaining to health care, environment, sanitation, and fire and safety. All persons and institutions providing services under the title XIX plan must agree to keep appropriate records and furnish the State agency with information. Assistance payments with Federal participation could not be made after June 30, 1968, to homes not meeting States' requirements for licensure.

The House recedes with a technical amendment.

COST SHARING AND SIMILAR CHARGES WITH RESPECT TO INPATIENT HOSPITAL SERVICES FURNISHED UNDER TITLE XIX

Amendment No. 241: Under existing law States may not impose any deductibles or cost-sharing with respect to inpatient hospital services provided under the medical assistance program. The Senate amendment added to the House bill a new section (234(b)), amending section 1902(a) of the Social Security Act to permit a State to impose deductibles or cost-sharing with respect to inpatient hospital services received by the medically needy (but, as under present law, not with respect to services received by money payment recipients). It also removed the requirement that the full cost of deductibles under the hospital insurance program (title XVIII(A)) be met under the title XIX medical assistance program.

The House recedes with technical amendments.

STATE PLAN REQUIREMENTS REGARDING LICENSING OF ADMINISTRATORS OF SKILLED NURSING HOMES FURNISHING SERVICES UNDER STATE PLANS APPROVED UNDER TITLE XIX

Amendment No. 242: The Senate amendment added to the House bill a new section (234c), amending title XIX of the Social Security Act to require State plans for medical assistance to include a State program which meets specified conditions for the licensing of administrators of nursing homes. Administrators who did not qualify initially would have until July 1, 1972, to qualify, and the States would be required to offer programs of training to assist administrators to qualify.

The House recedes with technical amendments.

UTILIZATION AND COST OF CARE AND SERVICES FURNISHED UNDER TITLE XIX

Amendment No. 243: The Senate amendment added to the House bill a new section (234d), amending section 1902(a) of the Social Security Act to require an approved State plan for medical assistance under title XIX to provide such methods and procedures relating to the utilization of and payment for care and services under the plan as may be necessary to safeguard against unnecessary utilization of such care and services.

The conference agreement contains the Senate provision, and adds a requirement that methods and procedures must also be provided to assure that payments (including payments for any drugs provided under the plan) are not in excess of reasonable charges consistent with efficiency, economy, and quality of care. It is the understanding of the conferees for the House that this provision does not authorize price fixing of drugs by the Secretary of Health, Education, and Welfare.

DIFFERENCES IN STANDARDS WITH RESPECT TO INCOME ELIGIBILITY UNDER TITLE XIX

Amendment No. 244: The Senate amendment added to the House bill a new section (234e), amending section 1902(a)(17) of the Act to require a State's plan for medical assistance under title XIX to provide for flexibility in the application of its standards for determining eligibility for and the extent of medical assistance in the case of medically needy individuals, by establishing differences in income levels which recognize variations in shelter costs between urban and rural areas.

The House recedes with an amendment to allow, rather than require, States to establish such differences.

CHILD-WELFARE SERVICES APPROPRIATION

Amendments Nos. 245 and 246: Section 420 of the Social Security Act, as added by section 235(c) of the House bill, authorized the appropriation for child-welfare services of $100,000,000 for the fiscal year ending June 30, 1969, and $110,000,000 for each fiscal year thereafter.

The Senate amendment increased these authorizations to $125,000,000 for the fiscal year ending June 30, 1969, and $160,000,000 for each fiscal year thereafter.

The Senate recedes.

DAY CARE STANDARDS APPLICABLE TO AFDC CHILDREN

Amendment No. 247: Section 422(a) of the Social Security Act, as added by section 235(c) of the House bill, included certain requirements with respect to day care services provided under the State's plan for child-welfare services.

The Senate amendment modified the House bill to make these requirements applicable to all day care services provided under title IV of the Act—i.e., to services provided under the AFDC program as well as those provided under the child-welfare services program.

The House recedes.

PARENT INVOLVEMENT IN DAY CARE

Amendment No. 248: The Senate amendment modified section 422(a) of the Social Security Act, as added by section 235(c) of the House bill, to include a requirement that a plan for day care services under title IV of the Social Security Act provide for the development and implementation of arrangements for the more effective involvement of the parent or parents in the appropriate care of the child and the improvement of the health and development of the child.

The House recedes.

USE OF SUBPROFESSIONAL STAFF AND VOLUNTEERS

Amendment No. 249: The Senate amendment modified section 422(a) of the Social Security Act, as added by section 235(c) of the House bill, to require that no later than July 1, 1969, a State plan for child-welfare services must provide for the training and effective use of paid subprofessional staff (with particular emphasis on full or part time employment of persons of low income) as community service aides, in the administration of the plan, and for the use of nonpaid or partially paid volunteers in providing services and in assisting advisory committees. (For a similar requirement under other programs, see Senate amendments Nos. 221 and 271.)

The House recedes.

MODIFICATION OF SINGLE STATE OR LOCAL AGENCY REQUIREMENTS UNDER CHILD-WELFARE SERVICES PROGRAM

Amendments Nos. 250, 251, and 253: Section 235(d) of the House bill amended section 422(a) of the Social Security Act (as added by section 235(c) of the bill) to require States to furnish child-welfare services to children receiving AFDC through a single organizational unit in the State and local agency; and section 235(e) of the House bill made this amendment effective July 1, 1968.

Senate amendments Nos. 250 and 251 modified section 235(d) of the House bill to maintain the single-unit requirement with respect to the State agency but eliminate it with respect to the local agency. Senate amendment No. 253 modified section 235(e) of the House bill to provide that where different State agencies are administering the plan for child-welfare services and the plan for AFDC as of the date of enactment of the bill, the requirement for administration by the same State agency will not be applicable. (See also discussion of Senate amendment No. 154 supra.)

The conference agreement retains the House provision requiring a single organizational unit in a local agency as well as in a State agency; it retains the provisions of Senate amendment No. 253 waiving the single organizational unit requirement in cases where at the time of enactment the two State agencies involved are different, and in addition provides a similar waiver for local agencies in cases where at the time of enactment the two local agencies involved in a political subdivision are different.

SEPARATE AUTHORIZATION FOR SOCIAL SECURITY RESEARCH PROGRAM

Amendment No. 254: The Senate amendment modified section 246 of the House bill to provide specifically under section 1110 of the Social Security Act for grants for projects such as those relating to the causes of economic insecurity, risks to family income, costs of health care, and improvements in the social security program, so that there might be separate authorizations for cooperative research and demonstration grant programs for the Social Security Administration and the Social and Rehabilitation Service.

The Senate recedes.

PERMANENT AUTHORITY TO SUPPORT DEMONSTRATION PROJECTS

Amendment No. 255: Section 247 of the House bill (in addition to making the section 1115 program permanent) amended section 1115 of the Social Security Act to increase from $2 million to $4 million the annual amount authorized for payments to States to encourage them to develop demonstrations in improved methods of providing services to recipients of aid or assistance under titles I, X, XIV, XVI, and XIX and part A of title IV or in improved methods of administration.

The Senate amendment further increased the annual authorization for this purpose to $10 million.

The Senate recedes.

STUDY TO DETERMINE WAYS OF ASSISTING RECIPIENTS OF AID OR ASSISTANCE IN SECURING PROTECTION OF CERTAIN LAWS

Amendment No. 257: The Senate amendment added to the House bill a new section (250), directing the Secretary of Health, Education, and Welfare to make a study of means for increasing the effectiveness of State welfare agency staffs in helping applicants and recipients secure the full benefit of health, housing, and related laws and make the most effective use of public assistance and other community programs, and to submit his recommendations in a report to the Congress by July 1, 1969. The study is to include the extent to which the various programs may be used to enforce health, housing, and related laws.

The Senate recedes.

ASSISTANCE IN THE FORM OF INSTITUTIONAL SERVICES IN INTERMEDIATE CARE FACILITIES

Amendment No. 258: The Senate amendment added to the House bill a new section (251), amending title XI of the Social Security Act by providing (in a new section 1121) for Federal financial participation under titles I, X, XIV, and XVI in vendor payments in behalf of certain aged, blind, or permanently and totally disabled individuals whose condition does not require care in a skilled nursing home or hospital but does require living accommodations and institutional care available through intermediate care facilities. Federal matching would, if a State elects, be at the same rate as for medical assistance under title XIX.

The House recedes with amendments providing that (1) intermediate care facilities must meet the safety and sanitation standards applicable to skilled nursing homes, and (2) Christian Science sanitoria may be considered to be intermediate care facilities with respect to such services. It is the intention of the conferees for the House that providing services in intermediate care facilities is not to be taken as authorizing, or acting as a precedent for, the furnishing of custodial care of a type which merely provides, for welfare recipients in the program specified, room and board with no personal or other services.

AUTHORIZATION OF APPROPRIATIONS FOR MATERNAL AND CHILD HEALTH AND CRIPPLED CHILDREN'S SERVICES

Amendments Nos. 259, 260, 261, and 262: The authorizations for appropriations for the maternal and child health and crippled children's services programs under title V of the Social Security Act, as set forth in section 301 of the House bill and under the Senate amendments, are as follows:

Fiscal year ending—	House bill	Senate amendment
June 30, 1970	$275,000,000	$305,000,000
June 30, 1971	300,000,000	360,000,000
June 30, 1972	325,000,000	385,000,000
June 30, 1973, and each fiscal year thereafter	350,000,000	410,000,000

The Senate recedes.

EARMARKING OF CHILD HEALTH APPROPRIATION FOR FAMILY PLANNING SERVICES

Amendment No. 263: The Senate amendment added to section 502 of the Social Security Act, as amended by section 301 of the House bill, a provision earmarking for family planning services the following percentages of appropriations made pursuant to section 501 of the act from allotments for maternal and child health services (sec. 503) and from project funds for maternity and infant care (sec. 508) and research (sec. 512):

For the fiscal year ending:	Not less than
June 30, 1969	6 percent
June 30, 1970	15 percent
June 30, 1971, and thereafter	20 percent

The House recedes with an amendment providing simply that the percentage for any fiscal year shall not be less than 6 percent.

PAYMENT OF REASONABLE COST FOR EXTENDED CARE AND HOME HEALTH CARE SERVICES UNDER TITLE V PROGRAM

Amendment No. 264: Section 505(a) of the Social Security Act, as amended by section 301 of the House bill, provided for payment of the reasonable cost (as determined in accordance with standards approved by the Secretary and included in the plan) of inpatient hospital services provided under a State's plan for maternal and child health services and services for crippled children.

The Senate amendment provided for payment of the reasonable cost (under section 1861(v)(1)) of inpatient hospital services, and, effective July 1, 1970, of extended care services and home health care services provided under the plan.

The Senate recedes.

VOLUNTARY UTILIZATION OF OPTOMETRIC AND FAMILY PLANNING SERVICES

Amendments Nos. 266 and 267: Senate amendment No. 266 added to section 505(a) of the Social Security Act, as amended by section 301 of the House bill, a new paragraph (13) requiring any approved State plan for maternal and child health and crippled children's services to provide that where payment is authorized for services which an optometrist is licensed to perform and such services are not rendered either in a clinic or another appropriate institution which has no arrangements with optometrists, the individual for whom such payment is authorized may obtain the services from any optometrist licensed to perform them. It also added to section 505(a) a new paragraph (14), requiring any such plan to provide that acceptance of family planning services provided under the plan will be voluntary and not a prerequisite to eligibility for or the receipt of any service under the plan. Senate amendment No. 267 added to section 508(a) of the Act a new sentence providing that, for purposes of special project grants for maternity and infant care under section 508 and research projects relating to maternal and child health services and crippled children's services under section 512, acceptance of family planning services provided under a project is to be voluntary and not a prerequisite to eligibility for or receipt of any service under the project.

The House recedes with a clarifying amendment.

GRANTS FOR TRAINING OF PERSONNEL FOR HEALTH CARE SERVICES FOR MOTHERS AND CHILDREN

Amendment No. 268: Section 511 of the Social Security Act, as amended by section 301 of the House bill, provided that in making grants for training of personnel for health care and related services for mothers and children the Secretary is to give priority to programs providing training at the undergraduate level. The Senate amendment substituted "special attention" for "priority".

The House recedes, with the understanding that in making future commitments for programs the emphasis shall be on undergraduate training.

OBSERVANCE OF RELIGIOUS BELIEFS

Amendment No. 270: The Senate amendment added to title V of the Social Security Act (as amended by section 301 of the House bill) a new section 515, providing that nothing in title V is to require a State under such title to compel any person to undergo medical screening, examination, diagnosis, treatment, or other care (other than for the purpose of discovering or preventing spread of infection or contagious disease or for protecting environmental health) if such person, or, in the case of a child, his parent or guardian, objects on religious grounds. (See also Senate amendment No. 237.)

The House recedes.

USE OF SUBPROFESSIONAL STAFF AND VOLUNTEERS

Amendment No. 271: The Senate amendment added to the House bill a new section (304), amending section 505 of the Social Security Act to require an approved State plan for maternal and child health services and crippled children's services to include, no later than July 1, 1969, provision for the training and effective use of paid subprofessional staff (with particular emphasis on full or part time employment of persons of low income) as community services aides, in the administration of the plan, and for the use of nonpaid or partially paid volunteers in providing services and in assisting advisory committees. (For a similar requirement under other programs, see Senate amendments Nos. 221 and 249.)

The House recedes.

ADMINISTRATION OF THE PROGRAM FOR SERVICES FOR CRIPPLED CHILDREN

Amendment No. 272: The Senate amendment added to the House bill a new section (305), providing for the administration of the program of services for crippled children through the Children's Bureau (in the Department of Health, Education, and Welfare).

The Senate recedes upon the assurance of the Department that the objective of the amendment has been accomplished administratively.

EXTENSION OF DUE DATE FOR CHILD MENTAL HEALTH REPORT

Amendment No. 273: The Senate amendment added to the House bill a new section (306), amending section 231(d) of the Social Security Amendments of 1965 to extend from 2 to 3 years after its inauguration the period allowed for completion of the health research and study of resources relating to children's emotional illnesses.

The House recedes with technical amendments.

INCENTIVE FOR IMPROVEMENTS IN THE PROVISION OF HEALTH SERVICES

Amendments Nos. 275, 276, 277, 279, 280, and 281: Section 402 of the House bill authorized the Secretary of Health, Education, and Welfare to experiment in reimbursing in a manner mutually agreed upon those organizations and institutions which furnish health services otherwise covered under titles V, XVIII, and XIX of the Social Security Act on a reasonable cost basis, with a view to developing incentives for economy while maintaining or improving quality in the provision of health services.

The Senate amendments modified section 402 of the House bill to include experiments with respect to reimbursement in a manner mutually agreed upon for physicians' services (which would otherwise be covered on a reasonable charge basis).

The House recedes with an amendment providing that the Secretary may not enter into such experiments before receiving the advice of competent specialists with respect to the soundness of such experiments and the adequacy of resources to carry them out; but it is understood that the Department under no circumstances will experiment on the basis of employment of physicians by the Government.

STUDIES BY SECRETARY

Amendment No. 282: The Senate amendment added to the House bill a new section (405), authorizing and directing the Secretary of Labor, in consultation with the Secretary of Health, Education, and Welfare, and with other government departments and agencies and appropriate organizations and individuals, to conduct a study and investigation of various proposals for family allowances and child allowances. Consideration would be given to the effect of such proposals on the various Federal-State assistance programs and any savings which might accrue therefrom, and a report submitted to the President and the Congress by January 15, 1969.

The conference agreement omits the provision for a study by the Secretary of Labor of family and child allowances proposals, and provides instead for a study by the Secretary of Health, Education, and Welfare of (1) the existing retirement test and proposals for its modification (including proposals for increasing old-age insurance benefits on account of delayed retirement), (2) quality and cost standards for drugs for which payments are made under the Act, and (3) drug coverage under supplementary medical insurance (see amendments Nos. 43 and 142).

The Secretary would report on this study by January 1, 1969.

INCOME TAX DEDUCTION OF EXPENSES FOR MEDICAL CARE OF INDIVIDUALS WHO HAVE ATTAINED AGE 65

Amendment No. 284: The Senate amendment added to the House bill a new section (501), amending section 213 of the Internal Revenue Code of 1954 to restore in substance the pre-1965-Amendments rule for computing the amount of the income tax deduction for medical and related expenses in the case of a taxpayer who has attained age 65 or whose spouse, parent, or spouse's parent has attained age 65. Under present law, a taxpayer's medical expenses are deductible only to the extent that they exceed 3 percent of his adjusted gross income, and the cost of medicine and drugs may be taken into account only to the extent that it exceeds 1 percent of his adjusted gross income, regardless of the age of the taxpayer or of any other member of his family; under the Senate amendment (effective for taxable years beginning after 1966) the 3-percent and 1-percent limitations will not apply to expenses paid for the care of the taxpayer and his spouse if either of them has attained age 65 by the end of the year, or to expenses paid for the care of a dependent age 65 or over who is the father or mother of either the taxpayer or his spouse. (The special $150 allowance for insurance, added in 1965, is continued.)

The Senate recedes.

TAX-EXEMPT STATUS OF CERTAIN HOSPITAL SERVICE ORGANIZATIONS

Amendment No. 285: The Senate amendment added to the House bill a new section (502), amending section 501 of the Internal Revenue Code of 1954 to provide that an organization is to be treated as a tax-exempt hospital for all of the purposes of the Code if it is organized and operated on a cooperative basis (with all of its capital stock, if any, owned by its patrons) exclusively to perform services for tax-exempt private or public hospitals and such services are of a type which would constitute an integral part of the exempt activities of a tax-exempt hospital if they were performed by the hospital on its own behalf.

The Senate recedes.

EXTENSION OF PERIOD FOR FILING APPLICATION FOR EXEMPTION BY MEMBERS OF RELIGIOUS GROUPS OPPOSED TO INSURANCE

Amendment No. 286: The Senate amendment added to the House bill a new section (503), amending section 1402(h) of the Internal Revenue Code of 1954 to provide additional time for persons who have conscientious objections to public and private insurance (including social security), by reason of their adherence to the established tenets or teachings of the religious sect of which they are members, to apply for and be granted exemption from the social security self-employment tax. Under the amendment, an individual may file application for exemption at any time on or before December 31, 1968, if he has self-employment income for any taxable year ending before December 31, 1967. (Under present law, the comparable filing date was April 15, 1966, for taxable years ending before December 31, 1965.) If an individual first receives self-employment income in a taxable year ending on or after December 31, 1967, the application would be timely (as under present law) if filed by the due date for the income tax return for that year; it would also be timely if filed within 3 months following the month in which the individual is first notified by the Internal Revenue Service that a timely application has not been filed.

The House recedes with a technical amendment.

COVERAGE STATUS OF FISHERMEN AND TRUCK LOADERS AND UNLOADERS

Amendment No. 287: The Senate amendment added to the House bill a new section (504), amending section 210 of the Social Security Act and sections 3121 and 3401 of the Internal Revenue Code of 1954 to clarify the employee status of fishermen and truck loaders and unloaders for purposes of social security coverage and income tax withholding. Generally the owner of a fishing boat is to be classified as the employer of the boat's crew members although in certain cases the person leasing or chartering the boat will be considered their employer. In the case of truck loaders and unloaders, the driver of the truck will generally be considered the employer, unless he is an employee of another person, in which event his employer will be considered the employer of the truck loaders and unloaders; an exception is provided where other persons are recognized as the employer. For benefit purposes these provisions were made retroactive so as to preserve the benefit rights of individuals who in the past have been considered by the Social Security Administration and the Internal Revenue Service to be performing services as employees; while for purposes of tax liability (in instances where this liability does not now exist) they would apply prospectively only.

The Senate recedes.

REFUND OF CERTAIN OVERPAYMENTS BY EMPLOYEES OF HOSPITAL INSURANCE TAX

Amendment No. 288: The Senate amendment added to the House bill a new section (505), amending various provisions of the Internal Revenue Code of 1954 so as to provide that a railroad employee who has wages or self-employment income under the social security program as well as his compensation under the railroad retirement program, and who makes contributions for hospital insurance under the two programs on an aggregate amount (compensation, wages, and self-employment income) in excess of the current earnings base, may obtain a refund of his excess contributions (as he would under existing law if each of his jobs were under the social security program) by treating his railroad compensation as wages or self-employment income for hospital insurance tax purposes.

The House recedes with a technical amendment.

JOINT EMPLOYEES OF CERTAIN TAX-EXEMPT ORGANIZATIONS

Amendment No. 289: The Senate amendment added to the House bill a new section (506) to deal with situations where an individual is an employee of two or more tax-exempt organizations providing hospital or medical insurance and where one of the organizations pays all of the wages to the employee for his work for both organizations. In such cases the organization which pays the wages would, with the consent of the other organization, be treated as the employer of the individual with respect to his joint employment.

The Senate recedes.

EXTENSION OF TIME TO PROVIDE ASSISTANCE FOR UNITED STATES CITIZENS RETURNED FROM FOREIGN COUNTRIES

Amendment No. 290: The Senate amendment added to the House bill a new section (507), amending section 1113 of the Social Security Act to extend from June 30, 1968, to June 30, 1969, the authorization of temporary assistance to United States citizens returned from a foreign country because of destitution or illness or because of war, invasion, or similar crisis.

The House recedes with a technical amendment.

SOCIAL SECURITY BENEFIT INCREASE NOT TO BE CONSIDERED INCOME FOR VETERANS' PENSION PURPOSES

Amendment No. 291: The Senate amendment added to the House bill a new section (508), amending sections 415(g) and 503 of title 38 of the United States Code to provide that any increase in monthly social security benefits resulting from the enactment of the bill is not to be counted as income for purposes of determining eligibility for, or the amount of, certain veterans' benefits in the case of an individual who is entitled to monthly social security benefits for the month of the enactment of the bill.

The Senate recedes.

SECOND LIBERTY BOND ACT

Amendment No. 292: The Senate amendment added to the House bill a new section (509), amending the Second Liberty Bond Act to provide that the rates of interest or investment yield on U.S. savings bonds and U.S. savings and retirement bonds issued after 1967 are to be comparable to the going rate on other U.S. Government obligations of similar maturity.

The Senate recedes.

FOSTER CARE FOR CHILDREN

Amendment No. 293: The Senate amendment added to the House bill a new section (510), amending title V of the Social Security Act to establish a new program of Federal grants to States for the provision of financial assistance and needed welfare services to children under foster care in foster family homes and institutions. The Secretary was authorized to make payments to any State with a plan containing specified provisions and approved by him in amounts equal to the State's Federal percentage of the total amount expended for foster care under the plan up to the product of $50 per month times the number of children in foster care during the month, plus 75 percent for personnel providing services for children in foster care and training of such personnel, and 50 percent for administrative expense.

The Senate recedes.

EXCLUSION FROM DEFINITION OF WAGES OF CERTAIN RETIREMENT, ETC., PAYMENTS UNDER EMPLOYER-ESTABLISHED PLANS

Amendment No. 294: The Senate amendment added to the House bill a new section (511) which amends section 3121(a) and 3306(b) of the Internal Revenue Code of 1954 and section 209 of the Social Security Act to provide, for purposes of the Federal Insurance Contributions Act, the Federal Unemployment Tax Act, and the Social Security Act, that the term "wages" does not include any payment or series of payments by an employer to an employee or any of his dependents which is made or begins (1) upon the retirement, death, or disability of the employee, and (2) under a plan established by the employer which makes provision for his employees generally or a class or classes of his employees, or for such employees or class or classes of employees and their dependents.

The House recedes with an amendment which eliminates from the exception to the definition of wages any payments which would have been made if the employee's employment relationship had not been terminated because of death, retirement for disability, or retirement for age, and which makes various technical and clarifying changes.

DRUG QUALITY AND COST

Amendment No. 295: The Senate amendment added to the House bill a new title VI, consisting of sections 601, 602, and 603. Section 601 amended title XI of the Social Security Act to provide, through a Federally-established formulary committee, for the compilation and publication of a Formulary of the United States and for the determination of those drugs which are appropriate for Federal payment or matching under the various programs contained in the Act. Section 602 (effective July 1, 1970) amended section 1903 of the Act to limit Federal matching for drug costs under the medical assistance program to the "reasonable charge" for "qualified drugs" as determined under the formulary provisions (exempting these drugs furnished by hospitals using approved formulary systems, and drugs furnished by their generic names pursuant to physicians' handwritten prescriptions); it also amended section 1861(v) of the Act to limit Federal payments for drugs furnished to individuals under the health insurance program in the same way. Section 603 amended the Federal Food, Drug, and Cosmetic Act to provide for the registration numbers assigned to drug manufacturers under existing law to appear on the drug labels of products of such manufacturers.

The Senate recedes.

W. D. MILLS,
CECIL R. KING,
HALE BOGGS,
FRANK M. KARSTEN,
A. SYDNEY HERLONG, Jr.,
JOHN W. BYRNES,
THOS. B. CURTIS,
JAMES B. UTT,
JACKSON E. BETTS,
Managers on the Part of the House.

Mr. MILLS (during the reading). Mr. Speaker, in view of the fact that the statement itself is some 42 pages in length and we will take special time to discuss the conference report, I ask unanimous consent that the statement may be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The SPEAKER. The gentleman from Arkansas is recognized for 1 hour.

Mr. MILLS. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, we are about to take, insofar as the House of Representatives is concerned, final legislative action on one of the major bills of the 90th Congress.

Mr. Speaker, we have a conference report today involving the social security bill which passed the House of Representatives on August 17 last by a vote of 415 to 3. We are bringing it back today for approval of the House, I must say, in substantially the form it was in concerning its most major aspects when it enjoyed that overwhelming vote on August 17. There are many significant respects, however, in which the bill, in the opinion of your conferees, is a better bill since it incorporates numerous improvements that were made when the matter was in the Finance Committee of the Senate. The measure on which we are asking you to take final action today meets the requirements of actuarial soundness, and of fiscal responsibility, as have all of the amendments which we passed improving the social security programs over the years.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. MILLS. Yes, I am glad to yield to the distinguished gentleman from Georgia [Mr. LANDRUM].

Mr. LANDRUM. Is it the judgment of the distinguished chairman of the Committee on Ways and Means now speaking that the social security fund is actuarially sound?

Mr. MILLS. It is actuarially sound under the existing law. It was actuarially sound under the bill which passed the House. It is also actuarially sound under the conference report.

Mr. Speaker, as the bill passed the House, we had an overall actuarial balance in all of the funds involved of plus 0.10 percent of payroll. As the gentleman from Georgia knows, that is the situation which exists.

As we bring the bill back to the House, the OASDI fund has a plus of 0.01 percent and the hospital fund is actuarially sound to the extent of 0.03 percent, or a combined balance of 0.04 percent of payroll.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield further?

Mr. MILLS. I yield further to the gentleman from Georgia. However, the actuary for the Department tells us that even if we had a minus—not an excess—of 0.10 percent of payroll, we could still assure the House that the funds were in an actuarial balance.

Mr. LANDRUM. Mr. Speaker, if the gentleman will yield further, I would point out to the distinguished gentleman from Arkansas [Mr. MILLS] the fact that there seems to be developing a concern in the minds of some of our older citizens, those who are approved for the receipt of the benefits from these funds. Should they be concerned at all about the actuarial soundness of this trust fund?

Mr. MILLS. I will respond to the gentleman by saying that so long as my friend, the distinguished gentleman from Georgia [Mr. LANDRUM] and my many other friends who serve on the Committee on Ways and Means are concerned, I think I can assure the public that we shall always keep this in a state of actuarial soundness.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Missouri.

Mr. CURTIS. I think it would be well if we pointed out the fact that the actuarial assumption which the gentleman from Arkansas accurately states, will considerably differ from the actuarial assumption with reference to the soundness, for example, of the private pension plans and so forth.

I believe that is where the confusion might lie.

Mr. MILLS. This is not what might be called a funded system in the sense that private insurance systems are funded. Of course, I believe my friend from Missouri would admit with me that it is not necessary for a social security system supported by a tax which is compulsory to be on a fully funded basis so as to have in the fund in excess of $300 billion or $350 billion at this time.

Mr. CURTIS. I would say not only is it not necessary. I believe that would create other serious problems if we had a fund like that, in a different way. But on the other hand I would observe this, and I believe the gentleman would bear with me, that some of the assumptions in a pay-as-you-go social security system I believe need looking at, and I believe that we have not been doing that. And here we might enter an area where there might be some disagreement.

Mr. MILLS. I do not want to take up too much time of the House, but the gentleman is right. Some of these assumptions that are made sometimes disturb all of us. For instance, we were told last year that the balance was plus 0.74 percent of payroll. When we passed the program in 1965, we were told we had no such surplus left. But then the actuaries without disagreement, upon further review, decided that in the year 2000 the average woman would not have 2.5 children, but would have two children, and that the average retiree would not live 15 years beyond 65, he would live 14 years beyond 65 in the year 2000.

As a result of those and other changed assumptions, we found this favorable balance in the social security fund of about three-quarters of 1 percent of payroll. These changes of assumptions do have a disturbing influence on us on the committee who feel this responsibility to the House and to the country as a whole to keep this system actuarially sound.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Michigan.

Mr. CEDERBERG. The bill does not contain the amendment that was added in the other body regarding amending the Internal Revenue Code?

Mr. MILLS. Yes, that was an amendment in which I had a great deal of interest myself, but it finally developed in the House that we felt it was best to leave out of the bill those amendments to the Internal Revenue Code other than those which relate to the social security tax rate or wage base. And I believe we come back to the House with only those matters which pertain exclusively to social security.

Mr. CEDERBERG. Could the gentleman state——

Mr. MILLS. I might state that we did not prejudge it, nor are we opposed to it. There developed some questions that we thought required us to look a little further into.

Mr. CEDERBERG. Does the gentleman's committee intend to look into this matter at some time in the future?

Mr. MILLS. I do not want to make a definite commitment, but certainly it will be my hope we could look further into this, maybe even next year.

Mr. CEDERBERG. I thank the gentleman for yielding.

Mr. MILLS. Mr. Speaker, this bill involves far too many matters to be discussed even within the 1 hour that we have. There were 295 amendments adopted in the Committee on Finance and on the floor of the Senate. We have brought back, as I say, a bill that incorporates many of those amendments. Let me point out some of the more significant changes that we made in conference over the bill that passed the House.

It will be recalled that the across-the-board increase in the House passed bill was 12.5 percent. It will be recalled the minimum benefit was raised from $44 to $50 in that bill. It will be recalled that the so-called earnings base for tax purposes and for benefit determinations was raised from $6,600 under the existing law to $7,600 in order to enable us to finance those benefit increases and that minimum. The bill we bring back from the conference increases the benefits from 12.5 percent to 13 percent.

The Senate passed a benefit increase of 15 percent.

The conference agreement provides for a $55 minimum benefit, versus a $50 minimum passed by the House and a $70 minimum passed by the Senate.

The bill establishes a contribution and benefit wage base of $7,800 versus $7,600 in the House passed bill and a maximum in the Senate passed bill of $10,800.

Let us look at this just a minute, Mr. Speaker. For this additional 2-percent benefit increase—and let us take the case of an individual today who has a $100 monthly benefit—in order to give that individual $15 in lieu of the $13 increase per month, we would have to increase the wage base subject to the tax by $3,000.

To us, this did not seem like a very good bargain when we had it in committee. It did not seem like a very good bargain to us when we had it in conference. Why add $2 a month to a person's benefit when it is going to cost somebody else, the submission of additional wages of $3,000 a year to the combined rate of 10 percent for OASDI in order to do it.

We do not think the $2 justified that additional tax. Very frankly, that is why we did not go to the 15 percent in conference.

That is why we did not go to the $70 minimum in the conference because the $70 minimum required something better than 0.20 percent of payroll in order to sustain it.

It departs very, very widely from the philosophy that is involved in the social security program that benefits are wage related—and have to be.

If you want to make a welfare program out of the social security program itself, you are going to incur very high costs as reflected in percent of payroll.

There must be some better way to take care of the needs of people who have not been attached to the work force for a sufficient length of time or in a sufficient amount of dollars to add this minimum.

If we do go to $70 in the minimum now, it is going to be $100 in a very short period of time. When it gets to be $100, then later it is going to be a little higher. The first thing you know you will have a flat benefit rate. Whenever you get to that point, you will never increase your wage base. Because what is the point of a fellow subjecting himself to an additional tax if that additional tax is not reflected in higher benefit payments to him?

Under the bill we have and under the bill as it passed the House, the benefit for a man and his wife, both aged 65 or over when he retires, will be at least 50 percent of what his average wage was.

You can justify increasing the wage base over a period of time, only if you continue to maintain the relation of benefits to wages. Then, the individual can always be told that this is cheaper for him than any type of insurance that he can buy—taking into consideration the fact that he is not only buying retirement benefits, but he is also buying disability insurance and he is buying life insurance for the benefit of his family.

If we keep this system wage-related, then I think that social security can go on down into the future as a great program enacted by the American Congress for the benefit of a great American people.

If we are going to make out of it a welfare program, then I doubt very frankly that the American people will submit to this periodic increase in taxes and this periodic increase in the wage base.

I say again that there must be a better way found, if we want to find it, to take care of people who are not entitled to more than the minimum benefit under social security when they get into retirement.

I am not going to say anything more about that; I have said too much.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman.

Mr. GROSS. I would like to commend the gentleman for the excellent statement he has made particularly with respect to the welfare provision.

I would like also to take this opportunity to commend the gentleman from Arkansas for the courageous position that he has taken with respect to a tax increase unless accompanied by drastic reductions in expenditures by the Federal Government.

Mr. BURKE of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. I should like to ask the distinguished chairman of the House Committee on Ways and Means about the many messages we have received during the past few days expressing the concern on the part of many of the private welfare groups and public welfare departments about restrictive parts of the bill.

Mr. MILLS. If the gentleman will permit me, I am coming to that point right now.

Mr. BURKE of Massachusetts. I merely wish to ask the gentleman this question.

Mr. MILLS. All right.

Mr. BURKE of Massachusetts. If the conference report is not accepted, how long does the gentleman believe it would take to pass a social security bill to provide the increases that are in this bill, and how long does he believe it would take to obtain results from that action?

Mr. MILLS. The benefits under the conference report will become effective with respect to February and would be paid on the third day of March. That is as quick as the Social Security Administration can do it. If it is passed over until January, that would mean that if we agree to a conference report in January, these benefits could not then be received by the recipients until about the third day of April of next year. The Senate was going to delay it under their proposal until the first of April.

We said that we wanted these benefits to go into effect earlier than that.

Since the gentleman has asked me, I cannot conceive of anyone standing in the way of these benefits becoming available at the earliest possible date, because the President of the United States in the fall of 1966 in a speech recommended a benefit increase of at least 10 percent. At that time we had a surplus under the existing financing that would have been enough to let these people have an 8-percent across-the-board increase without any tax increase. That was in the fall of 1966. They did not get the increase in 1967 even.

Now, are we going to hold it up until April, May, or June of next year bickering about what I want next to talk about, and deprive the beneficiaries of another few months of benefits, or do we want to get this job over with now?

I hope I do not read in the newspapers before Christmas adjournment that the older people of this country have been denied a 13-percent across-the-board increase in social security benefits because of some action in the other body that also has to consider this matter. I would not want to take that responsibility, and I do not think anyone in the House of Representatives wants to take it.

Now let us take a look at some of the other amendments to the social security program:

AGED 72 AND OVER

Benefits for persons age 72 and over who are not insured under the social security system are also increased. The House provided an increase in these benefits from the present $35 a month to $40 for a single person and from $52.50 to $60 for a couple. The Senate increased these amounts to $50 for a single person and $75 for a couple. The conference report adopts the House provision.

RETIREMENT TEST

The House provided an increase in the annual test of retirement from the present $1,500 of earnings in a year to $1,680, together with a proportionate increase in the monthly amount a person may earn and still receive benefits. These provisions were exactly in line with the recommendation of the administration. The Senate increased the annual test to $2,400 with a proportionate increase in the monthly test. The conference report adopts the House version.

DISABILITY DEFINITION

The House bill contained a provision which clarified the definition of the term "disability." This provision was also contained in the bill as it was reported out of the Senate Committee on Finance, but it was struck out on the floor of the Senate. The conference report restores this provision with a further clarifying amendment.

The outcome of this action is to adopt in substance the position of both the House Committee on Ways and Means and the Senate Committee on Finance concerning an issue that has serious cost implications for the disability insurance program. The purpose of the language in the bill is to spell out in the law an intention which has always existed although not explicitly stated. That is that an individual is not to be considered under a disability for the purposes of this program unless he has a medically determinable impairment of such severity that he is not only unable to perform in his previous job but also that he cannot—considering his age, education and work experience—engage in any other kind of substantial gainful work which exists in the national economy, regardless of whether such work exists in the general area where he lives, or whether a specific job vacancy exists for him or whether he would be hired if he applied for work.

The conference report contains substantially the provision of the House bill, but includes language designed to clarify the meaning of the phrase "work which exists in the national economy." Under the added language, "work which exists in the national economy" means work that exists in significant numbers in the region in which the individual lives or in several regions in the country. This language puts into the statute the same meaning of the phrase "work which exists in the national economy" that was expressed in the reports of both the House and Senate Committees. In this regard both reports contain the following statement:

> It is not intended, however, that a type of job which exists only in very limited numbers or in relatively few geographic locations would be considered as existing in the national economy.

When the term "significant numbers" is used it is not intended that a great many jobs must exist in the region in which an individual lives or in several regions of the country. What is intended is that the number of such jobs must be more than just a few; that is, more than insignificant.

I beg the indulgence of the House for going into such a seemingly obscure matter in such great detail. I do it solely for the purpose of spelling out the legislative history of an amendment which is intended to hold down costs in the disability program which has already suffered deficits resulting from interpretations of the disability provisions of the law which Congress never intended when it wrote them.

I shall mention the other more important decisions in the OASDI area and move on to the other social security programs. I shall ask to have inserted at the conclusion of my remarks a summary of the legislation which describes the bill completely, including the provisions that were not in conference.

DISABLED WIDOWS

The House bill provided actuarially reduced benefits for disabled widows and widowers beginning at age 50, with a more limited definition of disability than applies to workers. The Senate provided unreduced benefits at any age, and eliminated the special definition. The conference report adopted the House version.

DISABILITY FREEZE APPLICATIONS

The Senate added a provision, which the conference report adopted, allowing persons who were prevented by their physical or mental condition from filing a timely disability freeze application a further opportunity to file such application.

COVERAGE PROVISIONS

The Senate added a number of provisions that were adopted in conference regarding coverage of workers. These include several provisions relating to coverage of State and local employees and a very precisely drawn amendment covering employment of a parent in certain family situations in which such parent is needed to care for children of a worker.

UNDERPAYMENTS

There was a provision in the House bill designed to eliminate the necessity in some States to have a deceased beneficiary's estate probated just to collect social security benefits which had not been paid at the time he died. The Senate improved on this provision and the conference report adopted the Senate version.

MEDICARE PROGRAM

Mr. Speaker, a number of provisions were in conference relating to the medicare program.

PHYSICIAN PAYMENT

The House provided a rather complicated provision, which reflected the suggestions of the administration, to allow alternative methods of paying physicians' bills under the supplementary medical insurance program. The Senate adopted a greatly simplified provision which allows a patient to receive reimbursement of a physician's bill on the basis of an unreceipted bill. The conference report adopts the Senate provision.

ADDITIONAL DAYS OF HOSPITAL CARE

The House provided that a person who has utilized his 90 days of hospital care may receive an additional 30 days in any spell of illness subject to a deductible which would be currently set at $20 per day. The Senate provided that in place of an additional 30 days for each spell of illness, a recipient be granted a lifetime reserve of 60 additional days for use after the recipient has received 90 days in a spell of illness, subject to a deductible that would be currently set at $10 a day. The conference agreed to the Senate provision regarding the 60-day lifetime reserve, and the House provision concerning the $20 daily deductible.

DEPRECIATION AND INTEREST

The Senate added a provision under which the Secretary of Health, Education, and Welfare would not count as an item of reasonable cost, depreciation, and interest on substantial capital items that were acquired by a hospital or other provider of services after being disapproved by a State health planning agency. The conference report eliminated this provision from the bill.

NONPARTICIPATING HOSPITALS

The Senate added provisions authorizing payments to be made under certain circumstances for services furnished in a hospital that is not participating in the medicare program. These provisions were accepted in conference.

BLOOD DEDUCTIBLE

The House increased the existing deductible for blood to require a 2-pint deductible for the first pint used and also broadened the deductible to include equivalent quantities of packed cells. The Senate deleted the requirement of 2 pints for the first pint received but retained the House provision allowing for the use of packed cells. The conference report accepted the Senate version.

OTHER HEALTH PROFESSIONS

The Senate added several provisions including the services of additional medical practitioners among those for which reimbursement may be made under the supplementary medical insurance program. These provisions were deleted in conference. There remains in the bill, however, a provision that was not in conference, directing the Secretary of Health, Education, and Welfare to study the need for, and make recommendations concerning, the extension of the medical insurance program to cover the services of additional types of health practitioners.

GENERAL ENROLLMENT PERIOD

The Senate added a provision, which was accepted in conference, modifying the provisions of law relating to the general enrollment period, during which eligible individuals who had not enrolled in part B of the medicare program are given an opportunity to elect coverage under it. This provision will shift the general enrollment period from the last 3 months of every second year to the first 3 months of every year, thus making it annual rather than biennial. The premium rate would also be determined and promulgated annually rather than every 2 years. In addition, under the amendment, persons wishing to disenroll may do so at any time and their disenrollment will take effect at the close of the next following calendar quarter. Under present law, disenrollment may be effected only during a general enrollment period.

PUBLIC WELFARE PROGRAMS

Mr. Speaker, in the area of the public welfare programs I believe the conference committee was able to achieve noteworthy improvements in the provisions of the bill.

Let us look at what they fuss about. My goodness alive. You would think that the American way of life was built on a dole system, to hear some people talk. We should take care of people in need, yes. That is the American way of life, but when you confine the matter of taking care of people in need to the mere handout of the dollar, you have not done one thing to help that person in need, because the minute the dollar is gone, he is still in that same position.

Let me tell you what it takes. If a man or a woman has no training, has no capacity to work, how do you help them? How do you help them? You spend enough, whatever is required, to see to it that that fellow gets training, that that woman gets training, that they get jobs. Is that not the way we do things in this country?

That is what we have in this bill. There has been more misinformation spread across this country, I think, by people who do not want to do a darned thing except to hand out a dollar so long as it comes from the Federal Government. We are saying the States must change that. Oh, yes, they are going to change it. But they are not going to be cruel in the process. They are not going to take advantage of anyone who should not be subjected to training or to work.

Yes, it is coercive—but only when the State decides that a person is an appropriate candidate for training and work. There is nothing in here that says a State has to take a mother away from a month-old child—and, of course, they would not—and send her off to be trained.

But let me ask, Mr. Speaker, when is the best time for a person to be trained for a job and to be given employment or offered employment? Is it while the child is under 18 years old and the mother may be 25 or 30 or 35 years of age? Or is it after that poor soul has gotten to be 45 or 50 years of age, after being on welfare all those years and after the minor child, the last in her household, gets to be 18, and she is no longer eligible for AFDC payments? What chance does a woman have at that age of being trained and accepted in employment, when she has never had any training or connection with the work force?

These measures are not just for economy, because they do not bring economy in the short run. We are asking the American Congress to go along with us and spend more money on these people, and I will tell how we are going to do it. We cannot train them and find jobs through the employment security people at the State level without a cost in money. We cannot let a mother take training without providing a way to care for the child.

So what do we do? We require States to provide day care. What else do we do? We say to this woman, "While you are being trained, we will pay you more than your welfare payments, and when the State puts you to work, we will not penalize you dollar for dollar in what you may make and take that out of your welfare check." What do we say? We say we are going to completely disregard the first $30 they make and we will disregard all they make above that $30 until they get to be self-sustaining.

Do not for 1 minute think that these States will not use many, many of these mothers on AFDC to actually work in connection with these day care centers, taking care of their own children and the children of the neighbors who know them. There is nothing wrong with this, I say.

I have been in this House of Representatives for almost 29 years. I have never felt any stronger about any proposition in my life. If there is any Member of this House who can be criticized or praised—and I am never praised for it in my country, I am always criticized—for having brought, as the author, because I am chairman of a committee, more legislation to help in the field of welfare, more legislation to help with the problems of medical expenses, more legislation to provide benefit increases than I, I do not know who it would be.

Maybe so. I am not doing this out of any feeling against anybody. I am doing it as an individual member of the Ways and Means Committee, and I think the committee is doing it because the committee feels that in the overall, in the long run, if 100,000, or 150,000 of these people in the course of a year can be made self-supporting, we are doing for them and for the American people that which should be done. We are not striking at anybody, but there is a desire to help.

They say, "But we have got a freeze in here." Yes, we have got a freeze. We had it in the House bill when the House voted for it and passed it in August. We have brought it up to date. We have made it with respect to January 1968, instead of January 1967. We have eliminated all consideration of those on AFDC above the age of 18, who might be going to school. We do not want them to be taken into it.

We have said to the States that on January each year they will make an estimate of the total child population within that State and they may not receive Federal funds for a higher percentage of that child population that they have in January of 1968. Bear in mind that this relationship recognizes increases in child population. As the child population in a State goes up, this goes up.

We tried in 1962 to get the States to provide this training and to put it into effect. They refused to do it. If we do not put some degree of coercion upon the States, in my opinion they are going to be perfectly willing to do as they have done in the past, to hand out a welfare check and not do anything more for these poor people who need everything man can do to improve their condition to be done for them.

Yes, this freeze provision is for the purpose of putting pressure on the States, to make the rest of the program work, and only for that purpose.

Mr. BOGGS. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I am glad to yield to the gentleman from Louisiana.

Mr. BOGGS. I should like to say to the gentleman and to the House that the Senate made 295 amendments of one kind or another, which were not included in the House bill. I would say, on behalf of the conferees on both sides of the aisle, that each one of these amendments was considered in detail by the conferees.

The SPEAKER pro tempore (Mr. BOLAND). The time of the gentleman from Arkansas has again expired.

Mr. MILLS. Mr. Speaker, I yield myself 1 additional minute.

Mr. BOGGS. I should like to commend the gentleman in the well, who sat as chairman of that conference, for having done one of the most conscientious jobs I have seen since I have been in the Congress.

Mr. MILLS. I thank my colleague from Louisiana, who stood shoulder to shoulder with all the other conferees.

This conference report was signed by all of the House Members. It was signed by all the Senate Members of that conference. I believe we have brought back a bill the Members can go along with, if they voted for the bill that passed the House in August.

Mr. BURTON of California. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from California.

Mr. BURTON of California. May I establish a stipulated set of facts before propounding the question.

Mr. MILLS. I cannot yield additional time, because I have commitments.

Mr. BURTON of California. I want to make sure the question is in context.

There are some 2.8 million adult Americans whose need is such that they receive monthly public assistance payments.

The SPEAKER pro tempore. The time of the gentleman from Arkansas has again expired.

Mr. MILLS. Very well. I yield myself 1 additional minute.

Mr. BURTON of California. There are some 2.8 million Americans whose need is such that they receive monthly public assistance payments in this country.

Under this bill, I charge, under no circumstances at all, will about 1½ million of those people be able to get one nickel of grant increase if this bill becomes law and any permitted or authorized action by all States takes place.

Mr. MILLS. Is the gentleman asking me a question?

Mr. BURTON of California. I want to complete the question, and the chairman can respond.

Mr. MILLS. All right.

Mr. BURTON of California. There are 1½ million adults in this country who receive public assistance and have no other outside income at all who will not receive a nickel under this bill; right or wrong?

Mr. MILLS. The bill provides for the gentleman's Governor in California and for my Governor in Arkansas to disregard any type of income up to $7.50 a month of those who receive public assistance, but they are not required to do it.

Mr. BURTON of California. I am not talking about the 1.3 million with outside income. I am talking about the 1½ million who do not have social security.

The SPEAKER pro tempore. The time of the gentleman from Arkansas has again expired.

Mr. MILLS. Mr. Speaker, I yield myself 1 additional minute.

If I understand what the gentleman is talking about, he wants to know why we did not put additional money in here for people on welfare. Is that what he is talking about?

Mr. BURTON of California. For the aged and the crippled.

Mr. MILLS. That was not in the bill as passed by the House. I believe the gentleman voted for it. The Senate did not put it in. How could we bring it back from conference?

Mr. BURTON of California. The Senate did put in a provision.

Mr. MILLS. I understand that was a mandatory provision for the same people who get social security.

Mr. BURTON of California. The chairman is not correct, and the record will so reflect.

Mr. MILLS. What the conference did was to say everybody getting social security who also gets welfare will have $7.50 of his social security increase passed through without any reduction in welfare. However, the gentleman's question is very specific, so permit me to respond in more detail later.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Oklahoma.

Mr. ALBERT. I appreciate the gentleman's yielding.

May I say to the Chair and to the House:

I cannot imagine this House going home and not giving this 13-percent increase to 24 million Americans who need it. As far as I am concerned, if we cannot meet this week's adjournment deadline without adopting this conference report, we will stay here until we do adopt it. I cannot understand why anyone—on the grounds that there are certain provisions that he does not like—would try to block this help for these people. I would like to make changes in the bill myself, but I am not going to vote against it because I may not agree with every provision in it.

As I understand it—and the chairman can correct me if I am wrong—it takes about 2 months to get these checks out.

Mr. MILLS. That is right.

Mr. ALBERT. If we fool around here and do not get this bill passed, it may be April or May before these checks start getting out. Winter will be over and some of these people will be dead and gone.

Mr. MILLS. If we pass it in December, they will not receive $1 of it until the third day of April because of the delay in getting the computers adjusted and the checks sent out.

Mr. ALBERT. So I hope at this stage of the game we will pass the bill. The House passed the bill originally and the conferees have agreed to it. The administration can send up any recommendation it deems advisable for corrective action or additional action next year. But let us pass this bill and give these 24 million Americans this 13 percent.

Mr. MILLS. Mr. Speaker, let me discuss these welfare amendments by category.

WORK INCENTIVE PROGRAM

One area of the bill on which I believe the Senate Finance Committee spent a great deal of its time, in considering this legislation in executive session, relates to the proposals to provide employment and training to appropriate recipients under the aid to families with dependent children program. The House Committee on Ways and Means also labored long and hard over these provisions in the House version of the bill. I believe that the provisions agreed upon, which generally speaking follow the Senate Finance Committee bill, reflect the work of both committees.

These provisions are lengthy and involve a number of technicalities which time does not permit me to discuss in detail. I want to mention, however, one or two of the actions taken by the conference committee with respect to some of these provisions.

One of the improvements made by the Senate was to spell out certain classes of individuals who could not be required to participate in employment or training at the expense of having his welfare payment discontinued—a sick person, for example, or a person remote from a project. Included among these categories of persons, as the bill passed the Senate, were mothers of preschool children and mothers of schoolchildren under 16 during hours when such children are not attending school. Both of these exclusions were eliminated by the conference report. The conferees were in agreement that other provisions of the bill stating that only appropriate individuals could be required to participate afford adequate protection for mothers of these children where circumstances dictate that they should not have to participate in a program.

Another provision relating to the work-incentive program altered in conference relates to the amount of training allowance a person undergoing institutionalized training will receive. The Senate provided a $20-a-week allowance. The conference report provides an allowance of $30 a month.

The Department of Labor will utilize the services of State employment agencies in carrying out its functions under these provisions of the bill.

The Committee on Ways and Means will be looking very carefully at the administration of this new program. I am confident that both the Department of Health, Education, and Welfare and the Department of Labor will make every effort to see that this bold new program is successful in reducing the dependency of many who would otherwise be required to rely on the aid to families with dependent children program for family support.

AFDC FREEZE

The House provided a limitation on Federal matching with respect to payments under the AFDC program involving families on the rolls due to the absence of a parent. The Senate eliminated this provision. The conference report restores this provision with amendments designed to avoid unintentional results which possibly could have arisen under the House bill. The conference report bases the limitation on population figures for January 1968 rather than January 1967, makes the limitation effective after June 30, 1968, rather than December 31, 1967, and eliminates children age 18 or over from consideration in applying the limitation. With these modifications, I am sure that the States will be able to implement the bill's provisions designed to reduce dependency of AFDC recipients with the result that this limitation provision will not necessitate that any person be denied benefits under the program. This conclusion is substantiated by the cost estimates relating to the welfare provisions of the bill furnished to the conference committee by the Department of Health, Education, and Welfare. The Department's figures indicate that there will be no savings in Federal funds resulting from the enactment of the limitation provision. If the Department believed that this provision would limit Federal participation in any way, then its cost estimates would have to show a savings as a result of the enactment of the provision.

If the limitation provision is not expected to cut down on Federal participation, then why is it in the bill?

It is there to get the States to act on the other provisions of the bill requiring them to do something to reduce dependency and to take people off welfare who should not be there. It is as simple as that. We passed legislation in 1962 designed to take persons off the welfare rolls but the results obtained within the States have been less than startling. Now we are furnishing a prod to obtain some results from the State welfare agencies.

EARNINGS EXEMPTION

The House provided AFDC recipients with additional incentives to increase their family income through earnings, by exempting a portion of such earnings in determining need under the program. The House exempted all earnings of recipients who are under age 16 or who are age 16 to 21 if in full-time school attendance, and the first $30 of other family earnings plus one-third of the remainder of family earnings.

The Senate increased the family earnings figures to $50 and 50 percent and exempted all earnings of a child who is a part-time student not employed full time.

The conference report adopted the House version with respect to the exemption of family earnings and the Senate provision relating to part-time students.

HOME REPAIRS

The House bill authorized Federal participation in payments of up to $500 for repairs of a home owned by recipients of assistance under the aged, blind, or permanently and totally disabled programs. The Senate added homeowner recipients under the AFDC program to this provision. The conference report accepted the Senate amendment.

LOCATION OF DESERTING PARENTS

The Senate provided that State AFDC plans provide procedures for locating certain deserting parents by obtaining information on the location of such parents from the files of the Department of Health, Education, and Welfare and the Internal Revenue Service, and that such deserting parents could become liable to the United States for unpaid portions of a court support order which would be subject to collection by the Secretary of the Treasury. The conference report accepted the Senate provisions on obtaining information on the location of deserting parents but omitted the provisions relating to establishment of liability to the United States and collection by the Secretary of the Treasury.

TITLE XIX—MEDICAID PROGRAM

TITLE XIX LIMITATION

The House provided a limitation on Federal matching under the medical assistance program of title XIX. Under this limitation States would be limited in setting maximum income eligibility levels for Federal matching purposes to the lower of, first, 133⅓ percent of AFDC payments, or second, 133⅓ percent of State per capita income applied to a family of four. The Senate modified this test by eliminating the test based on per capita income and by providing that eligibility be limited to persons whose income does not exceed 150 percent of State old-age assistance standards. In addition, the Senate provided reduced Federal matching with respect to title XIX recipients who are not cash assistance recipients. The conference report accepted the House bill but eliminated the limitation based on State per capita income and provided that persons eligible to receive cash assistance will be exempt from the limitation.

DIRECT BILLING

The House permitted the States to make direct payments to title XIX recipients to meet the cost of physicians' services but limited this authority to application to individuals who are not receiving cash assistance. The Senate permitted this to apply to dentists' services as well as those of physicians, and extended its application to cash assistance recipients, under safeguards to assure quality and reasonableness of charges. The conference report adopted the Senate provisions including dentists' services but omitted the Senate provision extending the provision to cash assistance recipients.

SKILLED NURSING HOME STANDARDS AND LICENSING OF NURSING HOME ADMINISTRATORS

The Senate added State plan requirements relating to standards to be met by skilled nursing homes participating in the medicaid program and licensing of skilled nursing home administrators. These provisions were accepted in conference.

INTERMEDIATE CARE

The Senate provided Federal participation in vendor payments to intermediate care facilities under the aged, blind, and permanently and totally disabled programs for care of recipients whose condition does not require skilled nursing home care. These provisions were accepted in the conference report with amendments relating to safety and sanitation standards and the inclusion of Christian Science sanatoriums.

SHELTER COSTS

The Senate provided that a State may establish different income eligibility levels under its title XIX plan, which recognize variations in shelter costs between urban and rural areas. The provision was accepted in conference.

OTHER PROVISIONS

Mr. Speaker, there were numerous other provisions in conference which Members will find described in the conference report and in the summary of the bill's provisions which I will have included at the conclusion of my remarks.

DRUGS

One group of these provisions deserves comment at this time. These were the provisions in the Senate bill providing for controls over cost and quality of drugs prescribed under the various programs of the Social Security Act. These provisions were deleted in the conference report, but a compromise provision was adopted requiring the States to adopt methods and procedures under their title XIX plans to assure that payments—including payments for drugs provided under the plans—are not in excess of reasonable charges consistent with efficiency, economy, and quality of care.

Mr. Speaker, an enormous amount of time has been devoted by both the House and the Senate in developing this legislation. I hope the conference report will be voted up.

Mr. Speaker, I include at this point a summary of the provisions of the bill and various tables concerning the effects of the legislation on the social security and public welfare programs:

SUMMARY OF SOCIAL SECURITY AMENDMENTS OF 1967

OLD-AGE, SURVIVORS, DISABILITY, AND HEALTH INSURANCE PROGRAMS

Old-age, survivors, and disability insurance

Increase in Social Security Benefits

The amendments provide an increase in benefit payments of 13 percent for all beneficiaries on the social security rolls. The average monthly benefit paid to a retired worker with an eligible wife now on the rolls is increased from $145 to $165. The minimum benefit for a worker retiring at age 65 is increased from $44 to $55 a month. Monthly benefits will range from $55 to $160.50, for retired workers now on social security rolls who began to draw benefits at age 65 or later.

The amount of earnings subject to tax and used in the computation of benefits is increased from $6,600 to $7,800 in 1968.

The $168 maximum benefit (based on average monthly earnings of $550—or $6,600 per year) eventually payable under present law would be increased to $189.90. The increase in the amount of earnings that can be used in the benefit computation would result in a maximum benefit of $218 (based on average monthly earnings of $650–$7,800 a year) in the future. The maximum benefits payable to a family on a single earnings record is $434.40. To qualify for the maximum retirement benefits just outlined, a wage earner who retires at age 65 in the future must have earned the maximum under the new earnings bases for a number of years.

Effective date.—The increased benefits are first payable for the month of February 1968 and will be reflected in checks received early in March. It is estimated that 22.9 million people are paid increased benefits. More than $3 billion in additional benefits will be paid in the first 12 months.

Special Benefits for People Age 72 and Over

The special payments made to uninsured individuals aged 72 and over are increased from $35 to $40 a month for a single person and from $52.50 to $60 a month for a couple.

Effective date.—The increased benefits will be first payable for February 1968 and will be reflected in checks received in March 1968.

Limitation on Wife's Benefit

The amendments limit the wife's benefit to a maximum of $105 a month. The effect of this provision will not generally be felt until many years into the future.

The Retirement Test

The amendments provide for an increase from $1,500 to $1,680 in the amount of annual earnings a beneficiary under age 72 can have without having any benefits withheld. Provision is made for an increase from $125 to $140 in the amount of monthly earnings a person can have and still get a benefit for the month. The bill provides that $1 in benefits be withheld for each $2 of earnings between $1,680 and $2,880 and $1 in benefits for each $1 in earnings above $2,880.

Effective date.—The provision is effective for earnings in 1968. It is estimated that about 175 million in additional benefits would be paid for 1968 to 76,000 people.

Benefits for Disabled Widows and Widowers

The amendments provide for the payment of monthly benefits to certain disabled widows and widowers of deceased workers who are between the ages of 50 and 62. If a disabled widow or widower first receives benefits at age 50, then the benefit would be 50 percent of the primary insurance amount. The amount payable would increase up to 82½ percent of the primary insurance amount, depending on the age at which benefits began. The reduction would continue to apply to benefits which were paid after the recipient reached age 62.

A widow or widower would be deemed disabled only if the disability is one that, under regulations prescribed by the Secretary of Health, Education, and Welfare, would preclude any gainful activity.

To be eligible for the benefits, the widow or widower must have become totally disabled not later than 7 years after the spouse's death, or in the case of a widowed mother, before the end of her benefits as a mother or within 7 years thereafter.

Effective date.—About 65,000 disabled widows and widowers could be eligible for benefits and about 60 million in benefits would be paid during the first 12 months of operation. Benefits would be payable starting for February 1968.

Dependency of a Child on the Mother

The amendments provide that a child will be considered dependent on the mother under the same conditions that he is now considered dependent on the father. As a result, a child could be entitled to benefits if the mother was either fully or currently insured at the time she died, retired, or became disabled. Under present law a mother must have currently insured status (six out of the last 13 quarters ending with death, retirement, or disability) unless she was actually supporting the child.

Effective date.—Benefits will be payable beginning for February 1968. It is estimated that 175,000 children will be eligible for benefits and that $83 million in additional benefits will be payable in the first 12 months.

Insured Status for Workers Disabled While Young

The amendments will allow a worker who becomes disabled before the age of 31 to qualify for disability insurance if he worked in one-half of the quarters between the time he is 21 and the time he is disabled, or alternatively if he works in six quarters out of the last 12. This requirement would be an alternative to the present requirement that the worker must have had a total of 5 years out of the last 10 years in covered employment.

Effective date.—Benefits would be payable for February 1968 on the basis of applications filed in or after December 1967.

Additional Wage Credits for Servicemen

For social security benefit purposes, the amendments will provide that in the future the pay of a person in the uniformed service would be deemed to be $100 a month more than his basic pay. The additional cost of paying the benefits resulting from this provision would be paid out of general revenues.

Disability Insurance Trust Fund

The amendments increase the percentage of taxable wages appropriated to the disability insurance trust fund (now at 0.70 of 1 percent) to 0.95 of 1 percent and would increase the percentage of self-employment income (now at 0.525 of 1 percent) to 0.7125 of 1 percent.

Extension of Retroactivity of Disability Applications

The amendments allow a longer period of time after termination of disability for the filing of a disability freeze application by an individual whose mental or physical disability interfered with his filing a timely application. This would enable workers who are totally disabled over an extended period but fail to file timely applications to nevertheless have the period of disability frozen, and thus not counted against them in subsequent determinations as to whether they are insured for social security benefits or the amount of such benefits.

The provision, however, does not apply to monthly disability benefits.

Children Adopted by Disability Beneficiaries

The amendments provide that a child adopted by a person who is getting disability benefits can become entitled to benefits if (*a*) the adoption takes place in the United States, (*b*) it was under the supervision of a public or private child-placement agency, (*c*) the disabled individual had resided in the United States for the year prior to the adoption, and (*d*) the child is under 18 at the time of adoption.

Effective date.—The provision is effective for benefits for February 1968 based on applications filed in and after December 1967.

Coverage of Ministers

The amendments permit a clergyman (other than members of the religious orders who have taken a vow of poverty) to elect not to be covered if he is conscientiously opposed to social security coverage, or if he opposes such coverage on grounds of religious principle.

Coverage of State and Local Employees Ineligible for Membership in a State Retirement System

The amendments facilitate social security coverage for workers in positions under a State or local government retirement system who are not eligible to join the system. Under present law, these workers cannot be covered under social security in connection with the procedure for extending coverage to members of a retirement system by means of the provision permitting specified States to cover only those members of a retirement system who desire coverage. The amendments would permit these workers to be covered under this procedure.

State and Local Coverage in Illinois

The amendments add Illinois to the list of States (19 under present law) which are permitted to extend social security coverage to those current members of a State or local retirement system who desire coverage, with all future employees being compulsorily covered.

Firemen in Puerto Rico

The amendments add Puerto Rico to the list of States which may provide social security coverage for policemen and firemen.

Firemen in Nebraska

The amendments validate social security coverage for certain firemen in Nebraska for whom social security taxes were erroneously paid.

Coverage of Firemen

The amendments provide that social security coverage can be extended to firemen in States not specifically granted that right if the Governor of the State certifies that the total benefit protection of firemen would be improved as a result. However, the divided retirement system could not be used and the firemen would have to be brought into coverage as a separate group and not as part of a group which includes persons other than firemen.

Coverage for Erroneously Reported Former State or Local Government Employees

The amendments permit a State, when it provides retroactive coverage for a coverage group under a modification of the State's agreement, to provide retroactive coverage for former employees of the coverage group with respect to earnings that previously had been erroneously reported for them for quarters in the retroactive period, if no refund has been made of the taxes paid on the erroneously reported earnings.

State and Local Employees Receiving Fees

The amendments modify the social security coverage provisions applying to State and local government employees who are compensated solely on a fee basis (such as constables and justices of the peace). Under present law, fee-basis employees, like other State and local government employees, may be covered only under a State coverage agreement. Under the amendments, in the case of employees who are compensated solely on a fee basis, fees received after 1967 which are not covered under a State agreement would be covered under the self-employment provisions of law, except that people in fee-basis positions in 1968 could elect not to have their fees covered under the self-employment provisions. Under the amendments a State could, as under present law, modify its coverage agreement to provide coverage for fee-basis employees as employees. However, unlike present law, the amendments permit States to remove from coverage under its agreement persons who are compensated solely on a fee basis.

Family Employment

The amendments extend social security coverage to employment performed in the private home of the employer by a parent in the employ of his son or daughter. The employment would be covered if the son or daughter is (*a*) a widow or widower with a child under age 18 or a disabled child or (*b*) a person with such a child who either is divorced or has a disabled spouse. The amendments would continue to exclude from coverage employment performed in a private home by a parent when these conditions are not met, employment of a child under age 21 by his parent, and employment of a husband or wife by the spouse.

Employees of the Massachusetts Turnpike Authority

The amendments permit the State of Massachusetts to modify its agreement for social security coverage so as to exclude employees of the Massachusetts Turnpike Authority who are in positions being brought into a new State retirement system.

Children Adopted by Surviving Spouse

The amendments permit a child adopted by a surviving spouse to get benefits even though the adoption is not completed within 2 years after the worker's death, if adoption proceedings had begun before the worker died.

Effective date.—The provision would be effective for monthly benefits for February 1968 based on applications filed in and after December 1967.

Recovery of Overpayments

The amendments authorize the Secretary of HEW to recover overpaid benefits by requiring the overpaid beneficiary or his estate to refund the overpayment or by withholding the benefits payable to him, his estate or to any other person entitled to benefits on the same earnings record. (Under present law, overpayments may be recovered from the overpaid person while he is getting benefits, but recovery may not be made from any other person getting benefits on the same account. There is no specific provision for recovering an overpayment while the beneficiary is alive if he is not getting benefits.)

Benefits Paid on Basis of Erroneous Reports of Death in Military Service

The amendments provide that all benefits paid on the basis of official reports of death in military service issued by the Department of Defense will be considered lawful payments even though it is later determined that the person who was reported dead it still alive.

Effective date.—The provision will apply to all payments made to payees who get benefits for December 1967 or later.

Underpayments

The amendments provide that amounts due under the supplementary medical insurance program after the beneficiary's death be paid to the person who paid for the services, either before or after the beneficiary's death, or to the person who provided the services. (If the person who paid for the services is the decedent, the payment would be made to the legal representative of his estate if there is one.) Otherwise the benefits will be paid under the following uniform order of payment for both cash benefits and part B benefits:

1. Spouse living with the individual at time of his death or to the spouse not living with individual but entitled to benefits on the same earnings record.
2. Child entitled to benefits on the same earnings record.
3. Parent entitled to benefits on the same earnings record.
4. Spouse who was neither entitled to benefits on the same earnings record nor living with the individual.
5. Child not entitled to benefits on the same earnings record.
6. Parent not entitled to benefits on the same earnings record.
7. Legal representative of the individual's estate, if any.

Simplification of Benefit Computation

Where wages earned before 1951 are used to compute social security benefits, the amendments allow certain assumptions to be made so that the benefit could be computed by use of electronic data processing equipment.

Definitions of "Widow," "Widower," and "Stepchild"

The amendments provide a change in the definition of "widow," "widower," and "stepchild" so that they will be considered as such for social security purposes if the marriage existed for 9 months, or, in the case of death in line of duty in the uniformed service, and in case of accidental death, if the marriage existed for 3 months, unless it is determined that the deceased inidvidual could not have reasonably been expected to live for 9 months at the time the marriage occurred. Under present law a marriage must have existed for 12 months.

Requirements for Husband's and Widower's Insurance Benefits

The amendments eliminate the requirement in present law that a dependent husband or widower may become entitled to social security benefits on his wife's earnings only if his wife is currently insured at the time she died, became disabled, or retired.

Disability Benefits Affected by the Receipt of Workmen's Compensation

The amendments modify the provisions in present law for determining the amount of combined social security and workmen's compensation benefits that can be paid when a disabled worker is eligible under both programs. In cases where social security disability benefits are subject to reduction because the combined benefits would otherwise exceed 80 percent of the disabled worker's average current earnings, the computation of average earnings can include earnings in excess of the annual amount taxable under social security.

Extension of Time for Filing Reports of Earnings

The amendments authorize the Secretary of Health, Education, and Welfare to grant an extension of the time in which a person may file the report of earnings required for retirement test purposes if there is a valid reason for his not filing it on time. Permission to file a late report may be given in advance of the date on which the report is to be filed.

Penalty for Failure to File Timely Reports of Earnings

The amendments eliminate the possibility of imposing on a person, who does not file a timely report of earnings under the retirement test, a penalty which exceeds the amount of benefits which should have been withheld.

Limitation on Payment of Benefits to Aliens Outside the United States

The amendments would modify the provisions of present law under which an alien who is outside the United States for 6 consecutive months has his benefits withheld under certain conditions, so that, for purposes of the 6-month provision, an alien who is outside the United States for more than 30 days will be considered outside the United States until he returns to the United States for 30 consecutive days within 6 months after he leaves the country.

The amendments add a provision under which generally a person who is not a citizen of the United States is outside the United States for 6 months or more could be paid benefits only if he is a citizen of a country that provides reciprocity under its social security system for the payment of benefits to U.S. citizens who are living outside that country. (Payment would continue to be made under certain circumstances to a person who is a citizen of a country that has no generally applicable social security system.)

Also, benefits would not be payable to an alien living in a country in which the Treasury has suspended payments. Any amounts currently accumulated for aliens now living in countries where payment cannot be made would be limited to 12 monthly benefits.

Effective date—The provisions will be effective after June 30, 1968.

Advisory Council on Social Security

The amendments modify the provisions of present law relating to the time at which Advisory Councils are appointed and issue reports to provide that the Advisory Councils be appointed at any time after January 31 in 1969 and every 4 years thereafter. As in present law each Council would report to the Secretary not later than the first day of the second year following the year in which it is appointed. The final report of each Council, however, must include any interim reports the Council may have issued.

Disclosure to Courts of Whereabouts of Certain Individuals

The amendments require the Social Security Administration to furnish an appropriate court with the most recent address of a deserting father if the court wishes the information in connection with a support order for a child. Such information would be furnished to both courts in interstate support actions.

Payments to Certain Illegitimate Children

The amendments provide that benefits payable to illegitimate children who become entitled to benefits in the future under a provision contained in the 1965 amendments can not exceed the difference between the total amounts payable to other persons and the family maximum amount. The benefits payable to a person on the effective date of the 1965 amendments which were reduced because a child became entitled to benefits under the 1965 amendment will not be reduced in the future nor will the benefits payable to persons on the rolls on the effective date of the 1967 amendments be reduced.

Report of Board of Trustees

The amendments change the date on which the annual report of the trustees of the social security trust funds is due from March 1 to April 1. Also, the report is to contain a separate actuarial analysis of the benefit disbursements made from the old-age and survivors insurance trust fund with respect to disabled beneficiaries.

Expedited Benefit Payments

The amendments establish special procedures to expedite the payment of benefits. The new procedures would go into effect after June 30, 1968, but would not apply to disability benefits or negotiated checks.

Attorney's Fees

The amendments authorize the Secretary of HEW to fix a reasonable fee for the services provided before the Social Security Administration for an applicant for social security benefits by an attorney and to pay such attorney's fee out of past-due benefits. The fee could not exceed the smaller of: (*a*) 25 percent of the past-due benefits, (*b*) the fee fixed by the Secretary, or (*c*) an amount agreed to by the applicant and the attorney.

Exclusion of Emergency Services by State and Local Employees

The amendments would mandatorily exclude from social security coverage services performed for a State or local government by workers hired on a temporary basis in case of emergencies such as fire, storm, flood, or earthquake.

Election Officials and Election Workers

The amendments would permit a State to exclude from social security coverage, prospectively, service performed by election workers and election officials if they are paid, for such services, less than $50 in a calendar quarter. The exclusion could be taken for the election officials and workers of the State or any of its political subdivisions either at the time coverage is extended to employees of the State or the subdivision or at a later date.

Social Security Tax—Retirement Plans

The amendments exclude from the definition of wages subject to social security taxes certain payments made under plans established by employers and made to the employee or his dependents upon retirement, death, or disability.

Definition of Disability

The amendments provide a more detailed definition of disability for workers than is now in the law. Guidelines would be provided under which a person could be determined to be disabled only if he is unable to engage in any kind of substantial gainful work which exists in the national economy, even though such work does not exist in the general area in which he lives. A special more restrictive definition would apply to widows and widowers.

Definition of Blindness

The definition of disability due to blindness is changed so that a person who is "industrially blind" (i.e., visual acuity of 20/200 or less corrected or a visual of 20 degrees or less) is disabled rather than one who has visual acuity of 5/200 or less corrected.

Time for Filing Applications for Exemption From Self-Employment Tax by Amish

The amendments permit members of a religious sect which is opposed to social insurance to file an application for exemption from the self-employment tax by December 31, 1968, if the person has self-employment income for years ending before December 31, 1967. If he first receives self-employment income in later years, the application would be timely if filed by the due date for the income tax return for the year in question. However, in these latter cases, the amendment also provides that valid applications may be filed within 3 months following the month in which the person is notified in writing by the Internal Revenue Service that a timely application has not been filed.

Retirement Income of Retired Partners

The amendments provide that certain partnerships income of retired partners would not be taxed or credited for social security purposes.

Hospital Insurance Contributions by Persons Employed Both Under Social Security and Railroad Retirement

The amendments provide that, beginning with 1968, persons employed both under the social security and railroad retirement programs who pay hospital insurance contributions on combined wages which are in excess of the taxable wage base would be entitled to a refund of the excess contributions.

General Savings Provision

The amendments provide that when an additional person becomes entitled to benefits as a result of the Social Security Amendments of 1967, the benefit paid to any other person on the same account would not be reduced by the family maximum provision because the new person became entitled to benefits.

Health insurance benefits

Payment of Physician Bills Under the Supplementary Medical Insurance Program

Under present law, payment may be made only upon assignment to the physician or to the patient upon presentation of a receipted bill. The amendment would permit payment either to the patient on the basis of an itemized bill (which could be either receipted or unpaid) or to the physician under the present assignment method. This provision would make it possible for patients to pay their medical bills without depleting their savings or resorting to loans.

Payment for Services in Nonparticipating Hospitals

Under existing law payments can be made to participating hospitals and, in an emergency case, to a nonparticipating hospital which met certain standards, only if the hospital agreed to accept the reasonable costs allowed by medicare as full payment for the services rendered.

For the period ending December 31, 1967, the amendment would permit direct reimbursement to an individual who was furnished nonemergency or emergency hospital services in certain nonparticipating hospitals. This transitional coverage would not extend to admissions after 1967. Payment would be limited to 80 percent of the hospital ancillary charges and 60 percent of the room and board charges, for up to 20 days in each spell of illness (subject to the $40 deductible and other statutory limitations of payment) if the hospital did not formally participate in medicare before January 1, 1969. If it did participate in medicare before that date and if it applied its utilization review plan to the services it provided before its regular participation started, up to the full 90 days of coverage could be reimbursed. Thus, there would be an incentive for nonparticipating hospitals to participate because participation is a condition for covering past services beyond 20 days as well as a condition for future coverage.

A similar provision would continue after January 1, 1968, for emergency care but only as an alternative to the other method of covering such care. Hospitals could apply for payment for a period of up to 150 day or, if the hospital did not apply, the patient could obtain payment on the basis of 60 percent of room and board charges and 80 percent of ancillary services charges.

A new definition for hospitals eligible under these transitional and emergency care provisions is provided. Under it, a qualifying hospital must have a full-time nursing service, be licensed as a hospital, and be primarily engaged in providing medical care under the supervision of a doctor of medicine or osteopathy. This definition would apply back to July 1, 1966, so that some hospitals which would otherwise be ineligible to receive payment for emergency services may receive such payments in behalf of their beneficiaries back to the beginning of the program provided they apply for them. If they do not apply for reimbursement, the patient could be paid under other provisions.

This provision would afford financial relief to those medicare beneficiaries who have received services in certain nonparticipating hospitals starting July 1966, sometimes entering such hospitals without realizing the services would not be covered under medicare.

Payment Under the Medical Insurance Program for Noncovered Hospital Ancillary Services

The amendments add a provision which permits payment under the medical insurance program for presently noncovered ancillary hospital and extended care facility services, principally X-ray and laboratory services furnished after the patient has been covered for the full period of hospital eligibility. Under prior law if a person is in a hospital or extended care facility qualified to participate under medicare, payment may not be made for services which could be paid for under part B if not received in a qualified hospital or extended care facility. As a result, sometimes the services are not covered under either part B or part A. The amendment will allow payment to be made for services ordinarily not paid for under part B, wherever part A payments could not be made, if the appropriate hospital or independent laboratory standards are met. Payment will be made to participating providers under the usual part B provisions applying to the $50 deductible and 20 percent coinsurance.

Limitation on Special Reduction in Allowable Days of Inpatient Hospital Services

The limitation on payment of hospital insurance benefits during the first spell of illness for an individual who is an inpatient of a psychiatric hospital at the time he becomes entitled to benefits under the hospital insurance program will be made inapplicable to benefits for services in a general hospital if the services are not primarily for the diagnosis or treatment of mental illness. The amendments also remove tuberculosis hospitals from the provision in present law under which days in a tuberculosis institution immediately before entitlement to hospital insurance are counted against the days of coverage an individual would otherwise have. In effect, the change makes an individual's entitlement to hospital insurance benefits the same if he received hospital services in a tuberculosis hospital as it would be if he received services in a general hospital.

Payment for Blood

The definition of "blood" is broadened to include packed red blood cells as well as whole blood and the application of the 3-pint deductible provision under the hospital plan is also extended to the supplementary medical insurance program.

Services of Podiatrists

The amendments include within the definition of physician a doctor of podiatry, but only with respect to functions he is authorized to perform by the State in which he practices. No payment will be made for routine foot care whether performed by a podiatrist or a medical doctor.

Physical Therapy

The amendments extends the provisions of present law to include outpatient physical therapy services furnished by physical therapists employed by or under an agreement with and under the supervision of hospitals and other providers of services as well as approved clinics, rehabilitation centers and local public health agencies. Additionally, the patient would not have to be homebound for the physical therapy services to be covered.

Supplementary Medical Insurance Enrollment Periods

The amendments add a provision, effective January 1, 1969, under which the general enrollment periods of the supplementary medical insurance program will be placed on an annual basis and run from January 1 to March 31, rather than October 1 to December 31 of each odd-numbered year. The Secretary would determine and promulgate during December of each year the premium rate which would be applicable for a 12-month period to begin the following July 1. When the Secretary promulgates a rate for part B, he also is required to issue a public statement setting forth the actuarial assumptions and bases upon which he arrived at the rate.

Persons wishing to disenroll could do so at any time, but such termination would not take effect until the close of the calendar quarter following the quarter in which the notice was filed.

Additional Days of Hospital Care

Each medicare beneficiary will be provided with a lifetime reserve of 60 days of hospital care after the 90 days covered in a "spell of illness" have been exhausted. Coinsurance of $20 for each day would be applicable to such added days of coverage.

Incentive Reimbursement Experimentation

The Secretary of HEW is authorized to experiment with various methods of reimbursement to organizations, institutions, and physicians, on a voluntary basis, participating under medicare, medicaid, and the child health programs which offer incentives for keeping costs of the program down while maintaining quality of care.

Study of Drug Proposals and Retirement Test

The Secretary of HEW is required to study and report to the Congress, prior to January 1, 1969, the savings which might accrue to the Government and the effects on the health professions and on all elements of the drug industry which might result from enactment of two proposals relating to drugs: (1) a proposal to cover prescription drugs under medicare, and (2) a proposal to establish, through a formulary committee, quality and cost control standards for drugs provided under the various programs of the Social Security Act. The Secretary is also to study ways to improve the earnings test under social security and the feasibility of increasing payments to those who delay their retirement after age 65.

Physician Certification

The requirement of physician certification of the medical necessity for hospital outpatient services and admissions to general hospitals is removed. Such services and admissions are almost always medically necessary. The change will simplify administration of the program by eliminating unnecessary paperwork.

Transfer of Outpatient Hospital Services to the Supplementary Medical Insurance Program

The amendments transfer hospital outpatient diagnostic services from the hospital insurance program to the supplementary medical insurance program. The effect of the change is that all hospital outpatient benefits will be covered under the supplementary medical insurance program and thus subject to the deductible ($50 a year) and coinsurance features (20 percent). This provision simplifies the procedure for paying benefits for hospital outpatients by making such payments subject to a single set of rules for determining patient eligibility, patient and medicare liability and trust fund accountability.

Hospital Billing for Outpatient Services

Hospitals will be permitted, as an alternative to the present procedure, to collect small charges (if not more than $50) for outpatient hospital services from the beneficiary without submitting a bill to medicare. (The amounts collected would be counted as expenses reimbursable to the beneficiary under the medical insurance plan.) The payments due the hospitals would be computed at intervals to assure that the hospital received its final reimbursement on a cost basis. This provision will bring the requirements of the medicare program more closely into conformity with the usual billing practices of hospitals.

Radiologists' and Pathologists' Services

The amendments permit payment of full reasonable charges for radiological or pathological services furnished by physicians to hospital inpatients. Under present law, a 20 percent coinsurance factor is applicable as is also the $50 deductible if it is not met by other medical expenses. This provision improves the protection of the program as well as facilitating beneficiary understanding. It will simplify hospital and intermediary handling of medicare claims by bringing the requirements of the medicare program more closely in line with the usual billing practices of hospitals and the payment methods of private insurance.

Payment for Portable X-ray Services

The amendments permit payment for diagnostic X-rays taken in a patient's home or in a nursing home. These services will be covered under the supplementary medical insurance program if they are provided under the supervision of a physician and are performed under proper health and safety regulations.

Payment for Purchase of Durable Medical Equipment

The amendments permit payment to be made for durable medical equipment needed by an individual, whether rented or purchased. If purchased, payment would be made periodically in the same amount as if equipment were rented, for the period the equipment was needed but without covering more than the purchase price.

Reimbursement for Civil Service Retirement Annuitants for Premium Payments Under the Supplementary Medical Insurance Program

Federal employee group health benefit plans will be permitted to reimburse certain civil service retirement annuitants who are members of their plans for the premium payments they make to the supplementary medical insurance program.

Date of Attainment of Age 65 of Persons Enrolling in SMI Program

A person over 65, who believes, on the basis of documentary evidence, that he has just reached age 65, will be allowed to enroll in the supplementary medical insurance program as if he had attained age 65 on the date shown in evidence.

Use of State Agencies To Assist Health Facilities To Participate in the Various Health Programs Under the Social Security Act

States will be able to receive 75-percent Federal matching for the services which State health agencies perform to help health facilities qualify for participation in the various health programs under the Social Security Act (including medicare, medicaid, and the child health programs) and to help those facilities improve their fiscal records for payment purposes. Similar provisions in the medicare program (which finance such services on a 100-percent basis from the Federal hospital insurance trust fund) are repealed effective July 1, 1969, when this provision goes into effect.

Transitional Provisions for Uninsured Individuals Under the Hospital Insurance Program

A person attaining age 65 in 1968 will be entitled to hospital insurance benefits if he has a minimum of three quarters of coverage (existing law requires six), with the number of quarters of coverage needed by persons who reach age 65 in later years increasing by three in each year until the regular insured status requirement is met.

Appropriation to Supplementary Medical Insurance Trust Fund

Whenever the transfer of general revenue funds to the supplementary medical insurance trust fund (after June 30, 1967) is not made at the time the enrollee contribution is made, the general fund of the Treasury will pay, in addition to the Government share, an amount equal to the interest, that would have been earned by the trust fund had the transfer been made on time. Also, the contingency reserve now provided for 1966 and 1967 will be made available through 1969.

Health Insurance Benefits Advisory Council

The Health Insurance Benefits Advisory Council will assume the duties of the National Medical Review Committee. The Medical Review Committee, which has not yet been formed, will not be appointed. The Health Insurance Benefits Advisory Council membership is increased from 16 to 19 persons.

Study of Coverage of Services of Health Practitioners

The Secretary of Health, Education, and Welfare will study the need for, and make recommendations concerning, the extension of coverage under the supplementary medical insurance program to the services of additional types of personnel who engage in the independent practice of furnishing health services.

Creation of an Advisory Council To Make Recommendations Concerning Health Insurance for Disability Beneficiaries

The Secretary of Health, Education, and Welfare will establish an Advisory Council to study the problems relative to including the disabled under the health insurance program, and also any special problems with regard to the costs which would be involved in such coverage. The Council is to make its report by January 1, 1969.

Financing the Social Security and Hospital Insurance Programs

The tax rates and the tax base under present law and under the amendments are shown in the following table:

TAX RATES UNDER PRESENT LAW AND UNDER THE AMENDMENTS

EMPLOYER-EMPLOYEE, EACH

[In percent]

Period	OASDI		HI		Total	
	Present law	Amendments	Present law	Amendments	Present law	Amendments
1968	3.9	3.8	0.5	0.6	4.4	4.4
1969-70	4.4	4.2	.5	.6	4.9	4.8
1971-72	4.4	4.6	.5	.6	4.9	5.2
1973-75	4.85	5.0	.55	.65	5.4	5.65
1976-79	4.85	5.0	.6	.7	5.45	5.7
1980-86	4.85	5.0	.7	.8	5.55	5.8
1987 and after	4.85	5.0	.8	.9	5.65	5.9
SELF-EMPLOYED						
1968	5.9	5.8	0.5	0.6	6.4	6.4
1969-70	6.6	6.3	.5	.6	7.1	6.9
1971-72	6.6	6.9	.5	.6	7.1	7.5
1973-75	7.0	7.0	.55	.65	7.55	7.65
1976-79	7.0	7.0	.6	.7	7.6	7.7
1980-86	7.0	7.0	.7	.8	7.7	7.8
1987 and after	7.0	7.0	.8	.9	7.8	7.9

Note: The maximum taxable earnings base under present law, $6,600, is increased to $7,800 effective Jan. 1, 1968.

PUBLIC WELFARE AND HEALTH AMENDMENTS

Work Incentive Program for AFDC Families

The amendments establish a new work incentive program for families receiving AFDC payments to be administered by the Department of Labor. The State welfare agencies would determine who was appropriate for such referral but would not include (1) children who are under age 16 or going to school; (2) any person with illness, incapacity, advanced age or remoteness from a project that precludes effective participation in work or training; or (3) persons whose substantially continuous presence in the home is required because of the illness or incapacity of another member of the household. For all those referred the welfare agency will assure necessary child care arrangements for the children involved. An individual who desires to participate in work or training would be considered for assignment and, unless specifically disapproved, would be referred to the program.

People referred by the State welfare agency to the Department of Labor would be handled under three priorities. Under priority I, the Secretary of Labor, through the over 2,000 U.S. employment offices, would make arrangements for as many as possible to move into regular employment and would establish an employability plan for each other person.

Under priority II all those found suitable would receive training appropriate to their needs and up to $30 a month incentive payment. After training as many as possible would be referred to regular employment.

Under priority III, the employment office would make arrangements for special work projects to employ those who are found to be unsuitable for the training and those for whom no jobs in the regular economy can be found at the time. These special projects would be set up by agreement between the employment office and public agencies or nonprofit private agencies organized for a public service purpose. It would be required that workers receive at least the minimum wage (but not necessarily the prevailing wage) if the work they perform is covered under a minimum wage statute (and in applying the minimum wage law, their welfare grants would be counted). Moreover, the work performed under special projects must not result in the displacement of regularly employed workers and would have to be of a type which, under the circumstances in the local situation, would not otherwise be performed by regular employees.

The special work projects would work like this: The State welfare agency would make payments to the employment office equal to: (1) the welfare benefit the family would have been entitled to, or, if smaller, (2) a portion of the welfare benefit equal to 80 percent of the rates which the individual receives on the special project.

The Secretary of Labor would arrange for the participants to work in a special work project. The amount of the funds paid by him into the project would depend on the terms he negotiates with the agency sponsoring the project. The amount of funds put into the projects by the employment office could not be larger than the funds sent to the Secretary of Labor by the State welfare agency.

The extent to which the State welfare expenditures might be reduced would depend upon the negotiating efforts of the Secretary of Labor. If he is successful in placing these workers in work projects where the pay is relatively good, the contribution the State must make into the employment pool would be less and there would be a savings to both Federal and State Governments.

Employees who work under these agreements would have their situations reevaluated by the employment office at regular intervals (at least every 6 months) for the purpose of making it possible for as many such employees as possible to move into regular employment.

An important facet of this suggested work program is that in most instances the recipient would no longer receive a check from the welfare agency. Instead, he would receive a payment from an employer for services performed. The entire check would be subject to income, social security, and unemployment compensation taxes, thus assuring that the individual would be accruing rights and responsibility just as other working people do. In those cases where an employee receives wages which are insufficient to raise his income to a level equal to the grant he would have received had he not been in the project plus 20 percent of his wages, a welfare check equal to the difference would be paid. In these instances the supplemental check would be issued by the welfare agency and sent to the worker.

A refusal to accept work or undertake training without good cause by a person who has been referred would be reported back to the State agency by the Labor Department; and, unless such person returns to the program within 60 days (during which he would receive counseling), his welfare payment would be terminated. Protective and vendor payments would be continued, however, for the dependent children to protect them from the faults of others.

The States would have to meet 20 percent, in cash or in kind, of the total cost of the program (excluding amounts paid on special work projects, priority III, which would come from the employer and the transferred welfare payments).

Earnings Exemption

Under the present aid to families with dependent children program, the States, at their option, may disregard not more than $50 per month of earned income of each dependent child under age 18 but not more than $150 per month in the same home in computing the family's income for public welfare purposes. The States also have the option of disregarding $5 income from any source before applying the child's earned income exemption.

Under the amendments earned income of each child recipient who is a full-time student or is a part time student not working full time, will be excluded in determining need for assistance. In the case of any other child or an adult relative the first $30 of earned income of the group plus ⅓ of the remainder of such income for the month would also be exempt. The prior provision exempting $50 a month of a child's income would be superseded by these provisions.

Dependent Children of Unemployed Fathers

The amendments provide that under State programs of aid to families with dependent children of unemployed parents, Federal matching would be available only for the children of unemployed fathers. Under present law States may include children on the basis of the unemployment of mothers, as well as fathers. The amendments also provide that the Secretary will prescribe standards for the determination of what constitutes unemployment. The term is defined by the States under present law.

Under the amendments, State plans would have to provide for the payment of assistance when a child's father has not been employed for at least 30 days prior to receiving aid, if he has not refused a bona fide offer of employment or training without good cause, and if he has had a recent and substantial connection with the labor force. Assistance would be denied if the father is not currently registered with the public employment office in the State, if he refuses without good cause to undertake work or training, or refuses without good cause to accept employment, of if he is receiving unemployment compensation.

The States would have to refer the fathers to work incentive programs with 30 days after first providing them with welfare assistance.

States which are operating programs for the children of unemployed parents as provided for under present law would not have to add any additional children or families as a result of the new provisions prior to July 1, 1969. However, the amendment establishing criteria for persons covered would be effective January 1, 1968, and no Federal matching would be provided for persons who do not meet these criteria.

Limitation on Federal Matching in AFDC Program

The amendments sets a limitation on Federal financial participation in the AFDC program related to the proportion of the child population under age 18 aided because of the absence from the home of a parent. Federal financial participation would not be available for any excess above the percentage of children of absent parents who received aid to the child population under age 18 in the State as of January 1, 1968.

This limitation will be effective after June 30, 1968.

Federal Payments for Foster Home Care of Dependent Children

Effective July 1, 1969, States would have to provide AFDC payments for children who are placed in a foster home if in the 6 months before proceedings started in the court they would have been eligible for AFDC if they had lived in the home of a relative. The provision would be optional with the States before July 1, 1969. Under present law, children in foster care are eligible for AFDC payments only if they actually received such payments in the month they were placed in foster care. Federal matching would be available for grants up to an average of $100 a month per child.

Emergency Assistance

The amendments authorizes up to 30 days of emergency assistance during a 12-month period to a child under 21 and his family, but could not be extended to a family for refusal (without good cause) to accept work or training under the work incentive program. This emergency aid could also be extended to migrant workers who have dependent children.

Protective or Vendor Payments

The amendments increase the limitation of recipients for whom protective payments could be made because they were unable to manage their funds from 5 percent to 10 percent but excludes from the overall limitation those recipients for whom such payments have been made because of the refusal without good cause, of an individual to work, register for work, or to participate under a training or work program.

Single Organizational Unit for Child Services

The amendments provide that child-welfare services and services to children receiving AFDC should be provided by the same organizational unit at the State and local level, except that in those instances where such services were provided by separate State agencies or separate local agencies on the date of enactment of the amendments, they may continue to be provided by such agencies.

Pass Along

The amendments expand the provision enacted in 1965 which allows the State to exempt up to $5 a month of any type of income in determining eligibility and the amount of assistance. Effective upon enactment, the States would have the option of exempting up to a total of $7.50 a month for the aged, blind, and the totally and permanently disabled.

Increased Authorizations for Child Welfare Services

The amendments increase child welfare authorizations from $55 million for fiscal year 1969 to $100 million, and from $60 million for later years to $110 million.

Provision of Family Service State Plan Requirement

There is a provision in present law requiring State welfare agencies to make a plan for providing welfare services for each child in an AFDC family. Under the amendments, the plan must also provide for welfare services for the adults in the family.

Use of Subprofessional and Volunteer Staff

The amendments require States, effective July 1, 1969, to train and use subprofessional staff, with particular emphasis on the use of welfare recipients and other persons of low income, as community service aides for the kinds of jobs appropriate for them in the public assistance, child welfare, and health programs under the Social Security Act. The amendment also directs States to use volunteers in the program both for the provision of services to recipients, and for the assistance of advisory committees.

Parent Involvement in Day Care—Day Care Standards

The amendments add a State plan requirement to the child welfare day-care provisions for development of arrangements for the more effective involvement of parents in day care programs. Also, the day care standards in the child welfare services programs will be made applicable to day care provided to AFDC children.

Repatriation Extension

The amendments extend for 1 year, through June 30, 1969, the temporary legislation which authorizes assistance to needy Americans needy who have been repatriated to the United States by the Department of State from foreign countries.

Demonstration Projects

Two million dollars annually is currently available to encourage the States to develop demonstrations in improved methods of providing service to recipients or in improved methods of administration. The amendments increase this amount to $4 million annually.

Payment for Home Repairs

The amendment for the cash public assistance programs, allow 50 percent Federal matching for repairs (up to $500) of homes owned by recipients if to do so would be more economical from the standpoint of the program.

Purchase of Social Services

The amendments permit the purchase by welfare agencies of child care and other services under the public assistance title of the act. Such services may now be provided by welfare agency staff but existing law does not permit their purchase except from other State agencies.

Social Work Manpower and Training

The amendments authorize $5 million for the fiscal year ending June 30, 1969, and $5 million for each of the 3 succeeding fiscal years for grants to public or nonprofit private colleges and universities and to accredited graduate schools of social work, or an association of such schools, to meet part of the costs of development, expansion, or improvement of undergraduate programs in social work and programs for the graduate training of professional social work personnel. Not less than one-half of the amount appropriated would have to be used for grants for undergraduate programs.

Location of Absent Parents

The amendments provide that in those instances in which welfare agencies have been unable to locate absent parents of children receiving AFDC through all sources available to them, including records of the Social Security Administration, the Internal Revenue Service will make available any information concerning their whereabouts that it may have.

Limitation on Federal Participation in Medical Assistance (Medicaid)

States will be limited in setting income levels for Federal matching purposes to 133⅓ percent of the AFDC payment level. (For the period July–December 1968, the percentage is 150, and for calendar year 1969 it is to be 140 percent.)

Federal matching for medical care for all those who are receiving or eligible for cash assistance or who would be eligible for cash assistance if not institutionalized, will not be affected under the amendment.

Coordination of Medicaid and the Supplementary Medical Insurance Program

States will have until January 1, 1970 (rather than January 1, 1968) to buy-in title XVIII supplementary medical insurance for persons eligible for medicaid. Also, people who are eligible for medicaid but who do not receive cash assistance may be included in the group for which the State can purchase such coverage and persons who first go on the medicaid rolls after 1967 are also eligible. There is no Federal matching toward the State's share of the premium in such cases. Federal matching amounts will not be available to States for services which could have been covered under the supplementary medical insurance programs but were not as a result of a State's failure to buy in.

Modification of Comparability Provisions—Medicaid

States do not have to include in medicaid coverage for recipients under age 65 the same services which the aged receive under the supplementary medical insurance program furnished under the buy-in provisions discussed above.

Extent of Federal Financial Participation in State Administrative Expenses—Medicaid

States will get the same 75-percent Federal matching for physicians and other professional medical personnel working on the medicaid program in the State health agencies which they now get when such personnel work in the "single State agency," usually the public assistance agency. Under present law, matching is 50 percent in such cases.

Advisory Council on Medical Assistance

An Advisory Council on Medical Assistance, consisting of 21 persons from outside the Government, is established to advise the Secretary of Health, Education, and Welfare on matters of administration of the medicaid program.

Free Choice for Persons Eligible for Medicaid

Effective July 1, 1969 (July 1, 1972, for Puerto Rico, the Virgin Islands, and Guam), people covered under the medicaid program will have free choice of qualified medical facilities and practitioners, including community pharmacies.

Use of State Agencies To Assist Health Facilities To Participate in the Various Health Programs Under the Social Security Act

States will receive 75-percent Federal matching for services which State health agencies perform to help health facilities qualify for participation in the various health programs under the Social Security Act (including medicare, medicaid, and the child health programs) and to help these facilities improve their fiscal records for payment purposes. Similar provisions in the medicare program (which finances such services on a 100-percent basis from the Federal hospital insurance trust fund) are repealed effective July 1, 1969, when this provision goes into effect.

Payments for Services and Care by a Third Party—Medicaid

States are required to take steps to assure that the medical expenses of a person covered under the medicaid program, which a third party has a legal obligation to pay, will not be paid, or, if liability is later determined, that steps will be taken to secure reimbursement.

Medicaid Safeguards

The amendment requires States to establish methods and procedures designed to safeguard against unnecessary utilization of health care and services, as well as to assure that payments (including payments for drugs) do not exceed reasonable charges and that they are made on a basis consistent with efficiency, economy, and quality of care.

Skilled Nursing Home Standards Under Medicaid

States are required, as a condition for participation in the medicaid program, to place assistance recipients only in those licensed nursing homes which meet certain conditions. The conditions include requirements which relate to environment, sanitation, and housekeeping now applicable to extended care facilities under medicare, as well as fire safety standards of the life safety code of the National Fire Protection Association (unless the Secretary finds that a State's existing fire code is adequate).

States will also have to have a professional medical audit program under which periodic medical evaluations of the appropriateness of care provided title XIX patients in nursing homes, mental hospitals, and other institutions will be made.

Effective July 1, 1970, States which provide skilled nursing home care under medicaid will also be expected to provide home health care services.

Federal Matching for Assistance Recipients in Intermediate Care Facilities

Under current law, vendor payments may be made with Federal sharing only in behalf of persons in medical facilities, such as skilled nursing homes. There is no Federal vendor payment matching for people who need institutional care in the intermediate range between that which is provided in a boarding house (for which eligible persons may receive a money payment under the money payment programs), and those who need the comprehensive services of skilled nursing homes.

The amendments provide for vendor payments in behalf of persons who qualify for OAA, AB, or APTD, and who are living in facilities (including a Christian Science sanitarium) which are more than boarding houses but which are less than skilled nursing homes. The rate of Federal sharing for payments for care in those institutions is at the same rate as for medical assistance under title XIX. Such homes will have to meet safety and sanitation standards comparable to those required for nursing homes in a given State.

This provision should result in a reduction in the cost of title XIX by allowing States to relocate substantial numbers of welfare recipients who are now in skilled nursing homes in lower cost institutions.

Maintenance of State Effort

Present law contains certain provisions which in effect require that the additional Federal dollars States received as a result of the Social Security Amendments of 1965 are passed on to recipients or are otherwise used in the State's welfare program, for a period ending July 1, 1969. The amendments add to the kinds of expenditures States may count (from July 1, 1966) in determining whether they are satisfying the maintenance of effort provisions. The maintenance of effort provision as amended would terminate July 1, 1968.

Direct Billing—Medicaid

Under present law, States are required to pay for health services under medical assistance programs directly to the provider of the services. Under the amendment, States will be permitted to make a direct payment to the recipient for physicians' and dentists' services with respect to those medical assistance recipients who are not also receiving cash assistance.

Required Services Under Medicaid

States now have to provide, as a minimum, five basic services: Inpatient hospital services, outpatient hospital services, other laboratory and X-ray services, skilled nursing home services, and physician's services. States may select a number of other items of service from an additional list in the law.

Under the amendments States will be required to provide the basic five services for all money payment recipients (the most needy receiving help under the program). With respect to the medically indigent, States would be allowed to select either the first five, or seven out of 14, services authorized under the law, except that if nursing home or hospital care services are selected, a State must also provide physician's services in those institutions. Subsequent to July 1, 1970, a State would also be required to provide home health services for its cash assistance recipients.

Christian Scientists—Health Programs

The amendments add a provision to the medical assistance (title XIX) and the child health programs (title V), making it clear that no provision in such titles requires an individual to undergo medical screening, diagnosis, or treatment, where contrary to his religious belief, except in cases involving contagious disease or environmental health.

Hospital Deductibles and Copayment for Medically Indigent

Under present law, States may not impose any deductibles or cost sharing provisions with respect to hospital care under the medicaid program. Under the amendments, the costs of hospital care received by the medically needy will be subject to deductibles or other cost sharing if a State desired to have such provisions in its program. No such deductible or cost sharing could be imposed with respect to money payment recipients, as under existing law.

Essential Person—Medicaid

The amendments extend medical assistance to certain "essential persons." At present there is no provision in title XIX which permits a State to receive Federal matching for medical assistance provided for "essential person." An "essential person" is defined as the spouse to an aged, blind, or disabled public assistance recipient who is living with him, and essential or necessary to his welfare and whose needs are taken into account in determining the amount of his cash payment. The wife of an OAA recipient, for example, who herself is not eligible for cash assistance because she is under age 65 will be eligible for medical assistance if the State plan so provided.

Licensing of Nursing Home Administrators Under Medicaid

The amendments require States to license administrators of nursing homes. Administrators currently operating a home who do not qualify initially would have until July 1, 1972, to qualify. In the meantime, the States would be required to offer programs of training to assist administrators to qualify.

Optometric Services Under Child Health Programs

Persons receiving health services under child health programs will be free to utilize the services of optometrists when appropriate.

Family Planning

Family planning expenditures are now made under the maternal and child health program in title V and through medical assistance under title XIX, as a medical services expenditure. States are free to offer family planning services to AFDC recipients under title IV, but there are no Federal requirements. Under the amendments, States will be required to offer family planning services to all appropriate AFDC recipients. Federal matching of these expenditures will be provided. In addition, authorizations for the maternal and child health programs are increased, and 6 percent of the appropriated funds are earmarked for family planning. (An estimated $15 million would be spent for that purpose under the 1969 authorization, with increases thereafter). Demonstration projects would need to be developed for the provision of family planning services for mothers in needy areas.

Language is included to clarify that the acceptance of family planning services is voluntary and not a requisite for the receipt of assistance.

Training of Personnel for Health Care and Related Services for Mothers and Children

The amendments will direct the Secretary of Health, Education, and Welfare "to give special attention to" programs providing training at the undergraduate level in making grants for training of such personnel.

Consolidation and Increase of Child Health Authorizations

The amendments consolidate the existing separate child health authorizations into one single authorization with three general categories. Beginning with 1969, 50 percent of the total authorization would be for formula grants, 40 percent for project grants, and 10 percent for research and training. By July 1972 the States would have to take over the responsibility for the project grants, and 90 percent of the total authorization would then go to the States in the form of formula grants. Total authorizations would increase from $250 million in 1969 to $350 million in 1973 and thereafter.

Additional Requirements on the States Under the Formula Grant Program—Child Health

State plans must provide for the early identification and treatment of crippled children. Title XIX is amended to conform to this requirement. The States must also devote special attention to family planning services and dental care for children in the development of demonstration services.

Project Grants—Child Health

Until July 1972, the amendment authorizes project grants (1) to help reduce the incidence of mental retardation and other handicapping conditions caused by complications associated with childbearing, and to help reduce infant and maternal mortality; (2) to promote the health of children and youth of school and preschool age; and (3) to provide dental care and services to children. Beginning July 1972, responsibility for these projects will be transferred to the States.

The fiscal year 1968 authorization for maternity and infant care special projects grants is increased from $30 to $35 million.

Limitation on Federal Matching for Puerto Rico, Guam, and Virgin Islands

The dollar limit for Federal financial participation in public assistance for Puerto Rico is raised from the present $9.8 million to $12.5 million for 1968, $15 million for 1969, $18 million for 1970, $21 million for 1971 and $24 million for 1972 and thereafter. Up to an additional $2 million can be certified for family planning services and expenses to support work incentive programs.

Under medicaid an overall dollar limit of $20 million is applicable to Puerto Rico and the ratio of Federal matching is changed from 55 percent to 50 percent.

Proportionate adjustments are made for Guam and the Virgin Islands.

TABLE 1.—COMPARISON OF MONTHLY CASH BENEFITS UNDER PRESENT LAW AND UNDER H.R. 12080 AS AGREED TO BY THE CONFERENCE COMMITTEE

Average monthly earnings after 1950	$67 or less		$150		$250		$300		$350		$400		$550		$650 [1]—
	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	H.R. 12080
1. Retirement at 65 or disability benefit	$44.50	$55.00	$78.20	$88.40	$101.70	$115.00	$112.40	$127.10	$124.20	$140.40	$135.90	$153.60	$168.00	$189.90	$218.00
2. Retirement at 62	35.20	44.00	62.60	70.80	81.40	92.00	90.00	101.70	99.40	112.40	108.80	122.90	134.40	152.00	174.40
3. Wife's benefit at 65 or with child in her care	22.00	27.50	39.10	44.20	50.90	57.50	56.20	63.60	62.10	70.20	68.00	76.80	84.00	95.00	[2] 105.00
4. Wife's benefit at 62	16.50	20.70	29.40	33.20	38.20	43.20	42.20	47.70	46.60	52.70	51.00	57.60	63.00	71.30	78.80
5. 1 child of retired or disabled worker	22.00	27.50	39.10	44.20	50.90	57.50	56.20	63.60	62.10	70.20	68.00	76.80	84.00	95.00	109.00
6. Widow, 62 or older	44.00	55.00	64.60	73.00	84.00	94.90	92.80	104.90	102.50	115.90	112.20	126.80	138.60	156.70	179.90
7. Widow at 60, no child	38.20	47.70	56.00	63.30	72.80	82.30	80.50	91.00	88.90	100.50	97.30	109.90	120.20	135.90	156.00
8. Disabled widow at age 50	------	33.40	------	44.50	--------	57.60	--------	63.60	--------	70.30	--------	76.90	--------	95.00	109.10
9. Widow under 62 and 1 child	66.00	82.50	117.40	132.60	152.60	172.60	168.60	190.80	186.40	210.60	204.00	230.40	252.00	285.00	327.00
10. Widow under 62 and 2 children	66.00	82.50	102.00	132.60	202.40	202.40	240.00	240.00	279.60	280.80	306.00	322.40	368.00	395.60	434.40
11. 1 Surviving child	44.00	55.00	58.70	66.30	76.30	86.30	84.30	95.40	93.20	105.30	102.00	115.20	126.00	142.50	163.50
12. 2 surviving children	66.00	82.50	117.40	132.60	152.60	172.60	168.60	190.80	186.40	210.60	204.00	230.40	252.00	285.00	327.00
13. Maximum family benefit	66.00	82.50	120.00	132.60	202.40	202.40	240.00	240.00	280.80	280.80	309.20	322.40	368.00	395.60	434.40
14. Maximum lump-sum death payment	132.00	165.00	234.60	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00

[1] Maximum AME under H.R. 12080.

[2] Maximum wife's benefit.

Source: Social Security Administration.

TABLE 2.—MAXIMUM CONTRIBUTION AMOUNTS UNDER AMENDMENTS—OLD-AGE, SURVIVORS, DISABILITY, AND HOSPITAL INSURANCE

Calendar year	OASDI		Health insurance		Total	
	Previous law	1967 amendments	Previous law	1967 amendments	Previous law	1967 amendments
	Employee					
1967	$257.40	$257.40	$33.00	$33.00	$290.40	$290.40
1968	257.40	296.40	33.00	46.80	290.40	343.20
1969–70	290.40	327.60	33.00	46.80	323.40	374.40
1971–72	290.40	358.80	33.00	46.80	323.40	405.60
1973–75	320.10	390.00	36.30	50.70	356.40	440.70
1987 and after	320.10	390.00	52.80	70.20	372.90	460.20

Calendar year	OASDI		Health insurance		Total	
	Previous law	1967 amendments	Previous law	1967 amendments	Previous law	1967 amendments
	Self-employed					
1967	$389.40	$389.40	$33.00	$33.00	$422.40	$422.40
1968	389.40	452.40	33.00	46.80	422.40	499.20
1969–70	435.60	491.40	33.00	46.80	468.60	538.20
1971–72	435.60	538.20	33.00	46.80	468.60	585.00
1973–75	462.00	546.00	36.30	50.70	498.30	596.70
1987 and after	462.00	546.00	52.80	70.20	514.80	616.20

Source: Chief Actuary, Social Security Administration.

TABLE 3.—ESTIMATED ADDITIONAL OASDI BENEFIT PAYMENTS IN CALENDAR YEARS 1968, 1969, AND 1972 UNDER AMENDMENTS

[In millions of dollars]

Item	1968	1969	1972
General benefit increase	2,529	3,190	3,604
Benefit increase for transitional insured	6	7	5
Benefit increase for transitional noninsured	43	43	25
Liberalized benefits with respect to women workers	73	90	101
Special disability insured status under age 31	60	72	77
Disabled widow's benefits at age 50	50	63	73
Earnings test liberalization	140	221	244
Total	2,901	3,686	4,129

Source: Chief Actuary, Social Security Administration.

TABLE 4.—COMPARISON OF CONTRIBUTION INCOME AND BENEFIT OUTGO UNDER PRESENT LAW AND UNDER AMENDMENTS, OLD-AGE. SURVIVORS, DISABILITY, AND HOSPITAL INSURANCE

[In billions of dollars]

Calendar year	Contribution income	Benefit outgo	Excess of contributions over benefits
	Present law		
1967	28.5	24.2	4.3
1968	29.6	25.5	4.1
1969	33.7	26.9	6.8
1970	35.2	28.2	7.0
1971	36.2	29.4	6.8
1972	37.2	30.8	6.4

Calendar year	Contribution income	Benefit outgo	Excess of contributions over benefits
	Amendments		
1968	31.0	28.3	2.7
1969	35.2	30.4	4.8
1970	36.8	31.8	5.0
1971	40.8	33.3	7.5
1972	42.5	34.7	7.8

Source: Chief Actuary, Social Security Administration.

TABLE 5.—DETAIL OF PUBLIC WELFARE AND CHILD HEALTH COSTS AGREED TO BY THE CONFERENCE COMMITTEE

[In millions of dollars]

	Fiscal year 1968	Fiscal year 1969	Fiscal year 1970	Fiscal year 1971	Fiscal year 1972
Public assistance:					
AFDC costs if there is no change in present law [1]	1,462.0	1,555.0	1,647.0	1,741.0	1,837.0
Title XIX costs if there is no change in present law [2]	1,391.0	1,913.0	2,289.0	2,690.0	3,118.0
All other public assistance costs if there is no change in present law [3]	1,647.0	1,700.0	1,725.0	1,750.0	1,776.0
Subtotal, present law	4,500.0	5,168.0	5,661.0	6,181.0	6,731.0
Increases in the bill:					
Day care	(4)	35.0	80.0	160.0	350.0
Other social services	(4)	35.0	70.0	100.0	125.0
Earnings exemptions	(4)	20.0	25.0	30.0	35.0
Work training	30	129.0	165.0	209.0	308.0
Foster care	(4)	10.0	20.0	33.0	40.0
Emergency assistance	(4)	10.0	20.0	35.0	35.0
Puerto Rico, et al	(4)	7.8	11.0	14.2	17.5
Demonstration projects	(4)	2.0	2.0	2.0	2.0
Additional child health requirements in title XIX	-------	-------	30.0	40.0	50.0
OAA, AB, APTD spouses under medicaid	(4)	14.0	15.0	16.0	17.0
Medical review program for nursing homes	-------	2.5	5.0	7.5	10.0
Subtotal, increases	[4] 50	265.3	443.0	646.7	989.5
Decreases in the bill:					
AFDC limitation	-------	-------	-------	-------	-------
AFDC reductions for persons trained	-------	−11.0	−63.0	−145.0	−257.0
Restrictions on title XIX	-------	−329.0	−678.0	−1,037.0	−1,405.0
Decreases in public assistance due to social security benefit increase	−15	−65.0	−70.0	−75.0	−75.0
Federal participation in cost on care in "Intermediate care facilities"	-------	−10.0	−20.0	−29.0	−29.0
Subtotal decreases	−15	−415.0	−831.0	−1,286.0	−1,766.0
Net cost of savings due to public assistance amendments	−35	−149.7	−388.0	−639.3	−766.5
Total public assistance as amended by bill	4,535	5,018.3	5,237.0	5,541.7	5,954.5
Child welfare:					
Present law	55	55.0	60.0	60.0	60.0
Increase for child welfare services	-------	45.0	50.0	50.0	50.0
Increase for child welfare research	-------	5.0	10.0	15.0	15.0
Subtotal, increases	-------	50.0	60.0	65.0	65.0
Social work manpower	-------	5.0	5.0	5.0	5.0
Net public welfare cost or savings in bill	35	−94.7	−323.0	−569.3	−706.5
Child Health:					
Authorizations in bill	203	250.0	275.0	300.0	325.0
Authorization in present law	198	210.5	225.5	225.5	225.5
Increase in bill	5	39.5	49.5	74.5	99.5

[1] Assumes annual increase in the rolls of about 200,000, based on the experience of the past several years; allows increase of $1 each year in the average monthly payment per recipient, in line with recent experience.

[2] Includes all medical vendor payments; assumes 5-percent annual increase in unit costs after 1968.

[3] Assumes continued decline in number of old-age assistance and aid to the blind recipients, and continued increase in aid to the permanently and totally disabled, based on experience; allows increases for average payments.

[4] 1968 cost of $20,000,000 related to these items undistributed.

Note: Costs are based on 1968 prices except as noted in assumptions.

Source: U.S. Department of Health, Education, and Welfare.

TABLE 6.—WORK TRAINING IMPACT OF WORK INCENTIVE PROGRAM

Fiscal year	Work training expenses (millions)	Federal AFDC reduction due to training (millions)	Trainees (thousands)[1]	Full-time job placements after training (thousands)
1968	$30	----------	27	----------
1969	[2] 129	−$11	110	13
1970	165	−63	150	55
1971	209	−145	190	75
1972	308	−257	280	95
Total	841	−476	757	250

[1] Does not include recipients on priority III work projects.

[2] Includes $8,000,000 1-year cost for priority III work projects (for public agencies).

Source: U.S. Department of Labor.

Mr. GROSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The **SPEAKER.** Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, H.R. 12080, the Social Security Amendments of 1967, was the product of long and exhaustive deliberations on the part of the Committee on Ways and Means. It was the subject of 8 hours of debate in this body.

As originally passed by the House, by the overwhelming margin of 415 to 3, it was a good bill and I am pleased that the conference committee adopted most of the welfare provisions in the original House version.

It was a bill I supported, and I have been shocked to learn that Federal tax dollars, through the so-called war on poverty, apparently have been used to misinform welfare recipients regarding the contents of the measure.

I have at hand a letter which was mailed to ADC mothers in Black Hawk County, Iowa, bearing the names of the president, vice president, secretary, and treasurer of a group called Mothers for Adequate Welfare. This group was formed with the staff assistance of the legal services program, Black Hawk County Legal Aid Society, Waterloo, Iowa, and the legal services program is operating with a grant from the Office of Economic Opportunity of more than $66,000.

Although, as I say, the letter bears the names of the officers of the Mothers for Adequate Welfare, I have reason to believe that it was prepared by Robert C. Oberbillig, director of the legal services program, or by a member of his staff.

It is interesting to note that the Black Hawk County group has affiliated with an outfit in Washington known as the Poverty Rights Action Group. Operating from the Poverty Rights Action Center, 1713 R Street NW., Washington, D.C., this is the organization which reportedly mobilized ADC mothers to disrupt hearings before the Senate Finance Committee when that committee was considering H.R. 12080. Referring to the demonstration, the lead paragraph of a Washington Post article on September 20, 1967, reads as follows:

> A bitter band of welfare mothers staged a "wait-in" for the entire Senate Finance Committee yesterday after testifying that there would be a "holocaust in every city" if restrictive House-passed welfare changes become law.

Also interesting to note is the fact that a member of the board of directors of the Poverty Rights Action Group is one Richard Cloward, a professor in the School of Social Work, Columbia University, New York City. Let me read the following from an article written by Cloward and a Frances Fox Piven which appeared in the May 2, 1966, issue of the Nation magazine:

> The right to income must be guaranteed or the oppression of the welfare poor will not be eliminated .... In order to generate a crisis, the poor must obtain benefits which they have forfeited ......
>
> By crisis, we mean a publicly visible disruption in some institutional sphere. Crisis can occur spontaneously (e.g. riots) or as the intended result of tactics of demonstration and protest which either generate institutional disruption or bring unrecognized disruption to public attention. Public trouble is political liability; it calls for action by political leaders to stabilize the situation. Because crisis usually creates or exposes conflict it threatens to produce cleavages in a political consensus which politicians will ordinarily act to avert.

What the authors of this article propose is the destruction of established systems unless the demands of welfare recipients, no matter how unreasonable, are met. I have no intention of submitting to their intimidation and political blackmail.

And I am confident the vast majority of citizens of the district I have the honor of representing would not want me to yield. I am also confident they do not approve of the use of Federal tax revenue to support the activities of the Mothers for Adequate Welfare when that group has affiliated with a radical national organization which apparently advocates revolution and threatens a "holocaust in every city."

Getting back to the letter which was distributed by the Mothers for Adequate Welfare, let me read excerpts from it with reference to the welfare provisions of H.R. 12080:

> If the Senate should pass this bill in its present form, you (ADC Mothers) would be required to work in jobs that would be assigned to you by the County regardless of how much money they would pay you. If you had any children 16 years or older in your family, they too would be required to work.
>
> What this law basically means if it is passed is that you are of no value to your children and that it would be better that you be taken out of the home to work or they be taken from you than to have you care for your children as you are presently.

I am confident that the distinguished gentleman from Arkansas [Mr. MILLS] and other members of the Committee on Ways and Means resent, as I do, this attempt to misinform welfare recipients regarding the purpose of the public assistance provisions of the bill on which they worked so long and hard.

It is my understanding, Mr. Speaker, that there is nothing in H.R. 12080 which would require any adult or child, who is suffering from a physical or other handicap, to take a job. And it is not intended, as I understand the bill, to take a mother away from the home where her presence is needed. Neither would any child be made to quit school and take a job.

It does not seem to occur to those individuals who would misinform these ADC mothers that what they are doing is jeopardizing the entire aid to dependent children program, for make no mistake about it, unless we can slow down the tremendous rate of growth in the number of those receiving aid, the ADC program could be abandoned because of the inability of hard-pressed taxpayers to pay the costs.

Under the circumstances, it is indeed strange that anyone who purports to be interested in the welfare of ADC mothers would raise objections when this body attempts to obtain adoption of constructive measures to bring about long overdue improvements in the program.

Mr. BURKE of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BURKE of Massachusetts. Mr. Speaker, at this time, I wish to call the attention of the Members to a few of the many messages I have received throughout the country in opposition to that part of the conference report on H.R. 12080 which refers to the aid for dependent children caseload freeze. They come from some of the outstanding authorities in the Nation and I ask leave to enter some of them in the RECORD at this time. I also include an editorial that appeared in the Boston Globe on Tuesday, December 12, 1967, which expresses the concern of that newspaper, which will appear after the messages:

> AFL–CIO urges you vote against conference report on Social Security. OASDI recipients deserve much more than meager increases it contains. We deplore punitive Welfare provisions in report which unfairly and unjustly penalize Nation's poor just because they are poor. Your vote for rejection of Conference Report would enable a new conference to write an adequate Social Security Bill.
>
> GEORGE MEANY,
> *President, AFL–CIO.*

> We urge your leadership to persuade the House to reject Conference Report on H.R. 12080. Title II is most harmful legislation affecting children to be proposed during last 32 years. Please use strongest efforts to adopt Senate version or eliminate Title II of Bill.
>
> JOSEPH H. REID,
> *Executive Director, Child Welfare League of America.*

> United Community Services of Metropolitan Boston strongly opposes punitive Welfare provisions of Social Security Amendment Bill particularly AFDC Case Load Freeze. Respectfully urge Massachusetts delegation stand together to defeat these restrictions.
>
> JOHN O. RHOME,
> *President.*

> Appalled at Congressional Conference Committee recommendation for Social Security Amendments. Please do not vote to limit the AFDC Case Load. For Congress to deny food to needy children, some yet unborn is an atrocity.
>
> Rt. Rev. JOSEPH T. ALVES.
> Rev. FRANCIS G. O'SULLIVAN.
> Rev. EUGENE P. MCNAMARA.

> Conference Committee Report Social Security Bill appalling Title II provisions freezing AFDC Case Load and forcing work morally and financially unsound. Plead with you not to accept Conference Committee Report or any Bill with these regressive features. Would be tremendous set back for the Nation.
>
> Rt. Rev. JOSEPH T. ALVES,
> *Chairman, Social Policy and Action Division, National Association of Social Workers, Massachusetts Council of Chapter.*

> [From the Boston Globe, Dec. 12, 1967]
>
> LET 'EM EAT CAKE
>
> With Congress racing to get away from Washington for a month's Christmas vacation, there is probably little to be done about the Conference Committee's agreement on amendments to the Social Security law except to deplore the committee's niggardliness.
>
> Deplored, then, it is. And to the hilt. It comes on the heels of another such committee's cutting of the antipoverty authorization a few days earlier, the slashing of foreign aid funds and the pittance distributed with such fanfare for the Model Cities program. It comes at a time when billions are still pouring uninterruptedly into government financed research for supersonic aircraft, safe automobiles, nuclear produced gas and oil and other such private industry projects, including virtually unsupervised spending by the arms and munitions industry.
>
> It confirms fears that any cuts which Washington is about to make in spending will be at the expense of those least able to pay and least able to defend their interests. It justifies the outrage of progressive senators who will demand (forlornly at this late date) that the Senate reject it and return it to a new and rectifying conference.
>
> Its most regressive feature is the proposed revision of welfare laws curtailing benefits to welfare mothers and dependent children. A government once called humanitarian has decided to save a few dollars at the expense of children whose crime is that they unwisely chose to be born into welfare families after a legislatively prescribed cutoff date.
>
> Children and welfare mothers are hit at one end of the bill and the aged ill at the other. Typical is the provision limiting the sum which the aged infirm may deduct from their income taxes for medicines and drugs. This is not only unfair but an instance of borrowing from Peter to pay Paul, for plainly the aged poor will have to get the money for essential medication from one quarter or another—if not out of deductions from taxes, then from welfare or private charity and with all of the humiliation forced on such recipients.
>
> Great to-do has been made of an increase of $1680 from the current limitation of $1500 in the wages which may be earned without losing Social Security benefits. But this is merely to continue a gross inequity, for the premiums already have been paid and there is no such limitation at all on unearned income.
>
> The crowning bit of nonsense is in the meager increase in benefits, an increase which underscores the fact that the Social Security law is not a security law at all, but an insecurity law. There can be no objection to the proposed increase in premiums. But $1680 a year (the maximum now permitted in wages) plus $55 a month (the new minimum in Social Security monthly benefits) figures out at $45 a week, which is scarcely enough to maintain a man without other assistance—other assistance which the law, in theory, is intended to obviate.
>
> The compromise, says the A.F.L.–C.I.O., is inhumane. It may not be that. But it comes close.

Mr. Speaker, I strongly endorse the sentiments expressed in these messages pertaining to AFDC and child welfare. I opposed these restrictive amendments as a member of the House Ways and Means Committee.

I am particularly distressed with the recommendations accepted by the conferees in the field of aid to dependent children. This program was originally initiated to provide funds which could meet the financial needs of families with children, and would encourage a strengthening of the family unit by keeping children and parents together.

Under this program, the conferees have asked us to withhold support from those children who represent an increase in the proportionate number receiving AFDC in each State. It has placed an emphasis on insuring that adults and older children in AFDC families enter the labor market and accept employment so they may become self-sufficient. I believe we too often forget that in most AFDC families there is only one percent—a mother—and if she be required to work, the care of preschool children would necessarily be left to others, usually older children who are forced to drop out of school in order to help at home.

And, too, there is the appalling suggestion that we abandon the concept of comparability in medical services as originally mandated under title XIX. This would have the effect of downgrading standards of medical care for children in AFDC families, their caretakers, as well as the disabled and the blind. It hardly seems possible that a Nation as wealthy as ours cannot provide adequate medical care for the most dependent and vulnerable of its members.

Many of our States, including the Commonwealth of Massachusetts, are moving forward by placing control of welfare programs at a statewide level; however, the AFDC restrictions contained in this bill would reemphasize the role of the local agencies by requiring that they be responsible for such moral judgments as the limiting of illegitimate births, provision for family planning and the determining of what constitutes a "suitable" family homelife.

Once again the Federal Government is pointing the finger of moral justice at one class of our population. I do not believe we in the Federal Government are qualified to make moral judgments of this nature, and should exert every effort to remove, rather than encourage, the stigma which has long been attached to those families receiving AFDC and other public assistance funds.

The most tragic fact about these regressive proposals is that they are all to be at the expense of children. It is understandable that some of us should be perplexed and frustrated over the growing number of families requiring public support and services. But the problems which these families face, and which we are attempting to solve are extremely complex and have been generations in the making. There can be no immediate and simple solution. If we believe otherwise, and pursue easy answers, then 5 years from now we shall find ourselves lamenting our failures as we today complain about those of the past 5 years. We must, therefore, reconcile ourselves to a long and sustained, and no doubt, costly effort and meanwhile refrain from imposing upon defenseless children the cost of society's or their parent's failures and inadequacies.

It is my intention to continue efforts toward the expansion of social services, as well as a removal of the restrictions imposed on the AFDC program, in an attempt to meet the needs of our homeless, neglected, and deprived children.

For the future of child welfare, I hope to see adequate Federal laws which will protect both the child and our society; a sufficient number of trained personnel and the necessary facilities to provide social services which will be equally available to all children in all political subdivisions; adequate health services to insure the physical, emotional, and mental well-being of children; extensive research in child behavior; and the opportunity for the highest quality of education.

I know of the worthwhile assistance the many private charitable and religious groups have given needy children, and I am aware of the millions of dollars they have contributed, along with affiliated organizations. I have seen the outstanding results achieved by volunteer workers in providing not only financial assistance to our children, but also the guidance and understanding which is so often absent in broken or disrupted homes. I know they will continue their services and dedication in making this a better world for underprivileged children.

Because they have shown an impressive interest along these lines, I am confident that by joining efforts we can reduce the burdens weighing heavily upon this, our most vulnerable minority group.

Mr. Speaker, in closing may I say that I am not satisfied with the 13-percent increase for social security recipients. The 89th Congress promised to the aged of this country an increase that would be effective January 1, 1967—this promise was not kept. It took a full year to bring this bill back to the floor of the House. When this bill was first reported to the House by the Ways and Means Committee, I voted for it because of the parliamentary situation. I voted for the bill then in order to keep the bill alive hoping and praying that when it reached the other body increases would be made in the amounts for all Social Security recipients and that the minimum payment would be raised to a realistic figure in order that the aged of this country could survive in the face of rising prices and the rising cost of living. This bill is inadequate, this bill should go back to the conference committee even if it means that we stay here in session. The distinguished chairman of the House Ways and Means Committee in answer to my question about returning this bill to conference indicated that it would mean a delay of 1 month. In my opinion it would be far better for the social security recipients to receive a higher increase in benefits and have the minimum amounts raised to the version adopted by the Senate than to accept this conference report. I know it means a little inconvenience for the membership. However in view of the harsh restrictions in the AFDC amendments and the lack of adequate increases for the aged I am compelled in good conscience to vote against the conference committee report. If this takes place I would then move that the House conferees go back into conference with the other body and take steps to increase social security and remove the restrictions placed on innocent children under the AFDC provisions.

GENERAL LEAVE TO EXTEND

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may have permission to revise and extend their remarks at this point in the RECORD.

The SPEAKER pro tempore (Mr. BOLAND). Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, House Republicans applaud final passage of the Social Security Amendments of 1967 as legislation badly needed to relieve the plight of millions of older Americans whose lives have been ravaged by Johnson-Humphrey administration inflation.

Republicans pressed for quick passage of social security benefit increases before the end of the last session. The ranking Republican on the House Ways and Means Committee, the gentleman from Wisconsin, Representative JOHN W. BYRNES, stressed the urgency of action then and contributed significantly to the drafting of the 1967 amendments when earlier action was prevented by the majority.

Great credit should go to Mr. BYRNES and other Republicans among the House conferees on the social security legislation for giving such strong support to the distinguished chairman of the Ways and Means Committee, the gentleman from Arkansas, Representative WILBUR MILLS.

I commend the House conferees for bringing back to our Chamber a final proposal which is constructive and will be beneficial to our senior citizens. Republicans are happy to join with their Democratic friends in endorsing that product, a measure they had no small part in shaping.

Mr. BURTON of California. Mr. Speaker, I reluctantly have decided to vote in favor of the pending social security conference report.

I had hoped to have the opportunity to offer a motion to recommit the bill with instructions to the House conferees to accept the more liberal Senate version. However, under the rules of the House, the prior right to exercise this motion was exercised by the gentleman from California [Mr. UTT]. As we know, the rules of the House provide for only one motion to recommit; thus the motion of the gentleman from California [Mr. UTT] precluded any additional efforts along this line.

In voting for the conference report, I would like to state for the record that at no time has any Member of this House, except those who served on the Ways and Means Committee, had any opportunity to amend and improve this legislation.

I am disappointed that this legislation does not contain an extension of medical care, as the President recommended, to the disabled beneficiaries under OASDI. The failure to provide a $100 social security minimum payment for those who have worked 25 years or longer in covered employment, the cutback from the Senate version of $70 per month minimum, the reduced taxable wage base, as well as failure to provide fair treatment for the blind all represent lamentable deficiencies in this bill.

Further, the failure to guarantee to each of the Nation's aged, blind, and disabled public assistance recipients the modest $7.50 per month increase borders on the inexcusable. As a matter of fact, about one-half of the 2.8 million recipients in the adult categories of aged, blind, and disabled will not, and cannot under any circumstances, receive any increase of any kind as a result of the passage of this bill because they do not receive any income outside the public assistance grant. This is the case because the only provision of the bill permitting these public assistance recipients to receive any benefit under the bill requires, in the first instance, that said recipients have some outside income—for example, from social security, railroad retirement, relatives' contributions, or other sources.

For the balance of the adult public assistance recipients—who do have some outside income, primarily social security—this legislation will not of itself provide even these persons with any increase in their small monthly grant. It will first require that the State legislatures must enact into law special provision permitting the recipients to retain up to a $7.50 per month ceiling from any social security or other income that they may receive. In the event a State fails to so act, all of the aged, blind, and disabled recipients in that State will be denied any benefit increases under this bill and there will be a corresponding decrease—dollar for dollar—in the public assistance grant, for every dollar increase provided on the Social Security side of this bill.

The cruel and unnecessary "freeze" as of January 1, 1968, in the AFDC program where parental support is denied by virtue of the desertion of the family by the father will result in either the denial of assistance to untold thousands of dependent children or an increase in the already overburdened budgets of the industrial and growing States of the Nation.

The cutbacks and severe limitation on the income permitted persons entitled to medical care under title XIX will result in hundreds of thousands of the Nation's medically indigent being denied needed medical care or in the further shifting of the financial burden to sustain this program from the Federal Treasury to the State and local taxpayers.

There is one further concern that I should like to express. The increased social security benefits could well result in a net decrease in the monthly income of those drawing veterans' or widows' of veterans pensions. I understand from the distinguished chairman of the House Veterans' Affairs Committee that we will have an opportunity to vote on a bill before the adjournment of this session that will correct this unthinkable result, but I think it important to emphasize that in the absence of such corrective legislation, this bill—standing on its own—would result in thousands of veterans or widows of veterans receiving a net reduction in their veterans' pensions.

As it may be gathered, the decision whether to vote for or against this conference committee report is a most difficult one. The social security benefits, although too small, are better than none at all. Millions upon millions of low-income Americans rely primarily, if not exclusively, on social security to maintain themselves and their families.

On balance, I resolved that it is probably wiser to guarantee this increase in benefits—inadequate although it may be—that millions will receive. This must outweigh my grave concern for the smaller but still very significant number of people in similar economic circumstances who will receive nothing at all as a result of the unnecessary gaps in this legislation and some hundreds of thousands of others who will receive an unnecessary cutback in the level of their Government's commitment to bring them a better life.

Mr. MINISH. Mr. Speaker, I would like to take this opportunity to comment on the conference report on H.R. 12080, the Social Security Amendments of 1967.

The legislation represents a constructive enlargement and improvement of the social security system in many respects, including an expanded authorization for child health and day care programs, a 13-percent rise in social security payments, an increase in the minimum monthly benefit from $44 to $55, and a clarification and strengthening of many of the soft spots in the medicare program.

However, the serious defects in the measure before us are most distressing to those of us who are deeply interested in making social security more responsive to the felt needs of our people. The meager increase in benefits will do little to ease the grim plight of most of our retired people. Social security is the chief, and for the great majority of our older people, the only source of retirement income. In view of the fact that a fully adequate level of social security payments would require a much greater boost in present payments, the approved increase of 13 percent is clearly inadequate.

The conference report also represents a step backward from more enlightened welfare practices and forbodes enormous additional welfare costs for our already hardpressed State and local governments. I was opposed to the punitive public welfare amendments contained in the bill reported by the Ways and Means Committee and which, of course, were not subject to floor amendment under the closed rule prevailing in the House. I was gratified at the more liberal and realistic changes made by the Senate, and it is most disheartening that these did not prevail in conference.

The welfare benefit freeze contained in H.R. 12080 will impose heavy tax burdens on local communities. It is strongly opposed by State and local authorities and by the overwhelming majority of experts from sociological and psychological disciplines. Dr. Lloyd W. McCorkle, the commissioner of the Department of Institutions and Agencies of the State of New Jersey, has wired me:

> New Social Security legislation, HR 12080 as reported out of Senate-House conference contains provision freezing federal participation in aid to families of dependent children program if adopted this can be catastrophic for New Jersey, particularly our urban centers. New Jersey will suffer because 1—it is nationally recognized that the number of welfare recipients has been maintained at a low level in New Jersey and 2—New Jersey has the third highest rate of in-migration in the nation. Freeze on Federal participation would place the entire cost of increased loads on State, county and municipal governments.

The cities in the 11th Congressional District and Essex County, in which they are located, are already assuming a disproportionate share of public welfare costs caused chiefly by immigration from rural areas. A real fiscal crisis confronts these communities which will be further aggravated by the restrictions on Federal participation contained in this legislation.

The conference report before this House today falls far short of what we owe to the retired and to the poor in our affluent society. I, for one, will continue to fight for achieving a social security system that will more fully achieve its noble purpose of insuring the security and dignity of its beneficiaries.

Mr. DONOHUE. Mr. Speaker, everyone is aware that there are a substantial number of us here who have serious misgivings about the potential hardships and inequities that may be inherent in several of the conference report recommendations such as, among others, the proposed freeze on aid to dependent children, the unrealistic features of the mandatory work training programs for welfare recipients, the restrictive costs ceiling on medicare, the very meager increase in the outside earnings limitations and failure to include the workers reduced benefit retirement age to 60.

However, we are reluctantly impelled, at this moment, to accept this report because we all know that under the present Chamber proceedings, we are afforded no opportunity to offer and appeal for support of remedial amendments; it is either this conference report or no social security bill this year or very likely next year.

Of course, we have no question of the sincerity and diligence of the members of the conference committee of both sides of Congress in their dedicated efforts to work out a compromise to resolve more than 295 differences between the House and Senate versions of the original legislation.

There is no doubt that the 13-percent general increase in benefits, one of the largest raises in history affecting some 23 million of our elderly citizens who have lived in anticipation over these past several months, will help them in financially adjusting to the expected price rises immediately ahead.

Although the amount that retired persons can earn and still collect benefits was by no means raised enough, it must, however, be considered a further step in the right direction. The provisions extending hospital care under medicare to 120 days and the simplifying of paper work in that program are additional and welcome changes for the better.

The many other improvements affecting all of those enrolled under our social security system have already and extensively been explained by the able managers of this report and we have no intention, at this day and hour, to indulge in unnecessary repetition.

Because the report contains certain necessary improvements in the overall social security structure and because it has been indicated that an opportunity will be granted to us early next session to review the questionable provisions of this conference agreement, we are constrained to accept it for the real benefits it does project for those who are in urgent need of them while we resolve to remove the inequities as soon as it is legislatively possible to do so.

Mr. TUNNEY. Mr. Speaker, I would like to express my support for the conference report on the Social Security Amendments Act of 1967. Although this bill is not entirely adequate in providing for the rapidly increasing needs of senior citizens, it does represent an important improvement in the social security program.

However, much more must be done. An increasing number of our population joins the ranks of the senior citizen each year. One in every 11 persons in the United States is aged 65 or over—a total of 18½ million. This number exceeds the total population of 20 of our States. In this century, the percentage of the U.S. population aged 65 and over more than doubled—from 4.5 percent in 1900 to 9.4 percent in 1965—while the number increased sixfold—from 3 million to more than 18 million. By the year 2000 we expect to have 28 million senior citizens, about a 40-percent increase. California is expected to have over 2½ million senior citizens by 1985, an increase of over 1 million. An American born in 1900 could expect only to reach his 40th birthday; an American born today can expect to reach his 70th.

Yet, 85 percent of older people have annual incomes of less than $2,500, and

66 percent of them earn less than $1,500 annually.

These figures represent a national challenge—one that we must meet by passing this social security legislation and by recognizing that a great deal more must be done to update and improve our social security system so that it will meet the ever-increasing and constantly changing needs of our senior citizens.

Our gross national product—the value of total output of goods and services—increased from $285 billion in 1950 to $790 billion in 1967 to date. The rate of increase was nearly 7 times the increase in the total population over the same period. Average per capita disposable income increased from $1,384 to $2,747, an increase of $1,363 or 98.5 percent.

These statistics make it clear that we have not done enough to help our senior citizens and that we must make a greater effort to improve the income for retired citizens, provide better housing, medical care, social services, education, and recreation.

Under the Social Security Amendments Act of 1967 now before the House there is a 13 percent increase in benefits for more than 24 million Americans. Average monthly benefits paid to retired workers and their wives are increased from $145 to $165 and minimum monthly benefits for a retired worker are increased from $44 to $55. Monthly benefits would range from $55 to $160.50 for retired workers now on the social security rolls. The special benefits paid to certain uninsured individuals age 72 and over would be increased from $35 to $40 a month for a single person from $52.50 to $60 for a couple.

The bill increases from $1,500 to $1,680 the amount of annual outside earnings a person may earn without the loss of social security benefits. Although this is far from adequate it does represent a step in the right direction. I introduced a bill to raise the amount to $3,600, which I feel is a more realistic figure.

The Social Security Amendments Act of 1967 also improves the medicare program by increasing hospitalization coverage. Each medicare beneficiary will be provided with a lifetime reserve of 60 days of hospital care after the 90 days covered in a "spell of illness" have been exhausted. It also allows a patient to submit an itemized bill for payment under medicare rather than having to pay the bill first and then submit a paid receipt for reimbursement. Senior citizens, with a low income to begin with, cannot afford to divert precious resources to pay for high medicare costs and then wait for reimbursement under medicare.

I am particularly pleased that this bill also requires the Secretary of Health, Education, and Welfare's Advisory Council to submit by January of 1969 a report outlining the problems encountered thus far by the implementation and operation of medicare and make recommendations for improvements. I know that many senior citizens in my district of Riverside and Imperial Counties in California have expressed concern over the initial delays and problems of medicare. Although medicare has been greatly improved, I feel that further streamlining is needed.

Millions of older Americans have received much needed hospital and doctor care under medicare. The Social Security Amendments Act of 1967 provides for the largest increase in benefits since 1952. This legislation should be enacted to continue to help our senior citizens maintain a sense of dignity, self-respect, and financial independence.

In many ways however, this bill does not go as far as it should. To meet the cost of living increase, there is a need for a larger increase in benefits. What would be better yet is an automatic increase in benefits tied to the cost of living. This would obviate the necessity of periodic legislative action.

Senior citizens also face great difficulty in paying for the cost of prescription drugs. The Secretary of Health, Education, and Welfare has been directed to undertake a comprehensive study of the problems involved in covering the cost of prescription drugs under the medicare program. This study is presently underway and I hope that the expensive burden of high cost medicine can be lifted from our elderly.

At the present time in California, property taxes are extremely high and fall hardest on senior citizens. I believe that a comprehensive State, local, and Federal study should be made to find a way of reducing this burden. Tax sharing legislation could be one way of allowing the States to hold the line on increasing property taxes. Another alternative that should be studied is to allow an appropriate Federal income reduction for property taxes which senior citizens must pay.

These are just some of the areas of concern to our senior citizens and indicate the necessity for continuing efforts to insure them a better life.

Mr. GILBERT. Mr. Speaker, I am disappointed with some of the provisions of the bill that comes before us today as the conference report on the Social Security Amendments of 1967.

As a member of the committee that drew up this measure, I had the opportunity to make my views on some of the provisions amply known in a separate dissent. I supported the bill, however, both in committee and on the floor. I was hopeful that the provisions which I regarded as objectionable would be deleted in conference. Unfortunately, they were not. I now revert to my original decision—to support this legislation with reluctance, feeling that more good emerges from it than harm.

I object to the presence in this legislation of two provisions particularly, provisions which are directed at the poor and will cost money to the States which are most responsible in performing their social duties.

The first provision sets a freeze at the present levels on Federal assistance to the States for AFDC—aid for dependent children. This means that the States to which the poor and underprivileged flock in search of opportunity will be penalized. New York, for example, would like to have jobs available for every migrant into the State but, when there are no jobs, it cannot let people starve. This bill will deny New York—and similar responsible States—all further grants of funds for this kind of welfare assistance. This measure is obviously directed against the industrial, urban States, while leaving unaffected those States with normal outmigration.

I also object to the provision which cuts back on Federal aid for the program of medical assistance to the poor, known as medicaid. Once again, New York is being penalized for being responsible. My State has sought to make sure the poor have good medical care, irrespective of means. This bill snatches away from New York the funds that were promised to it under the law passed several years ago. I object to Congress' reneging on this commitment.

I commend the conferees, Mr. Speaker, for bringing back a bill which enlarges benefits somewhat beyond the 12½ percent which the House voted. I note also that there have been other improvements. I am particularly pleased that the provisions remain for the child welfare program proposed by myself and the gentleman from Massachusetts [Mr. BURKE]. On the whole, this bill has more advantages than defects and, as a consequence, I will vote to support it. But I cannot, in good conscience, say that I am satisfied with its retrogressive provisions and I must announce that I will seek in committee and on the floor to have them repealed in the next session of Congress.

Mr. RHODES of Pennsylvania. Mr. Speaker, I support the conference report on the Social Security Amendments of 1967.

I wish to commend the distinguished gentleman from Arkansas for his leadership in bringing this legislation to the floor before adjournment of this session. Those of us who have the privilege of serving with him on the Ways and Means Committee know of his sympathy for the aged and disabled citizens and his understanding of their problems. We also know of his outstanding ability and fairness, which have won him the admiration and respect of all members of the committee and other Members of Congress.

I would like to have seen a higher benefit increase and other social security improvements such as a voluntary retirement age of 60 years, and a higher minimum than the $55 provided in the conference report. However, in my judgment, we should act now to give our 23 million elderly citizens the extended benefits provided in this bill. In my congressional district some 67,000 people now receive close to $4 million in monthly social security checks. The 13-percent increase will bring over $600,000 of additional spending power into our local communities.

Future increases in monthly cash benefits will be needed if we are to provide our elderly citizens their fair share of our Nation's abundance.

Mr. Speaker, I agree with the remarks of our distinguished chairman that new methods of financing our social security system must be found if we are to provide more adequate benefits which our elderly so richly deserve. One answer is partial financing of the system out of general revenue. I have introduced legislation which would provide for this type of financing and I hope our committee will consider it during the next session of Congress.

Mr. ROSTENKOWSKI. Mr. Speaker, I rise in support of this conference report to amend the Social Security Act to increase benefits for recipients under this act. This Congress has devoted as much, if not more, time considering this legislation than any other piece of legislation before us. The conference report which is now being considered is the result of many months of extensive hearings and review by the Ways and Means Committee, the Senate Finance Committee, and the House-Senate conference committee. It is, in my opinion, the best bill we could put together considering the complexity of its provisions and the strong arguments that were made both pro and con on the original proposal that was offered to Congress by the administration.

This bill will, undoubtedly, be disappointing to certain individuals and groups of individuals because it does not meet the standards of the proposal suggested to Congress, and that certain limitations have been set on aid for dependent children. However, the overall provisions of the bill are helpful to the 22.9 million people receiving benefits under the Social Security Act. By approving this conference report we are not closing the door on the possibility of considering further amendments to the Social Security Act, to increase benefits as they are needed and can be supported. I should think that this would hold true for the so-called "freeze" on the AFDC rolls which goes into effect July 1, 1968.

The intent of this "freeze" has a meaningful purpose, but the provision, at this time, causes me considerable concern because it fails to take into account the effect of the migration from southern rural areas to urban centers such as Chicago. I am concerned because of recent Federal district court rulings in the States of Delaware and Connecticut and the District of Columbia, when they ruled that the residency requirement for eligibility to receive welfare benefits was unconstitutional.

In Illinois the Federal district court in Chicago is considering a suit filed against the State concerning the 1-year residency requirement for eligibility to receive welfare benefits. If this Illinois law is ruled unconstitutional it will open up a Pandora's box for an estimated 5,000 families in Illinois, who have recently moved to Illinois from other States, to apply for welfare benefits and thereby increasing Illinois' cost for public assistance by $15 million. It could also attract a greater number of migrants to move to Illinois in order to obtain better welfare benefits than they are receiving in their own States. This same condition could be applied to other States who have established meaningful welfare programs, should the U.S. Supreme Court uphold the Federal court ruling in Connecticut concerning the constitutionality of the residency requirement in Connecticut.

With the "freeze" and the constitutionality ruling of a State's residency requirement, those States with meaningful welfare programs could face a huge deficit in their budget for public assistance because the newcomers may well bring them above the level of the freeze, and there is no way to send these people back. Thus, these northern industrial States attracting the southern rural migrants would be taxed to support the welfare cases coming from the southern rural areas, and thereby relieving those southern States of their responsibilities in this area. It would be a most inequitable arrangement.

It could well be that special allowances may have to be made for the effect of migration. Therefore, I would hope that the door is not closed in this area, and that Congress would reconsider this "freeze" when the States affected by migration present their problem to us.

Mr. RODINO. Mr. Speaker, I view the conference report on the Social Security Amendments bill with very mixed feelings.

On the one hand, I wholeheartedly support the majority of the provisions of this final version. Of particular importance are: the 13-percent increase in benefits, the raise in the minimum benefit from $44 to $55 a month, the increase in the earnings limitation, and the provisions liberalizing and improving the medicare program. These major changes are urgently needed.

I am, however, greatly concerned by two major changes made in the aid for families with dependent children—AFDC—program.

First, and of great concern to me, is the provision which establishes an enrollment freeze, effective June 30, 1968, which will preclude Federal aid for any more children than are receiving assistance under the AFDC program as of January 1, 1968.

The intent is that the individual States will provide for the additional children who will need financial aid. But we all know that the States are already facing financial problems in meeting these needs, and I fear this action will create situations of desperate need and suffering for children guilty of nothing but the fact of their existence.

The second very drastic change is that which would set up a mandatory employment-job training program for families receiving AFDC payments. Under these provisions, mothers of schoolchildren would be forced to work or participate in job training projects, with welfare agencies charged with the responsibility of assuring proper child care arrangements.

Mr. Speaker, the employment referral system with its three priorities outlined in this bill appears to me to be a vast, cumbersome administrative mechanism which the States will find both difficult and expensive to establish and operate. I cannot see how the individual States will be able in the time required to provide the employment possibilities, training programs and special work projects envisioned by the bill. In addition, I cannot see how we can immediately provide the facilities and personnel, already in short supply, to assure the child care necessary when mothers are forced to leave home for work or training.

I should make it clear that I heartily endorse the objective which these changes seek to achieve. Spiraling welfare costs are an increasingly serious burden, particularly for areas such as my own county of Essex in New Jersey. It is eminently desirable to establish programs to help move people from the welfare rolls into productive employment. It is a public benefit, and of immeasurable importance to the individual who can establish self-reliance and dignity through his own employment.

I believe the intent of these changes is in the right direction. However, I believe they are premature and unwise at this time. I am hopeful that early in the next session they can receive thorough review and consideration.

Despite my doubts on these aspects, I will vote for the Social Security Amendments, for the urgent need for increased benefits overrides the flaws in the bill which can be rectified. I urge passage of this legislation, but I also urge an objective, careful review of the welfare changes early in the next session.

Mr. REINECKE. Mr. Speaker, I wish to congratulate the conferees on H.R. 12080, the Social Security Amendments of 1967, for a job well done.

The House, and hopefully, the Senate, will adopt the report so that the 23 million American beneficiaries will receive their increased payments on schedule. This is money well spent to improve the living conditions of our older retired people, the disabled who can no longer work and the widows and their children whose breadwinner died before his family was grown up enough to be self-supporting.

The amendments provide a greater chance for the older person to continue to perform useful work rather than retiring completely by permitting people to earn a little more each month without losing their social security benefits.

The cost of the amendments is provided in a responsible way. Social security taxes will go up gradually as they do in present law, but at a slightly faster rate to assure that the social security program continues to be financially sound into the future.

We have heard a great deal of comment about some of the welfare provisions of the bill and while these changes may not be what everyone would like them to be, they are an honest attempt to break the cycle of poverty that has developed over the years. The amendments do not attempt to preclude welfare payments to anyone. The main thrust of the amendments is to provide people with the tools they need to become self-supporting. The aim is a better life, and a freer life that can be provided under our welfare programs. The rights of the poor are not being denied, rather the poor are to be encouraged to seek the full rights of free Americans. They will be encouraged and helped to a life free from the restrictions and investigations of the welfare program. Thus, what some have called restrictions on the States are not restrictions. The States are free to do what they will, as they are under present law. The bill, however, provides incentives so that more States will take a more active part in raising the poor from welfare to self-support.

I believe the conferees have been diligent in their duty, that they have discharged a difficult task in a most commendable manner and they have presented the House with a bill worthy of our support. If any of the provisions in the bill do not work out as well as we anticipate, the experience will show us how to improve them. The bill is a bold start in an ongoing battle to remove poverty from this land of plenty.

Mr. EILBERG. Mr. Speaker, I rise today reluctantly, in support of the Social Security Amendments of 1967. There are some features in the bill as reported which trouble me. I had hoped that we could get a more substantial increase in benefits. I had hoped that some of the restrictive features as to the new welfare program could be ironed out in the conference between the Senate and the House conferees. I hoped, for example, that the so-called welfare "freeze," which was removed from the House bill by the Senate, would not survive the conference.

But I believe we owe it to the some 23.5 million Americans now receiving benefits to make some increase before this session ends and if some features of the entire omnibus bill prove to be inadequate or too arbitrary, we can change them next year. It is always true, in a bill of the proportions of this legislation that we must make changes on the basis of experience. Meanwhile, while we deliberate on improvement, people will be receiving the higher benefits provided by the bill before us—requiring only our action, and action on the Senate side, to send it to the President for his signature. I am, of course, most immediately concerned with the 70,000 people in the Fourth District of Pennsylvania who will get the 13-percent increase in their benefits provided in the bill.

You will remember, a few days before the last Congress was scheduled to adjourn, we got the announcement that a revision of future cost assumptions, bringing them up to date, brought about savings in the trust fund which, without any increase in the existing tax rate, would finance a benefit increase of 8 percent. This was tempting to some people in an election year, and there was much pressure, I know, on the Committee on Ways and Means to act hastily.

We asked the American people to wait then for the more mature consideration, which has traditionally and appropriately been our course of action in connection with legislation which so vitally affects the lives of all Americans. We felt then that hasty action might not be wise or prudent because of the fiscal responsibility incumbent upon all of us. It would have been easy, in an election year to have acted too fast.

The bill before us today has had that mature consideration. It represents an end product which, I know, has called for concerned consideration and compromise. But it contains an increase of 13 percent—and that is a lot better than the 8 percent proposed for hasty action in the last days of the last Congress.

I think there are some other improvements over existing law in the bill. It would increase the amount people receiving benefits can earn without penalty, from $1,500 to the $1,650 proposed by the administration. It will require training for jobs for people on the welfare rolls who are there because they lack the skills required in our modern economy. Sometimes just training in how to read or in basic arithmetic can provide the first step up the ladder of responsibility which can lead to better things for the entire family. I, for one, believe that most of the people now receiving relief want that opportunity. I do not accept the too-common assumption, on the one hand, that they are lazy and good-for-nothing, and on the other that they are getting too much. Most of them, in my experience, are living on much too little and are looking for a chance to better themselves. Most of them, in particular, are concerned with making it possible for their children to live a better life than they have had. I do not agree with some of the means toward that end provided in the bill. These, I think, however, can be remedied in the next session. Meanwhile, I think we can no longer delay action, growing out of lengthy consideration, which will make better provision for those people now receiving the pitifully inadequate benefits in existing law.

Mr. DANIELS. Mr. Speaker, I rise in support of the conference report of H.R. 12080, the Social Security Amendments of 1967. I do so not because I think this is a perfect bill, far from it, but because we are now in the take-it-or-leave-it stage of the legislative process. Because we are now in the 11th hour of the first session of the 90th Congress, it becomes vital to pass this bill or in fact we may pass no bill at all.

Mr. Speaker, millions of our senior citizens are looking toward Washington for justice, and I think that if we cannot do something for them now, this Congress will have earned the contempt of all persons who think that America's senior citizens are owed top priority during our deliberations.

Earlier this year, I introduced H.R. 2784, a bill which contained a provision setting a monthly minimum of $100 for all persons receiving social security assistance. To me this seemed a reasonable figure and a long step forward from the present monthly minimum of $44. However, it was considered not possible to raise the payments to this level this year. As inadequate as the $55 minimum accepted by the conferees is, it nonetheless is a step forward. Certainly, anyone who is attempting to get by on a tiny sum such as $44 needs any aid he can get, and for this reason we must do something for those whose need is so desperate.

Mr. Speaker, again I reiterate that this bill is not perfect but, because it is a small step forward, it ought to be supported. As one Member vitally concerned with the well-being of all Americans I pledge that when the Congress reconvenes in January, I shall again continue my fight for our senior citizens by introducing a new bill more closely related to today's high cost of living.

Mr. HAWKINS. Mr. Speaker, H.R. 12080 contains many very desirable, although limited, improvements in the social security provisions of the Social Security Act. It is almost diabolical, however, that such a vehicle is being used to pass regressive public welfare provisions that cannot stand alone.

If adopted, these welfare provisions would change the program for families with young children from one of protection to those children into primitive "work programs" for mothers.

Under favorable conditions it may be some women can both manage their home and work outside. But to deprive a mother of this judgment is to further undermine the family and to force her into slave labor at low wages and little prospect of improvement. Even more serious, such a practice produces more dropouts and delinquent children.

Also, H.R. 12080 fails to require States to meet in full their own level of budgeted need in public welfare with updating. Thus, a State of higher budgetary standards, such as California, is penalized as compared with those States that provide even less than their own already low standards of assistance.

The myth that all people in poverty are lazy and do not want to work is completey disproved by the facts but lies continue to circulate freely.

First of all, about half of those classified as poor are in families in which the head does work, but at wages too low to provide a decent living. Instead of condemning these individuals, we should attack the conditions that keep people working as submarginal laborers.

Also, while all of us have reason to be concerned about rising welfare costs, the best way to attack the problem is to prevent the conditions that require people to go to welfare offices in the first place. Only about 20 percent of the poor who are legally entitled to welfare are actually receiving it. The 80 percent who are managing somehow to stay off relief rolls receive even less help and commendation from us than those on welfare.

Currently about 7⅓ million Americans are on welfare rolls. Among these: 2.1 million are 65 or over; 700,000 are either blind or otherwise severely handicapped; 3.5 million are children in poor families; and 1 million are the parents of these children, mostly mothers and incapacitated fathers.

It is estimated less than 50,000 fathers are capable of gainfully employment and grave questions can be raised as to whether we should insist that the mothers be taken away from their minor children in order to work in low-paying jobs that soon disappear.

Invariably discussion of welfare ends up in dragging in the old issue of mothers on aid who mismanage and who have illegitimate children. These are only a small number of relief recipients hardly enough to explain high welfare costs.

Actually, we are addressing ourselves to only a fraction of 1 percent of the illegitimate pregnancies that occur in American society and we are concluding that these few instances are so shocking to our morality that the majesty of the law must punish the children for the sins of the parents. If this is logical then we should more strongly condemn the higher income groups that annually account for almost 1 million abortions.

The immediate answer to this problem

is improved casework, social service, family planning, and home management training.

In the long run, however, our enlightened society must recognize that if we are not willing to make a direct commitment to achieve full employment, we must develop a vast array of tools to achieve what we have committed ourselves to seek—maximum employment. And this involves a lot more educational and training programs, and a much better social insurance system than we have thus far provided.

Mr. HELSTOSKI. Mr. Speaker, as we proceed to close this session of Congress we still have several items of business on the calendar which must be considered before we depart for our home districts.

One of them, the Social Security Act Amendments of 1967, will be disposed of today and will be accepted by an overwhelming vote, even though it presents inequities, which I hope will be corrected through future legislation.

One of these inequities is the provisions which "freezes" the Federal participation in aid to families with dependent children. It appears to me that we are taking a two-faced approach to the welfare of children—throughout the world and those at home.

On the world front we provided assistance to feed the millions of hungry children, yet, at the same time, we are today denying assistance to our own American children the necessities of life. We are doing this through this so-called "freeze" which will deny welfare assistance financed by Federal funds to the many families who cannot provide for themselves. True, we are not cutting them off completely, but we are shunting the financial burden from the Federal level to the States—a proposal which could create havoc with the financial structure of many States.

In my State of New Jersey this program could be catastrophic, particularly on the urban centers. These will suffer grave hardships because it has been nationally recognized that the number of welfare cases has been maintained at a low level. However, statistics show that an inmigration of such cases into New Jersey is the third highest in the Nation. Under these circumstances, this "freeze" places the entire cost of the increased loads upon New Jersey's State, county, and municipal governments.

Although I shall vote to accept the conference report, because of its otherwise acceptable provisions, I hope that the inequity I spoke of will be corrected by subsequent legislation. I do not feel that we should delay in putting into effect the good provisions of this legislation, just because a part of it has objectionable features. These should be corrected and acted upon with dispatch after the Congress returns to work in January.

Mr. VANIK. Mr. Speaker, as a member of the Ways and Means Committee, I vigorously opposed the effort that was made in committee to freeze entitlement of aid-for-dependent-children rolls. While I shared the concern of my colleagues regarding the mounting cost involved in the welfare program, I never felt that a limitation on expenditure would constitute a satisfactory approach to the problem. In my judgment, it was preposterous to suppose that we could meet our obligation to the dependent children of America simply by saying that there could be no "new" dependent children or that dependent children greater in numbers than those already on the rolls could not receive the benefit of the program.

The need of the dependent child has no relationship to population, census, or percentage-of-increase factors. One dependent child stands equally entitled as any other regardless of where he is born or where he lives. His needs are not lessened in any way because the State of residence may be suffering an increment in the welfare problem that is not covered by the statute.

I therefore oppose the freeze in aid for dependent children which is incorporated in this conference report. It is impossible for me to understand how we meet our obligation to the dependent and needy children of America by imposing a ceiling on what the fortunate people of America are willing to spend on the unfortunate. It seems to me that other alternative approaches must be made to the problem of rising welfare costs such as family life education, improved home environment, and on-the-job training.

There is considerable reason for believing that the increased cost of the aid-for-dependent-children program may not continue to rise at the same percentage level as it has in recent years. Perhaps a little more time and study on the problem might be more helpful than an outright mandatory dollar ceiling on what the American people are willing to spend to support the needy children of others.

The current freeze on aid-for-dependent-children rolls will cost Ohio $1½ million annually in Federal reimbursement. The State has no financial means of developing resources to meet the added burden this will impose on State and local authorities.

Following is a telegram that I have just received from James A. Rhodes, Governor of Ohio, protesting the freeze on aid-for-dependent-children rolls:

> Strongly urge that freeze on AFDC rolls be removed from H.R. 12080. It would cost Ohio $1,500,000 in federal reimbursement.
>
> JAMES A. RHODES,
> *Governor.*

I concur and support the plea which is made by Governor Rhodes. While the parliamentary situation and the approaching adjournment of this session of Congress make extensive deliberation difficult at this time, I hope that we can review this entire matter in the next session of Congress to determine whether a freeze on aid-for-dependent-children rolls is truly a prudent and necessary course.

Mr. QUILLEN. Mr. Speaker, a much-needed social security increase has been long overdue, and thousands of our elderly and disabled citizens have had to bear the burden of the political shenanigans of a few in the White House.

Back in 1966 and again in early 1967, I predicted that the Johnson administration would continue to drag its feet on a badly needed social security increase, using the program as a political football. Unfortunately, my prediction proved correct.

I protested to the President before the end of the 1966 session about the unnecessary delay and said that an across-the-board increase could be made then, rather than later, with no increase in social security taxes either to the employee or to the employer.

I have always fought for the maximum increase in social security benefits without an increase in taxes, and I said on the floor of the House when the measure was being debated earlier this year:

> Mr. Speaker, I have long been a champion of the social security program, feeling that it means so much to our people.

Let us pass this conference report today without any further delay.

Mr. JOELSON. Mr. Speaker, I am very much concerned about the fact that the Senate-House conference has retained the provision freezing Federal participation in the aid-to-dependent-children program. When the bill was originally considered by the House, it came up under a closed rule which meant that no amendments could be offered, but that the bill had to either be accepted or rejected as a package.

I voted for the bill because most of its provisions were desirable and necessary. Social security benefits are inadequate to meet the high cost of living and must be adjusted upwards. However, I hope that we can still send H.R. 12080 back to conference so the freezing of Federal participation in the aid-to-dependent-children program can be eliminated, and I will support efforts to do so.

I have received a telegram from the commissioner of the department of institutions and agencies of the State of New Jersey, Lloyd W. McCorkle. He has stated that the freezing provision "can be catastrophic for New Jersey." He has warned that cities in New Jersey will suffer because the migration of underprivileged to the State would place the entire cost of the increased burden on State, county and municipal governments. He is knowledgeable in this field, and I for one respect his judgment in this matter.

Mr. PELLY. Mr. Speaker, I have heard that if the conference report on H.R. 12080 to amend the Social Security Act is rejected by the House today, any action to increase benefits is dead for this session. Not only is it dead for this session, but it will spell the death of such legislation in the next session. In other words I have heard if Congress does not accept the measure in the form it comes to us today, there will be no legislation to amend the Social Security Act until 1969.

In this connection, it seems to me the good in this bill far outweighs the bad. So I intend to vote for it in spite of the fact that my State of Washington will suffer substantially under certain of its provisions having to do with public assistance. For the record, however, I wish to read into the RECORD a telegram I received this morning from Gov. Dan Evans, of my State of Washington, as follows:

OLYMPIA, WASH.,
December 13, 1967.

Hon. THOMAS M. PELLY,
House Office Building,
Washington, D.C.:

Conference version H.R. 12080 has many excellent provisions but we strongly object to certain provisions which will seriously impair the public assistance program in this State.

1. Limitation on Federal participation in AFDC for children deprived by absence to proportion existing in 1st quarter 1968. This State is under threat of a restraining order which could remove residence requirements and increase the proportion of population technically eligible for AFDC. A maximum related to proportions prior to removal of residence is inappropriate. Population estimates neither sufficiently refined nor timely to be effective or equitable as caseload controls. Although we share with Congress its concern with the AFDC program, States such as Washington which have rehabilitated AFDC mothers and kept caseloads down are penalized.

2. Requirements for substantial attachment to labor force to be eligible for AFDC penalizes an unemployed family which stays together, since if the father were to leave home his family would be then eligible for AFDC.

3. We oppose transfer of the community work and training program currently administered by local public offices to the Department of Labor with its concentration of authority at the Federal level. Local public assistance agencies have greater knowledge of work and training needs of recipients and could affect more timely assignments. The State of Washington has current assistance standards, provides a broad medical care program, rehabilitative services, and is interested in a good welfare program. We urge the H.R. 12080 be returned to conference for further consideration and appropriate changes in these three critical areas.

DANIEL J. EVANS,
Governor, State of Washington.

Mrs. MAY. Mr. Speaker, this morning I received a telegram from the Governor of my State of Washington, the Honorable Daniel J. Evans.

The Governor is deeply concerned over three provisions in the conference report on H.R. 12080. I believe this concern on the part of the State of Washington is justified and I therefore would like to discuss these areas of the conference report.

First, this bill provides that Federal matching funds for the AFDC program will be limited by a percentage determined in which the numerator is the number of children currently on the AFDC rolls as of January 1, 1968, and the denominator is the population of the State. As long as an individual State's population and AFDC recipients increase in direct proportion to one another, then the amount of the Federal matching money for the program will also increase. However, if the number of AFDC recipients increase at a faster rate, the percentage determined under this formula will be exceeded and there will therefore be no increase in the Federal matching money for the excess.

Now, what makes this a particularly acute problem in the State of Washington, and I know there are a number of States in which this same problem exists, my State is under the threat of a court restraining order which could remove the existing residency requirements for eligibility of recipients under the AFDC program. If such a restraining order becomes fact, the proportion of the State population technically eligible for AFDC payments would be increased. The burden which would be placed on the State of Washington, and all other States in which residency requirements are under the threat of being eliminated by court action, is obvious.

For this reason, Mr. Speaker, the Governor of my State feels, with ample justification, that a maximum related to proportions prior to the removal of residency requirements is inappropriate. States such as Washington, which have rehabilitated AFDC mothers and have kept the caseloads down are penalized.

The second area of concern on the part of the State of Washington relates to the requirements for substantial attachment to the labor force to be eligible for AFDC. This, the Governor feels, penalizes an unemployed family which stays together. If the father of the family leaves home, his family would then be eligible for AFDC payments. I feel the Governor's point is valid.

The third area of concern is the provision transferring the community work and training program currently administered by local public offices to the Department of Labor, with its concentration of authority at the Federal level. Governor Evans, with justification, can point with pride to the work of the local public assistance agencies in the State of Washington, which have demonstrated their greater knowledge of the work and training needs of recipients and which can and do affect more timely work assignments. The State of Washington has current assistance standards, provides a broad medical care program and rehabilitative services, and is definitely interested in a good welfare program.

May I add this comment, Mr. Speaker: I think we have in charge of the Washington State Department of Public Assistance a fine and able administrator in the person of Sidney Smith. He has, since taking over these duties under Governor Evans' administration, given new direction and new esprit de corps to the entire department, to use the Governor's words. He has instituted fine programs that have helped to put recipients back in jobs and these have been highly successful programs that have saved the State several millions of dollars.

In view of this, Mr. Speaker, I believe you can understand and appreciate the concern of my Governor over these three specific provisions in the conference report which could seriously impair the public assistance program in the State of Washington.

Mr. REID of New York. Mr. Speaker, although I intend to vote for the conference report here before us, I must confess to very serious reservations about certain of its provisions. Specifically, I refer to the welfare and medicaid provisions which, by substantially reducing the levels of Federal contributions to States like New York, will cast into jeopardy the lives and well-being of our poor and disadvantaged.

The welfare of our needy citizens is a national problem—in scope and solution. We should not abdicate our responsibilities here in Washington by casting upon the States an inordinate share of this problem. Nor can we blithely ignore the critical problems before us with a sweeping statement that the States, of course, are free to fund welfare and medicaid programs at such levels as they may choose.

Let me but note in brief the impact which these provisions would have upon the State of New York and its largest metropolis, New York City. Mayor John Lindsay has estimated that the total burden to be cast upon both the State and city under the conference report's welfare and medicaid provisions could reach some $150 million. Whereas the Federal contribution to New York State under the medicaid program for fiscal year 1970 would have been some $491 million under the present provisions, under the conference report this figure will be slashed some $62 million to approximately $429 million. The ceiling of $6,000 for a family of four—in terms of eligibility for medicaid—will be reduced to $3,900 under the formula contained in the conference report.

This is not a minor matter. In a joint telegram to President Johnson, Governor Rockefeller and Mayor Lindsay stated that the reduction in Federal aid "would create a grave fiscal situation in the State and would precipitate a fiscal crisis in the city. They added:

> The net result is certain to be major hardship and suffering for Americans most in need—poor families and especially their children.

The provision of this bill which would put a freeze on the ratio of children from fatherless homes who can qualify for welfare is archaic in its conception and inhuman in its treatment of the poor. It would affect adversely some 126,000 children in New York City alone over the next 18 months. Mayor Lindsay estimates that to care for them without Federal assistance would cost the city about $30 million. As the New York Times has so aptly put it:

> This provision faces the states with the option of sterilizing mothers or letting children starve.

The bill passed by the other body originally offered a true incentive to welfare recipients to earn additional income by permitting them to retain the first $50 of monthly outside earnings and 50 percent of additional amounts. These figures have been pared to $30 and 30 percent, respectively. A proposed job-training allowance has been sliced from $20 per week to $30 per month.

I have praised those provisions of the bill which reflect a more forward-looking understanding of the critical problems of welfare in our Nation. The day care, child health, and family planning programs—although reduced in scope in the conference report—will help to alter the character of welfare and encourage greater initiative on the part of its recipients.

But this is not a time for half measures which raise the hopes of the poor in one breadth and dash them in the next. I regret that I shall not have the opportunity to vote to recommit this conference report with instructions to the managers on the part of the House either to alter the provisions I have referred to or to accede, where appropriate, to more progressive Senate provisions. I do hope that in succeeding sessions of the Congress we shall place high priority on rectifying some of the injustice being done today if the Senate fails to take action in this regard on this conference report.

Mr. BUTTON. Mr. Speaker, some of the provisions in the social security amendments bill we are considering today shall probably go down as the most restrictive, regressive ever to pass this House. Had the measure not been subject to a closed rule earlier in the year with no opportunity for amendment on the floor, I am sure these provisions would have been deleted. I had hoped that the more enlightened provisions of the Senate bill would have been adopted, but the bill's "niggardly spirit" remains.

The opportunity to break from the closed rule tradition of such a measure availed itself this summer, when a number of my colleagues suggested to the Rules Committee that this year's consideration of the bill be under a modified closed rule which would allow amendments, at least, to those sections of the bill which dealt with payments to States for public assistance and payments to individuals for old-age and social security benefits. But this effort failed, and as a result, the rule under which the bill came to the floor did not permit an opportunity to strike the more objectionable features of the bill. For those who are opposed to the provisions of today's conference report, the only alternative, under these circumstances, would be to scuttle the entire social security package, which would only further delay the help needed for thousands of worthy citizens.

My State of New York will be drastically affected by the provision of this bill which will reduce the number of persons on local welfare who would qualify for Federal aid. This, of course, is a coercive provision, intended to trim the welfare rolls through forced training and employment of recipients. Punishing family members—including mothers, when deemed "appropriate" by the State—who refuse to take available jobs or participate in work and training programs, is in my opinion a despicable and punitive device that can do nothing but encourage unemployed fathers in welfare families to quit their homes and force mothers to work who should be in the home caring for their children.

Another punitive provision, which I disagree with deeply, is the State-by-State freeze beginning January 1, 1968, on the proportion of children eligible for federally subsidized aid under the aid-to-families-with-dependent-children program. This provision alone will cost New York State millions of dollars, if we are to continue to meet our responsibilities.

These provisions, in effect, punish the poor for being poor, abruptly altering the direction and vision of this country's social responsibility that was born in 19th-century America and which has grown into remarkable national programs of care for our indigent and needy.

Many of my New York colleagues will agree, I am sure, that certain provisions of this bill tend to discourage the liberal assistance programs our State has instituted. The objectional features of this bill will only place an additional burden on already financially overburdened States to assume the portion of the costs which no longer will be available from the Federal Government or force these States to cut back their programs. I do not think this is just or financially sound.

Also, Mr. Speaker, our elder Americans, those who have contributed so much to the growth and prosperity of our Nation, were first promised benefit increases effective July 1 of this year. This date passed and finally we are about to agree here today to make these benefits payable for the month of February 1968, not to be reflected in benefit checks received until March. There is no sound financial or other reason why these payments could not have been made retroactive, effective, at least, back to October 1, 1967. This would have given our senior citizens a lump-sum payment from the existing surplus in the social security fund. Our failure to include such a retroactive clause in this bill is especially trite and niggardly in view of action taken by this body earlier in the week giving Government employees a retroactive pay increase effective October 1 of this year.

Mr. Speaker, I had hoped that the changes in the existing law would have truly compensated for the rising prices and hardships now facing families living on fixed incomes, but I am not sure this bill will serve the purpose of increasing their buying power or catching up with rising costs of living, and especially not if the administration's tax-increase proposal is enacted next year.

If we seriously wanted to significantly improve the lot of those in the lower benefit categories, we should have raised the ceiling on outside earnings by social security beneficiaries. We could have also made medical payments 100 percent tax deductible for our elder citizens, as the law provided before 1965. But as the bill stands, there is only a token increase in the earning ceiling—$1,680. Realistically we should have adopted the Senate version calling for a $2,400 ceiling. The bill should have also established an automatic cost-of-living increase applicable to the benefit schedule. This would have kept the beneficiaries' purchasing power stable during inflationary periods, and would enable senior citizens to maintain their well-earned dignity instead of periodically begging Congress for increases to offset inflationary trends. Certainly much remains to be done.

Mr. Speaker, I regret that it was impossible to make the changes I have suggested, and I equally regret not being able to register my dissent in the form of a vote against the aforementioned undesirable provisions in this legislation, which I fear will worsen the conditions of poverty that far too many Americans find themselves in today.

Mr. MILLER of Ohio. Mr. Speaker, I wish to add my support to the social security amendments now being considered by the House.

We cannot ignore the plight of many elderly citizens for whom social security payments are the only source of income. These citizens with their income fixed by law are helpless in the whirlwinds of inflation which now erodes their pension and forces them to lower their standards of living. Since the prime cause of inflation has been ever increasing spending by the Federal Government, it is that same Government's responsibility to do what it can to correct this injustice. In this case, the only course of action is to increase their social security benefits, while also broadening the base by which the Government collects social security revenues. For these reasons, I urge the passage of the social security amendments now before us, and I also urge a halt to other unnecessary spending programs that serve to nullify these increases by contributing to the continued devaluation of our dollar.

I would also like to urge at this time, Mr. Speaker, that a more equitable adjustment be made in the outside earnings provision of this bill. The bill before us will increase the outside earnings capability of individual social security recipients from $1,500 to $1,680. This I feel is insufficient. I strongly recommend that this section of the bill be changed and that a raise be made which would permit social security recipients to earn up to $3,000 a year.

There is no limit on the amount a retired person can presently receive from such sources as interest, rents, royalties, and dividends without losing any portion of his social security payments. Many retired persons who need and would like to earn additional income from wages or salaries are discouraged from taking part-time jobs because they would have to forfeit much or even all of their social security payments. They need and deserve better incentives to improve their income position.

Mr. COHELAN. Mr. Speaker, I will today cast my vote for the social security bill. However, I do so with deep regret over the many regressive and inadequate provisions of this legislation.

The bill raises the social insurance payments from a minimum of $44 to $55. But do we all not know that it just is not possible to live decently on $55 a month today? The bill raises the social insurance payments by 13 percent. But the payments were not sufficient before, and prices are rising. The bill raises the allowable earned income ceiling to $1,680. But is this realistic?

But as inadequate as are the social insurance provisions, they are not the worst villains in the bill. The real malevolence is in the welfare provisions. Some of these are shameful. In the apt words of the New York Times, these provisions "strip those on the relief rolls of what dignity has been left to them."

What are these malevolent provisions?

One limits the amounts of Federal assistance available for children from homes with only one parent to the level which exists on January 1, 1968. Thus the States, whose resources are already stretched drum tight, will face the prospect of allowing children to go hungry. The avowed intent of this provision is to discourage fatherless homes. But how can starving the children of these unhappy homes solve this problem?

Another odious provision of the bill is one of omission. The bill reported by the conference dropped the Senate provision which would have required all States to provide aid for dependent children even if there was an unemployed male in the household. This provision would have done away with the stealth and family disruption which has so often been fostered by the so-called man-in-the-house rules.

Other provisions of the bill provide so-called incentives to employment for the recipients of welfare. Do we really believe that the problem is that those on relief do not want jobs and a better life? Is the problem not one of inadequate physical ability, insufficient skills and education, discrimination, and the simple lack of job opportunities? And is the exclusion of $30 a month in earned income together with one-third of all other income a real incentive in any event?

Mr. Speaker, I will vote for this bill because of the important benefits it provides, but I deplore the shortsightedness and neglect inherent in several of its provisions—especially those concerning social welfare—and I will in future sessions work to see these provisions corrected.

Mr. BOLAND. Mr. Speaker, the 13-percent increase in social security benefits provided for the elderly in this bill is vitally needed by more than 23 million Americans under the program, so I am going to vote for the conference report, although I am opposed to certain provisions with respect to aid for families with dependent children and the medicaid programs.

Wages have increased and the cost of living has gone up. Our older people receiving social security benefits need this 13-percent increase to bring their monthly checks up to a level commensurate with increased living costs.

The bill also provides for an increase in the amount of payments for the special group of people 72 and over who, because the work they were doing in their younger years was not covered by social security, cannot qualify for full benefits. It increases the amount of special payments they can receive from $35 a month for an elderly man or widow to $40.

Another desirable feature of this legislation increases the annual earnings exemption from $1,500 to $1,680 that an older person can receive without having any social security benefits withheld. I have long supported and sponsored legislation to accomplish this end.

Mr. Speaker, I am opposed to the regressive provisions written into the House bill, and now agreed to in this conference report. They are: The January 1, 1968, ceiling on the percent of children with respect to whom Federal aid to dependent children payments may be made to a State; and the mandatory provision on the States, beginning January 1, 1969, to encourage State and local welfare agencies to put pressure on mothers of dependent children to leave home and go to work.

I reiterate again what I said on the floor of the House when this bill was before us on August 17, these provisions would have an adverse effect upon the welfare of children and will not contribute to the strength and integrity of families. In his telegram to me expressing opposition to this conference report, George Meany, president of the AFL–CIO, said of these provisions on behalf of his labor organization:

> We deplore punitive welfare provisions in report which unfairly and unjustly penalize nation's poor just because they are poor.

I also received a telegram in opposition to these provisions from Msgr. Joseph A. Russell, Rev. Vincent M. O'Connor, and Rev. George Jacoby of the Catholic Charities Organization for the Roman Catholic diocese of Springfield, Mass., which embraces my Second Congressional District, as follows:

> We strongly oppose the proposed limitation of AFDC caseloads in H.R. 12080. We urge you to vote against this proposal.

The American Jewish Congress, in a telegram to me signed by its president, Laurence Locke, took a similar position, and I read:

> Horrified Conference Committee recommends case load freeze January, 1968. Action ignores normal population growth. Children must not hunger. States cannot bear additional financial responsibility. Urge you oppose conference report with restrictive provisions.

Mr. Speaker, I hope that these restrictive and regressive provisions will be stricken from the Social Security Act by legislation in the next session of the Congress. I think we have to get this bill out before we adjourn because there are 23 million people waiting for increases in benefit payments on which they depend for a living, and they cannot wait another year because living costs are going up every month. Therefore, I am going to vote in favor of the conference report because of its many good provisions, but reluctantly so because I am opposed to the restrictive welfare provisions.

Mr. RYAN. Mr. Speaker, the conference report on H.R. 12080 can hardly be described as a compromise between the House and the Senate bills. It is the House bill with slight modifications which makes it hardly more palatable than the bill which passed the House on August 17, under a closed rule, against which I spoke and voted and which made it impossible to separate benefits under the old-age, survivors, and disability insurance program from the public welfare amendments.

The rules of the House have again been used to deprive us of any opportunity to change the conference report or to separate the social security benefits from the public welfare provisions. The motion to recommit, proposed by the gentleman from California [Mr. UTT], would reduce the already inadequate benefit increases. So it is unacceptable and would not serve as a vehicle to improve the bill. I am opposed to ordering the previous question because, if it were defeated, then a motion to instruct the conferees to amend the restrictive medicaid and welfare provisions, and to increase benefits, would be in order. Since the previous question was ordered, we are confronted with the alternative of either accepting the conference report with all of its deficiencies or of denying to 23 million senior citizens the benefit increases—inadequate as they are—which they desperately need.

The administration requested an increase in social security benefits to a minimum of $70 a month, with across-the-board increases of 15 percent, which was incorporated in the Senate bill. On the other hand, the House approved a much lower minimum figure of $50 a month, with an across-the-board increase of 12.5 percent. The conference report figure before us today is closer to the House bill. Fifty-five dollars a month, which the conference report establishes as a minimum, coupled with an outside earnings limitation of $1,690 annually, continues a living standard below the poverty line. It is totally inadequate.

The actions of both the House and the Senate with respect to title XIX were devastating to a program which for the first time made hospital and medical care available to people who are medically needy but not welfare recipients.

The Senate bill provided an income eligibility ceiling for medicaid which was 150 percent of the income limitation for old-age assistance. The House established an income eligibility limit at 150 percent of the actual AFDC payment level. This will be 133⅓ percent as of January 1, 1970. The conferees accepted the House formula which is more restrictive than the Senate formula.

The effect of the new medicaid formula is to discriminate against the more progressive States which have chosen to provide medicaid not just to indigent persons, but to moderate-income families. For example, in New York State the income limit for a family of four is $6,000. That will have to be reduced to $5,292. New York City and New York State together will lose $40 million annually in Federal funds for the New York City medicaid program.

The most discriminatory feature is the welfare-freeze provision which limits AFDC payments to a State to a ratio based on the percentage of children of absent parents who received aid to the child population under age 18 in the State as of January 1, 1968.

The freeze will adversely affect the large industrial States like New York, California, Illinois, which are the recipients of the migration from the rural South which will lose nothing in Federal payments through this amendment. These States will be forced to pay welfare benefits themselves or to abandon these families.

It is argued that the work training feature will reduce the AFDC rolls. But this is coercive and will contribute to the breakup of families.

Under the Senate bill, there were work incentive for welfare recipients which exempted the first $50 per month and one-half of the remainder of outside income from consideration in determining the need for assistance. Mothers of children could not be forced to report for work training, while the children were home from school. Under the Conference report, the incentives have been cut back to the first $30 per month and one-third of the remainder of outside income.

Mothers of children at home are not excluded from work training.

The Senate bill required States to provide AFDC assistance when an unemployed father is in the home. This constructive provision was omitted from the conference report.

A requirement adopted by the Senate that drugs under Federal medical programs be prescribed under their generic names was eliminated.

Major administration proposals including disabled social security recipients under 65 in medicare, raising State welfare payments to the minimum subsistence level, and extending social security benefits to farmworkers were not incorporated in either the Senate or House bill.

The restrictive and coercive welfare provisions of the conference report, the imposition of unreasonable requirements for medicaid, the meager increases in social security benefits, the fact that social security beneficiaries who also receive public assistance will not get any actual increase in total income absent State action—all are undesirable features of a piece of legislation which is a bitter disappointment to the poor and the elderly.

Efforts to help our citizens who are in the most desperate need are attacked as "welfare statism."

Why is it that the welfare state is perfectly acceptable when the recipients are the well-to-do? We have a welfare state for farmers in price supports; we have a welfare state for the auto and construction industries in the highway program; we have a welfare state for oilmen in depletion allowance loopholes. But let the cities and the involuntary indigent cry out for a minimum standard of decency, and the response of the Congress is repression and coercion.

When will justice be done?

Mr. BOLAND. Mr. Speaker, I rise to express my disappointment that this conference report on the Social Security Amendments of 1967 does not include the Senate-passed provision to allow schoolteachers in States where they are not covered by social security to elect to participate in the hospital insurance program as long as they are willing to pay their own way.

It is my understanding that there are more than 689,000 public school teachers across the Nation in various States covered by retirement systems of their own, but they do not have programs similar to medicare's hospital insurance coverage available to them.

The provision deleted in conference was sponsored by Senator RIBICOFF last February 24 as S. 1071, and was incorporated in the Senate-passed bill. It is my understanding that the Department of Health, Education, and Welfare gave its approval to the amendment, but it was deleted in conference because of opposition by the National Conference of State Social Security Administrators who want more time to study the provision.

Mr. Speaker, I regret that in voting for this conference report it does not contain the provision which the schoolteachers in my congressional district favor as vital and necessary to their future welfare.

During the last few days I have received telegrams asking my support for reconsideration of this provision from the East Longmeadow Teachers Association; Henry J. North, president of the Longmeadow Education Association; Robert V. Dooley, executive secretary of the Springfield Education Association; and Stephen R. Jendrysik, corresponding secretary of the Chicopee Teachers Association.

We have no opportunity here to vote for reconsideration of this one provision, of course, because the vote will be to accept or reject the entire conference report on a bill which provides for a 13-percent increase in benefits to some 23 million elderly Americans receiving monthly social security checks, and other beneficial and desirable provisions.

Therefore, I regret that this provision to allow schoolteachers in certain States to elect to be covered by the medicare hospital insurance coverage of the social security program is not in the final bill, and I hope that the members of the Ways and Means Committee will hold hearings and take action on this proposal in the next session.

Mr. ST GERMAIN. Mr. Speaker, one of the disgraceful paradoxes of this Nation is its unparalleled ability to care for its senior and less fortunate citizens, yet its failure to do so.

Perhaps the most vivid manifestation of this is the social security bill agreed to in conference and which was adopted by this body yesterday.

I look upon this legislation as not being adequate to meet the needs of our citizens. When originally voting in favor of this legislation, it was anticipated that it would subsequently be improved upon—that the House bill would be considered as a base upon which to build. Though some improvement was realized in the Senate version, the conferees failed to come forth with the necessary legislation.

Of particular note is the amendment pertaining to welfare programs aiding families with dependent children. As reported by the conferees and adopted yesterday, aid to dependent children is to be frozen at levels of January 1, that is, the Federal Government will pay its share of the Federal-State welfare program only at the level of recipients set as of January 1, 1968. Persons going on the aid for families with dependent children rolls above that level will only receive State and local assistance. In other words, the Federal Government is turning its back on all those families and children who would become eligible for assistance after January 1, 1968, under existing eligibility regulations.

I would like to remind my colleagues that this Nation, which is the wealthiest in the world, uses less of its national wealth for the social welfare of its citizens than other advanced industrial nations and frequently less than many poor and developing nations. While West Germany and Luxembourg use approximately 17 percent of their gross national product for social welfare measures, the United States uses only 7 percent.

We have little to rejoice about concerning the legislation passed by this body yesterday. Yes, it is an improvement in some areas—which prompted my "yea" vote—but it still leaves much to be desired. Let us now address ourselves to the legislative task that remains ahead if we are to fulfill our obligation to the senior and less fortunate citizens of this Nation.

Mr. FARBSTEIN. Mr. Speaker, I was among those who voted in favor of the Social Security Amendments of 1967 when it appeared on the floor some months ago. At that time, however, I expressed my severe reservations about several of the provisions of that legislation. At the time, I was particularly aggrieved that the rule under which the bill was considered did not permit a separate vote on each of its many provisions. My colleagues and I did not have the opportunity to pass in detail on the work that the committee, in this measure, submitted to us. Nonetheless, I supported the bill. I reasoned that the objectionable provisions might very well be eliminated in conference, since it was well known at the time that the majority of the Senate was opposed to them. I judged that, on the whole, the bill would be beneficial to the American people.

We now have the conference report before us and I regret to say that the objectionable provisions are still present in the bill. We did not have a chance to vote on them then. We are not getting a chance to vote on them now. Mr. Speaker, I would like to protest vigorously a procedure which allows major policy to pass this House without its Members ever getting a chance to express their judgment on it. I will not say that this bill was railroaded into law. I recognize that the Committee on Ways and Means gave it careful consideration. But the committee is not the House and has no authority to legislate for the House. Certainly the Senate had no less right to have these provisions eliminated, yet the committee, speaking for itself rather than for the House as a body, insisted that they be retained. With all due respect for the leadership of the committee, Mr. Speaker, I do not feel that the presence of this bill, in the form that it is before us today, represents a victory for parliamentary democracy.

The two provisions to which I take most vigorous exception are those which would penalize my State and my city chiefly, but would also handicap industrial areas generally. In other words, these provisions are highly biased in their intent. They represent anti-urban discrimination.

The first of these provisions would put a ceiling on the amount of AFDC assistance a State can receive. It would limit the number of eligible applicants for which a State can receive Federal backing to the number currently on the rolls. In other words, if one more eligible recipient comes into New York, by birth or migration, no funds will be granted for this recipient's care. We all know, Mr. Speaker, that New York and other progressive States have become and will continue to serve as a magnet for the dispossessed, the underprivileged, the unfortunates of what, if I may be candid, can only be called the "backward" States. These States send their surplus bodies, in effect, to New York and the other great industrial cities. We in New York try to offer these people opportunity. Sometimes we are not successful, but we try. When we cannot give them jobs, we sometimes have to offer them welfare, to keep them—and by "them" I mean little children more often than able-bodied men—alive. This provision will have no impact whatever on State that have a net out-migration of poor people. It will only hurt the States to which people migrate, States which are doing their best to deal with the Nation's economic problems. It is a cruel provision, because it tells us in New York, in arbitrary and peremptory fashion, that we cannot receive any more help in keeping these children alive.

The other provision puts new limitations on the administration of the so-called medicaid program, which New York has put into effect to assure adequate medical treatment to the poor. Authorized by Federal law, New York has sought to make a reality of our society's promise that no one will be sick for lack of medical care. This bill forces New York, the most conscientious of States, to back away from this commitment. New York must do so because the Federal Government, under this legislation, is reneging on the bargain it made when the law was originally passed. Ironically, the wording of this provision penalizes most severely those persons who are trying hardest to support themselves but remain on the margin of the subsistence point in their incomes. I consider this provision reprehensible, both in practice and principle.

I would like to add further that I disapprove of the provision that will force some mothers to accept job training in return for welfare assistance for their children. On the face of it, I approve of a provision to make constructive workers out of welfare recipients. But a moment's reflection reveals that this provision can force mothers to leave their children—often at the cost of furnishing a babysitter or leaving them inadequately tended—to take their training. This provision is unrealistic. Of course, job training is important. But I object to any plan which will drag mothers away from their children, when they are the only ones who should be caring for them. I protest a bill which will break up the mother-child relationship the way this one does.

I will vote to support the bill, because I continue to think that the general improvements in social security benefits to the 25 million social security recipients justify my vote. But, Mr. Speaker, I think the principle of "two steps forward—one step backward" is a poor one for legislation. I do not think this is one of the better days of this great body.

Mr. YATES. Mr. Speaker, I shall vote for this conference report with mixed feelings. I strongly favor the increase in social security benefits. Our older citizens desperately need the additional money this bill makes available to make ends meet in this time of rising prices. Inflation lays its cruel weight most heavily upon those who must live on fixed incomes, the pensioners who have only their retirement income to depend upon to sustain themselves. I have always voted for increases in benefits, for I believe social security benefits must be maintained at an adequate level to provide a decent standard of living for the millions of people who must depend upon it during their later years. The amount recommended in this bill is only a minimum amount at best. I would have preferred to accept the amount recommended in the Senate bill.

I wish that a separate vote were possible on the new restrictions in the bill, but here as was the case when the bill first came to the floor, Members must vote "yea" or "nay" on the whole bill. No amendments are possible. The "freeze" on funds accepted in the conference report represents a very harsh measure to achieve economy. It is beyond the control of the States to reduce the number of broken families or the number of dependent children. The number of these homes has been on the increase for several years, yet, despite this fact, it is now proposed to limit the number of one-parent children on AFDC to their proportion of a State's child population on January 1, 1968.

Such action surely will create havoc in poverty stricken areas. What will happen when applications are made? What will happen to the newborn child? Is he to be disqualified because of his birth? What will happen to newcomers who enter a State during the year. Do they qualify? Must sudden increases in population wait for the next years formula date before equitable adjustments are made? Where will States get funds in the meantime to care for these people?

The answers are that the burdens will be shifted to the States. Yet it was because the States were unable to meet the earlier burdens of assisting these children that the Federal Government offered its help. Now the States and localities who can least afford it will be asked to bear these burdens. States with well-developed programs will be penalized for their efforts. The poorer States will be forced to reduce their payments and develop more restrictive attitudes toward applicants.

Equally onerous are those provisions which would force a mother to leave her children and to participate in community work or training. As if their plight and hopelessness were not sufficient, the tenuous base necessary to their survival may be withdrawn should mothers fail to meet the standards of the strong, the healthy, and the educated. Many mothers so situated want to work if they can, and many do. But many cannot, and in most cases it is not because they are lazy or unwilling.

They are untrained and unskilled. They must take care of their children. I favor work training programs which will offer them the opportunity to be self-supporting, which most of them want, but they should be voluntary, not compulsory. Requiring them to participate in training or work programs, as this bill does no matter how worthy the purposes—can only spark their anger and resentment. It is no way to nurture self-respect. The costs of welfare will not be reduced since the expense of institutional care for the children may very well exceed the costs of present welfare payments.

Nor will the withdrawal of assistance to those children whose mothers refuse to participate reduce costs for the community. It only means that someone else must accept responsibility and pay the bill if these children are not to go hungry.

Using the language of "rehabilitation" and "training," this legislation may very well be sacrificing the best interests of the mother, the child, and the community. I hope the effects of the experiment will not be as disastrous as many predict.

Mr. MILLS. I now yield 10 minutes to the gentleman from Wisconsin [Mr. BYRNES]

Mr. BYRNES of Wisconsin. Mr. Speaker, this bill before us, the Social Security Act of 1967, is a benchmark in the history of the social security system. It is an important piece of legislation. The bill was worked out by the Committee on Ways and Means—all 25 members of that committee—after lengthy hearings and lengthy executive sessions. At the conclusion of that work it was jointly introduced by the chairman of the committee and by myself.

The committee in working on this legislation attempted to do a constructive job in a bipartisan manner.

In my opinion, Mr. Speaker, we were successful. This bill represents a reasonable balance between the needs of the millions who are currently dependent upon social security benefits on the one hand and the millions of workers and employers on the other hand whose social security taxes will rise in order to finance these benefits.

Also, Mr. Speaker, the bill represents in my opinion a recognition of the problems of the poor whom society must assist—the depressed, the aged, the dependent children on the one hand, yes, and the general taxpayer on the other hand.

But, Mr. Speaker, if the aged and the poor are to be really served, it is time that the demagogery stop. It is time that we call a halt to some of the loose and careless statements that are being made with reference to this bill.

Mr. Speaker, I am amazed at some of the careless statements that have been made about this legislation. Our action has been labeled as regressive.

However, Mr. Speaker, the bill which is now pending before us is a sound and basic bill and is one which will not inflict injustice or other penalties upon the Nation's poor.

To those who say that the benefit increases in this bill are inadequate and meager, let me say this is pure demagogery. This represents the largest increase in benefits in the history of this program. It comes only 2 years after an increase, passed in 1965, which amounted to 7 percent. Admittedly, it would be nice if we could forget about any ceiling on benefits. But anyone who states that we have not given considerable concern and support to increasing benefits, just does not know what he is talking about, and either has not read the bill or does not understand its provisions.

Let us look at it in dollars and cents. For a full calendar year the benefit increases in dollars that will be added to the social security checks will be $3.7 billion. This is not a niggardly amount. In just 10 months of 1968, the amount of money going to these people will be increased by $2.9 billion, or almost $3 billion.

Mr. Speaker, one wonders what one has to do in order to satisfy some of these people who are making these outlandish statements today.

Then, Mr. Speaker, we also have to face up to the problem of how we are going to pay for these benefits. Therefore, let us take a look at that other side.

Mr. Speaker, on a regressive tax base, we are asking the taxpayers of this country—we are asking every wage earner, every person, no matter what his dependency or financial condition may be—to pay a tax upon the first dollar he earns.

Mr. Speaker, in 1968 the bill produces $1.5 billion of additional taxes in order to pay for these benefits. The following year, the bill produces $5.6 billion in increased taxes in order to pay for these increased benefits.

Permit me to suggest to some of the critics that if they are concerned about the maintenance of this system, its actuarial soundness, and its capacity to meet the needs of the older people, they had better be careful that they do not so load down the system with benefits that it collapses of its own weight.

There are occasions when we must try to save the social security system—and the benefits that it provides for our older people—from those so-called friends who would wreck it by so weighting it down that the taxpayers no longer will be willing to support it.

Mr. Speaker, in my opinion this represents a reasonable compromise. I believe our people will be willing to pay the increased taxes provided for in the bill. But mark me, a day can come when if you look only at the benefit side, you will have a situation where the current workers who must pay the tax, refuse the burden such benefits impose upon them. Then the whole system is in danger. Then the older people who have become dependent upon the system will really need to worry, and then we will be doing them a disservice.

To those who would claim that we were absolutely unconcerned for our poor, and those in need of assistance, let me point out that today we are paying out $4.5 billion under public assistance programs that are encompassed in this bill in addition to the old-age and survivors and disability and health insurance programs. On straight public assistance, the Federal Government spends $4.5 billion—and that amount is growing.

When they talk about the plight of our dependent children—and certainly we have to do what is right by those children—let me point out that we are also doing much today, and yet some of the statements that are made would make it appear that we have just turned our backs on them.

Ten years ago in 1956 we had 646,000 families under aid to families with dependent children program involving 2.4 million recipients of aid. Today we have 1.2 million families and 5 million recipients. This program alone is costing $2 billion.

This bill does not turn its back on these recipients of aid. What it does do in many cases is to show that we want to try to do something about their problem, and not be content merely to send them a check from Uncle Sam, or a relief check.

We insist that there be programs of rehabilitation.

We insist that there be programs so that the people who are capable of learning a trade and forming work habits, have available the training to get a job. Those people who are able to work should be given a chance to work for their self respect. That is the American system. And that is all that this bill seeks to accomplish. It does not strike one child off of the relief rolls.

When the critics talk about the bill cutting back it is just a bunch of malarkey. There are some restraints that will require the States to make the effort to get off assistance, and onto jobs. That is sound.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MILLS. Mr. Speaker, I yield 2 additional minutes to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. The whole tenor of my remarks, Mr. Speaker, is: Let us look at what the bill really does, and ignore the labels that have been cast about by people who I am fearful have not even read the bill.

Mr. JOELSON. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. No, I do not have the time to yield.

As I said, these critics have not even read the bill carefully enough to understand what is being attempted and the improvements that are made. I would suggest that these people, who call this a shameful bill and talk about unjust penalties and virtual slavery, read the bill, and they will find that this is not a case where we suggest that a person be trained, and take a job, regardless of circumstances. We say that if an individual is found to be capable of taking training and working, and, if the situation makes this posible, then that individual should try to move into a situation where he can be dependent upon himself rather than on welfare checks.

Is that not what we should all be looking for, and is that not really what these people should want? I can think of very few people who would prefer to be looking to some governmental agency for a check if they could be working.

All true Americans want to stand on their own feet and this bill looks toward making that possible.

Those who call this "slavery" have not even read the language of the bill.

In my judgment, Mr. Speaker, this is a good bill. It is a bill that will go down in history as a benchmark in the social security system.

Mr. Speaker, I hope that this Congress will support it.

Mr. MILLS. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. UTT], a member of the conference committee.

Mr. UTT. Mr. Speaker, I would like at this time to pay my respects and regards to the chairman of our committee. I share his hopes for the future and over the future of the system. But I have a greater fear than he has that this clamor that we hear on the outside about more social security, and more welfare is going to take over and destroy the entire social security system.

We have heard a great deal about the benefits being paid under this bill. But not too much attention has been given to the cost; who pays this cost and how much it is going to cost.

Under social security next year, the additional cost will be about $2.9 billion and $3.6 billion in 1969.

When I came to the Congress this year I promised that I would not vote for any increase in taxes, but that I would vote for a decrease in spending and try and stop in some way the cost-push inflation that is taking place in the country today.

This tax bill of $3.6 billion is going to fall on the employer, the employee and the self-employed.

It amounts to about a 16-percent increase in his taxes and to me that is a substantial tax.

There has been much moaning and gnashing teeth about the cost-push inflation. I will say that the bill before us today will add to that cost-push inflation. It adds to the high cost of employment.

For example, in California it costs more than $3,000 a year of payroll tax in order to employ a $10,000 a year man.

That is broken down as follows:

	Percent
Social security tax	4.4
Unemployment insurance	3.7
California disability insurance	1.0
Federal employers' excise tax	1.0
Group insurance	3.87
Pension plan for employees	4.91
Employees' vacation fund	3.23
Apprentice fund	1.0
Workman's compensation	6.46
Public comprehensive insurance	1.7
Total payroll	31.84

So when he employs a man at $10,000 a year, he has to not only have that $10,000 a year, but he has to have $3,000 to pay the payroll taxes—and social security is a part of this and will add to it again.

Mr. Speaker, at this point I ask unanimous consent to have a letter from Walter Dewhurst setting out the payroll deductions which he has to make, printed in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The letter is as follows:

DEWHURST & ASSOCIATES,
La Jolla, Calif., February 1, 1967.

Hon. JAMES B. UTT,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: It will be your duty to study, debate, and vote on many issues of national importance during the coming year. One of them will no doubt be the proposal to further increase social security—both as to benefits and costs.

The very responsible publication—U.S. News and World Report asks—is social security to get out of hand? I have enclosed a copy of their article for your use.

Unfortunately, the article clearly implies that our social security costs are considerably less than other countries listed—in fact it states that we are only beginners in the field. Nothing can be farther from the truth.

Let me give you an example.

As a general contractor in California the following items of social security must by law be paid to the respective agencies.

	Percent
Federal Insurance Contributions Act	4.4
California unemployment insurance	3.7
California disability insurance	1.0
Federal employers excise tax	1.0
Employees group insurance—Health, 18¢ per hour	3.87
Employees pension trust 25¢ per hour	4.91
Employees vacation trust 15¢ per hour	3.23
Employees apprentice fund trust ½¢ per hour	.10
Workmans compensation	8.46
Comp public	1.17
Total (does not include tax on employees)	31.84

Obviously these figures will vary from industry to industry and state to state but when social security costs are considered please keep the entire picture in mind.

Best regards.

WALTER DEWHURST.

Mr. UTT. Mr. Speaker, I signed the conference report because I think we did the very best we could between the House bill and the Senate bill. About 90 percent of the conference report is the House bill. I think that we improved it considerably, with one exception. We added about $200 million a year more in cost to it. While I signed the report, I am going to offer a motion to recommit to the conference committee in order to bring the bill back in compliance completely with the House-passed bill.

I know the bill will be passed, but I just feel that we are looking down the road to complete socialization, to the complete nationalization of medicine. I predict that within 30 years from today medicare, medicaid, hospitalization, doctors, nurses, and the pharmaceutical industry will be nationalized 100 percent and will be under the control of the Government. That will be because of the pressure we are seeing on the outside today by those people who want more than they are getting under social security. It will come from the people under 65—and I do not blame them—who do not get medicare from the Government, who do not get the benefits that older people get. Yet they have to put up their own money to pay their bills. They will demand more and more and more. The result will be that we will nationalize the medical business, the hospitals, and the doctors. This will result in a decrease in the quality and quantity of medicine, now so available under the free enterprise system.

Mr. BUSH. Mr. Speaker, I would like to compliment the members of the conference committee on the excellent job they did under extremely difficult conditions.

Most of the criticism of this bill fails to take into account the overwhelming statistics regarding the AFDC recipients. There are communities in my own State of Texas with families on their third generation of welfare. This cycle of poverty has to be stopped without placing undue burdens on the working man. This program does this through the use of job training incentives. If the States, and I am sure they will, will utilize the training provisions of this report, they will be able to drastically reduce the size of the AFDC rolls.

Somebody has to stand up for the man who is working for a living, trying to educate his children and trying to feed them as costs rise out of sight. The Ways and Means Committee kept this problem in mind and tried to put meaningful ceilings on some of the welfare programs—tried to reduce in the next generation the size of the AFDC rolls. And yet it was done without wantonly or cruelly slicing people from the rolls.

This report contains the largest benefits increase in history. It provides many built in incentives to encourage people to go out and get jobs. This is not cruel legislation, it is meaningful legislation designed to protect the unrepresented American who is out working for a living from a continuing increase in his social security taxes. It helps the poor, yet it protects the integrity of the system itself.

And lastly, this bill at least tries to recognize the plight of the forgotten man—the young man with a family. Some day this young man will rebel against a system which makes the benefits unrelated to wages. At least he has some hope from this bill. At least it does not raid the treasury for extensive general revenue financing—and the benefits are more wage related than under the administration bill.

I strongly support this report. All of us would like to do more, but legislation like this must be considered with reference to the overall tax burden.

Mr. MILLS. Mr. Speaker, I yield the remainder of the time to the distinguished gentleman from Louisiana [Mr. BOGGS].

The SPEAKER pro tempore. The gentleman from Louisiana is recognized for 14 minutes.

Mr. BOGGS. Mr. Speaker, in my judgment this bill represents probably the most diligent effort that Congress has made since the inception of the social security program to bring the program up to date and to provide for our people who are dependent upon that system.

Let me first tell you some of the things that this bill does, some of the benefits that are provided in the bill, and let me spell them out so that everyone can understand them.

In the first place, the additional monthly benefits for a man and his wife are increased from $145 to $165. The minimum benefit is raised from $44 to $55 a month. The maximum benefit is increased for a single worker from $168 to $189.90 a month. In terms of dollars, as the distinguished gentleman from Wisconsin, the ranking minority member, pointed out, in a full year of operation it means $3,700,000,000 to the social security beneficiaries of this country. That is an enormous increase in benefits.

Let me spell out to you what the previous dollar increases in cash benefits have been. The 1950 amendments amounted to $1 billion per annum.

In 1954, it was $1.1 billion per annum; in 1958, it was the same amount; in 1965, it was $1.6 billion per annum; in this bill, it is $3.7 billion in a full year of operation.

At the same time we have kept this system, as the distinguished chairman of the Ways and Means Committee pointed out, actuarially sound, which I think every thoughtful American understands and appreciates.

That is not all. Let me tell about some of the other new provisions in the bill that have not been discussed here today.

The retirement test, by which many people have their benefits reduced after they reach age 65, has been liberalized to such an extent that 760,000 people not now participating will be able to participate at a total cost of about $175 million a year.

We have established a new category for disabled widows. Heretofore a disabled widow would not qualify as a result of her disability. Today she can qualify under this bill at age 50.

We have increased credits for people serving in the armed services. So this is brand new in this act. A serviceman will get credit for service pay as payment which can be calculated in establishing his benefits when he reaches retirement age.

In the case of hospital insurance, or medicare, we have tremendously improved this legislation. For instance, we have given a 60-day lifetime reserve for those who have exhausted their hospital care under the basic 90-day period. We have made it easier to process doctors' bills. We have provided a system to expedite payment of hospital bills without unnecessary redtape, and we have provided for payment in the case of nonparticipating hospitals, under certain conditions.

Finally, let me point out that in the welfare provisions that have been subjected to a certain amount of criticism here, nevertheless in fiscal year 1968, we provide $265 million in new benefits that are not now provided for in the law.

Let me also point out that in the matter of the work-training program mentioned heretofore by the chairman, it is estimated that 750,000 people not now employed will be trained by 1972. They are 750,000 people who are not now gainfully employed and who, in the terms used by the President some years ago, are tax eaters and not taxpayers. In my opinion these people want the chance to earn their own way in jobs of their own choosing.

Mrs. GRIFFITHS. Mr. Speaker, will the gentleman yield?

Mr. BOGGS. I yield to the gentlewoman from Michigan.

Mrs. GRIFFITHS. Mr. Speaker, I would like to say to the distinguished gentleman, as the only woman who ever had a right on the floor to offer an amendment to the welfare provisions of the social security bill, I wholeheartedly support the welfare amendments in the House. I congratulate the conferees for retaining the House version.

I would like to point out that we are doing no woman a favor if we say to her, "You have to stay home. You can never be delivered." This is not a favor to anyone, and it is an immoral thing to say to her, "You can leave the father of your children and the rest of us will support them." Or that she can stay home without working and the rest of us will support her. We do her a favor when we permit her to support herself or her children and give her a chance at a job and some training.

Mr. BOGGS. Mr. Speaker, I thank the gentlewoman. I am sure all Members of this body realize what a dedicated Congresswoman the gentlewoman from Michigan is, and she is expressing the sentiment of all our citizens. I just do not believe that anyone who is able wants to do nothing all of his or her life. I think most people want an opportunity for gainful employment.

That is what this bill seeks to do.

Let me point out one or two other things I think are very important about the ceiling which has been the subject of a considerable amount of criticism. That ceiling applies only in one category of children. That is only where the father or the man in the home is absent. It does not apply where the father is dead—which covers a great many children. It does not apply where the father is disabled. Nor does it apply when the children are still in school, all the way through age 22.

In addition to that, and equally important, it is a flexible ceiling. It does not mean that, come January 1, 1968, a given number will be arrived at, and that number will be permanent from then on. Quite the contrary. It grows as the child population grows.

It is used as a base for a flexible ceiling.

Finally, let me say this on this subject: We have amended this law whenever it has been required. The idea that anyone could say, in light of the benefits I have spelled out—$3½ billion in social security benefits, $258 million in new welfare benefits in 1968 alone, new hospital programs and so on—the idea that anyone could say this legislation is regressive merely means that he has not studied the legislation.

I sat through this conference from beginning to end. I sat there because I felt there was no bill any more important. I participated in the conference discussions on these amendments.

In my judgment, this is the best bill that we can possibly get.

If we have made mistakes—to err is human—but if we have made mistakes we will come back and to the best of our ability we will correct them. Everyone knows that.

Mr. BURTON of California. Mr. Speaker, will the gentleman yield?

Mr. BOGGS. I am happy to yield.

Mr. BURTON of California. Is it the gentleman's understanding that the aged, the blind, the disabled who draw public assistance can receive up to $7.50 if their States act, whether or not they have outside income?

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Arkansas.

Mr. MILLS. Yes; if they are on welfare and receive a social security payment, the State may elect to let $7.50 of the increase pass through.

Mr. BURTON of California. If they do not have outside income—and about half of those adults do not have outside income—what situation will they be in under this bill?

Mr. MILLS. If the gentleman will yield further, that is determined entirely on the basis of whether they have income. The State has to adjust. That is not in all cases only social security but it could be some other type of income. The State has to adjust the needs upward for this payment, if it makes this election, so that they would have this $7.50.

Mr. BURTON of California. What about the million and a half or so aged, blind, and disabled with no social security or railroad retirement, and no other kind of outside income at all? My question is: Does this bill provide any mechanism, directly or indirectly, for any benefit increase to those million and a half Americans who by definition are in economic need?

Mr. MILLS. Mr. Speaker, will the gentleman yield further?

Mr. BOGGS. I yield to the gentleman from Arkansas.

Mr. MILLS. There is nothing in this bill to directly help in that situation because there is nothing in the bill that increases in any way the amount of the Federal contribution directly to people on welfare. Let me comment further.

I think I may have misunderstood one of the gentleman's earlier questions. The Senate amendment had been explained by the Department as a "pass-along" provision, which would indicate that it would have been applicable only to social security recipients and we were informed that no additional Federal funds would have been involved under the Senate provision. I must agree with the gentleman in his interpretation that the Senate provision literally would have applied to welfare recipients without regard to whether they are social security recipients. In this matter he is correct. I would like for my previous statement to stand corrected in that regard. I know the gentleman has studied this provision of the bill in great detail.

Mr. BURTON of California. I thank the gentleman, because that is the point I tried awkwardly to make earlier. Apparently now the record is correct in that respect.

There will be one and a half million aged, blind and disabled needy people under public assistance laws that under no circumstances can get 1 cent as a result of passage of this bill.

Mr. BOGGS. Mr. Speaker, I yield further to the chairman of the committee.

Mr. MILLS. However, this does not present the whole picture, since under the bill there are significant savings in the welfare programs which the States can use to increase the payments to these very people, if they so choose. Also, we must remember the entire context of this bill.

Mr. BOGGS. It was not in conference, was it?

Mr. BURTON of California. The matter was in conference.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. I believe the gentleman is losing sight of the fact that there is nothing to prevent the States from giving these increases. This all goes to the States, and the Federal Government matches on a State-matching formula. Some of the States, where the Federal Government matches by 83 percent, might provide for this, and the Federal Government will have to match any dollar increase by 83 cents on every dollar.

Mr. BURTON of California. As I understood it, the Senate version required passing on to social security beneficiaries, and required that non-social-security beneficiaries would also receive certain benefits.

Mr. BOGGS. I will yield to the gentleman from New Jersey.

Mr. JOELSON. I would like to ask what about the institutions and agencies in New Jersey who said the freeze will be catastrophic?

Mr. BOGGS. I just answered that question. I said that the so-called freeze applies to only one category of children. I further said that if problems arise in its application the committee will resolve them as soon as possible.

Now, Mr. Speaker, I yield to the gentleman from Florida [Mr. PEPPER].

Mr. PEPPER. On page 284 it says "provide for aid to families with dependent children in the form of foster care." The States are required to provide it?

Mr. BOGGS. Yes.

Mr. PEPPER. What assurance have we that the States may be induced to do so?

Mr. BOGGS. If they do not do it, they lose whatever funds they are entitled to under that program.

Mr. PEPPER. I thank the gentleman.

Mr. BOGGS. This has been a well-considered and well-thought-out bill. It has taken the combined efforts of the two committees, and the conferees worked long, hard, and diligently. As all of us know, we are driving toward adjournment of this first session of the 90th Congress. In my judgment, this will be the last vote we have on this bill. I just want to emphasize—and I think I can say this without fear of contradiction—that if we do not adopt this conference report now and if the other body insists on disagreeing to it, it simply means that the 25 million Americans entitled to an increase will not get it. That is what is involved in this vote today.

I hope that rather than try to build up threats that do not exist, we will recognize that this is the most comprehensive social security bill we have ever had before Congress and will vote it up, and we will understand that if any other course of action is taken, these benefits will not be made available to the American people as called for in this legislation.

Mr. MILLS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

MOTION TO RECOMMIT

Mr. UTT. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. UTT. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. UTT moves to recommit the conference report on the bill (H.R. 12080) to the committee of conference with instructions to the managers on the part of the House to insist on the language of sections 101 and 108 of the House-passed bill which provides a 12½-percent benefit increase, a minimum primary insurance amount of $50, and an annual contribution and benefit base of $7,600.

Mr. MILLS. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to recommit.

Mr. BURKE of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BURKE of Massachusetts. Does the motion of the gentleman from California include the restrictive amendments applied to the AFDC?

The SPEAKER pro tempore. The Chair cannot answer that.

Mr. BURKE of Massachusetts. May I ask the gentleman from California to explain his motion?

The SPEAKER pro tempore. Without objection, the Clerk will reread the motion to recommit.

There was no objection.

The Clerk reread the motion to recommit.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the conference report.

Mr. MILLS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 390, nays 3, answered "present" 1, not voting 38, as follows:

[Roll No. 439]

YEAS—390

Abernethy
Adair
Adams
Addabbo
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Arends
Ashbrook
Ashley
Ashmore
Aspinall
Ayres
Baring
Barrett
Battin
Belcher
Bell
Berry
Betts
Bevill
Biester
Bingham
Blackburn
Blanton
Blatnik
Boggs
Boland
Bolton
Bow
Brademas
Brasco
Bray
Brinkley
Brock
Brooks
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson
Burton, Calif.
Burton, Utah
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Carey
Carter
Casey
Cederberg
Chamberlain
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cohelan
Colmer
Conable
Conte
Conyers
Corbett
Corman
Cowger
Cramer
Culver
Cunningham
Curtis
Daddario
Daniels
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denney
Dent
Derwinski
Devine
Dingell
Dole
Donohue
Dorn
Dow
Dowdy
Downing
Dulski
Duncan
Dwyer
Eckhardt
Edmondson
Edwards, Ala.
Edwards, Calif.
Edwards, La.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Everett
Evins, Tenn.
Fallon
Farbstein
Fascell
Feighan
Findley
Fino
Fisher
Flood
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Galifianakis
Gallagher
Gardner
Garmatz
Gathings
Gettys
Giaimo
Gibbons
Gilbert
Goodell
Goodling
Gray
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gude
Gurney
Hagan
Haley
Hall
Halpern
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Wash.
Harvey
Hathaway
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Herlong
Hicks
Holifield
Holland
Horton
Howard
Hull
Hungate
Hunt
Hutchinson
Ichord
Irwin
Jacobs
Jarman
Joelson
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N.C.
Karsten
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
King, Calif.
Kirwan
Kleppe
Kluczynski
Kornegay
Kupferman
Kyl
Kyros
Laird
Landrum
Langen
Latta
Leggett
Lennon
Lipscomb
Lloyd
Long, La.
Long, Md.
McCarthy
McClory
McClure
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
McMillan
MacGregor
Machen
Madden
Mahon
Mailliard
Marsh
Mathias, Calif.
Matsunaga
May
Mayne
Meeds
Meskill
Michel
Miller, Calif.
Miller, Ohio
Mills
Minish
Mink
Minshall
Mize
Monagan
Montgomery
Moore
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Morton
Mosher
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neal, Ga.
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Pepper
Perkins
Pettis
Philbin
Pickle
Pike
Pirnie
Poage
Poff
Pollock
Pool
Price, Ill.
Price, Tex.
Pryor
Pucinski
Quie
Quillen
Railsback
Randall
Rarick
Rees
Reid, Ill.
Reid, N.Y.
Reifel
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Riegle
Rivers
Roberts
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roth
Roudebush
Roush
Roybal
Rumsfeld
Ruppe
Ryan
St Germain
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Scheuer
Schneebeli
Schweiker
Schwengel
Selden
Shipley
Shriver
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Okla.
Snyder
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Stuckey
Sullivan
Taft
Taylor
Teague, Calif.
Teague, Tex.
Tenzer
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Tiernan
Tuck
Tunney
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Waldie
Walker
Wampler
Watkins
Watts
Whalen
Whalley
White
Whitener
Whitten
Widnall
Wiggins
Williams, Pa.
Wilson, Bob
Wilson, Charles H.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Zablocki
Zion
Zwach

NAYS—3

Bennett
Burke, Mass.
Utt

ANSWERED "PRESENT"—1

Gonzalez

NOT VOTING—38

Abbitt
Annunzio
Bates
Bolling
Broomfield
Celler
Collier
Dawson
Dickinson
Diggs
Fountain
Green, Oreg.
Halleck
Hansen, Idaho
Hardy
Harrison
Harsha
Hébert
Hosmer
King, N.Y.
Kuykendall
Lukens
Macdonald, Mass.
Martin
Mathias, Md.
Purcell
Reinecke
Resnick
St. Onge
Scott
Sikes
Sisk
Stratton
Talcott
Watson
Willis
Williams, Miss.
Young

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Halleck.

Mr. Annunzio with Mr. Bates.

Mr. St. Onge with Mr. King of New York.

Mr. Celler with Mr. Mathias of Maryland.

Mr. Fountain with Mr. Broomfield.

Mr. Stratton with Mr. Hosmer.

Mr. Resnick with Mr. Diggs.

Mr. Hardy with Mr. Martin.

Mr. Willis with Mr. Lukens

Mr. Abbitt with Mr. Collier.

Mr. Young with Mr. Talcott.

Mr. Macdonald of Massachusetts with Mr. Reinecke.

Mr. Sikes with Mr. Harrison.

Mr. Purcell with Mr. Dickinson.

Mr. Charles H. Wilson with Mr. Hansen of Idaho.

Mr. Sisk with Mr. Scott.

Mrs. Green of Oregon with Mr. Kuykendall.

Mr. Sandman with Mr. Watson.

Mr. Dawson with Mr. Harsha.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MILLS. Mr. Speaker, I ask unanimous consent that those Members who participated in the debate on the conference report may be permitted to revise and extend their remarks and include extraneous matter.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that those Members desiring to do so may have 5 legislative days within which to extend their remarks on the conference report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

AUTHORIZING PAYMENT OF COMPENSATION FOR CERTAIN COMMITTEE EMPLOYEES

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 1041) on the resolution (H. Res. 1004) authorizing payment of compensation for certain committee employees of the House of Representatives, and ask for immediate consideration of the resolution.

The Clerk read the resolution as follows:

H. Res. 1004

Resolved, That there shall be paid out of the contingent fund of the House of Representatives such sums as may be necessary to pay the compensation for services performed during the period beginning January 3, 1968, and ending at the close of February 29, 1968, by each person (1) who, on January 2, 1968, was employed by a standing committee or any select committee of the Ninetieth Congress and whose salary was paid under authority of a House resolution adopted during the first session of the Ninetieth Congress, and (2) who is certified by the chairman of the appropriate committee as performing such services for such committee during such period. Such compensation shall be paid such person at a rate not to exceed the rate he was receiving on January 2, 1968.

Mr. FRIEDEL. Mr. Speaker, this is a continuing resolution for the 22 standing committees that might run out of funds between now and January or February 1968. The committee did a very good job this last year in reducing requests for funds. We hope to do even better in the coming session. If we had to conduct hearings on funds for each of the 22 standing committees, we might continue into March. We are asking that the availability of funds for salary purposes be continued until March 1968.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. FRIEDEL. I gladly yield to the gentleman from Missouri.

Mr. HALL. I appreciate the gentleman yielding. Is this continuing resolution for all of our 22 committees in the House in any sense necessary between this period and January 2 or between January 3 and the time that we reconvene and the gentleman's committee can conveniently act?

Mr. FRIEDEL. There might be one or two committees that would run out of funds by then.

Mr. HALL. Would the gentleman give us examples of those House of Representatives committees that are approximating destitution?

Mr. FRIEDEL. For one, the Committee on Banking and Currency.

Mr. HALL. This is as usual, and to be expected I presume. Have they not been back to the "trough" one additional time this year already?

Mr. FRIEDEL. No. They only received an appropriation for the first session of the 90th Congress. They did come back about 2 weeks ago and said they would be short of funds. We had hearings on it, but the committee decided not to act now but would take it up the first part of next year.

Mr. HALL. Would the gentleman name some other committees that are approximating complete usage of their previously allocated funds?

Mr. FRIEDEL. The Committee on Education and Labor has some very close amounts on the subcommittees. They might be able to transfer funds from one subcommittee to another, but some are very, very close and could be overdrawn. One has a balance of $6,374 in funds and a payroll of $7,200. That is only for December. They have nothing remaining for January.

Mr. HALL. Mr. Speaker, is there any danger in the way this resolution, House Resolution 1004, is written, inasmuch as it does not become effective until the period beginning January 3; that there might be additional appointees as authorized herein by the chairmen of the standing committees at that time so that there can be additional downdrawing of the funds made available out of the contingency funds of the House?

Mr. FRIEDEL. That is why we put that language in. They could not increase it. In other words, it says, "Such compensation shall be paid such person at a rate not to exceed the rate he was receiving on January 2, 1968."

Mr. HALL. I understand that, and I appreciate the gentleman's reply. But my question is, could the number of such employees be increased between now and January 3, thus making a drawdown upon the funds involved?

Mr. FRIEDEL. It would not represent the thinking of the House Administration Committee for a situation to develop wherein payrolls could be padded to take advantage of this continuing resolution. If funds are available in a committee's appropriation then that committee could not utilize this program. It would be only where there is a shortage of funds that we are using a continuing resolution.

Mr. HALL. Mr. Speaker, if the gentleman will yield further, is it not the intent or instruction of the Committee on House Administration that these standing committees would be expanded in personnel between now and the time that this resolution goes into effect?

Mr. FRIEDEL. I can assure the distinguished gentleman from Missouri that that is not the purpose of the resolution.

Mr. GROSS. Mr. Speaker, will the distinguished gentleman from Maryland yield?

Mr. FRIEDEL. I yield to the distinguished gentleman from Iowa.

Mr. GROSS. Does this provide for travel money?

Mr. FRIEDEL. No; this is money for salaries for the investigative staffs of standing committees only.

Mr. GROSS. I thank the gentleman from Maryland.

Mr. FULTON of Pennsylvania. Mr. Speaker, will the distinguished gentleman from Maryland yield?

Mr. FRIEDEL. Yes, I yield to the gentleman from Pennsylvania.

Mr. FULTON of Pennsylvania. Mr. Speaker, the Committee on Science and Astronautics is one of the committees of the House of Representatives that has no minority staffing. Would the adoption of this resolution have any effect upon that committee to require adequate minority staffing, or does it have no effect at all?

Mr. FRIEDEL. Mr. Speaker, no effect at all. As the distinguished gentleman from Pennsylvania will recall, we went into this last year when funds were granted for the operations of this committee. However, when funds are requested for the second session of the 90th Congress, this matter and question could be taken up at that time.

Mr. FULTON of Pennsylvania. Mr. Speaker, if the gentleman will yield further, would the gentleman's committee be open to hearings with reference to the minority members of the Committee on Science and Astronautics with respect to a request which they would make for a minority staff?

Mr. FRIEDEL. That is a matter which the distinguished Committee on Science and Astronautics and its members must work out among themselves with reference to its operations during the next year.

The SPEAKER pro tempore (Mr. ALBERT). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. HAYS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. PRICE of Illinois. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 440]

Abbitt
Annunzio
Ashley
Bates
Bolling
Broomfield
Bush
Collier
Corman
Cowger
Daddario
Dawson
de la Garza
Dickinson
Diggs
Dingell
Evins, Tenn.
Fountain
Green, Oreg.
Halleck
Hardy
Harrison
Harsha
Hébert
Holifield
Hosmer
Jonas
King, N.Y.
Kuykendall
Lukens
Macdonald, Mass.
Madden
Martin
Mathias, Md.
Multer
O'Hara, Mich.
Pool
Reinecke
Resnick
Rosenthal
St. Onge
Scott
Sikes
Sisk
Stratton
Talcott
Teague, Tex.
Wampler
Watson
Williams, Miss.
Willis

The SPEAKER pro tempore. On this rollcall, 384 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERSONAL ANNOUNCEMENT

Mr. HANSEN of Idaho. Mr. Speaker, I was unavoidably absent when the vote was taken on the conference report on H.R. 12080, the Social Security Amendments of 1967. Had I been present, I would have voted "yea."

AMENDING THE SUBVERSIVE ACTIVITIES CONTROL ACT OF 1950—CONFERENCE REPORT

Mr. TUCK. Mr. Speaker, I call up the conference report on the bill (S. 2171) to amend the Subversive Activities Control Act of 1950 so as to accord with certain decisions of the courts, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1038)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2171) to amend the Subversive Activities Control Act of 1950 so as to accord with certain decisions of the courts, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That section 2 of the Subversive Activities Control Act of 1950 is amended by adding immediately after paragraph (15) the following new paragraph:

"'(16) The findings of fact contained in paragraphs (1) through (15) of this section are reiterated. Recent court decisions involving the registration provisions of this Act make it necessary to enact legislation to accomplish the purposes of such Act without the requirements of registration. Disclosure of Communist organizations and of the members of Communist-action organizations as provided in this Act is essential to the protection of the national welfare.'

"SEC. 2. (a) Paragraphs (3) and (4) of section 3 of such Act are amended to read as follows:

"'(3) The term "Communist-action organization" means any organization in the United States (other than a diplomatic representative or mission of a foreign government accredited as such by the Department of State) which (i) is substantially directed, dominated, or controlled by the foreign government or foreign organization controlling the world Communist movement referred to in section 2 of this title, and (ii) operates primarily to advance the objectives of such world Communist movement referred to in section 2 of this title.

"'(4) The term "Communist-front organization" means any organization in the United States (other than a Communist-action organization as defined in paragraph (3) of this section) which (A) is substantially directed, dominated, or controlled by a Communist-action organization, or (B) is substantially directed, dominated, or controlled by one or more members of a Communist-action organization, and (C) is primarily operated for the purpose of giving aid and support to a Communist-action organization, a Communist foreign government, or the world Communist movement referred to in section 2 of this title.'

"(b) Paragraph (12) of section 3 is amended by inserting 'or 13A' immediately after 'section 13'.

"SEC. 3. Subsection (f) of section 4 of such Act is amended by striking the last sentence.

"SEC. 4. Section 5(a) of such Act is amended to read as follows:

"'SEC. 5. (a) When there is in effect a final order of the Board determining any organization to be a Communist-action organization or a Communist-front organization, it shall be unlawful—

"'(1) For any member of such organization, with the knowledge or notice of such final order of the Board—

"'(A) in seeking, accepting, or holding any nonelective office or employment under the United States, to conceal or fail to disclose the fact that he is a member of such organization; or

"'(B) to hold any nonelective office or employment under the United States; or

"'(C) in seeking, accepting, or holding employment in any defense facility, to conceal or fail to disclose the fact that he is a member of such organization; or

"'(D) if such organization is a Communist-action organization, to engage in any employment in any defense facility; or

"'(E) to hold office or employment with any labor organization, as that term is defined in section 2(5) of the National Labor Relations Act, as amended (29 U.S.C. 152), or to represent any employer in any matter or proceeding arising or pending under that Act.

"'(2) For any officer or employee of the United States or of any defense facility, with knowledge or notice of such final order of the Board—

"'(A) to contribute funds or services to such organization; or

"'(B) to advise, counsel or urge any person, with knowledge or notice that such person is a member of such organization, to perform, or to omit to perform, any act if such act or omission would constitute a violation of any provision of paragraph (1) of this subsection.'

"SEC. 5. Sections 7 and 8 of such Act are hereby repealed.

"SEC. 6. Section 9 of such Act is amended to read as follows:

"'RECORDS OF FINAL ORDERS OF THE BOARD; PUBLIC INSPECTION; REPORTS TO PRESIDENT AND CONGRESS

"'SEC. 9. (a) The Board shall keep and maintain records, which shall be open to public inspection, giving the names and addresses of all organizations as to which, and individuals as to whom, there are in effect final orders of the Board issued pursuant to any of the provisions of subsections (g) through (j), inclusive, of section 13, or subsection (f) of section 13A.

"'(b) Copies of all public proceedings and hearings before the Board, including the reports and orders of the Board, shall be furnished by the Board to any person upon request and upon the payment of the reasonable costs thereof as then currently fixed by the Board.

"'(c) The Board shall submit to the President and to the Congress on or before June 1 of each year (and at any other time when requested by either House by resolution) a report giving the names and addresses of all Communist-action, Communist-front, or Communist-infiltrated organizations as to which, and all individual members of Communist-action organizations as to whom, there are in effect such final orders of the Board.'

"SEC. 7. Section 10 of such Act is amended to read as follows:

"'USE OF THE MAILS AND INSTRUMENTALITIES OF INTERSTATE OR FOREIGN COMMERCE

"'SEC. 10. It shall be unlawful for any organization with respect to which there is in effect a final order of the Board determining it to be a Communist organization as defined in paragraph (5) of section 3 of this title, or for any person with knowledge or notice of such final order acting for or on behalf of any such organization—

"'(1) to transmit or cause to be transmitted, through the United States mails or by any means or instrumentality of interstate or foreign commerce, any publication which is intended to be, or which it is reasonable to believe is intended to be, circulated or disseminated among two or more persons, unless such publication, and any envelope, wrapper, or other container in which it is mailed or otherwise circulated or transmitted, bears the following, printed in such manner as may be provided in regulations prescribed by the Attorney General: "Disseminated by ------------," (with the name of the organization in lieu of the blank) "an organization determined by final order of the Subversive Activities Control Board to be a Communist------------ organization" (setting forth in lieu of the blank whether action, front, or infiltrated, as the case may be); or

"'(2) to broadcast or cause to be broadcast any matter over any radio or television station in the United States, unless such matter is preceded by the following statement: "The following program is sponsored by ----------------," (with the name of the organization in lieu of the blank) "an organization determined by final order of the Subversive Activities Control Board to be a Communist------------ organization" (setting forth in lieu of the blank whether action, front, or infiltrated, as the case may be); or

"'(3) to use the United States mails or any means, facility, or instrumentality of interstate or foreign commerce, including but not limited to radio and television broadcasts, to solicit any money, property, thing, or service, unless such solicitation if made orally is preceded by the following statement, and if made in writing or in print is preceded by the following written or printed statement: "This solicitation is made for or on behalf of -----------------," (with the name of the organization in lieu of the blank) "an organization determined by final order of the Subversive Activities Control Board to be a Communist------------ organization" (setting forth in lieu of the blank whether action, front, or infiltrated, as the case may be).'

"SEC. 8. Section 11 of such Act is amended to read as follows:

"'DENIAL OF TAX DEDUCTIONS AND EXEMPTIONS

"'SEC. 11. (a) Notwithstanding any other provision of law, no deduction for Federal income tax purposes shall be allowed in the case of a contribution to or for the use of any organization if at the time of the making of such contribution there is in effect a final order of the Board determining such oganization to be a Communist-action, Communist-front, or Communist-infiltrated organization.

"'(b) No organization shall be entitled to exemption from Federal income tax, under section 501 of the Internal Revenue Code of 1954, for any taxable year if at any time during such taxable year there is in effect a final order of the Board determining such organization to be a Communist-action, Communist-front, or Communist-infiltrated organization.'

"SEC. 9. (a) Paragraph (2) of subsection (e) of section 12 of such Act is amended to read as follows:

"'(2) upon application made by the Attorney General under section 13(a) of this title, or by any individual under section 13(b) of this title, to determine whether any individual is a member of any organization as to which there is in effect a final order of the Board determining such organization to be a Communist-action organization; and'.

"(b) Section 12 of such Act is amended by adding at the end thereof the following new subsection:

"'(i) The Board shall cease to exist on June 30, 1969, unless in the period beginning on the date of enactment of this subsection and ending on December 31, 1968, a proceeding under this Act shall have been instituted before the Board and a hearing under this Act shall have been conducted by the Board. On or before June 30, 1968, the Attorney General shall report to the Congress on the proceedings he has instituted before the Board under this Act during the period from the enactment of this subsection to the date of the report, and the Board shall report on the progress it has made in conducting hearings under the Act during such period. If no proceedings have been instituted before the Board by the Attorney General, the Attorney General shall report his reasons for not having done so. If no hearings have been conducted, the Board shall report the reasons for not having done so. Similar reports shall be filed by the Attorney General and the Board on or before January 10, 1969, and each year thereafter, to cover the immediately preceding calendar year.'

"SEC. 10. (a) The caption to section 13 of such Act is amended by striking out 'REGISTRATION'.

"(b) Subsections (a) and (b) of section 13 of such Act are amended to read as follows:

"'(a) Whenever the Attorney General shall have reason to believe that any organization is a Communist-action organization or a Communist-front organization, or that any individual is a member of an organization which has been determined by final order of the Board to be a Communist-action organization, he shall file with the Board and serve upon such organization or individual, as the case may be, a petition for a determination that such organization is a Communist-action or Communist-front organization, or determining that such individual is a member of such Communist-action organization. Each such petition shall be verified under oath, and shall contain a statement of the facts upon which the Attorney General relies in support thereof. Two or more such individual members of a Communist-action organization or of any section, branch, fraction, cell, board, committee, commission, or unit thereof, may be joined as respondents in one petition for an order determining each of such individuals to be a member of such organization. A dissolution of any organization subsequent to the date of the filing of any petition for a determination that such organization is a Communist-action or Communist-front organization shall not moot or abate the proceedings, but the Board shall receive evidence and proceed to a determination of the issues: *Provided, however,* That if the Board shall find such organization to be a Communist-action or Communist-front organization as of the time of the filing of such petition and prior to its alleged dissolution, and shall find that a dissolution of the organization has in fact occurred, the Board shall enter an order determining such organization to be a Communist-action or Communist-front organization, as the case may be, and the Board shall include it as such in the appropriate records maintained pursuant to section 9 of this title, together with a notation of its dissolution.

"'(b) Any organization as to which there is in effect a final order of the Board determining it to be a Communist-action or Communist-front organization, and any individual as to whom there is in effect a final order of the Board determining such individual to be a member of a Communist-action organization may, not more often than once in each calendar year, file with the Board and serve upon the Attorney General a petition for a determination that such organization no longer is a Communist-action or Communist-front organization, or that such individual no longer is a member of a Communist-action organization, as the case may be. Each petition filed under this subsection shall be verified under oath, and shall contain a statement of the facts relied upon in support thereof. Upon the filing of any such petition, the Board shall serve upon each party to such proceeding a notice specifying the time and place for hearing upon such petition. No such hearing shall be conducted within twenty days after the service of such notice.'

"(c) Subsection (c) of section 13 of such Act is amended by inserting immediately preceding the last sentence the following new sentence: 'No person, on the ground or for the reason that the testimony or evidence, documentary or otherwise, required of him may tend to criminate him or subject him to a penalty or forfeiture, shall be excused from testifying or producing documentary evidence before the Board in obedience to a subpena of the Board issued on request of the Attorney General when the Attorney General represents that such testimony or evidence is necessary to accomplish the purposes of this title; but no natural person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he, under compulsion as provided in this subsection, may testify, or produce evidence, documentary or otherwise, before the Board in obedience to a subpena issued by it: *Provided*, that no natural person so testifying shall be exempt from prosecution and punishment for perjury committed in so testifying.'

"(d) Subsection (d) of section 13 of such Act is amended by striking out paragraph (2) and inserting in lieu thereof the following:

"'(2) Where an organization or individual declines or fails to appear at a hearing accorded to such organization or individual by the Board in proceedings initiated pursuant to subsection (a) of this section, the Board shall, nevertheless, proceed to receive evidence, make a determination of the issues, and enter such order as shall be just and appropriate. Upon failure of an organization or individual to appear at a hearing accorded to such organization or individual in proceedings under subsection (b) of this section the Board may forthwith and without further proceedings enter an order dismissing the petition of such organization or individual.

"'(3) Any person who, in the course of any hearing before the Board or any member thereof or any examiner designated thereby, shall misbehave in their presence or so near thereto as to obstruct the hearing or the administration of the provisions of this title, shall be guilty of an offense and upon conviction thereof by a court of competent jurisdiction shall be punished by a fine of not less than $500 nor more than $5,000, or by imprisonment for not more than one year, or by both such fine and imprisonment. Whenever a statement of fact constituting such misbehavior is reported by the Board to the appropriate United States attorney, it shall be his duty to bring the matter before the grand jury for its action.

"'(4) The authority, function, practice, or process of the Attorney General or Board in conducting any proceeding pursuant to the provisions of this title shall not be questioned in any court of the United States, nor shall any such court, or judge or justice thereof, have jurisdiction of any action, suit, petition, or proceeding, whether for declaratory judgment, injunction, or otherwise, to question such authority, function, practice, or process, except on review in the court or courts having jurisdiction of the actions and orders of the Board pursuant to the provisions of section 14, or when such authority, function, practice, or process, is appropriately called into question by the accused or respondent, as the case may be, in the court or courts having jurisdiction of his prosecution or other proceeding (or the review thereof) for any contempt or any offense charged against him pursuant to the provisions of this title.'

"(e) Paragraph (1) of subsection (f) of section 13 of such Act is amended to read as follows:

"'(1) the extent to which persons who are active in its management, direction, or supervision, whether or not holding office therein, are active in the management, direction, or supervision of, or as representatives or members of, any Communist-action organization, Communist foreign government, or the world Communist movement referred to in section 2; and'.

"(f) Subsections (g), (h), (i), (j), and (k) of section 13 of such Act are amended to read as follows:

"'(g) If, after hearing upon a petition filed under subsection (a) of this section the Board determines—

"'(1) that an organization is a Communist-action organization or a Communist-front organization, as the case may be, it shall make a report in writing in which it shall state its findings as to the facts and shall issue and cause to be served on such organization an order determining the organization to be a Communist-action organization or a Communist-front organization as the case may be; or

"'(2) that an individual is a member of a Communist-action organization it shall make a report in writing in which it shall state its findings as to the facts and shall issue and cause to be served on such individual an order determining such individual to be a member of a Communist-action organization.

"'(h) If, after hearing upon a petition filed under subsection (a) of this section, the Board determines—

"'(1) that an organization is not a Communist-action organization or a Communist-front organization, as the case may be, it shall make a report in writing in which it shall state its findings as to the facts and shall issue and cause to be served upon the Attorney General an order denying the determination sought by his petition, and shall send a copy of such order to such organization; or

"'(2) that an individual is not a member of any Communist-action organization, it shall make a report in writing in which it shall state its findings as to the facts and shall issue and cause to be served upon the Attorney General an order denying the determination sought by his petition, and shall send a copy of such order to such individual.

"'(i) If, after hearing upon a petition filed under subsection (b) of this section, the Board determines—

"'(1) that an organization no longer is a Communist-action organization or a Communist-front organization, as the case may be, it shall make a report in writing in which it shall state its findings as to the facts and shall issue and cause to be served upon the Attorney General and such organization an order determining that the organization no longer is a Communist-action organization or Communist-front organization as the case may be; or

"'(2) that an individual no longer is a member of any Communist-action organization, it shall make a report in writing in which it shall state its findings as to the facts and shall issue and cause to be served upon the Attorney General and such individual an order determining that such individual no longer is a member of a Communist-action organization.

"'(j) If, after hearing upon a petition filed under subsection (b) of this section, the Board determines—

"'(1) that an organization is a Communist-action organization or a Communist-front organization, as the case may be, it shall make a report in writing in which it shall state its findings as to the facts and shall issue and cause to be served on such organization an order denying its petition for a determination that the organization no longer is a Communist-action organization or a Communist-front organization as the case may be; or

"'(2) that an individual is a member of a Communist-action organization, it shall make a report in writing in which it shall state its findings as to the facts and shall issue and cause to be served upon such individual an order denying his petition for a determination that the individual no longer is a member of a Communist-action organization.

"'(k) When any order of the Board issued under subsection (g), (h), (i), or (j) of this section becomes final under the provisions of section 14(b) of this title, the Board shall publish in the Federal Register the fact that such order has become final, and publication thereof shall constitute notice to all persons that such order has become final.'

"SEC. 11. Section 13A of such Act is amended as follows:

"(1) Subsection (a) of such section is amended by inserting immediately preceding the last sentence the following new sentence: 'A dissolution of such organization subsequent to the date of the filing of any petition for a determination that it is Communist-infiltrated, shall not moot or abate the proceedings, but the Board shall receive evidence and proceed to a determination of the issues: *Provided, however,* That if the

Board shall determine such organization to be a Communist-infiltrated organization as of the time of the filing of such petition and prior to its alleged dissolution, and shall find that a dissolution of the organization has in fact occurred, the Board shall enter an order determining such organization to be a Communist-infiltrated organization and the Board shall include it as such in the appropriate records maintained pursuant to section 9 of this title, together with a notation of its dissolution.'

"(2) Subsection (d) of such section is amended to read as follows:

"'(d) The provisions of subsection (c) and (d) of section 13 shall apply to hearings conducted under this section.'

"SEC. 12. The seventh sentence of subsection (a) of section 14 of such Act is amended to read as follows: 'If the court shall set aside an order issued under subsection (j) of section 13, or under subsection (f) of section 13A, it may, in the case of an organization, enter a judgment requiring the Board to issue an order determining that such organization no longer is a Communist-action organization, Communist-front organization, or a Communist-infiltrated organization, as the case may be, or in the case of an individual, enter a judgment requiring the Board to issue an order determining that such individual no longer is a member of a Communist-action organization.'

"SEC. 13. Section 15 of such Act is amended to read as follows:

"'PENALTIES

"'SEC. 15. Any organization which violates any provision of section 10 of this title shall, upon conviction thereof, be punished for each such violation by a fine of not more than $10,000. Any individual who violates any provision of section 5 or 10 of this title shall, upon conviction thereof, be punished for each such violation by a fine of not more than $10,000 or by imprisonment for not more than five years, or by both such fine and imprisonment.'

"SEC. 14. (a) In the case of any organization which, by proceedings under section 13(a) of the Subversive Activities Control Act of 1950 completed before the date of enactment of this Act, has been finally determined by the Subversive Activities Control Board to be a Communist-action organization or a Communist-front organization and has been ordered to register as a result of such determination, the Board shall forthwith modify its previously issued registration order as may be necessary to conform such order to the provisions of section 13(g) of the Subversive Activities Control Act of 1950, as amended by this Act, and shall forthwith include such organization on the record required to be maintained under section 9 of the Subversive Activites Control Act of 1950, as amended by this Act. Nothing in this subsection shall be construed so as to prevent any such organization from filing a petition as provided in subsection (b) of section 13 of the Subversive Activities Control Act of 1950, as amended by this Act.

"(b) In the case of any proceeding pending before the Board on the date of enactment of this Act, the Board and the Attorney General are authorized to proceed in accordance with the provisions of the Subversive Activities Control Act of 1950, as amended by this Act."

And the House agree to the same.

WILLIAM TUCK,
RICHARD H. ICHORD,
JOHN M. ASHBROOK,
Managers on the Part of the House.
SAM ERVIN,
JOHN MCCLELLAN,
EVERETT M. DIRKSEN,
ROMAN HRUSKA,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2171) to amend the Subversive Activities Control Act of 1950 so as to accord with certain decisions of the courts, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute text, and the Senate disagreed to the House amendment.

The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment which is a substitute for both the text of the Senate bill and the House amendment.

The differences between the House amendment and the substitute agreed to in conference are noted below, except for technical, clerical, and conforming changes made necessary by reason of the agreement reached by the conferees.

NECESSITY FOR LEGISLATION

The first section of the Senate bill added a new provision to the congressional findings contained in section 2 of existing law (the Subversive Activities Control Act of 1950) which provided that the findings of fact contained in the preceding provisions of that section are reiterated and declaring that disclosure of Communist organizations and of the members of Communist-action organizations is essential to the protection of the national welfare. The House amendment contained no similar provision.

The substitute agreed to in conference follows the Senate version.

REGISTRATION PROCEEDINGS AND PUBLIC RECORDS

The Senate bill repealed the provisions of the Subversive Activities Control Act of 1950 requiring the registration of Communist-action and Communist-front organizations and members of Communist-action organizations. The Senate bill established authority for determinations by the Subversive Activities Control Board as to whether an organization is a Communist organization, determinations as to whether an individual is a member of a Communist-action organization, and required the Board to maintain public records of all such determinations.

The House amendment retained the procedures in existing law for orders to register with respect to Communist-action and Communist-front organizations and provided that the Attorney General would continue to maintain the public register of Communist organizations and of individual members of Communist-action organizations.

The substitute agreed to in conference follows the Senate version in that it establishes authority for the Subversive Activities Control Board to make determinations as to whether an organization is a Communist organization and whether an individual is a member of a Communist-action organization, and requires the Board to maintain public records of all such determinations.

TERMINATION OF THE BOARD

The Senate bill included provisions which would terminate the Subversive Activities Control Board on June 30, 1969, unless proceedings have been instituted before the Board and hearings conducted by it during the period beginning on the date of enactment of the legislation and ending on December 31, 1968. The Attorney General was made the sole judge as to whether proceedings had been instituted and hearings conducted. No similar provision was contained in the House amendment.

The substitute agreed to in conference contains a modified version of the Senate provisions. The conference substitute provides that the Board shall cease to exist on June 30, 1969, unless a proceeding has been instituted before the Board and a hearing shall have been conducted during the period beginning on the date of enactment of this legislation and ending on December 31, 1968. In addition, the Attorney General is required to report to the Congress, on or before June 30, 1968, the proceedings he has instituted, and the Board is required to report to the Congress, on or before June 30, 1968, on the progress it has made in conducting hearings during such period. If no proceedings have been instituted, the Attorney General is required to report the reasons therefor and, if no hearings have been conducted, the Board is required to report the reasons therefor. Similar reports are required to be filed by the Attorney General and by the Board on or before January 10 of each year, beginning in 1969, to cover the immediately preceding calendar year.

WILLIAM M. TUCK,
RICHARD H. ICHORD,
JOHN M. ASHBROOK,
Managers on the Part of the House.

The SPEAKER pro tempore (Mr. ALBERT). The gentleman from Virginia [Mr. TUCK] is recognized for 1 hour.

Mr. TUCK. Mr. Speaker, I do not intend to address the House for a long period of time on the results of the conference on S. 2171. There is no need to do so, because the conferees agreed, for all practical purposes, on the bill that this House approved by an overwhelming majority approximately 2 weeks ago. There is just one important change which I think should be mentioned.

S. 2171 contained what is known as the Proxmire amendment. This provided that the Subversive Activities Control Board would cease to exist on June 30, 1969, unless between the time the bill was enacted and December 31, 1968, new proceedings were instituted before the Board and the Board held hearings.

I think we are all agreed that what appears to be the basic intent of the Proxmire amendment was a good one. None of us want to create, or sustain and finance, a Federal agency that does no work. All of us are agreed that we should not do so. So none can quarrel with the intent to eliminate an agency that was costing the taxpayers a few hundred thousand dollars a year and had not been very productive in the last few years.

We must, however, make sure whether it is the fault of this Board that they have not done much work or the fault of someone else.

Unfortunately, the Proxmire amendment contained what we felt was an undesirable feature. I am pleased to say that there was agreement on the elimination of that feature.

This feature, in effect, gave the Attorney General the authority to bring about the elimination of the Subversive Activities Control Board because the Board is completely dependent on him for its workload. It is powerless to act on its own. It can hold hearings only if he petitions it to do so. If he chose not to refer any cases to the Board, the Board would automatically go out of existence at the end of June 1969 under the provision of the Proxmire amendment I just mentioned.

In addition, the amendment left it up

to the Attorney General to determine on or before January 10, 1969, whether proceedings had been instituted and hearings conducted by the Board in the prescribed period.

This last provision was amended in conference to provide instead that both the Attorney General and the Subversive Activities Control Board must report to the Congress on or before June 30 of next year, advising the Congress whether or not proceedings had been instituted and hearings held and, if none have been, informing the Congress why this is so.

In addition, on or before January 10, 1969—and each year thereafter—the Attorney General and the Board must submit similar reports to the Congress.

This means that before the Board can go out of existence on June 30, 1969, as provided by the part of the Proxmire amendment which was accepted by the House conferees, we will have received two reports from both the Attorney General and the Subversive Activities Control Board telling us whether or not proceedings have been initiated and hearings held and, if they have not, why they have not.

The Congress will then be in a position to judge what, if anything, is wrong with the act, with the Subversive Activities Control Board, or with the Attorney General's administration of the act. If the Board has done little or nothing, we will know who or what is at fault.

The Congress will be able to form its own judgment, as it should, as to whether there is a basic deficiency in the act, whether that deficiency can be corrected by amendment, or whether it is such that it cannot be corrected and the Board should be permitted to die on June 30, 1969.

Moreover, after the receipt of the second of these reports—if it should develop that no new proceedings have been instituted or hearings held—the Congress will have 6 months to enact corrective legislation if it determines that such will make the Board an effective and productive agency that should be preserved in the interest of our national security.

To put it simply, we have amended part of the Proxmire amendment in such a way that the Congress maintains its constitutional authority of enacting or repealing legislation. We do not believe that an officer of an executive agency should have what amounts to the power to veto an act of the Congress.

Mr. YATES. Mr. Speaker, will the distinguished gentleman from Virginia yield for a question?

Mr. TUCK. I shall be delighted to yield to the distinguished gentleman from Illinois.

Mr. YATES. Mr. Speaker, is it not true that in a decision last Monday the Supreme Court of the United States on the predecessor bill to the one now under consideration, held unconstitutional a section which has been incorporated into the bill now under consideration by the House of Representatives?

Mr. TUCK. That is true; the Justices did hold that particular section unconstitutional. However, if my distinguished friend, the gentleman from Illinois [Mr. YATES], will listen, that decision is not final. In other words, the Department of Justice may appeal for a rehearing of that decision and ask for a reversal. The Supreme Court may in its deliberations reverse its decision and decide something in the best interest of the American people.

Moreover, permit me to say to the distinguished gentleman from Illinois, that that title is not in dispute. Further, I will say to the distinguished gentleman that while I am not an authority on procedures obtaining in the House of Representatives and in the other body of the Congress of the United States, my understanding is that the conferees do not have the power to eliminate from a bill a provision which has been incorporated by both bodies.

Mr. YATES. Mr. Speaker, will the distinguished gentleman from Virginia yield further?

Mr. TUCK. I shall be glad to yield further to my brilliant and distinguished friend, the gentleman from Illinois [Mr. YATES]. I do not know whether or not I can match wits with the gentleman.

Mr. YATES. Mr. Speaker, the distinguished gentleman from Virginia [Mr. TUCK] overcomes me with the force of his encomiums and his eloquence. I do want to ask him whether there does not still remain a provision contained in this bill identical to a section of the bill which the Supreme Court has held unconstitutional.

Mr. TUCK. That is true.

Mr. Speaker, I am in favor of the House of Representatives and the Congress of the United States planting its feet firmly upon the ramparts of liberty, legislatively speaking and otherwise. Let everyone else know this—that we do not intend to sit idly by and see our constitutional liberties toppled over into the abyss of lost freedom.

Mr. ICHORD. Mr. Speaker, will the gentleman yield?

Mr. TUCK. I yield to the distinguished gentleman from Missouri [Mr. ICHORD].

Mr. ICHORD. Mr. Speaker, I do not know the purpose of the gentleman from Illinois [Mr. YATES] in bringing the decision of the Supreme Court to the attention of this body. However, I would state to the distinguished gentleman from Illinois that the rules of parliamentary procedure precluded the conference committee and also this body from now taking section 5(A)(1)(D) out of the bill. Section 5(A)(1)(D) is a provision that was included in the House version of the bill and it was also included in the version of the bill as passed by the other body. The matter of omitting this particular paragraph was discussed by the conference committee but under the rules we could not omit the provision in question if we had so desired. Such action would have been subject to a point of order.

I think that this fact should be made clear to the Members of the House.

Mr. YATES. Mr. Speaker, will the gentleman yield further?

Mr. TUCK. I yield further to the distinguished gentleman from Illinois.

Mr. YATES. I say to the distinguished gentleman from Missouri [Mr. ICHORD], as has been so ably pointed out by the distinguished gentleman from Virginia, that this bill now contains a section which we already know is unconstitutional.

Why, then, should not the House of Representatives reject this conference report and send the bill back to the committee so that the committee can take necessary action of deleting this provision of the bill.

Mr. ICHORD. Mr. Speaker, if the gentleman from Virginia will yield further, the distinguished gentleman from Illinois made reference to a particular section of this legislation——

Mr. YATES. I am referring to section 5 of the bill. The gentleman is very much aware of what I am talking about. The gentleman also knows of the case of United States against Robel.

Mr. ICHORD. The case only held that a Communist is entitled to employment in a defense facility. There are other provisions of section 5 that were not affected.

Mr. YATES. That is right.

Mr. ICHORD. But this was not in dispute between the conferees and therefore could not be touched by the conferees.

Mr. TUCK. Mr. Speaker, I had agreed to give the gentleman from Illinois 5 minutes, and I hope he will not take any more time.

At this time I wish to yield 10 minutes to the gentleman from Missouri [Mr. ICHORD.]

Mr. ICHORD. Mr. Speaker, I would point out to the Members that all of those who voted for this measure when it passed the House certainly will be in a position to vote for this conference report. If anything, the conference report has a bill with softer provisions than was the original bill that was debated and passed in the House. The measure as passed by the House, Mr. Speaker, contained these provisions which were not contained in the Senate bill:

First, the House bill contained an amendment refining the definition of a Communist-front organization. This amendment was accepted by the Senate in conference.

Second, the House bill contained an amendment to section 10 adding the requirement for disclosure of Communist organizations using the mail or any facility of interstate commerce to solicit money or property. In this respect the Senate also yielded to the House measure.

Third, the House bill contained provisions against the mooting of proceedings upon dissolution of Communist action or front organizations subsequent to the filing of the Attorney General's petition. The Senate in this matter consented to go along with the House.

Fourth, the House amendment contained a provision relating to compulsory testimony, and the production of evidence over fifth amendment claims on grant of immunity; this, too, is contained in the conference report.

Fifth, the House amendment to the Senate bill contained authority for the Board to initiate contempt proceedings in district court for misbehavior in the presence of the Board. This was not contained in the Senate bill, and in the conference report the Senate has consented to go along with the House.

Sixth, the House amendment contained a denial of jurisdiction to Federal courts to entertain collateral proceedings. These are dilatory collateral proceedings. This was not contained in the Senate measure, it is contained in the conference report.

Seventh, the House amendment permitted the Attorney General to include two or more individuals in one petition. The conference report contains this provision.

Now, the House conferees did agree to accept the Senate version of the bill doing away with the registration provisions of the Internal Security Act. Under this bill the SACB will function as a quasi-judicial body. It will hear evidence submitted by the Attorney General as to organizations which are Communist action organizations, Communist-front organizations, or Communist-infiltrated organizations. The proceedings will be adversary proceedings. The particular organizations will be permitted to cross-examine, produce witnesses, submit evidence, et cetera. As I said, it will be an adversary proceeding, and will be subject to appeal in the courts of the United States.

There is one main difference between this conference committee report and the measure that passed the House. That is in regard to the so-called Mansfield-Proxmire amendment. The Senate conferees were very adamant about this particular provision. As a matter of fact, the conferees were told that one Member who was a sponsoring Member of this particular amendment would filibuster the bill if the conference committee did not go along with this amendment.

We have accepted the Mansfield-Proxmire amendment with an amendment.

The Mansfield-Proxmire amendment originally read as follows:

> The Board shall cease to exist on June 30, 1969, unless in the period beginning on the date of enactment of this subsection and ending on December 31, 1968, a proceeding under this Act shall have been instituted before the Board and a hearing under this Act shall have been conducted by the Board. On or before January 10, 1969, the Attorney General shall determine whether such proceedings have been so instituted and such hearings have been so conducted within that period.
>
> The determination so made by the Attorney General shall be published in the Federal Register.

The House conferees thought that the Mansfield-Proxmire amendment was ambiguous, as I have just read, and we have accepted that amendment with some clarifying language.

The new provision will read as follows:

> (1) The Board shall cease to exist on June 30, 1969, unless in the period beginning on the date of enactment of this subsection and ending on December 31, 1968, a proceeding under this Act shall have been instituted before the Board and a hearing under this Act shall have been conducted by the Board. On or before June 30, 1968, the Attorney General shall report to the Congress on the proceedings he has instituted before the Board under this Act during the period from the enactment of this subsection to the date of the report, and the Board shall report on the progress it has made in conducting hearings under the Act during such period. If no proceedings have been instituted before the Board by the Attorney General, the Attorney General shall report his reasons for not having done so. If no hearings have been conducted, the Board shall report the reasons for not having done so. Similar reports shall be filed by the Attorney General and the Board on or before January 10, 1969, and each year thereafter, to cover the immediately preceding calendar year.

That I believe is the greatest change in the bill as made in the conference report.

The House conferees had to accept this particular version in order to resolve our differences and to avoid a threatened filibuster.

Mr. Speaker, I reiterate that all Members of the House who voted for this measure on its original passage can certainly give this conference report their very strong support. It is, I submit a very reasonable and practical approach to a very difficult problem. It is a bill which constitutionally requires disclosure on the part of Communists and Communist organizations. That the Government can require disclosure was very forcefully upheld by seven of nine Justices in the case of the Communist Party of the United States against the United States. The bill is very carefully drawn within the framework of recent decisions and will prove, I believe, to be an effective tooling of controlling undesirable and illegal Communist activity.

Mr. POFF. Mr. Speaker, will the gentleman yield?

Mr. ICHORD. I yield to the distinguished gentleman from Virginia.

Mr. POFF. I thank the gentleman from Missouri. First, I would pay tribute to him to the statement that he has just made.

But the purpose in my asking for this courtesy was to supply the Record with information which would be responsive to the point raised by the able gentleman from Illinois [Mr. Yates].

I think the gentleman should understand that the conference report on the bills from which it descends constitute amendments to the Internal Security Act of 1950. No amendment in the bills attach the separability provision which is in the parent law.

The separability provision is section 32 of the parent law and reads as follows:

> Sec. 32. If any provision of this title, or the application thereof to any person or circumstance, is held invalid, the remaining provisions of this title, or the application of such provision to other persons or circumstances, shall not be affected thereby.

Inasmuch as no change is made in the separability clause, I suggest that the gentleman's worries concerning section 5(a), to which the recent Supreme Court decision was addressed, are without foundation.

Mr. ICHORD. I thank the distinguished gentleman from Virginia for his contribution.

Mr. TUCK. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. Culver].

Mr. CULVER. Mr. Speaker, I rise in opposition to this conference report on the Internal Security Act Amendments. The bill that emerged from conference last night, in my judgment, represents no appreciable improvement over what this Chamber considered only a few days ago, on November 28. This legislation, I believe, is very clearly—if not more so today than on the occasion when we initially considered it—unwise, unnecessary, and increasingly proving to be unconstitutional in all of its ramifications.

Indeed, the presumption that the Subversive Activities Control Board rests on constitutional quicksand has been further strengthened this very week, on Monday, when the Supreme Court handed down its decision in Robel against United States. In a 6-to-2 decision, the Court invalidated the prohibition in the Internal Security Act against any member of a Communist-action organization from working in a defense facility when it falls under a final order to register.

Mr. Speaker, I think it is very important to state that there has been no attempt at reconciliation between this legislation and the Robel decision. The Robel case held section 5 of this act to be unconstitutional, on the ground that it established guilt purely by association, and thus infringed first amendment rights.

As amended by the pending bill before the House, the Internal Security Act of 1950 would contain the identical provisions held unconstitutional this week. When so integral a section as this one is struck down by the Court, it is certainly clear to me then that we have nothing more left than a brittle legal patchwork.

It has been suggested by the able gentleman from Virginia that we could activate the separability clause available in this legislation, and the unconstitutional provision will be stricken. The remainder of the legislation will be left standing.

I might say for the consideration of the House that never in the history of this Congress over the period of the last 17 years has there been a more active separability clause, because repeatedly, in case after case, the Court has struck down one pillar after another of this legislation as being unconstitutional.

Mr. Speaker, essentially the conference report does no more than stitch together the House and Senate versions of this legislation. The only pivotal addition before the House that we did not consider on November 28 is a modification of the so-called Proxmire amendment, on which the Senate leadership insisted.

This amendment originally provided that the Subversive Activities Control Board would lapse on June 30, 1969, unless proceedings—and I emphasize "proceedings"—have been initiated and hearings—and I emphasize "hearings" in the plural—conducted by the Board by December 31, 1968.

The Attorney General under the original Proxmire amendment would make a determination whether these particular specifications had been met, and, if not, the Board would automatically dissolve on the date specified. This probationary provision has been emasculated in conference. Now it sets but one proceeding and one hearing as the mandatory minimum.

Mr. Speaker, as the distinguished majority leader of the U.S. Senate stated with regard to this particular amendment in the course of the debate in the other body:

> If it were a matter of a single proceeding, that would be insufficient and therefore these terms appear in their plural context.

It would not be enough, for example, to keep this Board alive for another 12 months if they do no more than act on just one proceeding brought before them, and that certainly would not constitute justifications for five men receiving $26,000 each, over the next 12 months, of the taxpayers' dollars.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. TUCK. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. CULVER. Mr. Speaker, the hearing qualification is already met by the pending DuBois case before the Board, and certainly it would not take much to institute one more case in the next 12 months.

Quite apart from the technical objections in this revised amendment, it has the added weakness that it places great congressional compulsion on the Attorney General to act hastily in pursuit of potentially unconstitutional objectives.

I think, Mr. Speaker, the objections to this legislation remain constant and clear.

No law enforcement agency of the U.S. Government—CIA, FBI, Defense Department, State Department—has requested this legislation. In fact, in the original hearings in 1950, they testified this legislation would hamper and hinder them in the conduct of their responsibility to insure the internal security of the United States. All who have previously testified on this legislation were convinced that we have strong laws on the books to deal with treason, sabotage, espionage, and actions looking to the overthrow of the Government.

Neither in the past 17 years, nor in my judgment in the future will this legislation help us in our fight—in our very real and essential fight—against the evils of internal communism. I do not think there is any question whatsoever that this legislation, if it lasts another 17 years, will continue to work against the fundamental freedoms of every American. It is enfeebled by already adjudicated constitutional infirmities and objections that have been cited, and it is racked by prospective ones that are undoubtedly going to occur in future years. SACB is an empty vessel not worth maintaining, either for what it costs, or for what it accomplishes.

In conclusion, Mr. Speaker, I commend to the attention of the Members an editorial from this morning's New York Times which appeared on this legislation, which urged the President of the United States to show the courage and wisdom demonstrated by President Truman in an equally difficult period in American history. I echo the hope that the President will veto this legislation if it does reach his desk.

Mr. TUCK. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Ohio [Mr. ASHBROOK].

Mr. ASHBROOK. Mr. Speaker, certainly it is not my intention or desire to prolong debate on this bill. I believe we can bring it to a vote, but I would like to point out what I think are a couple inconsistencies in the statement made by my friend, the gentleman from Iowa, who just preceded me.

In the first place, the gentleman made the statement that an entire section was struck by the Supreme Court decision. Actually, Mr. Speaker, what was struck was a sub-subsection and not a section. I call attention to the fact that section 5, subsection (1) has five sub-subsections, only one of which was struck by the Supreme Court decision. The entire section 5 was not stricken, not even the entire subsection, but merely subsection (D) of subsection (1), which, of course, makes it a sub-subsection. (A), (B), (C), and (E) are still very much on the books.

Now, as to their future, with the present Supreme Court, I would not at this time hazard a guess. I would not guess as to whether sub-subsections (A), (B), (C), and (E) will later be struck, but it is completely erroneous to say the entire section was struck, because the Supreme Court decision, which I have in front of me, specifically refers to section 5(a)(1)(D) and says:

> Appellee's continual employment in the shipyard after that date subjected him to prosecution under subsection 5(a)(1)(D).

It was not even 5(a)(1), but a statement about 5(a)(1)(D). So I would want the House to understand that the entire section has not been struck, but merely one part of a section.

Mr. CULVER. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. Since I mentioned the gentleman's name, I yield to the gentleman from Iowa.

Mr. CULVER. I thank the gentleman.

I wonder if the gentleman would agree that the action taken by the Supreme Court with regard to section 5 certainly has the effect of emasculating that whole section, in terms of the effectiveness of the Subversive Activities Control Act? Certainly the sweeping language in the Robel case, handed down Monday, I believe makes clear the entire section is suspect.

We had before the Court, in that case, the most difficult situation for constitutional critics to overcome. If the Court invalidated this fact found under that situation involving employment in defense facilities, then the prospects for continued viability of this legislation and section 5 are most doubtful.

Mr. ASHBROOK. I would agree that there might be some doubt as to the future of the section, but I would say the only thing really emasculated is a part of the section.

I would not agree that striking down section 5(a)(1)(D) necessarily struck down the entire act, because the sub-subsections (A), (B), (C), and (E), so far as I am concerned, have considerable importance.

Mr. CULVER. Will the gentleman yield for one last point?

Mr. ASHBROOK. I yield for one point.

Mr. CULVER. Would the gentleman not agree that what the Court did in the particular case under discussion, the Robel case, was rather unprecedented in constitutional law, in that the Court exceeded the narrow fact situation involved and made a sweeping observation with regard to first amendment consequences in this area? In fact, I say that they exceeded the district court on the rather narrow holding which would have made it permissive to maintain the constitutionality of this legislation under a more tightly drawn statute.

Mr. ASHBROOK. I certainly agree that the Supreme Court made an unprecedented decision. One of the things I am concerned about is that it seems to me they are making many unprecedented decisions in this and other areas.

Mr. CULVER. But the sweep of the language under this fact situation, as great as it is, shows that they were concerned to give broad effect to the first amendment privilege.

Certainly I do not believe it would be a misrepresentation to this House to suggest that section 5 was in fact emasculated.

Mr. ASHBROOK. I want to make one further statement. I do believe the gentleman has corrected his statement, in that the prospects for the rest of section 5 might be in question; but certainly it is not correct to say that the entire section 5 was stricken down by the Supreme Court decision.

Mr. ADAMS. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Washington.

Mr. ADAMS. I happened to be on the case being handled on the trial level when that case was filed. When that case came before the trial level the man involved in that case was indicted, under the whole prospect of working in the defense industry. The Supreme Court decision on Monday struck that section.

The gentleman may believe that something is left, but that was picked out as being the best subsection under section 5 which could go up under a constitutional basis. That does change the statute basis.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. TUCK. Mr. Speaker, I am glad to yield 5 additional minutes to the gentleman from Ohio.

Mr. ICHORD. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Missouri.

Mr. ICHORD. I would point out that the gentleman from Iowa and the gentleman from Washington may have left some impressions which I believe are in error.

The gentleman from Ohio has talked about the sweep of the Supreme Court decision on Monday.

I do not interpret the decision to be very broad.

The gentleman from Washington referred to section 5. If I properly understand the decision, it only touched one provision of section 5, and that was paragraph (D) of 5(a)(1).

This provision reads:

> If such organization is a Communist-action organization, to engage in any employment in any defense facility; or—

The decision merely held that a Communist, as such, was not disqualified from being employed in a defense facility.

Now, paragraph (C) was not affected whatsoever by the recent decision.

This is the provision which makes it unlawful for any member of the Communist Party in seeking, accepting, or holding employment in any defense facility to conceal or to fail to disclose the fact that he is a member of such organization. I submit that 5(A) (1) (C) is constitutional, because the Government is entitled to know whether or not a person who is seeking employment in a defense facility is a Communist or not in order to determine whether or not he should be employed. I believe that 5(A) (1) (C) was not knocked down by the decision Monday.

Mr. ADAMS. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman.

Mr. ADAMS. This man was indicted under both sections in the original case.

Mr. ICHORD. What sections?

Mr. ADAMS. In the original case he was a man who worked in a defense plant and worked there for 10 years and has been put out of the machinists union. There is no question of the facts in this case. What I am pointing out is this was picked as the best part of section 5. Another case had been lost and three other sections had been. So this was picked as the best constitutional section. The Supreme Court struck this.

What the gentleman and I are trying to say is that this is a mortal blow to this section. We think you ought to go back and do some additional work on it if you want a section that is going to be upheld as constitutional.

Mr. ICHORD. That can be done later on but not at this time because it is not in disagreement at this time. It will certainly not affect the validity of all the remainder of the internal security law.

Mr. ASHBROOK. Mr. Speaker, I would like to comment briefly on one other statement that the gentleman from Iowa made. I, too, want to get to a vote on this measure. The gentleman from Iowa in his opinion, of course—and I certainly honor and respect that opinion—was critical of the fact that the conference committee made an effort or made a substantial effort to tighten up what was meant by hearings and proceedings before the Subversive Activities Control Board.

Let us think for a second of what the situation would have been under the original Proxmire amendment. The Proxmire amendment provided that the Subversive Activities Control Board would terminate if they did not have hearings and proceedings after 1 year. This is interesting in the first case because the Attorney General has to send up a request in a petition form before they can have hearings and proceedings. The way the amendment originally read is after this thing he himself would determine what were hearings and proceedings. So he was not only in a position to send or not to send petitions for hearings, but he would determine what is a proceeding and what is a hearing. We thought it was general enough so that it should be pinned down. This is something which is a responsibility for a legislative body and not for the Attorney General. It is for the legislative body to determine what we mean by the word "proceedings" and what we mean by the word "hearings."

Every member of the conference committee had a different point of view on this. Is a proceeding one or two or three petitions? We thought we made it legislatively clear what the point of the legislation would be.

The SPEAKER pro tempore (Mr. Albert). The time of the gentleman has again expired.

Mr. TUCK. Mr. Speaker, I yield 1 additional minute to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Speaker, I yield to the gentleman from Iowa for a response.

Mr. CULVER. Mr. Speaker, I want to ask the gentleman a question. In the past 17 years the Subversive Activities Control Board cost the taxpayers of the United States $5 million. The appropriation for this year is $300,000. We have five Board members each receiving $26,000 annually. I want to ask the gentleman whether in his judgment to require them in the next 12-month period, in view of the fact that the DuBois hearing is already on the docket, to consider only one additional instigated proceeding under this legislation is a sufficient work load to justify both the expense and their survival?

Mr. ASHBROOK. I do not think it is a sufficient workload, but I do believe that the gentleman from Iowa should ask the Attorney General to send up five or 10 or 15 more petitions to keep it alive, because there might be another Attorney General some day. If we legislate on the basis that we might not have an Attorney General who will diligently send to the Subversive Activities Control Board the petitions which can let them do their work, then we cannot blame them for not doing it.

Mr. YATES. Mr. Speaker, I shall not keep the House long. I have a good idea as to what the House will do on this bill. However, based upon the remote possibility that it might reject this bill, I would like to say one or two things:

First of all, it has been made very clear today that one section or one subsection of title V as the gentleman from Ohio [Mr. Ashbrook] has pointed out, is clearly unconstitutional. It has been declared so by the Supreme Court.

The gentleman from Virginia [Mr. Poff] sought to justify accepting that unconstitutional provision by pointing to the separability clause of the bill. That is true. There is a separability clause that I would call a jumping separability clause because it really has been jumping over the last 17 years as section after section of the Internal Security Act was nullified as unconstitutional by the Supreme Court.

This is a bill which is supposed to deal with the internal threat of communism. Yet, all agencies in the Federal Government which have a responsibility for dealing with this threat including the FBI, have failed or refused to approve this bill. The FBI has not approved it.

The Department of Justice has not approved of this bill.

The Department of Defense has not approved this bill.

The Department of State which has an intelligence agency concerned with the Communist threat and with the internal security of the United States of America has not approved this bill.

Mr. Speaker, it will be argued that these agencies have not disapproved this bill. That is true; but, the point is that witnesses from these agencies were not called to testify upon the merits of this bill during the course of the hearings which were held on it or to express their views on it. The only indication we have of their attitude was what they said in 1950. And the committee has presented nothing which would show that they have reversed the opposition to the bill they expressed at that time. Their opposition was clearly shown in President Truman's veto message on the original bill in 1950, when he declared all these agencies were opposed to this bill on the ground that it would not help their efforts to contain the Communist threat in this country. Rather the bill would hamper and hinder efforts along that line.

Mr. Speaker, as was pointed out by the distinguished chairman of this committee, the distinguished gentleman from Louisiana [Mr. Willis], only the Attorney General was invited.

Mr. Speaker, two invitations were sent to the Attorney General to testify. The Attorney General did not accept those invitations.

Mr. Speaker, that silence is significant, and I say that silence in this matter does from one but from all agencies of our Government who have the responsibility not imply consent or approval. In this matter silence implies disapproval, not of dealing with the Communist threat.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Ohio.

Mr. ASHBROOK. As I gather the import of what the distinguished gentleman from Illinois [Mr. Yates] is saying, silence in this case is not assent, but probably, dissent. That is all agencies of the Government of the United States, including the Chief Executive, has not indicated that he is for it.

Therefore, is the gentleman from Illinois [Mr. Yates] suggesting that if the President of the United States signs this bill, that that act would have the effect of indicating that the Government is for it?

Mr. YATES. I would remind the distinguished gentleman from Ohio [Mr. Ashbrook] that the President of the United States has not signed the bill.

Mr. ASHBROOK. I said "if he should do so."

Mr. YATES. I think we can only speculate with reference to this matter. The only President of the United States to whom this bill was presented for signature vetoed it. The gentleman knows I have reference to the former President Truman. He vetoed it at a time when it took real courage to do so. I hope that President Johnson will do the same thing. If he follows the great example of President Truman, he will.

One of the reasons I have taken this time today is to urge President Johnson to veto this bill.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield further?

Mr. YATES. I yield further to the gentleman from Ohio.

Mr. ASHBROOK. I would suggest that the President of the United States will sign this bill when it comes before him.

Mr. YATES. Again, let me say the gentleman is speculating. Mr. Speaker, let me read from the veto message of President Truman in 1950 when he had the responsibility of dealing with the Communist threat just as does President Johnson at the present time.

This is what President Truman said in his veto message:

> I am taking this action—

He said—

> only after the most serious study, reflection and consultation with the security and intelligence agencies of the government. The Department of Justice, the Department of Defense, the Central Intelligence Agency, and the Department of State have all advised me that the bill would seriously damage the security and intelligence operations for which they are responsible. They have strongly expressed the hope that the bill would not become law—

That the bill—

> would not hurt the Communists. Instead it would help them.
>
> It has been claimed over and over again that this is an anti-communist bill—a communist-control bill. But in actual operation the bill would have results exactly opposite of those intended.
>
> It would actually weaken our existing internal security measures and would seriously hamper the Federal Bureau of Investigation and our other security agencies.

President Truman prophesied correctly that passage of this legislation would result in an endless chase. The former Attorney General, ROBERT F. KENNEDY, has stated that after 17 years of chasing the Communist Party, the Justice Department still is unable to compel it to register. After 17 years the Subversive Activities Control Board has not discovered any important pieces of information not known previously to the FBI. Frankly, it is unrealistic to expect that any Communist organization voluntarily will divulge important data. While the Board theoretically has the power to compel such information, it must utilize long, expensive and time-consuming administrative and legal channels. Completion of the investigative and administrative phase of the chase has been followed by months and frequently years of litigation, all of which have terminated in extraordinary costs to the taxpayers. Following this charade, Communist-front organizations merely dissolve and commence their activities anew. This is precisely what President Truman predicted would happen, what has happened and what will continue to happen unless President Johnson vetoes these amendments.

I agree with President Truman that this legislation is misleading in its premises and purposes. The proponents of these amendments in both the Senate and the House have sought to make it appear as if control of Communist subversion in this country while we are fighting Communists abroad is the issue involved. This is the same approach utilized to secure passage during the hysteria of 1950. It has no more basis in fact today than it had in 1950. In 1950 we had laws on the books to deal with the real dangers of treason, espionage, sabotage, and acts looking toward the overthrow of our Government by force and violence. Today these same laws continue on the books. In 1950 we received excellent information regarding the activities of true subversive groups. Today the FBI and other agencies of government responsible for our internal security are as effective as ever. In 1950 tax-exempt status was denied to subversive organizations. Today, the Internal Revenue Service continues to accord the same treatment to these groups. In 1950 the Federal Government prohibited the employment of true subversives. Today, its policies are even stricter. In 1950 defense plants screened employees. Today, they are even more careful. In 1950 the population had the intelligence to accept or reject opinions which it heard voiced on the radio or on television. Today, it remains as intelligent.

For my part, I can conceive of no more ill-founded legislation than to duplicate existing laws to compound administrative proceeding, to conduct identical investigations, to invite litigation—all at needless expense to the taxpayer.

Mr. Speaker, President Truman concluded his veto message with these eloquent words:

> Earlier this month, we launched a great crusade for freedom, designed, in the words of General Eisenhower, to fight the big lie with the big truth. I can think of no better way to make a mockery of that crusade and of the deep American belief in human freedom and dignity which underlie it than to put the provisions of H.R. 9490 on our statute books.
>
> I do not undertake lightly the responsibility of differing with the majority in both Houses of Congress who have voted for this bill. We are all Americans; we all wish to safeguard and preserve our constitutional liberties against internal and external enemies. But I cannot approve this legislation, which instead of accomplishing its avowed purpose would actually interfere with our liberties and help the Communists against whom the bill was aimed.
>
> This is a time when we must marshal all our resources and all the moral strength of our free system in self-defense against the threat of Communist aggression. We will fail in this, and we will destroy all that we seek to preserve, if we sacrifice the liberties of our citizens in a misguided attempt to achieve national security.
>
> There is no reason why we should fail. Our country has been through dangerous times before, without losing our liberties to external attack or internal hysteria. Each of us, in Government and out, has a share in guarding our liberties. Each of us must search his own conscience to find whether he is doing all that can be done to preserve and strengthen them.
>
> No consideration of expediency can justify the enactment of such a bill as this, a bill which would so greatly weaken our liberties and give aid and comfort to those who would destroy us. I have, therefore, no alternative but to return this bill without my approval, and I earnestly request the Congress to reconsider its action.

I urge the House to vote down this conference report.

Mr. TUCK. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, I take this time to point out here not so much the details in this bill, but the fact that it has been said that we should not pass it because one provision has been declared unconstitutional. From a procedural standpoint, not being in the conference, it would be impossible to take it out. However, Mr. Speaker, I take this time to call the attention of this body to the responsibility that we have as an equal and coordinate body of this Government. In our Constitution three divisions of government are created, as we all know. The first and foremost is the legislative body, representing the people. The last one named is the judiciary. The judiciary, as is provided for in that section, consists of the Supreme Court and such inferior courts as may be provided by Congress. The Supreme Court does not have a single dollar to pay itself, nor a single person to carry out its orders. Yet, because the executive department and the Congress have stood idly by, this Supreme Court has set itself up as a supreme department.

Listen, now: In 35 instances a majority of the Court has struck down the rights of the general public in the interest of the individual, releasing him from having to abide by common, everyday, commonsense rules for the good of the community. In at least 10 cases the Court has stricken down the rights of police officers to discharge their duties.

Mr. Speaker, if it were not so serious it would be almost laughable to see how many agencies, departments, writers, and newspapers try to find ways and means to explain the crime wave that is going on all over this country and, at the same time, avoid pointing their finger at the Supreme Court, which has brought this about.

I would also ask the Members to listen carefully to me on this:

If the President of the United States is going to do everything the Supreme Court says to do, and carry out every order it issues, then he has abdicated in favor of the Supreme Court; this supreme department.

Also if we, the first division of the Government created in the Constitution, representing the people, are going to roll over and act dead every time Chief Justice Warren and a majority of his group says that what we have done is unconstitutional, then the people of our country are helpless, because we, too, have surrendered to them as a supreme department.

My friends, I just visited with a young lady, a relative of mine, who has recently come back from Jerusalem. She and her husband had been assigned there for some time. Before that they were in Kenya and prior to that they were in Formosa. She said, "Jamie, it is a crying shame to live around the world and find a lady can walk the streets at night in perfect safety, and then come back to our own country and be afraid to go out of the door at night."

Our Ambassador, Mr. Riddleberger, was perfectly safe during the many years he served in Yugoslavia, but the first week he was back here he was slugged and robbed in sight of the Capitol.

My friends, let me say this again. The Supreme Court is a coequal, but it is not a supreme department. The only reason it is getting by with its actions is because the executive and the congressional—or the legislative—branches are rolling over and acting dead.

I have pending before the Rules Committee a resolution creating a standing Committee on the Constitution—H. Res. 904. If we can obtain public hearings on that resolution, we can take the dissenting opinions of members of the Supreme Court alone and prove the truth of what I have said here. I am convinced that if the people see where the fault lies even this Supreme Court would change its ways under the influence of public opinion.

Mr. Speaker, it is up to us and to the President to push the Chief Justice and this Supreme Court back to its proper place if we are to save our country.

GENERAL LEAVE TO EXTEND REMARKS

Mr. TUCK. Mr. Speaker, I ask unanimous consent that all Members who may wish to extend their remarks at this point in the RECORD may have 5 legislative days in which to do so.

The SPEAKER pro tempore (Mr. ALBERT). Without objection, it is so ordered.

There was no objection.

Mr. TUCK. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. YATES. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 276, nays 114, not voting 42, as follows:

[Roll No. 441]

YEAS—276

Abernethy
Adair
Addabbo
Albert
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Arends
Ashbrook
Ashmore
Aspinall
Ayres
Baring
Battin
Belcher
Bell
Bennett
Berry
Betts
Bevill
Biester
Blackburn
Blanton
Boggs
Bolton
Bow
Bray
Brinkley
Brock
Brooks
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson
Burton, Utah
Bush
Byrnes, Wis.
Cabell
Carey
Carter
Casey
Cederberg
Chamberlain
Clancy
Clark
Clausen, Don H.
Clawson, Del
Colmer
Corbett
Cowger
Cramer
Cunningham
Daniels
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denney
Dent
Derwinski
Devine
Dole
Dorn
Dowdy
Downing
Dulski
Duncan
Edmondson
Edwards, Ala.
Edwards, La.
Erlenborn
Esch
Eshleman
Everett
Evins, Tenn.
Fallon
Fasceil
Feighan
Fino
Fisher
Flood
Flynt
Ford, Gerald R.
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Galifianakis
Gardner
Garmatz
Gathings
Gettys
Gibbons
Goodell
Goodling
Gray
Gross
Grover
Gubser
Gurney
Hagan
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harvey
Hays
Henderson
Herlong
Howard
Hull
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Mo.
Jones, N.C.
Kazen
Kee
Keith
Kelly
Kirwan
Kleppe
Kluczynski
Kornegay
Kyl
Kyros
Laird
Landrum
Langen
Latta
Lennon
Lipscomb
Long, La.
McClory
McClure
McCulloch
McDonald, Mich.
McEwen
McMillan
Machen
Madden
Mahon
Mailliard
Marsh
Mathias, Calif.
May
Mayne
Meeds
Meskill
Miller, Ohio
Mills
Minish
Minshall
Mize
Montgomery
Moore
Morgan
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nelsen
Nichols
Olsen
O'Neal, Ga.
Passman
Patman
Patten
Pelly
Pepper
Perkins
Pettis
Pickle
Pike
Pirnie
Poage
Poff
Pollock
Pool
Price, Ill.
Price, Tex.
Pryor
Pucinski
Purcell
Quie
Quillen
Randall
Rarick
Reid, Ill.
Reifel
Rhodes, Ariz.
Rhodes, Pa.
Riegle
Rivers
Roberts
Rogers, Colo.
Rogers, Fla.
Rooney, Pa.
Rostenkowski
Roth
Roudebush
Roush
Ruppe
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Schweiker
Schwengel
Selden
Shipley
Shriver
Skubitz
Slack
Smith, Calif.
Smith, N.Y.
Smith, Okla.
Snyder
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Stuckey
Sullivan
Taft
Taylor
Teague, Tex.
Thompson, Ga.
Thomson, Wis.
Tuck
Ullman
Utt
Vigorito
Waggonner
Walker
Wampler
Watkins
Watts
Whalley
White
Whitener
Whitten
Widnall
Wiggins
Williams, Pa.
Wilson, Bob
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Young
Zablocki
Zion
Zwach

NAYS—114

Adams
Anderson, Ill.
Ashley
Barrett
Bingham
Blatnik
Boland
Brademas
Brasco
Burke, Mass.
Burton, Calif.
Button
Byrne, Pa.
Cahill
Cleveland
Cohelan
Conable
Conte
Conyers
Corman
Culver
Curtis
Daddario
Diggs
Dingell
Donohue
Dow
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Farbstein
Findley
Foley
Ford, William D.
Fraser
Gallagher
Giaimo
Gilbert
Gonzalez
Green, Pa.
Griffiths
Gude
Halpern
Hathaway
Hawkins
Hechler, W. Va.
Helstoski
Hicks
Holifield
Holland
Horton
Irwin
Jacobs
Joelson
Karsten
Karth
Kastenmeier
Kupferman
Leggett
Lloyd
Long, Md.
McCarthy
McDade
McFall
Macdonald, Mass.
MacGregor
Matsunaga
Miller, Calif.
Mink
Monagan
Moorhead
Morris, N. Mex.
Morse, Mass.
Morton
Mosher
Moss
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
O'Neill, Mass.
Ottinger
Philbin
Railsback
Rees
Reid, N.Y.
Reuss
Robison
Rodino
Ronan
Rooney, N.Y.
Rosenthal
Roybal
Rumsfeld
Ryan
St Germain
Scheuer
Schneebeli
Smith, Iowa
Teague, Calif.
Tenzer
Thompson, N.J.
Tiernan
Tunney
Udall
Van Deerlin
Vander Jagt
Vanik
Waldie
Whalen
Wilson, Charles H.
Yates

NOT VOTING—42

Abbitt
Annunzio
Bates
Bolling
Broomfield
Brown, Calif.
Celler
Collier
Dawson
Dickinson
Dwyer
Fountain
Green, Oreg.
Halleck
Hardy
Harrison
Harsha
Hébert
Heckler, Mass.
Hosmer
Hungate
Jonas
Jones, Ala.
King, Calif.
King, N.Y.
Kuykendall
Lukens
Martin
Mathias, Md.
Michel
Multer
Reinecke
Resnick
St. Onge
Scott
Sikes
Sisk
Stratton
Talcott
Watson
Williams, Miss.
Willis

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Halleck.
Mr. Annunzio with Mr. Bates.
Mr. St. Onge with Mrs. Dwyer.
Mr. Celler with Mr. Mathias of Maryland.
Mr. Fountain with Mr. Broomfield.
Mr. Stratton with Mr. Hosmer.
Mr. Resnick with Mr. Dawson.
Mr. Hardy with Mr. Martin.
Mr. Willis with Mr. Lukens.
Mr. Abbitt with Mr. Collier.
Mr. Sikes with Mr. Scott.
Mr. Brown of California with Mr. Reinecke.
Mr. Sisk with Mr. Watson.
Mr. Williams of Mississippi with Mr. Harsha.
Mr. Jones of Alabama with Mr. Dickinson.
Mr. King of California with Mr. Harrison.
Mr. Multer with Mr. Talcott.
Mrs. Green of Oregon with Mrs. Heckler of Massachusetts.
Mr. Hungate with Mr. Jonas.
Mr. Kuykendall with Mr. King of New York.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

TO OFFICIALLY RECOGNIZE THE 150TH ANNIVERSARY OF THE ADMISSION OF THE STATE OF ILLINOIS TO THE UNION

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the Senate concurrent resolution (S. Con. Res. 43), and ask for its immediate consideration.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 43

Whereas the State of Illinois proudly entered the Federal Union as the twenty-first State on the 3d day of December 1818; and

Whereas from that day the people of Illinois have joined together to maintain, defend, and enlarge the free institutions upon which our Nation is founded, and to develop the resources of the State for the benefit of its people and the Nation; and

Whereas generations of its citizens have renewed their historic dedication to the principles of the Republic; and

Whereas the inspiring example set by its greatest citizen has evoked the admiration of the world and has caused the State to adopt the slogan "Land of Lincoln": Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress of the United States hereby recognizes and commends the year-long celebration to be held in the State of Illinois, commencing in December 1967, and extending to the one hundred and fiftieth anniversary of the admission of the State of Illinois to the Union in December 1968; and be it further

Resolved, That the Congress of the United States extends its most cordial greetings and warmest congratulations to the citizens of the State of Illinois upon the occasion of the celebration of its sesquicentennial anniversary.

Mr. GROSS. Mr. Speaker, will the gentleman from Colorado yield?

Mr. ROGERS of Colorado. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I have one quick question to ask: Is this going to cost the taxpayers of the United States any money?

Mr. ROGERS of Colorado. Not one cent.

Mr. McCLORY. Mr. Speaker, the State of Illinois was admitted to the Union on December 3, 1818. Accordingly, the 150th or sesquicentennial anniversary will be celebrated throughout the year commencing on December 3, 1967.

The phenomenal growth of the State of Illinois and the many contributions by its citizens to the Union during the 150 years intervening since Illinois became the 21st State will be recounted during the year ending December 3, 1968, which is Illinois 150th birthday.

Mr. Speaker, it is fitting that the Congress should extend its greetings and good wishes by means of this concurrent resolution. It is gratifying to me and to my Illinois colleagues as well as to all of the citizens of Illinois to receive this official recognition and to accept the Congress warmest congratulations.

The SPEAKER pro tempore. The question is on the Senate concurrent resolution.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks and to include extraneous matter on the Senate concurrent resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT H.R. 13893, FOREIGN ASSISTANCE APPROPRIATIONS, 1968

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on H.R. 13893, a bill making appropriations for foreign assistance for the fiscal year ending June 30, 1968, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

BACK-DOOR SPENDING

Mr. MILLS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. Mr. Speaker, this fall in connection with the Ways and Means Committee consideration of the proposed tax surcharge and elsewhere I have on several occasions expressed my views on the need for expenditure controls. I have urged expenditure cuts for fiscal 1968. I have urged limiting controllable expenditures in 1969 to current levels. I have urged longer run expenditure control through appointment of a Government Program Evaluation Commission to examine the effectiveness of both present and proposed programs in terms of their costs and benefits and in this manner to aid us in establishing relative priorities among different Federal activities.

But it is not my purpose at this time to express again my views on the need for these direct expenditure controls. I have spoken at length on this subject in recent weeks. Instead I want to speak briefly on another type of spending which usually is not thought of as spending at all. I am referring to what I call back-door spending. What I would like to emphasize is that the expenditures we turn away from the front door we must not allow to enter through the back door. If we decide that certain programs, however worthy their purpose, cannot be financed at this time by increased spending, because other needs have priority, we should not then turn around and sanction some form of indirect subsidy—in the form of special tax relief—for these programs.

Lately it apparently is tax credits which are in vogue. They are riding a rising crest of popularity as a means of providing a subsidy—or incentive as it is sometimes called—for programs we apparently do not quite want to face as direct expenditure programs. A tax credit for a given expenditure would, of course, allow the taxpayer to reduce his Federal income tax by the amount of, or a percentage of, the expenditure. The expenditure would then cost the taxpayer nothing, or at best only a percentage of what it would otherwise be. The burden of the expense would be borne by reduced Government tax revenues, which is another way of saying that it would be borne by the rest of the Nation's taxpayers.

Bills now pending before the Ways and Means Committee propose tax credits for a whole host of programs almost all of which most of us would agree would constitute worthwhile expenditure programs if our revenues were unlimited. They include credits for charitable contributions to institutions of higher learning, for all education expenses, for secondary education expenses, for the cost of installing underground electrical transmission lines, for the cost of providing employment opportunities in urban poverty areas, for the cost of developing gold-mining property, for the cost of erecting housing in urban poverty areas, for the expense of establishing job-producing business firms in rural areas, for the additional costs attributable to employing older persons, for the cost of air and water pollution control equipment, for the cost of potash mining equipment, for the amount of political contributions, for State and local school taxes, for State and local income taxes, and for the cost of employee training programs. Clearly, if we were to enact tax credits for all these programs there would be a catastrophic loss of revenue and it would be necessary to raise taxes generally just to maintain receipts at existing levels. Moreover, enactment of these credits would merely whet appetites for a legion of other credits.

It is important to note that these proposed new tax credits differ in fundamental respects from the tax credits that we now have in the law. The existing foreign tax credit, for example, is intended to prevent the double tax burden which would otherwise result if U.S. companies operating abroad had to pay both U.S. taxes and foreign taxes on the same foreign income. The tax credit in this case is allowed U.S. firms to the extent the foreign income taxes paid on their foreign income do not exceed their U.S. taxes on this income. This tax credit is not designed to favor foreign investment by U.S. firms but rather to prevent the discrimination against foreign-earned income which would otherwise result from a double tax burden.

Another example is the present retirement income credit. This credit, although there may be problems with it, also is designed to have an equalizing effect. Its purpose is to equalize the tax liabilities of retired persons who rely on dividends, interest and taxable pensions, for their retirement income, with the liabilities of those retired persons who receive tax-exempt social security and railroad retirement benefits. In the absence of the credit and given the present treatment of social security income, retired persons with only dividends, interest and taxable pensions would be more heavily taxed than other retired persons who had an equal amount of income derived in part at least from social security benefits.

The 7-percent investment credit is probably the one existing credit which most nearly resembles the proposed credits and serious questions can be, and have been, raised with respect to it. Nevertheless, this credit at least is general in its application; and does not single out a specific type of investment for special treatment. All taxpayers who install new tangible personal property with an expected useful life of 4 years or more for use in a domestic business receive the credit regardless of the nature of the property and regardless of the nature of their business or its location. Furthermore, the credit has a broad economic purpose rather than a specific social or regional objective. It is intended to encourage a sufficient volume of business investment so that the economy's rate of growth can be sustained at high levels. The tax credit proposals I refer to have much narrower objectives. They are not designed to encourage more investment generally but rather to encourage more investment in specific types of property, types of services, or areas of the Nation.

I have no quarrel with the good intentions of those who propose tax credits for one type of expenditure or another. I know they feel very strongly that the programs for which they would provide the credits should be undertaken now even though, for one reason or another, they do not choose to seek expenditure programs for these purposes. I want to point out, however, that the grant of these tax credits has precisely the same effect on the budget as an outright expenditure. The only difference is they appear as a negative receipt rather than as an expenditure. The grant of the additional tax credits increases the size of the budget deficit just as surely as an additional expenditure. That is why I refer to the tax credits as back-door spending. That is why it would do us no good to have expenditure control if the advocates of spending programs need only to run around to the back door to achieve much the same result by tax credits.

Additional tax credits would also have the same impact on the economy as additional expenditures. Since expenditures on the part of private persons would be necessary to earn the credits, demands on available resources would be increased and inflationary pressures increased. Those who advocate these credits should well note the fact that a tax credit which reduces budget receipts is just as likely to force a general tax increase as appropriations for direct expenditure.

Tax credits have other features which I believe actually make them less desirable than expenditure increases. Budgeted expenditures at least receive some review every year and the expenditures made are audited periodically. We do not have enough control over the expenditure programs in my estimation, but at least we have some. The Congress and the public, through the budget, are regularly reminded of the level of such expenditures and can very readily obtain information concerning their nature. On the other hand, once enacted, an income tax credit is not subject to annual review. Furthermore, it is very difficult to discover exactly what private spending is being offset by credits and who therefore is being given the greatest benefit by provision of the credit.

The cost of tax credits is hidden. There is no line in the receipt side of the budget which informs us what tax receipts would be in the absence of the various tax credits. It is true that the Internal Revenue Service eventually can provide some of this information, but the information is so late, so piecemeal and in such a form that it is very difficult to place the information in proper perspective. Furthermore, the information in any event cannot be considered in the context of the budget for the year in question.

I have no doubt that there are many instances where appropriated funds have been used inefficiently. In part this is my reason for proposing a Government Program Evaluation Commission. By and large, however, Federal expenditures at least are spent in ways that further the objective of the program under which they were appropriated. By way of contrast, a large proportion of the Federal tax receipts given up in the form of a tax credit are very often wasted in the sense that they do not result in any increase in expenditures for the desired purpose. For example, if a tax credit were granted for college tuition payments, presumably the objective would be to make sure that all worthy students receive a college education. In this sense, most of the tax credit would be wasted because most of the benefit of the credit would go to families that would finance a college education for their sons and daughters in the absence of the credit. At the same time, the credit would be of no help to those persons whose exemptions and deductions are so high relative to their income that they have no tax. Its impact, in terms of encouraging more worthy students to attend college, would, therefore, be confined to the relatively few cases where the tax relief afforded by the credit provided just enough extra funds to make it possible to finance a college education.

This last point is one of the more basic objections to the proliferation of tax credits. Most of the benefit of these credits go to business firms or individuals who would have undertaken the desired expenditures even if no credit were available. For these taxpayers the credit provides a windfall. Unfortunately, we have no way of determining in advance what proportion of the amount of any given tax credit will be absorbed by such a windfall. We can be reasonably certain in every case, however, that the amount exceeds the waste that would be incurred under a program of direct expenditures. To put it another way, the increase in expenditures for the particular purpose that results from a tax credit could be achieved at a much lower cost in terms of the impact on the budget deficit if the additional investment were financed through direct expenditures. The expenditures could more readily be channeled only to those who would not otherwise undertake the activity.

As we look ahead to discover ways in which we can keep the budget within reasonable limits, we must not fail to direct a critical eye to the proposals which would give tax credits to those who make certain expenditures. Acceptance of these proposals for back door spending even more than proposals for outright Government expenditures postpones the day when it will be possible to travel again down the road of further Federal tax reduction and greater reliance on the private sector of the economy.

CRIME AND CRIMINAL PROCEDURE IN THE DISTRICT OF COLUMBIA

Mr. WHITENER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 10783) relating to crime and criminal procedure in the District of Columbia, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"TITLE I

"Sec. 101. Section 397 of the Revised Statutes of the United States, relating to the District of Columbia (D.C. Code, sec. 4–140), is amended to read as follows:

" 'Sec. 397. (a) An officer or member of the Metropolitan Police force may arrest without a warrant and take into custody any person who commits, or threatens or attempts to commit, in the presence of, or within the view of, such officer or member any breach of the peace or offense directly prohibited by an Act of Congress or by any other law in force in the District.

" '(b) An officer or member of the Metropolitan Police force may arrest a person without a warrant if he has probable cause to believe that such person (1) has committed or is about to commit any offense listed in subsection (c) of this section, and (2) unless immediately arrested, may not be apprehended, may cause injury to others or damage to property, or may tamper with, dispose of, or destroy evidence.

" '(c) The offenses referred to in subsection (b) of this section are—

" '(1) those offenses specified in the following sections of the Act of March 3, 1901: Section 806 (relating to assault) (D.C. Code, sec. 22–504), section 824 (relating to unlawful entry) (D.C. Code, sec. 22–3102), and section 829 (relating to receiving stolen goods) (D.C. Code, sec. 22–2205); and

" '(2) attempts to commit the offenses specified in the following sections of the Act of March 3, 1901: Section 823 (relating to housebreaking) (D.C. Code, sec. 22–1801), section 826 (relating to grand larceny) (D.C. Code, sec. 22–2201), and section 826b (relating to unauthorized use of vehicles) (D.C. Code, sec. 22–2204.)'

"TITLE II

"Sec. 201. Section 927 of the Act entitled 'An Act to establish a code of law for the District of Columbia', approved March 3, 1901 (D.C. Code, sec. 24–301), is amended by adding at the end thereof the following new subsections:

" '(i) When a person has been ordered confined in a hospital for the mentally ill pursuant to this section and has escaped from such hospital, the court which ordered confinement shall, upon request of the Government, order the return of the escaped person to such hospital. The return order shall be effective throughout the United States. Any Federal judicial officer within whose jurisdiction the escaped person shall be found shall, upon receipt of the return order issued by the committing court, cause such person to be apprehended and delivered up for return to such hospital.

" '(j) Insanity shall not be a defense in any criminal proceeding in the United States District Court for the District of Columbia or in the District of Columbia court of general sessions, unless the accused or his attorney in such proceeding, at the time the accused enters his plea of not guilty or within fifteen days thereafter or at such later time as the court may for good cause permit, files with the court and serves upon the prosecuting attorney written notice of his intention to rely on such defense.'

"TITLE III

"Sec. 301. (a) Any person arrested in the District of Columbia may be questioned with respect to any matter for a period not to exceed three hours immediately following his arrest. Such person shall be advised of and accorded his rights under applicable law respecting any such interrogation. In the case of any such arrested person who is released without being charged with a crime, his detention, shall not be recorded as an arrest in any official record.

"(b) Any statement, admission, or confession made by an arrested person within three hours immediately following his arrest shall not be excluded from evidence in the courts of the District of Columbia solely because of delay in presentment.

"TITLE IV

"Sec. 401. Section 862 of the Act entitled 'An Act to establish a code of law for the District of Columbia', approved March 3, 1901 (D.C. Code, sec. 22–703), is amended to read as follows:

" 'Sec. 862. (a) Whoever corruptly, by threats or force, endeavors to influence, intimidate, or impede any juror, witness, or officer in any court in the District in the discharge of his duties, or, by threats or force, in any other way obstructs or impedes or endeavors to obstruct or impede the due administration of justice therein, or whoever willfully endeavors by means of bribery, misrepresentation, intimidation, or force or threats of force, to obstruct, delay, or prevent the communication to an investigator of the District of Columbia government by any person of information relating to a violation of any criminal statute in effect in the District of Columbia, or injures any person or his property on account of the giving by such person or by any other person of such information to any such investigator in the course of the conduct of any criminal investigation, shall be fined not more than $1,000 or be imprisoned not more than three years, or both.

" '(b) As used in this section, the term "criminal investigation" means an investigation relating to a violation of any criminal statute in effect in the District of Columbia, and the term "investigator" means an individual duly authorized by the Commissioner or his designated agent to conduct or engage in such an investigation.'

"TITLE V

"Sec. 501. The definition of 'crime of violence' contained in section 1 of the Act entitled 'An Act to control the possession, sale, transfer, and use of pistols and other dangerous weapons in the District of Columbia, to provide penalties, to prescribe rules of evidence, and for other purposes', approved July 8, 1932 (D.C. Code, sec. 22–3201), is amended by inserting immediately after 'burglary,' the following: 'robbery,'.

"TITLE VI

"Sec. 601. Section 803 of the Act entitled 'An Act to establish a code of law for the District of Columbia', approved March 3, 1901 (D.C. Code, sec. 22–501), is amended by inserting immediately after 'for not' the following: 'less than two years or'.

"Sec. 602. Section 823 of the Act entitled 'An Act to establish a code of law for the District of Columbia', approved March 3, 1901 (D.C. Code, sec. 22–1801), is amended to read as follows:

" 'Sec. 823. Burglary.—(a) Whoever shall, either in the nighttime or in the daytime, break and enter, or enter without breaking, any dwelling, or room used as a sleeping apartment in any building, with intent to break and carry away any part thereof, or any fixture or other thing attached to or connected thereto or to commit any criminal offense, shall, if any person is in any part of such dwelling or sleeping apartment at the time of such breaking and entering, or entering without breaking, be guilty of burglary in the first degree. Burglary in the first degree shall be punished by imprisonment for not less than five years nor more than thirty years.

" '(b) Except as provided in subsection (a) of this section, whoever shall, either in the night or in the daytime, break and enter, or enter without breaking, any dwelling, bank, store, warehouse, shop, stable, or other building or any apartment or room, whether at the time occupied or not, or any steamboat, canalboat, vessel, or other watercraft, or railroad car or any yard where any lumber, coal, or other goods or chattels are deposited and kept for the purpose of trade, with intent to break and carry away any part thereof or any fixture or other thing attached to or connected with the same, or to commit any criminal offense, shall be guilty of burglary in the second degree. Burglary in the second degree shall be punished by imprisonment for not less than two years nor more than fifteen years.'

"Sec. 603. Section 810 of the Act entitled 'An Act to establish a code of law for the District of Columbia', approved March 3, 1901 (D.C. Code, sec. 22–2901), is amended by striking out 'six months' and inserting in lieu thereof 'two years'.

"Sec. 604. Section 869e of the Act entitled 'An Act to establish a code of law for the District of Columbia', approved March 3, 1901 (D.C. Code, sec. 22–1513), is amended by adding the following new subsection at the end thereof:

" '(f) Nothing in this section shall be construed to prohibit the giving or offering of any bonus or extra compensation to any manager, coach, or professional player, or to any league, association, or conference for the purpose of encouraging such manager, coach or player to a higher degree of skill, ability, or diligence in the performance of his duties.'

"Sec. 605. Section 2 of the Act entitled 'An Act to control the possession, sale, transfer, and use of pistols and other dangerous weapons in the District of Columbia, to provide penalties, to prescribe rules of evidence, and for other purposes', approved July 8, 1932 (D.C. Code, sec. 22–3202), is amended to read as follows:

" 'Sec. 2. If any person shall commit a crime of violence in the District of Columbia when armed with or having readily available any pistol or other firearm, or other dangerous or deadly weapon, including but not limited to, sawed-off shotgun, shotgun, machinegun, rifle, dirk, bowie knife, butcher knife, switchblade knife, razor, blackjack, billy, metallic or other false knuckles, he may in addition to the punishment provided for the crime be punished by imprisonment for an indeterminate number of years up to life as determined by the court. If a person is convicted more than once of having committed a crime of violence in the District of Columbia when armed with or having readily available any pistol or other firearm, or other dangerous or deadly weapon, including but not limited to, sawed-off shotgun, shotgun, machinegun, rifle, dirk, bowie knife, butcher knife, switchblade knife, razor, blackjack, billy, metallic or other false knuckles then, notwithstanding any other provision of law, the court shall not suspend his sentence or give him a probationary sentence.'

"Sec. 606. Section 872 of the Act entitled 'An Act to establish a code of law for the District of Columbia', approved March 3, 1901 (D.C. Code, sec. 22–2001), is amended to read as follows:

" 'Sec. 872. Obscenity.—(a) (1) It shall be unlawful in the District of Columbia for a person knowingly—

" '(A) to sell, deliver, distribute, or provide, or offer or agree to sell, deliver, distribute, or provide any obscene, indecent, or filthy writing, picture, sound recording, or other article or representation;

" '(B) to present, direct, act in, or otherwise participate in the preparation or presentation of, any obscene, indecent, or filthy play, dance, motion picture, or other performance;

" '(C) to pose for, model for, print, record, compose, edit, write, publish, or otherwise participate in preparing for publication, exhibition, or sale, any obscene, indecent, or filthy writing, picture, sound recording, or other article or representation;

" '(D) to sell, deliver, distribute, or provide, or offer or agree to sell, deliver, distribute or provide any article, thing, or device which is intended for or represented as being for indecent or immoral use;

" '(E) to create, buy, procure, or possess any matter described in the preceding subparagraphs of this paragraph with intent to disseminate such matter in violation of this subsection;

" '(F) to advertise or otherwise promote the sale of any matter described in the preceding subparagraphs of this paragraph; or

" '(G) to advertise or otherwise promote the sale of material represented or held out by such person to be obscene.

" '(2) (A) For purposes of subparagraph (E) of paragraph (1) of this subsection, the creation, purchase, procurement, or possession of a mold, engraved plate, or other embodiment of obscenity specially adapted for reproducing multiple copies or the possession of more than three copies, of obscene, indecent, or filthy material shall be prima facie evidence of an intent to disseminate such material in violation of this subsection.

" '(B) For purposes of paragraph (1) of this subsection, the term "knowingly" means having general knowledge of, or reason to know, or a belief or ground for belief which warrants further inspection or inquiry of, the character and content of any article, thing, device, performance, or representation described in paragraph (1) of this subsection which is reasonably susceptible of examination.

" '(3) When any person is convicted of a violation of this subsection, the court in its judgment of conviction may, in addition to the penalty prescribed, order the confiscation and disposal of any materials described in paragraph (1), which were named in the charge against such person and which were found in the possession or under the control of such person at the time of his arrest.

" '(b) (1) It shall be unlawful in the District of Columbia for any person knowingly—

" '(A) to sell, deliver, distribute, or provide, or offer or agree to sell, deliver, distribute, or provide, to a minor—

" '(i) any picture, photograph, drawing, sculpture, motion picture film, or similar visual representation or image of a person or portion of the human body, which depicts nudity, sexual conduct, or sado-masochistic abuse and which taken as a whole is patently offensive because it affronts prevailing standards in the adult community as a whole with respect to what is suitable material for minors; or

" '(ii) any book, magazine, or other printed matter however reproduced or sound recording, which depicts nudity, sexual conduct, or sado-masochistic abuse or which contains explicit and detailed verbal descriptions or narrative accounts of sexual excitement, sexual conduct, or sado-masochistic abuse and which taken as a whole is patently offensive because it affronts prevailing standards in the adult community as a whole with respect to what is suitable material for minors; or

" '(B) to exhibit to a minor, or to sell or provide to a minor an admission ticket to, or pass to, or to admit a minor to, premises whereon there is exhibited a motion picture, show, or other presentation which, in whole or in part, depicts nudity, sexual conduct, or sado-masochistic abuse and which taken as a whole is patently offensive because it affronts prevailing standards in the adult community as a whole with respect to what is suitable material for minors.

" '(2) For purposes of paragraph (1) of this subsection:

" '(A) The term "minor" means any person under the age of seventeen years.

"'(B) The term "nudity" includes the showing of the human male or female genitals, pubic area or buttocks with less than a full opaque covering, or the showing of the female breast with less than a full opaque covering of any portion thereof below the top of the nipple, or the depiction of covered male genitals in a discernibly turgid state;

"'(C) The term "sexual conduct" includes acts of sodomy, masturbation, homosexuality, sexual intercourse, or physical contact with a person's clothed or unclothed genitals, pubic area, buttocks, or, if such person be a female, breast.

"'(D) The term "sexual excitement" includes the condition of human male or female genitals when in a state of sexual stimulation or arousal.

"'(E) The term "sado-masochistic abuse" includes flagellation or torture by or upon a person clad in undergarments or a mask or bizarre costume, or the condition of being fettered, bound, or otherwise physically restrained on the part of one so clothed.

"'(F) The term "knowingly" means having a general knowledge of, or reason to know, or a belief or ground for belief which warrants further inspection or inquiry or both of—

"'(i) the character and content of any material described in paragraph (1) of this subsection which is reasonably susceptible of examination by the defendant; and

"'(ii) the age of the minor.

"'(c) It shall be an affirmative defense to a charge of violating subsection (a) or (b) of this section that the dissemination was to institutions or individuals having scientific, educational, or other special justification for possession of such material.

"'(d) Nothing in this section shall apply to a licensee under the Communications Act of 1934 while engaged in activities regulated pursuant to such Act.

"'(e) A person convicted of violating subsection (a) or (b) of this section shall for the first offense be fined not more than $3,000 or imprisoned not more than one year, or both. A person convicted of a second or subsequent offense under subsection (a) or (b) of this section shall be fined not less than $1,000 nor more than $5,000, or imprisoned not less than six months or more than three years, or both.'

"Sec. 607. Section 825a of the Act entitled 'An Act to establish a code of law for the District of Columbia', approved March 3, 1901 (D.C. Code, sec. 22–3105), is amended by striking out 'or by imprisonment not exceeding ten years.' and inserting in lieu thereof the following: 'and by imprisonment for not less than two years or more than ten years.'.

"Sec. 608. Whoever shall make or cause to be made to the Metropolitan Police force of the District of Columbia, or to any officer or member thereof, a false or fictitious report of the commission of any criminal offense within the District of Columbia, or a false or fictitious report of any other matter or occurrence of which such Metropolitan Police force is required to receive reports, or in connection with which such Metropolitan Police force is required to conduct an investigation, knowing such report to be false or fictitious; or who shall communicate or cause to be communicated to such Metropolitan Police force, or any officer or member thereof, any false information concerning the commission of any criminal offense within the District of Columbia or concerning any other matter or occurrence of which such Metropolitan Police force is required to receive reports, or in connection with which such Metropolitan Police force is required to conduct an investigation, knowing such information to be false, shall be punished by a fine of not exceeding $300 or by imprisonment not exceeding thirty days.

"TITLE VII

"Sec. 701. Section 10 of the Act of March 3, 1933 (D.C. Code, sec. 23–610), is amended by inserting '(a)' immediately after 'Sec. 10.', and by adding the following new subsections:

"'(b) An officer or member of the Metropolitan Police force who, in accordance with section 397 of the Revised Statutes of the United States, relating to the District of Columbia, arrests without a warrant a person for committing a misdemeanor may, instead of taking him into custody, issue a citation requiring such person to appear before an official of the Metropolitan Police force designated under subsection (a) of this section to act as a clerk of the District of Columbia Court of General Sessions.

"'(c) Whenever a person is arrested without a warrant for committing a misdemeanor and is booked and processed pursuant to law, an official of the Metropolitan Police force designated under subsection (a) of this section to act as a clerk of the District of Columbia Court of General Sessions may issue a citation to him for an appearance in court or at some other designated place, and release him from custody.

"'(d) No citation may be issued under subsection (b) or (c) of this section unless the person authorized to issue the citation has reason to believe that the arrested person will not cause injury to persons or damage to property and that he will make an appearance in answer to the citation.

"'(e) Whoever willfully fails to appear as required in a citation, shall be fined not more than the maximum provided for the misdemeanor for which such citation was issued or imprisoned for not more than one year, or both. Prosecution under this subsection shall be by the prosecuting officer responsible for prosecuting the offense for which the citation is issued.'

"Sec. 702. (a) Section 2 of the Act entitled 'An Act to establish the District of Columbia Bail Agency, and for other purposes' approved July 26, 1966 (80 Stat. 327) is amended to read as follows:

"'Sec. 2. There is hereby created for the District of Columbia the District of Columbia Bail Agency (hereinafter referred to as the "agency") which shall secure pertinent data and provide for any judicial officer in the District of Columbia or any officer or member of the Metropolitan Police force issuing citations, reports containing verified information concerning any individual with respect to whom a bail or citation determination is to be made.'

"(b)(1) Section 4 of such Act is amended by redesignating subsections (d) and (e) as subsections (e) and (f), respectively, and by inserting the following new subsection after subsection (c):

"'(d) The agency, when requested by a member or officer of the Metropolitan Police force acting pursuant to court rules governing the issuance of citations in the District of Columbia, shall furnish to such member or officer a report as provided in subsection (a).'

"(2) The second sentence of subsection (f) of such section 4 (as so redesignated by paragraph (1) of this subsection) is amended by inserting ', including requiring the execution of a bail bond with sufficient solvent sureties,' immediately after 'such conditions'.

"TITLE VIII

"Sec. 801. (a) Section 5024 of title 18, United States Code, is amended by striking out ', and to youth offenders convicted in the District of Columbia of offenses under any law of the United States not applicable exclusively to such District and to other youth offenders convicted in the District to the extent authorized under section 5025.' and inserting in lieu thereof the following: 'and in the District of Columbia.'

"(b) Section 5025 of such title is amended to read as follows:

"'§ 5025. Applicability to the District of Columbia

"'(a) The Commissioner of the District of Columbia is authorized to provide facilities and personnel for the treatment and rehabilitation of youth offenders convicted of violations of any law of the United States applicable exclusively to the District of Columbia or to contract with the Director of the Bureau of Prisons for their treatment and rehabilitation, the cost of which may be paid from the appropriation for the District of Columbia.

"'(b) When facilities of the District of Columbia are utilized by the Attorney General for the treatment and rehabilitation of youth offenders convicted of violations of laws of the United States not applicable exclusively to the District of Columbia, the cost shall be paid from the "Appropriation for Support of United States Prisoners".

"'(c) All youth offenders committed to institutions of the District of Columbia shall be under the supervision of the Commissioner of the District of Columbia, and he shall provide for the maintenance, treatment, rehabilitation, supervision, conditional release, and discharge in conformity with the objectives of this chapter.'

"(c) The table of sections of chapter 402 of such title is amended by striking out the item relating to section 5025 and inserting in lieu thereof the following:

"'5025. Applicability to the District of Columbia.'

"Sec. 802. Section 4122 of title 18, United States Code, is amended—

"(1) by inserting in subsection (d) '(1)' immediately after '(d)',

"(2) by amending subsection (e) by striking out '(e)' and inserting in lieu thereof '(2)', and by striking out 'subsection (d) of this section' and inserting in lieu thereof 'paragraph (1) of this subsection', and

"(3) by adding at the end the following new subsection:

"'(e)(1) The provisions of this chapter shall apply to the industrial employment and training of prisoners confined in any penal or correctional institution under the direction of the Commissioner of the District of Columbia to the extent and under terms and conditions agreed upon by the Commissioner, the Attorney General, and the Board of Directors of Federal Prison Industries.

"'(2) The Commissioner of the District of Columbia may, without exchange of funds, transfer to the Federal Prison Industries any property or equipment suitable for use in performing the functions and duties covered by an agreement entered into under subsection (e)(1) of this section.

"'(3) Nothing in this chapter shall be construed to affect the provisions of the Act approved October 3, 1964 (D.C. Code, sections 24–451 et seq.), entitled "An Act to establish in the Treasury a correctional industries fund for the government of the District of Columbia, and for other purposes."'

"Sec. 803. (a) Section 15–714(a) of the District of Columbia Code is amended to read as follows:

"'(a) The fees and travel allowances to be paid any witness attending in a criminal case in the District of Columbia Court of General Sesssions shall be the same as those paid to witnesses who attend before the United States District Court for the District of Columbia.'

"(b) Section 15–716 of the District of Columbia Code is amended by striking 'not exceeding $500 at any one time,'.

"TITLE IX

"Sec. 901. (a) A riot in the District of Columbia is a public disturbance involving an assemblage of five or more persons which by tumultuous and violent conduct or the threat thereof creates grave danger of damage or injury to property or persons.

"(b) Whoever willfully engages in a riot in the District of Columbia shall be punished by imprisonment for not more than one year or a fine of not more than $1,000, or both.

"(c) Whoever willfully incites or urges other persons to engage in a riot shall be punished by imprisonment for not more than one year or a fine of not more than $1,000, or both.

"(d) If in the course and as a result of a riot a person suffers serious bodily harm or there is property damage in excess of $5,000, every person who willfully incited or urged others to engage in the riot shall be punished by imprisonment for not more than ten years or a fine of not more than $10,000, or both.

"TITLE X

"Sec. 1001. Creation of Commission.—The Commission on Revision of the Criminal Laws of the District of Columbia is hereby established.

"Sec. 1002. Membership of Commission.—The Commission shall be composed of eleven members, as follows:

"(1) Two Members of the Senate appointed by the President of the Senate;

"(2) Two Members of the House of Representatives appointed by the Speaker of the House of Representatives;

"(3) Four members appointed by the Commissioner of the District of Columbia one of whom the Commissioner shall designate as Chairman;

"(4) (a) One circuit judge appointed by the Chief Judge of the United States Court of Appeals for the District of Columbia Circuit;

"(b) One district judge appointed by the Chief Judge of the United States District Court for the District of Columbia; and

"(c) One general sessions judge appointed by the Chief Judge of the District of Columbia Court of General Sessions.

"Sec. 1003. Functions of the Commission.—The Commission shall make a full and complete review and study of the statutory and case law applicable in the District of Columbia for the purpose of formulating and recommending to the Congress a revised code of criminal law and procedure for the District of Columbia. The Commission shall include in its recommendations proposals for the repeal of unnecessary or undesirable statutes and such changes in the penalty structure as the Commission may feel will better serve the ends of justice.

"Sec. 1004. Compensation of Members of the Commission.—(a) Members of Congress and members of the executive and judicial branches of the Federal or District of Columbia governments who are members of the Commission shall serve without compensation in addition to that received for their services in such other branch of government; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of duties vested in the Commission.

"(b) Members from private life shall each receive $100 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

"Sec. 1005. Advisory Committee.—(a) The Commission shall have the power to appoint an advisory committee, the functions of which shall include advising, counseling, proffering to the Commission appropriate recommendations, and the performance of such other functions, not inconsistent with the purposes of this title, as may be assigned to it by the Commission.

"(b) Members of the advisory committee shall not be deemed to be officers or employees of the United States by virtue of such service and shall receive no compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them by virtue of such service to the Commission.

"Sec. 1006. Staff of the Commission.—The Chairman of the Commission is authorized to appoint and fix the compensation of such personnel as he deems necessary to carry out the Commission's functions. He is also authorized to procure services to the same extent as is authorized for the executive departments by section 3109 of title 5, United States Code, at rates not to exceed $100 per diem for individuals.

"Sec. 1007. Cooperation by Department and Agencies.—The Commission is authorized to request from any department, agency, or independent instrumentality of the Government any information and assistance it deems necessary to carry out its functions under this title; and each such department, agency, or instrumentality is authorized to cooperate with the Commission and, to the extent permitted by law, to furnish such information and assistance to the Commission upon request made by the Chairman or any other member when acting as Chairman.

"Sec. 1008. Report of the Commission; Termination.—The Commission shall submit interim reports to the Commissioner of the District of Columbia and the Congress at such times as the Commission may deem appropriate, and in any event within two years after the date of this enactment, and shall submit its final report within three years after the date of enactment. The Commission shall cease to exist sixty days after the date of the submission of its final report.

"Sec. 1009. Authorized Appropriation.—There is hereby authorized to be appropriated to the District of Columbia out of any money in the Treasury not otherwise appropriated such sum, not to exceed $150,000, as may be necessary to carry out the purposes of this title.

"TITLE XI

"Sec. 1101. Whoever, prior to the date of enactment of this Act, commits any act or engages in any conduct which constitutes an offense under provision of law amended by this Act, shall be sentenced in accordance with the law in effect on the date he commits such acts or engages in such conduct.

"Sec. 1102. If any provision of or any amendment made by this Act or the application thereof to any person or circumstance is held invalid, the other provisions of or other amendments made by this Act and the application of such provisions and amendments to other persons or circumstances shall not be affected thereby."

Mr. WHITENER (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the Senate amendment be dispensed with and that it be printed in the Record.

The SPEAKER pro tempore (Mr. Albert). Is there objection to the request of the gentleman from North Carolina?

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object, would the gentleman from North Carolina explain the content of the Senate amendment, and the reason for this procedure?

Mr. WHITENER. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from North Carolina.

Mr. WHITENER. Mr. Speaker, this legislation is the so-called omnibus crime bill for the District of Columbia which was passed in the House some time ago with very nearly a unanimous vote.

The Senate has made, within the amendment adopted by the Senate, several changes in the bill, none of which do we feel are adequate to justify our going to conference. If I may I will in a general way mention these changes:

First, is the new title which embraces an antiriot proposal similar to an antiriot bill which the Committee on the District of Columbia has recently had under consideration here in the House of Representatives.

Second, other significant changes were in a reduction of the mandatory punishment below the level fixed in the House for the crime of robbery or destruction of property with explosives.

Another change is in title III. The Senate has reduced the time permitted in the House version for detaining persons for questioning from 4 hours to 3 hours. This title is completely rewritten by the other body.

Another change is in title II of the House bill relating to the Durham rule, or the insanity provisions for criminal cases. The Senate has stricken the language of the House bill and inserted in lieu thereof the requirement that one who would plead mental incompetency in a criminal case must give notice of such plea, and that unless such notice is given within the time specified, the defense will not be available unless the court in the exercise of its discretion finds that the case should be deferred until the defendant has an opportunity to present that defense.

There has been a change in the title of the House bill relating to obscene literature, publications, and performances which Mr. Dowdy of Texas, the author of the original title in the House bill, is willing to accept for the present.

Mr. Speaker, I believe that in a general way those are the principal changes.

Mr. GERALD R. FORD. Mr. Speaker, would the gentleman from North Carolina indicate that these amendments are germane to the bill that was approved by the House?

Mr. WHITENER. If the gentleman will yield further, I would say that the nature of the House bill, the omnibus crime bill, was such that I believe that most any proposal that the Senate might have offered which would have had as its purpose the strengthening of the enforcement of the criminal laws in the District of Columbia, or improving the enforcement of the criminal laws of the District of Columbia, would probably have been germane.

It is a very broad-gaged piece of legislation. The Senate has not come up, in our opinion, with as strong a bill as the House bill.

But taking everything into account, I believe that the chairman of the Committee on the District of Columbia in the Senate is entitled to our commendation as to the result which he has obtained as compared to past efforts in this field.

I would say that I believe the House committee sent to the Senate a bill which would have deterred the criminal in his heretofore undeterred state in the District of Columbia, or so it seems to many of us. Even though we feel some disappointment that the other body has weakened several features of the bill I believe that we should accept it and look forward to further action in the future if that prove necessary. As author of this legislation, I express gratitude for the great support given me by my colleagues.

Mr. GERALD R. FORD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. WHITENER]?

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. WHITENER] to concur in the Senate amendment?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that during the remainder of this week it shall be in order to consider conference reports on the same day reported notwithstanding the provision of clause 2 of rule XXVIII.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. GROSS. Mr. Speaker, reserving the right to object, what conference reports does the gentleman anticipate would be covered by this?

Mr. ALBERT. There are three important ones, as the gentleman well knows—the foreign aid appropriation bill which will be filed tonight and which will probably not be covered by this—but there are the conference reports on the elementary and secondary education bill and on the supplemental appropriation bill still outstanding.

There are other minor ones that I know of but no major ones other than those.

Mr. GROSS. How many bills of major importance are there?

Mr. ALBERT. The only bills I consider, and of course other Members might consider other bills to be of major importance that stand between us and adjournment, are the social security amendments, which the House has passed, the aid to elementary and secondary education, the supplemental appropriation bill, and the foreign aid appropriation bill.

Those are the only ones that I know of.

Mr. GROSS. Will the gentleman give us all the notice that he possibly can so that we may have some information as to the nature of the conference report?

Mr. ALBERT. That is all I have.

Mr. GROSS. The gentleman's request is limited to conference reports; is it not?

Mr. ALBERT. The request is a simple request and all that it means is rather than have to lay over for 1 day, a conference report may be called up on the same day on which it is reported.

Mr. GROSS. The gentleman will give us all the prior notice that it is possible to give?

Mr. ALBERT. All that I possibly can.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

NO MAN IS ABOVE THE LAW

Mr. ICHORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ICHORD. Mr. Speaker—

> No man is above the law and no man is below it. No man is below the law and no man is above it.

These words were written by Dean Joseph O'Meara, dean of the Notre Dame Law School, in the December issue of the American Bar Association Journal.

There has been much discussion, both on the floor and off the floor, as to whether Mr. Stokely Carmichael should be prosecuted and as to whether the law is sufficient to sustain a prosecution and a conviction. Dean O'Meara discusses a possible prosecution under section 2388 of title 18 and section 462 of title 50 of the United States Code. If Mr. Carmichael is prosecuted, it will no doubt be a landmark case in the history of constitutional law, and I commend this article to the reading of Members.

The article is as follows:

"NO MAN IS ABOVE THE LAW"

(By Joseph O'Meara, dean of the Notre Dame Law School)

"No man is above the law and no man is below it"[1]—this was Theodore Roosevelt's magnificent capsule statement of the rule of law which served as the theme for Law Day 1967. Far more eloquent, however, is John Courtney Murray's expression of the meaning, the intent and the effect of the rule of law. "Western man", Father Murray says, "has sought in the idea of law a manifold redemption—from the arbitrary despotisms of uncontrolled power; from the threat or fact of injustice to his person and to his property; from dispossession of his human and his civil rights; from the degradation that ensues upon social inequalities destructive of his personal significance and worth . . . from the disruption of life by the irrational forces of passion, caprice, and chance that militate against the 'life of expectability,' . . . that is guaranteed by the rule of law."[2]

What would happen to these values, so highly prized by us, if Communist aggressors should carry the day? We are locked in mortal combat with them at this moment—in Vietnam. There, in that hot and distant land, we are waging an escalating war, a war that is horrible and tragic as all wars always have been.[3]

Why are we fighting a war in that faraway corner of the earth?[4] First of all, because we have made commitments, which have been and are being relied on; because we are not and cannot afford to become welshers.

We are fighting that war, moreover, to preserve the rule of law and the values it protects.

We are fighting that war, finally, as a matter of self-preservation. If we do not stop Communist aggression in Vietnam, where shall we stop it? After the Reds have engulfed or neutralized Indonesia? Overwhelmed the Philippines? Reduced or isolated Japan? Established a beachhead in Australia? Or shall we wait until they have landed in Central America or Mexico?

To stop the Communist aggressors *now*, while they are still far from our own shores. American men are dying in Vietnam; American women are losing their sons, husbands and sweethearts. At the same time there are many in this country who are fighting another and different war, a war against what is called our "involvement" in Vietnam. Some of these are motivated by strongly held moral principles. They are entitled to respect, and nothing I shall say is directed against them. To a considerable extent, however, I am persuaded that the objectors are either Communists[5] or cowards, or they are persons of large good will but little insight who have been euchred into being stooges,[6] or persons who are seeking some end of their own (ambition, revenge or whatever) at the expense of their country.

To be specific I am referring to Martin Luther King, Stokely Carmichael and others like them. Such persons are doing a disservice to the cause of civil rights by seeking to link the civil rights movement with their efforts to persuade young men to avoid military service.[7] Like other malefactors, they should be prosecuted. And that goes for anyone else—white or black—who is urging young men to "become" conscientious objectors—a vicious absurdity, which is nothing less than urging them to become hypocrites and perjurers. These men should be prosecuted, I repeat, and there is no excuse for not doing so. As the record shows, I profoundly believe that no man should be discriminated against because of his color. I am equally convinced that no man should be protected by his color.

What I have said may be denied indignantly. But the men I have named and others like them let the cat out of the bag. They give themselves away. For never once do they condemn the terrorist tactics of the North Vietnamese. Never once do they condemn Hanoi's rejection of all peace proposals, not only those put forward by the Administration but also those advanced by neutral powers, by the Secretary General of the United Nations and by the Vatican. Never once do they lament the suffering and death borne by our forces in Vietnam. These men weep only for the enemy.

Let them criticize, protest and condemn to their heart's content. To do so is their privilege under the First Amendment. But let it be understood that the Constitution gives no right to obstruct the war effort, as by attempting to persuade young men to refuse to bear arms for their country. Such attempts are a violation of two sections of the United States Code, namely, Title 18, Section 2388 and Title 50, Section 462, which provide as follows:

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[1] 38 CONG. REC. 3 (1903).

[2] MURRAY, WE HOLD THESE TRUTHS 155 (1960).

[3] The legality of the war was affirmed by the House of Delegates of the American Bar Association in February of 1966. The resolution was published in the April, 1966, issue of the JOURNAL (52 A.B.A.J. 392–393).

[4] *Cf.* columnist Roscoe Drummond as reported in The South Bend Tribune for September 14, 1967, at page 12: ". . . The basic premise of the U.S. defense of South Vietnam was set out by President Eisenhower as early as 1953. It was that it is vital to the national interest of the United States to arrest further Communist expansion-by-force in Asia following the Korean war. This was the position of the Eisenhower administration, of the Kennedy administration and is that of the Johnson administration."

[5] Secretary of State Dean Rusk, commenting on "Vietnam Week", is quoted by the New York Times for April 17, 1967, as saying: "I have no doubt at all that the Communist apparatus is very busy indeed in these operations all over the world and in our own country. I do not mean to say that all those who have objections to the war in Vietnam are Communists. But the worldwide Communist movement is working very hard on this."

[6] Many of them, unhappily, are teaching in our colleges and universities.

[7] This is the official position of the National Association for the Advancement of Colored People. See the New York Times for July 16, 1967, page 1, column 7.

Title 18, Section 2388(a):

Whoever, when the United States is at war, willfully causes or attempts to cause insubordination, disloyalty, mutiny, or refusal of duty, in the military or naval forces of the United States, or willfully obstructs the recruiting or enlistment service of the United States, to the injury of the service or the United States, or attempts to do so—

"Shall be fined not more than $10,000 or imprisoned not more than twenty years, or both."

Title 50, Section 462(a):

"Any member of the Selective Service System or any other person . . . who knowingly counsels, aids, or abets another to refuse or evade registration or service in the armed forces or any of the requirements of this title . . . shall, upon conviction in any district court of the United States of competent jurisdiction, be punished by imprisonment for not more than five years or a fine of not more than $10,000, or by both such fine and imprisonment. . . ."

Section 2388 is in full force and effect by virtue of Section 2391 of Title 18.[8] An examination of the relevant materials discloses that the national emergency referred to in Section 2391 has not been terminated.[9]

But is it true that these statutes, in fact, have been violated by Messrs. King and Carmichael and others like them? The Department of Justice appears to believe that no violation has occurred. To show that the department is mistaken, I shall take up, for now, only the case of Stokely Carmichael.

Consider some of Carmichael's recent utterances. Compare them with the language for which the defendants were convicted in *Schenck* v. *United States* [10] and *United States* v. *Miller*.[11]

To facilitate the comparison, I set out in Table I, the relevant language from *Schenck* (as described by Mr. Justice Holmes at page 51) and *Miller*, and one of Carmichael's incendiary outbursts (as quoted in the April 22, 1967 issue of *The National Guardian*, published by Weekly Guardian Associates, 197 East Fourth Street, New York City).

TABLE I

Schenck

". . . In impassioned language it [*i.e.*, a circular distributed by the accused] intimated that conscription was despotism in its worst form and a monstrous wrong against humanity in the interest of Wall Street's chosen few. It said 'Do not submit to intimidation,' but in form at least confined itself to peaceful measures such as a petition for the repeal of the act. The other and later printed side of the sheet was headed 'Assert Your Rights.' It stated reasons for alleging that any one violated the Constitution when he refused to recognize 'your right to assert your opposition to the draft,' and went on 'If you do not assert and support your rights, you are helping to deny or disparage rights which it is the solemn duty of all citizens and residents of the United States to retain.' It described the arguments on the other side as coming from cunning politicians and a mercenary capitalist press, and even silent consent to the conscription law as helping to support an infamous conspiracy. It denied the power to send our citizens away to foreign shores to shoot up the people of other lands, and added that words could not express the condemnation such cold-blooded ruthlessness deserves, &c., &c., winding up 'You must do your share to maintain, support and uphold the rights of the people of this country.'

Miller

"Defendant, Lucille S. Miller, was convicted in July, 1955, on all eighteen counts of an indictment charging her with knowingly counseling nine named persons to refuse to comply with certain provisions of the Universal Military Training and Service Act, in violation of 50 U.S.C. App. § 462 (a).

Carmichael

"The Student Nonviolent Coordinating Committee took a stand against [the Vietnam] war in 1965 because it is a brutal and racist war. We took our stand because we oppose the drafting of young Afro-Americans to defend a so-called democracy which they do not find at home. We took that stand because this war forms part and parcel of an American foreign policy which has repeatedly sought to impose the status quo, by force, on colored peoples struggling for liberation from tyranny and poverty. Only the white powers of the West will deny that this is a racist war. When the colored peoples of the world look at that war, they see just one thing. For them, the U.S. military in Vietnam represents international white supremacy.

"We have not only a right to speak out—we have an obligation. We must be involved, we must fight racism in all its manifestations. There is another America, and it is an ugly one. It is an America whose basic policy at home and abroad can only be called genocide.

"We must speak out more strongly against the draft. Our position on the draft is very simple: Hell no, we ain't going. The draft takes the enslaved black youth of this society and uses them to support enslavement abroad. The draft is white people sending black people to make war on yellow people in order to defend the land they stole from red people." [12]

What is there about Carmichael's inflammatory statements that is so different from the language for which Schenck and Miller were punished? Why is Carmichael entitled to an immunity that was denied to them? In point of fact, I submit that Carmichael's language is more violent, more provocative, more likely to inflame young men against conscription and to defy the draft than the statements made by Schenck and Miller.

In *Schenck* Mr. Justice Holmes, writing for the Court, which included Mr. Justice Brandeis, said that (page 52):

"The most stringent protection of free speech would not protect a man in falsely shouting fire in a theatre and causing a panic. It does not even protect a man from an injunction against uttering words that may have all the effect of force. . . . The question in every case is whether the words used are used in such circumstances and are of such a nature as to create a clear and present danger that they will bring about the substantive evils that Congress has a right to prevent. It is a question of proximity and degree. When a nation is at war many things that might be said in time of peace are such a hinderance to its effort that their utterance will not be endured so long as men fight and that no Court could regard them as protected by any constitutional right."

In a *per curiam* opinion in *Miller*, the Court said (at page 172) that defendant's ". . . constitutional objections have been met by the overwhelming weight of well-settled and unanimous authority. . . . Congress in fulfillment of its constitutional duty has enacted this legislation to provide for the national security; that defendant disapproves the Congressional action and has frequently and vehemently stated her position on this and other matters of public importance lends no weight to the validity of her arguments, which are without legal merit. Like the conviction of her husband this day affirmed . . . this is a sad case where self-delusion has carried defendant to the point where she apparently believes her own warped ideas of patriotism, interlarded with distressing racial, religious, and political biases, can justify her in the crudest of law violations."

Mr. Justice Holmes pointed out in *Gitlow* v. *New York* [13] (Brandeis concurring), as he had in *Schenck*, at page 52 that:

"The question in every case is whether the words used are used in such circumstances and are of such a nature as to create a clear and present danger that they will bring about the substantive evils that Congress has a right to prevent. It is a question of proximity and degree."

And in *Schaefer* v. *United States*,[14] Mr. Justice Brandeis (Holmes concurring) quoted exactly the same language from *Schenck* which Holmes had quoted in *Gitlow*.

So the question is: What are the circumstances, that is to say, in what conditions did Carmichael speak, since it is essential to consider his fiery utterances in context. Stokely Carmichael is a firebrand, a militant, a violent character. He seems to breed riots; they follow in his train. This is understandable in view of the inflammatory nature of his speeches as reported on the radio and in the press. Thus in Louisville (according to the *Courier-Journal* for June 20, 1967, at page A11) he proclaimed: "It's not a question of law and order. We have to build a revolution. . . ."

The South Bend Tribune of June 22, 1967 (page 17) carries the following UPI dispatch from Atlanta:

"Atlanta's racial troubles began Monday night following a speech by Carmichael in which he:

"Urged Negroes to join a 'revolution' against whites;

"Told the audience not to clap . . . to save their energy for 'beating heads.' "

And, according to both ABC and CBS radio broadcasts on June 26, 1967, Carmichael, in Boston, suggested bombing stores owned by white merchants as a means of acquiring them for Negroes. An AP dispatch from the scene (according to *The South Bend Tribune* for June 26, 1967, at page 7) reads, in part, as follows:

"Stokely Carmichael led a march through the streets of Boston's heavily Negro Roxbury section Sunday and told Negroes they must take control of the land and stores in their areas.

" 'We will control things in our communities by any means necessary,' he told a rally in Franklin Park.

" 'If hunky (the white man) gets his store bombed out every Friday or Saturday,'

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[8] "The provisions of section 2388 of this title, as amended and extended by section 1 (a) (29) of the Emergency Powers Continuation Act (66 Stat. 333), as further amended by Public Law 12, Eighty-third Congress, in addition to coming into full force and effect in time of war shall remain in full force and effect until six months after the termination of the national emergency proclaimed by the President on December 16, 1950 (Proc. 2912, 3 C.F.R., 1950 Supp., p. 71), or such earlier date as may be prescribed by concurrent resolution of the Congress, and acts which would give rise to legal consequences and penalties under section 2388 when performed during a state of war shall give rise to the same legal consequences and penalties when they are performed during the period above provided for. (Added June 30, 1953, ch. 175, § 6, 67 Stat. 134.)"

[9] This has been verified by the National Archives and Records Service in Washington.

[10] 249 U.S. 47 (1919).

[11] 233 F. 2d 171 (2d Cir. 1956).

[12] See also the New York Times for May 2, 1967, at page 11, column 1.

[13] 268 U.S. 652 (1925).

[14] 251 U.S. 466 (1920).

Carmichael said, 'he's going to have to sell it to us.'

"He also told the crowd that the only way to stop 'racist aggression' by police 'is by armed resistance. . . .' "

Finally, *The South Bend Tribune* for July 26, 1967, at page 9, carried the following AP dispatch from Havana:

"Stokely Carmichael says Negroes in American cities are going to wage a guerrilla 'fight to the death,' the Cuban news agency reported Tuesday as the U.S. black power leader arrived in Havana for a revolutionary conference.

"The Prensa Latina agency quoted the fiery 26-year-old Negro as saying: 'In Newark we applied war tactics of the guerrillas. We are preparing groups of urban guerrillas for our defense in the cities. The price of these rebellions is a high price that one must pay. This fight is not going to be a simple street meeting. It is going to be a fight to the death.' "

If you have heard him on radio, you know that his language is so impassioned that he sometimes becomes almost incoherent. And he speaks to restless young Negroes, many, if not most, of draft age, who idolize him. The remarks I have quoted above from *The National Guardian* must be judged in this context. And their effectiveness, at least according to a column in the April 23, 1967, issue of *The Daily Worker* (page 9) is obvious:

"Led by Stokely Carmichael and marching behind the banner of the Black United Action Front, coordinating committee for the peace marchers in Harlem, the parade evoked sympathetic comments from many onlookers.

Carmichael was besieged particularly by young Harlemites who eagerly shook his hand. A number asked for his autograph.

"THEME

"The theme of the marchers, 'Hell no; we wont' go!' won the greatest response along the line of march, especially from draft-age youth. And it was evident from the determined expression on many faces that for many it was not just a march slogan.

"A rhythmic chant taken up repeatedly by the marchers seemed to express the mood of large numbers of onlookers.

"It was:

" 'We'll fight in Mississippi, in Watts, in Birmingham, in Harlem, but not in Vietnam.' "

If *Schenck* is followed, it is obvious, I submit, that Stokely Carmichael is guilty of attempting to sabotage the draft and should be prosecuted without further delay. There are some, however, who suggest that the authority of *Schenck* was destroyed by *Abrams v. United States*,[15] *Schaefer* v. *United States*,[16] and *Pierce* v. *United States*,[17] because Justices Holmes and Brandeis dissented in those cases.

They did not dissent, however, in *Frohwerk* v. *United States*[18] or in *Debs* v. *United States*.[19] Like *Schenck* these were prosecutions under the Espionage Act of 1917. In *Frohwerk* the defendants were found guilty on the basis of articles in a newspaper they published. In *Debs* the basis of the conviction was a speech the defendant had made. In both cases the convictions were affirmed by the Supreme Court and in both Mr. Justice Holmes wrote for a unanimous Court.

The authority of *Schenck* is supported, moreover, by *Gitlow* v. *New York*[20] and *Whitney* v. *California*.[21] In *Gitlow*, Justices Holmes and Brandeis dissented, as in *Abrams, Schaefer* and *Pierce*. In *Whitney* the same Justices concurred in the Court's judgment, which affirmed a conviction under the California Criminal Syndicalism Act, this time in an opinion by Mr. Justice Brandeis. In both cases, however, they cited and relied on *Schenck*. Indeed, in *Abrams* Mr. Justice Holmes, speaking for Mr. Justice Brandeis as well as himself, affirmed his faith in *Schenck*.

Those who brush aside the *Schenck* case argue that the Universal Military Training and Service Act (Title 50, U.S.C. App. § 462 (a)) is violated only by attempting to persuade specific persons to evade their duty under that act. There are only a few judicial decisions involving Title 50, U.S.C. App. § 462(a), *e.g., Gara* v. *United States*[22] and *United States* v. *Miller*.[23] Each involved the proscribed "counseling and aiding and abetting" in respect of specified individuals. But I find nothing in the opinion in either case suggesting the decision turned on that fact. In *Gara* the contrary is explicitly stated. This is demonstrated by the following excerpts from the opinion at pages 40–42. A letter written by the defendant to the United States Attorney in Toledo contained the following:

"Appellant also signed a pledge in 1948, stating, 'I shall in every way possible assist and support Non-registrants.' Evidence was presented to the effect that at a meeting held in Reading, Pennsylvania on August 25, 1948, he advocated that men of draft age refuse to register under the Selective Service Act of 1948, and later stated, 'In making this speech I intended to violate the Selective Service Act.' [Page 40.]

* * * * *

"Here appellant admits that he agreed in every way possible to assist and support non-registrants. At an open meeting he advocated refusal to register. His repeated letters state that he counseled men of draft age to refuse registration. Such actions, if carried out extensively, might well nullify the law. Appellant may attack the Selective Service Act of 1948 from every platform in America with impunity, but he cannot, under the guise of free speech, nullify it by disobedience to its express provisions [pages 41–42]."

I want no misunderstanding of my position. The record shows, as I said earlier in this paper, that "I profoundly believe that no man should be discriminated against because of his color. I am equally convinced that no man should be protected by his color." As I see it, Carmichael *is* being protected by his color. This immunity, tacitly granted for *that* reason to a demagogue who is giving aid and comfort to the enemy, seems to me intolerable.

"No man is above the law and no man is below it"—no man is below the law and *no man is above it*.

OPEN LETTER TO HO CHI MINH—APPEAL FOR PEACE MOVES

Mr. BINGHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BINGHAM. Mr. Speaker, on various occasions in the past I have taken the floor to address appeals to the President of the United States and to the Secretary of State to make new efforts to achieve negotiations with respect to Vietnam.

In this case my remarks are addressed to another President, the President of the Government of North Vietnam, in the form of an open letter, which will follow my remarks.

In this open letter, I express dismay that there has been absolutely no response from Hanoi to two advances in the U.S. position which have taken place in recent months. I refer particularly to President Johnson's remarks in his speech at San Antonio and to the statement made by Ambassador Goldberg not long ago that the NLF would not be objectionable to the United States as a party to negotiations in New York or in Geneva.

I suggest to President Ho Chi Minh in this open letter that some form of response is in order, and I make that suggestion as one who has called for a cessation of the bombing of North Vietnam. It seems to me that, unless there is some form of response, those of us who are calling for deescalation are handicapped, for we can give no assurance that the steps we urge will produce a result.

I further suggest to President Ho Chi Minh that time may not be on his side, as he seems to think.

My open letter to Ho Chi Minh follows:

OPEN LETTER TO HO CHI MINH FROM CONGRESSMAN JONATHAN B. BINGHAM

(As read in the U.S. House of Representatives December 13, 1967)

DEAR MR. PRESIDENT: I write as one who has been opposed to the U.S. policy of bombing North Vietnam and who has consistently favored more strenuous efforts on the part of my government to get negotiations started, not only with your government, but with the National Liberation Front. I believe that the outcome of negotiations could be (1) elections in South Vietnam under such conditions that all parties, including the NLF and its constituent elements, would be able to participate, and (2) withdrawal from South Vietnam of all non-South Vietnamese troops, including ours and yours.

Having made that clear, I want to say that I am chagrined and disappointed at the apparent total lack of response on the part of your government to two recent advances in the U.S. position.

The first advance was contained in President Johnson's speech of September 29, in San Antonio, Texas, when he said:

"The United States is willing to stop all aerial and naval bombardment of North Vietnam when this will lead promptly to productive discussion. We, of course, assume that while discussions proceed, North Vietnam would not take advantage of the bombing cessation and limitation."

Official Hanoi reaction was that this represented "no change" in the American position. By saying that he had made such an offer "again and again," President Johnson also implied that this had been our position all along.

The fact is, however, that President Johnson's statement did represent a change and should be far more acceptable a proposal to you than, for example, the one he conveyed in his letter of last February, when he said to you:

"I am prepared to order a cessation of bombing against your country and the stopping of further augmentation of U.S. forces in South Vietnam as soon as I am assured that infiltration into South Vietnam by land and by sea has stopped."

The second U.S. Government step toward a more realistic policy was Ambassador Goldberg's announcement on November 2 that, if the NLF were to be invited to participate in Security Council discussions or at a reconvened Geneva Conference, the U.S. would have no objection. This comes very close to the position some of us in Congress have long been urging, that the U.S. should make clear its willingness to have the NLF participate in its own right in any negotiations.

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[15] 250 U.S. 616 (1919).

[16] 251 U.S. 466 (1920).

[17] 252 U.S. 239 (1920).

[18] 249 U.S. 204 (1919).

[19] 249 U.S. 211 (1919).

[20] 268 U.S. 652 (1925).

[21] 274 U.S. 357 (1927).

[22] 178 F. 2d 38 (6th Cir. 1949), *aff'd without opinion*, 340 U.S. 857 (1950), *rehearing denied*, 340 U.S. 893 (1950).

[23] 233 F. 2d 171 (2d Cir. 1956).

Yet again there has been no visible response or comparable move toward realism on your part.

I hope, Mr. President, that you are not making the mistake of believing your own propaganda to the effect that your forces are inflicting intolerable losses on American forces in Vietnam and are in effect winning the war. There are distressing reports that emissaries abroad of your regime and the NLF insist this is the case. One such report was contained in an article in the *New Republic* by Christopher Jencks who talked with a number of representatives of your government and of the NLF at a conference in Bratislava, Czechoslovakia.

I hope, Mr. President, that those emissaries are not expressing your real views and that you do not expect a military victory in South Vietnam. It is of course possible that your military advisors have been just as wrong in their predictions of total success as President Johnson's military advisors have been in predicting total American success to him. Your position, as I understand it, is that no amount of American bombing of North Vietnam can achieve a military victory in Vietnam for the U.S. and its allies, and you doubtless know what you are talking about. But you should recognize the other side of the coin which is that a military victory for your side against the U.S. and its allies is just as impossible. Please do not be misled by the anti-war demonstrations, such as the one on October 21 at the Pentagon, into believing that the U.S. will just give up and quit. Not a single member of the U.S. Senate or House of Representatives participated in that demonstration at the Pentagon. Even though there may have been 50,000 people there, they were representative of only a very small minority in this country.

There are some observers who say that you and your associates in the N.L.F. are not interested in negotiations because you are convinced that the negotiations would be futile so long as the American purpose is to maintain an anti-Communist bastion in South Vietnam. Unfortunately, there are indeed some voices in the U.S. which assert that this is the American purpose and there are times when even spokesmen for the Administration give the same impression. However, Mr. President, the clearly stated policy of President Johnson is to the contrary, namely that our objective in South Vietnam is to protect the right of the people of South Vietnam to determine their own political destiny free from outside interference. For example, in his great speech of April 1965 at Johns Hopkins University, President Johnson stated "we want nothing for ourselves—only that the people of South Vietnam be allowed to guide their own country in their own way," and again "the only path for reasonable men is the path of peaceful settlement. Such peace demands an independent South Vietnam—securely guaranteed and able to shape its own relationships to all others—free from outside interference—tied to no alliance—a military base for no other country. These are the essentials of any final settlement."

Many times since then, some seven times this year, he has reiterated that our objective is to protect the right of self-determination for the South Vietnamese people.

While President Johnson's Administration has made much of the current series of elections in South Vietnam, no one seriously claims that by these elections the promised self-determination was carried out, since under the 1967 Constitution the N.L.F. was prevented from putting forward candidates of its own.

Certainly a reasonable outcome of negotiations with your government and with the N.L.F. would be arrangements for new elections in which the N.L.F. could take a full part, and in which mutually agreed-upon machinery, either international or Vietnamese in character, would be set up to guarantee the proper conduct of the elections. Undoubtedly there would be differences with regard to the method of achieving such a result, but these would be differences of the sort that could be worked out in the course of negotiations.

By your silence on all these subjects, by your ignoring of peace proposals such as those made in September by Canada, and by your apparent encouragement of reports that you continue to expect to defeat American and allied forces in South Vietnam, you are making it much more difficult for those of us who want the U.S. to stop bombing North Vietnam to be persuasive that such a move in truth would be a move towards peace.

Make no mistake, Mr. President, we who favor stopping the U.S. bombing of North Vietnam are still only a minority in the Congress. It is difficult for us to explain to people why you insist on saying only what "could" follow cessation of the bombing, instead of what "would" follow. I believe I can understand that you do not want to give to those South Vietnamese who are fighting on your side the impression that you are about to stop helping them, in return for getting the U.S. to stop its bombing of the North.

But is it not time that your associates in the South stopped thinking that with your help they can win total control of South Vietnam? Is it not time that they should recognize that all they can realistically hope for is a fair chance to compete for the support of the South Vietnamese people in internationally supervised fair and free elections?

You are perhaps also worried about the reaction in Peking if you agree to negotiations. But if, as I believe, you are truly fearful of domination by China, is it not in your interest to end the conflict through negotiations for a settlement that protects the legitimate interests of your associates in the South *before* you have been rendered by our bombing attacks even more dependent on China than you now are?

There is another danger, Mr. President, which you should appreciate. The longer you wait, the greater the loss of American (as well as Vietnamese) lives. As this toll mounts, it is going to be harder and harder for an American President to justify to his people a settlement that does no more than to assure to the people of South Vietnam the right of self-determination.

Time may not be on your side, Mr. President, as you seem to think. In terms of the possibility of preventing ever mounting destruction and loss of life, even of preventing the total catastrophe of a Third World War, time may not be on the side of any of us.

JONATHAN B. BINGHAM,
Member of Congress.

LET US NOT DELUDE OURSELVES ABOUT LIBERATION FRONTS

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, I would like to point out to some of my friends who are running around demanding that the National Liberation Front be represented at negotiations, or at the United Nations, that there is another "liberation front" which is equally fraudulent but could demand similar treatment.

I am, of course, referring to the Palestine Liberation Organization led by Ahmed Shukairy which has by sabotage and terrorism been trying to start a "civil war" in Israel. Shukairy has announced that his men would go to Vietnam to "fight alongside the Vietcong against American imperialism." He boasts of Chinese and Soviet support.

Thus it was hardly a coincidence that the head of the National Liberation Front in Vietnam, Nguyen Huu Tho, cabled Shukairy as long ago as 1966 that the NLF "wished the Palestine people further success in their struggle against Israel, the aggressive tool of imperialism and the realization of their hope of returning to Palestine."

So let us be clear about these "liberation fronts." The NLF is no more a legitimate government of South Vietnam than the Palestine Liberation Organization is the legitimate government of Israel.

They are identical twins of Communist origin and it would be a betrayal of the Republic of South Vietnam and of Israel if the principle should ever be accepted that these terrorist, gangster creations have the right to be treated by the United States or by the United Nations as legitimate political entities.

TENNESSEE IS PROUD OF GOV. BUFORD ELLINGTON AND SPECIAL ASSISTANT ON LAW AND ORDER, CLAUDE ARMOUR

Mr. EVERETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. EVERETT. Mr. Speaker, we in Tennessee are certainly proud of Gov. Buford Ellington. Governor Ellington has served his State and Nation well.

For 10 years he was commissioner of agriculture in Tennessee, where he made an outstanding contribution, not only to the State of Tennessee, but to the Nation as well.

Then in 1959 until 1963 he was Governor of our beloved State. His administration was marked by its honesty and integrity and good management of our State affairs.

Only a few months ago he served as Director of the Office of Emergency Planning and did a tremendous job in that position here in Washington.

The demand was so great that he returned to Tennessee to become a candidate for Governor again. He is now completing his first year in office, having been inaugurated in mid-January of this year. He is again doing an outstanding job as Governor of Tennessee.

We have certainly had peace and harmony in our State and he intends to keep it that way. On one occasion in Memphis last summer there was a rumor that there would be a riot and that civil disobedience would run rampant. He immediately mobilized the Tennessee National

Guard and moved several hundred troops into the city of Memphis and there was no riot.

In Memphis for many years we had an outstanding police and fire commissioner, Claude Armour. He came up through the ranks from walking a beat to become a commissioner. He retired a few days ago after 18 years of service with the city of Memphis.

Governor Ellington has created a new cabinet post to be known as special assistant on law and order. He has named Claude Armour to that position.

Many excellent articles and editorials have appeared in outstanding newspapers in the State and several of these follow:

[From the Memphis (Tenn.) Press-Scimitar, Nov. 30, 1967]

Special Adviser to Ellington on Law Enforcement: Armour Appointed to $17,500-a-Year Post With State

(By Null Adams)

Gov. Buford Ellington today announced the appointment of Claude Armour, retired Memphis fire and police commissioner, as a special assistant to the Governor on law and order.

Armour, 48, in Nashville for the announcement, goes to work for the state on his new job tomorrow.

A $17,500 SALARY

Armour's salary from the state will be $17,500. The new job will not interfere with his $895 a month pension from the City of Memphis. The two combined amount to $28,240 a year compared to $21,500 he was receiving when he retired in Memphis last month.

Ellington said Armour will serve as an adviser to local law enforcement officials across the state. Not only will Armour advise with sheriffs and police chiefs but he will work with mayors and county judges on matters of county and municipal administration, Ellington said.

"As a former president of the Tennessee Municipal League, Mr. Armour is well acquainted with local officials in every section of the state," Ellington said.

"Another of his duties will be the immediate launching of a survey and evaluation of existing laws pertaining to criminal acts and, where necessary, their possible revision.

"This will be undertaken in connection with the state attorney general's office."

FBI Director J. Edgar Hoover, on learning of Armour's appointment, wired his congratulations to Gov. Ellington, praising Armour as "an outstanding police executive with whom the FBI has had a superior relationship over the past years."

VISITING LECTURER

Ellington said Armour, an FBI National Academy graduate, would continue to partipate in FBI classes where he has been a visiting lecturer for the past five years.

Armour began his law enforcement career as a patrolman in 1941 and worked up through the ranks to police chief. He was appointed commissioner in 1950 and was elected to four consecutive 4-year terms.

CHALLENGE

In accepting the new state post, Armour said: "I have been involved in public service all of my adult life. I sincerely feel I am embarking on the most challenging responsibility of my career because I will now have the opportunity to be of service on a statewide basis and deal with one of the most important issues of our time."

Armour is vice president of the FBI National Academy Associates, a past president of the Tennessee-Mississippi Sheriff's and Peace Officers Association and chairman of the West Tennessee Arthritis Foundation. He served in the Navy in World War II, received the Purple Heart after being wounded in Okinawa and was cited for bravery under enemy fire.

[From the Nashville (Tenn.) Banner, Nov. 30, 1967]

Ellington Names Armour to New Law, Order Post

Gov. Buford Ellington today appointed Claude Armour, who rose through the ranks to serve nearly two decades as commissioner of Tennessee's largest metropolitan police force, to a newly-created cabinet level post as special assistant on law and order.

The 48-year-old Armour, who stepped down Oct. 15 after 18 years as commissioner of fire and police and vice mayor of Memphis will assume his new duties Friday.

Ellington said Armour, a personal and political friend for many years, will spearhead a coordinated effort designed as a deterrent to lawlessness and riots.

DISTURBANCE STUDY

Armour, at Ellington's side during the press conference at which his appointment was announced, will launch immediately a survey and evaluation of existing laws involving civil disturbances. He may later recommend changes in the law to improve methods of dealing with riots and organized crime.

There had been speculation for many months that Armour would join the governor's official family in some law enforcement capacity, and it had been known for more than a year that Ellington had wanted the police official on his staff.

In the new position, he will serve as an advisor to the governor on all matters related to civil disturbances.

The need for such a position was pointed up earlier this year during three nights of Negro rioting in North Nashville in April and later when the governor ordered 4,000 Tennessee National Guardsmen on a standby basis to Memphis when similar trouble was rumored, but did not develop.

Ellington has emphasized repeatedly that law and order must be preserved, in the interest of all citizens. He has encouraged his fellow governors to take steps to lend assistance to local police departments in event it is needed.

UNIQUELY QUALIFIED

In making the announcement, Ellington said:

"Mr. Armour's ability and experience make him uniquely qualified to serve as an advisor to local law enforcement officials across the state. We fully realize that law enforcement is the primary responsibility of local officials, as it should be, but at the same time the state is ready to fulfill its role in conjunction with local responsibilities.

"I believe Mr. Armour's broad experience as a municipal administrator, as well as a law enforcement and fire fighting official will provide a most welcomed and valuable service to the mayors, county judges, and other local officials in addition to the sheriffs and chiefs of police.

"As a former president of the Tennessee Municipal League, Mr. Armour is well acquainted with local officials in every section of the state.

"Another of his duties will be the immediate launching of a survey and evaluation of existing laws pertaining to criminal acts and, where necessary, their possible revision. This will be undertaken in conjunction with the State Attorney General's Office. In the final analysis, we are seeking a strong coordinated effort which we believe will serve as a deterrent to lawlessness and provide additional protection and services to all our citizens."

AUTHORITY AFFIRMED

In response to questions at the press conference, Ellington said the state attorney general's office had ruled he had the authority to create the new $17,500-a-year post.

Armour's responsibilities, he said, will not involve the State Department of Safety except in event there is a breakdown of law and order.

Asked about earlier speculation that Armour was a possible successor to Safety Commissioner Greg O'Rear, Ellington said the former Memphis police commissioner would relieve O'Rear of no duties.

"Commissioner O'Rear has his hands full in the Safety Department," the governor said, "I'm very proud of what's going on in the Department of Safety. As of this morning, our traffic death for the year are 30 below the total for a year ago."

On other subjects, Ellington:

Said the state would move forward with other interstate highway projects in Tennessee if there is a significant delay ordered by federal courts in two Nashville expressway projects now held up pending a hearing on Dec. 8.

Named T. G. Pappas of Nashville, Walter Barnes of Jackson, John Gilbertson of Knoxville and LaFitte Howard of Knoxville to four-year terms on the Tennessee Judicial Council.

Armour began his law enforcement career in 1941 as a patrolman on the Memphis City Police Department. He was appointed as commissioner of fire and police in 1950 and subsequently was elected to four consecutive four-year terms by Memphis voters prior to his retirement.

His accomplishments have received praise from the International Association of Police Chiefs, the International Association of Fire Chiefs and the Federal Bureau of Investigation.

Throughout his career, Armour has concentrated his efforts on law enforcement, crime prevention, programs of rehabilitation and improving administration of both police and fire activities. He was instrumental in the establishment of the Memphis and Shelby County Youth Guidance Committee, a local Neighborhood Youth Corps and the organization of Tall Trees, a correctional and rehabilitation school for boys which emphasizes rehabilitation of first and second offenders.

Armour, in accepting the appointment, said:

"I have been involved in public service all of my adult life. I sincerely feel that I am embarking on the most challenging responsibility of my career because I now will have the opportunity to be of service on a statewide basis and to deal with one of the most important issues of our time."

FBI TIES

Armour currently is serving as vice president of the FBI National Academy Associates, having held membership in the organization for the past 20 years. He will continue his work as a lecturer at the FBI National Academy. He also is a past president of the Tennessee-Mississippi Sheriffs and Peace Officers Association.

Active in civic and community affairs, Armour has served as chairman of the West Tennessee Arthritis Foundation.

During World War II, Armour served with the U.S. Navy and received the Purple Heart after he was wounded in action on May 22, 1945, at Okinawa. He was cited by the U.S. Department of the Navy for courageous action and bravery under enemy fire.

Armour also is active in several veterans' organizations and is a Scottish Rite Mason and a Shriner.

He is married to the former Grace McCord. They have one daughter and a grandchild and attend the Lutheran Church.

[From the Nashville (Tenn.) Banner, Nov. 30, 1967]

J. Edgar Hoover Lauds Appointment

FBI Director J. Edgar Hoover today congratulated Gov. Buford Ellington for his appointment of Claude Armour as his special assistant on law and order. In a telegram, Hoover said: "Mr. Armour is an outstanding police executive with whom the FBI has had a superior relationship over the past years. As you know, he is a graduate of the FBI National Academy and for the past five years has been a visiting lecturer to the FBI classes. We are looking forward to a splendid relationship with him in his new position."

[From the Nashville (Tenn.) Banner, Dec. 1, 1967]

Briley, Kemp, Sorace Laud Armour Selection

Mayor Beverly Briley, Police Chief H. O. Kemp and Capt. John Sorace, commander of the Police Department's bureau of staff services, have commended Gov. Buford Ellington's appointment of former Memphis police commissioner Claude Armour as special assistant on law and order.

In a joint statement, the three officials said:

"We wish to commend Gov. Buford Ellington on his choice of Mr. Claude Armour as a special assistant to the governor on law and order. Mr. Armour is one of the foremost authorities on law enforcement in the state of Tennessee. The appointment of Mr. Armour and the establishment of his position will result in further coordination of activities between the state and local law enforcement authorities."

Armour, a veteran of 26 years' service on the Memphis police and fire departments, 18 of which he served as commissioner and vice mayor, began his new duties in the cabinet-level position today.

[From the Memphis (Tenn.) Press-Scimitar, Dec. 1, 1967]

Armour's New and Wider Field

It is a "plus" for Governor Buford Ellington's administration and for the people of Tennessee that Memphis' Claude A. Armour has been called to serve as a special assistant to the governor.

We were concerned at the time of his retirement from the Memphis fire and police commissionership that Claude Armour's talents for law enforcement and other phases of government might be lost to the public. Now the entire state is to benefit by his experience and skill which have meant so much to Memphis.

It speaks well for Governor Ellington's dedication to law and order that he picked Armour as an aide to devote his efforts primarily to that fundamental necessity. But Armour will be helpful in many more areas, thanks to his wide grasp of governmental responsibilities.

[From the Nashville (Tenn.) Banner, Dec. 1, 1967]

Armour Is Able Choice for Important Task

In the selection of veteran Memphis police official Claude Armour as his special assistant on law and order, Gov. Buford Ellington has placed renewed emphasis on his avowed determination that Tennessee cannot and will not tolerate riots and kindred criminality.

The appointment marks the first time that Tennessee has employed a cabinet-level staff member, working in the governor's office, to deal with civil disorders.

While Gov. Ellington stressed that law enforcement is, and should continue to be, primarily the responsibility of local authorities, creation of the new post is adequate proof that State Government also stands prepared to fulfill its obligations in protection of the lives and property of all citizens.

Of major significance is the role to be assumed by Mr. Armour in cooperating with mayors, county judges and other local officials including police, sheriffs and other law enforcement officials. His first assignment is a detailed study of existing laws, with a view toward recommendations for strengthening them to improve methods of dealing with acts of civil disturbance and organized crime.

The objective, overwhelmingly endorsed by law-abiding citizens—irrespective of race—is to deter lawlessness in any form and provide additional protection, if needed, in the face of daring threats by some that the "long hot summer" of 1967, which plagued more than 125 cities throughout the nation, may be repeated.

Mr. Armour's record of distinguished service, including nearly two decades as police and fire commissioner and vice mayor of Tennessee's largest city, is well known throughout the state. During his tenure, the Memphis police and fire departments became recognized as among the most efficient in the nation, a tribute to the man who began his career as a patrolman 26 years ago and rose through the ranks to head them.

FBI Director J. Edgar Hoover, upon learning of the appointment, sent his personal congratulations. "Mr. Armour is an outstanding police executive with whom the FBI has had a superior relationship over the past years," Mr. Hoover said in a telegram to Gov. Ellington.

A graduate of the FBI National Academy, who each year participates as a visiting lecturer for young police officers, Mr. Armour also has devoted attention to rehabilitation of first and second offenders, crime prevention and modernization of police methods.

The new state official will be a valuable asset to the governor's staff and to other state agencies and local governments which may call upon him. As he broadens his scope of public service to all areas of the state, Mr. Armour has described the assignment as "the most challenging responsibility of my career . . . with one of the most important issues of our time."

It is an important task, and Gov. Ellington has placed it in capable hands.

[From the Memphis (Tenn.) Commercial Appeal, Dec. 2, 1967]

Niche for Armour

There are many niches which Claude A. Armour could fill well, but he has found a good one. As Gov. Buford Ellington's special assistant on law and order he should be a perfect fit for the responsible assignment.

First of all, the former Memphis City commissioner is known and admired at the national level—by the Federal Bureau of Investigation, by the association of police chiefs, by organized fire-fighters. He has led the biggest and best municipal police force and fire department in Tennessee for years. He has close ties with the lawmen at county and town level throughout the state.

In a way, Claude Armour is now able to forge a link between the highest level of federal law enforcement and the lowest level of local police by moving in at the state level.

TRIBUTE TO CLAUDE ARMOUR, MEMPHIS COMMISSIONER OF FIRE AND POLICE

Mr. EVERETT. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. KUYKENDALL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. KUYKENDALL. Mr. Speaker, I would like to join my colleague, the gentleman from Tennessee [Mr. EVERETT] in paying tribute to one of the outstanding citizens and public servants of Memphis, the great city I have the privilege to represent in Congress. Claude Armour has served his community with outstanding success, first as a patrolman in the police department and for the past 18 years as police and fire commissioner.

Claude Armour has won so many awards from Memphis civic organizations that it is difficult in a few words to commemorate all of them. He was a policeman's policeman and he was a friend to all of the people of Memphis. His work among the youth of our city has probably done more to make Memphis one of the most law-abiding cities in the Nation, than any other single effort by anyone. He served his country in its hour of need and was wounded in battle on Okinawa in World War II while serving in the Navy.

He was well trained for police work as a graduate of the FBI Academy. During his years as fire and police commissioner he made such notable contributions as the installation of the air crash patrol, the fire department rescue squad, the overall fire alarm system, one of the best in the Nation, and the emergency squads to help people at a time of crisis. He founded the Memphis Police Training Center which bears his name, as well as the Memphis and Shelby County Safety Council, the youth council and the Neighborhood Youth Corps.

No citizen has contributed more to our community and it will be difficult to replace him even though we wish him well in his retirement from his city responsibilities and in the new challenge he has now accepted at the State level.

Certainly, if we were to name Memphis' No. 1 citizen the name of Claude Armour would have to be one of the leading contenders.

CONSOLIDATING AND STRENGTHENING ENFORCEMENT OF LAW AND ORDER IN THE NATION'S CAPITAL

Mr. BROYHILL of Virginia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BROYHILL of Virginia. Mr. Speaker, I am introducing legislation today on behalf of several members of the House Committee on the District of Columbia, including the chairman and myself, to consolidate and strengthen enforcement of law and order in the Nation's Capital. The bill consolidates the five separate uncoordinated police forces now operating in the District, under the jurisdiction and control of the Congress with the appointment of a single Police Commissioner. These departments are the Metropolitan Police; Park Police; White House Police; Capitol Police; and National Zoological Park Police, now under jurisdiction of the Commissioner and City Council, the Secretary of the Interior, the Secretary of the Treasury, the Sergeants at Arms of the House and Senate, and the Secretary of the Smithsonian, in that order.

Precedent for this force has existed since 1829, Mr. Speaker, in the famous

Scotland Yard, the envy of police forces everywhere, which polices the Greater London area with a 19,000-man force under supervision of Parliament's Office of the Home Secretary.

With crime in the Nation's Capital rising at the rate of 35 percent a year; with continuous charges of police brutality; with demands for new appropriations accompanied by threats of riots, disruption of government, intimidation, and civil disorder, it is ridiculous the Congress does not have a single well-trained, alert, and coordinated group of law-enforcement officials for its own protection and the protection of the Government, the American people, and the citizens of the District. A single force would obviously be more efficient, effective, and economical.

Mr. Speaker, this legislation creates a Commissioner of Police for the Nation's Capital under direct control of the Congress. He would assume complete jurisdiction over the Metropolitan Police, the Park Police, the White House Police, the Capitol Police, and the National Zoological Park Police. The bill would also create a nine-man advisory commission, five of whose members would be citizens of the District of Columbia.

The Commissioner of Police would be appointed by the Speaker of the House of Representatives and the President pro tempore of the Senate. He would be directly responsible to the Congress. He would be charged with the creation of the necessary agency to discharge the duties of his office and would be similar in character to the Comptroller General or the Public Printer in his role as a servant of the Congress.

All of us agree that many honest and dedicated men from all walks of life have tried to give the Nation's Capital a solution to its police protection problem, but something less than an optimum answer has been achieved. None can deny that improvement in the present circumstance is highly desirable.

As I said before, Mr. Speaker, this organizational structure is patterned in part on nearly a century and a half of successful experience of a distinguished police force in another world capital. Since Sir Robert Peel created the Metropolitan Police District of London in 1829, this police force, known to millions throughout the world as Scotland Yard, has functioned under a Commissioner of Police directly responsible to Parliament's Office of the Home Secretary, and not to the municipal government of London.

Great Britain has 148 regular police forces, all of which are controlled by local authority, with the sole exception of Scotland Yard. It also should be noted that—contrary to popular notion—Scotland Yard has no official jurisdiction outside of Greater London. To be sure, its Central Investigative Division cooperates with and assists other police forces throughout the United Kingdom and throughout the world.

I think it is fair to say that Scotland Yard has functioned with a record of efficiency which is the envy of police departments the world over, and those of us who have been in London in recent years can attest to the safety of that city and to the good relations that exist between Londoners and their police.

It is my desire to see created a force such as the Metropolitan Police of London here in the city of Washington. It is not my desire to create a national police force, or a secret police establishment to grind under foot the legitimate complaints of the citizens of the District of Columbia and its visitors.

I would hopefully urge the careful consideration of British experience and the advantages that are possible to achieve under such a system. There are obvious financial gains to be had. The Metropolitan Police force will cost the city $49,454,000 during the next fiscal year. This figure should be and will be higher as time goes on. This is an expense that could be constitutionally borne by the Congress, and it could amount to a substantial savings to the city if these views prevail.

I believe the Congress could afford and would approve of necessary funds to staff and equip a department equal to the police needs of the city. It could also afford and I believe would approve funds necessary to bridge the gap between the people of the District of Columbia and the police officer. Such an effort would call for education, highly talented personnel, coordinated efforts to inject the police officer in the role of the guardian rather than an enforcer of the law, and would have to be prosecuted vigorously for a number of years. None of these things can be done as effectively under the present system as they could be done under this proposal.

Mr. Speaker, the morale of the police officer and of his family is at an alltime low. With this kind of attitude and in this climate, it will be impossible to hold or recruit the type of police officer that we so urgently need. Congress can inject the necessary elements into the situation to restore morale and promote good community-police relations. Congress can accomplish this within its constitutional responsibility to the District of Columbia and, although I am fully cognizant of the question of separation of powers, I feel there is adequate precedent and authority for such legislation. However, should there be developed valid objections during the hearing process in this regard, I am certain they can be compromised. After all, this bill is a blueprint for a suggested course of action, and I hope it can be refined and improved. Certainly that is the spirit in which it is offered.

It is clear that by coordinating and combining the five police forces under one head that a superior service can be immediately created. These forces will remain autonomous and their personnel will be protected against transfer without their consent, but the many advantages to be obtained by the merger are obvious.

Finally, there are those who allude to the threat of riot, the disruption of law and order, the harassment of the governmental process in thinly veiled attempts to intimidate those who must make the decisions of the day. There are those in our society who believe that we must knuckle under and pay tribute to those who would burn our cities. I have no sympathy with such an attitude and will not honor any suggestion that such an argument has a place in the United States of America.

The riot is a tool of insurrection and those in authority who can be intimidated by the threat of use of such a tool are not deserving of that authority, and they pervert their duty to mankind. The riot can be prevented and can be averted before it blossoms into the shameful situation that has existed in some of our cities in the last several summers.

No one wants to remove the root causes of hopeless destitution any more than I do, but as I have said before, the right to dissent is not the right to destroy. So to those who would raise the threat of the riot as an argument against this legislation, I can assure them it will fall on deaf ears. Indeed, even the occurrence of such a despised event would have no effect. When disgruntled veterans threatened the Congress in Philadelphia in 1783, the idea of the Federal City was born. Further threats against Congress in an effort to obtain favorable treatment will be dealt with accordingly.

This legislation offers an opportunity to bring maximum self-determination for the citizens of the District of Columbia a step nearer. It offers an opportunity to clarify the Federal interest and responsibility to the District of Columbia. It offers an opportunity to heal one of the city's greatest and most destructive ills and it holds out a bright hope for the future.

COULD WASHINGTON SURVIVE AN ATOMIC PLANT BLOWUP?

Mr. WAMPLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WAMPLER. Mr. Speaker, I have come across an article in the December 7 to 10, 1967, issue of the Washington, D.C., Examiner, which I feel is of the utmost importance to all of us. This article, written by Damon Runyon, Jr., is entitled "Could Washington Survive an Atomic Plant Blowup?"

Feeling that this article deals with a subject of timely interest to all, I would like to call this article to the attention of my colleagues, as follows:

COULD WASHINGTON SURVIVE AN ATOMIC PLANT BLOWUP?

(By Damon Runyon, Jr.)

Is atomic energy a bomb?

Ever since the process of nuclear chain reaction was uncorked 25 years ago, in a crude reactor beneath the stands of Stagg Field at the University of Chicago, atomic power has been promises . . . promises.

"Peaceful uses" of atomic energy, and dreams of cheap power for a better world, were sold to the public by the Atomic Energy Commission and the Congressional Joint Committee on Atomic Energy.

What does the record show today?

Atomic energy is a bomb.

And that's all it may ever be.

A summation of nuclear power potential, production, inherent hazards and fact versus theory indicates that man at last has reached a dead end in his attempts to harness the basic forces of nature to his own ends. He has been unable to safely bottle the atom for constructive purposes without blowing himself up.

The United States has roughly 200 reactors of various sizes for mainly military purposes, such as production of nuclear bombs and power plants that drive submarines, aircraft carriers and other warships.

A dozen nuclear reactors are working on the dream of cheaper commercial power—with spectacular lack of success. All are potential atomic bombs, most of them near big cities.

The material for this summation was gathered by labor's atomic energy expert, owl-eyed Leo Goodman, advisor to United Auto Workers president Walter Reuther, and the powerful, concerned United Mine Workers. The UMW bluntly admits a selfish interest in protecting jobs of coal miners when the survey started, but now officials are disturbed in the national interest.

An example of why this broader concern was aroused was the nightmare experience at the $120 million Enrico Fermi Atomic Power Plant at Lagoona Beach near Detroit. This was known as a fast breeder, meaning it was supposed to produce plutonium to feed itself, after starting with expensive uranium 235.

On October 5, 1966, technicians in a control room in a separate building from the reactor guts, with the deadly nuclear fuel, were trying to start the plant up toward its maximum capacity. The disaster-plagued plant suffered one malfunction after another. Each time, the reactor had to be damped down by inserting control rods that stopped the nuclear reaction.

At 3 p.m. the reactor operator noted something wrong was indicated by an instrument measuring neutron production. The operator switched from automatic to manual control and the instrument stopped acting up. After five minutes, with power at 34,000 kilowatts and rising, the signal again indicated something wrong. Another technician saw that control rods had been pulled abnormally far out of the reactor and some parts were heating up.

Suddenly alarms went off all over the place. High radiation. Automatically, some buildings were sealed. At 3:20 p.m., six control rods were inserted back into the fuel core to halt the nuclear reaction. Only the deadpan dials and radiation alarms gave any indication that all was not right with the world there.

The plant's authorities met quickly to try to figure out what went wrong. Instruments told them that some reactor fuel had melted. One official recalled that there was a possibility of a secondary accident—"a terrifying thought." The reactor core contained enough uranium 235 to make 40 atomic bombs, each of the power that wiped Hiroshima from the map in a flash.

A critical mass of uranium 235 spontaneously undergoes a chain reaction—in plain English, it explodes.

The Fermi workers were sitting inside a potential atomic bomb. Nearby Detroit was unaware, of course. The situation was so touch-and-go the plant officials didn't dare do anything for fear the uranium fuel might be jarred off. They didn't even go near the reactor core for a month. Meanwhile, they studied, calculated, debated—and sweat.

Atomic Energy Commission studies have theorized that an explosion under such circumstances would not be as great as a bomb; perhaps it might wreck the steel and concrete structure of the reactor. Then radioactive gases would be released to the wind and invisible death would attack Detroit. The calculations of the size of an explosion are, of course, only theory—highly refined guesswork. The accident already had shown how wrong theory could be.

In fact, nothing had worked according to plan for the Fermi plant. The Scientists' Institute for Public Information says:

"The accident which happened was a bit worse than the 'maximum credible accident.' More than one subassembly was damaged, the reactor did not shut down, and there was some release of radioactivity. . . .

"The actual accident was not only 'incredible,' it might have been far worse."

It was also unforeseen, despite all of the AEC's highly-touted studies on the probabilities of such accidents. Officials have since put out a story that the Fermi plant went haywire—despite all the automatic controls and brakes—because a worker dropped a beer can in the works.

Leo Goodman is inclined to doubt that explanation. If it were true, of course, it would be all the more reason to live in constant fear of an atomic energy power plant that would threat disaster to a city like Detroit all because of some clumsy cipher boozing on the job.

A 1957 AEC report on the probability of reactor accidents considered a plant the size of the Fermi installation and guessed that the worst result of a critical "accident" would be 3,400 killed, 43,000 injured as far away as 45 miles, with land contaminated by radioactivity for greater distances.

In the majority of theoretical accidents, the AEC mused, total assumed losses would not be more than a few hundred million dollars.

Explosive situations, such as that which closed down the $140 million Fermi plant, have led the once over-optimistic AEC to back-pedal a bit, but against the overwhelming gung-ho opinions of Congress and industry. The AEC cautiously noted that it might not be "prudent" to build the first US demonstration plant for industry before 1969.

Yet at a meeting of the American Nuclear Society earlier this year, after a chilling report on the Fermi accident, General Electric, Westinghouse, Atomics International and General Dynamics Corporation announced plans to build fast breeder reactors. GE and Westinghouse intend to make theirs along the lines of the ill-fated Fermi plant. AEC is under pressure by Congress and industry to get on with a fast breeder program, although everything really hinges on how bad the Fermi disaster proves to have been.

Concern for a fast buck is behind the pressure brought by industry and the Joint Committee on Atomic Energy. They want faster construction because they fear foreign competition in the nuclear market. The Scientists' Institute for Public Information raises the question of whether it's worth the dollar gain—if any—to plant potential atomic bombs around major cities in the U.S.

"The thought of a catastrophic accident in a fast reactor many times the size of Fermi is quite disturbing," the Institute says. "The fact that the severity of the October 5 accident somewhat exceeded expectations diminishes confidence in the assurances of the safety of fast breeders given by reactor engineers and by the AEC.

"In any case the possibility of such enormous damage, tens of thousands killed and injured or billions of dollars in property damage, no matter how small that possibility, raises questions as to whether that program should be pursued at all.

"These dangers must be balanced, by the public and by the Congress, against the possible economic benefits to be gained by the introduction of fast reactors."

Reactors at Detroit and Hallam, Nebraska, were sodium-cooled systems in commercial power grids in the US—and both were out of commission most of the time and have been shut down because of troubles with the sodium method. Yet, the US is committed to a $2 billion fast breeder program.

The AEC's 1968 budget included more than $71 million for fast breeder reactors, the type which are proving a total waste of time, energy and money. This is to say nothing of the questions of safety. The main benefit of fast breeders—when they work—would be economic—in short, the fast buck.

There is no other known reason for a crash program that places potential atomic bombs near big cities around the nation. Yet there has been little or no public or Congressional reaction.

The explosive potential of atomic energy power plants is only part of the hazard to American lives.

LEONARD E. REISMAN

Mr. RYAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, the loss of a friend is always a difficult experience to bear. It is all the more so when death comes prematurely to one who is making a major contribution to contemporary society as it did to Leonard E. Reisman on December 8.

My personal regard for Leonard Reisman overshadows all considerations of his value to his community. But I think it bears mention how much this unusual individual contributed to us all in his brief lifetime.

At the time of his death Leonard E. Reisman was president of the John Jay College of Criminal Justice of the City University of New York, which is devoted to the study and development of the criminal justice system. His former post as deputy police commissioner of New York City helped to prepare him well for leadership of this institution where a majority of the students are police officers. He believed that the level of education of the police should be of the highest, and he developed a curriculum dealing with the concepts of police science and criminal justice.

During Mr. Reisman's tenure in the police department, he served as deputy commissioner in charge of the police department's division of licenses and from February 1960 to October 1965, as deputy commissioner in charge of legal matters. He served also, for a time, as chairman of the department's complaint review board.

Surely this record is impressive in itself for a man far beyond his years. But his earlier career was also distinguished. In 1939 Leonard Reisman enlisted in the Army as a private. When he left in 1946, he held the rank of major. He served in China and Burma where he received the Bronze Star. He received the Order of the Cloud and Banner from the Chiang Kai-shek government for his superlative training of Chinese troops.

After World War II he entered Columbia Law School and became, in his senior year, faculty assistant to Prof. Herbert Wechsler. After graduation he served ably with the criminal branch of the Legal Aid Society, and then was appointed an assistant district attorney of New York County by District Attorney Frank S. Hogan, a position he held from 1951 to 1955.

Leonard Reisman was my classmate at Columbia Law School, my associate as a fellow assistant district attorney under District Attorney Frank S. Hogan, and above all, a friend with whom I shared common interests. His unusually perceptive mind, his keen insight into human nature, and his constant sense of justice will be missed by all who cherished his companionship. His professional ability both as a lawyer and as a law enforcement administrator will be missed by all who looked to him for leadership in a field which demands new and creative approaches—the kind of approaches which Leonard Reisman understood and foresaw as necessary in our complex urban society.

I extend my deepest sympathy to his bereaved family.

I include at this point in the RECORD the obituary from the New York Times of December 9, 1967:

LEONARD REISMAN, 46, PRESIDENT OF CRIMINAL JUSTICE COLLEGE, DIES—DEPUTY POLICE COMMISSIONER BECAME THE FIRST HEAD OF CITY UNIVERSITY SCHOOL IN 1965

A funeral service for Leonard E. Reisman, president of the John Jay College of Criminal Justice of the City University of New York, will be held at 1 P.M. tomorrow at the Riverside Chapel, Amsterdam Avenue and 79th Street.

Mr. Reisman, a former Deputy Police Commissioner, died of a heart attack early yesterday. He was 46 years old and lived at 555 Kappock Street, Riverdale, the Bronx. He was stricken at 69th Street and Fifth Avenue and was pronounced dead at New York Hospital.

The Board of Higher Education named Mr. Reisman in October of 1965 to head the new College of Police Science. Last December, the name of the school was changed to John Jay College of Criminal Justice. It is devoted exclusively to the study and development of the criminal justice system, and the majority of students are members of the Police Department.

Mr. Reisman outlined the school's aims in an article that appeared in the May issue of the American Association of University Women Journal.

"Police administrators," he wrote, "are beginning to recognize that as the general level of education rises throughout the country, the level of education of its police services must keep pace and, indeed, move ahead.

"It is John Jay's purpose to strengthen this recognition by graduating more and more police administrators who themselves have had the advantages of higher education. Part of John Jay's mission is to prepare proposals to governmental and private foundations for funds to further the higher education of police science faculties on a nationwide basis."

Mr. Reisman served as Deputy Commissioner in charge of the Police Department's Division of Licenses and then as Deputy Commissioner for legal matters from February of 1960 to October, 1965. For a time he was chairman of the department's complaint review board.

He was born Feb. 26, 1921, in the Bronx, the son of the late Albert Reisman, a textile broker, and Mrs. Augusta Salit, and entered City College at the age of 15. There, while majoring in political science, he became interested in the military, and he was made the top student officer in the college's Reserve Officers Training Corps regiment.

Too young to receive a commission on his graduation in 1939, he enlisted as a private the next year. When he left the Army in 1946, he held the rank of major. He served as an ordnance officer in China and Burma, winning a Bronze Star, and two combat stars. He also received the Order of the Cloud and Banner, bestowed by the Chiang Kai-shek Government for his training of Chinese troops.

He then entered the Columbia Law School. In his senior year in 1949 he became faculty assistant to Herbert Wechsler, the school's professor of criminal law.

After graduation, Mr. Reisman went to work for the Legal Aid Society, where his courtroom appearances soon attracted the attention of District Attorney Frank S. Hogan.

In 1951 Mr. Hogan coaxed the enterprising defense lawyer to the other side of the fence and Mr. Reisman served for four years in the Appeals and Indictments Bureau and as head of the Complaint Bureau in General Sessions Court.

BRIEFLY IN PRIVATE PRACTICE

He left in 1955 to enter private practice in the firm of Proskauer, Goetz & Mendelsohn "to see what civil practice was like." But in 1958 he returned to criminal law as assistant to former State Senator Bernard Tompkins, a special state prosecutor named by Gov. W. Averill Harriman to look into alleged kickbacks by contractors to highway officials in Ulster County.

He was working on this assignment when Police Commissioner Stephen P. Kennedy appointed him Deputy Commissioner.

Mr. Reisman is survived by his widow, the former Miriam Horowitz; a son, Mark; a daughter, Ellen; his mother, Mrs. Augusta Salit, and two brothers, Herbert and Gerald.

A memorial service for Mr. Reisman will be held Thursday at 11 A.M. in the Police Academy, 235 East 20th Street.

FALSE HANOI PROPAGANDA

Mr. DORN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN. Mr. Speaker, the following is typical of the false, hysterical propaganda emanating from Hanoi. The following came over the news wires throughout the world a few hours ago. This sinister propaganda is reprehensible and should be carefully noted by my colleagues in the Congress and the people of our country who have any doubt about the aggression and evil intentions of the Hanoi dictatorship.

NHAN DAN COMMENTATOR ON U.N.

HANOI.—The commentator of Nhan Dan today castigated the U.S. ruling circles' attempt to bring the Vietnam problem before the U.N. Security Council.

The paper said that this move is made along with rumor spread by U.S. propaganda that the NFLSV desires to send its representative to the United Nations to give its views on the Vietnam question.

This brazen lie, the paper pointed out, was refuted by the South Vietnam Liberation press agency on 9 December.

The paper continued: To make the United Nations serve their aggressive plan against Vietnam is an old trick of the U.S. imperialists aimed at shielding their aggression and, at the same time, scrapping the 1954 Geneva Agreements on Vietnam. They have tried many times to bring the Vietnam problem before the United Nations and hawked their so-called good will for peace and proposals for unconditional discussions. As a rule, such acts were taken before or after their acts of war intensification and expansion in Vietnam or when the movement of protest against their aggressive war in Vietnam was reaching new heights in the world or in the United States itself. But all these moves have failed in the face of the resolute opposition from the Vietnamese people and world public opinion.

Right at the United Nations, delegates from socialist and nationalist countries and even some U.S. allies have condemned the U.S. colonialist war in Vietnam.

The same motives as mentioned above are behind the Johnson clique's present scheme to raise the Vietnam issue before the United Nations. It is clear to everybody that the U.S. ruling circles are frantically stepping up their aggressive war in both south and north Vietnam. They have decided to bring 50,000 more American troops to South Vietnam and, at the same time, ordered their satellites to contribute more mercenaries. They are threatening to extend the war to Laos, Cambodia, and other parts of the world.

The paper emphasized: the Vietnamese people have made it clear more than once that the United Nations has no jurisdiction whatsoever to settle the Vietnam problem, and that all UN acts of interference in the Vietnam issue are completely illegal and invalid. The war in Vietnam was provoked by the U.S. imperialists' aggression. Therefore, to solve the Vietnam problem, the United States must stop its aggression in Vietnam, end definitively and unconditionally the bombing and all other acts of war against the DRV, pull out all American and satellite troops from South Vietnam, and leave the Vietnamese people alone to settle their own affairs.

The only legitimate representative of the South Vietnamese people is the NFLSV. The four-point stand of the DRV government and the stand of the NFLSV, as expounded in its political program, reflect in a concentrated manner the fundamental national rights of the Vietnamese people and also the basic principles and main provisions of the 1954 Geneva agreements on Vietnam.

The Geneva agreements on Vietnam constitute an international legal document which the countries participating in the Geneva conference, as well as other countries and the United Nations, have the duty to respect. If the United Nations wants to contribute to the safeguarding of peace as stipulated in its charter, it must condemn the U.S. aggressive war in Vietnam, demand that the United States stop that war, and not allow, in one way or another, the United States to use it to further its aggressive design in Vietnam.

The paper concluded: the U.S. imperialists are suffering heavy defeats. No step of war escalation and no fraud can save them from heavier military and political defeats. The Vietnamese people are resolved to carry their sacred war of resistance against U.S. aggression through to complete victory.

GUS HALLER—A PIONEER IN THE DEVELOPMENT OF HIS HOME COMMUNITY

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE of Illinois. Mr. Speaker, on Tuesday, December 12, a distinguished leader in Madison County, Ill., observed his 84th birthday. Proper recognition was given to this event in an article in the Wood River, Ill., Journal of December 7, 1967. I have been personally acquainted with the gentleman so honored by his local community for over 35 years.

There are few people in Madison County who do not know of the great contributions to his home community made by Gus Haller. Gus Haller set a record in Madison County by presiding as chairman of its governing body, the board of supervisors, for 30 consecutive years. This, however, is only one of his many achievements. Reading the article in the Wood River newspaper will give one a good account of the early history of the area in which Gus Haller has lived all of his life.

Under unanimous consent to do so, I herewith include the fine article which traces the exemplary life of this senior statesman:

Gus Haller, 84, Living Saga of American Dream

Next Tuesday, Dec. 12, Wood River's distinguished senior statesman, Gus Haller, will be 84 years old. Instead of celebrating the occasion in the conventional manner, he will spend the day at the bedside of Mrs. Haller at St. Joseph's Hospital in Alton, where she is in traction from recovery from a leg fracture, suffered in a recent fall of only two steps at the bottom of the staircase in their home in Rosewood Heights. In the fall on a rug which slipped, the bones were broken a few inches below the knee.

In other years, Haller has been able to stand in his yard on the crest of Ninth Street Hill, look down into the valleys of Wood River and East Alton and say "I've seen that land grow from a melon farm on a sand ridge into an industrial empire." And informed economic observers might add that his public service has contributed substantially to that growth.

Haller's career has been unique in the development of Madison County. For 30 consecutive years ending in 1932, he was "Cheerman" of its governing body, the Board of Supervisors, on which he began service in 1913, a record unmatched in other Illinois counties, and perhaps the nation.

COLORFUL CAREER

The career of Gus Haller makes a colorful saga, son of a pioneer Wood River farmer, Albert Haller whose land is now a part of the American Oil Plant, he, like others in the area depended on melons for a cash crop. He recalls with pride that he shipped carload lots of watermelons to Jim Smith, a Jerseyville merchant, at ten cents apiece, 300 to the car.

Born in 1883, he was a husky young man when the Standard Oil Company of Indiana began building the first refinery in the area. It was a sensational event, and offered new opportunities for employment and adventure.

With a mule team and farm wagon, he earned more than the melons paid by hauling materials from the steamboat landing to the building site. Hundreds of building workmen came to get the high pay—$12 to $24 a week then—jobs, and the town of Benbow City sprang up to supply their needs and wants.

FRONTIER TOWN

It was a picturesque frontier town, with 19 saloons as principal businesses, and a population of about 75 actual residents. As an illustration of its mushroom development, Haller describes one of his lucrative hauling jobs. "A business agent for a labor union shipped in a saloon outfit on the Spread Eagle packet boat and hired me to haul it to his lot. On the first load I took a tent, counter, and several cases of merchandise, then went back for the second load. The landing was only a mile away, but by the time I got back, it was all set up and he was in business.

"This was the time of a money panic, and the construction men had to be paid in gold and silver coins, which rang on the bars, counters and gaming tables which these rough and ready men liked to patronize. Board and lodging cost only $3.50 or $4 a week, so there was plenty to spend for recreation in what would now be outlawed as dens of iniquity, some of which burned red lights to signify the practice of the oldest profession.

HORRIFYING

"Such a community would be horrifying in these times, and quickly closed down, but in those days it was not an uncommon spectacle, which shows how times and customs have changed. Col. A. E. Benbow was the founder and mayor. He was a distinguished man, had been a member of the Legislature and United States Marshal, and though residents of his city would be classed as liberal, to say the least, he held the respect of his contemporaries.

Haller served on the Benbow city police force, where his physique was an asset in preserving the peace, which had grown up and annexed Benbow City. Here he found adventure too, which included a fight with a mad dog whose bite proved fatal for his colleague, John Phipps.

STAMPEDE

Few present-day citizens have seen what Haller calls a "stompede" but he was in one. "During World War I the late H. J. 'Raish' Bowman was a buyer of horses for the French and Belgian governments. He had fenced land which is now an East Alton playground and extended down to the area of the Wood River Township Hospital. In this huge corral, the French and Belgians assembled thousands of horses bought in southern Illinois and Missouri. One night during a heavy rain storm there came a terrific lightning and thunder storm, which threw the horses into a panic. They burst through the fences and raced down the cinder road which is now Wood River Avenue, eight-in-a-breast. Phipps tried to stop them and nearly got trampled to death, but I knew we were outnumbered and let them pass. It took weeks to round them up again, many got trapped in railroad tracks and fences and had to be destroyed."

UNCLE JOE CANNON

As a member of the County Board, Haller was an official participant in the dedication of the Madison County Court House in 1915, regarded as a magnificent edifice. He sat on the platform with the Speaker of the U.S. House of Representatives, Illinois colorful "Uncle Joe" Cannon, who made the dedicatory address.

Despite the unavoidable toll of the years, the eyes that have seen the events he describes still have a twinkle and are sharp enough to read without glasses or draw a bead on a mallard duck. Drive with him down Route III below the Shell Oil plant and he will point out the site of Grassy Lake where he hunted ducks and geese which gathered by the thousands, and a bag of 100 was not unusual for a day's shooting.

In his 30 years as chairman of the County Board which included the depression era, there were many fiscal problems which had to be solved to preserve a stable county government. His sound judgment as its head retained the respect of his colleagues, and won the confidence of business and industrial leaders whose decisions brought about expansion of the manufacturing districts in Wood River, Alton and Granite City. These included the industrial pioneers, Olin's Levis's, Akins, Neidringhauses, Duncans, Rodgers, Clarkes and Manbecks.

In the Wood River flood of 1915, he sat all night on the roof of Olin's Western Cartridge boiler house where he was a fireman, while 15 feet of flood water roared through East Alton.

When the refinery was completed (he still calls it Standard Oil, indifferent to corporate modifications) Haller became the chief of its protection force, retiring to his county political duties when he was 65.

Though he has lived through flamboyant times, Haller's practice of vices has been surprisingly limited to two:

(1) He delights to gamble at pinochle for 50c a game and 25c a set;

CHAWS TOBACCO

(2) He is dedicated to the liberal mastication of a plant of the nightshade family which is packaged under the brand of Beech Nut. He hopes that Olin's merger of Squibb and Beech Nut companies will not retract from its beneficial qualities.

His birthday celebration will be in contrast to the reminiscences here set forth but his friends will deem it appropriate to be at the sick bed of the wife who has stood at his side through 57 adventurous years, the former Adeline Meyers of Calhoun County, together with their two daughters, Mrs. Vernoice Orr and Mrs. Virginia Ostanik.

PRESIDENTIAL COMMISSION ON CIVIL DISORDERS SHOULD NOT BE DISBANDED

Mr. RYAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, the first casualty of the meat-ax approach demonstrated by the House and the other body in adopting the expenditure reductions, which were contained in the continuing resolution of December 11, has been, as was to be expected, the cities of America.

Now we learn that the National Advisory Commission on Civil Disorders, appointed by the President last July, is to be severely restricted, and will probably cease operation before its 1-year term is complete.

The justification offered is that funds are scarce, that the fieldwork is complete, and that it is desirable to accelerate the timetable so that the report will be out well before the summer.

Now, I cannot believe that the administration is unable to find $1 million to continue the work of a body which was established as a response to the most serious American crisis since the great depression. And while it is desirable to know the preliminary conclusions of the Commission as soon as possible, this is no reason to dissolve the staff. The original plan called for a preliminary report in January to make public the Commission's findings about the causes of the disorders and to recommend short-term measures, and a final report in June to suggest long-term solutions and to examine the problem in greater detail.

Out of 74 full-time professional staffers, 34 will be dropped by January 1; and by February 1 another 19 will be released, leaving only 21 to prepare the report. Rather than disband, it is imperative that the study be continued in more depth and that long-term solutions be offered.

The press has suggested a possibility

that I would hope is untrue: that the conclusions were found to be embarrassing and the Commission was, therefore, to be disbanded early. I hope that this is not the case. Solutions will not be found unless the facts—however harsh—are faced candidly. No researcher worth the name excerpts only those findings which are convenient. Undoubtedly, a competent commission investigating the causes of the disorders will find faults in Federal programs, in local administrations, in police-community relations, and in the meager share of national resources being spent on urban problems.

Such conclusions should not be swept under the rug or there will be no solutions. Today I wrote to the President expressing my concern about the premature phasing out of the Commission. In part, I wrote:

> Creative and courageous solutions must be found to counter the chorus of reaction which calls only for more police.
>
> I do not doubt that some of the findings of the Commission will be unpleasant or even impolitic. But solutions consistent with a free and progressive society will not be found unless the harsh facts are faced candidly. I cannot understand how disbanding the Commission will serve this end.

I urge the President to resist the temptation to paper over the problem, and to let the Commission on Civil Disorders continue its work.

Surely the funds are available for this critical effort which must not be cut off in midair.

AEC CENSORS NEWS

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, I have endeavored to keep my colleagues informed on the activities of the proposal to build a nuclear reactor plant near Denver, Colo., during the past few weeks.

I am including as a part of my remarks the most recent article from the Cervi's Rocky Mountain Journal:

WHAT GOES ON AT ROCKY FLATS?—EXPERTS SAYS AEC CENSORS NEWS OF EMPLOYEE RADIATION EXPOSURE

(An article in a continuing series)

As scenes relating to the Public Utilities Commission's charade on the Fort St. Vrain Nuclear Generating Station continue to be enacted, news reports from Washington raised doubts that St. Vrain will ever be built, notwithstanding the PUC's apparent determination to push through the proposal.

The St. Vrain plant is a project of the Public Service Co. (PSCo) in conjunction with other firms. It has been challenged on safety and economic grounds.

More than 50 per cent of its cost will be met by a federal subsidy.

The balance will be paid by the electrical consumers of Colorado.

The new crimp facing St. Vrain comes from Congress, where there is mounting suspicion that the federal subsidy program for the Atomic Energy Commission (AEC) has become an unprofitable chameleon and an unjustified burden upon the taxpayer.

Last Friday, Sen. Edmund S. Muskie (D-Maine) announced that his committee on the problems of water pollution would start an investigation into the menace presented by nuclear generating plants, as soon as Congress adjourned.

An unfavorable report by Muskie's group could pose an insurmountable hurdle for much of the AEC's program as it is presently constituted. A number of projected plants may never be built.

Also pressuring the demand for re-evaluation of the role of the AEC in the United States, is recent action taken by the British government in dissolving the structure of its Atomic Energy Authority.

That Socialist-governed nation has found it expedient to charter its future atomic course through private corporations making atomic fuel elements and contracting out on construction.

In other words, any gamble by hard-nosed industry in the nuclear electricity generation field, will no longer have the assuring backdrop of subsidization. The profligacy of a taxpayer-supported atomic agency can no longer run riot—in Britain.

While the economic plight of Britain may have had an effect upon the political considerations, the economic conditions involved in the fantastically expensive nuclear power plants, had been brewing and increasing for years.

Washington politicians and economists are drawing parallels between Britain and this nation in the atomic power field.

Influential sources believe the whole system under which the AEC is projecting its programs, needs to be totally reviewed, for propriety so far as the economics are concerned, and to allay suspicions and initiate adequate safeguards where fears have been aroused over the "safety" factors in radiation perils.

A corollary to the latter is the acceptance of responsibility so far as compensation is concerned, to the atomic workers who have fallen victim to the inadequacy of safeguards in the past.

St. Vrain itself has been challenged by a team of Washington experts as a potential menace to the people of Colorado.

The experts were refused permission to testify before the PUC, along with independent Colorado utilities.

Leo Goodman, one of the rejected experts who has had more than two decades of experience with the atomic industry, thought that Commissioner Henry E. Zarlengo, who spearheaded the PUC policy, "has been an unwitting help."

"The fact that Colorado's own PUC agency has refused to even listen to anything against the St. Vrain project has been duly noted in Washington. Naturally, the authorities in Washington are astonished and interest has been stimulated," Goodman said, adding an allegory with a pointed barb for a Westerner.

"Mr. Zarlengo appears to have had the bit in his teeth, but he didn't know which direction he was headed."

Goodman visited Denver for the PUC hearings, along with national officials representing the United Mine Workers of America. Goodman has no connection with that union.

The group stayed at the Diplomat Hotel where they were interviewed by *Cervi's Journal*.

The group's suite was visited one evening by a delegation from the Dow Chemical Co.'s plant at Rocky Flats, which is heavily engaged in the manufacture and storage of atomic weapons, as well as nerve gases.

The Dow workers, one after the other, recounted case histories on leukemia and other cancers. They expressed misgivings that the ailments were directly linked with exposure to radiation.

Their names, which they freely gave, will not be published by Cervi's Journal.

The last man told a story of how his face puffed up to an extent that he believed he had an infected tooth. He consulted a dentist who suggested he see the plant doctor.

"I went to the doctor (at Dow)," he said. "He didn't have too much to say.

"He told me I had better go and see a doctor or learn to live with it." He added: 'There's nothing I can do for you.' "

The sick man went to his own doctor who diagnosed leukemia.

The man reported back to Dow and said he thought radiation had brought about his condition. The officials shrugged—not without sympathy—but said nothing could be done so far as a medical claim was concerned, that his illness was due to his work.

"They said there was no proof that the leukemia was caused through my job," he said.

Without emotion, the man said his case was determined to be "terminal."

He is still working at Rocky Flats.

"What else is there to do?" he said.

Officials of District 50 of the International Union of the United Mine Workers, representing the Dow Chemical workers, will not discuss the radiation dangers involved for workers at Rocky Flats.

If they do, they face loss of their security clearance. Newspapermen, of course, cannot enter the plant area, talk to the atomic workers, or have explained for them by Dow officials, what the dangers are and what precautions are taken.

Men like Goodman, however, are not restricted in what they can report or say.

He views the security curtain as an effective shield for the AEC, more than as a veil for national interest.

"Any potential enemy probably knows in essence what's going on there," he points out.

Goodman has compiled some 1,000 case histories of men affected by radiation.

He said the final Dow leukemia victim was about the 200th case suffering from cancer whom he had met personally from visits to atomic plant areas.

"In not one case has the Atomic Energy Commission admitted liability," he said.

From "atomic science fatalities"—the term used in radioactivity accidents and inhalations—there have been several hundred deaths, according to Goodman.

He said there were some 1,400 known incidents of mischance in atomic plants.

"We have records on more than 400 injuries following exposure to radiation. What we don't know is how many more thousands have been affected and when it will come to light," he added.

A few years back, Goodman took a group of Coloradan atomic workers before a legislative committee investigating the adequacy of Workmen's Compensation laws.

"I showed that these men were not being protected despite all the vaunted safeguards," he said.

No matter what the atomic accident is, the AEC admittedly clamps down a tight security lid.

Thus, on Nov. 24, when a merchant ship's reactor exploded in the Atlantic, no information was released on the extent of the harmful effects sustained by the crew. Data eventually, somehow, always funnels down to Goodman.

The ship was towed into Hoboken, N.J. where "'investigation" is under way. The ship's reactor, built in 1962, under AEC auspices, was criticized by the British atomic authorities as being "risky."

Only through union concern for safety of their workers, is there any insistent voice constantly applying pressure for the public safety.

The Goodmans are striving for awareness on the part of the public. They see the atomic plant workers as privates, without first-class privilege. The scientists are the generals, and quasi-judicial agencies which react like Colorado's PUC, are scornfully interpreted as obtuse sellouts whose credulity is horizoned by economic boom at any cost.

THE ESSENTIAL PORT OF HAIPHONG

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, the American Security Council's Washington Report recently quoted a figure which I believe is little known throughout this country. The figure is $500 million, and it is the estimated loss to U.S. shipping and supplies through North Vietnamese attempts to blockade Saigon Harbor. This one-half billion dollars is the estimate for U.S. shipping alone and does not include losses to allied vessels and supplies.

In contrast, what have we exacted from the enemy at the major Port of Haiphong for the thousands and thousands of casualties they and their suppliers have inflicted on American troops and the South Vietnamese military and civilian population? In contrast, it would be little or nothing.

While the enemy is daily engaged in blockading Saigon Harbor we daily avoid the plum of Haiphong. Possibly part of the reason, if not the primary concern, is expressed in the quotation of Secretary Rusk contained in the ASC report:

> If we (the United States) took their own ropes of mines out of Saigon harbor, and placed them in the harbor of Haiphong, that would be escalation according to our critics.

The report, which I will include below, discusses various methods of neutralizing this enemy port. I believe we should take immediate actions to implement a plan which will carry out this neutralizing objective.

The six methods listed below run the gamut of the possibilities but they have in common the primary attempt to save American lives, insure a more immediate end to the war, and preserve the nation of South Vietnam.

This particular report is signed by three persons from the prestige-laden staff of the American Security Council. Two of the men are retired military officers and the third is Dr. Stefan Possony, who is well known for his association with the Hoover Institution for War and Peace at Stanford and also as an expert witness before congressional committees.

The report follows:

CHANGING THE ODDS: A "COST-EFFECTIVE" STEP TOWARD SHORTENING THE WAR IN VIETNAM

What would happen if the United States should capitulate to the Soviets' summit demand that we stop bombing North Vietnam?

According to Chairman of the U.S. Senate Foreign Relations Committee J. William Fulbright, we should do so "in the *hope* that *whatever influence* Russia has in Hanoi *might* be brought to bear on the achievement of a negotiated peace." (Emphasis added.)

According to four-star General Dwight E. Beach, Commander of U.S. Army forces in the Pacific, if we stop the bombing, *"we're just condemning another 10,000 American servicemen to death."* (Emphasis added.)

General Beach spoke from experience and out of concern for his men (of the 462,809 fighting men in Vietnam, 302,000 of them are Army forces under his command). His estimate was not given off-the-cuff, but was the subject of a most extraordinary press conference, the first one called by USARPAC since the beginning of the Vietnam war. Significantly, it was held just four days after the Glassboro summit talks.

Although expressed in terms of the cost in lives which would result from *stopping* the present limited-objective bombing, General Beach's estimate inescapably provides the first concrete basis for estimating the cost in blood and treasure of the U.S. *failure to start* denying to the North Vietnamese Communists the greatest of all of their war-making assets: *the free flow through Haiphong harbor of all types of weapons, ammunition, military supplies and materials, petroleum and other products essential to sustaining a war effort.*

BLOCKING HAIPHONG WOULD SHORTEN THE WAR AND SAVE THOUSANDS OF LIVES

For years now, military experts with experience in war and practical knowledge of use of air power and sea power, have agreed that to shorten the war in Vietnam "the first thing to do is to block the port of Haiphong." This substantially unanimous judgment is supported by the Pentagon's own latest statistics of the sources of military aid to the North Vietnamese Communists. Red China furnishes about *one hundred million* dollars worth a year (a total of $200,000,000 through 1966)—whereas *more than a thousand million* dollars a year in value of weapons, war materials, industrial and transportation equipment are furnished annually by the Soviet Union and Eastern European Communist bloc nations. The great mass of this is brought in through Haiphong harbor. (As early as the end of 1966, the Soviets had furnished an estimated total of $1.5 billion in war aid to Hanoi.)

Despite the fact that the war could be shortened by cutting off this flow of war-sustaining weaponry and supplies, the civilian leadership of the Pentagon has been reluctant to utilize even the most "peaceful" means of denying the enemy the use of Haiphong. However, a new crisis is rising: heavy, advanced Soviet weapons are now killing and wounding U.S. troops quite literally by the thousands. It is so serious that the President has expressed his personal concern.

To quote an AP dispatch dated out of Washington, July 7, 1967: "The Soviets have furnished the North Vietnamese more than 10,000 artillery pieces, mortars, and other heavy weapons." Russian 140 mm rockets and the most advanced models of Soviet 152 mm artillery pieces which hurl their projectiles more than 17 miles have inflicted heavy casualties on company after company of U.S. Marines in the DMZ during the last few weeks. Further, for the first time, Soviet SAM batteries are deployed in the DMZ, thus greatly handicapping U.S. B–52 strikes intended to save our Marines from the heavy Soviet weapons. In addition to surface-to-air missiles, *all* of which are *Soviet* and *all* of which are brought in through Haiphong, *all* of the advanced models of anti-aircraft guns and radar which shoot down American aircraft have been brought in by the Soviets or their satellites through Haiphong.

The North Vietnamese Communists claim that more than 2,000 U.S. aircraft have been shot down by them, and the Pentagon now admits that the figure is over 660 aircraft shot down over North Vietnam alone. The cost to the American taxpayer and the U.S. economy runs into billions of dollars. This is a further element of the cost of Haiphong.

Therefore, whereas stopping the present U.S. bombing of North Vietnam as presently confined to minor and primarily tactical targets *would condemn* "another 10,000 American servicemen to death," the failure thus far to block Haiphong harbor *has already condemned* thousands of American servicemen to be killed by Soviet weapons and ammunition freely delivered through Haiphong. Tragically, the cost in American lives is spiraling every month—so every month of further delay is, in effect, condemning hundreds of additional U.S. fighting men to death.

SOME ALTERNATIVES

There are at least five widely-discussed major types of action open to the U.S. which could halt the rising spiral of American casualties by blocking Haiphong. A sixth method has not heretofore been publicly discussed.

1. *Bombing* is one way of doing it. It would be most effective in destroying port facilities, sinking ships in the port, destroying unloaded and stockpiled cargo, and destroying the land transport system serving Haiphong, Adequate warning could be given to the Soviets and "neutrals." Exclusion of the Haiphong complex as a bombing target is the prime factor in preventing U.S. bombing from bringing the war to an early end, in addition to saving thousands of American lives as it now does.

2. *Mining* of the sea and river approaches to Haiphong would also be effective. The enemy does it to us in South Vietnam—but, as explained by Secretary of State Rusk in May 1967: " * * * if we (the United States) took their own ropes of mines out of the Saigon harbor, and placed them in the harbor of Haiphong, that would be escalation according to our critics."

There has been little public information as to the magnitude of U.S. losses due to enemy mines and activity in Saigon harbor and similar areas in South Vietnam. U.S. ships and cargoes worth nearly $500,000,000 have been victims of such enemy action. Neutral shipping is also in danger from the Viet Cong in Saigon harbor; one British ship was exploded by a mine there recently and nearly sunk.

3. *A "declaration of contraband"* by the United States would also accomplish the objective. This has the advantage of being "peaceful"—at least unless and until the Soviets should send warships or submarines to challenge it. It is most unlikely that they would challenge the U. S. Navy short of a general war. Also, a contraband declaration is not an "act of war," although in prenuclear eras, only formally recognized "belligerents" had the "right" to issue such a declaration under which they could visit and search ships—even of neutrals—seize and confiscate any cargo found in violation of the declared list of contraband. The old notion of the requirement of a formal declaration of war to create the status of a "belligerent" was outmoded by the atomic age. (The "quarantine" of Cuba in 1962 under orders of President John F. Kennedy was *not* regarded as "an act of war" by the Soviets.)

A "declaration of contraband," appropriately enforced, could deprive the Communists of missiles, rockets, POL, railroad and communications equipment, trucks, ammunition, and most of the modern small arms being used effectively by the North Vietnamese and Viet Cong. Equally important, it could keep out *all* of the advanced anti-aircraft weapons and systems used to shoot down U.S. pilots, and substantially all of the heavy Soviet weapons which are presently responsible for hundreds of U.S. casualties per month.

4. *A classic "blockade"* of the entire coast of North Vietnam would be a most effective method of employing U. S. sea power and air power. It could accomplish the same type of cut-off of war supplies and weapons as a

declaration of contraband, and also could close smaller movements of supplies which contraband enforcement might not reach. It is, however, more "warlike" than a contraband declaration. It, too, was formerly recognized as a right pertaining only to a formally-declared "belligerent"—but to pretend that the U. S. is not a *de facto* belligerent in Vietnam would be stretching a legal fiction far beyond the realm of nuclear age reality. As stated by Premier Aleksei Kosygin at the Glassboro summit, the possibility of nuclear conflict has produced "a new reality in questions of war and peace." The Cuban missile crisis proved that even what amounts to a huge blockade is not necessarily an "act of war." The advent of nuclear weapons has raised the "threshold" of war between major powers.

There is little chance, however, of Washington approving either a "declaration of contraband" or a blockade. It would be considered that either would involve too great a risk of conflict with the Soviet Union. The State Department's formal apologies to the Soviet Government issued in June and July 1967, "assure" them that there will be no intentional interference with Soviet ships delivering war materials destined to kill American servicemen. No great naval power in all of maritime history has ever permitted such action—let alone "insured" it.

5. The most immediately decisive method would be *an amphibious landing of U.S. forces in the Haiphong area*. Such an operation would offer a massive military advantage in that it would compel Hanoi to redeploy most of its forces from South to North Vietnam. In addition to bringing the North Vietnamese army into battle against superior U.S. firepower in advantageous circumstances, it would stir up the domestic situation within Ho's dictatorship, would change the entire course of the war, and would very promptly bring it to a climatic point for termination.

Such a massive and radical change in strategy is not required, however, to stop the Haiphong traffic. We believe that there exists an *additional* method of blocking the Haiphong traffic which does *not* entail the real or imaginary danger of trouble with the Soviet Union and which would also be far less costly.

HAIPHONG CAN BE BLOCKED BY LESS WAR-LIKE ACTION

6. The approach channel to Haiphong can be rendered impassable for ocean-going shipping *by purely physical obstructions such as sunken ships*. The technical feasibility of operations of the kind envisaged was demonstrated during World War I (at Zeebrugge) and during World War II (the artificial port that was built to support the Normandy invasion).

The port of Haiphong is situated on the Red River delta and ocean-going vessels can reach it only by means of a single dredged channel about five miles long and 100 to 200 feet wide. Since silt is constantly deposited in the channel and the surrounding waters are only 1½ to 2½ fathoms deep, dredging is required. The few dredges available to the North Vietnamese are vulnerable to aerial bombardment.

Thus the shipping channel into Haiphong harbor can be effectively blocked through the deliberate scuttling of one or two medium-sized ships and we believe that the South Vietnam Navy should be helped and encouraged to neutralize Haiphong harbor in this way.

In order to carry out the scuttling operation successfully, suitable ships must be made available to South Vietnam. Those ships must be prepared to be sunk with a full cargo of cement. Each ship-to-be-scuttled must be convoyed to its designated location by naval ships. It must be defended against naval, air, and shore artillery attack. Its crew must be rescued after scuttling. Communist operations to free the channel or dredge other channels must be opposed. If the enemy succeeds in destroying the obstacle, the enterprise can be repeated.

The blocking of the Haiphong channel would not choke off all traffic. Smaller ports may be used and some of the freight may be reloaded at sea on shallow-draught ships. However, the shallow approaches usable by coastal craft may be mined and the North Vietnamese ships and junks would be permissible targets for air and naval attack. It is unlikely that the North Vietnamese could sustain for long a serious attrition of their coastal and big river shipping.

The physical blocking of the Haiphong sea channel does not involve "escalation" of violence. It can hardly result in a direct military confrontation between the U.S. and the U.S.S.R. Presumably, the channel can be kept impassable for as long as we desire. Since the impact of Haiphong's logistical neutralization on various Communist military, economic and political strengths in Vietnam can be far more extensive than that of any other "non-escalating" tactic, we strongly recommend that the Haiphong sea channel be obstructed at the earliest practical moment.

Lt. Gen. Edward M. Almond,
USA (Ret.),
Dr. Stefan T. Possony,
Rear Adm. Chester C. Ward,
USN (Ret.),
(*As Special Subcommittee of National Strategy Committee.*)

THE SUPREME COURT DOES IT AGAIN

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Ashbrook] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, the latest decision of the Supreme Court in the Robel case has provided an additional reason why the American public should think seriously of the proposal to hold a Federal constitutional convention. I realize that such a proposal is an extraordinary measure, but a review of the Court's decisions in recent years in cases dealing with the Communist Party indicates that corrective action is sorely needed.

In the Robel decision the Court ruled that because of the first amendment a member of the Communist Party who knows that the party has been held to be a Communist-action organization may not be barred from employment in defense establishments important to the security of the Nation. As in the recent past, the Court has dangerously extended the area of individual rights to the detriment of national security.

The Chicago Tribune, in its editorial, "Those Talismanic Incantations," of December 12, 1967, illustrates the danger inherent in the Court's unrealistic decision. I insert it in the Record at this point:

Those "Talismanic Incantations"

The Supreme court, in a 6 to 2 decision yesterday, enlarged on some previous fantasies by ruling that members of the Communist party are so harmless that they can work in defense plants. It knocked out a provision of the 1950 subversive activities control act as "an unconstitutional abridgment of the right of association protected by the 1st amendment."

By the same reasoning, a cell in the United States composed of followers of the Viet Cong and communist North Viet Nam would have a "protected" right to employment in American defense facilities and perhaps within the Pentagon itself, notwithstanding the fact we are at war.

Chief Justice Earl Warren, with the kind of reverse logic for which he is celebrated, held that "the statute quite literally establishes guilt by association alone, without any need to establish that an individual's association creates the threat feared by government in proscribing it."

Let's examine a few of the premises implicit in this statement. The Communist is associated with other Communists, and all together are in the service either of the Soviet Union or, if their sympathies lie with Peking, of Red China. Certainly no one in his right mind thinks that their loyalties and sympathies lie with the United States or that they are working for the welfare and security of the United States. They are dedicated to its overthrow by whatever means present themselves—force and violence if attainable, conspiratorial methods if these are the limits of existing choice.

Chief Justice Warren and his associates in the majority seem to be unable to recall that Klaus Fuchs, Dr. Alan Nunn May, Dr. Bruno Pontecorvo, the Rosenbergs, Greenglass, and Sobell were introduced into American and British atomic installations during World War II. With what result? With the result that the secret for constructing nuclear weapons, originally an American monopoly, was delivered in a hurry to Moscow, and that when we went on to build the hydrogen bomb, the spies got that off to Russia almost as soon as it was perfected.

Alger Hiss, Harry Dexter White, and countless other Communists and soviet spies and agents infiltrated the United States government and passed along every state secret serviceable to our enemies. More recently, the British spies, Kim Philby, Guy Burgess, and Donald Maclean, the first a high intelligence officer, the others foreign office operatives with a pipe line into our most confidential operations, passed along knowledge of our most vital secret decisions to Moscow and Peking. It is acknowledged that Red China intervened in Korea because it knew of the restrictions placed on our military command in resisting.

Yet Warren dismisses the whole incontestable record as an appeal to "talismanic incantations." This is the same mental giant who discovered that communism is harmless when only "advocacy" can be proved against its adherents. He wants to wait for an instance of proven overt action before condemning any Communist. Like stealing nuclear secrets, for instance?

Warren and his brethren have refused to uphold the requirement of the subversive activities control act that Communists must register with the government. They have held that Communists may have passports to travel to Moscow, Peking, and Hanoi. They have denied the right of a state to inquire whether teachers are Communists. They have knocked out a prohibition against Communists holding office in labor unions. And so, drearily, on and on.

Whose side is this court on?

IMPORTATION OF LIVESTOCK AND RED MEAT

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. Langen] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to

the request of the gentleman from Minnesota?

There was no objection.

Mr. LANGEN. Mr. Speaker, I am joining with a number of our colleagues in the introduction of a resolution calling on the administration to place an embargo on the importation of all red meat into this country until the exporting countries prove they are free from foot-and-mouth disease.

You are undoubtedly aware that Great Britain is experiencing a foot-and-mouth epidemic and has already slaughtered some 300,000 head of cattle, sheep, and hogs. The Soviet Union is experiencing a serious outbreak too, and almost every other European country has placed an embargo against meat shipments.

It should be noted that such a disease, once it got a foothold in this country, would be almost impossible to check. It could set our important livestock industry back 100 years.

This resolution expresses the sense of Congress that the Department of Agriculture and the Department of Commerce place a strict embargo on the importation of all livestock and red meat from all countries until each exporting country proves to the satisfaction of those Departments that it is free from foot-and-mouth disease.

Such an embargo would not endanger our domestic supplies of meat. Present supplies are sufficient to meet our needs, and our American livestock industry is well equipped to provide a continuing supply.

It is essential that Congress take immediate action to express its concern over this serious matter.

SHOULD THE METHOD OF MILITARY ACADEMY NOMINATIONS BE CHANGED?

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. Steiger] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. STEIGER of Wisconsin. Mr. Speaker, earlier this year I appointed a commission on congressional appointments to handle the Sixth District military nominations as well as any other appointments that might be made available.

The commission has just completed their selection procedures for my 1968 appointments. They did an excellent job, and I suggest that such a procedure might well be used in order to insure the selection of the best qualified candidates. I would like to call attention to a recent article on this method of appointment that appeared in the American Legion magazine:

Opposing Views by Congressmen on the Question, Should the Method of Military Academy Nominations Be Changed?

YES

(By Senator James B. Pearson)

The system of Congressional appointments to the military academies is an excellent example of a practice outdated by the march of time, but preserved by the force of historical precedent and political inertia.

The system dates from the early 19th century. And given the conditions of that period it was a practical and reasonably effective method. But the times and conditions have changed and a modern system is demanded. As it now operates, the Congressional system of nomination, on balance, does not result in the selection of those most deserving and best qualified.

There are several reasons for this. First, many interested and qualified young men do not even apply because they believe they do not have the necessary "political connections." This psychological barrier exists even though most Congressmen pay no attention whatsoever to political factors.

Second, even though the vast majority of Congressmen consciously ignore political considerations and conscientiously attempt to nominate the most qualified, they are generally ill-prepared to conduct the professional testing, evaluation of records and interviewing so vital to effective, efficient selection.

Finally, given the enormous responsibilities of Congress today, the nomination of cadets represents an additional duty which shouldn't be demanded of an already overburdened Congressman and his staff.

A few statistics testify to the inadequacy of the system. Almost half of the Congressional appointments often are unfilled because Senators or Representatives fail to nominate candidates or nominate candidates who are unqualified. Moreover, 25 to 35% of those who enter the academies drop out, and of those who do graduate, 15 to 30% decide against a military career.

Believing that we must do a better job of awarding these highly valuable military scholarships, I have proposed that the responsibility be transferred to a special selection board in each state. Any possible taint of "politics" would be eliminated, geographical quotas would be preserved, and the tradition of civilian supremacy would be maintained. Most importantly, a more professional system of selection would be achieved.

My proposal is not a new idea. A similar proposal was made by Senator Anthony of Rhode Island in 1863, but was defeated 32–6. "It was," Senator Anthony declared, "one of those proposals that everybody was in favor of and nobody would vote for."

This may be true today although I hope it is not. For the choosing of our future military leaders, whom we entrust with the life-and-death decisions of an atomic age, is of such vital importance that the selection process should no longer be delegated to individual Senators and Representatives, who even in their most sincere efforts, cannot provide the professional attention the task demands.

NO

(By Senator Hugh Scott)

My colleague and friend, Senator Pearson of Kansas, has introduced a bill recommending that the methods of nomination to U.S. Military, Naval and Air Force Academies be changed. Senator Pearson's proposals are thoroughly documented and his statements deserve careful consideration. However, I prefer the present method of choosing the leaders of our fighting forces.

Senator Pearson's major proposal is "to transfer the responsibility of nominating young men for our Academies to an existing body or to one to be specifically appointed by the Governor in each state," for the primary purposes of thorough testing and the conducting of personal interviews.

I use a competitive method of appointment to the three Academies and it has produced excellent results.

I ask all young men who make application to an Academy through my office to take scholastic examinations which are given each July and August by the U.S. Civil Service Commission. I will not consider an applicant unless he takes such an examination.

In addition, I ask that all applicants send me letters of recommendation from persons whom they choose from their own communities. The letters usually are from high school superintendents, teachers, family doctors and civic leaders. Those people are excellent judges of character and personality.

I make six nominations for each Academy vacancy, choosing them from among the highest scorers in the Civil Service Commission test. These six nominees then take further physical and academic tests administered by the academic board of the Academy. The successful candidate of the six receives the appointment. Look at the academic records of my appointees over the last nine years and see what my system has produced:

1) Not one of my appointees has ever dropped out of school for academic reasons.

2) At least 50% of the young men I have recommended to all three Academies have been on the Dean's list.

3) One of my appointees was graduated first in the 1966 class of the Air Force Academy.

My system of appointment to the Academies is objective and fair. It draws upon all the resources of the applicants and attracts some of the finest people in my Commonwealth. Then, when they have passed the examination of both the Civil Service Commission and the Academy of their choice, there is little doubt that they are worthy of appointment to lead our military forces.

Last year I received more than 700 applications for Academy appointments. Over 600 candidates from every part of Pennsylvania took the U.S. Civil Service Commission examination. I cannot help thinking that these young men are encouraged in part by the fair treatment they can expect under the competitive system of appointment which I use.

Handing over the responsibility of nomination to a state-based committee would not improve the established system of Military Academy appointments.

DISEASE PREVENTION NEEDED NOW

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Nebraska [Mr. Denny] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. DENNEY. Mr. Speaker, today I am joining with several of my colleagues in introducing a concurrent resolution expressing the sense of Congress that certain meat imports into the United States be prohibited until the exporting country proves that livestock in that country is not infected with hoof-and-mouth disease.

Mr. Speaker, as my colleagues have read in the newspapers, the epidemic in Great Britain has resulted in the slaughter of approximately 300,000 livestock. The epidemic is now spreading into continental Europe and cases have been reported as far east as the U.S.S.R. I admit that this is a drastic remedy, but I cannot emphasize enough the urgency with which this problem must be dealt. The disease is easily communicated by wild animals as well as infected domestic animals.

It would be my hope that Congress will immediately respond to this threat and pass House Concurrent Resolution 601.

AID TO INDIA—BOONDOGGLE

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Devine] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. DEVINE. Mr. Speaker, with the foreign aid problem again facing the Congress for the "umpteenth" time, and the American people being requested again to give and give and give, I think the Members should have the benefit of information I received from a constituent, now in India.

These stories are told time again, yet foreign aid proponents still insist on voting millions around the globe.

Read of the "appreciation" and reassess our position.

Calcutta, India,
September 21, 1967.

Congressman Devine,
U.S. House of Representatives,
Washington, D.C.

Dear Sir: What I am about to say may sound very harsh and cruel, due to the world's conception of India and her problems today (starvation, labor unrest, unemployment, etc.). First of all, I am very tired of reading in the Indian news media of how terrible the USA is because of Vietnam and the Arab-Israel War. Then, on the next page, one reads about how wonderful Uncle Sam is for selling (?) wheat to India—but why doesn't he give her more or a better variety. Also, why did the United States wait so long before selling India the wheat.

I just wonder how many people back home know what happens to the food sent over here? For the most part, it is not distributed to the poor villagers who really need it. Much of the food never makes it to any market, but lays on the docks or in the godowns and rots or is eaten by rats. That which goes to market, usually finds its way to the Black Market and is sold at outrageous prices to those who can afford it—the foreigners and the rich. I am sure that's not the reason the U.S. gives aid to India.

This brings me to another point, the whole idea of giving. By giving anything to these people we defeat our own purpose. An outright gift has little or no value. The attitude developed is one of "Why work for it, So and So will give us more when this is gone."

Perhaps this would also make relations between the two countries much better. I mean, India would no longer have to hold her hand out to Uncle Sam as a beggar does to the white sahib. The United States would no longer feel obligated to these "starving poor people." As long as we give they won't see the value of working or planning ahead for next year's crops.

I hope I have not been overly emotional in my statements but I do live here and see what is going on. I am tired of listening to these people praise our country one minute for aid and blackmouthing it the next for any reason they can.

THE NATIONAL SAFETY IS DIRECTLY INVOLVED IN THE COPPER STRIKE

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Utah [Mr. Lloyd] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. LLOYD. Mr. Speaker, the dispute between management and labor in the nationwide copper strike will enter its sixth month on December 15. More than 90 percent of copper refineries are idle, and the loss of refined copper production is estimated at nearly 800,000 tons. This mounts at the rate of from 35,000 to 40,000 tons per week. As reported by the Washington Post in an editorial printed December 12, 1967, the Government has been releasing copper from its stockpile, but some observers say that users of copper will soon be almost completely dependent on the foreign market.

Imports of refined copper from all sources in 1965 were at the rate of approximately 2,500 tons a week. It is estimated that imports for December 1967, will reach 15,000 tons a week. In addition, the price for refined copper has risen from a prestrike level of 38 cents a pound to approximately 60 cents a pound today on the London Metal Exchange. This serious impact upon our balance of payments cannot be ignored without further danger to our national safety.

Negotiations have been stalemated principally on the issue of companywide and industrywide bargaining. No end is in sight.

Present Federal laws provide that whenever, in the opinion of the President of the United States, a strike affecting a substantial part of an industry is imperiling the national health or safety, he may appoint a board of inquiry to inquire into the issues involved, which board shall make a written report to him within such time as he prescribes. This report shall include a statement of facts, but shall not include recommendations.

Upon receiving a report from this board of inquiry, the President may direct the Attorney General to petition any U.S. district court having jurisdiction to enjoin such strike if the court finds that a substantial part of the industry is affected and that the national health or safety is imperiled.

Whenever a district court shall issue such an order, it is the duty of the parties of the labor dispute to make every effort to adjust and settle their differences. Also upon the issuance of such court order, the President shall reconvene the board of inquiry. At the end of a 60-day period, the board of inquiry shall report to the President the current position of the parties and the efforts which have been made for settlement. The President shall make that report available to the public.

Within the succeeding 15 days, the National Labor Relations Board shall take a secret ballot of the employees of each employer involved in the dispute on the question of whether they wish to accept the final offer of settlement.

Mr. Speaker, the public interest and the national safety are clearly involved in this ruinous strike. This would be so even in the absence of war, and even without the tragic damage done to the local economies and to local and State governments.

Although neither party to the dispute appears to favor the imposition of the provisions to the existing labor-management legislation popularly known as the Taft-Hartley Act to which I have referred, it is clearly time that this legislation be invoked in the national interest, and on this date I have so recommended to the President.

It is gratifying to know that this strike which has been so crippling to the West is now recognized by the national press, as illustrated by the following Washington Post editorial:

Costly Copper Strike

How much longer must the copper strike continue before there will be some intervention from Washington? The walkout has been in effect since July 15. More than 90 per cent of the United States plants for the refinement of copper are idle. The domestic loss of refined copper production is estimated at nearly 800,000 tons, and this continues to mount at the rate of from 35,000 to 40,000 tons per week. The Government has been releasing copper from its stockpile, but some observers say that users of copper will soon be almost completely dependent on the foreign market.

The dispute between management and labor is especially difficult as it involves the issues of industry-wide and company-wide bargaining. The unions seem unwilling to settle without recognition of what they believe to be their right to bargain with all the major companies simultaneously. The companies think industry-wide bargaining would be disastrous for themselves and unwise from the viewpoint of the national economy. This view has caused all four of the major producers to reject a proposal by western Senators for a fact-finding board to seek a settlement.

Collective bargaining has broken down because there is no agreement on the proper bargaining units. And in the absence of any such agreement the outlook for a resumption of meaningful bargaining looks rather hopeless. When this situation is added to the potential danger of a shortage of copper for defense requirements, the argument for stronger governmental efforts to end the strikes becomes very cogent.

Since the industry that has been closed down is vital to the national safety (to say nothing of the gravely impaired economy of the copper-mining states), it is not necessary for Washington to wait until a crisis is in full flower.

ABUSES IN MEDICARE

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. Cahill] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. CAHILL. Mr. Speaker, in accepting the conference agreement on the Social Security Amendments of 1967 today, the House has established major and progressive improvements in the medicare system. It is evident that the intent expressed by these amendments is to provide the elderly and disabled throughout our Nation with adequate medical and health care. However, despite the determination of this and previous Congresses to create a progressive and efficient program of national health insurance, it becomes increasingly apparent that widespread abuses threaten the very existence of the medicare system.

I have recently disclosed to the House, reports brought to my attention which indicate that private nursing homes in New Jersey and elsewhere are obtaining fraudulent payments from medicare through the submission of falsified cost, patient service, and medicare treatment records. As I noted at that time, I have called for immediate investigation of these practices with a view to the criminal prosecution of the individuals involved in such schemes.

However, it appears that unscrupulous nursing home operators are not the only predators of medicare funds. The following article, by Sylvia Porter, which appeared in the Washington Evening Star, on Tuesday, December 12, 1967, indicates that others who claim to be bound by more noble oaths are also driven by unfettered greed.

The article, "Overcharging for Medicare," follows:

Overcharging for Medicare

(By Sylvia Porter)

"Many, if not most, of our senior citizens are worse off today than they were prior to Medicare . . . Our senior citizens are now paying more for their medical bills than any other segment of our society."

This was the charge recently leveled by New York State Democratic Sen. Seymour R. Thaler at hearings in New York before the Senate Subcommittee on Health of the Elderly. It was not an isolated charge; the same accusation is now being made by doctors, administrators and legislators from coast to coast.

The objective of Medicare is to relieve financially pressed elderly people from a large proportion of the high costs of hospital care and doctors' fees. And without doubt, Medicare is saving hundreds of thousands of elderly Americans from the catastrophic financial blow of serious, prolonged illness.

But for many others, Medicare actually is driving up the cost of health care and raising rates for younger Americans as well.

Item: One elderly lady suffering from a blood condition has for years been visiting a major New York hospital weekly for vitamin injections. Before Medicare, the hospital charged this lady $1.50-$1.75 for each visit. After Medicare went into effect, the charge jumped to $20 per visit. Thus, she was now required to pay not only a $50 per year Medicare deductible, but also 20 percent of the bill in co-insurance—or $4 per month as against the former $1.50 to $1.75.

Item: One New York surgeon charged an elderly patient $175 to remove a cataract before Medicare. But the same surgeon's charge for a similar operation on the same patient after Medicare became effective was $500. Because of the deductibles and because the "reasonable and customary" fee allowed by the government for this operation was only a fraction of $500, this patient now had to pay $400 for the post-Medicare operation, instead of the $175 he paid pre-Medicare.

Item: It is now estimated that of every $1 being spent for Medicare and Medicaid services in New York, 80c is going for cost increases rather than for extra medical services.

A growing number of doctors and dentists now are reported to be earning as much as $100,000-$150,000 a year as a result of Medicare-Medicaid business. In Thaler's words: "They're having a bonanza, particularly among the elderly and in low-income areas."

As a result of the inflated charges, the cost of health care remains prohibitive for many financially near-desperate elderly Americans. Also as a result, pressure is mounting to fix, at the federal level, fees physicians may charge Medicare patients for their services. (Physicians may set their own fees today, and the patient pays the difference between what is considered "reasonable and customary" and the actual amount of the bill.)

Because of the continuing high cost to the elderly of health services, pressure is mounting, too, to eliminate the deductibles and co-insurance provisions in today's legislation. The cost of this to the U.S. government would approximate $1.4 billion a year.

The excesses of a greedy fringe are openly and widely admitted. If the U.S. medical profession fails to curb them on its own, it will only be inviting further government controls on medical practice and fees, a step the profession wants least.

WHITNEY NORTH SEYMOUR, JR., DISCUSSES AIR POLLUTION

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Kupferman] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KUPFERMAN. Mr. Speaker, Whitney North Seymour, Jr., is the senator for the State of New York from the 26th district and Chairman of the New York State senate committee on housing. He is also my State senator, and I follow with interest his public service.

My colleagues who share my concern with environmental problems including the problems of air, water, and noise pollution and solid waste disposal will, I know, want the opportunity of reading the comprehensive summary of the broad subject of air pollution in our cities as delineated by Senator Seymour in his fine article in the September 1967 issue of Urban Affairs Quarterly entitled "Cleaning Up Our City Air."

The article follows:

Cleaning Up Our City Air

(Proposals for combating air pollution through affirmative government action programs)

(By Whitney North Seymour, Jr.)

Government should stop acting like a traffic cop in dealing with air pollution in our cities and start taking an active role of its own in helping to clean up the air. Not only is the penal system approach for bringing about compliance with air pollution standards a generally unsatisfactory way to engender cooperation, because of the considerable enforcement problems, it is also hypocritical—since government itself is frequently one of the major violators of the same air pollution regulations. The real way to make some headway in solving our air pollution problem is for government to roll up its own sleeves and start trying to find some better ways to perform the functions that now are generating dirty air.

The general scope of today's air pollution problem is now universally understood. Pollution is not simply the result of smoke coming out of a factory stack, but rather reflects emissions from a multitude of sources: motor vehicles, municipal incinerators, residential and commercial heating plants, power-generating stations, dust from demolition work, street dirt, smoke from lunch rooms and restaurants, exhausts from jet aircraft, and interstate movement of polluted air.

Most people have also come to understand the basic jargon of air pollution in terms of the chemistry and health effects. They know that cities suffer from tremendous quantities of sulfur dioxide which, usually in combination with particulate matter (dust and soot), lodge in the human lungs and are associated with dramatic incidents of high death rates at times of heavy pollution. They know that automobiles produce, in tremendous volume, carbon monoxide which affects the human mechanism that distributes oxygen to the tissues and can produce headache, nausea, convulsions, and many other unpleasant effects. They know about the polynuclear hydrocarbons, which are also generated by motor vehicles as well as emanating from coal, oil and road tar, and particularly benzopyrene, regularly identified by experts as a direct cause of cancer in laboratory experiments. They also know something of the oxides of nitrogen, which result from combustion both from heating furnaces and automobiles, and contribute to the existence of smog and adverse effects on the eyes, the throat, and the respiratory tract.

Public education in air pollution has been widespread in the past year as the result of the much publicized Thanksgiving smog incident in New York City, the interstate conference sponsored by the Department of Health, Education and Welfare in January of 1967, and regular public statements by politicians and other public figures. This process of public education has also produced public reaction which in turn has started to make some progress in curbing dirty air in our cities, but this progress so far has only scratched the surface.

Among the notable recent achievements in the battle against air pollution have been the following:

1. The establishment of federal regulations requiring the installation of motor vehicle exhaust emission control in 1968-model cars.

2. The enactment of Local Law 14 in New York City signaling the toughest local enforcement standards in the nation in such areas as the sulfur content of fuels and the upgrading of household incinerators.

3. The enactment of tax incentives on the state level to encourage industry to install air pollution control equipment, notably in New York State in 1966.

4. The widely publicized interstate conference on the regional problems of air pollution, resulting in the recommendations for the creation of an interstate agency.

5. Development of a proposed Mid-Atlantic states air pollution commission, already approved by the states of New York and New Jersey and with provision for the addition of Connecticut, Delaware and Pennsylvania, together with a federal representative designated by the President, with power to establish and enforce air quality standards on a broad "airshed" basis.

6. Proposal by the President of the United States for the enactment of a federal Air Quality Act of 1967 to establish industry emission standards throughout the nation.

Although all of these developments are heartening, it will be seen that they all have one common characteristic: They tell other people what they should be doing, rather than doing something themselves. Government has so far only thought in terms of being the traffic cop. Yet government itself is one of the major contributors to air pollution, and it has in its power the opportunity for providing some dramatic solutions to the pollution problem.

The examples of pollution by government itself come quickly to mind. In New York City alone, there are eleven municipal incinerators with a total of forty-seven furnaces and smoke stacks, almost all of them operating in constant violation of the city's own air pollution regulations. Almost every city operates public housing projects, with their own space heating plants and frequently incinerators as well. Cities operate many motor vehicles, including smoke-belching diesel buses. They also have control of the highways on which the poison-producing traffic jams occur daily. City government is a major consumer of electric power, in the operation of street lights, housing facilities, offices, transit systems and the like, all of which add to the need to consume fuels in the generating process. The real question we should be asking is: What is government doing about its own air pollution problem? The answer to this question suggests the even more affirmative actions that government might take to reduce our urban air pollution problem.

POWER GENERATION

In addition to temporizing with the pollution problems caused by power generating stations through regulation of the sulfur content of fuels and the installation of pollution control contrivances in smoke stacks, there are two affirmative measures that can be taken to reduce the tremendous volume of dirty air emitted every day by power plants. One of these is changing the nature of the fuel used in the plants from coal and fuel oil to natural gas or atomic power. The other is to import power from outside the urban center. If any long-range solution is to be found to the pollution problem from power plants, particularly in view of the tremendous increase in power demands that can be predicted for the near future, affirmative and bold steps must be taken in these two directions.

There are several major sources of power that can be imported into urban centers. One source is the construction of modern, efficient power generating stations at the mouths of coal mines. Another is the harnessing of tremendous water resources, particularly in Canada, to produce hydroelectric power. Both sources have been recognized in the National Power Survey prepared by the Federal Power Commission in 1964.

The real problem with importing power from mine mouth or distant hydroelectric source is transmission. It was on the grounds that transmission costs were too high that Con Edison rejected a recommendation by the Mayor's Task Force on Air Pollution that power be imported to New York City as a long-range solution to the pollution problem there. This obviously suggests that if government can find some means of bringing in power cheaper than the utilities can do so, it can make a positive contribution.

The greatest variable associated with the transmission of electricity is the cost of rights-of-way. The upward trend in the price of land is expected to continue, particularly as congestion increases.

This is obviously an area where government can make substantial savings because of the rights-of-way it already owns in such forms as the meridians of parkways.

Probably the single most exciting possibility of practical, inexpensive rights-of-way for transmission lines would be the use of aqueducts to bring lines underground, right into the heart of the city. Underground cables would involve very little displacement in substantial aqueduct pipes and the water could provide a natural cooling method to control internal cable temperatures, one of the major technological problems with underground power transmission.

What I propose is that the state government establish an authority to construct a network of transmission lines, with full consideration for aesthetics and natural resources as well as cost factors, to feed in electric power to major urban centers. Such lines could be used to supply power directly to municipal facilities or could be leased to local utilities for moderate fees to bring in low cost power from the outside. Such an arrangement would permit the use of long d.c. current cables, at substantially reduced expense, with a single d.c.–a.c. conversion center to serve several communities, thereby spreading one of the major cost factors that has delayed private utilities from turning to this technique for reducing air pollution.

Such a public authority for the development of power transmission facilities might also be charged with the responsibility of sponsoring research into new technologies. A report to the Federal Power Commission in April, 1966 by an advisory committee of experts on underground transmission reported promising research possibilities in the transmission of electric power by microwaves beamed through hollow pipes; the use of high pressure insulating gas as a new technique for underground transmission; and the employment of refrigerants to reduce conductor temperature in order to eliminate electrical losses and heating problems.

A similar concept might also be employed in the transmission of natural gas to urban centers for use in fueling existing power plants, as well as permitting conversion of space heating equipment from fuels that generate substantial pollutants. Tremendous new gas reserves have recently been discovered in areas of Canada which offer substantial potential for such development. The need for additional transmission is evidenced by the recent action of the Federal Power Commission in rejecting an application by Consolidated Edison to increase its allotment of natural gas for power generation in New York City.

INDUSTRIAL POLLUTION

The most affirmative concept advanced for dealing with pollution from industrial sources is the idea of fixing a value on air as a raw material and charging a fee to those who use up the fresh air supply by polluting it. Under such a scheme a charge would be made for every ton of sulfur dioxide, say, that was emitted into the atmosphere, much the same way that local governments charge for water service and sewers. The charge would be applied toward pollution abatement measures undertaken by the local government, and the amount of the charge could be reduced by the polluter simply by taking corrective measures.

The beauty of this concept is that it operates in a familiar context, does not depend on law enforcement officers tracking down violators, and provides the strongest economic incentive for correcting pollution. The polluter is given the choice of paying the charge or paying the cost of eliminating the polluton. Either way, the community benefits.

A full description of this concept of economic incentives to reduce air pollution can be found in an essay by Edwin S. Mills, professor of economics at Johns Hopkins, in *The Economics of Air Pollution*, and in the introduction to *Controlling Pollution* recently published by Marshall I. Goldman, professor of economics at Wellesley College.

SPACE HEATING

Much of what has already been suggested could also serve as affirmative techniques for reducing the pollution from the heating furnaces in private homes, apartment houses, and commercial structures. Although individually not very significant, when these units operate simultaneously in numbers of several thousand, they constitute a major contributor to the pollution problems of large cities. In New York City, for example, there are 600,000 one- and two-family homes with their own heating plants, most of them using fuel oil. There are another 135,000 furnaces of larger capacity serving apartment houses and office buildings. Finally, there are an additional 2,500 heating furnaces operated by the New York City Housing Authority in its mammoth public housing projects. These quantities of heating plants present staggering enforcement problems.

If, instead of relying on law enforcement techniques, each building were required to pay an "air charge," based on the pollutants emitted into the city air measured on the volume of fuel burned or some other convenient experience yardstick, the incentive would exist for reducing pollution to a minimum instead of encouraging a hide-and-seek game between landlords and air pollution inspectors looking for evidence of violations of air standard regulations. Such an approach would not only provide an incentive, but would also eliminate existing penalties for those who voluntarily upgrade their heating plants.

In most cities if a property owner replaces a coal or oil furnace with a new, efficient gas furnace producing no pollution whatsoever, he is hit with an increase in his assessment for real property taxes. If an "air charge" were in effect, based on the volume of pollutants emitted by his formerly inefficient furnace equipment, he would actually be entitled to a reduction in such fees that presumably would offset the increase in assessment. As it is now, he is simply penalized for his good citizenship.

Obviously, any program to encourage a conversion away from pollution-generating fossil fuels, would require a substantial additional supply of natural gas or non-polluting electric power, both of which could be made available through the long distance power transmission lines or gas transmission pipelines previously suggested.

Another opportunity for affirmative government action in reducing pollution related to space heating would be the development of steam generating plants in conjunction with municipally operated refuse incinerators, thereby turning the combustion of trash from a liability into an asset by using the resulting heat to manufacture steam for transmission to nearby apartment houses.

REFUSE DISPOSAL

The practical logistics of refuse in local municipalities staggers the imagination. The Science Advisory Committee last year reported to the President that reliable estimates showed that each person produced 1,600 pounds of solid waste in municipalities each year, an average of 4.5 pounds per person per day. This makes a grand total of 250 billion pounds of municipal refuse each year for which the collection and disposal costs are estimated to run between 1.5 and 2.5 billion dollars.

The problem of waste disposal in cities has been growing by leaps and bounds. Recent figures from Philadelphia indicate that the volume of rubbish increased from 380,000 tons in 1959, to 567,000 tons in 1964. The paper industry alone generates 25 to 30 million tons of waste from paper and paper products each year. In 1962 more than 18 million tons of paper went into the manufacture of various types of paper packaging and containers. Other packaging statistics include 48 billion metal cans a year (250 per person), 26 billion bottles and jars (135 per person), 65 billion metal and plastic caps and crowns (338 per person).

The need for imaginative, affirmative programs for coping with this huge problem has never been greater. It is time for the development of regional concepts in the handling of waste products. Urban waste systems must be part of all city planning.

Affirmative research and development by local government must be employed in the implementation of such concepts as pipeline systems or existing rail and highway transport systems for moving waste salvaging newsprint, automobile hulks, and similar waste products, New refuse collecting machinery, which can adequately compact trash for easy handling, must be financed. Affirmative planning for open green spaces in combination with land fill operations should be developed.

Where the only feasible technique for disposing of refuse is incineration, combination facilities should be developed by government, so that the same fires that consume refuse also generate steam for space heating or power to supply electric needs.

MOTOR VEHICLES

Of all the sources that afflict urban centers with air pollution, the worst is the motor vehicle—the thousands of private cars, buses, and trucks that each day fill the city streets with toxic gases. For every gallon of fuel burned, three pounds of poisonous carbon monoxide and two ounces of nitrogen oxides are produced. Gasoline consumption in this country rose from 40 billion gallons per year in 1950 to an estimated 70 billion in 1964.

Although federal regulations will require the installation of new exhaust emission controls on 1968-model cars, experts are unanimous in their agreement that the increase in the number and use of motor vehicles will quickly overcome the benefits of these pollution control measures.

Government simply must not be satisfied with the enactment of regulations requiring the installation of gadgets on traditional motor vehicles. Much more affirmative, creative programs must be undertaken.

The most obvious first step, which must be instituted by local units of government, is an effective inspection procedure to ensure that required devices are adequately installed and maintained. All of the technological advances in controlling exhaust emissions depend on peak performance. In states such as New York, where inspection is performed by local garages and the cost of adequate equipment to check pollution control devices runs to a minimum of $25,000, it is unreasonable to expect that the existing inspection system can possibly cope with the dimensions of the problem. A bold new concept of effective state inspection is mandatory.

Government must also serve to spark research into alternate methods of propulsion for motor vehicles, particularly those used on a regular basis in urban centers, such as police vehicles, taxicabs, local delivery trucks, and the like. Here Government subsidy of power cell, battery operated vehicles, and other equipment should be instituted promptly. Early development of competitive, nonpolluting urban motor vehicles is essential.

The greatest opportunity for affirmative action by government in combating motor vehicle pollution lies in its control over public streets and highways. Existing laissez faire traffic policies have encouraged the traffic jams that strangle most of our major cities and cost untold billions of dollars each year in wasted manpower, time, delays in delivery of goods and the like. But in addition to all these, city traffic jams are a principal source of urban air pollution. Conside the fact that in normal city driving today, an automobile emits *four times* the hydrocarbon pollutants emitted by the same vehicle cruising an equal distance at 40 miles per hour. Idling in a traffic jam multiplies the release of cancer-producing benzopyrene about *twenty times*.

If half of the motorists who commute to our urban centers would double up or use public transportation, thereby increasing the average speed of the remaining motorists two times, the pollutants from the remaining motor vehicles would be reduced to about one-sixth of the present levels simply through the device of speeding the movement of traffic.

This simple fact indicates the course that must be followed. Some means must be found to reduce the entry of motor vehicles into urban centers at the time when traffic congestion is at its worst. This time, roughly between 8 a.m. and 9 a.m., when the influx of motor vehicles, usually with only one driver-passenger, coincides with the daily temperature inversion to accentuate the pollution problem.

The affirmative action needed to realize this goal is self-evident. Municipalities must be given the power to control the flow of traffic into the urban core. The technique for achieving this result is to establish toll stations on the access routes and to charge tolls based on the same "air charge" theory outlined in connection with industrial polluters. Drivers of motor vehicles who use up the air supply must pay for doing so, just as they now pay the cost of amortizing a bridge or thruway. Such toll barriers need only operate between 8 and 9 a.m., and should employ an inverse toll system which would charge a decreasing amount for an increasing number of passengers in any vehicle. For example a motor vehicle with just a single driver-passenger might pay a $4.00 toll; one with two passengers might pay $3.00; one with three passengers might pay $2.00; and one with four passengers might pay $1.00. This would provide the economic incentive for increasing the number of passengers in any single vehicle, thereby reducing the total number of vehicles on the road, or encouraging drivers to use mass transportation facilities. The toll revenue could then be applied to other air pollution abatement procedures.

CONCLUSION

The effort of government to control air pollution by regulation and enforcement has never been wholly successful. As early as the thirteenth century, English authorities expressed concern about coal and charcoal smoke. In the sixteenth century laws were passed restricting smoke-producing fires, but to little avail. Now in the twentieth century the sources of pollution have multiplied many times, and the extent of the problem touches virtually every substantial urban center in the world. It is not enough for local units of government to continue to pursue the same old course that has failed to be effective in the past. We must encourage creative, imaginative functions by government to meet the pollution problem headlong. Government itself must develop techniques for obtaining electric power without polluting the air. It must increase the supply of non-polluting fuels for space heating. It must develop methods for disposing of refuse without fouling the environment. It must conserve air resources from excessive industrial use. It must bring the motor vehicle under control before it asphyxiates those who live and work in our cities. A major responsibility of government in our time, and for the foreseeable future, is to make our cities habitable. Controlling the quality of our air supply is an essential part of that process.

OEO: A MAJOR STEP BACKWARD

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. KEITH] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KEITH. Mr. Speaker, during debate on the Economic Opportunity Amendments of 1967, I called the attention of my colleagues to two excellent editorials which appeared in the New Bedford Standard-Times. They did an outstanding job of constructively criticizing the war on poverty—and suggested several ways in which it could be improved. More involvement of existing agencies and organizations, as well as more utilization of the resources of the private sector, were among the changes proposed. I supported both these improvements.

One change which the Standard-Times strongly opposed, however, was the so-called "city hall" amendment, which permits local governments to take charge of community action agencies now run by private agencies and OEO. Along with many fellow Republicans, I voted to delete that change in the 1967 amendments—but it was upheld by the majority.

I had hopes that the House-Senate conferees would eliminate the "city hall" amendment—and was not appeased by the fact that it will take effect later and will have bypass provisions for dire cases. The New Bedford Standard-Times, in a keenly perceptive commentary on the conference report, summed up its objections to the shift of control to local governments. I recommend "OEO—A Major Step Backward" to my colleagues as an example of objective analysis of a regression that could lead to initial chaos and ultimate disaster. And I hope that subsequent analysis of the possible effects of the change will result in its elimination from the provisions regulating the Office of Economic Opportunity.

The editorial follows:

OEO: A MAJOR STEP BACKWARD

"Whether the House of Representatives will buy it, we have no doubt. Whether the country will buy it, we have considerable doubt."

The comment was by Sen. Javits, R-N.Y. and he was reflecting widespread opposition to House-Senate conference approval of an amendment that would permit local governments to take charge of community action agencies now run by private agencies and the Office of Economic Opportunity.

The best opponents of this provision could do in conference was to delay its effective date until Feb. 1, 1969.

Principal opposition was among Republicans, who postponed a decision on whether to support the conference bill, declaring, "We now are faced with the proposition of whether we can accept City Hall control inherent in the amendment."

Thus the war on poverty has sustained a major blow. For what this amendment means is that communities will wage effective war on poverty only if the local government is in favor of the idea.

For example, in the wake of the rioting in Newark, N.J., the Associated Press quoted Negro leaders as saying it was triggered by "unsolved issues, simmering for many years . . . broken promises for new low-rent housing, better schools, better jobs. . .

James Hooper, chairman of Newark's chapter of the Congress of Racial Equality said Negroes pleaded with Mayor Hugh Addonizio "to do something about these things for years, but all he'd say was, 'if you don't like what I'm doing, then vote me out—if you can.' "

Further, in Mississippi this year, a Head Start office was burned by persons unknown and in the same state, a team of physicians found Negroes suffering from malnutrition who were under the impression public assistance was being withheld from them in the hope that they would move.

Now that it is proposed to allow local governments to run the poverty war, how will people in such areas as these fare?

The answer would seem to be that in those places most in need of vigorous and imaginative antipoverty efforts—places most likely to explode in bitterness—there is the least chance that anything will be done if the job is left to City Hall.

We don't think the country will "buy" the local control amendment on the strength of the argument that some, or even many, of the community agencies may have been administered inefficiently.

We don't "buy" it either.

Tighten the existing system where necessary. Prune it, supervise it, increase its community involvement to make it more effective by tying it to local agencies, and private enterprise.

But tossing the poor to the politicians is a long step toward initial chaos and ultimate disaster.

LEGISLATION BY EXECUTIVE FIAT? THE NEW TREASURY REGULATIONS TAXING ADVERTISING REVENUE OF TAX-EXEMPT ORGANIZATIONS

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. CURTIS. Mr. Speaker, the Internal Revenue Service published in the Federal Register yesterday, December 12, new rulings relating to the taxation of advertising income of exempt organizations. The new rulings would classify as gross income from unrelated trade or business, and hence taxable, any income derived from the sale of advertising in an exempt organization's publication, unless such advertising could, in the judgment of the IRS, be said to "contribute importantly to the accomplishment of an exempt purpose." In this respect, the IRS has ruled that no commercial advertising in a publication of a tax-exempt organization contributes to the exempt purpose, with the possible exception of advertising in a college newspaper.

The IRS interpretation is quite new, and would profoundly affect many charitable and exempt organizations. On July 17, 1967, at the time the IRS regulations were proposed, I took the floor of the House, page 19070, to point out that this interpretation is counter to the intent of the Congress as evidenced in the legislative history of the 1950 Revenue Act. At that time I called to the attention of the Members and the Treasury Department that the statute was intended to subject to taxation only the income of a trade or business that is substantially unrelated to the primary purpose of the tax-exempt organization. In applying the statute, the operation of a publication may be regarded as a "business," but its income is only subject to tax if the publication—not the advertising—is a business "substantially unrelated" to an organization's tax-exempt purposes.

The Internal Revenue Service is quite obviously trying to amend the law, and is doing so by the undemocratic means of administrative ruling. To be sure, section 7805 of the Internal Revenue Code delegates to the Treasury Department the authority to "prescribe all needful rules and regulations for the enforcement of the Internal Revenue Code." Yet there are statutory limits inherent in this delegation of authority which hinge on the word "needful." For two very fundamental reasons this ruling cannot be defined as "needful" and hence the ruling is beyond the authority of the Internal Revenue Service.

First, as I have already noted, the ruling goes counter to the intent of the Congress, and thus can hardly be said to be a "needful" ruling for the implementation of a statute which it contradicts. Second, in questions sufficiently large and important, and which involve a questionable deviation from past policy, it is sound institutional judgment to reserve such questions to the deliberative process of the Congress not the "closed door" procedures of administrative agencies.

In July of this year, the IRS did hold hearings on their then-proposed regulations. However, these hearings, conducted by the IRS, never called upon that agency to come forth with justifications and arguments in support of their rulings and subject them to cross-examination. In fact it is becoming quite clear that the IRS intends to assume no burden of proof whatsoever in this matter. To my knowledge no Members of Congress nor of the public have been allowed to examine the detailed study which the Service contends it has been conducting for the past few years. Congressmen and the public apparently must be content to rely on the considered judgment of the Internal Revenue Service that these rulings are necessary.

Frankly, I feel this is far from enough in a matter of this importance. Groups substantially affected by this ruling run the gamut from the Boy Scouts and the Girl Scouts, to churches, labor unions, professional and business organizations, to educational groups. To rectify the situation I have introduced legislation in this 90th Congress as well as in past Congresses which would make income from advertising in tax-exempt organizations nontaxable. I wish to again call attention to these bills, H.R. 11491 and H.R. 11492, not because I have reached a final conclusion on the merits of the matter, but because of a feeling that if Congress does not intervene there will never be a full airing of the facts and reasoning employed in the "comprehensive study" conducted by the Internal Revenue Service.

STANLEY D. METZGER APPOINTED CHAIRMAN OF THE TARIFF COMMISSION AND CONFIRMED BY THE SENATE

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. CURTIS. Mr. Speaker, the Tariff Commission is one of those independent agencies created by the Congress to perform certain functions assigned to it by congressional legislation. The Commission's role as an independent agency, with broad powers to investigate matters in the foreign trade field, is to be carefully guarded and preserved, for the independent Tariff Commission is one of the principal means by which the Congress can inform itself of problems in this important area.

In this context the qualifications of the persons appointed as Tariff Commissioners—of whom there are six, including the Chairman—are very important. They must represent the highest standards of independent scholarship.

Thus I was concerned on reading in the RECORD of proceedings in the Senate on November 7, during the confirmation of Stanley D. Metzger as Chairman of the Tariff Commission. In these remarks on this occasion, one Senator made various allegations concerning Mr. Metzger that concern me because they could reflect on the qualification of the man confirmed for this most important post. For this reason, I should like to make certain clarifying statements in order to avoid a possible unwarranted injury to reputation.

The record of the hearing before the Senate Finance Committee on Mr. Metzger's nomination discloses the confidence reposed in him by the committee. It also contains detailed answers to allegations by the Senator:

First. That he failed to disclose that he had written a book entitled "Law of International Trade, Documents and Readings," and that this textbook was required for a course in international trade at a Washington university. The press release containing his biographical sketch, reprinted in the hearings, and in the CONGRESSIONAL RECORD of November 7, expressly states the titles of three books he had written, including the one referred to by the Senator. The matter of the teaching of a course was fully discussed and approved by the Finance Committee. The suggestion that Mr. Metzger wanted to teach this course in order to sell copies of his books seems unfair. Mr. Metzger clearly indicated his own intentions when he said in the hearings at pages 28–29 that he would give up the course if necessary to become a Tariff Commissioner.

Second. That he withheld the fact that he had once worked briefly, part time, for a subcommittee of the House Education and Labor Committee and parted company after a policy dispute with the chairman. The Senator's objection was based on the fact that the White House press release announcing the nomination of Mr. Metzger did not note several months' employment with a House subcommittee. While Mr. Metzger did not prepare the White House press release concerning his appointment, which had also failed to mention a U.S. agency he had worked for full time for 1½ years and other details as well, there was no secret about the subcommittee episode in 1961—it was widely publicized and brought no discredit on anyone. Mr. Metzger made full disclosure of this employment on pages 7–11 of the publicized hearings of September 28.

Third. That he refused to answer committee questions on the antidumping code on instructions of the State Department. The hearings show that Mr. Metzger answered more than 60 questions on the code. He refused to answer several questions asking his opinion as to whether particular provisions of the code are inconsistent with domestic law, on the grounds that this might prejudice his position in future cases before the Commission raising these issues, and that such questions should be decided not in the abstract but in the context of actual facts of actual cases. He was supported in this stand by the Finance Committee chairman. There is no reason to believe that either the State Department or any other agency of Government told him what to say, nor was there any such suggestion made at the hearing by members of the Finance Committee.

A reading of the hearing will disclose that Mr. Metzger is not only highly qualified for this important post, but was honest in his testimony.

TO IMPROVE URBAN PROGRAMS

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentlewoman from New Jersey [Mrs. DWYER] may extend her remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mrs. DWYER. Mr. Speaker, last week's—Thursday, December 7, 1967—newspapers carried a story on the White House announcement that an Institute for Urban Development will be established to do for the cities "what the Rand Corp. and other 'think tanks' have done for the Nation's defense establishment."

In this respect, the Washington Post reported that:

> A top-level HUD official said last night that even if HUD had the best urban brains in the country—which it doesn't—it still would be fatally handicapped by the bureaucratic structure of the Federal Government. Many agencies, he said, are involved in urban affairs. Each is jealous of its prerogatives and HUD lacks the power, he said, to impose on them a unified plan of action or even to draft such a plan.

The disillusionment of the administration with the ability of HUD alone to cope with the urban dilemma is a little late in developing and comes only after a summer of arson, looting and rioting, and unfulfilled promises.

It is regrettable that blood had to flow in the streets before the administration gave evidence of comprehending what any thoughtful student of government could have told it well over 2 years ago.

When the proposal to create a Department of Housing and Urban Development (H.R. 6927) was being debated before the Committee of the Whole House in the 89th Congress, many of us argued in vain for a substitute for the administration bill—a substitute which would have provided precisely what is still missing in the field of urban affairs.

On June 16, 1965, I offered an amendment in the nature of a substitute to the bill, H.R. 6927, which would have established in the Executive Office of the President an Office of Urban Affairs and Community Development, the only effective way to coordinate programs, obtain consistent policy direction, and establish rational priorities.

At that time, I said:

> The major contention of proponents of a new Department seems to be that top-level attention to the needs of urban areas can only be assured through direct representation at the Cabinet table. The fact, however, is that top-level policy and action is not the job of the Cabinet, as such. Top-level decisions and coordination in the field of military and foreign affairs are achieved through the National Security Council. Major decisions about the administration's overall program are made through the Bureau of the Budget. Decisions on economic policy are reached through the agency of the Council of Economic Advisers. These staff arms of the President do not make the decisions by themselves, but they bring together the policymaking officials of the operating agencies for the purpose of hammering out agreement on basic policies within the limits of congressional authorizations.
>
> This is what is missing in the field of urban affairs. And it is precisely what our substitute would provide.
>
> We who favor the coordinating staff device contend that simply giving higher status to one agency is not enough. By itself, it is an empty gesture. What is most needed—and the committee hearings and floor debate show wide agreement on this point—is a means of making existing and future urban programs work more effectively regardless of which agencies administer them.

The White House announcement of the establishment of an Institute for Urban Development again reminds us that if we are to cope with the vast changes in problems and programs of recent years there is a need for a complete overhaul of the Government's organization.

The President has acknowledged that "we have not reached the end of the reorganizations which are required if we are to adapt our Government structure to the changes which have been taking place in our national life." However, he persists in pursuing limited, ad hoc efforts at reorganization.

It is now nearly 20 years since the last comprehensive studies were launched under the chairmanship of former President Hoover. Obviously, thoroughgoing review and reform should be delayed no longer.

Early in this Congress, I introduced H.R. 526 to establish a Commission on the Organization of the Executive Branch of the Government—in effect, a new Hoover-type Commission. Scores of Members have since introduced identical or similar bills, and there is a strong conviction that such a commission would accomplish the major reexamination of Federal Government organization now so desperately needed.

Reorganization cannot be accomplished through the submission of piecemeal and uncoordinated proposals. It cannot be accomplished by merely endowing existing agencies with the trappings of Cabinet status. Nor can it be accomplished by the establishment of ad hoc study groups as each crisis develops.

A piecemeal approach to governmental organization cannot cope with a problem of the magnitude that confronts us. Unless we make a fresh start at reorganization, and make it soon, the proliferation of problems and programs threatens to overwhelm us.

As the New York Times noted, the new Institute for Urban Development can serve to improve communication between existing university urban programs, provide a clearinghouse for information, and establish the basis for a concerted intellectual attack on urban problems. Can we tolerate less, Mr. Speaker, from the Federal Government which bears even weightier responsibilities for solving urban problems?

I insert articles from the Washington Post and the New York Times for December 7, 1967, and the Times for December 11 at this point in the CONGRESSIONAL RECORD:

[From the Washington Post, Dec. 7, 1967]

INSTITUTE TO PONDER AID TO CITIES

(By Richard Harwood)

The White House, still grappling with the American ghetto crisis, announced yesterday that a "think factory" on urban problems will be set up in the weeks ahead.

Its job will be to sell to the Department of Housing and Urban Development (and related agencies) what the Rand Corp. has sold to the Pentagon—the intellectual and scientific capabilities that the bureaucracy lacks.

The new, non-profit corporation will be called the Institute for Urban Development and will be organized by a committee of businessmen, academicians, and Administration alumni: Irwin Miller, board chairman of Cummins Engine Co., Columbus, Ind.; Arjay Miller, president of the Ford Motor Co.; Kermit Gordon, president of the Brookings Institution and a former budget director; former White House adviser McGeorge Bundy, who is now president of the Ford Foundation; Prof. Richard Neustadt of Harvard University, and lawyer Cyrus Vance, former Deputy Secretary of Defense.

This committee, said presidential assistant Joseph Califano, will incorporate the Institute, write its charter, and help select its president and board of directors. An Institute staff of 60 to 100 social scientists, architects and planners is contemplated, he said.

Their task will be to find out what the problems of the American city really are—particularly ghetto problems—and to find out how they can be solved. A grant from HUD will get the Institute started, Califano said, and its future income will derive from contracts with Federal, state and local agencies.

There was immediate speculation that the decision to create the Institute reflects disillusionment by the Administration with the ability of HUD and other old-line agencies to deal with an urban crisis that exploded last summer in rioting, looting, and arson.

A top-level HUD official said last night that even if HUD had the best urban brains in the country—which it doesn't—it still would be fatally handicapped by the bureaucratic structure of the Federal Government. Many agencies, he said, are involved in urban affairs. Each is jealous of its prerogatives and HUD lacks the power, he said, to impose on them a unified plan of action or even to draft such a plan.

The proposed Institute, he said, will have the planning flexibility HUD lacks.

[From the New York Times, Dec. 7, 1967]

JOHNSON CHOOSES "THINK TANK" PANEL ON URBAN ISSUES—6 TO FORM INSTITUTE, LIKELY TO ATTRACT 60–100 EXPERTS FOR CONTRACT RESEARCH

(By Max Frankel)

WASHINGTON, Dec. 6.—President Johnson set out today to promote the creation of an independent, nonprofit research institute that would do for the cities what the Rand Corporation and other "think tanks" have done for the nation's defense establishment.

To be established outside the Government in some attractive setting, the Institute for Urban Development will be expected to attract from 60 to 100 professional men in all social, economic and construction disciplines.

The institute is expected to undertake contract research, at first for the Federal Government and later for state and local agencies as well.

Mr. Johnson invited six widely known public men to meet here later this month to nominate a board of directors for the institute, to help select a site and to draft incorporation papers.

PANEL IDENTIFIED

The chairman of the informal organizing panel will be Joseph Irwin Miller, chairman of the board of the Cummins Engine Company in Columbus, Ind.

Working with him will be the following:

Arjay R. Miller, president of the Ford Motor Company.

Kermit Gordon, president of the Brookings Institution here.

McGeorge Bundy, president of the Ford Foundation.

Prof. Richard E. Neustadt, head of the Kennedy Institute of Politics at Harvard University.

Cyrus R. Vance, New York lawyer and until recently Deputy Secretary of Defense.

No major funds are likely to be needed by the institute until it begins recruiting officers and staff toward the middle of next year.

But Mr. Johnson held back on the project, which he first deemed necessary about two years ago, until Congress had acted on his request for more research money for the problems of the cities.

MORE FUNDS SOUGHT

The Department of Housing and Urban Development has been working with a research budget of $500,000. The President requested $20-million this year for a major expansion. Congress gave him $10-million.

That amount is thought by White House officials to be more than enough to underwrite the early organization efforts at the institute. Eventually, it is hoped that Government contracts will cover its expenses and that foundations and other interested parties and clients will contribute additional funds.

Mr. Johnson and his aides, having long sensed a lack of major research into urban problems, want the new institute to do the following:

Develop a capacity for analyzing urban problems in relation to Federal and local governmental efforts, ranking priorities of need, effectiveness and investment.

Conduct long-range studies to gather data on all aspects of urban problems.

Become a focal point for various disciplines to share information and ideas.

Provide an independent, objective base for the review and evaluation of remedial problems.

The analogy to the Rand Corporation is very much in the minds of Government planners as they talk about the new institute.

Rand was organized as a civilian nonprofit research arm of the Air Force in 1946. It studied weapons systems and branched out to everything from Soviet military and political developments to the attitudes of Vietcong defectors in South Vietman.

ATTRACTIVE SETTING

Although the Air Force still provides two-thirds of its contracts, Rand has grown to a $23-million operation engaged in research for at least a dozen other government agencies.

Most of its 1,200 employes work at the Rand headquarters in Santa Monica, Calif., an attractive setting that has helped to attract many men who are regularly courted by universities and rival organizations.

The thinking here is that the Department of Housing and Urban Development will be to the new institute what the Air Force has been to Rand.

Eventually, however, it is thought that the Department of Health, Education and Welfare, the Commerce Department, the Budget Bureau and other Government agencies throughout the country will contract its services.

While working on this plan, the White House also looked toward several independent short-term efforts to deal with urban problems.

The President's Commission on Civil Disorders is said to have reached the point of drafting its major recommendations.

Another group, the National Commission on Urban Problems, proposed today that the Federal Government sponsor several large demonstration housing projects that would seek to reduce costs and to bypass building code restrictions throughout the country.

Former Senator Paul H. Douglas, Democrat of Illinois, the commission chairman, said that building codes were one serious impediment to the major breakthroughs in technology needed to construct low-cost housing at prices that low-income tenants could afford.

Unless changes are known to be feasible and voluntarily made, he said, the pressures will develop for a national building code.

[From the New York Times, Dec. 11, 1967]

'Think Tank' for Cities: Panel Seen Improving Communication Between Colleges' Urban Study Groups

(By Joseph G. Herzberg)

The "think tank" being organized by President Johnson to help the problem-ridden cities might provide an answer that universities have needed in their own urban studies. There is a lot of research "ongoing," as the professors say, but virtually no communication between any of these urban study groups.

"We have been plowing up the same ground five times," said Clarence Walton, dean of the Columbia University School of General Studies, which operates the Center for Urban-Minority Affairs. "We're all geared up more than ever. A clearing house for information is what we need."

A "think tank"—officially the Institute for Urban Development—is needed, the President is known to feel, because even with the host of university studies, there is not enough of a concerted intellectual attack that the crises in so many cities demand.

"The special qualification of the 'think tank' is in problem solving while the urban studies in universities are mainly research," was the comment of Edward J. Logue, who headed a committee appointed by Mayor Lindsay in 1966 to study the reorganization of housing agencies in New York.

ENCOURAGING SIGN

Mr. Logue, now a professor of government at Boston University, said "the most encouraging sign" was the President's concern, and he added the hope that something might be done to restore the graciousness of cities as places to live.

"Now," he said, "all our urban studies are centered on blight, not on total aspects of city planning."

Mr. Logue's enthusiasm was offset by the irritation expressed by Dr. Charles Abrams, chairman of the department of urban planning at Columbia, a former head of the City Planning Commission and long an authority on housing.

"The urban problem is less a 'think tank' problem than a political problem," Mr. Abrams said. "The time for action is now and a 'think tank' is just another way of delaying action." He thought the problems of the cities were not being attacked because the nation was still oriented toward an agricultural economy.

Those early judgments must await the organization of the institute by a panel appointed by the President, who named Joseph Irwin Miller, head of the Cummins Engine Company of Columbus, Ind., as chairman.

Mr. Miller, a Republican who graduated from Yale and Oxford, is a man of many and varied activities. He was the first lay president of the National Council of Churches. He was chairman of the President's Commission on Housing. He is a member of the Urban Coalition, which was formed last summer to mobilize public and private resources to assist cities. Mr. Miller plays Bach on his own Stradivarius.

The other panel members are Arjay Miller, president of the Ford Motor Company; Kermit Gordon, president of the Brookings Institution; McGeorge Bundy, Ford Foundation president; Prof. Richard E. Neustadt, head of the Kennedy Institute of Politics at Harvard, and Cyrus R. Vance, former Deputy Secretary of Defense.

The panel will meet soon to draft incorporation papers, nominate a board of directors and pick an institute site. Financial support would come initially from the Department of Housing and Urban Development's $10-million research fund. Later the institute might operate on its own with money from Government contracts and possibly foundation grants.

DATA BANK EXPECTED

One of the first actions of the institute is expected to be creation of a data bank. Word of this would have been heartening to a group at breakfast at the recent seminar of the Institute of Human Sciences of Boston College.

The session was held at the New Ocean House in Swampscott, Mass., and those attending the breakfast discussed the lack of communication between two institutions so close to each other as Boston College and the Harvard-Massachusetts Institute of Technology Joint Center for Urban Studies.

Dr. Demetrius S. Iatridis, head of the Boston College group, agreed there was great need for improved communication.

He was seconded by the Rev. Theodore V. Purcell, S.J., director of the Cambridge Center for Social Studies, who said that at William James Hall, where the behavioral sciences are housed at Harvard, "there are some people working on the same things and don't even know it."

RULING OF INTERNAL REVENUE SERVICE

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Brown] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, I welcome the opportunity to associate myself with the views expressed yesterday on the floor of the House by my esteemed colleague, the gentleman from Missouri, Dr. Hall, regarding a shortsighted ruling of the Internal Revenue Service.

We hear frequently about many major tax loopholes, and a few of these cost the American taxpayer millions of dollars annually in lost tax revenues. Most of these huge loopholes seem to be immune to closure by the IRS for reasons known only to the executive branch. And since this administration always spent much more than it takes in, it ought to be plugging the big holes in the bucket.

But it just is not doing that job. Instead, the executive branch has now deployed its shock troops from the tax corps against hundreds of nonprofit organizations which constitute and ably represent the very fiber of our Nation's heritage.

In deciding to tax the advertising income of such organizations as the Boy Scouts of America, the administration is deliberately undermining one of America's best influences on youth.

One of the prime effects of the Scout magazine, Boys' Life, is the healthy respect for one's duty to God and country which it tries to implant in the hearts of millions of young Americans who read it each month. The purpose of Boys' Life is to communicate the program of the Boy Scouts to its members and their adult volunteer leaders. In so doing, it has played an important part in the growth of Scouting over the past half century into the free world's greatest youth movement.

For the IRS to throw its weight against these efforts is, at the very least, an exercise in poor judgment. I support my colleague's call for congressional hearings and trust that the Congress will, at the earliest possible moment, clarify the IRS ruling so that it shows better judgment of the worthiness of such meritorious nonprofit organizations as the Boy Scouts of America, a congressionally chartered American institution.

REMARKS BY CONGRESSMAN DANIEL E. BUTTON ON RIPON SOCIETY PAPER CITING PRESSURES WITHIN THE ADMINISTRATION TO WIDEN THE WAR IN SOUTHEAST ASIA

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Button] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BUTTON. Mr. Speaker, developments of the last several weeks have increased the fears of many thoughtful observers that the Johnson administration is about to launch or is strongly considering another major escalation of the war in Southeast Asia. Rather than seeking to explore diplomatic means of ending the tragic bloodshed, the Johnson administration may at this moment, without any prior consultation with Congress, be about to extend the ground war outside the boundaries of South Vietnam, through an invasion of North Vietnam, Cambodia, or Laos.

The potential for disaster in such a course is limitless. Massive intervention by Communist China or the Soviet Union is a reasonable possibility that could end in an ultimate conflagration. I am sure that the Congress of the United States would overwhelmingly reject a course that would invite such a massive expansion of an already tragic war.

I commend to my colleagues a recent statement of the Ripon Society entitled "Toward a Wider War? A Case for Public Concern." I urge my colleagues to read this thoughtful, yet alarming analysis of pressures within the Johnson administration leading toward a possible invasion of North Vietnam. The 16 points listed in the Ripon statement are not designed to predict an invasion of North Vietnam, but they do, I believe, make a case for public concern, and of special concern for Members of this House.

In order for the public to be able to reflect that concern, for the Vietnam dialog to be meaningful and accurate, for all of us to be informed and truly knowledgeable, I believe we must do more here in Congress to meet our leadership responsibilities, to measure up to the constitutional obligations placed on us as representatives of the people.

We have ample facility to meet this responsibility, Mr. Speaker. My distinguished colleague, Mr. Paul Findley, has offered this House an opportunity to examine our deepening involvement in Vietnam. His resolution to undertake formal consideration of U.S. policy in Vietnam has the support of a large number of Members of both parties. Mr. Findley believes, and I agree, that this resolution would encourage the kind of debate, and unifying influence, that the country desperately needs. If we are to answer the questions posed by the Ripon Society statement, if we are to lessen the sense of uneasiness prevailing among Members of Congress and the entire country, we must provide the means through which we can discharge our responsibilities in foreign policy clearly placed on us by the Constitution. This can be done, Mr. Speaker, by adopting Mr. Findley's resolution, which reads as follows:

> *Resolved, by the House of Representatives (the Senate concurring)*, That upon the adoption of this resolution, the appropriate committees of the Congress shall immediately consider and report to their respective bodies their determination as to whether further Congressional action is desirable in respect to policies in Southeast Asia.

In addition, Mr. Speaker, the unwillingness of Secretary of State Dean Rusk to appear before the Senate Foreign Relations Committee to testify in public on administration policies in Southeast Asia should further convince this body that there exist a serious constitutional imbalance between two branches of Government. His refusal to testify in public begs the question of whether the administration really wants anyone, as the President said yesterday in Miami, to "bring me just one workable solution to end the war."

When public discussion is cut off, when the means of problem-solving are ignored, how can any "workable solution" be expected to receive honest consideration. And Mr. Rusk's attitude certainly undermines any chance for unity, which can only come, as it has always come in our history, through public discussion and examination of the issues.

Mr. Speaker, I insert in the Record a news article appearing in the December 12 issue of the New York Times concerning the Ripon Society's statement warning of the possibility of a wider war in Southeast Asia:

GOP Unit Warns of Invasion Plan—Ripon Society Fears Thrust by United States at North Vietnam

(By E. W. Kenworthy)

Washington, December 11.—The Ripon Society, a small, university-based group of Republican liberals, expressed concern today that the Johnson Administration might be planning to invade North Vietnam.

The society, which has its headquarters in Cambridge, Mass., did not pretend to have inside information.

Rather, it said in the introduction to an 11-page statement, its fears are based on "a number of publicly recorded events," which "when set in the context of past plans and discussions," could "point in the direction of a wider war."

Asked for comment on the Ripon paper today, a Defense Department spokesman referred to a statement by Secretary of Defense Robert S. McNamara last Aug. 9 in which he said:

"The United States objective is not to invade, conquer or destroy North Vietnam."

The spokesman added:

"There has been absolutely no change in this policy."

The Ripon statement largely was written by two members of the Society's governing board, Josiah Lee Auspitz and Christopher W. Beal. The statement apparently had its inception in what its authors described as a speculative "invasion plan" which, they said, was "leaked" to the Washington Star and The New York Times last May 27.

The Times dispatch appeared in the Sunday News of The Week in Review and dealt with "the odds on intervention" by Communist China.

The dispatch said that "China's likely response to an allied ground offensive into North Vietnam is under debate in Washington."

It quoted a "key administration official" as saying:

"If allied forces were to move into North Vietnam and stop at the neck of the panhandle, around the city of Vinh, it's anyone's guess what China would do."

ARGUMENT FOR INVASION

The statement says that the advocates of such an invasion argue that "as long as American activity was kept south of Vinh . . . the Chinese would not enter."

Among the publicly recorded events the authors found disturbing was a statement by General William C. Westmoreland on Nov. 19. He said that Hanoi had not committed to battle divisions north of the demilitarized zone. Because it "has to secure his own shores."

The statement also noted the advice given to industrialists at a meeting of the American Ordnance Association on Oct. 19 by Robert Borth, a representative of General Electric, who is chairman of the Association's manpower section.

Mr. Borth suggested that, because of expected heavy draft calls next year, the industrialists should prepare "manning tables" of skilled manpower like those used in World War II.

The Ripon statement pointed to the absence of any large unit actions by the American division that has been based for some time at Chu Lai. It said the division "appears equally available for deployment outside South Vietnam as inside."

It also noted a report by Reuters news agency on Nov. 28 of the "Blue Lotus" exercise off San Diego. It involves 8,000 marines and 45 ships, the largest naval exercise in three years.

DE GAULLE INSTIGATING ARAB ARMS SHIPMENTS?

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Halpern] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. HALPERN. Mr. Speaker, it is my understanding that under a system of licensing established during the time France was our active partner in NATO, certain military equipment was manufactured in France. U.S. patents were used and French factories were given classified technical information required in the manufacture of some of the most modern American arms and explosives.

I wish to call the attention of the House to published reports that President de Gaulle of France has indicated that he plans to sell arms to Iraq and other Arab nations that depend on the Soviet bloc for much of their military needs and even for aspects of military training.

If President de Gaulle is arrogating to himself the right to ignore America's pleas for the limitation of arms shipments into the turbulent Middle East, then we must raise some questions. This is especially true since De Gaulle is identifying only with the Arabs and refusing to honor contracts with Israel. He has put the French munitions industries on the same side as the Soviet munitions makers insofar as the Middle East pertains.

I would like to know what steps our Government has taken to cancel the offshore permits that are still in existence for French use of American processes and secrets in arms manufacture.

My concern is not only for the peace and stability of the Middle East and Mediterranean areas. I am deeply troubled that nations like the Arab States, with such close and friendly ties to the Soviet Union, would not hesitate to make available to the Russians any arms received from France—whether or not American defense secrets are involved.

Our men are using some of these same weapons in Vietnam. We might be allowing the Russians to study such arms and explosives in order to devise counterweapons to use against our people.

VIETNAM

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. Schwengel] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. SCHWENGEL. Mr. Speaker, recently Congressman Cowger and myself led a delegation of citizens and committed ourselves to travel to and in Vietnam. Our purpose was to make on-the-scene studies and evaluations of our involvement and programs there and to consider some other and hopefully better answers to the complex problems that are presented in that area of the globe and to which our country has made certain commitments. Mr. Speaker, we also went to bring cheer, hope, and assurances to the thousands of American citizens who have been sent to establish stability and progress for people and to make our own contributions with our limited facilities and talent.

One of the finest and most inspiring contributions was made by one of the ministers of the gospel who joined the team and was invited to fill the pulpit in one of the chapels provided for our soldiers. It was a privilege and pleasure and a great asset to the team to have my own minister, Mr. Heinz Grabia, of the Calvary Baptist Church in Davenport, Iowa, and who is president of the Scott County Ministerial Association, to join us. He was a part of our team and was dedicated to make his own observations in all areas, but specifically in the area of religion and morality and to make judgments on how to solve religious conflicts which plague that area. He accepted an invitation to speak on the morning of the 19th of November at Ton San Nhut Air Force Base.

I was in the audience and listened with avid interest as he spoke on "A Destiny In Faith." Mr. Speaker, because I think this is magnificent religious literature, because it was apropos, and because it was much appreciated by the soldiers and religious leaders, I place it in the Record and thereby link many other fine contributions to our history and heritage:

A Destiny In Faith

(The Rev. Heinz Grabia)

What is the destiny for our age? Why should we give thanks?

In the distant future the 20th century will be remembered—if there is anyone to do the remembering—as the nuclear age, the space age, the ecumenical age; it is the century of the city, the common man, global war and the United Nations; it is similtaneously the age of fission and fusion, of scattering and gathering, of disintegration and integration.

We are watching seemingly irreversible trends reversed. In our time mighty empires, a long time in the gathering, suddenly seem to fall apart into numerous petty nations. The biblical injunction—"be fruitful and multiply"—once a blessing has now become a curse. Machines produced by the mind of man operate with such incredible accuracy and speed that in vast areas they eliminate the need for man's mind. This is the age of the pill and LSD, of miracle drugs and overkill, of opulent churches and "the death of God", of supersonic planes and curtained countries, of instant credit implying boundless trust and electronic snoopers suggesting total suspicion.

This is a time of global change and instability, of social change so rapid and so radical that today's events outdate tomorrow's fantastic predictions.

Yet, despite the uniqueness of the age in which we live, it poses no unique challenge to the spirit of man. The threats and challenges confronting man today are in essence identical with those that faced him in the first century, the fifth century and the sixteenth. The human problem has always been a dual one; how to survive physically and in surviving to become "the image of God."

How can life be meaningful and gratifying in such a time? We must have a time and place appointed to give expression to our feelings and transform them into deeds; to encourage one another in our awareness of God; to remind us that every breath and heartbeat come fresh from His hand. We exist by His creation. The fact remains that we need a time, a place and an opportunity to plot our spiritual position and reset our course as pilgrims of a God who matters.

Thanksgiving was initiated by the Pilgrims in October of 1621. President Washington proclaimed a Day of Thanksgiving during his term in office. Abraham Lincoln in 1863, when the Civil War was on, proclaimed that the last Thursday in November be set aside for the purpose of giving thanks to God. The Pilgrims brought a unique wealth to the shores of America. Certainly they landed with little goods and few provisions.

Systematically betrayed by shipmasters in their attempts to escape across the channel to Holland, their wealth and possessions confiscated, eventually they had been left with little but their convictions to warm their souls. To escape to the new world in search of a new life cost everything they possessed of material value. And they were willing to pay the price—truly a unique people.

Perhaps we, too, can find a new life in a new world. Are we willing to pay the cost? Are we ready to give our material possessions?

Christ's Gospel is the divine dynamite that destroys the power of sin and brings abundant spiritual life and a glorious and radiant hope. This is the secret of early Christianity. Its purity and authentic glory can inspire us in this day when social, moral and spiritual conditions are so like that of the first century and the seventeenth. Actually, with the passing of time, evils have increased. The night has become darker. But the Person of Jesus Christ does not belong to a remote past. Christ the Son of God is as much a contemporary of today's men and women as the pads on which they exist. His life, his teachings, his death on the cross, his shed blood, are now as then, the only basis of redemption.

God's message has not changed. He has not altered the way of access for the repentant sinner to God and the Saviour. Today, as then, he is the only hope, the true light, the way, the truth, the life. No one—whatever his religious or irreligious states, whatever his academic prowess, his economic or social status—can find God apart from Jesus Christ.

Christ's victory on the cross is the victory over death, sin and hell. In dying he gave life. In shedding his blood, he opened a way for the sinner to be reconciled to God. The sinner, disinherited by sin and weakened by his experience, can now call himself a son of God, and heir of God and joint heir with Christ.

In the cross, they of faith perceive a death so necessary that if it had not occurred, man would never have found the road to God, reconciliation with the father, forgiveness for sins. The grace of God has made it possible for a sinner to receive eternal life, the gift of God, through personal faith. But we must not forget that the same Scriptures underline the fact that genuine faith is followed by a life of works; by an undeniable transformation the sinner becomes a saint, the miser a generous man, the cruel becomes gentle, the proud humble. Those who believed had something more than a creed. They had brotherly love. They showed a spirit of self-sacrifice and generosity. Their hearts abounded with works of mercy, faithfulness to doctrine, perseverance in worship, fullness of joy.

Is all this an impossible utopia in our day? What God did then he can do now. God has not changed. His gospel has not lost its power. The Holy Spirit of God is still in the world. Human need has grown immensely. There have never been so many destroyed homes, so many broken hearts, so many young people drifting, so much crime, and hate, so much unrest, so many social problems. Let us live the Gospel and nothing else, and may our lives totally surrendered to the Holy Spirit demonstrate what we believe.

"Turn your eyes upon Jesus, Look full in His wonderful face. And the things of earth will grow strangely dim In the light of His glory and grace."

Some will come to the Thanksgiving table this week with the fresh wounds of loss or tragedy paining their souls and with unanswerable questions pressing heavily on their minds. Can they honestly give thanks? Yes. They will praise God that there is tomorrow. They will praise him that He is there. Christian contentment does not consist in what one has, but in what one is. Gratitude wells in the soul because of the presence of Christ. This is why this week is Thanksgiving.

FREEDOM AT INCREASED PRICES

Mr. COWGER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. COWGER. Mr. Speaker, I insert in the CONGRESSIONAL RECORD a very fine sermon presented by the Reverend Dr. Louis H. Valbracht, pastor of St. John's Lutheran Church, Des Moines, Iowa. It was my good fortune to be with Dr. Valbracht on a tour of the Far East at which time he delivered this sermon at the U.S. 1st Logistical Command in the capitol city of Saigon, South Vietnam. Dr. Valbracht is a former Marine Corps chaplain who served in the southwest Pacific during World War II.

I highly recommend his words of wisdom to not only my colleagues in the Congress, but also to millions of Americans across the country.

FREEDOM AT INCREASED PRICES

(Sermon delivered by the Reverend Dr. Louis H. Valbracht)

At the very outset, may I express my keen appreciation to the courtesy of the Chaplain, and to you gentlemen, for the opportunity of preaching to you on this Sunday. Certainly an overseas military congregation is no stranger to me; and it is a rewarding, satisfying, nostalgic experience that I have this morning as I stand before you.

You, of course, are celebrating Thanksgiving Sunday, and it is, somehow, appropriate that I should have the opportunity of sharing this Service with you. I am sure that there are those in our own country who, this Sunday, and on Thursday next, the day proclaimed as Thanksgiving Day, will spend the day in self-congratulation. They will congratulate each other on the good fortune that they are Americans—that they have more than anyone else in the world, that they are the millionaires of the world, that they eat better, that they live better, that they enjoy more of the luxuries of life than anywhere else on earth among God's people. Thanksgiving Day so spent is a repugnant sacrilege, and certainly that sacrilege becomes more apparent to us who meet together on this Thanksgiving Sunday in a country torn by strife, pain and poverty.

This is, in case you are not aware of it, a kind of double observance, and I have chosen to speak to you this morning on the second of these two observances.

Some time ago, I heard an upset, frustrated widow in our neighborhood ask a couple of schoolboys if they would please not wrestle on her wet, newly-seeded lawn, to which one of these fledging Americans replied, with his lips curled into a snarl: "Aw, g'wan, it's a free country."

The struggle of human history has been the struggle for freedom. Its rallying cries have set drums beating, flags flying, feet marching. Men and nations have risen up, prepared to die to defend freedom. The Magna Charta declared it: "We will sell to no one, we will deny or defer to no one, right and justice." "Liberty, fraternity, equality," was the battle cry of the French Revolution. The cry of the Communist Manifesto itself, indeed, was, "Workers of the world unite. You have nothing to lose but your chains." Our own Declaration stated it: "We hold these truths to be self-evident . . . life, liberty, and the pursuit of happiness." For that cause in the brief history of this nation, at least a million men have died in direct combat. Why? So that sniveling, pimple-faced child could cry: "G'wan, it's a free country."?

The history of the 20th Century was supposed to be the history of the common man. In the first half of that century forty millions of them became homeless refugees. The pages of those fifty years were filled with burning cities, bleeding people, stinking battlefields, and the roads of the world clogged with fleeing, panic-stricken people. For what? So a vicious, little monster can reply to a reasonable, civilized request of one of his countrymen: "G'wan, it's a free country."? Madam Roland had a good cause to cry out on the gallows: "Oh liberty, what crimes have been committed in thy name."

One woman tells of stopping her mother, who had just come from East Germany, at a downtown intersection: "No, Mother, you can't walk against the lights." Her mother snorted: "Free country!" She meant she had just left a country where "verboten" met her on every turn. Now she was living west of the Statue of Liberty. She has lots of company. The average American conceives of liberty as the right to do just what he likes, with plenty of cash, crossing streets against traffic lights or telling his teacher in public school—as I am told they do—to go to Hell, along with any other authority that tries to regulate them.

Yet there is a promise of Scripture from the lips of Christ himself: "You shall know the truth, and the truth shall make you free. If the Son makes you free, you shall be free, indeed."

What is freedom then? What does it mean? Notice there is no such thing as absolute freedom. Man is free only within a predetermined structure. No man can think seriously about his freedom until he asks: "What is my destiny? What is that toward which I am free to move?" The man who shouts, "It's my life, and I'll live it the way I want to," has simply stated two obvious lies. It is not his life, and he is not free to live it as he pleases.

On the 3rd of July, back in 1776, George Washington wrote a letter to his wife. In part, these were his words:

"In a few days you will see a declaration setting forth the causes which have impelled us to this mighty devolution and the reasons which will justify it in the sight of God. I am fully aware of the toil and blood and treasure that it will cost to maintain this declaration and support and defend these states. Yet through all the gloom, I can see the rays of ravishing light and glory."

The first President of the Nation was no naive dreamer or empty-headed revolutionist. He knew the cost of freedom in toil and blood and treasure.

Now, we come to the second observance that we make today.

This November 19th, 1967, is the 104th Anniversary of the delivery of the Gettysburg Address. Nearly one hundred years later after the Father of Our County had written those words, the issue was still in doubt, and another President spoke the words at Gettysburg that any one of us, or any schoolboy, should be able to quote. The question still remained, "whether that nation or any nation so conceived or so dedicated could long endure."

Lincoln knew the cost of liberty, also. He never spoke of liberty without coupling that word with responsibility—tying it inseparably to dedication to the unfinished task. These men knew what every great statesman of our nation has known, and what every great patriot and citizen knows—that liberty is not a destination, it is a journey. We are still on that journey. The cost of freedom is still high, higher perhaps today than when it was born. It still takes toil and blood and treasure. It still takes responsibility and dedication. There is something thrilling about being a part of a great experiment. We still are. We dare not forget that. The success of the experiment is more precarious today than perhaps at any other time in history. Democracies are dying all over the world.

A foreign student at Princeton University was asked if she would like to remain in America. She gave this reply:

"I should like to have all of the advantages of your way of living, but I'm afraid I'm not big enough a person to live in such liberty."

Sound peculiar to us? We have no hesitancy in asking whether some of the underprivileged people of the world are ready for freedom. Do we ever ask ourselves whether we are big enough to be free? Are we willing to pay the price? History is still asking that question of us. Freedom is not only something to be enjoyed, it is something to be endured. It makes stringent demands upon us. We must endure freedom for freedom to endure.

Franklin said, after the meeting which finished the writing of the Constitution: "We have given you a republic, if you can keep it." The question is critical today, because many have forgotten that freedom does not remove responsibility, it produces it. A person in slavery has no responsibility whatsoever. A free man must prove that he is big enough to be free.

Back in the 17th Century a slave ship was bringing two hundred Negroes from Africa when the slaves broke loose. They overpowered the crew and threw them overboard. Now they were free—so they thought. But then they found themselves in real trouble, because no one knew how to sail the ship. Well, we've managed to throw off the bonds. We are free. Now, who sails the ship?

Why is it justifiable for a clergyman to speak of these matters from a pulpit in a Christian worship service? Because whatever else the establishment of the United States of America might have been, it was a Christian experiment. It was no experiment in democratic government. That had been tried nearly twenty centuries before in the ancient, Greek city states. It had failed. Why? Because democracy had no religious impetus. It was not coupled with moral responsibility. The Greek states became rotten because the people were rotten.

There was only on thing that made the American experiment unique upon the stage of history—it was a Christian democracy. The freedom that it spoke of was the freedom of the religious man—man raised, at last, to the dignity of the freedom wherewith Christ had made us free. There was only one thing that held this nation together. It was a nation under God. This was the dynamic. This was the motive power, the inspiration, the goal of the experiment. Above all, this was the one uniting force that could take all of these conglomerate peoples, in all of these diverse states, and mold them into a nation. It is a simple axiom: lose that force, and you lose the nation.

How else will you hold us together as a nation? Have you ever asked yourself that? Is it the common wealth that we share in our country? That is ridiculous. The most careless reader of history will discover that wealth has always been the great dividing factor in history. Wealth causes hatred, greeds, wars and strifes. At the present time, we of the United States are probably the most hated nation on the face of the earth. Why? Because we are the millionaires of the world. Right at this moment we live among people, we worship among people here, whose average income is a tiny fraction of ours per year. No matter what we try, there will always be inequities in physical wealth. The most brilliant and complicated economic or socialistic scheme won't produce equal wealth. It's about time we found that out.

When Diocletian was Emperor of the Roman Empire in the year 301, he began a system of state regulation that was supposed to bring wealth and prosperity to all the peoples of the Empire. Prices, wages and goods were under strict control of the state. Personal freedoms were gone. They were sacrificed. They were sacrificed for the wealth that the system was to bring them. The welfare state was the end of the glory of Rome. The result? The Dark Ages began. During the thousand years ahead, they produced in the Roman Empire not a single great poet, artist, sculptor, architect or historian. The people simply stopped working. Initiative was dead. Famines were frequent. In the fight to get enough food, men became a little better than beasts.

But men will not learn. The British Empire tried it. The English people are learning the hard way what Ramsey MacDonald, the first Labor Party Prime Minister, learned. As he began his second term, President Hoover—yes, it was that long ago—asked him if he had learned anything in his first term. "Yes," said MacDonald, "I learned one thing. You can't make the poor richer by making the rich poorer."

If the lie persists that the purpose of democracy is for what each one of us can get out of it materially, then this nation is dead. No, it is not the sharing of the common wealth that will make a people a united, free people. Wherever the government becomes an instrument of business, there results only chaos and discontent, inequities and hatreds —and liberty is lost! We ought to be learning. Every business venture into which our government has entered has resulted in a debacle.

Certainly it is not the law that unites us. Any jurist knows that greater and greater multiplication of laws does not produce liberty, it produces tyranny. As someone has said: "Thirty-five million laws on our books, and still no improvement." Every time we say, "There ought to be a law," we have surrendered another portion of our liberty. The multiplication of laws today in our nation is not a sign of strength but a sign of our weakness. No one trusts anyone else. Your word or mine is no good. We are not free to negotiate with each other as men who are confident of each other's integrity. The law does not unite us as parties in a contract, it separates us. We do everything with the delusion that we can make a free society and wall it around with the protective wall of laws and, thus, preserve it.

The Great Wall of China is one of the wonders of the ancient world—twenty feet high, thirteen feet wide at the top. It stretches over hills and mountains for fourteen hundred miles. It was built in 210 B.C. as a protection against the northern barbarians. There was a guard tower every hundred yards. But the wall was crossed again and again. Why? Because the guards could be bribed. The nation fell. No nation is stronger than the character of its people, and laws do not produce character. No, it is not the law of this nation that makes us a nation.

Burke had it: "There is but one law, namely, the law that governs all law—the law of our Creator, the law of nature, and the law of nations." The Psalmist said it twenty-six centuries ago. It is still true. "Happy is the nation whose God is the Lord." The one thing that has made us a nation and that will continue to preserve us as one is the fact that we are a nation under God.

Not long ago, one of the great statesmen of our nation said: "America today is running on the momentum of a Godly ancestry. When that momentum runs down, God help America."

Indeed, I have no hesitation whatsoever in stating the fact that a man who is not an active member of a synagogue or a church is a traitor—a traitor to God and a traitor to his country. He is living on the spiritual momentum produced by other people. Like all other parasites, because he is not building, he is destroying. Washington knew it. In his Farewell Address to the nation he said: "It is foolish to suppose that this republic can endure without morality, and it is foolish to suppose that we can have morality without a religious impetus."

It becomes more and more obvious that we are surrendering our liberties because we have become afraid of freedom. We fear the responsibilities that it places upon us. We are afraid of the demands that it makes in Godly integrity. There is one thing that has preserved us as a nation. We are a Christian experiment on the pages of history. It is the only thing that can preserve us as a nation.

But in the spirit of the Declaration of Independence, in the spirit of the Gettysburg Address, the riches of freedom, the dignity of man raised to the stature for which God had created him was not to be a selfish possession of Americans alone. It was God's gift to all men. We are not alone an experiment in ourselves. We have a mission of freedom for the entire world. That is why we are here. That is why American lives are being sacrificed in this nation halfway around the globe—to establish this people, here in Vietnam, as a nation under God, as a free people, enjoying those rights which inalienably are a part of the human fabric as created by God. If we are here for any other reason, then God help us.

A few years ago, on the 4th of July, an enterprising newspaper man approached one hundred and twenty-two people in the City of Madison, Wisconsin, with a slip of paper on which were written these words: "We hold these truths to be self-evident that all men are created equal, that they are endowed by their Creator with certain inalienable rights and that to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed. That whenever any form of government becomes destructive of these ends, it is the right of the people to alter or to abolish it."

The reporter discovered that thirteen out of the one hundred and twenty-two people that he asked (citizens of our nation) recognized where those words came from. Some said, when asked their opinion, that they were too radical, that it was a statement of silly idealism, that it probably was the writing of some Communist sympathizer, that certainly it came from some Leftist nut.

Fellow citizens, this was our declaration, not only to ourselves but for the world. On this Thanksgiving Sunday, we can pour out our gratitude to Almighty God that we have achieved this liberty for ourselves. We can pray that, through the sacrifices which men have made over the years of the existence of our nation, all over this globe, that that same declaration will be established for more and more men. God help us to establish it.

CONFERENCE ON CRIME AND LAW ENFORCEMENT HELD IN EIGHTH DISTRICT OF OHIO

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. BETTS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BETTS. Mr. Speaker, the rapid increase in lawlessness and violence in America has alarmed our citizens and brought calls for immediate corrective action. Local, State and Federal programs to combat crime and civil disorder are being improved substantially but much more remains to be done before preventive efforts will reduce the crime rate. Basic to any successful attack on crime and delinquency is citizen participation in prevention.

In an effort to focus attention on what the citizen can do to fight crime, I sponsored a Conference on Crime and Law Enforcement in the Eighth Congressional District of Ohio. This event, held December 4 in Mansfield, Ohio, provided a forum for frank discussion by 250 leaders in my eight-county area. The meeting was open to all with special invitations sent to city, county and township officials, school board members, principals and superintendents, clergymen, civic organization and service club presidents, community action program leaders, and many other groups. We had 10 outstanding participants in the program. Each brought a significant message.

I was pleased to present a personal message from the Director of the Federal Bureau of Investigation, J. Edgar Hoover, to the opening session. Director Hoover wrote:

FEDERAL BUREAU OF INVESTIGATION,
U.S. DEPARTMENT OF JUSTICE,
Washington, D.C.

Hon. JACKSON E. BETTS,
Rayburn Office Building,
Washington, D.C.

It is a pleasure for me to make a few remarks which you may feel free to use in connection with your 8th District Conference on Crime and Law Enforcement.

The problem of an ever-increasing volume of crime in our great Nation should be a matter of grave concern to every serious-minded citizen. It is a problem which must be solved, and the commitment of all citizens who are interested in preserving our great heritage is a prerequisite to its solution.

Crime is a social problem and is the concern and responsibility of the entire community. Citizens have a part to play in the control of crime. If all serious-minded and interested citizens obey all laws, report information they have about any criminal activity to the proper authorities, insist on good government at all levels, and educate their children to respect law and order, a giant step toward solving the problem of crime will have been taken.

I would like to take this opportunity to wish every success for your 8th District Conference on Crime and Law Enforcement.

Sincerely,

J. EDGAR HOOVER,
Director.

All who attended this conference came to learn. They were asked to reassess local efforts against crime and delinquency, and each speaker provided concrete suggestions as to how citizens could help their law enforcement officials. One news report of the conference summed up its theme as:

> A well-informed, aroused citizenry willing to become individually involved in corrective actions is the one hope for a reversal of the alarming growth of crime in America.

Let me present some of the highlights from each speaker's presentation. As valuable as these addresses were, the opportunity to ask questions was considered vitally important to the meeting's success. The morning session centered on professional law enforcement officers describing their problems and how the citizen can help police officials combat crime.

J. B. COOPER

J. B. Cooper, superintendent, Ohio State Reformatory, Mansfield, has a distinguished record of service with the State of Ohio and is much esteemed by his fellow citizens of Mansfield. His theme was "What Happens to People When the Law Is Enforced."

> In Ohio, all sentences are indeterminate—that is they run for something to something, like five to ten years. And since 98% of all people who have been convicted of a crime and are serving out a sentence in confinement will be released again to society, we cannot protect society by locking up law breakers. If we could lock them all up, that would protect society, but we can't. So the question is how can we best protect society, and the answer is, by changing the law breakers while they are in confinement.

Later in his remarks, Mr. Cooper indicated that education is an important factor in determining how young people will view society and its laws:

> Our educational system has in the past placed its greatest emphasis on those who show promise of entering the professions, and has neglected the workers, those who may not seem as bright or alert. The system has acted as a sorter instead of a builder. It has been a gateway that has opened to some and prevented others from entering. Further, it has greatly confused the matters of rate and capacity. Educators for a long time thought that those who learn slowly can't learn as much. This is not true.

However, Mr. Cooper indicated he was not really indicting education, rather calling for "all of us to develop the full potential of each and every citizen."

EVERETT BURTON

Everett Burton, prosecuting attorney of Scioto County, Ohio, is president-elect of the National District Attorneys' Association. He is a member of the Criminal Law Committee of the Ohio Bar Association and has been appointed a member of the Ohio Crime Commission.

Mr. Burton discussed the prosecutor's duties and the citizen's role:

> Everyone is being offended by the presence and the increase of crime but at the same time recent Supreme Court decisions have complicated the job of law enforcement officers and of the county prosecutor.
>
> Convictions are becoming harder to obtain, and it's difficult to go home and tell your wife why a confessed murderer, for instance, was released. The fact that he was released because he was not told of all his rights before the trial or before he confessed does not reassure her. It doesn't make her feel safer on the streets.
>
> Also at the same time, while the whole country is talking about the rising crime rate, the very people who are doing the talking refuse to serve on juries. They call up the judge and ask to be excused because they are sick, or are leaving for vacation tomorrow, or because the publicity might affect their job. We need a good cross-section of society to serve on a jury.

In the same vein, he added that he was in favor of wiretapping, especially in the case of known crime syndicates.

LT. COL. CLIFFORD E. REICH

Lt. Col. Clifford E. Reich of the State Highway Patrol began his service with the Patrol in 1942 after military duties and is now assistant superintendent. In his remarks, Colonel Reich criticized public apathy regarding highway accidents:

> People seem to be resigned to accidents. They look upon accidents as something inevitable. On any given weekend they hear predictions that 20 or 30 people are going to die on the highways and they accept that and believe it. It doesn't have to be that way. We believe that fair, firm, impartial enforcement of the laws will help reduce accidents. I realize that the subject of traffic law enforcement is not a particularly exciting one, but over 2,600 people have been killed in auto accidents this year. Traffic accidents and fatalities has become one of the biggest problems of the day. This is what you do to help. Refuse to sympathize with violators. Insist on obedience of traffic laws within your own family. Our society has become accustomed to the outbursts of vocal minority groups. Let's become a vocal majority group and speak out against law violation.

Colonel Reich also noted that much use is made of the highways by criminals who transport stolen goods from place to place.

CHIEF JOHN B. BUTLER

Chief John B. Butler, Mansfield Police Department, worked his way up the ranks to lieutenant and captain of police and has served in all bureaus of the department over a period of 20 years. The work of Chief Butler and his staff has received considerable public recognition in Mansfield. He presented a hard look at local law enforcement:

> The citizen is the first line of defense and respect for the police rather than the police themselves is the biggest deterrent to crime. The public—each individual—is in the enforcement picture. In fact, if the law enforcement agencies know what the public knows about criminal elements and crime there would be no such thing as crime. If the police department operates badly, the blame cannot rest solely upon the department. It is the people, the citizens of the community who run the police department.

Chief Butler noted that television has to a large extent stereotyped the police officer, particularly the ordinary patrolman:

> The patrolman is the backbone of law enforcement. He is the first man to arrive at the scene of a crime. Television is harmful to public understanding about police work because of its brevity, whereas, the newspaper will usually give the whole story if you take the time to read it.

ATTORNEY GENERAL WILLIAM B. SAXBE

William B. Saxbe, now serving his third term as attorney general of Ohio, has initiated many improvements in criminal identification and enforcement procedures for the State of Ohio. Mr. Saxbe's leadership was instrumental in the drafting and enactment of the new Ohio Crime Commission which is to report its findings to Governor Rhodes by June 30, 1968:

> Crime costs more than any other government expenditure and although my office is getting more and more into active law enforcement, the battle in Ohio must be at the local level since there is not a state police force. My entrance into the crime-fighting area is basically a stop-gap measure designed to aid local law enforcement agencies until the state's role in the battle is defined. The Attorney General's office will assist both in the investigation and prosecution of criminal gangs. We want the criminal to get the message that he can't successfully operate in any county in Ohio.

Saxbe said that the Bureau of Criminal Identification has more than 1½ million fingerprints on file and receives some 6,500 additional each month from police agencies—

> But to get better law enforcement more training and pay must be provided for police by citizens. This will probably be one of the recommendations of the Ohio Crime Commission.

ROBERT D. GORDON

The afternoon program turned to laymen in law enforcement, persons who have devoted time and effort to alerting their fellow citizens to the need to participate in combating crime and delinquency. The moderator of the afternoon panel was Robert D. Gordon, general manager of WCPO–TV, Cincinnati, and vice president of the Scripps-Howard Broadcasting Co. Mr. Gordon is chairman of a committee of the Ohio Crime Commission. He called for completely informed citizens concerned enough to participate in crime prevention. Regarding those who would disobey laws because they disagree with them, Mr. Gordon said, all laws must be obeyed by everyone. "If they are wrong, change them legislatively." He disagreed with Superintendent Cooper, who spoke earlier in the day, that the names of juveniles who are over 15 years of age and commit crimes that would be felonies if they were adults should not be public record. Cooper said the publication imposes a lasting stigma on youth; Gordon said the public is entitled to know who commits serious crimes such as arson and rape in their community, even if they are under 18 years of age.

MRS. MARGARET MOORE

Mrs. Margaret Moore, of the Indianapolis, Ind., Crime Crusade, is nationally known for her work in securing citizen action against crime. There are 50,000 members of this volunteer organization in Indianapolis whose goal when initially formed was "to make the streets safe for women." She said:

> We figured that if you make them safe for women, you would make them safe for men, dogs, children and cats, too. . . . Crime will continue as long as the community condones it.

Mrs. Moore described some of the practical action citizens can take to reduce the possibilities of crime in a city, such as improved street lighting, and how a community can work with law enforcement officials once criminals have been caught and prosecuted.

She concluded:

> Women volunteers after careful study and under strict supervision actually survey areas at night with maps to note crime, spot potential, and then act to eliminate them by pursuit, persistence and enacted legislation. The women have found that crime flourishes from permissiveness, irresponsibility of parents and breakdown of morality. We fight vice with lights by placing more high intensity street lights in such areas, figuring the women will either get too tired or too old to operate there.

REV. ROBERT FREY

Rev. Robert Frey, associate minister of the First Congregational Church in Columbus, told of the church's role in crime prevention and rehabilitation of violators with positive approaches to bring them into the neighborhood community. He said because the churches have a broad outreach they have an important responsibility in seeking solutions to problems. Among the programs Reverend Frey outlined as undertaken by his church and others in Columbus are: a detached ministry, one minister who is supported by three different churches and who works in a particular neighborhood as a trained, accredited friend-at-large; a coffee house ministry, a place where young people of student age can go to discuss the problems of the world and of their souls, away from the sometimes inhibiting atmosphere of the church.

C. L. DUMAREE

C. L. Dumaree, assistant superintendent of the Columbus city schools, discussed the role of education in juvenile delinquency. He noted that such virtues as honesty, integrity, truth, respect, and loyalty must be ingrained into youth and that responsibility is largely in the home, for from birth to age 18 the schools have supervision over the child only 9 percent of the time. A series of slides were presented showing how disadvantaged youth were given special attention by the school system.

WILLIAM D. CLARKE

William D. Clarke, president of Hilscher-Clark Electric Co., of Canton, discussed the businessman's role in the fight against crime:

> We can't eliminate crime by eliminating the people. We must do something to alleviate the pressures that cause people to commit crimes.

He described Operation Positive which seeks to solve the root causes of crime. Three things are needed, he said, communication, recreation, and employment:

> This program seeks to communicate with the people by meeting with them in their neighborhoods, establishes recreation programs for juveniles, helps children in need with educational problems, has job placement programs, and does many other things to help people and thus combat crime.

ED MASON

The concluding speaker was Ed Mason, former FBI official and now public relations director of the Columbus, Ohio, Dispatch. Mr. Mason stated:

> The "Let George do it" theme went out in 1776 when Washington turned over the reigns of government to the people. Each individual must get involved and set a good example in law enforcement and effective government. You will have the kind of government you choose—the kind you deserve. . . . Pride in oneself, one's community, and in the nation is the attitude of a free society. Freedom is the highest form of personal discipline and unless one exercises it, freedom is lost.

Mr. Mason said he was pleased with the good intentions indicated by many present and the large attendance but warned—

> The real test is in the actions you take. Crime boils down to being anti-social or immoral activity which offends the sensitivities of the public.
>
> Some of the things of deep concern to all of us should be these—

Mason stated—

> 1. Our fellow Americans will spend huge sums for roads and recreation but cast convicts into facilities where there is no hope of rehabilitation.
> 2. Some garbage collectors are paid more than some police officials.
> 3. We are willing to call police officers trained with a few hours of instructions and no testing of their learned knowledge.
> 4. Hypocrites preach good deeds then speed like demons on the highways.
> 5. Adults purchase pornographic literature and then criticize children for reading it.
> 6. Citizens do not exercise their right and responsibility to vote.

CONCLUSION

The Eighth District Conference on Crime and Law Enforcement was an experiment, to see if the people of my area would join in a frank districtwide meeting on the problems of combating crime and what the citizen can do about it. I am pleased to report to my colleagues in the House that it was a most successful and inspiring event. I believe that taken from this program were many ideas which will be implemented by the church groups, city councils, civic organizations, and individuals themselves. I heartily encourage other Members of Congress to help provide a forum where citizens may gather to plan positive action against our No. 1 internal menace—crime.

LEGISLATION TO PROVIDE CRIMINAL PENALTIES FOR TRAVEL IN VIOLATION OF PASSPORT RESTRICTIONS

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. Gurney] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. GURNEY. Mr. Speaker, I am today introducing legislation making it a criminal offense to travel in violation of passport restrictions. The bill would provide for imprisonment of up to 2 years and fines of up to $10,000.

The time has long passed for giving some bite to toothless travel bans. The State Department is now given authority to prohibit travel of U.S. citizens in certain "restricted" areas. Yet, in the case of the Stokely Carmichaels, who defy these bans, the only action taken is passport revocation, a gentle pat on the wrist.

This year Carmichael went to Cuba in direct breach of this Government's laws. His purpose was to attend a worldwide Communist rally. As a featured speaker at that affair, he spent his allotted time in a tirade of hate against the United States, its President, and its leaders.

He then toured European nations to give them the benefit of his show.

His actions can be called nothing less than traitorous.

Yet, when Carmichael returned yesterday, the State Department people met him to pick up his passport and to give him a receipt for it.

He should have been handed a warrant for his arrest. And my bill would do just that.

When we say Cuba is off limits to the Carmichaels and others or that trips to chit-chat with Ho Chi Minh may not be made, we should mean just that. My bill would enforce these bans.

Faced with 2 years in jail and a $10,000 fine, these pals of Communists will think twice before undertaking a junket of hate mongering against their own country.

LET US STOP CREATING FINANCIAL CHAOS

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. Gerald R. Ford] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, the National Republican Coordinating Committee, representing a broad cross section of my party's leadership, met earlier this week in Washington for its final session of 1967. I believe Members on both sides of the aisle who are concerned and even alarmed over the course of fiscal policy in this country will be interested in the full text of a statement which was unanimously approved by the National Republican Coordinating Committee on December 11, 1967. The text of the statement follows:

Let's Stop Creating Financial Chaos

(Statement by Republican Coordinating Committee, Washington, D.C., December 11, 1967)

> The United States is at the brink of a fiscal crisis, the full dimensions of which are not yet clear. International confidence in the dollar is being severely tested. Our dwindling gold supply continues to flow out of the country. Inflation is a grim reality. Interest rates are higher than during last year's serious "credit crunch." They are the highest in some fifty years, for government, for business, for the home builder and the home buyer.
>
> In short, the powerful United States economy has been undermined and weakened by an Administration whose fiscal policies are marked by wild extravagance on the one hand, and by delay, expediency and cover-up on the other.
>
> Our gold supply of $12.4 billion is the lowest since 1937—down from $19.4 billion at the end of 1960. More gold is being shipped out of our country in the wake of the 14.3 percent devaluation of the pound and the subsequent challenge to the dollar. Potential foreign claims against our remaining gold supply have risen to over $30 billion. And these claims will continue to increase as our balance of payments deficit this year

will soar more than 50 percent higher than in 1966. We deplore that the Johnson Administration may soon find it necessary to request removal of the remaining gold backing behind our currency, now 25 percent, thus turning it wholly into "paper money."

In spite of the Administration's boast of unrivaled prosperity, unemployment among America's workers is increasing. From a low of 3.6 percent in March, the unemployment rate climbed to 4.3 percent in October.

Inflation is rampant and will get worse. Due to the failures of the Administration's policies, the cost of living is escalating. Prices went up 3.3 percent in 1966, are now rising at about a 4 percent annual rate, and some observers predict a 5 percent increase in 1968. The purchasing power of the Nation's wage earners has declined and those who must live on a fixed income are having more and more trouble making ends meet.

Repeatedly the Republican Coordinating Committee has warned that the reckless fiscal policies of the Johnson-Humphrey Administration have been leading the Nation toward fiscal and economic chaos.

Repeatedly, our specific remedies have been rejected.

On *April 30, 1965*, we recommended a nine-point program to prevent the serious economic problems that were then fast approaching. Our proposals were ignored by the Johnson-Humphrey Administration.

On *March 28, 1966*, we warned of increasing inflation and recommended a thirteen-point program to stabilize the value of the dollar. Our pleas fell on deaf Administration ears.

For the fiscal year 1967, the President estimated a budget deficit of $1.8 billion: the actual deficit was $9.9 billion even after much fiscal hocus pocus by the Administration to improve its appearance.

For the fiscal year 1968, the Administration proposed a budget deficit of $8.1 billion.

We challenged that figure on *April 3, 1967*, and predicted "an actual deficit in 1968 of from $25 to $30 billion or more." We repeated our recommendation to avoid a deficit of that magnitude.

On *July 24, 1967*, we reiterated our program to restore fiscal responsibility to government. Again no action was taken by the Administration.

On November 17, 1967, the President created near panic in the world financial markets by mentioning that the deficit might go as high as $35 billion.

The Democrats have consistently sponsored and encouraged vast rises in Federal spending—which has gone up 97 percent for non-defense purposes since they took office in 1961. By July 1, 1968, the cumulative Democratic deficits for its eight years of office will total over $60 billion.

Eight years of deficits and irresponsible spending have brought the Nation to the brink of financial crisis.

Irresponsibility always exacts its price. Democratic irresponsibility is now taxing Americans heavily through inflation and the Administration's solution is to add to that burden a ten percent surtax and to raise the possibility of wage and price controls.

We call for new fiscal policies for the government of the United States—policies that will put an end to chronic budget deficits and inflation by eliminating waste in public spending and by establishing a rational order of priorities among Federal programs.

Credibility and confidence must be restored to this Nation's economic affairs.

OUR NATIONAL DEFENSE POSTURE: NUCLEAR PROPULSION FOR NEW MAJOR FLEET ESCORTS

The SPEAKER pro tempore (Mr. TUNNEY). Under previous order of the House, the gentleman from South Carolina [Mr. RIVERS] is recognized for 60 minutes.

Mr. RIVERS. Mr. Speaker, in August I appointed a Special Subcommittee on National Defense Posture under the chairmanship of the gentleman from Virginia, PORTER HARDY. Its other members are the gentleman from Indiana, CHARLES HALLECK; the gentleman from Louisiana, F. EDWARD HÉBERT; the gentleman from New York, SAMUEL STRATTON; and the gentleman from Alabama, WILLIAM DICKINSON. The gentleman from Massachusetts [Mr. BATES] and I serve as ex officio members.

This has been a hard-working subcommittee and has been meeting constantly since the time it was appointed. Its mission is a challenging and difficult one. I have asked that it determine whether or not there are military plans and objectives now in existence to win the war in Vietnam and whether there is a time schedule for doing so. What is our military ability to meet concurrent emergencies that may arise in other parts of the world which we are committed to meet? What is the state of readiness of our military forces?

If you have not heard about the subcommittee's activities it is because it has purposely carried out its assignment in a manner which would avoid publicity. All of its hearings have been in executive session and the testimony will not be released. This latter decision was made to encourage the witnesses to express themselves freely and fully.

It is a grinding, factfinding task—but also a vital one for the Armed Services Committee and for the Congress.

Since November 24, the subcommittee has been traveling throughout the Pacific and Southeast Asian area. From the day of their departure, they have had in-depth briefings and discussions with CINCPAC in Honolulu; in the Philippines they met with the commanders of the 7th Fleet and the 13th Air Force; they had a full session with General Westmoreland and his staff at Saigon and then traveled throughout Vietnam for on-the-spot meetings with field commanders of the Army, Navy, Air Force, and Marine Corps, which included the scene of the recent 3 weeks' battle at Dak To. From Vietnam they went to Thailand and made trips to our bases at Takhli, Udorn, Ubon, Sattahip and U-Tapao. Then they moved to Kuala Lumpur in Malaysia, Singapore, Djakarta, Hong Kong, and the CMZ in Korea. They will next visit Tokyo and Kadena Air Force Base in Okinawa.

I have been in communication with the subcommittee, and am sure that you would like to hear about some of their impressions and observations during this extensive trip. Let me say that their final report on the still uncompleted study will not be made probably for some months. But I would like to share with you some key portions of the interim, informal report which I have just received from the subcommittee. I am quoting now from that report:

> The Members of the Subcommittee are convinced that our military effort in Vietnam is making progress, but we believe that that progress is much too slow. Especially have we been impressed with the superb professional performance and profound dedication of all our men in uniform to what is an incredibly difficult task. We believe that in these circumstances the American people owe these brave men complete and unflagging support.
>
> At the same time the Subcommittee feels very strongly that the attention of the Congress and the American people should be called to several specific matters which in our judgment need prompt action if we are to speed the day of victory in Vietnam.
>
> It is the overwhelming judgment of our military Commanders throughout the Pacific area that any pause in the bombing of North Vietnam will serve only to prolong the war and increase American and Allied casualties. The Subcommittee fully shares this view that any temporary cessation of the bombing campaign can be only to our disadvantage.
>
> There is no question that Cambodia is being used by the North Vietnamese and the Viet Cong as a sanctuary and for regrouping and staging areas in carrying out offensive actions.
>
> Not only are enemy supplies being delivered overland from the North, but there is convincing evidence that supplies are coming into South Vietnam through Cambodia via two major waterborne sources: The Seaport of Sihanoukville and up the Mekong River the lower reaches of which are completely within South Vietnam. This must be known to Prince Sihanouk who refuses publicly to recognize it. It is the firm view of the Subcommittee that adequate search and surveillance measures are not being carried out.
>
> Immediate steps should be taken to correct these intolerable situations.
>
> With respect to the air war in North Vietnam it is the Subcommittee's judgment that this campaign is and has been a tremendous factor in holding down our military casualties in the South. But to carry it out, our pilots are encountering the heaviest and most effective air defenses in history. These consist of numerous highly sophisticated anti-aircraft batteries and Soviet supplied surface-to-air missiles, both of which are taking a costly toll of our pilots and aircraft. In addition the enemy has deliberately positioned these air defenses in heavily populated areas being convinced that they will thus escape attack.
>
> This is an unacceptable condition. The military should be permitted to designate the defenses as primary targets. The present procedure makes flak and SAM (surface-to-air) suppression a very limited part of most attack missions and the Subcommittee learned that no strikes are specifically flown for the primary purpose of destroying flak and SAM installations. The Subcommittee also learned that because of the growing intensity of the SAM missiles and flak, pilots operating over North Vietnam strongly favor the scheduling of such suppression missions and we emphatically urge that their views be carried out. Not only would such missions help to reduce our losses of aircraft and pilots but they would raise pilot morale even more.
>
> As to the port of Haiphong, it is perfectly obvious that North Vietnam and the Viet Cong could not carry on this war without getting their weapons and other war materials from external sources. On the basis of careful study of intelligence reports and military estimates, the Subcommittee is convinced that the principal point of entry is Haiphong.
>
> This port must not be permitted to continue to be a source of their war supply.
>
> Finally, the Subcommittee wishes to emphasize a highly significant requirement that must be met if we are to successfully conclude this war. Additional ARVN forces (South Vietnamese troops) must be expeditiously trained and equipped.

> One of the most encouraging aspects of the war, to date, is the increasing confidence and admiration expressed by American commanders for the ARVN forces. However, more ARVN troops are required, for eventually these forces must achieve and maintain the security of their own nation.

Mr. Speaker, this subcommittee is still hard at work in the Far East. I have been very much impressed with the interim report which they have submitted to me. From my own knowledge, I am able to say that I concur in their observations. I hope it will be possible for me to make a further report to this House in the not-too-distant future.

NUCLEAR-POWERED NAVY

Mr. Speaker, I would like to discuss another vital matter and that is the very important issue of providing nuclear propulsion for the new major fleet escorts the Navy must build for our naval striking forces.

Some of you may have seen the recent press releases which reported on a speech given by the new Secretary of the Navy, the Honorable Paul R. Ignatius, in which he announced that the Navy will propose to the Secretary of Defense, within the next few weeks, a construction program for fleet escorts that will include both nuclear and conventionally powered ships. In his speech, Mr. Ignatius cites the many important advantages of nuclear propulsion in surface warships and the superior performance of the nuclear carrier *Enterprise*, the nuclear cruiser *Long Beach*, and the nuclear frigate *Bainbridge* during deployment with the 7th Fleet off Vietnam. He points out that—

> The Navy is planning a construction program for nuclear-powered attack carriers in alternate years. Construction of USS Nimitz will commence soon and the Secretary of Defense has approved two additional nuclear-powered carriers, programmed to start in fiscal year 1969 and 1971.
>
> The unresolved issue before the Navy is how many and what kind of nuclear-powered escort ships we should build, such as Long Beach, Bainbridge, and Truxtun, in order to escort and support our attack carriers, both nuclear and conventionally-powered, and to give added operational flexibility to all types of naval task forces.
>
> Nuclear-propelled escorts would be most useful when accompanying our high-speed carriers and when the escorts are on independent missions that require endurance and flexible response not limited by the necessity to refuel.

Secretary Ignatius says that there are "substantial advantages in having nuclear power in ships which must escort nuclear powered carriers. He continues:

> If the escorts must refuel or replenish more frequently than the *nuclear*-powered carriers they escort, then the operational advantage of these carriers is diminished. The entire task force can take full advantage of these benefits if the escorts are nuclear-powered.
>
> At the same time the endurance of nuclear powered escorts also provide a flexibility for stationing and for independent tasks when in company with *conventionally* powered carriers.
>
> While all the benefits of nuclear propulsion for surface ships are not easily quantifiable in the context of studies, they are readily apparent to tactical commanders.

In his speech the Secretary of the Navy tabulated a number of the major advantages of nuclear surface warships.

However, most of the rest of the speech is devoted to discussing the fact that the Navy is carrying on a "complex analysis of whether the greater cost of nuclear-powered escort ships is offset by their greater effectiveness."

This "complex analysis" apparently does not consider many of the major advantages of nuclear propulsion since in his speech the Secretary said these advantages are "not easily quantifiable in the context of studies."

I recently wrote a letter to Mr. Ignatius in which I said:

> Now that the Defense Appropriations for fiscal year 1968 have been signed into law by the President, it is appropriate to inquire when the Department of the Navy is going to contract for building the two nuclear propelled frigates for which funds have been authorized and appropriated this year?
>
> I trust that the answer will not be to point to studies being made for there have been too many studies already. This is why the authorization statute carries mandatory language.

I received an answer on October 24 stating:

> The overall escort shipbuilding program is currently under intensive discussion within the Department of Defense. As a result, the funds for the nuclear-powered frigates have not yet been released by the Secretary of Defense.

I infer from the Secretary of the Navy's letter that the DLGN program already authorized is now being confused by the DX/DXGN program being studied by the DOD for the future. I am not so naive as to fail to realize that the "overall escort shipbuilding program," which includes the Navy's current studies of future major fleet escort requirements involving DX's, DXG's, and DXGN's could be used as an excuse to delay for several years the construction of the two nuclear-powered frigates authorized this year.

What we need is to build more nuclear powered surface warships now, and not waste time making some more useless studies. The Congress has made its position on this matter crystal clear. For the last 2 years the Congress has refused to appropriate funds for the nonnuclear guided missile ships requested by the Department of Defense and has substituted nuclear-powered guided missile ships for the nonnuclear guided missile ships. The authorization acts for the last 2 years have contained mandatory language that the contracts for the construction of the nuclear powered guided missile ships authorized by the Congress "shall be entered into as soon as practicable unless the President fully advises the Congress that their construction is not in the national interest."

Despite this language the Department of Defense is apparently still "studying" whether or not to build these nuclear powered escorts when they should be complying with the law enacted by Congress and signed by the President that requires that they be built as soon as practicable.

I hope the Department of Defense is not confusing the DXGN's of the future with the DLGN's of the present. The Committee on Armed Services and the Congress want two more nuclear-powered frigates started this year.

Further, the conference report of the Senate-House Armed Services Committees of May 22, 1967, on the fiscal year 1968 defense authorization stated categorically that the money authorized for contract definition of new destroyer types—called the DX/DXG—shall not be used to study or design new guided missile ships (DXG) not powered with a naval nuclear propulsion plant. Frankly, I do not know how Congress can make its position on this matter any more clear. We are bound and determined that we shall provide our Navy with nuclear powered surface warships. We must build a modern nuclear Navy without delay.

The Secretary's speech says that some missions for destroyer types do not require the advantages of nuclear propulsion and that we therefore need both nuclear and conventional escort ships. But he does not point out that we already have a lot of conventional escorts and only three nuclear escorts in operation. Clearly the urgent need now is to get on with building more nuclear escorts for the striking forces—these must take priority over any increases in conventional escorts that may also be required for the less severe requirements of the nonstriking forces.

I repeat: the three nuclear frigates that have already been authorized by Congress in the last 3 years must be contracted for now. That is the law. If the Department of Defense and the Navy think that the Congress will retreat from its insistence on the steady and progressive conversion of our naval striking forces to nuclear power they simply are not facing reality.

Endless "studies" have been used as an excuse to procrastinate on this issue far too long. It is time that everybody recognize that phase is over. I assure you I speak for the entire Armed Services Committee on this matter. The use of "studies" to delay the utilization of nuclear power in warships has been so obvious and so flagrant an abuse that I think we must look more carefully at how the Department of Defense is increasing its expenditures for studies of all types. If we are not getting more for our money out of other Defense studies than we have in the case of nuclear power, we should stop allowing money to be spent on them.

Congress will meet its constitutional responsibility to "provide and maintain a Navy." In these days of rapidly increasing Soviet naval strength including both missile launching and attack nuclear submarines, rapidly declining access to overseas bases, and the increasing importance of flexibility in the deployment of our naval striking forces, nuclear powered warships are a vital requirement for our national security. Congress has made it clear that it can, must, and will provide them.

Mr. Speaker, unless contract awards are made for the two nuclear powered frigates, to which I have referred, by January of 1968, I am contemplating asking the Committee on Armed Services that no authorization of any major items be approved by the Congress next year, unless the President makes a finding as is required by law.

I am sick and tired of having the Committee on Armed Services and the Congress of the United States treated like little children. We represent the people of the United States.

Not a single member of the Department of Defense has been elected by the people. The people I represent, the people the members of the Committee on Armed Services represent, and the people the House represent want two more nuclear powered frigates in our fleet. They want them started now.

I will not tolerate any further delay by the arrogance of one man who seeks to thwart the will of Congress and I herewith and hereby serve notice.

Mr. Speaker, if there is no objection I will insert in the RECORD at this point the press statements, the speech by the Secretary of the Navy, and my recent exchange of correspondence on this subject with the Secretary, to which I referred:

COMMITTEE ON ARMED SERVICES,
Washington, D.C., October 5, 1967.
Hon. PAUL R. IGNATIUS,
Secretary of the Navy,
Washington, D.C.

DEAR MR. SECRETARY: Now that the Defense Appropriations for Fiscal Year 1968 have been signed into law by the President, it is appropriate to inquire when the Department of the Navy is going to contract for building the two nuclear propelled frigates for which funds have been authorized and appropriated this year?

I trust that the answer will not be to point to studies being made for there have been too many studies already. This is why the authorization statute carries mandatory language.

Sincerely,

L. MENDEL RIVERS,
Chairman.

THE SECRETARY OF THE NAVY,
Washington, D.C., October 24, 1967.
Hon. L. MENDEL RIVERS,
Chairman, Committee on Armed Services, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This letter is in reply to your 5 October query concerning building nuclear-powered frigates.

The overall escort ship building program is currently under intensive discussion within the Department of Defense. As a result, the funds for the nuclear-powered frigates have not yet been released by the Secretary of Defense. The current fiscal uncertainty is a complicating factor. The Department of the Navy is therefore not in a position to negotiate with interested contractors for the construction of the ships. I expect a decision on this subject in the near future.

Please be assured that I will keep you advised of decisions in this regard as soon as they are made.

Sincerely,

PAUL R. IGNATIUS.

COMMITTEE ON ARMED SERVICES,
Washington, D.C., November 28, 1967.
Hon. PAUL R. IGNATIUS,
Secretary of the Navy,
Washington, D.C.

DEAR MR. SECRETARY: Earlier this year, your predecessor and the Chief of Naval Operations informed the Congress that the Navy was conducting a Major Fleet Escort Study and a DX/DXG Concept Formulation which "will have a significant impact on future Navy proposals concerning a long range building program for Major Fleet Escorts, including the question of nuclear power."

A recent United Press release indicates that at least some of these studies have been completed. The release said:

"A Navy project called the Major Fleet Escort Study conducted between January and July, came to the conclusion that there should be three kinds of escorts—antisubmarine warfare destroyers, antiaircraft missile ships, and as maller number of nuclear-powered missile ships.

"The report said there would be strong advantages to having a capability to assign one nuclear escort ship to each of the Navy's 15 attack carriers or alternatively to assign all-nuclear escort ships (traditionally four ships) to each of the four planned nuclear carriers."

In view of my repeated requests for all Department of Defense and Navy studies on this subject, it seems to me that our Committee should be able to expect to receive copies of such studies as soon as they are completed, and certainly before they are available for comment in the press.

Would you please forward to the Committee as soon as possible the studies or parts of studies of the major fleet escort issue that are complete. Please also inform the Committee of the status of any studies of this subject still being pursued.

Sincerely,

L. MENDEL RIVERS,
Chairman.

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, D.C., December 8, 1967.
Hon. L. MENDEL RIVERS,
Chairman, Committee on Armed Services,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: I have received your letter of November 28, 1967 and am forwarding herewith Volumes 1 and 2 of the Navy's *Major Fleet Escort Force Level (MFE) Study* and the *Supplement on Endurance* (and *Addendum Analysis* thereto), together with my 16 November 1967 forwarding endorsement to the Secretary of Defense. Volume 3 of the Study is still in printing but it will be forwarded as soon as possible upon completion.

I wish to reassure you, Mr. Chairman, that your interest in these studies is understood and appreciated. The Navy was reluctant, however, to forward to you portions of the study prior to the completion of the entire study.

As to the status of any studies on escorts still being pursued, an additional major study effort is now underway. This is the recently initiated *ASW Force Level Study* which addresses the overall ASW efforts toward providing additional insights as to our force structure in 1975. The study is expected to be completed next August and it will be forwarded to you as soon as possible thereafter.

If you desire, I shall be happy to arrange a briefing for you at your convenience on the studies forwarded herewith and the status of the Navy's study efforts with respect to Major Fleet Escorts.

Your continuing interest and understanding of the Navy's concerns in this area are most appreciated.

Sincerely yours,

PAUL R. IGNATIUS.

[From the Washington Post, Oct. 28, 1967]

NAVY TO REQUEST NUCLEAR ESCORTS

CHICAGO, October 27.—Navy Secretary Paul R. Ignatius announced plans tonight to bolster the Navy's escort fleet with new ships, some nuclear and some conventionally powered.

In a speech prepared for delivery at a Navy League banquet, Ignatius struck a compromise between arguments for nuclear versus conventional power in escort ships.

He said that in the next few weeks the Navy will propose to Defense Secretary Robert S. McNamara a five-year shipbuilding program to provide both types of vessels for the 1970s. McNamara has questioned the need for nuclear vessels when conventionally powered ones will do.

Ignatius said nuclear-powered escorts would be best able to keep up in speed and endurance with the four nuclear-powered aircraft carriers the Navy expects to have by that time.

But he also cited factors of cost, limitations in training nuclear ship personnel and limits on nuclear shipbuilding facilities, which he said weighed in favor of some conventional escort ships.

He did not say how many or what percentage of each type the Navy proposed to build or what size escort ships should have nuclear or conventional power.

The House Armed Services Committee has long been urging faster development of nuclear surface ships.

[In Long Beach, Calif., Associated Press reported, Committee Chairman L. Mendel Rivers (D.S.C.) said in a Navy Day speech that "I serve notice on the Department of Defense here and now that Congress is not going to retreat from its insistence on the steady and progressive conversion to nuclear power." By progressive, he said, he meant a greater number of nuclear ships each year and development of small nuclear engines "as fast as possible."]

REMARKS BY THE HONORABLE PAUL R. IGNATIUS, SECRETARY OF THE NAVY, NAVY LEAGUE NAVY DAY BANQUET, CHICAGO, ILL., OCTOBER 27, 1967

Ladies and gentlemen: I can think of no more appropriate place for the Secretary of the Navy to be on Navy Day. Chicago's people are hospitable to our personnel, and your industry and technology contribute to our effectiveness. Your city has always been known as a good Navy town.

We are grateful for this, particularly at a time when Naval and Marine Corps personnel are engaged in combat, as they are so courageously today in Vietnam. These fine men are demonstrating each day, by their valor and dedication, that the Naval Service is indeed the Mark of a Man. Your Navy Day theme was well chosen.

Tonight I want to review with you a matter of current and continuing importance to the Navy—the use of nuclear power to propel our ships. We look on Chicago as the place of birth of this greatest advance in naval technology of this century.

Nuclear power was harnessed in Chicago on a cold, windy day in December 1942, when the first chain reaction was achieved on the University of Chicago campus.

Enrico Fermi, the Italian scientist who guided the experiment, proposed to Dr. Arthur H. Compton that the test should take place without delay in the now famous squash court under the west stands of the Stagg Athletic Field.

Dr. Compton has written of the doubts that surrounded that event:

"The experiment would be performed in the midst of a great city. We did not see how a true nuclear explosion, such as that of an atomic bomb, could possibly occur. [But] the outcome of the experiment might . . . greatly affect the city."

The experiment was a success and, for the first time, the power of the atom was liberated and controlled.

Even before the first test of a fission bomb in the Summer of 1945, far-sighted naval officers had seen the possibilities of using nuclear power for naval propulsion.

Following a period of intensive debate within the Government, as is not unusual in the face of revolutionary change, the Atomic Energy Commission, in April 1948, authorized a Submarine Thermal Reactor project proposed by the Navy. The first research and conceptual design work on the reactor was done here in Chicago, at the Argonne National Laboratory.

A naval officer from Chicago, Vice Admiral Hyman G. Rickover, has played the central role. He was the leading advocate of nuclear power for naval use and he has been in charge of the program responsible for the application of nuclear power to naval ships.

We are still reaping the benefits of the foresight and energy of this great American. In a moment, I will describe the extent to which the U.S. Navy has made the transition to nuclear propulsion. That background is important because we face decisions that will determine the role of the nuclear-powered surface escort in the Navy. I refer to the application of nuclear power to ship types which are outgrowths of the World War II destroyer—the guided missile frigates and destroyers. It is this issue of nuclear power which I will address tonight.

In January 1955, USS *Nautilus,* the first nuclear-powered submarine, put to sea. Other nuclear-powered attack submarines followed, and will total 68 when those authorized complete construction. The operational accomplishments of these ships are well known to you:

Voyages under the polar ice cap by *Nautilus* and *Skate*.

Surfacing at the North Pole by *Skate*.

Circumnavigation of the globe, while submerged, by *Triton*.

Steaming on nuclear power for more than 60,000 miles, without refueling, by *Nautilus*.

It was these early phenomenal successes with submarines that led to the strategic concept of relatively invulnerable underwater platforms for ballistic missiles.

Largely through the leadership of Vice Admiral William F. Raborn, Jr., the Navy and private industry joined the capabilities of nuclear-powered submarines to an underwater-launched ballistic missile system and produced our country's most nearly survivable deterrent system, commonly referred to as Polaris.

In November 1960, the first Polaris submarine, USS *George Washington,* deployed on patrol. Today, only 7 years later all 41 of the authorized fleet ballistic missile submarines have entered the Fleet.

At the same time, work on applying the advantages of nuclear power to the surface Navy went ahead with the result that USS *Enterprise,* the largest attack aircraft carrier ever built, and the guided missile cruiser, USS *Long Beach,* were commissioned in 1961.

USS *Bainbridge,* a nuclear-powered guided missile frigate, was commissioned in 1962, and her sister ship, USS *Truxtun,* joined the Fleet in June of this year.

Enterprise, Long Beach, and *Bainbridge* have completed recent deployments to the Seventh Fleet in the Western Pacific. With these ships and *Truxtun,* the Navy is gaining operational experience with nuclear-powered surface ships.

Enterprise and *Long Beach* have shown the case with which nuclear-powered ships can steam at speeds of more than 30 knots for indefinite periods, permitting the prompt deployment of naval offensive power to any point of need. Last June, when it was possible that naval forces would be required in the Red Sea, *Enterprise* and *Long Beach,* then in the South China Sea, could have been placed on station in the Suez Canal area within a period of about one week. Conventionally powered ships that were available, including supporting fleet oilers, would have taken almost twice that time.

While in the Seventh Fleet, *Long Beach* was assigned to a task in support of air operations against North Vietnam. This task required *Long Beach's* maintaining an independent station in a relatively small area. Since *Long Beach* did not have to withdraw from station to refuel periodically, and since she could steam at higher speed than conventional ships while in transit to station, she was able to be on the line almost a month longer than a conventional ship.

Thus, from such experience, we are establishing firm evidence of just some of the operational advantages that can be derived from nuclear-powered surface ships.

Throughout the Seventh Fleet deployment of these nuclear-powered ships, their operations were characterized by high reliability of the engineering plants and an instant readiness to move from one assignment to another without the time delay involved in dependence on fleet oilers.

In the sustained type of operations being conducted in Southeast Asia, nuclear power minimizes the periods these ships are off station or in transit from one task assignment to another. In terms of utilization, experience in that area shows that three nuclear ships can do what four conventionally powered ships do in a similar six to seventh month deployment. This factor is particularly significant in extended combat situations, like Vietnam, where rotation of ships on and off the line and from one task group to another is required to sustain the level of pressure desired.

The future course of Naval nuclear-powered ship construction will be judged and decided against this background of 12 years' experience.

We have moved aggressively to develop a force of nuclear-powered attack submarines, ballistic missile submarines, and attack carriers. Many of these ships are already at sea. Their operational experience, in diverse missions, has been beyond anything we could have imagined 20 years ago.

The Navy is planning a construction program for nuclear-powered attack carriers in alternate years. Construction of USS *Nimitz* will commence soon and the Secretary of Defense has approved two additional nuclear-powered carriers, programmed to start in fiscal year 1969 and 1971.

The unresolved issue before the Navy is how many and what kind of nuclear-powered *escort* ships we should build, such as *Long Beach, Bainbridge,* and *Truxtun,* in order to escort and support our attack carriers, both nuclear and conventionally-powered, and to give added operational flexibility to all types of naval task forces.

The question involves a complex analysis of whether the greater cost of nuclear-powered surface escort ships is offset by their greater effectiveness. The best course of action is less clear than nuclear power for submarines and attack carriers. Escort ships will have to perform multiple combat tasks, similar in scope to the missions assigned to the work-horse World War II destroyer with which many of you are familiar.

Our present-day surface escort fleet—the destroyers, destroyer escorts, frigates and cruisers that give protection to our carrier task forces, underway replenishment groups, and amphibious task forces—contains many ships that were built in World War II. These are rapidly approaching the point where the combat capability they represent must be supplemented and improved by new ships.

The Navy is embarked on an analysis to define the type and number of escorts required in the future. We are looking at all the traditional destroyer tasks—detection and killing of submarines; defense against aircraft and, in the modern combat environment against missiles; shore bombardment; and a capability for self-defense when operating independently or at long distances from the task force which the escort is assigned to support.

We will want whatever freedom from base or mobile logistical support that is attainable, and some proportion of our escorts should be capable of steaming at high speeds with our large attack carriers in all sorts of sea conditions.

The combat capabilities these ships will have are determined by the various kinds and levels of enemy threats we foresee in the 1970s. We must be ready to defeat forces available to the enemy in order to defend our own offensive naval task forces. Much technological progress is being made to design new sonars of high capability to detect submarines and advanced radars to permit early warning of hostile aircraft and missiles. Similar developmental efforts are leading to modern weapons and countermeasures of markedly increased capability to meet the anticipated threat on, under, and over the seas.

It is not a simple matter, however, to relate the various enemy threats we must be capable of deterring, or defeating, in the 1970s to a requirement for nuclear power in our escort ships. The operational advantage it affords is clear, but other considerations influence the decision both for and against nuclear power. Accordingly, I would like to review with you some of the issues involved.

There is no question that if the costs were the same, a nuclear ship would be superior to a conventionally-powered ship because of the advantages of being free from the requirement to refuel. However, the costs are *not* equal. A nuclear-powered escort ship costs about twice as much to *build* as a conventionally-powered ship.

The initial costs are greater for a number of reasons. However, initial investment is not a full indication of true cost. The costs of operating the ship over its service life must also be considered in order to determine its lifetime or true cost.

For example, though the power plant of the nuclear ship costs more in the beginning, it operates without refueling for a period of years. A conventionally-powered ship requires large amounts of fuel oil every few days under normal operating conditions. The cost of the millions of gallons of fuel oil used by the conventionally-powered ship over a period of years would be included in its *lifetime* cost, but not in its initial cost. The cost of supplying this fuel also must be charged to the operating cost of the conventionally-powered ship. In the same vein, the cost of replacement of reactor cores must be charged to the operating costs of nuclear-powered ships.

These and other calculations indicate that the lifetime cost ratio of nuclear and conventionally-powered ships is not approximately two-to-one, as in the case of investment cost, but more like 1.5-to-one.

Thus, even taking account of all the relevant lifetime costs, the nuclear ship costs more. We must, therefore, be selective in determining the proper mix between nuclear and non-nuclear powered ships for our new construction and modernization programs.

With amphibious and logistic forces, for example, the advantages of the nuclear-propelled escort are not particularly great, because of the slower speed and limited endurance of the other ships involved.

On the other hand, nuclear-propelled escorts would be most useful when accompanying our high-speed carriers and when the escorts are on independent missions that require endurance and flexible response not limited by the necessity to refuel.

I referred earlier to the analytical studies we are conducting to gain insights on these complex matters. These studies include strategic and tactical war scenarios that permit many variations in the interaction between friendly and enemy forces.

Let me illustrate what I mean. We have looked in detail at combat situations which could be encountered both in the Western Pacific and North Atlantic. In each of these areas, our own capabilities and those of an enemy vary in response to proximity of bases, logistical requirements, local forces, the mobility of main forces, and a host of other factors that are not fixed. By exhaustive examination of combinations of these factors, it is possible to see more clearly the escort force level and capabilities that the Navy should have in the 1970s for a proper balance between offensive and defensive capabilities.

First, it becomes clear that we need more destroyers to deal with an enemy submarine threat than to deal with the air threat, because submarines are harder to detect and destroy than aircraft. This confirms the essential wisdom of the present configuration of our destroyer force.

All our ships are equipped to deal with the submarine threat but only some are also equipped to deal with the complete spectrum of the air threat.

Second, our studies show that, in the event of a war involving our naval task forces and enemy submarines, aircraft and missiles, we would need so many destroyers for such diverse tasks that it would not be economical to have all of them nuclear powered.

Third, the analyses show that there is a strong case to be made for having some *conventionally*-propelled destroyers exclusively equipped to sink submarines and additional *conventionally*-propelled destroyers equipped to counter aircraft, missiles, and submarines, and to provide gunfire support.

The studies, therefore, make it clear that the combination of these two categories of *conventionally*-powered destroyers can escort most efficiently all of our naval forces and convoys *except* our fast carriers.

There are, however, *substantial* advantages in having nuclear power in ships which must escort nuclear powered carriers.

If the escorts must refuel or replenish more frequently than the *nuclear*-powered carriers they escort, then the operational advantage of these carriers is diminished. The entire task force can take fuller advantage of these benefits if the escorts are nuclear powered.

At the same time, the endurance of nuclear-powered escorts also provides a flexibility for stationing and for independent tasks when in company with *conventionally*-powered carriers.

While all the benefits of nuclear propulsion for surface ships are not easily quantifiable in the context of studies, they are readily apparent to tactical commanders.

First, there is the increased tactical flexibility made possible by unlimited endurance at high speed. We can deploy a nuclear-powered ship from the West Coast to the South China Sea in nine days while a normal transit for conventionally-powered ships is close to 15 days.

Second, nuclear power makes possible longer, round-about routes to avoid storms.

Third, in wartime, high-speed endurance would enhance the ability of carrier task forces to attack enemy shores along a greater perimeter of coastline. It would also enhance their ability to evade and outrun submarine attack.

Fourth, they could make high-speed transits for the aviation fuel and ammunition needed to continue in action, if this were necessary. They could postpone such replenishment if the dangers of carrying it out at a given moment were very high. They would not be concerned with a loss of fuel oil facilities or with the problems of a refueling rendezvous enroute to destination.

These factors, and others like them, are important to the tactical commander, but difficult to quantify in economic terms. We believe they are of sufficient weight, however, to offset the increased costs of nuclear power and to justify a force of both nuclear and conventionally powered escorts.

Apart from cost, there are other factors that tend to limit the number of nuclear ships the Navy can usefully employ. One such factor is personnel. The rate at which the Navy would be able to train officers and men to operate and maintain a substantial increase in nuclear power plants would be limited, in view of the length and depth of the training involved. Moreover, retention in the Navy of such highly skilled technicians will always be a continuing problem. We have already cut into the available cadre of highly technical personnel in manning the 114 nuclear submarines and ships now in the Fleet or authorized. To the extent this is done, the calibre and skill of men left to man non-nuclear ships becomes progressively lower.

A second limitation is the industrial base for making nuclear propulsion equipment. While this base has expanded as a result of the naval reactors program, much of it is currently committed to commercial and industrial power programs and thus not readily available for meeting Navy needs. Although the industrial base can and undoubtedly will be expanded, it will take time and could add to the current costs for nuclear-powered ships.

We in the Navy have made a detailed review of these complex considerations, keeping in perspective the anticipated threat to our forces in the 1970s. The calculations on force requirements should leave no room for unnecessary risk. If we are to deter aggression, the forces we develop must be capable of defeating that aggression should it nevertheless occur.

But we should bear in mind that the Navy offers the decision-maker a unique choice of options to control and limit conventional warfare once initiated. If we are to preserve this flexibility and advantage of sea power, we must maintain our ability to defend our offensive striking forces against a variety of threats. It is through a strong defense that the options to commit various levels of naval offensive power are preserved.

If the United States were challenged at sea, it might be in our interest to confine conflict to the areas of the sea. But to do so, we would require a flexible and effective defense against enemy forces that operated from safe bases. Obviously, there would be an equal premium on offensive task forces of our own that could engage and defeat the enemy at sea, but these task forces must be defended until victory is won.

The same sort of balance between the offense and the defensive forces that give our task forces freedom of operation applies to options available to the decision-maker to counter a limited war initiated by an aggressor on land.

In judging these many factors, the Navy believes it should go forward with a long-range program to construct both nuclear-powered and conventionally-powered escorts.

It is clear that *all* escort ships should *not* be nuclear powered because their additional costs are not offset by operational advantages in some of the missions to be performed. It is equally clear to the Navy, however, that *some* of its escort ships should be nuclear-powered.

The Navy will propose to the Secretary of Defense, within the next few weeks, a construction program for fleet escorts that will include both nuclear and conventionally powered ships. This program looks to an expansion of the numbers of our nuclear powered ships over the next five years. With the construction of these ships, and the construction of additional conventionally-powered escorts, the surface escort forces will be modernized to meet the anticipated threat of the 1970s.

The pay-off in a Navy properly balanced with nuclear power is high. All of the traditional characteristics of naval power are enhanced. An offensive striking force may be placed quickly anywhere in the world where the oceans and seas allow. The naval options available to the nation in time of crisis will be more responsive to demand than ever before, And, as I have suggested, these options include deployment to the area of threat without commitment until the political decision is made.

I appreciate this opportunity to review with you a matter of great importance to the Navy. The officers and men of the Navy appreciate the support they have always received from Chicago and the Middle West and in their behalf I express thanks to all of you.

Press Release

(By Donald H. May)

WASHINGTON.—The Navy is preparing to build three new nuclear-powered surface escort ships even though it doesn't quite have the $420 million cash in hand to pay for them.

Beyond this, the Navy also is angling for authority to build a lot more nuclear-powered ships for use in the mid 1970s. First of them are three guided missile frigates, similar to the atom-powered Bainbridge, commissioned in 1962, and the Truxton, commissioned last May.

Shipbuilders submitted construction proposals, similar to bids, to the Navy last month for the proposed new frigates. These are now being studied and the Navy will negotiate with the firm making the best offer.

The Navy could wind up making contracts contingent on its getting the money.

This is the result of a complex debate waged for years in Washington over how fast the Navy should switch from oil to nuclear vessels—a change as hard as from sail to coal and coal to oil.

The major congressional committees dealing with military and atomic affairs have generally urged speedy progress toward a nuclear Navy.

The Navy itself has crusaders such as Vice Adm. Hyman G. Rickover, who pioneered nuclear submarines, and others who could be called moderates.

The Defense Department, which controls the Navy's purse strings, has been the most reluctant.

Over the past three years Congress has appropriated $150.5 million for the first of the three nuclear frigates, $134.8 million for the second and $20 million to buy "long lead time" equipment for the third. This totals $305.3 million in appropriations.

So far, the Defense Department has released to the Navy only $150.5 million for the first ship. But the Navy believes it has a strong congressional mandate.

In its last authorization bill, Congress denied a request for two conventionally powered guided missile ships, substituted nuclear ships, and goaded the Pentagon to build them "as fast as practicable," unless the President found it would not be in the "national interest."

There has been no presidential veto.

The Navy now has one nuclear aircraft carrier, the Enterprise and is scheduled to have three more built by 1974. The current debate is over how many nuclear-powered escort ships these carriers should have.

A Navy project called the Major Fleet Escort study, conducted between January and July, came to the conclusion that there should be three kinds of escorts—antisubmarine warfare destroyers, antiaircraft missile ships, and a smaller number of nuclear-powered missile ships.

The report said there would be strong advantages to having a capability to assign one nuclear escort ship to each of the Navy's 15 attack carriers or alternatively to assign all-nuclear escort groups (traditionally four ships (to each of the four planned nuclear carriers.

The 14 months the Enterprise and Bainbridge have spent in waters off Vietnam, along with eight months for the nuclear cruiser Long Beach, have provided Navy men with new arguments for nuclear power. They cite the ability of the ships to stay longer on station, to outmaneuver weather and to make fast transits.

A recent speech by Navy Secretary Paul R. Ignatius, saying that the Navy would ask the Defense Department for a mix of conventional and nuclear escorts, has led some Navy men to conclude that Defense Secretary Robert S. McNamara is now more receptive.

Their reasoning: McNamara would have censored it out of the speech if he didn't agree.

The Defense Department, however is now deep in its pre-budget weighing of military systems. It could hop either way on the nuclear ship issue.

Mr. CHARLES H. WILSON. Mr. Speaker, will the gentleman yield?

Mr. RIVERS. I am delighted to yield to the distinguished gentleman from California, a member of the committee.

Mr. CHARLES H. WILSON. Mr. Speaker, I want to commend the chairman of the Committee on Armed Services for the excellent report he has brought to us from the special committee which has traveled to Southeast Asia.

I think that in addition to the importance of the subcommittee interim report which he has made, the remarks that he has made in connection with the failure of the Department of Defense to proceed with the nuclear ships that have been requested by the Committee on Armed Services are most important.

It is not necessary to receive briefings in connection with what Russia is doing in the Mediterranean in their buildup of their navy. We can read in our weekly news magazines about the large nuclear navy that they are developing. This is a matter of concern to our Navy and to our military people and to those of us who serve on the Committee on Armed Services.

I think it is a most important contribution that the chairman of the committee has made this afternoon. I certainly agree that you are making a most modest request, Mr. Chairman, when you ask for only two nuclear frigates and that from here on out we proceed to give the Navy what they need and we demand that this be given to them.

Mr. RIVERS. I thank the gentleman for his remarks.

I want to say this—this Russian threat is not kidding. They are determined to take over the Middle East. Just today they flew missions in Yemen of Soviet pilots and Soviet planes, I am informed. We have long, long drawn-out lines in faraway Asia and we need nuclear surface ships.

I cannot, to save me, understand why the Secretary of Defense is holding up construction of these two ships. It may be pride—I do not know what it is. But here the Congress has spoken. We have written this in the strongest language of which we are capable. But he continues to thwart the will of the Congress. What are you going to do next year? I am willing to go ahead with the future, but I cannot forget the past.

Mr. HAGAN. Mr. Speaker, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from Georgia.

Mr. HAGAN. I appreciate very much the remarks made by the distinguished chairman of the Committee on Armed Services this afternoon.

I think it is wonderful that he has brought this report from this excellent subcommittee which has toured Vietnam and all of Southeast Asia.

As was pointed out by my distinguished colleague, the gentleman from California, and in the remarks made by our chairman this afternoon, it is great for the people of this country to hear the facts. I wish I knew why the orders of the people's Representatives have not been carried out.

I thank you again, Mr. Chairman, for making this information available to the people of this country this afternoon.

Mr. RIVERS. I appreciate what the gentleman has said.

Mr. PIRNIE. Mr. Speaker, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from New York.

Mr. PIRNIE. I wish to join in this expression of appreciation for the gentleman's interim report. I know the serious intent behind the naming of this committee, and I am convinced that their efforts have been most objective and that we will do well to heed their recommendations.

With respect to the development of nuclear propulsion in our fleet, I have been concerned for a long time that we were not sufficiently progressive with regard to the development of a nuclear task force so that they could proceed as a unit with respect to carrying out the many assignments of which they would be capable.

I hope that the remarks which the gentleman made this afternoon will serve to bring into such clear perspective the will of Congress that immediate steps will be taken to assure us that the wishes of the people will be respected.

I thank you for your efforts.

Mr. RIVERS. I thank the chairman very much. I wish to say to the gentleman that I recognize we should not have two reports, one on top of the other, but this is the only opportunity I shall have to speak before this session will have adjourned. That is the reason I bring these reports. Mr. HARDY's report is timely and needed. Second, the nuclear propulsion matter is something I wanted to bring to you before we leave.

FOREIGN AID APPROPRIATIONS CONFERENCE REPORT

Mr. PASSMAN. Mr. Speaker, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from Louisiana.

Mr. PASSMAN. I thank the gentleman very much.

In my candid opinion, every member of the conference on foreign aid of the other body and of this House should sign the report twice. This is the most marvelous victory that the House conferees have ever won on foreign aid. After a somewhat disagreeable conference, you cannot satisfy all the people all the time. The Senate yielded on $424,754,000. Your House conferees yielded on only $119,080,000. It is the greatest victory for the House since the inception of foreign aid, percentagewise, on cuts. I thank the gentleman.

Mr. RIVERS. So you have finished your report; we can adjourn this week.

Mr. PASSMAN. So far as I am concerned, we shall. We have a marvelous report to bring in.

Mr. RIVERS. Now that you have finished, you can go home. Thank you very much.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from Ohio.

Mr. BOW. In response to the distinguished gentleman from Louisiana, three members of the conference did not sign the report because it is $119 million over the House figure. I thank the gentleman for yielding.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from Missouri, a member of the committee.

Mr. HALL. I appreciate the gentleman yielding, and in an attempt to get back into orbit, I would like to associate myself with the remarks made in the well of the House by the gentleman from South Carolina and to compliment him for bringing this bivalent report not only to Members of the Congress but to the people of the Nation. It is most timely. Coming from him, after his distinguished leadership, it will mean much.

Having often called for the resignation of the instant Secretary of Defense, I shall not comment more about his repeated errors of judgment or his usurpation of the executive privilege. But I do think it is important that we reemphasize what the distinguished chairman has brought back to the people today, namely, that we must eliminate sanctuaries as his subcommittee has reported; and, second, the national scandal of allowing any aircraft flak to build up to the point at which it forces those who would interdict supplies to our men fighting against aggression in South Vietnam up to the place where the surface-to-air missiles can shoot them down.

Insofar as the nuclear frigates are concerned, it has often been proved to every member of the Committee on Armed Services, as the distinguished gentleman from South Carolina has so well said, that a nuclear-powered task force can train as it deploys. This is all that needs to be said.

Mr. RIVERS. It is so simple, people do not talk about it.

They can train at full speed. Speed is no anchor, and energy is no anchor.

Mr. HALL. Mr. Speaker, this has been demonstrated. But I want to point out that had it not been for this Congress and its Committee on Armed Services, under the leadership of the distinguished gentleman through the years even before he became chairman of the committee, we would not have the strategic military airlift that could do as was done yesterday, deploy a division in less than 21 days 12,000 miles halfway around the world.

Mr. RIVERS. I take no credit for that. I will say the gentleman is entitled to as much credit for this as I am. This very exercise was discussed in our committee in 1960, the deployment in Southeast Asia should these 141's ever be built. The 141's are built.

The last came off the line. I saw it roll off. We have over 160 of them, and they can deploy troops very fast.

Mr. HALL. If the gentleman will yield further, I will make one further observation. It is also true we would have neither an undersea nuclear-propelled Navy nor a surface nuclear capability if it were not for the Congress of the United States passing mandatory authorization law and mandatory usage of appropriations; and, had the Secretary of Defense accepted the advice of the committee, under the distinguished chairman, we would not be defenseless against the FOBS—that is, the fractional orbital bombing system.

Mr. RIVERS. I thank the gentleman.

Mr. DON H. CLAUSEN. Mr. Speaker, will the gentleman yield?

Mr. RIVERS. I yield to the distinguished gentleman from California.

Mr. DON H. CLAUSEN. Mr. Speaker, I thank the gentleman for yielding and suggest to the House that the very distinguished chairman of the Armed Services Committee, in my judgment, has performed a magnificent service, not only to the House of Representatives, but to the people of this country, of the United States. In many ways his comments here today are somewhat reminiscent of comments of a very distinguished American a few years ago, Billy Mitchell, when he tried to alert the Nation to the fact that airpower and the use of aircraft would serve in the interest of the security of this Nation.

As one of the pilots who served on aircraft carriers under operational circumstances during World War II, I want to testify to the accuracy of the comments made by the gentleman and compliment him for bringing this very important matter, relating to nuclear aircraft carriers, to the Congress today.

Mr. RIVERS. I thank the gentleman.

Mr. PHILBIN. Mr. Speaker, will the gentleman yield?

Mr. RIVERS. I yield to the distinguished gentleman from Massachusetts.

Mr. PHILBIN. Mr. Speaker, I have been deeply interested in the outstanding speech made by the distinguished leader of the Armed Services Committee today. He touched upon some very crucial matters, both in presenting the report of the fine committee that has been sent to the Far East and also in pinpointing and emphasizing the importance of the nuclear development of naval craft.

It is a field to which the gentleman from South Carolina has given his constant attention, as he has given it to other fields connected with the armed services. The interpretations he has made not only in this area but in every other area related to this country have been preeminent and outstanding in every respect. I think that fact is recognized not only by members of his committee, but also by Members of the House, who are familiar with the constant attention and diligence and expertise the gentleman from South Carolina has exercised in all his close attention and work with respect to these matters.

I think it is very important that the Members of the House should have the benefit of the excellent report that has been forwarded here from the Far East in respect to the findings and recommendations of the subcommittee that has been sent there by the chairman to make these very important evaluations.

I also think that of the greatest importance perhaps to the defense and security of this country is that the Committee on Armed Services, both in the House and in the other body, and the Members of this Congress should become vitally aware, as the distinguished chairman had urged they should become, concerning the paramount importance and paramount urgency of developing and pressing forward nuclear development of our Navy, so that the dreams that were experienced some years ago by those who first projected this important subject—including Admiral Rickover and the chairman himself as well as others who are affiliated and associated with this great work—shall be carried forward.

As the gentleman has implied, considering the dangers which surround us not only in the Middle East but elsewhere throughout the world, it is of utmost importance that we should have the best in this jet-powered age of speed, of speedy communication and of speedy movement, the day of the rocket and the day of the jet aircraft. It is to my mind very important that we should not fall behind in the development of naval craft. In that respect, the modernization and the fullest possible implementation of a nuclear navy certainly must be, as the chairman so appropriately recommend here today, one of the major objectives of this Congress.

I commend the chairman for his excellent speech, and I want to assure him of my continued support of his objectives and in regard to what he has spoken of this afternoon so thoughtfully and in such a timely manner.

Again I commend the chairman for the splendid remarks he has made. I know the House will heed his warnings and will follow the prescriptions he has laid down for the nuclear development of a modern navy.

Mr. RIVERS. I thank the gentleman.

There will be those who will say, "RIVERS and his committee know more than the Department of Defense of what is good for the Navy."

The recent Chief of Naval Operations testified to the need for this DLGN. The former Secretary of the Navy then asked his boss to give him these two DLGN's of the past. He is now Deputy Secretary of Defense. Every military man who is "in the know" has recommended it. We even brought one in from the faraway Pacific, from the Tonkin Gulf, to testify. The Committee on Appropriations recommended it. The Joint Committee on Atomic Energy, through the gentleman from California [Mr. HOLIFIELD], has written one of the finest treatises I have ever read on nuclear surface propulsion for our Navy.

So we are in company with everybody who is supposed to know. Everybody who is supposed to know has recommended it, and then one man stops it.

Mr. RANDALL. Mr. Speaker, will the gentleman yield?

Mr. RIVERS. I yield to a distinguished Member of the committee, the gentleman from Missouri [Mr. RANDALL].

Mr. RANDALL. I thank the gentleman. I happened on the floor not knowing of the gentleman's speech, but the more the gentleman talked the better it sounded. The gentleman has made a great contribution.

Mr. RIVERS. I thank the gentleman very much.

Mr. RANDALL. I am pleased that I had the chance to hear him.

The chairman of our committee is to be commended. I want to associate myself with this remarks. More than that, I want to say that when the committee meets, as a member of the committee, I am sure the gentleman is going to have most of the members of his committee back of him, perhaps the entire committee. Many of us feel like the chairman of our committee.

There is no excuse for some of the things that are going on about which the gentleman spoke. Executive privilege is all right. Rather it is all right in its place. But the language the gentleman spoke about was mandatory language. The very plain facts are that the Department of Defense has made no compliance with our mandatory language and no effort to comply.

Mr. RIVERS. There is no effort. There has been complete and total ignoring of the Congress, ignoring of the law, ignoring of the security of the United States. What can be more intolerable? I just do not know.

Mr. RANDALL. I want to take this one moment to say again the gentleman has performed a service to this country. Our distinguished chairman has performed a real service today in calling attention once more to something the Defense Department has omitted, to do to something that has not been done, to some thing which somehow in some way must be done.

Mr. RIVERS. We will find a way to force this issue and to force this decision.

I thank the gentleman very much.

Mr. Speaker, I have no further requirement for time.

SEVENTY-FIFTH ANNIVERSARY OF LOURDES ACADEMY IN CLEVELAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. FEIGHAN] is recognized for 30 minutes.

Mr. FEIGHAN. Mr. Speaker, Lourdes Academy has stood as a monument to education in my congressional district in Cleveland for 75 years. Its registration has increased yearly. The words of its alma mater "Light of Lourdes, be as a flame; make us worthy of your name" symbolizes the spirit of those who have been fortunate enough to attend this excellent school. In 1896 the first graduating class consisted of three young women; since that time more than 4,000 young ladies have graduated from Lourdes Academy. Both of my sisters, Cecelia and Ann, are alumnae of Lourdes; Cecelia returned as Sister Ann Cecile to join the faculty and has taught there for a number of years.

Lourdes Academy, celebrating its diamond jubilee this year, a pioneer of Catholic education in Cleveland, prepares for the years ahead as a leader in the field of social and civic work. Lourdes, one of the finest Catholic schools in Cleveland, has a tradition of rendering quality education to its students, and as it begins a new quarter century, it continues to broaden its scope of learning as the sisters prepare, with vision, to keep in step with the new scientific developments of our times.

Because Lourdes Academy has contributed so substantially to the building of character and forming the foundation of the lives of thousands of my constituents, I consider it sufficiently worthy to include excerpts from the "75th Anniversary Memorial Brochure of Lourdes Academy":

THE 75TH ANNIVERSARY MEMORIAL BROCHURE OF LOURDES ACADEMY

Our educational endeavour is dedicated to the development of young women who are spiritually oriented, intellectually curious, healthy, refined, socially conscious, and alert to the problems of today's world. The personal responsibility to respond to the challenge of Christian witness, to develop habits of creative thinking, to search for a breadth of knowledge and to aspire to the fulfillment of the individual is the basic philosophy of Lourdes Academy.

Because parents have the primary right to educate their children and because the faculty shares in this privilege, the cooperative efforts of home and school are fundamental. This close association can most readily effect in the student the ultimate aim of Catholic education which is to direct her that she may attain the end for which she was created.

The faculty, ever aware of the need to create a school community whose atmosphere is animated by the Gospel spirit of freedom and charity, seeks to imbue their students with the spirit of Christ, to strive to excel in pedagogy and the pursuit of knowledge in such a way that they may not merely advance the internal renewal of the Church but preserve and enhance its influence upon today's world . . . especially the intellectual world.

A philosophy of education, like tradition, is not a static, finished thing. The living tradition of Lourdes' seventy-five years of service to the city and the diocese of Cleveland has been handed on to be informed and transformed by the insights of each succeeding generation. One of the first Catholic high schools in Cleveland, Lourdes has always viewed its sense of purpose and direction as a dynamic project and a shared enterprise.

A corps of teachers, dedicated to a common ideal, invariably has a special impact and educational effect. Parents, teachers, and administration ideally create the unique community which alone is capable of producing the fully integrated Christian woman. To develop in the young woman a sense of identity, of creativity and purpose in life is a task that the faculty shares with the family and social milieu.

Informative meetings for parents on curriculum, testing programs and special problems are scheduled throughout the school year. Faculty assistance is enlisted in shaping school policy on discipline, curriculum and activities. Several faculty committees expedite various aspects of the educational program.

In its objectives, that educational program is decidedly intellectual, for the Word of God and the works of men must first be rooted in truth and wrought with competence before they can effect lasting good.

". . . *Above all, let them (teachers) perform their services as partners of the parents. Together with them, they should pay due regard in every educational activity to sexual differences and to the special role which divine Providence allots to each sex in family life and in society . . .*"

Sister ELLEN FRANCIS, H.H.M.,
Principal,
Our Lady of Lourdes Academy,
Cleveland, Ohio.

DEAR SISTER ELLEN FRANCIS: I join with the alumnae and friends of Lourdes Academy in extending best wishes to you, the Sisters of the Holy Humility of Mary, the faculty and personnel, and the students of this fortunate year, on this happy occasion of the observance of Lourdes' Diamond Jubilee.

Regretfully I cannot be with all of you on February 18, either at the Mass at St. John's Cathedral or the evening dinner, because I am to be in Washington half that week, at a Board meeting of the Conference of Bishops and of the Press Department of the U.S. Catholic Conference. I assure you of my prayers and my Mass on that Saturday offered in the nation's capital.

The Diocese is grateful to Lourdes Academy and to the Sisters for this high school for girls during these 75 years. We rejoice with the Sisters at the record of more than 4,000 graduates in this time. We compliment the Sisters and faculty on the satisfaction brought to the teachers of the many who have gone on to outstanding service in every walk of life in their communities.

We are thankful to God first of all, as are the Sisters, that through their guidance and teaching the Lourdes students have been, and are, exemplary Christian young women, staunch in the daily living of their faith.

Long before the next 25 years complete the centenary of Lourdes, we are hopeful of seeing the development of a new building, which will be the housing of the same spirit characterizing teachers and students in the past till now.

With my blessing, I am,

CLARENCE G. ISENMANN,
Bishop of Cleveland.

"Lourdes, we love you"—this has been a beloved rally cry from our Lourdes song for many a year! All of us who have been a vital part of the Lourdes family—and I speak as an alumna, as well as a former faculty member—can say that this phrase "warms the cockles of our hearts."

The Sisters of the Holy Humility of Mary founded in 1854 to meet the *needs of the times* in rural Dommartin, France, took—as its service to the Church and to the world then—the education of underprivileged youngsters of that day, such as Bernadette of Lourdes!

Four years after its founding and the year in which the Congregation of *Blue Sisters* was approved by the Church—1858—Our Lady appeared to little Bernadette calling her and us to prayer and penance from the Lourdes Grotto, which would pour forth graces throughout the world from that time on.

"You have visited the land . . . greatly have you enriched it." (from the Mass of the feast of Our Lady of Lourdes) How truly has Lourdes Academy in Cleveland reflected this commitment of Our Lady—blessing all who have shared in this heritage for the past 75 years!

Lovingly in Our Lady,

Mother MARY of LOURDES,
General Superior.

Dedication to the development of young women who are spiritually oriented, intellectually curious and socially conscious marks seventy-five years of Lourdes' Christian commitment—a commitment to excellence through its efforts to live its basic philosophy of responding to the challenge of Christian witness, developing habits of creative thinking, searching for a breadth of knowledge and aspiring to the fulfillment of the individual.

Like the talents the Gospel parable, these qualities have not been buried but have multiplied in the professional, social, cultural and educational achievements and service of Lourdes graduates to the Church, the nation, the world. As we continue our endeavors to serve the Church in the contemporary world of the Greater Cleveland community we ask in the words of our *Alma Mater* "Light of Lourdes, be as a flame; Make us worthy of your name."

Sister ELLEN FRANCIS, H.H.M.,
Principal, Lourdes Academy.

LOURDES—ITS ROOTS IN THE COMMUNITY

In its seventy-five year history on the West Side, Lourdes has been more than a location, it has been a *presence* in the area. The school, through its faculty and students, has made its influence felt in many ways.

As far back as the last months of World War I, when the Sisters did volunteer nursing during the disastrous flu epidemic, the neighborhood has felt the impact of Lourdes. Several generations of Sisters and students have done volunteer service at the County Nursing Home, Merrick House, and at other charitable institutions in the area.

More recently the Lourdes students have participated in tutoring projects at West Side and Riverview Community Centers. According to a recent survey by the school newspaper, at least one-fifth of the student body participates in some form of volunteer service: social, educational or medical. Faculty members maintain an active interest and participate in local civic and charitable organizations. Some contribute personal as well as student-organized services to underprivileged and needy families in the neighborhood.

Lourdes' presence extends to cooperative efforts in Christian social action as well as cultural efforts. St. Ignatius High School has been a partner and patron of many Lourdes performances since the early days of the Academy.

Lourdes' proximity to the cultural and collegiate centers of metropolitan Cleveland has facilitated her students' continued involvement in and patronage of the major libraries, museums, theaters and research centers of the city. Education at Lourdes has been enriched for seventy-five years by Lourdes' close ties with the civic and cultural community.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C.

DEAR SISTER ELLEN FRANCIS: The 75th anniversary of Lourdes Academy is both time for reflection and occasion for celebration.

The anniversary theme, Commitment to Excellence, reflects the contributions Lourdes has made to our community since 1892. A pioneer of Catholic education in the city of Cleveland—an educator of 4000 young women—a leader in the field of social and civic work—each of these facts points to a high degree of excellence that has become synonymous with the name Lourdes Academy.

My own education began at St. James Grammar School in Lakewood, which was and still is conducted by the Sisters of the Holy Humility of Mary. From personal knowledge I know that the education provided by the Sisters is an unquestionably strong foundation in the learning process.

Lourdes has a tradition of rendering quality education to many generations of Clevelanders. Science, language and speech competition in Ohio, as well as the nation, has been heightened by the excellence of Lourdes Academy students. It has been my extreme pleasure to welcome many of your students to Washington to receive their national award recognition.

As Lourdes begins a new quarter century, I am convinced that Lourdes will always be a source of new and vital leadership.

The Commitment to Excellence that was begun in the last century has borne fruit of excellence.

Sincerely yours,

MICHAEL A. FEIGHAN,
20th District, Ohio.

CLEVELAND CITY COUNCIL RESOLUTION NO. 193-67

(By Councilmen Margaret McCaffery and Michael Zone)

"Whereas, Lourdes Academy will observe its Diamond Jubilee on Saturday, February 18, 1967, with the celebration of a solemn Mass of Thanksgiving at St. John's Cathedral and a Jubilee Dinner at the Statler-Hilton Hotel that same evening; and

"Whereas, while the first graduating class of 1896 consisted of three girls, the present enrollment at Lourdes includes 579 young ladies, representing 72 parishes from 20 city and suburban areas; and

"Whereas, during its 75 years of educating the young ladies of this community, Lourdes has attained a justified reputation as one of the outstanding educational institutions of our nation whose alumnae have brought the Christian ideals and principles instilled in them by the Sisters of the Holy Humility of Mary into every phase of community endeavor; and

"Whereas, although Lourdes offers in its curriculum every facet of educational endeavor, its students perennially have been especially proficient in the sciences, winning national recognition in that category; and

"Whereas, the community owes an especial debt of gratitude to the Sisters of the Holy Humility of Mary whose dedicated service and devotion has been an inspiration to the young ladies entrusted to their care; now, therefore,

"Be it resolved, That Council extends its congratulations to Lourdes Academy on the observance of its Diamond Jubilee and expresses the sincere wish that Lourdes Academy will continue to prosper and grow as an integral segment of the educational life of this community.

"Be it further resolved, That the Clerk of Council be and she hereby is requested to transmit a copy of this resolution to Sister Ellen Francis, Principal, Lourdes Academy."

Adopted January 23, 1967.

JAMES V. STANTON,
President of Council.

Approved January 24, 1967.

RALPH S. LOCHER,
Mayor.

I, Mercedes Cotner, Clerk of Council of the City of Cleveland, do hereby certify that the foregoing is a true and correct copy of Resolution No. 193-67, adopted by the Council of the City of Cleveland, January 23, 1967.

Witness my hand and seal at Cleveland, Ohio, this Twenty-fifth day of January, 1967.

MERCEDES COTNER,
Clerk of Council.

By 1943 increased registration made it imperative that the Academy move to larger quarters. Constructing a new building at the height of the war effort was impractical, if not impossible. Lourdes settled "temporarily" for an abandoned public school building at 4105 Bridge Avenue, and has been there ever since. The "new" Lourdes opened in September of 1944 with an enrollment of 380, over 100 more than the previous year, and in 1945 with 465.

The history of Lourdes Academy is typical of Catholic education in the United States—a continuity in excellence and a quality of permanence achieved in the midst of temporary surroundings. Father Daniel Lord, S.J., once called the Academy another "Nuns' Miracle."

The original site of 1892, at 505 Lorain Avenue, was the first property purchased by the Sisters of the Holy Humility of Mary outside the motherhouse at Villa Maria, Pennsylvania. A small red schoolhouse and stable still stand today across the bridge from the West Side Market, silhouetted against the skyline of downtown Cleveland. Purchased by Mother Austin and placed under the patronage of Our Lady of Lourdes by Mother Patrick, the building is one of the oldest in the city and has had a subsequent colorful history.

Five years later, the Academy was moved to a new property, the Weideman mansion at 3007 Franklin Blvd. A school building and eight classrooms were added in 1899 to accommodate increasing enrollments. The original Academy of Our Lady of Lourdes consisted of kindergarten, elementary school and high school. Boys were admitted for several years to the elementary school. An extension at St. James was maintained in the 1920's.

The "New" Lourdes was a war-time compromise: building priorities were not being issued by the Federal Government and renovation priorities were almost as rare. Thanks to her many friends, the "New" Lourdes had boilers and furnishings by the end of November and was dedicated on November 28, 1944. In what was hoped to be temporary housing, Lourdes has gone on for twenty-three years to achieve educational excellence.

The ink is somewhat faded, the edges brittle and worn away, but the attendance records and memoranda of the early years of Lourdes Academy still reveal the strong, vigorous handwriting of the religious women who guided her into the twentieth century. The friendliness and rapport between students and faculty that have always been identified with Lourdes, and the stature of excellence which has been her distinction, find much of their impetus in the inspiration and leadership of the twelve principals who have measured Lourdes' seventy-five years.

As a focus for activity and a center of response, the Sister-principal has been a chief instrument in liberating, cultivating and perfecting the capacities of both teachers and students. The pruning, weeding, and watering of wise administration have ultimately prospered the harvest that Lourdes Academy reaps today.

Lourdes had decisive, forward-looking beginnings at the turn of the century. The religious women charged with the responsibility for the new school set about the work of education with a sense of vision, faith and a willingness to move mountains when necessary.

Within four years, under Sister Mary Clare and Sister Presentation, the school had rereceived its State Charter and had outgrown its quarters on Lorain Avenue. On March 25, 1897, the Sisters purchased the residence of Mr. J. Weidemann on Franklin Blvd. and remodeled the home for educational purposes. Pupils were received in September; by spring of the following year, the increasing attendance again made expansion necessary. Construction on an additional building adjoining the academy was begun in the late summer of 1898, as Sister Mary Irene began her term as principal, and completed by April of the following year.

Sister Mary Irene's memoranda for the succeeding years 1899-1903 record the fact that special prizes and medals were awarded each June for excellence in drawing, needlework, literature, bookkeeping, mathematics, civics, and Christian doctrine—the encouragement of individual excellence was undoubtedly the first of many Lourdes traditions established in these early years.

Sister Mary Anna will be remembered as the skilled principal and teacher who struggled unsuccessfully to keep German in the curriculum prior to World War I. Sister Bernadine's term of office recalls the stamp parades, thrift drives, and the first Lourdes efforts in behalf of servicemen overseas.

Under Sister Beatrice, Lourdes entered the Roaring 20's and etxended its influence beyond the local scene. Regional, state and national contests challenged Lourdities in every field. Extracurricular activities flourished and field trips for academic and cultural enrichment were encouraged. A strong curriculum which included three languages, three sciences, sequential programs in business, math and social studies, as well as many electives, was offered. The early 20's brought the birth of the Lourdes *Light* and later the *Gave*, the school newspaper and yearbook. Many Lourdes students did volunteer work at Merrick House, a local social center. "Shared time" was the order of the day as Lourdes students enjoyed physical education classes and swimming privileges at the Y.W.C.A. across the street, buildings which now house the Lourdes Faculty and Educational Center.

March of 1927 represents a milestone in Lourdes history, recording the acceptance of the Academy by the North Central Accreditation Association as an academically superior institution, a distinction Lourdes has maintained since that time.

In the late 30's, a post-Depression increase in enrollment marked Sister Francelia's administration. New social studies courses were added to the curriculum along with an increased emphasis on civic awareness and involvement. The literary magazine the *Dial* appeared for the first time in 1936. Expansion of cafeteria, business and art department facilities was realized by 1940.

Sister Mary Edward assumed the role of principal a few months before Pearl Harbor. During the early 40's the art curriculum and home economics facilities were expanded and improved. Air Raid drills, Peace assemblies, War Bond drives, Red Cross projects, scrap metal drives and the Victory Corps put Lourdes wholeheartedly into the war effort.

One of the most active organizations in the 1940's was the Lourdes Mission Unit, affiliated with the Catholic Students Mission Crusade since 1926. Lectures, rallies, study groups and special projects crowded their calendar. Lourdes has maintained a sizable donation to the Society for the Propagation of the Faith each year. Sister Mary Edward was awarded the Grand Cross by the C.S.M.C. for her 14 years of active interest and participation in the organization.

Sister Mary Gemma's years in office were distinguished by a post-war emphasis on communication, interscholastic exchange and competition—particularly in the fields of language, debate, dramatics and journalism. As the converging world poured into Lourdes Academy, Sister Mary Gemma helped to bring Lourdes to the community through her active involvement in the field of education, serving on committees and speaking to adult groups on various occasions. Significantly, these years marked the addition of courses in Global Geography, Current Affairs, J.C.W.A. and Radio Workshop activities to the Lourdes curriculum.

Many will recall the "final curtain" on Sister Mary Gemma's term of office—the tornado in June, 1953, that ripped away half of the roof of Lourdes Academy—and escalated the problem of urban renewal on the near West Side.

Sputnik and the space age were on the horizon when Sister Marie Bernard took office in the fall of 1953. A dynamic emphasis on science and its sudden impact on the curriculum were to be the legacy of the 50's. It was during this time that Lourdes had its first national winner in the Westinghouse Science Talent Search and also its first National Merit Scholar. Traditions of excellence were intensified in these years when education was embarking on its own "aggiornamento." Guidance programs and reading courses were initiated to supplement the regular curriculum. Many facilities for teachers and students were expanded or added; Lourdes held its first Fine Arts Festival.

Lourdes was one of nine Cleveland high schools selected for the National Study of Catholic Education, conducted by Dr. Reginald Neuwein, during Sister Mary Terence's term of office. (Sister Mary Terence succeeded Sister Marie Bernard when Sister Romaine was unable to assume the duties of principal because of illness.) Many new courses were added during the 60's: a fourth year of math and French, Christian Family Living, PSSC physics and orchestra. A new uniform and a new alma mater made their debut. A welcome addition for the teachers was the new IBM Data Processing grading system.

In 1965 Lourdes had three National Merit finalists and in the next few years three more Westinghouse national science winners. Guidance facilities and staff were reorganized so that more students would receive personalized assistance. It was during Sister Mary Terence's years as principal that Lourdes first offered special scholarships for Negro students. The consistent and pioneering efforts of Lourdes faculty and students in fostering interracial and ecumenical projects merited an outstanding Catholic Interracial Justice Award and commendation.

If education takes place in an atmosphere of high expectation, the Lourdes faculty seems to have found the secret of generating that expectation for the past seventy-five years.

Students at Lourdes are somewhat unique, perhaps, in that they are almost universally fond of their teachers and find constant expression for their loyalty. Most of all, they have always appreciated the individuality of their teachers, religious and lay. However, it is easy to single out two gifts which the Lourdes faculty seem to possess in common: rapport with their students and resourcefulness.

The competence of their teachers in their special fields inspires the students' confidence in their education and transmits the desire to excel. Challenge and discovery are experiences shared by all Lourdes students and cherished by all her graduates.

The breadth and depth of faculty preparation are clearly demonstrated by the fact that Lourdes teachers have received their professional training, or part of it, from over 40 different colleges and universities. Forty-four percent of Lourdes teachers hold a master's degree; several of those holding a bachelor's degree have at least 15 hours of graduate study.

Lourdes faculty members have supplemented their professional training with at least 50 in-service institutes or special workshops. Eighteen of these were through grant or scholarship by government or private foundations. Several faculty members have taken advantage of world-travel opportunities.

Very few students come to Lourdes because it happens to be the nearest Catholic high school. The enrollment is drawn from at least twenty different areas of Cleveland and Greater Cleveland, representing 72 parishes this year. Geographic, economic, and ethnic diversity have helped to create the cosmopolitan and lively atmosphere that typifies Lourdes.

Over 40 nationalities are represented in the ethnic distribution of the student body. The major ethnic groups reflect characteristic immigration patterns in Cleveland over the past seventy-five years.

A significant catalyst, perhaps, in the make-up of Lourdes spirit is that so many Lourdites are second-generation Americans: eager to learn, used to work, and loyal to family identity and traditions. Significant too, is the fact that one-fifth of the students have at least one parent who has emigrated from foreign soil. Many Lourdes students are accustomed to hearing more than one language spoken in their homes. Twenty-five Lourdes students were born in foreign countries themselves. Many students continue active membership in at least fifteen of the wide variety of ethnic organizations that distinguish the city of Cleveland.

If the record left behind by Lourdes' four thousand graduates is any indication, the diploma they received at commencement was a kind of magna carta, a dedication.

Thousands of dedicated Christian mothers and hundreds of dedicated nurses and teachers testify to the very special capacity of Lourdes to inspire life-long commitment to persons and to humanity.

In recent years, about 50% of the graduates attend college. Many pursue special training in other fields. Lourdes numbers among her alumnae a secretary to U Thant, a society editor for a metropolitan daily newspaper, a nationally known dietitian Peace Corps and PAVLA volunteers, a specialist in computer programming, two physicians, research scientists, lawyers, two principals in the public school system, professional entertainers, writers, musicians, artists, several graduates who own and operate their own businesses, and many who volunteer their services in almost every field where women's influence and talents are being felt today. At least three Lourdes graduates have been named to the National *Who's Who of American Women.*

Over two hundred Lourdes alumnae have consecrated their service to the world and to the Church in religious life. Ninety-eight of these have entered the Sisters of the Holy Humility of Mary. At least fifteen other communities have received candidates from Lourdes. Among them: Ursulines of Cleveland, Sisters of Charity of Cleveland, Sisters of Notre Dame of Cleveland, Vincentian Sisters, Dominican Sisters, Sisters of St. Joseph, Franciscan Sisters, Sisters of Charity of Cincinnati, Sisters of the Incarnate Word, Medical Mission Sisters, Maryknoll Sisters, Dominicans of the Sick Poor, the Oblates of Mary Immaculate (a secular institute first established in Cleveland by a Lourdes graduate), Daughters of Divine Redeemer, and Sisters of the Holy Cross.

"The aim of the Sisters conducting the academy is, to train the minds and hearts of the pupils, to inspire them with a love and taste for learning, with ambition for self improvement, and with a sincere respect for intellectual and moral excellence. The course of studies embraces a thorough English education, and special attention is given to elocution, physical culture, music, drawing, and in fact all the branches necessary to prepare the pupils for the practical duties of true Christian womanhood, which is the salt of society. If what has thus far been done by the Sisters in behalf of their responsible charge, in the short career of the Academy, is a criterion, it augurs well and most promisingly for the future of the Institution."

The school motto, "God is the measure of intellect," is indicative of Lourdes' seventy-five year commitment to excellence. All that deepens and broadens the humanity of the individual, and all that has potential to build up the human city of man, all this is included in the Lourdes concept of education for the ultimate City of God. For knowledge, skills and discipline—without values—would be meaningless.

To this end, Lourdes has always sought to communicate a sense of enthusiasm and aspiration for all genuine human achievements. Lourdes students have consistently shown an eagerness in study, a sense of curiosity and wonder about their world, that has challenged yet at the same time rewarded their teachers. Lourdes' purpose in educating has always been the encouragement of excellence: academic, social, spiritual. The statement of purpose in the 1912 Handbook is as relevant now as it was then: "to bring out the *best* in pupils and aid them in becoming powers for good in their homes and useful and happy members of society."

Lourdes was one of the first two Cleveland Catholic girls' schools to be accredited by the North Central Association in March, 1927. This achievement in excellence of academic program was a milestone in Lourdes history, and was followed by many others. Throughout her history Lourdes has sought to adapt her curriculum to the needs of the time, but also to preserve and communicate the *best* that our civilization has conceived, dreamed, imagined or designed.

Enthusiasm for excellence is soon caught by the youngest freshman. The teacher at Lourdes walks into a classroom where much of the motivation has already been accomplished by a living, vital tradition.

". . . *while the Catholic school fittingly adjusts itself to the circumstances of advancing times, it is educating its students to promote effectively the welfare of the earthly city. . .*"

"The Christian is committed to the city more than to any place on earth, because his brother is there in the greatest numbers and in the greatest need."

Every generation of the Lourdes family has dreamed, hoped, worked for the "new Lourdes." It is perhaps because it is so centrally joined to the community of Cleveland that two world wars and belated city planning have threatened Lourdes' progress and development. Today it is not the mountains of earth and soil that once challenged the founders of the Sisters of the Humility of Mary but the mountains of debt and red tape that must be moved if progress is to be made.

In an age marked by impersonalism, it is often difficult to breathe soul into the institutions and structures we have created. Lourdes Academy seems to possess an abundance of great soul and spirit—but has great need, now, of a structure in which to perpetuate that unique heritage.

Because Christian education is a mission of *service* rather than an enterprise, it is dependent on the desires and resources of the Church, the city and the people of God. Christian education has a special place in our century, and in the midst of the city, where long-neglected needs cry out and new doors of creative instruction open each day.

Lourdes Academy looks forward to meeting that need and that challenge.

A DOUBLE STANDARD

Mr. NELSEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. NELSEN. Mr. Speaker, once again I feel impelled to bring to the attention of the House the partisan political activities of the Administrator of the Rural Electrification Administration. I have referred to Administrator Clapp's partisan activities in previous years, and I regret that I must take the time of the House to again bring this to its attention.

Normally, it is not our practice to keep track of the partisan political activities of high administration officials who admittedly are roaming about the country shoring up the political fences of the Great Society. The making of partisan political speeches by the administrator of the Rural Electrification Administration, however, takes on a little bit different aspect. Even though he is not literally subject to the prohibitions of the Hatch Act, a review of some of the history of this agency will certainly indicate that if he is not violating the letter of the law he certainly is violating the spirit. Historically, the administrator of the Rural Electrification Administration has not engaged in partisan political activities, and this has been true up to the administration of Mr. Clapp which began in January 1961.

I certainly know whereof I speak, since I was called to appear before an investigating subcommittee of the House Government Operations Committee back in October of 1955 when I was the REA Administrator. During the course of those so-called Chudoff hearings, I was asked at one point by Mr. Chudoff:

> Now, do you believe you have the right under the law to engage in political activities?

To this I replied:

> I do not engage in political activity.

Subsequently, our colleague, Mr. Dawson, who was then subcommittee chairman, stated:

> Under the law he (REA Administrator) wasn't supposed to engage in politics.

The charges that were brought against me at that time were not substantiated by the subcommittee and, in fact, I was in complete agreement with the Democrats when they insisted on nonpartisan conduct of the office. I was pleased with the outcome and with the observation of Chairman Dawson when he said, "I think you are a good Administrator." It is now disturbing to note that the Democrats do not seem to be insisting on the same nonpartisan standard of conduct on the part of Mr. Clapp.

I might add that the charges brought against me at that time now appear even more ludicrous in the light of the activities of Administrator Clapp, who apparently shows no regard for the nonpartisan tradition of the office he holds. He was the featured speaker at three western Wisconsin Democratic fundraising dinners last month, and this activity in view of his past political forays is, indeed, regrettable and injurious to the cause of the whole REA program. How can Mr. Clapp come up here to the Congress expecting bipartisan support for his program or for a proposed rural electric bank when he engages in strictly political activities such as these?

RESULTS OF OPINION POLL

Mr. RANDALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there obection to the request of the gentleman from Missouri?

There was no objection.

Mr. RANDALL. Mr. Speaker, near the end of the summer, our annual questionnaire was mailed to about 40,000 constituents. Most of the replies came in by the 1st of October. Some few continued to reply thereafter, and it was not until the 1st of December we felt all returns were received and we could complete our tabulations to announce the results of the poll.

It has been our procedure over the years to include the results of the annual questionnaire in our final newsletter for the session which includes a summary of the legislation enacted during the session. Today, our newsletter goes in the mail and concurrently we publish the results in the Congressional Record.

The number of replies received this year was a source of encouragement. Those who replied ran over 10 percent of the number that were mailed.

I am sure most of my colleagues agree that while a newsletter has its place, an opinion poll, or questionnaire, is more appreciated by most of our constitutents. On the other side of the ledger, Mr. Speaker, I am certain every Member of Congress feels a sense of gratitude when a constituent takes the time to give his answers to the questionnaire covering the principal issues before the Congress.

Only by taking advantage of every means of communication between constituents and their Representatives in the Congress can a Member of Congress cast his vote in a way that reflects the majority viewpoint of his congressional district.

It is good to be able to report that the returns from this questionnaire have served a most useful purpose. I have been guided in the decisions I have had to make. It goes without saying I am most grateful for the time and effort our constituents take to send in their replies. Moreover, those who reply usually take time to send along some additional comments which have been most helpful.

The results of our 1967 opinion poll are as follows:

[Answers in percent]

POVERTY PROGRAM

Which do you favor:

Increase appropriation for an expanded program	6.80
Maintain program at present level	15.43
Transfer better projects to old established agencies, eliminating Office of Economic Opportunity (OEO)	37.94
Discontinue (abolish) the entire program	37.61
Undecided	2.18

MIDDLE EAST

Do you favor:

1. Maintain complete U.S. neutrality (no involvement)?

Yes	61.94
No	14.91
Undecided	23.15

2. Suspend all military and economic aid to Mid-East countries?

Yes	51.06
No	20.90
Undecided	28.04

3. United Nations intervention to provide a stable peace?

Yes	77.87
No	6.39
Undecided	15.74

FISCAL POLICY, TAXATION, EXPENDITURES, AND INFLATION

Which most nearly expresses your views:

	Percent
Enact surtax to finance the cost of war and to control inflation	22.56
Continue level of expenditures by increasing the deficit, without raising taxes	7.20
Avoid tax increase by sharply curtailing all non-defense spending	66.75
Undecided	3.49

VIETNAM

On this important issue, which course most accurately represents your views:

	Percent
Take whatever military action necessary to achieve victory (not including nuclear weapons)	53.91
Maintain current level of military effort while seeking peace through negotiations	15.09
Reduce level of operations leading to early withdrawal of our troops	28.36
Undecided	2.64

OTHERS

Do you favor:

1. Seating Adam Clayton Powell in light of his re-election?

	Percent
Yes	9.44
No	88.60
Undecided	1.96

2. Tax sharing plan to return Federal revenues to States even at sacrifice of present Federal grants-in-aid?

	Percent
Yes	46.74
No	44.41
Undecided	8.85

3. Build an anti-ballistic defense system against enemy missiles regardless of cost?

	Percent
Yes	48.40
No	44.81
Undecided	6.79

J. J. CORNPONE LEADS CHARGE IN "SHAM BATTLE OF ANTIETAM"

The SPEAKER pro tempore (Mr. Tunney). Under previous order of the House, the gentleman from Pennsylvania [Mr. Saylor] is recognized for 60 minutes.

Mr. SAYLOR. Mr. Speaker, events of recent weeks compel me to come before my distinguished fellow Members of this body today to discuss a matter of utmost importance which affects our whole concept of good government. It is not the specific item that is as important as its ramifications on the proper role of government in relationship to its citizens. Every conscientious citizen should be appalled to know of this shocking instance where an appointed Federal official has arbitrarily abused his limited authority in an attempt to accomplish his own selfish point of view, regardless of the cost or the consequences on the citizen against whom the action has been taken.

The incident to which I refer was the high-handed, unilateral refusal of the Secretary of Interior to grant a permit for an important corporate citizen—the Potomac Edison Co.—to construct a vital high-voltage electric transmission line across the C. & O. Canal. The Secretary admitted, in effect, in his public announcement that this action was taken to force the citizen to alter the course of the line in the general vicinity of the Antietam Battlefield, which is actually several miles away from the proposed canal crossing.

This action was made even more indefensible a scant 1 month later than the same Secretary granted permission for a rural electric cooperative to cross the Ozark National Riverway in Missouri. I will discuss this matter further in a few minutes.

This phony issue has become known in the press as the "Second Battle of Antietam." More logically it should be known as the "Sham Battle of Antietam," because the whole issue is a sham and a delusion, conceived originally by a few individuals to hide their own selfish motives.

This hasty, ill-conceived scheme of the Secretary to save Antietam reminds me very much of the antics of that Civil War "hero" made famous by Al Capp and in lyrics from the broadway musical, "Li'l Abner":

> When we fought the Yankees and annihilation was near, who was there to lead the charge that took us safe to the rear?
>
> Why it was Jubilation J. Cornpone, old toot your own hornpone, Jubilation J. Cornpone, a man who knew no fear.
>
> When we almost had him but the issue still was in doubt, who suggested the retreat and turned it into a rout.
>
> Why it was Jubilation J. Cornpone, old tatered and cornpone, Jubilation J. Cornpone, he keeps us hidin'out.
>
> With our ammunition gone and faced with utter defeat, who was it that burned the crops and left us nothing to eat?
>
> Why it was Jubilation J. Cornpone, old September mournpone. Jubilation J. Cornpone, the pants blown off his seat.

Jubilation J. Cornpone Udall rushed backward into the fray by denying the company's application to cross the C. & O. Canal on the grounds that the 500,000-volt line from a new generating station at Hatfield's Ferry, Pa., to a substation at Doubs, Md., would desecrate a national historical site at Antietam Battlefield near Sharpsburg, Md. The Secretary erred seriously in this action. I was willing to give him the benefit of the doubt and assume he did not know any better because there has been so much misinformation—and what I consider to be deliberate misrepresentation—concerning this proposed project. I cannot give him such benefit now because I have sat down with him in an honest effort to acquaint him with the true facts of this matter. There is no alternative now but for us to question his motives.

Mr. Speaker, there is no one who can question my motives in this instance or question my record of fighting for conservation and protection of scenic and historic sites or areas. I readily admit I was originally misinformed about this issue. But, I had more than my usual conservationist's interest in the Antietam battle because one of my own grandfathers was wounded there; therefore, I did some investigating here and in Hagerstown.

Many people have been led to believe by some sources that this transmission line, while admittedly vital to future reliable electric service in this area, would seriously affect the character of the Civil War battlefield site. From all the clatter that has been raised, one would think the line was cutting a wide swath across the middle of the historic field. This simply is not true. Consequently, I sincerely feel this proposed project of Potomac Edison in no way constitutes a desecration of the historic area. If it did, I would be leading the charging defenders along with Jubilation J. Udall.

This is not only my viewpoint. It is also the opinion of another individual very definitely concerned with the Antietam Battlefield—its historian, Robert Lagemann. He has stated publicly:

> I do not think the power line and its towers will be a detriment to the battlefield, and depending on where the towers are placed, do not see it as "any terrible thing."

Just where do those towers go that would desecrate the battlefield?

At the nearest point, the transmission line is over a full mile southwest of the very outer limits of Antietam Battlefield. It is more than 2 miles from Burnside Bridge; 3 miles away from Bloody Lane, and a similar distance from the Visitor's Center. I suppose one might be able to see the very tops of some of the 100-foot towers from high portions of the battlefield, when the light is right, and there are no low-lying clouds. But, is that desecration? I do not think so.

The unfairness of this Department of the Interior position becomes even more obvious when one considers that the Corps of Engineers is planning to construct a 700-foot tower about a mile northeast of the battlefield and plans to increase its height to 1,200 feet in the future.

After some self-serving individuals started this controversy, the Maryland Legislative Council undertook a study of the project. Following a visit to the actual area, several members of the council were reported in the Washington Post, August 17, 1967, to be convinced there was no need to intervene and change the location of the line. State Senator Paul Dorf, of Baltimore, was quoted as saying:

> I was almost embarrassed when I got there. I went up firm in my belief that lines would be crossing a battlefield. I was going to stop it. I looked, and I felt like an idiot. I think it was very unfair we were misinformed in the first place.

Mr. Speaker, so the record may be clear and complete, I am inserting the Washington Post article at this point in my remarks:

COUNTY MOVES TO CURB CONDEMNATION USE

> ANNAPOLIS, August 16.—Maryland's Legislative Council agreed today to draft legislation that would curb the right of public utilities to condemn land for power or pipeline rights of way.
>
> But several legislators made it clear they saw no need to intervene to change the controversial route of the $25 million, 150-mile-long power line proposed to pass near the Antietam battlefield.
>
> Members of the Council's Judiciary Committee, who toured the historic battlefield last month, said as they left they had been misinformed about the effect the 110-foot-high line would have on Antietam's natural beauty.
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> "I was almost embarrassed when I got there," Sen. Paul A. Dorf (D-Balt.) told the committee. "I went up firm in my belief that lines would be crossing a battlefield. I was going to stop it. I looked and I felt like an idiot. I think it was very unfair we were misinformed in the first place."
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> The proposed lines come within a mile of the battlefield.
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> A decision on whether the General Assembly should join the U.S. Interior Department in attempting to have the line moved was postponed until other members of the Council view the area.
>
> The 30-member Council agreed, however, to a recommendation by Judiciary Committee Chairman Thomas Hunter Lowe (D-Talbot) that legislation be prepared establishing a procedure whereby utilities would be required to obtain a certificate of public necessity from the state before they could condemn land.
>
> Such legislation is in effect in many states, including Virginia; but utilites have blanket condemnation authority in Maryland.
>
> Under Lowe's proposal, the utility would have to justify the need for condemnation and the route in a hearing before the Maryland Public Service Commission, which could then issue the certificate.
>
> Lowe's committee also voted to prepare a resolution asking the General Assembly to initiate a thorough study of the Public Service Commission to determine whether its regulatory powers should be broadened.

Senator Dorf, as has become quite apparent, is not the only one who was misled. We should all respect a man who is big enough to admit he was wrong.

In addition to the battlefield, other historic spots and scenic locations have been mentioned in connection with the proposed routing of the line. One of these is the farm where John Brown stayed while he was planning his raid at Harpers Ferry. Mr. Bonnard Morgan, the present owner of the property, very emphatically denied any desecration of this site. He was quoted in the Hagerstown Morning Herald, June 30, 1967, as follows:

> Contrary to these many press releases, the power line will not dominate the area around this historic building. The power line is about one and one-half miles north and the terrain is such that the towers will barely be visible and eventually will be completely screened by trees.

So, the controversy has swelled on the single basis of malicious misinformation, and the Department of the Interior entered the foray at first with several hasty proposals to move the route of the line. These suggestions were made without considering the fact it would be virtually impossible to move the vital powerline anywhere within 100 miles of this general area without impinging on locations which have scenic attributes and Civil War associations, and in some instances, very important pre-Civil War associations dating back to colonial times.

Let us not be taken in by this "sham battle" being perpetuated by selfish sham generals who misuse their offices for their personal gain or to enforce their will upon a corporate citizen. But, rather, let us look at the facts.

Potomac Edison Co., as any electric

utility company, is charged with the responsibility of providing adequate and reliable electric service at the least possible cost to its consumers in fulfilling this basic responsibility; the company must also consider and balance many other areas of public interest. My investigation of this controversy clearly indicates the company has met its responsibilities reasonably. Regrettably, the Department of the Interior has not demonstrated a similar reasonable attitude in its denial of the permit for the C. & O. Canal crossing.

Indeed, the Secretary of the Interior continues to insist on a major relocation of the line and has denied the crossing permit, to use his words—"pending final resolution of this matter." In other words, the Secretary is willing to cause further delay in the construction of an essential transmission line to get his own way. This delay can and will seriously impair future reliability of electric service on the east coast.

The overt controversy over this project centers at two points—the Antietam Battlefield area and a proposed recreational area near Paw Paw, W. Va. The real covert controversy, however, I will discuss in a few minutes. This Paw Paw section, incidentally, at one time seemed to be of more concern to Udall than the Antietam passby, according to a letter he wrote to the company on July 12, 1967. Subsequent actions of the Secretary when the Paw Paw issue was resolved in his favor revealed his true interest in the line.

Mr. Speaker, I insert the July 12 letter from Secretary Udall at this point in my remarks in order that the record may be complete.

U.S. Department of the Interior,
Washington, D.C., July 12, 1967.

Mr. Charles D. Lyon,
President, Potomac Edison Co.,
Hagerstown, Md.

Dear Mr. Lyon: You will recall, I am sure, that I agreed to designate a task group within the Department to review the plans of your company for the construction of a 500-kilovolt transmission line from Hatfield Ferry Station, Pennsylvania, to Doubs Substation, Maryland. I have done so, and J. Emerson Harper, chairman of the group, reports that you and other officials of your company were most cooperative in supplying the data and information that they required in order to complete a meaningful but quick review.

I have received their report and have studied it carefully. Candidly, we were disturbed to realize the extent that the proposed transmission facilities involve not only the Antietam National Battlefield and the historic area surrounding it, but, perhaps even more distressing from the Department's point of view, the right-of-way bisects the very attractive area around the Paw Paw Bends of the Potomac River which we, and the States, propose for inclusion as a major recreation area of the Potomac Valley Historic Park. In addition, we understand that your proposed routing takes the transmission line through Savage River State Forest and causes great concern to Maryland State officials because of its potential impact on the recreation area and the Savage River reservoir they recommended last year. With these facts in hand, I have to tell you that I must resist your plans to build this transmission line on your presently proposed routing.

Fortunately, the task force was able to identify alternatives which I earnestly suggest merit your careful consideration. One of these alternatives, on the basis of information that we were able to identify in the short period of time available, is by far the most attractive. The best route, in our judgment, parallels the existing gas pipeline along the Mason-Dixon Line most of the distance involved. If, for reasons that are not available to me. you find this route impossible or impracticable, the group tentatively identified routes that would keep the transmission line away from the Paw Paw Bends recreation area and the Antietam National Battlefield. These are identified as Alternates "A" and "C" in the attached sketch prepared by the task force. We estimate, however, that this route would be more expensive than Alternate "D"

We appreciate the opportunity to review your plans and earnestly suggest that you give Alternate "D" serious consideration. We are prepared to continue to assist you and your company in an effort to achieve economic and reliable power service for the region which you serve with the minimum amount of damage to the areas of unique, historic and scenic significance.

Sincerely yours,
Stewart L. Udall.

P.S.—I strongly feel you should take a hard look at the Mason-Dixon alternative. It is much superior.

S. U.

Potomac Edison readily agreed to study the alternatives suggested by the Department of the Interior. To obtain an independent, objective point of view of these alternatives, the company retained Philip Sporn, who is internationaly recognized and respected as perhaps the foremost authority in this country on high-voltage transmission of electricity. Phil Sporn is certainly no stranger to many of the Members of this body, to the Department of the Interior, or to other Government agencies. During his distinguished career, he has served on many Government advisory groups related to electric power, and was one of this country's delegates to the Geneva Conference on peaceful uses of the atom. He was president of the American Electric Power Co. for many years. Phil Sporn was also Chairman of the Executive Advisory Committee on the FPC's National Power Survey.

Mr. Sporn made a study of the original route proposed by Potomac Edison, and of the alternate routes proposed by Interior. His recommendations to the company were accepted and, in turn, relayed to the Secretary of the Interior. They contained these basic proposals:

First. That the line bypass the Paw Paw area as suggested by Interior.

Second. That towers in the area of the Antietam Battlefield area be reduced in height; that the company undertake a program of planting to screen those towers which might be visible from the battlefield, and to have those towers painted to reduce their prominence; and, when technologically possible, to place that section of line underground—even up to a cost of $700,000 per mile as compared to a cost of $180,000 per mile for regular overhead construction.

In other words, the Potomac Edison Co. was willing to make every reasonable concession—one might say it was bending over backward—to accommodate the unreasonable objections of Jubilation J. Udall.

Mr. Sporn, after traveling the route of the line both from the air and on the ground, reached the following conclusion, and I quote:

> One inescapably is forced to the conclusion that the original route ought not, and cannot except at great harm to the interests of the country, be moved.

Choosing any one of the alternate routes suggested by the Secretary of the Interior would seriously reduce the quality of performance of the line, as well as greatly increase its cost, according to the Sporn study. Moreover, rerouting would mean an additional delay in completion of the line of at least 2 years—the time required to reengineer the line and acquire right-of-way.

The importance of this transmission line project in the future power needs of the eastern section of the country is too great to countenance any downgrading of its quality or delay in its completion. This point was vividly stressed by Mr. Sporn in his report. Let me quote him:

> This matter of the performance of this line, its quality, and getting it into service at the proper time goes beyond the needs and requirements of the Potomac Edison Company and its service area, since it involves also, and in a major way, the service areas of the cities of Baltimore, Washington, and Philadelphia. The Doubs Substation is in process of becoming one of the most important switching points in the United States power program, with lines operating at 500 kv coming into Doubs from the two mouth-of-mine plants at Fort Martin and Mount Storm, from the new plant at Hatfield's Ferry, and indirectly from Keystone and Conemaugh, and running to Conastone, Washington, Loudon, and Richmond, Virginia.

Mr. Speaker, I think the entire Sporn report will be of interest to every Member of this House. For this reason, I will insert it at this point in my remarks:

Memorandum on Route for Hatfield's Ferry-Doubs Station 500-Kilovolt Transmission Line

(By Philip Sporn)

1. The route originally laid out after a great deal of study of the local conditions by Potomac Edison was designed to satisfy not merely the connection of the two terminals of the line, i.e., Hatfield's Ferry and Doubs Station, but to reach two very important intermediate points. These are:

(a) Black Oak, Maryland. This is roughly 3.5 miles southwest of Rawlings. Here plans have been developed for erection of a switching and stepdown station that will involve an expenditure of close to $4,000,000 to serve as a center of feed for the western end of the Potomac Edison System, whose center of load it is.

The site currently owned by Potomac Edison of approximately 1,000 acres is designed not only to provide the necessary area for the above switching station but also to accommodate a possible future major generating station, either coal-burning or nuclear, and/or a large industrial complex.

(b) The second point is at Bedington, West Virginia. This too will involve a switching and stepdown transformer station that will call for an expenditure of close to $4,000,000 like the Black Oak Station.

The facilities here will be required in connection with the rapidly growing load in Martinsburg and Hagerstown. Bedington lies midway between these two areas and is ideally suited to take care of this dynamically growing load area of Potomac Edison.

These two requirements alone almost leave no flexibility in the planning of the line, at least what flexibility there exists is of minimal nature.

2. There are, of course, possible alternatives. Four of these are shown in a map entitled "Map of & Alternates for 500-Kv Transmission Routing Western Maryland, Northern West Virginia, Northern Virginia," prepared by the office of the Secretary of the Interior. Of these four alternatives the most attractive is D and this is discussed in the letter of July 12 addressed by the Secretary of the Interior to the president of Potomac Edison Company.

Alternate C is primarily a suggestion for solving the problem of crossing the Paw Paw Park area and since, as will be brought out shortly, it is proposed to adopt it, it does not have to be discussed.

Alternates A and B have substantially all the disadvantages of Alternate D. It will be Alternate D, therefore, that will be discussed below.

Alternate D has five major objectionable features:

(a) It does not provide for supply and tie in to the Black Oak area.

(b) It does not provide for the important feed to the Hagerstown and Martinsburg areas.

(c) This route would be 15 miles longer, which would represent an additional $2,400,000 first cost. However, the capacity of the line would be reduced by approximately 10% and, since the line's maximum capability is 1,700 mw, there would be a reduction of 170 mw. At $15 per kw capital cost, this represents an additional cost of $2,550,000. Thus the total increased cost of the line due to the additional length would be $4,950,000.

But as a result of the greater length the line would be inferior due to greater exposure to lightning and to natural hazards and the line would have higher transmission losses and lesser capability for carrying out its interconnection functions.

Although the survey necessary to determine this accurately has not been made, if Alternate D were chosen and yet the indispensable service to the Black Oak and Bedington areas provided, the additional transmission to take care of each of the two necessary spurs would be close to 30 miles, involving a total additional cost of $9,000,000. But this would also involve an additional reduction in the line capability of 20% due to each spur and this reduction of 340 mw would represent an additional cost of $5,100,000 due to each spur.

Thus, on top of the $4,950,000, there would be an additional cost of $19,200,000, or a total additional cost of $24,150,000. But the reduction in capacity of the line in this additional exposure would almost completely cripple the performance of the line if built along this new route.

(d) For a distance of 30 miles, involving the coming down of the line from Ringgold to Doubs Station, the line would parallel an existing 230 kv double-circuit transmission line. The capacity of that double-circuit line is 900 mw.

This double jeopardy would be involved for the 900 mw 230 kv double-circuit line and for the Hatfield's Ferry-Doubs Station 500 kv line, rated at 1,700 mw in its original route but reduced to approximately 850 mw as a result of the additional length. This jeopardy to both of these important transmission links would materially destroy the quality of supply to the Doubs Station.

(e) Routing the 500 kv line to parallel the existing 230 kv transmission would become very difficult and much more objectionable to both the owners of property and to the county authorities involved. Thus, even if the difficulties due to the increased length at higher cost and the poorer quality of line were not valid, it would be a bad arrangement because the route would be looked upon with disfavor by the Frederick County Planning and Zoning Commission since, while the amount of line scheduled to go through Frederick County under the original route is 9 miles, the proposed route under Alternate D would be 28 miles and the Frederick County Planning and Zoning Commission has, therefore, gone on record in strong opposition to the new route.

3. This matter of the performance of this line, its quality, and getting it into service at the proper time goes beyond the needs and requirements of the Potomac Edison Company and its service area, since it involves also, and in a major way, the service areas of the Cities of Baltimore, Washington, and Philadelphia. The Doubs Station is in process of becoming one of the most important switching points in the United States power program, with lines operating at 500 kv coming into Doubs from the two mouth-of-mine plants at Fort Martin and Mount Storm, from the new plant at Hatfield's Ferry, and indirectly from Keystone and Conemaugh, and running to Conastone, Washington, Loudon, and Richmond, Virginia.

4. The Paw Paw Bends area: The objection raised by the Secretary of the Interior to the line cutting through the Paw Paw Bends recreation area it is proposed to meet by adopting completely Alternate C and bypassing the area substantially as shown on the map referred to previously which was prepared in the office of the Department of the Interior. This will involve approximately 6.8 miles of additional 500 kv transmission, which it is estimated would involve an additional expenditure of $1,025,000. Potomac Edison stands ready to make a firm commitment to carry out this change.

5. The Antietam National Battlefield Exposure: The writer of this memorandum took particularly great pains to thoroughly explore the Antietam exposure problem both from the air and on the ground, by car and foot. The line itself, of course, does not in any way cross a foot of soil within the Antietam battlefield area reservation and the nearest it comes to a distant tangential contact with the area is approximately 1 mile.

After considering all the pros and cons of everyone of the three alternative routes, one inescapably is forced to the conclusion that the original route ought not, and cannot except at great harm to the interests of the country, be moved. At the same time one also recognizes the basis for the sense of deep patriotic concern so as not to adversely affect either the esthetic or sentimental features of the battlefield area. To take care of the above, the following three-part program is proposed:

(a) Lowering of the tower height: The present design calls for a top dimension of 110 feet above ground. It is proposed to lower this to a value between 80 and 90 feet.

(b) Immediately after the completion of the line it is proposed to carry out a complete program of planting for screening purposes of that part of the line which can be viewed from any part of the Antietam National Battlefield area. As part of the same program, an experimental painting program will be carried out to have the towers painted with whatever color will result in having minimum prominence on the horizon. Potomac Edison will be prepared to carry out this program up to an expenditure of $150,000 [subsequently increased to $300,000], and will be glad to consult with the Department of the Interior in carrying it out.

(c) At the present time it is not technologically feasible to build an underground 500 kv line, but underground cable at 345 kv is technologically feasible today and work is going on to extend the limit of the voltage at which lines can be put underground. As soon as it becomes technologically feasible and economically reasonably attainable, Potomac Edison will be ready to undertake a program of placing underground that part of the line running from 4.5 to possibly 6 miles which it is estimated will be capable of being seen from the battlefield area.

Potomac Edison will be ready to undertake this underground construction as soon as a mile of 500 kv line can be built at $300,000 [subsequently increased to $700,000], or double the then cost of overhead, whichever is higher.

On the assumption that by the time technological feasibility of underground at 500 kv comes into being overhead construction will have risen to $175,000 per mile, it is estimated that the cost of this remedial program will be as follows:

Paw Paw, 6.8 miles at $150,000	$1, 025, 000
Antietam:	
Screening	150, 000
Lower towers	300, 000
Underground	2, 100, 000
Total	3, 575, 000

6. The line as now laid out by Potomac Edison has in one sense been almost completely cleared with the proper authorities, except for clearance by the Department of the Interior. Thus, the project has been cleared with the local head of the C&O Canal National Monument of the Department of the Interior; the Frederick County Planning and Zoning Commission and the Department of Forests and Parks of the West Virginia Department of Natural Resources have cleared the project; although the Maryland Public Service Commission has no jurisdiction in the matter, the entire program has been discussed with them and it gives the Commission no concern; the plans have been filed with the Federal Aviation Agency and it is expected they will clear it; plans will be filed with the Corps of Engineers which has authority in connection with the crossing of the Potomac River; plans will be filed with the Maryland Department of Water Resources. Contact has been made with the Maryland Department of Forests and Parks for authority to survey the line and details will be filed with them as soon as that is completed.

It is not unfair to say that the line is ready to go. Since the line is very badly needed for the service commitments of Potomac Edison to its customers by early 1970 and not later than the spring of 1970, it is hoped to set up a program calling for the beginning of clearance of the right of way this fall and to start actual construction by the spring of 1968. In this connection it is important to point out that all major materials involved in the building of this line have been ordered.

SUMMARY

It seems clear that while 100% approval of everyone concerned or affected by this line is impossible to hope for, let alone get, Potomac Edison has gone as far as humanly possible to leave the fewest number of people dissatisfied.

More specifically, the interest involved here is not merely partisan, there is a much broader national interest with service to Baltimore, Washington, Philadelphia, and Richmond, Virginia, affected. The quality of service to these four important areas of the United States over the next several decades will be influenced by the quality of transmission to deliver the roughly 7,000,000 kw of western Maryland, western Pennsylvania, and West Virginia generating capacity which has been constructed or is in process of being constructed, of which roughly 2,000,000 kw will be utilized within the service area of Potomac Edison and the balance, of 5,000,000 kw, will be called upon to be delivered to the Baltimore, Washington, Philadelphia, and Richmond areas.

It is recognized there is a national interest in protecting the Paw Paw Bends recreation area and the Antietam National Battlefield area, but the program proposed here will immediately and fully take care of the Paw

> Paw program and the Antietam problem will be left in what might be termed entirely satisfactory condition immediately and will be taken care of to the fullest with the carrying out of the underground program probably some time within the next decade.
>
> In the light of all the above and the great importance to the national economy of bringing this particular line into service on time—there would be involved a delay of *not less* than two years if the present route were abandoned, and it might be much longer—it is respectfully submitted that there is full basis for the approval of the route originally selected by Potomac Edison with the Paw Paw modification and more specifically that there is no basis whatsoever for refusing approval to proceed immediately.

Despite the unequivocal urging of the speedy resolution of this controversy in order for construction of the line to proceed without delay, Jubilation Udall and his Cornpone twins at the Department of the Interior have continued to drag their feet and frustrate the company with trivialities. Nevertheless, representatives of Potomac Edison went on negotiating in the apparently unfounded belief that they would receive reasonable and equitable treatment by this Federal Government agency. The company's efforts were answered about 2½ months later by the Secretary's public announcement of his refusal to permit the crossing of the C. & O. Canal. I repeat, this action was taken in a completely arbitrary manner and with total disregard for the best interests of the millions of electric consumers in the several States directly affected who might have the reliability of their service threatened by his action.

As a result of this announcement, the extensive expertise of Philip Sporn was again called upon by Potomac Edison in an effort to answer the picayune objections raised by the Department of the Interior. On November 3, Mr. Sporn submitted a second memorandum which contained, first, a reanalysis of Interior's alternate D; second, an analysis of alternate A; third, a discussion of the effect of changing the length or the quality of the line or of a further delay in its construction on the service to Washington, D.C., Baltimore, and to the area of northern Virginia served by the Virginia Electric Power Co.; fourth, a restatement of the program proposed; and fifth, a summary of the above four points.

The reanalysis of alternate D clearly revealed that the use of this alternate would result in a total additional cost of almost $21 million. The analysis of alternate A was also rejected because it would result in an impossible-to-accept delay. Mr. Sporn said on this point:

> In short, trying to choose the route of Alternate A means for all practical purposes giving up the idea of getting the line into service over a very critical period of two years and possibly giving up the line altogether.

The program agreed to by Potomac Edison to meet the criticisms of the Department of the Interior would result in an increased expenditure of some $5 million. The company expressed a willingness to go this far because of the imperative need to lose no additional time in starting actual construction of this very important transmission link of the east coast grid. The second Sporn report concluded by saying:

> Because of its responsibility in this matter, Potomac Edison has tried to adopt a broad view of what it can afford to commit itself to, over and beyond what might be termed a mere sound technical solution. The fact that it stands ready to undertake the additional expenditure of over $5,000,000 is a fair measure not only of the earnestness of its concern, but also of its readiness to do everything in the way of pragmatic commitment to make it possible for the Secretary of the Interior to approve without any further delay the program as being in the clear and in the undisputed over-all public interest.

Mr. Speaker, I insert the second Sporn report at this point in my remarks so the record may be complete, and so my colleagues and the American people may see and appreciate the lengths to which this corporate citizen has gone, and is willing to go, in an attempt to get a reasonable decision and a reasonable action out of the Department of the Interior:

Memorandum on Route for Hatfield's Ferry-Doubs Station 500-Kilovolt Transmission Line—II

(By Philip Sporn)

This memorandum is a supplement to and in effect a revision of the memorandum on the same subject dated August 2, 1967, subsequently transmitted to the Honorable Stewart Udall, Secretary of the Interior, by Mr. Charles D. Lyon, President, Potomac Edison Company. More specifically, it attempts to answer, and the author believes answers, the points of criticism made on that memorandum by Secretary Udall in his letter of October 16 to Mr. Lyon.

The memorandum consists of five parts as follows:

1. A reanalysis of Alternate D.
2. An analysis of Alternate A.
3. A discussion of the effect of changing the length or the quality of the Hatfield's Ferry-Doubs Station Line, or of a further delay in its construction on the service to the Washington, D.C., and Baltimore areas and to the area of northern Virginia served by Virginia Electric and Power Company (VEPCO).
4. A restatement of the program proposed.
5. A summary of all the above.

1. Reanalysis of Alternate D.

The author of this memorandum is distressed and surprised by the Interior Department's misreading of his memorandum of August 2. He is even more distressed by the fact that he permitted himself in his memorandum of August 2 to indulge in some rough approximations in the calculations of the reduction that would result in the capacity of the Hatfield's Ferry-Doubs Station Line as a result of its lengthening by virtue of following the route of Alternate D. In this part 1 of the memorandum this reduction is treated more precisely. As will be seen below it results in a lower figure of reduction of capacity than was given in the memorandum of August 2 by some 15%. This does not in the author's judgment change or modify the basic conclusion of that calculation; this will be shown below.

There was an apparent misreading or a careless interpretation of the significance of the reduction in capacity of the transmission line between Hatfield's Ferry and Doubs Station as a result of its lengthening under Alternate D. The careless interpretation ascribed the reduction in carrying capacity as a reduction due to "losses," a term commonly applied to I^2R or heat losses. Of course that isn't the main reason. However, because, of the high regard in which the author holds the technical competence of the department's technical experts in the field of high voltage transmission he has carefully rechecked all the figures of August 2 and he finds:

(a) The originally assumed transmission capacity of 1,700 mw of the Hatfield's Ferry-Doubs Station 500 kv transmission line was correct. It is 2.0 times the surge impedance loading (2 x S.I.L.). Since that loading is 850 mw the total capacity is 1,700 mw. See Appendix A attached hereto.

(b) A more careful study and scaling of the route of Alternate D yields a total length of line of 215 miles. This covers the additional length of the transmission loops necessary to supply the Black Oak and the Bedington areas. Thus the increased mileage is 65 miles. This compares with an assumed increase in mileage of 15 plus two times 30 or 75 miles in the August 2 memorandum.

The revised additional cost of transmission at $160,000 per mile is therefore 65 times $160,000 or $10,400,000.

(c) The transmission capacity of the 215 mile line is 1.37 times the surge impedance loading or 1.37 times 850. This is equal to 1,165,000 kw. The loss in transmission capacity is therefore 535,000 kw. This is derived directly from the evaluated relationship between line length and loading of this line as shown in the graph on Appendix A. The value of this lost capacity (which is therefore treated quite properly as an additional cost) is therefore 535,000 times $15. This is equal to $8,250,000.

It is submitted that not only is this in accordance with the best current estimate of the cost of the Hatfield's Ferry-Doubs Station transmission line following the original proposed route, but is also a very reasonable and certainly accepted figure for transmission cost per kilowatt at the extra high voltage of 500 kv.

(d) The I^2R loss in the original memorandum of August 2 was neglected, but it is not a negligible item. The original loss at 150 miles length was 43.06 mw. The corresponding loss at 215 miles is 61.5 mw. The increase is substantially 18.5 mw. The economic loss resulting from this increased loss is primarily the capacity loss since the energy loss at this high rating will occur for only a short period in an emergency. Nevertheless a loss at $120 per kilowatt for generation at $15 for transmission gives a loss equal to 18,440 times $135; this is equal to $2,490,000.

(e) The total economic loss as a result of the longer route is then as follows:

Additional length of lines	$10, 400, 000
Loss of transmission capacity due to longer line	8, 025, 000
Loss of transmission capacity due to increased I^2R loss	2, 490, 000
Total economic loss or additional cost of Alternate D	20, 915, 000

This is lower than the August 2 estimate of total additional cost of Alternate D, given as $24,150,000, by $3,235,000 or 15%. But the increased cost is still a staggering one. Certainly in the light of this very large loss the reduction of $3,000,000 in this additional cost is a relatively minor one.

2. Analysis of Alternate A.

(a) Alternate A was not analyzed in detail in the memorandum of August 2 because it was considered utterly infeasible to implement due to the strong positions against that route taken by the Frederick Planning and Zoning Commission, Washington County Commissioners, and by the deadly delay that this would bring in—indeed a delay that might become endless. This is discussed in greater detail in Appendix B forming part of this memorandum.

But in the light of the judgment of the Secretary that this ought to be more carefully analyzed, the author has done this. His finding is that if it were possible to build along Alternate A this selection would be a materially better solution than Alternate D. The details of this are given below.

(b) As against a total length of 150 miles in the original route, Alternate A would involve a total length of 169 miles. Thus the increase in length of line that this would bring about would be 19 miles. The cost of this additional line would be 19 times $160,000 or $3,040,000.

(c) The capacity of this line would be 1.74 times the surge impedance loading, thus 1.74 times 850,000 or 1,480 kw. The loss of capacity due to this, at $15 per kw, is equal to 220,000 times $15 or $3,300,000.

(d) The additional I^2R loss at 169 miles would amount to 5.54 mw and at $135 per kw this amounts to $748,000.

(e) The total additional cost due to items 2, 3, and 4 is $7,088,000. This looks much more reasonable than the $20,915,000 of Alternate D. However, there is a very important catch here: it will result in an impossible-to-accept delay. This is explained in detail in Appendix B. This delay is not at all unusual: the history of transmission line right-of-way acquisition has over many years clearly established a record that, once a reasonable route for a line is projected and publicly announced, any effort to modify that route results in bitter opposition on the part of the newly affected property owners—far more bitter than will be found in carrying recalcitrant property owners on the original route through the condemnation process where that is involved. In this case this situation will be materially exacerbated by the position taken by the two county bodies referred to above.

In short, trying to choose the route of Alternate A means for all practical purposes giving up the idea of getting the line into service over a very critical period of two years, and possibly giving up the line altogether.

3. The effect of changing the quality of the Hatfield's Ferry-Doubs Station Line or of a further delay in its construction on service to the Washington, D.C., and Baltimore areas and to the area of northern Virginia served by Virginia Electric and Power Company (VEPCO).

(a) The Hatfield's Ferry-Doubs 500 kv line and the Doubs 500/230 kv station are essential additions to the Allegheny Power System (APS), not only in terms of providing a highly necessary outlet for power from the new Hatfield's Ferry generating station in southwestern Pennsylvania and reinforcing the portion of the APS service area in western Maryland, but also in terms of the major reinforcement these facilities will provide to neighboring systems in the Washington and Baltimore areas.

(b) The utilities serving the Washington and Baltimore areas, Potomac Electric Power Company and Baltimore Gas and Electric Company, respectively, are members of the Pennsylvania-New Jersey-Maryland (PJM) Interconnection and participants in the joint Keystone and Conemaugh generation projects in the western Pennsylvania coal fields. In view of this participation in the Keystone and Conemaugh Projects, the Potomac Electric Power Company and Baltimore Gas and Electric Company systems will be dependent by 1972 on the importation of approximately 2,100,000 kw. from other PJM sources, based on an economic dispatch of PJM generation. The Washington, D.C., area alone will receive about 750,000 kw of its power requirements through the proposed Doubs 500/230 kv station. A major share of this delivery will flow over the proposed Hatfield's Ferry-Doubs 500 kv line. Any delay in completion of this line and station will seriously jeopardize service to Washington, D.C., at this time.

(c) In addition to the direct support provided the Washington, D.C., area by the above facilities, they also furnish major reinforcement to the neighboring Baltimore area, via the proposed Doubs-Conastone 500 kv interconnection, and to the northern Virginia load of Virginia Electric and Power Company. The latter is afforded by the fact that the Doubs Station will intersect the existing Mt. Storm-Loudon-Elmont (Richmond) 500 kv line of the VEPCO system. The Hatfield's Ferry-Doubs line provides a major alternative route for power flow from the VEPCO 1,080, mw generating plant at Mt. Storm in the event the Mt. Storm-Doubs line is interrupted.

All these vital transmission links are in tight and important interrelationships; this can be seen clearly in the simplified transmission diagram of the Allegheny System of the APS–PJM–VEPCO 500 kv network shown in Appendix C attached hereto.

(d) From the above and a careful examination of Appendix C it is evident that the Hatfield's Ferry-Doubs line and the associated Doubs Station are critical elements in a major regional power supply network, vital to the service areas of four major utilities in highly critical and power-intensive load centers, including the Washington-Baltimore urban complex. Failure to provide these facilities, or any substantial deterioration in the quality and capacity of these facilities, or major delays in their scheduled completion will seriously affect not only the reliability of service to those areas but also the ability to supply them with their normal expected 1972 requirements.

Recent additional system performance analyses on digital computers indicate that the above facilities are the minimal improvements necessary to assure service. Additional transmission reinforcement for the Washington, D.C., area in particular is now under consideration. But the fact that such additional reinforcement has been studied and will be needed clearly demonstrates the critical nature of the need for completion of the Hatfield's Ferry-Doubs line and Doubs Station at the earliest practical time. This is needed not only as basic facilities on which the additional facilities will be built but as indispensable facilities in the interim period and at the very earliest practical time they can possibly be completed.

4. Program Proposed.

The program herewith proposed is essentially the program originally proposed in Items 4 and 5 of the writer's memo of August 2, and as modified in Mr. Lyon's letter of September 7 to Secretary Udall. It will consist of the following:

(a) Adoption of Alternate C to bypass the Paw Paw Bends area.

(b) This will involve an additional length of 8 miles of transmission. The cost of this additional transmission will be $1,280,000.

(c) Lowering the tower height and adoption of a screening program. The estimated cost of this work will be $600,000.

(d) As a result of the additional length of line there will be a loss of intransmission capacity of the Hatfield's Ferry-Doubs station line from 1,700,000 to 1,600,000 kw. At $15 per kw this increases the cost by $1,500,000.

(e) There will be a loss in engineering already carried out and in loss of right of way which will have to be abandoned which will total $100,000.

(f) The commitment on underground cable as modified in C. D. Lyon's letter of September 7 to Secretary Udall is reconfirmed. This covers a distance of 6 miles. At $700,000 per mile this represents an additional investment of $4,270,000. However, it is estimated that it will take 15 years for 500 kv to be technically feasible.

The cost of items b, c, d, and e is $3,480,000.

The present worth of $4,200,000 to be expended 15 years hence figuring the cost of money at 6% is $1,750,000.

Thus the total increased expenditure that Potomac Edison is making a commitment for is the sums of items b, c, d, e, and f, or $5,230,000.

With this commitment it is believed that to the fullest extent technologically feasible, and keeping in mind the imperative need to lose no further time in starting actual construction of this very important transmission line, every modification to take care of the national interest, in so far as this line can have an effect on it either in the Antietam National Battlefield area or in the Paw Paw Bends area, will have been taken care of.

5. Summary.

The author of this memorandum, working independently but also in close communication with the officers of Potomac Edison Company, has made an exhaustive study of every possible approach to the solution of the difficult problem of protecting the public interest in providing an adequate, reliable, and economic source of electric energy supply to the area for the supply of service to which Potomac Edison has the sole responsibility, and for the need of strengthening the service of their immediate neighbors on whom they rely for support of their own service. He has particularly studied with an unprejudiced mind the suggestions of the Secretary of the Interior and his staff with a view of determining if any of these suggestions for alternate solutions could effectively and without excessive economic burden be adopted to furnish a solution of the power supply problem and yet take care of the national interest involved in the Paw Paw Bends recreation area and the Antietam National Battlefield area.

One of these suggestions, Alternate C, involving the protection of the Paw Paw area, it was found possible to completely accept. The other alternates, specifically Alternates D and A, have been carefully studied and found infeasible. Alternate D carries with it the heavy burden of an additional cost of close to $21,000,000. Alternate A would involve a much lesser, but certainly not negligible, burden, requiring an additional expenditure or cost of over $7,000,000, but likely to prove totally infeasible as far as implementation, or at best involving a fatal delay of two years or more—possibly an endless delay.

Thus, not as a matter of protecting any previously adopted position, the author has been driven to the conclusion that the most feasible program involving protection of service to a large and important area of the country, including the operating territory of Potomac Edison Company, while at the same time offering the fullest aesthetic protection, immediately to the Paw Paw area and, eventually, to the Antietam National Battlefield area, is the one proposed in Part 4, Program Proposed, of this memorandum.

A decision by the Secretary of the Interior approving this program is vital to the continued welfare of that part of Maryland served by Potomac Edison Company, and to the company itself. But the matter goes beyond Maryland and the people in Maryland served by Potomac Edison. As already mentioned, but as shown clearly and in detail in Part 3, the building of the Hatfield's Ferry-Doubs Station transmission line affects the service in a large regional power supply network, and its earliest possible completion is vital to the service of four major utility systems including the utility supplying Washington, D.C. (PEPCO), Baltimore (BGE), northern Virginia (VEPCO), and Maryland (Potomac Edison).

Because of its responsibility in this matter, Potomac Edison has tried to adopt a broad view of what it can afford to commit itself to, over and beyond what might be termed a mere sound technical solution. The fact that it stands ready to undertake the additional expenditure of over $5,000,000 is a fair measure not only of the earnestness of its concern, but also of its readiness to do everything in the way of pragmatic commitment to make it possible for the Secretary of the Interior to approve without any further delay the program as being in the clear and in the undisputed over-all public interest.

HATFIELD'S FERRY-BLACK OAK-BEDINGTON-DOUBS TRANSMISSION LINE

PROBLEMS INVOLVING ALTERNATE A

The Hatfield's Ferry-Black Oak-Bedington-Doubs transmission line is scheduled for completion in 1970. This line is essential to reinforce the transmission network serving major areas in the eastern United States including Baltimore and Washington. This line is also essential to assure reliability of service for Potomac Edison customers and a proposed large aluminum plant under consideration for location in Frederick County. A delay in completion would seriously jeopardize service in all these important areas. A change in location to Alternate A would delay completion by at least two years.

A major relocation such as this will also create serious legal problems which can be expected to contribute additional delay to completion. The change could impair condemnation rights and will probably result in protracted litigation and appeals.

Local problems to be encountered in Alternate A are as follows:

1. Frederick County.

(a) Opposition of Frederick County Planning and Zoning Commission as publicly stated.

(b) Additional mileage in Frederick County (17 miles vs. 9 miles on original route which has been approved by the Planning and Zoning Commission).

(c) Additional property owners in Frederick County (69 as compared with 25 on original route). Condemnation had to be filed for 10 properties on parallel Doubs-Ringgold line.

(d) Alternate A would cut across beautiful and historic Middletown Valley in its most scenic part.

(e) Much of the line would be within a few miles of and in clear view of the South Mountain Battlefield, Gathland State Park, and many historic monuments.

2. Washington County.

(a) Opposition of Washington County Commissioners, as privately stated and mentioned in local press.

(b) 50% longer line through heart of Washington County (15.6 miles vs. 10.3 miles on original route).

(c) Many additional property owners to deal with (64 vs. 30 on original route). Protracted court proceedings have been promised by several property owners.

(d) Route would pass within ½ mile of Washington Monument State Park, and would cut across the magnificent view from that point.

(e) Location in thickly settled area, crossing many main highways, would require disturbance of residential properties.

(f) Many historic sites would be affected by proximity of line, including:

(1) Washington Monument State Park.

(2) Delamere—historic mansion near Devil's Backbone County Park.

(3) Woodley—historic mansion on Sharpsburg Pike.

(4) Springfield Farm—home of Revolutionary War General Otho Holland Williams, near Williamsport.

(5) Oakland, built 1810, on the Downsville Pike.

(6) Rose Hill, built 1802, and one of the finest Georgian mansions in western Maryland.

(g) Three crossings of the C&O Canal National Monument would be required rather than just one on original route.

Despite these actions, still additional weeks have passed without the vital decision being made by the Secretary. While progress by a taxpaying electric company is being impeded within a few short miles of this Capitol Building, I was surprised to learn on November 17 that this same Department of the Interior had granted a tax-using rural electric cooperative the authority for a 3,500-foot crossing of the Ozark National Riverway in Missouri. The Sho-Me Power Corp., a federally financed rural electric cooperative, was granted this authority subject to 10 specific conditions supposedly "to minimize scenic damage." Even though some of the 10 conditions have not been discussed with the Potomac Edison Co. as concessions they might further make to obtain permission to cross the C. & O. Canal, it was my opinion that equality and justice required that this be done without delay.

Therefore, I sat down with the Secretary on December 1 in an effort to reason with him on this question. I expressed to him my belief—and I repeat it here today—that refusal to grant an investor-owned electric company permission to cross Federal lands at the C. & O. Canal upon acceptance of the same 10 conditions offered to a federally financed rural electric cooperative as conditions precedent to crossing the Federal lands of Ozark National Riverway constitutes the arbitrary use of a double standard which should not be tolerated.

With the exception of one person opposing the line—and here comes the real covert controversy which has been the real cause of all this trouble—all the private property owners in the area of the controversial pass-by at Antietam have executed right-of-way agreements with the company.

This one person having property in the Antietam pass-by area really began this whole "tempest in a teapot" because the transmission line would cut across his rural 300-acre hideaway from the rigors of Washington activities. Unfortunately, this individual is the head of an important national association of elected local government officials, and apparently has friends in very high places in the Federal Government structure and has absolutely no compunction about using them for his own nefarious ends with utter disregard for the best interests of others. I think this man has grossly misused his friends, his office, his organization, and the trust placed in him by the members of his association for his own selfish advantage. To permit this unconscionable individual to get away with this sham about the Antietam Battlefield would be a travesty on our usually accepted American principles of fairplay and justice.

The selfish motives of some of the individuals opposing the routing of this line is not overlooked by other thoughtful and observant people in the area. In fact, the Washington County Farm Bureau adopted a resolution at its annual business meeting on November 14 stating:

> Most of those who are so opposed to the power line are individuals who want to use the land for development speculation. Therefore, the Farm Bureau supports the findings of the planning commission in regard to the establishment of the power transmission line.

The planning commission has approved the original route of the line.

The line as laid out by Potomac Edison has been completely cleared with all the proper authorities except the Department of the Interior. These include the Washington County office of the C. & O. Canal National Monument, the Frederick County Planning and Zoning Commission, and the West Virginia Department of Natural Resources. Although the Maryland Public Service Commission at present has no direct jurisdiction in the matter, the entire program has been carefully examined by them, and the commission is in complete accord with the importance and proposed routing of the line.

Mr. Sporn urges that, "in the light of the great importance to the national economy of bringing this particular line into service on time," there is full basis for approval of the route and no basis for refusal to proceed.

When it became obvious to me, as a result of my recent meeting, that the Secretary of the Interior was unnecessarily procrastinating in making a decision, I wrote him a letter on December 4 reiterating some of these facts and suggestions. He was also told that if word was not received from him by December 7 indicating he had taken affirmative action, there was no alternative but for me to discuss this matter with the other Members of Congress as I am doing at this time.

My letter of December 4 to the Secretary will be inserted at this point in my remarks:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., December 4, 1967.

Hon. STEWART L. UDALL,
Secretary, U.S. Department of the Interior,
Washington, D.C.

DEAR MR. SECRETARY: I appreciate sitting down with you last Friday morning to discuss several questions of mutual interest. However, I have a strong feeling that little was accomplished on two issues, one with reference to the Potomac Edison Company's permission to construct their transmission line across the C & O Canal Parklands. I got the distinct impression (and it is strengthened by your October 17th news release) that you made this decision unilaterally and arbitrarily in an attempt to influence the re-routing of the line in the vicinity of the Antietam Battlefield.

You know as well as I do that your authority in no way extends to the private lands contiguous to that battle field. You have, therefore, exercised your authority relative to the C & O Canal in what I consider to be a questionable manner.

Public Law 83–184 authorizes and directs the Secretary of the Interior to grant perpetual easements for rights-of-way over the C & O Parkway Land "subject to such reasonable conditions as are necessary for the protection of the federal interests." The federal interests in this case do not extend to these private lands over a mile away from federal lands.

On November 17th, exactly one month after denying Potomac Edison to cross the Canal, the Department announced approval of a Missouri public power group's request to cross a river in the Midwest. For the Secretary of the Interior to deny an investor-owned electric company permission to cross federal parkway lands while at the same time granting a rural electric cooperative the right to cross 3,500 feet of the Ozark National Riverway in Missouri is applying a double standard which cannot be tolerated by this government. Since the Sho-Me Power Cooperative has been granted permission to cross the Ozark National Riverway by agreeing to accept ten conditions, equity and justice require that Potomac Edison Company be given the same opportunity to accept these ten conditions for permission to cross the C & O Canal at the point originally requested by that Company.

I sympathize with you for the "pressure" you may have been receiving from certain Washington groups. But, fortunately, decisions in this government are not made on the basis of pressure groups. As one of our former presidents aptly said, "If you can't stand the heat, get out of the kitchen."

Stu, as I said Friday, the ten "Sho-Me" conditions give you a perfect 'out' of your dilemma. You have the authority to offer these ten conditions to Potomac Edison Company immediately as conditions precedent to granting permission to cross the Canal. If they are accepted, then you also have the obligation to grant such permission without further delay.

It has been conclusively indicated that any additional delay will adversely affect the construction of this line and, in turn, adversely affect the reliability of electric service in this area, including my own State of Pennsylvania. Therefore, if I do not receive word from you by Thursday morning, December 7th, that Potomac Edison has been given the opportunity to accept these ten conditions, I have no other alternative but to take the floor of the House of Representatives to discuss this question fully with the other Members of Congress. This discussion will follow the plan of the "Jubilation Cornpone" statement mentioned to you a few weeks ago.

I will be expecting to hear from you before Thursday morning.

Sincerely,

John P. Saylor,
Member of Congress.

On December 7, the Secretary acknowledged receipt of my letter, saying only that additional meetings were to be held by representatives of his Department with various Maryland State governmental groups. It should have been well known to the Secretary that these various groups had already indicated their approval of this proposed routing of the line. Therefore, it is difficult to conclude anything other than that the Secretary is continuing to delay, perhaps even in the expectation that the Congress will adjourn before he is forced to take definitive action.

Mr. Speaker, the letter from Secretary Udall is inserted in the Record at this point in my remarks:

U.S. Department of the Interior,
Washington, D.C., December 7, 1967.

Hon. John P. Saylor,
House of Representatives,
Washington, D.C.

Dear John: Your letter of December 4, 1967, regarding the Potomac Edison Company's proposed transmission line across the C&O Canal Parklands has received my careful consideration.

At the time Potomac Edison proposed routing of its 500 kv line first came to my attention, I sought the counsel of the Office of the Solicitor regarding the application of the right and obligations created by Public Law 83-184. Their opinion supports the position which the Department of the Interior has taken in the matter.

Numerous meetings have been held between representatives of Potomac Edison Company and Interior people to explore means of accommodating the Company's desire and Interior's responsibilities. In addition, we have been in contact with interested State officials whose interests in the proposed line must be considered. On Monday, December 11, 1967, a meeting is to be held with representatives of the Maryland Fish and Game Commission, the Maryland State Park Commission and the Governor's Planning Office. During the following week we are to discuss with the Maryland Public Service Commission the results of a review of this matter which the Commission has advised us they have undertaken.

I cannot abdicate the responsibilities of the Department in the conservation of historic and scenic values, but within those responsibilities every effort is being made to achieve a solution which can be accepted by all of the diverse interests.

Sincerely yours,

Stewart L. Udall,
Secretary of the Interior.

Public Law 83-184 directs the Secretary of the Interior to grant perpetual easements for rights-of-way for electric lines over the lands along the lines of the C. & O. Canal subject to reasonable conditions to protect the Federal interests. Jubilation J. Udall is defying this directive of Congress. He is imposing no reasonable conditions for permission to cross—he is denying that permission as a club to force his will on the Potomac Edison Co. relative to a situation far removed from the canal. The Secretary's authority to exercise reasonable control over these easements to protect the Federal interests was intended to apply only to the direct Federal land involved, not private lands some distance away. As a member of the Interior and Insular Affairs Committee in 1953, I joined in bestowing that authority upon the Secretary. However, I must and shall dissent vociferously when I witness the cavalier, arbitrary, capricious, and excessive exercise of that authority in a manner and for a goal totally and completely unrelated to the purpose for which the authority was bestowed. By his own public pronouncement, the Secretary has acknowledged that denial of the permit for a right-of-way across the C. & O. Canal was for reasons not connected with the canal; but, rather, the right-of-way across private land.

This whole overt controversy was begun in the name of conservation. One of our greatest conservationists around the turn of the century—Theodore Roosevelt—said to the Congress some 63 years ago:

> No man is above the law, and no man is below it.

This theme is significantly two-pronged. It tells us that the law must grant no favor, but it also tells us that all men are, under the law, fully entitled to its privileges. If no man is truly above the law, or below it, we should confidently be able to assume that all men are accorded equal treatment by the law; that our legal standards of conduct are uniform; and that these standards are uniformly applied.

Mr. Speaker, the Secretary of the Interior must not be permitted to use a double standard to force his will unfairly and maliciously upon any American citizen, whether that citizen be a private individual or a corporation.

After talking with the Secretary on December 1, I asked Mr. Charles Lyon, president of Potomac Edison, whether his company would be willing to go even further than they had indicated previously and accept these 10 "Sho-Me" conditions in return for immediate permission to cross the C. & O. Canal as originally requested. Mr. Lyon has authorized me to say to the Members of this House that while some of the conditions have not been the subject of discussions with the Department of the Interior, the company will accept them in full in return for immediate permission to cross the C. & O. Canal.

I, for one, believe the Potomac Edison Co. should be commended for their willingness to go so far to protect the interests of their customers and the quality of electric service in this entire area. On the other hand, I believe the Secretary of the Interior should be severely criticized for his unilateral misuse of delegated authority to harass this company and to try to force his will upon it, regardless of cost and consequences upon the location and timing of this transmission line.

Secretary of the Interior Stewart L. Udall has authority to grant permission for the Potomac Edison Co. to construct its transmission line across the C. & O. Canal on the basis of concessions the company has already made and upon the basis of 10 "Sho-Me" conditions which I have already indicated the company will accept. This entire matter could thus be resolved. This permission could be granted immediately; and in the name of equity and justice, I now call upon the Secretary publicly to do so.

CONFUSION OF TONGUES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from West Virginia [Mr. Staggers] is recognized for 10 minutes on two subjects.

Mr. STAGGERS. Mr. Speaker, it is written that a very ancient people entered upon an important public project. Details are scanty, but it seems that they had made due preparation for the work, and were making reasonable progress. Then something happened; they fell to arguing. The work stopped, and the project was abandoned.

There may be some disagreement as to whether the project should have been started or not. The builders have been accused of gross presumption. The accusation was made by those who had every reason to hate the builders and to distrust them. At the same time, it must be recognized that these people had suffered, a short time previously, a grievous national calamity, and what they were doing might be considered an effort to avert a similar disaster in the future.

For the project was Babel. And the Greek form of this name is Babylon, which in modern eyes is the embodiment of all evil. Yet in its day Babylon was a great and powerful city, or empire. The remains of some of its public works are still visible, and among them are found the foundations of "towers" apparently designed to raise them above the possible floodwaters of the adjacent rivers. Babel, meanwhile, remains the symbol of frustration and retrogression.

In any event, the behavior of the people of that period, and the result of that behavior, set a pattern for all future time. The innate tendency of the human species is toward improvement, toward a better world. Time after time in the world's history a combination of favorable circumstances has seemed to make possible the realization of a dream. In subsequent annals, we read of a "Golden Age," when all men were virtuous and brave, and set their eyes toward a worthy ideal. Then something happens. Suddenly we find them divided on the means of reaching the goal. The dream is forgotten in a confusion of tongues.

In America, the year 1967 seems to offer a good example of the theory noted above. The inhabitants of Babel in the "Age of Confusion" would feel quite at home here today.

Harmony erupted into disharmony quite suddenly. The 89th Congress had achieved a remarkable record. Advance against what President Kennedy called the "age old enemies of mankind," ignorance, poverty, disease, discrimination, and injustice, proceeded on every front. For the first time in history we had all the elements required to win the battle fully and finally. We had the technical know-how, the money to buy what was needed, and the almost unanimous disposition of the country to go forward.

Then the 90th Congress opened in a querulous mood. Not that anyone questioned seriously the general trend and purpose of the previous advance. It was just whether it ought to be done this way, or some other way. The major problems of the country centered around Vietnam, crime and its accompanying rioting, and the matter of integrity in high places. Counsel as to the proper course to pursue on each detail of each problem varied from one possible extreme to the other.

In retrospect, it seems possible that the threatened railroad strike fanned the flame of controversy. It uncovered the half-dead embers of industrial conflict which had been almost smothered under the accumulations of economic abundance. It refused to yield to reason, and provoked divisions which have remained to plague us through the year.

The difference between the 89th and 90th Congresses shows itself in the volume of legislation enacted. The 89th Congress produced 810 pieces of legislation, 349 in the first session, 461 in the second. As of early December, the 90th Congress, in the first session, has enacted 167 public laws. If the activity of Congress is to be measured by the number of laws produced, the 90th will hardly do better than half what the 89th did, up to a comparable time.

The character of the legislation enacted furnishes further clues to the tendency of Congress to proceed cautiously. A hasty and hence not necessarily accurate check of the subject matter of the 167 acts placed on the statute books by early December indicates that 26 of them deal with appropriations. Settlement of various Indian claims required 14 acts. Other deals about land and property in which the Government had some equity took 14 more. Commemorative medals for historic events, special days to celebrate various matters, and similar items of sufficient significance to justify legislation took at least 12 more. To settle the problems of tobacco allotments it was necessary to pass four laws; the same number was used for bankruptcy difficulties, and likewise to provide for the pensions of retired lighthouse employees and their widows. As noted previously, the railroad controversy spawned three separate laws, not to mention endless days—and nights—of anxious negotiation. These groups comprise 81, nearly half of the new pieces of legislation.

There is no intention to tack the label of trivial on this work. It is only unemotional, nothing to fight about. Similar problems come up every session. The appropriation measures—including those not through the hopper when this count was made—stir up adequate controversy. But in the long run they are like the grocery bill. We may fuss and fume, but they have to be paid.

A somewhat closer look at the remaining 86 measures makes it possible to determine the real intent and direction of Congress. Some descriptive words might be used: Cautious; frugal; hesitant. And examples to fit each descriptive word might be cited. For instance, we passed a foreign aid bill, but we cut it down. Likewise with various construction projects. The economic aid program is still hanging on the ropes. Education did not get the attention it commanded in the last Congress. We attacked the crime problem, again with some uncertainty and caution. While urban problems of transportation, housing, and so forth, are considered to be critical, they are dealt with only cautiously and hesitantly.

Looking still more sharply into the mass of 1967 legislation, we find one category in which the venturesomeness and imaginativeness of 1966 is somewhat in evidence. The first session of the 90th Congress has been disposed to give attention to domestic needs, to do things for people, just plain people, who have for too long been pushed aside in favor of world-shaking problems. This has been a homeward-looking Congress. A few examples to illustrate:

Public Law 90-77 puts veterans of the Vietnam conflict on the same footing as veterans of previous wars. In our admiration of their conduct, we have failed previously to show our appreciation of their self-sacrifice.

Law No. 150 advances the 1966 efforts to increase highway safety by strengthening the powers of the Highway Safety Advisory Committee.

No. 129 is acclaimed as the Public Broadcasting Act. It sets up the initial machinery for producing and distributing radio and television programs featuring artistic, cultural and informational material free from the limitations of commercial radio and television. It means a liberal education for all ages, and may well become the most important achievement of the communication media up to date.

Four significant health measures crown the labors of the 90th Congress, two of them included in the list of 167 noted above, and two others in the final stages of adjustment, and destined to receive numbers before this reaches print.

No. 31 is entitled "The Mental Health Amendment," and provides for the construction and staffing of community mental health centers, and for research into the treatment of mental disorders. It promises not only to relieve the distress of mental breakdown and impairment, but to restore to useful and productive life thousands of our unfortunate citizens.

No. 148 is known as the Clean Air Act. It is an initial step toward freeing the air we breathe from the contamination of unnecessary pollutants.

The Mental Retardation Amendments of 1967 also set up community facilities for the study and treatment of mental conditions, this time of the mentally retarded. It is recognized today that the mentally retarded can be helped, and bringing the facilities for treatment into the local community makes them available where otherwise they would be beyond the reach of many who could use them. This act will bear the number 170.

The fourth in this list, the Partnership for Health Amendments of 1967 sets up Federal assistance for comprehensive health planning, for experimentation and demonstration. This assistance will be available to suitable health agencies in the communities, and again will bring usable health projects within reach of the average citizen. The number of this act will be 174.

A fifth health measure is being added to the list. The Flammable Fabrics Act is designed to require fireproofing standards for various fabrics used in the home. It will help to protect against the horrors of injury and death due to sudden fires in combustible fabrics. As of this writing, the enactment number of this measure is not available.

Public Law 90-146 establishes a Commission on Product Safety. It deals with the growing number of appliances and other devices in common use today, and with the imposition of regulations which will tend to make their use accident free.

This is to a certain extent experimental legislation. It may be imperfect, and need revision. More importantly, it must be enforced. No legislation enforces itself. It must be watched for deficiencies and errors, and corrected as circumstances require. This will remain a continuing responsibility of future Congresses.

This legislation definitely represents progress. Eight of the nine new acts listed above passed through the Interstate and Foreign Commerce Committee, of which I have the honor to be chairman. I am in a position to know that serious doubts existed about every one of them. Yet in the end sober discussion developed a consensus that could be supported with little regard for party lines. In the House, a number of the acts passed without a dissenting vote. Men can resolve their differences in the public interest.

The great forward movement of society which has characterized the last few years has not been stopped dead in its tracks, then. It has been slowed down, perhaps wisely. But this must not be another Babel. The fight against the enemies of mankind must not be abandoned. It must be resumed, vigorously. In just a short time the days will lengthen and the sun will strengthen. In like manner our courage and our confidence must strengthen and prepare itself for the new year of clearer vision and brighter opportunity. This benign civilization, with all its power to produce abundantly, to sympathize widely, and to plan with vision and wisdom must not perish from the earth. The future lies ahead; what is back of us is moving toward decay and obliteration.

Some years ago the whole population of a budding nation was in a tight spot, confused and uncertain and ready to throw in the towel. Their leader got a message: "Speak unto the children of Israel, that they go forward." He raised his cane and brought it down like a blow, and their difficulties dissolved before them. Does this mean anything today?

REBELLION

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, I offer a definition. Rebellion: open, organized, armed resistance to constituted authority. Other words less ominous are being used in connection with uprisings up and down and across the Nation—riot, insurrection, revolt. Rebellion is the ultimate and final rejection of government. I submit that rebellion is exactly what we are faced with. That it is open and that it is armed is evident. That it is organized may be inferred from its consistent character wherever it appears. It is preached openly by a number of agitators. It is condoned by substantial and organized groups, openly and with due consideration of where it leads. It is not condemned by the recognized leaders of various groups which either preach it or condone it. The situation conforms to the definition.

As for those of us who neither support nor justify the disorder, there is general agreement that something must be done. What? By whom?

Leave the first question for a moment and consider the second. At the moment, the fingers of the Nation seem to be pointed at the Congress with the plea to do something.

The function of Congress, as an organized branch of Government, is to enact legislation. Is there need for specific legislation in this crisis?

The acts of the rebels in contravention of law and order are simple and direct. They include: Destruction of property; robbery; arson; murder. Every one of these acts is prohibited by law, on the State, local, or National level, or on all three. No additional legislation is needed to deal with these acts.

Coordinate with the legislative branch of Government are the executive and judicial. The executive branch is represented by police officers, by the mayors of cities, by State Governors, and finally by the President of the United States. Each one of them takes upon himself a solemn obligation to enforce the law—to enforce the law as it is, not as he happens to think it ought to be. Each one is empowered by law to use force to secure compliance with the law. Law cannot be enforced uniformly without resort to physical force. If a man is not willing to employ physical force lawfully, he should not accept an executive position. Or, if he does accept it, and then willfully and knowingly violates his vow of office, he should be removed from office.

In this series of disturbances all across the country, we have the sickening spectacle of complete abdication of executive responsibility to preserve order. The police, acting under the orders of their superiors or of the mayor, or of the Governor, stand by and watch looting and arson. A "carnival atmosphere" prevails. The National Guard is ordered out, and given strict orders not to use unnecessary force—which means: "Don't shoot unless somebody is about to blow your own brains out." Federal troops follow, and they, too, get into the action only with extreme reluctance. All along the executive line the policy is: "Don't hurt anybody. Avoid brutality."

Meanwhile the news media make a spectacle of the disturbance. The "rioters" appear on the television screen in obvious jubilation over the helplessness of the police. The leader is automatically converted into a hero. If one happens to be captured by the police, he is immediately turned loose under judicial procedures, which always seem immediately available to someone who flaunts authority. He emerges from the lockup surrounded by swarms of photographers and newsmen, who cluster around him in abject adulation and demand a "statement." They get it in terms of vilification and defiance of the Government, and the whole is immediately put on the television screen and the front page of the newspapers. To undertake the role of the successful instigator of a riot is a much surer road to immortality than to perform some notable service to humanity or some act of heroic sacrifice. The criminals and the rebels just love it. It makes them somebody when they are otherwise nobodies.

Anybody who has ever looked inside a history book knows that the first order of business of any government, democratic or autocratic, is to preserve domestic order. Otherwise it falls, either to an external aggressor or to an internal rebel. The sands of time are cluttered with the dry bones of forgotten nations whose public officials failed in their duty.

It is a horrible thing to say, and perhaps no responsible individual who carries in him the faintest spark of humanity should say it. On the other hand, no responsible public official should shut his eyes to the truth. And the horrible truth is that violence against established law can be countered only by equal or greater violence in defense of that law.

A little consideration will lead to recognition of the fact that man, being a flesh eating animal, is by nature just like all other carnivora. He lives by violence in his natural state. He perishes if he does not use it. Civilization is in essence an attempt to substitute regulated competition for violence. On man, civilization is only a veneer, and a thin veneer at that. Barely beneath the surface is that savagery which is man's true nature. The veneer cracks under pressure, and the savage emerges. He answers only to savagery. The lamb cannot lie down safely with the lion as long as the lion remains a lion, and therefore a flesh eater.

A pusillanimous excuse is currently offered for the failure of officialdom to employ the only effective response to public disorder. It is that segments of our society suffer grievances which have not been redressed. Possibly they do. With all our modern wisdom, we have not even been able to define justice, let alone establish it. Some of us do the best we can to help the other fellow along. All the factors which insure success in life cannot be enumerated or brought into action. Certainly it is the continuing purpose of this Nation to give every citizen every chance possible. Reforms in social organization and procedure come only with knowledge and experience. And this country has demonstrated its disposition to experiment with new ideas and to adopt them as they prove workable. The present is better than the past and the future offers bright promise of still better. But if this Nation falls under violence, all its present benevolence and all its promise of the future falls with it.

So I say to all elected and appointed executives, to the judiciary likewise, enforce the law as it now stands, and enforce it without favor or squeamishness. Then a peaceful and orderly society can use its brains and its energy to build a society which is increasingly just and helpful to all its citizens.

THE 1970 WHITE HOUSE CONFERENCE ON AGING

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin [Mr. LAIRD] is recognized for 20 minutes.

Mr. LAIRD. Mr. Speaker, on November 7, I introduced Joint Resolution 921 calling for a White House Conference on Aging to be held in 1970. At this time, I would like to speak further in support of the need and timeliness of such a Conference to meet squarely the issues that confront the elderly of our Nation and to recognize the potential manpower and experience of this growing segment of our society. To date, it has been used primarily as a ploy by individuals and organizations that have exploited them or used them for purposes that do not promote their best interests or the national welfare.

It was approximately 10 years ago that our late colleague and friend, John E. Fogarty, introduced the legislation calling for the first White House Conference on Aging which was held January 9–12, 1961. You will recall that the bill was signed into law by President Eisenhower and was planned and developed as a bipartisan forum that involved approximately 3,000 of the country's leaders and experts in the field of aging.

The need for a reappraisal of the role of the older American in our society and the urgency to establish more clearly the areas for research, training, demonstration, and individual initiative, was never more pressing.

There is every reason to expect that a White House Conference in 1970 would be even more productive than the first national forum. At that time, the specter of medicare was very much in evidence in the deliberations and the recommendations that were developed by the conferees. Notwithstanding, the Conference was judged impartially as a success. A complete listing of the legislation affecting older persons passed since the 1961 White House Conference on Aging is most impressive. Many of the acts had their origin in proposals or resolutions that represented a concensus of the delegates at the forum.

A distinct advantage in planning for a White House Conference on Aging in 1970 would be the existence of State organizations on aging that were created to implement the first Conference and which have continued in most States as the focal point for action in aging at the State and community levels.

The existence of the National Association of State Units on Aging will reinforce the efforts of national legislation and create a degree of coordination and cooperation that was not possible during the preplanning stages of the 1961 Conference.

Perhaps the greatest unfinished business of the first Conference is the need to establish areas of responsibility among government agencies at all levels, national organizations—public and private, and of older persons themselves in the many areas of health, income, housing, recreation, volunteer and social services.

Without intending to criticize or predetermine the outcome of a 1970 White House Conference on Aging, we could:

First. Hope to overcome what appears to be open competition for clients among the various Federal agencies with grant and service programs affecting the elderly;

Second. Expect to evaluate and recommend programs to meet the needs for preretirement planning in view of earlier retirement now possible under union contracts, Federal service and the social security program;

Third. Appraise the developments in housing for the elderly to determine the effect of large communities of older persons and the full spectrum of living arrangements possible in the later years designed and priced to insure dignity and independence;

Fourth. Demonstrate the benefits possible under the recently enacted Age Discrimination in Employment Act of 1967 and the effect of education and research in the removing of age barriers to employment and the creation of opportunities for continuing service;

Fifth. Assess the success and further implementation necessary to meet the manpower training estimates in the current study being conducted in accordance with the recently extended Older Americans Act;

Sixth. Judge the effectiveness of the reorganization of the Department of Health, Education, and Welfare, incorporating the Administration on Aging within the Social and Rehabilitation Service;

Seventh. Estimate the degree to which the elderly poor have been assisted by the programs designed for them under the Office of Economic Opportunity;

Eighth. Rate the progress in expanding adult education programs to update the knowledge of older persons and keep them actively involved in the mainstream of community living;

Ninth. Value the effectiveness of consumer programs that influence the lives of older persons;

Tenth. Prepare a blueprint for action that will place programs and people into the niches of responsibility that best reflect their expertise and ability to work together to create a climate of dignity and purpose for today's older Americans and to create positive goals for the mature adults of tomorrow.

It is, therefore, my hope that immediately upon the opening of the next session, you will give high priority to this legislation and take positive action to allow for a maximum time necessary to insure the complete success of a White House Conference on Aging in 1970.

EXPANSION OF U.S. PARTICIPATION IN ASIAN DEVELOPMENT BANK

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. HALPERN] is recognized for 15 minutes.

Mr. HALPERN. Mr. Speaker, last year the United States joined with 30 other countries to establish the Asian Development Bank. The creation of this institution reflects the growing spirit of determination among the Asian countries to combine forces in the development of their full economic and social potential. The basic function of the Bank is to consist of financing of economic progress in Asia, through loans made to these developing countries on conventional terms. There are, however, many important and economically justifiable programs, highly necessary to the creation of a viable and self-sustaining economy, for which conventional financing would not be appropriate. It is for such purposes that the Bank has proposed the construction of a special funds program, and it is to this program that President Johnson has suggested a U.S. contribution of up to $200 million.

The very creation of the Asian Development Bank is a tribute to the forces of mutual cooperation which are gaining strength in this region. The Bank further represents an example of the multilateral efforts that the United States has so justifiably been tryin to foster between advanced and emerging countries and among the developing countries themselves. The great advantage of multilateral as opposed to bilateral cooperation lies in its ability to promote economic and social progress with fewer political overtones, and in its tendency to endow the participating developing nations with a greater sense of responsibility for their own progress.

Mr. Speaker, before considering the proposal for U.S. participation in the special funds program, it might be helpful to reexamine, for a moment, the general structure and functions of the Asian Development Bank. The membership of the Bank consists of 19 Asian countries and 12, including the United States, from outside the Asian region. The Bank's authorized capital is $1,100 million, of which $965 million has been subscribed by the present membership. The total subscription by economically advanced countries is $657.6 million, of which $200 million constitutes the U.S. contribution—which is matched by that of Japan. The developing country members account for the remaining subscription of $307.4 million. Voting rights in the Bank are weighted according to each nation's contribution.

The ordinary activities of the Asian Development Bank are limited to hard loans, directed either to particular programs or to the various national development banks, which could then sublend for smaller projects.

The projects for which the Bank might, under its normal authority, extend loans are not specifically delimited in its articles; a variety of development programs could be eligible: infrastructure creation, agricultural improvements, encouragement of private enterprise in industry. These loans will generally be made on terms similar to those of the World Bank: 6-percent interest with maturities up to 25 to 30 years.

There are some projects, however, for which such terms would be too severe. Depending on the nature of the program, the time required for it to produce substantial economic returns, the balance-of-payments position of the recipient country, conventional loan terms might prove so restrictive as to prevent the initiation of the desired program. It is for this reason that authority was provided in its Charter for the Bank, upon special vote of the Board of Governors, to devote up to 10 percent of its regular paid-in capital to special funds purposes. Such funds might be used to extend low-interest concessional loans, to provide financing for projects which could not be undertaken if capital could be obtained only at conventional cost. Under this regular authority, however, the funds which could be made available for such soft loans would be extremely limited. Therefore, the proposal for the creation of an expanded special funds program was advanced.

The broad objectives of the proposal encompass increased economic development within the framework of multilateral efforts and strengthened regional cooperation. Envisioned as the initial beneficiaries of the soft loans under this special funds program are several high priority development projects, mainly in Southeast Asia, into which considerable investigation and planning have already gone. These would consist of regional agricultural development, a regional transportation and communications program in Southeast Asia, and development of the Mekong River Basin—which would affect an area of some 238,000 square miles—equal to that of California and New York State combined—and a population of 30 million people.

It might be helpful to note some specific examples of the types of projects which could be financed through the use of special funds. Under the heading of high-priority agricultural development projects are the following:

First. Projects or programs for the improvement of agricultural infrastructures such as those for irrigation and drainage, land improvement and reclamation;

Second. Projects or programs for the introduction or improvement of farmers organizations such as credit cooperatives and of marketing facilities for agricultural products;

Third. Projects or programs related to manufacture of the materials directly necessary to stabilize or to increase agricultural production, or those related to simple processing of agricultural products to improve their marketability;

Fourth. Projects or programs for research and extension of agricultural techniques;

Fifth. Other projects or programs designed to achieve economic and social progress in rural communities.

The following programs in the field of transportation and communication are obviously vital to the development of active, responsive economies:

First. Common port arrangements and upgrading of national ports as a benefit to regional cooperation;

Second. Improved land transport facilities related to the Asian highway;

Third. Improvement in air transport facilities;

Fourth. Improvement in the Southeast Asia communications net, particularly for traffic between capitals of countries in the region;

Fifth. Improvement of coastal shipping facilities, particularly those affecting regional commerce.

The Mekong development program is one which encompasses a large land area and population within the boundaries of four Southeast Asian countries—Thailand, Laos, Cambodia, South Vietnam. The initial investigations of the potential of this region were undertaken by the four nations under the auspices of the United Nations. Among the activities which would benefit from Asian Development Bank special fund financing are the following:

First. Feasibility studies on tributary dam sites;

Second. Feasibility studies on potential main stream dam sites;

Third. Construction financing for dam projects that provide power, irrigation, or both, to the bordering States;

Fourth. Feasibility studies of bridge crossings, cargo handling and boat building facilities, and improvement of the navigation channel;

Fifth. An over-all appraisal of the existing Mekong Development Program by competent international experts in the field of river basin and area development.

To insure that the fund retains its multilateral character, the United States would contribute only to the extent that the contributions of the other participating nations constituted a majority of the total resources in the special fund. Although our contribution to any individual project might constitute more than 50 percent of the funds used on that particular project, this would be offset on some other project in which our share of the financing would be proportionately lower, thus, our share of the total funds would always be less than half.

The U.S. contribution would be so constructed as to place the least possible burden on our budget and balance of payments. As is the case with U.S. participation in most international institutions, our contribution to the special fund would be in the form of letters of credit rather than cash payments; these would be drawn upon only when required for use in a particular project. It is expected that we would contribute approximately $50 million a year for 4 years; the proposed authorization would not involve any expenditure in fiscal year 1968.

In order to prevent our participation in the special fund from having an adverse effect on the U.S. balance of payments, the United States would stipulate that our contribution should be used for capital financing and technical assistance only in the form of U.S. goods and services. Thus, the deficit item of capital outflow would be matched by a surplus, export item in our balance of payments. And, since it is unlikely that the projects financed with special funds would have been undertaken in the absence of this facility, there would be no grounds for supposing that these U.S. exports would have taken place even without our contributions.

Mr. Speaker, in summary I should like to emphasize my conviction that U.S. participation in the special funds program of the Asian Development Bank would be an act of great value both to ourselves and to the friendly nations of Asia. Our commitment to the furtherance of economic development in the emerging nations is one which, in terms of such goals as ultimate mutual prosperity and political stability, cannot be faulted. Approval of the U.S. contribution to the special fund of the Asian Development Bank would represent a constructive step in this direction which, with the least possible burden on us, could vastly promote regional economic development and cooperation among the Asian nations.

Mr. Speaker, I bring this issue to the attention of my colleagues and urge that it be accorded the high priority it deserves. Our participation must be given favorable consideration as soon as Congress reconvenes for the next session.

RESTRICTION OF TRAVEL

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. Fulton] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. FULTON of Tennessee. Mr. Speaker, on December 12, 1967, Senator Fullbright, of Arkansas, on behalf of the administration, introduced legislation designed to promote our foreign policy by authorizing the Secretary of State to restrict the travel of citizens and nationals of the United States where unrestricted travel would seriously impair the conduct of foreign affairs.

This legislation is needed. It is overdue. And it is distressing that it is necessary.

The need for it has been dramatically illustrated by one Stokely Carmichael, a pitifully confused American citizen who believes that the path to progress lies along a road of racial hatred, violence and rejection of his Nation.

Mr. Speaker, we all share a deep contempt for the philosophy which Carmichael and his like espouse. There is no place for it in America and there is no doubt that it will be rejected.

We have learned painfully that the progress which we seek in extending first-class citizenship to all Americans will be slow in coming. We have attempted to legislate progress and we have made measurable gains. But the progress we seek must ultimately come from the hearts of all men and until that transpires our goal will not be reached. Only time can carry us along this path and, while we continue our efforts, we must exercise patience in the face of frustration.

I wish to commend the Kennedy and Johnson administrations for the work they have done in this field, a field which is the most urgent in America today and perhaps in our entire history.

Also, I commend my colleagues on the other side of the aisle for their efforts in support of the progress we have made. Without their help and dedication to progress we would not have reached the point which we have reached today. And even those who have opposed the legislation which we have passed have, for the most part, not been in opposition because of prejudice or bigotry, but because they sincerely believed that what we have done was not necessarily the best approach.

But the civil rights movement has nothing to do with the external security and foreign policy of this country no matter how well intentioned are those who believe to the contrary.

Therefore, while I find distasteful the necessity to prohibit the right of travel by any American citizen to any foreign nation, nonetheless, in this instance involving the security and foreign policy of our Nation, it is necessary.

The man who happens to be involved directly here is Stokely Carmichael. But it is not the individual that is important, it is the act. If we idly stand by and permit one misguided individual these liberties then others will be encouraged to follow. This must not be permitted.

It had been my hope that the Justice Department, upon Carmichael's return to the United States, a country which he has vilified and defiled, would have brought charges against him. I had urged Attorney General Clark to press charges and I take this opportunity to urge again that this action be taken.

Therefore, I am privileged to introduce in the House the legislation which has been recommended by the Administration. I commend President Johnson and the Department of State for their efforts and I also commend consideration of the legislation to my colleagues.

THE COMMUNITY'S ROLE IN URBAN REBUILDING

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. FULTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. FULTON of Tennessee. Mr. Speaker, shortly after he announced that Nashville had been awarded one of the first model city grants, Secretary of Housing and Urban Development Robert C. Weaver went to Nashville to discuss with housing officials and other community leaders the potential of this and other Federal programs in building a better city.

The Secretary pointed out that the model cities program is only one of a number of new tools available to citizens who want to breathe new life into their cities. The Secretary's speech to the Citizens for Housing and Urban Development dinner has lessons that are valuable to many cities throughout the country.

I include the text of Secretary Weaver's remarks at this point in the RECORD, as follows:

THE COMMUNITY'S ROLE IN URBAN REBUILDING

(Address by Robert C. Weaver, Secretary, Department of Housing and Urban Development, Citizens for Housing and Urban Development dinner, Nashville, Tenn., November 16, 1967)

SUMMARY

In recent weeks, it has seemed that almost daily there are new ideas to help ghetto residents—to provide jobs and housing. Our new tools include housing built publicly or privately, or leased, or rehabilitated. In mass transit, we are hard at work on the tough problem of people who cannot get from their homes to jobs, or hospitals, schools, or theaters. Since July a new bus service in Nashville for the first time, links 3,300 passengers a day to nine hospitals. In South-Central Los Angeles, including Watts, we have a new bus service carrying 2,600 passengers a day, hundreds of them to new jobs they could not otherwise hold. Something new and dramatic is going on across the whole field of housing and urban development. But it will come to nothing if local communities are unwilling to use the new tools, and to take the risks inevitable in new ventures.

One of my colleagues remarked the other day that, if anyone believes all the problems of this Nation can be solved in Washington, he ought to be sentenced to serve about three years in a Federal agency.

If that experience failed to shake his conviction that Washington is all-powerful, then he probably ought to be committed somewhere else—for being a danger to himself and others.

No one here tonight, of course, believes Washington has all the solutions to urban problems, or any other problems.

You know that no action taken in Washington will, in itself, build any housing or satisfy any other urban need for any community.

But you also know that cities everywhere in this Nation have turned to the Federal Government for assistance on a variety of problems and it is hardly a surprise.

State and local governments have increased their expenditures 65 percent over the past six years. Yet their urban needs and deficiencies have only continued to grow. No one in any major city today needs to be reminded of that, or have it proved to him.

There is a catalogue of urban problems that demand new national attention. There is also a new national attitude emerging over the past few years—a partnership of action and effort that President Johnson has been calling "creative federalism."

The term does not imply that the Federal Government is the only creative member of the partnership. Clearly creativity is a contribution demanded of all the partners—Federal, State and Municipal. But you can't use a phrase like "Creative Federal-State-Municipalism"—at least you cannot use it very often without risking a fractured jaw.

The meaning of creative federalism is exemplified here tonight in Nashville. In your housing and urban affairs conference of last winter, and now in this meeting tonight, there are impressive indications of a desire by the community to make a fresh and energetic examination of your urban concerns.

I am not at all surprised that Congressman Richard Fulton is a central figure in this effort. He is, as you well know, a central figure also in the national concern over urban problems. He understands as well as anyone in the Congress or in Washington that the urban problems of this Nation are now so diverse, so urgent and so complex that they have indeed become national issues that require national policies and resources.

Nashville has long been active in public housing. In urban renewal, your Capitol Hill effort attracted national admiration. Of course, the Nashville-Davidson County consolidation is a beacon of hope to all of us, whether professionals or citizens, who want the light of common sense introduced into the dark and confusing world of overlapping, duplicating governments.

But the fact that a new attempt is now underway to draw together a broadly-based community effort in housing and urban development demonstrates that Nashville recognizes that there are new demands and new dimensions in this search for a livable city.

It seems to me that the best contribution I can make to this effort—aside from wishing you luck—is to demonstrate to you that Nashville is not unique in its problems, only unique in its history, geography and people. What you choose to do about your problems is rightfully your decision—but I want to indicate what some of the options are. And I begin with a brief look at some recent history.

Three years ago when President Johnson first proclaimed the concept of a Great Society, he also asserted that no society can be great unless its cities are great.

Exactly two years ago this month, this Administration's posture toward the cities was symbolized by the creation of the U.S. Department of Housing and Urban Development—the first Cabinet-level department in our history to give national impetus and emphasis to urban assistance.

These have been two exciting years. We have been organizing a new department. I am afraid that part of the effort will interest administrators and almost no one else. More important to all of us, we have been establishing a new direction, a new philosophy, a new strategy to act on the imperative that you cannot have the Great Society without the Great City.

We have been moving essentially in two ways. One involves re-examining every urban program that the national government has had underway—some going back three decades. The other involves the drawing board and the creation of wholly new devices and mechanisms.

In looking over our continuing programs, we are leaving very little unscathed, or untouched—and certainly little that is unexamined. Here is what I mean:

—We have the 30-year-old low-rent public housing program under the microscope. It is one of the programs in which we simply must get more housing for the lowest-income families and we must get it faster than ever before. We are, I think, developing some penetrating ideas on how to do this. Some are internal. Others are external—and one of the most exciting called Turnkey is spinning off still newer ideas that I want to tell you about in a moment.

Meanwhile, we are also dissecting the 20-year-old urban renewal program. Already substantial changes have been made. Primarily our aim here is to make certain that this city-and-neighborhood-rebuilding program, which costs billions of dollars, will give the highest possible priority and emphasis to housing those who most need housing assistance.

In still another effort, we are giving considerable attention to the Federal Housing Administration which over the past 30 years has helped 40 million American families to use $100 billion to improve their housing. What we want now is to make the FHA as significant in improving the housing conditions of poor and moderate-income families and neighborhoods as they have been in helping others.

Finally we have had a special group searching across our department for ways to speed up the process of acquiring many kinds of aid from HUD, in other words, ways to cut red tape. The goal is to cut the process in half. I cannot announce any miracles here tonight, but I do find the early work of this group is encouraging.

I am surprised to discover that, so far, I have been talking about changes in the oldest and best known of our programs. This is not a usual practice. It is far more typical for me to emphasize new programs and new mechanisms. I have taken a different course here tonight because I am convinced that there is a good deal more going on across the entire spectrum of my department than is widely appreciated..

It is true, however, that nobody from HUD goes anywhere these days without putting considerable stress on new opportunities. These opportunities are increasing daily, sometimes it seems almost hourly, our capacity to grapple with urban problems that have seemed stubbornly unyielding for so long.

You have heard a great deal about the Model Cities Program. Soon it will be moving beyond rhetoric to action. A sizable selection of Model Cities will be moving into the detailed planning of what they intend to do about a wide variety of problems they have found in neglected neighborhoods they have selected for action.

This is no small undertaking. It has been difficult to select the Model Cities for this first round of effort. It will be difficult for them to plan and carry out their programs. It will be most difficult to test how and why and whether we can create Model Neighborhoods by the Model City idea of concentration, coordination and collection of effort.

Neither has it been easy to get this program created and funded. And of course the fight is just beginning to get it moving and keep it moving. Everyone concerned about urban affairs will have to lend a hand.

You know that the Rent Supplement Program has been in a battle for its life, too. It has been a peculiar battle. It has gone on for several years—and only now are some of its strongest opponents coming to realize what the program is all about. And, now, having belatedly done their homework, some who had been strongly opposed are changing sides.

The point they had missed is that this is a program for private enterprise to provide more good housing than we had before. And it provides help for the lowest-income families to afford better housing than they had before.

The Rent Supplement Program is one of many new ways in which we are turning the unique capabilities and resources of private enterprise to the Nation's most pressing urban needs.

Many of you here will know of our Turnkey program. It is a new way of getting low-rent public housing built faster and cheaper—by the device of having private enterprise plan it, build it and then turn the key over to the local housing authority.

It was only last January 31 that the first Turnkey housing effort in the Nation was opened for business. That was an apartment building for elderly persons in the District of Columbia. It was built in ten months. We have found Turnkey costs are 10 to 15 percent below typical costs.

We are proud that the Turnkey idea is spreading rapidly around the Nation. It is fundamental to our hopes for greatly accelerating the public housing program. And it is particularly exciting that Turnkey has already spawned two offspring that we call Turnkey Two and Turnkey Three.

Turnkey Two is an attempt in several cities to find out whether public housing can be made more efficient and more livable if managed by private firms. This effort can be fundamental to our hopes for raising the quality of life in public housing. And Turnkey Three is an inquiry into whether we can develop home ownership in the public housing process by a combination of self-help and government help. I think no one need offer any defense for home ownership and its potential for raising the quality of urban life. But I must add that it is naive and misleading to suggest that all or most low-income families could successfully undertake home ownership.

As I prepared to visit your city, I was reminded of a local controversy relative to the location of public housing. The urban renewal program is based upon a certain volume of public housing in the redevelopment area. Certain families resident in the Edgehill neighborhood prior to redevelopment have consistently expressed a desire to remain there. On the other hand, too great concentration of low-rent housing in the area—where there is already an appreciable amount—has been protested by other residents as well as some outside groups as an activity to perpetuate racial and economic ghetto patterns.

Questions of this type challenge both local government and HUD. Currently, we are reviewing the proposals of the local authority and evaluating them in terms of announced Federal policy. The issue is complicated by the fact that some earlier planning was completed before our formation of the current site selection policy.

Briefly our current policy is one which concentrates upon local public housing programs. We do not say that no additional projects can be located in the areas of nonwhite concentration. We do affirm a concern for a balanced program and we articulate a policy which will encourage sites outside as well as inside the ghetto.

You will recognize, no doubt, that many of our programs are hardly off the planning boards. Some are hardly underway in pilot communities.

New opportunities are being fashioned constantly and they are having some unanticipated dividends. You have, for example, read recently about life insurance firms gathering a pool of $1 billion to invest in slum and ghetto housing. That was one result of our decision to have our FHA lift its barriers to insuring mortgages in neighborhoods of high economic risk. And it is no coincidence that many of these mortgages will go into our Rent Supplement Program.

In recent weeks it has seemed that almost daily there are new ideas found to provide jobs to the ghetto residents. Despite the skeptics, government and private industry are getting together to do the job—in one new effort by providing direct employment and job-training, in another effort by helping ghetto enterprises that seek government contracts.

Our part in this effort is, of course, largely in housing, but it also emphasizes urban mass transit. We have put together a new array of flexible and varied tools for housing the poorest families.

The housing can be built either publicly or privately. It can be leased from the community's supply of good, standard housing. Or it can be rehabilitated if it isn't up to standard. My point is that there are many new opportunities for a community to get to work on its housing shortages and deficiencies.

HUD's search for ways to help urban areas go far beyond housing. In our Mass Transit Program, for example, we are hard at work on the tough problem of people who cannot get from their homes to jobs—or hospitals, schools, theaters, in fact to the main currents of the rest of the community. Their problem is that public transit is all they can afford and it doesn't exist where they need it.

One of our first responses to this problem, of course, has been here in Nashville. In July, with a HUD grant, a new bus service began linking nine Nashville hospitals—and it is carrying more 3,300 passengers a day, in a vital service for outpatients and employees. Similarly in South Central Los Angeles—including the Watts area—we have a new bus service carrying 2,600 persons a day, many of them to new jobs they could not otherwise hold. On Long Island, New York, another new HUD grant launched the first direct bus service to an industrial park and employment center.

To broaden these efforts, I recently asked 200 mayors to take a new look at their cities to find out if they have similar transit needs. If they do, we are prepared to help them plan solutions.

Most of the efforts I have mentioned focus on the complex problems of the poorer neighborhoods, but a city today often needs many kinds of help that range across the entire community from inner core to suburb to the fringes of the rural areas.

Our determination to build viable urban communities extends across the same broad territory. We have been developing efforts, for example, that range from fostering almost any aspect of a community's planning needs, to preserving open spaces for recreation, to enhancing urban beauty, to saving historic landmarks. Of course our help has long been substantial in helping communities acquire such basic facilities as sewer and water systems. And I think Nashville, which is so extraordinarily endowed with fine universities will appreciate our efforts across the Nation to assist in the development of college housing.

Perhaps the most important point I can make here tonight is that there is something new and dramatic going on across the whole field of housing and urban development and it behooves concerned citizens to find out how your community can join in it.

We have come up with new ways to provide housing faster and cheaper, but our efforts will come to nothing if local communities are unwilling to use them and, yes, to take the risks that are inevitable in new ventures.

Washington can help in many ways, but it cannot supply the willingness to try new ideas. It cannot convince a community to become involved, or find the way out of local controversies.

These are jobs that you can do, however. And I commend you for indicating by your presence here tonight that this is, I gather, precisely what you have in mind.

A LANDMARK IN PAY LEGISLATION

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. HANLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. HANLEY. Mr. Speaker, title II of the Postal Revenue and Salary Act of 1967, which was passed by the House on Monday, December 11, and by the Senate on December 12, is a landmark in pay legislation.

The pay provisions contained in title II, for the first time in the history of the Federal Government, guarantee Federal employees salaries comparable to those paid their counterparts in private enterprise. In 1962, both the executive branch and the Congress agreed that if the Federal Government is to attract and retain well-qualified employees, it must meet the salaries paid by private enterprise for work comparable to that of our Federal employees. Title II guarantees that the comparability principle will become a reality.

The Position Classification Subcommittee of the House Post Office and Civil Service Committee, of which I am chairman, held hearings on several bills proposing to reclassify segments of the Federal service. The principal arguments put forth in support of those proposals were that the salaries of the emloyees concerned had lagged behind salaries paid to employees in private enterprise. Title II corrects this problem.

Congressman UDALL, chairman of the Compensation Subcommittee of the House Post Office and Civil Service Committee, the author of title II as passed by the House and the Senate, and Chairman DULSKI, of the House Post Office and Civil Service Committee, deserve great credit for their foresight and judgment in bringing this legislation to passage.

Unlike past pay legislation, title II does not cause further distortion in the Federal classification and pay structure. It maintains existing relationships in the classifications and pay of the employees affected.

One of the most significant provisions of title II of the Postal Revenue and Salary Act of 1967 is that establishing a Quadrennial Commission to study the question of the salaries for top appointive positions in the executive branch, for members of the judiciary, and for Members of Congress.

The findings and recommendations of the Quadrennial Commission will, for the first time, place before the President, the Congress, and the public, the facts concerning the salaries for our top appointive and elective positions, the positions filled by the men responsible for making, interpreting, and executing the laws of our land, for appropriating and spending the billions of tax dollars contributed by the public for the welfare and defense of our Nation.

For the first time in our history, there will be available facts upon which to base the fixing of pay for these responsible positions at a level commensurate with the responsibilities carried by the incumbents. This method of fixing the salaries of the top appointive and elective officials will also make it possible to establish a realistic relationship between those salaries and the salaries of the top career officials who are responsible for the functioning and continuity of our Government from one administration to another. This relationship will, without question, make possible a more realistic and flexible salary structure for the Federal Government, and serve to greatly improve the Government's ability to recruit and retain at all levels its share of the best talent available.

Enactment of title II of the Postal Revenue and Salary Act of 1967 should, because of its complete coverage of the pay relationships at all levels and of all branches of Government with the salaries in the private sector, make it possible for the Post Office and Civil Service Committee, and its subcommittee concerned with clasification of positions, to devote their efforts to a complete investigation and solution of the myriad of problems that have been allowed to develop in the Federal classification structure. Solutions to these problems must be found that are as fair and equitable to the employees, the Government, and the taxpayers, as is title II in overcoming inequities in the pay systems.

If we do not make a strong effort to update and improve our classification systems, to eliminate the many inconsistencies and inequities that exist in them and provide for their continuing maintenance on a current basis, the great efforts that have been made to develop and enact title II will be to no avail. The Congress and the executive branch will again return to piecemeal and patchwork handling of pay and position classification legislation, which has resulted in inequities for employees, greater legislative problems for the executive branch and the Congress, and a personnel system which will be less effective than is needed to meet the needs of an increasingly complex Government. The taxpayers are entitled to, and should get, the best Government the executive branch and the Congress can devise.

It is my sincere hope that the Congress will take the next step in assuming and discharging its responsibilities for sound personnel systems in the Government by enacting legislation to reestablish sound classification programs throughout the Government.

HAVERHILL, MASS., HIGH POLL SUPPORTS VIETNAM POLICIES

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. BOLAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. BOLAND. Mr. Speaker, the students of Haverhill High School in Haverhill, Mass., have taken a poll and overwhelmingly supported—by over 80 percent—the commitment of the Johnson administration to Vietnam.

The result of voting in one high school in one State does not automatically solve all our problems in Vietnam, but it does give us a real indication of how young people are thinking—in spite of news stories to the contrary.

The poll not only shows strong support for the U.S. presence in Vietnam, it also shows strong support for a gradual escalation of the war effort.

These are the voices of young people we so often do not hear. These are young people who might have to go to Vietnam or Asia one day to defend freedom—and they have clearly announced their support of America's policy to resist communism.

The poll taken in Haverhill High School in Massachusetts reflects a national trend.

Votes taken in San Francisco, Calif., and in Cambridge, Mass., recently also demonstrated that most voters support present policies in Vietnam.

I insert in the RECORD an article from the Haverhill Gazette, Haverhill, Mass., which describes the results of the student poll on Vietnam:

POLL SHOWS HAVERHILL HIGH STUDENTS SUPPORT U.S. ACTION IN VIETNAM

Haverhill High School students overwhelmingly support the Vietnam War, according to a poll conducted by the Brown and Gold, 81 per cent of those questioned recognized the necessity of United States involvement in South Vietnam.

Commenting on the results of the poll, the school newspaper said: "This vigorous show of support for the United States Policy by the student body is in deep contrast to the present surveys of national sentiment in which, occasionally, less than 50 per cent have supported U.S. involvement."

The survey on the Vietnam question was based on what the Brown and Gold considered to be a cross section of students. The Brown and Gold based its survey on the four issues most often presented in national surveys: Withdrawal from Vietnam, de-escalation in Vietnam, support of President Johnson's policy of gradual escalation, and intensification of United States' efforts in Vietnam.

A story in The Brown and Gold interprets the poll as a "resounding show of overall support for U.S. involvement in South Vietnam." Furthermore, the paper interpreted only those who advocated outright withdrawal from Vietnam as students who did not support the overall U.S. commitment in South Vietnam.

The vote count shows 31 per cent of the students support President Johnson's policy of gradual escalation of the conflict, 28 per cent voting for escalation of President Johnson's policy, 22 per cent voting for deescalation, and 19 per cent voting for withdrawal from South Vietnam.

In interpreting the poll, the Brown and Gold said: "It is quite interesting to note that of the 81 per cent who recognized the necessity of United States' involvement in Vietnam, 59 per cent voted for some form of escalation of the war effort. This figure in itself represents greater backing for our involvement in Vietnam than have the totals of the combined questions favoring some form of U.S. involvement in numerous national polls."

Overall, the Brown and Gold said it could find no important reasons why the school poll should differ from national polls by such great percentages. The difference is even stranger, the paper added, in view of the fact that, in many instances, it has been on the school and college level that U.S. involvement in Vietnam has had its smallest backing.

ENS. MICHAEL BRUCE MELONEY, U.S. NAVY

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. DANIELS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. DANIELS. Mr. Speaker, I would like to call to the attention of all Members of this House a recent honor bestowed upon a constituent of mine, Ens. Michael Bruce Meloney, U.S. Navy, of Union City, N.J.

Just this week this very fine young man was awarded a 3-year fellowship for postgraduate studies at the Massachusetts Institute of Technology, Cambridge, Mass., leading toward his master's degree.

Five years ago I had the honor to nominate this young man to the U.S. Naval Academy at Annapolis, Md. During his 4 years as a midshipman, Ensign Meloney was a very distinguished student, his name appearing on the Superintendent's list during each of the eight semesters he was in attendance. In addition, he finished among the top 25 students in the class of 1966.

Mr. Speaker, I am very proud to extend my congratulations to Ensign Meloney who has been a credit to his family, his community, and his country. I know that all Members of this House share my sense of pride to see a young officer succeed in his chosen profession. America needs career officers like Ensign Meloney and I am happy to have been in a position to have provided him with an opportunity for service to his country.

ANTI-BALLISTIC-MISSILE SITES AT CAVEN POINT, N.J.

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. DANIELS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. DANIELS. Mr. Speaker, recently it has been announced that the Department of the Army is proposing an anti-ballistic-missile site in the New York City area. Under consideration for this facility are three locations: one at Sands Point, Long Island, and two in the State of New Jersey; one at Tenafly and the third proposed location is at Caven Point in Jersey City which is, of course, located within the 14th Congressional District of New Jersey which I have the honor to represent in the Congress of the United States.

In recent years, Jersey City has been embarked on a great rehabilitation effort which has not been made easier by the fact that our assessable tax base has been shrinking. Great sacrifices have been made to restore our city which is after all more than 300 years old and has the usual problems common to our older municipalities. Responsible leaders both in and out of government have been urging for some time that the Caven Point properties owned by the Federal Government be made available for private development. In this way, valuable tax ratables could be added to the city's tax rolls easing the load on our property owners and renters.

If this anti-ballistic-missile site were to be located at Caven Point it would not only frustrate redevelopment plans for that area but it would also be counter to the program of the Johnson administration. For the first time in this Nation's history the Federal Government has worked to solve our great urban problems. Great strides have been made by both the executive and legislative branches of the Government. It would be tragic, however, if the efforts of one part of the executive branch were to be negated by another. Does it make sense for Housing and Urban Development to work hand in hand with Jersey City and the Department of the Army to work against it? I submit that it does not and I cannot urge the Army too strongly to locate its missile site elsewhere.

Mr. Speaker, I include at this point in the RECORD a resolution unanimously adopted by the Municipal Council of the City of Jersey City on December 5, 1967. The council speaks most eloquently for the people of our city, and I urge all Members of this House to heed their voice. The resolution follows:

RESOLUTION PERTAINING TO CAVEN POINT MILITARY BASE

Whereas the Federal Government owns and maintains a military reservation in the City of Jersey City which is commonly known as the Caven Point Army Terminal; and

Whereas the Municipal Council and the people of the City of Jersey City have been informed that the Federal Government has been considering constructing a missile base within the United States Army reservation at Caven Point; and

Whereas said lands and premises represent a great and valuable asset to the City of Jersey City because of its waterfront location, its potential for industrial development, its value as ratables, its future development and use as a container port, and as an invaluable source of employment;

Now, therefore, be it resolved that the Municipal Council of the City of Jersey City, deeming it in the best interests of the city, petition and request the Government of the United States and the appropriate agencies and departments thereof, to withdraw from consideration the Caven Point area; and

Be it further resolved that copies of this resolution be forwarded to the Secretary of Defense, appropriate military offices, and to our Senators and Congressmen.

A PUBLIC STATEMENT ON SOVIET JEWRY

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. FARBSTEIN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. FARBSTEIN. Mr. Speaker, for some 20 years the Jews of the Soviet Union have been victims of a conscious governmental policy of cultural genocide. These three million Jews have suffered every manner of cultural repression and, yes, even physical repression. They have held steadfastly to their Judaism, but under progressively increasing difficulties. They have been forbidden to leave the country. They have been required cruelly and relentlessly to conform.

A group of 198 prominent American artists and intellectuals have now joined together to issue a most deeply felt protest of this Soviet policy. The group includes five Nobel laureates, many specialists in Soviet affairs, and some of the Nation's most outstanding writers. Their statement will appear in the December 21 issue of the New York Review of Books. I here include the moving statement of this group, along with a partial list of its sponsors. I commend it to the attention of my colleagues, as evidence of the indignation felt throughout the world at Soviet inhumanity:

PUBLIC STATEMENT ON SOVIET JEWRY

(By the Conference on the Status of Soviet Jews, New York, N.Y.)

Fifteen years ago, on August 12, 1952, the twenty-four leading Soviet Jewish intellectuals, writers and artists were murdered by Stalin's secret police. They were accused of being "rebels, agents of American imperialism, nationalist, bourgeois Zionists, and enemies of the USSR".

This spurious charge has provided the dark theme of much Soviet propaganda on the Jews in all the subsequent years—tragically, even today.

We mark this melancholy date not only as a token of remembrance, during this fiftieth year of the October Revolution, but because it symbolizes a harsh reality: Soviet Jewry is being subjected to a policy of a forcible cultural extinction. For many years their tenuous situation has aroused deep concern. Now it has become a cause for alarm, because a new version of the old charge, revised to fit current Soviet policy in the Middle East, once again poisons the air for Jews in the Soviet Union.

For nearly twenty years, the three million Jews of the USSR have, as a group, been subjected to a wide array of oppressive measures. This policy began with Stalin's open anti-Semitism. The tragic fate of the twenty-four writers—the most gifted and brilliant creators of Jewish culture in that country—climaxed the most brutal phase of Stalin's plan to extinguish the culture of the Soviet Jews.

The consequences of Stalin's policy were devastating and enduring: The destruction of all Jewish cultural, artistic and academic institutions; the liquidation of the Jewish intelligentsia; the elimination of Jews from all positions of authority and trust; the mounting of a vast, hysterical propaganda effort replete with fearsome accusations that created a pogram atmosphere ended only by the death of the tyrant in 1953.

Under Khrushchev, the terror was relaxed but the basic policy remained in force, as evidenced by: The virulent anti-Semitic character of the propaganda assault upon the Jewish religion; the harassment of Jews in the performance of religious rites; the deprivation of elementary religious articles and institutions; the nationwide campaign against economic offenses which made a scapegoat of the Jews, projected the traditional anti-Semitic stereotype of the Jew as an economic criminal and which singled out the Jews for capital punishment; the systematic propaganda repetition of the ominous amalgam—Jew-Judaism-Zionism-Israel; the miasma of fear spread by the portrayal of the Jews as a community of pernicious character and doubtful loyalty.

Official Soviet practice today perpetuates the Stalin policy of depriving Soviet Jewry of continuity with its past and of any hope of a future. Alone among the multitude of Soviet nationality and religious groups, the Jews are deprived of virtually every institutional opportunity to perpetuate their cultural, religious and communal life. This unique discrimination brings in its wake a kind of public humiliation, a loss of dignity, of respect and self-respect—especially since it is practiced in an atmosphere of palpable hostility to the Jews.

Now the tension under which Soviet Jews live has heightened. Soviet policy in the Middle East, culminating in the diplomatic break with Israel, has been accompanied by an enormous anti-Semitic propaganda effort at home and abroad whose virulence has only rarely been equalled in recent Soviet history.

This campaign descends to its moral nadir with the widespread publication in the Soviet press of vicious anti-Israel political cartoons characterized by ugly, overt anti-Semitic stereotypes. Similar motifs dominate recent Soviet newspaper articles, which revive, in updated and refurbished form, the classic anti-Semitic doctrine of an international Jewish conspiracy to control the world.

The Jews have for long been regarded in the USSR with suspicion and hostility as strangers, aliens, and actual or potential enemies. Now their situation is jeopardized in a new and more ominous dimension.

The death of a culture, the enforced disappearance of a richly endowed community, the incitement of anti-Semitism, cannot be a matter of indifference.

We protest and condemn this frenzied anti-Jewish assault. We urge the Soviet authorities to initiate immediately a nationwide educational campaign against anti-Semitism. Finally, we call upon the leaders of the USSR to restore to Soviet Jewry the rights and institutions—and the concomitant dignity—to which Soviet law entitles them.

SIGNATORIES OF PUBLIC STATEMENT ON SOVIET JEWS

Daniel Aaron, Professor of Literature, Smith College.

James Luther Adams, Dean, Divinity School, Harvard University.

Mathew H. Ahmann, Director, Catholic Conference on Racial Justice.

William F. Albright, Professor Emeritus of Semitics, John Hopkins University.

Steve Allen, writer, peace leader.

Louis Auchincloss, novelist.

Joseph A. Beirne, President, Communications Workers of America.

Daniel Bell, Professor of Sociology, Columbia University.

Saul Bellow, novelist.

John C. Bennett, President, Union Theological Seminary.

Eric Bentley, Professor of Dramatic Literature, Columbia University.

Abram Bergson, Professor of Economics, Harvard University.

Hans A. Bethe, Professor of Physics, Cornell University.

Bruno Bettelheim, Professor of Psychology, University of Chicago.

Theodore Bikel, performing artist, civil rights & peace leader.

Stephen Birmingham, writer.

Max Black, Professor of Philosophy, Cornell University.

Felix Bloch, Professor of Physics, Stanford University.

Louise Bogan, poet.

Jerald C. Brauer, Dean, Divinity School, University of Chicago.

Jerome S. Bruner, Professor of Psychology, Harvard University.

Robert Brustein, Dean, School of Drama, Yale University.

Justus Buchler, Professor of Philosophy, Columbia University.

Arthur F. Burns, Director, National Bureau of Economic Research.

Robert F. Byrnes, Professor of History, University of Indiana.

Paddy Chayefsky, playwright.

John Ciardi, poet.

Kenneth B. Clark, Professor of Psychology, CCNY; civil rights leader.

Arthur A. Cohen, writer.

Benjamin V. Cohen, attorney.

Robert S. Cohen, Professor of Physics, Boston University.

Lewis A. Coser, Professor of Sociology, Brandeis University.

Malcolm Cowley, literary critic.

Harvey Cox, Associate Professor, Divinity School, Harvard University.

Robert V. Daniels, Professor of History, University of Vermont.

Robert Gorham Davis, Professor of English, Columbia University.

Thurston N. Davis, S.J., editor-in-chief, *America* magazine.

Benjamin De Mott, Professor of Literature, Amherst College.

Herbert S. Dinerstein, Professor of Soviet Studies, Johns Hopkins University.

William B. Edgerton, Professor of Slavics Studies, University of Indiana.

Richard Ellmann, Professor of Literature, University of Illinois.

Victor Erlich, Professor of Russian Literature, Yale University.

Amitai Etzioni, Professor of Sociology, Columbia University.

James Farmer, civil rights leader.

James T. Farrell, novelist.

Jules Feiffer, social critic.

Abraham L. Feinberg, peace leader.

Herbert Feis, historian.

Lewis S. Feuer, Professor of Sociology, University of Toronto.

Harold E. Fey, Professor of Christian Social Ethics, Christian Theological Seminary.

George B. Ford, Catholic civil liberty leader.

Maurice Friedberg, Professor of Slavic Studies, University of Indiana.

Milton Friedman, Professor of Economics, University of Chicago.

Walter Galenson, Professor of Industrial Relations, Cornell University.

Buell G. Gallagher, President, City College of New York.

Herbert J. Gans, Associate Professor of Urban Studies, Columbia University.

Maxwell Geismar, literary critic.

William Gibson, playwright.

Harry D. Gideonse, Chancellor, New School for Social Research.

Robert W. Gilmore, peace leader.

Eli Ginzberg, Professor of Economics, Columbia University.

Nathan Glazer, Professor of Sociology, University of California.

Herbert Gold, novelist.

Percival Goodman, Professor, School of Architecture, Columbia University.

Patrick E. Gorman, Secretary-Treasurer, Amalgamated Butcher Workmen, AFL–CIO.

Adolph Gottlieb, painter.

Henry F. Graff, Professor of History, Columbia University.

Frances R. Grant, Director, Inter-American Committee for Peace and Democracy.

Clement Greenberg, art critic.

Gregory Grossman, Professor of Economics, University of California.

Louis M. Hacker, Professor of Economics, Columbia University.

Oscar Handlin, Professor of History, Harvard University.

Donald Szantho Harrington, Minister, Community Church of New York.

Michael Harrington, social critic.

Alfred Hassler, Secretary, Fellowship of Reconciliation.

Philip M. Hauser, Professor of Sociology, University of Chicago.

Carl G. Hempel, Professor of Philosophy, Princeton University.

Nat Hentoff, social critic.

John Hersey, novelist.

Theodore M. Hesburgh, CSC, President, Notre Dame University, Member, U.S. Civil Rights Commission.

Abraham J. Heschel, Professor of Jewish Ethics, Jewish Theological Seminary.

Granville Hicks, literary critic.

Gertrude Himmelfarb, Professor of History, City University of New York.

Milton Hindus, Professor of Literature, Brandeis University.

Richard Hofstadter, Professor of History, Columbia University.

John Hollander, poet.

Gerald Holton, Professor of Physics, Harvard University.

Sidney Hook, Professor of Philosophy, New York University.

Irving Louis Horowitz, Professor of Sociology, Washington University.

Bert F. Hoselitz, Professor of Economics, University of Chicago.

Irving Howe, Professor of English, Hunter College.

H. Stuart Hughes, Professor of History, Harvard University; Co-Chairman, SAN.

Alex Inkeles, Professor of Social Relations, Harvard University.

Homer A. Jack, Director, Department of Social Responsibility Unitarian Universalist Association; peace leader.

Paul Jacobs, writer.

Peter Juviler, Associate Professor of Government, Barnard College.

Elia Kazan, stage & screen director, novelist.

Alfred Kazin, literary critic.

Horace M. Kallen, Professor Emeritus of Philosophy, The New School.

Abraham Kaplan, Professor of Philosophy, University of Michigan.

Peter B. Kenen, Professor of Economics, Columbia University.

Leon H. Keyserling, economist.

Martin Luther King, Jr., President, SCLC.

Milton R. Konvitz, Professor of Industrial Relations, Cornell University.

Arthur Kornberg, Professor of Chemistry, Stanford University.

Irving Kristol, writer.

William M. Kunstler, attorney.

Ibram Lassaw, sculptor.

Harold D. Lasswell, Professor of Law and Political Science, Yale University.

Hal Lehrman, journalist.

Robert Lekachman, Professor of Economics, State University of New York.

Abba Lerner, Professor of Economics, University of California.

Daniel Lerner, Professor of Sociology, Massachusetts Institute of Technology.

William E. Leuchtenberg, Professor of History, Columbia University.

Meyer Levin, novelist.

Seymour Martin Lipset, Professor of Government & Social Relations, Harvard University.

Kurt L. London, Professor of Soviet Studies, George Washington University.

John Wesley Lord, Methodist Bishop of Washington, D.C.

Dwight Macdonald, writer, peace leader.

Robert M. MacIver, Professor Emeritus of Sociology, Columbia University.

Norman Mailer, novelist, peace leader.

William Manchester, writer.

Edward S. Mason, University Professor, Harvard University.

Martin Mayer, writer.

Floyd McKissick, National Director, Congress of Racial Equality.

Hugh McLean, Professor of Slavic Studies, University of Chicago.

Seymour Melman, Professor of Industrial Engineering, Columbia University.

Robert Merton, Professor of Sociology, Columbia University.

Thomas Merton, poet.

Ashley Montagu, anthropologist.

Marianne Moore, poet.

Sidney Morgenbesser, Associate Professor of Philosophy, Columbia University.

Robert Motherwell, painter.

Lewis Mumford, social historian and critic.

George P. Murdock, Professor of Anthropology, University of Pittsburgh.

Ernest Nagel, Professor of Philosophy, Columbia University.

Jerome Nathanson, Leader, Ethical Culture Society.

Aryeh Neier, Director, New York Civil Liberties Union.

Howard Nemerov, poet.

Barnett Newman, painter.

Reinhold Niebuhr, philosopher.

Herbert H. Paper, Professor of Linguistics, University of Michigan.

Kenneth Patchen, poet.

Robert Pickus, peace leader.

James A. Pike, Member, Center for Study of Democratic Institutions.

Norman Podhoretz, Editor, Commentary magazine.

Ithiel deSola Pool, Professor of Political Science, Massachusetts Institute of Technology.

Richard H. Popkin, Professor of Philosophy, University of California.

Katherine Anne Porter, novelist.

Chaim Potok, novelist.

W. V. Quine, Professor of Philosophy, Harvard University.

A. Philip Randolph, civil rights and labor leader.

Joseph L. Rauh, Jr., attorney.

Arnold M. Rose, Professor of Sociology, University of Minnesota.

Leo Rosten, writer.

Philip Roth, novelist.

Mark Rothko, painter.

Muriel Rukeyser, poet.

Bayard Rustin, civil rights leader.

Albert B. Sabin, scientist (Children's Hospital Research Foundation).

Maurice Samuel, writer, historian.

Meyer Schapiro, University Professor, Columbia University.

Murray Schisgal, playwright.

Benjamin I. Schwartz, Professor of Government, Harvard University.

Karl Shapiro, poet.

Robert Shaplen, writer.

Leon Schull, Director, Americans for Democratic Action.

Louis Simpson, poet.

Isaac B. Singer, novelist.

William Jay Smith, poet.

Theodore Solotaroff, literary critic.

Susan Sontag, novelist.

Melford E. Spiro, Professor of Anthropology, University of Chicago.

Rex Stout, writer.

William Styron, novelist.

Harvey Swados, novelist.

Allen Tate, poet.

George E. Taylor, Professor of Far Eastern Studies, University of Washington.

Harold Taylor, educator, writer.

Telford Taylor, Professor, School of Law, Columbia University.

Norman Thomas, peace and civil rights leader.

James Tobin, Professor of Economics, Yale University.

Diana Trilling, literary critic.

Lionel Trilling, Professor of English, Columbia University.

Melvin Tumin, Professor of Anthropology, Princeton University.

John Updike, novelist.

Selman A. Waksman, Institute of Microbiology, Rutgers University.

Wyatt Tee Walker, civil rights leader.

Robert Penn Warren, poet, novelist, critic.

Jerome Weidman, novelist.

Jacob J. Weinstein, peace and civil rights leader.

Alan F. Westin, Professor of Government, Columbia University.

Morton White, Professor of Philosophy, Harvard University.

Elie Wiesel, novelist.

Richard Wilbur, poet.

Roy Wilkins, Executive Secretary, NAACP.

Herman Will, Jr., Associate Director, Board of Social Concerns, Methodist Church.

Whitney M. Young, Jr., Executive Director, National Urban League.

Institutional affiliations cited for purposes of identification only.

VISTA APPROACHES MATURITY

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. THOMPSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, one of the notable accomplishments of the Office of Economic Opportunity has been the mobilization of our idealistic and dedicated young people into the VISTA program. VISTA is rapidly achieving a distinction and effectiveness which we associate with the Peace Corps. VISTA volunteers by bringing their energies and motivations to the administration's war on poverty, are demonstrating to the Nation that our younger generation cares enough about our domestic problems to spend 1 year of their lives living and working among America's poor. VISTA volunteers assist their fellow Americans in the struggle for social and economic justice in urban ghettos, in rural slums, on Indian reservations, and wherever poverty exists. VISTA is an exciting and dynamic program. The Christian Science Monitor of Demember 8 featured a front-page article which explores in depth VISTA's recent success. I know my colleagues will find this article, from one of America's outstanding newspapers, informative, and I include it, as follows:

PEACE CORPS TWIN—VISTA APPROACHES MATURITY

(By William C. Selover)

WASHINGTON.—The VISTA program—always the neglected stephild of the Peace Corps—is beginning to come into its own.

Sometimes called the "domestic peace corps," VISTA (the name is an acronym for Volunteers in Service to America) sends young workers into economically depressed areas with the aim of helping impoverished Americans to help themselves. Among other things. VISTA workers teach adult education courses, develop community-action programs, and work as teacher assistants in preschool and day-care centers.

In an interview, VISTA Director William H. Crook expressed the conviction that the program has become "mature and effective" in the past year. Most observers would agree.

SOME CRITICISM ACCEPTED

The first VISTA antipoverty worker went into the field almost three years ago. Today there are some 4,200 full-time volunteers and trainees in 49 states working on 424 projects.

During these three years, the program has been marked by trial and error. And the successes have not come easily.

Its vocal and exuberant workers have stepped on toes wherever they have labored to change the existing order, to spark reform, or to head off despair.

Mayors have been angered by their outspoken criticism of city government. Congressmen have been alarmed by their role in registering voters.

Some of the criticism has been justified. In at least one case, the General Accounting Office found a VISTA worker guilty of engaging in union organizing activities—a role strictly forbidden by Office of Economic Opportunity (OEO) regulations.

But probably the most noteworthy fact today is that VISTA is receiving unprecedented bipartisan support all across the country—from governors, mayors and congressmen, from the clergy, business, and labor groups—and from the poor themselves.

It is the one program in the war on poverty, with the possible exception of Head Start, that most congressmen like.

And when all the facts are in, the VISTA volunteer will doubtless be credited with having played a serious and effective role in cooling riots last summer.

ATTRACTION GROWING

During the recent debate on the poverty program in the House, there was very little criticism for the VISTA workers. And even the Republicans seem to like VISTA. They offered no major changes in how they would administer the program in their antipoverty substitute, the "opportunity crusade."

Furthermore, young people, the idealists of the college-age generation, are being attracted to VISTA at a sharply increasing rate while, on the other hand, applications for the Peace Corps have dropped off by 30 percent this year.

A recent Gallup Poll shows that of college students polled, over half expressed the desire to serve in VISTA or one of the VISTA programs. That would mean that about 2,500,000 to 3,000,000 college students would like to serve in VISTA.

Mr. Crook believes that this interest results from the shift of national concern from international issues to domestic ones. In the eyes of young people today, the great causes to be fought are in the slums of our cities, on Indian reservations, in rural back lands, he says—not on the Paris Left Bank or in the hills of Spain.

Mr. Crook, who became director of VISTA about a year ago, has brought tough-minded administrative skills to his office. He has instituted reforms designed to meet the early criticisms.

NEW DIRECTIONS SEEN

In an interview, he spelled out some of the new directions he has given to VISTA:

The number of 18 and 19-year-old volunteers has been reduced from 15 percent of the total to less than 4 percent, after finding that they "have proven themselves to be immature. . . ."

All training centers have been regionalized and located relatively near the ultimate project assignment. Training has not always proved "relevant to the field service that followed," he says.

Half of the entire VISTA staff has been regionalized to work directly with project sponsors and volunteers in their area. Mr. Crook found that "some local sponsors have lost sight of what VISTA is all about." Some volunteers have been put to work as chauffeurs and clerks.

But the biggest problems VISTA faces hasn't been entirely solved as yet. That is "the problem of political activities by the volunteers."

The question really revolves around this simple fact: the VISTA program is designed to improve the quality of life in forgotten corners of this country.

ORGANIZED PUSH NEEDED

This improvement cannot come about without some kind of push in the right direction by organized activists. In the Negro ghetto as well as in the hills of Appalachia, this means, in many cases, helping the people acquire a voice—helping people, in short, to exercise their most fundamental right in a democracy, the right to vote.

And this has been done, to the alarm of some of the program's most vocal critics.

They say that by registering voters in certain areas, and not in others, you run the risk of making some citizens "more equal" than others. This is especially true when the voters in one area can reasonably be expected to vote for one candidate or party.

Rep. William J. Scherle (R) of Iowa raised this question in House debate early this November. "VISTA volunteers," he said, "registered voters on the near north side of Omaha, Nebraska, during the 1966 congressional campaign.

"My protest to OEO brought new guidelines, which in effect said—you can register voters but you must be nonpartisan about it. This is precisely the point. As long as an area contains known partisan groupings, the act of deliberately selecting an area of this type to conduct registration activities is a political or partisan act.

"While the Hatch Act covers these employees, it is being interpreted so as to permit this activity."

ACTIVITY CHALLENGED

The same point was raised by Rep. O. C. Fisher (D) of Texas, during the debate.

"Scores of instances have been reported involving VISTA volunteers and others on the OEO payroll," he charged, "who have engaged in voter registration drives and other political activities.

"Documented cases to this effect have come from Omaha, Neb., Gary, Ind., Atlanta, Ga., Durham, N.C., Des Moines, Iowa, Santa Clara County, Calif., and Arlington, Va., to mention but a few.

"Is this any way to run a poverty program?" he asks.

Those at OEO believe it is. The VISTA guidelines on this have been worked out very carefully.

Voter registration activities are clearly permitted. Mr. Fisher needs no "documented" evidence of such political activities. However, VISTA volunteers come under the Hatch Act forbidding them from engaging in "partisan" political activities.

NONPARTISANSHIP STRESSED

When registering voters, the guidelines urge, volunteers must be "particularly careful to keep all implications or expression of partisan politics out. . . ."

"You may, however," the guidelines continue, "take positions in support of or in opposition to the passage or repeal of laws and ordinances, and support or oppose issues which are not specifically identified with a political party. . . ."

Further: "You may participate in lawful and nonpolitical demonstrations and protest activities."

Ultimately, the guidelines admit that there are many instances which involve the gray area between political and nonpolitical issues. On these cases, OEO calls upon the volunteer to use his "good judgment."

Earlier this year, the Senate investigated the activities of VISTA volunteers who were allegedly stirring up trouble in eastern Kentucky. After the controversy cooled off, Mr. Crook contended that "no guideline was violated."

ROLE DEFENDED

"We feel the role of VISTA was proper and healthy and in every way in accord with our purpose," he told a Senate committee.

He said that the volunteers are still there serving very effectively. "Actually," he added, "many of those who first complained have now come to understand their role a little better and, now we actually have requests for 42 more projects and 604 more volunteers than we can fill in eastern Kentucky."

Mr. Crook doesn't say the guidelines are never violated. When they are, occasionally, the volunteer is sent home immediately.

But still the point remains—raised by Mr. Scherle—that VISTA volunteers, for example, in one area, effectively support one party over another.

In the long run, this question will probably be solved only when federal, state, and local agencies—public and private—take it upon themselves to assume wide voter education and awareness programs, so that no one group will require any more special attention over another.

LOCAL GROUPS INVOLVED

But VISTA has been moving toward an accommodation on this point which may help it solve the problem eventually. Since Mr. Crook has assumed direction of VISTA, he has taken great pains to place VISTA volunteers in the local Community Action Program (CAP), the city "umbrella" antipoverty organization—at the expense of the independent groups which formerly had a bigger share of the volunteers.

The CAP agencies, often controlled by the mayor or members of the city government, are not likely to promote VISTA activities which would raise the kind of questions that were raised, for example, in eastern Kentucky.

This redirection is considered by some activists as a retreat on the part of the VISTA administration—a compromise to political realities. Mr. Crook holds it moves the volunteer more directly into the total war on poverty picture, in a sense, consolidating the efforts.

Whatever interpretation is most valid, the fact is, today 67 percent of the volunteers are placed in local CAP agencies.

Of course, the purpose of the volunteer never intended him to be on the very front lines of the protest against poverty—inadequate housing, welfare, and other social services.

LEAD FROM BEHIND

"It must be remembered," say the VISTA guidelines, "that as a VISTA volunteer it is of utmost importance that your efforts be primarily directed toward encouraging participation of the people you serve, rather than in action on your own, or in their behalf.

"In working with organizations of the poor," Mr. Crook told this reporter, "the volunteer can encourage the plans, policies, and programs of that organization which lead people into full citizenship, voting, petition, etc.

"The volunteer leads from behind—not subversively, but by selecting leadership, encouraging leadership. He tries to create the same coherence in the ghetto that you find in the suburbs."

POPULARITY GROWING

Still, in spite of some criticism, word has clearly gotten around that VISTA workers are a great asset to the community. Today, there is a backlog of requests from local agencies for some 20,000 volunteers, which is a jump of about 40 percent over the 14,000 requests received last year at this time. The Gallup Poll shows that these spots could be filled easily. To date VISTA has received nearly 43,000 final applications for service. Recruiting is no problem.

ATTORNEY GENERAL RAMSEY CLARK

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. EDWARDS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. EDWARDS of California. Mr. Speaker, Attorney General Ramsey Clark "attempts to move quietly ahead, to help the country survive troubled times without violating its constitutional heritage" while running the Department of Justice "in exemplary fashion."

This is the report of Victor Navasky in an article published in the December 16 issue of the Saturday Evening Post.

The article is a colorful report on the Attorney General and his determination to fight crime effectively and to preserve the freedoms established by the Bill of Rights.

I respectfully include the article in the RECORD in its entirety:

ARTICLE BY VICTOR S. NAVASKY

It could have been total chaos, six weeks ago, when perhaps 100,000 Americans descended on Washington to protest the war in Vietnam. There were hippies, clergymen, pot smokers and businessmen, nonviolent resisters and violent resisters, pacifists and professors; there were sign carriers and sign wielders, conscientious objectors and folk singers, Norman Mailer and Dr. Spock. The Government, prepared for the worst, had summoned troops from as far away as California.

A typical scene: As 30 marchers walked toward a Pentagon entrance, they were surrounded by a group of 40 paratroopers. The marchers sat down, where they remained unmolested.

They all came to "do their thing" against the war. In most cases that merely meant having one's body counted, or waiving a banner, or singing a song. But in over 500 cases it meant directly engaging the military, mostly in an attempt to invade the Pentagon. The official arrest figure was 676. That the figure was not higher is a tribute to the man who coordinated and directed the federal effort, Attorney General Ramsey Clark.

Weeks before the demonstration, Clark held strategy sessions with representatives from the Pentagon and other officials in his office at the Department of Justice. During the demonstration it was Clark who had the final say about what the Government troops could and could not do—whether, for instance, they could use tear gas or fix bayonets. (According to Clark, he never authorized either; therefore if, as many observers reported, tear gas was used, it was unauthorized.) When violence broke out about 4 p.m. Saturday, Clark successfully resisted considerable pressure to revoke the demonstrators' permits and disperse the crowd. He also prevailed when some officials argued for more troops.

This performance was typical of Ramsey Clark's approach to his job as the nation's No. 1 prosecutor. He is, of course, anxious to round up the outlaws—and he helped draft legislation that would contribute $300 million to improve the quantity and quality of local outlaw catchers. But he is just as concerned about civil liberties, and with casual and unflappable demeanor he sets about to ensure them. He believes the country will be better off with deputies fenced in by a sturdy Bill of Rights than with virtuous lynching parties.

With violence in the air, riots in the slums and a presidential election around the corner, Clark's concern for protecting individual liberties is already bringing him criticism. Columnist Holmes Alexander writes: "Ramsey Clark is the wrong guy for the wrong post at the wrong time." "Despite repeated appeals from Congress," says Rep. William E. Minshall (R., Ohio), "Justice continues to ignore flagrant violations of federal law." Minshall complains that Clark is "not enforcing federal statutes involving persons who incite rebellion or . . . abet evasion of the Selective Service Act." Congressman Joe Pool, the hefty hearing holder of the House Committee on Un-American Activities, announces, "I'm not trying to run Ramsey Clark out. Why, he's from my hometown, and he's a nice feller. But he's wrong. I just don't know how he's got off on his kick."

In the Senate as well there is sentiment for a tougher response to civil disorder. Separate Senate committees are investigating the New Left and last summer's riots (to see if they were "instigated and precipitated by the calculated design of agitators . . ."). And the Senate, trying to extend the life of the moribund Subversive Activities Control Board, has passed a bill that, according to 37 noted law professors and deans, "threatens basic freedoms of thought and expression." Sen. Everett McKinley Dirksen, the bill's sponsor, say the White House is behind him, but the most he has been able to get out of the Attorney General is a letter saying *if* the bill passes, and *if* it is constitutional, and *if* it is not to the detriment of law enforcement generally, then Justice would enforce it.

Beset both by his critics and by the difficulties of administering the law in an increasingly lawless land, Ramsey Clark attempts to move quietly ahead, to help the country survive troubled times without violating its constitutional heritage.

When I arrived for an eight o'clock breakfast at Clark's unpretentious three-bedroom house in Falls Church, Va., Ramsey had already roughed out some notes for a speech, read the papers, completed some phone calls and was in the shower after some R.C.A.F. calisthenics and a short workout with barbells. "Dad and I are pledged to two-hundred and fifty exercise days a year," says his 13-year-old son Tom. (Ronda, the Clarks' 15-year-old daughter, born with a brain injury, studies at the Institute of Logopedics in Kansas.) "That comes to about twenty-one a month, but this year he's way behind. He'll never make it." I was greeted by his wife, Georgia, an ebullient blonde in a mod dress and bare feet. She looked more like a young folk singer than the 38-year-old wife of the Attorney General. Georgia escorted me past an impressive library featuring a rare edition of the works of André Gide ("Most of the pages are still pristine and uncut, except for the ones Ramsey has read," Georgia said) and upstairs to breakfast.

Clark had emerged from the shower and was buttoning his shirt. He looked something like Gary Cooper but with smaller, sadder eyes and a broken nose. At six-foot-three the 39-year-old Texan reminds one of the idealistic sheriff who just came into town, the kind who, as a matter of principle, doesn't carry a six-shooter. He seems folksy, informal and naive. On meeting him one has the feeling that Destry rides again. His tranquil manner and easy wit complement Georgia's free spirit. She hums to herself when the conversation lags, and does not hesitate to take the occasion of breakfast to advise her husband on her ideas about the 1st, 4th, 5th and 14th Amendments to the Constitution. She waves from the doorway, calling, "Adiós, Ram," as he rides off to work. He drives a 1949 Oldsmobile convertible, which he prefers to the chauffeured limousine that goes with his job.

On the way he will pick up his neighbor, Barefoot Sanders, a 20-year friend from Texas who works as a presidential assistant. By 9 A.M., his feet resting on the office wastebasket, his trouser legs hiked up to reveal a pair of blue-and-red Argyle anklets, his jacket off, he will be at his desk, sipping tea and working his way through a two-foot-high pile of papers. His office is a back room on the fifth floor. As for the spacious mahogany-paneled, red-carpeted chamber inhabited by his predecessors, he uses it only for meetings.

His casual manner is, of course, deceiving. The Attorney General is one of the busiest, most crisis-ridden men in Washington. He has the power to punish, reward, prosecute, deport, eavesdrop, investigate, intimidate, litigate, settle. As a lawyer, he has the richest "client" in the world—the United States Government. His "firm" has 33,000 employees. The power of patronage allows him to nominate federal judges and U.S. attorneys. If riots explode in Detroit, it is the Attorney General who will be on the phone with Gov. George Romney at 4 A.M., discussing the desirability of federal troops. If war erupts in the Middle East, it is the Attorney General who will prepare the definitive memorandum on the Neutrality Act. If Sen. Tom Dodd or Rep. Adam Clayton Powell is accused of law-breaking, it is the Attorney General who will decide whether and when and how to proceed. Public opinion to the contrary notwithstanding, Mr. J. Edgar Hoover reports directly to the Attorney General, who is the final arbiter on all wiretap requests. Thus far Clark has achieved some kind of world's record by avoiding rumors of a rift with his volatile subordinate (33 years his senior), while repeatedly endorsing policies with which Hoover is out of sympathy.

Ramsey Clark has been Attorney General only since March, but already he has confounded the expectations of law-enforcement officials. Many assumed he would carry on in the hawkish-prosecutor tradition of his father, Justice Tom C. Clark, the Attorney General from 1945 to 1949. It was Tom Clark, atfer all, who inaugurated the Attorney General's list of subversive organizations. But Ramsey believes that in a free society, free thought must get maximum protection. A striking illustration of the difference between father and son: In 1949 Tom Clark brought the case against Judith Coplon, the 27-year-old Government employee accused of passing state secrets to her Soviet sweetheart, and 17 years later Acting Attorney General Ramsey Clark dismissed it. "I read the record over for a couple of hours, and there was nothing else to do," Ramsey says, scratching the back of his head. "Besides, the Constitution guarantees a speedy trial." Miss Coplon's conviction had been reversed because of tainted evidence, but the case was still "pending."

"It took more courage than it ought to have for Ramsey to grab that porcupine," says an associate. But porcupine-picking seems Clark's specialty. Because he believes wiretapping and bugging to be inefficient ("It takes twenty-seven men to install one of those things and monitor it") and "insidious," he has issued an unprecedented directive banning all such activities—except in national-security cases—by federal agencies. Among other unpopular causes, he has come out for the abolition of capital punishment. And at the time when J. Edgar Hoover has suspended his nightly strolls through the District because of crime in the streets, Clark has endorsed rather than fought Supreme Court decisions like *Miranda v. Arizona*, the historic case that reversed a kidnapping conviction because the suspect had not been told of his right to counsel. Once a lawyer asked him what he thought of this case. Clark said it was too early to tell, but that statistics suggest it may have helped rather than hampered law enforcers by requiring them to be more circumspect. He added that rapists don't read the Supreme Court reports. "I don't understand," the lawyer objected. "Your father doesn't agree with you." "Then don't tell him what I said," advised the Attorney General with a smile.

At first outsiders tended to accept the notion that Clark's appointment as the nation's chief lawman had more to do with patrimony than performance. After all wasn't his father Harry Truman's Attorney General? And hadn't the Tom Clarks helped introduce the Lyndon Johnsons to Washington in the early '40's? And weren't they all part of a close-knit Texas-in-Washington family with its own network of still-binding loyalties?

The fact is that Tom Clark had as little to do with his son's present position as with his unorthodox policies. "The best thing Tom did for Ramsey was to let him be his own man," says Bill Keller, a former law partner of Ramsey's. Clark and his father are like fellow fishermen. They enjoy each other's company—most Saturday nights the Ramsey Clarks dine at the Tom Clarks'. They admire each other's skills and achievements. But when it comes to the things that matter, a great deal seems to be understood rather than spoken. Too much deep talk may scare way the fish. Ramsey says: "There are a few questions in life that don't have an easy answer, and one of them is a man's relationship with his father."

Not that connections didn't help. Texas is a personnel pool for the Great Society, as Harvard was for the New Frontier. But by now most Washingtonians concede what those who know Ramsey knew all along. As Sen. Joseph Tydings (D., Md.), a fourth-grade classmate of Ramsey's in Washington, puts it, "Ramsey was always a leader. I do recall he was even head of the schoolboy patrol and got to wear a little white badge. I never could make the grade." He adds, "There are lots of sons of ex-Attorneys General around. I don't see any of them in the job."

As a boy, Ramsey would wander up and down the corridors of Justice deciphering such inscriptions as the departmental motto *Qui pro domina justitia sequitur* ("Who prosecutes on behalf of Justice"). "When Government lawyers were not at the house, Ramsey would be breaking bread with members of the cabinet," recalls Bill Keller. "Ramsey grew up in the shadow of the Justice Department."

At the tail end of World War II, Ramsey quit high school to join the Marines. Discharged in 1946, he got a job on a tramp steamer and saw the world. Then, in an incredible three years, he got himself a wife, a B.A. from the University of Texas, and an M.A. in history and a law degree from the University of Chicago.

Clark spent the next 10 years of his life with the family law firm in Dallas. Although he did help found Dallas's first legal-aid society, principally he defended not the poor but the large corporations. "When you spend ten years of your life defending the big boys," says one former colleague, "you end up convincing yourself that they're right," and it is true that thus far, aside from a few bold decisions like the one to contest the ABC–I.T.T. merger after the Federal Communications Commission had approved it, Clark's anti-trust record has not been outstanding. But Jerry Cohen, the militant counsel of the Senate anti-trust subcommittee, says, "Ramsey is a populist. He has a better understanding of anti-trust than any Attorney General in recent times. He knows where the power is, and we expect action."

In 1961 Clark joined the New Frontier as head of the Lands Division under Attorney General Kennedy. On hearing that Ramsey had accepted the post, his father was surprised. "When I was there," says the elder Clark, "we always thought of Lands as a graveyard." But Ramsey quietly got to work. He cut the division's case load in half by settling rather than litigating cases, and negotiating for land rather than condemning it. His philosophy: "A good settlement is worth a lot more than a lawsuit. Especially in claims of conscience, like the American Indian cases." As a result of his cost-cutting performance, the following exchange took place when his father was on the Hill to justify the Supreme Court's budget request in 1962:

CONGRESSMAN ROONEY: Mr. Justice Clark, I hope your budget is as good as your son's.

CLARK: How's that?

ROONEY: Your son cut his budget this year by $200,000, and he cut back his staff positions by ten percent.

CLARK: Well, you see, he takes after his mother.

After President Johnson's 1964 election, Ramsey became a presidential assistant. He absorbed the White House system from the inside, saw how decisions were confronted or avoided, watched memoranda move from desk to desk, saw which ended up with the President and which in a secretary's to-be-filed box. He learned the President's habits, peculiarities, preferences. Johnson also learned about Clark, and in January, 1965, when Nicholas Katzenbach was named Attorney General, Clark was named his deputy, giving rise to the rumor that "Ramsey is Johnson's spy at Justice." As always, Clark confounded his critics; he ran the department in exemplary fashion.

Today Clark seems as comfortable in his life and his job as a bean in a bowl of Tex Mex chili, his favorite food. The day I visited him, I watched him rapidly process FBI reports on such subjects as racial disturbances, cigarette smuggling, an extortion case; also material on a proposed police-training program, a report on voter-registration in Virginia, and a request from J. Edgar Hoover for an "unspecified" appropriation of $10,000.

If a friend calls, he will lean back in his chair, his scarecrow arms protruding, his banjo-picker's fingers clasped behind his neck as he holds the phone shoulder-to-cheek and begins with a "Hey" or a "Howdy." Mostly, Clark is a listener, saying only what's needed to prod the conversation along from point to point: "You can't make chicken salad out of that." . . . "How do you mean?" . . . "Good God Almighty. That's too long." . . . "Do you think this is something serious, or is it just that his feelings are hurt?"

Executive Assistant Sol Lindenbaum ambles in, and Clark asks, "Did we get an answer from the White House on the draft-board memo? Could you check to make sure it went in as an action memorandum?" Clark tells me: "When we discovered this problem, there were twenty-four states with no Negroes on the draft boards. Now we're down to four, but that's four too many. Two of them we think we can do something about. It's the others that have us worried." His memo recommends a procedure for *de facto* integration of the hold-out segregated boards, and Clark wants word before the day is out.

Midmorning he and aide Hugh Nugent start to review plans for reorganizing the department. But presidential assistant Marvin Watson is on the phone. "Howdy, Marvin. Have you seen that there memo I sent over on the draft board? Has the President seen it? We don't want it to go in raw."

Sol Lindenbaum is back with a piece of paper that Clark scrutinizes and then signs. "That was a request for a wiretap," he says. The telephone rings again. "Hey, Joe [Califano, another White House assistant], say have you seen that draft-board thing? . . . That's right. You just can't have the President of the United States condoning segregated draft boards at a time like this. Well, as I recall, it didn't provide an opportunity for the President to say 'do something.' When it goes in, it should have a 'yes' or a 'no' check box. OK, I'll see you later."

At 2:30 he is off to The Hill to give Sen. Spessard Holland (D., Fla.) some bad news about a judicial nominee the senator is supporting. "When I have good news, they come up here. When I have bad news, I go to The Hill." It takes longer than expected. At 3:45 he is back in his office with a line of people waiting to see him. At 4:30 he chairs a secret interdepartmental committee meeting, which lasts for an hour. His parting advice to the committee: "The only thing is to be a constant prod. Just like a fly buzzing around all the time. Zzzzz . . ." His hand describes the arc of a pesky fly as he rises and bids his visitors good-bye. Promptly he is on the phone again, with Justice William Brennan, with Thurgood Marshall, recently appointed to replace Clark's father on the Supreme Court, with various White House personnel (nine times) and with Carry Carson, who was a family maid when Ramsey was a boy and called to say hello. At 5:45 he leaves for a White House meeting at which he hopes to resolve the draft-board question.

At 7:30 he is back at his desk, his in-box again stacked more than a foot high. In the top drawer of his desk he keeps a little list of things he hopes to accomplish. He won't show it to anybody, because "sometimes articulation can inhibit achievement," but he is quick so say that "nothing gives me more pleasure than to take out my list and check an item off." On his return from the White House, I'm not sure, but I thought I saw him check something off. When I asked if I might call this a new kind of Attorney General's list, Clark smiled, cleared his throat, and said, "I don't exactly approve of that other kind of list."

By 8:30 he is munching potato chips, sipping tea and has processed an hour's worth of paper. Only a night secretary is on duty. Across the hall Cliff Sessions, the only introverted public-information director in Washington, is available in case he is needed. Clark's wife, Georgia, appears—breathless, full of the day's events. Clark stuffs a batch of pink-and-white memoranda in his briefcase, and stands with his arm around Georgia. She looks up at him, and they begin to talk about his day. (At breakfast she had said, "It's a good thing Ramsey's at Justice. I mean, imagine if he were at a place like Commerce. I mean *Com*merce—really!") Clark takes out his key and inserts it in the lock of the tiny private elevator, which takes them down to the old convertible. They pile in, Georgia careful not to rip her pink cocktail dress on the jagged seat, and they head for home.

ASSISTANCE TO ISRAEL FOR DESALINATION PLANT

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. GIAIMO] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. GIAIMO. Mr. Speaker, I am pleased to join my colleague, the gentleman from New York [Mr. RYAN], in the introduction of a bill which would authorize U.S. technical and financial assistance to Israel for the purpose of assisting in the construction of a nuclear desalination plant. This plant, when completed, will produce from sea water 150 million gallons of fresh water and will also provide 400,000 kilowatts of electricity daily.

This project will be of great value to Israel's economy which was severely affected by the June war, and will also provide much needed technical information for future desalination programs throughout the world. U.S. financial assistance will make it economically feasible to use the water for agricultural and industrial purposes, and for that reason I urge that the bill receive early and favorable consideration by the House.

Mr. Speaker, I would also like to take this opportunity to comment on the confused situation in the Middle East. The recent statements emanating from the meeting of Arab foreign ministers offer no immediate hope of a settlement of Arab-Israel differences. The continuing refusal of the Arab countries to negotiate directly with Israel concerning the future of the Middle East is clear evidence that they have not rejected the destructive goals which were enunciated by Arab capitals before the June war.

While I have every respect for the work that the United Nations is trying to do, history tells us that United Nations guarantees pertaining to this subject have not provided the security necessary for Israel to exist free from the constant fear of aggression from her neighbors.

The United Nations resolution which unanimously passed the Security Council embodies sentiments to which all men of good will can subscribe. Of course, Israel wants to see the Palestine refugee problem settled, and she has indicated that under the proper circumstances she would be willing to give up the Arab lands which she presently occupies. I think, however, that it is in the interest of the United States to support Israel's position that until there are direct talks between the two sides in the dispute, there cannot be adequate guarantees of anything.

In view of the recent ill-conceived, intemperate, and unjustified comments of President de Gaulle of France aimed at Israel, I believe that it is important for the United States to reconfirm its support for Israel, its belief that it was the Arab states and not Israel which precipitated the June crisis, and that it is the Arab states which are preventing a solution to the Middle East problem. Arab leaders must not be allowed to think that the United States will stand by and allow them to gain through the use of diplomacy what they could not gain by war, nor should they or Israel be allowed to believe that the pontifications of the French Head of State reflect the attitudes of any other Western power or its people.

The rights of all the states of the Middle East must be preserved and guaranteed, but until Israel's neighbors are willing to recognize the existence of Israel as a free and independent state, until Israel's neighbors are willing to participate in discussions with her with a view toward the solution of differences, it is my view, Mr. Speaker, that peace in the Middle East will not be realized in the near future.

FOOT-AND-MOUTH DISEASE

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma [Mr. ALBERT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. ALBERT. Mr. Speaker, many Members of the House have voiced concern because of the outbreak of foot-and-mouth disease in England and Wales.

Because of the alarm which has been expressed, I asked the U.S. Department of Agriculture to prepare a statement setting forth the steps which are being taken by the Department to assure that the disease be kept out of the United States.

I am sure that my colleagues will be glad to learn the preventive measures which are being engaged in by the Department. Under the unanimous-consent request, I include the statement prepared by the Agricultural Research Service, USDA, at this point in the RECORD:

FOOT-AND-MOUTH DISEASE

(Statement by U.S. Department of Agriculture, Agricultural Research Service)

England and Wales are experiencing the most serious outbreak of foot-and-mouth disease in their history. More than 1,400 herds and more than 250,000 animals have been slaughtered.

England and Wales accepted an offer from the Department to assist in containing the current foot-and-mouth disease outbreaks. Twelve veterinarians are now working in England and Wales from which they will also gain valuable experience in fighting this terrible livestock disease if it should again invade the United States.

Many other countries of the world suffer regularly from outbreaks of this dread disease. Canada, Mexico, Central America, Greenland, Iceland, Norway, Ireland, Northern Ireland, Channel Islands, New Zealand, Australia, and Japan are the only major land areas in the world which the Department of Agriculture considers to be free of foot-and-mouth disease. The disease is widespread in Europe, Asia, Africa, and South America.

The Department of Agriculture is actively engaged in conducting inspection and quarantine measures to prevent the introduction and dissemination of foot-and-mouth disease and other destructive diseases and pests from foreign countries such as African swine fever, rinderpest, exotic ticks, African horse sickness. The Congress has provided authority under the Act of February 2, 1903, as amended (21 U.S.C. 111) and the Tariff Act of 1930 (19 U.S.C. 1306). The Code of Federal Regulations, Title 9, Part 94 deals specifically with prohibited importations from countries in which foot-and-mouth disease exists. The Department prohibits the importation of domestic ruminants and swine, fresh, chilled or frozen meats from any country where foot-and-mouth disease is known to exist. Under strict standards and regulations, the importation of wild ruminants or swine is permitted when such animals are solely for exhibition at an approved zoological park from which they cannot be moved without prior knowledge and consent of the Department.

The Department has veterinary and trained lay inspection personnel assigned to duty at various ports of entry to conduct the inspection and quarantine activities. Animals and animal products, poultry and poultry products, hay, straw, and similar material that might transmit animal diseases into the

United States are inspected and only those determined to be safe from disease are allowed to come into this country.

In connection with the present foot-and-mouth outbreak in England and Wales, the Department is working with the Customs Bureau to intensify inspection of passengers' baggage at ports of entry to reduce the risk of spreading the infection to the United States in agricultural items or on wearing apparel of people who have been on farms in England and Wales. Other protective measures which the Department employs to prevent invasion of foreign animal diseases include cooperative monitoring at borders on Canada and Mexico.

Nine outbreaks have occurred in the United States since 1870. The last was in 1929. Direct losses from 6 outbreaks occurring between 1902 and 1929 are estimated at $253 million. The largest outbreak occurred in 1914 and affected more than 3,500 herds in 22 States and the District of Columbia.

The last outbreak in Canada was eradicated in 1952; and in Mexico, in 1954. The longest and most costly campaign took place in Mexico between 1947 and 1954 when Mexico and the United States fought the disease together. The Department continues to take the position that all of North America must be made safe from foot-and-mouth disease. Through the Mexico-United States Commission for the Prevention of Foot-and-Mouth Disease constant vigilance and preparedness is maintained in Mexico. Any suspicious cases are investigated to determine whether or not foot-and-mouth disease is present. Likewise, Canadian Animal Health officials are continuously on guard to investigate any case suspicious of being foot-and-mouth disease.

The Department has developed an "Emergency Disease Eradication Organization" in each State. Trained specialists are available and equipped to investigate and deal promptly with disease conditions suspicious of being foot-and-mouth disease or other dangerous foreign animal diseases such as rinderpest, African swine fever, exotic ticks, etc. Laboratory support vital to the diagnosis of foot-and-mouth disease and others is provided by the Plum Island Animal Disease Laboratory, Long Island, New York.

Also, the Plum Island Animal Disease Laboratory conducts intensive research including investigating diagnostic methods and developing improved diagnostic techniques; developing improved disinfectants which have great application for destruction of virus on facilities and equipment; studies on the extent and duration of the carrier state—of animals or virus shedders—following infection; studies to determine survival time of virus in blood and other tissues; and basic studies of virus structures which are essential to the development of improved vaccines and diagnostic methods.

HOPE FOR GREECE?

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. COHELAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. COHELAN. Mr. Speaker, we learn today that in Greece, King Constantine has made a plea to the people of his country to support him in his effort to remove the military junta which took power earlier this year and to help him restore constitutional government in that country.

To those of us who have witnessed with increasing concern the denial of basic freedoms of assembly and of the press to the Greek people, who have seen political prisoners incarcerated for no reason other than opposition to the military regime, and who have waited in vain for the junta to abide by its promise to restore democracy, this move by King Constantine offers a glimmer of hope.

In the United States, friends of the Greek people, aware of Greece's contribution to the development of democracy and of its traditional dedication to the ideals of liberty, hope that Greeks will heed the call of the King and that he will be successful in this initial step toward restoring orderly parliamentary democracy in Greece.

REPORTER ON SCENE FINDS WE ARE WINNING THE WAR

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. WRIGHT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. WRIGHT. Mr. Speaker, there has been a lot of talk recently about how well things are going in Vietnam. With all the conflicting reports, it is sometimes difficult to know exactly where we stand. I noticed in the New York Daily News a few days ago an article by Stan Carter. It appeared to me a reasonable and objective assessment of the situation and I insert the article in the RECORD:

[From the New York News, December 1967]

REPORTER ON SCENE FINDS WE ARE WINNING THE WAR

(By Stan Carter)

SAIGON, December 9.—We are winning this war. It is slow and costly in both money and men—perhaps too costly. But the only thing that can beat us in the end is for the American people to buckle.

This seems so plainly evident from a tour of the war zone—seeing the immense American power, talking with American generals, pilots and GIs, American and foreign diplomats, South Vietnamese officials and Communist defectors—that you cannot believe anyone could question it.

Then a copy of an American magazine arrives with an article by a reporter who won a Pulitzer Prize for Vietnam coverage in 1964, insisting that we are not winning "in any true sense. . . . The society is rotten, tired and numb. . . . The sense one finally gets is of the fragility of the situation rather than the permanence."

SO YOU KEEP TALKING

And so you talk to more people, including some newsmen who have been here a long time, who maintain that despite the bloody defeats the North Vietnamese have been suffering in the central highlands and the way the Viet Cong's organized formations in the Mekong Delta have been decimated, the war is stalemated.

But you also talk with other reporters who are old Asia hands, whom you knew and respected in Korea, who confirm your impression that we are winning.

You can't escape the conclusion that at least some of the doubters were opposed to the war before they ever came here—that they are emotionally committed to American defeat. Because they predicted it.

But you are wary about being brainwashed by American officials, as Gov. Romney says he was. You treat every statistic with suspicion.

You go to Long An Province, where, according to the magazine expert, "the local officials are no better, the Arvn (South Vietnamese) forces are as bad as ever, and knowledgeable Americans speak of progress in muted tones, knowing it can vanish the next day."

The situation there is, indeed, touch-and-go. You meet a district adviser, ending his one-year tour, who is discouraged and pessimistic.

But there has been progress there—schools being built in rural hamlets that once were indisputably controlled by the Viet Cong; an obvious preference by most of the people for the South Vietnamese government, shown by their turnout to vote in the national elections in the face of Viet Cong threats; the fact that VC battalions have split into two and three-man units.

In a company-sized attack on the pacified hamlet of Nga Dai last month, the local Popular Forces garrison stood and fought from their watchtower and drove the attackers away in a trail of blood.

Elsewhere in the country, there are grounds for valid criticism of many South Vietnamese army units, but no more than there were for the South Korean divisions that bugged out on the flanks of American outfits in Korea in the early 1950s.

But some South Vietnamese units have done heroic fighting. Among them are the paratroopers and rangers who fought northeast of Dak To in last month's central highlands battle and the South Vietnamese marines who bore the brunt of a battle in the Mekong Delta in which 235 Vietnamese were lost Monday.

IMPROVING, LIKE THE KOREANS

Overall, American advisers report that, while still spotty, the South Vietnamese forces are improving, much as the Republic of Korea forces improved under American tutelage in the later stages of the Korean war.

So what about the Communists? Their head-on rushes into slaughter at Dak To, Loc Ninh and elsewhere in the past several weeks can have no other meaning than that they are desperate, seeking against overwhelming odds to achieve a propaganda victory that may turn the tide of American public opinion as their victory over the French at Dienbienphu turned the tide for them in 1954.

But Gen. William Westmoreland, the American commander in South Vietnam, has blunted all their attacks at much greater cost to them than to us. (The American 173d Airborne Brigade suffered extremely heavy casualties at Dak To, but the North Vietnamese losses were vastly larger.)

While the North Vietnamese are bearing more and more of the burden of the war (in their homeland as well as in South Vietnam), the Viet Cong apparatus in the south is becoming eroded.

The other day an entire Viet Cong platoon—37 Communist soldiers plus a 15-year-old girl nurse—surrendered to the South Vietnamese 365 miles northeast of Saigon because they were hungry, disenchanted and tired of fighting—the largest mass defection since the war began.

American intelligence sources long have maintained that when the Communists began defecting in units, the end would be near.

Meanwhile, this is becoming more and more a North Vietnamese war and less and less one fought by South Vietnamese dissidents.

Current strength of enemy organized units is officially put at 118,000. Actually, it is a little less, according to later intelligence figures—about 116,500.

Officially, 53,500 of the enemy are supposed to be North Vietnamese regulars. Actually, there are so many North Vietnamese replacements in Viet Cong units that the figure is more like 65,000—some 60% of all the communist forces in South Vietnam.

In 1965, the Viet Cong were recruiting about 7,000 new soldiers in South Vietnam a month.

Today, the recruitment figure is believed to be less than half that.

INFILTRATION SHARPLY REDUCED

Infiltration from North to South Vietnam, which reached 14,000 men a month in mid-1966, has been cut to 5,000 or 6,000 a month—not enough to compensate for casualties. By South Vietnam figures, the Communists controlled over 50% of the population two years ago. Today it is less than 14%.

By everybody's reckoning, the Communists have lost the recent big battles of the military campaign.

The "other war" is much more difficult to measure. But there is also visible progress in it.

How long it will all take is impossible for anyone to know. Perhaps another year to grind down all of the enemy's organized strength. Then, according to one official, perhaps eight to 15 years of "nation rebuilding to reach the point of nationhood that South Korea has now reached, 13 years after the Korean war.

Whether it is worth it is for the American people to decide. But as of now, I am convinced the Communists are being defeated here.

ENVIRONMENTAL SCIENCE SERVICES ADMINISTRATION

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. HELSTOSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. HELSTOSKI. Mr. Speaker, it has come to my attention through a constituent of mine that one of our uniformed services is being subjected to what I consider illegal and certainly unfair treatment. I am referring to the commissioned officer corps of what formerly was the Coast and Geodetic Survey. By Reorganization Plan No. 2 of 1965 the Coast and Geodetic Survey was merged with the Weather Bureau to form the Environmental Science Services Administration and the commissioned officers were transferred to the new Administration. The purpose of the merger was to consolidate Federal activities of the Department of Commerce that deal with the environmental sciences. Congress acquiesced to the merger as a desirable one, and the reorganization plan became effective on July 13, 1965.

The commissioned officer corps did not as a result of the reorganization plan undergo any statutory change except in name. Officers of the corps became officers of the Environmental Science Services Administration, whereas they formerly were officers of the Coast and Geodetic Survey.

Mr. Speaker, these officers are still subject to the same laws that applied to officers of the Coast and Geodetic Survey. Congress obviously intended this to be the case, for we provided no other laws to cover them subsequent to the reorganization plan. Thus, they are paid in accordance with title 37, "Pay and allowances of the uniformed services"; and they are similarly covered by other statutes that were enacted originally with respect to the Coast and Geodetic Survey, including provisions of title 10, Armed Forces.

Only one Government agency has seen fit to question the intent of the executive branch and the Congress. The Veterans' Administration has unilaterally held that officers appointed in the Environmental Science Services Administration commissioned officer corps since Reorganization Plan No. 2 of 1965 are a new and different breed of officer and, as such, they are not entitled to coverage under existing laws that pertain to officers of the Coast and Geodetic Survey. On this basis only, the Veterans' Administration is denying these officers the protection of various laws relating to veterans.

I must say, Mr. Speaker, that this is an interesting and intriguing point of view, for if it is valid we have, for two and a half years, been illegally providing these officers pay and allowances, leave, travel expenses, death benefits, and transportation of dependents and household effects. In fact, if these officers are not covered by laws enacted with respect to the Coast and Geodetic Survey, we are permitting them to be appointed and promoted "by and with the advice and consent of the Senate," we are providing them protection under the draft laws, and we are condoning their assignment around the world, all under nonexistent authority.

Mr. Speaker, although the Veterans' Administration must be commended for its effective handling of many complex problems of massive proportions, I believe it has failed completely in its appraisal of the inherent statutory coverage of Officers of the Environmental Science Services Administration which resulted from Reorganization Plan No. 2 of 1965.

I am aware that a stalemate has existed in the executive branch over this problem for more than 2 years, and I think it is totally inexcusable that the commissioned officers affected have had no recourse to effect a resolution other than through a Member of Congress.

This uniformed service, the commissioned officer corps of the Environmental Science Services Administration, is the smallest of our services. Probably less than 200 officers are involved in this controversy, and yet the problem cannot be evaluated on the basis of its size. As individuals, these officers and their dependents are protected by the same laws that protect the officers of all the uniformed services. They have no other statutory protection for such basic benefits as compensation for service-connected disability and compensation of dependents for service-connected death.

Mr. Speaker, I urge that Congress immediately act to protect these officers. Each day they serve without protection jeopardizes the future of themselves and their dependents.

In order to resolve this dilemma conclusively, I submit the following bill and request my colleagues to act on it with dispatch:

H.R. 14449

A bill to provide that certain laws which apply to commissioned officers of the Coast and Geodetic Survey shall also apply to commissioned officers of the Environmental Science Services Administration

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 501(d) of the Act entitled "An Act to provide benefits for the survivors of servicemen and veterans, and for other purposes", approved August 1, 1956, is amended to read as follows:

"(d)(1) The second sentence of the second paragraph of section 16 of the Act of May 22, 1917 (33 U.S.C. 857), is amended to read as follows: 'Active service of commissioned officers in the Environmental Science Services Administration or in the Coast and Geodetic Survey shall be deemed to be active military service for the purposes of all laws administered by the Veterans' Administration (except the Servicemen's Indemnity Act of 1951) and section 217 of the Social Security Act, and for the purposes of section 210 of the Social Security Act as in effect prior to the Social Security Act Amendments of 1950.' "

SEC. 2. (a) Section 101 of title 38, United States Code, is amended—

(1) by inserting "the Environmental Science Services Administration or" after "commissioned officer of" in paragraph (21)(C), and

(2) by inserting "or its successor organization, the Environmental Science Services Administration" immediately before the period in paragraph (25)(F).

(b) Section 3105 of such title is amended by striking out "Coast and Geodetic Survey" and inserting in lieu thereof "Environmental Science Services Administration".

SEC. 3. The amendments made by the first section and section 2 of this Act shall be considered as having been in full force and effect as of July 13, 1965.

SUMMARY OF CONGRESS' ACTIVITIES

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. SMITH] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. SMITH of Iowa. Mr. Speaker, at the end of each session, I summarize the activities of the Congress for the current year, reprint them at my expense, and mail them to constituents in Iowa.

Of course, I cannot include actions on all bills that have been passed, but at least I try to cover those of most interest to the people of Iowa. The number of significant bills passed this year has been considerably less, and the number of hours lost from political maneuvering has been more than in any Congress in many years. In some ways, I believe this is the worst Congress since the 80th Congress. A coalition formed a formidable enough block of votes to cause the unnecessary delay of almost any measure that came before the House. I do not complain about a Member's vote being different from mine on some measures and believe every Member should vote his conscience, but I deplore political maneuvering for the sole purpose of delaying the Congress in working its will.

In a growing and dynamic economy such as we have in the United States, with a population of over 200 million people and a shifting and urbanization progressing at such a rapid rate, there is bound to be a number of important problems which should be nonpartisan matters, such as maintenance of law and order, urban problems, sewer and water projects for both urban and rural areas, air pollution, safety measures, and rehabilitating and retraining the unemployed so that they can become taxpayers instead of taxeaters.

However, I am sorry to say that I have finally come to the conclusion that the consumers of this country are so unorganized that securing enactment of legislation beneficial to them can only be accomplished over the most severe obstacles. The meat inspection bill, which I have been the sole promoter of for most of the past 7 years, served as an example that should awaken everyone.

The opposition was exceedingly well organized, skillful, and well financed, and worked not only through representatives in Washington but also through officials within the States such as State secretaries of agriculture who are supposed to be, but in most cases have not been, protecting consumers. While consumers have been paying billions of dollars for nonmeat products, fillers, and inferior materials, mixed in with meat products, most of them were unaware of the mislabeling and lack of protection. Even representatives of some farm organizations, who should be interested in recapturing the market that has been lost by wholesome meat being replaced by these fillers and pawned off onto the consumers without them being aware of it, actually lobbied against the bill. The Washington representatives of the Farm Bureau opposed the bill and the Iowa Beef Producers and a number of other organizations that should be interested either opposed the strengthening amendments or spent more time on comparatively insignificant matters than they did on this. As our country becomes bigger, and the relationship between processors and manufacturers and consumers becomes less personal, the need is greater for strong consumer representation, but the economic power of the manufacturers becomes greater while the unorganized consumer remains unorganized.

Thus, as this unusually long session comes to an end, we must conclude that, while lack of growth and progress would be bad, our fast growth and great progress also creates problems that demand our earnest and conscientious attention. The following digest of bills indicates how a majority compromised the proposed solutions to some of these problems.

Several pieces of legislation, such as the truth-in-lending bill, a bill to provide a census every 5 years, and others, have passed one House but not the other and are expected to be given final approval next year. Some other important bills have passed both Houses but no compromise has been reached yet by conference committees.

CONSUMER PROTECTION

Public Law 90– requires the 14,000 meatpacking and processing plants which are not now subject to Federal inspection to come up to Federal standards within 2 years, but an additional year can be given under certain circumstances; gives the U.S. Secretary of Agriculture authority to make periodic observations in non-federally inspected plants and to put such a plant under Federal inspection if it is determined that the plant is endangering the public health; prohibits false labeling of meat and meat products containing nonmeat and inferior material; requires imported meat to meet U.S. Federal standards and without the 2-year delay given non-federally inspected plants in the United States; and protects against meat from rendering plants being used in human food. The bill contains about 95 percent of the protection provided in the bills I have promoted for 7 years.

Public Law 90– sets Federal safety standards to protect consumers in buying clothing, bedding, and other flammable fabrics which have been responsible for an estimated 3,000 deaths each year.

Public Law 90–146 creates a National Commission on Product Safety to study and recommend action to protect consumers from unsafe products for household use.

SOCIAL SECURITY AND HEALTH

Public Law 90– , as of today the bill has not been approved by the Senate, but the conference report is expected to be approved and it provides increased social security benefits for 23.7 million persons now on social security. Minimum payments rise from $44 monthly to $55 and maximum payments from $142 to $160.50 for those individuals now on the rolls.

The effective date of these benefits would be reflected in checks received in early March. It also increases amount recipient can earn from $1,500 to $1,680 without reduction in benefits, and provides that $1 in benefits can be kept without a reduction for each $2 of earnings between $1,680 and $2,880. The limit on earnings without a dollar-for-dollar reduction formerly was $1,800. It also makes it easier for young totally disabled workers to qualify for benefits, and increases benefits for the dependents of deceased workers.

There is a strong feeling that the tax rate for social security financing should not be increased any more and that future increases in benefits be financed within the increased funds provided by more people working and higher average income after taxes.

Public Law 90–42 extends the Older Americans Act passed in the last Congress for community projects and demonstration research projects.

Public Law 90–31 extends and expands the Community Mental Health Center Act passed in the last Congress.

Public Law 90–99 extends for 2 years the authorization for Federal matching grants to States for vocational rehabilitation programs; establishes a National Center for Deaf-Blind Youths and Adults; authorizes projects for rehabilitation services for children of migratory farm workers.

Public Law 90–174 amends the Public Health Service Act to authorize Federal assistance to State and local governments in planning and developing comprehensive health programs.

Public Law 90–170 extends for 3 years the authorization for Federal assistance in construction of centers for the mentally retarded; includes provision for 3-year program of research and training in physical education and recreation for mentally retarded children.

Public Law 90–91 extends the food stamp program for another 2 years.

ANTIPOVERTY PROGRAM

Public Law 90– continues the antipoverty program for another 2 years with maximum authorization at about the same level as last year.

EDUCATION

Public Law 90–129 continues the authorization for Federal matching funds to help finance educational television stations; creates a new corporation to operate a nonprofit television network for education and enjoyment.

Public Law 90–35 extends the Higher Education Act, passed in 1965, and authorizes $1.1 billion for 3 years. Grants are made to State commissions which distribute the money. The Iowa Commission received and distributed about $6.2 million during fiscal year 1967 to colleges and universities in the State.

Public Law 90– extends the Elementary and Secondary Education Act, passed by the last Congress. The program provides funds to local school districts to increase educational opportunities and relieve the pressure on local property taxes.

CIVIL RIGHTS

Public Law 90– extends the life of the U.S. Civil Rights Commission for an additional 5 years.

Public Law 90– makes it unlawful to exclude applicants between 40 and 65 years of age from employment opportunities.

LABOR

Public Law 90– provides a 6-percent pay increase for postal workers and a 4.5-percent increase for other classified Federal employees, both retroactive to October 1, 1967, and is calculated to bring Federal employees up to salary level comparable to non-Federal employees in 1969; it also includes my bill to prohibit nepotism in Federal employment; provides free mailing privileges for members of Armed Forces in Vietnam.

NATURAL RESOURCES

Public Law 90–148 authorizes securing injunctions against polluting of the air according to certain air quality standards.

Public Law 90–147 makes appropriations for public works projects during fiscal year 1968 and includes $8.6 million for the Red Rock Dam and reservoir, $5.9 million for the Saylorville Dam and reservoir, $1.3 million for the Des Moines River levee and river road project in Des Moines, and $150,000 to complete planning for the Ames Dam and reservoir on the Skunk River. Red Rock is now expected to be completed in 1 year and the completion date for Saylorville is estimated for June 1971.

SMALL BUSINESS

Public Law 90–104 increases the authorization for the Small Business Administration's revolving fund and fixes new minimum requirements for small business investment companies.

FOREIGN AFFAIRS

Public Law 90–7 authorizes the President to provide emergency food aid to India, including 3 million tons of grain.

Public Law 90–175 continues the authorization for the Peace Corps for another year.

Public Law 90–88 authorizes funds for the Inter-American Bank to assist in social and economic progress in Latin America.

ARMED FORCES AND VETERANS

Public Law 90–40 extends the draft for 4 years; puts 19- and 20-year-old group in highest priority for induction; provides that college students who are deferred will go into the high-priority group upon graduation; retains almost complete authority in local draft boards to determine which men are selected. Currently, about one of each five eligible is needed to fill the draft.

Public Law 90–8 appropriates an additional $12.2 billion for support of U.S. Armed Forces in Vietnam, making a total of about $25 billion for cost of Vietnam for fiscal year 1968. A proposal to prohibit bombing in North Vietnam was defeated in the House by a vote of 372 to 18.

Public Law 90– provides a 5.6-percent basic pay increase for servicemen and includes a part of my bill to provide an expense-paid trip home for servicemen once per year. The Senate amendment reduced its scope to limit the trips to those injured in Vietnam and on convalescent leave but hearings on the full bill have been promised to begin in February.

Public Law 90–77 provides compensation, pensions and educational benefits to veterans of Vietnam, widows and surviving children.

MISCELLANEOUS

House Resolution 418 created a new standing Committee on Ethics for the House of Representatives.

Reorganization Plan No. 3 provides the District of Columbia with an appointed Mayor and City Council to replace the District Commissioners.

TAXES AND BUDGET

Public Law 90–26 reduced Federal taxes by about $820 million for fiscal year 1968 by restoring investment credits and accelerating tax writeoffs on construction. As a result of this and other Federal tax-reduction bills passed in the last 4 years, Federal taxes paid for 1967 will be $24 billion less than they would have been if the reductions had not been passed. The average reduction is 28 percent. The proposal to increase taxes which is now under consideration would suspend about one-third of these reductions for a year or probably until the end of the Vietnam war.

Congress reduced the President's request for appropriations by nearly $6 billion as shown below. Some of this is delaying the delivery of services which will be funded when the demands on our production caused by war expenditures is less, but most of it represents "belt tightening." I serve on the Appropriations Committee and we work long days for months looking at requests line by line. Even though this has been done, I am sure more time and work could have found some additional places to cut moderate amounts. The President has directed agencies to find an additional $2 billion that can be cut this year.

Although an increase in the number working and paying taxes, increased productivity, and higher incomes is producing an increase in tax receipts of several additional billions of dollars each year without increases in tax rates, the cost of filling the supply lines in Vietnam, and supplying bases in the Near East and elsewhere, cost an additional $25 billion this year and more than offset the increased tax receipts.

The appropriations recap—or maximum that can be obligated—for the fiscal year 1968 is as follows:

Total budget requests	$133, 273, 083, 277
Total appropriated by Congress	127, 466, 380, 457
Total reduction by Congress	5, 806, 702, 820

APPROPRIATION BILLS, 90TH CONG., 1ST SESS.

	President's request	Enacted
Bills for fiscal 1968:		
Treasury-Post Office	$7, 615, 148, 000	$7, 545, 641, 000
District of Columbia:		
Federal payments	73, 499, 000	67, 478, 200
Federal loan appropriation	89, 700, 000	79, 200, 000
Interior	1, 458, 218, 000	1, 382, 848, 350
Loan and contract authorizations	(30, 700, 000)	(16, 200, 000)
Independent Offices-HUD and NASA	15, 920, 513, 700	14, 728, 373, 900
Contract authorization (rent supplements)	(40, 000, 000)	(10, 000, 000)
Labor-HEW	[1] 13, 424, 146, 000	[1] 13, 255, 356, 000
State, Justice, Commerce, and Judiciary	[1] 2, 347, 803, 195	[1] 2, 169, 012, 500
Legislative	276, 005, 210	275, 699, 035
Agriculture	[1] 5, 021, 097, 400	[1] 4, 952, 945, 700
Loan authorization	(859, 600, 000)	(859, 600, 000)
Defense	71, 584, 000, 000	69, 936, 620, 000
Transportation	[2] 1, 718, 618, 772	[2] 1, 581, 905, 772
Public works	4, 867, 813, 000	4, 689, 938, 000
Military construction	2, 937, 000, 000	2, 093, 362, 000
Foreign assistance	3, 818, 736, 000	[3] 2, 950, 000, 000
Supplemental (poverty, Appalachia, etc.)	2, 120, 785, 000	[3] 1, 858, 000, 000
Total, 1968 bills	133, 273, 083, 277	127, 466, 380, 457

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[1] And participation sales authorizations as follows: Independent Offices-HUD, $3,235,000,000 in budget estimates, $881,000,000 in House bill, $3,235,000,000 in Senate bill, and $3,235,000,000 enacted; Labor-HEW, $115,000,000 in budget estimates, House bill, and enacted; State, Justice, Commerce, and Judiciary, $150,000,000 in budget estimates. House bill, Senate bill, and enacted; Agriculture, $800,000,000 in budget estimates and House bill, $700,000,000 in Senate bill, and $750,000,000 enacted. Total authorizations requested in budget, $4,300,000,000; total in House bills, $1,946,000,000; total in Senate bills, $4,085,000,000; total enacted, $4,250,000,000.

[2] Includes advance funding for fiscal 1969 for grants-in-aid for airports (budget $75,000,000; House bill, $65,000,000; Senate bill, $75,000,000; enacted, $70,000,000).

[3] Estimated Dec. 13, 1967.

YOUTH AIDED ON SHOESTRING

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. HOLLAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. HOLLAND. Mr. Speaker, William Raspberry's column often deals with the problems that confront Washington youth. His articles are always of great interest—and the one which appears today in the Washington Post is no exception.

The public employment service has always been an area of keen interest to me and we continue to look for ways that it can be updated and more valuable to those looking for its assistance. Richard Schnickel and Myer Waxler are taking a creative and imaginative step—partially brought about by necessity—to bring the unemployed youth of Washington into the sphere of positive action. It is a shining example of personal initiative and reflects well on the public employment service and the ingenuity of these two men.

Mr. Raspberry's article follows:

YOUTHS AIDED ON SHOESTRING

(By William Raspberry)

Richard Schnickel is one government employe who doesn't have a commuting problem. He wakes up at work.

It is a convenience the GS-9 counselor for the U.S. Employment Service would just as soon forgo.

Schnickel and Myer Waxler work out of Schnickel's Southeast apartment because there isn't enough space for them at the main USES building. Their program, to judge from the good it is doing, deserves better than that.

Their job, which started two years ago next May, is to work with teen-agers about to be released from the Cedar Knoll Children's Center and help them to find work. But it also involves offering friendship to youngsters who never had enough of it and providing a buffer between the youths and society.

A measure of the project's success is that the recidivist rate among those in the Schnickel-Waxler program is between 15 and 20 per cent. Some 35 per cent of those not involved in the program wind up in trouble again, according to William Barr, institutional administrator at Cedar Knoll. Some estimates have run as high as 70 per cent.

Schnickel and Waxler begin their contact with the young offenders while they are still at Cedar Knoll, usually a few weeks before they are scheduled to be released.

Since the two counselors are employees of USES, a large part of their involvement, naturally, is in finding jobs for their charges. Most of the jobs, they admit, aren't very glamorous ones. For example, of the 26 youngsters now working, 17 are employed by the Neighborhood Youth Corps at $1.40 an hour.

The fact that the jobs usually aren't very good makes even more impressive the reduction in recidivism. This, apparently, is because of the other services Waxler and Schnickel are able to provide.

"I really don't know how to characterize what we do," said Schnickel. Big brother, substitute parent, counselor don't quite describe it. Ombudsman comes close.

One reason the program has worked as well as it has is that the two men have been able to avoid having themselves identified with the authorities. And that is one reason why the office problem has become so critical.

They started out in a small classroom at Armstrong High School, but got kicked out shortly after Labor Day when school officials decided they needed the space to help reduce crowding.

The counselors believe the program was never really welcome at the school.

In any case, after the eviction, the program was moved to Schnickel's Capitol Hill apartment, with the blessing of his indulgent wife. USES doesn't help Schnickel with the rent, and he can't even write it off on his income tax returns.

"Officially, we are working at the main USES office," a room that includes ten other desks and four rows of chairs where youths wait to see counselors or take tests or get job information.

"How can you talk to a kid about his very personal problems when there are maybe 35 people within 20 feet of your desk?" Waxler asked.

Added Schnickel: "Then there's the security guard who wanders in and out, telling them not to go to sleep and to take off their hats. To them, it's just The Man."

It is to avoid any hint of connection with The Man that Schnickel and Waxler want space in a noninstitutional building—perhaps a vacant house or a large apartment in a central location.

FRANCIS CARDINAL SPELLMAN

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentlewoman from New York [Mrs. Kelly] may extend her remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mrs. KELLY. Mr. Speaker, in today's issue of the Washington Daily News, there appeared an article about the late and beloved Francis Cardinal Spellman of New York entitled, "The Parish Priest," which was written by the very esteemed columnist, Mr. Henry J. Taylor.

In years past and in years to come, many diverse words will be written about Cardinal Spellman. However, none could portray him better than the article I have just read. The article portrays the superior human qualities which the late Cardinal possessed as a man who was a priest, bishop, and cardinal of the Roman Catholic Church. It shows his love and kindness in the true meaning of these words. This is the part of His Eminence I knew and will most definitely miss.

The article by Mr. Taylor follows:

The Parish Priest

(By Henry J. Taylor)

Francis Cardinal Spellman remained a parish priest to the very last day of his life. The Mother Church requires this, of course, as the spiritual foundation of even its most exalted prelates. But in Cardinal Spellman's case it brought him what is contained in the Spanish word "alegria," a deep-going happiness that nothing could stifle.

That this great churchman, a truly benevolent man of God, remained at heart a parish priest is proved by a small but revealing incident.

One drizzly Sunday evening about 10 o'clock I was walking home with His Eminence. As we crossed Madison-av to the Archbishop's residence we saw a white figure standing on the steps, ringing the doorbell. It was a young sailor from the U.S. Fleet.

Reaching the steps and looking up at the boy, his turned-up overcoat collar hiding the red tab of a Cardinal, he said, "Son, what can I do for you?"

"Father," he answered, "I want to go to confession."

The door key sprang from the Cardinal's pocket. As quickly and instinctively as anything inborn could be expressed, the Cardinal's exalted station, the time of night and the pressure of some things I knew awaited him were gone in a flash. Here was the parish priest.

"Oh, come right in, son," he said, opening the door and urging the boy gently forward so he could hear his confession.

Kindness and love are the finest mixture in this day when so many in the world seem caught in the web of torturing one another. Cardinal Spellman had an astounding gift of perception which enabled him to understand the hearts of others, in immense variety, and to find and ally himself with each harried creature underneath.

His most worrisome problem came from the effect of the organizational, educational and financial planning and other constant demands on him in his capacity as Archbishop of the Archdiocese of New York. These occupations, he once told me, "leave me so little time for the service to God that I pray for."

Outside his beloved America, Rome was his favorite city in the world, both as the fountainhead of the Mother Church and as a city, and his great hero within the church was Pope Pius XII.

Our country, Cardinal Spellman's beloved country, his church and the world have lost a magnificently wise and benevolent man to whom grateful millions can only say, as the Spanish say: "Vaya con Dios"—"Go with God."

REPORT FROM ISRAEL

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Multer] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. MULTER. Mr. Speaker, I commend to the attention of our colleagues the report of Mr. Arnold Forster, general counsel of the Anti-Defamation League of B'nai B'rith, who was on the scene of the Israeli-Arab war immediately on cessation of hostilities. His report consisting of a series of questions and answers from a cross section of individuals in unusual vantage spots are especially revealing of fundamental factors underlying the continuing tensions in the Middle East.

The report follows:

Report From Israel

(By Arnold Forster)

It was June 10, 1967. The sabbath. The night of the new moon. The Israelis had advanced to Kuneitra where they commanded the road to Damascus when a cease fire went into effect. The Six Day War was over.

What follows in these pages is a report by Arnold Forster, general counsel of the Anti-Defamation League of B'nai B'rith, who arrived almost immediately after the shooting stopped. He spent five weeks in Israel in the occupied areas of Jordan, the Syrian Heights and the Sinai Peninsula. His tape recorded interviews and conversations with Israeli officials and soldiers, with Arab mayors and civilians, with POW's in prison camps and with religious leaders, refugees, diplomats and *kibbutzniks* are arranged in these pages to answer many of the questions which Americans are asking.

One theme pervades this report:

The Six Day War is over but lasting peace in the Middle East is still far from achievement.

JERUSALEM: DIFFICULT TIMES AHEAD FOR UNITED JERUSALEM

For nearly 20 years, the Holy City had been divided. Then, in a lightning war, the First Jerusalem Regiment recaptured the ancient capital. Now came the task of rebuilding. Teddy Kollek, now Mayor of a united Jerusalem discusses the difficult days that lie ahead.

Q. How did you find the physical condition of the former Jordanian sectors of Jerusalem.

A. There was no water and the city administration had broken down. The Jordanians probably expected they would do what they had threatened to do, kill us all, so when we arrived most of the people of the city administration were hiding. It took us a few days to get the city officials back to work. Since we couldn't wait until then, we started immediately with our own sources, Israeli sources, to provide the city with water, with sanitation, with basic needs.

We carried in milk and bread, until we got the bakeries and all the other suppliers running again. Now, the city administration is united, and the services are well established over there. Some have considerably improved, but I must say that the problems are yet before us. To unite a city with two different cultures is not easy.

Here we have compulsory education. Over there the educational system was free, but it wasn't compulsory.

Q. Are you planning the integration of the school system, Mr. Mayor?

A. I don't think so. We hope for the people on the other side to be good Israelis, but we don't try to turn them into Hebrews.

The government will not force them to use the Hebrew language instead of their native Arabic, so their schools will be Arabic. But there are many activities in which we can mix. All the sports activities in the schools. We have a children's orchestra which covers the entire city. We had a little concert the other day with Leonard Bernstein and Isaac Stern, Lenny conducting and Isaac playing the fiddle, and the income from this concert, for instance, will go in order to add 200 Arabic children to the school orchestra, and there you will have integration.

We have a wing at the Israel Museum, at which, up to now, there were 5,000 children taking lessons in drawing and plastering, and modeling and woodcutting. We would like to add a few hundred Arab children there.

Those will be the points of integration, but I don't think the meeting place will be in the schools. In some high schools and some vocational schools maybe, but certainly not in family schools.

Q. *Will Arab students be required, as the Jewish Israelis are, to perform a tour of duty in the Army?*

A. We have not asked Arabs in this country so far to join the Army. Some of them have voluntarily done so, some Arab speaking minorities, not necessarily Moslems, Greek Orthodox, and Druses. But we have not asked Arabs to join the Army, because the enemy they would have to fight, obviously, would be other Arabs, and we don't want to put them in that position.

Q. *That does not preclude them from participation in other areas of Israeli political life. They may run for office, they may hold government positions?*

A. But of course. I'll be very aggressive, and you may not like this, but we have roughly the same percentage of Arabs in this country as you have Negroes in the United States. But, we have about six or seven times more, I would say, representation of Arabs in our Parliament than you have Negroes in Congress, and we foresee in the next election, in two years, all the Arabs on the other side will be entitled to vote in the city administration.

Q. *Are the Arab civil servants from the former Jordanian sector of Jerusalem now incorporated within your personnel?*

A. All incorporated at some severe cost. I think they were vastly overstaffed, but I don't want at this moment to dismiss people.

Q. *Have their salaries been equalized with the salaries of their counterparts in the former Israeli sector?*

A. The decision is that they will be.

Q. *Have the Arab police in the former Jordanian section now been incorporated in the police department of great city of Jerusalem?*

A. Well, the city has no police department, police are federal. But, all the policemen who have been serving over there have been incorporated in the Federal police of Israel.

Q. *With respect to the currency used in the Jordanian sector?*

A. It's the same as here.

Q. *What is happening to the dinar or Arab currency which was in usage before the city was unified?*

A. For five days, at open stations, they could exchange all their dinar at the official rate, which is a very favorable rate, against Israel pounds.

Q. *So there was no serious loss of financial capacity on the part of the Arab population in regard to money?*

A. There was a tremendous loss for them but for a different reason. Everybody who had money in the bank, Arab banks from before, lost his money because the Arab banks transferred all the money to Amman, and therefore, even a man who might have had a few thousand dinars, which means a few tens of thousands of dollars maybe, in the banks, couldn't draw on anything, because the banks just didn't have the money, and didn't open.

Q. *Now that the city has been merged into one greater unit, are Arabs coming over into the former Israeli sector, and are Israelis going freely to the old Arab quarters?*

A. I think you have seen this for yourself. There is no difference. You can move around freely, and let me say that this freedom of movement happened after we were told that there is no possibility of peace between Arabs and Jews in this country. We opened the frontier and everything went on most peacefully.

I'm rather proud of how the Jews behaved, because, imagine for a moment, say Germans walking in two weeks after the war in Poland, or into Roumania, or even into Holland. They would probably have been torn to pieces.

Q. *In other words, Arabs are walking down the streets of what was formerly the Israeli sector and are given the same respect and dignity as all other citizens?*

A. If you call dignity being hustled in overcrowded streets, you are right.

Comment

Thus, Mayor Kollek's answers tell the story of rebuilding—not destruction.

The future?

Under the enlightened Israeli authority, the standard of living in the Holy City will be raised substantially.

For the Arab minority? There will be:

Complete equality.

Freedom of movement throughout Israel.

The right to an education—now compulsory.

Respect and protection for Arab culture and language.

Participation in the political life of the nation.

Freedom of religion for all.

No holy place, no church, mosque or synagogue will be damaged, desecrated or destroyed, so long as Jerusalem remains a part of the State of Israel.

BETHLEHEM: THE BETHLEHEM PETITION "KEEP US PART OF ISRAEL"

The story was unbelievable, but true. Five hundred leaders of Bethlehem, the city so sacred to Christendom, signed a petition urging that it be kept part of Israel. Moslems constitute a minority in this all-Arab city, less than 10 miles from Jerusalem. The story came from the Arab Mayor, the head of the Syrian Orthodox Church, and a former Jordanian Minister, a Catholic.

Q. *Lt. Yehudah Mor, you are the Deputy Military Governor of Bethlehem?*

A. Yes.

Q. *I have heard, lieutenant, that upon the arrival of the Israeli military forces, the Christian leadership, the Christian clergy, and the Christian community were delighted to welcome you, and immediately expressed the wish for Bethlehem to become a part of Israel.*

A. Yes, that's right. I've also heard from many of my Christian friends here, and by now I have quite a few Christian friends in this area, I have heard from them the following story.

On the famous Monday, June 5th, many Moslems came to leaders of the Christian community here and said to them: "Today is Saturday and tomorrow will be Sunday," meaning today we are going to take care of the Jews, and the next day will be the turn of the Christians.

Q. *Lieutenant, have you any evidence of this amazing story?*

A. There is the petition which was the complete initiative of the local people here.

Q. *What exactly is in the petition, and who signed it?*

A. The petition declares the will of the people of Bethlehem—Christians and Moslems, the Mayor of Bethlehem, the Counsellors of the City Council, many religious leaders. They state that they wish not to be separated from Jerusalem, which has become part of greater Israel.

Q *What is the approximate population of the City of Bethlehem, Lieutenant?*

A. Bethlehem proper is about 22,000.

Q. *How many of these are Christians, and how many are Moselms?*

A. About 80% are Christians.

Q. *And you would say that the Christian community here wants now to be a part of Israel?*

A. Yes. I would further say that most of the Moslem population here also wants to become part of Israel.

Q. *Can you arrange for me to meet and talk with the Mayor of Bethlehem, and with any Christian clergy to ascertain the situation exactly?*

A. I would be very glad to do that.

I am now in the office of the Mayor of Bethlehem, with the Mayor himself, Elias Bandek, with the Reverend Yacob Issac, the head of the Syrian Orthodox Church in Bethlehem, and with Ayub Mussalem, the ex-Minister of Development and Reconstruction in Jordan, a Catholic, who now operates a spinning factory.

Q. *Mr. Mayor, I have been told that within days of the occupation of Bethlehem by the Israeli authorities a group of 500 leading citizens signed a petition asking the Israeli authorities to keep the city of Bethlehem as part of the State of Israel.*

A. That decision was made by the 500 Bethlehem citizens, asking that the future of Bethlehem be tied in with the future of Jerusalem. Since the beginning of history, Bethlehem used to be in all ways tied in with Jerusalem, and when we learned that Bethlehem would be out of this arrangement, the people asked for a petition to call the attention of the responsible people in Jerusalem to their purpose. It was well understood that without this it would be very difficult to run our daily lives as they used to be.

The business leadership would like to see the community of Bethlehem remain an integral part of the Holy City of Jerusalem for trade reasons and for historical and government reasons. The religious leadership, which has also signed the petition, has religious reasons.

Q. *Reverend Isaac, you are the head of the Syrian Orthodox Church in the City of Bethlehem. You are one of the signatories to the petition to the Israeli authorities. Would you tell me why you signed that petition?*

A. First, down the centuries, Bethlehem from a religious point of view is a part of Jerusalem and its holy shrines. And all tourists who visit Jerusalem religiously, they are pilgrims to that Holy Land, will be not happy if they do not visit Bethlehem. Second, all our religious headquarters are in Jerusalem. Therefore, we could not be disconnected from them for the betterment of our church.

Q. *Mr. Mussalem, the Mayor of Bethlehem is a Greek Orthodox, the Rev. Issac is head of the Syrian Orthodox Church. You are a Catholic. Now, you are one of the signatories to the petition too. Why?*

A. Because we are accustomed in long centuries to live with Jerusalem in our religious, business and industrial lives. Therefore, we have petitioned to the Government of Israel not to separate Bethlehem from Jerusalem in the civil administration, because our future life is connected with Jerusalem.

Q. *Would you say that the petition represents the overwhelming sentiment of the people of Bethlehem?*

A. Yes. All the people who signed this petition were representing all communities we have in Bethlehem.

Comment

There you have it. People of Bethlehem petitioning to remain within Israel, fully aware that whatever uncertainties there may be respecting the exact political future of the Jordanian West Bank, there is no uncertainty regarding Jerusalem itself. The Holy City, the Israelis have already made clear, is not negotiable. They consider it reunited permanently and irrevocably, as long as Israel itself still stands.

In this connection, a recent editorial in the Jesuit magazine, *America*, is relevant. I quote in part:

"Israel's record over the last twenty years in providing full access to its Christian shrines has been commendable. . . ."

GAZA: THE GAZA STRIP—HOME OF 400,000 REFUGEES

In 1948, some 600,000 Arabs fled from Palestine when war started between Israel and the Arabs. About 300,000 of these refugees were settled in camps in Gaza. Israel occupied the area in 1956 and returned again last June. How Israel hopes to deal with the delicate problem of the displaced persons is covered in the following interviews.

Q. *Ambassador Michael Comay, you are now political advisor to Israel's Foreign Ministry* *and before that you were for many years Israel's Ambassador to the United Nations?*

A. That is correct.

Q. *And you have undertaken for the Ministry the responsibility of the problems of displaced persons within territories recently acquired by Israel?*

A. Yes. In fact, soon after the hostilities had stopped, Dr. Mitchell Moore, Commissioner-General of the United Nations Relief Agency dealing with refugees, came to see us and an agreement was signed between UNRA and the Israel government. Since then, this agreement has been very successfully put into practice. UNRA is continuing in the humanitarian task with the Arab refugees who are in the areas which are held by us, principally the West Bank and the Gaza Strip. The Israel government is giving them every assistance and facility.

Q. *What did you find the general living conditions to be of those residents and those kept in the camps by the Jordanian and Egyptian governments.*

A. We think that the conditions were tolerable in the physical sense in that they had habitations, they had food supply, they had medically and educational services. But basically it was a hopeless situation.

Q. *What was the mood of the Arabs that you came upon?*

A. Very hard to say. A lot of them were apathetic. Some of the younger people had grown up in the circumstances of frustration and were violently nationalist, and generally, the whole operation had got into a kind of dead end.

Q. *Is the Israeli government itself doing anything directly in terms of rehabilitation of these people?*

A. We believe, Mr. Forster, that the best way to solve the Arab refugee problem as a whole would be in the context of a peace settlement between Israel and the neighboring states and joint economic projects of all kinds, which would take care of the absorption of these refugees as well into normal, constructive, economic life.

Q. *In other words, what you are doing now at this point is a short range correction of poor conditions in which you found the Arabs living. This does not relate to the long range situation?*

A. The long range situation depends to a considerable extent on the political settlement for which we hope. In the meantime, we are already giving serious thought to what we can do in these areas by our own efforts and with international assistance to produce a better and more fruitful life for these people and get them out of the camps and off the dole.

Q. *How about work training schools for adults?*

A. UNRA has various vocational training centers. We encouraged them to get them operating again as soon as possible.

Q. *With respect to the Arabs that you found in Gaza, who for 19 years have been unable to move out into the larger UAR territory, will they continue to be kept within the Gaza Strip?*

A. Well, for 19 years Gaza was little more than one vast concentration camp. We are now breaking down the barriers, we are allowing more and more of the Arabs to get out, come and have a look at Israel, or go to visit their relatives in the West Bank, and so forth. In the long term, I believe that the future of the greater majority of the present inhabitants of Gaza lies elsewhere. They will have to be induced to move where they can make a living, and where they can nave a future for themselves and their children.

Q. *We are told, Mr. Ambassador, that several hundred thousand of the million-odd Arabs fled over the West Bank into the East Bank area of Jordan. Will Israel permit any of the Arabs to return to their former homes?*

A. Well, the figure by UNRA's estimate, by United Nations estimate, is about 150,000. We did nothing at all to encourage these people to move, or to induce them to do so.

On the other hand, we didn't feel we were free to hold in the area under our control, people who wanted to leave, to hold them there against their will. Now the Israel government has publicly undertaken to allow all of them to return if they wish to do so, and procedures have been worked out for an orderly and controlled return. This is being done through the International Red Cross.

Q. *There have been many stories to the effect that the Arabs in the occupied areas have been mistreated by occupying Israeli forces. Have you any comment?*

A. There is no truth whatsoever to these stories. On the contrary, I think that the authorities in these areas are producing probably the most humane regime that has ever happened in history under similar circumstances. Anybody who travels around in these areas is astonished at the degree in which local life is relaxed and peaceful and secure.

Q. *Would you say, Mr. Ambassador, that the experience of so many Jewish citizens in Israel a quarter of a century ago in middle Europe, had any relationship with the attitude of the Israeli community today to displaced persons in the areas we have been describing?*

A. One can say that a Jewish government in a Jewish state would be extraordinarily sensitive to the welfare and the freedom of any population for which it found itself responsible.

GAZA: LIFE IN "THE STRIP" UNDER THE ISRAELIS

Israel remained in Gaza for four months after the Sinai campaign of 1956. Then, at the urging of the United Nations, it yielded and Egypt once more assumed control of the area. Lt. Gideon Ben Israel, who served in Gaza in 1956 and is back again as one of the city administrators, tells of life in that area today.

Q. *Lieutenant Ben Israel, would you tell me what the conditions were then, in comparison to what they are now?*

A. To our astonishment, we find that the conditions have not changed a bit. The same people were in the camps then, with no employment, just sitting there as social cases, in a degenerated atmosphere. The same people are now in the same camps, except that many more children have been born in these conditions.

Q. *Who held the important jobs in Gaza?*

A. The Egyptians.

Q. *What have you found the attitude of the natives and the Palestinian refugees to be with respect to the Egyptians who administered Gaza?*

A. We find that there is hostility towards the Egyptians, because the population feels that they have been treated insidiously. They were not allowed to leave the street, not to go to Egypt or elsewhere. There was curfew during the night in the street. The most important jobs in every field, governmental and otherwise, were in the hands of the Egyptians, and, therefore, I think that I can say for sure that the population wouldn't like to have the Egyptians back.

Q. *If the average Arab resident of the Gaza Strip had the right to leave the Gaza Strip forever, would he go, or would he stay?*

A. The answer depends on what will be proposed to him. If he will have a proposal of a decent job, with a free passage, so that he can come and visit his family, he will prefer to insure a standard of life, rather than to continue the degeneration that was going on.

Q. *Well, the average Arab resident of the Gaza Strip has been penned up in this area for 19 years. Can he get out now?*

A. The scheme of allowing free passage to the population has been easing operations. Many already have gone to the West Bank, where the Gaza people can meet their families, their relatives. They can see how the world looks outside the Strip.

Q. *What you are saying, Lieutenant Ben Israel, is that the appearance of the Israeli forces in the Gaza Strip has given freedom to the residents for the first time in 19 years.*

A. That is true, because the area was completely a closed area, and the feeling of the people was like in a concentration camp. I think that the opening of the area, which we have started, is the key to the change of the whole atmosphere which existed in the period that the Egyptians were supervising it. One thing is clear, we shall not in any way drive people to look for jobs somewhere else.

We are going now to develop a scheme of employment here. We have already decided on 10,000 jobs immediately, and we are also working on a longer term scheme of employment. But, if people will freely choose to go somewhere else where they can find a job, and a decent one, of course we shall help them.

Q. *Have you had any cooperation from the Arab officials who have been running the Gaza Strip, or the city officials in any of the communities of Gaza?*

A. Yes. Now all the services, municipal services in Gaza, Khan Yunis, Bir Ballach, and all the village committees, are already taking action. Electricity, water services, bus services within the town itself and throughout the whole Strip, health services. All these services are already functioning, no less than they were before, and I think some of them are already functioning in better condition.

Q. *Have you moved Israeli physicians into the local hospitals for the problem of disease?*

A. We have moved Israeli physicians only for advice because we want the locals to continue to run the hospitals, but we shall give them a hand in every possible field. Incidentally, a group of doctors saw our hospitals in Israel and established direct contact with our doctors there. This was the beginning of very close cooperation for the benefit of the health of the Strip population.

Q. *Would it be a fair statement to suggest that you can look forward to the time when you'll have a perfectly normal relationship between the Israeli forces that occupy the Strip and the residents of the area?*

A. I think there is no doubt this is the situation. We feel that from day to day there is more and more close cooperation. Perhaps the only obstacle which exists is that Israel was here in 1956, and left, and those who cooperated with Israel were punished very severely by the Egyptians. The last Mayor of Gaza, Essau, was tortured. He died in an Egyptian prison and many others were killed. Therefore, if the population is somewhat reluctant, it is not because they are not willing to cooperate more, but they want to be sure that Israel is here to stay.

Q. *As time goes on, the problem of the Gaza Strip, you think, will dissolve and disappear?*

A. Yes, in principle, but it is a very difficult problem, and we mustn't minimize the difficulty, the objective difficulties. But one thing, I can say for sure, that the attitude of Israel towards the Strip is completely different from the attitude of the Egyptians.

The Egyptians haven't done a thing to develop the area, because they wanted the people to be degenerated and to live in these camps in an open wound, so that the world conscience would be concentrated on the problem of the refugees, and to keep it as a political weapon against Israel. We are going now to endorse a constructive policy of employment, of development within the area and outside the area, and to change the whole atmosphere, the ill atmosphere which was in existence here, in cooperation with the population. From the achievements that we have in the short period that we are here, I am quite confident that within the time, we shall achieve also the constructive purposes that we have set forth.

GAZA: GATES TO THE NORTH OPEN TO REFUGEES

For two decades, the refugees in Gaza were unable to visit shrines in Jerusalem or relatives in other Arab lands. Now, they can pray Fridays in such shrines as the Kubat as-Sakhar and Masgad al-Agsa. It is one way Israel seeks to diminish their hostility, according to Mordecai Gazit, Counselor in charge of Middle East Affairs in Israel's Foreign Ministry.

Q. *Mr. Gazit, what is the history of the ownership of the Gaza Strip? Did it ever belong to Israel?*

A. It never belonged to Israel, neither did it ever belong to the UAR. It was part of mandated Palestine. When there was fighting, the Egyptian Army invaded Palestine, and when the fighting came to a close these were the boundaries.

Q. *So the Egyptians controlled it for the last nineteen years? They never owned it as part of the UAR?*

A. They never annexed it formally. They occupied it for the duration of the 19 years, except for a couple of months when we were in possession after the Sinai Campaign of 1956.

Q. *How many people have been living in the Gaza Strip in the 19 years, and what is the character of the community?*

A. Well, at the present time there are about 400,000 people in the Gaza Strip. About 310,000 are so-called refugees, and the rest are the original native population.

Q. *Are the 400,000 internees, or are they free residents of the Gaza Strip?*

A. Well, those who are refugees are mostly in camps, and the rest outside camps. About 70% to 80% are in actual refugee camps.

Q. *How long have they been there, and from where did they come?*

A. They have now been there since 1948, and they have come mainly from the Southern portion which used to be Palestine.

Q. *Who has been taking care of their needs?*

A. Basically only the United Nations Relief and Work Agency, with the help of some wealthy organizations. They established a relief program, they established an educational system, and they worked with rural clinics and hospitals.

Q. *Now that Israel has moved in and taken control of the Gaza Strip, how does your government propose to care for these many hundreds of thousands of refugees?*

A. With regards to the future, one thing is clear, any solution to this problem will automatically mean that the people will have the Strip that basically was nothing else but a huge concentration camp.

Q. *Now, where would you allow them to go? Any part of Israel that they would desire, Mr. Gazit?*

A. The government of Israel is of course still considering the exact details in this rather difficult problem because it's a problem that we inherited. Some people will move, some people will remain, some people will emigrate, and some people will have new skills and will somehow find a way to a better future.

Q. *What has the Israeli government done for these 400-odd thousand people since Israel has occupied the Gaza Strip?*

A. Well, the most important thing was restoration of normal life. The next thing we are doing is let them move gradually, under control of course, from the Gaza Strip to other areas in Israel and on the West Bank which used to be Jordan.

Thus they will be able to see what the world looks like outside their concentration camps. They have been suffering a kind of claustrophobia for so many years now, that such trips, even if they last only a day or two, are proving of tremendous psychological importance to them.

Q. *Why did the UAR insist on hemming in the Gaza Strip and not permitting freedom of movement within Egypt itself?*

A. Well, I am afraid the UAR government was basically completely indifferent to their fate. In the beginning, the early 50's, the Egyptian government talked about settling them in the Sinai Peninsula. They were even negotiating with the United Nations Relief Work Agency towards the setting up of development schemes, but, in 1955, they dropped all those plans, explaining that there was not enough water available from the Nile to be transported across the Suez Canal into the Sinai Peninsula.

Q. *We've been reading for many years that the inhabitants of the Gaza Strip have been propagandized by the UAR into an intense hostility and hatred for Israel.*

A. I'm afraid that this is correct. Let me compare the mood of the refugees and other inhabitants in the Gaza Strip, to the mood of the refugees and people in other places that are now occupied. We find that those in the Gaza Strip are definitely much more hostile and much more incited against Israel.

Q. *How do you expect to undo some of this hostility, which obviously will be a necessary thing, Mr. Gazit, if these people are going to continue to remain within the orbit of the Israeli State?*

A. I believe that the step I described a moment ago, people permitted to leave the Gaza Strip to see for themselves developments and places outside the Strip, will have exactly this effect. They will come to realize that there is a better world outside, that Israel is not that terrible, is not devilish, that other occupied areas are doing much better than the Gaza Strip, and that this is so, simply because other areas were under a different government than they have been for the last 19 years.

Q. *The Gaza Strip residents for 19 years have been unable to visit their Moslem holy places in Jerusalem. Will they now be able to visit their Moslem shrines?*

A. With regard to the West Bank, this has already been done. With regard to the Arabs in Israel, this has already been done.

They have moved into Jerusalem, they pray on Fridays in the Chalamah Sharif, the Mosque of Omar and Ostoff, and this is also being done with regard to the Gaza Strip.

Q. *Mr. Gazit, you have compared the Gaza Strip refugee camps with concentration camps. Would you explain exactly what you means?*

A. I'm not sure that I'd use the term concentration camp. I would use the term prison camps. There is a study prepared by a Norwegian professor. He found the general situation in the camps was comparable to what you find in prisons in general. For example, he said that the population in the Gaza Strip was of the same mentality in the sense that, like prisoners, they were always thinking about the day of release, the day that they would be let out of prison, with this difference, that in the Gaza Strip no such date was ever set. They have lived there like prisoners in the camps since 1948, and they had to resign themselves to continue living like this for an indefinite period.

Comment

Two different stories emerge as one travels and studies in the Middle East. One involves the political pressures, the deals between states that eventually involve all nations through the United Nations. The other is the story of people—the storm-tossed, helpless Arab refugees.

Three-quarters of a million of them wound up in Arab detention centers . . . an event that now shows signs of a happy ending because Israel has made a start on leading them onto the long road of rehabilitation and freedom.

It was once hoped that through UNRA's program of relief and rehabilitation, these Arabs would renew their lives as free men, supporting themselves and living a normal existence. But this was not to be. Gamal Abdel Nasser had other plans.

Having been given the right by the United Nations to administer the Gaza Strip, he quickly decided to use the refugees as political hostages. He told them the Jews, Israel, was responsible for their lot, and he built hatred in them for the day he moved against Israel in war. Meanwhile, he used their sorry plight as a lever to persuade the world to force Israel to return its territory to the Arabs.

It is no small irony, no tiny twist of fate, that Israeli Jews, in a war against a combination of Arab nations, should win freedom for 400,000 Arab displaced persons.

Now they are on their way, finally, to a new life, to a new freedom as the result of an Israeli military victory.

One thing is certain:

Nasser must not be permitted to get his hands on these 400,000 displaced human beings again, to use them once more for his own political purposes.

WEST BANK: THE ALLENBY BRIDGE ON THE WEST BANK

Every day Jordanians cross back and forth over the shattered bridge near the ancient Biblical city of Jericho. Some are on their way to rejoin friends and families now living in East Jordan. Others are enroute back to homes and farms in the occupied Western Bank. Arabs and Israelis join in discussing this unusual phenomenon on the banks of the Jordan River.

Q. *What is your name?*

A. My name is Yusah Scunda, I live in Ramallah and I want to go to Amman.

Q. *Why do you want to go to Amman?*

A. Because some from our family have gone to Amman when the Jews come here.

Q. *I see. You are not being pressured or forced by the Jews to leave the West Bank are you?*

A. No, but no work here. No work.

Q. *No work, is that why?*

A. I haven't money for food. I want to eat. When I go to Jordon, I have work.

Q. *You will come back?*

A. When I find the work, I come back.

Q. *What is your name?*

A. My name is Marhine Ohruchney.

Q. *And where were you born?*

A. I am from Hebron.

Q. *Are you remaining on the West Bank?*

A. I can stay here because I am working, driver. I have motor car for me.

Q. *Are you being paid to drive your motor car?*

A. Yes, I take some money for my work and my motor car.

In questioning Jordanian Arabs, it became clear that they were staying or leaving, not depending upon the pressures of any of the governments, but because of their own personal positions. Those who had work on the West Bank were perfectly willing to remain, and of course were permitted to do so. I talked to a lieutenant, the chief officer in charge of the Allenby Gate and one of the Israeli Army men supervising the disposition of Arabs in this area.

Q. *How many West Bank Jordanians are now returning to the West Bank from the East Bank?*

A. Many of them.

Q. *Who is now feeding Arabs who have remained on the West Bank in the refugee camps?*

A. The government, together with UNRA.

Q. *Lieutenant, are the refugees going over to the East Bank? Are they free to go anywhere they please?*

A. They said they can go wherever they want, but now we know that the Arab Army stopped them 10 kilometers before Amman, and they put them in an army camp, and they try to come back.

I sought out one of the Military Governors of the West Bank, Colonel Markowitz, stationed in the City of Nablus.

Q. *How many residents of this city have* *crossed Jordan into the Arab area since the bridges were opened?*

A. Eight hundred people crossed here through Damya Bridge (30 miles north).

Q. *We've been told, Colonel, that very few Jordanians have returned to Nablus, even though the Israeli authorities have opened the doors for their return. Do you know what the attitude is of the Jordanian government towards those who are interested in coming back to Nablus—or any other part of the West Bank?*

A. Those that wanted to come back, the Jordanians are interested that they come back, because there are problems of employment and so on in the East Bank.

Q. *Are the Arabs who have remained in Nablus cooperating with the Israeli authorities?*

A. I feel there is full cooperation. We are doing our best to see that life in Nablus will ensue as regularly as before the war. All the shops are open. You can see in the market, people are going and coming and buying and selling. It is a problem of employment, of course, but this employment we can't solve one month after the war. I'm meeting the Mayor of the city every day, and together we do our best to solve the problems of the town.

Q. *Colonel Markowitz, are you a regular Army officer, or a member of the reserves?*

A. I am a reservist and in my civil life I am an officer of the Welfare Office in Israel.

Q. *Tell me, Colonel, as a welfare expert, what is the major problem that you see in this community of Nablus?*

A. The economical situation. In the past, every day, 50, 60 cars of vegetables pass through the bridges to East Jordan. The problem now is we must protect the market so that prices of the vegetables will not be low, so we call people from Israel to come here and to buy their produce to protect the prices. And second, I allowed yesterday, and today, and I shall allow tomorrow also, every driver or merchant to take vegetables, bring them to the Bridge of Damya on the Jordan, so that they can give those vegetables to East Jordan.

Q. *In other words, Colonel, you are willing to take the fruit and the vegetables that are grown here in Nablus and send them over to the other side of the Jordan River in order to feed those who have fled, or those who have lived there who are hungry. Is that correct?*

A. Right you are.

Thank you, very much, Colonel.

Comment

The Jordanian displaced persons are uniquely different from all of the world's other wandering refugees. These Jordanians were not chased from their homes. They left voluntarily. These Jordanians are not being kept away from their homes. They are free to return if they wish.

Because there is such freedom of choice, the decision in each case becomes a very personal one. A man rejoins his family on whichever side it's on. A man goes where he thinks he'll find a job, whichever side it's on.

The Arabs have been told by their rumor mongers that they risk death at Israeli hands if they remain behind. Those who believed it, fled. Those who stayed, learned there was no such murder in store for them.

On the contrary, we learned in the City of Nablus, for example, that the Israeli Military Governor arranged for his government to buy unneeded food produce from the local Arab growers and then help Arabs to take it over the Jordan River and pass it across free to the hungry on the other.

True, there is some dislocation still. True, there are interminable delays in making a success all the time. But all these heart rending difficulties will inevitably be corrected as the machinery of the Israeli military authorities gets properly oiled and smoothly working.

SYRIAN: 20 YEARS OF LIFE UNDER SYRIAN GUNS

For farmers in 20 Israel settlements in Galilee, the Six Day War meant the end of life under guns embedded in Syrian Heights forts. What was it like under constant artillery barrages and how much material did the Syrians obtain from the Soviets? Some answers came from Yaer Coste, 26-year-old Galilee farm hand and an Israeli captain.

Q. *Yaer, how many people live on this settlement?*

A. 200 people. 180 adults, and 20 children.

Q. *When was it opened?*

A. In 1950 this *kibbutz* was founded.

Q. *And what is produced on this settlement?*

A. Mainly cotton, pears, apples, grapefruit and avacados.

Q. *How far are we from the now silent guns of the Syrians up on the hills?*

A. About two miles.

Q. *What has life been like under those Syrian guns?*

A. Well, I should say, very unpleasant. You know when you go to sleep or when you get up in the morning that every minute you might be shelled and bombed and so on, and undefended.

Q. *Do you have nightly guards?*

A. The twenty years of this *kibbutz*, we have every night two guards. In very dangerous periods, even more.

Q. *I see around the grounds bunkers, shelters, trenches, and many damaged buildings. When was the last attack on this farm settlement by the Syrians before the recent war?*

A. It was on the 7th of April, this year, right after noon, when suddenly we were bombed and shelled. Everyone had to go to save children and other people, all to get down to the bunkers.

Q. *Was this the first serious attack here?*

A. No. In 1958 there were three times attacks of shelling on this *kibbutz*, and from this year up to now there were in between little incidents and attacks.

Q. *Did this settlement ever initiate any attacks?*

A. No, never. We're farmers and have no wish to war.

Q. *What happened on the morning of June 5th, this year?*

A. We heard on the radio that war started, and we made all the preparations to go down to the bunker, and from that day in the morning, until Saturday in the afternoon, all women and children were on the ground. The men of course were in defensive positions all of this war.

Q. *Did you have any assistance from your own Israeli army?*

A. Defensive units were here a week before the war, 'til it ended.

Q. *How long was this farm settlement shelled by the enemy guns?*

A. About two and a half hours, in the very serious attack, and in the other wave, Tuesday, Wednesday and Thursday were again attacked, but not very heavy.

Q. *Did they score any direct hits?*

A. Yes, of course. They began it on the 7th of April this year, when they bombed almost all the houses and many of them were hit very heavily. And this time they knew where they did not bomb the previous time, and they bombed the other zones of the *kibbutz* this wave. Now, almost all the buildings are hit.

Q. *If we step outside this small shack and look up on the hills, can we see where the guns of the Syrians were actually situated?*

A. We can.

Q. *How long were those guns there?*

A. From 1952. In the last year, all the weapons were Soviet ones.

Q. *And when you woke up on the morning of June 5th and looked up on the hills, what did you see?*

A. We see many, many tanks on tops of the hills just against us.

Q. *And these were Soviet tanks, you say?*

A. Yes. We know that after the conquering of this area, the weapons they had there were only Soviet.

Q. *Are there any other Israeli settlements like this one in the area?*

A. Of course. All the border is settled.

Q. *How close is the nearest one?*

A. Three kilometers.

Q. *Did you have the same kind of experience on June 5th?*

A. Yes, they were also bombed very heavy. They were not bombed on the 7th of April, but this time they were.

Q. *How many other kibbutzim, or settlements are there in this area under the Syrian heights?*

A. About 20.

Q. *Did any one of those settlements escape the Syrian guns?*

A. No one escaped at all.

Q. *There are or were Syrian guns and cannons all along the highlands above the 20 settlements?*

A. Tanks, cannons, mortars, 45's, trenches. Perhaps you can even compare it to the Maginot line of the Second World War.

Q. *There is a great debate going on as to whether or not Israel should surrender those highlands to permit the Syrians to occupy them as they did before. What do you think?*

A. We have nothing but to object strongly, because if the Syrians come back war would be again in this area. Their plans and aims have not changed. That's why we think that this area should not come back to Syria.

After talking with the young Israeli farmer, I then drove to the Israeli occupied Syrian town of Kuneitra half an hour away, and talked to Captain Odetz, the Israeli Divisional Operations Officer in Kuneitra about the character of the fortifications found by the Israelis when they occupied the highlands above the Israeli farm settlements. Captain Odetz spoke only Hebrew, and so I used an interpreter.

Q. *Would you ask Captain Odetz to describe the fortifications built by the Syrians on the hills overlooking the valley of The Hula?*

A. These were very strong fortifications. They consisted mostly of wire fences, deep trenches, very deep bunkers, very deep and very solidly built. We discovered afterwards that direct hits from aircraft had almost no effect on those fortifications. The soldiers took shelter and they weren't hurt at all.

Q. *Did the Israelis have anything to match these military installations in and around their border settlements below?*

A. No. On our side there were hardly any fortifications at all. There were farms, only farms on the other side.

Comment

The life of the Israeli farmer along the bottom of the Syrian mountain range in the northeastern section of Israel seems to bear little relationship to the Ivory Tower discussion that went on at the United Nations about how that territorial problem should be resolved. The discussions took no account of a country's natural borders. They appeared not to understand the need for borders that are self-protecting.

A mountain range, fortified for the purpose of destroying all life below it, is an intolerable threat to its intended victim. In this very situation at the Syrian-Israeli border, we have three times seen the tragedy of war.

Should Israel be forced to return the fortified mountain range overlooking her string of small farm settlements below? Common sense would say no, unless the demand is coupled with an offer of permanent peace between the two nations. Syria must be made to sit at a peace table, and to work out a permanent relationship of non-belligerence, an arrangement that should be supported by the great powers, pledged to protect either side against any violation of that peaceful relationship. Any other solution offering less than a guaranteed permanent peace, is an invitation to another war.

NAZARETH: WHERE ISRAEL FULFILLED A HOLY PLEDGE

Nazareth, holy shrine of Christianity, has been a city in Israel since 1948. It contains the spring worshiped as the well from which the Virgin drew water. A new church is rising, with Israel's help, over the Grotto where Gabriel is believed to have announced Mary as the Mother of Jesus. How has Israel safeguarded the holy places of Christians and Moslems, given access to all? Mayor Mousah Kteily of Nazareth, Palestinian born Arab of the Greek Orthodox Church, tells how in this interview.

Q. *Your Worship, what's the population of Nazareth?*

A. The population of Nazareth is about 30,000 now.

Q. *And what's the composition of the community?*

A. This town is composed of pure Arab inhabitants. Nearly half of the inhabitants are Moslems, and the other half are Christians of different communities.

Q. *Your Worship, what great Christian holy places are in the ancient city of Nazareth?*

A. Nearly one third of the Nazareth town is composed of churches, convents of all communities. You can see here the big church they are building now, which will be the second in the world, which is St. Peter. The work will finish some time in October, when it will be opened.

I am sure it will be an International Day. Then, we have the Church of Annunciation, which belongs to the Greek Orthodox community, and this is the place where St. Madeswell is situated. Other churches, we have the Greek Catholic, the Baptist and the Church of Christ, and the Mennonites, and the Coptic.

Q. *Mr. Mayor, are there holy shrines of Islam here in Nazareth?*

A. Yes, we have two at present. One of them, an old one, a mosque which is situated inside the town, and a pretty new mosque, and it's visited by tourists from all nations. This mosque was newly built with the help of the government of Israel and cost about $750,000.

Q. *In addition to these Christian and Moslem holy places here in Nazareth, are these churches actually used for worship?*

A. Yes, they are. Worship takes place in all these churches, according to their regular times.

Q. *Does the city administration manage the holy places, or are they managed by the leaders of their respective faiths?*

A. Every community is managed by her own leaders, but we, as a municipality are giving them all kinds of service and assistance.

Q. *Are the churches of Nazareth, like the churches of the rest of Israel, taxable?*

A. They are all free from taxes.

Q. *Mr. Mayor, do you find any special problems of administration of this municipality, because the population is one half Christian and one half Moslem?*

A. Nothing at all. They all live like brothers with good feelings.

Q. *And in the 19 years of the existence of the State of Israel, what has been the relationship between the people of your community and the Jews in the State of Israel?*

A. The relationship between Nazareth and our neighbors, the Jews, are extremely well. For instance during the last war we had a very big meeting between Arabs and Jews, and the inhabitants of Nazareth took the war as a part of their own duty. They have offered all assistance. Blood, donated blood, donated money, and offered all assistance to the government, and we are proud, I'm talking as the Mayor, we are proud to be law-abiding citizens of the Israeli government.

Q. *Mr. Mayor, the State of Israel is a Jewish community. The City of Nazareth is a Christian-Arab community. How is Christmas celebrated in the great Biblical City of Nazareth?*

A. A few months before Christmas is due, the Ministry of Tourists starts working in Nazareth in assistance with other Ministries, and we celebrate here, a very, very big and a huge Christmas evening, and receive so many thousands of visitors from tourists and from local inhabitants. I'm proud to say that experience shows we can rely on the Israeli government to protect the Holy Lands.

Q. *The fact that Nazareth has been for the last 19 years inside of a Jewish State has not made any difference in the Christmas celebration of Nazareth since man can remember back?*

A. I'm not trying to say that we are only celebrating such big Christmas evening since 19 years, but during the mandate we were not celebrating such evenings.

Q. *How do you explain that, Mr. Mayor?*

A. During the mandate, the government was not leaning very much with celebrating holy festivals on a wide scale, but now with our government, it's very sensitive and always prepared to give freedom, assistance, and everything to the various communities to celebrate their own festivals at a very wide scale.

Q. *One last question, Mr. Mayor, a personal one. Do you have a family?*

A. I'm married. I have a son and a daughter, and my son is at present in Little Rock. He is studying medicine and has been there for the last eight years.

Comment

There it is. From the Christian Mayor of Nazareth in the Jewish State of Israel, testimony to the fulfillment by Israel of its solemn commitment to safeguard Christianity's and Islam's holy places. The State of Israel has now adopted a so-called basic law on protection of the sites holy to Christianity, Judaism, and Islam. This law would impose prison terms of up to seven years for the desecration of any holy place, or for preventing worshippers from attending services at any of the sites.

If Nazareth is any evidence of what is in store for Christianity's holy places in Jerusalem under the Jews, one can guess that the Holy City will be even more beautiful, even more treasured, even more carefully protected than ever before in all history.

PRISONERS: POW'S IN ISRAEL HANDS NOW FEEL ABANDONED

Once, the prison camp at Atlit, near Haifa, held Israelis who fought the British Mandate. Today, it holds 4,000 Egyptian prisoners captured in the June war. Among them are doctors, who appear amazed at Israel's medical progress. The prisoners, themselves, are taken on tours of Israel to show how Israelites and Israeli Arabs are living in harmony.

Q. *Doctor, you are an Israeli treating the men here. What is the general state of health of the prisoners of war at this camp?*

A. The general state, from my point of view, is very low. Amoebic dysentery, to the parasite disease, glaucoma, and also to chronic cases of either.

Q. *Are these diseases of long standing or are they recently acquired conditions?*

A. In general, they are long standing.

Q. *What is the medical corps of the Israeli military doing about these diseased prisoners of war?*

A. In all the cases, we provide the vaccine against smallpox and tetanus.

Q. *In other words, you are also engaging in preventive medicine by injections and innoculations of one kind or another? Now, I want to go back for a minute to the diseases that these men brought with them from Egypt and from Jordan. The men with chronic diseases, are these prisoners of war getting regular treatment?*

A. In these cases it is possible to give very quick treatment.

Q. *Doctor, how do you compare the general state of health of the Egyptian and Jordanian prisoners of war, with the state of health of the Israeli people and the Israeli soldiers?*

A. The general state of the health among the Israeli citizens and soldiers is more high than the prisoners of war of Egypt and Jordan.

Q. *Doctor, one last question. Are you able to compare the treatment rendered to the prisoners of war here in this camp, with the treatment administered to other prisoners in other military camps in other countries around the world?*

A. From my experience, the standing of the general health is very much higher than in the case of the soldiers that are not prisoners in many countries in Europe.

Q. *Prisoners of war in this Israeli camp are getting better treatment, Doctor, than the soldiers of armies in Europe who are not prisoners of war? Is that what you are trying to say?*

A. That is my meaning.

I talked also with an Egyptian physician himself a prisoner of war at this same POW camp.

Q. *You are a physician in the Egyptian Army?*

A. Yes.

Q. *And how long have you been here at this POW camp?*

A. About six weeks.

Q. *Do you have any medical responsibilities at this camp?*

A. Yes, I am responsible for managing the work in the hospital.

Q. *Do you have cooperation from the Israeli medical authorities?*

A. Every cooperation.

Q. *And what kind of work do you do, Doctor?*

A. I am managing the work in the hospital, arranging everything in the hospital, and responsible for the division of the work among the doctors.

Q. *What are the standards of the facilities in this camp?*

A. The standard is very agreeable.

Q. *Doctor, I'm told that some physicians from the Egyptian Army who are in the prisoner of war camps have visited Israeli civilian hospitals to observe Israeli medical procedures. Were you among the physicians who visited any such hospitals?*

A. Yes.

Q. *And what did you see?*

A. I visited the hospital, and I see it is of very good standard.

Comment

Israeli doctors are surprised at several things they've observed. Most shocking is the high rate of chronic disease found among the Egyptian soldiers. Israeli physicians are disturbed about one characteristic of the Arab doctors. These men dislike treating their fellow POW's if the patients are no more than ordinary Arab soldiers. On the other hand, the Israeli medics who have been treating the sick among the POW's are excited about their work. They see diseases and germs they never saw before, but only read about. They find it a challenge to restore these men to health.

The numbers of Syrian and Jordanian prisoners are steadily reduced as the men are sent home through the Red Cross, but the number of Egyptian soldiers remains fairly constant. Apparently fearful that these soldiers will tell of all the wonderful things they've seen in Israel, Nasser has frustrated the efforts of the Red Cross in effecting exchanges.

Finding it hard to believe when told by the Israeli authorities that they are not wanted at home, these Egyptian prisoners have questioned International Red Cross representatives who visit them. They are crestfallen, to say the least, when the Red Cross confirms that Egypt refuses to take them back.

The Egyptians were told that Haifa and Tel Aviv no longer existed, that they'd been leveled, totally destroyed by the Arab Army. They'd been told that the 300,000 Israeli Arabs live in abysmal poverty and degradation.

To let them see the truth for themselves, Israeli military authorities took a small group of Arab physicians and some other POW officers and toured them through Haifa and Tel Aviv. The Arabs couldn't believe their eyes.

These men were taken to Arab villages and towns, to cities like Nazareth, and they stared and stared in disbelief, and they talked to fellow Arabs. The standard of Arab living was beyond their belief, and the evident friendship between Israeli Arabs and Israeli Jews was a source of incredible wonder to them. Their own standards home in Egypt suffered terribly by comparison. No wonder Nasser didn't want them returning.

One other thing never stopped amazing the Arab POW's—the comparison of the relationships of officers and men to each other in the respective armies. They watched the attitude between Israelis officers and their men change from strict military formality during duty hours to informal, easygoing friendships after duty; officers and men, calling each other by first names when the day's work was done and men taking officer's cigarettes from their hands to light their own. How different in the Arab Army!

And so, the Egyptian POW's, contented with the care and attention they are receiving at the hands of the Israeli medical authorities and surprised at the high standards of living of the Israeli people, are shocked and ashamed that their own government rejects efforts to repatriate them. Those Arab POW's who finally get back to Egypt, promise one day to make every effort to return to Israel to share the better things in life.

ISRAEL ARABS: ARAB-JEWISH RELATIONS A PROBLEM FOR ISRAEL

It's a big switch in Israel. In other lands, Jews are the minority. In Israel they are the majority—the Arabs the minority. How did the 300,000 Arabs who did not flee in 1948 fare in Israel? How will the added thousands of new Arab Israelis do? The answers may be found in this talk with Rostum Bostuni, a Moslem, a graduate of the Technion Institute, a former member of Israel's Knesset (Parliament) and a Haifa architect.

Q. Mr. Bostuni, what has been the basic relationship between the 300,000 Israeli Arabs and their approximately 2¼ million Israeli Jewish neighbors?

A. The Arabs in Israel are fully integrated into the affairs of Israel. I might say that politically, economically, and culturally they are today full citizens of the State of Israel.

Q. If these relationships are healthy ones, would you say that Israel, as a State, has played a special role in creating that kind of relationship?

A. Yes. Legislation and a five year plan which were instituted for the development of Arab villages in Israel are aimed to integrate the Arab population to be full citizens of Israel.

Q. You were for a number of years, Mr. Bostuni, a member of the Knesset. Are there any other Israeli Arabs in the Knesset?

A. Yes, there are seven members.

Q. As an Israeli Arab, how did you feel about the recent war between Israel and the Arab nations?

A. As an Israeli Arab, my basical feeling is that I am a citizen of this State of Israel. Any war between Israel and the Arab states will affect the Arab civilians physically as well as the Jews, so they want security for Israel because they want to keep their homes, families and children. So, I think that the attitude of the Arabs of Israel is that they go along in full line with the State of Israel in the recent war between Israel and Arab states.

Q. Mr. Bostuni, have you been to the West Bank of Jordan, and have you talked with the Arabs who were under the Kingdom of Jordan until the occupation of the West Bank by the Israeli authorities?

A. There was a lapse of 20 years which had cut me from my friends in the Western Bank, so this difference I felt when I visited these areas.

There are some conclusions from my first visit to the West of Jordan. Because the leaders of the Palestinian Arabs in the Western Bank of Jordan were under Arab propaganda for a span of 20 years, it is a challenge for Israel to pick up the relations between the Israelis and the former Palestinians.

But, I do believe that if Israel and all of us want a peaceful coexistence, we have to do several things. One of them, in my opinion, is to tie the refugee problem in the Western Bank and the Gaza Strip. I do believe with a good amount of good will, and with a real program, we can do something in this respect.

Q. Mr. Bostuni, in my country, the United States, our population is made up of many, many different racial and religious, national and ethnic groups. The Jewish minority has been among the groups fighting the good fight for civil rights. Would you tell me whether the Jews of Israel have had the same high regard for human equality and have given these same rights to the minority of Arabs.

A. We have the same rights, and we have the same privileges as any other citizen of the State. In the legislative platform, in the committees, in the cultural field, everywhere, so we don't feel any discrimination in all these respects. If we see something wrong, we know that we have the right to fight for it as citizens.

Q. Having visited recently the Western Bank and having looked over some of the communities, how would you compare the Arab people of the West Bank in Jordan with the Arab people in Israel?

A. I'm sorry to say there is no comparison, because the consciousness and the standard of the Arabs of Israel to the Arabs of the Western Bank is so distant. The democracy which we practice here in Israel is not known there. The values which we cherish and develop in Israel are simply not known on the Western Bank. So, these people, I'm sorry to say, they are disillusioned, disillusioned for a span of 20 years. It would be hard work to try to work with them for a human standard.

Comment

Such were the sentiments of Rostum Bostuni, Palestinian born Arab of the Moslem faith.

It can be said with a certain degree of accuracy that racial and religious minorities in most nations of the world are not always treated with complete equality. The Jews, as a minority, have suffered in this respect, as most others have, but they have been a particular victim, a special target in modern times. And so, I wondered how they would act, when the shoe, so to speak, was on the other foot.

The situation here in Israel is, of course, complicated by several other factors. It was a nation reborn for historical reasons. When it came back into existence, natives of the territory from which it was carved, fled from its precincts. Those Arabs who remained behind, becoming themselves Israeli, have been on the receiving end of propaganda from hostile neighbor states to hate their fellow citizens. It's been estimated that hundreds of hours a week of such radio material is heard in Israel. Most of it is vilely anti-Jewish, and includes such classic anti-Semitic forgeries as the Protocols of the Elders of Zion, or sections from Hitler's biography, *Mein Kampf*.

But, it would seem as if the Israeli Jews have behaved properly toward their Arab minority. It would also appear that, in turn, the Arab minority has behaved properly towards its Jewish majority.

However, it's not all that simple. Hostility toward the minority, not necessarily overt, creates a psychological burden. A minority that fears something might happen to it at the hands of the majority, suffers a harm. So far, it appears that this has not developed in the original Arab minority.

But now, there's a sudden enlargement in the size of the Arab minority. The new group (added since June, 1967) has been taught by dictators and kings to fear Jews. It's an unreal fear, but the new minority must be convinced of that. This is the real responsibility of the Jewish majority.

SOVIETS: RUMANIA'S STAND SEEN AS BREAK IN IRON WALL

All the Soviet satellites in Eastern Europe fell into line like dominoes with Russia's anti-Israel strategy—except Rumania. Czechoslovakia even provided arms and arms factories for Egypt. Why was Rumania different? What does it portend for the future relations between Israel and Iron Curtain countries? Three Israeli Ambassadors to Communist nations reviewed the questions.

Q. Ambassador Victor Elyashar, how long were you the Ambassador from Israel to Bulgaria?

A. A very short time. In fact, less than three months.

Q. And how long after the onset of hostilities in the Middle East between Israel and the Arab nations were you asked to leave Bulgaria?

A. The actual notice was given to me at midnight on the tenth of June, which was exactly, what, five days.

Q. Yes, and what is your evaluation about your departure from that country?

A. I don't think it mattered so much to Israel. I must be quite frank in this respect. On the other hand, it certainly has done a lot to besmirch the image of a liberalizing Bulgaria, which the Bulgarian regime, together with the other Eastern European countries had been trying to create for themselves during the last few years.

Q. Did you find, Mr. Ambassador, in the three months that you were there, that you were able to have a communication with the officials of the Bulgarian government? Did they understand what you were talking about in your conferences with them?

A. I'm sure they understood what I was telling them. Whether they agreed to that, or whether they were prepared to take any notice of what I was saying, is another question. And, the result was something that could be described as a dialogue of deaf people.

Q. Mr. Ambassador, do you think there's any reason to believe that the communist regimes behind the Iron Curtain are becoming more liberal?

A. I doubt it very much, indeed. I do not believe that anything fundamental in the attitude of the regimes in Bulgaria, and probably of the other Eastern European countries has taken place over the last few years, notwithstanding the efforts which they have been making to create this impression of something new, something more liberal.

Q. Ambassador Avigdor Dagon, among the satellite nations, Tito of Yugoslavia has been comparatively free of the shackles of the Soviet Union. How do you explain the role of Yugoslavia in giving its support blindly to Nasser of Egypt and to the other Arab countries in their war against Israel?

A. It is true that Tito's reasons for taking a strong anti-Israeli line—by the way he was the first of the leaders of communist countries to condemn Israel publicly as an aggressor—that his reasons were different from those of Moscow and Moscow's satellites. Ever since his courageous stand against Stalin, Tito was very anxious to stress the independent line of his policy. This time, however, he did not hesitate to go to Moscow to sit down with the satellites, and to sign on the dotted line.

Tito was ready to take steps that did not reflect the real, the true feelings and views of his own people. There were many journalists who found their way to tell us how much ashamed they were of the way in which the Yugoslav press and radio were treating Israel.

Q. *Do you think, Ambassador Dagon, that Israel has been damaged in any appreciable way by the break in diplomatic relations?*

A. I definitely do not think so, but I don't think that this is the question. The question is, can Tito afford to lose much more of the prestige which he has lost already by having to go to Moscow and having to work hand in hand with them, by having to face defeat in the United Nations, by losing quite a bit of the sympathies that Yugoslavia had in the free world. Don't forget that Yugoslavia was treated, even by the United States, differently than other communist countries.

Finally, I talked to the recently returned Israeli representative to Czechoslovakia in Prague, Mr. Yehudah Nassie. He spent four years in that country.

Q. *Mr. Minister, the Israeli representatives to Yugoslavia and Bulgaria, told me that the ruptured relations between those countries implied no loss for Israel. Would you say the same with respect to the severance of diplomatic relations with Czechoslovakia?*

A. I would say the same, for the simple reason that the relations between Czechoslovakia and Israel, even before the rupture had very little real content, either in the political field, or in the economic or cultural ones.

Q. *Your Minister to Bulgaria told me that his talks with representatives of the Bulgarian government, were like dialogues between deaf people. Was the situation the same in Czechoslovakia?*

A. The truth in Czechoslovakia was that there was no dialogue at all between us and the Czechoslovak authorities. They were most reluctant to have any dialogue with us.

Q. *Did the government actions in severing relations with Israel reflect the attitude of the men in the street, Mr. Minister?*

A. I don't know whether it did, but if the man in the street had a different opinion, and a different attitude, I didn't see it come to the fore in any form or way while I was there.

Comment

What is clear from these Israeli diplomats, is that the merit of each relationship was irrelevant. What is also clear from Rumania's refusal to abide by Russia's instructions to turn its back on Israel is that it is possible to do so and continue to live as a nation behind the Iron Curtain. Equally important, Rumania has disproved the Communist thesis that it's truth is the only truth.

And now, to top it all, Rumania has bluntly told the Arab nations that it will not support their effort to destroy Israel in a new war; that Rumania, like the free world in the West, recognizes Israel's right of existence. Rumania's actions are but another crack in the wall of the Soviet controlled countries of the world.

ARAB JEWS: JEWS IN ARAB LANDS FACED HOSTILE ACTION

In Israel, Arabs and Jews mingled freely after the Six Day War in June. Not so in Cairo. Egypt's Jews found themselves stateless. All male Jews were thrown into prisons, even leading rabbis. Some trace their Egyptian families back nearly 2,000 years. But it made no difference. In 1948, Egypt rounded up thousands, in 1952 they tried many as spies, in 1956 they seized property and expelled thousands, in 1967 they did the same. Shaul Bar-Chaim, in charge of Israel's Middle Eastern desk, discusses this phase of treatment of Jews in Arab lands.

Q. *Mr. Bar-Chaim, what was the background in Egypt that precipitated the wave of anti-Semitism in that country?*

A. The Egyptians have embarked on a policy of Nazi anti-Semitic indoctrination since 1956–57. They have been translating every anti-Semitic literature into Arabic and they, for instance, translating into Arabic Hitler's *Mein Kampf*. They also translated the notorious Protocols of Zion. In their press, caricatures are completely typical of the ones Nazis published in their papers.

Q. *Would you say that this Nazi type of propaganda has been accepted and believed by the intelligent people in these communities?*

A. I don't know. Intelligent people in these countries are not allowed to voice or publish any criticism. In Libya, in fact, the mob was very ferocious and many Jews were murdered.

Q. *Have any of the Arab nations treated the Jews differently from the way you just described the treatment administered to them in Egypt and Libia?*

A. Yes, two Arab countries, Tunisia and Morocco, have behaved in a very civilized manner.

Q. *What makes the difference in one government treating Jews decently and another permitting all kinds of brutality?*

A. It is the leader. An Arab leader who opposes an anti-Jewish campaign certainly feels self-confident, he is stronger than his fellow leaders in other Arab countries.

Q. *Now there are other minorities in the Arab nations of the Islamic world. Have they suffered in any way as a result of the rise of Arab nationalism in the Middle East?*

A. Well, it is a very good question indeed because it is unfortunate that Arab nationalism in this area has grown up with very bad characteristics, mainly communistic characters and anti-foreign. We can mention the Turkish minority as an example. In Iraq, you have one and a half million Turks and they have been struggling for years. The Iraqs have tried to commit atrocities against them.

Comment

That was Shaul Bar-Chaim, international expert on minorities in the Middle East.

His story adds up to another classic case of a dictatorship brainwashing its gullible people into an uncontrollable fury against an innocent victim. For the Jews in Egypt, indeed the Jews in all Arab states, have not played any role in recent years in the destiny of the Middle East.

Yet, these stateless Jews found themselves on the receiving end of a brutal punishment from their host countries.

Nasser simply had to blame someone. He could not satisfactorily explain to his people how it could be that a tiny nation of 2½ million men, women and children could defeat the combined dominance of nations that counted probably more than a hundred million citizens.

He pointed a finger of blame at the United States and Great Britain. He lied and said they had lent their air forces and their other military machinery to the Israeli enemy. Nasser's people and those of the other defeated Arab nations could not get their hands physically on the Americans or the British—but there were local Jews available. Jews who could be made to look and sound like the Israeli enemy. After all, their religion was the same. All Nasser had to do to accomplish his diversionary trick was to put his propaganda machine to work and this he did, copying not only the Hitler technique, but the whole arsenal of Nazi racial and religious propaganda.

When peace comes at long last to the Middle East, and it will one day, the world may very well have seen the end of the great and historic Jewish community of Egypt, one that has lived in the land of the Pharaohs since the time of Christ.

EILAT: THE ROMANCE OF EILAT FROM SHEBA TO JOE LEVY

Three thousand years ago, the Queen of Sheba came to the thriving Port of Eilat and Solomon's copper mines. Then, through Hellenic, Roman and Byzantine eras desert sands buried Eilat. In 1948, Joe Levy, 22, escaped from an Egyptian camp and found his freedom in Eilat. Today, he's the Mayor of a port city of 13,000—the city which Egypt tried to strangle with its blockade of the Straits of Tiran in 1967—precipitating the war last June.

Q. *Mayor Levy, how much of the coast line here on the Northern tip of the Gulf of Aqaba is occupied by your city of Eilat?*

A. We have only seven miles of coast line on the Gulf of Aqaba, which is as you know, the Eastern arm of the Red Sea in the north, and within those seven miles, we have crowded in many facilities. Sometimes they are contradicting. For instance, the oil harbor, the general cargo harbor, and bulk stuff like phosphates and potash, the fishing harbor, and of course, two tourist areas which are planned for hotels and other tourist facilities.

Q. *Mr. Mayor, why do you think it was so essential for Israel to open the Straits of Tiran at the Southern end of the Gulf of Aqaba?*

A. As you know, Eilat is the only gateway for Israel to this part of the world, to the East African shores, the Far East, Australia, New Zealand. Our trade has to be based, not only on Europe, not only on the United States which is vital and very, very important, but also on those countries in the East and this is our only life line to that part of the world. To cut it off is to cut off one member of the Israel body.

Q. *Does this port of Eilat, Mr. Mayor, play any role in the commerce of Europe?*

A. I would think that the role that Eilat can play for the security of Europe is even more important than it is for Israel. The Suez Canal is not wide enough, and has been already closed twice for the last ten years, and Eilat could be an ideal partial alternative to the Suez Canal. Any size of tankers could anchor very easily in the old harbor of Eilat, and they can supply oil to Europe together with the Suez Canal, peacefully.

As a matter of fact, Eilat already is turning these goods from the East African ports to Europe, through Eilat and Ashdod on the Mediterranean. This is only one example.

Q. *Mayor Levy, I haven't been here in four years, but the growth of Eilat as I see it today against what I remember four years ago, is simply tremendous. Would you tell me, what are the ultimate capabilities of Eilat?*

A. Of course we've been limited by political conditions. But, physically, Eilat could develop in many ways. Our climate is very mild, warm and fine in wintertime, and we have tourists from Northern Europe coming to swim during Christmas time in Eilate. Now Eilat is only one example of what could become 120 miles of now arid and desert coast line on the Gulf of Aqaba, which has never been used by the Egyptians. They could be used by Arabs to rehabilitate Arabs.

Many, many wonderful things could be done, provided we are given the peaceful conditions we are looking for.

Q. *The climatic conditions that exist here in Eilat are precisely the same all the way down the coast line to the Straits?*

A. Yes, they are. In some parts they are even better, and they can use this wonderful coast line, extremely beautiful, for tourism and other activities.

Q. *Mr. Mayor, immediately to the east of your city of Eilat, is an Arab city.*

A. This is Aqaba, a small town, almost the size of Eilat, which has also a big harbor, some fishing and tourism, and they have common borders.

Q. *You are working copper mines here on this side?*

A. Yes, we have our copper mines about 17 miles to the north. Aqaba has phosphate mines, not exactly Aqaba, but far more to the north. Aqaba is the export harbor for the phosphates.

Q. The copper mines that you are working here in the Israeli section, are these new mines that you just opened?

A. We generally say we resumed exploitation of the copper which was left over since the days of King Solomon, centuries ago. The first team of scientists who came to prospect, to look for the copper in Israel, came with a Bible in hand, because there are some tips in the Bible about the location of the old mines, and that is the way the new mines, or the old reserves were found.

Q. If peace would come between Jordan and Israel, Mayor Levy, could something be done jointly by the two cities that would be helpful to this part of the world?

A. I think that would be a wonderful thing. Those two towns being so far away from the centers. Eilat about 214 miles from the center of Israel. Aqaba, the same thing from Amman. I think those two towns could grow and develop to tremendous proportions if only peace was given to us, and the possibility of cooperation is provided.

Q. In short, Mr. Mayor, you think peace and cooperation are the two ingredients for successfully living in this part of the Middle East.

A. You bet.

Comment

Joe Levy and his friends rebuilt Eilat. Today, it's a community of 13,000, boasting two water de-salinization plants, two museums, and an amphitheater that has been graced with the music of such renowned musicians as Yascha Heifeitz and Isaac Stern.

It shows that it is possible for a people to lift itself up by its bootstraps, to take a barren desert and turn it into a fruit-filled garden.

Four hundred thousand former Palestinian Arabs were left to rot in the Gaza Strip on the other side of this very same Sinai Desert. Support for them came from UNRA, the Relief Agency of the United Nations, which provided the minimum basic needs, little more.

Egypt, administering the Gaza Strip by the decision of the United Nations, kept these 400,000 souls political hostages, stirring them into a hatred that could seek its outlet only in the obliteration of Israel.

Now, that same Israel, at long last, has broken down the barriers around the Gaza, and offers to free its inhabitants from their fetid camps.

She gives them the right to remain and create new, self-supporting lives for themselves, to leave for other Arab lands if they prefer, or perhaps, to take places along the 120 miles of the Sinai shore line, down the Western coast of the Gulf of Aqaba, and with outside help, to create for themselves the freedom and security, which is the fundamental right of all men.

BEERSHEBA: GATEWAY OF HOPE FOR BEDOUINS

Abraham dwelt in Beersheba. Today, it is a metropolis in the Negev Desert, home of 60,000 Israelis. But, it is also the focal point of the Bedouins who have roamed the sandy wastes for centuries. How have these nomads of the desert fared under Israel? Beersheba Mayor Eliahu Navi describes the change of the Bedouin shepherd.

Q. Mr. Mayor, how do you compare the living conditions of the Arabs and Jews in Israel?

A. I was in a meeting with Arab leaders, and a member of Parliament, called Chasolde, said that the situation of the Jews in a way, is a little bit higher than of the Arabs in the villages. Then I asked him did you visit Damona, or did you visit Ofaq in the Negev? Can you say that the standard of living of these Jews is higher? He said, no, of course, it's even lower. So, with all groups who are better integrated, there are people who are less integrated, but you can't say there is any difference between the Arabs and Jews.

Q. In the Arab community, the Bedouin group is considered far and away, the lowest economic caste. What's been done, if anything, for the Bedouin Arabs of Israel?

A. The Bedouins are having the greatest change in Israel. If you'll go now to the desert, I'm afraid you won't find even one shepherd who goes with a flute, they all have radio transistors.

But the change that happened to the Bedouins is almost revolution.

First of all, the problem of education. In every tribe in every group of tents, there were no schools. There is no tribe now which does not have a school, an elementary school.

In the days of the British mandate, there were some schools in the tribes, but you could not find easily any man who had finished an elementary school, because they were attached to their cattle. They follow the water, follow the grass, and if in a year, there is not enough rain, they follow their sheep to far distances, so you couldn't expect that the boy would go every day ten miles or 20 miles in order to reach schools.

And in years when there was no rain, there was no school, because all the boys were spread away, or scattered, as they say it in English.

Now, for example, we gave lines of water almost to all the tribes. The shepherd followed his cattle, and went far away, but every family had nearby the water to drink and to wash, so not all the family went with the cattle. They stayed in their place and there was no difficulty occurring in teaching in schools.

Q. Have you had any success in bringing the Bedouins off the desert into cities?

A. In 1954, there was a plan by the government to build for them houses. I met some of their leaders, the Sheiks, and I asked them, what do you think about it? They said, well, what have we done, why should we be put into houses? We are happy with our tents. But now they are asking for it, and we're intending to build near Beersheba three villages for the Bedouins. One of them attached to Beersheba, and we started already with 50 houses.

Now, why do they ask for houses in the city? They used to plow their lands with camels. They used to cut the barley with their hands. Now they are using tractors, they are using combines, so one man can do the work of ten or 15. The rest are trying to get jobs in the cities, and while they are in the cities they ask for places to live in.

Q. Tell me, Mr. Mayor, have you visited the West Bank, the presently occupied Jordanian area?

A. Yes, I did several times.

Q. Have you seen how the Arabs on the West Bank have been living, and could you compare standards there with the standard of the average Arab—in the State of Israel?

A. In order to compare it, I didn't even have to see it, because I know the situation of 20 years ago, and I must say that not many things were changed. I mean that all the ways the Israeli Arabs passed within these 20 years, this did not happen in the Jordanian Israel. I'll give you an example. My children saw them cutting the wheat or the barley by hand, and then putting it on camels. They never saw it in Israel.

Q. Have you had any reaction from the Arabs on the West Bank who have learned how the Israeli are living in Israel?

A. Well, they didn't believe it in the beginning. When I came to Hebron for example, five days after the war, I met some friends. One of them asked me, tell me, please, is that true that all the Bedouins in the Negev, they do have shoes.

Comment

Yes, most of the Bedouin Arabs now do have shoes, Mayor Eliahu Navi assured them. And he told me of the most important change that has come about for the Bedouin Arabs in the last 20 years in the State of Israel—the transfer of their loyalty from the Desert Shiek, that is from the Desert Tribal Chief, to the State of Israel itself.

This departure from tribal loyalty means the Bedouin now prefers the protection of the state, its police, its courts, the help of its hospitals, the education of its schools. He prefers these things to the primitive and inadequate supervision of his tribal chiefs.

Apparently, there has come to the Arab Bedouin in the desert of Israel a better way of life than he has known before, and apparently the future holds even better for him. It sounds startling, surely, to say it, but those who feel compassion for the illiterate, poverty-stricken, diseased Arabs living in areas now occupied by Israel, should hope that for their own sake it will take a long time before these people are once again returned to the control of their former Arab rulers, and back to a way of life that evoked pity from the free world of the West.

ESSAY FROM JERUSALEM: THE KISS AT THE WALL

Is possession of the Holy City and the Wailing Wall important to Israel, to Jewry? The answer came at The Wall.

In the year 1948, when the guns of war were silenced in the Holy Land, there reemerged in the Middle East, after 2,000 long years, an Israeli State.

In ancient times, the Holy City of Jerusalem had been the very heart of the Jewish community. In the reborn state, however, it was only half a heart. Jerusalem in 1948 was divided in two. One part of it going to Israel, the other to the Hashemite Kingdom of Jordan. The larger half contained the sacred Old City in which stood thirty-six ancient synogogues, and the world famous Jewish shrine, the Wailing Wall. In back of the Old City, in the Jordanian sector, was the Mount of Olives, a great hill that had become holy as a thousand-year-old Jewish cemetery which was still in use during this century.

The United Nations was deeply involved back in 1948 in settling the disputes which surrounded territorial claims of the different nations and religions that had grown up in the area. Through its good offices, Jordan committed itself to granting access to all religions to their holy places, but Jordan violated its promise with respect to Jews. They were barred for 19 years, during which period, the danger of war was ever imminent.

In an effort to protect treasured shrines, the Vatican obtained from the Israeli and Jordanian authorities separate commitments to avoid war in the Holy City, if humanly possible, and if impossible, then not to use any military equipment in battle there.

When war erupted between Egypt and Israel last June in the Sinai, the Israelis immediately sent word to King Hussein through intermediaries that they wanted peace with Jordan, but under any circumstance hoped to avoid battle in the Jerusalem area. The Jordanian response was to shell the Israeli sector of Jerusalem.

The ensuing battle lasted three days. It could have ended sooner had the Israelis chosen to use planes and heavy artillery, but they opted instead to take the city, if possible, without damaging it. Paratroops were sent in for hand to hand combat. The cost in Israeli lives was great, the highest the country paid for winning in any of its combat zones. They used no heavy shells.

The Jordanians failed to show the same high regard for the Holy City, shelling the Israeli sector of Jerusalem from every possible position as long as they were able. When finally the Israelis occupied the entire Holy City of Jerusalem, not a single Moslem or Christian holy place or shrine was scratched, with the exception of the copper roof of the great Catholic Church of the Dormition on Mount Zion. It had been destroyed by a Jordanian bomb flare sent up in the night to help locate the enemy.

But, when the Israelis went to examine their beloved and ancient holy places, what they found made them stare in horror and disbelief. They understood now that it was not only that they had been denied access to their holy places for 19 years, they had been denied them for all time. Every synagogue, but one, in the Old City of Jerusalem—among them such sacred places as the five-hundred-year-old Harva synagogue—were demolished. The Sacred Cave of Shemen was turned into a cowshed. Stones from the Nissan Bek Temple had been used to build an Arab house nearby.

Cemetery desecrated

They found, too, widespread desecration of the Jewish cemetery on the Mount of Olives. Tombstones had been deliberately torn out of the ground to be used in the construction of the military camp of the Arab Legion at Bethemy. The foundations of the camp, its roads, the outer walls, even the toilets of the Legionnaires were built from the tombstones of Mount Olives' cemetery. The inscriptions are still clearly visible on the memorial stones in walls at the army post, as they are on the garden walls of the Intercontinental Hotel which stands at the top of the hill. The winding road that leads up to the hotel entrance was built across the cemetery by plowing up whatever graves were in the path.

The driver of our car, who took us to this scene of heartbreak remained in the auto when we got out. He was strangely silent as we stepped away to look around. It was only afterward that I learned he had been to the cemetery two weeks before to find his father's grave. He found, instead, the road on which we were standing.

I asked Dr. Zaro Warhaftig, Israel's Minister of Religious Affairs, why it was necessary to use gravestones to build roads, barracks, latrines. Jerusalem pink stone abounds in the area. It was available for the picking of it off the ground. The doctor explained that this apparently was the Arab way of showing their contempt and hatred for Jews.

Wailing Wall shamed

The Wailing Wall was the single Jewish holy place that escaped Arab vandalism. It did not escape Arab desecration; the Jordanians built three public lavatories directly alongside the wall. This sacred remnant of the Second Temple, which was destroyed in 70 B.C., has been since that time a place for Jews to gather and pray.

And now the world is debating whether Israel should be permitted to keep this city as a single natural unit. One group argues for its internationalization. Another for its re-division into Jordanian and Israeli sectors once again. Israel declares quietly, but firmly, that the question is not negotiable. And wisely, Israel has taken immediate steps to insure what for 19 years her own citizens had been denied by the Arabs—access to and control over their own holy places by each of the religious faiths involved.

The Moslem sacred shrines are once again under the supervision of the Jerusalem Moslem Committee, which operated under the Jordanian regime also. One Friday, nearly 5,000 people came to worship at the Mosque of Omar, among them 2,000 Moslem citizens of Israel to whom this had been denied since 1947.

Three guiding principles

Three principles would guide the Israeli government in its supervision of the Holy places, Dr. Yahasteg said. They would scrupulously protect it, make it freely accessible to all communities, and managed by representatives of the communities itself.

It is in this connection that Papal envoy, Monsignor Angelo Filippe, has been visiting in Jerusalem and talking with the Israeli authorities. During the constant discussions, one joint statement was issued by Monsignor Filippe, Under-Secretary of the Sacred Congregation for Extraordinary Affairs in the Vatican, and Dr. Yaacov Herzog, Director-General of the Prime Minister's Office. It said:

"At the meeting between Monsignor Filippe and Prime Minister Eshkol, which took place in an atmosphere of cordiality and mutual understanding, various possible formulas were discussed, which might be considered with a view to reaching a satisfactory solution in the important question relating to the holy places. The talks will continue."

The statement was believed to indicate favorable chance for Vatican recognition of a mutually acceptable arrangement on the universality and preservation of the Christian holy places. Monsignor Filippe is understood to have been authorized to act also in the name of a number of other Christian denominations in his Jerusalem talks.

Even while all this is happening, the debate goes on in the halls of the United Nations. Resolutions are proposed, adopted or defeated. They all relate to the power politics of the world, and to the goals and plans of the earth's great religious institutions. But the human factor is also present. The individual must be remembered, for it is his personal destiny that is determined by the great political decisions.

Is possession of the Holy City and its Wailing Wall important to the Israeli? Several weeks ago when the Jews resumed their daily pilgrimage to the Wall, something happened there that seared itself into my memory, and that answers the question, for me, at least. An old man was standing before the Wall, reciting the *Kaddish*, the prayer for the dead. Alongside him was a young Israeli soldier, fresh from battle. He was speaking his prayers, perhaps for having come through alive.

The old man turned to the youth, and speaking in Hebrew, said to him, ever so gently:

"Do you mind if I kiss you?"

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2760. An act to amend the Federal Water Pollution Control Act to authorize research and demonstration programs for the control of lake pollution and acid and other mine water drainage, and to prevent pollution of water by oil; to the Committee on Public Works.

PRESIDENT CITES UNPRECEDENTED RECORD OF ACCOMPLISHMENTS TO AFL-CIO DELEGATES

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. TENZER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. TENZER. Mr. Speaker, President Johnson told the annual convention of the AFL-CIO and the American people of the dramatic accomplishments under a Democratic administration and two Democratic-led Congresses.

These legislative achievements are all the more remarkable in light of a Republican opposition which, in the President's words, "lined up like wooden soldiers of the status quo."

While our elderly struggled to meet their soaring medical costs, 90 percent of the Republicans turned their backs by opposing medicare. While the angry and neglected slums of America erupted, 80 percent of the GOP voted against funds for model cities; 93 percent opposed money for rent supplements; and 90 percent opposed the poverty program.

The Republican Party turned its collective back on the great challenges facing America in the latter part of the 20th century. Aid to education for our children hungry for knowledge, civil rights for Americans striving for freedom, the minimum wage for workingmen seeking a better life, all were hopes foreign to the Republican Party.

President Johnson and Congress have written a record of positive accomplishment unmatched in our time. As he emphasized, this proud record has not been written for the minority groups, or for labor, or for the consumer—it is a record which has enriched and ennobled the lives of all Americans.

This is a record upon which the Democratic Party and our Democratic President can proudly stand and face the country which entrusted its fate to them.

This is a record which will carry our party's engines to victory against, as the President put it, "the old Republican buggy" that "can go only one way and that's backward downhill."

I insert in the RECORD a text of the President's remarks to the AFL-CIO convention, as reported in the Washington, D.C., Post, of December 13, 1967:

L. B. J.: "I WILL ADVANCE, DOING MY DUTY AS I SEE IT"

(NOTE.—Following is the official text of President Johnson's nationally televised address to the biennial convention of the AFL-CIO tonight (introductory section deleted).)

I know what your fight has meant for America in my time.

Listen to the roll call of what we have done together:

Medicare—Already, four million Americans have had their hospital bills paid, and more than five million have had their doctor bills paid.

Aid to Education—Already, nine million needy children have been helped into elementary and secondary schools. Nearly a million and a quarter college students—many of them sons and daughters of union families—now receive Federal help in education grants and loans.

Minimum Wage Protection—We have brought over nine million more workers under the minimum wage. By next February we will have raised that minimum by 35 cents in our own time. That's 10 cents more than when I cast one of my first votes in Congress, to make the minimum wage law of the land 30 years ago.

Poverty—More than five and a half million Americans have been lifted above the poverty line.

Employment—We've added six million workers to our labor force, and set a record of 81 months of solid prosperity.

Civil Rights—We've cleared away the last big obstacles to the right of every American to vote; to be judged for a job on his skill, not his skin; to enjoy public accommodations and facilities as a free man.

Immigration—We've scrapped the old discrimination of the national origins system, and replaced it with an American system of open opportunity.

Conservation—We've added three quarters of a million acres to our national seashores and parklands, more than ever before in our history.

The Cities—We've finally got the program we need to build model cities. Blight, decay and despair can be banished from our life—but we are going to need the muscle of American labor to turn our bold ideas into shining realities.

Pollution—For the first time, we recommended and passed the bills through Congress to give us the weapons to make an all-out attack on the filth that fouls our water and air.

CONSUMER PROTECTION

We've ended the packaging tricks that have plagued the American housewife for so long.

We have spared our children from dangerous and deadly toys.

We have shut the door to unsafe products that make the home a booby-trap for the unwary.

We have an Auto and Highway Safety Act to reduce the accidents that make our roads a death-trap for the innocent and the careless.

We have moved against accidents in the doctor's office and hospital, by insisting that laboratories run the right tests—and get them right the first time.

We have acted against the money-lender who victimizes the poor and exploits the needy by concealing interest charges.

This week I will sign the Flammable Fabrics Act. It means that your family and home will be safe from clothing and furnishings that blaze without warning.

Next week, I will sign the Wholesome Meat Act. It means that the meat on the family table will be pure, not rancid—that a mother can shop without fear of finding worms in a steak or wood splinters in the hamburger.

In the weeks to come, I hope also to sign the pipeline safety bill. It will guard against a gas explosion ripping through a home, a school or a crowded street.

Isn't this a remarkable and wonderfully hopeful record in itself? Yet these are only some of the happy new triumphs we have won for our families.

The full record will show more consumer legislation enacted in the last two years than in all 88 congresses before.

History will testify that this Administration, after 180 years, finally proclaimed a consumers bill of rights. And about time, too.

IT WASN'T EASY

There is more—much more—that we have done together.

It wasn't easy. Every step of the way there were voices and votes that said:

"Not so fast."

"Don't try it, it's never been tried before."

"It's only a rehash of the new deal."

"Don't you know there's a war on? You'll have to stop progress at home."

Or one side cried: "It's all for labor or minorities." And the other side cried: "It's all for the middle class."

And we answered: "Yes. It is for labor. It is for the minorities. It is for the middle class. And it's for the young, the old, the worker, the businessman, the farmer, the teacher, the student, the doctor, the patient.

Yes, we said, for once you're close to being right. Our fight is for all America.

But in Congress they closed their ears and ranks. In vote after vote, the House members of the other party lined up like wooden soldiers of the status quo:

93 per cent of them voted to kill the Medicare bill.

90 per cent of them voted to kill the poverty bill.

68 per cent of them voted to kill the education bill.

66 per cent of them voted to kill our civil rights bill.

80 per cent of them voted to kill all funds for model cities.

93 per cent of them voted to kill all funds for rent supplements.

And, my friends, 72 per cent of them voted to kill your minimum wage bill.

The only time they said "yes" was when they could vote to recommit a bill—to bury it in a blanket of rhetoric beneath the wave of Republican reaction.

But they are not fooling anybody, are they?

The people know that the old Republican buggy can only go one way—backwards downhill.

The only program that Grand Old Party offers is the remains of what they have backed into and run over on the road, the bits and pieces of what somebody else has built.

No wonder we have worked so hard to pass the Highway Safety Act. That old Republican buggy has been colliding with us all year long.

MORE PASSENGERS

And it is carrying more passengers this year—more dead weight. Forty-seven Democrats who helped write the historic legislative record of the 89th Congress are gone. They have been replaced by forty-seven Republican nay-sayers. And America's advance had been checked.

Not always not by any means. We've found and won some funds for model cities—the Teacher Corps—rent supplements.

We've continued our efforts for older Americans, mental health, the consumer. We've passed a good bill for Vietnam veterans. And we passed a bill to control rats in our cities—because a Nation's conscience cried out louder than Republican laughter.

Don't let anyone fool you. This has been a productive Congress. And labor's leadership has made it so.

But we need great Congresses again, not just good ones. They must match and even surpass the 89th. And we are going to have to work to get them.

We still have to meet the great tests of our time—improving our educational and medical systems—rebuilding our cities—providing jobs for all who can work—ending lawlessness in our streets—uniting our people in common and progressive purpose.

This is our national agenda. It can only succeed if there are men in Congress and the Administration who will make it their personal agenda. We must work harder than ever to elect these men. It can be done; it will be done; because a nation depends on us not to fail, not to fall back—but to go fighting and winning for all America.

As America depends on your social leadership, it also relies on your sense of economic responsibility.

In our system, price changes are inevitable and desirable. But if we are to have the full blessings of free enterprise, business and labor must place the fundamental national interest first. Each must do its share to maintain a stable level of over-all prices.

I emphasize this to your partners in prosperity—American businessmen—just a short time ago in Washington, and I told them you would expect equal time.

WAGE RESTRAINT URGED

If industry, I said, tried to raise prices and profit margins—even when they have excess capacity—we are bound to suffer rising prices, and this is murder to all labor and people with low or moderate incomes.

If labor, I say, tried for a wage rise twice the nationwide increase in output per man-hour—even where there is no real labor shortage—we are bound to suffer rising prices.

Business suffers. Labor suffers. All America suffers from a wage-price spiral.

I told the businessmen that they should not point the finger of blame at you. And I say that you cannot point it at them.

I say to you both—labor and business—that you are two fingers on one hand—it is your joint responsibility to stop the spiral.

To both of you I say: It is your America. It is your prosperity—your jobs and profits we seek to protect—your dollar whose strength we must maintain.

I have urged business to refrain from avoidable price increases, and to intensify its competitive efforts.

I now urge labor to look at its responsibilities—to look hard and deep into its wise heart and restrain its demands for excessive wage increases.

Look around you as you calculate. Here is your country, fighting gallantly, again for freedom—but doing it for the first time without wage and price controls.

It is voluntary restraint that has made involuntary curbs unnecessary. Your Government wants to keep it that way. We want to be partners in responsibility and prosperity with labor and business.

And we will be, if each of us does his share for the good of all.

I cannot close without sharing a few thoughts with you on the matter that most troubles our hearts—the tragic but vital struggle in Vietnam.

You have long stood in the front ranks of this fight for freedom, too. But here you have added bright new testimony to your resolve—and given new heart to all who stand with you for peace.

I am proud and grateful for the resolution you have passed here in support of freedom's cause. It is a ringing declaration of your firm resistance to aggression. That staunch spirit is personified by your courageous leader—"Mr. Labor"—George Meany. I thank him, and I thank you—from the bottom of my heart.

I thank you, too, for another man.

He does not live in the White House. He is face down in the mud of the DMZ. Or storming a hill near Danang. Or crouched in a rice paddy in the Mekong Delta.

The American soldier thanks you, from the bottom of his heart. He knows, even if some others don't, that your expressions of support are not just flag-waving words.

Whoever thinks that has never heard the question that comes to me so often from the foxhole. He has never felt the ache of a soldier asking: "We're doing O.K.—but are the folks back home really with us?"

American labor has answered with a resounding "yes." You have said it before and repeated it here—so strongly that even Hanoi cannot mistake its meaning.

I know that many of labor's sons have left their homes to risk their lives in Vietnam. I know that is torture for you, as it is for me. I know that you regret every dollar spent on war—dollars that should be spent on the works of peace.

But you and I know that we must persevere. The torture we feel cannot beg the truth. It is only our unswerving will and unshakeable determination that can bring us peace.

It is easy to agonize and moralize, to pin your heart on your sleeve or a placard—and think that you are helping to stop war.

ASKS WORKABLE SOLUTION

But I only wish that those who bewail war would bring me just one workable solution to end war.

The peacemakers are in the field. The soldier and the statesman need and welcome the sincere and responsible assistance of concerned Americans. But they need reason, not emotion. They must have a practical solution, not a concoction of wishful thinking and false hopes—however well-meaning.

It must be a solution that does not call for cutting and running now. Those fantasies hold the nightmare of a larger war tomorrow.

It must be a solution that does not call for stepping up our military efforts to flash point, where we risk a larger war today.

I, for one, would be profoundly grateful for that kind of help. Thousands of our soldier sons would also give thanks. And I cannot help but feel that we would be joined in our gratitude and gladness by millions of thoughtful Americans. They are the concerned Americans who recognize the responsibilities that accompany their rights, and who see it as a duty of citizenship to be constructive in word and deed.

For as long as I have borne the responsibility of conducting our foreign policy, I have known that it is easier to protest a policy than to conceive one. And so I have followed a rather simple practice:

If someone has a plan, I listen to it.

If it seems worth pursuing, I ask the best Americans I can find to give me their judgments on it.

If they like it, and it seems wise to me, I try to put it into operation.

WILL STUDY PROPOSALS

I can promise all who shout their opposition, as well as any who have quieter doubts, that I will continue this practice. I will always be ready to hear and act on any proposal they offer.

In the meantime, I will do my duty.

I want you and the American people to know that I am not going to be deterred, influenced or inflamed by a bunch of politically selfish men who want to advance their own interests. I will advance down the center of the road, doing my duty as I see it regardless of the polls and regardless of the elections.

I will devote my days and nights to supporting and supplying half-a-million of the bravest men who ever left these shores to fight for freedom.

I will honor our sworn commitments to protect the security of Southeast Asia, because it is our security too. We will not now betray the troubled leaders and hopeful people of that region who rely on us to shield them from aggression—not after other presidents who preceded me gave their solemn word too.

I will hold the line against aggression as it has been drawn so often by the President and the Congress. We will not now nullify the word of the Congress, or the people, as expressed in the SEATO treaty, the Tonkin Gulf resolution, and the many defense appropriation measures passed specifically to deter aggression in Vietnam.

At all times, in all ways, with all patience and hope—we will strive for peace.

Let no man, friend or foe, American or Asian, mistake our meaning.

I remind all of you again of my own exchange of correspondence with Ho Chi Minh. The North Vietnamese themselves released my letter on March 21. In it, the United States made a fair and firm offer:

"There is one good way," I said, "to overcome this problem and to move forward in the search for a peaceful settlement. That is for us to arrange for direct talks between trusted representatives in a secure setting and away from the glare of publicity . . .

"As to the site of the bilateral discussions I propose, there are several possibilities. We could, for example, have our representatives meet in Moscow where contacts have already occurred. They could meet in some other country such as Burma. You may have other arrangements or sites in mind, and I would try to meet your suggestions . . ."

Can we be any more specific? Hanoi has spurned the olive branch. They answered with a rude "no" and they have repeated it time after disappointing time. Until they relent, until they see room for compromise and area for agreement we must stand firm and unafraid. And we will.

Peace will come, I am convinced of that, but until it does, I will continue, with the support of our determined people, to hold the line we have drawn against aggression—and hold it firm and steady.

In all that I do, I will be strengthened by the powerful testimony for freedom that you have given in this hall. You courageous men of labor support our fighting men, and you have spoken as free men must speak. May all the world hear you. And may God bless you for it.

HOPES AND DANGERS IN GREECE

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. FRASER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. FRASER. Mr. Speaker, reports from Greece indicate that the military regime that has ruled the country since a coup last April is in the process of being overthrown today by forces led by King Constantine.

These reports appear to signal the forthcoming return of constitutional government to Greece and the end of an oppressive regime.

But, at the same time, the reports are a danger signal for men such as Andreas Papandreou, former leader of the Center Union Party and former economics professor at the University of Minnesota, who has been in prison since the coup. The safety of him and other political enemies of the junta may be more threatened than ever before.

I hope, Mr. Speaker, that constitutional government can be restored to Greece quickly and bloodlessly. And I hope that the United States will do everything possible to prevent bloodshed and to protect the lives of those who have been imprisoned by the junta.

THE WHOLESOME MEAT ACT OF 1967

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PURCELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. PURCELL. Mr. Speaker, the Wholesome Meat Act passed by Congress this session is a tribute not only to this body of lawmakers and to the American Consumer, but also to the U.S. Department of Agriculture.

Since 1960—under the leadership of Secretary Orville L. Freeman—the Department of Agriculture has become more than ever what it was envisioned by former President Abraham Lincoln—a "People's Department" representing all Americans.

One of the major goals of the Department since Secretary Freeman took office has been to strengthen the Federal meat inspection program. The Department recognized that it was trying to protect citizens of the 1960's with a law that was passed in 1906. For 5 years the Department has suggested legislative updating of the Meat Inspection Act. At the same time, Secretary Freeman and other Department officials, such as Under Secretary John Schnittker, were taking administrative steps to aline meat inspection practices to reflect more closely the conditions in livestock marketing and meat processing.

Secretary Freeman appointed a task force early in 1965—headed by Assistant Secretary George Mehren—to study the need for and recommend changes in administrative and operational procedures and in existing legislation where the Department's inspection services and the protection of consumers could be strengthened.

As a result of that study, the USDA instituted a series of procedural and administrative reforms which included administrative reorganization of the meat inspection service. In announcing the reorganization plans, Assistant Secretary Mehren said it was "another in a continuing series of actions to assure that the USDA is giving maximum performance in its consumer protection operations."

In addition to the reorganization, the Department has taken more action in the past three years to modernize and improve the Nation's meat inspection services than at any time since the Meat Inspection Act was enacted in 1906.

One of the moves placed the meat inspection program in the Department's Consumer and Marketing Service along with other USDA inspection and grading activities. Cooperative work was begun to help States develop meat inspection programs. Procedures were tightened on control of federally inspected meat. Service to consumers climbed to new records in number of plants supervised and quantities of meat and meat products inspected and certified.

Secretary Freeman has made it plain that all of the actions taken by the Department have two major goals. One is to protect the wholesomeness and truthful labeling of the Nation's meat supply, and to prevent activities of the few who, by criminal intent, seek to pollute it. The other is to improve the efficiency of meat inspection by developing new techniques and working relationships geared to changing conditions in the meat industry.

And now, the Wholesome Meat Act is an excellent vehicle to help achieve the total goal of the Department—assurance that consumers throughout the United States will be able to purchase only wholesome meat and meat products.

Deputy Assistant Secretary Rodney E. Leonard, in testifying before a Senate subcommittee this year, said:

> The Department must insure that effort is made to assure the homemaker the meat she buys for her family is safe and wholesome.

Mr. Leonard pointed out that the Meat Inspection Act was becoming increasingly inadequate to deal with the problems of today's modern, aggressive industry, and for dealing with problems which would arise in the future. The Congress heard that plea and passed a good, comprehensive meat inspection bill for the Department of Agriculture to use in providing assurance of a wholesome meat supply.

But, Mr. Leonard also told the subcommittee that the Department cannot rest upon old laurels. And I am sure they will not rest on old laurels. Enforcement of the Wholesome Meat Act depends on its effective administration by the Department of Agriculture.

Secretary Freeman—and his associates, Mr. Schnittker, Mr. Mehren, and Mr. Leonard—have proven their ability to administer an outdated law. I am confident they will do even better with the additional power vested in the Department.

The Department has heard the plea of the American consumer—and is ready to assure her that action will continue to be taken to provide her with the additional protection she deserves.

NO ROOM IN THE SKIES

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Rosenthal] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. ROSENTHAL. Mr. Speaker, our national air traffic system can best be described as a network of flight patterns so dense and so overcommitted as to represent a direct threat to the lives of passengers and nonpassengers alike.

Most Americans see this problem in only its most superficial form of protracted delays and nerve-wracking inconvenience at most major airports. Perhaps for this reason, the imminent Christmas holiday season is an excellent time to remind both airborne and earthbound Americans that the taxing, stackup and terminal delays that will surely occur next week are indications of much more serious trouble.

Midair collisions and near misses have been ever more frequent and a major part of the blame for these disasters and near-disasters can be traced to our inability to adopt adequate controls over the many small, privately operated aircraft that swarm through our crowded air space.

John Barbour, in the Long Island Press of December 10, 1967, has written a trenchant exposition of this grave problem. The article is titled "Our Crowded Skies," and with permission granted I insert it at this point in the Record:

Our Crowded Skies—Aircraft Jam Builds Problems, Trims Safety Odds

(By John Barbour)

Air travel is safe. But for more than 1,400 human beings who perished in U.S. air accidents so far this year, it was not safe enough.

Death in the skies is not one problem, but many. It may involve the fatigue of metal, the length of a runway, the clutter of a radar screen, weather, the limits of human sight or attention or judgment, or equipment failure.

But few problems are as severe or as urgent as the burgeoning air fleet itself.

Ten years ago, there were only 67,000 commercial and private planes in the nation's skies. Today, the air fleet numbers more than 108,000. In 10 years, it will number 184,000. And every year private and commercial planes get bigger and faster.

Today's 2,300 commercial airliners have an enviable safety record. They suffer less than one-tenth of a death every 100 million miles in the air.

But for the 106,000 smaller, private and business aircraft called general aviation, the death rate is 20 per 100 million miles—200 times the death rate for scheduled airliners and eight times the death rate for automobiles.

The comparison may be unfair, stacking miles flown by speedy jets against those of slower light aircraft. Private pilots say the death rate per 100,000 hours in the air is a better measure, and claim it is comparable for both private and commercial planes.

Barely 2.5 per cent of the nation's airlines were involved in accidents in 1966, against nearly 6 per cent of the planes in the general aviation fleet. Of this year's 1,400 dead, almost 1,200 died in general aviation accidents.

And of six air disasters in 1967, two were collisions in the air between commercial and private aircraft. The 108 persons who died in those two crashes total almost half of the entire commercial aircraft death toll.

In all, some 137 people were killed in collisions in the air during the first 10 months of the year, just 25 short of an all-time fatality record for that kind of collision. But any year has the potential to be worse.

In 1966, pilots reported 462 near-misses with other aircraft. Not all near-misses are reported. Some experts say the true number might reach 5,000 a year, involving possibly thousands of people.

And within two years, the first jumbo jets with 500 passengers aboard will begin landing at airports that even now are desperately searching for room. After the jumbos come the supersonic transports that will cross American twice as fast as a bullet.

"We can put in radar at every airport in this country, instrument landing systems at every airport in the country," says Federal Aviation Agency chief William F. McKee.

"It will obviously greatly improve the operations. But even with all of that, and billions of dollars on airports, I couldn't guarantee you a 100 per cent safe operation, as long as we have people who make mistakes, as long as we have equipment that goes out."

The FAA has two prime duties: Insuring air safety, and promoting aviation. Some congressional critics say that one aim may be getting in the way of the other.

Critics are pointing to the rapid growth of general aviation and are asking for stiffer standards in granting private flying licenses.

In an analysis of air accidents in 1965, the National Transportation Safety Board found that two-thirds of general aviation mishaps were due to pilot error. Less than one-fifth of airliner accidents were pinned to pilot error. In 1967, as in the three years before, more than 1,000 will die in general aviation accidents. The NTSB says the toll is rising partly because light aircraft are bigger and carrying more passengers.

Gen. Joseph D. Caldara, head of the nonprofit Flight Safety Foundation, has urged the FAA for some years to tighten the standardization of instruction for private fliers. Until about three years ago, he said, it was possible for an applicant to pass the written test even if he failed all the questions on weather. It is no longer possible. Still, one out of 10 accidents involving small planes is caused by weather.

In 1959, Congress authorized the FAA to delegate its private pilot flight testing to industry. The FAA monitors the flight testers it designates. But the fact remains that some 80 per cent of the flight tests for private licenses are conducted by private individuals. Some of these people are the same ones who sell flying lessons, sell aircraft and service them.

Rep. Benjamin Rosenthal (Elmhurst-Democrat), whose district includes Flushing Airport, a private field and part of LaGuardia Airport, says: "It's as if the man who sold you your car, or the garageman who serviced it, also gave you your driver's license."

Despite the potential conflict of interest, FAA officials are sure that the outside flight testers are honest and uphold flight standards. They point out that flight instructors and flight testers put their reputations on the line when they pass a pilot.

The professional airline pilot is flight-checked by the FAA twice a year. Yet private pilots with a basic license need only pass a medical examination every two years to maintain flying rights.

Indeed, inactive private licenses have not been cut off since mid-1945. They can be reinstated without any further instruction or flying.

As 1967 draws to a close, the FAA is considering some new restrictions on the general aviation flier. It will suggest for public discussion annual proficiency tests, or a set amount of yearly instruction, to maintain flying rights. Such proposals will not be rules until all interested parties comment. An FAA official admits that safety statistics point a finger at the efficiency of the private pilot. A current study of hub airports is probing the possibility of segregating them from private flying.

"I think there is a safety factor here," the official said.

"We are aware of it. But we are trying to find a way without penalizing the general aviation flier. Traditionally in this country, public transport has been given the right of way. But one-third of all people going by air, go by general aviation which includes air taxis. We're trying to do the best we can with the fewest restrictions."

The general aviation pilot is represented by several groups in Washington. One is the Aircraft Owners and Pilots Association. A spokesman for that group said: "There are a lot of people flying and learning to fly. There are very few federal agents to monitor it. If you go into revalidation of licenses and retesting, you'll have to enlarge the FAA staff tremendously."

Of a possible conflict of interest in having private individuals give flight tests, he said, "I have seen no statistical evidence to date that this was the root of the problem. Some years ago, the FAA thought it was, cancelled all designations of outside flight testers, and began doing the testing themselves. FAA agents fell six months behind in testing, and the accident rate did not go up or down."

General aviation groups are adamant on freedom of the skies. Largely, they have been successful in defending it. Once the private pilot has his license, there are few enforceable bounds on him in the aircraft for which he is rated, except his own good sense. In some cases he can traverse a busy airport, fly through a runway approach or stacked-up airplanes. When he creates a hazardous situation, he is liable for punishment. He may be dead by then.

Charles Ruby, president of the 22,000-member Air Line Pilots Association, said: "We do not feel that we can stress too strongly that with the increased use of the common air space by transport and military aircraft, as well as all types of general aviation aircraft, it is clear that air traffic control problems, and the collision threats are on the increase."

There have been louder cries recently for segregating private aircraft, making them land at satelite fields away from the busy commercial traffic coming into hub airports.

General aviation groups stoutly defend their access to tax-supported runways and airspace. Robert Monroe, congressional liaison and deputy chief of policy and technical planning for the 140,000 member AOPA, put it this way: "With 99 per cent of the registered aircraft, 98 per cent of the active aircraft, 97 per cent of the active pilots, 82 per cent of the hours flown, 75 per cent of the operations at tower controlled fields and 99 per cent of the operations at the rest—we are not general aviation—we are aviation."

Because the private flier has to make contact with scheduled airlines frequently, or because he carries passengers who do, he needs to go where the airlines go.

Others, too, feel that segregation is not the solution. Caldara insists that the air space and the airports can handle general aviation as well as commercial traffic. The airports will need parallel runways for the light aircraft to free heavy-duty extra-thick concrete for passenger jets.

Next, says Caldara, are requirements in equipment and training that will tie the general aviation pilot into the positive control of instrument flight. This would enable the FAA to create a "federally controlled system which integrates all aircraft," which keeps track of them in the air and tells them where they may not go.

One worry for the already harassed air controllers is the occasional private flier who comes into a busy hub complex for the first time. If he is capable and plans ahead, his visit may be trouble free. But some have difficulty. They land on the wrong runways, or the wrong airports. With other planes coming and going at about one a minute in busy times, the stranger can cause hazards and delays. Sometimes he calls the tower to report he has only 15 minutes of fuel left. The tower then must keep some 1,000 people waiting in the air over heavily residential areas while they bring in the sometimes lost, sometimes shaken airman who has had his first taste of the crowded metropolitan skies. He may not return. But controllers wonder if he wasn't there once too often already.

"He has to be spoon-fed," said one FAA aide.

"We'd rather not have him around."

The FAA is taking steps to get a better measure of how close things are in the skies by relaxing one of its rules on near miss reporting. Most agree that the 462 reports received in 1966 were too low. But pilots were reluctant to turn in reports, because they were frequently followed by punitive action by the FAA. Beginning Jan. 1, for one year, the FAA will grant immunity to pilots reporting near-misses. Hopefully, it will bring out a better measure of how often near-misses occur, where and why.

Of the near-misses reported in 1966, 143 occurred at altitudes ranging from 500 to 3,000 feet, and 249 were between 3,000 and 14,500 feet. Almost half occurred within 10 miles of airports of origin or destination for the aircraft involved.

In short, most occurred in those areas and under those situations when the mix of aircraft—general and commercial, prop and jet—was greatest.

The Air Line Pilots Association has emphasized that for the time being adequate aircraft separation is the only safe answer even when aircraft are under positive radar control from the ground.

"This is due to the physical aspects of the current radar program," it said, "under which the controller on the ground must first observe some deviation, then evaluate it and transmit information to the pilot of the aircraft who in turn must evaluate it and take appropriate action. When we are operating airplanes a mile or so apart at 160 miles an hour, there simply is not time for two independent minds to assimilate information and take appropriate action."

Almost all interested parties agree that a collision avoidance system is necessary. Yet such a device seems to be three to five years off. Some workable models now would run between $30,000 and $50,000. That cost can be tolerated on a $2 million jet airliner or a military plane. But it would more than double the cost of a light plane. A workable system must be reasonable enough in cost for all planes.

The most promising approach would utilize a sort of atomic crystal clock—one that can account for reports from 2,000 aircraft within a three-second period, and by analyzing their reports against time, provide computer readings on all traffic with split-second speed.

Another proposal would include federal subsidies to a radar-type aid that could place aircraft on a ground controller's screen by altitude and position. For small aircraft entering congested terminal areas or air routes, such devices could be rented for a modest charge on a plug-in-and-use basis.

The FAA monitors the air space, is responsible for keeping aircraft separated in layers of sky under positive control. Aircraft flying at more than 24,000 feet fly by instrument flight rules, and are under positive radar control by FAA centers on the ground. In the crowded northeast and north central skies, the FAA has extended its positive control down to 18,000 feet. This area is reserved for the pilot and plane that are instrument-rated.

Below these altitudes, aircraft may fly under visual flight rules. Separation then depends on the pilot, on a "see and avoid" basis. Most of general aviation occupies this area, from 18,000 feet to the ground.

Each major airport with a control tower has a traffic control area for five miles around and up to 2,000 feet above. The Air Transport Association, representing commercial airlines, wants this control area expanded.

PLANTING FOR A HUNDRED YEARS

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Rosenthal] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. ROSENTHAL. Mr. Speaker, a Chinese proverb says that if one wishes to plant for a week, he should plant rice; if one wishes to plant for a year, he should plant a tree. But if one wishes to plant for a hundred years, he should educate his children. In our efforts to plant the seeds of solutions to our social ills, we have too often been guilty of planting only short-range solutions. We must concern ourselves more directly with solutions that can last for a hundred years. We must concert our energies to educate all of our children.

The need for education and the promise of education should be apparent to us all. I rise today not to repeat my broad commitment to education but rather to applaud a very specific educational experiment that has been in effect in New York City for more than a year now. The City University of New York, through its search for educational elevation through knowledge program—SEEK—merits our warmest praise for opening the doors of college-level educational opportunity to 2,000 New Yorkers. This is precisely the kind of planting that we should encourage with all means at our disposal.

Prof. Julius C. C. Edelstein, in testimony before the City Council of New York on November 16, 1967, spoke eloquently about the need to maintain and expand programs such as SEEK. With permission granted I insert below Professor Edelstein's testimony:

Hope for the Disadvantaged High School Graduate—The SEEK Program

(Testimony of Prof. Julius C. Edelstein Before the City Council, November 16, 1967)

I appreciate having been invited to testify at these hearings. I enjoy the experience of testifying here as an academic witness—in these familiar precints.

I want to pay my compliments to Borough President Sutton and to Councilman Koch for their selection of the subject for these hearings—education in reading for the disadvantaged. Of course, there is no more crucial topic in 1967.

Professor Marshall MacLuhan, now of Fordham University in New York, apostle of the doctrine that the medium is the message, wrote a book entitled "The Gutenberg Galaxy", which maintains that the invention of movable type and of printing by Johann Gutenberg in 1451 began a new stream of history, created nationalism, brought about the industrial revolution, and ushered in the modern age in which the ability to read became the key to the acquisition of all higher skills.

Reading has, indeed, become the master key to all the doors of opportunity. It is not necessary to derive this fact from MacLuhan or from history. It is a primary fact. Reading is necessary to education. Education is necessary for skill and career development.

Descriptive and analytical studies of the conditions and factors of social, racial, and economic disadvantage related to reading ability abound.

Many studies have been and are being made of the pre-school and early school years and of the impact of such factors as class size, room size, family attitude, and home conditions. We, at the City University, through our schools of education and particularly through our association with the Center for Urban Education have contributed to the mounting body of research in all these areas.

It is not my purpose or function to cover any of this ground. My particular interest and concern is with those young New Yorkers who are already in high school or who have already graduated from high school—and particularly those who have the potential for college education but who certainly cannot prove it from their high school records—those who have been labeled "losers" by their high school records—with low averages and without the academic tools to grapple with college study. But they do have the potential—many of them or some of them—if only that potential can be developed.

Having spent many years in government, I have now found what I might call a moral equivalent for governmental involvement in my present involvement in a frontal attack on the most urgent of all urban problems—the lack of equality of educational opportunity.

My responsibilities at the City University are as Director and Coordinator of Urban Studies, which include all that passes under the broad heading of urban problems. Of all these areas of concern, none is more urgently appealing than the problem of qualifying our educationally disadvantaged young people for college level education.

On this subject, I qualify myself as both a zealot and as a navigator in uncharted waters. This is where we all really are in this entire field—in uncharted waters.

Post-high school education has come to be not a luxury for the few but a necessity for the many—to enable them to acquire the technical and professional skills required today to provide the services and perform the functions which are in demand in this technological age.

As the value of muscle has declined, the value of mind has advanced.

To meet this new situation, the City University has been moving forward. But there were problems—and still are.

It is a fact that relatively few of the graduates of ghetto high schools could meet the requirements of our city colleges. They not only lacked the necessary averages but did not have academic diplomas.

Chancellor Bowker recently caused a survey to be made of the graduating class of Benjamin Franklin High School in East Harlem. Less than five percent of the graduates of that high school had academic diplomas. By sharp contrast, almost one hundred percent of the graduates of Stuyvesant High School, also in Manhattan, received academic diplomas.

This almost anecdotal set of statistics clearly reflects the total lack of equality of educational opportunities as between the students attending Benjamin Franklin High School and those at Stuyvesant. We really do not need these figures to establish the fact. But the figures clearly illustrate the fact.

It had been suggested—but it was really not a tenable solution—that we admit quotas of disadvantaged students into the city colleges without regard to their competitive academic standings in the city as a whole. However, we had ample evidence that most of the students with the handicaps, of the young people from the poverty areas, would meet with tragic defeat and failure in attempts to compete, on an equal basis, with high school graduates with vastly superior educational background and preparation.

If we tried to meet the problem by depressing the admissions standards of our colleges, the result might well be to lose the cream of our faculty.

It has been the experience at other institutions that drastic lowering of standards of student admission has resulted in a drastic lowering of faculty standards as well.

No, this is not the way. The way is to raise the achievement level of the students, not to lower the teaching levels of the colleges.

That was the way the City University chose through its SEEK program.

To be eligible for the SEEK program, high school graduates must reside in poverty areas, and be ineligible on the basis of their academic standings to enroll in any one of the colleges of the City University.

We accept high school graduates with vocational and so-called general diplomas.

We accept students who have no more than a high school equivalency diploma.

We tutor them, counsel them, guide them, and provide them with financial support ranging from $10 to $50 a week, depending upon their family needs.

We have organized special classes for them, but they are part of the college and university structure.

They take college level courses for credit when, as, and to the extent they are able.

We have set up a Residence Center for 100 of them. They are the only students at the City University who are housed by the University. We want to see what the educational impact will be.

We give them support and stimulation for as long as they need it.

The purpose is to provide a ramp by which these educationally disadvantaged young people can move gradually up to the regular college level.

Overall the results seem to be most encouraging. In some cases the results are spectacular.

We have cases of high school graduates who had averages in the low 70's for their total high school careers who have become "A" and "B+" students as a result of the SEEK program.

Could this potential have been detected beforehand? Could it have been tested for and measured?

The answer is "No—not as far as we know."

I take the word of the experts in the field: of Dean Berger, for instance. He says that there are no tests which will accurately predict success—or failure—in this respect. Other authorities say the same thing.

Perhaps we will eventually learn, from our experience with SEEK, what signs can predict college potential in a high school graduate for whom elementary and secondary education has been an exposure without penetration or instillation.

The SEEK program is succeeding in opening up young minds which were believed to be closed to academic learning.

The SEEK program is developing unsuspected college potential.

The SEEK program is transforming the lives of scores and hundreds of young people and modifying the lives of others.

It is opening doors of endless possibilities for many of these young people.

What we say to the students is: "Open up and let something happen to you—let education happen to you—let the discovery of knowledge happen to you." In most cases it happens.

What we are doing is to bring these young people into the mainstream of knowledge, culture, and skill.

They are being brought to a point where they can decide what to do with their lives—and not to have this decision made for them—to become children of opportunity rather than pawns of circumstance.

Not only is this our goal. It is our realization.

We are doing it. It is happening. It is happening here. It is happening by the tens, by the scores, we hope, by the hundreds.

We know this. Yet we are only at the beginning of where we are going. We are not absolutely sure of where we are going, except that we are confident that we are moving in a forward direction.

The SEEK program has two objectives: first, to give youngsters who could not have made it into college a chance to make it—by becoming college students. We try to prepare them and support them along the way.

Our second purpose is to learn how to do what we are doing, on the largest possible scale, and then to apply what we are learning, on the largest possible scale.

What we are doing with the SEEK program is only the beginning of what we propose to do. Yet we must know much more about what we are doing and the best way of doing it.

What we are doing now is tentative, probative, inspirational, personalized, and intensely humanized—tailored to the individual and based on a small scale.

We are shortly going to move into a larger scale.

The SEEK program is surely an illustration of Victor Hugo's epigrammatic reference to an idea whose time has come. The time had come for the SEEK program.

If I were to analyze the major elements which need to go into a program along the lines of SEEK, they would be as follows:

(1) A voluntary, self-motivated approach. The motive must be strong and constantly strengthened.

(2) It must be a program which permits enrollment without hurting the families. In other words, it must provide stipends and financial support.

(3) The program must give to each of the students the possibility of a self-image as an achiever—by adjusting the size and timing of the upward steps to the ability of the student.

These must be among the basic principles of any such program. These are the basic principles of the SEEK program.

My functions and activities at the City University cover a wide range of matters involving the university's relations with New York City and State, and also in the academic field of urban studies. But there is nothing within my area of competence which gives me the sense of excitement over past achievements, and anticipation over future ones, that involvement with the SEEK program does.

I know that in speaking about the SEEK program at these hearings I am addressing myself to sympathetic ears. Borough President Sutton, as a member of the State Assembly, provided the main germ of the idea that has now flowered, and is now the SEEK program. He was the father of the idea and the architect of the plan by which that idea was put over and became law.

Since then—and that was in the summer of 1966—we have tended and cultivated that idea and have made it live and grow. But President Sutton has maintained his sympathetic interest in it and concern for it. We have needed that interest and support.

I would like, for a moment, to shift focus and to look at the extent of the demand for the kind of opportunities provided through the SEEK program, and the relation between that demand and the supply of such opportunities.

The fact is that the demand greatly exceeds the supply.

At the present time there are 2,000 students in the SEEK program. We are planning to expand this program to 3,000 next September. We have had waiting lists of more than 8,000. I believe that we could have a waiting list of 25,000 if we advertised the program broadly. We do not.

Most of the applications for inclusion in this program come through or from community organizations. This is a very special characteristic of the SEEK program. It involves the City University with the community organizations which are given the primary responsibility for proposing the names of eligible SEEK students. The community organizations have learned to be conservative in their nominations. They have learned to avoid nominating too many, in order to avoid disappointing too many.

Far more are nominated than there are places open.

We try to counsel every student who is recommended to us. We try to point to other educational opportunities.

As far as other college opportunities are concerned, there is very little other than SEEK in New York City.

There is Project Apex at New York University which will be ending this year. It consists of 60 students.

There is Upward Bound at Fordham University, purely a summer program.

There is Columbia University's Double Discovery Program, also a summer program, which consists of high school students already involved in the City University's College Discovery Program.

That is just about it in New York City.

If there are additional programs, we at City University have not been able to learn about them. The information on such programs is not easy to come by.

We have been making a study of these programs at other universities in the New York area, and have experienced substantial difficulty in tracking down even the basic information about them.

In general, the availability of opportunities for young people in the same categories as those from whom we recruit SEEK students is extremely limited. The doors are closed. They must be opened much wider.

City University has asserted as its goal a sufficient expansion of facilities in a sufficient variety, to absorb every high school graduate in New York City who wishes to enroll for post-high school education.

Let me make clear and emphasize that I am not casting any reflections on any other institution in the city or on any other program. Each of these programs was conceived to be a pioneer program in the university in question. Much thought and effort have gone, I am sure, into developing them and cultivating them. They are of small scale, but the difficulties they have encountered are of very great scale. They have not wished to have great failures. Yet failure has been the name of the game in many of the efforts which have been made along these lines in the past.

It is a terrible thing to contemplate, adding to the experience of failure of these young people. They have had enough failure. Enough frustration. Enough dead-end roads in their lives. Success, step by step, must be built into these programs. That which can be labeled failure must be minimized. Where failure is inevitable, exit or transition programs should be provided. This is what we are trying to do in the SEEK program. This necessity is what presents difficulties to every architect of such a program.

There is one major factor I haven't mentioned pertaining to the SEEK program—and to all the programs with which this hearing is concerned—and that is the question of cost.

The SEEK program is a somewhat costly program. In the first year of operation we spent about $1,600,000 and calculated the cost of the SEEK program at about $2,000 per student, without, of course, considering University overhead of any kind. In the first year we did not have enough money to conduct the kind of program we wanted. A major number of our enrolled students were part-time students. We are now phasing out the part-time program. Our cost per student in the current year is substantially above $2,000.

As we improve and refine upon the program, and build upon experience—as we add new elements to it—the cost increases.

But we might well consider this cost to be cheap at double the price. For the current fiscal year, we were able to secure approval of budget increases to the level of $3,500,000. In the next fiscal year we are asking for $10 million.

It is not possible to achieve impact on the students, on the University, and on the City of New York without paying the price.

But I, for one, believe profoundly that the cost of social inclusion is far less than the cost of social exclusion.

We hope that the Mayor, the Governor, the State Legislature, and the City Council will agree with us when our budget comes before them for approval.

We believe that what we are learning and the progress we are making with these young people and with the problem of which these young people are a part and which they reflect is worth what we propose to spend, and much, much more.

We cannot provide a cost-benefit ratio which can be fed into a computer. However, it will be felt, in my opinion, and reflect itself in the history of the times in the years to come.

Many of these SEEK students will take advantage of the career opportunities which will become open to them. Many will become leaders of their communities.

One of the SEEK students said, just the other day, in a discussion at which I was present—"We can't let Grandma down—or the kids at home—or the people in the neighborhood—we have got to make it."

They are going to make it. We have got to make it possible for them to do so.

DUAL ANNIVERSARIES OF THE CITY OF BETHLEHEM

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. Rooney] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. ROONEY of Pennsylvania. Mr. Speaker, several times during this first session of the 90th Congress I have had occasion to make references in this Chamber to the dual anniversaries being observed throughout 1967 by the city of Bethlehem, Pa., in my congressional district.

These dual anniversaries, the 225th year of Bethlehem's founding and the 50th anniversary of its incorporation as a Pennsylvania city, were marked recently by the dedication of a contemporary city center complex which will serve as the center of local government for decades to come.

This dedication was a proud moment for every Bethlehem citizen because it marked the first time in its history that the city's municipal government offices were housed in a building designed for that purpose. This attractive new complex of local government buildings, consisting of a city hall, public safety building, central public library, and a "town hall" where city council and other official bodies convene, has become a source of tremendous civic pride.

It was my privilege to participate in the dedication of this complex, both as a native citizen and the community's representative in Congress. In commemoration of this significant event in a fine city's development, I insert in the Record the remarks presented at the dedication ceremonies by Gov. Raymond P. Shafer, of Pennsylvania, Bethlehem's mayor, H. Gordon Payrow, Jr., and the president of Bethlehem's City Council, Frank Muhr:

REMARKS OF GOV. RAYMOND P. SHAFER

The impressive complex which we dedicate today is a symbol of our belief in the effectiveness of local government—government which will, ultimately, determine whether the democratic ideals which characterize our governmental system will stand or fall.

These buildings are monuments to the belief that people can truly govern themselves, without undue help from far-off, super-big, impossibly complex big-brother governments.

That you have felt the need for these buildings, raised the money to pay for them, and then followed them through the trying days of construction, are absolute proof of your own belief in your need for modern and efficient local government. Government run by people who live down the street, or across the way, or in the house next door.

And because I believe—firmly and deeply—in the responsibility and effectiveness of local government—specially as typified by your local government here in Bethlehem—I have come here to join in your dedication of this complex.

The team effort and spirit of cooperation which made these buildings possible serve, as well, as proof that "city hall" is not just a building, not just the "it" so often—and so cynically—referred to by too many citizens of too many communities.

"City hall" is people. Government is people. And the only reason for its existence is to serve other people.

These buildings will, hopefully, make it easier for your local government officials to serve you better. I congratulate those responsible for seeing the need for these facilities, and I salute all the people of Bethlehem for making them possible.

The tremendous potential of local government is enjoying new and greater recognition. Throughout the land, a sense of disenchantment is developing—disenchantment with the super-bureaucracy that presumably has all the answers. Disenchantment with a government so big and so complex that the simplest request for help or advice may take weeks—if not months—for a response.

Take, for example, the case of our cities.

Our cities need help, and they need help now. They do not have the luxury of time to waste. They cannot afford to wait while their housing developments become deteriorated and overcrowded, while their children run the streets or attend second-third-and fourth-rate schools.

They cannot afford to wait while the sick and injured seek admission to overcrowded and often inadequate hospitals.

They cannot afford to wait for the approval of the first preliminary Federal application which only begins the chain reaction of a seemingly never-ending procession of forms.

It is not that Washington does not try to help, or does not have good ideas, or does not care. It does.

But Washington is just too big, too complex, and in many, many instances, just too far away to be immediately helpful and responsive to local needs.

It is because State and local government are not so big, not so complicated, and not so far away, that they can be a genuinely constructive force in the lives of the people they govern—if they want them to be.

That is why my administration has embarked on the most extensive program of aid to her cities in the history of the Commonwealth.

Pennsylvania established a department of community affairs—the first in the Nation—just to find solutions to the problems which beset our cities, and to provide for future growth, with a minimum of new problems.

And in this first year of my administration, we have introduced a package of legislation which in its potential to aid Pennsylvania's cities, goes further and does more than any legislative package ever before.

Among the items in this far-reaching package are:

Plans for experimental educational parks in Pittsburgh and Philadelphia—providing educational facilities for our children from kindergarten through graduate study, in a complex of classroom buildings, libraries, grounds and other facilities related to education and the most modern concepts in urban planning.

A program to finance the renovation or construction of homes of persons living in low-income districts; this includes funding the razing of deplorable and inadequate housing where it currently exists—and it exists too widely through Pennsylvania.

Aid to cities in their fights to end blight, slums and poor housing.

Aid in traffic planning and control, to give our people quick and easy access to the shopping, cultural, educational and medical centers which abound in our cities.

A minimization of red tape, so that our cities and our citizens may take their problems by the most direct route to that branch of state government best equipped to give help and counsel.

In addition, an amendment has passed both House and Senate to expand the housing and redevelopment assistance law to include funds for a simpler participation in the model cities program; demolition of substandard housing; urban beautification and building code enforcement. I signed that amendment into law last week.

You might recall, by the way, that Pennsylvania began its own version of a model cities program this summer, when it appeared that Federal funds for the program would be tied up and slow in coming for an unduly long time.

We are also seeking $2 million to make our Pennsylvania Housing Agency a truly useful tool in securing adequate housing for the low- and middle-income groups of our State. This money would be used primarily to enlist the aid of private businesses in the revitalization of our blighted areas, and the creation of a pool of low-interest mortgage money for families who want decent housing but cannot afford the interest rates charged by conventional lending institutions.

We have, this past summer, opened Governor's branch offices, designed to provide information services immediately to the residents of our urban centers who need help in finding jobs, housing and help in the other important areas of living.

We have done all this in the sincere belief that for our people and our cities to be served best, there must be a new partnership among governments. The State and the municipality have their own respective roles to play in the governing of their people.

Pennsylvania is spearheading the crusade to give government back to the people. It has created a new program for the improvement and streamlining of our cities. Pennsylvania is in the front ranks of the drive to establish a new partnership which give a new voice to the municipality, its people, and their elected representatives.

Thank you.

Dedication by H. Gordon Payrow, Jr., Mayor, November 28, 1967

Bethlehem has come a long way . . . from a log cabin to this city center.

It took time—225 years.

It took people—people with the stock who had been brave enough to cross an ocean to find the right.

The 20th century Bethlehemite crossed a river and a creek to make this governmental home.

That took bravery, too—50 years of it.

So here we are today . . . only a short walk from where Bethlehem became Bethlehem.

Today is a proud time for me. And for you.

We stand on ground that makes us one.

It is a proud time for you and me . . . only eclipsed by that Christmas eve when, in a log cabin, the decision was made to build a Bethlehem to become a beacon for a new life.

That pioneering life has been injected in a number of directions—but none so great as what we . . . at this moment . . . see before us.

This is not a monument to you—or to me. It belongs to everyone.

It belongs to an Archibald Johnston who had the wisdom to see Bethlehem's needs.

It belongs to the administrations following him, like an Earl E. Schaffer who had tried to get a city center off the ground.

It belongs to these 650 municipal employes who, though they physically didn't build this, grew callouses but were not calloused in trying to bring this achievement to pass.

But most of all, this before you belongs to . . . you.

You've hoped for it; wanted it; strived for it; worked for it.

There isn't a living soul who can pass through the doors of that library, for instance, without knowing there are people . . . like you . . . who care enough to see to it that generations of today and tomorrow have the world before them at easy reach.

I saw a pretty little girl in the audience Kim Amment.

She represents today . . . but mostly tomorrow.

If she wants to, she can spend as much time as she wants of her growing-up in an honest-to-goodness library—built as a library for her . . . and for us.

Maybe we're not smart enough about a lot of things. And, maybe our forefathers weren't, either.

But they tried—and so must we.

Let's look at that public safety building.

It holds the key to safety in Bethlehem. It holds the hope that the men and women in that structure will watch after our physical well-being.

I trust them to do their job in any place. But you and I have given them the tool of efficiency.

Just think. We've been blessed with kids like *Thomas Gunn* who didn't think of himself . . . but of other . . . when he jumped into icy waters of the canal to rescue a kid he barely knew.

It is no wonder, then, why the safety-minded generation of today is flanked by the chiefs of the Police Bureau and of the Fire Bureau (Donaher and Schweder) to symbolize what the people inside strive for.

And . . . now . . . turn to the town hall. It's derring-do, too. Isn't it?

But its glassed walls mirror the comfort of a free world.

They, in 1741, on a blustery Christmas eve, met in a cold log cabin they shared with everyone to foster freedom of religion.

Today this 20th century building belongs to us and to *Capt. George Hanley* who returns from Vietnam, a hotbed of democracy versus communism.

His actions will be words in this town hall of ours, for you and I intend not to waste time and talent we have to let democracy speak for all of us.

And, now, turn to the home of government—our city hall of today and tomorrow. You and I built it—together.

From it, hopefully, will come the courage and wisdom that nourished a new Bethlehem . . . built by proud people in a proud city.

We dedicate these buildings to you!

Remarks by Frank Muhr, President of Bethlehem City Council, at the Dedication of the City Center Complex, November 28, 1967

Rev. Clergy, Congressman Rooney, Mr. Mayor, honored guests, and fellow citizens of Bethlehem, on behalf of the members of Council I extend greetings to all of you and hope that you will share in our pride as we dedicate this fine City Center Complex, consisting of the Administration Building, Public Safety Building, Public Library and the circular shaped Town Hall, for public and official meetings.

This is a great day for Bethlehem.

This is a proud day for the people of the City of Bethlehem because the dedication of this complex marks a milestone in the city's progress. It marks the realization, the fulfillment, the fruition of plans conceived in 1956.

The need for adequate city government facilities has been recognized by every mayor since the incorporation of the three boroughs—West Bethlehem, South Bethlehem and Bethlehem—into the City of Bethlehem in 1917.

No longer do the people of the City of Bethlehem have to be apologetic about their City Hall. They can now point with pride to their new city government facilities.

No longer will the people of the City of Bethlehem, or visitors to our fair city, have to determine first of all, where their business can be conducted or transacted.

Should they go to 623 Eighth Avenue, 46 East Broad Street, 53 East Broad Street, Third and Brodhead Ave., 100 East Third Street, Sixth and Atlantic Streets, or 11 West Market Street.

Today, the official address for our City Government and Public Library is 10 East Church Street. Not a "Hodge-Podge" or a conglomeration, spread over the entire city, but one beautiful, centralized complex.

The practical importance of having the city government under one roof is obvious. But this complex represents more than brick and stone, mortar, steel and granite. These buildings can well be regarded as a symbol—a symbol of unity, of purpose, of achievement by all of the people of the City of Bethlehem.

It is always a hazardous and onerous task to single out a group or groups, responsible for a project of this magnitude and I will not attempt to do so. It is my firm conviction that no one group, or groups, had a monopoly on the responsibility, or the initiative for this complex.

I do, however, believe it is salutary and proper, to acknowledge the contribution made by the Bethlehem Steel Corporation for building the Town Hall, and to Rolland Adams for his gift to the library, which sparked the fund drive and lent impetus to the drive, making it possible to build the library.

Bethlehem has a rich heritage. I am certain that if the Founding Moravian Fathers could see this complex, so close to some of their first buildings, they would be pleased.

On this dedication day I invite all of you to join us in a spirit of unity and purpose, so that together we can keep Bethlehem growing and make it a fine place to live, for us—and our children.

MEMORIAL RESOLUTION FOR JOHN CHAPMAN BELL

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Georgia [Mr. STEPHENS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. STEPHENS. Mr. Speaker, in November, the Augusta, Ga., Bar Association held memorial exercises for John Chapman Bell. His untimely death at 51 cut short a life already spent in dedicated service to his friends, his family, his church, his city, his county, his State, and his country. I used to think that the Bible verse that reads "No greater love hath any man than that he lay down his life for a friend" meant that a man must actually die to show this height of devotion. But after knowing John Bell the verse has taken on a changed significance for me. He gave his life, not just once, but each day for his friends.

The memorial resolution fully describes John Bell's life. It was prepared by a committee composed of Robert C. Norman, chairman; George Hains; Henry J. Heffernan; Lansing B. Lee, Jr.; Max Rubenstein, and Samuel C. Waller.

After adoption by the unanimous vote of the Augusta Bar Association, it was presented to the superior court of Richmond County by Henry P. Eve, president of the Augusta bar, and by order of Judge F. Frederick Kennedy, the memorial has been filed as a part of the permanent records of that court. I would like to present the same resolution to the Congress so that this memorial to my friend may become a permanent record of the United States:

Memorial Resolution: John Chapman Bell

John Chapman Bell was born in Augusta, Richmond County, Georgia, on January 29, 1916. He was the youngest child of Harry H. Bell, an outstanding businessman who participated in many enterprises for the advancement of Augusta. His forbears lived in our neighboring County of Columbia. The mother of John, Esther Chapman Bell, was a member of a pioneer family of Hancock County, Georgia.

As a lad John attended Monte Sano Grammar School, where he participated in all forms of sports, particularly baseball, playing in the then locally famous NeHi League, composed of all the competing grammar schools of this city. He was an honor student at Monte Sano, and, upon graduation, he received the award for the most outstanding boy at Monte Sano School. This small medal was to mean more to him in retrospect than almost any of the many other honors he received in later life.

At the Academy of Richmond County, John was President of his class three out of the four years, excelled in track and field events, and was a crack shot on the rifle team. He was an honor graduate scholastically and in military science and was one of the very few in the history of the school to receive during his junior year the highest award that can come to a young man at that institution—the coveted gold "R" for combined excellence in athletics and scholarship and character.

John then entered the Junior College of Augusta, now Augusta College, where his outstanding career continued for two years. In 1935 John enrolled in the University of Georgia School of Law, where he became a member of Sigma Nu Social Fraternity and Phi Delta Phi Legal Fraternity. At the University he formed many warm and lasting friendships with fellow students throughout the State of Georgia.

He graduated from the Lumpkin School of Law in 1938, was admitted to the Bar the same year, and returned to the place of his birth to begin the practice of law. Here he formed a partnership with his brother, Harry H. Bell, Jr., who had preceded him to the Bar. They were to be partners for all the days of John's legal career. The unusual ties of mutual trust and deep affection between these two brothers and partners were noted by his fellow members of the Bar, and were to be a source of strength and comfort to both of them for all the twenty-nine years of their practice of the law together.

As war clouds gathered, John C. Bell, who had received his commission as Lieutenant in the United States Army while at the University of Georgia, was called to active duty in 1940 and ordered to report for his first Army duty at Camp Wheeler in Macon. It was to be one of the most fortuitous events of John's life, for it was while he was attending the First Baptist Church in Macon, Georgia, in 1940, that he met Martha Baggarly, a graduate of Bessie Tift College, who was teaching school in her native city. Theirs was a story book romance and on August 21, 1942, one month before he went overseas, Martha Baggarly became his bride, and, more than that, became his deepest love, his truest companion, and his highest and best inspiration. As the many months of separation caused by war came on, distances between John and Martha were obliterated by nightly letters and by a nightly tryst at the same hour with a prayer for each other.

John participated in the invasion of North Africa, landing at Casablanca as an Infantry Captain with the Third Infantry Division. The company under John's command was the closest to the French lines, and thus when the General in command of the defense of the City of Casablanca decided to surrender, it was to the young Infantry Captain from Augusta that he surrendered his sword.

The Third Infantry Division participated in the desert fighting which ended in the victory of Allied armies in Africa, and John went forward to participate with his comrades in the invasion of Sicily and Italy. Notable in his wartime career was his service on the staff of General Lyman L. Lemnitzer, who later was to become Chairman of the Joint Chiefs of Staff of the United States and who through the years remained John's warm and cordial friend.

John subsequently was assigned to the staff of British General Sir Harold Alexander, as Liaison Officer for the British forces on Malta. This was the headquarters from which the entire battle of the Mediterranean, of Africa, and of Southern Europe was directed. Night after night the Allied forces on Malta were bombed mercilessly by German air attacks. On one occasion John was lying in bed when an air attack came and he recalled some small task to be performed in the map room of the headquarters. Leaving his bed for only ten minutes, he returned to find that there had been a direct bomb hit on his quarters and that his bed, which he had left only ten minutes before, had been blown up.

For his long and distinguished service to his country and to the Allied forces, John received six Victory Stars, one Invasion Arrowhead, the Combat Infantry Badge, the Bronze Star Medal, and the Order of the British Empire.

During his military career he was successively promoted from Second Lieutenant to Lieutenant Colonel.

With the war won, John returned home to resume his practice of law and to plunge into the civic, religious, and political life of his community and his State. He announced as a candidate for the General Assembly of Georgia in 1949, was elected and served with distinction for a period of five years, as had his grandfather before him. He worked diligently on reapportionment and, at the request of the then Governor Talmadge, he introduced the resolution creating Talmadge Hospital.

John always had the respect of his colleagues in the General Assembly. His conduct in Atlanta, as his conduct in Augusta, was above reproach. His clean life, his gentleness, his devotion to truth marked him out as a leader among men. It was one of the real marks of John's life and career that while he was exceedingly tolerant of the enjoyment by others of alcoholic beverages, he politely and without embarrassment consistently declined to partake thereof. On occasion this called for good natured joshing, which John enjoyed as much as did his colleagues in the General Assembly.

Again in 1963 and 1964 he served as a member of the delegation from Richmond County to the General Assembly of Georgia. An active Democrat, he served as Chairman of the Tenth District Democratic Committee, and was a close personal friend and confidant of our Democratic Congressman, Honorable Robert G. Stephens, Jr.

John's legal practice grew and prospered. He was City Attorney for Grovetown. He was attorney for the Augusta-Richmond County Planning Commission and worked diligently in the drafting of our comprehensive zoning laws. Popular with his fellow members of the Bar, he was elected President of the Augusta Bar Association, President of the Augusta Circuit Bar Association, a member of the Board of Governors of the State Bar of Georgia. He was appointed Assistant Solicitor of the Superior Courts of the Augusta Circuit, and served with distinction as President of the University of Georgia Law School Alumni Association. On one occasion with considerable courage he became a candidate for Judge of the Superior Courts of the Augusta Circuit, and while he was defeated for this position, it is a mark of the respect and honor of his own people who knew him best that he carried his own home County of Richmond.

John's interest in his community was not alone in its political life, but in its civic life. He was a member and a Director of the Kiwanis Club, the Cancer Society, and the TB Association. He served as President of the Board of Directors of the Young Men's Christian Association of Augusta, and was a member of the Richmond County Game and Fish Club. He became Vice Chairman of the Board of Trustees of the Augusta College Foundation, and in 1967, shortly before his death, he was deservedly awarded the Outstanding Alumnus Award of Augusta College.

It was Sir James Barrie who said,

"God gave us memory so that we can enjoy June roses in December."

There are many warm and inspiring memories of our friend and fellow attorney that all of us shall continue to cherish through the years.

His love of family was deep and abiding. At Christmastime he always saw that each member of the family had a gift which he or she particularly wanted, no matter what the cost or sacrifice involved.

He loved the out-of-doors with a love that was genuine and deep, and nothing gave him more pleasure than to plan a camping trip for his entire family, or to take his boys fishing or hunting, or to take the entire family to the mountains to dig for rocks, rubies, quartz and crystal. Oftentimes he would decline hunting trips or outings with his many friends to be with his family.

On his camping trips with his boys, his great pleasure was to have other fathers and their sons join them and to sit around the campfire swapping stories, talking of the stars or the wonders of nature, or of politics and law.

One of the many legacies John has left to many of his brothers at the bar is a deeper appreciation of the out-of-doors; of fishing, at which John excelled, and of hunting, which he greatly enjoyed and at which he was very proficient.

John Bell had a stimulating zest for living and received enjoyment from simple things as well as great and unusual occasions. We can hear him even now as he extolled the virtues of fresh ground pepper, which he discovered in his later years, or the fresh tomatoes, cucumbers and lettuce which his wife grew in her garden, or his obvious enjoyment in telling in glowing terms of the wonders of attending a "rock-swapping" in the mountains to which people came from miles around to share and exchange their many discoveries which they had dug from the good earth.

His was an unusual capacity for friendship—friendship with men from all walks of life. He somehow always had time for friendship and many of us will remember him for his warm, generous and sincere devotion to his friends.

John was good company. He had a ready wit, a rare sense of humor, a joyous and infectious laugh..

Carlyle once said:

"A laugh to be joyous must flow from a joyous heart, and without kindness there can be no true joy."

John's wit was never sarcastic, never causing embarrassment or discomfiture to others. His was a kindness, a gentleness, a thoughtfulness—almost a tenderness—toward his fellow man that endeared him to all.

John was in great demand as a toastmaster, as a speaker, and as an introducer. His sense of humor was original with him. It was always clean, spontaneous, and never at the expense of others. He found no greater delight than at the banquet table with good friends, good food, and good humor.

As William Wordsworth said, so we who were John's friends can say:

"The best portion of a good man's life is his little nameless and unremembered acts of kindness and of love."

Another of John's great traits was his deep concern for humanity, especially the unfortunate and oppressed, which concern never allowed a troubled spirit within him to rest. His sensitivity to the problems of the less fortunate was made manifest by his constant questioning, not only of his family and friends, but of himself, searching for the means for redressing the wrongs that always seemed to exist.

One of John's friends from college days is the present United States Senator from

Georgia, Honorable Herman E. Talmadge. At the request of your Committee, Senator Talmadge has penned his remembrances of John:

"I pledged John C. Bell to Sigma Nu Fraternity as a freshman at the University of Georgia in 1934 or 1935. He impressed me at that time and throughout his life.

"He was a man of sterling integrity and independence of mind. I do not think I ever heard him in my life say a mean thing about any individual. I never heard of him demonstrating any spirit of vengeance or vindictiveness or any quality that we normally recognize as a trait of human nature. He was clean mentally and morally and truly lived by the precepts of our Maker."

This Committee would not be true to its task if we did not at last speak of John Bell's faith in God. The well springs of John's life, career, and character were derived from his deep religious faith. To all of us John's religious faith was both an inspiration and an example. He never paraded his religion—but it was always there—guiding him and lighting up his life. His was not a Sunday religion. It was not an assumed piety. It was as natural and as much a part of his life as the air he breathed. He early was baptized into his faith, and all of his life he generously gave of his talents and his possessions to his church. He served the First Baptist Church of Augusta in almost every conceivable capacity. In turn the members of his church conferred upon him the unusual distinction of electing him Chairman of the Board of Deacons for five terms, the longest period of service to the church in this capacity since the tenure of another beloved member of the Bar, Major J. C. C. Black.

He met his wife and lifetime companion while attending church as a bachelor soldier. His prayer life and his Bible sustained him through three long years of heavy fighting, of peril, and of loneliness.

During the last ten years of his life he taught the Fellowship Bible Class and as he taught, it was always to proclaim the love of God for all men, regardless of their creed or color. He was fond of quoting from one of his favorite poems the beautiful words of John Greenleaf Whittier:

> "I know not where His islands lift
>   Their fronded palms in air,
> I only know I cannot drift
>   Beyond His love and care."

And when this joyous, zestful, kindly soul came to face suddenly and without warning the last dread foe of leukemia, friends literally by the hundreds flocked to the University Hospital or sent flowers and letters and gifts to him. And even from his sick bed, the glow of his life was not dimmed. He spoke of his illness with frankness, without bitterness, and without fear, for constantly beside him and almost constantly in his hands or across his chest in his bed was his Bible. And many times he read it, and most often he read one of his favorite Scriptures:

"Who shall separate us from the love of Christ? Shall tribulation, or distress, or persecution, or famine, or nakedness, or peril, or sword? . . . Nay, in all these things we are more than conquerors through Him that loved us.

"For I am persuaded that neither death, nor life, nor angels, nor principalities, nor powers, nor things present, nor things to come,

"Nor height, nor depth, nor any other creature, shall be able to separate us from the love of God, which is in Christ Jesus our Lord."

It seems fitting that as we seek to memorialize and preserve as best we can the bright, happy memories of our departed brother, we can do no less than to pay our final tribute to John Chapman Bell in the words of the Book he loved so well, for with these words we describe both his life and our own deepest sentiments.

"And now abideth faith, hope and love. These three, but the greatest of these is love."

CHAIRMAN POAGE ADDRESSES AMERICAN FARM BUREAU

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Georgia [Mr. O'Neal] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. O'NEAL of Georgia. Mr. Speaker, on yesterday, Tuesday, December 12, our great chairman of the Committee on Agriculture, the Honorable W. R. Poage, of Texas, spoke to the annual meeting of the American Farm Bureau Federation in Chicago, Ill.

I did not have the opportunity to be present and hear this address, but I have secured a copy of it and recognize in it a landmark that needs to be shared with all Americans, especially our friends in the cities who buy farm products. To them I commend this speech and respectfully urge that they read it in their own interest.

Earlier this year it was my great privilege to introduce Chairman Poage to my own constituents in Tifton, Ga. In commending this speech to my colleagues today I have this opportunity of using this same introduction as a preface. It is as follows:

All of us are familiar with the series of articles that has run many years in a well-known magazine called "The most unforgettable character I have ever known."

Well, today's speaker is such a person—completely unforgettable, especially if you have known him as well as I have known him these past 2½ years.

One of the greatest experiences I have had in Washington is a close working relationship with this remarkable person. I might add that my respect for him grows with each new experience.

Let me tell you a few of the ways he deserves the adjective "remarkable" or "unforgettable."

He is probably the most knowledgeable man on the subject of American agriculture in the world today. This was true for a long time even before he became chairman of the House Committee on Agriculture. It comes about mainly because of an intense interest in every phase of the subject over a lifetime of actual farming plus 27 years of service on the committee and also plus what seems to me to be the gift of total and instant recall of everything he has ever learned, and also plus an ability to perform lightning speed calculation like an IBM machine. If you think there is anyone in the Department of Agriculture with a broader knowledge, you just ask one of their experts who has come over to Capitol Hill from time to time to withstand his cross examination.

Our speaker is one of the most widely traveled men in Government—certainly in the Congress—yet I am sure he never went on a pleasure junket in his life. I have never been with him, but those who have describe him as a whirlwind of activity learning everything there is to know about the country he visits or passes through as it relates to American agriculture.

He is a masterful debater and when a colleague expects to oppose him in the arena of the committee or on the floor of the House, he had better be prepared, because Bob Poage will be prepared. He carries into every debate an enthusiasm for his position, which is intense, gains momentum as it progresses, and has been the subject of some classic stories. One of these stories dates back to the days when he practiced law in Waco, Tex. A stranger was in town and visiting in an office about two blocks from the courthouse when through the window they heard the sound of someone making a terrific speech. He was just "laying it on." "What's that?" asked the visitor, and was told, "Oh, that's Bob Poage up at the courthouse taking a default judgment in justice court." If you want a sample of this forensic enthusiasm, you just get him in a discussion of the subject of skip-row planting in the cotton program!

Bob Poage is a chairman who keeps control of his committee by keeping the respect of his committee members. He presides with great fairness. He probably exceeds every chairman in Washington in giving consideration to freshmen members. He is the ultimate in patience until he becomes convinced the other member is taking advantage of him. He then takes appropriate action in the most positive sort of way.

Our speaker was educated at Baylor University, the University of Colorado, and the University of Texas. While farming and practicing law in Waco he was a member of the Texas House of Representatives and the Texas Senate before his election to the U.S. Congress in 1936—that was 31 years ago. He served 14 years as vice chairman before becoming chairman this year.

Summing it up, we are privileged to have speak to us today one of the most knowledgeable and one of the most important men in American Agriculture, and I am very proud that you have given me the honor of introducing my great chairman, the Congressman from the 11th District of Texas, and chairman of the House Committee on Agriculture, the Honorable W. R. ("Bob") Poage.

How Well Will Americans Eat in the Year 2000?

(Speech of Congressman W. R. Poage, before the American Farm Bureau Convention in Chicago, Ill., December 12, 1967)

Mr. Chairman: It is customary to say: "I am happy to be here today," so let me hasten to say in all sincerity that I am indeed happy to be meeting with this, the largest farm organization in the world. And I am happy to be in Chicago, both because Chicago has a long history as an agriculture center and because it gives me an opportunity to speak to the type of people with whom I want to reason.

Since I became Chairman of the Agriculture Committee a few months ago I have felt that I had a special responsibility to present the farmers' case to the people of our country and especially to the people of the big cities. But like the preacher who always finds himself preaching to the faithful, who do not need his message, I have too often found myself talking to producers, like you, who actually know more about the relationship between farm prices and production than I do. I hope that together we can have the attention of urban people, without hitting them over the head with a two-by-four, because I feel that they probably have even more at stake than you, as producers, have in the answer to the question of our ability to feed and clothe our people in the Year 2000.

At the first mention of the Year 2000 one is inclined to think of a distant future. Yet, that is just 32 years and 18 days away. Reversing the calendar, that would put us back to the middle of the Depression, a period that doesn't seem very long to many of us. So, it is high time we give thought to ways and means of meeting the food and fiber needs of our people when the 21st Century arrives.

During the past 32 years there have been drastic changes in the social make-up and economics of America. We have seen an accelerated movement of the population from the country to the cities and urban areas. We have seen the population of the nation increase from 127 million people in 1935 to 200 million people, a mark reached just last month. In that time the number of persons living on farms has decreased from 30 million in 1937, the year I came to Congress, to less than 11 million today. Yet, we have seen such great advances in agricultural technology and farm practices that our people are now eating better and are better clothed than ever before. The obvious question, then, is "How Well Will Americans Eat in the Year 2000?" when our population will reach an estimated 300 million.

In answering the question whether Agriculture can continue to meet the demands of such a population, one must bear in mind that for the past 100 years there has been a steady flow of farm people into our cities. This is still going on at the rate of half a million people a year from the farms to the cities. And this includes 200,000 young people. For every 177 rural youngsters who reach working age today there are only 100 jobs available in the countryside. As early as 1917, Americans were beginning to recognize some of the implications of this migration. In that World War I year there was a popular song which, referring to the Dough Boys, asked: "How're You Going to Keep Them Down on the Farm, After They've seen Pare-ee?"

Right here, I'm reminded of a story stemming from debate in the Texas State Senate, where I served before coming to the Congress. A bill was under consideration to do away with executions by hanging—to require the use of the electric chair instead. The bill also provided that upon its passage executions no longer should be held in the county seats but at the State penitentiary. The bill passed, but over the objections of one senator who declared that historically, hangings had been a source of interest and much entertainment in many of the county seats in rural communities. He ruefully noted that, even then, the youth were leaving the country for the cities and that this bill was just one more step to speed up the migration.

Maybe we haven't provided enough of the right kind of entertainment in the country. Anyway, we do still have the very real and crucial problem of migration from our farms to our cities. On the one hand we are draining our farms of needed brains and manpower. On the other hand we are adding tremendously to the housing and to the relief problems of our cities.

The population of the world, it is estimated, will reach six billion persons by the Year 2000. The United States will account for only five percent of that, although we will still probably be the major supplier of food and fiber. Throughout most of historical times world population has been held in check by famine, pestilence and war. In the first 1,600 years of the Christian era, it is generally agreed that world population just about doubled, from 250 million to some 500 million. By 1960 it was up to 3 billion and will roughly double during the next thirty years.

There is, therefore, much serious concern in our country over our ability to feed and clothe our own people, twenty, fifty or a hundred years from now, but when I try to analyze this question I find myself befuddled and confused, and I am reminded of the boy who was walking down the road early one morning dragging a rope. A neighbor drove up and stopped. He said, "What are going to do with the rope, Tom? Are you going down to the woods to hang yourself?" The boy replied, "No, I am not going to hang myself, I'm just befuddled and confused. I don't know whether I found this rope or lost my mule."

And I am not sure whether I should be sounding the alarm of approaching famine or whether I should be seeking a more effective balance between supply and demand. Probably we should be doing some of both because the ability of the world to feed itself in the foreseeable future clearly varies greatly from country to country—but I am convinced that in every country the ability to increase the production of food and of fiber depends on the ability of farmers to use the most modern techniques, and that this ability in turn depends on their ability to pay for these modern techniques.

I have never been too alarmed by the Malthusian theory to the effect that increases in population are bound to outrun increases in the supply of food and fiber. I don't think that this will necessarily occur in the United States, but I do realize that in many nations this desperate situation is very close and in the view of some able analysts is certain to occur in the next decade—long before the Year 2000.

Farmers now have the technical know-how to produce all the food and fiber needed in this country for the foreseeable future. Certainly, with the development and improvements we can reasonably expect from our agricultural schools and scientists over the next three decades, the output should be adequate to take care of our needs, and we should be able to contribute mightily to the needs of our friends across the seas. Indeed, one of our very practical problems of the moment is to avoid the production of price-depressing surpluses. They are likely to plague us much longer than we like to think.

What the future holds in respect to increased production is yet to be seen, but there are studies indicating that by the Year 2000 we will be growing 300 bushels of wheat per acre. A farmer in Washington State actually grew 182 bushels on a commercial farm year before last. These studies indicate a possible 500 bushels of corn. A Mississippi farmer has already grown 300 bushels, and the average in the State of Illinois has in several years exceeded 100 bushels. We are told cows will be bred to quadruple their milk production, and cotton will be grown with the bolls clustered on the top of the stalk to increase the efficiency of mechanical pickers. We may have early maturing seeds so that two crops will be produced a year instead of one for some commodities. Farm equipment will be improved. Fertilizers, insecticides, pesticides, and other chemicals will be more effective. Weather satellites will help determine the proper time for planting and harvesting. In fact, I think I would like to live another fifty years just to see the developments I feel sure will take place in agriculture.

But all these developments, those already at hand and those yet to come, cost money. Unless the farmer is going to get his money back, he simply can't use these modern aids to production. In other words, over the long run, low prices definitely limit the productivity of agriculture. To use 1967 technology we must pay 1967 prices for our labor, our machinery, and our supplies. To pay 1967 prices farmers must get comparable prices for what they grow. There is no other source from which these costs can be met.

Farmers have made an outstanding record of production under most crushing handicaps. The per capita investment per worker in agriculture averages around $36,000, as compared with about $21,000 per worker in manufacturing—and yet most comparisons of farm and non-farm income completely ignore any return on this capital investment—and in 1966 the realized net income of all farm labor, including management, averaged only $1.66 per hour as against an average wage for industrial workers (management excluded) of $2.72 per hour.

To view the same comparisons from a slightly different angle, it is interesting to note that during the past twenty years the hourly earnings of industrial workers have increased 133 percent and corporate dividends are up 271 percent. During the same period farm prices have come down ten percent. Have the members of any other substantial segment of our society accepted an actual net reduction in their per hour wages or in the price per unit of what they produce, since 1947? I can't think of any.

In fact, these figures are so shocking that you probably question them, as I did. If you will but look at the price of some of our basic farm products, I think that you will see that my figures must be approximately correct.

Corn now brings a little less than $1.00 on Mid-West farms—and some of you will point out that you got a whole lot less last week. In 1947, corn brought $2.16.

Wheat (including the value of the certificates) now averages $1.87. In 1947, $2.29.

At this time, I think it is safe to say that *no* other member of our society is taking less for his labor and services than he did in 1947. This is a distinction in which farmers have a monopoly.

Now, just what are the implications of this monopoly? In the long run what this means is that farmers are not going to be able to produce all that they might, simply because they can't pay for modern practices and for needed inputs from the returns they are presently getting.

Doubtless there are areas of the world where it is not possible for consumers to pay enough to get maximum production. India is the classic example.

The reason for this chronic shortage is complex. Certainly, in India the sacred cow problem is serious, but it does not yield to outside pressure. The rapid increase in population, due in large part to improved sanitation and a decline in the death rate, presents serious, and if long continued, insurmountable difficulties, but, basically, India cannot feed herself because with the prices they now receive her peasant farmers can't afford to use the fertilizer, the power, the improved seeds, the insecticides, etc., that they know they should use to grow larger crops.

As I see it, the basic fault with Indian agricultural policy is that their government, like so many governments, has sought to lower the price of the cereals which their farmers produce, with the thought that this would help their consuming masses. Of course, the result has been to limit the production of needed cereals and to increase the production of non-food crops.

I cited India as an example of a nation where general buying power is so low that it is extremely difficult for the public to pay enough to enable farmers to produce to the maximum. There is no such limitation in the United States. On the contrary, the American consumer buys her family's food needs for a smaller part of the family's disposable income than any people anywhere or at any time in history. Actually, Americans spend only about 18 percent of their disposable income in the grocery store, and farmers get only about 39 percent of this 18 percent. In other words, nearly two-thirds of what the consumer looks upon as food money goes for transportation, processing, packaging, labor, distribution, etc.

I am not suggesting, as so many speakers do, that these charges are necessarily unfair. Most of them involve real costs which must be included in the final retail price. Many of these costs can be properly described as paying for "built-in maid service." There is nothing wrong with the grocery store selling "maid service." I am only saying that the farmer gets a minor part of what the consumer pays—and far less than most consumers suppose he gets.

Fortunately, as nations improve their living standards, there is a tendency for the birth rate to drop. Fortunately, also, there is, as I see it, no reason to assume that as farm income increases that agricultural technology will not advance just as rapidly in the future as it has in the past. The world will, in my opinion, be able to greatly increase its food and fiber resources and to feed and clothe most of its people for a long time to come.

Now, I would like to make it clear right here that I don't believe the American people should have to pay more than a parity price. You, the farmers of America, are no more entitled to an exorbitant return for your labor and your investment than is American business or American labor, but the farmer is entitled to a fair return, just as is business and labor. He hasn't been getting that fair return for a long time.

Over the years our farm programs have sought to provide the prospect of a reasonable return by attempting to achieve a rough balance between supply and demand. That is still the basis of our governmental agricultural policy. We seek to encourage farmers to limit their production to something like the anticipated demand for their products, at close to parity prices. Today there is much feeling that this can best be accomplished by a more effective use of cooperatives—so-called "Muscle in the Market Place." But whether it be by cooperatives, withholding actions, marketing orders, or land retirement or allotments, most friends of agriculture want to give farmers a better bargaining position, while relatively few of us want to resort to "strong arm" tactics. We want to cooperate with consumers—not to take advantage of them.

Congress has never tried, as so many have said, to "repeal the Law of Supply and Demand." On the contrary, Congress has tried to enable farmers to use the Law of Supply and Demand to their advantage, just as our labor unions, our public utilities, and all our competitive business institutions have tried to use that same law. We have tried to enable farmers to approach a balance between supply and demand. At the same time we have never sought to achieve an actual or exact balance because we have always wanted to be sure that consumers would have all the food and fiber they might need.

I think, by and large, this program has worked, although in our anxiety to avoid any scarcities we have probably, in most instances, let over-production reach a point where it has reacted on the price structure in a manner most unfavorable to farmers.

Neither am I saying that the only way to approach the needed balance is through reduced production. On the contrary, I think that increased consumption is a far more desirable way of getting the balance which we all want, but we can't always increase consumption as we would like to do. Our present farm laws seek to increase consumption through a rather liberal use of subsidies. In spite of the admitted difficulties which have been so forcefully pointed out by the American Farm Bureau, such payments do play a vital part in keeping certain farm products like cotton competitive with synthetics and with foreign growths. But, unfortunately, if we are to bring the income of farmers up solely by the use of subsidies to a point where they can use the needed techniques for abundant production, we are going to face governmental costs which I feel would be entirely unacceptable. Besides, most Americans are now eating about all they need to eat. You can hardly solve the wheat surplus by asking a weight-conscious business girl to eat an extra slice of toast each morning.

I think the American consumer is much more knowledgeable and much more willing to pay a fair price than some of us have assumed. Basically, consumers do not know the economics of agriculture. They have assumed that because land prices were rising that farmers were all getting rich. They have not recognized that for the great bulk of our real producers, whether landowners or renters, these increased land prices have achieved nothing except to add to the cost of production. Nor has the public, or a great many farmers, realized that the only way a farmer can profit from rising land prices is to quit being a farmer.

This job of educating the public can't be done overnight. We are 50 to 100 years late now. Labor has done a much better job of educating the public than has agriculture, but we have the irrefutable evidence which I think will convince any fair-minded group that the only way to guarantee abundance of food and fiber in the years ahead is to increase the income of farmers. It must be increased to such an extent that they can buy all of the needed inputs to assure production at all times sufficient for our needs and to maintain the world's highest standard of living.

As members of the nation's largest farm organization, and as producers of much of the nation's food and fiber, each of you has a special responsibility to make our city people understand;

First: That without the use of modern techniques there can be no substantial increase in agricultural production;

Second: That these modern techniques are terribly expensive and that without higher prices American farmers won't be able to provide the needed food and fiber;

Third: That no one asks any greater increase in the price of agricultural products than the increase in the price of things which farmers are required to buy in order to produce abundantly—that is, "parity"; and

Finally: That, even with full parity prices to farmers, the American people will still be buying more and better food for a smaller percent of their disposable income than any people anywhere at any time in history.

This is not a job which the Agriculture Committee can do alone, nor even all the farm organizations. Until we begin getting this needed understanding, we are not going to make progress. It is true that understanding alone is not enough, but without understanding there is little reason to expect any progress.

Now, I come to another point that I cannot overemphasize. In spite of all of our frustrations, we still live in a democracy and the Congress is hardly likely to help raise farm prices, even if it could, without support for such a move from the masses of the people—and 87 percent of the people live in town. That means that the life or death power over legislation vital to the farmer rests in the hands of Congressmen elected from urban districts. The decisions of the Supreme Court in this respect haven't helped any. They have shifted ever greater power to the populous areas. I think those decisions are wrong, but it is still the word of the *supreme* court and we must live with situations as they exist, not as we would like.

While the prospects may seem discouraging, they simply mean to me that we have all got to work together as we have never worked together before. We can and will differ about detail as thinking people have always differed, but we cannot differ about the necessity of getting cooperation from our city cousins. Without it, agriculture is lost. I am, therefore, going to do all I conscientiously can do to cooperate with the urban majority, wherever I can, without violating my principles.

For instance, I have been criticized for voting for the rat extermination program and some of you have joined in that criticism. Now, I think it is a pretty good idea to exterminate rats in both rural and urban communities, just as I believe in the extermination of predatory animals and mosquitoes. When I voted for this bill, I felt I was also voting to exterminate screwworms and fire ants. How do you expect a handful of rural Congressmen to get support for our needed programs if we fight all of the programs the city people want? And how do you expect to get the essential city understanding and support of fair farm prices if we refuse to try to understand and help with city problems?

We are all interested in our own problems, as we should be, but we must also be interested in our neighbor's problems. So, because I know that our population is increasing by 5,290 people every day, and by the Year 2000 will have probably passed the 300,000,000 mark, I feel hopeful when I invite every resident of Chicago and New York City, of Los Angeles and Dallas, to accept and understand the farmer's situation.

The Malthusian theory need never be more than theory in this great land of ours and will not, if the people see to it that farmers are paid enough to produce to their full potential. In the long run it is clearly in the self interest of the consumer in every city and hamlet of this country to support the farmer in his fight for a fair return for his labor and operating costs. In this way we can be assured that Americans will still be eating well and at a reasonable cost when the Year 2000 rolls around.

RURAL PROGRAMS

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. Nichols] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. NICHOLS. Mr. Speaker, in many rural communities important progress is being made in programs to provide additional jobs and income as well as improving the quality of living of rural people. St. Clair County, Ala., in my congressional district, provides a good example of this work.

Through a resource development program of the U.S. Department of Agriculture's Cooperative Extension Service, St. Clair County, is giving its people a meaningful choice. Let me cite the record of the last 5 years since the program got underway:

A $25 million a year payroll, 1,750 new jobs, new industrial and commercial capital investments of $66 million, and $10 million invested in new community facilities and public services. These figures do not include 200 new jobs and $10 million in new investments in projects indirectly related to the planned economic development program.

It should be noted that St. Clair County was classified as "severely depressed" in 1960.

St. Clair's record of progress did not just happen. It came after much planning, sweat, and tears by a host of community leaders, city and county officials, State and Federal officials, and others.

The St. Clair County resource development program began in January 1962. Seventy-five leaders representing all interest groups responded to the call of Probate Judge Hoyt B. Hamilton and County Extension Chairman H. L. Eubanks.

An overall economic development program was soon developed and used as a guide. With the aid of APW, SBA, ARA, and private funds, a number of projects soon were commenced. The program has been going full steam ever since.

The program has supported 15 industrial projects, six community water system installations or improvements, two sewer system expansions, seven natural gas systems or expansions, and 12 new public buildings or major improvements. Some 40 commercial recreation and tourism projects were established, accounting for more than $12 million in investment, and employing another 300 people.

Twenty-five road construction or improvement projects covering 170 miles and 12 new bridges were built. Many were developed to meet the needs brought about by the expanding development program.

More than 1,700 new jobs were created and the underemployed have been helped tremendously as indicated by these improvements since 1962: A 41-percent increase in bank deposits; an increase of $113 per capita income; an increase of 11.3 percent in retail sales; construction of 750 new homes; and a reduction in unemployment from 12 percent in 1963 to 8 percent in 1967.

Progress has been good and the future looks bright. But there still is much to be done. New projects are continually being planned, under the leadership of Judge Hamilton, chairman of St. Clair's RD committee, to meet changing needs in the county.

County resource development officers and executive committee members are Judge Hamilton, chairman; Archie H. Jones, H. L. Eubanks, Tom Milner, E. J. Riddle, Charles Abbott, and Paul Pope.

CONSOLIDATED FARMERS HOME ADMINISTRATION ACT OF 1961

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. NICHOLS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. NICHOLS. Mr. Speaker, on December 7, 1967, for myself and my colleagues, Mr. JONES of Alabama, Mr. BEVILL, Mr. SELDEN, Mr. GATHINGS, and Mr. EVERETT, I introduced a bill to amend the Consolidated Farmers Home Administration Act of 1961.

Mr. Speaker, I introduced this bill primarily on behalf of the cotton farmers of the northern half of my State as well as in the States of Arkansas, Tennessee, Georgia, Mississippi, and the Carolinas, who suffered a severe crop loss from freeze damage. In my own State of Alabama, some 49 counties have been declared as disaster counties by the Secretary of Agriculture and have been, of course, made eligible for the regular emergency loans made to farmers through the FHA in order to keep these farmers in business for the 1968 year.

FHA, however, is limited in making emergency loans inasmuch as the loans are made only for a 1-year term and it usually takes several years for a farmer to recover from so severe a crop loss as we have experienced this fall. I feel that this emergency credit would be more meaningful to our agricultural producers if it could be extended for a longer time than now provided under the FHA lending program. Such an extension would enable the farmer, who has experienced this disaster through no fault of his own, sufficient time to get back into operation. It would also permit him to catch up on obligations he may have incurred in the purchase of seed, feed, fertilizer, insecticides, herbicides, farm machinery, and all other elements which go into the materials of production he has incurred in the farming operation.

My bill provides that these loans would be made for a minimum period of 3 years and further provide that the loan could be made to include an amount sufficient to pay off debts incurred which would have reasonably been expected to meet from the sale of the crop which was lost due to disaster.

Mr. Speaker, in recent testimony, on behalf of the Subcommittee on Cotton of the House Committee on Agriculture, I told my colleagues and department officials of the Farmers Home Administration and the Small Business Administration that, in my judgment, the farmers in my State have experienced the worst agricultural disaster that I have ever witnessed during my 30 years' experience in the field of agriculture. I have walked in these farmers' fields, have seen the damage and this, I assure you and my colleagues, will be a blue Christmas rather than a white Christmas for the farmer for this region. Under unanimous consent, I will insert in the RECORD at this point certain letters received from E. V. Smith, dean, School of Agriculture, Auburn University, Auburn, Ala.; resolutions from several of the county disaster committees in my State; a report of action taken at a cotton disaster meeting, held in Decatur, Ala., and attended by some 700 cotton farmers; and my correspondence about these comments concerning this unfortunate agriculture disaster which has occurred in this area:

AUBURN UNIVERSITY,
Auburn, Ala., November 9, 1967.

HON. BILL NICHOLS,
Longworth Building,
Washington, D.C.

DEAR BILL: To knowledgeable people before the 1966 cotton harvest was over and long before the situation was publicized, it was evident that the cotton surplus was not only gone but that an actual scarcity of desirable cottons was imminent. Thus, it appeared that our real cotton farmers could look forward to a sellers' market. In addition, after deferring to western high-quality growths for years, it appeared that the advent of Coker 413 and the prospect of other high-quality varieties in the near future would put the Southeastern upland cotton areas in a better competitive position than they had been in a long time.

Consequently, it was with renewed determination that the farmers in our major cotton-growing areas in Alabama made plans for the 1967 planting season. Although the weather in Central Alabama was not perfect, it was such that farmers in the Elmore, Autauga, Dallas area are in general harvesting an excellent crop of high-quality cotton. Many farmers are reporting yields of two bales per acre. Both length and strength of fiber are such that the mill demand for cotton is very good.

As you know, our principal cotton-growing area is in North Alabama. Throughout most of this area, weather has been unfavorable to commercial cotton production most of the year. During the first week in May, Mr. Tom Corley, long-time leader of our cotton mechanization research project and now Assistant Experiment Station Director, visited the Sand Mountain Substation at Crossville and came back with the report that "it looks like January on the Mountain." On May 15, Mr. Corley and I visited cotton farms in Madison County at the invitation of the County Agent and the County Cotton Advisory Committee. A person from South or Central Alabama could hardly conceive of the weather effects even though he had kept up with the weather reports. The ground was soaking wet, a cold, wet wind was blowing, and the temperature dropped to 42° that night.

I made a trip to Collinsville in October. I was disappointed to see so little open cotton even though the leaves had mostly turned dark red or purple. I became fearful of the possibility of serious damage if an early freeze should occur.

Last weekend, the temperature dropped to the mid 20's in North Alabama. Mr. Corley and I spent yesterday and the day before in the area to gain firsthand information. We visited all of the experimental plots at the Tennessee Valley Substation. There was little cotton open, irrespective of the experimental regime. Only one bale has been picked on the Substation. Afterwards, we visited many farms in the vicinity of the Substation with Mr. John Boseck, our Substation Superintendent. I doubt if we saw more than a fourth of a bale per acre on any of the farms regardless of planting date or whether the cotton had been defoliated.

We drove through Madison County without stopping but observed similar conditions. We visited the Sand Mountain Substation with Mr. S. E. Gissendanner, the Superintendent. Hardly a boll was open on any of the experimental plots. In the variety trials, we observed 20 or more varieties but the story was the same.

We stopped in Centre for a cup of coffee and ran into Ed Allen, a progressive implement dealer there. He prevailed on us to visit many of the County's most progressive cotton farms during a hurried trip. Although we saw more cotton open here than elsewhere, it was a sad and apparent objective story that a man who had 500 bales of bolls might expect to harvest 50 bales of cotton. Some farmers here as around the Substations had so little open that they might not pick any.

Mr. Corley has had much practical personal experience with cotton. He said that he had never seen as many bolls per acre, especially in the Southeast, as he saw on the better farms in Cherokee County, on the Substations at Crossville and Belle Mina, and on the farms that we visited near the Tennessee Valley Substation. The seed are still soft and watery in the grown bolls that aren't open. Water can be squeezed out of such bolls which were frozen during one to several nights. In some locations, some of the more mature bolls may open. Most of them are judged to be a loss, however. No doubt the quality of lint from any bolls that open or are otherwise salvaged will be inferior.

The farmers who had the best prospects were the ones who had spent the most in effort and money to do a good job of weed and insect control. Their investment in this crop is large. There was a general feeling early in the year that the Southeast was again on a program to compete in the marketplace. It is to be hoped that this year's experience will not sidetrack the program.

Many of our farmers in the limestone valleys and elsewhere are finding soybeans a profitable crop. Actually soybeans in some of the Tennessee Valley counties lessened the financial strain of the cotton catastrophe. Many farmers and many communities chose to stay with cotton as the principal cash crop this year. I, for one, hope that Alabama agriculture can continue to expand with cotton, soybeans, corn and other grains, livestock and poultry, horticultural crops, and forestry all making a contribution where they are best adapted.

I am sure that you are hearing from many farmers about the cotton problem in the northern part of the state. I thought you might like to have the benefit of our personal visits and observations.

Yours very truly,

E. V. Smith,
Dean and Director.

News Release, November 10, 1967

(By Gordon Tucker, Director, State of Alabama, Department of Agriculture and Industries, Division of Publicity and Information)

Montgomery, Ala.—Commissioner of Agriculture & Industries, Richard Beard, evidenced deep concern today over the short cotton crop in Alabama this year.

In a specially prepared release issued from his office, the Commissioner stated, "Alabama's prospective 1967 cotton crop is the lowest on record—the smallest since the keeping of statistics began in 1866, a year when production totaled 264,000 bales.

"George Strong, our State Statistician, reports that as of November 1, a total yield of 260,000 bales was forecast for 1967, some 110,000 of which had already been ginned by this date. However, the greater portion of this was reported from South Alabama. It is a *different* story in the *upper* counties of the state, especially north of Birmingham, where only 3,000 bales had been ginned prior to November 1—this included only 3 bales in Jackson County and none in De Kalb County.

"I fear, however, the official figures stated above do not reflect the true seriousness of the situation due to the fact that we have experienced unseasonably cold and freezing weather up-state during most of the period since this report was compiled. In the light of this, the final tabulation could dip below even the 260,000 predicted total.

"I have been in constant contact with Congressman Bill Nichols, a member of the House Agriculture Committee, and others who are trying to complete plans for assistance to cotton producers. We realize that unless something is done to assist these people, Alabama may lose a still greater proportion of its cotton farmers.

U.S. Department of Agriculture,
Statistical Reporting Service,
Montgomery, Ala., November 8, 1967.

Congressman William Nichols,
House of Representatives,
Washington, D.C.

Dear Sir: Attached is copy of our November 1 Cotton Report that was discussed with you over the phone this morning. The production forecast in this report is based on ginning to November 1 and the condition on that date of acreage remaining to be harvested.

Enclosed is copy of county cotton estimates for 1964, 1965, and 1966. Counties in the different crop reporting districts are shown in this release as well as the outline map enclosed.

Ginnings to November 1, 1967 with comparisons follow for northern districts:

Crop reporting district	Bales ginned prior to Nov. 1			
	1967	1966	1965	1964
1	1,100	24,529	66,583	60,108
2	900	97,081	254,333	206,814
2a (excluding Bibb, Chilton, and Shelby Counties)	300	8,025	41,135	43,772
3	650	25,276	87,904	75,153
Total	2,950	154,911	449,955	385,847

Figures for 1967 are approximations based on a sample of ginners' reports. County ginnings to this date will be released by the Bureau of the Census about the middle of November.

The next cotton report will be issued December 8. Freeze losses occurring since November 1 will be reflected in that report.

If you feel either Commissioner Beard's office or this office can provide you with additional information, please give us the opportunity to furnish it.

Sincerely yours,

George B. Strong,
Agricultural Statistician in Charge.

Resolution by Cherokee County Disaster Committee, State of Alabama

Whereas: Cotton is the chief source of farm income and has been the foundation of the economy for more than a century in Cherokee County, and

Whereas: Unprecedented weather conditions have destroyed eighty percent of the normal cotton crop of this county and nearby areas, causing great hardships and threatening ruin for many farmers and to businesses servicing the cotton economy; and

Whereas: This county in 1965 produced 30,800 bales of cotton; and this year the disaster of the season is such that production will amount to an estimated fewer than 4,000 bales; and

Whereas: The county made a below normal crop in 1966; and

Whereas: The cost of producing the 1967 cotton crop from planting until harvest has been considerably higher than any previous year; and

Whereas: The loss to the farmers of the county will be approximately $2,063,600 and the loss to the economy of this rural county will amount to upward of $14,445,200 (7 x farmer loss); and

Whereas: Large areas, consisting of 49 counties in Alabama, have sustained similar devastation, and the economy of this whole region will suffer severely, and there will be widespread and depressing hardships, if help is not forthcoming;

Now, therefore, be it resolved: That this Committee recommends to the Alabama Agricultural Committee, which is composed of the heads of agricultural agencies in this State, that it join in a meeting to be called by farmers at the earliest possible date in Decatur, Alabama encouraging participation by members of disaster committees and others from Alabama counties which are part of this catastrophe, that persons from suffering areas in other states be welcomed to join in this meeting; that the Secretary of Agriculture, other farm leaders, and Members of the Alabama delegation in the Congress of the United States be invited to attend—all to the purpose of bringing together the facts on the proportions of this disaster and exploring every possible means, under federal and any other programs, and in new legislative remedy if necessary, to deal effectively with this disaster, in a way to lessen hardship and suffering and to assure the perpetuation of a stable economy founded upon enterprise in this great cotton producing region.

Be it further resolved: That as one first step to forestall penalties from this disaster upon farmers in future years, the 1967 cotton crop be excluded from computation of farm yields for purposes of participation in the Cotton Program in those counties declared to be disaster areas in 1967.

Be it further resolved: That long-time, low interest loans be made available immediately to farmers, ginners, seed and fertilizer dealers and other affected groups.

Be it further resolved: That copies of this resolution be forwarded to the Alabama Agricultural Committee, to the Secretary of Agriculture, Honorable Orville L. Freeman, to Members of Alabama's Congressional Delegation, and to Hon. W. R. (Bob) Poage, Chairman, Agricultural Committee, U.S. House of Representatives.

Done unanimously at Centre, Alabama, November 20th, 1967.

Attest:

Howard Young,
Chairman, Disaster Committee.

Resolution by Madison County Disaster Committee, State of Alabama

Whereas: Cotton is the chief source of farm income in Madison County; and

Whereas: Having the largest cotton acreage allotment of any county in Alabama, this commodity has been the foundation of the economy in this county for many years; and

Whereas: This county produced 74,900 bales of cotton in 1965 and 42,743 bales, on a greatly reduced acreage, in 1966; and in 1967 conservative estimates places the total county production at slightly less than 3,000 bales caused by very unfavorable weather conditions throughout the entire cotton growing season.

Whereas: The loss to the economy of Madison County farmers will amount upwardly of $8,000,000, causing great hardship and threatens ruin for many farmers and to businesses servicing the cotton farmers; and

Whereas: Large areas consisting of nearby and adjoining counties have sustained similar devastation and the economy of this entire area will suffer severely if help is not forthcoming—

Now, therefore, be it resolved: That this committee join other similar groups in a meeting to be held in Decatur, Alabama, November 21, 1967 for the purpose of bringing together the facts on the proportions of this disaster and to explore every possible means under federal and any other programs, and in new legislation if necessary, to deal effectively with this disaster in a way to relieve suffering and hardship and to assure the continuation of a stable economy such undertaking in this great cotton producing region.

Be it further resolved: That as one essential step to forestall further hardship from this disaster upon farmers in future years, the 1967 cotton crop be excluded from basic computations used in arriving at projected yields in the affected disaster counties.

Be it further resolved: That long time low interest loans be made available immediately to farmers, ginners, warehousemen and other affected groups.

Be it further resolved: That emergency ACP measures be installed to permit treatment of farmland by liming without the requirement of following with legumes and grasses.

Be it further resolved: That copies of this resolution be forwarded to the USDA State Disaster Committee, to the Secretary of Agriculture, Hon. Orville L. Freeman, Hon. W. R. (Bob) Poage and to the members of Alabama's Congressional Delegation.

Done Unanimously at Huntsville, Alabama, this 20th day of November, 1967.

Attest:

——— ———,
Chairman.

Résumé of Action Taken at Cotton Disaster Meeting, Decatur, Ala., November 21, 1967

The following suggestions were the concensus of the group attending the cotton disaster meeting held at Decatur on Tuesday, November 21, 1967, with more than seven hundred present:

1. Freeze the projected yield figures in the disaster counties at not less than the figures used for the crop year 1967. This could be accomplished by omitting the historic yields for the years 1966 and 1967 when computing the 1968 and future projected yield payments.

2. Increase the domestic allotment. This might be accomplished by raising the per-

centage for the domestic allotment from 65% of the total national allotment to a higher figure such as 85% of the total national allotment. Or, it could be accomplished by increasing the total allotments.

3. Inaugurate some type of guaranteed loan program which would function similar to the SBA bank-guaranteed loan program which would permit conventional lending institutions under the supervision of some federal agency to consolidate all of a farmer's disaster incurred debts and liabilities into one government guaranteed long-term, low interest rate loan. The acute need for such a program was evidenced after a detailed explanation of the limitations of FHA disaster lending policies was made to the group by state and national FHA officials.

4. Provide for the full disbursement of diversion payments along with full disbursement of (projected yield based) production payments at sign-up time in the spring whereby farmers could use these advances toward making the crop.

5. Liberalize FHA disaster lending policies whereby borrowers disaster incurred secured and non-secured crop expenses from previous disaster years can all be included in borrowings at long-term, low interest rates to the end that the agri-business establishments necessary for healthy agricultural productivity might survive to serve producers in future years.

THE ECONOMIC IMPACT OF THE CROSS-FLORIDA BARGE CANAL AND THE NEED FOR THE MISSING LINK

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. PEPPER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. PEPPER. Mr. Speaker, for many years now, I have been actively supporting the Cross-Florida Barge Canal. When I was in the other body, many hours were spent in laboring to acquire the initial appropriations to begin work on this project. I strongly supported it then as I do now and was pleased that after a quarter of a century of work on this project, it is fast becoming a reality.

I was, therefore, pleased to read a speech given by a distinguished publisher in my State, Mr. Harris H. Mullen, publisher of Florida Trend magazine, concerning the economic impact of the Cross-Florida Barge Canal.

Mr. Speaker, I insert at this point in the RECORD the address of Mr. Mullen before the Florida Industrial Development Council concerning this measure. I am sure that all those who have followed the history of the Cross-Florida Barge Canal will be interested in Mr. Mullen's address, which follows:

THE ECONOMIC IMPACT OF THE CROSS-FLORIDA BARGE CANAL AND THE NEED FOR THE MISSING LINK

(Address by Harris H. Mullen, publisher of Florida Trend, to the Florida Industrial Development Council, October 27, 1967, Miami, Fla.)

Over the past 20 years Florida's industrial growth has surpassed the total of all its progress in the previous 400 years.

I think it is fair to say that we have attracted a lot of that industry by touting the fact that Florida is a nicer place to do business. And I certainly agree this is a sound and legitimate Florida attribute to sell. Our success has been most impressive. But, while armed with the advantage of offering a healthful climate and beautiful surroundings we certainly face tough competition on one vital industrial ingredient.

We have never been able to say without qualification, "Come on down, or over, to Florida and manufacture your product, your transportation costs will be very low." It is exciting to think how fast we could accelerate our growth if we could make that statement.

And, I think one of these days we are going to be able to make that statement, and this state is going to grow like we may never have dreamed.

This is going to happen when we finish the Cross Florida Barge Canal and finish the Missing Link on the Florida Gulf Coast between St. Marks and Tampa Bay. The Barge Canal is about 30 per cent complete with $34 million in contracts already let, and the Missing Link is complete with a most favorable report which I will touch on later. I'll also tell you why the benefits of this system spread themselves all the way down here in Miami.

When we say cheaper transportation costs, what are we talking about? Here's what Arthur D. Little, the Boston Research Company, said in 1962 about the savings of the Cross Florida Barge Canal in the first-year. The canal, the first year, will carry 3.3 million tons and will save the forestry industry $188,000; fertilizers, $661,780; paper products $2,662,900; oil, sugar, and pipe, $1,123,000; industrial chemicals, $2,084,000; feeds and grains, $2,625,000; minerals and coal, $4,655,-950; or a total of $14,002,000. By 1990 the figure is expected to rise to $30,157,000 when the tonnage is expected to exceed 8 million. The Little report was more favorable than the Corps of Engineers even though the Little report did not consider the economic benefits for flood or recreational aspects. Since the Little report was made specific commodity benefits have become both more favorable and more unfavorable.

While much of this benefit will favor Florida industry it should be understood that the Cross Florida Barge Canal is a national benefit and very intracoastal in nature. Some 85 per cent of the traffic through the canal will cross state lines. About 43 per cent of the traffic will originate in Florida and about 51 per cent will terminate in Florida. Twenty-one per cent of the total traffic will both originate and terminate outside of Florida.

Let me give you an example of how the canal will come into play. Florida imports about half of its beef even though we have a sizable beef industry. What we lack is grain for fattening cows. Plenty of Florida cows are shipped to the midwest for feeding. But look at the economics of it. It costs about $9 to ship the cow out there. After he's fattened and slaughtered it costs about $11 to ship the meat back to Florida. Or a total of $20. We could ship the grain down here by rail to the cow for $19.15 and accomplish about the same thing. But we can barge that grain down here for $6.15. The Barge Canal region accounts for about a third of the cattle producing area of Florida.

I have no bone to pick with the railroads. I think the barge canal is going to create a booming business for them in Florida. But, the railroads charge what the freight will bear and we should not forget this. We should continue to remember that there is virtually no rail competition in Florida.

There is simply no way that we know of today to beat water transportation for heavy bulk items that are the backbone of so much American industry. For instance, an average inland barge can carry about 50–70 automobiles. The locks on the barge canal are 84 feet wide by 600 feet deep, large enough to accommodate a tug and five jumbo barges 35 x 195 feet each. Thus a single inland tug can push 300 automobiles on the decks of five barges and carry a cargo below. Or the same tow could accommodate 150 semi trailers plus other cargo.

The Cross Florida Barge Canal is being built because the Corps of Engineers reported that it would save American industry more than its construction and maintenance cost. But the connection to the canal of a protected inland waterway at its Gulf terminus puts it truly in the major transportation league, making it enormously more valuable. The Missing Link, from Tampa Bay to St. Marks, is the last unprotected segment in 29,000 miles of inland waterways bordering the Gulf, the Mississippi River system, and the Atlantic. It doesn't take much of an expert to look at a map of the United States and see the logic of completing this last segment.

And the Missing Link area of Florida promises industrial opportunities every bit as exciting as the Cross Florida Barge Canal. What a natural home for industry; huge undeveloped areas of land, tremendous water supplies, and valuable natural resources. Think of this area and compare it to the upper panhandle of Florida. The two are not unalike—except for one important difference—the northern panhandle has navigable water. Look at Pensacola. Twenty years ago there was virtually no modern industry there. Then came Chemstrand, St. Regis Paper, Escambia Chemical, Armstrong Cork, Heyden Newport, and others. Or, take a look at the little isolated city of Port St. Joe with the St. Joe Paper Company, Glidden Company, Sinclair and Pure Oil Terminals, and Michigan Chemical. These two Florida cities are on the Gulf Intracoastal Canal before it peters out at St. Marks.

But if you continue west along the Gulf Coast you see a hundredfold multiplication of the success of Pensacola and Port St. Joe. I'm afraid we are too frequently unaware of, or underestimate, the gigantic industrial growth in the Gulf Southwest. For instance, along the stretch from New Orleans to Baton Rouge industrialists are spending an average of $1 million a day on new plants and equipment. In Florida when we capture a $1 million dollar industry it's front page news.

Since the Gulf Intracoastal Canal between Brownsville and St. Marks was opened in 1949, the city of Mobile has doubled and the city of Corpus Christi has tripled. Industries are stacked up 100 miles along tributaries off the canal. Each new industry begets another and the whole complex has mushroomed. This was a repeat of the Ohio River Valley industrial boom a few years earlier.

And one of the surprising things is that the people out there really had no idea how much the canal was going to mean to them. It was built at a cost of $90 million with the projection that if it handled 5 million tons a year it would be a profitable project. Now, less than 20 years since its completion it is handling 81 million tons, more than the Panama Canal, and the total has increased at the rate of about five million tons each year. In other words it is moving 16 times more traffic than necessary to make it a sound investment.

Many who know the shipping business believe the expectations for the Florida Barge Canal are extremely conservative. To begin with, the Corps of Engineers is not allowed to project what "might" happen when estimating traffic on a new project. Every advantage they are able to project has to be tied down to a specific commodity moving from one specific place to another.

The Canal is going to give birth to industries we can't even guess. But I think the Missing Link is essential to reap the full harvest of the canal and it must be built!

The cost of the Missing Link is estimated at $87 million for the navigation project. It will be 234 miles long, 12 feet deep and 150 feet wide (just like the barge canal). The completion of this final link would put Florida on "Main Street" in water transportation in America.

It is important to remember that until the Missing Link is completed the Cross Florida Barge Canal will remain usable for only ocean going barges and tugs as far as shipments to or through the Gulf are concerned. The Barge Canal enters the Gulf at Yankeetown directly into open, unprotected waters.

Cost of operating sea going barges as against inland barges is considerable more expensive. Sea going barges are more expensive to build, require water tight coverings, require more maintenance, require higher insurance rates, and require heavier and more expensive tugs with higher operating costs. A shipment from the Florida east coast through the canal to the upper Mississippi, for instance, would cost $1.41 more per ton in a sea going tow than it would in an inland tow.

But even more important than that is the fact that inland barges constitute the working stock of this great mode of transportation throughout America. There are less than 50 ocean going barges available to Florida ports. There are at least 20,000 inland barges now in use on the great river systems and the intracoastal waterways of America available to do business with Florida.

Thus, when Florida gets a truly inland protected system of waterways we will immediately be on the highway with the other 29,000 miles of this great transportation network. Barges are packages, and this is most important to remember, because I think it is *this* tremendously flexible advantage that is going to accelerate the development of industry in Florida far beyond our expectations.

For example, let's take a look at how a tow of five barges might develop for a Florida trip. A barge of bricks coming from Louisville, Kentucky for Florida is dropped off at St. Louis. A couple of days later a big river tow with two barges of grain and one of steel pipe destined for Florida picks up the barge of bricks on its way down the Mississippi.

These four barges are dropped off at New Orleans where a barge of potash has been waiting. Here the Florida tow is made up and five barges are on their way. The tow drops off the potash at Yankeetown where a tug with a load of newsprint headed for Tampa will pick it up a couple of days later.

The tug drops off the two barges of grain at Ocala and picks up a barge of scrap steel and continues on to Jacksonville. The bricks are dropped off at Palatka where they will be picked up later for Sanford. The steel pipe and scrap steel are dropped at Jacksonville where the tug picks up three barges of cement and turns around. Near Dunnellon the tug picks up a couple of barges of limerock. The cement is dropped in Port St. Joe in exchange for another load and continues west and so on.

As the traffic to Florida increases, the availability of an exchange of products becomes wider and more frequent. We discover that we can enjoy the fruits of water borne transportation in modest shipments as well as large ones.

I am sure you recall that two navigation districts comprising all counties along the Missing Link were formed two years ago and are ready to function, but you may not be aware that there are now active port authorities in Citrus, Levy, Marion, Wakulla, Leon, and Putnam counties. All these authorities are engaged in feasibility studies of industrial areas, marinas, ship repair facilities, transit sheds and dock facilities.

There is another strategic waterway that should be completed to provide the ultimate for the barge canal-Missing Link complex and that is the St. Johns-Indian River Canal between Sanford and Titusville.

This waterway will endow the advantages of the Cross Florida Barge Canal to the burgeoning middle and lower east coast of Florida. Local authorities are at work on this project now and I understand 80 per cent of the right of way has been given to the project and much of the design has already been completed. It is expected to cost $15 million and envisioned as a federal, state, and local financed project. The St. Johns-Indian River Canal will shortcut the unnecessary northern leg of the Barge Canal for south Florida traffic, allowing it to veer south on the St. Johns to Sanford through the canal and into the Atlantic inland waterway near Oak Hill, saving that traffic several hundred miles and affording a practical use of this great protected system of waterways for east coast interests.

This small canal will enhance the potential of the Ports of Canaveral, Palm Beach, and Everglades, as export distribution centers for the European and Asiatic markets just as the Port of Tampa, for instance, will be enhanced with greater potential for exportation to the Central and South American markets by virtue of the Missing Link. Just as the jet airplanes have changed our concept of time, barge traffic will change our concept that bulk products are rigid and out of our reach in Florida.

It might have become obvious to you that I have not mentioned any recreational benefits of these waterways. There is a simple reason for this and that is I just don't have the time. But the recreational economics of these waterways are enormous. While recreational value has been subordinated to the commercial value in projecting the benefits of these projects, there are aspects on the recreational side that challenge the imagination. For instance, thousands of pleasure yachts are sailing into Florida a year but I am sure that only a handful dares to make the open run across the Gulf to Florida ports. Obviously nearly all our traveling yachtsmen come to us from Atlantic ports. Think of the potential winter immigration of yachtsmen from the Southwest, Midwest, and Great Lakes regions.

Think of what we will have to offer when we can assure a protected waterway to Florida from the west. Picture yourself a yachtsman in Chicago, Des Moines, Cleveland, Pittsburgh, or St. Paul, or any of a thousand other cities on the inland waters to the west. Think of the appeal of a boat trip protected all the way to Florida and the intrigue of a journey through the barge canal with the alternative of going north via Jacksonville or south to the yachting playground of America on the Florida east coast. There are millions of dollars wrapped up in that dream alone. Other recreational aspects are just as vast.

The basic ingredients of industry—labor, power, markets, and transportation are still pretty basic, but there is a constant shifting within these factors. Labor used to mean mostly workers. Now it means skills and knowledge. Power is still important and Florida does not have cheap power, but the accelerating introduction and development of nuclear power, the increase of natural gas supplies, and the technological progress of electrical power and its application, here as elsewhere will have a tendency to flatten the competitive edge. Our market is great; and it gets better every day. That leaves transportation, and with the progress of our Florida waterway systems, I can not help but believe that the delicate balance of all these industry ingredients is happily leaning our way.

But let's don't think we are going to get these things without pushing for them. The Cross Florida Barge Canal is already four years behind schedule which makes a completion date of 1974 the earliest we can expect. And remember the Barge Canal was authorized over 25 years ago. It took those people out there on the Gulf Intracoastal Canal 40 years to get theirs. I am sure the Missing Link will be authorized, but it's still 7–8 years away if we could start designing it and building it tomorrow.

I think it is out of order to ask a group like this to push Florida's inland waterway system because I think *you*, as individuals, have been as responsible as anyone in the state in our waterway progress to date.

I will ask you to push harder. Because none of us are getting any younger and I sure would like to see this thing in my lifetime and I know you would too.

GENERAL HERSHEY AND THE DRAFT

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. KASTENMEIER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. KASTENMEIER. Mr. Speaker, for some time there has been considerable controversy and concern regarding the use of induction sanctions against violators of selective service laws. Most recently, the issue has crystalized with the October 26 memorandum of Gen. Lewis Hershey.

Following the issuance of that memorandum, considerable protest was raised on university campuses throughout the country. Columbia, Amherst, and George Washington Universities have all banned recruiting from their campuses pending satisfactory clarification of the October 26 memorandum. Lawsuits have been initiated by the American Civil Liberties Union and the National Student Association. The American Council on Education and American Association of University Professors have both expressed their profound concern regarding the policy urged by General Hershey.

Responding to this pressure, the Justice Department sought to clarify policy in a joint statement issued by the Attorney General and General Hershey on Saturday, December 9. But subsequent statements by the Director of the Selective Service System have made it clear that the Justice Department and the Selective Service System are still at odds.

Given this confusion, and the all-too-apparent disorder and injustice in current draft procedures, seven of my colleagues and I joined together today to issue a statement expressing our views regarding the policy of induction sanctions. I include this statement at the end of my remarks, as follows:

> For some time, we have been alarmed over the administration of the Selective Service System, the growing use of the draft to curtail or punish dissent, and the clear failure of the White House to take forthright action against these most serious abuses.
>
> The present Director of the Selective Service System, in inexcusable contempt of law, constitutional rights, and the limits of his own authority, has decided to wage a personal crusade against opposition to the war in Vietnam. His October 26th memorandum instructed local boards to use accelerated induction as a sanction against violations of the Selective Service law, and illegal protests against military recruiting and the war. The memorandum was issued in flagrant disregard for due process. In seeking to transform local draft boards into courts of law, and in using military service as a form of punishment, General Hershey demeans service in

the armed forces, distorts the purposes of the Selective Service law, jeopardizes the civil liberties of American citizens, and threatens the integrity of legal institutions and procedures.

For all these reasons, we believe the President of the United States should have taken immediate action to reverse General Hershey's October 26th memorandum. We anxiously awaited such action. Meanwhile, a number of us urged the Attorney General to reaffirm the Justice Department's previous position, expressed on January 6th, 1966 by Assistant Attorney General Fred Vinson, that appropriate criminal sanctions, and only these, should be used in dealing with violations of the Universal Military Training and Service Act. The Justice Department, for whatever reasons, has not made that reaffirmation, thus appearing to have retreated from its 1966 position and to have accepted General Hershey's policy.

On Saturday of last week, however, the Attorney General and General Hershey issued a joint statement attempting to clarify the situation and reach an understanding on procedure. We were disturbed at the Justice Department's willingness to permit induction sanctions against violations affecting the so-called personal status of registrants. But we viewed the statement as a useful first step in curtailing General Hershey's abuse of power.

It is now clear that the joint statement has had no such effect at all. Since Saturday General Hershey has announced repeatedly that he continues to recommend broad use of induction sanctions not merely against the so-called personal status violations noted in the joint statement, but against any interference with Selective Service administration as well as military recruiting—an activity altogether outside his own authority and that of the Selective Service System.

It is now absolutely clear, therefore, that General Hershey has no intention of changing his policy, or of joining with the Justice Department in any responsible attempt to reach meaningful accord on procedure.

Ultimate responsibility in this area, however, lies with the Chief Executive. And as the Director of the Selective Service System will neither rescind his policy nor cooperate with the Justice Department, we believe the White House must exercise that authority. *We therefore call directly on President Johnson to order General Hershey to rescind his memorandum of October 26th. We call upon the President, further, to reaffirm the principle that only appropriate criminal sanctions and not, under any circumstances, induction sanctions will be applied to violations of Selective Service laws or attempts to interfere with military recruiting.*

Our principal concern is to reverse the policy of the October 26th memorandum. Yet we find it difficult to divorce the substance of that policy from its source. The source is General Hershey, who for close to two years has chosen to distort the purposes of the Selective Service System in order to curtail political dissent.

For this reason, his continuation in office jeopardizes the equitable and constitutional administration of the Selective Service System. It is, moreover, a constant provocation to those Americans who view the contempt for the Constitution by an officer of the federal government as a reason and excuse for their own disregard for lawful political procedures. *We cannot see how the Administration can urge respect for the law among American citizens while simultaneously tolerating disregard for law by one of its highest officials. We therefore call for the resignation of General Hershey.* He has had a long career in the service of his country. But we believe the Selective Service System and the country would be best served by new, younger leadership.

In conclusion, we wish to reaffirm how seriously we view this issue. At stake is not merely a procedural question of how to deal with those who feel constrained to act in civil disobedience against certain national policies. At stake, rather, is whether the system dedicated to civil liberty and due process, in whose name we are supposedly at war, will itself be violated in the very process of fighting that war. We look to the President for action which appreciates the gravity and importance of that fundamental issue.

George E. Brown, Jr., of California; Phillip Burton, of California; John Conyers, Jr., of Michigan; John G. Dow, of New York; Don Edwards, of California; Robert W. Kastenmeier, of Wisconsin; Benjamin S. Rosenthal, of New York; and William F. Ryan, of New York.

CUTS IN FEDERAL EXPENDITURES

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. William D. Ford] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. WILLIAM D. FORD. Mr. Speaker, I was among the 26 Members of the House who voted against final passage of House Joint Resolution 888, making continuing appropriations for fiscal year 1968, and reducing Federal expenditures by some $4.1 billion in the final half of the fiscal year.

I would like to make it clear that I did not vote against this resolution because I am opposed to economy. I am opposed, however, to the choice of targets we are choosing for this economy. I object to making these reductions at the expense of those least able to afford it—the children in our schools, the underprivileged and unemployed, and the community officials fighting to overcome the problems of pollution and urban decay.

If we are to make cuts in Federal expenditures, let us make them in the areas of subsidies and special tax considerations for big business, let us reduce agriculture subsidies which are helping to keep food prices high, let us delay "porkbarrel" public works projects such as dams, canals, and so forth; let us reduce postal subsidies for junk mail and big-circulation magazines.

No housewife, asked to reduce expenses in a period of forced economy, would cut down on food, clothing, health care, or education for her children. This would be false economy. Any saving would be more than offset by the future problems it would invite. Instead, the intelligent and prudent housewife would postpone purchase of a new car or a second television set; she would forgo an evening out or a new hairdo.

I realize that government economy has become politically popular. But I object to waiting until the waning days of this Congress to apply cutbacks after the porkbarrels have been filled and the "fat-cat" subsidies have been approved. This so-called economy move will strike primarily at the Departments of Health, Education, and Welfare; Housing and Urban Development, and the Office of Economic Opportunity. These are the agencies which deal with the everyday problems of the average American.

In my congressional district, school officials are near panic over their financial situation. School boards are faced with half-day sessions, overcrowed classrooms, underpaid teachers, and inadequate facilities. Some of my school districts will be completely out of money before the end of the present school year.

Also in my district, I have community officials who have been waiting for months for approval of Federal programs to help them begin or continue with urban renewal programs, water and sewer installations, and other desperately needed projects. In one city, a complete urban renewal staff faces discharge unless long-overdue funds are forthcoming.

In Detroit, and in scores of other cities last summer, we saw a wave of rioting and violence, much of it traced directly to frustration over lack of decent housing and job opportunities. Are we to cut back on Office of Economic Opportunity programs that are designed to attack these problems and possibly avert more violence in the future?

Mr. Speaker, if I sound bitter, I must confess that I am. This false economy drive comes at the end of a congressional session which has been marked by disappointment and frustration. This Congress has not kept faith with the people of America, and I can only hope that we can display more foresight, wisdom and courage during the second session next year.

CONFERENCE REPORT ON H.R. 7977

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. William D. Ford] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. WILLIAM D. FORD. Mr. Speaker, on Monday the House agreed to the conference report on H.R. 7977, the Postal Revenue and Federal Salary Act of 1967. In my opinion this legislation ranks among the worthiest accomplishments of the first session of the 90th Congress.

H.R. 7977 has four important titles: Title I covering raises in postal rates; title II raising salaries of Federal employees; title III dealing with obscenity in the mails; and title IV liberalizing life insurance benefits for Government employees.

While I will speak about the titles affecting Government employees in a moment, I would first like to remark briefly on title III, which benefits all Americans who wish to have some control over what comes into their homes through the mail. I have received countless letters from persons in my district asking if there is not something they can do about materials they receive which they consider personally offensive and objectionable. It gives me a great deal of satisfaction to be able to inform them of a solution to their problem as provided by title III of H.R. 7977. Under this new law, a person who received objectionable materials through the mail may request the Postmaster General to require the sending company to remove his name from its mailing list. If the firm fails to comply, the Postmaster General is authorized to obtain a Federal court order.

The Postal Revenue and Federal Salary Act is the result of many months of intensive study and work by the Post Office and Civil Service Committee and in particular by the subcommittees headed by the gentleman from Arizona [Mr. Udall] and the gentleman from Montana [Mr. Olsen].

It is fair and equitable to all groups involved and gives to Federal employees the happy prospect of full comparability with persons in private industry within the next year and a half. I am particularly pleased with the fact that the bill gives the largest initial raise to those employees with the biggest comparability gap, those in the postal field service. Our postal employees have been at the bottom of the pay scale too long. I am proud that the Post Office and Civil Service Committee and the Congress has finally recognized its responsibility to these people, and of the success we have had in the passage of this bill.

The average letter carrier or postal clerk is in postal field service level 4, step 7, and presently earns $6,387 a year. With the enactment of H.R. 7977, he will be raised to level 5, step 7, and will have his yearly salary increased immediately to $6,773, with a guarantee of another increase July 1, 1968, to $7,114.

In the area of postal rates I would like to congratulate the House conferees for achieving the best possible compromises. Even though a compromise cannot completely satisfy anyone, both the House and Senate conferees are to be commended for working out an agreement which has proved acceptable to both bodies.

Mr. Speaker, I would like to reemphasize my feeling that H.R. 7977 as it has finally been approved by the Congress is an extremely fine bill and one of which we can be proud. Congress has finally honored its commitment, made in 1962, to close the pay gap between Federal employees and those in private industry.

ALCOHOLISM AND ADVERTISING

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Hanna] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. HANNA. Mr. Speaker, today, six of my colleagues and I introduced a bill to bar advertising of alcoholic beverages on radio and television.

We take this step advisedly, aware of the objections that will be raised by those who see such legislation as an infringement on free speech; conscious of the chorus of objections that will be raised by beer and wine advertisers. Those who manufacture and sell what is generally termed "hard liquor" do not advertise on these media. I mention our awareness of the objections to this approach, at the outset, Mr. Speaker, because I want it understood that in introducing this bill we have balanced these objections against the multiplying magnitude of the problem of alcoholism in our society. It is our conclusion that action is needed. It is our conclusion that existing evidence, at least, supports the modest assertions: that children are deeply influenced by radio and television advertising; that wine and beer advertising accounts for a significant amount of radio-television advertising; and that this advertising may create tastes and predispositions in children who are unable to objectively appraise the content of such commercials.

It is our hope that this legislation and the dialog which it will engender will focus attention of all the Congress on the problems of alcohol and alcoholism. You might say we wish to use this bill as a prism through which we can filter the problem of alcohol and alcoholism, as a means for identifying the several shadings of the problem.

The discussion which will surround this bill will, of necessity, answer two questions. The first, what is the nature and scope of the problem of alcoholism. This interrogative must be answered before we can proceed to addressing ourselves to the second and the immediate question posed by this bill: What responsibility does the Congress have to take affirmative public policy action to find a solution to this problem?

In launching this bill and the dialog which I hope will accompany it, let me offer for the consideration of all who would participate a thought-provoking article. It was written by a leading student of alcoholism, Dr. Max Hayman. The article follows:

[From the American Journal of Psychiatry, November 1967]

THE MYTH OF SOCIAL DRINKING

(By Max Hayman, M.D.)

(The author casts doubt on three well-accepted myths; that social drinking is a definable entity, that it is not harmful, and that it is helpful. While he notes that there is no definitive proof that social drinking is either harmful or helpful, the flimsiness of the evidence in its favor should act as a spur to further investigation. He calls for a comprehensive, objective study similar to the Surgeon General's report on smoking.)

If one looks down the row to the 15th person in an average audience, that person will be an alcoholic. If one counts down to the fifth person, this one's life will be adversely affected in one way or another by an alcoholic. If you now look at the intervening persons, the fourth will be an abstainer and the rest will drink varying amounts of liquor. Again, every fifth person will be a heavy drinker, and if the audience is composed of doctors, one in 100 will be lost to the profession because of drinking. Furthermore, an unknown number will be handicapped in their work because of drinking.

Most of the research on alcohol and alcoholism has dealt with differences between alcoholics and nonalcoholics; very little has been involved in the differences in drinking behavior among the various types of "social drinkers." This is rarely spelled out by investigators, and we must try to deduce from their data what the frequency of social drinkers in pathological behaviors might be.

In a report from the Stanford Research Institute it was noted that 11 percent of auto drivers at any time have been drinking, that the estimate of the number of drunk driving offenses each year is in the hundreds of millions, and that less than one individual in a thousand is apprehended. Winek noted that 20 to 40 percent of accidents can be attributed to alcohol. Alcoholics constitute a substantial proportion of these statistics, but a large percentage of individuals actually come from the ranks of social drinkers. Popham has shown that one can be an alcoholic with the equivalent of six drinks of whiskey a day *or less*. This can be no more, from the viewpoint of quantity, than the amount consumed by many of the 20 percent of the population classed as heavy drinkers.

Such figures, underlining both the quantity and quality of the drinking done under such an embracing term as social drinking, appear to indicate that the division between social drinking and alcoholism—for so long consciously or unconsciously taken for granted—may instead be nebulous or nonexistent. So firmly entrenched is the belief in its existence, however, that it has transcended the limits of logic and reason and has become established in the mythology of our time.

In attempting to assess the more recent data on this subject, therefore, we will consider social drinking under the broad category of myths. Like all myths, this particular one is more easily described than defined, but we will use it in the sense of a statement, idea, or attitude strongly believed but without sufficient data to support it. From the title it is apparent that this essay is polemical and partisan. However, in a society where abstainers are considered a "deviant minority" (with the connotation of abnormality), it is not unwarranted to examine the "other side" of social drinking.

MYTH 1: SOCIAL DRINKING IS A DEFINABLE ENTITY

Definitions of alcoholism itself are vague and imprecise. The World Health Organization calls it "any kind of drinking that goes beyond the traditional and customary and dietary use or ordinary compliance with the social drinking customs of the whole community, irrespective of the etiologic factors leading to such behavior, and irrespective also of the extent to which etiologic factors are dependent upon heredity, constitution, or acquired physio-pathologic and metabolic influences."

Such vagueness highlights the infinitely more difficult problem of defining social drinking. We often assume it to mean the opposite of asocial, problem, excessive drinking, or alcoholism, but if we follow it to its ultimate conclusion it may include anything from the single drink to celebrate Christmas to a state of alcoholic coma whenever two or more people congregate. To paraphrase Humpty Dumpty in *Alice in Wonderland* "social drinking means just what I choose it to mean—neither more or less." There would be considerable objection if we defined social drinkers as all those drinkers who have not been formally diagnosed as alcoholics, but this is hardly more imprecise than most attempts at defining social drinking. Such vagueness leads us to overlook the seriousness of the problem.

Social drinking and moderate drinking are often equated, but moderation is as difficult to define as social drinking. One man's moderation is another's excess, and King agrees that moderation, in this context, is the greatest example of contemporary, undefined ambiguity. He further adds that terms like social drinking and normal drinking are in reality value judgments. Moderation has been held up to man as the ideal approach to life since time immemorial and its virtues may indeed be irrefutable, but as a practical guide for the individual it is useless. Boundaries are too indistinct by which to chart a course, and the drinker too readily interprets moderation as moderate drunkenness. This recalls the alcoholic, pressured by his wife, her mother, and his physician to abstain completely. "I don't mind total abstinence," he said to me, "as long as it's done in moderation."

While it would be absurd to label the Christmas celebrant as a problem drinker, there is an increasing gradient to the heavy "nonproblem" drinker who has had an arrest for drunk driving ("just an accident"), or a fight ("it could happen to anyone"), or missed work ("it wasn't the liquor—it was something I ate"). The concept of social drinking aids these rationalizations and leads to cultural denial of problems until the magnitude becomes so great that to do so would be an utter dissipation of rationality.

One definition of alcoholism (a rather satisfactory one clinically) is "loss of the power of choice." I would suggest—even challenge—the social drinker to stop drinking and observe his own feeling of loss and dependency, his rationalizations, and, so frequently, a return to old habits of drinking. This can be an excellent gauge of one's dependency on alcohol.

In the minds of most people, consciously or unconsciously, there is a qualitative difference between social drinking and alcoholism and a belief that social drinkers consume alcohol for different reasons than alcoholics. This is open to considerable question, for there is no evidence to permit this conclusion. Drinking may be the reflection of a universal desire, a regressive longing for infantile pleasures in all of us. The difference often is in the amount of alcohol necessary to achieve such a state. Williams has shown that alcohol provides relief of anxiety and depression both to problem and nonproblem drinkers, but problem drinkers appreciate it more.

MYTH 2: SOCIAL DRINKING IS NOT HARMFUL

Except for such "deviant" groups as the Prohibitionists and the Women's Christian Temperance Union, the general public accepts the view that social drinking of alcoholic beverages is not harmful. On the whole this view is shared by medical practitioners, and it is significant that more than 80 percent of all physicians (as large or larger a percentage than can be found in any group) drink. Depending on the degree, their own drinking may lead to underdiagnosing alcoholism, distorting attitudes to patients' drinking, and recommendations to drink or not to drink on the basis of their own habits rather than the condition of the patient.

The literature on the harmlessness of drinking is too voluminous to evaluate in detail, but the claims have been covered quite adequately by several recent volumes: *Alcohol and Civilization*, edited by Lucia, especially the paper by Dock; *Social Drinking*, by Lolli; the "Symposium on Alcohol and Food in Health and Disease," published in the *Annals of the New York Academy of Sciences;* and, particularly, *Alcoholic Beverages in Clinical Medicine*, by Leake and Silverman. We might include *Liquor: The Servant of Man* by Chafetz, but he specifically eliminates accuracy and scientific treatment as a goal in his volume. Leake and Silverman made a serious attempt to evaluate all the available data on the chemistry, pharmacology, toxicity, and other clinical aspects of alcoholic beverages. They list over 400 references; alcohologists owe them a debt of gratitude for performing this formidable task. Leake and Silverman state that abstainers can live happily and healthfully without alcohol and moderate drinkers can live happily and healthfully with alcohol. The former statement, although it appears self-evident, is often denied; the latter is open to considerable question.

Writers on the effects of alcohol state that it is not harmful when used in "moderate or prescriptive doses" and emphasize that only low blood levels are permissible. This, by consensus, is in the area of one or two drinks, or .05 mgs. percent. In actual practice it is easy to go over the borderline and it is a rare social drinker who does not go over this tenuous line on occasion. Innumerable social drinkers go over the line regularly or on many occasions. The heavy drinkers mentioned by the California Drinking Practices Study and by Mulford would certainly have regular blood alcohol levels of over .05 mgs. percent.

Indeed, most of those in the "frequent moderate" group of drinkers—that is, those who drink one to four times weekly with more than two drinks at a sitting—would be included among those who drink more than recommended by the above writers. Together they make up 36 percent of the sample of the California population. We must conclude that the range between toxic and so-called therapeutic doses of alcohol must be a very slender one. If any other drug were used to induce the effects of ordinary intoxication, it would automatically be considered a dangerous drug, and more than two drinks would be considered excessive.

Lolli does not minimize the toxic effects of alcohol, but Dock states it is one of the least toxic tranquillizers. He suggests that American physicians do not use alcohol as a therapeutic agent because no detail men push it as a medication; he feels that physicians are prejudiced against prescribing alcohol because of a hangover from the prohibition era.

Short-term effects of social drinking

There is fairly general agreement that two to three ounces of 80- to 90-proof liquor produces a blood level of .05 mgs. percent. It is less generally agreed that above this figure, efficiency in various respects is impaired. The individual who can still perform fairly well with a high blood alcohol level is more likely to be an alcoholic. One study concluded that a statistically significant proportion of drivers responsible for accidents had blood alcohol levels in the .03 to .05 mgs. percent range. It was found in another study that 69 percent of 653 drivers killed in single-vehicle accidents had been drinking; sixty percent had blood alcohol levels of .10 mgs. percent or higher. It is likely that the 17 percent who had blood alcohol levels in excess of .25 mgs. percent were alcoholics. A good proportion of the remaining 83 percent were likely so-called social drinkers.

There are other statistics which show that traffic arrests and accidents may not be restricted to alcoholics. It is unlikely that all of the 74 percent of pedestrians who were fatally injured in auto accidents and had been drinking were alcoholics, or that the 73 percent of auto accidents caused by those who had been drinking involved alcoholics. Over half of the arrests in California cities (500,000 annually) are for drunkenness. There are 50,000 drunk driving convictions. Even if we take the rather high figures of Selzer and his group for the incidence of alcoholism among these drunk drivers, almost 50 percent would still be classified as social drinkers. Others report even less frequent alcoholism. It should also be noted that many social drinkers who have a respectable appearance are not arrested; they are more likely to be warned and released. They therefore tend to appear in statistics much less frequently than do alcoholics.

Moskowitz and Duprey of the UCLA Alcoholism Research Clinic recently demonstrated that alcohol interferes with the brain's ability to pay attention to several things at the same moment. They report that the complexities of driving have been vastly underestimated and find that a single alcoholic drink may seriously impair the driver's ability to give attention to more than one concurrent stimulus.

Drew found in simulated driving experiments that there were detectable error scores as soon as there was any measurable quantity of alcohol in the blood (.01 mgs. to .02 mgs. percent); this error score increased proportionately to the increase in blood level of alcohol. If we juxtapose these findings with Williams' report that 90 fraternity men in a social party setting in one hour consumed a mean of 11 ounces of 86-proof whiskey (the liquor was free), we have some idea of what some types of social drinking can do to the driving skills of individuals.

We cannot at this time review the suicides, homicides, carcinomas of the esophagus and mouth, frequency of varicose veins, complications of venereal disease, and many other factors that occur in heavy social drinkers as well as alcoholics. Recently these data have been extended and updated.

Long-term effects of social drinking

It has long been known that the mortality rate among chronic alcoholics is higher than among nonalcoholics. What is less well known is the recent evidence that social drinking also shortens life considerably. This is at variance with Pearl's work in 1926; he found that moderate steady drinkers showed somewhat lower rates of mortality and greater expectation of life than did abstainers, although heavy drinkers had considerably increased rates of mortality and diminished longevity. But he admitted that these data might not be significant statistically. His "reasonable and proper use" was not quite adequately defined. The study, however, is a careful one and requires replication.

Pearl criticizes life insurance statistics. These are important in that drinkers are followed to the end of their lives, although when individuals wish to obtain insurance they tend to conceal the amount of alcohol they consume; the amount of drinking in actuality may therefore be more than claimed. The data from life insurance statistics, however, are quite consistent and meaningful. With "minimal criticism with respect to the use of alcohol" of subjects who were investigated for life insurance policies, the ratio of actual to expected mortality was 225 percent. Furthermore, in three classes of social drinkers the actual mortality was 281 to 324 percent higher than expected. The figure for "spree drinkers," who were probably alcoholics, was 546 percent of expected mortality.

This incidence has worsened since a medical impairment study in 1929, which showed the mortality rate to be 248 percent of normal for "steady free users" who used one and one-half ounces of alcohol daily without intoxication; 195 percent of normal for those with periodic intoxication; and 331 percent of normal for spree drinkers.

There is an additional report on the findings on mortality claims from 1931 to 1947. This work indicated that social users who were intoxicated for six episodes a year for only a few hours showed a 277 percent higher mortality rate than expected. If 12 such episodes occurred in the year, the mortality rate rose to 287 percent, and if the episodes were weekly the mortality rate was 328 percent of normal. Spree drinkers who were intoxicated for two or three days up to three times a year showed 332 percent excess mortality—482 percent if the episodes occurred more than three times a year. It was interesting to note that former drinkers who had stopped drinking still showed an excess mortality rate of over 300 percent five years afterward.

Mortality rates were higher than expected in the following conditions: malignant neoplasms, arteriosclerosis and degenerative heart disease, cardiovasculorenal disease, diseases of the digestive system including liver cirrhosis, motor vehicle and other accidents, and homicides and suicides.

If we can assume that adverse effects are associated with greater alcohol consumption—and this is certainly indicated by the gradings of the life insurance reports—it follows that the social drinker is heir to all the problems of the chronic alcoholic, though to a lesser degree.

Psychological effects of social drinking

Psychological ill effects of social drinking are usually long-term in type. Alcoholics are known to be passive individuals. We generally consider passivity to be a defense mechanism and activity to be the normal method of attaining one's goal. In the psychoanalytic treatment of nonalcoholics as well as alcoholics we frequently note the association of drinking and passivity, and the same loss of aggressiveness, ambition, and drive found in alcoholics can often be observed in many social drinkers. During the course of psychoanalysis many patients who have given up such oral activities as drinking and smoking have experienced a considerable increase in energy and drive.

The "Rule of Abstinence," which refers to the elimination of gratification from the therapist to the patient during the course of psychoanalysis, may produce temporary anxiety but often leads to the abandonment of the gratifications of infantile drives and the substitution of constructive and creative activities. The drinking therapist, and most of us are drinkers, may have a tendency to ignore the regressive and infantile nature of social drinking, which may have caused the patient both direct and indirect damage.

It would be an interesting experiment to apply a version of the "Rule of Abstinence" to a group of social drinkers or even a community with opportunities for adequate expressive outlets and then to assess the changes which occur. Such a production might elicit many less damaging substitutes for social drinking. It has not been demonstrated that more damaging substitutes have been selected by alcoholics who have become abstinent.

MYTH 3. SOCIAL DRINKING IS HELPFUL

Alcohol is credited with conferring many benefits upon mankind; these claims require examination. Dock, and Leake and Silverman in their defense of the medicinal use of alcohol claim that it is valuable as a source of food and energy, an appetite stimulant, a digestive aid, an aid in cardiovascular disease, a useful sedative, a fatigue-lifter, and a boon to the convalescent and the aging. They often refer to the efficacy of alcohol in relieving tensions and anxiety and consider it the most commonly used of all tranquilizers. Dock further adds that it has at least a temporary effect in preventing or ameliorating neurosis, has a psychiatric use in catharsis, and can be used to obtain suppressed or repressed data.

We might note in their evaluation of alcohol as a medicinal agent the vagueness of the findings, the scarcity of controlled studies, the impressionistic aspect of many of the studies, and a rather frequent reference to the persistent use of alcohol from antiquity as an index of its value. The merits of alcohol as a quick source of food and energy are negligible in our current society. It is difficult to think of a situation that would require an emergency caloric intake, although emergency fluids, of course, can be life-saving. The importance of alcohol as a valuable food stuff is diminished if we call to mind the fact that for the most part alcohol is manufactured from valuable food stuffs and merely represents a change in the form of the calories it contains. We should mention, however, that Jellinek states that in some poverty areas in the world wine represents the cheapest source of calories.

The evidence for the effectiveness of alcohol in stimulating the appetite appears to have little basis. There is, on the contrary, evidence that appetite and olfactory acuity are reduced as measured by various tests, including the actual amounts of food intake. Furthermore, unless the drinker eats within 15 to 20 minutes he is likely to continue drinking, thus defeating his purpose.

Cardiac benefits are frequently ascribed to alcohol, but there is very little acceptable evidence to support claims that it alleviates angina pectoris or prevents arteriosclerosis. A recent paper indicates, from postmortem examinations, that there is no significant relationship between advanced atherosclerosis of the aorta and coronary arteries and ingestion of alcohol. There is more evidence available that alcohol affects the heart adversely by increasing the heart rate and producing electrocardiographic changes. Repeated drinking, not necessarily alcoholism, may result in permanent alterations in myocardial metabolism which can lead to the development of irreversible alcoholic cardiomyopathy. Other writers have stated that moderate drinkers can do themselves cardiovascular harm, and alcohol even in moderate dosage may produce tissue changes.

Evidence is accumulating that alcohol directly affects the liver, producing an accumulation of fat in liver cells which precedes cirrhosis. The only way to get rid of fatty liver and prevent possible cirrhosis, several reports indicate, is to stop drinking. Most patients with pancreatitis have been found to be heavy social drinkers rather than alcoholics.

In tests of attention, abstract thinking, learning efficiency, and recall, adverse effects were shown even in cases where blood concentrations of alcohol were as low as one part in a thousand, and errors in various skills appear with minimal amounts of alcohol in the blood.

Although no recent studies of the effects of alcohol on intelligence were found, two early papers indicated that the intelligence of children in alcohol-consuming districts was lower than that of children living in areas where no alcohol was consumed. In children from the age of six to 14 scholastic ability varied inversely with the amount of drinking.

While alcohol is still referred to as an excellent hypnotic, it has been too difficult to gauge the appropriate amount. Furthermore, it often acts as an excitant, rather than a sedative, and there are medications of greater value, such as the minor and major tranquilizers, which are less addicting.

Cultural values of social drinking

It has been suggested, especially by Chafetz, that alcohol liberates spiritual and artistic powers (this is reminiscent of claims for LSD), is necessary for social interchange among people, is an aid to conviviality, and lubricates the wheels of commerce. Roe, however, found only one of 20 artists who felt it was easier to paint when drinking and this one stopped drinking six months before the study. Rather than lubricate the wheels of commerce, and I refer to the two- or three-martini lunch, alcohol often derails it. An omnipresent reason given for social drinking is the impossible burden of adjustment which our current civilization imposes. The society is sick, we are told. If so, alcohol has become the medicine of a sick society. The apologist for liquor seems to feel that the world is such a miserable place it is intolerable without the gift of alcohol, while the critic feels that since liquor creates so much of the misery in the world it should be entirely eliminated. The pertinent question is: Does social drinking permit us to attack the problems of our society with all our available efficiency and equipment?

The benefits of social drinking

Is alcohol, then, of any benefit whatever? This is possible. Carpenter and his associates, in what appears to be a carefully worked out experimental project, found that with the equivalent of two ounces of 90 proof whiskey subjects were better able to perform higher order problems in calculus than without alcohol. With larger amounts, performance deteriorated. They stated (as opposed to Drew) that unidirectional consequences do not necessarily follow from increasing amounts of alcohol. They suggest the possibility that some people drink to enhance this facilitating effect of alcohol. Carpenter and Ross in 1965 found certain memory tasks were performed better with small amounts of alcohol and worse with larger amounts. Such studies have suggested to Keller that small amounts of alcohol may stimulate some functions, while larger amounts have the frequently described depressant action. Leake and Silverman have stated that alcohol acts as a stimulant on other organs but not on the central nervous system. These findings should be replicated and extended. If they are confirmed it remains to be seen what use can be made of such actions of alcohol.

It has been suggested that blood alcohol levels below .04 mgs. percent are not inconsistent with traffic safety. Indeed, there may be fewer accidents with such a level. Whether this is due to an alleviation of tension or whether there is a stimulatory effect has yet to be determined. This study, which is contrary to other findings, also requires replication and confirmation.

Lolli, who has given us a number of fresh ideas on alcohol and alcoholism, indicts inebriety as a pathway to alcoholism but implies at the same time that it "contributes favorably to an individual's inefficiency when he needs inefficiency in order to foster greater efficiency to come". This is understandable if viewed in connection with Kris' concept of "regression in the service of the ego," as we have noted elsewhere in connection with drugs.

There is little question that alcohol temporarily relieves anxiety and depression in a considerable percentage of people, but at a certain point (as little as four ounces of whiskey), these symptoms are increased.

There are a number of conditions in which drinking might be helpful and where the potential harm may be negligible. The elderly, who may enjoy drinking and who have no special future to preserve or to enhance and therefore have little need for efficiency, may decide in favor of the assuaging effects of social drinking. If alcohol can ease the suffering of the incurably ill and the dying, it should not be withheld. We should remember, however, that these conditions in a broad sense are also a part of life and we must not deprive these people of a "good death" which can be met with dignity and courage. The rest of us should perhaps await a definitive verdict on the harmfulness or helpfulness of social drinking, or at least restrict ourselves to less than the rather liberal amounts that Terhune has sanctioned in an otherwise conservative paper.

DISCUSSION

The prevalent impression in our society is that social drinking is harmless and may even be helpful. In a current reevaluation of a topic which should be periodically reappraised, there seems to be a better argument that social drinking is harmful. It is true that there is no definitive proof in either direction, but the flimsiness of the evidence that social drinking is an entity, or that social drinking is helpful medicinally, psychologically, or culturally, should act as a spur to further investigation.

The rare or infrequent consumer may drink for the same reason as the alcoholic or the marijuana or LSD user. Since the latter uses are legislated against we still have a Prohibitionist society, but the prohibitions are no longer directed against alcohol. Alcohol is, however, a far greater problem than all other dangerous drugs combined. Marihuana and LSD are the panaceas of youth; alcohol, the panacea of the adult. Our own unconscious conflicts about alcohol increase our ambivalence and are interpreted as hypocrisy and lying by our teenagers. This alienates them and enhances their rebellion. In a recent survey of high school students we found that they did not want to be warned against the evils of drinking; they wanted the facts on it.

From the evidence thus far, there seems no disorder for which alcohol is indispensable and no condition in which alcohol is superior to another medication. Keller has expressed this by saying that the alternatives to benefits that can be derived from alcohol are available to those who will choose them. We should add that it is questionable whether there is *any* disorder in which alcohol has proven helpful.

There is no suggestion implied that we should return to Prohibition. The psychiatrist is uneasy with authoritarian measures, even though there is evidence that legislative and financial procedures may reduce the consumption, complications, and consequences of alcohol. The taxation of liquor sales for social goals, which appears to have been successful in Great Britain, is a decision for society through its legislators to make. Eliciting the facts and disseminating them is the proper function for the physician, including the psychiatrist.

There is some evidence that accumulation of truths and education of the public has made a difference in both an absolute and relative diminution in cigarette smoking (21). Furthermore, doctors who have more access to knowledge of the disease-producing effects of smoking have reduced their cigarette use and now only 25 percent of doctors use them (45).

We cannot say that all who drink are alcoholics. But can we say that those persons are "social drinkers" who have, because of drinking, hurt others by hostile criticism; made unwelcome passes at other men's wives; had unreasonable fights; given their children a model of drunkenness; squandered time needed for constructive pursuits; driven while in a drunken state; had accidents coming home from a cocktail party; impatiently punished their children; or sat detached from wife and children in front of the television set evening after evening in a semistuporous state following several "social" drinks before dinner? We need another category, "antisocial drinking," to replace much of what we call "social drinking."

CONCLUSION

We do not have sufficient facts regarding pathological or social drinking; we must try indefatigably to obtain them. Only with such knowledge can education, persuasion, and thus prevention be an answer to the problems which social drinking raises. We urgently need a comprehensive objective study of "Alcohol and Health" similar to the Surgeon General's "Smoking and Health" (55). Finances should be made available and qualified personnel found who will persevere, regardless of obstructions, to produce an unbiased scientific report. Whether this will change anything we cannot know, but truth, like Freud's description of the intellect, has a soft but persistent voice.

WE SHOULD NOT UNNEEDFULLY JEOPARDIZE THE LIVES OF OTHERS

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. ANDERSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. ANDERSON of Tennessee. Mr. Speaker, this morning's Washington Post carried the bizarre story that a Member of the other body touring South Vietnam by helicopter instigated a "spur of the moment" landing at a village which was recently under vicious attack from the Vietcong. The net result, as I understand it, was that the helicopter carrying this Member was shot up, he and several of his escorts were brought under fire, his wife was evacuated under emergency conditions in the damaged helicopter, and armed helicopters had to be sent in to evacuate the Member and those escorting him.

Mr. Speaker, the Member of the other body to whom I refer, in my opinion, acted in a most unthoughtful and unwise manner. Did he not realize that it is not a good idea—it is even a breach of etiquette—for a legislator visiting a war area to depart from an itinerary authorized by the responsible military commanders and to compound their already gigantic problems? Did he not realize that in his foolhardy action he risked not only his own neck, but quite a few others as well? And, Mr. Speaker, what possibly did he hope to learn from this unauthorized landing? Did he want to take some pictures to prove he was there? Or was it just another headline gambit on the part of an overly ambitious aspirant for higher office?

I say to the Member of the other body, if he wants to get his head shot off, go into the jungles by himself. Do not stick the necks out of a score of others. One further piece of unasked-for advice—if the gentleman from the other body does not know enough about weapons to realize how to assure one is not on "safe," I will be glad to see that he is taught.

I hope that other Members of Congress visiting Vietnam will display a more responsible example, realizing that our military people out there have enough on their hands already. We do not need any instant miniheroes from the Hill—particularly when others absorb the risks.

FIRST SESSION, 90TH CONGRESS: AN APPRAISAL

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. O'HARA] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. O'HARA of Michigan. Mr. Speaker, this first session of the 90th Congress has been arduous. Many a day's proceedings have been carried into darkness hours in our conduct of the Nation's business.

For the administration Democrats, this was a time of testing, of reaffirming our resolve to improve the quality of American life. This was a session marked by less action than the previous Congress; a repeat of the 89th Congress was an impossibility.

Mr. Speaker, when the House Democratic membership sustained a loss of 47 seats as a result of the November 1966 elections, the predictions were that the "conservative coalition" would resume control in the 90th Congress. The coalition is defined as the Republicans and southern antiadministration Democrats who customarily vote against the administration and House Democratic leadership position.

In some instances, the first session has shown a revival of the coalition, but there is a difference: In earlier days, the coalition was characterized by its outright opposition to socially important legislation, usually working to defeat such bills; in the first session of the 90th Congress, the coalition has worked more toward a drastic reshaping of legislation on the books rather than toward repeal.

Where the coalition used to be opposed to Federal aid to education, it now accepts the need for such aid, but attempts to channel it by less effective means. Formerly opposed to the President's war on poverty, the coalition now does not hesitate to recklessly tamper with antipoverty program operations.

Mr. Speaker, this first session is not distinguished for quantity or quality of public laws enacted. Today, the number stands at only a few over 200. By contrast, the first session of the 89th Congress enacted 349 public laws, many of them breakthroughs in social legislation.

The 89th Congress faced many of the different problems of our society, passed laws to aid in their solution, and appropriated the necessary funds. Medicare, rent supplements, aid to education, voting rights, immigration reform, aid for the arts and humanities, and highway beautification are a few of the major laws enacted in the 89th Congress. They represented only a beginning of the Congress' efforts to help solve the ills of our society.

The first session of the 90th Congress indicates a tendency to turn away from legislative innovation. Most of the major actions in 1967 were extensions of existing laws.

But the 90th Congress does hold forth a promise. It can do more. During the adjournment period, I hope our colleagues have the opportunity to learn from their constituents that America's serious domestic problems must be faced in this final third of the 20th century.

When the Speaker's gavel falls at noon Monday, January 15, the House and Senate will face a number of items of unfinished business. In this category, I include:

The Safe Streets and Crime Control Act, recommended by the President to deal with our most important domestic problem.

The Civil Rights Protection Act, to provide penalties for those who attempt to interfere with persons in the exercise of their rights of voting, jury service, education, and the like.

Truth in lending, to protect the consumer who borrows money by requiring disclosure of interest costs.

A code of standards of official conduct for House Members.

Natural resources protection bills on wild and scenic rivers, oil shale, and National Water Commission.

Gas Pipeline Safety Act, to prevent

further disasters by setting standards of construction, operation, and maintenance of pipelines and gas storage areas.

Juvenile Delinquency Prevention Act, to broaden Federal programs of assistance to States and communities for developing rehabilitation and prevention programs.

Mr. Speaker, the first session met its responsibilities to our fighting men in Vietnam, authorizing and funding defense bills and supporting the President in his efforts to conclude the war by honorable means. The Veterans' Pension and Readjustment Assistance Act extends wartime veterans' benefits to those serving in the Armed Forces since August 1964.

Mr. Speaker, among the accomplishments of the first session have been extensions of many good programs, including the war on poverty, Appalachian regional development, elementary and secondary education, Teacher Corps, mental health, mental retardation, partnership for health, vocational rehabilitation, social security, and air pollution control.

One significant new law, which holds promise of upgrading education in the United States, is the Public Broadcasting Act of 1967, which was approved despite strong opposition from the coalition.

A vital public health measure was the Meat Inspection Act, to give Federal aid to States in upgrading meat inspection programs to a level at least equal to Federal standards and to allow the Federal Government to impose Federal standards if the States do not act within 2 years.

Mr. Speaker, our loss of a solid working majority has meant that our victories for the American citizen come harder. I hope the second session discloses a greater awareness of responsibility on Congress' part.

Mr. Speaker, I append at this point a brief summary of the major legislation enacted in the first session by category:

STATUS OF MAJOR LEGISLATION, 90TH CONGRESS, FIRST SESSION

AGRICULTURE

Enacted

Food Stamp Program—P.L. 90–91 (S. 953; H. Rept. 189)—Provides 2-year extension of food stamp program by authorizing appropriations of $200 million for fiscal 1968 and $225 million for fiscal 1969.

Passed Senate 5/31; passed House amended 6/8; sent to conference 6/16; conference report adopted by House and Senate 9/19; signed into law 9/27/67.

Passed Senate

Rural Planning Districts (S. 654)—Authorizes establishment of central planning agencies within multicounty rural community development districts which would chart future growth of region in such areas as public services, economic and cultural development, and labor and manpower assistance. Authorizes federal grants of up to 75 percent of professional staff cost of such planning activities if federal planning grants were not otherwise available, and incentive grants of up to 10 percent of existing federal grants in the event such grants were available.

Passed Senate 5/9; referred to House Agriculture Committee 5/10/67.

Reported in House

Rural Telephone Bank (H.R. 12066; H. Rept. 736)—Provides additional sources of financing for rural telephone system and establishes Rural Telephone Bank and rural telephone account (Title II of H.R. 10190 which was denied a rule by Rules Committee 8/1).

Reported from Agricultural Committees 10/6/67.

CITIES

Enacted

D.C. Government Reorganization (Reorganization Plan No. 3)—Reorganizes D.C. government, replacing existing three D.C. Commissioners with single Commissioner and nine-member city council.

H. Res. 512, disapproving President's Reorganization Plan No. 3, was defeated by House 8/9; consequently Plan No. 3 automatically went into effect 8/11/67.

Housing Laws—P.L. 90–19 (S.J. Res. 42)—Updates references of laws relating to housing and urban development.

Passed Senate 2/20; passed House 5/15; signed into law 5/25/67.

Reported in House

Rat Control (H.R. 11000; H. Rept. 474)—Provides federal financial assistance to help cities and communities of U.S. develop and carry out intensive local programs of rat control and extermination.

House on 7/20 failed to approve rule (H. Res. 749) under which bill could be considered. Partnership for Health Amendments, now P.L. 70–174, were amended on the floor of the House 9/20 to include provision for funding rat control programs.

CIVIL LIBERTIES

Enacted

Civil Rights Commission—P.L. 90–198 (H.R. 10805; H. Rept. 389)—Extends life of Civil Rights Commission for additional 5 years, and provides for ceiling on authorization for funds for Commission of $2,650,000 for each of fiscal years 1969 through 1973.

Passed House 7/11; passed Senate amended 11/1; sent to conference 11/21; conference report adopted by Senate 11/30 and by House 12/5; signed into law 12/14/67.

Passed House

Civil Rights, Penalties for Interference with (H.R. 2516; H. Rept. 473)—Makes it a federal crime to injure, intimidate or interfere with persons exercising their rights in following areas of activity: voting, public accommodations, public education, public services and facilities, employment, jury service, use of common carriers, and participation in federally assisted programs.

Passed House 8/16; reported in Senate 11/2/67.

CONGRESSIONAL MATTERS

Enacted

Congressional Districts, Standards for—P.L. 90–196 (H.R. 2275—Note: H.R. 2508, the original bill, passed the House 4/27, passed the Senate amended 6/8, and was sent to conference. The Senate rejected the conference report and added to H.R. 2275, originally a private bill, an amendment banning at-large elections.)—Bans at-large elections in all states having more than 1 Representative, exempting Hawaii and New Mexico from this ban in 1968.

Passed Senate 11/8; passed House amended 11/28; amendments agreed to by Senate 11/30; signed into law 12/14/67.

Ethics Committee in House (H. Res. 418; H. Rept. 178)—Establishes in House of Representatives 12-member, bipartisan House Committee on Standards of Official Conduct.

Passed House 4/13; no Senate action required; members of committee elected 5/1/67.

Passed Senate

Legislative Reorganization Act of 1967 (S. 355)—Provides for changes in committee procedures, for changes in certain operations of Congress and for a broader application of the lobby registration law.

Passed Senate 3/7; pending in House Rules Committee.

CONSERVATION

Enacted

Air Quality Act of 1967—P.L. 90–148 (S. 780; H. Rept. 728)—Authorizes $428.3 million for federal air pollution control efforts in fiscal 1968 through 1970, with $125 million earmarked for fiscal 1968 and 1969 research on pollution caused by fuels combustion.

Passed Senate 7/18; passed House amended 11/2; sent to conference 11/13; conference report adopted by House and Senate 11/14; signed into law 11/21/67.

Passed House and Senate

National Water Commission (S. 20; H. Rept. 376)—Establishes a National Water Commission to review U.S. water resources programs and requirements and to suggest solutions to water management problems.

Passed Senate 2/6; passed House amended 7/12/67.

Passed Senate

Highway Beautification (S. 1467; H. Rept. 713)—Authorizes $85 million in fiscal 1968 to continue programs established by Highway Beautification Act of 1965 (P.L. 89–285).

Passed Senate 8/28; reported from House Public Works Committee 9/27/67.

National Wild and Scenic Rivers System (S. 119)—Establishes National Wild and Scenic Rivers System, authorizing immediate inclusion in system of segments of nine rivers, and authorizing study of 28 other river segments for possible inclusion.

Passed Senate 8/8; referred to House Interior and Insular Affairs Committee 8/9/67.

CONSUMERS

Enacted

Flammable Fabrics Act Amendments—P.L. 90–189 (S. 1003; H. Rept. 972)—Amends 1953 Act to extend its provisions to all items of wearing apparel and to household furnishings; authorizes Commerce Secretary to issue mandatory flammability standards for fabrics, hats, gloves and footwear; provides for research and development program on fabrics covered by bill; establishes 9-member National Advisory Committee for Flammable Fabrics Act; and authorizes appropriations of $1.5 million for fiscal 1968 and $2,250,000 for each of fiscal years 1969 and 1970.

Passed Senate 7/27; passed House amended 11/27; House amendment accepted by Senate 12/1; signed into law 12/14/67.

Meat Inspection Act Amendments—P.L. 90–201 (H.R. 12144; H. Rept. 653)—Authorizes program of federal assistance to states to enable them to upgrade their meat inspection programs to a level "at least equal" to federal inspection, directing Secretary of Agriculture to step in and impose federal inspection in states which fail to adopt adequate inspection within two years, and permitting Secretary—if state officials refuse to act—to assume inspection of any intrastate plant producing dangerous meat.

Passed House 10/31; passed Senate amended 11/28; sent to conference 11/29; conference report adopted by House 12/6 and by Senate 12/6; signed into law 12/15/67.

Passed Senate

Fire Research and Safety Act of 1967 (H.R. 11284; S. 1124; H. Rept. 522)—Authorizes National Bureau of Standards to conduct studies on causes of fires and methods of controlling them, public education programs on fire hazards and fire safety techniques, and other studies into problems of fire research and safety.

H.R. 11284 reported from House Science and Astronautics Committee 7/31; S. 1124 passed Senate 8/16/67.

National Gas Pipeline Safety Act of 1967 (S. 1166)—Directs Secretary of Department of Transportation to establish—within 2 years after enactment of bill—minimum federal safety standards for 800,000 miles of gas pipelines across the country.

Passed Senate 11/9; referred to House Interior and Insular Affairs Committee 11/13/67.

Truth-In-Lending (S. 5; H.R. 11601; H. Rept. 1040)—Requires that consumers who borrow money or make installment purchases be informed of true cost of loan or credit.

S. 5 passed Senate 7/11; H.R. 11601 reported from House Banking and Currency Committee 12/13/67.

CRIME CONTROL

Passed House

Juvenile Delinquency Prevention Act of 1967 (H.R. 12120; H. Rept. 647)—Authorizes $25 million in direct block grants to states for juvenile delinquency control programs.

Passed House 9/26; Senate Subcommittee on Employment, Manpower and Poverty concluded hearings on H.R. 12120 and S. 1248, 10/26/67.

Law Enforcement and Criminal Justice Assistance Act of 1967 (H.R. 5037; H. Rept. 488)—Authorizes $75 mililon for national program to stimulate state and local action and spending on crime prevention and control—money to be given in block grants to states.

Passed House 8/8/67.

ECONOMY

Enacted

Antipoverty Program Amendments (S. 2388; H. Rept. 866)*—Extend program for 2 years, authorizes appropriation of $1.98 billion for fiscal 1968, and $2.18 billion for fiscal 1969; provides for participation by local elected officials in operation of community action agencies, with bypass provisions if local governments fail to perform; limits OEO supergrade positions to 1 per 100 employees; limits use of consultants to 100 days each during a single year; bans political activity by antipoverty workers during working hours; earmarks $25 million for program to feed the hungy; and provides day-care program for working mothers.

Passed Senate 10/5; passed House amended 11/15; sent to conference 11/16; conference report adopted by Senate 12/8 and by House 12/11/67.

Appalachia Amendments and Amendments to Public Works and Economic Development Act—P.L. 90–103 (S. 602; H. Rept. 548)—Appalachia Amendments: Authorize $886.7 million for all programs, including $1.7 million for administration in fiscal 1968–69, $715 million for highways in fiscal 1968–71, and $170 million for non-highway programs in fiscal 1968–69; and authorize inclusion of 24 additional counties in Appalachia area. Public Works and Economic Development Act Amendments authorize $75 million for 5 regional commissions established by Act for fiscal 1968–69.

Passed Senate 4/27; passed House amended 9/14; sent to conference 9/19; conference report adopted by House 9/28 and by Senate 9/29; signed into law 10/11/67.

Interest Equalization Tax Extension Act of 1967—P.L. 90–59 (H.R. 6098; H. Rept. 68)—Extends Interest Equalization Tax (IET) for two years until July 31, 1969; requires that American sellers of foreign securities secure validation certificates of their payment of tax; makes other changes in original bill in order to continue U.S. program to reduce our balance-of-payments deficit.

Passed House 3/15; passed Senate amended 7/25; sent to conference 7/25; conference report filed 7/27; Senate and House adopted conference report 7/31; signed into law 7/31/67.

Investment Tax Credit, Restoration of—P.L. 90–26 (H.R. 6950; H. Rept. 131)—Restores investment credit and accelerated depreciation allowance temporarily suspended in 1966; prohibits appropriation and disbursement of funds under Presidential Election Campaign Fund Act of 1966 until adoption by law of guidelines governing their distribution; and prohibits $1 income tax checkoff system established by law in 1966 from going into effect until distribution guidelines are adopted.

Passed House 3/16; passed Senate amended 5/9; sent to conference 5/11; House adopted conference report 5/25; Senate adopted conference report 5/31; signed into law 6/13/67.

Public Debt Limit—P.L. 90–3 (H.R. 4573; H. Rept. 4)—Raises temporary national debt limit from $330 billion to $336 billion through June 30, 1967 (end of fiscal 1967).

Passed House 2/8; passed Senate 2/21; conference report filed 2/23; conference report adopted by Senate 2/23 and by House 3/1; signed into law 3/2/67.

Public Debt Limit—P.L. 90–3 (H.R. 10867; H. Rept. 368)—Raises public debt ceiling for fiscal 1968 (beginning July 1) from present temporary level of $336 billion to permanent level of $358 billion; and beginning with fiscal 1969 allows temporary debt limit increase of up to $365 billion during each fiscal year; reverting to permanent $358 billion limit on last day of fiscal year. Also brings participation certificates under debt limit.

Passed House 6/21; passed Senate 6/27; signed into law 6/30/67.

Reported in House

Interstate Taxation Act (H.R. 2158; H. Rept. 69)—Establishes uniform limitations on power of states to tax small out-of-state firms doing business within their boundaries.

Reported by House Judiciary Committee 3/7/67.

EDUCATION

Enacted

Public Broadcasting Act of 1967—P.L. 90–129 (S. 1160; H. Rept. 572)—Extends Educational Television Facilities Act of 1962 for three years and broadens it to include grants for educational radio broadcasting; establishes nonprofit, nongovernmental Corporation for Public Broadcasting to provide financial assistance for noncommercial educational TV and radio broadcasting, and authorizes appropriation of $9 million in fiscal 1968 to finance its activities.

Passed Senate 5/17; passed House amended 9/21; sent to conference 10/3; conference report adopted by House 10/19 and by Senate 10/26; signed into law 11/7/67.

Elementary and Secondary Education Act Amendments (H.R. 7819; H. Rept. 188)*—Authorize more than $9 billion for fiscal 1969 and 1970. In addition to expanding original ESEA programs, amendments also authorize new bilingual grant program to school districts having large numbers of Spanish-speaking children; return control to states over Title III funds (for supplemental education centers), returning 75 percent of funds to states in fiscal 1969 and 100 percent in fiscal 1970; authorize 2 new studies, one on school dorpouts with emphasis on urban areas, and one on school bus safety; extend Adult Education Act; and authorize new program of incentive grants, based only on state and local expenditures for education, to states based on their performance.

Passed House 5/25; passed Senate amended 12/11; sent to conference 12/12; conference report adopted 12/15/67.

Teacher Corps—P.L. 90–35 (H.R. 10943; H. Rept. 373)—Authorizes $135 million for Teacher Corps in fiscal 1968–70; authorizes $435 million in fiscal 1969–70 for existing program of graduate fellowships for elementary and secondary school teachers and grants to colleges and universities to help them improve graduate education facilities; and authorizes four new teacher training programs effective in fiscal 1969.

Passed House 6/27; passed Senate 6/28; signed into law 6/27/67.

FEDERAL EMPLOYEES/POSTAL RATES

Enacted

Postal Revenue and Federal Salary Act of 1967—P.L. 90–206 (H.R. 7977; H. Rept. 722)—Provides first-step raise of flat 6 percent for 725,000 postal employees and 4.5 percent increase for 1.3 million classified workers retroactive to Oct. 1; makes various adjustments in postage rates; establishes Commission on Executive, Legislative, and Judicial Salaries whose function will be to review salaries of federal executives and report its findings anually to President; and provides for regulation of mailing of pandering matter.

Passed House 10/11; passed Senate amended 11/29; sent to conference 11/30; conference report filed 12/7; conference report rejected by House 12/11; House recedes and concurs in Senate amendment with amendment 12/11; Senate agrees to House amendment to Senate amendment 12/12; signed into law 12/16/67.

FOREIGN AND DEFENSE POLICY

Enacted

Consular Treaty (Exec. D)—Details procedures for establishment and operation of consulates in U.S. and Soviet Union.

Ratified by Senate 3/16/67. No House action required.

Emergency Food Assistance to India—P.L. 90–7 (H.J. Res. 267; H. Rept. 67)—Provides additional 3 million tons of food aid in 1967 to drought-stricken India; requires that contribution be matched by other countries; and that another $25 million be used to provide emergency food relief for distribution by CARE and other voluntary American agencies.

Passed House 3/9; passed Senate 3/16; minor Senate change approved by House 3/20; signed into law 4/1/67.

Foreign Assistance Act of 1967—P.L. 90–137 (S. 1872; H. Rept. 551)—Authorizes foreign aid appropriations of $2,674,614,000 for fiscal 1968.

Passed Senate 8/17; passed House amended 8/25; sent to conference 9/13; conference report adopted by House and Senate 11/8; signed into law 11/14/67.

Inter-American Development Bank Act Amendments—P.L. 90–137 (H.R. 9547; H. Rept. 266)—Authorizes additional U.S. contribution of $900 million to Inter-American Development Bank's Fund for Special Operations (over fiscal 1968–70) to implement hemispheric agreement made at Punta del Este, Uruguay, in April of 1967.

Passed House 7/26; passed Senate amended 8/24; sent to conference 9/11; conference report filed 9/14 and recommitted 9/20; 2nd conference report adopted by House and Senate 9/21; signed into law 9/22/67.

Military Procurement Authorization Act of 1968—P.L. 90–22 (S. 666)—Authorizes $21.6 billion in appropriations during fiscal 1968 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and research, development, test and evaluation for Armed Forces.

Passed Senate 3/21; passed House amended 5/9; sent to conference 5/17; conference report adopted by House and Senate 5/23; signed into law 6/5/67.

Military Selective Service Act of 1967—P.L. 90–40 (S. 1432; H. Rept. 267)—Extends military draft 4 years to 7/1/71; bars use of lottery selection in draft; continues student deferments until graduation from college or age 24; does not oppose President's plan to reverse order of induction from age 26 to 19; and bases test for conscientious objectors only on "religious training and belief."

Passed Senate 5/11; passed House amended 5/25; send to conference 6/5; Senate adopted conference report 6/14; House adopted conference report 6/20; signed into law 6/30/67.

Peace Corps Authorization—P.L. 90–175 (S. 1031; H. Rept. 807)—Authorizes appropriations of $115.7 million for Peace Corps in fiscal 1968.

Passed Senate 5/15; passed House 11/21; signed into law 12/5/67.

Reserve-Guard Merger—P.L. 90-168 (H.R. 2; H. Rept. 13)—Permanently prevents proposed merger of Army Reserve and Army National Guard and provides structural overhaul of U.S. Ready Reserves.

Passed House 2/20; passed Senate amended 11/8; sent to conference 11/14; conference report adopted by House 11/15 and by Senate 11/16; signed into law 12/1/67.

Supplemental Military Procurement, Research and Development, and Construction Authorization, FY 1967—P.L. 90-5 (S. 665; H.R. 4515; H. Rept. 29)—Authorizes supplemental appropriations of $4.5 billion for Defense Department; $3.78 billion for procurement of aircraft and missiles; $135 million for research and development; and $624.5 million for military construction; and contains statement of Congressional policy on war in Vietnam.

S. 665 passed Senate 3/1; House passed H.R. 4515 on 3/2 and then substituted provisions of H.R. 4515 for those of S. 665 and passed S. 665; House and Senate adopted conference report 3/8; signed into law 3/16/67.

Uniformed Services Pay Act—P.L. 90-207 (H.R. 13510; H. Rept. 787)—Increases monthly pay of servicemen, effective Oct. 1, 1967, by 4.5 percent for regular compensation, which includes basic pay, quarters and subsistence allowances; provides automatic military pay raises in the future that would correspond to salary increases for federal civilian employees; and makes various other changes regarding military pay.

Passed House 10/26; passed Senate amended 11/29; sent to conference 12/1; conference report adopted by Senate 12/8 and by House 12/12; signed into law 12/16/67.

HEALTH

Enacted

Mental Health Amendments of 1967—P.L. 90-31 (H.R. 6431; H. Rept. 212)—Extend federal grants for construction of community mental health centers through fiscal 1970, authorizing $50 million in fiscal 1968, $60 million in fiscal 1969, and $70 million in fiscal 1970; extend through fiscal 1970 grants for staffing community centers and authorize $26 million in fiscal 1969 and $32 million in fiscal 1970; and make various other changes in existing law.

Passed House 5/17; passed Senate 6/8; signed into law 6/24/67.

Mental Retradation Amendments—P.L. 90-170 (H.R. 6430; H. Rept. 562)—Authorizes $281.8 million in fiscal 1968-70, including $19 million in new authority for fiscal 1968; extends 2 grant programs—created by 1963 Mental Retardation Facilities Construction Act—for construction of mental retardation facilities; authorizes new program of grants for staffing centers; extends for additional year—through fiscal 1970—existing program of training teachers of handicapped; and initiates new program for training teachers in physical education and recreation for the handicapped.

Passed House 9/20; passed Senate amended 11/6; sent to conference 11/9; conference report adopted by Senate and House 11/21; signed into law 12/4/67.

Partnership for Health Amendments—P.L. 90-174 (H.R. 6418; H. Rept. 538)—Authorizes $589 million in fiscal 1968-70 for grants to states for comprehensive health planning and services, and includes $40 million authorization intended, but not earmarked, for rat control projects in fiscal 1968-69.

Passed House 9/20; passed Senate amended 11/6; sent to conference 11/9; conference report adopted by Senate and House 11/21; signed into law 12/5/67.

Vocational Rehabilitation Amendments—P.L. 90-99 (H.R. 12257; H. Rept. 563)—Authorizes $500 million in fiscal 1969 and $600 million in fiscal 1970 for grants to states for basic vocational rehabilitation services; and authorizes 2 new programs, one a program of grants for pilot projects to provide vocational rehabilitation services to migrant workers and their families, and the other to establish new National Center for Deaf-Blind Youths and Adults.

Passed House 8/21; passed Senate 9/20; signed into law 10/3/67.

LABOR

Reported in House

Situs Picketing (H.R. 100; H. Rept. 227)—Restores to unions in building and construction industry right to engage in peaceful picketing at common construction sites where both means used and objectives sought are lawful.

Reported by House Education and Labor Committee 5/4/67.

SOCIAL SECURITY

Enacted

Social Security Amendments of 1967 (H.R. 12080; H. Rept. 544) *—Increases Social Security benefits by 13 percent, raising minimum monthly benefit from $44 to $55; raises amount of outside permissible earnings for social security beneficiaries from $1500 to $1680; increases social security financing through change in taxable wage base from $6600 to $7800; provides 60-day lifetime reserve for hospital benefits under medicare, but requires patient to pay $20 a day toward cost of this coverage; and makes other changes in old-age survivors and disability programs as well as in medicare, medicaid, public welfare, and child health and welfare services.

Passed House 8/17; passed Senate amended 11/22; sent to conference 12/4; conference report adopted by House 12/13 and by Senate 12/15/67.

VETERANS

Enacted

Veterans' Pension and Readjustment Assistance Act of 1967—P.L. 90-77 (S. 16; H.R. 2068; H. Rept. 130)—Provides wartime veterans' benefits to all servicemen in uniform since Aug. 5, 1964, and increases veterans' educational allowances and pension payments. Total first year cost of bill will be $285.6 million.

Senate passed S. 16 on 2/7; on 3/20 House passed H.R. 2068, then vacated passage and passed amended S. 16 in lieu; sent to conference 6/20; conference report adopted by House 8/17 and by Senate 8/23; signed into law 8/31/67.

MISCELLANEOUS

Enacted

Age Discrimination Act of 1967—P.L. 90-202 (S. 830; H. Rept. 723)—Prohibits employers, employment agencies and labor organizations from engaging in any discriminatory practices either in hiring or promoting workers between the ages of 40 and 65; and authorizes investigation and enforcement provisions similar to those of Fair Labor Standards Act.

Passed Senate 11/6; passed House amended 12/4; Senate agrees to House amendment with amendments 12/5; House agrees to Senate amendments to House amendment 12/6/67.

Kennedy Historic Site—P.L. 90-20 (S. 1161; H.R. 6424; H. Rept. 183—Makes national historic site of birthplace of John F. Kennedy in Brookline, Mass.

Passed Senate 3/21; passed House amended 4/17; Senate agrees to House amendment 5/11; signed into law 5/26/67.

NASA Authorization, FY 1968—P.L. 90-67 (S. 1296; H. Rept. 338)—Authorizes $4,865,751,000 in appropriations to NASA for fiscal 1968.

Passed Senate 6/28; passed House amended 6/28; sent to conference 7/18; conference report adopted 8/2 by Senate and 8/3 by House; signed into law 8/21/67.

Older Americans Act Amendments of 1967—P.L. 90-42 (H.R. 10730; H. Rept. 367)—Extends Older Americans Act of 1965 for five years; authorizes appropriations of $16,950,000 for fiscal 1968 and $26 million for fiscal 1969 for community aging programs and research, demonstration and training programs related to the elderly.

Passed House 6/19; passed Senate amended 6/28; Senate amendments accepted by House 6/29; signed into law 7/1/67.

Railway-Labor Dispute—P. L. 90-54 (S.J. Res. 81; H.J. Res. 559; H. Rept. 353)—Imposes settlement to railway-labor dispute if parties have not reached agreement by end of 90-day negotiation period.

Passed Senate 6/7; amended H.J. Res. 559 passed House, proceedings vacated, laid on table and S.J. Res. 81—as amended—passed in lieu 6/15; sent to conference 6/22; conference report adopted by Senate and House 7/17; signed into law 7/17/67.

In conference

National Flood Insurance (S. 1985; H. Rept. 786)—Provides for joint government-insurance industry program of flood insurance for homeowners and small business.

Passed Senate 9/14; passed House amended 11/1; sent to conference 11/2/67.

Passed Senate

Election Reform Act of 1967 (S. 1880)—Extends reporting requirements of Corrupt Practices Act of 1925 to all primaries and conventions for President, Senator or Representative, requires reports from all political committees, even those operating in just one state, which spend more than $1,000 on federal campaigns, and removes existing ceilings on spending by political committees and Congressional candidates.

Passed Senate 9/12; referred to House Administration Committee 9/13/67.

Passed House

Copyright Law Revision (H.R. 2512; H. Rept. 83)—Provides for first general revision of U.S. copyright law since 1909.

Passed House 4/11; referred to Senate Judiciary Committee 4/12/67.

Pending in House Committee

Patent Reform Act of 1967 (H.R. 5924; S. 1042)—Modernizes U.S. 130-year-old patent system to allow faster granting of patents and to hasten public disclosure of discoveries.

In House Judiciary Subcommittee No. 3 which has held some hearings on bill.

APPROPRIATIONS ENACTED, 90TH CONGRESS, FIRST SESSION

For fiscal 1967

Supplemental Defense Appropriations, 1967—P. L. 90-8 (H.R. 7123; H. Rept. 119)—Appropriates $12,196,520,000 to Defense Department for U.S. military operations in Vietnam through June 30, end of fiscal 1967.

Second Supplemental Appropriations, 1967—P. L. 90-21 (H.R. 9481; H. Rept. 217)—Appropriates $2,197,931,417 for variety of existing programs which required increased funding and for some new activities authorized in 1966 (most of money was for federal pay increases).

For fiscal 1968

Agriculture Dept. and Related Agencies Appropriations, 1968—P. L. 90-113 (H.R. 10509; H. Rept. 330)—Appropriates $4,952,945,700 for fiscal 1968.

D.C. Appropriations, 1968—P. L. 90-134 (H.R. 8569; H. Rept. 190)—Appropriates $500,954,300 for D.C. fiscal 1968 budget, and provides federal payments of $67,478,200 and federal loans of $79.2 million.

Dept. of Defense Appropriations, 1968—P. L. 90-96 (H.R. 10738; H. Rept. 349)—Appropriates $69,936,620,000 in fiscal 1968.

Dept. of the Interior and Related Agencies Appropriations, 1968—P. L. 90-28 (H.R. 9029; H. Rept. 206)—Appropriates $1,382,848,350 for fiscal 1968.

Depts. of Labor, and HEW, and Related Agencies Appropriations, 1968—P. L. 90–132 (H.R. 10196; H. Rept. 271)—Appropriates $13,255,356,000 for fiscal 1968.

Dept. of Transportation Appropriations, 1968—P. L. 90–112) (H.R. 11456; H. Rept. 484)—Appropriates $1,581,905,772 in fiscal 1968.

Foreign Assistance and Related Agencies Appropriations, 1968—P.L. 90 (H.R. 13893; H. Rept. 891)*—Appropriates $2,876,591,000 in fiscal 1968.

Independent Offices and Dept. of Housing and Urban Development Appropriations, 1968—P.L. 90–121 (H.R. 9960; H. Rept. 259)—Appropriates $10,139,473,900 in fiscal 1968.

Legislative Branch Appropriations, 1968—P.L. 90–57 (H.R. 10368; H. Rept. 323)—Appropriates $275,699,035 for fiscal 1968.

Military Construction Appropriations, 1968—P.L. 90–180 (H.R. 13606; H. Rept. 799)—Appropriates $2,093,362,000 in fiscal 1968.

NASA Appropriations, 1963—P.L. 90–131 (H.R. 12474; H. Rept. 569)—Appropriates $4,588,900,000 in FY '68.

Public Works and AEC Appropriations, 1968—P.L. 90–147 (H.R. 11641; H. Rept. 505)—appropriates $4,689,938,000 in fiscal 1968.

State, Justice, Commerce, The Judiciary and Related Agencies, 1968—P.L. 90–133 (H.R. 10345; H. Rept. 318)—Appropriates $2,169,012,500 in fiscal 1968.

Supplemental Appropriations, 1968 (H.R. 14397; H. Rept. 1037)*—Appropriates $1,842,923,790 in fiscal 1968.

Treasury, Post Office and Executive Office Appropriations, 1968—P.L. 90–47 (H.R. 7501; H. Rept. 144)—Appropriates $7,545,641,000 for fiscal 1968.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Talcott (at the request of Mr. Gerald R. Ford), for the balance of the week, on account of death in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Saylor, for 1 hour, today; to revise and extend his remarks and include extraneous matter.

Mr. Staggers, for 10 minutes, today.

(The following Members (at the request of Mr. Zwach) to address the House following the legislative program and any special orders heretofore entered into, and to revise and extend their remarks and include extraneous matter:)

Mr. Cahill, for 60 minutes, today.

Mr. Carter, for 1 hour, on December 14.

Mr. Laird, for 20 minutes, today.

Mr. Halpern, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks was granted to:

Mr. Pelly under general permission previously given for Members to include remarks; to include a telegram.

Mr. Madden and to include extraneous matter.

(The following Members (at the request of Mr. Zwach) and to include extraneous matter:)

Mr. Brock.

Mr. Minshall.

Mr. Burton of Utah.

Mr. Erlenborn.

Mr. Cahill.

Mr. Morse of Massachusetts.

(The following Members (at the request of Mr. Walker) and to include extraneous matter:)

Mr. Kee.

Mr. Dingell.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 5709. An act to amend the District of Columbia Teachers' Leave Act of 1949 to remove certain limitations, and for other purposes;

H.R. 6167. An act to authorize the extension of certain naval vessel loans now in existence and new loans, and for other purposes;

H.R. 8338. An act to create a new division for the western district of Texas, and for other purposes;

H.R. 8715. An act to amend the District of Columbia Alcoholic Beverage Control Act to limit the amount of wines, spirits, and beer that may be brought into the District of Columbia;

H.R. 13510. An act to increase the basic pay for members of the uniformed services, and for other purposes; and

H.J. Res. 888. Joint resolution making continuing appropriations for the fiscal year 1968, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following days present to the President, for his approval, bills and a joint resolution of the House of the following titles:

On December 12, 1967:

H.R. 1592. An act for the relief of Dr. Rene Jose Triay;

H.R. 1670. An act for the relief of Dr. George H. Edler;

H.R. 1894. An act for the relief of Our Lady of Pillar Catholic Church in Santa Ana, Calif.;

H.R. 2138. An act to amend section 319 of the Immigration and Nationality Act to permit naturalization for certain employees of U.S. nonprofit organizations engaged in disseminating information which significantly promotes U.S. interest, and for other purposes;

H.R. 2152. An act to amend the act incorporating the Disabled American Veterans so as to provide for an annual audit of their accounts;

H.R. 3032. An act for the relief of Mrs. Karen Wood Davila;

H.R. 3516. An act for the relief of Andres Mauricio Candela, M.D.;

H.R. 3525. An act for the relief of Isreal Mizrahy, M.D.;

H.R. 3528. An act for the relief of Isaac Chervony, M.D.;

H.R. 3866. An act for the relief of Dr. Eduardo Enrique Ramos;

H.R. 3889. An act for the relief of the Standard Meat Co.;

H.R. 4974. An act for the relief of Dr. Manuel A. Turbat;

H.R. 5186. An act for the relief of Dr. Armando Cobelo;

H.R. 5187. An act for the relief of Dr. Hector Alfredo E. Planas-Pina;

H.R. 5853. An act for the relief of Raymond E. Grall;

H.R. 6088. An act for the relief of Dr. Manuel Jose Coto;

H.R. 6096. An act for the relief of Mrs. Inge Hemmersbach Hilton;

H.R. 6670. An act for the relief of Dr. Virgilio A. Ganganelli Valle;

H.R. 6766. An act for the relief of Dr. Raul Gustavo Fors Docal;

H.R. 7890. An act for the relief of Dr. Josefina Quintos Marcelo;

H.R. 7896. An act for the relief of Dr. José A. Rico Fernandez;

H.R. 7898. An act for the relief of Dr. Memesio Vazquez Fernandez;

H.R. 7977. An act to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes;

H.R. 8256. An act for the relief of Dr. Hermes Q. Cuervo;

H.R. 8258. An act for the relief of Jorge Gabriel Lazcano, M.D.;

H.R. 8376. An act to provide that the U.S. District Court for the Eastern District of New York shall be held at Brooklyn, N.Y., and Mineola, N.Y.;

H.R. 8407. An act for the relief of Dr. Raquel Maria Cruz-Flores;

H.R. 8738. An act for the relief of Guillermo Ramon Palacio Sela;

H.R. 9081. An act for the relief of Dr. Josefina Esther Kouri-Barreto de Pelleya;

H.R. 9574. An act for the relief of Joseph J. Wojcik;

H.R. 10449. An act for the relief of Camille Anita Dobson;

H.R. 11395. An act to amend the National Capital Transportation Act of 1965 authorizing the prosecution of a transit development program for the National Capital region and to further the objectives of the act of July 14, 1960;

H.R. 11563. An act to amend section 358 of the Agricultural Adjustment Act of 1938, as amended, to authorize the transfer of peanut acreage allotments;

H.R. 12144. An act to clarify and otherwise amend the Meat Inspection Act, to provide for cooperation with appropriate State agencies with respect to State meat inspection programs, and for other purposes; and

H.R. 12912. An act to give the consent of Congress to the State of Ohio to become a party to the agreement relating to bus taxation proration and reciprocity as set forth in title II of the act of April 14, 1965 (79 Stat. 60), and consented to by Congress in that act and in the acts of November 1, 1965 (79 Stat. 1157), and November 2, 1966 (80 Stat. 1156).

On December 13, 1967:

H.R. 13510. An act to increase the basic pay for members of the uniformed services, and for other purposes; and

H.J. Res. 888. Joint resolution making continuing appropriations for the fiscal year 1968, and for other purposes.

ADJOURNMENT

Mr. WALKER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 59 minutes p.m.) the House adjourned until tomorrow, Thursday, December 14, 1967, at 12 o'clock noon.

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*Awaiting President's signature.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1278. A letter from the Secretary of Labor, transmitting a draft of proposed legislation authorizing Federal assistance toward adequate benefits for disability and death of uranium miners from lung cancer; to the Committee on Education and Labor.

1279. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed concession contract under which Fort Sumter Tours, Inc., will be authorized to continue to operate a boat transportation service for the public between Fort Sumter National Monument and Charleston, S.C., for a 10-year period from January 1, 1968, through December 31, 1977, pursuant to the provisions of 79 Stat. 969; 16 U.S.C. 20; to the Committee on Interior and Insular Affairs.

1280. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the act of February 14, 1931, relating to the acceptance of gifts for the benefit of Indians; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PATMAN: Committee on Banking and Currency. H.R. 11601. A bill to safeguard the consumer in connection with the utilization of credit by requiring full disclosure of the terms and conditions of finance charges in credit transactions or in offers to extend credit; by establishing maximum rates of finance charges in credit transactions; by authorizing the Board of Governors of the Federal Reserve System to issue regulations dealing with the excessive use of credit for the purpose of trading in commodity futures contracts affecting consumer prices; by establishing machinery for the use during periods of national emergency of temporary controls over credit to prevent inflationary spirals; by prohibiting the garnishment of wages; by creating the National Commission on Consumer Finance to study and make recommendations on the need for further regulation of the consumer finance industry; and for other purposes; with amendment (Rept. No. 1040). Referred to the Committee of the Whole House on the State of the Union.

Mr. FRIEDEL: Committee on House Administration. House Resolution 1004. Resolution authorizing payment of compensation for certain committee employees of the House of Representatives (Rept. No. 1041). Ordered to be printed.

Mr. PATMAN: Committee on Banking and Currency. H.R. 13718. A bill to authorize the establishment and to provide for the regulation of Federal savings institutions; with amendment (Rept. No. 1042). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. H.R. 14367. A bill to authorize the disposal of beryl ore from the national stockpile and the supplemental stockpile (Rept. No. 1043). Referred to the Committee of the Whole House on the State of the Union.

Mr. PASSMAN: Committee of conference. H.R. 13893. An act making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes (Rept. No. 1044). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER:

H.R. 14428. A bill to promote the foreign policy of the United States by authorizing the Secretary of State to restrict the travel of citizens and nationals of the United States where unrestricted travel would seriously impair the conduct of foreign affairs, and for other purposes; to the Committee on the Judiciary.

By Mr. DORN:

H.R. 14429. A bill to promote the foreign policy of the United States by authorizing the Secretary of State to restrict the travel of citizens and nationals of the United States where unrestricted travel would seriously impair the conduct of foreign affairs, and for other purposes; to the Committee on the Judiciary.

By Mr. McMILLAN (for himself, Mr. Abernethy, Mr. Dowdy, Mr. Hagan, Mr. Fuqua, Mr. O'Konski, Mr. Winn, Mr. Steiger of Arizona, and Mr. Broyhill of Virginia):

H.R. 14430. A bill to establish a Commissioner of Police for the District of Columbia; to the Committee on the District of Columbia.

By Mr. TEAGUE of California:

H.R. 14431. A bill to amend title 13, United States Code, to limit the categories of questions required to be answered under penalty of law in the decennial censuses of population, unemployment, and housing, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. JOELSON:

H.R. 14432. A bill to amend the Nurse Training Act of 1964 to provide for increased assistance to hospital diploma schools of nursing; to the Committee on Interstate and Foreign Commerce.

By Mr. KYROS:

H.R. 14433. A bill to provide certain essential assistance to the U.S. fisheries industry; to the Committee on Merchant Marine and Fisheries.

By Mr. McFALL (for himself and Mr. Sisk):

H.R. 14434. A bill to amend the Small Reclamation Projects Act of 1956; to the Committee on Interior and Insular Affairs.

By Mr. McFALL:

H.R. 14435. A bill to amend title 38 of the United States Code to provide increased disability compensation rates, to liberalize income limitations, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. RAILSBACK:

H.R. 14436. A bill to establish producer owned and controlled emergency reserves of wheat, feed grains, and soybeans; to the Committee on Agriculture.

By Mr. REES (for himself, Mr. Brown of California, Mr. Hanna, Mr. Hawkins, Mr. King of California, and Mr. Charles H. Wilson):

H.R. 14437. A bill to provide for the appointment of additional circuit judges; to the Committee on the Judiciary.

By Mr. RYAN (for himself, Mr. Addabbo, Mr. Burton of California, Mr. Corman, Mr. Dow, Mr. Giaimo, Mr. Helstoski, Mr. Kupferman, Mr. Long of Maryland, Mr. Scheuer, Mr. Van Deerlin, and Mr. Wolff):

H.R. 14438. A bill to authorize participation by the United States in the construction of a dual-purpose electrical power generation and desalting plant in Israel; to the Committee on Foreign Affairs.

By Mr. TUNNEY:

H.R. 14439. A bill to amend the Internal Revenue Code of 1954 to raise needed additional revenues by tax reform; to the Committee on Ways and Means.

By Mr. WHALLEY:

H.R. 14440. A bill to provide criminal penalties for the introduction, or manufacture for introduction, into interstate commerce of master keys for motor vehicles, and for other purposes; to the Committee on the Judiciary.

By Mr. ZABLOCKI:

H.R. 14441. A bill to promote the foreign policy of the United States by authorizing the Secretary of State to restrict the travel of citizens and nationals of the United States where unrestricted travel would seriously impair the conduct of foreign affairs, and for other purposes; to the Committee on the Judiciary.

By Mr. GURNEY:

H.R. 14442. A bill to provide criminal penalties for travel under U.S. passports in violation of certain passport restrictions; to the Committee on the Judiciary.

By Mr. HENDERSON (for himself and Mr. Jones of North Carolina):

H.R. 14443. A bill to provide criminal penalties for certain travel under a U.S. passport in violation of certain passport restrictions; to the Committee on the Judiciary.

By Mr. FULTON of Tennessee:

H.R. 14444. A bill to promote the foreign policy of the United States by authorizing the Secretary of State to restrict the travel of citizens and nationals of the United States where unrestricted travel would seriously impair the conduct of foreign affairs, and so forth; to the Committee on the Judiciary.

By Mr. HANNA (for himself, Mr. Langen, Mr. Brown of California, Mr. Corman, Mr. Smith of Iowa, Mr. Pettis, and Mr. Carter):

H.R. 14445. A bill to amend the Communications Act of 1934 in order to prohibit the broadcasting of any advertising of alcoholic beverages between certain hours; to the Committee on Interstate and Foreign Commerce.

By Mr. MADDEN:

H.R. 14446. A bill to provide for orderly trade in iron ore, iron and steel mill products; to the Committee on Ways and Means.

By Mr. PRICE of Texas:

H.R. 14447. A bill to provide for an investigation and study of the feasibility of diverting water from the Missouri River to the western part of the State of Texas; to the Committee on Public Works.

By Mr. WHITENER:

H.R. 14448. A bill to establish a Commissioner of Police for the District of Columbia; to the Committee on the District of Columbia.

By Mr. HELSTOSKI:

H.R. 14449. A bill to provide that certain laws which apply to commissioned officers of the Coast and Geodetic Survey shall also apply to commissioned officers of the Environmental Science Services Administration; to the Committee on Veterans' Affairs.

By Mr. RANDALL:

H.J.Res. 957. Joint resolution proposing an amendment to the Constitution of the United States authorizing the Congress to provide by law for the loss of nationality and citizenship; to the Committee on the Judiciary.

By Mr. LANGEN:

H. Con. Res. 598. Concurrent resolution expressing the sense of the Congress that certain meat imports be prohibited until the exporting country satisfies the President that no livestock in such country is infected with hoof-and-mouth disease; to the Committee on Ways and Means.

By Mr. ANDREWS of North Dakota. (for himself, Mr. Kleppe, Mr. Zwach, Mr. Nelson, Mr. MacGregor, Mr. Scherle, Mr. Gross, Mr. Kyl, Mr. Harrison, Mr. Battin, Mr. Price of Texas, and Mr. Belcher):

H. Con. Res. 599. Concurrent resolution expressing the sense of Congress that certain meat imports be prohibited until the exporting country satisfies the President that no livestock in such country is infected with hoof-and-mouth disease; to the Committee on Ways and Means.

By Mr. BURTON of Utah (for himself, Mr. Arends, Mr. Betts, and Mr. Brotzman):

H. Con. Res. 600. Concurrent resolution expressing the sense of Congress that certain meat imports be prohibited until the exporting country satisfies the President that no livestock in such country is infected with hoof-and-mouth disease; to the Committee on Ways and Means.

By Mr. SHRIVER (for himself, Mr. Walker, Mr. Hall, Mr. Denney, Mr. Flynt, Mr. Mize, Mr. Thompson of Wisconsin, Mr. White, Mr. Reifel, Mr. Adair, Mr. Myers, Mr. Bray, Mr. Smith of Oklahoma, Mr. Fisher, Mr. Schwengel, Mr. Skubitz, and Mr. Dole):

H. Con. Res. 601. Concurrent resolution expressing the sense of Congress that certain meat imports be prohibited until the exporting country satisfies the President that no livestock in such country is infected with hoof-and-mouth disease; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 14450. A bill for the relief of Vincenzo Undari; to the Committee on the Judiciary.

By Mr. BRASCO:

H.R. 14451. A bill for the relief of Faro Mazzola; to the Committee on the Judiciary.

By Mr. BROYHILL of Virginia (by request):

H.R. 14452. A bill for the relief of Mohammad Saeed Ahmed; to the Committee on the Judiciary.

H.R. 14453. A bill for the relief of Miss Elma H. Ashton; to the Committee on the Judiciary.

H.R. 14454. A bill for the relief of Rogelio Gutierrez; to the Committee on the Judiciary.

H.R. 14455. A bill for the relief of Yung Hang Lee; to the Committee on the Judiciary.

H.R. 14456. A bill for the relief of Lt. Robert J. Scanlon; to the Committee on the Judiciary.

By Mr. BURTON of California:

H.R. 14457. A bill for the relief of Roberto D. Nubla; to the Committee on the Judiciary.

By Mr. EVANS of Colorado:

H.R. 14458. A bill for the relief of Miss Saada Suzy Wehbe; to the Committee on the Judiciary.

By Mr. FINO:

H.R. 14459. A bill for the relief of Vita Cimino and Gaetana Cimino; to the Committee on the Judiciary.

H.R. 14460. A bill for the relief of Antonino Randazzo, his wife Sebastiana Randazzo and their daughters Rosa and Rosalie Randazzo; to the Committee on the Judiciary.

H.R. 14461. A bill for the relief of Raffaele Ippolito, his wife Ada Ippolito and their children Giuseppe and Nunzia Ippolito; to the Committee on the Judiciary.

By Mr. HANNA:

H.R. 14462. A bill for the relief of James L. Baker; to the Committee on the Judiciary.

By Mr. HATHAWAY:

H.R. 14463. A bill to authorize the Secretary of the Interior to exchange certain property at Acadia National Park in Maine with the owner of certain property adjacent to the park; to the Committee on Interior and Insular Affairs.

By Mr. JOELSON:

H.R. 14464. A bill for the relief of Domenico Graziadio; to the Committee on the Judiciary.

By Mr. KEE:

H.R. 14465. A bill for the relief of Francesco Meigliore; to the Committee on the Judiciary.

By Mr. KUPFERMAN:

H.R. 14466. A bill for the relief of certain Philippine nurses; to the Committee on the Judiciary.

By Mr. NICHOLS:

H.R. 14467. A bill for the relief of John Thomas Cosby, Jr.; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 14468. A bill for the relief of Mr. Panagiotes Tracas; to the Committee on the Judiciary.

By Mr. SCHWENGEL:

H.R. 14469. A bill for the relief of Kyriakes Kefalas; to the Committee on the Judiciary.

By Mr. ST GERMAIN:

H.R. 14470. A bill for the relief of Nicola Santangelo, his wife, Merina (Taricani) Santangelo, and their minor child, Antonio Santangelo; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Future Farmers of America

EXTENSION OF REMARKS

OF

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 13, 1967

Mr. ERLENBORN. Mr. Speaker, there was a television commercial a few years ago which tickled the Nation's funnybone for a time. The key sentence was, "Please, mother, I'd rather do it myself."

It seems to me that this enunciates a problem which has been with us from the beginning of time. A parent nurtures a child while he is young and weak; but there comes a time when the child should venture forth on his own, when the child should say, "Please, mother, I'd rather do it myself."

My colleague, the gentleman from Illinois [Mr. Rumsfeld] told this House the other day about the Future Farmers of America and its relationship to the Office of Education, an agency of the Department of Health, Education, and Welfare.

I do not know what role the Federal Government played in getting the Future Farmers started; but it seems to me that it must have been beneficial. FFA has an excellent reputation.

Now, however, it is a large organization with assets in the milions of dollars. I submit that it is time for FFA to say, "Please, mother, I'd rather do it myself." And, if FFA will not say that, then it is time for the Office of Education to do what a mother robin does—ease the fledgling out of the nest.

In view of embarrassing disclosures involving the CIA and supposedly private organizations, it is hard for me to understand why Secretary Gardner of the Department of Health, Education, and Welfare has not moved promptly to dissociate the FFA fundraising office from his Department, and to inform his employees that they must choose between working for the United States and working for private organizations.

Report to the People

EXTENSION OF REMARKS

OF

HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 13, 1967

Mr. MINSHALL. Mr. Speaker, the first session of the 90th Congress is nearing adjournment after more than 11 months.

During this time, more than 16,000 bills and resolutions have been introduced in the House of Representatives. Of this number, some 500 were passed by the House along with nearly 160 Senate measures. A little more than 350 of these will have been signed into law by the White House before the year ends.

It is important to remember, of course, that legislation on which congressional action has not been completed in 1967 will be carried over for consideration after the Congress reconvenes for its second session in January.

This has been one of the longest, busiest congressional years in history. During our almost nonstop session, the House set an all-time high in rollcall votes, more than 440 as of this time. This figure surpasses the previous record of 399 rollcalls established by the 89th Congress in the final 1966 session.

Economy in Government has been more heavily emphasized in this Congress than in any of recent years. The President's proposed budget, including fixed expenditures such as interest on the national debt, totaled $169 billion for fiscal 1968. We in the House, despite strong opposition from some colleagues, managed to cut $7 billion, and, after compromises with the Senate, achieved a final reduction of slightly under $6 billion. This, combined with a continuing resolution, further reducing obligational authority by $3 billion, meant a savings of almost $9 billion.

Mere statistics alone cannot accurately reflect the total workload on Capitol Hill or the accomplishments achieved. Long hours spent in committee sessions account for a major portion of the actual time consumed in the legislating process. Only if a bill survives the analysis, study, hearings, and probable amendments and favorable report of a majority of a committee's membership is it sent to the House floor for consideration. As Government becomes more all-encompassing and complex, so do the lawmaking process and man-hours in Congress.

My Appropriations Committee assignments include a massive amount of detail and work, more this year than ever before.

In addition to my membership on two of the most important subcommittees in the Congress—Department of Defense Appropriations and Independent Offices Appropriations—the House leadership honored me this year by naming me ranking minority member on the new Special Subcommittee on Department of Transportation Appropriations.

Wearing three subcommittee "hats" has been a welcome challenge, although the time consumed in conscientiously fulfilling all the duties involved has prevented me from spending as much time in the 23d District as I would have liked.

All told, my subcommittee assignments involve reviewing more than half of the entire Federal budget.

DEFENSE APPROPRIATIONS SUBCOMMITTEE

The war in Vietnam has placed a heavy burden on the shoulders of those of us who serve on the powerful Defense Subcommittee. Whether or not we agree that the United States should be in Vietnam, or with the policies being carried out by the Johnson administration, our first responsibility is to provide a strong defense not only for this Nation but to make certain that our American troops in Vietnam are provided with the finest possible equipment and support to defend themselves.

Our Defense Subcommittee, on which I have served for nearly a decade, is charged with initial review of the administration's military requests. We spend many hours hearing top-secret testimony from the Secretary of Defense, the Secretaries of the Army, Navy, and Air Force, and the Joint Chiefs of Staff. The defense appropriation finally sent to the White House totals $69.9 billion, the largest single money bill ever approved by Congress. Of that amount, an amount approaching $22 billion will be spent on the Vietnam conflict. Despite the magnitude of the 1968 defense bill, it was cut $1.6 billion by the Congress under the Johnson administration request. None of these cuts affects our Vietnam effort.

Although Secretary of Defense McNamara is leaving the Pentagon, the fiscal 1969 budget we will be called upon to review this spring is being prepared under his supervision. There is much speculation in Washington as to what, if any, policy changes Mr. McNamara's departure will effect.

INDEPENDENT OFFICES

A number of Government agencies important to Cleveland area citizens fall under the purview of the Subcommittee on Independent Offices.

We in Congress reduced this budget by $1.2 billion and provided a total $14.7 billion for the agencies. Bulk of the independent offices budget goes to the Veterans' Administration, $6.6 billion; the National Aeronautics and Space Administration, $4.6 billion, and the Department of Housing and Urban Affairs, $1.9 billion.

Balance of the funds appropriated for independent offices goes to the Civil Aeronautics Board, the Civil Service Commission, Federal Communications Commission, Federal Power Commission, Federal Trade Commission, General Services Administration, Interstate Commerce Commission, National Science Foundation, Securities and Exchange Commission, Selective Service System, Civil Defense, and Public Health Service.

DEPARTMENT OF TRANSPORTATION

The Special Subcommittee on Department of Transportation Appropriations was named last spring by House leadership shortly after the newly created Department took over its official duties March 1, 1967. Because of the length of time it took for the Department to formulate its first annual budget, the subcommittee had only 3 weeks of hearings, but the most intensive and long-houred seen by Capitol Hill in many years. Because of my concern over our Nation's growing transportation problems, I was very pleased to be named ranking minority member of the subcommittee which would help launch the new Department, rapidly on its way to becoming one of the most important in Government.

Consolidation of our various transportation agencies under one roof makes good sense in the interest of economy and efficiency. We provided the Department with $1.5 billion for fiscal 1968 operations, a reduction of almost $137 million from its original request. What is more significant in the way of savings is that the new Department will operate on $140 million less this year than its agencies were granted last year when they were scattered throughout Government.

It is important to emphasize, in mentioning the economies we achieved, that public safety in the air, on the highways, railways, and waterways, was uppermost in the minds of the committee members. Promoting the public safety was a factor in every decision we made in considering the transportation budget.

Functions which now are under the jurisdiction of the new Department are:

The Bureau of Public Roads, highway beautification, and high-speed transportation; the U.S. Coast Guard, with new responsibilities transferred from the Great Lakes Pilotage Administration and from the Army Corps of Engineers, including authority over drawbridge operations, bridge control and clearance, anchorages and sea pollution; the Federal Aviation Agency, including its airport construction and supersonic transport programs; the new Federal Railroad Administration; the St. Lawrence Seaway Development Corporation, and the Transportation Safety Board.

The first year will be a real test of the Department of Transportation, but I am encouraged to believe that with careful congressional control it can launch a new era in expansion of our vast national transportation network and in improving safety standards which will save many millions of lives and dollars.

MINSHALL LEGISLATION

During this session I have introduced a number of bills and resolutions. Among them are the following:

H.R. 883, providing Federal penalties for persons using interstate transportation or the U.S. mails for the purpose of inciting to riot.

H.R. 884, to permit taxpayers to deduct expenses incurred by themselves or their dependents in obtaining a college education.

H.R. 885, to allow an incentive tax credit for providing facilities for the control of water or air pollution and to permit amortization of such costs within a 1- to 5-year period.

H.R. 886, to provide for automatic cost-of-living increases in social security benefits.

H.R. 887, to prohibit foreign vessels trading with North Vietnam from entrance into U.S. ports.

H.R. 888, to prohibit the interstate transportation of counterfeit, altered, stolen, or canceled credit cards.

H.R. 889, making it a crime to give false information when registering to vote, to pay or accept payment for registering or voting, or to alter any ballot or voting record, in Federal elections.

H.R. 890, authorizing the Secretary of the Army to establish a national cemetery in Ohio.

H.R. 7202, increasing from 13 to 16 the maximum age of a dependent child with respect to deduction for child-care expenses on personal income tax.

H.R. 8719, to give Government authority to alleviate or remove the threat to navigation, safety, marine resources, or the coastal economy posed by releases of fluids or other substances carried in oceangoing vessels.

H.R. 8881, to charter a National Home Ownership Foundation which would assist low-income citizens to purchase their own homes, working in close conjunction with private enterprise.

H.R. 10573, to increase effectiveness of Truth in Negotiations Act.

H.R. 11580, to provide disability benefits for any person who is blind and has at least six quarters of social security coverage.

H.R. 11840, to include a definition of food supplements under the Federal Food, Drug, and Cosmetic Act.

H.R. 12194, to create an Office of Justice, which would be independent of the White House and political pressures, replacing the present Department of Justice.

H.R. 12412, to provide for orderly trade in textile articles.

H.R. 12573, making it a Federal offense to injure, intimidate or interfere with any fireman performing his duties during the course of a riot.

H.R. 14120, to provide for orderly trade in iron ore and iron and steel mill products.

House Resolution 73, to create a special House Committee on the Captive Nations.

House Resolution 75, condemning discriminatory practices perpetrated by the Government of Rumania against the Hungarian minority people.

House Joint Resolution 4, to provide for establishment of a Commission on National Defense Policy.

NATIONAL DEFENSE

In addition to the $69.9 billion appropriated for national defense during fiscal

1968, the Congress last spring approved an emergency supplemental money bill for the Vietnamese conflict in the amount of $12.1 billion.

The military draft was extended through July 1, 1971, with major reforms in the Selective Service Act including a reversal of the "older first" order of induction by calling up 19-year-olds before the older men, and also guaranteeing young men the opportunity to complete a college education before being inducted.

Military base pay was increased by 5.6 percent.

Congress rejected a Pentagon proposal to realine the Army Reserve and Army National Guard by programing the Guard to attain an average paid drill strength of 400,000 and the Reserve at 260,000.

FOREIGN AFFAIRS

The lowest foreign aid appropriation in U.S. history was passed by the Congress, a total of $2.4 billion, for fiscal 1968, a reduction of $700 million from the administration's original request and $500 million less than was appropriated last year.

A $115 million authorization was granted to the Peace Corps for fiscal 1968.

NATIONAL ECONOMY

Symptomatic of the Federal Government's fiscal chaos in recent years were two increases in the national debt ceiling this year for a total of $28 billion, raising the limitation to $358 billion. I voted against these increases.

Attempts at economy were a keynote of the session, however, as alarmed Americans realized that estimated nondefense spending during fiscal 1968 would run well over $95 billion, with a yearend deficit predicted as high as $30 billion.

Responding to protest mail from home, many in the House who have been "big spenders" of taxpayers' money in the past joined league with those of us who consistently vote for economy. As a result, Congress pared some $4 billion from the administration's request for new spending authority. It is hoped that these reductions, and even stricter economies next year, will be supplemented by promised administrative budget cuts from the White House. If inflation is to be curbed and a tax increase avoided, the White House and the Congress have an equal responsibility to keep firm hands on the Federal purse strings.

Consistent with my economy voting record, I have fought all session for budget cuts, which if a majority of the Congress had agreed, would have mounted to many more billions in savings. Many reductions could have been made which would not have impaired either our national security or essential domestic programs.

I remain opposed to the President's demand for a 10-percent surcharge on personal income taxes, since there is every indication that this might well encourage the administration to launch new spending programs, rather than to reduce the national deficit.

The heavy mail I am receiving from the 23d District overwhelmingly supports my contention that spending cuts, rather than tax increases, are the answer to our national economic dilemma. There is every indication that this issue will continue to dominate the 90th Congress next year.

DOMESTIC AFFAIRS

The 13-percent increase in benefits voted by Congress will be reflected in March social security checks. At the same time Congress gave OASDI recipients a cost-of-living increase, it stiffened requirements for public welfare recipients by requiring States to participate in work-training, work-incentive programs in an effort to help families get off the public dole and on their own feet.

Senate liberality prevailed in the House-Senate dispute over provisions of the Office of Economic Opportunity authorization, and the Congress adopted a 2-year poverty program authorizing $1.9 billion for fiscal 1968 and $2.1 billion for fiscal 1969. The bill originally approved by the House called for an authorization of $1.6 billion for fiscal 1968.

Meat inspection laws were updated by Congress when it passed the Wholesome Meat Act of 1967, which draws guidelines for State enactment and enforcement of meat inspection laws equal to the standards required under the Federal interstate inspection system.

Postal rates were increased, effective January 7, on all classes of mail. Air mail will go up to 10 cents per ounce; first class to 6 cents, and the old "penny postcard" will cost a nickel. Good news in this postal legislation, however, is a provision to permit the Postmaster General, on request of the recipient, to order the sender of unsolicited obscene material to discontinue such mailings under penalty.

Pay increases were approved for civil service employees at an average of 4.5 percent and for postal workers at an average 6 percent. Contrary to some published reports, Members of Congress did not vote themselves a pay raise, and, consistent with my past policy, I would have voted against such a raise had it been proposed.

Federal power to control air pollution was substantially increased with enactment of the Air Quality Act, which authorizes $428 million per year for fiscal years 1968–70.

THE 23D DISTRICT, OHIO

As the Representative of the 23d District, I will continue every effort to keep well informed of the views of constituents through personal contact, frequent newsletters, and occasional opinion polls. A final report on each session of the Congress is mailed each year to the home of every registered voter in the district, regardless of political affiliation.

In addition to my office at 2243 Rayburn House Office Building, Washington, D.C., I maintain a full-time, year-around office in Cleveland for the greater convenience of my constituents. This office currently is located in 525 Old Federal Office Building, but shortly after the first of the year it will be moved to Room 2951 New Federal Office Building, 1240 East Ninth Street. My telephone number in Cleveland will continue to be 522–4382.

Although increasingly heavy responsibilities and the long Congressional sessions in Washington have prevented me from returning home as often as I would like, I am as close to my constituents as a corner mailbox or their telephones. I welcome the views of my constituents at all times, and am always ready to counsel or assist them in their problems with the Federal Government.

Report to First District, Utah

EXTENSION OF REMARKS

OF

HON. LAURENCE J. BURTON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 13, 1967

Mr. BURTON of Utah. Mr. Speaker, since becoming a Member of the House of Representatives some 5 years ago, I have periodically mailed to my constituents a report on activities of the Congress. My latest "Report From Washington" will be sent to the residents of the Utah First Congressional District within the next few days. As the report may be of interest to my colleagues, I insert it in the RECORD at this point. The report follows:

YOUR CONGRESSMAN, LAURENCE J. BURTON, REPORTS FROM WASHINGTON, DECEMBER 1967

OUR APPROACHING ECONOMIC CRISIS

The United States is heading rapidly toward a real economic crisis. The situation is of such serious magnitude that I am devoting this entire report to its discussion.

Instead of the $8.9 billion deficit forecast by the President, it now appears that the real federal deficit gap will be in the neighborhood of an outrageous $29 billion for fiscal 1967–68. Next year's promises to be at least as large. Combined, the deficits for the two years spell very real fiscal problems.

When the government enters the money market at the multi-billion dollar level to finance the deficit and pay for its operation, interest rates, already at a 40-year high, will skyrocket even higher. Inflation can run rampant.

THE RESPONSIBILITY

The imprudent fiscal policies of the past few years have created the *awful situation* we now face. Why the President's economic and financial experts could not anticipate this crisis is hard to understand. *President Johnson* made the decision that we could have both guns and butter. Since then the *rubber-stamp Congress* in 1965 and 1966 has passed an overwhelming number and variety of new programs.

Most of these programs were begun with modest appropriations, but with huge, *built-in increases*. Last January Mr. Johnson proposed 16 new programs alone, in the middle of a wartime economy. In the past 7 years 70 *new programs* have been launched, 46 of these in 1965.

The government payroll has increased by 479,650 persons during this period. Over 149,000 have been added within *the past year*. Many of us have warned that these hasty actions would create serious fiscal problems and fan the fires of inflation.

The gross miscalculation of costs for the Vietnam war is unbelievable and unpardonable. *Gimmicks* have been used by the Administration to make past deficits look smaller than they actually are.

These one-shot *fiscal manipulations* are now used up. The high finance levels of the new programs are unavoidably with us. So, unhappily, are the irresponsible policies which have brought the *fiscal chickens* home to roost.

APPROPRIATIONS AND EXPENDITURES

The news media have been critical of Congress in its impasse this year with the Administration over a tax increase and a reduction of *federal spending*. Many people do not understand the mechanics of this spending.

After programs have been authorized by Congress, the *Appropriations Committee* recommends the amount of money for each program in a separate bill. The Congress then votes separately on the funds for each program.

However, much of the money that is appropriated is not spent *until sometime later*. It may be held up by the Bureau of the Budget, or because the money, for some special reason, cannot be spent in the fiscal year for which it was approved.

These dollars accumulate, and can be spent on the authority of the President at any time thereafter.

At present there are over $100 billion in this "pipeline", *appropriated, but unspent*. All or part of this money may be spent by the President at any time, through order of the Bureau of the Budget. Thus, reductions in appropriations by the Congress in any given fiscal year *do not necessarily control* in any way the actual amount of money spent by the government in that fiscal year.

The amount of actual spending is controlled, therefore, *directly by the President*. It is this spending which determines if there is a deficit for a fiscal year, and if so, how much of one.

The House of Representatives this year has reduced appropriations below Johnson Administration requests *by over $6 billion*. This is more than $1 billion *less* than was allocated by the Congress for the previous fiscal year.

In spite of Congressional cutbacks, *the President* has authorized expenditures totalling $11 billion *more* than the previous fiscal year, thus completely disregarding the general demand for reduction in government spending.

THE ANSWER

I agree fully with Congressman Wilbur Mills, Chairman of the Ways and Means Committee, Congressman Byrnes, Congressman Bow and other House leaders, with respect to the increase the President has proposed. The Administration *must* make an absolutely firm commitment to achieve a substantial *reduction in expenditures*. Only after this is accomplished can we even consider the necessity for and possible effects of a tax increase. Any other course of action would be sheer hypocrisy and folly on the part of the Congress.

What the President has failed to tell anyone is that even with a substantial reduction in spending, and even with a tax increase, under his proposed spending program we will *still have a whopping deficit*. This can force interest rates higher and spiral inflation upward at a very fast rate. As a result, the deficit and the total national debt will be increasingly difficult to finance and manage.

The President did not submit a specific tax proposal to the Congress until *August of this year*. It was November 20 before he showed any interest at all in even considering reduced expenditures. In the meantime, the Johnson Administration has all year *fought vigorously* against a determined Congressional effort to reduce appropriations and to force a reduction in expenditures.

With our nation now involved in a major armed conflict in Southeast Asia, *we cannot have "guns and butter."* We certainly cannot have them to the extent proposed by the Administration. To continue on this course leaves the country wide open for *financial disaster*.

Major spending cutbacks are called for. Efforts must be made *immediately* to work toward a balanced budget and sound fiscal policy. Our eventual goal must be to hold our annual expenditures *within our annual income*.

To fully fund scores of new programs at home and abroad while carrying on a vast war effort, all through *borrowing and increasing* the annual deficit, can only have the most dire effects on our economy and the *soundness of the United States dollar*. The Administration must take steps to cut expenditures now if we are to avoid the terrible fiscal crisis now facing this country.

May the New Year find you and yours in better financial shape than the Federal Government—or Heaven help you!! Merry Christmas.

YOUR CONGRESSMAN.

The Kee Report: Ike and Truman on Vietnam

EXTENSION OF REMARKS

OF

HON. JAMES KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 13, 1967

Mr. KEE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include this week's public service television and radio newscast, "The Kee Report." The subject discussed in this report pertains to the joint statement issued by former Presidents Truman and Eisenhower on Vietnam. The report follows:

THE KEE REPORT

This is Jim Kee—bringing you the Kee Report.

Two former Presidents of the United States, one a Democrat and one a Republican, joined hands recently to perform a patriotic service for the people of the United States.

The former Presidents were Harry S. Truman and Dwight D. Eisenhower. Together, with more than 100 distinguished citizens, they issued a statement which gave the most effective and most compelling explanation of our involvement in the Vietnam war that has yet appeared in print.

This statement made plain that our purpose in Vietnam is to seek peace. Peace, including freedom. This statement emphasized once again that in opposing Communist expansion in Vietnam, the United States is doing exactly what it did when it halted the aggressions of Japan in the Orient, and Hitler in Germany, during World War II, and a few years later, the Communist aggression in Korea. The statement pointed out that all four post-war Presidents, Truman, Eisenhower, Kennedy and Johnson, have proclaimed America's basic purpose of defending freedom.

The signers of this declaration formed a special organization, called the Citizens Committee for Peace with Freedom in Vietnam. This is a non-partisan group and every citizen who desires to support his country's policy in Vietnam is welcome to join. Our goal in Vietnam was eloquently stated by the group in these words:

"Today, America is a great world power, shedding its blood and expending its treasure in a distant country for the simple privilege of withdrawing in peace, as soon as that country is guaranteed the effective right of self-determination. We ask nothing for ourselves and insist upon nothing for South Vietnam, except that it be free to chart its own future, no matter what course it may choose. Surely, this is a noble and worthy objective consistent with all that is best in American life and tradition."

Every effort to sound public opinion on Vietnam has indicated that the majority understand the reason for our involvement and approve our being there until the aggression ends. Yet, the shrill outcry of a minority has disrupted our domestic life and gravely injured the image of the United States in foreign lands.

Those who speak in opposition label themselves as dissenters. The right to dissent is sacred, no one disputes that fact. However, with the right to dissent goes the obligation to stay within the limits of candor, truth and fair play. Unfortunately, some of the most vocal dissenters have violated these rules of fair play time and time again.

A recent incident is a case in point. Secretary of State Dean Rusk warned of the danger involved, should the entire Continent of Asia come under the domination of Communist China. A howl of protest went up from the dissenters that the Secretary was raising the old cry of "yellow peril." Yet, for three years, these same critics have used this same tactic by threatening the American people with a nuclear war with Red China unless we turned tail and got out of Vietnam. And, may I add that this council of cowardice has been coming from those who were loudest in demanding war upon Hitler. There is a Commandment which says: "Thou shalt not bear false witness against thy neighbor." I believe it is a good practice not to bear false witness against our country.

Presidents Truman and Eisenhower have warned that to abandon South Vietnam would mean abandoning the sacred cause of freedom. To abandon the sacred cause of freedom is not the American way of life.

Thank you for listening.

General de Gaulle and the Battle of the Dollar

EXTENSION OF REMARKS

OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 13, 1967

Mr. DINGELL. Mr. Speaker, France and the United States of America have maintained close and cordial relations from the inception of our Republic down to the present day. Frenchmen played a major role in the American Revolution. For our part, we sent millions of men to fight and die in the trenches of France during World War I and it was largely American power which enabled the Allies to drive Hitler's legions from French soil during World War II.

Gen. Charles de Gaulle, now the myopic President of France, was almost literally carried into Paris on the backs of American troops on August 25, 1944. Oh, yes, it is true that the commanders of the Allied Expeditionary Force held back most of the U.S. Army's forces in the vicinity of Paris so that General de Gaulle could enter that noble city with the American-equipped 2d French Armored Division. This entrance, however, was merely symbolic. General de Gaulle's forces were small in number and woefully inadequate to the task of driving the Germans from French soil.

However, the British and the Americans allowed General de Gaulle to return to the French capital as the conquering hero. It was an appropriate gesture intended to assist France to regain a portion of the self-respect which it had lost following its ignominious defeat at the hands of the Germans in 1940.

Yes, it was an appropriate gesture. But it apparently served only to expand the ego of a General de Gaulle who has now become the vainglorious wrecker of the Western Alliance.

General de Gaulle, out of a motivation which hardly befits a rational man, has now announced his intention to do everything possible to destroy the cordiality and respect which have existed between France and the United States of America for almost two centuries.

I do not say that France is our enemy. But I do say that France under De Gaulle is no longer our friend.

President de Gaulle's continuing effort to destroy the stability of the dollar is a well-documented fact. I am confident Charles de Gaulle is not going to succeed in his efforts to undermine the value and strength of the dollar as an international currency. This is true for two major reasons: First, most of the nations of the free world are refusing to cooperate in President de Gaulle's plot; and, second, France in reality is a minipower in every respect.

Since France is conducting a war against the dollar, I believe it is time for the United States of America to take countermeasures.

Specifically, I believe that the United States should demand payment by France of its debts to this country.

France owes the United States roughly $300 million for World War II and postwar advances from this country. Additionally, France owes the United States $6,850 million in principal and interest for advances made by this country during World War I.

France's record for repayment of its World War II and postwar indebtedness is good. However, the French have welshed on most of their World War I indebtedness to the United States.

France made payments of principal and interest on its World War I debts up to June 15, 1931. The United States, in an effort to improve Europe's economic health, granted a 1-year moratorium on World War I obligations during the 1931–32 period. On December 14, 1932, the French Chamber of Deputies adopted a resolution which "deferred" the interest payment due the next day. The French have welshed on their World War I debt to the United States since that date.

Let me make one point very clear: France owes the United States $6,850 million in principal and interest on its World War I debt. France is legally obligated to pay this sum to the United States. I believe it is time that the Government of the United States of America demand that President Charles de Gaulle honor French obligations.

In taking this position I am, of course, following the lead of my friend and colleague, Congressman LESTER L. WOLFF. The gentleman from New York has performed an outstanding service to his country by fully airing, in recent weeks, the fact that France is indebted to the United States and that France has failed to honor this obligation, while at the same time it engages in activities calculated to do great injury to the interests of the United States and the rest of the free world.

An Outstanding Legionnaire

EXTENSION OF REMARKS

OF

HON. F. BRADFORD MORSE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 13, 1967

Mr. MORSE of Massachusetts. Mr. Speaker, I would like to pay tribute to an outstanding Legionnaire and veteran of World War I, who has made two valuable contributions in memory of departed veterans, in the form of memorial hymns. Joseph J. Barry, of Arlington, Mass., in 1939 composed words and music of a hymn dedicated to departed Legionnaires. At the time Joe was a member of Alexander Graham Bell Post No. 299 of Boston, and in 1941 transferred to Arlington Post No. 39, the American Legion, Arlington, Mass. The hymn:

THE HIGH COMMANDER OF US ALL

Dear God, we gather here today,
To ask for mercy and to pray,
You gave us life, Oh keep us near,
And when you call, we'll answer "Here"
A Legionnaire has heard your call,
Dear God, Commander of us all.

On land or sea or in the air,
Our lives are Your's to take or spare,
Our comrade's souls are in Your hands,
We pray they'll see the Promised Land.
A Legionnaire has heard your call,
Dear God, Commander of us all.

We'll rise and march with tramping feet,
To You dear God, on Judgment's seat,
And if You'll open heaven's door,
With You we'll live forever more.
A Legionnaire has heard your call,
Dear God, Commander of us all.

This hymn has been used extensively by many Legion posts at rituals for departed members, and on all memorial occasions. In 1958, Robert M. D'Unger, one of the officers of Arlington Post No. 39, and a life member of the American Legion, as is also Joe Barry, took the first step toward official adoption of the hymn by the Legion. A resolution for adoption of the hymn was drawn up, and on June 25, 1958, at the department convention in Pittsfield, Mass., the hymn was adopted as the official Department of Massachusetts memorial hymn. This year, on August 30, Joe Barry was honored by the national organization of the American Legion in convention at Boston when a resolution by Robert D'Unger was passed, officially recognizing this hymn as an appropriate hymn for Legion rituals and memorial services and various other Legion ceremonies and functions. By this action on August 30, every American Legion post in the world is privileged to make full use of this most appropriate hymn. The hymn has been published by McLaughlin & Reilly Co., of Boston.

Joe Barry, being a member of Barracks No. 2701, World War I Veterans of the U.S.A., Arlington, Mass., also composed a memorial hymn for the veterans' organization. The hymn:

MAY THE GOOD LORD KEEP HIS HANDS IN YOURS

May the good Lord keep His hands in yours,
  Is what your buddie's pray.
We will ask Him for His blessings
  With every word we say.
May He take you to His home above,
  And always keep you near.
May the good Lord keep His hand in yours,
  I'm sure our prayers He'll hear.

Now the good Lord calls you back to Him,
  And we will follow too.
He will give us all His blessings,
  For each good deed we do.
We will pray to Him each night and morn,
  To always keep us near.
May the good Lord keep His hand in yours,
  I'm sure our prayers He'll hear.

On resolution by Robert M. D'Unger, also an officer in Barracks No. 2701, this hymn was adopted by that organization as the official Department of Massachusetts memorial hymn at convention in Boston on June 11, 1965, and as the official national memorial hymn at convention in San Diego, Calif., on September 21, 1966.

On June 1, 1967 a certificate of appreciation was given to Joseph J. Barry, signed by William H. Walker, national commander and Patrick F. O'Connor, national adjutant of the World War I Veterans of the U.S.A. "for contributing time and effort in promoting the cause of the Veterans of World War I, U.S.A."

Joe was again honored when on October 6, 1967, he was awarded a citation by the Massachusetts House of Representatives, congratulating him for being "the only man in the world, composing two memorial hymns for two veterans' organizations." The citation was signed by speaker of the house, Hon. John F. X. Davoren, sponsored by, and presented to Joe by State Representative Edward J. Dever, Jr., of Arlington.

Salute to Tennessee's 1967 Volunteer

EXTENSION OF REMARKS

OF

HON. W. E. (BILL) BROCK

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 13, 1967

Mr. BROCK. Mr. Speaker, it is a well-known fact that we Tennesseans take our football seriously. For this reason, I hope that my colleagues will forgive me a little serious bragging on the exploits and accomplishments of the Nation's finest football team.

The University of Tennessee's 1967 Volunteer team has just recently completed one of the most successful and inspiring seasons in the school's football history. Despite a crippling series of injuries to key players, the Vols fought through one of the toughest schedules in college football to compile a 9–1 record, win the No. 2 position in both major national rankings, and earn an invitation to play in the Orange Bowl classic at Miami on New Year's Day. This justifies a little bragging.

When Coach Doug Dickey talks about the 1967 Vols, he always stresses the word "team." No one can deny that what Coach Dickey and his boys accomplished required a maximum of cooperation and unity of purpose. It also required that each player possess that extra measure of courage, personal responsibility, and pride that makes up a champion. Tennessee is proud of every man.

I could spend some time talking about individuals, for there were many great performances by outstanding players. Dewey Warren, hobbled all season by injuries, still managed to turn in some spectacular duty at quarterback. Charlie Fulton and Derrick Weatherford, were all outstanding. Albert Dorsey, the tough defensive back and Richmond Flowers, the lightning-fast-fast flanker, have been honored by selection as All Americas.

But, I feel compelled to express a great deal of extra pride in a young man from the city of Cleveland in my own Third District of Tennessee. His name is Bob Johnson, and you will find him listed on every All-America team.

Longtime Vol watchers have labeled Bob as the best center in the team's history. He is a great blocker; a hard competitor with the size, strength, speed, and natural ability to earn lasting respect from teammates and opponents alike. Coach Dickey has characterized Bob as "an excellent leader both on and off the field," a player who "can be counted on to do his job on every play of every game." That is a pretty solid rating, and one in which I wholly concur.

I salute Tennessee's Volunteers and Bob Johnson and hope to be at the Orange Bowl when they win their next great victory. As representatives of our State, they are a real source of pride to every Tennessean.

Improvements in Social Security

EXTENSION OF REMARKS

OF

HON. WILLIAM T. CAHILL

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 13, 1967

Mr. CAHILL. Mr. Speaker, in my judgment, the Social Security Amendments of 1967, as reported by the conference committee, represent a major and necessary advance for those Americans who are dependent on social security benefits. I am certain that the elderly, widowed and disabled citizens of our Nation will be vitally interested in learning of the following improvements in the social security system made by this Congress:

First, all benefits will be increased by 13 percent which will be reflected in checks received in March 1968.

Second, minimum monthly benefits will be increased from $44 to $55.

Third, the amount which an individual can earn without a reduction in benefits will be increased from $1,500 to $1,680 per year.

Fourth, the legislation increases special payments to individuals aged 72 and older who have never worked or who have not earned sufficient credit for participation under the general social security plan. The increase from $35 to $50 a month will qualify over 800,000 individuals for new or higher payments.

Fifth, present law does not provide social security benefits for widows and widowers on the basis of disability. Widows and dependent widowers can receive benefits beginning at age 62; a widow can receive mother's benefits at any age if she has in her care a child of the deceased wage earner who was entitled to benefits. The amendments, however, would provide benefits beginning at age 50 for widows and dependent widowers who become totally disabled before or within 7 years after the spouse's death.

Sixth, for social security benefit purposes, the amendments provide that, in the future, the pay of a person in the uniformed service will be deemed to be $100 a month more than his basic pay. The additional cost of paying the benefits resulting from this provision would be paid out of general revenues.

Seventh, under the bill employees who are in positions under a State or local government retirement system but who have not been eligible to join the system due to personal disqualification such as age, length of service, will be eligible for coverage under social security. Under present law such employment often prevents entrance into the social security retirement benefits system.

Eighth, the amendments provide that a child will be considered dependent on the mother under the same conditions that he is now considered dependent on the father. As a result, a child could be entitled to benefits if the mother was either fully or currently insured at the time she dies, retired, or became disabled. Under present law a mother must have currently insured status—6 out of the last 13 quarters ending with death, retirement, or disability—unless she was actually supporting the child.

Ninth, the definition of disability due to blindness is changed so that a person who is "industrially blind"—that is, visual acuity of 20/200 or less corrected or a visual of 20 degrees or less—is disabled rather than one who has visual acuity of 5/200 or less corrected.

Tenth, the amendments provide that certain partnership income of retired partners would not be taxed or credited for social security purposes.

Mr. Speaker, these improvements and extensions of the social security system relate only to old-age, survivors, and disability programs. In the area of health insurance the Congress, by approving the Social Security Amendments of 1967, has established the following progressive innovations:

First, the amendments simplify billing and reimbursement procedures under the supplementary medical insurance program.

Second, each medicare beneficiary will be provided with a lifetime reserve of 60 days of hospital care after the 90 days covered in a "spell of illness" have been exhausted. Coinsurance of $20 for each day would be applicable to such added days of coverage.

Third, payment for durable medical equipment needed by an individual could be made on a rental basis or a purchase basis whichever would be more economical.

Fourth, the bill expands the areas for which reimbursement can be received. These areas include radiological and pathological services furnished to hospital inpatients, physical therapy performed or furnished to an outpatient in his home or in a nursing home, payment for portable X-rays taken in a patient's home.

Mr. Speaker, these major improvements in the social security system will be financed through existing revenues and an increase in the earnings base from $6,600 to $7,800 with a small increase in the tax rates.

Because many of our senior citizens have been caught in the inflationary spiral at a time when their income is reduced, these increases are necessary to contribute to the additional costs of necessities. At the same time this bill does not place an unreasonable burden on our fellow Americans still contributing to the social security system.

I am happy therefore, Mr. Speaker, to vote for the conference report and hope the Senate will accept this report so that the increased benefits may be paid to our senior citizens at the earliest possible moment.

President Lyndon B. Johnson Conveyed a Historic Message to AFL-CIO Convention and the American People

EXTENSION OF REMARKS

OF

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 13, 1967

Mr. MADDEN. Mr. Speaker, on last evening at the AFL-CIO annual convention in Miami Beach, Fla., President Johnson delivered one of the most factual and eloquent messages on our domestic and foreign problems that I have heard in recent years. He talked on issues that affect all our citizens. Already the highly financed propaganda political public relations organizations of the Republican National Committee are at work in the newspapers, radio, and television to conceal their reactionary records and smear Democratic progress.

They succeeded in a similar highly financed campaign after World War I when they defeated Woodrow Wilson, the League of Nations, and gave us President Harding and a succession of 12 years of Republican low wages and unemployment which culminated in the great depression of the early 1930's. The Republicans used the same political tactics after World War II which brought us the Republican 80th Congress in 1946. They repeated the same tactics after the Korean war, which brought us the Re-

publican 83d Congress in 1952. Thanks to the well-informed American voter we have had only two Republican Congresses in 37 years.

All citizens, and especially the college students of America, should carefully read the factual statements set out by President Johnson in his speech last night:

President Lyndon Johnson at the AFL-CIO Convention, Bal Harbour, Fla., December 12, 1967

Mr. Meany, Convention Members, the 174 guests of the AFL-CIO from foreign countries who have come here to express their interest and their leadership in the working people of the world, Ladies and Gentlemen:

Bal Harbour does not look like a battlefield. But it is, because you are here.

I don't know where a lot of people will be standing in the battle for freedom and progress that lies ahead in the years in the future, but I do know where American labor has stood in the past. I do know where American labor stands tonight. It stands right in the first rank, unflinching and unafraid.

I believe that you will still be there when the summer soldiers have fled the field of challenge.

There was a time not long ago, when the American labor movement fought on a very narrow front. The question then was one of sheer survival—keeping the trade union movement going in the face of bitter opposition.

Later you fought for a national minimum wage and maximum hours law—not just for the right to work but for the right to work in dignity, in decent conditions for a fair wage.

There are many men in this hall tonight, perhaps some 2,000 of you, who bear the honorable scars of that victory. Labor could have sat back then and said, "I am all right, Jack. I've got mine."

But you didn't. A few men of compassion and wisdom looked beyond an assembly line and beyond a craftsman's bench to see how their fellow Americans were faring. They knew that security and prosperity in America to be meaningful and to be lasting must be shared by the greatest number of people.

They believed in the motto "The greatest good for the greatest number", and they still do.

Labor, they all knew, was part of America. Laboring men and women lived in American cities. Laboring men and women sent their children to American schools, and their parents to American hospitals. They breathed American air and drank American water, and vacationed in American parks and seashores.

They knew whatever was right with America they enjoyed, and whatever was wrong with America they suffered.

So labor returned to the battlefield. You took up the fight for the kind of programs that would make this country better for your children than it had been for you.

And it had been pretty good for you.

You supported the kind of men, and you fought for the kind of candidates who proposed those programs—who vote for those programs in the Congress—who stand up to be counted whether the polls are high or whether the polls are low.

DEMOCRATIC ACCOMPLISHMENTS

And your President knows what your fight has meant for America in my time.

I want to have you listen to the roll call of what we have done together.

Medicare

Already 4 million Americans have had their hospital bills paid, and more than 5 million have had Medicare pay their doctor bills.

Aid to education

Already 9 million needy school children have been helped in the elementary and secondary schools, and nearly a million and a quarter college students, many of them the sons and daughters of union families, now receive Federal help in education grants and loans that see them through college.

The hope of American parents, every American parent, when that first baby is born is the hope that they will see the day when they can see them get a college education. And that day has come.

Minimum wage protection

We have brought over 9 million American workers under the minimum wage with the new minimum wage bill, and by next February we will have raised that minimum by 35 cents in our time. That is 10 cents more per hour than when I cast one of my first votes in Congress to make the minimum wage the law of the land 30 years ago, and guarantee them at least 25 cents an hour.

Poverty

More than five and a half million Americans have been lifted above the poverty line.

Employment

We have added six million workers to our labor force, and we have set a constant record of 81 long months of solid prosperity to break all the records in American history.

Civil rights

We have cleared away the last big obstacles to the right of every American in this country to vote; to be judged for a job on his skill and not his skin; to enjoy public accommodations and facilities as a free man should in a free country.

Immigration

We have scrapped the old discrimination of the national origins system and replaced it with an American system of open American opportunity.

Conservation

We have added three-quarters of a million acres to our national seashores and parklands, more than ever before in our history. For the first time we are putting more back into the public domain than we are taking out.

The cities

We finally have the program that we need to build the model cities. Blight, decay and despair can be banished from our life—but we are going to need the great big strong muscle of the American labor movement to turn our bold ideas into shining realities, and we are going to need all of you.

Pollution

For the first time, we recommended and for the first time we passed the bills through the Congress, to give us the weapons to make an all-out attack on the filth that fouls our water and our air so our children can breathe clean air and drink clear, pure water.

Consumer protection

We have ended the packaging tricks that once plagued the American housewife for so long.

We have spared our children from dangerous and deadly toys.

We have shut the door to unsafe products that make the home a booby trap for one unwary.

We have an Auto and Highway Safety Act to reduce the accidents that make our roads a death trap for the innocent, and particularly for the careless.

We have moved against accidents in the doctor's office and the hospital by insisting that laboratories run the right tests, and they get them at the right time.

We have acted against the money lender who victimizes the poor and exploits the needy by concealing and hiding his interest charges.

This week, when I get back to Washington, I will sign the Flammable Fabrics Act that you helped me pass. It means that your family and your home will be safe from clothing and furnishings that blaze without warning.

Wholesome meat

Next week we are going to sign in the White House the Wholesome Meat Act. It means that the meat on the family table will be pure, not rancid—that a mother can shop without fear of finding worms in a steak or roast, or wood splinters in the baby's hamburger.

In the weeks to come I hope also to sign the Pipeline Safety Bill. It will guard against a gas explosion ripping through a home, a school or a crowded street.

Isn't this a remarkable and wonderfully hopeful record in itself? Yet these are only some of the happy new triumphs we have won together for our American families.

The full record will show more consumer legislation enacted in the last two years than in all the 88 Congresses put together.

When the history of our time is written, it will testify that this Administration, with your help, after 180 years, finally proclaimed into the law of the land a Consumers Bill of Rights.

There is more—much more—that we have done together.

It wasn't easy. Every step of the way there were voices and votes that said:

"No, not so fast."

"Don't try it, this hasn't been tried before."

"It's only a rehash of the old New Deal."

Or the New Frontier.

"Don't you know there is a war on? We can't have both butter and guns, or guns and butter. You will have to stop progress here at home."

Or one side would cry, "It is all for labor or for the minorities," and the other side cried, "It is all for the middle class."

I have heard them all and we have answered them all.

Our answer is: "Yes. It is for labor. Yes. It is for the minorities. Yes. It is for the middle class. Yes. It is for the young, the old, the worker, the businessman, the farmer, the teacher. the student, the doctor and the patient."

Yes, we said, for once you are going to be right. Our fight is not for a part of America. Our fight is for all of America.

REPUBLICAN RECORD

But in the Congress some closed their ears and their ranks. In vote after vote the House Members of the other party lined up like wooden soldiers of the status.

93% of the House Republicans voted to kill the Medicare Bill.

90% of them voted to kill the Poverty Bill.

68% of them voted to kill our Education Bill.

66% of them voted to kill our Civil Rights Bill.

80% of them voted to kill all the funds for Model Cities.

93% of them voted to kill all funds for our Housing and Rent Supplement.

And, my friends, 72% of them voted to kill your Minimum Wage Bill.

The only time they really said, "yes", an enthusiastic "yes", was when they could vote to recommit a good bill—to bury in a blanket of rhetoric beneath the wave of Republican reaction.

But they are not fooling anybody, are they?

The people know that the old Republican buggy can go only one way and that is backwards, downhill.

The only program that that Grand Old Party offers is the remains of what they backed into and what they have run over on the road, the bits and pieces of what somebody else has built.

No wonder we have worked so hard to pass the Highway Safety Act. That old Republican buggy has been colliding with us all year long.

And it is carrying more passengers this year. It is carrying more dead weight.

LAST CONGRESSIONAL ELECTION

The 47 Democrats who helped us write the historic legislative record of the 89th Congress are gone. They have been replaced by 47 Republican Nay-Sayers. And America's advance has temporarily been slowed.

Not always; not by any means always. We have fought and we have won some funds for Model Cities, some funds for the Teacher Corps, and some funds for Rent Supplement.

VETERANS

We have continued our efforts for older Americans, mental health, and consumers. We have passed a good bill for the Vietnam veterans who are returning. We have passed a bill to control rats in our cities.

With your help we passed that rat bill because a nation's conscience cried out louder than Republican laughter.

Don't let anyone fool you that we are standing still. This hasn't been the greatest Congress we ever had but this has been a productive Congress. And labor's leadership has helped make it productive.

But we need not just productive Congresses. We need great Congresses again, not just good ones. They must match and even surpass the 89th. And we are going to have to work.

We are going to have to roll up our sleeves and put our shoulder to the wheel—every man get to work and work through next November.

We still have to meet the great tests of our time—improving our educational and medical systems—rebuilding our cities—providing jobs for all who can work—ending lawlessness in our streets and controlling our crime—uniting our people in common and progressive purpose.

THE 1968 ELECTION

This is our national agenda and we can only succeed if there are men in Congress and men in the Administration who will make it their personal agenda. We must work harder than ever to elect good men—to elect these men who will support these programs. It can be done. It will be done, because a nation depends on us not to fail, and not to fall back—but to go on fighting and go on winning for all America.

LABOR AND MANAGEMENT

As America depends on your social leadership, I say to labor it also relies on your sense of economic responsibility.

In our system, the price changes are inevitable and they are desirable. But if we are to have the full blessings of free enterprise, business and labor must place the fundamental national interest first. Each must do its share and contribute its part to maintaining a stable level of overall prices.

I emphasized this to your partners in prosperity—the American businessmen—in Washington just last week. I told them that you—when I came to speak to you—would expect to receive equal time.

INDUSTRY

If industry, I said, if business, tried to raise prices and profit margins—even when they have excess capacity on their hands—we are bound to suffer rising prices, and this is simply murder—murder to all labor and to all people with low or moderate incomes.

If labor, I say, tried for a wage rise twice the nationwide increase in output per man-hour—even when there is no real labor shortage—we are bound to suffer rising prices.

Business suffers. Labor suffers. All America suffers from a wage-price spiral. And we want to avoid it if we can.

I told the businessmen that they should not point the finger of blame at you. I say that you should not point the finger of blame at them.

I say to both labor and to business that you are two fingers on one hand. It is your joint responsibility to try to stop the spiral.

To both of you, I say: It is your America. This is your land. This is your country. It is your prosperity. These are your jobs and your profits that we want to see protected. These are your dollars whose strength we want to maintain. I have urged business to refrain from avoidable price increases and to intensify its competitive efforts in the world.

I tonight urge labor to look at its responsibilities—to look hard and deep into its wise heart and restrain its demands for excessive wage increases.

Look around you as you calculate. Here is your country, fighting gallantly again for freedom—but doing it for the first time in American history without any wage or without any price controls.

It is that voluntary restraint that has made involuntary curbs unnecessary. Your Government wants to keep it that way. We want to be partners in responsibility and prosperity with labor and business.

And we will, if each of us does his share for the good of all. And I think you want to do that. I think all America wants to do that.

VIETNAM

I cannot close without sharing a few thoughts with you on a matter that I think troubles all of our hearts—that is the tragic but the vital struggle in Vietnam that is going on there tonight.

You have long stood in the front ranks of this fight for freedom. But here in Florida this winter you have added bright new testimony to your resolve—and you have given new heart to all who stand with you in search of peace.

I am very proud and very grateful, Mr. Meany, for the resolution that you all have passed here in support of freedom's cause. It is a ringing declaration of your firm resistance to aggression. That staunch spirit is constantly personified by that great, courageous leader—"Mr. Labor"—George Meany. I thank him and I thank all of you—from the bottom of my heart.

THE VIETNAM HERO

I thank you, too, for another man.

He does not live in the White House. He does not guide the destiny of the Nation and he doesn't have the responsibilities throughout the world on his shoulders alone. But he is face down tonight in the mud of the DMZ. Or he is out there storming a hill near Danang. Or crouched in a rice paddy in the Mekong Delta.

The American soldier thanks you from the bottom of his heart. He knows, even if some others don't, that your expressions of support are not just so many flag-waving words.

Whoever thinks that has never heard the question that comes to me so often from the foxholes in my letters every day. He has never felt the ache of a soldier who writes his Commander-in-Chief and asks him, and this comes in letter after letter: "We are doing okay—but are the folks back home really behind us?"

American labor has answered that question with a resounding "Yes." and a firm "Yes, sir." You have said it before and you have repeated it here—so strongly that even Hanoi cannot mistake its meaning or misinterpret what it says.

I know that many of labor's sons have left their parents and their homes to risk their lives for liberty and freedom in Vietnam. I know that is torture for you, as it is for me. I know that you regret every single dollar that we spent on war—dollars that we want to spend on the works of peace here at home.

But you and I know that we must persevere. The torture we feel cannot beg the truth. It is only our unswerving will. It is only our unshakeable determination that can ever bring us peace in the world.

It is very easy to agonize over the television or to moralize or to pin your heart on your sleeve or a placard on your back—and think to yourself that you are helping somebody stop a war.

But I only wish that those who bewail war would bring me just one workable solution to end the war.

PEACEMAKERS

The peacemakers are out there in the field. The soldier and the statesman need and welcome the sincere and the responsible assistance of concerned Americans. But they need reason much more than they need emotion. They must have a practical solution and not a concoction of wishful thinking and false hopes—however well intentioned and well meaning they may be.

It must be a solution that does not call for surrender or for cutting and running now. Those fantasies hold the nightmare of World War II and a much larger war tomorrow.

It must be a solution that does not call for stepping up our military efforts to a flash point where we risk a much larger war today.

The easiest thing in the world for the President to do is to get in a larger war. It is very difficult to continue day after day to pressure the enemy without involving yourself in additional problems.

I, for one, would be glad and grateful for any help that any citizen can give me. Thousands of our soldiers' sons would also thank anyone who has a plan or a program or a solution. I cannot help but feel that we would be joined in our gratitude and our gladness by all of our allies and by millions of thoughtful Americans. They are really the concerned Americans who recognize the responsibilities that accompany their rights and the duties that accompany their freedom and liberty; and who see it as a duty of citizenship to try to be constructive in word and constructive in deed.

For as long as I have borne the responsibility of conducting our foreign policy, I have known what I want you to know: I want all America to know that it is easier to protest a policy than to conceive one.

And so your President has followed a rather simple practice:

If someone has a plan, I listen to it.

If it seems worth pursuing, I ask the best Americans I can find to give me their judgments on it. I have asked your President many times for his judgments on these matters.

If they like it and it seems wise to the President, then I try to put it into operation.

I can promise all who shout their opposition, as well as any who have quieter doubts—and no political aspirations—that I will continue this practice. I will always be ready and anxious to hear and to act on any constructive proposal they offer.

But in the meantime, I want you to know, and I want all America to know, that I am not going to be deterred. I am not going to be influenced. I am not going to be inflamed by a bunch of political, selfish men who want to advance their own interests. I am going to continue down the center of the road, doing my duty as I see it for the best of all my country, regardless of my polls and regardless of the election.

I will devote my days and my nights to supporting and to supplying half a million of the bravest men who ever wore the American uniform and who ever left these shores to fight to protect us.

I will honor and respect our sworn commitments to protect the security of Southeast Asia, because in protecting their security I protect your security, your home and your family, too. We will not now betray the troubled leaders and the hopeful people of that region who have relied on Uncle Sam's word to shield them from aggression—not after other Presidents who preceded me gave their solemn word. I am going to see that that word is carried out.

We will hold the line against aggression as it has been drawn so often by the Congress and by the President. We will not now nullify the word of the Congress or the people, as expressed in the SEATO Treaty, that we would come and take our stand in the face of common danger—that treaty was ratified by a vote in the Senate of 82 to 1—or the Tonkin Gulf Resolution, where there were only two votes against it, when they said they would support the President in whatever means it was necessary to take to deter aggression. I call on all of them to support him now.

At all times and in all ways and with all patience and all hope—your President and your country will strive for peace.

Let no man, friend or foe, American or Asian, mistake our meaning.

I remind all of you again tonight, and my fellow Americans who may be viewing this proceeding, of our exchange of correspondence with Ho Chi Minh. The North Vietnamese themselves released my letter on March 21st. In it, the President of the United States, on behalf of the United States, made what we thought was a fair and a firm offer.

I said, "There is one good way to overcome this problem and move forward in the search for a peaceful settlement. That is for us to arrange for direct talks between trusted representatives in a secure setting and away from the glare of publicity . . ."

"As to the site of these bilateral discussions, I propose that there are several possibilities. We could, for example, have our representatives meet in Moscow, where contacts have already occurred. They could meet in some other country, such as Burma. You may have other sites in mind, and I would try to meet your suggestions . . ."

Can we be any more specific? Hanoi has spurned that olive branch. They answered with a rude "No" and they have repeated it time after disappointing time. Until they relent, until they see room for compromise and area for agreement, we must stand firm and we must stand unafraid. And we will.

Peace will come—I am convinced of that. But until peace does come, I will continue, with the support of our loyal, determined people, to hold the line that we have drawn against aggression—and to hold it firm and to hold it steady.

In all that I do, I will be strengthened by the powerful testimony for freedom that you sons of labor have given here in this hall. You courageous men of labor have supported our fighting men every time they needed you. You have spoken as free men under fire must speak. May all the world hear you. And may God bless you for what you have said and what you have done. May God keep those men until we can bring them back home in honor and in victory.

Thank you.

HOUSE OF REPRESENTATIVES

THURSDAY, DECEMBER 14, 1967

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

God is spirit; and they that worship Him must worship Him in spirit and in truth.—John 4: 24.

Father of mercy who hast spoken to Thy people in the past and who art speaking to us in the present, help us to hear Thy word this day. Each time we come to Thee we bring the same discouragements and the same desires. We ask for help without any honest endeavor on our part to discipline ourselves to receive it.

Forgive us, O Lord, forgive our petitions made without any promise of performance on our part, our requests spoken without any renewal of spirit in our hearts, our words uttered without any serious intention in our minds. Grant us light by which to see, love by which to live, and faith by which to act that we may be redeemed from the error of our ways and be delivered from the evil that infests the world.

Help us now to make a new beginning, to remove the spirit of bitterness and resentment, to reduce our anxieties and our prejudices, and to work together in true Christmas spirit for the good of our country, the welfare of mankind, and the peace of the world. In the Master's name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 8547. An act to amend title 10, United States Code, to simplify laws relating to members of the Army, Navy, Air Force, and Marine Corps, and for other purposes;

H.R. 11542. An act for the relief of Marshall County, Ind.;

H.R. 12961. An act to amend title 37, United States Code, to authorize the nontemporary storage of household effects of members of a missing status; and

H.R. 13833. An act to provide that the post office and Federal office building to be constructed in Bronx, N.Y., shall be named the "Charles A. Buckley Post Office and Federal Office Building" in memory of the late Charles A. Buckley, a Member of the U.S. House of Representatives from the State of New York from 1935 through 1964.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1141. An act to permit duty-free treatment of limestone when imported to be used in the manufacture of cement, pursuant to the Trade Expansion Act of 1962.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 294. An act for the relief of Eloy C. Navarro.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4765) entitled "An act relating to the income tax treatment of certain distributions pursuant to the Bank Holding Company Act of 1956, as amended."

HON. PAUL N. "PETE" McCLOSKEY, JR.

Mr. GERALD R. FORD. Mr. Speaker, I ask unanimous consent that the gentleman from California, Mr. PAUL N. "PETE" McCLOSKEY, JR., be permitted to take the oath of office today. The certification of election has not arrived, but there is no contest, and no question has been raised with reference to the election.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. McCLOSKEY appeared at the bar of the House and took the oath of office.

PRESIDENT'S STIRRING MESSAGE CATALOGS DEMOCRATIC ACCOMPLISHMENTS

Mr. CHARLES H. WILSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CHARLES H. WILSON. Mr. Speaker, President Johnson's excellent address to the AFL–CIO convention was a stirring catalog of Democratic achievements seen against a barrage of Republican negativism.

Republican leaders promised Americans they would see a new Republicanism—not whetted to 19th century dogmas, but ready to face the challenges of this generation. But, as the President showed, Republicans have not changed their stripes, for they continued to line up "like wooden soldiers of the status quo"—as they have for the last century.

Alas, it is still true that the Republican Party has not had an imaginative new idea since Teddy Roosevelt decided to form his own party 50 years ago.

While Democrats overwhelmingly supported medicare, 93 percent of our Republican colleagues felt the soaring medical bills of our elderly unimportant. While we brought hope to the impoverished and oppressed of the land by waging a war on poverty, supporting rent supplements, and enacting a comprehensive model cities program, Republicans turned their backs on our seething slums.

The great works of the 89th Congress have had to be zealously defended, for 47 Republican nay-sayers have been added to our ranks since 1966.

But the great health measures, consumer protection bills, and continued vitality of all the Great Society programs are a testament to what the 90th Congress has accomplished despite Republican obstructionism.

When Americans go to the polls next year, they will look with pride upon what the Congress and the President have accomplished in 4 years.

The Nation is once again moving at

full steam toward fulfillment of the American dream of health and prosperity for all of its citizens.

AID TO GREECE SHOULD BE SUSPENDED

Mr. LONG of Maryland. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. LONG of Maryland. Mr. Speaker, all U.S. aid to Greece—both economic and military—should be suspended until that nation puts its constitutional house in order. Our military aid to Greece, whose military leadership has just been disavowed by the King, is a classic example of misuse of American foreign assistance funds.

Since the coup last April, we have suspended delivery to Greece of major military equipment such as tanks and planes, but we continue at this moment to maintain 120 American military personnel in Greece to assist in training and we continue to supply Greece with replacement parts and supplies.

Our forces there should be withdrawn immediately, and all deliveries of equipment held back.

Since 1950, we have given Greece one and a third billion dollars in military aid alone. Thus we share responsibility for the suppression of press and personal freedom by a military junta armed with American weapons, trained by American advisers, and sustained with American funds.

State and Defense officials continue to claim that foreign military aid is needed to combat Communist aggression. Admittedly, however, the Greek military defense—even with all our help—is inadequate by itself to withstand an attack from Russia or Bulgaria. Instead, our military aid to Greece has been used first to overthrow a constitutional government and now to shore up the military regime, which has been rejected by Greece's constitutional monarch. We have also in recent weeks seen our military aid to Greece and Turkey used to threaten each other over Cyprus.

Mr. Speaker, our military aid program all over the world is in need of drastic overhaul to prevent it from being perverted from the original purpose of halting Communist aggression. Suspension of military aid to Greece would be a logical first step.

RECREATION FEE PROGRAM IS OVERALL FAILURE

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, I have spoken here a number of times about the dismal failure of the Corps of Engineers program for entrance fees at its outdoor recreation areas.

I have pointed out that the corps spends well over $1 for every dollar it collects in fees. The fees go into the land and water conservation fund. I suspect that if the collection costs came out of the land and water conservation fund, the corps collection program would be very quickly dropped.

The failure of the corps program is obvious. Figures have recently come to my attention which clearly illustrate that the collection picture among some of the other fee-collecting agencies is not much brighter.

The best of the lot, the National Park Service, estimates that it cost $701,315 in 1966 to collect $6,455,943—a collection cost of more than 10 percent.

The Bureau of Sport Fisheries and Wildlife last summer spent an estimated $45,876 to collect $156,624 in fees at 17 Federal wildlife refuges—a collection ratio of almost 30 percent.

The Bureau of Land Management last summer spent $26,860 at 50 recreation areas and were able to collect only $41,402 in fees. Here the collection costs climb above 60 percent.

Mr. Speaker, it becomes more and more apparent that the entrance fee program serves little purpose but to inconvenience and harass the public. At best, it is a nuisance. At worst, it denies outdoor recreation opportunities to many people.

It is my sincere hope that Congress will recognize that the entrance fee program, whatever promise it may have held, is a failure in reality. It is my hope that Congress will see that this program works against the people, while making almost no contribution to the land and water conservation fund. It is my hope that Congress will act early next year to abolish these entrance fees, replacing them with a sensible user fee program that is soundly conceived and both fairly and efficiently administered.

STRANGE EPISODE IN VIETNAM

Mr. HAYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS. Mr. Speaker, one of the most peculiar incidents of the Vietnam war has just broken into the press in the last 2 or 3 days in the adventures of the junior Senator from Illinois who was not able to get a military helicopter to fly him and his wife to a village where the shelling took place, but he got one through the State Department or through the Ambassador.

There are a lot of peculiar things about this. I do not know who paid for the helicopter, I suppose the State Department did—maybe it came out of the $100,000 extracurricular fund that this millionaire Senator has.

But among other things, there just happened to be a man from Look magazine with him and he just happened to have a couple of public relations men with him. Then it just happened, according to them, that a mortar shell dropped within 15 feet of them. Now this either had to be a dud or it had to be prearranged—or it had to be something else because I will clue you right now—that if it had been a mortar shell and he jumped landing flat on the ground, he could not have gotten flat enough on the ground to have gotten away from the mortar shell.

I think this whole incident deserves some looking into by somebody other than the publicity men who reported it to the press. I am sure also that the more than half-million American servicemen and State Department employees who cannot have their wives in Vietnam take a dim view of a tourist like Mrs. Percy vacationing at the battlefront.

STANDARDS OF OFFICIAL CONDUCT

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE of Illinois. Mr. Speaker, the Committee on Standards of Official Conduct, of which I have the honor to serve as chairman, would like to report that it has made substantial progress in the assignment given it by House Resolution 418, but will not be able to make its report until early in the next session.

The committee has reached agreement in many areas of its difficult and delicate task of drafting a code of standards to guide and govern the official conduct of House Members, officers, and employees, but just cannot quite tie up its recommendations before adjournment of this session.

The committee had hoped to have its report ready for consideration this session and has worked diligently toward that goal. But it has found its task a complicated one, a task that cannot be hurried despite the dedication of its members to the assignment. In the circumstances, the committee has concluded that it would be wiser to delay its report a few more weeks rather than come before the House now with a report with which we would not be satisfied.

The report is now under preparation and the committee expects to have it in final form for submission early in the next session.

In pursuance of its task, the committee conducted a series of seven public hearings to gain the views of all who were willing to come forward, from both within and outside of the Congress, with their help. And the committee has met in upward of 30 working sessions for preparation of its report.

In the public hearings, the committee received testimony, county statements which were submitted for the record, from a total of 64 witnesses. While we received a wide variety of proposals and were impressed by the thought and preparation given to them, we would have liked a broader base of testimony for our deliberations.

The record of those hearings has now been published and copies are available from the committee office. Although the proposals advanced therein are varied, one thing stands out clearly—there is a wide interest in the establishment of effective and workable guidelines for the conduct of the House of Representatives.

Your committee expects to recommend just such a set of standards in the early weeks of the second session of the 90th Congress in the hope of providing criteria which, if accepted, will redound to the credit of the House.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from Illinois.

Mr. ARENDS. Mr. Speaker, I have the honor to be a member of the Committee on Standards of Official Conduct, under the chairmanship of my distinguished colleague from Illinois [Mr. PRICE]. He has proven to be an extremely able chairman. It is a privilege and a pleasure to serve under him. But I must frankly say that I am not too sure it is much of a privilege, and certainly not much of a pleasure, in carrying out our committee's assigned task.

I endorse what our chairman [Mr. PRICE] has said with respect to the work of this committee. In the few months of the committee's existence we have made diligent effort toward making our recommendations to the House at this session. That was our goal. But we found the time was all too short and the questions to be resolved all too sensitive and all too complex for us to be able to meet the goal we had set for ourselves.

Every member of our committee has felt the great responsibility that is ours. One can readily talk about "proper conduct" or "ethical conduct," but it is only when we seek to translate these general terms into the specifics that we become aware of the many complications and the many contingencies, real and potential, that are necessarily involved. Once our committee arrived at a conclusion on some particular problem, we then faced the difficult problem of finding the proper language to express it.

It is not unlike writing a constitution, when you must take into account not only what is but what might arise. And when you know you are undertaking to write a document not only for the present but also for the future, not only for this Congress but for Congresses to follow, and not only for the Congress but for the people for whom the Congress speaks.

Our committee would be amiss in our assigned duties and responsibilities if we did not proceed with painstaking care. And we have been doing just that. Our committee is well aware that however objective, however diligent and however thorough we may be our final recommendations will not satisfy everyone. There will be those who will say we went too far and those who will say we did not go far enough.

For my part, I want to take this opportunity to commend our chairman and the other members of the committee for their dedication to the most difficult of assignments. I should like also to say that our committee has made substantial progress and this has been due in no small measure to the perseverance of our distinguished chairman.

CONTEMPLATED APPEARANCE OF GENERAL HERSHEY BEFORE COMMITTEE ON GOVERNMENT OPERATIONS

Mr. RIVERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS. Mr. Speaker, I take the floor today to make an unequivocal pronouncement that I am going to insist be observed. I am getting sick and tired of seeing the Government Operations Committee arrogating themselves into the jurisdiction of the Armed Services Committee. I have written the chairman about this—I do not see him on the floor—and I have seen recently that the gentleman from California is going to bring General Hershey before his committee. I resent this, Mr. Speaker, because that committee does not have jurisdiction over any action on the part of General Hershey, unless it is in the field of the expenditure of funds.

I am today notifying the gentleman from California [Mr. Moss] that he has no jurisdiction in any action by General Hershey in the absence of an overt act related to expenditures, and any effort to bring General Hershey before his committee to horsewhip him, as I assume he expects to do, is arrogating the jurisdiction of this committee and, if necessary, Mr. Speaker, I will appeal to the leadership of the House to defend my committee against such an invasion of our jurisdiction.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. RIVERS. I am delighted to yield to the gentleman from Illinois.

Mr. ARENDS. As a member of the Committee on Armed Services over many years, and, through our many contacts with General Hershey, knowing him as we do and his complete willingness on every occasion to come before our committee and always being frank and honest with us, I heartily endorse the position of the gentleman from South Carolina in the position he takes. Whatever problems we might have with Selective Service, I feel our Armed Services Committee can and will satisfactorily work out such differences. I feel our committee, myself and Members on both sides, will heartily endorse the position taken by the gentleman from South Carolina.

Mr. RIVERS. General Hershey is trying to do a job. I do not assume those who want to tear up their draft cards in New York City will expect to get the award of the Congressional Medal of Honor.

Since when has it become disagreeable to serve one's country? I do not call this punishment. I think it is the highest honor General Hershey can offer to this bunch of buzzards.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Speaker, I appreciate the gentleman yielding during his long minute.

I do not see my chairman of the Government Operations Committee, nor the gentleman from California [Mr. Moss] on the floor, but I would like to say to the gentleman that he might read the charter of the jurisdiction of the House Committee on Government Operations. He will find that the House Committee on Government Operations has the right to investigate any executive agency or department.

Mr. RIVERS. That is correct.

Mr. HOLIFIELD. Not only in regard to economy but in regard to the efficiency of their operation.

Mr. RIVERS. That is exactly right, and only that.

Mr. HOLIFIELD. And if General Hershey is not operating his department efficiently, the Committee on Government Operations has a clear jurisdictional right to call him before them and ask him questions.

Mr. RIVERS. That is absolutely correct. No question about this. I do think the world of the gentleman from California [Mr. HOLIFIELD].

SECRETARY ROBERT S. McNAMARA

Mr. DORN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN. Mr. Speaker, it was my great honor to serve with you on the Committee on Government Operations in 1947, which wrote the act unifying our Armed Forces. This act created the Department of Defense with the Secretary of Defense. The intention of the act was for the Secretary of Defense to exercise civilian control over a unified defense team. Secretary McNamara's service as Secretary of Defense is largely what we had in mind when we wrote the act.

The following article with reference to Secretary McNamara appeared in Newsweek magazine on December 11:

THE SECRETARY'S LASTING LEGACY

For all the controversy that boiled about him during his seven years as head of the U.S. Defense Department, there are few in Washington who doubt that Robert S. McNamara's legacy is a bountiful one for the nation. There were mistakes and misjudgments along with the successes, of course, but the fact remains that McNamara leaves the Pentagon in far more effective shape than he found it, and that many of the strategic concepts, technical innovations and management techniques he fought for seem destined to endure for years. NEWSWEEK Pentagon correspondent Lloyd Norman, who covered all seven years of McNamara's tenure, filed the following appraisal of the Secretary's major successes and failures:

Nuclear Strategy. Most experts agree that McNamara functioned magnificently in developing the U.S. nuclear striking force in measured response to the developing counterthreat from the Soviet Union, and that his restraint and reasoned judgment have contributed enormously to the prevention of an all-out nuclear arms race. He accelerated the Polaris and Minuteman ICBM programs, ordered development of "cluster" nuclear warheads and assured the U.S. that for the foreseeable future it would always have enough power to strike back at and destroy any enemy that attacked first. Today, the U.S. nuclear arsenal includes 1,000 Minuteman ICBM's, 54 Titan ICBM's, 656 Polaris missiles, 41 Polaris submarines (there were five in 1960) and 30 nuclear attack submarines, compared with thirteen seven years ago. Later, in the waning days of his tenure, he also accepted the idea of "light" anti-ballistic-missile (ABM) defenses for the nation.

Conventional Strategy. It was under McNamara that the concept of a flexible response with conventional forces came to full flower. McNamara streamlined transport and logistics systems, made maximum use of helicopters (the number of helicopters in service rose from 4,000 to 9,300 during his administration) and sought to erect higher thresholds against nuclear war by building larger, quicker-reacting conventional forces to deal with small wars before they got bigger.

Management Techniques. He institutionalized budgetary program planning and systems analysis. These are management tools that the Pentagon had used in the past, to be sure, but McNamara centralized them and applied the system with tough-minded persistence. Despite the fact that the total defense budget rose from $43 billion to $75 billion during his term of office, McNamara's determinedly taut-ship administration of the Pentagon has saved the nation perhaps as much as $100 billion in the same period. He eliminated more than $82 billion from budget requests, saved at least $5 billion a year by closing unneeded bases and by other economies, and though there is still plenty of waste, there is also no question that Pentagon officials at all levels are more cost-conscious now than at any time since the end of World War II.

Civilian Control. Under McNamara, the Pentagon was subjected to the tightest civilian control it has known since military unification and the Defense Department itself were written into law under President Truman twenty years ago. Other Defense Secretaries before McNamara had tried to impose their will on the military establishment, but McNamara actually did it. He sternly and effectively forbade taking internal Pentagon disputes to the public, but did not try to prevent the military chiefs from voicing their dissent on Vietnam war policy or new weapons systems to Congressional committees or to the President.

Congress. Despite its early admiration for his brilliance, his virtuosity and his learning, Congress often found McNamara arrogant and even supercilious, and this was clearly one of his major problems all along. On the other hand, it is doubtful if any amount of tact and fur-smoothing could have completely calmed Congress, for McNamara's plans to merge the Army reserves into the National Guard, his refusal to give the Air Force a new manned bomber, his protracted refusal to deploy the Nike X anti-missile system, and his TFX decision were all bound to raise Congressional hackles at one time or another.

On balance, then, McNamara's most memorable achievements came, fittingly enough, when he applied his prodigious talents directly to the area of his own expertise, and his major misjudgments came when he had to grapple with problems that were essentially or entirely political in nature. But there is no doubt that any summing up comes out heavily in McNamara's favor. He has been a truly great Secretary of Defense, probably the greatest the U.S. has ever known.

PROPOSED PROHIBITION OF CONSIDERATION OF LEGISLATIVE BUSINESS FOR CERTAIN PERIODS IN 1968

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, we are still in session and it is now 11 days before Christmas.

It is time for the Members of this House and the leadership on both sides to face the facts of congressional life.

This is a full-time annual job. Early adjournment, whether at the end of a 6- or 10-month session, has been proven to be a myth.

The Congress should plan early in January to pass a resolution which would do two things:

First. Prohibit consideration of any legislative business in the House for a minimum of a 2-week period in August. This would give Congressmen a chance to plan in advance a short vacation with their wives and children.

Second. Prohibit consideration of any legislative business in the House for a period of at least 30 days before the presidential election of November 5, in order that Members may plan their campaign speaking dates.

I plan to introduce such a resolution, and I fervently hope that it will have the support of my 434 colleagues including the leadership on both sides of the aisle.

SPEECH BY THE HONORABLE L. MENDEL RIVERS

Mr. HAGAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. HAGAN. Mr. Speaker, in addition to the revelation by our distinguished colleague from South Carolina a few moments ago, on yesterday, Chairman L. MENDEL RIVERS of the House Armed Services Committee brought before this House some vital information.

For those who may not have had the opportunity to hear his most important remarks, I urge you to read Chairman RIVER's speech in the CONGRESSIONAL RECORD of December 13 beginning on page 36436.

THE SOCIAL SECURITY BILL

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, when the conference report on the social security bill was adopted by a rollcall vote of 390 to 3 on Wednesday, I voted for its adoption because I felt that it is imperative that the benefit increase it contains must be made available to the 24 million Americans on the social security rolls without further delay.

I must confess that I cast my vote in support of the conference report although I was dissatisfied with a number of the bill's provisions. At this stage of the legislation, however, I felt that I could do nothing more than support the conference report because to vote against it might well have jeopardized the possibility of any benefit increase being enacted during this Congress.

Mr. Speaker, I was dissatisfied with a number of features of the bill, not the least of those is the benefit increase. The Senate had adopted a 15-percent across-the-board increase in benefits and raised the minimum benefit from the present $44 a month to $70 a month. The conference report provides only a 13-percent increase and increases the minimum to $55, much more in line with the provisions of the House bill which raised benefits 12½ percent and increased the minimum to $50.

In addition to the benefit increase, I am also troubled by some of the bill's provisions amending the public assistance programs.

I am concerned over the way the bill's provision freezing the proportion of AFDC children on the rolls in a State will work. The Department of Health, Education, and Welfare furnished estimates indicating that this provision will not result in reducing Federal expenditures in the years ahead, thus indicating that it will not require any reductions in the number of recipients on the rolls. I do not believe that the Department's estimates take into account the problems which could arise in many urban areas which are experiencing an in-migration of people from rural areas, a higher than average proportion of whom apply for welfare assistance.

I am also concerned over the bill's provisions shifting the administration of work and training programs for AFDC recipients from welfare agencies to employment security agencies. The latter agencies have little or no experience in handling the special problems of welfare recipients. Experience gained under community work and training programs previously established under title IV of the Social Security Act demonstrates that the local welfare agencies are capable of conducting such programs when given the proper tools to carry them out.

I am sure that the Congress will keep a watchful eye on the results obtained under these provisions of the bill and that at the first sign of something going wrong with their operation, which I sincerely hope will not occur, the necessary legislative steps to correct what may be present errors will be taken.

Mr. Speaker, I have introduced a number of bills to extend social security benefits in the present Congress. These include proposals to provide a minimum benefit of $100 a month to workers with 25 years of social security credits; an increase in the earnings limitation to $2400 a year; full benefits at age 62 for men and 60 for women; and providing disability benefits for blind persons who have at least six quarters of coverage. It is my hope that the Committee on Ways and Means will give serious consideration to these proposals when it next turns its attention to social security matters.

PASSPORT PRIVILEGES SHOULD BE CONTROLLED

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, a few days ago there was an international incident that deserves more attention than it has received.

It involves a group of Americans, headed by one, George M. Houser, so-called executive director of an outfit bearing the label of the American Committee on Africa, and berthed in New York.

Houser chartered two aircraft in Zambia, and without visas, the group attempted to fly into South Africa. The South African Government intercepted the aircraft by radio and warned that if they continued to violate that country's airspace they would have to "bear any consequences."

Pilots of the chartered aircraft, unaware that the Americans did not have proper visas, and fearful their planes would be impounded or intercepted in midair by South African military aircraft, refused to continue the flight and returned to Zambia.

Mr. Speaker, there are altogether too many Carmichaels and Housers abusing the privileges of the U.S. passports and it is about time Secretary Rusk and others of his persuasion in Foggy Bottom start clamping down on international troublemakers before the fact, not after.

With a fullfledged war on our hands this country cannot afford the luxury of American featherheads roaming the world, trying to provoke more violence and involvement of the United States.

GEN. LEWIS B. HERSHEY

Mr. ADAIR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. ADAIR. Mr. Speaker, earlier this afternoon reference was made to Gen. Lewis B. Hershey. I should like to rise in strong support and commendation of the efforts of this great Hoosier, this great American.

It is my proud privilege to represent the district in which General Hershey was born and reared and in which his family has lived for many generations, a distinguished family of fine citizens.

Those who criticize General Hershey ought to remember a few things. First of all, they might well ask themselves what other American could have served in that capacity since 1941 with so little criticism as he has received.

What General Hershey is proposing to the draft boards now is simply to say that these young people who have been given the privilege of deferment and who now try to interfere with the orderly processes of our building a defense force, ought to be called upon to forfeit this privilege of deferment.

If, indeed, Mr. Speaker, the Department of Justice had performed its functions as authorized and directed by law, it would not be necessary for General Hershey to take the action which he has recently taken.

Let us cease criticism and support the efforts of this fine and dedicated public servant, Gen. Lewis B. Hershey.

A RIOT BONDING BILL SHOULD BE PASSED

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SCHADEBERG. Mr. Speaker, it is my intention to introduce in the second session of this Congress a riot bonding bill, the purpose of which will be to hold those individuals and organizations who engage in orgies of burning and destruction financially responsible for their acts.

I will propose and seek the support of all my colleagues at that time of a minimum bond of $250,000 for those who travel from State to State peddling their protests.

In serving notice of my intentions I raise the issue now of the urgency of including the District of Columbia, which has already been targeted for a massive summer protest for which a cadre of 3,000 outsiders are now being trained in the jungle warfare of street and back alley unrest.

I will propose as well, Mr. Speaker, that those cities and communities issuing permits for protest marches in the future without adequate riot bonding provisions be denied community development funds of every nature from the Federal Government until they fall in line with the provisions of the legislation I will submit.

The bill in 1967 for property destroyed resulting from rioting exceeded $100 million. It is time that those who indulge in these exercises of destruction be called to account. My bill, Mr. Speaker, will do just that.

PRESIDENT PLEDGES TO CONTINUE MIDDLE ROAD TO PEACE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BROOKS. Mr. Speaker, in his stirring address to the AFL–CIO convention, President Johnson renewed our time-honored pledge to defend freedom in Vietnam until peace comes to that embattled land.

The President once again rejected the extremes of mindless escalation and unilateral surrender to pursue his determined middle road to an honorable peace.

Critics of President Johnson at home would better direct their ire at Hanoi. It is Hanoi which has adamantly spurned the American olive branch. It is North Vietnam which has repeatedly rejected negotiations "time after disappointing time." And it is they who must bear the consequences of their action.

President Johnson will listen with great care to any workable solutions—but peace cannot be the product of one side only. Peace will not come, in the President's words, by a "concoction of wishful thinking and false hopes—however well-meaning" but only by practical alternatives and workable solutions—and an enemy prepared to settle for less than military victory.

In the meantime, we will pursue our course secure in the knowledge that our pledged word, our dedication of freedom and our American heritage demand it.

The ringing declaration of support given the President by the AFL–CIO convention is testament to America's determination to stand behind their President in this hour of challenge. Hanoi will fail to realize this at their peril.

PASSPORTS SHOULD NOT BE ISSUED TO TROUBLEMAKERS

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ABERNETHY. Mr. Speaker, I listened to the gentleman from Iowa a moment ago refer to the attempt by one Mr. Houser to crash the borders of the Republic of South Africa.

I commend the gentleman for his remarks. We have enough troubles in our own country to take care of. We certainly should not have the troublemakers that we have in this country, such as George Houser and his associates, bouncing around the world making trouble for other nations and also making more troubles for us by meddling in the affairs of other nations. The South Africans were in their right in turning back these five Americans headed by Houser. South Africa's affairs are none of their business. We have enough to attend to of our own.

I hope the authorities at the executive level of our Government will take note of the conduct of Mr. Houser and others like him and that henceforth they will decline to issue a passport to any American citizen whose mission is to meddle in the affairs of any foreign nation. I know there are some Americans who may not like the South Africans, or the Rhodesians, or the French, or maybe the people of a dozen other nations. But this does not justify meddlesome Americans trespassing upon or even visiting among these nations for the purpose of making trouble among them, or to change their mode of conduct or of government.

CALL OF THE HOUSE

Mr. PELLY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. ALBERT). Evidently a quorum is not present.

Mr. CHARLES H. WILSON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 442]

Abbitt
Annunzio
Ashbrook
Ashley
Baring
Bates
Bell
Bolling
Broomfield
Celler
Dawson
Derwinski
Dickinson
Diggs
Dwyer
Flood
Foley
Fountain
Fuqua
Griffiths
Halleck
Hardy
Harrison
Harsha
Hébert
Heckler, Mass.
Hosmer
Hungate
Jones, Mo.
King, N.Y.
Kuykendall
Lukens
McFall
MacGregor
Martin
Mathias, Calif.
Mathias, Md.
Mink
Nichols
Pickle
Pike
Pool
Reinecke
Resnick
Reuss
Rogers, Colo.
Rosenthal
Rostenkowski
St. Onge
Scott
Shipley
Sikes
Sisk
Springer
Stratton
Talcott
Watson
Williams, Miss.
Willis
Wright
Wyatt

The SPEAKER pro tempore. On this rollcall 373 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONVEY CERTAIN LANDS TO SQUAXIN ISLAND TRIBE OF INDIANS

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 8580) to convey certain land to the Squaxin Island Tribe of Indians, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, after line 12, insert:

"SEC. 2. The Indian Claims Commission is directed to determine in accordance with the provisions of section 2 of the Act of August 13, 1946 (60 Stat. 1050) the extent to which the value of the title conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

Mr. GROSS. Mr. Speaker, reserving the right to object, is this the Commission bill, I ask the distinguished gentleman from Colorado?

Mr. ASPINALL. Will my colleague yield to me?

Mr. GROSS. Yes. I yield to the gentleman.

Mr. ASPINALL. This is the Squaxin Island Indian bill. The amendment is germane, and it has been cleared by the leadership on that side of the aisle.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendment was concurred in.

The title was amended so as to read: "An Act to declare that certain lands are held in trust for the Squaxin Island Indian Tribe."

A motion to reconsider was laid on the table.

DUTY-FREE ADMISSION OF BAGPIPES AND PARTS THEREOF

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 664) to amend the Tariff Act of 1930 to provide that bagpipes and parts thereof shall be admitted free of duty, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That (a) schedule 7, part 3, subpart A of the Tariff Schedule of the United States (19 U.S.C. 1202) is amended by striking out item 725.24 and inserting in lieu thereof the following:

" '

	Wood-wind instruments:		
725.23	Bagpipes.....	Free	40% ad val.
725.24	Other.........	15% ad val.	40% ad val.

"

"(b) Schedule 7, part 3, subpart B of such Schedules is amended by striking out item 726.70 and inserting in lieu thereof the following:

" '

	Parts of wood-wind instruments:		
726.69	Parts of bagpipes.	Free	40% ad val.
726.70	Other.............	15% ad val.	40% ad val.

"

"SEC. 2. (a) The amendments made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

"(b)(1) The rates of duty in rate column numbered 1 of the Tariff Schedules of the United States (as amended by the first section of this Act) shall be treated as not having the status of statutory provisions enacted by the Congress, but as having been proclaimed by the President as being required or appropriate to carry out foreign trade agreements to which the United States is a party.

"(2) The amendments made by the first section of this Act, insofar as such amendments relate to items 725.24 and 726.70 of the Tariff Schedules of the United States, shall not affect the authority of the President contained in section 201(a)(2) of the Trade Expansion Act of 1962."

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Arkansas?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, and I do so only to permit the distinguished chairman of the Committee on Ways and Means, the gentleman from Arkansas [Mr. MILLS] to explain the consequences of the Senate amendment to the bill.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Arkansas.

Mr. MILLS. Mr. Speaker, as my distinguished friend, the gentleman from Wisconsin [Mr. BYRNES], knows, this is a very important matter, a matter that passed the House of Representatives on March 14, 1967, pertaining to woodwind instruments and bagpipes, providing for the free importation of bagpipes and parts thereof. However, when the matter went to the other body, it was found necessary to make a technical amendment to the provisions of the House-passed bill, in view of the fact that the Kennedy round that was in session at that time had not been concluded prior to the time that we passed the bill in the House of Representatives.

Mr. Speaker, this is a technical amendment. This technical amendment to the House-passed bill, if ultimately adopted, would merely preserve the effect of the Kennedy round sessions with respect to other woodwind instruments, and would grant to them the free rates for bagpipes and parts thereof as proclaimed by the President of the United States under the trade agreements authority, rather than as a statutory rate as the matter passed the House of Representatives.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, in view of the fact that we are about to get a conference report on the foreign handout bill, with an increase as I understand it of about $200 million, which is no small amount of cash where I come from, I wonder if this is approved whether I could get a new set of bagpipes? The old ones I have been playing when the foreign boondoggle comes along are about worn out.

Mr. MILLS. Mr. Speaker, if the distinguished gentleman from Wisconsin will yield, I will say in response to the gentleman from Iowa, I advise the gentleman that we have a set of bagpipes in the committee which we shall be glad to make available to the gentleman.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 7819, ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1967

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that the conferees on the part of the House may have until midnight tonight to file a conference report on the bill (H.R. 7819) to strengthen and improve programs of assistance for elementary and secondary education by extending authority for allocation of funds to be used for education of Indian children and children in overseas dependents schools of the Department of Defense, by extending and amending the National Teacher Corps program, by providing assistance for comprehensive educational planning, and by improving programs of education for the handicapped; to improve authority for assistance to schools in federally impacted areas and areas suffering a major disaster; and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

Mr. HALL. Mr. Speaker, reserving the right to object, I simply want to ask the distinguished chairman of the Committee on Education and Labor if the conference committee on the aid for education bill has completed its meetings with the managers on the part of the other body, and is ready to file a written statement?

Mr. PERKINS. Mr. Speaker, if the gentleman will yield, the conference has not completed its work on the report, and the report is not completed and ready for filing. It may be that the situation may be such that it will be necessary to bring in the report on the bill without it being printed. In that event we already have obtained unanimous consent for its consideration.

Mr. HALL. Mr. Speaker, that was the very point which I have sought, knowing full well about the unanimous-consent request which was made and granted after pertinent colloquy, on yesterday.

I wonder if that would not apply in this case, in the event that when it is ready and we get it, it will be along toward the shank of the evening.

Mr. PERKINS. Let me state this to the gentleman, that if we are not able to reach agreement tonight, it is most likely we will come to the floor without a conference report being printed.

Mr. HALL. Mr. Speaker, I would ask the gentleman—would the effective date of this legislation be prejudiced by going over until after the first of the year, and what is the effective date of the legislation?

Mr. PERKINS. The effective date of present legislation goes over into the next fiscal year, but the school districts throughout the country are all upset because they do not know what their allocations will be. That is the necessity for this.

Mr. HALL. I would say that I have been upset also by the actions of the other body, but inasmuch as it is this close to Christmas I would withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

DIRECTOR OF SELECTIVE SERVICE

Mr. MOSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MOSS. Mr. Speaker, the gentleman from South Carolina [Mr. RIVERS], took occasion today to raise a question, one, as to the jurisdiction of my Subcommittee on Foreign Operations and Government Information, and the other to infer that it was my intention in informing General Hershey, the Director of the Selective Service, that a continuing failure to respond to the inquiries I made of him would cause him to be brought before my committee, and that it would be my intention to bring him there and "horsewhip him."

Mr. Speaker, the Subcommittee on Foreign Operations and Government Information, I believe, has a distinguished record, and I am proud of every word and every act that it has undertaken. We have never abused any witness at any time, and the jurisdiction is as clear as it can be. I have had members of the Committee on Armed Services bring to my committee instances of refusal of information and ask that I pursue them. And when the Director of Selective Service fails to answer and supply the citations as to the authority for actions he has taken, then I have jurisdiction and I will continue to insist upon that jurisdiction.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 14387. An act making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 14397) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes, and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PASTORE, Mr. HOLLAND, Mr. HILL, Mr. MCCLELLAN, Mr. MAGNUSON, Mr. MANSFIELD, Mr. MUNDT, Mr. YOUNG of North Dakota, and Mrs. SMITH to be the conferees on the part of the Senate.

FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATIONS, 1968—CONFERENCE REPORT

Mr. PASSMAN. Mr. Speaker, I call up the conference report on the bill (H.R. 13893) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1044)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13893) "making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 4, 8, 26, and 29.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 5, 9, 11, 13, and 28; and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,250,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$130,000,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$80,000,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment insert "$394,000,000"; and the Senate to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "394,000,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$330,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$450,000,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$55,300,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$400,000,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$8,000,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$107,500,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "$2,672,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 10, 19, 20, 22, 23, and 25.

Otto E. Passman,
John J. Rooney,
Julia Butler Hansen,
Jeffery Cohelan,
Clarence D. Long,
John J. McFall,
George Mahon,
Silvio O. Conte,
Managers on the Part of the House.
John O. Pastore,
Carl Hayden,
Warren G. Magnuson,
Spessard L. Holland,
A. S. Mike Monroney,
Margaret Chase Smith,
Milton R. Young,
Karl E. Mundt,
Managers on the Part of the Senate.

Statement

The managers on the part of the House at a conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13893) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—FOREIGN ASSISTANCE

Funds Appropriated to the President

ECONOMIC ASSISTANCE

Amendment No. 1.—*Technical Cooperation and Development Grants:* Appropriates $180,000,000 as proposed by the House instead of $210,000,000 as proposed by the Senate.

Amendments Nos. 2 and 3.—*Technical Cooperation and Development Grants:* Delete language proposed by the House and insert language proposed by the Senate which provides $20,000,000 for family planning activities without prior justification to the Congress.

Amendment No. 4.—*American Schools and Hospitals Abroad:* Appropriates $11,500,000 as proposed by the House instead of $10,620,000 as proposed by the Senate.

Amendment No. 5.—*American Schools and Hospitals Abroad (Special foreign currency program):* Corrects the spelling of the name of one of the institutions as proposed by the Senate.

Amendment No. 6.—*Surveys of Investment Opportunities:* Appropriates $1,250,000 instead of $1,000,000 as proposed by the House and $2,000,000 as proposed by the Senate.

Amendment No. 7.—*International Organizations and Programs:* Appropriates $130,000,000 instead of $125,000,000 as proposed by the House and $141,000,000 as proposed by the Senate.

Amendment No. 8.—*Supporting Assistance:* Appropriates $600,000,000 as proposed by the House instead of $610,000,000 as proposed by the Senate.

Amendment No. 9.—*Contingency Fund:* Deletes language proposed by the House reappropriating unobligated balance in the Contingency Fund, which is dealt with in amendment number 10.

Amendment No. 10.—*Contingency Fund:* Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur with the language proposed by the Senate which reappropriates all unobligated balances and gives the agency the authority to deobligate and reobligate funds.

Amendment Nos. 11 and 12.—*Alliance for Progress, Technical Cooperation and Development Grants:* Insert proper section number as proposed by the Senate, and appropriate $80,000,000 instead of $75,000,000 as proposed by the House and $100,000,000 as proposed by the Senate.

Amendment Nos. 13 and 14.—*Alliance for Progress, Development Loans:* Insert proper section number and appropriate $394,000,000 instead of $370,000,000 as proposed by the House and $478,000,000 as proposed by the Senate.

Amendment No. 15.—*Alliance for Progress, Partners of the Alliance:* Appropriates $330,000 instead of $714,000 as proposed by the Senate.

Amendment No. 16.—*Development Loans:* Appropriates $450,000,000 instead of $400,000,000 as proposed by the House and $600,000,000 as proposed by the Senate.

Amendment No. 17.—*Administrative Expenses, AID:* Appropriates $55,300,000 instead of $55,800,000 as proposed by the House and $54,800,000 as proposed by the Senate.

Military assistance

Amendment No. 18.—*Military Assistance:* Appropriates $400,000,000 instead of $365,000,000 as proposed by the House and $510,000,000 as proposed by the Senate.

Amendment No. 19.—*Military Assistance:* Reported in technical disagreement. The managers on the part of the House will offer a motion to insert language similar to that proposed by the House together with a provision that the President may use such funds when he determines that the furnishing of sophisticated weapons to underdeveloped countries is vital to the national security of the United States and reports within 30 days each determination to the Congress.

General provisions

Amendment No. 20.—*Section 106:* Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur with the language proposed by the Senate.

Amendment No. 21.—*Section 113:* Places a limitation of $8,000,000 on the appropriations contained in Title I of the bill which may be used for research activities instead of $5,000,000 as proposed by the House and $10,000,000 as proposed by the Senate.

Amendment No. 22.—*Section 119:* Reported in technical disagreement. The managers on the part of the House will offer a motion to insert language similar to that proposed by the House together with a provision that an equivalent amount of economic assistance need not be withheld when the President determines that purchases and acquisitions of sophisticated weapons by underdeveloped countries is vital to the national security of the United States and reports within 30 days each determination to the Congress.

Amendment No. 23.—*Section 119:* Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur with an amendment changing the section number.

TITLE II—FOREIGN ASSISTANCE (OTHER)

Amendment No. 24.—*Peace Corps:* Appropriates $107,500,000 instead of $105,000,000 as proposed by the House and $110,000,000 as proposed by the Senate.

Amendment No. 25.—*Assistance to Refugees in the United States:* Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur with the Senate amendment.

Amendment No. 26.—*Migration and Refugee Assistance:* Appropriates $5,500,000 as proposed by the Senate.

TITLE III—EXPORT-IMPORT BANK

Amendment No. 27.—*Limitation on Program Activity:* Provides that not to exceed $2,672,000,000 shall be available for the lending program of the Bank instead of $2,550,000,000 as proposed by the House and $2,850,000,000 as proposed by the Senate.

Amendment No. 28.—*Limitation on Administrative Expenses:* Provides that not to exceed $12,000 shall be available for entertainment allowances of the Board of Directors of the Bank as proposed by the Senate instead of $9,000 as proposed by the House.

TITLE IV—GENERAL PROVISIONS

Amendment No. 29.—*Section 404:* Deletes language proposed by the Senate.

Otto E. Passman,
John J. Rooney,
Julia Butler Hansen,
Jeffery Cohelan,
Clarence D. Long,
John J. McFall,
George Mahon,
Silvio O. Conte,
Managers on the Part of the House.

The SPEAKER pro tempore. The gentleman from Louisiana [Mr. Passman] is recognized for 1 hour.

Mr. PASSMAN. Mr. Speaker, I yield myself whatever time I may use.

Mr. Speaker, with privileges comes responsibilities. At times I regret that as we live and learn through disappointment and misunderstandings that enrich our knowledge of our fellow man, we find that time is running out. Thus, we are deprived of benefiting fully from our experiences and our associations.

This reminds me of a statement made by my old economics professor, who was indeed a great philosopher. He said that no understanding could be considered firm unless it was in writing; that people suffer from short memories and that they should never, never be criticized when they state that their understanding of an agreement is different from yours. That is the way it should be.

Mr. Speaker, last night at 9 o'clock I received a call from one of my very dear friends and colleagues. He said, "Otto, I understand you have finished your conference on foreign aid. Are you bringing back a good foreign aid appropriation bill?"

This was my response: "No, my friend, I am not. Insofar as I am concerned, there is no such thing as a good foreign aid bill. But I can assure you that I am bringing back to the House for its consideration the best foreign aid appropriation bill considered by this Congress."

Mr. Speaker, as chairman of the Foreign Operations Subcommittee on Appropriations, I represent the views of a majority of the subcommittee. It has always been my purpose to function on that basis. Critical I may be—but when the chips are down, I will defend my bill, my agreements, my understanding, and my responsibility with as loud a voice as I am capable of generating—and to the extent, occasionally, of appearing to be a prime defender of foreign aid.

Too many people ruin what could be a happy today by dwelling on the lost yesterdays, thus jeopardizing tomorrow.

Mr. Speaker, I have never believed in spending money that we do not have for things we do not need, trying to be everything to everybody, everywhere.

That is my philosophy. So I have reasons today for being happy and elated because, in my candid opinion, never in the history of the Congress has any group of House conferees ever had a greater victory in reducing the amount of Senate increases in a major appropriation bill than did the Foreign Operations Subcommittee on Appropriations conferees in the conference with the other body.

May I say at this point, that I have profound respect for and I hold the conferees of the other body in very high esteem. We found them most reasonable, with receptive minds, and when we made our points, supported by evidence, they gladly yielded, and for that I am profoundly grateful.

Mr. Speaker, may I cite the following facts which should indeed elate the conservatives—depress the liberals—and satisfy the moderates.

For title I the budget request was $3,326,420,000; the House authorization bill was $2,817,808,000; the Senate appropriation bill was $2,730,389,000 and the House appropriation bill was $2,196,555,000.

The conference report presently before you recommends $2,315,635,000.

Mr. Speaker, it is unbelievable, almost fantastic, but yet factual. The other body increased the House appropriation bill by $533,834,000. In conference your House conferees yielded to the other body on only $119,080,000. The other body yielded to the House conferees on $414,507,754.

The conference report is below the President's budget request by $910,785,000.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Massachusetts.

Mr. CONTE. There is one point which I wish the gentleman would bring out——

Mr. PASSMAN. I will come to the unobligated balances in another sentence or two.

Mr. CONTE. Very well. I think that should be brought into the discussion.

Mr. PASSMAN. I appreciate the gentleman bringing that point to my attention, but that will be covered.

Mr. Speaker, not for the purpose of levity, nor to trifle with feelings of the House, nor to inject humor into the Foreign Aid bill, but since we are approaching the Christmas holidays, may I say that if any Member of this body can point to a greater victory, percentagewise, on any money bill in the history of the Congress and will furnish me with the facts, that individual will get the Foreign Operations Appropriation Subcommittee's Christmas gift.

I say to you forthrightly that the credit for the savings in this bill should be shared by Members of both branches of the Congress. Particularly does this bill reflect great credit to the gentleman from Kansas [Mr. SHRIVER], the gentleman from Massachusetts [Mr. CONTE], the gentleman from Michigan [Mr. RIEGLE], the gentlewoman from Illinois [Mrs. REID], the gentleman from Ohio [Mr. BOW], the gentleman from New York [Mr. ROONEY], the gentlewoman from Washington [Mrs. HANSEN], the gentleman from California [Mr. COHELAN], the gentleman from Maryland [Mr. LONG], the gentleman from California [Mr. MCFALL], and especially to the great, courageous chairman of the Appropriations Committee, the gentleman from Texas [Mr. MAHON].

Even though there is some misunderstanding on the part of some of the conferees, I say to you forthrightly, and without fear of successful contradiction, that this is a good conference report. I feel that we are entitled to the support of this House. I ask the membership to support the conferees on this conference report and not recommit it.

Mr. Speaker, so as to keep the record straight, the House yielded on only $31,592,156 of unobligated funds from prior years' appropriations.

The remainder of the unobligated funds—$29,477,847—had already been approved by this House. Incidentally, for many, many years, this House did not quarrel about the reappropriation of unobligated funds. In fact, much of the unobligated funds are in no-year appropriation accounts.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, that is absolutely true. The figure is $31,592,156. But what I was trying to get were the other places where we receded, which was in carryover recoveries and reimbursements. In military assistance alone, if my memory serves me correctly, it was $92 million, and development loans $45 million, and technical assistance over $33 million. Altogether it ran close to $200 million that we gave in on, that the House had cut from the House bill.

Mr. PASSMAN. I am sorry if the gentleman has misunderstood what is in the bill. The House had previously approved the reappropriation of over $29 million of unobligated funds, and some of the unobligated funds are in no-year appropriation accounts. The total amount, according to the information furnished to us by the agency, which I stated in round figures, was $31 million. The other was either in items approved by the House previously, or in no-year appropriation accounts. For instance, the unobligated funds in the contingency fund, you will recall the committee and the House allowed. So that went over to the other body already approved.

Mr. CONTE. I did not mention contingency. I mentioned technical cooperation, which the House left in the amount of $33,355,000 in carryovers and recoveries; and in development loans it was $45 million; and in military assistance, it was $92 million, just to name a few. On just about every single item the House receded.

I am not arguing with the gentleman. I voted with him, but I think the RECORD should be correct and plain, that the House receded on close to $200 million, which will not show here—not in new money, but in recoveries and reimbursements and carryovers.

Mr. PASSMAN. I certainly respect the gentleman's views. I also know that his purpose is to make a contribution to the consideration and adoption of this conference report. But in this one instance I must repeat, if I may, and I have put the facts in the RECORD, that the only amount of money that we actually yielded on that had not been actually previously approved by this House was $31 million in unobligated funds.

Now we do have some additional language in this bill and that is the authority for the agency to deobligate and reobligate previously obligated funds. This is the invisible money, and we have always known it was available. Incidentally that was the No. 1 restoration priority of the agency.

I think each individual Member was lobbied on this item. When I came out of the room I saw every Member had a man lobbying him on the right to deobligate and reobligate. We were told someone in the other body had an estimate that it was approximately $48 million. They call it recoup or recovery but we call it deobligate. We do not know whether it will be $10 million or $1 billion. The gentleman from Massachusetts knows that as far as the deobligated funds or the recoveries are concerned, it is impossible to know what they will amount to until we have a line item bill. Is that a fair statement?

Mr. CONTE. Yes.

Mr. PASSMAN. The recoveries or deob's, conceivably could amount to $48 million. We yielded on that language, but we also yielded to some extend on almost every other item, and we will never know what it is until we have a line item. Is that a fair statement?

Mr. CONTE. That is correct, and that is a point that I was trying to make. The chairman will agree with me we did have some estimates to work on.

Mr. PASSMAN. That is correct. They gave us an estimate. We can call them on Tuesday, and they will give us one figure, and if we call on Wednesday or Thursday, they will give us another figure, so it is impossible to determine just what the deobligations or recoveries will be.

Mr. FULTON of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Pennsylvania.

Mr. FULTON of Pennsylvania. Mr. Speaker, the question has been on the $31,592,156 in previously unobligated funds, as against the gentleman from Massachusetts saying there is over $200 million that the House yielded on.

That is not clear to me, and I am sure it is not clear to other Members of the House. What is the difference between the two?

Mr. PASSMAN. Let me say to the distinguished gentleman for complete clarification, we must not blame the AID Agency. If the Members are not satisfied with what is being done, blame the Congress. When we appropriate these funds we do so on an illustrative basis.

The Agency sets out in the hearings where they propose to spend this money, but we give them the right to cancel one group of projects and take that money and initiate another group of projects even in another country.

By having this type of legislation, and with the right to deobligate and to reobligate, we find that inadvertently and unintentionally, of course, sometimes they put into the pipeline as much as 43 percent of the total year's appropriation during the month of June.

This is perfectly obvious, and I want to be completely fair. We should not be covering up. Any time the AID Agency sends down a request and says, "Our number one restoration priority is not money but the right to deobligate and reobligate," that raises a question in my mind.

It is perfectly obvious that when they ask for this type of legislation they know where to go to find the money they can deobligate and use to start new projects.

We do not like that. We could not clean this bill up in its entirety in one year. We have had wonderful cooperation from Members on both sides of the aisle. Give us a little more time, and we will put some sense in this foreign aid bill yet.

Mr. FULTON of Pennsylvania. I compliment the gentleman on his statement.

The gentleman has mentioned invisible money in the U.S. foreign aid program. First, how much is that? Second, how much is the total in the pipeline and expendable from previous years?

Mr. PASSMAN. In answer to that question, the total amount of the unliquidated funds is $6,758,200,000.

The amount that they estimate that they will deobligate and subsequently obligate during the fiscal year 1968 comes under the three figures that have been given to three different Members of Congress.

The conference report provides $48 million, as brought out by the distinguished gentleman from Massachusetts.

On another occasion they told me it would be $88 million.

If we refer to another sheet in the justification books, that says it will be $131 million.

I cannot tell the gentleman what the exact amount will be. I can only say that if I had the right and had the time to go into all of these pockets of hidden money on projects previously funded I could probably find over a billion dollars that could subsequently, no doubt, be deobligated and reobligated. I hope some day my challenge will be accepted.

Mr. FULTON of Pennsylvania. My point is this, further: if there is this invisible money that we cannot really tell what it is, and if it may vary from $58 million to up above $100 million, then in this particular appropriation bill, when the gentleman says the House has yielded on $119,080,000, why should we yield when there is this extra there and we do not know what it is? Why do we not just stick to the House figure?

Mr. PASSMAN. I might say to the gentleman—and I respect him very much—one reason why we did not yield on that is because the great committee on which the gentleman serves, and I am sure with his support, decided they should leave in this legislation the right to deobligate and reobligate. Out of respect for the gentleman from Pennsylvania, I felt we should leave it in.

In addition to that, and out of respect for my friend from Pennsylvania and the other Members on the left side of the aisle who came in with a $2.8 billion authorization bill, we were actually afraid to cut this bill any lower for fear of disappointing them.

Mr. FULTON of Pennsylvania. May I add one thing further? I voted to recommit this bill when it went through originally.

Mr. PASSMAN. I have a lot of respect for the gentleman, and if he will cooperate in doing a better job of tightening up the legislative authorization for this bill, the job would be a little easier for those of us who have to handle the money part of the program.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to my distinguished friend from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

I would like to say to the gentleman that whether it is $121 million or $200 million, as I said a little while ago, that is still a lot of money where I come from.

Mr. PASSMAN. That is true.

Mr. GROSS. I do not know what it sounds like in other areas of the country.

Mr. PASSMAN. About the same—it is a lot of money, indeed.

Mr. GROSS. I thought we had an understanding that the House conferees were coming back with the House bill. I am still not satisfied with the explanation I have had.

Mr. PASSMAN. May I say to the gentleman—and the gentleman is just as familiar with this as I am—that all we are doing is continuing the action of the Congress in previous years and also following the recommendations of the Committee on Foreign Affairs. These are the funds previously appropriated. Some of them are no-year appropriations. Some of these funds, as you well know, the House approved. I repeat that we are only yielding on $31 million specifically of prior year unobligated funds. So far as recoveries are concerned, we can only estimate what the recoveries will be and the best estimate we have as to what we have yielded on is $48 million in deobligated and reobligated funds.

Mr. Speaker, I decline to yield any further, because I must go through the explanation of this bill rather rapidly. I also have to yield to my good friends on the Committee on Appropriations. I know that you are on good terms with the distinguished chairman of the Committee on Foreign Affairs, Mr. MORGAN, and next year you will be bringing up another authorization bill. You can get him to yield to you and you can say whatever you want to at that time. I will say to you that I will do what I can to help get this bill through the floor of the House.

Now let me run through this bill rapidly. If you try to please everybody, you wind up pleasing none. I do not think any one of you disagrees with that statement.

The first amendment is technical cooperation and development grants. The House appropriation bill called for—and let me make this abundantly clear, that wherever you put it, it is up to you, but we only yielded on $31 million of unobligated funds, recoveries and reimbursements. The House appropriated $180 million. On additional new funds we yielded to the Senate zero.

On American hospitals abroad we brought this bill back——

Mr. FULTON of Pennsylvania. Mr. Speaker, I have a question on that. That figure is not correct. Will the gentleman yield?

Mr. PASSMAN. No. I am not going to yield, because I do not want to use all the time. I am going to have to yield to other members of the Committee on Appropriations. I made a statement of fact. You cannot refute it, because it is in the record. I do not know what you are trying to do unless you want to build up support for your motion to recommit.

On American Schools and Hospitals Abroad we brought this bill back exactly as the House passed it.

Let us move to Surveys of Investment Opportunities. The House passed $1 million and the Senate upped it to $2 million. The Senate yielded on three-fourths and we only yielded on one-fourth.

Now, if we move along to "International organizations and programs"—and may I have your attention, please, because this is your money and your constituents' money—the House appropriation bill was $125 million. The other body had recommended $141 million. We only yielded on $5 million. That is two-thirds for the other body, and one-third for us.

If you move to supporting assistance, the House appropriation bill was $600 million. We did not yield anything on that. We brought that back exactly as the House passed it.

For the contingency fund, the House appropriation bill was $10 million plus the unobligated funds. We brought that bill back exactly as the House voted it. Incidentally, the other body did not increase that item.

Technical cooperation and development grants of the Alliance for Progress. The House bill was $75 million. We yielded on 20 percent and the other body yielded on 80 percent. We only went up $5 million.

Mr. Speaker, with reference to the Alliance for Progress development loan program, the House bill carried the figure of $370 million. The Senate bill carried the figure of $478 million. We only increased this amount by $24 million. We yielded about 25 percent of the amount involved while the other body yielded about 75 percent of the amount of money involved.

Mr. Speaker, with reference to the Alliance for Progress, partners of the alliance, we had nothing in the House bill. The other body had the sum of $714,000. We agreed upon $330,000.

Mr. Speaker, with reference to development loans the House bill carried the figure of $400 million. The figure carried in the bill as accepted by the other body increased that sum to $600 million. We yielded the sum of $50 million. They yielded the sum of $150 million. We gave up $50 million and thereby saved you $150 million.

Mr. Speaker, with reference to military assistance, the House bill carried the sum of $365 million. The bill as passed by the other body increased that sum up to $510 million. We yielded $35 million. The other body yielded on the other 80 percent.

Mr. Speaker, in my opinion this is a conference report that all of the Members of the House can support enthusiastically; that is, if they support foreign aid in the first instance.

I hope that all Members of the House will support the House conferees, notwithstanding the fact that there are some minor disagreements. However, we have worked hard, we have worked in harmony. However, Mr. Speaker, at the expense of being repetitious, I want to again pay my respects to the conferees on the part of the Senate. They were congenial, they were reasonable, and when we made certain salient and pertinent points they yielded to us; when they made the same points, with a basis therefor, we gladly yielded to them.

Now, Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Kansas [Mr. SHRIVER].

Mr. SHRIVER. Mr. Speaker, I wish to express my appreciation to the distinguished gentleman from Louisiana [Mr. PASSMAN], the chairman of the subcommittee, for yielding to me. May I say that the distinguished gentleman from Louisiana [Mr. PASSMAN] is one of the hardest-working legislators I know. He has been very conscientious in his work. It has been a pleasure for me to work with him.

However, I wish to say something on behalf of the taxpayers of this country.

Mr. Speaker, the Subcommittee on Foreign Operations of the Committee on Appropriations recommended back in November to the House of Representatives a good bill, a bill which carried provision for reasonable appropriations. On November 11, 1967, that bill was passed by a vote of 167 to 143. I supported that appropriation.

Now, Mr. Speaker, as a result of the conference, the House conferees bring back to the Members of the House a bill that carries the sum of $119.1 million higher than that sum which was carried in the bill that was passed by the House of Representatives. In addition thereto, the bill as passed by the House of Representatives did not permit the use of unobligated balances.

However, the language as contained in this conference report grants to the AID agency the authority to use these carryovers.

According to this morning's paper, the Washington Post, and based upon what was discussed in that paper, I wish to quote one paragraph with reference to a statement which is attributed to Senator PASTORE and it is, in essence, as follows:

> The Senate managers of the bill said that the aid outlay agreed to was not quite as small as it seems, since the conferees added $80,399,714 in aid with which to carry on programs which had been eliminated by the House.

Mr. BOW. Mr. Speaker, would the gentleman yield to me at that point?

Mr. SHRIVER. I am delighted to yield to the distinguished gentleman from Ohio.

Mr. BOW. What is the figure, then, if we take the figure of $119 million and add it to the carryover funds? I understood in conference yesterday it might amount to as much as $192 million.

Mr. SHRIVER. Yes.

Mr. BOW. But, taking the carryover figure that the distinguished Senator on the other side of the Capitol used, $80 million and some, what is the total over the House bill? It would be practically $200 million, would it not? In other words, we are bringing back a bill that is about $200 million higher in obligational authority than the bill that passed the House, am I correct?

Mr. SHRIVER. That is right.

Mr. FULTON of Pennsylvania. Mr. Speaker, would the gentleman yield on that figure?

Mr. SHRIVER. I yield to the gentleman from Pennsylvania.

Mr. FULTON of Pennsylvania. Using the figure $88 million, which was given to the House as one of the varying figures received from AID by the gentleman from Louisiana, instead of $80 million as stated by the Senator from Rhode Island, the total does make more than $200 million by $7 or $8 million. I believe the House figure should be maintained in these times of war and high budget deficits. There are $6,758,200,000 carryover foreign aid funds which added to the amount in the conference report for the current fiscal year, $2,315,635,000, makes a total of $9,073,835,000 that is available for U.S. foreign aid at this time. This certainly amounts to adequate funds for the U.S. aid agency at this time. We in Congress must insist on economy and every effort to reduce the tremendous U.S. Treasury deficit we now face.

Mr. SHRIVER. That is right. And this is money, whether it is from prior years' bills that have allowed the use of carryovers or not, it is still taxpayers' money, or their portion of the deficit, that is being used and authorized for use by the AID agencies over the total over the House figure. The spending authority, according to figures that I have just used from the paper this morning in Senator PASTORE's statement, is $199,499,714, or approximately, as I told the gentleman from Ohio, $200 million.

Now, is this such a great victory for the House? There will be a recommittal motion which will be to instruct the House conferees to insist upon the position of the House.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SHRIVER, I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, if this is a victory, who needs a defeat?

Mr. Speaker, will the gentleman yield further to me to ask a question of the chairman of the subcommittee?

Mr. SHRIVER. I was given only 5 minutes, so I cannot yield further to the gentleman.

Mr. GROSS. I thank the gentleman.

Mr. SHRIVER. I would call attention to two items in particular where the House position was not sustained. I refer to the House position on amendment No. 16. The House figure for development loans was $400 million. Amendment 16 adds to the House amount $50 million. That is the amount in full of the authorizing legislation, the full authorized figure.

I would remind the Members that this is not the only development loan figure in this particular bill. Other programs in development loans are $300 million for the Inter-American Bank, for the International Development Association another $104 million, and for the Asian Development Bank $20 million. So we can add these authorizations to the $450 million recommended by the committee for development loans for a grand total of those items of $874 million for development loans.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr PASSMAN. Mr. Speaker, I yield 2 additional minutes to the distinguished gentleman from Kansas [Mr. SHRIVER].

Mr. SHRIVER. I thank the gentleman.

Do the Members not agree that in this year of 1967 when we have the fiscal situation that we have, and the money situation as it is, that this is too much of an addition to the House bill, this additional $50 million added by the conferees. We are faced with a tremendous deficit ranging from $20 billion to $30 billion. We are involved in an expensive war. We are experiencing inflation, with a rapid rise in the cost of living, and at the same time our gold supply is going down. How can we justify to the taxpayers and to our constituents such an increase over the original appropriation for development loans in the light of today's fiscal problems.

The other item that should be given further consideration is the $35 million additional for military assistance. I would remind the Members that not included in this bill are funds for military assistance for South Vietnam, Laos, and Thailand. We provided $365 million in the House bill, then the conferees added $35 million, making a total of $400 million instead of $365 million for military assistance. And, certainly recent experiences of the nations using our military assistance against each other are not to the credit of the military assistance program.

In the interest of economy, in the interest of our own people, our constituents, I would urge you to recommit this bill for the purpose of saving some money—the taxpyers' money—and certainly not to increase the deficit.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. PASSMAN. Mr. Speaker, through necessity I must yield myself 1 additional minute for the purpose of clarification of the record.

I cannot and I should not leave the House under the impression that I made any statement that is not based on facts and I certainly do not intend to leave the membership confused.

Your committee yielded only an additional $31 million of unobligated funds.

Now, in an effort to increase this bill total—I guess you can call it a "straw man" or a "boogey man" or something else—then some individuals include also the money that automatically carries over regardless of what we do, and which the House had previously approved.

In addition to that, may I say, Mr. Speaker, you have in this bill language, which is known as the deobligation-reobligation authority. We do not know what that figure is going to be until the end of the year.

AID will give you an estimate one day and subsequently they will give you another estimate. It is impossible to pin it down other than to say at this particular time they have estimated that recoveries, or deobligated funds will be $48 million.

There is no use putting all of these figures together. Some Members would have the membership believing that we yielded on $200 million—we just did not do that.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. PASSMAN. Mr. Speaker, I now yield to the distinguished gentleman from Maryland [Mr. LONG] 5 minutes.

Mr. LONG of Maryland. Mr. Speaker, I want to pay tribute to the very fine job that our chairman of the subcommittee, the gentleman from Louisiana [Mr. PASSMAN] has done. I think he has done a masterful job in steering this bill through a very difficult conference with the other body. I think it is a great tribute to his stewardship that we only yielded on one-quarter of the difference between us and that the Senate yielded on three-quarters.

I also want to pay tribute to the chairman of the full Committee on Appropriations, the gentleman from Texas [Mr. MAHON] with whom it is a real distinction and a real pleasure to serve.

Mr. Speaker, this foreign aid bill is intended, among other things, to put an end to the squandering of American money by military elites in poor countries—elites more interested in feeding their own pride than their own hungry fellow citizens.

The amendments which I cosponsored with the gentleman from Massachusetts [Mr. CONTE] to ban the sale of sophisticated weapons to most underdeveloped countries and to cut U.S. economic aid by the amount any country spends on such weapons should prevent the diversion of our resources and those of poor countries to high-speed jets and other prestige weapons.

The amendments should instead help direct these funds to the schools, roads, food and houses that increase the sum of happiness in poor nations and render their peoples less susceptible to communism.

The executive branch should understand clearly that the amendments are to be interpreted in their strictest sense. Congress adopted these amendments because the administration would not heed outcries against sales of sophisticated weapons to poor nations. All sophisticated weapons shipments to underdeveloped countries other than those specified in this bill must stop—let there be no doubt about this. The ban can be lifted only for one reason—if the weapons are vital to the national security of this country—and this phrase must be read with the utmost seriousness and strictness to mean a real, not a far-fetched danger to this country.

These revised amendments are a test of the sincerity of the State Department. We have closed the back door, but left the President some freedom to deal with emergencies. During the remaining 6½ months of this fiscal year, Congress will be watching the State and Defense Departments' use of this freedom.

The executive branch should have no doubt about what loopholes these amendments have closed. These amendments do not allow the sale of F-5 supersonic jet fighter planes to Brazil, Chile, Argentina, Peru, Venezuela, or the Congo under anything like present conditions.

They do not permit the sale of F-104 fighter planes, C-130 transports, surface-to-air missiles, advanced radar, self-propelled artillery and modern destroyers to poor countries in Latin America or Africa that do not face a clear danger from communism—one that poses a direct threat to America's own security.

Underdeveloped countries should not have sophisticated weapons unless they are threatened by a heavily armed, external Communist attack whose repulsion is vital to the national security of the United States.

This is serious language and should not be debased. No tenuous and ill-defined cloud on the horizon can conceivably be construed as a vital threat to the security of the United States.

With the requirement in this amendment that the President report to Congress within 30 days a determination of danger to the national security of the United States, Congress should have adequate opportunity for a full-scale debate on each country to which we may or may not eventually give military aid.

It is now up to the executive branch to carry out the intent of Congress.

At this time I wish to pay tribute to the gentleman from Massachusetts [Mr. CONTE], who worked so hard to help fashion this amendment.

Mr. COHELAN. Mr. Speaker, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from California.

Mr. COHELAN. I would like to congratulate the gentleman and compliment him on the fine statement he is making. I also wish to associate myself with his remarks.

Mr. Speaker, I will not long detain the House, but I would like to reiterate the point that the House is earnest and firm in its belief that the underdeveloped nations of the world should not squander their resources on sophisticated weapons. Nor should the United States put these weapons in the hands of these countries, unless our own direct and immediate national security is at stake.

The reasons for this belief are simple. First, these countries should be concentrating their efforts on bettering the lives of their people, and not on amassing military prestige. The United States should foster social and economic development and it should not foster the diversion of precious resources for military adventures. Secondly, the wider the spread of these sophisticated and deadly weapons, the greater the chance that they will one day be used. And if they are used, we know that there is a chance that it will not be against an enemy of the United States but against an ally of the United States—as we have seen in the cases of India, Pakistan, Greece, and Turkey.

Under the provisions of this bill weapons like the F-5 and F-104 and modern destroyers and other vessels will not be made available by the United States unless our immediate national security is threatened. And countries purchasing such weapons from other countries can expect their aid from the United States to be reduced accordingly. We have allowed the President the discretion to provide these sophisticated weapons if he makes a determination of a direct and immediate threat—not a remote or hypothetical threat—to our national security. We expect the President will not make such determinations without the clearest justification.

Mr. LONG of Maryland. Mr. Speaker, I wish to repay that in kind by paying tribute to the gentleman from California [Mr. COHELAN] who has also been a bulwark of strength in fashioning this legislation.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, it has been a real privilege for me to work with the gentleman from Maryland on this amendment and also for this cause. The gentleman agrees with me that there is no way in the world that the United States can give or sell these planes to any underdeveloped country in Latin America and say that this is in the interest of the national security of the United States.

Mr. LONG of Maryland. I agree with you absolutely.

Mr. CONTE. When the United States does this, then the President must make a determination that to do so is in the national security, and he must report that determination to the Congress within 30 days.

Is it your impression that when this determination is made known to the Congress, the determination should be sent by the Speaker of the House to the Foreign Affairs Committee and the Foreign Operations Committee of the Appropriations Committee so that we have knowledge of this interpretation?

Mr. LONG of Maryland. That is my understanding. I believe the gentleman is correct.

Mr. PASSMAN. Mr. Speaker, I yield 4 minutes to the distinguished minority leader, the gentleman from Michigan [Mr. GERALD R. FORD].

Mr. GERALD R. FORD. Mr. Speaker, it was my good fortune for 12 years to serve on this subcommittee that considers the foreign aid appropriation bill. I think all of those 12 years were during a period in which the gentleman from Louisiana also served on the subcommittee. He and I on a number of occasions have differed. On occasion we would agree. I can recall vividly one year when I, along with the former distinguished Member of this body, Mr. Taber, tried to increase the appropriations over and above the figure recommended by the gentleman from Louisiana. On occasions I have tried to reduce the figure below that proposed by the gentleman from Louisiana. But whether I was successful or unsuccessful in helping to reduce or increase, I have always in the final version voted for the appropriation bill for the mutual security or AID program. I think it has been and will be a useful tool to help execute and implement our foreign and military policy.

But on this occasion I must disagree with the recommendations of the gentleman from Louisiana. In my judgment, the conference report brought back to us today is too high a figure for the House to approve. Therefore, I intend to vote for the motion to recommit so that the conferees can try again to sustain the House figure of roughly $2,200,000,000 for fiscal year 1968.

I have listened with some interest to the discussion as to whether the increase in obligational authority over the House figure was $120 million or whether it was $200 million.

It cannot be questioned that when we take the $120 million in new obligation authority which is included in the conference report, with the additional authority of unobligated balances from previous years which approximate $80 million not authorized when the bill went through the House, we have a total of $200 million more in obligation or spending authority than when the bill left the House of Representatives. It just adds up that way. We cannot change it by new mathematics, by Louisiana mathematics, or any other mathematics. That is the end result of this conference report: $200 million more in spending authority than when the bill left the House of Representatives.

Mr. ROONEY of New York. Mr. Speaker, will the gentleman from Michigan yield?

Mr. GERALD R. FORD. I yield to the gentleman from New York.

Mr. ROONEY of New York. Mr. Speaker, it seems to me that the distinguished gentleman from Michigan is using Grand Rapids mathematics, because the comparable figure to the $119 million figure which the distinguished gentleman from Louisiana brings back from the conference with the other body is over $400 million.

Mr. GERALD R. FORD. The gentleman is not talking about the same point. He has missed the point entirely. The cold, hard facts are that AID will have $200 million more in obligation authority if this conference report is approved than they would have had if the House version of the bill had prevailed. We cannot change it by any new mathematics—and I repeat, any other mathematics. So, in my judgment, if we want honestly to keep the bill to the House figure, we should vote for a motion to recommit to return the report to the conference.

Mr. PASSMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, indeed this is unpleasant. The gentleman unintentionally, I am sure, made a statement which is not in keeping with the facts, and I will challenge him to take from now until Christmas Eve, and if he can come up with the additional $200 million we yielded to the other body, I will write out my resignation and submit it to the chairman of the Committee on Appropriations. It is absolutely not so. We yielded only on $31 million of unobligated funds, and they estimated conceivably they would have $48 million in deobligated funds during the year.

The other funds the gentleman is referring to is the development loan accounts, which are no year funds. We did not have to yield to the other body, because it was already in the House bill when it went over to the Senate. I stand on that statement. There is no use to confuse the Members. That is "smart game politics."

I yield 5 minutes to the distinguished gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Speaker, I happen to be one who signed this conference report. I do not have to explain my credentials to the House on how I feel about foreign aid.

There are two amendments here that I would like to discuss briefly and then touch on the bill. These amendments are the ones originally passed by the House to restrict the acquisition of sophisticated weapons of war by most underdeveloped countries with certain stated exceptions.

The Senate struck out one of our amendments entirely—section 119 which provided that a reduction would be made in our economic assistance to less developed countries equivalent to the amounts which they spent to purchase sophisticated weapons.

The other amendment, dealing with preventing our military assistance and credit programs from being used to provide sophisticated weapons to less developed countries, was significantly modified by the Senate to include the language of the so-called Symington amendment.

In order to bring this bill to the floor of this House and to help adjourn this session, a compromise was reached on both of these amendments.

The two amendments as originally passed by the House were fully reinstated with one basic change made, the President was given discretion—an extremely limited discretion—to bypass these amendments where he determines that purchases or acquisitions of the weapons are vital to the national security of the United States.

The President must make this determination and he must send it to the Congress within 30 days after making the determination.

For the life of me, Mr. Speaker, I cannot see how selling or giving F-5's, to Latin American countries or the purchase by Latin American countries of jet fighters from any country in the world, could be interpreted as being vital to the national security of the United States.

Mr. Speaker, these purchases can in no way be considered vital to the national security of this country. They are in no way vital to the national security of the countries of Latin America. They certainly would not fall within the discretionary authority granted to the President by these provisions. I hope the President will read this debate very carefully.

Mr. Speaker, if these provisions are properly interpreted and applied, I believe we will have made considerable progress in limiting any arms race in Latin America and other underdeveloped areas, and in preventing this Nation from assisting or encouraging arms races in countries which do not need and cannot afford sophisticated weapons.

As I stated, I signed the conference report. I am not happy with it. As the saying goes, "You can't win them all."

We inserted in the bill $35 million more than the original House figure on military assistance. I voted against this in the conference. I believe the House figure is high enough.

We have become peddlers of weapons of war all over the world. There are many Members of this House who are disturbed about the war in Vietnam. I say to them, if they do not want another Vietnam then we must stop the United States from peddling weapons of war throughout the world.

Today we face a conflict between Greece and Turkey, both using our tanks and both using the weapons of war of the United States to fight each other.

In India and Pakistan we saw exactly the same situation.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Ohio.

Mr. HAYS. Is there anything in this bill to prevent us from selling weapons of war to the Greek dictatorship?

Mr. CONTE. No; there is not.

Mr. HAYS. There ought to be.

Mr. CONTE. I certainly agree with the gentleman from Ohio. I did everything in my power to keep the military assistance program down, but unfortunately I did not prevail.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Iowa.

Mr. GROSS Is there anything to prevent the Indians from using our aid funds to buy Migs from Russia?

Mr. CONTE. Yes, my amendment which will cut economic assistance accordingly if India purchases jet fighters from any other country.

Mr. GROSS. Where is India getting the money to buy them?

Mr. CONTE. I say, with the present amendment they will not be using our money to buy them, because we say that if they do acquire these weapons, then their economic assistance from this Nation will be cut down accordingly.

Mr. GROSS. Mr. Speaker, if the gentleman will yield, I really rose to ask the gentleman a question about the increase in the money for the University of Beirut. Does the gentleman have any comment on that?

Mr. CONTE. The Senate receded and put $888,000 in this bill, at the wish of the House, for a medical hospital at the University of Beirut, Lebanon.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired.

Mr. PASSMAN. Mr. Speaker, for another correction I yield myself 30 seconds.

The item for American schools and hospitals abroad is identical to the figure the House of Representatives approved. The Senate cut it, but the Senate yielded on that. There is no increase and no decrease from the House bill.

I gladly admit that some of the money is for phase three of the Medical Center at Beirut, where we have already allocated approximately $30 million for its construction. In my opinion this is one of the best foreign aid projects that has been funded in this bill since I have been chairing this subcommittee.

The SPEAKER pro tempore. The time of the gentleman from Louisiana has expired.

Mr. PASSMAN. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California [Mr. Cohelan].

Mr. COHELAN. Mr. Speaker, I thank the distinguished gentleman for yielding to me. I would like to clarify a few points.

In the first place, I believe it is well the gentleman from Iowa brought up the matter of India's purchase of Soviet Mig aircraft. The purchase is an example of the reasons why the gentleman from Massachusetts [Mr. Conte], the gentleman from Maryland [Mr. Long], myself, and other members of the committee, including the gentlewoman from Washington [Mrs. Hansen] feel so strongly about the subject.

In the first place, one will remember that the Indians did not want any of our assistance up until the time they were attacked on the Chinese border. At that time we came through with $150 million in the first year for military assistance, including elements for mountain defense and for aircraft warning systems. And, we offered to provide air defense which would meet their requirements. We offered them F-86 aircraft to fulfill this need. The Indians refused because they wanted F-104's. They said, in effect "If we do not get F-104's, we will turn around and get Mig's or make our own airplanes."

Now, Mr. Speaker, India is a sovereign country. I regard myself as a great friend of India and I will continue to help both India and Pakistan in their economic and social development. However, I refuse to provide them with weapons of war which they not only have shown themselves capable of using against one another, but which will divert large sums from urgent social and economic needs. Moreover, I do not expect that they should want or expect any reasonable American representing the American taxpayers to continue with this kind of pattern. If they choose to allocate their resources in excess of their military needs and unduly and tragically increase their defense budget when their domestic needs are so pressing, then they have to take the political and international consequences of their actions.

Another thing I want to make clear here is this: In the Greece-Turkey-Cyprus dilemma there are very serious international problems involved. The future of NATO is at stake. The President made it very clear that he recognizes the problem. The diplomats involved and the countries involved know of the reactions of the U.S. Congress. One of the reasons why I stand in the House today and make this statement—as the gentleman from Maryland [Mr. Long] and the gentleman from Massachusetts, Silvio Conte, and others have done—is in the hope representatives of these countries will read this Record, because I believe we are reflecting the tempers of the House of Representatives and the American people.

The American people are tired of providing arms and defense and then having recipient countries, because of their ancient quarrels, use them against one another. I do not believe that is our national goal or policy.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. COHELAN. I yield to the gentleman from Iowa. Remember that I have only half a minute.

Mr. GROSS. This is one of the smaller items in the bill, but can the gentleman tell us why the booze fund for the Export-Import Bank was increased?

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Mr. PASSMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. Riegle].

Mr. RIEGLE. Mr. Speaker, I thank my distinguished chairman for yielding to me. I will let men who have been here much longer than I have settle the point of why the conference bill is higher than the House bill, whether the amount of the increase is $30 million, $100 million, $200 million, or $1 billion. The point is it is higher. The Senate conferees offered no new justifications to justify one additional nickel in the House bill, in my personal judgment.

The real question, however, aside from the amount, is, Where will the money come from? The money will come from the U.S. Treasury, and our Treasury is empty. There is no money. This country is in debt. The President recently said that we will be going further into debt this year to the extent of some $35 billion. We do not have any additional money to give away here, and certainly not without justification.

That is what is so disturbing to me. It is sitting through the foreign-aid hearings and having these AID people come in and they just have no justifications to begin with. You wait until the program is done and you ask them what the program was and what it has accomplished, and they cannot tell you that. So you do not catch them on either end. I ask, then, why should we increase this bill? We have no good reason to do so, and I do not think we should. I believe we ought to recommit this bill and stand firm, particularly when the program is failing to get the job done.

Mr. PASSMAN. Mr. Speaker, I yield the remainder of the time to the distinguished gentleman from Texas [Mr. Mahon].

Mr. ROONEY of New York. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the distinguished gentleman from New York.

Mr. ROONEY of New York. Mr. Speaker, I am very unhappy as to the resolution by a majority of the conferees of many of the items contained in this conference report. Like the President of the United States, I am disturbed by the degree of reduction made in many of such items. However, I certainly believe that it would be irresponsible and unsound to recommit this conference report at this time, and I shall, therefore, vote against any such motion.

Mr. MAHON. Mr. Speaker, I cannot yield further at this time to the distinguished gentlemen who seek recognition.

Mr. Speaker, this bill comes back to us at a lower figure than anyone of us would have anticipated a few months ago. It is a lower figure—much lower—than anyone could have anticipated even 2 days ago. This bill is at such a low figure that the Administrator of the program is very much disturbed and upset about the action which was taken. But, we are taking this action because of the fiscal problems facing this Nation and because we think this is the course to follow at this time in the light of all the factors involved. A reduction in the foreign aid program is in the public interest, in my opinion.

Mr. Speaker, this reduction is much deeper than the President of the United States had anticipated. But we are confronted with the absolute need to save as many dollars as we can during this period of fiscal crisis. Moreover the reduction should improve the administration of the program.

Yes, Mr. Speaker, in the conference the other body yielded about $415 million in new obligational authority. The House conferees yielded about $119 million in new obligational authority, which in my opinion represents an outstanding job. Regardless of how you total up the figures, the Senate receded better than two-thirds of the way to the House position.

Mr. Speaker, it disturbs me to contemplate having to go back to conference with the other body when there is no way of knowing what the outcome would be. In my opinion the vote to send this matter back to conference would represent a vote that might very well mean an increase rather than a decrease, though no one can be sure what might develop.

Mr. Speaker, there are those who say that we ought to come back from conferences with the other body with the House figure on all our bills. They fail to recognize that there are two coordinate branches of Congress with equal power and responsibility.

When we go to a conference with the other body, with millions of dollars, and perhaps billions of dollars involved, it takes a certain amount of give and take to get a conference agreement. To say that one side must prevail in every respect is to present a challenge which in most instances is not within the realm of possibility.

Mr. Speaker, in my opinion the subcommittee which is chaired by the distinguished gentleman from Louisiana [Mr. Passman] and the full Committee on Appropriations, is entitled to appreciation for the job that has been done on this bill. I would say that the conferees on the part of the House perhaps came as near prevailing in every respect in this conference as conferees on the part of the House have ever achieved on foreign aid appropriations.

Mr. Speaker, it is my opinion that every Member of this body, whether he is for or against foreign aid, should vote against a motion to recommit if offered. It is a dangerous motion, a motion which could not only delay the adjournment of the Congress, a situation which should not be allowed to happen, but which would bring about a confusion of the true issues involved.

So, Mr. Speaker, I would earnestly plead with both friends and enemies of the foreign aid program to vote down the motion to recommit this bill and adopt this $414 million in savings which we have made and present here for your approval today. Let us hold to this figure which represents a sizable cut in appropriations and a real saving to the taxpayers.

Therefore, Mr. Speaker, I ask that the motion to recommit be voted down.

Mr. PASSMAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. ALBERT). The question is on the conference report.

MOTION TO RECOMMIT

Mr. SHRIVER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. SHRIVER. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. SHRIVER moves to recommit the conference report on H.R. 13893 to the committee of conference.

Mr. PASSMAN. Mr. Speaker, I move the previous question on the motion to recommit the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. GERALD R. FORD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 196, nays 185, not voting 52, as follows:

[Roll No. 443]

YEAS—196

Abernethy
Adair
Anderson, Ill.
Andrews, Ala.
Andrews, N. Dak.
Arends
Ashbrook
Ashmore
Ayres
Baring
Battin
Belcher
Bell
Bennett
Berry
Betts
Bevill
Biester
Blackburn
Bolton
Bow
Bray
Brinkley
Brock
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burton, Utah
Bush
Button
Byrnes, Wis.
Carter
Casey
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Collier
Colmer
Conable
Corbett
Cowger
Cramer
Cunningham
Curtis
Davis, Ga.
Davis, Wis.
Dellenback
Denney
Devine
Dole
Dorn
Dowdy
Downing
Duncan
Edwards, Ala.
Erlenborn
Esch
Eshleman
Everett
Evins, Tenn.
Findley
Fino
Flynt
Ford, Gerald R.
Fulton, Pa.
Galifianakis
Gardner
Gathings
Goodling
Gross
Grover
Gubser
Gurney
Hagan
Haley
Hall
Hammerschmidt
Hansen, Idaho
Harvey
Henderson
Horton
Hull
Hunt
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jonas
Jones, N.C.
Keith
Kleppe
Kornegay
Kyl
Laird
Langen
Latta
Lennon
Lipscomb
Lloyd
Long, La.
McClory
McCloskey
McClure
McCulloch
McDade
McDonald, Mich.
McEwen
McMillan
Marsh
May
Mayne
Meskill
Michel
Miller, Ohio
Minshall
Mize
Montgomery
Moore
Mosher
Myers
Natcher
Nelsen
O'Konski
O'Neal, Ga.
Pelly
Pettis
Pirnie
Poff
Pollock
Price, Tex.
Quillen
Railsback
Randall
Rarick
Reid, Ill.
Reifel
Rhodes, Ariz.
Riegle
Rogers, Fla.
Roth
Roudebush
Roush
Rumsfeld
Ruppe
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Schneebeli
Schweiker
Selden
Shriver
Skubitz
Smith, Calif.
Smith, N.Y.
Smith, Okla.
Snyder
Springer
Stanton
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Stuckey
Taft
Taylor
Teague, Calif.
Thompson, Ga.
Thomson, Wis.
Tuck
Utt
Vander Jagt
Waggonner
Waldie
Walker
Wampler
Watkins
Whalley
Whitener
Whitten
Widnall
Wiggins
Williams, Pa.
Winn
Wylie
Wyman
Zion
Zwach

NAYS—185

Adams
Addabbo
Albert
Anderson, Tenn.
Ashley
Aspinall
Barrett
Bingham
Blanton
Blatnik
Boggs
Boland
Brademas
Brasco
Brooks
Burke, Mass.
Burleson
Burton, Calif.
Byrne, Pa.
Cabell
Cahill
Carey
Clark
Cohelan
Conte
Conyers
Corman
Culver
Daddario
Daniels
de la Garza
Delaney
Dent
Diggs
Dingell
Donohue
Dow
Dulski
Eckhardt
Edmondson
Edwards, Calif.
Edwards, La.
Eilberg
Evans, Colo.
Fallon
Farbstein
Fascell
Feighan
Fisher
Flood
Foley
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Tenn.
Gallagher
Garmatz
Gettys
Giaimo
Gibbons
Gilbert
Gonzalez
Goodell
Gray
Green, Oreg.
Green, Pa.
Gude
Halpern
Hamilton
Hanley
Hanna
Hansen, Wash.
Hathaway
Hawkins
Hays
Hechler, W. Va.
Helstoski
Herlong
Hicks
Holifield
Holland
Howard
Irwin
Jacobs
Joelson
Johnson, Calif.
Jones, Ala.
Karsten
Karth
Kastenmeier
Kazen
Kee
Kelly
King, Calif.
Kirwan
Kluczynski
Kupferman
Kyros
Landrum
Leggett
Long, Md.
McCarthy
Machen
Madden
Mahon
Mailliard
Matsunaga
Meeds
Miller, Calif.
Mills
Minish
Mink
Monagan
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Morton
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
Olsen
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pepper
Perkins
Philbin
Pickle
Pike
Poage
Pool
Price, Ill.
Pryor
Pucinski
Purcell
Quie
Rees
Reid, N.Y.
Rhodes, Pa.
Rivers
Robison
Rodino
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roybal
Ryan
St Germain
Scheuer
Schwengel
Slack
Smith, Iowa
Stafford
Staggers
Steed
Sullivan
Teague, Tex.
Tenzer
Thompson, N.J.
Tiernan
Tunney
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Whalen
White
Wilson, Charles H.
Wolff
Wright
Wydler
Yates
Young
Zablocki

NOT VOTING—52

Abbitt
Annunzio
Bates
Bolling
Broomfield
Brown, Calif.
Celler
Dawson
Derwinski
Dickinson
Dwyer
Fountain
Fuqua
Griffiths
Halleck
Hardy
Harrison
Harsha
Hébert
Heckler, Mass.
Hosmer
Hungate
Jones, Mo.
King, N.Y.
Kuykendall
Lukens
McFall
Macdonald, Mass.
MacGregor
Martin
Mathias, Calif.
Mathias, Md.
Nichols
Reinecke
Resnick
Reuss
Roberts
Rogers, Colo.
Rostenkowski
St. Onge
Scott
Shipley
Sikes
Sisk
Stratton
Talcott
Watson
Watts
Williams, Miss.
Willis
Wilson, Bob
Wyatt

So the motion to recommit was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Nichols for, with Mr. Hébert against.

Mr. Fountain for, with Mr. Annunzio against.

Mr. Hungate for, with Mr. Broomfield against.

Mr. Sikes for, with Mr. Mathias of Maryland against.

Mr. Bob Wilson for, with Mr. St. Onge against.

Mr. Talcott for, with Mr. Roberts against.

Mr. Fuqua for, with Mr. Celler against.

Mr. Shipley for, with Mr. Dawson against.

Mr. Harrison for, with Mr. McFall against.

Mr. King of New York for, with Mr. Macdonald of Massachusetts against.

Mr. Martin for, with Mr. Resnick against.

Mr. Watson for, with Mr. Reuss against.

Mr. Scott for, with Mr. Rogers of Colorado against.

Mr. Hosmer for, with Mr. Rostenkowski against.

Mr. Kuykendall for, with Mr. Sisk against.

Mr. Reinecke for, with Mr. Stratton against.

Mr. Mathias of California for, with Mrs. Griffiths against.

Until further notice:

Mr. Willis with Mr. Halleck.

Mr. Brown of California with Mrs. Dwyer.

Mr. Watts with Mr. Derwinski.

Mr. Hardy with Mr. Bates.

Mr. Abbitt with Mr. Dickinson.

Mr. Wyatt with Mrs. Heckler of Massachusetts.

Mr. MacGregor with Mr. Lukens.

Mr. VAN DEERLIN changed his vote from "yea" to "nay."

Messrs. SPRINGER, COLMER, and RAILSBACK changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 14397, SUPPLEMENTAL APPROPRIATIONS, 1968

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 14397) making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. MAHON, KIRWAN, WHITTEN, EVINS of Tennessee, NATCHER, FLOOD, BOW, LAIRD, MINSHALL, and LANGEN.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 14397, SUPPLEMENTAL APPROPRIATIONS, 1968

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill H.R. 14397, making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PROVIDING ADDITIONAL POSTAGE FOR MEMBERS AND OFFICERS OF THE HOUSE OF REPRESENTATIVES

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 1042) on the resolution (H. Res. 1003) providing additional postage for Members and officers of the House of Representatives, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. Res. 1003

Resolved, That effective January 3, 1968, (a) in addition to postage stamps authorized to be furnished under any other provision of law, until otherwise provided by law, the Clerk of the House of Representatives shall procure and furnish United States airmail and special delivery postage stamps (1) to each Representative and the Resident Commissioner from Puerto Rico serving as such on and after the date of adoption of this resolution, in an amount not exceeding $200 and (2) to each standing committee of the House of Representatives, upon request of the chairman thereof, in an amount not exceeding $120.

(b) In addition to postage stamps authorized under any other provision of law, unless otherwise provided by law, the Speaker, the majority and minority leaders, and the majority and minority whips of the House of Representatives shall each be allowed United States airmail and special delivery postage stamps in an amount not exceeding $180, and the following officers of the House of Representatives shall each be allowed such stamps in the amounts herein specified as follows: The Clerk of the House, $320; the Sergeant at Arms, $240; the Doorkeeper, $200; and the Postmaster, $160.

(c) There shall be paid out of the contingent fund of the House of Representatives such sums as may be necessary to carry out this resolution.

The SPEAKER. The Chair recognizes the gentleman from Maryland [Mr. Friedel.]

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. FRIEDEL. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

Would the gentleman from Maryland be good enough to tell the House why this bill is necessary?

Mr. FRIEDEL. Just briefly, and to the point, we all know that air mail postage rates are going up. This resolution gives each Member of the House an additional $200 for airmail stamps. It is not fair to make a Member dig into his own pocket to do official business.

Mr. GROSS. Mr. Speaker, would the gentleman yield further?

Mr. FRIEDEL. I yield to the gentleman from Iowa.

Mr. GROSS. Is the gentleman aware that the postal bill has not been signed by the President?

Mr. FRIEDEL. I am well aware of that. The bill does not go into effect until it is signed.

Mr. GROSS. The postal rate increase bill has not been signed. I understand that the President proposed a 3.2-percent increase in salaries for most Federal employees. Can the gentleman assure the House that the President will sign the much higher pay bill and the postage increase bill, which have been combined?

Mr. FRIEDEL. This resolution does not go into effect until January 3, 1968.

Mr. GROSS What would the gentleman do if the bill was not signed?

Mr. FRIEDEL. I would offer a resolution to repeal this bill if the President did not sign the bill.

Mr. GROSS. Mr. Speaker, would the gentleman yield further?

Mr. FRIEDEL. I yield to the gentleman.

Mr. GROSS. Could the gentleman tell us the percentage postage increase on airmail? Let me preface that by saying I understand this resolution amounts to about a 40-percent increase in the allowance whereas the postal rate increase is about 20 percent. Now, I would ask the gentleman why it is necessary for a 40-percent increase if the actual airmail rate increase is 20 percent?

Mr. FRIEDEL. That is correct, but a lot of the Members have gone way over in their allotment already, and this would help them to some extent.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SETTING TIME FOR CONFERENCE ON FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATIONS, 1968

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Speaker, the question has been asked about where do we go from here on foreign aid? There are several other bills in conference, and it would appear at this time the quickest we could get a conference at all to the bill is 10 o'clock Monday morning. I can assure the Members that I will do my utmost to try to reach an agreement sooner than that if it is humanly possible.

SETTING TIME FOR CONFERENCE ON FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATIONS, 1968

Mr. GERALD R. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, I regret that the gentleman from Louisiana has taken such an attitude. It is amazing to me that one cannot accept the judgment of the majority of the Members of this body without possibly intimidating them. I believe the Members of the House who voted differently from the distinguished gentleman from Louisiana deserve proper consideration and not the kind of attitude that I gathered the gentleman from Louisiana has. I sincerely regret that this is the point of view that the gentleman has taken.

Mr. PASSMAN. I am awfully sorry that the gentlemen misinterpreted my statement. I do not arrange all these conferences. I do not run the Congress or the committee and that was very clearly demonstrated a moment ago. Perhaps the gentleman from Michigan can do a little heart-to-heart talking and work out a conference.

Mr. GERALD R. FORD. Let me ask the distinguished gentleman from Louisiana if he will go to conference this afternoon or tomorrow, if the conferees are willing to do so?

Mr. PASSMAN. I will take that under advisement. I just cannot turn this thing on and off.

AMENDING TITLE 39, THE UNITED STATES CODE—USE OF MAILS

Mr. HENDERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1411) to amend title 39, United States Code, with respect to use of the mails to obtain money or property under false representations, and for other purposes, with an amendment of the Senate thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

On page 3, after the line following line 9, insert:

"Sec. 3. Section 5108(a) of title 5, United States Code, is amended by striking out the figure '2,577' and inserting in lieu thereof the figure '2,706'."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. HALL. Mr. Speaker, reserving the right to object, I would like to ask my distinguished colleague, the gentleman from North Carolina, to explain this bill and the import of the Senate amendment especially as to whether or not this amendment is germane to the use-of-the-mails bill, or the amendments to title 39, United States Code, as passed by this body in the bill, H.R. 1411.

In asking such a question, Mr. Speaker, I would like to make it crystal clear that I am certainly in favor of the so-called mail fraud bill, as passed by the House under the leadership of the distinguished gentleman, the chairman of the subcommittee, the gentleman from Pennsylvania [Mr. Nix].

I think they did a good job and as I recall the bill passed this body unanimously, but I am really concerned at this time of the year about amendments added by the other body. I wonder if we could have just a short explanation.

Mr. HENDERSON. Mr. Speaker, will the gentleman yield?

Mr. HALL. I yield to the gentleman.

Mr. HENDERSON. I think it is clear from the gentleman's statement, but to make it clear, the purpose of the bill, as passed by the House, was to protect the public from false and misleading advertisements which purport to sell goods or property for substantial value particularly in the field of medical science and real estate, which in fact are worthless or grossly misrepresented.

The action of the other body in amending the bill was to increase the number of supergrades from the figure of 2,577, as it now exists in the law, to 2,706, or a total of 129 executive or supergrade positions throughout the Federal Government.

In response to the inquiry of the gentleman as to whether this action was germane, I am afraid I cannot speak with authority on the question of germaneness, but it is a question that is not directly related to the subject of the bill as it passed the House and was sent to the Senate.

Mr. HALL. Mr. Speaker, I certainly appreciate the gentleman's statement and his forthrightness.

I would like to inquire further, while again reassuring the gentleman who asks for this consideration by unanimous consent, and the chairman of the committee that brought the mail fraud bill to us, if it is not true that perhaps most of these supergrades that have been added on as a nongermane amendment in the other body are not for use in the District of Columbia and whether or not hearings have been held concerning the allocation of such supergrades.

Mr. HENDERSON. Mr. Speaker, will the gentleman yield?

Mr. HALL. I am glad to yield further to the gentleman from North Carolina.

Mr. HENDERSON. I would like to explain that the action of the other body I think is best stated by its report, and I would cite the language of the report of the other body, in which they state:

> The committee had decided against approving a special authority for the Government of the District of Columbia. Under existing allocations by the Civil Service Commission, the District has 30 positions in GS-16, GS-17, and GS-18. Chairman Macy requested an additional 20 positions and the establishment of a separate authority not subject to the Commission allocation for the District of Columbia. Because there were no hearings on the need of the District Government, and because the committee continues to be unanimously in favor of Commission allocation of all positions except those presently otherwise authorized by law, this provision has not been included.

So let me say that certainly it is the position, as I understand the language of the report of the other body, and it is the position of the Speaker of the House, and certainly the chairman of the subcommittee of the Committee on Post Office and Civil Service, that these positions are not allocated specifically for the District of Columbia, and their need for the 20 additional positions would have to stand up against the needs of all other executive agencies throughout the government.

Mr. HALL. Mr. Speaker, further reserving the right to object, and again I appreciate the gentleman's forthrightness in answering, is it not true that his own subcommittee has held hearings, and, indeed, has a bill which is ready which would take care of supergrades in general, pending ordinary action by the other body, such as we had in the last Congress?

Mr. HENDERSON. Mr. Speaker, will the gentleman yield?

Mr. HALL. I am glad to yield to the gentleman from North Carolina.

Mr. HENDERSON. We held hearings. They were based on the official request of the Executive and the testimony of Chairman Macy. At that time some 345 supergrade positions were required. That did not include the subsequent request for 20 additional supergrades for the District of Columbia. We certainly were not going to authorize any such large number of supergrades without full justification.

I am quite confident that the subcommittee or the committee of the House would not have approved any such large number. But I do believe that the figure contained in the amendment by the Senate is far less than what we would have brought to the floor and recommended, and I think is justified by our hearings.

So this puts us into a real spot in handling unusual procedural legislation, but one in which, at least, the chairman of the subcommittee feels the number is reasonable and justifiable at this time, in the light of the action the Congress has taken this year in creating new agencies and expanding some of the old agencies. It is my personal opinion the figure of 129 is a very reasonable figure.

Mr. HALL. I thank the gentleman.

In view of the fact that this body has repeatedly had before it the question of supergrades—and I realize the problems of recruiting in Government service—and in view of the fact that this is a nongermane addition by the other body, which I consider a reprehensible procedure, and in view of the fact that we have had fragmented requests for supergrades before us as late as the mail-rate increase with the civil service and postal employees' increase recently, I am constrained to object to this unanimous-consent request.

The SPEAKER. Objection is heard.

AMENDING TITLE 39, THE UNITED STATES CODE—USE OF MAILS

Mr. HENDERSON. Mr. Speaker, I have an additional unanimous-consent request.

Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1411) to amend title 39, United States Code, with respect to use of the mails to obtain money or property under false representations, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. HALL. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

TRIBUTE TO LEONORA ROLLINS AND RICHARD LOMAX

Mr. LAIRD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. LAIRD. Mr. Speaker, I would like to take this opportunity to recognize and to pay tribute to two persons whom I highly respect and whose friendship I deeply cherish.

Mrs. Leonora Rollins and Richard Lomax have announced they will retire at the end of this session of the 90th Congress. Their presence will be greatly missed by all those whom they have served.

Leonora Rollins has served on Capitol Hill as cashier for the Capitol Restaurant for 27 years. Her competence at her position has been unequaled. Her kind and considerate nature will be missed, but not forgotten.

Dick Lomax, too, has served the Members of this body well. For 43 years Dick has steadfastly attended to the patrons of the Capitol Restaurant. Dick began his tenure on the Hill in 1927. After a year he was promoted to the position of waiter. For the last 30 years Dick has waited on those of us who frequent the "round table."

Though he neither appears nor acts his 71 years, Dick has coming to him the rewards that retirement brings.

Leonora and Dick have seen many of this body come and go. They have served all equally well. They have both toiled long and hard for this retirement. No two are more deserving.

I now hope that their ensuing days will be the same in number and as fruitful as those in the past have been.

EQUAL TIME GRANTED TO REPUBLICAN PARTY BY THREE NETWORKS

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SPRINGER. Mr. Speaker, on Monday the President made a speech to the AFL-CIO at Miami, which was a highly partisan political speech. May I say the President certainly has a right to make that kind of speech, as the leader of his party and even as President of the United States.

The Republican Party through its present leadership, which includes the chairman of the National Republican Committee, Ray Bliss, the minority leader of the Senate, EVERETT DIRKSEN, and the minority leader of the House, GERALD R. FORD, by telegram, followed by letter, asked the networks which broadcast the speech on Monday to give them equal time, at the same time of the evening, and the same amount of time. May I announce to the House that all three networks—NBC, CBS, and ABC—have granted equal time.

As the ranking minority member of the committee which has legislative charge of TV and radio in this country, I commend the networks for doing this.

I say this not because it happens to be the Republican Party which requested it. I would expect, if there is a Republican President elected next fall, and that seems likely—a possibility, at least—the same courtesy and the same right, I should say, should be extended to the party out of power, if that should happen to be the Democratic Party.

I believe in this country we are coming around more nearly to what is done in Britain; that is, the parties there, when they demand time, pretty much have equal time regardless of who requests it.

This is in the public interest, I say to my colleagues on both sides of the aisle, that the networks give public service broadcast time to the political parties as much as they can, economically. I believe this request is in the public interest.

WHOSE STATUS QUO?

Mr. HALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HALL. Mr. Speaker, on Tuesday night, President Johnson took advantage of free network television time offered on the naive assumption that he would speak as the President of all the people rather than as the head of the Democratic Party. When he chose instead to make a blatant political attack on the Republican Members of the House of Representatives, the Republican leadership rightly demanded equal time for what was so pointedly a direct personal attack on the Republican Members of the House. One network, CBS, has offered free and equal time for tomorrow night at the same time as the President spoke. The others presumably feel they will have to live with the Johnson administration longer than they will have to live with their conscience.

For those who will not have an opportunity to hear the Republican reply, and for others whose anger will not tolerate another 24 hours' delay, I submit for the RECORD an editorial in today's edition of the Washington Daily News entitled "Whose Status Quo?" To the President I say, when the shoe fits, do not deny who is wearing it.

The editorial follows:

WHOSE STATUS QUO?

At the AFL–CIO convention Tuesday night, the President came out swinging hard.

If anyone were wondering whether LBJ would run again, that was the answer. He already was.

In character, he came out not defensively but on the attack.

With Great Society Texas scorn he labeled Republicans in Congress as "wooden soldiers of the status quo."

Republicans are a slow-witted lot, and so far they have reacted defensively.

They have a chance to take the initiative, for a change.

They could start by looking up the meaning of "status quo," something LBJ apparently neglected to do. It is not an obscure, but a well-worn, oft-used, Latin phrase meaning: the existing state of affairs.

Are the Republicans in Congress the wooden soldiers of the existing state of affairs? On the record, even as recited by LBJ, they ought to be able to plead not guilty and point an accusing finger at LBJ and his minions.

The existing state of affairs is one in which the purchasing power of the people's earnings and savings has declined to a point where a dollar can buy only 85 cents worth of goods, compared to when the Democrats took over the White House in 1961. In that same span of years, the balance of payments in respect to the rest of the world has shown a deficit each year, to a total of around $18 billion, and the Government's gold reserves have shrunk from around $17 billion to $12.5 billion.

The status quo is a state of affairs in which the crime rate is increasing rapidly: According to FBI figures, 16 percent more crimes than last year, and 88 percent more crimes than in 1960, the last year "Wooden Soldier" Republican Eisenhower lived in the White House.

The status quo is a public debt of $345 billion, $55 billion more than when the Democrats resumed power, and deficits annually rising.

The status quo is a condition where rioting in the streets and rumpuses on the campuses have become commonplace.

We'll not suggest here that a war unresolved is also part of the status quo, for that part of LBJ's speech was nonpartisan and he did not put all blame on the Republicans.

We mention those other unappetizing aspects of the existing state of affairs, alias status quo, only because someone now and then should make a point in loyal opposition.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

PROVIDING FOR ANNUAL INSTEAD OF QUARTERLY MEETINGS OF A NATIONAL ADVISORY COMMITTEE

The Clerk called the bill (S. 1477) to amend section 301 of title III of the act of August 14, 1946, relating to the establishment by the Secretary of Agriculture of a national advisory committee, to provide for annual meetings of such committee.

There being no objection, the Clerk read the bill, as follows:

S. 1477

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the fifth sentence of section 301 of title III of the Act to provide for further research into basic laws and principles relating to agriculture and to improve and facilitate the marketing and distribution of agricultural products, approved August 14, 1946 (60 Stat. 1091), is amended to read as follows: "The committee shall meet annually and at such other times as are deemed necessary."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAND CONVEYANCE, GLENDALE, ARIZ.

The Clerk called the bill (S. 974) to authorize the Secretary of Agriculture to convey certain lands to the city of Glendale, Ariz.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HAYS, Mr. CABELL, and Mr. CHARLES H. WILSON objected; and, under the rule, the bill was stricken from the Consent Calendar.

WHEAT ALLOTMENT HARDSHIP ADJUSTMENTS

The Clerk called the bill (S. 1722) to amend the wheat acreage allotment provisions of the Agricultural Adjustment Act of 1938, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HALL. Mr. Speaker, reserving the right to object, I wonder if we can be reassured that this bill, which comes from the other body, has for its sole purpose the use of wheat allotments from those held in Government reserve for such specific purposes?

Mrs. MAY. Mr. Speaker, will the gentleman yield?

Mr. HALL. I am glad to yield to the gentlewoman from Washington.

Mrs. MAY. As the author of a companion bill introduced in the House—and this bill is an exact replica—I assure my good friend from Missouri that this bill provides an adjustment of wheat acreage allotments only within the existing rules of the national reserve that have been set up under law for many years to take care of strictly emergency situations.

Mr. HALL. I thank my colleague who serves so admirably on the Committee on Agriculture.

I ask one further question. Could this be interpreted as precedental or segmental legislation, and could the gentlewoman assure us whether it is for crop losses and/or pestilence only?

Mrs. MAY. It is for losses and pestilence only. It concerns a very serious situation within one county and is needed in that area.

So far as we know, there is no other reason. It adds one reason to the emergency reasons on the basis of which we can give help in this area to farmers who would have no other alternative than to add a few more acres to stay in business.

Mr. HALL. I thank the gentlewoman.

Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

S. 1722

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of section 334(a) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1334(a)), be amended by inserting the language "(1)" between the words "used" and "to," and by striking out the period at the end of the sentence and inserting in lieu therof a comma and the following language: "or (2) to increase the allotment for any county, in which wheat is the principal grain crop produced, on the basis of its relative need for such increase if the average ratio of wheat acreage allotment to cropland on old wheat farms in such county is less by at least 20 per centum that such average ratio on old wheat farms in an adjoining county or counties in which wheat is the principal grain crop produced or if there is a definable contiguous area consisting of at least 10 per centum of the cropland acreage in such county in which the average ratio of wheat acreage allotment to cropland on old wheat farms is less by at least 20 per centum than such average ratio on the remaining old wheat farms in such county, provided that such low ratio of wheat acreage allotment to cropland is due to the shift prior to 1951 from wheat to one or more alternative income-producing crops which, because of plant disease or sustained loss of markets, may no longer be produced at a fair profit and there is no other alternative income-producing crop suitable for production in the area or county. The increase in the county allotment under clause (2) of the preceding sentence shall be used to increase allotments for old wheat farms in the affected area to make such allotments comparable with those on similar farms in adjoining areas or counties but the average ratio of increased allotments to cropland on such farms shall not exceed the average ratio of wheat acreage allotment to cropland on old wheat farms in the adjoining areas or counties."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Consent Calendar.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

E. F. FORT, CORA LEE FORT CORBETT, AND W. R. FORT

The Clerk called the bill (H.R. 2661) for the relief of E. F. Fort, Cora Lee Fort Corbett, and W. R. Fort.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

CHARLES WAVERLY WATSON, JR.

The Clerk called the bill (H.R. 8091) for the relief of Charles Waverly Watson, Jr.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

FIRST LT. ALLAN L. SCHOOLER

The Clerk called the bill (H.R. 6325) for the relief of 2d Lt. Allan L. Schooler.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DR. ANGEL REAUD, ALSO KNOWN AS ANGEL REAUD RAMOS IZQUIERDO

The Clerk called the bill (S. 503) for the relief of Dr. Angel Reaud, also known as Angel Reaud Ramos Izquierdo.

Mr. EDWARDS of Alabama. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

VISITACION ENRIQUEZ MAYPA

The Clerk called the bill (H.R. 4386) for the relief of Visitacion Enriquez Maypa.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

VALENTINA SIDOROVA PARKEVICH

The Clerk called the bill (S. 811) for the relief of Valentina Sidorova Parkevich.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DR. JOSE DEL RIO

The Clerk called the bill (H.R. 7042) for the relief of Dr. Jose Del Rio.

Mr. EDWARDS of Alabama. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

JOSE BERNARDO GARCIA, M.D.

The Clerk called the bill (H.R. 8257) for the relief of Jose Bernardo Garcia, M.D.

Mr. MOORE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

DR. LORENZO GALATAS

The Clerk called the bill (H.R. 10985) for the relief of Dr. Lorenzo Galatas.

There being no objection, the Clerk read the bill, as follows:

H.R. 10985

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Lorenzo Galatas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of June 14, 1961.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FAVORING THE SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The Clerk called the Senate concurrent resolution (S. Con. Res. 36) favoring the suspension of deportation of certain aliens.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the Senate concurrent resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ARTHUR JEROME OLINGER, A MINOR

The Clerk called the bill (S. 155) for the relief of Arthur Jerome Olinger, a minor, by his next friend, his father, George Henry Olinger, and George Henry Olinger, individually.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

CHESTER E. DAVIS

The Clerk called the bill (S. 233) for the relief of Chester E. Davis.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

JAMES W. ADAMS ET AL.

The Clerk called the bill (S. 234) for the relief of James W. Adams et al.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

JOHN W. ROGERS

The Clerk called the bill (S. 1580) for the relief of John W. Rogers.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DWAYNE C. COX AND WILLIAM D. MARTIN

The Clerk called the bill (H.R. 2281) for the relief of Dwayne C. Cox and William D. Martin.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

CHARLES B. FRANKLIN

The Clerk called the bill (H.R. 2288) for the relief of Charles B. Franklin.

Mr. EDWARDS of Alabama. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

MR. AND MRS. JOHN F. FUENTES

The Clerk called the bill (H.R. 4936) for the relief of Mr. and Mrs. John F. Fuentes.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

CERTAIN EMPLOYEES AT U.S. NAVAL STATIONS IN FLORIDA

The Clerk called the bill (H.R. 7882) for the relief of certain individual employed by the Department of the Navy at certain U.S. naval stations in Florida.

There being no objection, the Clerk read the bill, as follows:

H.R. 7882

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That each individual named in section 2 of this Act is relieved of liability to pay to the United States the amount specified in section 2 of this Act, which amount represents the overpayment, through administrative error, of compensation to that individual while an employee of the Department of the Navy at that United States naval station in Florida which is specified in section 2 of this Act. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for amounts for which liability is relieved by this section.

SEC. 2. The individuals referred to in the first section of this Act, the period during which each of them erroneously received overpayments, the amount of overpayment to each individual, and his or her place of employment, are as follows:

EMPLOYEES AT THE U.S. NAVAL AIR STATION, JACKSONVILLE, FLA.

Name	Period of overpayment	Amount of overpayment
Willie Miller	Jan. 22, 1961, to July 26, 1966	$563.68
Minnie L. Collins	Nov. 7, 1965, to May 21, 1966	112.00
John L. Cross	Oct. 10, 1965 to June 4, 1966	204.00

EMPLOYEE AT THE U.S. NAVAL STATION, MAYPORT, FLA.

Name	Period of overpayment	Amount of overpayment
Aleatha H. Dial	Mar. 14 to June 5, 1965	$33.60

SEC. 3. (a) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to each individual named in section 2 of this Act an amount equal to the aggregate of the amounts paid by him or her, or withheld from sums otherwise due him or her, with respect to the indebtedness to the United States specified in the first section of this Act.

(b) No part of the amount appropriated in subsection (a) of this section in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

On page 2, following line 7, strike the list of employees showing period of overpayment and amount of overpayment, and insert the following:

"EMPLOYEES AT THE U.S. NAVAL AIR STATION, JACKSONVILLE, FLA.

"Name	Period of overpayment	Amount of overpayment
Willie Miller	Jan. 22, 1961, to July 26, 1966	$563.68
Minnie Collins	Nov. 7, 1965, to May 25, 1966	112.00
George E. Murdock, Jr.	Feb. 14, 1965, to May 25, 1966	257.60
John L. Cross	Oct. 11, 1965, to May 25, 1966	204.00

"EMPLOYEES AT THE U.S. NAVAL STATION, MAYPORT, FLA.

"Name	Period of overpayment	Amount of overpayment
Murray F. Wittichen, Jr.	Apr. 26, 1964, to Mar. 12, 1966	$1,902.37
Aleatha H. Dial	Mar. 5, 1964, to June 7, 1964	33.60"

On page 2, line 16, strike "in excess of 10 per centum thereof".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

E. L. TOWNLEY, OTIS T. HAWKINS, AND LEO T. MATOUS

The Clerk called the bill (H.R. 11381) for the relief of E. L. Townley.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

JOSEPH M. HEPWORTH

The Clerk called the bill (H.R. 12119) for the relief of Joseph M. Hepworth.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over wihout prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ROCHESTER IRON & METAL CO.

The Clerk called the bill (H.R. 7210) for the relief of the Rochester Iron & Metal Co.

Mr. EDWARDS of Alabama. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

DR. EDUARDO GONZALEZ

The Clerk called the bill (S. 174) for the relief of Dr. Eduardo Gonzalez.

There being no objection, the Clerk read the bill, as follows:

S. 174

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Eduardo Gonzalez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of August 16, 1954, and the periods of time he has resided in this country since that date shall be held and considered to meet the residence and physical requirements of section 316 of the said Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. E. JUANITA COLLINSON

The Clerk called the bill (H.R. 5854) for the relief of Mrs. E. Juanita Collinson.

There being no objection, the Clerk read the bill, as follows:

H.R. 5854

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Mrs. E. Juanita Collinson, of Rock Island, Illinois, is relieved of liability to pay to the United States the aggregate amount of overpayments of compensation which she received, through administrative error, during the period beginning November 4, 1962, and ending May 2, 1964, while an employee of the Department of the Army at the Rock Island Arsenal, Illinois. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for amounts for which liability is relieved by this section.

SEC. 2. (a) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. E. Juanita Collinson an amount equal to the aggregate of the amounts paid by her, or withheld from sums otherwise due her, with respect to the indebtedness to the United States specified in the first section of this Act.

(b) No part of the amount appropriated in subsection (a) of this section in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

On page 1, lines 4 and 5, strike "the aggregate amount of" and insert "$579.13, representing".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPT. RUSSELL T. RANDALL

The Clerk called the bill (H.R. 10050) for the relief of Capt. Russell T. Randall.

There being no objection, the Clerk read the bill, as follows:

H.R. 10050

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Captain Russell T. Randall is relieved of all liability to the United States in the amount of $594.86 representing overpayments of compensation made to him as a Marine Corps officer as the result of administrative error in the establishment of his pay entry base date due to the fact that he held enlisted status concurrent with status as a cadet USAFA and was given credit for such enlisted service in the establishment of his pay entry base date.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Captain Russell T. Randall the sum certified to him by the Secretary of the Navy as the aggregate of amounts paid by him to the United States, or withheld from amounts due him from the United States, on account of the liability referred to in the first section of this Act.

SEC. 3. No part of the amount appropriated in this Act for the payment of any claim shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

On page 1, line 9, after "given credit for", strike "such".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RICHARD C. MOCKLER

The Clerk called the bill (H.R. 13373) for the relief of Richard C. Mockler.

There being no objection, the Clerk read the bill, as follows:

H.R. 13373

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Richard C. Mockler, Wildhorse Circle, Pinebrook Hills, Boulder, Colorado, a former employee of the National Bureau of Standards at Boulder, Colorado, is relieved of all liability to refund to the United States the sum of $1,486.40, representing an overpayment of salary during the period from July 5, 1964, through January 31, 1965, due to an error in applying the provisions of Public Law 88–426 of August 14, 1964. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this Act.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Richard C. Mockler, Wildhorse Circle, Pinebrook Hills, Boulder, Colorado, the sum certified to the Secretary of the Treasury by the Secretary of Commerce as the sum of amounts paid to the United States by the said Richard C. Mockler, or withheld from amounts otherwise due him from the United States, by reason of the liability referred to in the first section of this Act: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPT. DAVID CAMPBELL

The Clerk called the bill (H.R. 2270) for the relief of Lt. David Campbell.

There being no objection, the Clerk read the bill, as follows:

H.R. 2270

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That David Campbell, first lieutenant, United States Air Force (72056A), is hereby relieved of liability to the United States in the amount of $3,168.36, the amount of an overpayment of his pay and allowances as a member of the United States Air Force in the period beginning April 5, 1960, and ending March 31, 1964, because of an administrative error. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for any amount for which liability is relieved by this Act.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to said David Campbell, an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him, in complete or partial satisfaction of the liability to the United States specified in the first section. No part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

On page 1, line 3, strike "first lieutenant" and insert "Captain".

On page 1, line 5, strike "$3,168.36" and insert "$3,292.36".

On page 1, line 8, strike "1960" and insert "1961".

On page 1, line 8, strike "March 31, 1964" and insert "August 31, 1964".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Captain David Campbell."

A motion to reconsider was laid on the table.

JE-IL BRICK CO.

The Clerk called the bill (H.R. 4058) for the relief of the JE-IL Brick Co.

Mr. **EDWARDS** of Alabama. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The **SPEAKER**. Is there objection to the request of the gentleman from Alabama?

There was no objection.

GIUSEPPE PACINO BIANCAROSSO

The Clerk called the bill (S. 866) for the relief of Giuseppe Pacino Biancarosso.

There being no objection, the Clerk read the bill, as follows:

S. 866

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Giuseppe Pacino Biancarosso may be classified as a child within the meaning of section 101(b)(1)(F) of such Act, and a petition may be filed in his behalf by Olga Biancarosso Carmeci, a citizen of the United States, pursuant to section 204 of such Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERTO PERDOMO

The Clerk called the bill (S. 964) for the relief of Roberto Perdomo.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DR. JOSE RAFAEL MONTALVO Y URRUTIBEASCOA

The Clerk called the bill (S. 2153) for the relief of Dr. Jose Rafael Montalvo y Urrutibeascoa.

There being no objection, the Clerk read the bill, as follows:

S. 2153

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Jose Rafael Montalvo y Urrutibeascoa shall be held and considered to have been lawfully admitted to the United States for permanent residence as of April 29, 1963.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. JORGE ROLANDO GUERRA-REYES

The Clerk called the bill (S. 2206) for the relief of Dr. Jorge Rolando Guerra-Reyes.

There being no objection, the Clerk read the bill, as follows:

S. 2206

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Jorge Rolando Guerra-Reyes shall be held and considered to have been lawfully admitted to the United States for permanent residence as of July 20, 1962.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHRISTOPHER NICHOLAS RUSHTON

The Clerk called the bill (S. 2265) for the relief of Christopher Nicholas Rushton.

There being no objection, the Clerk read the bill, as follows:

S. 2265

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of the Immigration and Nationality Act, Christopher Nicholas Rushton shall be held and considered to have been lawfully admitted to the United States for permanent residence as of July 1, 1947, upon payment of the required head tax.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. OCTAVIO SUAREZ-MURIAS

The Clerk called the bill (S. 2119) for the relief of Dr. Octavio Suarez-Murias.

There being no objection, the Clerk read the bill, as follows:

S. 2119

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Dr. Octavio Suarez-Murias shall be held and considered to have been lawfully admitted to the United States for permanent residence as of May 29, 1961.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUH YOON SUP AND SUH OK SUN

The Clerk called the bill (H.R. 2709) for the relief of Suh Yoon Sup and Suh Ok Sun.

There being no objection, the Clerk read the bill, as follows:

H.R. 2709

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Suh Yoon Sup and Suh Ok Sun may be classified as children within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in their behalf by Mr. and Mrs. Harold Shawl, citizens of the United States, pursuant to section 204 of the Act.

With the following committee amendments:

On page 1, line 4, strike out the language and name "and Suh Ok Sun".

On page 1, line 5, strike out the word "children" and substitute in lieu thereof the words "a child".

On page 1, line 6, strike out the word "their" and substitute in lieu thereof the word "his".

On page 1, line 8, at the end of the bill, change the period to a colon and add the following:

"*Provided,* That the natural brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege or status under the Immigration and Nationality Act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Suh Yoon Sup."

A motion to reconsider was laid on the table.

YONG CHIN SAGER

The Clerk called the bill (H.R. 4030) for the relief of Yong Chin Sager.

There being no objection, the Clerk read the bill, as follows:

H.R. 4030

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Yong Chin Sager may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by William Jesse Sager, a citizen of the United States, pursuant to section 204 of the Act.

With the following committee amendment:

On page 1, line 8, at the end of the bill, change the period to a colon and add the following:

"*Provided,* That the natural brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege or status under the Immigration and Nationality Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JUNG SOO DOC

The Clerk called the bill (H.R. 11292) for the relief of Jung Soo Doc.

There being no objection, the Clerk read the bill, as follows:

H.R. 11292

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Jung Soo Doc may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Mildred E. and Jay D. Crookston, citizens of the United States pursuant to section 204 of the Act. Section 204(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case.

With the following committee amendment:

On page 1, line 4, strike out the name "Jung Soo Doc" and substitute in lieu thereof the name "Jung Soo Bok".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Jung Soo Bok."

A motion to reconsider was laid on the table.

OPPOSING THE GRANTING OF PERMANENT RESIDENCE IN THE UNITED STATES TO CERTAIN ALIENS

The Clerk called the resolution (H. Res. 981) opposing the granting of permanent residence in the United States to certain aliens.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. GROSS. Mr. Speaker, I desire to be recognized at the proper time to oppose the amendment to be offered on page 3, line 7, of the resolution.

The SPEAKER. The Chair will protect the rights of the gentleman.

Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read the resolution, as follows:

H. Res. 981

Resolved, That the House of Representatives does not approve the granting of permanent residence in the United States to the aliens hereinafter named in which cases the Attorney General has submitted reports to the Congress pursuant to section 244(a) (1) of the Immigration and Nationality Act of 1952, as amended by Public Law 85–885 (8 U.S.C. 1254(a) (1)):

A–8456727, Holzle, Jorg
A–1023343, Meghrigian, Garabed
A–10054260, Ivanov, Krizan
A–10563141, Neacsu, Nicolas Alexander
A–11278850, Pedersen, Ejnar Christian
A–12636177, Cardella, Guiseppina
A–8892692, Chi, Cheng Chen
A–10185356, Curry, Theodora
A–10464747, Espano Esperante, Eduardo
A–13189053, Han, Myung Kyo
A–10399300, Hee, Min Won
A–10895992, Hsich, Shan Cheng
A–10066131, Kushi, Michio
A–10068494, Kushi, Tomoko Yokoyama
A–10293873, McCormack, Helen Rosetta
A–11087360, Wei, Ta-Hsien
A–8021269, Aguirre-Nava, Regidor
A–11290285, Ardovini, Ernesto
A–10161927, Bazan, Felipe Perez
A–11900139, Bazan, Carmen O.
A–10857870, Kadir, Nouri Haj
A–11895033, Liu, Ching Chiu
A–12577550, Liu, Shu Tze
A–12578595, Lin, Pulvin
A–11294312, Antzoulatos, Helene D.
A–11290809, Arcache, Verdun
A–10677641, Chen, Yung-Chi
A–10146316, Santi, Lino
A–11900018, Barbieri, Gabriele
A–11292916, Barbieri, Piedade Macuas Da Crus
A–8890660, Kim, Hyung Gi
A–10144230, Aparicio, Maria Magdalena
A–10910840, Egeli, Mehmet
A–11455533, Furtado, Maria Luisa
A–11165911, Han, Dong Jick
A–11300236, Jen, Hsiang Chen
A–5524011, Jew, Ten
A–10564202, Arcache, Marie
A–10923789, Carson, Peter
A–10160567, Cha, Mun Young
A–10863726, Gabriel, Bienvenido Saavedra
A–14553009, Shiri, Shahzadeh
A–10800904, Ling, Tsah
A–10579478, Ling, Lydia Siok-Cheng
A–10087691, Nielsen, Benny Ove
A–10589473, Suh, Sangwoo
A–11309746, Suh, Yeong Yull Kim
A–10477711, Car, George
A–10635395, Cho, Fae Man
A–15418135, Fonseca, Mario Simoes da
A–11772726, Lee, Baik Shik
A–10794954, Lee, Young Sook
A–13429460, Denha, Marie Rose
A–10339022, Kim, Sun Wok
A–10022453, Whang, Hee Ghang
A–11958734, Kangleon, Solita Alconcel
A–11176381, Wang, Tina Sih-Li
A–11627417, Chan, Shin May Fong
A–8959141, Black, Jane
A–4363799, Uribe, Jorge Eduardo
A–12165503, Chin, Doong Fong
A–3855039, Vazquez-Ramirez, Monico

COMMITTEE AMENDMENTS

The SPEAKER. The Clerk will report the first committee amendment.

The Clerk read as follows:

On page 2, strike out all of line 2.

The committee amendment was agreed to.

The SPEAKER. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 2, strike out all of line 4.

The committee amendment was agreed to.

The SPEAKER. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 2, strike out all of line 7.

The committee amendment was agreed to.

The SPEAKER. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 2, line 19, strike out "Lin, Pulvin" and substitute in lieu thereof "Liu, Pulvin".

The committee amendment was agreed to.

The SPEAKER. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 3, strike out all of line 5.

The committee amendment was agreed to.

The SPEAKER. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 3, strike out all of line 7.

The SPEAKER. For what purpose does the gentleman from Iowa rise?

Mr. GROSS. Mr. Speaker, I rise in opposition to the amendment.

The SPEAKER. The Chair recognizes the gentleman from Iowa for 5 minutes.

Mr. GROSS. Mr. Speaker, this resolution provides for the deportation of some 57 aliens who are now in this country. The amendment that has been offered would exempt one of this number from being deported and I am opposed to the exemption. The individual concerned is named Ten Jew, a national of China. He bears the alias of "George K. Jue" and another alias of "Gar King Jue." This individual was convicted on February 15, 1954, in the U.S. District Court, Northern District of California, on charges of conspiracy to defraud the United States of and concerning its governmental function; the right of administering immigration laws of the United States and regulations promulgated thereto, particularly those laws and regulations governing the admission questioning and registration of aliens and their stay in the United States. The beneficiary was sentenced to imprisonment for 1 year and a day.

Mr. Leary of the Immigration Service has provided a photocopy of the indictment against Mr. Jew. The indictment discloses that during 1950 Mr. Jew operated the China National Travel Agency, and allegedly conspired, with a consular officer in the American Consul at Hong Kong and obtained fraudulent visas and passports for aliens desiring to enter the United States, helped them obtain extensions of their stay, and to acquire residence in this country.

According to the information that I have, Mr. Jew also impersonated officers and employees of the U.S. Foreign Service; the Immigration and Naturalization Service, falsely attested to the validity of passports, allegedly issued by the Chinese Nationalist Government; made false statements to the Foreign Service officers in Hong Kong and the U.S. Immigration and Naturalization Service in the United States, orally and in writing, in applications and affidavits and other documents required by the immigration laws—some under oath and some not under oath.

After gaining admission to the United States, Mr. Jew allegedly assisted some of the individuals in going through the pretense of obtaining divorces when the marital status and matrimonial bonds assumed to gain admission to this country were fictitious.

I am trying to brief this voluminous information I have because of the short time available under the rules, Mr. Speaker.

It is my opinion, in view of the nature of the many and serious offenses committed by this individual the immigration laws of this Nation do not permit him to remain here regardless of the length of time he has been physically present in the United States or his deportment since convicted.

To permit this character to remain and require the deportation of others, who entered as students or visitors and who have overstayed their authorized periods of time, is a travesty of justice.

If the House Committee on the Judiciary initially regarded this criminal as worthy of deportation—and the fact that the amendment is here indicates that it did—what happened to change their minds and now offer an amendment to keep him in this country? What has happened and why since this resolution was introduced?

These are some of the burning questions I would like to have answered.

It may be said that the court held that this individual should not be deported.

Let me read briefly from the record of the Board of Immigration Appeals, U.S. Department of Justice, the record being signed by Chairman Thomas S. Finucane:

> He (Jew) was sentenced to imprisonment for one year and one day. [The court recommended to the Attorney General that the petitioner be not deported as provided in Section 241(b)(2) of the Immigration and Nationality Act. On December 20, 1955 the Board of Immigration Appeals dismissed the appeal from the order of deportation, holding that the nondeportable status created by judicial recommendation pursuant to Section 241(b)(2) of the Act was limited to deportation charges brought under Section 241(a) (4) of the same Act unless said recommendation was preserved by Section 405(a), the savings clause of the 1952 Act. Inasmuch as Section 405(a) was not applicable, the judicial recommendation did not vitiate a charge laid under Section 241(a)(13) of the 1952 Act.]

The last sentence of the above makes it completely clear that the judicial recommendation could not vitiate the charge or charges upon which Jew was convicted and thus save him from deportation.

Mr. Speaker, I only wish I had the time to set forth the full record of this character. I say again that it will be a travesty upon justice if this amendment is not defeated and he is permitted to remain in this country while so many others listed in this resolution are deported.

I earnestly urge the Members of the House to defeat the pending amendment.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. GROSS. Mr. Speaker, under the parliamentary situation, is it permissible to ask for 2 additional minutes?

The SPEAKER. Under the parliamentary situation, in relation to the pending resolution, it is not in order.

Mr. HALL. Mr. Speaker, I move to strike out the requisite number of words.

The SPEAKER. The Chair advises the gentleman that that motion is not in order.

Mr. HALL. Mr. Speaker, may I be heard in opposition to the amendment.

Mr. FEIGHAN. Mr. Speaker——

The SPEAKER. A member of the committee is entitled to recognition. The gentleman from Ohio [Mr. FEIGHAN] is recognized.

Mr. FEIGHAN. Mr. Speaker, I feel it is beneficial to the Members of the House to know under what statute and what procedure this resolution comes before the House.

Section 244(a)(1) of the Immigration and Nationality Act, as amended by the act of October 24, 1962, has authorized the Attorney General, in his discretion, to suspend deportation and adjust the status to that of an alien lawfully admitted for permanent residence in the case of an alien who applies to the Attorney General for suspension of deportation. This category includes aliens deportable as public charges, as persons who have obtained visas by fraud or misrepresentation, smugglers of aliens, mental defectives, aliens who entered the United States without documentation, and aliens who failed to maintain their nonimmigrant status or otherwise violated the conditions of their admissions.

To be eligible for suspension of deportation within this category the alien must meet three basic requirements:

First. Continuous physical presence in the United States for a period of not less than 7 years immediately preceding the date of application;

Second. During all of such period the alien was and is a person of good moral character; and

Third. The alien is a person whose deportation would, in the opinion of the Attorney General, result in extreme hardship to the alien, or to his spouse, parent, or child, who is a citizen of the United States or an alien lawfully admitted for permanent residence.

New information on five cases was given the subcommittee in executive session on November 29. This formed the basis for its reconsideration of its original decision to disapprove their applications for suspension of deportation on the grounds that they had been for the greater part of the minimum 7-year period of physical presence in a legal or protected status.

In four cases, the aliens are now immediately eligible for immigrant visas under the preferences of the act of 1965; and in the fifth case of Mr. Jew, travel documentation cannot be obtained to deport him to the mainland of China.

In view of the recent availability of visas, the committee felt that both the aliens and the U.S. Government should be spared the effort, time, and expense that would be required should their permanent residence be denied by House Resolution 981, and they then would have to file visa petitions to obtain permanent resident status.

In the case of Mr. Jew, since 1955 the Immigration and Naturalization Service has not been able to get approval documentation to deport Mr. Jew to Formosa, and because of the situation on mainland China, he cannot be deported there. In view of the fact that, as of this date, travel documentation still cannot be obtained, and in view also of his having resided in the United States for 48 years, having entered in 1919 at the age of 10, and in view of his having established a good moral character as determined by the Board of Immigration Appeals for a period since his release from prison in 1955, the committee considered that his application for suspension of deportation should now be approved. The Attorney General has already established his eligibility under the law, and in referring the case to Congress the Attorney General approved the granting of the suspension of deportation.

Moreover, in point of fact, if Mr. Jew were applying for naturalization as a U.S. citizen today, based upon his present record, he would not be barred, having demonstrated good moral character over the past 5 years. Now when his application for suspension of deportation is granted, he will have 5 more years of good moral character from that day in total, and when he applies for citizenship in the future he will then have had to have demonstrated 12 years of good moral character.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. FEIGHAN. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman's subcommittee and the Judiciary Committee is about to deport, in this same bill, a man who was arrested for disorderly conduct, drunkenness, and nonsupport. This particular alien is now supporting his dependents. You are going to throw him out of the country. But you are making an exception for a man who has engaged in all kinds of fraud and deception upon the Immigration and Naturalization Service; who has been convicted and sentenced to a year and a day in prison. This, in my opinion, is totally unfair, and I hope the House will reject the amendment.

Mr. FEIGHAN. To which person on the list does the gentleman refer?

Mr. GROSS. I do not have the person singled out. You have listed some 57 people as subject to deportation and you will find this individual among them, I assure you.

Mr. POFF. Mr. Speaker, will the gentleman yield?

Mr. FEIGHAN. I yield to the gentleman from Virginia.

Mr. POFF. I thank the gentleman for yielding, because I want to make it perfectly plain that I did not give consent, as a member of the Judiciary Committee, to this action. I was not present when any meeting was held with reference to it, I was not consulted upon it, and therefore I oppose the amendment.

The SPEAKER. The question is on the committee amendment.

The question was taken; and on a division (demanded by Mr. FRASER) there were—ayes 15, noes 23.

So the committee amendment was rejected.

The SPEAKER. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 4, line 3, strike out "Chan, Shin May Fong" and substitute in lieu thereof "Chan, Shiu May Fong".

The committee amendment was agreed to.

The resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

SANDY KYRIACOULA GEORGOPOULOS AND ANTHONY GEORGOPOULOS

The Clerk called the bill (H.R. 4370) for the relief of Sandy Kyriacoula Georgopoulos and Anthony Georgopoulos.

There being no objection, the Clerk read the bill, as follows:

H.R. 4370

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Sandy Kyriacoula Georgopoulos and Anthony Georgopoulos may be classified as eligible orphans within the meaning of section 101(b)(1)(F) of the Act, upon approval of petitions filed in their behalf by George and Vasiliki Georgopoulos, citizens of the United States, pursuant to section 204 of the Act.

With the following committee amendment:

On page 1, line 9, at the end of the bill, change the period to a colon and add the following:

"*Provided,* That the natural brothers or sisters of the beneficiaries shall not, by virtue of such relationship, be accorded any right, privilege or status under the Immigration and Nationality Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

GIOVANNA INGUI DALLARA

The Clerk called the bill (H.R. 4544) for the relief of Giovanna Ingui Dallara.

There being no objection, the Clerk read the bill, as follows:

H.R. 4544

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Giovanna Ingui Dallara may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Joseph and Anna Dallara, citizens of the United States, pursuant to section 204 of the Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THEOFANE SPIROU KOUKOS

The Clerk called the bill (H.R. 4976) for the relief of Theofane Siprou Koukos.

There being no objection, the Clerk read the bill, as follows:

H.R. 4976

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Theofane Spirou Koukos may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Mr. and Mrs. Spiros Koukos, citizens of the United States, pursuant to section 204 of the Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NGUYEN VAN BE (JAMES BE ROELLIG)

The Clerk called the bill (H.R. 10397) for the relief of Nguyen Van Be (James Be Roellig).

There being no objection, the Clerk read the bill, as follows:

H.R. 10397

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Nguyen Van Be (James Be Roellig) may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Mr. and Mrs. Howard L. Roellig, citizens of the United States, pursuant to section 204 of the Act.

With the following committee amendment:

On page 1, line 8, at the end of the bill, change the period to a colon and add the following:

"*Provided,* That the natural brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege or status under the Immigration and Nationality Act."

The committee amendment was agreed to.

H.R. 10397—NGUYEN VAN BE—JAMES BE ROELLIG

Mr. CLANCY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CLANCY. Mr. Speaker, I rise today to strongly urge support of my bill, H.R. 10397, for the relief of James Be Roellig—Nguyen Van Be.

In November of 1966, I was informed of the efforts of Paul Roellig and his parents, Mr. and Mrs. Howard Roellig, of Cincinnati, to adopt and bring to the United States a Vietnamese boy, Nguyen Van Be, the beneficiary of this legislation. Paul Roellig, a member of the U.S. Navy, is stationed in Vietnam, he found the beneficiary, half starving and homeless, hiding under tents in the naval camp.

Paul's interest in this child led to his request that his parents adopt the beneficiary. The mother's present whereabouts are unknown, but it is believed that she deserted the beneficiary when he was about 8 years old. The natural father is unknown but presumed to be of French nationality and presumed to be deceased.

The beneficiary was born September 20, 1952. In order to enter the United States as a preferred immigrant, it was necessary that an I–600 petition, under section 1155 of the Immigration and Nationality Act, be filed by the adopting parents prior to his 14th birthday, Mr. and Mrs. Roellig retained counsel both in Cincinnati and Saigon to carry out the adoption proceedings.

On the basis of information received from the U.S. counsel in Saigon, Paul Roellig advised his parents in August 1966 to immediately file the I–600 petition. Mr. and Mrs. Roellig went to the Cincinnati Immigration and Naturalization Service to file the necessary petition. At that time an employee of the Cincinnati office advised the Roelligs that the better course of action would be to bring the boy into the country on a student visa. By the time it was determined that the beneficiary did not qualify under this status, time had lapsed to file the I–600 petition.

I would like to point out that Paul Roellig, whose tour of duty in Vietnam was completed in June of 1967, has extended for an additional 6-month tour in the hope that this relief would enable him to return to the United States with his adopted brother, James. The present tour expires December 14 and Paul is presently considering an extension of an additional month in the hope that relief can be had under this bill by that time so that he would not be forced to leave the boy behind with no one to care for him. There are indications that if favorable action is taken on the bill the consulate in Saigon is prepared to take the additional steps to expeditiously prepare final papers for immigration.

As no quota numbers are available for nonpreference immigrants, and the beneficiary is without an alternative legal or administrative remedy, the only means to bring the beneficiary to the United States for purposes of final adoption, is by passage of this bill for which I intercede today and for which I request favorable consideration and passage.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMIR U. KHAN

The Clerk called the bill (H.R. 11287) for the relief of Amir U. Khan.

There being no objection, the Clerk read the bill, as follows:

H.R. 11287

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Amir U. Khan shall be held and considered to have complied with the provisions of section 316 of that Act as they relate to residence and physical presence.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONFERRING U.S. CITIZENSHIP POSTHUMOUSLY UPON PFC. JOHN R. ANELI

The Clerk called the bill (H.R. 13301) to confer U.S. citizenship posthumously upon Pfc. John R. Aneli.

There being no objection, the Clerk read the bill, as follows:

H.R. 13301

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the late Private First Class John R. Aneli, a native of Italy, who resided in the United States since February 9, 1956, enlisted in the Army of the United States, served one year and was killed in Vietnam on August 7, 1967, shall be held and considered to have been a citizen of the United States at the time of his death.

Mr. WILLIAMS of Pennsylvania. Mr. Speaker, it is with a great deal of pleasure and personal satisfaction that I witness today the passage of H.R. 13301 which confers, posthumously, upon the late Pfc. John R. Aneli our most precious possession; namely, U.S. citizenship. I am most gratified to note the unanimous consent accorded this bill as I am sure it denotes the unanimity of thought which prevails among my colleagues in this great body in support of our men fighting in Vietnam. I am sure you all feel as I do that by this gesture we respond in turn to one who has made the supreme sacrifice for our beloved country.

Pfc. John R. Aneli lost his life for the cause of freedom in a far-off land where the principles of liberty and democracy have for this long time been on trial. By our action here today we respond to his sacrifice in the same spirit in which he offered it, and I wish to take this moment to thank all Members for their support in according him this honor.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NGUYEN VAN HUE

The Clerk called the bill (H.R. 12420) for the relief of Nguyen Van Hue.

There being no objection, the Clerk read the bill, as follows:

H.R. 12420

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Naturalization Act, Nguyen Van Hue, born May 18, 1951 in Bac Lieu Province, Vietnam, son of Nguyen Van Cao, Identity Card Number 210664, and Nguyen Thi Theu, Identity Card Number 197018, may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Master Sergeant Norman Leon Snyder, RO 43011064, United States Army, and Muriel Guest Snyder, citizens of the United States, pursuant to section 204 of the Act.

With the following committee amendments:

On page 1, line 4, after the name "Nguyen Van Hue", strike out the comma and the remainder of line 4, all of line 5, all of line 6, and the language "Number 197018," on line 7.

On page 1, line 12, at the end of the bill, change the period to a colon and add the following: "*Provided*, That the natural brothers or sisters of the beneficiary shall not by virtue of such relationship, be accorded any right, privilege or status under the Immigration and Nationality Act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Private Calendar.

MR. AND MRS. CHRISTOS PHOTINOS-SVORONOS

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 3031) for the relief of Mr. and Mrs. Christos Photinos-Svoronos, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "a petition" and insert "respective petitions".

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PANAGIOTIS PAULUS

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 5575) for the relief of Panagiotis Paulus, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 8, strike out "Act." and insert: "Act: *Provided*, That no brothers or sisters of the said Panagiotis Paulus shall thereafter, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act".

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CHRISANTHE SAVAS KARATAPANIS

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 6326) for the relief of Chrisanthe Savas Karatapanis, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 8, strike out "Act." and insert: "Act: *Provided*, That no brothers or sisters of the said Chrisanthe Savas Karatapanis shall thereafter, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act."

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MARIA KOLOMETROUTSIS

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 7427) for the relief of Maria Kolometroutsis, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 9, strike out "the natural brother of the beneficiary shall not" and insert "no brothers or sisters of the beneficiary shall thereafter".

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CONFER CITIZENSHIP POSTHUMOUSLY UPON PFC. ALFRED SEVENSKI

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 8476) to confer U.S. citizenship posthumously upon Pfc. Alfred Sevenski, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That Private First Class Alfred Sevenski, a native of Germany, who served honorably in the United States Army from May 11, 1964, until his death on November 5, 1966, shall be held and considered to have been a citizen of the United States at the time of his death."

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

DUTY-FREE TREATMENT OF LIMESTONE—SUSPENSION OF DUTY ON GIFTS FROM ARMED FORCES MEMBERS SERVING IN COMBAT ZONES

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 1141) to permit duty-free treatment of limestone, when imported to be used in the manufacture of cement, pursuant to the Trade Expansion Act of 1962, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That (a) item 915.25 (relating to bona fide gifts, not exceeding $50 in retail value, from members of the Armed Forces serving in combat zones) of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out 'On or before 12/31/67' and inserting in lieu thereof 'On or before 12/31/69'.

"(b) The headnotes for part 1, subpart B of the Appendix to such Schedules are amended by adding at the end thereof the following headnote:

" '2. Articles exempted under item 915.25 from the payment of duty shall be exempt also from the payment of any internal revenue tax imposed upon or by reason of importation.'

"SEC. 2. The amendments made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after January 1, 1968.

"SEC. 3. Section 551 of the Tariff Act of 1930, as amended (19 U.S.C. 1551), is amended by adding at the end thereof the following new sentence: 'A private carrier, upon application, may, in the discretion of the Secretary, be designated under the preceding sentence as a carrier of bonded merchandise, subject to such regulations and, in the case of each applicant, to such special terms and conditions as the Secretary may prescribe to safeguard the revenues of the United States with respect to the transportation of bonded merchandise by such applicant.'

"SEC. 4. (a) Section 5701(a) of the Internal Revenue Code of 1954 (relating to rate of tax on cigars) is amended by adding after the penultimate sentence the following new sentence: 'For purposes of the preceding sentence, the amount of State or local tax excluded from the retail price shall be the actual tax imposed; except that, if the combined taxes result in a numerical figure ending in a fraction of a cent, the amount so excluded shall be rounded to the next highest full cent unless such rounding would result in a tax lower than the tax which would be imposed in the absence of State or local tax.'

"(b) The amendment made by subsection (a) shall apply to the removal of cigars on or after the first day of the first calender quarter which begins more than 30 days after the date of the enactment of this Act.

"SEC. 5. (a) Section 832(b)(1) of the Internal Revenue Code of 1954 (relating to insurance company gross income) is amended by striking out 'and' at the end of subparagraph (C), by striking out the period at the end of subparagraph (D) and inserting in lieu thereof ', and', and by adding at the end the following new subparagraph:

" '(E) in the case of a company which writes mortgage guaranty insurance, the amount required by subsection (e)(5) to be subtracted from the mortgage guaranty account.'

"(b) Section 832(c) of such Code (relating to insurance company deductions) is amended by striking out 'and' at the end of paragraph (11), by striking out the period at the end of paragraph (12) and inserting in lieu thereof '; and', and by adding at the end the following new paragraph:

" '(13) in the case of a company which writes mortgage guaranty insurance, the deduction allowed by subsection (e).'

"(a) Section 832 of such Code (relating to insurance company taxable income) is amended by adding at the end thereof the following new subsection:

" '(e) SPECIAL DEDUCTION AND INCOME ACCOUNT.—In the case of taxable years beginning after December 31, 1966, of a company which writes mortgage guaranty insurance—

"'(1) ADDITIONAL DEDUCTION.—There shall be allowed as a deduction for the taxable year, if bonds are purchased as required by paragraph (2), the sum of—

"'(A) an amount representing the amount required by State law or regulation to be set aside in a reserve for mortgage guaranty insurance losses resulting from adverse economic cycles; and

"'(B) an amount representing the aggregate of amounts so set aside in such reserve for the 8 preceding taxable years to the extent such amounts were not deducted under this paragraph in such preceding taxable years,

except that the deduction allowable for the taxable year under this paragraph shall not exceed the taxable income for the taxable year computed without regard to this paragraph or to any carryback of a net operating loss. For purposes of this paragraph, the amount required by State law or regulation to be so set aside in any taxable year shall not exceed 50 percent of premiums earned on insurance contracts (as defined in subsection (b)(4)) with respect to mortgage guaranty insurance for such year. For purposes of this subsection, all amounts shall be taken into account on a first-in-time basis. The computation and deduction under this section of losses incurred (including losses resulting from adverse economic cycles) shall not be affected by the provisions of this subsection. For purposes of this subsection, the terms "preceding taxable years" and "preceding taxable year" shall not include taxable years which began before January 1, 1967.

"'PURCHASE OF BONDS.—The deduction under paragraph (1) shall be allowed only to the extent that tax and loss bonds are purchased in an amount equal to the tax benefit attributable to such deduction, as determined under regulations prescribed by the Secretary or his delegate, on or before the date that any taxes (determined without regard to this subsection) due for the taxable year for which the deduction is allowed are due to be paid, as if no election to make installment payments under section 6152 is made. If a deduction would be allowed but for the fact that tax and loss bonds were not timely purchased, such deduction shall be allowed to the extent such purchases are made within a reasonable time, as determined by the Secretary or his delegate, if all interest and penalties, computed as if this sentence did not apply, are paid.

"'(3) MORTGAGE GUARANTY ACCOUNT.—Each company which writes mortgage guaranty insurance shall, for purposes of this part, establish and maintain a mortgage guaranty account.

"'(4) ADDITIONS TO ACCOUNT.—There shall be added to the mortgage guaranty account for each taxable year an amount equal to the amount allowed as a deduction for the taxable year under paragraph (1).

"'(5) SUBTRACTIONS FROM ACCOUNT AND INCLUSION IN GROSS INCOME.—After applying paragraph (4), there shall be subtracted for the taxable year from the mortgage guaranty account and included in gross income—

"'(A) the amount (if any) remaining which was added to the account for the tenth preceding taxable year, and

"'(B) the excess (if any) of the aggregate amount in the mortgage guaranty account over the aggregate amount in the reserve referred to in paragraph (1)(A). For purposes of determining such excess, the aggregate amount in the mortgage guaranty account shall be determined after applying subparagraph (A), and the aggregate amount in the reserve referred to in paragraph (1)(A) shall be determined by disregarding any amounts remaining in such reserve added for taxable years beginning before January 1, 1967,

"'(C) an amount (if any) equal to the net operating loss for the taxable year computed without regard to this subparagraph, and

"'(D) any amount improperly subtracted from the account under subparagraph (A), (B), or (C) to the extent that tax and loss bonds were redeemed with respect to such amount.

If a company liquidates or otherwise terminates its mortgage guaranty insurance business and does not transfer or distribute such business in an acquisition of assets referred to in section 381(a), the entire amount remaining in such account shall be subtracted. Except in the case where a company transfers or distributes its mortgage guaranty insurance in an acquisition of assets referred to in section 381(a), if the company is not subject to the tax imposed by section 831 for any taxable year, the entire amount in the account at the close of the preceding taxable year shall be subtracted from the account in such preceding taxable year.'

"(d) Section 381(c)(22) of such Code (relating to carryovers in certain corporate acquistions) is amended to read as follows:

"'(22) SUCCESSOR INSURANCE COMPANY.—If the acquiring corporation is an insurance company taxable under subchapter L, there shall be taken into account (to the extent proper to carry out the purposes of this section and of subchapter L, and under such regulations as may be prescribed by the Secretary or his delegate) the items required to be taken into account for purposes of subchapter L in respect of the distributor or transferor corporation.'

"(e) The amendments made by subsections (a), (b), (c), and (d) shall apply to taxable years beginning after December 31, 1966, except that so much of section 832(e)(2) of the Internal Revenue Code of 1954 (as added by the amendment made by subsection (c)) as provides for payment of interest and penalties for failure to make a timely purchase of tax and loss bonds shall not apply with respect to any period during which such bonds are not available for purchase.

"(f) The Second Liberty Bond Act is amended by adding at the end thereof the following new section:

"'SEC. 26. The Secretary of the Treasury is authorized to issue, from time to time, tax and loss bonds, the proceeds of which shall be available to meet any public expenditures authorized by law, and to retire any outstanding obligations of the United States issued under this Act. Tax and loss bonds shall be nontransferable except as provided by the Secretary of the Treasury, shall bear no interest and shall be issued in such amounts, subject to the limitations imposed by section 21 of this Act, as are necessary to permit persons to comply with section 832(e) of the Internal Revenue Code of 1954. Tax and loss bonds shall be issued in such amounts and on such terms and conditions as required by section 832(e) of such Code and as the Secretary of the Treasury shall prescribe. With respect to any taxable year in which amounts are subtracted from the mortgage guaranty account referred to in section 832(e)(3) of such Code, an amount of tax and loss bonds which was purchased under section 832(e)(2) of such Code with respect to the amount so subtracted shall be redeemed, and to the extent necessary shall be applied to pay any taxes due as a result of the inclusion under section 82(b)(1)(E) of such Code of amounts in gross income. In addition, tax and loss bonds may be redeemed as prescribed by the Secretary of the Treasury.'

"(g)(1) In the case of taxable years beginning before 1967, a company shall treat additions to a reserve, required by State law or regulations for mortgage guaranty insurance losses resulting from adverse economic cycles, as unearned premiums for purposes of section 832(b)(4) of the Internal Revenue Code of 1954, but the amount so treated as unearned premiums in a taxable year shall not exceed 50 percent of premiums earned on insurance contracts (as defined in section 832(b)(4) of such Code), determined without regard to amounts added to the reserve, with respect to mortgage guaranty insurance for such year. The amount of unearned premiums at the close of 1966 shall be determined without regard to the preceding sentence for the purpose of applying section 832(b)(4) of such Code to 1967. Additions to such a reserve shall not be treated as unearned premiums for any taxable year beginning after 1966.

"(2) If a mortgage guaranty insurance company made additions to a reserve which were so treated as unearned premiums described in paragraph (1), such company, in taxable years beginning after 1966, shall include in gross income (in addition to the items specified in section 832(b)(1) of such Code) the sum of the following amounts until there is included in gross income an amount equal to the aggregate additions to the reserve described in paragraph (1) for taxable years beginning before 1967:

"(A) an amount (if any) equal to the excess of losses incurred (as defined in section 832(b)(5) of such Code) for the taxable year over 35 percent of premiums earned on insurance contracts during the taxable year (as defined in section 832(b)(4) of such Code), determined without regard to amounts added to the reserve referred to in paragraph (1), with respect to mortgage guaranty insurance,

"(B) the amount (if any) remaining which was added to the reserve for the tenth preceding taxable year, and

"(C) the excess (if any) of—

"(i) the aggregate of amounts so treated as unearned premiums for all taxable years beginning before 1967 less the total of the amounts included in gross income under this paragraph for prior taxable years and the amounts included in gross income under subparagraphs (A) and (B) for the taxable year, over

"(ii) the aggregate of the additions made for taxable years beginning before 1967 which remain in the reserve at the close of the taxable year.

Amounts shall be taken into account on a first-in-time basis. For purposes of section 832(e) of such Code and this paragraph, if part of the reserve is reduced under State law or regulation, such reduction shall first apply to the extent of amounts added to the reserve for taxable years beginning before 1967, and only then to amounts added thereafter.

"(3) The provisions of this subsection shall apply to taxable years beginning after December 31, 1956."

Amend the title so as to read: "An Act to continue the duty-free status of certain gifts by members of the Armed Forces serving in combat zones, and for other purposes."

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, I concur in the motion made by the gentleman from Arkansas, but reserve the right to object in order that he may explain the provisions of the bill and particularly the Senate amendments.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Arkansas.

Mr. MILLS. I thank my friend from Wisconsin for yielding.

Mr. Speaker, the substance of H.R. 1141, as passed by the House on March 14, 1967, providing for the duty-free entry of limestone when imported for use in the manufacture of cement, was subsequently enacted into law—Public Law 90-14—on May 5, 1967.

The Senate has amended the title and deleted the language of H.R. 1141 as passed by the House, and has added a number of amendments, the first of which would continue through December 31, 1969, the existing suspension of duty on certain gifts from members of the Armed Forces serving in combat zones.

Mr. Speaker, the existing suspension of duty on the entry of gifts, not exceeding $50 retail value from members of the Armed Forces in combat zones, as provided in section 303 of Public Law 89-368, will expire on December 31, 1967. H.R. 1141, as amended by the Senate, would continue this duty suspension for a 2-year period, through December 31, 1969. Similar legislation (H.R. 13830), which was introduced at the request of the Department of Defense, and has been ordered reported by the Committee on Ways and Means.

We have been informed that the continuation of the duty suspension on certain gifts sent from members of our Armed Forces serving in combat zones is an important morale factor and is still needed. I understand that the gifts must be purchased in agencies or facilities of the Armed Forces, and I am unaware of any complaints or objection to the administration of this duty exemption for our servicemen in combat zones.

In addition, the Senate amendment would reinstate headnote 2 of subpart B of the "Appendix of the Tariff Schedules of the United States" having to do with the exemption of duty-free gifts from any internal revenue tax. This headnote as it relates to duty-free gifts was apparently inadvertently deleted by Public Law 89-436, which made permanent the duty-free entry of personal and household effects brought into the United States under Government orders.

The bill, as passed by the Senate, would also amend section 551 of the Tariff Act of 1930, as amended to permit the Secretary of the Treasury to designate private carriers as carriers of bonded merchandise which has not been finally released from customs custody. Under existing law, imported merchandise which has not been entered, or withdrawn from warehouse, for consumption may be transported between ports of entry or from port of importation to a customs bonded warehouse in another customs district only by common carriers, contract carriers or freight forwarders bonded for such purpose and specially designated by the Secretary of the Treasury. However, there is no authority under which the Secretary can designate private carriers as carriers of customs bonded merchandise between other customs ports or between customs districts.

Under these circumstances, an importer who operates a customs bonded warehouse in a customs district away from the seacoast, in the absence of formal entry of the merchandise and payment of the tariff, must use a common carrier or contract carrier to transport customs bonded merchandise from the seacoast to his inland customs bonded warehouse. If the importer wishes to use a private carrier to transport his merchandise to his inland bonded warehouse, he must formally enter his merchandise and pay the tariff before moving the merchandise inland. Such prepayment of the tariff tends to negate the purpose of the inland customs bonded warehouse.

It would appear to be appropriate to permit private carriers to transport customs bonded merchandise between customs districts for delivery to a customs bonded warehouse without requiring prepayment of import duties. The Senate amendment is designed to accomplish this objective. Members may recall that in 1962, under legislation sponsored by the gentleman from Wisconsin [Mr. Byrnes], the Congress authorized the Secretary of the Treasury to designate any qualified contract carrier authorized to act as such by any agency of the United States as a carrier of customs bonded merchandise—Public Law 87-854. This amendment which extends the privilege of handling bonded merchandise to a private carrier is similar in that the privilege will be subject to such regulations and terms as the Secretary of the Treasury may prescribe to safeguard the revenues of the United States.

Mr. Speaker, I know of no objection to this amendment. I understand that the Bureau of Customs has no objection to the amendment insofar as administrative problems are concerned. The Committee on Ways and Means has considered and approved the amendment, and I urge the amendment be accepted by the House.

The third provision in this bill is identical to the text of H.R. 6058, a bill reported by the Ways and Means Committee and passed by the House earlier this year. In general terms, this House-passed provision specifies that in determining the ordinary retail price of a cigar in its principal market for the purpose of assessing the Federal excise tax on cigars, the amount to be excluded from the retail price on account of a State or local tax which is not an even number of cents per cigar is to be rounded up to the next highest full cent. The effect of this is to remove a discrimination in existing law where the principal market for cigars is a State which imposes fractional excise taxes on cigars. This provision has previously been passed by the House by unanimous consent.

The fourth provision in the Senate bill relates to mortgage guaranty insurance reserves and is identical to H.R. 14366, a bill introduced by myself and by the gentleman from Missouri [Mr. Curtis] on December 11 of this year. This also is the provision referred to in the conference report on H.R. 4765, the Bank Holding Company bill. The Senate had added a provision dealing with mortgage guaranty insurance to that bill but had done so in a manner which limited its application to a single year; namely, 1967.

The conferees on the part of the House, after reviewing the provision, approved of the basic principle of the provision but believed that it would be better to find a permanent solution to the problem rather than a solution for the one year alone. The provision in this bill to which I am now referring carries out this purpose.

Let me now turn to an explanation of this provision. Companies which provide mortgage guaranty insurance are subject to State regulations and are almost uniformly required to place half of a year's earned premiums in contingency reserves for 15 years to provide protection to policyholders from losses which might result from adverse economic conditions. This bill permits these companies to take this deduction but only for a period of up to 10 years instead of 15 years. However, the special deduction is to be available only if the tax benefit derived from the deduction of additions to the reserve is invested in a special issue of non-interest-bearing Government bonds. These bonds may be used for the payment of income taxes which will be due when the reserve is returned to income—that is, no later than 10 years after the deduction—or may be redeemed in the event of extraordinary losses during the period of the reserve.

The Treasury Department supports this bill and particularly endorses this last provision as a good solution to this problem. Existing rulings which the Treasury Department has issued which give more liberal treatment than would this provision in the case of some mortgage guaranty insurance companies will be withdrawn upon the enactment of this bill.

I urge the acceptance by the House of the Senate amendments to this bill.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Missouri.

Mr. CURTIS. I would just like to add one further thing that the chairman should point out. There is an emergency aspect to this.

Mr. MILLS. I was coming to that. Here is the point. This needs a solution. If we do not act on it this year, then there will perhaps be a differing of taxation among some of these companies for the taxable year which ends on December 31, 1967. The Treasury was very anxious that we act this year so that we would not have to do something retroactive next year in order to straighten out this situation, and so that we would apply the same rules of taxation to all of these companies in this particular instance. I think the Committee on Ways and Means was unanimous about these matters and the House can take them.

GENERAL LEAVE TO EXTEND

Mr. Speaker, I ask unanimous consent that I may be permitted to revise and extend my remarks and that any other Member desiring to do so might have that privilege.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. BYRNES of Wisconsin. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Senate amendment was concurred in.

The title was amended so as to read:

"An act to continue for a temporary period the existing suspension of duty with respect to certain gifts from members of the Armed Forces serving in combat zones."

A motion to reconsider was laid on the table.

THIRTY-TWO MEMBERS INTRODUCE RESOLUTIONS OPPOSING HIGH INTEREST RATES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, today 32 Members of the House jointly introduced resolutions deploring high interest rates and urging action to lower these rates.

The 32 Members who put themselves on record against high interest rates are: Frank Annunzio, of Illinois; William A. Barrett, of Pennsylvania; George E. Brown, Jr., of California; Daniel E. Button, of New York; Dominick V. Daniels, of New Jersey; Sam Friedel of Maryland; Henry Gonzalez, of Texas; Henry Helstoski, of New Jersey; Floyd V. Hicks, of Washington; Chet Holifield, of California; Joseph Karth, of Minnesota; Mrs. Edna F. Kelly, of New York; John J. McFall, of California; Spark M. Matsunaga, of Hawaii; Joseph Minish, of New Jersey; Patsy T. Mink, of Hawaii; John Moss, of California; Barratt O'Hara, of Illinois; Arnold Olsen, of Montana; Wright Patman, of Texas; Roman Pucinski, of Illinois; Tom Rees, of California; George Rhodes, of Pennsylvania; Peter Rodino, Jr., of New Jersey; Ed Roybal, of California; William F. Ryan, of New York; Tom Steed, of Oklahoma; Leonor K. Sullivan, of Missouri; Herbert Tenzer, of New York; Charles Vanik, of Ohio; Charles H. Wilson, of California; and Lester L. Wolff, of New York.

The introduction of these resolutions is a major step forward in our fight to lower interest rates and to institute public-interest monetary policy. The resolutions spell out, in unmistakable terms, actions which should be undertaken by the Federal Reserve, the administration, and the Congress to lower the high interest rates which are crushing the American consumer.

This resolution should be regarded as the opening shot in a war on high interest rates. The American people, I am convinced, are fed up with high interest rates and unstable monetary conditions. This resolution offers the Congress, the administration, and the Federal Reserve a broad blueprint for action. I hope that the 90th Congress will give high priority to this issue.

Mr. Speaker, the 32 Members who have joined in this effort today have plainly said: "We oppose high interest rates." They have answered, in a straightforward manner, the public's call for action against high interest rates.

In coming weeks, I hope other Members of the House will join as cosponsors of these resolutions and place themselves on record for lower interest rates.

Mr. Speaker, I place in the Record a copy of the resolution:

H. Res. 1006

Interest rates have climbed to the highest levels of this century and are today placing a heavy burden on the Federal Budget, the American worker, the home buyer, the small businessman and the consumer; and

Billions of dollars of Federal Revenues are being transferred from needed domestic programs—such as education, health, and poverty—to meet the rising cost of Government borrowings; and

At the same time, rising interest rates are forcing the cancellation or postponement of many local bond issues for schools, highways, recreational facilities, water and sewerage projects and a multitude of other essential public programs; and

High interest rates once again threaten to crush the homebuilding industry, further worsening a nationwide shortage of homes, particularly for low and moderate income families; and

High interest rates are exacting their greatest toll on the people who must borrow to survive, thereby placing an unfair and inequitable burden on the low income citizen.

Resolved, that we express our deep concern over worsening monetary conditions and urge immediate and vigorous action by all agencies of the Government to halt the upward spiral of interest rates.

We specifically urge action in these areas:

THE FEDERAL RESERVE SYSTEM

We urge that the Federal Reserve Board re-examine its policies and reorient its programs to bring about a lower level of interest rates and to protect the American consumer from unstable monetary conditions which have plagued the economy over the past 24 months. We urge that the Federal Reserve Board follow the letter of the Full Employment Act of 1946 and coordinate its actions with the Congress and the Executive Branch so as to support rather than to contradict national policies and programs.

We urge that the Federal Reserve keep its promises to support the housing market. We specifically refer to Public Law 89–597, enacted September 21, 1966, reaffirming the Federal Reserve's power to purchase housing mortgage paper in the open market.

We urge that the Federal Reserve make the fullest use of its open market and discount window operations to support directly and indirectly the credit needs of public or quasi-public programs.

We further urge that the Federal Reserve resume *full* support of the Government bond market so as to maintain a reasonable level of interest rates on Treasury borrowings. We deplore any attempt to artificially raise interest rates on Government securities to provide an excuse for raising bank interest rates on time deposits.

THE U.S. CONGRESS

We urge that the Banking and Currency Committee initiate at the earliest possible time a full investigation of our monetary policies with specific emphasis on the role of the Federal Reserve System. We urge that the Committee determine what the Federal Reserve is willing and able to do to lower interest rates under present law. If the Committee determines that additional and/or remedial legislation is needed in this area, we urge that it bring such measures to the Floor early in the second session of the 90th Congress and that they be given highest priority on the Calendar of the House.

We urge that the Ways and Means Committee, which has authority over the bonded indebtedness of the nation, hold the line on statutory ceilings on interest rates, particularly the 4¼ per cent ceiling on long-term government obligations.

THE EXECUTIVE BRANCH

We urge that the President use the full power and influence of his office to require the Federal Reserve Board to bring its policies in line with those of the Administration and the Congress. We urge that the President exercise his constitutional power to carry out monetary policy in the public interest.

We urge that Secretary of the Treasury, Henry Fowler, exercise the full authority of his office to see that Government borrowings are made at the lowest possible interest rates. We urge that he demand Federal Reserve cooperation in this program. We further urge that the Secretary show a greater concern for support of lower interest rates than for support of the Federal Reserve Board.

We urge that the Administration recommend and fully support legislation to bring about lower interest rates and monetary reform.

YOUNG DEMOCRATS OF OUR NATION

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, on the eve of the adjournment of the first session of the 90th Congress I, who am the oldest Member of this body, wish to salute with deep respect and warm affection the Young Democrats of our Nation. In their able and dedicated hands is the future of our party as the servitor of all the people of our beloved country, and I say with fullest confidence that as the today of our party is as brilliant as the sun in midday and as the yesterday of our party was blessed with the inspiring advancement of the noble cause of government of, for, and by the people, so will be the tomorrow of the Democratic Party when the Young Democrats of today have taken over the responsibility of office and of power.

My hat is off with especial warmth of appreciation and affection to the Young Democrats of my own ward, where I have resided over half a century, the seventh ward of the city of Chicago, of which the peerless Hon. James A. Ronan is the Democratic ward committeeman and State chairman. The officers of the Young Democrats of the seventh ward are: William Manion, president; Charles Hines, Jr., vice president; Harriet Pacini, vice president; Ed Thomas, recording secretary; Doranda Schuhmann, corresponding secretary; Sandra Scheinart, treasurer. The executive committee consists of Frank Lawrence, Vincent Bentivanga, Jr., past president; Harry Erdos, past president; and Sidney J. Sexner, political adviser.

On Sunday last the Young Democrats of the seventh ward honored as the man of the year the Honorable Ben Z. Nudelman, commissioner of the Illinois Industrial Commission, and as grand and noble a man as ever lived.

Ben Z. Nudelman was born in Chicago. He received his elementary and high school education in the Chicago public school system. He attended De Paul Law School, and upon graduation was admitted to the bar in 1933.

He has been engaged in the practice of law and has served as an assistant corporation counsel for the city of Chicago for 5 years in the capacity of a specialist in the prosecution of building violations.

He was appointed to the industrial commission of the State of Illinois, where he served in the capacity of an arbitrator for 4 years.

He was appointed to the post of commissioner of the Illinois Industrial Commission in 1965.

All of his adult life he has been an active participant in public affairs. He has served as president of Beth Joseph Congregation in the South Shore district, and has served as president of the District Grand Lodge No. 6 of B'nai B'rith, consisting of eight States and four Canadian Provinces with a membership of over 50,000.

He has been honored on two occasions for his participation in Israel fund drives of the B'nai B'rith.

He now serves on many committees and boards. He is an active member, precinct captain, and vice president of the seventh ward regular Democratic organization.

He is a widower with one daughter and two grandsons.

DISCRIMINATION IN THE DRAFT

Mr. HICKS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. HICKS. Mr. Speaker, the injustice of the draft law passed earlier this year is, as I suspected at the time, coming back to haunt us. Not the least of the bad features of the legislation, in my view, was the retention of college deferments. Then, as now, I objected to their retention, and it was one of the reasons I voted against the bill.

My preference was to eliminate student deferment altogether, so that all men at a given age, say 19, would be equally liable to the draft. After passing the critical age, or after fulfilling military service if drafted, a man could make his plans without the constant threat of the draft hanging over him. And, all young men would take equal chances with the draft.

As it stands now, the system is most inequitable. A young man with the means, the ability, and the background to pursue an academic course in a 4-year college can be deferred as long as he makes satisfactory progress toward the degree, or until he reaches age 24. These men may choose, in effect, between college and Vietnam.

The youths whose means are limited, or whose abilities and backgrounds lead them to follow nonacademic courses, do not get blanket coverage under the deferment policy, although their contribution and value to our society may be every bit as great as that of the man with the college degree.

The young man in an occupational training course does have a chance of sorts. If he goes into occupational training and makes the right choice of a field that will be designated by the National Security Council as vital to the Nation, he can obtain occupational deferment. I say "will be designated" because the National Security Council has not completed its final listing, so choosing correctly will require some luck on the part of the student. And if he goes into some other field not designated by the Council, then no matter how good his progress and his performance, he is liable to the draft.

This inequity of the new law is brought out clearly in a letter I received today from the President of the Seattle Community College, who points out what the community college can do for less advantaged young people, and how the discriminatory student deferment system operates to deny them the chance that the others have as a matter of course.

President Erickson's letter follows:

SEATTLE COMMUNITY COLLEGE,
December 11, 1967.

Hon. FLOYD V. HICKS,
House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE HICKS: I have been cogitating about General Hershey's administrative ruling of August 9, 1967, which advises draft boards that students in occupational, technical, vocational, and business programs should no longer be deferred as college students.

It is obvious that General Hershey does not understand the role of the new community colleges. He does not comprehend the fact that we are providing higher education for the hard-core poverty groups, for the dropouts who come back and make good, for the minority groups and others who may not be interested or may not have the means to pursue a purely academic education.

Why should a youth be considered deferrable because he enrolled in a program in philosophy or history when the youth who enrolls in medical technology or data processing in a community college is not? The student in the community college may be working hard, show more promise, and graduate as a much more productive citizen than the graduate from the four-year institution. Furthermore, chances are he has worked hard to achieve what he has and will pull his family up with him.

Are we to say, in effect, that the youth from wealthier suburbia are to receive exemptions while those from the core city are to be drafted, even though both are pursuing education and training? Is the only criterion for deferment to be attendance in purely academic disciplines?

We have been aware of much progress in Seattle in fighting the poverty and blight of the core city. To draft these students, many newly motivated, will be disastrous and not only to our program and many government programs with which we cooperate, but also it will devastate the morale of thousands of individual students enrolled in community colleges. It is obviously an undemocratic decision.

I hope that something can be done, because I feel Congress did not intend the General to so interpret its Federal law on student exemption.

Sincerely yours,
ED K. ERICKSON,
President.

DE GAULLE AND THE FRENCH DEBT

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, with characteristic open-handedness, the United States helped France weather the trying periods of two World Wars, and rebuild and reestablish herself as a nation at the end of those wars. Even now, a half century after World War I, France still owes us almost $7 billion from that conflict, of which over $5 billion is in default. And how are we being repaid? Certainly not in dollars, nor by any actions that indicate any appreciation or gratitude for our aid.

Instead, General de Gaulle shows resentment against the strength of the dollar, and the position of the United States in world affairs. The general's recent attempts to downgrade the U.S. dollar are hardly surprising. They are but another in his string of varied economic and political disruptive desires, as for example, to break up the Western alliance and NATO; to deny England entry into the European Common Market; to bring about civil strife in Quebec; to bring about the fall of the English pound; to delay creation of a new world monetary reserve unit; and to declaim against American capital investments in France.

The general has made clear by word and deed his intentions to assault the dollar, and to try to reduce the influence of the United States in Europe and throughout the world. He has acted in apparent reckless disregard to the side effects his actions can have on the entire free world, and on France itself.

France, itself is not without serious economic problems. The mere possession of large quanties of gold does not free a nation of the worries and difficulties implicit in the need to trade with other nations, or from such problems as balance of payments or inflation.

The whole free world faces serious economic problems. These can be worked out, through joint effort, and what is particularly needed is the exercise of prudence by every nation. The general does nothing to dispel the problems; he adds to the woes by actions such as having France to withdraw from the gold pool in London; by persisting in a demand for a return to a gold—international exchange—standard; and by pressures against the U.S. dollar by exchanging, and encouraging other countries to exchange, dollars for U.S. gold.

The U.S. gold pile has dwindled from some $22 billion 10 years ago to somewhat less than $12½ billion today, a lot of the attrition being traceable directly to De Gaulle. The question in the minds of many U.S. citizens is: Why does the U.S. Government permit France to convert its dollars into gold when it still is heavily indebted to the United States for its World War I debt? France owes the money. No payment has been made on the debt since 1931. France does not contest the debt's validity. The obligation never has been canceled. In 1932, payment was deferred until the financial condition of all European allies of the United States improved, but the debt nevertheless remains a valid, subsisting obligation of France. De Gaulle should see to it that France pays her bills.

The general may feel that France has reasons to continue to avoid payment of the debt, but the validity of the U.S. claim is beyond doubt. The fact that other nations also have World War I debts to the United States does not exonerate France from the obligation to pay her own debt. Nor should it deter the United States from pressing France alone for payment, for no other nation is making the attacks on the United States that De Gaulle is. Negotiations looking to payment should be started at once.

De Gaulle is not invulnerable. Nor is France free from the political and economic turbulences that at times disturb all countries. As all other nations in the free world, she needs all the friends she can get. The resentment that De Gaulle's actions have brought forth are evident, not only in this country, but in many others. I need only point to the very recent action by England, West Germany, Italy, Switzerland, Belgium, and the Netherlands to curb speculation in gold, as reported in the Washington Post of December 14, 1967. It is too early to judge the success of any such undertaking. The significant fact, however, is that as the world's banker, the economic well-being of the United States is vital to all free world nations and that responsible countries will act in concert to interdict De Gaulle's reckless tour de force against the U.S. gold supply.

The Washington Post article follows:

NEW GOLD PLAN WOULD SHIFT SALES THROUGH OFFICIAL POOL

(By Lawrence Malkin)

LONDON.—A new strategy in the world gold market emerged Wednesday to protect the dollar and possibly put a squeeze on France, chief opponent of the United States in the international monetary wars.

The broad aim of the strategy, worked out last weekend at a meeting of central bankers with France excluded, is to channel gold sales through the official international pool in London and freeze out speculators.

Since the Bank of France has dropped out of the pool, the French and their shaky economy may have to bear the brunt of private speculative hoarding. That means the French could be forced to put up their own resources or back down in President Charles de Gaulle's fight against the dollar.

As the new plan became known, first indications were that speculators already were beginning to be frozen out of their past sources and were turning to the Paris gold market, or to less serious speculation in silver.

PLEDGE COOPERATION

Central bankers of the seven members of the gold pool met in Basel, Switzerland, last weekend. These seven—the United States, Britain, Switzerland, West Germany, Italy, Belgium and the Netherlands—are pledged to cooperate in supplying gold buyers from their own reserves at the official U.S. price of $35 an ounce.

Reports of the Basel agreement first leaked out in two of London's leading newspapers, the Times and the Financial Times. They were later confirmed in broad outline by official sources, but there was no public statement.

Under the new plan, the central banks of the seven gold pool countries have agreed to ban gold sales on credit or for future delivery. This ban limits the speculators' maneuvering and has in fact been in force in London since the gold rush began just after devaluation of the pound Nov. 18.

SALES RESTRICTION

In addition, the gold pool members agreed to restrict all sales to other central banks except through the pool. That would give the pool members a chance to scrutinize all potential sales and refuse orders which stem from large scale speculation. The policy now is to supply only legitimate requests for gold to back up currency. First results were seen Wednesday in London, Brussels and Paris.

Bullion dealers in London stopped supplying big private buyers, although there apparently were some small sales. In the past, if a foreign buyer paid cash in dollars or Swiss francs, he could get a one-kilogram—2.2-pound-bar of gold worth roughly $1,230, with no questions asked. Dealers said that as of Wednesday, he couldn't get it. This seemed to indicate some sort of informal advice had been passed to dealers by the Bank of England not to supply plungers in the gold market.

London dealers said speculators seemed to have gone into the silver market, where prices boomed. Unlike gold, silver is not used to back currency.

HEAVY BUYING

In Brussels, gold buying was so heavy that dealers said they could not satisfy demand for immediate delivery and would have to turn to London for more gold supplies.

In Paris, demand for gold continued unabated and the price rose. If the new strategy works, Hong Kong, Macao and Paris would be the only legal markets left for gold speculators.

(Dow Jones News Service said measures agreed upon by the seven financial powers were initially adopted at an extraordinary meeting of the international gold pool members at Frankfurt, West Germany last Nov. 26.

(One decision calls for coordination of efforts in foreign exchange dealings to prevent wide price differentials in the forward or future foreign exchange markets. The purpose is to assure continued confidence in those currencies. Monetary specialists noted that speculative buying of gold often results from a lessening of confidence in a currency and that such a loss of confidence frequently is triggered by wide disparities in a currency's price in the forward market.)

THE ATTEMPTED COUP IN GREECE

Mr. PUCINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PUCINSKI. Mr. Speaker, we all watched with deep concern the abortive attempt by King Constantine of Greece to lead his people in a revolt against the present regime in that beleaguered country.

The situation continues to be very grave. The greatest threat which confronts Greece today is the prospect of the same kind of civil war which almost plunged this historic nation into the Communist orbit two decades ago.

I am sure that all the friends of the Greek people will join me in a reverent prayer that civil war will not break out in Greece and that those of us who appreciate and respect the rich tradition of democracy in Greece will be permitted to continue exerting whatever influence we can upon the present government to restore constitutional rule and parliamentary procedures to Greece as quickly as possible with no bloodshed.

I recently visited Greece. I have talked at great length to the leaders of the present administration and while there is no question that they are military men, who for the most part, have little patience with democratic processes as we Americans know them, they are above all, realistic Greeks and they know full well that they cannot deny freedom and democracy to the people of Greek indefinitely. For it was the Greeks whose ancestors invented the whole concept of democratic rule.

During my visit to Greece, I had occasion to discuss these matters with the present administration and I am convinced that they know better than anyone else the tragic consequences which would face their administration if freedom were to be denied to the Greek people indefinitely.

Mr. Speaker, I think the record should show that the present regime in Greece agreed to this withdrawal at the suggestion of the United States and it is unfortunate that American efforts to preserve peace in the Mediterranean should become inadvertently involved in the abortive revolt led by King Constantine yesterday.

Regrettably, those who advised King Constantine obviously tried to take advantage of some discontent that may now exist in the ranks of the Greek military because the Greek administration had agreed to withdraw its reserve troops from Cyprus in order to avoid war with Turkey.

I have no intentions of injecting myself into the internal affairs of the Greek people. The Greeks have a long and illustrious history of resolving their own political problems and I am sure they need no counsel from anyone in our own country.

But as an American who is deeply interested in the preservation of our position in the Mediterranean and in the preservation of Greece as the keystone of our NATO defense perimeter in southern Europe, I view this present turmoil in Greece with great concern.

There are three Communist nations north of Greece—just waiting for an opportunity to take advantage of internal turmoil in Greece and move in to fill the vacuum as they tried in 1947. I believe the United States must never lose track of this ugly possibility.

I also firmly believe, Mr. Speaker, that the United States cannot and must not let the internal conflict in Greece obscure the fact that the present Government of Greece did accept our suggestion that Greek troops be pulled out of Cyprus to avoid war; that this present regime has repeatedly stated its complete friendship to the United States; that this present regime, by agreeing to withdraw its troops from Cyprus, clearly demonstrated the high significance which it attaches to the idea of maintaining the power and the unity of NATO, and finally, Mr. Speaker, this present regime has announced a timetable for the restoration of constitutional government to the people of Greece. Ironically, the Constitution Committee was to have reported on its recommendations tomorrow, December 15.

The tragedy of yesterday's events is compounded by the fact that King Constantine's presence is so urgently needed at this time in Greece to serve as a bridge between the present Government and her people.

It is my hope, Mr. Speaker, that the United States will make certain there is no break in our NATO structure in Greece.

We should make it unquestionably clear that any aggression by any outside forces to take advantage of the present internal crisis being suffered by the people of Greece will be repelled by the full force of NATO's defense structure.

We consider Greece our ally, and should continue to strengthen her NATO capabilities.

A strong position by the United States is urgently needed to help prevent any miscalculations by the aggressive neighbors of Greece who might be tempted to try to take advantage of the present internal crisis in Greece.

Greece continues as a NATO nation and is entitled to the full protection of her NATO allies should she fall victim to aggression during the present crisis.

Finally, Mr. Speaker, I should like to join with those who have issued an urgent plea that there be no recrimination and no revenge and no repression by the present administration against those who were so badly misled in attempting this ill-timed and ill-conceived uprising at a time when Greece needs a period of stability to put her own house in order.

Any effort by this administration to indulge in such revenge or repression, as the Washington Post accurately stated today, "would be an unforgiveable and ruinous step."

It is my sincere hope that the present rulers of Greece will provide fair and humane treatment of all rebels and prisoners and afford each a fair trial.

It is my hope also that the abortive attempt against this regime yesterday will not deter the present rulers of Greece from announcing the constitutional revision proposals which were to be issued on the 15th of December of this year.

I believe that the present administration in Greece can best demonstrate its sincerity to serve the highest ideals of the Greek people and to bring Greece back into the family of democratic nations by continuing its pledge to protect Greece against Communist subversion and at the same time restore to her people the parliamentary ideals which they have so carefully nurtured almost since the beginning of time.

We can only hope that the day is not too far away when even King Constantine will be able to return to Greece as her constitutional monarch and join with all the good people of that country to take their part in the democratic processes promised by the present administration of Greece.

BUSINESS VIEWPOINTS ON THE PROPOSED INTERSTATE TAXATION ACT, BY PAUL L. COURTNEY, EXECUTIVE VICE PRESIDENT, NATIONAL ASSOCIATION OF WHOLESALERS

Mr. WHITENER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WHITENER. Mr. Speaker, as one of the authors of H.R. 2158, I was greatly impressed by an address made by Paul L. Courtney, executive vice president, National Association of Wholesalers, at a symposium of the Tax Institute of America held in Washington on November 30, 1967. Mr. Courtney's remarks relate to pending legislation with reference to State taxation of interstate transactions.

He has given a very excellent statement of some of the problems confronting the small businessmen in America and has given further evidence of the need of the enactment of H.R. 2158.

I include the address of Mr. Courtney as a part of my remarks in the RECORD today:

BUSINESS VIEWPOINTS ON THE PROPOSED INTERSTATE TAXATION ACT, H.R. 2158

(Address by Paul L. Courtney, executive vice president, National Association of Wholesalers, before the Tax Institute of America, 1967 Symposium on Federal-State-Local Fiscal Relationship, Washington, D.C., November 30, 1967)

My subject will really be "Small Business Viewpoints" with respect to the serious need for Federal definition of the jurisdictional reach of the more than 110,000 political subdivisions and the fifty states which possess the power to levy and collect or require the collection of taxes of one form or another.

In February of 1959, a national association of wholesalers member, wholesaler of lumber, located in the District of Columbia and selling lumber and building materials in the District, Maryland and Virginia, stopped me in the lobby of the Mayflower Hotel one day and said, "I am being dunned by the States of Maryland and Virginia for income taxes. My only place of business is in the District and I pay income taxes on all my income to the District, how could I owe income taxes to Maryland and Virginia, also?" I told him I would try to find out what it was all about.

I first contacted our general counsel who replied, "Yes, they can tax him on that portion of his income arising from mere sales into those jurisdictions, even though he has no place of business there." He cited two then recent Supreme Court dicisions, the Portland cement and Stockham valve cases. I queried other wholesaler-distributors in the District and other market areas located on the borders of two or more States.

I found that a very few were paying taxes to more than one State; still a very few others were worried about the situation; and the vast majority of the wholesaler-distributors who were servicing markets across State lines didn't even know what I was talking about. This concerned me, for if we interpreted the Supreme Court cases correctly, the vast majority of our member firms were innocently breaking the laws of the States and political subdivisions into which they were selling goods and were liable for millions of dollars in income tax, interest and penalty assessments, if those jurisdictions had income tax laws applicable to out-of-jurisdiction vendors.

I then went to the staff of the Senate Small Business Committee to seek advice and, if possible, learn the extent of the problem. They were very sympathetic, as was the chairman, Senator John Sparkman, who ordered a staff study of the problem and later called a one-day hearing on the subject (April 8, 1959). Four of the witnesses testifying that day were small business wholesalers. The staff study continued and on May 1, 1959 Senator Saltonstall held another one-day hearing on the problem in Boston.

On June 30 the Senate Small Business Committee filed a report with the House[1] which recommended enactment of a Federal statute setting a standard for limiting the authority of the States to tax out-of-State business and the establishment of a commission "to study all phases of the State taxation of interstate commerce problem".

The members of the Senate Small Business Committee jointly sponsored a joint resolution, S.J. Res. 113, to implement their recommendations. At about the same time, Congressman Walter (now deceased) introduced a House Joint Resolution, H.J. Res. 450 which was directed at the same problem and which was referred to the House Judiciary Committee. H.J. Res. 450 was quickly reported to the Floor of the House by the Judiciary Committee where it was passed.

When the House-passed measure reached the Senate it was referred to the Senate Finance Committee, of which the former Senator Byrd was then chairman. Chairman Byrd called hearings on July 21 and 22, 1959 on S.J. Res. 113 and two other pending Senate bills which would have established jurisdictional standards for State taxation of earnings arising from interstate commerce. Two of the witnesses at the Senate hearings spoke for a large segment of the predominantly small business wholesale industry.

On August 11, 1959 the Senate Finance Committee filed its report[2] with the Senate and Chairman Byrd introduced S. 2524 which was passed by the Senate in August 1959. The Senate and House disagreed on adoption of either version and a conference committee was appointed. On September 1, 1959 Chairman Celler, on behalf of the conference committee, filed House Report No. 1103, recommending adoption of a revised and amended version of S. 2524, which was adopted by the House, agreed to by the Senate, and signed by President Eisenhower, becoming Public Law 86–272.

P.L. 86–272 provides that "no State, or political subdivision thereof shall have the power to impose . . . a net income tax on the income derived within such State by any person from interstate commerce if the only business activities within such State . . . are . . . "The solicitation of orders, which are sent outside the State for approval and are filled by shipment from a point outside the State." The law provided for a study to be made by the appropriate committees of the two Houses of Congress as to the effect of the law on interstate commerce and report back to the Congress by July 1, 1962.

The Senate Finance Committee deferred to the House Judiciary Committee on the study and Chairman Celler appointed a special subcommittee of the House Judiciary Committee on State taxation of Interstate Commerce, under the chairmanship of Congressman Edwin E. Willis, of Louisiana.

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[1] Report #453, 86th Congress, 1st Session.

[2] Senate Report 658, 86th Congress, 1st Session.

At the request, primarily, of the small business community, as a result of widespread concern about the Supreme Court's "Scripto Decision", the Congress in 1960 amended the law to broaden the scope of the study to include the effect of sales and use taxes, capital stock and franchise taxes and gross receipts taxes, as well as income taxes, on interstate commerce. The due date for the report was advanced to June 1966 to give the special subcommittee time to make an "in depth study" of all such taxes on interstate business transactions.

The first hearings of the study were held by the special subcommittee December 4–13, 1961. In opening the hearings Chairman Willis stated that the committee was not considering any legislative proposals, "We are committed, and completely committed, to an objective study". The first hearings were on State income taxation of mercantile and manufacturing corporations.

On June 14–29, 1962, the special subcommittee held a second series of hearings on the sales and use tax problem. Dozens of smaller business witnesses paraded before the committee explaining that the compliance burden far exceeded the sales and/or use tax liability in almost all cases where no business location was maintained in the taxing State.

For the next two years, one of the ablest and most dedicated staffs I have ever seen assembled on any congressional study, compiled and evaluated the first real body of information ever assembled on State and local subdivision taxation of interstate business transactions.

The first two volumes of their report were published June 15, 1964, covering part I, General Introduction, and part II, Income Taxes and Appendices. The suspicions of many of us who had studied this situation for over seven years were well founded, as reported in chapter 10 of volume 1 of the report, "Compliance and Enforcement-Income Taxes". The system simply *does not work!*

I will not go into the methodology used in collecting the statistics or the analysis thereof. In the numerous hearings before and since the publication of the reports, no State tax administrator or official has challenged the validity of the survey. They only disagree with the "estimates" of revenue gain or loss resulting from enactment of H.R. 2158.

The report concludes (pp. 311–3. Conclusion) "the present effectiveness of State assertions of jurisdiction over corporations based in other States has been tested at three different points. It appears that where a company only conducts sales solicitations in a State, assertion of income tax jurisdiction has been almost totally ineffective." (See exhibit I in passout exhibits accompanying this presentation). Out of 819 cases of assertion of jurisdiction by one or more States, only 21 returns were filed—a compliance ratio of only 2½% among States believed to have asserted jurisdiction on the basis of salesmen accepting orders.

The report states, pp. 303, "Compliance with this filing requirement was universally so rare that it seemed hardly necessary to test the possibility that States not listed might show a better record. Nevertheless all States, whether or not believed to assert jurisdiction were examined, but *none was found with a compliance percentage above ten percent.*" (Emphasis added.)

To paraphrase Adam Smith, I would submit that the most important thing about any good tax system is that there should be certainty and uniformity of application. One hundred percent compliance should be the goal of any tax system. Utopia? Perhaps, but anything less than ninety percent compliance should certainly give rise to a serious questioning of the validity of the system. Where there is widespread "evasion," whether due to ignorance of the law or inability to comply with a complex system, there is a widespread possibility of corruption. Where there is widespread non-compliance, corruption "possibilities" exist in sufficient degree to label the whole system bad.

Those large, national corporations that are "caught" can send a battery of tax lawyers and accountants in to "negotiate a settlement" with the aggressive State tax administrator. But what of the small vendor who receives a notice of assertion of jurisdiction and a "threat" of automatic assessment with penalties and interest if he does not file a return by a certain date? He has no battery of tax lawyers and accountants. He may be hundreds or even two or three thousand miles away. He has no know-how to "negotiate" even if he knew the State or local law and thus what his liability, if any, really is. A system of "taxation by negotiation" is a bad tax system—such a system cannot be long tolerated in an expanding free enterprise economy.

We have looked only at the compliance results with respect to income taxes—P.L. 86–272 is the law and it has established a federally mandated jurisdictional barrier to unlimited reach on the part of State tax administrators with respect to income taxes. What is the situation with respect to noncompliance in the sales and use tax area?

Volume 3, part III, page 730 of the subcommittee's report on sales and use taxes. In table 23–14 (exhibit No. 2 in my passouts) shows the "Noncompliance with assertions of jurisdiction based on sales office or salesmen". Out of 489 cases of asserted jurisdiction covering 30 States and the District of Columbia, returns were filed in only 48 cases—less than 10%. Note that these cases of asserted jurisdiction include "sales offices" located in the asserting State. H.R. 2158 would exclude only salesmen not permanently located in a State. Thus, if H.R. 2158 were enacted into law there would still be jurisdictional assertion possible in the vast majority of these 489 cases as sales offices or salesmen permanently located in the State would give rise to tax sales and/or use tax collection liability.

The point is that the State tax administrators are accusing the supporters of the bill of an effort to provide tax exemption to a broad group of present taxpayers and/or tax collectors in the sales and use tax area. Nothing could be further from the truth! There is not now and without more than ten times as much enforcement as now exists, there would not be any appreciable tax exemption or collection relief—taxpayers and/or interstate tax collectors on interstate transactions are not now paying or collecting sales and use taxes.

The special subcommittee study footnote states "doubtful cases have been resolved in favor of return filing". They leaned over backwards to give the States the benefit of the doubt in evaluating their compliance performance record. Yet in the income tax area they came up with 97½% noncompliance and in the sales and use tax area over 90% noncompliance even when there is a sales office in the State—96% noncompliance when only salesmen are involved.

What are the States doing to try to increase compliance? I have not included in the passout exhibits, but would call your attention to the Florida Revenue Commission approach. Their auditors when auditing resident businesses, note names and addresses of out-of-State companies selling into the State. They write these companies as follows: (reading from sample Florida letter) "This office wishes to make a detailed examination of the company's books and records as authorized under. . . . Florida statutes. You will note . . . the company is given the option of either producing its books and records for examination in the State of Florida, for which there will be no charges to the company, or furnishing this office with authorization for the reimbursement of audit expenses for the examination to be made outside the State . . . (they then state that the examination will cover the three years prior to the date of the letter). . . If the examination is to be conducted at a point within Florida, it will be necessary that you make available the company's general books and records "i.e., general ledger, general journal, sales invoices, purchase invoices, job cost records (where applicable) and any other pertinent documents relative to its Florida operations. Photostatic copies of these records will be suitable for our examination."

The second page of the letter quotes the pertinent sections of the applicable Florida statute. The third page of the letter states in part, "if the examination is to be made at a point outside the State, please execute the enclosed form ST–72(b) and return to this office. The expenses for this examination will be $16.00 per diem, per auditor; plus ten cents per mile for local transportation while engaged in the examination, plus ten cents per mile for transportation from Tallahassee, Florida, to the company's home office and return. . . ."

What does a small wholesaler or manufacturer or mail order firm selling goods into Florida do when they get this letter? Suppose they are located in Wisconsin, or Vermont, or Wyoming—10 cents per mile round-trip from Tallahassee plus $16 per diem for two or more auditors vs. photostating all "general books and records" for a period of three years back? How many hundred pounds of photostats at what cost? The whole thing is ridiculous—the tax dollars involved in the vast majority of the cases would be only a fraction of the audit or record reproduction cost.

But Florida's law is simple—you owe it only to the State. Let's turn to exhibit 3 in my passouts, the letter from the State of Alabama, State Department of Revenue. This letter goes to all out-of-State vendors they can locate, who sell goods in Alabama. Think of the problem of the automotive wholesaler or hardware wholesaler who carries tools, automotive supplies and accessories, machines and some general line household items.

First of all he must know the location of each customer by county; whether the "general rate" the "automotive rate" or the "machinery rate" applies (in Colbert County, whether it's for resale or for use!); the applicable county tax rate; whether or not the customer is located within a city limit, if so the city tax applies, either a sales and use tax, or a sales tax or a use tax, depending on the local ordinance; then the "police jurisdiction" if applicable, the boundaries of which he must know in each of the eighty-eight cases; plus finally, the Perry County School, District No. 2. Note the rates of tax applicable, every conceivable fraction from 1/16 of one percent to one percent.

My question is simply this, can he afford to send salesmen into Alabama to sell and service the garages, filling stations, hardware stores, auto service centers and other businesses in Alabama that need his wares? The salesman may call in Carrollton once or twice a month, sell a particular customer a $25 or $30 order—even a $100 order for simplicity, if you please. The tax liability of all items on the order, if all were taxable at the automotive rate, would be ⅙ of one percent or 16⅔ cents to Pickens County; ⅛ of one percent or 12½ cents to the city of Carrollton and one half of that or 6¼ cents to the "police jurisdiction" if the customer were located in the jurisdiction? He must file a monthly report with the State, the county and the city and the police jurisdiction, remitting the total 35.41 cents to the State to be divided up amongst the taxing jurisdictions. Four monthly tax returns and a 35 cents total tax!

Remember, this was made a fully taxable $100 sale. That is much larger than the average wholesaler-distributor sale in this class of business—more than triple to be exact. He has to show the amount of tax charged on each invoice, collect it from the customer as the wholesaler is prohibited from paying the tax—he must pass it on, on the invoice, in most States.

Did I hear someone say I am being facetious? I assure you I am not. This is exactly the penny, and fraction of a penny, type of tax liability and tax collecting responsibility we smaller businessmen are confronted with. The amount of the tax liability is infinitesimal when compared with the cost of compliance—the compliance burden.

Normal market areas are in no way related to political boundaries. They are determined by geographic and population characteristics. Barriers of any sort must not be permitted to exist, especially cost barriers that are completely and totally unrelated to the potential profits arising from the free flow of commerce between the States and 110,000 political subdivisions comprising the whole U.S. market.

Neither the States nor the political subdivisions can afford to enforce—to even try to enforce—such laws as these on out-of-State or out-of-political subdivision, non-resident interstate vendors. If the present system is permitted to continue to mushroom, we will need more tax lawyers and accountants than there are in the country, in litigation just to represent the states, counties and cities—yes and school districts, irrigation ditch districts, sanitary districts, police jurisdictions etc. . . . etc.

There will be no lawyers and accountants left to represent taxpayers!

I would call your attention to what is happening, already. The States of California, Illinois, Massachusetts, Michigan, Oregon and Tennessee to my personal knowledge all have tax auditing offices in States outside their borders. California has a huge staff of tax auditors in Chicago, New York and heaven knows where else. Illinois has a huge office and staff in New York. Imagine if you will, what will happen if this bureaucracy on the part of the States is permitted to grow! Where will it end?

When I received the agenda to today's session I was upset, at first, over the bias inferred in the symposium subject "Federally Mandated Solutions—Such as H.R. 2158". I'm a conservative by nature—a believer in States rights—a fighter against the mushrooming Federal bureaucracy and Federal encroachment on the powers and responsibilities of the States.

I suggest that there is a basic political axiom that is applicable here—the broader the jurisdictional tax reach of each State, the more each State's tax system becomes a national problem. I would say to the State tax people, the broader the jurisdictional tax reach of your State tax laws, the greater the responsibility of the Federal Government—the greater the mandate for federally imposed standards.

In the great American common market we cannot tolerate interference of any sort with the free flow of goods between political subdivisions. We must not let unnatural tax boundaries be erected within natural market areas. I can think of no single way to do greater harm to the growing American economy than to grant unrestricted tax reach to America's 110,000 political subdivisions. Would it not be a tax administrator's "Utopia" if he could devise a tax system that would obtain all revenues from non-resident, non-voting businesses and individuals? The answer is obvious! We had a famous teaparty about that in Boston almost 200 years ago.

I rest my case for enactment of H.R. 2158 on two basic premises, (1) the State and political subdivision tax administrators cannot enforce, and cannot afford to try to enforce, their income, sales and use, capital stock, franchise and gross receipts tax laws on all interstate business operators, and (2) the compliance burden on interstate business operators, if uniformly enforced on all interstate operators by all jurisdictions, would be uneconomic, intolerable and vastly greater than the total amount of revenue involved.

With respect to the first premise, the "hit or miss" tactics now used by almost all States, (witness Florida and Alabama letters, or "roving auditors" such as Georgia has used) are meant to scare smaller interstate operators into discontinuing interstate operations and to scare local businessmen into doing business only locally. The bigger the business, the more the presence in 50 States and 110,000 political subdivisions and the easier the enforcement. Thus, the net effect of our present hodge podge is to *encourage* the larger, national operators to take over all interstate operations and to *discourage* smaller businesses from conducting interstate operations. In my judgment, this is contrary to the best interests of the "land of opportunity"—contrary to the stated goal of the anti-trust laws of this Nation.

With respect to the second premise, unrestricted tax reach by 110,000 political subdivisions in the U.S. economy, if uniformly enforced, would create an absolute barrier to trade. None but the largest companies, completely computerized, could possibly afford the huge staff of tax lawyers and accountants necessary to keep up with the changes in laws and rates of tax necessary to feed the computers. The tax staffs of some of the Nation's larger companies are already larger than the staffs of most of the State tax administrators. I'm sure Mr. Cahoon can testify to that fact.

There is one other very important point that should be made before I close. When the hearings were held on H.R. 2158, almost every State in the Union was represented in the testimony by either the Governor, the State's attorney general or the State tax administrator. Not one single one of them spoke to the compliance cost burden. Not one single one of them challenged the noncompliance facts discovered by the subcommittee staff in its study. Not one single one of them offered a single argument in refutation of the noncompliance facts revealed by the two tables I have passed out as exhibits. To me, this is proof positive that the conclusions of the study are factual.

I would thus close with the assertion made earlier—a tax law that is unenforceable is a bad tax law. It breeds inequity. Such tax laws have no place in our society.

H.R. 2158 would not rob any State or political subdivision of any appreciable amount of present revenues—the maximum effect, gain or loss, according to the findings of the staff study would be 1% of affected revenues and there would be almost as many gains as losses in the 50 States.

To use the words of the agenda, a "Federally mandated solution—such as H.R. 2158" is badly needed. The jurisdictional tax reach of the Nation's 110,000 political subdivisions possessing the power to tax must be limited if the greatest common market on the face of this earth is to be preserved. That jurisdictional tax *reach will be limited*—if not by the enactment of H.R. 2158 by this Congress, then by some other bill in some following congressional session—of that you may be certain—as certain as of death and taxes!

EXHIBIT 1

TABLE 10-1.—NONCOMPLIANCE WITH ASSERTIONS OF JURISDICTION BASED ON SALESMAN ACCEPTING ORDERS

[For each asserting State, total number of cases of a company having this activity but no stronger contact and number of these cases in which returns were filed]

	Number of cases	
	Total	Returns filed
Alaska	10	0
Arizona	32	1
California	39	3
Colorado	26	1
Delaware	41	0
Georgia	41	1
Hawaii	16	1
Idaho	28	1
Kansas	39	0
Louisiana	42	0
Minnesota	55	0
Mississippi	39	2
Missouri	50	1
North Carolina	46	1
North Dakota	24	2
Oklahoma	39	1
Oregon	32	0
Pennsylvania	72	2
South Carolina	53	2
Utah	29	1
Wisconsin	66	1
Total	819	21

Source: Business questionnaire II (combined samples). Doubtful cases have been resolved in favor of return filing.

EXHIBIT 2

TABLE 23-14.—NONCOMPLIANCE WITH ASSERTIONS OF JURISDICTION BASED ON SALES OFFICE OR SALESMEN

[For each asserting State, total number of cases of a company having this activity but no stronger contact, and number of these cases in which returns were filed]

	Number of cases	
	Total	Returns filed
Alabama	16	3
Arizona	14	0
Arkansas	14	1
California	10	2
Colorado	9	2
Connecticut	24	1
District of Columbia	17	3
Florida	17	3
Georgia	19	3
Hawaii	3	0
Illinois	25	3
Iowa	17	2
Kansas	11	0
Louisiana	13	1
Maine	21	0
Maryland	16	4
Mississippi	12	1
Missouri	18	2
North Carolina	18	2
North Dakota	6	0
Ohio	25	1
Oklahoma	14	1
Pennsylvania	28	5
Rhode Island	17	0
South Carolina	20	2
South Dakota	13	0
Tennessee	18	2
Utah	13	1
Washington	12	3
West Virginia	20	0
Wyoming	9	0
Total	489	48

Source: Business questionnaire II (sample of companies engaged in interstate commerce). Doubtful cases have been resolved in favor of return filing.

STATE OF ALABAMA,
DEPARTMENT OF REVENUE,
Montgomery, Ala.

NOTICE

By acts of the Legislature a special sales and use tax has been levied in the counties shown on the attached schedule. For all practical purposes the county and state laws are the same except for the rates of tax. The Department of Revenue has been made the collecting agency for the counties. If you have a place of business or have salesmen who solicit orders in these counties and, as a result of the orders, deliver merchandise F.O.B. point of origin or F.O.B. destination, you are required to collect the tax and remit same to this office in the same manner as your state tax.

The cities shown on the attached schedule have adopted ordinances levying privilege license or gross receipts tax identical to the State Sales Tax Law except for the rates of tax. By special acts of the Legislature the Department of Revenue has been made the collecting agency for the cities. If you have a place of business in any of these cities you will be required to file a monthly report for each and pay the tax to this office. In addition, if you have salesmen who solicit orders in any of these cities and, as a result of the orders, merchandise is delivered F.O.B. destination by common carrier or if the merchandise is delivered by seller's equipment, you will be required to file the return and pay the tax.

The reports are due on or before the twentieth of the month following the month in which the tax accrues. One remittance in payment of all local taxes may be made; however, a separate report is required for each tax.

If you are filing reports for cities and counties involved, please disregard this notice. If you are not, please let us know the ones in which you will be doing business as outlined and we will forward the necessary forms for reporting the tax.

If you need additional information, please contact this office.

COUNTY TAXES ADMINISTERED BY DEPARTMENT OF REVENUE

County	Kind of tax	Effective	General rate	Automotive rate	Machine rate
Bibb	Sales and use	July 1, 1957	1 percent	½ of 1 percent	½ of 1 percent.
Blount	do	Oct. 1, 1961	do	do	Do.
Chilton	do	Dec. 1, 1959	do	do	Do.
Colbert	Sales tax	Oct. 1, 1962	½ of 1 percent	⅛ of 1 percent	⅜ of 1 percent.
				(1 percent gross receipts—places of amusement.)	
	Use tax	do	1 percent	⅛ of 1 percent	⅜ of 1 percent.
	do	June 1, 1963	½ of 1 percent	do	Do.
Covington	Sales and use	Jan. 1, 1962	1 percent	½ of 1 percent	½ of 1 percent.
Crenshaw	do	Oct. 1, 1961	do	do	Do.
Cullman	do	Nov. 15, 1961	do	do	Do.
Fayette	do	Feb. 1, 1962	do	⅛ of 1 percent	Exempt.
Franklin	do	Oct. 1, 1955	do	½ of 1 percent	½ of 1 percent.
Hale	Sales tax	July 1, 1957	do	do	Do.
Lawrence	Sales and use	Mar. 1, 1959	do	do	Do.
Limestone	do	Aug. 1, 1957	do	do	Do.
Marion	do	July 1, 1949	do	¼ of 1 percent	Exempt.
		May 1, 1963	2 percent	1 percent	Do.
		May 1, 1966	1 percent	½ of 1 percent	Do.
Perry, school district No. 2	do	Nov. 1, 1961	do	Exempt	Do.
Pickens	do	Aug. 1, 1955	½ of 1 percent	1/16 of 1 percent	Do.

CITY TAXES ADMINISTERED BY DEPARTMENT OF REVENUE

City	Kind of tax	Effective	General rate	Automotive rate	Machine rate
Abbeville	Sales tax	Aug. 1, 1966	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Addison	Sales tax	Dec. 1, 1963	1 percent	½ of 1 percent	½ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Alexander City	Sales tax	Aug. 1, 1966	1 percent	¼ of 1 percent	¼ of 1 percent.
Aliceville	Sales and use tax	Oct. 1, 1961	½ of 1 percent	⅛ o, 1 percent	½ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Anniston	Sales and use tax	Oct. 1, 1964	1 percent	¼ of 1 percent	¼ of 1 percent.
	Sales	Jan. 1, 1967	2 percent	do	Do.
	Police jurisdiction			(½ of the above rates.)	
Ashford	Sales tax	Jan. 1, 1966	1 percent	½ of 1 percent	½ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Ashland	Sales tax	June 1, 1966	1 percent	½ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Ashville	Sales tax	Aug. 1, 1965	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Bay Minette	Sales tax	July 1, 1966	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Berry	Sales tax	Apr. 1, 1962	1 percent	½ of 1 percent	½ of 1 percent.
	Use tax		½ of 1 percent	do	Do.
Bessemer	Sales tax	Nov. 1, 1965	1 percent	do	Do.
Brewton	do	May 1, 1962	do	do	Do.
	Police jurisdiction			(½ of the above rates.)	
Camp Hill	Sales tax	Nov. 1, 1962	1 percent	½ of 1 percent	½ of 1 percent.
Carrollton	do	Sept. 1, 1965	½ of 1 percent	⅛ of 1 percent	⅛ of 1 percent.
	Police jurisdiction			(½ of the above rates.).	
Chatom	Sales tax	May 1, 1965	1 percent	½ of 1 percent	½ of 1 percent.
Citronelle	do	Aug. 1, 1965	do	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Columbiana	Sales tax	Jan. 1, 1967	1 percent	½ of 1 percent	1 percent.
	Police jurisdiction			(½ of the above rates.)	
Dadeville	Sales tax	Sept. 1, 1961	1 percent	½ of 1 percent	½ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Daleville	Sales tax	Jan. 1, 1966	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Dora	Sales tax	Mar. 1, 1966	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Double Springs	Sales tax	Apr. 1, 1960	1 percent	½ of 1 percent	½ of 1 percent.
	Use tax		½ of 1 percent	do	Do.
East Brewton	Sales tax	Sept. 1, 1963	1 percent	do	Do.
	Police jurisdiction			(½ of the above rates.)	
Enterprise	Sales tax	July 1, 1965	1 percent	¼ of 1 percent	½ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Eufaula	Sales tax	Jan. 1, 1962	2 percent	½ of 1 percent	½ of 1 percent.
		July 1, 1963	1 percent	do	Do.
	Police jurisdiction			(½ of the above rates.)	
Eutaw	Sales tax	Oct. 1, 1966	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Fort Payne	Sales tax	May 1, 1966	1 percent	½ of 1 percent	½ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Gardendale	Sales tax	Oct. 1, 1966	½ of 1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Geneva	Sales tax	Dec. 1, 1961	1 percent	½ of 1 percent	½ of 1 percent.
	Use tax repealed	Oct. 1, 1963	½ of 1 percent	do	Do.
Georgiana	Sales tax	June 1, 1966	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Geraldine	Sales tax	June 1, 1965	do	½ of 1 percent	½ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Guin	Sales tax	July 1, 1965	do	½ o: 1 percen	½ of 1 percent
	Police jurisdiction		½ of 1 percent	⅛ of 1 percent	⅛ of 1 percent.

CITY TAXES ADMINISTERED BY DEPARTMENT OF REVENUE—Continued

City	Kind of tax	Effective	General rate	Automotive rate	Machine rate
Guntersville	Sales tax	Feb. 1, 1966	1 percent	⅓ of 1 percent	½ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Hackleburg	Sales tax	May 1, 1966	do	½ of 1 percent	½ of 1 percent.
	Police jurisdiction		½ of 1 percent	⅛ of 1 percent	⅛ of 1 percent.
Haleyville	Sales and use tax	Apr. 1, 1958	1 percent	¼ of 1 percent	Exempt.
		Jan. 1, 1962	do	do	½ of 1 percent.
		Sept. 1, 1963	2 percent	½ of 1 percent	1 percent.
		Sept. 1, 1964	1 percent	¼ of 1 percent	½ of 1 percent.
		Dec. 1, 1964	2 percent	½ of 1 percent	1 percent.
Hamilton	Sales tax	Aug. 1, 1966	1 percent	do	½ of 1 percent.
	Police jurisdiction		⅛ of 1 percent		⅛ of 1 percent.
Hartselle	Sales tax	Sept. 1, 1962	2 percent	½ of 1 percent	1 percent.
	Police jurisdiction			(½ of the above rates.)	
Henagar	Sales tax	Jan. 1, 1967	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Heflin	Sales tax	June 1, 1965	do	½ of 1 percent	½ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Hueytown	Sales tax	Apr. 1, 1967	½ of 1 percent	¼ of 1 percent	¼ of 1 percent.
Jackson	do	Dec. 1, 1965	1 percent	⅓ of 1 percent	⅛ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Kennedy	Sales tax	Oct. 1, 1965	do	½ of 1 percent	½ of 1 percent.
Kinston	do	Oct. 1, 1966	do	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Kingville	Sales tax	June 1, 1966	do	½ of 1 percent	½ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Littleville	Sales tax	Aug. 1, 1966	½ of 1 percent	⅛ of 1 percent	⅛ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Louisville	Sales tax	Oct. 1, 1966	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Loxley	Sales tax	Oct. 1, 1965	do	1 percent	1 percent.
	Police jurisdiction			(½ of the above rates.)	
Midfield	Sales tax	May 1, 1967	½ of 1 percent	¼ of 1 percent	¼ of 1 percent.
Millport	do	Apr. 1, 1960	1 percent	½ of 1 percent	½ of 1 percent.
Millry	do	Jan. 1, 1967	do	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Morris	Sales tax	May 1, 1967	½ of 1 percent	¼ of 1 percent	Do.
	Police jurisdiction			(½ of the above rates.)	
Muscle Shoals	Sales tax	Dec. 1, 1965	1 percent	¼ of 1 percent	Do.
	Police jurisdiction			(½ of the above rates.)	
Newton	Sales tax	Aug. 1, 1965	do	¼ of 1 percent	Do.
	Police jurisdiction			(½ of the above rates.)	
Oxford	Sales tax	May 1, 1965	do	¼ of 1 percent	Do.
	Police jurisdiction			(½ of the above rates.)	
Ozark	Sales tax	Dec. 1, 1965	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Phil Campbell	Sales tax	Oct. 1, 1965	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Prattville	Sales tax	Oct. 1, 1966	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Ragland	Sales tax	Jan. 1, 1964	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Red Bay	Sales tax	May 1, 1965	1 percent	½ of 1 percent	½ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Reform	Sales tax	Feb. 1, 1966	½ of 1 percent	½ of 1 percent	⅛ of 1 percent.
	Police jurisdiction		¼ of 1 percent	1/16 of 1 percent	1/16 of 1 percent.
Roanoke	Sales tax	July 1, 1965	1 percent	½ of 1 percent	½ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Samson	Sales tax	June 1, 1965	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Selma	Sales tax	July 1, 1965	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Slocomb	Sales tax	July 1, 1965	1 percent	½ of 1 percent	½ of 1 percent.
	Use tax	do	½ of 1 percent	½ of 1 percent	½ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Tallassee	Sales tax	Oct. 1, 1966	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Toxey	Sales tax	Apr. 1, 1967	1 percent	½ of 1 percent	½ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Trafford	Sales tax	Apr. 1, 1966	½ of 1 percent	½ of 1 percent	½ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Troy	Sales tax	Sept. 1, 1965	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Tuscumbia	Sales tax	June 1, 1965	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Tuskegee	Sales tax	Nov. 1, 1965	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Uniontown	Sales tax	Apr. 1, 1966	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Valley Head	Sales tax	Aug. 1, 1966	1 percent	½ of 1 percent	½ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Vernon	Sales tax	Oct. 1, 1965	1 percent	½ of 1 percent	½ of 1 percent.
Vestavia Hills	do	do	½ of 1 percent	⅛ of 1 percent	⅛ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Wadley	Sales tax	July 1, 1965	1 percent	½ of 1 percent	½ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Warrior	Sales tax	Dec. 1, 1965	½ of 1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Wedowee	Sales tax	May 1, 1967	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Wetumpka	Sales tax	Dec. 1, 1965	1 percent	¼ of 1 percent	¼ of 1 percent.
	Police jurisdiction			(½ of the above rates.)	
Wilsonville	Sales tax	Mar 1, 1967	1 percent	½ of percent 1	1 percent.
	Police jurisdiction			(½ of the above rates.)	

SELL PARTICIPATION CERTIFICATES IN FRENCH WORLD WAR I DEBT

Mr. WOLFF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WOLFF. Mr. Speaker, my recent comments about the inappropriateness of De Gaulle's policies in light of an outstanding $6.85 billion World War I debt to the United States has elicited hundreds of letters from throughout the country and several from overseas.

One letter, from Joseph M. McCready, Jr., of Wayne, Pa., offered an interesting suggestion. Mr. McCready proposed that the Treasury Department sell participation certificates, a new technique of the Congress, in the French World War I debt to the United States.

Such sales, even at less than the full value of the debt, would provide this Government with funds greatly needed at this time. Such sales would also place a realistic depreciated value on the franc and placing the debt in the hands of individuals and private businesses would make collection and freezing of French assets easier than if the debt remains with our Government.

So that my colleagues might have an opportunity to contemplate Mr. McCready's interesting suggestion, under leave to extend my remarks, I wish to include his letter in the Record at this point:

December 10, 1967.

Representative Lester Wolff,
Congress of the United States of America,
House Office Building, Washington, D.C.

Dear Congressman Wolff: I was glad to read in The Philadelphia Inquirer that you were the only sensible man among many who had the courage to speak out against De Gaulle in terms of the actual debt owed this country.

This country faces a disaster. De Gaulle's attempt to destroy this country in every way is like the attack on Pearl Harbor. The Japanese talked peace while they prepared, with our scrap imports, for war. De Gaulle talks peace while he collects our gold to wage war to devaluate our dollar and throw this entire nation and all others who rely on the stability of the dollar into chaos.

Mr. Congressman I suggest that you and your colleagues insist that The Treasury Department issue certificates of debt against the French Government and sell them at a discount of 80 cents on the dollar to anyone who will buy them—tourists, business, etc.

That is greatest way to devalue the "franc" instead of the dollar. Of course if De Gaulle refuses to honor them inform our so called friends in the west if they don't join us through banking we will issue certificates of debt against their debt to us, or refuse, as they have, to permit any gold to leave this country until all debts are paid.

The American people are waiting for leadership with guts. I hope you read this.

Sincerely,

Jos. M. McCready, Jr.

THE DANGER OF DISASTROUS POLLUTION ACCIDENTS

Mr. KEITH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. KEITH. Mr. Speaker, this morning the New York Times carried the story of a potential disaster which, luckily, did not occur. Two huge oil tankers became stranded almost simultaneously off the shores of New Jersey and New York, carrying a total of 100,000 tons of heavy petroleum. If these two vessels, wallowing in sandbanks for nearly 48 hours, had been struck by high winds or waves, massive oil pollution could have affected 100 miles of the U.S. coastline.

With the horrifying example of the giant *Torrey Canyon* tanker, which spewed thousands of tons of oil on the British coast this spring, we wonder how this accident could have occurred. Incidents of this type, both here and abroad, raise a number of questions. Do these huge vessels follow routes which insure against the possibility of collision or stranding? Are their navigational instruments adequate for guiding them in fog or in congested areas? In view of their problems of steering or stopping in emergencies, do adequate maps and charts exist to identify hazards which the new, larger size ships must avoid?

Last May, Mr. Speaker, shortly after the *Torrey Canyon* disaster, the President asked the Departments of Interior and Transportation to prepare a report on how to avert tanker casualties of this type, and how to ameliorate any pollution which may occur. This report was due in 90 days, but we have waited over 7 months for it to appear.

I feel that we cannot afford to wait any longer. Tankers now represent 40 percent of the ocean traffic along our busy coasts. The danger of disastrous pollution accidents increases every day. I am now preparing legislation which will initiate Government action to avert such accidents and to cope with them forcefully when they happen.

For the interest of the Members of the House, I am including the story of this morning's close brush with disaster in the Record. I hope that we will remain mindful of the need for very early action to head off future incidents of this sort.

Oil Tanker Freed Here, Ending 2 Days of Anxiety

(By George Horne)

A 760-foot tanker with 40,000 tons of fuel oil was freed late yesterday from a sand bank in New York Harbor after giving Federal pollution authorities and port officials two days of watchful anxiety.

"Nobody wanted to push the panic button, but it could have been serious, and everyone, of course, thought of the Torrey Canyon," said Paul Resnick, public information officer for the regional office of the Federal Water Pollution Control Administration. His statement was made in behalf of Paul De Falco, director of the administration in this area.

The 974-foot Torrey Canyon went aground near the Scilly Islands off the English Coast last March, spilling oil that spread to beaches and caused widespread damage.

MOBIL SHIP STUCK

The ship that was freed yesterday was the 53,657-ton Wapello, owned by Mobil Oil Corporation, inbound with No. 6 heating oil from Naples, Italy.

She went hard aground on Monday afternoon, and Mobil teams, working with tugboats, tried several times to free her. It was only after nearly a fourth of her petroleum load had been pumped into another vessel that the efforts were successful.

Moran Towing and Transportation Company said last night that four tugboats had pulled the ship free at 4:20 P.M. "just about at high water." They had unsuccessfully tried to pull her free at high tide earlier in the day.

The location of the grounding was between Buoys No. 2 and 4 in Sandy Hook Channel, not far from the tip of Sandy Hook.

Mr. Resnick said that reports of stormy weather for later today added to the concern of the department, and that "everyone" was relieved when the ship was freed.

"It had us scared for a while," he said. "The Coast Guard, the towing company, officials of Mobil Oil all were extremely cooperative. The Mobil people certainly deserve commendation."

DANGER DISCOUNTED

Officials at Mobil said that actually the tanker was never in any danger.

An unusual feature of the offloading, as tankermen termed the oil removal process, was the use of another tanker as a lighter. Despite relatively shallow water, tugs brought the 604-foot tanker Socony-Vacuum alongside the Wapello, and she took on about 60,000 barrels of the original 286,000-barrel cargo.

It has been an unhappy week for the company. Another company tanker, the Waneta, 754 feet long and listed at 51,646 deadweight tons, went hard aground on the North Shore of Long Island, near Northville, at noon Tuesday. She was inbound to a nearby terminal with 50,000 tons of heating oil from Venezuela.

Tugs freed her at 7 a.m. yesterday.

Neither tanker was believed to have suffered any damage. Last night, the Wapello was at an anchorage off Stapleton, S.I., and will proceed to Port Reading, N.J., north of Perth Amboy, sometime today.

Both tankers are listed in Lloyd's Register as owned by Iberian Tanker Company, of Panama, and both fly the Panamanian flag. The Iberian concern is wholly owned by Mobil.

FOOT-AND-MOUTH DISEASE CONTROLS NECESSARY

Mr. BERRY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. BERRY. Mr. Speaker, we got some action from the Department of Agriculture yesterday—but not enough.

Two weeks ago, after they had experienced an uncontrolled outbreak of foot-and-mouth disease in England and Wales, I immediately contacted the Department of Agriculture and asked what special precautions were being taken to prevent this dreaded disease from getting a start in this country. I also took to the House floor to spread the alarm of what could happen unless special precautions were taken.

I waited 2 weeks and heard nothing. Assuming it was this same inaction on the part of the British Government that permitted the outbreak there, the day before yesterday I introduced a House resolution stating it to be the sense of Congress that all imports of red meat should be embargoed from any country whatever until such exporting country proved to the satisfaction of the President that it was free from foot-and-mouth disease.

Yesterday some 35 other Members of the House joined in the introduction of this same resolution.

Last evening we got some action. Just before closing time the Department hand-delivered a tranquilizing paper on the foot-and-mouth disease and what the Department was doing to prevent its spread into this country.

One paragraph reads as follows:

> The Code of Federal Regulations, Title 9, Part 94 deals specifically with prohibited importations from countries in which foot-and-mouth disease exists. The Department prohibits the importation of domestic ruminants and swine, fresh, chilled or frozen meats from any country where foot-and-mouth disease is known to exist.

This is good, but I am afraid it does not go far enough. The statement "importation from any country where foot-and-mouth disease is known to exist" is not sufficient protection. England did this, too, and even in doing it there, disease crept in. They have it.

It is my contention that the burden of proof should be placed upon the exporting country to prove—and to continue to prove—if they wish to export into this country, that they are clean and free from the disease. If they cannot so certify, then we should require that the meat be cooked, or processed, as we now require from most South American countries.

This is serious business, Mr. Speaker. We are talking about the largest industry in America, the livestock industry. We are talking about the life-giving food for the greatest Nation in the world.

Are we asking too much when we ask for complete, alert protection?

PRIDE GOETH BEFORE DESTRUCTION

Mr. MICHEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MICHEL. Mr. Speaker, as politicians, I suspect we are all in agreement that a little pride in our makeup is necessary as a motivating force in the carrying out of our duties and responsibilities as public servants. While some little pride may be a virtue, too much pride can become a vice, and we ought to resist the temptation of advertising our wares to an excessive degree.

I was unable to hear all of the President's speech to the union convention in Florida the other night, but did read the complete text in the papers yesterday and it was interesting to me that the pronoun I appears no less than 50 times in his remarks. In fact for some months now every time the President has appeared on television or conducted a press conference, the pronoun I appears so many times as to become a bit disgusting. It would seem the President is the only person in the country who is concerned about our people and their problems.

The President's favorite Biblical verse appears to be from the Prophet Isaiah, "Come, let us reason together," but in view of his performance this past year, I might suggest he give attention to Proverbs, chapter 16, verse 18, which reads:

> Pride goeth before destruction, and an haughty spirit before a fall.

Or the first verse of Proverbs, chapter 27:

> Boast not thyself of tomorrow, for thou knowest not what a day may bring forth.

Whether or not this has any application to the campaign next year, I am not prepared to say.

And finally, Mr. Speaker, in view of the President's tendency to list all of the so-called accomplishments of his administration every chance he gets, these words from Henry Ward Beecher might be appropriate:

> A proud man is seldom a grateful man, for he never thinks he gets as much as he deserves.

THE THIN LINE

Mr. SMITH of Oklahoma. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. SMITH of Oklahoma. Mr. Speaker, I am becoming increasingly concerned that our outgoing Secretary of Defense, Robert McNamara, has drawn a thin line around the lives of millions of Americans.

The delicate balance of terror which Secretary McNamara and others in this administration keep referring to in their ivory tower hopes of achieving some agreement with the Soviet Union concerning the Russian expansion of their antiballistic missile systems, has increased rapidly with the discovery that the Red Chinese are now equipping its two largest submarines with launchers for nuclear missiles.

On March 2, 1967, Secretary McNamara stated during the House Armed Services Committee's hearings on military posture:

> It appears unlikely that the Chinese could deploy a significant number of operational ICBM's before the mid 1970's, or that those ICBM's would have great reliability, speed of response, or substantial protection against attack.

Secretary McNamara further stated during the same hearings:

> With respect to protection of the United States against possible Red Chinese nuclear attack, the leadtime required for China to develop a significant ICBM force is greater than that required for deployment of our defense—therefore the Chinese threat in itself would not dictate the production of an ABM system at this time.

However, on September 19, 1967, the latter decision was made, and the Secretary announced that the United States will start building a thin-line antiballistic missile defense system primarily to guard against a Chinese attack. The considerations of possible irrational behavior on the part of the Chinese, the Secretary said, provided "marginal grounds for concluding" that a light, or thin missile defense was "prudent."

Mr. Speaker, in light of determination by the present Secretary of Defense not to change his mind once he has opted on his decisions, and in light of the growing Red Chinese nuclear developments and delivery systems, I believe that the United States has reached its 11th hour.

It has become evident that the Chinese have acquired a nuclear delivery capability far in advance of the mid-70's, if only from submarines, and the Soviet Union may have achieved what amounts to parity or superiority in nuclear weapons.

The time has come to place Communist China on notice, through reaffirmation of the Monroe Doctrine, that the new Chinese long-range submarines—equipped with nuclear missile launchers—would be subject to immediate destruction if they seek to enter waters within missile range of the American continent.

Just as we ordered the Soviet missiles removed from Cuba in 1962, because of their obviously hostile disposition, we must take a firm stand now against the apparent Chinese intention to practice nuclear blackmail off our coasts. We were then fully prepared to bomb the missile launching sites had the Russians not removed their offensive weapons from Cuba.

I can see no real difference between missile launching sites and missile launching submarines. The Chinese Communists, if anything, are less responsible and more dangerous than even the Russians or Cubans.

The Chinese intention is obviously to improve their bargaining position and to inhibit American use of nuclear weapons should China become involved in the Vietnam war. The submarines, soon to become operational, would make it possible for the Chinese to make a nuclear strike on the United States years before their intercontinental missiles are perfected.

We must not allow the Chinese to confront us with a fait accompli. It would be our distinct disadvantage to wait until their submarines emerge off the coasts of the United States. Our intentions must be clearly stated now so that there will be no miscalculation in Peking.

The United States does not regard Communist China as a lawful regime. Peking has openly declared its desire for the destruction of our country. It is unthinkable that we would permit Chinese nuclear missiles within range of our shores—whether the missiles are in Cuba, aboard submarines, or even on fishing boats or sampans.

The administration must serve firm notice on Peking and issue appropriate orders to antisubmarine warfare experts of our Navy. This should be done by reasserting the Monroe Doctrine in accordance with the precedent established in the Cuban missile crisis.

Americans cannot regard with equanimity the news that China has already equipped two of its largest submarines with launchers for nuclear missiles.

The U.S. Navy is reported to have evidence that three vertical launching tubes capable of hurling missiles 380 miles have been placed aboard each of the submarines, now nearing completion at Dairen in southern Manchuria. This was approximately the range of a nuclear-tipped missile the Chinese claimed to have successfully tested on October 27, 1966.

It is assumed that the Chinese would lose no time in threatening us as soon as they are in a position to bring the United States under nuclear attack.

The Chinese submarines are reported patterned after the Russian G–2 type, capable of 45,500 mile round trips without refueling. The Chinese are also known to have 21 smaller submarines that could reach U.S. waters and detonate nuclear devices at sea in such manner that prevailing winds would carry the radio activity from the Pacific coast across our Nation.

Mr. Speaker, this administration's thin line can soon become a noose if it does not move immediately to make our intentions fully known to Peking. This administration must act now.

SPEECH OF REPRESENTATIVE WILLIAM B. WIDNALL HAILING JOHNSON ADMINISTRATION ANNOUNCEMENT CONCEDING REPUBLICAN ARGUMENTS ON PARTICIPATION CERTIFICATES

Mr. WIDNALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey.

There was no objection.

Mr. WIDNALL. Mr. Speaker, in the spirit of the holiday season, yesterday the Johnson administration placed a giant-sized gift under my tree and that of every American who is concerned about fiscal irresponsibility and budget gimmickery. Yesterday the administration announced that it was accepting all of the recommendations of the President's Commission on Budget Concepts, starting with next year's budget, including the treatment of participation certificate receipts. While long overdue, this action nevertheless is greatly appreciated.

I would also like to take this opportunity to commend the gentleman from North Carolina [Mr. Jonas], the gentleman from Wisconsin [Mr. Byrnes], and the distinguished minority leader [Mr. Gerald R. Ford] for their untiring efforts leading up to yesterday's announcement. Time and time again on the floor of this House we have pointed out the dangers associated with increased billions of Federal expenditures being hidden by the so-called sale of these Government guaranteed credit instruments for the sake of sugar-coating the expenditure side of the budget, the Federal deficit, and running around the debt limit. Time and time again we have warned that the sale of participation certificates did not constitute a bona fide sale at all, because the Government continued to own and take full responsibility for losses on the assets pooled. Over and over again we emphasized that the participation certificate was the most expensive means available to the Federal Government to raise funds; that it would add greater pressures to the upward spiral of interest rates. The recent FNMA participation certificate sale resulted in the Government paying a whopping 6.4 percent interest cost, the highest rate on Government credit in a century.

Each and every time the Democratic leadership vigorously denied these charges. Now that the Captain has abandoned the ship, I assume these denials here in the Congress will fade away.

Below I include two articles from the Nation's press pertinent to the issue:

[From the Wall Street Journal, Dec. 14, 1967]

Johnson Budget To Follow New Form, Even Though It Shows Higher Spending Requests

Washington.—President Johnson decided that his next budget will follow a brand new format, even though this assures the spending requests it shows will be about $50 billion higher than under the present form.

Budget Director Charles L. Schultze, after meeting with the President yesterday, announced that most of the major changes recommended a few months ago by a special reform commission will be used in the financial plan for the fiscal year starting next July 1; it's to be submitted to Congress in late January or early February.

In a major concession to critics who have charged "gimmickry" in the existing approaches, the new budget will show sales of the Federal National Mortgage Association's participation certificates as a means of financing the deficit, as additional issues of Treasury securities are treated now. Thus Mr. Schultze and Treasury Secretary Fowler abandoned their previous position that the proceeds of these certificates represent sales of Government assets that shrink both the spending total and the deficit.

The commission, which was headed by David M. Kennedy, chairman of Continental Illinois National Bank & Trust Co., Chicago, had argued strongly that participation, certificate sales aren't really sales of assets, because the Government continues to own and take full responsibility for losses on the mortgages pooled behind the certificates. At the current rate, the change automatically adds about $4 billion or $5 billion to the annual spending and deficit totals that would otherwise be reported.

The biggest change, however, will come through inclusion of some $45 billion a year of income and outgo of the huge trust funds through which Social Security, highway aid and a range of other activities are channeled. The commonly cited "administrative budget" version excludes these on grounds that the funds aren't directly under the President's control. Since the trust funds frequently operate at a surplus, their inclusion could serve to somewhat reduce the total deficit that otherwise would be reported.

ADJUSTMENT IN PUBLIC THINKING

Because receipts and spending will be "significantly higher under the new concepts," Mr. Schultze commented, the "much more comprehensive" new format will "require some adjustment in public thinking about Government finances."

If the President's proposal last January had been presented in the new "unified" budget approach, the spending total would have been $175.5 billion instead of the $135 billion actually proposed then on the administrative budget basis. The revenue total would have been $165.2 billion instead of $126.9 billion, and the deficit would have been $10.3 billion instead of the $8.1 billion projected at the time on the old basis; since then, the administrative budget deficit has been re-estimated at around $20 billion unless it's reduced by an income-tax increase.

The new version is expected to go a long way toward meeting the objections of analysts in and out of the Government that the administrative budget was almost meaningless as a guide to the impact the Government expects to have on the economy and on financial markets. For this reason, the "national income accounts" version was often preferred for measuring stimulus or restraint on the economy, and the "cash budget" was prized mostly for its measuring of Government borrowing needs.

The national income accounts version, often expressed in terms of a seasonally adjusted annual rate, includes trust-fund activities but omits financial transactions such as loans and participation-certificate sales. The cash budget includes trust-fund operations as well as lending, but has treated participation-certificate sales in the same way the administrative budget does.

SMOOTHING THE TRANSITION

The budgets for the current fiscal year and the past one, as well as for the next one, will be shown in the new format, the bureau said, but added that it will present summaries of all three old versions to help smooth the transition.

To satisfy economists who contend that Federal lending doesn't have the same impact on private production as direct Federal spending does, the new version will show a sub-total "spending accounts" deficit that excludes lending; this would be most nearly akin to the national income accounts version. The total deficit that reflects both the lending and spending accounts would be closer to the concept of the cash budget.

The changes to be made in the next budget represent "virtually all of the basic changes" the commission recommended that can be adopted swiftly, the bureau said. Mr. Schultze added that it may take about two years before it can apply the recommendation of a complete switchover from the cash basis to the "accrual" method of accounting used by most corporations. Also, he said, it will take more time to work out a means of showing the subsidy element involved in Federal loans made at a lower interest rate than the Treasury has to pay on its borrowings.

Also in line with the commission's position, though, the bureau said the new format will give more promise to the appropriations and other actions requested of Congress.

[From the Washington (D.C.) Post, Dec. 14, 1967]

New "Unified" Budget To Replace Three Old Ones

(By Frank C. Porter)

The Administration announced yesterday sweeping changes in the budget to be presented in January to make it more understandable to the Congress and public.

The new "unified" budget will replace three different accounting statements which critics say tend to confuse rather than enlighten.

It will also break down Federal lending and spending into separate accounts.

In accepting virtually all the recommendations of a special presidential commission, the Administration gave in on the controversial issue of participation certificates.

These are shares in pooled government financial assets, such as home mortgages and educational loans, which it sells to the public. It now subtracts the proceeds of these sales from Federal expenditures rather than adding them to receipts. Congressional critics, mostly Republicans, have attacked this as a fiscal gimmick to make Federal spending appear less than it really is.

In its October report, the President's Commission on Budget Concepts supported the critics, recommending that participation certificates be treated as a means of financing rather than a reduction in expenditures. Two members, Treasury Secretary Henry H. Fowler and Budget Director Charles L. Schultze, dissented. It was the only dissent in the report.

Yesterday, however, Schultze revealed that he and Fowler subsequently recommended that the basic proposals in the report be adopted as a whole and President Johnson assented.

The new unified budget will carry far higher spending and revenue totals, and possibly deficits as well, than the familiar administrative budget. The latter omits the huge trust funds for social security and other programs, which will be included under the new concept.

Noting this, Schultze said yesterday that "the (fiscal) 1969 presentation will require some adjustment in public thinking about Government finances."

The unified concept will also replace the consolidated cash budget, to which it is most similar, and the National Income Accounts budget. Both include the trust funds but the NIA budget omits lending transactions, which will be part of the new accounting.

Schultze said two salient features of the report will not be incorporated next year but made clear they are being deferred only until the Government can change over its accounting procedures.

One is the recommended changeover from a cash to an accrual method of bookkeeping, now included under the NIA budget, which purportedly gives a clearer picture of the impact of taxation and spending on the national economy.

The other would require separate identification of subsidies in Federal direct loan programs.

THE NATURE OF EXTREMISM IN AMERICA

Mr. DON H. CLAUSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DON H. CLAUSEN. Mr. Speaker, I want to take this opportunity during these last few days before adjournment to express my deep concern and disappointment over our collective failure, during this session of Congress, to "face up" to the hatemongers at work in America.

I refer specifically to those misguided misfits and malcontents among us who continue unabated to sow the seeds of hatred and violence across our land and who, with relative impunity, have taken to traveling abroad to teach their vile brand of lawlessness and to seek support for their treacherous cause, which I am convinced is more serious than our people realize or have been told.

These extremists, Mr. Speaker, represent a cancerouslike growth that is casting a shameful blight on our Nation at a time when we are already sensing a national frustration and disappointment over so many seemingly unsolvable foreign and domestic problems. In my trips back to California's First Congressional District, from my mail and a recent questionnaire, it is perfectly clear that the people I represent are more concerned about this new wave of lawlessness and violence in America than they are about the war in Vietnam.

During this session, legislation primarily intended to curb lawlessness and disrespect toward our Nation and its laws, has either been grossly "watered down" or has failed to reach final passage. The antiriot bill is a case in point. Here was legislation which would have made it a Federal crime to cross State borders for the purpose of inciting a riot, but after clearing the House, is now stalemated in the Senate. Frankly, I believe all Americans are going to have to more vigorously express their concern in this matter because our society has failed to face up to one of the major problems facing America today.

I, for one, however, do not intend to wait for the legislative process to catch up to and correct what I believe to be a national disgrace. That is just how serious I think this problem is. Our forefathers did not create, at great personal sacrifice, the very best form of government ever to serve mankind, so that a bunch of self-serving extremists could tear it down and I do not intend to stand idly by and witness its destruction. Instead, I intend to take this case to the people and attempt to give them the facts and the simple truth about this menace. And I shall be asking them to unite and speak with one voice in demanding legislation and stronger laws at every level of government to meet this threat to our Nation and to our national fiber.

During this brief respite from our work here in the Capitol, I call on my colleagues in Congress to examine once again, the words and deeds of such men as Lee Harvey Oswald, Stokely Carmichael, George Lincoln Rockwell, H. Rap Brown, and those of their ilk who are making a legend of hate in America and a shameful mockery out of democracy, justice, and free speech. For, behind them, can be seen the sad memories of a fallen President, the dreadful symbol of nazism, a score of burning American cities under seige, and a "call to arms" for "guerrilla warfare" through the United States.

While we seldom think of these "social rejects" as an alliance of any kind, the fact remains—that they are all "working the same side of the street." Their goal is a takeover, by force, in America, and their method is to incite Americans to hate their fellow Americans.

To this end, I submit that they have already been permitted the luxury of too much success, and I can only wonder what the future holds in store unless and until we learn to deal with them more effectively than we have to date. In my judgment, this new and inflammable breed of extremists in America must be stopped quickly and decisively.

NEXT TO THE CHURCHES, CREDIT UNIONS PROVIDE THE GREATEST GOOD TO HUMANITY

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, Wednesday evening, the President of the United States signed into law legislation which will enable the Nation's credit unions to modernize their operations and to provide greater service to their members.

In addition, this act will greatly aid the establishment of overseas credit unions on military installations. It is my hope that we will soon be able to have credit union service for our military men throughout the world. The establishment of these overseas credit unions will, I am convinced, protect the American servicemen from the loan sharking operations which have been uncovered in investigations by the Domestic Finance Subcommittee of the House Banking and Currency Committee.

Mr. Speaker, this act is the result of an omnibus bill, H.R. 13489, introduced on October 12, 1967.

While this legislation applies to only federally chartered credit unions, I am sure that it will serve as a model and as a guide for State-chartered credit unions. today, there are more than 23,000 Federal and State-chartered credit unions in operation in this country embracing more than 18 million members. These credit unions have total assets of more than $12 billion. Thus, it can easily be seen that there are more credit unions in this country than all other financial institutions combined. And, not only do credit unions comprise our largest group of financial institutions, but they are also the fastest growing, with hundreds of new credit unions being chartered each month.

Mr. Speaker, in my opinion, the credit unions, next to the church, provide the greatest good to humanity. Credit unions have done a tremendous amount of good in this country, and I was happy to have the opportunity to be on hand when the President signed this legislation into law Wednesday.

President Johnson has always been a strong supporter of credit unions and his remarks at the signing ceremony reflect his deep understanding and sympathy with the credit union movement. Mr. Speaker, I place a copy of the President's remarks in the Record:

Remarks of the President at the Signing of the Omnibus Credit Union Bill, December 13, 1967

Members of the Congress, ladies and gentlemen:

We have come here this afternoon to strengthen the Federal credit unions—some of the little-known building blocks of democracy.

The credit union story tells of do-it-yourself progress, of thrift and of voluntary cooperation that is put to work for the good of America.

Half of the nation's 23,000 credit unions are chartered and supervised by the Federal Government—the other half are supervised by the States.

But the members—and no one else—own and operate these credit unions.

In plants, in offices, in fraternal organizations, and military bases, wherever Americans have a bond of association or occupation, credit unions serve them. Credit unions have only one purpose: To help their members save and to help their members borrow money at minimum cost.

The credit union is another instrument of consumer protection.

It helps the elderly guard their precious retirement incomes.

It helps the serviceman and worker escape the loan shark.

It helps the poor, who too often, must pay the most for credit.

President Franklin Roosevelt knew the value of these peoples' institutions when he signed the first Federal Credit Union Act of 1934.

The bill that I sign today, we think, strengthens our Federal credit unions. It allows them to:

Lend money more easily.

Pay dividends twice as often, and

It allows them to pay dividends for a whole month on deposits received during the first ten days of a month.

A credit union can be another weapon in the war on poverty.

For example: A year ago a federal credit union was set up on Leech Lake Indian Reservation in Minnesota.

One of its members is a World War II veteran. He lost his wife in an accident. He is now trying to raise six children by himself. But in a year he had been able to save $300. He has enrolled his children in the credit union because he has already learned the benefits of thrift.

This man is going to try to break the chains of poverty that bind him. He has made a move toward self-sufficiency, toward self-respect, toward personal dignity. He has become a leader in his community. He has changed his way of life.

That is just one case that we can cite today. But multiply Leech Lake by the other 23,000 credit unions. Multiply this one man by the other 19 million members. Multiply his $300 until you reach the total assets of credit unions: $12.5 billion.

So the product is the story of our credit unions—a story that I think every American can be proud of. For credit unions are making us a stronger nation in 19 million ways every day. These savings are a foundation of America's bright future.

We are so pleased that the members of Congress, who have provided the leadership—Senator Sparkman, Congressman Patman and the minority members on their committees—have brought us this legislation.

It gives me great satisfaction to be here this afternoon and to approve it.

CONGRESS SHOULD ACT NOW ON CITIZENSHIP FOR GI ALIENS

Mr. RYAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, during this session of Congress many words have been spoken—and properly so—about the bravery of our fighting men in Vietnam—men who deserve the gratitude of our Nation for their dedication and sacrifice. Among those fighting in Vietnam and serving elsewhere in the U.S. Armed Forces are several thousand aliens who do not enjoy the benefits of U.S. citizenship. Certainly a grateful nation should offer them the opportunity to become citizens at the earliest possible moment. I do not understand how Congress can fail to recognize the inherent justice in this proposition. Yet Congress is about to adjourn without passing the necessary legislation.

At the beginning of this session of the 90th Congress I again introduced legislation which would give aliens serving honorably in the U.S. Armed Forces in Vietnam the opportunity to become citizens of the United States at an early date. It is H.R. 40. Similar legislation was enacted for the Korean war and World War II. Twelve other Members of this House have introduced similar bills.

H.R. 40 does not waive the basic requirements of the Immigration and Nationality Act. It simply provides that an alien, who has served on active duty with the U.S. forces since January 1, 1963, is eligible to apply for citizenship at once.

The Immigration Subcommittee of the House Judiciary Committee held hearings on this bill last March 1. Yet it has not been reported. I urge that this legislation be brought to the floor for action before adjournment.

I cannot conceive of any Member opposing this bill. If a young man is willing to risk giving his life for the United States, he certainly should have an opportunity to be granted early citizenship.

THE MESSAGE FROM DAK TO

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GIBBONS. Mr. Speaker, a recent article in the Economist provides a thoughtful analysis of the meaning of the battles of Loc Ninh and Dak To in South Vietnam. The article suggests that Hanoi may have decided to use regular units "to intensify the war in the south, at least until next November's American presidential election is over." The article concludes that the "attritional balance" favors the United States and that Hanoi is still looking for the answer.

Mr. Speaker, I insert the article from the Economist dated December 2, 1967:

THE MESSAGE FROM DAK TO

In the biggest battle in Vietnam for two years, the North Vietnamese and the Americans have been slogging it out for more than three weeks on the thickly jungled hills around Dak To, in the central highlands, close to the border with Laos and Cambodia. The battle began just as a similar but smaller battle around Loc Ninh, farther south but also near the border, was dying away. In both it was the North Vietnamese who chose to come and fight. The battles began not long after the publication of a long article by General Giap that hinted at changes in North Vietnam's strategy. What has pushed Hanoi into this escalation of the war?

Both Loc Ninh and Dak To have been, beyond much doubt, tactical victories for the Americans. At Loc Ninh the North Vietnamese put in about 6,000 troops; they lost possibly between 35 and 40 per cent of them in killed and wounded at a relatively small cost to the Americans. At Dak To they appear to have put in between 10,000 and 12,000 men; at the height of the battle the Americans having flown in reinforcements, may have deployed slightly more. At Dak To the North Vietnamese may again have suffered a casualty rate approaching 40 per cent. The Americans, some of whose units got badly caught below Hill 875, suffered proportionately more casualties at Dak To than at Loc Ninh; but their loss in killed and wounded of something like a tenth of their troops was nothing like North Vietnam's. The grisly rate of exchange in death at Dak To works out close to six to one in the Americans' favour.

Yet, knowing the weight of firepower the Americans can bring down in a pounding battle, the North Vietnamese by their own choice courted the danger of this sort of debit balance in the butcher's bill. Why? There are two rival theories. Both start from the same point. This is that the Vietcong's irregular units, numbering perhaps between 100,000 and 150,000 men, have lately been growing less effective as the Americans and their allies have pushed ahead with their "pacification" programme in the populated areas near the coast. Both theories recognise that the war imposes a severe strain on the manpower resources of North Vietnam. Its regular army numbers just over 400,000 and its part-time militia about 500,000; both are called upon to contribute to the 175,000 men engaged in air defense against American bombing in the north. In addition, Hanoi has to use something around 500,000 men to keep its war transport and supply system functioning. About 60,000 of the North Vietnamese regulars are inside South Vietnam: about 54,000 of them organised in their own units, while another 6,000 or so have gone to stiffen the Vietcong's 58,000-strong regular units. The recent variation in these numbers has been only marginal. But there is evidence of strain: the number of youths recruited into the North Vietnamese army has gone up—and so has the number of defections.

Where the two theories diverge is on how acute the strain is on an economy that is nourished by a steady flow of Russian and Chinese supplies. One hypothesis is that the strain is so severe that North Vietnam will soon be forced to pull its regular troops out of South Vietnam, leaving the war to simmer down to the level of small-scale guerrilla actions. This is the optimists' thesis; but there is not very much evidence to support it. A sanctuary camp has been found abandoned in Cambodia just across the border from Loc Ninh; but it is more likely that this base camp was abandoned as a tactical prelude to the Loc Ninh battle than as part of a concerted withdrawal. Nor is it easy to fit the battles of Loc Ninh and Dak To into this theory. The argument has been advanced that these were operations designed to conceal the run-down of North Vietnamese units in the south—"campfires left burning in the night" to hide a retreat. But if General Giap had wanted to pull his regular units back to the north he could have got them out through Laos without much danger of being intercepted by the Americans.

The other theory, based partly on an interpretation of General Giap's recent writings, is more plausible. It is that a decision has been taken in Hanoi to use the regular units to nourish and, if possible, to intensify the war in the south, at least until next November's American presidential election is over. The assumption is that such units will not be split up and fed as reinforcements to guerrilla bands in the south. It is that they will sit threateningly along the border, drawing American forces towards these areas and away from the more densely populated regions where "pacification" is making headway. That, in turn, would enable the guerrilla forces to recuperate and to intensify their own operations. But there are snags. Units left inactive along the border would lose men through sickness and morale through idleness, without any compensating gain. Moreover, the Americans have so many aircraft to fly troops in and out of an area that the mere threat of a concentration of North Vietnamese troops may not produce the required response. To force the Americans to fly reinforcements into the central highlands, the North Vietnamese may well have to offer battle—as they did at Loc Ninh and Dak To. Even then, there is no guarantee that the Americans' hold on the pacification areas would be seriously weakened.

If this is Hanoi's new strategy, it is one it has been forced into—by the intensification of the bombing in the north, and by the allies slow but steady progress against the Vietcong's small guerrilla units in the areas where most Vietnamese live. But it has a positive side as well. Such a policy would keep the graph of American casualties on a rising curve. It would produce yet more television pictures of killed and wounded American soldiers to make American voters ask themselves whether such a price is worth paying. Loc Ninh and Dak To and the recent intensification of guerrilla activity could be signs that this policy has been put into effect in an election-year attempt to weaken the Americans' resolve.

But it is a risky strategy. It could lead to heavy casualties for the North Vietnamese, as these two battles have shown. It would certainly impose a considerable logistical strain on them; the primitive nature of their supply system may explain why Loc Ninh and Dak To were not properly articulated into a concerted double blow. And it would court the danger of morale-shaking defeats. It could give President Johnson the opportunity to say to the voters: Look, here is incontestable proof that we are winning this war. Moreover, as memories are short, the North Vietnamese would have to keep the war on the boil throughout the present dry season in the central highlands right up to early May. To shake the Americans' will decisively there would have to be more Dak Tos. Hanoi would have to send more troops south and accept heavy casualties that would weaken its ability to keep the war going after next November.

It is for General Giap, the victor of Dien Bien Phu, to decide whether the war should be left to simmer or whether to bring it to a boil—and, if so, for how long. Having taken one beating at Dak To, he may not risk another. The Americans are not the French. They can be encouraged by their performance at Loc Ninh and Dak To. It is clear that the attritional balance has tilted in their favour. Hanoi is still trying to find the answer.

ROBERT R. REYNOLDS

Mr. RYAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, it is with deep sadness that I comment upon the recent death of Robert R. Reynolds, who served as an assistant district attorney of New York City for some 25 years.

Upon his graduation from law school in 1940, Robert R. Reynolds joined the staff of then District Attorney Thomas E. Dewey as a $1-per-year-man. His career exemplified the highest ideals of public service. Dedicated to truth and justice, he belonged to a devoted group of men and women who have made the New York County District Attorney's Office the outstanding prosecutor's office in the Nation.

An aggressive prosecutor, who handled more than 100 homicide cases, he was always conscious of his responsibility to seek the truth and to let the chips fall as they may. Conscientious, thorough, able, fair, loyal—these were characteristics of the man whom I knew as a fellow assistant district attorney and especially as a friend. For 7 years I was privileged to work side by side with him, and I know from personal experience his integrity and dedication.

Robert R. Reynolds made a major contribution to good government in New York City, and he shall be sorely missed by all who knew him whether as an associate, a courtroom adversary, or an understanding human being who made his mark on the world.

I extend my deepest sympathy to his wife, Alice, his sister, Ann, and his mother, Mrs. Ida Reynolds.

I include at this point in the RECORD an obituary from the New York Times of November 19, 1967.

ROBERT R. REYNOLDS, 52, IS DEAD; HOGAN AIDE IN HOMICIDE BUREAU

Robert R. Reynolds, an assistant district attorney of New York County for the last 25 years, died yesterday at his home at 177 Woodvale Avenue, Princess Bay, Staten Island. He was 52 years old.

Mr. Reynolds joined District Attorney Thomas E. Dewey's staff as a $1-a-year law assistant in 1940 after graduating from the New York University Law School. Two years later he was named assistant district attorney by Frank S. Hogan. Since 1953 he had been a senior trial assistant in the homicide bureau.

Mr. Reynolds handled more than 100 homicide cases. The most famous was probably the 1958 trial of seven teen-agers for the murder in a Washington Heights park of a 15-year-old polio victim.

When it began on Jan. 13, it was said to be the largest first-degree murder trial in the history of New York County, in number of defendants and lawyers, of whom there were 27.

When it ended on April 15, it was said to have been the longest first-degree murder trial in the history of New York City and possibly the nation.

Almost 1.5 million words of testimony had been taken in a record of more than 6,000 pages, dealing with the stabbing and beating of Michael Farmer at the swimming pool in High Bridge Park on July 30, 1957. The defendants were all said to be members of a Bronx gang, the Egyptian Dragons.

In a day-long summation, Mr. Reynolds told the jury: "You have heard much about racial discrimination and juvenile delinquency, but we can't solve social problems here. New York City is doing all it can to solve these problems. If those in the High Bridge Park area were doing wrong, the defendants cannot resort to homicide to solve the problem. They must be responsible for their acts."

The jury found two defendants guilty of second-degree murder and two guilty of second-degree manslaughter. It acquitted three.

In a tribute issued yesterday, District Attorney Hogan called Mr. Reynolds "a devoted and conscientious public servant and an exceptionally able trial lawyer." Although Mr. Reynolds had been ill for the last several months, he appeared for work daily, a colleague said.

Mr. Reynolds was born in New York City and was a graduate of City College.

Surviving are his widow, the former Alice Flynn, and his mother, Mrs. Ida Reynolds, and a sister, Ann Reynolds, both of Raritan, N.J.

THE WORLD BODY AND VIETNAM

Mr. HARVEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HARVEY. Mr. Speaker, today's lead editorial in the Christian Science Monitor of December 14, 1967, entitled "The World Body and Vietnam," was of particular interest to me as it expressed near identical views that I first proposed some months ago. I know that these are views that many other Members of Congress have touched on from time to time.

I noted especially the editorial's answer to the known obstacles of trying to get the United Nations involved in the Vietnam conflict. The editorial mentioned, and I quote:

> All of these objections have some validity. But we believe that they are outweighed by the dire need to find some outside force, some outside wedge with which to pry open the hardened positions of the combatants and introduce a new, peace-seeking element.

When I introduced House Concurrent Resolution 503 on August 31, it expressed the hope that the President would take whatever action appropriate to bring about the creation of a United Nations Factfinding Commission for Peace in Vietnam.

At that time, I also touched on the obstacles to the participation of the United Nations in the Vietnam affair. I said in a statement:

> I am also aware of some opposition by United Nations' members to have that organization become involved in the Vietnam dispute. At least, that is what we are told. Nonetheless, I believe it is important also to clearly establish the record as to which countries oppose sincere peace efforts. I think it is vital to know which countries wish to perpetuate turmoil and war. It is possible that even inconclusive debate and action in the United Nations on this proposal might very well spark other approaches, other ideas to bring peace to Southeast Asia.

I again urge the President to press for the creation of such a Commission. Let us truly demonstrate that our country wants peace and freedom.

The editorial follows:

THE WORLD BODY AND VIETNAM

Efforts to find peace for Vietnam are at an impasse.

America's efforts appear directed largely toward forcing the Communists to the negotiating table through a military victory.

The North Vietnamese-Viet Cong tactics seems to be to wait out what they hope will be an end to the American public's patience with the war.

Much of the rest of the world merely repeats what it has said fruitlessly many times before. This is that America should withdraw lock, stock, and barrel.

As the year 1967 draws to an end, none of these conditions seemed likely to be met. Military victory for the Americans still looked distant, if possible at all. Nor does it appear likely that Washington will abandon the war, as Hanoi hopes. As for the oversimplified position adopted by so much of the rest of the world, there is no indication that it is being or would be considered by Washington.

Yet the necessity for finding some acceptable means of bringing this long and terrible conflict to an end grows more imperative with every passing month. The loss of life, the social disruption, the widespread destruction goes on. The diplomatic consequences of the war grow more ominous. The danger of a broader conflict remains.

So much is clear. What is not clear is what steps the world can take to put an end to a struggle which today has gone far beyond what any of the participants ever expected.

It is our conviction that the most fruitful first step would be to involve the United Nations, as a recent Senate resolution recommended. Yes, we are aware of the obstacles.

Hanoi and Peking have stated that it is none of the United Nations' business. Washington has been singularly unresponsive to the numerous tentative efforts by United Nations Secretary-General U Thant. Many members of the world body doubt whether United Nations intervention would be successful and fear lest such a failure weaken that organization.

All of these objections have some validity. But we believe that they are outweighed by the dire need to find some outside force, some outside wedge with which to pry open the hardened positions of the combatants and introduce a new, peace-seeking element.

The great advantage of the United Nations is—or should be—that no nation, no side need feel betrayed or lessened if the world body decides against it. As nearly as one can find it, the United Nations is the collective conscience of the world. It is honorable and constructive to submit to such a force. We therefore hope that this representation of the world's highest international aspirations will make strong and persistent efforts to find a solution to the Vietnamese dilemma. And we plead with Washington for full cooperation.

CLEMENT J. ZABLOCKI SEES NEED FOR EMPHASIS ON ASIAN-PACIFIC FOREIGN POLICY

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. MATSUNAGA. Mr. Speaker, as one who has been trying in his own little way to make Americans realize that our foreign policy as it pertains to Asia and the Asians, must be given primary attention, and not only as secondary to our European policy, I was extremely pleased to learn of the farsighted address delivered yesterday noon by the distinguished chairman of the Subcommittee on Asian and Pacific Affairs of the House Foreign Affairs Committee, the Honorable Clement J. Zablocki, before the Japan-America Society of Washington, D.C.

The society has as its purpose the promotion of good will and friendship between the peoples of Japan and the United States. Its president is Mr. Mike Masaoka of Washington, D.C. His Excellency, Takeso Shimoda, Ambassador of Japan, is the honorary president and Secretary of State Dean Rusk is the honorary trustee.

Congressman Zablocki makes the painful observation that the Korean conflict and the present war in Vietnam "might well have been avoided had our top foreign policy people been as concerned about the Communist threat in Asia as they were in Europe." He urges an immediate end to "one-ocean myopia" and action in the realization that the United States is a "two-ocean power." He lauds President Johnson for recognizing this as a "Pacific Era", and calls upon all concerned Americans—not just those who are active in government—to help in the charting of "a wise and productive policy for the Pacific in the years to come." It is a call to which we should all pay heed.

Accordingly, Mr. Speaker, I include the complete text of Congressman Zablocki's speech in the Congressional Record.

Mr. Speaker, in closing my brief remarks, I wish to commend the distinguished gentleman from Wisconsin on his excellent address and for the leadership he is showing in steering our foreign policy toward a wiser course.

The speech follows:

The United States and Japan in the Pacific Era

(A speech of Hon. Clement J. Zablocki, of Wisconsin, to the Japan-America Society of Washington, D.C., Wednesday, December 13, 1967)

It is indeed a pleasure and a privilege for me to have this opportunity to discuss matters of mutual interest with you today.

In numbers, the Japan-America Society of Washington is not as large as some Washington organizations. Because your membership includes so many distinguished leaders, however, the Society's impact has been notable.

In promoting closer ties and increased cooperation between the United States and one of our most valued allies, you are serving a good and laudable purpose.

Politicans and journalists use the term "miracle" so loosely today that it has lost its meaning. But I can think of no other term which so aptly describes the post-war recovery of Japan.

From a defeated, devastated, disheartened nation, it has emerged as one of the industrial giants of the world.

It has surpassed Italy and China and will soon pass Great Britain and France to become fourth in the world in gross national product, behind the United States, the Soviet Union and West Germany. Many observers believe that not many years hence it will also pass up West Germany.

At present, Japan is the world leader in shipbuilding. It is first in the manufacture of radios and television sets, second in automobiles and trucks, third in steel and fourth in electric power.

This phenomenal economic growth has impressed many observers. Among them has been Herman Kahn of the Hudson Institute. In his "Year 2000" studies Kahn predicts that by the beginning of the next century that Japan may surpass the United States in per-capita national income.

Along with this economic progress have come encouraging developments in Japan's social and political structure. The Japanese have gone a long way toward establishing a stable, middle-class, democratic society.

The importance of Japan to our own Nation is evident.

Today, the trade between the United States and Japan is the largest that has ever flowed between two nations separated by an ocean. It totals more than 5 *billion* dollars and is second only to our trade with Canada.

Japan is the largest commercial market for American agricultural products. India gets more of our food—but we give it to them. Japan pays cash.

Being from Wisconsin—the Dairy State—I know how happy our dairy farmers are that the Japanese are drinking more milk and liking it. Japan for some time now has been our best customer for non-fat dry milk.

Now if we can just convince the Japanese to put away their saki for our good Milwaukee beer—we'll really be in business!

(As a matter of fact the Japanese brew an excellent beer. When I am in Japan I never fail to have some. And I'm from Milwaukee, so I ought to know.)

There are, I might add, very few protectionists among our Wisconsin manufacturers. They simply see too many of their shipping labels marked to Tokyo, Osaka, and Kyoto, as well as other ports abroad, to be disturbed with lower tariffs.

The importance of Japan to the United States and the world need not be belabored before this group. You are fully aware of that nation's significance on the world scene.

You will be pleased to note that we have been joined by distinguished company. Not long ago on *Meet the Press* my fellow Milwaukeean and long-time acquaintance, George Kennan, admitted in answer to a question that Europe and European affairs had always seemed to him to be preeminent in importance to the United States.

But he added that after much study he recently concluded that Japan is a nation whose friendship is essential to American interests.

Ambassador Kennan is a learned man and I am in no way attempting to demean him by pointing out that he has been a victim of "one-ocean myopia" for some time.

The idea that only Europe—and Europeanized Latin America—are truly important to U.S. interests has been a rather common attitude among American foreign policy makers and international relations specialists.

That policy ignores the fact that during this century the United States has been engaged in four major armed conflicts. Only one—the earliest—was totally concerned with Europe. The last three—World War II, the Korean Conflict, and now Vietnam—were fought in part or wholly in Asia.

There are those who would assert that the Korean Conflict might well have been avoided had our top foreign policy people been as concerned about the Communist threat in Asia as they were in Europe.

You will recall that Secretary of State Dean Acheson, in a speech about U.S. security commitments in Asia, neglected to put Korea under the umbrella. It may well have been an inadvertent invitation to the Soviets to encourage a North Korean attack.

The Vietnam conflict, too, perhaps, might have been avoided had the United States made a firm and consistent commitment of resources toward solving that nation's economic and social problems at an earlier time. Things might have turned out significantly different had we been willing to deal with the nationalist leaders there, including Ho Chi Minh, rather than with the colonial power, France.

In the face of a Communist threat in Europe we created a Marshall Plan. Unfortunately, there has been no Marshall Plan counterpart in Asia as we seek to contain Communism there.

The time has come to end one-ocean myopia. We must begin to give more than just lip service to the truism that the United States is a two-ocean power.

I believe that this is exactly what President Johnson means when he speaks of a "Pacific Era."

As the President said in his speech of July 13, 1966: "Asia is now the crucial arena of man's striving for independence and order—and for life itself." "Asia is no longer sitting outside the door of the 20th Century. She is here, in the same world with us, to be either our partner or our problem."

The key to mutual cooperation with Asia, it seems to me, is Japan—and how the United States views Japan.

If we see Japan only as a modern industrial state, quite similar to our European allies, but rather inconveniently placed geographically, we will be making a serious mistake.

If, on the other hand, we consider Japan within the totality of the Asian scene, we are on the way to creating a realistic and successful Pacific policy.

In such a context, for example, Japan's position off the Asian mainland is not an inconvenience, but an opportunity.

As Japan emerges from its postwar isolation, the other Asian nations will undoubtedly become increasingly aware of its progress. Japan's example as a non-western country which has achieved affluence through a free and democratic society should exert a powerful magnetism throughout Asia.

Let us hope that the other nations of Asia will overcome any residual animosity resulting from World War III occupancy and emulate the Japanese.

You will recall that the defeat of Russia by the Japanese in 1905 gave a tremendous psychological boost to Asian peoples chafing under colonialism.

The Japanese victory proved that the Europeans were not invincible. In the same sense, we may hope that an economically resurgent Japan will convince other Asian nations that authoritarian political systems are not the only or best way to economic progress.

Just as our Asian policy must take full cognizance of the position of Japan, so too our American policies toward Japan must reflect our broader view of Asia.

To explain what I mean by that, let us examine the most controversial question which now irritates U.S.-Japanese relations: the reversion of Okinawa and the Ryukyus to full Japanese sovereignty.

The mutual desire of the Japanese and Ryukyuans to be re-united is perfectly understandable. Certainly all of us in this room are hopeful that the day will come soon when that is possible.

I would argue, however, that total reversion is not possible now—nor so long as the present circumstances continue.

At present, the United States has well over $1 billion invested in military facilities in the Ryukyu Islands—for the most part on Okinawa.

The U.S. Army has 65 sites, including such major installations as Naha Military Port and the IX Army Corps Headquarters. There are 24 Air Force Sites, including Kadena Airbase, where the 313th Air Division and Naha Airbase are located.

In addition, the Marines have 15 different sites in these islands and the Navy has 13. The immeasurable and unprecedented contribution which these islands are making to our efforts in Vietnam and consequently to the security of the area—including Japan—cannot be overemphasized.

For these reasons, I believe immediate reversion is out of the question.

At the same time, however, I am optimistic enough to believe that the Vietnam War will not last forever.

It is possible—and necessary—to look beyond Vietnam even at this time in order to chart American policies for a Pacific Era.

In any such effort, the reversion of the Rykukyus must be given prime attention. The issue must not, however, be considered in isolation from other questions which affect the American strategic position in the Pacific.

Among those other key questions are these:

First, what is the future status of the American Trust Territories in the Pacific? Will they be available as alternate base sites should the U.S. withdraw its military facilities from Okinawa?

Second, what is the future of SEATO? Should the organization be junked? Overhauled? Left alone?

Third, what effects will the British withdrawal from Singapore and other locations "East of Suez" have on power alignments in the Pacific? Who or what can replace the British presence?

Fourth, what is the main thrust of the regionalism which seems such a strong trend in Asia at present? Can or should military cooperation—as well as economic and cultural cooperation—be fostered among the non-Communist nations of Asia?

Fifth—and very important—What of Japan's own defense? Will the Japanese people be willing to make an increased effort to provide for their own security? How long will a continuing American shield be necessary? It is not difficult to see the interrelation of all these issues. A decision on one issue is certain to affect decision on all the other issues.

Prime Minister Sato appears to understand this.

During a press conference conducted upon his return to Japan, following his visit here, Prime Minister Sato emphasized again and again that the reversion of the Ryukyus and the status of American bases on the islands was intimately connected with the defense of Japan itself.

He said—and I quote—"Japan must become confident of its security, and the Japanese people must make up their minds about defending their country by themselves. This is what I want to urge the Japanese people to achieve."

The Japanese of course, are not the only ones who must make up their minds about the future. So must we.

At this point I must confess that for me at least, there are more questions than answers on what shape U.S. policy should take in the Pacific Basin in the years to come.

Just recently I was privileged to have several discussions with State Department experts, including East Asian specialists.

I had expected to obtain the answers to at least some of my questions. Instead, I found that the specialists had some questions which I hadn't even thought of—and only a few answers.

This is certainly no unfavorable reflection on these specialists—and, perhaps even to their credit.

Foreign policy-making is far from an exact science. There are so many shifting variables in any situation it often is extremely difficult to be sure what the questions should be—to say nothing of the answers.

In framing a policy for the Pacific Era, we shall need all available wisdom. In that regard, the Subcommittee on Asian and Pacific Affairs, of which I am chairman, hopes to make a contribution.

Each Spring for the past three years the Subcommittee has held hearings on relevant foreign policy areas. In 1965, we held hearings on the Sino-Soviet Split, in 1966, on U.S. policy in Asia, with emphasis on China policy, and this year we studied rural development in Asia. The response to this effort from the press, public, academic world and government has been very gratifying. The hearings have provided an opportunity for specialists, both inside and outside the government, to provide relevant facts and judgments on which policy decisions can be based.

I am pleased to take this opportunity to announce that the Subcommittee now plans to hold hearings during the early months of 1968 on many of the questions which have been raised here today. We will explore policy alternatives for the Pacific Era.

A central concern, of course, will be U.S.-Japanese cooperation for the peace, stability and development of the nations of the Pacific Basin.

In that context, the views and advice of the Japan-American Society and its members will be gratefully received.

If we are to chart a wise and productive policy for the Pacific in the years to come we shall need the wisdom and expertise of *all* concerned Americans—not just those who are active in government.

When Balboa first viewed the Pacific Ocean from that shore in Panama we may surmise that his overwhelming emotion was one of awe at the sight of so much blue water spread before him.

Similarly, the coming Pacific Era is awesome when viewed from this time and place. Its promise—its perils—both known and unknown—provide us with a challenge of almost intimidating proportions.

I—for one—believe the challenge can be met.

If we are wise enough—and farsighted enough—and persevering enough—we can make the Pacific Era a time of peace and progress.

Let us, therefore, now begin.

HAWAII CONTINUES ITS MAJOR CONTRIBUTION TO AMERICAN AGRICULTURE

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. MATSUNAGA. Mr. Speaker, I am happy to report that Hawaii's 1967 sugar crop will be the third largest in Hawaiian history.

The continued robust health of the Island State's major industry was highlighted at the 87th annual meeting of the Hawaiian Sugar Planters' Association in Honolulu on December 5.

In addressing the annual meeting, HSPA president E. B. Holroyde pointed out that the total area planted in cane has increased at the rate of approximately 2,000 acres per year during the last 3 years, and has been on the upward curve for the past 10 years.

Said Mr. Holroyde:

> There are today more acres in cane than there has been any time in the past 25 years.

Hawaii's 1967 sugar quota was set at 1,252,543 tons, and, according to HSPA's president, the quota would be met by this year's production.

The third best year in history was also registered by the California and Hawaiian Sugar Co., with the delivery of 830,000 refined tons of sugar in 1967. C. & H. President James H. Marshall noted at the meeting that the 1967 refined price has been remarkably steady.

In the review of HSPA activities for the year, special notice was given to the advances made in several research areas.

Among the research projects discussed by Dr. Robert L. Cushing, director of the Hawaiian Sugar Planters' Association experiment station, were two major programs in insect control. He also reported that cooperative work with the U.S. Department of Agriculture on automating surface irrigation systems has moved along rapidly in 1967.

Also, 1967 saw the unveiling of the "Wig-Wag," the new instrument for measuring solar radiation, developed by the HSPA experiment station. Last month, a speical honor was conferred by HST on Hugh W. Brodie, who devoted a great part of his distinguished career at the HSPA experiment station to the invention and development of the "Wig-Wag" and other environmental instruments.

This dramatic breakthrough in agricultural research, the culmination of 40 years of dedicated work, was the topic of a recent news report from HSPA, and I am particularly pleased to call this significant item to the attention of my colleagues in the House.

I commend the Hawaii sugar producers for the imagination and combined

skills which have contributed to making this such a banner year for the Hawaii sugar industry.

The report, "Wig-Wag Unveiled at HSPA Experiment Station" follows:

"Wig-Wag" Unveiled at HSPA Experiment Station

An important development in the measurement of solar radiation was unveiled on Monday, November 13, at the Hawaiian Sugar Planters' Association Experiment Station.

The new instrument—familiarly known as the "wig-wag"—was demonstrated for the first time to some 200 delegates to the Hawaiian Sugar Technologists conference now going on.

HSPA scientists have been working on the invention of a dependable, simple instrument for agricultural use for almost 40 years. Patents were recently issued and commercial production of the instrument is now under way.

Earlier today the HST conferred a distinguished service membership upon Hugh W. Brodie who devoted a substantial part of his career at the HSPA Experiment Station to the invention and development of the wig-wag and other environmental instruments.

"There has long been a need for a completely mechanical instrument for measuring solar radiation," said Dr. Robert L. Cushing, director of the HSPA Experiment Station.

"The primary requirement was for an instrument which did not require an external electrical power source. This has been a high priority research problem in agricultural research laboratories the world over. The reason for this high priority is that such an instrument could tell the farmer what he needs to know most—how much sunlight his crop has received and, therefore, how fast his crop can grow and how much he can expect to harvest," Cushing said.

The wig-wag represents a technical advance which helps in the study of photosynthesis which is basic to all agricultural research. The wig-wag measures the energy needed for photosynthesis. It provides engineers and agriculturists with the data necessary for the study of growth, not only of sugar cane, but of any plant. The wig-wag is accurate, relatively inexpensive, durable, low in maintenance requirements, and the information which it provides is easily read.

Additionally, the wig-wag is a marvel of simplicity. It has few moving parts, being a combination of a pulse-glass made up of two joined spherical glass bulbs, an aluminum housing and a mechanical counter.

"This has been an exciting event here at the Experiment Station," Cushing said. "Hugh Brodie invented the wig-wag in 1929 and guided its development through most of his career at the Station. It is most gratifying to Hugh and to all of us at the HSPA to be able to offer this innovation in measuring solar radiation to all who will find it useful. Beckman Instruments has completed, under contract, the first commercial production of the wig-wag. This construction has been under the Brodie patents."

Off and on since 1928, Brodie, who retired in 1966, researched solar radiation measuring instruments seeking to develop one which would embody the criteria that would make it suitable for use on the sugar plantations of Hawaii, and, indeed, in agricultural situations throughout the world," Cushing said.

The specifications which such an instrument had to meet were:

(1) The cost of the instrument and its installation had to be low enough to make it economically feasible so that each plantation could have several in strategic locations.

(2) It had to be accurate.

(3) It needed to be suitable for use in the field with a minimum of maintenance over long periods of time.

(4) It had to be sturdy enough to last for many years, and

(5) The instrument had to measure solar radiation simply so that the information from the instrument could be easily read.

Since 1928 the HSPA Experiment Station has tested every available kind of radiation-measuring device seeking the one which would fit the above specifications. Over the years the wig-wag has been tested, modified, and tested again and again. It wasn't until 1965 that Beckman Instruments of California was selected to produce a prototype of a commercial wig-wag for the Experiment Station to begin evaluating. Now, two years later, the wig-wag has successfully passed the rigid calibration tests at the Station and the instruments are ready to be shipped to plantations for actual field use.

In discussing the development of the wig-wag, Dr. L. G. Nickell, assistant director of the HSPA Experiment Station, said, "Although Hugh Brodie invented this piece of equipment almost 40 years ago, it has taken that long to do the research necessary to be ready for it, to understand what we want it for and finally decide which instrument to use."

"About six years ago the decision was made to determine which sunlight-recording instrument would meet our specifications. Next, the field was narrowed to three instruments—the wig-wag, the HSPA-Tracerlab radioactive sunlight integrator, and the phototube-electronic sunlight integrator. In the final analysis, the wig-wag was selected as the instrument most nearly meeting our requirements for field use on Hawaii's sugar plantations, and two years ago Beckman Instruments was asked to develop a commercial model."

REVISED BILL TO STOP MUNICIPAL INDUSTRIAL FINANCING ABUSES

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ZABLOCKI. Mr. Speaker, today I am introducing a revised bill to amend the internal revenue code to limit exemption from tax for municipal bonds issued for private industrial purposes.

This bill is identical to one introduced into the House on December 4 by my esteemed colleague from Wisconsin, the Honorable JOHN W. BYRNES with whom I had cosponsored an earlier bill on the same subject, H.R. 11645.

H.R. 11645 contained a provision which would require the taxation of industrial revenue bonds issued on or after December 31, 1967. The date was selected in the belief that Treasury Department approval would be forthcoming quickly and that early enactment could be expected.

This has not been the case. To date the Treasury Department has failed to make its report on this proposed legislation. The reasons for this foot dragging are not clear.

Since it is evident, therefore, that no bill will be enacted this year governing municipal bonds used for industrial purposes, it is necessary to introduce a revised proposal setting the cutoff date as the enactment date by Congress.

This, the gentleman from Wisconsin, Congressman BYRNES has done. Today I am doing so also.

I would also suggest to the Treasury Department that its handling of this entire matter has been less than inspiring.

All of us who have fought municipal industrial financing over the past few years—on both sides of the aisle—fully expected that the Treasury Department would quickly provide a favorable report to the original Byrnes bill.

There had, after all, been abundant statements from Treasury Department officials deploring the practice and threatening action.

To date, however, there has been nothing other than rhetoric from downtown.

In the meantime, about $1 billion dollars in municipal industrial bonds have been floated during 1967. This represents an estimated loss to the U.S. Treasury of more than $50 million.

It is time, I would suggest, that the Treasury Department cease playing Hamlet over this issue and act with the courage of its announced convictions.

WIDER WAR SOON?

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FINDLEY. Mr. Speaker, the Congress will adjourn this week without even touching its most important item of business: fundamental policy in Southeast Asia. For this we should be ashamed. We have feared—yes, feared—to grasp the nettle with which the Constitution clearly confronts us.

Neglect of this item, going intimately as it does to the lives of every American citizen, is hardly to the credit of the Congress. By this inaction we have yielded the field entirely to the executive branch. We have closed our eyes to the warmaking responsibility placed so clearly and so exclusively upon the Congress by article I of the Constitution.

By our inaction we give the appearance of being too timid, too cumbersome, inherently unsuited to a critical determinative role in foreign policy.

Can anyone seriously question that a significant new turn in our war policies will soon occur?

The decks are being cleared for a wider war or so it seems. Secretary McNamara is on his way out. Ambassador Goldberg is on his way out. Assistant Secretary of State Frankel is on his way out. All of these were voices of restraint on military escalation. The airlifting of major elements of the only combat-ready divisions in this country, and today's announcement that "hot pursuit" beyond the borders of South Vietnam is being given renewed consideration point to a major new turn in policy.

When the Congress gets down to work next year, the country will likely be confronted with a different war—a new war. Will the Congress have helped to call the turn? Regretfully, the answer is "No."

Does the President have adequate authority from the Congress to order "hot pursuit" by U.S. forces beyond the borders of South Vietnam? Do the American people want a wider war in Vietnam? If it is undertaken, will they give it adequate support?

What are the long term policy objectives of the United States in Southeast Asia? Are they worth an unlimited expenditure of lives and money? If not, what are the proper limits?

These questions are too important to leave only to the President. Properly they should be answered by the most representative branch—the Congress.

Events that have occurred since my appeal in behalf of House Concurrent Resolution 508 was placed in the Speaker's hands on November 18 have fortified my belief that a major change in war policy is imminent, and that the change will involve an extension of ground action beyond South Vietnam.

First, the departure of Defense Secretary McNamara removes from leadership a persistent opponent to this extension.

Second, the transfer to Vietnam of major elements of the only two combat-ready airborne divisions remaining in this country suggests extraordinary measures to augment ground forces.

Third, the extensive use for the first time of B-52 bombers against North Vietnam clearly shows a decision favoring a new high-risk, high-cost measure. These bombers are highly vulnerable to Soviet SAM missiles and consequently would be used only in exceptional circumstances.

Fourth, the suggestion by former President Eisenhower that U.S. forces consider "hot pursuit" beyond the borders of South Vietnam has been given renewed consideration in official circles.

Text of my letter to the Speaker follows:

NOVEMBER 18, 1967.

Hon. JOHN W. MCCORMACK,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: After reviewing carefully the thoughts and references you have so kindly provided personally to me in recent days, I am writing to you on what I believe to be a matter of great consequence to all Americans and to the future of Congress as an effective political institution. I refer of course to the urgent need for legislation review of Vietnam policy. As the incumbent of the office second in power only to the Presidency, you are in a unique position to take historic action to assure the success of this country's foreign policy and to defend the role of Congress.

Between now and when Congress gets back to business next year, United States policies in Vietnam will almost certainly take a new turn. During the past three years there has been a step-by-step increase in American military pressure on the Communist enemy in Vietnam. The most recent increase was begun in September with the decision to bomb most of the 59 strategic targets remaining in North Vietnam. All but a few of these targets have been destroyed, and in the near future the administration will undoubtedly decide what new step to take.

What form the new turn may take no one can foretell. The President himself may not know today what it will be. But a review of present facts and past performance convinces me that any new turn, however small its beginning, is likely to have long-term significance, touching the lives of the American people even more deeply than the past steps which have put over 500,000 men in combat areas at an annual cost of more than $25 billion.

Let me list a few of the possible "new turns" and suggest the long-term implications of each:

1. *An indefinite halt in the bombing of North Vietnam.* Such a step, which might follow a Christmas or New Year's truce, would be designed to set the stage for negotiations and for withdrawal of American troops within six months of a settlement, in accordance with the Manila Declaration. Because of the conditions of political instability now prevailing in South Vietnam, the sudden departure of American troops would, at worst, lead to a prolonged period of turmoil during which Communist control would be extended over more and more of the country. At best, it would lead to a neutralized solution for Vietnam, with internationally supervised guarantees for preserving the integrity of both Communist and non-Communist factions in the South Vietnamese countryside.

2. *A ceiling on American troop commitments and a phased de-escalation of the conflict.* Such de-escalation could be effected by by-passing the Communist hierarchy and offering piecemeal negotiations and cease-fires to local cadres. Phased de-escalation would emphasize the disengagement of American troops from areas where local Vietnamese leaders agreed to maintain nominal allegiance to Saigon and to cease warlike activities. The aim of such an approach would be to create a stable base for democracy in South Vietnam at the minimum cost in American manpower. It would permit local leaders to control selected areas of the countryside, thus relieving American troops from policing activities and freeing them to perform their proper function of containing aggression from North Vietnam.

3. *Committing American troops to search and destroy and counter-insurgency operations in areas of South Vietnam where they have not been used before.* The most important such area is that south of the Mekong River, where ARVN troops are now charged with the task of pacification. Injection of American troops into this area would aim at extirpating Communist influence from the countryside and breaking permanently the rural base of Vietcong influence. Because of the bitter experience which residents of this area had with the French, natural animosity against any foreign army is far greater than elsewhere in South Vietnam. Hence, the introduction of even a few American troops might set in motion a surge of anti-Saigon and anti-American resistance that, by expert estimate, will require upwards of one million American troops to police and suppress.

4. *Action sealing off Haiphong harbor and disabling the only airport in North Vietnam receiving foreign civilian aircraft.* The aim of such action would be to bring Hanoi to the negotiating table.

Secretary McNamara's testimony in August indicated, however, that great amounts of military equipment can be imported across the beaches. It also suggested that civilian road traffic is sufficiently heavy on most military routes that interdiction of military supply lines would also mean massive disruption of civilian life within North Vietnam. Sealing off Hanoi's two foreign ports is thus only the beginning of a much longer process aimed at defeating North Vietnam. Such action would bring about the confrontation with aircraft and ships of foreign flags, a development which would put the present conflict in a different category of international law.

5. *Extension of ground action beyond the borders of South Vietnam into North Vietnam or Laos.* The aim of an invasion of North Vietnam would be to interdict the Ho Chi Minh trail at its source (in Vinh) and to direct the "search and destroy" concept against the main body of the North Vietnamese army located in the narrow panhandle of North Vietnam. The long-term implication of such a step would be the involvement of Chinese troops in the conflict and this, in turn, might likely lead to a review of our policy against the use of nuclear weapons.

A lateral invasion into Laos, on the other hand, would aim at extending the 'barrier' concept to interdict the Ho Chi Minh trail along route 9 near the 17th parallel. The long-term implication is for the transformation of the present conflict from a defensive war to preserve South Vietnam into a wider "area war" which would require increased American ground forces in Laos, Thailand and possibly Korea. Both forms of invasion would mark a qualitative change in the nature of the conflict and would indicate a general long-term aim of pressing for decisive military victory in Southeast Asia. Either would put the conflict in a new category of law.

6. *A nuclear ultimatum to North Vietnam or a threat to bomb the dikes in the Red River Valley.* The aim of both these steps would be to bring Hanoi to the negotiating table. But neither Hanoi's capitulation nor its collapse would settle the problem of insurgency in the South, which must be dealt with by one of the approaches listed under headings 1, 2, and 3 above. What is more, a truly effective threat to North Vietnam must be aimed at forcing them to specific forms of action in accordance with clear American aims. Since American aims remain vague and contradictory and since the form of action asked of Hanoi remains on an abstract level ("cease aggression") massive threats would merely make the conflict unpredictable.

Each of the prospective steps open to the President poses grave questions which must be thoroughly examined before a decision is made.

What, for example, is the ultimate aim of each step and will it have the full backing of the American people? We can aim at an independent South Vietnam which provides a stable base for non-Communist government but in which Communists have power in local areas; we can aim at a centrally-governed South Vietnam in which Communist influence is totally eliminated. We can decide to limit the ground war to South Vietnam itself or to keep open the option to destroy North Vietnam, an option that would risk a wider war with China and would have the still wider objective of replacing her bellicose Communist regime.

Each of these aims has a price tag—in short or long term, or both—so substantial as to justify Congressional review and decision. A "neutralized" Vietnam under pro-Communist control would be purchased cheaply in the short run by a sudden withdrawal of American troops. Its long run cost might be great, since the American position in Southeast Asia would be weakened and non-Communist nations demoralized.

A stable non-Communist base in South Vietnam with some Communist control of rural areas would be more expensive in the short run. It would require the maintenance of present troop levels until such time as piecemeal negotiations could permit the selective disengagement of American forces. Its long-run cost would be relatively low, since a small contingent of American troops could hopefully assure the stability of the Saigon government.

The various solutions which demand military victory would have a high short-run cost but would be explained in terms of their long-run advantage: That is, decisively settling the problem of Communist expansion in Southeast Asia. Unfortunately, global effects might be disastrous. While the United States forces are tied down in Asia, U.S. influence in Europe and the Middle East might suffer a sharp decline. In addition, the will of the American people to continue a global policy of containment might be broken by a costly push toward victory in Southeast Asia. The war in Vietnam is, after all, but a part of a long-range struggle to contain aggression on a global scale. If we "win" in Vietnam but do so at such high cost that we lose our will to carry on the global struggle, it would be a Pyrrhic victory indeed.

I discuss these considerations here because I believe they are general policy questions on which Congress properly and usefully should guide the Executive. Congress cannot of course run the war, but it has the duty to debate and resolve questions of basic policy. This Congressional responsibility is especially important in respect to so-called limited or undeclared wars, like the present one. It is for these reasons that I introduced H. Con. Res. 508 and I am sure these considerations account largely for its co-sponsorship by a bipartisan group of 56 other Representatives. I have carefully examined the record of your comments to me during the floor debate on October 30. And I am fully mindful of your handwritten note to me asserting that in your mind there was no mistaking the meaning of the Gulf of Tonkin Resolution as you voted on it, and that you did not favor the resolution I have sponsored—H. Con. Res. 508. I have also studied with extreme care the report prepared at your request on *The Powers of the President as Commander in Chief of the Army and Navy of the United States* (House Document No. 443, June 14, 1956). You will recall placing this document in my hands when we first discussed H. Con. Res. 508. From your comments, the report and from other inquiries into constitutional procedure, I am aware that in the absence of guidance or opposition from Congress or the Supreme Court, the President can make a legal argument for choosing without specific Congressional approval any of the courses of action outlined above. Of course, impressive argument to the contrary can be made.

But I feel strongly that there is more than a legal question at stake. Our country is bitterly and deeply divided on Vietnam. Will a significant new turn, presented to the people by the President as a *fait accompli* succeed in uniting the country? Any of the steps listed above runs a great risk of deepening the uneasiness about the war that already pervades much of American life.

The sad, inescapable fact is that present policies do not have adequate backing from the American people, and unless the next new turn in war policy is first explained and accepted it too will not have the necessary public support. Such support will be all the more crucial in view of the fact that more than half of next year's draftees will be recent college graduates. As you know, campus dissent is deepening.

For the sake of a broadly-supported and successful foreign policy, I urge that Congress not adjourn before it has faced squarely the question of fundamental policy in Southeast Asia. I ask you to use your good offices and great personal influence to this end, realizing that the House will not act without your encouragement.

The last days of this session will be busy ones, but to me resolution of the war dilemma deserves priority above all other items on the agenda.

When we resume business next year, we will face a different war—a new war. In order for the Congress to fulfill its proper role in determining the aims and scope of this new war, it must of course act before the present session of the 90th Congress is concluded.

Thanks for your consideration.

Sincerely yours,

PAUL FINDLEY,
Representative in Congress.

On December 11 the Ripon Society of Cambridge, Mass., issued the following review of developments forecasting a wider war:

TOWARDS A WIDER WAR?—A CASE FOR PUBLIC CONCERN

In the analysis of Vietnam policy published in the September issue of the Ripon FORUM, the Ripon Society recommended a strategy to keep the American commitment in South Vietnam within prudent limits. It urged new programs for winning the allegiance of the Vietnamese people, reducing the cost of United States involvement and providing a basis for a peaceful settlement. Its "confederal strategy", which proposed decentralized political initiatives, piecemeal negotiations and appropriate military measures, is coming to be recognized as a fresh and significant contribution to debate on the war.

In the course of preparing this analysis, Ripon members accumulated a backlog of research and interviews on the several aspects of American policy. Recent developments, both in Vietnam and in the United States, give some of this research a special urgency. For when set in the context of past plans and discussions, a number of publicly recorded events point in the direction of a wider war. We believe that there now exists a case for public concern that the present war may spill beyond the borders of South Vietnam. The Ripon Society calls for level-headed inquiry into this possibility.

HISTORICAL BACKGROUND

When President Johnson decided to increase the U.S. troop commitment beyond that of an expeditionary force, contingency plans for American operations in Asia had to be revised. Before the increase in troops, we understand that U.S. contingency plans were based on the assumption that large numbers of American men would not be committed to the Asian mainland without the use of tactical nuclear weapons. With the increased U.S. involvement, planners developed a new set of operations that did not depend on nuclear support.

Beginning in the spring of 1965, we understand there was discussion in the highest circles of government about invading North Vietnam. By the end of the year at least one new plan had been prepared for such an invasion to be executed two years later, in the fall or winter of 1967–68. It was, of course, only a plan—one of many drawn up to prepare policy-makers for all eventualities.

In more general terms, three kinds of invasion of North Vietnam have been discussed in government at various times. The most ambitious type involves the seizure of Hainan Island (China) and the occupation of Haiphong and Hanoi. Such a plan was recommended to President Eisenhower by the Joint Chiefs of Staff and the Secretary of Defense in 1956. It was, according to a recent Newsweek interview with Lt. General James M. Gavin (ret.) headed off only by the opposition of General Matthew Ridgway.

"The grand scheme then was for an American expeditionary force and a direct assault on North Vietnam. This meant landing and taking Haiphong, the seizure of the whole Hanoi Delta, and on to Hanoi itself. Both the Navy and Air Force were all for it. The Navy insisted, moreover, that its passage into the Tonkin Gulf had to be protected by the capture of the Chinese island of Hainan. And they accepted whatever consequences *that* meant . . . Everyone including Secretary Charles E. Wilson was for it—except Ridgway. He bypassed everyone—including Charley Wilson—and went direct to Eisenhower with a letter setting forth our dissent and fears. It worked. And we were spared—until years later." Newsweek, October 26, 1967.

Gavin's reminiscences were made public after three U.S. Senators and two former ambassadors to Saigon had declared their opposition to an invasion. General Maxwell Taylor, for instance, on September 28 told a Birmingham, Alabama audience that he doubted whether the American people would be willing to pay the price of a full-scale assault on North Vietnam, which he said would require 500,000 additional troops. He called himself a "dove" if the American aim in Vietnam were only obliteration and destruction and warned that a high risk would be run by looking for a World War II victory by conquering real estate in Vietnam. New York Herald-Tribune International Edition (AP) September 29, 1967.

General Ky in Saigon a month later said: "If there is a landing above the de-militarized zone, South Vietnamese troops will lead the way." Washington Post (AP) October 24, 1967.

The second and most limited type of invasion would be a "trap play" or "end run" around the DMZ. Such a maneuver might begin with the withdrawal of American troops from Con Thien and Gio Linh. After a sufficient number of North Vietnamese troops had moved south to take up this territory, an American amphibious force would land behind the Communist force a few miles up the coast and cut it off from the north. If such an operation were successful, 10–20,000 North Vietnamese troops could be trapped in a pocket and presumably forced to surrender.

This operation, in conjunction with search and destroy missions across the Cambodian border, was proposed at the highest levels of government in May 1967. At that time, Secretary of Defense McNamara successfully opposed it.

A third type of invasion plan was leaked to the press last May. [Washington Star (Orr Kelly) May 28, 1967; New York Times (News of the Week in Review) May 28, 1967] This called for an Inchon-type amphibious landing aimed at establishing a lodgement at the northern neck of the "panhandle" section of North Vietnam. A feasible target for such an attack is a triangular area between the city of Vinh and the rivulet running east-west above Ha Tinh, bounded on the sides by the coast and the rivers Ca and Ngan Sau. American control of this area could block all major lines of communication between North and South Vietnam, could trap the bulk of the People's Army of North Vietnam (PAVN) stationed between Vinh and the DMZ, and could cut off the Ho Chi Minh Trail at its source by interdicting new supplies from the major access routes to the Laotian frontier (Highways #8 and #15 and routes #137, #102 and #103). As many as 200,000 North Vietnamese troops might face an exhaustion of their supplies and fierce aerial attacks involving full use of a new generation of anti-personnel weapons. Since punitive bombing has not brought Hanoi to its knees, it might be argued that a lodgement at Vinh would prove to all Vietnamese communists that they can never win the war. American occupation of parts of the panhandle, moreover, would provide a tangible object to trade the North Vietnamese in return for the withdrawal of their troops and the cessation of supplies to the South.

Such an Inchon-type invasion conjures up the specter of a new Chinese intervention similar to that which occurred in the Korean War, and the press leaks in May 1967 took special care to report the arguments within government that dismissed such intervention as unlikely. As long as American activity was kept south of Vinh, it was argued, the Chinese would not enter. As for the analogy to the Korean War, it was suggested that if the force which MacArthur landed at Inchon had confined itself to destroying North Korean forces to the south and not moved northwards beyond the narrow "neck" to the Yalu River, there would have been no Chinese intervention.

* * * * *

Against the background of these plans, a number of recent developments suggest that pressures for an invasion of North Vietnam may prove irresistible. For not only is the capability for such an invasion available, but there are also unstable factors both in the United States and in Vietnam that may push the president toward some decisive military blow.

INSTABILITY OF THE MILITARY SITUATION

1. The need for a threat of invasion

Over the last few months North Vietnam has built up a force of several well-trained divisions which is not tied down in anti-aircraft or support operations. This force was described by James Reston on November 22:

"Hanoi has large reserves of trained and organized units in the North, but they are not committing them to the battle fast enough to win a single major engagement with the U.S. forces. They could do so, despite the U.S. air attacks, Westmoreland and Bunker assert, but something is holding them back from committing their reserves in effective numbers." [New York Times (James Reston) November 22, 1967]

These free North Vietnamese troops are the inevitable counterpart to the decline in infiltration which General Westmoreland mentioned so often during his recent visit. It may be that a desire not to widen the war restrains Hanoi from sending all available troops south, but American military men think that those troops are tied down by the threat of an amphibious invasion.

Since last spring, the Joint Chiefs have urged that an American invasion force be maintained as a means of tying down North Vietnamese troops in coastal defense [*Le Nouvel Observateur* (Oliver Todd) March 8-15, 1967]

General Westmoreland admitted the existence of an American invasion threat in the first phrases of his reply on Meet the Press on why Hanoi is not committing all available troops: "Well, he has to secure his own shores; . . ." [Meet the Press, November 19, 1967, p. 18]

2. The challenge of Soviet missiles

Unfortunately, the Soviets may be forcing the administration to decide whether the invasion is just a bluff or a real threat to be executed. The real Soviet challenge to the invasion option would be Styx-type missiles which could be used against American ships, like the missiles that sank the Israeli destroyer "Elath" off the Egyptian coast in October. One American publication already cites "foreign military strategists" as claiming that the Soviets are delivering such missiles in North Vietnam right now. [Parade, November 26, 1967] Even before the major escalation in the ground war, the North Vietnamese had 180 SAM launching sites. [New York Times (Hanson Baldwin) October 2, 1967] Present American estimates credit North Vietnam with having received 5000 122 mm. fin-stabilized rockets, only a small part of which have been sent to the south. [New York Times (Hanson Baldwin), December 3, 1967] Even SAMs and 122 mm. rockets could be improvised against an invading force. How long will the Soviets refuse their Communist ally in Hanoi the missiles already given to Nasser?

If the Administration believes that North Vietnam's preparations against an invasion—with or without new Soviet rockets—are effective, then the President faces a hard choice. He can either shift the minimum invasion force into defensive positions south of the DMZ and try to prevent a land invasion from the North, or he can quickly expand the invasion threat and execute it before the North Vietnamese are able to contend with a large amphibious force.

3. The need for more troops

In conventional military terms, there is little prospect of quick success in the South. Contrary to General Westmoreland's optimistic speeches, North Vietnamese units in the South are using increasingly heavy weapons and can mount strong enough surprise attacks on fixed American positions to draw our troops away from "pacification." General Peers, the American commander in the Dak To area, emphasized the effectiveness of the heavier Soviet rockets and rifles used by the North Vietnamese around Dak To. [NBC-TV News, November 25, 1967] In the first three weeks of November, 14,000 allied troops had to be shifted suddenly to defend Dak To. [New York Times, November 23, 1967] Most of those troops were Americans, out of a total of perhaps 80,000 American combat troops in all of South Vietnam. Can President Johnson afford politically to send more troops to the South, to avert disasters where he has already claimed successes? If not, he may have to make some dramatic attempt to change the balance of forces.

MANPOWER SQUEEZE

4. Exhaustion of the ready manpower pool

The big Vietnam build-up of 1966 was politically painless (especially in not mobilizing the reserves) because it could draw on the post-World War II baby boom, which peaked in 1947. From now on, the Administration will have to lower draft qualifications and reduce skilled job and graduate school deferments to avoid mobilizing the reserves. Large defense contractors have already been warned of tighter job deferment rules next year, and twenty-five important contractors were informally advised on October 19 by Robert Borth, Chairman of the Manpower Section of the Mobilization Readiness Division of the American Ordnance Association to prepare "the sort of manning tables we had in World War II." [Boston Globe (David Deitch) November 14, 1967] These tables would help support job deferment applications and warn managements to train replacements and avoid impending bottlenecks when young skilled workers are about to be drafted. Graduate schools have already been warned to prepare for a 25% reduction in their entering classes next year. After college graduations this coming June, between one half and two thirds of the Administration's draftees will be college graduates [New York Times (Fred Hechinger) November 5, 1967] The Defense Department, menawhile, has already announced that January's draft call will be 34,000, up from 18,000 in December and 18,000 in January, 1967.

5. Political pressures

As the President plans both troop movements and his election campaign he has to anticipate the need for a stronger justification of the war pinch to the families of skilled workers and college graduates, vocal groups that have hitherto not felt the manpower pinch. Political pressures from these groups may dispose him to favor some dramatic change in the appearance of the war, either through decisive military action or negotiation. If the North Vietnamese persist in providing instances of their intransigence, an all-out military solution may be the only alternative.

CAPABILITIES

6. Industrial preparations

As cited under point #4 above, the appropriate agency of the defense industry's most important trade association has advised major contractors to prepare for labor controls similar to those proposed in World War II.

How many major defense contractors have prepared or are preparing these manning tables? If the number is significant, we feel it is a disturbing sign.

7. Transport

Two large passenger ships, originally subsidized by the U.S. government as troop carriers have been abruptly retired from service. According to the public announcement, the *Atlantic*, built in 1953, will go into mothballs while the *Independence* will be reconditioned as a floating hotel for open booking sometime after September 1968. Both these ships could be held in reserve for movement of troops to Vietnam, in case the crash program for fast deployment of logistical support now in progress under the Joint Chiefs of Staff is inadequate to meet increased troop requirements.

These and the following troop capabilities, for whatever reasons they may have been developed, make the idea of an amphibious invasion a live option.

8. Troop movements

The first phase of an amphibious invasion would need only a few divisions. One division, the Americal, was recently formed in South Vietnam for large operations. Since no large unit actions have been announced since its formation, this division, based at Chu Lai, appears equally available for deployment outside South Vietnam as inside the country. A second division is now being formed in Vietnam. Two brigades of the 101st Airborne and one brigade of the 82nd are being flown one month early to South Vietnam to join with South Vietnamese ranger and airborne units to form "a mobile shock force for use in trouble spots." [Washington Daily News, November 18, 1967] Since these 11,000 airborne troops form the most combat ready part of the strategic reserve, the dispatch of them to Vietnam is a clear sign that, short of mobilization, the President has thrown his last card into the Vietnamese war. If riots should occur in American cities the strategic reserve would be hard-pressed to handle them.

9. Tours of duty

Other troops are available from two additional sources. In October the enlistments of Navy and Marine personnel were extended by four months, while regular offices were made liable to selective extensions of up to one year. There are, moreover, 50,000 troops regularly stationed on Okinawa and every month an additional 70,000 pass through the island going to or from Vietnam. [Newsweek, November 27, 1967] Since the enlistments of all troops extend for several months after their tour in Vietnam an invading force could be built up quickly by detaining on Okinawa troops coming home.

10. Naval maneuvers

8000 men and 45 ships participated in "Blue Lotus" off the coast of San Diego in late November. It was the largest naval exercise in three years. [New York Times (Reuters) November 29, 1967]

DOMESTIC PRESSURES

11. McNamara's transfer

The abrupt transfer of Secretary of Defense McNamara to the World Bank removes from government a persistent opponent of escalation of the ground war outside the boundaries of South Vietnam. In late October, columnist James Wechsler wrote that Mr. McNamara "has stood alone in opposing some form of ground invasion of North Vietnam." His continuing resistence to such a course was "a major reason why he is still at his post," Wechsler said. At the very least, we can say that Mr. McNamara's successor will be facing strong military pressure for some kind of invasion at the same time that the President is facing strong political pressure for a dramatic success in the war.

12. Eisenhower's statement

Some important pressure has already come from former President Eisenhower who recently went on TV to urge that an American force make an "end run" around the Communist emplacements and destroy them instead of withdrawing from the poorly-bunkered positions at Con Thien or strengthening these positions and continuing the bombing and artillery duel.

13. Casualties in an election year

If the war continues at its present rate, there will be 100,000 additional casualties in the year before the 1968 elections. Politically, this may prove difficult for the President to handle unless some new demonstration of military support is made soon. An option which seems to hold the prospect of ending the war may prove beguiling in the coming year.

14. Exhaustion of bombing targets

Since September the number of untouched strategic targets has fallen from over 150 to 5 or less. [New York Times (Hedrick Smith) August 13, 1967; New York Times (E. W. Kenworthy) September 4, 1967; Boston Globe (William Tuouhy) September 13, 1967, Washington Post, October 1967] The destruction of Gia Lam airfield and the Haiphong docks is no more likely to break Hanoi's will than the sudden increase in bombing this fall. The Administration, for domestic reasons if not for military ones, needs another military action now that punitive bombing has failed to bring North Vietnam to the negotiating table.

COMMUNIST RESPONSES

15. Preparations against invasion

The North Vietnamese and their allies have been obsessed with the possibility of a limited American invasion. Indeed, the Soviet Defense Ministry has already warned that an American invasion of North Vietnam would meet "a suitable response." [Red Star (Col. A. Leontiev) October 18, 1967] The North Vietnamese themselves have been preparing against an invasion for "several months." [New York Times (Agence France Presse, Hanoi) November 10, 1967] Over the past months Communist diplomats, the Soviet press, and the North Vietnamese leadership have talked openly of preparing against an American invasion. [Washington Post (Anatole Shub) November 17, 1967; Christian Science Monitor (Earl W. Foell) November 18, 1967; New York Times (Manila Times), December 3, 1967]

16. A North Vietnamese incident

In our position paper last September, the Ripon Society warned of the instability of the present military situation in Vietnam and cited numerous options open to the North Vietnamese for enlarging the war in South Vietnam and other neighboring countries. If the Northerners are convinced that the United States means to destroy their country, we argued, they might take up one of these options. "Such action might easily tip the balance in Washington in favor of a plan previously set aside for invading North Vietnam up to the narrow neck of the country," we said. Given North Vietnamese knowledge of the recent developments presented above, all of which can be deduced from a careful reading of public sources, there is a good chance that Communist forces may be aroused to take military action in South Vietnam, Laos or Thailand that would excite American opinion, produce a crisis atmosphere, and result in a snap decision to widen the war.

* * * * *

Let us summarize the thrust of these developments, so that there will be no mistaking the conclusions we draw from them.

The logic of the military situation in Vietnam requires major decisions either to redeploy U.S. forces or to reinforce and enlarge them. Since the administration has put so much investment in assuring the public that new troops will not be needed for present operations, it may feel constrained to start new operations before formally raising the troop commitment. An ideal operation would be one which promises to end the war quickly and eliminate the need for middle class draftees and high casualty rates during an election year.

Superficially, the plan for a limited invasion of North Vietnam somewhere below Vinh offers such a promise. It appears to force the North Vietnamese into quick negotiations and to give the United States a decisive military position from which to bargain. And since invasion plans have been subject to ongoing discussion in Washington for more than a decade, an amphibious landing would not seem a rash or novel course of action. The capability to initiate such an operation, moreover, is already in existence and its execution would not require high level consultations or visible preparations. Since the North Vietnamese are obsessed with the idea, any signs that it was to be put into operation might lead them to take imprudent action that could provide a major incident that would justify sending U.S. troops outside South Vietnam. Options for escalation of the war into Laos and into the "I" Corps have long been open to Hanoi.

In this volatile situation, it is crucial to examine the long-term consequences of tactical maneuvers that claim to relieve hard-pressed U.S. troops. Actions taken now to achieve short-term ends could change the entire complexion of the war. After close study we believe that the risks, costs and long-term consequences of even a limited invasion of North Vietnam outweigh the possible benefits.

First, it is dangerous to assume that the Communist world would stand by while American forces rushed into North Vietnam or even into Laos. Whatever the Chinese may do, it is wrong to underrate the prospect of Soviet intervention in this 50th Anniversary year, especially after threats of retaliation have been made in the official organ of the Soviet Defense Ministry. However limited an invasion of the north might be, it would surely be interpreted by the two Communist powers as a prelude to a wider war.

Second, amphibious invasions are always risky, and our series of successes in World War II should not blind us to the fact that high risks should be taken only when a clear return can be gained. In the case of Vietnam, the resources needed for executing and supporting an amphibious invasion could be used defensively within South Vietnam to reinforce the already hard-pressed American position. Our fear is that President Johnson may be unwilling to give this alternative proper consideration. His previous record of over-optimistic statements may make him unwilling to admit that he needs more troops to avert disasters where he has already claimed successes.

Third, even in the case of a fully successful landing, if the North Vietnamese refuse to negotiate immediately and to exchange a total withdrawal of PAVN forces from South Vietnam for U.S. evacuation from Vinh, then large reinforcements will have to be sent to support the American landing party against attacks by surrounding units of the North Vietnamese army. Alternatively, PAVN forces in the panhandle could move south to seize key points in the I Corps area, as a bargaining counter to American occupation of Vinh. Such action would require additional American troops to defend South Vietnam. An amphibious invasion could thus lead to a larger war over a wider and more hostile terrain.

Finally, the global implications of a new American initiative could well outweigh even a success in Vietnam. Any further diversion of our resources and moral energies into Southeast Asia could well kill NATO, undermine the dollar and put American investments in Europe under strong pressure. New Soviet moves in the Middle East could also result.

The time to consider the full costs of an escalation in Vietnam should not be postponed until a moment of crisis and excitement. The matter should be discussed now and the full implications examined. Both Congress and the press have a duty in this regard, and we call the matter to their attention not to spread alarm but to encourage sober debate and responsible inquiry.

CALL FOR INQUIRY

Shortly after the Bay of Pigs invasion President Kennedy told Turner Catledge, then managing editor of the New York Times, "If you had printed more about the operation you would have saved us from a colossal mistake." And Senator Richard B. Russell, Chairman of the Senate Armed Services Committee, said on the Senate floor: "I only wish I had been consulted, because I would have strongly advised against this kind of operation if I had been." (quotes reprinted in the New York Times, June 2, 1966, p. 14). This time we hope that—despite pressure for Congressional adjournment—discussion and consultation will occur before any major new step is taken.

An example of the kind of intelligent discussion that is needed was given recently by former vice-President Richard M. Nixon, when he opposed an "end run" into North Vietnam. While he gave full attention to the military advantages of such a plan, he said that wider, long-term considerations made it inadvisable. He thus avoided the counsels of impatience that increase the pressures for ill-considered military action.

The sixteen points we have listed are not designed to predict an invasion of North Vietnam or a new Gulf of Tonkin incident. They do, we think, when taken in the context of past plans and statements, add up to a case for public concern.

PLASTIC PIPE: LOW COST AND HIGH RELIABILITY

Mr. HECHLER of West Virginia. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HECHLER of West Virginia. Mr. Speaker, some years ago when a friend of mine came into my office and showed me a piece of plastic pipe, and said it might some day be widely used in plumbing and other piping, I thought the suggestion was a little fantastic. But it has held up under the stresses and the strains, resistance to chemical attack, and in many other ways proven to be the kind of tough competitior which continues to make great new advances every year.

The Federal Housing Administration, after analysis of the testimony presented, decided in 1961 to proceed with the insurance of homes equipped with plastic pipe. This is a particular type of plastic pipe known as "ABS". In case anyone wonders, Mr. Speaker, those letters stand for "acrylonitrile-butadiene-styrene." This particular form of plastic was invented in 1944.

WHAT ABOUT THE BUGGYWHIP MAKERS?

Whenever any new invention suddenly hits the market, it is quite natural in our competitive system that the product it replaces stuggles to retain its competitive position. This is certainly true of metal pipes, still widely used in residential construction. An interesting sidelight on the great struggle is the fact that in the process more and more public attention has been attracted to the potential uses of ABS.

Many plumbing codes, which have become obsolete since the development of ABS plastic pipe, have not yet recognized ABS. This appears to be the primary reason why cast iron is used in residential construction. Of course there have also been some efforts to discourage union acceptance of the new and less costly plastic pipe.

HISTORY OF ABS DEVELOPMENT

There is a 20-year history of solid development in the use of ABS plastic pipe. That is a short period of time, but giant strides have been made in that short period, as evidenced by the following timetable:

> 1944. ABS (acrylonitrile-butadiene-styrene) plastic invented.
>
> 1947. Initial use of ABS pipe—in highly corrosive applications, such as chemical process piping, water purification plans, and sewage treatment plants. ABS performs successfully where metal pipe failed.
>
> 1960. ABS drainage pipe accepted by the mobile home industry. Completely displaced metal drainage pipe because of light weight, thermal stability and toughness. Over one million mobile homes now have ABS pipe.
>
> 1961. Federal Housing Administration insures loans on homes equipped with ABS drain, waste and vent pipe (DWV).
>
> 1964. Formation of ABS Council representing basic raw material producers such as Marbon and Uniroyal Chemical, as well as manufacturers of ABS pipe and fittings. Specific purpose: code revision to permit use of ABS drainage pipe.
>
> 1966. All regional and national codes accept ABS DWV pipe. 200,000 new homes installed with this material.
>
> 1967. ABS drainage plumbing now accepted by 13 states and by local jurisdictions in 32 states. ASTM specification issued. ABS accounts for 17% of new home construction. Total residential installations now exceed 500,000.

RESISTANCE TO CHEMICAL ATTACK

Mr. Speaker, yesterday I had the interesting experience of witnessing a unique experiment visually conducted before a congressional committee. Dr. Robert L. Bergen, Uniroyal chemist, poured equal quantities of diluted mercuric chloride into two plumbing traps—one of metal and one of ABS plastic. In order to protect the rug in the Rayburn Building committee room, which is the pride and joy of the chairman, transparent plastic bags were carefully draped over the plumbing traps to avoid any chemicals being spilled on the rug. Within minutes, the metal trap was cracked and leaking; the ABS trap was intact.

Dr. Bergen explained to the committee that the demonstration had been presented in order to refute evidence which had been offered to the same committee last July by spokesman for metal-pipe interest.

Dr. Bergen further explained that any material can be caused to fail under laboratory conditions of stress, time, and environment. Any test to be useful, he said, must simulate actual use conditions, and only such tests are valid in predicting the service life of a material from laboratory data.

Dr. Bergen said:

> In plumbing systems, aggressive chemicals such as the photographic fluid used in the demonstration are invariably diluted and the exposure time is minimal due to flushing action.

He said stress corrosion has been known for decades to be common to all materials, including metals and plastics. The term refers to the fact that materials are more subject to chemical attack under conditions of applied stress.

He continued:

> In a laboratory, totally unrealistic conditions of stress can be established and a material can also be subjected to full concentration of active reagents for protracted periods, but such stresses simply do not occur in plumbing drainage systems. Aside from the fact that reasonably good workmanship can be expected from a skilled trade, and that the public normally has the protection of plumbing inspection, the very flexibility of ABS pipe minimizes any stress from bending at the fittings.
>
> Laboratory methods have been developed for predicting the long term life of ABS which show that a useful service of over 100 years can be expected. Such laboratory data is sustantiated by actual case histories where ABS chemical handling systems have rendered trouble-free service for 20 years. Such systems were installed where metal pipe had failed from stress corrosion.

Dr. Bergen concluded:

> The existence of 1,500,000 successful ABS drainage plumbing installations, with no evidence of stress corrosion or chemical attack, is the best evidence of the complete suitability of ABS pipe for drain, waste and vent service.

ENTER A WEST VIRGINIAN

I will always call E. R. Thompson, Jr., a West Virginian, Mr. Speaker, even though he is now technically a constituent of the gentleman from Missouri [Mr. BOLLING]. Perhaps Mr. Thompson was born in Paola, Kans. Perhaps he did receive his civil engineering degree from the same institution that granted an animal husbandry degree to my own father, the University of Missouri. Perhaps he was a civil engineer with the Los Angeles Department of Water and Power from 1958 to 1960. But no individual can deny, Mr. Speaker, that Mr. Thompson came to West Virginia in 1960, and he joined the Marbon Chemical Division in my own congressional district. At first, he was in charge of the pipe testing program in Marbon's technical department, and in 1962 moved on to become applications engineer in charge of pipe products. After this flowery introduction, I should add that Mr. Thompson is now sales manager of Borg-Warner pipe products for Borg-Warner Corp.

All this is leading up to testimony which I personally heard Mr. Thompson present yesterday to a congressional committee. He related the fact that the Federal Housing Administration had first been approached in November, 1960 to discuss the merits of plastic drain waste and vent pipe and fittings, in order to establish a suitable specification for use of this material for FHA-mortgaged homes. A second meeting was held with FHA officials in Washington on March 2, 1961, at which additional information was presented on chemical resistance, dimensional stability was respect to hot water, and crush strength. A Use of Materials Bulletin was published by FHA on December 15, 1961, authorizing permission to use ABS pipe in homes with FHA-insured mortgages.

FEDERAL HOUSING ADMINISTRATION DEFENDS PLASTIC PIPE

On February 10, 1966, I personally attended a further hearing and presentation to Assistant Secretary of Housing and Urban Development and Federal Housing Commissioner Philip N. Brownstein. Mr. Brownstein subsequently wrote to our colleague from Connecticut, the Honorable JOHN S. MONAGAN:

> Our review of the material presented at the February 10, 1966 meeting in my office has been completed and, in addition, we have the results of an independent laboratory test. On the basis of the findings, we have no basis for changing the conclusion reached in 1961 when Materials Bulletin #33 was issued.

Commissioner Brownstein further reported:

> We have recently surveyed all our field offices to learn if there had been any complaints from owners of homes with ABS drain waste and vent piping. The results showed that not a single complaint had been received.

The above quotations and factual developments were all reported by Mr. E. S. Thompson, Jr., who, despite the fact he is now a Missourian, I will always recall as a key official at the Washington, W. Va., plant of the Marbon Chemical Division of Borg-Warner Corp.

WHAT ABOUT COST COMPARISONS?

Aside from the cost comparisons of construction materials at the present time, long-term trends are much more significant. The cost disadvantage of all types of metal pipe versus ABS is bound to widen, because of the high labor cost in manufacture and the increasing scarcity and higher cost of raw material. All products which are inherently high in direct labor content are at an increasing economic disadvantage as wage scales continue to rise. This difference between steel, iron, or copper as opposed to ABS is dramatic.

The copper, iron, and steel industries are becoming increasingly dependent on ores from foreign sources. This tends to increase cost as well as instability of supply. By contrast, the petrochemical plants producing the acrylonitrile, butadiene, and styrene ingredients for ABS are almost literally placed over the oil and natural gas fields in the United States which are the source of these hydrocarbons.

The disparity in labor costs begins with the mineral deposit in the earth. The extraction, smelting ore reduction, and rail transportation of metal raw materials all require a high proportion of direct labor. By contrast, oil and natural gas are produced from wells and delivered to processing plants by pipeline. The chemical industry ranks among the lowest in labor content of all types of manufacturing.

METAL PIPE FABRICATION COSTLY

Fabrication into pipe also offers a striking contrast. Factory labor is typically over one-third the value of finished product in a cast-iron soil-pipe foundry. It is less than 10 percent in a well-managed ABS pipe extrusion plant. The light, tough ABS plastic then offers further savings in transportation, handling, and installation. The weight is a fraction of metal pipe, the chemically welded connections are faster, and mechanical damage is reduced because of the inherent toughness of ABS.

A concept of the ABS Council is that ABS helps to improve the productivity of labor on the job site, thereby helping to support the high and rapidly increasing standard of living of the journeyman plumber. The only alternative to increasing the productivity of onsite construction labor is prefabrication of materials at the factory. The chemically welded ABS joints required a skilled mechanic.

Aside from the economic aspects, Mr. Speaker, ABS owes much of its success to the performance advantages of greater permanence due to superior chemical resistance, toughness, and the chemical weld which is the strongest part of the pipe.

ULTIMATE RESOLUTION OF ISSUE

The obvious answer to the materials battle being fought for economic reasons is the complete diversification of the cast iron and copper industries into ABS pipe. This development is already well under way. Today, every major copper or cast iron pipe company is either in the plastic pipe business, distributing the product or studying the move. When this diversification is complete, the campaign of disparagement of ABS should be behind us.

The roster of cast iron companies now producing plastic drain waste and vent—DWV—includes industry leaders such as U.S. Pipe & Foundry, James B. Clow & Sons, Glamorgan Pipe & Foundry, American Brass & Iron Foundry, and Charlotte Pipe & Foundry.

The copper pipe and fitting industry is now represented in plastic DWV by Triangle Conduit & Cable, Nibco, and Mueller Brass.

It is also significant that in Canada the leading copper producer, Moranda Minco, as well as the largest cast iron pipe foundry, Canada Iron, are both well into the ABS DWV business.

No doubt these progressive and far-sighted metal pipe manufacturers will soon be joined by others.

EVOLVING POLITICAL PATTERNS IN THE LATE 20TH CENTURY

Mr. WATKINS. Mr. Speaker, I ask unanimous consent that the gentleman from Arizona [Mr. RHODES] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RHODES of Arizona. Mr. Speaker, I wish to insert at this point in the RECORD a speech which I delivered to the Tucson Sunday Evening Forum, November 5, 1967.

The speech follows:

EVOLVING POLITICAL PATTERNS IN THE LATE 20TH CENTURY

(Speech by JOHN J. RHODES, Member of Congress, to the Tucson Sunday Evening Forum, November 5, 1967)

I realize that the subject I have picked tonight is broad indeed. It is so broad that I could stand here and tell funny stories all night, and no one could successfully prove that I had not dealt with my subject—when I finish, you may wish I had done just that.

When I speak of "political patterns", I am not speaking of Republicans and Democrats, Socialists, Whigs or Know-Nothings. I am speaking in the broad sense of politics, which has been properly defined as the science of government. It is the theory followed by people to provide for themselves the type of governmental pattern which can best promote the legitimate interests of the majority while protecting the rights of the minority. In those societies where the people have had any choice in the matter, a certain type of government normally has been selected because it could provide peace and domestic tranquility at home, and defense against foes from abroad. In fact, for the first one hundred years of our Republic, that was about all our government did, or was expected to do. The impact government had on the commercial establishment consisted mainly of establishing levels of tariffs, and the coinage of money. Other than that, laissez-faire was the watchword of the day.

Thomas Jefferson captured this approach to government when he stated: "I own, I am not a friend to a very energetic government. It is always oppressive. It placed the governors indeed more at their ease, at the expense of the people. . . . Let the General Government be reduced to foreign concerns only, and let our affairs be disentangled from those of all other nations, except as to commerce, which the merchants will manage the better, the more they are left free to manage for themselves. . . ."

In a widely dispersed agricultural community like early America, it was impossible for any person or combination of persons to acquire economic power which threatened to take a dominant position regarding any large segment of the economy. However, with the industrial revolution and the improvement of communications and transportation, it became feasible for large combines to form, and to attempt to dominate large areas of the economy. These combines became increasingly predatory, and competition became increasingly deadly. As a result, one of the first incursions of government into the realm of business came in the shape of the Sherman Antitrust Act. This Act was not intended primarily to protect the people or labor from big business; it was intended to protect small business from a predatory big business.

Later, the monopoly situations which developed made it apparent that the consumer needed governmental protection. It was not too uncommon for business tycoons to "corner the market", or dominate a segment of the economy, and then raise prices of products needed by the people. Efforts to protect the consumer are found in the Clayton Antitrust Act, and later in the Robinson-Patman Act.

All the while labor was organizing, but not with any great speed. Many times strikes were ruthlessly put down by the use of policemen and troops, and most of the rights of labor which we now regard as inviolable were then regarded as nonexistent. This situation resulted in governmental action in the passage of the Norris-LaGuardia Act of the early 1930's, and later in the enactment of the Wagner Labor Act

As sometimes happens in a Republic, action to eliminate the second-class citizenship of organized labor came so late that when it arrived it was overly violent. It caused the pendulum of power to swing so far toward the side of organized labor that society was hurt. The labor situation became chaotic, with picket-line violence, sit-down strikes and secondary boycotts—all of which threatened a general breakdown in the economic system. As a result, the Taft-Hartley Act boosted the pendulum back toward the center, and the Landrum-Griffin Bill later gave it another push toward the center.

Thus, our representative Republic has survived some rather startling changes since the founding of this country. From a laissez-faire government, it evolved first into a government which exercised some control over business to prevent predatory big business from hurting its competitors, then to prevent business combines from hurting the consumer, then to protect organized labor, and then to protect business and the consumer from organized labor. I think it would be fair to state that in making these changes, the government since the 1870's has tried to take a position in the middle of an economic teeter-totter. It has tried to shift its weight to counter-balance any segment of the economy which came into position to dominate other segments, to the detriment of the majority of the people. Obviously, the majority of the people approve of these shifts or changes. If they had not, the government undoubtedly would have fallen somewhere along the way. Conversely, if the shifts had not been made, the dislocations which would have been caused might well have resulted in the fall of the government.

From this, we derive our first postulate of the evening—that a government of the people must retain the flexibility to respond to the well-considered and expressed will of the people. It is also apparent that those who run the government must be ever zealous and watchful to determine what the will of the people actually is. Sometimes this isn't easy. Many new movements and new panaceas appear very attractive to a lot of people, who make great noises about them. The noise from a loud minority can sometimes become so strident that an unwary practitioner of the art of politics can mistake it for an expression of the will of the majority. I suppose the best example is the Eighteenth Amendment. Those who favored laws to control consumption of alcoholic beverages made great noises. However, soon after prohibition came into effect, it became apparent that the considered will of the majority was actually contrary to the new position taken by the government, and the government found it necessary to get out of trying to legislate morals rather precipitately.

Painted with a very broad brush, this is a fair picture of our government and its posture toward our economic system. It is realized that I have said nothing whatsoever concerning our monetary system, the Federal Reserve System, the impingement upon the economy of protracted Federal deficits, the effect of constantly unfavorable balances of payments, and many other areas in which the government has some effect upon the economy. Any discussion as broad as this one must necessarily pick and choose between areas of emphasis. Suffice it to say, in coming to whatever conclusions I might derive, I have tried to take these elements into consideration.

I have assumed, for instance, that the Federal Reserve System will continue to try to provide an adequate monetary supply, and will engage in whatever activities will be necessary to cool off a hot economy, or to warm up a cold one. I will also assume that most people expect the Federal Government to balance its budget at some time. It is impossible to assume just when this salutary moment may arrive. However, the assumption itself tends to set the pattern and the course for fiscal activity of the Federal Government insofar as its own affairs are concerned. In making this assumption, I realize that I fly in the face of many public pronouncements of important public figures. For instance, it certainly is not in accordance with the famous Yale speech of President John F. Kennedy. In that speech, President Kennedy not only doubted that a balanced budget was ever necessary, but he intimated that in some instances it could be a dangerous weapon. I think, however, that the experiences of the Federal Government in Fiscal Years '65 through '68 may have dispelled the fiscal fog which surrounded the thinking of many of the economists of the Kennedy Administration. Certainly, whenever a deficit goes up to $29 billion, it makes even Keynesian economists doubt the ability of the economy to absorb such shocks indefinitely.

If I were to leave this part of the discussion without further comment and tell you that I had painted an accurate picture of the United States Government in 1967, I would be open to serious challenge. As you all know, the involvement of our government in our lives and in the total economy is much deeper than I have yet stated. Abraham Lincoln made a rather radical and far-reaching statement when he said words to the effect that the government should do those things for the people which they cannot do for themselves. This expression was against the dominant laissez-faire doctrine of the times. However, we have strayed far beyond Lincoln's very limited concept of appropriate Federal activity.

The Federal establishment has gone deeply into areas formerly deemed to be reserved for the states, or to individual action at the community level. For instance, in the last four years the interest of the Federal Government in education has gone up in geometric proportions. We are involved not only in higher education, but also in elementary and secondary education. And the present pattern seems to be for deeper and deeper involvement. This brings us to one of the contemporary points of discussion which may evolve into a changing political pattern. For some time there has been a tendency on the part of the Federal Government to give aid only for definitely stated and very circumscribed purposes. We call this categorical aid. This aid is almost invariably given directly to school districts, cities or counties—completely bypassing the states.

More and more people have realized that categorical aid leads to direct Federal involvement in local affairs. In education, aid was given to the public schools at the district level. The majority of Americans have always been in favor of local control of the schools and the curricula which the schools will teach. This is a rather basic fact of our political orientation. Categorical grants, because of inherent Federal involvement leading to possible Federal domination, seem to threaten this consensus.

The most prominent rival concept is called "block grants." Such grants are made to the states for broad purposes. An example of this would be a block grant to the states for education. Each state could name its own priorities among the specific categories of education on which funds are to be spent. This does two things: (1) it takes the Federal Government away from direct involvement with the school districts, and (2) it brings the states into the picture, and permits planning at the state and local levels. Thus, it helps to preserve the Federal system, rather than to weaken it. We think a great majority of our people feel strongly that the Federal system should be preserved and strengthened, and that the block grant concept is therefore congenial to the public desire.

In this Session of Congress, the House of Representatives has acted in accordance with this emerging political pattern on three different occasions, and in three different fields.

The recently enacted Comprehensive Health Act provides one of the best examples of what can be done under the block grant approach. This Act consolidated 16 separately administered public health programs and permitted the states to develop plans, establish priorities and coordinate local activities. Under this approach, the priority health problems in each state and community (whether they stem from communicable disease, narcotics or rat infestation) can be identified and programs designed to combat the problems established and properly funded—under the supervision of the state.

The Law Enforcement and Criminal Justice Assistance Act of 1967, as it has been passed by the House, also employs the block grant approach. This legislation establishes a Federal program to provide assistance to local law enforcement agencies. Key amendments that were offered and adopted on the Floor of the House materially strengthened this bill. These amendments curbed the unlimited power of the Attorney General, and provided essential state coordination and control. Each state would be authorized to develop a state-wide comprehensive plan and establish a state agency to administer the plan. Once this plan is accepted, all Federal assistance would go to the state agency, which, in turn, would distribute the aid to the local law enforcement agencies.

Finally, and perhaps most significantly, the principle of block grants also prevailed in the final House version of the Elementary and Secondary Education Act. A portion of this massive program has been returned to state control and planning.

During the Great Depression, the government also became directly involved in aid to the indigent and the communities. Most of us remember the days of WPA, the PWA, the CCC and the other alphabetical agencies which sprang from the New Deal. From these days also came Social Security, which has now become more than a system for retirement and survivors benefits. It is now also a system for medical care for the aged, and great portions of the Social Security Trust Fund are now being spent for direct welfare.

How far we can move in the field of welfare is illustrated by Los Angeles County. In August, 1965, there were 258 persons out of every 1,000 in the County on relief—at a monthly cost of $6.4 million. By May of this year, 346 persons out of each 1,000 were getting assistance at a cost of $8.6 million a month.

In an effort to meet the growing welfare problem, Governor Nelson A. Rockefeller invited more than 100 leading business, industrial, labor, communications, and foundation executives to a conference in New York on November 2–3 of this year. In calling this conference "to help explore and plan new approaches to public welfare in New York State and in the nation," Governor Rockefeller stated:

"Some ten years ago approximately 5.8 million Americans were on the public assistance rolls, at an annual cost of more than $3 billion. Today approximately 9 million peope are on the welfare rolls, at a yearly expenditure of more than $6 billion. In the same period, public welfare staffs have almost doubled.

"If we are to start moving these individuals and families into a new, promising way of life that will reverse the tired trend of years, and orient them to the future rather than lock them in the past—then we must enlist the help of those who have contributed so much to our economy—the leaders of industry, business, labor and the mass media. These leaders represent a heretofore untapped source in the compilation of ideas to aid the disadvantaged."

The welfare problem is one of the most perplexing problems facing this country today. We have second and third generation welfare families. Their business is welfare, and the payments are so good that they cannot afford to go to work. A way must be found to get these individuals trained, into private employment and off the welfare rolls.

Conferences similar to the one that was called by Governor Rockefeller have been in response to a growing public demand for relief from relief. Another important step in the solution of this terribly complicated problem has been taken by the House of Representatives during this Session of Congress. The recently passed Social Security Act Amendments make a number of important changes in the program that provides Aid to Families with Dependent Children (AFDC). In the last ten years, this program has grown from 646,000 families that included 2.4 million recipients to 1.2 million families and nearly 5 million recipients. It is estimated that the amount of Federal funds allocated to this program will increase from $1.46 billion to $1.84 billion over the next five years, unless constructive and concerted action is taken. In order to reduce the AFDC rolls by restoring more families to employment and self-reliance, the states would be required to take steps to insure that employable adults are trained—and employed. It is beginning to be recognized that preservation of the family unit's self-respect is the most important social accomplishment we can make.

The Federal Government originally got into the housing business in a modest way by guaranteeing mortgages. In the last six years, the Housing and Home Finance Agency has grown beyond all recognition. It has been involved in public housing for some years, but it is now in demonstration cities, rent supplement, rent certificates, mass transportation, and now it even wants to go into the business of rat eradication.

Moreover, the new Department of Housing and Urban Development is now well enough entrenched that it can release the following statement: "Action-oriented orchestration of innovative inputs, generated by escalation of meaningful indigenous decision-making dialogue, focusing on multilinked problem-complexes, can maximize the vital thrust toward a nonalienated and viable urban infrastructure."

Now, I don't know what this means, and I doubt that the officials at HUD know what it means. But it does seem ,to me to give a marvelous insight into the bureaucratic mind and what might be called its thinking process. And all of this after only two years of life for HUD—an unbelievable accomplishment!

The Federal Government has gone deeper and deeper into the warp and woof not only of the economy, but into the lives of the individual citizens. A great segment of our society feels that this involvement is much too deep. In the first place, it has in many instances by preemption of taxation fields, deprived the state governments and thereby reduced them to a position of relative impotence. In the second place, these massive activities have placed the Federal budget into such a position as almost to insure annual deficits of varying size. This, in turn, leads to inflation, erosion of purchasing power of the dollar, and, in fact, to a propagation of many of the ills which the welfare state was supposed to terminate.

Certainly, the present Administration, with its prospective deficit of $29 billion and its policy of unrestrained government spending, has forgotten the sound advice of Thomas Jefferson, who stated: "I am for a government rigorously frugal and simple, applying all the possible savings of the public revenue to the discharge of the national debt; and not for a multiplication of officers and salaries merely to make partisans, and for increasing, by every device, the public debt, on the principle of its being a public blessing."

However, this is where we now are, as we look ahead into the late Twentieth Century. We are a representative Republic, but our government is involved in regulation of business, regulation of labor, and for all practical purposes, it insures the welfare of every citizen, whether or not that citizen contributes a substantial effort to help himself. Our government has often bypassed states, dealing directly with local authorities, resulting in weakening our whole Federal system.

Our government operates with huge deficits, and our economy has a consistently unfavorable position in its international balance of payment. Yet, with all this, we are still able to provide, generally, the kind of government which makes possible the kind of life desired by a great majority of our people.

However, our flexibility causes us to always be in the process of change. To sum up, trends which we might call evolving political patterns are:

(1) A tendency toward decentralization of governmental activity. This is manifested by the use of Federal block grants to the states rather than the categorical grant aid to localities. This trend, if it continues, may well result in even greater recession of control to the states through tax-sharing. Under this concept, the Federal Government would continue to collect taxes, but would return portions of the revenue to states with no strings attached to them. Hopefully, the states could then handle their own welfare and educational problems. Even beyond this, the Federal Government might actually surrender areas of taxation to the states so that its involvement in matters in which there is primary local concern would be completely ended, since Federal financial involvement would no longer be necessary.

(2) There is a definite tendency to turn more and more to free enterprise to solve public problems. It is becoming widely recognized that the economic power of the private sector greatly exceeds the possible level of expenditures through the public sector. In dealing with the poverty programs, the training of individuals is more and more becoming the job private enterprise, with government encouragement. In Social Security, it is now an established fact that benefits for retired people will not equal their needs. Supplemental income is being provided largely by plans established by private enterprise.

There is also a trend away from direct Federal involvement in housing. The guaranteed mortgage program, which was the genesis of the Federal Housing Administration, has worked well. I know of no one who would even consider doing away with it. However, some of the programs involving Federal grants and subsidies can be handled as well or better by free enterprise. I would certainly expect some Federal subsidy to continue for the family which is under the poverty level, but great emphasis will be placed on raising the family income, rather than merely maintaining poor families as perpetual economic wards of society. The problem of middle-income housing can certainly be handled by private enterprise, with whatever Federal leadership in planning may appear to be advantageous.

(3) The present system of welfare, which seems to encourage laziness and lack of self-respect, is under attack from all sides. There are many panaceas being offered the public, such as the negative income tax, the guaranteed annual income, and others. I doubt that any of them will be adopted. Instead, the concept set forth in the Social Security Amendments of 1967 may well be broadened. The Federal Government, with the states, will embark on a massive program of adult education and training, to provide skills which can be sold in the marketplace to all individuals capable of learning. Coupled with this will be a massive, sustained effort to determine skills which are and will be needed in industry, so that trainees will have fair assurance that a job awaits them at the end of their training. In other words, the emphasis will be on helping people to help themselves to become useful members of society, and to acquire and retain a sense of self-respect. Many of us think that such a program is the only possible long-range answer to poverty, and the ultimate solution to the problem of the cities.

(4) Federal involvement in the suppression of riots and the detection and punishment of crime may well increase. However, this involvement, if the present trend continues, will consist of aid in research and development to discover and implement better police methods, electronic surveillance, and computerization of personal statistics, which will aid in the detection of crime. I cannot foresee the circumstances which might result in a Federal police force. Our Founding Fathers wisely left the police power in the hands of the states. Let it remain there.

(5) The political patterns of the future will be influenced greatly by the retention and expansion of the concept of "one man-one vote. This concept has had a great effect upon our state legislatures, but it will have an even more profound effect in the future. The virtues of the old rural-dominated state legislatures were certainly many. Their fiscal frugality kept most of our states with the sound financial position which meant economic stability. However, too many times they were inclined to disregard or understate the problems of our burgeoning cities. As a result, the core cities and the suburban areas, already overloaded by property taxes, turned to the Federal Government for aid in planning solutions to their problems, and for financial assistance in promulgating their plans. Legislatures which are oriented to the problems of the cities will be more active in solving those problems. The effect will be decentralization of many of the activities of the Federal Government aimed at metropolitan problems. In metropolitan areas which cross state lines, many problems will be solved locally by the use of interstate authorities, and in accordance with interstate compacts. The net effect will be strengthening our state and local governments, and thereby strengthening our entire Federal system.

(6) Fairly recent decisions of the Supreme Court have enlarged the Constitutional guarantees of freedom of speech and assembly. These decisions, plus laxity in the enforcement of laws against sedition, have caused great concern among the majority of our people. Most of us are passionately devoted to the idea of freedom of speech and of assembly. However, when acts committed supposedly under these Constitutional guarantees actually amount to attacks on our whole system, extending to the border of treason and sedition, the majority of American people are outraged. I doubt if this majority intends to put up with many more draft card burnings, flag burnings, storming of public buildings, lie-ins and the other weapons of the so-called dissenters. They will insist that our government and our courts distinguish between treason and honest dissent. If it takes Constitutional amendments to bring this about, in my opinion the amendments may soon be adopted.

The foreign policy which will be adopted by our government in the latter years of the Twentieth Century will undoubtedly have an effect upon the political patterns which we will develop, and the political issues which will influence our government.

Before we go on to look at the late Twentieth Century, it might be well to look at our posture vis-a-vis the rest of the world. For the thirty years following the Civil War, we turned inward. This was a period of great domestic growth, and practically no international involvement. The Spanish American War made us a world power, and after World War I it became obvious that we were well on the way to becoming the greatest of the world powers. World War II clinched that position. Our perfection of the atomic and hydrogen bombs put us in a position of military pre-eminence which very few nations have ever enjoyed. After World War II a system of treaties was evolved which practically made us the guarantor of the peace of the world. The peace was challenged in Korea, and we responded. Because of the abhorrence of the world for atomic weapons, we did not use them. After a very bloody struggle, we were able to preserve the independence of South Korea. However, within an incredibly short time we found ourselves again involved in Asia—in Viet Nam. We are still in Viet Nam, fighting a war larger than the one we fought in Korea, with results as yet indeterminate. Largely because of the unpopularity of this war—at home and abroad—we have seen our international prestige go from the high point after World War II to the present low where practically the whole world wishes we would just get lost.

It is interesting to analyze our world posture. Certainly, since the Spanish American War, we have fought against predators. They might have been kings, kaisers, emperors or dictators, but we have attempted to keep any nation or group of nations from dominating the world. This is still our position. Now the predatory force is called International Communism. There is no reason to believe that in the immediate future years the conflict between the free world and Communism will subside. Communism is still avowedly determined to conquer the world. This we must resist, in order to protect our own socio-economic system.

The conflict in Vietnam literally has the American people writhing. This is the most unpopular war of all time. Our involvement began after the Treaty of Geneva as an attempt to help the non-Communist part of Vietnam establish itself as a viable government. This effort was succeeding until the regime which had brought stability to the country was overthrown. I am not accusing our government of having engineered the overthrow of the Diem regime. However, it did not lift a finger to save it.

Diem, with all his imperfections, had political control of the country. Everyone recognized him as the head of the state. He could be relied on to make decisions, and he had the power to implement them. Since Diem's overthrow, South Vietnam has been in political chaos. Our reaction has been to move into the vacuum, and to substitute American effort for South Vietnamese effort. Thus, this has become an American war in every sense of the word.

With the death of Diem and the fall of his government, we no longer had an indigenous political force with any hope of providing the stability necessary to win the hearts and minds of the people. It is fine to save a non-Communist government, as long as there is such a thing. There has not been a government worth saving in South Vietnam since the death of Diem.

Now, at long last however, there is some hope that a new government, having been elected by a majority but not a plurality, might be able to establish a sound enough political base so that it might do the job which is required. However, I am bothered by the public pronouncements of the Chief of State of this new government to the effect that more American troops are needed, that more aid is needed, and in general that Americans must shoulder more and more of the burden. In fact, South Vietnam is getting to be about the same problem as we have with our professional welfare recipients. The more they get, the more they want.

Even so, I do not feel that we can afford to get out of Vietnam under the present circumstances. In the first place, it would probably mean a Communist take-over, which would certainly be a terrible defeat for the free world. Such a defeat would be exploited by the Communist propagandists around the world with great glee. Its effect on the nations in the Far East would be catastrophic. The Communist drive in the Middle East would gain new momentum. The impact on our own hemisphere might well be chaotic. Incipient guerrilla movements in Latin American countries would be encouraged, and would believe that the United States, having withdrawn from Vietnam, would not have the heart to stop their rampant drive toward power in this hemisphere. In other words, a withdrawal from Vietnam might have the effect of creating more and more Vietnams in other parts of the world.

Key members of the Johnson Administration have estimated that the war in Vietnam may last from 13 to 14 years. Anyone who approaches this prospect with any degree of complacency has just not analyzed the situation. To begin with, this war has already caused economic dislocations at home which cannot now be evaluated. It has caused us to refrain from doing things which are necessary to develop our country and our people, and it has been very instrumental in the inflationary increase in the cost of living which we have seen occur.

Even worse, the treasure we are pouring into Vietnam has caused us to slow our development of new and more efficient weapons with which we would be able to "fight the big war", or even better, to deter it from ever occurring. It has also caused us to slow down scientific research and development and to lower our expectations for our space program.

All the while, Russia is making great new developments in new areas of science and technology. She is developing and deploying an antiballistic missile system; she is proceeding apace with her own space program, and in more ways than I like to mention, she is catching up with us in the race for world supremacy. Now, I might not regard this as being so dangerous if I were not completely convinced that the peace of the world, and by this I mean the absence of World War III, depends absolutely on our retaining our present advantage over the Communist bloc, not only in physical force but in scientific technology and know-how. They have never disavowed the basic Communist aim of world conquest, so we must assume that it still is their ultimate goal.

In the light of these facts, it becomes very apparent that our belief that Russia might help us end the Vietnamese war is completely fatuous. They have never had it so good. They have us pinned down, and in such a deep state of concentration on one small part of the world that we neglect other parts of it. They are no longer afraid that China might blunder into World War III by intervening in South Vietnam, because China obviously does not have the power to support such an intervention. We fight a jungle war—they advance technologically. Of course they like it. To expect Russia to do anything other than keep this war going as long as possible is completely unrealistic.

The only people who might really desire to end this war are the Viet Cong or the North Vietnamese. The Viet Cong have certainly been battered by our forces. Yet, they retain control over large segments of the Vietnamese countryside, and apparently have great support among many of the Vietnamese people. The North Vietnamese have been damaged greatly by our bombing, and don't let anyone tell you it isn't so. I am always amazed when people point out the fact that our bombing has not stopped supplies from going south from North Vietnam. Of course it hasn't. Our bombing didn't stop Germany from supplying its forces in World War II either. However, it made it very expensive to them in treasure and in manpower to continue to fight, and therefore limited their effort drastically. The same thing has happened in North Vietnam. You can be very sure that this war would be much easier for Ho Chi Minh, and would be harder fought by the North Vietnamese and the Viet Cong, if we were to stop our bombing right now.

It has been said by some that we could afford to buy Vietnam for half the cost of this war. I am certainly not intimating that we could or should do this. However, it seems strange that we have failed so completely to inform the Vietnamese people that:

(1) We do not want their land or any part of it, nor any permanent position in their lives or economy, and

(2) We are quite willing and able to aid them to develop their rather considerable natural resources in order to make both North and South Vietnam showplaces of Asia.

Of course, it is understood that the totalitarian regime in North Vietnam is quite possibly thinking of preserving its own position more than of benefiting its people, and would therefore never let its people know our true intentions. Even so, there should be some way to communicate with the masses of both North and South Vietnam to indicate to them that we do not desire to fight any more than they do, and would like very much to help them have and enjoy the good things of life, in peace. I would hope that the Johnson Administration would make its first order of business a massive attempt to impart these truths to the Vietnamese people, by whatever means may be most effective.

If this "grass roots" peace campaign fails, it will be because we have been unable to break through the totalitarian screen represented by the government of North Vietnam. Then it will be even more apparent than it now is that we must convince Ho Chi Minh and his minions that carrying on the war is not in the interests of anyone, including themselves. In order to do this, I would set up a program as follows:

(1) I would tell the North Vietnamese and Viet Cong that I am ready to negotiate an honorable peace with them, provided there is an immediate cease fire on all fronts. I would make it very plain that if their answer were not favorable, that every significant target, wherever situated in North Vietnam, would be made available to the armed forces to be bombed whenever it was expeditious for them to do so. The port at Haiphong would be closed. North Vietnam itself would cease to be a privileged sanctuary. The war, if it is to continue, would not be limited to the land and villages of South Vietnam. I would invite the Vietnamese to make Hanoi and Haiphong "open cities" by removing all military targets from them, as the Germans demanded of Paris in World War II. If this were done, there would be no bombing of these cities and thousands of Vietnamese lives would be saved.

(2) I would tell our Joint Chiefs of Staff that they have only one order to carry out. They are to end this war by making it unthinkable for the North Vietnamese and the Viet Cong to continue it.

(3) I would then say to President Thieu that I am not satisfied with the contribution being made by South Vietnamese forces compared to the effort expended by ours. I would tell him that I expect the South Vietnamese forces to take the field in greatly increased numbers, and with greatly increased zeal for their cause. I would also expect that the pacification program would have progressed to the point where complete success was assured. I would give him a reasonable time limit. I would tell him that in the event these conditions were not met, it might be necessary for the United States to make some sort of agonizing reappraisal of its entire position.

At some time, it might be necessary for us to withdraw from Vietnam in order to preserve our position in other and even more important parts of the world, and to provide for the adequate defense of our own country. However, I doubt very much that this would be the case. I know that our military men have long felt that given this type of freedom of action, they would be able to make it impracticable for the North Vietnamese and the Viet Cong to continue this war. I think we should at least let them try it before entertaining the idea of withdrawal.

For those of you who feel that this is an inhuman approach, let me remind you that the only alternative presented by the Johnson Administration is a 14 to 15 year war, at about the present rate of military commitment. The cost in American lives, at the rate of 150 dead per week would be about 110,000. The seriously wounded and maimed would be many thousands more than that. The cost to the Vietnamese, both North and South, of a 14 to 15 year war would of course be many, many times greater. Their ultimate destruction as an identifiable nation and people would be a real possibility. I see nothing very humane about carrying on an operation like this.

Some of you will say, "This might bring in the Russians and the Chinese." My answer is that the Russians, geographically and logistically, would find it very difficult to support an effort greater than they are now making. As for the Chinese, they are in no position *now* to intervene effectively because of their internal situation. But five years from now could tell a different story. The Chinese may have their internal troubles healed, and they may have nuclear capability by then. *Then* Chinese intervention might be a real threat. That is just another reason why I feel a great sense of urgency about ending this war, and soon.

We have the weapons, conventional ones, to make continuation of this war undesirable to the North Vietnamese and the Viet Cong. They have been battered for many years, and should be willing to end the war on honorable terms. We should aim at negotiation with those who want to quit fighting, not with the Russians, who would like to have it continue because it is to their benefit.

And now, looking ahead to the latter years of the Twentieth Century, the question occurs as to the type of government which we will have. My answer is that we will have the type of government that most of our people want us to have. I am satisfied that if our people decide that they desire to maintain a government which will foster the free enterprise system and stay in the middle of the economic teeter-totter, they will continue to choose a representative Republic. If, on the other hand, our people decide to go further and further toward a welfare state, the economic pressures on free enterprise may be more than it can stand. These pressures would come from higher and higher taxes imposed by a government imbued with the welfare concept, and from higher and higher demands for dollar wages and benefits to keep real wages from actually being reduced because of inflation. In such a situation, the capital required for the operation of a free enterprise system would not be available, because the return offered capital would not be high enough to attract it. Therefore, you would probably find the state itself furnishing more and more of the capital for business, which it would probably get by credit transactions so unorthodox as to amount to legalized confiscation. Eventually, the government would own all of the means of production—which is a good definition of a socialist state.

As former President Dwight D. Eisenhower has so cogently stated: "The Left proposed to tackle problems with one prescription—the centralization power of all kinds in Washington. Those who advocated centralization believed they were infallible. They liked power, and they lacked faith in people. If America accepted that solution, we would not only fail in our goals—because history taught that such a course could lead only to ruin—we would also in the process lose our freedoms."

I do not here need to launch into a dissertation on the relative merits of a socialist state and one dedicated to free enterprise. I feel very strongly that the human animal will always be the happiest when he is the freest. Certainly, no society could offer greater freedom than could one which is dedicated to the proposition that every man should be allowed to get as big as he is big enough to get, as long as he does not hurt other people unduly, or society at all, in the process of getting big. I think there can be no argument against the proposition that in such a state the individual has greater incentives to produce, and actually produces better than he does in a socialist society. Given all the facts, I have no doubt but what our people would choose to continue with a representative Republic based upon the free enterprise system.

However, the next question occurs as to whether or not our people could ever be hoodwinked into changing their system of government. After all, government is complex, and it is hard enough for those of us who are intimately involved with it to understand it completely, without expecting the average citizen to be able to separate all the wheat from the chaff. There are demagogues of all stripes, perfectly willing to maintain with great vigor and apparent credibility that the present system should be dropped and their particular panaceas should be adopted. Many people are fooled by such blandishments, and actually become involved in some rather amazing movements with very little promise of success.

My conclusion is that the people will not be hoodwinked on a permanent basis as long as the newsgathering agencies and mass communications media keep their integrity and their good sense. It has been wisely said that in politics it is not so much what things are, as what people think they are. In my fifteen years in Congress I have had occasion to see the operation of the power of the press, television and radio. The newsgatherers can either take your words and scatter them broadcast throughout the nation, or they can completely ignore them until you are about as effective as if you had been talking into a rain barrel. They are the sole judges of the newsworthiness of your statement. Therefore they have great influence on the thinking of the public and the content of the knowledge of the public. I am completely convinced that if our people ever decide to change their form of government, it will be either because people in the mass communications media had decided previously that such a change should be made, and went about to sell it to the people, or because our newsmen failed to recognize the danger in some outwardly attractive panacea until it was too late.

A good indication of the power of the news commentators occurred in this session of Congress. The Administration proposed, and a committee of Congress voted out, a bill to provide $30 million for the Department of Housing and Urban Development to set up a program for the extermination of rats. Now, leaving aside the question of whether or not the Federal Government should be in the business of exterminating rats, the fact remains that at least three of the departments of the government already were in such an endeavor. The City of Chicago alone had received over $2 million in Federal funds for rat extermination. Detroit had had over a million dollars.

Yet, Congress was asked to vote for still another rat program. The House of Representatives failed to vote that way. Immediately, some columnists began a campaign of vilification against the Members of Congress. They said, "Does Congress think rats are funny?" They compared the $30 million with the amount spent for foreign aid. They did everything to show that Congress was completely heartless and completely stupid in voting as it did. And yet the fact remains that through our comprehensive health programs and the poverty program, Congress already had massive campaigns in progress to exterminate rats. This is the kind of thing which bothers me; this is the kind of thing which causes anyone like me to refuse to state categorically that our form of government will remain as it is. If the people are told the plain, unvarnished truth, we will remain an independent free Republic. If the reverse is the situation, this Republic might well fail. There is no place for credibility gaps in a free Republic.

The best way I can sum up this dissertation is in the words of Benjamin Franklin. You will recall that at the end of the Constitutional Convention, as the delegates were leaving the hall, a woman came up to Mr. Franklin and said, "Mr. Franklin, what do we have? Is it a monarchy, is it a dictatorship, is it a republic?" Mr. Franklin looked at her, cleared his throat, and said, "My dear, I am happy to tell you we have a republic, if we can keep it." That Republic has been beset by many dangers in the past. It will be attacked by strong and determined forces in the future. The question of its survival will be answered only by the degree of physical and moral strength and devotion which we bring to it. It is our decision to make.

WILL CONTINUE TO WORK FOR EXPENDITURE LIMITATIONS DESIGNED TO GET THE FEDERAL GOVERNMENT BACK ON A SOUND FISCAL COURSE

Mr. WATKINS. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Bow] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BOW. Mr. Speaker, I have read with interest the debate in the other body on House Joint Resolution 888. I have noted that some references were made to the claimed disadvantages of an expenditure ceiling and I want to comment on some of the conclusions reached over there as to the effect of a spending limitation. One very strikingly erroneous conclusion arrived at in the other body was the statement that a fixed ceiling on expenditures would deny the President and the departments the flexibility needed for orderly operation of the Government. Nothing could be further from the truth because under the Bow expenditure limitation, the President would have had the greatest possible degree of flexibility in determining where cuts could be made without adverse effect upon the essential functions of Government. By contrast, under the provisions of House Joint Resolution 888, the only flexibility granted the President was an allowance of $300 million which he may use to alleviate individual agency hardships which will result from the application of the 2-percent, 10-percent formula.

Another erroneous conclusion arrived at in the other body was one which indicated that my additional cut of $1.6 billion in 1968 spending, beyond the $4.1 billion provided by House Joint Resolution 888, would have required a further cut of $3.5 billion in obligations. The facts simply do not justify such a categorical conclusion because the amount that would have had to be cut in obligations would depend entirely upon what programs the executive branch chose to cut. If the executive branch acted with prudence and wisdom, and I have no reason to believe they would act otherwise, the cut in obligations to produce an additional reduction of $1.6 billion in 1968 expenditures could very well be no more than the expenditure cut itself.

Finally, in the other body it was concluded that if uncontrollable expenses rise, then further cuts would have to be made in controllable expenditures. Certainly that conclusion is correct. Our very purpose is to cut budget expenditures and to cut them wherever they can be cut and that is the same objective in House Joint Resolution 888 which cuts only the controllables. But it is not necessarily true that such additional cuts would have had to come in the appealing domestic programs cited. I repeat, under the Bow amendment, the President would have had flexibility, and I think it is reasonable to believe that he would have made his cuts in the lowest priority programs.

Mr. Speaker, I hope these remarks will set the record straight on what the expenditure limitation would do and would not do. I certainly shall not abandon the expenditure limitation approach to budget control. During the time of fiscal crisis such as the one we now find ourselves in, Members should take whatever reasonable and responsible steps are available to them in an effort to avert fiscal disaster. I have taken those steps, the House has stood by me overwhelmingly on four occasions, and I shall continue on that course until we have stepped beyond the threshold of fiscal chaos.

Now, Mr. Speaker, as we all know a majority of our conferees on House Joint Resolution 888 abandoned in conference the position of the House, which favored a ceiling on administrative budget expenditures during fiscal 1968. The position of the House was expressed on four occasions during the debate on House Joint Resolution 888. Upon final passage of House Joint Resolution 888, the House approved the so-called Bow expenditure limitation by a vote of 253 yeas to 143 nays, or by a majority of 110 votes. That was a very substantial margin and obviously indicated the will of the House to have an expenditure ceiling as a means of improving our constantly deteriorating fiscal situation.

Although the will of the House was abandoned by our conferees on House Joint Resolution 888 in favor of the administration's proposal to cut 2 percent in personnel and 10 percent in other controllable obligations, I want Members to know that I have not abandoned the expenditure limitation approach. Moreover, I shall not abandon that approach to fiscal control until such time as the administration awakens to the fact of life that we cannot continue business as usual during time of war or Congress fully accepts its constitutional responsibility for directing the fiscal affairs of this Government.

I quite agree that under normal circumstances and over the long run, our best approach to the control of Federal spending is through legislative authorizations and appropriation bills. We are not, however, operating under normal circumstances at this time since we are engaged in a hot war in Vietnam and are still attempting to finance a multitude of Great Society programs on the domestic front. Furthermore, as desirable as some of our domestic and foreign spending programs may be we simply cannot afford them all and still maintain any semblance of fiscal responsibility to the American taxpayers.

It is high time for the administration and the Congress to recognize that we cannot expect our soldiers, sailors, airmen, and marines in Vietnam and the taxpayers here at home to make all of the sacrifices to win the war and maintain a vibrant domestic economy.

Even with the benefits accruing from the administration's 2-percent, 10-percent proposal which Congress has adopted, the administrative budget deficit is now estimated to approximate $20 billion in fiscal 1968. We all know that deficit financing of such proportions will have a deleterious inflationary effect which will be felt most severely by the very persons that many of the Great Society programs are designed to help. And yet, at this time economic indicators have not clearly demonstrated that our economy could overcome the deflationary effect of the 10-percent surtax which was actively but unsuccessfully pursued by the administration last August and again in November. With these obvious facts so much in evidence, it seems to me that our most promising course to follow would be one which substantially reduces the level of spending on nonessential and low-priority programs.

For these reasons, I shall continue to work for expenditure limitations designed to get the Federal Government back on a sound fiscal course which, in turn, will encourage economic prosperity with stability rather than the boom-and-bust course we are now on.

WHOSE STATUS QUO?

Mr. WATKINS. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. NELSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. NELSEN. Mr. Speaker, when the President accused the Republicans of being "wooden soldiers of the status quo," he obviously overlooked the existing state of affairs for which his administration is chiefly accountable. Today's Washington Daily News contrasts the existing situation with respect to such matters as inflation, crime, and domestic violence with that of the Eisenhower administration and properly asks "Whose Status Quo?"

I include this perceptive editorial for the RECORD, with thanks to its author, as follows:

WHOSE STATUS QUO?

At the AFL-CIO convention Tuesday night, the President came out swinging hard.

If anyone were wondering whether LBJ would run again, that was the answer. He already was.

In character, he came out not defensively but on the attack.

With Great Society Texas scorn he labeled Republicans in Congress as "wooden soldiers of the status quo."

Republicans are a slow-witted lot, and so far they have reacted defensively.

They have a chance to take the initiative, for a change.

They could start by looking up the meaning of "status quo," something LBJ apparently neglected to do. It is not an obscure, but a well-worn, oft-used, Latin phrase meaning: the existing state of affairs.

Are the Republicans in Congress the wooden soldiers of the existing state of affairs? On the record, even as recited by LBJ, they ought to be able to plead not guilty and point an accusing finger at LBJ and his minions.

The existing state of affairs is one in which the purchasing power of the people's earnings and savings has declined to a point where a dollar can buy only 85 cents worth of goods, compared to when the Democrats took over the White House in 1961. In that same span of years, the balance of payments in respect to the rest of the world has shown a deficit each year, to a total of around $18 billion, and the Government's gold reserves have shrunk from around $17 billion to $12.5 billion.

The status quo is a state of affairs in which the crime rate is increasing rapidly: According to FBI figures, 16 per cent more crimes than last year, and 88 per cent more crimes than in 1960, the last year "Wooden Soldier" Republican Eisenhower lived in the White House.

The status quo is a public debt of $345 billion, $55 billion more than when the Democrats resumed power, and deficits annually rising.

The status quo is a condition where rioting in the streets and rumpuses on the campuses have become commonplace.

We'll not suggest here that a war unresolved is also part of the status quo, for that part of LBJ's speech was nonpartisan and he did not put all blame on the Republicans.

We mention those other unappetizing aspects of the existing state of affairs, alias status quo, only because someone now and then should make a point of loyal opposition.

U.S. WEALTH INCREASES GREATER THAN GROSS NATIONAL PRODUCT INCREASES

Mr. WATKINS. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CURTIS. Mr. Speaker, for some time I have been seeking to point out that increases of wealth in the United States are greater than the increases in the real gross national product. Gross national product, after all, measures economic activity which may or may not be increasing wealth. In fact, during periods of war the economic activity which becomes quite excessive is eating up wealth or capital. It is necessary in order to preserve the wealth that we have but it must be remembered that it is eating up rather than creating wealth.

This economic fact has great significance particularly in the field of taxation. The Federal Government in essence taxes economic activity, income, to produce its revenues. As a matter of fact, the Treasury Department and the Joint Committee on Internal Revenue Taxation have a rule of thumb that varies somewhat but in effect says that for every $4 to $6 billion increase in the gross national product we can count on about a billion increase in revenues. The States to a large degree also rely on economic activity as a source of revenue. The primarily tax economic transactions, the excise tax, sales tax, employment tax, and so forth. Only our local governments use a tax on wealth for their source of revenue, essentially the real estate property tax.

The significance of the fact that wealth in the United States has increased more rapidly than gross national product is that the tax base of local communities has increased greater than that of the Federal Government or the States. This means that these local communities are not in the deplorable position that many neofederalists are arguing they are. They are not lacking the means of obtaining revenues to finance local services and facilities. The Federal Government is not in as good position of financing its programs, let alone in a position of declaring dividends which can be sent back to the local communities.

This is not to say that there is not a great need for updating the real estate property tax and doing something at both local and State levels in equalization of taxes to equalize the revenues of wealthy communities as opposed to poor communities. Indeed, there is a great need in both of these areas. It is to say that the tax base of the local communities is much sounder than the tax base of the Federal Government.

I am placing in the RECORD an article that appeared in the Wall Street Journal, of Monday, November 6, 1967, which actually is discussing an entirely different subject; namely, the problem of homebuilding; but in this discussion there is a table showing the cost of land sites; namely, wealth, real estate values, in relation to disposable income which is to some degree economic activity. In 1950 the average cost of land sites for new homes covered by FHA mortgages was $1,035 and in 1967 first quarter was $3,725. Disposable income in 1950 was $1,364 and in 1967 first quarter was $2,686. The conclusion being—

> It's true the incomes are going up. But they are not going up as fast as the cost of land.

For context purposes I am inserting the full article of the Wall Street Journal, as follows:

APPRAISAL OF CURRENT TRENDS IN BUSINESS AND FINANCE

(By John O'Riley)

That next housing boom, which many say is now just around the corner if tight money problems can ever be bulldozed aside, may bring some surprises. It won't be a repetition of the great homebuilding binge of the late 1940s and early 1950s. That was the era when the nation turned from a land of renters into a land of home owners as millions of new single-family houses peppered suburbia from ocean to ocean. But today strong economic winds blow in the opposite direction. The next big round may be the round of renters.

If it is, it will make quite a difference to many a business. A multi-story apartment house boom is not the same as a one-house-to-a-lot boom. It won't be the same ball game for vendors of grass seed and patio furniture. It will be different for makers of garden tools and lawn mowers. Producers of steel and glass will note the change—apartment buildings use more steel and less glass in housing a given number of citizens than do individual houses. Multi-car ownership by families could be affected.

Nobody thinks the one-family house is about to pass from the scene. But (1) the growth of the population and (2) the concentration of the people in urban centers is working strongly against it. As the population density tightens, the economic pressure is toward stacking family units upward rather than pushing them farther and farther from job centers.

The most notable evidence of the pressure is in the price of land. There is still an abundance of land in the great open expanses of this country, but the unused land supply close to the jobs is rapidly shrinking, and the soaring cost of land for residential use shows it.

The table below traces the rise in the average cost of land sites for new homes covered by Federal Housing Administration mortgages—and, for a yardstick, compares it to the rise in average per-capita disposable income of the nation's citizens.

Year	Cost of land site	Disposable income
1950	$1,035	$1,364
1955	1,626	1,666
1960	2,470	1,937
1965	3,427	2,427
1966	3,589	2,584
1967 (1st quarter)	3,725	2,686

It's true the incomes are going up. But they are not going up as fast as the cost of land.

The home site land costs chronicled above show a climb of 50% just since 1960, compared with a 38% rise in per-capita disposable income.

Following the figures back to 1950, we have a whopping 260% leap in the land costs—nearly three times the 97% gain in the income figure, striking as the latter is.

These FHA-covered lots, of course, are not the most costly in the country. But they show the trend. Buyers of more expensive suburban real estate are familiar with the pattern. A builder in New York's Nassau County says 60-by-100-feet site plots that sold for $1,800 to $2,000 in 1950 had moved up to $9,000-$10,000 by 1960 and are in the $15,000 neighborhood this year.

The figures clearly raise a question: Aren't things rapidly moving toward the point where it will be uneconomic—impossible—for the average family to reserve a plot of land for its exclusive residential use in many metropolitan areas?

Nor is land alone in inflating the cost of a residence. Building costs—especially construction labor—have been among the steep climbers of the post-war era.

The following table shows the rise in average hourly pay for contract construction workers—with a comparison, for perspective, with average hourly rates for production workers in all manufacturing.

Year	Construction	Manufacturing
1950	$1.86	$1.44
1955	2.45	1.86
1960	3.08	2.26
1965	3.70	2.61
1966	3.88	2.72
1967 (September)	4.17	2.85

The factory pay raises, as sharp as they have been, have lagged well behind the gains scored by construction workers.

The construction pay rate is up 35% since 1960, compared with a gain of 26% in manufacturing. And since 1950, the construction rate has scored a leap of 124%, compared with 98% in manufacturing.

These hourly rates do not include fringe benefits. A Long Island, N.Y., homebuilder says his construction wages, with the fringes, average $6.00 an hour today, double what they were ten years ago.

This sort of labor cost runs the price of a house up pretty fast. Of course costly labor is used in constructing apartment buildings too. But it doesn't take as many man-hours of labor to build one apartment as to build a single-family house.

There is little prospect that this labor cost inflation will abate. The number of new skilled building craftsmen entering the labor force is not impressive. To become such a craftsman (journeyman) takes three to four years of apprenticeship. The attraction of other jobs today keeps many young men from finishing these apprenticeships.

All the building trades together turned out only 16,352 new journeymen last year. At the end of the last decade, in 1958 and 1959, new journeymen reached the trades at the rate of more than 20,000 yearly.

This is probably one of the side effects of "full employment." For nearly two years now the unemployment rate among young and old married men has been at or under a thin 2%.

One other thing working against the single family house, located ever farther and farther out in the suburbs, is the matter of getting to and from the job. Auto traffic snarls worsen. Public transportation costs zoom upward. Cost of living calculators put the cost of public transportation up some 33% since 1957–59. That's about double the 17% rise in overall living costs.

Really good—and fast—transportation from job centers to far-out building space would be a mighty boost for the single family home. It may come. But when?

"THE CHURCHES SAY 'NO' TO THE WAR IN VIETNAM," BY REV. HAROLD A. BOSLEY

Mr. WATKINS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Kupferman] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KUPFERMAN. Mr. Speaker, my colleagues who know of my concern over the war in Vietnam, which wastes our substance and devours our manpower, will also know that I could not let this session of the 90th Congress close without once again bringing before you a respected voice in dissent over our Vietnam policy.

There are many more such respected voices today. These are people who support and revere our flag and all that for which it stands. Yet while decrying flag-burning, they nonetheless must protest in the highest interest of U.S. democracy, against policies that brought us to and continue us in a senseless war.

As we conclude this session of Congress, where so often we have heard words to the effect that we could not take some domestic humane and necessary action, like exterminating rats, because we have a war going on, I once again register my protest.

This time it is done through the thoughts of Rev. Harold A. Bosley, of Christ Church Methodist, 520 Park Avenue, in the heart of my district, in a sermon delivered on October 22, 1967:

The Churches Say "No" to the War in Vietnam

(A sermon by Harold A. Bosley, Ph. D.)

Today is being observed by the Churches in the United States of America as World Order Sunday. It has been so designated by the National Council of Churches and the major denominations comprising that body.

The Methodist Church is using this day to confront the anguish of the war in Vietnam. Bishop Lloyd Wicke sent a letter to the ministers of the New York Conference containing these sentences: "We hope that on this Sunday every church in the New York Conference will examine the conflict in Vietnam through the eyes of Christian responsibility. This should not be done lightly or casually."

If I were to pick a semi-secular text for the sermon it would be the statement made by Rabbi Abraham Heschel of Jewish Theological Seminary of New York City: "To speak about God and to remain silent on Vietnam is blasphemous."

That is why I am now set to the task of trying to explain the nature of the Churches' criticism of the war in Vietnam as that criticism has been formulated by representative church groups. In doing this I shall be seeking to be a fair interpreter of positions that have been taken by churches and in some cases by synagogues in this country and abroad over the last five years.

After this past week of dissent across the country, it is scarcely news that our country is profoundly disturbed by and divided over our policy in Southeastern Asia.

The war in Vietnam is easily the most unpopular war we have ever been engaged in, save, possibly the Mexican War in the 1840's. Abraham Lincoln, then a representative from Illinois to the United States Congress, voted against that war. When he went home he was greeted by a veritable storm of abuse from those who favored it. He wrote a friend that hereafter he was going to vote for war, pestilence, plague, and every form of epidemic—since people seemed to want those things!

Every effort on the part of the present Administration in this country to secure solid support of its policy in Southeastern Asia has failed. A scattered and uneasy consensus—yes—but full approval—no. And the consensus—such as it is—has been obtained largely by specious pleas like "Support the Boys in Vietnam." The cracks of dissent are running wider and deeper all of the time. Presidential statements, television interviews, press conferences by Secretary Rusk and the President himself, passionate speeches by Senator Dirksen and Representative McCormack, cross-country speaking tours by former Ambassador Lodge, Walter Rostow, Nicholas Katzenbach, and newspaper articles by General Maxwell Taylor—these have done little more than widen the cracks of dissent.

Important newspapers and weekly news magazines, thoughtful columnists and reporters, former military leaders, groups of lawyers, teachers, and scientists, and innumerable student groups object to the policy we are following. The Peace Corps workers in several countries have collectively voiced their opposition to it. And a new group of Peace Corps workers were recently assured that they would not be asked to support our policy in Vietnam simply because they were in the Peace Corps.

President Johnson's burly assertion that we will not tire, that we will "ride the tiger" unafraid, that we are going to bring peace to all Asia by our efforts, together with Dean Rusk's assertion that we must not be childish about such matters, sound hollow indeed to many thoughtful persons. Distinguished diplomats are disagreeing with our policy: George Kennan, easily one of our wisest thinkers to international affairs, John Galbraith, former Ambassador to India, and Edwin Reichauer, former Ambassador to Japan, to mention the three most steadily before Congressional Committees and in the public gaze of late. Seasoned political leaders in both parties, singly and in groups, have attacked our Far Eastern policy. Of course there are defenders of it—but the defense has usually been along the sidetracking pleas I mentioned a moment ago, to "Support the President", or "Support the Boys in Vietnam." Easily the most thoughtful recent contribution to the search for a way of ending the war in Vietnam is the articles by Theodore Sorenson, former advisor to President Kennedy and President Johnson himself in the early days of his administration. This article appears in the current edition of *The Saturday Review* and deserves the careful attention of all of us.

One of the finest kinds of work sponsored by our country in South Vietnam is the International Volunteers Service. It is a sobering thing to hear that one-third of their workers in that country sent a letter of protest to President Johnson over our policy of escalation of the war. Mr. Don Luce, whom some of us saw briefly on the Today Show last week, was the Director of this program until he and three of his colleagues resigned in total protest against our policy. His appearance on television, together with the published statements made by him and his fellow dissenters, recalled the vivid memories I have of the days spent in their hospice outside Saigon, and of the conferences we had with them as they told of their work in the villages—all happenings to the obligato of gun fire to the north and helicopters shuttling to and from the battlefields.

For me, one of the disturbing facts of the last few weeks has been the apparent refusal of our government to give heed to the pleas of the foreign ministers of some of our closest friends—Canada, France, and Norway—to consider steps that might lead to negotiation. Although they asked us to end the bombing of North Vietnam and thus associated themselves with requests that have been coming in from all quarters of the world, it seems that their pleas fell on deaf ears.

I think it is fair to say that our prestige in world affairs not only has never been lower, but is sinking steadily. Erstwhile friends are veering away from what they regard as a headstrong, indefensible, big-power policy unsuited to and dangerous in our nuclear age. Some of our closest friends—with whom we have no ideological dispute whatever—feel that by our policy of bypassing the United Nations in every way but occasional hortatory pleas for help we are as guilty as the Soviet Union of weakening that body in its peacekeeping functions. Dissent from our policies in Eastern Asia is by no means limited to the Communist bloc of countries—of that we may be sure.

I mention these areas of dissent outside the churches not to hide the dissent within the churches behind them, but to indicate the simple fact that we are not alone.

Dissent on the Far Eastern policy of the United States is no recent phenomenon within the Churches of this country. I sometime wonder whether we in the ministry have kept the members of our local churches—Catholic and Protestant alike—aware of how long elected bodies of churchmen composed of laity as well as clergy have been questioning this policy of our country. I wonder if it is duly appreciated how widespread and profound that dissent has now become within the Churches.

Historically, there was serious objection to the announced policy of the military containment of Communism after World War II. Not because churchmen were Communists, as a few feared, or were interested in Communism, as some charged, but because the proposed policy was the wrong way to deal with it. The refusal of our country to recognize the revolutionary government which took control of China in 1950 came under immediate and continuing criticism of an increasing number of churches over the years. The extension of aid to France in her effort to recapture her colonies in Indo-China was subjected to similiar criticism. The determination of our policymakers to build situations of power in or near Asia as centers of containment seemed fraught with grave dangers—and church bodies have said so for the last twelve years.

I am not now debating any of these issues—most of them are ancient history, but I cite them to illustrate the fact that the major Churches of the United States, the National Council of Churches and the World Council of Churches have a history of intelligent, forthright, outspoken concern on our foreign policy going back nearly twenty years. There has been disagreement within church groups over the problems we have faced—and there is disagreement today on many of them. But when the voting is done, the Churches are almost always among the dissenters from our major policies—and that continues to be true today.

This is especially true of the war in Vietnam. Churches have been critical of it from the very beginning of our involvement there. Church groups have charged that our policy there is policy suited to a world that has no United Nations; that it is a throw-back to the days of power politics; that it represents an attempt on our part to control whole continents to our advantage by the judicious development of centers of power in or near them.

As churches we deplored our government's support of the French in Vietnam, and we were glad when the French lost out, giving indigenous groups a chance to set up a country of their own. We welcomed the Geneva Agreements of 1954, and felt with Anthony Eden, Chairman of the final session in Geneva, that, if kept, the agreements opened the door to peace for Indo-China. We were alarmed at the speed with which the agreements were ignored by both North and South Vietnam, though, technically, South Vietnam had dis-associated itself from the agreement on the spot. We felt keenly that the willingness of our government to back whomever in South Vietnam might serve us against Communism, with scant regard to the means he might use, provided a very precarious situation there. The ease with which we seemed to equate all revolutionary movements with Communism was most disturbing to anyone who had studied with care the development of nationalism in Asia over the last seventy years.

The whole tragic period of Diem's leadership with our full support produced great alarm among all who were following the events with great care. And the dangerous and inconclusive escalation of the war, with our military leaders begging for men by the millions, and money by the billions, and a free hand at pulverizing North and South Vietnam alike, if necessary, has produced a series of documents through interfaith efforts that are uniformly critical of the objectives, the explanations, and the execution of our policies.

The fact that I have had some small responsibility for membership in these conferences and have shared in the writing of many of the documents lays upon me an additional and welcome rsponsibility to interpret to you, my people, the nature of and the reasons for the Churches' criticism of our policy in Vietnam.

I suggest that you read three small paperbacks that are now available. One is by Nhat Hanh, the Buddhist monk who spoke in this country a year and a half ago. It bears the title, *"Vietnam, Lotus in a Sea of Fire."* It contains the thought of responsible Buddhist leaders on the situation in their country and suggests a firm course of action for the United States which we have signally ignored to date. A second book contains three statements by a Protestant, a Roman Catholic, and a Jew, and is entitled: *"Vietnam, a Crisis of Conscience."* A third book is called, *"Religion and Peace"* and contains the major studies made by the first National Interreligious Conference on Peace held in Washington in March of 1966. A careful reading of these books will put a full end to the idea that religious groups the world over are not trying to think and act responsibly on matters relating to peace. We are not being children when we dissent from the policy and question the judgment of our leaders on these matters.

Churches are distributing today the latest statement of the General Board of the National Council of Churches adopted one month ago (September, 1967) by a vote of 111 for it, 14 against it, and 4 abstentions from it.

May I say just a word about the process by which this document was written?

The ones who shared in the process are laymen as well as ministers. One former cabinet member, one former ambassador of the United States to the United Nations, several men who are recognized by our State Department as Far Eastern experts, two men who are experts on the United Nations—these were among the ones who helped formulate this document at some point or other in its development.

This particular statement is the fifth major pronouncement by the National Council of Churches on Vietnam in three years. A special committee, of which I am a member, has been created to keep the council updated on the rapidly changing situation. Representatives of our committee have met with Secretary Rusk three times, with Ambassador Goldberg twice, and with the Secretary-General of the United Nations, Mr. U. Thant, several times. We have not been children about this grave matter. We have tried to act responsibly in the light of the duty of the Church to bring judgment to bear on the life and work of mankind.

We have kept in close touch with what is actually going on in the villages of South Vietnam. We have listened to spokesmen of the major religious groups in Vietnam, believing them to be far and away the most reliable interpreters of the way villagers are thinking about the situation. Four committees of churchmen have gone to Vietnam: One sent by the Fellowship of Reconciliation in 1965, three sent by the National Council of Churches over the last three years. We have several men in Vietnam all of the time supervising Church World Service, and we are in constant communication with them.

While we have paid strict attention to every official utterance of our government on Vietnam, and have done or said nothing about the situation without due notification to the State Department, we have used our own resources as well. I repeat: We have not been children about this situation.

You were given copies of a Resolution on Vietnam along with your bulletin this morning. I want you to take it with you and spend time on it. It contains the heart of the National Council's constructive criticism of our Vietnam policy. You will find that it is not merely negative; it brings forward several constructive suggestions that merit careful consideration. Consider, if you will, these recommendations:

"In regard to Vietnam, recent developments suggest various courses of action that the U.S.A. might take.

One is greatly increased escalation of the military effort to secure defeat of North Vietnam and, therefore, the Viet Cong. This policy will involve vast destruction. It will greatly increase the danger of war with China and perhaps Russia. It will, in our judgment, employ means that will defeat our objectives in Vietnam. We therefore vigorously oppose escalation of the U.S. military effort there. We believe there is a better way to end the conflict.

Another course of action is to continue the military operation at generally the present level. Although this is high, it is still the level of limited and not all-out war. This course of action will almost certainly involve a long war. We do not believe this policy to be morally justified. In our judgment the destruction it would entail, both in meeting major military engagements and in a hamlet-by-hamlet operation, would defeat the U.S. objectives of helping to achieve a free and just society in Vietnam.

A further course of action is to de-escalate the U.S. military effort, e.g., by revising U.S. concepts of military strategy, and adopting a strategy of the defense of those areas now controlled by Government of Vietnam and U.S.A. forces. If accompanied by steps designed to secure a peaceful settlement of the war, such a policy of de-escalation offers greater hope of a just settlement than a policy which envisages either a long war or an escalated military effort.

We believe that measures designed to set in motion a process of peaceful settlement should be inaugurated at once. We fully recognize that heavy responsibility for the war and the present condition of Vietnam rests with the National Liberation Front and Hanoi. Nevertheless, we believe that a solution achieved by military victory alone, if that were possible, would subvert the interests of security, justice, and peace, and therefore would not serve the best interests of the U.S.A. We believe, therefore, that the following steps should be taken:

(a) We ask that the U.S. make clear to the newly elected government in Saigon the necessity of large-scale, convincing efforts to establish social justice in South Vietnam, and the necessity of prompt efforts to secure a just, peaceful settlement with the National Liberation Front and Hanoi. It is essential, in our view, that the U.S. declare that the Government of Vietnam should take its own initiatives and make its own decisions to secure an early, peaceful settlement of the future of Vietnam. We urge that the U.S. pledge its support of all such efforts. In the absence of such efforts, we urge the U.S. Government to re-examine its commitments in Vietnam.

(b) As the General Assembly of the U.N. is about to convene, we ask that there be a shift in U.S. policy at two points. The first, to request the U.N. (preferably the General Assembly) or other international agency to take up the question: What steps should be taken and procedures adopted to secure a peaceful settlement in Vietnam? The newly introduced Senate resolution concerning reference of the Vietnam issue to the U.N. deserves popular support.

Such a change in policy, we believe, would help create a situation on the world scene and in Vietnam that would assist in securing a peaceful settlement of the war. As the U.S. takes these steps, we believe it should clearly restate its desire for an early peaceful settlement and its willingness to withdraw its military forces upon reasonable assurance of the security of the area involved. We believe that the highest morality now urgently requires the compromises which will produce a peaceful settlement and help secure conditions for the establishment of freedom and justice. We believe the U.S. moral strength will now be shown not by continuing a massive military program, but by making efforts towards peace which, though they may involve risk, are imaginative, sustained and credible. We support the positions of those in Congress and in the Administration who have clearly advocated these objectives.

It adds force to such considerations to know that similar statements were issued in 1966 by the Synagogue Council of America, the National Interreligious Conference on Peace, the Central Committee of the World Council of Churches, the American Roman Catholic Bishops, and Pope Paul.

These statements by responsible churchmen suggest what deserves to be called the moral basis of religious dissent from the war in Vietnam. It is possible, I believe, to summarize that basis briefly:

(1) We no longer think war can serve a useful purpose in the human family. The world is too small, our weapons are too lethal, the problems we face are too numerous for settlement by resort to arms. A kind of pragmatic pacifism is now the dominent mood of all religious bodies the world over. We live in a new age—the age of the nuclear bomb, the guided missile, and the United Nations, and other potentially world-wide peacekeeping agencies. For the United Nations to flourish, we must use it. Like a muscle, it will atrophy without use. We can find the way to peace only by looking for it in company with others. We are not content with negations; we insist on affirmations. We do not simply say "No" to war; we say "Yes" to the United Nations. We say "No" to every unilateral thrust in foreign policy by this or any other country: we say "Yes" to the collective deliberations and decisions of representative bodies like the United Nations. There can be no doubt about the fact that the religious bodies of the world have moved far ahead of nationalistic considerations and concern and are already far over the frontier of "the one world" of which we have spoken so long.

(2) We believe that the United States is dishonoring its commitment to the United Nations by pursuing its present policy in Vietnam. The United States has no moral right to expect Israel and the Arab States, or the turbulent countries of Africa, or India and Pakistan to submit their differences to the United Nations when we will not take our problems there. Let the record be clear: We have not permitted the war in Vietnam to become a really active item on the agenda of the Security Council; we have made no effort to put it on the agenda of the General Assembly, where, it seems, it may have to go in order to get action. We have talked about action by the United Nations, but we have not taken the steps that would ensure it. We have begged the United Nations to help, but we have denied them effective responsibility of addressing themselves realistically and decisively to the problem. It has not been enough to have the war in Vietnam as an item on the agenda of the Security Council for nearly ten months. We have been content, if not insistent, that its presence there be a technicality. We have not demanded, nor, it appears, permitted others to demand that it be considered by that body as a matter of immediate and corporate action. Until this is done, it will remain as little more than a dead item on the agenda.

We have given various explanations of our refusal to push for action in the United Nations: the Security Council does not want to act; the Secretary-General does not want the matter pushed now; various countries advise against pushing the matter to the point of debate over possible action. It is not difficult to see why no one wants a war on his hands. But the blunt fact is that wars and rumors of wars belong to the United Nations not as items on the agenda, but as active duties.

Even though North Vietnam and South Vietnam are not in the United Nations—once she has official, rather than advisory responsibility for the situation there—she would be empowered to try to reconvene the Geneva Conference, or even to set up a wholly new conference composed of Asian nations to deal with the problem. But the United Nations can do nothing substantial until, and unless, we surrender the right of decision as to policy and procedure in the war except as we may exert our influence as one among the nations in the United Nations. The United States must make it clear that we not only want the war on the agenda of the Security Council and/or the General Assembly, but that we will be guided by whatever decision is reached and will do what the United Nations asks us to do in Vietnam. This we have not been willing to do, nor are we willing to do it now. The war in Vietnam, though it may be spoken of by nearly every speaker who takes the platform in the General Assembly, is still not officially before the United Nations. There is no item on the agenda of the General Assembly that is up for consideration as to vote one way or another.

We hear our honoring commitments as the reason for staying in Vietnam. Now, I am all for honoring commitments when they are bona fide and have been made in a truly representative way. But there is serious dispute over what our commitments in Vietnam are, or who made them, or even when they were made. Serious students have questions on all these matters—questions to which we are not able to secure a full answer. It is clear that President Eisenhower offered to help Diem—providing Diem did certain things—but the provisos were never kept. President Kennedy offered to send advisors to train the South Vietnamese Army Officers Corps and to speed up the AID program, providing—and still the provisions were not kept. General Maxwell Taylor, testifying before the Senate Foreign Relations Committee on February 17, 1966, was asked by Senator Hickenlooper, "When was the commitment made for us to actively participate in the military operations of the war with American personnel?" The General replied, "Insofar as the use of our combat ground forces are concerned, that took place, of course, only in the spring of 1965. In the air, we had been participating more actively over two or three years."

The facts stand that before we entered the organization called SEATO, before we sent a single advisor or combat soldier, or airplane to Vietnam, we had made a firm commitment to the nations of the world to be and to act as a member of the United Nations. It is the considered judgment of church groups that we have kept that commitment only when it suited us. We have been no more willing than the Soviet Union to be guided much less governed by the United Nations at points which we regarded to be of maximum self-interest.

If the United Nations is a weak instrument for world peace today, its weakness does not come from the large number of small states in its membership, as some aver, but from the way in which the big powers, notably the United States and the Soviet Union, have ignored or tried to "use" the United Nations in the pursuit of their own ends.

It is argued that for us to ask that the war in Vietnam be removed from the category of being a dead-letter on the agenda of the Security Council to the status of urgent and immediate consideration would be a confession of weakness, even, that it would be a signal to Hanoi that we are about to quit the war. I fail to follow such reasoning. To begin with, who thinks we are about to quit the war? Not even the so-called "doves" say that. Further, the proposed action would be a vote of confidence in the United Nations and might easily be the injection of new and sorely needed confidence in the peacekeeping functions of that body.

And we should persist! If the Security Council fails to act, let the matter be pressed in the General Assembly—and let us do the pressing! It is the studied judgment of church conferences that the war will not be stopped nor peaceful negotiations be undertaken except through the active use of the good offices of some world-body like the United Nations or some other body judged by the United Nations as competent to deal with the war. We feel this so strongly that some of us are wondering whether we should not suggest that the foreign offices of the members of the United Nations should be moved to United Nations Plaza and made subordinate offices in its total operation!!

(3) The third area of grave concern among churchmen who meet to study the problems of peace is how to meet the challenge and threat of Communism. No one minimizes the reality of this problem. But how to deal with it is exceedingly difficult. Some of the finest minds in America and some of the best trained ones came to Washington to help us think our way through on it a year ago and they gave us some guidelines:

(A) There are many kinds of Communism and they should not be confused. The countries of Southeastern Asia are so impregnated with nationalism that there is small likelihood of any overarching unity among the Communist Parties of these countries. The traditional Vietnamese dislike, if not actual hatred, for the Chinese will be a factor in any political picture in Southeastern Asia. To illustrate, those who know the records insist that Ho Chi Minh and Mao Tse-tung have scant regard for each others ideas and policies, even when they are forced by events to cooperate. The tension between the leaders of China and North Vietnam is continual and severe.

(B) A second guideline is this: Simple anti-Communism is not an adequate basis for a sound American foreign policy. The world is changing too fast in fundamental ways to say that all revolutionary situations are even Communist-inspired, let alone Communist-dominated. That is not only too easy and too dangerous an answer; it is palpably false. The warning we hear that "if South Vietnam goes Communist, all Asia goes Communist," sounds strange in New Delhi, or Tokyo, or even in Bangkok and Burma. It made a ringing line on Hubert Humphrey's TV show last week when he said, "Freedom exists in the world behind a bright shield of American policy"—but one wonders what this says about the many countries who too have fought for freedom yet who are violent critics of our policy.

The tendency of big powers to build a ring of satellite states as Russia and the United States have done is clearly evident in China today. But the future of the world depends upon whether we can break this security-through-satellite pattern and find a new kind of security in the United Nations enlarged and trusted by all. This we cannot do alone. Only by the long, patient processes of sound diplomacy in and with the nations of the world can we be a force for peace with China. There is just one way to persuade her of our peaceful intentions in Asia: To be willing to be guided and governed by what the United Nations or some other international body recommends in our dealings with that continent. And the war in Vietnam is an excellent plan to begin this process.

Of the many other matters that have concerned churchmen as we have tried to come to grips with this war, several more deserve some mention.

We are told that critics of our present policy have no alternative to offer. It comes close to being ridiculous to argue that way. There may be a weaker defense of a policy than that, but, just now, I cannot think of it. Mr. Joseph Kraft, in his introduction to a recent book on Vietnam, comments: "Official apologists for present American policy, while acknowledging its dangers, often insist that there is no alternative. This is a little like the peddler selling pills during the Lisbon earthquake, who replied, when asked whether the pills would do any good, 'No, but what do you have that is better?' The comparison would be even more apt if the peddler had had a hand in the earthquake." How any fair-minded man can say that critics of the present foreign policy have no alternatives after reading with care the long and careful statements made by men like Kennan, Galbraith, Reichauer, Gavin, and many others before the Senate Foreign Relations Committee is beyond me. These knowledgeable men have made alternate proposals, but the Administration either does not hear them or will not heed them. It is simply a delusion to pretend that we are doing the only honorable thing open to us in Vietnam.

There is deep feeling freely expressed in the discussions in our conferences that our policy forgets people: It has lost sight of the villager in Vietnam. Two facts bear that out and I am well aware of the seriousness of the charge.

(1) Senator Edward Kennedy's committee studying the refugee problem in South Vietnam has come up with some appalling figures of civilian casualties due to bombing and the number of refugees. More than 100,000 civilians have been wounded and we now have 2,000,000 refugees clustered in areas of incredible need around and in every coastal city of South Vietnam. Just think of that figure: 2,000,000—out of a total population of sixteen million—or ⅛ of the population are refugees. Translating it into our own terms: If we had as many refugees here as they have there we would have 23,000,000 war refugees caused by our own military action. Free strike zones and areas are fine sounding words; and the facts they denote do simplify the job of the generals who may then order that anyone in an area is presumed to be a Vietcong and should be killed. When I hear those words—free strike zone—I think of entire villages uprooted, loaded in trucks and hauled away to the hated cities. I think of the desecration of burial grounds, the destruction of crops, the levelling of homes and small industries.

(2) Mr. Luce told of how Vietnamese who two years ago would invite him into their home for a cup of tea, now stand up and go inside their home when he, an American, comes down the street of their village.

When we were there in 1965 we went to the Mekong Delta and several other villages. But when one of our group returned last summer, the very ones who took us to the villages in 1965 refused to let him leave Saigon because it is not safe for an American to be in the villages. Are they afraid of the Vietcong? Yes, of course, but they are just as fearful of the actions of the South Vietnamese when they see an American. I beg of our Administration: Do not worry about our loss of face among the villagers of Vietnam. If we do not persist in the war—we have no face to lose among them anymore. We shall not live to see the time when the name "American" will be other than a term of reproach and vilification in most of Asia, including both Vietnams.

Our policy misses or makes light of the tragedy of suffering which we inflict on the ordinary villager of Vietnam. There is something terribly wrong with a policy that will press down an ideological crown of thorns upon the heads of people who do not even know or care what the words are for which we crucify them.

One other matter demands notation: The new dimension of the problem of conscientious objection to this war by many of our young men.

For many years, our government has been quite ready to grant the status of conscientious objection to one who for religious reasons opposed all war and could furnish evidence of the support of a church for his position. But the present war finds men objecting to it, but not necessarily to war itself. They are "selective objectors"—willing to serve causes they believe in but unwilling to serve others. Many of them are not members of our churches; indeed, churches have no specific statements of support for "selective conscientious objectors." The present policies of churches are of the all-or-none type—you object to all war or to none at all.

But this position can no longer be defended. The fact of consicence cannot be limited to or by pronouncements by church or state. Tens of thousands of honest young men sincerely believe that the war in Vietnam is immoral and unjust. They, therefore, claim the right not only to object to it verbally, but to refuse to fight in it.

What shall we as churchmen say about their claim? I do not know what our conferences will finally say, but I think the growing concensus is to support the right of selective conscientious objection for all who claim it, whether for specifically religious reasons, or for more general moral ones as well. I must say that I am very much in favor of this position.

Conscience is a strange and wonderful property of a human being. We work at the training of it in home, church, and community. Every family is engaged in the training of conscience of its children. We in the church are engaged in the training of a Christian conscience—i.e., one grounded in and guided by Christian values.

But conscience is finally a personal act. We say we want our children's conscience to be a force for good in their behavior. We want it to inform their minds and guide their decisions, we say. We want it to say "yes" to some and "no" to others. We want it to be their moral "backbone"; we want it to be strong enough to enable them to defy group action if need be. Only a conscience strong enough to do this is of any use to the individual in preserving his identity. Without it he becomes "a faceless man," a member of a mob, lost in anonymity.

There the present problem arises. What shall we teach our children about conformity to the group called the "state" on moral matters? Shall we say, "Let your conscience be your guide—until it contradicts the judgment of the President or the Congress, then you must let them be your conscience?" Must the conscience of our sons bow to the conscience of the President when matters as fundamental as taking of life are concerned? *I think not—most emphatically not!* I am convinced that conscience—the God-given human capacity to assume full moral responsibility for what we do to and with others—ought to be respected as the decisive factor at the point of decision.

If a man feels that it is necessary and right to kill another in war, then he is a conscientious participant in the war—and I will honor his decision. But if another man thinks it wrong to do that, I insist that we must respect his right as well. It is not only wrong, it is blasphemous to require one to kill another against his will, judgment, and conscience.

By what right does the State deny a person the right to decide whether he will engage in the slaughter of other human beings? If we deny him this right, then by what kind of devious reasoning do we expect him when he returns from battle to honor life and the values of living which we cherish? Does the State have the moral right to play God on matters of life and death?

When I hear men say that finally we must conform or the State will perish, I think of the ones who would not conform: Socrates drinking the hemlock, Jesus on the Cross, Savonarola, Bruno, Servitus engulfed in flames, and George Fox in the jails of England—all because they defied the Establishment of their day! What shall we say of them—these heroes of conscience? That they were mistaken? That they were a mistake?

Such men and such moments throw open the doors of possibilities we never knew existed until they died doing it. So when our young men stand before the war in Vietnam and say, "I think it is morally wrong; I will not engage in it," I am convinced that we ought to back them and their plea all of the way. I would rather face the question of what will happen to our country if we do that than the question of what will happen to our country if we do not.

Finally, men—persons like ourselves—must rise to the full stature of our humanity and speak as members of the entire human family if we are to continue on the face of this earth. If we do not or will not, then ours will be the dubious distinction of being the last human beings to live on the face of this earth.

Let us pray:

O thou who hast given unto us days in which to live that depress us and darken our minds and separate us from each other so easily; Help us not to become separated from Thee and in that union with Thee may we find a new union with each other. Bless the President of the United States and the leaders of other countries as they work together for peace, in Christ's name. Amen.

THE OTEPKA BRIEF—THE PRICE OF LOYALTY

Mr. WATKINS. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, several days ago, on December 9, Secretary of State Dean Rusk handed down his decision in the now celebrated case of Otto F. Otepka the security officer accused of "conduct unbecoming an officer of the Department of State." Specifically, he was charged with delivering to a person outside the Department classified information, thus violating a Presidential directive of March 13, 1948. For his conduct, Otepka was severely reprimanded, reduced in grade from GS–15 to GS–14 and transferred to "duties in the Department of State which are within his qualifications but which do not involve the administration of personnel security functions."

Much has been said about the Otepka case by both Democrats and Republicans here in Congress over the last 4 years. To anyone even slightly familiar with the case, the abuses of some State Department officials read like a chapter from the Mafia: safecracking, mutilation of documents—a Federal offense, in this case—possible perjury, wiretapping. It is not my intention at this point to comment on aspects of the case. Rather, I believe it is advisable to let Mr. Otepka make his own defense as it was presented in his brief to the State Department hearing officer. It seems only fair that if the State Department can overlook the above examples of "conduct unbecoming an officer of the Department of State" while penalizing Otepka on highly controversial grounds, then at least Otepka's side should be heard. Another ironic aspect of the case concerns the astounding laxity in security on the part of some State officials and the evident double standard applied to Otepka who was guilty of giving documents to a member of the U.S. congressional committee cleared to receive such material.

As the brief is quite lengthy, I have inserted my own subheadings to render it more readable. Regardless of its length, I can promise you that its reading will engender reactions ranging from depression to outrage. I wish it could be made available to every concerned American citizen.

I include the Otepka brief in the RECORD at this point:

IN THE U.S. DEPARTMENT OF STATE: BRIEF ON BEHALF OF OTTO F. OTEPKA

(In the matter of the appeal of Otto F. Otepka, before Edward A. Dragon, hearing officer, appeal from adverse action)

INTRODUCTION

This is an appeal from the decision of Mr. John Ordway, Chief, Personnel Operations Division, sustaining thirteen charges against the appellant. The charges were preferred by a letter from Mr. Ordway to the appellant dated September 23, 1963. (App. File Doc. No. 1) The appellant filed his answer October 14, 1963. (Doc. No. 10) By letter dated November 5, 1963, Mr. Ordway found that all thirteen charges contained in his letter of September 23, 1963 were sustained. (Doc. No. 12) Mr. Otepka appealed from this decision on November 14, 1963. (Doc. No. 13)

Mr. Ordway's letter of September 23, 1963, setting out the charges against Mr. Otepka, recites in some detail that during the period March 13, 1963 to June 18, 1963 the appellant's classified trash bag, referred to as a "burn bag", was subjected to continuous and covert inspection; that these "procedures" were "instituted" by direction of Mr. Otepka's superior, John F. Reilly, Deputy Assistant Secretary for Security. (Doc. No. 1) The letter further recites that certain carbon paper, copies, "clipped" and torn pieces of paper, referred to in the charges, were retrieved from the trash bag.

Following his description of the surveillance of the appellant's trash bag Mr. Ordway lists thirteen charges against the appellant. Charges 1, 2 and 3 alleged that the appellant conducted himself "in a manner unbecoming an officer of the Department of State" and committed a "breach of the standard of conduct expected of an officer of the Department of State", by furnishing copies of two memoranda and a copy of an investigative report to Mr. J. G. Sourwine, Chief Counsel, United States Senate Subcommittee to Investigate the Administration of the Internal Security Act and other Internal Security Laws, of the Committee on the Judiciary. It is alleged that the furnishing of these papers was in violation of the Presidential Directive of March 13, 1948 (13 Fed. Reg. 1359)

Charges 4, 6, 8 and 10 allege that the appellant was "responsible" for the declassification of classified documents, in violation of various sections of the Department's Foreign Affairs Manual. Charges 5, 7, 9 and 11 relate to the same documents referred to in charges 4, 6, 8 and 10 and allege that the appellant was "responsible" for the "mutilation" of such documents in violation of 18 U.S.C. 2071, a criminal statute. On October 4, 1963, counsel for Mr. Otepka requested Mr. Ordway to advise him whether it was alleged that Mr. Otepka personally clipped or mutilated the documents in question, and if not then who was alleged to have done the clipping or mutilation. (Doc. No. 5) On October 8, 1963, Mr. Ordway responded that it was not alleged that Mr. Otepka personally clipped or mutilated the documents. (Doc. No. 6) Mr. Ordway did not answer the question as to the identity of the person alleged to have done the clipping or mutilation.

Charges 12 and 13, contained in Mr. Ordway's letter of September 23, 1963, allege that Mr. Otepka conducted himself "in a manner unbecoming an officer of the Department of State" by furnishing to Mr. J. G. Sourwine certain questions which were subsequently put by Mr. Sourwine to Mr. Otepka's superiors, John F. Reilly and David I. Belisle, when they appeared before the Senate Internal Security Subcommittee. It is alleged that the furnishing of such questions was "a breach of the standard of conduct expected of an officer of the Department of State." By his letter of October 4, 1963 (Doc. No. 5) counsel for Mr. Otepka requested Mr. Ordway to specify the regulation alleged to have been violated by such conduct of Mr. Otepka. Mr. Ordway responded by his letter of October 8, 1963 (Doc. No. 6) that no allegation was made that such conduct violated a specific Department of State regulation.

Notwithstanding the decision of Mr. Ordway on November 5, 1963, that all thirteen charges against the appellant were sustained (Doc. No. 12), the Department of State at the outset of the hearing on June 6, 1967 withdrew charges 4 to 13 inclusive. (Tr. 10, 11) The hearing therefore related only to charges 1, 2 and 3 alleging that the appellant furnished certain documents to Mr. Sourwine, Chief Counsel of the Senate Internal Security Subcommittee.

Each of the first three charges contains three elements, all of which must be proven if the charges are to be sustained. These elements are:

1. That Mr. Otepka gave a certain classified document to Mr. Sourwine, the Chief Counsel of the Internal Security Subcommittee of the Committee on the Judiciary of the United States Senate;
2. That the giving of this document was a violation of the Presidential Directive dated March 13, 1948; and
3. That this act by Mr. Otepka was conduct "unbecoming an officer of the Department of State" and "a breach of the standard of conduct expected of an officer of the Department of State."

The position of the appellant with respect to the issues posed by the first three charges was stated by his counsel in an opening statement to the Hearing Officer. (Tr. 128–137) Briefly, that position was and is:

(1) Mr. Otepka did in fact turn over the papers in question to Mr. Sourwine, who was acting in his official capacity as Chief Counsel of the Senate Subcommittee.

(2) The papers given to Mr. Sourwine are not within the scope of the Presidential Directive of March 13, 1948, fairly and reasonably construed in the circumstances of this case. The papers contained information in the public domain, they did not contain loyalty or security information in the proper sense of that term, and there was no loyalty case pending or contemplated against any of the persons involved.

(3) In the circumstances of this case Mr. Otepka was under a duty to produce the specified papers as part of his testimony before the Senate Committee. He was called as a witness in connection with certain testimony that had been given to the Committee by his superior, John F. Reilly. He was asked whether that testimony was true or false. He said it was false, as in fact it was. In these circumstances it was his duty, imposed by his oath to tell the whole truth, to make a full disclosure to the Committee, including production of the relevant documents. To the extent that Mr. Otepka failed to make a full disclosure and failed to produce the relevant documents, he would have condoned or shielded false testimony.

(4) The fact that the specified papers were classified "Confidential" or "Official Use Only" is immaterial, since Mr. Sourwine and the members of the Senate Committee were authorized to receive such documents.

(5) Any attempt by Mr. Otepka to bring the matter of Mr. Reilly's false testimony to the attention of his superiors in the Department of State would have been a vain and futile thing, and could only have resulted in suppression of the truth, for the reason that there was afoot in the State Department at that time, and there had been afoot for a long time previously, a well organized conspiracy conceived, encouraged and led by Mr. Otepka's superiors, to destroy Otepka. The motivation behind this scheme to get rid of Otepka was that he constantly and resolutely insisted that sound and proper security practices be observed in the Depart-

ment of State, whereas his superiors constantly endeavored to relax or bypass security restrictions or standards to the end that persons reasonably considered by Otepka to be of dubious character might be retained or appointed.

(6) With respect to the question of what constitutes "a manner unbecoming an officer of the Department of State" and what is "the standard of conduct expected of an officer of the Department of State", the position of the appellant was that the answer to this question is not to be found in any written definition, formula, or regulation, nor is it contained in the Presidential Directive of March 13, 1948. The answer must be derived from an examination and study of the patterns of conduct which in the past have been approved or disapproved by the Department of State, thereby establishing the mores or standards of the Department. The conduct of Mr. Otepka must be judged against the standard so established to determine whether or not it falls below accepted standards, or is in violation of any such standards. Judged against such standards, the conduct of Mr. Otepka clearly does not fall below the standard and pattern which have been approved and accepted by the Department in the past, and is not a breach of any such standard. The purpose of these charges is to liquidate Mr. Otepka, not because his conduct has been dishonorable, not because his conduct has been below the standards which should be expected of an officer of the Department of State, but solely because he has insisted upon the observance of proper security practices and standards, and because he has testified truthfully before a Senate Committee.

This brief will examine the evidence developed at the hearing and set out the facts established thereby with respect to the foregoing issues. In accordance with the understanding reached at the conclusion of the hearing, matters of law will not be argued or discussed. See Tr. 1707–1710.

THE EXCELLENT RECORD OF OTTO F. OTEPKA

The reputation of Mr. Otepka for personal integrity is very high, and he "is regarded in his profession as one of the very best security men in the government, one of the most experienced, one of the most able". (Sourwine—Tr. 174) His reputation and standing were attested by many witnesses who appeared before the Senate Internal Security Subcommittee. (Tr. 174–193) As for the testimony of Mr. Otepka before that Committee, Mr. Sourwine stated (Tr. 313) "Mr. Otepka's testimony had been very lengthy. And we have checked many, many things he has told us, and we have established, so far as we know, everything he told us was true."

Mr. Otepka was born May 6, 1915 and entered the federal service on July 1, 1936, as an assistant messenger in the Farm Credit Administration. (Tr. 334) In July 1942 he was appointed an investigator with the United States Civil Service Commission. He was employed by the Civil Service Commission as an investigator or as a personnel security specialist until June 1953, except for the period October 1943 until March 1946, when he served in the United States Navy as a Personnel Classification Specialist. On June 15, 1953 he transferred to the Department of State as a personnel security evaluator at the GS–13 level, in the Office of Security. (Tr. 334–336) On October 25, 1954 he was promoted to Chief of the Division of Evaluations in the Office of Security. On June 19, 1955, he was promoted to the GS–15 level, and on April 7, 1957, he was promoted to Deputy Director, Office of Security. (Tr. 336–337) He served in this capacity until January 21, 1962, when his position was abolished by a reduction in force and he was reassigned to the position he formerly held as Chief of Evaluations. (Tr. 337, 338, 444)

In 1942 and 1943 (excluding military service) Mr. Otepka's efficiency ratings as an employee of the Civil Service Commission were "very good" which was next to the highest rating that could be assigned. (Tr. 340) From 1946, when he returned from military service, until 1953, he received ratings of "Excellent" which was the highest attainable rating at that time. (Tr. 340)

During the period of Mr. Otepka's employment as an officer of the Department of State his performance ratings have been uniformly high and complimentary. Thus, for the period December 1953–December 1954, his supervisor's "narrative appraisal of over-all work performance" (App. Exhibit D(7), Tr. 361–362) read as follows:

"During the entire rating period this officer has been Chief of the Evaluations Division. In that capacity he has done an extraordinary job shaping a chaotic situation into an orderly, efficient, and effective operation. He has displayed a high degree of administrative skill, an encyclopedia knowledge of pertinent rules, procedures and regulations, and a profound understanding of the history and background of subversive organizations and influence. He is gifted with the temperament, the judicial mind, and judgment which have contributed immeasurably to the thorough, objective and fair evaluations which have raised the production of his division to the highest professional standards. He is himself a drafting officer of unusual skill. His enthusiasm, willingness to give unstintingly of his time and effort, and his wholehearted cooperation have earned the respect of his superiors and subordinates alike and he has well earned a rating in the upper level of satisfactory."

For the period December 1954–December 1955, his supervisor's narrative appraisal of Mr. Otepka's work performance as Chief of the Evaluation Division stated: (App. Ex. D(1), Tr. 346 347)

"Mr. Otepka has continued during this rating period to demonstrate exceptional ability in fulfilling the above work requirements. He has handled in an extraordinary manner cases of a highly complex and extremely sensitive nature and maintains excellent liaison relations with other areas in the Department as well as other Government agencies. His superior leadership enables such flexibility as to program the activities of his office to permit the expeditious liquidation of the normal workload as well as special projects assigned by higher officials within the time limitations established. He should be rated outstanding with regard to all aspects of his job requirements, however, since the established time schedule for the submission of an outstanding rating precludes the presentation of this rating, as outstanding the incumbent is being rated in the highest level with the satisfactory category."

For the period December, 1955–December, 1956, Mr. Otepka's supervisor recommended that his work as Chief of the Evaluations Division be rated as "Outstanding". The justification for this rating stated in part (Appellant's Exhibit D(2), Tr. 346–351):

"The subject during the rating period performed every aspect of the work requirements set forth in his job description in a superior and exemplary fashion. He has shown himself consistently to be capable of sound independent judgment, creative work, and the acceptance of unusual responsibility. His attitude, sustained effort and willingness to put the needs of the Office and the Department before personal preference or convenience have set an example and provided an incentive to his subordinates and coworkers in the Division and throughout the Office.

"During the last several years the incumbent has directed the completion of the Department's program for the re-evaluation of all employees of the Department and American personnel of the Foreign Service under the standards as set forth in Executive Order 10450. In this effort he personally completed a large number of evaluations on difficult or controversial cases, which have been recognized as outstanding examples of professional skill in the field of personnel security evaluations. This crucial effort, which is the foundation for today's personnel security program within the Department and the Foreign Service had to be completed by a target date established by the White House. In achieving this monumental task of reviewing and revalidating security clearances for thousands of employees, Mr. Otepka demonstrated exceptional executive ability in directing, training, and evaluating subordinate personnel and in other factors of managerial skill which contributed to the creation of a productive and efficient organization.

"From its inception, the Federal Employees Security Program has been a controversial issue. Its objectives have been widely misunderstood and misinterpreted. In addition to the handicaps of inexperienced assistants, paucity of standards, and shortage of time, Mr. Otepka was obliged to combat these misunderstandings and misinterpretations. This he accomplished as a result of his ability to interpret and apply security laws and orders in a "down-to-earth", level-headed manner; thereby avoiding much of the adverse publicity and contention which was associated with similar programs in other Federal agencies. Other assignments of the officer which were completed during the period under review and which were of importance both to the Department and to the internal security of the United States are of such a nature as to preclude for security reasons their inclusion and discussion in this record. Mr. Otepka has approached each of these assignments in the same reasonable manner and in each instance has concluded them in a manner that reflected credit upon the Department of State.

* * * * *

"His knowledge and experience of the entire security field resulted in his designation as the Department's representative on the Subcommittee for Protection of Classified Government Data, Interdepartmental Committee on Internal Security. He has also served as the Department's alternate representative on an ad hoc high-level inter-departmental special committee studying communications intelligence security standards and practices.

"His services as a 'staff' adviser and assistant to the Director of the Office of Security, the Administrator of the Bureau of Security and Consular Affairs and to secretarial-level officers of the Department can be categorized as truly indispensable. Mr. Otepka is a recognized authority within the Government on rules, regulations and procedures affecting every phase of the Federal personnel security program. He is a veritable encyclopedia of knowledge on Communism and other opposing ideologies. He has above-average drafting ability with an unusual facility with words aided by a logical and trained legal mind. Mr. Otepka has prepared many of the communications and reports for the Secretary, the Under Secretary or the Deputy Under Secretary for Administration relating to persons suspended or separated from the Department or the Foreign Service under provisions of E. O. 10450. The same is true in connection with investigations made by Congress from time to time of the Department's security program either specifically or as a part of a broader study.

"Mr. Otepka's understanding of the numerous and highly complex directives applicable to personnel security and his ability to interpret them practically and realistically has prevented his superior officers from stumbling into security administration pitfalls. He has sense for detecting danger points and bringing these to the attention of the appropriate senior officials with positive recommendations as to how they can be avoided. His persistent exposition of the difference between 'security' and 'suitability' risks, for example, has enabled the Department to steer clear of the adverse publicity and embarrassment resulting from improperly reporting personnel security actions to the Civil Service Commission and the subsequently attendant 'security numbers game' fiasco. For this, he has been cited by the Administrator of SCA—Mr. McLeod, in his testimony before appropriation committees of Congress (Hearings Before the Subcommittee of the Committee on Appropriations, House of Representatives, 83rd Congress, Second Session).

"The improved relationships which the Department has enjoyed with the Congress on matters relating to personnel security during the past year or two are due in no small part to the outstanding staff work done by Mr. Otepka in compiling and presenting full and complete information to the interested committees and individuals concerned." (Emphasis supplied)

On June 19, 1957, the Performance Rating Committee, after considering the recommendation for an "Outstanding" rating for Mr. Otepka, decided that because of the "very stringent and limiting" criteria for an "Outstanding" rating Mr. Otepka's performance should be rated as "Satisfactory" (App. Exhibit D–3, Tr. 350–351). In lieu of the "Outstanding" rating, for which he was recommended, Mr. Otepka received a Meritorious Service Award from the Secretary of State, John Foster Dulles. This award, dated April 2, 1958 and signed by Mr. Dulles read as follows (Tr. 341, 342):

"Department of State, United States of America, Meritorious Service Award. Otto F. Otepka. For meritorious service, loyalty and devotion to duty as Chief, Evaluations Division, Office of Security. Outstanding display of sound judgment, creative work and acceptance of unusual responsibilities, has reflected great credit on himself and the Department and has served as an incentive to his colleagues."

For the period December 1956–1957 Mr. E. Tomlin Bailey, Director of the Office of Security, submitted the following appraisal of Mr. Otepka's performance as Deputy Director (Appellant's Exhibit D–5, Tr. 351–352):

"Mr. Otepka moved into his present position about the middle of April 1957. He has been constantly called upon by me for advice and recommendations, drawing upon his exceptional security background and high ability. During the whole period that he has served as Deputy Director we have had a shortage of senior personnel. This has required an unusual amount of detail work by him and placed upon him a primary burden in connection with the inspection of the Division of Evaluations by the Foreign Service Inspectors. The Inspectors and I relied upon him far more than anyone would ordinarily expect because of his knowledge of how its duties fitted into the other work of the Office. In recent weeks he has devoted his major effort to the study of the Department's probably most celebrated security case. This has required a full application of his legal training as well as the characteristics already mentioned."

For the period December 1957–1958 Mr. Bailey filed the following appraisal of Mr. Otepka's performance as Deputy Director (Appellant's Exhibit D–5, Tr. 352–354):

"I depend very heavily upon Mr. Otepka for substituting for me and advice. His long experience in the personnel security field places him among the top operating officials in this field in all of Government. Much of his effort in the past year has been in the study and evaluation of the most difficult personnel case we have had in my experience, one which has been complicated from the points of view of both law and equity because of procedural errors and lack of action over the past 13 years. In spite of the demands of this case, Mr. Otepka has taken upon his shoulders an increased share of the operating responsibilities over these he carried at the beginning of the rating period. In addition he has continued to serve successfully as the Department's representative on an interdepartmental working committee on the application of E.O. 10501, the basic document providing for the protection of information by classification procedures, proper storage, controlled transmission and release."

(The "most difficult personnel case" referred to by Mr. Bailey was the case of John Stewart Service.) (Tr. 353–354)

For the period June 18, 1959–September 30, 1960, Mr. William O. Boswell, Director, Office of Security, filed the following appraisal of Mr. Otepka's performance as Deputy Director and Acting Director during Mr. Boswell's absence. (Appellant's Exhibit D–6, Tr. 354, 355):

"Security being a new field for me, I have relied heavily on Mr. Otepka's advice and recommendations. He has had long experience with and has acquired an extremely broad knowledge of laws, regulations, rules, criteria and procedures in the field of personnel security. He is knowledgeable of Communism and of its subversive efforts in the United States. To this he adds perspective, balance and good judgment, presenting his recommendations and decisions in clear, well seasoned and meticulously drafted documents.

"He has brought these attributes to bear during periods totaling almost four months when he has been Acting Director in my absence and throughout the rating period as the State Department representative on an intragovernmental committee concerned with security matters."

Mr. Otepka has received no performance ratings for the periods subsequent to the one ending September 30, 1960. He attempted to secure such performance ratings by taking the matter up with his superiors, Mr. Boswell and Mr. Reilly, but without avail. (Tr. 356–357) Mr. Boswell subsequently testified before the Senate Internal Security Subcommittee that he had made up his mind he was not going to give Mr. Otepka a performance rating unless he was directly ordered to do so by his superior, Mr. Crockett. (Sourwine, Tr 314) On May 31, 1963, however, John F. Reilly, Deputy Assistant Secretary for Security, certified over his signature that Mr. Otepka's "work is of an acceptable level of competence", as a result of which Mr. Otepka was granted an administrative pay raise effective June 9, 1963. (Appellant's Exhibit E, Tr. 357–359)

In addition to the foregoing complimentary performance ratings and the meritorious service award received from the Secretary of State, Mr. Otepka received other official commendations during the years 1955-1962. (Appellant's Exhibits E–K, Tr. 363-371)

THE EVIDENCE ESTABLISHING (1) A DESIGN TO "GET RID OF OTEPKA"—(2) THE MOTIVATION FOR THAT DESIGN—AND (3) THAT THE CONDUCT OF OTEPKA DOES NOT FALL BELOW THE STANDARD AND PATTERN WHICH HAVE BEEN APPROVED AND ACCEPTED BY THE DEPARTMENT OF STATE IN THE PAST, AND IS NOT A BREACH OF ANY SUCH STANDARD

A series of events, beginning as early as 1960, demonstrates that there was a design and purpose on the part of the appellant's superiors to "get rid of Otepka". Standing alone, none of these events would be conclusive; taken together, however, they establish a pattern fairly leading to the conclusion that Otepka's superiors at first undertook to diminish his influence and restrict his activities in security matters, and subsequently embarked upon a scheme to remove or purge him from the Department of State by a specious assignment, by harassment and by contrived charges of wrongdoing. The events further reveal the motivation for this attack upon Otepka. Briefly stated, the motivation was that Otepka's insistence upon the observance of sound and proper security practices, and his proper refusal to approve the employment or retention of persons of dubious character and background, conflicted with the desires and policies of his superiors and of others in high places.

In October 1960 Mr. John W. Hanes, J., Administrator of the Bureau of Security and Consular Affairs and Mr. William O. Boswell, Director, Office of Security, requested Otepka to undertake a special project, which was to bring up to date the personnel security files of all Department of State employees, correlating and bringing together in those files all pertinent and available personnel suitability and security information. It was estimated that this project would take two years to complete. (Tr. 398–408) When he assigned Otepka to this project Mr. Boswell requested him to relinquish his position as Deputy Director in order that he might devote himself exclusively to the review of cases. Otepka declined to step down as Deputy Director. (Tr. 400, 401) Mr. Boswell stated at this time "that he disliked Scott McLeod and that he would take steps to eradicate the Scott McLeod image from the State Department." (Tr. 401) Otepka had served as a principal assistant to Scott McLeod. (Tr. 383) It appeared that Mr. Boswell, a Foreign Service officer, felt that during his term as administrator of the Bureau of Security and Consular Affairs, Mr. McLeod had damaged the morale and prestige of the Foreign Service. (Tr. 402)

By way of background to Mr. Boswell's aversion to the "Scott McLeod image" it should be noted that in 1956 Mr. Otepka, under McLeod's direction, prepared a comprehensive study to identify those cases of employees of the State Department on whom there had been developed significant derogatory information of a security nature, either in the course of FBI investigations, or in the course of State Department investigations or investigations conducted by other agencies. The study included 858 cases, together with a résumé concerning each case. The information with respect to the individuals involved related principally to their sympathetic associations or affiliations with Communists or subversive organizations. (Tr. 382, 384) Before action could be taken in the matter, however, "Mr. McLeod was appointed as Ambassador to Ireland and the list and résumés were consigned to oblivion." (Tr. 383) The prospectus for the Hanes-Boswell "special project", which Otepka submitted to Mr. Boswell in writing on May 8, 1961, referred to the 1956 list and résumés and proposed to use this material in connection with the new undertaking. (Tr. 406, 407) The prospectus also pointed out that much personnel stability or security information and many relevant security and intelligence reports relating to personnel had not been assimilated into the personnel security files. Further, it was emphasized that in many cases character deficiencies on the part of employees had developed after security clearances had been granted, but had not been reflected in the files. The prospectus also referred to the fact that in certain cases derogatory information respecting employees in the Department or at Foreign Service posts had been treated by their superiors on a confidential basis and withheld from the file of the employee involved. (Tr. 408–410)

In May 1961 Mr. Otepka organized a staff to assist him in carrying out the "special project". The members of the staff were Raymond Loughton, Harry Hite, John R. Norpel, Francis Gardner, Billy Hughes, Edwin Burkhardt, plus three clerical employees including Mr. Otepka's secretary Eunice Powers. (Tr. 412)

As we shall see, however, the special project was abandoned by direction of Otepka's superiors in April or May 1963 (Tr. 772) On June 27, 1963 Mr. Norpel and Mr. Hughes were detailed from the Division of Evaluations to the Investigations Division and Mrs.

Powers was transferred to a low-level clerical job. (Tr. 777, 778; 793, 794) The other members of the team were also scattered. (Tr. 795, 796)

In October 1960 a group of government officials, appointed by President Eisenhower, known as the Sprague Committee and including Allen Dulles, George Allen, Gordon Gray and C. D. Jackson, conducted a survey of United States prestige abroad for the White House. Their report was classified "Secret". (Tr. 413; 1056) The contents of the report were "leaked" by someone in the State Department to the public relations director of the Kennedy Campaign Headquarters, and the information so obtained was published in the New York Times and the Washington Post. (Tr. 413, 414; 1055–1059) Otepka participated in the investigation of this "leak" and the identification of those involved, resulting in the separation of the employee responsible for conveying the information to the Kennedy headquarters. (Tr. 413) Subsequent to January 1961 the public relations director who received this classified information from the State Department in an unauthorized manner, and presumably passed it on to the press, became the head of the Executive Secretariat in the Office of the Secretary of State. (Tr. 414; 1058–1059)

In December 1960 Otepka was selected to meet with Secretary of State Designate Dean Rusk and . . . . (Tr. 899; 935) The meeting took place in the evening, after office hours, in Mr. Rusk's temporary office. No one except Mr. Rusk, ... and Mr. Otepka was present. (Tr. 935–936; 1528–1530) Mr. Rusk informed Otepka that the purpose of the meeting was to discuss with him, as the top professional security officer in the State Department, his views with respect to the requirements of the Department's security office for the investigation, evaluation and clearance of presidential appointees to the Department. (Tr. 1530; 899) Otepka responded that he "would insist on complete adherence to a rule established by the Senate Foreign Relations Committee in 1954, stating that all executive nominations referred to it at the rank of Assistant Secretary or higher would be approved only upon certification to the Foreign Relations Committee that the person had been given a current full field investigation by the FBI." (Tr. 1530) A "question was raised as to whether there would be a strict adherence to the requirements for pre-appointment investigation." Otepka "recommended against the use of the emergency clearance authority—that is the waiver of pre-appointment investigations for officer personnel to be appointed to the Department. (Tr. 1531)

ROSTOW

Having ascertained Otepka's general views Mr. Rusk informed him, at the December meeting, that the new administration was considering the appointment of Walt Whitman Rostow to a key position in the Department. He said he had gone over the substantive data in the file, which he had on his desk. Otepka was asked "what kind of security problem would be encountered regarding the appointment of Mr. Rostow to the Department". Otepka responded that he was quite familiar with the file and Mr. Rusk accordingly asked for his views. (Tr. 1531, 1532)

Otepka's familiarity with the file of Walt Whitman Rostow dated from 1955 when he evaluated Mr. Rostow as a prospective "key person" in a project to be undertaken under the auspices of the Operations Coordinating Board. The project was the formulation of psychological strategy in the cold war. Persons employed on the project were required to have a security clearance under the strict standards prescribed by the United States Intelligence Board. (Tr. 1532, 1533) As a part of his evaluation Otepka at this time reviewed the State Department file on Mr. Rostow, the C.I.A. file, and the results of reviews given to the case by both the C.I.A. and the Department of the Air Force. (Tr 1533) The Air Force had previously made a security finding adverse to Mr. Rostow. (Tr. 1534, 1585) As a result of Otepka's findings Undersecretary of State Herbert Hoover, Jr., the Chairman of the Operations Coordinating Board, decided that Mr. Rostow would not be utilized as an employee or consultant by the State Department in connection with the Board's project. (Tr. 1533) In other words, Mr. Rostow could not get the necessary clearance under the strict standards applicable to the Operations Coordinating Board. (Tr. 1583, 1584) Subsequently, in 1957, when Mr. Rostow was again recommended for employment in the State Department, Mr. Roderic O'Connor, Administrator of the Bureau of Security and Consular Affairs, decided, on the basis of Otepka's 1955 summary, that Mr. Rostow was not desirable for employment. (Tr. 1537, 1583) Mr. O'Connor's decision was predicated on the "political policies of the administration". (Tr. 1537, 1583)

After Otepka informed Mr. Rusk and . . . of the background of Mr. Rostow, Mr. Rusk made no comment, but . . . spoke disparagingly of the adverse finding that had been made by the Air Force. Specifically, . . . said "those Air Force guys are a bunch of jerks." (Tr. 1534)

After the new administration took office in 1961 Mr. Rostow was entered on the rolls of the White House, so that the State Department was not involved in his security clearance. He was investigated by the FBI in connection with his appointment to the White House. Subsequently he was transferred to the State Department. At present he is a special assistant to the President on National Security Affairs. (Tr. 1537, 1585)

In September 1960 Charles Lyons was brought into the Division of Evaluations as Deputy Chief. Both Otepka and the then Chief of the Division, Mr. Emery J. Adams, objected to the assignment but were overruled. (Tr. 415, 419). The prior record of Mr. Lyons is significant. Just prior to his transfer to the position of Deputy Chief, Division of Evaluations, he had served for about two years as a security officer in Athens, Greece. An inspection of the post revealed that he had failed to disclose to his headquarters that there had occurred at that post 52 security violations involving official and "Confidential" material, 22 security violations involving "Secret" and "Top Secret" matters, and approximately 125 security violations involving "Official Use Only" material. These violations had occurred at different times, over a period of at least a year. Lyons ignored them all, although it was his duty to take action. Overruling the objections of Mr. Adams and Otepka to the assignment of Lyons as Deputy Chief, Division of Evaluations, Mr. William O. Boswell the Director of the Office of Security wrote that "Lyons has made a serious error of judgment and must live with the consequences. In view of his demonstrated abilities and very good performance, I do not consider that this single error raises a fundamental question of his integrity, nor does it indicate such a degree of lack of respect for regulations, of reliability, or of judgment, as to warrant the action you propose." (Tr. 415–419)

Mr. Lyons advocated the "progressive approach" to security matters. Thus, in an efficiency rating prepared for the rating period ending September 30, 1961, Mr. Lyons wrote, concerning the person being rated, and contrasting him with members of another school of thought:

"In common with other officers in the section, he is inhibited by the ultraconservative attitude which seems to have grown up in the Personnel Security Administration of the Department over the past number of years, and which is reflected in the making a monument of tradition. leaving little room for individual opinion or new approaches. The result is that individual personnel security cases must be decided on a strict corpus juris basis, and even in their physical format must adhere to strict traditional concepts. Mr. ——— personally is of a much more liberal bent, and with the gradual dissipation which is now evident of the old guard concepts which dominated the personnel security program, I feel that Mr. ——— is well suited to be in the vanguard of the more progressive approach now demanded.

"He has a commendable distaste for red tape and if he could be made to feel that direct realistic action would not be rejected, he could do much to advance the currency and effectiveness of the Security Program." (Tr. 416–417)

The conduct of Mr. Lyons as Otepka's deputy was such that Otepka complained about him to Mr. Boswell. As a result, Mr. Boswell temporarily transferred Lyons into the Investigations Division, and then put him on Boswell's personal staff as Executive Director, thus making him his top executive assistant. (Tr. 417, 418, 420)

WIELAND

One of the first cases examined by Otepka in connection with the "special project" was the case of a high-ranking officer, William A. Wieland. In August 1961 Otepka, who had personally evaluated this case, completed an extensive summary and analysis of the case, together with a digest containing some 136 pages. (Tr. 420) Otepka's presentation dealt with allegations that Wieland, as the recipient of significant intelligence information indicating that Fidel Castro was a Communist and a person not to be trusted and not to be supported by the United States, had concealed such information, made false statements, and exercised extremely bad judgment. The report and digest correlated material provided by Office of Security and FBI investigations, as well as intelligence reports. (Tr. 420, 422; 440–443) Otepka recommended that the Board of Foreign Service should consider the case, to determine whether or not Wieland had been guilty of misconduct under the Foreign Service Act. (Tr. 442) Otepka presented his report and digest to Mr. Boswell, who had primary responsibility in the matter, but Boswell instructed him to carry the material directly to the Office of the Deputy Undersecretary for Administration, Mr. Jones. (Tr. 423; 1062) Otepka complied with Boswell's instructions. He was also instructed by Mr. Pollack, a member of the staff of the then Assistant Secretary for Administration, Mr. Crockett, to provide a copy of his digest for Abram Chayes, the Department's top legal adviser, and a copy for John Siegenthaler, Special Assistant to Attorney General Kennedy. He furnished the copies as instructed. The connection of the Attorney General with the matter was not explained. (Tr. 423; 1062) Shortly thereafter, in September 1961, Boswell orally instructed Otepka to issue a security clearance on Wieland. Otepka replied that the Department regulations and practices required a written decision on his recommendation—which was true—and that he could not act on or close out a case on the basis of an oral instruction. (Tr. 425; 1062–1064) Otepka therefore held the case awaiting further instructions. (Tr. 425; 1064)

Late in October 1961 the Department of State announced in a press release that a general reduction in force in the department would be made, because of reduced appropriations. On November 1, 1961 Boswell sent for Otepka and informed him that twenty-five persons in the Office of Security would be affected by the reduction in force. He stated bluntly to Otepka "your name heads the list". (Tr. 431, 432) He requested that Otepka voluntarily relinquish his position as Deputy Director in order to avoid a "bumping" procedure, which would enable Otepka to displace another career employee in his occupational specialty, with lower retention rights. Otepka refused to waive his "bumping" rights. (Tr. 432) Boswell then sent for Elmer Hipsley, Chief of the Division of Physical Security and a friend of Otepka, and told him that "your friend, Otepka, is going to displace you in your position". (Tr. 432, 433) It turned out, however, that the "bumping" was avoided, when the position of Chief, Division of Evaluations, was vacated by Emery J. Adams and Otepka was reassigned to that position, in lieu of becoming the Chief of the Division of Physical Security, then headed by Hipsley. (Tr. 433, 434) The reduction in force in the Office of Security, and in particular its impact on Otepka, resulted in an inquiry by Senator Karl E. Mundt, (Tr. 435, 436; Appellant's Exhibit L) and an investigation by the Senate Internal Security Subcommittee. Both Otepka and Hipsley testified during this investigation. (Tr. 434, 435)

In December 1961 Otepka considered the case of John L. Topping, a career Foreign Service Officer who had served in Cuba during the critical period when Castro rose to power. As in the Wieland case, it was alleged that Topping has displayed strong partiality to Castro while downgrading the President of the Government of Cuba. Otepka recommended that the allegations concerning Topping be investigated by the Federal Bureau of Investigation. He pointed out that the State Department investigation of Wieland had been inept, that information about Wieland's past activities had been ignored or glossed over, and that some of the investigators who were members of the Foreign Service were sympathetic to Wieland and allowed their sympathy to color their reports. (Tr. 438, 439) He said "that the FBI had greater resources in this kind of situation and they had done an excellent job in the Wieland case and [he] thought they should develop all of the leads in the Topping affair." (Tr. 438) Boswell insisted that Topping be investigated by the Office of Security. (Tr. 439) After Otepka's removal from participation in the day to day operations of the Evaluations Division, Mr. Topping was cleared and became the United States representative to the Council of the American States. (Tr. 439)

In January 1962 Boswell made a sweeping reorganization of the Office of Security. He abolished the position of Deputy Director, Office of Security, which Otepka held, and abolished the Division of Physical Security which Mr. Hipsley headed. From the Division of Physical Security Boswell created three separate divisions. He assigned Foreign Service Officers to head two of them and made Mr. Hipsley chief of the third. Mr. Hipsley's authority was considerably reduced. Otepka's authority was also greatly reduced, when he was "bumped down" to the position of Chief, Division of Evaluations. As a result of the reorganization there were five division chiefs instead of three. (Tr. 443, 444) The five men who had been working with Otepka on the special project were transferred with him to the Division of Evaluations. (Tr. 444) The workload of the Division of Evaluations was such that the special project team was required to give full time to routine matters and the special project was abandoned. (Tr. 445)

On January 24, 1962, during a press conference, a newspaper reporter questioned President Kennedy about William A. Wieland, whom the reporter described as a security risk. The reporter's statement was challenged by the President. (Tr. 426; 1061, 1062) Immediately thereafter, Boswell instructed Otepka in writing to issue a security clearance for Wieland, and Otepka complied. (Tr. 426) In February 1962, however, Otepka developed new evidence indicating that Wieland had made a false statement to Otepka and co-evaluator Harry Hite with respect to the number of times that Wieland had personally met with Fidel Castro. (Tr. 426–428; 1059–1069; 1127–1134) Accordingly, Otepka recommended to Boswell that the Wieland case be reopened, reinvestigated and readjudicated. Boswell ignored the recommendation. (Tr. 428; 1067, 1068)

BACKDATING CLEARANCES AND POSSIBLE PERJURY

Upon resuming his position as Chief of the Division of Evaluations, and taking immediate charge of the work of that office, Otepka reviewed the clearances that had been granted to high-ranking appointees of the Department of State in the year 1961. He found gross irregularities in the handling of these clearances. (Tr. 445) The irregularities involved the granting of emergency clearances or waivers to persons who were being assigned to positions or nominated to positions on the Presidential level requiring Senate confirmation. Waivers of investigation had been granted to persons who should have been investigated before appointment, because there was unresolved derogatory security information in their files. Clearances had been back-dated so that they would conform to the actual dates when the persons cleared entered on duty. Otepka also found cases in which waivers had been backdated, some of them as much as 40 days. (Tr. 445, 446) Otepka reported these matters to Mr. Boswell orally in February 1962. (Tr. 447, 448; 1076–1100; 1560–1565; 1586–1593; Appellant's Exhibit AA–1, AA–2) Although the procedures followed were in violation of regulations, Boswell was not impressed, but said in substance that these cases had been handled according to the prerogatives of management, and that Otepka was not to interfere. (Tr. 447, 448).

On March 17, 1962 Otepka gave Boswell a memorandum describing the cases which he had uncovered. (Tr. 448, 449; 1083–1110; 1586–1593) Boswell at this time instructed Otepka not to participate further in the survey but to turn everything over to him and he then turned it over to the Foreign Service Inspection Corps for investigation. (Tr. 449; 1080–1081; 1091) This investigation confirmed the statements made by Otepka. (Tr. 449; 1567–1, 1567–4; 1094) In fact it was discovered that in one case a clearance had been back-dated 135 days, and in another case the clearance had been back-dated 65 days. There were 152 waivers and 44 back-dated clearances. (Tr. 1567–4; 449)

On March 8, 1962, in the course of testimony before the Senate Internal Security Subcommittee, Mr. Boswell and Mr. Jones both denied any knowledge of the backdating of clearances. (TR. 450; 1078; 1081) On April 12, 1962 Otepka testified before the Internal Security Subcommittee that he had brought the matter of the backdating irregularities to Boswell's attention orally in the latter part of February 1962, and later had given him a memorandum in which a number of cases were identified. (Tr. 450–454; 1084, 1087–9) Otepka's testimony squarely conflicted with the testimony of Boswell. (Tr. 455)

The findings of the Foreign Service investigators with respect to backdating irregularities were reported to the Senate Internal Security Subcommittee in March, April and May 1962. (Tr. 1567–1 to 1567–4)

On March 8, 1962, Otepka sent Boswell a summary evaluation of a prospective Presidential employee. The summary recited among other matters that in November 1960 the prospective nominee had picked up his wife bodily, carried her from their house into a public street, kicked her and had then taken her clothing from the house and strewed it on the lawn, over the shrubbery and into the street. The episode was witnessed by neighbors and was reported to the police. Boswell returned the summary to Otepka with a note stating "the gory details of a family fight have nothing to do with security or suitability". The summary was therefore rewritten and the information concerning the episode in question was deleted, except for a brief reference to it without details. As a result the matter was not fully and properly brought to the attention of the Secretary of State. (Tr. 456, 457; 1108–1113) This incident troubled and confused the evaluators on Otepka's staff who, in the past, had been instructed by their superiors to present all pertinent information relating to security and suitability and to the pre-employment personal conduct of individuals under consideration, for the specific attention of the responsible managerial officials. Deletion of such information was a violation of the professional duty of evaluators to report the facts in an objective manner. (Tr. 458)

In April 1962 Boswell transferred from the jurisdiction of Otepka the functions of receiving, reviewing, evaluating, and disseminating intelligence information received from the FBI, the CIA and other intelligence agencies. This function was important to the accomplishments of the work being carried out by Otepka. This had been pointed out in February 1962, in testimony before the House Judiciary Committee by Mr. John W. Hanes. Mr. Hanes emphasized the importance of the correlation of all available information by evaluators. (Tr. 460–462)

In his testimony before the Senate Internal Security Subcommittee in April 1962 Otepka testified to the facts with respect to the handling of the Wieland case by the Department of State, so far as he knew them. (Tr. 459, 460) Following Otepka's testimony, on April 12, 1962, the record shows that the following statements were made: (Tr. 118c, 118d)

"Senator HRUSKA. I want to say I have been very much impressed with your testimony, Mr. Otepka, and the fashion in which you have comported yourself here. It has been a difficult field you are in, stretching over many years, with, of course, voluminous records and complicated procedures, and I thought that it was very well done.

"Mr. OTEPKA. Thank you, Senator.

"Mr. SOURWINE. And I would like to add that I may have been a little rough on Mr. Otepka today, for which I apologize, as far as anything personal is concerned. I have been trying to get the facts into the record. I think Mr. Otepka has done a magnificent job of trying to protect those matters which he feels he is required by the Department to protect, and at the same time I will say frankly I think he has gone a long way towards putting his neck on the chopping block by answering those questions which he felt he could answer. And I want to suggest on the record for this member here and for those who were not here but who will read it, to me the record seems to indicate that Mr. Otepka is on the downgrade in the State Department. He is being shunted aside. He is being given lighter and lighter responsibilities. And I can come to no other conclusion than the fact his conduct in the Wieland case and other cases and his insistence upon what he considers good security is harming his career in the State Department. And I think that is a matter most to be deplored and I urge the committee to do whatever it can."

On April 16, 1962, Mr. Boswell was succeeded as Director of the Office of Security by John F. Reilly, (Tr. 463) Just before his departure Boswell obtained and examined the security file on John Paton Davies. Although he asked Otepka questions about the file he did not disclose the purpose of his study. (Tr. 464) Davies was a career Foreign Service Officer who had been dismissed as a security risk under Executive Order 10450. The charges against Davies involved alleged disclosure of classified information and sympathy with the cause of Chinese Communists. Otepka had evaluated the case in 1954. (Tr. 382)

REILLY

John F. Reilly had served as an attorney in the Department of Justice from 1951 until

1961, when he transferred to the Federal Communications Commission. (Tr. 1633, 1634) After serving for approximately eleven months with the Federal Communications Commission he transferred to the Department of State as Boswell's replacement. He was recommended to the Department of State by Mr. Andrew Oehmann, who was Executive Assistant to Attorney General Robert F. Kennedy. (Tr. 1634, 1635)

In a conversation shortly before Reilly came on duty Boswell told him that he had been having difficulty with Otepka, that he was concerned about leaks from the Office of Security to the staff of the Senate Internal Security Subcommittee, for which he suspected Otepka was responsible. He said specifically that he believed Otepka had informed the Subcommittee about the backdating of waivers, that he was upset or concerned about that. (Tr. 1636–1640) It was Reilly's definite understanding from Boswell that he, Boswell, had been trying to "get Otepka out"; (Tr. 262–264) and Reilly continued this effort. (Tr. 264) In fact, in testimony before the Senate Internal Security Subcommittee on November 15, 1963, Reilly admitted that at some time in 1963 he might "well have said * * * facetiously" that he "went down there to get Otepka". (Tr. 268) Although Boswell in his subsequent testimony before the Senate Internal Security Subcommittee denied that he tried to get rid of Otepka or intended to indicate to Reilly that he was making any such effort (Tr. 322), he admitted that he had discussed Otepka with Reilly and that he had in fact found Otepka "troublesome". (Tr. 315–317) He said that Otepka was troublesome because of his reluctance to accept the decisions of his superiors, and he mentioned the Wieland case matter as one instance of this difficulty. (Tr. 318, 320–321) He admitted further that he had refused to give Otepka an efficiency report and was not going to do it unless ordered to do it by Mr. Crockett (Tr. 314).

Promptly after he took office as Director of the Office of Security, Reilly acted to move Otepka out of that office. On May 7, 1962 he called Otepka into his office and opened the conversation by saying "where is your rabbit's foot?" When Otepka asked what he meant, he said that Otepka had been recommended to attend the National War College course which began in August 1962 and which lasted for ten months. (Tr. 465, 466) He asked Otepka to indicate in writing whether he would be willing to attend the War College. The next day, May 8, Otepka sent Reilly a memorandum stating in part "I am pleased that I have been accorded this honor which came as a distinct surprise to me in the light of the recent organizational changes in SY." (Tr. 466) The phrase "the recent organizational changes in SY" referred to the professed intention and plan of the Department to utilize Otepka's special talents exclusively in personnel security administration. (Tr. 465) Reilly directed Otepka to delete the reference to his surprise and to the recent organizational changes, and to submit a statement indicating only his acceptance or rejection of the assignment. Otepka complied with this instruction. (Tr. 465–467)

Having received Otepka's revised acceptance, Reilly wrote a memorandum for his superiors, praising Otepka for "his ability and his dedication to the security program," and stating "Selection for the National War College is a high honor for a career officer and offers almost unlimited opportunity for career development. Therefore, although releasing Mr. Otepka will work a hardship on the Office of Security, it is my view that I should not stand in Mr. Otepka's way, and accordingly, I recommend that he be released as he has requested." (Tr. 469)

Otepka became suspicious of the motivation underlying his assignment to the National War College. Looking into the matter, he found that normally selections for the National War College are made in January and February of the year in which the term of attendance begins. (Tr. 469) He was informed that the Office of Personnel had given no routine consideration to his selection and that the recommendation in his case had come as a surprise to that office. (Tr. 472) He was aware also that advanced training in foreign affairs at the War College was not needed in connection with his job in personnel security administration. (Tr. 472) He inquired of Reilly as to what his future would be in the State Department in the security field, pointing out to Reilly that persons selected for the War College were returned to their jobs when their training was finished. This was true always with respect to members of the classified Civil Service as distinguished from Foreign Service Officers. (Tr. 1606–1607) Reilly informed Otepka that he would "fill in behind" him with another person, that he had no plans for returning Otepka to the field of personnel security administration, and specifically he had no plans for returning him to the Office of Security; that there would be no place for him in that office. (Tr. 469; 472–477, 940–942) In the light of these circumstances Otepka "smelled a rat"; that is, he concluded that the assignment was being given to him for the purpose of getting him out of security. Accordingly, on June 5, 1962, he orally requested that his nomination be withdrawn; and on June 14, 1962 he formally declined the appointment. (Tr. 472, 473–477)

On June 7, 1962, two days after Otepka orally declined the assignment to the National War College, the Deputy Undersecretary for Administration, Roger Jones, testified before the Senate Internal Security Subcommittee that the primary reason for the assignment of Otepka to the War College was that he "seemed to his prior supervisor, Mr. Boswell and his present supervisor, Mr. Reilly, to be a tired and worried man on whom responsibility had closed in to the point where he needed a break." Jones testified that the purpose of the assignment was to give Otepka "a chance to recharge his battery." (Tr. 471; 941–944) No previous suggestion had been made to Otepka by any of his superiors that he was tired or overworked, or that his battery needed recharging, (Tr. 477) and in fact he was neither tired, overworked, or in need of recharging. (Tr. 477).

In June 1962 Frederick Traband was assigned to Otepka's office as his Deputy. Traband had been serving in the Division of Investigations where his most significant experience was in the investigation of cases of State Department employees and applicants suspected or accused of homosexual perversion. Reilly assigned him as Otepka's deputy without consultation with Otepka. (Tr. 479, 480) On July 1, 1962 David Belisle was appointed as a special assistant to Reilly, in which capacity he acted as Deputy Director of the Division. Otepka was informed that Belisle was his superior and a person with whom he, Otepka must consult in order to get to Reilly. Belisle came to the State Department from the National Security Agency, where he had served as Deputy Director of the Security Office. (Tr. 480, 481) He was a friend of Reilly, who was responsible for bringing him to the Department of State. (Tr. 1683, 1684) Traband and Belisle participated in the subsequent surveillance of Otepka, and signed statements from them are attached to the charges preferred against Otepka. (Tr. 481 and Document No. 1)

Friction soon developed between Traband and Raymond Loughton, a member of Otepka's staff. Loughton had come to the Department of State from the Office of the Secretary of Defense where he was Deputy Chief of Security. He had wide experience as an evaluator, especially in the field of Communist subversive activities, having served as a ranking evaluator on the Loyalty Review Board of the Civil Service Commission. It was Otepka's wish that in view of Loughton's extensive experience he should share in the administration of the Division with Mr. Traband and this was resented by Traband. (Tr. 481, 482)

In July 1962 the Division of Investigations considered the case of a prospective nominee to a position as Ambassador. The individual involved had been the subject of an investigation by the FBI involving fraud against the government. Although the Department of Justice had ruled that no criminal prosecution for fraud was warranted, the file reflected a number of unresolved allegations bearing on the security standards and criteria of Executive Order 10450. Loughton took the position, and Otepka concurred, that the refusal of the Department of Justice to prosecute was not controlling; that under the regulations the Department of State was required to consider the matter independently, in the context of the security standards. Reilly insisted that the Department of Justice having determined that no prosecution would lie, that was the end of the matter. (Tr. 1570, 1596) After a number of discussions between Otepka and Loughton on the one hand, and Reilly and Belisle on the other, Reilly ordered that the individual be cleared, despite the strong objections of Otepka and Loughton. The unresolved allegations of fraud were never resolved. This treatment of the matter was not consistent with the regulations. (Tr. 482–484; 1115–1117; 1568–1570; 1593–1597) It appeared to Otepka that "Mr. Reilly was simply trying to accommodate someone higher up rather than give rigid application to the security rules and criteria of the State Department." (Tr. 1116)

In July 1962, at the request of Mr. Harlan Cleveland, Assistant Secretary of State for International Organization Affairs, Otepka talked with him about the case of Irving Swerdlow. Swerdlow had been recommended by Cleveland for a position in the Department of State. Mr. Cleveland and Mr. Swerdlow had served together in the Economic Cooperation Administration (later known as the Mutual Security Agency) and had also been associated at the University of Syracuse. Mr. Cleveland asked Otepka about the delay in the security processing of Swerdlow's appointment. Otepka answered that he foresaw no early completion of the Swerdlow investigation and evaluation. He expressed doubt that clearance could be issued until a number of matters appearing in the records and files could be considered and resolved by the Office of Security, which would take a long time. Otepka noted that Swerdlow had been dismissed as a security risk by the Mutual Security Agency, and that the top security officer in the agency had commented "that Swerdlow's security file was one of the rottenest he had ever seen." Cleveland responded with critical remarks about the Administrator of the Mutual Security Agency, Harold Stassen. He said that Stassen had extreme views with respect to security. Cleveland then asked "if there were any prospects for the reemployment of Alger Hiss in the United States Government." Otepka said there was no "chance for Alger Hiss to be reemployed in any government agency because by operation of law, a person convicted of a felony, is barred from a Federal job. (Tr. 484–486) Otepka reported his conversation with Mr. Cleveland to Reilly. (Tr. 487)

Swerdlow was subsequently appointed to a position in the State Department. His case was evaluated by the man who had been described by Charles Lyons in 1961 as of a "liberal bent" and "well suited to be in the vanguard of the more progressive approach now demanded." (Tr. 487; 416, 417)

As a result of his conversation with Cleveland, and particularly because of Cleveland's interest in Swerdlow and Alger Hiss, Otepka reviewed Cleveland's security file. (Tr. 488)

This review was also prompted by the fact that Emery Adams, then Chief of the Division of Evaluations, who had handled the security clearance of Cleveland, had told Otepka that pressure was exerted on him to grant Cleveland a waiver without the completion of a background investigation. Adams had protested, pointing to the file showing that Cleveland had interceded for eleven employees of the Economic Cooperation Administration and its successor agencies, whose removal as security risks had been sought by the Security Office. Adams recommended that Cleveland be denied a security clearance, but he was instructed to issue a clearance and did so; however, at that time he alerted Otepka to the need for maintaining the proper continuing security surveillance over the activity of Mr. Cleveland in the State Department. (Tr. 1117, 1118; 1571; 488) Otepka's review of the file also disclosed that in his senior class year book at Princeton, Cleveland had recorded his political affiliation as "Socialist". (Tr. 488) Further, the file revealed that Cleveland had been highly critical of security procedures and security officers and had been active in recommending reforms in government security programs which "would have made it a lot easier for persons like Mr. Swerdlow to get into the government without adequate background investigation." (Tr. 488)

Pursuant to his duty to maintain a continuing security surveillance over Mr. Cleveland's activities in the State Department Otepka established a special file in his office in which he recorded his observations as to the persons Mr. Cleveland was bringing into the Department. He placed in the file portions of FBI reports and other reports of security officers of the Department or of other agencies. The file was kept in his immediate office in a small safe adjacent to his desk. As we shall see, this safe was subsequently drilled, opened and searched in the course of Mr. Reilly's clandestine surveillance of Otepka. (Tr. 489)

On July 30, 1962, the New York Times published a letter signed by one Leonard B. Boudin. The letter appeared under the heading "Screening UN Employees". (Tr. 491, Appellant's Exhibit N) In his letter Boudin complained about the security screening of UN employees. He said that "the careers of many devoted and brilliant international civil servants were destroyed in the hysteria of the Nineteen Fifties". He deplored the fact that "the United States Government is still enforcing President Truman's and President Eisenhower's Executive Orders which screen, on political grounds, American employees of the United Nations and other international organizations. The expressed criteria include membership on the Attorney General's list; the sources include derogatory information in congressional committee files; the procedures are based on undisclosed evidence. Such screening is inconsistent with the Charter's principle * * * the present Administration would now score a major achievement if it were to * * * eliminate its so-called loyalty program in the international field." In the course of his discussion Boudin mentioned the resignation of Andrew Cordier from the UN secretariat.

Otepka knew that Leonard Boudin had for many years been intimately involved with the Communist party and Communist affairs. He had been active in defending persons against allegations of Communism, and had represented certain officials of the UN who were dismissed after refusing to answer questions put to them by the Senate Internal Security Subcommittee. (Tr. 500, 1572; Appellant's Exhibit N)

An official in the Department of Justice sent Reilly a clipping from the New York Times containing the Boudin letter of July 30, 1962. The clipping, covered by a Department of Justice "routing slip" with a personal note in longhand addressed to Reilly, reached him August 1, 1962. On August 3, 1962 Reilly initialed the slip and sent it, together with the clipping, to Otepka. (Tr. 489–492, Appellant's Exhibit N)

In August 1962 Otepka was officially informed by memoranda to the Office of Security that Harlan Cleveland wished to set up an Advisory Committee on International Organizations. Mr. Cleveland had personally selected the eight members of the Committee. (Tr. 498; 1125) He wished them to be appointed immediately without preappointment investigation—in other words he wished to invoke the waiver procedures. Otepka objected, pointing out that earlier in the year emergency clearances had been curtailed and further pointing out that background data on certain of the individuals involved required a full investigation and a careful review of the results of that investigation before their entry on duty. (Tr. 498, 499) Otepka documented his objections in memoranda to Reilly, one of which, the memorandum of September 10, 1962, is State Department Exhibit 7, which is the basis of Charge No. 1.

Otepka was especially concerned about three of the men selected by Mr. Cleveland for membership on his Committee. These three men were Harding Bancroft, Ernest Gross and Andrew Cordier—the same individual mentioned by Mr. Boudin in his letter. The record revealed that one or more of these men had served on the personal staff of Alger Hiss in the State Department, that all three had close and sympathetic associations with him, that they had stated they did not believe in his guilt, and that in their opinion he was not a security risk. (Tr. 502) In Otepka's opinion this derogatory security information demanded complete resolution before these persons were appointed. (Tr. 502, 507) Otepka brought these matters to Reilly's attention by memoranda. (Tr. 501, 505) The objections of Otepka were met or circumvented by Cleveland and Reilly, who decided that the members of the Committee "would be entered on the rolls of the State Department as consultants, and that they would serve on an ad hoc basis, that the positions to which they would be appointed would be designated as nonsensitive rather than sensitive as initially proposed. Therefore, under the security procedures these individuals could be given assignments in the Department without a prior investigation—that is before appointment—with the explicit understanding that they would be given access to only such information as they needed in the performance of their work on the committee, and not to have any general access to any other information normally available to people in the State Department who have full clearance." (Tr. 501)

On February 19, 1963, the Advisory Committee submitted a draft report to the Department of State and the report was circulated in the Department. (Tr. 282, 286) Otepka obtained a copy of this draft report from a member of the Bureau of International Organizations, which was headed by Mr. Cleveland. (Tr. 503, 506) He discovered that recommendations in the draft report coincided with the position taken by Boudin in his letter to the New York Times; they would have implemented the suggestion of Boudin that pre-employment investigation of American appointees to UN agencies be dispensed with. (Tr. 505, 506; 284) Otepka observed further that in general the draft report recommended a reversion to the program and procedures advocated and administered by Alger Hiss for the screening of American personnel in the United Nations. (Tr. 503, 504) In this connection Otepka recalled that in 1946 Hiss had prepared a list of 200 people whose names were submitted by the State Department to the UN as possible appointees to UN jobs. It turned out that 40 of these persons who had subversive connections were later dismissed from the United Nations, and 26 of the 40 invoked the plea of incrimination while testifying before the Senate Internal Security Subcommittee. (Tr. 503–505)

Otepka brought the February 19 draft report to the attention of Reilly, and gave him a detailed memorandum setting out the facts and Otepka's views. Otepka never learned what Reilly's views were. "He kept telling me that he didn't have time to read my recommendations and suggestions". (Tr. 508)

On April 22, 1963, the Advisory Committee submitted a revised draft of its report, from which the recommendations coinciding with the views of Boudin and Hiss had been stricken. (Tr. 283; 506)

MORE "WAIVERS"

In August 1962 another episode, involving Otepka and proposed appointments to an Advisory Committee, reached a conclusion. This episode began in February 1962 when the State Department's Bureau of Cultural Affairs proposed the establishment of an Advisory Committee on the Arts, consisting of members who would be placed on the rolls of the State Department, and would give guidance to the Department's program for sending cultural presentations abroad. (Tr. 508) The program involved visits to the Soviet Union and its captive nations by United States cultural groups. (Tr. 509) The names of ten individuals who were nominated to serve on this committee were sent to Otepka by the Bureau of Cultural Affairs, with a request that the nominees be excused from completing government security questionnaires and other forms, and be placed on the rolls without investigation, but subject to postappointment investigation. (Tr. 509) Otepka protested strongly, pointing out that it was his duty to enforce the law and that the law required preappointment investigations and the completion of security processing forms. He said he would not be a party to any circumvention of required security practices. (Tr. 510) He was particularly concerned with four of the nominees, because of their questionable past affiliations with Communist organizations, and he demanded that they be subjected to full background investigations and that each of the appointees complete the required forms. These forms required the appointees to state any affiliation they might have had with organizations on the Attorney General's list. Otepka was advised that one of the appointees positively refused to submit the forms and another would resist any order requiring him to complete them. (Tr. 510, 511)

Otepka discussed the matter of the two appointees with Reilly, who "was very anxious to assist the Bureau of Cultural Affairs." Reilly "had the FBI run a special type investigation without the use, as they normally should have had, of Government Security questionnaires completed by such individuals." The results of the investigation, which was in fact cursory, were submitted to Otepka. (Tr. 511) Reilly tried to persuade Otepka to make a security determination on the basis of this investigation, without the information and explanations that would have been contained in the security forms. Reilly said that the two individuals need not fill out personal history questionnaires before appointment. In a memorandum dated June 12, 1962 Otepka rejected Reilly's proposal. (Tr. 512, 515–518; Appellant's Exhibit O) In this memorandum Otepka insisted that a full field investigation and an interview with each nominee was necessary, in view of their associations with many Communist organizations. He stated "no professionally competent evaluator who knows the Communist movement in the United States can favorably rationalize the conduct of either person from the available data." He pointed out that full field investigations and interviews were required by the regulations, by which professional security officers were bound; and that the intellectual brilliance and distinction of the persons involved did not exempt them from compliance with the rules. He concluded: "If the present security rules are to be tempered to suit individuals rather than government, then I think someone in authority should change the rules so that those of us on the operating level who must follow rules may not be confused as to how and when to determine the security reliability of the privileged non-conformists as compared to those who do not join or lend their support to Communist causes." (Tr. 515, 516) Otepka was overruled by Reilly, who in August 1962 instructed Otepka to grant security clearances to the two individuals. Otepka complied, although security questionnaires had not been filed by the appointees and no adequate investigation had been made. However, Otepka informed the Office of Personnel of the details of the cases and as a result one of the individuals was not appointed because of the derogatory information in his file, and the other was dropped from consideration when he refused to complete the necessary forms. (Tr. 517, 518) The action of the personnel office of course became known to Reilly. (Tr. 518)

In August 1962 Reilly was promoted to the rank of Deputy Assistant Secretary for Security. Belisle continued to hold the title of Special Assistant but in fact exercised the functions of Deputy Director of the Office of Security. (Tr. 519) He and Reilly accelerated their harassment of Otepka. Belisle began to send Otepka "all sorts of hand-written notes scrawled on calendar pads, torn ends of paper or on the reverse side of memo pads criticizing [his] evaluations or questioning the content of some of [his] evaluator's reports." Neatly typed correspondence setting out evaluative findings or the position of the Office of Security was returned to Otepka "with inked or penciled notations scrawled across the face of it." Sometimes Mrs. Mary Catucci, secretary to Reilly and Belisle, would relay their instructions to Otepka through Otepka's secretary. On one occasion Mrs. Catucci burst into a rage, cursed Otepka and threw objects around the room. On another occasion she threw herself on a couch and tore her hair. Complaints by Otepka about this behavior brought only the comment from Reilly that this was a personal matter between him and Mrs. Catucci. (Tr. 520, 521)

The men on Otepka's staff were subjected to the same kind of harassment and indignity. Reilly told Otepka that Gardner was puerile. He told Loughton that there was no future for him in the Office of Security, and he frequently informed Otepka that he, Reilly, had an unfavorable impression of Loughton. Hite was reprimanded by longhand notes to him from Belisle, criticizing the content of summaries in his evaluation reports. These notes sometimes went directly to Hite without being called to Otepka's attention. (Tr. 521, 522, 947) Hipsley, who had taken a new position as Chief of Domestic Security, found his authority so reduced and he was so harassed by members of his staff who had been brought in by Boswell and Reilly, that he decided to accept an offer from Reilly to go to Geneva, Switzerland as a conference security officer. He was succeeded by the obscure subordinate, Joseph Rosetti. Rosetti afterwards became a member of the burn-bag team that surveilled Otepka's trash, and a statement from Rosetti is attached to the charges against Otepka. (Tr. 523, 524) On the other hand, Otepka's other subordinates, Traband, Sabin and Bock, seemed to be immune from criticism and were frequent visitors to the offices of Reilly and Belisle. (Tr. 522, 947) At about this time also Belisle was designated by Reilly as his top adviser on personnel security. (Tr. 522, 523, 945, 946)

THE NEW METHOD

In October 1962 Reilly and Belisle issued instructions that field investigators in the Division of Investigations would submit reports of investigations containing only their conclusions as to the nature of information obtained from witnesses. This changed the established security procedure whereby investigators were required to state the testimony of witnesses in detail. Under the new practice, the investigator merely listed the identity of the witnesses interviewed and then stated that no derogatory information was revealed. The new practice of course made the investigator an evaluator. Otepka protested, upon the ground that investigators were "ill-equipped by lack of training and knowledge to determine what constituted derogatory information." Reilly overruled Otepka and issued an order putting his plan into effect. (Tr. 524, 525; 946, 947) This was the origin of the controversy concerning "short form reporting" which afterwards developed before the Senate Internal Security Subcommittee and concerning which both Reilly and Otepka testified at some length. (Tr. 525, 526) The Fogltanz report, State Department Exhibit 9, which is the basis of charge No. 3, is relevant to this controversy. (Tr. 525, 526)

Concurrently with his order for short form reporting Reilly authorized members of the investigation division to grant security clearances to clerical personnel if, in their opinion, a report of investigation on an applicant was entirely favorable. At the same time Reilly delegated to personnel in the file room the authority to receive the results of national agency checks from the Civil Service Commission in the case of clerical personnel, and he authorized emergency security clearances if, in the opinion of the file room personnel, no derogatory information was revealed. (Tr. 526, 527) Otepka protested against these orders, as relaxation of proper security practices, but to no avail. (Tr. 526, 527)

Again, concurrently with Reilly's change in the security practices, Belisle instructed Otepka that with certain exceptions investigative reports should be withheld from the Office of Personnel. This order made it impossible for the personnel office to exercise an independent judgment as to the suitability of an appointee, upon the basis of all the information gathered by the Office of Security. The independent judgment of the personnel office had resulted in the rejection of the two appointees to the Advisory Committee on the Arts, whose files Otepka had sent to the Personnel Office. (Tr. 528)

The new security practices instituted by Reilly and Belisle were in many respects similar to the practices which had been in effect at the National Security Agency during the period when Belisle was Deputy Director of the Agency's Office of Security. (Tr. 528, 529; 951) Because of these practices the National Security Agency had failed to detect serious derogatory data in the files of Bernon F. Mitchell and William H. Martin, two cryptology experts who defected to the Soviet Union. Their defection was the subject of an investigation by the Committee on UnAmerican Activities of the House of Representatives which on August 13, 1962, issued a report pointing out deficiencies in the National Security Agency's security practices. (Tr. 531) The practices criticized were the same as those instituted by Reilly and Belisle, and the deficiencies identified were the same as those pointed out by Otepka to Reilly and Belisle. (Tr. 528, 532)

In December 1962, by letter to the State Department, the Civil Service Commission submitted a transcript of a portion of the hearings on the Wieland case that had been published by the Internal Security Subcommittee, and the Civil Service Commission advised the Department that this transcript contained new data not therefore considered by the Department. This reference from the Civil Service Commission made it mandatory to reopen the case under the provisions of Executive Order No. 10,450, and the pertinent regulations. (Tr. 532–534)

After the clearance of Wieland in January 1962 Otepka had continually urged upon Reilly that the Wieland case should be reopened and readjudicated on the basis of new information that had come to Otepka's attention. (Tr. 533, 535) Upon receipt of the Civil Service Commission letter Otepka brought it to Reilly's attention. (Tr. 533) Reilly called Otepka to his office and asked him how he felt about reevaluating the case. Otepka said in substance that he had spent a great deal of time as the primary evaluator of the Wieland case, that he had been obliged to concentrate his attention on this and other controversial cases, instead of giving his attention to administrative duties. As a result he said his superiors had used this as an excuse to abolish his position and downgrade him. He explained that he did not wish this to happen again. Reilly told Otepka that he understood his concern. Otepka said he would assign the case to Harry Hite, a member of his staff who had served as his co-evaluator on the first occasion when the Wieland case was considered, and that he would review Hite's evaluation. Reilly, however, said he would give the case to Robert McCarthy, that he wanted McCarthy to take a look at it and tell Reilly "what was in it." Otepka replied that this would be a waste of time, that he was intimately familiar with the case and could tell Reilly what was in it. Reilly insisted that he wanted someone to take a fresh look at the case and the entire file was therefore given to McCarthy. McCarthy was a physical security specialist, not an evaluator. (Tr. 535–537)

The Wieland file was given to McCarthy in December 1962. At this time Otepka assigned the case to Hite for him to evaluate "if and when he got the file." McCarthy kept the file until April 1963 when it was turned over to Hite. When Hite received the file it contained no memorandum of McCarthy's conclusions, or any indication of what, if anything, he had done with it. (Tr. 537, 538)

In December 1962 Otepka complained in a memorandum to the Chief of the Investigations Division that the Security Officer at Caracas, Venezuela, who was a Foreign Service Officer, had submitted an inadequate report of investigation on another current Foreign Service officer. It was alleged that the Foreign Service officer under investigation had carried on an extra-marital affair with the wife of an American businessman and that he had also had an affair with the wife of a State Department investigator. There were also complaints that he had exerted his influence to obtain the issuance of United States visas to Venezuelans whose records disclosed Communist activities. (Tr. 558) The report stated that the two men assigned to investigate the case had been admonished by their superiors that it might prove embarrassing if all leads were followed out too thoroughly. Robert McCarthy was one of the two investigators. Otepka took the position that a full investigation should be made. (Tr. 554, 557, 558, 562) He discussed the case with Reilly who suggested that the investigation and evaluation be handled with discretion, saying that he knew the investigator's wife who was involved and knew her to be devoutly religious and he could not see how she could have engaged in such activity. Otepka agreed that discretion was indicated but insisted upon full investigation and resolution of the matter (Tr. 558, 559)

Otepka's files reflected that in 1957, while posted to the American Embassy at Mexico City, the Foreign Service officer involved in the Caracas incident had been suspended for fifteen days without pay, as a result of charges that he had engaged in notoriously disgraceful conduct. It appeared that he admitted that he had engaged in a sexual liaison with the wife of the Ambassador of another nation. Furthermore, in an interview with the American Ambassador, he had defended homosexuality and insisted that homosexuals should not be regarded as security risks. Following his brief suspension he had been transferred to Caracas without loss of rank. (Tr. 555–557)

The case of the Foreign Service Officer in Caracas was evaluated by Raymond Loughton of Otepka's staff, who recommended that he be removed as a security risk. Otepka concurred in this recommendation in a memorandum dated June 19, 1963. In this memorandum he observed that friends of the Foreign Service Officer were protecting him and that the Foreign Service Officer Corps had shown bias and exercised poor judgment in withholding information from the Security Officer. Among these friends was Robert McCarthy. Otepka also pointed out that John Ordway, head of the Personnel Office, who had passed judgment on the case, should have disqualified himself because as a friend of the Foreign Service officer involved, he had been interviewed and had defended him. Mr. Ordway, it will be remembered, is the gentleman who signed the letter of charges against Otepka and thereafter held that the charges were sustained. (Tr. 559–561)

The Foreign Service Officer involved in the Caracas affair was cleared and is still with the Department of State. (Tr. 562).

The files of the Security Officer reflected another instance in which McCarthy had withheld information from his reports to his superiors. This occurred in 1961 when McCarthy was stationed at Caracas. The American Ambassador's automobile had been attacked and burned by a mob and his briefcase containing classified documents had been stolen. Subsequently, the documents were disclosed to the public by Che Guevara, a lieutenant of Fidel Castro. McCarthy investigated the incident and submitted his report, which Otepka found "uninformative". Otepka asked for more details, which McCarthy supplied. McCarthy "was apologetic for the Ambassador's negligence and for the presence of an alien chauffeur alone in the automobile with these classified documents". (Tr. 563, 564) Further inquiry by Otepka developed that McCarthy had entirely omitted from his report the fact, known to McCarthy, that shortly after the theft of the documents an offer had been made to return them for a sum of money. (Tr. 564, 565)

In January 1963 the Assistant Secretary for Administration, Mr. Crockett, designated Belisle as the head of a management survey team to inspect the functions of the Office of Security with a view to developing any needed improvements and detecting any deficiencies. (Tr. 579) In this capacity, and without the knowledge of Otepka or any consultation with him, Belisle ordered the "retirement" of valuable card indices which had been maintained in the Office of Evaluations. These cards were useful tools for the evaluators, enabling them to determine quickly in any given case whether or not there was derogatory information in the files that should be further explored. Belisle insisted that the cards were needless records and that the evaluators could work from the files themselves. He ordered the cards wrapped up, tied and placed in file cabinets, and instructed the evaluators that the cards were no longer available to them for ready reference. (Tr. 580, 581) As a result, evaluators were put to great inconvenience, and material in the files concerning applicants for employment was overlooked. (Tr. 580, 581; 1182–1188)

In January 1963 Otepka submitted to Reilly a memorandum of the achievements of Otepka's division, to be included in a formal report to the Deputy Under Secretary for Administration. Otepka's memorandum contained a reference to the fact that the Office of Security had detected that emergency clearances for numerous high-ranking appointees had been antedated after Secretary Rusk had signed the waivers of investigation, and that this had led to discovery that many appointees had been improperly appointed without the required background investigation and without a security clearance. (Tr. 582, 583) Reilly sent Otepka's memorandum to Belisle with a long-hand note stating "Dave—I strongly question the wisdom of including O.F.O.'s last page. [the reference to the emergency clearance matter.] It would make it look as if we were endorsing the jogging he gave Bos. & Roger Jones." (Tr. 582–585; Appellant's Exhibit Q1, Q2) The "jogging" to which Reilly referred was Otepka's testimony before the Internal Security Subcommittee concerning emergency clearances. (Tr. 586) Pursuant to Reilly's objection the reference to the back dating matter was deleted from the formal report to the Deputy Under Secretary. (Tr. 585, 586)

In January 1963 Belisle sought to designate Joseph Rosetti to serve as the State Department's representative on the Subcommittee for the Protection of Classified Government Data of the Interdepartmental Committee on Internal Security. This committee was under the jurisdiction of the Department of Justice. Otepka had served on the committee since 1953 and was one of the two senior members. Belisle said that Rosetti could represent the Department's interest better than Otepka, because the functions performed by Rosetti were more akin to those of the Committee. Rosetti was a young man whose record and achievements had been obscure until January 1961. He had at one time served as an aide to then Congressman John F. Kennedy. (Tr. 586, 587; 956–959) In the period January 1961 to August 1962 he rose in grade from a GS–12 to a GS–15. (Tr. 587, 588) After he was notified of his proposed designation to serve on the Committee he came to Otepka and said he was frightened at the prospect of such service, because he lacked the necessary experience. He also explained his position to Belisle, with the result that Belisle left Otepka on the Committee but designated Rosetti as his alternate. (Tr. 588)

Again, in January 1963 Reilly dropped the name of Otepka from the list of key Office of Security personnel who would be available on weekends and holidays and after hours to receive information from the FBI. Reilly substituted Frederick Traband for Otepka on this list. Otepka was the only Division Chief omitted. (Tr. 588, 589; 956, 959–962) When Otepka spoke to Reilly about the omission of his name Reilly said that he was substituting Traband because Traband was an expert on homosexual matters, but if Otepka insisted, he would restore his name to the list. Otepka did not insist, feeling that it would be pointless to do so, although he felt also that Reilly's action was a downgrading of him in the Department. (Tr. 589, 590)

In February 1963 Reilly authorized the transfer of the intelligence reporting function out of the Office of Security to the Bureau of Intelligence and Research. This function had previously been transferred from the Division of Evaluations to the Executive Office of the Office of Security. (Tr. 591) The effect of this transfer was that the Division of Evaluations was required to depend upon persons outside the Office of Security to decide what information should be sent to the Division of Evaluations. The result in Otepka's opinion was to deprive the Division of Evaluations of useful information which in the past it had received on a timely basis, concerning the domestic subversive scene. This information was contained in reports from the Federal Bureau of Investigation on the activities of members of the Communist party and foreign intelligence operatives in the United States. The Division of Evaluations coordinated such information with the personnel security program. Otepka was especially disturbed by this transfer because he knew that in the Bureau of Intelligence and Research there were a number of persons whose security files reflected activities and associations with Communists. (Tr. 592, 593) He was concerned also because the transfer had been recommended by J. Clayton Miller, who was an office mate of William Wieland, and shared a safe with Wieland, and whose security file revealed "a very highly questionable background." (Tr. 593, 594) It appeared to Otepka that J. Clayton Miller and Wieland were kindred spirits, as well as office mates, and it seemed strange to Otepka that Miller was assigned to survey Otepka's office at the same time Otepka was investigating Wieland. (Tr. 1580, 1581) Otepka made his concern known to Reilly and Belisle but without avail. (Tr. 596; 1198; See Tr. 1188–1205)

The security methods and procedures introduced by Reilly and Belisle became a matter of concern to other sensitive agencies in the government. There were complaints that the Department of State was not adhering to security standards. In particular, the Atomic Energy Commission and the Civil Service Commission complained that the Reilly-Belisle short-cut methods and short-form reports did not provide sufficient information for action to be taken, and did not meet government standards. (Tr. 594–596) Otepka brought this situation to the attention of Reilly and Belisle on several occasions, and also discussed with them the transfer of the intelligence reporting function out of the Office of Security. Reilly and Belisle rejected Otepka's comments, saying they had made their decision. Otepka felt that it would be futile to carry his protests further, since it seemed clear to him that Reilly and Belisle had the full confidence and support of their superiors. (Tr. 596, 597)

SENATE INTERNAL SECURITY SUBCOMMITTEE

In February 1963 the Senate Internal Security Subcommittee called Otepka as a witness. He was notified to appear by the Office of the Assistant Secretary for Congressional Relations, and he immediately notified Reilly of this request. (Tr. 597) He told Reilly that it appeared to him that he might be asked for his views on State Department security practices and asked for Reilly's guidance. Reilly's response was only that he should tell the truth.

On February 21, 1963 Otepka did appear before the Committee and testified to the facts concerning the various reorganizations in the Office of Security and the procedural changes instituted by Reilly. He also testified with respect to his attempts to secure his overdue performance ratings. (Tr. 598–608)

In the period from February 1963 to June 1963 Otepka appeared before the Internal Security Subcommittee on a number of occasions. Among other subjects, his testimony related to the conduct of the Wieland case, and the backdating of security clearances. His appearances were arranged by notifying the State Department that his presence was requested and the record before the Subcommittee showed that he had been instructed by his superior to answer the questions fully and truthfully, and not to withhold anything. (Tr. 142, 143; 158) Transcripts of Otepka's testimony were furnished to the State Department, and on all of the occasions when Otepka appeared during that period a State Department observer was present. (Tr. 302) Otepka was a careful witness, who endeavored to be precise at all times in his anwers and who volunteered nothing. Otepka's attitude disturbed the Chief Counsel for the Committee, Mr. Sourwine, who had "the feeling that we has trying to protect the Department, did not want to give any information that would reflect on the Department". (Tr. 152) Thus, at the hearing on March 11, 1963, while Otepka was on the stand, the Chief Counsel made the following statement on the record: (Tr. 153)

"The situation here, Mr. Chairman, is that every now and then we have a witness here who is testifying under oath and I think we have that situation here, a witness who is doing his best to protect the Department.

And I do not demean him for that. But it gets like pulling teeth to try to get the information. But if we ask the right questions, he will answer directly, because he's under oath. Now, if we get a letter from the Department of State, we will have to give a very careful analysis of the letter and then we will have to talk to somebody about what it means."

In his March 11 appearance before the Subcommittee Otepka testified concerning the proposals of the Advisory Committee on International Organizations with respect to the clearance procedures for Americans employed by United Nations agencies. The Committee was interested in the similarity between the proposals of Leonard Boudin and those contained in the Advisory Committee's draft report. Otepka was asked for a copy of the draft report but declined to produce it. (Tr. 616, 617) Otepka obtained a copy of the transcript of his testimony and furnished it to Reilly, as he had furnished copies of his previous testimony. Reilly's only comment was "that Mr. Sourwine was meddling in the Department's business." (Tr. 617, 618)

BURN BAGS

On March 13, 1963, two days after the hearing on March 11 in which Otepka had testified, Reilly arranged for the surveillance of Otepka's burn bags. These arrangements are described in the letter of charges, Document No. 1 in the appeal file. Reilly, Belisle and Rosetti together made the arrangements, which were that Traband or his secretary Mrs. Schmelzer, would notify Rosetti when she was going to take Otepka's burn bag to the depository, she would mark the bag with an "X" and Rosetti would pick up the burn bag at the depository and bring it to Belisle's office, where Reilly, Belisle, Rosetti and another Reilly lieutenant named Terry Shea would examine the contents. (Tr. 1657, 1658; 667-12—667-18; Document No. 1)

AND BUGGING

On March 18, Reilly discussed with Elmer Dewey Hill, one of his subordinates, the possibility of intercepting conversations in Otepka's office. His purpose was to find out what was going on in that office, who Otepka was talking to, and what he was saying. (Tr. 1658–1660) Reilly instructed Hill "to see if he could not come up with some technique that would not be too easily detected, and to report back to me". (Tr. 1659) Thereafter Hill repositioned the wiring in Otepka's office telephone, so as to convert it into a listening device. This modification or installation was disconnected two days later after Otepka made a complaint about trouble on his telephone line. (Tr. 1700; 666-16) Reilly ordered the installation disconnected, one reason for this order being that he was afraid it might be discovered. (Tr. 1700) the wiring was disconnected by Hill in the evening, while Reilly stood outside Otepka's office as a lookout. (Tr. 661-26; 661-27; 1676) While the installation was in place Hill listened in from time to time and two reels of tape, recording Otepka's telephone conversations, were made. According to Hill's subsequent testimony before the Senate Internal Security Subcommittee he turned these two reels of tape over to an individual who was a stranger to him. He swore that he did this on Reilly's instructions, and that Reilly had someone listen to the recordings. Tr. 666-16—666-21; 1661–1664) In his testimony at this hearing however Reilly swore that he had no recollection whatever of any interception of Otepka's telephone conversations, or of any recordings, or of hearing any tapes played, or of ordering Hill to turn any tapes over to anybody. His mind, he said, was a complete blank on the subject, and he could neither admit nor deny the truth of Hill's testimony. (Tr. 1660–1668) He swore also that when he was questioned about the matter by Mr. Ehrlich, of the Legal Advisor's Office, and Undersecretary Ball, in November 1963—approximately eight months after the incident occurred—his memory even then was a blank so far as telephone intercepts and recordings were concerned. (Tr. 1671, 1672).

In response to a demand by counsel for Otepka that the State Department produce the recordings and any transcripts made from them (Tr. 649, 672) counsel for the Department stated that he had been informed that the recordings had been erased and that no transcripts were made. (Tr. 750, 783, 784) Department Council further stated "that there has been no identification of the stranger" to whom Hill said he gave the tapes, "although efforts have been made". (Tr. 783)

Beginning in March 1963 and continuing through May 1963, Otepka, members of his family and neighbors observed that a parked car with a male occupant frequently appeared near Otepka's home or in front of it. When Otepka notified the police authorities, the man never reappeared again. He identified himself as a "credit investigator". (Tr. 963–966, 971, 972)

At the time Reilly ordered the surveillance of Otepka's office and of his burn bags Otepka had not done anything wrong, so far as Reilly knew. (Tr. 1653) Reilly swore in this hearing that the reason for his order was that he suspected that Otepka "might be privately furnishing information to Mr. Jay Sourwine, Chief Counsel of the Senate Internal Security Subcommittee". (Tr. 1646) He said the grounds of his suspicion, in addition to his early conversation with Boswell, in which Boswell voiced similar suspicions, were (1) that in a conversation with Mr. Sourwine, shortly after Reilly took office, Sourwine asked him about a pending matter being considered within the Department, which Reilly thought was the appointment of Archibald McLeish to the Advisory Committee on the Arts, and (2) that early in 1963 Sourwine had told him "shortly we are going to have Otepka here and have him testify concerning the Department, and then when that is done, we will probably have a few questions for you." (Tr. 1638–1640; 1647–1649)

OTEPKA'S SAFE

On or about March 13, 1963, on orders from Reilly, Otepka's safe was surreptitiously drilled, opened, and searched. (Tr. 662-5, 662-6, 667-7, 667-9; 658; 1363–1365; 1676) Among many sensitive files relating to security problems which Otepka kept in this safe were the security files of Harlan Cleveland and Seymour Janow. (Tr. 631, 632) When Otepka's burn bags were opened and examined by Reilly, Belisle and Rosetti, Reilly stated that he was especially interested in any papers relating to the cases of Cleveland and Janow. (Tr. 667-18, 667-21; 1673, 1674)

Otepka had the Cleveland and Janow files in his safe so that he might maintain a record of their activities, as his duty required him to do. With respect to Cleveland, he "was interested in seeing who he was recommending for positions in the Department". (Tr. 632) In the case of Janow, he was holding the file pending resolution of serious derogatory information with respect to Janow. Specifically, there was an allegation that Janow, while an official of the Agency for International Development, had retained a financial interest in a private business which was supplying services to AID, under contract with the Federal Government. (Tr. 632, 633) The file disclosed that the Department of the Army was still investigating Janow's involvement in this possibly illegal venture; but nevertheless, over the objections of Otepka's office, the nomination of Janow to be Assistant Administrator for the Division of Far Eastern Affairs of AID was submitted to the Senate for confirmation, and he was confirmed February 1, 1961. The submission of the nomination to the Senate before an adequate investigation had been completed was in violation of both the Senate rules and White House policy. Accordingly, Otepka was holding the Janow file so that he might correlate the report of investigation, when received, with the file. (Tr. 634, 635)

Following Otepka's appearance before the Subcommittee on March 19, 1963, Chief Counsel Sourwine told him he had met with Reilly off the record, that he was dubious about Reilly and that he planned to call him as a witness. He asked Otepka if he would suggest questions that could be asked of Reilly. Otepka did prepare certain questions, based upon published testimony given by Boswell in March 1962, concerning the Department's plans to spend large sums of money for electronics equipment, and based also on information given to Otepka by a former Department employee, George Pasquale. Pasquale's information related to the conduct of Elmer Hill who was in charge of the electronics program. (Tr. 618–620) The carbon paper used in typing these questions was thrown into Otepka's burn bag by his secretary. It was retrieved by Reilly and the questions appearing thereon are reproduced and attached as an Exhibit to the charges, Document No. 1. (Tr. 619, 620; 975, 976)

On the night of March 24, 1963, at about 10:30 P.M. when Otepka chanced to be in his office, Belisle walked in, accompanied by Terence Shea, an investigator from the Division of Investigations, who had served with Belisle in the National Security Agency. They appeared surprised to see Otepka and said nothing for a moment; Belisle then said he thought he had seen a charwoman enter the office and he had followed her. Having been there for some time, Otepka knew that no charwoman or anyone else had come into the office shortly before he entered. Otepka concluded that Belisle and Shea were there for the purpose of conducting some sort of surveillance of his office. (Tr. 620–622; 1675)

ELMER HILL

On March 4, 1963, Otepka was visited in his office by George Pasquale, an electronic engineer whose employment by the State Department had recently been terminated on the recommendation of Reilly. (Tr. 608–610) Pasquale related to Otepka that in April 1962 he had accompanied Elmer Dewey Hill, a member of Reilly's staff, on a trip to Warsaw, Poland. Pasquale described to Otepka a number of instances of misconduct on the part of Hill during the trip. The misconduct, which had occurred in public, consisted of "vulgarities and obscenities and intoxication". (Tr. 610, 611; 1556–1559) Pasquale had made a written report on Hill's conduct but this report was sequestered by Reilly and was not placed in Hill's file. (Tr. 611–614; 1684, 1685) No action was ever taken against Hill, but shortly thereafter Reilly terminated Pasquale's employment. (Tr 612; 1686, 1687)

In addition to his written report, Pasquale orally informed Belisle and Rosetti about the conduct of Hill in Warsaw. Belisle suggested that Pasquale should take his complaint to the Internal Security Subcommittee, and Rosetti gave Pasquale the telephone number of the Chief Investigator for the Subcommittee. Pasquale did take the matter up with the Subcommittee. (Tr. 641, 642)

In March 1963 the Civil Service Commission made one of its regular routine inspections, as provided in Section 14 of Executive Order 10450, into the manner in which the security program was being carried out by the Department of State. (Tr. 622) As was customary Otepka dealt with the inspector on behalf of the Department. (Tr. 622) The inspector brought with him a list of files that he wished to examine, among them being the file in the William Wieland case and the file on Elmer Dewey Hill. The Wieland case was selected as a representative security case, and Hill's file was examined because he had taken office subsequent to the last previous inspection. (Tr. 1293–1296; 622, 623)

In connection with the Hill file Otepka advised the inspector to see if it contained any derogatory information. The inspector reported that he found no derogatory information in the file. Otepka then told him about the Pasquale report. (Tr. 623; 1297) The inspector asked Reilly where Pasquale's report was and Reilly responded that he could not have this information, and "warned him not to get involved in the Elmer Hill case". (Tr. 1297, 1298) After representations were made to Reilly by the Civil Service Commission the inspector was given the Hill file but it still did not include the derogatory report. (Tr. 1298)

EVEN A SECRETARY

Late in March 1963, while Otepka's regular secretary Mrs. Powers was ill, Mrs. Schmelzer, who was Mr. Traband's secretary, substituted for her. Otepka noticed that Mrs. Schmelzer was "unduly curious" about material in Otepka's safe, containing the security files of Harlan Cleveland and Seymour Janow. (Tr. 631, 632) His observation of Mrs. Schmelzer's activities caused Otepka "to suspect by this time that there was something peculiar going on, and I felt that she possibly was a part of a group in my office that had been asked to maintain some sort of a surveillance over me." (Tr. 636) Because of his suspicions Otepka had the combination to his safe changed. (Tr. 636) Mrs. Schmelzer was later revealed to be a member of the burn bag surveillance team organized by Reilly and Belisle. (Tr. 635)

On April 5, 1963 Otepka was instructed to confer, and he did confer with Leo Harris, a staff assistant to the Department's Legal Advisor, Abram Chayes. Mr. Harris wanted Otepka's views with respect to the pending attempt by a former employee of the Department, who had been removed as a security risk, to gain reinstatement. The discussion related to the Department's regulations precluding the re-employment of any person who had been dismissed as a security risk as a result of adversary proceedings under Public Law 733. Mr. Harris told Otepka that Reilly had endorsed a proposed change in the regulatons which would permit the re-employment of former employees who had been dismissed as security risks. Harris said that consideration was being given to the re-employment of John Paton Davies, who was precluded from re-employment in the State Department by the existing regulations; that Reilly favored the proposed change which would permit the re-employment of Davies. Otepka said he was opposed to any such change in the regulations, and pointed out that Davies had been dismissed after a hearing before a Security Hearing Board, that the vote of the Hearing Board was five to nothing for dismissal, and that Secretary Dulles had concurred. (Tr. 624–630; 1302–1305) The case of John Paton Davies had been evaluated by Otepka in 1954, and it was his findings which had resulted in the dismissal of Davies as a security risk. (Tr. 374, 382) It will be recalled that just before he was succeeded by Reilly in April 1962, Boswell obtained the security file of John Paton Davies, and worked on it in secrecy. (Tr. 464) Otepka's conversation with Mr. Harris in April 1963 suggested to Otepka that Reilly was carrying on a project that Boswell had started. (Tr. 464)

In April 1963 Otepka and his secretary Mrs. Powers noticed that Otepka's office telephone "was acting in a very peculiar manner". After dialing, the phone appeared to be dead. On other occasions a loud clattering or clicking was heard, and sometimes audible conversations of strangers on the line were heard. A member of the Domestic Security Division, called in by Otepka to listen, immediately stated "your phone is bugged". (Tr. 637) A professional engineer, Stanley Holden, was then called in to check the telephone. Mr. Holden reported that the telephone appeared to be in a normal condition, but gave Otepka a cautious admonition that it might be tapped. He indicated he did not desire to discuss the matter further because of a possible reprisal against him. (Tr. 638) Shortly after this conversation between Otepka and Holden, Reilly appeared in Otepka's office, said he heard Otepka had been having trouble with his telephone, and remarked that he had been having trouble with his phone too. (Tr. 638)

On May 14, 1963, Stanley Holden told Otepka that the room which he, Otepka occupied contained a concealed listening device which enabled someone at a remote monitoring point to overhear telephone conversations as well as other conversations in the room. He said the installation of this device was ordered by Reilly because Reilly was personally embarrassed by information with which he was confronted in his appearances before the Senate Internal Security Subcommittee, that Reilly was upset about Otepka's testimoney before the Subcommittee. (Tr. 653, 654) Holden said that the monitoring was being done under the direction of Elmer Hill, Chief of the Division of Technical Services, and that the operation was known to Rosetti, who, as Chief of the Division of Domestic Operations, was Holden's immediate superior. (Tr. 655) Holden added that Belisle had enlisted Otepka's assistant, Frederick Traband, to keep Belisle informed of Otepka's activities and any remarks that he made within the hearing of Traband. (Tr. 656) At about this same time Otepka received similar information from George Pasquale reiterating that Pasquale had told Otepka before. (Tr. 638, 639; 627, 658) On several occasions during the month of May, Otepka noticed that strange sounds were coming from his telephone although the receiver was in the cradle. The sounds were a humming noise, and the sound of voices—in other words the telephone was broadcasting. (Tr. 690, 691) Otepka concluded from all of these facts "that there was an organized campaign being directed against me, either to purge me or to embarrass me in some way in connection with my duties." (Tr. 657)

During the month of May 1963 Otepka clashed with Reilly and Belisle or Traband in connection with several personnel security cases.

In one case Otepka and Traband interviewed a prospective appointee concerning his alleged Communist activities, and Otepka recommended against his employment on the ground that he was a security risk. The applicant was cleared after Otepka was ousted. (Tr. 691, 692; 1400) Another case involved a prospective appointee to the staff of the United States Ambassador to the United Nations. The appointment was pushed by an assistant to Harlan Cleveland. Otepka insisted on full investigation of the individual's past activities, many of which were a matter of public record in the files of the House Committee on Un-American Activities; and in particular, Otepka urged a full investigation of an allegation that this man was involved in running arms and ammunition through the Congo to Angola in support of rebels who were seeking to drive the Portuguese from Angola. Otepka was overruled and the man was cleared and appointed. (Tr. 693, 694; 1400–1403) In the third case, although the applicant was unsuitable, Traband argued that Otepka "should yield to reality because the applicant had strong political backing", (Tr. 694, 695) that it was Otepka's "duty to accommodate the top". (Tr. 1404) The applicant was rejected by the Office of Personnel as unsuitable. (Tr. 695) A fourth case involved the wife of a Deputy Assistant Secretary for Far Eastern Affairs. The wife was an applicant for an important position in the Bureau of Intelligence and Research, specializing in Far Eastern affairs. (Tr. 695, 696) In 1954 Otepka had considered the case of the husband and recommended that he be suspended in the interest of national security. Otepka based his recommendation on the applicant's notorious pro-communist record on Far Eastern matters and the employment of him and his wife by the Institute of Pacific Relations, an organization which had been cited by the Senate Internal Security Subcommittee as a group controlled by persons with Communist background and leanings. The Administrator of the Bureau of Security and Consular Affairs concurred with Otepka in 1954, but they were overruled. The man was not changed or suspended as a security risk. The individual's wife, who was in the Department at the time, and whose record was equally bad, subsequently left the Department voluntarily and was now, in May 1963, seeking to return as an intelligence specialist. (Tr. 696) Otepka objected but was overruled by Belisle and Reilly and the lady was appointed. (Tr. 697; 1409–1412)

In two other cases in May 1963 Belisle signed security clearances for two applicants without notice to Otepka, and without any proper investigation. Full field pre-appointment investigations for all applicants and employees of the State Department occupying sensitive positions were required by law in the absence of a waiver signed by the Secretary. Beisle had granted clearances to the two applicants without any full field investigations or waivers. Having obtained the security files of the two applicants and ascertained these facts, Otepka wrote a memorandum for the record stating that he would accept no responsibility for the clearance of the two persons because he had not been allowed to participate in the clearance processes. He noted that the requirements of the law and the regulations had not been met. Belisle responded with a scrawled note in blue crayon demanding the files. The note said "give them to me", followed by several exclamation points. (Tr. 699; 700; 703; 1412–1415)

REILLY VERSUS OTEPKA—BEFORE A SENATE COMMITTEE

On April 25, 1963 Reilly testified again before the Internal Security Subcommittee. Returning to the Department late in the afternoon he went to Otepka's office. He appeared to be upset. He told Otepka that Senator Dodd "had given him a bad time", after he had testified that Otepka had voluntarily disqualified himself from further participation in the Wieland case. He asked Otepka if he could confirm to Senator Dodd or to the Subcommittee that he had in fact withdrawn from the Wieland case. Otepka responded that if called as a witness he would testify precisely about his conversation with Reilly concerning his participation in the Wieland case. (Tr. 676) Otepka felt it was not necessary to argue the matter with Reilly at that time, since he believed that Reilly well knew when he testified that Otepka had not in fact withdrawn from the Wieland case, and he believed further "that Mr. Reilly was a very devious person who had been working hard to discredit me or to get rid of me in any way he could, and I felt it unwise and very foolish to confide in him that I—what I was going to say in the event I was going to testify before that Committee again." (Tr. 676, 677)

Shortly after April 25, 1963 Mr. Sourwine permitted Otepka to see the transcript of Reilly's testimony of that day. At this time Sourwine told Otepka that all of the Senators who participated in the hearing believed that Otepka had told the truth, that he was a knowledgeable security officer who always was properly responsive to the Subcommittee's questions, and he further informed Otepka that Senator Dodd, who had interrogated Reilly closely and at length, thought that Reilly was lying and was being evasive. Sourwine said that Otepka had always done his best to protect the State Department's interests, had made no criticism of his superiors, and had respected the oath that had been administered to him. Sourwine concluded in effect that Otepka "now had a problem". (Tr. 677, 678)

Reading the transcript of April 25, 1963, Otepka observed that Reilly testified that the Division of Evaluations had been operating inefficiently when Reilly got to the State Department and that Otepka was a bottleneck, that Otepka held many things and did not delegate enough authority, especially to Traband. No such complaint had ever been made to Otepka by Reilly or Boswell, either orally or in writing. (Tr. 678, 952, 953) Otepka also read Reilly's testimony, in which Reilly swore that Otepka had voluntarily recused himself from participation in the Wieland case. Reilly also assured the Subcommittee that the fact that the Department of Justice had declined to prosecute Wieland for false statements made no difference in the State Department's evaluation of the case. Otepka knew this was not a fact, and it subsequently developed that Belisle had Robert McCarthy prepare a written clearance predicated on the decision of the Department of Justice not to prosecute. (Tr. 679)

In appearances before the Subcommittee on April 30, 1963 and May 21, 22 and May 23, 1963, Reilly at one time or another repeated his testimony that Otepka had voluntarily withdrawn from the Wieland case.

With respect to the appointments of the members of the Advisory Committee on International Organizations, Reilly testified that Otepka had given him information about only one of the prospective appointees. He further testified he had not seen the Leonard Boudin letter in the New York Times, discussing the matter of security clearances for the staffs of International Organizations, until Otepka showed it to him. (Tr. 680, 681; 145, 146; 209–215) He also swore that he, Reilly, had obtained and given to Otepka the draft report of the Advisory Committee, which reflected the Boudin proposals. (Tr 682) The facts were that Otepka had not voluntarily withdrawn from the Wieland case, that he had specifically and in writing directed Reilly's attention to the cases of three prospective appointees to the Advisory Committee, that Reilly had received the Boudin article from the Department of Justice and sent it to Otepka with a covering memorandum, and that Otepka had obtained the draft report and given it to Reilly, together with his comments on the contents of the report. (Tr. 677; 682) The effect of Reilly's testimony about these matters was, first, to justify the removal of Otepka from the Wieland case, and second, to absolve Reilly of any responsibility for questionable appointments to the Advisory Committee and from responsibility for failure to perceive the similarity between the recommendations in the Committee's draft report and the proposals of Leonard Boudin. It was Reilly's duty to correlate the Boudin proposals with the recommendations of the draft report; and having failed to do so, he attempted to pass the matter off by disclaiming knowledge of the Boudin letter and shifting the responsibility to Otepka. By claiming that he had submitted the draft report to Otepka he sought to give the impression that he had performed his duty, by alerting Otepka; whereas in fact Otepka had alerted him. (See Tr. 289)

In his testimony of May 21, 1963 Reilly said that Otepka had submitted a memorandum making recommendations for short-form reporting on applicants, that these recommendations had been put into effect, and that Otepka had then testified before the Subcommittee objecting to the procedure which he himself had recommended. (Tr. 147; 727–733; 225–235; 271–279) The fact was that Otepka had recommended short-form reports on clerical applicants alone, but that Reilly had ordered short-form reports on all non-derogatory cases of State Department applicants, a procedure which in effect turned investigators into evaluators. (Tr. 728, 729; 231) When this procedure came under attack before the Senate Subcommittee as one involving bad security, Reilly by his testimony attempted "to convey the impression that what he had done was precisely what Mr. Otepka had recommended and therefore, that since he had depended upon Mr. Otepka, Mr. Otepka was at fault." (Tr. 234) In connection with what he described as Otepka's "recanting" of his memorandum on short-form reporting, Reilly testified further on May 21, 1963 that Otepka struck him as mentally unbalanced and emotionally overwrought. (Tr. 147–150)

Following Reilly's appearance before the Subcommittee on May 23, 1963, Mr. Sourwine, Chief Counsel for the Subcommittee, communicated with Otepka and asked Otepka to come to see him at his office. As a matter of convenience to Mr. Sourwine the meeting between him and Otepka took place after Otepka's normal working hours but there was nothing clandestine or secretive about it; in fact during that same period of time Mr. Sourwine and members of his staff were interviewing other State Department employees with the knowledge of the Department. (Tr. 159–161; 705) The interview with Otepka was in accordance with the Subcommittee's usual practice in preparing for hearings. (Tr. 162)

PUT UP OR SHUT UP

In his interview with Otepka shortly after May 23, Chief Counsel Sourwine pointed out to him that there had been sharp conflicts between Otepka's testimony and that of Reilly. He mentioned the conflict with respect to the information Otepka had given Reilly about the members of the Advisory Committee on International Organizations, and showed Otepka marked transcripts reflecting other instances of conflict or apparent conflict. "And I told him that—I forget whether I wanted him to, or the Committed wanted him to, but I was attempting to convey to him that it was up to him to put up or shut up—his boss in effect had called him a liar, and if he had any evidence to support what he had told us, I wanted him to bring the evidence in and put it in the record." (Tr. 164) Otepka said he was sure he could support every bit of testimony he had given, and that he would attempt to produce the evidence to support it. Sourwine gave him copies of the transcript and had them marked to indicate the conflicts, and told him to traverse all of those points, be ready to testify further with respect to all of those points when he was called back to the stand. (Tr. 165; 706) As a result Otepka prepared a memorandum with respect to Reilly's testimony, giving Otepka's comments and indicating the errors in Reilly's testimony. The statements in the memorandum were supplemented by several documents supporting the testimony Otepka had already given. The memorandum and documents were turned over to Chief Counsel Sourwine by Otepka. (Tr. 165; 710–712. Appellant's Exhibit A) The memorandum was keyed to the transcript of Reilly's testimony, that is, the comments in the memorandum were keyed to specific pages of the transcript of Reilly's testimony, and traversed Reilly's testimony on the points in dispute. (Tr. 169; 712)

According to the letter of charges (Appeal Document No. 1, page 2) the typewriter ribbon used in producing Otepka's memorandum concerning Reilly's testimony was retrieved from Otepka's burn bag by the burn bag surveillance team on May 29, 1963. The letter recites that the ribbon was read "and the contents were reproduced" as Exhibit B to the charges. Exhibit B to the charges is in fact the Department's own garbled version of the memorandum which Otepka submitted to Chief Counsel Sourwine. (Tr. 714)

CHARGE NO. 1

Attached to Otepka's memorandum commenting on and rebutting Reilly's testimony was a 5-page memorandum dated September 10, 1962 from Otepka to Reilly on the subject of "Francis O. Wilcox, Arthur Larson, Lawrence Finkelstein, Marshall D. Shulman, Andrew Cordier, Ernest Gross, Harding Bancroft, Sol Linowitz." This memorandum, which is State Department Exhibit 7, is the basis of Charge One against Otepka. It went to the heart of the most important conflict between the testimony of Reilly and that of Otepka. Specifically, it demonstrated that on September 10, 1962 Reilly had received in writing from Otepka information about the eight individuals named in the memorandum, who were prospective appointees to the Advisory Committee on International Organizations staffing and for whom emergency clearances were desired by Harlan Cleveland. Reilly had testified that Otepka had alerted him to the case of only one of the eight individuals. (Tr. 170; 716) Also attached to Otepka's memorandum on Reilly's testimony was a copy of a memorandum dated September 17, 1962, from Reilly to George M. Czayo, entitled "Processing of Appointments of Members of the Advisory Committee on International Organization Staffing". This memorandum, State Department Exhibit 8, is the basis of Charge Two against Otepka. It too was directly relevant to the issue being explored by the Subcommittee with respect to the conflict between Reilly and Otepka. It demonstrated that Reilly not only had received and understood the information from Otepka about the questions raised with respect to the members of the Advisory Committee on International Organization Staffing, but that Reilly had dealt with the matter himself, by sending a memorandum concerning it to Mr. Czayo. (Tr. 171; 715, 716) The question of how many individuals on the list had been brought to Reilly's attention by Otepka was an important and material matter pending before the Subcommittee. (Tr. 171–172)

Although the memorandum of September 10, 1962, State Department Ex. 7, and the memorandum of September 17, 1962, State Department Ex. 8, were classified "Confidential" the members of the Internal Security Subcommittee and its chief counsel had been granted clearances for access to classified information which entitled them to receive such documents. (Tr. 723–727; 173)

The memoranda of September 10, 1962 and September 17, 1962, (State Dept. Exhibits 7 and 8) contain no investigative data. The only substantive data contained in the memorandum of September 10 (State Department Ex. 7) consists of references to certain matters which had been mentioned in published reports or hearings of the Senate Internal Security Subcommittee or which were otherwise in the public domain, or available to the Subcommittee. (App. File, Doc. No. 10, P. 4; Tr. 333; 78 et seq.; 117, 118) The memorandum of September 17, 1962 (State Dept. Exhibit 8) contains no substantive data whatever with respect to the prospective appointees but relates for the most part to the procedural steps involved in their clearance. (App. File, Doc. 10, P. 4; Tr. 333; 94 et seq.; 118–A et seq.)

Also attached to Otepka's memorandum on the Reilly testimony was a copy of a long-form report dated May 21, 1960, on one Joan Mae Fogltanz, an applicant for a clerical position in the Department of State. This document, State Department Exhibit 9, is the basis of charge No. Three against Otepka. It was directly relevant to the conflict between Otepka and Reilly with respect to Otepka's recommendations for short-form reporting. On October 29, 1962 Otepka had submitted a memorandum to Reilly expressing the view that in cases of applicants for clerical positions, such as young ladies fresh out of high school who had no employment history and whose backgrounds were impeccable, long-form reporting was unnecessary and a waste of time. Otepka had given Reilly the lengthy Fogitanz report as a "horrible example" of a long-form report, illustrating what he was talking about in his memorandum. Nevertheless, over Otepka's objections, Reilly ordered that short-form reporting be adopted for all non-derogatory cases, including the cases of officer applicants. Thereafter Reilly had testified before the Subcommittee that his order had only carried out Otepka's recommendation and that Otepka in his testimony before the Subcommittee had repudiated his own memorandum to Reilly. (Tr. 226–234; 860–883; 727–741) In an attempt to support his testimony Reilly produced and turned over to Mr. Sourwine a copy of Otepka's memorandum to him dated October 29, 1962. (Tr. 230) The Fogitanz report, which Otepka had given to Reilly with this memorandum, demonstrated exactly what Otepka was talking about in the memorandum, and confirmed Otepka's statement that Reilly knew perfectly well what Otepka's recommendation had been. (Tr. 740)

In his memorandum prepared for Mr. Sourwine and the Subcommittee Otepka commented at some length on Reilly's testimony about short-form reporting and Otepka's memorandum dealing with the subject. (Tr. 735–750; 275–278; Appellant's Exhibit A)

In addition to the two documents relating to Reilly's testimony concerning the personnel of the Committee on Staffing International Organizations, and the Fogitanz report relating to his testimony on short-form reporting, Otepka attached to his memorandum various papers and documents that were relevant to other questions which were pending before the Subcommittee and concerning which Reilly had testified. Otepka's memorandum also discussed these questions. (Tr. 172, 173; Appellant's Exhibit A)

The documents produced by Otepka, and specifically the documents referred to in charges 1, 2 and 3, were directly relevant to questions posed to Otepka by the Subcommittee. Had he failed to produce those documents, and particularly had he failed to produce the documents referred to in charges 1, 2 and 3, he would have failed to respond fully to the questions posed by the Subcommittee. (Tr. 194) Furthermore, documents containing similar information had in the past been furnished to Congressional Committees, and nothing had "been said about the Truman order [Directive of March 13, 1948] preventing it." (Tr. 242, 243)

The investigation by the Senate Internal Security Subcommitee, in which Otepka and Reilly were involved, was an investigation of security practices at the Department of State. (Tr. 141, 142) The Subcommittee was "trying to get at the facts with regard to the security situation in the Department." (Tr. 245) As Chief Counsel for the Subcommittee Mr. Sourwine was responsible for preparing for the hearings by interviewing witnesses, arranging for their appearance, conducting the basic examination of witnesses before the Committee, and doing any necessary research. (Tr. 139–141) In all of his dealings with Otepka, Mr. Sourwine acted pursuant to these responsibilities, in his official capacity as Chief Counsel of the Committee, and on behalf of the Committee. (Tr. 164)

Any request that he made of Otepka was a request of the Internal Security Subcommittee. (Tr. 173) Moreover, everything said and done by Otepka was in response to such requests. (Tr. 173) He was not a volunteer witness, but one whose appearance had been requested by the Subcommittee, who had been sent by the State Department to the Subcommittee and who had testified with the knowledge of the Department. (Tr. 302)

THE MUTUAL PROTECTION SOCIETY

Otepka did not take the matter of Reilly's false and misleading testimony up with his superiors, before submitting his memorandum and the attached documents to the Subcommittee. In the light of the facts known to him he reasonably believed that for many months his superiors had engaged in or approved a campaign to harass, frustrate and discourage him so that he would abandon his key job in the Department's Office of Security. Taking the matter up through the chain of command would have required him to confide in some of the very superiors whom he believed to be engaged in the efforts to purge him from the Department. He knew from his long experience that employees of the Department who reported on the misconduct of a superior through the chain of command were often pilloried while those guilty of misconduct were protected. In his judgment, based upon his experience, there "was a mutual protective society amongst those whose advice I might have sought." (Tr. 682–686; 1495–1502)

In making his decision to submit information and documents to the Internal Security Subcommittee Otepka took into account the Code of Ethics for government service which is set out in House Concurrent Resolution No. 175, agreed to by the Senate on July 11, 1958. This Code of Ethics includes a statement that every government employee should put loyalty to country and to the highest moral principles above loyalty to any party, person or government department. The Code was supported in the Senate by the then Majority Leader Mr. Lyndon B. Johnson, who spoke in favor of it. A copy of the Code was received by Otepka as an attachment to a State Department circular addressed to all department employees. (Tr. 752)

In his deliberations about what he should do with respect to Reilly's testimony and the Subcommittee's requests for information Otepka also gave consideration to the provision of 5 U.S. Code, Sec. 652(d) that "the right of persons employed in the Civil Service of the United States, either individually or collectively, to petition Congress or any member thereof or to furnish information to either House of Congress or to any committee or member thereof shall not be denied or interfered with." (Tr. 752, 753)

In determining upon his course of conduct with respect to the Subcommittee's request for information, Otepka also considered the question of whether or not his submission of this information would contravene what he knew or believed to be the accepted standard of conduct for employees of the Department of State. (Tr. 753) He considered his proposed or contemplated course of conduct against the pattern which he believed to have been established by the conduct of State Department officers and employees which had been approved by the Department. He "was familiar with many such cases, and [he] gave consideration to the conduct of those persons with which [he] was familiar and [he] noted that their conduct was excused." Among these cases in which infractions of regulations or other misconduct were approved or condoned by the Department were the following:

THE SORDID BACKGROUND

1. The case of John Stewart Service (supra) the Foreign Service Officer who admitted that he had furnished eighteen documents, some of them classified "Secret", to Philip Jaffe, the publisher of Amerasia Magazine, a person on whom there was a considerable record of Communist activities and affiliations. Service was honorably retired.

2. The case of Elmer Dewey Hill (supra) whose misconduct in Warsaw was condoned and covered up by Reilly.

3. The case of William Wieland (supra) whose misconduct by way of false statements, misrepresentations and concealment of information was condoned by the Department.

4. The case of Charles Lyons (supra) who as a security officer in Athens, Greece, had failed to report a large number of security violations but who nevertheless was appointed Deputy Chief of the Division of Evaluations.

5. The case of the Presidential nominee (supra) who had publicly assaulted his wife and strewed her clothing on the lawn, over the shrubbery and in the street.

6. The case of Irving Swerdlow (supra) who had been dismissed as a security risk by the Mutual Security Agency but was appointed to a position in the State Department.

7. The case of the Foreign Service Officer (supra) who, while stationed in Mexico City and again while on duty at Caracas, Venezuela, had been guilty of serious sexual misconduct, including a liaison with the wife of the Ambassador of another nation, but whose conduct had been condoned.

8. The case of Robert McCarthy (supra) who had withheld information from his reports to his superiors concerning the loss of classified documents by the American Ambassador at Caracas, but who became a trusted lieutenant of John F. Reilly.

9. The case of Seymour Janow (supra) who was appointed to high office without resolution of allegations that he had been involved in an illegal conflict of interest.

10. The case of the security officer stationed in Moscow who was enticed to her apartment by a Russian woman. The woman turned out to be a KGB agent. Using concealed cameras, the Soviet Secret Police photographed the security officer and his Soviet companion, in bed, both being in the nude. The security officer was then confronted with the photographs and an attempt was made to induce him to spy for the Soviets. He rebuffed the attempt and reported his misconduct to his superiors. Although he had exposed himself to the most elemental recruitment tactics, known to even the greenest novice, he was not disciplined. (Tr. 754, 755)

11. The case of a security officer stationed in an eastern European country. He was married to an American, who accompanied him. He gave lectures to his associates, instructing them to avoid any personal relations with foreign nationals. Nevertheless he openly consorted with a local woman. His conduct was observed by his associates and reported to superiors. Subsequently when his wife divorced him for his misconduct he requested the Department's permission to marry his alien paramour and permission was granted, notwithstanding the fact that there was information indicating that the woman was a foreign agent. He was not disciplined, but continued as a security officer. (Tr. 755, 756)

12. The case of a Foreign Service Officer, formerly a security officer, who owned two automobiles when he was transferred to a new post. Although entitled to have only one automobile shipped at government expense, he had the second automobile concealed in a lift van and represented it as household furnishings on the invoice. His case was referred to the Department of Justice for prosecution for fraud, but there was no prosecution and he was not disciplined, except that he was required to pay for the transportation of the second automobile. (Tr. 756, 757)

13. The case of a Foreign Service Officer who admitted to the security officers of the Department and to the Department's medical authorities that he had engaged in homosexual acts. The Department's medical officers found him unfit to serve abroad because in their professional judgment his homosexual tendencies made him a potential security risk. He was not disciplined, but again sent abroad and assigned to a

critical post behind the Iron Curtain. (Tr. 757)

14. The case of a Foreign Service Officer who, on his application form and in interviews with Department personnel, concealed the fact that he had been a member of the Young Communist League and of the Communist Party. He is still employed in the State Department. (Tr. 757)

15. The case of a Foreign Service Officer stationed in an eastern European post who admitted homosexual tendencies and other personal misconduct but was given responsibility for supervising Marine guard personnel and protecting all safe combinations at the American Embassy. His negligence permitted foreign agents to have access to classified reports at the Embassy. He received normal promotions in the Foreign Service and is still in the Department. (Tr. 758)

16. The case of a Foreign Service Officer on duty in the Department who borrowed money from the State Department Credit Union and forged the endorsement of a fellow employee, a lady, to his application for the loan. This individual was given an important assignment in the White House. (Tr. 758, 759)

17. The case of a Foreign Service Officer who, while stationed in an eastern European country, fathered a child out of wedlock by a national in that country. Boswell, who was then Director of the Office of Security, selected this man to be a security officer at a far eastern post. (Tr. 759)

18. The case of a Foreign Service Officer who sexually violated his own daughter but was never disciplined, and in fact was later designated as a part-time security officer at a post which did not have a full-time professional security man. (Tr. 759)

All of the foregoing cases were within the personal knowledge of Otepka and they all occurred in recent years, at or about the time of Otepka's difficulties with Reilly. (Tr. 760) Otepka was familiar with many other cases of a similar nature, in which the conduct of State Department employees had not resulted in disciplinary action. (Tr. 760) These cases established a pattern and standard of conduct upon which Otepka was entitled to base his conclusion that his action in furnishing information and documentation to the Senate Internal Security Subcommittee was not a breach of the standard of conduct expected of an officer of the Department of State.

OTEPKA CAN'T BE BOUGHT

Otepka requested John R. Norpel, a member of his staff, and a former FBI inspector, to compile pertinent data for use by Otepka in substantiating his testimony before the Subcommittee Norpel reported to Otepka that he had mentioned the assignment to Rosetti, who in turn had reported it to Reilly, and that thereafter Reilly had told Norpel "Otepka is a nut—I came here to do a job and I am going to do it." (Tr. 686, 687) Later, in a conversation between Norpel, Robert McCarthy and Rosetti, McCarthy asked Norpel "why is Otepka fighting, what is his price to quit? Every man has a price." Norpel replied that no one could buy Otepka for any price and that his reason for fighting was to remedy wrongs and to uphold his principles. (Tr. 687)

Early in June 1963 Reilly again evinced an interest in Otepka's activity with respect to Harlan Cleveland, by sending Otepka a memorandum concerning Cleveland's security file and stating that Otepka had taken no closing action on Cleveland's security clearance. Reilly also stated that Otepka had not answered Belisle's memorandum to Otepka dated January 15, 1963, on the Cleveland case. Reilly accused Otepka of dilatory tactics. Otepka replied with documentation proving that he had answered Belisle's memorandum within seven days, and he pointed out that Cleveland had been cleared by Secretary Rusk on August 11, 1961, thereby closing the case. Otepka added that if Reilly wanted to know why he, Otepka, as the Chief Evaluator, had Clevelands' security file in his possession he would be happy to explain it to Reilly. Reilly did not ask for the explanation. (Tr. 762, 763)

On June 25, 1963, Otepka observed that one of his subordinates, Joseph Sabin, had put aside certain work that Otepka had assigned to him, to be handled on a priority basis, and was working on the security file on Seymour Janow. The next day, noticing that Sabin again was working on the Janow file, Otepka asked what it was that he was evaluating in that case. Sabin replied that he had been instructed by Reilly to prepare a chronology of certain events in the case. Otepka noticed that Sabin had such a chronology on his desk. Otepka took the chronology and the file to his desk, where he saw that one item in the chronology made a false reference to Otepka. Otepka handed the chronology to his secretary and asked her to make a copy of it for him. Shortly thereafter Reilly burst into Otepka's office and shouted to him "when I assign a case to a member of your staff, I do not expect you to interfere." He accused Otepka of taking the chronology from the Janow file and asked if Otepka had it in his possession. When Otepka acknowledged that he had it Reilly demanded that he give it to Reilly immediately. Otepka complied. Reilly then asked how many copies of it he had reproduced. Otepka said he had not reproduced any but had intended to do so. Reilly took the file and the chronology and left Otepka's office. Within a few minutes two porters came to Otepka's office and removed Otepka's thermofax machine. One of them told Otepka that he was removing the machine on Reilly's instructions. (Tr. 764–767)

On two occasions during May and June 1963 Otepka asked Traband whether he, Traband, was keeping Otepka under surveillance. On the first occasion, in May, Traband denied that he had Otepka under surveillance and this ended the matter. On the second occasion, in June 1963, Traband accompanied his denial with an angry outburst to the effect that Otepka had no right to question his integrity. It subsequently appeared that Traband was in fact acting at that time as a member of Reilly's burn bag surveillance team. (Tr. 768–771)

THE NEW DETAIL

On the morning of June 27, 1963 Reilly sent for Otepka and in the presence of Belisle handed Otepka a memorandum (Appellant's Exhibit 5, Tr. 771–773, 774–776) stating in part:

"Effective immediately I am temporarily detailing you to devote your full time and attention to preparing guidelines for evaluators and developing recommendations to me relative to updating and reviewing the Office of Security Handbook. During the course of this temporary detail, you are relieved of your present official responsibilities. You will, for the duration of this assignment, occupy room 38A05. Such stenographic and/or typing assistance as you will require to carry out these assignments will be made available as you make such needs known to Mrs. Catucci or Mrs. Mitchell."

At the same time Reilly announced to the Division of Evaluations in another memorandum that Belisle would take over Otepka's duties as Chief of the Division. (Tr. 776, Appellants Exhibit T) After handing Otepka the memorandum relieving him of his duties Reilly and Belisle accompanied Otepka back to Otepka's office. When they arrived at Otepka's office five security officers at once followed, obviously by pre-arrangement. These officers, all members of Rosetti's staff, were Rosetti himself, Robert McCarthy, Russell Waller, Joseph McNulty and Frank Macak. Reilly asked for the combinations to all of Otepka's safes and when they were produced the five security officers proceeded to change all the combinations of the safes and file cabinets and to close and lock them. (Tr. 776) This operation, which took place in view of Otepka's subordinates, was supervised by Reilly and Belisle. While it was going on Otepka sat at his desk. For a while Reilly stood guard over Otepka, then he motioned to Rosetti to take his place and Rosetti did so. (Tr. 777) Finally Otepka told Rosetti that if he had no objecion Otepka was going to lunch. Rosetti said he had no objection and Otepka went. (Tr. 777)

Returning from lunch Otepka found his secretary, Mrs. Powers, in tears. She informed Otepka that Reilly had called her in and handed her a memorandum notifying her that she was being transferred to the Washington Field Office where she would be transcribing from dictaphone cylinders. This was a low-level clerical job far beneath her capabilities. (Tr. 777, 778) Otepka also learned that Norpel and Hughes, two of his associates, had been detailed by Reilly from the Division of Evaluations to the Investigations Division located in another building. Reilly informed them that they would be assigned to investigative duties. (Tr. 778).

After learning of the re-assignment of Mrs. Powers, Norpel and Hughes, Otepka went to Reilly's office and asked for an explanation. He found Belisle with Reilly. Reilly at first refused to give any explanation but finally said something to the effect that when he first came on board he had emphasized to Otepka "the need for institutional loyalty". (Tr. 778, 779) Otepka replied that he recalled no such lecture but he wanted Reilly to know that he never had and never would subordinate loyalty to his principles and to his country to loyalty to any institution (Tr. 778, 779) Otepka then asked whether he were to be permitted access to classified information. Reilly said the nature of Otepka's job did not require such access. Otepka asked if Reilly was terminating his security clearance—which would have required a hearing—and Reilly said no, repeating the word "no" several times. (Tr. 779) Otepka said there were materials in his office that would be relevant to his work on the handbook. Reilly replied that Belisle would accompany Otepka to his office and assist him in identifying the material that he could use. (Tr. 780) Belisle did accompany Otepka to his office and spent the rest of the day in going over Otepka's material and deciding what Otepka could keep. On the following day Belisle announced that Reilly was leaving on a vacation, that he, Belisle, would be Acting Director of the Office of Security and that he was designating another man, Raymond Laugel, to sit with Otepka during the screening of Otepka's material. Mrs. Powers, Otepka's secretary, also assisted in this work, until Belisle came in and told her to "pick up your things and get out." (Tr. 781–783)

Otepka's safes contained many unique and valuable records and files containing personnel security data and information. These records had been collected and preserved by Otepka over the years. Many of them related to persons currently occupying key posts in the Department of State. (Tr. 785–791) Otepka pointed out to Belisle that these records were particularly useful to evaluators in assuring that all relevant information was included in reports, investigations and research data on applicants and employees. Belisle responded that the records were duplications and unnecessary material that need not be kept around cluttering file cabinets; that if an evaluator needed something he could go to a central security file and rely only on that. (Tr. 791, 792)

Files and records of Norpel and Hughes were also impounded by Reilly on June 27. The combinations of their safes were also changed and the safes were locked. Norpel, however, was permitted to return and retrieve his cigarettes from his safe. (Tr. 784, 785)

Hughes and Norpel were assigned to routine investigations of low-level clerical applicants. (Tr. 793) Hughes had been one of

Otepka's top evaluators, having been of great assistance in obtaining material on the Wieland case. Norpel, who had served in the FBI for thirteen years, including duty as an inspector, was also a top evaluator. (Tr. 794) Mrs. Powers, who had been Otepka's secretary for ten years and was an expert steno-typist, was put to work transcribing from dictaphone cylinders. (Tr. 794) Other members of Otepka's special staff, Hite, Gardner and Loughton, remained in the Division of Evaluations for the time being, but were transferred to the Bureau of Inter-American Affairs as administrative officers in March 1964. Loughton was informed by Belisle that there was no future for him in the Office of Security and he therefore accepted an assignment as a consular officer in Mexico. Gardner accepted a similar assignment after finding that there was nothing for him to do in the Bureau of Inter-American Affairs. Hite likewise found no work for him in the Bureau of Inter-American Affairs, and he "just sat around reading newspapers and waiting for the day to pass." (Tr. 795, 796) Reilly testified in this hearing that Hughes and Norpel were transferred because "they were close companions of Mr. Otepka" and he wanted to get them out of the Division of Evaluations. (Tr. 1690, 1697) He testified also that he knew that Norpel, Hughes, Hite, Loughton and Gardner were all friendly to Otepka or close to him. (Tr. 1691)

On June 27, 1963 instructions were issued that no files from the file room were to be charged to Otepka. Norpel, Hughes or Mrs. Powers. (Tr. 798) On July 2, 1963 Traband issued instructions that Otepka was not to obtain any file or material from the Evaluation Division. (Tr. 798) In July 23, 1963 Belisle orally instructed Otepka that he was not to enter the Offices of the Division of Evaluations, and that if members of that Division wanted to talk to Otepka they could come to the office to which he had been transferred. (Tr. 799, 800) Later in the day Belisle issued a memorandum to this effect. (Appellant's Exhibit U) The memorandum read:

"This will confirm my instructions given to you on July 23, 1963 that you are not to have access to the space occupied by the Division of Evaluations. In the event that you require any information for the performance of your detail, you may discuss it with myself or Mr. Reilly and we, after determining the need, will make the necessary arrangements." (Tr. 799–801)

On July 22, 1963, the day before this order was issued, Belisle instructed the employees of the Division of Evaluations, Special Review Branch, that no information relating to any case being handled in that Division should be given to Otepka and no cases should be discussed with him. (Tr. 802–805; Appellant's Exhibit V).

EXILE

Otepka was assigned to a small room some distance from his former office. (Tr. 774, 807) The room was located on a blind corridor in the Office of Security area, directly across the hall from the electronics laboratory containing all of the Department's equipment for electronic intelligence and surveillance operations. (Tr. 807) The office had one telephone which was an extension from the telephone located in an adjoining office where the call bell was also located.

When Otepka had an incoming call it was necessary for a young lady in the adjoining office to come in and tell him, and he then would take the call on his extension. (Tr. 807) The office, which was approximately 10 x 14 feet, contained two desks, bookcases and file cabinets. (Tr. 808) Mail reached Otepka through the person next door. None of the usual departmental circulars and regulations, and no classified material whatever, were sent to Otepka. Personal mail addressed to him, including some registered mail, was sometimes opened before it reached him. (Tr. 808, 809) For about a year after June 27, 1963 Otepka had no secretary. On June 27, 1963, Reilly had offered the services of his secretary, Mrs. Catucci, the lady who had theretofore cursed Otepka and torn her hair in his presence, but Otepka, not unnaturally, declined to avail himself of her services. In August 1963 Reilly suggested that Otepka might use the services of a temporary summer employee but Otepka felt that such an employee was not the kind of person he cared to use. (Tr. 810) The services of Elmer Dewey Hill's secretary were then tendered to Otepka but were also declined. (Tr. 811) Finally Otepka was given a dictaphone but without a transcriber, so that his dictation had to be transcribed elsewhere. A transcriber was later supplied to him, but after a short while it was taken away. (Tr. 811, 812) Otepka's exile to his little room under these conditions has continued to the present day. (Tr. 808) Protests by him against his working conditions have been unavailing. (Tr. 812)

On July 29, 1963, Otepka learned that agents of the Federal Bureau of Investigation were interviewing his former associates, Loughton, Norpel, Hite, Hughes, Burkhardt and Gardner. (Tr. 812) Otepka was informed by these former associates that the FBI agents had questioned them regarding their knowledge as to whether Otepka had furnished classified data to an unauthorized person, namely, J. G. Sourwine, Chief Counsel for the Senate Internal Security Subcommittee. (Tr. 813) The former associates denied that they had any such knowledge. (Tr. 813) They were also asked if they had seen transcripts of Reilly's testimony before the Internal Security Subcommittee and they denied having seen such transcripts, (Tr. 813) or that they had any knowledge of Otepka's having seen the transcripts. (Tr. 814)

Otepka's former secretary, Mrs. Powers, was also interviewed by the FBI, and she informed Otepka that the agents questioned her about a portion of an FBI report on Harlan Cleveland and a memorandum prepared by Otepka with respect to Charles Lyons, several memoranda concerning the appointment of certain persons to the Department's Advisory Committee on International Organizations, and a note addressed to Otepka by Mrs. Powers setting out information provided to her by Mrs. Schmelzer to the effect that Mrs. Schmelzer suspected that Otepka's telephones were tapped. (Tr. 814, 815) Mrs. Powers told the agents that all of these papers had either been prepared by Otepka or were in his safe. (Tr. 815)

BACK TO THE COMMITTEE

On August 12, 1963 Otepka was recalled as a witness by the Senate Internal Security Subcommittee, his appearance having been requested by the Subcommittee through the office of the Assistant Secretary for Congressional Relations. (Tr. 819, 819A) On this occasion Otepka produced his memorandum with attached exhibits, which he had prepared for submission to the Committee, and the memorandum with the exhibits was received in evidence and made a part of the official record of the Internal Security Subcommittee. The transcript of Otepka's testimony on this occasion, together with the text of his memorandum and attached exhibits, is printed in Part 20 of the transcript of the Subcommittee's hearings, pages 1699–1758, and has been received in evidence as Appellant's Exhibit A in this hearing. The transcript reflects that Otepka testified in part: (Appellant's Exhibit A, pps. 1699, 1700)

"Mr. Sourwine. Mr. Otepka, are you aware that Mr. John Reilly, in his testimony before this committee, controverted many statements previously made by you when you testified?

"Mr. Otepka. Yes; I was given to understand that he did.

"Mr. Sourwine. Did you have an opportunity to examine Mr. Reilly's testimony, the transcript of his testimony?

"Mr. Otepka. Yes, sir.

"Mr. Sourwine. Did I furnish you with a copy of this testimony and ask you to prepare a memorandum of reply covering point by point all of those instances in which you felt Mr. Reilly's testimony was inaccurate or untrue?

"Mr. Otepka. Yes, sir.

"Mr. Sourwine. Did you prepare such a memorandum?

"Mr. Otepka. I did, sir.

"Mr. Sourwine. You prepared it yourself?

"Mr. Otepka. Yes, sir; I did.

"Mr. Sourwine. Is this it?

"Mr. Otepka. That is the memorandum I prepared.

"Mr. Sourwine. That memorandum is accompanied by certain exhibits Nos. 1 through 13?

"Mr. Otepka. Yes, sir; which were intended to be used by me.

"Mr. Sourwine. The exhibits were furnished by you in connection with the memorandum for the records of this committee?

"Mr. Otepka. The exhibits were intended to be used to refresh my recollection in connection with my forthcoming testimony before this committee of which I have previously been apprised."

On August 14, 1963 Otepka was called to the field office of the Federal Bureau of Investigation to be interviewed by two agents. The interview lasted through the afternoon of August 14, all day on August 15, and throughout the morning of August 16. (Tr. 820) Otepka was advised at the outset that he was being investigated to determine whether he had been guilty of violations of the Espionage Act, a criminal statute. (Tr. 823, 824) Among other things, he was asked whether he had turned over to Mr. Sourwine certain documents which had been in his safe, including memoranda or reports on Seymour Janow and Harlan Cleveland. (Tr. 822) He denied having turned these papers over to Mr. Sourwine. (Tr. 822) At the conclusion of the interview he signed the statement which is attached to the charges as Exhibit A. Otepka freely answered all the questions the agents asked him, did not conceal or attempt to conceal anything, and told the truth, because he felt he had nothing to conceal. His written statement, Exhibit A, attached to the charges, was the truth. (Tr. 821) He admitted turning over documents to Mr. Sourwine, including those referred to in the charges.

Reilly had discussed Otepka with Mr. Alan Belmont of the FBI at some time prior to June 27, 1963, while the surveillance of Otepka's burn bag was going on. According to Reilly he went to the FBI at that time because a summary sheet or a reproduction of a summary sheet from an FBI report relating to Harlan Cleveland had been found in Otepka's burn bag, and it appeared to Reilly "from this reproduction of an FBI report, or indication of it, that there might have been a mishandling of it, and I wanted then to know, and I felt it should be looked into." (Tr. 1677) According to Reilly, at that time, "Mr. Belmont merely thanked me for the information." (Tr. 1678)

In the latter part of July 1963 Reilly conferred again with the FBI; they wanted to know what he knew about Otepka and who might be interviewed in their investigation (Tr. 1678, 1679, 1692)

On August 14 and 15, 1963, pursuant to instructions from William J. Crockett, Deputy Undersecretary of State for Administration, Reilly issued written instructions to all personnel of the Office of Security that they were not to appear before the Senate Internal Security Subcommittee, or have any contacts with or interviews by members of the Subcommittee staff, without clearing in advance with Crockett personally. (Tr. 827, Appellant's Exhibit Y; Appellant's Exhibit Z)

While he was being interviewed at the Offices of the FBI on the morning of Friday, August 16, Otepka received word through one of the FBI agents that his presence before the Internal Security Subcommittee was requested, and he did appear and testify that afternoon. As he had spent the afternoon of August 14 and the entire day of August 15 in the FBI offices he had not received the Crockett-Reilly orders of August 14 and 15 and did not receive them until the following work day, Monday, August 19, 1963. (Tr. 824–826)

On July 29, 1963, the course of his testimony before the Subcommittee, Belisle was asked whether he had any information concerning the interception of conversations in Otepka's office. He replied that he did not. (Tr. 662–2, 663–2) On August 6, 1963 Reilly appeared before the Committee and was asked whether he had ever engaged in or ordered the bugging or tapping or otherwise compromising telephones or private conversations in Otepka's office. He answered in the negative. (Tr. 660–1)

The charges against Otepka were served upon him September 23, 1963.

On September 30 Stanley Holden informed Otepka that his present office (Room 38A05) was under "technical surveillance", meaning that the telephone was adjusted to intercept conversation in the room while the receiver was both on and off the cradle. Holden said the telephone operations were directed by Elmer Hill, who had "bugged" the telephones of other employees, including the phone of Holden himself. (Tr. 829) This information was confirmed to Otepka on October 2 in a conversation with George Pasquale. (Tr. 829, 830)

On October 4, 1963, Senator Thomas Dodd, Vice Chairman of the Senate Internal Security Subcommittee, delivered to Secretary Rusk a letter in which he stated that the Subcommittee had knowledge of the tapping of Otepka's telephone, how it was done, and who did it. (Tr. 919; 1538)

Reilly suspected that Holden had given information to the Internal Security Subcommittee about the tapping of Otepka's telephone. Accordingly, he sent Joseph Rosetti and Robert McCarthy to see Holden at Holden's house. (Tr. 834) While there McCarthy questioned Holden about his knowledge of leaks of information to the Subcommittee concerning the tapping of Otepka's telephone. In the course of the conversation McCarthy became loud and abusive and shouted at Holden, saying in effect that he was going to get Holden if Holden had been responsible for the leak and would not so inform him. (Tr. 832) He asked Holden if he was acquainted with George Pasquale, and if he had given Pasquale any information about the tapping of Otepka's telephone. (Tr. 831, 832) He reminded Holden of his "loyalty, particularly to Joseph Rosetti." (Tr. 832) This incident occurred in October, 1963 (Tr. 830)

On November 5, 1963 Senator Dodd stated on the floor of the Senate that the Committee had evidence that Otepka's phone had been tapped. He mentioned the possibility of prosecutions for perjury of witnesses who had denied that the tapping occurred. (Tr. 663–38, 663–39) The next day, November 6, 1963, Reilly and Belisle addressed letters to the Subcommittee, expressing a desire to "amplify" their previous testimony about bugging and wiretapping. (Tr. 661–2, 663–2, 920) On November 14, 1963 Belisle appeared before the Committee and admitted that contrary to his previous denial he did in fact have specific information about the compromising of Otepka's telephone. (Tr. 663–1 et seq.) On November 15, 1963 Reilly appeared and admitted that his previous denials, with respect to the compromising of Otepka's telephone, had been untrue. (Tr. 661–1, et seq).

Shortly after his November appearance before the Subcommittee Reilly resigned from the State Department by request. (Tr. 1645) He left the payroll in February 1964. On September 1, 1964, after a period of private practice, he became a trial attorney with the Federal Communications Commission, in which capacity he is still employed. (Tr. 1632, 1643) Belisle is still employed by the Department of State. (Appeal File, Doc. No. 65).

CONCLUSION

The facts that have been recited are clearly evidence. They speak for themselves so eloquently that extended argument and discussion are unnecessary.

Beginning in 1960 there was a schism between Otepka on the one hand and his superiors in the Department of State on the other, caused by Otepka's insistence upon the observance of sound and proper security practices, and his refusal to approve the employment or retention of persons of dubious character and background. This schism was not a mere disagreement about matters concerning which reasonable men might properly differ. The cases that have been described establish a pattern of deliberate attempts on the part of Otepka's superiors to disregard or violate the security regulations and sound and proper security practices. The evidence demonstrates that Otepka resolutely and consistently opposed these attempts and that his opposition earned him the animosity of his superiors. No other reasonable conclusion from the facts is possible. It is not reasonable to conclude, as may be suggested, that Otepka fell into disfavor because he was inflexible and opinionated. His magnificent record and reputation, built up and acquired over the years prior to 1960, belie any such suggestion. Surely a man of his demonstrated ability, integrity and accomplishment did not become overnight an incompetent sorehead, constitutionally unable to work in harmony with his superiors, and consistently wrong.

Nor is it reasonable to conclude that the animosity of Otepka's superiors was produced only by the fact that he furnished information to the Senate Internal Security Subcommittee. His cooperation with the Subcommittee was a mere excuse, seized upon in an attempt to justify his removal from office. In this connection it will be remembered that Reilly admitted in this hearing that so far as he knew Otepka had done nothing wrong when on March 13, 1963, he, Reilly, instituted his extraordinary surveillance of Otepka. It is plain that Otepka was an impediment to those in the Department of State who were not in sympathy with the security system and who were determined to disregard or circumvent the security regulations. In furtherance of this purpose they resolved to purge Otepka by fair means or foul. They finally resorted to the tactics of the secret police and the device of synthetic charges.

It may be suggested that the measures taken against Otepka by Reilly and Belisle were the result of a private vendetta undertaken by them without the knowledge or approval of their superiors. The suggestion does not withstand analysis. It is obvious that the conflict was not between Otepka on the one hand, and Reilly and Belisle on the other, but between Otepka and those in high place whose actions Otepka was properly attempting to restrain. Reilly and Belisle were only the instruments of management policy. It is not reasonable to believe that their treatment of Otepka did not have the approval and support of their superiors. By the same token, it is not reasonable to contend that Otepka should have appealed from Reilly and Belisle to those same superiors.

No claim has ever been made that Otepka has at any time failed to tell the truth, either in his appearances before the Senate Internal Security Subcommittee or in his statement to the Federal Bureau of Investigation, or in his testimony at this hearing. Moreover, it cannot be denied that in giving to the Senate Internal Security Subcommittee the documents involved in the charges against him he was actuated by the highest motives. Specifically, he was correcting Reilly's false testimony; more generally, he was fulfilling his duty to assist the Committee in its investigation by telling the truth. He was not a volunteer witness but one who had been regularly and properly summoned by the Committee. In view of the circumstances it is difficult to understand the contention that he conducted himself "in a manner unbecoming an officer of the Department of State", that his actions constituted "a breach of the standard of conduct expected of an officer of the Department of State," and that his dismissal is therefore justified. Assuming that his production of documents was a technical violation of some directive or regulation—which we do not concede—it is plain that many more serious derelictions on the part of officers of the Department of State have not resulted in their dismissal but rather have been condoned.

The charges against Otepka are a makeweight, contrived in an attempt to destroy an honorable man who has done no more than his duty. The charges should be dismissed and Otepka should be commended for his actions and restored to duty.

Respectfully submitted.

ROGER ROBB,
Attorney for Otto F. Otepka.

CERTIFICATE OF SERVICE

I hereby certify that on this ——— day of September, 1967, three copies of the foregoing Brief on Behalf of Otto F. Otepka were mailed, postage prepaid, to the Honorable Irving Jaffe, Chief, Court of Claims Section, Civil Division, United States Department of Justice, Washington, D.C., counsel for the Department of State.

ROGER ROBB.

A PLAN FOR URBAN HOMEOWNERSHIP

Mr. WATKINS. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. WIDNALL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WIDNALL. Mr. Speaker, this week the Republican coordinating committee endorsed the plan for homeownership sponsored in the House by 112 Republican Congressmen and in the other body by 30 Members, which has as its purpose the extension of homeownership opportunities to low-income families. The position paper prepared for the coordinating committee by our colleague, the gentleman from Ohio, Representative ROBERT TAFT, Jr., used as its basis the Republican proposal for a National Homeownership Foundation empowered to raise funds through the sale of federally guaranteed bonds to private lenders and, in turn, to provide these mortgage funds to nonprofit or limited dividend community organizations equipped to undertake a program of rehabilitation or construction of family housing units to be sold to individual lower-income families.

This endorsement by the coordinating committee signals, once again, the intense interest of Members on our side of the aisle in this equitable approach to housing for the lower income families.

It is our hope that the House will enact the program early in 1968.

The Republican coordinating committee's report, "A Plan for Homeownership" issued on December 11, 1967, follows:

A PLAN FOR URBAN HOMEOWNERSHIP

(Approved by Republican coordinating committee, Washington, D.C., December 11, 1967)

In America today, there is no challenge more vital, and more difficult than meeting the problems of our cities and their residents. We believe that any strategy designed to solve these problems must include, as key elements, programs to help realize the goal of "a decent home and suitable living environment for every American"—the national goal enunciated by Congress in the landmark Housing Act of 1949. Republican leadership in the development and passage of this and numerous other important housing measures reflects our belief in the fundamental importance of housing to the well-being of our urban residents.

This year a Republican plan for home ownership has been sponsored by Senator Charles H. Percy of Illinois and Congressman William B. Widnall of New Jersey, with wide endorsement of Republicans in both Houses of Congress. The purpose of this program is to upgrade the quality of the nation's housing, to make home ownership available to lower-income families who have or can develop the capacity to accept this responsibility, and to provide needed technical assistance to local community organizations.

The central element of the plan is the establishment of a private, nonprofit National Home Ownership Foundation which would raise funds through the sale of Federally guaranteed bonds to private lenders. The Foundation would have two major functions:

It would *provide mortgage funds* to nonprofit, community organizations equipped to undertake a program of rehabilitation or construction of single or multiple family housing units, to be sold in turn to individual lower-income families. In this way private, mortgage financing, private organizations, and local initiative would be mobilized to make home ownership a reality to many for whom the means are unavailable today. Federal funds would be used only to provide a partial interest subsidy to the homeowner, which would be repaid if later his income increases. For each million dollars of continuing Federal interest subsidy, private home purchases of approximately $33 million could be supported.

It would provide, when necessary, *technical assistance* to the community organizations to enable them to undertake and manage a sound home ownership program. In addition, it would offer to help these organizations participate in or develop programs such as basic education, job training, credit counseling and other support skills for the prospective home buyer. In helping to supply these tools of successful home ownership, at the same time, the Foundation could provide the service of aiding local organizations and individuals to find their way through the present maze of government agencies and aid programs.

Another feature of the plan would provide for the establishment of a system of mortgage payment insurance through private companies, if possible, to protect home buyers from foreclosures due to temporary interruption of income for causes beyond their control. Also, should the owner decide to sell his property, any capital gain would be his profit, after repaying the Foundation for the interest support he has received. This should encourage home improvements and proper maintenance.

This new plan of action is a most imaginative and constructive approach to improving the quality of our housing and the lives of lower-income families.

Under this plan the enormous resources, imagination, and strength of private organizations would be brought to bear against the problems of housing, particularly in urban areas. The operations of the Foundation and community organizations would encourage involvement of business, labor, the professions, universities, churches, civic groups, and other non-profit organizations, whose talents and energies for assisting in the solution of public problems have not been adequately tapped.

Government activity would be limited to risk bearing through a Federal guarantee of the National Home Ownership Foundation's bonds, and limited financial assistance for the interest subsidy. The emphasis of government would be on these supporting functions and away from direct operations and control.

Also, the residents of our blighted city areas would be encouraged to involve themselves actively in self-help programs leading to better housing, improved skills, and economic advancement. Too often, present programs have failed to generate a sense of self-reliance and self-help which will permit a man to advance through his own efforts.

Congressional hearings have evidenced a broadly based enthusiasm for this home ownership measure among community organizations and private enterprise groups who would be directly involved. We urge the Department of Housing and Urban Development to withdraw its opposition; for increased home ownership deserves bipartisan support and early action from Congress on a broadly acceptable measure.

This home ownership plan typifies the innovative and imaginative approach of Republicans to problems of housing and the urban environment, and demonstrates the Republican Party's commitment to finding new solutions to the growing problems of our lower-income urban citizens. The States and cities can also demonstrate their initiative in this field. For example, the State of Pennsylvania has created a housing agency to promote home ownership and rehabilitation to benefit the underprivileged.

These proposals are testimony to our belief that individual dignity, self-help and the involvement of private organizations are indispensable principles in shaping solutions to the complex problems facing urban America.

A BILL TO REQUIRE EXAMINATION BEFORE FEDERAL LICENSURE TO EXEMPT THOSE CERTIFIED PATHOLOGISTS WHO HAVE MET THE NATIONAL STANDARDS

Mr. WATKINS. Mr. Speaker, I ask unanimous consent that the gentleman from Virginia [Mr. BROYHILL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BROYHILL of Virginia. Mr. Speaker, on December 5, 1967, the President signed H.R. 6418, a bill requiring examination before Federal licensure for medical laboratories in interstate commerce, exempting only those that are directed by certified pathologists or have met the standards of nationally recognized pathologist and hospital accrediting agencies.

By these exemptions, Congress has, in effect, proclaimed that laboratories supervised by pathologists can be thoroughly relied upon for accurate performance of medical laboratory tests. This is not surprising, since pathologists are physician specialists who have devoted many years of conscientious and thoughtful attention to the establishment of standards for excellence in medical laboratory performance and personnel.

The pathologists are delighted to see that an organized effort is now being made on a national scale to do what they have tried to do for so long—to protect the public from unethical and irresponsible handling of the laboratory tests which have become an essential ingredient of modern medical care. It is understandable, however, that they find it ironic that the process of reaching legislative accord in this matter of public and private concern should have left them with an undeserved image of incompetence and carelessness in carrying out the functions of their own specialty in medicine.

This image has resulted from the extensive publicity given to a report made earlier this year to congressional committees by an official of the Department of Health, Education, and Welfare. The report declared that "the Nation's laboratories" were guilty of inaccurate performance of one out of four laboratory tests.

Because he failed to specify which type of laboratory was responsible for each specific error described, the implication was that all laboratories were wrong one-fourth of the time.

This erroneous notion has by now become firmly implanted in the public mind and is the subject of constant repetition. A case in point was the President's casual reference to it as an established fact when he signed the bill calling for Federal licensure of interstate laboratories.

It is unfortunate that an ambiguity in identification has led to the maligning by inference of a distinguished segment of the medical profession, especially since this segment consists of the very people who were among the first to emphasize the importance of responsibility in every aspect of medical laboratory work.

I think it is important, therefore, to do whatever is possible to set the record straight, and to that end I am presenting for your consideration a statement in which 22 respected pathologists from 17 States comment on what they regard as errors of fact and interpretation in the Sencer report. I call your attention especially to the underlying fault stressed by the pathologists—that while the report applies percentages of error indiscriminately to "the Nation's laboratories," it does not actually base its charges on a single comprehensive study of "the Nation's laboratories," but draws generalizations from the evidence of spot surveys, some of which were made more than 15 years ago and can scarcely be regarded as realistic representations of conditions existing today. Also, the report makes no attempt to explain that a higher level of performance can be generally expected of laboratories that are operated and staffed according to the standards set by the pathologists, who are now being legally recognized as expert enough to help set Federal standards for laboratory licensure.

Pathologists' Review and Evaluation of Statements on Medical Laboratory Evaluation, Made to the Congress of the United States in 1966 and 1967—With Presentation of Additional Documented Information

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STATEMENT

In 1966 and 1967, a number of reports and statements were presented to the Congress concerning the evaluation of work done by medical laboratories in the United States.

The most highly publicized of these was a report[1] made to both houses of Congress early in 1967. Because it has since been viewed with alarm by members of the Senate and House of Representatives, by the press, by the general public and most recently by the President of the United States during signing of a bill (H.R. 6418) providing for federal licensure of laboratories in interstate commerce, it is important to present additional information not available in the Congressional Record concerning the source of certain allegations that we have found to be based on incorrect as well as insufficient data.

Some were based upon small surveys of unrepresentative laboratories such as those of State Health Departments, Indian Bureau hospitals, Federal prisons and New York City. Although "the nation's laboratories" were criticized, "the nation's laboratories" were not studied. Not one cited reference was a survey of a true cross-section of laboratories. Although the aim was well intentioned, to press for a greater degree of responsibility in laboratories to safeguard the general public, these allegations have unfortunately performed a disservice to responsible laboratories by raising fears as to their reliability. The "Report on Laboratory Performance and Methods for Improvement," which had been requested from the Department of Health, Education, and Welfare—Public Health Service by the Labor HEW Subcommittee of the House of Representatives Committee on Appropriations was prepared in consultation with an Ad Hoc Panel of seventeen; but in final form it contained material not seen or approved by all members of the Panel. The Panel consisted of: 8 Members of the Department of HEW, 4 State and City Health Department Officials, 3 Practicing Pathologists, 1 Bioanalyst, 1 M.D. Clinical Chemist.

Appendix A of the Report entitled "Examples of Misdiagnosis, Prolonged Illness and Death Resulting from Laboratory Error," contains errors in fact which should be corrected. They are as follows:

Error: A Misplaced Decimal Point (page 1, para. 4):

"It is estimated that 5,000,000 pints of blood were administered in 1963. Of these, it is judged that the incidence of mismatched blood (Wintrobe Textbook of Hematology, 5th Ed., 1961) is 0.1–0.5%. This indicates that between 50,000 and 250,000 serious reactions of the type illustrated above occur each year in this country."

This calculation error resulted in a 90 percent overestimate of transfusions of mismatched blood. With the decimal point placed to indicate one-tenth of one percent, the figures should be 5,000 to 25,000—not 50,000 to 250,000. In addition, the textbook reference contains data collected between 1933 and 1937 and 1943 to 1944 and reported in 1938[2] and 1945[3] before significant advances in blood banking had been developed for general use.

Comment: The Irwin Memorial Blood Bank of San Francisco reports that in 1966 a total of 65,191 units of whole blood were transfused with one reported and verified hemolytic transfusion reaction, an incidence of 0.001 percent. Dr. Rosser Mainwaring of Dearborn, Michigan, former president of the American Association of Blood Banks and current president of the American Society of Clinical Pathologists, reports a fourteen-year experience, from 1953 to 1966, of 27,916 units of blood transfused without a major hemolytic transfusion reaction.

Other recently published reports, in 1964 and 1966, show a hemolytic transfusion incidence of 0.03 percent[4] and 0.01 percent.[5]

Error: Source inaccurately quoted (page 2, para. 2):

"In a recent study of 328 neonatal deaths from hemolytic disease, it was found that a death could have been *definitely prevented* in 23.3 percent of the cases, and *probably prevented* in an additional 36.9 percent of the cases by correction of either patient factors, hospital factors, physician factors, or laboratory factors."

This paragraph contains two errors in transcription from the article, "Hemolytic Disease of the Newborn." *California Medicine,* August, 1966, pp. 81–88. The 36.9 per cent "indeterminate" stated in the original article is transcribed as "probably preventable," and the 23.3 per cent "possibly preventable" becomes "definitely preventable."

Error: Not relevant—Laboratory not consulted (page 3, para. 1):

"Phenylketonurics constitute a large portion (some say 10 per cent) of those confined to mental institutions. Many states have recognized this problem as being of sufficient magnitude to justify requiring all new born infants to be tested. If the infant is promptly placed on a special low phenylalanine diet, the mental defects due to high serum phenylalanine may be avoided.

"Karen, the first child of healthy parents, is an example of a phenylketonuric. Her development up to 12 months of age was apparently normal. Development during the next 12 months, however, was less satisfactory, and evidence of mental retardation appeared. Laboratory studies at this time indicate that she was suffering from phenylketonouria, and treatment with low phenylalanine diet was instituted. The dietary regimen prevented further mental regression. This child should have received a routine screening test as a newborn which would have detected the problem before brain damage had occurred. This is an example of how lack of appropriate laboratory testing can result in permanent mental retardation."

In this case, no test for PKU was ordered so there was no laboratory measurement to blame.

Error: Not relevant—laboratory not consulted (page 3, para. 3):

"A married woman had a biopsy of a small breast mass. A staff physician examined the tissue slide and advised her that it was malignant and that the breast should be removed. At a famous clinic in another state, without further tissue tests, a radical mastectomy was performed. It was then discovered that the lump was not malignant." (Bugg vs. Security Ben. Assn. 153 Kan. 522 Supreme Court Kansas, April 12, 1941.)

This misdiagnosis which occurred in 1938 cannot be attributed to a "laboratory error" because the "staff physician" who examined the tissue slide was the surgeon who performed the initial biopsy and not a qualified person. The tissue was not processed by a qualified pathologist or a qualified laboratory.

The above errors in fact or interpretation suggest that more such errors may be present in the other undocumented statements of *Appendix A*.

In view of the cited errors, we would like to see appropriate documentation for all cases cited. It should include the date when the case occurred as well as type of laboratory in which the error was committed, *i.e.,* Federal, state, city, or general community hospital (over or under 100 beds).

The generalized charges of laboratory unreliability in the opening and closing sentences of *Appendix A* are not substantiated by the evidence offered. Furthermore, three members of the Ad Hoc Panel—Doctors Arthur Rappoport, Thomas Laipply, and John T. Godwin—state that this *Appendix* was never seen or discussed by the Panel before its publication.

Comment on Sources of Statistical Generalizations (para. 2 of Introduction).

Incorrect conclusions and defective documentation are also to be found in paragraph 2 of the Introduction to a "Report on Laboratory Performance and Methods for Improvement":

"It has been demonstrated that serious deficiencies exist in the Nation's clinical laboratories. Studies indicate that unsatisfactory performance is demonstrated in 10–40% of laboratories in bacteriological testing; (1, 2) by 30–50% in various simple clinical chemistry test; (3, 4, 5, 6, 7) by 12–18% in blood grouping and typing; (8) by 20–30% in hemoglobin measurements; (9, 10) by 40–80% in differential characterization of blood cells; (11) and by 20–30% in measurement of serum electrolytes (12, 13). In addition, there has been considerable variation in results from laboratory to laboratory. This information indicates that erroneous results are obtained in more than 25% of all tests analyzed by these studies. The results cited above have been derived from performance evaluation programs, and thus may represent the best which laboratories can do, rather than routine performance."

The following references[6] were provided to document the general statement that the nation's laboratories are in serious trouble:

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[1] *A Report on Laboratory Performance and Methods for Improvement,* Department of Health, Education and Welfare, Public Health Service. Presented to the Assistant Secretary of HEW on January 20, 1967; to the Subcommittee of the House of Representatives Appropriation Committee on February 6, 1967; and to the Subcommittee on Antitrust and Monopoly of the U.S. Senate Judiciary Committee on April 4, 1967; revised for printing in June, 1967.

[2] De Gowin, E. L., *Annals Int. Med.,* 2:1777, 1938.

[3] DeGowin, E. L., *J. Lab. Clin. Med.,* 30:99, 1945.

[4] Poley, R. W., *U.S. Naval Med. Newsletter,* 44:3, 1964.

[5] Reece, R. W. and Beckett, R. S., *JAMA,* 195, March 11, 1966.

[6] References were added by the June 1967 edition of "A Report on Laboratory Performance and Methods for Improvement."

1. USPHS, CDC, Laboratory Evaluation Service (1960–1965). Unpublished data.
2. Schaeffer, M., "Health Department's Role in Improving Operations of Clinical Laboratories, *Publ. Hlth. Rpts.*, Vol 81, No. 1, Jan. 1966, pages 71–74.
3. USPHS, CDC, "Clinical Chemistry Evaluation Program—Glucose Evaluation—Part IV," May 1965, page 19.
4. Tonks, D. B., "A Study of the Accuracy and Precision of Clinical Chemistry Determinations in 170 Canadian Laboratories," *Clin. Chem.* 9:217–233, April 1963.
5. Snavely, J. G., Golden, J. G., "The Accuracy of Certain Chemical Determinations in Connecticut Laboratories," Third Survey, *Conn. State Med. J.*, 16:894–899, 1952.
6. Belk, W. P. and Sunderman, F. W., "A Survey of the Accuracy of Chemical Analysis in Clinical Laboratories," *Am. J. of Clin. Path.*, 17:835–861, 1947.
7. College of American Pathologists, "The 1966 Small Hospital Laboratory Survey Report."
8. Schaeffer, M., loc. cit.
9. USPHS, CDC, "Clinical Hematology Evaluation Program—Hemoglobin Evaluation—Survey IV," April 1965, p. 16.
10. College of American Pathologists, "The 1965 National Comprehensive Laboratory Survey. Hematology, Blood Banking, Clinical Chemistry," (Kit 2 Report).
11. USPHS, CDC, "Cytohematological Evaluation Program. Summary of Results Reported in Cytohematological Survey" (4). Unpublished Report—Atlanta, Ga. 1965–66.
12. USPHS, CDC, *Electrolyte Evaluation*, 1966, Parts I–IV.
13. Skendzel, L. P. and Hoffman, R., "1963 National Comprehensive Laboratory Survey," Report of the Standards Committee of the College of American Pathologists.

Most of the references given represent a very limited scope of laboratories which are not at all comparable to the active community hospital medical laboratories in the United States. Although the poor results are attributed to "the nation's clinical laboratories," all "the nation's clinical laboratories" were not studied. Analysis of these thirteen references, given to support paragraph 2 and its subsequent quotations is important. Three are inapplicable to the present laboratory situation in the U.S.: Reference 4 contains information from a foreign country (Canada). Reference 5 contains information fifteen years old. Reference 6 contains information twenty years old; its use to evaluate laboratory performance in 1967 was protested to the AMA annual meeting in June, 1967, by Dr. F. W. Sunderman, one of the authors of the paper. Six were from surveys principally limited to laboratories in New York City, State Public Health Departments, Federal prisons, Indian Bureau hospitals, and Public Health Service Hospitals. Five are NCDC surveys that do not specify the distribution of types of medical laboratories studied. An example of the scope of NCDC surveys was the one used in explanation of a budget request at the Senate Appropriations NCDC budget hearing on March 9, 1965 (p. 390 printed report, Part 1, *Hearings on HR 7765*):

"Test specimens of 43 known agents or sera were sent to 55 state and territorial public health laboratories for diagnostic accuracy evaluation. Ten Public Health Service Hospitals and 57 out-patient clinics of the Bureau of Medical Services are participating in the program in 1965 . . ."

The scope of the NCDC surveys has included the following types of institutions: Public Health Service Hospitals, State Health Department Laboratories, Indian Bureau Hospitals, Federal Prisons.

It is not reasonable to extrapolate data from these limited surveys and to apply it to all laboratories in the United States. Nor is it correct to imply that an error rate has been established for such common tests as urinalysis, blood hematocrit, serum calcium, or cytology when no survey has been done on these tests.

Documentation of error statements for three major laboratory areas—blood banking, microbiology, and cytohematology—are entirely taken from NCDC-PHS surveys and New York City laboratories, and the blood typing figures from New York City are applied to all medical laboratories in the United States. In contrast, Dr. Ernest Simard, then President of the College of American Pathologists, presented the following information on blood typing to the Subcommittee on Health of the Committee on Labor and Public Welfare (September 25 and 26, 1967):

Blood typing surveys from Minnesota—9,200 tests—0.3% to 3% error; Massachusetts—1,500 tests on five samples—100%, 100%, 97%, 99% and 92% accurate; and Small Hospital Survey (CAP, 1966)—ABO, 98% accurate. (*Congressional Record*, Sept. 21, 1967), and Rh, 96% accurate.

Of the three references related to active community general hospitals (numbers 7, 10 and 13), one was a survey of hospitals under 100 beds. The only valid problem mentioned is the finding of the Small Hospital Survey, 1966 (Reference 7) that while most of the urea measurements (over 90 per cent) were medically useful, there was a technical problem with urease methods that gave lower values than the referees by 7 mg. at the 50 mg. level. This problem was remedied in 1967 as is reported in the *New England Journal of Medicine* by Drs. Skendzel and Muelling, July 27, 1967, Vol. 277, 180–185.

Evaluation of paragraph 2

1. Its documentation is inadequate to justify extrapolation of limited surveys of unidentified medical laboratories to the "nation's clinical laboratories."

2. Its documentation is inadequate to support the generalization for *all* tests when many common tests were not evaluated.

Furthermore, paragraph 2 is not justified by any of the information and documentation presented in "A Report on Laboratory Performance and Methods of Improvement;" and its documentation does not support the "premature death, extended hospital stay" statement cited under the following section, "Incorrect Statement—Premature Death."

Three members of the Ad Hoc Committee—Drs. Rappoport, Godwin, and Laipply—have stated that they questioned the statements in Paragraph 2 prior to publication during the panel discussion. Dr. Rappoport's letter (January 10, 1967, to NCDC) in this regard reads, "None of the quoted figures are true and should not be permitted to pass for the truth." Other members of the Ad Hoc Panel have indicated that the error statements of Paragraph 2 are not representative of the general performance in all medical laboratories in the United States.

Additional statements on this subject have been made as follow:

Dr. Ernest Simard, past president, College of American Pathologists, statement to U.S. Senate Hearing, September 25 and 26, 1967, Subcommittee on Health of the Committee on Labor and Public Welfare, pages 215–217. *Congressional Record*, September 21, 1967, pages 26334–26335—insertions by Senator Hruska of Nebraska of a letter from Dr. C. A. McWhorter, Professor of Pathology, University of Nebraska, and an article, "The Reliability of Laboratory Tests in the United States," by Dr. B. E. Copeland. The American Society of Clinical Pathologists at its annual meeting, September 28, 1967, adopted a resolution stating that the statistical information was incorrect.

Where are the half-billion tests done?

The question has been raised as to whether the 25 per cent error rate charged includes tests done in physicians' offices. The report itself says "no." 270,000,000 tests, or more than 50 per cent, of the 500,000,000 estimated tests are done in the 700, or 10 per cent, of the hospital laboratories that have accredited pathology residency training under the Council on Education of the American Medical Association.[7] It is reasonable to assume that the other 6,100 hospital laboratories account for the remaining tests.

Other incorrect statements—premature death

In view of the errors of fact, deficiencies in documentation, and unsubstantiated statements in "A Report on Laboratory Performance and Methods for Improvement," the following statement submitted to the Congress three times[8] during 1966–67 can be safely regarded as incorrect:

"Premature death, extended hospital stay, unnecessary suffering and loss of productivity as well as tremendous economic losses are consequences of inaccurate laboratory results. It is conservatively estimated that at least 430 million tests are performed annually with an approxmiate *error rate of 25 per cent*. At an average cost of $4 per test, this represents a waste of some $430 million annually to the Nation in payment for erroneous laobratory diagnostic results. The cost in human life and suffering is beyond monetary measurement." (No documentation presented.)

Neither the economic loss, nor the allegation of premature death was established. In view of the fact that a gross calculation error was made in estimating mismatched transfusions and the fact that this information is twenty years old, the premature death statement is especially misleading.

The nation's laboratories were not studied.

Incorrect statement—quality control and survey participation

In the course of Congressional hearings in 1967, errors of fact were made with respect to (1) the use of quality control techniques in the clinical laboratories of the United States and (2) the participation of pathologists in national surveys.

(1) Quality Control

On April 4, 1967, before the House of Representatives Subcommittee on Appropriations for the Departments of Labor and Health, Education, and Welfare, (Part 4, PHS, page 340, line 34), Dr. Sencer said,

"Quality control is something that industry has adopted but medicine has not."

This is an incorrect statement. Quality control was inaugurated in medical laboratories in hematology, histopathology, and serology in the 1920's and 30's; in blood banking in the 1940's; and in clinical chemistry in 1950 as shown by an article by Levey and Jennings entitled, "The Use of Control Charts in the Clinical Laboratory," *Am. J. Clin. Path.*, 20:1059, 1950.

Since then, thousands of pathologists and medical technologists have been trained in quality control in chemistry, hematology, blood banking, and bacteriology. The College of American Pathologists requires it for its Laboratory Accreditation Program, and the Commission on Continuing Education of the American Society of Clinical Pathologists has conducted workshops and published manuals and instruction film strips on each of these quality control areas.

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[7] Directory of Approved Internships and Residencies, *JAMA*, 198:192–206, 1966.

[8] A. February 11, 1966, Hearing before a subcommittee of the House of Representatives on Department of Health, Education and Welfare, part 3, page 273. Testimony of Public Health Service, Department of HEW from written material presented to support the budget request for the National Laboratory Improvement Program.

B. April 4, 1967, Published Hearings, Subcommittee of the Committee on Appropriations of the House of Representatives on Departments of Labor and Health, Education and Welfare, Part 4, page 365.

C. April 11, 1967, Published Hearings, Subcommittee on Appropriations of the U.S. Senate, Department of Health, Education and Welfare, page 1309.

It is of interest that the 1967 budget of the Standards Committee of the College of American Pathologists is $256,000, and that recently it purchased a $19,000 recording spectrophotometer to carry out international standardization of the U.S. National Research Council hemoglobin standard and other standard materials.

The expenditures entirely for teaching by the American Society of Clinical Pathologists' Commission on Continuing Education for 1967 will be $500,000. A $2,000,000 ASCP National Teaching Center is currently being designed, and half the money has already been subscribed.

These efforts in external and internal quality control are important, are significant, and prove that quality control is extensively used in the nation's clinical laboratories.

(2) Pathologists' Participation in Survey

Correction is also in order for another erroneous statement at the same hearing, HR Subcommittee on Appropriations, Departments of Labor and Health, Education, and Welfare, April 4, 1967 (page 340, line 19):

"Representative FLOOD: Why wouldn't the various medical societies have been concerned about this for the past twenty-five years to thirty years, . . .

"Dr. SENCER: Only 2,000 members of the 6,000 (CAP members) subscribe to this proficiency testing program."

This statement is in error. Since the subscription of the College of American Pathologists survey is by the individual hospital laboratory, a hospital with four pathologists takes only one survey. This means that, where applicable, almost every one of the 6,000 pathologists in clinical laboratory work participates in the National Comprehensive Laboratory Survey or in the Basic Laboratory Survey conducted by the Standards Committee of the College of American Pathologists. In 1967, 3,300 medical laboratories, including Veterans Administration Hospitals, will receive more than 97,000 samples for analysis.

SUGGESTED CRITERIA FOR FUTURE STUDIES

1. That a large collection of data be made covering all tests.
2. That clinical laboratories of all sizes should be represented.
3. That the data be current—not more than two years old.
4. That all statements be scientifically documented.

We believe that the thousands of dedicated workers in medical laboratories who are providing 24-hour coverage 365 days per year should not suffer the stain of these undocumented and incorrect statements about the quality of their work. We believe that suitable corrections should be made in the record.

"WHITHER AMERICA RELIGIOUSLY?"

Mr. WATKINS. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. GARDNER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GARDNER. Mr. Speaker, I would like to insert into the RECORD a sermon delivered by Dr. Charles Wesley Lowry, minister of the Village Chapel in Pinehurst, N.C., on October 29, 1967.

This sermon is worth reading and is as follows:

WHITHER AMERICA RELIGIOUSLY?

(A sermon preached in the Village Chapel, Pinehurst, N.C., October 29, 1967, by Charles Wesley Lowry, minister)

Render therefore unto Caesar the things which are Caesar's; and unto God the things that are God's.

—St. Matthew 22:21

"Power belongeth unto God."

—Psalm 62:11

The first of these texts, our Lord's answer to the question about paying taxes to Caesar, is something of a rhetorical evasion. The attempt to entrap him dictated a stroke of diplomacy. It was however destined to be one of the most influential statements in history, precisely because it recognized a distinction between Caesar and God and allowed as valid dual obligations.

This text can be taken as favoring distinction between and even separation of church and state. In the United States we have what we commonly call separation of church and state, though the phrase is not found in the Constitution or in any basic American state paper prior to President Thomas Jefferson. It was in 1802, in addressing a Committee of Baptists from Danbury, Connecticut, that our third President interpreted the opening words of the First Amendment as "building a wall of separation between Church and State."

This gloss of Jefferson's on the First Amendment is actually more conservative than most authorities today seem to realize. It appears to prove clearly that Jefferson understood by the phrase "an establishment of religion" a church, since the latter is what he places in contrast to the organized state. In other words, there shall be no intermingling of the organized church and the functioning state or government. If he had meant what the current Supreme Court says the First Amendment means, namely, any religious exercise such as a prayer or a reading from the Bible, he would have had to employ the word religion. Instead Jefferson did not hesitate to employ religious language in the Declaration of Independence and he clearly believed that his state university at Charlottesville should encourage religion, for he proposed (a) that the various churches be invited to establish their own religious schools "on the confines of the university," and use both the library facilities and a room in the library for worship; and (b) that there be a professor of ethics who would present "the Proofs of the being of a God, the Creator, Preserver, and Supreme Ruler of the universe, the Author of all the relations of morality, and of the laws and obligations these infer."

I believe therefore that the current Supreme Court has erred in its understanding of the American religious tradition, which so centrally commits the nation to faith in God, and in its interpretation of the First Amendment to the Constitution. The Court has pressed the distinction between Caesar and God to such an extent that it has abandoned the supreme Biblical conviction that "power belongeth to God" and that all nations as well as individuals are created by Him and are subject to Him.

The first Commandment in the Decalogue was addressed to the people and nation, Israel, and in the Christian dispensation it is addressed to all nations:

> God spake these words, and said: I am the Lord thy God; thou shalt have none other gods but me.

We live in a time of mounting and illimitable idolatry. Men do within a secularistic and atheistic framework what they did in the first century when all men worshipped some god and all Romans were required to burn incense to Caesar as lord and god, these titles being first given specifically to the Emperor Domitian. This is what a first century Christian writer said of this idolatry:

> And I stood upon the sand of the sea, and saw a beast rise up out of the sea having seven heads and ten horns, and upon his horns ten crowns, and upon his heads the name of blasphemy.
>
> And the beast which I saw was like unto a leopard, and his feet were as the feet of a bear, and his mouth as the mouth of a lion: and the dragon gave him his power, and his seat, and great authority . . .
>
> And they worshipped the dragon which gave power unto the beast: and they worshipped the beast, saying, Who is like unto the beast? Who is able to make war with him?

What happens if men forget that power belongs to God and if they think that man is god and his is the power? Since Caesar is a fact, and political power has to be exercised, sooner or later Caesar (the state rulers) act as if they are god and accept no limits upon their exercise of power. In our time with the rise of absolute dictators and the total state, this has happened. It was during the reign of Hitler that one of his erstwhile followers, Hermann Rauschning, wrote a book called *The Revolution of Nihilism* and then a second with the title, *The Beast From The Abyss*. Karl Barth also had Hitler in mind when he declared, The Beast reigns from the Abyss!

Is there any reason to doubt that it can happen again? The wise and brilliant young men who founded this nation were deep students of government, of history, and of philosophy. They feared greatly the power of centralized government, even while they recognized that Caesar (the state) was a reality, and that political power had to be exercised. The purpose of the Constitution was to lay down both the channels of power and the limits and restraints upon it.

A good example is the First Amendment. You remember that the first Ten Amendments are often called the Bill of Rights, and that when the Constitution was up for ratification by the 13 sovereign States, there was an understanding, an unwritten gentleman's agreement, that a Bill of Rights would be drawn up and incorporated in the Constitution. Even so, some of the States were doubtful and held back. One of these was North Carolina which did not ratify the Constitution until it had been in effect 16 months and which was the last to come in, with the exception of Rhode Island.

Much thought went into the form and wording of the Bill of Rights. James Madison was the presiding genius in their composition and passage through the first Congress elected under the new Constitution. Few things are more interesting to a churchman than the fact that the opening words of the Bill of Rights concern religious liberty. These are the words:

> Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof.

The intent of these words was and is quite clear. It was to interdict the Federal Government from interference in this field. Its effect was to freeze the existing situation and leave it to the people of the several States to decide their own practice in the relations of church and state. How ironical it is that when Congress had made no law at all in the cases involved the Supreme Court comes along and tries to do precisely what the Congress is forbidden to do—namely, lay down the law to individuals and States in the religious field so far as the public schools are concerned.

As matters now stand, the highest Court has struck down the use in New York State of a completely undenominational prayer designed deliberately to be acceptable to Protestants, Catholics, and Jews. It has further ordered the school systems of Pennsylvania and Maryland to give up any law or policy providing for a prayer or reading from the

Bible in the school room. The Supreme Court handed down these decisions on the basis that such a religious exercise was an establishment of religion.

Do these acts of the Court really matter? Is it of much moment whether the Bible is read or prayers said in the school room? I take the view strongly that it is a big issue indeed, and that at stake is the future of America religiously. Religion is not just what takes place in our churches on Sunday, important as this is. Religion is the faith and values and standards and basic attitude of people, corporately and individually. The strength and glory of America has been the deep consensus of our people in relation to a Supreme Being and to moral and spiritual law. Our institutions and customs testify to this. Our greatest State Papers embody it. Our National Hymns celebrate it. We have become a great nation in large measure because of our national faith and sense of destiny.

If we lose this magnificent consensus which has bound all previous generations of Americans, if we wantonly throw it overboard, making no real fight to see that our children receive the heritage that was ours, then America is going to be very different. Its great mystique can hardly persist, the moral stamina of its people is bound to be affected, the whole lofty, ideal element that hovers over our tradition and that once hallowed and inspired us all will be dissipated. We shall feel and think the way an increasing percentage of our people give evidence of being today. Above all, we shall have lost the power of renewal which heretofore has existed in the educational process and in the capacity of the young to respond to all that is noble and high, and to follow the gleam.

Yes, we are at the parting of the ways in the life of this Republic, and it is time we all woke up and realized just how serious the situation is. The future is in the youth of the land. It is in our children. If it is precisely here that the sword of the highest Judiciary, with the consent if not the approval of our national leaders as a whole, cut the web of tradition in two, then the effect cannot but be drastic. We are further unsettling and confusing a generation that was unsure of itself already and in need of help and guidance. We are in effect telling them to abandon the ways of the fathers. We are placing a premium upon rapid change in every area, and suggesting that values are as relative and alterable as technical developments. We may even be laying a psychological foundation for exalting the omnicompetent state to the point where it may claim divine prerogatives and arrogate to itself all authority and power. This happened already not once nor twice in this advanced century. Why should we be so sure that it will not happen again? Have we any guarantee that it could not happen here?

Let me close with a story. In 1963 in the fall I had a long-standing engagement to spend a day with all the teachers of a populous Pennsylvania County as part of their annual Teachers Institute. I was told there would be about 400 of them. The area in which I was supposed to lead them was "Teaching About Communism." The previous June the Supreme Court had handed down its decision on the Lord's Prayer and reading the Bible. I was therefore the more interested when I found that the responsible authorities among these teachers had placed at the top of the Program, *Devotions by the Host High School*. I wondered what was coming, but was hardly prepared for the reality. A Senior boy and girl came out. The boy read a meditation on the life of the great Negro chemist, George Washington Carver, and the girl sang The Lord's Prayer. The Bible could not be read: Abraham, Isaac, David, Isaiah, Jesus, Paul were tabu, but a contemporary figure was all right. The Lord's Prayer could no longer be said, but the highest Court had said nothing about singing it.

In a way this was humorous. But to me it was mainly pathetic and incredible. I found myself wondering whether I was really awake or was dreaming. Was it truly possible that in A.D. 1963 in this American high school where the administrators and teachers of a county school system wanted devotions as a proper way to start off their professional meetings, the Bible could not be read and no one could say a prayer?

I took this, I must admit, pretty hard. This is not the America I have known and loved. An alien and arbitrary tyranny has descended on our land and is making its heavy hand felt. But most of all, I am concerned with the conformity and sheeplikeness shown by so many of my fellow Americans, especially it seems by the well-educated and the well-to-do. I have resolved to do all I can to oppose this tyranny and conformity and to make sure the issues are understood by our people.

I have sworn, said Thomas Jefferson, on the altar of God, eternal hostility to every form of tyranny over the mind of man. Thank God, freedom and liberty yet live in this land and in the world. Let us do our part to see that they never die.

(Note.—Charles Wesley Lowry, Minister of The Village Chapel in Pinehurst, North Carolina, is also President of the Foundation for Religious Action in the Social and Civil Order (FRASCO). Dr. Lowry is perhaps best known for his internationally influential book *Communism and Christ* (Collier Books, Paperbound, New, Revised Edition, 1962). He has written also "To Pray or Not To Pray!: A Handbook for Study of Recent Supreme Court Decisions and American Church-State Doctrine" (University Press of Washington, D.C., 1963).)

AMERICAN CREDO

In the name of God, Amen. (Mayflower Compact, 1620)

Proclaim liberty throughout all the land unto all the inhabitants thereof. (Leviticus 25, 10: Liberty Bell, 1752)

We hold these Truths to be self-evident, that all Men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the Pursuit of Happiness—

That to secure these Rights, Governments are instituted among Men, deriving their just Powers from the Consent of the Governed. (Declaration of Independence, 1776)

No people can be bound to acknowledge and adore the Invisible Hand which conducts the affairs of men more than the people of the United States. (Washington, First Inaugural, 1789)

Our reliance is in the love of liberty which God has planted in our bosoms. Our defense is in the preservation of the spirit which prizes liberty as the heritage of all men, in all lands, everywhere. (Lincoln, Edwardsville, Illinois, 1858)

We here highly resolve that these dead shall not have died in vain—that this nation, under God, shall have a new birth of freedom—and that government of the people, by the people, for the people, shall not perish from the earth. (Lincoln, Gettysburg, 1863)

One Nation under God, indivisible, with liberty and justice for all. (Pledge of Allegiance, 1892, 1954)

In God We Trust. (National Motto, 1864, 1955)

—Prepared by FRASCO

HAMPSHIRE COLLEGE IN AMHERST, MASS., REPRESENTS A CRITICALLY IMPORTANT EFFORT ON BEHALF OF HIGHER EDUCATION

Mr. WATKINS. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. Conte] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CONTE. Mr. Speaker, on October 9, 1967, my distinguished colleague, the gentleman from California [Mr. Teague], addressed himself to what he considered to be examples of wasteful Federal spending. He referred to certain grants made by the Office of Education for library research. Included was a grant of some $64,408 made to Hampshire College in Amherst, Mass., which is in my congressional district.

Mr. Speaker, for those who are not familiar with Hampshire College, it represents a critically important effort on behalf of higher education.

The college, presently in its formative stage, constitutes an attempt to create at the outset a qualitative private higher educational complex responsive to the circumstances of today and to those which we can expect in the future.

The success of the concept and the program involved here, in my view, would positively serve as a key factor in our Nation's being able to meet the enormous challenge of providing vital educational opportunities for the youth of this country. This is a challenge which faces us today and which is going to significantly increase in the future as the number of college-age boys and girls vastly grows.

Education is the cornerstone of our democracy and of the success which we have had as a nation. It is the critical factor in our society.

The creation of new educational institutions which can immediately play an important role in our educational system is a vital capability which has not yet been developed by our Nation. Hampshire College may very well provide the framework for the development of this capability.

It deserves our total support and backing in its endeavors. It certainly has mine.

The grant referred to by my distinguished colleague was for the development of a new form of library concept—a dial access communications system which would extend library resources making them directly available for example to the student at his dormitory.

Such a system could greatly increase the value and utility of a library making its information available much more readily, much more timely, and to a great many more people than can presently use a library.

This study represents just the kind of initiative and imagination that must be demonstrated if we are to develop new techniques to meet the new and difficult problems which face us in the field of education.

I truly hope my distinguished colleague does not underestimate the important role that our libraries play in bringing knowledge and information to the people of this country. I certainly do not underestimate this role, nor do I underestimate the importance of improving our existing systems and adapting them to the needs of the future.

CHRISTOPHER NICHOLAS RUSHTON

Mr. WATKINS. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. SCHWENGEL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SCHWENGEL. Mr. Speaker, I am pleased that the House Judiciary Committee has acted favorably on S. 2265, for the relief of Christopher Nicholas Rushton. I introduced a companion bill, H.R. 12349.

Christopher Rushton came to the United States from Canada with his parents in 1947 when he was 6 months old. His family thought he derived citizenship through his mother, a native-born citizen of the United States. As a consequence his parents did not obtain a visa at the time they entered this country with their son. The error was discovered when Mr. Rushton, after entering the Air Force, was assigned to a technical school of a classified nature and it was learned that he was not legally a citizen.

The bill before us today will in effect give Airman Rushton his American citizenship. The young man has been a valued member of our society. His parents live at West Branch, Iowa, in my district. The Senate has already passed this bill and I am confident the House will do likewise.

STOKELY CARMICHAEL

Mr. WATKINS. Mr. Speaker, I ask unanimous consent that the gentleman from Delaware [Mr. ROTH] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ROTH. Mr. Speaker, on August 7, 1967, Senator JOHN J. WILLIAMS, of Delaware, and I wrote to the Attorney General of the United States expressing our concern about the activities of such individuals as Stokely Carmichael. We asked if existing laws were inadequate, and were assured on August 16, 1967 by Mr. J. Walter Yeagley, Assistant Attorney General, Internal Security Division, that additional Federal legislation was not needed. We were told that the Department of Justice was looking into his activities to ascertain whether he had acted in violation of any Federal statute. We have today written again to the Attorney General to find out what he has discovered, and what he plans to do.

We both feel that to maintain respect for law and order requires prompt, effective enforcement of existing laws. If the Justice Department refuses to enforce the laws presently on the books, how can they, or we, expect ordinary citizens to respect and obey the law? If present laws are not enforced, how can we expect respect or enforcement of new criminal legislation before the House?

To complete the record which contains our previous letters, under unanimous consent I place the letter we sent today to the Attorney General at this point in the RECORD:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., December 14, 1967.

Hon. RAMSEY CLARK,
Attorney General of the United States, Department of Justice,
Washington, D.C.

DEAR MR. ATTORNEY GENERAL: We wrote you on August 7, 1967, about one Stokely Carmichael's calling on American citizens to arm themselves for purposes of performing acts of violence and instigating riots to destroy lives and property. Since then, Mr. Carmichael has carried this campaign abroad, speaking from forums readily supplied by Cuban and North Vietnamese Communists.

On his return to the U.S. Monday, Carmichael's passport was confiscated by the State Department. Our constituents are most concerned, as are we, and they would be most interested in learning from you what specific steps the Justice Department is contemplating to enforce the law against his conduct.

J. Walter Yeagley, Assistant Attorney General, wrote us August 16, 1967, saying, "In the event sufficient evidence is developed to establish a violation of Federal law, appropriate action will be undertaken." We quote the *Philadelphia Inquirer* of December 13, 1967:

"While in Cuba, Carmichael called for 'urban guerrilla warfare within the United States' . . . In Paris, he declared: 'We don't want peace in Vietnam. We want the Vietnamese to defeat the United States of America.' "

Considering such statements as these, we find it difficult to believe that Mr. Carmichael has not, in the language of 18 U.S. Code, Anno. Sec. 2385, willfully advocated the desirability of destroying the government of the United States.

We support the recent, though belated move by the State Department to make it a crime to travel to restricted areas. In light of Carmichael's activities, both previously at home, and now abroad, however, we would appreciate your views as to the feasibility of prosecuting Mr. Carmichael under the above cited statute or under the other Federal statutes that were referred to by Assistant Attorney General Yeagley.

Mr. Yeagley indicated in his letter that you were looking into Carmichael's activities to ascertain whether he has acted in violation of any Federal statute, and that no additional Federal laws were needed. We would be most interested in the results of your looking into Mr. Carmichael's activities. We also would like to know specifically what statutes Mr. Yeagley had in mind as being sufficient to cope with such activities as these.

Sincerely,

JOHN J. WILLIAMS,
U.S. Senator.
WILLIAM V. ROTH, Jr.,
Member of Congress.

DISPOSAL OF PLATINUM FROM THE NATIONAL STOCKPILE AND THE SUPPLEMENTAL STOCKPILE

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent that the Committee of the Whole House on the State of the Union be discharged from further consideration of the bill (H.R. 5789) to authorize the disposal of platinum from the national stockpile and the supplemental stockpile, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. HALL. Mr. Speaker, reserving the right to object, and I do not intend to object to the consideration of this bill, but I do wish to discuss the bill and perhaps debate its passage or at least to query my distinguished friend, the chairman of the subcommittee which handles the disposals of the Committee on Armed Services, concerning the disposal of these platinum items based upon, perhaps, two reasons or, perhaps, three reasons.

Mr. Speaker, No. 1, I am seriously concerned that we might deplete either one of our stockpiles over which the Congress of the United States maintains surveillance and jurisdiction, at a time when we have not yet gained an adequate substitute.

Indeed, from the distinguished chairman's report, which I have read and studied in detail, it is all predicated on the Commodity Credit Corporation and other sources, plus buying through the General Services Administration and others arranging a satisfactory substitute to the stockpile of platinum and molybdenum. I know well the uses of platinum and molybdenum in our military efforts, and in electronics, and I hate to see us even peel down to the bare minimum our stockpiling as determined by the Office of Emergency Procurement, especially, Mr. Speaker, inasmuch as they have at times past said we need no stockpile of lead or zinc or other areas when the committee has frankly disagreed with them and said "indeed we do need stockpiles," and the executive branch, quite contrary to the U.S. Tariff Commission, has stockpiled lead through trade, of all things, bilaterally with the Department of Agriculture and another sovereign nation; namely, our neighbor to the north.

But be that as it may, I believe I have made the point that I am concerned lest we peel down to the bare essentials for any contingencies in the stockpile of platinum.

A second concern, Mr. Speaker, so far as I wish the distinguished gentleman from Massachusetts to address himself, is the question of whether or not in this particular troublesome time of our currency, stabilizing of rare metals around the world which do have currency hanging on them, including our dollar, on which most other currencies are based, and the English pound, on which, until recently, much international monetary exchange was grounded. And since platinum, diamonds, and gold are the three most stable of these instruments, I am truly concerned lest we throw it into the market, even though we tag it for domestic use and there are precautions perhaps that will be taken not to exercise and upset prices because we do do this.

Mr. Speaker, I make this discussion and ask these questions having served on the subcommittee of the distinguished gentleman from Massachusetts for over 4 years—and I know how thoroughly he goes into these problems—but this is an unusual substance. It is an unusual amount that we have in the stockpile, and it is unusually important that we have plenty of it, because platinum is one of the greatest chemical catalysts of all the chemicals, and there is no fallout such as those from lead and zinc and other items from enrichment processes, and/or nuclear fission or plutonium enrichment or any other such things. I believe we must be very certain that it is a function of this Congress in the two stockpiles over which it exerts jurisdiction, to see that we are not even coming close to the bare minimum of the stockpiling of this element platinum.

Mr. Speaker, I would be glad to yield to the gentleman from Massachusetts so that he may have time to explain to the Members the findings of his committee.

Mr. PHILBIN. Mr. Speaker, will the gentleman yield?

Mr. HALL. I am delighted to yield to the gentleman from Massachusetts.

Mr. PHILBIN. Mr. Speaker, I am very glad to have the opinions of the very distinguished and able gentleman from Missouri, who is such an outstanding member of the House Committee on Armed Services, and who is so very well informed and so very highly dedicated with respect to matters that come before our committee, and on all matters that come before the House, and who I believe is one of the ablest men in this body, and I greatly value the opinions of the distinguished gentleman at all times.

I also want to make it very clear that I share the concern that he has expressed with respect both to the adequacy of the stockpiles, all of them, and the impact of any overseas operations at this particular time when we have such very crucial problems with international exchange and our monetary system.

I want to assure the gentleman that insofar as the inquiries of our committee indicate—and we have covered this problem very thoroughly, as the gentleman knows we do in every instance—that I am fully convinced that the disposal provided for in this bill can be made with due regard and with full protection to the security of the United States and the interests of the defense of our country and in the national interest.

We also believe that there will be no appreciable impact of any kind on our foreign exchange in connection with this bill.

On the other hand, I will say to the very distinguished and able gentleman that insofar as this particular disposal is concerned, it is an extremely important one and it will be utilized in very significant and urgent areas of our national defense.

This disposal together with other disposals that we will present here this afternoon for the consideration of the House go to the very root of the defense of the Nation and deals with some matters, as the gentleman knows, that neither he nor I or anyone here could adequately discuss on the floor of the House because some of these matters would be classified and top secret.

But I will say in respect to this disposal, we have surveyed all aspects of it and I can assure the gentleman I believe the bill provides and the procedures which we will follow and very carefully check with respect to this disposal and the others that are to follow, will be very carefully watched and very carefully supervised. I believe, and I have full confidence, that this disposal is in the national interest and should be made as an urgent matter today by the House.

Mr. HALL. I do realize the demands of industry. But I am not sure that it is the intention of the Congress to supply those demands other than on the open market through our stockpiles if, first, we are endangering the sanctity of that pile or, second, if we are going to substitute other things that are not yet obtainable in quantity sufficient to meet the stockpile needs.

The only substitutes in this case are either gold or palladium for the electrical points in lieu of platinum.

I wonder if the distinguished gentleman realizes the stockpile objective is 335,000 troy ounces and that if we throw on to the market 115,000 troy ounces, we will be exactly at the objective; and if this does not give the gentleman and his distinguished committee some concern?

Mr. PHILBIN. I do not say that it gives me concern at this time because I think, as I said before, that we have taken proper action to get assurances that we will have in the stockpile after this disposal is made enough platinum and ultimately in the near future enough palladium and also gold, as the gentleman knows, and some other metals that can interchangeably be used, adequately to guarantee all the needs of the Government that the Defense Department may have with respect to the needs at this level.

Mr. HALL. Does the distinguished gentleman not agree with me that the only sources of replacement are in Ural Russia and in South Africa—outside of a very minimal amount obtained from our sister state in this hemisphere, Canada?

Mr. PHILBIN. With respect to some materials, that is substantially true as far as that is concerned. Of course, as far as palladium is concerned, the gentleman knows we have arrangements made to secure that if those sources should not be sufficient.

We have gold supplies upon which we can draw, without affecting the balance of payments and things of that sort. We do have an across-the-board ample leeway and ample latitude and ample safeguards written into this legislation to adequately protect the national defense interests of the United States, as we must do in all these cases, as the gentleman well understands.

Mr. HALL. Mr. Speaker, further reserving the right to object, the gentleman's words are very reassuring and I appreciate his forthrightness.

I wonder if since this is one of the rarer earth metals, if he is not concerned about the effect of upsetting prices on the market and thus influence the price of gold and diamonds around the world at a critical time; and does the demand of industry offset this possibility?

Mr. PHILBIN. I can appreciate my colleague's concern, but so far as the price of diamonds or gold is concerned, there is nothing in our record and nothing that I am aware of that will have any unfavorable impact such as the gentleman has mentioned.

Mr. HALL. Mr. Speaker, I am opposed to the sale of this material from our stockpile at this time, but I withdraw my reservation of objection for its consideration.

Mr. PHILBIN. I appreciate the gentleman's consideration.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately one hundred fifteen thousand troy ounces of platinum now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98–98h) and the supplemental stockpile established pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954, 68 Stat. 456, as amended. Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided*, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, H.R. 5789 would authorize the disposal of 115,000 troy ounces of platinum from the national stockpile and the supplemental stockpile.

The Director of the Office of Emergency Planning has determined that this quantity is excess to stockpile needs.

The GSA proposes to make the platinum available, first, for sale for domestic consumption; second, for transfer to agencies of the U.S. Government; third, to the extent authorized by law, as payment for expenses—including transportation and other accessorial expenses—of acquiring, refining, processing, beneficiating, or rotating materials in the national stockpile; or fourth, for disposition in such other manner as may be in the best interests of the Government. I want to point out that appropriate recognition will be given to priorities under title I of the Defense Production Act of 1950, as amended.

As is usual, the disposal program will be subject to continuous scrutiny and the Administrator of General Services will consult with other Federal agencies concerned at any time he considers such action advisable, or at any time consultation is requested by such agencies. If any significant modification of the program appears necessary or advisable as a result of such consultation, the change will be publicly announced.

At the present time, there are 400,001 troy ounces of platinum in the national stockpile and 49,999 troy ounces in the supplemental stockpile. This is a total of 450,000 troy ounces. In view of the fact that the stockpile objective is only 335,000 troy ounces, the excess, as I have said, is 115,000 troy ounces, the amount which would be sold under the authority of this bill.

We bought this platinum at $79.52 a troy ounce. The present producers' price for platinum is between $109 and $112 a troy ounce, and the Government, therefore, will pick up a sizable profit on this disposal.

In 1965, the total world production of platinum was approximately 1,256,000 troy ounces. Of this total, approximately 40 percent was produced by the U.S.S.R., about 40 percent by the Republic of South Africa, and about 15 percent by Canada. U.S. mine production of platinum in 1965 totaled 11,376 troy ounces.

In what is normal fashion, industry representatives and affected Government agencies have been consulted prior to the submission of this bill to the Congress.

The subcommittee of the Armed Services Committee, of which I have the honor to be chairman, went into this planned disposal in detail, and we are satisfied that the excess platinum should be disposed of.

Mr. Speaker, I urge approval of H.R. 5789.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISPOSAL OF MAGNESIUM FROM THE NATIONAL STOCKPILE

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent that the Committee of the Whole House on the State of the Union be discharged from further consideration of the bill (H.R. 5785) to authorize the disposal of magnesium from the national stockpile, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object, what is our present principle source of supply of magnesium? Is it still Russia, or what country?

Mr. PHILBIN. It comes from different parts of the world. Some of it is procured here, as the gentleman knows, and some of it comes from foreign sources. We do not depend exclusively or to any great extent upon Russia or Russian satellites for the substance.

Mr. GROSS. Are South Africa and Rhodesia sources of magnesium?

Mr. PHILBIN. It is found throughout all the world. But generally we do not have to rely on the Soviet Union or its satellites to get supplies of the material. It is quite readily produced.

At the present time, as the gentleman knows, there have been some serious shortages of the material in industry.

Mr. GROSS. Is any part of that shortage in industry due to the fact that we are presently boycotting Rhodesia and on the fringe of trouble with South Africa.

Mr. PHILBIN. Not to my knowledge as to this particular subject. I do not believe there is any relationship to the matter to which the gentleman refers.

Mr. GROSS. Shipments of chromite from Rhodesia have been effectively stopped, have they not?

Mr. PHILBIN. To some extent, but I do not think that is in the picture at the present time.

Mr. GROSS. I trust the gentleman is correct. I would hate to discover later on that we are buying more magnesium from Russia because of the fact that we are engaged in a boycott of anti-Communist Rhodesia.

Mr. PHILBIN. Of course, as I pointed out before, we do have several sources of this material. A great deal of it comes from the Scandinavian countries, as well as the others I have mentioned.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the bill, as follows:

H.R. 5785

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately fifty-five thousand short tons of magnesium now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 90–98h). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided,* That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, H.R. 5785 would authorize the disposal of 55,000 short tons of magnesium from the national stockpile.

The Director of the Office of Emergency Planning has determined that this quantity is excess to stockpile needs.

The GSA proposes to make the magnesium available, first, for sale; second, for transfer to agencies of the U.S. Government; third, to the extent authorized by law, as payment for expenses—including transportation and other accessorial expenses—of refining, processing, beneficiating, or rotating materials in the national stockpile; or fourth, for disposition in such other manner as may be in the best interests of the Government. I will point out that appropriate recognition will be given to priorities under title I of the Defense Production Act of 1950, as amended.

GSA plans to make the excess magnesium available for disposal over a period of years. Drawing on experience gained in selling magnesium for a number of years, it is the intention of GSA to continue this program along the lines followed in the earlier disposals. Offerings will be made periodically throughout the year. In addition, quantities required for term contracts to be negotiated with primary producers of magnesium will be made available. Changes in procedures will be made as dictated by market conditions. Releases will be made in accordance with the ability of the market to absorb the material, consistent with the obligation to protect the United States against avoidable loss and to protect producers, processors, and consumers against avoidable disruption of their usual markets.

As is usual, the disposal program will be subject to continuous scrutiny and the Administrator of General Services will consult with other Federal agencies concerned at any time he considers such action advisable, or at any time consultation is requested by such agencies. If any significant modification of the program appears necessary or advisable as a result of such consultation, the change will be publicly announced.

At the present time there are 147,329 short tons of magnesium in the national stockpile. In view of the fact that the stockpile objective is only 90,000 short tons, the excess of 55,000 short tons can quite properly be disposed of, and would be so disposed of under the authority of this bill.

The magnesium cost $726.10 a short ton, and the present market value is $640 a short ton. Regardless of this fact, however, there is such a need for magnesium in our various defense-associated industries that its disposal is, in the long run, advantageous to the Government.

U.S. production of primary magnesium was 81,361 short tons in 1965. This was about 2 percent more than in 1964. The two U.S. magnesium producers are increasing their production and two other companies, one a secondary magnesium producer, are considering becoming primary producers.

The United States for years has consumed most of the world's magnesium. In 1964, consumption of primary magnesium was 54,748 tons and in 1965 it was 69,622 tons. Shipments for the first three quarters of 1966 indicate an annual rate of nearly 100,000 tons. Purchases from the national stockpile were the principal origin of excess magnesium shipments over production.

The magnesium industry is currently experiencing a period of very tight supply, and dealer stocks have been reduced to minimum levels. Trade sources expect a short fall in excess of 30,000 short tons in 1967.

The Subcommittee of the Armed Services Committee, of which I have the honor to be chairman, went into this planned disposal in detail, and we are satisfied that the excess magnesium should be disposed of.

Mr. Speaker, I urge approval of H.R. 5785.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE DISPOSAL OF BERYL ORE FROM THE NATIONAL STOCKPILE AND THE SUPPLEMENTAL STOCKPILE

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent that the Committee of the Whole House on the State of the

Union be discharged from the further consideration of the bill (H.R. 14367) to authorize the disposal of beryl ore from the national stockpile and the supplemental stockpile, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the bill, as follows:

H.R. 14367

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately nine thousand eight hundred and eighty-eight short tons of beryl ore now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98–98h) and the supplemental stockpile established pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 456, as amended by 73 Stat. 607). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided,* That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, H.R. 14367 would authorize the disposal of 9,888 short tons of beryl ore from the national stockpile and the supplemental stockpile.

The Director of the Office of Emergency Planning has determined that this quantity is excess to stockpile needs.

Beryl is the chief ore of the very hard and light metallic element beryllium. It is an opalescent material which may be blue, green, yellow, brown, or colorless and ranging in size from granular to large lumps or crystals. At the present time, beryl ore is produced in the U.S.S.R., Brazil, India, Argentina, and Uganda. U.S. consumers of beryl ore rely almost exclusively on foreign ore imported mostly from Brazil and India.

The principal use of beryl ore is in the production of beryllium which is used to produce beryllium copper alloys. These alloys are well known for their outstanding high strength and high thermal and electrical conductivity. They have many different industrial applications such as electronic devices and business machines, and in the nuclear energy missiles and space fields, automobile and aircraft products, household appliances, and telephone systems.

The total inventory of beryl—beryl ore equivalent—now held by GSA is 45,566 short tons. The present stockpile objective is 28,000 short tons. The excess is 17,566 short tons; 9,888 short tons covered by H.R. 14367; 4,537 short tons contained in higher use forms, primarily alloyed with copper and not planned for disposal; and 3,141 short tons of ore to be retained for possible upgrading.

The average acquisition cost of the stockpile inventories of beryl ore was $425.65 per short tons. The current market price is approximately $330 per short ton.

As is usual, the disposal program will be subject to continuous scrutiny and the Administrator of General Services will consult with other Federal agencies concerned at any time he considers such action advisable, or at any time consultation is requested by such agencies. If any significant modification of the program appears necessary or advisable as a result of such consultation, the change will be publicly announced.

Although the selling price for beryl ore is less than the current market price, other important defense considerations dictate that this ore should be made available to defense-orientated industries.

Mr. Speaker, I urge approval of H.R. 14367.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RIVERFRONT DEVELOPMENT AT EAST ST. LOUIS, ILL.

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE of Illinois. Mr. Speaker, the city of St. Louis, Mo., is the proud host of the gleaming Gateway Arch, the magnificent focal point of the Jefferson Expansion Memorial. The arch and its accompaniments form one of the most spectacular man-made sights in the world.

Located on the west bank of the Mississippi River, the arch looks eastwardly toward East St. Louis, Ill., situated on the east bank of the river. Unfortunately, riverfront development on the east side has not progressed at the same pace, although the need is clearly recognized and the natural setting is there.

The St. Louis Post-Dispatch, in a December 12 editorial, states the case forcefully and succinctly for the complementary development of the Gateway Arch with the location of the National Museum of Transport on the east bank. For the benefit of my colleagues who are interested in regional development programs, I herewith include the Post editorial:

HOPES FOR THE EAST SIDE

We can understand the desire of Mayor Cervantes to see the National Musuem of Transport, now in St. Louis county, set up in St. Louis, as he indicated at a press conference a few days ago. The city is the Mayor's first responsibility, but he has a duty to consider the requirements of the metropolitan area. When metropolitan interests coincide with the interests of the city there is naturally no conflict.

So it seems to us the Mayor ought to pay particular attention to plans for the East Side directly opposite the Gateway Arch, which are currently based on relocating the museum there. The opening of the Poplar Street bridge has served to emphasize to thousands of St. Louisans who have crossed it the splendid view of the St. Louis skyline that is visible from the area between the Eads and Poplar Street bridges. It does not take much imagination to see how vital it is that the east bank of the Mississippi be developed in a way that will complement the west bank.

The most acceptable proposal thus far is for exhibits of transportation equipment, for which the locale is ideally suited. The East Side Southwest Regional Port District already has 19 acres under option for this usage, and negotiations are in progress with the Gulf, Mobile & Ohio railroad for seven more. This would be enough land for the nucleus of a splendid exhibition area.

Mayor Fields of East St. Louis recently regretted the fact that the Poplar Street bridge approaches revealed some of the shabbier aspects of his city. Unfortunately, too many St. Louisans have looked down upon the East Side, and this has contributed to a negative feeling toward the land immediately opposite the Gateway Arch.

Actually, this is one of the finest undeveloped sites of its type in America. The public should demand, and we think will demand, that its use be integrated with the Jefferson National Expansion Memorial. Misuse would be damaging to the Memorial and its great Arch, as well as to the future development of East St. Louis.

TRIBUTE TO THE HONORABLE JOHN BELL WILLIAMS

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Mississippi [Mr. ABERNETHY] is recognized for 30 minutes.

Mr. ABERNETHY. Mr. Speaker, my friend and colleague, the gentleman from Mississippi, Mr. JOHN BELL WILLIAMS, will shortly retire from the House of Representatives. He will then have concluded more than 26 consecutive years of service to his State and country as a soldier-statesman. He served the immediately past 21 of these years in this body with honor and distinction.

His service as a soldier-statesman began on November 5, 1941, when Mr. WILLIAMS voluntarily responded to the call of his country. He then enlisted in the U.S. Army as an aviation cadet.

On July 3, 1942, he was commissioned as pilot, U.S. Army Air Corps. In March of 1943, a military plane which he was piloting crashed, taking the lives of four members of the crew of five, he barely surviving. The crash cost him his left forearm. His left leg was badly crushed and mangled. It troubles him to this day. Following 13 months of hospitalization and treatment, he was retired from the Army Air Corps. It was nothing short of a miracle that he recovered and survived.

JOHN BELL WILLIAMS demonstrated as a young Army pilot that he was a man of courage, dedicated to the preservation of peace, to saving this country and the world from Nazi dictatorship. Since coming to this body in January 1947, he has demonstrated again and again that he is a man of conviction, firm and unswerving in his desire to pursue the right, to preserve the Constitution of the

United States and to protect the rights and privileges of the sovereign States. He has, indeed, represented his people well. His retirement will leave a void in this House, and particularly in our delegation. He will be sorely missed.

The year 1967 will be quite memorable in the life of JOHN BELL WILLIAMS. It was during this year that he was thrown, like Br'er Rabbit, into the briar patch. This interesting story had its beginning during the 1964 presidential campaign.

Because of a conviction that it was in the best interest of his country, Mr. WILLIAMS, a Democrat openly and actively supported the 1964 Republican presidential nominee. In January, 1965, the Democratic caucus saw fit to demote him to the foot of his committees, a disciplinary move never before invoked for such a reason by the Democratic caucus. But for this disciplinary action, he would now be the chairman of the Committee on Interstate and Foreign Commerce.

There are numerous Members of this body and literally millions around the country who feel that the treatment accorded Mr. WILLIAMS was unreasonable and unjustified. Certainly it was unprecedented. No notice had been given by the caucus that it would discipline members for refusing to toe the party political line in the 1964 presidential campaign. Not even the first question regarding such political activity had ever before been raised in the Democratic caucus, even though other Democratic members in previous presidential campaign years had openly and actively supported candidates of the other party.

The most notable of such party line crossing over took place during the 1956 presidential campaign when several Democrats supported the Republican nominee, one of whom made nationwide headlines in so doing. This Democratic Congressman, ADAM CLAYTON POWELL, in his activity and publicity went far beyond the subsequent activity and conduct of Mr. WILLIAMS. It began on a day when Congressman POWELL visited the White House for a political conference with the President. He made the press aware of the fact that the conference would be taking place. He left the President's office and proceeded to the steps of the White House where he held a well remembered press conference. With cameras grinding and flash bulbs popping, Democratic Congressman POWELL announced that he was crossing the party line to actively support the reelection of a Republican President.

Now, Mr. Speaker, let us compare the manner in which the Democratic caucus treated Mr. POWELL and Mr. WILLIAMS. When the Democratic Members convened in a caucus session in January 1957, we heard not the first whisper or chirp about the support which Democratic Congressman POWELL had jubilantly, actively, and aggressively given the Republican presidential candidate. On the contrary, he was welcomed into the caucus and rewarded with the chairmanship of one of the most powerful committees of this body. When the Democratic caucus convened in January 1965, Mr. WILLIAMS was pounced upon by some of the Democrats and, by secret ballot, summarily demoted to the bottom of his two committees. This removed Mr. WILLIAMS from the vice chairmanship of the powerful Committee on Interstate and Foreign Commerce. This disciplinary action was reaffirmed by secret ballot in January 1967.

Mr. Speaker, I have often wondered how my colleagues who were responsible for the application of this double standard of treatment have felt about it. I cannot help but feel that they then and now find considerable difficulty in justifying such to their conscientious satisfaction.

Mistreated as he was, Mr. WILLIAMS has never exhibited bitterness. He never staged a walkout. He has continued to hold his head high. This treatment to the contrary notwithstanding, he has effectively demonstrated that he is still the same man of courage and conscience that he was on November 5, 1942, when he enlisted in the U.S. Army.

Somewhere in the good book of St. Matthew it is recorded that "The first shall be last and the last shall be first." Thinking over this episode in the political life of my colleague from Mississippi, it appears that the Democratic caucus, which attempted to consign Mr. WILLIAMS to a position of "last," indeed, made him "first." His would-be disciplinarians unsuspectingly and unintentionally made a great contribution toward elevating him to the high position of Governor of his home State, the State of Mississippi.

All of us recall the story and the lesson from Br'er Fox and Br'er Rabbit. Indeed, Br'er Fox threw Br'er Rabbit into that briar patch. And the Democratic caucus did likewise to Mr. WILLIAMS. The distinguished gentleman from Mississippi [Mr. WILLIAMS] received a scratch here and a nick there as he was sailed through the briars; but, he landed most comfortably and squarely in the high, honorable, and responsible seat of the next Governor of his beloved State.

Mr. WILLIAMS has another attribute which I have not mentioned, that is, a deep sense of appreciation. He appreciated the privilege of serving as a soldier. He is appreciative of the privilege of serving as a Member of this great body. And no doubt he holds some slight sense of appreciation for the undoubtedly unintended lift accorded him by the Democratic caucus in his desire to serve the people of Mississippi as their chief executive.

Mr. Speaker, I would like to include at this point a very interesting editorial which appeared in the Dallas Morning News on November 18, 1967, as follows:

> BR'ER WILLIAMS LAUGHS LAST
>
> In 1964 John Bell Williams, Democratic congressman from Mississippi, supported the Republican candidate for president. For this offense, Democrats in Congress stripped him of his congressional seniority and thus virtually guaranteed him solid backing from the home folks. This support carried him right into the governor's mansion Nov. 7, as Williams easily defeated his Republican opponent.
>
> It would seem that the national party would have learned from President Roosevelt's experiences that such disciplinary measures don't work, at least not as they are intended to work.
>
> Southern Democrats often stray from the national party's line, but by imposing punishment on Southern politicians the national party makes certain that Southern voters will rally to the punished as never before.
>
> Rep. Williams pointed out this fact to the congressional inquisitors in 1965. And the people of Mississippi have now borne out his prediction in a convincing fashion.
>
> It has been noted that many of the Southerners who fought in the Revolutionary War were not primarily motivated by the political ideology of the Revolution. And most of the men who fought in the Confederate armies were neither slaveholders nor experts well versed in the legal basis for secession. But they just couldn't abide officious outlanders coming in and trying to tell them what to do.
>
> Now, as then, Southerners don't take kindly to pressure tactics. And when such tactics are employed against one of their own, the tactics are likely to be counterproductive, to use the fashionable term.
>
> No doubt the House Democrats thought they were inflicting a politically mortal injury by disciplining Williams. In fact, they were just repeating the mistake made by Br'er Fox when he threw Br'er Rabbit into the briar patch.

Mr. Speaker, JOHN BELL WILLIAMS told me a few days ago of the great joy and pleasures that have been his in serving here. He told me that he was departing with no bitterness because of that which the Democratic caucus did to him, although he strongly feels it was without justification and, indeed, most unprecedented. He said he will miss everyone of us, that he will be thinking of us as the days roll by. And we are going to miss him, Mr. Speaker. He said that for the full 4 years of his tenure a welcome sign would be over the door of the Governor's office of Mississippi.

So, when and if you, my colleagues, pass through the capital city of our State, stop and visit with JOHN BELL. The welcome will be warm. The Governor will be happy to see you, even those who threw him in the briar patch.

SECOND-MORTGAGE FRAUDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. CAHILL] is recognized for 20 minutes.

Mr. CAHILL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CAHILL. Mr. Speaker, I have taken this time to bring the House, and hopefully, the citizens of the country, up to date on some of the developments that have been taking place in the field of fraudulent second mortgages.

As the House probably knows, the Washington Post, in this city, and the Evening News of Perth Amboy, N.J., have been bringing to the attention of the reading public the effect that these fraudulent second mortgages are having on the citizens of our country. Representing the district of New Jersey that I do, which is immediately across the Delaware River from Philadelphia and therefore is part of the Philadelphia-Camden metropolitan area, I find our area has been besieged by a great number of companies operating in the fraudulent second mortgage field.

I think the House is fully familiar with the methods by which these second mortgage companies operate. Home mortgage deals are the principal source, and those citizens who are having improvements made to their homes are the principal victims. Debt consolidation schemes are another method by which the homeowners are fleeced out of sometimes their entire life savings.

I have inserted in the past in the RECORD an outline of these practices and have itemized some of the more serious abuses.

I also have informed the House on previous occasions that I have requested the Federal Trade Commission and the Post Office Department to investigate seven specific lending institutions in the Philadelphia-Camden area to determine possible violations of postal fraud laws and Federal Trade Commission Act violations.

I reported to the House approximately a week ago that the Postmaster General informed me that he has directed an immediate investigation by postal inspectors of the possibility of postal violations on the part of these companies.

The Federal Trade Commission has likewise promised prompt action, but qualified their statement to read: "Insofar as limitations of staff and resources permit." I have been extremely interested to learn just how limited the Federal Trade's capabilities are in preventing public deception in second mortgage schemes. Therefore, I want to bring to the attention of the House the fact that the Federal Trade Commission recently filed a report with the chairman of the Committee on Commerce in the other body, in which it outlined some of the widespread home improvement frauds which, according to the FTC, abound throughout the United States.

Generally speaking, they are related to the following:

First. Inflated prices: While promised substantial discounts, the buyer actually ends up paying far more than the fair price charged by ethical contractors.

Second. Model homes: The consumer is offered phony discounts or commissions for use of his home for display or advertising purposes.

Third. Bait and switch: Services or products are advertised at ridiculously low prices and then later disparaged in order to switch the purchaser to a highly overpriced item or service.

The question of contests, or "lucky winners" offered fictitious discounts in many rigged contests.

Misleading guarantees which read, "Unconditionally guaranteed for 20 years," when there are really small print conditions which in fact render the guarantee worthless.

Scare tactics, where the homeowner is led to believe a house defect endangers the family unless products or services are purchased immediately.

The "spiking a job" procedure, where contractors quickly do token work and then tell the consumer the contract is noncancelable.

Contracts which involve actual misrepresentation of interest rates and finance charges, where signatures are obtained upon blank completion certificates before work is finished or on blank contracts later loaded with unauthorized charges.

In most of the cases that were reported by the Federal Trade Commission to the other body, it appears that the fraud is made possible by the "holder-in-due-course" doctrine applicable, as I have previously suggested to the House, through secondary mortgage notes and securities.

However, the Federal Trade Commission report indicates that although such schemes are recognized to be a nationwide problem, it has been able to allocate only $30,000 to an investigation of these schemes over the past two years. Moreover, conversations we have had with officials of the Federal Trade Commission indicate that they have been able to allocate only one staff member to all types of secondary mortgage frauds.

Therefore, if I might suggest it, it appears that the limitation on the Federal Trade Commission's capabilities, disclosed by the report on home improvement frauds, needs some improvement. Unfortunately, I might also suggest that secondary mortgage frauds are not limited merely to home improvement frauds. They also include, as we know, debt consolidation schemes and sales of defective or misrepresented goods.

From everything I have been able to determine and all investigation that I have been able to make, I am pretty well convinced that the secondary mortgage frauds present a nationwide problem. I am happy that the Committee on Banking and Currency of the House has reported a truth-in-lending bill. However, from my preliminary study of the measure as it will be reported by the committee, it does not really do the job that must be done in this field. Therefore, I have really taken this time today to call the attention of this House to the seriousness of this problem and to suggest to the Members that legislation is indicated and necessary in this field if we are to effect reform.

As a matter of fact, the Federal Trade Commission in its report recommended that there be some legislative changes. They recommended, for example, that sections 13 and 14 of the Federal Trade Commission Act be amended. They recommended that other legislative authority be provided to enable the Federal Trade Commission to carry out the type of enforcement program outlined. I for one hope when the Congress reconvenes in January to introduce such legislation and recommend it to other Members of the House and particularly to those members of the appropriate legislative committee. I would also hope to be able to prepare and to present and to have the committee approve at the time that the truth-in-lending bill is presented appropriate amendments which will strengthen the provisions of the bill in relation to fraud for the purpose of attacking this serious problem.

As I have indicated, while I suppose the responsibility belongs to the States to take care of the criminal violations that occur within the States, we find in metropolitan areas and where States are closely together, as they are in the cases of New Jersey and Pennsylvania, that this practice crosses State lines. Therefore, it is very difficult indeed for the individual State and the county prosecutor or the police officials adequately to do the job. It seems to me that Federal legislation in this field is absolutely essential if we are to protect the consumers of this country.

Therefore, I conclude by saying that I have just recently written to Commissioner Paul Dixon of the Federal Trade Commission and have asked him to supplement their report on home improvement frauds that have been given to the chairman of the Commerce Committee of the other body to indicate the extent to which secondary mortgage transactions permit such frauds to exist and, secondly, to indicate the action which the Federal Trade Commission has taken and plans to take with respect to frauds involving debt consolidation schemes and consumer goods sales.

I am sure, if I may say this, Mr. Speaker, what is occurring in the Philadelphia-Camden area and what is occurring in the northern part of the State of New Jersey and in the New York area is also occurring in many other parts of the United States. If we are to protect the consuming public, it seems to me that this is one field of endeavor where we have a legislative responsibility. Therefore I urge a careful study of the truth in lending bill. I urge amendments to improve it, to strengthen it, and I urge that the Members of the House consider appropriate legislation to improve the Federal Trade Commission's enforcement powers in this field. I think it is important to all citizens. I hope we can be helpful in eliminating this abuse.

Mr. Speaker, I ask unanimous consent to include immediately after my remarks a letter addressed to the chairman of the Federal Trade Commission.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The letter follows:

DECEMBER 11, 1967.

Commissioner PAUL DIXON,
Bureau of Deceptive Practices,
Federal Trade Commission,
Washington, D.C.
(Attention of Mr. Charles Sweeney).

DEAR COMMISSIONER DIXON: This will acknowledge receipt of, and thank you for your letter of December 1, 1967, advising me of your disposition with respect to my request for investigation of fraudulent secondary mortgage transactions in New Jersey and Pennsylvania.

Enclosed please find a public service bulletin published by the *Evening News* of Perth Amboy, New Jersey which describes several aspects of the deception and unfair treatment of home owners in New Jersey and Pennsylvania. Mr. Jonathan Kwitny, author of this bulletin, has been interested in the secondary mortgage situation for several years and should be able to provide your investigative staff with valuable information. I am also advised that the Consumer Protection Division of the New Jersey Department of Banking and Insurance has convened hearings with respect to the information disclosed by the *Evening News,* and is willing to provide any cooperation which may be necessary to your action in this matter.

It is my sincere hope that the limitations on your staff, imposed by its many commitments, will permit prompt investigation of the concerns enumerated in my letter of November 20, 1967.

Since my preliminary investigations of secondary mortgage practices have indicated that home improvement contractors are often original parties to fraudulent negotiable mortgage notes, I was indeed interested in your recent report to Senator Warren Magnuson outlining the Federal Trade Commission's role in preventing home improvement frauds.

In my judgment, your recommendations for extending Sec. 13 and 14 penalties to enforcement procedures under Sec. 5 of the Federal Trade Commission Act seem to be based on a well-stated need and deserve careful consideration by the Congress.

However, I would be interested in knowing whether, in your estimation, such amendment of the Act would adequately serve to regulate secondary mortgage transactions entered into by home improvement and debt consolidation companies, and sellers of consumer goods with home owners.

I would thus request that you provide me with information indicating the Federal Trade Commission's present activities with respect to secondary mortgages executed as part of debt consolidation services and of home improvement or consumer goods sales. I am particularly interested in knowing whether deception of the public through secondary mortgages has occurred in states other than New Jersey and Pennsylvania. Your evaluation of the adequacy of enforcement staff capacities and resources, and of the adequacy of present legislation would also be greatly appreciated.

Sincerely yours,

WILLIAM T. CAHILL.

Mr. PATTEN. Mr. Speaker, I rise today to call attention to the distinguished Members of this body a problem of great concern relative to the abuses that have occurred throughout this country in the "home improvements market," purchases of household items, consolidation of debts, and the like—thus casting a great burden and injustice upon the consumer-homeowner. Inasmuch as this Congress is showing its concern for the "consumer" by considering protective legislation in this area and, in addition, President Johnson has made known his interest in this area by the employment of Betty Furness to further protect the neglected consumer—I believe it is imperative for the necessary action to be taken which will result in corrective legislation.

It has been estimated that the current home-improvements market volume of trade is in the amount of $15 billion annually. Purchases of household items, consolidation of debts, and the like—comprise a substantial amount of dollars in excess of the foregoing amount.

The problem that arises is the total cost of the contractual obligation and the form of security required which often takes the form of a secondary mortgage. In addition, deceptive practices are clearly being cast upon the uninformed, innocent purchaser.

A specific number of actual cases involved in this deceptive practice was revealed in an exclusive series of articles which appeared in the Evening News of Perth Amboy, N.J.—written by Jonathan Kwitny. The victim involved residents of the State of New Jersey which were pursued by corporations doing business in the State but centrally located outside the State of New Jersey.

I would like to acknowledge the fine work and interest which my colleague from New Jersey, Representative CAHILL, has expressed and done in this area. The support of the other members of the New Jersey delegation is sought along with the assistance of this Congress.

We must proceed in this area with all deliberation and not necessarily be confined to one approach to combat this problem. During the second session of the 90th Congress, we must move with deliberate speed and enact a strong truth-in-lending law that is currently before the Committee on Banking and Currency.

Some of the provisions contained in this Consumer Credit Protection Act will be a step in the direction of meeting our responsibility to correct some of these abuses. The more important of the provisions in the bill are: a requirement that retailers offering open-end revolving charge accounts reveal the annual cost of the credit extended. Consideration should be given to expand this provision to include and assure coverage of these practices and the finance companies who ultimately end up with the obligation that is due from the innocent consumers.

In addition, other provisions are: power for the Federal Reserve Board to set limits on the extension of consumer credit if the President declared a national emergency existed and that such controls were necessary. Also, an 18-percent annual rate ceiling on all credit transactions in the United States; a ban on credit arrangements, generally made through an employer, permitting a creditor to assess—garnishee—what was owed him from an employee's wages; a requirement that full disclosure of credit costs appear in credit advertising and the establishment of a commission to study the "credit industry."

Another approach to the problem has been advocated by Senator MAGNUSON wherein the Federal Trade Commission would be given adequate funds to conduct a special investigation into the area of the home improvements industry and its financiers. The Bureau of Deceptive Practices would be responsible for this study at the direction of Mr. Paul Dixon, Chairman of the Federal Trade Commission. Due to the interrelationship of the home improvements with household items and other debts, it appears as though the end result in the financing abuses are similar in that a second mortgage results. Thus, serious consideration should be given in the proposed investigation by the Federal Trade Commission to expand its study to include the other abuses which are set forth in this presentation.

It is important that Chairman Dixon has advised me that these false, fraudulent and deceptive practices continue to increase due to the exorbitant finance charges which makes ample easy credit available and encourages quick entry into this market with minimal assets. Furthermore, these fraudulent practices are carried on with impunity because of the immediate transfer of the negotiable instruments to the finance companies who claim the defense of a bona fide holder in due course, thereby stripping the victim of meritorious defenses.

The Commission's staff believes it could be demonstrated that leading companies specializing in home improvements loans are not always innocent holders and should be prohibited from asserting this defense. Fragmentary but persuasive information raises the expectation that in some cases the staff may be able to develop facts which would demonstrate that certain finance companies have actually participated with selected home improvements retailers in obtaining contracts based on fraud and misrepresentations. If these facts should be proven—these companies should not only be prevented from asserting the innocent holder defense, but should also be put under the same prohibitions as the retailer.

It should be clearly stated that our efforts should be directed with the consumer-purchaser in mind and a distinction should be drawn between those companies of reliable standing and reputation against the minority who are guilty of these deceptive methods and practices.

The Federal Trade Commission has encouraged States to enact legislation to deal with the intrastate aspect of this problem. New Jersey has responded by enacting the Secondary Mortgage Act of 1965 which gives the commissioner of banking and insurance the power to issue subpoenas to determine whether he shall suspend, revoke, or refuse to renew any license issued under this statute wherein it is determined that there was a commission of fraud, dishonest activities, or misrepresentation or failure to disclose any of the material particular of any secondary mortgage loan transaction to anyone entitled to such information; or otherwise demonstrated unworthiness, bad faith, dishonesty, or any other quality indicating that the business of the licensee has not been or will not be conducted honestly, fairly, equitably, and efficiently within the purposes and intent of this act.

Other laws in effect in New Jersey that are relevant to this problem are: Truth in Advertising Act of 1965, the small loan law, the Home Repair Financing Act, the Retail Installment Sales Act of 1960, the pawnbroking law, the credit union law, and the like.

The Department of Banking and Insurance in New Jersey is currently in the process of conducting hearings with a number of companies alleged to have used deceptive practices in the area of second mortgages. These hearings resulted from the issuance of show cause orders by Commissioner Howell. No final determinations have been reached as of this date. The evidence that is being obtained is in the process of review and evaluation by the department for appropriate action to be taken.

Recommendations for subsequent legislative action in New Jersey is set forth in the series of articles from the Evening News that will follow. This news revelation provided the initial material for the State to proceed with the current investigation. A great public service was provided by this informative staff writer and newspaper. I do hope that this information will be of similar benefit at the Federal level to call attention to the magnitude of the problem and result in Federal legislation.

The series of articles referred to herein follows, entitled "Millions of Dollars in Illegal Loans?" by Jonathan Kwitny, staff writer of the Evening News, Perth Amboy, N.J.:

Millions of Dollars in Illegal Loans?

(By Jonathan Kwitny)

The repayment of millions of dollars in outstanding second mortgage loans to New Jersey homeowners—many of them in Middlesex County—may not be legally enforceable.

The money came from loans secured by second mortgages—although many of the borrowers aren't aware of the mortgages—that appear to have been made in violation of the Secondary Mortgage Loan Act of 1965.

A three-month investigation by The Evening News into the secondary mortgage loan business has revealed what appear to be flagrant and repeated violations of the act by companies that have signed nearly a thousand loans secured by mortgages on Middlesex County homes since the law went into effect Sept. 7, 1965.

The face amounts of most of these loans range from about $2,000 to about $5,000.

The law says: "No obligation arising out of a secondary mortgage loan shall be enforceable in the courts of this State unless such loan was negotiated and made in full compliance with the provisions of this act."

A well-known attorney has expressed the opinion that under this act there may be no legal way to compel the borrowers to pay back their debt.

The law requires that second mortgage lenders be licensed, and strictly regulates the way they can advertise and do business and the amount of interest and other fees they can charge.

It requires honesty and full disclosure of the particulars of loans.

Many second mortgage loan companies, some licensed and some not licensed, are using a variety of means to get more money than the law allows them. Sometimes these excess charges run to $700 or $800 on a single transaction.

Sometimes a loan company has inserted an extra item in the list of creditors to be paid off in the loan. Under questioning, the borrower is unable to identify the company to which he has paid a hundred dollars or more, and says he owed no money to any such company.

Often the borrower is told he is getting a free gift for taking out the loan.

The "gift" may be a radio or small portable television set.

Then, among the mass of papers he is called upon to sign, may be a sales receipt that says he bought the "gift" for a price several hundred dollars or more over its true value.

One company that operates in this manner is Patlind, Inc., 5509 Westfield Ave., Pennsauken. Patlind doesn't always advertise under its own name.

County homeowners recently received direct mail advertisements from Security National Fund, 5511 Westfield Ave., Pennsauken. Borrowers who went there found that the doors marked 5509 and 5511 were side by side in the same building.

Through the windows of the door marked 5511, borrowers could see a one-room office with no one in it. On the door was a sign that said, "Security National Fund, Inc. Customers Come to Second Floor Patlind Inc."

Security National Fund was incorporated in New Jersey Jan. 17, 1967. For its registered agent and office, Security National Fund lists the same name and address as Patlind, Inc.

One of the three names listed in the Secretary of State's office as directors of Patlind, Inc., is listed as incorporator of Security National Fund.

The Secondary Mortgage Loan Act says, "No licensee shall transact the business provided for by this act under any other name or maintain an office at any other location than that designated in the license."

Both Patlind and Security National Fund are licensed under the act.

Here is what happened to one borrower who answered the Security National Fund advertisement:

In May of this year, Mr. and Mrs. T (not their real initial) of Edison wanted to consolidate some bills and saw on the Security National Fund advertisement that they could borrow $1,600, the amount they needed, and repay $36.15 a month for 60 months.

SOUNDED FAVORABLE

The rate sounded favorable, so they responded. Soon afterward, a man called and told them their loan had been approved and they should come to Pennsauken to get it.

The T's went to the Security National Fund office, and were directed by the sign to go upstairs to Patlind. The man at Patlind had their application and was expecting them.

The man reviewed their bills with them, then figured up their loan.

Then he said another Patlind man would take the T's to "the bank" to get the money. At this time, the T's still thought they were getting the rates they had seen in the advertisement.

Just before they were to leave, the man told them they were entitled to a free gift, and offered a record player to the T's son.

The T's said they had no use for a record player. The man told the T's they would have to take something, and since he said it would not cost them any money at all, they chose a 12 by 12 rug from a catalogue the man showed them.

Then he told them that to avoid the high fees that were charged on loans in New Jersey, they would go to a "bank" in Pennsylvania to get the money. The T's asked what interest they would pay. The man told them 6 or 6½ per cent.

According to the T's signed statement in the files of The Evening News, when they drove to Philadelphia with the man from the Patlind office, they did not know they would have to give any extra money to Patlind and still thought they were getting the advertised rates.

The man from Patlind drove them to First Mercantile Co., 2009 Chestnut St., Philadelphia. First Mercantile is not a bank—it is a loan company. First Mercantile is not licensed to make secondary mortgage loans secured by New Jersey property, although its subsidiary firm recently was licensed to do such business at an address in Pennsauken.

At First Mercantile the T's say a man who identified himself as treasurer of the company was waiting for them with the checks all ready.

There were checks made out to their creditors for $766.65, $235.13 and $200.24—and another check made out to them for Patlind for $458.50.

They say they had to endorse the check, then return it to the man from First Mercantile, who then gave them a check made to them for $238 as change. It was the last they saw of the rest of the money—$220.50.

On actual receipt of only $1,440.02, the T's are paying back $2,592 in 48 monthly installments of $54. The ad had promised them $1,600 for 60 monthly installments of $36,16, a total of $2,169.

Under the Secondary Mortgage Loan Act, even if the T's had been charged the maximum lawful fees for search ($50), appraisal ($50), credit investigation ($15), insurance (their policies list premiums totaling $169.26), interest (14 per cent simple) and attorneys (5 per cent of the total), the most they could be charged for receipt of $1,440.02 over four years would appear to be $2,383.22.

The difference—the apparent excess charge—is $208.78.

THE T'S WERE LUCKY

But the T's were lucky.

Most of the Patlind-First Mercantile business is for larger amounts, and consequently results in even higher charges.

Mr. and Mrs. F. of New Brunswick went to Philadelphia and signed papers for a $2,476.14 loan at First Mercantile, then learned from two Patlind men outside the office that they had to sign back $500 of the money to Patlind as a service charge. They had already given Patlind a $5 fee.

The signed statement the F's gave to The Evening News says, "They gave us a small radio as a gift for coming to Philadelphia and made us sign a receipt for it that said it was merchandise. In our home the Patlind men had said their fee was not expensive at all."

The F's actually received only $1,971.14. They signed to pay back $3,840 over four years—almost twice as much.

This transaction took place June 10, 1965, the day after the Secondary Mortgage Loan Act was passed, 89 days before it went into effect.

ANOTHER CASE

But the law was long in effect when Mr. and Mrs. R (not their real initial) of Port Reading answered an advertisement from another company early this year and got a call to go to Patlind.

The R's say that when they got to Pennsauken, they were told they would have to buy furniture or other merchandise to get the loan.

The man from Patlind, whose letterhead says it is "the company that cares," told the R's, "we're not allowed to ask you for money." So he told them that they would have to pay about $400 for about $100 worth of furniture.

But that is not what the R's are paying.

Although they didn't know it until much later, somewhere in the pile of papers they signed was one that obligated them to pay installments totaling $751.68 for that $100 worth of furniture.

"Then he said we would have to go someplace," the R's recall in their signed statement to The Evening News. "We had no idea it was to Philadelphia. We told him we had to get back to work. He said, 'This won't take long.' Then he got in his car and led us across the river."

NO ONE TOLD THEM

The statement says that before they drove to Pensauken no one had told them they would have to buy something to get the loan, or that they would have to leave the state to get the loan, or that they were going to sign a mortgage.

The statement goes on, "He made us sign some of the papers in blank and said he would fill them out later because we had to go to the 'bank' to finish the loan. He never gave us a copy of any of the things we signed. He told us we had to buy both life and accident and health insurance from him. He said, 'Don't worry about it. You can divide it by three and take it off your income tax.' "

The loan First Mercantile gave the R's provided them with $2,128.27 in money they could use to pay their debts. For that, they signed to pay $3,312 to First Mercantile. But First Mercantile also gave them a payment book for the $751.68 they owed to Patlind for the $100 worth of furniture because Patlind had assigned that debt to First Mercantile.

Thus the R's are paying First Mercantile a total of $4,063.68 to get usable funds of $2,128.27. This appears to be more than $660 above the maximum that could be charged them under New Jersey law for that amount, on a four-year loan.

TWO HUNDRED AND EIGHT MORTGAGES FILED

As of last week, First Mercantile had filed 208 mortgages on Middlesex County homes since the law went into effect Sept. 7, 1965. In addition, they have been assigned 59 of the 62 mortgages on Middlesex County homes that Patlind has signed in that same period.

Sometimes Patlind gets borrowers to sign a separate mortgage to cover its own fee before taking them to First Mercantile. Sometimes it takes its money out of proceeds the borrowers get from their First Mercantile mortgage.

Patlind has assigned mortgages on Middlesex County homes only to First Mercantile, according to records in the mortgages and deeds office, New Brunswick.

This year First Mercantile opened a branch office called First Mercantile of New Jersey. It is located in Pennsauken, within two blocks of Patlind. As of last week, it had signed five mortgages on Middlesex County homes.

First Mercantile of New Jeresy is licensed under the Secondary Mortgage Loan Act.

PROTECTION REMAINS

New Jersey borrowers don't lose the protection of the Secondary Mortgage Loan Act just because they are taken across the Delaware River to sign a loan in Philadelphia.

The rules and regulations of the act say, "Notwithstanding the place of execution, nominal or real, of a secondary mortgage loan, if the real property is located in this State, said secondary mortgage loan will be deemed to be subject to The Secondary Mortgage Loan Act of 1965 and all other laws of the State of New Jersey."

Besides making the debts unenforceable unless the loan "was negotiated and made in full compliance with the provisions of this act," the law subjects violators to fines of up to $1,000 for each offense.

Any loan agency could lose its license under the law if the state commissioner of banking finds it has "committed any fraud, engaged in any dishonest activities, or misrepresented or failed to disclose any of the material particulars of any secondary mortgage loan transaction to anyone entitled to such information."

COULD LOSE LICENSE

A lending company also could lose its license under the law if the commissioner finds it has "demonstrated unworthiness, bad faith, dishonesty or any other quality indicating that the business of the licensee has not been or will not be conducted honestly, fairly, equitably and efficiently within the purposes and intent of this act."

The R's say the man at Patlind told them several times theirs would be a personal loan. "This has nothing to do with a mortgage," they quote him as saying.

They say that even at the First Mercantile office, they were told it was a personal loan with their car as security. They say they had to give the title of their car to First Mercantile.

Actually, Patlind arranged for them to sign not one mortgage, but two. They signed separate mortgages to Patlind for the furniture and to First Mercantile for the loan. Then Patlind assigned its mortgage to First Mercantile.

Thus the R's now have three mortgages on their house.

Security National Fund's advertisement talks only about five-year loans. But all the cases The Evening News investigated of persons who answered the advertisement involved loans of not more than four years.

First Mercantile is forbidden by Pennsylvania law from giving discount loans of more than four years.

The R's say that at both offices they went to, First Mercantile was referred to as a bank, which it is not.

They said they were told they had to buy life and accident and health insurance as part of the loan.

LAW TEXT CITED

The law says, "The borrower shall not be compelled to purchase from the licensee fire, life or title insurance policies in connection with a secondary mortgage loan."

What happened to the three families whose cases are described in this article parallels what happened to other area homeowners The Evening News has talked to who got loans through Patlind and First Mercantile, and through other agencies and loan companies that will be discussed later in this series.

All the Patlind-First Mercantile customers The Evening News talked to say they failed to get copies of the papers they signed.

The rules and regulations under the law say, "The borrower shall be given a copy of every paper he is called upon to sign."

Mr. L., another area man, became mortgaged to Patlind on a different kind of arrangement.

He answered a newspaper advertisement this spring that said he could earn money in his spare time by cleaning carpets. The company he went to gave him four evening lessons on carpet cleaning.

Then it offered him jobs.

But first, according to Mr. L's signed statement to The Evening News, they told him he had to buy $2,400 worth of carpet cleaning equipment on installments. Arrangements would be made through Patlind, Inc., Pennsauken.

SET UP APPOINTMENT

The carpet cleaning teachers set up the appointment.

Patlind told Mr. L. not to worry—he would get enough jobs from the carpet cleaning establishment to pay the bills.

The only paper he received is headed "Security Agreement (Installment Sale)." It says it is a contract between him and Patlind to buy carpet cleaning equipment, and says the security for the installment sale will be the equipment itself.

It lists the cash price of the property as $2,400; sales tax as $72; unpaid cash balance as $2472; time sales differential as $1,368; time balance as $3,840.

This manner of itemization is normal under the New Jersey Retail Installment Sales Act of 1960. What is not normal under the act is the time sales differential, which is just under $14 per $100 per year. (That differential is, for practical purposes, the interest being charged on the money.)

The contract amounts to between 26 and 27 per cent simple interest per year.

MAXIMUM ALLOWED

The maximum interest allowed under the Secondary Mortgage Loan Act is 14 per cent simple per year. The maximum allowed under the Retail Installment Sales Act is between 19 and 20 per cent simple per year.

The contract says Mr. L. is to make his payments not to Patlind, but to First Mercantile.

When Mr. L. complained to the Consumer Credit Division of the Department of Banking and Insurance, which is in charge of enforcing both laws, the division wrote to First Mercantile to question the transaction.

First Mercantile wrote back to the division that the goods were not covered by the Retail Installment Sales Act because they were sold for business use. The law excludes "goods sold for commercial or business use."

Mr. L. says he did not know that he had signed a mortgage until an Evening News reporter pointed it out to him. His mortgage is on record at the mortgages and deeds office in New Brunswick.

In his signed statement Mr. L. says the cleaning company told him that "the deal was only for people who own their own home, but they said this was so I would have a safe place to store the equipment.

WOULD NOT HAVE SIGNED

"No one ever told me I had to mortgage my house. They told me it was the time purchase of equipment. I would not have signed a second mortgage, especially just after purchasing the house, especially for something like this."

Mr. L. isn't the only person who wishes he had never gone to Patlind.

Mr. and Mrs. F. have found that every time they make one loan, they wind up having to make a larger one to pay it off.

Why did they sign the papers at First Mercantile after they had finally learned how much they would have to repay? "After you're in Philadelphia, it's too late," Mr. F. said.

Since then, the F's have gone back to the consumer discount companies in Philadelphia, paying off the First Mercantile loan with a loan from another company. They had needed money to pay increased property taxes.

"Debt is a vicious circle," Mr. F. said. "That's how we got into it. Now how do we get out of it?"

Mr. F. added "if you know anybody who wants to buy a radio for $500, send him around."

YOU HAVE A FRIEND IN CAMDEN

If you want to pay $384.50 for a $99 television set, you might try answering the advertisements of Paul Truran, 22 Haddon Ave., Camden.

Truran doesn't advertise television sets. He advertises loans. He is licensed by the New Jersey Department of Banking and Insurance as a second mortgage lender.

Mr. and Mrs. B (not their real initial), Middlesex County homeowners, wanted to borrow $1,500 in May. Ironically, they wanted to borrow the money to pay department store bills because they had just learned they were paying 18 per cent a year interest on their revolving accounts. The B's decided that they would get a six or seven per cent loan and save interest money.

A friend passed along a direct mail advertisement from Truran. The ad announces, "You have a friend in Camden!" and offers to lend $1,600 for payments of $36.15 a month for 60 months, and to lend $3,000 for payments of $67.79 a month for 60 months.

These figures amount to a simple actual interest of 14 per cent, the maximum allowed under the Second Mortgage Loan Act. In the terms usually used by banks when figuring mortgages rates, this is just over seven per cent a year.

The B's called the phone number on the advertisement. An operator took their name and number. Two days later someone called and asked if they had applied for a loan from Truran. When the B's said yes, the caller told them their loan had been approved and that they should come to 21 South 21st St., Philadelphia, the next day to get the money.

The man who met them at the address—the office of National Consumer Service—told the B's they would have to borrow enough money to pay off a previous home improvement loan besides the $1,500 worth of bills they had applied to have paid.

The B's had not wanted to pay off this $2,000 loan, which was from a New Jersey bank, because they were satisfied with its terms—and should have been. The interest and fees on their bank loan were a fraction of what they're paying in interest and fees now.

Then the National Consumer Service representative sprang a surprise. After all the figures were added and terms agreed upon, he mentioned that there would be certain expenses not covered in the loan.

The man assured Mr. and Mrs. B that the cost of getting the loan in New Jersey would be much higher, and so National Consumer's charges really would be a favor to them. Besides, they were told they wouldn't go away empty-handed. They would get a television set for their trouble, a set the man said was worth $100.

"There are certain fees we are allowed by law to charge for making this loan," the B's quote the man as telling them. On this basis, the unwanted $100 television set cost them $384.

It is difficult to understand what law he was referring to.

New Jersey Law (the Secondary Mortgage Loan Act of 1965) says, "The borrower shall not be required to pay any commissions, finder's fees or points for the obtaining, procuring or placing of a secondary mortgage loan," and provides fines of up to $1,000 for each violation.

Pennsylvania law (the Consumer Discount Company Act of 1937, amended in 1963), is much wordier but provides the same restriction.

It also says anyone engaging "either as principal, employe, agent or broker, in the business of negotiating or making loans or advances of money or credit" where the interest is discounted (subtracted in advance) and the net proceeds are less than $3,500 must be licensed under the act. National Consumer Service has no such license.

The New Jersey Secondary Mortgage Loan Act provides further that, "No obligation arising out of a secondary mortgage loan shall be enforceable in the courts of this state unless such loan was negotiated and made in full compliance with the provisions of this act."

A well-known New Jersey attorney has expressed the opinion that under this act there may be no legal way to compel the B's to pay back their debts.

STEREO MORE

The B's say they told the National Consumer Service representative they didn't want the television because they had just bought a used one. They say the representative then offered them a stereo for $48 more. The B's took the television.

"What we really should have done," Mr. B said later, "was to have walked out. But by the time you get down there to Philadelphia in rush hour through the center of town—what can you do?"

The B's relied on what the representative told them the law said, and decided there was nothing they could do but accept the money National Consumer Service offered them.

According to the B's signed statement to The Evening News, the man told them they had to get the checks written out and photostat the bills, and he went to the door.

"Where are we going?" the B's asked. "We're just going around the corner," they quote the man as telling them.

They went to People's Consumer Discount Co., 2121 Chestnut St. That is where the money was coming from. National Consumer Service was just a broker.

People's Consumer Discount Co., is licensed under the Pennsylvania law, but not under New Jersey's. It is not even registered in the Secretary of State's office in Trenton as a corporation doing business in New Jersey.

SUBJECT TO STATE

The Rules and Regulations of the Secondary Mortgage Loan Act say, "Notwithstanding the place of execution, nominal or real, of a secondary mortgage loan, if the real property is located in this State, said secondary mortgage loan will be deemed to be subject to the Secondary Mortgage Loan Act of 1965 and all other laws of the state of New Jersey."

The rules and regulations of the act say, "The borrower shall be given a copy of every paper he is called upon to sign." The B's did not get copies of the papers they signed.

They got three things in the mail a few days after the signing: a payment book, copies of the insurance policies, and a closing statement from People's.

FORTY-EIGHT PAYMENTS

The statement said they would make 48 monthly payments of $102.41, a total of $4,915.68. This is where it said the money went: $2,086.28 to pay off the home improvement loan; $384.50 to National Consumer Service Co.; $875.21 to the B's to pay their bills; $1,400.96 discount; $15 service charge; $147.48 life insurance; $6.25 entry fee.

Even allowing for the $384 television set and other charges, subtracting the discount, or interest, from the face amount of the note leaves $3,514.72 as proceeds.

Under New Jersey law, the most that could be charged for interest on this amount for four years is 14 per cent simple, or $1,004.62. That is $396.34 less than the B's are paying.

GET $2,961

But the B's did not receive $3,514.72, they received only $2,961.49. The maximum fees of any kind the Secondary Mortgage Loan Act allows are $50 for appraisal, $15 for credit investigation, $50 for search, $5 per document recording fees, and five per cent of the loan for attorney's fees.

In the B's case, with the insurance and interest thrown in, the maximum four-year note the law allows for receipt of $2,961.49, seems to be $4,444.02, or $471.66 less than they are paying.

But the apparent discrepancies in the B's transactions are not limited to the apparent overcharge.

The Secondary Mortgage Loan Act says, "It shall be unlawful for any person to cause to be placed before the public in this State, directly or indirectly, any false or misleading advertising matter pertaining to secondary mortgage loans or the availability thereof."

Truran's advertisement offered "proceeds" of $3,500 for payment of $79.09 a month. The B's received $2,961.49 and are paying $102.41 a month. There are several reasons.

First, the advertisement offers loans of 60 months which the New Jersey law allows. But the B's loan was for only 48 months because that is the maximum time the Pennsylvania law allows on discount loans with proceeds of less than $3,500.

The Evening News checked out eight mortgage loans resulting from a response to Truran's advertising. Every one of them was for three or four years. Yet Truran's ads don't mention three or four year rates, only the cheaper five-year rates.

TV PRICES HIGH

Second, Truran's advertisement doesn't mention anything about buying furniture or appliances.

But in every Truran-originated transaction The Evening News probed, the borrower had to buy, or be "given", a television set, stereo or some other article, except for one case where the borrower reported paying a $286.36 agent's fee and receiving no merchandise for it.

The purchase price always turned out to be many times the value of the article.

Third, Truran's advertisements say, "We can lend you the money you need." But Truran told The Evening News in an interview that he is not a money lender, he is a broker. The money comes from other sources.

The same is true of National Consumer Service.

As of last week, Truran had signed 107 loans secured by mortgages on Middlesex County property in his own name, dating back to November 26, 1965 (the Secondary Mortgage Loan Act went into effect September 7, 1965), according to mortgage records at the county office building in New Brunswick. The records show 105 mortgages assigned by Truran to other holders.

Truran has assigned 40 mortgages to M. Lippincott Mortgage Investment Co.; 28 to Mutual Home Dealers Corporation, Pennsauken; 26 to Freedom Discount Co., Newark; and 11 to American Pacific Investments Co., Philadelphia.

LOANS TRACED

But The Evening News has traced loans signed by People's Consumer Discount Co., Philadelphia, to Truran's advertisements. One of those loans is the one the B's received.

Between May 20, 1966, and last week, People's filed 173 mortgages on Middlesex County property with the mortgages and deeds office in New Brunswick. There is no record there of People's having assigned any of these mortgages to other collectors.

National Consumer Service filed two mortgages on Middlesex County property in the spring of 1967, and assigned both to First Mercantile Co., Philadelphia.

New Jersey laws also provide penalties for anyone who "misrepresented or failed to disclose any of the material particulars of any secondary mortgage loan transaction to anyone entitled to such information" or "otherwise demonstrated unworthiness, bad faith, dishonesty or any other quality indicating that the business of the licensee has not been or will not be conducted honestly, fairly, equitably and efficiently within the purposes and intent of this act."

A "CONSUMER LOAN"

One family said that at National Consumer Service they were told that they were not signing a second mortgage. They said the man at the NCS office told them he could not give them a five-year loan because that would require a second mortgage and "it would have to go through Trenton."

They said the man told them they were getting a "consumer's loan," which would have a lower interest rate than a second mortgage. That is why they were required to purchase a 12-inch Japanese import television set for $350.

Another family said they were told the television set would cost them nothing. "This is a gift for the children," they quoted a man at National Consumer Service as saying.

A POOR WAY

They said the representative told them someone had given him 65 television sets and a bunch of stereos as payment for a loan. They quoted him as telling them, "It's a poor way to do business, but it's better than nothing."

After giving them this "gift", the representative told them they had to sign one of the checks from their loan for about $450 back to him to pay for having the lawyer draw up the papers. A lawyer, whose name is on the mortgage as witness, directed this transaction, they said.

The name of the mortgagee on their mortgage is "Paul Truran."

The B's and other borrowers who have dealt with Truran, National Consumer Service and People's Consumer Discount Co. say they were required to buy insurance on their loan as part of the loan itself.

The insurance has come from Georgia International Life Insurance Co. The same name is signed on policies as "resident agent" for the life insurance company that is signed on mortgages as a representative of Peoples Consumer Discount Co.

The B's say in their statement that they told the man at National Consumer Service they did not want additional insurance, that they had more than enough insurance to cover repayment of the loan if Mr. B. died. They say they were told they had to take the insurance as part of the loan.

When the insurance policies came in the mail, they said at the top in large type, "Noncompulsory Insurance voluntarily purchased by the applicant." The B's say they didn't see these papers when they signed for the loan. Other borrowers say the same.

The B's got a laugh out of it at the time, but they could benefit more if the obligation cannot be enforced under the Secondary Mortgage Loan Act. The act forbids secondary mortgage lenders to compel borrowers to buy life insurance from them for the loan.

The law also says, in section 7(c), "No licensee shall transact the business provided for by this act under any other name or maintain an office at any other location than that designated in the license."

It also says lenders applying for a license must tell the Commissioner of Banking and Insurance "the address where the business is to be conducted." It says the address will go on the license, and that the licensee must inform the commissioner of any change.

Truhan is licensed to do business at 22 Haddon Ave., Camden. But in every case The Evening News investigated the borrower reported signing at 21 South 21st St., Philadelphia.

Early in 1966, the Consumer Credit Division of the Department of Banking and Insurance, which is charged with enforcing the Secondary Mortgage Loan Act, questioned Truhan about reports that he was doing business elsewhere than his licensed office.

FINE OF $1,000

Truhan replied that he did not know the law restricted his business to his licensed office.

On June 8, 1966, R. Bruce Firman, chief of the Consumer Credit Division, wrote to Truhan, "We administratively interpret section 7(c) of (The Secondary Mortgage Loan Act) to mean that a secondary mortgage loan shall not be closed, instruments or documents shall not be executed and funds shall not be disbursed at any other location than that designated in the license.

"If after being put on notice of the department's position in this matter a licensee continues to conduct its business in violation of the aforementioned section, we would recommend to the commissioner that the department proceed under section 28 of the act."

Section 28 provides fines up to $1,000 for each offense against the act.

AGREES IN LETTER

Truran wrote back to Firman, "Effective July 15, 1966, all business will be transacted from my office at 22 Haddon Ave., Camden."

All the loans The Evening News investigated where Truran was listed as mortgagee were signed in 1967, and in every case the borrower reported signing the loan at 21 South 21st Street, Philadelphia.

Truran's advertisements, which have been mailed out widely to homeowners this year, are marked "U.S. Postage Paid Phila., Pa."

The law also says, "No licensee shall make or negotiate any secondary mortgage loan unless it shall appear, from satisfactory evidence furnished by the applicant, that the holder of every existing mortgage upon the property offered as security for the secondary mortgage loan, other than the licensee, has declined to make a loan in the desired amount on the security of another mortgage upon such property."

NOT TOO FRIENDLY NOW

All the borrowers The Evening News questioned who have obtained loans through Truran, National Consumer Service and People's Consumer Discount Co. say no one ever mentioned to them the idea of getting the money through a renegotiation of their first mortgage. Most of them say they never consulted their first mortgage holder about the money.

They also say they received no advance written notice that they could bring an attorney of their own chcosing to the closing of the loan, as the rules and regulations under the Secondary Mortgage Loan Act require.

Paul Truran's advertisements proclaim, "You have a friend in Camden!"

Mr. B isn't feeling too friendly toward Truran now. He sees the same model television set for which he paid $384.50 on sale at a local department store for $99.

RECEIVED $1,460—OWE $2,874

The tentacle arms of the loan brokers, whose possibly illegal operations have been described in the first two parts of this series, lead to giant corporations that hold millions of dollars in installment notes.

If the Secondary Mortgage Loan Act is enforced, these companies may face a crisis.

The law says, "No obligation arising from a secondary mortgage loan shall be enforceable in the courts of this State unless such loan was negotiated and made in full compliance with the provisions of this act."

A well-known New Jersey attorney has expressed the opinion that under this act there may be no legal way these corporations can compel the borrowers to pay their debts.

How much do these corporations know about the means that were used to obtain signatures on many of the loans they are collecting?

Evidence uncovered in The Evening News' three-month investigation into the secondary mortgage loan business shows that these corporations must have known how the loans were obtained and how the transactions were handled—or by reason of the volume they handled they should have known.

There also seems to be relationships between these corporations and those who procured these loans and handled them in the manner described.

On its secondary mortgage lender license application dated Oct. 31, 1966, Mutual Home Dealers Corp., 4305–4307 Westfield Ave., Pennsauken, listed assets of $7,489,478.02. Of this, $7,120,280.13 was listed as "notes receivable."

Mutual Home Dealers' money has been lent through a number of agencies whose apparent violations of the Secondary Mortgage Loan Act range from relatively minor to rank and flagrant.

Borrowers who have answered the advertising of one of these agencies often have wound up dealing with one or more of the others.

Two of these agencies are Paul Truran and National Consumer Service, whose practices already have been described in this series.

Another is Crescent Investments Company, Haddon Avenue and Federal Street, Camden.

From May 31, 1966, to last week, Crescent assigned to Mutual Home Dealers 149 mortgages on Middlesex County homes. This was the same number of mortgages Crescent filed in the Middlesex County mortgages and deeds office during this time.

Of the eight The Evening News checked, six were for more than $4,000 and the other two were for more than $3,000.

It is difficult to determine whether the borrowers were charged more than the Secondary Mortgage Loan Act allows for these loans because Crescent did not give the borrowers whom The Evening News interviewed copies of the papers they signed.

The borrowers say they were not informed orally or in writing of the charges they had to pay on the loan.

The rules and regulations of the Secondary Mortgage Loan Act say, "At the time a secondary mortgage loan is made, the licensee shall deliver a closing statement to the borrower setting forth the net proceeds of the loan, itemized fees incurred or disbursed, interest charge, full amount of the loan and the terms by which the loan is to be repaid.

"The borrower shall be given a copy of every paper he is called upon to sign."

In all of the cases The Evening News checked, the borrowers reported that Crescent failed to comply with these provisions.

NO OTHER PAPERS

For example, a Port Reading couple, signed a four-year $3,158.40 mortgage loan with Crescent this May. They received a list from Crescent of the money that went out to them and their creditors. It totaled $2,100.

They received no other papers. They say they were not told that they would have to pay any fees or charges on the loan other than interest.

But interest of $1,058.40 on a four-year loan of $2,100 would be about $400 in excess of that allowed by the law.

A couple from North Brunswick received a list from Crescent of funds disbursed for them totaling $3,000 (although they say in a signed statement to The Evening News that Crescent withheld $50 of this money "to pay for life and accident and health insurance").

But the R's signed to repay $4,436.16 over four years.

The difference of $1,436.16 is nearly $500 above the legal maximum that Crescent could have charged for interest. The R's statement says they were not told of any other charges on the loan.

NOT NOTIFIED

The R's also say they were not given advance written notice that they could bring an attorney to the closing. The rules and regulations under the law require this.

In its license application with the Department of Banking and Insurance, Crescent lists as a stockholder a name that is registered with the Secretary of State's office as an incorporator and former agent of Mutual Home Dealers.

Crescent is licensed by the Department of Banking and Insurance as a second mortgage lender. On its license application dated Nov. 11, 1966, Crescent listed its assets as $2,001. It listed its notes payable at $3,000.

With probably half a million dollars in loans to Middlesex County homeowners alone in the past year, Crescent obviously isn't relying on its own money.

The Evening News found many borrowers who had answered Crescent's advertisements only to find themselves in the hands of some of the agencies already described in this series.

APPOINTMENTS SET

After they gave credit information to Crescent, a representative told them Crescent could not grant them a loan, but that Crescent had arranged for them to get the loan at National Consumer Service, 21 South 21st St., Philadelphia.

These customers said Crescent gave them a specific time and date to go to National Consumer Service and thorough directions on how to find it.

When they got to National Consumer Service, they were met by men who had all the information they had given to the representative from Crescent.

They received the usual "free gift," often a radio that sells at local department stores for about $10, or the same 12-inch Japanese-made television set that has become virtually a grey badge of foolishness among area borrowers.

For the "free gift" they wound up paying from three hundred to five hundred dollars.

For example, Mr. and Mrs. G (not their real initial) of Middlesex were allowed to choose a gift from a catalog and chose a dinette set whose price was listed clearly as $89.

Among the proceeds of their loan was a check for $708.59, made out to them. They were required to sign the check over to the man at National Consumer Service to cover his fees and the investigation. He gave them a check for $211.59 as change.

Crescent also sends borrowers to Eastern Home Products, 1401 Reed St., Philadelphia.

The Crescent representative sets up appointments, tells the borrower exactly where to go and what to bring with him in the way of bills, payment books and mortgage or deed papers, and turns over to Eastern Home Products the information the borrower supplied when applying to Crescent.

Eastern Home Products offers the same "free gift" setup as National Consumer Service. In fact, borrowers have reported talking to a man with the same name at both buildings, and Eastern Home Products gives the same model 12-inch Japanese import TV sets that National Consumer Service does.

When telling borrowers that they had to sign back several hundred dollars of the proceeds from their loans, the man at Eastern has said that some of the money goes back to Crescent for referring the business.

In addition to the fees they pay to National Consumer Service and Eastern Home Products, borrowers have been charged interest on their loan that is at least the maximum allowed under Pennsylvania law. This is considerably more than is allowed under New Jersey law.

The Secondary Mortgage Loan Act says, "The borrower shall not be required to pay any commissions, finder's fees or points for the obtaining, procuring or placing of a secondary mortgage loan, and such commissions, finder's fees or points, if any, shall be paid by the licensee and only to licensed real estate brokers, attorneys at law of the State of New Jersey or licensees under this act."

LICENSES DIFFER

Crescent Investment Co. is licensed under the act. National Consumer Service and Eastern Home Products are not.

That the loans were signed in Pennsylvania does not deprive the borrower of the law's protection. The law's rules and regulations say, "Notwithstanding the place of execution, nominal or real, of a secondary mortgage loan, if the real property is located in this State, said secondary mortgage loan will be deemed to be subject to the Secondary Mortgage Loan Act of 1965 and all other laws of the State of New Jersey."

The law says, "Any person who shall knowingly violate any provision of this act or shall directly or indirectly counsel, aid or abet such violation shall be liable, in addition to all other penalties and forfeitures imposed by this act or by any other law, to a penalty of not more than $1,000.00 for each offense."

IN ASBURY PARK

Mutual Home Dealers Corp. money was lent at the office of National Consumer Service by Paul Truran, whose activities were discussed here yesterday, and by an agency named Equity of Asbury Park.

Equity of Asbury Park was licensed to do second mortgage loan business at 200 Main St., Asbury Park, until the license expired at the end of 1966. The company also was licensed briefly at locations in Hazlet and Newark.

All of the Equity of Asbury Park loans The Evening News has investigated were signed either at the office of a National Consumer Service or at another loan company whose apparently illegal activities will be revealed later in this series.

ASSIGNED IMMEDIATELY

All the loans The Evening News has investigated that were signed by Truran or Equity of Asbury Park at the office of National Consumer Service and assigned immediately to Mutual Home Dealers involved fees collected on overpriced merchandise.

The signing of many of these loans, which have at times originated with responses to Crescent advertisements, was witnessed by Robert S. Hass, a lawyer with offices at 1530 Chestnut Street, Philadelphia.

From that office, Hass operates the MHD Consumer Discount Co., of which he is incorporator and director. MHD's letterhead says it is "an affiliate of Mutual Home Dealers Corp." According to Hass, MHD is a wholly owned subsidiary of Mutual Home Dealers.

Applicants to Crescent have had their loans arranged through MHD. All the loans MHD has signed that are secured by mortgages on Middlesex County homes have been to borrowers whose original mortgages have been paid off. Thus these loans do not appear to be subject to the Secondary Mortgage Loan Act.

Hass' exact relationship with Mutual Home Dealers, Truran, National Consumer Service and Equity of Asbury Park is not clear even in his own mind.

Truran wrote to the Consumer Credit Division of the Department of Banking and Insurance, which is charged with enforcing the Secondary Mortgage Loan Act, that Hass is his attorney, with his office at 21 South 21st St., Philadelphia.

A "Mr. Rodney" at National Consumer Service told The Evening News that Hass once had law offices in the same building as National Consumer Service, but that there was no other connection. He said Hass had moved out.

Hass told The Evening News that he never had an office in that building. He said National Consumer Service had posted his name on its door at one time, but that after he complained for several months, they took it off.

Hass said he went to that building to close deals for Mutual Home Dealers.

DOESN'T KNOW

When The Evening News asked Hass whom he represented at these closings, he said he did not know the legal answer, but that he got the jobs from Mutual Home Dealers.

When an Evening News reporter went to National Consumer Service and inquired for Mr. Truran, the man who answered the door said Mr. Truran had left (it was 5:30 p.m.).

Then "Mr. Rodney" came into the room. He said Truran had occasionally come there to close a deal, but had not direct connection with National Consumer Service.

Truran's application for a secondary mortgage license, on file with the Consumer Credit Division, is notarized by a man who lists his notary office at 21 South 21st St., Philadelphia. The man's name is listed on incorporation papers in Harrisburg as a director of National Consumer Service.

Truran, like other second mortgage licensees, has to file $5,000 bond with the division. Truran's bonding was witnessed by a man whose last name was "Hass" (the first part of the signature is illegible).

TRURAN QUESTIONED

On one of Truran's transactions, the borrowers complained to the Consumer Credit Division about the high price of the free gift they got. The division questioned Truran about how he could sign a loan at 21 South 21st St., Philadelphia, when he is licensed to do business only at 22 Haddon Ave., Camden.

Truran answered that he signed the loan at the 21st Street address because that was the office of his attorney ——— Hass. He described the transaction like this:

The "checks were drawn on Provident Abstract Co., the company owned by Mr. Robert Hass, my attorney. Mr. Hass represents myself, as well as Mutual Home Dealers Corp., who is the primary lender. He is bonded by Mutual Home Dealers and it was suggested he represent me and them at all settlements. It was his duty to make sure all papers are signed and executed properly on my behalf as well as Mutual's."

"After the checks were disbursed to Mr. and Mrs. ——— (the complainants), they purchased furniture from the National Consumer Service Co. for $412."

REFUND ARRANGED

Truran wrote that when he learned of the borrowers' complaint to the state, he "contacted my attorney, Mr. Hass, who made arrangements with National Consumer Service to refund the $412 for the purchase of the furniture which was returned."

Truran's office, 22 Haddon Ave., is in a small building, the first floor of which he shares with the offices of two lawyers. One of the lawyers is listed in Trenton as the New Jersey agent for National Consumer Service, with its office at 22 Haddon Ave.

The apparent violations of the Secondary Mortgage Loan Act involved in the transactions with Mutual Home Dealers money at 21 South 21st St. extend beyond the overcharging and the lack of proper licensing.

SOME ARGUE

Borrowers say they were told in certain terms that they were not signing second mortgages on their houses. When The Evening News told the borrowers that second mortgages on their homes were registered in the county office in New Brunswick, the borrowers argued with the reporter for some time.

One man yelled, "I told that ——— if it's a second mortgage, forget it." He said he had been assured it was not.

Another borrower, calmer but no less angry, said that a representative of National Consumer Service assured him no second mortgage was involved in his loan.

The loan was signed on Equity of Asbury Park and is being repaid to Mutual Home Dealers.

DIDN'T KNOW TOTAL

The borrowers in this transaction also said no one told them they would have to return $400 to National Consumer Service for getting them the loan until after they signed. They say they did not know the full amount they would have to pay back until the insurance papers came in the mail several days later.

The sheaf of papers that a borrower is called upon to sign to get a loan, all in fine print and often in legal jargon, is such that many borrowers give up trying to understand them. They rely on the promises of the agent they are talking to.

"I would never have signed if I thought it had something to do with the house. I would have walked right out of there. He told me it was just on my signature." These are the words of one borrower who signed mortgage at 21 South 21st Street.

The law prescribes penalties for anyone who "misrepresented or failed to disclose any of the material particulars of any secondary mortgage loan transaction to anyone entitled to such information;"

Or "otherwise demonstrated unworthiness, bad faith, dishonesty or any other quality indicating that the business of the licensee has not been or will not be conducted honestly, fairly, equitably and efficiently within the purposes and intent of this act."

NOT SUGGESTED

The law also says no one can give a "secondary mortgage loan unless it shall appear, from satisfactory evidence furnished by the applicant, that the holder of every existing mortgage upon the property offered as security for the secondary mortgage loan, other than the licensee, has declined to make a loan in the desired amount on the security of another mortgage upon such property."

Many of the borrowers The Evening News talked to never thought of going to their first mortgage holder for the money (often their first mortgage could have been renegotiated much more cheaply), and say in signed statements that no one suggested it to them during the course of their loan transactions.

INSURANCE REQUIRED

Borrowers of Mutual Home Dealers money at 21 South 21st St., Philadelphia, say they were required to buy insurance from the lender as part of their loan. The law says they cannot be required to buy insurance from the lender.

They say they were not given copies of the papers they signed, and that they received no advance written notice that they could bring an attorney to the closing. The rules and regulations of the Secondary Mortgage Loan Act require such copies and such notice.

It would seem that the companies also could be questioned under the Pennsylvania Consumer Discount Company Act, passed in 1937 and amended in 1963.

The act forbids anyone but a licensed Pennsylvania corporation to "engage in this Commonwealth either as principal, employe, agent or broker, in the business of negotiating or making loans or advances of money or credit in the amount or value of ($3,500) or less, and charge, collect, contract for or receive interest, discount, bonus, fees, fines, commissions, charges, or other considerations which aggregate in excess of six per cent per year on the amount actually loaned or advanced.

The law says violators "shall be guilty of a misdemeanor" and are subject to fines of not less than $500 nor more than $5,000, and imprisonment of not less than six months nor more than three years.

NO LICENSES?

According to the Pennsylvania Department of Banking, no license has been issued to National Consumer Service, Eastern Home Products, Paul Truran, Equity of Asbury Park or Mutual Home Dealers.

One South Plainfield couple signed a total note of $2,874.24, to be repaid over four years.

It was signed at 21 South 21st St. The mortgagee was Equity of Asbury Park. The notary was a director of National Consumer Service. The return address on the papers filed in Middlesex County was Robert S. Hass' law offices. The loan was assigned immediately to Mutual Home Dealers.

Of the $2,874.24, the couple actually received only $1,460.91, according to signed statements.

Under the Second Mortgage Loan Act, if the couple had been charged the maximum legal fees for search, appraisal, credit investigation, recording, insurance, and legal work—everything the law allows—plus the maximum legal interest, the most they could be required to pay back over four years would be $2,315.19.

The difference—the apparent excess charge—is $559.05.

One borrower in similar circumstances said he called National Consumer Service to complain and talked to a representative who told him that if he thought interest rates were too high, he should complain to President Johnson. They told him that's who was responsible.

"That's How These Guys Get By"

New Jersey borrowers are being led by licensed New Jersey second mortgage dealers to Philadelphia consumer discount houses that lend money at interest rates far above those allowed in New Jersey.

These consumer discount companies cooperate in delivering hundreds of dollars from the proceeds of these loans to the New Jersey agencies and to several Philadelphia agencies as brokerage fees.

They handle the transactions by delivering to the borrower merchandise that is worth only a fraction of the fee the agency actually collects. The borrowers often are told they are getting the merchandise as a gift.

Thus the borrowers wind up signing papers for $519.50 for a 12-inch black-and-white television set, or $630.66 for a dinette set clearly priced in a catalog at $123. Often the borrowers don't know what they are signing.

New Jersey law exempts borrowers from having to pay brokerage or agent's fees on secondary mortgage loans.

A well-known New Jersey attorney has expressed the opinion that loan companies that violate the act may not have a legal means of compelling the borrower to repay his debt.

These Philadelphia companies hold notes for the payment of millions of dollars in obligations obtained from New Jersey homeowners through secondary mortgage loans.

Sometimes the borrowers sign to pay back nearly twice the money they actually receive to pay their bills. The rates are much higher than those listed on the advertisements the borrowers answer. The advertisements come in the mail or are found in some New Jersey newspapers.

The borrower usually is taken to Pennsylvania or he is directed by the New Jersey agent where to go there, he listens to a lot of talk about laws and interest rates that he does not understand, he is given a pile of papers to sign, he is told that everything is proper and legal, and he signs.

In some cases the borrower signs without knowing he will be paying a large brokerage fee in return for the radio he was "given." Many borrowers have signed statements for The Evening News saying they were told they definitely were not signing second mortgages when actually they were.

Virtually none of the dozens of borrowers The Evening News talked to in connection with these companies knew his rights under the Secondary Mortgage Loan Act.

The rules and regulations under the act require companies to give borrowers advance written notice that they can bring attorneys of their choosing to the closing. Every one of the borrowers The Evening News has talked to in connection with these companies has denied being given such information.

Among the licensed New Jersey dealers whose advertisements frequently have led borrowers to one or more Philadelphia consumer discount companies are Crescent Investments Co., Paul Truran and Security National Fund.

Crescent has advertised 60-month loans with proceeds of $1,000 for monthly payments of $22.60; $1,500 for monthly payments of $33.90; $2,500 for monthly payments of $56.50; and $5,000 for monthly payments of $113.

The advertisement gives rates only for 60-month loans, and says "Pick any amount you need." The Philadelphia companies to which Crescent refers many borrowers are forbidden by Pennsylvania law from giving loans of more than 48 months.

Some borrowers who answered the advertisement have been directed by a Crescent representative to Eastern Home Products, 1401 Reed St., Philadelphia.

NOT LICENSED

Eastern Home Products is not licensed by Pennsylvania law to engage "either as a principal, employe, agent or broker, in the business of negotiating or making" discount loans with a net proceeds of less than $3,500.

Mr. and Mrs. T. (not their real initial), area homeowners, say in a signed statement they were told by a Crescent representative when to go to Eastern Home Products, how to get there, and what to bring with them in the way of bills and papers.

At 1401 Reed St., the representative of Eastern Home Products computed their loan and mentioned that he would take three hundred and some dollars as fees for himself and for Crescent.

JERSEY TIGHTER

According to the T's signed statement in The Evening News' files, the representative told them Crescent recommended many people to him because laws were tighter in New Jersey. He said that to protect Eastern Home Products against Pennsylvania law, he would give the T's a television set for the money.

Then a man from Eastern Home Products drove the T's to Oxford Consumer Discount Co., 2233 North Broad St., Philadelphia, where they signed their loan. The representative of Oxford told them that in future dealings, they should go directly to Oxford so they would not have to pay the $369 fee to Eastern Home Products.

They say the representative of Oxford told them the $369 was lost to them. "That's how these guys get by," he told them.

The T's are paying Oxford $102.41 a month on a 48-month note of $4,915.68, secured by a mortgage that they signed on their New Jersey home.

Yet they actually received only $2,829.49 in money they could use to pay their bills. Oxford's statement lists $394.30 as going to the T's above the amount of the payments to their creditors, but they had to pay $369 of it to Eastern Home Products.

Under New Jersey law, the most they could have been charged on receipt of $2,829.49, even had they been required to pay the maximum fees and interest allowed, including insurance, would appear to be $4,501.10, or $418.58 less than they are paying.

FORTY-NINE MORTGAGES FILED

As of last week, the various offices of Oxford Consumer Discount Co. in the Philadelphia area had filed 49 mortgages on Middlesex County property securing loans they made to county homeowners since the secondary Mortgage Loan Act went into effect. Sept. 7, 1965. Much of this business was transacted entirely by mail.

Eastern Home Products had filed three such mortgages, but assigned them all for payment to First Mercantile Co., whose activities were described in the first part of this series.

Incorporation records in Harrisburg show the same three names as incorporators of both Eastern Home Products and First Mercantile Co.

The three men are principals in Corporation Guarantee and Trust Co., whose New Jersey office is listed as agent for both First Mercantile and Eastern.

Another area couple was sent by Crescent through a Philadelphia office to Equitable Consumer Discount Co., 674 North Broad St., which changed its name in January to Fidelity Consumer Discount Co. Equitable Consumer Discount Co. was not registered in the Secretary of State's office, Trenton, to do business in New Jersey.

The couple signed a four-year mortgage loan for $3,840, of which they actually received only $1,930.20. Equitable's statement lists another $500 as going to Montgomery Supply Co.

According to a signed statement in The Evening News' files, it was claimed that the loan was arranged by a man who said he represented Montgomery Supply Co., and who required the couple to sign a receipt either for a stereo, a television set or $100 in money, and that they chose to take the $100 for $500.

Documentary evidence ties Equitable to the New Jersey office of Paul Truran and National Consumer Service. Other documents show Robert S. Hass has acted as attorney for Montgomery Supply Co. Hass' ties with Truran and National Consumer Service were discussed here yesterday.

NEW OFFER

After a customer has been paying to Equitable some time on one loan, he may get a letter saying, "Dear —, Can you use 300 more or less, without increasing your present payments? Your credit is good here and you can borrow as much as $3,000 or more whenever you need it."

One area couple wrote back that they would take the extra money. They received $333.74.

For that money, in a transaction completed entirely by mail, Equitable raised their mortgage debt from a balance of $2,958 to a balance of $4,176.

Thus Equitable is collecting an extra $1,218 for advancing $333.74.

Major Consumer Discount Co., 3135 North Broad St., Philadelphia, also gets New Jersey customers through Crescent and National

Consumer Service. Other New Jersey customers have come through American Service Associates, 6724 North Broad St., Philadelphia.

Pilgrim Consumer Discount Co., 1652 Point Breeze Ave., Philadelphia, gets customers through the advertisements signed by Security National Fund, Pennsauken, whose customers are directed to Patlind, Inc.

RIGHT IN OFFICE

Pilgrim's representative has signed loans right in Patlind's office, where the borrowers had to pay $200 for a cheap lamp or $400 for a low-priced television set in connection with fees for obtaining or placing the loan, which counsel says is illegal under New Jersey law and makes the obligation unenforceable under our law.

Borrowers complain in signed statements to The Evenings News that they were misled on many counts at these Patlind-Pilgrim closings.

In their statements, borrowers have cited these apparent violations of the Secondary Mortgage Loan Act and its rules and regulations:

In some instances, they were told the merchandise was coming to them free and they did not know they would have to sign back part of the proceeds of their loan until the checks were handed to them;

No one suggested to them that they go to their first mortgage holder, where they might have borrowed the money for less cost, which the law requires;

They were told they definitely were not signing second mortgages; when they asked for the 60-month rates in the Security National Fund advertisement, they were told these were available only on mortgage loans and that theirs were personal loans;

They did not get copies of the papers they were called upon to sign;

They did not get advance written notice they could bring an attorney of their choice to the closing.

All of which The Evening News has been advised by a well-known New Jersey attorney makes obligations arising from secondary mortgage loans unenforceable.

They were required to buy insurance on their loans; the insurance was issued by Pilgrim Life Insurance Co., which is just a few doors down on the same street from Pilgrim Consumer Discount Co., and which shares two directors with that company.

It would also seem that the companies whose activities have been described in this article may be questioned under Pennsylvania law as well as New Jersey law.

LAW LIMITS FEES

All the companies mentioned here whose names include the words "consumer discount company" are licensed under Pennsylvania's Consumer Discount Company Act, amended in 1963.

The act limits the "interest, discounts, fees, fines, commissions, charges or other considerations . . ." a borrower can be charged to those that the consumer discount companies mentioned here actually have charged on all the closing statements that The Evening News has seen.

It would seem that this money does not include the extra $500-plus that allegedly went to the borrower, but actually went to National Consumer Service, or some other agency.

The Pennsylvania law also says, "A licensee shall not split or divide any contract so as to obtain charges in excess of those authorized by this act."

The penalty prescribed for violation of the Pennsylvania law is either a fine of not less than $500 nor more than $5,000, or imprisonment for not less than six months nor more than three years, or both.

BROKER NOT FOUND

ABC Consumer Discount Co., 6 Penn Center Plaza, Philadelphia, is another company that has lent money to New Jersey homeowners although it is not licensed under the Secondary Mortgage Loan Act.

The Evening News, has found no cases of ABC's having done business through a broker or participated in overpriced merchandise deals.

But ABC does not give customers copies of the papers they are called upon to sign, or comply with several other features of the New Jersey law.

Borrowers from ABC have reported that insurance was added to their loan without their consent. The insurance was from ABCO Life Insurance Co., which has the same address and two of the same officers as ABC Consumer Discount Co.

By going to the companies described in this article, Middlesex County homeowners have lost hundreds of thousands—perhaps millions—of dollars in apparently illegal charges.

They could all use a lesson from Mr. T., whose case was described at the beginning of this article, and who told a reporter in an interview:

"I would never go for a second mortgage again. If my wife wants to spend more than I make again, I'll shoot her. We're going to work our way out of this."

New Law—Then Business Boomed

The business of lending money secured by mortgages negotiated under questionable conditions at excessive repayment rates now is swinging at least as fast as it was when it alarmed the state legislature three years ago.

The mortgage loan business took a decided stutter step in New Jersey when the Second Mortgage Loan Act went into effect in 1965.

The administration of this act was placed with the commissioner of Banking and Insurance and he issued rules and regulations.

He placed enforcement in the Consumer Credit Division of his department. This division also has supervision and enforcement of other laws pertaining to consumer credit.

It soon became apparent that enforcement was not adequate, and this soon came to the attention of high-price lenders who advertise legal rates but lend at higher ones, the agents who take their $500 off the top for a selling job and a ride to Philadelphia, and the big money men who are only too happy to invest in high yielding consumer loans.

The loan companies involved in The Evening News' exposure of the second mortgage racket in 1964 stopped doing business—at least in Middlesex County—when the law went into effect Sept. 7, 1965.

The exception is Oxford Finance Co., Philadelphia, which was buying mortgages signed by other companies at that time, and now is signing its own mortgages under the name of a subsidiary firm, Oxford Consumer Discount Co. Its methods of operation were described in this series yesterday.

Most of the companies described so far in this series began doing a volume business in Middlesex County in the first few months of 1966—generally about six months after the law took effect.

The record of the one company that was doing volume business here under the same name both before and after the law, First Mercantile Consumer Discount Co., may provide an insight into the industry's reaction to the law

First Mercantile first filed a mortgage in the Middlesex County courthouse Sept. 9, 1964. In the year until the law took effect, it filed 135 mortgages on property in the county.

From the date of the law, Sept. 7, 1965, until Feb. 28, 1966, nearly six months later, First Mercantile filed only three such mortgages.

Then its business resumed in volume, and the company filed 205 mortgages in the next 18 months up to last week. This does not include five additional mortgages in the county filed by a subsidiary firm. First Mercantile of New Jersey, which was born in 1967.

The boom in the lending business has two roots.

One is in the consumer credit crisis among area homeowners that seems symptomatic of a similar crisis throughout the nation.

Borrower after borrower interviewed by The Evening News in preparation for this series listed virtually the same trail of credit trouble.

This is the way it happened to Mr. and Mrs. W who live in a typical Middlesex County home.

The family agreed to open a charge account at a store, when a salesman told them they could clothe all the children at once and pay it off over a number of months. Then they learned that the cost of every new purchase could be added to the charge account, keeping the monthly bill the same.

With payment so easy, the family lost track of the cost of each item. It bought more and more, and the account revolved.

They knew there was a one and a half per cent service charge. But they never stopped to think that one and a half per cent a month was 18 per cent a year, or that the service charge was equivalent to interest.

With this payment added to the monthly payments on the house and car, the family was in no condition to meet emergency doctor bills when Mrs. W. suffered a back injury. So the W's had to go to a finance company.

FURTHER IN DEBT

The finance company, too, kept their account revolving, lending them more money as soon as some of their loan was paid back. When the finance company offered this cash without raising the monthly payment, the W's extended their indebtedness.

Then, when the family's every penny was budgeted, Mr. W's plant stopped providing the overtime work he had become accustomed to. The family could not meet its payments.

Collection agencies made insulting phone calls, and threatened to garnishee Mr. W's wages. Mr. W's boss had already said he would fire workers whose wages were garnisheed.

The W's were ripe for the postcard from Camden, with its panacean promises: Get out of debt now!

As long as life for people like the W's is a race away from the current closest bill collector, the money lenders will be waiting to take their tolls. Unless the law stops them.

That is the second root of the current problem.

MORTGAGE LOAN ACT

On the heels of the 1964 exposure in The Evening News, of the secondary mortgage racket, the legislature passed a secondary mortgage loan act that offered borrowers broad protection. For the most part, its language seems clear and its penalties stiff.

But the Consumer Credit Division already was charged with enforcing laws that regulate time sales, small loans, home repair contracts, credit unions and foreign money remitting, and even with enforcing part of the cemetery act.

Staffing the divison are a chief, an examiner, three investigators and a licenser and his secretary.

The licenser, Herman A. Volz, and secretary have to renew 5,000 licenses a year. Volz complains that they spend a great part of their time hand-stuffing envelopes, and have no time to catch anything but the most glaring discrepancies on the license applications—like failure to post bond.

Chief examiner William Halbach and the three investigators working in his section apparently are doing a conscious job of looking into the complaints of individual borrowers. Halbach even reviewed papers at home on vacation this summer.

Several times they have received complaints about operations similar to the ones described in this series.

SOME WILL "BUY BACK"

At Halbach's strong suggestion, some of the companies mentioned here have agreed to "buy back" the overpriced merchandise they "sold" in connection with loans.

But the work of the examining section seems to end with satisfaction of a particular customer and a report to R. Bruce Firman, chief of the division.

The division never has invoked the penalty sections of the act to deter companies from making repeated overcharges. It never has voided a license for misbehavior by a company.

The worst a company seems to face is the prospect of having to give back the excess charges to the rare customer who complains to the Consumer Credit Division.

Most customers don't know that the division—or even the law—is there. The division makes no effort to find those who have been overcharged.

UNHAPPY WITH LAW

Firman says he is unhappy with the Secondary Mortgage Loan Act the way it stands now, and has drawn up an entirely new act along the same lines to replace it. He hopes his new version will be considered when the legislature reconvenes.

Firman points out that the present act was devised by the Real Estate Commission, which conducted an investigation for the state into the secondary loan business in 1964. Firman says the legislature assigned the law to his divisions for enforcement without consulting him.

Firman's proposed act is stronger than the present act in several important ways, although it lacks the simple, lay-language wording that is one of the strongest features of the present act.

The point Firman stresses most when talking about his proposed new act is its provision for an annual state examination of licensed companies' books, paid for by the licensed companies.

The present law allows the banking commissioner to investigate a licensed company's records if he has reasonable cause to believe someone has violated the act.

IMPORTANT SECTION

One important section of Firman's proposed act requires the licensing of companies that buy second mortgages from the agencies that procure the borrowers and sign the papers. It requires that such companies have New Jersey offices.

This would prohibit the current practice of these agencies' assigning the mortgage to Philadelphia firms that may contend they are unaccountable to New Jersey law.

Other important provisions reduce the maximum five per cent legal fees on such loans from $250 to $125; forbid the use of the word "bank" by these companies; require finance charges to be expressed in the annual actuarial interest rate, and specify the amount of interest to be returned if the loan is paid off before it is due.

However, there appears to be no reason why Firman could not use the present law to clean up the biggest part of the secondary mortgage business now.

Another measure that could help enforce the spirit of the second mortgage loan act is New Jersey Senate bill 37, pending in the Senate Business Affairs Committee. S-37 would prohibit wage assignments in the state. Such assignments as security for small loans were outlawed by the Small Loan Act passed this year.

BARS JOB JEOPARDY

Several pending Assembly bills would prohibit an employer from discriminating against an employee because of a wage assignment against him.

Most of the activities described in this series that apparently contradict provisions of the Secondary Mortgage Loan Act of 1967 have involved Pennsylvania firms signing loans through New Jersey agents, and one large New Jersey company that deals with many of the same agents.

Licensed companies operating wholly within New Jersey have made an effort since the law came into effect at least to appear as if they were following it. Some of the companies The Evening News investigated showed no discrepancies.

But some northern New Jersey companies are making apparent overcharges, though much more subtly than the companies already described.

One practice is to insert an unexplained item into the list of creditors the loan is paying off. The borrower does not get the money listed under the unexplained item, but all the proceeds of the loan are listed in the statement, so the apparent overcharge would not be spotted by someone who didn't know the borrower's real creditors.

Homeowners Finance Co., which had an office at Rt. 27 and Parsonage Road in Menlo Park, signed 111 mortgages on Middlesex County property during the year it was licensed, 1966.

The Evening News checked out several of these loans and on each transaction found among the creditors to be paid off by the loan was the item "FCS."

PROCEEDS OF LOANS

The money to pay this item came from proceeds of the borrowers' loans, and the borrowers had to pay interest on it.

The loan statements from Homeowners Finance Co. say these borrowers owed $85 each to "FCS" and yet the borrowers signed statements to The Evening News that they never had heard of "FCS" and didn't know what it meant.

One couple reported that they became angry when they got home after signing the papers because they found that they were paying $2,448.48 for receiving $1,515 in money they could use to pay off their debts.

They said that after reading Homeowners Finance Co. advertisements, they expected to borrow about $1,600 and repay about $2,000. They say the Homeowners representatives never explained the fees and charges for getting the loan.

They did not bother to read all the papers before signing them. They read them—and learned the true costs of their loan—at home later.

SO MUCH FINE PRINT

Their statement says, "There was so much fine print that if we had read it all we would have been there two hours. The man was talking very fast and telling us where to sign. He talked about each paper as he gave it to us to sign, and we thought he was telling us everything that was on them."

The couple called Homeowners to complain. They were told that to cancel their loan they would have to pay all the fees listed (search, appraisal, attorney, credit investigation, recording—all allowed by the law), plus the $85 to "FCS."

The couple's statement says that the representative told them the "FCS" fee was the company's fee for transacting the business.

The couple did not have enough money to pay the fees so they could not cancel the loan.

Borrowers who signed statements for The Evening News say the proceeds of their Homeowners Finance Co. loans did not come from the office where they signed their loan.

They say the money came direct from Mutual Home Dealers, 4305–4307 Westfield Ave., Pennsauken.

THE SAME COMPANY

They say a representative of Homeowners told them their checks would come from Homeowners' other office in Pennsauken, and told them that Homeowners and the company in Pennsauken that would issue the checks were the same company.

Of the 111 mortgages on Middlesex County property signed by Homeowners, at least 105 were assigned to Mutual Home Dealers. The borrowers The Evening News talked to are paying Mutual Home Dealers.

Homeowners Finance did not renew its license in 1967, and has filed no mortgages in Middlesex County since Jan. 26.

The Evening News found another licensed secondary mortgage firm that seemed to operate in the same way as Homeowners, charging an apparent excess fee by slipping an unidentified item into the list of creditors to be paid off.

That company assigned its mortgages to yet another licensed New Jersey secondary mortgage lender.

OTHER SIGNATURES

To further the appearance of compliance with the law, both Homeowners and the other company required the borrower to sign statements that he had been given advance written notice that he could bring an attorney of his choosing to the closing, and that he had been refused a satisfactory loan by the holder of his first mortgage.

But on questioning, borrowers said the statements were not true and that when they signed the papers they did not know these statements were on them. Borrowers have to sign so many papers containing so much complicated wording in fine print, that they often aren't aware of what they're signing.

Some borrowers have told The Evening News that they have had to pay $100 or $200 to a non-licensed finder in order to get a secondary mortgage loan from a Newark company that otherwise appears to be following the law scrupulously.

They say that they gave this money to the finder in full knowledge of the attorney who negotiated the loan for the loan company and who is a principal in the company's incorporation papers.

DID NOT GET COPIES

In two cases The Evening News investigated, another Newark firm, which didn't give the borrowers copies of the papers they signed, appeared to overcharge by from two hundred to three hundred dollars per loan for the amount it actually gave the borrowers in money they could use to pay their debts.

What can be done to clean up the secondary mortgage business and provide borrowers with honest, reliable sources of loan money?

After months of investigation, The Evening News offers a seven-point program of administrative and legislative action.

1. Continuous investigation of the business by the Consumer Credit Division should begin with either sending staff investigators to check the mortgage records at various county courthouses, or requiring the county clerks to send records of mortgages they file to the Consumer Credit Division. The division then must make random checks with the mortgagors. If the division needs more investigators to do this, it should have them. Police don't enforce traffic laws by sitting at the phone and waiting for complaints.

IMMEDIATE ACTION

2. When the staff investigator files his report, chief R. Bruce Firman should take immediate action under the penalty sections of the law wherever irregularities occur. If a few companies were hit hard with loss of licenses and maximum fines, the other companies might fall into line with the law.

3. County clerks should not record mortgages unless the paper bears the approval of the borrower's attorney, or is accompanied by a signed statement by the borrower acknowledging that he has been advised of his right to an attorney as required by the rules and regulations of the Secondary Mortgage Loan Act. The clerks similarly should not record second mortgages unless the mortgages come accompanied by certification issued by the first mortgage holder that he

will not make the loan under the same or better conditions.

4. The legislature should require licensing of all companies that handle second mortgage transactions, including brokers and primary lenders (the companies that finally collect the money).

5. The legislature should require annual state examination of the books of secondary mortgage loan licensees.

6. The legislature should forbid wage garnishees that force wage-earners into these loans.

BORROWING RULES

Three years ago this week, The Evening News printed six rules for borrowers drawn up by the New Jersey Real Estate Commission. They bear repeating:

1. Sign nothing in blank. Be sure to read the documents, and that includes the "fine print." If you don't understand what you're reading go to someone who does.

2. Be guided by the advice of your own attorney, rather than that of a representative of the mortgage company.

3. Do not release any valuable papers, such as your deed, insurance policies or searches, except through your own attorney.

3. Be wary of such catch-all advertising slogans as "Relieve yourself of all financial worries," or "Consolidate your debts into one tidy monthly package," or "Repay up to 50 per cent less."

5. Do not allow a mortgage company representative to take you out of the state to consummate a deal.

6. Be sure to obtain a complete account or closing statement, thoroughly specifying every expenditure and detailing every charge being levied.

Borrowers who want to learn more about their rights under the law can write for copies of the Secondary Mortgage Loan Act of 1965 to the Department of Banking and Insurance, Trenton.

ABUSES OF LOAN ACT CAN BE STOPPED

Evening News readers now know what secondary mortgage lenders found out about a year and a half ago: The Secondary Mortgage Loan Act of 1965 is not being enforced.

The methods of operation of these lenders, as described in a series of articles by Jonathan Kwitny in The Evening News last week, are a disgrace that was supposed to have been stopped when the law went into effect two years ago.

The law requires the licensing of lenders. It strictly limits the interest and fees they can charge. It appears to cover out-of-state firms placing mortgages on New Jersey properties.

It subjects violators to fines of up to $1,000 for each offense. A well-known New Jersey attorney has expressed the opinion that it appears to deprive violators of enforcing their mortgage debts in the New Jersey courts.

R. Bruce Firman, chief of the Consumer Credit Division of the Department of Banking and Insurance, which is in charge of enforcing the law, says the law needs strengthening. He is right. He has suggested several ways to improve the law and these suggestions merit the careful examination of the legislature.

But that is no reason not to enforce the present law in the meantime. The law has plenty of teeth. It's just that nobody's biting.

The truth is that the Consumer Credit Division is not doing the energetic and resolute job necessary to police a field in which illicit operations are so lucratively rewarded.

Enforcement requires the work The Evening News has just done: Investigation into the mortgage records at county courthouses and then, by interviews with borrowers, investigation into the methods by which the mortgages were signed. Either the division should have another investigator or two to do this kind of legwork, or it should receive from country courthouses records of mortgages filed.

Enforcement also requires a will to invoke the penalty sections of the law once information about an irregularity comes in. For months the division has had enough information in its files to take action against at least a couple of the worst offenders. But action hasn't come.

Here is the seven-point program The Evening News recommends:

1. Continuous investigation by Consumer Credit Division men into mortgage records in county courthouses, with random checks of borrowers who sign with second mortgage lenders.

2. Quick action by R. Bruce Firman, chief of the division, invoking the full penalty sections of the law against violators. This means fines as well as loss of license.

3. Discretion by county clerks in filing second mortgages to ensure that either the companies inform the borrowers of their right to attorney and to renegotiate their first mortgage, or the mortgages will not be recorded.

4. Mandatory licensing of all companies connected with second mortgage transactions, from the company that puts its name on the advertisement to the company that finally buys the paper and collects the payments.

5. Annual state examination of the books of secondary mortgage loan licensees.

6. An end to the wage garnishees that force wage-earners into these loans.

7. Reduction of the high financing rates on charge accounts and retail installment sales.

We are still waiting for the house cleaning we expected two years ago.

HIGH INTEREST RATES TRAP BUYERS

In its investigation of the secondary mortgage business, The Evening News found that the widespread abuses in consumer loans were underlaid by a real and tragic crisis in consumer credit.

Family after family was head over heels in debt.

Hard-working people (many of them hold second jobs) with annual family incomes into five figures are subjected daily to insulting calls by collection agencies ("What kind of a bum is your husband that he won't pay his bills?"). These families budget their income down to last dollar, but still wind up robbing Peter to pay Paul.

In a high percentage, perhaps even a majority, of such cases, the crusher comes when high medical bills resulting from an unexpected illness or an injury are added to a budget already burdened to the limit with installment payments.

Cleaning house in the second mortgage business is not enough. Consumers need help in the situation that drives them into the hands of the kind of lending operations the series described.

The elimination of second mortgage loan abuses calls for elimination of the tremendous credit pressure on the consumer, and that in turn calls for new incentives toward cash purchases.

A free enterprise economy depends upon sufficient credit. But it also can be destroyed by too much credit. A slow-down in the economy could set off a tragic chain of events.

The peace of mind of individual consumers is being destroyed now by bill collectors. Their money is losing a large part of its real purchasing power—the large part that goes for interests, not just on loans, but on all kinds of credit plans and time payments.

The legal maximum interest on some of these credit plans and time purchases obviously is excessive as it stands now.

In turn, consumers who could be getting much more for their money if they paid cash are being locked into line on credit plans, so that they wind up paying a virtually perpetual monthly interest, perhaps, eventually to finance companies and second mortgage dealers.

New Jersey law allows 18 per cent a year (one and a half per cent a month) credit charges on revolving charge accounts. It allows $10 per $100 per year, added on in advance, on retail installment sales (with slightly different rates for cars); that is between 19 and 20 per cent a year in simple terms.

Pennsylvania merchandisers get by on one and a quarter per cent interest a month on revolving accounts. Time sales that are limited to $8 per $100 per year.

If the maximum charges in New Jersey were reduced, sellers might be less inclined to sign consumers for a series of installment payments that may start them on the road to a Philadelphia consumer discount company.

STATE TO INVESTIGATE LOAN CASES—TANZMAN ASKS DEBT RULING

(By Jonathan Kwitny)

New Jersey Banking and Insurance Commissioner Charles R. Howell has announced he will conduct hearings this week on "alleged violations of The Secondary Mortgage Loan Act as set forth in a series of articles appearing in The Evening News" last week.

Meanwhile, Assemblyman Norman Tanzman, D-Middlesex today urged Howell's department to declare "second mortgage loans made by out-of-state companies in violation of present statutes . . . unenforceable in New Jersey.

Howell's investigation and Tanzman's statement were swift reactions to The Evening News' five-part exposure of the practices that have been used by companies that have signed millions of dollars in mortgage loans in Middlesex County alone.

Howell said he had subpoenaed 10 licensed New Jersey second mortgage dealers mentioned in the series to appear in his office Friday. Howell's department is charged with licensing second mortgage loan dealers and regulating their behavior according to the law.

Evening News reporter Jonathan Kwitny, who wrote the series, has been subpoenaed to appear before Howell Wednesday.

Howell said that if his investigation finds dealers who are violating the act, he will start formal proceedings to remove their licenses and will turn his findings over to the office of Attorney General Arthur Sills for possible prosecution under the penalty sections of the act.

The act subjects violators to fines of up to $1,000 for each offense. The Evening News sent Sills a copy of each part of the series as it was published.

The series revealed that some licensed New Jersey second mortgage dealers are acting as agents for Philadelphia loan companies.

It revealed that many loans involve charges that appear to exceed those allowed under the law.

Tanzman, who said his statement was "responding to a series of charges raised by The Evening News," said the Secondary Mortgage Act of 1965, which he sponsored, "has sufficient teeth to significantly reduce any alleged improprieties.

"By taking the position that these loans are unenforceable in New Jersey, the lenders, who knowingly made these loans in violation of state law, must go to the courts to try to collect," Tanzman said.

"This step will have the effect of greatly reducing their operation in this state," he said.

Tanzman said Section 29 of the act "gives the Commission of Banking and Insurance the right to declare unenforceable in New Jersey obligations made in noncompliance with state law."

The section says, "No obligation arising out of a secondary mortgage loan shall be enforceable in the courts of this state unless such loan was negotiated and made in full compliance with the provisions of this act."

The act limits the charges and interest rates lenders can assess against borrowers, and requires the lenders to be honest and frank in their dealings.

Tanzman also said he will offer some amendments to the Secondary Mortgage Loan Act when the legislature reconvenes in November.

"Although there are some weaknesses in the present law it appears that there is sufficient legislation for the state to take vigorous action," Tanzman said.

Tanzman, who also is assistant majority leader, said that Howell and Bruce Firman, chief of the Consumer Credit Division of the department, "have assured me that they will take appropriate action."

"We also have agreed to sit down and discuss certain amendments to the Secondary Mortgage Loan Act to further strengthen the legislation."

Tanzman said he would meet with Howell and Firman in the next few weeks.

CONSUMERS NEED LAWMAKERS' HELP

If the need for a strong federal Truth-in-Lending law required further substantiation, The Evening News' revelations about the secondary mortgage loan business provided it.

If Congress passes the Truth-in-Lending bill now before the House of Representatives, allowing consumers to see the true cost of loans and time purchases, consumers may become aware of the snares before they step into them.

These snares include not just the deals set up by fly-by-night loan brokers, but all kinds of credit plans and time payments, where charges amount to 18 per cent a year (one and a half per cent a month) on revolving accounts.

Unaware of such hidden charges, consumers overburden their budgets with installment payments and are swamped when emergency expenses come along or when their incomes are reduced.

Testifying for the bill, Sen. Robert Kennedy, D.-N.Y., said that "The whole thing is obfuscated (for the consumer) by a welter of gimmicks—'add-ons,' 'discounts,' 'service charges,' 'financing charges'—which make it virtually impossible to figure out the total cost of credit."

The House bill not only would force lenders and installment sellers to spell out the true cost of credit, it would outlaw wage garnishees. These garnishees, which sometimes cost a debtor his job, are among the strongest pressures that force borrowers to high cost second mortgage lenders.

The government should be able to collect taxes by wage garnishees. But private lenders have no right to use employer-employe relations as a collection agency.

If an employer fires a man whose wages are garnished, the man is losing his job because he is in debt—a practice not much different in principle from the debtors prisons of past centuries, now outlawed in the United States.

New Jersey Senate Bill 37, sponsored by Sen. Ned J. Parsekian of Bergen County, would outlaw assignments in New Jersey as the Truth-in-Lending bill would do for the whole country. These bills should be passed.

STATE OPENS PROBE OF MORTGAGE LOANS

TRENTON.—The State of New Jersey yesterday began its investigation of the secondary mortgage loan business by taking testimony from Evening News representatives.

Directing the investigation for Banking and Insurance Commissioner Charles R. Howell are Mrs. Marilyn Loftus Schauer, assistant attorney general for Howell's department; R. Bruce Fireman, chief of the Consumer Credit Division and William Halbach, head of the division's investigation and complaint section.

Howell called the investigation after revelations in The Evening News last week that apparently illegal activity is rampant in the secondary mortgage loan business.

Evening News representatives went before the investigators at Howell's request, and under questioning from Mrs. Schauer gave the department supporting evidence and documentation for the articles.

Ten or eleven licensed New Jersey second mortgage dealers have been subpoenaed to appear before the investigators tomorrow morning. According to Mrs. Schauer, all the licensees mentioned in the series have been subpoenaed.

If the investigators find violations, Howell can revoke the licenses of the dealers involved, then turn the information over to the attorney general's office for prosecution under the penalty sections of the law. The law provides for fines of up to $1,000 for each violation.

Possibly more serious penalties await any violators if their victims refuse to continue payment on the loans.

Section 29 of the Secondary Mortgage Loan Act say, "No obligation arising out of a secondary mortgage loan shall be enforceable in the courts of this State unless such loan was negotiated and made in full compliance with the provisions of this act."

The investigation involves companies that have, among them, acquired millions of dollars in mortgage loan debts from Middlesex County homeowners alone.

Assemblyman Norman Tanzman, D-Middlesex, chairman of the Assembly Business Affairs Committee and sponsor of the Secondary Mortgage Loan Act of 1965, has urged Howell's department to declare illegally made loans "unenforceable in New Jersey."

"It is my position that they are invalid and I think the department should declare them invalid," Tanzman said. "If these companies want to prove that their mortgages were valid, let them sue the department. Why should the people have to prove that they have been cheated?"

Mr. MINISH. Mr. Speaker, there are so many ways to cheat the consumer that it would take a 5-foot bookshelf to contain the volumes required just in order to list the tricks and the frauds perpetrated on the public. When laws are passed to close off one racket, the fast-buck operators soon have opened a new detour to the consumer's pocketbook or bank account, and roll merrily down the road to further riches at the expense of the people who work hard for their income and cannot afford to have their hard-earned money stolen from them.

Some of the worst of these rackets and frauds have occurred in the home improvement field. The documentation of these frauds and deceptions grows larger and more frightening every day. The victims are usually those who can least afford the heavy financial burdens of the schemes in which they are so often victimized. These are families which have denied themselves many comforts of life in order to buy a home and raise their children in a good environment.

My heart goes out to any working man or elderly couple owning a home and trying desperately to maintain and improve the dwelling, only to have some sharpshooter misrepresent the terms of a home improvement contract and get the homeowner to sign up for a fraudulent deal. This problem is so widespread that Congress must act vigorously to get at, and stamp out, practices which are intolerable in our economy.

The Committee on Banking and Currency, on which I am privileged to serve, has just reported a bill which we believe can prevent or reduce these abuses in the home improvement fields and in other areas of consumer credit. It is the Consumer Credit Protection Act, H.R. 11601, which I have cosponsored along with the chairman and several other members of the Subcommittee on Consumer Affairs.

As indicated by the supplemental views of 11 of us on the committee, who oppose certain crippling amendments adopted by the committee before reporting the bill to the House, the bill in its present form would not be as effective as it should be. The amendments adopted by the committee on department store revolving credit, and on transactions up to $100 or $110, must be defeated when the bill comes up in the House next month. Otherwise consumers will not have the protection they need and deserve on most of their day-to-day credit transactions.

H.R. 11601 COMBATS HOME IMPROVEMENT GYPS

But in its treatment of real estate credit, H.R. 11601 is a very good bill and will go a long distance toward solving many, although certainly not all, of the problems faced by the homeowner in dealing with the credit racketeers who infest the home improvement and second mortgage fields.

In our hearings on H.R. 11601, we developed a tremendous amount of evidence that swindles are very common in the financing of home improvements. The Federal Trade Commission refers to the fringe operators in this field as a "pack of wolves." It is a very good description. They are often fast-talking crooks who may not be able to charm the birds off the tree branches but are remarkably effective in persuading homeowners to sign contracts loaded down with pickpocket conditions.

In New Jersey, many such instances have occurred which newspapers in our State have highlighted and documented with sickening details on the depravity of crooked operators who are insensitive to the financial hardships they cause the elderly and the poor.

In H.R. 11601, we require that anyone offering or granting credit in the home improvement or real estate field must give to the customer all of the facts in advance on the cost of a contract and the cost of all of the credit fees and charges. They must reveal the interest rate or finance charge on an annual percentage rate basis, and they must tell the customer the full dollar cost of all of the credit terms over the life of the contract.

Undoubtedly some people are not going to bother reading all of the details in the proposed contract before signing it. Some will continue to rely on the rosy promises and fake guarantees of the salesman, without making sure the contract supports claims made by the salesman. I do not know what we can do about that situation except to have the Federal Trade Commission go after the crooks and prosecute them for fraud or misrepresentation. But for those consumers who are willing to take the trouble to examine the figures and look at the facts, H.R. 11601—in its provisions dealing with residential real estate—will give the customer a basis for judging whether a contract offer is legitimate or unconscionable, whether it is honest or an outright gyp, whether the terms are reasonable or usurious.

There is much more which can be done and should be done to eliminate the frauds which give a bad name to an entire industry. The decent contractors and mortgage companies suffer from the bad image created for the industry by the racketeers. I am going to continue doing my best to fight this battle in every way that I can as a Member of Congress. As a member of the Committee on Banking and Currency, I serve on two subcommittees which have a direct interest in this issue: the Subcommittee on Domestic Finance, chaired by Congressman WRIGHT PATMAN, of Texas, who has spent 40 years in the Congress fighting for honesty and decency in the financial field; and I also serve on the Subcommittee on Consumer Affairs headed by Congresswoman LEONOR K. SULLIVAN of Missouri, an able champion of the consumer's interests.

Through those two subcommittees, and also through the Subcommittee on Housing headed by Congressman WILLIAM A. BARRETT, of Pennsylvania—whose Philadelphia district is not far from the 11th District of New Jersey—the Committee on Banking and Currency will certainly pursue this whole issue in the next session of the Congress beginning in January. We are not going to rest until the homeowner has achieved every possible assistance in protecting his equity in his home and his other resources, whatever they may be, from the vultures who prey on hard-working, decent people.

THE PROPOSED NATIONAL COMMISSION ON CONSUMER FINANCE

One of the weapons which I hope can be used to help us in this battle is the proposed National Commission of Consumer Finance, which would be created by title III of H.R. 11601. This Commission would be empowered to investigate all aspects of consumer credit and consumer finance, and find out where the money comes from to finance the racketeers in the home improvement field. This is big business in terms of dollar volume. The racketeers could not operate as extensively as they do without their own money pipeline from major sources of capital. Let us track them down. This Commission is badly needed and should be approved—it must be approved—when we take up H.R. 11601.

The home-improvement rackets are just a part of the overall problem of consumer exploitation and victimization in the credit field, and, of course, consumer credit is only one of many fields in which the consumer is under constant fire. President Johnson, like his predecessor President John F. Kennedy, has been fighting for better consumer laws and he has my support, as I know he does the support of every decent-minded citizen, church groups, labor unions, and legitimate business.

President Kennedy, in his precedent-setting message on consumer interests made to Congress in March of 1962, listed, among the basic rights of the consumer, the right to be informed, the right to choose, the right to be protected from unsafe products, and the right to be heard in the councils of government and in the marketplace. They are rights worth protecting. But each day, in countless ways, those rights are under attack and must be won and rewon over and over again.

Mrs. DWYER. Mr. Speaker, I welcome this opportunity to join with my colleagues in a discussion of certain aspects of second mortgage and home-improvement activities which have recently been disclosed in the New Jersey-Pennsylvania area. In some respects, these activities are very similar to the home improvement scandals in the District of Columbia which are now under investigation by a subcommittee of the other body. To a considerable extent, this type of activity, which often involves outright fraud as well as deception, is taking place throughout the country, especially in our urban ghetto areas. It would be difficult to condemn too strongly the reprehensible practices of certain elements of otherwise reputable industries—practices which more often than not prey on those who can least afford to be tricked out of their modest resources.

Congress has a serious obligation to take effective action to stop these unscrupulous activities, and I am pleased to report today that the truth-in-lending, or consumer credit protection, legislation which was ordered favorably reported last week by the House Committee on Banking and Currency represents a major step in dealing forcefully with this nationwide disgrace.

Essentially, the worst aspects of second mortgage and home improvement scandals thus far uncovered depend to a large degree upon the extension of credit. Obviously, the target for unscrupulous operators are those persons with little education as well as those with very limited cash. For the most part, these scandals seem to follow a certain pattern in that the people bilked seldom have the cash available to shop around among dealers or creditors who have good reputations in the second mortgage and home improvement fields. These people are lured by "easy" and deceptive credit terms into signing contracts for home improvements, debt consolidation, or other purposes, which are often well beyond their means of repayment but made to appear attractive by fast-talking salesmen or misleading advertising.

The truth-in-lending bill, once enacted, will guard against much of this abuse. In the first place, the House Committee added to the Senate-passed bill broad advertising provisions which will require full disclosure of credit terms in advertisements where specific credit terms are included. Many of the least reputable second mortgage and home improvement companies depend to a large extent upon misleading and deceptive advertising techniques obviously aimed at those families who are more interested in the $10 a month come-on than the total cost.

In my opinion, this form of advertising will be virtually eliminated by the provisions of the truth-in-lending bill. With enforcement by the Federal Trade Commission, the less reputable second mortgage and home improvement companies will not be able to disclose the full impact of the credit terms because such disclosure would reveal how truly expensive this form of credit really is. To the extent that in their advertisement they will be forced to avoid any mention whatsoever of credit terms, their most attractive and deceptive come-on phrases will be unavailable to them.

Needless to say, the advertising provisions of the truth-in-lending bill will give added advantage to reputable second mortgage companies and to home improvement companies whose dependence upon the customer's credit is and always has been of secondary importance to the quality of the job itself. Under the bill as reported, the Federal Trade Commission will have very strong cease and desist powers available to it with regard to credit advertising by unscrupulous companies.

Second, under the disclosure provisions of the bill, all contracts and agreements in connection with the extension of credit for home improvements, debt consolidation and similar purposes will have to disclose prominently the following information to the obligor:

First. The amount of credit of which the obligor will have the actual use, or which is or will be paid to him or for his account or to another person on his behalf.

Second. All charges, individually itemized, which are included in the amount of the credit extended but which are not part of the finance charge.

Third. The total amount to be financed.

Fourth. The amount of the finance charge.

Fifth. The finance charge expressed as an annual percentage rate.

Sixth. The number, amount, and due dates or periods of payments scheduled to repay the indebtedness.

Seventh. The default, delinquency, or similar charges payable in the event of late payments.

Mr. Speaker, it would be misleading if I were to say that the truth-in-lending bill will eliminate future scandals associated with the home improvement and second mortgage industries. There is no way for this legislation to guard against the unscrupulous home improvement company salesman, for example, who increases the price of a job, thereby enabling him to disclose more reasonable credit terms.

Nevertheless, to the extent that the price is forced to be increased to avoid the disclosure of credit charges, the initial attractiveness of the home improvement contract is reduced. Nor is there anything in the bill to guard against person-to-person sales techniques, verbally conveyed, without regard to any disclosure requirements in Federal law. In short, the truth-in-lending legislation does not deal with outright fraud. It will be the duty of local, State, and Federal authorities to enforce criminal and civil penalties associated with the commission of fraud.

But the truth-in-lending bill will extend a significant new level of protection to consumers of credit of all kinds and will equip the Government with effective powers of enforcement which will go far toward discouraging and inhibiting those who exploit people's need for credit.

GENERAL LEAVE TO EXTEND

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

CONFERENCE ON FOREIGN OPERATIONS APPROPRIATIONS, 1968

Mr. PASSMAN. Mr. Speaker, will the gentleman yield?

Mr. CAHILL. I am happy to yield to the gentleman from Louisiana.

Mr. PASSMAN. I know the Members are anxious for us to conclude our business and recess for the holidays.

In all probability, we can work in a very quick conference with the conferees of the other body, perhaps at 5:30 this afternoon. If that can be arranged—and we are encouraged—then it will mean we can return with a conference report tomorrow and it would not be necessary for us to remain over the weekend to fulfill the engagement previously tentatively agreed upon for Monday morning.

I thank the distinguished gentleman for yielding to me to make this statement.

Mr. CAHILL. I am happy to yield for that good news.

FIRST SESSION OF THE 90TH CONGRESS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. MINSHALL] is recognized for 15 minutes.

Mr. MINSHALL. Mr. Speaker, the first session of the 90th Congress is nearing adjournment after more than 11 months.

During this time, more than 16,000 bills and resolutions have been introduced in the House of Representatives. Of this number, some 500 were passed by the House along with nearly 160 Senate measures. A little more than 350 of these will have been signed into law by the White House before the year ends.

It is important to remember, of course, that legislation on which congressional action has not been completed in 1967 will be carried over for consideration after the Congress reconvenes for its second session in January.

This has been one of the longest, busiest congressional years in history. During our almost nonstop session the House set an alltime high in rollcall votes, more than 440 as of this time. This figure surpasses the previous record of 399 rollcalls established by the 89th Congress in its final 1966 session.

Economy in Government has been more heavily emphasized in this Congress than in any of recent years. The President's proposed budget, including fixed expenditures such as interest on the national debt, totaled $169 billion for fiscal 1968. We in the House, despite strong opposition from some colleagues, managed to cut $7 billion, and, after compromises with the Senate, achieved a reduction of slightly under $6 billion. This, combined with a continuing resolution which further reduced obligational authority by $3 billion, meant a total savings to taxpayers of almost $9 billion.

Mere statistics alone cannot accurately reflect the total workload on Capitol Hill or the achievements achieved. Long hours spent in committee sessions account for a major portion of the actual time consumed in the legislating process. Only if a bill survives the analysis, study, hearings, and probable amendments and favorable report of a majority of a committee's membership is it sent to the House floor for consideration. As government becomes more all encompassing and complex, so do the lawmaking process and man-hours in Congress.

My Appropriations Committee assignments include a massive amount of detail and work, more this year than ever before.

In addition to my membership on two of the most important subcommittees in the Congress—Department of Defense Appropriations and Independent Offices Appropriations—the House leadership honored me this year by naming me ranking minority member on the new Special Subcommittee on Department of Transportation Appropriations.

Wearing three subcommittee "hats" has been a welcome challenge, although the time consumed in conscientiously fulfilling all the duties involved has prevented me from spending as much time in the 23d District as I would have liked.

All told, my subcommittee assignments involve reviewing more than half of the entire Federal budget.

DEFENSE APPROPRIATIONS SUBCOMMITTEE

The war in Vietnam has placed a heavy burden on the shoulders of those of us who serve on the powerful Defense Subcommittee. Whether or not we agree that the United States should be in Vietnam, or with the policies being carried out by the Johnson administration, our first responsibility is to provide a strong defense not only for this Nation but to make certain that our American troops in Vietnam are provided with the finest possible equipment and support to defend themselves.

Our Defense Subcommittee, on which I have served for nearly a decade, is charged with initial review of the administration's military requests. We spend many hours hearing top-secret testimony from the Secretary of Defense, the Secretaries of the Army, Navy, and Air Force, and the Joint Chiefs of Staff. The Defense appropriation finally sent to the White House totals $69.9 billion, the largest single money bill ever approved by Congress. Of that figure, an amount approaching $22 billion will be spent on the Vietnam conflict. Despite the magnitude of the 1968 Defense bill, it was cut $1.6 billion by the Congress under the Johnson administration request. None of these cuts affect our Vietnam effort.

Although Secretary of Defense McNamara is leaving the Pentagon, the fiscal 1969 budget we will be called upon to review this spring is being prepared under his supervision. There is much speculation in Washington as to what, if any, policy changes Mr. McNamara's departure will effect.

INDEPENDENT OFFICES

A number of Government agencies important to Cleveland area citizens fall under the purview of the Subcommittee on Independent Offices.

We in Congress reduced this budget by $1.2 billion and provided a total of $14.7 billion for the agencies. Bulk of the independent offices budget goes to the Veterans' Administration, $6.6 billion; the National Aeronautics and Space Administration, $4.6 billion; and the Department of Housing and Urban Affairs, $1.9 billion.

Balance of the funds appropriated for independent offices goes to the Civil Aeronautics Board, the Civil Service Commission, Federal Communications Commission, Federal Power Commission, Federal Trade Commission, General Services Administration, Interstate Commerce Commission, National Science Foundation, Securities and Exchange Commission, Selective Service System, Civil Defense, and Public Health Service.

DEPARTMENT OF TRANSPORTATION

The Special Subcommittee on Department of Transportation Appropriations was named last spring by House leadership shortly after the newly created Department took over its official duties April 1, 1967. Because of the length of time it took for the Department to formulate its first annual budget, the subcommittee had only 3 weeks of hearings, but the most intensive and long-houred seen by Capitol Hill in many years. Because of my concern over our Nation's growing transportation problems, I was very pleased to be named ranking minority member of the subcommittee which would help launch the new Department, rapidly on its way to becoming one of the most important in Government.

Consolidation of our various transportation agencies under one roof makes good sense in the interest of economy and efficiency. We provided the Department with $1.5 billion for fiscal 1968 operations, a reduction of almost $137 million from its original request. What is more significant in the way of savings is that the new Department will operate on $140 million less this year than its agencies were granted last year when they were scattered throughout Government.

It is important to emphasize, in mentioning the economies we achieved, that public safety in the air, on the highways, railways, and waterways, was uppermost in the minds of the committee members. Promoting the public safety was a factor in every decision we made in considering the transportation budget.

Functions which now are under the jurisdiction of the new Department are:

The Bureau of Public Roads, highway beautification, and high-speed transportation; the U.S. Coast Guard, with new responsibilities transferred from the Great Lakes Pilotage Administration and from the Army Corps of Engineers, including authority over drawbridge operations, bridge control and clearance, anchorages and sea pollution; the Federal Aviation Administration, including its airport construction and supersonic transport programs; the new Federal Railroad Administration; the St. Lawrence Seaway Development Corp., and the Transportation Safety Board.

The first year will be a real test of the Department of Transportation, but I am encouraged to believe that with careful congressional control it can launch a new era in expansion of our vast national transportation network and in improving safety standards which will save many millions of lives and dollars.

MINSHALL LEGISLATION

During this session I have introduced a number of bills and resolutions. Among them are the following:

H.R. 883, providing Federal penalties for persons using interstate transportation or the U.S. mails for the purpose of inciting to riot.

H.R. 884, to permit taxpayers to deduct expenses incurred by themselves or their dependents in obtaining a college education.

H.R. 885, to allow an incentive tax credit for providing facilities for the control of water or air pollution and to permit amortization of such costs within a 1 to 5-year period.

H.R. 886, to provide for automatic cost-of-living increases in social security benefits.

H.R. 887, to prohibit foreign vessels trading with North Vietnam from entrance into U.S. ports.

H.R. 888, to prohibit the interstate transportation of counterfeit, altered, stolen, or canceled credit cards.

H.R. 889, making it a crime to give false information when registering to vote, to pay or accept payment for registering or voting, or to alter any ballot or voting record, in Federal elections.

H.R. 890, authorizing the Secretary of the Army to establish a national cemetery in Ohio.

H.R. 7202, increasing from 13 to 16 the maximum age of a dependent child with respect to deduction for child-care expenses on personal income tax.

H.R. 8719, to give government authority to alleviate or remove the threat to navigation, safety, marine resources, or the coastal economy posed by releases of fluids or other substances carried in oceangoing vessels.

H.R. 8881, to charter a National Home Ownership Foundation which would assist low-income citizens to purchase their own homes, working in close conjunction with private enterprise.

H.R. 10573, to increase effectiveness of the Truth-in-Negotiations Act.

H.R. 11580, to provide disability benefits for any person who is blind and has at least six quarters of social security coverage.

H.R. 11840, to include a definition of food supplements under the Federal Food, Drug, and Cosmetic Act.

H.R. 12194, to create an Office of Justice, which would be independent of the White House and political pressures, replacing the present Department of Justice.

H.R. 12412, to provide for orderly trade in textile articles.

H.R. 12573, making it a Federal offense to injure, intimidate or interfere with any fireman performing his duties during the course of a riot.

H.R. 14120, to provide for orderly trade in iron ore, iron, and steel mill products.

House Resolution 73, to create a Special House Committee on the Captive Nations.

House Resolution 75, condemning discriminatory practices perpetrated by the Government of Rumania against the Hungarian minority people.

House Joint Resolution 4, to provide for establishment of a Commission on National Defense Policy.

NATIONAL DEFENSE—FOREIGN AFFAIRS

In addition to the $69.9 billion appropriated for national defense during fiscal 1968, the Congress last spring approved an emergency supplemental money bill for the Vietnamese conflict in the amount of $12.1 billion.

The military draft was extended through July 1, 1971, with major reforms in the Selective Service Act including a reversal of the "older first" order of induction by calling up 19-year-olds before the older men, and also guaranteeing young men the opportunity to complete a college education before being inducted.

Military base pay was increased by 5.6 percent.

Congress rejected a Pentagon proposal to realign the Army Reserve and Army National Guard by programing the Guard to attain an average paid drill strength of 400,000 and the Reserve at 260,000.

FOREIGN AFFAIRS

The lowest foreign aid appropriation in U.S. history was passed by the Congress, a total of $2.3 billion for fiscal 1968, a reduction of $800 million from the administration's original request and $500 million less than was appropriated last year.

A $115 million authorization was granted to the Peace Corps for fiscal 1968.

NATIONAL ECONOMY

Symptomatic of the Federal Government's fiscal chaos in recent years were two increases in the national debt ceiling this year for a total of $28 billion, raising the limitation to $358 billion. I voted against these increases.

Attempts at economy were a keynote of the session, however, as alarmed Americans realized that estimated nondefense spending during fiscal 1968 would run well over $95 billion, with a year-end deficit predicted as high as $30 billion.

Responding to protest mail from home, many in the House who have been "big spenders" of taxpayers' money in the past joined league with those of us who consistently vote for economy. As a result, Congress pared some $4 billion from the administration's request for new spending authority. It is hoped that these reductions, and even stricter economies next year, will be supplemented by promised administrative budget cuts from the White House. If inflation is to be curbed and a tax increase avoided, the White House and the Congress have an equal responsibility to keep firm hands on the Federal purse strings.

Consistent with my economy voting record, I have fought all session for budget cuts, which if a majority of the Congress had agreed, would have amounted to many more billions in savings. Many reductions could have been made which would not have impaired either our national security or essential domestic programs.

I remain opposed to the President's demand for a 10-percent surcharge on personal income taxes, since there is every indication that this might well encourage the administration to launch new spending programs, rather than to reduce the national deficit.

The heavy mail I am receiving from the 23d District overwhelmingly supports my contention that spending cuts, rather than tax increases, are the answer to our national economic dilemma. There is every indication that this issue will continue to dominate the 90th Congress next year.

DOMESTIC AFFAIRS

The 13-percent increase in benefits voted by Congress will be reflected in March social security checks. At the same time Congress gave OASDI recipients a cost-of-living increase, it stiffened requirements for public welfare recipients by requiring States to participate in work-training, work-incentive programs in an effort to help families get off the public dole and on their own feet.

Senate liberality prevailed in the House-Senate dispute over provisions of the Office of Economic Opportunity authorization, and the Congress adopted a 2-year poverty program authorizing $1.9 billion for fiscal 1968 and $2.1 billion for fiscal 1969. The bill originally approved by the House called for an authorization of $1.6 billion for fiscal 1968.

Meat inspection laws were updated by Congress when it passed the Wholesome Meat Act of 1967, which draws guidelines for State enactment and enforcement of meat inspection laws equal to the standards required under the Federal interstate inspection system.

Postal rates were increased, effective January 7, on all classes of mail. Air mail will go up to 10 cents per ounce; first class to 6 cents, and the old "penny postcard" will cost a nickel. Good news in this postal legislation, however, is a provision to permit the Postmaster General, on request of the recipient, to order the sender of unsolicited obscene material to discontinue such mailings under penalty.

Pay increases were approved for civil service employees at an average of 4.5 percent and for postal workers at an average of 6 percent. Contrary to some published reports, Members of Congress did not vote themselves a pay raise, and, consistent with my past policy, I would have voted against such a raise had it been proposed.

Federal power to control air pollution was substantially increased with enactment of the Air Quality Act, which authorizes $428 million per year for fiscal years 1968–70.

THE 23D DISTRICT, OHIO

As the Representative of the 23d District, I will continue to make every effort to keep well informed of the views of constituents through personal contact, frequent newsletters and occasional opinion polls. A final report on each session of the Congress is mailed each year to the home of every registered voter in the district, regardless of political affiliation.

In addition to my office at 2243 Rayburn House Office Building, Washington, D.C., I maintain a full-time, year-around office in Cleveland for the greater convenience of my constituents. This office is currently located in 525 Old Federal Office Building, but shortly after the first of the year it will be moved to room 2951, New Federal Office Building, 1240 East Ninth Street. The telephone number will continue to be 522–4382.

Although increasingly heavy responsibilities and the long congressional sessions in Washington have prevented me from returning home as often as I would like and from conducting my traveling office tour of the 23d District this year, I am as available to my constituents as their corner mailboxes or their telephones. I welcome their views at all times and am always ready to counsel or assist them in their problems with the Federal Government.

THE FULL OPPORTUNITY ACT

The SPEAKER pro tempore (Mr. PATTEN). Under previous order of the House the gentleman from Michigan [Mr. CONYERS] is recognized for 60 minutes.

Mr. CONYERS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CONYERS. Mr. Speaker, one of our great Negro American poets, the late Langston Hughes, wrote many years ago:

> Let America be America again;
> It never was America to me.

Mr. Speaker, in that very moving prose, it seems to me that he caught the spirit of what is our position here today in the Congress, where we have delayed so long in dealing with what should be our highest priority business, and that is the necessity of making the dream of America live to those who have never been able to redeem the promises made by the Declaration of Independence and the Constitution. There are millions of Americans whose total knowledge of life in America has been the nightmare which they have lived ever since their forebears were dragged to these shores in chains.

"Let America be America again." Is that even possible? The last few years have clearly proven that the harmony, prosperity, and progress for so many, which I like to think of as existing in America simply is not there. When Emma Lazarus penned the lines:

> Give me your tired, your poor, your huddled
> masses yearning to breathe free—

She was not speaking to the disinherited who were already in America. The "melting pot" theory of sociologists has worked for a great number of the immigrants who came here, fought for a place, were eventually accepted into the mainstream and assimilated into America.

Mr. Speaker, one of the troubles with the "melting pot" in terms of the black American is that he was never allowed to mix in the pot with everybody else. He has been traditionally excluded from the mainstream of America.

Now, Mr. Speaker, we are faced with growing numbers of Negro Americans who are not so sure that they even want to get into that melting pot because results are not that great.

Unless we here in the Congress take drastic measures to eliminate the "right to unemployment," the "privilege of undereducation," and the "responsibilities of second-class citizenship" which we have, in a sense, forced on 25 million Americans, the country may indeed reap the whirlwind of prejudice and discrimination.

Mr. Speaker, as I and many others on this floor have said before, the preamble to the Constitution wisely and inextricably links the phrases, "establish justice," and "insure domestic tranquility."

In more than 107 cities, we have been shown that where there is not justice, there may not be tranquillity.

The racism which is becoming increasingly apparent in America tells the Congress, "do nothing for these people because you would be rewarding the rioters."

And I say here today on the floor of the House of Representatives that the issue is not one of reward. No one wants to give any American any more than that which he justly deserves. But how can we speak of rewarding a man who has nothing—no job, little education, substandard housing, and a secondhand life gleaned from the TV and the news media?

The issue that I speak to you about today is the issue of justice.

For 300 years American justice has strained the mercy of those that it oppressed. This country has denied many black Americans so many things, and now we expect him to love and understand why it is he is still a second-class citizen.

Of course we cannot condone the violence that is tearing against the very fabric of our cities, but neither can we continue to tolerate the misery, the frustration and the alienation that is destroying the very core of the fabric of our society, for jammed into the ghettos of our major cities are millions of Negro Americans who are becoming more frustrated about the conditions under which they must live today, and apparently tomorrow. They have turned this way and that way for help. They have waited patiently for years, thinking that surely this kind of injustice could not go without redress in this great and prosperous Nation. They have accepted the premises and promises of so many experimental and pilot projects with which the various Government agencies have sought to assuage their own consciences perhaps, more than anything else, but things are not better, and only a very few have really managed to escape.

Can you imagine that some parts of Harlem today are still so crowded that if all Americans lived in areas of that same population density the entire population of the United States of America could occupy the five boroughs of the city of New York.

So, then, if we would only listen to and respond to the fact, rather than the emotionalism and the fanaticism of the backlashers who feel that a few pieces of paper marked "Civil Rights Bills" are enough—indeed, some think that they are too much to grant to the one-eighth of the citizens of this country—we could form the realistic plans for action that would eliminate some of these very basic problems—the basic problems that have led to the troubles that now mark America in 1967. The legislative and executive branches of the Federal Government have been so preoccupied with assuring the freedom of those thousands of miles away that many have forgotten the complete freedom that Negroes here in America are still trying to achieve.

It is apparently simpler to protect, love, and understand people who are far removed from the scene.

But I, like most other Negro Americans, believe that these problems should be corrected at home first.

And so the Negro American, Mr. Speaker, has truly been the invisible man about whom Ralph Ellison wrote—the man who was here all the time, but not seen. The civil rights movement, to be sure, uncovered him, and perhaps brought him a little bit more to the attention of America. But now it is no longer fashionable to speak of civil rights.

There are those who want to forget about these first 12 years of the civil rights struggle and who want to forget about this struggle for first-class citizenship which has marked it as America's No. 1 basic problem domestically across the years.

I have tried to understand the attitudes of both those who agree and those who disagree with my philosophy. I have hoped for, prayed for, and sought for an answer to the increasing tensions in our cities. And I have asked, "What can we do to make this America real to all men?"

We need drastic changes if we are to have true equality, true rights, and full opportunities. These changes need not be disruptive. We know that a change is going to be made and will be made. So we have a choice between evolutionary change or, perhaps, revolutionary change. That is basically why I am reintroducing a bill which I feel will contribute to that swift and peaceful change to which the millions of jobless and poorly educated and practically homeless people in the ghettos of America will respond.

Not all of them are black Americans, Mr. Speaker. Some of them are white Americans as well. As a matter of fact, there are many, many more white Americans who live below the poverty line than there are Negro Americans.

So this bill, the Full Opportunity Act, attempts to meet the acute problems in the areas of jobs, housing, and education.

Nine very distinguished colleagues have joined me in cosponsorship of this bill. They are the gentleman from California [Mr. BROWN], the gentleman from California [Mr. BURTON], the gentleman from California [Mr. EDWARDS], the gentleman from New York [Mr. FARBSTEIN], the gentleman from New York [Mr. GILBERT], the gentleman from New York [Mr. RESNICK], and the gentleman from New York [Mr. ROSENTHAL]. Also the gentleman from California [Mr. ROYBAL] and the gentleman from New York [Mr. RYAN]. All share with me the concern with providing a legislative answer, if you will, to this problem that we have addressed ourselves to today. The bill seeks to provide an answer large enough to meet the scope of the problem.

What is then the scope of the problem? Why is it that the teenager in the ghetto says that so far as he is concerned, America is not real to him? I think it is because his statement to America reflects the simple facts:

That the current national unemployment rate for nonwhite is 7.3 percent after having been as high as 8.8 percent during the fall. Even that 7.3 percent rate is double the national unemployment rate for white Americans;

That in the ghettos, one in three persons is "subemployed," either unemployed or working at a part-time job or one paying very low wages;

That if a man is not working, he is far more likely to sink into apathy and frustration and perhaps ultimately into violence;

That if a Negro man is working, he is far more likely than a white man to be in a menial and unpromising job;

That Negroes make up 11 percent of the labor force, but have only 6 percent of the Nation's professional, technical, and skilled trades jobs, and only 3 percent of the managerial positions;

That the median family income for Negroes is about 60 percent of white families. That means that the average Negro man earns three-fifths as much as the average white man. You will recall that in the original Constitution, slaves were counted three-fifths of a person for representation in the Congress. Is it any wonder that the Negro male is upset because he is being paid "slave wages" after 102 years of so-called freedom in America?

That the Labor Department just yesterday released a report showing that nearly 40 percent of all the unemployed Negroes are concentrated in the Nation's 15 largest metropolitan areas. I earlier mentioned that the national nonwhite unemployment rate is double that of the white unemployment rate. Yesterday's report by the Labor Department shows that in the central cities of the 15 largest metropolitan areas, that disparity is as much as three and four times as much between the nonwhite and white unemployment rates. When you read this list of the major central cities you quickly see that these are the cities where the biggest turmoil exists. And an even closer examination of the list shows that those cities with the highest nonwhite unemployment rate are the ones that have experienced the major civil disorders that have so tragically racked this country during recent summers.

Though the plight of the Negro American suffering from poverty is particularly acute, I would like to point out that a great many white Americans are suffering from the same poverty-stricken condition, and the same desperate need for a decent job at adequate pay. In fact, the Office of Economic Opportunity tells us that the majority of the 30 million Americans who are poor are white.

The Full Opportunity Act assures all Americans the opportunity to obtain a job. The bill authorizes up to 3 million jobs in the public service field by making the Federal Government "the employer of last resort." We need 3 million jobs in order to employ both the 1.8 million persons whom the Labor Department currently lists as being unemployed for 5 weeks or longer and "the invisibly unemployed" who want and need a job, but who are not counted by the Labor Department since they have stopped actively seeking work due to the frustration of not being able to find employment. Such employment and the job training which will go hand in hand with it are worthless if the jobs themselves pay less than a living wage. The Full Opportunity Act also increases the Federal minimum wage to $2 an hour and extends it to every job in America, without exception.

No job program to eliminate poverty makes sense if we do not at the same time eliminate all forms and aspects of racial and ethnic discrimination in employment. The Full Opportunity Act gives the Equal Employment Opportunity Commission the full powers of a Federal regulatory commission to issue cease and desist orders to eliminate discrimination and its effects. A bill containing such a provision was overwhelmingly passed by the House in 1965 and I would hope could easily be passed again. The Full Opportunity Act, in addition, contains provisions extending the protection of the Commission to every job in America. It also would authorize the Commission to work on eliminating job discrimination in the Federal Government and all State and local governments.

What does the mother with several small children say to us about the unreality of life in America when she is forced to share an apartment with another family and a bathroom with no shower or tub with three other families? She tells us—

That nearly 1.7 million Negro families, 29 percent of the total, live in substandard housing;

That 28 percent of these dwelling units are overcrowded;

That 15 percent of black families have no hot water;

That 15 percent share bathrooms with other families; and

That 21 percent have no bathtubs or showers available.

The Full Opportunity Act provides 1 million additional federally assisted low- and moderate-income housing units every year for the next 10 years in an effort to eliminate substandard housing. It also provides a strong fair housing law with adequate enforcement procedures. We can never say that people are free unless they are free to choose a place to live because they like the place and can afford it.

What does the child in an overcrowded ghetto school with no gymnasium, no cafeteria, tattered books, and broken windows say to us about the America in which he must gain an education? This child, with little or no future, tells us—

That one-half the black children who start school drop out before completion;

That the Negro child who "stays through school" as Joseph Alsop has so aptly phrased it, has only the equivalent of an eighth-grade education when he receives his high school diploma. Thus, our national school system at present fails to give the equivalent of an ordinary white blue-collar education to nine Negro boys and girls in every 10;

That his teachers are underpaid and frustrated, and frequently ill-equipped to deal with the cultural and educational gap which widens for ghetto children each year that they attend school; and

That the education which he receives does little or nothing to prepare him to live and work effectively in the society in which he must mature.

The Full Opportunity Act provides a national more effective schools program to drastically improve education in ghetto schools by authorizing Federal grants to local school boards for greater than average per pupil expenditures. These grants would be used to lower pupil-teacher ratios; to develop superior teacher training; and to provide educational programs, materials, and facilities related to the particular needs of low-income children.

And what of the poor kid who does manage to finish high school and has the ability and the desire to go to college or technical school, but does not have the money. What does he tell us about the American dream of pulling oneself by one's bootstraps and achieving success? He says to us—

That only 14 percent of Negro youths between the ages of 20 to 24 are enrolled in school, while 21 percent of white youths in this age group are in school;

At this age level, they would, of course, be in some type of postsecondary school;

That his chances of being drafted right after high school are greater because he cannot get the student exemption given to those young men who can afford to attend college; and

That even if he tries to work his way through college, his chances of getting a degree are decreased in proportion to the amount of time he has to spend working to get his tuition money, since it is hard to work 30 or 40 hours a week at low pay and keep up the required average.

The Full Opportunity Act provides a massive increase of Federal assistance for postsecondary education, partially by direct grants to school and partially by loans to students. It also seeks to encourage hundreds of thousands more students to enter the teaching profession by forgiving half the loan to anyone who teaches in a public school for 5 years. The entire loan would be forgiven for anyone who teaches in a ghetto school for 5 years.

Title IV of the Full Opportunity Act is a provision to aid every child in America. It is a modest proposal to brighten the future of the deprived child at birth and to encourage him to remain in school until he is 18. The United States is the only major industrialized country which does not now provide some type of family allowance for its children. The Full Opportunity Act provides a $10 per month grant to all children from birth to age 18. The grant would be taxable so that the major benefit would fall to children of low-income families.

Mr. Speaker, as I hope this presentation indicates, this bill which has been drafted with nine other Members of the House is an attempt at being a meaningful and realistic response to the problems that I have very roughly outlined here today.

My colleagues and I are today reintroducing the entire Full Opportunity Act in order to demonstrate the vital connection between all the various provisions of the bill. However, with an eye toward the inner workings of the legislative process, each title of the overall bill is also being introduced separately, in the hope that at least some of these measures can be enacted into law in the very near future.

In closing, I would like to return to the idea on which I have based my remarks today—"Let America be America again." I have set forth the facts and statistics which I feel justifies that cry in the 1960's and makes Mr. Hughes' comments just as timely as they were a generation ago. We must not continue to turn our eyes from the real causes of our domestic crisis. Twenty antiriot bills will not do as much to ease the turmoil in our cities as one piece of comprehensive social reform legislation such as the Full Opportunity Act. We must not meet riots with repression, but with reform.

I ask my colleagues in this House and distinguished gentlemen and women in the other body to—

Let America be America again—
The land that never has been yet—
And yet must be—the land where every man is free.
The land that's mine—the poor man's, Indian's, Negro's, me—

Who made America.
Whose sweat and blood, whose faith and pain,
Whose hand at the foundry, whose plow in the rain,
Must bring back our mighty dream again.

O, yes,
I say it plain,
America never was America to me,
And yet I swear this oath—
America will be.

Mr. EDWARDS of California. Mr. Speaker, will the gentleman yield?

Mr. CONYERS. I would be delighted to yield to my good friend and colleague, the gentleman from California [Mr. Edwards].

Mr. EDWARDS of California. Mr. Speaker, I am proud to join with my esteemed colleague from Michigan in cosponsorship of the Full Opportunity Act, an imaginative Marshall plan for the ghettos of America. This legislative proposal is not a mere palliative to apply to the wounds of the poor; it is not a mere rehash of old and tired Federal programs. The Full Opportunity Act guarantees nothing less than a decent life to every American. Its enactment would translate the vision of our forefathers and the rhetoric of the last decade into terms which the poor could understand.

The legislative record of the first session of the 90th Congress makes little sense to the poor. While Congress was appropriating a paltry $1.7 billion to fight poverty, children were starving in Mississippi and Applachia, and in the cities black youths were striking out against the despair and frustration that engulf their lives.

The Full Opportunity Act gives Congress a new opportunity to bring the American dream to the doorsteps of these millions of Americans who have been ignored until now. It gives Congress a chance to demonstrate our Nation's commitment to the principles on which it was founded.

There was a time not too long ago when the enactment of the Full Opportunity Act would have been dictated only by the demands of conscience. That time has passed. When we reflect that Negroes today live in worse slums and attend more highly segregated schools than they did in 1954, we can begin to appreciate the inadequacy of past legislative and judicial measures. And when we note, as Bayard Rustin has, that in cities racked by riots this past summer the unemployment rate for Negro teenagers reached 38 percent, we can only conclude that the enactment of the Full Opportunity Act is as much a matter of self-preservation as a matter of principle.

Unlike other pieces of legislation which have come before the Congress, the Full Opportunity Act is a comprehensive attack on the problems of the ghetto. It declares war on overcrowded housing, inadequate schooling, and unrewarding jobs. It would rehabilitate ghetto housing while it would open the doors to suburban living. It would provide dollar incentives for ghetto children to stay in school and for college-educated students to teach in the ghettos. It would supply 3 million new jobs, while it would add teeth to the equal employment provisions of the 1964 Civil Rights Act. In short, it rejects the "either-or" dichotomy that has continued to paralyze our national resolve.

A contemporary writer has observed:

> Poverty settles like an impenetrable prison cell over the lives of the very poor, shutting them off from every social contact, killing the spirit and isolating them from the community of human life.

The Full Opportunity Act would consign no one to a life within this cell; and with the realization of its long-range goals, the very walls of the prison would be torn asunder.

Mr. CONYERS. In concluding my remarks I would like to insert in the Record certain material which I think would be helpful in understanding the Full Opportunity Act and the problems with which it attempts to deal.

NEWS RELEASE REGARDING THE INTRODUCTION OF FULL OPPORTUNITY ACT BY 10 MEMBERS OF THE HOUSE OF REPRESENTATIVES

As a short statement of the reasons for introducing such a massive omnibus bill along with a concise statement of the provisions of the Full Opportunity Act, I would like to insert in the Record the news release regarding the introduction of the bill by 10 Members of the House:

TEN DEMOCRATS SPONSOR $30 BILLION OMNIBUS BILL FOR JOBS, HOUSING, AND EDUCATION

Ten Democratic Congressmen, led by Representative John Conyers, Jr., yesterday introduced an omnibus bill costing $30 billion annually "to assure every American adequate employment, housing and education on a truly non-discriminatory basis."

"The 1967 session of Congress ending this week has consistently worked to cut back and undermine any effort to effectively deal with the many interrelated problems of poverty and degradation experienced by those who live in America's ghettos and those who are members of minority groups," stated Congressman Conyers when he introduced the bill. "The Full Opportunity Act attempts to encourage the 1968 session to enact the massive governmental programs necessary to eliminate the rapidly increasing alienation and frustration in the centers of our major cities."

The wide-sweeping bill makes the Federal government "the employer of last resort" by authorizing jobs and job training programs for up to 3 million individuals. Such a government-financed public-service job program has been urged by four different special Federal commissions. The minimum wage would be increased to $2 an hour and made to apply to every American working man and woman.

One million additional low and moderate income housing units are authorized each year for the next ten years. A national More Effective Schools program would be established to assure quality education in all public schools. Long-term low-interest loans are provided so everyone may obtain an education beyond high school, whether in a vocational school or a university. The recently much-discussed family allowances program, which now exists in every other Western industrialized country, would be started.

"The bill is aimed at eliminating poverty and discrimination, wherever it occurs," said Conyers, "but it is particularly focused on the center cities. One of the most crucial aspects of the bill is its emphasis throughout on eliminating ethnic and racial discrimination immediately and completely."

Joining the Detroit Congressman in sponsoring the Full Opportunity Act are Congressmen George Brown, Jr., Phillip Burton, Don Edwards, Leonard Farbstein, Jacob Gilbert, Edward Roybal, William F. Ryan, Joseph Resnick, and Benjamin Rosenthal.

MEMORANDUM EXPLAINING EACH TITLE OF THE PROPOSED FULL OPPORTUNITY ACT

In order to more fully explain the provisions of the Full Opportunity Act, I would like to insert at this point in the Record a memorandum which I have prepared regarding each title of the bill:

FULL EMPLOYMENT OPPORTUNITY

The Department of Labor currently lists 1.8 million persons who have been unemployed five weeks or longer and are still seeking employment. Almost as many more need and want jobs but are not counted since they have stopped actively seeking work because of lack of basic education, occupational skills, work experience, or transportation, and because of various discriminatory barriers. Recent Labor Department surveys indicate that a true representation of unemployment in the ghettos of America's major cities is

30 percent to 40 percent, a level higher than that of the Depression of the thirties.

Title I would create three million subprofessional jobs in such areas as health, education, recreation, and conservation which would allow even individuals with the lowest level of training to perform useful and necessary work. Public and private nonprofit agencies would receive Federal grants to create these jobs, with preference given to projects located in, and providing direct benefits for the ghettos of America. All those employed under this title would receive education and job-training to qualify them for employment in fields for which there is a projected long-term need for workers. Special help would be given to those regarded as "unemployable" even in a full-employment economy due to a severe lack of basic education and job-training.

Cost: $16 billion for the first year, with $2 billion yearly decrease until phased-out after ten years.

COMPREHENSIVE MINIMUM WAGE

Title II would extend coverage of the Federal minimum wage to every American worker, and increase the basic rate to $2 an hour. This would insure that all Americans, including those employed under the Federally financed programs in Title I, would receive at least $4,000 which the Social Security Administration regards as a minimal, but adequate yearly family income.

EQUAL EMPLOYMENT OPPORTUNITY ENFORCEMENT

Title III gives the Equal Employment Opportunity Commission, established by the 1964 Civil Rights Act, the full usual powers of a Federal regulatory agency to issue cease and desist orders to enforce a strict national law against discrimination in employment because of race, creed, or national origin. Orders could be issued which would require Federal agencies to not only eliminate discrimination within their operations, but to administer their programs so as to be a positive force toward ending discrimination in employment. The bill requires that the government must not only be neutral, but should positively and affirmatively promote equal opportunity.

FAMILY ALLOWANCES

Title IV establishes a program of family allowances modeled after the successful 25-year-old Canadian program. Grants of $10 per month would be given to all children under the age of eighteen in order to help this 40 percent of the 30 million Americans in poverty. The program would be administered by the Social Security Administration which would mail the payments to the mother on the condition that all school-age children remain in school until age eighteen. The allowance would be made without regard to the financial status of the family and would be considered taxable income, so that the net benefit of the program would be focused on low income families.

Cost: $8.6 billion is authorized but income tax will recover $1.3 billion in the first year. The upward trend of average family taxable income should more than offset the small expected increase in the number of children during that period. The result is a slight decrease in net cost over the ten year period.

ADEQUATE HOUSING

Title V provides one million additional Federally assisted low- and moderate-income housing units every year for the next ten years. To provide this more than ten-fold increase in the present rate, current Federal programs would be expanded and improved and new ones would be authorized.

One-half million new housing units per year would be provided exclusively for the benefit of low-income families by expanding the public housing and rent supplement programs. The other 500,000 additional units would be made available to moderate as well as low income families: 200,000 units through rehabilitation; 150,000 rental units through the Section 221(d)3 program; and 150,000 units through a home-ownership assistance program offering generous no-interest loans. Home ownership also would be encouraged by providing condominium lease-purchase arrangements for most of the current rental programs. Financial aid and technical assistance would be provided for the non-profit groups which would sponsor most of these projects. Existing laws and regulations would be changed so all these programs could be used in any community or part of any community, so as to both expand the available market and promote housing integration.

Cost: $3.7 billion in the first year, increasing in ten years to $9.1 billion.

FAIR HOUSING

Title VI provides a strict national law against discrimination in housing. A National Fair Housing Board would be established with the full usual powers of a Federal regulatory agency to enforce this law by issuing cease and desist orders and by taking appropriate affirmative action. This title specifically applies the new affirmative governmental policy of positively and effectively promoting equal opportunity for housing. All Federally financed lending institutions, including all banks and savings and loan associations, would be required to include open housing clauses in any mortgage they finance. The ultimate penalty for violation of this provision would be loss of Federal insurance.

MORE EFFECTIVE SCHOOLS

Title VII authorizes Federal grants to local school boards for greater than average per-pupil expenditures in ghetto schools to finance intensive improvement of the regular school programs. Grants would be used to lower pupil-teacher ratios; to develop superior teacher-training; and to provide educational programs, materials and facilities related to the particular needs of low-income children.

Eligibility for these grants depends on a local school board's showing that per-pupil expenditure in ghetto schools is at least equal to the average for the school district since significantly greater expenditures per student in ghetto schools than in other schools is necessary to achieve any substantial improvement. This title is aimed at providing a superior education in ghetto schools to offset cultural and educational deprivation and to make some progress toward eliminating *de facto* school segregation.

Cost: One billion dollars during the first year with an increase over ten years to $5 billion. Participation in the program would increase as local school districts met the strict criteria for the program, particularly the requirement that there be at least an equal educational effort in ghetto schools financed from local sources.

FULL POST SECONDARY EDUCATIONAL OPPORTUNITY

Title VIII provides a massive increase of Federal assistance for post-secondary education, partially by direct grants to schools and partially by loans to students. Federal grants on a two-to-one matching basis would be available for construction of facilities and direct Federal loans would be available to all students, regardless of financial status, to pay the full amount of all expenses at any post-secondary school. This program specifically includes both traditional institutions of higher education and vocational and technical schools. A student may borrow up to $15,000 over five years, and repay it over forty years at 3 percent interest. Repayment could be by a steadily increasing schedule so it would be in relation to income improvement over an entire life-span.

To encourage hundreds of thousands more students to enter public school teaching, half the loan would be forgiven for anyone who teaches in a public school for five years. The entire loan would be forgiven for anyone who teaches in a ghetto school for five years.

Cost: $1.9 billion for both construction grants and student loans in the first year, increasing to $8.8 billion in ten years.

ALLOCATION OF FUNDS IN THE FULL OPPORTUNITY ACT (ANNUAL FEDERAL COST OVER THE NEXT 10 YEARS)

Title	Fiscal year 1969 (in billions)	Change over next 10 years	Fiscal year 1978 (in billions)
I. Full employment opportunity	$16.0	Decreases annually by $2,000,000,000	0
II. Comprehensive minimum wage			
III. Equal employment opportunity enforcement [1]			
IV. Family allowances [2]	7.3		$7.0
V. Adequate housing	3.7	Increases annually by $600,000,000	9.1
VI. Fair housing [1]			
VII. More effective schools	1.0	Increases annually by $500,000,000 except in fiscal year 1977.	5.0
VIII. Postsecondary educational opportunity	1.9	Increases annually by $800,000,000 except in fiscal year 1977.	8.8
IX. Miscellaneous	.1		.1
Total	30.0		30.0

[1] Title IX authorizes $100,000 annually for the additional administrative costs of implementing titles II, III, and VI.

[2] $8,600,000,000 is authorized but income tax will recover $1,300,000,000 in the 1st year. The upward trend of average family taxable income should more than offset the expected slight increase in the number of children during that period. The result is a slight decrease in net cost over the 10-year period.

Mr. FARBSTEIN. Mr. Speaker, will the gentleman yield?

Mr. CONYERS. I yield to my good friend and colleague, the gentleman from New York [Mr. FARBSTEIN].

Mr. FARBSTEIN. Mr. Speaker, as one of those who introduced the bill to which the gentleman from Michigan has referred to, I want to state I am completely sympathetic to the views expressed by him.

I also want to state I represent an underprivileged area in the city of New York. In that area there are not only black or Negro Americans but also there are resident therein Spanish-speaking Americans besides poverty-stricken white Americans.

There is no doubt in my mind as well as I am sure there is no doubt in the minds of most American citizens that ours is a country of great opportunity and that ours is a country that seeks to do that which is right by its citizens.

What the gentleman seeks in this conglomerate bill which he, I, and others have introduced, is not something about which it is easy to speak lightly. We—the administration, our Government—have made efforts to assist numbers of the underprivileged to pull themselves up by their bootstraps. In fact—and I do not know whether he is aware of it—but by direction of the administration, even today, the Small Business Administration is seeking to induce various independent commercial firms, industrial firms, to employ hard-core unemployed, to teach them trades, and the Federal Government is contributing toward the teaching of the trades for the employment of so many of these hard-core unemployed.

In previous years many bills have been introduced seeking to attain the end he seeks. Of course, they do not treat it in the same fashion he does in one bill, where he tries to incorporate the various means whereby these underprivileged individuals can be shown a better life by way of education, employment, housing, and so forth.

In fact, I think last year and the year before I introduced a bill seeking to obtain assistance from the Federal Government in the way of public works for contiguous areas with a population of at least 50,000 individuals. That measure would strike at Watts and other areas throughout the Nation where individuals live in masses probably as bad as they live in Harlem today.

I suppose in a democracy things move rather slowly. We are all disappointed that they do not move much faster than what they are presently doing. However, I hope that in due time, perhaps sooner than what we may expect, there will be an attack by private business and by Government to overcome the situation of which the gentleman speaks.

I believe we have all come to the realization that this is a situation which must be cured. We have already reached the stage psychologically where we feel we cannot continue to permit conditions in the cities that bring on "hot summers." We have also reached a stage in our thinking where we realize that the only way to obviate these "hot summers" in various cities is by attacking the problems in the fashion in which the gentleman from Michigan seeks to do so by his bill.

I do hope for his sake and for the underprivileged of America that efforts will be made by those in authority to see to it that we attain the goals that he seeks. I thank the gentleman for permitting me to join with him in his observations.

Mr. CONYERS. I am grateful for the remarks of my good friend from New York [Mr. FARBSTEIN], who has been working in this legislative area much longer than I. I recognize the deep sincerity and conviction which moves him to join with those of us who support this legislation. I hope that in the coming session other Members will begin to work on this bill in its various parts. We do not pretend that this legislation is a complete answer to America's racial problems. But we do know that if we are to address ourselves completely to the question of full employment in America; to retrain the unemployable; to provide a minimum wage that would allow everyone working to at least escape above the poverty line; that if we would put additional money into the very many money-starved, poor school districts in some of our cities throughout America; if we were to give this country a fair housing law with a Fair Housing Board so that at least the opportunities of black Americans trying to find adequate housing would be equal to those of their white counterparts; and we know that if the Equal Employment Opportunity Commission had cease-and-desist order powers and were able to investigate complaints of racial discrimination in the Government itself we would be making progress.

We know if all these things could be brought to pass legislatively and were fairly enforced across the land, we would have a better America, and we would have answered at least initially many of the root problems that are at the source of the frustration in the ghettos which we have experienced and seen erupt so vividly in the year 1967.

Mr. FARBSTEIN. Mr. Speaker, if the gentleman will yield further, I just want the record to show that, if only in a small way, attacks are being made on the problems of the hard-core unemployed. As I said earlier, I represent an underprivileged district. I want the record to show that through the Office of Economic Opportunity, attacks are being made on this problem. We have an organization on the lower East Side, known as the Mobilization for Youth, that has open store fronts where they have invited these hard-core youngsters to come in and speak of their problems with those who are aware of the problem from a psychological standpoint, and who try to counsel with them. They not only do that, but in turn they communicate with various of the industries, seeking to obtain positions for these young people, these dropouts.

I, myself, have gone to numerous of the outstanding concerns in the city of New York seeking to obtain positions for these dropouts and hard-core unemployed. I must say, unfortunately, I have not met with very much success.

But Mobilization for Youth takes these young children, the dropouts and hard-core unemployed, and they seek to teach them trades. They not only seek to teach them trades, but pay them while they are learning. This is a situation that exists today, at the very moment we are speaking of.

I say to the gentleman there is hope. There is hope we will be able to meet this problem. There is hope, as I said in the earlier part of my statement, that we will in due time be able to attack and overcome this unfortunate situation.

But I implore those who are impatient to realize that these things of necessity must move somewhat slowly, although I am certain we in this Congress will extend every effort to try to hurry it up.

Mr. Speaker, I thank the gentleman.

Mr. CONYERS. Mr. Speaker, I thank the gentleman for his moving statement.

Mr. RYAN. Mr. Speaker, I am deeply concerned about the state of our national priorities. Last summer, with disorder born of despair exploding in our cities, I called for a Marshall plan for American cities: "a redistribution of American affluence and a new plan for the full participation of the Nation's deprived in reconstructing every ghetto in every city of this country."

Since last summer the war in Vietnam has escalated, and the commitment of the Congress and the administration to mobilize resources to bring the promise of America to its downtrodden citizens has deescalated. The Congress has cut millions from model cities and from rent supplements; it has incorporated restrictive welfare provisions in the bill to provide inadequate social security increases. It has tied the hands of community action agencies. It has refused to pass an emergency job-creation program. And the Presidential Commission on Civil Disorders is being phased out before its work is completed. It is reported that the Commission's staff has reached the inescapable conclusion that vast sums of money must be expended to even make a dent on our impacted urban problems, and that this is viewed as politically inopportune at a time when the Congress is calling for even deeper cuts in domestic programs.

Mr. Speaker, the expenditure of $30 billion a year on war has created a climate where a Presidential Commission must be muffled, lest it recommend a national effort of equal importance to solve the most serious domestic crisis our Nation has faced since the great depression, if not since the Civil War.

Thirty billion dollars a year. What a difference could this sum make to the quality of life in our cities.

I commend our colleague, the gentleman from Michigan [Mr. CONYERS] for the comprehensive approach of the full opportunity act, which I have cosponsored.

Title I of this act would provide three million jobs for the hardcore unemployed of America, whose condition is now so hopeless that they have little to lose by taking to the streets. These Americans would also receive education and supplementary job training, so that they could eventually qualify for more highly skilled positions.,

The bill also guarantees a $2 minimum hourly wage to all Americans, which results in a $4,000 minimal annual income, the level regarded by the Social Security Administration as the minimal adequate family income.

It also increases tenfold the annual rate of federally assisted low and moderate income housing to 1 million units a year for the next 10 years.

In addition, compensatory expenditures for education in ghetto areas are provided. A massive loan program for post-secondary education is included.

And new authority is given to Federal agencies charged with the enforcement of equal opportunity provisions in housing and employment.

Only an effort of this magnitude will save the cities of America—not piecemeal, token efforts, but a full scale attack on the enormous problems besetting urban America: Inadequate housing, inadequate education, entrenched unemployment, entrenched discrimination.

This bill is addressed to the problem in a manner proportional to the problem's gravity. This leadership should be coming from the administration. It is not, not because of a lack of concern for our domestic ills, but because of a greater concern for a disastrous war. Walter Lippmann has said that no nation is capable of two great crusades simultaneously.

Let us reflect upon which crusade involves the very survival of our society and then make the national commitment which this legislation envisions.

Mr. RESNICK. Mr. Speaker, I am pleased to be a cosponsor of the Full Opportunity Act introduced by my esteemed colleague, JOHN CONYERS of Michigan. This bill seeks to provide full opportunity for jobs, families, housing, and primary and secondary education for all Americans. It is a further effort to make the ideal of equality real for every child. The bill is as ambitious as it is well conceived.

The atmosphere of the country and the Congress has been poisoned by a polarization of attitudes concerning the poor and neglected members of our society. We have even sought to blame our problems on the most convenient scapegoats—outside agitators. But, let us be clear: the agitators in the cities are inside agitators. They are the growl of a man's stomach telling him he is hungry, the emptiness of his pockets telling him he has no money for clothes or a livable house, the forlorn look of his child telling him that the youngster has no hope for an education, a job, and a meaningful life.

What we need today are answers to the twin crises of political imagination and political resolve. We must find new answers to welfare housing, and job training, ways to encourage hope and to provide the means to fulfill hope before it becomes despair.

Mr. Speaker, this bill gives new answers and encourages new hope. Let me dwell on the employment sections, the first three titles of the bill.

The most fundamental requirement for participation in our economic system is a job. The premise for pride in our society has been and continues to be bringing home a paycheck. Therefore, I consider employment to be the seedbed of self-sufficiency and self-respect. It is on this front that we must proceed with special vigor and imagination.

Mr. Speaker, this bill is not a revolutionary one, for it would do not more than give substance to our Declaration of Independence's command that "all men are created equal." As Americans, we are all committed to nothing less than full factual equality.

For those not impressed by talk of moral commitments, I suggest another reason for this bill. I propose that in addition to our statistical measure of affluence—the gross national product—we adopt a yardstick for gross national social waste. The latter would be a measure of America's unfulfilled potential. It would include the potential salaries of those ill educated and ill trained, the untapped buying power of consumers denied jobs and the products and services left undone because people lack the education necessary to perform them.

The Council of Economic Advisers estimated that if Negroes among the poor had been full participants in our economy the gross national product would be $23.7 billion higher. Instead, the gross national social waste is $23.7 billion larger. Seen in this light, it is hard to imagine anyone maintaining the position that assistance to the poor, Negro and white, is costing too much. In fact, as a measurement of gross national social waste would show, we cannot afford to take immediate action to alleviate this cancer on the American conscience.

Mr. Speaker, let me offer one concrete example of the positive cost-benefit ratios relating to retraining. Mr. Michael Borus, in a study of retraining of unemployed in Massachusetts, concludes after exhaustive study that society gains $5 in taxes, production, and reduced expenditures for welfare, for every $1 spent on the program. What businessman would not invest his money with such ample returns? Surely, our Nation for its own economic benefit as well as its longstanding moral and philosophic commitment cannot afford to tarry any longer.

GENERAL LEAVE TO EXTEND

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the subject of the special order granted to myself earlier today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

STEEL IMPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama [Mr. BEVILL] is recognized for 15 minutes.

Mr. BEVILL. Mr. Speaker, within this last week our three biggest steel companies have increased by $5 a ton the price of cold-rolled auto body sheets. This increase merely reflects the increased production costs here at home. It was a price-rise headlined across the Nation. What was not stated in big black type, so that all consumers of steel could read, was the fact that imports of steel have been rising to a phenomenal high while our exports have sunk to an all-time low.

Nor have I seen the headlines about the disparity in tariffs on steel. A ton of these body sheets coming into this country from West Germany or Japan pays a duty of $10.89. The identical shipment from our shores to West Germany would be subject to levies and taxes of $33.73. The same shipment to France would be subject to a 25-percent sales tax. The shipment could not even go to Japan because that country has a system of import licenses which virtually excludes all steel imports. Yet, we are being subjected to a surging tide of steel exports from these very countries.

Steel imports disturb me deeply, particularly because the effects of excessive imports are to be seen in our major southern steel producing areas of Birmingham and Gadsden, Ala. I refer to our southeastern area, but the same effect can be observed in other steel-producing areas of our Nation.

Mr. Speaker, in 1957 we imported 1.2 million tons of steel mill products and exported 5.3 million tons, a net advantage to us of 4.1 million tons. Ten years later, in 1966, we imported 10.8 million tons and exported 1.7 million tons, a net deficit or disadvantage of 9.1 million tons. Within the last 10 years our imports are nine times as large as in 1957 and exports comprise less than one-third of our 1957 total.

Stated another way, the figures are even more ominous. In 1965 imports comprised 10.3 percent of our national steel consumption of 100.5 million tons. In 1966 imports rose to 10.9 percent of our national consumption total of 99 million tons. And for 1967 the projected figure is 12 percent of our consumption total of a possible 94 million tons. Let me reiterate—our short-range steel consumption totals are going down, yet our steel imports are rising. And so does the percentage of these imports as part of our consumption.

It has been conservatively estimated that if these nearly 11 million tons of imported steel mill products had been made here, about 70,000 extra steelworkers would have been gainfully employed in the United States. Just consider what the $1 billion—which that amount of steel cost—would have done for our own economy. Certainly the multiplier effect would have been evident far and wide in additional jobs, profits, taxes and economic well-being here at home.

Again, let me refer to my southeastern area. Last year, foreign shipments of steel unloaded in the port areas from Wilmington, N.C., to New Orleans amounted to 1,551,089 tons. This is the market area which can be supplied by Birmingham and Gadsden mills. Should that same amount of steel have been supplied by our own mills, an additional 9,000 workers would have been employed. The total is equivalent to the labor force and production of a very sizable steel mill. Can anyone gainsay the fact that these 1.5 million tons of foreign steel, landed in southern markets, did not create corresponding employment overseas? Or that the 11 million tons of steel imported by the entire United States did not give very profitable employment in Japan, the United Kingdom, Germany and France?

Mr. Speaker, allow me to digress and mention the wage differences and production costs here and abroad. Compare the following—in 1965 employment costs in the steel industry per hour were: $4.48 in the U.S.A.; $1.81 in West Germany; $1.61 in Italy; 86 cents in Japan.

Let us take Japan for an example. A comparison of the 1965 performance of three Japanese steel mills and three firms of comparable size in the United States revealed a definite cost advantage accruing to the Japanese. In the three Japanese steel firms employment costs averaged $16 per ton of product shipped, compared to $55 per ton in the three American companies. The cost advantage amounted to $39 per ton. No manner of tax incentives, subsidies, fringe benefits or other assistance to any American company can overcome such an advantage. It is 2 cents per pound of steel.

Mr. Speaker, I am afraid that some of our chickens have come home to roost. I refer to our greathearted foreign assistance programs under the Marshall plan. Since 1948 most of Europe's and Japan's war-damaged steel mills were rebuilt with American know-how and largely with our American taxpayers' dollars. These mills are the most modern in the world. Their steel production capacity has also expanded far beyond their national consumption needs. Now their excess production is finding its way in large part to our shores.

In 1950 there were 32 steel-producing nations in the world. The number has grown to 65. Most of the 33 new countries are meeting their own steel needs from their own production and, in several cases, have become exporters of steel. Yet it is the industrially advanced nations which have increased their productive capacity most—and by the most modern methods—methods equal to our own, but at lower cost.

By 1967 world steel production capacity has grown to just under 600 million tons per year—but our share is slipping downward. In 1950 we produced 46 percent of the world total of 208 million tons. In 1966 we produced only 26 percent of the world total of 520 million tons—and in 1967 it is even less.

In 1950 the world trade in steel amounted to 15 million tons and we shipped over 20 percent. In 1966 it amounted to 51 million tons and we shipped not even 4 percent. But over 20 percent of all world trade shipments of steel entered our markets. It is very evident that our domestic producers are losing ground percentagewise compared to foreign producers.

We are confronted by cheaper foreign labor costs, the increased technology of foreign producers, export incentives and subsidies by most foreign governments, and, lastly, by the sheer total of overproduction. All in all, it seems that overseas production goals apparently are based on visions of unlimited sales to the United States. Much of the intensive competition due to surplus output has prompted foreign mills to sell to us at "bargain basement prices."

One phase of rightful concern about excessive steel imports is the encouragement of steel inventory buildups here by foreign producers. Foreigners seem to be adept at telling American consumers that by August 1, 1968, a new steel strike might be in the offing and that the wise thing is to hedge and build up steel inventories while prices are good. I doubt whether it can be proven, but the feeling persists that those companies which are building up extra-large inventories may be doing so because of low prices and the fear of a possible strike here.

Another aspect may be the possible effect British devaluation may have on foreign prices and delivered prices of foreign steel here. Certainly the advantage lies with foreign steel in the light of the current trend to raise prices by American steel producers.

It is significant that those countries who are the largest exporters of steel mill products to the United States are the very countries whose steel industries are modernized, subsidized, and given tax incentives and encouraged to export at rockbottom prices by their central governments. There is no such similar action here on the part of our administration. To the contrary—I see a lowering of tariffs, duty cuts with little reciprocal traff concessions, feeble attempts to get foreign nontariff trade barriers reduced and even concessions that will injuriously affect other American consumers. Our current trade and tariff policies are not conducive of lessening our tax burdens.

Mr. Speaker, I stand for "fair" competition. Our steel industry consists entirely of private enterprise. But administration policies are affecting the industry adversely. This industry is basic to our national security in war and peace. Unless we control the excessive imports that are undercutting our steel industry, we will not be responsive to the will of our electorate. When my bill controlling steel imports by a quota based as a percentage of our total steel consumption comes to the floor, I urge each Member to support such action and vote to support this basic American industry.

FRANCE SHOULD PAY UP OR SHUT UP

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. NELSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. NELSEN. Mr. Speaker, the Arizona Republic, in a page 1 editorial on November 30, said bluntly that "France Should Pay Up or Shut Up." I believe the paper spoke for the American people, and include the full editorial at this point in my remarks:

FRANCE SHOULD PAY UP—OR SHUT UP

> France should pay up or shut up.
>
> Even if he tried, it is doubtful whether French President Charles de Gaulle could more effectively splinter Western unity than he is doing with his present meddlesome tactics.
>
> De Gaulle is not satisfied with blocking Common Market membership for Britain, whose very economy may depend on whether it is admitted.
>
> He is not satisfied with heightening unrest in Canada, by continuing to call for Quebec's independence and sovereignty. . . .
>
> He is not satisfied with disrupting NATO by ordering American bases off French soil and by threatening to withdraw French forces from the alliance entirely. . .
>
> Now, at a crucial time in world monetary affairs, and as a result of Britain's recent devaluation of the pound, De Gaulle has launched an irresponsible attack on the American dollar, which is the very backbone of most of the currency of the free world.
>
> It is ironic that De Gaulle, who obviously suffers from one of the shortest memories in history, should attack the country which twice in this century has intervened to save his French nation from extinction.
>
> During World War I, 2 million GIs fought to save France. Since 36,000 were killed, another 224,000 were wounded.
>
> We spent $27 billion outright waging that war, and in addition loaned France another $12 billion. And France still owes almost $7 billion in interest and principal on that debt.
>
> In World War II, 184,000 Americans gave their lives helping to liberate France, another 500,000 were wounded. That war cost America $200 billion directly, plus some $50 billion in Lend-Lease and indirect aid.
>
> Furthermore, to help postwar France get back on its economic and political feet, America has given it $17 billion, which is more foreign aid than it has given any other European nation . . . which explains why De Gaulle, now heading a solvent rather than a bankrupt nation, feels he can afford to lecture the rest of the world.
>
> De Gaulle has charged that America has taken over control of many French industrial enterprises, not—according to him—because of any technological superiority, but by exporting U.S. inflation under cover of the gold exchange system.
>
> Having failed in its policy of patience, Washington now must—by word and by deed—call De Gaulle's bluff. France should be told in plain, blunt language that it is time for her to pay up or shut up. De Gaulle, who has practically destroyed Western unity, must not be allowed to wreck the world's monetary system.
>
> If France continues to demand gold for dollars—dollars spent in France by those American tourists and businessmen De Gaulle seems to despise—the United States should retaliate promptly by announcing to France and to the world that no demand for gold will be honored until France pays her debts to the United States. At the same time other nations who are making a field day out of the gold crisis should be told the same thing—no gold from the United States until your debts to the United States are paid.
>
> That should bring the run on U.S. gold to a screeching halt.
>
> Of course this is harsh medicine for the United States to prescribe, but in its own defense and for the safety of the free world, there is no other sure way to stop this run on the U.S. gold reserves. And the place to start is to tell France to pay up or shut up.

HUD HOUSING SHIFTS CAUSE CONCERN

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. NELSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. NELSEN. Mr. Speaker, the Department of Housing and Urban Development recently announced two policy shifts which will work hardships on the elderly and the small towns of America.

On October 11, 1967, Housing and Urban Development Secretary Robert Weaver stated that new emphasis will be placed on "more public housing in the larger cities, and for larger families." He spelled out the uncertain future of low-income housing for the elderly and of new rural public housing construction when he stated:

> We could play it safe by increasing the production of units for the elderly. We could play it safe by increasing production in smaller communities where the political and

financial problems are not so severe. But that would be ducking the issue.

In a circular dated the following November 22, Deputy Assistant Secretary Elder Gunter elaborated. He defined a new policy of resource allocation which did not even mention low-income housing for the elderly. He said:

> We plan to allocate assistance to those communities which can provide housing for low-income families at the earliest possible date. We are limiting commitments for new programs to those that can provide dwelling units through leasing, acquisition, or turnkey construction.

The normal means of providing new facilities for public housing is the conventional construction method where Federal funds provide the capital to purchase and build the facility. As a consequence of shifts away from this method, further low-income public housing facilities, like that recently approved for North Mankato, Minn., may be few and far between. The delay imposed on conventional construction methods has already caused difficulties for some Minnesota towns I represent.

The net effect of the new guidelines is that low-income public housing for the elderly has been given lowest priority, and low-income public housing in small towns has been given a back seat to the big cities.

The surprising aspect of these shifts away from all other parts of the country to the larger cities is that they come in the wake of a half-dozen speeches by the Secretary of Agriculture calling for greater investment in rural areas, a rural renaissance. The announcement to put HUD's money in the big cities comes right after the President said:

> Not just sentiment demands that we do more to help our farms and rural communities—I think the welfare of the Nation demands it.

Housing and Urban Development Secretary Robert Weaver says, however, "increasing production—of housing—in smaller communities . . . would be ducking the issue."

Mr. Speaker, it may be that Secretary Weaver is ducking the issue. The problem of our cities is that thousands of people go to them without a job, home or hope. If rural America had more jobs to offer, more opportunities for the young and old, there would, of course, be less migration to the cities, less crowding, less urban blight, less violence in the streets.

Over one half of the Nation's poor live in rural areas, and the administration is cutting the public housing funds available to them. By Johnson Administration figures, the rural areas in America have 50 percent of the poor housing. Yet HUD is shifting its low-income housing funds to the big cities.

Because the urban poor are more vocal does not mean that their housing is less adequate than that of the rural poor. Because the larger families have a need for better housing does not mean that the elderly do not.

We are in a period of steep inflation, and those on fixed incomes are suffering the most. The elderly compose the greatest bulk of those living on fixed incomes: personal annuities, pensions and old-age assistance.

Over 40 percent of the elderly on old-age assistance are ill-housed. Nationally, one out of every three households headed by a person over 65 is below standard.

In spite of all this, the Department of Housing and Urban Development is cutting back on housing for the elderly. It says that the elderly are not being neglected because in the low-income public housing facilities for families, there are usually some efficiency units that can be rented by the elderly.

But the point is clear. After talking so loudly about its desire to help the elderly and to help rural areas, HUD's dollars and cents are being sent to "larger families, in larger cities."

Obviously, such shifts suggest unpleasant political connotations. Mr. Gunter has authorized that priority be given "to those programs which can assure occupancy by September 30, 1968."

Naturally, I hope these indicators are not all they seem. Thousands of the elderly are in need of better housing in rural areas, and thousands of rural community leaders have worked hard and long to secure adequate housing for the needy in their towns.

The ill-housed in rural America can not be put off so routinely. It would be a great injustice to rural taxpayers to earmark their tax dollars exclusively for the cities.

DEDICATION OF CENTRAL TEXAS JUNIOR COLLEGE

Mr. POAGE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. POAGE. Mr. Speaker, the President spoke at the Central Texas Junior College, which, as far as we know, is the only college in the United States located on and entirely surrounded by an active military post. The Central Texas Junior College serves the personnel of Fort Hood, as well as the citizenship of the surrounding area.

Just last month it was my happy privilege and distinct honor to speak in Killeen—the largest of the complex of cities adjoining Fort Hood—and to discuss the Vietnam war, and once again publicly reaffirm my support of the President's policies. I pointed out that although three administrations have lived with this conflict, that it was left for President Johnson to recognize and do something about the harsh realities of the situation. I pointed out that President Johnson has repeatedly offered, and that he still offers, to meet with the North Vietnamese at anytime, anywhere, but that he has been repeatedly rebuffed by the Communists abroad and the peaceniks at home. I pointed out that the "peace at any price" group simply ignores reality. I was, therefore, pleased that President Johnson himself was able to and did visit this central Texas community to personally present some of the problems which confront our people. No one but the President himself could present them so forcefully or effectively. No one but the President himself could give this great cross section of American military, as well as civilian personnel, the inspiration and determination which they received from his speech. And no one but President Johnson could have brought the cheer to the victims of the Vietnam war at Darnall Army Hospital, or the inspiration to the troops at Fort Hood which his visit provided. No one but the President could have portrayed his vision for American education as he did on that occasion.

As citizens of central Texas, we appreciate the President's visit. As citizens of this great country, we appreciate his determination and leadership. I am, therefore, herewith including the statement made on the Central Texas Junior College campus by the President on last Tuesday.

REMARKS OF THE PRESIDENT AT THE DEDICATION OF CENTRAL TEXAS JUNIOR COLLEGE, KILLEEN, TEX.

Dr. Morton, General Mather, Mrs. Hobby, Mr. Bingham, Mr. Stewart, Ladies and Gentlemen, boys and girls:

I am glad to be able to join you here today, not only to mark the founding of a new college, not only to cheer the progress of this city and this great State, but to join with you in helping to celebrate the expansion that is taking place in America.

In 1900 we had eight junior colleges in the United States. In 1964 we had 684.

As I speak here this morning we have 925. That is an increase of 231 in three years.

While others have been complaining and agonizing, worrying, being frustrated and criticizing, we have been building 231 educational institutions that will take care of our boys and girls.

In 1948 when I visited Killeen and Temple, we talked, worked and planned for the day when all of our youngsters could get all the education they could take.

I am happy to say that although it took us from 1948 to 1964, in 1968 we have one million more boys and girls in colleges and universities of this land because of the Federal programs that we have put in between 1948 and 1968, most of which have been in the last three or four years.

This dedication means growth and it means progress for all of America. It tells us something important about the real purpose of democracy.

That purpose of democracy is fulfillment for every individual. It illustrates what makes America different from other lands. What does make America different from other lands? Opportunity, abundance of opportunity.

It also reveals some things about where America has been, and where America is going.

In 1884 Killeen was a two-year old village which boasted two dress factories, one cotton gin and a population of a little less than Johnson City—a population of 350.

As we meet here this morning, Killeen can claim more than 500 thriving businesses; one of the world's most powerful major defense installations, and more than 30,000 people.

The city has more than tripled its growth in 20 years. That growth reflects our whole Nation's restlessness; our whole Nation's hope; our whole Nation's progress.

A little more than a century ago this was great frontier country. Families came here in the buckboards and covered wagons from Virginia, Georgia and Kentucky to settle this land.

My grandfather drove his longhorns across this prairie on the way to Abilene, Kansas.

We came to found towns, write laws, and establish schools and churches.

I am so happy to observe that my father, decades ago, sat with Oveta's father in writing some of the early legislation for what was then almost just a frontier.

What they began has not yet ended. Those Americans gave a really new meaning to the word "frontier".

In other countries, that word had meant a barrier. "Frontier" meant a stopping place. But to America it meant, and still means, a place to be discovered, a place to be tamed, a place to be settled—a place, if you please, of American opportunity.

Today there is no Louisiana to be purchased. There is no new wilderness for us to conquer. There is no new land left for us to settle. But still America moves on.

America expands—not outward but upward.

I can see some of the men here in front of me this morning—Mr. Smith, Mr. Mather and others—who have been moving America forward, who have moved it upward.

Today we have set our eyes on new territory—the territory of human promise, for all of Central Texas, for all of the Nation—the territory of bettering peoples' lives in all of our areas, bettering humanity.

That is the thing we all ought to work toward. That is the purpose and objective we all ought to have.

Every person should ask himself and herself today: What am I doing to better humanity?

In the time allotted me, what will I have done to better humanity?

When a Teacher Corps volunteer brings help and learning to a mountain child, we will say in Tennessee or North Carolina, we add something to that new land.

When a Head Start teacher in California offers hope and help to a migrant child, this Nation grows.

Speaking of help, our program has been health, education, conservation and moving forward.

I am happy to say that the death rate of newborn children, infants, declined more than five percent this last year.

Can there be anything better than saving a little child's life?

Can there be any more worthy purpose?

When a new college—a junior college in a Texas city arises—the whole Nation expands.

When a new national effort is launched to teach men skills or to cure men's sickness, America grows.

Something is happening which is as exciting—even more exciting—as the winning of the West.

Three years ago there was no Medicare in the United States. This morning 20 million older citizens have hospital insurance. 18 million have help with their medical bills under Medical Care.

That is what we have been doing.

Three years ago there was a deadlock on Federal Aid to Education. Federal aid was an ugly word. We broke that deadlock in 1965 with the Elementary and Secondary Education Act.

We passed a bill in the Senate yesterday—and sent it to conference—giving us a new lease on life. Last year that bill helped 9 million poor children get a better start in school.

What is there that you can do, even the doubters and the complainers, that could give any of us more satisfaction than helping 9 million poor children get a better start in school?

Ask yourself what have you done in these fields and what are you going to do.

When the roll is called up yonder, where are you going to be?

In the past three years we have helped to build facilities for more than 1.5 million college and university students. What is there that you can do that is better than putting a roof, an educational roof, over the heads of the boys and girls who want to go to college in this country?

From the time a child discovers America, that doting mother looks into the little one's eyes and says to herself, "If I can only get him a college education."

Together, we in Killeen and we in the United States—notwithstanding the complainers, the critics and the doubters—are getting the schools built. We are getting the teachers for elementary, and from Head Start to adult education.

We have them in Head Start at four and five, and we have them in adult education at 74 and 75.

Yet still there are those who want to divert us, who want to criticize us, who want to oppose this kind of growth.

Just as there were a century ago, there are many who are afraid to take the journey.

There are some who tell us in the board room resolutions that it is too expensive. There are some who say that it is too dangerous, that the effort cannot succeed.

That reminds me of the old fellow at Fredericksburg when they started the train up there. He preached against it. He wouldn't subscribe to it. But when the train finally came and they had the queen and she cut the ribbon, the steam started coming out, the train started in to the Hill Country and San Antonio.

He was still in the back yakking that they would never get the train started.

When the steam was drowning him out, he said, "They will never get her stopped."

I imagine Killeen has some like that today. I know that Texas has some like that today. I hear voices from all over the Nation like that today.

I believe—I can't prove it but we may have to do that—those complainers, those doubters, those who are afraid to take the journey in this frontier country are still in the minority.

So I ask you to join us. Come and let us reason with those Americans, those of us who believe in progress. Let us try to convince the doubters.

I think the time is here to make it clear that we must make this journey. If we are rich enough, then we must care enough. We must be ready to make the sacrifices it requires.

In 1933 our Gross National Product was less than $100 billion. It wavered to less than half of that for a period.

Today and tomorrow that Gross National Product is hitting $800 billion, and it may go up to $850 billion.

So we are rich enough.

Now the big question is: With your stomachs full, has it pushed your heart out of position where you no longer care? If you do care, then let us do something about it.

Are there those who think this journey toward human fulfillment, this journey toward bettering humanity, is too expensive?

These men who wear the uniform don't think it is too expensive. They love liberty and freedom enough that they are ready to die to preserve it.

These boys at A & M don't think that it ought to go unnoticed. It has gone unnoticed but I heard on a local radio broadcast that they had voted to give blood donations to support their brothers who are preserving liberty and who have carried Old Glory to all corners of the earth and brought it back without a stain on it.

Let us show by our actions that progress and movement forward in America is not too expensive. What is expensive is sickness, bigotry, ignorance, discrimination and crime. That is what costs too much.

As that great leader Adlai Stevenson once said, "We Americans must resist temptation to be 'penny-wise and people foolish'."

It is not action but it is inaction that costs too much.

Are there those who really believe that this journey cannot succeed?

Let them consider just one effort—our campaign to give every young person in America—that is the first goal of the Great Society—give every boy and girl, whether born of rich or poor parents, all the education that he or she seeks or can take.

In the past six years the number of young people going to college from poor homes has risen—Thank God—by more than 12 percent.

In those years, the number of high school dropouts—Thank God—between 16 and 24, has dropped from 25 to only 18 percent.

Colleges like this one being established and built here are being built throughout this Nation at the rate of one every week.

You don't like that? You are against that? You would rather fight it than teach it up and learn it?

Two years ago we were helping 500,000 young people go to college. Next year that number rises not to 500,000 but to 1,200,000.

Those are facts. They are not just numbers and not slogans. They are not snow or brainwash or anything else. They are facts. And more than facts they are victories for bettering humanity. They are victories for every American home and for all the American people.

Two years ago we established a program called Upward Bound. Upward Bound was a program that would rescue dropouts and would boost them toward college.

It was almost patterned after an experience I had in 1924 when I went to California after I dropped out, to seek my fortune. The most beautiful sight these eyes ever beheld was the sight of my old mother's quilt, that grandmother made for us, when I got back home.

My father, I felt when I left, was too inattentive and not very wise in the ways of the world. I was really amazed at how much he learned while I was gone.

Two years ago that program of Upward Bound was an experiment. Today that program is a success.

This, year 23,000 poor boys and girls took summer classes on college campuses; 6,000 of them—83 percent of those who graduated—have gone on to higher education.

One boy from Missouri told this story: "Before I went out there to Upward Bound I was a corner boy . . . I was with the wrong bunch all the time. We stayed out late doing all sorts of no-good things . . . But I think I am too much now to hang around on the corner . . . I know my life is worth more than how they taught me to lead it."

I think he is right. And I think we are all right to help that kid.

A young boy in Kentucky, the son of a disabled father, was one of eight children, with a family income of less than $3,000 a year. He made failing grades in high school before Upward Bound gave him hope. In his senior year he raised his grades drastically—and now he is a fulltime college student.

Multiply these stories by the thousands, and then you will know why I am optimistic about America: Why I cannot share the gloom of those who believe that our problems are too big to solve and our pocket book is too small to help them.

I reject that notion—not because I am unaware of our problems, but because I know our power in America to hold to a good purpose. I know the power we have to reach a high goal.

History does not long remember the men who voted down the bond issues to build schools or to help little children.

The War on Poverty is going to succeed—if we just stay the course.

Our quest for educational excellence will succeed—if we only stay the course.

Our pursuit of 1,000 essential goals will succeed—if we only stay the course.

I believe that our children are going to remember that just as our country lived through a great age of exploration in the last century, we have entered in this century another age. It will be known and it will be remembered—I hope you are remembered with it—as the age of advancement, as the era of education.

This college is proof of that. The headlines may seldom tell the story—but history is going to tell it. It is not going to deal at length or too generously with those of little faith.

These years, like that earlier age of growth, are noisy today with the sound of controversy. But that must never discourage us—any more than it daunted our daddies who settled here yesterday and built a new world, a Killeen, out of this wilderness.

So we come here today to dedicate this college—to dedicate it forever to the service of the people, and to the progress of America.

We have now just begun to fight. We have just begun to build. We are not going to build as fast as some would like, but we are not going to retreat.

With God's help and with your support, America is going to move forward to educate, to bring peace to the world, to keep aggression from enslaving us, to educate our children, to make our bodies healthier, to give us clean air to breathe, pure water to drink, wholesome meat to eat, and all of those things that make for greatness—a great people in a great society, in a great world.

Thank you.

REPORT ON 90TH CONGRESS, FIRST SESSION

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. SCHADEBERG] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SCHADEBERG. Mr. Speaker, at the end of each legislative year I have made it a practice to make a report on my impressions for the constituents in the First District. I would like to include the report at this point in the RECORD for the benefit of any of my colleagues who may be compiling data on the thoughts of various Members as we come to the end of the first session of the 90th Congress. It follows:

REPORT ON 90TH CONGRESS, FIRST SESSION

LATE LEGISLATIVE ACTION—1967

As this report is being written, the House of Representatives and the Senate are locked in sincere and serious struggle over the size of the appropriations which will be used to fund our government's expenditures until next July 1.

The greatest difficulty has centered on the *Office of Economic Opportunity* which administers the so-called "poverty program." The House had serious reservations about another huge expenditure for some of the poverty programs which have been floundering and sputtering the past few years, and finally passed a bill which would have extended the program for only one more year, but which would still grant Sargent Shriver and his high paid assistants over *$1.6 billion dollars* to further try to buy our way out of slums and unemployment. The Senate passed a bill which would extend the life of the program by 2 years at a cost to the taxpayers of *$2.2 billion dollars per year*.

When the House of Representatives and the Senate pass similar bills but with different amounts of money authorized to be spent or for a different number of years, appointed members of each group meet in conference to try to hammer out a compromise which then must be approved by both the House and the Senate after a debate on the proposed changes.

In the case of the bill which authorized the OEO, a compromise was proposed and accepted by the House which called for a two year program spending $1.98 billion this year and $2.18 billion the following. Republicans who sat in conference felt that this was actually no compromise, but rather a cave-in to the Senate and they refused to go along with the Democrats.

A bitter fight ensued before final action was taken, the bill was finally passed into law over my strong objection. When it costs as much for a one year course of job training for some of the young men and women participating in one phase of the program as it costs to send a student through four years of college, I don't go along with this unnecessary expenditure.

I am strongly in favor of State controlled/Federally assisted apprenticeship programs which are operated with the support and guidance of the labor unions, management, and the Department of Labor as opposed to the hit-and-miss approach of the Office of Economic Opportunity. It seems to me to be an utter waste of money to run a program in competition with the established apprenticeship programs which train men in a local area for specific jobs.

The postal pay raise and postal rate increase is now law. I rather reluctantly voted for the conference report which will place an added burden on the first class mail user. It was unfortunate that *the Administration chose to put the much needed pay raise for postal workers* in the same bill with the rate increase, as the combination became a blackjack for the President to push through one good program along with one without fiscal justification.

The Social Security Amendments which were finally approved in late December will help out at least on a short term basis. However, I do not believe the extra money which will now go to retirees on a fixed income will be sufficient, as inflation is increasing by leaps and bounds. Older citizens who paid in sound dollars toward their retirement are being paid off in watered down money not worth more than half of what was withheld from their checks during their more productive years. *I am convinced that additional changes will be brought up for a vote during the next legislative session in 1968.*

MY LEGISLATIVE EFFORTS IN 1967

My own legislative efforts include the introduction of 44 bills, many of which were the direct result of consultations with and requests from the residents of the First District.

Eight of the measures sought to alleviate the tax burden imposed on our people. One sought to amend the Internal Revenue Code to allow tax deduction for educational expenses of our teachers; another to provide income tax credit for tuition expenses at institutions of higher learning; another allowing tax credit to employers for the cost of job training.

I placed considerable pressure on my colleagues for legislation to increase personal income tax exemptions, in two stages, totaling $1,000 instead of the present $600 at the Federal level. I am hopeful that in the second session of the 90th Congress that this legislation, which I introduced and which is obtaining increasing support, will be enacted.

I sought by the introduction of a bill, to remove the limitations on medical deduction on Federal income tax returns; expenses for transportation to and from work; tax exemption for industrial development bonds; and tax relief for one of the major industries in the District, American Motors.

Among the other legislative efforts on my part was the introduction of a bill to establish dairy import regulations; a resolution for self-determination of captive peoples; a revision of eligibility requirements for burial in Arlington Cemetery; an additional measure to amend the import controls for agriculture products; anti-riot legislation, which was agreed to by the House of Representatives; the establishment of a World Food Study Commission; internal Security Act amendments; the establishment of a committee to study and report back to Congress the extent and impact of East-West trade; and a bill which would have limited the importation of mink to 40% of domestic production.

I introduced legislation as well to improve the Interstate Highway System, by permitting more latitude in the planning and construction at the State level; plus a resolution establishing a Great Lakes Basin Compact; and a sense of Congress resolution which would keep the Coast Guard Station at Racine at full strength in order to provide maximum protection for small boats on Lake Michigan.

GOAL FOR 1968

My main effort in 1968 will still be directed toward a decrease in non-essential spending which is a major cause of the inflation which is pulling at us daily like a giant whirlpool. I will continue to stress the fact that our approach to the problems of the day cannot be a constant dole of additional dollars as the solution. The only answers offered by the Administration during the past seven years has been to pour out huge sums of tax dollars and the only results we have witnessed have been increases in crime, increases in riots, and no dent in the hard core unemployment problem. This trend must be halted, and I shall work toward that end in 1968.

LEGISLATION PUSHED ASIDE

Most of us are aware of the legislation which was passed during this, the first session of the 90th Congress. Too often, however, we forget what the major legislative goals were at the time the Congress assembled for the year.

In 1967, after a full public and Congressional disclosure of the antics and affairs of Adam Clayton Powell, the one item of business insisted on by the leadership in the Congress was a reform law which would eliminate any such abuses of the public trust such as those brought out during the Powell debate. Although testimony was taken by a committee in order to recommend the necessary changes in the law, absolutely no action has been taken by the Congress itself to keep its house in order.

The Administration did a great deal of talking about possible changes in the Nation's campaign laws during the first few months of 1967. It now seems apparent that we will move into the Presidential primaries and probably into the general election without action in this particular field—despite the pleas of many of us in the Congress.

After the 1960 general election for the Presidency was decided by a scant 118,550 votes out of 68,335,642 cast for John F. Kennedy and Richard Nixon, there was a great hue and cry calling for changes in the electoral college which would make certain that no man ever could be elected to our Nation's highest office with fewer votes than the loser. I need not remind you that no action has been taken to update the electoral college either through provision for a direct election or through revision of the system to allow the use of Congressional District totals to determine the winner as proposed by students of the election laws such as Senator Karl Mundt of South Dakota.

PROMISES IGNORED

If it weren't for the fact that this nation is in real financial straits and facing its largest deficit in history, this line would almost be humorous:

"Our goal is a balanced budget in a balanced economy.".

Those words are quoted exactly as they appear on page 18 of the platform of the Democratic Party in 1964. Lyndon Baines Johnson and his Democrat running mates stood together on this statement in 1964, and I assume will attempt to justify this year's $30 billion dollar plus deficit as just a minor bookkeeping error.

On page 12 of the same document, under the title "The Leadership We Offer", is this statement:

"One rash act, one thoughtless decision, one unchecked reaction—and cities could become smouldering ruins and farms parched wasteland.".

Well, L. B. J. and company were elected, and while our farms are not exactly parched wastelands thanks to our dedicated farmers, the fact remains that farmers are being forced out of business by the tens of thousands, and many of our cities have certainly been left in smouldering ruins—not at the hands of foreign nations, but through open revolt by segments of our own citizens. It is granted that these citizens were agitated because of unkept promises and were enraged by the lack of performance on the part of those who had a hand in writing the platform of the Democratic Party in 1964.

Each year since 1946 it has been my privilege to express in verse to those I served through the year, the meaning and need of Christmas in our lives. Each year I have drawn from personal experience and the circumstances at the time, the theme for my verse.

We are still in Vietnam. For many there will be a place vacant in the family circle. We are torn apart at home and abroad. In hope, we cry for peace but we know there is no peace. Perhaps our failure is due to the fact that we are looking to others or to government instead of looking to ourselves for solutions to our problems. It is in this framework of thought that I penned these words:

Christmas is full of God's message of "Love";
Full of "Hope" for all in despair;
Full of God's "Peace" to men of good will;
It's the story of God who cares.

Yes, there is much Love in Christmas,
Much Hope and Peace, 'tis true;
But if Christ is to calm our troubled world,
It sort of depends on you!

If the Prince of Peace, born this day,
Is to turn men from their strife;
The Song of Christmas—the Message of Love
Must be sung each day with your life!
—H. C. S. 1967.

Ruth and I will be remembering you in our prayers during this season. May you have a blessed Christmas. If we not only recognize but retain the Spirit of Christmas we will have a challenging and satisfying New Year.

GOLD PURCHASING SLOWS IN LONDON AFTER FRENZY

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HANNA] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HANNA. Mr. Speaker, in line with my remarks yesterday and last Thursday on the gold crisis I was pleased to see in today's Wall Street Journal a report outlining the steps that are being taken to stem the speculation frenzy. As indicated in my previous remarks I believe every constructive step must be taken to eliminate the wholesale speculation that exploded after the devaluation of the British pound.

At this point I include the Wall Street Journal article:

GOLD PURCHASING SLOWS IN LONDON AFTER FRENZY: INFORMATION CIRCULATES ABOUT AGREEMENTS REACHED BY SEVEN GOLD-POOL MEMBER NATIONS—SPECULATION CURBS OUTLINED

Gold trading in London simmered down from its former hectic pace as more information filtered out about measures to curb gold speculation agreed to by the seven nations making up the international gold pool.

The measures were first adopted at an extraordinary meeting of the gold pool members at Frankfurt on Nov. 26 in the wake of a massive speculative attack on gold that followed Britain's Nov. 18 devaluation of the pound. But the measures didn't become known generally until after a regular monthly meeting of financial officials of the U.S. and European countries ended earlier this week at Basel, Switzerland.

According to authoritative but as yet unofficial reports, gold-pool members agreed to:

Bar purchases of gold on "margin," or credit.

Ban purchases of the metal for future delivery.

Take steps that will force central government banks and private banks to channel any orders directly to the gold markets, mainly London. Previously such buyers could place their orders through other banks, principally Swiss commercial banks, which would make the purchases as agents, thereby shielding the identities of the buyers from other market principals. Foreign central banks that don't choose to trade in London continue to have the alternate of dealing directly with the U.S. Treasury. The Treasury stands ready to buy or sell the metal at the fixed price of $35 an ounce in authorized transactions.

Coordinate their efforts in foreign-exchange dealings to prevent wide price differentials in a currency's forward, or future, foreign-exchange markets, with the idea of maintaining confidence in those currencies. Monetary specialists note that speculative buying of gold often results from a lessening of confidence in a currency's future value and that this loss of faith is frequently sparked by, and reflected in, wide disparities in the market's assessments of what the currency will be worth in terms of other currencies at future dates.

LE MONDE REPORT

In addition, an understanding is said to have come out of the Basel meeting that gold dealers, in the pool-member countries, meaning essentially those that make up the London bullion market, won't execute orders whose size is abnormally large or whose source is unusual.

In a communique following the Frankfurt meeting, the seven countries pledged all necessary resources to keep the price of gold unchanged at $35 an ounce. The statement also said that countries "took decisions on specific measures to insure by coordinated action orderly conditions in exchange markets and to support the present pattern of exchange rates" based on the $35-an-ounce price.

The countries comprising the gold pool are the U.S., Britain, West Germany, Italy, Switzerland, the Netherlands and Belgium. France, which stopped contributing to the pool last June, was at neither the Frankfurt nor Basel meetings.

It was expected that the agreed-upon measures would be implemented in the pool countries mainly through programs of moral suasion conducted by their respective governments. Both the U.S. and Britain explicitly bar residents from owning gold; trading in the metal in the other countries, on the other hand, is generally permitted.

For about two weeks after the Frankfurt accord, the pool-member countries maintained a tight lid on just what those "specific measures" were. They became known after the Basel session as news media pressed to determine the accuracy of a report published late last week in the Paris Le Monde; the French newspaper in recent weeks has been first to print stories on gold and monetary developments. Its reports are said to have been leaked to it by the de Gaulle government in its purported campaign to undermine the present gold-exchange international monetary system.

Le Monde had reported that the U.S. was asking other key industrial nations to pool some of their gold with the U.S. stock or to agree to accept gold certificates instead of insisting, as they can under present rules, on being supplied the metal by the U.S. Treasury at the $35-an-ounce price.

DENIAL BY U.S. DELEGATE

The ranking U.S. representative at the latest Basel session, Frederick L. Deming, Under Secretary for Monetary Affairs, has denied that this was his purpose in attending. The Treasury will say only that the meeting led to "closer cooperation" but won't say what additional matters were agreed, if any, to curb gold speculators.

From other sources, however, it was understood that the Basel conferees, gathered there for a regular meeting of the Bank for International Settlements, discussed the possibility of setting up a multilayered gold market aimed at further squelching speculative buying.

By such an approach, two separate markets would be recognized: One for buying and selling the metal for official monetary purposes, and the other for licensed industrial uses. Speculative trading thus would be pushed into still other markets that aren't supported by the gold pool. One such market presumably would be the one in Paris.

Thus, it's argued, speculative trading would be identified and isolated; gold-pool members would be obliged to continue to support only the recognized markets. The idea is that any sharp runup in price on the speculative market then would have no impact on the gold reserves of pool-member countries and hence shouldn't shake confidence in the ability of the major gold-holding nations to sustain the present international monetary system.

In London, yesterday, gold sales slipped to about 70% of their level Tuesday, when volume totaled the equivalent of about $35 million, dealers said. Demand climbed in Paris, but declined in Frankfurt, Zurich and in certain other centers.

In Paris, gold sales yesterday rose to the equivalent of $12,210,000 from $9,780,000 Tuesday and neared the record $12,760,000 on Nov. 27.

The London spot-delivery price range yesterday was $35.19½ to $35.21½, unchanged from Tuesday. At their official daily fixing yesterday morning, London dealers set the dollar price at $35.1975, up ⅛ cent from Tuesday. Demand for gold was fully met, the dealers said.

THE BURDENS OF BIGNESS

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HANNA] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HANNA. Mr. Speaker, an interesting and enlightening editorial appeared in yesterday's Wall Street Journal. It is a provocative piece of social commentary on the characteristics of big business. Its references to the backbiting and bureaucracy of big business provides a revealing repetition of the charges we so often hear pronounced against big government. Could it be that it is the nature of men not the character of the institution—be it public or private—that accounts for this uncommon similarity between the accusations leveled at big business and those directed at big government?

The article follows:

A Comment on a Business Dropout

Elsewhere on this page appears one young man's unflattering view of corporate life. We print it not because we think it particularly objective or balanced—although certainly there is much truth in it—but because it reflects the opinion of many others, and this is a problem that business has become acutely and worriedly aware of.

Since Mr. Crossland's attitude is prevalent among young people, managements must somehow seek to counter it, and to some extent they are doing so. At the same time we suggest that the scornful young people could engage in somewhat deeper thinking on the question of a business career.

Granting the probably excessive bureaucracy of big business, it is only fair to note that few human institutions are free of it. Public service is notoriously plagued with bureaucracy and makework. Even the groves of Academe, to which this young man has fled, are full of backbiting, infighting, jealousy, red tape and other ills that some associate with the executive suite.

When the indictment extends from limited experience in a couple of companies to the capitalist system as a whole, it is too sweeping by far. Capitalism, says Mr. Crossland, "means the capitalists run the country," and he caricatures executives as grimly conformists types interested only in their own paychecks and the company's share of the market.

Left out of the picture is the realization that business can provide intellectual challenges and a sense of accomplishment. For one thing, these men are serving broader social goals in the most tangible way. The business prosperity they create and maintain makes possible the education explosion, the advances in health and just about everything else, including the taxes that finance government.

That is one kind of social responsibility. In addition, managements are increasingly getting into direct social activity in areas like pollution and slum rehabilitation. Such endeavors do not deserve to be dismissed, as Mr. Crossland does without evidence, as "corporate camouflage."

To paraphrase Churchill on democracy, American business may be a terrible system, except that no other provides better for more people—a consideration the younger generation seems in danger of forgetting. At any rate, Mr. Crossland's article will indicate to managements, if they don't already know, something of what they are up against.

PRESIDENT CHALLENGES BUSINESS COUNCIL TO MAINTAIN AMERICAN ECONOMIC MIRACLE

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HANNA] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HANNA. Mr. Speaker, President Johnson made a dynamic, challenging speech to the Nation's business leaders yesterday at the business council.

Rather than resting on the laurels of our unprecedented 82 months of sustained prosperity—the "American economic miracle"—the President met head on the challenges which threaten that prosperity.

In order to maintain the health of our economy and the soundness of the American dollar, the President pledged the Government's efforts to strengthen the reserves behind our dollar, secure a healthy international balance of payments, and maintain fiscal prudence and integrity in Government programs.

But in these trying times the Government needs the assistance of business to secure a prosperous tomorrow. As the President told the council:

> It is your economy—your jobs and profits we need to protect. It is your dollar whose strength we must maintain.

The President thus challenged the Nation's businessmen to expand their exports, "refrain from avoidable price increases," and carefully watch their dollar outflow abroad—all voluntarily.

He pointed out that a healthy economy is the responsibility of everyone, asserting that voluntary restraint now will avoid involuntary controls later.

I certainly endorse the President's statement that the combined efforts of business, labor, and Government will be needed to continue the American economic miracle. This was the President's message—this was his challenge—to the business council.

I insert into the RECORD the President's cogent remarks to the business council:

Remarks of the President at the Business Council

If we wanted to celebrate the triumphs of our economy tonight, we would have cause enough.

We are now in the 82nd month of the American economic miracle. This sustained prosperity is unparalleled in our history.

But it is not celebration which summons us.

We are here, rather, to look at the other side of the ledger—to assess some of the challenges that now threaten our prosperity.

INTERNATIONAL MONETARY PROBLEMS

America's role in world trade and finance is crucial to our prosperity and that of all free nations.

World trade has quadrupled since World War II. We have helped to create that trade and we have shared fully in its benefits.

In the world network of trade, America's role is doubly important. Our dollar stands at its center—the medium of exchange for most international transactions.

The recent devaluation of the British pound—with the tremors of uncertainty it stirred—makes it even more imperative that we maintain confidence in the dollar.

In the wake of devaluation, we witnessed a remarkable display of international financial cooperation. A speculative attack on the system was decisively repelled.

It was repelled because we stood firmly behind our pledge—which I reaffirm today—to convert the dollar to gold at $35 an ounce.

It was repelled because the leading governments of the western world joined with us in that successful defense, at a relatively small cost in reserves.

But we cannot rest on this victory. We must look ahead. As world trade expands, so must the liquidity required to finance it. That liquidity need not rest on the uncertainties of gold production, consumption and speculation. Nor can its supply be the responsibility of any one country.

So, even as we reaffirm our pledge to keep our dollar strong—and every ounce of our gold stock stands behind that pledge—we must look beyond gold.

We will press the case for other reserves which can strengthen the international monetary system of tomorrow.

We are joined with other nations in this venture.

Already we have laid out a blueprint. The agreement reached at the International Monetary Fund meeting in Rio is a first important step. It points the way to the creation of supplementary reserves backed by the full faith and credit of the participating nations.

BALANCE OF PAYMENTS

A healthy balance of payments is essential to a sound dollar.

After a decade of deficits, our balance of payments problem still challenges the best efforts of government and business.

In recent years we have made some very real progress. But we find some of that progress offset by the cost of our defense efforts in Southeast Asia, and by events surrounding the devaluation of the pound.

This calls for special effort—by both government and business—to press even harder for progress.

Our investments in defense and foreign aid are vital to the security of every American. But, for our part in government, we are reducing to the barest minimum the drain of these essential activities on our balance of payments.

Business, too, has responded to the challenge.

In the voluntary balance of payments program, we have seen one of the finest examples of cooperative effort with government. Many firms have helped to reduce the deficit. They have borrowed funds overseas to finance foreign investments rather than borrow here and export our dollars abroad. Others have chosen to defer or scale down their investments.

We ask for even greater voluntary cooperation in 1968.

Before your dollars flow abroad to another industrial nation, ask yourself: Is this for an essential project? If it is, why can't you finance it overseas?

I know that borrowing overseas may cost an extra point or so in interest. But it is a necessary investment. It will strengthen the economy in which we all have a share.

EXPANDING OUR EXPORTS

The best way to strengthen our balance of payments is to expand our exports.

We used to talk of the world market in terms of billions of dollars—and more recently hundreds of billions. Now the economists tell us those measures no longer suffice.

The size of the economy outside the United States today exceeds $1 trillion.

American business has only begun to fight for this market.

I hope you will take this message back to the board rooms of America: Get going on exports.

We in government have helped you to promote and finance your sales to other markets abroad. We hope to do even more in the future.

But I ask business to remember this: Trade must be a two-way street. Trade must be a fair and competitive race.

You cannot win this race confined by the quotas or high tariff walls the protectionists demand. Those walls have always been barriers to profits. You will win the race with time-tested American business methods—efficiency, better products, lower costs and prices.

Even though we know that a key to balance of payments is to export more, we also know this:

If our prices rise faster than those of our overseas competitors, our exports will suffer and our imports will grow.

A growing export surplus demands that we maintain a higher degree of price stability than our competitors. We have done that over the past seven years.

THE RESPONSIBILITY OF BUSINESS AND LABOR

The challenge to business and labor is no less compelling than the challenge to government.

We know that wage and price changes are inevitable—and desirable—in a free enterprise system.

But those changes must be restrained by a recognition of the fundamental national interest in maintaining a stable level of over-all prices.

If strong labor unions insist on a wage rise twice the nationwide increase in output per man-hour—even where there is no real labor shortage—we are bound to have rising prices.

If members of an industry attempt to raise prices and profit margins—even when they clearly have excess capacity—we are bound to have rising prices.

Nobody benefits from a wage-price spiral. Labor knows that it does not. You know that business does not. And surely the American people do not.

Yet business says it is labor's responsibility to break the spiral, and labor says it is yours.

I say it is everyone's responsibility.

It is the responsibility of Government, of labor, and of business.

I intend to urge labor to restrain its demands for excessive wage increases.

I am urging business tonight to refrain from avoidable price increases, and to intensify its competitive efforts.

To both I say: It is your economy—your jobs and profits we need to protect. It is your dollar whose strength we must maintain.

For the first time, America is fighting for freedom abroad without resorting to wage and price controls at home.

Voluntary restraint has made involuntary curbs unnecessary.

This is the way it should be done.

This is the way it can be done—if business and labor meet their responsibilities.

THE WOODLAND HILLS, CALIF., ADULT OCCUPATIONAL TRAINING CENTER

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. CORMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CORMAN. Mr. Speaker, it is with great deal of pride that I announce to my colleagues in the House that the Adult Occupational Training Center of Woodland Hills, in my district, has been judged the Nation's best by the Ford Foundation and Federal agencies. The man largely responsible for the success and quality of the center, Dr. Calvin Dellefield, is leaving soon to help establish a similar center in Washington, D.C.

I have known and worked with Dr. Dellefield for several years and have found him to be an administrator of rare imagination, sensitivity, and capability. I am indeed pleased that the residents of our Nation's Capital will soon benefit from his able administration.

Dr. Dellefield was offered the Washington administrative dean position 6 weeks ago by Dr. Cleveland Dennard, president of the new Washington Technical Institute. He will be leaving about January 1, on a leave of absence, to begin establishing a curriculum for the Washington Institute. The school will be temporarily housed in the Bureau of Standards Building. One thousand students are expected when the school opens next fall. The school will be the first of its kind in the area, and will receive financing from the Federal Government, as do some of the other schools in the District of Columbia.

To describe the aims of the Washington Technical Institute, Dr. Dellefield said:

> We will be attempting to duplicate as nearly as possible, considering the labor market needs of that part of the country, the short-term job training program we have established here at the AOTC. We plan day and night and even Saturday classes.

The Adult Occupational Training Center, which Dr. Dellefield will be leaving for a complete school year, under leave of absence granted by the Los Angeles Board of Education, is one of the three largest of its kind in the United States, and the largest west of Denver. Dr. Dellefield, as principal of AOTC, has had the responsibility of its current enrollment of 4,900 students in some 177 classes.

There have been more than 30,000 students completing the courses at AOTC during the past 2½ years, with the inclusion of the term which ends in January. The faculty is made up of 177 teachers who come from business and industry as specialists and are instructing occupations which are in demand.

Dr. Dellefield, who resides at 4623 White Oak, Encino, Calif., is a California State certified psychologist. His previous experience has been as a personnel consultant to such leading industrial firms as Litton and North American Aviation. He has been a personnel analyst for Los Angeles city schools, and the City Housing Authority and other Los Angeles County agencies.

Dr. Dellefield obtained his B.A. degree from Arizona State University, and his M.A. in guidance from Northwestern University, and a Ph. D. in education from the University of California at Los Angeles. He has taught at the University of Southern California, UCLA, and California State College, at Los Angeles.

For his outstanding work as principal and administrator of the Adult Occupational Training Center of Woodland Hills he received, earlier this year, the Community Service Award of the Canoga Park Civic Association. This is just one of the numerous awards and commendations which he has been given for his excellent work as AOTC administrator and his many civic and service volunteer activities.

At the present time he is serving on the board of directors of the San Fernando Valley Mental Health Association, the Valley Welfare Planning Council, the Valley Youth Foundation-Teen Center and the Mayor's Advisory Committee for the Valley.

Dr. Dellefield is a member of American Psychologists Association, Phi Beta Kappa, and Kappa Delta Phi, the adult educational fraternity.

Washington is indeed fortunate Dr. Dellefield will soon be applying his fine abilities in administration to establish a school in Washington like the one we are so proud of in Woodland Hills, Calif.

U.S. PARTICIPATION IN THE CONSTRUCTION OF A DUAL-PURPOSE ELECTRICAL POWER GENERATION AND DESALTING PLANT IN ISRAEL

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. CORMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CORMAN. Mr. Speaker, I am pleased to join several of my colleagues in the House in introducing legislation to provide U.S. assistance to help Israel overcome its crucial water shortage by aiding them in the construction of a nuclear desalination plant. This plant would produce up to 150 million gallons of fresh water and 400,000 kilowatts of electricity daily.

Since 1964, the U.S. Department of the Interior has assisted the Government of Israel in a study to determine the technical feasibility of such a project. This study is not yet completed, but indications are that there is considerable promise and a clear need for a large-scale nuclear desalting plant in Israel by 1975. The development of a plant capable of producing fresh water output at economically useful rates will require loan or grant assistance. The result will be well worth the cost.

The bill I have introduced authorizes U.S. technical and financial assistance to Israel to the extent necessary to bring water costs down to reasonable levels. The total cost to the United States would not be expected to exceed $50 million.

This project would be of enormous value to Israel's economic development, would provide valuable technical information for future desalination programs throughout the world, and would be tangible evidence of American support for Israel in the aftermath of the 6-day war.

I urge my colleagues to give this bill early and favorable consideration.

LET US PASS PRESIDENT JOHNSON'S SAFE STREETS AND CRIME CONTROL ACT

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. HOWARD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there

objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOWARD. Mr. Speaker, President Johnson yesterday issued an urgent appeal to the Congress to pass the Safe Streets and Crime Control Act of 1967—one of the most comprehensive crime-fighting measures ever to be proposed by any President.

The President's sense of urgency is understandable. Recently released FBI reports showed a sharp increase in crime across the country. And unless the Federal Government is willing to come to the direct aid of local law enforcement agencies, it is hard to predict how high the crime rate might go.

I know that this bill is extremely worthwhile. It maintains the traditional concept of home rule and local law enforcement, while at the same time it places millions of dollars in Federal funds in the hands of States and communities crime-fighting potential.

In my own State of New Jersey, in the past 2 years, we passed a number of significant crime control measures which stressed greater cooperation between local agencies and State governments—uniform crime reporting and a police training act. These measures have strengthened the hand of local law enforcement agencies in controlling and preventing crime in our State.

President Johnson's proposal will do the same for the Nation. It will help local police forces obtain new equipment, study new methods of control and modernize the police apparatus, among other things.

The country needs this crime control measure now. The country needs the millions of dollars in grants which would be made to States, communities and nonprofit institutions in their efforts to combat crime.

The Congress has a high responsibility to pass this program; to pass it in the manner President Johnson proposed; and to come to the people with the knowledge that a deep-seated need for the protection of life and property is being fulfilled.

THE HISTORY AND THE FOUNDING OF THE CATHOLIC WAR VETERANS OF THE UNITED STATES OF AMERICA

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentlewoman from New York [Mrs. KELLY] may extend her remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mrs. KELLY. Mr. Speaker, in 1935 the late Msgr. Edward J. Higgins called together a group of veterans to perpetuate and strengthen the ideals of our representative democracy and in turn to fight the spread of communism in the United States. Monsignor Higgins believed that men and women who had served in the U.S. Armed Forces in the past should continue to strive for the preservation of democracy in the United States. Thus, the Catholic War Veterans of the United States of America was founded and chartered in the State of New York. Monsignor Higgins established the first post in Astoria, N.Y.

Thirty-two years ago Monsignor Higgins, in expressing his ideas at the founding of the Catholic War Veterans, said:

> It is better to have biscuits than bullets.

However, he cautioned people not to be afraid to die when the time came to fight for the liberties and the freedom of the American people. He thusly called upon all Catholic war veterans to organize in order to maintain our goals of individual freedom for all Americans.

The Catholic War Veterans is an organization of American Catholic men and women who have been wartime members of any branch of the U.S. Army, Navy, Marine Corps, Coast Guard, or Air Force. The goals of the organization as stated in the constitution and bylaws are for God; for country; and for home.

The Catholic War Veterans have always been active and loyal supporters of the American principles on which our great country was founded and militant foes of communism and all other forms of totalitarianism. They have contributed to an increase in and a strengthening of patriotism by the enactment of numerous programs relating to civic responsibility and community betterment. They campaign for the promotion and the circulation of decent literature.

The Catholic War Veterans sponsor and encourage public displays of allegiance to our country by participating in various parades and public ceremonies and in addition they are continuously helping the young people of our Nation by organizing programs for their benefit. Members of the Catholic War Veterans, as participants in the Veterans' Administration Hospital Volunteer Service program, volunteer their services to the patients in Veterans' Administration hospitals across the country.

The organization expresses the interest of its membership by fighting for additional veterans' benefits and maintains liaison with service officers at the Veterans' Administration to assist the veteran.

The Catholic War Veterans, recognized as a bona fide veterans' organization by the VA, are certified by the VA to represent the claims of veterans before the rating boards.

Mr. Speaker, we take pride in all our men and women of the U.S. Armed Forces stationed here and around the world, but let us never forget the many who are no longer actively associated with the service, but who continue to serve their country through membership in the various veterans' organizations.

WHY THE UNITED STATES IS IN VIETNAM—AN OFFICIAL EXPLANATION

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. KLUCZYNSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KLUCZYNSKI. Mr. Speaker, the current issue of U.S. News & World Report carries an article by William P. Bundy, Assistant Secretary of State for East Asian and Pacific Affairs. In my judgment, this is one of the most thoughtful presentations of why we are in Vietnam and of the consistency of our basic policy over the years in Southeast Asia. Mr. Speaker, I ask unanimous consent that Mr. Bundy's comments be inserted in the RECORD.

WHY THE UNITED STATES IS IN VIETNAM—AN OFFICIAL EXPLANATION

(NOTE.—Arguments are growing sharper over the U.S. role in the Vietnam war. Political critics of President Johnson accuse him of shifting policy away from that of his predecessor, of setting broader, more entangling goals. Who is right and who is wrong? Is Washington actually on a new, though unannounced, tack? In the following, written for U.S. News & World Report, a top U.S. diplomat traces the history of Vietnam policy through four presidential Administrations.)

(By William P. Bundy, Assistant Secretary of State for East Asian and Pacific Affairs)

As the war in Vietnam continues, some confusion occasionally arises concerning our objectives and the relation of the war to our national interests. It is even alleged from time to time that the Government's view of the objective and the stakes involved has changed in recent years, or that the continuation of the war in itself is leading to an expansion of our aims.

Such suggestions seem to me totally at variance with the record. Naturally, each Administration is responsible for its own actions, and none should say or imply how another President would have acted at any given time. Yet, as one who served in a career capacity under Presidents Truman and Eisenhower, and as a political appointee under Presidents Kennedy and Johnson, it seems to me clear that there has been a basic consistency in the objectives and analysis of all four Presidents who have had to come to grips with the situation in Vietnam.

Our objective is simple and unchanging. President Johnson stated it at Johns Hopkins on April 7, 1965, in these terms:

"Our objective is the independence of South Vietnam and its freedom from attack. We want nothing for ourselves—only that the people of South Vietnam be allowed to guide their own country in their own way."

In a word, we are assisting the Government and people of South Vietnam to defend themselves against an attempt to impose on them by force a Hanoi-dominated government. We believe that the great majority of the South Vietnamese people reject such a solution. and that the South Vietnamese people should be permitted to work out their own political future without external interference.

Behind our pursuit of this objective—and our belief that it deeply involves our national interests—have lain basic judgments, of which four stand out:

First, Southeast Asia matters. Its 250 million people are entitled to develop as free and independent nations in whatever international posture they wish, and this is the only kind of Southeast Asia compatible with a peaceful future for Asia as a whole and wider areas.

Second, the nations of Southeast Asia are individually threatened by the parallel and mutually reinforcing ambitions of North

Vietnam and of Communist China. A North Vietnamese take-over of the South by force would stimulate these expansionist ambitions and weaken the will and ability of the nations of Southeast Asia, and indeed beyond, to resist pressure and subversion.

Third, if South Vietnam were to be lost through a failure on our part to fulfill the national commitment embodied in our whole course of conduct since 1954, including SEATO [Southeast Asia Treaty Organization], the effect on confidence in our commitments in Asia and elsewhere could only be very serious.

And, fourth, a success of the Communist technique of "people's war" or a "war of national liberation" would undoubtedly have the effect of encouraging the extremist line of thought among Communist nations. It might thus undo the more promising trends that have developed in recent years in the Soviet Union and in the Eastern European countries, and this could seriously affect the Middle East, Latin America, and even Europe.

The last two of these basic reasons are worldwide in their implications. The first two concern the situation in Asia. They relate—as they have always related—to our basic policy of assisting the nations of Asia to stand on their own feet and to resist the ambitions of Communist China, and of working toward a situation in which Communist China would cease to follow expansionist desires and would accept what the Manila Communique last fall called a "peace of reconciliation."

The relevance of Vietnam to the problem of Communist China has always been clear. It was cogently stated many times by President Kennedy. Nor is it novel that our policies in Vietnam and Southeast Asia are based on calculations of national interest as well as international morality. The national interest must be the basis for action by any nation, and has surely been the basis for the actions of the four Presidents under whom I have served.

In the most specific sense, the war in Vietnam relates to Southeast Asia. And an assessment of both our stakes and our degree of progress depends heavily on two judgments: what we and our allies are preventing and must continue to prevent in that area, and what we are making possible there.

For this is what wars are about—to prevent disastrous adverse results, and to make possible constructive and progressive trends. War is in itself sterile and brutal, as none know better than those who have led or served in our armed forces. It can be justified politically and morally only where it serves a major purpose in both directions.

I submit that the picture in Southeast Asia demonstrates conclusively that our action is preventing a disastrous result, and supports the judgment that it is opening the way to new and immensely promising trends. The latter in particular are insufficiently realized in our tendency to focus on Vietnam rather than the area as a whole.

In a sense, the key to both sides of the picture is psychological, and this is the point fully appreciated by the overwhelming body of Southeast Asian opinion and by those familiar with the area, but apparently much harder for others to grasp to the full. The psychological key is what businessmen and politicians all over the world know as the key to progress in their areas. It is, quite simply, the presence or absence of a sense of confidence.

WITHOUT U.S. ACTION—DISASTER

In 1965, when President Johnson decided on major military measures to assist South Vietnam, he acted on the basis of the clear judgment that without such measures North Vietnam would take over the South by force, and that nothing less could possibly hope to stem and reverse the tide.

But he acted also on the judgment that, if the tide then running heavily in Hanoi's favor were to run its course, the effect on the rest of Southeast Asia would inevitably be extremely serious. Laos and Cambodia would almost certainly have fallen within a North Vietnamese sphere of control, while predominantly Communist Chinese pressures would have increased greatly in the rest of the area. Within a short space of years, a trend in favor of Communist Chinese and North Vietnamese domination would surely have set in to the point where it could have been reversed only by a greater conflict and in worse circumstances.

The fact that this has not happened is in effect a gain already realized by our effort in South Vietnam. Yet the stake remains, and if the United States were to withdraw today or, in President Johnson's words, to settle for a "meaningless agreement," the rest of Southeast Asia would draw the conclusion that the future lay with the expansionist Communist states.

This is deeply felt throughout Southeast Asia, and elsewhere in Asia. Recently, Prime Minister Sato of Japan visited a large number of countries in Southeast Asia. As he reported in a speech at the National Press Club on November 14:

"I was deeply impressed, during my recent trip, that the United States efforts in Vietnam were well understood and appreciated by the governments and peoples of the Asian countries. I found that they clearly understood that, if the United States loses interest in Asia at the present time, not only the peace and security of Asia but also the future of the world would be in serious jeopardy."

Virtually without exception, leaders and responsible opinion in the area share our own view that the struggle in South Vietnam is crucial to the independence and continued ability to work for its people of each and every nation over a wide area.

It is not too much to say that this preventive aspect of the war is in itself essential, if we are to avoid a major and quite possibly disastrous shift in the balance of power in Asia. In essence, the stakes in Vietnam are for Southeast Asia what the war against militarist Japan was for the whole of Asia, and the Korean conflict for the countries of Northeast Asia, including Japan and the Republic of China.

But there is also the positive side of our effort in Vietnam. For it must always be the ultimate objective of all our policies to further human progress in conditions of peace. And this too boils down in Southeast Asia to the question of confidence. Today—as all impartial observers would attest—there is a sense of confidence in Southeast Asia. The evidence is strong that a new Southeast Asia is in fact being built and can be developed. Where Indonesia in 1965 was drifting rapidly to Communist control and practical alignment with Peking, it now stands on a stanchly nationalist basis, abandoning the threat to its neighbors and seeking to work out the chaotic economic problems left by Sukarno—with the multilateral help of ourselves and others.

Regional co-operation within Southeast Asia, and among Asian nations as a whole, has taken great and historic strides. And it is the widely accepted view in the area—which I share—that these developments would have been far less likely if we had not acted as we did in 1965, and if Communist force had thus taken over in South Vietnam.

For the longer future, moreover, new factors in Southeast Asia give promise of greater progress to come. In place of the "neocolonialist" attacks that were common less than three years ago, the nations and peoples of the area are prepared to accept the partnership that is the only relationship sought by ourselves and other outside nations in a position to help. And such outside nations have greatly extended their interest in the area—Japan in the field of economic assistance and regional organizations, European nations through their participation in multilateral aid, and, in a trading sense, virtually every nation, including the Soviet Union.

Another major feature of the situation is the success of pragmatic and realistic economic policies in individual countries—in Thailand, Malaysia and Singapore over many years, and now more hopefully in Indonesia and to a considerable degree in the Philippines.

In short, Southeast Asia and its people are on the move as never before in history. And they are working together, as never before, in the economic and educational spheres, and notably through the newly formed five-nation ASEAN [Association of South East Asian Nations] grouping, which lies open to further expansion.

AMERICA'S INTERESTS AND ASIA'S HOPES

In terms of our own policies, we have a part to play in the development of this new and constructive Southeast Asia. Our quiet support for Asian regional initiatives and our economic-assistance programs are essential underpinnings for progress in Southeast Asia. With the growing capacity of individual nations, such help should be on increasingly solid ground. And with the help now forthcoming from others, such as Japan, the cost of assistance—in itself an extremely small percentage of the costs of the war—is already being shared, and should be more so.

But—to repeat once more the crucial point—all this hinges on the maintenance of confidence. And that confidence in turn depends on the collective determination of South Vietnam and its allies to see the conflict through to an honorable settlement that will insure the right of the South Vietnamese people to determine their own future without external interference.

These are the stakes the Administration sees in Vietnam. They are very grave indeed, but also very hopeful. And behind these stakes lies—as it has always done under all the Presidents with whom I have served—the calculation of our own national interest, and a belief that national interest is at one with the desires and hopes of the peoples of the area themselves.

INTRODUCTION OF JOINT RESOLUTION AUTHORIZING A COMPREHENSIVE AUTOMOBILE INSURANCE INVESTIGATION

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Moss] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MOSS. Mr. Speaker, in December 1966, the Washington State Legislature's joint interim committee on insurance issued a report entitled "Insurance." On page 12 of that report it is stated:

> Cancellation, rejection and failure to renew automobile liability insurance present the number one problem facing the insurance-consuming public today.

Although the report covered the situation existing in the State of Washington, the same fact pattern exists across our Nation.

An integral part of the problems involved in cancellation, rejection, and failure to renew automobile liability insurance is the existing system of compensation for loss and suffering.

Last January 26, Mr. Speaker, I introduced H.R. 4004, a bill to establish a Federal Motor Vehicle Insurance Guaranty Corporation. My firm conviction for the necessity of that legislation have been reinforced in the previous months. The damages being inflicted upon our citizenry by the automobile insurance industry are scandalous.

Due to the developing material which has followed the introduction of H.R. 4004 I am convinced that the magnitude of the automobile insurance problem requires careful and complete study and investigation.

Today the Honorable WARREN G. MAGNUSON, senior Senator from the State of Washington, and I are introducing joint resolutions in our respective bodies authorizing the Secretary of Transportation to undertake a comprehensive study and investigation of the existing compensation system for motor vehicle accident losses.

The resolution follows:

H. J. RES. 958

Joint resolution to authorize the Secretary of Transportation to conduct a comprehensive study and investigation of the existing compensation system for motor vehicle accident losses and for other purposes

Whereas Congress finds that suffering and loss of life resulting from motor vehicle accidents and the consequent social and economic dislocations are critical national problems; and

Whereas there is growing evidence that the existing system of compensation for such loss and suffering is inequitable, inadequate and insufficient and is unresponsive to existing social, economic and technological conditions; and

Whereas there is needed a fundamental reevaluation of such system, including a review of the role and effectiveness of insurance and the existing law governing liability; and

Whereas meaningful analysis requires the collection and evaluation of data not presently available such as the actual economic impact of motor vehicle injuries, the relief available both from public and private sources, and the role and effectiveness of rehabilitation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of Transportation (hereinafter referred to as the "Secretary"), in cooperation with those other Federal agencies which possess relevant competencies, as provided in section 4, is authorized and directed to conduct a comprehensive study and investigation of all relevant aspects of the existing motor vehicle accident compensation system. Such study and investigation shall include consideration of the following—

(1) the inadequacies of such existing compensation system in theory and practice;

(2) the public policy objectives to be realized by such a system including an analysis of the costs and benefits, both monetary and otherwise; and

(3) the most effective means for realizing such objectives.

(b) The Secretary shall submit to the Congress interim reports from time to time and a final report not later than 18 months after the date of enactment of this joint resolution. Such final report shall contain a detailed statement of the findings and conclusions of the Secretary together with his recommendations for legislation and such other action as the Secretary deems necessary to carry out the objectives of this joint resolution.

ADMINISTRATIVE POWERS

SEC. 2. In order to carry out his functions under this joint resolution, the Secretary is authorized to—

(1) appoint and fix the compensation of such employees as he deems necessary without regard to the provisions of title 5, United States Code, governing appointment in the competitive service and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates;

(2) obtain the services of exports and consultants in accordance with the provisions of section 3109 of title 5, United States Code, but at rates for individuals not to exceed $100 per diem;

(3) enter into contracts with corporations, business firms, institutions and individuals for the conduct of research, and surveys and the preparation of reports; and

(4) appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive services, such advisory committees as he deems appropriate for the purpose of consultation with and advice to the Secretary. Members of such committees, other than those regularly employed by the Federal Government, while attending meetings of such committees or otherwise serving at the request of the Secretary, may be compensated at rates to be fixed by the Secretary but not exceeding $100 per day, and while away from home or regular place of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently. Members of such advisory committees shall, for the purposes of chapter 11, title 18, United States Code, be deemed to be special Government employees; and

(5) prescribe such rules and regulations as he deems appropriate, and apply such rules and regulations to reasonable classes of corporations, business firms and individuals.

COOPERATION OF FEDERAL AGENCIES

SEC. 3. (a) The Secretary is authorized to request from any department, agency, or independent instrumentality of the Government any information he deems necessary to carry out his functions under this joint resolution; and each such department, agency, or independent instrumentality is authorized and directed to cooperate with the Secretary and to furnish such information to the Department of Transportation upon request made by the Secretary.

(b) The head of any Federal agency is authorized to detail, on a reimbursable basis, any personnel of such agency to assist in carrying out the duties of the Secretary under this joint resolution.

INTERAGENCY ADVISORY COMMITTEE

SEC. 4. The President shall appoint an Interagency Advisory Committee on Compensation for Motor Vehicle Accident Losses consisting of the Secretary who shall be Chairman and one representative each of the Departments of Commerce, Justice, Labor, Health, Education, and Welfare, and Housing and Urban Development, the Federal Trade Commission, the Interstate Commerce Commission, and the Securities and Exchange Commission, and such other Federal agencies as are designated by the President. Such members shall, to the extent possible, be persons knowledgeable in the field of compensation for motor vehicle accident losses. The Advisory Committee shall advise the Secretary on the preparations for and the conduct of the study authorized by this joint resolution.

HEARINGS AND PRODUCTION OF DOCUMENTARY EVIDENCE

SEC. 5. (a) For the purpose of carrying out the provisions of this joint resolution the Secretary, or on the authorization of the Secretary any officer or employee of the Department of Transportation, may hold such hearings, take such testimony, sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, papers, correspondence, memorandums, contracts, agreements, or other records as the Secretary, or such officer or employee, deems advisable.

(b) In order to carry out the provisions of this joint resolution, the Secretary or his duly authorized agent shall at all reasonable times have access to, and for the purposes of examination the right to copy, any documentary evidence of any corporation, business firm, institution, or individual having materials or information relevant to the study authorized by this joint resolution.

(c) The Secretary is authorized to require, by general or special orders, any corporation, business firm or individual or any class of such corporation, firms or individuals to file, in such form as the Secretary may prescribe, reports or answers in writing to specific questions relating to the study authorized by this joint resolution. Such reports and answers shall be made under oath or otherwise, and shall be filed with the Secretary within such reasonable period as the Secretary may prescribe.

(d) Any of the district courts of the United States within the jurisdiction of which an inquiry is carried on may, in case of contumacy or refusal to obey a subpena or order of the Secretary or such officer or employee issued under subsection (a) or subsection (c) of this section, issue an order requiring compliance therewith; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(e) Witnesses summoned pursuant to this section shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

TERMINATION

SEC. 6. The authority of the Secretary under this joint resolution shall terminate after ninety days after the submission of his final report under section 1(b).

APPROPRIATIONS AUTHORIZED

SEC. 7. There are hereby authorized to be appropriated, without fiscal year limitation, such sums, not to exceed $2,000,000, as may be necessary to carry out the provisions of this joint resolution.

NEED FOR PERSPECTIVE

Mr. COHELAN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Moss] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MOSS. Mr. Speaker, I commend to the attention of the House a thoughtful and informative speech by Mr. Phil G. Goulding, Assistant Secretary of Defense for Public Affairs, at a luncheon meeting on December 8, 1967, of the Pittsburgh World Affairs Council, Duquesne University, Pittsburgh, Pa. Mr. Goulding forcefully puts into perspective the need for perspective in achieving a balanced understanding of world events, ranging from the war in Vietnam to Soviet space efforts.

Mr. Goulding's address follows:

You are here, I am told, to seek a better perspective of contemporary world affairs.

We thus have a mutual interest.

The function of the Office of the Assistant Secretary of Defense for Public Affairs is to help provide the basis for just such balance on military matters.

Perspective is not easily achieved if we accept a billboard approach to the news by the government, the press or the people.

Matters today have a dangerous and distressing tendency to work themselves out of perspective.

This tendency is seen in the dialogue on the war in Vietnam.

It is seen in the interplay *between* the government and the press and in the observations about *both* the government *and* the press from those who are part of neither.

It is seen in assessing the new weapons of other nations.

And it is seen in discussions of strategic offensive and defensive systems.

The Secretary of Defense has reminded us that every future age of man will be an atomic age. Certain hard facts of atomic age reality, including facts concerning the ability of a country to protect its citizens, must be reckoned with.

Too often the facts are ignored or distorted. And when they are, perspective is lost, to the possible peril of our nation.

It would be a grave error to underestimate the military capabilities of the Soviet Union. We do *not* underestimate their capabilities—neither their present strength, nor the power that they might have at a given time in the future. Our planning, in fact, is based not on our most realistic estimate of the future threat we *actually* expect, but rather on our estimate of a greater-than-expected threat.

However, it is also a grave error for citizens to overstate Soviet capabilities and accept unbalanced assessment of the Soviet—whether of a fractional orbital bomb or an alleged new aircraft carrier.

The case can be made that perhaps some of the controversy among people and press and government on Vietnam and perhaps some of the misunderstanding on strategic nuclear issues and on Soviet developments spring from our failure to achieve perspective.

Mr. Cyrus R. Vance left the Defense Department as Deputy Secretary last July after more than six years of association with Mr. McNamara. As you all know, he has since twice been summoned for emergency service by President Johnson—once to go to Detroit during the riots and a second time to fly to the Middle East to seek a solution on Cyprus.

Shortly before leaving the Pentagon, Mr. Vance said this:

"In America today one of the greatest barriers to understanding is the very nature of the dialogue which has developed over the issue of Vietnam. It is heated and intolerant. The lines, on both sides, are too sharply drawn.

"We need, I think, to restore the national sense of balance," he continued, "for there is little enlightenment in the dark words which pass back and forth over a gulf of misunderstanding today. We can agree to disagree. But surely, we must all seek meaningful communication as a bridge to reasoned understanding and rational action.

"Vietnam has been viewed too often in absolutes of black and white. The situation is not so starkly apparent as it is sometimes painted by the several sides in the debate. There are gray tones. The issues are complex and sometimes ambiguous.

"This is what makes it difficult to discuss or understand Vietnam," he concluded.

Both the government and the press have a basic role in laying the foundation for that "meaningful communication" of which Secretary Vance spoke. Both have a basic role in exploring these "complex and ambiguous" issues. The government must make available the facts. The press must act independently: watching, listening, thinking, probing, criticizing, questioning, accusing, exposing, and informing.

No one suggests that the Vietnam balance about which Secretary Vance spoke can come easily. There is a deep emotional frustration over the war itself, understandable because it *is* a difficult and confusing war to understand.

It is confusing because it is being fought against a variety of enemies—the trained North Vietnamese Army which has invaded by the tens of thousands, the main force Viet Cong battalions which are the equivalent of a regular Army, and the Viet Cong guerrilla, who is farmer by day and fighter by night. It is confusing because there is little in common between the action of the enemy who operates a highly sophisticated surface-to-air missile in North Vietnam and the 14-year-old cyclist who throws a homemade explosive in Saigon. It is confusing because American tanks which are so effective in one part of the country against one kind of the enemy are without value in another part of the country against another kind of the enemy—while more than 2600 American helicopters are equally successful in different ways against both of these enemies.

It is confusing because the land is itself confusing, and parts of South Vietnam are as different in geography and population as Nevada is from West Virginia or the Bayou from nearby New Orleans. The First Corps area where the Marines are fighting bears little similarity to the central highlands—and neither bears any similarity to the delta.

It is confusing because the large-scale military portion of the job must be done if we are to win—and yet no matter how well that job is done, it alone will bring us only part of the way to an honorable conclusion.

This confusion is complicated because this is the first war in which censorship does not exist and the television camera does, compounded because the war is unlike any experienced before by the *government*, the *press or* the people.

There are practical and physical difficulties in covering this war just as there are practical and physical difficulties in fighting it. Those who do not recognize these difficulties are blind. Those who expect either government or press to eliminate them are unrealistic.

In Vietnam the war is given the same merciless detailed scrutiny, the same instant exposure, as is every other facet of modern life. We have admitted to the battlefield this relentless ubiquitous newsman—with his electronic optic nerve that runs directly to you without censorship or government interference of any kind. We have admitted him, we have welcomed him and we have aided him to an unprecedented degree.

Parts of the war brought into your home are ugly. All wars are ugly and this one is no exception. There is no reason why the American people should not be made aware of the ugliness of it. It is *not* the responsibility of the Department of Defense to paint a rosy picture of the suffering of war and we do not attempt to do so.

We do make available to the newsman an unprecedented amount of information on the daily progress of the war. We do provide him an unprecedented amount of assistance in covering it. Nonetheless, in carrying out its information policies on Vietnam, both in Washington and in Saigon, the Department of Defense is charged by some with hiding the facts or avoiding the truth or artfully misleading the people.

They say that we are not living up to our responsibilities.

A great many other persons, some within the government and some outside of it, believe that those in the news business are too concerned with controversy and too preoccupied with sensation. They believe that newspaper reporters and editors seek the headline instead of the fact and emphasize the unique, the unusual and the controversial at any cost.

They say that the press is not living up to its responsibilities.

I cannot state too vigorously that these charges against the government and against the press bear no relationship to the fact and are totally out of perspective.

I emphatically reject the allegation that the Department of Defense is not fulfilling its responsibilities to the American people. And I emphatically reject the charges that the press as an institution is not fulfilling its obligations to the American people.

I am not as sanguine about whether the people are fulfilling their responsibilities to themselves.

It is true that most of us are obligated to give the bulk of our energy and attention to the task of earning a living and meeting family obligations. It is true that the war in Vietnam, the anti-ballistic missile system or something as monstrously named as the Fractional Orbital Bombardment System cannot receive from most Americans the same kind of attention they devote to their occupation and family.

Of course these issues cannot command that kind of attention. But they do demand more attention than many are willing to give them. They demand the kind of attention that you are giving them here today. Judgments on these issues cannot be made on the basis of emotion or platitude or from the ignorance of one who relies solely on the headline or the rapid-fire newscast.

The Department of Defense does provide accurate information for the American people on the war in Vietnam, on the deployment of an anti-ballistic missile system and on the Soviet development of what might be a Franctional Orbital Bombardment System. Within security considerations, it provides accurate information on all other aspects of the massive military establishment. This information is provided more accurately and more rapidly than it has ever been provided before. There is more professionalism, military and civilian, in the Department of Defense Public Affair's office than there has ever been in any government information office in this nation's history.

Additionally, the newsmen of this country do write accurate and objective accounts of military activities—in the Pentagon, in Saigon and elsewhere in the world. Accuracy and responsibility are still the guidelines of thousands of reporters and hundreds of newspapers; integrity and reliability are still the objectives sought by professionals of television, radio and weekly news magazines.

No one suggests that at some time some person at some level of government has not deliberately concealed a mistake or deliberately distorted a fact. No one suggests that within the world of journalism there are not individuals dedicated to the pursuit of the controversial and specializing in news which will produce human interest and drama, however irresponsible and however inaccurate.

Errors are made by information officers in Vietnam, by my own associates in the Pentagon and by myself. Coordination does break down between Washington and Saigon, or, indeed, between one agency of government and another. We do sometimes release statements before we have sufficient facts and sometimes delay too long after we have facts enough. In handling more than 80,000 press inquiries a year in my office in the Pentagon alone, mistakes of fact, judgment and administration are committed.

In the news field, of course there are reporters who cover the war without ever leaving Saigon, and there are ten-day experts who sweep in and out of the country with their shallow answers to questions that the serious Saigon press corps has been studying for years. Of course there are inexperienced writers, too young to have covered a war or fought a war. Of course individual television cameras sometimes accentuate the dramatic.

But this does not justify the intolerance about which Cyrus Vance spoke or the lack of perspective which is so distressing.

The distinction between honest error and poor judgment on the one hand and calculated deceit and misfeasance on the other seems too often to have been lost. The criticism too often is overly extreme. The critics say not that the Defense Department sometimes makes mistakes, but that we deliberately deceive the people. They say not that individual newsmen sometimes distort, but that the news medium itself deliberately courts distortion.

Let me say this. Those persons who contend that they cannot get accurate information, either from the government or from the press, or from a combination of the government and the press, are talking tommyrot.

It is ridiculous to suggest that the American who listens to his radio, who watches television, who reads selectively in two or three newspapers and who invests a portion of his time in magazines cannot inform himself on every major issue before us.

The very suggestion that the government could conspire to withhold the news from the people, day after day, and month after month, and that the news media are so replete with irresponsibility that the people could be misled by a combination of deliberate government distortion and secondrate reportorial effort is ludicrous.

The government makes available the information. The newsmen report the facts and the interpretations. The issues are described and can be studied by those who seek perspective.

This is not to say that the issues are not complex. The anti-ballistic missile system is the single most complex system ever developed by the United States, and the rationale for the decisions about it demand attention by the observer.

As you all know, Secretary McNamara announced last September 18th in San Francisco that the United States had decided to build and deploy a limited antiballistic missile system, designed against the type of threat which could be anticipated from Red China in the mid-1970's.

It has been alleged erroneously that the Secretary reversed himself on an antiballistic missile system. It has been alleged erroneously that this was a political decision. It has been alleged erroneously that Mr. McNamara really wanted no ABM at all, but accepted this one in order to block those who advocated a larger system.

Those who have studied the public record can and should understand his decision and can and should keep it in proper perspective.

Let me repeat the facts:

Mr. McNamara believes that we cannot today design, produce and deploy a system which would protect the American population against the type of large-scale missile attack which the Soviets could launch. It is true that by spending $30 or $40 billion dollars the United States could build a network which would intercept and destroy some incoming missiles and provide some defense—but only if the Soviet did not react to that defense by increasing its offensive force.

The United States must be able to absorb a nuclear surprise attack and then strike back with sufficient force to destroy the attacking nation. That capability is our basic deterrent to thermonuclear war. No rational country will strike if it knows that the strike will lead to its own destruction.

The Secretary of Defense believes that the Soviet Union must maintain precisely that same deterrent to protect itself—and that it will do so as long as it has the will, the technology and the financial resources.

This government determined several years ago that the Soviet then had or would develop the capacity to build an anti-ballistic missile system. Our proper and logical reaction was not to begin a defense of our own but rather to develop offensive weapons of sufficient quality and quantity to overwhelm any conceivable Soviet defense. This we have done. At whatever cost, it was essential to maintain that crucial destructive power that is our deterrent to thermonuclear war.

Secretary McNamara believes that the Soviet must and would react to a United States ballistic missile defense geared against them exactly as we reacted to the possibility of one geared against us—by buying additional offensive power.

Technology does not permit either country to conduct a defense which cannot be saturated and defeated by the offense. The deployment of a large-scale ABM by the United States would, therefore, lead to an increase in Soviet offensive strength. In the end, both nations would have spent enormous sums of money and neither would have achieved either additional deterrent to war or savings in lives in the event that deterrence failed.

The Secretary has stressed the need to distinguish between an ABM deployed to protect our population against heavy strategic nuclear attacks of the kind the Soviet Union is capable of launching and light attacks which the Red Chinese might be able to mount against us in the mid or later 1970's. He told Congress last January that we were considering a system which might offer a high degree of protection against a Red Chinese missile attack, but which could not be expected to provide meaningful protection against a massive Soviet attack. He pointed out that the lead time for the Chinese to deploy a significant offensive force was longer than that required for us to build an ABM to shield our people from attack. Therefore, he said, the decision for the latter did not have to be made then. It was made eight months later as the gap in lead-times closed.

The Record, then, shows clearly that there has been no contradiction in Secretary McNamara's position. He has consistently opposed a large-scale ABM against the Soviet-type threat. He previously left open the option for an ABM against the Chinese-type threat until the time came when it was necessary to decided. He has now picked up that option.

In summary, Secretary McNamara believes that we should:

1. Continue to develop and deploy a system costing in the neighborhood of $5 billion which will protect the population against the type of attack Red China might be able to launch in the mid 1970's—an attack of a relatively small number of relatively unsophisticated missiles.

2. Continue to spend significant amounts of money on additional ABM research.

3. Continue to hope that it is possible to agree with the Soviet Union, either formally or informally, on a mutually advantageous form of limitation that would apply to both strategic offensive and strategic defensive weapons.

A related issue which must be kept in proper perspective is the FOBS.

We announced recently that certain intelligence information indicated that the Soviets possibly were developing a Fractional Orbital Bombardment System.

There is a difference between this system and the traditional intercontinental ballistic missile. An ICBM normally does not go into orbit but rather follows a ballistic trajectory from launch point to impact point. On this trajectory it reaches a peak altitude of perhaps 800 miles.

Unlike the ICBM and its ballistic trajectory, the FOBS vehicle is launched into a very low orbit about 100 miles above the earth. At a given point—generally before the first orbit is complete—a rocket engine is fired which slows down the payload, causing it to drop out of orbit. That payload then follows a re-entry path similar to the reentry of a ballistic missile.

Secretary McNamara pointed out that we could not be certain that the Soviets were developing such a weapon, but that space tests indicated that they might be. He said that it was conceivable that the Russians could have their first operational FOBS during 1968. Because of the low altitude of their orbits, some trajectories of a FOBS would avoid detection by some early warning radars, including our Ballistic Missile Early Warning System, or BMEWS. The impact point would not be determined until roughly three minutes and 500 miles from the target; the flight time could be as much as 10 minutes shorter than an ICBM. After making these points, the Secretary discussed the disadvantages of a FOBS. Severe penalties are paid in the critical areas of accuracy and payload. The weapon would not be accurate enough for a satisfactory attack upon United States Minutemen missiles, protected in their silos, but would be accurate enough for a strike against bomber bases.

Several years ago, the United States anticipating a Soviet FOBS, began developing warning equipment. We are starting to operate with over-the-horizon radars which have more of a capability than BMEWS of detecting FOBS than does the BMEWS. These radars will give us more warning time against a full-scale FOBS attack than does BMEWS against a heavy ICBM attack.

The FOBS approach is not new. Some years ago we looked into it. There was agreement then among civilian and military leaders that there was no need for the United States to develop such a system.

Why did the government choose this time for an announcement? The reasons were clear. While the Soviet tests have been going on for more than two years, it was not until some recent tests that we became relatively certain that the Soviets were, indeed, embarked upon this course—and we are still not totally certain. But we then had evidence enough to inform the pertinent Committees of Congress on what we thought the Russians were doing, and, subsequently, to inform the people.

Of course there were headlines of Soviet "Space Bomb." Of course there were news stories of Russian "Terror Weapon." Of course the announcement was taken out of perspective by those who chose to do so to further their own particular point of view. In general, however, the Secretary's declassification of intelligence information and his disclosure of the Soviet tests resulted in reasonable reaction and comprehension from the newsman and the public. His prompt announcement, once the facts permitted, helped put the FOBS story in perspective.

The evidence suggests that most newspapers understood the basic point made by Secretary McNamara. That point is as fundamental to this issue as to the ABM discussion. The United States deterrent to general nuclear war rests upon our ability to absorb any surprise nuclear attack from any nation or combination of nations and then to retaliate with sufficient strength to destroy the attacking nations as viable societies. We possess this capability and we must keep it under any circumstances—whether we have 10-minute warning, three-minute warning or no warning at all.

Our deterrent is not based upon warning time; it is based upon our ability to accept any type of surprise attack, and then to destroy the attackers with our surviving force. The Secretary emphasized that we have that capability today and that we would continue to have it in the future.

At one point in the press conference Secretary McNamara was asked this question: "We would like to have you characterize your concern, whether this means a new round in the arms race—" He replied: "I am not concerned for the reasons I have outlined to you."

Most reporters and most readers seem to have taken this sentence exactly as the Secretary meant it to be taken. Because the development of a FOBS does not tilt the strategic nuclear scales, it is not of concern to this country. This does not mean, as some have charged, that the government is not interested. It does not mean, as some have charged, that the Secretary of Defense is "indifferent." It means exactly what it says: that the development causes him no concern.

The FOBS is a less accurate and less efficient weapon than the ICBM, with certain characteristics which the ICBM lacks. Those characteristics must be kept in perspective; they do not change FOBS into a superweapon.

Another development demanding proper perspective is the so-called Soviet aircraft carrier. After an initial story recently that Russia had built its first aircraft carrier, comment began to grow. Editorials were written about the dramatic emergence of the Soviet Union as a new seapower. Observers speculated that the addition of an aircraft carrier to the growing Soviet naval strength cast an ominous new shadow on the world balance of power.

Now it is quite true that the Soviet Union has for some time been building up its seapower. It is also quite true that the Soviet Union now has in the Mediterranean Sea some 30 ships, including surface combatant ships, submarines and auxiliaries. The Soviet has maintained a force in the Mediterranean since 1964 and their present deployment is perhaps four times that of two years ago.

The primary purpose of this naval presence is probably political and psychological. It is probably to indicate Soviet interest in this area. In a nuclear war, perhaps this force would seek to attack United States aircraft carriers, but in a conventional war it has neither the size nor the capability to pose a serious threat to U.S. forces. We would be foolhardy to dismiss the growing Soviet interest in the Mediterranean, but we would also be foolhardy to assume that this naval force can dominate, since it remains so small in relationship to the NATO force. The United States Mediterranean fleet ranges from 55 to 60 ships and total allied naval strength is perhaps five times that size. The Soviet presence should be taken for what it is—a move of political-psychological importance, but not one of overwhelming military significance.

The United States Navy has 15 attack aircraft carriers, eight anti-submarine warfare carriers and eight LPH's—which are Helicopter Landing Platforms. The 15 attack carriers range in size from the 85,800-ton nuclear-powered Enterprise down to 42,000 tons. The anti-submarine warfare carriers are in the 40,000 to 42,000-ton range. The LPH's range from 18,000 to 33,000 tons.

Those eight LPH's designed to support amphibious operations, each carry 30 to 35 helicopters and have accommodations for 2,000 marines. The superstructure or "island" is on one side of the ship—leaving the huge deck cleared for rapid launching and recovery.

Now let's examine the Soviet carrier force.

The fact is that the Soviet Union has built not one of these so-called carriers but two.

Construction on the first was begun in 1963. That ship was launched in 1965. It has been at sea since this spring and is now on a shakedown cruise in the Black Sea.

A sister ship has also been launched and is now in a Russian port being fitted out prior to sea trials.

Each of the two is nearly 650 feet long and each has a displacement of some 23,000 to 25,000 tons, fully loaded.

These ships are new. They are interesting. They undoubtedly are significant additions to the Soviet Navy.

They are not, of course, attack carriers, if indeed they should be called aircraft carriers at all.

They cannot accommodate fixed-wing fighter planes. The forward half of the deck is occupied by bridge superstructure, anti-aircraft guns, anti-submarine weapons, missiles and other equipment. The only "flat-top" or flight deck space is aft of the bridge in the rear half of the ship.

While intelligence estimates vary on the number of helicopters aboard, there are probably 30 to 35. This would be the total helicopter load; they could not all be launched simultaneously.

No resemblance exists between this helicopter-carrying ship and the 15 attack carriers of the U.S. Navy—all of which handle modern fixed-wing jet aircraft. There is little similarity between the Russian ship and the eight anti-submarine warfare carriers in the U.S. Navy, all of which are far larger. Since the Soviet ship is only one-half of a carrier, there is not even too much in common in appearance between it and our eight large-deck helicopter landing platforms.

The U.S. Navy ship that most resembles the Soviet vessel is one that we do not include in the aircraft carrier category—the LPD, or amphibious landing dock. Eight are operational in the U.S. fleet; seven more are presently being built. The LPD has a helicopter platform in the aft portion, as does the Soviet ship. Our newest LPD's (of the Austin class) are 569 feet long, weight 17,150 tons fully loaded, and have a flight deck 219 feet long. They combine helicopter and surface landing craft operations and are designed to transport and land troops during an amphibious assault.

The new Soviet ships should not be downgraded. They appear to be first-rate. We would be foolish to belittle them and we do not belittle them. But neither should perspective be lost and neither should they be described or accepted as aircraft carriers by our definitions. The construction of two new medium-sized ships, each with a half a deck as a landing platform, does not close by many leagues the aircraft carrier gap.

And so whether the issue is ABM or FOBS, Vietnam or helicopter ship, the government needs help from audiences such as this—from citizens interested in national affairs, journalism students and professional newsmen.

Your presence here proves that you are doing your job.

We in government implore you to continue doing it. And we implore you to continue to maintain your own perspective.

Surely there cannot be freedom without knowledge, and surely there will not be knowledge among the people without perspective among the people.

Vietnam can be debated intelligently whether that debate centers around the United States commitment or the tactics and policies growing from that commitment.

Strategic offensive and defensive issues can be understood by men and women of today's world—and, indeed, must be understood.

Valid assessments *can* be made by the people. Certainly, such assessments require the assistance of the government and the news media in making facts available. But the responsibility for making the assessment is yours. It is your responsibility to be well informed, to judge the output of both government and press, to reject the sensational, to recognize the objective. It is your *responsibility* to maintain a proper perspective.

The problems arising from the limited application of force in an atomic age are many, and many of them are unlike any problems a military establishment or a nation have faced before.

Our history does not prepare us for the situation in which numerical superiority of weapons cannot necessarily be translated into political or diplomatic power.

The frustrations and perils of the atomic age, the frustrations and subtleties of the restrained use of force, the frustration and uncertainties of this perplexing war combine to offer greater and greater challenges to both the government and the press as both meet their responsibilities to the people.

These frustrations make all the more essential our need to seek and to find the perspective so demanded by our time.

OPPOSITION TO CONFERENCE REPORT ON H.R. 12080

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. THOMPSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, I rise in opposition to the conference report on H.R. 12080. I voted for H.R. 12080 when it was before this House. I did so because I strongly believe that increased social security benefits are necessary to provide older Americans with the means to live in dignity. I voted for H.R. 12080 even though I strongly opposed the public welfare provisions. I assumed the conference committee would eliminate or ease these objectionable provisions. But I was wrong. The conference report before us incorporates an approach to public welfare which bespeaks the Middle Ages rather than our own day. As a result, I cannot in conscience support the conference report.

I am mindful that those receiving social security are counting on the increased benefits which this bill provides. But as the Members know, the increased benefits are not scheduled to appear in social security checks until March of next year. That being the case, we have ample time to rectify the mischief contained in this bill. I would urge the House to reject this conference report and to enact a bill which will insure that increased benefits begin in March. We can then reconsider the welfare provisions.

As the Members know, the language of the conference report freezes the percentage of children eligible for Federal assistance under the aid-to-dependent-children program at the level of January 1968. Such action would have a devastating effect upon New Jersey and many other States. New Jersey has the third highest inmigration rate in the Nation. The freeze contemplated in the conference report would mean that our State, county, and municipal governments would have to raise additional revenue to compensate for loss of Federal funds.

This morning I received a telegram from Commissioner McCorkle of our State department of institutions and agencies. He opposes the conference report because of the adverse effect it will have upon New Jersey.

Mr. Speaker, I would be the last person to minimize the beneficial effects of gainful work. I wholeheartedly support any effort designed to get people off welfare rolls and on payrolls. But the conference report in requiring that all recipients of ADC assistance work makes no exception for mothers with young children. There is no language to mitigate their situation. If we drive these mothers from their homes to enter other homes as domestics, who will care for their children? This conference report as it now stands can have no other effect than that of contributing to disintegration of family life among the poor with all the evils that this brings in its train.

Mr. Speaker, our elderly citizens are anxiously awaiting the increased benefits that we have promised them. But I cannot believe that they wish to receive them at the expense of misery inflicted on others. I urge my colleagues to reject this conference report.

The telegram referred to follows:

TRENTON, N.J.,
December 12, 1967.

Hon. FRANK THOMPSON, Jr.,
House of Representatives,
Washington, D.C.:

New social security legislation, H.R. 12080, as reported out of Senate-House conference contains provision freezing Federal participation in aid to families of dependent children program. If adopted this can be catastrophic for New Jersey, particularly our urban centers. New Jersey will suffer because: (1) It is nationally recognized that the number of welfare recipients has been maintained at a low level in New Jersey, and (2) New Jersey has the third highest rate of inmigration in the Nation. Freeze on Federal participation would place the entire cost of increased loads on State, county, and municipal governments.

LLOYD W. MCCORKLE,
Commissioner, Department of Institutions and Agencies, State of New Jersey.

LEGAL SERVICES

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. THOMPSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, after last summer's riot in Newark, there were unsubstantiated allegations made that some OEO personnel in Newark had participated in or even instigated the riot. Particularly disturbing to me and many other lawyers were the charges that lawyers employed by the Newark legal services program had participated in this riot. The Committee on Law and Poverty of the New Jersey Bar Association conducted an investigation to determine whether the allegations that legal services lawyers had participated in Newark or Plainfield riots were true. This committee recently issued the report of its investigation.

This committee found "no credible evidence that any legal service system, or any lawyer or other employee of such a system, advised, counseled, aided, or abetted in the conduct or instigation of the riots"; it found that—

> All of the evidence seems to establish beyond any reason for doubt that these agencies and individuals did everything within their power to discourage and avoid violence and to convince those who participated in the riots that there best protection lay in reliance on legal process.

Its final conclusion was that—

> All of the legal assistance agencies, including the Newark legal services, worked tirelessly to provide legal services for all who needed and qualified for help. This duty imposed a tremendous burden upon the Bar, which was faithfully and creditably discharged in the best tradition of the legal profession.

As a lawyer and a member of the New Jersey bar, I am proud that during this terrible crisis fellow lawyers acted in such a professional and exemplary way. As a strong believer that the OEO's legal services programs offer our best hope that grievances will be settled in court rather than in the streets, I am pleased that this report has disproven the allegations of legal services personnel involvement in the riots.

For the Members' information, I insert in the RECORD this report of the Committee on Law and Poverty of the New Jersey Bar Association, as follows:

INVESTIGATION OF ALLEGATIONS OF PARTICIPATION BY LEGAL SERVICE SYSTEMS IN THE NEWARK AND PLAINFIELD RIOTS

The Committee on Law and Poverty of the New Jersey Bar Association submits this report at the direction of the Trustees of the Association, to determine whether there was participation by Legal Service Systems or their personnel in the recent riots at Newark and Plainfield. The Committee was specifically instructed to ascertain if any such participation included the counselling, advising, aiding or abetting of any persons in the conduct or instigation of the riots.

The investigation could not, of course, be conducted through hearings or by the examination of witnesses under supboena. Nevertheless, the Committee has assembled or sought reports and information from all persons who might have pertinent information, including the police of the involved areas. It has, therefore, been possible to conduct the investigation quietly and without any of the publicity which often distracts from the probative value of open, emotional hearings.

The Committee has sought to investigate all leads which might disclose any improper participation in the riots by Legal Services Systems, or by lawyers attached thereto, because the Committee deems it to be self-evident that the advocacy of any unlawful act is contrary to every tradition of the legal profession and inimical to the fundamental objectives of all Legal Service Systems to advise and assist those who cannot otherwise secure legal services in order to help them escape from their condition of helplessness and hopelessness and to achieve a self-reliant status in a well-ordered society. The Committee consequently considers itself to be under an obligation to uncover any such improper activities and to recommend steps for immediate correction, if any such improprieties did in fact occur.

The Committee has been able to determine conclusively that there was no participation by any member of a Legal Service Agency in advising or encouraging any of the riotous activities which took place in Plainfield. Milford S. Payne, Chief of Police of the Plainfield Police Department, has specifically advised the Committee that to his knowledge "there was no such Legal Service involved, or any encouragement of riotous conduct".

Furthermore, it appears that the Union County Legal Service Project, organized under the Economic Opportunity Act, was not funded until June 30, 1967, and did not employ the services of a Director until early September, 1967. There were no Legal Services personnel of this project in existence at the time of the Plainfield occurrence. Consequently, it is obvious that no such personnel could possibly have participated in encouraging the Plainfield riot. The Committee has discovered no evidence that any other Union County Legal Service System or any Legal Service System of any other area, advised or encouraged any unlawful or inappropriate activities in Plainfield. Mr. Calvin J. Hurd, Esq., a member of this Committee, of Elizabeth, has advised the Committee that at the request of families of some of the persons arrested in connection with the Plainfield homicide of police officer Gleason, attempts were made by personnel of the Community Action Agency to obtain counsel for the defendants and to notify the office of the Public Defender.

The charges that Anti-Poverty Programs and officials encouraged or participated in the riots appear to be limited to allegations respecting the disturbances in Newark. This Committee requested all pertinent information concerning such charges from the Newark Police Department, but, unfortunately, no reply to that inquiry has been received. In particular the Committee solicited the specific facts and data which might substantiate any charge of improper participation by personnel of Legal Service Systems operating in the Newark area. The Committee has been unable to uncover any proof whatsoever that any Legal Service System, or the personnel of any Legal Service System, participated in any manner in aiding, encouraging or advising participants in the riot to engage in any unlawful or inappropriate activities. Although the Committee has no primary concern with possible charges that Anti-Poverty Agencies other than Legal Service Systems may have advised or abetted rioters, we have not received information which might substantiate such a charge. Of course, our inquiry in this direction has been limited.

The charges that Legal Service personnel advised or counselled participants in the riots appears to stem from the following allegations, which have been reported by news media or have been the subject of discussion or rumor:

1. That several months prior to the outbreak of the riots, on April 12, 1967, attorneys representing the Newark Legal Services Project advised persons objecting to the pricing policies of the Clinton Hill Meat Market to picket to protest alleged price gouging and that certain attorneys of the Newark Legal Services Project participated in such picketing.
2. That following the arrest of such picketers certain attorneys of the Newark Legal Services Project engaged in picketing in front of the jail to which the picketers had been taken.
3. That the Newark Legal Services Project utilized funds granted to it by the Federal Government to provide bail for rioters arrested in the course of the riot.
4. That circulars were distributed requesting negroes to preserve evidence of police destruction.
5. That the riot resulted from a "conspiracy" and that the Newark Legal Services Project was guilty of "adding fuel to the flames that were ignited by the conspirators", including "asking that complaints be made against police officers". This charge was ascribed by the press to a representative of the Newark Police Benevolent Association.
6. That personnel of an Anti-Poverty Agency, including a Legal Services Agency, advised and counselled participants in the riot and encouraged such participants to engage in violent activities.

It appears that on April 1, 1967, attorneys attached to the Newark Legal Services Project received a request to assist picketers who had been arrested at the Clinton Hill Meat Market where they had assembled to protest alleged price gouging. Mr. Sidney Reitman, Esq., a private attorney and General Counsel of the

United Community Corporation, was advised of these circumstances and the release of the picketers in his custody was obtained late the same day.

Apparently, the picketers determined thereafter to continue peaceful picketing and advised counsel of the Newark Legal Services Project of their intention to conduct such picketing and of their apprehension that they might be arrested. They requested that counsel be held on call to assist them in the event of such further arrests. Accordingly, three attorneys of the Newark Legal Services Project appeared in the vicinity of the Clinton Hill Meat Market on Sunday, April 2nd, to observe the situation. They did not, however, participate in any other way, either to advise the picketers or to participate in their activities. No further arrests were made by the police on that date.

A suit is now pending in the United States District Court for the District of New Jersey in the matter of Robert Curvin, et al., against Dominick Spina, individually, and as Police Commissioner of the City of Newark, et al., Docket No. 396–67, to test the constitutionality of the ordinance under which the picketers were arrested, requiring persons ordered to move on by the police to do so and authorizing the arrest of those refusing to obey such an order. The attorneys of record in this case include attorneys on the staff of the Newark Legal Services Project as well as other attorneys.

Insofar as the Committee has been able to obtain information concerning these incidents, there appears to be no basis for any charge that Legal Services personnel advised the picketers to initiate picketing activities or aided or abetted them in any way or participated in any picketing either at the Clinton Hill Meat Market or at the Police Station. This Committee is entirely satisfied that it was the obligation of the Newark Legal Services Project to provide legal advice for the picketers following their arrest and to prosecute any litigation which may be required to test the validity of the ordinance in question. Indeed, it is the objective of the Economic Opportunity Act to provide legal counsel for the disadvantaged to assist in any lawful way to eliminate price gouging or other over-reaching tactics in the private or public sector which might affect the rights of the poor.

The Committee is informed that no federal funds and no private funds contributed to the Newark Legal Services Project were used or authorized to be used to provide bail for persons arrested during the riots but that private contributors, desirous of alleviating hardship situations which resulted from the arrest of large numbers of participants in the riots, established a special trust fund for that purpose. The use of the fund was administered by an assistant dean of Rutger's Law School under arrangements worked out with the court. For convenience the specially contributed funds were deposited in an NLSP bank account for NLSP but were treated separately from the Project's own funds. We have been unable to uncover any evidence substantiating the charge that funds originating from the Federal Government were used to provide bail.

It appears that literature requesting reports of the destruction of property by the police was circulated by the American Civil Liberties Union. Since this group is a private agency, its activities are beyond the scope of this investigation. There is no evidence that such circulars were put out by any O.E.O. or Bar Sponsored Legal Service System. Nevertheless, no impropriety in the solicitation of this information suggests itself to the Committee.

So far as the Committee has been able to determine, the first participation of any representative of a Legal Service System in the Newark disorders occurred on July 12, 1967, when Mr. Oliver Lofton, Esq., Administrator of the Newark Legal Services Project, was informed of difficulties which were then occurring at the Fourth Precinct of the Newark Police Department. Mr. Lofton and other representatives of the United Community Corporation thereupon went to the Fourth Precinct and found approximately 150 people milling outside, where some were preventing the police from transporting a Mr. John Smith, a Newark cab-driver, to the Newark City Hospital for treatment of injuries sustained during the course of his arrest by the police.

The crowd apparently was expressing apprehension that Mr. Smith would never reach the hospital because of an allegation that he had previously been beaten by the police and might suffer subsequent injury. Mr. Lofton's participation in the incident at this point was limited to calming the apprehensions of all concerned and assuring the assemblage that the Newark Legal Service Project would make all fourteen of its lawyers available to represent the cab-driver to assure his proper legal protection.

After the rioting had commenced the Newark Legal Services Project began to receive a flood of inquiries from the families of people who had been arrested during the disturbances, seeking assistance in trying to locate relatives or to provide legal representation for them. The entire resources of the Newark Legal Services Project and of the Public Defender of the State of New Jersey and Mr. Howard H. Kestin, Director, Legal Services of the Office of Economic Opportunity, were thereafter marshalled to provide legal services for those persons who had been arrested in the course of the riots. All of the O.E.O. Legal Service Projects in the northern half of the State, except one, volunteered their complete resources to the Newark Legal Services Project and the Public Defender in aid of their functions in this most emergent situation. These services consisted in appearances at arraignments, obtainment of bail reductions for prisoners, organization of a Release on Recognizance Program, arrangements for interviewing persons under arrest relative to their requirements and release and processing of complaints from citizens in the riot area. These complaints began to be received at the Administrative Offices of the Legal Services Project in great volume and dealt primarily with reports of alleged unprovoked violence against the persons and property of negroes by police officers.

It seems quite clear that in every instance the personnel of the Legal Service Projects sought to caution these excited people not to resort to self-help, but rather to utilize the assistance of the Legal Service Agency in recording statements, so that Legal processes could be utilized to help the complainants and to vindicate any rights to which they ought to be entitled.

There is, of course, no doubt that the situation during the height of these disturbances was extremely tense and that all participants in the incidents, on both sides, were apprehensive and exicted. Without expressing any comment concerning the merits of the complaints which were made to the Legal Service officers, the Committee is aware that these complaints fell generally into four categories:

1. Gross personal abuse.

2. Physical violence.

3. Unprovoked and indiscriminate firing of weapons at people and apartments.

4. Deliberate destruction of the business property of negroes.

The Newark Legal Services Project has adopted the official position that all of its resources should be made available to people complaining of such conduct so that all citizens will receive protection from unlawful conduct, whether by law enforcement personnel or others. We are advised that the Newark Legal Services Project has referred some of the complaints which it received to the prosecuting authorities, has advised some individuals that they may have civil causes of action, joined in a proceeding in the Federal Court seeking equitable relief, and assembled its data for study by the President's Commission and the Governor's Commission. The attorneys actually handling these cases must determine as a matter of professional judgment what remedies to pursue, and it is not within the scope of this Committee's responsibility to make any judgment as to the particular remedies selected. This Committee fully concurs, however, in the policy decision by the Newark Legal Services Project that it has a duty to seek effective remedies for complaints of this nature where it properly is required to represent clients seeking assistance. A project committed to law and order could adopt no other course.

We are informed that to the present date the officers of the Newark Legal Services Project have received, reviewed and analyzed 274 statements and affidavits dealing with such charges. Even if all of them were without merit, it was necessary that they be received and processed.

We have been unable to substantiate any of the allegations of unlawful or inappropriate action by the Newark Legal Service Project, including the charge that it solicited complaints against police officers. Although some police officials may have believed that reception by NLSP of complaints against the police constituted advocacy that such complaints be made, the circumstances which our investigation revealed do not in any sense justify the charges. It was the obligation of NLSP to receive and process these complaints just as it was the duty of the police to preserve law and order.

The records do disclose certain criticisms of the Police and City officials by O.E.O. Agencies, and officials of Legal Service Projects, including the charge that some of these officials did not fully recognize the implications of the events which triggered the disturbances and do not fully understand appropriate steps which must be undertaken to prevent recurrences. The Committee is not concerned with the merits of such criticism but does appreciate that any agency entrusted with the responsibility of providing legal services for the disadvantaged, must concern itself with ultimate issues as well as with the mere technical problem of representation of accused persons.

A telegram from Sargent Shriver, Director of O.E.O., to all Regional Directors, dated July 20, 1967, states: "Lest there be any misunderstanding about what O.E.O. policy has been and continues to be, let me make it unmistakably clear once again. There will be absolute insistence that every O.E.O. employee and employee of an O.E.O. grantee scrupulously avoid and resist participation by O.E.O. funded resources in any activities which threaten public order in any community. I shall insist upon immediate and full penalties for any individuals found guilty of wrong behavior in this connection. Furthermore, I shall insist upon the withholding of O.E.O. funds from any grantee or delegate agency which is shown to be encouraging or tolerating such behavior."

This Committee believes that the New Jersey State Bar Association takes the same position with regard to Legal Service Agencies in which the organized Bar participates.

CONCLUSIONS

1. We can find no credible evidence that any Legal Service System, or any lawyer or other employee of such a system, advised, counseled, aided or abetted in the conduct or instigation of the riots.

2. On the contrary, all of the evidence seems to establish beyond any reason for doubt that these agencies and individuals did everything within their power to discourage and avoid violence and to convince those who participated in the riots that their

best protection lay in reliance on legal process.

3. This report is not intended to criticize the activities of any law enforcement agencies, who obviously were confronted with a major crisis, or to condone the conduct of those who participated in the riot.

4. The legal profession, including the Public Defender, the Director of Legal Services of the O. E. O. for New Jersey, the Officers and Staff of the Newark Legal Services Project, and all of the other Legal Service Systems and private attorneys who volunteered their assistance in the emergency, worked tirelessly to provide legal services for all who needed and qualified for help. This duty imposed a tremendous burden upon the Bar which was faithfully and creditably discharged in the best tradition of the legal profession.

Respectfully submitted.

COMMITTEE ON LAW AND POVERTY OF THE NEW JERSEY BAR ASSOCIATION.

Attest:

EMANUEL A. HONIG,
Chairman.

ANTI-BALLISTIC-MISSILE SYSTEM

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. COHELAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. COHELAN. Mr. Speaker, on September 18 of this year Secretary McNamara announced the decision of the administration to deploy a so-called light antiballistic missile defense system. This system is to be designed as proof against a limited attack from Communist China but it will not be effective against an attack from a major nuclear power like the Soviet Union.

This antimissile defense system initially will cost $5,000 million to $10,000 million to build and another several hundred million each year to operate and maintain.

This missile defense will have the necessary consequence of escalating the nuclear arms race.

This decision has given rise to surprisingly and frighteningly little public discussion. However, in this discussion some very highly regarded and able authorities have expressed their considered view that deployment of this antimissile defense is a mistake. One such expert is Dr. Jerome Wiesner, of the Massachusetts Institute of Technology and formerly a Special Assistant to the President for Science and Technology, and a member of the President's Science Advisory Committee and a consulant to the Defense Department.

In a recent article in Look magazine, Dr. Wiesner states flatly that he does not think that we should deploy an antimissile defense at this time.

Dr. Wiesner outlines the technical, psychological, and political reasons which have lead him to his conclusion. He makes a most persuasive and interesting case.

I would like, in the interest of heightened public debate, to insert in the RECORD the article by Dr. Wiesner and to urge my colleagues and the readers of the RECORD to take the time to read this piece on this most vital subject by this most distinguished man:

THE CASE AGAINST AN ANTI-BALLISTIC-MISSILE SYSTEM

(By Dr. Jerome B. Wiesner, provost, Massachusetts Institute of Technology; Special Assistant to the President for Science and Technology, 1961–64; longtime member, President's Science Advisory Committee and consultant to the Department of Defense on military technology)

When China exploded a hydrogen bomb, waves of concern spread around the world. Renewed calls were raised in the United States for a defense that would protect us from Chinese nuclear ballistic missiles. These calls have now been heeded by President Johnson. Scientists agree that neither the United States nor the Soviet Union can protect itself completely from a nuclear attack by the other. But as long as Communist China's primitive missile force is very small, some protection can be achieved—and this is what the President has decided to buy. Because he couldn't persuade the Russians to consider limitations on missile defenses, the President has now ordered the building of a "thin" defensive system to protect us from the Chinese. The logic of the President's decision seems mighty tortured.

The word in Washington is that President Johnson was forced to bend under the pressure of the military, congressional and industrial sponsors of the antiballistic-missile system. Enormous pressure certainly existed, but such pressure on a President to build a missile-defense system is not new. Both President Eisenhower and President Kennedy were exposed to it. One of the most difficult decisions President Kennedy had to make concerned the Nike-Zeus missile-defense system. The pressures on him were tremendous, but after long, careful study, he decided, on technical grounds, not to build the Nike-Zeus. Today, we know that to have built that system would have wasted between $20 and $30 billion. It would have been already obsolete. I am certain that the system we are now planning will be regarded as ineffective before it is installed.

Secretary of Defense McNamara estimates that the United States could build an ABM system (for between $3 and $6 billion) that would provide a reasonably effective defense against Chinese ballistic missiles—for 10 to 15 years. But he concedes that such a system would do us little good against an attack by the Russians. Even if the thin ABM system is as effective as the Secretary of Defense says—and I strongly question this—should we take the portentous step of deploying an ABM system for protection against Red China? I think we should not.

In his long statement announcing the President's decision to build an anti-Chinese ABM system, Secretary McNamara concludes that the arguments marginally support its construction. This is obviously a matter of judgment. I think the arguments are overwhelmingly against building it. In fact, I believe that this decision could be as wrong and have as serious domestic and international consequences as the disastrous conclusion six years ago that a few military advisers and some weapons would lead to an early victory for South Vietnam's forces.

In the late 1950's, the United States first began to examine the problem of defense against ballistic missiles. At that time, the only useful concept involved low-altitude interceptor missiles armed with nuclear weapons. The idea was that radars would track an incoming enemy missile and guide our "antimissile missile" near enough so that the nuclear warhead, exploded at the right time, would destroy the enemy missile. One defensive rocket would be fired against each incoming object. But an enemy could easily confuse the radars—by including along with the real nuclear warheads high-altitude "decoys," such as lightweight metallic balloons. Since decoys break up or slow down when they hit the earth's atmosphere, we hoped that by waiting, we could pick out the real warheads and launch a defensive attack. The antimissile missiles would have to be placed near each city to be defended, and the tremendous heat and blast caused by the explosion of the defensive warheads, low over the cities, could inflict terrible civilian casualties. It was possible that such a defensive system would do as much damage as enemy warheads. The Nike-Zeus plans, therefore, included a major fall-out-shelter program.

During the past two years, it has appeared feasible to build high-altitude defensive missiles for use against small-scale attacks. The nuclear warheads on the high-altitude missiles would be exploded far out in space—in an attempt to destroy both the decoys and the real enemy warheads. In this way, some defense of a much wider region, farther from each antimissile site, would be possible. The proposal is that, with enough sites, the entire United States can be protected. But this will not work if an attacker staggers his decoys and warheads in time and spreads them over a large area, or precedes them by a nuclear explosion of his own to "black out" our defending radars. High-altitude defense represents an improved approach to the problem of defense against ballistic missiles, but it is by no means a solution.

The basic technical fact about an ABM defense is that a sophisticated opponent can overcome any defense currently possible. Offense has all of the advantages; any defense system can be overpowered.

Today, the nuclear powers rely on the deterrent effect of their offensive missiles to keep the peace. A powerful incentive, therefore, exists for either side to increase its offensive-missile forces the moment the other starts to build an ABM system.

The Russians appear to be building a simple ABM defense around Moscow, and possibly other areas, though it is yet unclear that they have decided on a full-scale, antimissile defense system. In response, the United States has taken steps to add decoys and multiple warheads to its own offensive-missile force. These actions on our part are still quite limited, but the steps we have already taken, especially the introduction of multiple warheads on each missile to overwhelm possible Soviet defenses, will greatly increase the number of missile warheads in our inventory. The Russians appear to have been taking similar steps in anticipation of a U.S. decision to build an ABM system. An ABM system in the U.S. will stimulate the Soviets to increase the number of their offensive warheads.

The United States is earnestly seeking some agreement with the Soviet Union to limit the deployment of ABM systems and missiles, in order to forestall a new spiral in the arms race. Unofficial conversations have been held with individual Russians, but we have not succeeded in getting discussions started at an official government level. In Glassboro, President Johnson repeated to Mr. Kosygin our willingness to explore the problem. The Soviet Union does not seem ready to discuss such questions—yet. But there is no need for us to rush into an ABM deployment.

There is little relation between a Russian decision to deploy an ABM system (if, indeed, they have made a decision for more than an experimental system) and such a decision here. Our security would be seriously endangered if the Russians installed an effective ABM defense that could prevent our missile force from reaching their territory and if they simultaneously developed an effective defense against our Strategic Air Force bombers—something they have not been able to do so far. Since it is obvious folly for us to build a defense against missiles while we also are so vulnerable to a bomber attack, the Pentagon has quietly decided to spend four billion more dollars improving our air-defense system.

I do not believe that a really effective antimissile system is remotely possible for either the U.S. or the Russians. And even if the Russians could develop one, and a truly effective defense against our SAC bombers as well, our installing an ABM system would not restore our powers of deterrence. Only improvements in our own offensive-missile force, including "penetration aids" such as decoys and electronic jammers to ensure that our missiles could get through the Russian defense, could achieve this. This is our Defense Department's basic strategy.

The United States has embarked on a large, expensive program of outfitting ballistic missiles with multiple warheads and other devices to penetrate Russian defenses. We have also started a $2 billion program to replace our submarine-based Polaris missiles with the larger Poseidon missiles, which can carry more and better penetration aids. As long as we continue to improve our missile forces and maintain our B–52 bomber force, our deterrent power will remain effective. An ABM system is not required to preserve the power and the effectiveness of our deterrents.

We should build an ABM system only if it gives us greater security. And in deciding this, we must assume that the Russians will respond to our ABM system by upgrading and enlarging their missile force—just as we are doing in response to their ABM activities. If the Russians were to do this, an American ABM system would leave us with less security and more vulnerable to destruction.

Secretary McNamara and many proponents of an ABM system concede that an anti-Soviet ABM defense would not be worth the huge expense, because the Russians could nullify its effectiveness at considerably lower cost to themselves. So the proponents now argue: We can at least provide ourselves with protection against Red China at a more modest cost and without starting a new Russian-American arms spiral. Is this so? Again, I think not.

An ABM system would grant us some protection against China's missiles during the early years of its missile buildup; but this protection would not be complete, and it would be short-lived, certainly, much shorter than 15 years. Once the Chinese can build intercontinental missiles, the cost to them of producing additional missiles would be relatively small (perhaps $5 to $10 million per missile). Within a short time, they would have enough missiles (say, 50 to 100 to penetrate our "anti-Chinese" ABM system.

The Chinese would certainly build penetration aids into their missile force. The techniques of designing such aids are neither highly complex nor exceedingly costly (one can learn all about them in American aerospace journals). I do not believe, therefore, that an ABM system will give us either complete or lasting protection against Chinese missiles. I am convinced we must rely instead on the offensive deterrent, as we must with the Russians: that is, we must rely on our known ability to retaliate devastatingly in case of a nuclear attack. Ten percent of our SAC bomber force could kill 200 million Chinese.

I am very skeptical that any ABM system based on the present approach will ever work at its calculated effectiveness. No one has ever succeeded in developing an antiaircraft defense that is as much as ten percent effective (three percent is a more common actual effectiveness). An ABM system that was only this effective would be almost worthless. Even if an ABM system were as much as 90 percent effective, it could still not prevent an opponent from inflicting millions of fatalities on us.

Besides, whenever an ABM system might be installed, how could a realistic test be made? We could not fire missiles at it (it would be located within the continental United States), and from hard experience during World War II, we know that far simpler devices (such as submarine torpedoes) fail to work the first time. I realize that a model system is being tested on Kwajalein, but these tests are under laboratory conditions and cannot simulate a nationwide installation manned by GI's and technicians. Even if we were willing to fire missiles at the system, the test would not be completely realistic, for we would be testing against our missiles, not enemy warheads. Few competent people expect the extremely complex ABM system to work the first time: yet it must to have any effect!

There will always remain a big chance that even if the system is working as designed, it will not intercept all of the enemy missiles. They will obviously know how our ABM system works; we will know little about their offensive weapons. Imagine the advantage a football team would have if it knew precisely its opponents' defense on every play. Remember that if a single enemy nuclear weapon leaks through the defense to a city, the city will be destroyed.

Besides, the Chinese could bypass our ABM system completely—either with low-altitude missiles launched from submarines or with aircraft, which, surprisingly enough, are more difficult to intercept than intercontinental ballistic missiles because they come in at relatively low altitude and do not follow predictable projectories the way a missile does. We simply cannot rely upon an ABM system to give us a sure defense against a Chinese attack.

Many people also fear that the deterrent power on which we rely against the Soviet Union will not be effective against China. The exceptional anxiety expressed each time the Chinese carry out a nuclear test seems related not to their military potential but to our view of them as irrational or unstable. This anxiety rises more from Chinese rhetoric than Chinese actions. Although the words of China's leaders have been inflammatory in the extreme, in action, they have been exceedingly cautious.

China's actual military capacity is, most likely for decades to come, hardly comparable to that of either the United States or the Soviet Union. The Chinese have an extremely limited industrial capacity (until now, they have produced no aircraft of their own!). They also lack the broad base of technically trained manpower that is absolutely necessary for a modern military establishment. Nonetheless, they have made remarkable progress in developing nuclear weaponry. they took less time than any of the other nuclear powers to carry out a thermonuclear explosion. In this, they received considerable help from the Soviet Union, in the late 1950's, as well as a good deal of technological information from open sources and their own intelligence network. And they do appear to be making progress on missiles capable of carrying nuclear weapons. Apparently, they launched one of their nuclear weapons on a short-range missile. Though we have no evidence of a Chinese long-range ballistic missile, we know that their resources are adequate to develop one and, I believe, produce it in moderate numbers (100–200) in less than a decade.

During the late 1950's, many statements by Chinese leaders minimized the importance of nuclear weapons, arguing that they did not really change the relative power balance. We heard boasts that China alone among the great powers would be able to survive a nuclear war. All this has changed. The Chinese now renounce any intention of being the first to use their nuclear weapons, and they show every sign of a growing sophistication in nuclear matter, which is to be expected as they acquire knowledge of the terrible effects of nuclear explosions.

It is China's neighbors, not we, who would be most directly threatened by any Chinese missile force, and an ABM system in the U.S. would be of little help to them. We could not deploy an ABM system in India and Japan; they are too close to China to permit the system to work effectively. What, then, must the leaders and people of Japan and India think as we make plans to hide under an ABM umbrella while they have no way to defend themselves? If the United States is so fearful of China that it must create an ABM defense, should not Japan and India conclude that it is time for them to make their peace with the Chinese? There is no easier way for us to build up China in Asian eyes. No Asian can afford to believe that we are prepared to lose New York to counter a Chinese nuclear attack against them. Some Indian officials are already asking for a missile-defense system.

Can we build a limited ABM system to protect us against China without stimulating the Soviet Union to respond with an offensive-force buildup of its own? I think not. Just as we are enlarging our missile forces because we cannot wait to see whether the Soviet Union is building a limited or an extensive ABM system, so the Russians could not wait to see whether our system would be a limited one before embarking on an offensive-missile buildup. Even if, as the President proposes, we build a thin ABM system, it would be unlikely to remain small; pressures from the military and industrial establishment to improve—and expand—it would be irresistible. Most military planners expect the system to expand rapidly, and in fact do not consider the initial system to be of much use. This is the reality of the President's decision. I am convinced that once we decide to take the ABM route, we cannot avoid an enlarged arms race.

Three other consequences of the President's decision are not generally appreciated. First, an expanded ABM system will be needed eventually to cope with decoys and multiple warheads. It will almost certainly raise the issue of fallout shelters to protect the population both from Russian nuclear weapons and our own protective system.

Secondly, no one has bothered to mention the several hundred million dollars a year that it will cost to maintain and operate even this thin system or the billions of dollars it would take to run the final one.

Finally, our only substantial arms limitation accomplishment, the limited test ban treaty, is likely to be a victim of this step-up in the arms race. The developers of the ABM system will soon be telling us that they cannot assure its effectiveness without nuclear tests in the atmosphere. The pressure on the President to renounce the treaty in the interest of national security and protecting our multi-billion-dollar investment will be overwhelming.

The United States and Russia are learning to work together to create a more rational world order. Gone are those deep fears of a surprise attack that dominated the 1950's. The best hope for the future lies in joint efforts by the Soviet Union and the United States to eliminate the arms race. Such efforts will be impossible if each side is forced to offset the defensive and offensive buildup of the other.

Under the present circumstances, we are going to have to accept and live with a "deterrent balance." We have done it with the Russians. We will have to with the Chinese. There just is no way to avoid this; there is no magical or technical escape from the dilemmas of the nuclear age through defense. A sensible course would be to reduce greatly the offensive-missile forces on both sides, achieving the deterrence with much less danger to all of us.

Like most other scientists who have studied its problems, I am convinced that much mutually coordinated disarmament is technically achievable with considerably less risk, effort and cost than is involved in our current deterrent position. The blocks to disarmament are political and psychological, not technical. Unfortunately, disarmament has no effective political support, no vested interests backing it, and no power base in the Government bureaucracy or in the Congress. Some of the same senators who have been pressing the President to spend tens of billions of dollars on defense against a missile attack have consistently tried to cut the tiny budget of the Arms Control and Disarmament Agency. Substantial balanced disarmament is sensible, safe and technically achievable, and even partial disarmament would release many tens of billions of dollars for constructive uses. But it is not coming very fast. Until statesmen take disarmament efforts seriously and fashion international security arrangements more appropriate to nuclear age we all live in, the best we can hope for is an increasingly nightmarish peace insured by only a balance of terror.

A real defense against nuclear-armed missiles is a mirage. Our only real security lies in peace itself. Nuclear weapons are just too potent for effective defense. The best defense is to prevent a nuclear war.

THE ROLE OF THE NONMANUAL WORKER IN A CHANGING WORLD

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Cohelan] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. COHELAN. Mr. Speaker, since 1904, the International Federation of Commercial, Clerical, and Technical Employees, a trade secretariat of white collar unions, has worked to lift the standards and conditions of white collar workers throughout the world. The organization recently held its 15th Ordinary Congress, in Washington, D.C., with its principal theme, "The Role of the Nonmanual Worker in a Changing World." It was the first time this important triennial event was held in the Western Hemisphere. AFL–CIO Vice President James A. Suffridge, president of the Retail Clerks International Association, is president of the international trade secretariat. I ask unanimous consent that an article about the organization's 15th Ordinary Congress, as it appeared recently in the AFL–CIO News, be printed at this point in the Congressional Record, as follows:

World White Collar Conference Tackles Organizing, Automation

Two issues—organizing white collar workers and protecting them against the impact of automation—topped a heavy agenda of a world congress of the Intl. Federation of Commercial, Clerical & Technical Employes in Washington.

Known as FIET, its initials in French, Spanish and Italian, the organization is the second largest of 16 international trade union secretariats. Some 500 participants in the congress represented nearly 5 million workers in 50 countries.

Delegates gave an enthusiastic welcome to an unscheduled opening day speaker—Pres. Johnson.

The President spoke of Viet Nam and the search for world peace—and of America's efforts to eliminate poverty and create a better life.

FIET's congress was the first ever held in the U.S. by a world labor organization and the organization's general secretary, Erich Kissel, said "it was not by accident that we came here."

By comparison with other nations, white collar workers are so poorly organized in the U.S. that FIET considers it an "underdeveloped nation," Kissel said. Yet, he said, an examination of automation here shows us what is in store for other countries.

AFL–CIO Pres. George Meany welcomed the congress on behalf of the American labor movement. Retail Clerks Pres. James A. Suffridge is president of FIET and other U.S. affiliates are the Office Employes; Building Service Employes; Retail, Wholesale & Department Store Union and Insurance Workers.

BEIRNE AMONG SPEAKERS

Other speakers during the first two days of the congress included Pres. Joseph A. Beirne of the Communications Workers, Walter Washington, newly appointed commissioner-mayor of Washington, D.C., and Ralph Wright, director of the Washington office of the Intl. Labor Organization.

Johnson recalled that he had seen "some of the worldwide activities of FIET" when he visited 20 countries in 1961 while on a mission for Pres. Kennedy, with Suffridge accompanying him.

The U.S. is fighting in Viet Nam to halt the aggression of "armed invaders," Johnson told the delegates, and will not be swayed in its willingness to "stay the course."

"Peace and stability will come to Asia only when the aggressors know that they cannot take another people's land by force," he added.

The President put special stress on the many ways in which America is using its resources in a "constructive and compassionate way" to strengthen freedom and help eliminate poverty and disease.

MEANY THEME

Meany told the delegates "I cannot overemphasize the importance of the work in which you are engaged. . . . Not only do you represent an active free trade union secretariat, but you represent a secretariat in a field of vital importance."

Describing free unions as "the hallmark of a free society," he pointed out that dictatorship—whether they be of the right, left or center—also recognize this and thus always "take control of unions" as soon as they seize power.

The effort in the 1940's to join free and totalitarian unions into the World Federation of Trade Unions failed, Meany said, for reasons as basic as "that you can't mix oil and water."

Or to put it another way, he continued, the effort failed because "some of the unions were in a position to make their own decisions" while others "were instruments of the state, and not instruments of the workers they were supposed to represent."

For the same reasons, he pointed out, current efforts by some unions to bring about "rapprochement" between Iron Curtain unions and free unions are doomed to fail. "The AFL–CIO," he said, "refuses to buy rapprochement and refuses to compromise the vital principle of worker freedom."

Suffridge traced the work of FIET in "promoting the interests of the non-manual worker, enhancing the dignity of his labor and improving his working conditions and living standards."

In the last three years, he noted, FIET has opened new regional offices; assisted affiliates in organizing drives; held labor leader training programs throughout the world; and conducted seminars for workers on organizing collective bargaining, legislation and union administration.

Conceding that organizing of white collar workers in the U.S. still has a long way to go—with only about 15 percent of the non-manual workers in unions—Suffridge saw hopeful signs for the future.

Present increased trade union activity among white collar workers in the nation, he said, "indicates that the non-manual worker is beginning to appreciate the value of union membership and the union movement is beginning to better understand his needs."

Beirne extended greetings to delegates as president of the Postal, Telegraph & Telephone Intl., a secretariat composed of communication unions. He pointed out that both PPTI and FIET are organizing white collar workers—"the most difficult of all organizing."

REPORTS GIVEN

Among those submitting reports to the Congress were Pres. Howard Coughlin of the Office Employes; Rolf Spethen, chairman of DAG, a large German union of professional employes; Thomas Cynog-Jones, research director of Great Britain's Union of Shop, Distributive & Allied Workers; and Mrs. Anador Bell, director of the German Trade Union Federation (DGB).

Delegates visited a number of computer operations in New York and Washington to see automation in progress. They also attended a "ground breaking" ceremony for the Retail Clerks new headquarters in Washington.

ANTIBALLISTIC MISSILES

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Cohelan] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. COHELAN. Mr. Speaker, the deployment of an antiballistic-missile system costing many billions of dollars and necessarily heightening the arms race as well as causing many other changes in our society is a most momentous action.

The administration's decision to deploy such a system has been followed with relatively little debate. Yet the legislative branch has yet to specifically express its desire in this regard and the public has yet to be really informed on this issue.

I personally am engaged in a deep and comprehensive study of the ABM question and I urge my colleagues to engage themselves in such a study.

As an aid in this study, I would like to insert in the Record at this point a very provocative article concerning the ABM, which was published recently by the Council for a Livable World:

Antiballistic-Missile System

(By Allen Forbes, Jr.)

(The question of anti-ballistic missile (ABM) deployment is not a new one. In 1959 the Army recommended purchase of its Nike-Zeus system, forerunner of Nike-X now to be deployed. President Eisenhower turned down the Army's request on the grounds that it has not been adequately tested. Had Nike-Zeus with its "fatal defects" been deployed as the Army urged—at a cost of $14 billion—it would, in the words of Deputy Secretary of Defense Cyrus Vance, "have had to be torn out and replaced, almost before it became operational . . ."[1] ABM did not become a serious issue again until the Joint Chiefs of Staff recommended deployment of Nike-X in 1966. They renewed their pressure in 1967 and, backed by influential members of Congress, secured a reversal of the Administration's anti-ABM position. In a speech delivered at San Francisco on September 18, 1967, Secretary of Defense McNamara announced that the United States would deploy a thin ABM defense against China. This decision, which has vast strategic, political and social implications for the future of this country, may well turn out to be one of the most fateful ever taken by any Administration.)

THE NIKE-X SYSTEM

Nike-X is a dual system. To provide an "area" defense it employs the 3-stage, long-range Spartan missile to intercept incoming enemy ICBM's (intercontinental ballistic missiles) at ranges up to several hundred miles, well beyond the earth's atmosphere. A "point" (localized) defense is made by the high-acceleration Sprint missile which intercepts in the lower atmosphere at distances from 6 to 25 miles during the last few seconds of the enemy missile's flight. Sprint's function is to destroy attacking rockets which have successfully evaded Spartan. Its last-second intercept permits radars to "discriminate" between a real warhead and the "decoys" (false warheads) which burn up in the dense lower atmosphere.

Spartan and Sprint are armed with nuclear warheads because they will miss incoming ICBM's by distances so great that conventional explosives would be useless.[2] The two missiles are linked to advanced multiphase array radars and highspeed computers for target acquisition, tracking, launching and guidance.

THE "THIN" CHINA-ORIENTED DEFENSE

The military packaged Nike-X into three convenient deployments: the "thin" China defense priced at $3.5 billion; a "light" defense protecting 25 cities costing $12.2 billion; and a "heavy" 50-city system at $21.7 billion.[3] The Johnson Administration chose the first. It consists of several hundred Spartans and a lesser number of Sprints. The Spartans provide an "area" defense of the entire country; the Sprints defend radars and some Minuteman ICBM bases. The Spartans are distributed in several batteries below the Canadian border. PAR radars "acquire" incoming enemy missiles at ranges of 1,500 miles or more and the Spartan is launched to intercept high above the atmosphere over Canada hundreds of miles from United States soil. The thin China defense does not provide any Sprint point defense of American cities.

FUNCTION AND EFFECTIVENESS OF THE "THIN" DEFENSE

The Pentagon has defined the function of the China ABM system as providing "a thin cover over the whole United States including all cities." The official evaluation of the system's effectiveness is that it "could probably preclude damage in the 1970's almost entirely" against what are called "simple attacks."[4] By simple attacks the Pentagon means attacks by a very small number of missiles which do not have "penetration aids"—devices such as decoy warheads and "chaff" (clouds of tinfoil)—which confuse ABM radars.

One of the flaws in this optimistic evaluation of the effectiveness of the thin defense is that it gives the impression to the layman that Nike-X defends against all "simple" missile attacks. Unfortunately Nike-X is effective only against high-altitude delivery systems. It is possible to launch simple nuclear attacks using a number of "primitive" delivery techniques, some of which employ missiles. Against these systems Nike-X is of either minimal value or worthless. The following are examples of primitive delivery systems which should be within Chinese capabilities by the time the thin defense is operational, or soon thereafter:

Attacks by missiles

a. From submarines or surface vessels armed with short-range cruise-type missiles. (No Nike-X protection)

b. From submarines or surface vessels armed with medium-range ballistic missiles. (Possible minimal Nike-X protection)

Attacks by delivery systems other than missiles

a. Nuclear - weapon - carrying seaplanes launched from submarines or surface vessels.

b. Submarines firing nuclear torpedoes.

c. Pre-delivery systems: For example, vessels with bombs in cargo holds; weapons released in port or at sea and detonated by remote control.

d. Underwater nuclear mines detonated at sea. Prevailing winds carry radioactive rain inland.

China already possesses submarines and at least as early as 1966 tested a medium-range missile. A military expert recently wrote that the Chinese "now have submarines, they have fired short-range missiles and they would find it fairly simple to adapt these, or to build rather crude forms of sea-based missiles."[5] China reportedly does not have a submarine-launched missile capability. However, it is possible that Chinese technicians could develop in the next few years some form of sea-based missile capability.

Existing anti-aircraft and anti-submarine systems will be used against these primitive delivery devices, in some cases with effectiveness and in others without. As a general rule all forms of delivery tend to complicate the task of the defense.

The estimate of the effectiveness of the thin defense against ICBM's seems to based on at least two key assumptions, both open to serious question:

(1) The Chinese will not—or will not be able to—target their ICBM forces so as to "exhaust" or overwhelm the SPARTAN defenses by launching them *en masse* at an area defended by one SPARTAN battery.

(2) The Chinese will not be able to equip their ICBM's with simple penetration aids which would increase substantially their ability to inflict damage on the United States.

ASSUMPTION

In a confrontation between ICBM attacker and ABM defender the latter is at a distinct disadvantage. This is particularly true of the thin system, which requires that a very small ABM force be deployed over a vast area. Once an attack has been launched it is obviously impossible to redistribute the defense to meet the configuration of the attack. China, on the other hand, is completely free to study the ABM defense at its leisure, analyze it for its weak spots, and then program the attack to saturate or overwhelm it. If the thin defense had a density factor of, say, 50 i.e., if it could cope at any point with a maximum of only 50 enemy ICBM's, then by firing 55 missiles at any given point in the defense the attacker could be virtually certain of destroying the target. If the Chinese wanted to take out Washington, D.C., they could. If they wanted to get New York, they could. The same 55 missiles could probably get both Washington and New York. Dr. M. M. May, director of the Lawrence Radiation Laboratory in California, made this point clearly to members of the Senate Disarmament Subcommittee: "If you send over more offensive warheads than they have defensive warheads to shoot at you with, it won't be that effective."[6] Secretary McNamara said the same thing in his September 18th speech: ". . . any such [ABM] system can rather obviously be defeated by an enemy simply sending more offensive warheads, or dummy warheads, than there are defensive missiles capable of disposing of them."

It does not seem reasonable to assume that Chinese leaders, if they build and deploy a missile force of 50 ICBM's and then discover that the density factor of the United States defensive is exactly 50 also, are going to throw their missiles away as useless. They will obviously build a few more which will enable them to penetrate our defenses, thereby making the thin system ineffective by the time it is deployed or shortly thereafter, unless it were to be expanded into a more complex system. If this were done it would undoubtedly trigger further Chinese efforts to penetrate it. A more serious consequence of expanding the thin defense is that it would force the Soviets to improve their offensive capabilities—something they might not feel obliged to do if the thin defense remained thin.

The official view that the thin defense could prevent damage "almost entirely" is tempered somewhat by a Pentagon statistical table indicating that a Chinese attack of a certain magnitude which could, without ABM, inflict 10 million fatalities, would cause 1 million deaths even if the thin defense were deployed. If a false assumption went into that table it could cause the predictions of the effectiveness of the China defense to be off by a factor of five or more. This table was presented to Congress in January 1967, by Secretary McNamara.

ASSUMPTION 2

The China defense is designed to defend against "simple" and unsophisticated attacks, that is, attacks by only a few missiles without penetration aids. The same logic that applies to the determination of China's leaders to build a force large enough to penetrate ABM, also applies to penetration aids. To assume that Chinese scientists will not, indeed have not already, initiated a crash program to develop such devices would be irresponsible. A nation need not possess a sophisticated technology or be affluent in order to produce simple, cheap and probably effective penetration devices. In fact, a "naive" but presumably effective penetration aid can be produced at virtually no cost and without any special technology by breaking up the delivery vehicle in such a way that it explodes into fragments which to a radar resemble warheads. Chinese scientists are probably already beyond this stage.

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[1] The words "fatal defects" are those of Dr. John S. Foster; Hearings before the Senate Subcommittee on Disarmament of the Committee on Foreign Relations, 90th Congress, 1st Session.

[2] Rex Pay, "U.S. ABM Would Imperil Test Ban Treaty." *Technology Week*, March 20, 1967.

[3] Until September 18, 1967 the estimate of the cost of a thin defense against China was $3.5 billion. In announcing deployment of the China system Secretary McNamara gave a revised figure of $5 billion. (Cost presented at DSH.)

[4] The function of the thin defense is given in a special list of answers to questions posed to Dr. John S. Foster, Jr., by members of the Senate Subcommittee on Disarmament. This list was printed in the official transcript of the hearings. The statement on effectiveness was made by Deputy Secretary Vance before the same Subcommittee.

[5] J. I. Coffey, "The Antiballistic Missile Debate," *Foreign Affairs*, April 1967.

[6] Dr. May's statement is excessively optimistic. It is actually not necessary that the offense outnumber the defense in order to penetrate the thin system. As demonstrated on page 7, a relatively modest Chinese ICBM force can successfully penetrate the thin defense. 55 Chinese ICBM's fired at a defense with a density factor of 50 would score *many* hits. (Dr. May's statement made to DSH.)

The Director of Defense Research and Engineering, Dr. J. S. Foster, told the Senate Disarmament Subcommittee that it was possible for a "sophisticated opponent to confuse the defense and make the firepower demands on SPARTAN too high."[7] In that case, Foster explained, it would be necessary to use the SPRINT missile for defense. The thin China system which the Johnson Administration has purchased provides no SPRINTS for protection of cities. If the Chinese develop effective penetration aids they can probably exhaust SPARTAN and hit any cities they wish. If they are sophisticated enough to build ICBM's they should be able to design and produce reasonably efficient penetration devices.

WHAT CAN THE THIN DEFENSE DO?

The thin system can probably afford complete protection against the accidental or unauthorized launch of a few missiles—at least missiles not equipped with good penetration devices. It could also provide a degree of protection against small numbers of ICBM's, say 25, the sort of force the Chinese would have in the first 18 to 24 months of their deployment program. In the mid-1970's the Chinese could have 100–150 weapons.[8] Against an attack of that size the thin defense would look very thin indeed.

The discussion earlier on overwhelming SPARTAN was based on the assumption, highly favorable to the defense, that all attacking Chinese missiles would be successfully intercepted if their number in any target area did not exceed the density factor of the thin defense. This assumption is incorrect. However, it has gained general acceptance because it has been stated so often by experts such as Dr. May and Secretary McNamara. Actually, there is a finite chance that any given ICBM will penetrate any ABM defense. Assuming an ABM kill probability—the probability that a single SPARTAN will intercept a single incoming Chinese ICBM—of the order of 80%, the probabilities of a 100% successful defense against five different Chinese attacks are as shown below. Chinese missiles are assumed to have a reliability factor of 80% and to be without penetration aids.

Number of Chinese missiles	Number of Spartans	Probability of successful defense (percent)
20	50	72
25	50	44
35	50	1.6
50	50	.008
50	100	18

These figures give a far more realistic picture of the effectiveness of the thin defense than do the official claims. They demonstrate, for example, that a Chinese attack with 35 ICBM's fired at a SPARTAN battery with a missile force of 50, would have a 98% chance of hitting at least one U.S. city. Even with a force as small as 20 missiles launched at the same SPARTAN battery the Chinese would have one chance in four of destroying a target. 50 Chinese missiles fired against 50 SPARTANS would hopelessly overwhelm the defense and China would have a highly probability of hitting a number of cities.

CHINESE STRATEGIC OBJECTIVES

An unofficial rationale for deployment of the China defense is that the Chinese, as soon as they have a small operational ICBM force, will hurl it against the United States in a first strike. Richard Russell, chairman of the Senate Armed Services Committee, called China a "mad dog among nations" when demanding "immediate" deployment of a thin defense in an interview given in July 1967.[9] To some Americans China's leaders may appear unduly irrational at this moment and China's internal affairs may well be in exceptional disarray, but to base momentous national decisions, if we are doing that, on an assumption that in the early or mid-1970's China will launch a pathetic handful of ICBM's at the United States in the full knowledge that moments later it will sustain a devastating retaliatory barrage from America's vast nuclear arsenal, destroying cities, populations and industry—this in itself is a somewhat irrational attitude.

A more plausible explanation for China's ICBM program is that it fears a United States first strike and would like to be in a position to deter it, something it cannot do today. China, after all, is totally at the mercy of our nuclear strike forces—SAC bases in Thailand and Guam, tactical nuclear basis in South Vietnam, Thailand and Laos, carrier-based bombers in the Tonkin Gulf, the North China Sea, the Straits of Formosa, and a fleet of Polaris submarines along her coasts, not to mention Minuteman ICBM's based in the United States.

If under these conditions China's leaders believe they require a small number of ICBM's to deter us—something analogous to de Gaulle's *force de frappe*—they need not be regarded as wildly irrational. The United States possesses today vis-a-vis China a Perfect First Strike Capability; that is, we are able to devastate China without being touched. This enables us to deter China from any activities in Southeast Asia which might be displeasing to us, and it also shields us from Chinese obstruction of those of our activities in Southeast Asia which might be displeasing to them. China's leaders could not be blamed if they assumed that the United States, in deploying the thin defense to counter China's miniscule retaliatory force, was more concerned to maintain its Perfect First Strike Capability than to protect its urban population. In an interview shortly after his San Francisco speech Secretary McNamara said as much. "There has been lingering doubt in some Asian countries that if China in a few years were able to reach the United States with an ICBM, we would be deterred from taking actions that might risk a Chinese attack."[10] It sounds very much as if Massive Retaliation—that Rasputin of strategic doctrines—was still around.

Perhaps the most disturbing aspect of the decision to deploy the China defense is that it was taken not for overriding military, strategic or national security reasons but because of domestic considerations directly related to a forthcoming Presidential election.

The news in June 1967 that China had tested its second thermonuclear weapon brought from many of America's most powerful political leaders and from the military an instantaneous demand to deploy ABM. As far as can be ascertained not a single high-ranking individual from our political, diplomatic or military ranks suggested that, before deploying, the United States make a serious effort to settle its outstanding differences with China, or that we probe the sincerity of her 1966 offer to negotiate a mutual No First Strike pledge. Nobody has been heard to propose that we re-examine our China policy of isolation and containment, that we refrain from impeding China's trade with our allies, that we cease to oppose her entry into the UN, that we ourselves might even try to resume trading with her. We have provided the world with a paradigm of cursing the darkness: Apparently it did not even occur to us to light a candle.

NIKE X—CRITIQUE AND ANALYSIS

Even before Secretary McNamara had arrived in California to make his speech announcing the ABM decision the Congressional lobby was calling for the heavy defense and denouncing the thin program as "too little and too late." For them the thin defense is only a stepping-stone to bigger things. It is necessary, therefore, to examine not only the anti-China defense but the larger anti-Soviet system as well. Opponents have criticized the latter on grounds that it was not effective, that its cost estimates were grossly underestimated, that it would intensify the arms race, that it would destabilize international relations, that it would upset the balance of deterrence, that it would be a roadblock to further arms control and disarmament agreements, and that it could lead to a national deep shelter program of considerable magnitude, which might even change drastically the quality of American life. Since these questions are customarily discussed only in Congressional hearings or military conferences and only rarely come to the public's attention, it may be useful to examine them here and provide answers as given by the expert witnesses called to testify before Congress. Unless otherwise noted the quotations throughout Part Two are taken from the Hearings before the Subcommittee on Disarmament of the Committee on Foreign Relations, United States Senate, 90th Congress, First Session, February and March, 1967.

COST OF NIKE-X

The official pricetag of the China defense is $3.5 billion; that of the light defense is $12.2 billion, and the heavy system $21.7 billion.[11] That these estimates are unrealistic came out clearly in the hearings:

Sec. VANCE: . . . *I think those are very low estimates and the actual costs would probably be 50–100% of those* [*i.e., more than those*], *based upon actual experience with the procurement of entirely new weapons systems in the past.*

The costs . . . if past experience is any guide, may be understated by 50–100% for the systems as a whole—of Posture A and Posture B [*the light and the heavy systems*].

Gen. WHEELER: *I think in all fairness I should point out that Secretary McNamara feels that these costs would be exceeded by perhaps 50 or even 100%.*

Deputy-Secretary Vance brought out a vital point:

Sec. VANCE: *Because of . . . the very rapid rate at which the technology changes, to maintain an effective system one would essentially have to turn over the whole system, the whole $20 billion system every few years. I do not believe that we would do this. As a consequence, I am afraid we would have a heavy deployment of a system most of which was obsolete, made obsolete by changes in the enemy's offense.*

This means that the 10-year cost of the light 25-city system will be on the order of $50 billion and for the heavy 50-city defense it will perhaps reach $87 billion or more. These figures make no allowance for various Nike-X ancillary programs—air defense, anti-submarine warfare, blast and thermal shelters.[12] One recognized expert has stated that the cost of a blast shelter program for urban populations would be comparable to the cost of a major ABM deployment.[13]

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[7] Foster's remark means that SPARTAN is not very effective against ICBM's carrying penetration aids; it confirms the view that the thin defense is presumed to defend against the simplest possible ICBM forces. (DSH)

[8] *New York Times*, 15 September, 1967.

[9] *New York Times*, 6 August, 1967.

[10] Robert S. McNamara, "Defense Fantasy Come True," *Life*, 29 September, 1967.

[11] The degree to which these estimates are unrealistic is indicated by the increase in the cost of the thin defense. Between March 1967 and September 1967 it rose from $3.5 billion to $5 billion—a 43% jump. The full deployment cost of the thin defense may accordingly come close to $10 billion.

HOW EFFECTIVE IS NIKE-X?

Nike-X has never had full-dress testing under simulated combat conditions. The partial test ban treaty of 1963 limited Nike-X weapons to underground testing. Nike-X remains today—after the decision to deploy has been taken—largely a paper system. This is true not only because it has not yet been adequately tested but also because many of its radars have not yet reached the prototype stage. The record of failures with new weapons systems far less complex than Nike-X, which either were not or could not be tested prior to combat, suggests that Nike-X might fail disastrously in an actual nuclear exchange.[14]

The effectiveness of a heavy anti-Soviet system was thoroughly discussed during the Disarmament Subcommittee hearings. In the exchanges below the experts are Gerald Tape, a Commissioner of the Atomic Energy Commission; Dr. Michael May, Director of the Lawrence Radiation Laboratory; and Dr. Norris Bradbury, Director of the Los Alamos Scientific Laboratory.

Sen. LAUSCHE: *Do you and your experts conclude that we can develop an effective anti-ballistic missile?*

Dr. MAY: *We can develop an anti-ballistic missile system that would be very effective against light attacks and the effectiveness of which will go down as the degree of the severity of the attacks go up. I am sorry I can't give you a more definite answer than that.*

Sen. FULBRIGHT: *In short, you don't know?*

Dr. TAPE: *No, this goes back to Dr. May's original statement that you can overwhelm an ABM. Also, he is saying if the opponent wants to overwhelm ours, it can be overwhelmed.*

Dr. MAY: *It probably can be overwhelmed.*

Another exchange—

Sen. LAUSCHE: *Can we overwhelm their system?*

Dr. MAY: *At present, yes, sir.*

Sen. LAUSCHE: *You are also saying that they could overwhelm our system if we established one in accordance with what you think can be done?*

Dr. MAY: *I can't answer when a system is perfect. I don't know when a system is perfect, and I can't answer when a system is completely effective. Nobody knows that.*

Dr. John Foster, Jr., Director of Defense Research and Engineering—

Dr. FOSTER: . . . *we would have to expect that in an all-out exchange dozens of their warheads would likely explode in our cities. . . . I do not believe that the deployment of a very heavy ballistic missile system is technically justified.*

Dr. BRADBURY: *I don't believe the system is reliable and I think the resulting failures you will get against a mass attack would simply make me ask myself, Why am I doing this? . . . It seems to me the task of protecting cities will not eventually completely protect cities. . . . I don't think there will be much of us left over, although it would probably be better than nothing.*

Secretary VANCE: *I would be willing to expend whatever amount of money was required if we could get a truly effective defense. I do not believe we can. Therefore, I feel it would be simply imprudent to waste the funds in an attempt to do so . . . if it would cost $60 billion and would truly protect our population. I would recommend that it be deployed. But I do not believe it can . . .*

A quotation from Secretary McNamara's September 18 speech—

If we could build and deploy a genuinely impenetrable shield over the United States, we would be willing to spend not $40 billion, but any reasonable multiple of that amount that was necessary. The money in itself is not the problem: The penetrability of the proposed shield is the problem.

Technology Week, 20 March 1967—

The performance of the Nike-X radar, communications and information-processing systems will have to be tested against the effects of full-scale high-altitude nuclear explosions before any confidence can be put in the system as a means of destroying more than one or two incoming warheads. [Emphasis added.]

If the Secretary of Defense, the Deputy Secretary of Defense, a Commissioner of the Atomic Energy Commission, two Directors of government atomic laboratories, and the Defense Department Director of Research and Engineering qualify as credible witnesses, there can be little doubt but that the effectiveness of the anti-Soviet system has marked limitations.

The key issue, however, is not whether the heavy ABM can defend against today's Soviet ICBM's, but whether it can defend against the new Soviet missiles it could be facing when it is finally deployed about 1973. By then both the Soviet Union and the United States may have replaced present missiles with MIRV—the multiple independent reentry vehicle. A single rocket armed with a MIRV warhead will be able to deliver several individual thermonuclear bombs, each on a separate target, probably assisted by the latest penetration aids. Secretary McNamara has said "The optimistic statements made by ABM proponents haven't taken such things as MIRV's fully into account. . . . Both our missile defense system and theirs were designed before MIRV's came along."[15] *Nike-X now is in much the same position as the ill-fated Nike-Zeus system was in 1959—obsolete before deployment.*

HOW MANY MILLION AMERICANS CAN NIKE-X SAVE?

If Nike-X had an unequivocal capability of saving lives there would have been no opposition to deployment. The real question about Nike-X—which is never asked—is *not* how many lives it will save but whether it is not likely to cause a greater number of fatalities than if it had not been deployed.

General Wheeler, representing the Joint Chiefs, stated the position of the military in these words: "The 30, 40, or 50 million American lives that could be saved by Nike-X, therefore, are meaningful, we believe, in every sense of the word." Secretary McNamara, Deputy Secretary Vance, and Dr. Foster took an entirely different view of the life-saving capability of Nike-X. They presented to the Subcommittee two statistical tables. The first demonstrated that if the United States deployed the light defense system, as many as 80 million lives could be saved in the event of a Soviet first strike *provided the Russians did not respond to our ABM deployment by increasing their offensive missile forces.* The second table gave the American casualties if the Soviets did increase their forces—the total was 120 million dead, *precisely the same number that would have been killed if ABM had not been deployed.*

The Joint Chiefs cling to the opinion that the Soviets would probably not respond to United States deployment by increasing their offensive forces. General Wheeler told the Subcommittee that economic and technical expenditures necessary to counter Nike-X might be beyond the capacity of the Soviet Union. They would have to pay a "high price," Wheeler said, to overcome ABM.

The civilian side of the Pentagon took the opposite view—

Dr. FOSTER: *It is inconceivable to me that we could deploy such a heavy defense and not have the Soviets take measures which would minimize its effectiveness.*

Sec. VANCE: We believe that the Soviet Union would be forced to such a deployment by increasing its offensive nuclear forces with the result that . . . the damage to the United States from a Soviet nuclear attack, in the event deterrence failed, would not be reduced in any meaningful sense . . . deployment by the United States of an ABM defense which would degrade the destruction capability of the Soviet's offensive force to an unacceptable level would lead to an expansion of that force. This would leave us no better off than we were before.

Sec. MCNAMARA: In all probability all we would accomplish [by deploying the heavy system] would be to increase greatly both their defense expenditures and ours without any gain in real security to either side.

The so-called heavy ABM shield [would be] a strong inducement for the Soviets to vastly increase their own offensive forces. . . . [Sept. 18 speech]

TECHNOLOGY WEEK: Another effect of the uncertainty of Nike-X effectiveness is that the aggressor has to assume that the system works very well and then attack it with a sufficient number of nuclear warheads to overwhelm it completely. That is, the intensity of a nuclear exchange can be greatly increased by the presence of an ABM system. [20 March, 1967]

The attractive proposition that Nike-X will save lives is based almost entirely on the questionable premise that the Soviet Union would permit the United States to undertake a major ABM program, thereby reducing substantially the Soviet retaliatory capability, without making any effort to redress the balance. The Joint Chiefs rationalize their opinion with the assumption that the Russians really could not afford to increase their forces. This is much the same view as that which maintains the Chinese will not be able to design penetration aids.

It is particularly surprising to hear from the Joint Chiefs that the Russians would not increase their offensive forces to maintain their threatened deterrent capability inasmuch as it is from precisely their offices in the Pentagon that originate countless news releases warning of the latest Soviet progress in building more missiles, of improvements in penetration aids, of ABM's around Moscow, of the ABM capabilities of the Tallinn defense line. Reports of this type are constantly leaked to journalists covering the Pentagon.[16]

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[12] *The New York Times* of September 25, 1967, reported that Secretary McNamara announced a $5 billion additional expenditure for improved air defense, presumably to plug the gaps in the thin system.

[13] Freeman J. Dyson, "Defense Against Ballistic Missiles," *Bulletin of the Atomic Scientists*, June, 1964.

[14] The classic example of a gross miscalculation in the effectiveness of a weapons system is the German air defense in World War II. The kill probability was figured at .25 per round fired; in other words for every four rounds fired they would down one enemy bomber. These calculations were made prior to testing, and were later verified in tests at proving grounds. In actual combat the kill probability turned out to be .0002, one-one thousandth of the predicted figure. Decision-makers were off not by a factor of five or ten—but by *three orders of magnitude.*

[15] Robert S. McNamara, "Defense Fantasy Come True," *Life*, 29 September, 1967.

[16] Hanson Baldwin, military correspondent of the *New York Times*, is a favorable channel the military use to feed their viewpoint to the public. A Baldwin story in the *Times* for May 21, 1967, cites "one high-ranking officer in the Pentagon who is privy to all intelligence figures and estimates" as saying that the Russians are going to achieve ICBM near-

Had the United States been able to negotiate with the Soviet Union an agreement to deploy ABM systems in the context of a "freeze" on offensive forces or, preferably, a reduction of forces-in-being, then ABM deployment would undoubtedly mean millions of lives saved in the event deterrence failed. But with massive increases in offensive ICBM forces equipped with the latest and most sophisticated penetration aids, ABM does not look as if it was going to save many lives; and it is not an impossibility, if offensive forces reach unreasonable levels, as they now threaten to do, that deployment of anti-ballistic missile defenses could increase fatalities above the pre-ABM level.

NIKE-X AND THE NUCLEAR BALANCE

1. Effect on the arms race

In his San Francisco speech Secretary McNamara left no doubt in his listeners' minds that an anti-Soviet deployment would have an adverse effect on the nuclear balance and on the arms race: A heavy defense, he said, would not only fail to provide adequate protection against a Soviet attack but would instead be "a strong inducement for the Soviets to vastly increase their own offensive forces . . . and so the arms race would rush hopelessly on. . . ." On no other issue is the split between the Joint Chiefs and the civilian side of the Pentagon so sharp. As one of his five reasons for recommending Nike-X, General Wheeler, on behalf of the Chiefs, said that it would "stabilize the nuclear balance."

Deputy Secretary Vance has said that the basis of the United States deterrent is its ability to "destroy the attacker as a viable 20th-century nation." This he defined as the destruction of "one-fifth to one-half of the population and one-half to two-thirds of its industrial capacity. . . ." The official term is "Assured Destruction." Vance added: "We believe the Soviet Union has essentially the same requirements for a deterrent or 'assured destruction' force as the United States." In the September speech McNamara spelled it out: "We can be sure that we are both [United States and Soviet Union] going to maintain a maximum effort to preserve an assured destruction capability . . . we can be certain [if we deploy a heavy ABM system] that the Soviets will react to offset the advantage we would hope to gain . . . we must measure our own response in such a manner that it does not trigger a senseless spiral upward of nuclear arms."

Since 1963 the arms race has been marked by relative stability. However, when the Soviets deployed an ABM system around Moscow the response in the United States was to deploy a thin system across the entire country and to develop new "generations" of ICBM's with highly sophisticated penetration aids. The Soviet Union is now increasing its offensive forces and there is already considerable political pressure in this country to go beyond the modest thin defense to a much larger deployment against the Soviet Union. When the U.S. MIRV system becomes operational in four to five years, the number of thermonuclear warheads in our offensive missile forces will increase from the present total of 1,710 to 7,500 or more.[17] In view of these ominous developments within such a relatively short time span, the claim of the Joint Chiefs that Nike-X will stabilize the nuclear balance has been shattered as thoroughly as the balance itself.

With ABM deployment the arms race, until now in a single dimension, has become a three-dimensional contest in offensive weapons, defensive systems, plus a feverish technological effort aimed at scoring qualitative breakthroughs. The meaning of this new and highly lethal phase of the arms race is that as each side deploys new ICBM's with ever more sophisticated penetration devices and as the other responds with more ABM's and more ICBM's in its turn, neither can be certain at any moment that it has not lost, if only temporarily, its Assured Destruction capability. In short, it may fear it can no longer deter the other from a first strike. Russia and the United States will view each other with constant mistrust and suspicion; tension will replace detente; an action which under less tense circumstances would appear innocuous might seem extremely threatening, in fact, might even be interpreted as indicating an incipient first strike. Forces-in-being will be at much higher levels than they are now; this could mean that fatalities in the event of a nuclear war would be greater than if ABM had not been deployed. In this new climate of hostility and insecurity the "gap psychosis" will further increase instability. Both military and civilian leaders will be afraid of a deterrent gap, an ICBM gap, a civil defense gap, an ABM gap, a technological gap, and it is likely that every move they make will overcompensate for a suspected gap in any of these areas.

If the military wished to stabilize the nuclear balance they could have proposed a different ABM deployment. Nike-X, if it were emplaced around missile bases rather than cities, would in all probability have a stabilizing effect on deterrence. The reason is simple: A nation launching a first strike would obviously have to aim it at the enemy's missile bases, not his cities. The retaliatory strike is aimed at cities; its purpose is to make the country which struck first pay an unacceptably heavy price. By deploying ABM to protect its civilian population a country is reducing the Assured Destruction potential of the other side thus making its own first strike more feasible. The larger and more effective a nation's ABM defense the more threatening it would appear and the better the position it would be in for launching a first strike. But by deploying ABM *only* around its missile bases a nation would increase its retaliatory second strike capability, making it much more dangerous for another country to launch a first strike against it.

There is no more convincing proof of the destabilizing effect of ABM than the statement to the Disarmament Subcommittee by General Wheeler that ". . . it's also the view of the Joint Chiefs that regardless of anyone's feelings about the situation in Vietnam, we think it quite clear that we would have had even more hesitation in deploying our forces there, had the strategic balance not been in our favor." That statement cuts close to the bone. The General is saying that in order for the United States to be able to carry out its self-appointed role as policeman for Asia and other parts of the world, in order to fulfill our "commitments" to defend first this country and then that, we need something like a First Strike Capability. Surely that is what the Joint Chiefs mean when they claim that Nike-X will "stabilize the nuclear balance."

Another of the General's five reasons for recommending Nike-X is even more revealing: Nike-X deployment, he told the Senators, would "introduce uncertainties which would inhibit Soviet leaders from concluding that . . . the United States would not preempt under any circumstances." To preempt means to *strike first*.

2. Effect on arms control

Nike-X, like its abortive predecessor Nike-Zeus, has not been tested adequately. The radars are not yet ready, and the warheads have only been tested underground because of the partial test ban treaty of 1963.

Perhaps it will be possible to install the thin China defense without great pressure being placed on the Administration to test Nike-X in the atmosphere, but it is inconceivable that the larger deployments will be emplaced without an overwhelming demand for full and complete tests of the entire system. This would very likely lead to breaking the test ban treaty.

Technology Week examined this point: *It is therefore very likely that the performance of the Nike-X radar, communications and information-processing systems will have to be tested against the effects of full-scale high-altitude nuclear explosions before any confidence can be put in this system as a means of destroying more than one or two incoming warheads. . . . It is very hard to believe that the United States will commit itself to an expenditure of $20 billion for Nike-X without carrying out full-scale tests to see how cost-effective it is.* [March 20, 1967]

In 1966 a deputy director of the Defense Atomic Support Agency told a Congressional committee he did not believe it was possible to test Nike-X underground, that extrapolations from underground tests were less reliable than from those in the atmosphere and gave rise to "some definite doubts" about Nike-X performance.[18]

For the moment little will be heard about the "necessity" to test Nike-X in the atmosphere, but within 12 to 18 months it is likely that members of the military and of the Joint Congressional Committee on Atomic Energy will call for a resumption of atmospheric tests in the interests of "national security."

Nike-X will not only jeopardize past arms control accords; it is certainly not going to create the sort of world climate in which we can look forward with confidence to new agreements. Negotiations on the crucial non-proliferation treaty have already been disrupted by plans to deploy the thin defense. The secretary-general of NATO, Manlio Brosio, announced at a news conference the day after Secretary McNamara's speech that a European ABM defense was "under consideration in the alliance."[19] Future arms control measures, for instance a "freeze" or a reduction of ICBM forces, are not going to be speeded up by Nike-X. In *Foreign Affairs* a military expert recently wrote:

At the very least, therefore, the deployment of anti-ballistic missiles would in all probability lead to a hiatus in arms control negotiations, while both sides tried out their new weapons, decided on countermeasures to each other's deployment and reestablished an effective and acceptable strategic balance. It could mean the loss of any chance for an early agreement on comprehensive test ban and on the non-proliferation of nuclear weapons. . . ."[20]

3. Nike-X and civil defense

Nike-X deployment means that civil defense will soon become a major national program. In Dr. May's words to Congress—

The word [ABM] is often also used to refer to a set of shelters which would have to go

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parity by 1970 and will have surpassed the United States in megatonnage and in defense weapons. An excellent illustration of a different Pentagon technique is a report released in July. 1967 by Mendel Rivers' House Armed Services Committee. The 103-page study was actually prepared by the right-wing American Security Council, a private research organization directed by retired senior military men, among whom are generals Curtis LeMay, Thomas Power, and Bernard Schriever. The report predicted Soviet nuclear superiority over the United States by 1971.

[17] *U.S. News and World Report*, 16 October, 1967; also Associated Press dispatch, Bob Horton, 16 September, 1967.

[18] Dr. Theodore B. Taylor; Hearings before the House Appropriations Committee, 89th Congress, 2nd Session, 1966.

[19] *New York Times*, 20 September, 1967.

[20] Coffey, *op. cit.*

with the system to make it a reasonable instrument of defense. . . . [Shelters are] probably the first step [in deployment].

General Wheeler told the Disarmament Subcommittee that the present total of shelters for 153 million people will be increased to "around 250 million," doubling the fallout program costs from $.8 billion to $1.6 billion over the next four years. But the fallout shelter is only the beginning. It is to civil defense what the thin ABM deployment is to the heavy anti-Soviet system.

Even before Secretary McNamara announced the decision to proceed with the thin China defense, the same men who had forced its deployment began calling for a heavy defense. The Chairman of the Joint Committee on Atomic Energy, Senator Pastore, called the Administration's decision "a step in the right direction" which would lead to an "over-all system against the Soviet Union." [21] Washington's Senator Jackson said it was not solely a Chinese problem, but must include a capability to "blunt" a Soviet strike.[22]

There is nothing subtle about these tactics; they are the sledgehammer type and there is no political deployment that can defend against them. One does not have to be clairvoyant to predict a further Administration capitulation on the heavy defense, *perhaps even before the China system has been installed.* The technique that make this inevitable was explained by General Wheeler to the Senators:

Gen. Wheeler: *These [ABM] costs could be exceeded by perhaps 50% or even 100% . . . the demands of the people for heavier defenses in other areas, would inevitably increase the costs ultimately to something like $40 billion.*

Sen. Gore: *In other words, if St. Louis is to be defended, then Kansas City must be.*

Gen. Wheeler: *That is right, sir.*

Sen. Gore: *And Memphis.*

Gen. Wheeler: *That is right, sir.*

Aviation Week and Space Technology, the trade journal of the aerospace industry, quoted two knowledgeable observers on this question in its October 23, 1967 issue:

America is either too sophisticated a country—or not sophisticated enough—to stop deployment with a light system. There is no question but that, once we start building, we will have to build a complete system, the best that money can buy. [A "neutral Senate source"]

Once the anti-Chinese system is in place, it's going to grow, inevitably, into an anti-Soviet system no matter who tries to block it. That's the American way, and the political pressures will be too great for anyone to stop it. [Source unidentified]

Eventually we will end up with a "super-heavy" defense of every American city of over 50,000 population. The men who so successfully "marketed" Nike-X on the grounds that it would save lives and stabilize the nuclear balance, who assured us that the Soviets would not increase the size of their offensive forces, will suddenly warn the public that in view of the enormous increase in Soviet ICBM's, the tense state of world affairs and the instability of deterrence, the nation must move quickly to build blast and thermal shelters to protect its people.

In the opinion of a distinguished physicist, Dr. Freeman Dyson of the Institute for Advanced Studies in Princeton, N.J., who has served as consultant to the Atomic Energy Commission, the Defense Department and the Arms Control and Disarmament Agency, a massive civil defense program will require extensive participation of the civilian population in quasi-military activities. He sees the United States being turned into what military strategists call a "hard society." The term "hard society" Dyson defines as training and hardening a whole population "in a spirit of unquestioning obedience in order to withstand a nuclear attack, much as a missile silo is hardened by encasing it in a certain thickness of concrete." [23]

Dr. Dyson's fears are far from fantasy. In 1958 the RAND Corporation published a paper entitled "Some Specific Proposals for Achieving Early Non-Military Defense Capabilities and Initiating Long-Range Programs." It is merely a list of suggestions for research projects in civil defense, but it is well worth reading for the candid and sombre insight it gives into the sort of civil defense programs which may be in store for Americans. Among the suggestions are—

Mines as personnel shelters: *$1 million, 2–90 day occupancy.*

Psychological and Psychiatric Studies: *$200,000: A study would be made of the preparation for family separation and of shelter techniques for handling this problem.*

Studies of Very Austere Shelters and Long Occupations *($1.5 million): A study should be made of the survival of populations in environments similar to overcrowded shelters (concentration camps, Russian and German use of crowded freight cars, troop ships, crowded prisons, crowded lifeboats, submarines, etc.).*

Some useful guiding principles might be found and adapted to the shelter program. Research projects might include: Study of available information that might suggest human endurance, the latter to be used to determine overcrowding tolerances and for defining the early capability needed in personnel shelter studies ($200,000). Investigation of the use of sedation and chemical tranquilization for long periods and for possible use in shelters ($800,000).

Social Problems *(Excerpt)*: *". . . Prolonged confinement in shelters will unavoidably produce emotional stress. Various measures (regulated activity, or discipline areas, etc.) ought to be studied and prepared in order to maintain shelter discipline, to lessen the mental strain and to minimize the incidence of psychological aftereffects."*

Food Problems *(Excerpt)*: *"Survival and emergency rations used by the Armed Forces are costly and are not designed to be used by a population for survival. An army survival ration costing 75 cents per person per day would mean a total ration cost of $150 million per day. Based on a minimum cost diet, a suitable shelter ration might cost no more than 40 cents per person per day, a saving of almost 50% which would certainly make research in this area worthwhile."*

There has been talk on and off of other schemes like "Evacuation Cities" which are a sort of second underground city to which urban populations could be removed in times of acute crisis like the 1962 Cuban missile confrontation, the idea being that the first country to put its urban populations underground would be in a better strategic and bargaining position than the one which had not. There are serious implications for such basic liberties as the right to travel freely; some experts fear that civil defense regulations will require identity cards, travel permits, surveillance. The effect on already blighted, ghettoed cities can be imagined.

BUT ISN'T IT BETTER THAN NOTHING?

The question is asked repeatedly—Nike-X may not be very good but isn't it better than nothing? If it saves only ten American lives isn't it still worth $5 billion? But what if Nike-X costs ten lives that would not have been lost had it not been deployed? That question is not asked. If Nike-X disrupts the nuclear balance disastrously, if it accelerates the arms race, increases world tensions, regiments American society and is not effective—is it then better than nothing? As stated above, if Nike-X were deployed only around missile bases in the context of a reduction in offensive forces with, perhaps, a very small SPARTAN defense to protect against accidental or unauthorized launch of one or two ICBM's there might be good reason to believe that it was better than nothing. But on the basis of the evidence supplied by experts, it appears more likely than not that Nike-X will turn out to be a disaster for the American people.

It is an attempt to solve essentially nonmilitary problems—protecting people and reducing the danger of war—with a purely military solution. From the military it is reasonable to expect a solution like Nike-X. It is less understandable why politicians should lend it such whole-hearted support; their principal commitment should be to an entirely different set of references.

The American people must be clear on one point. By developing ABM the United States has turned its back on a more stable and livable world and is heading straight toward what Secretary McNamara on September 18th, 1967, so aptly called an "horizon of horror." The holocaust the whole world fears is now that much closer.

During the Disarmament Subcommittee hearings an exchange took place between Deputy Secretary Vance and some Senators. They had been discussing the possibility that China could destroy 20 American ports by having cargo vessels release nuclear bombs in them before leaving for the sea:

Sen. Gore: This is a frightening world.

Sec. Vance: It is a frightening world, Senator; I agree.

Sen. Sparkman: It becomes more so as we move along.

Sec. Vance: It does indeed.

(All quotations identified in the text as made before the Senate Disarmament Subcommittee were given at the hearings specified in footnote 1. The abbreviation DSH in the footnotes means the statements in question were made at these hearings.)

DOMESTIC SPENDING CUTS

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from Washington [Mr. Adams] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ADAMS. Mr. Speaker, in a year of national doubt and frustration, few accolades have been wasted on the U.S. Congress. The 90th Congress in fact has been subject to heavy shelling not only from the far left and right, but also from worried citizens in the mainstream who quite reasonably want action from their representatives on our torturous urban problems and the enigmatic and costly Vietnam conflict. Indeed, it is difficult for them to understand why in this trying period Congress carries on with "business as usual," seemingly unable to deal with the domestic and international crises which face the Nation. Why? Consider the facts.

The first hard fact is that in the 90th Congress the Democratic majority is a fiction. Unlike the 89th which produced medicare, Federal aid to education, and nearly a score of other vital social programs, this Congress is once again dominated by the Southern Democratic-Republican alliance which historically has stymied urban legislation.

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[21] *New York Times,* 19 September, 1967.

[22] *Ibid.*

[23] Dyson, *op. cit.*

For example, the conservative coalition recently found it necessary to make substantial cuts in the budget of the Department of Health, Education, and Welfare. During the same year the same House of Representatives increased funds for cotton payments and subsidies by some $500 million, and the Commodity Credit Corporation's budget items were increased by nearly $1 billion. The lamentable fact here demonstrated is that in 1967 when more than 70 percent of the American people live in cities, spending on rural programs enjoys the highest congressional priority.

Mr. Speaker, the first hard fact suggests a second. It is that in the House, traditional programs such as agriculture and public works are supported by majorities built into the committees controlling them, whereas the new urban programs are not. In other words, each committee of Congress tends to protect and perpetuate its own programs. In the older and more powerful committees, continued support is assured by appointing sympathetic members to fill vacancies. The same does not hold true for committees which deal with new urban problems and are less a part of the establishment.

These hard facts have become insurmountable problems in the context of this year's budget. The Vietnam war is costing nearly $30 billion per year over and above the regular defense budget. It is creating an enormous deficit which makes money scarce for all other programs. With the conservatives in control of the House and old-fashioned established programs enjoying built-in support, the new programs designed to cope with the problems of modern America have become primary targets for the budgetary ax.

What is evident to many Americans is that Congress does not have a valid set of spending priorities. We are going to have to develop a true set of priorities to meet the challenges of today.

Mr. Speaker, the opponents of the Federal domestic program have made a practice of building a high cost figure for "domestic spending" by lumping in many items not truly classifiable as "domestic." For the sake of strengthening their arguments about high "domestic spending," they will include veterans' benefits, the space program, foreign aid, atomic energy, and interest on the national debt—which is almost 100 percent, due to budget deficits caused by high levels of defense spending. Under this, only the Department of Defense and Vietnam spending is classed as nondomestic. However, when actual budget cutting is carried out, most of the above "programs" are excluded from the cuts.

For example, the fiscal 1968 spending for defense purposes includes the $69.936 billion in the Defense appropriation bill and $2.093 billion in the military construction appropriation bill. If we add in $2.509 billion for atomic energy purposes from the public works-atomic energy appropriation bill, we reach a total of $74.539 billion. If we then add in the $6.1 billion for veterans' benefits—to pay our debt to the ex-servicemen from past and present wars—plus $14.1 billion interest on the national debt, plus $4.59 billion for the space program, plus about $3.5 billion for foreign aid and operation of the State Department and U.S. Information Agency, we reach a total of about $103 billion in items which are not touched.

The fiscal 1968 budget total will be about $133 billion, and after excluding the above listed $103 billion we have left only $30 billion, or 22 percent, in the "domestic" category to be cut. In the HEW and HUD budgets, for example, the administration reduced the budget below the 89th Congress authorizations and the House further cut this so $4.265 billion, or a reduction of 23 percent, occurred early in the consideration of these items. Further cuts are now proposed in this limited $30 billion area in programs where the Nation can least afford to cut any more—from urban programs of all types—education, conservation, and even from health programs.

All of this, Mr. Speaker, is being done despite our ever-growing population and its rapid concentration in the cities. It is evident to me and to many other Americans that the Congress does not have a modern, valid set of spending priorities. We must face the true realities of our budget and develop a set of priorities to meet today's conditions—and tomorrow's. If spending is to be cut, the whole budget must be examined, because major savings cannot be made by cutting only artificially defined limited "domestic" spending.

THE NEED FOR FISCAL ACTION IS COMPELLING, SAYS NEW YORK FEDERAL RESERVE BANK

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MULTER. Mr. Speaker, the Federal Reserve Bank of New York, probably the most influential of the 12 Reserve banks in our central banking system, has come out once again in strong support of fiscal measures to restrain our economy.

In its official monthly review of the business situation for December, released this week, the New York Fed contends as firmly, if not more so than it has in preceding months, that fiscal restraint—a tax increase and Government spending cuts—is necessary.

The bank's review said:

> The need for fiscal restraint is compelling, not only to contain price pressures domestically, but also to protect the dollar in the international exchanges.

Mr. Speaker, these comments are important. They represent, to my way of thinking, the latest, most authoritative answer to those who contend that fiscal restraint is neither needed nor warranted under current economic conditions.

On this latter point the Reserve bank's review said that "underlying cost and price pressures in the economy show no signs of diminishing," despite a rash of strikes that have slowed the pace of business expansion in recent months.

I believe, Mr. Speaker, that the informed views of the New York Federal Reserve Bank should be helpful to our colleagues as they consider the important fiscal issue before us of raising taxes and reducing Government spending. The text of the New York Federal Reserve Bank's December review, which is devoted to the economy and entitled "The Business Situation," follows:

THE BUSINESS SITUATION

Although strikes in a number of key industries have slowed the business expansion in recent months—and international financial developments have added a new element of uncertainty to the economic outlook—the underlying cost and price pressures in the economy show no signs of diminishing.

During October, work stoppages played a major role in depressing industrial production, new orders for durable goods, and retail sales and in limiting gains in employment and personal income. However, housing starts posted a sizable gain in October, and industrial production is expected to have rebounded in November. Data on new capital appropriations, as well as the most recent survey of business plans for spending on plant and equipment, point to an increase in business fixed investment outlays. Meanwhile, prices continue to mount. The consumer price index rose sharply again in October despite a decline in food prices. Industrial wholesale prices also posted a large gain, the preliminary figures for November indicate a further rise. The need for fiscal restraint is compelling, not only to contain price pressures domestically, but also to protect the dollar in the international exchanges.

PRODUCTION, ORDERS, AND INVENTORIES

The volume of industrial output eased in October, as work stoppages and a further decline in crude oil production continued to dampen industrial activity. The Federal Reserve Board's production index (seasonally adjusted) declined 0.5 percentage point from the upward-revised September level to 156.2 per cent of the 1957–59 average. The materials index eased slightly further, as crude oil output was cut back once again. Following the June war in the Middle East, which sharply curtailed oil imports, state regulatory agencies had raised domestic production quotas but, with the resumption of shipments from the Middle East, quotas have been adjusted downward toward more normal levels. Overall output of consumer goods held at the strike-reduced September volume. The seasonally adjusted annual rate of automobile assemblies, at a little under 7 million units in October, was virtually unchanged from the September pace. In November, wildcat strikes at the Chrysler Corporation and General Motors Corporation as well as the slow return to full production at the Ford Motor Company held the assembly rate for just over 7 million units, well below the prestrike level of 8⅓ million units in August. Barring further strikes in the industry, assemblies are expected to rise very substantially in December as Ford attempts to make up some of its lost production.

Output of consumer goods other than automobiles was also about unchanged during October, although production of television sets and radios eased slightly, following a sharp rise in August and a further small gain in September. While output of defense equipment continued to advance, the index of business equipment declined, largely as the result of a strike at a major equipment producer which was settled late in the month.

The third-quarter rise in new capital appropriations made by manufacturers and the improvement in corporate profits strengthen the prospects for a step-up in capital spending in the coming months. Underscoring this improved outlook, the survey of capital spending plans taken by the Commerce Department and Securities and Exchange Commission in November suggests that business spending on plant and equipment will rise appreciably in the first half of 1968.

The effects of the strikes at Ford and other firms were reflected in a continued decline in October in new orders received by durable goods manufacturers. The drop was concentrated in the automobile and primary metals industries. Among other durables, the aggregate flow of orders was little changed, as advances in some sectors about offset declines elsewhere. The defense component recorded a large gain over the September level.

Residential construction activity continued to move up strongly in October, approaching the level that prevailed before the housing slump began in early 1966. Housing starts recorded a large advance, achieving a rate fully 80 per cent above the depressed level reached just a year earlier. At the same time, there was a substantial gain in the number of building permits issued by local authorities.

The inventory situation in both the trade and manufacturing sectors has been a major concern since the fourth quarter of 1966, when a sharp buildup in stocks occurred as consumer demand moderated. In an effort to bring inventories into better alignment with sales, businessmen reduced the pace of inventory accumulation from a seasonally adjusted annual rate of $18.5 billion in the fourth quarter of 1966 to a scant $0.5 billion in the second quarter of 1967. In the third quarter, however, businessmen stepped up inventory once more. Indeed, revised GNP figures indicate that inventories grew in that three-month period at a rate of $3.8 billion, rather than the $1.5 billion of the preliminary estimate.

In the trade sector, firms reacted quickly to the late-1966 rise in inventories. Following the moderation of consumer demand in the middle of that year, the trade sector initially reduced the pace of accumulation, and then made a series of actual cutbacks in inventory holdings that continued uninterrupted over the first seven months of 1967. This decline in inventories, coupled with rising sales, resulted in a steady drop in inventory-sales ratios during the first three quarters of this year. In September, the pace of accumulation at the retail level increased although wholesale inventories showed little change, following a sizable accumulation in August.

The problem of excessive stocks dating from the latter part of 1966 has been considerably more serious in manufacturing than in the trade sector. Manufacturers cut the pace of inventory accumulation from an average monthly rate of $1 billion (seasonally adjusted) in the fourth quarter of 1966 to only $227 million in the second quarter of this year. The slowdown in spending affected additions to inventories at all three stages of fabrication: finished goods, work in process, and materials. Accumulation of finished goods dropped from a monthly average of $373 million in the fourth quarter of 1966 to $58 million in the second quarter of 1967. At the same time, additions to stocks of work in process declined from a monthly rate of $493 million to $210 million. The fact that work-in-process accumulation remained relatively high was in large part due to the continued growth of output in aircraft and other defense-oriented industries, where production time is generally longer than for other goods. Inventories of purchased materials which grew at a monthly average of $138 million in the last three months of 1966 showed an actual decline, averaging $41 million in the second quarter of this year. In July and August, manufacturers' total stocks increased at a fairly rapid pace, but strikes cut sharply into accumulation in September—and inventories actually declined. Stocks rose strongly in October, however, and the improved outlook for shipments as well as the Ford settlement suggests that the accumulation rate may increase in the near future.

EMPLOYMENT, INCOME, CONSUMER DEMAND, AND PRICE DEVELOPMENTS

The employment picture remains clouded by the effects of labor disputes. The number of persons on nonagricultural payrolls increased in October, but a large part of the advance was due to the return of workers who had been on strike in September, notably in the government sector which had been affected by a number of teachers' strikes. Employment in manufacturing—where strikes continued to be a strong dampening factor—showed a small rise in October as an increase in nondurables industries offset a further decline in the durables category. The average workweek of manufacturing production workers eased during the month. Though the Ford strike had cut sharply into manufacturing employment in September, the Bureau of Labor Statistics reported that the strike apparently had few secondary effects in that month. However, the October declines in the manufacturing workweek and in durables employment suggest that the indirect effects of the strike increased during its second month.

The civilian labor force grew sharply again in October. In contrast to the first six months of 1967 when the civilian labor force remained quite stable, September and October were marked by unusually large increases, especially in the number of women and teenage entrants. In both months, total employment was essentially unchanged, so that the increase in the number of labor force participants boosted unemployment. In October, the unemployment rate rose 0.2 percentage point to 4.3 per cent, up 0.5 percentage point from August. The rate for married men increased slightly during the month, following a decline during September.

Reflecting the limited growth of employment, personal income in October recorded the smallest advance in six months. This modest showing was due primarily to an unusually small rise in wage and salary payments which grew by a seasonally adjusted rate of only $0.9 billion, compared with an average monthly rise of $2.5 billion in the third quarter. Payrolls in durables manufacturing actually declined during the month, chiefly in industries affected by strikes.

Against the background of sluggish growth in personal income, preliminary figures indicate that retail sales volume (seasonally adjusted) declined in October. The number of new cars sold fell by about 15 per cent. Since July, when auto sales reached a 1967 peak of 8½ million units (annual rate), the sales pace has been dampened by supply problems. Beginning in late July, shortages appeared in many popular model lines, and sales in August fell to 7⅓ million units. The introduction of the new models late in September improved supplies, and sales increased to a rate of about 8 million units. However, in October, sales dropped to 7 million units as the stock of new models made by Ford dried up. Shortages continued in November, and sales again were at an annual rate of about 7 million units.

Despite the strike-related slackness in the economy, the consumer price index rose sharply again in October. Although food prices declined, the overall index moved up 0.4 percentage point, reflecting substantially higher costs of apparel, new cars, and services. Although the rate of advance in the consumer price index moderated in the first months of the year, prices began to rise sharply in the spring months, and in the six-month period ended in October the advance amounted to a high 3.8 per cent (annual rate). Wholesale prices eased in October as a decline in food products outweighed a rise of 0.3 percentage point in industrial commodities. Preliminary figures for November indicate that, while the overall index remained unchanged, food prices again declined and industrial prices increased further. This divergent trend between food and industrial prices has been apparent for several months. Between July and November, the index of industrial commodities rose 1.0 percentage point, after six months of stability. The farm products index, however, dropped fully 6.3 percentage points in these last four months, lowering the overall index by 0.4 percentage point since July.

A FINE RECORD OF ACCOMPLISHMENT

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Multer] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MULTER. Mr. Speaker, as you, our beloved Speaker, have stated, it is inevitable that this first session of the 90th Congress be compared to the historic 89th Congress. Such a comparison is, of course, unfair. But let it be said, here and now, that even though we, as the majority party, have faced the challenges of the 90th Congress with substantially reduced numbers we have still compiled a record of legislative accomplishment that we and the American people can be proud of. True, we have not accomplished all we set out to do. But what Congress ever did?

I will not set forth the more than 40 major administration proposals we passed.

Some of the important legislation that we have enacted during this first session of the 90th Congress is as follows:

Amendment of the Social Security Act to provide an across-the-board increase of at least 13 percent for all social security beneficiaries.

A 5-year extension of the Older Americans Act to continue planning programs.

The Partnership for Health Amendments of 1967 to provide funds for comprehensive State health planning and services, including $40 million for rat extermination.

Mental health and mental retardation programs were extended.

The Air Quality Act of 1967 for Federal air pollution control.

A Federal Meat Inspection Act which will result in clean and wholesome meat and meat products for the American consumer.

Further protection of the consumer by imposing much stronger standards for articles covered under the Flammable Fabrics Act and adding to the list of articles covered.

Establishment of a National Commission on Product Safety to protect our citizens against products which may cause injury or death.

A 2-year extension of the Elementary

and Secondary Education Act, providing more funds than ever before.

The Education Professions Development Act which extended title V of the Higher Education Act of 1965, and included the Teacher Corps.

Strengthened and expanded the Vocational Rehabilitation Act, with a program of grants to provide vocational rehabilitation for migrant workers and a national center for deaf-blind youths and adults.

The Economic Opportunity Amendments of 1967 extended and expanded the antipoverty program.

A 2-year extension of the food stamp program, so that no one need go without nourishing food.

A much needed and deserved salary increase for Federal employees. We also increased the pay of our men and women serving in the Armed Forces.

For the veterans of Vietnam we provided the Veterans' Pension and Readjustment Assistance Act of 1967, giving our returning veterans increased pension rights, educational allowances consistent with the present cost of higher education and new training programs.

We continued the Peace Corps, strengthened the international banks in which we participate and encouraged the organization of new ones.

We continued the rent supplement and the model cities programs. Money was appropriated for urban renewal, water, and sewer facilities and urban mass transportation.

We strengthened the small business program and successfully opposed another attempt to destroy the independence of the Small Business Administration.

As a first step to improve our judicial system we established a Federal Judicial Center.

We modernized the government of the District of Columbia.

We revised the military draft law. We rejected the idea that any young man can decide for himself in what war he will fight. We continue to respect the rights of the truly conscientious objector.

We extended the Civil Rights Commission and prohibited discrimination in employment on account of age.

As always, much remains to be done. Despite the arduous and continuous efforts of our President, the war in Vietnam continues. The Communists seem determined to ignore all offers of peace. The very vocal and sometimes violent small minority in this country who oppose our policy in Vietnam continue to encourage the Communists in their aggressive designs. It is indeed sad that freedom of speech and of the press is being abused in this most free of all countries at the expense of human life.

Responsible dissent is in the great tradition of freedom that we in America have developed since 1776, but when by violence or otherwise it seeks to throttle the will of the majority it is hypocritical and dishonest. It is even more irresponsible to be loudly against this war without offering any responsible or sensible alternative. If the situation were as simple as the administration's critics pretend, we would have had peace in Vietnam a long time ago. In the face of this opposition, however, we must and we will continue to give our troops all of the support they need to keep South Vietnam free. This the 90th Congress has done. It has demonstrated to the Communists that we are determined to settle for nothing less than peace with honor and freedom. Let me remind one and all that Hanoi has rejected 36 peace proposals.

It has been my privilege and honor to serve in this body for more than 20 years. During that time I have served with the finest men and women our society has produced; men and women who have demonstrated their leadership, intelligence, and patriotism by guiding this country toward continuing greatness.

I leave it now with very mixed emotions. Mine has been the rare opportunity to serve in city, State, and Federal government in both the executive and legislative branches. On January 1, I will assume my duties as a member of my State's judiciary system.

Although I look forward to my new work, I will always cherish the friendships I made. I am grateful to my constituents who gave me the opportunity to serve them. I am most appreciative beyond the power of words to express, to the Speaker, to the leadership, to my colleagues, to the staff and particularly to my own office staff for their assistance and cooperation beyond the call of duty.

I will miss all of you.

I close by borrowing the words of the late and great Speaker, Sam Rayburn: "I love this House."

DEMISE OF THE SUMMER INTERN PROGRAM

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Burton] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BURTON of California. Mr. Speaker, it is with great sadness that I rise to lament the demise of the summer intern program of the House of Representatives. It has been a truly worthwhile and noble program, and regardless of the reasons given for its discontinuation, there are many of us here who can only view it as another casualty of the war in Vietnam.

The cost of this program has not been great. In fact, the program paid the student nothing for travel expenses and the stipend was barely enough to provide subsistence. From a financial standpoint about all we did was defray the student's costs in some measure, and the student had to be motivated by a strong and earnest desire to learn at firsthand the legislative processes of this government in order to participate in the internship program. The economy achieved by its elimination will be insignificant when considered against educational value of the program.

I doubt that there are many Members in this House who really believe that economy was the motive for killing the summer intern program. Rather, the action smacks of retaliation—an attempt to chastise because a number of the interns last summer dared to voice their opposition to the war in Vietnam. And as is so often the case when retaliation is attempted in the heat of emotion, it misses the mark completely. Even if some chastisement were justified, and I cannot for the life of me see where it is, wiping out the program penalizes only the future students who might seek this meaningful educational experience. Of course, it should not be necessary to point out that it punishes both those who agree and those who disagree with the administration on Vietnam policy.

Therefore, if there is any rationality at all to our action, it must be based on a fear that the 800 or so interns which this program would bring into our offices next summer would include a substantial number of college students who would again find fault with our policies and would cause embarrassment in an election year. If this suspicion has foundation, perhaps it should cause us to reexamine our own positions and those of the administration, and if their validity cannot be defended against the challenges of a group of college students, then perhaps they are in need of revision.

Whatever the motivations and intentions underlying our action in killing the summer intern program, I can only feel that the pursuit of truth has fallen victim here, struck down in a fit of petulance. For the good of our own consciences I sincerely hope the error of our ways is revealed to us and we find the courage to correct it.

THE MAGNIFICENT JOB DONE BY THE AMERICAN RED CROSS

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. de la Garza] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. de la GARZA. Mr. Speaker, I have spoken before in this Chamber about the magnificent job the American Red Cross did in coming to the assistance of residents of the south Texas area devastated last September by Hurricane Beulah and the disastrous floods that followed. This area is in the 15th Congressional District which I am privileged to represent. Personal visits to the district and many communications with the people there have made me keenly aware of how well this great organization serves in time of trouble.

Almost 16,000 south Texans registered and have received one form or another of assistance from the Red Cross. This assistance included distribution of food and clothing, repairing damaged homes, replacing lost household furnishings, providing medical and nursing aid and furnishing occupational supplies and equipment to wind and flood victims.

The aid given persons registering with

the Red Cross was in addition to the mass care provided many tens of thousands of people during the period immediately following the disaster.

In one south Texas county alone the total of 8,195 persons registered with the Red Cross and the assistance extended to them had totaled $1,281,674 as of December 1, 1967. A similar story with only the figures varying can be told of all other counties hit by the disaster.

Mr. Speaker, it is impossible to describe adequately what this assistance so promptly forthcoming through the local Red Cross chapters has meant to south Texas. People whose homes were swept away leaving them only with the clothing they wore, people who were hungry and sick received a new lease on life and were given new hope as a result of the help extended by the Red Cross.

No one went hungry—no one suffered for lack of clothing or shelter because of assistance through the Red Cross and other established agencies.

Speaking for them, my constituents and for myself, I wish to express a deep sense of gratitude to the organization and to the willing and capable Red Cross personnel who devoted themselves to giving help when it was so sorely needed.

THE ATTACK ON SOCIAL CANCER

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. PEPPER] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. PEPPER. Mr. Speaker, you know how strongly I support the war on poverty and how deeply I feel our obligation to continue to strengthen and expand this noble effort to eliminate the last vestiges of economic and social privation from our society.

I believe it is essential in this effort that we face realistically the conditions that exist in our communities and the difficulties that are inevitably encountered in making an effort of this kind. I feel it is appropriate, therefore, that I call to the attention of my colleagues, two remarkable series of articles by Miss Juanita Greene, of the Miami Herald. Miss Greene is an outstanding newspaper woman who conveys the facts without glossing over them, yet expresses the hope and ambition of our Greater Miami community to eliminate these conditions as rapidly as possible through a combination of local and national initiatives. The first of these series deals with the problem of Negro housing in our area. The second deals with our antipoverty program and the successes and failures of that program in our area.

I enter these articles in the RECORD at this point:

SOCIAL CANCER: SPIRALING DADE NEGRO GHETTOS

(By Juanita Greene)

Dade County's Negro ghettos are spreading.

The growth is fastest in the Northwest—moving at a pace of about a block and a half a week.

Here the old Liberty City-Brownsville core jumped its boundaries, spread over Edison Center, now is absorbing Allapattah and pushing northward, westward, eastward.

The ghettos are growing because, like the rest of our population, the Negro population is growing.

Amid the usual wash of emotion that surrounds any discussion of housing the poor and the black is some scurrying for facts. The community doesn't have all the information it needs, but it has enough to show that it has not escaped the problems facing all other big urban areas in the U.S. today.

The City of Miami is expected to be almost one third Negro by 1980. Today it is estimated at one fourth. It probably would be greater if the heavy influx of Cuban refugees in the early 1960's had not caused a drop off in the number of American born moving into the area.

Today almost half Miami's population is Negro or Cuban. The city lost about 13,000 non-Cuban whites in the five years after 1960 and the trend is continuing.

The plight of the slum dweller is an old and much told story. The only thing new about it is that it is being told with increasing concern.

Inside the ghetto this concern springs from rising expectations, a desire and a demand for a better life—now. Outside the ghetto it springs from fear—fear that the slums will explode, as they have in 37 U.S. cities this summer.

With the spread of the ghetto comes the spread of slums.

This is not to say that all areas in which Negroes live are slums, or that all slums are in the Negro areas. In the ghetto are many middle class neighborhoods of well kept single family homes.

But it is a fact that as the ghetto spreads, it usually moves into neighborhoods where the housing is past its prime, where public services are on the decline, where zoning is often lax. And it usually brings with it the problems that afflict the hard core slums. The most notable is poverty.

Around a big pink concrete monster in Liberty City, children swarm like ants on a piece of sugar. Swift moving bare feet, toughened by asphalt and concrete, defy the splintered glass, the flattened beer cans that speckle the dirt ruts between the street and courtyard.

Life pulsates with a deafening beat.

Summertime in the slums is accompanied by a continuous chorus of young voices. The noise starts early in the morning, persists through the hot afternoon, then takes on a new tone at nightfall as the younger children retire and the older one—knotted in gangs—begin to prowl the streets and alleys.

Inside her one bedroom cubicle on the second floor of the big building, Mrs. Geraldine Brownlee can escape the filth and the clutter of the neighborhood. New furniture, all paid for, is wedged into the three tiny rooms. Flowered curtains block out the view of the old abandoned automobiles and the trash piles. But the heat and the noise come through.

"If I didn't have to live here I wouldn't," said the young housewife as she leaned back and fanned herself.

She complained of the noise, the drunks, the "clowns" who spit snuff on the outside walls, the danger after dark.

SHE WANTS SOME GRASS, PRIVACY

In another apartment in the same building is another young woman who would like to get out, to some place with grass and privacy.

She is a 25-year-old unmarried mother of three, whose current income is $78 a month from welfare. Her apartment is filled with old furniture and small children who wander in and out to play with her own children.

"You can explain conditions here with just one word," she said. "Terrible."

Her list of complaints included all those of Mrs. Brownlee's plus many others.

"I hate it here," she declared. "But I can't do any better."

Though the two women may not be described as typical residents of Miami's big Negro ghetto—for no human being is typical of the group—their problems and their environment could be considered representative.

There are worse stories in the ghetto. Much worse. In one small apartment with one bedroom live nine children and four women (two sisters, their grandmother and great grandmother). Some sleep in the bathroom. Rent is $18 a week. They live on the $85 a month welfare allowed under the Aid to Dependent Children program and the $20 a week one of the mothers makes as a maid.

NICE, BUT SOMETIMES "LIVELY"

There are happier stories. Even in the slum part of the ghetto are neat houses with fresh paint and green lawns, bastioned against the neighborhood by high wire fences.

But the apartment house occupied by Mrs. Brownlee and the welfare mother is a rather typical habitat of Dade's biggest Negro ghetto. With three stories and 33 units, it is in better shape than some of the buildings on the canyons that stretch along 59th, 61st and 62nd Streets, worse than some of the others.

The apartments are like most which were built in the late 1950's in the neighborhood to accommodate the big exodus from the old central Negro district ghetto. Since then the law has been changed to require more space inside and outside.

Mrs. Brownlee likes her new home better than the old one in midtown from which she moved seven months ago, though she still is discontented.

"One thing you can say is that it is lively around here," she said.

Since moving into the building, one neighbor shot and killed her husband, another shot and killed his wife.

Yet Mrs. Brownlee described most of her neighbors as nice people and said she seldom gets in arguments with them. An exception was when she tried to get a woman on the third floor to make her youngster stop throwing glass pop bottles over the railing.

DREAM IS HOME OF HER OWN

Mrs. Brownlee's dream is to own her own home, in Richmond Heights or Carol City.

For the 24-year-old woman, the dream probably will come true. It has for many, though not for most. She has a husband with a steady job. He cleans cesspools for the City of Miami. She described him as ambitious and hard working. They have no children, though one is due in October. They are saving their money.

For their accommodations the Brownlees pay $14.94 a week rent. That comes to $64.74 a month. It includes gas, used for cooking, hot and cold water, and 44 cents a week state sales tax which runs for a year after the tenant moves in.

The welfare mother pays the same rent as the Brownlees for the same size apartment. At times she is able to supplement her income by working in a laundry, doing piece work, and averaging about $35 a week. But lately she has been ill, from her infection caused by a contraceptive loop she was advised to wear.

She complained that the landlord takes too long to fix busted screens and the clogged sink. The roaches, she said, are uncontrollable despite the once-a-week exterminating service provided by the owner. The neighborhood is so rough that small children must be confined to the second floor walkway area outside the front door. Prowling teenagers terrorize the neighborhood, brawling and shooting. Water forms in deep pools after heavy rains.

Her plaint is a much told story of the slums.

Slums are a spreading social sore aggravated and underpinned by an economic fact of life. Many people are living in slums today because they can not afford to live in standard housing without some kind of subsidy.

Almost all the experts are still saying today that a family should spend no more than one fifth its income for shelter, including utilities. This is a rule frequently violated, by choice among the more affluent and of necessity by the poor.

By the official rule of thumb, a family with an income of $3,000 a year should pay no more than $50 a month for housing.

Among the many facts still missing in piecing together Dade's housing picture are reliable estimates on the minimum rent which private enterprise can charge for various types of existing standard accommodations and still make a reasonable profit. Investors in real estate usually expect from 10 to 15 per cent.

The information is needed so it can be determined unemotionally at what point the Negro poor become victims of landlord exploitation and community enforced segregation instead of being victims of "the shorts."

There are national researchers and experts who are saying today that nobody is getting rich off the slums anymore. But their data is drowned out by the invective still being hurled perhaps out of habit, by reformers who find it easier to shout "slumlord" and "exploitation" than to research the sticky and depressing facts.

THOUSANDS WOULD NEED SUBSIDY

The facts themselves are not going to make Mrs. Brownlee's apartment any less noisy, or unplug the welfare mother's sink, but they could send the community in a more definite direction toward a solution to its growing slum problem.

Even without the facts it is safe to conclude that thousands in Dade County today cannot afford to live in standard housing without some kind of subsidy.

The number in this category could be as high as 100,000.

This is arrived at by using the figure of $75 a month and determining how many families can not pay this much without exceeding the one fifth of income rule. The figure of $70 to $75 is the Miami City Planning Department's rough estimate on average monthly rent paid in the Negro area. It also is the figure on the minimum at which private enterprise claims it can provide new one bedroom apartments with no subsidy, though most new apartments outside the Negro areas rent for more than that.

To pay $75 a month, a family should have an income of at least $4,500 a year.

In Dade County in 1965 there were 107,000 families making less than $4,000 a year, according to an FHA survey. That was 28 per cent of all Dade households.

There were almost 70,000 families who shouldn't even be paying $50 a month rent, because they make less than $3,000 a year. And there were even about 30,000 who should be paying as much as $30, which is the minimum rent charged by public housing. They were making less than $1,800 a year.

These figures also explain, in part at least, why according to FHA there were about 19,500 housing units in Dade that were dilapidated or lacked some plumbing facilities in 1965. They accounted for 4.7 per cent of the housing stock.

HOUSING GETS BREATH OF LIFE

Within the city of Miami alone there were in 1965 an estimated 3,173 unsafe and inadequate (dilapidated) housing units and 21,287 units in need of substantial repair (deteriorating).

These local figures are not much different from and in many cases are much better than those of the nation's other large cities. It is against this statistical background that new programs for subsidized housing have been passed by Congress in the last six years and that the old program, public housing, is getting a new breath of life in some cities, like Miami.

In Miami, in fact, it is public housing that is making the only big, effective moves to better house the lower income groups with subsidies. None of the other federal programs, which give private enterprise and nonprofit corporations a hand in the task, have got off the ground locally.

In the meantime, back in the slums, the residents are getting more impatient. Tenant unions are organizing.

The boundaries of the ghettos change from week to week, as Negroes push into all white neighborhoods. For a while the fringes are integrated. Then gradually all the whites move out. Nowhere in Dade County is there a neighborhood that could be described as permanently integrated.

Countywide, Dade's Negro population is estimated at 14.4 per cent of the estimated 1,114,000 inhabitants. That is the same proportion as in 1960, when the last census was taken.

LACK OF GOALS HANDICAPS PROGRAM

The big push northwestward has merged the downtown and Liberty City-Brownsville Negro community and is pushing out links with the Opa-locka Negro community. Just a few years ago they were separate ghettos, sealed off from the surrounding white population by walls, some visible and some invisible. Today Negroes are scattered, usually in clusters, from NW Third Street to the Dade-Broward county line. In some spots the expansion has reached to Miami Ave., westward to the Hialeah city limits.

Expressway construction and Urban Renewal activity has cut a huge gash through Miami's big Central Negro District and sent thousands to the northwest area outside the city limits. Despite the large scale clearance, the population of the Central Negro District increased slightly.

Aggravating the problem in the Central Negro District is the fact that the Urban Renewal tract has not been redeveloped. It cuts through the area in a bare, dangerous prairie. The remaining housing on and around it is in worse shape than ever. The place is a jungle at night.

Compounding the problems in the Liberty City-Brownsville area is opposition of the Negro middle class to bringing public housing into their single family neighborhoods—crowding the schools, eating up the open space and threatening the environment. Yet public housing is having its own difficulty finding sites outside the ghetto boundaries.

In attacking the housing problem, Dade suffers from lack of coordinated leadership and absence of any well defined goal. Lack of basic information also is a handicap. While Metro now has its own Department of Housing and Urban Development, it isn't really a "Little HUD." Many of the new low and middle income housing programs will be administered through the local FHA office.

Sitting in air conditioned offices and listening to housing officials quote figures and propose programs can give the impression that Miami is on the way to solving some of its problems of the slums and grey areas.

But driving around the slum areas and talking with the people presents a much less optimistic picture. It leads to the conviction that something more needs to be done, and done soon.

And to be effective any program will have to involve the slum dwellers themselves to a greater extent than they have been involved in the past.

"INVISIBLE" THOUSANDS CAN'T PAY $30 A MONTH

(By Juanita Greene)

Miami is inhabited by thousands of invisible people.

They are the poorest of the poor.

As a nation, we pretend they don't exist.

"Some of them have no real source of income you can put your finger on," reports Bernard Dyer, who works in the slums organizing tenants.

These people are too poor even for public housing. It costs at least $30 a month to live there.

Their fate, along with that of most of the middle and the upper poor, has been left to private enterprise. In the big cities, it has been housing them for generations.

But for many reasons, the slums aren't the good business they once were. Code enforcement is one of the reasons. Civil rights activities are another. The old landlords are pulling out, both here and in most cities.

At the same time, public housing—nationally more than locally—has found itself increasingly on the defensive, with its attackers including some of its original proponents. It is labeled too institutionalized, bureaucratic, impersonal and expensive. And it hasn't produced the miracles originally expected.

Who, then, is to house the poor?

The nation's newest approach is a compromise between public and private housing, a clasping of hands by government and free enterprise to march on the task together.

Private interests who want to build or rehabilitate housing for families with low and moderate incomes can get special low-cost federal financing or rent supplements. Public housing, on the other hand, now is allowed to lease private housing to shelter some of its tenants. It also can buy privately constructed buildings, new or old, for its own use.

On paper it all sounds rosy. In practice, the new joint program still has a long way to go in Miami.

Up to now, public housing has done the most with the new innovations.

No real attempt has been made here to get private enterprise involved in providing better low-cost housing for more poor people.

The move in the private enterprise direction has been at a snail's pace, with some curious developments.

Public housing now is leasing 150 private units, has the money and the permission to lease 350 more. It has bought one privately constructed project, called a "turnkey," and is negotiating for more.

An aggressive organization with a good national reputation, the Miami Housing Authority, also has learned some lessons from past national and local mistakes and is building its family units in smaller buildings on more scattered sites and designing them more attractively.

But under a new federal program labeled 221-D-3, which encourages private enterprise to properly house more of the lower-income groups, only two projects have been built.

One is an all-white occupied, three-story, 102-unit building at 3881 W. Flagler, equipped with elevators, air conditioning and a swimming pool. It is owned in part by Harry Markowitz, owner of many apartment buildings in the Negro area and past president of the now-defunct Free Enterprise Assn., which fought a losing battle against expanding public housing.

The other project is Park Towers, a highrise apartment house near the Flagler St. bridge, at 390 NW Second St., which is integrated, but to an unknown degree. It is having trouble meeting its mortgage payments, though it is about 85 per cent occupied. Part owner is Martin Fine, chairman of the Miami Housing Authority. With him in the setup is J. L. Kislak, mortgage banker.

RENT CEILINGS "ADJUSTED" UP

Rent ceilings for some of the units in the two buildings are higher than the maximum allowed for this area under the federal program.

At West Flagler, the base rate for efficiencies is $82 and at Park Towers $85, instead of the $79.19 set by FHA regulation. One-bedroom units at West Flagler are $97.95, instead of the $95.83 ceiling.

In each case, the sponsors got waivers from FHA. Director Willis P. Wilcox said they were made on the assumption that in some cases two persons would occupy an efficiency and three persons (a couple with a baby) could occupy the one-bedroom unit. He acknowledged that the rates "were worked in wrong" and are higher than will be allowed on subsequent projects of this type.

The developers of each project got a much better deal on financing than they could have made in the conventional market, or even under the traditional FHA programs. They got long-term loans considerably below the going interest rate. The 221-d-3 program provides for 40-year loans at three per cent interest, covering 90 per cent of the total cost.

The 10 per cent which the sponsors are supposed to invest can include certain fees and profits which may not represent actual outlay of cash, or at least not as much as allowed under the schedule. If, like Markowitz, a sponsor also is a builder, he can take the 10 per cent profit allowed on the construction and use that as part of the investment. If he is an attorney, like Fine, he can take the amount allowed for legal fees and invest that in the project.

How much cash each sponsor put in is unknown.

The sponsors are allowed a return on their investment, plus a management fee (of up to five per cent) and a fee for continuing legal and auditing service (about three per cent). The return (or "profit") allowed is six per cent of a sum that is 11.11 per cent of the amount of the mortgage.

For example, the mortgage on Park Towers is $1.5 million. The sponsors are allowed to make a six per cent return on $166,650. So if the building were making money, their profit would be $9,999 a year.

Another phase of the subsidized 211-d-3 program, passed by Congress in 1961, envisions construction by nonprofit corporations. They are entitled to loans covering 100 per cent of the cost, at three per cent interest.

In Miami, only one such corporation has been organized and certified by FHA as a qualified bidder on d-3 projects, but it hasn't built anything yet. It was going to start on a tract of land cleared by urban renewal in the central Negro district. It would be the cheapest site because the land would be sold at a "write-down" price, made possible because government helps absorb the cost of buying, clearing and preparing it for redevelopment. The land is expected to sell for 40 or 50 cents a square foot, though it costs more than $1 a square foot to buy and develop.

The corporation is Ecumenical Developments Inc., organized since the beginning of the year.

The corporation has been stalled by delay in the call for bids, expected last May or June, by the Urban Renewal Agency. Original plans called for building 24 townhouses on the first available site, which has remained bare so long that it has produced an abundant crop of weeds, trees and other vegetation.

WHAT DO WE DO FOR RENEWAL?

But the Miami community today can't make up its mind what it wants to do with the urban renewal site, which initially was destined for low-income housing.

The Miami Citizens Advisory Committee raised objections to this concept, claiming the land should be developed to attract both whites and Negroes of all economic levels. They complained that without a change of plans, "a drab, monolithic district" would be reestablished in the Negro area.

Meanwhile, Metro created a Department of Housing and Urban Development, put urban renewal under it and Haley Sofge, director of the Miami Housing Authority, over it. Now Advisory Committee President Daniel Kavanaugh reports it is appeased, and whatever Sofge decides to do with the area probably will meet with its approval.

Sofge hasn't decided.

"We want more community discussion about the development," he said. "We have time to go back and talk about this. We may have to rethink the whole thing."

Changing the plan will not deter Ecumenical Developments in its efforts to build low-cost nonprofit housing on the site, said William T. Kruglak, its non-paid attorney.

"We are not committed to any particular plan," he said. "This is not a program for colored people. We plan to make it so attractive and economically feasible that it would attract people regardless of race."

Kruglak wrote Sofge late in June to inform him that the nonprofit corporation is "ready, willing and able" to bid. It already has been certified by FHA as a qualified nonprofit bidder for the 221–d–3 program and would be eligible for an annual $25,200 in federal rent supplements reserved for the builder on the urban renewal site.

Behind Ecumenical Developments are the Catholic and Episcopal dioceses and two of the largest Negro Baptist churches in the area.

While he now has control of public housing and urban renewal, Sofge will not be directing all the potentially important low-cost housing programs here. Their administration will be left to the local office of the Federal Housing Administration, directed by Wilcox.

It is Wilcox, for example, who is in charge of rent supplement. It is his office that approves the below-market interest programs.

HOME-OWNING FOR THE POOR

It is the FHA also that will handle a program so new that the ink is barely dry on the instruction manuals. This is labeled 221–h. Its aim is to enable more of the poor to buy their own homes and it will be administered through nonprofit corporations. Word has come from Washington to get moving fast on it. Out beating the bushes to find sponsors and houses is Henry Arrington, Negro attorney.

He is lining up the long-established Brownsville Improvement Assn., led by Neal Adams; the recently created Goulds Citizens Council, led by Odell Johns, and is working with the Greater St. Paul Methodist Church in Coconut Grove to get a nonprofit corporation organized in that area.

Under the program, the nonprofit corporation will buy old houses, rehabilitate them and sell them to selected families who would be eligible for three per cent mortgages, not to exceed $12,600 for 25 years for a seven-person family. Much emphasis is put on the social counseling that the corporation would give the families to enable them to assume their responsibilities as homeowners. As a starter, the corporations will buy no more than eight houses each.

Arrington expressed the hope that the first families could be moved into their own rehabilitated homes within the next six months, "barring unforeseen circumstances beyond our control."

Another FHA program in the works but still a long way from fruition is rent supplement. Before it ran into present snags in Congress, Miami got allocations for four projects. One of them, the smallest, is the $25,200 per year set aside for use on the urban renewal tract. The three other allocations went to private sponsors, whose applications still are being processed.

They are N. E. and Gerald Herzfeld, $99,198 for 105 units at NW 27th Ave. and 67th St.; M. William Smith, former housing chairman for the Urban League, $65,076 for 70 units at NW 18th Ave. and 29th St. and Max Cogen, $57,684 for 65 units on NW 135th St.

Markowitz reported he is working on an application for rent supplement for 306 units at NW 71st St. and 14th Ave.

Under the program, the government pays the landlord the difference between the established rent schedule and the amount the tenant can pay, which would be 25 per cent of his income.

Rent supplement projects under d–3 do not get the benefit of below-market interest rate mortgages, but the sponsors still get 40-year mortgages covering 90 percent of the cost, if they are limited profit, and 100 per cent if they are nonprofit.

Maximum rents allowed under rent supplement are $85 for an efficiency; $105 for a one-bedroom; $120 for a two-bedroom and $140 for three or more bedrooms. These are higher than rents allowed under the below-market interest program.

Eligible for rent supplement are families in the income brackets that would qualify them to live in public housing. Maximum income allowed is $3,000 for one person to $4,300 for a family of seven.

If the rent-supplement projects ever get built, either the sponsors or the FHA will go out and find the eligible low-income applicants. So far, no system has been set up for coordinating the FHA's potential list of poor people with the Miami Housing Authority's list. This could lead to some confusion in the future with two agencies and individual sponsors conducting separate expeditions into the slums.

ONE NEW PLAN NOT BEING USED

One federal low-income housing program which has been ignored here but is being used in some cities enables homeowners to rehabilitate or tenants to buy and rehabilitate substandard houses in which they live.

It is administered not by FHA but by local urban renewal agencies and is known as "312," for the section that provides loans up to $1,500, or "315," for the section that provides outright grants of up to $1,500.

To qualify, poor families must live in an area designated for urban renewal or in an area approved by the federal government for intensive code enforcement. Dade as yet has none of the latter areas, though the City of Miami has applications pending.

As indicated in all the new federal programs, one of the keys to better housing for more people is a lowering of the interest rate on the mortgage. Another is to subsidize the tenant's rent. And another is to provide cheaper land.

The new philosophy also is aimed at exploiting the efficiencies and economies of private enterprise with the subsidies of government, enabling private investors to make a fair return while fulfilling a social need, and giving the poor more freedom of choice in the type of accommodations available to them.

[From the Miami Herald, Aug. 8, 1967]

THE NEGRO AND HOUSING: PRIVATE LANDLORDS GIVING UP FIGHT

(By Juanita Greene)

As unsubsidized private enterprise withdraws increasingly from the low income housing market and subsidized projects stumble through red tape, public housing prepares to almost double its number of units in Dade County.

With 5,000 new units recently authorized for the Miami Housing Authority, the total, including projects now under construction or on the drawing board, will come to 11,779. Public housing would be sheltering about three per cent of all Dade households and about 14 per cent of the families with incomes under $4,000 a year.

Enforcing the trend toward more public

housing is a growing recognition that private enterprise cannot adequately house many of the poor without subsidy and that many complications are involved in building subsidized private housing.

Luther Brooks, whose Bonded Rental Agency manages about 10,000 Negro rental units in Dade and Broward counties, said private investors no longer are building for the low income Negro tenant.

"Unless the trend changes," he said, "all Negroes in Dade County who are eligible for public housing will be publicly housed."

Brooks, who was among the original opponents of public housing, said he and many of his landlords have given up the fight.

"We are tired of being accused of trying to keep the poor people out of decent housing," he said, "and private enterprise has received no real encouragement to do the job itself."

Brooks has been collecting rent in Miami's Negro areas for more than 30 years, and represents hundreds of property owners. While he owns no rental housing himself, he has acted as consultant and supervisor for many of his clients who have built housing there.

Money now being invested in the Negro areas, he said, is going to build housing which will be restricted to middle income tenants.

"We are taking the cream," said Brooks.

The units to be built by public housing also will be of a middle-income type, restricted to low-income families, with government subsidizing the difference in the rent.

Haley Sofge, director of both the Miami Housing Authority and Metro's new Department of Housing and Urban Development, readily admits there is nothing "low cost" about public housing.

He said he is as eager as anybody to see technological breakthroughs that will bring down the cost of construction.

"We still are building middle-income housing for poor people and subsidizing it," he said.

MATCHING COSTS DIFFICULT TASK

It is difficult to compare the cost of public and private dwellings, including FHA housing, Sofge said.

He said the average cost of developing 2,001 new and remodeled public housing units of various sizes came to $12,829 a unit.

Costs averaged $12,577 a unit in five projects that included 420 efficiencies, 256 one-bedroom and 13 two-bedroom units; $16,682 in scattered site projects of which more than half the 599 units had three or more bedrooms; $9,730 to buy and remodel 322 existing units of one to four bedrooms.

Average rental charged is $37 a month.

Sofge reported that on some of its family units the total development cost averaged $9.41 a square foot, and on two high rises built for the elderly the cost was $13.78 a square foot. He did not give an overall average on square foot cost.

Brooks reported his new investors are building private housing for $7.50 a square foot. Total cost for a one-bedroom apartment, he said, runs between $4,750 and $5,100 and for a two-bedroom unit between $5,400 and $5,750. They rent for from $17 to $19 a week ($74 to $83 a month) for a one-bedroom unit and $22 to $24 a week ($95 to $104 a month) for a two-bedroom unit.

If private enterprise had to invest an average of $12,892 per unit—as public housing did in building and rehabilitating 2,001 units—it would have to charge an average rental of about $200 a month.

This would be the amount necessary to pay off all the costs that public housing faces plus higher interest rate on the mortgage and property taxes, and provide a return on investment sufficient to keep the property owner in business.

Most investors expect a profit of from 10 to 15 per cent. Otherwise they pull out and put their money somewhere else.

NEGRO FAMILIES NEED RENT AID

According to Brooks' calculations, private enterprise could build three, four and five-bedroom apartments and rent them for $2 a week more for each additional bedroom. Thus a three-bedroom apartment would rent at $24 to $26 a week, or $104 to $113 a month.

But the problem, he said, becomes one of tenant income. Most large Negro families can't afford the rent unless they receive some kind of subsidy. And those who can afford it do what the white moderate-income families do—buy their own homes.

Brooks pointed out that it is not just in the Negro area that private enterprise finds it poor business to build many apartment units of more than two bedrooms.

Sofge said high land cost is a factor in public housing because it clears slums on many of its new building sites. So does private enterprise. Both public and private builders are required to extend and hook on to water systems. Some private builders use septic tanks if unable to have sewer lines extended, and are then faced with continuing maintenance cost.

Public housing is required to hook on the sewer lines, some of which it must extend for considerable distance.

The law requires adequate parking space and landscaping on new private as well as public construction. Both meet all requirements of the South Florida building code, though public housing exceeds some of them to achieve lower maintenance costs.

Because HUD Secretary Robert Weaver has decreed that public units should average no more than $20,000 a unit, the authority will have to build a quantity of efficiencies for the elderly to balance out of the much demanded, and more expensive, four, five and six bedroom units.

BIG-FAMILY UNITS A GROWING NEED

The need for units for big families became especially pressing when public housing scored a significant victory in the battle with private landlords for the thousands of tenants who have been displaced by expressway construction and urban renewal activity in the Central Negro District. Evicted from small one-bedroom units were many families with many children who could not afford the market rate for larger units.

None of the big property owners who got paid by Urban Renewal or the State Road Department for property that was taken in the Central Negro District have reinvested in Negro housing, Brooks said, though some have put the money into apartment buildings in white areas. Some of the awards amounted to more than a half-million dollars.

Brooks claimed that many of the apartments going up in white areas are identical to those being built by his clients in the ghetto.

"They are the same buildings, on the same size lots, with no more landscaping. The owners can charge higher rent, spend less for maintenance and don't have to take any abuse from the community about being 'slumlords.'"

A check was made on one new building in the white area close to downtown. Inside and out it was similar in almost all respects to the new ones in the ghetto, though it was not built by a former ghetto landlord. It is surrounded by paved parking spaces, has very little landscaping, and is across the street from an industrial area.

In this building in the white area a one-bedroom apartment rents for $100 a month unfurnished or $125 furnished. It has air conditioning. The tenants pay for their own electricity, including that used for air conditioning and cooking. The only utility paid by the landlord is the water. A $100 security deposit is required.

The new apartments in the ghetto which Brooks manages rent from $74 to $83 a month for one unfurnished bedroom. They have no air conditioning. The landlord pays for the gas, which is used for cooking, and for water. The tenant pays for electricity.

The owner of the building in the white area said he had just completed one in Coral Gables that was identical except for more grillwork on the front. Rents there are $175 a month for a furnished one bedroom.

RETIRED PEOPLE INVEST HEAVILY

The new investors in Negro rental property, said Brooks, are principally retired newcomers who arrive with a lot of cash.

One of the big property owners who no longer is investing in Negro rental property is Harry Markowitz, who now is taking advantage of the new federal subsidy programs offered builders who are supposed to be content with a limited profit.

"I don't think you could find any savings and loan association that would make a loan on Negro property today," he said.

Brooks said they still are making loans, but for no more than 40 or 50 per cent of the cost. Formerly, especially during the big building boom in the Negro area in the early 1950's, apartment builders were getting 70, 80 and sometimes even 90 per cent coverage.

The buildings that went up then were mostly large two and three-story concrete apartment houses. Originally the law allowed them to be jammed on small plots of ground. They came to be known as "concrete monsters," and they mushroomed all over the ghetto.

Though undesirable, especially from a density standpoint, they provided the Miami slum area with new housing, something most slum areas of the nation did not get, despite the heavy influx of population into the ghetto.

But the greatest relief to the Negro housing problem came with the spread of the ghetto into neighborhoods of old but still usable single-family homes, which many of the new inhabitants were able to buy.

Some homes that were too undesirable to be mortgaged are providing shelter as rental accommodations for many large, low-income families today, at rents ranging from $100 to $125 a month.

That's more than most of the families in the ghetto should pay, but at least they are getting more space and privacy than in an apartment.

PAST MISTAKES TEACH LESSONS

In its new building program in the ghetto, private enterprise, like public housing, has learned from the mistakes of the past. The new buildings have fewer units, are more scattered, more attractive and cover less ground. Brooks said he has recommended that his clients build no more efficiencies or three-story buildings.

Like most other local people in the housing field, Brooks views the federal government's below-market interest rate program under Section 211-d-3 as a promising tool for building cheaper housing, especially if all the fat is squeezed out of it.

With three per cent mortgage money, he said, his clients could charge even lower rent, which already is lower than the limits allowed under d-3. These limits are $79.17 for efficiencies, $95.88 for one bedroom, $112.50 for two bedroom, $129.17 for three bedroom and $146.67 for four or more bedrooms.

"I'd like to know if all the frills that run the cost of the 211-d-3 projects up so high are necessary for low income housing," he said. "I doubt if the general public thinks the lower income group should have better housing than the home owner."

He pointed to the fact that the d-3 project on West Flagler St. provides its tenants with air conditioning, a swimming pool and elevators.

Several other persons knowledgeable in housing in the community, who did not want to antagonize FHA by making public statements, said there is a great need for construction of a "yardstick" building under the d-3 program. This would be one in which all costs were kept to a minimum.

Brooks said he has clients who would be interested in building such a project, but that all his inquiries to FHA go unanswered.

Ploughing through FHA red tape is one of several handicaps which the limited local experience with d-3 has revealed. The program is so complicated that a national citizens organization, Urban America, has set up a special division in Washington to offer advice to non-profit corporations around the nation who are trying to get started on d-3 projects. So far, however, Urban America has not been active in the local community, where only one nonprofit corporation has been organized to build the subsidized housing.

D-3 PROGRAMS GIVE INCENTIVES

One of the most knowledgeable persons on the federal subsidy programs is Markowitz. Besides the West Flagler project and a pending rent supplement project, he hopes to get approval on a 1,170-unit below market mortgage rate project on NW 27th Avenue.

The d-3 projects, which provide three per cent loans for 40 years, offer special incentives to persons in the high income bracket. They can use depreciation provisions of the income tax law to show bookkeeping losses that enable them to keep more of their income. The projects also are a good investment to persons who want to leave a good income-producing property to their children.

As soon as he gets his feet on the ground as director of Metro's "Little Hud," Sofge said he will try to stimulate the community into taking a greater interest in the d-3 programs. A communitywide conference on the programs, with outside experts here to speak, is scheduled for September.

The big drawbacks to d-3 are the difficulty in finding suitable sites, which must be on water and sewer lines; the high land cost; the fixed rent, and the uncertainty about property taxes.

These are national, as well as local problems.

In the meantime, while the experts work on their solution, most of Miami's poor, like most of the nation's poor, continue to live in the slums.

THE NEGRO AND HOUSING: THE CHOICES: MOVE OR IMPROVE? SOME WOULDN'T BREAK UP THE GHETTO—YET

(By Juanita Greene)

Not everyone concerned with the housing plight of the Negro wants to break up the growing ghetto—at least not yet.

There are those who say it should be converted into a well equipped training institution to prepare the Negro for competition in the mainstream.

There are others who see the ghetto as the necessary platform on which the Negro can gain the political strength he needs to improve his condition.

Bernard Dyer, whose Liberty City Community Council is organizing tenants and welfare recipients to fight for a better deal, reports that the day will come when the problem of open housing will solve itself.

"That day will be," he said, "when the Negro gains enough power to smash his way out of the ghetto."

In the meantime, he doesn't believe open housing can be legislated "because it implies an open heart."

Neither Dyer, nor the Urban League, nor the Community Relations Board nor anybody else could point to any neighborhood in Dade County today and describe it as stable and permanently integrated. If history repeats itself, the areas in transition, like part of Allapattah, where whites and Negroes live in the same neighborhoods, will go all black.

Attempts to maintain a mix in these neighborhoods are frustrated by the fact that Negroes still have restricted choice and can move only into the confined and limited white areas that have been "busted."

Though it has not officially adopted the policy, the Dade community in action today is pursuing one of "ghetto improvement" rather than one of "ghetto dispersal." In concentrating on efforts to make life more liveable inside the ghetto instead of attempts to erase it, Dade is following the course of most if not all other metropolitan areas.

Evidence of this policy was seen most clearly last winter when the "Good Neighbor" program of the Community Relations Board met with disappointing failure. It had sent out 70,000 cards to Dade residents asking them to indicate whether they would welcome any new neighbor regardless of race, color or creed. Less than 3,000 were returned.

One local Negro professional succeeded some time ago in buying a new home in an all white community in a South Dade suburb far removed from any Negro ghetto. The lots on either side of his home have remained vacant.

Evidence of the opposition to "ghetto" dispersal" also springs forth at zoning board hearings, especially when the Miami Public Housing Authority applies for permission to build family units outside the ghetto boundary or areas in transition.

Destined to meet the same frustrations are future low and middle income projects built by private enterprise under new federal subsidy programs, if they are to be as "open" as the law requires.

What many whites fear, when they see a Negro move into their neighborhood, is that it will begin to deteriorate. That is because so many Negroes, though certainly not all, live in slums. And one reason they live in slums is that they are poor. Thus poverty, as well as race, is behind some of the resistance to neighborhood change.

Many whites here and across the nation are beginning to recognize this.

Mrs. Janet Blake lives in Carol City at 18411 NW 43rd Ct. Several years ago a few Negroes began to move into the neighborhood and she considered selling her home.

"But things have worked out beautifully," she reported. "These are people who have pride. They are teachers and professional people and they keep their places looking nice."

Her children attend Carol City elementary, which she estimated is about 15 percent Negro. There have been no problems. Things were going so smoothly that the Blakes decided to stay put, and invested $3,000 in an addition to their house.

"Now we are very upset," she said.

HOUSING PROJECT KILLED BY FEAR

They read that a public housing project was planned for the area.

"We are wondering if our neighborhood will become another Bunche Park," she said, referring to an all Negro subdivision in which many of the modest homes are poorly kept.

After the announcement that it planned to move into Carol City, the Miami Housing Authority changed its mind, because of the resulting protests from residents of the area.

The fear in the neighborhood was that it would reach that still not clearly defined "tipping point"—the point at which the whites begin to flee.

Why they flee may still be a matter of conjecture. But that they all move out sooner or later is established fact in most former areas of transition, here and elsewhere.

One of the nation's leading housing economists tried to explain the situation by saying, "No one accustomed to being in a majority position likes to find himself in the minority."

Attempts in other parts of the country to stabilize integrated neighborhoods near the Negro ghettos have shown that it takes enlightened, concentrated and prolonged effort to keep the area from going all black.

The Housing Authority finds itself more directly involved in the integration problem than most other public agencies. It would like to build small projects, very widely scattered, which would not overwhelm neighborhoods. But to succeed it would have to get more cooperation from the community.

Because it is committed to give priority to rehousing persons displaced by expressway, Urban Renewal and code enforcement activities, and because most of these persons are Negro, public housing today means low income Negro housing, except in projects for the elderly.

The big sweep made through the heart of the Central Negro District by expressway and Urban Renewal bulldozers uprooted more than 3,000 Negro families (about 10,000 persons) and sent them scurrying to other ghettos, principally in the Northwest.

Public housing took about 800 of the families under its wing, and to accommodate some of them built new projects in middle class Negro neighborhoods in Liberty City-Brownsville.

The fact that the buildings were attractively designed, not too densely built and scattered did not compensate for the burdens placed on the community, its facilities and the school system by the sudden large increase in low income population. But the local authority, like authorities all over the nation, really had no other place to go except the ghetto without getting in a worse fight.

The controversy, in which the Negro middle class was resisting the encroachment of the Negro poor, pointed up one of the more subtle aspects of the whole integration problem.

ECONOMIC "MIX" NOW THE GOAL

In two areas scheduled for physical uplift with the help of federal funds, the official commitment is to achieve in them a good racial and economic "mix." These are the huge tracts set aside for special aid under the federal Model Cities program—between 36th and 79th Streets and North-South Expressway and Hialeah—and the Urban Renewal area in the downtown Negro district.

Emphasis on this mix is one of the new trends in urban affairs, though so far few startling accomplishments have been made anywhere. The new philosophy has been picked up by the Miami Citizens Advisory Committee on Housing.

It raised strong objections to original plans of the Urban Renewal agency to redevelop the Central Negro District site primarily with low and moderate income housing. As a result, the plan now is under review, and probably will be changed.

In the meantime, pressure is mounting in the ghetto for some early activity on the long cleared but still undeveloped site. Metro has spent $867,416 and is scheduled to spend $984,728 more.

The city of Miami is committed to install more than a million dollars worth of facilities. The federal government will pick up the remaining and major share of the $12 million cost of clearing and preparing the land.

Supporting the housing committee was Rev. Theodore Gibson, Negro civil rights leader. He said building all low rent accommodations would encourage a new flow of poor Negroes into the area and eventually recreate a slum.

The Model Cities application also indicated that renewed attempts will be made to get more Negroes into all white neighborhoods that are not in the path of ghetto expansion.

The most effective moves so far toward solving the housing problem of Dade's Negro population have been made by the Negroes themselves. They have spread out, moving the boundaries of their ghettos block by block, week by week. The expansion, except for a few brief and almost forgotten incidents, came peacefully and is continuing without incident.

NORTH DADE IS HOME FOR MOST

More than 90 per cent Negro today is a strip about five miles long and about one to three miles wide running from NW Fifth St. to NW 87th St. Its east-west boundaries in the old Central Negro District are between Miami Ave. and N.W. Seventh Ave., up to 36th St.

Then they expand in Liberty City-Brownsville to NW First Ave. and NW 35th Ave., up to 79th St., and contract to between NW Seventh Ave. and NW 32nd Ave. to 87th St. Immediately north is a triangle with a heavy Negro population running to Little River Dr. between NW 14th Ave. and NW 17th Ave.

Then there is a sprinkling of Negro population north of here, an all white gap, and the Negro concentration picks up again at NW 140th St. between 17th Ave. and 27th Ave. and stretches to the Palmetto Bypass (NW 167th St.) through Opa-locka. After another white gap it begins to sprinkle through Carol City from NW 179th St. to 191 St., between 30th Ave. and 39th Ave. and gets heavy again from NW 202 St. to the county line, between 27th and 37th Ave.

An estimated 70 to 75 percent of Dade's 164,000 Negroes live north of Flagler St. The principal Negro ghettos in the south are in Coconut Grove, Richmond Heights, Perrine, Goulds, Naranja and Homestead-Florida City.

This reaching out to absorb additional housing stock is so much to the good. But it hasn't solved the Negro's housing problem. Parts of the ghettos still are overcrowded. And they still contain a higher number of substandard dwelling units than the remainder of the county.

Even if the ghettos were model communities, with everyone living uncrowded in decent, safe and sanitary housing, the Negro's housing problem still would not be solved. For his housing pattern would continue to shut him off from the mainstream.

This is why many well informed Negroes like Miami City Commissioner Althea Range see housing as the number one problem of her race.

"Sooner or later," she said, "to solve the whole problem we have got to have open housing."

GHETTO SCHOOLS JUST CAN'T COPE

Segregated housing leads to segregated schools, she pointed out as one example. And some recent studies of segregated schools show that no matter how well bastioned with services, ghetto schools are ill equipped to cope with the influence of a negative environment on a student's attitude.

Most notable of these studies was made for the federal government by a team headed by Prof. James University. It claimed that more money is not the sole answer to turning out better students, especially among disadvantaged minorities trapped in ghettos.

Other national studies on Negro attitudes have shown that many if not most residents of Negro ghettos would not move out of them if they could. Yet they resent the fact that they are deprived of freedom of choice.

In Metro's application to have part of the big Northwest ghetto qualified for intensive, coordinated uplift under the federal Model Cities program, it stated:

"A long history of racial discrimination has helped draw hard and well-defined boundaries to the housing available to Negroes in this area and the entire community. These social barriers have acted to create equally strong restraints on the Negroes' economic ability and motivation to obtain decent housing."

So the Negro housing problem is more than a bricks and mortar problem, though it is certainly that too.

Among the people who are optimistic about the community's ability to cope with the Negro housing problem is Miami Housing Authority Chairman Martin Fine.

"Greater Miami should not have to give up and decide that Negro slums are inevitable," he said. "This city is younger than most. Its citizens are less resistant to change than the residents of older cities, and its Negro neighborhoods are not so massive nor their residents so hopeless as in other cities of this country. If any city can find a way to prevent the growth of slums and the flight of white people to the suburbs, this should be the city."

URBAN LEAGUE SEEKING GRANT

To help fulfill this hope, the Greater Miami Urban League is raising funds for a program of intensive work on ghetto problems. It is seeking $50,000 to match $160,000 available from the Ford Foundation to launch a two year "Operation Equality" project. Most of the money has been pledged.

Field offices would be set up in the ghettos to counsel families "interested in moving into better housing or upgrading their housing." The league would work on programs to stabilize neighborhoods, research the housing problem and recommend priorities, and establish a housing information and referral service.

It would work both in the Negro ghettos and in the Cuban ghetto close to downtown between NW 7th St. and SW 8th St. This is an area that would have become a Negro ghetto if the Cubans hadn't moved in first.

The Cuban ghetto, like all the other non-Negro ghettos in the nation's big cities, eventually will disappear.

It is only the Negro ghettos that the nation has not eventually succeeded in absorbing. Instead of disappearing, the Negro ghettos continue to grow. And with them grow the cities' housing and social problems.

CAN OWNING HOME SOLVE GHETTO ILLS?

(By Juanita Greene)

Many experts looking into the nation's growing slum problem are coming to the conclusion that more poor people should be assisted in buying their own homes.

Widespread ownership of houses, apartments or townhouses by low income families who live in them is seen as the solution to the problem of "exploitation" by private landlords or "welfare colonialism" by public housing.

It would enable the poor themselves to make some decisions about their own shelter.

All the large, sweeping proposals for establishing housing corporations, like the plans of Republican Sen. Charles Percy and Democratic Sen. Robert Kennedy, call for actively involving the poor.

Much emphasis is put on rehabilitating the aging stock in the central city ghettos with ghetto labor, then selling it to ghetto residents.

Locally, two moves are being made to enable more of the poor to become owners of their own dwellings.

The FHA office is working to get three nonprofit community organizations in the ghetto to sponsor a new program—211-h. It allows these corporations to purchase old dwellings, fix them up, and sell them to families whose income level would qualify them for public housing. The mortgages would be at three per cent, less than half the current public mortgage rate.

In a separate move, a leader of the Liberty City Community Council, working at the grass roots with the ghetto poor, has expressed the hope that the council activity in organizing tenants' unions will be expanded to include a program that would enable them to buy their own apartments.

The first objective, said the council's Bernard Dyer, will be to organize the tenants into nonprofit corporations to negotiate with landlords for improved facilities.

"Hopefully," he added, "we would like to see the point reached where tenants would begin to set up cooperative housing."

The council, he said, has been talking to some foundations about its plans.

Giving the poor a feeling of ownership, said Dyer, will dispel their sense of abandonment and apathy.

"Public housing is not the answer to the Negro's dilemma," he added, "because that is taking a man and keeping him on the reservation."

Dyer, a professional organizer who formerly worked with the Dade County poverty program and before that was active in Harlem, is convinced that nothing effective can be done on the housing problems or any of the other problems of the ghetto unless it is done by the residents themselves, not for them.

His objective in organizing the tenants, he said, "is to create in them a sense of power that they do not now possess."

Learning that by united action they can get the housing code enforced, he said, is one way to teach them that they can solve their own problems.

"People will organize for only one thing," he said, "and that is to handle a problem. So inadequate housing should be dealt with squarely—by criticizing the enforcement agencies, the investors, property owners and real estate brokers."

When they see improvements made as a result of their actions, he said, the tenants are more amenable to being educated.

Within the next three years Dyer hopes to see developed in the Liberty City-Brownsville Negro ghetto "a cadre of hard core poor that will be both vocal and knowledgeable, who will run their own organization and be self supporting."

Dyer's organization, which is not reluctant to shake up established welfare and enforcement agencies, was not one of the organizations approached by FHA in its search for 211-h sponsors.

Assisting FHA is Henry Arrington, attorney, who says he can't be described as a Negro leader because he is a member of the Negro middle class. It is as isolated as much from the Negro poor as the whites are, he said.

Like Dyer, however, Arrington said he is eager to see improvements in ghetto housing, and other conditions.

That the ghetto tenant, because of his apathy, ignorance and indifference is partly responsible for conditions in the slums is acknowledged by the people working with him, or for him.

Miami Commissioner Althea Range drove past a big new building in the Central Negro District which was well landscaped and attractively designed. If it follows the fate of other big new apartment buildings in the area, it soon will look like a slum.

"We have to give consideration to this type of investment," she said. "The property owner should be protected."

That is why in her proposal for a housing court she included provisions for a compulsory education program for tenants found guilty of destructive acts, as well as provisions for cracking down on landlords with code violations.

It met with furious opposition from Dyer's group.

"If you create a court," he said, "you are going to alienate a lot of people who might need the education but who won't take advantage of it."

"The people who make the mess in the slums," he said, "are those who are so socially scarred that they strike out at society."

They could be better handled, he said, by first forcing property improvements "then taking them through the education process," not under court order but under some program like the poverty war's home management course.

Both Metro and the City of Miami have been conducting more intensive code enforcement programs in the slums in response to agitation within them. The aim is to get all the buildings brought up to standard. Vigorously and successfully pursued, the program could lead to wide-spread rehabilitation.

It also will compound the housing problem of some of the very poor, particularly if the laws on overcrowding are enforced.

Because they are not philanthropists, landlords who have to spend a lot of money on fixing up their buildings will raise the rent. Sometimes they have no choice if they are to continue to make a return on their investment, they say.

Dyer, however, will not buy this argument. "It is one of those ridiculous ideas thrown out by landlords," he said.

He pointed out that some buildings on which expensive repairs are forced today have been bringing excessive profits to the owners for many years. Any temporary loss they have to take would be more than compensated by past profits, he said.

But that is not the way private enterprise works. There are no laws that retroactively reach into past profits to finance present improvements. The bookkeeping is based on what a building will yield today and tomorrow, not how much it brought in yesterday.

And many of the buildings which were milked in the past have since been sold to new owners.

Experience in federally financed pilot projects on rehabilitation has shown that rent increases are almost always required after substantial improvements have been made, unless the landlord or the tenant receives some kind of subsidy.

Though it is costly and clumsy, there being few building contractors who specialize in rehabilitation, it still is seen as a major tool in ghetto improvement. Training ghetto residents in the construction trades is being urged as one of the solutions to both the housing and the employment problem.

Some of the national plans call for allowing a worker to invest his labor—his "sweat equity"—as downpayment on a dwelling.

There is more talk nationally than locally about organizing the poor to solve their own housing problems.

If the ghetto has taught the nation anything helpful up to now it is that all past programs to improve it haven't worked, and that a new and different approach must be taken.

That the lesson has been learned is evidenced by the many broad new proposals to emerge in the past two years. Besides the Kennedy and Percy plans, there is a Ribicoff plan, a Javits plan, a Reuther plan, and even, though it hasn't been officially revealed, a HUD plan.

Much new emphasis is put on human values and desires, and the concept of the city as a collection of neighborhoods.

All recognize that government can't do the job alone because it doesn't have the resources; that private enterprise can't do it alone because it doesn't have the power or the incentive, and that even in combination they can't do much for the ghetto resident. They have to work with him.

Is Dade Poverty War Fatally Ill?

(By Juanita Greene)

A major part of Dade County's poverty program today is facing almost certain death unless some political miracle occurs.

The problem isn't so much that the program has no money now, but that even if Congress approves funds there is no assurance Miami will get any.

Rumors of scandal and investigations of them have emerged clearly as the main threat to the local program.

If federal funds were available suddenly and unexpectedly today, they would be held back from Dade by the Atlanta regional office of the Office of Economic Opportunity and the governor's office, at least until investigations now in progress are completed.

They are known to center around a question of the moral behavior of employes, whether records on participants in some of the programs have been falsified and whether some poverty program checks were cashed for fraudulent reasons.

From Atlanta and Tallahassee come assurances that the only purpose of the investigations is to clear up an "unhealthy aura" that surrounds the local program.

From the head of the Economic Opportunity Program Inc., the local autonomous poverty board, comes the charge that "there seems to be in progress a determined effort by the governor of Florida and his state poverty office to destroy EOPI as now constituted."

The charge was made by Dr. H. Franklin Williams, EOPI president, who "in a feeling of desperation" has appealed to OEO Director Sargent Shriver in Washington. He asked Shriver to take steps to assure that the local program will get funds or be able to establish credit as soon as Congress acts on the national appropriation.

"The life or death of a fine community action program is at stake," said Williams.

With no assurance that the local program will be funded when funds are available, the EOPI is stymied in its plans to borrow a half million dollars to keep the program going in the interim.

When the EOPI ran out of money early this month, the local board and its supporters considered the fiscal famine only temporary.

Many other poverty programs around the country also were caught short by the delay of Congress in authorizing funds to continue the national war on poverty.

It was expected that the congressional logjam soon would be broken—as is now happening—and that funds would be available not only to continue the local program but to pay back salaries and other debts accrued in the meantime.

More than half the approximately 850 EOPI employes missed a paycheck a week ago last Friday but most kept on working through last Wednesday, after which activities ceased during the Thanksgiving holidays. The workers are expected to begin dropping off in droves beginning today.

The two largest programs that likely will cease to function this week are day care, which affects 1,000 youngsters, and the nine neighborhood centers, which provide a variety of services to residents of the poverty areas.

Some smaller programs, like medical care for children and child spacing, already have shut down.

Head Start, under which 3,000 five-year-olds are receiving pre-school education, will be able to continue for a while at least with a special appropriation from the school board. There are 300 on its payroll.

"Right now I wouldn't sign off (approve) the program if I could," said Dr. Ralph A. Phelps, Jr., OEO Regional director in Atlanta. "I would have to wait and see."

If money were available today, he said, EOPI "would be having funding problems in light of the questions still surrounding the operation."

The problems, he said, would arise both in the regional office and Tallahassee.

But he expressed hope that the current investigations would be cleared up and the local program given a clean bill of health or the necessary changes made in it before new federal funds are available.

He estimated it would be a minimum of three weeks before his office would be able to proceed with funding programs anywhere, even after funds are appropriated. And that isn't expected until mid-December or later.

Even if the national program had not run out of money, Phelps added, the local program still would be in financial difficulty. He pointed out that the EOPI budget for the fiscal year beginning last July 1 had never been approved by the Atlanta office.

Had it been, he said, there is a possibility that EOPI would have had some funds to keep it going during the congressionally created drought.

Phelps indicated that the current investigations of EOPI were broad in scope and center around more than one individual or incident.

But Williams, in a memo last week to EOPI board members said Phelps told him at a conference in Atlanta Nov. 2 "that he would not sign EOPI's budget as long as one individual, whom he named, was employed."

At an earlier conference, Williams said, Phelps read him part of an investigation report which referred to the moral reputation of the employe. Williams added that in Phelps' own statements to the press later he described the evidence as "inconclusive."

Former president of a Baptist college in Arkansas, Phelps became regional director Sept. 2. Early in October, the EOPI budget arrived on his desk to be "signed off."

On the same day, Phelps reported, he received a call from the state poverty office in Tallahassee "saying there were some rather serious questions about the program that we ought to look at together."

He said he went to Tallahasse and read "a rather voluminous investigative report that contained some extremely serious allegations." The state investigation, said Phelps, originated with letters sent the governor's office by persons who claimed to be former EOPI employes.

Last July, typewritten anonymous letters signed by "concerned employes of the so-called poverty program" were widely circulated here. Skillfully composed, steeped in venom yet humorous in parts, one was addressed to "department heads," apparently of the poverty program.

It claimed homosexuals were employed in the program and concluded, "We have requested the governor to deploy some of his Wackenhut investigators to root out this homosexual blight from top to bottom. We have names, places, dates and incidents of all culprits. If you are wise, show good faith by immediately purging your department of such stench."

James A. Bax, head of the State's poverty division, said Saturday that "in the overall picture, this homosexual thing has been pushed out of proportion. We have not said anything about it. This is not a witch hunt."

A former assistant dean of education at Florida Atlantic University, Bax was appointed by Gov. Claude Kirk in June as associate director of the Division of Opportunity to coordinate poverty activities at the state level. As a member of Kirk's staff, he also acts as his education planning adviser.

"Our information," he said, "is adequate to cause concern. It goes beyond one or two isolated cases. And we are not alone in our feelings on this."

Both Bax and Phelps reported some complaints had come from the EOPI board. One member, reported Phelps in a letter to Williams, said he had warned EOPI Executive Director Richard Weatherley against promoting an employe who had been the subject of rumors.

In reply to Phelps' complaints, Williams reported that the Executive Committee of EOPI investigated the rumors and found nothing to substantiate them. He said committee members, including the Rev. Theodore Gibson, former city manager E. A. Evans and former Coral Gables Mayor Fred Hartnett are substantial citizens with good judgment.

Williams, a vice president of the University of Miami, accused Phelps of "abetting a political intrigue within the board of EOPI against the officers and staff."

"A frequent critic of Weatherley's operation of the EOPI program is Jack D. Gordon, EOPI director who represents the school board.

"I didn't call Phelps," said Gordon, "he called me."

Gordon reported that more than two years ago he did warn Weatherley against promoting the employe. Gordon said the only reason for the warning was that in his opinion the political image of the employe was not good in the Negro community.

Turning on Weatherley, as he frequently does, Gordon complained that even if EOPI gets a clean bill of health its budget will be cut 20 per cent because of a reduction in the congressional appropriation. Yet, he said, no decision has been made by EOPI on priorities, or how the budget cuts will be made.

"I suspect," said Gordon, "that the whole hoopla will enable Weatherley to place the blame elsewhere when the program has to be cut."

Williams said that besides making its own investigation, the EOPI checked with Dade Sheriff Wilson Purdy and learned he had made an investigation but found nothing of "an evidential nature."

Since then, however, the sheriff's office has resumed investigation of the poverty program, and it has plenty of company in the field.

Also digging into records and taking testimony are investigators from the state attorney's office, the FBI, Phelps' office in Atlanta and the governor's office.

It will be 10 days or two weeks before they finish.

Some of the investigations revolve around the fact that an EOPI employe cashed the paychecks of an illiterate part-time janitor who is described by local poverty officials as "mentally incompetent."

Whether the janitor received all the money due him after the checks were cashed has been questioned.

The investigators also are checking records of persons certified as having completed job training programs, and the actual number of children enrolled in day care centers as opposed to the number officially reported.

In a letter to Phelps on Nov. 13, Williams again asked Phelps to approve the EOPI budget.

In his reply, Phelps said he could not approve the EOPI grant because since Oct. 23, his office had been forbidden to make any grants. (This was when Congress failed to extend poverty program funding on a month by month basis until it authorized a budget for the entire year.)

Phelps also wrote that "when and if" he approves the grant, it still would be subject to Gov. Kirk's veto and: "He may let it lie on his desk for 30 days before taking any action."

"All the factors involved," concluded Phelps, "mean that you are going to be faced with a lengthy if not indefinite period without funds. I certainly agree that unnecessary delays in funding are hurtful to the war on poverty. I am also aware of the fact that if OEO does not get its house in order it may well be out of business in years hence."

Williams interpreted Phelps' reply and action in Tallahassee as indication "that the governor's office is bent on destroying EOPI."

"All our information," he said Saturday, "leads us to believe that the state is resolved to have the poverty program, and not let EOPI, as presently constituted, run it."

Bax replied that the state considered many parts of the present poverty program to be very effective, and while the state is making an investigation "we have not accused anybody of anything."

"If there has been no wrongdoing," he said, "nobody has anything to worry about."

"Or least thought," Bax added, "is to destroy the poverty program. We have no desire except to have a good, effective one. Believe me, the governor wants to have a poverty program in Dade County."

At the same time, he said, "The governor has made it clear that the poverty program in Florida is going to be administered properly and above suspicion."

He accused EOPI officials of drawing a "red herring" across the issue by charging Kirk with playing politics.

"The degree of defensiveness exhibited by EOPI," he added, "utterly amazes me."

As evidence of the state's concern for the local situation, said Bax, it has gathered the heads of various state agencies together and arranged to hire 40 or 50 of the EOPI employes on a temporary basis.

"We are not just sitting here watching," said Bax. "We'll have a package ready Monday."

In it will be a limited amount of funds—about $5,000—to help keep the program going.

Williams believes the only thing that can save the program at this point is "a strong letter from OEO" that EOPI can use as a source of obtaining credit. The OEO, he said, would have to give reasonable assurance that the program will be funded as soon as possible, and that payment of back salaries and other debts incurred in the interim would be allowed in the appropriation.

With these assurances, said Williams, EOPI could go to "one or two people" who would be willing to lend it the estimated $500,000 needed to keep going.

"They would be willing to take the chance," he said, "and would be prepared to write off the loan as a bad debt if the money does not come through."

[From the Miami Herald, Nov. 28, 1967]

POVERTY WAR TACTICS BATTLE POOR

(NOTE.—Some $20 million has been spent in Dade County's War on Poverty since it began three years ago. Today, it faces a financial crisis.

(What has the program done? In this, the second of a series, Herald Urban Affairs Writer Juanita Greene assesses the war's effects.)

(By Juanita Greene)

Unaccustomed as he was to public speaking, Emory Curry, a Negro trapped in poverty but attired in a clean white dress shirt, approached the mike fearlessly because he had something he very much wanted to say.

"Only the big man is getting the money," he told the local poverty board last month. "I'm a little nobody and you haven't helped me. The big man's getting bigger and the poor people are getting poorer."

He was one of the many people from the Liberty City-Brownsville area who crowded a neighborhood school cafeteria to tell a committee of the Economic Opportunity Program, Inc., what they thought of the local war on poverty.

Among the massed poor were as many defenders as detractors of the EOPI.

"They came by and gave me clothes," said the mother of three. "They came by and gave me food."

She was followed by an angry young woman, Mrs. Mattie West:

"I have been to the OPA, or whatever its name is, but they haven't did nothing for me or my four children. It's the peoples what got the money they done for."

Then came Gloria Moore, mother of 10.

"I believe God is the man who thought up the poverty program."

It was an emotion packed meeting, significant beyond the dramatic effect it produced.

The poor were on home ground, and in the majority. It was their opportunity to talk to "the man." represented by a half dozen white faces on the stage.

The meeting pointed up several major problems faced by the local war on poverty, not only in the poverty areas, but everywhere in Dade county.

Most didn't understand the real purpose of the poverty program, and were sharply divided about its effectiveness. Many viewed it as another welfare program, intended to relieve their plight with cold cash. They kept talking about all the money that had been spent and how they didn't get any.

Like most other human beings, they approached the program from a very personal basis—in terms of food, shoes, a much needed extra bed. Whether they did or didn't have—or get—these things had a bearing on their attitude toward the war on poverty.

"People feel this is 'somebody else's program and I ain't getting nothing,'" commented Bernard Dyer, a Negro leader and critic of some but not all of the poverty activities.

Yet getting something like a grocery order or a second-hand bed isn't really what the war on poverty is all about. Assessing it in terms of direct material aid is, according to the intent of the law, the wrong approach.

Essentially the poverty war is supposed to encourage the poor to help themselves, and to encourage established institutions to do a more effective job of pulling the poor out of the trap.

All the poverty programs are aimed essentially at changing the spirit, the attitude and the routine of both the demoralized poor and the established bureaucracies that are supposed to be working with the poor, like the employment service and the welfare department.

Thus it is impossible to compile the gains of the local program on a ledger sheet. Nobody can say in absolute terms what it would mean to Dade County if the local program has to shut down.

This is a real threat today. Congress has not yet passed an appropriations bill for the Office of Economic Opportunity. And EOPI has no assurance it will get funds once they start flowing again because its $7,700,000 budget for the fiscal year beginning July 1 has never been approved by the regional office.

And regional director Ralph Phelps has made it clear he won't release any more money for the local program until his and Gov. Claude Kirk's investigations of it are completed. The investigations involve allegations of improper moral behavior, falsification of records, and fraudulent check cashing procedures.

Meanwhile, some EOPI employes already have dropped out and as time passes without the money in sight more will, EOPI officials said. But so far only the medical programs have ceased operating.

Should the whole program shut down, about 850 people will be out of work, 3,000 five year olds withdrawn from "Head Start" classes, 1,000 younger children deprived of free day care, nine neighborhood centers offering personal services closed, some free medical services cut off.

But the real clue to the effect of the poverty program lies in people—those in the dreary, cramped, dirty slums and those in office cubbyholes of public buildings all over town.

Have they changed?

The answer is yes; many have, to some degree at least. But the war still has a long, long way to go.

It's been going on here for almost three years, has spent about $20 million, expects to spend about $8 million more in the next year.

About 80 to 90 per cent of all poverty funds goes to salaries. Most of the remainder goes to rent, supplies and equipment. Those receiving the salaries are not only well paid experts, but more than half are persons from the poverty area who formerly were "underemployed," working at menial jobs that did not provide the pay or prestige they now get as "aides" and "nonprofessional" neighborhood workers. Some of the poverty money goes to the poor in the form of "grants" to sustain them while they take vocational or on the job training. But none of the poverty funds are intended for direct "welfare" relief.

Most of the money has gone to programs for children. The Head Start program, run jointly by the school and poverty boards, is the most costly. It already has spent about $3 million. It will cost $1,800,000 this year if congress provides enough funds.

Like most of the other poverty programs, it is intended to accomplish more than one objective. It has processed more than 5,000 five-year-olds through special programs intended to better equip them for school. And it has taught the school system something about teaching children from deprived families.

Many of the poverty programs have made a major contribution in pointing up, or re-emphasizing, long standing and long ignored needs in the poor neighborhoods.

As expected, the Child Opportunity Centers have shown the tremendous demand for day care for children of working mothers, though they are taking care of only a fraction of the children needing the service (1,000 of an estimated 15,000). The special medical and dental programs provide unchallenged evidence that children of the poor haven't been getting proper attention.

"When a youngster climbs in the chair," commented one dentist, "I get out my tools before he opens his mouth. I know without looking that I'm going to find something wrong."

The employment programs have ratified all reports about high unemployment in the slums, and have proved again that the solution is not simply one of finding a jobless person and a job opening and bringing them together.

The training programs have succeeded in putting some of the poor to work, but their most important contribution so far has been to root out the reasons why so many people can't or won't work even when jobs are available to them. And techniques are being developed to overcome these barriers, but success will not come quickly or easily.

No matter where the attack on poverty starts—whether in the schools, or the day care centers, or the employment office, or the health centers—it soon finds resistance to change.

An army of the poor, who include more than 100,000 Dade County families, still must be persuaded that they can have some control over their fate, if they will only try. And an army of bureaucrats, spending $126 million a year in Dade on regular health, welfare and recreation programs, still cling comfortably to the habit of pursuing means that in some cases are leading to ever diminishing ends.

Important battle stations in the war are nine neighborhood centers operated by EOPI in "poverty target areas." They are part of the "Community Action Program" which sends workers out in the neighborhoods to assist the residents in all kinds of problems.

Nationally CAP has stirred up the most controversy and the animosity of some congressmen because in some cities it employed militant civil rights leaders who rocked a lot of boats.

Locally, however, the CAP program has been attacked from the opposite direction, by Negroes who complain the poor have not been sufficiently involved in running it. Few complaints about the center activities have come from that elusive segment of the local community that is sometimes identified as "the establishment" or the "power structure."

While there remains serious question whether the poor are running the local program, there is no doubt that many of the poor are directly involved in it. More than 700 are on the payroll, making more money than they have ever made before.

This situation is responsible for much of the controversy inside the poverty program. Who are to get the jobs? After much dispute it was decided that the people who live in the poverty areas would have some voice in the hiring.

Before putting a person to work in an area, EOPI Director Richard Weatherley has to get the approval of the advisory committee of the neighborhood center there. On the committees are people elected by the residents of the area, though the representatives are not necessarily, or even usually, poor.

Instead of eliminating the suspicion of favoritism, the policy merely shifted it to another level. The old complaint that "downtown" was putting its pals on the payroll has given way to the one that the "cliques" within the neighoorhoods control the hiring.

And in these "cliques" are not the rock bottom poor, who need the most help, but the middle class and rising poor who already had begun to learn how to help themselves.

Of some significance is the fact that a middle class Negro politician who last year was complaining that he couldn't get a job in the poverty program now has one.

The poor have gone to work principally as "aides" in the day care centers or as "nonprofessionals" in the neighborhood centers, making about $3,300 a year ($63 a week). They also get fringe benefits that include financial assistance and moral encouragement to take special training to upgrade their skills.

Another sore spot among the target area residents is the selection of children to participate in the head start and day care programs. Again, the story goes that children of the most motivated parents are the ones who get in.

The EOPI has records to show that its employes have been busy. One record reports that about 57,000 individual contacts were made in five months through the centers, with some 13,000 getting specific assistance.

In the same period 6,000 persons participated in the credit unions and 2,500 in the home management (good housekeeping) program.

But EOPI's reporting system does not evaluate the program in terms of quality.

Last spring the Office of Economic Opportunity sent down from Washington a team of outside evaluators who looked over the community action program in Dade and gave it a generally favorable report.

The committee took note of the fact that Dade has suffered no race riots. It attributed this to the CAP program, giving to it the same credit which before and since has been given or assumed by almost all agencies and individuals working with the Negro population.

Another of its important conclusions has been subject to challenge recently by an organization of the poor led by Dyer.

His Liberty City Community Council has brought formal charges against the local poverty board for failing to allow "maximum feasible participation of the poor" in planning and directing the program, or, as Dyer puts it, in controlling their own fate.

Yet the committee last April reported that the CAP program has "involved the poor in community organization through effective utilization of block clubs, tenant councils, neighborhood advisory councils, and the EOPI Board membership."

At the hearing on the charges, Dyer presented evidence to show that some block clubs which EOPI claimed to have organized were not in existence.

A third significant finding of the evaluation committee, though based on some evidence, may turn out to be an overstatement. The committee found that the program had "influenced institutional change, particularly in public agencies such as the school system and the Housing Authority."

But to what degree the institutions have been changed holds half the answer to the success of the poverty program. The other half of the answer lies in the mind and the spirit of the poor.

[From the Miami Herald, Nov. 29, 1967]

POVERTY WAR IS REAL IN POOR MAN'S MIAMI

(NOTE.—Herald Urban Affairs Writer Juanita Greene examines the successes and failures of Dade County's War on Poverty in this story, the last of a series.)

(By Juanita Greene)

To most middle-class Americans, the War on Poverty is as remote as the war in Vietnam. They read about it all the time, yet it rarely touches their lives. They seldom experience its sights and sounds.

But step over to the other side of the tracks. The war there is real and the outcome is uncertain; there have nonetheless been some apparent victories.

There's a group of first graders at Dunbar Elementary School who because of their pre-school training in the Head Start program are not only better behaved but actively involved in classes.

A Negro teenager got a $1.80-an-hour job in a Hialeah warehouse because he showed up for an interview neatly dressed. He kept the job because he didn't goof off.

A slum mother of seven is learning how to sew, to find a better job, to get her household better organized, all because she went to a meeting to find out how her child was doing at a day care center.

A young woman who learned first to spell, then to compose sentences, then to type is now working in an office as the first Negro on the payroll.

A mother of three no longer worries about having more children because she went to a neighborhood center and learned about child spacing.

These are people who have profited from the poverty war. And the list could go on and on. They are examples useful in evaluating a program that is very difficult to evaluate.

The poverty program is still new, not much attention has been paid by those involved to analyzing its progress, and many of its goals deal with intangibles.

There are other clues: A continuing and improved free school lunch program, a fence erected along a canal, a new porch on an old shack—all the result of the poor banding together and making demands.

In the school system, the Head Start poverty program has, in the opinion of some school officials at least, proved the value of hiring aides to assume some of the nonteaching duties in the classroom.

This not only relieves the teacher but opens up a broad new field of employment for people without college degrees, and an incentive to go out and get them.

Howard McMillan, who oversees special programs for the school system, reports that Head Start also has provided the community with a great number of teachers experienced in early childhood education, of which there was a great lack a few years ago.

Regarding the lasting effect of Head Start on the five year old student, McMillan believes it is too early to tell.

"First graders who were in Head Start last year are making better grades than those who were not in the program," said McMillan. "But I don't know what this means. We won't know until they have gone through the whole education process."

At little River Elementary School where a follow through program is being conducted, Mrs. Della Albert Zaher reports with unqualified enthusiasm that "we can see that Head Start has made some outstanding contributions". In her opinion, the program has given the children an image of self, made them feel important and convinced them they can succeed.

At Dunbar school, veteran principal Nelson Adams said he already is "sold on the Head Start program for poverty children."

One of its greatest contributions, he said, is teaching the children to speak out.

McMillan predicted subsequent studies of the effect of Head Start probably will lead to adjustments in the regular school system.

"In forcing us to take a look at ourselves it has made a contribution," he added. "It has led to more open dialogue in the community. I don't like anybody who is digging at me all the time, but it is true that we don't always know what is best for people."

Comments like that are music to the ears of poverty program leaders. Bringing about changes in established institutions that deal with the poor is one of the major goals of the national program.

In welfare, EOPI officials take some of the credit for the county's decision to decentralize its offices, bringing them closer to the neighborhoods of the poor. The same has been accomplished with the Health Department.

The local office of the State Welfare Department is running its own independent poverty program, aimed at getting more welfare clients in the work force by giving them enough money to live on while they are taking training.

Welfare officials claim the program has not so much taught them new techniques of dealing with the poor, as it has given them the resources to do the thing they always knew needed doing.

Between the old welfare establishment and the new EOPI establishment there exist traces of hostility, as noted by an evaluation team last spring.

The welfare training program, started more than a year ago, has put 60 people to work, most of them women, employed as clerical workers and nurses aides. It is processing many more. Like all other poverty training programs, it still is having difficulty getting males to enroll and stay in class.

With most of the enrollees it has to begin at the beginning, with basic reading, writing and arithmetic. This explains why it takes so long to turn out an employable product.

Two earlier findings about poor people have been reinforced:

That many of the unemployed poor really are too sick to work. Even the younger people suffer disabilities, like heart trouble. Many of them are the result of lifelong physical deprivation.

That long buried hostilities of the Negro poor are beginning to surface, manifesting themselves in refusal to work at jobs which society considers undignified. That is why it is difficult to get domestics and common laborers, even when offered good pay.

In the employment field, the State Employment Office and EOPI employment counselors have been working well together, with the poverty staff fanning out through neighborhoods to flush out workers and trainees and then pressing industry to develop new openings for them.

Poverty officials claim before the advent of their program, the state agency took little interest in finding jobs for Negroes above the domestic and laborer level.

The Neighborhood Youth Corps, operated by three agencies independent of EOPI, has worked with hundreds of teenagers to teach them proper work habits and to encourage them to finish high school. On how many it succeeded, nobody knows, because the staff has not had time or money to make follow ups.

As an indication of its efforts, the Youth Corps run by the Catholic Diocese reports that in September, 18 of its teenagers were hired in permanent jobs, including file clerk, delivery man, cashier, machinist, and laboratory aid.

It is working with 400 students, who work part time and attend either regular school or special night classes.

It has experienced the same frustrations as the other two Youth Corps, one operated by Metro for dropouts and the other by the School Board for students in school—it is difficult to get and keep male enrollees. There are more than enough female applicants.

EOPI Executive Director Richard Weatherley sees NYC, along with other training programs, as furthering the practice both in government and private industry of hiring nonprofessionals to relieve professionals of some of their routine.

From the EOPI's day care operation comes an example of how one program can be used in poverty areas to attack a variety of problems. First, day care provides care for children. This frees mothers to go to work. It also provides jobs, most of which have gone to poor people.

And it is used as a link between the poor and the people who are trying to help them. Parents with children in the program are strongly urged to attend meetings where many subjects other than the day care operation are brought up for discussion.

Head Start runs the same kind of parents' meetings. Up to now, however, these who attend do more listening than talking.

As for the poverty program's impact on private social agencies, nothing very dramatic has occurred. Many of them are not geared up to work with poor people. Those that are, including Scouts and the Y, were doing a good job anyway.

EOPI's volunteer program has given many well meaning middle class persons a much desired opportunity to do something directly helpful for the poor. Late model suburban station wagons filled with children from poverty areas are seen with increasing frequency driving up to the museum, the beach, the auditorium.

Many of the projects of the local poverty program are either duplicating or supplementing those of long established, on-going agencies. Their excuse for existence is that they will spur these agencies to come up with more and better programs to reach the poor.

The one poverty program that is really different is the community action program—known as CAP. It is headquartered in nine neighborhood centers in the poverty areas and staffed by workers who are supposed to be teaching the poor to help themselves.

In delivering services to many of the poor, EOPI is believed by many observers to be doing a good job. It has drawn its most severe criticism in the area of social action.

The poor have not been allowed to do much of their own thinking in the program, or in planning, organizing or directing it. To most of them, it still is somebody else's program, regardless of the benefits and opportunities it serves up to them.

Yet organizing the poverty communities for action on issues that affect their lives was one of the major objectives of the national war on poverty when it was launched about four years ago.

A vocal critic of the local poverty program in this regard is Bernard Dyer, director of the Liberty City Community Council, a church sponsored group that has set out to do what it claims the EOPI has not done—organize the poor.

Dyer claims EOPI brought its present funding difficulties on itself.

"They didn't have the troops," he said, "and everybody respects troops. There was no real boat rocking. They failed to develop a sophisticated ghetto political machine, and now they are paying the price."

That EOPI has been limited in carrying out a social action program is acknowledged by Executive Director Weatherley.

"To some degree," he said, "everybody in the program agrees they would like to do more than they are doing on social action."

He put the blame on OEO, the national poverty agency. Very steadily it has been restraining moves to get the people organized for action, he said.

It would be against OEO policy he said, for the local poverty program to arrange to transport a large group to a protest meeting on inadequate welfare payments. But it would be all right for an EOPI neighborhood worker to take a client to the welfare office to protest the amount of his grant.

Critics like Dyer claim the community action program in Dade is nonexistent.

"They tried to organize a tenants' league," he said, "but they were afraid when they shouldn't have been afraid."

"They didn't start organizing welfare mothers until they saw what we were doing," he added.

As Dyer sees it, "the chief problem of the ghetto is it remains a colonial state". Money comes in but goes right out, to be invested elsewhere.

"The people in the poverty areas have got to control some money," he said. "Their basic problem is powerlessness, their inability to affect change."

He said he was not talking about black power because the skills and assistance of many whites would be needed to enable the black ghetto to develop its own independent economy—its own businesses and industries.

"The poverty program can never really solve the problem," said Dyer, "because it is attached to strings on the outside that can be cut."

As an example, he referred to the current financial crisis in the local program, which springs both from Congressional delay in appropriating funds and failure of the regional office to approve the local budget because of controversy and suspicion that have developed around the local program.

Weatherley thinks Dyer minimizes the involvement of the poor generated by the poverty program.

"An average of 5,000 people a month get together at various meetings for various purposes," he said. "I don't feel we need to offer any excuses."

Weatherley is convinced EOPI has had a considerable effect on the way people feel about themselves.

"They are learning," he said, "that there are things they can accomplish to make their lives better."

Here Is EOPI Salary Breakdown

Economic Opportunity Program, Inc., which runs or helps run most of Dade's anti-poverty projects, has become one of the area's largest employers.

With 850 employes, it ranks about 33rd on the list of major "businesses" here.

Here's a list of the people making more than $8,000 in the year ending July 1:

ADMINISTRATIVE	
Barbieri, Elizabeth, resources director	$9,696
Drasin, Gertrude, health program manager	10,176
Feltus, Charles, deputy program director	12,984
Horowitz, Bernard, research director	12,984
Kaplan, Lillian, assistant research director	8,364
Keil, Harvey, comptroller	9,696
Lewis, Edwyn, deputy director, administrative	12,984
Libby, Arden, personnel director	8,364
Mack, Harold, administrative assistant	8,364
Strauss, Harold, employment director	14,316
Weatherley, Richard, executive director	15,000
Zoloth, Shirley, education project director	9,696
NEIGHBORHOOD CENTERS	
Caras, Dino, area coordinator	9,696
Johnson, Phillip L., assistant neighborhood coordinator	8,784
Moncur, Samuel, neighborhood services coordinator	11,784

MOBILE DENTAL CLINIC

Eng, Gene, dentist	$11,220
Pickens, Morris, dentist	10,680

CHILD OPPORTUNITY

Danford, Leslie, project director	13,632
Grossman, Ethel, director education and development	10,176
Horn, Ferrell, staff psychologist	10,176
Marshall, Janet, assistant project director	10,689
Fuller, Claudia, unit director	10,680
Kramer, Beatrice, unit director	9,696
Stern, Harris, research director	12,372
Goldstein, Dorothy, center director	8,364
Gonzales, Marie Infanta Sister, center director	9,228
Farrell, Louis R., center director	11,220
Williams, Rudy, unit director	9,696

HEADSTART

Burnett, Larry, Dental consultant parttime	10,176
Dube, Reymond, dental consultant, part time	10,176
Hoffman, George, dentist	11,220
Magida, Alan, dentist, parttime	10,176
Pierce, Stanley, dentist, parttime	10,176
Quevedo, Jesus, pediatrician	12,984
Romanio, Jane, vision screening parttime (an hour)	10

LEGAL SERVICES—URBAN

Adderley, Alfonso, lawyer	9,228
Culbreath, Winifred, lawyer	9,228
DelCastillo, Adolfo, lawyer	9,228
Dernis, Sanford, lawyer	9,696
Dixon, Howard, director	15,036
Edelman, Philip, lawyer	9,696
Edgar, Henry, lawyer	9,228
Futerfas, Irwin, assistant director	11,220
Rogow, Bruce, assistant director	11,220

MIGRANT LEGAL SERVICES

Segor, Joseph, director	13,632
Spriggs, Peter, assistant director	11,784

NEW CAREERS

Braunstein, Percy, training coordinator	10,176
Jackson, James, director	11,220
Jennings, Calvin, counselor	8,364

HEADSTART STAFF

Stolte, Helen, project manager	12,361
Dermer, Alfred, administrative assistant	12,138
Anderson, Joseph, parent and volunteer director	11,807
Hack, Ceil, educational programs	10,085
Meadly, Victor, social services	11,530
Vendric, Billy, casework supervisor	10,377
Miller, Lawrence, psychologist	10,485
McNamara, John, psychologist	9,841
Porterfield, Charles, psychologist	10,036

About 300 aides in Head Start and day care (child opportunity) make from $2,800 to $3,400 a year. More than 100 workers in neighborhood centers make from about $3,400 to $4,800 a year.

NEW PRINCIPAL KEEPS CAMP HILL HIGH SPIRITS UP

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. Pepper] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. PEPPER. Mr. Speaker, you know with what nostalgia we all look back to our prep school days. I graduated from Camp Hill High School in the district of my distinguished and devoted friend, the gentleman from Alabama [Mr. Andrews], in 1917. Forty-eight years later I had the thrill of delivering the commencement address to a keen and attractive graduating class of Camp Hill High School by the kindness of the principal of the school, my good friend Prof. Owen Dees.

The little city of Camp Hill was my home from my 10th to my 23d year. Camp Hill is not a large town; but no town or city in the world has a finer citizenship and is a cleaner, more wholesome community than Camp Hill. Many boys and girls have come on from Camp Hill High School to national and international recognition. Many of my relatives and two of my closest friends, W. H. "Razor" Smith and Oscar Chester, still live in Camp Hill, and with Camp Hill and them a large part of my heart shall ever rest; the memories of my youth with these dear relatives and friends shall ever be green.

You will understand, therefore, that I was very much pleased to have the outstanding superintendent of public instruction of Tallapoosa County, in which Camp Hill is located, the Honorable Virgil Nolen Price, send me the November 16, 1967, issue of the Alexander City Outlook containing an article about the Camp Hill public school entitled "New Principal Keeps Camp Hill High Spirit Up."

I am proud that my beloved alma mater high school continues to express its high and noble spirit.

Mr. Speaker, following my remarks in the Record, I insert the article which I have referred:

New Principal Keeps Camp Hill High Spirit up

The Camp Hill Public School was built in 1929 after the original building was destroyed by fire.

Mr. Owen Dees who retired last year contributed much to the school. He served the school as a coach, teacher and principal for many years.

The new principal is Hulond Humphries who is well liked by the students, teachers and community and who welcomes at any time, visitors into his conference room. He, his wife, Linda and young son, Lance are an asset to the school as well as our area.

Camp Hill school has played a great part in developing culture and creating an atmosphere for graduates who want to go into great professions. Doctors, dentists, surgeons, lawyers, ministers, nurses, teachers, leaders, athletes and writers who received their education in our school have unlimited futures as professionals.

Hon. Claude Pepper, former U.S. Senator and now a member of the House of Representatives of the United States is one of Camp Hill's distinguished alumni.

The Science Research Associates, Inc., reading laboratories constitute an individualized development reading instruction program. The program is unique in that it takes into account individual differences among children in the classroom. As in other county schools, SRA is used at Camp Hill.

The reading laboratories constitute a learning system different from the reading programs most commonly found in the classroom. The program makes available in a single classroom reading instructional materials at several levels.

The SRA program has several important aspects such as: concern for individual differences, provisions for independent work, individual counseling, self-appraisal, and self correction, adequate practice, and skill development.

SRA reading kits are being provided in grades 1–6. The reading laboratory constitutes an individualized developmental reading instruction program.

Supt. Virgil Nolen Price stated that an instructional program in handwriting will be introduced in the Camp Hill School this year. Here again the individual child is spotlighted. Self-analysis, self-reliance and social growth are stressed thus enabling the student to determine and set his own goals for improvement.

Handwriting is a skill and a tool of written expression. Skills are best developed through directed, repetitive practice. It is a part of good teaching to create this need or desire to write legibly and fluently.

Attention is also given to signature writing and to the making of eligible and neat figures.

For the first time, a full time commercial teacher has been added to the teaching staff to provide instruction in typing, bookkeeping and shorthand.

This is the first in a series of articles to be published each week highlighting schools in the Tallapoosa County School System to better acquaint the people with the educational opportunities being provided for the boys and girls of the county.

VISITORS IN VIETNAM

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. Rooney] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ROONEY of Pennsylvania. Mr. Speaker, all of us on both sides of the aisle were relieved by the news yesterday that Senator Charles H. Percy, his wife, and members of his party escaped with their lives when they came under attack during a visit to a Vietnamese village. Quick thinking by the pilot of his helicopter plus the fast response of American military helicopters saved the Senator and his party from possible death or capture.

Senator Percy's experience, I believe, should serve as a lesson to all Americans that the Vietnamese conflict is not a game, but is a very real war in which lives are constantly endangered. If we learn this lesson I believe we will stop the battlefield tours by private citizens and public officials except for authorized and official business.

It is fine that Members of Congress should want to finance their own trips to Vietnam to see firsthand what progress is being made. But to make such a tour requires special military activity and attention to insure the security of the visiting party. This means that some portion of our military force must be diverted from its primary mission to provide protection.

Even when public officials on privately financed visits shun military escorts, as did Senator Percy, they run the risk of blundering into a battle and of requiring a military rescue. I strongly concur with Senator Everett Dirksen's suggestion for visitors to "stay away from the front."

It seems to me it was somewhat foolhardy to venture to a village where the Vietcong massacred some 260 villagers only a week earlier. I can envision no reason, however, remote, to consider such an area to be even reasonably safe for visitation.

Mr. Speaker, I believe we should establish a policy that visits to Vietnam be restricted to official and bipartisan groups of Congressmen on a periodic basis when there is an important purpose for an inspection of some aspect of the war. There is neither sufficient need nor urgency for individual Congressmen or politicians to disrupt or interfere with the military efforts there because of personal motives for touring the war zone.

All news media are well represented in Vietnam and they are providing us with endless reports on all phases of American activity there. Congress also has access, through its committees and leadership, to the intimate details of what is occurring there, as reported continuously by our military and civilian officials charged with the conduct of American activity in Southeast Asia.

It would be tragic for young Americans to shed blood or lose their lives to rescue Congress Members or civilians who are traveling in Vietnam for personal reasons of any kind. Action now can prevent such tragedy.

And it would be most unfortunate if prominent Americans visiting in Vietnam were killed or captured by the Vietcong and publicity of their fate, in turn, used to rally morale of the VC and North Vietnamese regulars.

AMBASSADOR SOL LINOWITZ ADDRESS TO NATIONAL ASSOCIATION OF MANUFACTURERS

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. HAMILTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HAMILTON. Mr. Speaker, Ambassador Sol M. Linowitz, U.S. Representative, Organization of American States, gave an address to the National Association of Manufacturers on December 7, 1967, in New York City that Members will find worthy of careful reading.

He combines the perspectives of the businessman and the diplomat in making penetrating observations on aid and trade.

I assure my congressional colleagues they will have a better appreciation of both aid and trade if they will take a moment to review this excellent address.

Address by Ambassador Sol M. Linowitz, U.S. Representative, Organization of American States, Before the National Association of Manufacturers, New York City, December 7, 1967

Today is the day we "remember Pearl Harbor". If we limit that remembrance, however, just to the catastrophe of that infamous day, we overlook its far greater significance in the panorama of American history.

For December 7th, 1941 marked both the end of a fundamental American isolationism we had never completely renounced, even with our participation in World War I, and the emergence of a new economic and political internationalism that has since guided America's approach to world affairs.

In a sense, I suppose it could be said we were shocked into our role of world leadership when we realized all too painfully that a national life that looked only inward was just not good enough. We saw that the crises of the world would not pass us by simply because we chose not to think about them.

Of course, after all that has transpired and crowded in on us in these 26 years, one can be excused for feeling we have never been anything but internationalists. But the fact is we are only at the beginning of the experiment, and we are learning.

We see the wisdom of some policies, the fallacies of others. And all the while we are developing a deeper understanding of a dominant truism in international affairs: That no longer is there any meaningful demarcation between the world's economic and political problems.

Just to categorize an issue as economic does not minimize its political ramifications. Coffee, sugar, and cocoa are breakfast foods to us; but in Africa and Latin America, they are the stuff revolutions feed upon.

The terrible disparity in living standards throughout the world has been described by Barbara Ward as "inevitably the most tragic and urgent problem of our day". The tragedy is in the economic despair and hopelessness that marks the lives of all too many people in the developing countries. The urgency is in preventing a political reaction that could damage international peace and security.

Alfred North Whitehead once observed that, "A great society is one in which its men of business think greatly of their function. Certainly, the challenge before every businessman now is to think greatly" of his function in helping slow down and eventually eliminate the growing division between the rich nations and the poor nations of the world. The entire future of trade—indeed the entire future of all the world's business—rests on the success of our efforts. For the overwhelming mass of human beings of this earth are no longer asking, they are demanding a brighter tomorrow—and they will not be put off.

Science and technology have added to the urgency—indeed, they have created it—by stripping away the mysteries and the defenses of distance just as surely and easily as they have stripped the white Western World of its outworn aura of invincibility. Millions of have-nots are no longer thousands of miles off in the distance, but right down the runway.

They have come to understand that we are mortals even as they, weak and gullible and prone to all the ills and foibles and petty quarrels of mortal men. They know, too, that we all share this planet—yet while we of the Western World share its benefits and promises, they share its deprivations and hardships.

Let us take a moment to look at the multiplying peoples of the world, not in terms of millions or billions, but in microcosm. Here they are:

During the next 60 seconds 200 human beings will be born on this earth. 160 of them will be colored—black, brown, yellow, red. About half will be dead before they are a year old. Of those who survive, approximately half will be dead before they reach their sixteenth birthday. The survivors who live past 16 will have a life expectancy of about 30 years. They will be hungry, tired, sick most of their lives. Only a few of them, if that many, will learn to read or write. They will till the soil, working for landlords, living in tenants or mud huts. They—as their fathers before them—will lie naked under the open skies of Asia, Africa and Latin America—waiting, watching, hoping.

These are our fellow human beings, our neighbors, if you will. Is it any wonder that despair and revolt at poverty, envy and even anger over the inequality of life is the most urgent political and economic fact of our day? Can we comfortably or safely envisage a widening of the great gap that already separates us—a further increase in the disparities between the haves and the have-nots of our earth?

If one thing is clear, it is that the answer to the problem will not be found in evasion, or in any swing in our interest from too much to too little. That is the way to disaster. We must master any ambivalence we may have—or it will master us.

Domestically, we have learned we cannot live in a community divided against itself—that some citizens cannot live a life of plenty and so-called equality while their neighbors are kept outside looking in, starring through fences of personal prejudice and social lethargy. We now understand that the politics and the economy of the status quo in a day of headlong and gathering change only breeds distrust and distrust breeds violence. We have learned the same lessons internationally where, as we found out on December 7, 1941, crises are not postponed merely because we choose not to think about them.

Knowing this, don't we have to take another hard look at our foreign aid program? Can we afford the luxury of turning away from a program that has shown itself to be the most effective public policy yet devised for encouraging economic growth in the recipient nations?

That remarkable experiment, the Marshall Plan, not only set Europe back on its feet, but it was the first step in the long process of proving to the Russians the overriding and exemplary strength of the market economy. It was a process which, incidentally, has now not only stabilized Western Europe but is carrying the consumer goods revolution right into Russia itself. Moreover, Europe, which not too long ago was on the receiving end of aid, now is a source of aid itself to the less developed world, an international Horatio Alger story with a moral that points up both the value and the success of our aid policy in raising the living standards through economic development. I think that even General de Gaulle would have difficulty disputing the evidence!

Since the closing days of the last War, our aid programs have totalled some $40 billion, which, I hasten to say, sounds far more astronomical than, in fact, it is.

To a very large extent, these funds are available in the form of loans which recipient nations repay with interest. In Fiscal Year 1966, for example, 48 percent of all foreign aid funds went for loans. And not to be overlooked is another factor—that our assistance also takes the form of technical cooperation, by which we send skilled professionals overseas to share their knowledge and experience with their counterparts in developing nations. If this technical assistance is to be regarded as giving, then clearly it is the giving of a helping hand, literally. And the dollars spent are, in most cases, paid to American citizens.

There is too much confusion and misunderstanding about just how much of the United States tax dollar goes into foreign aid. We devote only one-half of one percent of our gross national product to foreign assistance. By comparison, the United States allocated twice as much for foreign aid—$7.2 billion—in 1949, *despite the fact that our gross national product then was one-third of what it is today.*

Obviously the United States cannot and should not do the whole foreign aid job alone. We cannot be "the stacker of wheat or the hog butcher for the whole world". Neither can we be the head banker, the chief engineer, the solitary policeman, the lonely Sir Galahad out to save civilization. We cannot, we dare not, undertake to play God. But we can continue doing what is right and necessary for us to do—our just part to assure that the prisoners of poverty and discrimination come out of the long shadow of social and economic injustice, that they share in the benefits of modern medicine, that they get enough to eat, that they get better schooling, that they become full partners in progress and full citizens of the world.

And this brings me full circle to what I wish to say to you about trade. For it is only as full partners in progress and as full citizens of the world that other nations and peoples can afford to trade with us—in fact, will want to trade with us—and contribute to our economy even as we contribute to theirs.

In the long run, the steadily increasing productivity of the industrial economies, such as ours, will need new markets and new trading partners; and these will come even as they are now—from the ranks of the developing countries. In the short run, however, a decline of aid is tantamount to a withdrawal of working capital from the circulatory system of world trade.

At stake is the well-being of more than one and a half billion persons, and I refer here to the non-communist world only. Already, one-third of our total imports come from them, and despite their low incomes, they provided a market in 1965 for $8.5 billion of our exports. So the whole problem—with all of its deep human and political overtones—is one that has no little commercial importance to us.

Even under the best of conditions, however, and as the needs of the developing world keep mushrooming, we can no longer fail to face up to the fact that we must reach more fundamental decisions than just how many billions of dollars worth of assistance we are prepared to make available.

Indeed, no matter how much or how little money is appropriated by Congress from year to year for our foreign aid commitments, it is still far too little to accomplish the overall desirable objective of helping the countries of Asia, Africa and Latin America fully to achieve economic self-support. If this objective is to be realized, private capital must join hands with our Federal Government to make the impact of foreign aid more meaningful and more realistic.

Former President Dwight Eisenhower once said that the main problem of our foreign aid program is that it "lacked a constituency". I believe this is no longer entirely true. I think that the problem today is that the constituency is incomplete. Since the orientation of the foreign aid program under the Marshall Plan, it has moved toward economic development rather than reconstruction and rearmament, requiring a much greater degree of long term investment.

Consequently, the program must now look to an additional base of support. The most logical source of this new support is within the business community. In my opinion, the constituency for foreign aid will not be complete until American business leaders, and those who have confidence in them, are ready to act on the conviction that the economic growth of developing nations is a commercial necessity to the United States.

Part of our greatest strength domestically is our free enterprise system which thrives best on competition. We do not fear such competition; indeed, we both invite it and we protect it as one of the most vital components and barometers of our entire economy. And what we do domestically, we must also do internationally—encourage competition and not fear its emergence in the market places of the world.

The success of the European Economic Community and the European Free Trade Association, in spite of the many fears that were voiced, certainly has not been harmful to U.S. trade interests. Quite the contrary. Both groups today buy considerably more from us than we do from them, and while our exports to the world as a whole have increased by about 70 percent since 1958, our sales to the European Economic Community and the EFTA have more than doubled. To my mind, there is little question that a large part of this increase in the volume of our sales to Western Europe has been due to the economic expansion brought about by economic integration.

In emphasizing the favorable results European economic integration has had on our trade picture thus far, I would not wish to be mistaken for an optimistic medium whose message is that all this portends a huge and unqualified success for the Latin American Common Market to be. Nonetheless, I am sanguine when I turn to the Latin American scene. Sanguine, that is, except for the qualification that Latin America—whether one discusses regional integration or the overall development question—is not all that Europe was at the end of the War. Even a war-devastated Europe had basic foundations and economic habits of the past on which to rebuild and base its development. In Latin America, too much—both in terms of physical building and in terms of attitude—must start from the ground up.

And Latin America must also learn what Europe is learning only now in the Twentieth Century—that the economic mini-state in the divided continent is not the recipe for rapid technological change and economic growth.

In the past, international investment and trade in many Latin American areas have simply been imposed on top of an old, static and obstructive system and they have not yet proved strong enough to transform more than a few segments of seaports. Too often in the past, foreign firms exported not only the product, but also the profits, the capital gains and often the senior salaries as well. Today this situation has changed, but while it lasted, little local accumulation of capital occurred. At the same time, the Atlantic world shipped back manufactured goods to pay for the imported product, and this absorbed local purchasing power *without* stimulating the creation of local capital.

All around the developing world—and not just in Latin America—this exchange of primary materials for Western manufactures has been the fundamental circuit of trade. It does not automatically generate local change and growth. Primary prices tend to be weak while the price of manufactures goes steadily upward. For example, such changes in the balance between import prices and export prices between 1954 and 1964 deprived Latin America of the equivalent of all the aid received during the same period.

It is important to understand how all these facts, problems and obstacles make growth and modernization more difficult in Latin America, Asia and Africa than in Europe. Developing countries cannot grow quickly without access to foreign trade and foreign earnings. This is simply because since they are not yet fully developed they do not have the necessary machines and techniques. They must buy them from foreign suppliers and to do that they must acquire, through exports, the foreigner's money. But look at the dilemmas in Latin America. Its main raw material exports—cocoa, coffee, sugar—are competitive, not only with other Latin Americans but with Asia and Africa. Supply is rising fast. Demand only edges upwards. So prices remain weak. It is not unnatural for Latin Americans to conclude that they would be better off depending less on raw materials and more on manufactures, whose prices always seem to rise. So they try to stress rapid industrialization.

But here the difficulties really begin. To industrialize you still need to secure machines from abroad, either by purchase or foreign investment. If by purchase, scarce foreign exchange is used. If by investment, debt piles up and the chief gains may well go back to the foreign investors. And even this is not the end of it. Modern manufactures need larger and larger markets if they are to be produced competitively on a mass scale. Where can the markets be found? In the countryside? It is stagnant. Within the nation? It is too small. Within the continent? It is a string of mini-markets, each trying to assemble its own cars or steel mills. In the world at large? Latin America and the other developing nations cannot often compete with the manufactured exports of the developed countries.

So again and again in Latin America, a brave effort of industrialization has been discouraged because factories, operating below full capacity, could not sell their goods or pay their debts.

This is the background of difficulty and obstruction to the task of modernizing Latin America and all the underdeveloped world. But this is also precisely the kind of deadlock the Alliance for Progress is trying to break. This is no irrational dole or handout system, trying to buy friends or postpone crises. The effort is designed, as rationally and, indeed, scientifically as possible, to counter every one of the obstacles now standing in the way of Latin American growth.

The long term answer, however, lies in the field of trade. And here:

We are trying, by our participation in the International Coffee Agreement and in the proposed Cocoa Agreement, to secure more stable prices for Latin America's most important commodities;

We have agreed in the Kennedy Round to lower the tariffs on many products of export interest to Latin America and other developing countries. And at the OECD meeting in Paris last week, we agreed with other major developed countries on the principles to govern special tariff preferences for the developing countries. (But I had best leave to Ambassador Roth any discussion of the details and impact of these agreements.);

We are encouraging in every suitable way the Latin Americans' own resolve to create a Common Market to end their inter-continental isolation. In the past, we warmly encouraged the organization of the Central American Common Market and the Latin American Free Trade Association. Moreover, new flows of trade have been generated between countries that barely traded with one another before. Both organizations have already shown a remarkable expansion of their trade with each other, as well as a sharp increase in their trade with the rest of the world. United States exports to the Central American Common Market in 1966 were 71 percent higher than in 1961, and exports to LAFTA were 20 percent higher for that same period;

At Punta del Este, President Johnson promised to support the Latin Americans in their historic venture to create a Common Market—a venture that may well turn out to be one of the most important political and economic decisions of the century. The President's program, I should point out, is tied to the implementation by the Latin American Governments of a programmed system of internal tariff reductions and a system for bringing about a common external tariff, which—again, to quote from the Declaration issued by the Presidents—should be at "levels that will promote efficiency and productivity as well as the expansion of trade";

The President has also promised to seek from Congress authority to make a substantial contribution to a fund that would ease the difficulties of the transition period, and also to provide additional support through the Inter-American Development Bank and the Alliance for the multinational projects required for the building of the Market's infrastructure. These include continental road projects, interconnection of electric power systems, telecommunications, and joint investment in air transport and such basic industries as fertilizers, pulp and paper, iron and steel, and petro-chemicals;

We strongly support the efforts of the Inter-American Development Bank in taking a strong lead in this area. Its first study of projects to be explored in detail points to such potentials as hydro-electric development on the tributaries of the River Plate, the inter-connection of the Central American power system, road development on the eastern slope of the Andes, a continental telecommunications grid, and other highway and river basin development projects.

How will the Latin American Common Market affect the United States? First, I would remind you that by 1985—its projected target date—Latin America will offer a market of 300 million people and will have a gross national product of $200 billion. It is a market whose potentials should stir the imagination of any good businessman.

Now it would be denying the obvious to say there will be no short-term dislocation for U.S. interests. Of course there will. But in the long run, we stand to gain far more than we can possibly lose. It does not require much vision to see what lies ahead.

It is my belief that Latin America stands on the verge of an economic boom such as we experienced in the United States in the last quarter of the 19th Century. Perhaps in the more distant future Africa will also offer the potential now emerging around the corner in Latin America. But for the next quarter of a century or so, I would say that responsible and imaginative private enterprise will find Latin America a most worthwhile investment. The building of the Common Market's infrastructure alone offers trade opportunities unparalleled in this century.

But whether it be in Latin America, Europe, Africa or Asia, I am deeply convinced that the future of our economy is bound up to the extent we not only "think greatly" but act greatly on these trade and investment opportunities. I hardly need stress, however, that our success will be conditioned by our willingness to pursue a liberal import policy.

As you know, the United States had for many years adhered to the most-favored-nation approach and had doubts about the value of trade preferences. But a number of developments led us to take another look at our position. We have become increasingly disturbed by the trend towards the proliferation of special preferential trading arrangements between developed and developing countries which threaten to divide the world into "North-South" trading blocs. Such a development would, we believe, be most unfortunate both politically and economically. It would fragment world trade and constitute a retrogression towards special spheres of influence.

We have long felt that the best way to assist the developing countries is for all developed countries to join together in a common effort. The developing countries themselves feel that the networks of existing preferences which are selective as to products and countries should be replaced by a generalized system of trade preferences for the benefit of all the developing countries and without reciprocal preferences. This is the background of the policy we announced a few days ago at the OECD.

Quite clearly one of our major concerns is the special problem of Latin America—an area of the world that historically has had no trade preferences in any market. Instead, it has had to cope with discrimination against its exports in important industrialized country markets. The Latin American Governments have been urging the United States to do something about this inequitable situation.

Now the hope expressed by President Johnson at Punta del Este has, in part, been realized, and though a great number of specific questions are left unanswered, general agreement has been reached on the basic approach.

In general, let me say that while trade adjustments must be gradual so as to give our own affected industries time to adapt, we must oppose short-sighted protectionism not merely for the good of foreign countries but for our own good. If the protectionist bills that recently were introduced in the Congress had gone—or ever should go—into force, about $3 billion in Latin American efforts alone could be affected. Latin American imports might have to be cut back to the same extent, and a disastrous return to the days of Smoot-Hawley, together with a downward spiral in world trade, might result. We cannot take that chance.

The very foundation of American commercial policy would be threatened. So would all that we have tried to accomplish at so much cost since the end of the War. The Pandora's box that protectionism would open would cause long-term grief and pain and cost us far more—both internationally and domestically—than any immediate short-term and short-sighted profit could possibly total.

The realization of our dreams of a better future depends upon the imagination and courage we will show in pursuit of policies geared to the greater good not only of corporate profits but of national hopes—our own and all the world's. And this is not only sound foreign policy, but good business.

In closing, I turn again to Alfred North Whitehead.

"We must not fall into the fallacy," he said, "of thinking of the business world in abstraction from the rest of the community." And he defined the aims of business in these words: "The general greatness of the community."

If these be our guidelines, the atmosphere for international trade can only be excellent.

A LETTER HOME FROM VIETNAM

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. Bevill] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BEVILL. Mr. Speaker, Lt. Col. Paul R. O'Mary, of Nauvoo, Ala., in the Seventh Congressional District, is serving in Vietnam. He is the son of Mr. and Mrs. Will T. O'Mary. On his father's 70th birthday, Lieutenant Colonel O'Mary wrote home. His letter is very timely—and very refreshing. It focuses upon some simple truths that are, I believe, most important.

Under unanimous consent, Mr. Speaker, I insert Lieutenant Colonel O'Mary's letter in the Congressional Record and commend its contents to the close attention of my colleagues:

Nauvoo Man's Birthday Present: A Letter Home From Vietnam

Dear Dad and Family: Well, Dad, it's your birthday, and I hope it finds you feeling well and healthy. It isn't every man who can work as hard as you have and still be able to do the things you do at the young age of 70. As I look back on the 40 years that I shared with you, I can say that not one of those years has been easy. Every dollar that found its way into the house was over-earned in terms of sweat and toil. Yet, as hard as they were to come by everyone of us knew that you would give all you had and simply for the asking, and whether we really needed it or not made no difference.

There are other things I remember—like how you never fenced us in, but rather trusted us to do what was right when you weren't around—how you taught us right from wrong—to occasionally, but for the most part, we did what was right sometimes out of respect for the dearest dad on earth—and a mother who loved us like no other mother could, and one which causes all of us to give thanks to the origin of our birth. What I am now or will be in the future, I credit to you and her.

I remember when I was quite young, I used to look up at the stars. I wondered what those heavens had seen, what they would see, and what they would bring to me. Many moons have passed since then, but sometimes I still look up in the sky and ask the same questions and dream the same dreams. Doing this seems to give a greater appreciation and understanding of my reason for being on this earth. I ask myself where I am and where I'm going. I go over the day's events and tomorrow's problems. But my thoughts always drift homeward to you folks at home—my first family—and to my wife and kids. It is then that I see more clearly where I am, and what my purpose in life must be. It is also then that I remember my heritage—a heritage that was built by men who had no concern for themselves personally, but chose instead to sacrifice themselves so that their children and children to be born might have a better life. These men carved villages from the wilderness, they fought the oppressor and the invader, the hostile redskins and the marauder, and they battered the would-be tyrants. They did all this in days when the measure of a man was not his bravery in battle but his ability to endure. He endured alright, but not for any glory or reward. Sometimes it was the love of a flag, each other, or the spirit of mutual confidence or devotion, but for the most part it was their hope that somewhere over the rainbow their dreams of a better world for their children might be realized. Those were your dreams, Dad, and you can be sure when you look back that you gave your all to make it happen. And, Dad, it did happen. We do not have to work and slave the way you did, often times without adequate food or clothes. Dad, you've done your job on this earth. I just hope your sons can do as well. Unfortunately we did not inherit all of your abilities. If we had, things might be easier with varying abilities. The lesser of us will find contentment, and the best of men can find greatness. But all men can respect the dignity of each man and admire the achievements of those who were born with greater ability.

When the journey ends, a man has been a man if he can look back without regret and say that he did his best. I'm not sure that I can ever say that, but Dad, I believe you can.

So Dad, today my thoughts are with you, and this letter has a deeper purpose than just wish you a happy birthday. It is to give my everlasting thanks for being my dad.

With Love,
Your Son,
Paul.

SPEECH OF DR. EARL K. LYONS, PRESIDENT, AMERICAN OSTEOPATHIC ASSOCIATION

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. William D. Ford] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WILLIAM D. FORD. Mr. Speaker, on December 2, Dr. Earl K. Lyons, president of the American Osteopathic Association, delivered an excellent speech in Dallas, Tex., at a Public Health Osteopathic Seminar sponsored by the Texas State Department of Health.

Dr. Lyons analyzed and discussed a recent report by the National Advisory Commission on Health Manpower; a blue-ribbon panel appointed 18 months ago by President Johnson to study means of improving "the availability and utilization of health manpower."

Dr. Lyons agrees with the report's central theme, that America is in the midst of a health crisis. He makes some of his own recommendations as to how it can be solved. I recommend this talk to the attention of my colleagues, and place it at this point in the RECORD:

SPEECH BY EARL K. LYONS, D.O., CHANDLER, ARIZ., PRESIDENT, AMERICAN OSTEOPATHIC ASSOCIATION

Eighteen months ago President Johnson appointed a blue-ribbon panel of experts to what he called the National Advisory Commission on Health Manpower. The 15-member commission included five physicians, including Dr. Dwight Wilbur, the president-elect of the American Medical Association, and Dr. James M. Cain of the Mayo Clinic. Others on the panel included educators, business and labor leaders, philanthropists, a banker and a newspaper publisher.

The President gave the Commission a very specific assignment. He asked its members to, quote, develop appropriate recommendations for action by government or by private institutions, organizations or individuals, for improving the availability and utilization of health manpower, unquote.

Last week, in Washington, the Commission published its findings and recommendations. The document, to hardly anyone's surprise, does not confine itself to health manpower. It is, instead, a report on, and an indictment of, America's entire health care system. That report, and that indictment, should make everyone in this room acutely uncomfortable.

The report stated flatly that America is in the midst of a health crisis. That crisis, it said, is caused by the inefficiency, lack of leadership and unwillingness to change the health care system itself.

The report does not mince words. It is specific, and biting.

"There *is* a crisis in American health care," the report says. "The intuition of the average citizen has foundation in fact. He senses the contradiction of increasing employment of health manpower and decreasing personal attention to patients.

"The indicators of such crisis," the report continues, "are evident to us as Commission members and private citizens: long delays to see a physician for routine care; lengthy periods spent in the well-named waiting room and then hurried and sometimes impersonal attention in a limited appointment time; difficulty in obtaining care on nights and weekends; uneven distribution of care to the rural poor, urban ghetto workers, migrant workers and other minority groups; obsolete hospitals in our major cities; costs rising sharply from levels that already prohibit care for some and create major financial burdens for many more."

The crisis, the report continued, is not simply one of numbers. To quote again: "It is true that substantially increased numbers of health manpower will be needed. But if additional personnel are employed in the present manner and within the present patterns and systems of care, they will not avert, or even perhaps alleviate, the crisis. *Unless we improve the system* through which health care is provided, care will continue to become less satisfactory, even though there are massive increases in cost and in numbers of health personnel, unquote.

The Commission laid the blame for the crisis squarely at the feet of what we sometimes proudly call our American *system* of health care. But, to quote again, "Medical care in the United States is more a collection of bits and pieces with overlapping, duplication, great gaps, high costs and wasted effort, than an integrated system in which needs and efforts are closely related."

The language used throughout the report is simple, uncompromising and pointed. Even more pointed are the statistics, charts and graphs which pepper its pages.

For example, the Commission reported that during the last decade, despite constant advances in medical knowledge, life expectancy in the United States has increased hardly at all. In terms of average remaining lifetimes at age 10, the report said, our males rank thirty-first and our females rank twelfth in the world. These, certainly, are not statistics of which we can be very proud.

The Commission also quoted a report from the *American Journal of Public Health* which stated that 74 per cent of the general medical care and 74 per cent of the obstetrical/gynecological care rendered in America's community hospitals could only be rated as fair or poor.

It also reported on another survey of major female pelvic surgery performed during a six-month period in one, un-named community hospital. That survey revealed that only 30 per cent of the surgery which resulted in castration or sterilization was justified in the opinion of expert consultants.

In commenting on these statistics the Commission's report said, quote, "Objective surveys have consistently found that hospital care does not conform uniformly to the standards of *best* medical practice, and *deviations* from best practice appear to be significant and widespread," unquote.

The Commission recommended no less than 58 major changes in the way U.S. health care should operate. And while asking for voluntary acceptance of its proposals, the commission *nonetheless* indicated they might have to be enforced. "Unless major changes are accomplished more quickly than has ever been possible in the past," the Commission said, "a more serious crisis will be inevitable."

Among its 58 recommendations the Commission prescribed a few that are sure to stir controversy for years to come. A few of us might even think that the proposed cures are worse than the disease, or, more specifically, that the solutions are more threatening than the crisis itself.

For example, the Commission asked that instead of the present licensing system for doctors and dentists these health professionals be *re-licensed* on a periodic basis. In order to be re-licensed, the doctor or dentist would have to receive a certificate from an acceptable post-graduate education program or pass an examination in his specialty.

For hospitals, the Commission recommended financial rewards for efficiency and high quality care, that would make it unprofitable for a hospital to reduce quality and community service just in order to lower costs.

For medical and dental students the report recommended direct financial aid to cover the full costs of tuition and living expenses during their period of professional training, including *internships* and *residencies*. The students could repay the loans over a long period or through direct governmental service in the military, the public health service or in poverty programs.

The Commission felt that the best way of upgrading health care would be through what it called a "peer review" system. The Commission recommended that a series of review boards be established at city, county and state levels which would demand that doctors and hospitals account for their actions. The peer review boards would be established, in the Commission's words, "to examine the appropriateness and proficiency of a physician's practice." Supposedly, if a physician were not appropriate or proficient he could be denied relicensure, removed from the rolls of insurance programs and denied hospital privileges.

A small-scale model of this system is already working within the California Blue Shield program. During the past year alone California Blue Shield has denied one million dollars in payments to physicians it considered incompetent, cut 10 doctors off from Blue Shield, suspended 15 others, and brought criminal action against several more.

These, in summary, are just a few of the highlights from the report of the National Advisory Commission on Health Manpower. I would urge each of you to obtain a copy of this document from the government printing office in Washington, D.C. and to study it carefully.

This, of course, is not the first report by a blue-ribbon committee that has said that America's system of health care is obsolete. It probably will not be the last. At the moment at least a half-dozen other committees, within the government and in public and private health agencies are studying these very problems. We can only wait for their findings.

America, as I have said before, is in the midst of a vast social revolution and changes in our system of medical care are inevitable. But how are we, as individual practicing physicians, to react to these attacks? How are we to adapt to these changes?

I *cannot* give you answers to these questions that are neat and pat. The medical revolution we are witnessing is too complex for easy analysis. Events are taking place too rapidly, changes are occurring too fast, to even fully understand what is happening.

I can, however, offer a few obvious guidelines that might help make this period of upheaval less traumatic. And I can offer a few obvious suggestions that might help us avoid being swept away by events—or sweeping ourselves away.

First, I would suggest that we humbly recognize our inadequacies. Our present system of health care is *not* meeting the needs of all Americans. It has not kept pace with advances in medical science or with changes in society itself. The sum total of American medicine, no matter how difficult it might be for us to admit, is not always the best or the most advanced in the world. We can, and should, learn a few things from other, supposedly less developed nations, about the *utilization* of health personnel, about the *prevention* and *treatment* of illness, and about the *organization* of the entire health care system. And we, individually and as members of the health professions, must admit that we have been too reluctant to change.

Second, I would suggest that we constantly remind ourselves that adaptation is *not* compromise. We should remember that in all living organisms, as well as in all social systems, change and adaptation are not only inevitable but necessary for survival.

Third, I would suggest that we give up easy generalities and slogans and the fuzzy thinking that is behind them. What we are seeing in America today is not some vast plot to enforce socialized medicine upon us. The federal government, as this most recent report makes clear, is not Big Brother handing down edicts to individual physicians. The demands for change in our present system of health care are being made by business men and editors and bankers and, not incidentally, prominent and well-established practicing physicians and medical educators. The government alone cannot be blamed for our present discomfort. And if the government cannot be blamed, neither can our professional associations and organizations. *There is no villain*.

Fourth, I would suggest that we accept the fact that we are living in a new era, perhaps, not of our choosing or design, but an era which cannot be denied. We, individually and as members of a profession, are operating under a new set of rules, subjected to new standards and reacting to new demands. In many ways we are no longer the masters of our own fate. Whether, in the long run, this proves to be beneficial to the common good, remains to be seen.

Fifth, I would suggest that we recognize that this revolution is far from over. I would emphasize that many of the changes now being suggested will never come to pass while others, *more and less radical*, are yet to be born. We are in a period of development and rapid change. None can predict what will happen next month or next year.

Finally, I would ask you to *remember* your own strengths and influences. I would ask you to remember that you, individually, have it within your power to become part of this revolution. We as physicians are being asked to *participate*—in local and regional health councils, in city and state planning agencies and within the federal government. Your most direct link to the revolution, of course, is *through* your professional associations and societies. They too need your guidance and support.

Our voices are respected. If they are not heard we can only blame ourselves.

In closing, I would like to quote once again from the Commission's report.

"We are convinced," the Commission members said, "that government alone is *not big enough* to solve the problems of health care for the American people. For all its great size, the capabilities of the Federal Government, even when united with state and local government, are small compared with the combined resources and experience of the private sector. These include the professions, voluntary agencies, religious and educational institutions, hospitals, organized labor, business and industry, and concerned citizens. Our recommendations require that the resources of each of these very powerful forces be applied to reshape effectively the health care system."

A GREAT DEMOCRAT SPEAKS OUT

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. DENT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DENT. Mr. Speaker—

> I support Lyndon Johnson and Hubert Humphrey this year next. I support them because I am convinced, beyond any question, that they are best for America.
>
> And I have no doubt America knows that to be true, as it will show decisively next November.

Mr. Speaker, these are the words of a great Democrat, Mayor Joseph Barr, of Pittsburgh, who addressed the Lycoming County Democratic Council last evening and presented the best case for President Johnson's reelection next year that I have yet heard.

Mayor Barr rightly noted that those Americans who are opposed to the war on poverty, consumer's rights, better education, urban redevelopment, and our Nation's firm commitment to stand up against Communist aggression—these Americans should not vote for Lyndon Johnson. He said:

> If you are against this work, if you oppose this effort, you should have no difficulty making up your mind on how to vote.
>
> You should vote Republican, because the Republicans in the Congress have opposed these programs in overwhelming majority.

Mayor Barr has summed it up neatly. The American people who value progress and achievement will be in Lyndon Johnson's corner in 1968. And that means the overwhelming majority of the American people.

I want to align myself with Mayor Barr and endorse his position, and insert into the RECORD this excellent address:

REMARKS OF MAYOR JOSEPH M. BARR

I am grateful for the kindness of your invitation and the warmth of your hospitality which, together, have made my visit to Lycoming County not only possible but pleasant and worthwhile as well.

And I especially appreciate your generosity in permitting an outsider from Pittsburgh to share your joy at this Victory Dinner, which not only celebrates an election triumph, but honors all of those—candidates, party workers, and the voters themselves who made it achievable and real.

It was a great victory—a thing which obviously fills you with pride as well as happiness. Now comes the burden of responsibility, as Adlai Stevenson described it—the work and the agony of transforming words into acts and promises into deeds. Having met the men who now assume that responsibility, I share also your confidence in their determination and capacity to follow through, to write a record of public service and achievement which will be the lasting reward for all the hard work we recall and honor tonight.

For the past year, indeed since my election as Democratic National Committeeman a year ago, I have wanted to come to Lycoming County, to renew old friendships and to meet those other Democrats I have not known personally before.

Your invitation has made it possible, at last, to satisfy that desire.

Actually, I had planned a trip here in early September, but the President asked me to join a group to observe another election—the one held in Vietnam—so I had to forego a visit to Williamsport in order to journey to Saigon and beyond.

And while it was hardly a pleasure trip, I would not have missed it for the world.

It did not make me an expert on either the war or on all the nuances of Far Eastern politicking, but it gave me a chance to see by myself, and for myself, freely and unfettered and unbrainwashed.

The frightfulness of war—any war—mixed with the determination of a spunky people to get some kind of break out of life after generations of suppression and bloodletting—these are awesome things to observe and experience.

Having disclaimed any expertise, I hardly qualify as the man to dispel your doubts or clarify your views about the unhappy conflict, yet I do have my own opinions, some of which have been molded, modified, or changed by what I saw in Vietnam several months ago.

As to the elections, they were remarkably free of corruption and confusions and impressively attractive to an electorate with no past tradition of self-determination.

They were, in my judgment, a significant and altogether praiseworthy beginning along the road to true democracy.

As to the war itself, ugly as it is, you cannot escape a feeling of pride in the actions of our military and their allies—pride not only in the fact that they are winning that struggle—as surely they are—but also in the conviction, which is overwhelming among them, that the hard and costly work they do is both necessary and right.

It is necessary and right, they believe, to assure that a brave and tortured people, in this instance the people of South Vietnam, have a chance to be free and decide for themselves the form of government they want—and I agree.

It is necessary and right, our men believe, that America honors its word and commitment, that no people shall be open prey to aggressive conquest, that no section of the world shall be abandoned to political plunder, that no people shall be forsaken to a covetous neighbor—and I agree.

Finally, in this capsule report, our fighting men consider it necessary and right that America not only maintain its moral standing by honoring its word and commitment, but also, from the practical viewpoint of self-interest and survival, we must be prepared in Vietnam, as in Korea, Berlin, Lebanon, Greece, Turkey, and elsewhere, to stand hard in the overall struggle to preserve freedom and avoid all-out suicidal war—and I agree.

You might conclude that I support President Johnson—and you are right.

I support him not because I like war—any more than he does or any other sane person—but because I am convinced that our present policy, hard and costly as it is, offers the surest and safest hope for a world where both freedom and peace can be both secured and secure.

But then I support the President for other reasons—good reasons to my mind—as well.

Where others might attack him for his war on poverty, I applaud him for it.

Where others may assault him for his programs against crime and urban blight, I thank God for them.

Where others fault him for his assistance to education, I acclaim him for it.

And on and on the list rolls on—almost too long, almost too much, almost too impressive.

Indeed, if you really want to be honest about it, the only truly legitimate criticism to be made of the Johnson Administration is that it has done too much, it has fulfilled its promises too fully, it has kept its word too closely.

That is the kind of record most of us in public office try to achieve; seldom is its accomplishment a reason or source for the critic's taunts.

If you are against the idea of Medicare, it is right to criticize Lyndon Johnson for having made it a reality for five million people whose doctors' bills it has already paid.

But you should be against Medicare if you are mad at the President—and I am not.

If you oppose Federal aid to education, you should complain about Lyndon Johnson for having brought that aid to nine million needy elementary and secondary school children, and more than a million college students.

But you should be dead-set opposed to Federal aid to education if you are mad at the President—and I am not.

If you are against helping the poor and the underpaid, you have every reason to be against Lyndon Johnson for having helped raise five and a half million Americans above the poverty line and for increasing the minimum wage and giving its protection to nine million more of our workers.

But you should be against the war on poverty and low wages if you are mad at the President—and I am not.

And on and on it goes!

The Johnson record is 81 months of prosperity, six million more people employed, equal rights and equal justice for all Americans, conservation of our lands and resources, restoration of urban vitality and growth, protection for the consumer (and that is all of us), purification of our skies and rivers, highway beautification as well as safety—on and on it goes, impressive in scope but more important still, significant because it comes to grips with the challenges and problems not only of our times but of our civilization.

The battles against disease and poverty have not been won, that's true, but the fight has begun and Lyndon Johnson started it.

We have not as yet assured the consumer the fullest possible measure of protection against fraud and deception but the battle is on and Lyndon Johnson started it.

If you are against this work, if you oppose this effort, you should have no difficulty making up your mind on how to vote.

You should vote Republican because the Republicans in the Congress have opposed these programs in overwhelming majority. As a matter of fact, 93 percent of them voted to kill Medicare, for example, and (would you believe it?) 68 percent said "no, no, no, the education bill is not going to go!"

I have no doubts, no hesitations, no reservations about my support for the President.

It is not just because he's a Democrat and I am too—but that helps.

It isn't only because he has enacted legislation and started programs which are absolutely essential to me as Mayor of a great city—but I appreciate that.

It isn't because he is the President now and will be four years from now—although I am comforted by that confident expectation.

I support Lyndon Johnson and Hubert Humphrey this year and next for all these reasons, but more important still, I support them because I am convinced, beyond any question, that they are best for America.

And I have no doubt America knows that to be true, as it will show decisively next November.

LETTER FROM VIETNAM

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ADDABBO] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ADDABBO. Mr. Speaker, as the debate goes on in this country as to the propriety of our actions in Vietnam, one wonders just how well the situation there is understood. Today I received a Christmas card from a young serviceman from my district who is now serving with the 1st Infantry Division in Vietnam. I believe that his letter, giving his viewpoint on our being in Vietnam, will be of interest to my colleagues.

Under leave to extend my remarks, I include the letter received from Pfc. Robert M. Owens, Jr.:

DECEMBER 11, 1967.

Hon. JOSEPH P. ADDABBO,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ADDABBO: I have read recently in "Stars and Stripes" of the anti-war demonstrations that prevail in the United States and Time magazine's report that the North Vietnamese are relying upon the support of the anti-war demonstrators to end the war here in their favor.

Reading such reports disappoints me because we are really doing something that is very worthwhile and will serve to be a credit to our country in future years. Surely it would be pleasant to pack up and just go home, there is a lot there that is waiting for everyone of us. However, from my viewpoint, it would be a most immoral and unworthy thing to do.

I can feel very proud of our government for all that we have done here. Communism is wrong and will not solve the poverty of the people. Our system has its defects, but the accomplishment that it has brought to this country are evidence of its worth. We have built roads, improved the living standards of the people, and done a million and one other things to make this part of the world a better place to live in. Is this not our most important goal?

As my representative, I wish you to know that I believe that we should not leave this country until the job is done.

My best wishes go to you and your family for a very happy New Year and a Merry Christmas.

Sincerely,

Pfc. ROBERT M. OWENS, Jr.

TWO HUNDRED LAWYERS PROTEST ILLEGAL TRIAL OF 35 SOUTH-WEST AFRICANS IN SOUTH AFRICA

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. FRASER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FRASER. Mr. Speaker, the trial of 35 South-West Africans by the South African Government has aroused international concern. South Africa, which was denied jurisdiction over South-West Africa by the United Nations, is trying men arrested outside South Africa for acts not even alleged to have been committed in South Africa. In addition, the men are faced with the death penalty for acts allegedly committed up to 5 years before the law was passed by the South African Parliament.

Because of the gross abuses of international law and accepted standards of fair procedure, 200 American lawyers yesterday released a statement sharply critical of the unlawful prosecution of the 35 South-West Africans. I place the statement at this point in the RECORD:

STATEMENT ON THE TRIAL OF 35 SOUTH-WEST AFRICANS

Thirty-five South West Africans now on trial in South Africa face a possible death sentence under a statute which South Africa has enacted contrary to international law and which, in addition, violates every accepted standard of fair procedure.

On October 27, 1966, the United Nations General Assembly terminated South Africa's right to administer, and to legislate for the Territory of South West Africa, because of the South African violations of the mandate agreement under which it governed the Territory on behalf of the world community. Nevertheless, seven months later, in June 1967, the South African Parliament enacted the Terrorism Act, which it made applicable to South West Africa and under which the South West Africans are now being tried. The application of this statute to these South West Africans, arrested outside South Africa for acts not even alleged to have been committed in South Africa, is thus in flagrant violation of international law.

Moreover, the provisons of the act under which the 35 defendants are being tried are contrary to the Rule of Law and to civilized justice.

The statute constitutes blatant *ex post facto* legislation. It provides the death penalty for acts committed up to five years before its enactment. All 35 defendants are being prosecuted for actions allegedly committed before the Act was even introduced in Parliament.

The statute further creates presumptions, justified neither by necessity nor logic, which place virtually the entire burden of proof on the defendants and requires them to establish their innocence beyond a reasonable doubt. In particular, any joint action by the defendants at any time during the period in question is sufficient to render all of them jointly guilty of the acts committed individually by any of them.

In addition, the statute permits defendants to be tried anywhere in South Africa, regardless of where the crimes were allegedly committed. Consequently, all 35 defendants are being tried in Pretoria, over 1000 miles from Ovamboland, where some of the acts are alleged to have taken place—the other "crimes" for which they are being tried all having occurred in foreign countries, outside both South and South West Africa. Moreover, all 35 are being prosecuted in a single mass trial, although the specific actions attributed to each differ as to their nature and as to the place and date of occurrence, and although the defense of some may be inconsistent with that of other co-defendants.

The burden of defense is further increased since funds from international sources of assistance are liable to seizure and confiscation in South Africa as promoting the aims of the South African Defence and Aid Fund, an organization outlawed by the regime in 1965 because of its help to defendants charged with political offences.

As members of the legal profession concerned by the imminent threat of death of 35 of our fellow men resulting from South Africa's illegal assertion of jurisdiction and of its violation of the Rule of Law and of civilized standards of fair procedure, we the undersigned, protest the unlawful prosecution of South West African citizens under the Terrorism Act, and we call upon our brethern of bench and bar to join us in this protest.

LIST OF SIGNATORIES

(All titles for identification purposes only)

Irving Achtenberg, Kansas City, Mo., National Board member, American Civil Liberties Union.

Sidney W. Albert, Baltimore, Md.

John Arneson, Syracuse, N.Y.

Fletcher N. Baldwin, Jr., Branford, Conn., Associate Professor of Law, University of Florida.

Sheldon G. Bardach, Beverly Hills, Calif.

Derrick A. Bell, Jr., Washington, D.C.

Arthur L. Berger, Harrisburg, Penna.

Alexander M. Bickel, New Haven, Conn., Professor of Law, Yale University.

Robert L. Birmingham, Bloomington, Ind., Faculty Member, Indiana University Law School.

Melvin Block, Brooklyn, N.Y., Editor-in-Chief, Trial Lawyers Quarterly.

Douglass G. Boshkoff, Bloomington, Ind., Faculty Member, Indiana University Law School.

William W. Brackett, Evanston, Ill.

Jack Brian, Upper Darby, Penna.

Justin Brocato, Kalamazoo, Mich.

Robert L. Brock, Beverly Hills, Calif.

Alvin J. Bronstein, Jackson Miss., Chief Staff Counsel, Lawyers Constitutional Defense Committee.

Allen Brown, Cincinnati, Ohio.

Allison W. Brown, Jr., Washington, D.C.

Ralph S. Brown, Jr., New Haven, Conn., Professor of Law, Yale University.

Harold Buchman, Baltimore, Md.

William J. Butler, New York, N.Y. Vice-

Chairman, International League for the Rights of Man, Inc.
Burton Cains, Philadelphia, Penna.
David Carliner, Washington, D.C.
James M. Carter, Philadelphia, Penna.
John Cavanaugh, Jr., Albany, N.Y.
David F. Cavers, Cambridge, Mass., Professor of Law, Law School of Harvard University.
Abram Chayes, Cambridge, Mass., Professor of Law, Law School of Harvard University.
E. Payson Clark, Jr., New York, N.Y.
Theodore W. Coggs, Milwaukee, Wisc.
Jerome Alan Cohen, Cambridge, Mass., Professor of Law, Law School of Harvard University.
Mark I. Cohen, New York, N.Y.
Saul Cohen, Los Angeles, Calif.
Martin D. Cohn, Hazelton, Penna.
Nathaniel S. Colley, Sacramento, Calif.
David Connolly, Rockford, Ill.
Vern Countryman, Cambridge, Mass., Professor of Law, Law School of Harvard University.
Lemuel H. Davis, Raleigh, N.C.
Jack G. Day, Cleveland, Ohio.
Reed P. Dickerson, Bloomington, Ind., Faculty Member, Indiana University Law School.
R. Harcourt Dodds, New York, N.Y. Deputy Commissioner for Legal Matters, New York City Police Department.
George J. Donegan, Springfield, Mo., State Representative, Missouri General Assembly, District 143.
Norman Dorsen, New York, N.Y. Professor of Law and Director, Hays Civil Liberties Programs, New York University School of Law
John H. Downs, St. Johnsbury, Vt.
Stuart J. Dunnings, Jr., Lansing, Mich.
Victor M. Earle, III, New York, N.Y.
Lawrence F. Ebb, Scarsdale, New York.
James M. Edwards, New York, N.Y.
Jack N. Eisendrath, Milwaukee, Wisc.
Thomas I. Emerson, New Haven Conn., Lines Professor of Law, Yale Law School.
William C. Erbecker, Indianapolis, Ind.
Tom J. Farer, New York, N.Y. Assistant Professor of Law, Columbia University Law School.
Shirley Fingerhood, New York, N.Y.
Jefferson B. Fordham, Gladwyne, Pa.
Daniel N. Fox, Pomona, Calif.
Arnold Fraleigh, Falls Church, Va.
Leopold Frankel, Paterson, N.J.
Esther S. Frankel, Paterson, N.J.
Joseph S. Freeland, Paducah, Kentucky.
Harrop H. Freeman, Ithaca, N.Y., Professor of Law, Cornell University Law School.
Newton S. Friedman, Duluth, Minn.
Ralph F. Fuchs, Bloomington, Ind., Faculty Member, Indiana University Law School.
Jack Gallon, Toledo, Ohio, General Counsel, Teamsters and Building Trades Council, Northwestern, Ohio.
Lloyd K. Garrison, New York, N.Y.
William V. George, Forest Park, Ga.
Elmer Gertz, Chicago, Ill.
Ronald D. Giotta, Muskegon, Mich.
Reuben Goodman, Boston, Mass.
Irwin Gostin, San Diego, Calif.
Gidon Gottlieb, New York, N.Y. Professor of Law, New York University Law School.
Wesley L. Gould, Oak Park, Mich.
Paul Grant, Bloomington, Ind., Faculty Member, Indiana University Law School.
Edwin H. Greenebaum, Bloomington, Ind., Faculty Member, Indiana University Law School.
Sylvia G. Grossman, Roslyn, N.Y.
Jeremiah S. Gutman, New York, N.Y., Director, New York Civil Liberties Union.
Max Hara, Fullerton, Calif.
Sam Harris, Tulsa, Oklahoma.
Jeremy T. Harrison, San Francisco, Calif., Assistant Professor, Faculty of Law, University of San Francisco.
Arthur J. Harvey, Albany, N.Y.
William B. Harvey, Bloomington, Ind., Dean, Indiana University Law School.
Francis Heisler, Carmel, Calif.
Lester Harfield, Levittown, N.Y.
H. T. Herrick, Washington, D.C.
Darlington Hoopes, Reading, Penna.
J. Wallace Hopkins, Jr., New York, N.Y.
Jay Jacobson, New York, N.Y.
Earl M. Johnson, Jacksonville, Florida.
Farrell, Jones, Mineola, N.Y., Executive Director, Nassau County Commission on Human Rights.
Joseph A. Jordan, Jr., Norfolk, Va.
Reed C. Juergensmeyer, Bloomington, Ind., Faculty Member, Indiana University Law School.
Marvin Karpatkin, New York, N.Y.
Rhoda Karpatkin, New York, N.Y.
Louis S. Katz, San Diego, Calif.
Leonard J. Kerpelman, Baltimore, Md.
Charles Abraham King, New York, N.Y.
John A. King, Laramie, Wyoming.
Benjamin H. Kizer, Spokane, Washington, National Committee member, American Civil Liberties Union.
Milton R. Konvitz, Ithaca, N.Y., Professor of Law, Cornell University Law School.
Vernon D. Kortering, Muskegon, Mich.
Lawrence Kotin, Baltimore, Md.
Kenneth Kripke, Denver, Colorado.
William M. Kunstler, New York, N.Y.
Gerald B. Lackey, Toledo, Ohio.
Charles Lambeth, Thomasville, North Carolina.
Elizabeth S. Landis, New York, N.Y.
William B. Landis, New York, N.Y.
Robert Layton, New York, N.Y.
Maurice Levinthal, Paterson, N.J.
Stanley D. Levison, New York, N.Y.
Ben G. Levy, Houston, Texas.
Chester I. Lewis, Wichita, Kansas.
Robert Libner, Muskegon, Mich.
George N. Lindsay, New York, N.Y.
Richard A. Lippe, Great Neck, N.Y., Nassau Deputy County Attorney.
Richard Lipsitz, Buffalo, N.Y.
Charles J. Lipton, New York, N.Y.
Oliver J. Lissitzyn, New York, N.Y., Professor of Public Law, Columbia University.
Joseph S. Lobenthal, Jr., New York, N.Y.
Allard K. Lowenstein, New York, N.Y.
S. Arnold Lynch, Louisville, Ky. Chairman, Kentucky Civil Liberties Union.
Seymour Mandel, Los Angeles, Calif.
Benjamin Marcus, Muskegon, Mich.
Harry Margolis, Saratoga, Calif.
Charles R. Markels, Chicago, Ill.
Robert Markewich, New York, N.Y.
Richard T. Marshall, El Paso, Texas.
James C. Maupin, Los Angeles, Calif.
Warren L. McConnico, Tulsa, Oklahoma.
Jerry S. McCroskey, Muskegon, Mich.
Saul H. Mendlovitz, New York, N.Y., Professor of Law, Rutgers University.
Alan Merson, Anchorage, Alaska.
Paul R. Meyer, Portland, Oregon.
John Norton Moore, Charlottesville, Va., Associate Professor of Law, The University of Virginia Law School.
Arval A. Morris, Seattle, Wash., Professor of Law, University of Washington Law School.
Edward Mosk, Los Angeles, Calif.
Jesse Moskowitz, Jersey City, N.J.
Frank E. Munoz, Los Angeles, Calif.
Winston P. Nagan, Durham, N.C.
Mortimer J. Natkins, New York, N.Y.
Carl R. Neil, Portland, Oregon.
Harry K. Nier, Jr., Denver, Colorado.
I. Dabiol Neustein, Long Beach, N.Y.
James G. Orford, Bay City, Mich.
Thomas L. Parsonnet, Newark, N.J.
Daniel G. Partan, Boston, Mass., Professor of Law, Boston University School of Law.
Harry M. Philo, Muskegon, Mich.
Samuel R. Pierce, Jr., New York, N.Y.
Daniel H. Pollitt, Chapel Hill, N.C., Professor of Law, University of North Carolina Law School.
Frank D. Reeves, Washington, D.C., Professor of Law, Howard University.
Edward S. Reid, New York, N.Y.
Steven Jay Rieff, Baltimore, Md.
Catherine G. Roraback, New Haven, Conn.
William S. Rose, Kenosha, Wisconsin.
Simon Rosenzweig, White Plains, N.Y.
Margaret L. Rosenzweig, White Plains, N.Y.
Leslie Rubin, Washington, D.C.
Norman G. Rudman, Hollywood, Calif.
Jeswald W. Salacuse, New York, N.Y., Associate Director, African Law Center.
Frank E. A. Sandar, Cambridge, Mass., Professor of Law, Harvard University School of Law.
Rudold B. Schlesinger, Ithaca, N.Y., William Nelson Cromwell Professor International and Comparative Law, Cornell University Law School.
Morris H. Schneider, Mineola, N.Y.
Manuel Schultz, Westport, Conn.
Alan U. Schwartz, New York, N.Y.
Frederick A. O. Schwarz, Jr., New York, N.Y.
Ralph L. Selby, Bay City, Mich.
Thomas L. Shaffer, Notre Dame, Ind., Professor of Law, University of Notre Dame.
Frank C. Shearer, Columbus, Ohio.
Robert R. Shelley, Alhambra, Calif.
Daniel H. Shertzer, Lancaster, Pa.
Leon P. Simmonds, Endicott, N.Y.
Tobias Simon, Miami, Florida.
Thomas H. Singer, South Bend, Ind.
Lawrence Smirlock, Jackson Heights, N.Y.
Seymour J. Spelman, Arlington, Va.
Asa D. Sokolow, New York, N.Y.
Morton Stavis, Newark, N.J.
Leonard P. Strickman, Boston, Mass., Assistant Professor of Law, Boston University School of Law.
Clyde W. Summers, New Haven, Conn., professor of Law, Yale University Law School.
Maynard F. Swanson, Jr., Clearwater, Florida.
Charles H. W. Talbot, Seattle, Wash.
Herman L. Taylor, Greensboro, N.C.
Philip C. Thorpe, Bloomington, Ind., Assistant Dean, Indiana University Law School.
James Vorenberg, Cambridge, Mass., Professor of Law, Law School of Harvard University.
Wence J. Wagner, Bloomington, Ind., Professor of Law, Indiana University Law School.
Saul C. Waldbaum, Philadelphia, Penna.
Lawrence J. Walsh, Wolfeboro, New Hampshire.
Henry Weihofen, Albuquerque, N. Mex., Professor of Law, University of New Mexico.
Bernard Weisberg, Chicago, Ill.
Peter Weiss, New York, N.Y.
Howard S. Whiteside, Boston, Mass.
Herbert Whyman, New York, N.Y.
Judith P. Wilkenfeld, Bloomington, Ind., Faculty Member, Indiana University Law School.
Bertram F. Willcox, Ithaca, N.Y., Professor of Law, Cornell University Law School (*Emeritus*).
R. Marshall Witten, Bennington, Vt.
Jack Wysoker, New Brunswick, N.J.
William H. Zinman, Baltimore, Md.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 13893 MAKING APPROPRIATIONS FOR FOREIGN ASSISTANCE

Mr. WHITTEN. Mr. Speaker, by direction of the Committee on Appropriations, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a further conference report on the bill H.R. 13893 making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes.

The SPEAKER pro tempore (Mr. PATTEN). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to:

Mr. Roberts (at the request of Mr. Albert), for the remainder of the week, on account of official business.

Mr. Nichols (at the request of Mr. Albert), for today and the balance of the week, on account of official business.

Mr. Moss, for 7 days, on account of official business.

Mr. Adams, until December 19, 1967, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Abernethy, for 30 minutes, today; to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. Watkins) to revise and extend their remarks and to include extraneous matter:)

Mr. Halpern, for 5 minutes, today.

Mr. Cahill, for 20 minutes, today.

Mr. Minshall, for 15 minutes, today.

Mr. Conyers, for 1 hour, today.

Mr. Gross, on January 16, 1968, for 1 hour.

Mr. Bevill, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks was granted to:

Mr. Hébert.

(The following Members (at the request of Mr. Watkins) and to include extraneous matter:)

Mr. Hutchinson.

Mr. Winn.

Mr. Kupferman.

Mr. Wyman.

Mr. Price of Texas.

(The following Members (at the request of Mr. Conyers) and to include extraneous matter:)

Mr. Carey.

Mr. Murphy of Illinois.

Mr. Randall.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 10595. An act to prohibit certain banks and savings and loan associations from fostering or participating in gambling activities.

ADJOURNMENT

Mr. CONYERS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 17 minutes p.m.) the House adjourned until tomorrow, Friday, December 15, 1967, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1281. A letter from the Deputy Administrator for Program, Department of State, Agency for International Development, transmitting the annual report containing the information required by section 634(e) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

1282. A letter from the Comptroller General of the United States, transmitting a report of need for guidance to States on contracting for administrative services under federally aided public assistance programs, Social and Rehabilitation Service, Department of Health, Education, and Welfare; to the Committee on Government Operations.

1283. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal, pursuant to 63 Stat. 377; to the Committee on House Administration.

1284. A letter from the Adjutant General, Veterans of Foreign Wars of the United States, transmitting the proceedings of the 68th national convention of the Veterans of Foreign Wars held in New Orleans, La., August 20–25, 1967, pursuant to the provisions of Public Law 88–224 (H. Doc. No. 197); to the Committee on Armed Services, and ordered to be printed with illustrations.

1285. A letter from the Administrator, Department of Transportation, Federal Aviation Administration, transmitting a report of foreign excess property disposed of during fiscal year 1967, pursuant to the provisions of Public Law 81–152; to the Committee on Government Operations.

1286. A letter from the Secretary of Transportation, transmitting a report of the commissary operations for fiscal year 1967, pursuant to the provisions of 5 U.S.C. 596a; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FRIEDEL: Committee on House Administration. House Resolution 1003. Resolution providing additional postage for Members and officers of the House of Representatives (Rept. No. 1045). Ordered to be printed.

Mr. PASSMAN: Committee of conference. H.R. 13893. An act making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes (Rept. No. 1046). Ordered to be printed.

Mr. MAHON: Committee of conference. H.R. 14397. An act making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes (Rept. No. 1047). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS:

H.R. 14471. A bill to amend title 18 of the United States Code to prohibit travel or use of any facility in interstate or foreign commerce with intent to incite a riot or other violent civil disturbance, and for other purposes; to the Committee on the Judiciary.

H.R. 14472. A bill to authorize the construction of bridges across the Harvey Canal and the Bayou Segnette in Jefferson Parish, La.; to the Committee on Public Works.

By Mr. BOLAND:

H.R. 14473. A bill to provide for orderly trade in iron and steel mill products; to the Committee on Ways and Means.

By Mr. KLUCZYNSKI (for himself, Mr. Blatnik, Mr. Clark, Mr. Edmondson, Mr. Johnson of California, Mr. Olsen, Mr. Waldie, Mrs. Hansen of Washington, Mr. Harsha, Mr. Zion, and Mr. McDonald of Michigan):

H.R. 14474. A bill to amend section 127 of title 23 of the United States Code relating to vehicle weight and width limitations on the Interstate System, in order to make certain increases in such limitations; to the Committee on Public Works.

Mr. MOSS:

H.R. 14475. A bill providing for full disclosure of corporate equity ownership of securities under the Securities Exchange Act of 1934; to the Committee on Interstate and Foreign Commerce.

By Mr. WAGGONNER:

H.R. 14476. A bill to restrict travel in violation of area restrictions; to the Committee on the Judiciary.

By Mr. ZABLOCKI:

H.R. 14477. A bill to amend the Internal Revenue Code of 1954 to provide that industrial development bonds are not to be considered obligations of States and local governments, the interest on which is exempt from Federal income tax; to the Committee on Ways and Means.

By Mr. de la GARZA:

H.R. 14478. A bill to provide relief to property owners in the area of the South Port Isabel No. 2 urban renewal project in Port Isabel, Tex., whose properties were damaged by Hurricane Beulah, 1967; to the Committee on Banking and Currency.

By Mr. EDMONDSON:

H.R. 14479. A bill to provide incentives for the establishment of new or expanded job-producing industrial and commercial establishments in rural areas; to the Committee on Ways and Means.

By Mr. HALL:

H.R. 14480. A bill to provide for the renegotiation of contracts entered into prior to July 15, 1967, calling for the delivery after July 14, 1967, of articles containing silver; to the Committee on the Judiciary.

By Mr. PETTIS:

H.R. 14481. A bill to provide for the appointment of additional circuit judges; to the Committee on the Judiciary.

By Mr. WATSON:

H.R. 14482. A bill to designate the hospital authorized to be constructed at Fort Jackson, S.C., as the John J. Riley Memorial Hospital; to the Committee on Armed Services.

By Mr. CHAMBERLAIN:

H.R. 14483. A bill to provide criminal penalties for certain travel under a U.S. passport in violation of certain passport restrictions; to the Committee on the Judiciary.

By Mr. MURPHY of New York:

H.R. 14484. A bill to authorize the Secretary of Transportation to prescribe safety standards for the transportation of natural and other gas by pipeline, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RAILSBACK:

H.R. 14485. A bill to prohibit unfair trade practices affecting producers of agricultural products and associations of such producers, and for other purposes; to the Committee on Agriculture.

By Mr. BURTON of California (for himself and Mrs. Mink):

H.R. 14486. A bill to establish a Federal oil shale development program, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR:

H.R. 14487. A bill to amend the Saline Water Conservation Act as it relates to foreign activities; to the Committee on Interior and Insular Affairs.

H.R. 14488. A bill to amend the Saline Water Conversion Act as it relates to foreign activities; to the Committee on Interior and Insular Affairs.

By Mr. VANDER JAGT:

H.R. 14489. A bill to authorize the Federal Government to appropriate funds to the State of Michigan for the establishment of a Sleeping Bear Dunes Park and to provide the technical assistance as needed to consummate land purchases, legal obligations, and the establishment of necessary conservation and recreational safeguards associated thereto; to the Committee on Interior and Insular Affairs.

By Mr. YOUNG:

H.R. 14490. A bill authorizing a survey of Oso Creek, Tex., in the interest of flood control and allied purposes; to the Committee on Public Works.

By Mr. ROSENTHAL:

H.R. 14491. A bill to provide for the transfer of the Selective Service System to the Executive Office of the President; to the Committee on Armed Services.

By Mr. CONYERS (for himself, Mr. Brown of California, Mr. Burton of California, Mr. Edwards of California, Mr. Farbstein, Mr. Gilbert, Mr. Roybal, Mr. Ryan, Mr. Resnick, and Mr. Rosenthal):

H.R. 14492. A bill to assure to every American a full opportunity to have adequate employment, housing, and education, free from any discrimination on account of race, color, religion, or national origin, and for other purposes; to the Committee on Education and Labor.

By Mr. CONYERS (for himself, Mr. Brown of California, Mr. Burton of California, Mr. Edwards of California, Mr. Farbstein, Mr. Gilbert, Mr. Roybal, Mr. Resnick, and Mr. Rosenthal):

H.R. 14493. A bill to assure every American a full opportunity to obtain adequate employment and employment training, and for other purposes; to the Committee on Education and Labor.

H.R. 14494. A bill to assure every American workingman and woman, without exception, a minimum wage of $2 an hour, and for other purposes; to the Committee on Education and Labor.

H.R. 14495. A bill to assure every American the full opportunity to obtain employment free from any discrimination on account of race, color, religion, national origin, or sex, and for other purposes; to the Committee on Education and Labor.

H.R. 14496. A bill to provide monthly family allowances for the care, education, and advancement of all American children, and for other purposes; to the Committee on Ways and Means.

H.R. 14497. A bill to assure every American the full opportunity to obtain adequate housing for himself and his family, and for other purposes; to the Committee on Banking and Currency.

H.R. 14498. A bill to assure every American a full opportunity to obtain housing for himself and his family free from any discrimination on account of race, color, religion, or national origin, and for other purposes; to the Committee on the Judiciary.

H.R. 14499. A bill to assist local educational agencies to carry out programs for more effective schools where there are high concentrations of children from low-income families, and for other purposes; to the Committee on Education and Labor.

H.R. 14500. A bill to assure a full educational opportunity beyond high school for all Americans through long-term, low-interest loans and increased construction grants to stimulate a greatly increased number of teachers in low-income areas, and for other purposes; to the Committee on Education and Labor.

By Mr. MOSS:

H.J. Res. 958. Joint resolution to authorize the Secretary of Transportation to conduct a comprehensive study and investigation of the existing compensation system for motor vehicle accident losses and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WYMAN:

H.J. Res. 959. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. RARICK:

H. Con. Res. 602. Concurrent resolution to express the sense of Congress that the Interstate Commerce Commission should exercise its authority to prevent discontinuance of railroad passenger service and that the Postmaster General should continue existing arrangements for railroad mail transportation; to the Committee on Interstate and Foreign Commerce.

By Mr. GARDNER:

H. Con. Res. 603. Concurrent resolution expressing the sense of the Congress with respect to the settlement of the indebtedness of the Republic of France to the United States; to the Committee on Ways and Means.

By Mr. PATMAN (for himself, Mr. Annunzio, Mr. Brown of California, Mr. Button, Mr. Friedel, Mr. Gonzalez, Mr. Helstoski, Mr. Hicks, Mr. Holifield, Mr. Karth, Mr. Matsunaga, Mr. Minish, Mrs. Mink, Mr. O'Hara of Illinois, Mr. Olsen, Mr. Pucinski, Mr. Rees, Mr. Rodino, Mr. Roybal, Mr. Ryan, Mr. Steed, Mrs. Sullivan, Mr. Vanik, Mr. Charles H. Wilson, and Mr. Wolff):

H. Res. 1006. Resolution to bring about lower interest rates; to the Committee on Rules.

By Mr. BARRETT (for himself, Mr. Daniels, Mrs. Kelly, Mr. McFall, Mr. Moss, Mr. Rhodes of Pennsylvania, and Mr. Tenzer):

H. Res. 1007. Resolution to bring about lower interest rates; to the Committee on Rules.

By Mr. MACHEN (for himself and Mr. Cleveland):

H. Res. 1008. Resolution authorizing the employment by each Member of the House of Representatives and the Resident Commissioner from Puerto Rico of not more than two additional persons to be paid from the existing basic clerk hire allowance of such Member or Resident Commissioner; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 14501. A bill for the relief of Pasquale Alessi; to the Committee on the Judiciary.

H.R. 14502. A bill for the relief of Biagio Caruso; to the Committee on the Judiciary.

By Mr. BELL:

H.R. 14503. A bill for the relief of Lt. Col. Edward Aaron; to the Committee on Armed Services.

By Mr. CAREY:

H.R. 14504. A bill for the relief of Giuseppe D'Aguanno; to the Committee on the Judiciary.

By Mr. DOW:

H.R. 14505. A bill for the relief of Mr. Alfredo Pizzi; to the Committee on the Judiciary.

By Mr. EILBERG:

H.R. 14506. A bill for the relief of Lourdes S. Aquino; to the Committee on the Judiciary.

By Mr. FINO:

H.R. 14507. A bill for the relief of Carmelo Galluzzo; to the Committee on the Judiciary.

By Mr. GIBBONS:

H.R. 14508. A bill for the relief of Dr. Carlos T. Toledo; to the Committee on the Judiciary.

By Mrs. GREEN of Oregon:

H.R. 14509. A bill for the relief of Dr. Raymond Gerard Joseph Veillet; to the Committee on the Judiciary.

By Mrs. KELLY:

H.R. 14510. A bill for the relief of Riccardo Giometto; to the Committee on the Judiciary.

H.R. 14511. A bill for the relief of Israel and Rivka Hershkof; to the Committee on the Judiciary.

By Mr. KYROS:

H.R. 14512. A bill for the relief of Ng Chan Sun; to the Committee on the Judiciary.

By Mr. McCLORY:

H.R. 14513. A bill for the relief of Zumrut Sooley; to the Committee on the Judiciary.

By Mr. MESKILL:

H.R. 14514. A bill for the relief of Frederico Guercio; to the Committee on the Judiciary.

H.R. 14515. A bill for the relief of Michelino Miano; to the Committee on the Judiciary.

By Mr. NIX:

H.R. 14516. A bill for the relief of Panagiotis Gougoumis; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:

H.R. 14517. A bill for the relief of Etem Nazifovski; to the Committee on the Judiciary.

By Mr. RESNICK:

H.R. 14518. A bill for the relief of Federico Barbuto; to the Committee on the Judiciary.

H.R. 14519. A bill for the relief of Riccardo Giometto; to the Committee on the Judiciary.

By Mr. ROONEY of New York:

H.R. 14520. A bill for the relief of Mr. and Mrs. Domenico Russo and children, Giovanni and Rita Russo; to the Committee on the Judiciary.

By Mr. SCHEUER:

H.R. 14521. A bill for the relief of Timothy L. Ancrum also known as Timmie Rogers; to the Committee on the Judiciary.

By Mr. SMITH of Iowa:

H.R. 14522. A bill for the relief of Dr. Kashmiri L. Arora and Swarn Arora; to the Committee on the Judiciary.

SENATE

Thursday, December 14, 1967

The Senate met at 9 a.m., and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Let us pray that all who seek to promote goodwill and understanding in the world may be renewed in strength and courage: That men may realize more clearly—not the barriers that divide them—but the bands which unite them: That we may conquer, not as a nation over nation, but as man over himself and his own weakness: That the true spirit of Christmas with all its joy, its hope, and above all, its abiding faith, may dwell among us; that the blessings of peace may be in our hearts, peace to grow in grace, to live in harmony and unity with others, and to look forward with confidence to the future.

We ask it in Jesus Christ our Lord. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, December 13, 1967, be dispensed with.

The PRESIDENT pro tempore. Without objection it is so ordered.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar, beginning with Calendar No. 905 and the succeeding measures in sequence.

The PRESIDENT pro tempore. Without objection, it is so ordered.

STUDIES BY THE COMMITTEE ON PUBLIC WORKS

The Senate proceeded to consider the resolution (S. Res. 189) to authorize certain additional studies by the Committee on Public Works, which had been reported from the Committee on Public Works with an amendment and reported from the Committee on Rules and Administration without additional amendment.

The amendment of the Committee on Public Works follows:

On page 1, after line 3, strike out:

"In furtherance of the understanding of matters coming within its jurisdiction, the Committee on Public Works is authorized to contract with public and private agencies, institutions, and organizations and with individuals for the purpose of conducting a study or studies relating to the movement of commuter traffic into and out of the Washington, District of Columbia metropolitan area, to test the relationship between highway facilities and other modes of commuter services in the movement of people at peak hours, especially from those areas beyond the range of projected mass transit and urban freeway facilities, to the disposal of solid waste originating in the Washington, District of Columbia metropolitan area by such manner and means as will obviate air and water pollution in the Washington, District of Columbia metropolitan area; and to test the feasibility of creating satellite communities within a reasonable radius of the Washington, District of Columbia metropolitan area, all designed to test the impact of proposals which will affect various programs authorized by the Committee on Public Works pertaining to flood control, navigation, rivers and harbors, roads and highways, water pollution, air pollution, solid waste disposal, public buildings, and all features of water resource development and economic growth."

And, in lieu thereof, insert:

"In furtherance of the understanding of matters coming within its jurisdiction, the Committee on Public Works is authorized to contract with public and private agencies, institutions, and organizations and with individuals for the purpose of conducting a study or studies relating to the movement of commuter traffic into and out of the Washington, District of Columbia metropolitan area, to study the relationship between highway facilities and other modes of commuter services in the movement of people from those areas beyond the proposed range of projected mass transit and urban freeway facilities, to the disposal of solid waste originating in the Washington, District of Columbia metropolitan area by such manner and means as will obviate air and water pollution in the Washington, District of Columbia metropolitan area, all designed to measure the impact of proposals which will affect various programs authorized by the Committee on Public Works pertaining to flood control, navigation, rivers and harbors, roads and highways, water pollution, air pollution, solid waste disposal, public buildings, and all features of water resource development and economic growth: *Provided, however,* That this study shall not be conducted in such a manner so as to reexamine, compete, delay or interfere with the planning, financing or construction of the rapid transit system presently planned by the Washington Metropolitan Area Transit Authority. The Committee on Public Works will coordinate its activities with the activities of other committees of the Senate having legislative jurisdiction related to the general subject matter of the study or studies to be undertaken."

So as to make the resolution read:

S. Res. 189

Resolved, That S. Res. 23 as considered, amended, and agreed to, is amended by adding the following new paragraph at the end of section 1 thereof:

"In furtherance of the understanding of matters coming within its jurisdiction, the Committee on Public Works is authorized to contract with public and private agencies, institutions, and organizations and with individuals for the purpose of conducting a study or studies relating to the movement of commuter traffic into and out of the Washington, District of Columbia metropolitan area, to study the relationship between highway facilities and other modes of commuter services in the movement of people from those areas beyond the proposed range of projected mass transit and urban freeway facilities, to the disposal of solid waste originating in the Washington, District of Columbia metropolitan area by such manner and means as will obviate air and water pollution in the Washington, District of Columbia metropolitan area, all designed to measure the impact of proposals which will affect various programs authorized by the Committee on Public Works pertaining to flood control, navigation, rivers and harbors, roads and highways, water pollution, air pollution, solid waste disposal, public buildings, and all features of water resource development and economic growth: *Provided, however,* That this study shall not be conducted in such a manner so as to reexamine, compete, delay or interfere with the planning, financing or construction of the rapid transit system presently planned by the Washington Metropolitan Area Transit Authority. The Committee on Public Works will coordinate its activities with the activities of other committees of the Senate having legislative jurisdiction related to the general subject matter of the study or studies to be undertaken."

Section 4 of S. Res. 23 as considered, amended, and agreed to by the Senate on February 7, 1967, is further amended by striking the words, "$165,000", and inserting in lieu thereof, "$185,000".

The amendment was agreed to.

The resolution as amended was agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 923), explaining the purposes of the resolution.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

Senate Resolution 189 as amended would amend Senate Resolution 23, agreed to February 17, 1967, by authorizing the Committee on Public Works (1) to contract for studies designed to measure the impact of proposals which would affect various programs authorized by that committee pertaining to subjects within its jurisdiction, and (2) to expend not to exceed $20,000 for such purposes through January 31, 1968.

The purpose of the expanded inquiry is expressed by Senator Jennings Randolph, chairman of the Committee on Public Works, as follows:

"The funds which would be authorized by Senate Resolution 189 would be for the purpose of beginning a study of the feasibility of upgrading existing rail rights-of-way in the Washington metropolitan area within a hundred-mile radius of Union Station, to provide high-speed commuter transportation and thereby achieve a substantial reduction in auto congestion on the freeways and in air pollution in the District of Columbia. Also to be examined in this study will be the feasibility of using rails to haul solid waste from the city of Washington to sanitary land fills in the outlying regions."

Pursuant to Senate Resolution 23, the Committee on Public Works is authorized to expend not to exceed $165,000 from February 1, 1967, through January 31, 1968, to examine, investigate, and make a complete study of any and all matters pertaining to flood control, navigation, rivers and harbors, roads and highways, water pollution, air pollution, and all features of water resource development and economic growth.

Section 1 of Senate Resolution 189 as amended would augment the committee's investigative jurisdiction as expressed in Senate Resolution 23 by the addition of the following provision:

"In furtherance of the understanding of matters coming within its jurisdiction, the Committee on Public Works is authorized to contract with public and private agencies, institutions, and organizations and with individuals for the purpose of conducting a study or studies relating to the movement of commuter traffic into and out of the Washington, District of Columbia metropolitan area, to study the relationship between highway facilities and other modes of commuter services in the movement of people from those areas beyond the proposed range of projected mass transit and urban freeway facilities, to the disposal of solid waste originating in the Washington, District of Columbia metropolitan area by such manner and means as will obviate air and water pollution in the Washington, District of Columbia metropolitan area, all designed to measure the impact of proposals which will affect various programs authorized by the Committee on Public Works pertaining to flood control, navigation, rivers and harbors, roads and highways, water pollution, air pollution, solid waste disposal, public buildings, and all features of water resource development and economic growth: *Provided, however,* That this study shall not be conducted in such a manner so as to reexamine, compete, delay or interfere with the planning, financing or construction of the rapid transit system presently planned by the Washington Metropolitan Area Transit Authority. The Committee on Public Works will coordinate its activities with the activities of other committees of the Senate having legislative jurisdiction related to the general subject matter of the study or studies to be undertaken."

Section 2 of Senate Resolution 189, as amended, would increase by $20,000—from $165,000 to $185,000—the limitation of expenditures specified for the Committee on Public Works by Senate Resolution 23.

BILL PASSED OVER

The bill (S. 793) to provide for the conveyance of certain real property of the United States to the Alabama Space Science Exhibit Commission was announced as next in order.

Mr. MANSFIELD. Over, Mr. President.

The PRESIDING OFFICER (Mr. HARRIS in the chair). The bill will be passed over.

GREENE COUNTY, MISS.

The bill (S. 1902) for the relief of Greene County, Miss., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1902

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Greene County, Mississippi, the sum of $46,455, in full satisfaction of all claims of such county against the United States or reimbursement of expenditures made by such county against the United States for reimbursement of expenditures made by such county for the maintenance from July 1954 through December 1966, of eleven and four-tenths miles of United States Forest Service Road 216 (commonly known as Grafton Road) located in Supervisor's Districts 2 and 3 of Greene, County, Mississippi: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 924), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to authorize and direct the Secretary of the Treasury to pay $46,455, out of any money in the Treasury not otherwise appropriated, to Greene County, Miss. This payment would be in full satisfaction of all claims Greene County has against the United States for reimbursement of expenditures the county made for maintenance of 11.4 miles of Forest Service Road 216 during the period July 1954 through December 1966.

STATEMENT

U.S. Forest Service Road No. 216 (commonly known as the Grafton Road) was constructed by the Civilian Conservation Corps in the 1930's, principally on U.S. Forest Service lands and is located in supervisor's districts 2 and 3 of Greene County, Miss.

That part of Forest Service Road No. 216 in question is 11.4 miles in length, 2.2 miles being located in supervisor's district No. 2, and 9.2 miles being located in supervisor's district 3 of Greene County, Miss.

This U.S. Forest Service road crosses private as well as national forest lands, and in July 1938, the respective owners of the private lands on which these roads are situated conveyed rights-of-way across their lands for this road to the Board of Supervisors of Greene County, Miss. Attached as exhibits are certified copies of the deeds of July 6, 1938, from the private land owners to the county. After title to the rights-of-way across private lands were conveyed to the Board of Supervisors of Greene County, Miss., the board of supervisors, by deed dated July 27, 1938, conveyed all of its right, title, and interest therein to the United States of America. Attached is certified copy of the minutes of the Board of Supervisors of Greene County, Miss., for its July 1938, term, granting permission to the United States of America to construct the Forest Service road and telephone lines and authorizing the conveyance of the county-owned rights-of-way to the United States of America for the Forest Service road. Attached as exhibit is certified copy of deed of July 27, 1938, executed by the Board of Supervisors of Greene County, Miss., to the United States of America, for road right-of-way, in accordance with the resolution of the board of supervisors authorizing this action. It is noted from the deed that this is a *perpetual right-of-way* over and across the lands, *the right-of-way to be used by the United States for the construction, reconstruction, and maintenance of a public road.* It is the contention of Greene County, Miss., that the conveyance of this right-of-way was made for the consideration of the *construction, repair,* and *maintenance* of this road and that the conveyance was made by the county and accepted by the Forest Service on that basis, and constituting a valid, subsisting, and binding agreement between the parties, and which should be honored accordingly.

The conveyance by Greene County to the United States is still valid and outstanding of record, and in full force and effect. The conveyance and agreement have never been changed, altered, or amended by either the county or the Forest Service. On June 2, 1966, the regional forester, J. K. Vessey, had filed in Greene County, Miss., an "affidavit of abandonment," and which shows to have been acknowledged by Mr. Vessey in Fulton County, Ga., on February 25, 1966. However, this is a self-serving instrument, apparently executed in an attempt to force the county to drop its claim, and of no legal effect or purport in the committee's opinion, and the "affidavit of abandonment" is disputed and contradicted by the proposed agreement between the Forest Service and the Greene County Board of Supervisors, of June 3, 1965, a copy of which agreement is attached hereto, and by agreements entered into between the Forest Service and the Mississippi Highway Department.

Forest Service Road No. 273, wholly in district 3 of Greene County, Miss., was taken over by Greene County, Miss., in the year 1961, and the U.S. Forest Service paid some $16,500 to district 3 of Greene County, Miss., for partial reimbursement for past work and maintenance of this road. Greene County has worked the road since 1961 with its own funds.

About July 1954, the U.S. Forest Service arbitrarily stopped maintenance and upkeep of Forest Service Road 216, without notice, abandonment of the road or other official action or agreement or arrangement with Greene County, Miss., and the road was left with no maintenance until about October 1954. The Forest Service continued to use the road and the great majority of traffic on the road was vehicles of the Forest Service, its agents and employees, contractors, and forestry workers and almost all of the loaded vehicles using this road were hauling forestry products obtained from the U.S. forest in the area serviced by Forest Service Road No. 216. In order to serve the public and to keep and maintain this road in a state of usefulness, including extensive use thereof by the U.S. Forest Service, its employees, contractors, and workers, and to move its timber and forestry products, and because of the protests and pressures of forestry personnel and the public, districts 2 and 3 of Greene County were obliged to take over and repair, rebuild and maintain this road. It had been left in an impassable condition and it was necessary that some action then be taken. Districts 2 and 3 of Greene County, Miss., have repaired, rebuilt, kept up, and maintained this road for almost 13 years, at county expense, and during this time the road has been of more benefit to and of more service to the United States for its Forest Service than to the general public of the county or any of its districts.

It is the opinion and feeling of the Board of Supervisors of Greene County, Miss., that districts 2 and 3 of Greene County should be reimbursed and paid for its expenditures in the repair, rebuilding, upkeep and maintenance of this road. Greene County has not received any funds or moneys in the matter of the maintenance, rebuilding, repair, and upkeep of road 216, while surrounding and adjoining areas, counties and supervisor's districts have received reimbursement, payments, benefits, and funds from the U.S. Forest Service in identical and similar situations, far in excess of that to which districts 2 and 3 of Greene County maintain they are entitled.

It is the county's sincere feeling and belief that the county and the districts have not been treated fairly or equitably in the matter and it has repeatedly asked for hearings on these roads, but these requests have not been granted or acknowledged. It is also Greene County's opinion that it has been discriminated against, as adjoining counties and adjoining districts have received substantial benefits from the U.S. Forest Service in identical situations. Repealed requests for favorable consideration and repeated attempts to secure a hearing on the matter have been to no avail.

A meeting was held at New Augusta, Perry County, Miss., in April 1964, and at this meeting there were present, among others, Congressman William M. Colmer, and Mr. Kelley B. Heffner, regional engineer, U.S. Forest Service, Atlanta, Ga.; and Mr. M. M. (Red) Nelson, assistant chief engineer, U.S. Forest Service, Washington, D.C.; and Mr. J. E. Franson, forest supervisor, Jackson, Miss.; and Mr. W. O. Farnum, Jr., chief engineer, Forest Service, Jackson, Miss.; and Mr. Rex Phillips and Mr. Dave Rogers, county engineers for Perry and Greene Counties, Miss., and members of the boards of supervisors from Greene, Perry, and Wayne Counties, Miss. At this meeting the matter of U.S. Forest Service roads, including road 216, were discussed. It was then undertaken to establish and set amounts to be paid by the Forest Service to Greene, Perry, and Wayne Counties, Miss., for reimbursement for funds spent on repairing, rebuilding, maintaining, and improving Forest Service roads in the three counties. The road involved in Perry and Wayne Counties, Miss., was the Forest Service road commonly known as the Mulberry Road, and which had the same status and situation as Forest Service road 216 in Greene County, Miss.

The supervisors concerned in Perry and Wayne Counties were asked to prepare cost estimates and figures on the Mulberry Road and the supervisors from districts 2 and 3 of Greene County asked for the same consideration as pertained to road 216, and the supervisors of Greene County were then requested by the representatives and officials of the U.S. Forest Service not to bring up or ask for reimbursement from the Forest Service on road 216 until the matter of the Forest Service road known as the Mulberry Road was taken care of, and that then Greene County would be reimbursed. At the meeting both Mr. Heffner and Mr. Nelson agreed that road 216 was in the same situation as the Mulberry Road and that districts 2 and 3 of Greene County should be paid and reimbursed for the maintenance, upkeep, repair, and construction on this road and that they intended to see that these districts were paid and reimbursed for these services as soon as the matter of the Mulberry Road had been straightened out. The Forest Service requested that the county engineers of Greene County prepare the necessary information on maintenance of this road and have it available so that as soon as the Mulberry Road payments for Perry and Wayne Counties had been disposed of the payments to districts 2 and 3 of Greene County on road 216 could be put in line for payment and consideration the same as the Mulberry Road. This was entirely agreeable to the supervisors of districts 2 and 3 of Greene County, Miss., and they felt that all parties were acting in good faith. At this meeting it was brought up and pointed out that the U.S. Forest Service was receiving from the haulers of forestry products certain funds and payments designated and earmarked for maintenance of these roads and that these should be and would be turned over to the county or supervisor's district for the purpose of maintenance and upkeep of these roads, and for reimbursement for past repairs, upkeep, and maintenance. All estimates and data requested have been furnished by the county to the Forest Service.

After the meeting at New Augusta, Miss., Perry County received cash payment from the U.S. Forest Service in an amount in excess of $64,000 on the Mulberry Road, and Wayne County received a cash payment from the U.S. Forest Service on the Mulberry Road in the sum of about $92,000. At the meeting at New Augusta the Wayne County officials had asked for only $72,000, but the Forest Service payment was in the amount of $92,000.

Greene County points out that Wayne County joins Greene County to the north and Perry County joins Greene County to the west. These are neighboring and adjoining counties and neighboring and adjoining supervisor's districts, and the Mulberry Road was in the same situation and status as road 216 in Greene County, and the same as road 273 before it was taken over by Greene County. Title to all of these roads was still in the U.S. Forest Service and maintenance by the various counties has been the same conditions.

The Forest Service had asked the supervisors of districts 2 and 3 of Greene County to wait until the Mulberry Road matter had been settled and then the Forest Service would settle with districts 2 and 3 on road 216. After the Mulberry matter had been settled, Greene County supplied all engineering data, cost data, maintenance, upkeep, repair, and construction costs, estimates, and data, and the Forest Service, after considerable delay and various excuses, refused to make payments to districts 2 and 3 of Greene County, Miss., which the county feels is an arbitrary position taken by the Forest Service and is discriminatory against Greene County. The Forest Service has not treated Greene County fair, equitably or just, especially in view of the grants made to the counties and districts adjoining districts 2 and 3 of Greene County, Miss.

It is the contention of Greene County that districts 2 and 3 of Greene County should be reimbursed for their expenditures and expenses for the upkeep, repair, and maintenance of this road for some 13 years.

True, road 216 has been designated as a part of Mississippi State Highway No. 42. However, the designation of the road as a State highway did not mean that the highway department had taken over the road or that the State highway department had made available any funds. The State highway department did not have legal or equitable title to the road, as the same was vested in the United States of America, and the designation of the road as a State highway had no effect or consequence, but was for planning purposes only.

Greene County has never accepted road 216 from the U.S. Forest Service or any other agency and the Forest Service had never attempted to abandon this road 216 until the so-called "affidavit of abandonment", was filed for record in Greene County, Miss., on June 3, 1965. This was after the Forest Service had negotiated for some time with Greene County on this road and had offered a token settlement, as evidenced by the agreement attached hereto as an exhibit. In fact, Forest Service Road 216 has been designated as a Forest Service highway, which is contrary to any idea or claim of abandonment, and it is the county's understanding that the Forest Service is authorized to apply funds to the road to bring it up to present acceptable standards and, in fact, the Forest Service has negotiated with and assured the Mississippi State Highway Department that it has the right-of-way for the roads and will furnish to the State highway department whatever rights-of-way are required when this road is made into a State highway, and has pledged funds for the road. It is the contention of Greene County that the Forest Service never abandoned nor intended to abandon the road, but has claimed and does now claim title to and ownership of the road right-of-way.

At the meeting in New Augusta, Miss., in April 1964, this matter was thoroughly and fully discussed and all parties have knowledge of the conditions and circumstances. At that time Mr. Heffner and Mr. Nelson requested figures and estimates for the maintenance and upkeep of the road and also for the bringing of the road up to acceptable standards, and the county engineers of Greene County compiled and furnished to the Forest Service these figures. Then, the Forest Service arbitrarily declined to make any assistance or payments whatever and denied the claims of district 2 and 3.

The Forest Service has contended it abandoned this road, but the county contends that this position is not well taken, because the road has been and now is designated as a U.S. forest highway and the U.S. Forest Service has entered into agreements with the Mississippi State Highway Department regarding the building of this road and has committed or agreed to commit funds to assist in its construction. Further, as late as January 12, 1965, Mr. Edward P. Cliff, of the U.S. Department of Agriculture, Forest Service, contacted the attorney for the Greene County Board of Supervisors regarding the appropriation and transfer of the necessary easement for the road to the State of Mississippi or its nominee. The county contends that this again proves that the Forest Service has title to this road and now is claiming title; otherwise, it could not convey title thereto.

The Forest Service has contended that it has no authority to reimburse district 2 and 3 of Greene County for previous expenditures made by them on the road. This contention is not well taken because such expenditures have been made on the Mulberry road by the Forest Service, the Mulberry road being in counties and districts adjacent to districts 2 and 3 of Greene County. If the Forest Service has the right and obligation to pay for the Mulberry road in adjoining counties and districts, then it also has the right and obligation to pay Greene County for the same maintenance work. Further, in June 1965, the Forest Service proposed an agreement with Greene County for the repair of certain bridges, in total amount of $13,000, on Forest Service Road 216, but Greene was unable to accept this agreement, as the payments provided thereunder were not sufficient to reimburse the county and the agreement contained the provision that it was in termination of all claims. A copy of the proposed agreement is attached hereto as an exhibit.

The supervisors of districts 2 and 3 of Greene County requested the county engineers to prepare figures on the amount necessary to reimburse the districts for maintenance of road No. 216 for the past 12½ years. The engineers were instructed to make a careful study of the matter and make a report as to the minimum amount required for this maintenance. The signed statement and report of the engineers is attached hereto as an exhibit, in total amount of $46,455.

The matter of the granting of the reimbursement to the adjoining counties of Perry and Wayne, and the further granting of funds with which to do additional work is common public knowledge in the three counties and throughout the forestry district, and the officials of Greene County have been subjected to undue criticism because the Forest Service has not treated Greene County the same as the other counties were treated. The Forest Service will give no reasons for its actions and will not grant a hearing on the request of the board.

SUMMARY

Greene County, Miss., claims reimbursement of expenditures made by such county for the maintenance from July 1954 through December 1966, of 11.4 miles of U.S. Forest Service Road 216.

The county, after putting together the title of the right-of-way of road 216, by joining the title to the sections it owned with the title to sections purchased from private individuals, conveyed the entire title to the United States by deed containing the following recitation:

title granted "* * * for and in consideration of the benefits to be derived by the Board of Supervisors and residents of Greene County, Mississippi, from the contruction, repair and maintenance by the Grantee (United States) of a Public Road * * * known as * * * Road #216."

This deed of right-of-way was signed, sealed, delivered, recorded, and accepted by the United States, and it formed a binding contract between the two parties from that moment, obligating the United States for the maintenance costs.

During the period covered by this bill the title continuously remained in the United States, no legal binding action having been taken by the parties to the original contract which would release the United States from its maintenance obligations.

The deed of right-of-way contained the following provision on the right of the United States to abandon the road:

The herein described right of way is granted and conveyed upon the condition that should said right of way be abandoned by said grantee (United States), then said right of way, together with all the rights and privileges appurtenant thereto, shall thereupon terminate and revert to grantors (Greene County), their successors or assigns.

The Department of Agriculture, in its report to the committee, objects to the bill on three grounds, viz.:

(1) It entered into no agreement with Greene County to maintain the road;

(2) It abandoned the road thus averting maintenance to the county;

(3) The road became part of the State highway system in 1954, thus obligating the State to cost of maintenance and relieving the United States of same.

The rebuttal to No. 1, supra, is clear cut and in favor of Greene County. Its deed to the United States was clearly binding and obligatory.

As to the defense of abandonment, the

United States brings forth an affidavit of abandonment dated February 25, 1966, and filed for recordation on June 10, 1966. This document purports to abandon the road as of July 1954, some 12 years earlier, the very period covered by the bill for maintenance. A recitation in the affidavit of abandonment states the United States "abandoned, relinquished, and gave up all rights to said right-of-way in July 1954, and advised two of the Board of Supervisors of Greene County, Miss., of such abandonment at that time. * * *." The committee is of the opinion that this affidavit is a self-serving exercise on the part of the Government and is without legal efficacy. The proper way to abandon a road is to petition the board of supervisors for abandonment, present the original deed as the authority, have the board vote the abandonment, and record a legal document to pass the title. This should be done at the time of abandonment, not 12 years later. This was the procedure required to pass the title to the United States and the reverse procedure is necessary to revert the title. The statement that oral notice was given two members of the board 12 years earlier would be ridiculed out of any court as evidence. The statement is without proof, self-serving, and hearsay. Title to land can only be passed by written document, not by hearsay and undocumented evidence. The committee rejects the affidavit of abandonment.

As to the acceptance of the road into the State highway system the committee is of the opinion that this did not shift the burden of maintenance from the United States to the county. If there is one thing that is clear from the study of this record, it is that the benefits and obligations relating to the road in controversy follow the title. The county gathered together the overall title from various sources and deeded the whole to the United States. The United States took no subtantiated action to abandon until 12 years after it had claimed to do so in its affidavit of abandonment. The United States retained the title and the consequent burden of maintenance concomitant with ownership under its deed.

The designation of the road as a State highway did not mean that the State highway department had taken over the road or that it had made available any funds. The State highway department did not have legal or equitable title to the road, as the same was vested in the United States, and the designation of the road as a State highway had no effect or consequence, but was for planning purposes only.

Damages or cumulative cost of maintenance are not in issue.

The county has filed with the committee (a part of this report) its costs as computed by its assistant county engineer in his official and expert portfolio. The United States has not challenged these costs nor presented any of its own. For lack of pleading, it would seem the Government has waived any challenge.

In view of the foregoing, the committee believes the bill is meritorious and recommends favorable enactment.

Attached hereto and made a part hereof are the substantiating documents from the county and the agency report.

LEASE OF AIRSPACE

The Senate proceeded to consider the bill (S. 1245) to authorize the Commissioners of the District of Columbia to lease airspace above and below freeway rights-of-way within the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia with an amendment strike out all after the enacting clause and insert:

That this Act may be cited as the "District of Columbia Freeway Airspace Utilization Act."

Sec. 2. When used in this Act—

"Airspace" means so much of the space above, on, and below freeway rights-of-way as is not needed for freeway purposes.

"Commissioner" means the Commissioner of the District of Columbia appointed pursuant to part III of Reorganization Plan Numbered 3 of 1967.

"District" means the District of Columbia.

"Freeway" means any limited access divided highway within the District.

"Right-of-way" means land, property or interest therein acquired for or devoted to a freeway, including connecting ramps.

"United States" means the Government of the United States or any department or agency thereof, including, without limitation, any agency established or authorized to be established by Act of Congress or by interstate compact to which consent of Congress is given.

"Council" means the Council established pursuant to part II of Reorganization Plan Numbered 3 of 1967.

Sec. 3. The Commissioner is hereby authorized—

(a) to make or permit such use of airspace in the District for any municipal purpose, including, without limitation, housing for low-income families, public welfare, public works, park, recreational, and vehicle parking, as will not be detrimental to or impair the efficient use, operation, and maintenance of any freeway;

(b) to enter into contracts or agreements with the United States for the use of airspace and for the purpose of receiving, or qualifying any permittee or lessee to receive, grants or other financial assistance under available Federal programs in connection with the construction, use, or operation of buildings, structures and other things therein;

(c) to enter into agreements with the United States for the granting to the United States of easements to use airspace for the purpose of constructing therein Federal public buildings and for such other purposes as may be agreed upon. Such easements shall, for the purpose of section 355 of the Revised Statutes of the United States, as amended (40 U.S.C. 255), be deemed sufficient and valid title in the United States in the areas in which are to be constructed public buildings or other facilities; and

(d) to enter into leases of, or grant, revocable permits for, the use of airspace in the District, including rights of or for support, access, utilities, light and air to an extent not inconsistent with the use of a freeway by the general public for the purpose of travel, and, in connection with any such lease or permit, to impose such terms and conditions including, but not limited to, the deposit of bond or other security, and to provide for the payment of such rents or fees as the Commissioner may, in his discretion, determine to be necessary or desirable, but the Commissioner may, in connection with the entry into a lease, or the granting of a permit, for the use of such airspace, provide as conditions of any such lease or permit (1) that such airspace shall not be used by the lessee or permittee in such manner as to deprive of its easements of light, air, and access any real property not owned or controlled by such lessee or permittee, and (2) that upon the expiration of the lease or permit and of any renewal thereof, any building or other structure which may have been constructed in such airspace shall, at the direction of the Commissioner, be removed therefrom by and at the expense of the lessee or permittee or his successor in interest, and the airspace shall be restored to the condition which obtained prior to the construction of such building or other structure, all to the satisfaction of the Commissioner.

Sec. 4. (a) The authority contained in section 3 shall be exercised by the Commissioner in furtherance of the Comprehensive Plan for the National Capital prepared pursuant to the National Capital Planning Act of 1952 (40 U.S.C. 71) and in the following order of priority:

(1) The Commissioner shall determine whether such space is required for a municipal purpose, as authorized by subsection (a) of section 3, and if he determines the space is so required, he is authorized to make such use of it.

(2) The Commissioner shall ascertain, through the Executive Director of the National Capital Housing Authority established by the Act approved June 12, 1934 (48 Stat. 930), whether such space is required for the construction therein of dwellings for low-income families at rents in accordance with their incomes, and if the Commissioner finds that such space is so required he is authorized, with or without charge, to make it available for such construction by granting an easement to use such space, and such easement shall constitute sufficient and valid title in the Authority or in the United States, or in any private developer under contract to convey the completed property to the Authority, as the case may be, to construct therein buildings or other facilities. The use of such space by the Authority shall be subject to such agreement as the Authority has entered into with the District respecting the making of payments in lieu of taxes.

(3) The Commissioner shall ascertain through the Administrator of General Services, whether the United States (other than the National Capital Housing Authority) requires such space for the construction therein of a building, other structure, or facility, and if such space is so required, the Commissioner is authorized to make it available without charge to the United States, or on the basis of such charge as may be agreed upon between the Commissioner and the United States.

(4) The Commissioner shall determine whether such space should be leased to a public or private developer to provide housing for low- and moderate-income individuals and families, and if the Commissioner so determines, he may include in such lease, or make such permit subject to, an agreement whereby a preference in admission to the housing will be given to low- and moderate-income individuals and families displaced by urban renewal activities or as a result of other governmental action.

(5) The Commissioner shall determine whether the space should be leased to a nonprofit organization, such as a hospital, welfare agency, or the like, for the construction therein of a building, other structure, or facility to be used in connection with the activities of such organization.

(6) The Commissioner shall determine whether such space should be made available for business purposes, including, without limitation, housing for individuals and families.

(b) In connection with the lease of such space either for housing for low- and moderate-income families and families displaced from urban renewal areas or as a result of governmental action, or for use by nonprofit organizations or for business purposes, the Commissioner is authorized to lease the space either on the basis of competitive bids or on a negotiated basis as the Commissioner determines is in the best interests of the District and of the general public.

Sec. 5. For the purposes of this Act, airspace, and buildings, structures, and improvements constructed or erected within such airspace, pursuant to a lease or permit, shall be deemed to be real property and be liable to assessment and taxation as such from the beginning of the term or period of such lease or permit. For the purposes of real property assessment and taxation, the value of such airspace, other than any building, structure, or improvement constructed or erected therein, shall be deemed to be the value of the underlying land as if the same were not occupied and used for public purposes. No such tax shall be assessed with respect to any airspace and buildings, structures, and improvements therein (1) for which the United States has been granted an easement (but nothing herein contained shall be construed to abrogate such agreement as the United States may have entered into, or may enter into, with the District with respect to making payments in lieu of real property taxes) or used for the purposes specified in subsections (a), (b), and (c) of section 3 of this Act; or (2) occupied and used by one or more organizations exclusively for a purpose or for purposes which, under section 1 of the Act of December 24, 1942 (56 Stat. 1089), as amended (D.C. Code, sec. 47–801a), would entitle real property so occupied and used to be exempt from taxation. Except as otherwise provided in this section, for the purposes of this Act the provisions of law applicable to special assessments for public improvements, and the provisions of law applicable to sanitary sewer service charges and to water service charges, shall be applicable with respect to airspace and buildings, structures and improvements therein used pursuant to a lease entered into with, or permit granted to, a lessee or permittee under the authority of subsection (d) of section 3 of this Act. The leasehold or permit interest in any airspace so leased or granted, including any building, structure or improvement constructed or erected therein, shall, in cases of nonpayment of real property taxes, nonpayment of special assessments for public improvements, and nonpayment of sanitary sewer service or water service charges, be subject to private, outright sale by the District, without any right in the lessee or permittee to redeem the leasehold or permit interest so sold: *Provided*, That the proceeds from such sale in excess of such delinquent taxes, assessments, or charges, or a combination thereof, including any interest, penalties and costs relating thereto, shall be paid by the District to the lessee or permittee, or to such person as he may, in writing, designate.

Sec. 6. (a) Prior to the entry by the Commissioner into any agreement or lease, or his granting of any permit for the use of airspace, the following actions, except with respect to the construction of public buildings by the Federal or District of Columbia government, shall be taken:

(1) The Zoning Commission of the District of Columbia, after public hearing and after securing the advice and recommendations of the National Capital Planning Commission, shall have determined the use to be permitted in such airspace and shall have promulgated regulations, pertaining thereto, including but not limited to, limitations and requirements respecting the height of any structure to be erected in such space, off-street parking and floor area ratio, which limitations and requirements need not be the same as those provided for properties not within airspace. The provisions of section 10 of the Act entitled "An Act providing for the zoning of the District of Columbia and the regulation of the location, height, bulk, and uses of buildings and other structures and of the uses of land in the District of Columbia, and for other purposes", approved June 20, 1938 (52 Stat. 800; D.C. Code, sec. 5–422), shall be applicable to regulations made pursuant to this section and to violations of such regulations.

(2) The lessee or permittee shall have submitted to the Commissioner and the Zoning Commission for their review and approval, plans, elevations, sections, and a scale model for any structure to be erected in such airspace, and a description of the texture, material, and method of construction of exterior walls.

(3) The Commissioner shall have determined that all necessary precautions will be taken to insure adequate protection from air pollution, dirt, noise, light, and glare emitted by vehicles using the freeway. In making such a determination, the Commissioner shall assume a volume of freeway traffic equal to capacity.

(b)(1)(A) In any case involving the construction of Federal public buildings within any airspace made available to the United States pursuant to this Act, the provisions of section 16 of the Act of June 20, 1938 (52 Stat. 802), as amended (D.C. Code, sec. 5–428), shall be applicable to such construction.

(B) In any case involving the construction of any public building by any agency of the government of the District of Columbia within any airspace made available to the District of Columbia pursuant to this Act, the provisions of section 16 of the Act of June 20, 1938 (52 Stat. 802), as amended (D.C. Code, sec. 5–428), shall be applicable to such construction in the same manner and to the same extent as provided under subsection 5(c) of the National Capital Planning Act of 1952, as amended (40 U.S.C. 71d(c)).

(2) Plans for construction in airspace by the Federal or District Governments shall be subject to consultation, advice, and recommendation of the National Capital Planning Commission in accordance with the National Capital Planning Act of 1952, as amended (40 U.S.C. sec 71 et seq.).

(3) Plans for construction in airspace shall be subject to review and recommendation of the Commission of Fine Arts to the extent required by, and in accordance with, the Act approved May 16, 1930 (46 Stat. 366), as amended (D.C. Code, secs. 5–410 and 411), the Act approved September 22, 1950 (64 Stat. 903; D.C. Code, title 5, chapter 8), and Executive Orders dated October 25, 1910, and November 28, 1913.

(c) Whenever the Commissioner shall find that there is any significant change in, or substantial modifications of, the plans for the proposed structure after such plans have been approved in accordance with the requirements of the preceding subsections of this section and of section 3, or if, after the construction of the structure, he finds there is any significant change in, or substantial modification of, the structure or the use made of it, each such change or modification shall be subject to approval by the agencies specified in this section, as their interests may appear, in like manner as is set forth in subsections (a) and (b) of this section.

Sec. 7. The cost of removing or relocating publicly owned and privately owned facilities in a street, highway, or alley, including, without limitation, water lines and sewers, to the extent that any such removal or relocation is required in connection with the construction of a building in airspace under the authority of this Act, other than a building constructed by or on behalf of the District, shall not be borne by the District, but the cost of any such removal or relocation shall be defrayed by another or by others than the District in accordance with such arrangements as may be acceptable to the Commissioner and be approved by him in writing. The removal or relocation by the District of sewers and water mains, and the removal or relocation of any other facilities in such space, shall be in accordance with plans and schedules approved by the Commissioner.

Sec. 8. Except as provided in section 6, laws and regulations now or hereafter in effect in the District and applicable to the construction, use, and occupancy of buildings and premises, including, but not limited to, building, electrical, plumbing, housing, health, and fire regulations, shall be applicable to buildings, structures, and improvements erected in airspace under lease or agreement entered into or permit issued pursuant to this Act.

Sec. 9. (a) The Council is authorized, after public hearing, to promulgate regulations to carry out the purposes of this Act.

(b) Any regulations adopted under the authority of this section may provide for the imposition of a fine of not more than $300 or imprisonment for not more than ninety days, or both such fine and imprisonment, for any violation of such regulations. Prosecutions for violations of regulations made pursuant to this section shall be conducted in the name of the District by the Corporation Counsel or any of his assistants.

(c) Whenever there exists any violation or failure to comply with regulations adopted under the authority of this Act, or regulations specified in section 8 of this Act, after notice of such violation or failure has been given by the Commissioner, each and every day such violation exists, or each and every day beyond a time limit set for compliance during which there is failure to comply fully with any of the said regulations or with orders issued pursuant to the authority contained therein, shall constitute a separate offense, and the penalty specified for the violation of such regulation shall be applicable to each such separate offense.

Sec. 10. All collections, including rents and fees, received by the District pursuant to this Act shall be deposited in the Treasury of the United States in a trust fund which is hereby authorized and from which may be paid, in the same manner as is provided by law for other expenditures of the District, such expenditures as are necessary to carry out the purposes of this Act, including, without limitation, necessary expenses connected with the operation, maintenance, and disposition of property coming into the possession of the District by reason of default under leases entered into or permits issued pursuant to this Act: *Provided*, That taxes (including payments in lieu of taxes), special assessments, and sanitary sewer and water service charges shall be deposited directly to the respective funds to which such revenues are normally deposited. The unobligated balance in such trust fund as of June 30 of any year which exceeds $100,000 shall be deposited in the Treasury to the credit of such special funds or the general fund of the District in such proportions as the Commissioner shall, in his discretion determine.

Sec. 11. Nothing in this Act shall be construed as modifying or superseding title 23, United States Code: *Provided*, That the use of public space under the authority of this Act shall not be deemed to deprive the District of its eligibility for financial assistance under any federally assisted program, regardless of the fact that the District may, in the case of a privately owned building, receive rental for the use of such public space.

Sec. 12. If any provision of this Act or of the regulations promulgated under the authority of this Act is held invalid, such invalidity shall not affect other provisions either of this Act or of the said regulations which can be effected without the invalid provision, and to this end the provisions of this Act and the said regulations are separable.

Sec. 13. Appropriations to carry out the purposes of this Act are hereby authorized.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 921), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of S. 1245 is to allow fuller utilization of space over and under freeways by making available for public or private purposes such airspace as is not required for travel.

The Subcommittee on Business and Commerce held hearings on S. 1245 on July 25 and 27, 1967.

NEED FOR THE LEGISLATION

In recent years, the potentialities of a fuller utilization of airspace over and under freeways have become increasingly important to the orderly planning and development of urban areas. If properly controlled, the multipurpose use of air rights can lead to a more efficient and esthetic utilization of urban space. Many cities have already successfully utilized air rights for residential, commercial, and public purposes.

The committee believes that S. 1245 would effectively permit the use of airspace over and under freeways in the District of Columbia. The need for this legislation is especially acute in the District since many of the city's problems arise from the limited availability of space for both public and private uses. The future development of the city can be greatly enhanced by appropriate use of air rights. The committee notes that the comprehensive plan for the Nation's Capital proposed by the National Capital Planning Commission in February 1967 envisions the use of airspace in several areas throughout the District. The new Labor Department Building to be constructed over the center leg freeway in the central business district is a good example of multipurpose use of highway rights-of-way. The District of Columbia Director of Highways indicated to the committee that specific plans for use of space surrounding proposed freeways have been formulated and that such plans would be implemented when freeway construction takes place.

The use of airspace over freeways for relocation of residents displaced from their homes by construction of freeways, by urban renewal projects, and by other public improvement programs, is a particularly important benefit which can arise from this legislation. The adverse economic and social effects of displacement would be minimized by expanding the possible areas for relocation to include structures erected within freeway rights-of-way. Moreover, air rights construction will serve the additional purposes of reuniting sections of the city that would otherwise be separated by the wide ribbon of freeway right-of-way and of providing usable open space for recreation in those areas.

S. 1245 encourages the concept of new expressways as "linear renewal" projects that will replace the single-use auto-oriented concept of the past. The idea of a broad corridor of renewal with the expressway as the spine and with rehabilitation, conservation, and new construction strung upon this spine recognizes a function that is broader than the primary purpose of moving traffic. Those whose lives are disrupted by the freeways present an obvious need for related development, including housing, offices, commercial uses, and public facilities such as educational parks or school, plazas, community centers, or parking garages.

Testimony presented before the committee, particularly with reference to current planning efforts underway in Baltimore, indicates that this type of linear renewal will require replacing the previous reliance only on highway and traffic engineering with an urban design team, including engineers, architects, and landscape architects, economists, sociologists, acoustical, and illuminating specialists, among others. In this way, the public skeleton that is the freeway can become the basis for the design of a new urban environment. With the enactment of this legislation, the committee expects that this kind of planning will now go forward as an integral part of any proposed freeway construction, and that plans which are put forward when the freeway is proposed, to obtain support for such proposals, will in fact be fully implemented when the freeway is constructed.

Critics of airspace construction say that existing use of freeway airspace for housing and other purposes has been unhealthy, unpleasant, and exorbitantly expensive. The committee recognizes that problems do exist and believes strongly that measures must be implemented to solve them. In this regard, the committee is encouraged by the testimony of expert witnesses that the problems can be overcome by thoughtful and farsighted planning. The problems of noise and air pollution, it was testified, can be taken care of by proper shielding and ventilation. Another solution that has been applied in Tokyo, as an example, is to utilize rooftop highway construction, by putting the expressway on tops of the structures. As to economics, the cost of constructing in freeway rights-of-way may be compensated for by the alternative use of the space and by the public benefits derived from such use. Moreover, the committee was informed that favorable consideration was being given by Federal and local authorities to a joint approach whereby the cost of construction of freeways, now shared by the Federal and local governments, could also include the cost of such matters as constructing underpinnings and slabs necessary for airspace construction. The Federal Highway Administrator testified that his agency, through its Bureau of Public Roads, is willing and stands ready to work with the cities and States to implement a new concept for joint cooperative development of urban freeways, which would promote the development of highway corridors with multiple and complementary uses.

PROVISIONS OF THE BILL

Section 3(a) authorizes the District of Columbia to use or permit the use of airspace for any municipal purpose, including low-income housing, public welfare, public works, park, recreational, and vehicle parking to the extent such use does not impair the efficient use of the freeway. The municipal purposes will not be limited to those listed; this airspace may be used, where feasible, for other municipal uses, including schools, educational parks, or even combinations of uses.

Subsection (b) authorizes the District to enter into contracts or agreements with the United States for the use of airspace and to receive or qualify lessees or permittees to receive grants and other financial assistance; and subsection (c) authorizes agreements with the United States to grant to the Federal Government easements for the use of airspace for Federal public buildings.

Subsection (d) authorizes the District government to enter into leases or revocable permits for the use of airspace in the District. Leases or permits may require that easements of light, air, and access for other property be protected and that, at the expiration of the lease or permit, the airspace will be restored to its former condition.

Section 4 provides that freeway airspace shall be used in furtherance of the comprehensive plan for the National Capital and in the following order of priority: Municipal purposes; low-income housing constructed for the National Capital Housing Authority; other Federal construction; lease to developers, for low- and moderate-income housing, with preference to those displaced by urban renewal; uses by nonprofit organizations; and business purposes.

The erection of buildings, structures, and improvements within airspace for an income-producing purpose should return to the tax rolls improvements on property similar or superior to those removed during the construction of freeways. Section 5 thus provides that facilities erected for persons or organizations other than the Federal or District Governments or tax-exempt organizations shall be treated like real property for taxation and other charges. The leasehold interest in airspace, together with buildings erected in such space, shall in cases of failure to pay taxes or other charges, be subject to outright private sale, without a right of redemption. This provision will enable the District to dispose of the leasehold or permit interest under the circumstances that will best promote the interests of the general public.

Section 6 sets forth the procedures that must be followed before a lease is granted or permit issued. The Zoning Commission, after a public hearing and after receiving the recommendations of the National Capital Planning Commission, determines the use to be made of the airspace. Plans for construction must be approved by the Commissioner and the Zoning Commission, and are subject to review by the Commission of Fine Arts and the National Capital Planning Commission to the extent required by law for other construction.

Subsection (a)(3) provides that precautions will be taken to insure adequate protection from air pollution, dirt, noise, light, and glare from vehicles using the freeway.

Subsection (b) of section 6 generally provides for review by the National Capital Planning Commission and the Commission of Fine Arts, to the extent required by applicable law, of plans for the construction of buildings by or on behalf of the Federal or District Governments. It is the intent of the Committee that airspace construction by the governments be subject to the same review procedure as any other construction by the Government in that part of the District.

Subsection (c) provides that whenever the Commissioner finds there is a significant change or substantial modification in plans, structures, or use of nonpublic structures erected pursuant to the act, such changes or modifications will be subject to the same approvals as were the original plans.

Section 7 specifies that the cost of removing or relocating publicly owned or privately owned facilities in a street, highway, or alley as made necessary by the construction of a building in space leased under the act will not be borne by the District of Columbia, and that plans and schedules for this activity will be approved by the Government.

Section 8 provides that, except as provided in section 6, construction, use, and occupancy of airspace structures shall be subject to building, electrical, plumbing, housing, health, and fire regulations.

Section 9 authorizes the District of Columbia Council to promulgate regulations and establishes penalties for violations.

Section 10 establishes a trust fund into which shall be deposited rents and fees received for the use of airspace, other than taxes, special assessments, and sewer and water charges. The trust fund will be available to carry out the purposes of the act. Amounts exceeding $100,000 shall be credited to such special funds or the general fund in such proportions as the District government shall determine.

Section II provides that nothing in the act shall be construed to modify or supersede title 23 of the United States Code dealing with the Federal highway program. Section 12 is a saving provision and section 13 authorizes appropriations to carry out the purposes of the act.

CONCLUSION

The committee believes strongly that the use of airspace over and under freeway rights-of-way would benefit the District of Columbia through expanded development space for public uses, added incentive for investment in renewal and rehabilitation of decaying sections of the District, improved design and construction of freeways, and more flexible design possibilities in urban renewal and other development areas. For these reasons, the committee concludes that the controlled and regulated use of freeway airspace would significantly benefit the District, and recommends prompt approval of this legislation.

The title was amended, so as to read: "A bill to authorize the Commissioner of the District of Columbia to lease airspace above and below freeway rights-of-way within the District of Columbia, and for other purposes."

USE OF PUBLIC SPACE

The Senate proceeded to consider the bill (S. 1246) to authorize the Commissioners of the District of Columbia to enter into leases for the rental of, or to use or permit the use of, public space in, on, over, and under the streets and alleys under their jurisdiction, other than freeways, and for other purposes which had been reported from the Committee on the District of Columbia, with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "District of Columbia Public Space Utilization Act".

Sec. 2. The Congress finds that on occasion there is need within the District of Columbia for public space in, on, over, and under the streets and alleys to be used in a manner not inconsistent with the right of the general public to use such streets or alleys for purposes of travel, for the purpose of constructing in such space buildings or portions of buildings having for their purpose, either wholly or in principal part, the providing of essential public facilities, or to be utilized for governmental or business purposes. The Congress further finds that the use of such space, properly controlled and supervised by appropriate governmental agencies, will benefit the District and will provide an incentive for additional investment, particularly in the central business district. Accordingly, the Congress intends by this Act to authorize the Commissioner of the District of Columbia to lease space in, on, over, and under the streets and alleys of the District under his jurisdiction, other than freeways, or to use or permit the use of such space, for the purpose of constructing therein buildings or parts of buildings having for their purpose, either wholly or in principal part, the provision of essential public facilities, or to be used for governmental or business purposes, except that nothing herein contained shall be construed as being applicable to the use of public space (1) in accordance with the provisions of regulations promulgated under the authority of the first paragraph under the caption "District of Columbia" of the Act approved March 3, 1891 (26 Stat. 868), as amended (D.C. Code, sec. 5–204), (2) by a public utility company for the installation and maintenance of any of its equipment or facilities, under permit issued by the District, (3) under the authority of subsection (d) of the first section of the Act approved December 20, 1944 (58 Stat. 819), as amended (D.C. Code, sec. 1–244(d)), or (4) under the authority of section 7 of the Act approved September 1, 1916 (39 Stat. 716), as amended (D.C. Code, sec. 7–901).

Sec. 3. When used in this Act—

"Commissioner" means the Commissioner of the District of Columbia appointed pursuant to part III of Reorganization Plan Numbered 3 of 1967.

"District" means the District of Columbia.

"Freeway" means any limited access divided highway within the District.

"Public space" means so much of the space above, on, or below a street or alley as the Commissioner shall find is not needed for the purpose of travel by the general public.

"United States" means the Government of the United States or any department or agency thereof, including, without limitation, any agency established or authorized to be established by Act of Congress or by interstate compact to which consent of Congress is given.

"Council" means the Council established pursuant to part II of Reorganization Plan Numbered 3 of 1967.

Sec. 4. The Commissioner is hereby authorized to enter into leases for the use of public space located in, on, over, or under any of the streets or alleys in the District under his jurisdiction, other than freeways, to an extent not inconsistent with the use of such space by the general public for the purpose of travel. A lessee of public space under the authority of this Act shall be a person having a fee simple title in the real property abutting such public space on both sides of the street or alley in which such public space is located. Such leases shall impose such terms and conditions, including, but not limited to, the deposit of bond or other security, and payment of such rents or fees as the Commissioner may, in his discretion, determine to be necessary or desirable, which rents or fees may include amounts for the payment of taxes as if such public space were owned by the owner of the abutting privately owned property. Any such lease shall provide among other conditions (1) that such space shall not be used by the lessee in such manner as to deprive of its easements of light, air, and access any real property not owned or controlled by such lessee; (2) that such space shall be used by the lessee for the construction of a building, structure, or improvement to connect with any new or existing buildings, structures, or improvements, or portions thereof, located on the land owned by such lessees on both sides of the street or alley; (3) that there will be a clearance of at least sixteen feet between the recorded grade of the roadway of any such street or alley and the lowest portion of any building or other structure constructed over such space, not including the columns, if any, supporting such building or structure; and (4) that upon the expiration of the lease and any renewal thereof, any building or other structure which may have been constructed in such space shall, at the direction of the Commissioner or if required by the terms of the lease, be removed therefrom by and at the expense of the lessee or his successor in interest, and the public space shall be restored to the condition which obtained prior to the construction of such building or other structure, all to the satisfaction of the Commissioner. Each such lease shall include provisions particularly describing the real property abutting the leased public space and providing that the lessee covenants for himself, his heirs, successors, and assigns (1) that all the rights, duties, terms, conditions, agreements, and covenants set forth and contained in such lease shall run with the abutting real property owned by the lessee, and shall inure and apply to and bind the lessee, his heirs, legal representative, successors, and assigns, and (2) that each of the subsequent owners of the abutting real property shall assume and be bound by all of the terms and conditions of such lease, such covenants in each and every particular to run with the abutting real property and to be construed as real covenants running with the land, the intent thereof being to make the lessee and all persons succeeding to the interest of the lessee in the abutting real property equally liable, as principals, to all of the terms and conditions of the lease. Each such lease shall also include a requirement that the lessee will, at his expense, record a copy of the lease among the land records in the Office of the Recorder of Deeds of the District of Columbia.

Sec. 5. The Commissioner is authorized, with respect to property subject to the requirements of section 2 of the Act approved May 31, 1900 (31 Stat. 248; D.C. Code, sec. 7–117), to allow the same use to be made of such property as, under the authority of this Act, is to be made of the public space abutting such property and leased by the Commissioner under the authority of this Act. Any such use of such property may be authorized in the lease applicable to the abutting public space, and, if so authorized, shall be subject to the same conditions as are applicable to the use of the abutting public space leased under the authority of this Act, including, without limitation, the provisions of section 9.

Sec. 6. (a) The Commissioner shall not execute a lease authorized by this Act until the following actions have been taken:

(1) The Zoning Commission of the District of Columbia, after public hearing and after securing the advice and recommendations of the National Capital Planning Commission, shall have determined the use to be permitted in such space and shall have promulgated regulations pertaining thereto, including but not limited to, limitations and requirements respecting the height of any structure to be erected in such space, off-street parking and floor area ratio, which limitations and requirements shall be consistent with those applicable to the abutting privately owned properties. The provisions of section 10 of the Act entitled "An Act providing for the zoning of the District of Columbia and the regulation of the location, height, bulk, and uses of buildings and other structures and of the uses of land in the District of Columbia, and for other purposes", approved June 20, 1938 (52 Stat. 800; D.C. Code, sec. 5–422), shall be applicable to regulations made pursuant to this section and to violations of such regulations.

(2) The lessee shall have submitted to the Commissioner for his review and approval, plans, elevations, sections, and a scale model for any structure to be erected in such space, and a description of the texture, material, and method of construction of exterior walls.

(3) The lessee, with respect to any structure proposed to be constructed in an area subject to the Shipstead-Luce Act approved May 16, 1930 (46 Stat. 366), as amended (D.C. Code, secs. 5–410 and 411), or the Old Georgetown Act approved September 22, 1950 (64 Stat. 903; D.C. Code, title 5, chapter 8), shall have submitted to the Commission of Fine Arts for its review and approval, plans, elevation, sections and a scale model for such structure, and a description of the texture, material, and method of construction of exterior walls.

(4) The lessee, with respect to any structure proposed to be constructed in public space utilized or to be utilized for the construction and operation of a subway of the Washington Metropolitan Area Transit Authority shall have submitted to such agency for its review and approval the plans, elevations, sections, and a scale model of such structure.

(5) The Commissioner, with respect to any use proposed by a lessee for public space, the underlying title to which is in the United States, shall have consulted the General Services Administration concerning such proposed use.

(b) No permit for the construction of a building authorized by this Act to be constructed in such public space shall be issued by the Commissioner until he has received, in writing, to the extent required by this Act, the approvals of the Commission of Fine Arts and the Washington Metropolitan Area Transit Authority respecting the plans for the proposed structure: *Provided*, That if either of the said agencies fails to report to the Commissioner its approval or disapproval of the plans for the proposed structure within sixty days from the date on which such plans were forwarded to it, such failure shall be deemed to constitute approval of the plans by such agency.

(c) Whenever the Commissioner shall find that there is any significant change in, or substantial modification of, the plans for the proposed structure after such plans have been approved in accordance with the requirements of the preceding subsections of this section and of sections 4 and 5, or if, after the construction of the structure, he finds there is any significant change in, or substantial modification of, the structure or the use made of it, each such change or modification shall be subject to being approved by the agencies specified in this section, as their interests may appear, in like manner as is set forth in subsections (a) and (b) of this section.

(d) The authority contained in section 4 shall be exercised by the Commissioner in furtherance of the comprehensive plan for the National Capital prepared pursuant to the National Capitol Planning Act of 1952 (40 U.S.C. 71).

SEC. 7. The cost of removing or relocating publicly owned and privately owned facilities in a street or alley, including, without limitation, waterlines and sewers, to the extent that any such removal or relocation is required in connection with the construction of a building in public space leased under the authority of this Act, shall not be borne by the District, but the cost of any such removal or relocation shall be defrayed by another or by others than the District in accordance with such arrangements as may be acceptable to the Commissioner and be approved by him in writing. The removal or relocation by the District of sewers and water lines, and the removal or relocation of any other facilities in such space, shall be in accordance with plans and schedules approved by the Commissioner.

SEC. 8. Except as provided in section 6, laws and regulations now or hereafter in effect in the District and applicable to the construction, use, and occupancy of buildings and premises, including, but not limited to, building, electrical, plumbing, housing, health, and fire regulations, shall be applicable to buildings, structures, and improvements constructed in public space leased under the authority of this Act.

SEC. 9. For the purposes of this Act, public space and buildings, structures, and improvements constructed or erected within such public space pursuant to a lease entered into under the authority of this Act shall be deemed to be real property and be liable to assessment and taxation as such from the beginning of the term or period of such lease. For the purposes of real property assessment and taxation, the value of such public space, other than any building, structure, or improvement constructed or erected therein, shall be deemed to be the value of the underlying land as if the same were not occupied and used for public purposes. No such tax shall be assessed with respect to any public space and buildings, structures, and improvements therein (1) occupied exclusively by the District or by the United States under an easement granted by the District (but nothing herein contained shall be construed to abrogate such agreement as the United States may have entered into, or may enter into, with the District with respect to making payments in lieu of real property taxes); or (2) occupied and used by one or more organizations exclusively for a purpose or for purposes which, under section 1 of the Act of December 24, 1942 (56 Stat. 1089), as amended (D.C. Code, sec. 47–801a), would entitle real property so occupied and used to be exempt from taxation. Except as otherwise provided in this section, for the purposes of this Act the provisions of law applicable to special assessments for public improvements and the provisions of law applicable to sanitary sewer service charges and to water service charges, shall be applicable with respect to public space and buildings, structures, and improvements therein used pursuant to a lease entered into with a lessee under the authority of section 4 of this Act. The leasehold interest in any public space so leased, including any building, structure, or improvement constructed or erected therein, shall, in cases of nonpayment of real property taxes, nonpayment of special assessments for public improvements, and nonpayment of sanitary sewer service or water service charges, be subject to sale by the District in accordance with the provisions of the Act approved February 28, 1898 (30 Stat. 250), as amended (D.C. Code, sec. 47–1001, et seq.): *Provided*, That the proceeds from such sale in excess of such delinquent taxes, assessments, or charges, or a combination thereof, including any interest, penalties, and costs relating thereto, shall be paid by the District to the lessee, or to such person as he may, in writing, designate.

SEC. 10. All collections, including rents and fees, received by the District pursuant to this Act shall be deposited in the Treasury of the United States in a trust fund which is hereby authorized and from which may be paid, in the same manner as is provided by law for other expenditures of the District, such expenditures as are necessary to carry out the purposes of this Act, including, without limitation, necessary expenses connected with the operation, maintenance, and disposition of property coming into the possession of the District by reason of default under leases entered into pursuant to this Act: *Provided*, That taxes (including payments in lieu of taxes), special assessments, and sanitary sewer and water service charges shall be deposited directly to the respective funds to which such revenues are normally deposited. The unobligated balance in such trust fund as of June 30 of any year which exceeds $100,000 shall be deposited in the Treasury to the credit of such special funds or the general fund of the District in such proportions as the Commissioner shall, in his discretion, determine.

SEC. 11. Upon the expiration of any lease entered into under the authority of this Act, or upon the expiration of any renewal of any such lease, or upon the termination of such lease resulting from the lessee's violation of its provisions or his failure to comply with its terms and conditions, the Commissioner is authorized to require observance of so much of the provisions of such lease as obligates the lessee or his successor in interest to remove any building or other structure constructed under the authority of such lease, and to restore the space formerly occupied by such building or other structure to its former condition, all to the satisfaction of the Commissioner, without cost to the District. Should such building or other structure not be so removed by the lessee or his successor in interest, the same shall be removed by the Commissioner, and the cost of such removal and the restoration to its former condition of the space formerly occupied by such building or other structure shall be assessed equally against the abutting properties as a tax, to be collected in like manner as is provided by section 6 of the Act approved March 1, 1899, as amended (D.C. Code, sec. 5–506).

SEC. 12. (a) The Council is authorized, after public hearing, to promulgate regulations to carry out the purposes of this Act.

(b) Any regulations adopted under the authority of this section may provide for the imposition of a fine of not more than $300 or imprisonment for not more than ninety days, or both such fine and imprisonment, for any violation of such regulations. Prosecutions for violations of regulations made pursuant to this section shall be conducted in the name of the District by the Corporation Counsel or any of his assistants.

(c) Whenever there exists any violation or failure to comply with regulations adopted under the authority of this Act, or regulations specified in section 8 of this Act, after notice of such violation or failure has been given by the Commissioner, each and every day such violation exists, or each and every day beyond a time limit set for compliance during which there is failure to comply fully with any of the said regulations or with orders issued pursuant to the authority contained therein, shall constitute a separate offense, and the penalty specified for the violation of such regulation shall be applicable to each such separate offense.

(d) The Commissioner is further authorized to maintain an action in the United States District Court for the District of Columbia to enjoin the continuing violation of any regulation adopted by the Council or by the Zoning Commission under the authority of this Act, or of any of the regulations referred to in section 8 of this Act.

SEC. 13. The Commissioner is hereby further authorized—

(a) to make or permit such use of public space in the District for any municipal purpose, including, without limitation, housing for low-income families, public welfare, public works, park, recreational, and vehicle parking as will not be detrimental to or impair the efficient use, operation, and maintenance of such public space; and

(b) to enter into contracts or agreements with the United States for the use of public space and for the purpose of receiving, or qualifying any permittee or lessee to receive, grants or other financial assistance under available Federal programs in connection with the construction, use, or operation of buildings, structures, and other things in such space.

SEC. 14. The United States and District of Columbia governments, without regard to the requirements of sections 4 through 11 of this Act, each are authorized to construct one or more buildings located partly on land owned by such governments and partly in public space, in, on, over, and under streets or alleys of the District of Columbia, subject to the following conditions:

(1) The government proposing to construct any such building shall have fee simple title to so much of the property on both sides of the street or alley as is to be occupied by those portions of such building not located within the area between the building lines of such street or alley.

(2) Such public space shall not be used by the government proposing to construct any such building in such manner as to deprive of its easements of light, air, and access any real property not owned or controlled by such government.

(3) The construction of any such building by the United States Government across a street or alley the title to which is in the District of Columbia shall be in accordance with an agreement between the Commissioner of the District of Columbia and the Administrator of General Services, whereby the Commissioner, subject to such terms and conditions as the Commissioner and the Administrator agree to include in the agreement, grant to the United States an easement to use the public space over and under such street or alley for the purpose of constructing therein a portion of a building, the remaining portions of which are to be located on both sides of such street or alley. They granting of such easement to the United States Government by the Commissioner shall, for the purpose of section 355 of the Revised Statutes of the United States, as amended (40 U.S.C. 255), be deemed to be sufficient and valid title in the United States to such portion of the building site as is located within the building lines of such street or alley.

(4) Prior to the use or permitting the use of public space, the underlying title of which is in the United States, the Commissioner of

the District of Columbia shall consult the General Services Administration.

(5) (a) In any case involving the construction of Federal public buildings within any public space made available to the United States pursuant to this Act, the provisions of section 16 of the Act of June 20, 1938 (52 Stat. 802), as amended (D.C. Code, sec. 5–428), shall be applicable to such construction.

(b) In any case involving the construction of any public building by any agency of the government of the District of Columbia within any public space made available to the District of Columbia pursuant to this Act, the provisions of section 16 of the Act of June 20, 1938 (52 Stat. 802), as amended (D.C. Code, sec. 5–428), shall be applicable to such construction in the same manner and to the same extent as provided under subsection 5(c) of the National Capital Planning Act of 1952, as amended (40 U.S.C. 71d(c)).

(6) The construction of any such building by the United States or the District of Columbia shall be subject to the review or approval of the National Capital Planning Commission to the extent that any such review or approval is required by the National Capital Planning Act of 1952, as amended (40 U.S.C. 71 et seq.).

(7) The construction of any such building by the United States or the District of Columbia shall be subject to the review or approval of the Commission of Fine Arts to the extent required by the Act approved May 16, 1930 (46 Stat. 366), as amended (D.C. Code, secs. 5–410 and 411), or the Act approved September 22, 1950 (64 Stat. 903; D.C. Code, title 5, chapter 8), as the case may be.

SEC. 15. Nothing in this Act shall be construed as modifying or superseding title 23, United States Code: *Provided*, That the use of public space under the authority of this Act shall not be deemed to deprive the District of its eligibility for financial assistance under any federally assisted program regardless of the fact that the District may, in the case of a privately owned building, receive rental for the use of such public space.

SEC. 16. If any provision of this Act or of the regulations promulgated under the authority of this Act is held invalid, such invalidity shall not affect other provisions either of this Act or of the said regulations which can be effected without the invalid provision, and to this end the provisions of this Act and the said regulations are separable.

SEC. 17. Appropriations to carry out the purposes of this Act are hereby authorized.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an except from the report (No. 922), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of S. 1246 is to grant authority to the District of Columbia government to make available through lease agreements the public space above and below city streets under its jurisdiction, to be used for the construction of buildings, portions of buildings, or other structures or improvements, and also to allow the use of such space for the construction of buildings by the United States and District Governments.

A hearing was conducted on S. 1246 by the Subcommittee on Business and Commerce on July 25 and 27, 1967.

NEED FOR THE LEGISLATION

In recent years the potentialities of a fuller utilization of space over and under city streets have become increasingly important to the orderly planning and development of urban areas. If properly controlled, the multipurpose use of air rights can lead to a more efficient and esthetic utilization of urban space. Many cities have already successfully utilized air rights for residential, commercial, and public purposes.

The benefits that could accrue to the District of Columbia by enactment of S. 1246 are substantial. By allowing broader and more flexible use of existing public space, significant incentives would be created for the investment of private capital in the rehabilitation and renewal of older sections of the city. Its provisions would particularly encourage investment in the rebuilding of the central business district of the city, where plans are already underway by at least one major department store for the utilization of public space in the expansion and development of its facilities.

The use of airspace over and under city streets makes possible the multipurpose and multilevel development of land within the city that would otherwise be withheld from productive use. This kind of development will create taxable property and property that generates additional taxes where none now exists. It will preserve the rapidly disappearing open spaces in and around the city by channeling the development pressure toward the central city, and it will foster compact urban development as an alternative to suburban sprawl!

Authorization for airspace construction over and under the streets of the District of Columbia will follow the trend, already noticed in other cities and being utilized extensively in new cities that are being built from the ground up, toward the evolution of a multilevel downtown core. The committee heard testimony that there is a growing recognition among leading architects and city planners that planning should not be two dimensional. Instead of having primarily "retail" areas, or "office" areas, or "government" areas, the tendency now is toward an all-purpose mix, utilizing multilevel construction. The committee agrees with the witnesses that urban planning for the District should focus on more efficient use of the existing space by such three-dimensional planning.

The committee has been assured that authorization for airspace construction does not necessarily lead to a depressingly dark and crowded downtown district. The spaces can be made beautiful by selective grouping of buildings and by imaginative use of natural and artificial lighting and trees and vines. Moreover, the restrictions contained in the bill, limiting airspace construction to those who own the land abutting on both sides of the street, and requiring approval by those agencies responsible for orderly planning, will assure that the authority to construct in airspace over city streets will not be abused.

Utilization of airspace over and under the Streets of the District of Columbia is not a completely new idea. There are many examples in existence today. Examples include Scott Circle, Thomas Circle, Dupont Circle, and Washington Circle, each of which involves a city street passing under a park. Other examples include the 12th Street underpass and the Liberty Loan Building which is actually an air rights building over the ramp that connects Maine Avenue with 14th Street. This ramp carries 6,000 vehicles a day. Still another example of airspace construction is the bridgelike structure connecting the U.S. Department of Agriculture buildings across Independence Avenue.

The committee foresees use of airspace over the District streets for a wide variety of purposes. In the downtown area where retail stores predominate, one large department store which has two buildings across the street from each other already has plans to connect the buildings by means of a bridgelike structure. Office and Government buildings and schools could be built to straddle the streets, and space over depressed roadways could be used for parks and recreation facilities or for other municipal purposes.

The title was amended so as to read: "A bill to authorize the Commissioner of the District of Columbia to enter into leases for the rental of, or to use or permit the use of, public space in, on, over, and under the streets and alleys under his jurisdiction, other than freeways, and for other purposes."

BILL PASSED OVER

The bill (S. 1418) to make several changes in the passport laws presently in force was announced as next in order.

Mr. MANSFIELD. Over, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

MARSHALL COUNTY, IND.

The bill (H.R. 11542) for the relief of Marshall County, Ind., was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 928), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to relieve Marshall County, Ind., of liability to the United States in the amount of $1,801.25, representing Federal civil defense matching funds advanced to the county in July 1961 in connection with the purchase of civil defense communications equipment made in the fiscal year preceding that in which the project application for the purchase was actually approved.

STATEMENT

The facts appear in the House report (No. 968) on H.R. 11542, as follows:

"The Department of the Army in its report to the committee on the bill stated that it had no objection to its enactment and recommended that the bill be amended to provide relief for Marshall County, Ind., which actually made the application in behalf of the town of Bremen, Ind.

"Marshall County, Ind., submitted a project application for financial assistance for the procurement of certain civil defense communications equipment. The application is dated September 9, 1960. The date of approval by the State is the same. The OCD regional director approved the application for the Federal Government on January 19, 1961.

"Subsequently, the State requested and received an 'advance' of funds in the amount of $2,235.50 for the Federal share of this procurement. Such advances are granted upon request only and prior to procurement under specified conditions as, for example, where the funds must be on hand at the time of procurement.

"It was ascertained subsequently that, in fact, Marshall County had issued a bid advertisement on March 14, 1960, and issued a purchase order for the equipment on April

15, 1960. This was prior to the date of approval of the project application and was in fiscal year 1960.

"The Comptroller General has ruled that project applications may not be approved where the procurement has occurred prior to the availability of the Federal appropriation sought to be charged (31 C.G. 308 B–106964, Jan. 17, 1952). Therefore, the funds available for fiscal year 1961, which was the only available appropriation, could not legally be used to contribute to the cost of this equipment.

"For this reason OCD made demand for the return of the advance. The $434.25 has been returned. The total amount due is $1,801.25.

"During 1960, the Congress amended the Federal Civil Defense Act to provide that retroactive financial contributions (many of them similar to this one) approved and made to the States prior to June 30, 1960, were ratified and affirmed (Public Law 87–390, 75 Stat. 820). This ratification, however, is not applicable to the instant case since the project application was not approved until January 1961.

"The communication equipment does meet a civil defense need. The only reason OCD has demanded return of the funds is because of the retroactive nature of the financial assistance. The Congress has in similar special cases in the past granted relief (see, for example, Public Law 87–241).

"The OCD contribution was made to Marshall County, Ind. Here there is no question but that the committee agrees that it is proper that it be amended to grant relief to the county rather than to the town of Bremen.

"In view of the position of the Department of the Army and in recognition that the circumstances of this case are such that this amount would have been paid had the procurement occurred in the year that the project application was approved, this committee recommends that the bill as amended be considered favorably."

After a review of all of the foregoing, the Senate concurs in the recommendation of the House of Representatives and recommends that the bill, H.R. 1542, be considered favorably.

CHARLES A. BUCKLEY POST OFFICE AND FEDERAL OFFICE BUILDING, NEW YORK

The bill (H.R. 13833) to provide that the post office and Federal office building to be constructed in Bronx, N.Y., shall be named the "Charles A. Buckley Post Office and Federal Office Building" in memory of the late Charles A. Buckley, a Member of the U.S. House of Representatives from the State of New York from 1935 through 1964, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No.), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

GENERAL STATEMENT

Charles Anthony Buckley was born in New York City on June 23, 1890. He was educated in the schools of the Bronx and engaged in the building business in New York City for most of his adult life. He first was elected to public office in 1918 as a member of the board of aldermen of New York City, serving until 1923 when he resigned in his third term to accept appointment as State tax appraiser for the State of New York. He served as tax appraiser for 5½ years and then was appointed city chamberlain of the city of New York on January 3, 1929, and served in this capacity of chamberlain until his resignation on October 8, 1933. He was elected to the 74th Congress as a Member of the House of Representatives on November 6, 1934, and served consecutively for 30 years throughout the 88th Congress.

During his 30 years of service in the House of Representatives Charles A. Buckley became recognized as an expert in the fields of public works and also established a reputation as an outstanding leader of the liberal bloc of the House. He supported legislation throughout his career in Congress which he felt would be beneficial to the American public as a whole. He was one of the few men in the history of the Congress to serve 30 consecutive years in the House of Representatives.

He became chairman of the Committee on Public Works in the 82d Congress and continued his service as chairman through the 84th, 85th, 86th, 87th, and 88th Congresses. During his tenure as chairman and service with the committee such significant legislation came into being as the Federal-Aid Highway Act of 1956, the development of water pollution legislation, the Appalachian program, the Public Works Acceleration Act, as well as the full-scale development of the Federal building program through the Public Buildings Act of 1959. This was in addition to the many other projects in the fields of rivers and harbors, flood control, and in the great Tennessee Valley watershed that were authorized while Mr. Buckley was chairman.

POST OFFICE AND FEDERAL OFFICE BUILDING, BRONX, N.Y.

This post office and Federal office building, which is to be constructed in the Bronx, N.Y., was approved by the Committee on Public Works of the House of Representatives on July 31, 1963, and by the Committee on Public Works of the Senate on August 20, 1963. The construction of this post office and Federal office building will greatly enhance the activities of the Federal agencies serving the Bronx by consolidating their operation and by providing adequate and suitable office space. It is estimated that the total maximum cost for this new building will be $17,960,000.

The naming of the post office and Federal office building in the Bronx after the late Charles A. Buckley is a particularly unique honor, in the committee's opinion. The late Congressman Buckley was chairman of the Committee on Public Works when the committee authorized the construction of the Bronx Post Office and Federal office building.

COMMITTEE VIEWS

The committee believes it is highly fitting and proper to name the post office and Federal office building to be constructed in the Bronx N.Y. after this distinguished public servant. Charles A. Buckley served with vigor and integrity during his tenure in the Congress. He served his country and his fellow man to the best of his ability and the committee feels this would be a fitting tribute to Congressman Buckley's outstanding work during the many years he served his community, the Bronx, the State of New York, and the Nation as a U.S. Representative in Congress.

BILLS PASSED OVER

The bills (H.R. 13933) to amend section 103 of title 23, United States Code, to authorize modifictions or revisions in the interstate system; and (S. 1637) to amend the Tennessee Valley Authority Act of 1933 to provide that the issue of just compensation may be tried by a jury in any case involving the condemnation of real property by the TVA, were announced as next in order.

Mr. MANSFIELD. Mr. President, I ask that these bills go over.

The PRESIDING OFFICER. The bills will be passed over.

LAWS RELATING TO MEMBERS OF THE ARMED SERVICES

The bill (H.R. 8547) to amend title 10, United States Code, to simplify laws relating to members of the Army, Navy Air Force, and Marine Corps, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

STORAGE OF HOUSEHOLD EFFECTS OF MEMBERS IN A MISSING STATUS

The bill (H.R. 12961) to amend title 37, United States Code, to authorize the nontemporary storage of household effects of members in a missing status was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 932), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

This bill would permit the Secretary of a military department to authorize the storage for a period of 1 year or longer, if justified, of the household and personal effects of a member of the Armed Forces who is in a missing status.

EXPLANATION

Sections 406(b) and 554(b) of title 37, United States Code, entitle a member of the uniformed services who is in a missing status to the storage of household effects for not more than 180 days. In cases where a member is declared missing this maximum period of 180 days is often insufficient. In such circumstances the dependents suffer mental stress and indecision. In contrast to the law applicable to persons in a missing status, the law governing the storage of household effects for dependents of a member who has been declared dead permits storage for a period of 1 year.

Under this bill the Secretary concerned could authorize in individual cases a storage period of longer than 180 days when he considers this action necessary for a member who has been in a missing status for a period of 30 days or longer. The Secretary may authorize storage of household effects for a period of 1 year, or longer when there is justification.

COST

The Department of Defense estimates that the annual cost of the bill would be $124,000.

ACCUMULATION OF LEAVE

The Senate proceeded to consider the bill (H.R. 1341) to amend section 701 of title 10, United States Code, to authorize additional accumulation of leave in certain foreign areas, which had been reported from the Committee on Armed Services with an amendment on page 2, line 8, after the word "after", strike out "June 30, 1966" and insert "January 1, 1968".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 933), explaining the purpose of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

This bill would allow a member of the Armed Forces to accumulate more than 60 days of leave if the member has served more than 120 days in a foreign area where there is hostile activity.

EXPLANATION

Section 701 of title 10, United States Code, limits to 60 days the amount of leave that a member of an Armed Force may accumulate. This limitation has resulted in the loss of some leave by members of the Armed Forces serving in Vietnam. For instance, some members have built up their leave accruals to nearly 60 days. If these members are reassigned to Vietnam without there being time for them to take extension leave, which accrues at the rate of 2½ calendar days for each month of active service, it will result in an accumulation of more than 60 days.

Under this bill a member of the Armed Forces who has served more than 120 days in a foreign area where there is hostile activity could accrue up to 90 days of leave. The leave in excess of 60 days could be credited only for use and not for payment if not used. Accumulated leave in excess of 60 days would have to be used before the end of the fiscal year following the fiscal year in which service in the designated foreign area ends.

Because of the administrative problems involved if the bill were retroactive in effect, the committee recommends that its provisions be effective only beginning January 1, 1968.

COST

There should be no direct cost resulting from the enactment of this bill.

RELATING TO TRANSPORTATION OF HOUSE TRAILERS AND MOBILE DWELLINGS OF MEMBERS OF THE UNIFORMED SERVICES

The Senate proceeded to consider the bill (H.R. 3982) to amend section 409 of title 37, United States Code, relating to the transportation of house trailers and mobile dwellings of members of the uniformed services which had been reported from the Committee on Armed Services with an amendment to strike out all after the enacting clause and insert:

> That the second sentence of section 409 of title 37, United States Code, is amended by striking out "51 cents" and inserting in lieu thereof "74 cents".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 934), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE AMENDMENT

The committee amendment in effect deletes the present ceiling of 51 cents per mile on the movement by commercial means of household trailers owned by military personnel on a permanent change of station and inserts a new ceiling of 74 cents per mile.

The purpose of the amendment is to recognize the need for an increase in the existing allowance for the movement of trailers but at the same time continue the maintenance of a specific monetary ceiling on the amount which may be paid by the Government for the transportation of household trailers or mobile dwellings by commercial means. In addition, the amendment deletes certain other liberalizing features of the House bill incidental to the movement of housetrailers.

EXISTING LAW

Existing law (sec 409 of title 37, United States Code limits the cost to the Government for moving housetrailers by commercial means to the lesser of (a) the current average cost for commercial transportation; (b) 51 cents a mile; or (c) the cost of transporting the baggage and household effects of the member or his dependents plus the amount of a dislocation allowance.

BILL AS PASSED BY HOUSE

The bill as passed by the House would—

(*a*) Remove the present limitation of 51 cents per mile payable for transporting trailers when the Government makes arrangements by commercial means for this transportation;

(*b*) Permit the payment of a dislocation allowance when a trailer is moved at Government expense;

(*c*) Permit a member of a uniformed service to ship both a trailer and household goods and baggage when the member is ordered overseas or returns from overseas;

(*d*) Limit the allowable cost of moving the trailer to what it would cost the Government to move the maximum weight of household goods and baggage for a person of the same military grade;

(*e*) Allow the member to be reimbursed for tolls, charges, and permit fees when the Government does not arrange for the transportation by commercial means and the member makes his own personal arrangements.

DISCUSSION OF SENATE COMMITTEE AMENDMENT

The committee would like to make the following observation with respect to the committee amendment:

(1) The committee recognizes the need for some relief with respect to the current ceiling of 51 cents per mile in the movement of the household trailers. The current information is that this allowance is inadequate in many instances. At the same time, the committee is unwilling to liberalize the trailer allowance provisions to the extent recommended by the House bill. The House version, in providing for a ceiling equal to the cost of the movement of the maximum weight allowance for household goods and baggage for a person of the same military grade, removes any specific monetary ceiling on what the Government will pay per mile for the movement of household trailers. The Senate has previously rejected similar legislation passed by the House.

(2) The maintenance of a monetary ceiling of 74 cents per mile represents a continuation of the legislative policy which has existed since the enactment of the original trailer allowance provision in 1955. A monetary ceiling, first enacted in the 1955 act, was 20 cents per mile; subsequent amendments increased the ceiling to 36 cents, and later to 51 cents which is current law.

(3) The Department of the Army has advised that under the statutory ceiling of 74 cents per mile, more than 90 percent of the trailer owners would be fully reimbursed for the cost of moving their household trailers. The monetary ceiling should therefore cause no hardship on the overwhelming percentage of military personnel who own trailers.

(4) The increasing cost of moving household trailers could place the Government in a position of paying more than the cost of the trailer itself after reimbursing the owners for a limited number of trailer movements. Under such circumstances, in the interest of economy and efficiency, a case could be made that the best interests of the Government might be to maintain the trailers in place rather than to pay for their constant movement with each permanent change of station.

As examples of the current cost of transporting housetrailers, the cost at 74 cents per mile would be as follows for the cited locations

Fort Bragg, N.C., to Fort Knox, Ky	$445
Fort Leavenworth, Kans., to San Francisco, Calif	1,357
Fort Lorton, Wash., to Fort McPherson, Ga.	1,920
Westover AFB, Mass., to McClellan AFB, Calif	2,197

For trailers in the larger category of 12 feet 6 inches in width, movements from the east coast to the west coast exceed $3,000 one way.

These circumstances underscore the need for a reasonable monetary ceiling.

(5) With respect to the deletion of the provision providing for the reimbursement for tolls and permit fees, it should be observed that this precedent has not yet been extended for certain other types of military travel. Moreover, certain toll and fee arrangements are included in the computation of the newly proposed ceiling of 74 cents per mile.

With respect to the deleted proposal for authorizing a dislocation allowance in addition to the trailer allowance, the committee was not convinced that the normal dislocation expense exists to the same degree for trailer owners as for the nontrailer owners. The Military Pay Act of 1955 initially did not extend the dislocation allowance to those who became entitled to the allowance for the movement of their household trailers.

AUTHORIZED STRENGTHS BY GRADE FOR MEDICAL AND DENTAL OFFICERS

The Senate proceeded to consider the bill (H.R. 10242) to amend title 10, United States Code, relating to the authorized strengths by grade for medical and dental officers on active duty in the Army, Navy, and Air Force which had been reported from the Committee on Armed Services with amendments on page 1, line 10, after the word "grades", strike out "above captain" and insert "below brigadier general"; on page 2, line 14, after the word "grades", strike out "above lieutenant, and" and insert "below rear admiral, and"; and on page 3, line 5, after the word "grades', strike out "above captain" and insert "below brigadier general".

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 935), explaining the purposes of the bill.

There being no objection, the excerpt

was ordered to be printed in the RECORD, as follows:

EXPLANATION OF AMENDMENTS

The amendments limit the effect of the bill to the grades of colonel or equivalent and below.

PURPOSE

This bill would authorize the establishment of a common and improved promotion system for Medical and Dental Corps officers of the Army, Navy, and Air Force under which the grades held by such officers would not count against the officer grade authorizations applicable to these military departments.

EXPLANATION

The authorized officer strength of the military departments is fixed by law. These authorizations apply to all officers irrespective of whether they are in the line or staff corps. Consequently, the promotion opportunity for all officers has ordinarily been uniform. The military departments therefore must choose between offering the same promotion opportunity to medical officers as is afforded line officers or giving medical officers special promotion opportunity and at the same time reducing the promotion opportunity of line officers by a comparable degree. Usually the military departments have chosen the first alternative.

The following three examples illustrate the kinds of problems that occur under current practices:

Under existing law and policies of the departments, it is not unusual for an officer who has completed 3 or 4 years of residency training in a specialty, and who has then practiced in that specialty and successfully passed a written and oral examination by a national board, to have the same military grade as a physician who has just graduated from medical school and who is serving a military internship.

Secondly, the medical corps of the Army is 35 percent below the strength it considers necessary in the grade of colonel. Yet, the physicians who are now filling colonel positions as lieutenant colonels are subject to a promotion board selection rate under which less than one-half of those in the eligible zone may be selected for promotion, regardless of their qualifications and the vacancies existing in the higher grade.

Third, there are wide fluctuations in time-in-grade requirements both within a service and among the services. These fluctuations make it difficult for a prospective medical officer to have a clear indication of career opportunities. For example, Medical Corps officers in the Navy are now being promoted to captain approximately 5 years before the time their contemporaries in the Army Medical Corps are being promoted to colonel.

Under this bill the Secretary of Defense would prescribe regulations for the military departments to follow in establishing a new promotion system for physicians. These regulations are intended to assure that medical officers of one service are afforded an opportunity to be considered for promotion at the same career service points and with the same selection opportunities as medical officers of the other services.

MEDICAL OFFICER RETENTION PROBLEMS

The losses of career medical officers have exceeded gains for each of the last 5 fiscal years. During fiscal year 1967, the losses of career medical officers amounted to 735. This represented a loss of 27 percent of the total career medical force in 1 year.

The tabulations that follow show the Medical Corps officers on active duty, the career Medical Corps officer losses, and the career Medical Corps officer gains for the last 6 fiscal years.

MEDICAL CORPS OFFICERS ON ACTIVE DUTY

	DOD total	Army	Navy	Air Force
Career [1]	2,716	1,012	983	721
Noncareer	12,033	5,291	3,347	3,395
Total	14,749	6,303	4,330	4,116
Career officers as percent of total	18	16	23	17

[1] Those with 8 or more years of active Federal service as of June 30, 1967.

DOD REGULAR COMPONENT MEDICAL CORPS GAINS

	Fiscal year 1962	Fiscal year 1963	Fiscal year 1964	Fiscal year 1965	Fiscal year 1966	Fiscal year 1967 [1]
Army	175	142	116	183	203	164
Navy	270	219	242	115	140	193
Air Force	28	48	140	122	148	180
Total	473	409	498	420	491	537

[1] Estimated.

CAREER MEDICAL CORPS OFFICER LOSSES

	Fiscal year 1961	Fiscal year 1962	Fiscal year 1963	Fiscal year 1964	Fiscal year 1965	Fiscal year 1966	Fiscal year 1967
Resignations	222	174	401	393	427	349	545
Retirements	99	89	95	137	119	192	190
Total	321	263	496	530	546	541	735

This bill is only one of several actions the Department of Defense has proposed to improve the retention of career medical officers. Another action directed toward the retention of more career military physicians is the provision for continuation pay that is included in the Uniformed Services Pay Act of 1967. Under the continuation pay concept, the Secretaries of the Departments would have permissive authority to pay medical officers who agree to remain on active duty beyond their period of obligated service as much as 4 months of basic pay for each additional year the physician agrees to remain on active duty.

Although the bill is broad enough to apply to Dental Corps officers, the Department of Defense informed the committee that it does not intend to extend the provisions of the bill to dental officers, because the retention problems for officers of the Dental Corps are not nearly so severe as those for officers of the Medical Corps. While the Department had to place a selective service call for more than 2,000 physicians during the summer of 1967, there was no such call for Dental Corps officers. In fact, the number of Dental Corps officers volunteering for active duty in the summer exceeded the requirements of the Departments. Moreover, the median annual income (after office expenses and before taxes) for physicians is reported to exceed that of dentists by approximately $11,000 annually. And, finally, in contrast to the 27-percent loss figure mentioned earlier as having been experienced for career medical officers last year, the dental losses for that year amounted to only 5 percent. Consequently, the committee understands that this bill will not be applied to Dental Corps officers under current circumstances.

COST

If this bill is enacted approximately 1,300 Medical Corps officers who would not otherwise be promoted during fiscal year 1968 will be promoted. The cost of these promotions is estimated to be $2 million. The future annual cost should be approximately $500,000.

Mr. MANSFIELD. That concludes the call of the calendar, Mr. President.

ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE NATIONAL ANTHEM

Mr. LAUSCHE. Mr. President, I have received a letter from station WIRO in Ironton, Ohio. In the letter the writer complains about a supposed rule adopted by the Department of Defense which prohibits the playing of the national anthem as a prelude to the presentation of films that are shown by it to military personnel.

The writer is disturbed about this supposed new rule. He writes to me to ask what I know about it. Mr. President, the only information I have on the subject is what is contained in his letter.

Mr. President, the following is a report issued by the National Sojourners, a patriotic organization, dealing with the subject:

> It has come to the attention of this chapter that the National Anthem is no longer being played as part of the opening portion of motion pictures presented at theaters on this post, and that the practice has been discontinued by the Army and Air Force Motion Picture Service. Upon querying responsible officials, it was found that this change affected all theaters under jurisdiction of the Army and Air Force Motion Picture Service (AAFMPS). A representative of the AAFMPS Western Division was purported to have stated that the National Anthem was deleted because of recent occurrences of adverse audience reaction to the short ceremony, and that they served no useful purpose, although this reason cannot be verified at this level.

Mr. President, I do not know whether the charge is true. If it is true, it is incomprehensible to me. It is simply shocking to think that the Department of Defense would discontinue playing the national anthem as a prelude to the showing of moving pictures issued by the Department of Defense because there have been some adverse reactions by irresponsible young men to the playing thereof.

If the charge is true it means a surrender of Government to rioters; and it means supremacy of the lawless and the abandonment of authority by those in whom authority has been vested by law and the Constitution.

I cannot bring myself to the belief that in our country the time has come when the Government does not dare play the national anthem as a part of the opening portion of motion pictures it distributes. I contemplate making inquiry of the Department of Defense as to the actual facts.

Mr. President, in the letter which I have received from radio station WIRO, the writer makes mention of Stokely Carmichael, another instance of the lawless governing and the elected administrators being obedient and subservient to the Carmichaels and Rap Browns.

Mr. President, I listened to Mr. Katzenbach on television yesterday morning. He gave an explanation as to why Carmichael could not be prosecuted under the passport laws. Then he added a sentence at the conclusion of his remarks to the effect he did not know whether there are other facts which might make Carmichael amenable to criminal prosecution, and that he was not speaking upon that item.

There is no graver responsibility resting with the Department of Justice in these times than to use the law, whenever it has been violated, to bring the perpetrators to the bar of justice. I regrettably state that in my opinion the Department of Justice is not fulfilling that responsibility.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. STENNIS. Mr. President, I heartily commend the Senator for bringing to the attention of the Senate the situation he mentioned in connection with our National Anthem. It is shocking and unbelievable that that could happen.

I am glad that the Senator is going to check further to ascertain the facts. The Senator renders a service when he presents this matter.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. BYRD of West Virginia. Mr. President, I congratulate the Senator on the statement, and I share his views.

Mr. LAUSCHE. I thank the Senator.

EXECUTIVE SESSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination on the Executive Calendar.

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). Is there objection?

There being no objection, the Senate proceeded to consider executive business.

DEPARTMENT OF JUSTICE

The legislative clerk read the nomination of John T. Curtin, to be U.S. district judge for the western district of New York.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. JACKSON, from the Committee on Interior and Insular Affairs:

John T. Vance, of Montana, and Richard W. Yarborough, of Texas, to be Commissioners of the Indian Claims Commission;

Jerome K. Kuykendall, of Virginia, to be a Commissioner of the Indian Claims Commission; and

Max N. Edwards, of New Mexico, to be an Assistant Secretary of the Interior.

By Mr. MONRONEY, from the Committee on Post Office and Civil Service:

Sixty-three postmaster nominations.

LEGISLATIVE SESSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

SOCIAL SECURITY AMENDMENTS OF 1967—CONFERENCE REPORT

Mr. LONG of Louisiana. Mr. President, a point of order. Under the rules, does the conference report on H.R. 12080 automatically come down at this point, or must I make a motion?

The PRESIDING OFFICER. Not until after 2 hours have expired following the convening of the Senate.

Mr. LONG of Louisiana. Mr. President, I move that the conference report on H.R. 12080 be laid before the Senate.

The PRESIDING OFFICER. The clerk will state it.

The LEGISLATIVE CLERK. A bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to.

The PRESIDING OFFICER. The question now is on adoption of the conference report.

The motion was agreed to.

Mr. LONG of Louisiana. I move that the vote by which the conference report was agreed to be reconsidered.

Mr. BYRD of West Virginia and Mr. DIRKSEN moved to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. STENNIS. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. STENNIS. Because there was no recorded vote on adoption of the conference report, I have asked the Senator to yield to me for a very brief statement, to let me say that I think the conferees did an excellent job in working out the differences in the House and Senate versions of the bill.

I said, when the bill passed the Senate, that I would vote against it but if certain conditions were met and reductions made, to be frank about it, I hoped to support the bill that came from the conference committee. I highly commend the conferees and I do support the measure that has just been brought before the Senate. Had there been a rollcall vote on it, I would have supported it and would have spoken in support of the position taken by the Senator from Louisiana.

Mr. LONG of Louisiana. Let me say to the distinguished Senator that so far as I am concerned, I would have had severe doubt about voting for that bill the way it passed the Senate, had I not known that the House conferees were not going to give billions of dollars which were lowered into the bill when there were no taxes to pay for it. That would have been irresponsible. That is probably what tilted the Senator's vote against the bill. I knew, of course, that when we talked to the House, they would automatically take the view that if we did not provide the money to pay for it, they would not take the amendments.

Naturally, if those amendments are offered with no funds to pay for them, they automatically go by the board, and they will not consider them. We reduced the cost of it because it was necessary to make the bill financially responsible. I believe that the Senator will agree that after he has thoroughly studied it, he will say that it is a good bill.

Mr. STENNIS. I do agree, and I commend the Senator again for a long, hard job on a very difficult bill, handling himself and the bill in an excellent way.

Mr. COTTON. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. COTTON. I join the distinguished Senator from Mississippi not only for myself, but also for the Senator from Vermont [Mr. PROUTY] who is, as the Senator knows, absent because of illness. The Senator from Vermont has been deeply interested in this whole social security problem. I join in commending the distinguished Senator from Louisiana and his associate conferees in doing the very best possible job they could, to uphold the wishes of the Senate, and to save the bill.

This year, Congress has taken care of many of the needs of our people. It has taken care of raising military pay. It has taken care of raising the pay of our civilian employees in consonance with the cost of living. It has taken care of foreign aid. It has taken care of and made appropriations and authorizations for the poverty program. It has appropriated money for model cities. It has gone down the line for the American people.

If we, in this session of Congress, went home and left the social security bill hanging in the air, it would mean that we had failed our elderly retirees, many of whom are living under great difficulty today with the social security payments which they receive.

That is why I commend the Senator from Louisiana. I wanted this bill to be a little different. I wanted a higher rate for those getting the minimum. I wanted $70 a month for them. I thought it was highly important. But the most important thing is that we do not go home from this Chamber without having taken care of those who are obliged to live on social security.

Once more, I congratulate the Senator from Louisiana.

Mr. LONG of Louisiana. Mr. President, I thank the distinguished Senator from New Hampshire. Let me say that this bill provides for the largest increase in cash benefits of any social security bill in the history of the United States. It is necessary, because, since the last social security bill was passed, the cost of living has gone up 8 percent, yet those on social security have had their meager income reduced by that 8 percent. This will be a guaranteed 13-percent increase. It will overcome the increase in the cost of living. Also, the fact is, benefits never were really fully adequate to meet the needs of our people. Now 24 million of our older people can get the help they need. Many of them have exhausted their medicare benefits. This will give them 45 more days, with $20 deductible, which will be more meaningful for those who have used up their medicare benefits—those who need it most—because with the smallest check, the percentage increase is biggest—a 25-percent increase, if they were living on a pitiful check. I would like to make it $70. I would like to have all sorts of needs taken care of. We took care of first things first. We took care of the most disadvantaged group—24 million of our older people—who will be benefited. Every social security retiree will be benefited under the bill.

Mr. MANSFIELD. Mr. President, I was unavoidably absent from the Senate Chamber when, like a flash of lightning, the conference report on the social security bill was agreed to.

What was done is fully within the rules and regulations and procedures of the Senate, but I think the way it was done raises a most serious question so far as the rights of any individual Senator are concerned.

I am not on the side of those who had intended to talk on the conference report. I felt that what they were doing was unwise. I was in favor of the conference report. I have said I intended to make a speech to that effect today, even though it has some deficiencies which I abhor and which I would hope could be corrected, but, so far as the conference report as a whole was concerned, we were faced with accepting it or having nothing at all.

In my judgment, the Senate should have approved it and should have then sought, next year, through various ways and means, either in Congress or in considering the feelings of interested people in various parts of the country, in that way to create a sentiment which would bring about the necessary modifications.

I want to compliment the distinguished Senator from Louisiana, the deputy majority leader, and the conferees on both sides for doing what they could to get the best possible bill out of the committee. And it is a good bill, a very good bill in many respects, because it gives 24 million of our elderly citizens a 13-percent increase in benefits. It increases medicare by 60 days. It extends the hospitalization benefits. And there are other aspects of it which make the bill, despite its deficiencies, a meritorious and necessary one at this time, with the needs of the oldsters and the others being taken into careful consideration.

But, Mr. President, there is such a thing as decorum and dignity in this body. There is such a thing as the right of every single individual Senator, regardless of his views, being protected; and I would like at this time, because I think in this instance this group of Senators has been treated most unfairly, to ask unanimous consent that this conference report be reconsidered.

Mr. LONG of Louisiana. Mr. President, reserving the right to object—and I speak in this regard not as assistant majority leader; I speak as the chairman of the Senate conferees and the chairman of the Senate Committee on Finance—I am well on notice that some Senators did not intend to permit us to vote on this conference report in this session, which means we would have to go back and tell these fine old people—24 million of them—that they would have to go without their social security increase.

Frankly, I have done a lot of filibustering in my day. One thing we know about filibustering—if you do not want the Senate to vote, you had better start talking or engage in some dilatory tactic, otherwise, the Senate is going to vote. When I came here I was taught by men like Alben Barkley, who used to bring down that gavel so fast it would make your head swim.

We had three consecutive votes. Any Senator could have suggested the absence of a quorum or started talking, or have done anything he wanted to do. I have served in the Senate for almost 20 years. I have served under Republican leaders and under Democratic leaders of this body, and those with whom I have served have taken the view that if you have a filibuster on your hands, you had better break it if you can. One way to break a filibuster is to vote when you have a chance to vote.

Mr. MANSFIELD. Mr. President, will the Senator yield there?

Mr. LONG of Louisiana. Yes.

Mr. MANSFIELD. May I say I had intended to stay in session until this bill was disposed of. May I say I was even considering fairly seriously the possibility of invoking cloture in an effort to bring this debate to an end. May I say that when the leader is called out on official business, he ought to be given some consideration because of his responsibilities as far as this whole body is concerned. And had I been here, I would have objected, and the Senator from Louisiana, who is deputy majority leader at the same time he is chairman of the committee, I believe would recognize that fact. I must apologize for not being here, but I just could not be here. I had an official call I had delayed.

But I do ask, in behalf of the rights of these few Senators, that this matter be reconsidered. I am hopeful if it is—although I have no assurances—that the debate will not be too long and, if possible, we will be able to get to a vote this week or, if need be, next week. I would not object to coming in at 8 o'clock in the morning and staying until 12 o'clock to give them a chance to dramatize their case. I have told Senators and others who have advocated it that there would be no round-the-clock session. But I do think they are entitled to be heard. They have not been heard except haphazardly and incidentally. They do not have the votes and they will not have the votes under any circumstances at all, in December or January, to stop the acceptance of this conference report.

So I hope, in view of the unusual situation which has developed, that the proper consideration will be given to these Senators. May I say that if it were only one Senator and I were opposed to him completely, 100 percent, I would ask for the same consideration under conditions of this sort.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield——

Mr. LONG of Louisiana. Mr. President, I believe I have the floor.

Mr. MANSFIELD. I had the floor.

The PRESIDING OFFICER. The Senator from Montana has the floor. To whom does the Senator from Montana yield?

Mr. LONG of Louisiana. If the Senator will yield to me——

Mr. MANSFIELD. I yield.

Mr. LONG of Louisiana. I would say to the Senator that if the majority leader had made a commitment to someone who wanted to oppose the conference report that he was going to prevent this matter from coming to a vote until he or they were here to prevent it from coming to a vote, that would put this in a different light.

Mr. MANSFIELD. I made no such commitment, but I feel I have an obligation.

Mr. LONG of Louisiana. I would be willing to permit a motion to reconsider to be entered. I am not willing to go beyond that point because to do so means, if we are forced to resort to a cloture motion, it would require a two-thirds vote, whereas a motion to reconsider would permit us the opportunity for debate, and we could have a vote between now and New Year's because if a motion to table were made, it would not be debatable. I have no objection to adopting that position. I do object to this bill, involving the hopes and needs of retirees and 24 million social security beneficiaries, being killed by dilatory tactics.

If the Senator would be content that we would agree that a motion to reconsider would be in order, then I would not object to such a motion being entered.

Mr. MANSFIELD. May I say I am on the same side as the distinguished Senator from Louisiana, chairman of the committee which reported the conference report; and I would hope that, regardless of our personal feelings, we would have a chance to reconsider. I know the feelings of a number of Senators on both sides of this measure, and I appreciate their feelings, and I sympathize with all of them. But there does come a time when we do have to recognize that any individual Senator, let alone any group, no matter how small or how large, should be given the full protection of the Senate. I would hope that, regardless of our feelings, we would allow a reconsideration of the matter at this time because of the unusual situation which has developed.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that a motion to reconsider may be in order.

The **PRESIDING OFFICER.** Is there objection?

Mr. DIRKSEN and **Mr. COTTON** addressed the Chair.

Mr. DIRKSEN. Mr. President, there was a unanimous-consent request by the distinguished majority leader, and obviously the deputy majority leader cannot present his request until that is first acted on.

Mr. LONG of Louisiana. Mr. President, I object to the first one, and I ask unanimous consent that a motion to reconsider might be in order.

Mr. COTTON. Mr. President, reserving the right to object——

The **PRESIDING OFFICER.** The Senator from New Hampshire.

Mr. COTTON. Mr. President, reserving the right to object, I agree with the distinguished majority leader, of course, that it is the duty of every Senator to try to guard and protect the rights of every other Senator. But when the conference report was adopted on a voice vote, there were on the floor of the Senate Senators who represent the majority leadership, even though the distinguished leader himself could not be called to the Chamber at the time. All the other officials were in the Chamber. I saw also in the Chamber, Senators who are interested in delaying, if not defeating, the adoption of the conference report. The matter was, as has been stated by the Senator from Louisiana, the subject of three voice votes.

I speak as a Senator who had intended to object and to vote against laying aside the conference report or to taking up any other business until we had acted upon the report. I speak as one who feels that after Congress has provided for many segments of the population, it would be sad and a disgrace to go home and leave the recipients of social security hanging on a thread, dependent on what might happen next year. Speaking as one who intended to make certain that action was taken, I suggest that we meet halfway the Senators who oppose the conference report.

I sat in my chair last night, prepared to sit there for an hour. But those who wish to debate and express their views against the conference report did not choose to do so, and the Senate adjourned in 10 minutes.

I certainly join the majority leader in not wanting to see any Senator deprived of his chance to be heard. But there is certainly ground for suspicion that the purpose of those Senators is, in the last hours of this session, to debate until such time as the conference report is not acted upon.

If they want unanimous consent to have the Senate rescind the action that was taken on the floor of the Senate—and certainly I would be anxious not to impinge upon their rights—then let us have a quorum call and obtain a unanimous-consent agreement that if the action by which the conference report was agreed to is rescinded, there be a limitation of debate, the time to be long enough to enable them to be heard, before we vote again. If the vote is rescinded without that kind of arrangement, it will be highly questionable, indeed, whether the Senate will have a chance to vote on the conference report.

If the Senate is to agree to rescind its action, it would seem to me to be fair that those Senators who have inadvertently lost their opportunity should first agree that there shall be some limitation on debate. I do not care whether it be 4 hours, 10 hours, a day, a day and a half, or even 2 days. But I think we should have a unanimous-consent agreement to vote on this matter. If we do not, I am afraid I shall be constrained to object even to the request of the distinguished Senator from Louisiana.

Mr. LONG of Louisiana. Mr. President, I hope the Senator understands that the request I made is that a motion, which is debatable, would be in order, so that in due course, at such time as the Senate felt that there had been adequate opportunity for everyone to be heard and express his views, we could proceed to a vote.

Mr. PASTORE. Mr. President, just a word.

First, I wish to say this: All of us have just as much interest in children under 21 as we have in our "golden agers" above 65. All of us who are interested in the elimination of the freeze are naturally for the increase in social security. I do not think any Senator, in good conscience, even though we cannot achieve our purpose of eliminating the freeze, would wish to do anything to balk or stop this very necessary increase to our elderly citizens under social security. So I say the idea of a filibuster can be banished from everyone's mind, because I do not think there will be a filibuster at all.

However, I do quite agree with my good friend from New Hampshire, who is a very reasonable man, that we ought to have some kind of an understanding here to vote at a time certain; whether it should be 5 o'clock today, 12 o'clock tomorrow, or 5 o'clock tomorrow I do not know and do not care, as long as we can obtain that assurance for anyone who even imagines there might be a filibuster in process here, so that that apprehension can be eliminated completely from our thoughts.

But I do wish to call to the attention of the leadership that it has been my unfortunate responsibility—and I use those words most advisedly—for the last 2 or 3 years, to manage both the foreign aid bill and the supplemental appropriation bill, which are usually the last two bills considered by Congress. There has been a lot of talk in the newspapers—and I hope that I might have the attention of Senators who are in private conversation; I hope I am not wasting my time—about adjournment fever.

Realizing the fact that Congress wants to adjourn sine die on Friday night, we have been working night and day, not only on the foreign aid bill but also on the poverty bill. Now we have resolved the foreign aid bill. We agreed with the House conferees yesterday afternoon, and in all probability the matter will come to the Senate for consideration either today or tomorrow.

In the meantime, we have just reported out the poverty bill. Not only do we have to go through the process of consideration on the Senate floor, we have to meet in conference, the House has to accept the report of that conference, and then the conference report must come back to the Senate for action.

I ask only this: Let us agree on a time certain to vote on this social security bill, but at the same time allot to my committee 2 or 3 hours to resolve on the floor the poverty bill, so that we can go to conference, and then all we shall have pending before the Senate will be four reports, and I think we can all get out of here by 5 o'clock tomorrow night.

But if I am going to be required to wait here and wait here, and then, after the Senate gets through with this hassle, go through the process of bringing up the poverty bill, then go over to the House of Representatives and hold our conference, and then come back here, I announce to the Senate now that I have no intention of staying here Saturday, and if we do not get it done by Friday, we will have to go over until next week, my patience is now at a breaking point.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. What the Senator says is correct; and, if I may have the attention of the distinguished minority leader, the distinguished Senator from Delaware [Mr. WILLIAMS], the distinguished Senator from New Hampshire [Mr. COTTON], the manager of the bill, the distinguished Senator from Oklahoma [Mr. HARRIS], the distinguished Senator from Maryland [Mr. TYDINGS], and the distinguished Senator from Rhode Island [Mr. PASTORE], I ask the Senator from New Hampshire, would he withdraw his reservation or qualification if I could give him assurance—which I am giving in the utmost good faith—that the vote on the pending conference report will take place at 11 o'clock tomorrow, Friday, morning?

I make this request after discussing the matter. I think it brings this situation to a head. It will protect the rights of the Senators who are raising questions about the conference report, and I think it will meet the feelings of the great majority of the Senate, if this could be agreed to and a reconsideration brought about.

Mr. COTTON. Mr. President, I have little doubt in my mind that the distinguished majority leader would be able to fulfill his perfectly sincere assurance—but, Mr. President, I do have that little doubt. I have been here too long and seen too many recalcitrant Senators come on the floor who were not present when an assurance was given. I cannot see why the distinguished majority leader cannot make his request for a unanimous-consent agreement to vote at whatever hour he designates on Friday, and if that consent is obtained, then, of course, we can all be perfectly sure.

Mr. MANSFIELD. Mr. President, just to emphasize what the distinguished Senator from Louisiana has already said, I ask unanimous consent that the vote on the conference report which has just been agreed to by the Senate, be reconsidered, and that another vote on the conference report take place at 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Before that unanimous-consent request can be considered, the unanimous-consent request of the Senator from Louisiana will have to be withdrawn or acted upon.

Mr. LONG of Louisiana. I withdraw it. Mr. President, I ask unanimous consent that I might amend my request to provide that a motion to reconsider be in order, and that if that motion to reconsider be agreed to, that the Senate agree, by unanimous consent, that we will vote on the conference report at 11 a.m. tomorrow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana? The Chair hears none, and it is so ordered; and that the vote on the adoption of the conference report occur tomorrow at 11 a.m.

The unanimous-consent agreement was subsequently reduced to writing, as follows:

Ordered, That the Senate proceed to vote on the adoption of the conference report on H.R. 12080, Social Security Amendments of 1967, at 11 o'clock a.m., Friday, December 15, 1967.

(This order was subsequently modified to provide for the vote to be had at 11:30 a.m.)

Mr. TYDINGS. Mr. President, for the record, the failure to object at the time of the passage of the conference report was my error and my mistake.

I take full responsibility for what happened. I was standing at my seat in the rear of the Chamber after the morning hour waiting to be recognized for the purpose of opposing the adoption of the conference report. It was my understanding that an agreement had been reached to take up the matter of the consideration of the supplemental appropriations before the social security conference report. Naturally, had I realized that the report being slipped through was the social security conference, I would have objected. I mistakenly assumed the majority whip was passing the supplemental appropriation which I supported.

To that extent, I think that the Senator from Oklahoma [Mr. HARRIS] and others should be protected from any responsibility to detect this unusual tactic. Unfortunately, in this great deliberative body, at times one learns the hard way. I will be a little older and a little wiser because of the error and I will certainly use better judgment in the future in my reliance on certain traditions and customs of the Senate.

It took 30 seconds after the morning hour for the conference report to be moved through.

Mr. LONG of Louisiana. Mr. President, when I was serving my first term, I was filibustering the Basing Point bill. The then Senator from Illinois, Mr. Douglas, and I made a motion to reconsider when the chairman had put the motion on the conference report. And we were able to obtain agreement that we would debate the motion to reconsider which was subject to a motion to table. It was subject to a motion to reconsider, and we were in a position that we had to permit the matter to come to a vote when, as far as I was concerned, they had every intention of filibustering that bill to death.

There is nothing at all new about someone losing some of his parliamentary rights because of his failure to object or to start speaking when a measure comes before the Senate.

It has happened to me.

Mr. TYDINGS. Mr. President, for the RECORD, I did not intend, nor did any of my associates, to filibuster this matter. I have a speech of some 1½ hours duration the substance of which I have delivered before, but which I had hoped to deliver again. Now that we have a unanimous-consent agreement, I hope that I will have that opportunity. I merely wanted to point out where the responsibility lay as far as the failure to object is concerned.

Mr. LONG of Louisiana. Mr. President, I agreed to the unanimous-consent request in order to accommodate other Senators. I will not be here tomorrow to vote on that conference report, because I have made longstanding commitments that require me to be in Louisiana. However, to accommodate other Senators, I was willing to agree to a unanimous-consent request so that other Senators could make their speeches.

I trust the good judgment of the Senate, even though I will not be here to respond to their arguments. I am confident that the conference report will be agreed to. Everybody can make his speech and the Senate can vote on the matter tomorrow.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. BYRD of West Virginia. Mr. President, I made the motion to table the motion to reconsider a little while ago in the normal course of things, as we do ordinarily when a motion to reconsider is made. We normally make a motion to table that motion.

My motion to table the motion to reconsider was made as we ordinarily make it and without any thought or desire to shut off those who wish to delay action on the conference report.

The failure of the Senator from Maryland to object does not reflect any discredit on him. There was a good bit of moving about and talking in the Senate Chamber. I do not think the Senator from Maryland heard or was aware of what was taking place.

I am glad we have been able to work this matter out so that all Senators will have an opportunity to express their feeling and we will have an opportunity to get on with the work of the Senate.

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PASTORE. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the conference report on the social security bill.

SUPPLEMENTAL APPROPRIATIONS, 1968

Mr. PASTORE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 924, H.R. 14397, the supplemental appropriation bill.

The PRESIDING OFFICER. The bill will be stated by title.

The BILL CLERK. A bill (H.R. 14397) making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Rhode Island?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Appropriations with amendments.

Mr. PASTORE. Mr. President, without losing my right to the floor, I suggest the absence of a quorum so that word will go abroad as to what we are considering.

The PRESIDING OFFICER. (Mr. YOUNG of Ohio in the chair). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PASTORE. What is the pending business?

The PRESIDING OFFICER. The supplemental appropriations bill.

Mr. PASTORE. The House reported the supplemental appropriations bill, 1968 (H.R. 14397), the morning of Tuesday, December 12, and passed the bill that afternoon. The Senate subcommittee commenced taking testimony on Tuesday afternoon and concluded yesterday, December 13.

In executive session yesterday afternoon, the committee recommendations were made, as summarized in Senate Report No. 938, including explanations of all items in the bill. Briefly, these items include the provisions of $1,980,000,000 for the Office of Economic Opportunity. The amount recommended is the total authorized in the recently approved authorization act. The House version of the bill would have provided $1,612,500,000.

The committee recommendations also include the provision of $64,985,000 for Appalachian regional development programs, and administrative expenses, which is the full budget estimate and $10,278,500 above the House bill.

Other major adjustments recommended by the committee include $2,800,000 for plans for the James Madison Memorial Building. There has also been added to the bill by the committee $17,247,269 for claims and judgments rendered by the Indian Claims Committee. Additional items relating to the Senate amounting to $278,040 are detailed in the report.

I ask unanimous consent that the detailed explanation be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

CHAPTER I

Independent offices

Appalachian Regional Commission

Salaries and expenses

Appropriation, 1967	$1,100,000
1968 estimate	785,000
House allowance	706,500
Committee recommendation	785,000

Restoration of $78,500 is recommended by the committee, to provide the full amount of the budget estimate of $785,000 for salaries and expenses of the Appalachian Regional Commission, to cover the expenses of the Federal Cochairman and his staff and the Federal share of the cost of supporting staff. The Committee is advised that a large portion of the matching funds from the States involved has already been paid into the trust fund.

Funds Appropriated to the President

Appalachian regional development programs

Appropriations for 1965, 1966, and 1967 to Agriculture, Commerce, Corps of Engineers, Health, Education and Welfare, and Interior totaled	$164,630,000
Authorization in Public Law 90-103 for 1968 and 1969	170,000,000
1968 budget estimate	[1] 60,000,000
House allowance	54,000,000
Committee recommendation	64,200,000

[1] Excludes $4,200,000 previously considered as budget estimates in other appropriation bills.

Restoration of $10,200,000 is recommended by the committee, to provide the full amount of the original budget estimate of $64,200,000 for the Appalachian regional development programs, now funded through appropriation to the President and distributed to projects approved by the Commission.

The committee agrees with the House that inadequate housing, lack of education and illiteracy are all matters of urgency which are being attacked in this program; that the third year funding of the Appalachian program here provided is directed to meeting these problems, alleviating rural poverty, and developing the region; and that the program, although in its incipiency, has shown that it can make a major contribution in meeting these challenges.

The highway portion of the program was previously funded in the regular bill at $70 million instead of the budget estimate of $100 million.

CHAPTER II

Department of the Interior

Office of Saline Water

Salaries and expenses

Appropriation, 1968	$7,500,000
Supplemental request	[1] 13,482,000
House allowance	10,000,000
Committee recommendation	10,000,000

[1] Included in H. Doc. 15, pt. 1, 90th Cong., 1st sess., 1967.

The committee recommends an appropriation of $10 million, the same as the allowance of the House of Representatives and $3,482,000 less than the budget estimate. The amount recommended is within the authorized appropriation ceiling which was increased by Public Law 90-30, June 24, 1967, after passage of the fiscal year 1968 appropriation act.

The additional amount is necessary now in order to permit a reasonable program to be continued, and to avoid closing down projects currently underway and programed for continued funding during the remainder of fiscal year 1968.

Public Land Law Review Commission

Salaries and expenses

Appropriation, 1968	$860,000
Supplemental estimate	None
House allowance	2,200,000
Committee recommendation	2,200,000

The committee recommends an appropriation of $2,200,000 for studies and contract costs. These funds were not included in the fiscal year 1968 budget request because the work program was not then sufficiently developed to prepare a sound estimate of needs, and the committee was so advised at the 1968 hearings. Recently enacted legislation requires that the report of the Commission be submitted to the President and to the Congress by June 30, 1970, and that the Commission shall cease to exist at the end of that year.

CHAPTER III

Executive Office of the President

Office of Economic Opportunity

Economic opportunity program

1967 appropriation	$1,687,500,000
1968 budget estimate	2,060,000,000
1968 authorization	1,980,000,000
House allowance	1,612,500,000
Committee recommendation	1,980,000,000

The committee recommends an appropriation of $1,980 million, the full amount authorized, an increase of $367,500,000 over the House allowance and $292,500,000 over the 1967 appropriation, and a decrease of $80 million below the budget estimate.

The Director of the Office of Economic Opportunity testified that an appropriation of $1,788 million for fiscal year 1968 will be necessary to maintain current programs at the 1967 level. He further stated that an appropriation of $1,788 million will not provide funds for the following:

Special summer programs: $75 million supplemental appropriation for 1967.

Headstart-Followthrough: $120 million budget estimate.

Emergency food and medical services: $25 million authorization.

Rural and urban slum impact programs: $60 million authorization.

Small business technical aid: $10 million authorization.

Day Care: $25 million authorization.

The committee figure of $1,980 million is to be distributed by program in accordance with the authorization act.

The committee strongly suggests that at the earliest possible date, and whenever feasible, the scattered areas being served by large, single-purpose statewide Headstart operations be converted into the several local community, or area, biracial community action program operations.

The Office of Economic Opportunity is directed to examine, reexamine and keep its programs under constant evaluation with a view toward weeding out programs that are inefficient and replacing them with either proven or new programs which are more promising. The committee strongly feels that much greater concentration can be directed toward the worst areas of poverty. The committee is to be kept informed.

CHAPTER IV

Legislative Branch

Senate

Salaries, officers and employees

Office of the Secretary

The committee recommends the inclusion of language in the bill, which will fix the compensation of the Assistant Reporter of Debates at not to exceed $17,860 gross per annum. The purpose of this language is to give the Secretary of the Senate necessary discretion in the initial compensation paid to any future appointee to the position of Assistant Reporter of Debates.

Administrative and clerical assistants to Senators

The committee recommends the inclusion of language in the bill which will increase the clerk-hire allowance of each Senator from the State of Indiana and each Senator from the State of New Jersey. These increases have been made by the committee in view of the increase in the population of these States, Indiana moving into the population-size category of 5 and 6 million, and New Jersey moving into the population-size category of 7 and 8 million. No funds have been included in the bill for this purpose since it is expected that there are sufficient funds available in this account at the present time.

Contingent Expenses of the Senate

Folding documents

For the appropriation, "Folding documents," the committee recommends the amount of $8,000 for additional funds to finance the activities of the Service Department, made necessary by the late adjournment of the Congress. The committee was informed that the workload in the Department has been exceedingly heavy during the past months, and it is anticipated that it will increase markedly early in the next calendar year.

Postage stamps

The increased postage rate bill, recently approved by the Congress, increases the airmail postage rate from 8 cents to 10 cents. The current allowances for airmail and special delivery stamps are $800 for Senators from States east of the Mississippi and $1,000 for Senators from States west of the Mississippi. In order to provide for this increased rate, it will be necessary to raise the respective allowances to $960 and $1,200 a year. The committee, therefore, recommends the additional sum of $9,040 to cover this increased cost for the remainder of the fiscal year.

Architect of the Capitol

Capitol Buildings and Grounds

Extension of the Capitol

The committee concurs in the allowance of the House of Representatives for $135,000, by transfer, for necessary emergency repair work on the west central front of the Capitol, which has shown increasing signs of deterioration. The Committee for the Extension of the Capitol, after receipt of an engineering report, has approved the following work on the west front:

(1) Putting temporary posts of heavy tim-

bers under the remaining unsupported architrave stones of the portico;

(2) Installing additional shoring and bracing to the old Senate and House sections;

(3) Repointing joints, filling cracks, and repainting the stone masonry to protect it against weathering, and establishing points for observation of movement of the structure and recording the location of same.

The funds allowed will make it possible for the repair work to begin in the spring of 1968.

Senate Office Buildings

For Senate Office Buildings, the committee recommends a total of $231,000, as follows: $123,000 for changes and improvements in the telephone exchange, New Senate Office Building; $83,000 for remodeling a portion of the vacated telephone exchange; and $25,000 to provide a special room for a magnetic tape addressing system in the New Senate Office Building.

The first two items result from the installation of the new Centrex telephone system. Temporary facilities required for the initial switching to this new system have been provided from available funds but permanent changes and improvements will be financed by this appropriation. In addition, the area in the New Senate Office Building formerly required for the telephone exchange will be greatly reduced, and it has been estimated that this vacated space can be remodeled into 13 rooms for the use of Senators and their staffs. Under a remodeling plan approved by the Committee on Rules and Administration, the following areas would be provided:

One Senator's suite consisting of five rooms;

One Senator's suite consisting of six rooms; and

Two connecting odd rooms, to be assigned to the same use.

The committee was informed that this work would begin next spring upon completion of the primary work in the telephone exchange, mentioned above.

The $25,000 allowed will provide for preparation of a special room to house a new system, which has been approved by the Committee on Rules and Administration, for addressing high-volume mail for Members of the Senate. The equipment for this purpose must be housed in space which provides independently controlled temperature and humidity and is dust free. Shock-free flooring, extensive acoustical treatment, and independent electrical circuitry are also required.

Pay of Superintendent of the Senate Office Buildings

Under the Supplemental Appropriation Act, 1966, the salary of the Superintendent of the Senate Office Buildings was established at a base rate of $7,700 per annum. That base yields a gross annual compensation of $21,231. That gross would be increased by 4½ percent, or $955, in the pay bill recently approved by the Congress, to a total of $22,186.

In the pay bill (H.R. 7977), the base pay of five other key employees of the Architect of the Capitol (including the Superintendent of the House Office Buildings) was increased from $7,700 to $8,200 per annum. No change, however, was made in the base pay of the Superintendent of the Senate Office Buildings, who is currently receiving the same pay as these five employees.

In order to correct this discrepancy, the committee recommends the inclusion of the following provision:

ADMINISTRATIVE PROVISION

The second paragraph under the heading "Senate Office Buildings" in the Supplemental Appropriation Act, 1966 (79 Stat. 1147), is amended by striking out "$7,700" and inserting in lieu thereof "$8,200".

This change, together with the 4½ percent provided under the pay bill, would yield a gross salary of $23,634 per annum, the same as that of the Superintendent of the House Office Buildings.

The chairman of the Senate Committee on Rules and Administration and the Architect of the Capitol recommend this increase in salary for the Superintendent of the Senate Office Buildings.

LIBRARY BUILDINGS AND GROUNDS

Library of Congress, James Madison Memorial Building

The committee recommends an appropriation of $2,800,000 for preparation of final plans for a new building for the Library.

Testimony before the committee established that the Library of Congress is now authorized to spend more than $880,000 annually for rented space outside the two library buildings and that this expenditure of public funds could be stopped upon occupancy of the new building. The committee was advised further that the cost of constructing the new building is escalating at the rate of over $2 million a year. Thus for each year of delay in beginning the final planning and construction, a total of more than $2,880,000 is being lost with no tangible return except the temporary space being provided for the Library in widely dispersed locations.

Under these circumstances and in view of the well established, urgent need for the building, the committee considers the appropriation of $2.8 million at this time an exercise of prudent judgment.

CHAPTER V

Claims and judgments

The committee recommends an appropriation of $17,247,269 to pay a number of Indian Claims Commission awards which have been finalized. This money is due the Indians concerned, and is needed to pay expenses incurred in prosecution of the claims the incident to determining distribution of the awards.

CHAPTER VI

General provisions

Section 602

The committee recommends a provision which will give the Corps of Engineers the necessary authority to proceed with sponsorship of construction of the airport at Kelley Flats, Mont. This airport project would be utilizing funds for the Corps of Engineers, local interests, and the Federal Aviation Administration, providing a permanent facility benefiting all interests.

Mr. PASTORE. Mr. President, the bill totals $2,077,510,309, which is $398,073,809 over the House bill but $43,274,691 under the budget estimates.

Mr. President, although this bill was reported by the House on Tuesday, December 12, was passed that afternoon, and we of the Senate committee began taking testimony the same afternoon and concluded yesterday, December 13, I want the Senate and the people at large to understand that all parties concerned were heard. Every item was gone into exhaustively. No one need have any fear about that. A conscientious job does not depend upon the time that is devoted to a problem. It is the quality of the devotion that counts. The members of the committee met, questions were asked, answers were given, and I am ready at this time to answer any question from anybody on anything contained in this appropriation.

Mr. President, at this time I ask unanimous consent that the committee amendments be considered en bloc, without prejudice to any amendments being made thereto or to the bill.

The **PRESIDING OFFICER.** Is there objection to the request of the Senator from Rhode Island? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

On page 2, line 10, strike out "$706,500" and insert "$785,000".

On page 2, at the beginning of line 18, strike out "$54,000,000" and insert "$64,200,000".

On page 3, line 10, after the word "amended," strike out "$1,612,500,000" and insert "$1,980,000,000".

On page 4, after line 11, insert:

"SENATE

"Salaries of officers and employees

"Administrative and Clerical Assistants to Senators

"Effective January 1, 1968, the clerk hire allowance of each Senator from the State of Indiana shall be increased to that allowed Senators from States having a population of five million, the population of said State having exceeded five million inhabitants; and that the clerk hire allowance of each Senator from the State of New Jersey shall be increased to that allowed Senators from States having a population of seven million, the population of said State having exceeded seven million inhabitants."

At the top of page 5, insert:

"OFFICE OF THE SECRETARY

"Effective January 1, 1968, the Secretary may fix the compensation of the assistant reporter of debates at not to exceed $17,860 gross per annum."

On page 5, after line 4, insert:

"CONTINGENT EXPENSES OF THE SENATE

"Folding documents

"For an additional amount for 'Folding Documents', $8,000."

On page 5, after line 8, insert:

"POSTAGE STAMPS

"For an additional amount for airmail and special delivery stamps for Senators and the President of the Senate, $9,040: *Provided*, That the President of the Senate and each Senator from a State east of the Missisipi River shall be allowed an additional $80, and each Senator from a State west of the Mississippi River shall be allowed an additional $100."

On page 6, after line 6, insert:

"SENATE OFFICE BUILDINGS

"For an additional amount for 'Senate Office Buildings', $231,000, to remain available until expended."

On page 6, after line 9, insert:

"LIBRARY BUILDINGS AND GROUNDS

"Library of Congress James Madison Memorial Building

"For an additional amount for 'Library of Congress James Madison Memorial Building,' $2,800,000, to remain available until expended."

On page 6, after line 15, insert:

"ADMINISTRATION PROVISION

"The second paragraph under the heading 'Senate Office Buildings' in the Supplemental Appropriation Act, 1966 (79 Stat. 1147), is amended by striking out '$7,700' and inserting in lieu thereof '$8,200'."

On page 6, after line 20, insert:

"CHAPTER V—CLAIMS AND JUDGMENTS

"For payment of Indian Claims Commission awards in Indian Claims Commission Docket numbered 220, awarded February 14, 1967; in Docket numbered 314–E, awarded July 18, 1967; in Dockets numbered 142, 359, 360, 361, 362, and 363 (excluding the general accounting claim denominated

'Second Claim' in the first amended petition in Docket numbered 363), awarded July 25, 1967; in Dockets numbered 177, 181A, and 181B, awarded September 7, 1967; and in Docket numbered 316, awarded September 29, 1967, $17,247,269, together with such amounts as may be necessary to pay interest (as and when specified in said claims or provided by law): *Provided,* That no award herein appropriated for shall be paid until it shall become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further,* That unless otherwise specifically required by law, payment of interest wherever appropriated for herein shall not continue for more than thirty days after the date of approval of this Act."

On page 7, line 16, change the chapter number from "V" to "VI".

On page 7, line 17, in the heading strike out "Provision" and insert "Provisions".

On page 7, at the beginning of line 18, change the section number from "501" to "601".

On page 7, after line 20, insert a new section, as follows:

"SEC. 602. Funds heretofore appropriated to the Department of the Army for the Libby Dam and Reservoir project in Montana may be used in an amount not to exceed $140,000 in participation with local interests and the Federal Aviation Administration for the construction of an airport facility at Kelley Flats, Montana, in a manner deemed appropriate by the Chief of Engineers."

Mr. CLARK. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. CLARK. Mr. President, I should like to congratulate the Senator from Rhode Island on a magnificent job as chairman of the subcommittee which has brought this supplemental appropriations bill to the floor.

I am almost speechless in my admiration for the sound tactics and strategy by which he brought the entire amount of the 1968 authorization of $1,980,000,000 for the Office of Economic Opportunity through his committee and to the floor.

I note with special pleasure the comments on page 4 of the report, where it is pointed out succinctly why this entire sum is desperately needed for the poverty program. I ask unanimous consent that the discussion and the figures under the heading on page 4, "Executive Office of the President, Office of Economic Opportunity, Economic Opportunity Program," be printed in full at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT

Office of Economic Opportunity

Economic Opportunity Program

1967 appropriation	$1, 687, 500, 000
1968 budget estimate	2, 060, 000, 000
1968 authorization	1, 980, 000, 000
House allowance	1, 612, 500, 000
Committee recommendation	1, 980, 000, 000

The committee recommends an appropriation of $1,980 million, the full amount authorized, an increase of $367,500,000 over the House allowance and $292,500,000 over the 1967 appropriation, and a decrease of $80 million below the budget estimate.

The Director of the Office of Economic Opportunity testified that an appropriation of $1,788 million for fiscal year 1968 will be necessary to maintain current programs at the 1967 level. He further stated that an appropriation of $1,788 million will not provide funds for the following:

Special summer programs: $75 million supplemental appropriation for 1967.

Headstart-Followthrough: $120 million budget estimate.

Emergency food and medical services: $25 million authorization.

Rural and urban slum impact programs: $60 million authorization.

Small business technical aid: $10 million authorization.

Day Care: $25 million authorization.

The committee figure of $1,980 million is to be distributed by program in accordance with the authorization act.

The committee strongly suggests that at the earliest possible date, and whenever feasible, the scattered areas being served by large, single-purpose statewide Headstart operations be converted into the several local community, or area, biracial community action program operations.

The Office of Economic Opportunity is directed to examine, reexamine and keep its programs under constant evaluation with a view toward weeding out programs that are inefficient and replacing them with either proven or new programs which are more promising. The committee strongly feels that much greater concentration can be directed toward the worst areas of poverty. The committee is to be kept informed.

Mr. CLARK. I hope that no effort will be made to cut back the recommendation of the committee. Having had this problem as probably my own major senatorial responsibility this year, as the chairman of the Subcommittee on Manpower, Employment, and Poverty, and having, to the extent possible, shepherded the authorization bill through the subcommittee, the full committee, the floor, and then through conference, I can say without hesitation that every nickel of this money is desperately needed to help solve the problem of almost 30 million Americans who are living in a state of poverty at the moment.

I understand that the Senator from New York, who is a valued member of the Appropriations Committee, will engage in a colloquy with the Senator from Rhode Island with respect to some of the earmarking which appeared in the House-passed bill; and, as the chairman of the legislative committee, I should like to wish him success in his efforts.

One of the items we believed most important in the Senate committee dealing with the authorization was to hold the earmarking to an absolute minimum, and also to give as much flexibility and local authority as possible to the community action agencies across the country which, by and large, with some exceptions, are doing a fine job in carrying out the intent of Congress.

Mr. President, I close by again congratulating the distinguished Senator from Rhode Island for a superb job.

Mr. JAVITS. Mr. President, I shall be very brief, because I believe Senator PASTORE has done an extraordinary service for our Nation. We often permit these matters to pass with the banal words "a fine job." This is an extraordinary service to the Nation, and for this reason: Senator PASTORE has convinced the Appropriations Committee of the wise course, as this problem will have to be settled in conference, the Senate should consider a poverty appropriation bill at the full amount of the authorization which was arrived at after the most considered deliberation.

Considering the time available, it is extraordinary that so much thought has gone into what was done and into the statements which are here reflected, and it is best that the matter be left now with that directive, following the authorization bill, to our chief negotiator—to wit, Senator PASTORE.

I do not intend, Mr. President, by anything I say or do, to change that basic strategy, which I believe is extremely sound and is a great credit to the Senator from Rhode Island and what makes him one of our really great Members.

Mr. President, the key issues are very well stated, and they are two: The other body, acting in that kind of twilight zone of congressional procedure, has sought to do something which is not in the authorization legislation and which, if put in the appropriation bill, would have been subject to a point of order and to the requirement of a two-thirds vote, and so forth—to wit, earmark the funds appropriated in a way which is not reflected in the authorization bill. They have sought to do that in the report. I refer specifically to the report on the supplemental appropriation bill for 1968, as made to the other body.

Mr. President, by putting this in the report you put it beyond the reach of amendment and you put it beyond the reach of being affected in any way at all except by some other report or legislative history.

It amounts to an injunction to the administering agency that will incur the displeasure of the legislative committee in the other body, and perhaps of the other body itself for all we know, although we cannot tell as this was not susceptible to action on the floor of the House.

Our approach, as shown by the report, and this was the subject of statement of the distinguished Senator from Pennsylvania [Mr. CLARK] a few months ago, provides that the amount of money which is ultimately arrived at "is to be distributed by program in accordance with the authorization act." That means to all programs, whether they be essentially old programs such as community action or special impact or small business assistance or new programs such as day care.

There is also pointed out in our report what is elementary commonsense. Our committee states that the OEO should be constantly evaluating its programs and it should weed out those programs which are inefficient and replace them with new or proven programs which are more promising. There are a number of rewritten or new programs in the authorizing legislation which give the Director a range of directives.

For example, there is a meeting now in session in the conference room of the Committee on Agriculture, being presided over by the Administrator of the Small Business Administration with directors of small business development centers from the slums and ghettos all over the United States.

I had the honor to arrange for that meeting myself in which the Administrator of the Small Business Administration is seeking to develop with the directors of these small business development centers the best business assistance program for people who live in the slum areas. This program, which is a rewrite of an old program, aims at people who are able to go into business themselves and who could be helped in going into business for themselves by being given technical assistance.

This is the kind of creativity and revision which is needed in this program. There is also a great interest in the legislative committee in a bill which originated with the distinguished Senator from Mississippi [Mr. STENNIS] to provide emergency food and medical services in the amount of $25 million, since we had found there was starvation in some areas of the United States—which was absolutely unbelievable to us.

With the help of the distinguished Senator from Mississippi [Mr. STENNIS] and the help of many other legislators of good will, we have developed an emergency approach for that problem.

I now wish to ask the distinguished Senator from Rhode Island [Mr. PASTORE], if he feels free to answer, and I know full well his views on the subject, whether he feels the kind of directive he has in our report to be the more sensible business approach, based upon an evaluation of the worth of all programs. Then, I wish to ask the Senator whether he feels the effort in the report of the other body to earmark very large sums, well over $1 billion, is not binding on the Director of the OEO, in view of the fact that the Senate has now taken a different and, I think, far more businesslike course.

Mr. PASTORE. Mr. President, turning to page 5 of our report, we use the following language:

> The committee figure of $1,980,000,000 is to be distributed by program in accordance with the authorization act.

This is in direct refutation of the language used in the House report.

It has been brought to my attention that, since the writing of the House report, there has been some conversation with the administration and the members of the House Committee on Appropriations—and I am not saying there is an understanding—but I think there is an inclination toward an understanding that it could do some harm.

Therefore, we, in our report, vitiated that. We will go into conference and talk about it and I do not think we will have much trouble.

The Senator is correct. If you handcuff the hands of the administration by picking out a few favorite programs, and they are good and popular programs, and say, "Here you cannot cut," and then you do make another cut so far as the overall authorization, you are going to suffocate other programs, especially this program initiated by our distinguished friend, the Senator from Mississippi [Mr. STENNIS], to feed the hungry.

This is a sad paradox in our great country. We are the most affluent society in the world. Mankind has never known the affluence America enjoys today. What a sad commentary on our progress that we have 90 million people in America who live on the edge of poverty, and that we have great pockets of population in our country where children go to bed at night crying because they are hungry. One would not believe that unless he heard the testimony.

Mr. JAVITS. Mr. President, there is one other point which bears exactly on this line of discussion.

Does not the Senator from Rhode Island feel that the sentence he has read—and he used exactly the right word in terms of legislative intent in saying it would vitiate what was done in the other body—is also to be read with the last paragraph which asks the Director to feel free to weed out what is not working and substitute programs that will work, and that these two provisions must be read together?

Mr. PASTORE. The Senator is correct, and that is made clear in the report. That was the suggestion of our distinguished colleague, the Senator from Maine [Mrs. SMITH], who is quite disturbed over the fact that sometimes we do have a program that is not going along as well as it should and not doing the work it was intended it might do. In that case I do not think we should remain steadfast. We should have the courage, good judgment, and judiciousness to stop that kind of program and get into what serves the people in the objectives of the entire program.

Mr. JAVITS. Mr. President, I point out one very key area in which that philosophy would obtain, which would please many Members here and in the other body. I refer to dealing with rural poverty. One of the major aspects we had impressed upon us was that there is enormous rural poverty. It will be noted that one of the programs which the Director is to undertake is under the heading of the rural and urban slum impact program, for which there is an authorization of $60 million.

Finally, the committee in the other body said:

> It definitely is not the intention of the committee to supplement this appropriation at a later date.

Our report does not say that. I do not contemplate nor does anyone contemplate that we yield any initiative or right to do or not to do whatever we think is deserved by a supplemental. To prevent that now after what we experienced last summer, and to say that is not to be done, is to behave like an ostrich.

Again, I must say that the wise and businesslike approach taken by our committee stands in marked contrast in this respect to what was said in the other body.

Mr. President, I do not think there is any question about the need for money. The antipoverty program is one of the most noble our country has ever undertaken. I happen to be uniquely identified with it because I am the ranking minority member on the Committee on Labor and Public Welfare which deals with the question legislatively, I am a member of the Subcommittee on Investigations of the Government Operations Committee, which is investigating riots and violence, and I am also a member of the Appropriations Committee which worked closely with our beloved chairman, the Senator from Rhode Island [Mr. PASTORE].

I must say that, most objectively, the approach taken by the Senate is something which is as deeply gratifying to me as anything I have encountered in all my Senate service. I attribute this most heavily to the wisdom of the members of the committee and to the outstanding leadership of its chairman, the Senator from Rhode Island [Mr. PASTORE].

Mr. President, I yield the floor.

AIRPORT AT KELLEY FLATS, MONT.

Mr. MANSFIELD. Mr. President, the language in this bill which applies to an airport facility at Kelley Flats, Mont., to support the Libby Dam and Reservoir project is provided to insure that the Federal Government receives the greatest tangible return from its expenditures.

The facts simply stated are as follows: The Corps of Engineers needs an airstrip at Libby Dam for survey and inspection operations, supply missions, and management control. Congress has appropriated $132,300 toward the construction costs of this airport. For that amount, the Corps of Engineers can build an inadequate unsurfaced airport, without lights, capable of handling aircraft no larger than 16,500 pounds wheel load capacity.

This airport will be built on rented land, thus requiring additional Federal expenditures. Maintenance costs will be borne by the Corps of Engineers during its entire use and after approximately 7 years, the airport will be abandoned.

The proposed alternative is to allow the Corps of Engineers to participate with the Federal Aviation Administration and the local Montana community by expending the same $132,300 on an airport that will meet FAA specifications. It will be longer, wider, paved, lighted, and will certainly be safer.

All operation and maintenance costs of this airport would be borne by the local people. This is estimated to cost $10,000 per year. The Federal Government will receive free use of the facility for 100 years.

This proposal will provide a facility from which dependable scheduled air service can operate, thereby greatly reducing the ground transportation costs for Government agencies involved. This service alone will save an estimated $200,000 during the construction of the dam, according to the Corps of Engineers. It will provide a reliable air medical evacuation facility which will greatly reduce contractor insurance costs and Government costs. I might add that Government contractors will be required to pay the usual fees and charges to use the proposed airport.

In other words, the Government can probably recoup its entire investment from savings of appropriated funds during the dam construction if it has access to a modern airport.

Under this proposal, the Corps of Engineers will contribute its $132,300; the Federal Aviation Administration will grant 53 percent of the total final construction costs, and the local community will contribute approximately $40,000 for construction costs, as well as assuming the responsibility for maintenance and operation of the field at a cost of $10,000 per year.

This measure will not require the appropriation of one additional cent. An airfield will be constructed at the damsite, and an airfield will be constructed for the community at some future date. The Federal Government will have a substantial investment in both fields. Is it not wiser to recognize that by authorizing only one airfield at this time which will effect substantial savings for the Government is far more responsible than to allow construction of an airfield which will not produce savings at the dam and which will be abandoned in less than 10 years?

If we are sincerely interested in fiscal responsibility, this language can be defended under the closest scrutiny. I submit that the drawbacks to this project are that it is too logical, it will produce substantial savings, it will cost the Government less in the long run, it will provide a safe, modern airport which will meet FAA specifications, and it will cost less money than will be spent on a temporary dirt strip, to be abandoned later, in addition to an airport which must be built to serve this growing area.

Incidentally, the population of Libby is closer to 14,000 rather than 2,800 as was stated during the debate in the House when this was last considered several months ago.

Mr. WILLIAMS of Delaware. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, I send an amendment to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 3, line 11, to strike out "$1,980,000,000" and insert in lieu thereof "$1,612,500,000".

Mr. WILLIAMS of Delaware. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. WILLIAMS of Delaware. Mr. President, while a sufficient number of Senators are present, I ask for the yeas and nays on final passage of the bill.

The yeas and nays on passage were ordered.

Mr. WILLIAMS of Delaware. Mr. President, I shall delay the Senate but a very few moments. The purpose of the amendment is to reduce the item for the Office of Economic Opportunity back to the amount approved by the House. The House allowed $1,612,500,000. The Senate committee would increase this amount by $367,500,000. The purpose of this amendment is to roll that figure back to the level of the House figure.

While it is true that during the course of consideration of other appropriation bills this year the appropriations have been reduced somewhat below the budget requests in many instances, nevertheless the Senate has an almost perfect score of having opposed many of these reductions. In fact, the Senate raised each appropriation bill above the amount approved by the House. I think the Senate, particularly in these late hours, has a responsibility to hold the line.

The President of the United States is suggesting that we should have a 10-percent increase in taxes in order to control inflation and to bring the fiscal position of the Government under better control. It is estimated that without a tax increase the deficit will be $22 billion to $24 billion. Even with a tax increase next year—and that is as soon as it can be obtained—the deficit will be $15 billion to $17 billion. This is an average of $1.5 billion a month that the Government is spending more than it is taking in.

Inflation is not merely a threat in this country; inflation is a reality, as evidenced by the cost of living and the cost of any item one happens to buy. As a result of the enormous demand for money, because of the Federal Government's deficit financing of these programs, money which the Government is borrowing rather than raising from taxes, interest rates have been brought to the highest level in 100 years.

If we use the normal accounting practices which have been followed for 175 years, the record shows that in the last 5 years the Johnson administration has spent $60 billion more than it has taken in. That is an average of $1 billion a month, or around $50 million a day when we put the Government on a 5-day workweek.

Some day, somewhere, we are going to have to cut back on these expenditures. The alternative is national bankruptcy, wild inflation, and devaluation of our currency.

On 14 appropriation bills passed by the House the Senate has added, all together, $5.5 billion. To finance that $5 billion or $5.5 billion it would take a straight 5-percent increase in all income taxes, individual and corporation, across the board. It would take that just to finance the increases in appropriations that have been voted by the Senate during this calendar year.

Lest there be any misunderstanding that I am putting all this responsibility on the Senate or the Congress, as the President sees fit to do, I want to point out that the President signs each of these spending bills, and it does not take any more ink to sign a veto message than it does to sign bills into law.

I have no respect for the President's argument when he says he is against these expenditures and then signs every one of them, following this action by addressing a group in Miami and bragging about how much he is giving away. What makes this worse, he goes to another group and boasts about economy.

This is the time for both the legislative and executive branches to put their votes where their mouths are. If they are for economy they should vote for it. If they are against it they should stop talking about it. If they are concerned about tax increases they should remember that while voting for ever-expanding increases in appropriations we are, in effect, voting for tax increases, whether they are passed this year or next year.

The result of spending more and more money, as we have been doing, and not voting for taxes is that more and more inflation will result in the destruction of the purchasing power of the American dollar.

We shall be voting tomorrow on the social security bill, which I intend to vote for, but let us face up to it. The benefits under the social security bill for those living on pensions will vanish and erode within 2 years at the present rate we are going if we do not do something to check the inflationary spiral.

I think that one of the criticisms could be made of the first session of the 90th Congress and of the executive branch—and I emphasize equally the executive branch—is that Congress is going to adjourn without having faced up to the problem of cutting back on expenditures and without having acted affirmatively or negatively in making a decision on taxes. I do not think we should have drifted this close to adjournment of the Congress without having faced up to that decision.

It may be unpopular to talk about taxes, but the issue is going to have to be faced at some point, or we in this country will be in the same position as Great Britain and facing the devaluation of our currency.

We are drifting down the road toward national bankruptcy, and thus far there has been no effort, as far as the Senate or the administration is concerned, to check it. All we hear from the administration is a promise of more and more to everybody, at the same time admitting that it does not have the guts to stand up and tell the American people how much it is going to cost them in the form of taxes.

There seems to be a growing sentiment to delay a tax increase until after the votes are counted in 1968. I think this is a cowardly attempt to dodge the issue. I think we ought to face up to our responsibilities.

I respect those who feel that these appropriation bills should be voted for in the full amount. They have just as much right to their opinions as I do to mine; and I respect their views, just as I hope they will respect mine.

But at the same time, those who are willing and anxious to vote for these increased expenditures should be equally willing and equally ready to vote for the taxes to pay for them and to accept that responsibility. I do not think we can vote for the one without considering the effect on the other. Personally, I believe the very least we can do—and this may be the last chance the Senate will have to cut back on an appropriation bill this session—is to show the House of Representatives that we can at least hold the line and are willing to join them in that economy effort.

That is the purpose of my amendment, and I hope the amendment will be agreed to.

Mr. PASTORE. Mr. President, I merely wish to say—and I think the distinguished Senator from Delaware knows this—that I have joined him many times, arm in arm, on this question of economy in Government. I yield to no one when it comes down to the basic proposition that America and its taxpayers are entitled to a dollar's worth for every dollar that they pay into the Treasury of the United States.

I was Governor of my State, Mr. President, immediately after the cessation of hostilities of World War II. It was a depressing time. All the things that had not been done for 5 years had to be done. We had the problem of education in my State. We had the problem of building new highways. We had the problem of the fact that wages had been frozen and they had to be unfrozen. We needed money to do all these things, and I was the Democratic Governor.

It has always been the philosophy in State politics that a Democrat will never dare suggest a sales tax. Yet I suggested a sales tax in my State, and I became the father of the sales tax in Rhode Island. When the people began to pay that tax, they called it "pennies for Pastore."

But I proved to the people of my State that it was absolutely necessary to impose the tax if we were to develop the welfare of our communities; and I dare say—and I do not say this to boast, but merely to state a fact—that the next election I won by the largest plurality ever given to a Governor in the history of the State of Rhode Island.

I have always been for economy. However, I learned a long time ago that the stature of a nation is not to be judged by figures, either black or red, on the pages of any ledger. Rather, the welfare, the wholesomeness, and the stature of a nation are to be judged in the dignity and the opportunities of its people. That is the test.

I ask my fellow Senators, if you do not want to impose an additional income tax, or you do not want to raise taxes in the United States of America because we are spending too much money, then why do you not vote to knock out the whole amount of the poverty bill?

The relevant question here is, Is this legislation necessary and must the people of the United States rise up to meet their responsibilities and make whatever sacrifices are necessary so that we can uplift the portion of our society that lives almost in a state of degradation?

That is the test. I would hope that sometime the Senator would come to the hearings of the Appropriations Committee—oh, what an experience it would be—to see how we squeeze every nickel. So much so that sometimes the buffalo on that nickel reacts.

Mr. President, this is a dramatic story—a very dramatic story, whether you go to Appalachia, where my distinguished friend from West Virginia comes from, or whether you go to Mississippi, or even come to Rhode Island or Delaware. Ask the people who know this program, and let them tell you about the young boys and girls who have really been given an opportunity, a chance to come out of discouragement, despair, and delinquency—and I use the words properly. I hope we are not going to become a nation of glue sniffers and dope addicts. I hope we are going to begin to do something to lift up that portion of our society that today lives in a state of despair, without hope, and give them the hope that America has always held out to the unfortunate and the poor.

That goes back to my own background. I apologize to no one; there is no man in the United States of America who is more indebted to this blessed land than JOHN PASTORE, and I am proud of it.

Mr. President, what are the facts here? The House of Representatives allowed $1,612,500,000.

That was the figure from last year. But that figure did not take into account a carryover of approximately $180 million. We are now engaged in on-going programs that will increase the cost to the Nation, without regard to what has been added in the authorization bill. That goes for Headstart-Follow-through, it goes for day care, it goes for food and medical care for the starving children of America. I again say, imagine starving children in this blessed land of ours. Imagine that. We just finished with the foreign aid program. We are going to spend more than $2 billion all over the world, including India, Pakistan, and every other underprivileged country. But people are starving in the United States. That is a shame. It is a disgrace.

If we want to worry about the balance of payments, about the deficit, about a tax increase, I say to the Senator from Delaware that I shall be the first to stand up and meet my responsibility when the time comes. I did not shirk it before; I am ready to meet it now.

I say that if we want to keep programs going on the level that they are now going, we need $1,788 million. If we want to fulfill some of the other obligations in the authorization bill, we will need the full estimate of $2,060 million. We shall have to take into account, also, that we adopted a resolution the other day that requires a 10-percent cut in the programs in this bill and a 2-percent cut in personnel funds. This will have to be taken into account when we go to conference.

I should like to see a balanced budget just as much as anyone else. I should like to see us get along without a tax increase just as much as anyone else does. It is not popular to come out with these figures. Where is the popularity in that? Sometimes, when we do these things, the people who benefit the most realize it the least. There is no big credit in doing it. When I go home, my path will not be strewn with garlands of roses because I voted for the bill. Perhaps I shall receive brickbats. But do I care? I do not care. No one has to put a lei around PASTORE's neck. I do not need it. This could be my albatross. But I am not looking for an albatross and I am not looking for a lei. All I am looking for is dignity and opportunity for Americans, and that is what the bill represents.

Mr. President, do you want to put the figure back to $1,612,500,000, as the amendment of the Senator from Delaware suggests? To do that, it would be necessary to eliminate 45,000 youths from the Headstart program alone. It would be necessary to discontinue in many communities some of the programs that are already in progress.

If America means atrophy, if it means disintegration, then let us make the reduction. But if America means promise, if it means future, if Senators want to give to the committee that has worked hour after hour on the bill the opportunity to go into conference and reach a solution of the problem, they should follow the committee's recommendation.

I care not what the Senate does. I am not the conscience of the Senate and I am not the conscience of the country. I have enough work to do to take care of my own conscience.

I say to the Senate: "You make your cuts here because it sounds good on Wall Street and it sounds good to the readers of the Wall Street Journal. It is all right with me. But if you are interested in people and in the development of America and in the goal of affording opportunity in America and if you want to take this rebellion off the streets, put the youth of America in gainful occupation, and do the things that need to be done to correct some of our social ills, defeat the amendment."

And I hope we do.

Mr. CLARK obtained the floor.

Mr. President, I could not agree more with the distinguished Senator from Rhode Island who has so eloquently defended the appropriations bill.

The adoption of the Williams amendment would be an unmitigated catastrophe.

Let us put right on the line what the able Senator from Delaware is proposing and let him know just what is going to happen if the amendment should be agreed to.

I should like to give to my colleagues a review of information prepared at my request for just such an emergency as this by the Office of Economic Opportunity.

If the Williams amendment should be adopted, 14,000 enrollees of the Job Corps would have to be sent home to their urban and rural ghetto homes.

The in-school assistance program would cease for 61,000 students from poor families; 37,000 summer jobs for needy poor youths would be eliminated.

Job training assistance would be killed for 136,200 hard core poor adults in ghetto areas; 185 of the 850 officers of the Legal Services Division of the OEO would be closed; 415 attorneys would be laid off.

Close to 200,000 fewer poor people would receive legal assistance during the fiscal year 1968.

The Headstart program would be reduced by 45,000 children on a full year basis, or one out of every five who participated in the 1966 program; 4,500 nonprofessionals would lose their jobs; 135 of the community action agencies would have to be eliminated.

There would be no special summer program next summer. Think of what that means in terms of bloodshed in city after city in America.

The rural thrust, which all of us are so concerned about, would be blunted.

There would be no program for the aged.

The wonderful program of the Reverend Leon Sullivan, in Philadelphia, who is operating 18 OIC's throughout the country would be reduced by 25 percent.

The adult education and housing programs for migrants would be cut by 10 percent.

Not only in the VISTA program would the budget result in 3,650 fewer VISTA volunteers by the end of the fiscal year, but it would also mean that the few VISTA training centers would be disbanded, and 1,000 applicants already invited to training would have to be turned down.

The Williams amendment is an unconscionable amendment. It must be rejected by an overwhelming majority.

Mr. President, I yield the floor.

Mr. HOLLAND. Mr. President, my remarks will be predicated upon a little different background from those of my distinguished friends, the Senator from Rhode Island and the Senator from Pennsylvania.

I have consistently voted against authorization for the poverty program, not because I have no sympathy for those people who are poverty stricken, but because there are, in this program, so many features of which I do not approve.

There are some that I do approve of very strongly, as my fellow conferees know, as, for instance, Headstart and the Neighborhood Youth Corps in the various cities.

But we are not deciding here the question of whether Congress sets up that program. That question has already been decided. Congress has passed the authorization measure by a heavy majority.

The decision of the Appropriations Committee is made in the effort to finance the activity which has been set up under the action of Congress, which body represents the majority of the people in this Nation.

If we believe in majority rule, if we believe in supporting programs which have been set up by a heavy majority vote, then our duty on the Appropriations Committee is to try to support at a fair level of operations those activities which have been created by law.

Mr. President, I want to make it clear that with the $1,980 million which is included here for OEO, when subjected to the 10-percent cut of the budget estimate which we voted—and nobody has been more active in voting for that cut than has the Senator from Florida, who handled the measure on the floor of the Senate and had a good bit to do with it in committee where it was worked out—we will have little more than enough money left with which to carry on the existing activities of this program which is existing not because it was drawn out of a hat by somebody, but because Congress set it up.

I think that so frequently we lose sight of the fact that the Appropriations Committee has some obligation to carry on activities which are lawfully set up.

The pending bill does not have to do solely with the problems of the poor in the larger cities at all. That is largely involved in this particular item for OEO, but the bill also has to do with the carrying on of operations, other than roadbuilding, for the poor areas which exist in the Appalachian region.

It so happens that these two items are bracketed together in the pending bill. And, so far as I am concerned, Mr. President, I support both of them because by law they have been set up. Probably I know more about the Appalachian region because I have been in a goodly portion of it.

I am very strongly in favor of the authorization measure there. Here, though, we are now supporting or refusing to support, as our vote may indicate, the appropriation to carry on operations which have been set up by large majority vote of both Houses of Congress and which carry the majority approval of the people of this country.

I wish to call attention to the fact that, if we approve this bill as written, when the item in it for OEO is subjected to the 10-percent cut, little more than enough money is left to carry on existing operations of the OEO. It seems to me that is the least the Senate can do in allowing its conferees, who have a rough job ahead of them, to meet in conference with the conferees of the other body.

Mr. President, the position of the Senator from Florida is that the least we should do is to support this appropriation as it is reported by the committee.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. WILLIAMS of Delaware. Do I correctly understand that the larger figure has been put on so they can take the 10 percent off? In other words, 10 percent has been added so that 10 percent can be taken off?

Mr. HOLLAND. No. The 10 percent is already cut off, I say to my distinguished friend. I do not believe the Senator was present the day we passed the resolution, which he strongly supported; and I am sorry that he could not be present to vote for it. That resolution requires the application of a 10-percent cut to all controllable items in budget estimates—and this is a controllable item—within the appropriations passed by this Congress.

Mr. PASTORE. To answer the question of the Senator from Delaware, he raises a good question, because we discussed it; and we have no intention to deceive anyone.

It is true that, no matter what we do, the 10 percent and the 2 percent will have to be deducted, which will reduce the amount to approximately $1,865,000,000.

But if we had come in with the figure of $1,865,000,000, the area in which this question could be resolved would have been brought below what is necessary to continue the on-going programs. We have made that very clear. We are not hiding anything. All we are asking is that we be allowed by the Senate, at this hour, to take the top dollar and the bottom dollar and to negotiate with the House and thrash out the effect of the 10 percent and what it might do to the overall program. We may end up with a very favorable figure.

I say, frankly, that I do not expect to come out of that conference with much more than $1,788,000,000. How much lower than that it will be, I do not know. But it is our responsibility to convince the House that if it goes below that figure, we will have to withdraw some of these programs.

We have the testimony right here that if the figure of the Senator from Delaware is sustained, we would have to eliminate the 45,000 youngsters from the present Headstart program. I use the word "present" advisedly. The expulsion of 14,000 young men and women now in the Job Corps. They would have to be let go. The elimination of 40,000 young men and women from the current Neighborhood Youth Corps. The expulsion of 7,000 students now in the Upward Bound program. The denial of health services to 50,000 poor people and an additional 50,000 whom a $198 million appropriation would cover.

That is evidence. If the Senate is willing to pull these people back and take them out of programs in which they already are, then it is the responsibility of the Senate. All we are asking is that we be given the courtesy by the Senate to go in with the top dollar to face the bottom dollar, to see how we can resolve the matter of the 10 percent and the 2 percent as it will affect the overall program.

But so far as coming out with the figure of $1.98 billion, we do not expect that to happen at all. I cannot be more practical and more truthful than that.

Mr. HOLLAND. Mr. President, I shall conclude very quickly. We have cut the authorizaiton which was passed a few days ago from $2,060 million to $1,980 million. We have cut that, by action already taken by both Houses of Congress, by an additional 10 percent and 2 percent from the budget estimate—the 10 percent applying to the entire operation, and the 2 percent applying to the salary part of the operation. Now it is proposed to cut still further.

How many times does the Senator want to cut? We have cut twice already, as against the item authorized just a few days ago—once in this bill and once in the resolution for the reduction of 10 percent. Now the Senator wants to cut a third time. If it is cut a third time, I warn the Senator that the figure that he would put in the appropriation cannot carry the existing operation.

So that the question is, how many times do we cut? Are we going to cut off the old cat's tail a little bit at a time so it will not hurt the old gal? What is the principle that the Senator is trying to follow?

The question is simply whether we are going to approve this figure, worked out very painfully in the committee, of which the Senator from Florida happens to be a member. The Senator from Delaware knows that his thinking in this entire field is not very different from that of the Senator from Florida. But the Senator from Florida knows that it is our duty to try to support programs which our majority vote has set up, and we are going to try to sustain them in a rather painful way if this bill is upheld.

I hope the amendment is defeated.

Mr. JAVITS. Mr. President, I shall not seek to repeat the arguments in opposition to the amendment which have been so eloquently made by Senator PASTORE, who has done such fine work in this field, or by Senator CLARK or by Senator HOLLAND, but, rather, to address myself to another argument of the Senator from Delaware which strikes me as being critically important on this issue. The argument is that because of the fiscal condition of the country, and because we have not voted a tax increase, we must make this drastic reduction. We must bear in mind that such a drastic reduction would drive a great number of children and adults out of these programs. It would close down and deny opportunity to 135 rural community action agencies, despite the urgent claims that it is the rural poor—and I agree with that—who need a great deal of help from us which they have not received.

Is it the essence of the argument that, because we have not passed a tax increase, this money should be taken out of the backs of the poor, because we have not done what we should do? It is not the military effort, it is not the agricultural subsidy program, it is not the supersonic plane, it is not mass transit, it is not the subsidies to the airlines and the airports, and it is not other programs we have passed in the Senate which should suffer; but the argument is that the poor of the United States should pay that bill.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PASTORE. I know this will not shock my friend, the Senator from Delaware, because he is in favor of it, also: It does not even mean the 27½-percent oil-depletion allowance. I know that the Senator from Delaware has been trying to lower that, and I have been with him, shoulder to shoulder.

Mr. JAVITS. The Senator is correct. And I am in favor of that, also. That is estimated to take a minimum of $1½ billion a year.

Mr. President, I have a very deep affection for the Senator from Delaware—he is one of the most vigilant and conscientious Senators on the floor—and anything I say is directed solely toward the policy issue involved. We are facing a nation of 29 million people who are below the poverty level. The entire civil rights struggle is also now deeply imbedded in the issue of the antipoverty program.

As a matter of fact the entire issue of civil rights has now become merged in the problems of the cities and the problems of the antipoverty program. What are we doing? Are we living in a dream world? Do we expect millions of people in the cities to sit still and not react violently as we do them an injustice like this?

Mr. President, I voted for appropriations for Vietnam, too. I am not going to let our people down, no matter how I feel about that struggle. However, think of the discrimination these poor people face and look at the ammunition that you furnish every agitator.

This program is now to be slashed, not with a scalpel, but with a cutlass. Then, we say, "Be nice and quiet because the United States is going to look after your interests and do right by you."

We should do that, states the distinguished Senator from Delaware, because we did not have the courage to vote for a tax increase. Therefore, we are to do it at the expense of the poor who live in the slums and ghettos to whom we have said, at least impliedly, "You have a right to depend on us to get you out of where you are."

I could not think of anything more counterproductive in terms of the crisis of the cities and I could not think of anything more dangerous in terms of the tranquillity of the country than to do this.

We will be coming back here in January. I deeply feel that Congress will have to meet its further responsibilities in January. We have met a part of that responsibility by retrenching certain programs, which unhappily includes this program, and we shall meet more of that responsibility, in my judgment, by a tax increase which undoubtedly will be retroactive until January 1.

Mr. President, I think this would be the worst form of scrimping and saving we could undertake. This view also comes from those who have a more conservative view. The distinguished Senator from Florida [Mr. HOLLAND] is not a Member who has a reckless view with regard to the poverty program, and he heard, as I did, the evidence. If we take a chunk out of this program, and really dig into its vitals in a most damaging way, it would be the worst form of discounting we could undertake.

By all means let us not penalize these people who are the least able to stand it, in an area where the greatest danger to public tranquillity is involved. I am not condoning in the remotest way violence, riots, or anything like that. However, we should not encourage them and we should not toss around the straw, the gasoline, and the matches which bring those things about because we have not enough brains to say at least what we are doing now should be effectively continued.

Mr. President, this cut would ruin that opportunity, let alone opportunities to improve the program or develop constructive programs for the poor. This is a very sober time and a very dangerous time. Let us not contribute to the problem ourselves in any such wanton way as this.

I hope the amendment will be rejected.

Mr. MILLER and Mr. WILLIAMS of Delaware addressed the Chair.

The PRESIDING OFFICER (Mr. CANNON in the chair). The Senator from Iowa is recognized.

Mr. MILLER. Mr. President, the Senator from Rhode Island, I think, gave a very fair and frank analysis of what cuts would do to this program. All of us appreciate that. I would like to clarify one matter.

The Senator read a number of figures regarding how many people would have to be let go in certain programs if something happened. What figure was the Senator premising that on?

Mr. PASTORE. Because the present on-going program is predicated upon the money that was available last year, which was $1,612,500,000, plus a carryover in the neighborhood of about $180 million, which gave the figure that now tells us we need $1,788,000,000, which is substantially higher than the figure suggested in this cut if we are to maintain programs on the current level.

If we do not provide this money, all that the Senator from Rhode Island said was, we will have to take 45,000 from the Head Start program and 14,000 from the Job Corps. If you want to restrict, and cut down the program, vote for the amendment. If Senators wish to keep it this way, reject the amendment.

Mr. MILLER. The Senator from Rhode Island is talking about what would happen if the Senate agreed to the Williams amendment now at the desk?

Mr. PASTORE. The Senator is correct.

Mr. MILLER. The Senator said if we had $1,788,000,000 this would enable present programs to continue.

Mr. PASTORE. Yes.

Mr. MILLER. If we adopt the amendment of the Senator from Delaware this would have the implications he read from his paper.

Mr. PASTORE. Not implications; it would have the result.

Mr. MILLER. I wish to get that matter clarified.

I believe the Senator read that some 14,000 members of the Job Corps would have to be let go.

Mr. PASTORE. The Senator is correct; pulled out or expelled.

Mr. MILLER. I do not question the Senator's figures, which I am sure he received from OEO, that if the cost of enrollees for the Job Corps continued at the present levels this is what would happen.

However, what this implies is if the cost continues at $7,500 a year, which the Senator from Iowa submits is very extravagant and excessive, we will have to let 14,000 of those members go.

Mr. PASTORE. Mr. President, will the Senator yield at that very point?

Mr. MILLER. I would like to finish my thought.

Mr. PASTORE. I think we should get an understanding.

Mr. MILLER. If the cost of the enrollee can be reduced to what I think most people regard to be a reasonable figure, perhaps none of these people would have to be let go.

Mr. PASTORE. That is not exactly right. Where did the Senator get his figure of $7,500? When we started the program, I was the most critical Senator of all. I hope the Senator does not think that I sat there and played tiddly winks. I asked questions, and I hope I asked some pretty good questions. I was upset at the cost of the program. I was upset that they would take somebody from Florida and send him to California. That is no longer done. The reason it was done in the beginning was that they had only two camps, one in the East and one in the West, Now, I understand there are 123 camps, and the cost is coming down.

Mr. MILLER. Down from where?

Mr. PASTORE. But if one listens to the dramatic stories of the good that has been done with respect to these boys and girls who were not good for much and now today are in gainful employment, we are saving the soul of America and here we are quibbling about the relatively small amount it will cost.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MILLER. I would like to make a brief response to the Senator from Rhode Island.

The Senator from Rhode Island says that the cost is coming down. Indeed, the cost had better come down. They started out at a figure of $12,500 per enrollee. These are not my figures, but they are figures that Representative EDITH GREEN, of Oregon, dug out during the hearings last year. In fact, they were so flagrant that Congress legislated a $7,500 ceiling when we passed the OEO bill. I suggest they should come down more. I suggest that $7,500 is still excessive. I think most taxpayers regard it as excessive. While they want to do something for these underprivileged young people, at the same time they think the taxpayers are being overreached upon.

My point is that if there is a cutback in costs that would not mean that 14,000 members would be turned out into the street. It would mean that OEO would reduce the cost per enrollee and keep them all there and do a better job.

Mr. JAVITS. Mr. President, will the Senator yield for a statement of fact?

Mr. MILLER. I yield.

Mr. JAVITS. The actual cost is $6,700. We investigated the entire Job Corps program recently. The committee is completely satisfied. This goes for both sides of the aisle. I am the ranking member on the Labor and Public Welfare Committee. Mr. Kelly, the new Administrator of the Job Corps, is doing an extraordinary job of really bringing down the costs. They will be brought down even further. I can certify that to the Senator as a fact, whatever deductions he may draw to meet his own conscience. Fourteen thousand will be let out. There is no other way.

A very creditable record is now being made on costs. Costs are being brought down even further. This is the raw material for the very crime and juvenile delinquency which Senators in this Chamber are inveighing against every day. These boys are here instead of out where they could make that 16-percent increase in crime—32 percent. This is money well spent. To turn the kids out would be a real disaster. I hope it will not happen. I hope that the Senate will be much wiser than that.

Mr. MILLER. I appreciate the remarks of the Senator from New York, but I do not believe that most of the taxpayers of this country, especially those in the lower income brackets who are having a hard time scraping up $1,000 or $1,200 a year to put their children through college, will be reassured that the cost of the Jobs Corps is now what the Senator from New York says it is. It is an improvement, to have been brought down that far, but it still has a long way to go before the taxpayers, who are having a hard time supporting their own children, are going to be thinking that it is down to a proper size.

There is another point. I point to the fact that only one out of four members of the Job Corps have graduated. That may not be true today. That is an overall figure for all years. The Senator from New York knows as well as anyone that we went through the problem of improper screening of Job Corps applicants. There has not been proper screening of Job Corps applicants, and, as a result, we tightened it up on the floor a few weeks ago. I had an amendment which the Senator in charge of the bill agreed to adopt and which I hope will be helpful in this respect.

Just because it might result in 14,000 fewer members of the Job Corps does not, to me, mean that we are going to take 14,000 of those who should be in the Job Corps and turn them loose. It might well mean that there would be a reduction of 14,000 who should not be there in the first place, because if they go there they will never complete the course. Thus, I think one can use the figure of 14,000 for whatever purposes he wishes.

I do not deny the sincerity of my good friend from Rhode Island, but I do not think it needs to work out this way. I would say, let them screen out those who should not be admitted into the Job Corps in the first place. We will have a better program. More will graduate because they will not be deterred from staying in by being put in with the undesirables.

Mr. PASTORE. Could the Senator document the statement he has just made?

Mr. MILLER. Yes, indeed.

Mr. PASTORE. Can the Senator prove that they have 14,000 that do not belong there?

Mr. MILLER. I have not said that——

Mr. PASTORE. Yes; that is what the Senator said. The Senator said they take the 14,000 that do not need to be there.

Mr. MILLER. What the Senator had to say did not necessarily cover those already in the Job Corps. Can the Senator tell me the number in the Job Corps today?

Mr. PASTORE. There are about 42,000.

Mr. MILLER. Take the number in the Job Corps today.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. PASTORE. I do not have the floor, but I will yield to him anyway. [Laughter.]

Mr. JAVITS. Forty-two thousand are in the Job Corps today. Fourteen thousand is one-third. What the Senator from Iowa is arguing is that one-third of the members of the Job Corps can be screened out as undesirable, which is absolutely——

Mr. PASTORE. Why say one-third? Why not 75 percent?

Mr. JAVITS. Might as well.

Mr. PASTORE. Why not all of them? If we want to argue it to its ultimate conclusion, why not forget about the whole program?

Mr. MILLER. I know that many Senators do not like the amendment, but I should like to make this point: Take those who should not be screened into the Job Corps, leave them out, and reduce the cost per enrollee in the Job Corps down to what the taxpayers would consider to be a reasonable cost, and we will be able to do it.

I would hope that Mr. Kelley would be able to do that.

Mr. PASTORE. If what the Senator is saying is true, then the first thing I would do would be to ask for the resignation of Sargent Shriver. That is the only way to answer the Senator's question. If we have 14,000 people upon whom we can spend this money, who do not belong in the program because there is no potentiality and no opportunities for them, then we should fire the Director. That is the answer I give to the Senator.

Mr. MILLER. Then we should ask for Sargent Shriver's resignation, because the record will show how many thousands in the Job Corps——

Mr. PASTORE. Why does not the Senator just try it?

Mr. MILLER (continuing). Should not have gotten in there in the first place. They drop out. The record is replete with examples of that. If the Senator will look at it, we crossed that bridge several weeks ago.

Mr. PASTORE. I was not on the same bridge, I will tell the Senator that.

Mr. YOUNG of North Dakota. Mr. President, I should like to say a word in support of the amendment of the Senator from Delaware [Mr. WILLIAMS]. There certainly is a need to help the poor people in this country. It might require even more money than this, if it were done properly. For example, if we wanted to help the poor people any place in the United States, it would be more effectively and efficiently handled by the welfare agencies of the States and counties, by people who are trained in the business, rather than on a partisan and political basis.

If we want to help the schoolchildren, we should handle it through the school officials in the various States and counties throughout the United States.

Mr. PASTORE. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG of North Dakota. I yield.

Mr. PASTORE. Of all the programs under consideration, the one which has been the real butt of most of the criticism is the community action program. That is the one program that is a grassroots program.

Mr. YOUNG of North Dakota. I believe that, if we want to take one step toward doing this on a bipartisan and nonpolitical basis, we should make the announcement on a nonpolitical basis rather than through political channels.

Mr. PASTORE. How are we going to do it on a nonpolitical basis when 90 percent of the Republicans vote against it?

Mr. YOUNG of North Dakota. They are trying to handle this program every place in the United States on a political basis, and not based upon recommendations of welfare agencies. The amount of money suggested by the Senator from Delaware would do a far better job, if handled on that kind of basis rather than on a strictly partisan, political basis. Almost every official of this program is appointed not on the basis of what he knows about helping poor people but rather on his political record.

Mr. WILLIAMS of Delaware. Mr. President, the Senator from North Dakota has made a very good point. The argument has been made here that this amendment would completely wreck the program, perhaps require a drop of one-third of the Job Corps and practically one-third or one-half of the rest of the program. Those are scare tactics. The question that comes to my mind is this: if the adoption of this amendment cutting 18 percent from the appropriation would destroy one-third or one-half of the services being rendered what are they going to do with the rest of the money, unless they are going to pour it down the rathole with fat bureaucratic salaries?

At least three top officials of this Poverty Program are now being paid more than General Westmoreland.

Why not cut back on some of these high-paid bureaucrats?

Let us face it. We hear the same arguments and listen to the same speeches, with just a change in a few words, during the debate on every effort to cut every single appropriation bill which has been before Congress.

They always claim that the Senator from Delaware is heartless in trying to cut any appropriations. Again today they cite the foreign aid program as an excuse that we are feeding people all over the world so why cut any other program. I remind Senators I did not vote for that program, which had $500 million in it more than had been approved by the House. I did not vote for it, but there were only 22 votes against it. Those who supported that foreign aid bill are not in a position to use it now as an excuse.

Mr. President, I ask unanimous consent that a list of appropriation bills which have been voted on this year, showing that the Senate added $4,055,148,620 more than was in the amendment, as well as a tabulation on the foreign aid bill where we had another $500-odd million over and beyond the House figure be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

1968 APPROPRIATIONS

Date		Amount in House	Amount in Senate	Senate increase or (decrease) over House	Amount of 1967 appropriation increase or (decrease)
Mar. 17	H.R. 7123: Supplemental Defense	$12,196,520,000	$12,275,870,000	$79,350,000	
May 19	H.R. 7501: Treasury, Post Office, Executive Office	7,499,230,000	7,555,167,000	55,937,000	$459,108,865
May 16	H.R. 9029: Interior	1,365,310,150	1,399,242,050	33,931,900	66,083,250
May 17	H.R. 9481: 2d Supplemental	2,041,826,133	2,260,246,933	218,420,800	
Aug. 29	H.R. 9960:				
	Independent offices and HUD	9,985,878,782	10,431,460,900	445,582,118	880,461,600
	Participation certificates	881,000,000	3,235,000,000	2,354,000,000	1,555,000,000
Aug. 1	H.R. 10196: Labor and HEW	13,137,488,000	13,409,835,000	272,347,000	393,270,800
Sept. 26	H.R. 10345:				
	State, Justice, Commerce	2,194,026,500	2,185,870,500	(8,156,000)	52,782,300
	Participation certificates	150,000,000	150,000,000		(700,000,000)
June 29	H.R. 10368: Legislative branch	228,089,952	273,662,404	45,572,452	3,159,461
July 11	H.R. 10509:				
	Agriculture	[1] 3,370,580,950	[1] 3,797,673,400	[1] 427,092,450	[1] 332,101,950
	Participation sales	800,000,000	700,000,000	(100,000,000)	100,000,000
Aug. 4	H.R. 10738: Defense	70,295,200,000	70,156,420,000	(138,780,000)	(73,202,000)
Sept. 28	H.R. 11456: Transportation	1,530,198,372	1,651,407,272	121,208,900	(69,910,228)
28	H.R. 11641: Public Works and Atomic Energy	4,622,922,000	4,776,064,000	153,142,000	465,893,000
Oct. 3	H.R. 12474: NASA	4,583,400,000	4,678,900,000	95,500,000	(289,100,000)
	Total	134,881,670,839	138,936,819,459	4,055,148,620	3,175,648,998

[1] Restoration of capital by CCC not included.

Mr. WILLIAMS of Delaware. Mr. President, the Senate record on spending is clear. It has consistently added to these spending programs. Furthermore, every time an effort to reduce is made, we get the same arguments that we are destroying the program. The proponents of more spending march the poor widows and orphans through the Senate Chamber to point up the argument.

Perhaps one reason why these poor widows and orphans are in such dire shape is that they are walked to death across this Chamber, in an effort to justify every spending program that some bureaucrat can conceive.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. In just a moment.

Then too we hear talk about the crime rate getting worse and that this or that program is going to solve the crime rate. We are all concerned about the crime rate, but before discussing this point, Mr. President, I have a tabulation of various votes on Senate efforts to cut appropriations. This tabulation shows that the Senate rejected every effort to cut the appropriations and supported and passed every amendment that would increase the appropriations. I ask that it be printed in the RECORD.

Had these efforts to reduce appropriations been successful it would have reduced the cost of Government by around $4½ billion.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

RECORD VOTES ON REDUCTIONS IN 1968 APPROPRIATIONS

	Vote No.	Date, 1967	Vote	Amount of reduction or increase
H.R. 10509—Agriculture (Williams): Limit subsidy payments to $10,000.	129	July 13	14 to 76	$329,174,519
H.R. 10509—Agriculture (Williams): Reduce from $220,000,000 to $120,000,000 new ACP authority.	130	..do...	10 to 82	100,000,000
H.R. 10196—Labor-HEW (Williams motion): Recommit bill to reduce 5 percent.	144	Aug. 2	19 to 64	675,000,000
H.R. 10738—Defense (Kennedy of Massachusetts): Reduce from $482,000 to $200,000 rifle practice funds.	170	Aug. 22	23 to 67	228,000
H.R. 9960—Independent Offices and HUD (Young of Ohio): Reduce civil defense funds by $20,000,000.	188	Sept. 19	32 to 55	20,000,000
H.R. 9960—Independent Offices and HUD (Williams): Cut public building construction funds by $21,036,200.	189	...do..	27 to 57	21,036,200
H.R. 9960—Independent Offices and HUD (committee): Increase funds for Federal office building construction.	191	...do..	63 to 23	16,130,000
H.R. 9960—Independent Offices and HUD (committee): Increase authorization for sale of VA participation certificates.	192	...do..	56 to 31	550,000,000
H.R. 9960—Independent Offices and HUD (committee): Increase grants for neighborhood facilities.	193	...do..	60 to 23	15,000,000
H.R. 9960—Independent Offices and HUD (committee): Increase model cities funds.	194	Sept. 20	62 to 28	$300,000,000
H.R. 9960—Independent offices and HUD (Harris): Increase funds for National Science Foundation.	197	..do...	63 to 25	46,000,000
H.R. 9960—Independent offices and HUD (committee): Increase authorization for sale of HUD participation certificates.	198	Sept. 21	57 to 30	1,804,000,000
H.R. 9960—Independent offices and HUD (committee): Increase funds for HUD participation certificate insufficiencies.	199	..do...	54 to 32	19,115,000
H.R. 11456—Transportation (Proxmire): Reduce supersonic transport funds.	283	Oct. 5	19 to 54	141,375,000
H.R. 11456—Transportation (Williams): Reduce FAA equipment funds.	284	..do...	2 to 68	37,000,000
H.R. 12474—NASA (Proxmire-Williams): Reduce funds for several programs.	286	Oct. 6	30 to 36	100,500,000
H.R. 12474—NASA (Williams): Reduce funds for Voyager program.	287	..do...	31 to 34	26,000,000
H.R. 11641—Public works (Williams): Reduce general construction funds	289	Oct. 9	12 to 61	18,516,000
H.R. 11641—Public works (Williams motion): Recommit to cut funds	290	Oct. 10	27 to 54	247,808,200
H.R. 10345—State, Justice (Williams): Eliminate SACB funds	295	Oct. 11	37 to 54	295,000

Mr. WILLIAMS of Delaware. Mr. President, to continue the discussions on the crime rate—we are all concerned about the crime rate but to say that the adoption of this amendment would result in an increase in the crime rate is absurd. That is a fallacious argument.

I ask unanimous consent that a letter which I received from J. Edgar Hoover, under date of October 11, 1967, including a tabulation showing the increase in the crime rate over the past 10 years, be printed in the RECORD at this point.

There being no objection, the letter

and tabulation were ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF JUSTICE,
FEDERAL BUREAU OF INVESTIGATION,
Washington, D.C., October 20, 1967.

Hon. JOHN J. WILLIAMS,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR: I have been advised of your request for national crime statistics pertaining to crime rates from 1958 to 1966.

There is enclosed a tabulation showing the percent change in the national Crime Index rate for the years requested. Current population for each year was used in constructing the rate.

I hope the information will be of use to you.

Sincerely yours,

J. EDGAR HOOVER.

Percent change, national crime index rate per 100,000 population, October 20, 1967

1957	2½
1958	+7
1959	−1
1960	+13
1961	+1
1962	+5
1963	+9
1964	+12
1965	+5
1966	+10

By direct comparison the crime rate increase was 79 percent, 1966 over 1957. The source for this data is Uniform Crime Reports.

Mr. WILLIAMS of Delaware. Quoting from this letter, the crime rate has increased 79 percent between 1957 and 1966. The most rapid increase in the crime rate has taken place in the recent years, increasing 10 to 12 percent. So the more money we spend does not mean the less crime we are getting in America.

Let us face it, the real problem of crime in America is not the lack of money in these programs. It is not the lack of laws. It is because we have a Department of Justice that is too soft on criminals and courts that are too lenient in dealing with convictions. You can pour all the money in the Federal Treasury on the streets of America, but until our courts and administration officials and our Department of Justice start backing up our police officers and start enforcing the laws on our statute books we are not going to solve crime.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. PASTORE. Do I understand the Senator correctly? Is the Senator logically arguing that if we cut out this program, there will be less crime; that the less money we spend, the less crime we would have?

Mr. WILLIAMS of Delaware. Not at all.

Mr. PASTORE. That is what the Senator said. He said we keep spending more money and we have more crime.

Mr. WILLIAMS of Delaware. No——

Mr. PASTORE. The Senator had better read the RECORD.

Mr. WILLIAMS of Delaware. The Senator from Rhode Island was justifying this appropriation on the basis of combating crime. I am refuting his argument and saying that it is not a question of whether we are for or against crime. It is a question of how far we can go toward increasing expenditures. I merely pointed out that as we increase the expenditures we do not solve crime on that basis. So the argument does not stand.

Speaking of the argument that we should not discuss taxes at the same time we are dealing with a program for the poor, I want to point out that I have expressed this concern on numerous occasions heretofore. I am sure the Senator from New York will agree with me on this point. I have discussed the fiscal policies of our Government each time we have acted on increasing these expenditures. I have been very much concerned over the financial condition of our Treasury. I think Congress has been negligent in meeting its responsibility by going home without having faced up to the problem of what we will do on taxes. Why delay this decision?

Mr. PASTORE. Mr. President, will the Senator yield on that point?

Mr. WILLIAMS of Delaware. I yield.

Mr. PASTORE. Can the Senator name a better ally than the Senator from Rhode Island in this crusade? I ask the Senator, can he name a better ally?

Mr. WILLIAMS of Delaware. If the Senator wants an answer, he can read documents I have placed in the RECORD.

Mr. PASTORE. No. Answer the question. Can the Senator name a better ally in economy votes?

Mr. WILLIAMS of Delaware. I will answer the question if the Senator insists. The answer is that I never had a poorer ally in the Senate when voting or making an effort to cut appropriations, and the vote numbers on those votes are as follows: 129, 140, 144, 170, 186, 190, 192, 194, 197, 199, 283, 284, 286, 287, 289, 290, 295.

It will be found that the Senator from Rhode Island has been the weakest ally I could have had. I am sorry he forced an answer.

Mr. PASTORE. Read the ones in which I am with the Senator.

Mr. WILLIAMS of Delaware. I have read all of them.

Mr. PASTORE. Those are the times the Senator was wrong, and I am going to vote against him on this one, too.

Mr. WILLIAMS of Delaware. That is expected, and that will make a perfect score. The Senator from Rhode Island wanted his score in the RECORD. I am not being personal, but he wanted an answer.

We talk economy. The Senator from Rhode Island, with his great voice and great oratory—and I love to hear him, is one of the strongest advocates when speaking for economy, but speeches do not count. It is votes that count. We have to have votes in order to cut appropriations. The Senator from Rhode Island makes the best speech I have ever heard for economy, but he does not vote for cuts.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. Yes.

Mr. PASTORE. I invite the Senator, very respectfully and cordially, to go down to the committee and see what the Senator from Rhode Island does in working on these bills. It is easy for someone to take the floor and say, "Let us cut it by $1 billion. Let us cut is by $100 million." The Senator does not have the responsibility; he is not on the committee. He says on the floor, "Let us cut some money out of this." It makes beautiful headlines. It appears in all the newspapers in Delaware and all over the country. But does it take into account the time, the inquiry, the exhaustive investigation into the bill that we brought out?

Take the Senator from Georgia [Mr. RUSSELL] on defense and take these other bills. After all, I am bringing out a report that was passed by the whole Appropriations Committee. These are not men of indiscretion. These are not wasteful men. These are not evil men. These are men concerned with the stability of the country. These are men interested in the balance of payments. They are interested in deficits as much as the Senator from Delaware is.

This idea that everybody is out of step except the Senator from Delaware I cannot buy. I cannot buy that. I know it is easy to be a hero. I know the path of a hero. I know how it is to be popular. What the Senator is doing this afternoon is very popular. I know he will get the headlines. I will not get them. But in going home I will feel I have done my job as conscientiously as I could, just as conscientiously as the Senator from Delaware feels he has done his job. I have no apology to make to him or anybody else. I am responsible only to the people of Rhode Island, and last time they did very fine by me.

Mr. WILLIAMS of Delaware. I am always delighted to hear the Senator from Rhode Island. But he tries to infer that any Senator who is not a member of his committee should not offer amendments or express opinions on the bill.

Mr. PASTORE. I did not say that.

Mr. WILLIAMS of Delaware. We have bills reported out of other committees, and the Senator from Rhode Island expresses very strong beliefs and offers amendments for or against them. I am not intimidated by any such argument. I do not question his sincerity. I only pointed out the record when he asked that his voting record be put in. He asked the specific question. That is the only time I mentioned it. Otherwise I was not going to mention how he voted. That was his business.

The Senator has a perfect right to vote as he wishes. I do not question his sincerity. I only wish he would attribute to the Senator from Delaware the same degree of sincerity. I have tried to hold back increased appropriations in all of these agencies. I am vitally concerned with the fiscal condition of the Government. We have large deficits. We have interest rates at the highest level they have been in 100 years. We are not going to control inflation or balance the budget unless we do it by our votes, unless we cut back on programs, some of which are popular. That is true of both the Senator from Delaware and the Senator from Rhode Island.

I realize we are going to have to cut back some services under these programs, and it is going to be hard; but I do not think it should be claimed that we are destroying a program just because we reduce its appropriations.

As evidence of good faith, I notice that Mr. Shriver has stated publicly that he only needs in order to carry out all his programs—and I am quoting from the Washington Post—$1,785,880,000. He has admitted that that is enough to carry out their programs. That is $200 million below the figure that is in the Senate bill.

If it will make my friend happier I will modify my amendment to give them just what the Department itself says its needs. That would save $192 million. Why give them any more?

Mr. PASTORE. Mr. President, will the Senator yield on that point? I have explained that. If we take the figure of $1,788,000,000, then the area for compromise is between the $1,612,500,000, and the $1,788,000,000. I have explained all that.

I think we have been very practical and honest about that. As I have previously stated on this floor, all we want to do is go in with the top dollar, in order to have a bargaining position. I stated that I did not expect to come out of that conference with much more than the figure of which the Senator has spoken. All I am asking is that he just not handcuff us.

As to the question of sincerity, I gave the Senator credit for sincerity. The Senator came out with the list of times I supported him and I did not support him. Talking about getting personal; the Senator stayed up all night trying to be personal.

Mr. WILLIAMS of Delaware. No, I did not. I was just prepared to answer the question of the Senator from Rhode Island when he asked it.

Mr. PASTORE. I mean, after all, the Senator did not pick up those figures off the floor. There was obviously considerable research involved. The Senator must have had somebody on his staff looking it up.

But let me say to the Senator from Delaware, as a member of the Appropriations Committee, and a member of the majority party, we always appropriate less than the budget estimate. We make that decision on the Appropriations Committee. We come out on the floor, after we have talked about it, after we have analyzed the situation. Then the Senator from Delaware comes along and makes a motion to reduce it even further.

I know the facts. What does the Senator expect me to do, to abandon my committee after all the work we put in?

The best example I can state today is that of the Senator from Florida. Here is a Senator who does not approve of all these programs, but he was down at the meetings, where we went through everything in detail, and he stood up today and said, "For purposes of convenience and for purposes of cooperation and help, I sustain the figure that was reported by the committee."

If Senator Holland should vote against the Senator from Delaware today, is he going to say he is an irresponsible spender?

Mr. WILLIAMS of Delaware. I am not saying anything to that effect.

Mr. PASTORE. Of course not. One has got to sustain his committee, as a matter of practical politics. The Senator knows the rules as well as I do. After we evaluate it, and come up with the decision, and a majority vote is taken, then we come out on the floor and seek to sustain our committee.

Now the Senator from Delaware comes along and, out of thin air, makes a motion to reduce the amount, and I do not follow him; what does that make me? Does that make me a lesser man than the Senator? Does that make me a bigger spender?

Mr. WILLIAMS of Delaware. Mr. President, I have not questioned at any time the sincerity of the Senator from Rhode Island or that of any other Member of the Senate. The Senator from Rhode Island asked me a question, and I answered him. The votes I put in were not intended to show the voting record of the Senator from Rhode Island or any other Senator. They represent the results of the votes of the U.S. Senate as a whole. No Senator's votes are identified.

The reason I had them tabulated—and I did it myself—they were tabulated and put into the Record about 4 weeks ago in connection with a statement I made to point out that the U.S. Senate this year has not lived up to its promises of reducing Government expenditures. The Senate has increased appropriations this year by more than $4.5 billion over what was appropriated for the same measures by the House of Representatives.

I listed every single rollcall vote that was taken in connection with 13 appropriation bills, the ones I voted for, the ones I voted against, and the ones that the Senator from Rhode Island and every other Senator voted for as well as the ones they voted against. But the Senator from Rhode Island was not satisfied.

The Senator kept insisting that he wanted his record made clear and just insisted that I answer his question. I thought he wanted it put before the Senate. He asked for it, and I gave it to him. I apologize here and now, publicly, if in any way my putting his voting record into the Record has embarrassed him.

Mr. PASTORE. It does not embarrass me as much as it annoys me.

Mr. WILLIAMS of Delaware. Just a minute; I have the floor. I apologize for annoying the Senator from Rhode Island. I do not wish to excite him, annoy him, or embarrass him because I love him too much.

Mr. PASTORE. Oh, I tell the world.

Mr. WILLIAMS of Delaware. Now I hope he does not get excited.

Mr. PASTORE. There is one thing about Pastore; he has very fine blood pressure. He has no ulcers. What he has to say, he says it. He bears no ill will toward any man; when it is over, it is over; and let me conclude by saying I dearly love my friend from Delaware. [Laughter.]

Mr. MILLER. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. In just a moment.

Mr. President, certainly there is no one I would rather debate or work with than the Senator from Rhode Island. I think we both enjoy it, and it is certainly nothing personal. We are the best of friends.

Mr. President, I shall yield in just a moment to the Senator from Iowa, but as evidence of the seriousness of our financial position, I ask unanimous consent to have printed in the Record a report furnished by the Department of Commerce which contains a tabulation of the bankruptcies filed for the past several years along with a breakdown of the different groups involved.

There being no objection, the report was ordered to be printed in the Record, as follows:

BANKRUPTCY FILINGS BY CLASS

Fiscal year	Chapter XIII	Employee	Nonbusiness	Business	Total bankruptcy case filings
1939	1,639	----------	----------	----------	50,997
1940	3,260	36,843	39,073	13,248	52,577
1941	4,433	42,348	44,713	11,619	56,335
1942	4,100	40,180	42,251	9,858	52,109
1943	2,007	27,020	28,782	5,929	34,711
1944	1,249	15,460	16,752	2,781	19,533
1945	1,248	10,010	11,051	1,811	12,862
1946	1,371	7,618	8,566	1,630	10,196
1947	2,354	9,396	10,234	2,936	13,170
1948	3,315	12,546	13,537	4,973	18,510
1949	5,111	17,772	19,144	6,877	26,021
1950	6,007	22,933	25,040	8,352	33,392
1951	6,924	25,984	27,806	7,387	35,193
1952	7,397	26,527	28,331	6,542	34,873
1953	8,670	31,253	33,315	6,772	40,087
1954	9,634	40,889	44,248	8,888	53,136
1955	9,864	46,163	50,219	9,185	59,404
1956	9,535	48,784	52,608	9,478	62,086
1957	11,549	59,053	63,617	10,144	73,761
1958	13,391	73,379	80,265	11,403	91,668
1959	12,993	81,516	88,943	11,729	100,672
1960	13,599	89,639	97,750	12,284	110,034
1961	19,723	119,117	131,402	15,241	146,643
1962	22,880	120,742	132,125	15,655	147,780
1963	24,329	127,156	139,190	16,303	155,493
1964	27,292	141,550	155,209	16,510	171,719
1965	28,027	148,965	163,413	16,910	810,323
1966	28,261	160,299	175,924	16,430	192,354
1967	31,963	174,205	191,729	16,600	208,329

NUMBER OF BANKRUPTCY CASES FILED BY OCCUPATIONS IN THE BUSINESS AND NONBUSINESS GROUPS FOR THE FISCAL YEARS 1940 THROUGH 1967

	Nonbusiness			Business							
Fiscal year	Employee	Others not in business	Total	Merchants	Manufacturers	Farmers	Professionals	Others in business	Total	Grand total	National population
1940	36,843	2,230	39,073	4,651	921	2,678	801	4,197	13,248	52,321	132,122,000
Percent of total	70.4	4.3	74.7	8.9	1.8	5.1	1.5	8	25.3	100	----------
1941	42,348	2,365	44,713	4,278	766	2,367	744	3,464	11,619	56,332	133,402,000
Percent of total	75.2	4.2	79.4	7.6	1.4	4.2	1.3	6.1	20.6	100	----------
1942	40,180	2,071	42,251	3,386	507	2,048	581	3,336	9,858	52,109	134,860,000
Percent of total	77.1	4	81.1	6.5	1	3.9	1.1	6.4	18.9	100	----------
1943	27,020	1,762	28,782	1,775	286	1,151	395	2,322	5,929	34,711	136,739,000
Percent of total	77.8	5.1	82.9	5.1	0.8	3.3	1.2	6.7	17.1	100	----------
1944	15,460	1,292	16,752	554	181	512	211	1,323	2,781	19,533	138,397,000
Percent of total	79.2	6.6	85.8	2.8	0.9	2.6	1.1	6.8	14.2	100	----------
1945	10,010	1,041	11,051	287	153	305	152	914	1,811	12,862	139,928,000
Percent of total	77.8	8.1	85.9	2.2	1.2	2.4	1.2	7.1	14.1	100	----------
1946	7,618	948	8,566	236	201	260	112	821	1,630	10,196	141,389,000
Percent of total	74.7	9.3	84.0	2.3	2	2.5	1.1	8.1	16	100	----------
1947	9,396	838	10,234	631	596	183	111	1,415	2,936	13,170	144,126,000
Percent of total	71.3	6.4	77.7	4.8	4.5	1.4	0.8	10.8	22.3	100	----------
1948	12,546	911	13,537	1,338	808	167	114	2,546	4,973	18,510	146,631,000
Percent of total	67.8	5.3	73.1	7.2	4.4	0.9	0.6	13.8	26.9	100	----------
1949	17,772	1,372	19,144	1,969	853	232	159	3,664	6,877	26,021	149,188,000
Percent of total	68.3	5.3	73.6	7.5	3.3	0.9	0.6	14.1	26.4	100	----------
1950	22,933	2,107	25,040	2,565	803	290	126	4,568	8,352	33,392	151,677,000
Percent of total	68.7	6.3	75	7.7	2.4	0.8	0.4	13.7	25	100	----------
1951	25,984	1,822	27,806	2,360	522	205	127	4,173	7,387	35,193	154,360,000
Percent of total	73.8	5.2	79	6.7	1.5	0.6	0.4	11.8	21	100	----------
1952	26,527	1,804	28,331	2,319	532	196	137	3,358	6,542	34,873	156,981,000
Percent of total	76.1	5.2	81.3	6.6	1.5	0.6	0.4	9.6	18.7	100	----------
1953	31,253	2,062	33,315	2,402	518	214	140	3,498	6,772	40,087	159,696,000
Percent of total	78	5.1	83.1	6	1.3	0.5	0.4	8.7	16.9	100	----------
1954	40,889	3,359	44,248	3,191	745	322	154	4,476	8,888	53,136	162,409,000
Percent of total	77	6.3	83.3	6	1.4	0.6	0.3	8.4	16.7	100	----------
1955	46,163	4,056	50,219	3,317	750	386	217	4,515	9,185	59,404	165,248,000
Percent of total	77.7	6.8	84.5	5.6	1.3	0.6	0.4	7.6	15.5	100	----------
1956	48,784	3,824	52,608	3,155	730	400	212	4,981	9,478	62,086	168,091,000
Percent of total	78.6	6.2	84.8	5.1	1.2	0.6	0.3	8	15.2	100	----------
1957	59,053	4,564	63,617	3,160	665	405	204	5,710	10,144	73,761	171,191,000
Percent of total	80.1	6.2	86.3	4.3	0.9	0.5	0.3	7.7	13.7	100	----------
1958	73,379	6,886	80,265	3,504	758	332	284	6,525	11,403	91,668	174,000,000
Percent of total	80.1	7.5	87.6	3.8	0.8	0.4	0.3	7.1	12.4	100	----------
1959	81,516	7,427	88,943	3,400	634	408	403	6,857	11,729	100,672	177,128,000
Percent of total	81	7.4	88.4	3.4	0.6	0.4	0.4	6.8	11.6	100	----------
1960	89,639	8,111	97,750	3,157	624	453	495	7,555	12,284	110,034	180,670,000
Percent of total	81.4	7.4	88.8	2.9	0.6	0.4	0.4	6.9	11.2	100	----------
1961	119,117	12,285	131,402	4,244	790	546	623	9,038	15,241	146,643	182,868,000
Percent of total	81.2	8.4	89.6	2.9	0.5	0.4	0.4	6.2	10.4	100	----------
1962	120,742	11,383	132,125	4,295	735	548	771	9,306	15,655	147,780	186,482,000
Percent of total	81.8	7.7	89.5	3	0.4	0.4	0.5	6.2	10.5	100	----------
1963	127,156	12,034	139,190	4,271	859	554	753	9,866	16,303	155,493	189,278,000
Percent of total	81.8	7.7	89.5	2.7	0.6	0.4	0.5	6.3	10.5	100	----------
1964	141,550	13,659	155,209	5,064	819	565	785	9,277	16,510	171,719	191,851,000
Percent of total	82.4	8	90.4	2.9	0.5	0.3	0.5	5.4	9.6	100	----------
1965	148,965	14,448	163,413	4,856	852	589	780	9,833	16,910	180,323	193,818,000
Percent of total	82.6	8	90.6	2.7	0.5	0.3	0.4	5.5	9.4	100	----------
1966	160,299	15,625	175,924	4,683	747	551	632	9,817	16,430	192,354	196,843,000
Percent of total	83.3	8.2	91.5	2.4	0.4	0.3	0.3	5.1	8.5	100	----------
1967	174,205	17,524	191,729	4,929	729	443	704	9,732	16,600	208,329	199,118,000
Percent of total	83.6	8.4	92	2.4	0.4	0.2	0.3	4.7	8	100	----------

Mr. WILLIAMS of Delaware. I call this tabulation to the attention of the Senate because it shows that the filing of bankruptcies in this country is practically double today what it was about 5 or 6 years ago. This shows that the economy of this country is not as healthy as some would like to think. I am only stating my concern over the ability of the U.S. Government to finance all of these Great Society programs on the domestic front without any curtailment while financing a full-scale war in Vietnam, all at the same time. The alternative is a prohibitive tax increase.

I happen to be one who thinks a tax increase will be imperative. I have said that publicly many times; but I have also said, and I emphasize again, that before I would support a tax increase we must have a bona fide reduction in Government expenditures. And we are not going to get a reduction in Government expenditures until Congress starts voting less money for some of these programs.

I do not think that we as a Congress have a moral right to vote for all of these appropriations and then blame the President for not cutting back on spending. We, too, have a responsibility right here in the Senate when we answer the rollcall votes. I believe we ought to discharge that responsibility as we vote. If we want to cut appropriations let us do our part here.

If I were not voting to cut back these expenditures or to hold them down I would not criticize the President of the United States. I agree fully that we should accept our own responsibility, but at the same time, I repeat what I have said earlier, that it should be called to the attention of the President that it does not take any more ink, it does not even take a different pen, to veto an excessive spending bill than it does to approve it. I am a little impatient at hearing him tell how proud he is about how much more and more he is giving to everybody and then hearing him criticize spending, saying that the fault is with Congress, that "They made me do it." The President, too, should accept his responsibility, as well as the rest of us.

I think this pending amendment should be agreed to. I do not see how we can justify the defeat of the amendment on the basis that in this bill there is more money than we expect to retain in conference. That is a good bit like going out to sell the old mule, and saying, "Dad said to ask $50 but if you can't get $50 take $25, and I think I will sell him for $10 because that is more than he is worth."

Let the Senate put in the bill what they expect the conferees to stand on.

I am ready to vote, but first I yield to the Senator from Iowa.

Mr. MILLER. I thank the Senator from Delaware. Mr. President, during my colloquy with the Senator from Rhode Island, I referred to some previous proceedings. The proceedings to which I referred will be found in the September 28, 1967, issue of the CONGRESSIONAL RECORD, at pages 27151 to 27153. I should like to read a few portions from those pages:

> Mr. MILLER. Mr. President, there has been widespread concern and criticism over the inadequate screening of prospective enrollees in the Job Corps. The majority leader of the Senate well expressed the problem on April 28 last year when he said:
>
> "It was not my intention to support the establishment of three reformatories in my State."
>
> He went on to describe the criminal activities of a Job Corps enrollee in his State and concluded by saying:
>
> I cannot stress too strongly the need for a more careful selection of Job Corps men.

I hope that the Senator from Rhode Island will hear this statement.

I continue to read from the RECORD:

> In the April 18 issue of the Oakland Tribune, an article on the Camp Parks Job Corps states that of the 7,591 young men enrolled since April 26, 1965, only 2,000 completed one or more of the courses; and of these, 1,567 have gone to work, back to school, or into the military service. Only 1,026 actually graduated from the Job Corps. The article reports:
>
> "There is violence on the base—knifings, beatings, extortion, frequent thefts, vandalism, drugs, fear, and repeated muggings. . . . The climate of terror that exists has been confirmed during many interviews with Corpsmen, counselors, teachers and even administrators for the Job Corps. . . . the di-

> rector of community affairs for Camp Parks concedes that girls have been smuggled into some of the dormitories as well as liquor and marijuana."

It states in another portion of the proceedings:

> Nearly half of the Job Corps enrollees have left or been discharged before completing their course, and most of these left within 3 months after enrollment. The drop-out rate of some Job Corps centers has been much higher. Certainly a better job of screening would have prevented this.

Other statistics are contained in the article.

Mr. President, I point out that this has all occurred while Sargent Shriver was Director of the Job Corps.

I must say that I think the RECORD is quite replete with examples of where a reduction of the overall Job Corps enrollees, if this amendment is agreed to, could be absorbed in two ways.

It could be absorbed by better screening and keeping out those who should not get there in the first place and whose presence there is wasting the money of the taxpayers. Second, it could be absorbed by reducing the cost of operating the Job Corps.

Mr. President, a statement was made by the Senator from Rhode Island regarding percentage depletion as a possible source of additional revenue to the Federal Government.

Mr. President, I have spoken on this subject several times in the Senate. I understand it very well, and the RECORD will show what I have said about it.

I am opposed to any meat-ax approach on this subject. However, it should be pointed out that I have been here for 7 years. I have not yet seen the administration come to Congress and ask for anything to be done about this.

If this is a reasonable source of revenue, it is just a little bit late now to start talking about it.

Finally, I am concerned about holding levels of spending where they are now. I recognize that there has been some increase in the cost of living and in Government salaries and that in order to carry out programs it may be necessary to increase the appropriations a little bit over what they were for the last year.

Mr. President, it seems to me that the Senate conferees ought to be willing to go to the conference committee with an amendment to provide for just what the Director says is necessary, $1.788 billion, and stand firm on that.

The House has stood firm on some of its figures. I see no reason why the Senate conferees cannot stand firm on their figures, and especially if they are on solid ground.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MILLER. I yield.

Mr. PASTORE. Mr. President, I do not know how much experience the Senator from Rhode Island has had in these matters. I have been around here for 17 years. The Senator is oversimplifying a very hard problem. However, I am not critical of that. All I am saying is that if the final figure is $1.788 billion, all that would do would be to take care of the ongoing programs. It would not include the other programs that have been authorized in the recent bill.

If only that amount were appropriated, it would stop Headstart, Follow-through, day care, the provision contained in the amendment of the Senator from Mississippi [Mr. STENNIS] to feed the very poor, and medical care for the very poor. All of those programs would have to be omitted.

They have all got to be cut down anyway for the simple reason that the authorization was below the original budget request.

The figure of $1.788 billion, as I have explained, will only allow us to continue on the same level the programs that are now ongoing and in progress.

What I did say to the Senator from Delaware was that even if we allow the figure of $1.98 billion, that would be subject to the 10-percent program cut and also would be subject to the 2-percent personnel fund cut.

As a matter of fact, the Senator from South Dakota [Mr. MUNDT] moved in committee that we go to a figure of $1.8 billion. That motion was defeated.

The only reason we are asking for this amount is to give us leeway. I have no doubt that we will not come out with the figure of $1.98 billion. However, we are reasonable men. We want to be just as frugal as does the Senator from Iowa. However, we are asking this as a courtesy from the Senate to allow us to go to conference with the top dollar reported by the committee to meet the bottom dollar of the House, and talk about the 10-percent program cut and the 2-percent personnel fund cut and see if we cannot come out with a reasonable figure.

I do not understand why we are wasting this time.

That is what it amounts to.

I can say definitely that the administration cannot spend more than has been appropriated. If the Senator wants us to go to conference with that figure, we will not come out with it.

The Senator is asking us to explain our whole strategy, and I am afraid that by the time we get through we will not have any strategy left.

Mr. MILLER. Mr. President, I appreciate the fairness of the Senator. I pointed out that I thought he was doing a service in presenting the matter openly. We ought to have this on the table and nothing ought to be under the table.

The Senator from Rhode Island has done that very thing, for which I commend him. However, on this side of the aisle, perhaps we have a little more confidence in the negotiating ability of the Senator from Rhode Island than he has in himself.

I think that if the Senate is right on this matter, especially if we have such an amendment approved by a very large majority so that the Senator from Rhode Island can go over there with a great amount of confidence, he will prevail on that figure.

The House conferees are reasonable. Just because they have provided $1.6 billion should not, I think, give any Member of the Senate an excuse for suggesting that they are interested in meat axing all these programs. House Members recognize that there are a great many poor people today who ought to be taken care of. I do not believe the Senate should look on the House in an unfavorable light. I myself do not.

The Senator from Delaware has performed a service. He does not stand alone, I remind the Senator from Rhode Island. There are a great many Senators on both sides of the aisle who are deeply concerned about the increasing cost of living, inflation, and higher interest rates.

Mr. PASTORE. We all are.

Mr. MILLER. But what are we going to do about it? It does not do any good to make speeches about how deplorable these conditions are unless Senators are willing to do something about them by yea-and-nay votes.

We are confronted with an anomalous situation. We are talking about programs for poor people. Yet it is the poor people who are hurt the most by the increases in the cost of living. Last year the increase in the cost of living had an impact equivalent to a 12-percent sales tax on the people of New Jersey. That might be a pretty good reason why there were some riots in Newark.

We had better make up our minds whether we are going to help the poor people; whether with the right hand we are going to help them and with the left and soak them with inflation. That inflation starts on Capitol Hill when multibillion-dollar deficit spending takes place. That is what the Senator from Delaware is pointing out. We will not get anywhere in stopping inflation unless we do it by yea-and-nay votes.

Mr. MURPHY. Mr. President, will the Senator yield?

Mr. MILLER. I do not have the floor.

Mr. WILLIAMS of Delaware. Mr. President, I yield to the Senator from California.

Mr. MURPHY. I am most sympathetic to both sides in this discussion. I know the problem faced by the Senator from Rhode Island. I know something of the problems faced by those of us who serve on the committee which considered the authorization for Office of Economic Opportunity. For instance, the programs that would be cut from the list have been carefully selected; yet we will have in the bill some good ongoing programs. But there are some other programs, I believe, that we could very well delete.

My State has a program which has received more than $2,000,000 to provide rural legal services for those individuals who cannot afford a lawyer.

What has happened? The program has fallen into the hands of a young, apparently very bright, sociological expert who has brought suits against the Secretary of Labor and against the Governor of the State. That was not the purpose for which the Federal funds were granted. This is what is disturbing.

The Parks Job Corps camp in my State is run by one of the most efficient industrial organizations in this country, Litton Industries. I was asked to go there, having been prepared to see a finely run operation. The day before I visited the camp I learned that $22,000 had been spent last year to pay for windows broken by trainees. These trainees, insofar as we can learn, are costing the taxpayers approximately $11,000 each.

Each year I have objected to the high cost of this program and each year I have been told by Mr. Shriver that we are just starting out, that next year the cost will be reduced. They have a new Job Corps Director now, who, I believe, will do a good job because he is a man who will admit mistakes and attempt to correct them.

I have as much concern for the poor as anyone, as the Senator knows, but I cannot support a program which is intended to help the poor but does not due to misdirection and a lack of coordination and planning. For example, we have found that poverty workers are being used to register voters. Obviously, this is not a priority program, but rather it is the type of situation that causes concern on this side of the aisle, yet no one on this side of the aisle, to my knowledge, wants to take away one dollar from the program if it will feed a hungry person, clothe somebody who is cold, or help train an unskilled person for a job.

These are the priority programs which must be undertaken. Instead, we have channeled too much money into ventures of dubious value.

Mr. PASTORE. We have gone into it in great detail. The Senator must realize that this is a gigantic problem.

Mr. MURPHY. It is so big that we cannot find out accurately what has happened.

Mr. PASTORE. This program will cost approximately $2 billion. To illustrate how much that is, I am told that if you stack one thousand-dollar bills one on top of the other in order to reach $2 billion, you will go up the height of the Washington Monument twice and have 280 inches to spare. That is a great deal of money.

It should be borne in mind that we have a population of 200 million people, and a great many people are involved.

I do not say that this is a perfect program. It is a new program, a new venture.

Our experience has been that when the attention of the administration is called to matter or the person responsible is called to account, there has been an attempt to rectify the situation. I realize that there are abuses.

Yesterday, the question of legal services came up in our committee. The American Bar Association is in favor of this program. Senator HOLLAND does not think it is a good program.

Mr. MURPHY. I thought the legal services program was a good idea, but the way it is being implemented in some areas is awful.

Mr. PASTORE. The point is that you cannot throw out the baby with the bath water.

It might be said that the way you could justify a cut of $100 million is the way you could justify a cut of a half billion dollars or of $1 billion. All I am saying is that this is the level of the program. I do not believe that efficiency will be promoted by cutting it down. Efficiency will be promoted by proper administration, no matter what is appropriated. But the argument developed here today, for some reason, is that if we take out a couple of hundred million dollars it will be a better program than it is now. I cannot buy that.

Mr. MURPHY. Are you saying that, if you have a program that is not very good, it will be better if you give it more money?

Mr. PASTORE. I do not subscribe to that logic.

Mr. MURPHY. But the Senator will agree that we run into this problem continually.

One of the best programs in my State, a temporary housing program, was almost dropped. I cannot find out why. The committee had to conduct hearings around the country and spend more money in order to find out what was being accomplished because we could not find out from the director.

I am reciting this aspect because I want the RECORD to show why I object and why I have objected continually, beginning with my plea to get politics out of the program and ending with my plea to get the money designed for the poor directly to the poor. There are better ideas on how to do this and better ways to do it.

Mr. PASTORE. And we should work them out.

Mr. MURPHY. I agree.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. HANSEN. Mr. President, I shall support the pending amendment. I want it clearly understood that I am not opposed to the poverty program. As Governor of the State of Wyoming, I endorsed the establishment of a Job Corps camp in Casper, Wyo. I am concerned for poor people. I shall support this program precisely because of my concern for poor people.

I believe there is a relevance between headlong inflation and poor people. It has already been pointed out in the debate that the persons who are hurt first and who suffer most are the poor people.

Let me relate to the Senate what inflation last year amounted to in terms of an additional sales tax to my people of Wyoming. The 3-percent increase in inflation last year had the same effect on the payrolls and the pocketbooks of the people of Wyoming as would have resulted from an increase in our sales tax there by 5 percent.

I am concerned about inflation and an unbalanced budget because we have voted 4½- to 6-percent salary increases for Government employees on the floor. It is easy to be in favor of economy, and it is easy to make these arguments about our concern for the poor, for the uneducated, for the people who are underprivileged. But if we are to have a balanced budget, we must get down to specifics and say how we will cut and where we will cut.

All we need do is to look at England in order to realize what can happen in America. We forget that it might happen here. England has gone through the same process. It has appropriated and has spent more money than it has taken in. It had to devalue the pound. The prediction is that perhaps within 18 months Great Britain will have to institute another devaluation, and this points out the dangers inherent in appropriating more money and spending more money, year after year, than we take in. England's irresponsible lack of sound fiscal management, which our actions here parallel, has not helped the poor—it has hurt them. No one understand that more clearly than Great Britain's poor people.

These are the reasons that constrain me to support the pending amendment.

I thank the Senator from Delaware for yielding to me.

Mr. WILLIAMS of Delaware. Mr. President, I appreciate the position of those who favor this program and think that it should receive the full amount, and I do not question their sincerity. But those of us who are proposing this reduction, as the Senator from Wyoming has pointed out, are equally concerned. We are concerned about inflation which has a serious effect on these same people.

I call attention to another point. This is not the only program for job training or day-care centers, and so forth. Millions of dollars are included in the social security bill, upon which we will vote tomorrow, for day-care centers, millions of dollars for work training programs. These are the same types of programs that are in this bill. Many of us have believed that these programs should be consolidated into one program. When two or three bureaucracies are established too much money is going for bureaucratic salaries rather than getting down to the people who need it. I repeat, hundreds of million of dollars involved in the other programs will be appropriated and authorized by the bills we will act on tomorrow.

So this is not the only program. It is not the only program dealing with the same people doing the same jobs.

We must also recognize that there is a question as to how far we can go, because as the small business places which are handicapped by these increased taxes go bankrupt the same people lose jobs.

Mr. President, there is a happy medium somewhere. This is only a difference of opinion as to where we reach this happy medium and what we can afford and cannot afford. I do not think that there is any question but that all of us have the same objective in mind. There may be differences of opinion as to how we can best achieve that objective. There may be differences of opinion as to how much money we can spend on this program. But we should accept it as an honest difference of opinion. I do not think there is a question in anyone's mind but that we are all seeking the best answers that we are all trying to determine what is in the best interest of the United States of America as a whole.

Mr. MILLER and **Mr. JAVITS** addressed the Chair.

Mr. WILLIAMS of Delaware. Mr. President, I yield to the Senator from Iowa.

Mr. MILLER. Mr. President, this debate, I think, has been good for everyone present. I must say I believe the Senator from Delaware has a point when he suggests that we adopt a $1.6 billion figure, just as the House has done, so that we do not have to go to conference on it and we would not have anything to worry about. At the same time I think it is quite clear in the face of increased government salaries and in the face of increases in the cost of living that some modest increase over that amount is necessary.

In this morning's newspapers, the OEO has come out and stated that in order to continue with the present programs they need $1,788,000,000. This figure may possibly be subject to a 10-percent reduction or some reduction. I think there is certain discretion in the President's office on this matter. However, we should make up our minds that we are in a war, that we have the highest interest rates now since the Civil War, and that this inflation is going to go on if we do not do something about it. I suggest to my good friend from Delaware that we might be a little more realistic if the amendment could be modified to $1,788 million, which is the amount that the OEO said it needs; then, let the Senate conferees go to the House and stand up for this. I believe that would prevail because I think most of us wish some of these programs to go on, and as long as we are on solid ground with respect to the fact that this is what the OEO needs, I think it should be given a try. I wonder if the Senator would consider that.

Mr. WILLIAMS of Delaware. Mr. President, I think the amendment I offered is meritorious. It allows the same amount that the House thought necessary.

However, in the interest of compromise I would go along with that suggestion if Senators think it would be more advisable. I think we have to make a start somewhere. We cannot continue to expand these programs.

If Senators would feel better about it, I would be willing to modify the amendment accordingly.

Mr. President, in the interest of reaching an agreement, I ask unanimous consent to modify the amendment to read $1,788,000,000.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. PASTORE. There is no objection.

The ACTING PRESIDENT pro tempore. The Chair hears no objection, and it is so ordered.

Mr. JAVITS. Mr. President, the Senator makes what I am about to say very pertinent by his modification. We have not objected. We have consulted and we thought there was no use proliferating votes because if the amendment of the Senator were to be rejected, we know that he would go forward with another amendment. That is why I welcome what the Senator has done.

With respect to the figure of $1.788 billion, I wish to state that I think I am informed on this matter. I have been through this many times because I am a member of the legislative committee and the Committee on Appropriations. In the words of the OEO, the $1.788 billion is needed just to continue programs at last year's level. But any creativity in this antipoverty effort requires that OEO not just blindly continue old programs. That is the very thing that Members have a right to complain about. We want this program to become leaner, harder, and more effective.

Therefore, you do not want them blindly continuing what they did before, and we do not want to put them in that kind of a straitjacket.

The essential element is with respect to what the ultimate figure will be that will come out of this. I address this to the Senate. There is no more experienced Senator on appropriations than the distinguished Senator from Rhode Island [Mr. PASTORE]. If we go into conference with $1,788 million, we will come out with a much lesser figure, and that will materially harm and damage a program which is already seriously curtailed.

It is for that reason that the committee, which is very hardheaded, went along with the distinguished Senator from Rhode Island [Mr. PASTORE], me, and others who felt we had to go in with the authorized figure, which was a lean and hard figure, based on a drastic compromise in the authorization legislation after a conference with the other body.

Mr. President, Members who support this amendment are guaranteeing a material reduction in the program in such areas as day care centers, the Job Corps, and everything that the program embraces. They should have no misunderstanding about this.

The Senate committee could ask for $1.788 billion until it is blue in the face and it will not get it in conference if that is what it goes in with. I have been in these conferences. I can certify that fact to the Senate. If Senators want a decent compromise figure they must support the committee, because that is the only way to get it.

Mr. WILLIAMS of Delaware. Mr. President, I shall only take 2 minutes.

We have now made a complete circle, and we are back now to a point where we are ready to vote. First, we had the argument that if this amendment is agreed to it would destroy the entire poverty program. We are now back to the point where we are told it will not affect the program at all because it is meaningless.

Mr. President, it is not meaningless to save $192 million. That is the amount involved in this proposal. An argument has been made that if this amendment is adopted a disaster is going to develop with Headstart or with the poverty-stricken individual who will be looking for a job. That is a smokescreen.

Why does not somebody mention that we might eliminate at least one of the high bureaucratic salaries? Let us not overlook the fact that the administrator of this poverty program and some of his associates are drawing more money in salaries than General Westmoreland draws for managing and taking charge of the war in Vietnam. There are any number of employees on the payroll of the poverty program drawing more money than mayors and some Governors of States. But nobody mentions that we might cut back on one of those items. Why? No one expresses concern over these large salaries. Those luxury jobs must be continued and expanded, and all of the punishment will be taken out down below. That is a shopworn argument. Let us not forget that these are not the only programs dealing with poverty or lack of jobs. There are day care centers, training programs, and several welfare and relief programs under other agencies and all operating in the same general area. With the elimination of the overlapping of the high-salaried bureaucracy it would well save more than $192 million.

The elimination of some of the graft that has been exposed in this agency would save more than the amount involved in this amendment.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS].

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD (after having voted in the negative). Mr. President, I understand that the distinguished Senator from Wisconsin is detained on official business of the greatest importance. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Louisiana [Mr. ELLENDER], the Senator from Alaska [Mr. GRUENING], the Senator from Hawaii [Mr. INOUYE], the Senator from Missouri [Mr. LONG], the Senator from Louisiana [Mr. LONG], the Senator from Wisconsin [Mr. NELSON], and the Senator from Connecticut [Mr. RIBICOFF] are absent on official business.

I also announce that the Senator from Indiana [Mr. BAYH], the Senator from Maryland [Mr. BREWSTER], the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. JORDAN], the Senator from Wyoming [Mr. McGEE], and the Senator from Florida [Mr. SMATHERS] are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana [Mr. BAYH], the Senator from Maryland [Mr. BREWSTER], the Senator from Hawaii [Mr. INOUYE], the Senator from North Carolina [Mr. JORDAN], the Senator from Missouri [Mr. LONG], the Senator from Wyoming [Mr. McGEE], the Senator from Connecticut [Mr. RIBICOFF], the Senator from Florida [Mr. SMATHERS], and the Senator from Louisiana [Mr. ELLENDER] would each vote "nay."

On this vote, the Senator from Mississippi [Mr. EASTLAND] is paired with the Senator from Alaska [Mr. GRUENING]. If present and voting, the Senator from Mississippi would vote "yea," and the Senator from Alaska would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Tennessee [Mr. BAKER], the Senator from Nebraska [Mr. HRUSKA], the Senator from California [Mr. KUCHEL], the Senator from Illinois [Mr. PERCY], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from Colorado [Mr. ALLOTT] is absent on official business.

The Senator from Vermont [Mr. Prouty] is absent because of illness.

The Senator from Texas [Mr. Tower] is detained on official business.

If present and voting, the Senator from Illinois [Mr. Percy] would vote "nay."

On this vote, the Senator from Vermont [Mr. Aiken] is paired with the Senator from Colorado [Mr. Allott]. If present and voting, the Senator from Vermont would vote "nay," and the Senator from Colorado would vote "yea."

On this vote, the Senator from Nebraska [Mr. Hruska] is paired with the Senator from California [Mr. Kuchel]. If present and voting, the Senator from Nebraska would vote "yea," and the Senator from California would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. Scott] is paired with the Senator from Texas [Mr. Tower]. If present and voting, the Senator from Pennsylvania would vote "nay," and the Senator from Texas would vote "yea."

The result was announced—yeas 30, nays 46, as follows:

[No. 390 Leg.]

YEAS—30

Bennett
Bible
Byrd, Va.
Byrd, W. Va.
Carlson
Cotton
Curtis
Dirksen
Dominick
Ervin
Fannin
Hansen
Hickenlooper
Hill
Jordan, Idaho
McClellan
Miller
Morton
Mundt
Murphy
Pearson
Russell
Sparkman
Spong
Stennis
Symington
Talmadge
Thurmond
Williams, Del.
Young, N. Dak.

NAYS—46

Anderson
Bartlett
Boggs
Brooke
Burdick
Cannon
Case
Church
Clark
Cooper
Fong
Fulbright
Gore
Griffin
Harris
Hart
Hartke
Hatfield
Hayden
Holland
Hollings
Jackson
Javits
Kennedy, Mass.
Kennedy, N.Y.
Lausche
Magnuson
McCarthy
McGovern
McIntyre
Metcalf
Mondale
Monroney
Montoya
Morse
Moss
Muskie
Pastore
Pell
Proxmire
Randolph
Smith
Tydings
Williams, N.J.
Yarborough
Young, Ohio

NOT VOTING—24

Aiken
Allott
Baker
Bayh
Brewster
Dodd
Eastland
Ellender
Gruening
Hruska
Inouye
Jordan, N.C.
Kuchel
Long, Mo.
Long, La.
Mansfield
McGee
Nelson
Percy
Prouty
Ribicoff
Scott
Smathers
Tower

So the amendment of Mr. Williams of Delaware was rejected.

Mr. PASTORE. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. HOLLAND and Mr. JAVITS moved to lay the motion on the table.

The motion to lay on the table was agreed to.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment.

Mr. PASTORE. Mr. President, I know of no further amendment.

The ACTING PRESIDING pro tempore. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The ACTING PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

The ACTING PRESIDENT pro tempore. The Senate is not in order. The rollcall will not proceed until there is order. Senators are not in order.

Mr. YOUNG of Ohio. Mr. President, it is not really Senators who are not in order, but the persons who stand around here. We have raised their salaries and still they have nothing to do but talk with each other and interfere with the business of the Senate. Something should be done about it.

The ACTING PRESIDENT pro tempore. The point of order is well taken. The Sergeant at Arms will enforce the rule. Attaches not needed on the floor will leave the Chamber. Others will take their seats.

The clerk will continue the call of the roll.

The rollcall was concluded.

Mr. MANSFIELD (after having voted in the affirmative). On this vote, I have a pair with the distinguished Senator from Minnesota [Mr. Mondale], who is absent on official business—very official business. If he were present and voting, he would vote "yea"; if I were permitted to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Louisiana [Mr. Ellender], the Senator from Alaska [Mr. Gruening], the Senator from Hawaii [Mr. Inouye], the Senator from Missouri [Mr. Long], the Senator from Louisiana, [Mr. Long], the Senator from Minnesota [Mr. Mondale], and the Senator from Connecticut [Mr. Ribicoff] are absent on official business.

I also announce that the Senator from Indiana [Mr. Bayh], the Senator from Maryland [Mr. Brewster], the Senator from Connecticut [Mr. Dodd], the Senator from Mississippi [Mr. Eastland], the Senator from North Carolina [Mr. Jordan], the Senator from Wyoming [Mr. McGee], the Senator from Florida [Mr. Smathers], and the Senator from Georgia [Mr. Talmadge] are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana [Mr. Bayh], the Senator from Maryland [Mr. Brewster], the Senator from Louisiana [Mr. Ellender], the Senator from Hawaii [Mr. Inouye], the Senator from North Carolina [Mr. Jordan], the Senator from Missouri [Mr. Long], the Senator from Wyoming [Mr. McGee], the Senator from Connecticut [Mr. Ribicoff], and the Senator from Florida [Mr. Smathers] would each vote "yea."

On this vote, the Senator from Alaska [Mr. Gruening] is paired with the Senator from Mississippi [Mr. Eastland]. If present and voting, the Senator from Alaska would vote "yea," and the Senator from Mississippi would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. Aiken], the Senator from Tennessee [Mr. Baker], the Senator from Nebraska [Mr. Hruska], the Senator from California [Mr. Kuchel], the Senator from Illinois [Mr. Percy], and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from Colorado [Mr. Allott] is absent on official business.

The Senator from Vermont [Mr. Prouty] is absent because of illness.

The Senator from Texas [Mr. Tower] is detained on official business.

If present and voting, the Senator from Vermont [Mr. Aiken], the Senator from Colorado [Mr. Allott], the Senator from Tennessee [Mr. Baker], the Senator from Nebraska [Mr. Hruska], the Senator from California [Mr. Kuchel], the Senator from Illinois [Mr. Percy], the Senator from Texas [Mr. Tower], and the Senator from Pennsylvania [Mr. Scott] would each vote "yea."

The result was announced—yeas 68, nays 7, as follows:

[No. 391 Leg.]

YEAS—68

Anderson
Bartlett
Bennett
Bible
Boggs
Brooke
Burdick
Byrd, W. Va.
Cannon
Carlson
Case
Church
Clark
Cooper
Curtis
Dirksen
Dominick
Ervin
Fannin
Fong
Fulbright
Gore
Griffin
Hansen
Harris
Hart
Hartke
Hatfield
Hayden
Hickenlooper
Hill
Holland
Hollings
Jackson
Javits
Jordan, Idaho
Kennedy, Mass.
Kennedy, N.Y.
Lausche
Magnuson
McCarthy
McGovern
McIntyre
Metcalf
Miller
Monroney
Montoya
Morse
Morton
Moss
Mundt
Murphy
Muskie
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Smith
Sparkman
Spong
Symington
Tydings
Williams, N.J.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—7

Byrd, Va.
Cotton
McClellan
Russell
Stennis
Thurmond
Williams, Del.

NOT VOTING—25

Aiken
Allott
Baker
Bayh
Brewster
Dodd
Eastland
Ellender
Gruening
Hruska
Inouye
Jordan, N.C.
Kuchel
Long, Mo.
Long, La.
Mansfield
McGee
Mondale
Percy
Prouty
Ribicoff
Scott
Smathers
Talmadge
Tower

So the bill (H.R. 14397) was passed.

Mr. PASTORE. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized in the engrossment of the Senate amendments to the bill (H.R. 14397) to correct any technical or clerical errors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to and the Acting President pro tempore appointed Mr. Pastore, Mr. Holland, Mr. Russell, Mr. Hill, Mr. McClellan, Mr. Magnuson, Mr. Mansfield, Mr. Mundt, Mr. Young of North Dakota, and Mrs. Smith conferees on the part of the Senate.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Geisler, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolution:

On December 11, 1967:

S.J. Res. 35. Joint resolution consenting to an extension and renewal of the interstate compact to conserve oil and gas.

On December 12, 1967:

S. 343. An act to provide that the Federal office building to be constructed in Detroit, Michigan, shall be named the "Patrick V. McNamara Federal Office Building" in memory of the late Patrick V. McNamara, a U.S. Senator from the State of Michigan from 1955 to 1966.

On December 13, 1967:

S. 1085. An act to amend the Federal Credit Union Act to modernize the loan and dividend provisions.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2171) to amend the Subversive Activities Control Act of 1950 so as to accord with certain decisions of the courts.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 10783) relating to crime and criminal procedure in the District of Columbia.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDING OFFICER laid before the Senate the following letters, which were referred as indicated:

Acceptance of Gifts for the Benefit of Indians

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the Act of February 14, 1931, relating to the acceptance of gifts for the benefit of Indians (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Transportation Service Between Fort Sumter National Monument and Charleston, S.C.

A letter from the Deputy Assistant Secretary of the Interior transmitting, pursuant to law, a proposed concession contract under which Fort Sumter Tours, Inc., will be authorized to continue to operate a boat transportation service for the public between Fort Sumter National Monument and Charleston, S.C., for a ten-year period from January 1, 1968, through December 31, 1977, when executed by the Director of the National Park Service (with accompanying papers); to the Committee on Interior and Insular Affairs.

Proposed Compensation for Uranium Miners Who Contract Cancer From Radiation

A letter from the Secretary of Labor, transmitting a draft of proposed legislation to authorize the Secretary of Labor to provide supplementary compensation for permanent total disability or death from lung cancer resulting from exposure to ionizing radiation in uranium mines; to provide grants to States for research and planning with respect to ionizing radiation injuries in uranium mines; and for other purposes (with accompanying papers); to the Committee on Labor and Public Welfare.

Disposition of Executive Papers

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDING OFFICER appointed Mr. Monroney and Mr. Carlson members of the committee on the part of the Senate.

Reports on Reapportionment of Appropriations

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Department of Labor for "unemployment compensation for Federal employees and ex-servicemen", for the fiscal year 1968, had been apportioned on a basis which indicates the necessity for a supplemental estimate for appropriation; to the Committee on Appropriations.

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Department of Labor for "Limitation on Grants to States for Unemployment Compensation and Employment Service Administration, Unemployment Trust Fund," for the fiscal year 1968, has been apportioned on a basis which indicates the necessity for a supplement estimate of appropriation; to the Committee on Appropriations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MORSE, from the Committee on the District of Columbia, with an amendment:

H.R. 13042. An act to amend the act of June 20, 1906, and the District of Columbia election law to provide for the election of members of the Board of Education of the District of Columbia (Rept. No. 942).

Mr. PROXMIRE subsequently said: Mr. President, I ask unanimous consent that the report, submitted earlier today by the Senator from Oregon [Mr. Morse], on H.R. 13042, be printed, together with individual views of the Senator from Virginia [Mr. Spong] and the Senator from Colorado [Mr. Dominick].

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. MORSE, from the Committee on the District of Columbia, with amendments:

S. 1228. A bill to authorize project grants for construction and modernization of hospitals and other medical facilities in the District of Columbia (Rept. No. 944).

By Mr. MAGNUSON, from the Committee on Commerce, without recommendation:

S. 562. A bill to require fresh potatoes purchased or sold in interstate commerce to be labeled according to the State in which such potatoes were grown (Rept. No. 943).

By Mr. HOLLINGS, from the Committee on Post Office and Civil Service, without amendment:

S. 1507. A bill to include firefighters within the provisions of section 8336(c) of title 5, United States Code, relating to the retirement of Government employees engaged in certain hazardous occupations (Rept. No. 945).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TOWER:

S. 2779. A bill to provide for an investigation and study of the feasibility of diverting water from the Missouri River to the western part of the State of Texas; to the Committee on Public Works.

(See the remarks of Mr. Tower when he introduced the above bill, which appear under a separate heading.)

By Mr. McCARTHY:

S. 2780. A bill to provide for assistance by the United States in the establishment and operation of the University of North Africa, proposed to be founded near Tangiers, Morocco, by U.S. citizens; to the Committee on Foreign Relations.

By Mr. JAVITS:

S. 2781. A bill to direct the Secretary of the Treasury to instruct the U.S. Executive Director of the International Monetary Fund to propose discussions on gold and to eliminate the requirement that the Federal Reserve banks maintain certain reserves in gold certificates against Federal Reserve notes; to the Committee on Banking and Currency.

(See the remarks of Mr. Javits when he introduced the above bill, which appear under a separate heading.)

By Mr. YARBOROUGH (by request):

S. 2782. A bill to authorize the Secretary of Labor to provide supplementary compensation for permanent total disability or death from lung cancer resulting from exposure to ionizing radiation in uranium mines; to provide grants to States for research and planning with respect to ionizing radiation injuries in uranium mines; and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. Yarborough when he introduced the above bill, which appear under a separate heading.)

By Mr. HOLLAND:

S. 2783. A bill for the relief of Dr. Cesar Baro Estava; to the Committee on the Judiciary.

By Mr. TYDINGS:

S. 2784. A bill for the relief of Wong Sau Chi; and

S. 2785. A bill for the relief of Chen Sin Ding; to the Committee on the Judiciary.

By Mr. MONDALE:

S. 2786. A bill for the relief of Dr. Madhusadan L. Kakade; to the Committee on the Judiciary.

By Mr. DOMINICK:

S. 2787. A bill for the relief of Frank G. Hough, Inc.; to the Committee on the Judiciary.

By Mr. TYDINGS:

S. 2788. A bill to grant the district courts of the United States jurisdiction to resolve controversy with respect to jurisdiction to regulate a public utility and to provide for venue in such cases; to the Committee on the Judiciary.

(See the remarks of Mr. Tydings when he introduced the above bill, which appear under a separate heading.)

By Mr. NELSON:

S. 2789. A bill to authorize the Secretary of the Interior to conduct a program of research, study and surveys, documentation, and description of the natural environmental systems of the United States for the purpose of understanding and evaluating the condition of these systems and to provide information to those concerned with natural resources management, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. Nelson when he introduced the above bill, which appear under a separate heading.)

By Mr. KENNEDY of Massachusetts (for himself, Mr. Yarborough, Mr. Javits, Mr. Kennedy of New York, Mr. Williams of New Jersey, and Mr. Hart):

S. 2790. A bill to amend section 212 of the Immigration and Nationality Act; to the Committee on the Judiciary.

(See the remarks of Mr. Kennedy of Massachusetts when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (for himself, Mr. Pastore, Mr. Monroney, Mr. Lausche, Mr. Bartlett, Mr. Hartke, Mr. Hart, Mr. Cannon, Mr. Brewster, Mr. Long of Louisiana, and Mr. Moss):

S.J. Res. 129. Joint resolution to authorize the Secretary of Transportation to conduct a comprehensive study and investigation of the existing compensation system for motor vehicle accident losses and for other purposes; to the Committee on Commerce.

(See the remarks of Mr. Magnuson when he introduced the above joint resolution, which appear under a separate heading.)

STUDY OF THE FEASIBILITY OF USING WATER FROM THE MISSOURI RIVER IN WESTERN TEXAS

Mr. TOWER. Mr. President, at the recent annual meeting of the Mid-West Electric Consumers Association in Omaha, Nebr., on December 8, 1967, there was presented by R. W. Beck & Associates, analytical and consulting engineers, a plan for the use of the waters of the Missouri River by the Great Plains area, which includes much of the western part of the State of Texas. I think that this plan is most significant, and I call it to the attention of the Senate.

Its main point is that many areas in the Missouri River Basin have a surplus of water, while many other areas, that are contiguous with the basin, have a definite shortage. These shortages could be corrected by diverting water from the Missouri into the areas of shortage, still leaving plenty of water for the programed growth of all areas.

This proposal has foresight and vision. The water problem has long been one of the most serious in the Great Plains area, where the soil is so naturally rich and fertile, yet where little will grow in proportion to its potential, because of insufficient water supply. We lose much of our agricultural and industrial capability by not opening up these areas with water from areas of great surplus.

Quoting from the study:

> As our water requirements increase, it is not realistic to permit water unused and unuseable in one area to go to waste when it can be transported and used in another area to enhance the nation's economy. A haunting memory to the Great Plains area is the drought of the Thirties, when a shortage of water supply resulted in untold economic loss and misery.

It is imperative that we act to prevent this from ever happening again, especially when the means are so near our grasp. The existing Texas water plan has recognized the fact that there is not enough water readily available for the western part of our State, and that the only sources that are feasible are at a great distance from the State. It is realized also that water will have to be transported from other areas to fill the requirements.

It is the contention of the study by R. W. Beck & Associates that the Missouri River Basin offers the best promise as a source of water for West Texas and I am inclined to agree with them.

The annual waterflow of the Missouri at Sioux City, Iowa, during the period from 1898 to 1962 was 33,400 cubic feet per second which was about 1½ times the flow of the Colorado, which serves California and Arizona. Thus there seems to be plenty of water to divert from one area to the other without endangering anyone's growth. As a fact of life, the western part of Texas, as well as other Great Plain's areas must have an increased water supply, and this could be the answer.

Under the proposed plan of development flows of the Missouri River would be diverted just downstream from Fort Randall Reservoir at an elevation of approximately 1,250 feet above sea level. The flows would be lifted through a series of dams and/or canals 200 miles up the Niobrara River in Nebraska to approximately elevation 4,050 feet above sea level at a point just north of Alliance, Nebr.

From there, the entire project water would flow by gravity in a major canal running almost due south through western Nebraska, crossing the North Platte River and passing between Sidney and Chappel, Nebr.; thence into eastern Colorado, crossing the South Platte River above Julesburg, Frenchman Creek above Holyoke, Colo., the South Fork of the Republican River and crossing into western Kansas above Goodland; thence generally along the Colorado-Kansas border crossing the Smokey Hill River to about Tribune, Kans., where the canal would swing back west to cross the Arkansas River below Lamar, Colo.; thence south to cross the Cimarron River below Boise City, Okla., the North Canadian River near the Oklahoma-Texas border, the Canadian River north and west of Amarillo, Tex.; thence south, crossing the Prairie Dog Town Fork of the Red River south of Amarillo and swinging slightly south and west through the high plains of west Texas crossing the upper reaches of the Brazos River above Lubbock, the Colorado River near the border of New Mexico and finally terminating at elevation 3,660 near Hobbs, N. Mex.

A small extension of the main canal could deliver water by gravity to the Pecos River near Carlsbad, N. Mex., and the remainder would flow in natural channels south to the Pecos River below Pecos, Tex.

Water delivered to the Pecos River could flow downstream through a potential power project south of Midland, Tex., where approximately 650 feet of head for conventional and pumped storage power development could be utilized before the water finally flows into the Rio Grande River above the Amistad project.

The diversion of a substantial amount of the flows of the Missouri River as here proposed will have no detrimental effect on any existing or proposed water resource developments in the Upper Basin.

Downstream water quality control on the Missouri River is assured in that at least 3 million acre-feet per year is planned for release below Sioux City for pollution abatement and municipal water supply requirements. This requirement was determined for the Corps of Engineers mainstem operation studies as being adequate with essentially untreated sewage being placed in the Missouri River at Omaha and other major population centers.

Desirable as this transfer is in theory, much planning and study is necessary before it can be carried out. The needs of the areas containing the surplus water must be taken into account, as well as how to parcel the water that is deemed available.

In order to answer these and many other questions raised, I introduce for appropriate reference a measure which would direct a study of the feasibility of diverting water from the Missouri River to areas, such as the western part of Texas, where the need is so great. I hope that the Senate will expeditiously consider this matter so that the planning for this great and urgent task may get underway.

Mr. President, I ask unanimous consent to have printed at this point in my remarks a summary of the major features of this proposed project.

The PRESIDING OFFICER. The bill will be received and appropriately referred to; and, without objection, the summary will be printed in the Record.

The bill (S. 2779) to provide for an investigation and study of the feasibility of diverting water from the Missouri River to the western part of the State of Texas, introduced by Mr. Tower, was received, read twice by its title, and referred to the Committee on Public Works.

The summary, presented by Mr. Tower, is as follows:

A New Water Resource Plan for the Great Plains Major Project Features

WATER SUPPLY

1. Source: Missouri River below Fort Randall Reservoir.

2. Availability At Point of Diversion: 13,000,000 Acre-Ft. avg. annual; 9,000,000 Acre-Ft. minimum; 16,000,000 Acre-Ft. maximum.

Delivered to Participating Projects: 10,200,000 Acre-Ft. avg. annual.

3. Means of Diversion & Transportation Pumping: Reversible turbines and pumps located at dams and/or canals along the length of the Niobrara River from the mouth

to Box Butte Reservoir near Alliance, Nebraska. Total pumping lift equals 2800 feet to elevation approximately 4050 feet.

Gravity: 940-mile long canal from elevation 4050 feet in Northwestern Nebraska through Eastern Colorado, Western Kansas, Western Oklahoma and West Texas to elevation 3660 feet near the Pecos River in New Mexico. Canal capacity at beginning of project equals 17,000 cfs.

POWER FEATURES

1. Pumping Power Requirements: 35 Billion kilowatt-hours annually for project pumping purposes, equivalent to 4000 mw at 100% load factor. This excludes repumping water cycled for peaking purposes.

2. Pumped Storage Peaking Capacity: As much as 3500 to 5300 mw of peaking capacity could be developed as required by the power market.

3. Other Power Features: Potential pumped storage project on Prairie Dog Town Fork of Red River southeast of Amarillo, Texas= 1,200 mw.

Potential power facilities installed at participating project reservoirs along route due to increased water supply and on Pecos River below Pecos, Texas.

Additional energy production at existing and proposed dams downstream from canal.

PROJECT BENEFITS

1. Potential Irrigable Lands in Project Area: 53,000,000 Acres.

2. Water Benefits: Full and/or supplemental supply to 6,000,000-10,000,000 acres of irrigable land; municipal and industrial water supply. Direct annual water benefits= $350 million to $450 million.

Recharge of ground water aquifers.

Water quality improvement on intercepted rivers and streams.

3. Power Benefits: Raise of over-all system load factors for all electric systems in region to a very high level.

Provision of considerable on-peak capacity released to meet other system loads when pumping is interrupted and/or reversed.

Additional direct on-stream hydro and pumped storage project capacity.

Downstream benefits to other hydro power projects depending on releases to individual river basins.

4. Recreation, Fish and Wildlife Benefits: Direct benefits arising from reservoirs on Niobrara River; canal usage; participating reservoir projects.

5. Flood Control Benefits: Incidental flood control benefits from diverting uncontrolled high flows of intercepted streams into the proposed canal.

6. Indirect Benefits: Stimulus to economy of region and nation due to increased land values; adequate municipal and industrial water supply; new agri-business created; aid in population redistribution; land and water conservation.

PROJECT COSTS AND CONSTRUCTION PERIOD

1. Over-all Approximate Estimated Project Cost: $3-3.5 Billion depending on location of project water deliveries and alternative project plans. Estimate based on 1967 price levels and excludes any costs associated with slack-water navigation on Missouri River or of providing base load power.

2. Possible Completion Date, Initial Project: 1980, allowing 7 years for detailed project studies and 5 years for construction of initial project facilities. Ultimate full development dependent upon demand and participating project development.

REPEAL OF 25-PERCENT GOLD COVER

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, a bill which, in my judgment, will make impregnable the position of the dollar by lessening the role of gold in the international monetary system.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2781) to direct the Secretary of the Treasury to instruct the U.S. Executive Director of the International Monetary Fund to propose discussions on gold and to eliminate the requirement that the Federal Reserve banks maintain certain reserves in gold certificates against Federal Reserve notes, introduced by Mr. Javits, was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. JAVITS. Mr. President, my bill would, first, direct the Secretary of the Treasury to instruct the U.S. Executive Director of the International Monetary Fund to propose to the IMF Executive Directors a thorough review of the international role of gold and ways to stop private gold speculation; and, second, repeal the 25-percent gold reserve requirement for Federal Reserve notes.

Mr. President, I also urge early congressional ratification of the agreement reached last September regarding the creation of new reserves—the "Special Drawing Rights."

I am also asking the chairman of the Joint Economic Committee, of which I am the ranking Senate member on the Republican side, to hold hearings on the domestic and international role of gold as early next year as possible.

The legislation introduced today is prompted by the devaluation of the pound sterling and the subsequent run on the London gold pool by speculators who are betting that the dollar will be devalued, too.

The resources available to the United States and those nations which are cooperating with us far outstrip the resources of the speculators; and the dollar will not be devalued but will be defended.

Despite the frivolous attitude of President de Gaulle toward the stability of the dollar, the world economy is heavily dependent on it as a sound international reserve and as a currency vitally important to international commerce. I am confident that most nations will do what is necessary not to endanger the world economy by irresponsible actions against the dollar.

The position of the U.S. dollar is stronger than any other currency in the world. The $800 billion U.S. economy stands behind it as well as $81 billion in U.S. investments abroad. Even with sizable foreign liabilities in the form of foreign investments in the United States and U.S. debts to foreign commercial and central banks, the United States retains today a net surplus of foreign assets over liabilities of about $50 billion. To this net asset value must be added $12.5 billion in the U.S. gold stock.

I propose this legislation because I believe that the dollar, rather than gold, is and should remain the standard of the international monetary system until an international standard as good as the dollar can take its place. In fact, as the world's supply of new gold has declined, reserves in the form of foreign exchange, mostly in dollars, increased. From December 1949 to the end of the first quarter of 1967, the foreign exchange reserves of all countries increased by about $13.22 billion, while the gold reserves of all countries increased by only $6.95 billion.

I am aware that discussions are underway—and these discussions have already been reported—between responsible financial officials of the industrialized nations on the operation of the gold and foreign exchange markets and how they may be improved. I am confident that in these discussions the question of the future role of gold in the international monetary system has a prominent place. However, by bringing this issue formally before the Executive Directors of the IMF as provided for in my bill, I am hoping that these discussions will lead sooner to concrete decisions on measures to stop the destabilizing effect of gold.

I am deeply concerned about the adequacy of international reserves as world commerce continues to expand. The growth of international monetary reserves since 1950 has been at a much smaller rate than the growth of world trade, even though there has been a moderate and steady growth of reserves until the end of 1965. Since December 1965 there has been only an insignificant increase in such reserve—total world reserves increased from $70.2 billion at the end of 1965 to $72 billion at the end of September 1967. But, the private absorption of gold has exceeded production and official gold reserves declined in 1966 and again in 1967. At the end of June 1967 official gold reserves totaled $40.5 billion, more than $1 billion less than at the end of December 1965.

Also, the growth in foreign exchange reserves has come to a virtual stop, increasing barely enough to make up for declining gold reserves. In mid-1967, foreign holdings of dollars were less than they had been at the end of 1964.

Unless a new source of international reserves is brought into play, there will be a decline in total reserves in relation to world commerce in the next 3 to 4 years and a world recession could take place.

During the past 10 years, European countries, particularly the Common Market and Switzerland, have greatly increased their reserves through the U.S. balance-of-payments deficit. Largely because of tradition—and in the case of France international political considerations—these countries have converted their new reserves, mostly dollars, into gold. These increased European gold reserves were met mostly from the gold reserves of the United States. As most of the new gold produced in the world is immediately absorbed by private speculators, it is quite likely that there will be no increase at all and possibly a decrease in aggregate gold reserves in the future. The only way any country could increase its gold reserves in the future would be by raiding the gold reserves of other countries. In my judgment such a development could be extremely damaging to the international monetary system.

I am hoping that the gold question can be resolved on the basis of international discussion and agreement and this is why I propose in this bill that the IMF Executive Directors take this matter in hand. I could have proposed several unilateral ways to sever the gold-dollar relationship—including widening the maximum and minimum prices of gold for sale to private buyers abroad; the refusal by the United States to buy gold at $35 an ounce and so forth. I believe, however, that before we consider taking such steps, every avenue should be explored to reach agreement on gold's future international role.

The bill I introduce today would also repeal the 25-percent gold reserve requirement behind Federal Reserve notes. Early in 1965, Congress eliminated the requirement that each Federal Reserve Bank maintain a reserve of gold certificates valued at not less than 25 percent of the amount of commercial banks deposits it holds. By this act $4.9 billion in gold was added to the Nation's gold stock available to meet international claims. Today, our total gold stock is down to $12.4 billion, $10 billion of which is tied up as a reserve against Federal Reserve notes, leaving less than $2.5 billion in gold to meet foreign claims. The ratio of gold certificate reserves to outstanding Federal Reserve notes as of November 22 was 30 percent, close to the minimum required. Unless this requirement is removed, we will be in a very difficult situation soon, not only because of continued international demand for gold, but also because of the expanding stock of Federal Reserve notes—money—and the growing industrial demand for gold. These two uses alone call for the absorption of $620 million in gold annually—$500 million as reserves for Federal Reserve notes and $120 million for jewelry, dental, and industrial uses.

It is true that the Federal Reserve Board can, under existing law, temporarily suspend the reserve requirement in an emergency. However, it would be far more desirable in my judgment if Congress eliminated this requirement deliberately to remove any doubt abroad about our willingness to defend the dollar. Changes in this law must be made before our gold reserves available to meet foreign claims are used up, because any change under emergency conditions would only aggravate the situation and encourage further gold outflows.

It should be noted that three European countries, Switzerland, Belgium, and the Netherlands, plus the United States are the only major countries that maintain gold reserve requirements today.

I have distinguished company urging repeal of the 25-percent gold reserve requirement. To cite two recent statements, on December 6, Chairman McChesney Martin of the Federal Reserve Board speaking before the American Bankers Association called for its repeal. On December 7 George S. Moore, chairman of the board of the First National City Bank, called for the prompt removal of this requirement because "our gold should be fully available to protect the position of the dollar internationally, as we have repeatedly stated to be our policy." This position is also supported by leading Members of Congress, economists, and leading newspapers.

While agreement was finally reached in Rio de Janeiro on September 30 by the Board of Governors of the IMF on a standby plan to establish a new reserve facility—known as "special drawing rights"—it still must be ratified by the legislatures of the member governments—which is now scheduled to take place by late next year—and even then it is uncertain as to when and under what conditions the new reserves will be created so that they would constitute an addition to international reserves.

However, after years of negotiation the principal industrialized nations of the world have agreed that the creation of international reserves should not be left to chance or ad hoc arrangements drawn up during the middle of a crisis but should be the result of deliberate action by an international body, the IMF. The special drawing rights agreement is therefore of historic importance. I am proud that I was able to participate, as a member of the U.S. delegation, in the decision to approve the plan and to seek ratification of the necessary changes in the IMF charter by the national legislatures of the IMF members.

In view of the absence of growth in international reserves, it is essential that the Rio agreement be ratified by the U.S. Congress and the other legislatures concerned early next year so that the plan may be activated before the annual meeting of the IMF next September and an adequate amount of SDR's—special drawing rights—be issued by the IMF as an addition to international reserves.

As stated in the report of the Joint Economic Committee's Subcommittee on International Exchange and Payments—of which I am a member—issued on December 13, 1967:

> It is highly important that the United States move toward equilibrium in its balance of payments, but the fact that the United States has not yet attained equilibrium should not preclude prompt activation of special drawing rights. The true inquiry ought to be whether world reserves are expanding at a proper rate.
>
> The United States must point out the risks inherent in undue delay, not only for the effectiveness of the new special drawing rights, but also for the stability of the monetary system itself. Moreover, in the event of failure of the Fund to arrange for a necessary, timely and adequate activation, the United States and other likeminded nations will have to explore alternative international monetary arrangements.

In conclusion, I have asked the chairman of the Joint Economic Committee, Senator PROXMIRE, and the chairman of its Subcommittee on International Exchange and Payments, Congressman REUSS, that the whole question of gold, both with respect to its function as a domestic reserve and its role in the international monetary system be subject to full study and hearings. Our committee, which has developed the necessary expertise over the past 5 years' discussions on the international monetary system, would be a good forum to discuss gold's present and future role.

Mr. President, we simply must review the role of gold in the world and stop the operations of speculators. That is what is happening. I include France and its speculators. The only way in which we can do this is by concerted action of the International Monetary Fund. That is why I have urged that we do this at the earliest possible moment.

I ask unanimous consent that several tables showing the current availability of world reserves, the joint Economic Committee's release of December 13 and related newspaper articles be printed in the RECORD at this point.

There being no objection, the tables, the release, and the articles were ordered to be printed in the RECORD, as follows:

TABLE 1.—RESERVES[1] AND RESERVE GROWTH, ALL COUNTRIES, AND ALL COUNTRIES EXCLUDING THE UNITED STATES, 1950–66

[Dollar amounts in millions]

	Total reserves, all countries		Total reserves, all countries excluding United States	
	Amount	Annual increase (percent)	Amount	Annual increase (percent)
1950	$48,715	----------	$24,450	----------
1951	49,360	1.3	25,061	2.5
1952	49,920	1.1	25,206	.6
1953	51,780	3.7	28,322	12.4
1954	53,470	3.3	30,492	7.7
1955	54,305	1.6	31,508	3.3
1956	56,150	3.4	32,484	3.1
1957	56,645	.9	31,813	−2.1
1958	57,570	1.6	35,030	10.1
1959	57,325	−.4	35,821	2.3
1960	$60,250	5.1	$40,891	14.2
1961	62,285	3.4	43,532	6.5
1962	62,590	.5	45,370	4.2
1963	65,990	5.4	49,147	8.3
1964	68,440	3.7	51,768	5.3
1965	69,800	2.0	54,350	5.0
1966	71,010	1.7	56,129	3.3
Total increase, 16 years	22,295	45.8	31,679	129.6
Average annual rate of growth	1,393	[2] 2.4	1,980	[2] 5.4

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[1] Gold, foreign exchange and reserve positions in the IMF.
[2] Same percentage for annual compounded rate of increase.

Source: IFS 1966–67 supplement for 1950–57 data and March 1967 issue for later data.

TABLE 2.—GROWTH IN WORLD RESERVES AND WORLD IMPORTS,[1] ALL COUNTRIES AND ALL COUNTRIES EXCLUDING THE UNITED STATES, 1951-66

[Dollar amounts in millions]

	All countries				All countries excluding the United States			
	Increase in reserves		Increase in imports		Increase in reserves		Increase in imports	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
1951	+$645	1.3	+$21,800	27.2	+$611	2.5	+$19,509	40.1
1952	+560	1.1	−1,300	−1.6	+145	.6	−1,085	−1.6
1953	+1,860	3.7	−3,500	−4.4	+3,116	12.4	−3,639	−5.4
1954	+1,690	3.3	+3,400	4.3	+2,170	7.7	+4,106	6.5
Average, 1951–54	+1,189	2.4	+5,105	6.4	+1,511	5.8	+4,723	9.9
1955	+835	1.6	+9,600	10.9	+1,016	3.3	+8,251	12.2
1956	+1,845	3.4	+9,200	9.4	+976	3.1	+7,702	10.2
1957	+495	.9	+9,600	9.0	−671	−2.1	+8,967	10.7
1958	+925	1.6	−6,700	−6.3	+3,217	10.1	−6,699	−7.2
1959	−245	−.3	+5,800	5.5	+791	2.3	+3,411	4.0
Average, 1955–59	+771	1.4	+5,500	5.7	+1,066	3.3	+4,326	6.0
1960	+2,925	5.1	+12,600	10.6	+5,070	14.2	+13,233	14.8
1961	+2,035	3.4	+5,000	4.0	+2,641	6.5	+5,433	5.3
1962	+305	.5	+7,800	5.9	+1,838	4.2	+5,959	5.5
1963	+3,400	5.4	+11,500	8.0	+3,777	8.3	+13,667	9.4
1964	+2,450	3.7	+16,900	10.6	+2,621	5.3	+12,228	12.2
Average, 1960–64	+2,223	3.6	+10,760	7.8	+3,189	7.7	+10,104	9.4
1965	+1,360	2.0	+14,200	8.2	+2,582	5.0	+11,299	8.1
1966	+1,210	1.7	+15,800	9.1	+1,779	3.3	+11,259	7.5
Average, 1965–66	+1,285	1.9	+15,000	8.7	+2,181	4.2	+11,279	7.8
Total 16 years	+22,295	45.8	+131,700	225.9	+31,679	129.6	+113,602	233.4
Average 16 years	1,393	2.4	8,231	6.9	1,980	5.4	7,100	8.3
Compounded rate of increase		2.4		7.6		5.4		7.8

[1] Reserves end of year and imports during year.

Source: IFS data.

TABLE 3.—RESERVES AS PERCENT OF ANNUAL VALUE OF IMPORTS, 1951-66

All countries	All countries excluding United States	Developed countries	Developed countries excluding United States	G-10 excluding United States	United States	All LDC	Less-developed areas excluding high initial reserve holders[1]	
1951	62	37	68	33	27	204	45	31
1954	68	45	75	43	40	206	49	36
1958	57	41	65	44	42	154	35	32
1959	54	40	60	42	40	126	35	32
1960	51	40	57	43	43	117	32	30
1961	50	40	57	45	45	117	29	28
1962	47	40	53	44	43	97	27	27
1963	46	39	51	43	40	91	29	30
1964	43	37	47	40	38	82	27	29
1965	40	36	43	38	37	67	29	31
1966	37	35	39	36	35	54	30	31

[1] Excludes Ceylon, Ghana, India, Pakistan, Sudan, United Arab Republic.

Note: Compiled from separate IFS tables on reserves and trade and some groupings and totals are not completely comparable.

TABLE 4.—CHANGES IN WORLD RESERVES, PRINCIPAL REGIONS, 1950-66

[In millions of dollars]

	1951–54	1955–58	1959–62	1963–66	Total 1951–66
United States	−1,287	−438	−5,320	−2,339	−9,384
United Kingdom	−409	71	203	−209	−344
Industrial Europe, Canada and Japan	6,199	5,841	9,359	7,308	28,707
Other developed areas	70	−105	1,665	785	2,415
Latin America	−5	15	−1,020	910	−100
Middle East	−145	25	420	1,060	1,360
Other Asia	−250	−980	−60	1,005	−285
Other Africa	1,130	−145	−310	−105	570
Total all countries[1]	4,755	4,240	4,880	8,420	22,295

[1] Totals not completely reflected in data components by region.

TABLE 5.—CHANGES IN TOTAL RESERVES, MAJOR COUNTRIES AND GROUPS, END OF 1958-66

[Dollar amounts in billions of U.S. dollars]

	Gold	Foreign exchange	IMF reserve position	Total change	Percent of gross increase
Group of Ten and Switzerland:					
United States	−$7.3	+$1.3	−$1.6	−$7.6	
United Kingdom	−.9	+.9	.0	.0	
Belgium	+.3	+.2	+.3	+.7	5.2
France	+4.5	+.2	+1.0	+5.7	42.5
Germany	+1.7	−.6	+1.1	+2.1	15.6
Italy	+1.3	+.2	+.8	+2.4	17.9
Netherlands	+.7	−.1	+.4	+.9	6.7
Sweden	.0	+.4	+.1	+.5	3.7
Switzerland	+.9	+.3		+1.3	9.7
Canada	.0	+.3	+.4	+.6	4.4
Japan	+.3	+.5	+.3	+1.1	8.2
Total Group of Ten and Switzerland	+1.5	+3.6	+2.8	+7.7	[1] 57.5
(Group of Ten and Switzerland excluding United States and United Kingdom)	(+$9.7)	(+$1.4)	(+$4.4)	(+$15.3)	(114.2)
Other industrial and developed	+1.8	+1.1	+.6	+3.7	27.6
Less developed	−.4	+2.0	+.4	+2.0	14.9
Total, all countries	+2.9	+6.7	+3.8	+13.4	100.0

[1] Calculation includes U.S. net loss of $7.6 billion.

Note: Totals may not add because of rounding.

TABLE 6.—ANNUAL COMPOUNDED RATES OF INCREASE IN U.S. DOLLAR VALUES OF RESERVES AND DOMESTIC CREDIT, 1950-60 AND 1960-65

[In percent per year]

	1950-60		1960-65	
	Reserves	Domestic credit	Reserves	Domestic credit
1. Group of Ten and Switzerland:				
United States	−2.0	4.2	−4.3	6.9
United Kingdom	1.9	2.5	−3.5	6.0
EEC	18.2	13.5	7.6	13.2
Other	4.1	10.0	6.7	15.0
Total	2.8	6.5	2.2	10.1
2. Other developed	2.5	5.4	10.2	11.4
3. Less developed	−.4	5.9	3.1	9.2
4. All countries	2.1	6.3	3.0	10.8
5. All countries, excluding United States and United Kingdom	5.6	9.4	6.7	13.0

Source: Based on IFS data for 90 countries (including Switzerland) converted into U.S. dollars as a common denominator. "Reserves" refer to official international reserves of monetary authorities, including reserve position in the fund. "Domestic credit" refers to domestic credit extended by monetary authorities and deposit money banks.

TABLE 7.—SOURCES OF WORLD RESERVE GROWTH, 1961-66

[Dollar amounts in millions]

	1961	1962	1963	1964	1965	1966	1961-66		Percent total 1961-64	Percent total 1965-66
							Amount	Percent total		
Nontraditional Sources:										
1. IMF credit tranche use	$1,011	−$434	$84	$339	$1,528	−$14	$2,514	23.4	12.2	58.9
2. U.S. foreign exchange holdings	116	−17	113	220	349	540	1,321	12.3	5.3	34.6
3. Dollars generated by U.S. swaps activated by others			50	150	275	75	550	5.1	2.4	13.6
4. United Kingdom securities taken into reserves						885	885	8.2		34.4
Total nontraditional sources	1,127	−451	247	709	2,152	1,486	5,270	49.0	19.9	141.6
Traditional sources:										
5. Additions to world monetary gold	600	335	840	750	240	[1] −100	2,665	24.8	30.8	5.4
Soviet sales	(300)	(215)	(550)	(450)	(550)	(1)	(2,065)			
6. Additions to foreign exchange not accounted for above [2]	509	307	2,132	1,210	−1,489	[1] −210	2,404	22.3	50.8	−68.2
7. Other factors	−201	114	181	−219	457	34	421	3.9	−1.5	21.2
Total traditional sources	908	756	3,153	1,741	−792	−276	5,490	51.0	80.1	−41.6
Total change in world reserves	2,035	305	3,400	2,450	1,360	[1] 1,210	10,760	100	100	100

[1] Estimated.

[2] Change in foreign exchange reserves as shown in IFS, excluding lines 2, 3, and 4.

TABLE 8.—SOURCES OF RESERVE GROWTH OUTSIDE UNITED STATES, 1961-66

[Dollar amounts in millions]

	1961	1962	1963	1964	1965	1966	1961-66		Percent total	
							Amount	Percent total	1961-64	1965-66
U.S. balance-of-payments factors:										
Gold sales to foreign countries (includes (BIS))	$970	$833	$392	$36	$1,288	$431	$3,950	25.9	20.5	39.4
Net use of IMF reserve positions, excluding U.S. gold subscription payment	−135	626	29	266	165	537	1,488	9.8	7.2	16.1
Net increase in liabilities to official foreigners excluding monetary liabilities to IMF	741	1,173	1,666	1,376	49	−997	4,008	26.3	45.6	−21.7
Total U.S. balance-of-payments factors	1,576	2,632	2,087	1,678	1,502	−29	9,446	62.0	73.3	33.8
U.S. official settlements	(−1,347)	(−2,706)	(−2,044)	(−1,547)	(−1,305)	(252)	(−8,697)			
Additions to world monetary gold	600	330	840	750	240	−100	2,660	17.5	23.2	3.2
(U.S.S.R. sales)	(300)	(215)	(550)	(450)	(550)	(0)	(2,065)			
IMF credit tranche use	1,011	−434	84	339	1,528	−14	2,514	16.5	9.2	34.7
United Kingdom securities taken into reserves						885	885	5.8		20.3
Other factors	−546	−690	766	−146	−688	1,037	−267	−1.8	−5.7	8.0
Total factors, other than U.S. balance of payments	1,065	−794	1,690	943	1,080	1,808	5,792	38.0	26.7	66.2
Change in reserves, countries other than United States	2,641	1,838	3,777	2,621	2,582	1,779	15,238	100.0	100.0	100.0

TABLE 9.—AGGREGATE OF GROSS RESERVE GAINS, COMPARED WITH WORLD IMPORTS AND NET ADDITIONS TO MONETARY GOLD, 1926-28, 1937 AND 1954-66

[Dollar amounts in millions]

	Aggregate of gross reserve gains (1)	World imports		Addition to world monetary gold	
		Amount (2)	Column (1) as percent column (2)	Amount (3)	Column (3) as percent column (1)
1926	$314	$31,163	1.0	$309	98.4
1927	744	33,764	2.2	128	17.2
1928	2,538	34,475	7.4	705	27.8
1937	2,116	27,500	7.7	1,350	63.8
1954	2,922	78,700	3.7	670	22.9
1955	2,502	88,300	2.8	665	26.6
1956	3,703	97,500	3.8	490	13.2
1957	3,568	107,100	3.3	690	19.3
1958	4,835	100,400	4.8	680	14.1
1959	3,654	106,200	3.4	750	20.1
Average 1954-59	3,531	96,376	3.7	658	18.6
1960	$6,613	$118,800	5.6	$345	5.2
1961	4,895	123,800	3.9	600	12.4
1962	3,013	131,800	2.3	335	11.1
1963	4,976	143,100	3.5	840	16.9
1964	4,[illegible]24	160,100	2.6	750	17.8
1965	4,154	174,200	2.4	240	5.8
Average, 1960-65	4,636	141,967	3.3	518	11.2
1966	2,906	190,000	1.5	−100	
Average, 1954-66	3,993	124,615	3.2	535	13.4

TABLE 10.—AGGREGATE OF GROSS RESERVE GAINS, 1954–66, MAJOR COUNTRIES AND REGIONS

[In millions of dollars]

	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
EEC:													
Belgium	--------	105	16	--------	405	--------	200	307	--------	187	252	112	16
France	435	711	--------	--------	405	686	536	1,093	684	859	816	619	390
Germany	806	439	1,184	995	682	--------	2,242	131	--------	694	232	--------	599
Italy	159	240	69	68	830	872	195	548	19	--------	418	591	151
Netherlands	46	14	--------	--------	530	--------	421	95	--------	156	247	67	32
Total EEC	1,446	1,509	1,269	1,063	2,852	1,558	3,594	2,174	703	1,896	1,965	1,389	1,188
Other Group of Ten and Switzerland:													
United States	--------	--------	869	1,166	--------	--------	--------	--------	--------	--------	--------	--------	--------
United Kingdom	364	--------	--------	98	731	--------	918	--------	--------	--------	--------	688	96
Sweden	--------	--------	13	--------	15	--------	50	208	65	--------	206	8	55
Canada	127	--------	50	--------	112	--------	--------	287	271	56	278	146	--------
Japan	38	146	194	--------	234	385	502	--------	356	36	--------	133	--------
Switzerland	69	10	35	16	165	--------	261	435	113	206	45	124	80
Total other Group of Ten and Switzerland	598	156	1,161	1,280	1,257	385	1,731	930	805	298	529	1,099	231
Group of Ten excluding United States and United Kingdom	(1,680)	(1,665)	(1,561)	(1,079)	(3,378)	(1,943)	(4,407)	(3,104)	(1,508)	(2,194)	(2,494)	(1,800)	(1,323)
Other developed	435	138	277	570	446	727	459	1,114	921	1,278	1,022	184	564
Latin America	73	333	632	555	66	365	270	191	48	573	279	553	95
Middle East	125	119	117	27	90	55	112	184	281	484	150	372	223
Other Asia	110	201	156	58	98	389	280	220	191	383	189	373	493
Other Africa	135	46	91	15	26	175	167	22	64	64	90	184	112
Total all countries	2,922	2,502	3,703	3,568	4,835	3,654	6,613	4,835	3,013	4,976	4,224	4,154	2,906

TABLE 11.—AGGREGATE OF GROSS RESERVE LOSSES 1954–66, MAJOR COUNTRIES AND REGIONS

[In millions of dollars]

	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
EEC:													
Belgium	46	--------	--------	71	--------	247	--------	--------	60	--------	--------	--------	--------
France	--------	--------	664	666	--------	--------	--------	--------	--------	--------	--------	--------	
Germany	--------	--------	--------	--------	--------	1,089	--------	--------	207	--------	--------	453	--------
Italy	--------	--------	--------	--------	--------	--------	--------	--------	--------	449	--------	--------	--------
Netherlands	--------	--------	185	98	--------	97	--------	--------	12	--------	--------	--------	--------
Total EEC	46	--------	849	835	--------	1,433	--------	--------	279	449	--------	453	--------
Other Groups of Ten and Switzerland:													
United States	480	181	--------	--------	2,292	1,036	2,145	606	1,533	377	171	1,222	569
United Kingdom	--------	642	116	--------	--------	304	--------	401	10	161	831	--------	--------
Sweden	15	21	--------	34	--------	38	--------	--------	--------	43	--------	--------	--------
Canada	--------	44	--------	109	--------	9	40	--------	--------	--------	--------	--------	334
Japan	--------	--------	--------	442	--------	--------	--------	283	--------	--------	39	--------	33
Switzerland	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
Total, other Groups of Ten and Switzerland	495	888	116	585	2,292	1,387	2,185	1,290	1,543	581	1,041	1,222	936
Groups of Ten excluding United States and United Kingdom	(541)	(888)	(965)	(1,420)	(2,292)	(2,820)	(2,185)	(1,290)	(1,822)	(1,030)	(1,041)	(1,675)	(936)
Other developed	294	496	159	193	286	190	666	171	68	40	132	901	316
Latin America	242	306	112	363	688	449	220	278	507	91	124	56	213
Middle East	--------	86	90	173	56	160	113	101	25	7	91	47	59
Other Asia	186	96	418	750	324	32	203	156	218	47	197	57	51
Other Africa	37	57	55	249	59	289	74	341	85	315	141	42	78
Total all countries	1,300	1,929	1,799	3,148	3,705	3,940	3,461	2,337	2,725	1,530	1,726	2,778	1,653

TABLE 12.—AGGREGATE OF GROSS RESERVE GAINS AND LOSSES COMPARED WITH WORLD IMPORTS,[1] 1954–66

[Dollar amounts in millions]

	Gross reserve gains		Gross reserve losses		Difference between gross gains and losses	
	Amount	As percent of world imports	Amount	As percent of world imports	Amount	As percent of world imports
1954	$2,922	3.7	$1,300	1.7	$1,622	2.1
1955	2,502	2.8	1,929	2.2	573	.6
1956	3,703	3.8	1,799	1.8	1,904	2.0
1957	3,568	3.3	3,148	2.9	420	.4
1958	4,835	4.8	3,705	3.7	1,130	1.1
1959	3,654	3.4	3,940	3.7	−286	--------
1960	6,613	5.6	3,461	2.9	3,152	2.7
Average 1954–60	3,971	4.0	2,755	2.8	1,216	1.2
1961	$4,835	3.9	$2,337	1.9	$2,495	2.0
1962	3,013	2.3	2,725	2.1	288	.2
1963	4,976	3.5	1,530	1.1	3,446	2.4
1964	4,224	2.6	1,726	1.1	2,498	1.6
1965	4,154	2.4	2,778	1.6	1,376	.8
1966	2,906	1.5	1,653	.9	1,253	.7
Average 1961–66	4,018	2.6	2,125	1.4	1,593	1.2
Average, total period 1954–66	3,993	3.2	2,464	2.0	1,529	1.2

[1] The data are not fully comparable, because individual reserve statistics are not published for all countries included in total world trade figures. Similarly, the difference shown between gross reserve gains and losses do not fully reflect net changes in total world reserves; the totals of aggregate gains and losses are derived from individual country data and add up to different totals than the published total for global reserves, which includes countries not shown individually.

[From the Washington Post, Dec. 13, 1967]

WHAT TO DO ABOUT GOLD

In attempting to enforce the price ceiling of $35 an ounce, the United States lost $475 million from its gold stock in the week following the devaluation of the pound. The Treasury now has $12.43 billion in gold, and foreign central banks and governments, which finance our balance-of-payments deficits, have more than $14 billion in claims against it. Save for the unlikely event that all foreign central banks decide to convert their dollars at once, there is no danger of an immediate crisis. But it is clear that the United States cannot for long continue to be the only country which undertakes to buy and sell gold freely at a fixed price. Ultimately, the link between gold and the dollar must be severed.

The exchange values of currencies in the non-Communist world are fixed with respect to the dollar, and the dollar, which serves as the principal reserve currency, is linked to gold by the Treasury's pledge to buy and sell it freely at $35 an ounce. But the demand for gold at that low price—it was set in 1934—far exceeds the supply. There is the rub. Permitting the price of gold to rise under the present system of fixed exchange rates is equivalent to devaluing the dollar. And it is doubtful, aside from all the other objections that might be raised, whether other countries would permit a dollar devaluation. They would be likely to retaliate by devaluing their currencies, and in that event the nominal value of the gold stock would be increased without solving the fundamental problem of the present international monetary system.

As an interim step, Congress should forthwith repeal the law that ties up more than $10 billion of our $12.4 billion gold stock as a "cover" for Federal Reserve notes. Removing that relic of the past would doubtless enhance confidence in the dollar. But there should not be any illusions about the viability of the present link between gold and the dollar. The Government, through the pooling operations and other means, has been attempting to maintain a price ceiling on gold, but it will not work.

There are three options open with respect to gold. The demand for gold could be reduced by demonetizing it. But that would require an agreement by central banks to give it up as a monetary reserve, an event about as likely as a decision by the French to enter the Vietnam war on our side. Prices, costs and money incomes the world over could be lowered so as to increase the purchasing power of gold at its $35 an ounce price. That feat, however, would require a deflation, a depression more severe than that of the 1930s. Happily, that also isn't going to happen. Finally, the United States can move to sever the troublesome link between gold and the dollar.

One way in which the link can be severed would be to sell gold until the Treasury's supply is exhausted and thereafter refuse to buy any of it back. But that tactic would cause a $12.4 billion reduction in the world's international monetary reserves unless other countries were willing, as they now are not, to create new reserve assets—"paper gold"—on a massive scale. The danger of a sharp reduction in monetary reserves would be averted if the United States would discontinue its efforts to maintain a gold-price ceiling and instead fulfill its obligations to the International Monetary Fund by maintaining stable exchange rates between dollar and other currencies within its territorial limits.

Severing the gold link in the latter way—it can be done in accordance with the IMF articles—would open possibilities for the constructive reform of the international monetary system. Other countries, which rely on the dollar as the currency in which international trade is conducted, would be confronted with a clear choice. They can maintain the present system of fixed exchange rates by closer cooperation with the United States or, by failing to cooperate, move toward floating rates. If they opt for stable rates—and they need not be so rigidly fixed as they are now—the IMF can then become the repository for gold, and its monetary role would be determined by collective decisions.

[From the Washington Post, Dec. 13, 1967]

United States Pledges To Maintain Gold Ratio

(By Hobart Rowen)

In the wave of a new speculative gold-buying rush in Europe, the Johnson Administration, supported by key Congressional officials, underscored its determination to protect the dollar by holding the price of gold at $35 an ounce.

Following a meeting Monday night of the United States and its gold pool allies in Basel, Switzerland, Treasury Under Secretary Frederick Deming said that there would be "even closer co-ordination" of efforts to beat off gold speculators.

In a statement telephoned from Basel to officials in Washington, Deming said:

"We've taken advantage of the regular Basel meeting in order to review as part of our normal work the foreign exchange and gold markets. We have noted the favorable effects of measures recently taken by a number of central banks and have agreed on even closer co-ordination of our efforts."

In answer to reporters' questions in Basel, Deming advised the Treasury yesterday, he had scotched rumors that the U.S. was asking friendly countries to increase U.S. gold reserves by exchanging some of their gold for U.S. gold certificates, or that it would try to impose a license restriction on gold trading.

But gold fever gripped markets in London and Paris, especially in response to rumors that the Basel meeting might produce a multi-tiered price structure for gold, in which there would be approval of "free market" sales above $35 an ounce.

There was nothing in official statements or private guidance to support such rumors.

Capitol Hill, meanwhile, took a hand in the gold debate with a warning originated by Rep. Henry S. Reuss (D-Wis.) that "only the United States Congress can raise the price of gold, and Congress is never going to do it."

Reuss' statement on the floor of the House later was supported by three influential Congressmen: Rep. Wilbur Mills (D-Ark.), Chairman of the House Ways and Means Committee, Rep. Carl Albert (D-Okla.), majority leader, and Rep. Hale Boggs (D-La.), majority whip.

Reuss said that he had "a word for the gold speculators. That word is this—even if he wanted to, the President of the United States cannot increase the price of gold."

He cited Section 5 of the Bretton Woods Agreement Act of 1945, which says that the par value of the dollar, fixed under International Monetary Fund rules at 35 to the ounce of gold cannot be changed without congressional authorization.

A bill to amend the Gold Reserve Act to block U.S. gold sales to France until that country repays its war debts to the United States was introduced in the Senate yesterday by Sen. Vance Hartke (D-Ind.), a member of the Senate Finance Committee.

The Basel meeting—bringing together central bank representatives of the United States, Britain, Belgium, West Germany, Italy, the Netherlands and Switzerland—was, in effect, chapter two of a meeting in Frankfurt, West Germany, two weeks ago among the same gold pool nations.

France is also a member, but apparently was "disinvited" on both occasions after publicity was given to the fact that it had stopped contributing to the gold pool last June. This information, leaked originally to the newspaper Le Monde in the first few days after devaluation of the British pound, was considered part of an organized French attack to undermine confidence in the gold-dollar relationship.

At the Frankfurt meeting, the seven nations pledged all of their resources to fighting off speculation. Since the gold pool countries own most of the world's official gold resources, speculative buying quieted down after a communique was issued from the Frankfurt meeting.

A renewal of speculative activity yesterday clearly reflected rumors, again originating in Le Monde, that there might be far-reaching changes affecting either the gold pool or gold supplies. The price of gold in London hit a post-devaluation peak of $35.19625. Trading in the smaller Paris market was heavy.

The Le Monde rumor, widely circulated in London and Paris yesterday but for which there has been no substantiation here, is that the United States has urged expansion of the gold pool from seven to 20 countries.

This larger pool, according to the report, would operate a three-tier market: one for official sales at $35 an ounce, a second for industrial users at an unspecified price, with additional supplies coming from South Africa, and a third "free market" for private traders.

Private gold experts in Washington told The Washington Post last night that the United States doubtless would welcome a larger and therefore stronger gold pool, including perhaps Canada and Australia. The Frankfurt communique, in fact, invited other participants.

Reuss' speech in Congress denounced the "gold raiders" and said that "if we go on like this we invite a monetary panic." He suggested two ways of making sure that speculators "in the end will be left holding the bag":

The first would be to "pedigree" gold, that is to keep the present holdings of $43 billion of gold in the hands of central banks, and to provide that IMF members will sell gold only to or from each other, and not to the private market. The price of gold on the "outside market" would then fluctuate up or down.

The second would be to "dethrone" gold. The U.S. would give foreign monetary authorities holding dollars a fixed time in which to demand gold. After such time, the United States would not redeem dollars for gold. It also would not undertake to buy at $35 an ounce. The parity value of the dollar would then be supported, he said, by exchange operations under IMF rules.

[From the Washington Post, Dec. 13, 1967]

Gold Speculation Brings New U.S. Pledge—Arrangements Made To Limit Gold Demand

(By Samuel Brittan)

London, December 12.—Arrangements to limit demands for gold in the markets of the gold pool countries were informally agreed at last weekend's meeting of central bank governors in Basel.

The general model will be the arrangements recently made by the Swiss. These provide for a ban on forward dealings in gold, a similar ban on margin deals and a ban on sales to central banks except in the London market, where all central bank purchases will be channeled.

They will be met there in full either by the gold pool or by the United States.

It is clear that the United States did not put forward at Basel any suggestion for dividing the gold market into two or three tiers with different prices for monetary industrial and speculative purposes.

There is, nevertheless, a danger that even the limited degree of restriction on the main official gold markets which was agreed in Basel may tend in practice towards the establishment of a two-tier system. Gold-buying orders which are rejected in London or Zurich as abnormal and suspect may be channeled to "unofficial" markets in Hong Kong, Macao or Paris.

[From the New York Times, Dec. 13, 1967]

Gold-Trade Curb Reported in Pact by Seven Nations—Basel Accord Said To Include Bans on Forward Dealings and Credit Transactions

(By John M. Lee)

London, December 12.—New policies to bolster the United States dollar by curbing trading gold were reported today to have been agreed on by seven financial powers at weekend meetings in Basel, Switzerland. France did not participate in the agreement.

The accord was said here to include bans on forward dealings for future sale or delivery and a ban on margin, or credit, transactions. Some alteration in the method of central bank purchases was also involved.

[In Washington, gold speculators were warned on Tuesday in speeches in the House of Representatives that only Congress could raise the $35-an-ounce price, and that it would never do so.]

BANS ARE REPORTED

In tomorrow's edition, The Financial Times says the agreement is a ban on sales to central banks except in the London market and that all central bank purchases will be channeled to that market from now on.

The Times of London, however, refers to a prohibition on bids submitted by members of the International Gold Pool on behalf of other countries' central banks, with the effect that non-pool members will have to apply directly to the United States Treasury if they want to buy gold.

It was also reported that bullion dealers had generally agreed that they would not accept orders of an abnormal size or from an abnormal source. All these reports, however, lacked official confirmation.

SEVEN ACTIVE MEMBERS

The seven countries involved in the reported agreement are the active members of the gold pool, the United States, Britain, West Germany, Italy, Belgium, the Netherlands and Switzerland.

France, although nominally still a member has not participated in recent pool meetings. Her disclosure that she had stopped contributing to the pool and her avowed hostility to the dollar contributed to the extraordinary rush to buy gold the week following devaluation of sterling on Nov. 18.

The gold pool, acting through the Bank of England, buys and sells gold to stabilize the price on the free London market at the official United States price of $35 an ounce. A price increase amounts to devaluation of the United States dollar, which is the keystone of the world monetary system.

Today, the London market, which accounts for about 80 per cent of the free market dealings, was shaken by "very heavy" buying, dealers said amid uncertainties following the Basel meeting. One report spoke of a 50-ton volume ($56-million) compared with a normal day's five tons ($5.6 million). However, volume is never officially disclosed.

Observers suggested some speculators were rushing to buy gold while they could in the light of unconfirmed reports surrounding the Basel meetings that official sales of gold to private individuals might be suspended.

PARIS VOLUME SWELLS

Volume also swelled on the much smaller Paris market, reaching 48.9 million francs ($9.8-million) up from 14.3-million francs ($2.86-million) yesterday. Zurich demand was also heavy, and prices for the popular gold coins rose.

London dealers said the market had been unsettled by the vague communiques from Basel regarding pledges of closer central bank coordination to defend the dollar. Reports in Paris newspapers had raised expectations of major policy changes.

The Financial Times of London says tomorrow that the United States did not put forward at Basel the proposals attributed to it by Paris, namely, the issuing of gold certificates to gold holders and the addition of the gold to United States' reserves, and the establishment of a three-tier market with differing prices for reserves, industrial and speculative purposes.

However, the meetings apparently did decide that each central bank would use its influence in dealing with institutions in line with its own peculiar situation.

Ostensibly, the Basel meeting was the monthly gathering of central bank governors at the Bank for International Settlements, which is a bank for central banks. However, discussions went on Sunday and Monday outside the bank framework and were joined in by Frederick L. Deming, the United States Under Secretary of Treasury.

The appearance of Mr. Deming, according to reports here, caused some head-shaking by central bankers who were said to have been upset by the feverish American activity behind the scenes for the last week or so that was seeking some changes in gold policy.

The United States had previously joined the group of seven gold pool central banks in the Frankfort declaration of Nov. 27 affirming the determination to supply whatever gold was necessary to hold the gold price.

This declaration effectively ended the unparalleled speculation of the previous week, and some central bankers were said to have regarded the ensuing situation as satisfactory.

There was also some skepticism regarding the new three fold ban on gold buying, which follow policies already adopted by the Swiss. Observers suggested that the rejection of a buying order in London as abnormal would divert that order to unofficial markets in the Far East or even in Paris.

JENKINS SEES NO CUT IN POUND

London, December 12.—Chancellor of the Exchequer Roy Jenkins told Parliament tonight that there was no basis for speculation about a further devaluation of the pound.

Mr. Jenkins was urged in the House of Commons to advance the April budget to provide fiscal incentives to greater national effort and put an end to speculation about further devaluation.

He replied: "No. There is no basis for such speculation. The measures which it was advisable to take at once have been taken already. We need a clearer view of the prospect for demand before the next steps in fiscal policy are decided."

ZURICH DEMAND HEAVY

Geneva, December 12.—Demand for gold bars and gold coins was heavy in Zurich today, although it did not equal the gold rush that developed after the devaluation of the pound on Nov. 18.

Some gold dealers attributed the nervousness of the market to uncertainty about the effectiveness of the program agreed upon in Basel over the weekend between Mr. Deming and the heads of the six Western European central banks that have joined the United States in meeting demands for gold on the London market.

Mr. Deming said last night that the members of the gold pool had agreed on "an even closer coordination of our efforts," but gave no details of the program to reduce speculation in gold.

One Zurich banker said, however, that he thought it would be better for the gold pool not to issue any more statements and "leave the patient alone until he has time to start recovering." He added that the presence of such a high Treasury official as Mr. Deming had called extra attention to the Basel meeting and that it would therefore have been advisable for Mr. Deming not to attend.

POUND DIPS 2 POINTS HERE

The spot rate on the British pound remained relatively stable on foreign-exchange markets here yesterday, dropping about 2 points, to $2.4053, from Monday's level.

Recent daily declines had been substantially higher. There was some uncertainty yesterday as dealers waited for the release today of Britain's trade figures for November. Volume again was small.

Forward markets were a little easier. Pound sterling for delivery in three months was quoted at $2.3873, for a discount of 180 points. This was 20 points wider than Monday's discount.

The dollar was steady against European currencies and showed little reaction to the heavy demand for gold on European markets. The Canadian dollar was steady, gaining 1 point at 92.55.

[From the New York Times, Dec. 6, 1967]

FEDERAL RESERVE BOARD CHIEF ASSAILS U.S. RELIANCE ON GOLD

(By Helen Shanahan)

Washington, December 4.—William McChesney Martin Jr., the chairman of the Federal Reserve Board, said Monday night that the United States "must not bow down to the idol of gold" as the only discipline against inflationary national economic policy.

He scored the reliance on gold, which he called "this barbarous metal," as the be-all and end-all" of national monetary policies.

In a speech before the officers of the state and national bank divisions of the American Bankers Association, Mr. Martin advocated repeal of the present law that requires gold backing for 25 per cent of the nation's paper money.

He added, however, that he was not advocating complete elimination of gold in the world's financial system.

His speech, which lasted about half an hour, was peppered with language that was unusually strong and colorful for Mr. Martin.

Among the highlights of his speech were these:

He used the work "irresponsible in describing a recent statement by President Johnson on this year's budget deficit that appeared to exaggerate its size.

He said he could "not condone the recent actions of the French Government because they're doing their best to undermine the gold-exchange standard" on which the world's current money system is based.

While agreeing with President Johnson's statement today that imposition of wage and price controls was not under active consideration, he suggested that the United States might be on a road that leads to such controls.

An official of the American Bankers Association announced before Mr. Martin spoke that his remarks would be off the record. An audience of some 200 persons, including bankers from all regions of the country, was present, however, along with about a dozen reporters who had been invited to the dinner with no advance notice that Mr. Martin's speech would be off the record.

It appeared certain that what Mr. Martin said would promptly be spread to friends and business associates of those present, but not to the public generally, if his remarks remained unreported.

Mr. Martin's statement concerning President Johnson's possible irresponsibility came in the context of a discussion of budget deficits, which Mr. Martin deplored.

He said that the United States "has worked [itself] into a position where deficit has become a good work and surplus a bad work."

He cited as an example of this the recent "situation where the President, no matter how irresponsible he may have been when he said it, talked about a deficit of $35-billion."

Mr. Martin's reference was to a statement Mr. Johnson made at his next-to-last news conference, two weeks ago, when the President said that this year's budget deficit might run $30 to $35-billion.

The following week, when leading Administration officials appeared before the House Ways and Means Committee to submit the Administration's proposed budget cuts, Budget Director Charles L. Schultze was forced to concede, inferentially, under Republican questioning, that the President must have known the figures were too high when he gave them.

The discovery had already been made, for example, that spending for the war in Vietnam—barring a change in the nature of the war—would be $2-billion less than an earlier estimate on which the $30-billion to $35-billion deficit figure was based.

Mr. Johnson had not explained the deficit figure he gave at the news conference. He merely posed the rhetorical question, "Do you want a deficit of $30- or $35-billion; do you want to spend $35-billion more than you are taking in?" in the course of a discussion of his tax increase proposal.

APPEAL ON GOLD COVER

Mr. Martin devoted a major portion of his talk to the bankers group to the subject of gold and appealed to the bankers not to fight against repeal of the present statutory requirement that 25 per cent of the nation's paper money be backed by gold.

"I hope we will remove the 25 per cent gold 'cover' and put gold in perspective," he said.

It has long been expected that the Administration would, at some point, propose repeal of the gold cover—a step that releases all of the United States' supply of gold, currently around $13-billion, for use in defending the dollar and the world monetary system.

Mr. Martin noted, however, that "there is a mystique and a fetish about gold that cannot just be laughed off."

Many people do not trust their Government to manage the monetary system properly if gold requirements do not exist as a discipline, he said.

"I think it's barbarous to think that we haven't got the intelligence to manage our economy so that we have to depend on a metal—this barbarous metal," he said.

"A lot of people are dissatisfied with the Johnson Administration and say, 'Let's don't remove the gold cover,' " he said.

But he went on: "At some point you are going to have to trust the Government. You cannot just go on indefinitely" relying on gold, he said.

Despite his charge that the President may have been irresponsible in talking about the budget deficit, Mr. Martin said that his "disagreements" with the Johnson Administration had been "minor—and I mean minor."

He said the biggest current difference concerned the economic importance of the war in Vietnam.

"It is not a little war," he said, indicating that he thought the Administration had argued otherwise.

He did not refer to the open break between the Administration and the Federal Reserve Board, which occurred in December, 1965.

At that time the Federal Reserve raised its basic lending rate, in a money-tightening move, against the wishes of President Johnson.

[From the Washington Post, Oct. 4, 1967]

IMF POWER AND REFORM

The Rio de Janeiro meeting of the International Monetary Fund ratified the much-heralded contingency plan for creating new reserves. But in the process, much of the diplomatic glue used in putting together the August agreement of the finance ministers came unstuck. It is not now known whether the members of the European Economic Community (EEC) will permit the "special drawing right" (SDR) scheme to be implemented prior to the elimination of the United States balance-of-payments deficit. Nor is it known whether the price of EEC cooperation is a veto power of other IMF operations that would further diminish this country's influence.

It was, in our judgment, a mistake to agree to the requirement of an 85 per cent majority on all decisions affecting the SDR scheme. That gave the EEC, which has nearly 17 per cent of the votes, a veto in deciding when the scheme should be activated and how many SDRs should be created. Having won that battle, the Europeans are demanding the same veto power—an 85 per cent majority—over decisions to enlarge the IMF quotas or to relax the stringent rules governing the extension of credit drawings in the so-called "credit tranches."

The case against granting further veto power to the EEC was made by Mr. Edward M. Bernstein, one of the original architects of the IMF who supports the SDR scheme. "It would be a mistake," Mr. Bernstein wrote just prior to the Rio meeting, "to freeze any aspect of the operations of the IMF, such as the status of the credit tranches of the quotas, by requiring an 85 per cent majority to change them. This would make it impossible to raise the present standards for reserve credit from the IMF if this should prove desirable in the future."

It may be argued that this country did not use its power wisely when it dominated the IMF in the period of the "dollar shortage" and is now suffering retribution at the hands of the European surplus countries. But that simplistic view overlooks the fact that the dollar serves as the world's principal reserve currency and that it cannot continue in that role—and continue to be convertible to gold—without the full cooperation of other countries.

Genuine monetary cooperation is impossible if a single bloc of countries exercises veto power over the creation of new reserves. That point was well made by Mr. Eugene A. Birnbaum, a Standard Oil Company economist who formerly served in the Commerce Department. The veto provision, he said, "would permanently establish a formal European right not to cooperate; it supplies a new legal basis on which Europe can dominate the Fund. Real reform of the international monetary arrangements should have made it more difficult, rather than easier, for Europe not to cooperate."

Perhaps there is a way to realize the modest advantages of the SDR scheme without freezing the credit mechanism of the IMF and subjecting it to complete domination by the EEC. But it cannot be accomplished by overselling agreements that then come unstuck. Before Rio, members of the Joint Economic Committee who heard testimony from the Treasury had nothing but praise for the London agreement on the SDR scheme. In the future Congress will have to exercise some critical scrutiny if it wishes to protect this country's interest and further the cause of international monetary cooperation.

[From the Journal of Commerce,
Apr. 18, 1967]

ON ELIMINATING OUR CURRENCY RESERVE

As a kind of sequel to the recent controversy on whether the U.S. should continue to buy and sell gold at a fixed price of $35 an ounce, proposals have finally got before Congress to eliminate the 25 per cent gold backing of Federal Reserve currency, which is our principal hand-to-hand money.

If eliminated, between $9.5 billion and $10.5 billion, depending upon what currency is legally subject to the 25 per cent reserve, would be freed for future sale to foreign official buyers who might demand it. It has often been persuasively argued that, in a nation where individuals are not allowed to possess gold, with certain necessitous exceptions, such as gold tooth fillings, a gold reserve is largely meaningless, since the citizens can't get it anyway, and that the real purpose of what gold this country still possesses is to provide for foreign demands.

Proposals to eliminate the remaining gold reserve against currency are not new. We have consistently opposed the idea, mainly for political reasons. Such action would be tantamount to giving this and maybe the successor administration a blank check to perpetuate for another several years the more or less improvident management of this country's balance of payments deficit. So long as enough gold still remained to let the deficit ride and maybe become bigger, the whole matter of trying to achieve a more balanced position could be swept under the rug and left to a future generation.

However, we would willingly retreat from our previous position by saying that a reduction not elimination, of the currency reserve, which does not mean too much to the public and which would be well understood internationally, would be preferable to a basic change in U.S. policy involving the fixed buying and selling price of gold, which could create foreign exchange chaos and be inimical to world trade.

But we feel that if Congress legislates on this subject it should cut the dog's tail off an inch at a time, figuratively speaking, reducing the required currency reserve to 20 from 25 per cent, and from 20 to 15 per cent, before eliminating it altogether.

By this system it could keep a check upon any administration, which would have to defend its profligacy in balance of payments management every time the currency reserve was reduced.

If it is not done in this way one or more administrations, by pursuing inflationary policies at home and letting the balance of payments deficit continue with little required restraint, may squander all the remaining gold this country now has, which is still the largest held by any country in the world, but which in recent years has been fading fast.

A case can be made for letting the gold reserve fade a little further, for at the moment the Vietnam War is one of the principal foreign exchange drains and it is difficult to do anything about it without hamstringing the war. Of course much could be done to reduce the balance of payments deficit portion that is due to non-war causes—for example maintenance of unnecessarily large troops in Europe—but this is already being worked upon by the Defense Department.

Other improvements in the balance of payments deficit may be taken care of by continuation or strengthening of so-called voluntary controls against movements of our capital overseas (which we dislike), and some of this may get a fortuitous assist through decreased enthusiasm on the part of U.S. corporations for foreign opportunities. At present the sharp trend toward easier money in the United States appears to be in the direction of encouraging overseas capital flows, but this encouragement might be neutralized by further cuts in money rates abroad. This happened in Germany last week and may take place in Britain this week.

There is another, and more long-range, reason why the maintenance of any substantial gold reserve against U.S. currency is more or less doomed. That is the increased demand for currency, now mostly Federal Reserve notes, against which the gold reserve is primarily held, which comes about because of the growth of the United States in population and in volume of business annually transacted.

Projections extending into the 1970's indicate that it will not be too many years before the money supply of the United States, which is mostly demand deposits in banks but which also includes a large component of currency, will have to double.

The currency component, now around $44 billion, won't move up as rapidly as bank deposits, but if it should double, it would require more gold than we have to support a 25 per cent reserve.

For mostly political reasons we still favor the business of cutting off the dog's tail an inch at a time, with full knowledge that eventually there won't be any more tail to cut. But that's better than a now-you-see-it-and-now-you-don't gold price.

[From the Congress of the United States, Joint Economic Committee, Subcommittee on International Exchange and Payments, Dec. 13, 1967]

CONGRESSMAN REUSS RELEASES REPORT ON RIO MONETARY AGREEMENT

Congressman Henry S. Reuss (D.-Wisc.), Chairman of the Subcommittee on International Exchange and Payments of the Joint Economic Committee, today released the text of a subcommittee report entitled "Guidelines for Improving the International Monetary System—Round Two." The report, which was approved unanimously by all subcommittee members who participated, followed a study of the IMF plan for establishing a new reserve facility, as approved in September 1967 at Rio de Janeiro.

The subcommittee's principal recommendations consisted of the following "guidelines":

1. (a) The amendment to the Fund's articles embodying the new plan should be promptly ratified so that the amendment may be in effect before the September 1968 meeting of the Fund and the plan activated as soon as possible thereatfer.

(b) A preferred method of activation would be the creation, over a 5-year period, of a minimum of special drawing rights sufficient, when added to forseeable inputs of gold and reserve currencies, to achieve an aggregate reserve growth of at least 3 percent a year. Discretionary supplements should be added as needed during the 5-year period.

(c) It is highly important that the United States move toward equilibrium in its balance of payments, but the fact that the United States has not yet attained equilibrium should no preclude prompt activation of special drawing rights. The true inquiry ought to be whether world reserves are expanding at a proper rate.

(d) The United States must point out the risks inherent in undue delay, not only for the effectiveness of the new special drawing rights, but also for the stability of the monetary system itself. Moreover, in the event of failure of the Fund to arrange for a necessary, timely and adequate activation, the United States and other like-minded nations will have to explore alternative international monetary arrangements.

2. The increase in Fund quotas for Common Market countries such as France, Germany, Belgium, and the Netherlands should be considered. Application of the Bretton Woods formula to these countries would in itself be almost enough to give the voting of all members of the European Common Market a veto power on a justifiable basis. The United States should strive for such quota increases in the proposed amendment on regular IMF voting procedures rather than give the Common Market an unearned veto.

3. The Rio resolution calling for IMF studies of schemes "for stabilization of prices of primary products" enables the United States, after the agreement has been ratified and activated, to raise the question of channeling part of the new SDR's through the International Development Association for economic development purposes.

4. The United States should consider sympathetically arrangements for marshaling SDR's on a regional basis.

In releasing the report, Congressman Reuss stated: "The new plan provides the way in which the supply of international monetary reserve can be allowed to grow at a controlled rate. We need more reserves. We have no prospect of safely providing them in any other way. It is not only the U.S. interest, but the world interest, to see that special drawing rights become an accepted reality.

"The events of the past few weeks give us some encouragement. Sterling devaluation was a major shock to the international monetary system. The system has responded well. It has demonstrated that the collaboration of nations in good faith can devise ways to adjust even to a very large disturbance.

"We must learn a lesson from this. The U.S. policy must have as its main feature cooperation with other countries in assuring the improvement of the world's monetary system. The new special drawing rights will be one of the needed instruments for that purpose."

In addition to Chairman Reuss, the members of the subcommittee are: Senator William Proxmire (D.-Wis.), Senator Stuart Symington (D.-Mo.), Senator Jacob K. Javits (R.-N.Y.), Senator Charles H. Percy (R.-Ill.), Representative Richard Bolling (D.-Mo.), Representative Hale Boggs (D.-La.), Representative William S. Moorhead (D.-Pa.), Representative William B. Widnall (R.-N.J.), and Representative W. E. Brock 3d (R.-Tenn.).

URANIUM MINERS' COMPENSATION ACT FOR LUNG CANCER

Mr. YARBOROUGH. Mr. President, I introduce for appropriate reference a bill to authorize the Secretary of Labor to provide supplementary compensation for permanent total disability or death from lung cancer resulting from exposure to ionizing radiation in uranium mines; to provide grants to States for research and planning with respect to ionizing radiation injuries in uranium mines; and for other purposes.

Mr. President, I ask unanimous consent that the bill be printed in the Record at this point, along with a letter from Secretary of Labor W. Willard Wirtz, of December 13, 1967, a statement of explanation of the bill prepared by the Department, and a clipping from the Washington Post of December 14, under the title "Wirtz Urges Bill for Uranium Miners," written by J. V. Reistrup, staff writer.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill, letter, statement, and article will be printed in the Record.

The bill (S. 2782) to authorize the Secretary of Labor to provide supplementary compensation for permanent total disability or death from lung cancer resulting from exposure to ionizing radiation in uranium mines; to provide grants to States for research and planning with respect to ionizing radiation injuries in uranium mines; and for other purposes, introduced by Mr. Yarborough, by request, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the Record, as follows:

S. 2782

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. This Act may be cited as the Uranium Miners' Compensation Act.

TITLE I—COMPENSATION PAYMENTS

Supplemental compensation payments

Sec. 101. The Secretary is authorized to pay benefits supplemental to those which have been paid or are being paid, to any person or his surviving dependent under a State workmen's compensation law or occupational disease law for permanent total disability or death from lung cancer resulting from exposure to ionizing radiation while working in a uranium mine between April 1, 1948, and five years after the date of this enactment.

Amount of payments

Sec. 102(a) Payments for a disabled employee or his surviving dependent under section 101 shall not exceed the difference between any payment under the State law and compensation as measured by the Longshoremen's and Harbor Workers' Compensation Act (44 Stat. 424, as amended).

(b) When payments under a State workmen's compensation or occupational disease law cease because of a time or monetary limitation in such law, or insolvency of the entity liable for such compensation, payments under this section shall be increased to include the amount of compensation previously paid under State law and shall continue during the person's disability or during the eligibility of his dependents which would exist under the State law except for its time or monetary limitations.

(c) Supplemental payments may be made retroactively to the date payments commenced under a State workmen's compensation or occupational disease law: *Provided,* That payments hereunder to surviving dependents shall be limited to: (1) widows during widowhood; and (2) other dependents eligible for death benefits under such State law at the time a claim is filed hereunder.

(d) No payments shall be made under section 101 in a State in which there is any diminishment in existing State programs and benefits with respect to ionizing radiation injuries.

Compensation and death payments in noncovered cases

Sec. 103. The Secretary is authorized to pay benefits to any person for permanent total disability from lung cancer resulting from exposure to ionizing radiation while working in a uranium mine between April 1, 1948, and five years after the date of this enactment, if benefits have been denied or he is not covered by a State workmen's compensation law or occupational disease law or has not received indemnity for the same injury from his employer or any other person or entity liable for damages. In case of death resulting from such exposure, benefits are authorized for his surviving dependents.

Amount of payments in noncovered cases

Sec. 104(a) Payments under section 103 shall be made in accordance with the distribution rights and benefit amounts established by the Longshoremen's and Harbor Workers' Compensation Act (44 Stat. 424, as amended).

(b) In the event that workmen's compensation benefits are awarded under a State workmen's compensation law or occupational disease law for disability or death from lung cancer arising from ionizing radiation exposure for which payments have been made under this section or if indemnity payments have been made for the same injury by any person liable for damages, benefits hereunder shall cease for the duration of compensation payments or until the amount of the indemnity award equals an amount which would have been paid under this section but for such award. It benefits under this section and under State law covering the same compensable period have been received, the Secretary may bring an action in any court of competent jurisdiction to recover any duplicate payments. The Secretary also may bring an action in any court of competent jurisdiction to recover duplicate payments arising out of a damage liability.

(c) Payments may be made retroactively to the date of permanent total disability or death; *Provided,* That such payments shall be limited to: (1) widows during widowhood; and (2) other dependents who would qualify for death benefits at the time a claim is filed hereunder upon application of the death benefit distribution provisions of the Longshoremen's and Harbor Workers' Compensation Act.

TITLE II—FINANCIAL ASSISTANCE TO STATES

Grants to States

SEC. 201 (a) The Secretary is authorized to make grants to any State, in which uranium mining takes place, to conduct research and planning studies and to carry out plans designed to improve State workmen's compensation and occupational disease laws and programs, as they relate to compensation for ionizing radiation injuries in uranium mine employment.

(b) Grants under this section shall not extend beyond a period of five years following the effective date of this Act.

SEC. 202. (a) Federal grants shall be made to States which have a plan or plans approved by the Secretary under this section.

(b) The Secretary may approve any plan which:

(1) provides that reports to the Secretary, in such form and containing such information, as may reasonably be necessary to enable the Secretary to review the effectiveness of the program or programs involved, and will keep such records and afford such access thereto as the Secretary finds necessary or appropriate to assure the correctness and verification of such reports;

(2) provides such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement and accounting for Federal funds paid to the State;

(3) contains assurances that the State will not in any way diminish existing State programs or benefits with respect to ionizing radiation and related conditions and injuries; and

(4) meets any additional conditions which the Secretary may prescribe by rule in furtherance of the provisions of this Act.

(c) The Secretary shall not finally disapprove any State plan, or modification thereof, without affording the State reasonable notice and opportunity for a hearing.

TITLE III—MISCELLANEOUS

Rulemaking authority

SEC. 301. The Secretary shall prescribe such rules as he deems necessary and appropriate to carry out the provisions of the Act, including appropriate procedures for filing claims, and regulations specifying the degree of proof necessary to establish compensability under section 103.

In developing such rules, the Secretary shall consult, as appropriate, with the States which may be affected by the Secretary's administration of the Act, the Atomic Energy Commission, and the Departments of Interior and Health, Education, and Welfare. Without regard to the exceptions contained in subsection (a)(2) of section 553 of title 5, United States Code, such rules shall be subject to the notice and informal public participation requirements of the section.

Compensation fund

SEC. 302. Compensation benefits authorized for persons or their dependents under this Act shall be paid from the Employees' Compensation Fund established by section 35 of the Federal Employees' Compensation Act, as recodified in section 147 of title 5, United States Code.

Time for filing claims

SEC. 303(a) Claims for retroactive supplemental payments under section 101(a) shall be made within two years of the date of this enactment, and for future supplemental payments as prescribed by the Secretary.

(b) Claims for benefits under section 104(a) shall be filed within two years of the time an employee or his dependent knew or reasonably should have known of a possible causal connection between his lung cancer injuries and ionizing radiation exposure in uranium mining.

(c) The Secretary for good cause may extend the time limitations in subsections (a) and (b) of this section up to five years.

Definitions

SEC. 304. There is hereby authorized to be appropriated necessary funds to carry out the purposes of this Act.

SEC. 305. As used in this Act:

(a) "Secretary" means the Secretary of Labor.

(b) "Dependent" means any person other than an injured employee entitled to benefits under an applicable State workmen's compensation law or occupational disease law or with respect to section 103, as defined by the Longshoremen's and Harbor Workers' Compensation Act.

(c) "State" means any State in the United States.

(d) "Uranium Mine" means any mine located in the United States, its possessions, territories, which is mined in whole or in part for the production of uranium ores.

(e) "Ionizing Radiation" means any particulate or electromagnetic radiation capable of producing ions directly or indirectly in its passage through matter.

(f) "Benefit" means any monetary compensation payment or medical payment provided under State workmen's compensation or occupational disease law or under this Act.

SEC. 306. This Act shall be effective upon enactment.

The letter, statement, and article, presented by Mr. YARBOROUGH, are as follows:

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, December 13, 1967.

Hon. HUBERT H. HUMPHREY,
President of the Senate,
Washington, D.C.

Hon. JOHN W. MCCORMACK,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. PRESIDENT and DEAR MR. SPEAKER: This past year the nation became aware of the tragic cases of lung cancer contracted by uranium miners in the course of their work. This awareness was followed by immediate steps to assure that radiation hazards in uranium mines would be reduced. A safety program, however, only protects workers in the future—it does not correct the past. What is left undone is the assurance that these miners and their families will be adequately compensated for their losses.

Toward that end, I am transmitting a bill to authorize the use of Federal funds for those people whose incomes have been interrupted or terminated as a result of lung cancer contracted in uranium mine employment.

Under this proposal, payments would be made by the Federal Government to workers suffering permanent total disability from lung cancer or, in fatal cases, to their dependents, if the radiation exposure occurred between April 1, 1948, when the Federal Government began procuring domestic uranium, and five years after the date of this enactment. A cut-off date for exposure is provided because we anticipate further substantial reduction in the radiation hazard of uranium mines, and because we expect that State workmen's compensation systems will assume the responsibility for future radiation injuries. Moreover, in approximately three years the Federal Government will have terminated its procurement of uranium.

The measure is based on the recognition that the production of uranium ore was initiated and developed by the Federal Government due to its importance to national defense and that the Federal Government should share responsibility for adequately compensating those injured by the unanticipated radiation hazard in these mines.

The proposal authorizes the Secretary of Labor to supplement State benefits up to the amounts which are provided by the Longshoremen's and Harbor Workers' Compensation Act.

The bill also authorizes payments to persons who are not eligible for benefits under State law in accordance with benefits provided by the Longshoremen's and Harbor Workers' Compensation Act.

State grants are also authorized to conduct research and planning studies and to carry out plans to improve workmen's compensation laws and programs as they relate to ionizing radiation.

The Bureau of the Budget advises that there is no objection to the submission of this draft bill and enactment would be consistent with the objectives of the Administration.

I urge early and favorable consideration of this proposal by the Congress.

Sincerely,

WILLARD WIRTZ,
Secretary of Labor.

STATEMENT IN EXPLANATION OF A BILL AUTHORIZING FEDERAL ASSISTANCE TOWARD ADEQUATE BENEFITS FOR DISABILITY AND DEATH OF URANIUM MINERS FROM LUNG CANCER

It is the intent of this bill to give assistance for permanent total disability and death from lung cancer resulting from exposure to ionizing radiation in uranium mines between April 1, 1948, when the Federal Government began procuring uranium in quantity, and five years after the date of this enactment. Eligibility depends on exposure within this period, irrespective of the time when the disability or death occurs. A cut-off date for assistance is provided because it is assumed that with increasing knowledge of the incidence of lung cancer among uranium miners and methods of prevention, that workmen's compensation insurance actuarial factors will be worked out on a more realistic basis than has been possible in the past and that the hazards will be materially reduced. The concurrence of these two contingencies will tend to obviate the need for Federal assistance in behalf of uranium miners.

PROVISIONS OF THE BILL

Supplemental compensation payments

The Secretary of Labor is authorized to pay benefits to miners or their survivors for total disability or death from lung cancer arising from radiation exposure in uranium mines, supplementary to benefits they are receiving under State workmen's compensation law. The amount of the supplement shall be the difference between the benefits payable under the State law and compensation as measured by the Longshoremen's and Harbor Workers' Compensation Act.

Benefits are to be paid retroactively to the date of disability or death.

When benefits under a State workmen's compensation or occupational disease law cease because of time or monetary limitation in such law, payments of the compensation formerly paid by the State will also be assumed by the Secretary.

No supplementary payments may be made in a State which diminishes programs or benefits related to injuries from ionizing radiation.

Compensation and death benefits

The Secretary is also authorized to pay benefits to uranium miners or their survivors if benefits for total disability or death from lung cancer have been denied, there is no coverage under State workmen's compensation law, or indemnity has not been received from any person liable for damages. Benefits may be paid retroactively from the date of total permanent disability or death.

Benefits shall be paid in accordance with those of the Longshoremen's and Harbor Workers' Compensation Act, which the Department of Labor administers. Insofar as retroactive benefits for surviving dependents are concerned, except as to widows during widowhood, payments may be made only to those persons who qualify as dependents at the time the claim is filed.

Grants to States

Under plans approved by the Secretary, subject to certain specified standards, the Secretary may make grants to the States in which uranium mining is carried on to conduct studies and to carry out other programs to improve workmen's compensation benefit programs as they relate to ionizing radiation in employment in uranium mines.

Miscellaneous

The Secretary is given power to make rules for the administration of the Act including the specifying of the degree of proof necessary to establish compensability of claims for benefits when State workmen's compensation benefits are not available. Consultations will be made as appropriate, respecting proposed rules with the Atomic Energy Commission, the Departments of Interior, and Health, Education, and Welfare.

Benefits authorized under this proposal will be paid from the Employees' Compensation Fund established by the Federal Employees' Compensation Act.

[From the Washington Post, Dec. 14, 1967]

WIRTZ URGES BILL FOR URANIUM MINERS

(By J. V. Reistrug)

Secretary of Labor W. Willard Wirtz sent Congress a bill yesterday to provide compensation for uranium miners who contract cancer as a result of radiation in the mines.

"This past year the Nation became aware of the tragic cases of lung cancer contracted by unranium miners in the course of their work," Wirtz said in a letter accompanying the bill.

"This awareness was followed by immediate steps to assure that radiation hazards in uranium mines would be reduced. A safety program, however, only protects workers in the future—it does not correct the past. What is left undone is the assurance that these miners and their families will be adequately compensated for their losses."

Lung cancer, generally fatal in a matter of months, shows up as much as 20 years after the first exposure to excessive radiation in the mines. More than 100 miners have already died of the disease and one highly controversial estimate is of more than 1000 deaths by 1985.

Of the principal uranium states—New Mexico, Wyoming, Colorado and Utah—only Colorado has recognized lung cancer as an occupational disease among uranium miners and Colorado officials have voiced concern that their compensation fund might go broke.

The Utah Supreme Court recently upheld that State's Compensation Board in denying the claim of Mrs. Douglas Garner, widow of a uranium miner, for compensation in a test case.

Despite a body of scientific literature dating back to the 1950s, no Federal authority has been exercised regarding either regulation of the mines or compensation of their victims until articles dealing with miners appeared in the press this year.

In May Wirtz invoked his authority under a depression era law to set safety standards for mines whose production is bought by the Federal Government. The Joint Committee on Atomic Energy began a series of hearings.

In July the inter-agency Federal Radiation Council, which had been studying the problem for two years, reached agreement on a standard that apparently will be the one enforced by Interior Department's Bureau of Mines in mines that sell their output to electric-power companies in the future.

The Labor Department's delay in producing a compensation bill is understood to stem in part from the need to reach agreement among the Government agencies with an interest in the problem.

In the meantime, compensation bills were introducd by Senators from the states affected—in each case with the comment that the measures were not offered as a final version but were aimed at spurring action.

The Wirtz bill, which has the approval of the Bureau of the Budget, covers lung cancer cases arising from radiation exposure between the start of Government buying in 1948 and five years after the bill's enactment.

By that time, Wirtz said in the letter, the hazards in the mines should be reduced and the state's compensation laws should be updated.

It would authorize compensation payments to disabled miners, or their widows and orphans, up to the level of amounts provided in the Longshoremen's and Harbor Workers Compensation Act—one of the Federal Government's rare excursions into the compensation field generally left to the states.

Coupled with proposed amendments to the Longshoremen's Act, the new Wirtz proposal would provide a maximum of $105 a week to a dying miner and up to 75 per cent of that to a miner's widow with two or more dependent children.

The Federal payments would supplement state benefits or substitute for them if they are lacking.

The bill also would provide grants to the states to support studies and plans to update their workmen's compensation programs in the field.

PUBLIC UTILITY JURISDICTION

Mr. TYDINGS. Mr. President, at the request of the American Bar Association, I am today introducing a bill to grant to the district courts of the United States jurisdiction to resolve controversies relating to jurisdiction to regulate a public utility. The bill also specifies rules of venue in such controversies.

The bill would, in effect, make the U.S. district courts the arbiters in the first instance of all controversies between two or more States or their agencies, or between the United States or one or more agencies of the United States, on the one hand, and one or more States or State agencies, on the other hand, respecting jurisdiction to regulate a public utility. It has been reported that many public utilities are caught in the crossfire of conflicting claims of jurisdiction to regulate them by two or more agencies of different States, or by one or more State agencies and one or more Federal agencies. Those who complain of this precarious "crossfire" situation also complain that, often, their only recourse is costly and protracted engagement in two or more parallel courses of litigation, in the courts of two or more States, or of one or more States and of the United States.

Mr. President, while I have come to no conclusion regarding the merits of this bill, I do feel that the area is an appropriate one for congressional study, and I am hopeful that the bill will be accorded careful consideration in this body.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2788) to grant the district courts of the United States jurisdiction to resolve controversy with respect to jurisdiction to regulate a public utility and to provide for venue in such cases, introduced by Mr. TYDINGS, was received, read twice by its title, and referred to the Committee on the Judiciary.

ECOLOGICAL RESEARCH AND SURVEYS

Mr. NELSON. Mr. President, I introduce, for appropriate reference, a bill, the ecological research and surveys bill, to authorize the Secretary of the Interior to conduct a program of research into our natural environmental systems.

Ecology—the study of the delicate relationships that bind all living creatures to one another and to their natural home, the relationships that make up the balance of nature—is fascinating and valuable for its own sake.

But to a society in which population and technology are pressing ever harder against a dwindling natural resource base a more precise understanding of ecology is vitally necessary. Land use and natural resource use decisions must be made. If they are to be made wisely, we must know more than we now do about ecology.

There is a great deal of concern today being expressed about the dramatic deterioration of our environment. It has now become painfully obvious that we must direct in the years ahead a great deal of time and effort not only toward cleaning up our dirty rivers, our polluted air, and our ravaged landscape but also toward avoiding further destruction of our resource base.

Our knowledge today of basic ecology is surprisingly sparse. This lack of information is becoming more and more critical. Basic ecological knowledge represents the building blocks with which we will be able to construct a livable environment in the years ahead.

The bill I am introducing today would take us in the direction we need to go. Very briefly, it would authorize the Secretary of the Interior to:

Conduct studies of natural environmental systems in the United States;

Establish a clearinghouse for information on ecological problems and studies and disseminate information about progress in the field;

Establish a program in which representative natural environments on Federal lands could be set aside for scientific study and assist and encourage the setting up of similar preserves on State and private lands; and

Participate with other governments and international bodies in environmental research.

The rapid rate of increase in population and pressure on the natural environment makes urgent the need for a great increase in ecological research. This bill will be a step in that direction. I ask unanimous consent that the text of the bill be printed at this point in my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2789) to authorize the Secretary of the Interior to conduct a program of research, study and surveys, documentation, and description of the natural environmental systems of the United

States for the purpose of understanding and evaluating the condition of these systems and to provide information to those concerned with natural resources management, and for other purposes, introduced by Mr. Nelson, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the Record, as follows:

S. 2789

Be it enacted by the Senate and House of Representatives of the Untied States of America in Congress assembled, That the Congress finds and declares that as a result of population pressures, the development of transportation systems, agricultural practices, numerous natural resource developments, and other technological advances, the status of native plant and animal systems and their natural environment in the United States has changed markedly; that serious losses in valuable species of fauna and flora and gains in unwanted species have occurred and continue to occur; that valuable elements of natural communities have disappeared or have become so restricted in area and numbers that they may never recover; that many areas of outstanding interest, scientific value and scenic beauty have been protected but through lack of knowledge and inadequate management practices their value has been lost or has waned; that, in fact, this storm of modern change, in blighting and destroying what has been cherished for generations in this country, is degrading man's environment and threatens his very existence; that it is desirable that studies be conducted to describe, understand, and evaluate these natural and man-caused changes or trends in our natural environmental systems and to provide the information to the public or private agencies, or persons responsible for planning and developing our future resource projects. It is, therefore, the purpose of this Act to authorize a comprehensive program of research, studies, and surveys in order to produce an understanding of our natural resources and the environmental forces responsible for their development and well-being and to provide a basis for the future protection, enhancement, and proper utilization of the natural environmental systems of the United States. It is not the purpose of this Act to encroach upon or otherwise restrict authorized Federal programs in the fields of agronomy, forest and range management, public health, flood control, wildlife management, or soil conservation other than as an advisory or coordinating activity.

Sec. 2. The Secretary of the Interior (hereinafter referred to as the "Secretary"), in order to carry out the purposes of this Act, is authorized—

(1) to conduct investigations, studies, surveys, research, and analyses;

(2) to document and define changes in the natural environment, including the plant and animal systems, and to accumulate necessary data and other information for a continuing analysis of these changes or trends and an interpretation of their underlying causes;

(3) to develop and maintain an inventory of natural resource development projects, engineering works, and other major projects such as, but not limited to, eradication projects contemplated or planned by public or private agencies or organizations which may make significant modifications in the natural environment;

(4) to establish a system of collecting and receiving information and data on ecological research and evaluations which are in progress or are planned by other public or private agencies or organizations, or individuals;

(5) to evaluate and disseminate information of an ecological nature to public and private agencies or organizations, or individuals in the form of reports, publications, atlases, and maps;

(6) to initiate and utilize ecological information in the planning and development of resource oriented projects;

(7) to encourge other public or private agencies planning development projects to consult with the Secretary on the impact of the proposed projects on the natural environment;

(8) to encourage and assist public (non-Federal) or private agencies or organizations, including educational institutions, museums, and botanical and zoological gardens and other scientific or conservation organizations, or individuals to acquire, designate, and maintain representative samples of important natural environmental systems, including natural areas for observation and for manipulation, and to encourage such agencies, organizations, and individuals to utilize existing areas under their control or jurisdiction for such purposes; and

(9) to establish through interagency coordination, on federally owned lands, a Federal system of natural areas for scientific purposes, and develop the means and methods for withdrawal of such areas from nonconforming uses, and provide for their management and protection to serve the natural research needs of all agencies, both public and private; except that in developing standards governing any such withdrawals, the Secretary shall give due consideration to future alternative uses of such areas subject to withdrawal.

Sec. 3. The Secretary is further authorized for the purposes of this Act (1) to make grants and enter into contracts or cooperative agreements with public or private agencies or organizations, or individuals, (2) to accept and use donations of funds, property, personal services, or facilities, (3) to acquire selected areas of lands or interests in lands by donation, acquisition with donated funds, devise, or exchange for acquired lands or public lands under his jurisdiction which he finds suitable for disposition, (4) to administer such lands or interests for experimental purposes, including the obesrvation and manipulation of natural areas, and (5) to issue such regulations as he deems necessary with respect to the administration of such lands.

Sec. 4. Activities authorized by this Act may be carried out on lands under the jurisdiction or control of other departments or agencies of the Government only with the approval of the head of the department or agency concerned.

Sec. 5. The Secretary shall consult with and provide technical assistance to departments and agencies of the Government, and he is authorized to obtain from such departments and agencies such information, data, reports, advice, and assistance as he deems necessary or appropriate and which can reasonably be furnished by such departments and agencies in carrying out the purposes of this Act. Any Federal agency furnishing advice or assistance hereunder may expend its own funds for such purposes, with or without reimbursement by the Secretary.

Sec. 6. Nothing in this Act is intended to give, or shall be construed as giving, the Secretary any authority over any of the authorized programs of any other department or agency of the Government, or as repealing, modifying, restricting, or amending existing authorities or responsibilities that any department or agency may have with respect to the natural environment. The Secretary shall consult with the heads of such departments and agencies for the purpose of identifying and eliminating duplication of effort.

Sec. 7. (a) The Secretary is authorized to establish such advisory committees as he deems desirable for the purpose of rendering advice and submitting recommendations to him relating to the carrying out of the purposes of this Act. Such advisory committees shall render advice and submit recommendations to the Secretary upon his request and may submit recommendations to the Secretary at any time on their own initiative. The Secretary may designate employees of the Department of the Interior to serve as secretaries to the committees.

(b) Members of advisory committees appointed by the Secretary may receive not to exceed $100 per day when engaged in the actual performance of their duties, in addition to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

Sec. 8. The Secretary is authorized to participate in environmental research in surrounding oceans and in other countries in cooperation with appropriate departments or agencies of such countries or with coordinating international organizations if he determines that such activities will contribute to the objectives and purposes of this Act.

Sec. 9. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

AUTHORIZATION OF AN AUTOMOBILE INSURANCE INVESTIGATION

Mr. MAGNUSON. Mr. President, I introduce, for appropriate reference, on behalf of myself and Senators Pastore, Monroney, Lausche, Bartlett, Hartke, Hart, Cannon, Brewster, Long of Louisiana, and Moss, a joint resolution to authorize the Secretary of Transportation to conduct a comprehensive study and investigation of the existing compensation system for motor vehicle accident losses, and for other purposes. I am also pleased to note that Congressman John Moss, Democrat of California, is introducing this resolution in the House of Representatives today.

In this century, the automobile has become the indispensable mode of transportation. It has revolutionized the structure of our cities. And it has made it possible for all Americans—not just the rich—to move with freedom about the country in pursuit of both economic opportunity and pleasure.

Without question, then, the automobile is a striking example of social progress. Unfortunately, progress inevitably exacts its price: it spawns new social problems and complexities.

We have long known the benefits of the automobile as a mode of transportation. Only recently, however, has public attention been focused on the "social costs" associated with automobile driving.

The most tragic cost, of course, has been the soaring rate of accidental death and injury on the Nation's highways. The statistics are grim: 1.6 million dead since the coming of the automobile; over 50,000 to die this year. And, unless the accelerating spiral of death is arrested, 100,000 Americans will die from automobile-inflicted injuries by 1975. But these soaring rates are not inexorable; they are not acceptable; they can be reduced. During the last session of Congress, two major legislative measures were enacted which promise to minimize these tragic losses. The National Traffic and Motor Vehicle Safety Act of 1966 gave the Secretary of Transportation plenary authority to establish safety standards for all motor vehicles. A companion measure, the Highway Safety Act, will assist State governments in upgrading highway design standards and driver licensing and training requirements.

Besides safety, the automobile has also had a major impact on our environment. The automobile has placed intolerable strains on our urban highways; traffic jams are commonplace and growing in intensity. In addition, we now know that automobile exhaust fumes are a major source of air pollution.

Let no one say that these problems are insoluble. Action can and is being taken to alleviate these undesirable conditions. The Federal Government and the States, in conjunction with industry, are accelerating the development of rapid-transit systems designed to reduce the pressures on our overcrowded streets. Improved smog control devices are being developed to lessen air pollution.

Traffic safety, air pollution, and congested highways are social problems associated with the automobile. The solution, obviously, is not to ban automobiles; rather, we can through careful planning and improved technology minimize these social costs. In the area which I have outlined, this effort is well underway.

Recently, public attention has been focused on another social cost—automobile insurance. Increased accident rates, soaring repair costs, and intensive competitive pressures are placing severe strains on the economic structure of the insurance industry. Legislators, both Federal and State, are witnessing a rising tide of consumer complaint and dissatisfaction with our present system of compensation motor vehicle accident victims. Consumers are concerned about rapidly escalating rates, what they see as arbitrary cancellations and failures to renew. And they are concerned about claims settlement practices and insolvencies.

Following the Southeastern Underwriters case in 1944, the 79th Congress passed the McCarran-Ferguson Act which left to the States the jurisdiction to regulate and supervise the insurance industry. This action, however, was not a permanent abdication of Federal responsibility. Rather the legislative history of the act clearly indicates that Congress was making only a conditional delegation of authority to the States, reserving the right to reestablish a Federal role if such action was needed to protect the public interest.

Recent events have made it clear that the time has come for a Federal review of the automobile insurance industry. The growing volume of dissatisfaction leads to one conclusion: insurance is no longer just a State or local issue. Just as events made traffic safety a national issue, so now our automobile insurance system is about to become a national issue. And let me make it clear that Congress did not fabricate insurance as a national issue; rather, the impetus for congressional action has been the groundswell of angry public opinion.

The Senate Commerce Committee has been conducting a study of automobile insurance since the beginning of this year. In January legislation was introduced in Congress to establish a Federal Motor Vehicle Insurance Guaranty Corporation. This bill, designed to protect the public from growing insolvencies among so-called high risk automobile insurers, was referred to the Commerce Committee.

Initially, the committee focused its attention exclusively on the insolvency issue. But it rapidly became apparent to me that insolvencies, serious as they are, cannot be considered in isolation; they must be considered in the context of the overall financial stability and general operations of the industry.

Since the insolvency bill was introduced, the committee has received hundreds of letters from irate citizens outlining in detail their grievances. The staff of the committee has held numerous conferences with interested citizens and industry leaders to explore these issues. These letters, conferences, and other preliminary studies permit us to draw two tentative conclusions:

First, discriminatory and sharp underwriting practices appear to exist to a significant degree. These would include arbitrary cancellations and failures to renew, geographical, racial and economic blackouts in coverage, discriminatory premium rates, and unfair claims settlement practices. Some observers have claimed that the extent of these practices has been exaggerated. They point to several studies which indicate that cancellations and nonrenewals have occurred in only 1 percent of the total number of policies written. But even 1 percent is significant when we consider that over 90 million motorists are on the highways today. And it would be interesting to know the percentage of cancellations and nonrenewals occurring among those who have had claims filed against their policies.

I do not mean to imply that sharp underwriting practices apply to the insurance industry generally, they are, I am sure, restricted to a minor segment. But I do suggest that we need more complete knowledge of the extent of these abuses. And I do suggest that the unfair practices which do exist must be eliminated. For failure to do so will turn public opinion against all of the industry.

A second result of our studies has indicated mounting evidence of major flaws in our national system for compensating motor vehicle accident victims. Many cancellations and nonrenewals, I am sure, are not the result of arbitrary or abusive practices. Rather, they represent attempts by companies to strengthen their financial position by refusing to provide coverage for high risk groups or by charging them exorbitant rates. Unfortunately, these practices tend to place an enormous burden on those least able to pay—the youth and our elderly.

Some industry leaders state that restrictive underwriting practices would disappear if the insurance industry could obtain adequate rates—this, of course, means higher rates. But evidence is mounting that the time is rapidly approaching when the public will not tolerate ever-increasing rates. State rate hearings are turning into a battleground of opposing economic interests.

Bitter complaints are flowing into Congress and State legislatures on the high cost of insurance. Numerous articles have appeared condemning rate increases as unjustified. These attacks have centered on accounting procedures and a demand that certain portions of investment income be considered in the ratemaking process. However, even if these factors were neutralized, insurance rates would still be high and would continue to increase.

The time has clearly come to reappraise our national accident compensation systems. Programs must be developed to reduce the enormous costs of compensating accident victims. Several legal scholars have suggested that the entire tort liability concept must be reexamined and have put forth alternative compensation approaches. One proposal which has received widespread publicity has been advanced by Professors Keeton and O'Connell. Their plan proposes to pay auto insurance claims the way health and accident claims are paid, without regard to fault. The sponsors of this plan claim that it would result in lower insurance costs. At present one cannot conclude that the Keeton-O'Connell plan or the other proposals which have been advanced represent the solution to our insurance problems. But they surely merit careful and serious consideration.

Fully developed legislative or administrative remedies are not presently available. What is clear, however, is the need for a comprehensive, objective, and nonpartisan study. The issues which we have been discussing are fundamental and must not become embroiled in narrow partisanship. For if they are to be resolved, we need solid information and facts, not emotional charges and countercharges.

The Supreme Court has held that insurance is interstate commerce. The Senate Commerce Committee is charged with a responsibility in the insurance field. The question is how best can we proceed. It would, in my judgment, be difficult if not impossible to obtain all the necessary facts and information through the process of congressional hearings. A congressional hearing works most effectively when concrete knowledge and well-developed solutions are available; this is not the case with insurance at this time.

In July, therefore, I asked the Secretary of Transportation to undertake a preliminary analysis of our system of compensating for motor vehicle accident losses. Last year Congress addressed itself to the need for preventing and limiting the severity of motor vehicle accidents. It charged the Department of Transportation with the responsibility of carrying out the comprehensive programs of motor vehicle and highway safety which we authorized. The Department of Transportation, in view of these responsibilities, would appear to be an ideal agency to study the problems associated with compensating those victims whom prevention has not spared. And broadly viewed, the enormous costs to individuals, as well as to society, of the still increasing traffic toll are issues which should be of concern to those who are charged with the responsibility to develop efficient ground transportation systems.

In my letter to Secretary Boyd, I outlined those subjects which should properly be encompassed in any insurance study. Briefly, it should include first, an analysis of the present U.S. system of compensation for vehicle-induced accident losses; second, an examination of existing governmental supervision of auto insurance; third, an appraisal of the existing system as it affects the insured motorist; and, fourth, an examination of alternatives to the existing system of compensation such as the Keeton-O'Connell plan.

The Department of Transportation is currently conducting a preliminary survey of these issues. The Department is initially focusing its attention on the following questions:

First. What are the limits of such a study?

Second. Is there data, of public record, which will provide answers to the many questions that must be answered within these limits?

Third. What are the sources of data which are not part of the public record?

Fourth. What additional authority will be needed by the Department to insure that such data can be obtained?

Fifth. What are the time limits of such a study?

Sixth. What staffing and funds are necessary for the Department to complete such a study.

In January Secretary Boyd will furnish the Senate Commerce Committee with a report outlining in detail the answers to these initial questions. From the work that has been accomplished to date, however, it is abundantly clear that a major automobile insurance investigation is urgently needed, and needed now. And it is also becoming evident that such an investigation would be of such great magnitude and scope, leading to major economic reforms of great social significance, that it should be specially authorized by Congress, and empowered to do the job right.

Therefore, I am introducing today a joint resolution which would authorize the Secretary of Transportation, with the cooperation of other Federal agencies, to lead a comprehensive interagency study and investigation of the existing compensation system for motor vehicle accident losses. Although the Secretary of Transportation is primarily responsible for this project, the resolution provides for the appointment of an Interagency Advisory Committee to advise the Secretary on the preparations for and the conduct of the study.

My purpose in introducing this legislation late in this session is to afford all interested parties, including the affected industries and the general public, ample time to prepare their responses to the proposals. I also wish to announce that the Senate Commerce Committee will hold hearings on this resolution early next year. At that time we will give careful consideration to Secretary Boyd's preliminary report and to the views of the consumer, industry, government, and the academic community.

The course of action which I have outlined has not been hastily drawn. It is, I believe, a sound and constructive approach to a blistering national issue, the adequacy of our automobile insurance system. Since these plans were formulated, I have been impressed by the cooperative attitude taken by the insurance industry—not only by insurance company executives but also by the insurance agents associations—as well as the National Association of State Insurance Commissioners, which has pledged its cooperation to the Secretary of Transportation. We have already seen the initiation of an effort by the insurance industry to encourage nondiscriminatory underwriting practices through voluntary codes.

Without question, the troubles which we are experiencing in providing fair and adequate insurance coverage for the American motorist are difficult and complex. The resolution which I have introduced, however, should provide a basis for constructive hearings by the Senate Commerce Committee on these issues beginning early next year.

During the next few months, however, let no one interpret this as a time for complacency and delay. While larger and more complex issues are being explored, let further action be taken now to alleviate known abuses. Let action be taken now by all insurance companies to police stated policies against arbitrary cancellations and nonrenewals, to halt geographic, racial, and economic blackouts, and to stop unfair claims settlement practices. For now is clearly the time for all to reexamine and reassess not only underwriting principles but actual practices.

We have been discussing the social problems which have been created by the coming of the automobile age. Last year congressional attention was focused on traffic safety. Today, attention is being focused on automobile insurance. But just as we developed reasonable and responsible programs to combat the growing death toll on our Nation's highways, so also must we devise programs just to industry and the public alike—guaranteeing full and fair insurance coverage to all American motorists, at the lowest possible price.

In conclusion, Mr. President, I would like to state that there are, of course, automobile insurance practices which may well have serious antitrust implications. In calling for this Department of Transportation investigation, it is certainly not our intention to foreclose inquiry into such implications by the Anti-Trust and Monopoly Subcommittee. Chairman Hart has already indicated that his subcommitee plans to continue its examination of the impact of the McCarran-Ferguson Act on automobile insurance and such investigation is both timely and appropriate. There is no question but that the work of the Antitrust Subcommitee in this field will be of great value to the Department of Transportation in evaluating the broad picture of automobile accident compensation and the insurance industry. For these reasons I am particularly pleased that Chairman Hart of the Antitrust Subcommittee has joined in cosponsoring this resolution.

Mr. President, I ask unanimous consent that the text of the joint resolution, an article by Sidney Margolius which appeared in the December issue of the American Federationist, and a five-part series of articles by Tom Talburt, a Scripps-Howard staff writer, be printed in the Record.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution and articles will be printed in the Record.

The joint resolution (S.J. Res. 129) to authorize the Secretary of Transportation to conduct a comprehensive study and investigation of the existing compensation system for motor vehicle accident losses and for other purposes introduced by Mr. Magnuson (for himself and other Senators), was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the Record, as follows:

S.J. Res. 129

Whereas Congress finds that suffering and loss of life resulting from motor vehicle accidents and the consequent social and economic dislocations are critical national problems; and

Whereas there is growing evidence that the existing system of compensation for such loss and suffering is inequitable, inadequate and insufficient and is unresponsive to existing social, economic and technical conditions; and

Whereas there is needed a fundamental reevaluation of such system, including a review of the role and effectiveness of insurance and the existing law governing liability; and

Whereas meaningful analysis requires the collection and evaluation of data not presently available such as the actual economic impact of motor vehicle injuries, the relief available both from public and private sources, and the role and effectiveness of rehabilitation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of Transportation (hereinafter referred to as the "Secretary"), in cooperation with those other Federal agencies which possess relevant competancies, as provided in section 4, is authorized and directed to conduct a comprehensive study and investigation of all relevant aspects of the existing motor vehicle accident compensation system. Such study and investigation shall include consideration of the following—

(1) the inadequacies of such existing compensation system in theory and practice;

(2) the public policy objectives to be realized by such a system including an analysis of the costs and benefits, both monetary and otherwise; and

(3) the most effective means for realizing such objectives.

(b) The Secretary shall submit to the Congress interim reports from time to time and a final report not later than 18 months after the date of enactment of this joint resolution. Such final report shall contain a detailed statement of the findings and conclusions of the Secretary together with his recommendations for legislation and such other action as the Secretary deems necessary to carry out the objectives of this joint resolution.

ADMINISTRATIVE POWERS

Sec. 2. In order to carry out his functions under this joint resolution, the Secretary is authorized to—

(1) appoint and fix the compensation of such employees as he deems necessary without regard to the provisions of title 5, United States Code, governing appointment in the

competitive service and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates;

(2) obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code, but as rates for individuals not to exceed $100 per diem;

(3) enter into contracts with corporations, business firms, institutions and individuals for the conduct of research, and surveys and the preparation of reports; and

(4) appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive services, such advisory committees as he deems appropriate for the purpose of consultation with and advice to the Secretary. Members of such committees, other than those regularly employed by the Federal Government, while attending meetings of such committees or otherwise serving at the request of the Secretary, may be compensated at rates to be fixed by the Secretary but not exceeding $100 per day, and while away from home or regular place of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently. Members of such advisory committees shall, for the purposes of chapter 11, title 18, United States Code, be deemed to be special Government employees; and

(5) prescribe such rules and regulations as he deems appropriate, and apply such rules and regulations to reasonable classes of corporations, business firms and individuals.

COOPERATION OF FEDERAL AGENCIES

SEC. 3. (a) The Secretary is authorized to request from any department, agency, or independent instrumentality of the Government any information he deems necessary to carry out his functions under this joint resolution; and each such department, agency, or independent instrumentality is authorized and directed to cooperate with the Secretary and to furnish such information to the Department of Transportation upon request made by the Secretary.

(b) The head of any Federal agency is authorized to detail, on a reimbursable basis, any personnel of such agency to assist in carrying out the duties of the Secretary under this joint resolution.

INTERAGENCY ADVISORY COMMITTEE

SEC. 4. The President shall appoint an Interagency Advisory Committee on Compensation for Motor Vehicle Accident Losses consisting of the Secretary who shall be Chairman and one representative each of the Departments of Commerce, Justice, Labor, Health, Education, and Welfare, and Housing and Urban Development, the Federal Trade Commission, the Interstate Commerce Commission and the Securities and Exchange Commission, and such other Federal agencies as are designated by the President. Such members shall, to the extent possible, be persons knowledgeable in the field of compensation for motor vehicle accident losses. The Advisory Committee shall advise the Secretary on the preparations for and the conduct of the study authorized by this joint resolution.

HEARINGS AND PRODUCTION OF DOCUMENTARY EVIDENCE

SEC. 5. (a) For the purpose of carrying out the provisions of this joint resolution the Secretary, or on the authorization of the Secretary any officer or employee of the Department of Transportation, may hold such hearings, take such testimony, sit and act at such times and places, administer such oaths, and require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, papers, correspondence, memoranda, contracts, agreements, or other records as the Secretary, or such officer or employee, deems advisable.

(b) In order to carry out the provisions of this joint resolution, the Secretary or his duly authorized agent shall at all reasonable times have access to, and for the purposes of examination the right to copy, any documentary evidence of any business firm, corporation, institution or individual having materials or information relevant to the study authorized by this joint resolution.

(c) The Secretary is authorized to require, by general or special orders, any corporation, business firm or individual or any class of such corporation, firms or individuals to file, in such form as the Secretary may prescribe, reports or answers in writing to specific questions relating to the study authorized by this joint resolution. Such reports and answers shall be made under oath or otherwise, and shall be filed with the Secretary within such reasonable period as the Secretary may prescribe.

(d) Any of the district courts of the United States within the jurisdiction of which an inquiry is carried on may, in case of contumacy or refusal to obey a subpena or order of the Secretary or such officer or employee issued under subsection (a) or subsection (c) of this section, issue an order requiring compliance therewith; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(e) Witnesses summoned pursuant to this section shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

TERMINATION

SEC. 6. The authority of the Secretary under this joint resolution shall terminate ninety days after the submission of his final report under section 1(b).

APPROPRIATIONS AUTHORIZED

SEC. 7. There are hereby authorized to be appropriated, without fiscal year limitation, such sums, not to exceed $2,000,000, as may be necessary to carry out the provisions of this joint resolution.

The articles, presented by Mr. MAGNUSON, are as follows:

[From the AFL-CIO American Federalist, December 1967]

AUTO INSURANCE: THE NEED FOR REFORM

(By Sidney Margolius)

One of the most worrisome and costly problems for wage-earners is the soaring price of auto insurance and the arbitrary risk selections and cancellations that often create as severe a dilemma as the cost.

In various metropolitan areas, auto insurance bills have jumped anywhere from 30 percent to as much as 200 percent in the past decade. In six cities across the country, taken as a sample, rates have been rising about 5 to 6 percent a year, or two to three times as fast as the cost of living in general.

Working people have been hit especially hard. Auto insurance problems have become a frequent and bitter complaint, union officials have reported. In an era of widely dispersed factories and obsolete public transportation, a worker's car often is his lifeline to his job. With their ability to withhold insurance, the insurance companies now have enormous power to cut this lifeline or extract a high fee for providing the vital insurance.

It is not unusual today for a working family to pay premiums of $200 to $300 and sometimes even $400 a year to insure a car worth perhaps $200.

Workers, moreover, are particularly subject to discrimination in buying insurance. Because many auto insurors have become ultra selective, they have tended to avoid selling insurance to blue collar workers in some industries, especially unskilled workers but also some skilled crafts.

In fact, a workingman may find it difficult to buy auto insurance at standard rates simply because he lives on the edge of a low-income or deteriorated neighborhood, or has moved frequently or been divorced or involved in some minor scrape or had an accident recently.

If he is either young (under 25) or elderly, his problems are further compounded. And he needs help if his skin is not a color preferred by the insurance companies, because often they won't help him.

Even in states where liability insurance is not required by law, it has become virtually mandatory for wage-earners because of the risk of being bankrupted or forced into long-time payments in the event of an accident and a liability suit. Too, when workers buy cars on time, they usually are required to buy collision insurance to protect the lender's equity, as well as liability insurance to protect themselves.

Because of the many protests over the rates and the difficulties sometimes of getting insurance at all, three congressional committees already are investigating the problem or are preparing to.

As listed by Dean Sharp, assistant counsel to the Senate Anti-Trust Subcommittee, the major complaints that have led to the investigation, in addition to the high rates, are:

Cancellation, non-renewal and rejection practices of many companies;

Rate boosts approved without public hearings;

Profit formulas based on sales and which fail to include investment income earnings;

Company accounting methods;

Use of private credit organizations to investigate policyholders;

Tight claim settlement practices, ranging from automatically cutting in half any claim under $50 or $100 to inordinate length of time for trial or settlement;

Tie-in sales of auto insurance with home and other types of insurance.

Various companies have their own ideas of who should and should not get insurance from them. Among those who have had difficulty getting insurance in some areas from some companies are unskilled workers, stevedores and warehousemen, aircraft workers, barbers, beauticians, bar and liquor store employes, sometimes newspapermen, actors and clergymen and, frequently, military personnel. Many companies avoid insuring drivers who live in "substandard" neighborhoods and issue so-called "blackout maps" to their agents marking off the forbidden blocks.

For many of these people, as well as the young and the elderly, and those who may have been cancelled by other companies, the effect of these arbitrary underwriting guides is to force them into the assigned risk pools or to companies specializing in "substandard" risks at rates sometimes almost twice as much as the already-high standard rates.

To show how arbitrary some of the companies can become in deciding whom they will insure and at what rates. Dean Sharp reports that one company places a young driver with "high scholastic achievement" or a college degree in its "select risk" classification (lower rate) and puts other young drivers in the "standard risk" class.

As for the assigned risks who pay extra-high rates, Sharp quotes one state insurance commissioner as admitting that 75 percent of those in his state's assigned risk plan are safe drivers.

With the situation approaching an intolerable level, unions in a number of states have demanded closer state regulation.

The Ohio AFL-CIO sought a review of recent rate increases on the grounds that the public interest was not adequately represented in granting the boosts. When the increases were affirmed by the state insurance department, the labor council first appealed in court, then asked the legislature to study the problem with a view to enacting reforms. Ohio workers have really been hurt. In less than three years, there have been three rate hikes in that state.

Similarly, in New Jersey, Pennsylvania, Maine, Maryland, Virginia, Texas, Wisconsin and other states, labor unions have fought against heavy rate increases and arbitrary cancellations. In some cases, union intervention has had an effect, as in Maryland where the state insurance commissioner established new rules to try to stem the many cancellations.

Until recently, the insurance companies have been noticeably haughty. They have tried to promote the idea that driving is a privilege, not a right; that the high rates are largely due to driver negligence, sometimes to poor roads or costly design by car manufacturers, but never to insurance-industry operating policies. The companies often have been able to show an "underwriting" loss to win rate increases. But they have rejected any suggestion that rate-making should include their investment profits on reserves (the policyholders' money) and surpluses (also sometimes the policyholders' money).

As a matter of fact, both companies and agents have had a vested interest in higher rates. Until recent years, the companies as a whole usually paid out only 50 cents in claims and claim expense. The other 50 cents went for selling and administrative expenses and profit.

Thus if your rate rose from $100 a year to $200, instead of $50 for expenses and profits, the companies now had $100. A commission of 20 percent on a policy that costs $200 brings in $40; on a $100 rate, only $20.

The insurance industry took little effective action to stem one of several causes of high claims—the modern design of cars. Nowadays a dent in a bumper may mean that a whole panel must be replaced. Similarly, modern wraparound windshields and other elaborate components cost more to replace or repair.

In their own defense, the companies say that they held discussions with car manufacturers about relating car design more closely to ease of repair, but that Detroit has acted as a world unto itself. Nor have insurance companies felt that they could call attention to possibly unsafe cars as indicated by their records.

Significantly, the insurance industry "does welcome the advent of federal safety standards for cars and is encouraged by them," Arthur Mertz, general counsel of the National Association of Independent Insurors, told me. Mertz believes these standards may reduce insurance losses and produce rate savings.

Now the insurance companies themselves are trying to seek some self-reform before the specter they fear most—federal instead of individual state regulation—becomes a reality. The Independent Insurors Association, while maintaining that the fault is largely that of the drivers and the roads, and that cancellation stories are exaggerated, has admitted that there have been at least some cancellation practices that do need reform. The industry in general also is worried that state insurance departments will begin to take investment income into account when setting rates, as a couple of states now do to a limited extent.

Costs have reached the point where the insurance companies now truly are squeezed between the nationwide protests against rates and their own expensive business methods, on top of the accident and other expenses they cannot control. They realize the political effect of the spiraling rates and the fact that a number of community leaders already have proposed that auto insurance be provided by government or state agencies, as the Canadian province of Saskatchewan has done for many years.

At present, the dollar you pay for auto insurance is estimated to be distributed in this manner: 5 cents for profit load and contingencies (3½ cents in New York State); 25 to 35 cents for expense load (administration, acquisition, commissions, field offices, advertising, home office, unallocated claim adjustment expense); 50 to 60 cents for claims and direct claims expense; 10 cents to allocated claim adjustment expense.

Salesmen's fees of 15 to 20 cents of the premium dollar are the largest items in the expense load.

Dean Sharp estimates that companies presently are paying out about 62 cents, of which 50 cents is for actual claims and 12 cents for claim adjustment and trial attorneys. A study by the California Motor Vehicles Department found only 36 cents of the premium dollar was used to pay actual claims (not including adjustment and trial expense).

Thus while the companies now are not getting as big a portion of the premium dollar as their previous 50–50 deal, their sales and administrative costs still are higher than in other lines of insurance, such as life, even for policies sold on an individual (non-group) basis.

A number of proposals have been made for helping to correct present high costs and cancellation problems, in addition to the most drastic argument—that if states require motorists to have insurance, the states should provide it themselves.

The widely-discussed Keeton-O'Connell plan, devised by two university law professors, seeks to eliminate "needlessly high costs, the unfair payments and the court delays" by instituting a system of automatic payments, no matter who is at fault in an accident, as in workmen's compensation. The plan would eliminate many lawsuits which presently clog up the courts and add to the expenses ultimately borne by the insurance buyer. One of the arguments made on behalf of the plan is that it is difficult to assess blame for accidents.

The Keeton-O'Connell plan, while favored even by some insurance companies, can hardly be considered a panacea. It would help correct some of the problem, including part of the legal expenses involved in settling claims and also some of the collusion which may take place with repair shops and perhaps even with doctors and lawyers.

The plan would result in more uniformity and possibly more fairness in settlements.

The proposal also hopes to solve what its authors say are duplicate payments for injury expenses and lost wages due to accidents. The argument is that the injured person often gets payments from Blue Cross, private medical insurance, employer's sick-pay program and perhaps even workmen's compensation and Medicaid in addition to insurance payments.

However, other authorities forsee a conflict. If Blue Cross or employer's sick pay becomes a deductible against auto insurance payments, these groups may decide that they can save money by *not* paying benefits for auto accident injury. Judging from past experience, the medical insurance companies also would try to make *their* policies excess over the auto insurance payments.

Since the Keeton-O'Connell plan in part would base its schedule of payments on the injured person's earnings, insurance companies then would be inclined to charge, say, a college student with little or no earnings less for auto insurance than a skilled craftsman with relatively substantial earnings. Conceivably, the rates could be calculated to even this out. But the more mature man then would be compelled to help pay for the more severe accident record of the younger group. While the Keeton-O'Connell plan would make it easier for young drivers to get insurance, this might be at the expense of family men with established incomes.

Nor does the Keeton-O'Connell proposal offer any solution for one of the largest components in the price of auto insurance—the high cost of selling it on an individual basis.

Another problem with a plan that attempts to set up a scheduled benefit system as in workmen's compensation is the same dilemma that arises in workmen's compensation itself, but even more complex. The program would have to place an economic value on a specific injury; for example, the loss of an arm. One man's arm is worth more, economically, than another's.

Insurors opposing the Keeton-O'Connell plan also argue that blame can be determined in 90 percent of accidents, reports Arthur E. Rowse, editor of U.S. Consumer.

The proposal does have merit as part of a broader program for reducing auto insurance costs. While less than 5 pecent of accident claims finally result in court suits, those that do involve large legal expenses. Under the present system of tort liability for compensating victims of car accidents, courts in some states take up to five years to hear such claims.

Following are other proposals that have been advanced. Most of them probably will have to be used even to partly solve this growing dilemma, with insurance companies currently predicting even further rate hikes.

GROUP PURCHASING

Labor has pioneered in attempting to reduce auto insurance selling and administrative costs through group insurance for cars as is now available in health and life insurance. In contrast to the car insurance administrative and sales expenses of 25 to 35 percent without even counting the adjustment expenses lumped with claims payouts. Blue Cross takes only 4 cents of the premium dollar for selling and administrative expense. Even private companies, including some who also sell auto insurance, take only 8 cents or so of the premium dollar on group health insurance.

Another potential value of group auto insurance is the accompanying group traffic safety program to encourage members to drive with care and avoid trifling or padded claims in order to keep down the group rate, since it would be based on claim experience.

But the stumbling block has been the state insurance departments. The Oregon AFL-CIO Council sought to install such a plan 12 years ago. The state insurance commissioner vetoed it. The council did succeed in establishing a modified group enrollment method which reduced costs to some extent. Similarly, an International Union of Electrical Workers local at Sperry-Rand in Lake Success, New York, sought to devise such a plan but ran up against a state department rule that insurors cannot give a reduction except when vehicles have a common ownership.

There has been some progress in this direction by a housing cooperative—the United Housing Foundation in New York, through setting up its own auto insurance plan. The League Life Insurance Co., sponsored by the Michigan Credit Union League, also is exploring group auto insurance possibilities.

INVESTMENT INCOME

Growing demands may force state insurance departments to take into account at least part of the investment income derived from the policyholders' reserves. Thus a company may show an "underwriting loss" of $2 million but have an investment profit of $11 million (an actual case one year).

Even while the companies have been pushing almost every year for rate increases, they have been building surpluses made up of retained earnings from premiums as well as investment earnings. Dean Sharp points out that the stock companies (not including the mutuals) expanded their surpluses by $6.3

billion in the past 20 years. In contrast, the companies expanded their capital investment by only $705 million—one-ninth of the amount accumulated through growth of surpluses.

Sharp also estimates that almost a billion dollars of investment income collected by the stock companies from 1955 to 1967 came from investment earnings on the unearned premiums and loss reserves held by the companies on behalf of policyholders. Policyholders pay in advance and the money earns more money until it is taken into account for claims, expenses, etc., at the rate of one-twelfth of the unexpired premium each month.

Revealingly, several years ago, at the very time U.S. companies were raising rates, the Saskatchewan Government Insurance Office cut its auto insurance rates. The rate cut was made possible, the agency said, by the income from its invested reserves.

The auto insurance industry claims that increased surpluses are necessary to facilitate expansion. The mutual companies especially are dependent on retained income to build surpluses so they can insure additional drivers with non-assessible policies. But in the case of stock companies certainly, and possibly also mutuals, there needs to be some reasonable limit on how much cash the buyers should be expected to provide to put the sellers in business.

MORE UNIFORMITY IN PAYMENTS

Some effort at establishing standards or limiting payments as in the Keeton-O'Connell plan may temper some of the very costly awards which all insurance buyers must help pay for. While the Saskatchewan plan provides savings by eliminating some of the expense load and including investment income, another factor is that it also limits recoveries to moderate levels.

GREATER COMPETITION

Rate-making through rate-making bureaus may overly protect the least efficient companies, Sharp points out. This observation raises the question of whether such bureaus should be eliminated.

Non-competitive standard rates have reached their peak in North Carolina, which completely forbids rate-deviating mutuals and independents from offering lower prices.

CANCELLATION CONTROL

Insurors insist that many of the complaints about abrupt cancellations do not stand up under investigation. But in my own experience I have seen wholesale cancellations in areas; cancellations for a couple of minor mishaps; cancellations for a combination of age and one accident, etc.

If the complaints are exaggerated, as insurors maintain, they should have no objection to a right of appeal and review by state insurance departments, similar to but more complete than the procedure set up in California in 1966. This procedure requires a written notice if a policy is cancelled within the first 60 days and also provides for appeal.

This is a little help. State insurance departments, if they truly represent the public, should be willing to provide the right of appeal for any mid-term cancellations, not just the first 60 days, and a clear statement from the insuror of the reasons for cancellation. Even then we would still have to make sure that the insurance departments provide a sincerely impartial review.

Meanwhile, a few compaines have begun to offer non-cancellable policies, although not necessarily guaranteed renewable. Unfortunately, these are very selective companies to begin with, but the public complaints have induced at least this much concession.

Curiously, a frequent argument used by insurance companies to defend selectivity, rejections, blackout maps and cancellations (when they are not saying they don't do it), is that the federal government does this, too, in providing crop and other farm insurance and even in insuring housing loans. Unfortunately, that appears to be true.

Federal guaranty and examination to replace present state exams could help in several ways, including guarding against losses to policyholders and claimants from bankrupt companies. A number of such bankruptcies in recent years were traced to inadequate state supervision. The state insurance departments appear ready to fight this proposal to the death. But it would help bolster the notoriously poor regulation in some states.

REQUIRING DEDUCTIBLES

There is no genuine insurance validity for full coverage and the small claims are the most expensive to process. The insurance companies engage in a contradiction when they complain about high adjustment costs and unnecessary claims, while their salesmen continue to write first-dollar coverage. It may cost $25 to process a $15 claim. Deductibles should be required for collision and comprehensive insurance and possibly also for liability insurance, although here the problem is more complex.

This is not to say that all fault lies with the insurance companies and all virtue with us drivers. Probably by now some insurors are not making money, even counting investment income. All parties have contributed their share to the problem: the cars, the drivers, the roads, the oil companies who promote the idea of increased power and speed and the insurors with their expensive operating methods.

But the time has arrived for thorough reforms before the public comes to feel that auto insurance in an auto age needs to be treated as a public utility, with the rates, profits and number of sellers all regulated. The companies had better stop asking, "Is driving a right or a privilege?" before the public starts asking, "Is selling insurance a right or a privilege?"

THE AUTO INSURANCE MUDDLE: MANY COMPLAINTS OF CAR OWNERS SET OFF CONGRESSIONAL INQUIRIES

(By Tom Talburt)

WASHINGTON.—A Connecticut attorney who has paid auto insurance premiums to the same company for 10 years was notified recently by the company that his policy would not be renewed at the end of the year.

Reason: His car had been damaged in two accidents in the last two years at a cost to the insuring company of $90—an amount less than the attorney paid each year in premiums.

The attorney wrote the company, pointing out that his car was struck by other autos in both instances and that both were hit-and-run cases.

"Your information appears to be correct," the company replied; but added: "Our statistics indicate drivers involved in accidents have a greater tendency to be involved in future accidents. This has applied to drivers involved both in fault and non-fault accidents."

The attorney angrily replied in a followup letter that "the net result is protection for yourself and not the policyholder. But the company's decision stood.

Similarly, a Ludlow, Ky., youth was informed his policy would not be renewed although the only claim he filed against his company was two years before when the window of his parked car was smashed, apparently by a tossed rock.

He paid $178 a year for his original policy. Now his insurance agent says he can get him another policy—for $418 a year.

In Chicago, a father was notified that his son's auto insurance, included in a family policy, will cost $315 annually beginning next year—about double what it cost before.

Reason: His son had entered the Army and—though he'd had neither an accident nor a traffic violation—the insurance company feels military personnel are "highly questionable risks."

These may seem to be unusual cases, but they are not according to Congressional investigators who have been looking into the auto insurance industry as a result of the mounting public complaints which center on:

Soaring costs of auto insurance premiums. They have risen, on the average, 55 per cent in the last decade and have doubled in many metropolitan areas.

Refusal by some companies to renew policies, or their decisions to cancel policies, for reasons the policyholders feel are unfair—when they can get the companies to tell them the reasons.

Efforts by some insurance companies to skim the cream off the market by insuring only "safe" risks and refusing to insure persons who hold certain types of jobs or live on the wrong side of the tracks.

Long delays in settlements of accident cases which go to a jury. Some accident victims must wait years before a jury decides and their claims are paid.

Three congressional committees are studying the auto insurance industry and hearings will be held next year. In addition the Federal Trade Commission (FTC) and the Transportation Department are being urged to undertake long-range, comprehensive studies.

In a move to soften public and congressional criticism, representatives of two major groups of auto insurance companies announced plans last week to curb abuses.

The National Assn. of Independent Insurers issued a "policy statement" pledging that its more than 350 affiliated companies no longer would turn down insurance applicants solely on the basis of race, occupation, divorce, old age—or because the applicants had been rejected previously by a company or had their policies canceled. But the statement said these factors still could be considered in evaluating applications.

Two other organizations, representing some 180 companies, said once new policies had been in effect 60 days the companies would cancel them for only two reasons—nonpayment of premiums and suspension of drivers' licenses or auto registrations. Under this plan, companies still could refuse to renew expiring policies for any reason.

"This industry has come to a crossroads," says Donald P. McHugh, vice president and general counsel of State Farm Insurance Co., the nation's top auto insurer which collected premiums totaling $941 million last year.

"It's probably no exaggeration to state that the future of the auto insurance industry may be at stake, certainly in its present form."

Critics and insurance officials alike agree that what has placed the industry on a collision course with Congress is money—the soaring cost of getting your car insured.

Americans will pay more than $9.6 billion for auto accident and liability insurance this year.

Last year, car owners in 32 states had their insurance premiums increased. In the first three months of this year, liability rates rose in seven states and 10 states approved higher premiums for collision and comprehensive coverage.

In Columbus, O., in 1960 a family with an 18-year-old son paid $96 a year for auto liability insurance providing $10,000 for bodily injury (or $20,000 for injuries to more than one person) and $5000 for property damage. The cost as of July 1 of this year: $147.

In Denver the same insurance cost $62 in 1960. The price this year: $118. In the District of Columbia the price shot from $130 in 1960 to $207 this year.

Despite spiraling premium costs the auto insurance companies claim they are not making money on their policies, but in fact are losing.

The industry, in the aggregate, says it had a total auto underwriting loss of $1.67 billion in the decade 1956–66. This would mean that claims and expenses exceeded premiums by that amount. Last year was the first year since 1962 that the industry reported an auto underwriting profit—a narrow 1 per cent on premiums.

Insurance officials point to the skyrocketing rate of traffic accidents as the real reason behind frequent jumps in insurance costs. They insist rates permitted by many states still are inadequate and will have to go up even further.

Since 1957 deaths resulting from auto accidents have risen 37 per cent to 53,000 deaths last year; injuries shot up 74 per cent to 4.4 million.

Largely as a result of accident rate increases, which in many areas account for more than half of all civil cases tried, it now takes an average of 30 months to obtain a jury trial in cities. In Chicago it takes more than five years.

Cost increases affecting insurance claims show that in the last decade there has been a 92 per cent rise in hospital costs and a 40 per cent increase in doctors' fees. Auto repair costs have risen more than 50 per cent.

Federal investigators have received complaints that some auto repair shops tend to jack up prices when they know an insurance company is paying the bill. Repairmen deny it. Some companies require their policyholders to get repair estimates from three different garages before approving a claim.

Critics maintain the underwriting losses claimed by insurance companies are an artificial bookkeeping device to justify higher rates and lower taxes, and has no real relevance in an assessment of the auto insurance industry's over-all performance.

They contend insurance firms should figure at least a portion of their income on investments into calculations of underwriting loss or profit. Underwriting losses now are figured entirely apart from income on investments.

Because motorists pay their premiums in advance companies have the use of the money for investment purposes. In recent years investment income has run at an annual rate of about $1.7 billion which not only covers insurance losses but yields a profit—from 5 to 6 per cent on stockholders' equity—for many companies.

In Kentucky, insurance companies were served notice this year that they will be expected to figure investment income in future requests for rate increases. Other states are weighing the question.

Looming before the auto insurance industry is the specter of possible Federal regulation. A recently published report by investigators for the House Judiciary Committee clearly foreshadowed the fire to be faced by state regulatory commissioners and commissions. It said:

"One criticism, frequently expressed, is that state regulatory officials are unduly responsive to the interests of the insurance companies that are subject to their regulation."

The Judiciary Committee staff report gave insurance executives even less to cheer about by concluding:

"By any objective standard, performance of the auto insurance business in the United States is unsatisfactory. The system is slow, incomplete and expensive. The companies and organizations involved in furnishing this service to the public in many respects do a poor job."

The Auto Insurance Muddle: Companies Say 30 Million Drivers Are High Risks by Their Ratings

(By Tom Talburt)

Washington.—As many as 30 million licensed drivers in the U.S. are considered substandard risks under the guidelines followed by many auto insurance companies.

This estimate is made by auto insurance executives, some of whom privately criticize what they feel are outmoded and prejudicial guidelines on drivers.

Others defend restrictions set up against insuring certain drivers—saying they are based both on sound judgment and experience, and pointing out that insurance companies are private enterprises, in business to show profits.

Among the 30 million—representing nearly a third of the nation's 102 million licensed drivers—are people who never have had an accident. Still, many of them must pay higher auto insurance premiums for a variety of reasons.

Military personnel, as a group, are treated as exceptional risks by 18 of 19 leading auto insurance companies checked by investigators for the House Judiciary Committee.

The companies' underwriting rules ranged from one's ban on insuring enlisted men to another company's advice to agents to use "special care" in screening applications of military personnel for auto insurance.

Said Allstate Insurance Co.:

"The obvious increased hazard presented by the single military risk is the very limited time provided him for use of his car. All of us remember the 800-mile round trip on a 36-hour pass just to spend a few hours at home . . . the frenzied dash to the destination; then the long exhausting drive through the night, with drooping eyelids and dulled reflexes, to make Monday morning reveille.

"Too fast, too far, too little sleep—these are the hazards that concern underwriters."

Allstate noted, however, that it will accept at standard rates a serviceman applying for a policy who is a member of a family already insured by the company.

Who else is considered risky?

Members of the clergy and doctors, according to Continental-National of Chicago which makes this comment about ministers and doctors under a listing of "undesirable occupational:"

"Their driving records are among the poorest. Both appear to drive when preoccupied with problems. The clergyman may drive with the attitude that the Lord will provide. With doctors, there is the possibility of the use of the car in emergencies."

Says another company under the heading "underwriting factors:"

"Persons in groups of low income may live in substandard environment areas. Juries may be adversely influenced by crime rates which are high, also high accident frequency rates in these areas. Appearance and manners of such persons may prejudice a jury against them."

As for actors, musicians, entertainers and professional athletes: "May be target risks if income is high. Juries may award liberal settlements because the jury feels that they can afford it."

Other drivers marked as poor risks by some companies are those over age 65 and single drivers under 25. Continental Insurance Co.'s instructions to underwriters says:

"If the husband is under 21 we should proceed with caution. This is especially so if he is less than 20. Marriage by males at these ages is frequently an indication of emotional problems that produce a below-average risk."

The Hanover Insurance Group of New York includes on its list of 50 "occupations or exposures which should be avoided or selected with care:" Barbers, bartenders, beauty shop operators, farm laborers, masseurs, waiters, wrestlers, domestics, and sheriffs or deputies who may use their cars in emergencies.

Basically, today's high-risk driver is anyone rejected by the major auto insurance companies. Their standards alone—not those of a motor vehicle department or state insurance commission—determine the risk category of drivers.

Only three states—New York, Massachusetts and North Carolina—make it mandatory that drivers carry liability insurance. But all states and the District of Columbia have financial responsibility laws or their equivalent requiring drivers to prove they can meet damage claims arising from auto accidents. Most comply with the law by purchasing liability insurance.

Of 94 million registered motor vehicles in the U.S., the insurance industry estimates 9.4 million—or 10 per cent—are not covered by liability insurance.

Some persons have trouble getting insurance simply because they work in menial jobs.

Others may be ruled out because they live in certain sections of a city. Virtually all insurance companies use "zone systems" and costs of obtaining auto insurance vary from one zone to another. In cities, these zone rates often depend on incidence of crime, whether there is off-street parking, and other factors.

Some companies use "blackout maps"—in which entire slum areas of cities are blocked off as too risky to provide auto insurance for their residents. One company's instructions to agents lists as "unacceptable," for example, "residents of prohibited areas."

Sen. Gaylord Nelson (D., Wis.) says that in a case brought to his attention a driver demanded to know why his policy had been canceled. The company told him his neighborhood was "going downhill."

And Rep. M. G. Snyder (R., Ky.) said insurance company representatives have informed him they have to black out whole areas—all of Appalachia in Kentucky, for instance. They say, according to Snyder: "We don't have the time to underwrite these people individually."

Sen. Philip A. Hart (D., Mich.), chairman of the Senate Antitrust subcommittee which has announced it will hold hearings on auto insurance next year, says:

"Auto insurance, far from being a luxury, is regarded by most drivers as a necessary protection. But can we legitimately request that drivers carry insurance without taking some measures to see that it is available at something resembling reasonable cost?"

Some insurance companies acknowledged in statements to the House Judiciary Committee that they could not justify with precise statistics their underwriting guidelines and rules. Continental Insurance Co., for example, said:

"We do not maintain statistical information based on occupation, marital status, etc. We cannot statistically support all of our underwriting judgments. (We cannot, in fact, statistically support our refusal to write insurance for known dishonest and completely immoral persons.)"

On the other hand, Nationwide Insurance Co. of Columbus, O., submitted findings of a study it made of some 400,000 drivers involved in accidents over a one-year period to back up its underwriting principles.

Among its significant findings: "Those drivers who live in slums or blighted neighborhoods had accidents at about twice the rate of the average drivers in the study. While those who resided in deteriorating neighborhoods produced an accident frequency 50 per cent higher."

The Auto Insurance Muddle: "Bad Risk" Drivers Pay High Rate but Victims Hold the Bag Anyway

(By Tom Talburt)

Washington.—Nearly 900 companies that sell auto liability insurance compete fiercely for the $9.6 billion now paid annually by U.S. drivers—but the competition is for "preferred risks."

What happens to the driver whose applications for auto insurance are rejected by company after company or the driver whose policy is canceled?

His insurance agent may be able to obtain a policy for him with a smaller company—

possibly a subsidiary of a larger company—at a slightly higher cost.

If these companies also turn him down he can get into what is known as the assigned-risk plan which has been set up by law in all states and the District of Columbia. It is a catchall for the risks no company wants to underwrite.

Each company doing business in a state is required to accept its quota of assigned-risk drivers in proportion to the total volume of business it does in the state. As with regular auto insurance, rates must be approved by the state.

Cost of insurance for drivers in these "risk pools" runs from 25 per cent above standard rates to 200 per cent higher. This means a driver with a string of traffic convictions on his record who was paying, say, $150 annually at standard rates would pay $450.

My spot check of records of 20 assigned-risk drivers—records pulled from an insurance company's file at random and in no way a statistically sound sampling—showed:

Each of the drivers had from three to six moving traffic violations in the 18-month period before they applied for insurance in the risk pool. Twelve of the 20 had been in accidents during that period.

Some states use a system whereby drivers in the pools pay standard insurance rates, others have a starting base which is 25 per cent higher. Then surcharges are tacked on for prior driving convictions within a given period.

For example, Maryland's base rate in the pool is about 25 per cent higher than the average auto-insurance policy carried by a non-risk driver. A driver in the Maryland pool who has had five moving traffic violations in the previous three years is required to pay a 75 percent surcharge. If he has had two moving traffic convictions he pays an extra 20 per cent surcharge.

A person convicted of driving while drunk or failing to stop and report his involvement in an accident pays a 150 per cent surcharge.

In Maryland 67,310 drivers are assigned to the risk pool, as are 6968 drivers from the District of Columbia. In Maryland and most others states the drivers are assigned to the pool for three years. As a rule, companies cannot cancel their policies during this period unless the driver's license is revoked or he is convicted of a felony.

At the end of three years many of the drivers try again on "voluntary" market to get standard auto insurance.

C. W. Hufft, manager of the Maryland-District of Columbia assigned-risk pool, says he has no statistics showing how many drivers manage to get out of the plan after three years.

Insurance companies, in aggregate, maintain they have paid $160 million more in claims than they have received in premiums for assigned-risk drivers since the first pool plan went into effect in 1938. This figure does not reflect any yield on investments made by the companies with premiums received.

Some drivers, possibly fearing the stigma of the state assigned-risk pools, turn instead to high-risk companies which usually will take them at costs ranging from two to six times the going market rates for auto insurance.

Many of these companies cropped up in the early 1960s, apparently because of a growing demand for what they offer—expensive insurance for the cast-off driver—and a climate of laxity in some state regulatory commissions.

Since 1960, some 80 high-risk companies have gone broke leaving more than 300,000 policyholders and accident victims holding the bag in at least 35 states. Claimants are seeking $600 million out of collectible assets of $25 million from these companies, according to the Senate Antitrust subcommittee.

At present only three states—New York, New Jersey and Maryland—have set up guarantee funds to compensate accident victims with claims against insolvent auto insurance companies.

In earlier hearings on high-risk failures the Senate subcommittee found that fraud, incompetency and dubious vigilance by state regulators—rather than inadequate rates—were major causes for the failures.

Causes included: Pirating of company funds (in one instance to help pay for a company official's yacht); underestimating or falsifying claims records (in another case 10,000 accident claims marked "closed" that had never really been settled at all were found stuffed into cardboard boxes in a company closet); and payment of large management fees for services never performed.

Neither the insurance industry nor state regulatory officials favor federal control. They say there is nothing to be gained by junking state regulatory systems and placing control in the hands of federal bureaucrats.

"The insurance companies are in the states and here there is a grassroots control," says A. John Smither, chief deputy insurance commissioner for Pennsylvania. "There would be no point in dumping this system, which can be improved, for one that could easily prove worse."

In at least 20 states, auto insurance rate changes are made without public hearings and in some of these states neither the public nor competing companies are told of a company's request for higher rates until after the insurance commissioner has acted on it.

In Ohio, State Sen. Anthony O. Calabrese of Cleveland said he will introduce a bill which would require insurance companies operating in Ohio to submit proposed rate increases to a five-member board for approval before the new rates go into effect. The board would hold a public hearing.

THE AUTO INSURANCE MUDDLE: CANCELLATION PRACTICES OF FIRMS BRING COMPLAINTS AND REFORMS

(By Tom Talburt)

WASHINGTON.—Stung by charges they are discriminating against many drivers on a wholesale basis, some auto insurance companies are striving to repair their badly bent public image.

The National Assn. of Independent Insurers, representing more than 350 companies, has just issued a "policy statement" pledging its members will give insurance applicants individual consideration.

Under this plan, these companies would not reject applicants solely on the basis of race, occupation, old age or previous rejections or policy cancellations.

But the association's statement noted that an applicant's occupation may have an important bearing on driving hazards involved and therefore may be a "proper factor" in evaluating insurance applications.

The association also suggested establishing a system that would provide auto insurance to all licensed drivers "provided there are adequate rates and a uniform all-out government effort through the country to remove unfit drivers from the road."

Spokesmen for another group of some 180 companies said these companies would cancel policies, once they were in effect 60 days, for only two reasons: Nonpayment of premiums and suspension of drivers' licenses or auto registrations.

"The pledges are both constructive and significant," said one state insurance commissioner. "Now we will find out if these companies live up to them and whether the rest of the industry follows suit."

State legislatures and insurance commissions also are moving in some instances to protect policyholders from being informed abruptly that their insurance is being terminated.

Allstate Insurance Co. now provides a five-year non-cancellation guarantee in its policies, a move the company claims is unique in the industry. While the Allstate policy assures renewal, premium charges still can be raised if the policyholder is involved in an accident.

State Farm has indicated it will follow Allstate's lead. Other companies have restricted their rights to cancel by issuing policies which will not permit them to cut off a policyholder merely because he passes a certain age or moves to a less desirable part of town.

Maryland this year started requiring by law that insurance companies furnish a report, upon request of the policyholder, showing the "real reason" for cancelling. A copy must also be sent to the state insurance department. The law provides immunity to the companies so they cannot be sued for defamation.

When the insurance department feels the "real reason" fails to justify the cancellation, it investigates further and tries to have the insurance reinstated.

In the first two months after the law went into effect, the Maryland department received 225 "real reason" reports from insurance companies. In 36 cases, after discussions with the drivers involved and the companies, the insurance was reinstated. Of the remainder, 168 cancellations were considered justified by state officials. The other 21 were still awaiting action.

State legislatures in Pennsylvania and Wisconsin are considering bills which would bar insurance companies from canceling or refusing to renew policies for drivers on the basis of age, race, occupation or place of residence.

"How far the companies will go on their own in outlawing rights to cancel is questionable," said one state insurance commissioner. "I tend to be pessimistic."

Insurance company executives say the public clamor over policy cancellations has made a mountain of a molehill. They are talking in terms of volume and a report issued by the House Judiciary Committee—based on data submitted by the insurance companies—explains:

". . . The number of policies cancelled (for reasons other than non-payment of premiums) to the number of policies outstanding, in any state and in the U.S. as a whole, is not very substantial. In most instances the proportion of cancellations and non-renewals to total outstanding policies did not exceed 2 per cent in any locality."

No statistics are available relating cancellations and non-renewal to claims submitted against companies because of accidents involving their policyholders.

And though there appears to be no way of estimating accurately how many policies are canceled for reasons other than nonpayment of premiums across the nation in a given period, studies in four states—Wisconsin, Michigan, Washington and California—showed annual cancellation rates of less than 1 per cent of outstanding policies.

But if, as the insurance industry claims, there are some 90 million persons covered by auto liability insurance, even 1 per cent would account for 900,000 being affected by policy cancellations in a one-year period.

And the driver whose policy is canceled often finds himself in a jam because many companies will not insure, or will insure only at stepped-up rates, a driver whose policy has been canceled by another company.

For many the next step is to apply for insurance at much steeper rates in an assigned-risk pool operated under state aegis or to apply to a company specializing in "high-risk" drivers.

Most companies refuse to state their reasons for canceling, saying that in many states the law does not protect them against defamation suits.

Industry executives, while conceding that some companies cancel policies merely because a policyholder passes age 65 or because the policyholder was in an accident which resulted in a claim against the company, insist their business is to insure and they don't want to cancel.

They contend the issue has been distorted because some drivers have been canceled unfairly—but more often because the industry's flaws have become grist for ambitious politicians.

"This industry has an absolute right to expect rates charged for insurance to reflect the risks taken on the driver," says Norman L. Gidden, president of the Government Employees Insurance Co which collected auto premiums totaling more than $143 million last year.

"This business is risk selection and the question we face is whether we can underwrite drivers profitably at the rates we're permitted to charge."

Says John J. Nangle of the National Assn. of Independent Insurers, which represents more than half of the nation's insurance firms handling auto insurance:

"It's perfectly understandable that motorists who have poor driving records and show a disregard for law and rights of others have difficulty getting insurance.

"Government at all levels should have the courage to take the unfit drivers and the irresponsible off the roads. There are some in government who want the insurance business to be the policeman and then condemn us when we are."

Donald McHugh, vice president and general counsel of State Farm, says: "We welcome the impending investigation of our business. Some imperfections may be bared and derelictions revealed, but out of it all should emerge a healthier industry."

THE AUTO INSURANCE MUDDLE: PREMIUMS WILL KEEP GOING HIGHER UNLESS ACCIDENT RATE IS REDUCED

(By Tom Talburt)

WASHINGTON.—Auto insurers, facing both federal investigations and a public that is howling over zooming auto insurance rates, are wondering: Where do we go from here?

The answers, by all estimates, will be years coming because the problems afflicting the industry are numerous and complicated.

These points seem clear:

Costs of auto insurance will continue to rise unless the mounting rate of auto accidents is stayed. There is no indication that will happen.

Insurance companies, caught between demands for lower rates and rising accident claims, will continue to seek the "preferred driving risks" by weeding out and rejecting risky applicants.

The industry as a whole, despite its complaints that some states will not permit high-enough rates for auto insurance, does not want to be placed under federal regulation.

Aside from the issue of federal control, the most hotly debated proposal for change would revolutionize the present auto-insurance system. To recover damages from an accident today, a victim must be able to prove the other driver was at fault.

But because many accidents occur in a blurring crunch of metal and often involve tremendous emotional as well as physical shock for drivers involved, it is often virtually impossible to prove who was at fault.

The proposal, advanced by two law professors, is called the Basic Protection Plan. It would do away with the "fault principle" in most auto accidents.

Under this plan, the insurance company would pay off its own policyholder, regardless of who was to blame. The company routinely would pay up to $10,000 for out-of-pocket losses—chiefly medical costs and wage losses.

Backers of this plan, along with its sponsors, Robert E. Keeton of Harvard University and Jeffrey O'Connell of the University of Illinois, contend it would cut the interminable haggling over claims and reduce the backlog of cases clogging court dockets in many cities.

Opponents argue that, while it would reduce sharply the costs of litigation, there is no convincing evidence that it would lead to lower insurance rates.

The Keeton-O'Connell non-fault plan would permit the accident victim to go to court only for losses in excess of $10,000.

The non-fault concept—which has been batted around for years but is emerging again because of the outcry for auto insurance reforms—is opposed by many trial lawyers, some of whom do a handsome business handling auto accident claims.

And it is viewed dubiously by a large segment of the insurance industry although the Insurance Company of North America, in recent full-page newspaper advertisements, has recommended adoption of some reform "along the lines" of the Keeton-O'Connell plan.

Insurance groups are studying the plan and at least three states—California, Michigan and New York—are doing the same. A bill embracing the plan passed the Massachusetts house, but was defeated in the state senate.

The Keeton-O'Connell plan is being challenged by many including James S. Kemper Jr., president of the Kemper Insurance group, who says: "Our attorneys are of the opinion . . . that the Basic Protection Plan will be struck down as a violation of the due process and equal protection clauses of the federal and state constitutions."

Adds Norman L. Gidden, president of the Government Employees Insurance Co.: "The Keeton-O'Connell plan would have to be uniform in all states. Otherwise if you drove out of state you would have to have a second layer of insurance protection."

Before Congress now is a bill sponsored by Sen. Thomas J. Dodd (D., Conn.) to set up a federal agency which would pay claims against insurance companies that go broke. It would operate much the way the government insures bank depositors through the Federal Deposit Insurance Corp.

Edward Rust, president of State Farm Mutual Insurance Co., has proposed that claims normally paid now by insurance companies be reduced in the future by any sum paid for the same accident from other sources. His stated aim: To reduce insurance costs to permit lower premiums.

This view centers on findings of other insurance experts who say it's commonplace for someone injured in a traffic accident to collect several times over—under auto insurance, a separate accident or health policy, and state or federal health programs including Medicare.

Insurance companies themselves are taking some steps to improve their services. They include:

Some companies, led by Allstate with its five-year non-cancellation-of-policy guarantee, are restricting their rights to cancel in their policies.

Most companies, for $3 to $5 a year extra on their premiums, are providing families protection against injuries caused by other motorists who have no insurance. (Forty-one states now require this be offered in all auto liability policies.)

Some companies also offer good-driver incentive plans by offering drivers who have had no accidents or moving traffic violations from 10 per cent to 25 per cent cuts on standard premium rates. (But the rates go up if you have an accident.)

San Francisco-based Fireman's Fund Insurance Co. two years ago started paying off some accident claims immediately without first demanding a waiver against future claims arising from the same accident. Several other companies have adopted the plan.

It had been traditional that payments were made by companies only after the full extent of injuries and damages had been set. This often required months or years, and could deprive a badly injured accident victim of needed rehabilitative treatment for lack of funds.

Under Fireman Co.'s advance-payment plan, payments for all out-of-pocket expenses are made to the injured person as soon as the company decides the person it insured was at fault. In many cases this is accomplished within a few days, according to the company.

Despite these efforts by auto insurance firms to step up services to the public—efforts which in some cases are comparatively isolated rather than industry-wide—insurance executives acknowledge that more and faster changes are needed.

"Either we'll improve the system or we'll be forced to swallow some pretty radical reforms in the long run," said one.

[From the Seattle Post-Intelligencer, Dec. 4, 1967]

GOOD NEWS FOR MOTORISTS

Many of the nation's motorists will be a little more relaxed behind the wheels of their automobiles after January 1, secure in the knowledge that their car insurance won't be cancelled unjustly.

The announcement last week of the National Underwriters Association and the National Bureau of Casualty Underwriters that it will cancel policies only for non-payment of premiums or suspension of a driver's license or car registration, is a commendable reform.

The two groups represent companies which insure an estimated 40 per cent of the nation's 75 million motorists.

The industry's action obviously was stimulated by mounting public concern, manifested by legislative inquiries, over practices in the automobile insurance field.

Washington's Sen. Warren G. Magnuson, as chairman of the Senate Commerce Committee, has been among the most active members of Congress in seeking insurance reforms. Last June Magnuson, in a report to the Department of Transportation, cited numerous unfair underwriting practices, including arbitrary cancellation of policies and failures to renew policies of motorists with good driving records.

In this State the last legislature, following a vigorous campaign by this newspaper, passed an act requiring companies to specify reasons for policy cancellations and granting policy holders the right to challenge arbitrary cancellations.

It's certain that one of the chief reasons the two national automobile underwriting groups took their action was fear of further government intervention in the industry.

It provides a clear message for not only the insurance industry, but other industries as well—if public abuses are not eliminated voluntarily, the public will act to eliminate them itself through its legislative bodies. We believe self-improvement is preferable and it's our hope the underwriters' action will establish a welcome trend.

AUTHORIZATION TO FILE A REPORT WITH THE SECRETARY OF THE SENATE DURING ADJOURNMENT

Mr. BYRD of West Virginia. Mr. President, on behalf of Senator SMATHERS, chairman of the Select Committee on Small Business, who is temporarily and necessarily absent at this time, I ask unanimous consent that the Select Committee on Small Business be authorized, during the adjournment of the first session of the 90th Congress, to file with the Secretary of the Senate a report entitled "The Prospects for Technology Transfer", and that the report be printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENROLLED BILL SIGNED

The PRESIDING OFFICER announced that on today, December 14, 1967, the President pro tempore signed the enrolled bill (H.R. 8338) to create a new division for the western district of Texas, and for other purposes, which had previously been signed by the Speaker of the House of Representatives.

ENROLLED BILLS SIGNED

The PRESIDING OFFICER announced that on today, December 14, 1967, the Acting President pro tempore [Mr. Metcalf] signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

H.R. 5709. An act to amend the District of of Columbia Teachers' Leave Act of 1940 to remove certain limitations, and for other purposes;

H.R. 6167. An act to authorize the extension of certain naval vessel loans now in existence and new loans, and for other purposes; and

H.R. 8715. An act to amend the District of Columbia Alcoholic Beverage Control Act to limit the amount of wines, spirits, and beer that may be brought into the District of Columbia.

ADDITIONAL COSPONSORS OF BILLS AND CONCURRENT RESOLUTION

Mr. GORE. Mr. President, I ask unanimous consent that, at its next printing, the name of the junior Senator from Tennessee [Mr. Baker] be added as a cosponsor of the bill (S. 2670) to authorize the Secretary of the Air Force to convey certain lands in Tennessee to the Industrial Board of Coffee County, Tenn., Inc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY of Massachusetts. Mr. President, I ask unanimous consent that, at its next printing, the name of the senior Senator from Washington [Mr. Magnuson] be added as a cosponsor of the bill (S. 2524) to amend the Immigration and Nationality Act, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Alaska [Mr. Gruening] I ask unanimous consent that, at its next printing, the name of the Senator from Maryland [Mr. Tydings] be added as a cosponsor of the concurrent resolution (S. Con. Res. 50) expressing the sense of Congress that the United States should have one uniform nationwide police reporting telephone number.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Record, as follows:

By Mr. TYDINGS:

Speech by him entitled "Juan T. Trippe: 1967 Winner of the Hubbard."

By Mr. THURMOND:

Article entitled "McClellan Wants To Slash Nation's Crime Rate," written by Vera Glaser, and published in the Columbia, S.C., Record of December 7, 1967.

SUMMARY OF COMMITTEE ACTIVITY

Mr. MANSFIELD. Mr. President, it is my privilege and pleasure to submit activity summaries for the first session of the 90th Congress for the following Senate committees: Agriculture and Forestry, Aeronautical and Space Sciences, Banking and Currency, Interior and Insular Affairs, and Rules and Administration.

These committees are to be commended for their excellent performance under the leadership of their respective chairmen: Senators Ellender, Anderson, Sparkman, Jackson, and Jordan of North Carolina. Not only are the committee chairmen to be commended but also the subcommittee chairmen who have labored hard and long to work out the problems that arise in connection with numerous pieces of legislation.

It is my wish, at this time, to take the opportunity to express my personal appreciation to the able staff members of each of these committees, and all committees and our personal staffs.

I ask unanimous consent that the summaries be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

U.S. Senate,
Committee on Agriculture
and Forestry,
December 11, 1967.

Hon. Mike Mansfield,
Majority Leader,
U.S. Senate,
Washington, D.C.

Dear Senator: During the first session of the 90th Congress the Senate Committee on Agriculture and Forestry reported thirty-two bills as shown on the attached list.

Twenty-one days of hearings have been held in connection with these and other bills studied by the Committee. We considered and reported four nominations and approved sixteen watershed projects.

With kindest personal regards, I am

Sincerely yours,

Allen J. Ellender,
Chairman.

List of Measures Favorably Reported to the Senate by the Senate Committee on Agriculture and Forestry, 90th Congress, First Session

SENATE BILLS AND JOINT RESOLUTIONS

S. 109: Controls unfair trade practices affecting producers of agricultural products and associations of such producers. Passed Senate August 4 and H.R. 13541 reported to House October 26.

S. 219: Authorizes the Secretary of Agriculture to sell certain land in Lander, Wyo. Approved Public Law 90–139.

S. 645. Provides needed additional means for the residents of rural America to achieve equality of opportunity by authorizing the making of grants for comprehensive planning for public services and development in community development districts approved by the Secretary of Agriculture. Referred to House Committee on Agriculture May 10.

S. 852: Amends sec. 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended, to authorize the Secretary of Agriculture to furnish financial assistance in carrying out plans for works of improvement for land conservation and utilization. Referred to House Committee on Agriculture September 25.

S. 953: Amends the Food Stamp Act of 1964 for the purpose of authorizing appropriations for fiscal years subsequent to the fiscal year ending June 30, 1967. Approved Public Law 90–91.

S. 974: Authorizes the Secretary of Agriculture to convey certain lands to the city of Glendale, Ariz. Reported to House November 22.

S. 1136: Amends sec. 9 of the act of May 22, 1928 (45 Stat. 702), as amended and supplemented (16 U.S.C. 581h), relating to surveys of timber and other forest resources of the U.S. Passed House December 4.

S. 1477: Amends sec. 301 of title III of the act of August 14, 1946, relating to the establishment by the Secretary of Agriculture of a national advisory committee, to provide for annual meetings of such committee. Reported to House November 17.

S. 1504: Amends the Consolidated Farmers Home Administration Act of 1961, as amended, to provide for loans to supplement farm income, authorize loans and grants for community centers, remove the annual ceiling on insured loans, increase the amount of unsold insured loans that may be made out of the fund, raise the aggregate annual limits on grants, and establish a flexible loan interest rate. Referred to House Committee on Agriculture August 29.

S. 1550: Amends the Consolidated Farmers Home Administration Act of 1961, as amended, to provide for release of valueless liens. Referred to House Committee on Agriculture August 7.

S. 1564: Amends the marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended. Approved Public Law 90–106.

S. 1568: Amend the 6th paragraph of sec. 12 of the Federal Farm Loan Act, as amended, relating to restrictions on eligibility for loans by Federal land banks. Referred to House Committee on Agriculture August 30.

S. 1657: Extends for 1 year the authority of the Secretary of Agriculture to make indemnity payments to dairy farmers who are directed to remove their milk from commercial markets because it contains residues of chemicals registered and approved for use by the Federal Government. Approved Public Law 90–95.

S. 1722: Amends the wheat acreage allotment provisions of the Agricultural Adjustment Act of 1938, as amended. Referred to House Committee on Agriculture November 28.

S. 2068: Repeals certain acts relating to containers for fruits and vegetables; exportation of tobacco plants and seed; naval stores; and wool. Referred to House Committee on Science and Astronautics October 23.

S. 2126: Amends the Food and Agriculture Act of 1965. Senate agreed to House amendment December 7.

S. 2179: Extends for 3 years the special milk programs for the Armed Forces and veterans hospitals. Approved Public Law 90–140.

S. 2195: Amends the marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended. Passed House December 4.

S. 2511: Maintains and improves the income of producers of crude pine gum and stabilizes production of crude pine gum. Reported to Senate December 8.

S. 2565: Amends the Federal Farm Loan Act and the Farm Credit Act of 1933, as amended. Senate agreed to House amendment November 30.

S. 2722: Maintains farm income, to stabilize prices and assure adequate supplies for extra-long-staple cotton for the 1968 and succeeding crops. Reported to Senate December 8 (see H.R. 10864).

S. Res. 147: Authority for the printing of a report by the Department of Agriculture entitled "Parity Returns Positions of Farms" as a Senate document. Agreed to by Senate August 10.

HOUSE BILLS AND JOINT RESOLUTIONS

H.J. Res. 273: Amends the Agricultural Adjustment Act of 1938, as amended, with respect to the lease and transfer of tobacco acreage allotments. Approved Public Law 90–6.

H.J. Res. 267: Supports emergency food assistance to India. Approved Public Law 90–7.

H.R. 5702: Removes the 5-acre limitation on the amount of tobacco allotment acreage which may be leased. Approved Public Law 90–52.

H.R. 8265: Amends the Agricultural Adjustment Act of 1938, as amended, to authorize the transfer of tobacco acreage allotments and acreage-poundage quotas. Approved Public Law 90–51.

H.R. 547: Authorizes the Secretary of Agriculture to sell the Pleasanton Plant Materials Center in Alameda County, Calif., and to provide for the establishment of a plant materials center at a more suitable location to replace the Pleasanton Plant Materials Center. Approved Public Law 90–85.

H.R. 472: Authorizes the Secretary of Agriculture to purchase certain land from Texas Southmost College, Brownsville, Tex. Approved Public Law 90–98.

H.R. 10442: Facilitates exchanges of land under the act of March 20, 1922 (42 Stat. 465), for use of public schools. Approved Public Law 90–171.

H.R. 12144: Clarifies and otherwise amends the Meat Inspection Act, to provide for cooperation with appropriate State agencies with respect to State meat inspection programs. Conference report agreed to by House and Senate December 6. (S. 2147)

H.R. 11565: Amends section 358 of the Agricultural Adjustment Act of 1938, as amended, to authorize the transfer of peanut acreage allotments. Reported to Senate December 8.

H.R. 10864: Authorizes the Secretary of Agriculture to convey certain lands in Saline County, Arkansas, to the Dierks Forests, Inc. Reported to Senate December 8.

Summary of Activities of Aeronautical and Space Sciences Committee of the U.S. Senate During 1967

The Aeronautical and Space Sciences Committee during 1967 directed its attention toward overseeing many of the activities of the government in space and in aeronautics.

In January, immediately after the disastrous Apollo spacecraft fire which took the lives of three of our astronauts, Chairman Anderson announced that the Committee would conduct a thorough inquiry in order (a) to establish the facts related to the accident, (b) to insure that the formal NASA inquiry is conducted with complete objectivity, (c) to establish the validity of any recommendations to prevent a recurrence and (d) to review such other aspects of NASA's stewardship of the Apollo program which may be necessary in order to accomplish the foregoing objectives. In carrying out this responsibility, the Committee conducted a series of hearings during the period January through June, publishing over 750 pages of testimony and related documents concerning the disaster. Witnesses included all officials of NASA directly concerned with the Apollo program, including the entire Review Board selected to conduct the official inquiry, as well as officials of North American Aviation, Inc., prime contractor for the Apollo spacecraft.

On January 31st, Chairman Anderson, for himself and the Senator from Maine (Mrs. Smith), introduced NASA's budget request of $5,050 million (S. 781). Subsequent to this time, the Administrator submitted an added request for nuclear propulsion development funds which was added to the original NASA request for a revised total of $5,100 million and re-introduced as S. 1296, on March 15, 1967. After a thorough review and analysis of the budget by the staff, open hearings were held on April 18, 19, 20, 21, 25 and 26 and the hearings published. On April 27, the Committee held a classified hearing on the space programs of the Department of Defense, after which a sanitized version was printed. On June 17 and 23, the Committee marked up the bill and reported out S. 1296 which was passed by the Senate as reported on June 27. The total amount approved by the Senate was $4,851,006,000. The House subsequently passed H.R. 10340 and then substituted its provisions as an amendment to the Senate passed bill. The total amount authorized by the House was $4,927,182,000; however, individual cuts in line items resulted in a lesser total of $4,790,782,000. The Senate and House conferees met during the week beginning July 24 and subsequently agreed to a conference report totaling $4,865,751,000. This conference report was agreed to by both Houses in early August and approved by the President on August 21, 1967 (Public Law 90–67).

The Appropriation committees of the Senate and the House of Representatives subsequently approved an appropriation for NASA for FY 1968 in an amount of $4,588,900,000.

On November 8, the Administrator of NASA and other NASA officials appeared before the Committee and discussed NASA's Operating Plan for FY 1968 in light of adjustments which had to be made as a result of Congressional action on NASA's budget. This hearing was subsequently published.

In carrying out its responsibilities for the oversight of aeronautical research and development, the Committee, following up its staff report published in 1966 on "Policy Planning for Aeronautical Research and Development", held a series of public hearings on January 25 and 26, and February 27. On January 25, Mr. James E. Webb, Administrator of NASA, and Mr. Karl G. Harr, President, Aerospace Industries Association, testified. On January 26, Mr. Alan S. Boyd, who at that time had been designated as Secretary of Transportation, but had not been confirmed, testified along with General William F. McKee, Administrator, Federal Aviation Administration, and Mr. Stuart G. Tipton, President, Air Transportation Association. On February 27, the Committee took testimony from Dr. John S. Foster, Jr., Director of Defense Research and Engineering, and Dr. Edward C. Welsh, Executive Secretary, National Aeronautics and Space Council. These hearings were subsequently published.

Continuing its interest in the international aspects of space, the Committee had published in January 1967, a staff report (dated December 1966) entitled, "Soviet Space Programs, 1962–1965; Goals and Purposes, Achievements, Plans and International Implications". This report was compiled by the staff of the Legislative Reference Service and other departments of the Library of Congress, and reviewed by members of the Committee staff.

The Committee followed closely the adoption by the Senate of the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, Including the Moon and other Celestial Bodies. The Committee was briefed by the staff on the subject matter contained in such Treaty and a Staff Report was published on the Treaty provisions in March.

Activities of the Senate Committee on Banking and Currency, First Session, 90th Congress

S. 5 (Mr. Proxmire); passed Senate July 11, 1967; the bill would require creditors to disclose to consumers the full cost of consumer credit. (S. Rept. 392, June 29, 1967.)

S. 376 (Mr. Proxmire); passed Senate January 18, 1967; P.L. 90–2; the Act increased the number of members of the Joint Economic Committee and fixed the representation of the majority and the minority. (Reported January 18, 1967; passed House January 23, 1967; approved January 25, 1967.)

S. 510 (Mr. Williams of N.J.); passed Senate August 30, 1967; the bill would amend the Securities Exchange Act of 1934 and require disclosure to shareholders and to the public of all pertinent information (1) when a person or a group of persons seek to acquire 10% of the stock of a corporation by a cash tender offer or through open market or privately negotiated purchases, and (2) when a corporation repurchases its own securities in the open market. (S. Rept. 550, August 29, 1967.)

S. 714 (Mr. Proxmire); passed Senate April 14, 1967; P.L. 90–44; the Act increases the amounts which member banks and Federal credit unions may lend to certain officers. (S. Rept. 165, April 12, 1967; passed House June 5, 1967; approved July 3, 1967.)

S. 965 (Mr. Proxmire); passed Senate April 14, 1967; the bill would authorize Federal Reserve banks to invest in securities which are direct obligations of any foreign government and which have maturities from date of purchase not exceeding twelve months. (S. Rept. 163, April 12, 1967.)

S. 966 (Mr. Proxmire); passed Senate April 14, 1967; the bill would remove from the Federal Reserve Act certain unwarranted restrictions on the kinds of assets on which banks may borrow from the Federal Reserve banks. (S. Rept. 164, April 12, 1967.)

S. 1084 (Mr. Sparkman); passed Senate October 11, 1967; the bill would permit Federal employees to save through automatic payroll deductions. (S. Rept. 590, October 9, 1967.)

S. 1085 (Mr. Sparkman); passed Senate October 11, 1967; P.L. 90– ; the Act modernizes Federal credit union operations by liberalizing loan and dividend payment procedures. (S. Rept. 591, October 9, 1967; passed House November 27, 1967.)

S. 1155 (Mr. Sparkman); passed Senate August 11, 1967; the bill would extend the life of the Export-Import Bank to June 30, 1973, increase the Bank's lending authority and its authority to make guarantees under some circumstances, impose prohibitions upon certain financing connected with transactions with Communist countries or countries with which the United States is engaged in armed conflict, limit participation of the Bank in arms sales financing to underdeveloped countries, and make changes in the organization of the Bank. (S. Rept. 493, August 4, 1967.)

S. 1306 (Mr. Proxmire); passed Senate November 7, 1967; the bill would authorize banks to underwrite and deal in State and local revenue bonds. (S. Rept. 713, November 1, 1967.)

S. 1352 (Mr. Sparkman); passed Senate June 5, 1967; P. L. 90–29; the Act authorized the Secretary of the Treasury to write off the amount of silver certificates outstanding which he deems to have been destroyed or lost, provided that silver certificates shall be exchangeable for silver bullion for one year following the enactment of the Act, provided for the stockpiling of silver to meet certain contingencies, and repealed the prohibition against mint marks. (S. Rept. 232, May 15, 1967; passed House June 12, 1967; approved June 24, 1967.)

S. 1542 (Mr. Sparkman); passed Senate June 26, 1967; the bill would provide the Federal Home Loan Bank Board with more control over savings and loan holding companies. (S. Rept. 354, June 23, 1967.)

S. 1762 (Mr. Sparkman); passed Senate May 15, 1967; P. L. 90–66; the Act extends for three years (from July 1, 1967 through June 30, 1970) the fellowship program authorized by section 810 of the Housing Act of 1964. (S. Rept. 224, May 11, 1967; passed House August 7, 1967; approved August 19, 1967.)

S. 1862 (Mr. Sparkman); passed Senate June 28, 1967; P. L. 90–104; the Act clarified the regulatory authority of the Small Business Administration with respect to the management and of small business investment companies, authorized additional government financing to small business investment companies falling within a certain category, and increased the amount of stock of a small business investment company which may be held by a bank. (S. Rept. 368, June 27, 1967; passed House September 12, 1967; approved October 11, 1967.)

S. 1909 (Mr. Moss); passed Senate July 21, 1967; the bill would provide for the striking of medals in commemoration of the 100th anniversary of the completion of the first transcontinental railroad. (S. Rept. 404, July 18, 1967.)

S. 1956 (Mr. Sparkman); passed Senate July 17, 1967; P. L. 90–87; the Act extended for one year the authority to regulate the maximum interest rate paid on time and savings deposits by banks and savings and loan associations. (S. Rept. 396, July 13, 1967; passed House September 19, 1967; approved September 21, 1967.)

S. 1985 (Mr. Williams of N. J.); passed Senate September 14, 1967; the Act authorized a national program under which flood insurance could be made available to occupants of flood-prone areas through the cooperative efforts of the Federal Government and the private insurance industry. (S. Rept. 549, August 29, 1967; passed House November 1, 1967.)

H.R. 1499 (Mr. Zablocki); passed Senate October 26, 1967; P.L. 90–125; the Act provided for the striking of medals in commemoration of the 300th anniversary of the explorations of Father Jacques Marquette. (S. Rept. 678, October 24, 1967; passed House October 16, 1967; approved November 4, 1967.)

H.R. 10105 (Mr. Montgomery); passed Senate October 26, 1967; P.L. 90–128; the Act provided for the striking of medals in commemoration of the 150th anniversary of the founding of the State of Mississippi. (S. Rept. 681, October 24, 1967; passed House October 16, 1967; approved November 4, 1967.)

H.R. 10160 (Mr. Patman); passed Senate October 26, 1967; P.L. 90–127; the Act provided for the striking of medals in commemoration of the 50th anniversary of the founding of the American Legion. (S. Rept. 680, October 24, 1967; passed House October 16, 1967; approved November 4, 1967.)

H.R. 10595 (Mr. Patman); passed Senate November 13, 1967; P.L. 90–   ; the Act prohibits Federally insured banks and savings and loan associations from selling lottery tickets. (S. Rept. 727, November 6, 1967; passed House July 13, 1967, approved.)

H.R. 13212 (Mr. Utt); passed Senate October 26, 1967; P.L. 90–124; the Act provided for the striking of medals in commemoration of the 200th anniversary of the founding of San Diego. (S. Rept. 679, October 24, 1967; passed House October 16, 1967, approved November 4, 1967.)

S.J. Res. 42 (Mr. Sparkman); passed Senate February 20, 1967; P.L. 90–19; the Act amends the National Housing Act and other laws relating to Housing and Urban Development to correct certain obsolete references. (S. Rept. 56, February 16, 1967; passed House May 15, 1967; approved May 25, 1967.)

S.J. Res. 93 (Mr. Murphy); passed Senate August 29, 1967; the bill would provide for the issuance of a gold medal to the widow of Walt Disney and for the issuance of bronze medals to the California Institute of Arts in recognition of the public service and outstanding contributions of Walt Disney. (S. Rept. 541, August 25, 1967.)

S.J. Res. 112 (Mr. Sparkman); passed Senate September 21, 1967; P.L. 90–118; the Act extends the time for filing a report of Commission on Urban Problems from March 6, 1968 to December 31, 1968. (S. Rept. 566, September 20, 1967; passed House October 16, 1967; approved October 31, 1967.)

H.J. Res. 601 (Mr. Patman); passed Senate June 19, 1967; P.L. 90–34; the Act extends for four months (from July 1, 1967 to November 1, 1967) the Urban Mass Transportation Program. (S. Rept. 347 on S.J. Res. 90, June 16, 1967; passed House June 19, 1967; approved June 28, 1967.)

H.J. Res. 859 (Mr. Patman); passed Senate November 22, 1967; P.L. 90–169; the Act extends for one year (from November 1, 1967 to October 31, 1968) the emergency provisions of the Urban Mass Transportation Program. (Passed House November 21, 1967; approved December 1, 1967.)

In regard to bills numbered S. 1085, S. 1985, and H.R. 10595, these are matters which may very well become public law before this material is utilized by you.

S. 1085—President will sign tomorrow Dec. 13.

S. 1985—No conference committee meeting is anticipated before next year.

H.R. 10595—Bill is at the White House for signature.

Legislative Summary, Committee on Interior and Insular Affairs, First Session, 90th Congress

Statement by Senator Jackson

The Senate Committee on Interior and Insular Affairs, which it is my privilege to chair, has long been recognized as one of the most productive committees of Congress. The credit for our good record of achievement in the field of natural resources is largely due to the attitudes and cooperation of the Members of the Committee from both sides of the aisle.

We have had many difficult and time-consuming policy issues before us in all areas of our jurisdiction. Yet the Committee has willingly and cheerfully met these tasks and produced a meaningful legislative record in which the entire Senate can take pride.

There are many challenges yet awaiting our consideration, and we hope to complete additional legislative action on more proposals in the next session. When dealing with the conservation and utilization of our nation's great natural resources, there is no final action to be taken. We must constantly be on the alert to see that these resources are used wisely for the present, planned for and developed properly for the future to assure that generations of Americans will not be deprived through our negligence, mismanagement, or lack of foresight. When we act in connection with these resources, we hold in our hands the power to enhance or destroy the birthright of millions of future Americans. This is a great and burdensome responsibility, and I am proud of the way my Committee is meeting it.

I particularly want to thank the respective subcommittee chairmen who have faithfully handled the many hearings and other aspects comprising the legislative process. I also thank my ranking minority colleague, Mr. Kuchel, for his cooperation throughout the year.

The other Members of the Committee, both majority and minority, have demonstrated that reasonable men can cope with difficult and delicate issues in an effort to achieve the goal we are all seeking—the promotion of the public interest.

FULL COMMITTEE

During the first session of the 90th Congress, up to December 11, some 269 Senate bills, 8 joint resolutions, 4 concurrent resolutions, and 6 Senate resolutions, were referred to the Committee, as were 31 House-passed measures, or a total of 318 measures in all. Of these, 95 were reported favorably to the Senate, and 28 signed into law. Certain of these proposals were referred directly to the full committee for consideration.

Among these measures were: S. 20, by Senator Jackson and 53 other Senators of both parties, to establish at National Water Commission for the purpose of providing a comprehensive review of national water resource problems and programs, and for other purposes.

The text of this measure was submitted by the Bureau of the Budget to the 89th Congress in furtherance and fulfillment of that part of President Johnson's message of February 23, 1966 on preserving our national heritage, in which the President called for the establishment of a National Water Commission to review and advise on the entire range of water resource problems.

During the 89th Congress extensive hearings were held on this measure on May 16 and 17, 1966. In attendance and testifying in favor of the establishment of a National Water Commission were many of the Nation's foremost natural and water resource experts.

The bill (S. 3107 in the 89th Congress) was favorably reported with amendments (Rept. 1212) and passed the Senate without objection on June 9, 1966. The House did not act upon this measure prior to adjournment.

In the 90th Congress the text of the measure was introduced as S. 20 by Senator Jackson. The Committee reported the measure on February 2, 1967 (S. Rept. 25) and it was passed by the Senate on February 6th. The House passed S. 20 with amendments on July 12, 1967. Further action on S. 20 awaits resolution of differences between the Senate and House passed versions of the bill.

The Commission would be composed of seven members appointed by the President and would be charged with the responsibility of studying alternative solutions to water problems without prior commitment to any interest group, region, or agency of government. The Commission will be charged with the responsibility of objectively reviewing the premises underlying our water resources policy and making recommendations in the light of broad national interest.

S. 119, by Senator Church with 37 bipartisan co-sponsors, to establish a National Wild Rivers System, to incorporate certain public lands within the system, and to provide a procedure for adding additional public lands and other lands to it. The Administration submitted a proposed substitute bill, which was introduced as S. 1092, and the Committee incorporated the basic recommendations of this measure into S. 119, making it a Wild and Scenic Rivers system bill. The amended measure was reported favorably (S. Rept. 491) on August 3, and passed the Senate on a roll call vote of 84–0 on August 8, 1967.

S. 827, by Senators Jackson, Nelson and Dominick, establishing a nationwide system of trails, including "national scenic trails," and construction and expansion of park, forest and outdoor recreation area trails. Provision is made for trail markers, protection, and campsites and shelters. S. 827 is based on recommendations made by President Johnson in his Feb. 23, 1966, message on preservation of our natural heritage. Public hearings were held on March 15 and 16, 1967. Some controversy developed over the location of certain specific trails and proposed condemnation procedures. Detailed maps are now available showing more precisely the location of the trails and the measure will be scheduled for further consideration early in the second session.

S.J. Res. 18, by Senators Jackson and Kuchel, establishing certain portions of Pennsylvania Avenue in Washington, D.C. as a National Historic Site and providing for its protection and administration. S.J. Res. 18 is based directly on a similar bill in the 89th Congress, S.J. Res. 116, which was submitted and recommended by President Johnson and passed the Senate with Committee amendments on June 8, 1966. S. J. Res. 18 was reported by Senator Jackson on March 9, 1967 (S. Rept. 64) and passed the Senate on March 13, 1967.

S.J. Res. 123, by Senators Anderson and Montoya, a joint resolution to approve long-term contracts for delivery of water from Navajo Reservoir in the State of New Mexico, and for other purposes.

The purpose of this measure is to grant authority to the Secretary of the Interior to enter into two repayment contracts for the sale of water for industrial purposes from the Navajo Reservation in New Mexico.

S.J. Res. 123 was ordered reported to the Senate on November 29, 1967, and was passed on November 30, 1967, without amendment.

SUBCOMMITTEE ON PARKS AND RECREATION, SENATOR ALAN BIBLE, OF NEVADA, CHAIRMAN

The goals and aspirations set forth for making the 1960's truly a decade which will be remembered as the "Parks-for-America Decade" by the President's 1965 message on natural beauty were substantially furthered by the subcommittee, committee, and the Senate during the First Session of the 90th Congress.

Americans have become increasingly aware of the need to act now if we are to provide examples of our Nation's natural heritage to inspire coming generations to build America to its maximum potential. The Parks and Recreation Subcommittee has paved the way for significant strides toward meeting the outdoor recreation needs of the people during the First Session. A listing of the actions taken would show:

S. 2515, to establish the Redwood National Park in the State of California, was the end result of long months of deliberation and consideration of a number of proposals (including S. 1370, sponsored by Senator Kuchel and others, S. 514, sponsored by Senator Metcalf and others, and S. 1526, sponsored by Senators Murphy and Fannin). Urgency in acting was dictated by the realization that the last significant blocks of old-growth redwood forests were being rapidly liquidated by redwood lumber industries. The bill, as passed by the Senate on November 1, represents the best combination of areas which could be acquired without undue disruption of the local industries, tax base, and employment patterns.

S. 1321, to establish in the State of Washington the North Cascades National Park, the Ross Lake National Recreation Area, the Lake Chelan National Recreation Area, the Pasayten Wilderness, and to modify the Glacier Peak Wilderness, is a landmark example of legislation dealing with the entire complex of recreation opportunities and needs of a region. This bill, the most studied and most widely aired proposal ever to come before the subcommittee, passed the Senate on November 2, culminating three of the most significant days for conservation in the Senate.

S. 778, to establish the Apostle Islands National Lakeshore in the State of Wisconsin, sponsored by Senators Nelson and Proxmire, passed the Senate on August 21, culminating studies which were authorized by the Congress in 1930. The 21 islands in Lake Superior, the 30-mile long strip of shoreline in the Red Cliffs area, and the unique marsh and sloughs which make up the three units of the Lakeshore should provide some 50 million people living in the Midwest with a superlative unit of the National Park System.

S. 25, to establish the Great Salt Lake National Monument in the State of Utah, sponsored by Senator Moss, passed the Senate on July 13. This monument, on Antelope Island in the Great Salt Lake, will provide the people of America with a unique opportunity for interpretation of the unusual geology and fauna and flora of this remnant of pre-Historic Lake Bonneville. Under a unique arrangement, the State of Utah will be encouraged to become the concessionaire to operate the swimming, picnicking, and certain other recreation features within the Monument.

S. 269 and S. 1821, bills to authorize several small exchanges in the Acadia National Park in the State of Maine, sponsored by Senator Smith, were favorably reported and passed by the Senate.

S. 444, to establish the Flaming Gorge National Recreation Area in the States of Utah and Wyoming, sponsored by Senators Moss, Hansen, and McGee, would establish the Secretary of Agriculture as the administering secretary, and sets forth certain criteria under which the Forest Service would manage the area. Hearings were held on October 19.

S. 561, authorizing appropriations to settle final judgments in eminent domain proceedings for acquisition of lands in the Cape Hatteras National Seashore, sponsored by Senators Ervin and Jordan of North Carolina, was passed by the Senate on November 2.

S. 814, to establish a National Park Foundation, sponsored by Senators Bible, Jackson, and Kuchel, passed both the Senate and the House of Representatives, where it was amended. The Senate accepted the amendments added by the House. The Foundation is designed to encourage gifts or endowments which could be used to assist in defraying expenses of acquiring park lands or for other national park purposes. It became public law.

S. 1161, to establish the John Fitzgerald Kennedy National Historic Site at the birthplace of the late President in the Commonwealth of Massachusetts, sponsored by Senators Cooper and Jackson, provides for the acceptance of the birthplace' donation and the assumption of the operation and maintenance of the home. The bill passed the Senate on March 21 and is now Public Law 90–20.

S. 1267, to establish the Sawtooth National Recreation Area in the State of Idaho, sponsored by Senators Church and Jordan of Idaho, passed the Senate on November 9. This action culminates years of study of the area for either national park or recreation area status. The area will be managed by the Forest Service.

S. 2159, to establish the Fort Point National Historic Site in San Francisco, California, Sponsored by Senators Kuchel and Murphy, was heard by the subcommittee on August 16, and consideration is being given to holding hearings in San Francisco prior to further action on the bill.

H.R. 7362, companion to the bill S. 1411 (Senator Spong)), to authorize acquisition of certain historic properties within the Colonial National Historical Park in Yorktown, Virginia, was heard, reported, and passed the Senate on August 18, and is now Public Law 90–74.

SUBCOMMITTEE ON WATER AND POWER RESOURCES, SENATOR CLINTON P. ANDERSON, OF NEW MEXICO, CHAIRMAN

The Subcommittee on Water and Power Resources considers and makes recommendations to the full committee on legislation proposals relating to irrigation, reclamation, water supply, interstate compacts apportioning water for irrigation purposes, desalination, weather modification, and other aspects of the Nation's water resource programs.

During the first session of the 90th Congress, 57 Senate bills, 1 Senate resolution, and 3 House bills were referred to the Subcommittee. Public hearings were held on 22 of these measures, and 19 were reported favorably to the Full Committee, and to the Senate. Of these 19 measures, 18 were passed by the Senate. Six of these measures are now Public Law, and one is in conference.

Legislation considered by the Subcommittee during the first session of the 90th Congress included:

S. 6, by Senators McGovern and Mundt, to authorize the Secretary of the Interior to construct, operate, and maintain the first stage of Oahe unit, James division, Missouri River Basin project, South Dakota, and for other purposes.

S. 6 reauthorizes the initial stage of the multipurpose Oahe irrigation unit, Missouri River Basin project. It was originally authorized by the Flood Control Act of 1944 and is being reauthorized in accordance with a subsequent congressional directive in Public Law 442, 88th Congress.

The initial stage of the Oahe unit provides for the irrigation of 190,000 acres of land out of the 495,000 now contemplated in the total unit. It will supply municipal and industrial water to 17 towns and cities, make possible full development of the fish and wildlife and recreational potential in an area which is a part of the principal breeding ground for migratory wildfowl in the United States, and afford additional flood control in the Missouri-Mississippi Basin.

The benefit-cost ratio is a favorable 2.5 to 1 on the basis of total benefits and 1.6 to 1 in relation to direct benefits alone. S. 6 authorizes appropriations up to $188.5 million for new construction.

Following field hearings in Redfield, South Dakota and hearings in Washington, D.C., S. 6 was ordered favorably reported to the Senate (S. Rept. 699). The measure was passed with Committee amendments on November 1, 1967.

S. 51, by Senators Morse and Hatfield, to authorize the Secretary of the Interior to construct, operate, and maintain the Merlin division, Rogue River Basin project, Oregon, and for other purposes.

The purpose of S. 51 is to authorize the construction and operation of the Merlin division, Rogue River Basin project, in Oregon. The project is a multiple-purpose proposal to irrigate some 9,260 acres of now arid, but potentially fertile, lands in the vicinity of the village of Merlin in the southwestern part of the State and to serve additional functions of recreation, flood control, and area redevelopment.

Total cost of construction is estimated to be $16,660,000.

Following hearings by the Subcommittee, S. 51 was ordered favorably reported to the Senate (S. Rept. 905) and was passed with Committee amendments on December 8, 1967.

S. 270 by Senator Kuchel with 7 cosponsors authorizes the participation of the Interior Department in the construction and operation of a large prototype desalting plant, and for other purposes.

The purpose of S. 270 is to authorize the Department of the Interior, through its Office of Saline Water, to participate in the construction and operation of a saline water conversion plant. The plant is a dual-purpose desalting and nuclear power generating facility, to be built and financed as a non-Federal undertaking by the Metropolitan Water District of Southern California in partnership with a group of public and private electric utilities serving the southern California market area. The installation is designed to produce 150 million gallons of fresh water per day, 168,300 acre-feet per year from the Pacific Ocean, and to generate approximately 1,500 megawatts of net electrical power.

It is estimated that the total capital cost of the nuclear fueled power and desalting plant will be $444.3 million, of which the Federal government will contribute $72.2 million to the project.

Following hearings by the Subcommittee S. 270 was ordered favorably reported to the Senate (S. Rept. 49) and was passed by the Senate on February 6, 1967. Following House passage on April 20, 1967, the measure became Public Law 90–18 on May 19, 1967.

S. 286 by Senator Anderson, a bill to provide that the cost of certain investigations by the Bureau of Reclamation shall be nonreimbursable.

The purpose of S. 286 is to make the policies of the Bureau of Reclamation, Department of the Interior, with respect to the reimbursability of costs of investigations uniform and consistent within the Bureau itself and with other agencies of the Federal Government.

S. 286 was ordered favorably reported to the Senate (S. Rept. 830) on November 29, 1967 and was passed by the Senate with Committee amendments on December 6, 1967.

S. 370, by Senators Jackson and Magnuson, a bill to amend the act of June 12, 1948 (62 Stat. 382), in order to provide for the construction, operation, and maintenance of the Kennewick division extension, Yakima project, Washington, and for other purposes.

The purpose of S. 370 is to bring an additional 6,300 acres of land under irrigation in the Yakima River Valley in the southern part of the State of Washington. This purpose would be attained through amendment to the act of June 12, 1948 (62 Stat. 382), the measure authorizing the parent Kennewick division of the Yakima project, to provide for construction, operation, and maintenance of the necessary additional works to the existing facilities of the Kennewick division. The presently proposed extension was contemplated in the construction of the existing facilities.

The project has a benefit-cost ratio of 3.5 to 1. The cost of the project is $6,141,700 (October 1966 prices).

Following hearings by the Subcommittee S. 370 was ordered favorably reported to the Senate (S. Rept. 63) and was passed by the Senate with Committee amendments on March 6, 1967.

S. 485 by Senators Jackson and Magnuson, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Touchet division, Walla Walla project, Oregon-Washington, and for other purposes.

S. 485 authorizes construction and operation, under Federal reclamation laws, of the multi-purpose Touchet division of the Walla Walla project. The Touchet division is in southeastern Washington along the Touchet River.

Dayton Dam and Reservoir which are authorized by the bill will form the only sizable lake in the Walla Walla Basin. The facility will bring 10,000 acres of rich farmland under full irrigation in its initial stages with deferred water storage for an additional 7,000 acres. Water sports, boating swimming, fishing, and water skiing as well as camping and picnicking opportunities will be created. Works authorized by the bill will make 1,000 acre-feet of municipal and industrial water available to the city of Dayton.

The benefit cost ratio of the Touchet division, as reported by the committee would be 2.35 to 1 for all benefits and 1.83 to 1 for direct benefits only. Revised overall costs of the Touchet division were placed at $16,630,000 by the Department of the Interior using January 1965 prices.

Following hearings by the Subcommittee, the Committee ordered S. 485 favorably reported to the Senate (S. Rept. 527) and the measure was passed without amendment on August 23, 1967.

S. 605 by Senators Jackson and Magnuson, a bill to authorize the Secretary of the Interior to determine that certain costs of operating and maintaining Banks Lake on the Columbia Basin project for recreational purposes are nonreimbursable.

Under the present irrigation operation, Banks Lake fluctuates considerably during the year. These fluctuations are normal for such equalizing and reregulating reservoirs in an irrigation system, but they have a very detrimental effect upon recreational and fish and wildlife uses. S. 370 authorizes the Secretary to pump additional water to reduce reservoir fluctuations. Average annual costs are estimated at $21,000 and recreational benefits are estimated at 60,000.

Following a hearing before the Subcommittee, the measure was ordered favorably reported (S. Rept. 61) and was passed by the Senate without amendment on March 6, 1967.

S. 670 by Senators McGee and Hansen, a bill to reauthorize the Riverton extension unit, Missouri River Basin project, to include therein the entire Riverton Federal reclamation project, and for other purposes.

The Riverton extension unit (third division) a previously authorized project which encountered financial difficulties and was subsequently acquired by the United States under the provisions of Public Law 88–278 (76 Stat. 156). S. 670 would reauthorize the project as a Reclamation project.

Hearings were held by the Subcommittee on November 30, 1967.

S. 697, by Senators Church and Jordan (Idaho), a bill to authorize the Secretary of the Interior to construct, operate, and maintain the southwest Idaho water development project, and for other purposes.

The Southwest Idaho Water Development Project which is composed of four divisions would bring into production some 490,000 acres or dry sagebrush land and stabilize and increase the production on over 60,000 acres which are now inadequately irrigated. It would provide flood protection to cities and farms throughout the area and improve the quality of water in certain streams and municipal systems. A municipal and industrial water supply would be provided to the city of Mountain Home. The electric power generation potential of the area would be increased by over 450,000 kilowatts of installed capacity in the proposed hydroelectric plants. Opportunities for new recreation developments and for enhancement of fish and wildlife resources would be of major significance.

A hearing on S. 697 was held before the Subcommittee on August 15, 1967.

S. 774, by Senators Curtis and Hruska, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Nebraska mid-state division, Missouri River Basin project, and for other purposes.

No further action on this measure was taken because H.R. 845, a companion bill, was ordered favorably reported and was passed by the Senate on November 1, 1967 and became Public Law 90–136.

S. 1004, by Senators Hayden, Fannin, Cannon, and Jackson, a bill to authorize the construction, operation, and maintenance of the Central Arizona Project, Arizona-New Mexico, and for other purposes.

The principal purpose of S. 1004, as introduced, was to authorize the construction, operation, and maintenance of the Central Arizona Project, Arizona-New Mexico. The Central Arizona Project is designed to enable the State of Arizona to put to beneficial use waters from the main stream of the Colorado River which it is presently unable to use because of a lack of diversion works, and to thereby meet a critical need for a supplemental water supply in the densely populated central portion of the State.

The bill as reported also authorizes five reclamation projects in the Upper Colorado River Basin; establishes a Lower Colorado River Basin development fund; and includes provisions concerning river regulation and reservoir-operating criteria which were agreed upon by representatives of the Colorado River Basin States during recent years.

The benefit-cost ratio of the Central Arizona Project is 2.6 to 1 over a 100 year period. Total cost is $768 million (October 1963 prices) and $100 million for construction of distribution and drainage facilities for non-Indian lands. The five projects in the Upper Colorado River Basin have an appropriation authorization of $360 million.

The Subcommittee held 4 days of hearings on S. 1004 and other similar measures (S. 861, S. 1013, S. 1242, and S. 1409) in early May. Full Committee executive sessions were held on June 9, 22, 23, 27, 28, and 29, 1967. The measure was ordered favorably reported to the Senate on June 29, 1967 (S. Rept. 408) and was passed by the Senate on August 7, 1967 with Committee and floor amendments.

S. 862, by Senator Jackson (by request), a bill to amend the Small Reclamation Projects Act of 1956, as amended.

The purpose of S. 862 is to remove certain provisions of the Act which the Executive Branch maintains violate the separation-of-powers doctrine by encroaching upon executive responsibilities. Although the Committee does not necessarily agree with the conclusions of the executive agencies either on policy on constitutional issues, it was agreed to report the bill in order to continue the small reclamation projects program which has proven to be successful.

Following a hearing by the Subcommittee S. 862 was ordered reported to the Senate (S. Rept. 486) and was passed by the Senate with amendments on August 2, 1967.

S. 1098, by Senator Kuchel, a bill to amend the Act of September 26, 1950 authorizing the Sacramento Valley irrigation canals, Central Valley project, California, in order to increase the capacity of certain project features for future irrigation of additional lands.

The purpose of this legislation is to authorize an enlargement and realinement of the last of the last 50 miles of the authorized Tehama-Colusa Canal as a part of the potential West Sacramento Canal unit. This additional capacity would be needed and used only after the West Sacramento Canal unit is authorized and constructed. The authorization and construction of the additional canal capacity at this time, however, is in the interest of long-range economy, saving approximately $5.7 million in construction costs at $65,000 per year in operating expenses over the life of the future West Sacramento Canal unit.

The benefit-cost ratio of the project is 3.82 to 1. The estimated cost of the enlarged canal is $17.4 million.

A hearing was held on the measure and it was ordered favorably reported to the Senate (S. Rept. 200) on April 28, 1967. No further action was necessary because H.R. 743, a companion measure was passed by the Senate on August 9, 1967 and became Public Law 90–65.

S. 1101 by Senators Jackson (by request) and Kuchel, a bill to authorize appropriations for the saline water conversion program, to expand the program, and for other purposes.

The purpose of S. 1101 is to authorize additional appropriations for the saline water conversion program and amend the Saline Water Conversion Act in certain other respects.

Following hearings by the Subcommittee, the measure was ordered favorably reported to the Senate on April 27, 1967. No further action on the bill was necessary, however, because H.R. 6133, a companion measure, was passed by the Senate on May 10, 1967 and became Public Law 90–30.

S. 111, by Senator Kuchel, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the San Felipe division, Central Valley project, California, and for other purposes.

The purpose of this legislation is to authorize the Secretary of the Interior to construct, operate, and maintain the San Felipe division, a proposed multiple-purpose addition to the Central Valley project, involving the delivery of water from that project system to portions of Santa Clara, San Benito, Santa Cruz, and Monterey Counties, Calif.

The benefit-cost ratio of the project 2.76 to 1 for all benefits and 2.08 to 1 for direct benefits only. The bill authorizes an appropriation of $92,380,000 (October 1966 prices).

Following a hearing by the Subcommittee, the measure was ordered favorably reported (S. Rept. 282) and was passed by the Senate on July 10, 1967 with Committee amendments. The measure passed the House on August 14, 1967 and became Public Law 90–72 on August 27, 1967.

S. 1251, by Senators Jordan and Church, a bill to make certain reclamation project expenses nonreimbursable.

S. 1251 would make nonreimbursable the severance payments to which departmental employees are entitled when their Federal employment is terminated because of the transfer of reclamation works to a local agency for operation and maintenance. This will facilitate an orderly and equitable turnover of responsibility for operation and maintenance of irrigation projects to the water users organizations.

Hearings were held on S. 1251 June 7, 1967 and the measure was ordered favorably reported on July 26, 1967 (S. Rept. 1251). The bill passed the Senate with Committee amendments on August 2, 1967.

S. 1601 by Senators Metcalf (by request) and Mansfield, a bill to increase the appropriation authorization for continuing work in the Missouri River Basin by the Secretary of the Interior.

The purpose of S. 1601 is to increase the authorization for appropriation for continuing the going work on the Missouri River Basin project by the Department of the Interior. The measure will increase the authorization of $60 million authorized in the Act of July 19, 1966, by $9 million, the amount determined by the Department of the Interior to be necessary to continue work on the Tiber Dam of the Lower Marias unit to alleviate a dangerous weakening of the spillway in the dam. It will also provide authorization for the continuation of work on the Fort Thompson-Grand Island 345-Kilovolt transmission line and transmission facilities on the transmission division.

S. 1601 was ordered favorably reported to the Senate on April 27, 1967 (S. Rept. 204) and was passed by the Senate on May 4, 1967. Following House passage on September 11, 1967, the measure became Public Law 90–89 on September 27, 1967.

S. 1788 by Senator Jackson (by request) a bill to authorize the Secretary of the Interior to engage in feasibility investigations of certain water resource developments.

Section 8 of the Federal Water Project Recreation Act (P.L. 89–72, 79 Stat. 213) requires specific Congressional authorization before the Department of the Interior may engage in the preparation of any feasibility report on a water resource project.

The purpose of S. 1788 is to authorize the Secretary of the Interior to undertake certain designated feasibility investigations.

Following a hearing by the Subcommittee the measure was ordered favorably reported to the Senate on May 22, 1967 (S. Rept. 285). S. 1788 was passed by the Senate on May 24, 1967, and subsequently was passed by the House with amendments.

The measure is now in conference.

S. 1946, by Senators Monroney and Harris, a bill to amend the repayment contract with the Foss Reservoir Master Conservancy District, and for other purposes.

The purpose of S. 1946, as amended by the Committee, is to authorize the Secretary of the Interior to (1) conduct feasibility studies of ways and means of alleviating the problems encountered by the Foss Reservoir Master Conservancy District associated with the poor quality and supply of water stored in Foss Reservoir, Washita River Basin project, Oklahoma; and (2) afford relief to the district from the burden under its repayment contract wherein it is obligated to pay for water that is unusable.

The relief is granted by suspending further construction charge payments and interest accrued on the total obligation until usable water is available. The Secretary is also authorized to refund the amount paid thus far on this contract. When usable water is available, this amount will have to be repaid as will the suspended amount of the construction charges under the contract. Any penalties which have accrued on unpaid construction charges will be canceled.

Following a Subcommittee hearing, S. 1946 was ordered favorably reported to the Senate on October 25, 1967 (S. Rept. 702) and was passed with Committee amendments on November 6, 1967.

S. 2402, by Senators Kuchel and Murphy, a bill to provide for credit to the Kings River Water Association and others for excess payments for the years 1954 and 1955.

The purpose of S. 2402 is to give the Secretary of the Interior authority to do equity to a group of citizens who were overcharged for water conservation storage. The Secretary, with the backing of the Comptroller General, asserts that he does not have such authority under existing law.

Specifically, the bill directs the Secretary to credit outstanding obligations of all members of the Kings River Water Association incurred pursuant to the master agreement among the members and the association and the United States dated December 30, 1963, and the Alta Irrigation District, Consolidated Irrigation District, Fresno Irrigation District, Kings River Water District, and Tulare Lake Canal Company pursuant to agreements dated December 23, 1963, in a total amount of $1,098,597.92, representing excess payments over their share of the operation and maintenance charges of Pine Flat Reservoir, Kings River, California during the years 1954 and 1955.

S. 2402 was ordered favorably reported to the Senate on November 29, 1967 (S. Rept. 837) and was passed by the Senate with Committee amendments on December 6, 1967.

House bills

H.R. 743, by Mr. Johnson of California, a bill to amend the Act of September 26, 1950, authorizing the Sacramento Valley project, California, in order to increase the capacity of certain project features for future irrigation of additional lands.

The purpose of H.R. 743 is to authorize an enlargement and realinement of the last 50 miles of the authorized Tehama-Colusa Canal as a part of the potential West Sacramento Canal unit. This additional capacity would be needed and used only after the West Sacramento Canal unit is authorized and constructed. The authorization and construction of the additional canal capacity at this time, however, is in the interest of long-range economy, saving approximately $5.7 million in construction costs at $65,000 per year in operating expenses over the life of the future West Sacramento Canal unit.

A companion measure, S. 1098 by Senator Kuchel was reported by the Committee (S. Rept. 200). H.R. 743 was passed by the Senate on August 9, 1967 and on August 19, 1967 became Public Law 90–65.

H.R. 845, by Mr. Martin, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Nebraska Mid-State division, Missouri River Basin project, and for other purposes.

The purpose of H.R. 845 is to authorize the Secretary of the Interior to construct, operate, and maintain the Nebraska Mid-State division of the Missouri River Basin project. The Mid-State division is a proposed multiple-purpose project, located along the north side of the Platte River in central Nebraska, which will provide irrigation and flood control benefits and outdoor recreation opportunities. The Mid-State division, which is estimated to cost $106,135,000 at current price and wage levels, will be integrated physically and financially with the other works being constructed by the Department of the Interior in the Missouri River Basin.

A companion bill, S. 774, by Senators Curtis and Hruska was also before the Committee, but at their request the Sub-Committee ordered H.R. 845 (previously passed by the House) favorably reported following a hearing by the Subcommittee (S. Rept. 695). H.R. 845 passed the Senate on November 1, 1967 and on November 15, 1967 became Public Law 90–136.

H.R. 6133, by Mr. Aspinall, a bill to authorize appropriations for the saline water conversion program, to expand the program, and for other purposes.

The purpose of H.R. 6133 is to authorize additional appropriations for the saline water conversion program and amend the Saline Water Conversion Act in certain other respects. The increase in the amount authorized to be appropriated, will make available for appropriation in fiscal year 1968 a total of $26,782,000 which is the amount recommended in the President's budget. The basic act is amended to provide authority for "test bed" plants and for redesignating "demonstration plants" as "prototype plants," thus clarifying the definitions for the full sequence in the development of a process and conforming the terminology in the act to that currently in use throughout the industry. In addition, the demonstration plant program is integrated into the regular research and development program, and authority is provided for using the existing demonstration plants as test bed plants.

The bill requires that a detailed report concerning any test bed plant, module, or component costing in excess of $1 million shall be submitted to the respective Committees on Interior and Insular Affairs of the Senate and House of Representatives.

A companion measure, S. 1101, by Senators Jackson and Kuchel was also before the Subcommittee. Following hearings H.R. 6133 was ordered favorably reported to the Senate on May 8, 1967 and was passed with Committee amendments on May 10, 1967. The measure was approved and became Public Law 90–30 on June 24, 1967.

SUBCOMMITTEE ON MINERALS, MATERIALS AND FUELS SENATOR ERNEST GRUENING, OF ALASKA, CHAIRMAN

The Subcommittee on Minerals, Materials and Fuels is the Unit of the Senate Interior Committee to which is referred measures relating to the Committee's responsibility under seaction 102(1)(m) of the Legislative Reorganization Act (Public Law 601, 79th Congress) for proposed legislation and other matters respecting mineral resources of the public lands, mining interests generally, mineral land laws and entries thereunder, Geological Survey and petroleum conservation.

During the first session of the 90th Congress, 23 Senate bills, 2 Senate joint resolutions, and 4 House bills were referred to the Subcommittee. Public hearings were held on 9 of these measures, and 7 were reported favorably to the full Committee; five passed the Senate, and one became law.

Major proposed legislation considered by the Subcommittee included:

S. 23, by Senator Bible with 10 co-sponsors, providing for the development of the geothermal steam resources of the public lands. This measure, as introduced, was identical to S. 1674 of the 89th Congress, which was the subject of a pocket veto and Memorandum-of-Disapproval by President Johnson. The Subcommittee conducted hearings on S. 23 and on the substitute bill submitted by the Interior Department, S. 912. The Subcommittee reported S. 23 favorably, with amendments. The full Committee put the measure over for further consideration when controversy developed over the amendments, particularly the so-called "grandfather clause."

S. 49, by Senator Gruening with 19 cosponsors to revitalize the American gold mining industry. S. 49 provides for a program by which domestic gold producers would be compensated for the differences in the costs of production in the last quarter of 1939 (the peak year of American gold production was 1940) and present-day costs. The measure would stimulate new production of gold, increasing our dwindling reserves, as well as afford some equitable relief to American producers who were the victims of uniquely harsh governmental action. The bill was reported favorably to the Senate (Senate Report 67) and is on the Calendar for action.

S. 615, by Senator McGovern and 8 cosponsors, also providing domestic gold production incentives, was the subject of subcommittee hearings and consideration along with S. 49.

S. 289, by Senator Anderson and 27 cosponsors, to stabilize the lead-zinc industry and assure adequate supplies for consumption from both domestic and foreign sources. S. 289 provides a 5-year program for flexible import quotas, to go into effect only when needed, based on the ratio between primary producers' stocks of lead and zinc and shipments of the metal, which are a direct measure of consumption. Foreign producers are guaranteed a share of the United States market on a country-by-country basis. S. 289 was the subject of hearings, was favorably reported to the Senate (Senate Report 218) and was re-referred to the Committee on Finance.

S. 1367, by Senators Gruening, Hansen and Moss, to authorize the Secretary of the Interior to prevent termination of Federal oil and gas leases in certain circumstances and to reinstate terminated leases in some instances. In each Congress several private bills to authorize the Secretary to take equitable action in the case of individual lessees have been the subject of legislative action. S. 1367 would make this authority general within specified limits and under specified conditions. An amendment sponsored by Senator Anderson and adopted by the Committee limited the Secretary's authority to instances in which termination of the lease was the result of error on the part of the Department of the Interior (Senate Report 698). The Senate passed the amended measure.

S.J. Res. 35, by Senator Anderson, granting the consent of Congress to a 4-year extension and renewal of the interstate compact to conserve oil and gas. The measure also provides for report by the Attorney General on the operations of the compact commission during the period. S.J. Res. 35 was reported favorably (Senate Report 202), and passed the Senate May 4. In the House, the Interstate and Foreign Commerce Committee amended the measure to limit the extension to a 2-year period, and to require a report from the Attorney General prior to December 31, 1968. The Senate concurred in the House amendment, and the measure became Public Law.

Oil Shale. The full Committee held two comprehensive public hearings on the development of a Federal oil shale program. Vast deposits of oil shale are found in the Green River Formation in the States of Colorado, Utah and Wyoming. These deposits are regarded as the largest reservoir of energy known in the world, and in very large part they underlie public lands of the United States. In January the Secretary of the Interior announced a five-point development program designed to solve in part existing legal stalemates with respect to the Federal reserves, to further advancement of the state of the art of production of oil from the shale, and to form the basis of a commercial oil shale industry. The Committee held hearings in February on these proposals.

In May, the Secretary caused to be published in the Federal Register proposed regulations to implement part of the program, and in September the Committee held two full days of open hearings to obtain views and comments on the probable effect of the proposed regulations on the development of an oil shale industry.

Probable action for second session

Mined Lands Reclamation: The Committee expects to consider legislation for the control, reclamation, and development of mined lands, in accordance with the program outlined by the President. The Secretary has issued proposed regulations for such control and development with respect to Federal lands, but legislation will be required to extend the program to private and State lands. The program is expected to be a cooperative one, with the States and Federal government joining forces.

Pending before the Subcommittee is S. 217, by Senator Lausche and 8 co-sponsors, which would establish a program for the reclamation, acquisition, and conservation of lands and waters adversely affected by coal mining. It is anticipated that this or similar proposed legislation will be broadened to include all mining operations, rather than being restricted to coal alone.

Common Varieties Act: The Subcommittee has before it S. 1049, by Senators Metcalf and Gruening, to amend the so-called Common Varieties Act of 1955. Early in the year, the bill was referred to the Departments of Interior and Agriculture for report and comment, but despite the fact that it is identical to S. 3485 of the 89th Congress, which passed the Senate on September 21, 1966, no reports have been received. The Subcommittee plans public hearings early in the 2nd session. Purpose of the bill is to clarify the 1955 Act to bring administration into line with the intent of the Act.

Geothermal Steam: It is hoped and expected that differences with respect to the terms of S. 23, the geothermal steam leasing bill, can be worked out, and the measure submitted to the Senate. Geothermal steam is a natural resource of potential importance, both as a source of energy and as a source of minerals.

SUBCOMMITTEE ON INDIAN AFFAIRS, SENATOR GEORGE M'GOVERN, SOUTH DAKOTA, CHAIRMAN

The Subcommittee on Indian Affairs has legislative responsibility over matters involving the relations of the Federal Government and approximately 500,000 Indians, Eskimos, and Ileuts, about half of whom reside on reservations; over Indian landholdings and reservations which, subject to varying degrees of Federal control, total approximately 52 million acres in 29 States; and over the administration of the Bureau of Indian Affairs. In addition, the Indian health and sanitation program supervised by the Division of Indian Health in the U.S. Public Health Service is of concern to the subcommittee, as is the Indian Claims Commission.

Of the 64 measures referred to the subcommittee, 36 were reported and passed and 15 were enacted into law.

The following Indian bills of general applicability throughout Indian country were acted upon during the first session of the 90th Congress:

S. 285 (Anderson): To amend the Indian Long-Term Leasing Act. The bill would amend section 1 of the 1955 Indian Leasing Act (69 Stat. 539) relating to leases of individual and tribal lands for public, religious, educational, recreational, residential, and business purposes by increasing the maximum term of such leases from 50 to 65 years. In addition, the bill authorizes leases for up to 99 years for several Indian pueblos and reservations in the States of New Mexico, Arizona, and Washington, and provides for farming leases up to 40 years in length under certain circumstances on all reservations. This additional leasing authority would greatly increase economic development on most Indian reservations.

S. 304 (Jackson): Relating to the Indian Revolving Loan Fund and the Indian Heirship Land Problem. The purposes of S. 304 are to (1) authorize an increase of $35 million in the Indian revolving credit loan fund created by the act of June 18, 1934; (2) consolidate all existing loan funds presently authorized for loans to Indians into a single revolving fund and prescribe the administration thereof; and (3) provide the Secretary of the Interior with authority that will enable him to reduce the rapidly increasing number of Indian allotments in multiple ownership by—

(a) Partitioning or selling lands in heirship status, upon application of the requisite number of Indian owners, where such partition or sale is found to be in the best interest of the Indian owners, and not detrimental to the Indian tribe;

(b) Providing for judicial partition or sale where non-Indian interests so require;

(c) Authorizing the Secretary of the Interior to represent owners who are minors, non compos mentis, or unlocatable;

(d) Establishing procedures for selling heirship lands that will afford the owners full opportunity to obtain fair market value for their property and give the Indian owners and tribes preference rights to purchase the land;

(e) Increasing the Indian revolving credit loan fund in order that individual Indians and tribes may borrow funds with which to purchase heirship tracts; and

(f) Providing for tribal land consolidation programs to permit maximum economic utilization of the land resource by Indians.

The provisions of this legislation are identical to those in S. 2196, 89th Congress, which passed the Senate on September 8, 1966.

S. 306 (Jackson): To increase the amounts authorized for Indian adult vocational education. The bill amends the act of August 3, 1956 (70 Stat. 986, 25 U.S.C. 309), entitled "An act relative to employment for certain adult Indians on or near Indian reservations," by increasing the amount authorized to be appropriated for the program from $15 to $25 million annually. This legislation is necessary in order to accommodate the large number of Indians who are seeking enrollment under the 1956 act. The response of Indians to the opportunities afforded them in vocational courses and on-the-job training has been most favorable. From its inception through 1964, 18,000 persons have enrolled in various vocational programs throughout the United States. More and more of the younger Indians are completing high school and will become available for these training programs in the near future.

S. 307 (Jackson), Public Law 90-9: To amend the Indian Claims Commission Act of 1946.

The purposes of S. 307 are to provide for the adjudication or dismissal of all claims filed with the Indian Claims Commission and to extend the life of the Commission to April 10, 1972.

The Indian Claims Commission was established to provide for a final disposition of all claims of Indian tribes against the United States that existed on the date of the act of August 13, 1946 (60 Stat. 1049). The Indian tribes were given 5 years in which to file their claims, and the Commission was given an additional 5⅔ years within which to adjudicate the claims. The Commission was to terminate on April 10, 1957. The time allotted in the original act to adjudicate the many claims filed proved to be inadequate, and the Congress extended the life of the Commission for 5 years by the act of July 24, 1956 (Public Law 84–767), until April 10, 1962. This extension also proved to be inadequate, and Congress again extended the life of the Commission for 5 years by act of June 16, 1961 (Public Law 87–48), until April 10, 1967.

The Indian tribes filed a total of 852 separate causes of action with the Claims Commission. These claims have been consolidated into a total of 583 dockets. To date, 236 docket numbers have been adjudicated and the files sent to the National Archives. Of this number, 103 awards were made to Indian tribes for a total sum of over $200 million and 133 cases have been dismissed. There are 347 dockets now pending and active, some of which have been partly adjudicated and others of which are in early stages of processing.

As enacted, Public Law 90–9 would:

First. Amend section 23 of the 1946 Indian Claims Commission Act to provide that the Commission shall terminate at the end of 10 years from and after April 10, 1962. In other words, the Commission's life would be extended for an additional 5 years in order to complete its assigned task .

Second. Amend section 3 of the 1946 statute to provide that the Commission shall be expanded from three to five members, and the President shall designate one of these members as the Chairman. The three Commissioners who are presently holding office will continue to serve as Commissioners on the Commission until June 30, 1968, unless prior to that date the President reappoints them.

Third. Add a new section 27 to the 1946 act which directs the Commission to prepare a trial calendar which will set a date, not later than December 31, 1970, for the trial of each claim pending before the Commission. If a claimant fails to proceed to trial, the Commission is directed to dismiss the claim unless for good cause, the Commission grants a continuance which would be for a period of not more than 6 months. The only exception to the 6-month continuance would be under circumstances or events beyond control of the party and in this situation further continuances could be given that could not exceed an aggregate of 6 months.

The provisions of this bill are intended to expedite the adjudication of the remaining claims filed by the Indians more than 15 years ago. The purpose of this legislation is to get the Indian tribes before the court as promptly as possible in order that they may benefit from awards that may be made to them.

S. 876 (Gruening et al.): Relating to Federal support of education of Indian students in sectarian institutions of higher education.

The purpose of S. 876 is to remove an outworn impediment to the pursuit of higher education by Indian students qualifying for certain Federal educational aids. It would accomplish this purpose by amending section 21 of the act of March 2, 1917 (39 Stat. 969, 988; 25 U.S.C. 278) to delete a prohibition against appropriation of Federal funds for "education of Indian children in any sectarian school." The prohibition in existing law against use of Federal funds for Indian educational programs in sectarian elementary and secondary schools is restated and affirmed in section 2 of the bill.

To this section are added provisions that an Indian scholarship aid recipient shall be free to choose the accredited college or institution he wishes to attend, whether public or private, sectarian or nonsectarian, and that the aid shall be extended to the individual directly, as far as is consistent with sound administration, rather than to the institution or school.

The following bills relating to specific tribes, bands or groups were enacted or passed by the Senate during the first session, 90th Congress:

S. 282 (Jackson, Magnuson, by request): To provide for the termination of Federal supervision over the property of the Confederated Tribes of Colville Indians located in the State of Washington and the individual members thereof, and for other purposes. As a result of a directive in section 5 of Public Law 772, 84th Congress, the Business Council of the Confederated Tribes of Colville Indians submitted proposed legislation providing for the termination of Federal supervision over the property of the tribes. After hearings on the proposed legislation in the 88th and 89th Congresses, Senator Jackson was requested to introduce S. 282. As passed by the Senate, the bill provides for a referendum and the remaining provisions of the bill shall become effective only if a majority of the voting adult members of the tribes approve. The bill provides for the closing of the tribal rolls, the updating of all land records, and the appraisal by three qualified independent appraisers of all tribal assets. Thereafter, individual members of the tribes will be afforded a right to withdraw from the tribes and have their shares of tribal property converted to money and paid to them or to remain in the tribe and participate in a tribal management program. Such amounts of the tribes' timberlands as would be required to be sold would be purchased by the Secretary of Agriculture and designated as national forest lands. Other property would be sold on a competitive bid basis, except that property belonging to those remaining in the tribe shall be placed in the hands of a private corporation or trustee. This legislation is similar to the Klamath Termination Act of 1954.

S. 391 (Moss): Amending the Act of March 1, 1933 (47 Stat. 1418), entitled "An act to permanently set aside certain lands in Utah as an addition to the Navajo Indian Reservation and for other purposes".

The purpose of S. 391 is to broaden the provisions of existing law governing the use of revenue from oil and gas leasing on a portion of the Navajo Indian Reservation in Utah.

The act of March 1, 1933 (47 Stat. 1418), withdrew certain public lands in southern Utah "for the benefit of the Navajo and such other Indians as the Secretary of the Interior may see fit to settle thereon" and added the lands to the Navajo Reservation. The statute provided that 37½ percent of the net revenues accruing from tribal oil and gas leases of such lands shall be "expended by the State of Utah in the tuition of Indian children in white schools and/or the building or maintenance of roads across the lands described in section 1 hereof, or for the benefit of the Indians residing therein."

S. 391 would modify the 1933 act by permitting the State to expend such oil and gas revenues for the benefit of the Navajo Indians residing in San Juan County, which is a larger group than the Indians residing on the lands that were withdrawn by the 1933 act. The bill also would authorize the use of the funds for "health, education, and general welfare" of those Indians, instead of limiting such use to tuition in white schools and reservation roads.

S. 491 (Allott): Determining the rights and interests of the Navajo Tribe and the Ute Mountain Tribe of the Ute Mountain Reservation in and to certain lands in the State of New Mexico, and for other purposes.

The purpose of S. 491 is to authorize the Navajo Tribe or the Ute Mountain Tribe to commence litigation to determine the location of a part of the common boundary between their two reservations. The litigation would be before a district court of three judges in the U.S. District Court for the District of New Mexico, with a statutory right of appeal direct to the Supreme Court. The district court would base its decision on "such principles as may be just and fair in law and equity."

The Navajo boundary immediately south of the Colorado boundary was fixed by a treaty of June 1, 1868. In 1869 the boundary was surveyed and monumented but the monuments cannot be located at the present time. The Ute Mountain boundary was established by the act of February 20, 1895. Apparently there is an overlap and the purpose of the bill is to quiet title to the land in one or the other of the tribes.

S. 528 (McGee, Hansen): Placing in trust status certain lands on the Wind River Indian Reservation in Wyoming.

The purpose of S. 528 is to place in trust status 15 acres on the Wind River Indian Reservation in Wyoming. The land with which S. 528 is concerned was acquired by the United States in the 1920's for administrative, irrigation, and other Indian Bureau needs at a cost of $812.50. The land is no longer needed by the Bureau of Indian Affairs, and the Wind River Tribes have requested the conveyance.

S. 1119 (Metcalf, Mansfield): Granting minerals, including oil and gas, on certain lands in the Crow Indian Reservation, Mont., to certain Indians, and for other purposes.

S. 1119 would amend existing law to grant full ownership of the minerals underlying the Crow Indian Reservation in Montana to members of the Crow Tribe. The measure also provides that with the approval of the tribal council certain oil and gas leases granted under previous law may be renewed and extended so as to make them uniform and consistent with other oil and gas leases on reservation lands.

Absent legislative action, the tribe's interest in the minerals will terminate in 1970 under existing law enacted in 1920 (41 Stat. 751), which reserves the minerals to the tribe for a 50-year period.

The total income to the tribe from the development of oil and gas since 1920 amounts to $3,665,000. About 40 percent of that income has been received during the past 5 years. The Senate concurred with the finding of the Department of the Interior "that the tribe has not enjoyed the full benefit of the mineral reservation that was contemplated in 1920, and that an extension of tribal ownership is justifiable for that reason."

S. 1165 (McCarthy, Mondale), Public Law 90–94: Providing for the disposition of judgment funds now on deposit to the credit of the Minnesota Chippewa Tribe of Indians on behalf of the Mississippi Bands and the Pillager and Lake Winnibigoshish Bands of Chippewa Indians.

A judgment in the amount of $1,671,262.18 was awarded to the Mississippi Bands and $2,260,942.90 to the Pillager and Lake Winnibigoshish Bands in Indian Claims Commission docket 18–B. The awards represent additional payment for 10,213,700 acres of land in Minnesota ceded under the treaty of February 22, 1855 (10 Stat. 1165). These funds are on deposit in the U.S. Treasury in interest-bearing accounts.

The bill contemplates that approximately $330,000 of the funds remaining after deduction of attorney fees and expenses will be used as a program fund on the White Earth, Leech Lake, and Mille Lacs Reservations. The remainder of the judgment will be distributed per capita to the approximately 18,000 Indians comprising the Minnesota Chippewa Tribe.

S. 1171 (H.R. 5910) (Harris, Monroney): Declaring that the United States holds certain lands in trust for the Pawnee Indian Tribe, Oklahoma.

S. 1173 (Harris, Monroney): Declaring that certain land of the United States is held by the United States in trust for the Cheyenne and Arapaho Tribes of Oklahoma.

The purpose of the bill, as introduced, was to donate approximately 116 acres of Federal land to the Cheyenne and Arapaho Tribes of Oklahoma. The subject lands were originally part of an Indian allotment which was relinquished and subsequently became classified as unallotted land with title vesting in the United States. For many years the land has been utilized for school farm station purposes in connection with Segar Indian School located a short distance from the city of Clinton, Okla. The lands are now surplus to the needs of the Bureau of Indian Affairs, and it is proposed that they be donated to the tribes for an old-age rest home, housing development, commercial or light industrial use, and agricultural purposes.

By Resolution No. 343–S15, dated April 26, 1967, the business committee of the Cheyenne and Arapaho Tribes requested that these lands be conveyed to them in fee simple rather than in trust status. The Senate therefore amended the bill to provide that the land will be given to the tribes without any restriction on its use, management, or disposition because of Indian ownership.

S. 1177. (Metcalf, Mansfield), Public Law 90–11: Providing for the disposition of a judgment against the United States recovered by the Confederated Salish and Kootenai Tribes of Indians of the Flathead Reservation in Montana.

The purpose of S. 1177 is to authorize the distribution of an award by the Indian Claims Commission to the Confederated Salish and Kootenai Tribes of the Flathead Reservation by the Indian Claims Commission in docket No. 61 may be used as authorized by the tribal governing body and approved by the Secretary of the Interior. It also exempts from Federal and State income taxes any funds distributed to tribal members.

The judgment funds appropriated by the act of October 27, 1966 (80 Stat. 1065), are on deposit in the U.S. Treasury to the credit of the tribes in an interest-bearing account. This bill authorizes the use of both the principal and the interest. The judgment was for $4,431,622.18, and the payment of attorney fees and expenses will reduce the figure to about $4 million. The interest earned to December 31, 1966, amounts to $24,768.52.

S. 1191 (Allott), Public Law 90–60: Providing for the disposition of a judgment against the United States recovered by the Southern Ute Tribe of the Southern Ute Reservation in Colorado.

The bill, as amended, provides that the Secretary of the Interior is authorized and directed to divide the trust fund belonging to the Confederated Bands of Ute Indians appropriated by the Second Supplemental Appropriations Act, 1965, and deposited in the United States Treasury pursuant to the final judgment entered in Indian Claims Commission docket numbered 327, including the interest thereon, by crediting 60 per centum to the Ute Indian Tribe of the Uintah and Ouray Reservation and the Ute Distribution Corporation, 20 per centum to the Ute Mountain Tribe of the Ute Mountain Reservation, and 20 per centum for the Southern Ute Tribe of the Southern Ute Reservation. The portion of the trust fund, upon its division as directed, credited to the Ute Indian Tribe of the Uintah and Ouray Reservation to the Ute Distribution Corporation and to the Southern Ute Tribe of the Southern Ute Reservation, shall be available for use in accordance with existing authorization for use of funds of the tribes and the Ute Distribution Corporation, including the Act of August 21, 1951 (65 Stat. 193), as amended, the Act of June 28, 1954 (68 Stat. 300), and the Act of August 27, 1954 (68 Stat. 868), as amended. Any part of such funds that may be distributed to the members of the tribe shall not be subject to Federal or State income taxes. The total judgment awarded the tribes amounts to $7.9 million.

S. 1391 (Metcalf, Mansfield), Public Law 90– : Canceling certain construction costs and irrigation assessments chargeable against lands of the Fort Peck Indian Reservation, Montana.

The purpose of S. 1391, as amended, is to do equity to certain Indian and non-Indian landholders in the Fort Peck Indian Reservation, Mont., by canceling specified construction costs and irrigation assessments chargeable against their lands. In some of the instances covered by the bill irrigation was not successful, that is, the lands did not get water, and the landholders would be charged for benefits they never received. In other instances, the records are so unspecific that it is impossible to determine at this time whether the lands that would be charged ever received any benefits.

The bill provides for the cancellation of all charges against the non-Indian lands in the units where irrigation can no longer be practiced because of the inadequate water supplies and other adverse conditions. It also approves the partial cancellation of charges against non-Indian lands in those units now operated in order to equalize the per acre construction charges with those of the Indians. This adjusted per acre cost is the amount that all lands, Indian and non-Indian, are economically capable of repaying.

The bill also provides for the cancellation by direct statutory action unassessed construction costs in the sum of $118,266.64 for land clearing and leveling performed on both Indian and non-Indian lands. The specific tracts of land so benefited cannot be identified for proper distribution and assessments of these costs.

These delinquent charges, costs, and assessments totaling $325,630.25, now determined to be uncollectable, inequitable, or unjust, and due the United States, are to be canceled. The remaining charges of $232,830.68 for construction and $81.37 for operation and maintenance, relate to Indian-owned lands and will be canceled administratively under the act of July 1, 1932 (47 Stat. 564).

S. 1699 (Harris, Monroney): To permit negotiation of a modification to a contract for sale of certain real property by the United States to the City of Lawton, Oklahoma.

The Federal Government sold 270 acres of Federal land to the city of Lawton, Oklahoma, in 1913 for $2,880, and the city promised it would "furnish a sufficient supply of water for Fort Sill Indian School and Kiowa Hospital for so long as they are maintained as government installations, without cost to the government."

The value of such water service was estimated at $1,000 per year in 1926. By reason of expansion of the two government facilities, present consumption of water has increased more than 500 percent in the past 40 years.

The purpose of S. 1699 would be to permit the modification of the early agreement to take care of the inequitable situation that has arisen.

S. 1701 (Bible), Public Law 90–71: Declaring that the United States holds in trust for the Indians of the Battle Mountain Colony certain lands which are used for cemetery purposes.

The purpose of this bill is to place in trust status for the Battle Mountain Indian Colony of Nevada two tracts of withdrawn public domain land totaling 6.25 acres for use as a cemetery. The bill also provides for a right-of-way some 33 feet wide across approximately 2,805 feet of adjacent, vacant public domain land which gives access to both tracts.

This group of Indians has been using the two tracts for cemetery purposes for some time. There are about 130 graves in one tract and approximately 16 graves in the other. The estimated fair market value of the two cemetery sites and the right-of-way is $400. This colony has a beneficial interest in 680 acres of land. These cemetery sites are approximately one-half mile from the colony land.

S. 1727 (Anderson, Montoya): Authorizing the consolidation and use of funds arising from judgments in favor of the Apache Tribe of the Mescalero Reservation and of each of its constituent groups.

The purpose of S. 1727 is to authorize the use of an $8.5 million judgment awarded to the Apache Tribe and bands of the Mescalero Reservation by the Indian Claims Commission in docket 22–B.

The bill as introduced permitted the judgment already recovered, and the judgments anticipated in other pending claims, to be used for any purpose that is authorized by the tribal governing body and approved by the Secretary. The Senate adopted an amendment which would restrict the bill's application to the use and distribution of the sum recovered in docket 22–B. When awards are made to the tribe in other pending claims further legislation will be required in keeping with the language in the Department of the Interior Appropriations Act which reads as follows: "* * * nothing contained in this paragraph or in any other provision of law shall be construed to authorize the expenditure of funds derived from appropriations in satisfaction of awards of the Indian Claims Commission and the Court of Claims, except for such amounts as may be necessary to pay attorney fees, expenses of litigation, and expenses of program planning, until after legislation has been enacted that sets forth the purposes for which said funds will be used * * *."

The Mescalero Tribe has advised the committee that it plans to use the $8.5 million judgment in the following manner:

Land purchase	$375,000
Scholarship trust	310,000
Credit expansion	200,000
Apache summit	40,000
Rental housing	200,000
Claims research	35,000
Community center	143,800
Recreation areas	30,000
Industrial promotion	30,000
Liquor licenses	50,000
Tribal store complex	220,000
Per capita payments	1,650,000
Investments	4,366,200

S. 1933 (Harris, Monroney), Public Law 90–117: Providing for the disposition of judgment funds now on deposit to the credit of the Cheyenne-Arapaho Tribes of Oklahoma.

The purpose of S. 1933 is to authorize the use of funds appropriated by the act of October 31, 1965 (79 Stat. 1152), to cover an award of $15 million to the Cheyenne and Arapaho Tribes of Oklahoma in a compromise settlement in Indian Claims Commission dockets Nos. 329–A and 329–B. The sum of $14,166,348 is on deposit in two commercial banks, drawing interest at the rates of 5⅜ and 5⅛ percent, respectively. The remainder of the judgment funds, including interest, is on deposit in the U.S. Treasury to the credit of the tribes.

The award represents additional payment (in docket No. 329–A) for 4,608,878 acres of land in western Oklahoma granted jointly to the Southern Cheyenne and Southern Arapaho by Executive order of August 10, 1869, and ceded under the act of March 3, 1891 (26 Stat. 1022–1026). It further represents additional compensation (in docket No. 329–B) for the tribes' 50.61 percent interest in 51,210,000 acres of land in Colorado, Wyoming, Kansas, and Nebraska which were ceded by the Southern Cheyenne and Southern Arapaho under the Treaties of February 18, 1861, October 14, 1865, and

October 28, 1867; and by the Northern Cheyenne and Northern Arapaho under the Treaty of May 10, 1868.

The bill provides that $500,000 of the judgment funds are to be held in trust by an Oklahoma bank to provide education and scholarship grants for tribal members. The remainder of the judgment will be distributed in per capita shares to the approximately 5,300 tribal members living on the date of the act. Tribal membership is widely scattered throughout Oklahoma and other States.

S. 1972 (Nelson), Public Law 90–93: Providing for the disposition of funds appropriated to pay a judgment in favor of the Emigrant New York Indians in Indian Claims Commission Docket No. 75, and for other purposes.

The Indian Claims Commission, in docket No. 75, awarded the Emigrant Indians of New York $1,313,472.65. The Oneida Indians, the Stockbridge-Munsee Indians, and the Brotherton Indians in Wisconsin are the recipients of this award. The amount of the judgment, less $131,347.26 for attorney fees, is on deposit in the Treasury of the United States, to the credit of the Emigrant New York Indians.

S. 1972 provides that the Secretary of the Interior shall prepare rolls of all persons born on or prior to and living on the date of this Act, whose names appear on the membership rolls of the Oneida Tribe and the Stockbridge-Munsee Community. The bill also provides that the Secretary shall prepare a roll of the Brotherton Indians of at least one-fourth degree Emigrant New York Indian blood who are not members of either of the other two communities. The bill provides for the apportionment to each group of so much of the judgment fund and accrued interest as the ratio of its enrollees bear to the total enrollees of all three groups. The judgment fund will be placed to the credit of the respective groups and may be advanced for any purpose authorized by the tribal governing bodies and approved by the Secretary.

S. 2162 (Bible), Public Law 90–107: Amending the Act of January 17, 1936 (49 Stat. 1094), reserving certain public domain lands in Nevada and Oregon as a grazing reserve for Indians of Fort McDermitt, Nev.

The purpose of S. 2162 is to correct an error in a land description contained in the act of January 17, 1936, reserving certain public lands in Nevada for the Fort McDermitt Indians.

The 1936 act withdrew 21,500 acres for use by the Indians. Due to the deletion of a comma, about 400 acres were excluded from the description. Although all of the land has been administered as part of the reservation, enactment of the bill will restore the comma and make the statute conform to the original intent.

S. 2336 (Jackson, Magnuson): Determining the respective rights and interests of the Confederated Tribes of the Colville Reservation and the Yakima Tribe of Indians of the Yakima Reservation and their constituent tribal groups in and to a judgment fund on deposit in the Treasury of the United States, and for other purposes.

The basic purpose of S. 2336, as amended, is to confer jurisdiction on the Court of Claims to determine the respective rights of two Indian tribal bands of the State of Washington in and to a joint judgment fund. The Indian groups are the Confederated Tribes of the Colville Reservation and the Yakima Tribes of the Yakima Reservation.

The fund is that appropriated by the act of April 30, 1965 (79 Stat. 81) to cover an award of $3,446,700 made by the Indian Claims Commission in dockets 161, 222, and 224. Payment from the judgment fund of $332,670 on attorney fees totaling $344,670, also awarded by the Indian Claims Commission, has reduced that fund to $3,114,030. Interest at 4 percent per annum accruing on the award moneys in the amount of $205,597.24 (as of August 14, 1967) has increased the total amount for distribution to $3,319,627.24.

Delay in making the award money available for economic development is costly to both tribes, yet both are equally adamant. The Indian Claims Commission is without authority to determine the method of distribution of its award. Efforts of the Secretary of the Interior, the Solicitor, and Bureau personnel to effect a compromise have been of no avail. Referral of the problem to the Court of Claims, which has authority to render final judgment, seems necessary and logical.

H.R. 536 (Edmondson): Providing that the United States shall hold certain Chilocco Indian School lands at Chilocco, Okla., in trust for the Cherokee Nation upon payment by the Cherokee Nation of $3.75 per acre to the Federal Government.

The principal purpose of H.R. 536, as amended, is to convey 2,668 acres of land which are no longer needed for the Cherokee Indian School in Oklahoma providing the nation pays to the United States the amount the United States paid the nation for the land.

The lands within the Chilocco Indian School reserve, now consisting of about 8,550 acres, were first set aside by President Arthur by Executive order dated July 12, 1884 (1 Kappler, Indian Laws and Treaties, 842). The act of March 3, 1893 (27 Stat. 640), provided for payment for these and other lands in the Cherokee outlet in an amount which averaged $1.29 per acre. In 1961 the Indian Claims Commission determined that the fair market value of these lands in 1893 was $3.75 per acre and gave judgment to the Cherokees for the difference between this and the amount actually paid them by the United States. For the acreage involved in H.R. 536, therefore, the Indians have been paid a total of $10,000 more or less.

Section 10 of the 1893 act, which opened most of the Cherokee outlet to settlement, provided that the lands which President Arthur set aside for school purposes should continue to be reserved for these purposes. Hence, though the 2,668 acres covered by H.R. 536 are now excess to the needs of the Chilocco School, legislation is necessary before they can be disposed of. Enactment of H.R. 536 will furnish the needed authority.

The Cherokees plan to lease the acreage for farming and to use the revenues for educational purposes among Cherokee young people. No objection has been voiced by any tribe in Oklahoma or in the 19 States sending pupils to the Chilocco School.

The Committee adopted several amendments, the first of which provides that only the surface of the subject lands shall be donated to the tribe, with a reservation of oil, gas, and other minerals in the United States.

The second amendment provides that the tribe shall receive a nontrust title to the land and that there will be no exemption from taxation or restriction on use, management, or disposition because of Indian ownership.

The third amendment provides that the conveyance made by H.R. 536 is subject to existing rights-of-way for waterlines, electric transmission lines, roads, and railroads.

The fourth amendment directs the Indian Claims Commission to determine in accordance with the provisions of section 2 of the act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this act, less the payment of $3.75 per acre as provided in section 1, should or should not be set off against any claim against the United States determined by the Commission.

The title of the bill has been amended to reflect amendments recommended by the committee.

The lands to which H.R. 536 applies are located many miles away from other lands of the Cherokee Nation. At the committee hearing on August 9, 1967, the tribal representative expressed the Cherokee Nation's willingess to accept this surplus property without minerals and in a nontrust status. The bill has been modified accordingly.

H.R. 678 (Mrs. Hansen), Public Law 90–114 Providing for the disposition of funds appropriated to pay a judgment in favor of the Upper and Lower Chehalis Tribes of Indians in Claims Commission Docket No. 237, and for other purposes.

The Upper and Lower Chehalis Indians were awarded $754,380 by the Indian Claims Commission in their suit against the United States (docket 237). Funds to pay the judgment were appropriated by the act of June 9, 1964 (78 Stat. 213), and are drawing interest at the rate of 4 percent per annum. The award represents a compromise settlement for a claim for compensation for lands in Washington State acquired by the United States from this group on March 3, 1855, without their consent and without compensation.

There is no existing roll of the Upper and Lower Chehalis Indians who are the beneficiaries of the judgment and to whom the fund should be distributed. The first section of the bill, accordingly, calls for the preparation of a roll of the living descendants of members of the tribes as they existed in 1855. A rough estimate is that there may be as many as 700 individuals entitled to be enrolled and to share in the award. After the deduction of attorney fees, litigation expenses and roll preparation costs, the award will be distributed per capita since most of those who will share in the judgment are outside of an organized group having a known land base. Per capita payments will be exempt from Federal and State income taxes.

Sums payable to enrollees or to their heirs or legatees who are less than twenty-one years of age or who are under a legal disability shall be held in trust by the Secretary of the Interior with use limited to emergency medical care and direct educational expenses, until such minor becomes of age or disability ceases. Proportional shares of heirs or legatees amounting to $5 or less shall not be distributed, and shall escheat to the United States. In the event that the sum of money reserved by the Secretary to pay the costs of distributing the individual shares exceeds the amount actually necessary to accomplish this purpose, the money remaining shall also be distributed per capita unless individual shares would have a value of less than $5. Individual shares or proportional shares of heirs or legatees amounting to $5 or less shall not be distributed but shall escheat to the United States.

H.R. 2154 (Udall): Providing long-term leasing for the Gila River Indian Reservation.

The tribe owns land that is subject to development if lease terms longer than 50 years, as now authorized by law, can be obtained. The bill would authorize up to 99 year leasing terms by adding the Gila River Indians to the list of tribes that already have 99 year authority.

H.R. 2531 (Edmondson), Public Law 90–76: Providing for the disposition of the unclaimed and unpaid share of the Loyal Creek judgment fund, and providing for disposition of estates of interstate members of the Creek Nation of Oklahoma or estates of members of the Creek Nation of Oklahoma dying without heirs.

H.R. 2531 has two purposes: (1) to credit to the account of the Creek Nation of Indians of Oklahoma the approximately $74,900 which has been held in the Treasury for distribution to members of that nation for a number of years but which has not been claimed; (2) to provide for the escheat to the Creek

Nation of the estates of its intestate and heirless members.

In docket No. 1 of the Indian Claims Commission an award of $600,000 was made to the Loyal Creeks for certain losses which they or their ancestors sustained during the Civil War. Funds to satisfy this award were appropriated in 1952. The act of August 1, 1955, provided for distribution of these funds to persons or the heirs and legatees of persons whose names appeared on a roll prepared pursuant to a 1903 act. By April 30, 1965, full distribution of the moneys had been made except for the $74,894.33 which is the subject of this legislation. Since those rightfully entitled to this amount have not been and cannot be located, it seems proper that it be turned over for the use and benefit of the Creek Nation as a whole in spite of the suggestion that it be escheated to the United States.

The bill also provides an escheat procedure for the estates of members of the Creek Nation who die intestate and without heirs. Estates of members of the Five Civilized Tribes, a term which includes the Creeks of Oklahoma, have been probated in State courts for many years where the value of the estate is $2,500 or more. Without disturbing this procedure, H.R. 2531 makes applicable to the estates of members of the Creek Nation the same rule with respect to escheat to the tribe that generally prevails in the case of members of other tribes. It also allows the determination that a decedent died heirless and intestate to be made either by a local court or by the Secretary of the Interior. The last provision was suggested by the tribe.

H.R. 2532 (Edmondson), Public Law 90–63: Providing for the disposition of funds appropriated to pay a judgment in favor of the Ottawa Tribe of Oklahoma in docket numbered 303 of the Indian Claims Commission, and for other purposes.

The committee also considered S. 1579, introduced by Senators Harris and Monroney.

In 1965 the Indian Claims Commission awarded $368,039.55 to the Ottawa Tribe and, in addition, interest at the rate of 4 percent per annum from March 22, 1934, on $30,603.94 of unaccounted trust land funds. The principal component of the award was payment found to be due for Indian lands in Kansas ceded to the United States by treaties entered into in 1862 and 1867. The Indian Claims Commission found that the Ottawa Tribe represents the bands of Indians that were parties to these treaties. Funds to satisfy the award were appropriated by Congress in 1965 and are being held in the Treasury and drawing interest at the usual rate.

A final roll of the tribe's membership, prepared in connection with the termination of Federal supervision over its affairs (act of August 3, 1956, 70 Stat. 963, 25 U.S.C. 841), was published in the Federal Register on August 13, 1959. This roll listed 630 names. It is to these persons or their heirs that distribution of the deposit in the Treasury will be made.

Before making the distribution, the Secretary of the Interior will set aside sufficient funds to cover the estimated cost thereof. If all of the moneys so set aside are not required for this purpose, the residue will remain to the credit of the Ottawa Tribe until several tribal claims still pending are settled and will be available for use in prosecuting these claims. Any that remain after the claims are settled will then be turned over to the Ottawa Tribe which, though now lacking a Federal charter, is organized under the laws of the State of Oklahoma. H.R. 2532 provides that per capita shares of the amount to be distributed that remain unclaimed for 2 years after the date on which distribution is directed shall be turned over to the Ottawa Tribe and used for the purposes set forth in its articles of incorporation.

H.R. 2828 (Mize): Providing for the disposition of funds appropriated to pay a judgment in favor of the Iowa Tribes of Kansas and Nebraska and of Oklahoma in Indian Claims Commission dockets Nos. 138 and 79, and for other purposes.

A little less than $1½ million for 2,150 Indians is involved. H.R. 2828 provides a mathematical formula for division of the fund which has been accepted by both Tribes.

H.R. 3631 (Tunney) (S. 1639, Kuchel), Public Law 90–64: Providing for the dedication of certain streets on the Agua Caliente Indian Reservation and to convey title to certain platted streets, alleys, and strips of land.

The purpose of H.R. 3631 is to provide for the dedication to the public of certain land on the Agua Caliente Indian Reservation, Calif., for street purposes and to convey title to certain other land which has heretofore been retained for streets and alleys to the abutting landowners.

In 1923 the area to which H.R. 3631 pertains was divided into blocks and lots preparatory to making allotments to individual Indians, and strips of land varying in width from 23½ to 100 feet were set aside for alleys and streets. The allotments to individual Indians did not include the strips. Consequently title still rests in the United States and the Agua Caliente Band of Mission Indians. The 44-year-old street and alley plan is now obsolete. Many of the streets which it contemplated were never completed and others have been abandoned. Meanwhile the city of Palm Springs has developed a master plan which calls for a somewhat different street layout from that in the 1923 plan. Under the new plan each block or lot is assured a frontage on at least one street.

Enactment of H.R. 3631 is necessary in order to authorize the Secretary of the Interior, with the consent of the tribe, to dedicate for public use any of the lands in question. Those strips which are not needed to carry out the Palm Springs master plan will not be dedicated but will be conveyed to the adjoining landowners.

H.R. 4919 (Steiger, of Ariz.): Amending the Act of August 9, 1955, to authorize longer term leases of Indian lands on the Hualapai Reservation in Arizona.

The tribe owns land that is subject to development if lease terms longer than 50 years, as now authorized by law, can be obtained. The bill would authorize up to 99 year leasing terms by adding the Hualapai Indians to the list of tribes that already have 99 year authority.

H.R. 4920 (Steiger, of Ariz.): Amending the Act of August 9, 1955 to authorize longer term leases of Indian lands on the San Carlos Reservation in Arizona.

The tribe owns land that is subject to development if lease terms longer than 50 years, as now authorized by law, can be obtained. The bill would authorize up to 99 year leasing terms by adding the San Carlos Apache Indians to the list of tribes that already have 99 year authority.

H.R. 7965 (Battin) (S. 1428, Metcalf, Mansfield), Public Law 90–24: Transferring title to tribal land on the Fort Peck Indian Reservation, and for other purposes.

The purpose of H.R. 7965 is to authorize the Secretary of the Interior to issue a patent conveying all right, title, and interest of the Assiniboine and Sioux Tribes of the Fort Peck Indian Reservation to 20.62 acres of tribal land to School District Nos. 45 and 45A, Roosevelt County, Mont., in exchange for certain other lands and benefits.

On March 4, 1967, the Wolf Point High School was totally destroyed by fire. This 20.62 acres with which H.R. 7965 is concerned will be used for enlarging the school plant and its facilities in order to meet requirements established by the Montana State Board of Health.

H.R. 8580 (Mrs. Hansen of Washington): Conveying certain land to the Squaxin Island Tribe of Indians.

The purpose of H.R. 8580 is to hold in trust for the Squaxin Island Indian Tribe all right, title, and interest of the United States in and to 1.84 acres of land lying within the Squaxin Island Indian Reservation, in the State of Washington.

H.R. 10566 (Kyl) (S. 1750, Harris, Monroney), Public Law 90–80: Providing for the disposition of funds appropriated to pay judgments in favor of the Sac and Fox Indians, and for other purposes.

The purpose of the bill is to provide for the disposition of two awards to the Sac and Fox of the Mississippi in Iowa and in Oklahoma and the Sac and Fox of Missouri in Kansas and Nebraska. Funds to cover an award of $1,096,533.42 in Indian Claims Commission docket No. 138 were appropriated by the act of April 30, 1965 (79 Stat. 108–109). The act of October 31, 1965 (79 Stat. 1152), appropriated funds to cover an award of $1,789,201.45 in docket No. 143. Funds in both dockets are on deposit in the U.S. Treasury to the credit of the respective Sac and Fox Tribes.

The awards represent additional payment to the Sac and Fox Tribes for lands in Iowa ceded under the treaty of July 15, 1830, and for lands in western Iowa and northwestern Missouri ceded under the treaties of October 21, 1837.

Funds also were appropriated by the act of April 30, 1965 (79 Stat. 108–109), to cover an award of $192,000 granted solely to the Sac and Fox of Missouri in Kansas and Nebraska in docket No. 195, as additional compensation for lands in northeastern Kansas ceded under the treaty of May 18, 1854.

H.R. 10566 provides for a division of the funds in dockets Nos. 138 and 143 on the basis of allotment rolls of February 13, 1891 (Sac and Fox of the Mississippi located in Oklahoma), annuity rolls of 1892 (Sac and Fox of the Mississippi located in Iowa), and allotment rolls of February 28, 1891 (Sac and Fox of Missouri in Kansas and Nebraska).

H.R. 10599 (White) (S. 1958, Yarborough): Relating to the Tiwa Indians of Texas.

The purposes of H.R. 10599 are to recognize the Tiwa people of the pueblo of Ysleta del Sur in El Paso County, Texas, as a band of American Indians and to transfer to the State of Texas any responsibility that the United States may have for them.

During its last session the Legislature of Texas enacted laws extending to the Tiwas the services of the State's commission for Indian affairs, authorizing the Governor to accept a transfer of responsibilities from the United States such as is proposed in H.R. 10599, and appropriating $35,000 to finance in a modest way certain assistance programs for them. The attorney general of the State has advised that Federal recognition and a transfer of trust responsibility to the State is necessary before these acts can be implemented. It is this that makes necessary enactment of H.R. 10599.

Subcommittee hearings

In addition to the foregoing actions, the Subcommittee held a hearing on S. 1816, introduced by Senator Jackson at the request of the Department of the Interior, to provide for the economic development and management of the resources of individual Indians and Indian Tribes and for other purposes.

Expected subcommittee actions in 1968

The Subcommittee will consider several bills during the second session that provide for the use and distribution of judgments awarded by the Indian Claims Commission to various Indian tribes. Consideration will also be given to bills donating lands to tribes, and to special problems of individual Indian groups.

SUBCOMMITTEE ON TERRITORIES AND INSULAR AFFAIRS, SENATOR QUENTIN N. BURDICK, N. DAK., CHAIRMAN

The Subcommittee on Territories and Insular Affairs has responsibility for measures relating to the insular possessions of the United States, the Commonwealth of Puerto Rico, and the Trust Territory of the Pacific Islands, except those measures affecting their revenue and appropriations.

Of the 10 bills referred to the subcommittee, 4 were reported and subsequently acted upon by the Senate. They are as follows:

Guam

S. 449 (Jackson and Burdick): To provide for the popular election of the Governor of Guam, and for other purposes.

The primary purpose of S. 449 is to provide for the popular election of the Governor and Lieutenant Governor for the territory of Guam. Other purposes which the bill would accomplish are: (1) Create the office of Lieutenant Governor; (2) provide that the salaries and expenses of the office of the executive as well as the legislative branch be paid by the government of Guam; (3) specify the powers, duties, and responsibilities of the Governor; (4) provide a method of recall for removal of the Governor; (5) set out the line of succession in the event the Governor is disabled; (6) create the office of government comptroller and specify the powers, duties, responsibilities, and procedures of that office; (7) provide that the expenses and salaries of the office of the government comptroller shall be paid by the United States from funds to be covered into the treasury of Guam pursuant to section 30 of the Organic Act of Guam, thus resulting in a substantial savings to the Federal Government; (9) extend the privileges and immunities clauses, the due process clause, and the equal protection clause of the U.S. Constitution to the people of Guam; (10) make Guam subject to the general military law of the United States; and (11) make certain technical changes in the organic act.

On October 11, 1966, the Senate passed H.R. 11775, a bill similar to S. 449, providing an elective Governor for Guam. Due to the lateness of the session, it was not possible to take final action on that measure.

S. 1763 (Burdick, Hatfield, and Jackson): To promote the economic development of Guam.

The purpose of S. 1763 is to establish a $5 million fund which the government of Guam will use to make loans to stimulate and develop private industries and private enterprises on Guam.

In enacting Public Law 88–170, the Rehabilitation Act of Guam, Congress recognized the imperative need to develop a viable civilian economy and thus provide under section 6 of the act, authorization of $200,000 for a Federal Territorial Commission to make a long-range economic study for Guam. In 1966, the Department of the Interior released its two-volume economic development study which showed that Guam has excellent economic potential in several areas: tourism, assembly plants, fishing, and livestock. The Guam Economic Development Authority, an arm of the government of Guam created by the local legislature, has aggressively followed up these recommendations, searching to attract suitable business enterprises to the island, but capital remains the problem; sufficient private financing simply has not been available to do the job. As an example, the first recommendation of Interior's economic study was for a first-class hotel capable of attracting and accommodating tourists for which Guam has excellent natural facilities, beautiful coral beaches, a pleasant climate and many interesting historic attractions. Shortly after the study was released, the leaders on Guam selected a hotel site, approved architectural plans and established a nonprofit corporation to handle financing of the hotel. Of the $2.8 million required to build the planned 150-room structure, all but $500,000 has been raised or guaranteed in loans. Yet the project has been stalled for months because the remaining $500,000 cannot be obtained. In addition to the hotel, loan funds are needed to develop agricultural enterprises, commercial fishing, manufacturing and service industries, and for the construction of an industrial park.

S. 1763, the Guam Development Act of 1967, will provide what Guam patently needs most: an economic mechanism to help develop a viable civilian economy. The bill as amended authorizes to be appropriated to the Secretary of the Interior, to be paid to the government of Guam for the purposes of the act, the sum of $5 million. Prior to the time the authorized funds are made available to Guam, a plan for the use of the funds is to be submitted to the Secretary of the Interior and approved by him. The plan must designate the agency or agencies of Guam's government that will administer the plan. It must set forth the policies and procedures to be followed in promoting the economic development of the territory through a program of loans and loan guarantees to promote private industry and make provision for a revolving loan fund for such purposes.

Virgin Islands

S. 450 (Jackson and Burdick): To provide for the popular election of the Governor of the Virgin Islands, and for other purposes.

The primary purpose of S. 450 is to provide for the election of the Governor and Lieutenant Governor of the territory of the Virgin Islands. Other purposes which S. 450, as amended, would accomplish are: (1) Create the office of Lieutenant Governor; (2) provide that the salaries and expenses of the executive as well as the legislative branch be paid by the government of the Virgin Islands; (3) specify the powers, duties, and responsibilities of the Governor; (4) provide a method of recall for removal of the Governor; (5) set out the line of succession in the event the Governor is disabled; (6) clarify the powers, duties, responsibilities, and procedures of the office of the government comptroller; (7) provide that the expenses and salaries of the office of the government comptroller shall be paid by the United States from funds derived by transfer from the internal revenue collections appropriated for the Virgin Islands, thus resulting in a substantial savings to the Federal Government; (8) extend the privileges and immunities clauses, the due process clause, and the equal protection clause of the U.S. Constitution to the people of the Virgin Islands; (9) make the Virgin Islands subject to the general military law of the United States; and (10) make certain technical changes in the revised organic act.

On October 11, 1966, the Senate passed H.R. 11777, a bill similar to S. 450, providing an elective Governor for the Virgin Islands. Due to the lateness of the session, it was not possible to take final action on that measure.

Trust Territory of the Pacific Islands

S. 303 (Jackson). Public Law 90–16: To amend the Act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands, and for other purposes.

The purpose of S. 303 is to authorize increased appropriations for the Trust Territory of the Pacific Islands for civil works and administrative costs. The bill increases the present appropriation authorization of $17,500,000 annually to a maximum of $25 million for fiscal year 1967 and $35 million for fiscal years 1968 and 1969. It provides that appointment hereafter made to the office of High Commissioner of the Trust Territory shall be made by the President, with the advice and consent of the Senate.

Although increased appropriations for the Trust Territory in recent years have enabled important and significant progress to be made in administration and capital improvements, much remains to be done. The bill recognizes that addiitonal funds must be made available to develop public health and educational facilities, and the infrastructure of roads, harbors, water supplies, etc., without which the local economy cannot readily expand, and attract private investment. The development of these basic facilities and services has been greatly complicated by factors such as the geographic dispersion of the inhabited islands, which means an uneconomic duplication of facilities for the population; the small total land area of the islands, the high birth rate, the large proportion of children in the population, and the low level of economic and social development. Past appropriations, in the face of steadily rising administrative costs, have not encouraged development of the full potential of the islands.

The money authorized to be appropriated by S. 303 would bolster health, education, water, power and sewage services; provide better air, ground, and water transportation; modernize and extend radio and telephone communications; and establish suitable buildings for executive, legislative, and judicial branches of the territorial government. At the same time, the higher level of economic development produced by these improvements would enable the territory to pay for a much greater portion of its financial needs.

Expected subcommittee activities in 1968

The Subcommittee plans to make an inspection trip to the Trust Territory and Guam early in 1968. The primary purpose of this visit will be to obtain firsthand knowledge and information about Micronesia on which to base legislation to authorize appropriations beyond fiscal year 1969. In addition, the Committee will consult with members of the Congress of Micronesia and other island leaders on pending legislation (S. J. Res. 106) submitted by the President regarding the future political status of the Trust Territory. Action will be taken on S. J. Res. 106 during the second session of the 90th Congress.

SUBCOMMITTEE ON PUBLIC LANDS, SENATOR FRANK CHURCH, IDAHO, CHAIRMAN

The Senate Public Land Subcommittee is concerned with public lands generally, including entry, easements and grazing. Within its purview during the First Session of the 90th Congress has been legislation ranging from bills which would remove clouds on titles to the private property of individuals, to a measure establishing the San Rafael Wilderness in California.

Of signal importance in the specific area of public lands policy were identical bills, H.R. 12121 and S. 2255, to extend the life of the Public Land Law Review Commission. The Commission was established in 1964 to make a comprehensive review of all policies applicable to the use, management, and disposition of the public lands of the United States. At the same time the commission was established, two related acts—Public Law 88–607, the Classification and Multiple Use Act, and Public Law 88–608, the Public Land Sale Act—became effective. These were to serve as legislative guidelines for the orderly classification and managment, and public sale of public lands during the period that the overall study of these lands is made by the commission. Both H.R. 12121 and S. 2255 would have extended the life of the commission a year and a half beyond its June 30, 1969 deadline, and extended its reporting date of six months earlier for a similar period. However, no legislation had been introduced to extend the Classification and Multiple Use Act and the Public Land Sale Act. The committee subsequently amended H.R. 12121 to also extend these acts for the life of the Commission, and after Senate passage, the House accepted the amendments.

Of major importance in the field of conservation was the bill, S. 889, establishing the San Rafael Wilderness. On September 3, 1964, the President signed a bill which created the

National Wilderness Preservation System. This act (78 Stat. 891) incorporated 54 national forest areas into the system—preserving by statute more than 9 million acres of pristine beauty. The act also provided that the President should make recommendations to the Congress for the inclusion of additional areas in the system. The proposed San Rafael Wilderness will be the first of these. Located in southeastern Santa Barbara County, California, the area will embrace approximately 143,000 acres of a wooded, brush and mountainous terrain and offer a wide variety of recreation, including camping, riding, hiking, fishing and nature study. There are 6 million people who reside within a 2-hour drive of the area.

Other major legislation considered by the Public Lands Subcommittee, under the Chairmanship of Senator Church (Idaho), included:

S. 220, by Senators Hansen and Jordan (Idaho), would authorize the sale of certain public lands upon which an agricultural trespass has recently been discovered. In various parts of the West there exist many small parcels of arable lands adjacent to private farms and ranches which could be put to economic use as part of the private cultivation and which have no public value requiring their retention in public ownership. Such small parcels are found on occasion to be cultivated in trespass, sometimes because of the uncertainty of titles or land boundaries. Where such tracts cannot meet the requirements for classification for sale under the Public Land Sales Act, or the Homestead or Desert Land Acts, the Secretary has no means to sell them. S. 220 would provide the needed authority. This bill was favorably reported with an amendment and passed by the Senate November 1.

S. 617, by Senators Magnuson and Jackson, to amend the land grant provisions of the enabling act of 1889 (25 Stat. 676) which granted statehood to Montana, North Dakota, South Dakota and Washington. S. 617 made it clear that timber receipts are expressly covered in the revenues from granted lands, and that all income from these lands may be used for the acquisition and construction of facilities (including the retirement of bonds authorized by State law for such purposes) for those State schools and institutions which are beneficiaries of enabling act land grants. The bill passed the Senate with committee amendments on May 2, the House without amendment on June 19, and was approved, June 30. Public Law 90-41

S. 1058, by Senators Gruening and Bartlett, authorizing the Secretary of the Interior to sell lands embraced in certain terminated entries, and thus mitigate hardship encountered by public land claimants. Provisions would apply in certain situations where entrymen under the homestead or desert land laws, lessees under the Small Tract Act, and other persons in good faith expend considerable sums of money in making improvements on public land, but for one reason or another fail to qualify for patent under the law. The bill was reported to the Senate December 4 with an amendment, and passed by the Senate December 6.

S. 1059, by Senators Gruening and Bartlett, amending the Act relating to the leasing of lands in Alaska for grazing. Purpose of this bill is to encourage and assist in the development of the Alaskan livestock industry. It would provide longer term grazing leases, a maximum of 55 years in place of 20 years, to attract long-term financing. Reported to the Senate with an amendment on December 4, it was passed by the Senate December 6.

S. 2121, by Senators Church, Bible and Cannon, extended the provisions of the Act of October 23, 1962, relating to the relief for residential occupants of certain unpatented mining claims, to June 30, 1971. Since the early days of the West, miners have historically made homes on their claims. Many of these were not patented, but the miners continued to live upon them. In other instances, the invalid claims were purchased in good faith, and used as homes. Under the Act, the land is not given to the applicant, but conveyed only for the fair market value, less the value of improvement. The Secretary of the Interior need not give fee title, but may grant any lesser interest. The bill was passed by the Senate October 12 with committee amendment, passed the House without amendment on October 16, and was approved October 23.

S. 2452, introduced by Senator Jackson by request, provides for the adjustment of the legislative jurisdiction exercised by the United States over the lands with the Crab Orchard National Wildlife Refuge in Illinois. Because uniform Federal and State jurisdiction has not existed, various jurisdictional and law enforcement problems, involving both capital offenses and minor crimes, have arisen within the refuge. The bill was reported, without amendment, to the Senate November 30, and passed the Senate December 1.

Probable action for second session

Wilderness Areas: The Senate Subcommittee on Public Lands expects to consider legislation for the inclusion of at least three new wilderness areas to the National Wilderness Preservation System.

The proposed San Gabriel Wilderness in California would comprise some 36,000 acres of primitive mountain terrain in the Angeles National Forest 35 miles northeast of Los Angeles. It would provide opportunities for such outdoor activities as hiking, fishing, hunting and camping in an uninhabited area.

The proposed Mount Jefferson Wilderness in Oregon would include some 96,000 acres now within the Willamette, Deschutes and Mount Hood National Forest, about 60 miles from Salem, Oregon. Located within its boundaries would be the second tallest peak in Oregon, nearly 150 lakes, 160 miles of trails, and good fishing and hunting.

The proposed Washakie Wilderness of nearly 680,000 acres is in the Shoshone National Forest of Wyoming. Excellent elk and other hunting, hiking on rugged mountain trails, and exploration of petrified remains of ancient forests, would be afforded here.

Activities of the Senate Committee on Rules and Administration, First Session, 90th Congress, Senator B. Everett Jordan, Chairman

During the First Session of the 90th Congress 177 legislative items were referred to or originated in the Committee on Rules and Administration. Of these items of proposed legislation considered by the Committee, 133 were reported to the Senate. All but seven of those measures have been enacted or agreed to as of this date. Committee action on several of the remaining proposals has been obviated by the approval of similar measures. In other cases, the Committee has requested agency reports or has referred the subject matter involved to one of its subcommittees for appropriate attention.

Perhaps the most important single legislative proposal considered by the Committee during the current year was S. 1880, an act to revise the Federal election laws and for other purposes, which passed the Senate on September 12, 1967. In summary, S. 1880 would encompass all areas of financial activity relating to a candidate for Federal political office and political committees, not only during the course of campaigns for general election, but for primary elections, political conventions, and all other fundraising events. The bill would insure not only the disclosure by political committees and candidates of all contributions and expenditures to certain Federal officers but also to all interested citizens, groups, or associations in the United States.

S. 1880 is a departure from the theory followed during prior years in drafting remedial legislation in the area of campaign contributions and expenditures. Earlier attempts to improve the law were based primarily upon limiting the amounts which could be contributed to candidates or political committees or which could be expended by candidates and political committees. Disclosure of campaign finances was secondary to limitations. S. 1880 follows the philosophy of dependence upon total disclosure by candidates and political committees rather than upon the setting of limitations upon contributions or expenditures. This would reverse the present tendency to evade the letter of the law by a proliferation of committees, since the removal of limitations would make such efforts pointless.

Other items of significant interest approved by the Committee during the current year include Public Law 90-55, an Act to extend the life of the Commission on Political Activity of Government Personnel; S. 1581, an Act to amend the Federal Voting Assistance Act of 1955, passed by the Senate on July 17, 1967; and S. Res. 150, authorizing the Committee on Government Operations to investigate crime and lawlessness within the United States, agreed to by the Senate on August 11, 1967. The Committee recommended S. Res. 150 to the Senate only after careful consideration of several alternative legislative proposals, all directed toward an investigation of the spate of riots and civil disturbances which occurred throughout the nation during the past summer.

Since the beginning of this session, the Committee on Rules and Administration has considered and processed requests from standing, select, special, and joint committees for additional funds for inquiries and investigations and for routine purposes in the amount of $7,044,985. To date the Committee has approved $6,305,500 of such expenditures, and the authorizations therefor have been agreed to by the Senate.

In addition to its legislative docket, the Committee on Rules and Administration during this session has resolved several matters of policy and performed many tasks related to its administrative responsibilities. Included among such actions were approval of a system to incorporate the legislative buzzers into the general attack and major disaster warnings program established by the Office of Civil Defense, general supervisory assistance to the Senate Youth Program, new arrangements for the operation of the Senate Recording Studio and the Senate Beauty Shop, and the issuance of revised regulations governing Senatorial long-distance telephone and telegram allocations and the rates payable to commercial reporting firms for reporting committee hearings in the Senate.

The Committee's Subcommittee on the Smithsonian Institution held hearings on S. 277, to authorize the preparation of plans for a memorial to Woodrow Wilson; and its Subcommittee on the Restaurant exercised vigilant supervision over the many complexities involved in that facility.

In the early months of the year the Committee was engaged in its usual housekeeping functions relating to the relocation of Senatorial office suites and the preparation and publication of a completely revised edition of the Senate Manual. Everything considered, the Committee has had a full year and looks forward to a continuation of its active schedule during the coming session.

FULL OEO APPROPRIATION SHOULD BE APPROVED

Mr. WILLIAMS of New Jersey. Mr. President, I urge that the total appropriation for the Office of Economic Opportunity be increased substantially above the amount for this agency provided in the House-passed version of the bill. As chairman of the Special Committee on Aging, I am vitally interested in programs to lift the elderly poor out of poverty. Unfortunately, OEO was late in starting programs for the elderly, due to the necessary emphasis placed on programs for youth. During the past 12 months, there has been a growing awareness among OEO officials of the importance of the problem of the elderly poor, and many programs for this age group are just now beginning to get off the ground. One big factor in the development of these programs has been the creation of the new position known as Assistant Director in Charge of Programs for the Elderly Poor, and the appointment several months ago of an able individual to carry out this responsibility.

By now, I believe it is evident to everyone that if this agency is funded at the level of the last fiscal year, the programs which will suffer most are the new programs, and those designed to assist the elderly poor are among the most important of these.

Operation Green Thumb is one such program. It has earned widespread acceptance and praise. The foster grandparents program, though administered by the Administration on Aging, is funded through OEO. And it has been enthusiastically received wherever established.

Perhaps the most potentially far-reaching program in this category is Project FIND. The Committee on Aging received a vivid report on the progress of this program at a hearing last week. I also note that the final version of the Economic Opportunity Act Amendments of 1967 authorization bill provided for establishment of a program called senior opportunities and services. In essence, this program would broaden the Project FIND concept and provide its services in many more communities.

Mr. President, such worthwhile projects should not be reduced to ineffectiveness because of arbitrary cutbacks—without even a word of debate, as happened in the House. I am happy to say that the Senate Appropriations Committee, yesterday, gave due weight to the months of painstaking work put into this bill by the Senate and House committees and appropriated the full amount of the authorization. I urge the Senate to approve the full $1,980,000,000 which the Senate and House authorized, so that the newer OEO programs—and especially those for the elderly poor—will have an opportunity to prove their worth.

ADDRESS BY P. N. BROWNSTEIN BEFORE NATIONAL ASSOCIATION OF HOME BUILDERS

Mr. McINTYRE. Mr. President, speaking before the National Association of Home Builders in Chicago a few days ago, P. N. Brownstein, Assistant Secretary Commissioner of Housing and Urban Development, noted that mortgage money—the lifeline of the homebuilding industry—will continue to be costly.

Current demands, he said, are extremely high, with the possibility of a large Federal budget deficit further aggravating the situation.

There are many alternatives to be considered for correcting the persistent imbalance in the credit markets, according to Mr. Brownstein, including passage of the temporary 10-percent surcharge proposed by the President. Mr. Brownstein told the homebuilders:

> Certainly increased taxes are popular with no one, but from the standpoint of this industry, there is just no reasonable alternative.

Since so many Senators are interested in learning all they can about the surcharge proposal and the possible alternatives, I ask unanimous consent that Mr. Brownstein's well-reasoned remarks be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

A Look Into the Future of the Homebuilding Industry

(Remarks by P. N. Brownstein, Assistant Secretary Commissioner, Department of Housing and Urban Development, Federal Housing Administration, before the National Association of Home Builders, Chicago, Ill., December 5, 1967)

The life line of the home building industry is, of course, the supply of mortgage credit. And to borrow the lead line from Casey at the Bat—the outlook isn't brilliant. Demands, from competing sources are at extremely high levels. The possibility of financing a large budget deficit has further aggravated the condition.

These were some of the elements which prompted the President to urge the passage of the 10 percent income tax surcharge. Certainly increased taxes are popular with no one, but from the standpoint of this industry there is just no reasonable alternative.

And let me say further that while President Johnson's surtax proposal will go a long way toward providing the economic stability so sorely needed at this time by reducing inflationary pressures and some of the capital demands brought about by an overheated economy, it will not by any means be a cureall.

Mortgage money is going to continue to be costly. And we must face up to the fact that if the home financing market is to get its fair share the yield to the investor will have to be competitive. Traditionally in times of tight money supply the FHA and VA borrowers are at a competitive disadvantage. The discount device just doesn't work when the fixed interest rate gets completely out of line with that obtainable on other securities.

You just can't drive railroad spikes with a tack hammer. And while we would like to see interest rates lower we must recognize that the important thing for this industry is to have a flow of credit.

The Senate Banking and Currency Committee chaired by Senator Sparkman has recognized this necessity by reporting out a bill which would permit fixing the FHA interest rate at a competitive level. It seems to me that this is the only direction we can go if FHA borrowers are to have their financing needs met.

The mortgage credit facts of life tell us that, for the immediate future, we are going to have to work within boundaries, even if they are not too clearly defined.

As far as the Federal Housing Administration is concerned, we will be paying particular attention to the housing needs of low- and moderate-income families. We are going to do this without sacrifice to our other activities. Traditional programs will continue.

What I am talking about is a shift in the emphasis of the FHA that is for the good of all concerned.

This is the path we must travel if the agency is really going to serve the housing needs of all the American people.

Mortgage insurance should not be set aside for one group, or one area, or one neighborhood.

This is the goal that we have set for FHA, and it is entirely within our capability.

There are good and apparent reasons why FHA must make its presence felt more and more in the inner city areas and in the low- and moderate-income markets.

The crisis in our cities requires this.

Rioting, sniper fire, and looting, this past summer, gave chilling evidence of the explosive frustrations that ferment in the slums and ghettos of our cities.

It was shocking. It was disturbing. And it certainly brought home the gravity of city problems.

Responsible persons throughout the country are searching for a better understanding of the causes of urban strife.

As always, there is a temptation to come up with quick and easy answers. But there is no instant solution—just add water and all will be right and good. There is no panacea. There is only a Pandora's box which must be opened and cleansed.

The causes of urban discontent have developed over time. They are deep-seated, and fundamental.

The solutions, too, are going to have to be basic. They must strike at the root causes, not merely deal with symptoms.

FHA cases in central city areas have climbed steadily from about 200 a week in August to about 800 to 1,000 a week currently. Considering the current stringency in the mortgage market I think this is a very creditable showing. And of interest to builders, some of these units involve new construction.

This is a healthy sign of renewed credit life in older neighborhoods.

It also indicates that traditional mortgage lenders are more sympathetic to the areas they left behind in the crush of post war business in the suburbs.

We would like to see a companion resurgence of builder interest in inner city neighborhoods.

FHA field office directors are going to be knocking on builders' doors to encourage this, and we believe that enlightened self interest will mean active participation.

Bringing lenders and builders into the inner city is something that I consider to be an FHA mission of the highest priority.

From your point of view, building activity in the inner city makes good civic sense, and it makes good business sense.

Just yesterday, for example, Secretary Weaver announced the allocation of $24.5 million in below market interest rate funds for a major private residential rehabilitation program in the heart of Boston.

The project is substantial enough to attract a number of builders, and it has done just that.

I am hopeful we will have more large-scale local programs like this, and that more builders will turn their talents to the rehabilitation field.

This is something that is needed, because rehabilitation as a vehicle for revitalizing older neighborhoods is assuming tremendous importance.

It is part of virtually every successful model cities proposal, and it is certain to be well represented in future ones, and in other city planning.

We who deal with the form and substance of urban life are faced with the urgent necessity of coming to grips with a variety of stresses which tear at the fabric of the American city.

Decent housing is a paramount and pressing need that must be met as quickly as possible. There are other voids to be filled to answer social, economic, educational, and health care problems.

President Johnson's vision for the rejuvenation of our older city neighborhoods through his farsighted model cities program encompassed a concerted and comprehensive assault on all these interrelated urban ills. He called for a concentration of effort to get the job done.

In giving direction to the program, the President said we must "join together all available talent and skills in a coordinated effort, and mobilize local leadership and private initiative, so that local citizens will determine the shape of their new city."

This concept is the heart of the model cities program. It is guiding FHA policy as we undertake new responsibilities as a major participant in the model cities effort.

The city is the front line. It is where the action is, and where FHA must be to get the low-income housing job done.

On the new construction side of the low-income market, FHA moved ahead about as far and as quickly as it can with the rent supplement program.

The program was funded about 18 months ago, and we are now getting new construction onto the market to serve the poor.

If I had my wish, all of the 34,000 units for which we have reserved rent supplement funds would be on the market today. As it is, we are paying rent supplements on about 1,400 units, including some in new construction.

This is a creditable performance, when one considers the time needed for planning, for processing, and for actual building.

It is creditable, probably realistic, but still short of what is needed. I can assure you the FHA will continue to press with all the vigor and energy at its disposal for completion of what is started, and for starting those which now are on paper.

Congress has continued the program with $10 million in new contract authority. But, we have a sizable backlog of cases against which to apply the new funds.

I expect that it will not be too long before we will have earmarked this new money.

There doesn't seem to be any prospect that demand for the program will slough off, so we then will need funding.

We're going to continue to support this program and to ask for the necessary backing so that it can fulfill its promise in meeting the housing needs of low-income families.

The rent supplement program and the 221(d)(3) program are excellent vehicles for builders at this time.

They are good business always, but the state of the money market should make them especially appealing now.

Life insurance companies gave strong support to financing for rent supplements when they allocated $1 billion for use in older neighborhoods.

At the present time, most of the allocations by the life companies have been for permanent financing of rent supplement projects—some $27 million, so far.

I don't think we can discount use of the fund for single-family mortgage financing, even though its initial impact has been in the multifamily field.

Right here in Chicago, for example, Metropolitan Life has set aside $3.5 million for single-family homes, and FHA responded quickly by issuing conditional commitments.

The below market interest rate program is now well established and I need not tell this group the virtues of 3 percent money. Our current problem is trying to make reasonable and equitable allocations of our funds which fall far short of effective demand.

Another recent step by the FHA should have the effect of producing more housing for the low-income market.

Ten teams of two men each are brushing away the cobwebs from project cases that stalled after we allocated below-market interest rate funds or reserved rent supplement funds.

We want to find out if the dust on these cases has any FHA fingerprints. Housing for the low- and moderate-income families is too desperately needed to let projects lie dormant.

We are going to get them moving, or we will start again with sponsors who are ready to move ahead. There will be no equivocation of our intent to proceed.

These projects are not the refuge of those who want a newspaper clipping of their intent to do good, or those who want assurance of a backlog of work.

The housing is something that needs to be realized. We want the housing for the people who need it now, and not an inventory of paperwork projects.

My charge to the teams in the field was to move rapidly everything that could be moved, and not to sacrifice quality. And I reminded them that prudence is not synonymous with long delay.

The teams have been at work for several weeks, and their job so far has been impressive. The survey has resulted in 146 mortgage insurance commitments covering 17,198 units.

Through efforts of the teams, some $55 million has been recaptured for allocation to projects with greater promise for moving ahead quickly.

We are going to keep at this job of prodding our own personnel and sponsors until we have the flow of housing for poor and near-poor families moving the way it should.

Foot-dragging and dust-gathering are two things that are going to go from the FHA processing scene.

This is one area of recent criticism of the agency for which there is some justification. We are working on this right now, and there is no reason why we can't do for multifamily processing the kind of job that we did for single family cases.

Aside from this, assessing the criticism of FHA has not been easy because it is representative of widely divergent viewpoints.

In some quarters the agency has been labeled too liberal. In others, it is too conservative.

I do not see how we can be all things to all men. But what we intend to do is the job which we view as critical to meeting our country's housing needs.

It has been suggested that FHA is too wedded to the suburban, split-level market to adapt to the needs of families of low income, especially those in the inner city.

This simply is not so.

No agency of Government in being or that might be created could answer the needs quicker or better than can FHA.

The agency has a breadth of knowledge and wealth of experience in housing construction and finance that is unparalleled.

I see no reason why this know how cannot and will not be channeled into meeting the housing needs of all income groups.

FHA has always been equal to the difficult housing tasks at hand, whether they be pioneering a new concept of mortgage finance, meeting postwar housing demand, or helping to finance housing for the elderly or handicapped.

Today, the difficult task at hand calls for us to marshall our forces with industry and to bring them to bear to bring decent housing to the inner city.

With industry's help, we are going to be worthy of FHA's heritage.

Together we are going to win the struggle for decent housing for the low-income families, the disadvantaged, and the discriminated against who live in the hearts of America's cities.

SUMMARY

Mortgage money is going to continue to be costly, and we must face up to the fact that if the home financing market is to get its fair share, the yield to the investor will have to be competitive.

The Senate Banking and Currency Committee has reported out a bill which would permit fixing the FHA interest rate at a competitive level. This seems to be the only answer if families who want to buy with an FHA-insured mortgage are to have their financing needs met.

Within current money market conditions, the FHA will be paying particular attention to the housing needs of low- and moderate-income families, but without sacrifice to the agency's traditional programs.

More and more, FHA is making its presence felt in bringing decent housing into inner city areas through financing assistance.

FHA assumption of risk and its new policy emphasis on meeting housing needs of the poor and near-poor, are encouraging lenders and builders to be sympathetic to housing needs in central city areas.

To accelerate creation of this much-needed housing, the FHA has an intensive effort under way in the field to speed processing of project proposals, weed out those that are not moving, and assign the funds involved to new projects that will.

So far, the survey has resulted in 146 mortgage insurance commitments on 17,198 housing units, and the recapture of $55 million for assignment to faster moving projects.

RELIEF OF CERTAIN EMPLOYEES OF KELLY AIR FORCE BASE

Mr. TOWER. Mr. President, I wish to voice my support today of H.R. 8096, a private bill which would relieve some 73 employees of Kelly Air Force Base from repaying certain overpayments. The measure was passed by the House recently and is currently awaiting the action of the Committee on the Judiciary.

The bill is particularly meritorious, for it was no fault of the employees that they were overpaid; it was not carelessness, but rather a ruling by the General Accounting Office that changed an interpretation of the regulations.

These people should not be punished for following what they believed to be the letter of the law. I therefore ask for expeditious and affirmative consideration of this matter.

THE PLIGHT OF HAITI

Mr. HARTKE. Mr. President, I invite the Senate's attention to an article by Jeremiah O'Leary, published in the Washington Sunday Star of December 10, referring to the sad and potentially explosive situation in Haiti.

The article speaks of the two Haitian Marxist parties and their further unification in the cause of overthrowing the present Haitian Government. Concurrent with this is the fact that Radio Moscow recently initiated a daily, half-hour broadcast to Haiti in the French Creole dialect.

This is another step in the steadily worsening commentary on this island republic so close to us in the Caribbean. With approximately 4½ million people packed into a few cities and valleys of a country about the size of Maryland, we proceed to more basic arithmetic which offers little hope for the immediate future. Conservative estimates say half the population is unemployed, with the average per capita income about $65 a year, and approximately 90 percent of the populace is illiterate. Fanning this abysmal poverty is one of the highest birth rates in the world.

The state of the economy is equally discouraging. Coffee is the principal crop, but it is grown wild and without any planning or picking schedule. Sugar production is now only about 80,000 tons a year. This leads to a truly incredible statistic: In 1788, Haiti exported $41 million worth of goods; in 1961, less than $40 million. The United States withdrew its economic assistance program from Haiti in 1963 though the United States, through the United Nations, still continues for humanitarian reasons to help the Haitians combat malaria and other diseases. The flourishing tourist business Haiti enjoyed a decade ago, even 5 years ago, is now practically nonexistent thanks to the Duvalier dictatorship and the negative publicity that the country has received abroad.

The charges against the Duvalier government, imagined or real, can be traced in large part to some overt acts and parliamentary decisions of its own. Succeeding five different governments which failed between 1950 and 1957, Dr. Francois Duvalier was elected to a 6-year term in September 1957. In 1961, he dissolved the existing bicameral Parliament and, with 2 years remaining in his term as President, Duvalier was "elected" to a second term later the same year. He then declared himself "President for life," 1964, backed ostensibly by a new Constitution which approved such a move. The existence of and continued reports of repressive measures by the "Ton Ton Macoute," Duvalier's personal police force, are constant reminders of the trouble brewing. With the passage of time, he appears to become more suspicious and paranoid; reports lately have said he has even deported and threatened to kill members of his own family.

The ingredients exist for another Vietnam, though, granted, there are historical and cultural differences. U.S. marines, incidentally, occupied the country from 1915 to 1934. The O'Leary article relates the ripeness of this betroubled republic and the complete breakdown in public order inevitable when Duvalier passes from power. Foreboding is the fact that there is apparently no one person or group to follow him capable of governing or maintaining public order in any democratic sense. The violence, bloodshed, and further deterioration of the economy and the citizenry's hopes, are prospects serious enough in themselves. A menacing and opportunist Communist Cuba scarcely 50 miles across the windward passage makes the situation all that much more ominous.

Mr. President, I ask unanimous consent that Mr. O'Leary's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Evidence Rises of More Red Interest in Haiti

(By Jeremiah O'Leary)

Evidence is mounting of an increasing Communist interest in Haiti.

The two Haitian Marxist parties reportedly have agreed to make common cause to overthrow the regime of President Francois Duvalier.

Informed sources here note that Radio Moscow recently began a daily 30-minute broadcast to Haiti in the Creole dialect.

This is the first time Moscow has beamed propaganda to Haiti although Radio Havana has been transmitting two-hour daily programs in Creole for several years, urging the Haitian people to overthrow Duvalier.

The Castro broadcasts lately have been saying that although few Haitians may be ready to take armed action, they should not wait for larger numbers because the traditional opposition may move first.

The broadcasts from Cuba are directed by Haitian members of the Party for Popular Accord (PEP) and the United Democratic party (PUDA) who live in Cuba and work with the Castro government to foment revolution in Haiti.

GROUP FORMS IN HAVANA

Earlier this year, a new group called the Haitian-Dominician Solidarity Organization was formed in Havana to promote overthrow by the Communists of both the Dominician and Haitian governments.

This organization, OSHD, has the backing of the Latin American Solidarity Organization, Castro's apparatus to foment revolution everywhere in Latin America.

Both PEP and PUDA exist underground in Haiti, although they are weak in relation to "Papa Doc" Duvalier's 15,000-man Ton Ton Macoute gestapo.

PEP shifted from inertness to a policy of training members for armed struggle in mid-year.

Its central committee decided a "popular army" should use three tactics: urban action and guerrilla centers in the countryside and the rural "marragone."

U.S. FEARS BLOODBATH

The United States is watching Port au Prince with considerable concern, not because Washington admires the Duvalier regime but because of apprehension about what would happen in Haiti during the power struggle after the overthrow of Duvalier.

There are few officials here who do not believe the impoverished republic is ripe for a complete breakdown in public order if Duvalier dies or is deposed.

Such a breakdown almost certainly would result in bloodshed and require the Organization of American States to consider swift intervention.

Meanwhile, two colorful and quixotic figures have been in contact in the U.S. in connection with the ineffectual Haitian exile movement against Duvalier.

They are Henri Vixamar, 45, a onetime Haitian school teacher, who talks freely of forming a force to invade his country, and Col. Hubert Fauntleroy Julian, 70, the celebrated "Black Eagle of Harlem."

The significance of their contacts is that Vixamar has money and Julian is a veteran munitions salesman.

EXPELLED BY HAITI

Julian, who lives in the Bronx, has had many adventures including brief service with Haile Selassie during the Italo-Ethiopian War.

He was the subject of a State Department "white paper" in 1954 for trying to obtain arms for the leftist government of Guatemala's President Jacobo Arbenz. In 1958, Haitian police expelled him from the country and in 1962, the United Nations seized him in Elizabethville after he had had a short career as a sort of roving ambassador for secessionist Katanga.

THE DESALTING OF SEAWATER

Mr. ANDERSON. Mr. President, there should be somewhere in the Record a few remarks in connection with Senate Resolution 155. I believe I am qualified to speak on it, since for more than 10 years I have been interested in the potential of using nuclear power to desalt seawater. I have given strong support to the development of the U.S. nuclear desalting program, which is being carried on by the Department of the Interior and the Atomic Energy Commission. I have followed the program both from my membership on the Joint Committee on Atomic Energy and the Committee on Interior and Insular Affairs.

I completely support the general objectives of Senate Resolution 155. It is clear that there is an urgent need to solve the basic problem of the lack of water in the Middle East. Implementation of the objectives of this resolution would represent a fine effort to resolve this problem.

The problem is one, however, that will require a long-range solution; and I am hopeful that the adoption of the resolution will lead to the development of an overall program for the long-range solution to this problem. I am fairly certain that as a part of this solution it will be found that large-scale nuclear desalting plants will play the prominent role which has been proposed for them.

It should be clearly recognized, however, that the adoption of the resolution should not in any way interfere with projects already under consideration which provide for near-term contributions to the overall solution of the problem. Specifically, I refer to the proposed United States-Israel project for a large-scale nuclear desalting plant on which engineering and economic studies in depth have been underway since the summer of 1964. Considerable effort and more than half a million dollars have been expended by representatives of both Governments during the past 3½ years. I am informed that a supplemental report of the joint United States-Israel study group will be completed early in 1969. This study conducted by Kaiser Engineers and the Catalytic Co., for the United States-Israel Joint Board covers a project for 300,000 kilowatts electric and a range of 100 million gallons of water per day.

Indications are that there is considerable promise and need for a large-scale nuclear desalting plant in Israel by 1975. Accordingly, I strongly believe that it is essential that every effort be made to conclude the present studies and get on with the project. Accordingly, the adoption of the resolution should not interfere with the design and construction of the facility planned under the United States-Israel agreement.

It is my judgment that this specific project is consistent with the general objectives of the resolution and should be the first bilateral step of an ultimate regional program.

I believe the record of the hearings by the Committee on Foreign Relations, including testimony by Secretary Udall, Commissioner Ramey, and the State Department representatives, support this point of view. I also understand that the sponsors of the resolution are also of this view. I hope for success.

PERMANENT NATO NAVAL FORCE, ATLANTIC

Mr. SPONG. Mr. President, on June 21, 1967, I placed in the RECORD a speech by Adm. Thomas H. Moorer, who was giving up his post as NATO's Supreme Allied Commander, Atlantic, to become Chief of Naval Operations in August. In that speech, Admiral Moorer discussed a plan to convert the Matchmaker Squadron into a permanent multilateral NATO naval force, Atlantic. I endorsed the proposal.

Today, I am happy to note that the proposed Atlantic multinational force has been approved by the NATO Defense Planning Committee, which is meeting in Belgium. The NATO multinational naval force, Atlantic, with headquarters in Norfolk, Va., will become a reality on January 11, or shortly thereafter.

Basically, the new NATO Atlantic fleet will result from the conversion of the Matchmaker Squadron into a permanent force. The Matchmaker fleet, consisting of destroyers from the NATO maritime nations consolidated as a single force, has participated in various joint operations and exercises during the past 3 years. The command of the force has rotated among the participating nations, but the force has been under the overall direction of the Supreme Allied Command Atlantic, Norfolk, Va. Instead of existing continuously, however, the fleet has been organized for a few months and then disbanded in each of the 3 years of its being.

The approved fleet would be the world's first permanent multinational naval force. Although, like the Matchmaker, the force would consist mostly of destroyer-type vessels, other ships such as aircraft carriers and cruisers would participate in certain exercises, and the force eventually would probably become substantially larger than the Matchmaker fleet has ever been.

Although no definite commitments have been announced, it is anticipated that the United States, Great Britain, and the Netherlands will participate in the fleet. There is also the possibility that Canada, West Germany, Norway, and Denmark will contribute vessels. It is expected that the participating nations will rotate ships in and out of the fleet, with each vessel being assigned to it for about 6 months.

I have become increasingly convinced that Russian actions throughout the world are not designed to promote peace, and that the cold war is far from over. The Russians have just begun the construction of their first aircraft carrier, a vessel often associated with offensive rather than defensive strategy. In May 1967, a Soviet vessel collided with the U.S.S. *Walker* in the Sea of Japan. Increased Soviet activities have become apparent in the Norwegian straits. Soviet ships, which the U.S. Ambassador to NATO has said were infrequently seen in the Mediterranean in 1963, are commonly sighted now. Also, shortly after the Middle East crisis in May, Soviet vessels in the Mediterranean came close to matching U.S. vessels in number, if not in strength.

In such a situation, NATO presents one of our main deterrents to war. Certainly, there have been problems within the alliance, but the alliance cannot be abandoned simply because of the problems which have arisen. A similar organization, with the comparable purpose, strength and status could not be created or revived at will or in a short period of time. Our best hope, consequently, lies in working within and strengthening the existing structure and organization.

In recent years, increasing questions have arisen as to whether the European nations fully appreciate the extent to which their own security is involved with NATO and with the security of the entire Western World. No alliance can survive without the continued support and active involvement of its members. The standing NATO fleet will give the members of the organization the opportunity to show their support and willingness to continue cooperative endeavors against threats to Western peace and security. The agreement of the NATO Defense Planning Committee to the Atlantic NATO naval fleet is a significant indication of the Organization's desire to maintain its strength and preserve its role in the defense of the Western nations.

I congratulate the officials who have worked long and hard in Belgium to secure and modernize the North Atlantic Treaty Organization.

ADDRESS BY WILLIAM J. HULL BEFORE COOSA-ALABAMA RIVER IMPROVEMENT ASSOCIATION

Mr. HILL. Mr. President, on December 6, Mr. William J. Hull delivered the principal address at the annual meeting of the Coosa-Alabama River Improvement Association in Montgomery, Ala. Mr. Hull is a well-known attorney in Washington and specializes in law relating to water resources development. Mr. Hull is chairman of the legislative committee of the Ohio Valley Improvement Association and secretary of the National Waterways Conference. He is coauthor of a book published in May 1967, which traces the history and potential of our national waterways system and the development of Government waterways policy.

I commend Mr. Hull's speech to the Senate and ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE IMPENDING WATER RESOURCE CRISIS

(Address to the Coosa-Alabama River Improvement Association meeting, December 6, 1967)

It is a great honor to have this opportunity to address you. Your distinguished Executive Vice President, George Cleere, and I have worked closely together for many years. He never fails to do an outstanding job in presenting the position of your Association. He is held in the highest esteem by the Appropriations and Public Works Committees of the Congress and by the Corps of Army Engineers. You are fortunate indeed to have him on your team. The record of progress in advancing your excellent program is eloquent testimony to the solid competence and sturdy perservence of your effort, the high quality of your leadership and the loyalty and strength of your membership support.

You stand today on the threshold of achieving completion of the initial phase of your program which will provide new opportunities for economic development of your natural resources. But in common with other water resource development organizations throughout the country you face more difficult challenges in the future as you strive for the realization of the full potential of this richly endowed basin to meet the growing needs of its people. Neither your organization nor any of us concerned with water resource development can rest on our laurels or preen ourselves on the glories of past accomplishments, complacently expecting the future, by force of inertia, to evolve a long the trend lines of the past.

Indeed, I am convinced that if we are to achieve in the next decade the essential goals in water resource development that will be required to meet the demands of our expanding population, we will be called upon to mount immediately a united effort of public education and understanding of the program far exceeding in scale, power and sophistication anything of its kind ever conceived in this country.

Let us consider together the situation that confronts us. The population of the United States has now passed the 200 million mark. In the past 10 years we have added to the United States a population increase exceeding the total population of Canada. During the next 30 years we will add a population equivalent to our 1950 total, reaching 350 million at the end of the century.

With a gross national product approximating $2 trillion in the year 2000, our standard of living and related withdrawals of water will be rising even faster than our population, from a present daily level of 400 billion gallons to nearly a trillion gallons in the next generation. But while people and their water needs are multiplying, the available supply of water stays the same. Even now, in much of the country, most of our waste water is returned to the lakes and rivers to be drawn out and used again by our downstream neighbors. If we are to have the water we need for industries and homes in the year 2000 we will have to maintain its quality while using it over and over again.

The lesson is clear, however, that since the supply cannot be significantly increased, every feasible means to conserve and to use wisely must be employed. The problem is complicated by the unevenness of distribution. In the arid West water scarcity is a perennial problem. Other parts of the country are alternately harassed by devastating floods and periods of drought. The circumstances demand reservoirs and other control works, probably involving controversial inter-basin transfers, designed to collect water where it falls and to make it available where and when it is needed. In addition, as the quality of our water is deteriorating with ever-increasing pollution, Federal and local investments in waste treatment works on a vastly expanded scale will be needed to permit unavoidable reuse of water.

Thus one of the most compelling challenges facing the American people over the next three decades is the development of our water resources. The very survival of our civilization depends upon our skill and energy—our sense of public purpose—in meeting this challenge. We will ignore it at our peril.

The scale of public and private investment required to meet this challenge is of massive proportions. The Department of Commerce has recently released an estimate that expenditures of 66.3 billion dollars by all levels of government and private industry will be required over the next 13 years to provide for necessary water supply and waste treatment facilities alone.

Both the House and Senate Appropriations Committees in their reports on the Fiscal 1968 Public Works and Atomic Energy Appropriations Bill have highlighted the urgency of an augmented scale of development. As the Senate Committee put it:

"The construction of works to preserve and protect our precious land and water resources cannot be postponed long without serious detriment to our domestic economy".

Experts in the field agree that to meet essential goals by 1980, annual expenditures for Corps of Engineers projects alone must be more than doubled.

The plain facts are that we Americans are starving the water resource base of the Nation's economic growth. Construction appropriations for water resource projects of the Army Corps of Engineers provide a suitable illustration. In the present fiscal year, the appropriations amount to just a little over 1/1000th of our gross national product. The meagerness of this allotment represents improvidence to the highest degree. We are confining our outlay in this vital sector of water development to hardly more than 1/1000th of the national livelihood, which that development could nourish so richly.

Neither are we responding in any adequate way to the rising urgency of the problem. Back in 1953, when the pressures for water resources development were much less immediate, we were investing in Corps of Engineer projects at about the same rate as now—1/1000th of our national product. Indeed, the high point of these appropriations since 1953, reached in 1965 was 0.14 of 1% of the gross national product. Since then it has steadily declined. Thus in the past 15 years, while water resource needs have been mounting in urgency our efforts has shown no significant response in relative magnitude.

Every year of delay will cost us that year's water resource contribution to our production and incomes. But it will cost much more than this. Construction costs are going up rapidly. According to the Association of General Contractors of America, construction which might have been completed in 1955 had risen in cost by 40% in the following 10 years. The inflation is continuing. When the hard reckoning of events forces us to act and to build in the 1970's the works we could have completed in the 1960's, the construction cost inflation will have greatly enlarged the budgetary burden. In combination with our loss in deferred benefits, we shall have been doubly penalized for our improvidence.

A program adequate to this challenge will admittedly require large additions to public investment. Some will ask: Can we afford to enlarge the outlays for water resources? There is only one answer: We cannot afford not to. The very wealth of the Nation, upon which the soundness of our Federal Budget rests, is a product of wise and vigorous development of our resources. Outlays for such development are in the nature of capital investments in the future of America to assure the productivity of the national economy and its prosperity for generations to come. It is profoundly misleading to regard such investments as current expenditures.

But we must not delude ourselves. The attainment of these goals, reasonable and essential though they are, will not be an easy task.

Recent experience shows all too clearly the extreme vulnerability of water resources programs to drastic reductions in times of budgetary stringency. We must, of course, concede some postponment in times of emergency for temporary overriding demands. But water resource development, already proceeding at far too slow a pace, must not be treated as a luxury item subject to disproportionately large or prolonged cuts in times of stress.

Let us consider for a moment the present state of affairs. For the past six or seven years there have been added to the Corps of Engineers program new construction starts representing a total cost about equal to one year's appropriation of roughly $1 billion. This rate of new work in relation to completions is about sufficient to maintain the level of the program—to keep the pipeline full. Actually, as we have seen, this is not enough. The rate of progress must be expedited if a grave water crisis is to be averted. For fiscal 1968, however, the total cost of projects added as new starts is reduced to only about $170 million, or one sixth of the total appropriation for construction, and approximately the same fraction of the total cost of projects being completed. At this rate, in just a few years, the Corps program will have dwindled to a trickle.

Nor is that the end of the sorry tale. A stretch out of construction schedules during Fiscal 1968 appears highly probable. A further deep cut into the Corps program for Fiscal 1969, reflecting the carry-over of Fiscal 1968 funds, is practically certain to be proposed in the President's Budget, coupled with stringent limitations on new construction starts and a further slow down of work in progress. It is readily predictable that the Fiscal 1970 program will involve a continuation of these restrictive policies with a still further curtailment in scope, unless a vigorous counter-attack is initiated promptly.

The response to these on-slaughts by political subdivisions of government, by organizations such as yours, and other interests dedicated to water resource development may take one of two forms: Either a selfish and short-sighted attempt by each to salvage as much as possible for itself, to the injury of other basin groups, or a concerted and statesman-like effort in cooperation with similar groups to convince the American people and their elected representatives of the National interest in an adequate, well-balanced program of development for the welfare of the entire Nation.

It is my firm conviction, based upon a profound sense of the community of our interests and of the rightness of our cause, that we will choose the latter course and that we must and will begin *now* to mount a united campaign to bring our message home to the American people, to preserve and enhance our national heritage, and to defeat the combination of narrow, selfish interests, academicians and bureaucrats, now arrayed against us.

Permit me in the time remaining to outline some of the problem areas with which, I believe, we must deal if our efforts are to succeed.

As I have indicated earlier, the problem of assuring essential progress in water resource development is one of priorities. If the public is convinced that our national commitment to such development must be expanded, it can and will be done.

As you know, one of the most serious obstacles to the development of informed public opinion is the persistent, well-financed campaign of misleading propaganda maintained by various special interest groups, designed to discredit various phases of our water resource program.

The standard technique of these interests in opposing a particular project is to brand the entire resource program as "pork barrel." They impugn the competence and integrity of the Corps of Engineers or other agencies of the Executive Branch and charge Congress with wasteful extravagance or worse.

Much of the public confusion and distrust of the water resource development program derives from certain sensation-seeking elements of the Press. Reader attention is, of course, more quickly attracted to a headline referring to a "Mammoth Pork Barrel Bill" than to one describing a "Water Resources Development Bill." It is easier to make snide comments about some Congressmen's "pet project" with suggestions of horse trading, than it is to present responsible reports on the merits of a project. When the public is misled by such biased reporting, it will distrust the agencies responsible for the water resource development program so urgently needed for our future prosperity. Such distrust can only hobble our advance to essential national goals.

For one thing is certain. The facts of our national performance in the water resource field will stand the most critical examination, if only it is fair and the resulting comment truthful. The truth is that no object of Federal concern is subject to more careful scrutiny, more searching analysis or more thorough and competent study than our water resource development programs.

But, knowing the facts as to the meticulous care exercised by the Corps, its attention to detail, the conservatism of its estimates and the objectivity of the Congress and its Committees in the review of Corps findings and their prudence in public expenditure for these purposes, is not enough. It is our duty to bring these facts to the attention of our fellow citizens so they may be assured that their funds are being wisely invested in water resource improvements essential to the general welfare.

We must take full advantage of every opportunity to counter false and misleading propaganda with an accurate presentation of the facts, for without broad public confidence in the merits of our programs, there is little hope of accelerating the pace and expanding the scope of these programs in accordance with growing needs.

Nor will success crown our efforts without vigorous and effectively expressed support from the citizens directly concerned. Without such support no project or program, however meritorious, is likely to win Congressional approval. Sustained local support has been a major factor in the progress you have enjoyed. I can only hope that similar organizations throughout the country will follow your example and that you will continue to broaden your base, to maintain your interest and enthusiasm and to enlist all appropriate assistance from the agencies of state and local government, the communications media, recreational groups, local water supply interests, and all others who can render effective support. In combination, all those who support various water resource programs represent a great majority of the American people. By united effort properly channeled and organized they can make their will prevail.

Increasingly in recent years, the attacks of those who would obstruct water resource development have centered on the standards or criteria employed in project evaluation in an attempt to establish unattainable standards of justification. You are all familiar, I am sure, with the grave difficulties presented a few years ago by the imposition under the "policy guidance" of the Budget Bureau, of criteria requiring determination of direct primary navigation benefits on the basis of so-called projected, water-compelled rates by competing modes of transport. The effect of this device was to make the cost to the shipping community of railway carriage alternative to a proposed waterway improvement appear much lower than the actual level of rail charges. This device blocked for about two years all navigation improvements and all multipurpose projects where navigation was a substantial element. Fortunately for us all, Congress last year reestablished by statute the previous technique for evaluation of primary navigation benefits which are again based upon a comparison of prevailing rates by water and other modes—a method which has served the nation well for many years.

Our experience in this situation illustrates the decisive influence that the standards or criteria employed by an Executive Agency exercise upon the recommendations submitted to the Congress. This in turn has a profound effect on the decisions of the Congress in carrying out its constitutional responsibility to determine whether or not a project shall be authorized.

Nor have we seen the end of this controversy as to the appropriate measure of primary, direct navigation benefits. Various academic groups have been engaged to study the criteria problem. There is a strong tendency among these groups—generally concurred in by Bureau of Budget economists,—to estimate transportation benefits cn the basis of so called "long-run marginal cost" comparisons between water carriers and other modes. Again, this standard would assume imaginary low railroad costs instead of the actual rates which are the real alternative to a waterway improvement. Apart from the practical difficulties of estimating such costs, the decisive objection to this method stands unanswered by its proponents. Railroad rates are not generally based on costs but on the maximum which can be obtained from the shipping community in the absence of waterway competition.

Only when waterway competition exists will the rates of other modes be reduced. Thus if a waterway improvement is disapproved on the basis of a theoretical cost comparison, the public will be deprived of the benefit both of low-cost water transport and the lower water competitive rates of other modes which would normally follow construction of the improvement. A more effective means of blocking waterway improvement is difficult to imagine. The definition of navigation benefits recently enacted into law would prohibit the use of this method but we cannot ignore the risk of an Administration move to repeal that safeguard.

Now we are confronted with still another criteria proposal—concurred in, I am told, by many in the academic community—which would, if adopted, seriously curtail water resource development. This proposal put forward on the floor of the Senate by Senator Proximire of Wisconsin several times in recent months involves a steep upward adjustment in the discount/interest rate factor used to estimate costs of Federal funds for proposed water resource projects. These estimates are now derived from the average rate on outstanding long-term government indebtedness. The Proxmire proposal would substitute for this, the much higher estimated average rate of return obtained by private industry. This alteration would substitute for this, the much higher estimated average rate of return obtained by private industry. This alteration would charge a proposed improvement an exorbitant interest rate, artificially raising the estimated cost so as to make the improvement appear unjustified.

The theory is that funds employed in financing Federal projects are derived from the private sector and would be used for private investment if the projects were not built and, that the full measure of the Federal cost of the funds is the resulting loss to the private sector of the economy. Application of this theory would mean that the discount/interest rate for project evaluation would rise from about 3½% to between 10 and 15%. According to Senator Proxmire, use of a 10% factor would have resulted in benefit/cost ratios of less than unity for such projects as the Arkansas River and tributaries, the Cross Florida Barge Canal, the Kaskaskia River Project, Illinois, and the Missouri River levee system, and would thus have disallowed all these projects and programs and many more.

Time does not permit a full analysis of this proposal, even if a mere lawyer were competent to enter the lists of technical economic debate. Certainly it can be said, however, that any proposal which would have the effect of eliminating projects of such outstanding promise and national significance in on its face unsound. Further, the simple equation of Federal money costs to the rate of return on equity investments in private industry ignores the critical difference in the risk factors. It assumes unrealistically that those who invest in Federal Government bonds would otherwise put this money in equity capital rather than less risky securities. Even more important, it flatly disregards the fact that water resource projects stimulate private investment by reducing costs of transport and electric energy, eliminating hazards to life and property, and providing water supply needed for industrial operations. These benefits permit private investment on a scale which would not otherwise be possible and open up new markets and sources of raw material which create new wealth and contribute to the supply of more abundant goods and services at lower cost. The assumption that Federal investment in such projects is competitive with private industrial investment, like many theoretical models, it seems to me, bears little resemblance to the real world. The correct conclusion, which I confidently believe to be fully justified by our national experience, is that sound water resource development stimulates and supplements and does not hamper or restrict private investment.

Moreover the Corps of Engineers estimates of direct primary benefits have generally been proven by experience to have substantially understated. For example, the Ohio River canalization project was justified on the basis of estimated traffic of 13 million tons annually, while in 1965 this tonnage exceeded 100 million.

Finally, it may be helpful in contending with this high-interest rate proposal to recall that in the conventional benefit-cost analysis a vast range of secondary benefits involving contributions to national defense and important developmental and environmental values is not considered in the benefit-cost ratio. Until we are assured that these intangibles are given due weight and that direct primary benefits are more realistically forecast, application of the higher interest factor on the cost side of the equation would assuredly result in misallocations of resources through failure to construct essential projects which would be far more detrimental to the national welfare than those complained of by the proponents of this untried and highly theoretical approach, however impressive its academic sponsorship.

But I must warn you. This is a gravely serious matter. The proposal is strongly supported by powerful interests, both in and out of government. In resisting it we will be contending with the weight of opinion among professional economists and there is no present statutory safeguard against its adoption by the Executive Branch.

This leads me to a recommendation which I believe merits your most serious consideration, that is, that no standards for water resource project evaluation should become effective without Congressional approval. Too few of us are aware of the scope and consequences of the delegation of authority to the Water Resources Council by the Water Resources Planning Act of 1965. Under that Act, authority was conferred on the Council—consisting of the Secretaries of Interior, Agriculture, Army, Health, Education and Welfare and the Chairman of the Federal Power Commission (and, on matters relating to the navigation features of water resource projects, the Secretary of Transportation) to establish with the approval of the President "principles, standards and procedures for * * * the formulation and evaluation of Federal water and related land resource-projects."

It is well settled in our Constitutional law that the issue as to whether a particular water resource project or program should be authorized, being legislative in character, is for Congress alone to decide. *See Oklahoma* v. *Atkinson* 313 U.S. 508, 527. It is true, of course, that no authority to authorize projects was vested in the Council or the President. But the power granted to the Executive Branch set standards of evaluation is of such decisive consequence as to derogate seriously from the Constitutional authority of Congress with regard to project authorization. For the standards applied will shape the content and conclusions of the reports to Congress and thus, in practical effect, materially limit its legislative discretion.

It seems plain, therefore, that the power conferred upon the Council constitutes an excessive delegation of legislative authority. Under our Constitutional practice, it is for Congress to set standards governing the conduct of the Executive Branch or independent agencies. Here that process is reversed. The Council, not the Congress, sets the standards. I submit that as a minimum step Congress should amend the Water Resources Planning Act to provide that the principles, standards and procedures for the formulation and evaluation of Federal water and related land resources projects established by the Water Resources Council may become effective only with the approval of Congress as well as that of the President. Such a provision would follow the pattern established in the recent act creating the Federal Department of Transportation. This requires approval by both the President and the Congress of standards established by the Department for evaluation of proposals for investment of Federal funds in certain transportation facilities.

I would urge also that consideration be given to the provision of appropriate guidelines for the Council in the exercise of its authority so as to assure attention to pertinent issues of public policy in the evaluation of water resource projects. These might well include the relationship of projects to economic development, public health, national defense, regional rehabilitation, the balance of payments, restraint upon inflationary trends, and of course, to sound, comprehensive development of water resources. This would be fully consistent with the January 1961 report of the Senate Select Committee on National Waster Resources which stated:

"The water resources development job facing this Nation in the years ahead to 1980, and beyond, is of tremendous magnitude and complexity. Far more public understanding and support for the necessary programs will be needed than has been obtained in the past. It is essential that there be created a public sense of high purpose and responsibility for future governmental action in this field. Recognition must be given to the human values involved as well as to the economic values. There must be well organized public participation in the necessary activities in order that human needs can be met. This committee would emphasize the importance of planning the Nation's water development in terms of producing the most jobs at the highest income levels, while at the same time taking full advantage of the nonrevenue purposes associated with water development so that their capacity for improving the quality of life for the people of this country can be fully used."

As a helpful initial step toward the kind of legislation I have in mind for nation-wide application, I invite your attention to Section 206(a) of the Appalachian Regional Development Act of 1965 which calls for a plan of water resource development for the Appalachian Region "giving special attention to the need for an increase in the production of economic goods and services within the region". Consideration of developmental economic benefits in project evaluation promises to provide a needed impetus to water resource improvements in the Appalachian Region, including the navigation project on the Coosa now under study, unless, of course, by Executive action high interest rate or other discouraging concepts are imposed to nullify the enlightened approach adopted by Congress for the Appalachian Region.

By such measures as those recommended here Congress would be enabled to discharge properly its Constitutional responsibilities in the area of water resources development. It could, moreover, thus be reasonably assured of information and expert comment germane to the great issues of national policy involved in authorizing and funding our water resources programs. Even more important, the public could confidently assume that the fulfillment of our growing needs for water resources development would not be frustrated by application of unduly restrictive standards or by inadequate attention to all pertinent factors. It was most gratifying to note that the report of the Inland Navigation Committee of the Southern Governors Conference presented and approved by the Conference last September, urged adoption of these measures as safeguards against unduly restrictive standards of project evaluation. It is my earnest hope that water resource organizations throughout the nation will give their full support to this essential and constructive effort.

Finally, in our concern for sound and essential development of our water resources we must stoutly resist all proposals for special fees, taxes, tolls or charges on the use of Federally provided water resource facilities. Whether these charges take the form of tolls or taxes on navigation, as repeatedly recommended by the Bureau of the Budget, or entrance and access fees under the Land and Water Conservation Fund Act, or license fees on mooring, docking and other floating facilities imposed by fiat, their ultimate effect—apart from their profoundly detrimental economic and social consequences—would be to diminish use of facilities. Almost all navigation improvements contribute also to flood control, water supply, recreational opportunities, depressed area rehabilitation or other multi-purpose or public policy objectives. Similarly, provision of recreational facilities serves a variety of national welfare goals.

If, therefore, navigational or recreational use is reduced, justification of water resource projects based in part upon such use will be impaired. For, if any of the joint functions of a multipurpose project or program is eliminated or curtailed, joint costs must be allocated over a reduced number of elements and each charged a higher percentage of the total, with possible impairment or elimination of flood control, water supply, water quality control and other project features. These are risks we cannot afford at a time when accelerated action to deal effectively with our water problem in all its aspects is of paramount national concern. Whatever the justification of fees and user charges in order phases of Governmental activity, they have a sharply limited application in the field of water resources, where their imposition can exercise a gravely obstructive influence upon essential development. They are, indeed, highly inappropriate for imposition on publicly owned facilities constructed at public expense for the use and benefit of all.

The dominant public interest in preservation of our long-established toll-free waterways policy is evidenced by the fact that the Southern Governors Conference at both its 1966 and 1967 meetings recorded its opposition to waterway tolls or user charges in any form or in any amount and that the Mid Western Governors Conference this year took a similar position.

H.R. 11236, now pending before the Public Works Committee of the House, on which hearings have been completed, would prohibit access and entrance fees at Corps of Engineer projects as well as fees for use of minimum facilities, and license fees for private mooring, docking and other floating facilities. It is in the interest of all of us dedicated to sound development of our water resources that this legislation pass to curb the insatiable appetite of the Bureau of the Budget for fees and special charges.

A massive and challenging task in developing its water resources confronts the Nation. With vision and determination the job can be done. But it is imperative that the public understand its urgency and the true values at stake. False and misleading propaganda must be responsibly countered by objective presentation of the facts. Regional and local organizations must redouble their efforts and find more effective means for cooperative action in pursuit of common objectives. It is essential that Congress take all appropriate steps to develop and implement a truly adequate program under meaningful standards appropriate to so commanding a task, and that it rejects with unmistakable conviction all proposals for imposition of unsound taxes, tolls or special charges which would frustrate attainment of vital national water resource objectives. These conditions are basic to success in achieving goals on which our future welfare depends. We must see to it that they are fulfilled.

NEWLY PUBLISHED POETRY BOOK BY EDITH BANNISTER DOWLING

Mr. THURMOND. Mr. President, Mrs. Edith Bannister Dowling, the wife of an able and prominent South Carolina attorney and a noted authoress in her own right, has just published a new book of verse. Entitled "One for Sorrow, Two for Joy," it is a small selection from her poems in various genres—verses for children, dialect story-poems, light and longer pieces. One of the sonnets contained in the book "'Reflexions'—A Bottle of Perfume" was an American finalist in a sonnet competition of the Poetry Society of London. Eighteen of her other poems have been awarded prizes and Mrs. Dowling's more than 80 published poems have appeared in American publications ranging from Baby Talk to the Saturday Evening Post and the Virginia Quarterly Review.

This collection of verse is an outstanding contribution to the world of letters and marks another milestone in the unusual life of a most interesting and creative lady.

Edith Bannister Dowling was born in Liverpool, England but was brought up in the moorland area of North-East Lancashire near "Wuthering Heights."

While at Somerville College, Oxford, she broadened her publishing of verse and prose, which had begun with a poem at age 7, a story at age 10. Besides her regular appearances in undergraduate weeklies, and in the Oxford magazine, she had her writings printed in London publications as unlike as the Adelphi and Eve's Journal, and, away "down under," in Tomorrow and Art in New Zealand. A research degree of bachelor of literature followed the honors B.A., and led her for a while to early 16th century manuscripts, tutoring, work on "The Dictionary of the Older Scottish Tongue," and a study of the dialect of her home in the north. But film reviews, travel articles, and an amazing output of fiction and poetry paralleled all this. World War II found her stationed in New York, as film officer of the British Information Services; there she also did some broadcasting, lecturing, ghostwriting, editing, and acquired her Oxford M.A. American themes made their appearance in her writings, and also in her pen, pencil, and brush sketches. Her work began to be published in America.

Now Mrs. Dowling lives in South Carolina, on the inland waterway. Her husband, as I have noted, is an attorney in Beaufort and a State official; they have two sons and one daughter. Mrs. Dowling is a member of the English faculty of the University of South Carolina, lecturing at its regional campus, and is frequently a guest lecturer and poetry reader elsewhere.

I offer my congratulations to Mrs. Dowling and commend this book of verse to those who enjoy truly fine poetry.

PRIMITIVO GARCIA—A YOUNG HERO

Mr. SYMINGTON. Mr. President, recently in Kansas City a young man of Mexican birth, Primitivo Garcia, gave his life to protect his teacher from a gang of hoodlums. Primitivo, who was leaving a night class in English in preparation for American citizenship, refused to stand by and "not get involved" when several youths began to molest his young teacher, a woman.

Since his death from a gunshot wound incurred in the subsequent struggle, our entire city and State has felt the shock of losing so needlessly such a fine young man.

At a time when we read in the recent FBI report on crime trends that robbery in the streets has gone up 27 percent over last year, it is saddening to note that many Americans are unwilling to get involved. Primitivo Garcia's bravery and unhesitating action, while others stood by, is an example for all of us to remember.

I ask unanimous consent that an editorial about this sad matter, published in the Kansas City Call of December 1, be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

A Mingling of Pride and Shame

The whole city was pulling for the recovery of a Mexican youth who was shot when he went to the rescue of his teacher when she was attacked by a group of hoodlums as she left night classes at the Westport high school about two weeks ago. But he succumbed to his wounds Tuesday probably without knowing how his adopted city felt about him.

The hearts of Kansas Citians swelled with pride as they read of the heroic act of Primitivo Garcia who did what many a person refuses to do for fear of getting "involved" or of getting hurt. Fearing neither, young Garcia followed his natural impulse to protect a woman when he saw her being attacked. For his act, he received a bullet wound in the abdomen, the undying gratitude of his teacher and the admiration of a city.

As Garcia lay critically ill in his hospital bed, citizens contributed more than $11,000 to help pay his medical and other expenses and the fund likely will continue to grow because the people of this great city have been deeply touched by the deed of young Garcia.

Along with the rest of the city, we have a feeling of pride in what young Garcia did and one of deep regret that he was wounded in performing what he considered his duty to womanhood. We also have a feeling of shame that it was a group of Negro boys who attacked the school teacher and who shot Garcia when he interrupted their criminal act. All groups have persons within them who are far from models of good behavior.

The five young hoodlums who knocked down the young school teacher and shot Garcia should be dealt with to the fullest extent of the law.

Garcia, a young Mexican studying to become a United States citizen, has set a fine example for many Americans who hesitate to do what this young man did. America needs more citizens like him and fewer like the five who would attack a woman and shoot a young man who sought to help her.

HUMPHREY: HE WALKS IN THE SHADOW

Mr. MANSFIELD. Mr. President, a penetrating article entitled "Humphrey: He Walks in the Shadow" was published in the Kansas City Star of December 3, 1967. The article captures the personality of our beloved Vice President as we in the Senate know him. The Senate has many "graduates" of whom we can be proud, but none more so than our Vice President.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD as follows:

HUMPHREY: HE WALKS IN THE SHADOW

(By Michael J. Kelley)

Hubert Horatio Humphrey, the vice-president of the United States, is a little like the fabled genie: He may appear only when summoned, and may perform only those tasks requested of him by the owner of the magic lamp, President Lyndon B. Johnson.

This is essential to understanding not Humphrey but the vice-presidency, an office that, by its nature, tends to obscure the man who holds it. A vice-president is responsible to only one man, the President, and therefore lives always in his shadow.

Yet Hubert Humphrey is as unobscured as any vice-president in American history. Under his old friend and Senate colleague, Lyndon Johnson, Humphrey has become the busiest, most responsibility-laden vice-president ever.

In any event Humphrey, by his nature, would be a hard man to obscure. The famous ebullience, the deep interest in so many fields, the phenomenal energy would be impossible to bottle up for long.

"He has an extra gland," says one senator admiringly.

Humphrey, now 56 years old, has come a long way in the 18 years since he entered the Senate, considered a brash liberal. He has come even farther from the Huron, S.D., family drugstore, where he slept in the basement so he could wake up at 5:30 o'clock and make breakfast for the truck drivers.

The question in 1967, is has he come as far as he will go?

As a stepping-stone to the presidency, the vice-presidency has proved most often a dead end. Martin Van Buren, in 1836, was the last vice-president to win the presidency in his own right.

President Johnson has made considerable use of Humphrey's oratorical gifts to explain policies to the American public; of his legislative experience and skill to lobby administration bills through Congress, and of his friendship with many foreign leaders to act as the President's "eyes and ears" in many parts of the world.

But the fact remains that the vice-presidency tends to politically obstruct a vice-president who, while very close to the seat of power, is still just as far away as anybody else.

The most important aspect of the office is its potential: Should tragedy befall, as it has twice in the last 22 years, the vice-president is suddenly President.

Assuming there is no tragedy, the only hope in 1968 for Humphrey's presidential ambitions, should he have them, is if Johnsion should decide not to seek re-election.

That possibility, in Washington is considered best by squinting through a microscope, it is so small.

The speculation has been centering instead, around the thought the President might dump Humphrey for a running mate better able to bring him votes in the special circumstances of 1968.

One reason to discount this is that, while Johnson's poll ratings have dropped drastically, Humphrey's have remained basically firm. The lint of public uneasiness is not rubbing off on the vice-presidential clothes.

A close Humphrey associate provided another reason:

"If the President did it would just reinforce the feeling that Johnson is the kind of man who would swap someone for purely political reasons, regardless of their personal relationship."

Thus the Humphrey presidential aspirations logically would be aimed at 1972.

But while forthright and staunch as an advocate of the President's policies, Humphrey proves an artful dodger when asked about his own political future.

The Vice-President, who usually works an 18-hour day, was interviewed recently during a brief visit to Kansas City. It was early in the morning and at first he answered questions slowly, as though still a little sleepy. But as he warmed to his subject the words flowed ever faster, accompanied by waving hands, in the well-known Humphrey style.

He was asked if he had received any assurance from the President that he would be on the ticket, next year.

"I never ask for such assurance," he said. "The President is always very kind and friendly to me and generous in the comments he makes about me."

(At a press conference March 9, Johnson said: "I have never known a public servant that I've worked better with or for whom I have more admiration or who I thought was more entitled to the public trust than the vice-president.")

On the distant future—1972—and the possibility of a clash with Sen. Robert Kennedy (D–N.Y.) Humphrey said:

"I imagine if a man is in good health and there are no unusual developments of a catastrophic nature, then he can do what he is capable of. I would call it an open future.

"I'm not particularly concerned about Senator Kennedy right now. I don't think the world of politics is limited to Hubert Humphrey and Bobby Kennedy. There is a whole roomful of talent in the Senate and the House, and there are the governors. You can't predict that far ahead."

As he talked about the vice-presidency, Humphrey began to come more alive. The metallic voice grew a little higher, the gestures more frequent.

"As vice-president," he said, "you are a member of a team. That's the key. Thereafter I believe a vice-president has a responsibility of loyalty to the President, must be a working member of the team.

"This does not mean he should be without his own views and he has forums to express them in the house of government—in private talks with the President, to the National Security council, to the cabinet.

"There are limitations on a vice-president. As a senator you can be free and independent (he was), almost irresponsible if you want to (he was not). I have to be careful what I say lest it be considered in conflict with the President and because foreign governments watch this very carefully. It requires prudent judgment and yet you must be forceful.

"A vice-president can develop his own philosophy of the office. I believe in making it a very active one. In the past it has been inactive.

"Mr. Truman once told me the office is what you make of it. And the office by statute is getting to be a very, very busy one. I must tell you I feel mighty tired sometimes."

The single duty of the vice-president assigned by the Constitution is to preside over the Senate. By statute or presidential wish Humphrey works with the space program, the Peace corps and advises on marine development.

Humphrey also is the government's coordinator in the fields of civil rights and poverty—particularly in finding employment in private industry for ghetto youths. He is the liaison to the mayors of major U.S. cities, and works with governors and state legislative leaders.

In three years he has traveled more than 500,000 miles in and out of the country—last month, for instance, he visited South Vietnam, Malaysia and Indonesia. Some of his most effective but little-seen work has been with Congress, urging passage of administration programs. His method is to convince by the weight of argument. He has never been an arm-twister.

Humphrey in 1947 was co-founder of the liberal Americans for Democratic Action, which consistently rated his Senate voting record 100 per cent. But recently he has come under fire from the A.D.A. for supporting the President on Vietnam.

In September the A.D.A. national board voted opposition to Johnson's war policy. Humphrey has been accused of changing course from his former liberalism.

He was asked whether, in fact, he had.

"I think the A.D.A. and liberalism have both changed a great deal," he replied. "When I was in the Senate I voted for the Gulf of Tonkin resolution. I said then that it empowered the President to take whatever action was necessary. I said that it could and will mean war, a greater use of American manpower.

"I told them they should know what they were voting for, I pointed out that North Vietnam was an aggressor. I believe the exact same thing now. I said the same thing in 1961, when John F. Kennedy was President and we were embroiled in Laos and he spoke of the menace of Chinese communism. I talked then of the importance to the world of Southeast Asia.

"So I tell my friends in the A.D.A.—and there are quite a few new faces in the A.D.A.—that it isn't Humphrey that's changed and the record will bear me out.

"The A.D.A. has lost much of its usefulness because most of the positions it formerly held have been enacted into law thanks to the Democratic party. The A.D.A. is split right down the middle on Vietnam.

"A handpicked minority can do almost anything. When you get the full board together, with responsible officials present, our gang, then it's not so easy for them."

Humphrey then went into an explanation of the late President Kennedy's views in 1963 on Vietnam, on the domino theory as applied to Southeast Asia and on the threat of Chinese communism.

"He didn't change and neither did I," Humphrey said. "And the same A.D.A. that loved John F. Kennedy when he was alive, and even more after he died, should look at what he said."

Humphrey became even more animated when asked what he thought would be the principal issue of the 1968 campaign.

"The obstinacy and foot-dragging of the

Republican party in the 90th Congress," he said, in his best Democratic manner. "They have produced a record of partisanship above the national interest on the domestic scene. They vote in a bloc, almost, for example, against urban legislation.

"There is the quality of the President's leadership at home and abroad. I will be able to go to the American people with the most amazing record of splendid legislative accomplishment in the 20th century.

"There is the record of our international responsibility. I think our greatest accomplishment has been that we've been willing to protect and defend the cause of freedom in Southeast Asia.

"I think when the people have this explained and proved to them we can neutralize the issue of Vietnam. It is an issue I'm not going to run away from.

"Of course it depends on whom the Republican nominee is. If the candidate is Nixon or Rockefeller, they are pretty much on the same wave length with the administration. There are some minor differences, but then there always are.

"If it is Mr. Reagan, his position is much more extreme. If it is Romney I'm not sure what his position would be.

"I think when the American people come to vote for a President they want experience and the qualities of firmness and strength that a great man needs.

"They are not going to want a man who gets brainwashed, not a man who thinks with his glands, becomes emotional and extremist. They want a man who understands the use of power and knows how to exercise restraint in that use. It isn't important that a President win a popularity contest on the national scene, but that he be respected. Our President is.

"I'm not worried about a campaign against the present Republican contenders. They won't be so lilly-pure after they get through cutting themselves up during the campaign for the nomination (here he smiled broadly). They'll have a little guerrilla warfare of their own.

"I hope they put up the best they have in the field, because it is always good to win against the best competition."

Humphrey was asked whom he would most like to see gain the Republican nomination, and whom he thought would make the best Republican candidate.

"I wouldn't be so unkind as to say," he said with an impish grin.

Not saying at this point was politically wise. But Humphrey's tactics would be uncharacteristic because perhaps the better known attribute of the vice president is that he loves to talk.

Humphrey's critics continually score him for talking too much and accuse him of being willing to talk about anything.

"I can't help it," he once said, "I like every subject."

When he was the Senate majority whip the wags would say that no matter when you entered the Senate chamber, Humphrey was talking; that he didn't bother to file things in his office, he just entered them in the Congressional Record. Former Senator Barry Goldwater once claimed to have clocked Humphrey at 275 words a minute, "with gusts up to 340."

His critics call him loquacious and glib. His defenders call him eloquent, articulate and inspiring. At various times he has been all five. His defenders also point out that while he may be willing to talk about an amazingly wide range of topics, he talks about them all knowledgeably, and that in the Senate he was considered to have one of that body's best minds.

In a recent speech here to about 10,000 members of the Future Farmers of America Humphrey was at once talky and articulate. Sometimes he was inspiring.

The vice-president stepped up to the podium with a relatively brief prepared speech—and spoke for an hour and 10 minutes. The extra time was spent in a sincere effort to tell those young men, who reflected some of his own origins, what he had found life to be, to impart some of his vision of America.

It was genuine, spontaneous and typical of Humphrey, who immensely enjoys helping people, individually and en masse.

"I've seen him go into a coffee shop at 1 a.m. and stop and help a college student with a term paper," said Senator Walter F. Mondale, who was appointed to fill Humphrey's unexpired Senate term when Humphrey became vice-president. "He'd help people all day, then stay up until 2 a.m. to finish his work. This isn't for show, he doesn't send out a press release about it. It comes out of his hide. He does it because he loves it."

Perhaps the best measure of that particular Humphrey speech was that his youthful audience stayed right with him, with hardly a cough or shuffle of the foot.

The origin of Humphrey's love of oratory cannot be precisely pinpointed. But he has often referred to the long discussions about people and politics around the soda fountains of his father's South Dakota drugstores as part of the rich inspirational background of his life.

Humphrey is something of a Populist of the plains. His thinking, his attitude that he owes the world a living, his liberal philosophy, were shaped by the Depression of the 1930's and the small towns he grew up in.

He was born May 27, 1911, in Wallace, S.D., the son of Hubert Horatio Humphrey, sr., and Christine Sannes Humphrey. He attended public schools in Doland, S.D. In 1927 his father had to sell the house in which Humphrey was raised to pay bills. Undaunted, his father moved the family to Huron and opened another drugstore.

Humphrey left the University of Minnesota after two years, in 1931, to help out in the drugstore. He worked there the next six years, with only a brief time out to obtain a pharmacy degree in 1933 from the Denver College of Pharmacy (he is still a registered pharmacist). In 1936 he married Muriel Fay Buck, who used to come into the drugstore for sodas. They have four children.

At his wife's urging, and since the drugstore showed signs of surviving the Depression—it is still operated by family members—Humphrey returned to the University of Minnesota.

He and his wife both worked, and in two years he was graduated magna cum laude with a degree in political science and a Phi Beta Kappa key. He had also acquired a Big Ten conference debating championship. His debating partner was to be an important friend in later life—Orville Freeman, former governor of Minnesota and now Secretary of Agriculture.

The following year Humphrey moved on to Louisiana State University on a graduate fellowship. Muriel did typing to bring in extra money and got up at dawn to make sandwiches, which Humphrey sold to fellow graduate students for 10 cents each.

In a year he obtained his master's degree. His thesis was entitled "The Philosophy of the New Deal."

Back in Minnesota, Humphrey worked for the War Production administration, taught political science at Macalester college in St. Paul and had a radio show.

In 1943 he ran for mayor of Minneapolis and lost by 6,000 votes. The problem, as he saw it, was that the liberal vote was split between the Democratic and Farmer-Labor parties. By 1945 he had effected a merger of the two groups (he was later to cement the merger by expunging a growing Communist influence in the new party) and was elected mayor of Minneapolis by 31,000 votes.

He established a reputation by reorganizing the police department, cleaning out the brothels and gambling halls, improving social welfare and civil rights programs and obtaining enactment of the nation's first municipal fair-employment practices law.

He was re-elected mayor in 1947, and the next year was nominated to run for the Senate.

He received his first major nationwide attention at the 1948 Democratic national convention, where he led a group of liberals who sought a strong civil rights plank in the party platform. The plank was adopted. The direct result was the walkout of Southern delegations and the formation of the Dixiecrat party.

Elected to the Senate, Humphrey seemed, to some, intent on proving that he was just as brash as his opponents had labeled him.

In strong language he attacked Sen. Harry F. Byrd (D-Va.), in an early speech on the Senate floor. One by one the other senators filed out of the chamber, leaving him, finally, talking to himself. He needed, it was said at the time, to learn manners.

But soon, with the help of Lyndon Johnson, then majority leader, Humphrey was taken into the mystical, bipartisan "club" that runs the Senate, and long before 1961, when he was named majority whip, maturity had replaced the brashness.

In 1964 Humphrey, in what was probably the high point of his Senate career, steered the most meaningful civil rights bill since Reconstruction through a Southern filibuster and into law. His fairmindedness throughout the months-long effort earned him respect, rather than enmity, from his Southern foes.

Humphrey has consistently exhibited a desire to get things done. His mind is a launching pad of ideas, and to see them reach fruition he has many times, allowed the credit to go to someone else.

Some of the major legislative accomplishments of the last decade were the product, either directly or indirectly, of Humphrey concepts or, at the least, determination.

Medicare, which was the first bill Humphrey introduced in the Senate in 1949.

The arms control and disarmament agency, of which Humphrey is correctly called the father.

The limited nuclear test-ban treaty.

Federal aid to higher education (Humphrey authored the national defense education act, which provided the first federal aid to schools).

The Job corps, which grew out of a slightly different Humphrey proposal.

The Peace corps, which Humphrey proposed in a Senate bill months before presidential aspirant Kennedy picked up the idea.

* * * * *

Perhaps it is this attitude that is behind the fact that in the last few years Humphrey and business have been getting along better. It also may explain why, while Humphrey is still unacceptable in the South, he has become less unacceptable than he used to be.

But the basic liberalism remains. He once expressed it this way:

"I believe that if it is all right for we, the people, to be taught individually that compassion and charity are noble and moral and decent . . . now, if it is all right for individuals to be that way, what is wrong with a government that represents those individuals, a government of the people, by the people and for the people, to be that way?"

Humphrey sought his party's vice-presidential nomination in 1956 and its presidential nomination in 1960. He failed to get either. In 1964 he again wanted to be vice-president, and now he is.

On Capitol Hill most of his old Senate colleagues—on both sides of the aisle—still hold him in high regard. Several of them, in recent interviews, said that three years in the vice-presidency had not changed him, that he was still the same Hubert Humphrey.

"He's been an excellent vice-president," said one Senate leader, "loyal and effective.

His relations up here couldn't be better. 1972? We'll be with him, but a lot can happen."

What if sudden tragedy should catapult him into the presidency?

"It's a morbid thought. But if he did succeed he'd make a good President."

There is, of course, dissent.

"He's a very fine man," said another senator, "articulate and he knows a lot about politics.

"But as a (presidential) candidate, many people would wonder about his capacity to handle with firmness the problems we will be confronted with in the world. I'm just not sure because he changes his position so often. He gets caught up in his own vocabulary and enthusiasm. I question whether he would be firm enough in a crisis."

This doubt is not shared by Senator Mondale:

"Tough? Isn't he proving that with his stance on Vietnam in the face of all the criticism? In the Senate he always stood up for what he believed in. He was an internationalist and a domestic liberal long before it was thought one could survive that way in the Mid-West. I know few who have shown his courage. I regard him as one of the brightest men I've ever met, one of the most committed citizens I've ever known. He would make an outstanding President."

Hubert Humphrey today is the possessor of an office with influence but no power.

In "The Love Song of J. Alfred Prufrock," T. S. Eliot wrote what might, at least from the vantage point of the public, be a vice-president's lament:

"No I am not Prince Hamlet, nor was meant to be;
Am an attendant lord, one that will do
To swell a progress, start a scene or two,
Advise the prince; no doubt, an easy tool,
Deferential, glad to be of use,
Politic, cautious, and meticulous;
Full of high sentence, but a bit obtuse;
At times, indeed, almost ridiculous—
Almost, at times, the Fool."

Some persons tend to regard any vice-president in this light. But while Humphrey may now be something of an attendant lord, there are many who think he would make a good Prince Hamlet—maybe in 1972. And he certainly is no fool.

Humphrey would disagree emphatically with any such view of his office. He loves it, his aides say. And he has plunged into the job with the same fervor and dedication that have marked his entire career.

His best assets are the ones he has always had—a forceful, vibrant personality, intelligence, and a buoyant, expressive love of life, politics and people.

"He really does enjoy his work, the pace, especially meeting all the people— and sometimes he meets hundreds in a day," said an aide. "When he meets you warmly, with a smile, he doesn't turn after you've gone and say, 'Boy, I'm sure glad that —— left.' He really is glad he met you."

"He hasn't gone stale after 20 years," said Senator Mondale. "He loves new ideas, and there is probably more about what to do in 1990 in his speeches than in any other politician's. But even more than ideas he loves people, all kinds of people."

And, although events and circumstances will play their part, it will be, of course, people—all kinds—who will ultimately decide the course of Hubert Humphrey's political future. It is, as he said, open.

L. B. J. DESERVES CREDIT FOR GREATLY IMPROVED NEW BUDGET FORMAT

Mr. PROXMIRE. Mr. President, the Joint Economic Committee always keeps close watch on Government budget policies, and over the past decade the committee has proposed a number of far-reaching recommendations to improve budgeting systems. Within the last few months, two sets of Joint Economic Committee hearings have dealt with modernizing the budget—the first, looking into the new planning-programing-budgeting—PPB—techniques; the second, analyzing changes outlined by the President's Commission on Budget Concepts, the Kennedy Commission.

One recurring theme kept coming up in both the Joint Economic Committee's reports on budgeting procedures and in our recent hearings: Existing budget methods were often imprecise and misleading—not only to Congress, which must control the Nation's finances, but also to the general public.

Therefore, I find it quite gratifying today to report to the Senate that the administration will incorporate many Kennedy Commission suggestions in the forthcoming fiscal 1969 budget. I would like to congratulate the President and his Budget Director, Charles L. Schultze, the members of the Bureau of the Budget, and all others within the administration who have acted so positively by adapting the new procedures. It is particularly encouraging to note how many Commission proposals will now become standard policy; according to Budget Bureau announcement issued today:

> Virtually all of the basic changes which the Commission recommended, and which can feasibly be undertaken in time, will be incorporated in the fiscal 1969 budget to be submitted to the Congress early next year.

In addition, studies are now going on so that proposals not initiated in the fiscal 1969 budget may soon be applied. This step-by-step approach follows suggestions made in our Joint Economic Committee hearings with Commission Chairman David Kennedy and other leading budget analysts.

As a result of the changes undertaken in the new budget, there will be a single unified statement which reports on all funds administered by the Federal Government; the often confusing triumvirate of the administrative budget, the consolidated cash budget, and the national income accounts budget will be scrapped in favor of the unitary budget approach.

A second major change will be in the area of lending activities, which will not be shown in a separate "lending account" as distinguished from the "spending accounts."

The administration's action in adopting the Kennedy Commission recommendations represents a powerful forward step toward achieving our goal of effective economy in Government. Once again, I commend the Commission, the Bureau of the Budget, and the President for a job well done.

I ask unanimous consent that a news release of the Budget Bureau be printed in the RECORD.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

NEWS RELEASE FROM BUREAU OF THE BUDGET

Charles L. Schultz, Director of the Bureau of the Budget, today announced that the fiscal 1969 budget will incorporate many of the basic recommendations of the President's Commission on Budget Concepts.

President Johnson asked 16 distinguished American citizens last March to make a thorough study of the Federal budget and to recommend how "this formidable document" could be presented in a manner that would help both the public and the Congress understand it better.

In requesting them to undertake the study, the President pointed out that the Federal budget affects the lives of every man, woman, and child. "Yet," he said, "because of its complexity and scope, there are few who understand it."

The Commission was headed by Mr. David M. Kennedy, Chairman of the Board of the Continental Illinois National Bank & Trust Company of Chicago, and included the chairman and ranking minority members of the Senate and House Appropriations Committees. (Names of members of the Commission are attached.) The Commission made its recommendations in October after a six-month study.

Virtually all of the basic changes which the Commission recommended, and which can feasibly be undertaken in time, will be incorporated in the fiscal 1969 budget to be submitted to the Congress early next year.

The fiscal 1969 budget will offer a unified budget statement to replace the three concepts presently in use—the administrative budget, the consolidated cash budget, and the national income accounts budget.

The Commission's report to the President stated:

"The Commission's most important recommendation is that a unified summary budget statement be used to replace the present three or more competing concepts that are both confusing to the public and the Congress and deficient in certain essential characteristics."

Director Schultze, in commenting on the changeover, said:

"The 1969 presentation will require some adjustment in public thinking about Government finances. For many years emphasis was placed on the single 'administrative budget' which excluded social security funds, the highway trust funds and other earmarked accounts whose receipts and expenditures exceed $45 billion. The new concept is much more comprehensive. It includes all the funds administered by the Federal Government. The totals of both receipts and expenditures in current and past years will, therefore, be significantly higher under the new concepts."

Under the new concept, the budget for fiscal 1968, as presented last January, would have reflected expenditures and net lending of $175.5 billion and appropriation requests of $192.8 billion.

Another major change under the new concept to be adopted in the 1969 budget is the segregation of lending activities, which will be shown in a separate "lending account" within the totals, but clearly distinguished from the "spending accounts."

In recommending this move, the Commission report stated:

"In measuring the economic impact of Government receipts and expenditures, many economists, including most of those consulted by the Commission, think that the budget should be analyzed with reference to a measure of surplus or deficit from which the loan transactions have been excluded."

Also to be incorporated in the 1969 budget will be a change in the treatment of the sale of participation certificates, which under the accounting rules in use until now have been shown as a deduction from Government spending totals. Under the new concept recommended by the Commission, participation certificates will, like borrowing and taxes, be treated as a means of financing rather than as a deduction from expenditures.

Three members of the 16-man Commission—Secretary of the Treasury Henry H. Fowler, Budget Director Schultze, and Indiana University Professor Robert Turner—had dissented from the Commission's recommendations on participation certificates—the only dissent appearing in the Commission's report. However, Secretary Fowler and Director Schultze recommended to the President that the Commission's basic recommendations on the budget presentation be adopted as a whole, despite their dissent on this point. The President agreed to do so. The net sales of these certificates are currently in the $4 to $5 billion-a-year range.

In announcing the new concepts to be blended into the next budget, Director Schultze pointed out that certain other recommendations of the Commission will require additional study and planning before they can be applied. Chief among these recommendations are those pertaining to the budget presentation of loan subsidies and the use of accrual accounting for both tax revenues and expenditures.

Conversion to accrual accounting requires extensive preparation and major changes in significant portions of the Government's accounting system. "Further study and preparation for accomplishing this objective has begun," Director Schultze said, "but it may take two years before the results can be reflected in the budget. The Commission's important recommendation in regard to budget presentation of loan subsidies will also be carried out at the earliest practical time but it, too, requires further technical study and development before the appropriate changes in the Government's accounting system can be made.

"The 1969 budget will recast the 1967 actual budgetary results, update the 1968 figures, and present the 1969 budget request under the new concept."

The new format will be reflected in all of the summary tables. Since this will be a "transition year" from the old to the new concepts, the 1969 budget will carry the administrative, cash, and national income account totals as supplementary information to provide a point of reference to past budgets. The new format will also give more prominence to the appropriations and other actions requested of the Congress.

PRESIDENT'S COMMISSION ON BUDGET CONCEPTS

David M. Kennedy (Chairman of the Commission), chairman of the board, Continental Illinois National Bank & Trust Company of Chicago.

Senator Carl Hayden, chairman, Senate Appropriations Committee.

Senator Milton Young, ranking minority member Senate Appropriations Committee.

Representative George Mahon, chairman, House Appropriations Committee.

Representative Frank Bow, ranking minority member, House Appropriations Committee.

Robert B. Anderson, partner, Carl M. Loeb, Rhoades & Co., New York City. (Former Secretary of the Treasury, 1957–1960.)

Henry H. Fowler, Secretary of the Treasury.

Winthrop C. Lenz, executive vice president, Merrill Lynch, Pierce, Fenner & Smith, New York City.

Paul W. McCracken, professor of economics, graduate school of business administration, University of Michigan. (Former member, Council of Economic Advisers, 1956–1959.)

Charles L. Schultze, Director, Bureau of the Budget.

Carl Shoup, McVickar professor of political economy, Columbia University.

Leonard Silk, economist and vice chairman of the editorial board, Business Week, New York City.

Elmer B. Staats, Comptroller General of the United States.

Robert Trueblood, senior partner, Touche, Ross, Bailey & Smart, Chicago, Illinois. (President, American Institute of Certified Public Accountants, 1965–1966.)

Robert Turner, professor of business and government, School of Business, Indiana University. (Former Assistant Director, Bureau of the Budget, 1961–1962.)

Dr. Theodore O. Yntema, department of economics, Oakland University. (Former chairman, finance committee, Ford Motor Co.; former chairman, research and policy committee, Committee for Economic Development.)

BLOW TO ECONOMIC DEVELOPMENT IN EASTERN KENTUCKY

Mr. MORTON. Mr. President, several years ago the old Area Redevelopment Administration financed a study which became the basis for one of the most ambitious undertakings in eastern Kentucky's program for economic development.

The ARA proposal, prepared by a consultant with $50,000 in Federal funds, was a virtual blueprint for step-by-step development of a complete wood utilization industry. By projecting complete utilization of timber—producing everything from lumber to kitty litter—the potential profitability of the enterprise was greatly enhanced.

With strong encouragement from Federal and State officials, the civic and business leaders of the Big Sandy Valley organized Kenwood Products, Inc. This area leadership, serving without pay as directors of Kenwood, raised approximately $325,000 from individuals representing nearly 1,100 families. Most investments are less than $250. This is not an easy area in which to raise funds of any kind, much less risk capital, but the people, most of whom had never purchased stock before, dug deep.

The Kenwood project's development cost for land, buildings, and equipment is estimated at $7.3 million, with an initial employment of 600 persons. In addition, the Kenwood tract would contain sufficient space for about 10 to 12 other industrial operations.

Kenwood's early growth was not without its problems, but the company has managed, up until now, to cope with each challenge, some of which emanated from the very Federal and State officials who encouraged the business in the first place.

Kenwood is now on the brink of disaster. Its collapse, which I deeply hope can be avoided, will pull down the money and hopes of hundreds of small investors, destroy a job potential of 600, and wipe out almost $2 million in private and taxpayers' money already invested in developing the 120-acre tract near Paintsville, Ky.

One of these small shareholders recently wrote me:

> This program must succeed. If not, no other attempt at development would be possible, and Eastern Kentucky will drop back 20 years. Something must be done. Welfare programs won't do it. People on government payrolls won't do it, but completion of Kenwood will prove to be the first major step in curing our ills.

The early enthusiastic backing of Federal and State agencies that Kenwood would be backed "all the way" has waned to the point where the enterprise is threatened with extinction, even before the first log is cut or the first briquet is made, because the local people cannot raise the final $500,000 of a $7.3 million investment.

Approximately $1.8 million has already been invested in site purchase and development. This phase I work involved a combination of financing provided by Kenwood, the Commonwealth of Kentucky, the Appalachian Regional Commission, the Kentucky Power Co., the city of Paintsville, and the Economic Development Administration. This investment is now in jeopardy.

To finance phase II, involving construction of plant buildings and installation of machinery, Kenwood has obtained a $1.1 million first-mortgage commitment from the Realty Southern Corp. The major funds were to come from a $3.5 million second-mortgage loan from EDA—contingent on Kenwood's providing about $800,000 in equity capital. EDA has discontinued processing Kenwood's loan application until this money is raised.

Kenwood did an extraordinary job in raising $325,000, and I have been advised by the company that the remaining $500,000 presents an almost insurmountable obstacle. I can well understand this because the Big Sandy is not Wall Street.

Mr. President, I have contacted Kentucky's new Governor, Louie Nunn, to urge that every effort be pursued through State agencies to try to save this most important self-help endeavor. The birth of Kenwood received widespread publicity, and I can assure you that its death will be accorded similar treatment.

In connection with Kenwood's predicament, I ask unanimous consent to have printed in the RECORD a news article published recently in the Louisville Courier-Journal and the Paintsville Herald's editorial comments of December 6.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Louisville (Ky.) Courier-Journal, Dec. 3, 1967]

PROJECT AT PAINTSVILLE: A DREAM FADING AWAY?

(By William Greider)

WASHINGTON.—On the highway south of Paintsville, Ky., a new 120-acre industrial site is virtually completed, developed largely with government money to serve a unique business venture in the mountains.

But the business itself—the promise of 600 new jobs and healthy ripples through the local economy—may die on the drawing boards.

"We've got a monument built out there," said Robert H. Sloat, of Paintsville. "We've got the drainage, the lighting, the paving and parking lots, the water lines, even the fire hydrants—everything but the plant."

Sloat is a young engineer who came from California to head Kenwood Products, Inc., a locally-organized corporation whose letter head boasts prematurely that it is the "first complete wood utilization center in the nation."

Perhaps it will be yet. But even Sloat concedes that the prospects are gloomy. Unless Kenwood's directors come upon a substantial chunk of risk capital, fairly soon, "it could wipe us out altogether," he said.

ONCE GENERATED BRIGHT FORECASTS

If that happens, it will be a melancholy ending for a proposition that generated a lot of bright forecasts. Four years ago, Kenwood Products was an early rallying point for government planners and private businessmen who believe that, with forced feeding, Eastern Kentucky can grow prosperous.

Much of that early optimism is still alive among the government planners, despite the poor outlook for this particular venture. Some of the businessmen, the lawyers and bankers and merchants who invested cash and personal energy in Kenwood Products, are not so sure.

One wrote to Gov. Edward T. Breathitt, pleading for help. He had persuaded a lot of his friends to buy stock in Kenwood, he said, as an investment in Eastern Kentucky's future. How could he face them again if the enterprise fails?

KENWOOD STORY POSES QUESTIONS

At the least, the story of Kenwood Products tells how very difficult it is for the government to induce substantial, homegrown economic development in the poverty pocket of Appalachia. It also poses questions about how far government agencies can or should go in promoting private risk-taking ventures.

The Kenwood project has enjoyed the help of considerable government investment—but that investment has not been enough to overcome the doubts of private capital.

Kenwood Products is a little different because it was not dreamed up by local entrepreneurs, angling for government subsidies to help them get at personal profits. The idea was formed in government offices, spelled out in detail by a government-financed study, then sold to the private businessmen.

The basic idea—which everyone still defends as feasible—was to create a complex of wood-products manufacturing processes on one site in order to overcome the main shortcoming of Eastern Kentucky's timber resource.

The mountains have an abundance of hardwoods—oaks, poplar, hickory. Most of them are second or third growth, small and scrubby compared with Western timber. It could be profitable, however, if a concern found a way to use all of each tree—instead of cutting lumber and discarding up to 60 percent as waste.

In the early 1960's, state officials persuaded a federal agency, the Area Redevelopment Administration (ARA) to put up $50,000 for a consultants' study. In 1963, the 400-page report, drawn by MacDonald Associates, was presented to business leaders in the river valleys of Eastern Kentucky.

WOULD YIELD MULTIPLE BENEFITS

It was a virtual "how-to-do-it" blue-print for launching a successful business, complete with plant layout and details on sales organization, marketing agreements and financing.

The business would operate a sawmill for lumber with the waste branches, chips, even the sawdust headed for a variety of secondary products—pressed particle board, charcoal briquets, woodworking specialties, pulp sales to paper mills, pallets and fence posts, even kitty litter.

The benefits would be multiple—substantial new jobs for the area, a sales outlet for the mountaineers' low-grade timber, and the blossoming of home-grown capital investment.

Business leaders along the Big Sandy River, which links Pikeville, Prestonburg and Paintsville with Louisa and Ashland on the north, picked up the proposal and raised the funds to organize Kenwood Products, Inc.

But, in Eastern Kentucky, one of the major obstacles to industrial development is the mountain terrain itself. Level, flood-free land is scarce, particularly if an industry needs as much as 120 acres.

That's where government subsidy played its major role.

The Kenwood site on U.S. 23, south of Paintsville, was purchased with private funds and held by the non-profit Big Sandy Industrial Foundation, but state and federal funds paid for most of the development.

ACCESS ROAD BUILT

The state Highway Department built a $60,000 access road so that construction workers could get to the site. The Economic Development Administration (EDA), the successor agency to the ARA, put up $425,000 for all of the grading, paving and other improvements to the land itself. The EDA also gave $284,000 to the city of Paintsville, along with a $70,000 loan, to bring city water lines to the site.

The land is on the Levisa Fork of the Big Sandy. But, since it is on the wrong side of the river from the highway, the state and the Appalachian Regional Commission went 50-50 on a $439,000 bridge, now nearly complete.

The public investment in the site itself is approximately $1.3 million, but Kenwood directors have been counting on even more substantial assistance in the business venture. Kenwood applied to EDA for a $3.4 million low-interest loan and also expected the federal agency to guarantee 90 per cent of another private loan for $1 million in working capital, the money to meet payrolls and so forth until sales returns come in.

LOAN APPLICATION SET ASIDE

EDA hasn't rejected Kenwood's business-loan application, but a recent letter from Ross D. Davis, the agency's director, explained that "we have discontinued processing the application" until further notice.

The problem is that Kenwood itself hasn't been able to raise its share of the stakes.

Under the prospective financing, Kenwood was expected to borrow $1.1 million from a private lender as a first mortgage and raise another $300,000 or so from local investors. After considerable difficulty, the private loan was arranged with a Dayton, Ohio, firm—but the local capital fell far short of the original hopes.

Kenwood's problems became apparent to the local leaders when their stock sales netted only about $325,000—against their goal of $1.5 million.

Sloat and the Kenwood directors now are searching for $500,000 to get the enterprise off the ground. They have enlisted the aid of Gov. Breathitt, who recently promised to do all he could in his remaining days in office.

"We are all grasping at this one last hope," said Sloat.

Trigg Dorton, a Paintsville banker and a Kenwood director, conceded, "This is no time to be looking for risk capital and this is a high risk because it's a new venture."

"It's just one of those speculative new ventures," said Dorton. "It just couldn't sell or wouldn't sell." Sloat concludes that "raising equity capital in this part of the country is practically impossible."

More than 1,000 people did buy stock at $10 a share, but most of it was in small chunks. Nearly all of what was raised has been invested in site improvements.

ABILITY TO PRODUCE DOUBTED

As for outside money, Sloat said, "The doubt that comes to people's minds is the ability of Eastern Kentucky to supply the work force and the raw materials. It just comes down to doubts about the ability of Eastern Kentucky to produce."

At one point, in desperation, Kenwood directors offered controlling interest to several national lumber concerns, including Georgia-Pacific and Weyerhauser, if one of them would put up the $500,000. They looked it over and said "no thanks."

The reluctance of potential investors was based on several concrete factors, according to government and Kenwood officials.

For one thing, other sawmill operators and lumbermen in the region opposed the proposal as a potential competitor for labor and timber, though no one considers this a major difficulty. Others questioned the heavy debt structure of the Kenwood Corporation and wondered if the operation could carry the load. Early this year, the market price on particle board, a key element in the company's prospective sales, fell sharply.

NATIONAL COMPANIES SKEPTICAL

The big national companies were skeptical, Sloat said, because Kenwood does not have its own substantial holdings of timberland. The directors do have supply agreements with landowners covering vast acreage; but that is not as secure as owning the timber itself. To some degree, the concern would have to operate at the mercy of small-lot timber owners.

However, perhaps the most serious flaw in the original government-financed feasibility study was the assumption that local capital would be readily available.

Harrod D. Newland, director of wood-products development in the Kentucky Commerce Department, said the complete-utilization concept behind Kenwood products is still sound and has influenced Kentucky's lumber industry considerably. But the consultant "was from the West Coast," Newland said. "They're able people. But their ideas of selling stock were based on the West Coast and the Eastern Seaboard. It's just not as easy to sell stock in Eastern Kentucky as it is in Chicago or New York or Boston."

If the original prospectus was, in fact, over-optimistic, that poses some sticky questions for the government agencies that originally promoted the idea and sold it to the local businessmen. Does the government bear some responsibility for the outcome. And, beyond the Kenwood episode, how far can the government properly go in wet-nursing a private enterprise into existence?

Sloat, for one, believes the state government, particularly the Commerce Department, should have helped more in promoting the venture, especially during the crucial months of the stock sale.

"Our problem is that our story has not been told loud enough," said Sloat. "If the state Department of Commerce had wanted to, they could have rendered a lot of help. This isn't a promotional scheme where people are going to make a private killing. The directors are willing to do anything to make Kenwood go, even their own removal."

Government officials are divided on the question of how far they should go.

COMMERCE DEPARTMENT PULLED BACK

After providing close technical guidance during the formative months, the state Commerce Department did pull back from the project once the private corporation was formed and functioning.

The department decided, said Newland, "that it's outside the province of a government agency to sell stock for a private company."

A conflicting view comes from John Whisman, an early architect of Eastern Kentucky development programs, who is now the states' representative with the Appalachian Regional Commission.

Whisman believes that Kenwood's experience demonstrates that the government, preferably the state government, must provide continuing technical and managerial expertise.

"I don't know when it will happen or how," Whisman said, "but there's a continuing gap between the government's ability to provide the technical assistance and the ability of private capital to pick it up and go with it. The implications are that we ought to do more—not less."

Of course, the involvement that Whisman proposes would mean additional risks for the government agencies. The more they commit themselves to promoting what is essentially a private business, the more they are open to criticism from competing business—or from the taxpayers if the investment fails.

In the Kenwood case, EDA has protected the public investment in the industrial site. After all, if Kenwood doesn't use it, the land will be available for other industries and the site is a prime asset for the Paintsville-Prestonburg area. Officials at federal and state levels are confident that new plants will be attracted.

[From the Paintsville (Ky.) Herald, Dec. 6, 1967]

STATE AID SOUGHT—KENWOOD: "NOT DEAD YET"

Kenwood Products, Inc., the proposed wood-utilization complex whose site south of Paintsville is now complete and ready for plant construction, is "not dead yet", Robert Sloat said today.

Sloat, president of the company, said that hopes remain high for assistance in obtaining the necessary money to finance the second and largest phase of the project, that of actually building a plant.

A feature article on Kenwood in Sunday's Louisville Courier-Journal, entitled "A Dream Fading Away?" has drawn widespread comment, Sloat said, but the major hopes still lie with aid from the administrations at Frankfort and Washington.

The C–J article noted that Kenwood had taken shape as the result of state encouragement, and that the company had made every effort to raise necessary capital from private sources without success.

"The people who formed Kenwood were advised to try every approach," Sloat said, "and to turn to Frankfort if all else failed. That is where we now stand."

Biggest immediate hurdle in the company's development is a $500,000 investment, only about seven percent of the total projected capitalization but thus far an amount impossible to obtain. The company is scheduled to represent some $7.5 million in total, with more than $1 million already invested in the site, site improvement, a Big Sandy bridge, engineering and in operating costs. Most of that investment has been in state and federal funds, since an effort to sell stock publicly netted only about fifteen percent of the amount of private capital needed.

The Economic Development Administration has a $3.5 million loan ready for the company, but getting that loan requires that other $500,000. So far, neither individuals nor other businesses have been willing to put up the needed balance.

"Kenwood was advised that the equity money could come from any level," Sloat said today, "and it is possible that the Kentucky Industrial Development Financing Authority (KIDFA) can be of assistance. We are relying on aid, despite the fact that one of our problems has been a lack of support from any levels of both state and federal government."

Whether the company lives or dies presumably will be decided within a relatively short time. Should it succeed in obtaining necessary money, it will go into operation with the intention of employing some 400 to 800 people in all phases of wood utilization, from rough lumber to flake board. Should it die, it will leave a major industrial site of some 70 acres practically ready for occupancy with sewer lines installed, roads built, power lines in, and a bridge open.

Presumably the site would be available for another industry, although it is uncertain just how any income from the site could be used to provide a return on private investments.

Sloat, however, who has devoted nearly three years of efforts to bring Kenwood to life, is not ready to concede defeat. Neither, he says, are most of his directors.

"We are most hopeful that our latest efforts to gain help will yield result," he said, "and that Kenwood will become what it was designed to be . . . a major new industry, using Eastern Kentucky's resources and Eastern Kentucky manpower to improve our economy and our future."

The next few days should determine which way Kenwood goes. Breathitt leaves office next Tuesday, and if he is to accomplish anything, it must be done soon. Meanwhile, the company's future apparently will continue to hang from a slender thread.

ADDRESS BY SENATOR BARTLETT TO MARITIME TRADES DEPARTMENT, AFL–CIO

Mr. MAGNUSON. Mr. President, on December 4 of this year, the distinguished Senator from Alaska [Mr. BARTLETT] and I had the privilege of addressing the Maritime Trades Department of the AFL–CIO during their 1967 biennial convention.

Our subject, of course, was the current maritime situation, and there is no doubt that much can be said about this deteriorated industry so vital to our Nation's security.

Senator BARTLETT has long been considered by me as one having great knowledge and expertise in merchant marine matters. That knowledge and expertise is matched by his ability to discuss the vital issues involved in a meaningful and often entertaining way. Senator BARTLETT's speech to the Maritime Trades Department is an excellent example of these qualities.

I ask unanimous consent that his speech be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR BARTLETT TO THE 1967 BIENNIAL CONVENTION, WARTIME TRADES DEPARTMENT, AFL–CIO, BAL HARBOUR, FLA.

I have a problem you may be able to help me solve—but let me warn you, I want the problem solved in a particular way.

My problem is how to interpret the relative silence which has greeted what so many of us have sought for so long—the introduction in Congress of a program to revitalize the American merchant marine.

At least some of you in this room know that in the past, discussions of how to accomplish that worthy goal have not been known for silence. To the contrary, "thunderous" might describe the dialogue which bounced around the various segments of the maritime industry.

And now, relative silence. Does this silence mean support for the proposed program? Or is it just the lull before another thunderous storm? Or does it signify nothing more than weariness with the entire question?

In my perplexity, I turned to great thinkers of the past in my quest for an understanding of silence.

I learned that Euripides "was wont to say, 'Silence is an answer to a wise man.' " That interpretation had a certain appeal to my ego, for I joined that wisest of men, the good senior Senator from Washington, in introducing the legislation in question, and was quite prepared to accept wisdom by association.

Then I turned to Robert Louis Stevenson, who warned me that, "The cruelest lies are often told in silence." That observation made me pause to ponder.

Further investigation turned up thoughts on silence ranging from silence is golden to silence is a colossal lie; from silence is bravery to silence is cowardly. Clearly, I was to get no satisfaction from the great thinkers of the past, but as so often happens in life, I found assistance not from a well-known writer, but from a working man, and most fitting in this instance, a seafaring man at that. In reply to a comment from a crew member, he reportedly answered, "All I want out of you is silence, and damn little of that."

Taking a politician's version of a poet's license, I would change that quote to read, "Accepting silence as indicating support, all I want out of *you* is silence, *but* damn little of that."

In short, we want your support, but we are going to need a little thunder and lightning to get this maritime program through Congress, and please do not forget the lightning in the interest of creating thunder, for as Mark Twain observed, "Thunder is good, thunder is impressive; but it is lightning that does the work."

As proof that thunder alone will not do the job, I would refer you to a certain article in a certain Washington newspaper not known for opposing the administration. The words and the tone of the article made it quite clear the thundering of those who believe a strong merchant marine is in the national interest has not convinced enough persons of the validity of that position. This article, under the rather vague heading of "news analysis," indicated that those of us in Congress backing a new maritime program were doing so for purely political reasons. I do not know who this analyst talked to, but he didn't talk to me. He didn't ask me why I, coming from a state with no shipbuilding industry, would consider such a program to be "of overriding political importance." Senator Magnuson's State of Washington has a minimal shipbuilding industry.

As a matter of fact, if he had asked me, he would have learned that I do consider the revitalization of our merchant marine to be of "overriding political importance" in the broad international use of the phrase. I would have told him what I have said so many times before, what needs no repeating to this audience, but which I will state again in hopes that repetition will lead to wider understanding.

A viable merchant marine is vital to the security of this nation, militarily and economically.

This nation needs its own ships to supply our troops in war and to carry our commerce in peace. Maybe a time will come—let us hope so—when man rules out war as a way to secure certain aims, but I do not foresee any chance that man will rule out economic competition as a means to gaining certain ends. If we are to be able to compete on equal terms in the economic struggle, we must be able to carry a significant portion of our commerce. Otherwise, decisions affecting our foreign commerce, our balance of trade problem, would be in the hands of those nations which have the fleets to carry our goods around the world. Even disregarding the fact that the Soviet Union has launched a program designed to give it the world's foremost merchant fleet, it makes no sense to place such decisions in the hands of countries which may or may not have *our* best interests at heart.

It would seem no one would have any problem understanding that message, but many people do, and for at least one good reason. For too long the thunder emanating from the maritime industry has more often than not been directed inward at other segments of the industry. The message that has reached the public is not the message of the relationship between the national security and our merchant marine, but a message of a fragmented industry squabbling among its segments, each segment seeking government aid to protect its own self interest.

The time has come for all segments of the industry to unite and speak with a single clear voice on the importance of the merchant marine to the nation. Only in that way, will the message get across. Only in that way will you build the necessary support across the nation, in Congress and within the administration to get this new program passed.

You will recall at the outset of this speech I said I had a problem which I wanted you to solve in a particular way. I want you, and all segments of the maritime industry to demonstrate that the relative silence which has greeted this new program represents, as I am sure it does, widespread support throughout the industry for this program. In other words, enough silence for now. Let Senator Magnuson's proposal be the rallying point for the long sought unity needed to advance this most important industry. If you solve my problem in that way, then we can say, "Damn the silence, full speed ahead on educating the public on, first, the need for a viable merchant marine, and second, the need for the Magnuson program."

Neither the need nor the program should be difficult to sell, for the facts are there to support both.

Here, then is our message.

Our U.S.-flag merchant fleet has two functions—to carry our commerce and to supply our military forces. The resupply of more than 500,000 U.S. troops in Vietnam attests well to the latter function. Ninety-eight percent of all Vietnam cargo has been transported by ship.

As military planners have begun to understand more clearly what the need would be if our resupply fleet were subjected to the attrition of submarine and bomber attacks, or if another theater of operations, say the Middle East, were to open up, these planners have become concerned about the limits of our cargo lift capabilities. It is apparent that there could be times when foreign-flag shipping might well be unavailable to serve our military forces. There seems to be more concern today than previously that possession of a strong, efficient national-flag cargo fleet is an important military as well as commercial need.

There also seems to be a growing recognition that our U.S.-flag merchant fleet has reached dangerous levels of qualitative as well as quantitative unreliability. Our dry cargo fleet is on its last legs except for about 150 liner-type dry cargo vessels, operated by the subsidized operators and which have been built in the past decade. Approximately 75 percent of the dry cargo fleet will be 25 years old or older by 1971. It has become apparent that not only is this old fleet costly to maintain and operate, but that many of its vessels are near the end of their lives.

Since the end of World War II, the quantities of military cargo shipped overseas each year by surface vessels have been very substantial. In 1962, it is estimated that about 12 million revenue tons of military cargo were carried by government and private ships. Early this year, the total was estimated at the equivalent of 28 million revenue tons a year.

Clearly, there is cargo to be carried, and a need for that cargo to be carried in U.S.-flag vessels. What is true of that need in time of armed conflict is also true in time of economic warfare.

And if it is true that the security of this nation rests, at least in part, on maintaining an independent and effective merchant marine, it is also true that the nation cannot depend on foreign shipyards to build and repair our ships.

Only by constructing U.S.-flag vessels in American yards can we be assured of having shipbuilding facilities available and fully capable of expanding to meet any emergency. Certainly the construction of naval vessels alone will not make our shipyards an effective weapon of seapower. Vietnam has shown us the disastrous effects of allowing our shipbuilding industry to deteriorate as the result of cutbacks in merchant vessel construction.

In fact, on the ability of these yards to continue in business rests our ability to meet our defense requirements, preserve and create jobs, assist our balance of payments position, and advance the art of shipbuilding. Additionally, it is estimated that for every worker directly employed in shipbuilding, the jobs of three to five workers in outside industries are sustained. So the economic effects of building American are far broader and more inclusive than may appear.

That then is the message.

Here is the program.

On November 9, in introducing S. 2650, Senator Magnuson stated: "During my years in Congress I have introduced many bills which I believe essential and important to the future of this nation. But I cannot recall introducing legislation which was so vitally needed to correct a situation so greatly deteriorated. It is true that there are many issues of grave importance facing the Congress; none, however, is more urgent or more demanding of immediate constructive action than the crisis presented by the present state of our merchant marine."

S. 2650 authorizes construction subsidies for from 35 to 40 ships a year for a five-year period, extension of operating-differential subsidy to dry-bulk carriers, and incorporates a new system for construction-differential subsidy determination. It also authorizes the building of a fleet of nuclear vessels, $25 million for research and development, and $30 million for fiscal year 1969 for reconstruction of the reserve fleet.

The bill also extends a tax deferred capital reserve fund program presently in effect for subsidized merchant vessel operators to operators of fishing vessels as well as to presently nonsubsidized merchant vessel operators. Tax deferred funds may be accumulated under this program, but they can be spent only for the construction of new vessels.

Subsidies would be available for construction of large merchant vessels of modern design in various major categories of liners, tankers, break bulk, LASH, sea barge, container, roll-on roll-off, bulk carriers and tramps. The program will be reviewed by Congress at the end of the first 5-year program. The proposal will not affect the requirement of annual authorization of maritime programs by the new Congress. Prior annual congressional authorization for funds for certain programs of the Maritime Administration is now required pursuant to a law passed during this session of Congress.

The number of ships to be built under construction subsidy funds cannot, of course, be calculated precisely because of such variables as the mix or types of ships. For example, tankers and bulk carriers are much less costly per ton to construct than more complicated types of liner or passenger ships.

In the oceangoing trade, construction subsidy will be made available to tramp operators who express interest and can qualify under existing law. There are, and have been for some time, applications for a number of tramp or bulk types of ships pending before the Maritime Administration.

It is impossible to estimate the appropriations required for operating subsidy for each of the next five years. Obviously, it will be higher than present levels, as presently unsubsidized ships are brought under the program. But as more efficient new ships replace older vessels, there is a potential for significant per capita reduction in operating subsidy costs.

Operating subsidy will be made available to tramp operators in the oceangoing trade. Generally speaking, operating subsidy for tramps would be in lieu of the present so-called "fair and reasonable rates for U.S.-flag commercial vessels" under existing cargo preference laws. Problems here involve determination of standards of parity and the operating subsidy treatment which would be accorded older existing vessels as compared to new modern tramps.

Research and development in areas such as containerization, ship system productivity, nuclear propulsion, etc., should be substantially increased. Research should be both basic and applied, with emphasis on applied research in areas in which results can become operational within the next 5 to 10 years. Research and development programs involving surface effect ships are recognized as important, but should not be allowed to drain resources from areas such as nuclear propulsion which are, at this time, further developed and, therefore, closer to becoming commercially feasible.

A program for the building of nuclear vessels will be instituted promptly. Testimony developed in consideration of the proposed lay-up of the nuclear ship *Savannah* indicates that there are no technological barriers to proceeding with the nuclear ship construction program of vessels to be operated on certain trade routes where high speed and endurance, coupled with containerization and a high degree of mechanization, will make reasonably economic sense.

There is the program.

It is a good program. A program behind which all segments of the maritime industry could, should and, if my interpretation of relative silence is accepted, have united.

Some of you may have noted that thus far I have remained silent on the subject of the Federal Maritime Administration. I will leave it up to you to interpret what my silence on this question means. However, I would like to make a general observation about the future of the Federal Maritime Administration.

I believe its final resting place, and I trust my choice of words is not prophetic, will be determined by the support or the lack of support the administration gives S. 2650, both in seeking enactment and in carrying out its provisions.

If the administration strongly supports this new program, the case will be made that the Federal Maritime Administration will indeed get a fair shake within the Department of Transportation.

If the administration opposes the Magnuson program, a strong case will be made that the Federal Maritime Administration should not be placed in the Department of Transportation.

As you know, there are some members of the maritime industry who feel quite strongly about where the Federal Maritime Administration should be. I would hope that these persons would not allow the question of the Federal Maritime Administration to shatter the industry unity we need so badly. I would hope that what I consider to be a fine program, a program with a future, would not be needlessly sacrificed. In cautioning any one who might be tempted to make an issue of the Federal Maritime Administration at this time. I would refer them to some words of wisdom I did find in seeking to understand silence. It was the English poet Algernon Charles Swinburne who wrote, "For words divide and rend; But silence is most noble till the end."

With those words of wisdom I will end, but let me first remind you again, I only request damn little of your silence.

DISTRICT OF COLUMBIA AIR POLLUTION CONTROL ACT

Mr. TYDINGS. Mr. President, today the Senate is about to take a significant step forward to end the problems of air pollution in the District of Columbia. With the enactment of S. 1941, the District of Columbia will have for the first time broad-ranging governmental authority to regulate all forms of air pollution and a central administrative agency to adopt and enforce regulations.

Joint hearings of two subcommittees of the Senate District of Columbia Committee—one presided over by the distinguished Senator from Oregon [Mr. MORSE] and the other presided over by myself—established beyond any doubt that Washington, D.C., has a serious problem of air pollution, and that unnecessary hazards to health and property throughout the entire Washington metropolitan area result from this pollution. It was also abundantly clear that the present legislative authority which the District of Columbia government has for regulation of air pollution is hopelessly outmoded and restricted essentially to smoke control without any recognition that the most dangerous forms of pollution are invisible, and that, in any event, the authority for air pollution control was spread haphazardly through at least four separate agencies of the District of Columbia government. S. 1941 corrects these serious deficiencies.

I urge the Senate to approve the bill, and I look forward to speedy House action on this vital matter.

HARRIS POLL SHOWS PRESIDENT JOHNSON OUT IN FRONT OF GOP LEADER, RICHARD NIXON

Mr. McINTYRE. Mr. President, the latest Harris poll, released yesterday, should provide even the most partisan Republicans with some serious reflection.

The poll shows Richard Nixon leading all Republican rivals as the choice for the GOP nomination. But it also shows that President Johnson would defeat Mr. Nixon decisively, by a 48- to 41-percent margin.

That is not to say that Mr. Nixon is a weak candidate. For the poll shows the President would defeat Governor Romney by an even greater margin—47 to 38 percent.

There is an obvious conclusion in this poll: No matter whom the Republicans put up against the President, Lyndon Johnson is running easily ahead.

I think all of the talk we have heard in recent months about 1968 being a "Republican year" is a bit premature. The campaign has yet to begin, but already the omens for the Republicans are far from hopeful.

This is hardly surprising. I should think that the Republicans by now would have learned that it is very difficult indeed to unseat a strong and purposeful President who has done his job extremely well.

Such a President is Lyndon B. Johnson. And the Harris poll and other public opinion surveys will reflect, more and more, the obvious fact that the American people do not change Presidents who are proven and effective leaders.

I ask unanimous consent that the latest Harris poll showing President Johnson moving out in front of all his Republican rivals be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Dec. 11, 1967]

THE HARRIS SURVEY: NIXON RUNS FIRST IN GOP WHILE TRAILING PRESIDENT

(By Louis Harris)

In pairings among a cross-section of Republican voters, former Vice President Richard Nixon now runs decisively ahead of Govs. Nelson Rockefeller, George Romney and Ronald Reagan as the choice for the GOP presidential nomination.

Yet among the voters of all parties, Nixon has again slipped behind President Johnson—by 47% to 44%. This represents a decided shift from early November when Nixon led Mr. Johnson for the first time by 48% to 41%.

Despite his now clear-cut ability to run well ahead of other contenders within his own party, Nixon continues to suffer from a nagging doubt among a majority of all voters that "he has lost too many elections."

He appears to be in the anomalous position of being able to win Republican primaries, but having difficulty sustaining an advantage among the electorate at large in the volatile changes of fortune between Mr. Johnson and the principal Republican contenders.

There is little doubt now, however, that Nixon is in a much more favorable position than his one announced opponent for the GOP nomination, Gov. Romney. In the latest pairings against President Johnson, Romney runs behind 38% to 47%, a slippage of 10 points since he announced his candidacy.

In addition, when pitted in his own Party against the leading Republican possibilities, the Michigan Governor now runs a poor fourth as the choice of only 8% of GOP voters. Back in February, Romney led the field with a 41% total against all other comers in his party.

Here are the results among Republican voters of the pairings of Nixon against his three leading GOP opponents:

Nixon versus GOP opponents—Total GOP voters

	Percent
Nixon versus Reagan:	
Nixon	65
Reagan	22
Not sure	13
Nixon versus Romney:	
Nixon	63
Romney	24
Not sure	13
Nixon versus Rockefeller:	
Nixon	52
Rockefeller	33
Not sure	15

In the Nixon-Rockefeller pairing, the former Vice President rolls up heavy majorities in the South, among those who voted for Barry Goldwater in 1964, among those over 50 and with rural and small-town voters. Rockefeller carries the Negro vote by a decisive 73% to 8% and gives Nixon a close contest in the East and West and among suburban and more affluent Republicans.

In the Nixon-Johnson standings, the former Vice President has not slipped back to his September showing when he trailed the President by 49% to 42%. But it seems that whenever Mr. Johnson shows even a slight sign of a comeback in popularity, Nixon falls behind.

Nixon continues to be widely respected for his experience in foreign affairs and his reputation for knowing how "to stand up against the Communists." His position in favor of further escalation of the war also is now winning him support.

The former Vice President also appears to have largely lived down old Democratic charges that he is "not a clean campaigner," and a minority of only 31% feels he "says one thing and means another."

But one label that seems to dog Nixon is the feeling that he is a "loser," still held by 56% of all voters. Another thing that might cost Nixon votes is that he invokes the memory of the 1960 election when he was the man running against John F. Kennedy. A substantial 42% of the voters say that when they think of Nixon, they "think of how he nearly defeated JFK in 1960." These voters split almost 2 to 1 in favor of Mr. Johnson, with a number volunteering that "it wouldn't be right to Mr. Kennedy's memory to elect Nixon now."

Voters were asked:

"I want to ask you some things that have been said about Richard Nixon. For each, I wish you would tell me if you tend to agree or disagree."

VIEWS ON NIXON

[In percent]

	Agree	Disagree	Not sure
Positive:			
He is experienced in foreign affairs	65	18	17
He knows how to stand up against the Communists	47	22	31
He is right to want to escalate the Vietnamese war	45	24	31
He is the only man who can unify the GOP	19	57	24
Negative:			
He has lost too many elections	56	32	12
When I think of him becoming President I think of how he nearly defeated J. F. K. in 1960	42	39	19
He says one thing and means another	31	43	26
He is not a clean campaigner	20	50	30

FISHERY RESEARCH IN THE U.S.S.R.

Mr. BARTLETT. Mr. President, the United States and the Soviet Union will conclude—perhaps today—negotiations concerned with the North Pacific fishery. It was my understanding as of late yesterday that probably the arrangement now in effect would be continued for another year. In my opinion this has been disadvantageous to neither country. Each, of course, would desire more concessions from the other, but negotiations do not always end that way.

In the meantime, I should like to invite the attention of Senators and all others interested in what is occurring in Russia, so rapidly coming to the forefront as a principal fish country, in respect to scientific research there. Therefore, I ask unanimous consent that an article entitled "The Main Objectives and Structure of Scientific Fishery Institutions in the U.S.S.R.," written by P. A. Moiseev, VNIRO, of Moscow, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE MAIN OBJECTIVES AND STRUCTURES OF SCIENTIFIC FISHERY INSTITUTIONS IN THE U.S.S.R.

(By P. A. Moiseev, VNIRO, Moscow)

Many-sided fishing activities of the USSR, viz.: development and improvement of the fisheries, short and long-term (5–20 years) predictions of the sizes of catches of aquatic organisms, planning of the variety of fish products and improvement of their quality as well as attempts to find ways to increase the economic efficiency of the production, are based on the investigations and achievements of the home fishery science which in its turn also analyses and applies to the fishing experience gained abroad.

An extensive net of research fisheries

bodies responsible for investigations in the field of biology and reproduction of commercial resources, elaboration of methods of scouting and fishing operations, mechanization and improvement of the fishing and processing methods and increase in the efficiency of the fisheries, is established.

In regard to the nature of the water-bodies within the borders of which investigations are carried out, the research fisheries organizations are divided into marine institutes (responsible for the research of commercial species in the seas and oceans as well as of saline inland lakes, viz.: the Caspian and Azov Seas), river and lake institutes (engaged in the research of organisms inhabiting the inland natural fresh water lakes and rivers and artificial reservoirs), and pond institutes (responsible for fish culture in ponds).

As is known, the coasts of the Soviet Union extending to many thousands of miles are washed by 14 seas and 3 oceans. A lot of research institutions of marine fisheries are busy with the study of resources of the basins. They are as follows:

1. In the European part of the USSR, on the coasts of the Barents and White Seas:

Polar Research Institute of Marine Fisheries and Oceanography (PINRO) in Murmansk;

Northern Branch of PINRO in Arkhangelsk;

Atlantic Research Institute of Marine Fisheries and Oceanography (AtlantNIRO) in Kaliningrad;

Baltic Research Institute of Fisheries and Oceanography (BaltNIIRH) in Riga;

Marine Ichthyological Laboratory of BaltNIIRH in Tallin.

2. On the Black and Azov Seas:

Azov-Black Sea Research Institute of Marine Fisheries and Oceanography (AzcherNIRO) in Kerch;

Azov Research Fisheries Institute in Rostov-Don (AzNIIRH);

Odessa Whaling and Ichthyological Laboratory (AzcherNIRO) in Odessa;

Georgian Research Fisheries Station of VNIRO (GruzNIRS) in Batumi;

3. On the Caspian Sea:

Caspian Research Institute of Marine Fisheries and Oceanography (CaspNIRO) in Astrakhan with branches in the town of Makhachkala (Dagestan) and Turkmenian Research Laboratory in the town of Krasnovodsk;

Central Research Institute for sturgeon (CNIORH) in Astrakhan with Azerbadjanian Research Laboratory in Baku and Bank Hatchery on the Kura River and Pravy Rasdor Hatchery.

4. On the Aral Sea:

Aral Branch of the Research Fisheries Institute in the town of Aralsk.

5. On the Pacific Coast of the USSR:

Pacific Research Institute of Marine Fisheries and Oceanography (TINRO) in Vladivostok;

Kamchatka Branch of TINRO in Petropavlovsk;

Sakhalin Branch of TINRO in the village of Antonovo;

Amur Branch of TINRO in Khabarowsk;

Okhotsk Ichthyological Laboratory in the town of Okhotsk.

All the fairly extensive system of marine research institutes and laboratories attached to the State Industrial Fisheries Committee of the USSR is methodically guided by the All-Union Research Institute of Marine Fisheries and Oceanography (VNIRO) in Moscow, the Georgian Research Fisheries, Station (Batumi) being directly attached to it, and Odessa Whaling and Ichthyological Laboratory in Odessa.

Thus, more than 21 research establishments with a number of stations, experimental bases and vessels carry out research in the field of marine fisheries. About 4000 persons are engaged at the marine research establishments, out of which 1400 persons are research workers. The studies of the fisheries in lakes, rivers and reservoirs are also carried out by a number of organizations established in the basins and on the banks of commercially important rivers and lakes of the Soviet Union.

It should be mentioned that in the Soviet Union 21 million of hectares of area are occupied by lakes, the rivers extend to over 400,000 kilometers and the area of reservoirs averages one million hectares which is supposed to increase to 4 million hectares. In fact the inland fresh water bodies of the Soviet Union occupy a vast area which provides ample possibilities for development of the fisheries.

A number of research institutions guided methodically by the State Research Institute of Lake and River Fisheries (GosNIORH) in Leningrad are responsible for laying the foundation of the inland fishery in the Soviet Union.

The following research institutions are under the guidance of the Institute:

Belorussian Research Fisheries Institute in Minsk.

Siberian Research Fisheries Institute (SibNIORH) in the town of Tumen;

Pakov Branch of the GosNIORH in the town of Velikye Luki;

Karel Branch of the GosNIORH in Petrozavodsk;

Ostashkovo Branch of the GosNIORH in the town of Ostashkovo;

Tatar Branch of the GosNIORH in Kasan;

Saratov Branch of the GosNIORH in Saratov;

Volgorad Branch of the GosNIORH in Volgograd;

Novosibirsk Branch of the SibNIORH in Novosibirsk;

Ob-Taz Branch of the SibNIORH in the town of Knanty-Mansiysk;

Siberian Branch of the SibNIORH in Krasnoyarsk;

Ural Branch of the SibNIORH in Sverdlvosk;

Yakutsk Branch of the SibNIORH in Yakutsk;

Kazakh Research Fisheries Institute (KazNIORH) in the town of Balkhash and its Altai Branch in the town of Ust-Kamenogorsk and biological hatchery in Alac-Ata.

The following tasks in regard to some particular water body or to all the inland reservoirs are in the scope of the above-mentioned institutes, branches and laboratories:

To develop programmes of rational fishery in the rivers and lakes;

To lay the foundation for development of a fishery in existing and proposed reservoirs;

To lay a biological foundation for biotechnique of the reproduction of the resources in the inland water bodies in order to increase their efficiency (on the account of acclimatization of fishes and food organisms, stocking, etc.);

To develop methods of assessment of the fishing stocks in the island water bodies and to make short-term and long-term predictions on the stock levels and catches;

To find out regularities in the behaviour and distribution of fish;

To elaborate methods of formation of fish concentrations (electric field, electric light, hydroacoustics);

To improve methods of commercial fishing;

To evaluate effect of industrial sewage on fishing stocks and commercially important water and elaborate methods of their cleaning;

To define methods of fishery researches;

To determine the top economic efficiency of the inland fisheries.

A number of research establishments devote their efforts to special problems in fish culture, the most important among them being the following:

All-Russian Research Institute of Pond Fisheries (VNIIPRH) in the Dmitrov district of the Moscow Region; its branch in Krasnodar; experimental base "Goryachy Kluch" in the Krasnodar Region and 7 experimental-production bases;

Ukrainian Research Fisheries Institute (UkrNIIRH) in Kiev; its branch in Lvov with culture stations and experimental hatcheries.

Alongside with the above-mentioned establishments mainly engaged in fisheries research, diverse large-scale investigations are carried out by institutions of the Academy of Sciences of the USSR and Academies of the Republics, higher schools, fish-preserves and laboratories attached to different establishments.

Among them we would like to mention the Zoological Institute, Oceanological Institute, Institute of Animal Morphology, Biological Institute of Reservoirs attached to the academy of Sciences of the USSR and many others.

It is enough to say that besides the abovementioned institutions, there are 87 establishments more to carry out research in the field of fisheries and relative spheres.

This is the fisheries research net of the Soviet Union which totals about 135 establishments, in the staff of which about 3,000 research workers are employed.

Proceeding from the above, it is quite evident that numerous research fisheries organizations of the Soviet Union carry out a large scope and wide range of complex investigations. If we recollect that, before the Great October Socialist Revolution, there were only three dwarfish ichthyological laboratories in Astrawhan, Baku and Siberia, the staff of which was estimated at some thirty specialists, great efforts exercised in the Soviet Union in the field of development and progress of the fishery science will become quite evident.

The general co-ordination in all the branches of fishery investigations, and in the first place, in the study of regularities in the dynamics of populations, behaviour and distribution of fish, marine mammalia, commercial shellfish and seaweeds with reference to their environment, is implemented by supervising institutes and Ichthyological Commission of the Ministry of fisheries.

Such a co-ordination of efforts from all the research fisheries establishments become more important due to the fact that, as has been stated, a great number of scientific establishments attached to various bodies are engaged in the research. The main objective of such a co-ordinative body is to concentrate efforts of scientists on the solution of most significant problems, to prevent parallelism in investigations and dispersal of scientific efforts and allocated sums, and to secure success in the fullfilment of scientific co-ordinating programmes. Briefly, these are the tasks facing the inland research organizations.

The figures illustrate high rates of the development of the Soviet fisheries. In recent years the catches of adequate items have become five times as great.

However, the present level does not meet the demand of the population in fish and fish products, either by quantity or by variety of fish products, or by their quality. The rapidly expanding population of the Soviet Union necessitates a sharp increase in the fish production. Thus, the most important aim of the USSR fisheries is to support continuously a high rate of growth in catches and improvement in the processing of landings to meet an ever-increasing demand of the population in fish products.

The five-year plan of the development of Soviet national economy provides an increase in catches of aquatic items to 8.7 million tons in 1970.

To secure rapid rates of increase in the consumption of fish and fish products per capita the primary line in the development of the fishing industry should be directed to a further progress in fishing, whaling and sealing over the vast area of the World Ocean.

The main efforts will be directed, first of all, to search and development of new fishing grounds in the high seas.

Proceeding from the primary objective, research programs of marine fisheries institutions of the Soviet Union should be drawn up.

Great attention is paid to biological researches bound with the laying of the scientific foundation for the fishery in the open waters of the World Ocean, particularly in the North and South Atlantic, North-western, North-eastern and Central Pacific and Western Indian Ocean. The investigations are carried out proceeding from the standpoint that a substantial increase in the catch of fish, expansion and improvement of the variety of fish products can be achieved only due to a rapid growth in the fisheries for new commercial items in new and often remotest, but fairly promising oversea fishing areas.

This research seems to be very important and promising thanks to the fact that the fishing fleet has already been added and is being added with new powerful fishing vessels designed for longer trips, thus they are able to operate successfully in the remotest fishing areas.

In this respect, the operation of big stern trawlers in various areas of the World Ocean seems encouraging. The fishing fleet consisted of such vessels allows us to develop an efficient, stable and, at the same time, rational fishing owing to their possibility to make a quick move from one area to another in case the sizes of catches are reduced as a result of sharp fluctuations in the abundance of commercial species, or changes in their behavior, or because they left for inaccessible fishing places.

Much regard is paid to fisheries in the North Atlantic, aiming at studying the areas of heavy concentrations of cod, haddock, sea perch, silver hake, that is of most promising bottom and off-bottom species in the North Atlantic. The scope of research off Atlantic coasts of Africa where heavy aggregations of bottom fish are found, has also increased, North Pacific concentrations of bottom fish are also under intensive research in order to obtain scientific data needed for drawing-up recommendations on the establishment of an effective and, at the same time, rational fishery for the species; and, up to now, such kind of research has been most important among other problems facing the Soviet fishery science.

However, a relatively high intensity in the fishery for bottom species within many areas over the shelf of the World Ocean has confronted the workers with the necessity to investigate pelagic species. Of interest is the biology of herring in the northern parts of the Atlantic and Pacific. The data available seem to support the assumption that the intensity in the herring fishery in the North Atlantic might be increased due to a rational fishery management in the traditional areas (of course, it is necessary to obtain more detailed information on behaviour and distribution of herring) as well as due to establishment of the herring fishery in new areas. Most advantageous items for the establishment of net fisheries are Sardinella off the African coasts, tuna, scomber and horse-mackerel in the Atlantic and Pacific, saury in the North-western Pacific and some other pelagic fishes, the distribution and behaviour of which have not yet been known enough.

The above-mentioned research is implemented through extensive expeditional cruises and scouting and experimental surveys. The elucidation of the behaviour of fish in a broad sense of this word should be emphasized. Among most essential factors under investigation aimed at increasing landings of principal species are vertical migrations of fish response to light and sound, with reference to physiological condition, diurnal movements bound with the distribution of food, light conditions and behaviour of fish when they encounter the fishing gear or moving vessels. The investigations are conducted by means of analyses of indirect data and of direct observations with wide application of a submarine, bathscaf, aquaria, diving devices, TV sets, photoelements and other devices. The fisheries investigations to provide a scientific basis for the development and improvement of the high sea fishing, are carried out chiefly in large-scale complex expeditions where observations on behaviour, distribution and biology of commercial species and governing abiotic factors are made. Many of these expeditions are widely known, viz.: cruises to the Northwestern Pacific, off Western Africa, to Western Indian Ocean and other areas. As a result, some data of scientific and commercial value were obtained.

Another extensive branch of investigations provides the elaboration of a biological pattern of reproduction and rational management of the fisheries for a number of species inhabiting outlying seas and semi-anadromous fishes, the abundance of which has considerably been reduced as a result of fishing or if they are fairly intensively fished at the time being, viz.: salmon, flat fish, crab, *Eleginus navaga* and some other commercial species of the Far East seas; anchovy, pelamid, horse-mackerel, etc., in the Black Sea; cod, flounder, Baltic herring in the Baltic Sea.

The knowledge of levels of these stocks necessitated us to take some steps on an international basis to secure the rational management and thus sustained maximum yield with minimum production expenditures.

The investigations of the commercial populations of the inland seas (Aral, Caspian and Azov and Seas) are carried out in the same line. A number of measures have already been successfully introduced to secure the maximum reproduction of aboriginal fishes. This is of importance because the river outflows are regulated due to the establishment of hydroelectric schemes which have effected considerably the reproduction conditions of valuable species. The present research is expected to bring some additional information in the nearest years alowing us to improve the pattern of reproduction of fishing stocks suggested. In view of an extensive scope of work to be done for successful reproduction of fish resources, much attention is paid to improvement of the fish reproduction facilities especially for anadromous and semi-anadromous species. As is known, the fish cultural biotechnique for majority of commercial species has not by far been worked out completely, but the extent of reproduction of fish in the inland water bodies depends primarily upon the efficiency of artificial reproduction. It is worth mentioning that the successful research in this line has enabled us to solve the urgent problem on conservation of the stocks of sturgeon-like fishes in the Caspian and Azov Seas with reference to new water regimes of the rivers. It may be safely said that owing to artificial reproduction of sturgeon-like fishes their stocks will show no decline but even some increase in them may be expected.

In the investigations and practical facilities for reproduction methods bound with application of radioisotopes are widely used to obtain necessary information on ways of increasing the efficiency of hatcheries. The scale of the investigations on acclimatization and introduction of commercial or food organisms from one water body into another one also increases. For that there are ample possibilities in the Soviet Union since it is contiguous to the basins of the Atlantic and Pacific Oceans, and there is a lot of separate inland water bodies on its territory. The evidence is well supported by successful transplantation of chum mullet and nereis into the Caspian Sea, of sturgeon into the Aral Sea, of pink chum salmon into the Barents Sea, etc. The ichthyologists continue to be at service while observing the stock levels of principle commercial fishes of the Soviet Union. Without such a service it is impossible to predict catches from different water bodies, fluctuations of which are known to range widely because of sharp changes in the abundance of fish under the influence of different factors. Of course, the service includes not only observations on the fishing stocks, but also elaboration of methods of assessment of stocks, effects of fishing and natural causes.

From year to year, the collected data on the biology of commercial species and fishing effect on them serve as a basis for laying the biological foundation for rational utilization of commercial stocks and for introduction of reasonable fishing regulations. It should be admitted that in some cases, due to a lack of knowledge, our regulations do not seem to be based on too solid biological grounds. As a result of investigations conducted, fishing regulations should be reconsidered, considerably improved and then they may serve as a good means for rational exploitation of the resources.

Research also extends to the stocks of whales and seals. Of interest are problems bound with the distribution and level of whale stocks in the Antarctic and North Pacific, as well as with the biology of seals and fur-seals.

Much regard is paid to the investigations of the biology of commercial shellfish (crabs, mollusks, shrimps, etc.) and seaweeds.

In the technical field the investigations are concerned with elaboration of new devices for location of fish concentrations, improvement of fishing methods and gear, better utilization and processing of fish and other aquatic organisms, introduction of mechanized and automatic lines in the fishing industry.

Studies of biochemical, chemical and technical peculiarities of fish and other aquatic organisms are carried out to find more reasonable methods of complete utilization of the raw materials in the processing of foodstuff for population, food for animals, medicinal and technical products.

Of importance is to find out most effective methods of preservation and transportation of fish on board a ship before they come to a processing plant. Among them it is worth mentioning rapid cooling and preservation of fish in the iced sea water and treatment of fish with biological preservative means, that is by antibiotics or radioactive elements during the storage.

The problem of cold pasteurization of fish while processing by means of ionizing radiation on board a ship is studied in view of proposed fishing operations in the high sea.

The studies of changes in the fish tissue under different conditions of cold preservation aiming at finding out the optimum regimes of freezing and refrigeration, are carried out; new designs of fish refrigeration installations are developed; new methods and means preventing the oxidation of fat in the frozen fish (glazing of fish with antioxidated, alginate films) are applied.

Special attention is paid to improvement in the technological treatment of herring (constituting about 30% of the total catch) owing to the development of production of mild-salted hors de'oeuvre and various delicious preserved and canned products.

Smoking processes are improved, thanks to some technical progress in the facilities for rapid electrosmoking and wet curing. New special devices to control and automatize the process are designed and some smoking installations with continuous operation are put into practice.

Among the most important technological problems are the following:

New methods of removing water out of the fish body by means of vacuum drying and infra-red radiation, introduction of new mechanized and automatic lines into production; introduction of new processing machinery (for dressing, salting, portioning and so on); designs for complex-mechanized and automatic conveyers for main processing lines (canning, smoking, fish meal and oil production);

Improvement of methods of producing food products from fish of little value and waste; studies of composition and biological value of food products obtained from different fish raw material by different methods; investigations on obtaining protein and fish meal from the flesh of marine mammalia and fish of little value for the consumption of population;

Improvement of cold methods of extracting oil from fish and marine mammalia by means of pressing, centrafuging and mechanical effects;

Possibilities of application of ionizing radiation to the canning of fish and fish products (wide application of atomic energy);

Utilization of aquatic raw material in the production of valuable medicinal products (vitamins, aminoacids, endrocrine preparations, and so on);

Improvement of utilization of shellfish (molluscs, rock lobsters and seaweeds) and recipes for the cooking and canning of various products.

Briefly, this is the framework of technological problems which are under study at our research fisheries establishments.

The economical branch should concentrate their efficiency of investments, provisions for rational distribution of the establishments of the fishing industry and increase in the economic efficiency of the production, decrease in the prime cost of products, development of the kolkhoz fisheries and other problems.

The geographical distribution of the Soviet research fisheries establishments, and problems they tackle, support an evidence of close association of the scientific establishments and the fishing industry of the main basins and of great practical assistance rendered to the fishery through the research conducted.

In fact, the whole net of applied research fisheries establishments is confronted with the task of encouraging in every possible way the development of the fishing industry of the USSR on a scientific rational basis. As an example, let us dwell on the duties imposed upon the All-Union Research Institute of Marine Fisheries and Oceonography (VNIRO) which supervises the similar researches of other fisheries research institutes.

The principal tasks imposed upon the VNIRO are as follows:

To draw up draft long-term and annual programmes of research, perspectives of the development of the fishing industry of the USSR and most important economical problems;

Scientific methodological supervision of basin research fisheries institutes, their branches and laboratories, to render assistance in their work and to co-ordinate their activities in the research of some general problems;

To work out complex problems and recommendations on the development of the Soviet fisheries in new oceanic areas and main inland fisheries basins;

To make predictions on stocks and proposed yield of fish, shellfish, marine mammalia, seaweeds, etc., by most important marine and oceanic areas as well as recommendations on regulation of fisheries in the international waters and main inland basins;

To work out complex problems and to carry out research which are important for a number of basins, for example, to obtain theoretical and biotechnical knowledge of reproduction of fishing stocks, acclimatization of fish and food invertebrates, rational management of fisheries in marine water bodies, designing new hydroacoustic fish location devices, diving equipment and fishing technique;

To conduct complex oceanic fisheries investigations and expeditions, together with other basin research institutes of marine fisheries and some other establishments;

To consider and agree annual and long-term research programmes of all the fisheries establishments aiming at co-ordination of most important fisheries researches;

To convene meetings and conferences on principle scientific items;

To set up scientific-technical information on achievement of home and foreign science in the field of biological, technical and economical research, publication of transactions, fisheries handbooks and manuals with participation of some special institutions and basin research institutes (branches or laboratories) when necessary;

To prepare materials and take part in various international organizations, committees, commissions, councils for fisheries, whaling and sealing. To compile material and to carry out research on fishing in international waters to secure rational fisheries;

To take part in the tests of experimental models of machinery and equipment and observe new technological processes; to render consultations to establishments, plants, laboratories, and other offices engaged in the designing of new technique for fishing vessels and processing plants;

To prepare scientific personnel for main branches of the fishing industry on the account of post-graduate studies.

There are 18 laboratories and offices at the VNIRO to carry out investigations in the corresponding branches of the fishery science. They are as follows:

1. Laboratory of oceanic fisheries.
2. Laboratory of stocks and regulation of the fishery.
3. Laboratory of reproduction of fishing stocks.
4. Laboratory of introduction of water organisms.
5. Laboratory of fisheries oceanography.
6. Laboratory of food resources and commercial invertebrates.
7. Laboratory of physiology and investigation of fish with application of radioactive isotopes.
8. Laboratory of hydroacoustical devices.
9. Laboratory of underwater research.
10. Laboratory of computing.
11. Laboratory of fishing methods and technique.
12. Laboratory of oil, industrial food products and technology of maritime mammalia.
13. Laboratory of fish technology.
14. Laboratory of technology of marine shellfish and seaweeds.
15. Laboratory on application of atomic energy in technology.
16. Laboratory of control for technochemical production.
17. Laboratory of standards.
18. Laboratory of mechanization and automation.
19. Laboratory for technique safety.
20. Laboratory of economical research with branches of prices and cost production, of funds and capital investments, of Foreign Fisheries Economics, of Long-term planning.
21. Laboratory of Scientific organization of Labour.
22. International fisheries office.
23. Scientific-technical information office.
24. Laboratory of scientific films.
25. Patent group.

And how to select the most important urgent problems to be elaborated or solved within the current year or long-term period by fishery science, and particularly by the VNIRO? In other words, how are research programmes of fisheries institutes and laboratories completed?

As was mentioned above, proceeding from a ratio of most reasonable rates of food consumption and size of population as well from the needs of industry and agriculture appropriate state planning bodies put forward a general task defining the quantity and variety of food and industrial products, including fish products for all the regions of the Soviet Union for a short and long-term periods. In this way, the catch size of aquatic organisms to be achieved to meet the demand of the population, industry and agriculture, can be established.

In compliance with the general tasks, the fishery science is to elaborate and provide effective ways for rational fulfilment of the task on a scientific basis. Thus, it is necessary to try to find necessary resources, most effective methods of fish location, fishing storage and transportation, to design new technological lines to make diverse food and industrial products and to define economic ways of establishment of fishing, processing and marketing.

In line with the tasks which, of course, are quite peculiar for each central or basin institute, an annual or long-term (a period of 5, 7 or 20 years) research programme is compiled. It is evident that the shorter period of investigations, the more detailed programme is drawn up, and, vice-versa, the longer period the more schematic programme indicating only main aspects of research is compiled.

However, prior to drawing up the programme, all the wishes, requests and surmises on the items of the programme which come from specialists, research workers employed at different laboratories, institutes and organizations supervising the work, are collected and analyzed. Then a draft research programme is compiled to be widely discussed by the laboratory symposia, Research Board of the institutes and at last by the State Industrial Fisheries Committee of the U.S.S.R., with participation of representatives of the bodies concerned. All the programmes of the basin Research Fisheries Institutes are discussed at the VNIRO by representatives from all the Institutes two or three months before the beginning of the programme year. All the researches should be co-ordinated and approved in order to avoid any parallel research, to separate the sphere of activities of the institutes in adjacent areas and basins and to direct all the efforts of scientific personnel to the studies of most important problems.

Such co-ordination meetings are usually followed by reports on the essential achievements in the research and on the tasks facing the fishing industry and science. When all the programmes are co-ordinated and approved, they come into effect.

As was mentioned above, perspective long-term research programmes compiled for all the scientific aspects, including the fishing industry, are very important for the planning of the development of the fishery science, and particularly for drawing up annual programmes.

The main lines of the development of the fishery science and, in the first place, biological backgrounds for rational utilization and reproduction of fish, shellfish and aquatic plants in the marine and fresh water bodies, were elaborated by the scientists of the Ichthyological Commission attached to the State Industrial Fisheries Committee (formerly to the Academy of Sciences of the U.S.S.R.). They had in view investigations of regularities in the distribution, abundance, behaviour and reproduction of fish and other commercial aquatic organisms, as well as biological foundations for the rational management of fisheries for different groups of species and in different water bodies. These tasks were fixed with regard to possibilities available at 133 research bodies attached to different ministries, which are responsible partly or completely for the fisheries resources of the Soviet Union.

To illustrate the recommendations, let us take an example of the research carried out in the high seas. The following problems are under investigation:

1. Elucidation of regularities in the distribution and movements of most important commercial fishes, with reference to biological factors and influence of the environmental changes; drawing of the fish-location charts; studies of migrations and adaptive peculiarities of species; studies of regularities in the formation of commercial fish concentrations, their movement and dispersal; methods of long- and short-term predictions of the distribution of fish and their commercial concentrations. The best solutions of the problems will provide a theoretical foundation for scouting operations. The studies of the problems should be based on progress and development of the up-to-date fish location technique (hydro-acoustics, application of aeroplanes for scouting operations), and new designs for fish location devices and gear.

2. Assessment of the commercial stocks of fish and other aquatic organisms and elucidation of regularities in their fluctuations; studies of causes affecting the abundance of year-classes, that is when a rich or poor year-class may be expected to come; studies of the fishing effect on the stocks; assessment of the natural and fishing mortalities; elaboration of methods of long-term prediction of fluctuations in the abundance of fish. The data obtained should lay theoretical foundation for compiling plans of the fishery, proper exploitation of the available resources as well as for conservation and increase in the stocks of commercial fishes.

3. Studies of regularities in the behaviour of different commercial species both under natural and experimental conditions; adaptive role of the behaviour, peculiarities in the school behaviour. The solution of the problems should lay a theoretical foundation for improvement of fishing methods and techniques, as well as facilitate the scouting operations.

4. Provision of biological backgrounds for the establishment of a new fishery in the high seas; studies of peculiarities of new commercial areas and species in the Atlantic, Pacific, Antarctic and Indian Oceans.

As for the developed areas of the sea are concerned, the work is carried out on the following lines:

1. Analyses of the levels of stocks of main commercial species and fishing rate in different areas of the World Ocean.

2. Biological backgrounds for exploitation of certain stocks in the World Ocean, and issue of recommendations for international conventions.

3. Issue of different material facilitating the fisheries, viz.: chart, atlas, sailing direction and theoretical generalization of distribution and migrations of fish.

4. Short and long-term predictions of the stock levels.

5. Recommendations on the improvement of fishing gear based on the study of fish behaviour.

The following researches should be carried out in the areas to be scouted:

1. Studies of regularities in the distribution of pelagic and bottom fishes in certain areas of the World Ocean.

2. Studies of regularities in the distribution and dynamics of populations of most important abundant species, which represent a basis for the development of a fishery.

3. Recommendations on the establishment of a fishery in the areas studied and preliminary instructions.

All the scope of the research in question should be closely bound with other investigations devoted to the elucidation of the physical and chemical characteristics of the water body, its feeding conditions and peculiarities of food resources and other biotechnical relationships of the commercial species. The broad scope of research should also cover regular observations on the regime of the water body, food resources and their ways of life. Alongside with that, the progress in general ichthyology requires more thorough investigations in the fields of morphology, embryology, systematics, zoogeography, physiology, general problems of ecology of fish and invertebrates.

Proceeding from such methodological recommendations on main lines in the investigations and from practical tasks, research fisheries programmes are compiled for a current year or forthcoming 5, 7 and 20 years. Such programmes are drawn up in detail indicating the scope of investigation, place, time, character and institutes responsible for their fulfilment, as well as the results to be obtained.

It is evident that such long-term documents should be corrected from time to time, but they always facilitate the planning, both of current and future investigations.

While speaking on the planning of investigations, it is worth mentioning two sections of the institutional programmes which are very important for checking up the results of the research conducted from a practical point of view and their application to fishing practice, that is, programmes of application and grounding results in practice. Such programmes of application and grounding results in practice. Such programmes are included into the general programme of research bodies. In most cases, they provide for a collaboration of science and industry since all the proposals of science should be checked up by the industry, and the industry should implement the scientific recommendations which have already been checked up in practice. Such programmes should be agreed upon with appropriate industrial enterprises (in most cases, with those which took part in the investigations conducted), which hope to achieve better practical results in future, provide proper conditions needed for checking up and grounding the proposals of the institutes in practice, though such kind of measures seem to often disturb the roll of production and even bring about some economical impact.

The fiscal provisions are secured mainly on the account of budget allocations amounting to 50–70% of the total budget of a research body and through contracts providing for such kinds of investigations. Contracts are concluded between industrial enterprises and research bodies.

The above-mentioned procedure of planning, originated from the tasks of development of the national economy of the U.S.S.R., makes provisions in the first place for such researches which are most significant for the development of the fishing industry of the Soviet Union.

This is brief information on the structure, tasks and planning in the fishery science of the U.S.S.R.

PRESIDENT CHALLENGES COUNTRY TO FULFILL AMERICAN DREAM OF EDUCATION

Mr. YARBOROUGH. Mr. President, President Johnson took the occasion of the dedication of Central Texas College, in Killeen, on December 12, 1967, to speak of the promise of America's future.

President Johnson challenged the people to secure a new opportunity as challenging as the Western frontier our forefathers won—the opportunity of self-fulfillment for every American.

As the President noted, there are in this generation, just as in generations past, "many who are afraid to take the journey."

But President Johnson and the Democratic Party have proven to be unafraid to face the future. We know that the problems of illiteracy, disease, and hopelessness can—and must—be solved by this generation of Americans.

Our Nation is rich enough and our democracy vibrant enough to fulfill the hopes of all of its citizens. During the last 4 years President Johnson's Great Society programs have shown that we can meet these problems head-on, and meet them successfully.

Having worked for financial support for this newly created junior college in Texas, which opened for the first time this year with a first year enrollment of 2,000 students when only 300 had been expected, I am glad to see its dedication by the President of the United States. I only regret that I could not be there at the dedication. I predict a continued growth for this newest Junior College, which begins with such an auspicious dedication.

I ask unanimous consent to have printed in the RECORD the text of the President's remarks at Central State College.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF THE PRESIDENT AT THE DEDICATION OF CENTRAL TEXAS COLLEGE, KILLEEN, TEX., DECEMBER 12, 1967

Dr. Morton, General Mather, Mrs. Hobby, Mr. Bingham, Mr. Stewart, Ladies and Gentlemen, boys and girls:

I am glad to be able to join you here today, not only to make the founding of a new college, not only to cheer the progress of this city and this great State, but to join with you in helping to celebrate the expansion that is taking place in America.

In 1900 we had eight junior colleges in the United States. In 1964 we had 684.

As I speak here this morning we have 925. That is an increase of 231 in three years.

While others have been complaining and agonizing, worrying, being frustrated and criticizing, we have been building 231 educational institutions that will take care of our boys and girls.

In 1948 when I visited Killeen and Temple, we talked, worked and planned for the day when all of our youngsters could get all the education they could take.

I am happy to say that although it took us from 1948 to 1964, in 1968 we have one million more boys and girls in colleges and universities of this land because of the Federal programs that we have put in between 1948 and 1968, most of which have been in the last three or four years.

This dedication means growth and it means progress for all of America. It tells us something important about the real purpose of democracy.

That purpose of democracy is fulfillment for every individual. It illustrates what makes America different from other lands. What does make America different from other lands? Opportunity, abundance of opportunity.

It also reveals some things about where America has been, and where America is going.

In 1884 Killeen was a two-year old village which boasted two dress factories, one cotton gin and a population of a little less than Johnson City—a population of 350.

As we meet here this morning, Killeen can claim more than 500 thriving businesses; one of the world's most powerful major defense installations, and more than 30,000 people.

The city has more than tripled its growth in 20 years. That growth reflects our whole Nation's restlessness; our whole Nation's hope; our whole Nation's progress.

A little more than a century ago this was great frontier country. Families came here in the buckboards and covered wagons from Virginia, Georgia and Kentucky to settle this land.

My grandfather drove his longhorns across this prairie on the way to Abilene, Kansas.

We came to found towns, write laws, and establish schools and churches.

I am so happy to observe that my father, decades ago, sat with Oveta's father in writing some of the early legislation for what was then almost just a frontier.

What they began has not yet ended. Those Americans gave a really new meaning to the word "frontier".

In other countries, that word had meant a barrier. "Frontier" meant a stopping place. But to America it meant, and still means, a place to be discovered, a place to be tamed, a place to be settled—a place, if you please, of American opportunity.

Today there is no Louisiana to be purchased. There is no new wilderness for us to conquer. There is no new land left for us to settle. But still America moves on.

America expands—not outward but upward.

I can see some of the men here in front of me this morning—Mr. Smith, Mr. Mather and others—who have been moving America forward, who have moved it upward.

Today we have set our eyes on new territory—the territory of human promise, for all of Central Texas, for all of the Nation—the territory of bettering peoples' lives in all of our areas, bettering humanity.

That is the thing we all ought to work toward. That is the purpose and objective we all ought to have.

Every person should ask himself and herself today: What am I doing to better humanity?

In the time allotted me, what will I have done to better humanity?

When a Teacher Corps volunteer brings help and learning to a mountain child, we will say in Tennessee or North Carolina, we add something to that new land.

When a Head Start teacher in California offers hope and help to a migrant child, this Nation grows.

Speaking of help, our program has been health, education, conservation and moving forward.

I am happy to say that the death rate of newborn children, infants, declined more than five percent this last year.

Can there be anything better than saving a little child's life?

Can there be any more worthy purpose?

When a new college—a junior college in a Texas city arises—the whole Nation expands.

When a new national effort is launched to teach men skills or to cure men's sickness, America grows.

Something is happening which is as exciting—even more exciting—as the winning of the West.

Three years ago there was no Medicare in the United States. This morning 20 million older citizens have hospital insurance. 18 million have help with their medical bills under Medical Care.

That is what we have been doing.

Three years ago there was a deadlock on Federal Aid to Education. Federal aid was an ugly word. We broke that deadlock in 1965 with the Elementary and Secondary Education Act.

We passed a bill in the Senate yesterday—and sent it to conference—giving us a new lease on life. Last year that bill helped 9 million poor children get a better start in school.

What is there that you can do, even the doubters and the complainers, that could give any of us more satisfaction than helping 9 million poor children get a better start in school?

Ask yourself what have you done in these fields and what are you going to do.

When the roll is called up yonder, where are you going to be?

In the past three years we have helped to build facilities for more than 1.5 million college and university students. What is there that you can do that is better than putting a roof, an educational roof, over the heads of the boys and girls who want to go to college in this country?

From the time a child discovers America, that doting mother looks into the little one's eyes and says to herself, "If I can only get him a college education."

Together, we in Killeen and we in the United States—notwithstanding the complainers, the critics and the doubters—are getting the schools built. We are getting the teachers for elementary, and from Head Start to adult education.

We have them in Head Start at four and five, and we have them in adult education at 74 and 75.

Yet still there are those who want to divert us, who want to criticize us, who want to oppose this kind of growth.

Just as there were a century ago, there are many who are afraid to take the journey.

There are some who tell us in the board room resolutions that it is too expensive. There are some who say that it is too dangerous, that the effort cannot succeed.

That reminds me of the old fellow at Fredericksburg when they started the train up there. He preached against it. He wouldn't subscribe to it. But when the train finally came and they had the queen and she cut the ribbon, the steam started coming out, the train started in to the Hill Country and San Antonio.

He was still in the back yakking that they would never get the train started.

When the steam was drowning him out, he said, "They will never get her stopped."

I imagine Killeen has some like that today. I know that Texas has some like that today. I hear voices from all over the Nation like that today.

I believe—I can't prove it but we may have to do that—those complainers, those doubters, those who are afraid to take the journey in the frontier country are still in the minority.

So I ask you to join us. Come and let us reason with those Americans, those of us who believe in progress. Let us try to convince the doubters.

I think the time is here to make it clear that we must make this journey. If we are rich enough, then we must care enough. We must be ready to make the sacrifices it requires.

In 1933 our Gross National Product was less than $100 billion. It wavered to less than half of that for a period.

Today and tomorrow that Gross National Product is hitting $800 billion, and it may go up to $850 billion.

So we are rich enough.

Now the big question is: With your stomachs full, has it pushed your out of position where you no longer care? If you do care, then let us do something about it.

Are there those who think this journey toward human fulfillment, this journey toward bettering humanity, is too expensive?

These men who wear the uniform don't think it is too expensive. They love liberty and freedom enough that they are ready to die to preserve it.

These boys at A & M don't think that it ought to go unnoticed. It has gone unnoticed but I heard on a local radio broadcast that they had voted to give blood donations to support their brothers who are preserving liberty and who have carried Old Glory to all corners of the earth and brought it back without a stain on it.

Let us show by our actions that progress and movement forward in America is not too expensive. What is expensive is sickness, bigotry, ignorance, discrimination and crime. That is what costs too much.

As that great leader Adlai Stevenson once said, "We Americans must resist temptation to be 'penny-wise and people foolish'."

It is not action but it is inaction that costs too much.

Are there those who really believe that this journey cannot succeed?

Let them consider just one effort—our campaign to give every young person in America—that is the first goal of the Great Society—give every boy and girl, whether born of rich or poor parents, all the education that he or she seeks or can take.

In the past six years the number of young people going to college from poor homes has risen—Thank God—by more than 12 percent.

In those years, the number of high school dropouts—Thank God—between 16 and 24, has dropped from 25 to only 18 percent.

Colleges like this one being established and built here are being built throughout this Nation at the rate of one every week.

You don't like that? You are against that? You would rather fight it than teach it up and learn it?

Two years ago we were helping 500,000 young people go to college. Next year that number rises not to 500,000 but to 1,200,000.

Those are facts. They are not just numbers and not slogans. They are not snow or brainwash or anything else. They are facts. And more than facts they are victories for bettering humanity. They are victories for every American home and for all the American people.

Two years ago we established a program called Upward Bound. Upward Bound was a program that would rescue dropouts and would boost them toward college.

It was almost patterned after an experience I had in 1924 when I went to California after I dropped out, to seek my fortune. The most beautiful sight these eyes ever beheld was the sight of my old mother's quilt, that grandmother made for us, when I got back home.

My father, I felt when I left, was too inattentive and not very wise in the ways of the world. I was really amazed at how much he learned while I was gone.

Two years ago that program of Upward Bound was an experiment. Today that program is a success.

This year, 23,000 poor boys and girls took summer classes on college campuses. 6,000 of them—83 percent of those who graduated—have gone on to higher education.

One boy from Missouri told this story: "Before I went out there to Upward Bound I was a corner boy . . . I was with the wrong bunch all the time. We stayed out late doing all sorts of no-good things . . . But I think I am too much now to hang around on the corner . . . I know my life is worth more than how they taught me to lead it."

I think he is right. And I think we are all right to help that kid.

A young boy in Kentucky, the son of a disabled father, was one of eight children, with a family income of less than $3,000 a year. He made failing grades in high school before Upward Bound gave him hope. In his senior year he raised his grades drastically—and now he is a fulltime college student.

Multiply these stories by the thousands, and then you will know why I am optimistic about America: Why I cannot share the gloom of those who believe that our problems are too big to solve and our pocket book is too small to help them.

I reject that notion—not because I am unaware of our problems, but because I know our power in America to hold to a good purpose. I know the power we have to reach a high goal.

History does not long remember the men who voted down the bond issues to build schools or to help little children.

The War on Poverty is going to succeed—if we just stay the course.

Our quest for educational excellence will succeed—if we only stay the course.

Our pursuit of 1,000 essential goals will succeed—if we only stay the course.

I believe that our children are going to remember that just as our country lived through a great age of exploration in the last century, we have entered in this century another age. It will be known and it will be remembered—I hope you are remembered with it—as the age of advancement, as the era of education.

This college is proof of that. The headlines may seldom tell the story—but history is going to tell it. It is not going to deal at length or too generously with those of little faith.

These years, like that earlier age of growth, are noisy today with the sound of controversy. But that must never discourage us—any more than it daunted our daddies who settled here yesterday and built a new world, a Killeen, out of this wilderness.

So we come here today to dedicate this college—to dedicate it forever to the service of the people, and to the progress of America.

We have now just begun to fight. We have just begun to build. We are not going to build as fast as some would like, but we are not going to retreat.

With God's help and with your support, America is going to move forward to educate, to bring peace to the world, to keep aggression from enslaving us, to educate our children, to make our bodies healthier, to give us clean air to breathe, pure water to drink, wholesome meat to eat, and all of those things that make for greatness—a great people in a great society, in a great world.

Thank you.

DEFERMENT OF POLICE OFFICERS UNDER SELECTIVE SERVICE ACT

Mr. TOWER. Mr. President, on January 30 of this year I introduced S. 718, a measure which would amend the Universal Military Training and Service Act in order to give a deferment to police officers. With the continually rising rate of crime in the Nation, I believe that this measure becomes more important with each passing day. It simply does not make sense to deprive our city police forces of their trained men.

Recently, the National League of Cities filed a petition with the Interagency Advisory Committee on Essential Activities and Critical Occupations supporting my position in this matter. I recommend this petition very highly to my colleagues and hope that they will have time to read it. It makes excellent reading and points out the urgency of the matter.

I ask unanimous consent that a letter that I received from Mr. Allen E. Pritchard, Jr., the assistant executive director of the National League of Cities, be printed in the RECORD. It states briefly the policy of the league and recommends their petition. I hope that full consideration of this matter may be achieved at the earliest possible time.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL LEAGUE OF CITIES,
Washington, D.C., November 6, 1967.

Hon. JOHN G. TOWER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR TOWER: The National League of Cities is increasingly concerned about the difficulties our police departments face in hiring and retaining sufficient manpower to meet their growing responsibilities.

Our National Municipal Policy calls for draft deferments to be granted to police officers. We, of course, support S. 718 which you have introduced seeking such a deferment.

To achieve a more immediate remedy, we have filed a petition requesting draft deferment for police officers with the Interagency Advisory Committee on Essential Activities and Critical Occupations. Because of your interest in this matter, we are enclosing a copy of our petition.

Sincerely,

ALLEN E. PRITCHARD, Jr.,
Assistant Executive Director.

JURY BILL LAUDED

Mr. TYDINGS. Mr. President, I wish to take this opportunity, now that the Federal jury bill has passed the Senate, to thank the many people who have helped to make the bill the excellent solution to the problem of Federal jury selection that I believe it is. I particularly wish to thank the distinguished Senator from North Carolina [Mr. ERVIN] and the distinguished Senator from Nebraska [Mr. HRUSKA], who have devoted many long hours of thoughtful consideration to the bill and have made suggestions that everyone must agree improve both the administrability and the substance of the bill.

Of course, my deep appreciation must also go to Judge Irving Kaufman who, as Chairman of the Committee on the Operation of the Jury System of the Judicial Conference of the United States, directed the initial preparation of an excellent bill and exercised a continuous assistance as we attempted to hone the bill even finer in the subcommittee. Judge Kaufman's Committee was created by the Judicial Conference of the United States, which recognized that there was a need for reform in the jury selection system. The Judicial Conference eventually approved, after full consideration, the work of the Kaufman Committee.

I also wish to thank the many members of the judiciary and of the bar who contributed invaluable thoughts and suggestions for improvement of the bill. The American Bar Association considered the bill and debated it at length before approving it. The subcommittee was in constant communication with the entire Federal judiciary, and we received innumerable letters containing comments and suggestions regarding the bill. Each suggestion was thoroughly considered, and many of the suggestions were incorporated in the final version of the bill. The result is, I believe, a measure of which the Senate may justly be proud.

The purpose of S. 989 is to establish basic machinery for the selection of grand and petit jurors in order to assure to all litigants that potential jurors will be selected at random from a cross section of the community. It also assures all qualified citizens of the opportunity to be considered for jury service.

A jury chosen from a representative community sample is a fundamental of our system of justice. Yet, ironically, little attention had been given to the methods of jury selection actually used in our Federal courts. Instead, this Nation had stated and restated its commitment to the goal of representative juries without making any significant efforts to insure that this goal was attained. Congress had laid down certain qualifications for Federal jurors, but it had never specified the sources from which the names of prospective jurors should be obtained, the methods by which these names should be selected, or the bases upon which otherwise qualified jurors should be eliminated from jury service.

In the absence of statutory guidelines it is hardly surprising that the selection methods used in Federal courts today lack any semblance of uniformity. The defect in existing practices, however, is not simply that they vary from district to district. Nor is it even that lines of administrative responsibility are often unclear. The defect calling for congressional action is that the representational goal of jury selection is impaired when the methods used are haphazard or less than adequate to ensure fair selection from a fair sample. The evidence which we accumulated that current selection procedures fail to meet expectations was unmistakable. Repeated testimony at the subcommittee's hearings pointed to practices that undermine the representative quality of juries and that are contrary to the fundamental idea of justice meted out by a jury representing the community. Although in most instances the failure to achieve representative juries may be unintentional, the rectification of this shortcoming is nonetheless extremely important.

The bill that the Senate has enacted embodies two important general principles that will overcome the fundamental problems in existing practices: First, random selection of juror names from voting lists of the district or division in which court is held; and, second, determination of juror qualifications, excuses, exemptions, and exclusions on the basis of objective criteria only. Selection according to these principles is the best method of obtaining jury lists that represent a cross-section of the relevant community and of establishing an effective bulwark against impermissible forms of discrimination and arbitrariness.

The establishment of a jury selection system based on these principles is not new or untried. Methods of selection of Federal juries that do not differ significantly from those required by the bill have long been in use in a number of Federal district courts. For instance, the District of Michigan, encompassing Detroit, has used a system based on these principles for 10 to 15 years without substantial complaint that juries do not perform at high levels. Some 27 other districts have used or have recently adopted voluntarily systems that are also based on these principles.

The bill requires each district to formulate a plan for jury selection. Separate plans may be adopted for each division or combination of divisions in the judicial district. The basic requirements for the plan are established by the bill. However, with an eye to efficient judicial administration, the bill allows for reasonable local variations. Thus, for instance, districts have the choice of using either lists of actual voters or voter registration lists as the basic source from which juror names are to be drawn. Districts have a choice as to whether the plan shall be administered by a clerk or by a jury commission. The bill leaves considerable leeway as to the number of names to be inserted into the master jury wheel. Local flexibility is also the theme in those provisions of the bill that allow each district to identify occupational or other groups of persons whose members may request excuse from service. In short, in a great variety of ways the bill allows districts and divisions room for local flexibility, once they meet the basic standards of the act.

Another feature of the bill of importance is that it clearly places responsibility for the operation of the jury system on a district judge in each district. While the selection is managed on a day-to-day basis by the clerk or a jury commission, the ultimate responsibility will lie with the district judge. In this respect, the bill is a great improvement over existing law and practice, where the seat of ultimate responsibility is not clear, with resultant confusion and mismanagement.

One of the most important aspects of the bill is the determination of disqualifications, excuses, exemptions, and exclusions on the basis of objective criteria only. This principle will prohibit the widespread current practice of imposing qualifications above and beyond those specified by Congress. Many Federal district courts and officials administering jury selection treat the present statutory qualification requirements—citizenship, age, residence, literacy, health, and lawful behavior—as minimum standards to which may be added subjective notions of good character, approved integrity, sound judgment and fair education. In at least some instances, even though the selection officials were well intentioned, these additional qualification requirements have produced discriminatory results. It was the conclusion of the Committee on the Judiciary that these additional qualifications are not necessary to obtain jurors with intelligence and good judgment sufficient to understand the case and render an appropriate verdict. Accordingly, the bill prohibits such additional, subjective qualifications. It should be noted, however, that the bill does not change the method of challenging jurors at voir dire. In particular, the bill leaves undisturbed the right of a litigant to exercise his peremptory challenges to eliminate jurors for purely subjective reasons.

It was the belief of the committee that the quality of Federal juries would not be impaired by reliance upon purely objective criteria. The bill contains numerous safeguards to protect the quality of juries and to eliminate jurors who are unable to render satisfactory jury service. The bill eliminates the illiterate, the feebleminded, the insane, the decrepid, the infirm, and the accused. If further gives judges powers to eliminate those unable to render impartial jury service, those whose service would disrupt the proceedings, those whose service would be likely to threaten the secrecy of the proceedings, and those whose service would adversely affect the integrity of jury deliberations. The provisions for exclusion under these statutory criteria differ in important ways from a system of pretrial subjective screening. These provisions would authorize the exclusion of persons only in the unusual instance and therefore, in contrast with the pretrial subjective screening of every potential juror, they do not seriously threaten the representational goal of the selection process. These statutory safeguards against incompetence constitute one reason for your committee's decision not to include a provision for subjective screening in the bill. But in addition, there is persuasive evidence that subjective interviews are neither useful nor required to secure competent juries. The case against subjective screening rests on three grounds: First, any feasible system of interviews would be inadequate in determining whether a potential juror has such qualities as "probity" and "commonsense"; second, the cost of interviews would be high and the risk serious, and both would be excessive in relation to any possible benefits; and third, existing empirical evidence demonstrates no need for such screening.

The bill also attempts to improve the quality of jurors by generally restricting the availability of excuses from jury service. Testimony before my subcommittee revealed that, with alarming frequency, many of the most intelligent and knowledgeable people in the community are not serving on juries because they are able to obtain excuses. By making the availability of excuses appreciably more narrow, your committee anticipates that these people will more often be required to render jury service.

In an attempt to reduce the dilatory potential of challenges, the bill requires that challenges to compliance with the statute in the selection process be promptly made, and it establishes the challenge procedures of the act as the exclusive means for raising challenges to compliance with the act. It is the hope of the drafters of this bill that the procedures relating to challenges will eliminate dilatory challenges and facilitate the ability of courts to dispose rapidly of challenges that on their face are frivolous.

The bill also attempts to make jury service more feasible for citizens by raising the fees to be paid to jurors. Testimony was unanimous that current fees are unreasonably low, and that this contributes markedly to the desire of people to obtain excuses from jury service. The committee has raised fees to $20 per day during the first 30 days of jury service and to $25 for each day in excess of 30 days in those rare cases where service beyond 30 days is required.

S. 989 was over 1 year in preparation. It represents the best thinking of numerous individuals and legal groups. The Committee of the Judicial Conference, presided over by Judge Kaufman, worked extremely diligently to present to Congress a good bill. As I have already recounted, the Judicial Conference itself gave thorough consideration to the measure and approved it, as did the American Bar Association. Subsequent to the introduction of the bill in Congress, my subcommittee studied it and held hearings at which everyone who wished to speak on the bill was allowed to do so. From more witnesses that I can mention by name, we received invaluable suggestions for improving a bill that was already in good form. Again I wish to emphasize that from Senators HRUSKA and ERVIN we received great assistance in the preparation of the bill. The help of practically the entire Federal judiciary also was forthcoming. To all of these people I express once again my appreciation for their assistance in reaching what I believe is an extremely workable and fair Federal jury selection bill. It is my hope, Mr. President, that the House will act promptly upon this important measure.

UNCONSCIONABLE DELAY ON RATIFICATION OF HUMAN RIGHTS CONVENTION ON POLITICAL RIGHTS OF WOMEN

Mr. PROXMIRE. Mr. President, the United Nations General Assembly, in December 1952, adopted the Human Rights Convention on the Political Rights of Women.

Records reveal that the convention was opened for signature 3 months later. This is almost 15 years ago. Since that time, the Senate has voted approval of only one human rights convention, the Supplementary Convention on Slavery, and ignored the Convention on Political Rights of Women and the other human rights conventions dealing with forced labor, genocide, and freedom of association.

President Kennedy sent the Convention on Political Rights of Women to the Senate on July 22, 1963, more than 4 years ago. There remains a rather embarrassing record of inaction on this treaty.

I cannot understand the reason for our letting this convention lie idle. The 19th amendment to our Constitution offers the protection of the political rights of women in our Nation. The convention establishes and guarantees the rights of women to vote, to be candidates for office and to hold public office.

I cannot see any conflict with our Constitution nor with State laws; yet ratification is denied.

It is my view that any nation which fails to give full political equality to women deprives itself of the benefit of a full one-half of its human resources. It took the United States nearly a century and a half to realize this fact.

The National Federation of Business and Professional Women's Clubs of America, composed of 53 State federations representing 3,800 local clubs, supports Senate ratification of this measure.

The federation, in testimony before a subcommittee of the Committee on Foreign Relations, declared that Senate approval would be a contribution toward the narrowing of the gulf between the political and civil opportunities of men and women in many other parts of the world. It declared that this Nation has been a leader in the establishment of political rights for two centuries and that many of the rights enjoyed by citizens of other nations had their birthplace in this country. Yet, the federation pointed out, our leadership has generally been by way of example, emphasizing that the United States now has an opportunity to lead actively and purposefully by means of participation.

I certainly agree with that viewpoint and urge that the Senate give its advice and consent to the Convention on the Political Rights of Women before another year is reached.

WHY PRESIDENT'S SURTAX PROPOSAL IS ESSENTIAL TO PRESERVE A SOUND AND STABLE ECONOMY

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Why the President Wants the Surtax," written by Charles Stafford and published in the Tampa Sunday Tribune of November 5, 1967.

The article deserves the prompt attention of every Member of Congress. It explains lucidly and persuasively the facts surrounding the need for a surtax and what will eventuate if we do not have one.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Tampa Tribune-Times, Nov. 5, 1967]

WHY THE PRESIDENT WANTS THE SURTAX

(By Charles Stafford)

WASHINGTON.—Don't knock a tax increase. The experts say it will save you money.

President Johnson has asked Congress for the increase for just this reason.

This is the situation:

Federal income is lower and expenditures higher than the President anticipated last January, so the government needs more revenue. But times are good. Nearly everyone has a job. Wages are going up. People are spending money.

Unless the fire is lowered a bit beneath the bubbling economy, it will boil over into a messy period of inflation.

Here is one expert's prediction: If the tax increase is approved, a family of four with an income of $10,000 will pay an additional $111 or 1.1 per cent of income. If there is no increase, the higher prices that will result will cost this same family $285 or 2.9 per cent of income. The family would save $174 with the tax increase.

The President requested a 10 per cent surcharge on taxes, not a 10-percent increase in the tax rate. If you pay Federal income taxes amounting to $1,000 a year, your increase would be $100 or about $1.92 more withheld from your weekly paycheck.

Congress doesn't like the tax increase idea. Ignoring testimony of the experts that it is necessary, Congressmen have shouted: "No. We will not increase taxes. The President must cut spending."

That's a nice thought, but virtually impossible.

Out of a $135 billion budget, there are only $21 billion that can possibly be cut away at will. To accomplish what he wishes to accomplish with the tax increase, he would have to cut at least $8.3 billion out of that $21 billion.

Congressmen, it should be noted, have insisted the President cut spending. Meanwhile, they have voted more money than he has requested for several programs.

The President, and his economic advisers, insist a tax increase is necessary. But why believe the President?

Here is one reason:

It is plain bad politics in the year before he must stand for reelection for a President to urge an increase in taxes. If Johnson has pushed for an increase at this time, you can be sure he fears the political consequences of not having a tax increase ever so much more. Treasury Secretary Henry H. Fowler—in an apparent reference to the President—has said: "One who is importantly involved in this issue remarked recently that old age was very unwelcome, but the alternative is worse."

Here is another:

Florida's two Congressional experts on tax matters are Rep. A. Sydney Herlong Jr., a member of the House Ways and Means Committee which considers tax bills, and Sen. George A. Smathers, ranking majority member of the Senate Finance Committee. Both are in excellent position to make an objective judgment of the need for an increase, because neither plans to seek reelection next year. Both say the increase is necessary.

There is an alternative to an increase.

"One alternative is clearly to do nothing," said Charles J. Zwick, assistant director of the Budget Bureau. "We can let high interest rates and credit shortages bring the rebound in the housing industry to a drastic halt. We can let inflation bring undue burdens on families with fixed incomes.

"As President Johnson pointed out," he said, "there will be a tax. The only question is whether it comes through deliberate tax action or through inflation. A temporary surcharge can be repealed, but the inequities resulting from inflation and tight money cannot."

Wading through the economic indicators—those mysterious things that form the lexicon of the economist and tax expert, things like "gross national product," and "personal income," and "national income accounts, Federal sector"—the experts have found a picture that is rosy, too rosy.

Full employment means business is looking for workers. This means there is competition for employees. This means wages are going up. This means the cost of production is going up.

It also means workers have money; personal income has been increased since May at a 9 per cent annual rate. This means workers want to buy things. This means things are in demand.

You combine increasing production costs with increasing demand for the things produced and you have an inevitable chemical reaction; higher prices.

"Inflationary pressures are bound to be strong with wage costs rising 5 to 6 per cent this year and with business firms seeking to escape narrower profit margins by raising prices." Dr. James J. O'Leary of Lionel D. Edie and Co. said.

The Federal Government has to pay those higher prices, too.

Last winter, President Johnson sat down with his financial experts to figure out the budget for the fiscal year 1968—July 1, 1967, to June 30, 1968. He figured the government needed to spend $135 billion. He figured the government's income would be $127 billion, if he could persuade Congress to approve a 6 per cent income tax surcharge effective on the first day of the fiscal year. He figured the government could borrow enough from the money lenders to cover the $8 billion deficit without too much danger to the nation's well-being.

Last summer, he took another look at things.

Congress had not approved the tax increase and tax revenue was running below expectations. The war in Vietnam was costing more than expected. When he finished his arithmetic, he found the government was facing a deficit in fiscal '68 that would probably exceed $28 billion, or $20 billion more than he had foreseen back in January.

On Aug. 3, the President revised his request for a tax increase. He asked for a 10 per cent tax surcharge—instead of 6—pledging at the same time the Administration would cut spending wherever possible at least as much as $2 billion.

He said the tax program would lower the budget deficit to somewhere in the neighborhood of $14 to $18 billion, and he felt the government could borrow this amount without adversely affecting the economy.

Most taxpayers hearing casual reference to a 10 per cent income tax surcharge take a running broad jump to the assumption that it is 10 per cent of taxable income.

Treasury Secretary Henry H. Fowler, aware of this, said in a recent speech: "If I don't register any other point, let us be clear that this proposed tax would not be 10 per cent of your income, but 10 per cent of your tax—a tax on a tax—equal to about 1 per cent of every dollar of your income."

The surcharge means a taxpayer—or a corporation—after figuring out how much he owes the government in income taxes, would then increase that amount by 10 per cent.

Some examples:

A family of four with an income of $10,000, now ordinarily paying a tax of about $1,100, would pay $1,210, or an added tax of $9.25 a month.

Three out of four American families would pay less than $9.25 a month because three out of four American families have incomes below $10,000.

The 16 million taxpayers in the two lowest income brackets would not have to pay the surcharge.

The situation wouldn't be even that bad when you began next April figuring out your income tax for 1967.

For individual taxpayers, the increase requested by the President would be retroactive only to Oct. 1. For corporations, it would date back to July 1.

Instead of paying a 10 per cent surcharge on his 1967 tax bill, an individual taxpayer would pay only 2.5 per cent since the surcharge was effective for only one-fourth the year. If his tax bill figured out at $1,000 for calendar 1967, his surcharge would be only $25 for a total tax payment of $1,025.

Presidential advisers estimate the surcharge would increase government income for fiscal 1968 by $6.3 billion. In combination with a $2 billion cut in spending, a continuation of automobile and telephone excise taxes that were scheduled to lapse, and a speed-up in collection of corporation taxes, the increase would presumably be enough to reduce the deficit to what the experts call "a manageable level."

Congressmen, their ears more attuned to the moans and groans of the people who elected them than to the nation's needs, have ignored the evidence offered them by economic experts. They persist in arguing that it is possible to cut spending enough to avoid a tax increase and that, if nothing else, the cuts must be made before they will decide whether a tax increase is necessary.

Meanwhile, such was the dedication of members of Congress to the cause of economy that house members voted a Federal employees pay raise exceeding the President's recommendation by $63 million, and a Senate committee increased the number of new public works projects from the nine requested by the President to more than 50.

The President's budget estimated expenditures for national defense at $75.5 billion. In view of the war in Vietnam, and the ever increasing cost of it this figure is virtually untouchable.

This leaves $61 billion for non-defense purposes.

But $30.2 billion of this is for programs for which payments must be made to comply with law: Interest on the public debt, public assistance (welfare) aid, veterans compensation and pensions, and the government's matching share of medicare payments.

Then there are payments to be made on contracts signed in previous years.

When all is said and done, budget officials have at most $21 billion where cuts can be made.

But just because these programs are cuttable doesn't mean they are any less desirable.

Programs falling within this $21 billion include veterans medical care, operation of the Federal airways, research on cancer and heart disease, Coast Guard operations, agricultural research, weather services, law enforcement, regulatory agencies, education, anti-poverty and health programs.

Some critics cry, "cut the anti-poverty program."

But if you wiped it out entirely, you would save only $2 billion. Consider the effect of such drastic action on Hillsborough County. Some $7.8 million in Federal aid to fight poverty would be cut out of the county's economy. Some 435 persons would be thrown out of jobs. Approximately 1,058 young people in the Neighborhood Youth Corps would no longer have parttime jobs enabling them to continue their schooling, but would be out pounding the pavements looking for work.

The cuts insisted on by Ways and Means, or a 5 per cent across the board cut, would have similar effects: The Tampa FBI contingent would be reduced by one or two agents, perhaps, a Coast Guard search plane out of St. Petersburg might be grounded, the Weather Bureau would perhaps have to curtail its frost warning service that tells citrus growers when to fire the groves, research on spreading decline would probably be cut at the Lake Wales Citrus Research Station.

And the spectre of inflation lies in wait, ready to pounce on the nation's economy unless there is a tax increase to scare it away.

The experts agree on that.

Prices are already rising. Economists say they will rise whether there is a tax increase or not. With a tax increase, they predict a rise during the next year of 2.5 per cent. But without it, they warn of an increase of 5 to 6 per cent.

The price of borrowing money will also go up, and this perhaps is more dangerous than other price increases.

There is available for lending in this nation an estimated $70 billion a year. If the Federal Government must suddenly go into that market to borrow $28 or $29 billion, the amount of money available to individuals and corporations will be substantially lowered. And it would be a sellers' market.

"It may be predicted that the Federal Government's credit needs would be met, one way or another, as would also the credit needs of larger business firms," said Frederick L. Deming, Under Secretary of the Treasury for Monetary Affairs "Funds for installment purchases, and other short-term credit, would probably be available, but money for home mortgages would quite likely be a major victim."

"I think the most serious problem," said Gardner Ackley, chairman of the President's Council of Economic Advisers "is the fact that you would have a great deal of trouble finding a mortgage at all."

Construction of houses would stop. The home building business would go into a recession. Carpenters and bricklayers would be laid off.

The seeds of a recession would be sown.

That, then, is the argument—the very persuasive argument—for a tax increase.

But Congress might already have delayed too long.

RIOT AND DISASTER INSURANCE

Mr. LONG of Louisiana. Mr. President, we are all familiar with the terrible riots of this summer which took place in Detroit, Mich., and Newark, N.J., bringing with them catastrophic losses as a consequence of property damage. The repercussions of these riots were felt on both the national and international scale. The President established a National Advisory Committee on Civil Disorders to look into the origin, consequences, and possible solution of these calamities.

Throughout the hearings one of the key points which was made time and again was the insurance losses borne by the companies and by the insured. To further analyze this particular problem of insurance, a select committee was formed. From the testimony presented before this select committee, it is clear that prevailing property-casualty insurance contracts, which ordinarily provide for fire and extended coverage, never contemplated outbreaks like those in Watts, Newark, and Detroit. In this connection, it is known that State laws seldom require insurance companies to make provisions in their reserves for prospective losses, such as those from catastrophes, or insolvencies of other insurance companies.

The lack of State laws requiring catastrophe reserves is not a product of indifference on the part of State officials. State insurance commissioners, especially those in States embracing hurricane coasts and tornado-beset areas, have explored the possibility of catastrophe reserves for several years. The results of their study indicate that under the present Federal tax structure, a requirement of catastrophe reserves would be a heavy and unreasonable burden.

Prior to the income tax, property-casualty companies looked to their surplus accounts for the funds necessary to meet catastrophes and carefully marshaled surplus funds in proportion to the increased risks assumed. The impact of income taxes was minimal for many years. Surplus accumulations from earnings were able to meet the increases in assumed hazards.

When the Federal Government increased taxes of property-casualty companies to roughly 50 percent of income, companies and State regulators found inadequate amounts were reaching surplus to guard against catastrophes. Thus the Federal Government directly set the pattern to which the business conformed and which State legislatures could not reasonably reshape to adequately cover catastrophes. Funds needed for catastrophes have gone to the Federal Treasury in normal years, leaving inadequate sums to meet catastrophes in disaster years.

Present statutes require maintenance of reserves for incurred and reported but unpaid losses, incurred but unreported losses, unearned policy premiums and other business accounts payable. However, many States do not require a reserve for prospective losses such as those resulting from catastrophes. The State legislators recognize the drain on accumulated surplus by the Federal tax, new insurance demands, and inflation's effect in covering present loss claims. They have realized that to require a reserve for catastrophes is not feasible because it would necessitate exorbitant rates on the one hand, or confiscatory rates on the other.

Because the American property-casualty companies cannot provide adequate catastrophe reserves at reasonable premium rates, they have turned to foreign reinsurance. The Federal tax laws have in major part been responsible for this flight to foreign reinsurance. The deduction for premium payments for reinsurance, and the adequate catastrophe protection which can be provided feasibly by foreign insurance have caused our property-casualty companies to look aboard. As a result of the flow of reinsurance premiums to foreign countries contributes to the deficit in international balance of payments and inhibits the development of an adequate reinsurance market in the United States.

To meet this immediate and critical need—that is, to provide for a fund from which insurance companies can pay unexpected catastrophe losses and which will provide reinsurance at reasonable rates it is necessary to develop a system whereby funds can be accumulated without the normal tax incident. In the hearing before the select committee several witnesses suggested a tax deferral plan whereby funds would be placed in a catastrophe loss account to be used only to meet the specific losses, that the tax on such accumulation would be deferred until the day when the funds were withdrawn for a purpose other than paying catastrophe losses.

The National Association of Insurance Commissioners made specific recommendations along these lines. These recommendations appear to offer a solution to this pressing problem that is worth exploring. This approach would permit the accumulation of reserves in a catastrophe loss account through a tax deferral arrangement on contributions to such account. This proposed arrangement is not novel but is similar to that already in effect in the code and utilized in granting relief in somewhat similar and analogous casualty risk problems.

The reserve fund which this approach envisions would be made operable primarily by State laws and regulations which would define the term "catastrophe" so that it will meet the needs of the local communities. For example, the definition of catastrophe in a sea coast State would necessarily include hurricane losses whereas a landlocked State would have no need for such coverage. The State laws and regulations would also fix the amount which may be accumulated in the fund.

However, for the purpose of uniformity a bill under consideration by my office envisions a ceiling which would always be limited to 10 percent on premiums earned in the preceding 12 months on policies which embrace or encompass the specific hazard for which the fund was created, or the percentage established by State law or regulation, whichever is the lesser percentage. The fixing of a ceiling of this type acts as a self-regulating feature so that no company may place or maintain in the fund at any one time any more than the 10 percent allowed. In this way the catastrophe reserve fund may not be used or abused as a tax shelter.

In view of the various proposals which have been considered for the purpose of granting Federal subsidies to casualty insurance companies which become or are faced with insolvency, it is hoped that this amendment would eliminate the necessity for such Federal intrusion which would involve large administrative expenses and backdoor Federal financing.

Further, the proposed amendment leaves to the State the establishment, management and control of a fund to deal with unique local problems thereby avoiding the necessity for possible Government subsidies which have been suggested in other proposals. I am appending to these remarks a copy of a bill which reflects the type of legislation needed to solve the unique and important problems posed by this situation, together with an explanation of its features. It is recognized that this prototype must be subjected to further analysis with a view to possible refinements. My staff is presently engaged in achieving this goal. It is my intention to introduce such a bill early in the next session of Congress.

I ask unanimous consent to have printed in the RECORD the text of the bill and an analysis of the amendment relating to tax treatment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TEXT OF PROPOSED BILL TO ALLOW A TAX DEDUCTION FOR ADDITIONS TO CATASTROPHE RESERVES OF FIRE AND CASUALTY INSURANCE COMPANIES

Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled, That—

SEC. 832(b)(4) be amended to read as follows:

"(4) PREMIUMS EARNED.—The term 'premiums earned on insurance contracts during the taxable years' means an amount computed as follows:

"(A) From the amount of gross premiums written on insurance contracts during the taxable year, deduct return premiums, premiums paid for reinsurance, and accumulations as may be required by State law to catastrophe reserves.

"(b) To the result so obtained, add withdrawals from, or reductions in catastrophe reserves for any nonconforming use, and unearned premiums on outstanding business at the end of the preceding taxable year and deduct unearned premiums on outstanding business at the end of the taxable year.

"For the purposes of this subsection, unearned premiums shall include (1) life insurance reserves, as defined in section 806, pertaining to the life, burial, or funeral insurance, or annuity business of an insurance company subject to the tax imposed by section 831 and not qualifying as a life insurance company under section 801, and (2) accumulations to catastrophe reserves required by law for losses resulting from catastrophes and insolvencies of other companies.

"The term 'catastrophes' includes but is not limited to riots, windstorms, floods, explosions, earthquakes, and insolvencies of other insurance companies. Nothing in this definition shall be considered to relate to mortgage guaranty insurance companies. The total accumulation in the reserve fund shall be liimted to 10 per centum of the premiums earned during the preceding 12-month period on policies which embrace or encompass the specific hazard for which the reserve is created, or the amount provided by State law or regulation, whichever is lesser: *Provided however,* That the catastrophe reserve required by law for each specific insurance hazard is not excessive in proportion to the total hazard in force, and that there is an orderly dimunition of such reserve in proportion to the dimunition of hazard. For purposes of this subsection, unearned premiums of mutual fire or flood insurance companies described in section 831(a)(3)(B) means (with respect to the policies described in section 831(a)(3)(B)) the amount of unabsorbed premium deposits which the company would be obligated to return to its policyholders at the close of the taxable year if all of its policies were terminated at such time; and the determination of such amount shall be based on the schedule of unabsorbed premium deposit returns for each such company then in effect. Premiums paid by the subscriber of a mutual flood insurance company referred to in paragraph (3) of section 831(a) shall be treated, for purposes of computing the taxable income of such subscriber, in the same manner as premiums paid by a policyholder to a mutual fire insurance company referred to in such paragraph (3)."

ANALYSIS OF AMENDMENT RELATING TO TAX TREATMENT CATASTROPHE RESERVES OF FIRE AND CASUALTY INSURANCE COMPANIES

Section 832(b)(4) has been amended to include language which would permit the creation of reserve funds to meet the extraordinary losses resulting from catastrophes. The proposed amendment permits accumulations to the reserve fund from earned premiums which will not be included as part of the taxable income. The amendment contains its own limitations as to amount of the fund, the duration of the fund, and the mechanics of operation of the fund.

The proposed amendment is geared to assist mutual and stock insurance companies in meeting the tremendous burdens imposed upon them by losses incurred by unexpected catastrophes. Specifically, the amount is intended to assist companies in meeting losses incurred from riot and public disorder which are totally unexpected, and for which there is no loss experience. As was witnessed in the riots in Detroit, Newark and Watts, insurance companies were subjected to large and unexpected claims of losses. Under these circumstances, if future insurance is to be made available in such areas, the premiums for such insurance become very high. The establishment of the reserve fund proposed would permit reinsurance at reasonable rates.

The definition of "catastrophe" in the bill is left fluid so that it can be defined on a local basis by State Laws and Regulations. Certainly no fixed definition can be arrived at which would encompass all possible catastrophes. Further, the States would be permitted to fix the maximum amount which could be placed in the reserve fund, subject to the limitation established by the proposed amendment. The proposed amendment in this regard establishes ceiling. This ceiling assures that no company could, at any one time, place in the fund any more than 10% of the premiums earned during the preceding 12-month period on policies which embrace or encompass the specific catastrophe for which the reserve fund was established. In addition, this formula would permit the steady accumulation of assets in catastrophe loss account. Careful limitations on withdrawals from the fund are set forth in Section 832(b)(4).

The proposed amendment will apply equally to stock and mutual insurance companies. At the present time Section 824 of the Internal Revenue Code permits mutual stock companies on a voluntary basis to build up reserve funds to cover most of the catastrophe losses as defined in this section, with the exception of losses from riots or public disorders. It might appear that there is a conflict between Section 824 and the proposed amendment. However, by inserting the phrase, "accumulations as may be required by State Law to catastrophe reserves", mutual companies are still permitted to establish funds on a voluntary basis. Further, only when required by State Law will reserve funds be required for riot losses. In that situation, both mutual and stock companies will have to follow the formula established in the amendment.

The amendments to the above section should be implemented by State and Federal Regulations.

(1) Each State Law must provide for the orderly and conservative increase and diminution of said accumulation to reserves proportionate to the increase and diminution of hazards to which the company is exposed.

(2) The accumulation to reserve shall be made solely out of premium income received for those contingencies for which reserve accumulations are required by State Law.

(3) Such reserve account shall be utilized only for the express purpose of providing funds to meet catastrophic losses, economic losses and losses from the insolvency of another fire and casualty company.

(4) Such reserve account must be maintained by each insurance company, separate and district from its other reserve liabilities, and the assets of said reserve account must be invested only in those legal investments in which the company may by State law invest its reserve funds.

(5) The accumulation to reserve must not be subject to sharing in any other type loss experienced by the company or utilized for any purpose other than set forth in this act.

Any nonconforming use of or withdrawal of funds from said reserve by a company for any reason unrelated to the express purpose of this act would constitute the receipt of taxable income on behalf of such company and would result in the immediate taxation on such amounts so withdrawn or utilized.

(1) Profits or losses from investments of funds in said reserve account shall not be excluded from gross income and will continue to be taxed and recognized under applicable sections of the Code.

ORDER OF BUSINESS

Mr. ERVIN. Mr. President, since I was not able to attend all of the meetings of the conferees on the subversive activities control bill. I should like to ask that the Senator from Illinois [Mr. DIRKSEN] present the conference report for the consideration of the Senate.

AMENDMENT OF SUBVERSIVE ACTIVITIES CONTROL ACT OF 1950

Mr. DIRKSEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2171) to amend the Subversive Activities Control Act of 1950 so as to accord with certain decisions of the courts. I ask unanimous consent for the present consideration of the report.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The bill clerk read the report.

(For conference report, see House proceedings of December 13, 1967, pp. 36395–36397, CONGRESSIONAL RECORD.)

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. DIRKSEN. Mr. President, the conference report now before the Senate has adopted significant aspects of the House bill, which are as follows:

First. Amendment to definition of Communist front.

Second. The amendment to section 10 adding requirement for disclosure of Communist organizations using the mail or any facility of interstate commerce to solicit money or property.

Third. Provisions against mooting of proceedings upon dissolution of Communist-action or front organizations subsequent to filing of Attorney General's petition.

Fourth. Compulsory testimony and production of evidence over fifth amendment claims on grant of immunity.

Fifth. Authority of Board to initiate contempt proceedings in district court for misbehavior in presence of Board.

Sixth. Denial of jurisdiction to Federal courts to entertain collateral proceedings.

Seventh. Inclusion of two or more individuals in one petition.

As this body is aware, a resent decision of the U.S. Supreme Court, entitled United States against Eugene Frank Robel, struck down a subsection of the Subversive Activities Control Act of 1950. This section is numbered section 5(a)(1)(D) and it consists of only a few lines of the act. The decision of the Supreme Court was rendered after this section was approved by both Houses of Congress. It would have been inappropriate under the rules for the conferees to address themselves to this point which was not committed to them by either House. The parent measure contains the usual separability clause, which reads as follows:

> SEC. 116. If any provision of this title, or the application thereof to any person or circumstances, is held invalid, the remaining provisions of this title, or the application of such provision to other persons or circumstances, shall not be affected thereby. Nothing contained in this title shall be construed to suspend or to authorize the suspension of the privilege of the writ of habeas corpus.

I submit under these circumstances any concern over the inclusion of language stricken down by the Robel case is unwarranted. The work of the Subversive Activities Control Board figured prominently on Monday of this week in the decision of the U.S. Supreme Court entitled DuBois Clubs of America et al. against Clark et al. The appellants in that case filed a complaint in the U.S. district court and alleged that the Communist-front registration provisions of the act were unconstitutional.

This action followed a petition by the Attorney General to the Subversive Activities Control Board for an order requiring the DuBois Clubs of America to register with the Attorney General as a Communist-front organization.

The appellants further requested the Court to enjoin the Attorney General and the Subversive Activities Control Board from enforcing the Communist-front registration provisions of the act against them.

A three-judge district court, convened on appellants' motion, dismissed the complaint because appellants had failed to exhaust their administrative remedies and the Supreme Court affirmed the judgment and stated in its opinion:

> Before there may be proceedings to punish appellants for failure to register with the Attorney General, the SACB must first find that the DuBois Clubs is a Communist-front organization and issue an order to that effect.
>
> The Act provides for a full evidentiary hearing which is to be held in public. Appellants may be represented by counsel, offer oral or documentary evidence, submit rebuttal evidence, and conduct cross-examination. The SACB must make a written report and state its finding of fact. If appellants are aggrieved by the Board's order, they may obtain review in the United States Court of Appeals for the District of Columbia Circuit which may set aside the order if it is not "supported by the preponderance of the evidence." Upon motion of a party, the Court of Appeals may order the Board to take additional evidence. Of course, if the Board and the Court of Appeals find that the Act does cover appellants, they may challenge its constitutionality either as applied or on its face. Judgments of the Court of Appeals are reviewable by this Court on certiorari.

It further quoted the opinion of the court below, as follows:

> Congress has made careful provision that no tangible sanction can come into play until the facts have been explored in open hearing [before the Board] and the courts have scrutinized what they show, both in their adequacy to support a registration order and in their constitutional impact upon the statute itself.
>
> The Senate bill included provisions which would terminate the Subversive Activities Control Board on June 30, 1969, unless proceedings have been instituted before the Board and hearings conducted by it during the period beginning on the date of enactment of the legislation and ending on December 31, 1968. The Attorney General was made the sole judge as to whether proceedings had been instituted and hearings conducted. No similar provision was contained in the House amendment.
>
> The substitute agreed to in conference contains a modified version of the Senate provisions. The conference substitute provides that the Board shall cease to exist on June 30, 1969, unless a proceeding has been instituted before the Board and a hearing shall have been conducted during the period beginning on the date of enactment of this legislation and ending on December 31, 1968. In addition, the Attorney General is required to report to the Congress, on or before June 30, 1968, the proceedings he has instituted, and the Board is required to report to the Congress, on or before June 30, 1968, on the progress it has made in conducting hearings during such period. If no proceedings have been instituted, the Attorney General is required to report the reasons therefor and, if no hearings have been conducted, the Board is required to report the reasons therefor. Similar reports are required to be filed by the Attorney General and by the Board on or before January 10 of each year, beginning in 1969, to cover the immediately preceding calendar year.

Mr. President, there were 7 or 8 points of difference between the House and the Senate. Most of them were of minor significance, such as the definition of a Communist front, and an amendment to section 10 adding a requirement for disclosure of Communist organizations using the mail or any facility of interstate commerce to solicit money or property. Still another is a provision against mooting of proceedings upon dissolution of Communist-action or front organizations subsequent to filing of the Attorney General's petition. Still another dealt with compulsory testimony and the production of evidence over fifth amendment claims on grant of immunity.

Actually, Mr. President, the one significant item is the one that is commonly known as the Proxmire-Mansfield-Dirksen amendment with respect to the existence of the Board. We preserved that, in substance, and we modified it slightly in this respect: As it was originally submitted in the Senate, it did not call for a report until at the end of a year. We thought that both the Attorney General and the Board should submit reports at the end of 6 months to show, in the case of the Attorney General, whether a provision or a procedure was filed, and, in the case of the Board, whether any hearings or other proceedings had been held, and then to assign the reasons why, if such were not the case; then to require at the end of a full calendar year, on December 31, 1969, a similar report. In effect, that will keep Congress fully informed, and Congress can exercise its supervisory control both with respect to the Attorney General and with respect to the Subversive Activities Control Board.

Now, there was one item of which we might have taken cognizance had we been in a position to do so. That was the recent case—in fact, a case handed down in the High Court this week—dealing with the employment of a Communist in a defense plant. The simple fact of the matter is that that item was not before the conference, since it did not appear within the four corners of the House bill or of the Senate bill. Therefore, the conferees obviously could not deal with it.

However, I have sought to deal with it already by taking the report that was made by the special Commission set up in the Eisenhower administration, of which the distinguished Senator from New Hampshire [Mr. COTTON] and the distinguished Senator from Mississippi [Mr. STENNIS] were both members. It was modified a little, and I submitted it together with a statement last night. But it would deal with matters of that kind and would do it, I believe, more inclusively and more effectively.

Mr. President, the managers for the Senate defended as vigorously as could be done the Senate version of section 12 of the act, commonly referred to as the Mansfield - Proxmire - Dirksen amendment. I doubt whether there is anything more that I need say about the conference report, except to urge its adoption.

Mr. PROXMIRE. Mr. President, with reference to the conference report on S. 2171, popularly known as the Subversive Activities Control Board bill:

Yesterday, the House accepted this conference report by a vote of 276 to 114. Much of the debate on this matter in the House yesterday centered on the so-called Mansfield-Dirksen-Proxmire amendment and the modification of this provision by the conference committee.

I opposed the original proposal, S. 2171, for a number of reasons, which I stated in detail during the floor debate on the bill.

S. 2171 was introduced on July 27 of this year by the distinguished minority leader [Mr. DIRKSEN], 6 days after I introduced S. 2146 to abolish the SACB and 6 days after Gerry Landauer's outstanding article in the Wall Street Journal revealed that the Subversive Activities Control Board had not conducted a single hearing in well over a year.

S. 2171 was reported favorably from the Judiciary Committee less than 3 weeks later, on August 15, after no hearings, no executive reports, and not a single sentence from the Attorney General, who has the exclusive responsibility for initiating all proceedings under the bill.

After more than a full week of debate in the Senate, S. 2171 was passed on October 23, but only after adopting the Mansfield-Dirksen-Proxmire amendment by the overwhelming vote of 74 to 2.

The amendment provided what many Senators expected would be the ultimate death warrant for the Board, which had cost the American taxpayers over $5 million over the past 17 years and had failed to register a single Communist in its vapid history.

In the Mansfield-Dirksen-Proxmire amendment, it is provided:

> The Board shall cease to exist on June 30, 1969, unless in the period beginning on the date of enactment of this subsection and ending on December 31, 1968, proceedings under this Act shall have been instituted before the Board and hearings under this Act shall have been conducted by the Board. On January 1, 1969, the Attorney General shall determine whether such proceedings have been so instituted and such hearings have been so conducted within that period. The determination so made by the Attorney General shall be published in the Federal Register on or before January 10, 1969.

That was the amendment as it passed the Senate.

I was delighted to cosponsor this amendment with my distinguished and able majority leader [Mr. MANSFIELD], and the distinguished minority leader, because of my firm belief that the outstanding Attorney General of the United States, the Honorable Ramsey Clark, would not be a party to any sham proceedings before the SACB, and that in January of 1969 his determination would result in the abolition of this do-nothing, mischievious Board.

The House-passed version of S. 2171 contained no provision comparable to the Mansfield-Dirksen-Proxmire amendment, and to consider this and other differences between the two bills, the Senate asked for a conference with the House.

What came out of the conference and is now before the Senate in a different Mansfield-Dirksen-Proxmire amendment.

The Mansfield - Dirksen - Proxmire amendment insisted upon "proceedings" and "hearings"—both plural—because, as the majority leader said so incisively on October 19 in explaining why he had changed the language of the amendment from "one or more proceedings" and "one or more hearings" to "proceedings" and "hearings":

> Those words were struck out because I, at least, felt that if it were a matter of a single hearing or a single proceeding, that would be insufficient and therefore those terms in their plural context should be used.
>
> I wanted to explain that to indicate that we are trying to make this as tight and as reasonable as possible.

This was the amendment which was subsequently adopted by the overwhelming vote of 74 to 2.

Unfortunately, the Mansfield-Dirksen-Proxmire amendment did not survive the conference intact. The plural "proceedings" and "hearings," which the majority leader emphasized when he introduced the amendment, have been changed to "a proceeding" and "a hearing."

In addition, the Attorney General will not have the authority to make the final determination at the end of next year as to whether the Board shall be abolished. Instead, if a single proceeding is instituted and a single hearing is held, the Board will be rewarded with that most elusive of human conditions, perpetual life. This prospect is not one which inspires great personal comfort.

But before the Senate acts on this conference report, I want to point out to my colleagues two relevant decisions of the Supreme Court, handed down just this week.

Section 5(a)(1)(D) provides:

> When there is in effect a final order of the Board determining any organization to be a Communist-action organization or a Communist-front organization, it shall be unlawful for any member of such organization with the knowledge or notice of such final order of the Board, if such organization is a Communist-action organization, to engage in any employment in any defense facility.

Mr. President, this past Monday, just 3 days ago, the Supreme Court, by a 6-to-2 vote, in Robel against United States, invalidated this entire provision of the act. I do not believe that in my 10 years in the Senate, I have ever witnessed such legislative folly: The Senate is about to give its seal of approval to a bill, an integral section of which was declared unconstitutional. Every Senator should know, must know what he is voting on today. He is voting for an unconstitutional proposal when he votes for the conference report on S. 2171.

The second Court decision, also handed down Monday, remanded the matter of the W. E. DuBois case back to the Subversive Activities Control Board.

Therefore, technically the Board, when it bestirs itself from its 2-year lethargy and reopens proceedings on the DuBois Club, will fulfill, at least technically, the requirement for "a hearing" as provided in the conference report. But I want to point out that the proceeding in the DuBois Club matter was instituted in 1966 by the then-Attorney General Nicholas Katzenbach. Therefore, while the DuBois Club case may meet the requirement for "a hearing," it will fail totally to meet the requirement for the instituting of a proceeding since it was instituted in 1966, and the bill, as agreed upon by the House and the Senate, requires a proceeding in 1968.

By the provisions of the conference report and by the interpretation of the counsel for the House Un-American Activities Committee, a new and separate proceeding must be instituted by the Attorney General before the Board some time between now and December 31, 1968, or the Board will go out of business.

For the sake of the American taxpayers and for all the American people I hope the Subversive Activities Control Board will go out of business on June 30, 1969.

I yield the floor.

Mr. DIRKSEN. Mr. President, with reference to the observation by my distinguished friend from Wisconsin relating to the DuBois case, the fact is that that case involved thousands of pages of testimony, and the very fact that the Supreme Court sustained the district court and said they had not exhausted their administrative remedies means that is definitely before the board, and that is a proceeding that can run on and on. Secondly, I know of no reason why you have to have two or more, or at least two proceedings, or two petitions. One is sufficient because it may be all-encompassing, and that is plenty.

With reference to the power of the Attorney General, the House made what I thought was a very valid point. They said, in effect, "What you are doing is giving to an executive officer the life-and-death power over an executive or administrative board," and that is just bad law.

Mr. President, I rather concurred in that view and that is the reason we made this modification. So the board is in business. I think I can assure the Senate and the country now that we will ride herd, not only on the board but on the Attorney General likewise, with respect to this entire matter because I look upon communism as a constant and eminent threat to the well-being of this country.

Mr. PROXMIRE. Mr. President, it is very important in interpreting the conference report that we have a clear understanding of what "instituting a proceeding" means.

The interpretation of the distinguished minority leader, as I understood him, was that if the board simply continues to act on the W. E. DuBois matter this will constitute not only a hearing, which it would, but a "proceeding" in the sense of the conference report. It is clear, however, that this is not the case. Such action would not, I repeat not, constitute the institution of a proceeding.

I read from the conference report which states:

> The substitute agreed to in conference contains a modified version of the Senate provisions. The conference substitute provides that the Board shall cease to exist on June 30, 1969, unless a proceeding has been instituted before the Board and a hearing shall have been conducted during the period beginning on the date of enactment of this legislation and ending on December 31, 1968.

Mr. President, as I have said there is apparently a dispute between the distinguished Senator from Illinois [Mr. DIRKSEN] and me, but I call attention to the opinion of the counsel for the House Un-American Activities Committee. I realize this is the opinion of the counsel for the House Un-American Activities Committee, but he has done a great deal of staff work on the matter. I recognize that he has no legislative force but we can recognize his competence in the area and his interpretation as counsel for the House Un-American Activities Committee.

It is the opinion of the counsel for the House Un-American Activities Committee that a new and separate proceeding must be instituted by the Attorney General before the Board sometime between now and December 31, 1968, and the fact that they will be hearing simply additional material on the W. E. DuBois case does not constitute the institution of a proceeding in the meaning of the conference report.

The PRESIDING OFFICER (Mr. GORE in the chair). The question is on agreeing to the conference report. [Putting the question.]

The "ayes" appear to have it.

The Chair is in doubt. Those in favor please stand. Senators who have been counted will be seated.

Those opposed, please stand.

The conference report is agreed to.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the calendar, beginning with Calendar No. 920.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will proceed to state the items on the calendar, beginning with Calendar No. 920.

STUDY OF REFUGEES AND ESCAPEES

The resolution (S. Res. 193) to provide additional funds to study any and all matters relating to the problems created by the flow of refugees and escapees was considered and agreed to as follows:

S. RES. 193

Resolved, That S. Res. 38, Ninetieth Congress, agreed to February 17, 1967 (authorizing the Committee on the Judiciary to study any and all matters relating to the problems created by the flow of refugees and escapees), is hereby amended on page 2, line 19, by striking out "$90,000" and inserting in lieu thereof "$105,400".

RIOTS, CIVIL AND CRIMINAL DISORDERS

The resolution (S. Res. 195) authorizing the printing for the use of the Committee on Government Operations of additional copies of its hearings entitled "Riots, Civil and Criminal Disorders," was considered and agreed to as follows:

S. RES. 195

Resolved, That there be printed for the use of the Committee on Government Operations one thousand additional copies of part I of the hearings before its Permanent Subcommittee on Investigations during the Ninetieth Congress, first session, entitled "Riots, Civil and Criminal Disorders".

LIMIT OF EXPENDITURES FOR HEARINGS BEFORE THE COMMITTEE ON ARMED SERVICES

The resolution (S. Res. 196) increasing the limit of expenditures for hearings before the Committee on Armed Services was considered and agreed to as follows:

Resolved, That the Committee on Armed Services hereby is authorized to expend from the contingent fund of the Senate, during the Ninetieth Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act, approved August 2, 1946.

AMENDMENT OF THE MARINE RESOURCES AND ENGINEERING DEVELOPMENT ACT

The bill (H.R. 13273) to amend the Marine Resources and Engineering Development Act of 1966, as amended, to extend the period of time within which the Commission on Marine Science, Engineering, and Resources is to submit its final report and to provide for a fixed expiration date for the National Council on Marine Resources and Engineering Development was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF THE PRESIDENTIAL INAUGURAL CEREMONIES ACT

The Senate proceeded to consider the bill (H.R. 827) to amend the Presidential Inaugural Ceremonies Act which had been reported from the Committee on the District of Columbia, with an amendment, strike out all after the enacting clause and insert:

That section 2 of the Presidential Inaugural Ceremonies Act (70 Stat. 1049; D.C. Code, sec. 1–1202), is amended to read as follows:

"SEC. 2. (a) For each inaugural period the District of Columbia Council is authorized and directed to make all reasonable regulations necessary to secure the preservation of public order and protection of life, health, and property; to make special regulations respecting the standing, movement, and operation of vehicles of whatever character or kind during such period; and to grant, under such conditions as it may impose, special licenses to peddlers and vendors for the privilege of selling goods, wares, and merchandise in such places in the District of Columbia, and to charge such fees for such privilege, as it may deem proper.

"(b) The Commissioner of the District of Columbia is authorized to issue, for both duly registered motor vehicles and unregistered motor vehicles made available for the use of the Inaugural Committee, special registration tags, valid for a period not exceeding ninety days, designed to celebrate the occasion of the inauguration of the President and Vice President."

SEC. 2. Section 3 of the Presidential Inaugural Ceremonies Act (D.C. Code, sec. 1–1203) is amended (a) by striking "travel expenses of enforcement personnel from other jurisdictions" and inserting in lieu thereof "travel expenses of enforcement personnel, including sanitarians, from other jurisdictions"; (b) by striking "policemen and firemen" and inserting in lieu thereof "policemen, firemen, and other municipal employees"; and (c) by striking the period at the end of such section and inserting in lieu thereof the following: "; and such sums as may be necessary, payable in like manner as other appropriations for the expenses of the Department of the Interior, to enable the Secretary of the Interior to provide meals for the members of the United States Park Police during the inaugural period.".

SEC. 3. Section 8 of the Presidential Inaugural Ceremonies Act is amended by deleting the term "Commissioners" and inserting in lieu thereof "District of Columbia Council".

SEC. 4. The Presidential Inaugural Ceremonies Act is amended by adding at the end thereof the following new section:

"SEC. 10. Wherever the term 'Commissioners' is used in this Act, such term shall be deemed to refer to the Commissioner of the District of Columbia."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

DISTRICT OF COLUMBIA AIR POLLUTION CONTROL ACT OF 1967

The Senate proceeded to consider the bill (S. 1941) to prevent, abate, and control air pollution in the District of Columbia, and for other purposes which had been reported from the Committee on the District of Columbia, with an amendment, strike out all after the enacting clause and insert:

That this Act may be cited as the "District of Columbia Air Pollution Control Act of 1967".

STATEMENT OF POLICY

SEC. 2. It is declared to be the policy of Congress to maintain that degree of purity of the air resources of the District of Columbia which will protect public health, general welfare, and property.

DEFINITIONS

SEC. 3. For purposes of this Act:

(1) The term "air pollution" shall mean the presence in the outdoor atmosphere of substances in quantities, having characteristics and being of a duration which, from any single source or in combination with other sources, are, or may be predicted with reasonable certainty, to be injurious to human, plant, or animal life or property, or which unreasonably interfere with the proper enjoyment of the property of others by reason of the emission of odors, solids, vapors, liquids, or gases;

(2) The term "Commissioner" shall mean the Commissioner of the District of Columbia appointed pursuant to Part III of Reorganization Plan Numbered 3 of 1967;

(3) The term "Board" shall mean the Air Pollution Control Board of the District of Columbia;

(4) The term "Advisory Council" shall mean the Air Pollution Control Advisory Council of the District of Columbia;

(5) The term "person" shall mean any individual, group of individuals, firm, partnership, voluntary association or private, public, or municipal corporation, responsible for the use of property; and

(6) The term "emergency" shall mean a sudden condition of such public gravity and exigency as to require immediate action, or a condition which is predicted with reasonable certainty to require immediate action, to carry out the purposes of this Act.

AIR POLLUTION CONTROL BOARD

SEC. 4. There is hereby created an Air Pollution Control Board of the District of Columbia. The Board shall consist of three persons, appointed by the Commissioner of the District of Columbia. Of the three persons first appointed as members of the Board, one shall be appointed for two years, one for three years, and one for four years, and thereafter all appointments shall be for the term of four years. Two of the members in office shall constitute a quorum for the transaction of the business of the Board. Vacancies caused by death, resignation, or otherwise shall be filled by the Commissioner only for the unexpired terms. Members shall be eligible for reappointment. The Commissioner shall designate one of the members of the Board to be Chairman thereof. The positions of members of the Board shall be classified and the compensation fixed in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates. The Board is authorized to appoint such personnel as, in its judgment, shall be required to carry out its functions. Such appointments shall be in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates. The Board shall be the official air pollution control agency for the District of Columbia for purposes of the Clean Air Act.

AIR POLLUTION CONTROL ADVISORY COUNCIL

SEC. 5. (a) There is hereby created an Air Pollution Control Advisory Council of the District of Columbia. The Advisory Council shall consist of seven members, who shall be appointed by the Commissioner of the District of Columbia for a term of four years, except that with respect to the first appointments made after this Act becomes effective, two members shall be appointed for two-year terms, two members shall be appointed for three-year terms, and three members shall be appointed for four-year terms. Four of the members in office shall constitute a quorum for the transaction of the business of the Advisory Council. Vacancies caused by death, resignation, or otherwise shall be filled by the Commissioner only for the unexpired terms. Members shall be eligible for reappointment. The Commissioner shall designate one of the members of the Advisory Council to be Chairman thereof. Members shall be chosen to reflect a range of experience in matters of air pollution control, including such fields as engineering, health, and manufacturing and commercial activities.

(b) Members of the Advisory Council, including those who may be officers or employees of the Federal or District of Columbia governments, shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

(c) The Advisory Council shall consider rules, regulations, standards, and emission control requirements as provided in section 13 of this Act, and any other matters related to the purposes of this Act. The Advisory Council may make recommendations on its own initiative to the Board concerning the administration of this Act.

POWERS OF THE POLLUTION CONTROL BOARD

SEC. 6. The Air Pollution Control Board shall have power to:

(1) Establish and enforce ambient air quality standards for the District of Columbia, and emission control requirements such as, in its judgment, may be necessary to prevent, abate, or control air pollution.

(2) Issue such orders as may be necessary to effectuate the purposes of this Act.

(3) Adopt, amend, and rescind rules and regulations implementing this Act.

(4) Hold hearings relating to any aspect of or matter in the administration of this Act, and in connection therewith, compel the attendance of witnesses and the production of evidence.

(5) Require access to records relating to emissions which may cause or contribute to air contamination.

(6) Encourage and conduct studies, investigations, and research relating to air contamination and air pollution and their causes, effects, prevention, abatement, and control.

(7) Secure necessary scientific, technical, administrative, and operational services, including laboratory facilities, by contract or otherwise.

(8) Consult, upon request, with any person proposing to construct, install, or otherwise acquire an air contaminant source or device or system for the control thereof, concerning the efficacy of such device or system, or the air pollution problem which may be related to the source, device, or system. Nothing in any such consultation shall be construed to relieve any person from compliance with this Act, or any other provision of law.

(9) Advise, consult, contract, and cooperate with other agencies of the District government, other local governmental units, States, industries, interstate, or interlocal agencies, the Federal Government, and with interested persons or groups.

(10) Accept, receive, and administer grants or other funds or gifts from public or private agencies, including the Federal Government, for the purposes of carrying out this Act.

CLASSIFICATION AND REPORTING

SEC. 7. (a) The Air Pollution Control Board, by rule or regulation, may classify air contaminant sources, which in its judgment may cause or contribute to air pollution, according to levels and types of emissions and other characteristics which relate to air pollution, and may require reporting for any such class or classes. Classifications shall be made with special reference to effects on health, economic, and social factors, and physical effects on property.

(b) Any person operating or responsible for the operation of air contaminant sources of any class for which the rules and regulations of the Board require reporting shall make reports containing information as may be required by the Board concerning location, size, and height of contaminant outlets, processes employed, fuels used, and the nature and time periods or duration of emissions, and such other information as is relevant to air pollution and available or reasonably capable of being assembled.

ADDITIONAL CONTAMINANT CONTROL MEASURES

SEC. 8. (a) The Air Pollution Control Board may require that notice be given to it prior to the undertaking of the construction, installation, or establishment of particular types or classes of new air contaminant sources specified in its rules and regulations. Within fifteen days of its receipt of such notice, the Board may require, as a condition precedent to the construction, installation, or establishment of the air contaminant source or sources covered thereby, the submission of plans, specifications, and such other information as it deems necessary in order to determine whether the proposed construction, installation, or establishment will be in accord with applicable rules and regulations in force pursuant to this Act. If within thirty days of the receipt of plans, specifications, or other information required pursuant to this section the Board determines that the proposed construction, installation, or establishment will not be in accord with the requirements of this Act or applicable rules and regulations, it shall issue an order prohibiting the construction, installation, or establishment of the air contaminant source or sources. Failure of such an order to issue within the time prescribed herein shall be deemed a determination that the construction, installation, or establishment may proceed: *Provided*, That it is in accordance with the plans, specifications, or other information, if any, required to be submitted.

(b) In addition to any other remedies available on account of the issuance of an order prohibiting construction, installation, or establishment, and prior to invoking any such remedies, the person or persons aggrieved thereby shall, upon request in accordance with rules of the Board, be entitled to a hearing on the order. Following such hearing, the order may be affirmed, modified, or withdrawn.

(c) For the purposes of this Act, addition to or enlargement or replacement of an air contaminant source, or any major alteration therein, shall be construed as construction, installation, or establishment of a new air contaminant source.

(d) Any features, machines, and devices constituting parts of or called for by plans, specifications, or other information submitted pursuant to subsection (a) hereof shall be maintained in good working order.

(e) Nothing in this section shall be construed to authorize the Board to require the use of machinery, devices, or equipment from a particular supplier or produced by a particular manufacturer, if the required performance standards may be met by machinery, devices, or equipment otherwise available.

(f) The absence or failure to issue a rule, regulation, or order pursuant to this section shall not relieve any person from compliance with any emission control requirements or with any other provision of law.

(g) The Board by rule or regulation may prescribe and provide for the payment and collection of reasonable fees for the review of plans and specifications required to be submitted pursuant to this section. All fees shall be paid into the general revenue fund of the District of Columbia.

VARIANCES

SEC. 9. (a) Any person who owns or is in control of any plant, building, structure, process, or equipment may apply to the Board for a variance from rules, regulations, standards, or emission control requirements. The Board may grant such variance if it finds that—

(1) the emissions occurring or proposed to occur do not endanger or tend to endanger human health or safety; and

(2) compliance with the rules, regulations, standards, or emission control requirements from which variance is sought would produce serious hardship without equal or greater benefits to the public.

(b) No variance shall be granted pursuant to this section except after public hearing on due notice and until the Board has considered the relative interests of the applicant, other owners of property likely to be affected by the discharges, and the general public.

(c) Any variance or renewal thereof shall be granted within the requirements of subsection (a) and for time periods and under conditions consistent with the reasons therefor, and within the following limitations:

(1) If the variance is granted on the ground that there is no practicable means known or available for the adequate prevention, abatement, or control of the air pollution involved, it shall be only until the necessary means for prevention, abatement, or control become known and available, and subject to the taking of any substitute or alternate measures that the Board may prescribe.

(2) If the variance is granted on the ground that compliance with the particular requirement or requirements from which variance is sought will necessitate the taking of measures which, because of their extent or cost, must be spread over a considerable period of time, it shall be for a period not to exceed such reasonable time as, in the view of the Board, is requisite for the taking of the necessary measures. A variance granted on the ground specified herein shall contain a timetable for the taking of action in an expeditious manner and shall be conditional on adherence to such timetable.

(3) If the variance is granted on the ground that it is justified to relieve or prevent hardship of a kind other than that provided for in items 1 and 2 of this subparagraph, it shall be for not more than one year.

(d) Any variance granted pursuant to this section may be renewed on terms and conditions and for periods which would be appropriate on initial granting of a variance. If complaint is made to the Board on account of the variance, no renewal thereof shall be granted, unless following public hearing on the complaint on due notice, the Board finds that renewal is justified. No renewal shall be granted except on application therefor. Any such application shall be made at least sixty days prior to the expiration of the variance. Immediately upon receipt of an application for renewal the Board shall give public notice of such application in accordance with rules and regulations of the Board.

(e) Any person adversely affected by a variance or renewal granted by the Board may obtain judicial review thereof by a proceeding in the District of Columbia Court of Appeals, as provided for by subsection (c) of section 12 of this Act.

(f) Nothing in this section and no variance or renewal granted pursuant hereto shall be construed to prevent or limit the application of the emergency provisions and procedures of section 12 of this Act to any person or his property.

INSPECTIONS

SEC. 10. If any duly authorized employee of the government of the District of Columbia shall have cause to suspect that an air contaminant source is located or is being constructed, installed, or established in or on any property, premise, or place, he may make application, under oath, to any judge of the District of Columbia Court of General Sessions, and shall thereupon be entitled to a warrant to enter such property, premise, or place at such time as the judge deems reasonable under the circumstances for the purpose of ascertaining the state of compliance with this Act and rules and regulations in force pursuant thereto. If requested, the owner or operator of the premises shall receive a report setting forth all facts found which relate to compliance status.

ENFORCEMENT

SEC. 11. (a) Whenever the Air Pollution Control Board has reason to believe that a violation of any provision of this Act or rule or regulation pursuant thereto has occurred, it may cause written notice to be served upon the alleged violator or violators. The notice shall specify the provision of this Act or rule or regulation alleged to be violated, and the facts alleged to constitute a violation thereof, and may include an order that necessary corrective action be taken within a reasonable time. Any such order shall become final unless, no later than ten days after the date the notice and order are served, the person or persons named therein request in writing a hearing before the Board. Upon such request, the order complained of shall be stayed pending the Air Pollution Control Board's final determination thereon, and the Board shall grant the request for a hearing and set a time and place therefor. In lieu of an order, the Board may require that the alleged violator or violators appear before the Board for a hearing at a time and place specified in the notice and answer the charges complained of.

(b) If, after a hearing held pursuant to subsection (a) of this section, the Board finds that a violation or violations have occurred, it shall affirm or modify its order previously issued, or issue an appropriate order or orders for the prevention, abatement, or control of the emissions involved or for the taking of such other corrective action as may be appropriate. If, after hearing on an order contained in a notice, the Board finds that no violation has occurred or is occurring, it shall rescind the order. Any order issued as part of a notice or after hearing may prescribe the date or dates by which the violation or violations shall cease and may prescribe timetables for necessary action in preventing, abating, or controlling the emissions.

(c) Nothing in this Act shall prevent the Board from making efforts to obtain voluntary compliance through warning, conference, or any other appropriate means.

(d) In connection with any hearing held pursuant to this section, the Board shall have power and upon application by any party it shall have the duty to compel the attendance of witnesses and the production of evidence on behalf of all parties.

EMERGENCY PROCEDURE

SEC. 12. (a) Notwithstanding any other provision of law, if the Air Pollution Control Board finds that a generalized condition of air pollution exists and that it creates an emergency requiring immediate action to protect human health or safety, the Board, with the concurrence of the Commissioner of the District of Columbia, may order persons causing or contributing to the air pollution to reduce or discontinue immediately the emission of air contaminants.

(b) In the absence of a generalized condition of air pollution of the type referred to in subsection (a), but if the Board finds that emissions from the operation of one or more air contaminant sources is causing imminent danger to human health or safety, it may order the person or persons responsible for the operation or operations in question to reduce or discontinue emissions immediately, without regard to the provisions of section 11 of this Act.

(c) If such person or persons, notwithstanding an order issued pursuant to subsection (a) or (b) of this section, continue the discharge of such contaminants into the atmosphere, the Board is authorized to apply through the Corporation Counsel of the District of Columbia or any of his assistants to the United States District Court for the District of Columbia for a temporary restraining order, preliminary injunction, or permanent injunction. Such action in the district court shall be given precedence over all other matters pending in the court. The institution of such proceedings by the Board shall confer upon such court exclusive jurisdiction to determine finally the subject matter of the proceeding.

(d) Whenever any person or persons are adversely affected by an order issued pursuant to subsection (a) or (b) of this section, such person or persons may apply to the United States District Court for the District of Columbia for a temporary restraining order, preliminary injunction, or permanent injunction. Such action in the district court shall be given precedence over all other matters pending in the court. The institution of such proceedings shall confer upon the court exclusive jurisdiction to determine finally the subject matter of the proceeding.

HEARING AND JUDICIAL REVIEW

SEC. 13. (a) No rule, regulation, standard, or emission control requirement and no amendment or rescinding thereof shall take effect except after public hearing on due notice, and the Advisory Council has been afforded not less than thirty days, prior to publication of the proposed text, to comment thereon.

(b) Nothing in this section shall be construed to require a hearing prior to the issuance of an emergency order pursuant to section 12 of this Act.

(c) Section 11-742(a) of the District of Columbia Code is amended—

(1) by striking out the word "and" immediately following the semicolon in clause (9);

(2) by striking from the end of clause (10) the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new clause:

"(11) orders of the Air Pollution Control Board under the provisions of the District of Columbia Air Pollution Control Act of 1967.".

(d) All testimony taken at hearings before the Air Pollution Control Board, whether for the purpose of establishing rules and regulations or setting standards or emission control requirements, determining violations of this Act, or for any other purpose, shall be under oath or affirmation. A full and complete record of all proceedings and testimony presented at any such hearing shall be taken and filed. The Board shall furnish, upon payment of any fees prescribed by the Board, a certified transcript of the whole or any part of the record to any party in such hearing requesting such transcript.

CONFIDENTIALITY OF RECORDS

SEC. 14. Any records or other information furnished to or obtained by the Air Pollution Control Board concerning one or more air contaminant sources, which records or information, as certified by the owner or operator, relate to production or sales figures or to processes or production unique to the owner or operator or which would tend to affect adversely the competitive position of such owner or operator, shall be only for the confidential use of the Board in the administration of this Act, unless such owner or operator shall expressly agree to their publication or availability to the general public. Nothing herein shall be construed to prevent the use of such records or information by the Board in compiling or publishing analyses or summaries relating to the general condition of the outdoor atmosphere; except that such analyses or summaries do not identify any owner or operator or reveal any information otherwise confidential under this section.

MOTOR VEHICLE POLLUTION

SEC. 15. (a) As the state of knowledge and technology relating to the control of emissions from motor vehicles may permit or make appropriate, and in furtherance of the purposes of this Act, the Air Pollution Control Board may provide by rules and regulations for the control of emissions from motor vehicles. Such rules and regulations may prescribe requirements for the installation and use of equipment designed to reduce or eliminate emissions and for the proper maintenance of such equipment and of vehicles: *Provided*, That any rules or regulations pursuant to this section shall be applicable to emissions from new motor vehicles or new motor vehicle engines, as such terms are defined in title II of the Clean Air Act, only insofar as such application is not prohibited by Federal law: *And provided further*, That if such application is not prohibited, such rules and regulations shall be identical to rules and regulations applicable to emissions from new motor vehicles and new motor vehicle engines promulgated pursuant to any law of the United States not applicable exclusively to the District of Columbia.

(b) No person shall fail to maintain in good working order or remove, dismantle, or otherwise cause to be inoperative any equipment or feature constituting an operational element of the air pollution control system or mechanism of a motor vehicle and required by rules or regulations of the Board or required under title II of the Clean Air Act to be maintained in or on the vehicle. Any such failure to maintain in good working order or removal, dismantling, or causing of inoperability shall subject the owner or operator to suspension or cancellation of the registration for the vehicle by the District of Columbia Department of Motor Vehicles. The vehicle shall not thereafter be eligible for registration until all parts and equipment constituting operational elements of the motor vehicle have been restored, replaced, or repaired and are in good working order.

(c) The Board shall consult with the District of Columbia Department of Motor Vehicles and furnish it with technical information, incuding testing techniques, standards, and instructions for emission control features and equipment.

(d) When the Board has issued rules and regulations requiring the maintenance of features or equipment in or on motor vehicles for the purpose of controlling emissions therefrom, no motor vehicle shall be issued an inspection sticker as required pursuant to the Act of February 18, 1938 (52 Stat. 78), as amended (D.C. Code, secs. 40-201—207), unless all such required features or equipment have been inspected in accordance with the standards, testing techniques, and instructions furnished by the Board pursuant to subsection (b) hereof and has been found to meet those standards.

(e) The remedies and penalties provided in this section shall apply to violations hereof, and no provision of section 16 of this Act shall thereto.

(f) As used in this section "motor vehicle" shall have the same meaning as in section 1(a) of the Act of August 17, 1937 (50 Stat. 679; D.C. Code, sec. 40-101(a)).

PENALTIES

Sec. 16. (a) Any person who violates any provision of this Act, or any rule or regulation in force pursuant thereto, other than sections 14 and 15, shall, upon conviction thereof, be punished by a fine of not more than $1,000 per day for each day he fails to comply with any such provision, rule, or regulation.

(b) Any person who willfully violates section 14 of this Act shall be guilty of an offense and subject on account thereof to a fine of not to exceed $1,000.

(c) Action pursuant to subsection (a) or (b) of this section shall not be a bar to enforcement of this Act, rules and regulations in force pursuant thereto, and orders made pursuant to this Act by injunction or other appropriate remedy. Upon request of the Board, the Corporation Counsel of the District of Columbia or any of his assistants shall institute and maintain in the name of the District of Columbia any and all such enforcement proceedings. An appeal of any final order or determination of the Board shall not prohibit the Board through the Corporation Counsel from seeking a temporary restraining order, preliminary injunction, or a permanent injunction during the pendency of any such appeal.

(d) Nothing in this Act shall be construed to abridge, limit, impair, create, enlarge, or otherwise affect substantively or procedurally the right of any person to damages or other relief on account of injury to persons or property and to maintain any action or other appropriate proceeding therefor.

REPORTS

Sec. 17. On or before January 31 of each year, the Air Pollution Control Board and the Air Pollution Control Advisory Council shall each file a written report with the Congress on the effectiveness of the provisions of this Act in carrying out the legislative intent as declared in section 2 of this Act. Such reports shall include any recommendations which such Board or Council may have with respect to additional legislation that may be necessary or desirable with respect to the prevention, abatement, or control of air pollution in the District of Columbia.

REPEALER

Sec. 18. The Act of August 15, 1935 (49 Stat. 653), as amended (D.C. Code secs. 6-801—804), is hereby repealed as of the effective date of this Act.

EFFECTIVE DATE

Sec. 19. This Act shall become effective ninety days after the date of its enactment.

Mr. DOMINICK. Mr. President, I speak today in support of S. 1941, the District of Columbia Air Pollution Control Act of 1967.

Dirty air, odorous substances of a nuisance nature, and air contaminants which present a real risk to health are on the increase in our Federal City. Dangerous concentrations of pollutants are not far away.

The local power-generating industry discharges over 26 tons of ash and 143,000 tons of flue gas with a variety of pollutants into the air we breathe daily.

Some 30 to 35 tons of material is deposited in the air each day from jets departing from National Airport.

Kenilworth dump, that monument to Dark Ages waste disposal, contributes about 20 tons of pollutants to the atmosphere every day. Fortunately, it is destined to be closed January 1, 1968, and be converted to a sanitary landfill operation.

The stinking mess added to our air by motor vehicles, particularly buses, is a source of continuing frustration. With some 4,000 automobiles per square mile, the Nation's Capital has the highest density of cars of any city in the United States. Clearly, motor vehicle pollution in Washington, D.C., is not a problem with which we can deal lightly.

From whatever source, air pollution must be recognized for the serious problem that it is in the District of Columbia.

We now have a smoke control law, one that was designed to meet the needs of the city in 1935.

The committee bill would repeal the smoke control law and replace it with an effective and up-to-date system for attacking air pollution.

We have not attempted to establish quality standards for air. It is far better that we set up an Air Pollution Control Board and an Air Pollution Control Advisory Council with definitive powers, duties, and procedures to enter this arena with some degree of expertise for the purpose of establishing and enforcing air quality standards and emission control requirements.

The bill we have reported to the Senate has been altered substantially from the form in which it was introduced. It has been dissected and evaluated section by section, sentence by sentence. It has received exceptional consideration due in part to the fact that more amendments were suggested to S. 1941 than for any other bill reaching executive markup by the subcommittee this session.

The end product is, I believe, a necessary piece of legislation which I support.

I wish, however, to make some brief legislative history as to four of the amendments which I proposed and which are embodied in the reported bill.

The emergency procedure of the original bill troubled me greatly and proved to be a most difficult subject. Under the bill as introduced, the Board, with the concurrence of the Commissioner, could shut down an alleged polluter for up to 24 hours without a hearing. Actually an innocent, but alleged, polluter might bear the brunt of such an order for up to 48 hours since the Board was not required to rule on the results of its hearing until the expiration of another 24 hours.

I want to make it clear that I am convinced an effective emergency procedure is essential. The original language of the bill, however, circumvented long-standing court procedures which contain safeguards for hearings and offer speedy injunctive relief.

My amendment dropped the 24 to 48 hour procedure and authorizes the Board, through the Corporation Counsel, to go immediately into U.S. district court for a temporary restraining order or other injunctives relief. Similarly, any defendant adversely affected by a Board order is authorized to seek immediate injunctive relief in court. This has the advantage of giving both parties a swift remedy through tested and well known procedures under judicial supervision.

S. 1941, as introduced, did not require public hearings on air pollution control standards and emission control requirements prior to their adoption. Such a requirement is of prime importance and my amendment requiring public hearings was adopted and is contained in the reported bill.

Along the same vein, I felt hearings before the Board should be recorded. Specific provision is now made in the bill requiring a full and complete record of all proceedings and testimony at hearings.

The fourth amendment which I would like to call to the attention of the Senate is that requiring annual written reports to the Congress from the Air Pollution Control Board and the Air Pollution Control Advisory Council. Such reports should be of assistance to us in evaluating on a current basis the effectiveness of the new Air Pollution Act.

Mr. President, the bill reported by the committee is a workable piece of legislation.

I am confident that, if enacted in this form, it will enable the District to move forward in implementing the Clean Air Act of 1967, and I am hopeful it will get prompt approval by the House early next year.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. TYDINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

SOCIAL SECURITY AMENDMENTS OF 1967—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children and for other purposes.

Mr. TYDINGS. Mr. President, a number of the provisions of the social security bill which is now before us are, in my judgment, most unwise. I want today to discuss several of these provisions which, I believe, must be changed. Let me discuss, first of all, the provision regarding mandatory work requirements for mothers, even though they are caring on a fulltime basis for their children. The provision was adopted ostensibly as a way to save welfare funds. But, in the long run, I believe this provision will cost us much more—in financial and human terms—then it can possibly save. The reason this will occur is because the children of mothers forced to work must be cared for in some manner. The present legislation envisions that this care will take place in federally supported day-care centers.

While I firmly support the principle that day-care centers should be established, so that low-income mothers can go to work confident that their children are properly cared for. I believe that it is inappropriate to force children into these day-care centers.

The provision regarding mandatory placement of children in day-care centers while their mothers work or obtain job training would be admirable if it were done on a voluntary basis. But as a mandatory program, it is both unnecessarily punitive and wholly impractical.

The provision is impractical because we cannot wave a magic wand and produce the quantity of buildings or equipment or trained personnel to establish acceptable day-care centers to handle anywhere near all of the children now receiving welfare payments. The provision is unwise and unnecessarily punitive because, by requiring States to establish day-care centers for all welfare children we will almost inevitably prompt creation of places where children are stored rather than cared for. We will punish the parent by depriving the children of adequate care, and in the end all society will be the losers.

According to statistics compiled by the National Committee for Day Care of Children, there are presently accommodations for about 400,000 children in day-care centers throughout the United States. This figure refers only to facilities licensed by States generally certifying conformance with minimum health standards, and does not necessarily mean that the staff of such centers is trained to handle children or that the center has adequate facilities for play or training. There are presently more than 1¼ million children under school attendance age now receiving public welfare. Thus simply to accommodate these children, existing day-care facilities must be increased threefold.

I believe that an increase in the number of and improvement in the quality of day-care facilities in this country is long overdue. But we must not fool ourselves into believing that establishment of adequate centers is an inexpensive proposition—a cheap way to save welfare funds. The National Committee for Day Care of Children—experts in this matter—estimate that minimum annual cost of adequate day care is $1,200 to $1,500 per child. This is the range of annual cost per child in the children's development centers run by the OEO Headstart program. Using the lowest figure, of $1,200 per child, we are talking about $1.5 billion each year for the 1¼ million pre-school-age children now on welfare.

These cost estimates are not exaggerated or extravagant. Children—particularly preschool children—need considerable attention, guidance, and affectionate relations with adults. This means that trained staff is needed, not to mention facilities, equipment, food for the children, and so forth. We cannot take children from their mothers and place them—with 30, 40, or 50 other children—into bare prison-like rooms where they are warehoused, like so many cardboard boxes, all day while their mothers work in order to remain on the welfare rolls.

If we do this to children in their crucial formative years, we must expect them to grow with serious and irreversible antisocial personality blights. We must expect the gravest kind of social delinquency to result as these children grow to adults. This will happen if we store children in "bargain basement" warehouses deceptively labeled as "day-care centers."

H.R. 12080 offers no assurance that this will not happen and, because this is a mandatory program, I think the bill virtually assures that in many States this will happen. The bill sets no standards of care—no teacher-child ratio, no minimum qualifications for those caring for the children, no minimum expenditures for play equipment or teaching materials—which must be met in these day-care centers.

The bill simply requires States to establish something called day-care centers. In fact, many States do not now even require licensing and inspection of day-care centers, and many of those which do prescribe only minimal sanitation standards not care or staff qualification standards. How many States will be willing to spend even the 15 to 25 percent matching funds required for establishing anything but "bargain basements" to warehouse children while their mothers work.

Imagine the cruel dilemma this situation would create for a mother on welfare. Should she abandon her children for 8 to 10 hours each day to a cheerless child warehouse, where incalculable harm will almost certainly be done to their growth, or should she give up the welfare payments which are essential for her to feed and clothe her children? We may save some welfare funds by forcing a mother to leave her children in a "warehouse" and work during the day. But in a few short years, society will pay a vastly greater price when the results of this deprivation—in antisocial and criminal conduct—come home to roost.

I believe this dilemma can be avoided, and our system of public welfare immeasurably strengthened by changing this program from mandatory to voluntary, so that mothers can choose whether they will work outside their homes during the day and leave their children at day-care centers. In addition, we must specify minimum standards of facility quality and child care which State day-care centers must meet to be eligible for Federal assistance.

If we adopted this noncoercive approach I think a surprisingly large number of mothers on welfare would voluntarily participate. At present we have too few adequate day-care centers to test my supposition. And the present rule which deducts 100 percent of earnings from welfare payments is a strong incentive against work. But, with great wisdom, H.R. 12080 abandons this 100-percent tax on earnings. And if the bill would also make possible the funding of new child day-care centers, for voluntary use, I believe that a large number of women will go into gainful employment, confident that their children are being well cared for while they work. But in many other cases, a mother's most important place is in the home attending to the needs of her children. This too is work which is vitally important to the health of our society, and this basic fact is overlooked by any mandatory requirement that a mother leave home and work during the day.

Just this summer, with Mayor McKeldin, I took a number of walking tours in the center city of Baltimore, trying to learn of the complaints and listen to the problems of the least affluent of my constituency. I learned that mothers wanted day-care centers where they could leave their children.

I am satisfied that when the facilities for decent day-care centers are provided and made available, they will be utilized to 100 percent of their capacity. But the thing that concerns me about the provisions in the conference report on the social security bill is that we run too great a risk of not obtaining, under this bill, decent and adequate day-care facilities. We are going to have too many States willing to provide any type of barn, basement, or shack, and call them day-care facilities in order to receive additional Federal funds. That is what concerns me.

How many times have we heard Members of the Congress stand up and criticize the fact that the home today in America is not the bulwark of our society which it used to be? How many times have we heard Members of this body and the other House complain that we need more mothers staying home to take care of their children, so they can know what is happening to their children, and give them supervision and guidance? Yet this legislation is designed to force mothers away from children who desperately need supervision and guidance.

I would like to make an additional point. It is vitally important that we delete the provision in the conference version which freezes the number of children eligible for relief payments based on the January 1968 relief rolls. I believe this arbitrary cut-off is wholly unjustified, and will place an unjustifed burden on State and local taxes. In the city of Baltimore alone, I am informed that in the next year and one-half this provision of the social security bill will cost local taxpayers almost $4 million.

What is the city of Baltimore or the State of Maryland going to do with our dependent children if there are no funds to feed or clothe them? I sympathize with the goal that we must reduce welfare costs, but we cannot do it by ignoring the human costs of our actions, or by drawing an arbitrary line to deny benefits to some while others similarly situated receive funds.

I want at this time to note for the RECORD the leading citizens and groups in my State which oppose provisions in this conference report. They include the Governor of my State, and I shall read his telegram into the RECORD. He said:

> Tremendous hardships would be pressed upon Maryland should the proposed AFDC case load freeze stand. I urge your opposition to it and its ultimate deletion.
>
> SPIRO T. AGNEW.

The mayor of our largest city said:

> I urge you to work for Senate and House disapproval of that provision in the pending social security bill which would freeze Federal contributions to the AFDC welfare program. This provision, at the present rate of increase of our AFDC rolls, would cost the State of Maryland and the city of Baltimore, approximately 4 million dollars during the first year alone. This would work a great hardship and impose an unjust financial burden which we cannot afford to bear.
>
> THOMAS K. D'ALESANDRO III,
> *Mayor.*

I received similar telegrams and messages from—

Arthur S. Flemming, president, National Council of Churches.

John H. Mathis, chairman, committee on public affairs, Community Service Society of New York.

Cedric W. Tilberg, secretary, board of social ministry, Lutheran Church in America.

Manny M. Malman, president, board of directors of Levindale, Baltimore City.

Dr. Hyman S. Rubinstein, president, Maryland chapter, American Jewish Congress.

Mrs. Mae R. Gellman, president, Maryland Women's Division, American Jewish Congress.

Charles I. Schottland, president, National Association of Social Workers.

Ernest M. Kahn, chairman, public welfare committee, Maryland chapter, National Association of Social Workers.

Approximately 100 members of faculty and student body of University of Maryland School of Social Work.

Sidney Hollander, Baltimore, Md.

Tony T. Dechant, president, National Farmers Union.

Dr. Claude D. Hill, chairman, health and welfare committee of Baltimore City's mayor's task force for equal rights.

Richard Bateman, director, housing court clinic, Baltimore.

Mazie F. Rappaport, director, department of medical social work, Baltimore city hospitals.

The Reverend Henry J. Offer, director; Charles G. Tilden, chairman; Baltimore Archdiocesan Urban Commission.

Roy Wilkins, chairman, executive committee, Leadership Conference on Civil Rights.

Joseph H. Reid, executive director, Child Welfare League of America.

Robert I. Hiller, executive director, Associated Jewish Charities, Baltimore.

Dr. Eugene Byrd, national chairman, American Veterans Committee.

The Right Reverend Harry Lee Doll, Episcopal bishop of Maryland.

The Reverend Reinhart B. Gutmann, executive secretary, division of community service executive council, Episcopal Church—national.

Ernest H. Smith, Family and Childrens Society, Baltimore.

Jack L. Levin, past president, American Jewish Congress, Maryland chapter.

Harold E. Edelston, executive director, Health and Welfare Council, Baltimore area.

Walter P. Reuther, president, Industrial Union Department, AFL–CIO.

Donald C. Lee, president, Maryland Conference of Social Welfare.

George Meany, president, AFL–CIO.

Calmon J. Zamoiski, Jr., president, Jewish Welfare Fund of Baltimore.

Very Rev. Msgr. Lawrence J. Corcoran, secretary, National Conference of Catholic Charities.

Arthur M. Stevenson, Jr., president, National Presbyterian Health and Welfare Association.

I ask unanimous consent that certain telegrams and messages that I have received may be included in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. TYDINGS. Mr. President, I am also tremendously distressed that the action of the conferees is completely contradictory. On the one hand they say that we are not going to provide any Federal assistance for welfare for additional children who go on the rolls after July 1, 1968. The assumption of this provision appears to be that somehow or other, it is going to persuade welfare mothers from having children. But it will not have that effect. And unfortunately, it is the children who are going to go hungry under this provision.

Yet at the same time the conference report greatly reduces the funds which the Senate had earmarked for voluntary family planning services which would be available to poor mothers, so that they could voluntarily plan not to have more children which would force them onto the welfare rolls. I ask if that is not completely contradictory action by this conference committee.

The Committee on Finance, guided by its chairman, the Senator from Louisiana [Mr. LONG], approved three amendments to the social security bill which I offered. Those amendments dealt with family planning services.

The first amendment made it absolutely certain that family planning services provided with any Federal assistance would be wholly voluntary in nature, and that participation in family planning services could not be made a prerequisite for receipt of other services or assistance.

The second amendment, adopted by the Finance Committee, provided that for fiscal year 1969, in the budget of the Children's Bureau of the Department of Health, Education, and Welfare, $15 million would be earmarked for family planning services. The need for such earmarking was clearly established because of the past history of family planning programs in HEW, where funds were promised again and again but never allocated.

The third amendment increased the funds available and earmarked for family planning services after initial expenditures of $15 million in fiscal year 1969, to $46.5 million in fiscal 1970. In fiscal 1971, the sum would rise to $72 million, in fiscal 1972, to $77 million, and in fiscal 1973, to $82 million.

Under the conference version of the bill, the strong statutory assurances that family planning programs will be voluntary are retained, and money is earmarked in the Children's Bureau budget which can only be spent on family planning services. But the amount of money, Mr. President, has been hopelessly reduced. The conference version provides an initial expenditure of $15 million in fiscal 1969, but instead of rising to $82 million by fiscal 1973, expenditures, under the conference bill, would rise only to about $21 million.

This was a tragic error, Mr. President, that may have even more drastic repercussions, in the long run, than a decision to freeze welfare payments to children after July 1 of this year.

According to the estimates which we have made in subcommittee hearings, endorsed by the Department of Health, Education, and Welfare, there are presently 5 million women of child-bearing age who want but cannot afford family planning services. Senators know what areas those women live in. They live in the very poor poverty-stricken rural areas of our agricultural counties, and in the ghettos in the hearts of our great cities. These are the women, Mr. President, who want to be able to plan their families, to be responsible parents, who want voluntarily to enter into family planning programs, but who cannot afford family planning services.

To provide a woman with family planning services, Mr. President, costs approximately $20 a year, both for the provision of information, and for medical supervision and supplies. Thus, if we were really attacking the problem as we should, we would be allocating $100 million a year for this vital program.

With contributions from State and local governments and from private sources, and with the money earmarked by the Senate in the original program, we would have been able, in a relatively brief period of time, I believe, to reach a substantial portion of these women in need, who want to be responsible parents and plan their families. But, because of the reduction of the funds for family planning adopted by the conference, the job just will not be done. And time is running out, Mr. President. I believe that the conference action was a tragic mistake, and that it is vitally important that we launch, not merely a token program, but a program designed to meet the whole need.

It is now indisputably clear that a major factor among the costs of poverty is family size beyond that which the family desires or can afford. The importance of this factor was recognized by both the Senate and the House in establishing a family planning program as one of the special national emphasis programs conducted by OEO. That measure was only yesterday signed into law by the President. The problem is beginning to be recognized; but we must provide the funds to meet the problem, and unfortunately, the conference report fails to do so.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. TYDINGS. I am delighted to yield to the Senator from West Virginia.

Mr. BYRD of West Virginia. Mr. President, I wish to congratulate the Senator from Maryland on the position that he has taken in regard to the need for family planning funds.

The Senator from Maryland has sought to provide leadership for this field in Congress, and while I intend to vote for the conference report, and I do not know what the considerations were that guided the conferees in cutting back on this item—I do not attempt to be critical of them—I do wish to express my support of the Senator from Maryland in his efforts to emphasize and promote and properly fund family planning programs.

Here in the District of Columbia, Mr. President, over 8,000 of the 19,000 children in the ADC category are illegitimate children. This constitutes 42 percent of the children on the ADC caseload.

I was looking over the statistics a few days ago, and I found there a record of six women who have 60 illegitimate children, all on welfare—a half dozen women who have among them five dozen illegitimate children, all on welfare.

There was another group of 14 women with 126 illegitimate children, all on welfare.

Another group of 20 women have 160 illegitimate children, all on welfare.

Another group of 46 women have 322 illegitimate children, all on welfare.

Another group of 172 women have 860 illegitimate children, all on welfare.

Mr. President, the average family unit in the ADC category in Washington, D.C., has increased, over the past 8 or 10 years, from 3.2 children in each unit to 3.8 children in each unit. In some of the families, there are as many as seven different fathers. I cite these statistics concerning the District of Columbia to show the need for family planning among welfare recipients in the Nation's Capital.

Mr. President, the Senator from Maryland is talking about something that constitutes one of the most challenging and pressing as well as one of the most dangerous problems confronting the country, and I think the country is going to have to face up to it. This item has been swept under the rug too long, and the American people are not fully aware of this cancer that is eating at the vitals of our country.

As I watched television during the riots, I wondered how many of those hoodlums who were backing pickup trucks against store windows and carrying away cases of whisky and television sets, or sniping at policemen in the streets, or throwing bricks and bottles at firemen, or overturning automobiles and dragging the drivers from the automobiles, beating them, and burning their automobiles, came out of homes in which the child did not know the identity of its father and the mother could not have cared less.

We cannot blame the illegitimate children. They are not to blame. However, the society of this country is going to have to grapple with the problem and do something about it.

The Senator from Maryland is trying to do just that, and I support him in the matter.

Mr. TYDINGS. Mr. President, I should point out that perhaps the most illuminating study of the riots in Detroit which has been produced to date involved interviews of some 400 of those arrested during that riot. The report concluded that a substantial portion of those arrestees—as I recall, substantially more than 50 percent of the arrestees—were unwanted or illegitimate children.

I think that this tragic statistic will be revealed time and time again in the next decade or two until we provide the same opportunity to plan a family to those who are less fortunate in our rural and city areas as those people have who are more affluent in our society.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield further?

Mr. TYDINGS. I yield.

Mr. BYRD of West Virginia. Mr. President, as chairman of the Appropriations Subcommittee on the District of Columbia, I have sought to provide some leadership in that direction. And I have provided, through the subcommittee—and I believe the Senator from Maryland was an ex officio member at the time we were doing this—directions to the Health Department of the city to utilize available funds to establish several full-time birth control clinic teams and to provide information and devices for individuals in the District of Columbia who are so greatly in need of guidance in family planning.

We are trying to press this matter in the District of Columbia. In the testimony given before my subcommittee this year, the Health Department provided statistics as to the number of women who have taken advantage of these clinics.

The statistics reveal that the program is working and producing good results.

The Senator from Maryland may fail in this instance, but I hope that he will continue to fight for the provision of family planning aid. The country needs his leadership, and I hope that the Senator will continue to provide it.

I, for one, will continue to follow in his footsteps.

Mr. TYDINGS. Mr. President, I think my colleagues in the Senate will be interested in the conclusions reached by an excellent study done by Dr. Harold Sheppard, a consultant for the Subcommittee on Employment, Manpower, and Poverty of the Senate Labor and Public Welfare Committee. This study which was made public in September of this year was entitled "The Effects of Family Planning on Poverty in the United States."

Mr. President, I ask unanimous consent to have pages 729 through 740 of the report printed in the RECORD at this point.

There no objection, the material was ordered to be printed in the RECORD, as follows:

V. COSTS AND BENEFITS

The benefits of an effective family planning program are clear. Poor families with fewer children, limited to the size they themselves prefer, will have a greater chance to move out of poverty, even in the short run. In the long run, children born into a poor family with a limited number of brothers and sisters have a far greater chance to be out of poverty during adulthood than children born into a poor family with four, five, or more brothers and sisters.

There is another category of benefits that should be of equal interest to the public and to the Congress, pertaining to the reduced costs of public programs in such areas as health, education, welfare, and housing. Experts, including those in Government (in OEO and HEW), have calculated cost-benefit ratios of family planning programs that probably exceed the ratios of nearly every other type of public program. The following discussion is based on a number of unpublished documents dealing with this aspect of family planning.

Even with the use of conservative assumptions, such as the participation only of low-income women who already have three children, the rate of infant mortality would be reduced. The *rate* of mental retardation would also be reduced—not merely the *numbers* of infant deaths and retarded children. Both infant mortality and mental retardation are higher than average among children with mothers who already have three children. Under the assumption that about 80 percent of women would participate (based on past and current experience in pilot projects) and that births after the third child would be reduced by 75 percent, one estimate is that infant mortality rates among nonwhites, for example, would be reduced by about one-fourth. Similar results could be gained in the reduction of maternal deaths and disabilities as a consequence of fewer nontherapeutic abortions flowing from a program of birth control.

Based on these and other types of analyses, Planned Parenthood has calculated that a program consisting of only 500,000 women at an annual cost of $20 per case (including administrative costs), that is, a $10 million program would produce savings of about $250 million (in terms of reduced expenditures on maternal health care, child health care, care of mental retardates, aid to dependent children, and so forth). In addition, there is the possibility (as suggested earlier in this report) that longer spacing between pregnancies provides greater opportunity for higher family income since parents could improve their education and wives could obtain employment. Over the life of a family, a conservative estimate of an additional income of $10,000 per family[1] for the 45,000 families not on welfare and affected by the $10 million program would amount to $450 million in higher income benefits. This $450 million figure of private individual benefits added to the previous $250 million in reduced costs of public programs amounts to $700 million, producing a cost-benefit ratio of 70 to 1. As already stated, there are few, if any, greater ratios calculated for other types of public program expenditures, at least in programs related to combating poverty.

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[1] Based on a study by Ronald Freedman and Lolagene Coombs, "Childspacing and Family Economic Position," *American Sociological Review*, October 1966, pp. 631–648. In this article, the authors state on the basis of their data that ". . . if children are born very soon after marriage, the need for immediate income and security puts more constraint on the husband in his choice of occupation or on his ability to complete sufficient education to qualify him for higher status jobs with greater income. Rapid family growth may also mean expenses out of proportion to income, with the result that the margin needed to accumulate economic assets must be spent for immediate purchases * * * a couple's economic position is substantially better the longer the interval to the first birth or the last birth."

As of 1964, there were 9.3 million poor children in families with four or more children. If the number of births after the third child had been reduced in their families in the past by only 50 percent, there would have been in that year at least 4.6 million fewer poor persons in the United States—13 percent fewer than the 34 million poor in 1964. This calculation, moreover, does not take into account the possibility that the reduction of family size would have removed a number of families above the poverty line which is partly based on family size in relation to income.

This is a highly conservative approach, moreover. If the family size of the poor were identical to that for the nonpoor there would actually be about 6.5 million fewer children living in poor families.

There are several clear-cut conclusions that we should be aware of in weighing the feasibility of a major expansion of family planning programs in an attack on poverty.[2] One of these is that the vast majority of Americans now approve of the idea of family planning.

The second is that regardless of income level, the maximum number of children wanted by most families is four. Third, the critical point in the lives of families comes upon the birth of the fourth child, in terms of an increased awareness of the value of smaller families. Fourth, economic reasons are the major ones cited by parents for limiting family size. Fifth, large families obviously aggravate the problems of the already poor: a small income means that per-family-member funds are reduced further. But beyond this, it also means that parents, often poorly prepared, must dilute their child-care time per child; the children themselves suffer from a variety of pressures to an extent greater than those in smaller families (including other poor, but smaller families)—"and a new generation of children grow up with a tendency to be trapped in poverty and failure."[3]

Sixth, the obstacles to effective family planning among the poor relate to ignorance or unawareness of the concept, lack of money even when aware; unavailability of, or isolation from, agencies that can provide services; unwillingness to go through the steps in the use of contraceptives; attitudes such as fatalism, and so forth.

Seventh, nevertheless, when programs are made available at little or no cost to poor families they make use of the services and materials provided. This is especially true in the case of the use of more recently developed methods of contraception, such as the "pill," and the "loop," and when family planning clinics are run on a person-to-person basis, rather than through a mass media campaign of a general educational nature.

Eight, a comprehensive family planning program must include attention to the problems of young persons (teenagers, especially) from poor families who need sex information and education prior to marriage and/or during the early phase of marriage. Recent studies suggest that lack of family planning (or birth control) for this group results in early births of unwanted children and other burdens preventing the parents (or unmarried mothers) from moving out of poverty. For poor persons, the birth of children soon after marriage (or among young unmarried mothers) tends to decrease the ability of poor parents to advance themselves, or provide for their offspring. This is one of the major conclusions of the Freedman-Coombs study referred to above.

VI. ADEQUACY OF CURRENT FAMILY PLANNING PROGRAMS

The previous sections of this report have attempted to show that:

(1) Poverty in the United States is attributable *in part* to large family size, as evidenced, for example, by the comprehensive analysis of census data showing that children born into *small* lower income families have a greater change of becoming nonpoor when adults than those born in *large* lower income families;

(2) Progress in reducing poverty in recent years is greatest among small-sized families, and is retarded to the extent that poor families continue to have high fertility rates.[4]

(3) Due to such factors as unawareness of effective methods, income, unavailability of family planning methods, low-income women have more children than they want.

(4) The few programs that have been made available have shown that the poor do respond effectively to family planning services.

(5) The benefits of a comprehensive family planning program are significant in their impact on the reduction of poverty and on costs to the community.

Thus, reduced family size is necessary, desired, and possible for and by the poor—and others who prefer to remain above poverty.

But despite the fact that family planning as a method of reducing or preventing poverty may be deemed necessary, desired, and possible, local, State, and Federal Government response has been slow, cautious, and by no means commensurate with the need. Despite the fact that analysts in Government and other organizations have calculated that family planning measures are probably the single most cost-effective program in any war against poverty, the amount of funds devoted to such measures (apart from research on the subject by scientists) is virtually minuscule. Even if we were to include nongovernmental programs financed by nongovernmental funds, it is doubtful whether more than 15 percent of low-income families currently have the benefits of a voluntary participation program of family planning in the United States. As a conservative estimate, there are at least 5 million low-income women who could benefit from such a program, but at most, only 750,000 now receiving assistance. Since the poor become pregnant sooner than the nonpoor and continue to bear children longer (due to earlier marriages and less effective use of contraceptives), one could use a maximum figure of 6 million. In 1966 there were that many poor females between the ages of 16 and 54. If this were the basis of estimates, then there would be a smaller proportion of the target population reached than 15 percent.

Despite the fact that the President enunciated a Government policy favoring family planning in his March 1966, message on domestic health and education—when he said that, "It is essential that all families have access to information and services that will allow freedom to choose the number and spacing of their children within the dictates of individual conscience"—it must be said in candor that the greatest progress "has been in the area of new policies rather than in the implementation of programs."[5]

The agency which has been indulging in the most enunciations—the Department of Health, Education, and Welfare—has apparently done the least to carry out programs. Current family planning activities on the part of HEW "are off to an exceedingly slow start."[6] At best, the Department seems to have taken the position that the emphasis should be on "comprehensive health services," of which family planning *may* be a part. But family planning apparently will not be given any special attention or priority—despite the Department's own estimates concerning the higher cost effectiveness of family planning in the area of health, apart from its potentials for the reduction and prevention of poverty.

In fiscal years 1966 and 1967 it has been estimated that $3 million and $9 million, respectively, have been used for family planning through HEW-related programs, apart from research and training projects. The projected figure for 1968 may be as high as $13 million. The difficulty in obtaining definitive estimates lies in the fact that family planning services, if provided at all, are not recorded as a specific diagnostic category in reports originating from HEW-financed sources. At present, there are no plans for a program specifically designated as "family planning" under HEW auspices. None of these funds, it should be noted, were provided through any specific program designated for family planning as such but rather as part of the activities designed for improving health services for mothers and children, Title XIX, and so forth.

Science, the magazine of the American Association for the Advancement of Science, has described the efforts of the Department in the field of family planning as "leaderless and leisurely." But concentrating on the doctrine of "comprehensiveness" in its health programs, the Department in *practice* does not mean comprehensive, but rather whatever State and local health departments care to provide. If these departments indicate a preference for family planning services as part of their total offerings, HEW will not object. But apparently HEW will do little to initiate. The desire not to earmark any funds for family planning means in reality that by the time congressional authorizations and appropriations reduce requested funds for all health programs, very little remains for new programs over and above traditional and previous obligations at the local level. For example, to quote *Science:*

"Instead of the approximately $270.5 million authorization it [the Department] had requested for the program [under Title XIX of the Social Security Act]—a sum that was approved by the Senate—the authorization for fiscal 1968, after cuts by the House and the House-Senate conference, was only $125 million. Of that, about $110 million was needed to support ongoing commitments, leaving only around $15 million free to meet a variety of demands—of which family planning would be only one."

It is not completely accurate to say that local and State levels of health programs have little interest in family planning, but as stated earlier, previous commitments cannot be reduced in order to provide for increased family planning efforts. According to the testimony on H.R. 6418 (to extend the authority of Public Law 89–749), by the Association of State and Territorial Health Officers before the House Committee on Interstate and Foreign Commerce, on May 3, 1967, and represented by Dr. John H. Venable, director of the Georgia Department of Public Health, there is widespread recognition among the States of the high priority that should be given to family planning. Unfortunately, the discrepancy between the amounts needed and the amounts available is substantial. Dr. Venable provided the example of his own State of Georgia:

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[2] For a summary of the studies forming the basis of these conclusions, see Catherine S. Chilman, "Poverty and Family Planning in the United States," *Welfare in Review*, April 1967.

[3] Ibid.

[4] In 1960, the number of children ever born per 1,000 women 45 years old and over was about 3,000 in families where husbands earned less than $3,000, and was correspondingly lower in families with higher incomes of husbands—down to less than 2,000 for women whose husbands had incomes of $7,000 and over. From 1950–52 to 1960, the percent increase in the fertility rates among women 15–44 years old was highest for women whose husbands' incomes were under $5,000. In 1950, the lowest income group's fertility rate (number of children born per 1,000 women) was only 14 percent above that of the highest income group, but by 1960, it was more than 20 percent above that of the highest income group. Table 55, *Statistical Abstracts of the United States*, 1965, p. 52.

[5] "Current Status of Family Planning Programs in the United States," by Gordon W. Perkin, M.D., and David Radel, Population Program, Ford Foundation. Mimeographed, no date.

[6] *Science*, May 12, 1967, "Birth Control: U.S. Programs Off to Slow Start," by Elinor Langer, pp. 765–767.

"For family planning programs, we have a potential caseload presently of approximately 210,000. Family planning services could be provided for 21,000 people with the expenditure of $196,000. We have State and local funding at the level of $146,000. We, therefore, would need $50,000 additional Federal support for this activity. In 5 years' time, when the caseload has increased to approximately 223,000, we can reach 70 percent of the objective or 156,000 with the expenditure of $1,380,000. It can easily be seen that there needs to be a great increase in the level of support from the Federal Government for this very necessary activity."

Within the Office of Economic Opportunity, the picture has been more promising. Once again, the mere presence of local community action agencies has resulted in the surfacing of individual and social needs that, for one reason or another, were not being met by previously existing programs, whether public or private, local, State, or Federal—with family planning being one of these needs.

This does not mean, of course, that local communities and organizations of the poor had easy sailing in their efforts to receive OEO approval of family planning projects. At first, there was a general reluctance apparently because of unfounded fears about public objections. Then there were restrictive guidelines as to eligibility, such as services only for married women—without recognition of the disproportionate number of births among young impoverished girls without husbands.[7] This restriction was later removed by Congress. Confusion continued to reign among regional OEO offices as to Washington's commitment or interest in family planning.

By fiscal 1966, about $2.4 million in OEO funds had been spent on family planning projects, at the request of local community action agencies. It is expected that about $4.6 million will have been spent in the fiscal year ending June 30, 1967. These funds are estimated to serve only 100,000 women. Original plans called for expenditures of $4 million.[8] 1968 plans include $10 million for family planning.

But in March of that fiscal year, because of the cutback in congressional appropriations, approximately one-half of the nearly 60 projects then in operation were faced with curtailment or termination, and another 20 proposed projects were not fundable at all. This was despite OEO's own calculations that family planning was perhaps the single most cost-effective approach to the problem of poverty. As a result of strong protests on the part of such organizations as Planned Parenthood-World Population, however, OEO recommitted from "emergency funds" nearly $600,000 and none of the programs were terminated. Additional supplementary funds were provided to start new projects.

OEO has had to issue at least two directives to its regional offices during the past year to remind them that the agency was favorably inclined toward family-planning projects proposed by local agencies. If there is to be a continued emphasis on local initiative and local priority setting in OEO's community action program, it should be accompanied at least by greater and more effective communication to local groups by OEO and its regional staffs concerning what types of projects are possible and with attention given to the variations in cost-effectiveness of one type of project as over against another. Local communities should be made more aware of the comparative impact on poverty of family planning as compared to, say, more and improved "museum visits."

Finally, it should be noted that OEO, until the first few months of calendar 1967, lacked any special staff in the field of family planning. As of the present, there is one such specialist, a highly qualified physician employed in CAP's health services staff.

The concrete, measurable commitment of OEO to family planning has grown significantly over the past 2 years, in comparison with HEW. At the present time, OEO makes possible the most direct delivery of family services for the poor. This fact alone militates against the otherwise plausible argument of "spinning off" OEO functions to old-line agencies. The problem remains whether its desire to meet an expected increased local demand for support of family planning programs will be matched by appropriate funds and other forms of assistance. In fairness to OEO, it must be pointed out that the solution to this problem lies essentially with Congress which must decide whether to "earmark" for family planning *within* a static level of authorization for the war against poverty—thus creating a cutback on other programs—or *add* to the present level of authorization and commitments a sum necessary for an effective application of family planning services to the problem of poverty in America today and in the future.

"It is apparent that today in the United States," stated Dr. Alan Guttmacher, president of Planned Parenthood-World Federation, in his testimony of June 8, 1967, before the Senate Subcommittee on Employment, Manpower, and Poverty, "family planning is accepted as an important and necessary component of community health services. The question that faces us today *is not* whether or not family planning services are needed; it *is not* a question of beneficial results; it *is not* even a question of individual or societal acceptance—rather it is a question of the degree of priority we are willing to place on family planning services for the medically impoverished and how far we are willing to go to implement that priority."

Mr. TYDINGS. Mr. President, as this report indicates, the need for family planning services is crystal clear and the benefits are equally clear. The benefits are absolutely vital in any war against poverty. The social security bill as passed by the Senate would have met that need. But, regretfully, the conference bill fails to meet the need.

Dr. Sheppard's report notes the inadequacy of existing governmental family planning programs. In the past I have been critical of the Department of Health, Education, and Welfare and of the Secretary of that Department for failing to give this program the priority which it requires. Just a little over a month ago, a report by an HEW consultant, Dr. Oscar Harkavy, of the Ford Foundation, was made public. Dr. Harkavy's report concluded that HEW had failed to give clear or strong leadership to the family planning program, and that the program suffered from lack of funds and personnel. It indicated that we had a long, long way to go before the Federal Government even began to approach an adequate family planning program, and I believe the report offers eloquent testimony to the reasons why the conferees should have accepted the Senate version of the family planning amendments.

I want to cite a summary of recommendations made by the Harkavy report, to indicate how far we have to go, and why the Senate amendments regarding family planning should have been adopted.

I am now going to read into the Record some of the principal points made in the summary of recommendations of the Harkavy report.

Mr. President, I read from the summary of recommendations:

Beginning with Secretary Gardner's January 24, 1966 policy statement, DHEW has made some progress in support of family planning services and of research and training related to population problems. Yet it is clear that none of the DHEW Regional Offices or operating agencies presently places high priority on family planning, or is certain what precise functions it is expected to carry out in this field. If the DHEW effort is to be commensurate with the need and with the Secretary's expressed intent it must greatly increase the funds and professional staff manpower devoted to this field. To this end the following recommendations are made:

Mr. President, I ask that the recommendations from page 2 through page 8 be printed in their entirety at this point in the Record.

There being no objection, the recommendations were ordered to be printed in the Record, as follows:

1. A clear signal from the Secretary that vigorous support of this field is an integral part of DHEW business seems necessary. The recent designation of family planning as one of six priority areas, without extraordinary action such as the reprograming of funds and assignment of existing personnel, is not regarded by the staff as a mandate.

2. A new policy statement is needed to set forth much more explicitly the Department's objectives in family planning and how it proposes to achieve them. This could be coupled with additional actions by the Secretary as outlined below, and with issuance of specific policy statements by each of the principal agencies involved—Children's Bureau, Public Health Service, Medical Services Administration, Assistance Payments Administration, and Office of Education—detailing clearly their functions in family planning and the staff and budgetary resources they will commit to this field. This will help to clarify both for the Department and for Congress the complementary nature of the several programs.

A suggested division of function among the operating agencies designed to activate a variety of local programs is set forth in Table I and II.

(a) DHEW should set its principal goal as doing what is necessary to close the gap between approximately 5 million women needing publicly assisted family planning medical services and about 700,000 now receiving such aid. It should be the Department's policy that no program of comprehensive health services, or program that merely provides or pays for medical care, can be considered complete without including arrangement for voluntary family planning. DHEW must act positively and rapidly to achieve this goal and to guide state and local agencies to effective action. Within the next six months it should complete work on a national plan which locates the population to be served and identifies the variety of agencies to provide the services.

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[7] As an indirect reflection of this problem, in 1965 one-third of female-headed poor families had four or more children, and these families constituted 80 per cent of all female-headed families, with these many children; i.e., out of 600,000 female-headed families with four or more children, 80 percent were living below the SSA poverty line. In 1955 the number of poor children in families with female heads was 4.4 million.

[8] OEO claims that approximately $1.75 million of 1967 allocation for neighborhood health centers has also been spent for family planning services.

(b) DHEW must identify, train, and assign a professional staff devoted full time to family planning and supporting activities at the executive level and in each of the operating agencies. DHEW presently cannot point to as many as 10 professionals on its entire staff who devote themselves full time to this field. DHEW staffing for family planning now represents an unfortunate example of "what is everybody's business is nobody's business." The Secretary should reprogram funds and reassign personnel to begin this staffing effort immediately.

(c) Radically improved contraceptive techniques must be developed if unwanted fertility in developing countries and among all segments of our own population is to be brought under control. To speed this development DHEW should greatly expand its program of research in fundamental and applied reproductive biology.

3. The Deputy Assistant Secretary for Population and Family Planning should have an adequate staff to assist in policy formulation, program planning and evaluation, relations with professional groups, stimulation and coordination of family planning activities within DHEW, and liaison with other Government agencies and private family planning organizations. The Office of the Deputy Assistant Secretary should provide centralized direction to the total DHEW effort and serve as a single "window" for DHEW to assist applicants for Federal support of family planning.

4. Each relevant DHEW agency—Public Health Service, Children's Bureau, Medical Services Administration, Assistance Payments Administration, and Office of Education—should have an adequate cadre of full-time operating specialists in the Regional Offices, as well as in Washington, to stimulate, and provide technical assistance to state and local officials, voluntary agencies, hospitals, medical groups and other agencies or associations engaged in family planning and related programs.

5. To advise the Secretary on policy, long-range planning and related issues in the field of population and family planning the Secretary should appoint an Advisory Committee on Family Planning and Population, including experts in the relevant specialized fields as well as members of the public. In addition a Regional Family Planning Advisory Committee of relevant professionals and prominent citizens should be appointed for each DHEW region. Some members of each Regional Committee should serve on the Secretary's Advisory Committee.

6. Immediate steps should be taken to offer short-term courses and long-term training at population study centers, and other appropriate facilities, to top DHEW officials in Washington and Regional Offices and professionals assigned to family planning staff positions. Assuming that sharply increased funds for family planning services will become available in July, 1968, there is no time to lose in orienting top administrative staff and in training an adequate staff.

7. Federal funds should be used to provide adequate incentives to the States for appointment of appropriate specialists in health, education, and welfare departments.

8. The Department should require adequate family planning components in every state comprehensive health plan under PL 89–749; every state Maternal and Child Health plan and Maternal and Infant Care project under Title V of the Social Security Act; every plan for Medical Assistance under Title XIX of the Social Security Act; and every Public Assistance plan under Title IV of the Social Security Act. Wherever possible, relevant educational aspects should be included in state and local programs submitted for OE funding. The Department policy of freedom of choice and absolutely no coercion must be adhered to scrupulously.

9. DHEW should immediately commission a feasibility study looking toward establishment of an adequate data processing system for family planning services. At present the Department has little reliable information on which to base a strategy for expansion of services; nor does it have any firm idea as to the cost or effectiveness of such service.

10. There must be a manifold expansion of funds for family planning if DHEW is to make a real impact on unmet needs. It is estimated that some $100 million a year ($20 a year for 5 million women) is necessary to provide family planning service to women in the poor and near poor categories. This goal should be achieved in five years. While it is encouraging that OEO may be authorized to spend as much as $20 million for family planning in 1968, basic responsibility for coordination, development, and long-term support of family planning service remains with DHEW.

The additional $15 million expected to become available for family planning in FY 1969 under H.R. 12080 must be appropriated in full and jealously reserved for financing expansion of family planning medical services, since the principal obstacle to expansion of the field has been the lack of funds for these services. In the next several months, DHEW should develop for submission to Congress in 1968 a request for substantial additional authorizations and appropriations in subsequent years to permit expansion of services to meet the indicated need and to make possible efficient forward planning by Federal, state, and local agencies.

11. In addition to the funds needed to deliver services the Secretary should reserve in FY 1968 at least $10 million a year from such sources as PL 89–749 project funds and SRS research and demonstration funds to constitute a Family Planning Research and Demonstration Fund. A number of excellent projects that can show the way for improvement of family planning services have been developed but remain unfunded.

12. The Office of Education should make a positive effort to stimulate use of funds available under the several Education Acts for family life and sex education programs in the schools and in adult education for special schooling for pregnant teenagers, and for other relevant activities. At least $5 million in OE funds should be specifically reserved for these programs.

13. The Department should take responsibility for developing and supporting the inclusion of family planning curricula in professional schools for physicians, nurses, health workers, social workers and teachers. Family planning and related activities should become an integral part of the training and practice of the serving professions as rapidly as possible.

14. To assist in development of radically improved contraceptive techniques an enlarged, high level scientific staff in the National Institutes of Health must positively encourage expansion of work in reproductive biology; applied work in contraceptive development should be supported through contracts and grants, and NIH's own intramural program should be rapidly expanded.

Laboratory space for work in this field should be provided by designating reproductive biology as a "program of national importance" in order to offer 75 per cent matching provisions in NIH construction grants.

It has been estimated that an optimum world-wide research program in reproductive biology would require the expenditure of $150 million a year by all supporting agencies (Government, foundations, and pharmaceutical firms). This is a five-fold increase over present expenditures in the area. The contribution by NIH to this field should increase in accommodation to this requirement.

15. DHEW should continue and expand support of social research and training in population problems at university population study centers and other appropriate facilities, including studies of the causes and consequences of population growth, illegitimacy, illegal abortion, family stability and breakdown, and related problems.

16. The international aspects of family planning programs are of profound importance, and every effort must be made to support both service and research programs abroad. This applies particularly to the use of PL 480 funds which clearly have not been adequately utilized for these purposes.

Mr. TYDINGS. Mr. President, I stress that, on page 3 of those recommendations, Mr. Harkavy's report says:

> DHEW should set its principal goal as doing what is necessary to close the gap between approximately 5 million women needing publicly assisted family planning medical services and about 700,000 now receiving such aid. It should be the Department's policy that no program of comprehensive health services, or program that merely provides or pays for medical care, can be considered complete without including arrangement for voluntary family planning. DHEW must act positively and rapidly to achieve this goal and to guide state and local agencies to effective action. Within the next six months it should complete work on a national plan which locates the population to be served and identifies the variety of agencies to provide the services.

The recommendations go on to say that the Department of Health, Education, and Welfare, presently cannot point to as many as 10 professionals on its entire staff who devote themselves to full-time family planning.

I continue to read from the recommendations:

> DHEW staffing for family planning now represents an unfortunate example of "what is everybody's business is nobody's business." The Secretary should reprogram funds and reassign personnel to begin this staffing effort immediately.

Mr. President, it was because of the problem revealed in the Harkavy report and because of the failure of the Department of Health, Education, and Welfare to realize the gravity of the population explosion in our country that I offered the amendments to specifically earmark funds in the social security bill for family planning services.

I was reluctant to depend on the Department of Health, Education, and Welfare, because they have not done the job to date. That is why it is so tragic that the House conferees saw fit to eliminate the major portion of the funds earmarked in the Senate bill.

I read from page 6 of the Harkavy report:

> There must be a manifold expansion of funds for family planning if DHEW is to make a real impact on unmet needs. It is estimated that some $100 million a year ($20 a year for 5 million women) is necessary to provide family planning service to women in the poor and near poor categories. This goal should be achieved in 5 years.

Mr. President, this report establishes without any doubt the need for the amendments which the Senate adopted.

For every dollar we spend in the field of family planning to provide assistance to these poor mothers who want voluntarily to plan their family, we will save literally ten, twenty, thirty and even hundreds of dollars in the ultimate cost to society of caring for unwanted children. The problem of the unwanted child in American society is integrally linked, in my judgment, with the major problems of our great cities, with the problem of poverty and, indeed, with the problem of crime and disorder.

Until this Nation and our leaders—I refer to the President of the United States on down—start doing something to protect the unwanted child, our problems will multiply on the domestic scene. When I say "protect the unwanted child," I am talking about our moral obligation to do our best to see that when a child is born in our society, he is born into a family that wants him, is willing to take care of him and to give him the love, and the guidance that he needs.

When an unwanted child is born into the depths of poverty in ghettos of our great cities, not knowing who one or sometimes both of his parents are, without any type of parental supervision, without any family institutions, without any religious sheltering, how can that child help but grow up as a ward of the community and, in many instances, as a dangerous citizen, frustrated and bent on a life of crime and delinquency?

We made great strides with the Senate bill, and I believe it is a tragedy that the conference committee saw fit to remove the real funding of this program.

Publication of the Harkavy report—to which I have referred—and the approval of my family planning amendments by the Senate Finance Committee came at virtually the same time. In effect, an executive agency acknowledgment of the problem, and the potential solution to that problem coincided. I have been informed that officials of HEW supported approval of my amendments both in the Finance Committee and in the conference. I am grateful for that support. I know that they are now eager to make up for lost time in implementing the recommendations of the Harkavy report, and in establishing a far-reaching family planning program which will meet this Nation's needs. It is therefore particularly unfortunate that Congress has failed to give the Department all of the funds which it needs to accomplish its proclaimed purposes.

I am encouraged by the remarks of the Senator from West Virginia and other leaders who are beginning to put their shoulders to the wheel——

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. TYDINGS. I know full well how effective the Senator can be in other fields.

Mr. BYRD of West Virginia. The Senator from West Virginia is not just beginning to put his shoulder to this wheel.

Mr. TYDINGS. The action of the District of Columbia Appropriations Subcommittee, of which the Senator is chairman, is a real step forward.

But I am referring now to the fight which will take place in Congress next year and the year after, to take a step or two in the right direction for the Nation, as we have taken for the District of Columbia.

The time is running out, Mr. President. The problem of the unwanted child should be the concern of every legislator and every leader in the Nation. Babies are born. Once they are here, we cannot abandon them. We cannot turn our back on them. We cannot punish them for the sins of their mothers or their fathers. We must protect them. But we must also insure, to the extent possible, that the women of our country, rich or poor, have the same opportunity to plan a family, the same opportunity not to bring an unwanted child into the world.

I yield the floor.

(At this point, Mr. McINTYRE assumed the chair.)

EXHIBIT 1

BALTIMORE, MD.,
December 12, 1967.

Hon. JOSEPH D. TYDINGS,
Senate Office Building,
Washington, D.C.:

I urge you to work for Senate and House disapproval of that provision in the pending Social Security bill which would freeze Federal contributions to the AFDC welfare program. This provision, at the present rate of increase of our AFDC rolls, would cost the State of Maryland and the city of Baltimore, approximately $4 million during the first year alone. This would work a great hardship and impose an unjust financial burden which we cannot afford to bear.

THOMAS K. D'ALESANDRO III,
Mayor.

BALTIMORE, MD.,
December 8, 1967.

Senator JOSEPH D. TYDINGS,
U.S. Senate,
Washington, D.C.:

Tremendous hardships would be pressed upon Maryland should the proposed AFDC caseload freeze stand. I urge your opposition to it and its ultimate deletion.

SPIRO T. AGNEW,
Governor of Maryland.

WASHINGTON, D.C.,
December 12, 1967.

Senator JOSEPH D. TYDINGS,
Senate Office Building,
Washington, D.C.:

Public assistance and welfare provisions of 1967 Social Security amendments approved by conference committee represent major retreat from gains won over many years. Freezing of rolls on aid to dependent children and compulsory work programs are punitive and regressive in effect and would work hardship not only on the poor but on State and municipal welfare resources. We urge your firm support of Senate version of bill.

ARTHUR S. FLEMMING,
President, National Council of Churches.

NEW YORK, N.Y.,
December 12, 1967.

Hon. JOSEPH D. TYDINGS,
Senate Office Building
Washington, D.C.:

We urge the Senate to reject the report of the conference committee on the 1967 Social Security Amendments. The medievalism of the public welfare provisions far outweighs any gains to be realized from increases in OASDI benefits. We have a deep concern for the plight of the elderly but the additional hardships to be imposed by the bill on already deprived children and families render this bill an unsound public program. The conferees should be instructed to approximate the bill passed by the Senate, and to reject the inhumane and regressive House bill. Our committees on aging, on family and child welfare and on health join us in urging you to return the proposed bill to the conference committee.

JOHN H. MATHIS,
Chairman, Committee on Public Affairs, Community Service Society of New York.

NEW YORK, N.Y.,
December 12, 1967.

Hon. JOSEPH D. TYDINGS,
U.S. Senate,
Washington, D.C.:

The board of social ministry, Lutheran Church in America, is opposed to the regressive public welfare measures embodied in the conference report on the Social Security Amendments of 1967. We support you in your efforts to keep the substance of the Senate bill.

CEDRIC W. TILBERG,
Secretary for Program and Leadership.

BALTIMORE, MD.

Hon. JOSEPH D. TYDINGS,
U.S. Senate,
Washington, D.C.:

The directors of Levindale were concerned and distrubed with H.R. 12080. Its passage will create havoc and injustice in our State's welfare program. The board voted unanimously to urge you to use your good offices to defeat H.R. 12080.

MANNY M. MALMAN,
President.

BALTIMORE, MD.,
December 12, 1967.

Senator JOSEPH TYDINGS,
Senate Office Building,
Washington, D.C.:

In light of the recent Senate-House action on bill 1280, we strongly urge that you lend your support in rejecting the provisions of this bill that will limit the welfare services to families, particularly children, through the freeze on the number of recipients compulsory participation in training programs which would negate the individualization of the families' need and the elimination of Federal support to unemployed fathers.

Dr. HYMAN S. RUBENSTEIN,
President, Maryland Chapter, American Jewish Congress.
Mrs. NAE R. GELLMAN,
President, Maryland Women's Division, American Jewish Congress.

WASHINGTON, D.C.,
December 11, 1967.

Senator JOSEPH D. TYDINGS,
Washington, D.C.:

The National Association of Social Workers is deeply concerned about restrictive welfare provisions in conference report on H.R. 12080, the Social Security Amendments of 1967. Compulsory work requirements on mothers with small children and the AFDC freeze must be eliminated. Respectfully request that you not approve conference report but refer it back with request that new conferees be appointed.

CHARLES I. SCHOTTLAND,
President, National Association of Social Workers.

BALTIMORE, MD.,
December 12, 1967.

Senator JOSEPH TYDINGS,
Senate Office Building,
Washington, D.C.:

The 700 members of the Maryland chapter, National Association of Social Workers, urgently request your vote against the social security bill as reported out by Senate-House conference committee. The limitation on Federal participation in the AFDC program places financial burdens upon our State and city which they are in no position to meet.

About 3,000 children in our State alone will be faced without adequate means of subsistence.

Ernest M. Kahn,
Chairman, Public Welfare Committee.

Baltimore, Md.,
December 12, 1967.

Senator Joseph Tydings,
Senate Office Building,
Washington, D.C.:

We the undersigned, members of the student body of the University of Maryland School of Social Work, its faculty, and friends, urge you to vote against the Social Security Amendment of 1967 reported out by the House-Senate conference committee. We particularly abhor the freeze on AFDC payments, a provision which will either put undue financial hardship on State and local jurisdictions or cause thousands of children to be without means of subsistence.

Marguerite Pope, Stephen P. Gordon, Michael Cenci, Frederick C. Rohlfing III, John E. Hickey, Max Siporin, Pauline M. Stott, Leona Irsch, Ralph M. Schley, W. Glenn Guamnitz, Robert I. Smith, Evelyn S. Kostick, Calvin R. Griner, C. C. Vincent J. Perticone, Arthur C. Redding Jr.

Sheila Thaler, Renee Greefeld, Sharonn Gittelsohn, Shirley Patt, Carol J. Wechsler, Rea L. Ginsberg, Sherman W. Buchanan, Evelyn Swartz, Suzanne Glaser, Willa Bywaters, Alexander B. Gates.

Vivian F. Ripple, Francine Schaeffer, John Barrett, Dorothy Hawkins, Joy M. Douglas, Flozella R. Clark, Kathy Berkowitz, Sylvia Whitney, Donna R. Shadle, Anne Kniffin, Abraham Makosfsky, James Ginsburg, Sharon S. Lawson, Jean M. Dockhorn, Emma V. Ramirez, Paula R. Buskirk, Margaret Davis.

Tom Moses, Deetta S. Taylor, George Taliafero, Sharon A. Penland, Janet Santen, Dianne Mahan.

Gracie E. Goode, Alan C. Korz, Leonard Prass, Hilda K. Gottlieb, Linda Millison, Martin Millison, Thomas C. Voskuhl, Sister Mary John Lowry, R.S.M., Allen J. Levin, Henry Hunt, Sedonia E. Berocknell, Martha James, Kathleen Fotmeier.

Mary Elizabeth Porth, Lora Price, Donald Blumberg, Orlie Reid, Edward C. Green, Beryl Bunker, Martha McLaney, Kathleen Manning, Carl Thistel, Celeste Peltz, Sylvia Cohen, Ruth W. Mednick, Dan Thursz, Ernest Kahn, Camille Wheeler, Patrica Haddad, Brian Opert, Henry W. Keller, Jr., Dorothy Boyle, Sylvia Gollub, James Workman, Betty Himeles.

Pearl Moulton, B. Maxine Tyree, Barbara Gaver, Gerald Pavloff, Robert Bartolini, Gary Balzer, Jane Foley, James Slingluff, Perry Waddles, Harriet S. Frenkil, Stanley E. Weinstein, Linda Melpolder, Thomas Salisbury, Adnette Marrogo, Elbert Hoy, Gertrude Ginsburg, Richard Smith, Carl Munson.

Ross Ford, Linda Siegel, Harris Chaiklin, Peggy Hayes, Virginia B. Laughlin, Lewis Hamburger, Ferne Kolodner, Dorothy Rodbell, Hyman Bookbinder, Brendan F. Murphy, Lillian R. Wiener.

Baltimore, Md.,
December 12, 1967.

Senator Joseph D. Tydings,
U.S. Senate, Washington, D.C.:

Strongly urge rejection of conference report of social security measures which is a travesty of satisfactory bill. Am amazed that Senate conferees should have yielded to such a retrogressive measure which not only fails to correct existing deficiencies but is replete with new ones. Urge its return to conference for constructive revisions.

Sidney Hollander.

Washington, D.C.,
December 12, 1967.

Senator Joseph D. Tydings,
Washington, D.C.:

Farmers Union board calls upon the Senate to reject the social security conference report.

Farmers Union feels that the conference report might push welfare concepts backward 20 years. Farmers Union continues to support the plan to give work and training opportunities for low-income people instead of welfare as contained in the Senate version which was rejected by the conferees.

Farmers Union is deeply disappointed that the social security conference report failed to give significant increases in social security payments above a cost of living increase. There is little question that the bill will leave many millions on social security with total incomes below the poverty level, and future generations without adequate retirement incomes.

Farmers Union regrets that the drug lobby was successful in eliminating the generic drug provision from the bill, which would save an estimate of $100 million in taxes each year.

Farmers Union urges that the social security bill be reworked by the Congress early next year.

Tony T. Dechant,
President, National Farmers Union.

Baltimore, Md.,
December 12, 1967.

Senator Joseph D. Tydings,
Senate Office Building,
Washington, D.C.:

Action of conference committee which considered H.R. 12080 is unconscionable. H.R. 12080 in its present form is unreasonably restrictive, punitive, and arbitrary, and negates many of the positive aspects of the Senate version of the bill. The health and welfare committee of Baltimore City's Mayor's Task Force for Equal Rights urges defeat of this bill.

Dr. Claude D. Hill,
Chairman.

Baltimore, Md.,
December 12, 1967.

Senator Tydings,
Senate Office Building,
Washington, D.C.:

Don't penalize poor people. Defeat H.R. 12080. Please consider Senator Kennedy's position on this matter.

Richard Bateman,
Director of Housing Court Clinic.

Baltimore, Md.

Senator Joseph Tydings,
United States Senate,
Washington, D.C.:

Vote to kill House bill version 12080 Re AFDC—Freeze or work requirement.

Mazie F. Rappaport,
Director, Dept. of Medical Social Work, Baltimore City Hospitals.

Baltimore, Md.

Senator Joseph Tydings,
Senate Office Building,
Washington, D.C.:

We strongly urge you to follow the leadership of Senator Robert F. Kennedy in his actions for Senate rejection of the conference committee report on social security amendments as the arm of the archdiocese of Baltimore regarding urban affairs. We would sooner have no amendments to the Social Security Act this year than to have a bill as presented by the conference committee.

Rev. Henry J. Offer,
Director, Archdiocesan Urban Commission,
Charles G. Tilden,
Chairman.

December 11, 1967.

Hon. Joseph D. Tydings,
U.S. Senate,
Washington, D.C.:

The executive committee of the Leadership Conference on Civil Rights urges you to vote against the conference report on the social security bill. What started out as a social security measure has become an instrument of social insecurity. It generates pressure to break up families. Under this bill fathers would abandon their families and mothers would be forced to leave their children and go to work. The war on poverty is becoming a war on the victims of poverty. Cities now wracked by terrible crises would be faced with the intolerable choice of leaving poor people destitute or trying to provide for them out of funds they do not have. This is a shocking and regressive bill. We urge you to send it back to conference and instruct the conferees to insist on the Senate provisions.

Roy Wilkins,
Chairman, Executive Committee Leadership Conference on Civil Rights.

New York, N.Y.,
December 11, 1967.

Senator Joseph D. Tydings,
U.S. Senate,
Washington, D.C.:

Please reject conference report on H.R. 12080. Title II irremediably endangers and deprives millions of children.

Joseph H. Reid,
Executive Director, Child Welfare League of America.

Baltimore, Md.,
December 11, 1967.

Senator Joseph D. Tydings,
Senate Office Building,
Washington, D.C.:

Urge your good office to defeat compromise H.R. 12080 from joint committee. We feel this legislation would be most damaging and that its defeat is urgent in turns of social welfare practice.

Robert I. Hiller,
Executive Director, Associated Jewish Charities, Baltimore.

Washington, D.C.

Senator Joseph D. Tydings,
New Senate Office Building,
Washington, D.C.:

AVC urges rejection conference report restrictions on welfare payments for dependent children and parents.

Dr. Eugene Byrd,
National Chairman, Veterans Committee.

Baltimore, Md.,
December 11, 1967.

Senator Joseph D. Tydings,
U.S. Senate,
Washington, D.C.:

In name of Christian conscience we urge your support of Senator Robert Kennedy in his attempt to kill social security compromise bill based on H.R. 12080.

Rt. Rev. Harry Lee Doll,
Bishop of Maryland.

New York, N.Y.,
December 11, 1967.

Senator Joseph D. Tydings,
U.S. Senate,
Washington, D.C.:

In view coercive discriminatory provisions H.R. 12080 with respect public assistance (AFDC) as reported conference committee, urge vote against bill or return conference with instruction retain Senate provisions.

Rev. Reinhart B. Gutmann,
Executive Secretary, Division of Community Services, Executive Council, Episcopal Church.

Baltimore, Md.,
December 11, 1967.

Senator Joseph D. Tydings,
Senate Office Building,
Washington, D.C.:

Strongly urge vote against conference report on H.R. 12080 and support of Senate version.

Ernest H. Smith,
Family and Children's Society.

Baltimore, Md.,
December 11, 1967.

Senator Joseph D. Tydings,
Senate Office Building,
Washington, D.C.:

Understand Senate bill 208 would leave children ineligible for Social Security protection force mothers with small children to work urge vote against it.

Jack L. Levin,
Past President American Jewish Congress Maryland Chapter.

Baltimore, Md.,
December 11, 1967.

Senator Joseph D. Tydings,
Senate Office Building,
Washington, D.C.:

Urge you to oppose restrictive welfare provisions of Social Security bill freeze on A-F-D-C cases could mean starvation for innocent children.

Harold C. Edelston,
Exec. Director Health and Welfare Council Baltimore Area.

Washington, D.C.
December 11, 1967.

Senator Joseph D. Tydings,
Washington, D.C.:

The conference report on the Social Security bill is repugnant to human needs and dignity. Social Security benefit levels are totally inadequate, and the work-training requirements imposed on mothers by the conference report are unconscionable. The welfare benefit freeze will impose heavy tax burdens on local communities and adjustments in old-age assistance and welfare standards may deprive the poorest of our retired citizens of any income increases at all. On behalf of more than six million members of the industrial union department, AFL–CIO, I urge you to vote against the Social Security conference report and subsequently to instruct conferees to insist on the provisions of the Senate bill.

L. Walter P. Reuther,
President Industrial Union Department AFL–CIO.

Baltimore, Md.,
December 11, 1967.

Hon. Joseph Tydings,
U.S. Senate,
Washington, D.C.:

Urge you strongly to vote against conference report on H.R. 12080. If this measure passes with present welfare provisions it will cost Maryland about $4 million additional per year and will cause untold misery among the poor. It discriminates against the children of unmarried mothers and deprives them of their due rights.

Donald C. Lee,
President, Maryland Conference Social Welfare.

Miami Beach, Fla.,
December 11, 1967.

Sen. Joseph D. Tydings,
Washington, D.C.:

AFL–CIO considers conference report on social security absolutely inadequate. Most of Senate provisions designed to improve House bill have been abandoned. Benefits for OASDI recipients would barely exceed already increased costs of living. Retreats on welfare provisions enacted by Senate are travesty on America's image as compassionate and humanitarian nation. We urge every Senator to vote against this deplorable attack on poor and underprivileged and request another conference to secure passage of an adequate social security bill.

George Meany,
President, AFL–CIO.

Baltimore, Md.,
December 12, 1967.

Senator Joseph Tydings,
Senate Office Building,
Washington, D.C.:

We believe H.R. 12080 should be defeated. Urge your leadership in this action since passage would create untold problems in our State.

Calman J. Zamoiski,
President, Jewish Welfare Fund.

Washington, D.C.,
December 12, 1967.

Hon. Joseph D. Tydings,
U.S. Senate,
Washington, D.C.:

We are extremely dismayed over the conference committee report on social security amendments. The basic approach to the public welfare embodied in the report is not in keeping with human dignity. We urge correction of the coercive features of the report, the elimination of the freeze on number of AFDC recipients and the limit on amount of medicaid payments. Urge you to oppose conference report and to seek the return of the bill to conference committee for results more in keeping with the Senate bill.

Very Rev. Msgr. Lawrence J. Corcoran,
Secretary, National Conference of Catholic Charities.

National Presbyterian Health & Welfare Association of the United Presbyterian Church in the U.S.A.,
New York, N.Y., December 6, 1967.

Senator Joseph D. Tydings,
Senate Office Building,
Washington, D.C.

Dear Senator Tydings: On behalf of the National Presbyterian Health and Welfare Association, may I take this opportunity to thank you for your action in the Senate on November 21st. Your vote supporting Amendment #425 of Bill HR 12080 was greatly appreciated by members of our Association.

The Association, representing over 400 service units in the fields of child care, health services, services for the aging, neighborhood centers, and institutional chaplains, was distressed with some of the coercive features of HR 12080.

It is hoped that the House-Senate Conference Committee, following their discussions, will present a bill which is supportive of a progressive welfare policy to meet the many challenges which face us in the area of health and welfare today.

Yours very truly,
Arthur M. Stevenson, Jr.,
President.

Baltimore, Md.,
December 13, 1967.

Hon. Joseph Tydings,
Senate Office Building,
Washington, D.C.:

Urge you to postpone action until January 17th on the major social security bill but to pass now its $3,600,000,000 section on increased benefits for the elderly.

Howard H. Murphy,
Maryland State Department of Public Welfare.

Baltimore, Md.,
December 9, 1967.

Senator Tydings,
The Federal Building,
Baltimore:

Please vote to kill HR 12080 House version.

Charles Lansbury.

Hyattsville, Md.,
December 8, 1967.

Hon. Joseph Tydings,
U.S. Senate, Washington, D.C.:

Shocked, horrified re H.R. 12080 conferees punitive results. Please help defeat or send bill back to conference. Welfare recipients did not continue wonderful successful WTOC program.

Elizabeth Riley,
Social Worker.

Baltimore, Md.

Senator Tydings,
Senate Office Building,
Washington, D.C.:

Some mothers can do a better job by taking care of their children. Don't allow H.R. 12080 to take our children away from us.

Margaret Johnson.

Baltimore, Md.,
December 12, 1967.

Hon. Joseph Tydings,
Senate Office Building,
Washington, D.C.:

The latest un-American Supreme Court ruling is the last straw. Are you going to stand by and let Earl Warren hand our country over to the Communists?

Mr. and Mrs. Frank Edie Curran, Jr.

Baltimore, Md,
December 12, 1967.

Senator Tydings,
Senate Office Building,
Washington, D.C.:

Strongly oppose limitation on AFDC families and compulsory work requirements. Maintain your support of the poor by defeating H.R. 12080.

Lalit Gadhia.

Baltimore, Md.,
December 12, 1967.

Senator Joseph Tydings,
Senate Office Building,
Washington, D.C.:

We urge you to vote against passage of the new social security bill in its present form. The welfare provisions are punitive rather than progressive.

Mr. and Mrs. Martin Millson.

Baltimore, Md.,
December 11, 1967.

Senator Joseph Tydings,
Senate Office Building,
Washington, D.C.:

Urge you to vote against bill 12080. Passage would mean additional four million dollar expense to Maryland in 1968 and would bring unfair disadvantages to children of AFDC mothers.

Mr. and Mrs. Lester S. Levy.

Baltimore, Md.,
December 11, 1967.

Senator Joseph Tydings,
Senate Office Building,
Washington, D.C.:

Please vote against H.R.12080 because of deletion of positive Senate amendments.

Inge Barron.

Baltimore, Md.,
December 11, 1967.

Senator Joseph Tydings,
U.S. Senate,
Washington, D.C.:

Urge your vote against compromised social security bill.

Milton Goldman.

Baltimore, Md.,
December 11, 1967.

Senator Joseph Tydings,
U.S. Senate,
Washington, D.C.:

Urge your vote against compromised social security bill.

Mrs. Jack Pearlstone.

Baltimore, Md.,
December 11, 1967.
Senator Joseph Tydings,
U.S. Senate,
Washington, D.C.:

Urge your vote against compromised social security bill.

Charles M. Cahn, Jr.

Baltimore, Md.,
December 12, 1967.
Senator Tydings,
Senate Office Building,
Washington, D.C.:

Show that you are for people, vote against the welfare section of H.R. 12080.

Leslie Kane.

Baltimore, Md.,
December 12, 1967.
Senator Tydings,
Senate Office Building,
Washington, D.C.:

Don't allow Congress to be punitive by passing H.R. 12080. I count on your efforts to defeat the welfare section of this bill.

Dorothy Mills.

UNFORTUNATE THAT NEEDED SOCIAL SECURITY AMENDMENTS PASSED IN SENATE WERE ELIMINATED IN CONFERENCE—LET US CONTINUE OUR EFFORTS

Mr. YOUNG of Ohio. Mr. President, the conference report on the Social Security Amendments of 1967 is clearly bad legislation. The regressive legislative proposals contained therein, if enacted into law, represent an unfortunate step backward in the field of welfare and social legislation.

The conference bill increases social security benefits by only 13 percent, whereas we in the Senate approved a 15-percent across-the-board increase. Frankly, a 20-percent increase would have been more in line with the needs of elderly Americans, widows, orphans, and disabled citizens in this inflationary period.

The conference bill sets a $55 minimum benefit, although we in the Senate provided for $70 a month. Frankly, a $100 per month minimum benefit would be a more realistic figure.

For more than 26 years social security beneficiaries have been fighting a losing battle with the cost of living. Although social security benefits have been increased five times since 1940, those receiving them have not participated in our increased standard of living. The 13-percent increase and the $55 minimum are clearly inadequate.

As hard as this bill is on older citizens, widows, and orphans, it saves its cruelest blow for underprivileged children. The worst feature of the conference bill is that it will curtail Federal aid to dependent children payments to the States. The number of children on the rolls next January 1 would be determined and also the total number of children in the State. Then the proportion on welfare would be frozen thereafter. The mathematical formula in the bill would arbitrarily freeze the number of children receiving benefits and bar from benefits unknown thousands of children now surviving on public welfare as well as children yet unborn. It punishes children in the harshest manner for what some in our society consider the shortcomings of their parents. This is a throwback to the poor laws of the 17th and 18th centuries.

In my State of Ohio alone there are more than 190,000 women and children receiving ADC assistance. Next year there will be an additional 15,000 to 18,000 added to those rolls. If the conference bill becomes law, those innocent children in Ohio and all other States will suffer, and citizens of Ohio and other States may be required to pay increased taxes to provide the benefits which should rightfully be provided by the Federal Government.

Not content with punishing children of poor families, the conference bill also contains heartless provisions for indigent and poverty stricken mothers. It would force them, regardless of how desperately they are needed at home, to leave their infants and school age children, to incur the expenses of their day care and to undertake job training. It is entirely conceivable this would be for jobs that do not exist. However, if a mother stayed with her children she could lose all assistance.

Mr. President, it has been my understanding since the first social security law was enacted in 1935 that we as a nation had adopted the philosophy that even the poor and poverty stricken are entitled to some dignity. More important, that children should have the care of their mothers while they grow up, if that is at all possible. This bill makes a sham of that philosophy which we had adopted when the Social Security Act, the most humane and social legislation in our Nation's history, was enacted into law 32 years ago. It was one of many imprints that Franklin D. Roosevelt left upon the pages of American history which will endure forever. I am very proud that during my first term as Congressman at Large from Ohio I voted for and spoke in favor of passage of the first social security law, and for liberalizing amendments on every rollcall in which I participated since that time.

Since passage of the Social Security Act of 1935, Congress has made changes in the act in keeping with fast-changing times. We have a duty to further expand and liberalize this program. Rather than fulfilling this duty, the conference report is a retreat to that time when a high-placed governmental official said, "Relief is a local problem."

Mr. President, this proposed legislation, apart from failing to provide adequate benefits for social security recipients, represents a failure by the Federal Government to assume its responsibility for taking over an increased share of the relief burden from financially hardpressed cities and States.

The majority of men and women beyond 65 years old have inadequate incomes. Most do not receive private pensions. The majority cannot afford proper medical care. Many are ill housed and, unfortunately, too many lack means to obtain proper diet and are undernourished. It is clear that social security benefits must be greatly increased and the social security program greatly expanded if we are to meet present needs of older Americans.

Our social security system, which is actually the old-age, survivors, disability, and health insurance program, is an actuarially sound insurance system. The present surplus in the social security and disability trust funds exceeds $26 billion. Under the amendments which we in the Senate passed, this program will continue to be actuarially sound without imposing unduly heavy premium payments on Americans.

Mr. President, I could go on at length detailing the many regressive features of the conference report. The limiting of earnings to $1,680 a year for those social security recipients who wish to continue to work after reaching retirement age is utterly unrealistic. The provisions regarding medicaid and welfare for unemployed fathers, to name some, are entirely inadequate and at great variance from those which we in the Senate adopted.

Although I personally dislike to accept the conference report knowing that the conferees for the other body had perpetrated an act of vandalism on the most deep-needed and most advanced liberalization and expansion of the social security law by either branch of Congress since 1949, my better judgment tells me we should not postpone final action until the coming session of this Congress. Better, it seems to me, we should try to live with this and then early in the final session of this Congress without delay work on restoration of the amendments we in the Senate had hoped would be incorporated in the Social Security Amendments of 1967. Then, we could debate and vote on these amendments hoping that by next March or April we might succeed in accomplishing the needed improvements in the social security law which were aborted by the opponents of social security reform in the other body.

Mr. McCARTHY. Mr. President, adjustments in the social security program are badly needed to take account of changes in the economy and to provide more realistic benefits to the retired, the disabled and survivors who are eligible under the program. Improvements of the public assistance programs and of the medicare program are also needed.

The bill which the House approved and sent to us had, of course, many good features, but it also had serious defects. It did not provide a sufficient increase in benefits. It had objectionable features in the public assistance program, principally the freeze on the number of welfare recipients who would be eligible and provisions which come close to imposing forced labor on mothers of dependent children on welfare.

We greatly improved the House bill in the Finance Committee and other constructive amendments were added on the floor. We increased the benefits to the level recommended by the administration—15 percent instead of 12½ percent and with a minimum of $70 monthly. We took off the freeze on welfare recipients. It was my view that we ought to remove altogether the threat that mothers of dependent children would be denied welfare benefits if they did not take training or work, and I introduced an amendment to provide this. In the committee we did spell out several conditions that would constitute "good cause" for not being forced to work, including "a mother actually caring for a preschool child." This exemption was enlarged by the Kennedy floor amendment which would have exempted a mother from being required to work during hours when her child or children under 16 are not in school. These provisions were eliminated by the conference committee.

It may well be, as some have argued, that State welfare agencies will use good judgment, or, as others have argued, that there will not be enough money for training so that in fact most of these mothers with dependent children will not be threatened with "Get out of the house and start to work or you will be cut off from benefits"; but in my judgment this is one of the worst features of the House bill. We ought not to write this kind of threat into Federal law. It is not practical. It is offensive to mothers on welfare who already have many difficult problems. It is a step backward in Federal policy which has been designed to protect the family and to enable mothers to provide care and guidance for their children at an age when they most need it. It is objectionable in principle.

I regret that the Senate conferees receded on this and on other constructive provisions and improvements that the Senate had written in the bill, and that we are now presented with an up-or-down choice of a conference bill that retains many objectionable and insufficient provisions of the House bill.

I ask unanimous consent to have printed in the Record a few of the many telegrams I have received opposing the conference bill.

There being no objection, the telegrams were ordered to be printed in the Record, as follows:

Washington, D.C.,
December 13, 1967.

Senator Eugene McCarthy,
Senate Office Building,
Washington, D.C.:

Public assistance and welfare provisions of 1967 social security amendments approved by conference committee represent major retreat from gains won over many years. Freezing of rolls on aid to dependent children and compulsory work programs are punitive and regressive in effect and would work hardship not only on the poor but on State and municipal welfare resources. We urge your firm support of Senate version of bill.

L. Arthur S. Flemming,
President, National Council of Churches.

Washington, D.C.,
December 12, 1967.

Hon. Eugene J. McCarthy,
U.S. Senate,
Washington, D.C.:

We are extremely dismayed over the conference committee report on social security amendments. The basic approach to public welfare embodied in the report is not in keeping with human dignity. We urge correction of the coercive features of the report, the elimination of the freeze on number of AFDC recipients and the limit on amount of medicaid payments. Urge you to oppose conference report and to seek the return of the bill to conference committee for results more in keeping with the Senate bill.

Very Rev. Msgr. Lawrence J. Corcoran,
Secretary, National Conference of Catholic Charities.

Washington, D.C.,
December 11, 1967.

Hon. Eugene J. McCarthy,
U.S. Senate,
Washington, D.C.:

The executive committee of the Leadership Conference on Civil Rights urges you to vote against the conference report on the social security bill. What started out as a social security measure has become an instrument of social insecurity. It generates pressure to break up families. Under this bill fathers would abandon their families and mothers would be forced to leave their children and go to work. The war on poverty is becoming a war on the victims of poverty. Cities now wracked by terrible crises would be faced with the intolerable choice of leaving poor people destitute or trying to provide for them out of funds they do not have. This is a shocking and regressive bill. We urge you to send it back to conference and instruct the conferees to insist on the Senate provisions.

Roy Wilkins,
Chairman, Executive Committee, Leadership Conference on Civil Rights.

Washington, D.C.,
December 12, 1967.

Senator Eugene McCarthy,
Senate Office Building,
Washington, D.C.:

We beseech you to filibuster if necessary to defeat the welfare amendments to the social security bill. The mental growth of thousands of infants and children will be gravely affected by the absence of their mothers in compulsory work or training. Day care for children under age 3 is highly experimental and likely to be extremely dangerous if applied broadly. We feel the freeze on ADC payments is also unspeakably cruel. Your courage on this issue now will be justly rewarded by an easy conscience later.

Frederick Solomon, M.D.,
Medical Committee for Human Rights.

Washington, D.C.,
December 11, 1967.

Senator Eugene J. McCarthy,
Washington, D.C.:

The National Association of Social Workers is deeply concerned about restrictive welfare provisions in conference report on H.R. 12080—the Social Security Amendments of 1967. Compulsory work requirements on mothers with small children and the AFDC freeze must be eliminated. Respectfully request that you not approve conference report but refer it back with request that new conferees be appointed.

Charles I. Schottland,
President, National Association of Social Workers.

New York, N.Y.,
December 11, 1967.

Senator Eugene J. McCarthy,
U.S. Senate, Washington, D.C.:

Please reject conference report on HR. 12080. Title II irremediably endangers and deprives millions of children.

Joseph H. Reid,
Executive Director,
Child Welfare League of America.

New York, N.Y.

Senator Eugene J. McCarthy,
U.S. Senate, Washington, D.C.:

Conference report on H.R. 12080 retains unjust provisions requiring mothers receiving public assistance work and freezing aid to children from broken homes urge you oppose bill rather than saddle nation with these unsavory precedents.

Huber F. Klemme,
Coordinator, Antipoverty Task Force,
United Church of Christ.

New York, N.Y.,
December 12, 1967.

Senator Eugene J. McCarthy,
Senate Office Building, Washington, D.C.:

We support the social security bill originally passed by the Senate and welcome your efforts to reject conference committee report. Shameful quota on number of children aided must be eliminated. Conference acceptance of limitations on medicaid, forced work procedures, and new burdens on states and localities should be reversed.

Fay Bennett,
Executive Secretary,
National Sharecroppers Fund.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 43) to officially recognize the 150th anniversary of the admission of the State of Illinois to the Union.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two House on the amendments of the Senate to the bill (H.R. 10595) to prohibit certain banks and savings and loan associations from fostering or participating in gambling activities.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 8581. An act to amend section 11-341 (b) of the District of Columbia Code which relates to the sales price for the reports of the opinions of the U.S. Court of Appeals for the District of Columbia Circuit; and

H.R. 14330. An act to provide a comprehensive program for the control of drunkenness and the prevention and treatment of alcoholism in the District of Columbia, and for other purposes.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred to the Committee on the District of Columbia:

H.R. 8581. An act to amend section 11-341 (b) of the District of Columbia Code which relates to the sales price for the reports of the opinions of the U.S. Court of Appeals for the District of Columbia Circuit; and

H.R. 14330. An act to provide a comprehensive program for the control of drunkenness and the prevention and treatment of alcoholism in the District of Columbia, and for other purposes.

CHANGE OF REFERENCE

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Minnesota [Mr. McCarthy], I ask unanimous consent that the Committee on Public Works be discharged from further consideration of S. 2712, a bill to amend the act entitled "An act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River at or near Baudette, Minn.," approved December 21, 1950, and that the bill be referred to the Committee on Foreign Relations.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRESIDENT PLEDGES AMERICA'S CONTINUED EFFORT IN SPACE

Mr. HOLLAND. Mr. President, in his speech at the Michoud Space Facility at Michoud, La., President Johnson dedicated America to pursue the exciting challenges of the space age.

In just 60 years, this Nation has moved from the first fragile flight at Kitty Hawk to space walks in the sky. The Americans who have dedicated themselves to our space efforts and the commitments of the Nation's taxpayers to our space success have enabled the United States to lead the way to the stars.

Our investment in the space program is an investment in the future of America.

The wonders of space science have enriched our lives on earth by providing additional knowledge for our schools, new technology for our industries, and new answers to our age-old questions.

Our satellites have warned the world's peoples of dangerous weather conditions, linked, in the President's words, "the continents into a community of nations," and mapped a moon which men have longed to see since time immemorial.

Under President Johnson and an enlightened Congress America has chosen to secure the future rather than to long for the past. We stand at the gateway to a new world—and we mean to enter that world.

With President Johnson's dedication—a dedication dating back to his days in the Senate—and the Nation's continued support, we will unlock the secrets of the universe and travel into the trackless skies. As America pioneered in the first flight at Kitty Hawk it shall continue to be the world's pioneer in space. America—and the world—will be the better for it.

I ask unanimous consent to insert the President's remarks into the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF THE PRESIDENT AT MICHOUD SPACE ASSEMBLY FACILITY, MICHOUD, LA., DECEMBER 12, 1967

Governor McKeithen, Mr. Mayor, Director Webb, Captain Schirra and Captain Cunningham, Dr. VonBraun, the able leaders of Chrysler and Boeing and the working people in this group, ladies and gentlemen.

Governor McKeithen and I had our hearts swelled with pride as we rode through this great operation and saw the technical facilities and development that you men and women have produced.

Senators Ellender, Long and Hale Boggs—who gave my daughter a wedding party the other evening—Congressman Hébert and others have insisted I come to Louisiana to see what you had here. But little did I realize how mammoth it was and how much you have done and are doing.

Governor McKeithen, being a farm boy from out in the sticks, looked up to me and said, "Mr. President, this place would really hold a lot of hay, wouldn't it?"

I said, "Governor, I don't know how much hay it will hold. It has been a long time since I bought hay. But I do think it would have been big enough to invite all of my friends to the wedding." I don't think that we could buy them champagne if we got this many there. But it is big enough—Alaska is big enough to do whatever needs to be done.

It was 64 years ago this week that Bishop Wright of the United Brethren Church in Dayton, Ohio received a telegram. This telegram was from his two sons who were vacationing on the seashore.

That telegram began:

"Success four flights Thursday morning. All against 21 mile wind. Started from level with engine power alone. Average speed through air 31 miles. Longest, 57 seconds."

The next line said:

"Inform press."

The figures were a little off. The wind was 27 miles, not 21. The longest flight time was 12 seconds, not 57. But this was blamed on the telegraph operator, Governor, lately. But this telegraph operator said he couldn't read Orville Wright's handwriting.

But the fact remains that the two young bicycle mechanics from Dayton, Ohio had designed and flown the first practical airplane.

Standing here, in this great mammoth center, it is hard to believe that we have come so far and we have come so fast—from the Wright brothers on the sands of Jim Webb's native North Carolina to this amazing space complex here in the freedom-loving State of Louisiana.

What a leap in less than one human lifetime. From a voyage of 120 feet to a trip to the moon. And we are still soaring. We have started a journey from which there can be and there will be no turning back.

We have come a long way—and much of that journey has been made in the last ten years. Ten years ago, we could put scarcely 100 pounds into orbit about the earth. Today we can orbit 285,000 pounds. That is progress. That is something I am proud of and that is something you are proud of. That is something we are doing together.

In the nine years since I first introduced in the United States Senate the Aeronautics and Space Act of 1958, we have seen the power of our rocket engines increase 50 times—from 150,000 to 7,500,000 pounds of thrust in the engines that you build here.

We have satellites watching the world's weather.

We have communications satellites linking all the continents into a community of nations.

We have mapped the moon already.

We have flown our astronauts in orbit for as long as 14 days. They have begun to learn how men can live and work in space.

We have perfected our technology. Thirteen Saturn vehicles have been launched without a single failure. You hear about the bad things; now let's talk about the good things.

On behalf of this very proud Nation, and as your President, I have come here to say on behalf of the American people that we thank you good people of New Orleans and Louisiana for helping to bring these miracles about. We thank you for your skill, your loyalty, and your dedication to your country that gives such blessings to all America.

But you have done more than paved man's road to the stars. Much of what you do stays here at home to enrich our lives, improve our economy, and add to our strength.

Your Apollo program will send men to the moon. It will also help your industry, our universities, and our Nation to develop the knowledge that we need—that we are going to have to have—if we survive in the 20th Century.

We are just beginning, really, to grasp the responsibilities and the opportunities of space. We are just beginning to realize its meaning for the needs here on earth.

I was talking to Governor McKeithen riding through a moment ago. We have invested some $20 billion in the past 10 years. But the value to our Nation of this $20 billion and this successful space program may be millions of times greater than the investment we made. Who knows now, when we have only lifted the first veil from the mysterious and the miraculous?

But think of the cost to us if we were not in space—if we failed to support a program that is worthy of the wealthiest nation in history. What would that say about America's vested system of government? What would that say about our leadership in the world if we brought up the tail end?

Think of the cost to America, compounded again and again, if we had abandoned the determination to master technology—when it is so vital, not only to our prosperity but it is vital to our very national security.

It is because of you that we have not failed. It is because of you that the national effort that we launched in 1961—it is because of this investment, our foresight and sacrifices—that Americans can today watch the moon rise and the stars move through the heavens without great fear.

Not long ago we had to stand by and watch other countries accomplish what we could not accomplish. I will never forget the days of Sputnik-1 and Sputnik-2, and the real concern. You talk about concerned people; they were concerned during that period.

We were the most scientifically advanced nation on the face of the earth but we did not launch man's first earth satellite.

We were backward because we did not choose to adventure. We did not choose to have vision. We did not choose to look forward. Now let us remember that our future achievements—or our future failures—will depend on how far ahead we choose to look and how far ahead we choose to think.

If we think second, and if we look third, then we are going to wind up not being first.

I hope you hear me—that man will make space his domain is inevitable. Whether America will lead mankind to that destiny does not depend on your ability, but it depends on our vision, our willingness, and our national will and determination.

This great pilgrimage of man—like all his adventures—costs money. Christopher Columbus spent more years trying to find money for his voyage than he spent discovering the new world. In the modern world, we can no longer depend on a Queen Isabella pawning her jewels. We have to depend on taxes. We must have the revenues that only Congress can grant through taxes.

So we will advance in space to the extent that our people and their representatives are prepared for us to advance and are prepared to pay the cost of that advance. We may not always proceed at the pace we desire. I regret that there have been reductions and there will be more. There have been interruptions, and I hope that we have had all we can take. But I do have faith and confidence in the American people.

We are all the descendants of those voyagers who found and settled the New World.

We Americans are the first to really enter and the first to understand the 20th Century.

Today we stand here at the gateway to another and a more glorious new world.

We will not surrender our station. We will not abandon our dream. We will never evacuate the frontiers of space to any other nation.

We just must be the space pioneers who lead the way to the stars.

To Capt. Schirra and Mr. Cunningham, and their associates, particularly to Director Jim Webb and Dr. Von Braun, and to all of you in the great State of Louisiana, who have worked your hearts out to make this a success, to the great managers of this operation, Governor McKeithen, I say on behalf of not just the State of Louisiana, but the States of this Nation, all 49 of them—we are very proud of our space program.

We are very proud of our astronauts and the industrial genius that supports them.

We are very proud of the good people of Louisiana for what they have built and for the record that they will establish.

Thank you very much.

TOWARD TOMORROW'S TRANSIT

Mr. MONDALE. Mr. President, transportation lies at the very core of urban and metropolitan development. The lives of all of the 80 percent of American who now live in cities are shaped in their daily detail by transportation.

Urban transportation today is failing to live up to the challenges that this crucial position poses to it. Urban transportation today is, as everybody knows, too slow, too expensive, too ugly, too noisy, too much the despoiler—not the servant of urban life.

For these reasons the improvement of urban transportation is a prime concern for the Department of Housing and Urban Development. HUD's urban mass transportation programs are already achieving important results—but they are only a beginning for what must lie ahead if we are to develop the kind of urban transportation systems we need.

The strategy for this future development is now being laid by HUD in a major 18-month study.

I urge my colleagues to read a speech by Housing and Urban Development Assistant Secretary, Charles M. Haar, in which he describes the "breakthrough" program for urban transit. I request that Mr. Haar's speech be printed at this point in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

TOWARD TOMORROW'S TRANSIT: A STRATEGY FOR INNOVATION

(A speech by Charles M. Haar, Assistant Secretary for Metropolitan Development, U.S. Department of Housing and Urban Development, to the HUD-sponsored Urban Transit Seminar, West Virginia University, Morgantown, W. Va., July 20, 1967)

"The first step is to break old patterns . . . to begin to think, work and plan for the development of entire metropolitan areas." (President Lyndon B. Johnson, Statement of the Union Message, January 4, 1965.)

Transportation lies at the very core of urban and metropolitan deevlopment. The physical shape of the cities and towns in which we live reflects the various ways in which people and goods have moved about at different points in our history. The narrow, winding ways of a Beacon Hill in Boston, of the lower tip of Manhattan, of downtown Providence, are products of travel on foot and horseback. The gridiron pattern of urban development in cities like Chicago was shaped by the streetcar. The sprawl of suburbs and the growth of linear centers along highways and circumferential freeways has, of course, been facilitated by the automobile and the motor truck.

And transportation touches the lives of urban dwellers in other ways, too, for cities, as Aristotle reminds us, are places where people come to live together to lead the good life. Today, they tend to perceive this goal in terms of living in one place, working in another, going to school and shopping in still others, and visiting friends and seeking recreation in others again. Contemporary cities are places where moving around is part and parcel of everyday existence and where concentration of activity makes these movements harder to synchronize.

The commuter who may spend an hour or two each day getting to and from work; the suburban housewife who spends her mornings chauffeuring herself and her afternoons chauffeuring her children; the poor who must spend hours on public transportation to get to work and cannot get to jobs where public transportation does not run; the old who are isolated and lonely because they cannot get out and about easily in the city—the lives of all of the eighty percent of Americans who now live in cities are shaped in their daily detail by transportation.

It is a curious paradox that the very virtues of the motor vehicle have brought problems to the cities of today. That double nature of technology—both source and solution of problems—again is manifest. Mobility engenders later congestion and congestion is felt not only by the New Yorks and Los Angeleses but by small cities and suburbs as well. A recent poll of citizens of Woodstock, Illinois, listed downtown congestion first among the town's 20 worst problems. The population of Woodstock is 9700.

Urban transportation today is failing to live up to the challenges that its central position poses to it.

The genius that has planned and built modern America has worked with only erratic effectiveness in urban transportation. The leisure we have won from toil we spend in traffic. The cost reductions we have achieved through greater efficiency in production and marketing are offset in many cases by the cost increases caused by inefficient urban goods movement. The peace we have sought in the suburbs is often hardly worth the turmoil we must go through to get there. Urban transportation today is, as everybody knows, too slow, too expensive, too ugly, too noisy, too much the despoiler—not the servant of urban life.

For these reasons the improvement of urban transportation is a prime concern for the Department of Housing and Urban Development. For almost fifteen years now HUD has been giving assistance to local communities, metropolitan regions, and States for comprehensive urban planning—of which transportation planning is always a major component—to promote coordination and harmony between transportation systems and other parts of urban life. It has been responsible for the Federal program of assistance to urban mass transportation since that program was established in 1961: a program that helps communities provide the balance of transit service necessary to meet transportation needs in metropolitan areas that cannot effectively be met by building more highways and adding more automobile traffic.

These needs are urgent ones. In the past we have been nearsighted in thinking about urban needs and the kind of transportation necessary to satisfy them. We have moved along the course of least resistance by piecemeal expansion. And as the President's Citizens Advisory Committee on Recreation and Natural Beauty, headed by Laurence Rockefeller, has stated in its recent report to the President, this expansion has been pursued by "archaic methods" that have focused on engineering considerations and simple costs when "experience has taught us that we require more uses from the land than can be considered in the simple cost-benefit formula. Highways have effects that reach far beyond those who drive on them; yet our present devices for choosing locations are still based mostly on requirements of the highway user rather than the community at large." The Secretary of Transportation has spoken of the "glaring inadequacies" of present transportation "with regard to urban congestion and airport access."

In most cases, however, mass transportation has not been developed to its full potential as an alternative or supplement to highway expansion in urban areas where the costs and disruption of this expansion are excessive, and where people need wider options than complete dependence on the private automobile. For, properly applied, public transportation is complementary to private transportation in rendering it more efficient both in its own terms and in those of social external costs.

Public transit has often not even managed a piecemeal response to the urban challenge in terms of suboptimization of its components and sub-elements. Equipment is too often antiquated—uncomfortable, drafty, noisy, and ugly. Service has deteriorated—waits are long, transfers increasingly necessary as the patterns of trip origin and destination have become more scattered. Methods of financing and pricing mass transit are far less advanced and sophisticated than those used in other fields. As a result of these factors transit operators have been caught in a fatal trap in which declining ridership has meant service cuts and fare increase which in turn have caused further loss of riders.

The causes have been variously diagnosed. The roots of mass transit stagnation have been found in a lack of research and technology, in a lack of business management and efficient administration, in a lack of Federal funds or in a lack of metropolitan and regional organization on a large enough scale to rationalize transit operations.

Deficiencies in technological innovation were emphasized by a National Academy of Sciences summer seminar, which considered transportation problems in 1960. Its report spoke of "the decline of transportation engineering in the universities and in research and development laboratories. The problem is most serious in the case of the older modes but exists to some degree in all." Five years later, Lawrence Lessing wrote in *Fortune* magazine that "a great gap exists in really basic research on advanced ground-transportation systems, due to over half a century of neglect by the industry as well as government."

Deficiencies in Federal financial support are sometimes emphasized. By contrast, mass transit has received Federal assistance late and sparingly. Harold Meyers wrote in *Fortune* magazine in 1964: ". . . for the last decade only the manufacture of buggy whips has been deader than mass public transportation. Lately, however, the industry has been stirring and it well may grow robust again in the decades ahead. . . . Spurring this prospective revival of a moribund industry is a transfusion of federal money."

John Kenneth Galbraith, in his recent book, has emphasized another possible cause of transit stagnation, organizational fragmentation. He contrasts the isolation and small scale of local transit systems with the regional coordination and large scale technological rationalization of the telephone system in this country—arguing that the "technostructure" for innovative research requires coordination on a large scale, regional or even national.

However we analyze the situation, informed observers agree that a satisfactory solution will require both better technology and more money. In its final report, the National Commission on Technology, Automation, and Economic Progress enumerated transit's many problems of congestion, delay, cost, and quality of service—then concluding: "The potentials of new transportation technology point toward the solution of many of these problems. Yet these possibilities are not being realized, due in large part to unresolved organizational, administrative, and financial difficulties. The problem is aggravated by the failure to look at transport technology as a whole."

Today, manufacturers are beginning to develop some notably improved equipment—as witness the computerize San Francisco BART transit system now under construction and the Westinghouse transit expressway with electric buses automatically controlled on an exclusive right-of-way that has been successfully tested in Pittsburgh. But the industry has for the most part offered too fragmented and poor a market to encourage research and development along these lines and governments have not exercised here the role of leadership in innovation that is provided in other fields of transportation.

In fiscal year 1968, for example, the Federal Government will spend some $4.1 billion on highways, $900 million on air transportation, $800 million on water transportation, and only $140 million on urban mass transportation: less than 2½ percent of total Federal transportation assistance.

But even with this initial level of investment, it is noteworthy that HUD has achieved many important results by way of innovation. Both the BART system and the Westinghouse transit expressway were sparked by HUD urban mass transportation demonstrations. In Oakland, HUD sponsored the initiation of commercial hovercraft service between airports and city centers across San Francisco Bay. Other projects have spurred the development of automatic fare collection equipment, improved tunneling techniques, a helicopter-borne "skylounge" for center city airport connections, gas turbine highspeed rail commuter trains, computer scheduling of buses, and the design of transit to open job opportunities of residents of inner city neighborhoods among new industries at the fringe of cities.

Such demonstration projects have been an important complement to HUD's on-going capital grant program in urban mass transportation. HUD has used capital grants to expend and strengthen transit and rail commuter systems in several score of cities, to preserve service in a number of smaller cities that would otherwise have lost it and to initiate it in a number of others, and to start planning and construction of subway and rail rapid transit systems in San Francisco, Atlanta and Seattle. The first six years of HUD's urban mass transportation program have built an essential background of experience and suggested a number of the possibilities that exist for future development.

They are only an auspicious beginning, however, for what must lie ahead if we are to develop the kind of urban transportation systems we need. The strategy for this future development is now being laid by HUD in a major 18-month study for which we were given responsibility by Congress last year. This study will form the basis for a report to the President and the Congress early next year on what sort of comprehensive research and development program this country should embark upon over the next decade or more in urban mass transportation.

To conduct the study we have brought together some two dozen engineering and consulting firms, private manufacturers, and university groups, each with broad staffs of economists, scientists, engineers, urban planners and transportation experts. Our aim is to reach beyond the piecemeal development of today to outline in systematic fashion a comprehensive, staged program of innovation such as this country has employed in fields like space and air transportation.

Throughout, our concern has been to relate technological and scientific innovations as closely as possible with their impact on the shape of cities and towns and the quality of the lives of urban dwellers. We know that we cannot afford again to ignore urban needs and human lives in building transportation systems—that we must begin with these and build to serve them.

The initial phases of this study are now well along. Last February, HUD Secretary Robert Weaver announced the award of contracts concerning the four basic components of the study, to probe the technological possibilities for creating new systems of transportation in a series of future time frames:

1. Stanford Research Institute is conducting a futuristic study of solutions which might be developed within a period of five to fifteen years. They are among the groups doing comprehensive evaluation of electric cars, a field in which HUD has already been extensively involved through demonstration project work undertaken with the University of Pennsylvania.

2. The WABCO Mass Transit Center in collaboration with Wilbur Smith and Associates, the Institute for Public Administration and Melpar, Inc., is undertaking an evolutionary study of improvements that could be made in three to eight years. Among other possibilities, they are conducting a systematic appraisal of exclusive bus lanes, a concept that an earlier HUD demonstration project with Texas A. & M. showed to be particularly promising.

3. The engineering firm of Day and Zimmerman is looking at ways to obtain improved results from existing transportation technologies within a time-frame of six months to three years.

4. General Research Corporation, a group experienced in defense and space research, is conducting a comprehensive systems analysis, with the aid of computers, of urban transportation problems and their solutions.

In May, I announced the award of five additional contracts to round out and strengthen this work:

5. The Battelle Memorial Institute will do an early screening of the work of the four major contractors, and will prepare evaluation monographs on a wide range of possible urban transportation research projects.

6. Because of the many potential benefits to be derived from a bi-modal small vehicle transportation system that can travel both on ordinary streets and high-speed automated guideways, the Department has retained Cornell Aeronautical Laboratory to analyze such a system. Cornell will evaluate it by applying it to a test city, Buffalo, New York.

7. Preliminary investigations indicate that one of the critical elements of making major improvements in urban transportation is the development of electronic command and control systems. The General Electric Company has been retained to study this area.

8. General Motors Corporation is applying some of the experience and talent of the automobile and railway equipment industries to the study of a series of concepts including low speed air cushion vehicles for downtown areas, a "Metromode" exclusive right-of-way vehicle, automatic highways and two or three radically new bus concepts. Some of the last may incorporate work HUD is doing through a demonstration project contract covering improved bus design with the National Academy of Arts and Sciences.

9. North American Aviation has been retained by HUD to survey the aerospace, atomic, defense and other advanced technologies for elements which may be utilized in solving the urban transportation problem.

I am today announcing the award of eight final contracts in the new systems study. Some of these fill gaps in the earlier studies, or address problems that initial work has shown to be of importance deserving special, more intensive treatment. The movement of goods in urban areas is one of these—a generally neglected field, where transportation today is largely an attempt to fit into systems primarily designed to move people.

Others of these final studies will provide in greater depth the background of knowledge of demand patterns and the interrelationships of transportation with urban land use and the shape of urban life that are of such special concern to HUD. One, for example, is a study of the various unmet demands in urban transportation today—the "invisible groups" I mentioned earlier, such as the suburban housewife and the inner city poor and the aged. Here again, in one part of this area—the design of transportation systems to open job opportunities for slum residents—HUD has already done considerable work, having sponsored demonstration projects in Los Angeles, Nashville and Long Island.

Another is the problem of transportation in small cities and towns, where HUD has helped establish and maintain traditional bus transit that can provide reasonably good service at feasible cost.

The additional eight contracts, which will give us a systematic approach to designing a research and development program of the magnitude and flexibility this problem for the city deserves, are:

10. Peat, Marwick & Livingston of New York has been awarded the first contract, to develop projections of urban personal travel demand for each Standard Metropolitan Statistical Area. This will provide the broad statistical background to enable future research to be planned according to need.

11. Consad Research Corp. of Pittsburgh will study another and most important facet of urban travel demand: the sensitivity of demand to such matters as relative investments in different types of transportation systems, technological breakthroughs and improvements, changes in income, variations in population density. Lack of knowledge in this area has in the past left us unprepared for the impact that shifts in other aspects of urban life have on transportation; we cannot keep up with these changes, let alone get ahead of them, without such information.

12. Transportation Research Institute of Carnegie Institute of Technology has been charged with the investigation of the so-called latent demand for urban transportation to satisfy urban and social needs unmet by existing systems. I have spoken of the frequent failure of present transportation to get people in the ghetto to new jobs on the fringe of cities. This is an instance of latent demand. So are the suburban elderly who cannot visit with friends, shop or get to recreation. And TRI's study will look beyond these groups, too, at places where transportation could open horizons for city dwellers unguessed at today.

13. Battelle Memorial Institute will examine the neglected area of demand for urban goods movement, with an eye to developing systems that can distribute goods from grocery bags to heavy manufactured products without the costly delays, snarls of double-parked delivery trucks and noise that we have today.

14. ABT Associates at Cambridge, Mass., has been given a contract to look at the qualitative aspects of urban travel demand—at the effect of such things as seating comfort, temperature control, safety and security; and at how these factors can be improved.

15. Barton-Aschman Associates of Chicago is responsible for the largest of the new studies. It will investigate the land use requirements of various urban transportation systems and their impact upon the neighborhoods and areas they cross. It will look at the past experience in various cities and outline ways in which we can avoid conflict between transportation systems and the people and communities they are supposed to serve.

16. The Regional Economic Development Institute of Pittsburgh will study transportation in the new towns, which are likely to be increasingly an answer for metropolitan development over the next 40 years when we must build as many new houses and other structures as we have built in all our previous history. This study will focus on how transportation and urban land use can be coordinated in a setting where we can start from scratch.

17. The last of the eight contracts, awarded to Midwest Research Institute of Kansas City will look at the special transportation requirement of small cities and towns. At present these communities, unable in many cases to support even the rudiments of a traditional mass transportation system, have no answer to their problems of congestion, disorderly development, and service to those without access to automobiles. Future transportation systems must address their needs.

The unique contours of the problems of each of our urban areas mean that transportation progress will continue to come only from close cooperation by private industry, local government, the states and Federal assistance programs. Foremost here is that the ingenuity of industrial America must be brought to bear on the problem.

We have launched a most ambitious and interdisciplinary effort. An immediate—but temporary—result of our program is the creation of a brain drain! We are draining industry and universities of top talent to complete this study in the short time given us by the Congress. The long-run approach embodies a systematic effort which will encourage technological imagination, the countywide stimulation of our best research talents and deep concern at the national level for the quality of urban environment.

From this study of possibilities for research and development in urban mass transportation, we hope will come blueprints for movement in tomorrow's cities—next year and in 20 years—that will end the gap between urban transportation and America's accomplishments in fields such as space exploration.

For progress in urban transportation we must undertake such a program. Without progress in urban transportation we cannot hope for progress in the problems of urban America.

FREE WORLD SHIPPING TO THE ENEMY PORT OF HAIPHONG

Mr. BYRD of Virginia. Mr. President, I do not want this session of the Congress to adjourn without calling to the attention of the American people certain facts regarding free world shipping to the enemy port of Haiphong.

During the 11 months of 1967—namely, January through November—58 ships flying the flag of Great Britain carried cargo to the North Vietnamese.

During that same period of time, the United States suffered 66,000 battle casualties in Vietnam.

Why does not the American Government bring diplomatic and financial pressure on the Government of Great Britain to keep from Haiphong ships flying the flag of Great Britain?

I first invited attention to the fact that ships flying the British flag were carrying cargo to North Vietnam in February of 1966.

I took this matter up with the Secretary of State and the Secretary of Defense, each of whom said an effort was being made to eliminate this British shipping. But then they would add that Harold Wilson, the British Prime Minister, was having a hard time, and would infer he should not be pressed too hard.

Apparently he has not been pressed too hard.

To my mind, our Government's attitude toward ships flying the flag of Great Britain entering Haiphong is another indication of what I have been saying throughout this year 1967, that there is no sense of urgency in bringing the Vietnam war to a conclusion.

I repeat the figures: For the 11 months January through November 1967, 58 ships flying the flag of Great Britain carried cargo to the North Vietnamese at whose hands the American people have suffered 66,000 combat casualties during the first 11 months of 1967.

DULLES INTERNATIONAL AIRPORT

Mr. BYRD of Virginia. Mr. President, there is a tendency to think of Dulles International Airport as a Washington facility, and its underutilization as a problem which concerns only the Washington metropolitan area.

But, in point of fact, Dulles Airport is a national asset—even an international asset.

The $110 million invested in the construction of this airport came from the pockets of all American taxpayers and these taxpayers are concerned to see that their money is well spent.

In addition, millions of persons from all over the United States and the world visit Washington each year. They have an interest in convenience and safety in their travel, and that was one reason why Dulles was built in the first place.

National Airport was built to handle 4 million passengers a year but it is now serving 10 million. The inconvenience and potential safety hazard represented by the congestion of flights at National is well recognized.

An editorial in the Nashville, Tenn., Banner of November 30, 1967, dramatizes the nationwide interest in Dulles International Airport. The editorial points out:

> The public has a definite stake in the issue. More extensive use of Dulles not only will result in greater convenience and comfort for long distance travel, but serve to minimize hazards so evident where air traffic is concentrated on ports too small to accommodate.

In the past year, there has been an encouraging expansion in the use of Dulles. According to a report in the Washington Post, airline operations at Dulles were up 59 percent for the first 10 months of the year. The number of passengers served increased about 35 percent during the same period.

These are very encouraging figures, but I think a great deal more can, and should be done to increase air traffic at Dulles.

I believe the nationwide stake in the better utilization of Dulles should be recognized by the Federal agencies concerned with this problem and that they ought to redouble their efforts to provide safe and convenient service for airline passengers coming to Washington.

Mr. President, at this point, I ask unanimous consent to insert in the Record an editorial entitled "For Dulles Airport Expanded Use," from the Nashville, Tenn., Banner of November 30, 1967, and an article by David Hoffman entitled, "FAA Actions Stir New Dulles Boom," which appeared in the Washington Post, December 14, 1967.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Nashville (Tenn.) Banner, Nov. 30, 1967]

For Dulles Airport—Expanded Use

Dulles International Airport—located about 20 miles west of Washington, D.C.—cost taxpayers $110 million. That's a tidy sum to pay for a facility now being bypassed by airlines to such an extent that it ranks at the bottom of the list as an air terminal in relation to its size.

The flagrant waste of its potential was pointed up by Sen. Harry F. Byrd Jr., of Virginia the other day in urging fuller use of its capacity.

It will be recalled that Dulles originally was built to relieve heavy congestion at nearby National Airport which had been responsible for several tragic mid-air collisions and scores of "near misses."

Byrd pointed out that Dulles now handles not many more than a milion passengers a year whereas National (a smaller facility) serves 10 million annually—six million more than the number for which it was designed.

Both National and New York's John F. Kennedy airport are currently saturated with flights which could easily be diverted to Dulles.

Byrd's recommendation has caught the attention of commercial airlines which now plan to make more use of Dulles next year, especially as entry and exit point for transcontinental and trans-Atlantic flights.

The public has a definite stake in the issue. More extensive use of Dulles not only will result in greater convenience and comfort for long distance travellers, but serve to minimize hazards so evident where air traffic is concentrated on ports too small to accommodate it.

[From the Washington Post]

FAA Actions Stir New Dulles Boom

(By David Hoffman)

Traffic at Dulles International Airport is beginning to boom under the impetus of Federal pressures and enticements.

Even so, passengers moving through the five-year-old terminal number substantially fewer than the number predicted by the Federal Aviation Administration when it sought funds to build the airport.

By arranging a ceiling on flights through Washington National, by threatening to squeeze others out, by improving passenger services at Dulles and by subtle salemanship, Federal agencies have engineered a spectacular increase in Dulles traffic without so much as promulgating a regulation.

Because of last year's machinists' strike, October was the first full month in the last four in which a valid comparison could be made between Dulles traffic this year against that in 1966. That comparison shows a 105 per cent gain in total airline operations, a 30 per cent gain in passenger movements and a 59 per cent gain in cargo hauled to and from the Chantilly, Va., terminal.

OTHER TOTALS RISE

For the first 10 months of the year, airline operation were up 59 per cent and passenger movements were up about 35 per cent.

At Washington National, meanwhile, efforts to stunt traffic growth kept the growth rate below the national average. But despite the airline-general aviation agreement to limit operations to 60 an hour, total operations increased almost 8 per cent during the first six months of the year.

FAA recently published a lengthy traffic forecast covering passengers and aircraft expected to move through Washington during the 1970–1980 period. On the basis of this newest forecast, and the one that preceded it, one can conclude Dulles traffic is almost five years behind schedule.

In a report submitted to the FAA on Aug. 15, 1964—one contracted for by the agency—the Dulles architects and engineers predicted that their airport would generate 2,192,000

> passengers in 1965 and 4,340,000 by 1975. In fact, 407,000 passengers enplaned at Dulles in 1965.
>
> FAA STILL OPTIMISTIC
>
> The optimism of the earlier forecast is reflected in FAA's own forecast published this year.
>
> According to it, the number of enplaning passengers will jump from 407,000 in 1965, to 1,335,000 in 1970, to 5,282,000 in 1975 and to 11,830,000 in 1980. Total aircraft operations accordingly will increase from 145,000 in 1965 to 263,000 in 1970 to 451,000 in 1975 and to 650,000 in 1980.
>
> This would mean that sometime before 1975, Dulles would surpass Washington National as the busiest area airport.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. BYRD of Virginia. I am glad to yield.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. LAUSCHE. Mr. President, I listened with great interest to the remarks made by the Senator from Virginia about Dulles International Airport.

At the present time there is thinking indicating a belief that the building of Dulles International Airport was a mistake. It is thought by some that the expenditure of $110 million was not justified. I do not subscribe to that thinking, especially when I have in mind the extraordinary growth of population that is expected by the year 2000. My judgment is that this finest airport in the world, Dulles International Airport, will prove a boon in the years to come. There will be rejoicing and thanks to promoters of the airport for the construction of that field.

Apropos to the Senator's statement with respect to Dulles International Airport, practically every metropolitan community in the country will be faced with the need of establishing new airfields inasmuch as present airfields are inadequate.

The congestion at National Airport is reaching the point where many potential air travelers feel the danger of the many planes that hover over the airport trying to get in.

About 31 miles southeast of Cleveland we have what is known as Ravenna Arsenal grounds. It is a huge tract of land owned by the Federal Government at which the Federal Government has stored ammunition of war. A few days ago I wrote a letter to Alan Boyd and to appropriate aeronautical officials saying to them: "Examine the Ravenna Arsenal." The acreage is huge. The ground is level. The future of Cleveland will require new airport facilities. We now have an airport 12 miles west of Cleveland. We will need a huge airport east of Cleveland. The Ravenna Arsenal grounds might substantially supply for Cleveland the service Dulles will provide for Washington in the very near future.

I thank the Senator for yielding and I commend him for the statement he has made.

Mr. BYRD of Virginia. Mr. President, I am so pleased to hear the remarks just made by the distinguished senior Senator from Ohio in regard to Dulles International Airport.

I concur in his belief that Dulles will eventually become one of the greatest, if not the greatest international airport in the world.

It is particularly fine to have the comments of the distinguished Senator from Ohio, who has had wide experience not just in the Halls of Congress but also as chief executive of the great State of Ohio and, prior to that, a great deal of municipal experience as the mayor of the great city of Cleveland.

Thus, I welcome his remarks and I concur in his views that all of this great Nation, as the years go by, will be faced with the need for additional airport facilities. Congress took note of this fact insofar as the Washington area is concerned some years ago when it appropriated $110 million to build Dulles International.

Congress realized then, what has now become apparent, that the air traffic at National Airport has reached the extent that it is dangerous and many hazards exist because of the 10 million passengers who are being accommodated at the present time, and that we need an additional airport in this area.

Dulles International was constructed for that purpose to supplement and take over the long-haul traffic in the Washington area.

As the years go by, I feel that the Senator from Ohio will be borne out in his predictions that Dulles International will become a great international airport.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H.R. 664) to amend the Tariff Act of 1930 to provide that bagpipes and parts thereof shall be admitted free of duty.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H.R. 8580) to convey certain land to the Squaxin Island Tribe of Indians.

SOCIAL SECURITY AMENDMENTS OF 1967—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

Mr. BROOKE. Mr. President, in a statement before the Senate Committee on Finance last August I expressed the view that the object of social security legislation should be twofold. It should care for those who cannot help themselves—the elderly, the disabled, the young. And it should help those who are capable of work to learn skills which will take them off the welfare rolls and make them useful and productive members of society.

I am sure that these objectives were shared by the members of the conference committee which drafted the legislation presently before us. But I believe that the compromises reached in conference will not help, they will hinder, the achievement of both these objectives.

The Senate voted a 15-percent increase in social security benefits. A 20-percent increase would have been desirable. The conference committee agreed on a 13-percent increase, which is barely enough to keep up with the rising cost of living for some, and which will result in no additional benefits for many others who will simply find their old-age assistance checks reduced in proportion to the increase in their social security benefits.

The Senate voted to raise the minimum social security benefits to $70 per month; $100 would have been preferable. But the conference committee agreed on a minimum of only $55 per month, which will do very little to improve the living conditions of hundreds of thousands of elderly and dependent citizens. Even so, if this were the only provision of the bill, I could support it without question.

But I am most disturbed over the welfare provisions of the bill. The Senate adopted a very reasonable provision regarding work and work training programs for mothers and older children presently receiving welfare benefits. The conference committee reported out a bill which made no exemption at all for mothers, and which retained the ceiling on AFDC payments.

Mr. President, these measures are not constructive approaches to a desperate social problem. They represent an effort to economize with the wrong programs. They are punitive. They are destructive of human dignity. If the provisions of this bill are put into effect, all too many of the poor in this country will be penalized simply for being poor. Those States which have the most advanced programs of welfare and medical assistance will be penalized as well, for they will have to bear the cost of their progressive efforts by themselves. Other States will cut off payments without a qualm, and their people will be forced into already overcrowded urban centers in a desperate effort to find work, and income, and hope.

Mr. President, poverty is a national problem. It is a social problem. We cannot eliminate the problem of increasing welfare rolls by simply saying "after this date, there shall be no more increases." We cannot deal with a national deficit by saying "billions for defense, but not one more cent for sustenance." We will not help our elderly by granting them increases in their monthly pensions which do not even keep up with the increases in their costs of rent and food and medicines.

We can do better than this, Mr. President. We can provide training programs which will help our young people and dependent mothers and fathers to find suitable employment. We can provide our elderly with an adequate benefit increase. We can provide medical care adequate to make our poorer citizens functioning and healthy members of society. We can economize with a great many programs. But we are hurting our poor, our country, and our standing in the world when we try to economize with this program.

Mr. President, I know that the Senate conferees did their best. I realize that they faced an extremely difficult conference, and that the House conferees had an overwhelming mandate from their colleagues. Under the circumstances, Senator LONG and the members of the Senate Committee of Finance who participated in this conference are to be commended.

Increased social security benefits have national support. If the bill were to be defeated this year, higher social security benefits would surely be voted next year. But I cannot in good conscience support a bill which includes with minimal social security benefits the present restrictive welfare provisions.

I believe that this particular legislation should be defeated, and that when we all return to Washington in January we should try again to draft and pass a bill which will help us to achieve our goal of a better, not a worse, life for our people.

Mr. KENNEDY of New York. Mr. President, I want to commend the Senator from Massachusetts [Mr. BROOKE] for his remarks. I associate myself with his sentiments about the conference report. I should also like to say how distressed and disturbed I am about how the report was handled this morning.

There might have been disagreement in the Senate on the merits of this piece of legislation; but I think that when it was made clear to the majority leader, as he acknowledges—and none of my remarks is intended to be a criticism of the Senator from Montana, because I believe him to be a most honorable man—but when it was made clear to him that a number of us wanted to speak about the conference report prior to the vote, and asked for that elementary consideration and decency that exists among men, then not to have received it, as we did not this morning, certainly is a reflection not only on the Senate but also on the integrity and honesty of those who participated.

I want to say how distressed I am about the fact that that happened. I felt strongly about the bill and intended to speak about it. I let that be known to the majority leader and to others involved with the majority leader. We had a number of meetings, during the course of which it was made quite clear that I intended to speak. I also know that my colleague from the State of New York [Mr. JAVITS] intended to speak. And there were a number of others who intended to speak during the course of the day.

I happened to be involved this morning in a conference on education. I was a member of that conference. I am also chairman of the Subcommittee on Indian Education and we had hearings this morning. I expected to be able to come to the floor of the U.S. Senate after the conference and the hearings and be able to speak about this legislation. Unfortunately, prior to the time that any of us were aware of it, the legislation was passed. I am distressed and disturbed.

As I say, I think what went on this morning is a reflection on those who participated, not just as U.S. Senators, but as individuals and as men.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. KENNEDY of New York. I yield.

Mr. BYRD of West Virginia. Mr. President, the majority leader is not on the floor. I cannot agree with the Senator from New York——

Mr. KENNEDY of New York. I made it quite clear that the majority leader is not at all responsible for this. I do not think there is a more honorable man in the Senate than the majority leader. I think he is as distressed and disturbed as I am about what happened.

Mr. BYRD of West Virginia. If the Senator will yield further, the Senator made that clear; but the Senator also mentioned the leadership, and as the only representative of the leadership on the majority side who is on the floor, I think I should make it as clear as I possibly can that there was no attempt to do anything here this morning that was indecent or to do anything that would take advantage of those Senators who opposed the conference report.

The Chair put the question three times. There were three questions put by the Chair. They were put deliberately and they were put clearly. There was nothing done in any way that would indicate that the majority whip, who is the chairman of the Finance Committee and who was in charge of the conference report, was attempting to slip anything by in any devious way or to take advantage of any of the Senators who oppose the conference report.

The Senator from Maryland [Mr. TYDINGS] was on the floor. He is a Senator who is allied with the group which has spoken in opposition to the conference report. He indicated afterward that it was his fault; that he was here; that he could have asked for a quorum call.

I just do not want the RECORD to stand with any implication that the leadership—let it be me, let it be the deputy whip, or anyone else in the leadership—sought to take advantage of those who are opposed to the conference report.

Mr. KENNEDY of New York. May I just say I want the RECORD kept that way. I do not want the RECORD to be changed. If the Senator from West Virginia will tell me he was unaware I wanted to speak and other Senators wanted to speak when he made that motion this morning, then I would change my position. But it would be impossible, let me say to the Senator from West Virginia, based on the conversations I have had with the Senator from Louisiana, for me to believe that the Senator from Louisiana was unaware of the fact—I do not care who was on the floor—that the Senator from New York wished to speak. The Senator says there was no deceit intended. All the Senator from Louisiana had to do was call up the Senator from New York. All he had to do was call me up on the telephone and tell me he intended to do what he did. All he had to do was tell any one of the Senators who told him yesterday he intended to speak. And I cannot believe the Senator from West Virginia, if I may say so, was unaware that there were a number of Senators who wanted to speak on this matter prior to the time it came to a vote.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. KENNEDY of New York. Yes.

Mr. BYRD of West Virginia. The Senator from West Virginia was aware that there were a number of Senators who wanted to speak, but the Senator from West Virginia was not privy to all the conversations going on——

Mr. KENNEDY of New York. That is right. The Senator from West Virginia was not at those conferences; but the newspapers certainly reflected very clearly that there were a number of Senators who wanted to speak.

Mr. BYRD of West Virginia. Did the Senator speak to the Senator from West Virginia?

Mr. KENNEDY of New York. No.

Mr. BYRD of West Virginia. Is the Senator from New York accusing the Senator from West Virginia of any deceit?

Mr. KENNEDY of New York. Let me ask him, Was he aware that any Member of the Senate wished to speak on this matter?

Mr. BYRD of West Virginia. Yes, I was, but I was also aware that the Senator from Maryland was sitting in his seat in the rear row. He full well knew what was going on.

Mr. KENNEDY of New York. I do not know of the Senator from Maryland being here and being fully aware. The fact is that my arrangements were not made with the Senator from Maryland. They were made with the leadership. The leadership was aware that there were a number of Senators, other than the Senator from Maryland, who wished to speak. Maybe the Senator from Maryland should have spoken. In any case, that does not rectify the situation as far as I am concerned.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. KENNEDY of New York. Yes.

Mr. BYRD of West Virginia. The Senator from Maryland was here. He had every right to exercise his rights. He had every opportunity.

Mr. KENNEDY of New York. I agree with the Senator. I was not here. I was chairing the subcommittee on Indian Education.

Mr. BYRD of West Virginia. I understand that, but, if the Senator will yield further, I checked with the journal clerk and he has indicated to me that the time consumed in putting those three motions and taking the votes on them was somewhere between one and a half minutes and 2 minutes.

Mr. KENNEDY of New York. All I say is that all the Senator from West Virginia or the Senator from Louisiana, who participated in this, had to do was to call me or any other Senator involved and say, "We are going to do this at 9:20 or 9:30. It will come as a surprise to the Senator from New York, but guess what we are going to do at 9:30."

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. KENNEDY of New York. Yes.

Mr. BYRD of West Virginia. The Senator from New York knew we were going to come in at 9 o'clock.

Mr. KENNEDY of New York. I agree.

Mr. BYRD of West Virginia. He could have been here just as easily as was the Senator from West Virginia at 9 o'clock in the morning to protect his rights.

Mr. KENNEDY of New York. I understood from conversations with the majority leader yesterday that those rights would be protected—in fact, from the Senator from Louisiana. He said, "All you have to do is tell me what you intend to do, and I will abide by it." He said, "That should be the relationship between gentlemen." We said we intended to speak on this matter. I thought I could rely on that, because I thought I was dealing with men.

Mr. BYRD of West Virginia. Will the Senator yield?

Mr. KENNEDY of New York. I yield.

Mr. BYRD of West Virginia. I think the Senator was dealing with men, and I would prefer that he wait until those men to whom he referred were on the floor to defend themselves.

Mr. KENNEDY of New York. I am talking about the Senator from Louisiana, but the Senator from West Virginia is present.

Mr. BYRD of West Virginia. But the Senator from New York said he did not have those arrangements with the Senator from West Virginia.

Mr. KENNEDY of New York. The Senator was aware of it.

Mr. BYRD of West Virginia. I was aware of it, but the Senator from Maryland was on the floor representing those Senators.

Mr. KENNEDY of New York. I do not know that the Senator from Maryland represented me. I represented myself to the majority leader. Let me say that the Senator from Louisiana, having done this, has left the city, and the Senate is about to adjourn. I could not get him back here to tell him to his face.

Mr. BYRD of West Virginia. The Senator can do it when he returns.

Mr. KENNEDY of New York. I will be glad to send him a transcript of these remarks.

Mr. BYRD of West Virginia. If the Senator will yield further, if the Senator wishes to be here to protect his rights, he should do that.

Mr. KENNEDY of New York. I thought I did that.

Mr. BYRD of West Virginia. I do not think any Senator has the right to stand here and blame the leadership when he has not protected his rights.

Mr. KENNEDY of New York. The majority leader said this morning, after this occurred and after all this happened, that he had an arrangement with us and he expressed surprise and concern, and the fact is that he was as distressed and as disturbed as I am at what happened this morning.

Mr. BYRD of West Virginia. I honor the majority leader for taking that position. I was not privy to any of the conversations to which the Senator from New York alludes. I made the motion to reconsider and to table simply because that is the normal thing to do around here. I was not trying to take advantage of the Senator. I am glad the matter was arranged so that Senators can have an opportunity to express their opposition.

The Senator can leave the record stand like this if he wants to, but I do not intend to let it stand like that as a reflection on the leadership.

Mr. KENNEDY of New York. Let us make clear that by the leadership I am not referring to the Senator from Montana.

Mr. BYRD of West Virginia. I know that. The Senator is referring to the Senator from West Virginia——

Mr. KENNEDY of New York. And particularly the Senator from Louisiana.

Mr. BYRD of West Virginia. The Senator can have it that way if he wishes, but that does not make it right.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. KENNEDY of New York. Mr. President, it seems to me this maneuver this morning is the final denial——

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. KENNEDY of New York (continuing). Of the elements of fair procedure which has accompanied the progress of this bill since its beginning.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. KENNEDY of New York. I am going to proceed now. The House Ways and Means Committee——

Mr. BYRD of West Virginia. Mr. President, I do not wish to interrupt the Senator, but he uses the word "maneuver." If there had been an attempt to maneuver on the part of the Senator from West Virginia, all I would have had to do was to object to the request made by the majority leader or by the majority whip.

Mr. KENNEDY of New York. I do not think the fact that we had a subsequent agreement this morning and that we are going to have a vote at a set time tomorrow is any concession at all.

Mr. BYRD of West Virginia. What does the Senator want for a concession?

Mr. KENNEDY of New York. I am not going through it. If it is not clear to the Senator from West Virginia by now, it is never going to be clear.

Mr. BYRD of West Virginia. There are a lot of things clear to me.

Mr. KENNEDY of New York. I hope so. I have tried to make some things clear.

Mr. BYRD of West Virginia. The Senator from West Virginia has tried to make some things clear, too.

Mr. KENNEDY of New York. This last maneuver is the final denial of the elements of fair procedure—a denial which has accompanied the progress of this bill since its beginning. The House Ways and Means Committee never heard testimony on any of the welfare provisions. It fashioned what have become the key elements of this punitive program behind closed doors. Then the House adopted a closed rule, so none of the provisions could be challenged individually on the floor. Not until it came to the Senate was the extent of this bill's retreat into brutality made clear.

To those whose lives would be affected by this bill, the chance was present now in the Senate to make themselves heard. But even in the committee, a sufficient opportunity was not afforded. Look at the hearings on H.R. 12080. There are three volumes, a total of more than 2,200 pages of testimony and statistics. Yet the testimony of those on welfare, the pleas of those whose lives would be changed, take up all of 10 pages. Is this the way a democratic system is supposed to work? Is this the debate and the resolution of interests that is supposed to accompany discussion of legislation?

Even without that testimony, however, Members of this body understood the harm that the welfare section of H.R. 12080 would bring about. They voted to remove most of the odious provisions of the bill, hopeful that at a conference, a compromise could be arranged.

Look at what happened. The conferees on both sides ignored the wishes of the Senate, and abandoned every Senate vote to liberalize the bill. The voices of those concerned had reached this body, but they had become silent and ineffective when the conference took place.

One more chance remained, and that was in the Senate of the United States, where we could have discussed this bill and the implications of the legislation, so that we could have seen whether we could remedy the situation, which threatens to turn the welfare laws of this country back into the 17th century.

Yet this morning, as I say, without debate and without warning, the bill was approved by a small band of Senators.

I have listened with care and with interest to the arguments that have been made about the necessity of completing action on this legislation. Let me say respectfully that I have not agreed, and I do not agree now. I believe that this is bad legislation, and that we could have done better without endangering the interests of our older citizens. I shall vote in the negative tomorrow, and I continue to urge the Senate to reject the conference report.

The social security benefit provisions of this bill represent almost a total surrender to the House of Representatives levels of benefits. I think we can do better than that. The public welfare provisions of the bill conform almost totally to the restrictive approach adopted by the House of Representatives and repudiated by the Senate 3 weeks ago. I think we in the Senate can insist that a better bill be adopted.

The Senate conceded, in conference, almost every provision where its approach was more liberal than that of the House; and the House conceded only the few points where the Senate's approach was more restrictive.

In short, the conference bill reflects almost no consideration of the mandate with which the Senate charged its conferees. I believe that rejection of the conference report and demand for more adequate social security benefits and more humane welfare provisions would be in order. The bill as reported from the conference is opposed by every major organization that has any concern in our welfare programs and by every expert on welfare. It is opposed by labor, by the three major religious faiths, by civil rights leaders, by Governors and mayors, by welfare agenices both public and private, and, perhaps most significantly, by senior citizen groups.

Let me stress that rejection of the conference report would not have been a negative act. It would, indeed, have been an act of affirmation and a commitment to the continuing fight for a progressive piece of legislation. If we had rejected the conference report, we could then have asked for a new conference and a more adequate resolution of the differences between the House and the Senate bills.

Let me stress, too, that rejection of the conference report would not have prejudiced one iota the chances for obtaining a social security increase effective at exactly the same time as provided in the conference bill. Action could have been taken at the beginning of the next session to accomplish this; the payments could be retroactive, if necessary.

So let it be absolutely clear that not getting a bill this session would not have been a disaster for anyone. The recess is to be of only a month's duration, and the fight could have been taken up at that time.

The one thing I have felt we should not have done was regard ourselves as being under pressure to act this week. As I have said to the leadership, I would have been glad to come back next week, and possibly we could have finished with it then. But I thought that, in view of the fact that we received the legislation only 2 days ago, and had only a few hours to discuss it, that there was not sufficient time to debate it intelligently and still finish with it this week.

Let me discuss the conference report in somewhat more detail.

First, the social security provisions are inadequate, and almost a total retreat from the Senate position. The House across-the-board increase was 12½ percent; the Senate increase was 15 percent. The conference compromised at 13 percent. The House raised the minimum to $50; the Senate to $70. The conference compromised at $55.

The extent of the giving in can be seen in the following figures: The cost of the benefits, in the House version, was $3.2 billion. The cost, in the Senate version, was $5.8 billion. The cost of the conference bill was $3.6 billion—only $400 million more than the House bill, and fully $2.2 billion less than the Senate bill.

I do not think we need to settle for these inadequate benefit increases in 1968. If we had rejected the conference report and gone to a new conference, I think we could have gained more adequate benefit increases—benefit increases of the magnitude which every elderly citizen deserves and requires in order to live. I think every Member of this body who is up for reelection could have gone home and said that he was going to come back and fight for that himself.

Second, the social security provisions, as a result of the cuts in benefits just described, have been turned into a major tax measure—a back-door tax increase provision. The Social Security Administration advises me that the conference committee bill will produce a surplus of $1.850 billion in calendar year 1968. Thus the bill takes almost $2 billion more out of the taxpayers' pockets in taxes than it gives to their elderly fellow citizens in benefits. Although it is true that the Finance Committee version would have produced a surplus of $1.230 billion, the version passed on the Senate floor would have produced a far smaller surplus.

Nevertheless, even viewed most conservatively, the conference adopted a back-door tax increase of $620 million—a $620 million burden on millions of American wage earners which will provide no benefits to their elderly fellow citizens in return.

Third, the social security benefits will be a sham for hundreds of thousands of Americans, because the increase may simply result in a corresponding reduction in their old-age assistance payments. The Senate bill contained a mandatory increase of $7.50 a month in welfare payments for the aged, the blind, and the disabled. This was intended to guarantee that the social security increase would be meaningful for all. The conference deleted that provision; so hundreds of thousands will see their old-age assistance checks reduced by the same amount that their social security checks are increased.

Fourth, the House medicaid limitation is adopted. This is better for New York, but it is a disaster in the rest of the country. The ceiling is 133⅓ percent of a State's actual cash payments to AFDC children. In Mississippi the actual cash payments to a family of four are about $60 a month. Therefore, the ceiling on income eligibility in Mississippi for a family of four would be a monthly income of $80 or an annual income of $960. Even in an urban State like Ohio, the ceiling on Federal aid for medical assistance will be a family income of considerably under $3,000 for a family of four. This cuts the heart out of title **XIX**, which was enacted with such great promise just 2 years ago.

Fifth, the Senate conferees gave in on the coercion of mothers to work. There is now no exemption in the bill at all for mothers. A mother could be made to work even if she had a child 6 months old or a year old, even though the child psychiatrists are unanimous in saying that it is absolutely critical for a mother to be with her child. We had testimony before the Committee on Indian Children this morning about the fact that all doctors and psychiatrists are in agreement that a mother should be with her children up to the age, really, of 6 to 9 years of age. But here we are agreeing to a provision which can take a mother out of the home when her child is 6 months or a year old, or where the mother might have two or three preschool children, under the age of six; and she can be forced by the Government to leave those children. I think it is completely unsatisfactory. If there were no other objectionable provision in this bill than that, I would think the bill was unsatisfactory.

The bill provides absolutely no exemptions for mothers of even the smallest and youngest children. Mothers would have to go to work if the State welfare agency wanted to put them to work. I have heard Senators on this floor deplore the fact that our U.S. Government or the State governments have too much of a role in the lives of our individual citizens. Yet here we are agreeing to a bill which will give them more control and more direction than we have ever given the Government at any time in our history. The Government is now going to decide what mother has to go to work, what mothers are going to remain with their children, and what mothers are going to have to leave their children. If a mother has a 6-month-old child, and the State welfare agency representative says that that is a good mother to go out and clean the latrine in the courthouse, that mother has to leave her home.

If we think that is civilized, if we think that is anything other than a step back 200 years, I would be shocked, indeed. It would be hard for me to believe that anybody could argue in favor of such a provision. That is why I was looking forward to a debate on this bill.

I would like to have heard somebody stand on the floor of the U.S. Senate and defend that provision of this legislation that was passed at 9:30 this morning.

Mothers have to go to work where the State agency decides to put them to work. Giving these agencies that power could amount to a congressional authorization of virtual peonage.

Forcing mothers to work will in the long run not be productive anyway. The number of children whose lives will be damaged and whose value to society will be diminished when they lose their mother's care will far exceed the short-run saving in welfare costs.

And those who want to force the mothers of small children to work might well consider the implications of their position in our great cities, which are already gravely beset by racial difficulties. The hostility and anger which this coercive program will produce in ghetto areas are incalculable. If our cities are tinderboxes now, ready to burst into flames and violence, next summer's explosion will be made all the more certain and all the more serious by this program. We have witnessed Watts. We have witnessed Newark and Detroit. We have witnessed dozens of racial disorders of consequence in other American cities. President Johnson has appointed a Commission to study the causes of civil disorder.

Americans of good will in all parts of our country want to understand the causes of these disorders and to do something about them. Yet in the midst of all of these actions, we are about to pass legislation which will only make matters worse. These provisions are at odds with everything we have learned—or should have learned—about child rearing and race relations in recent years. They are simply unconscionable.

The effect of this provision will not merely be in the Northern States. There will also be a tremendous effect in the Southern States on women who want to live with their children.

The decision is to be made by a representative of a State agency that this woman can no longer live with her children but must be away from her children. This, it seems to me, is completely intolerable.

That is one of the reasons why the bill should have been thoroughly debated and discussed. The Congress of the United States should not be agreeing to that kind of a provision.

My colleagues on the other side of the aisle frequently talk, and I think frequently correctly, about the fact that the Government is involved in these matters too much, and I hear my southern colleagues also talk about it. Yet, suddenly in the Senate of the United States we are going to give the authority of the whole Government to a Government agency or bureaucrat who will control whether a mother stays with her children or is going to be forced to leave her children and go to work, and not even at a minimum wage, but in most instances at any wage the Government agency decides she should have.

It is no wonder that the legislation was passed rapidly, considering those circumstances.

If we had had a debate on this legislation, in my judgment, and if the people of the United States and our colleagues in the Senate were aware of the facts, I do not believe that the Senate would have taken the action it did.

That is why I am so opposed.

I think if the measure involved no other provision than the authority for a Government bureaucrat to be able to decide to take a mother out of her house and put her to work, it would be unacceptable to all Members of the Senate.

Sixth, the Senate conferees gave in on earnings exemptions. The Senate had provided that $50 a month of earnings plus one-half of the rest would be exempt in computing the amount of welfare. The House provided only $30 a month plus one-third of the rest. The conference version is identical with the House version. This is not adequate. A meaningful earnings incentive is critical in ending the dollar-for-dollar loss of welfare which occurs under present law when a welfare recipient goes to work. Because the welfare recipient loses a dollar of welfare assistance for every dollar he earns, there is very little incentive for the recipient to seek employment. Why seek work when work will produce no more income than welfare produces? The Senate provision was a modest incentive in itself. In New York City, for example, Commissioner Ginsberg has undertaken an experiment under which the first $85 a month of earnings can be kept and half the rest as well. The provision which the conference agreed to—$30 a month plus one-third of the rest of the earnings—is so small that it may not prove to be a meaningful test of the theory that a welfare recipient will go to work if he has some chance of keeping a significant portion of what he or she earns. And this theory must be tested if we are to stop the growth of our welfare costs.

Seventh, the Senate conferees gave in on all of the amendments regarding welfare for unemployed fathers. This means, in effect, that the man-in-the-house rule emerges from the conference strengthened rather than weakened. This is a serious step backward.

The Harris amendment to the Senate bill had provided that the program of aid to dependent children of unemployed fathers should be a mandatory part of each State's welfare plan. This would have meant that when an unemployed father has exhausted his unemployment compensation, or receives inadequate unemployment compensation, and is unsuitable for employment or training under the work incentive program of the bill, he could still remain at home with his family and receive welfare. At long last, the tragic system under which fathers have had to leave home in order that their children might obtain welfare assistance would have been ended. This would have been a long step forward in developing a more progressive welfare policy for the future.

Mr. President, I am not opposed to welfare. However, it seems to me that tremendous damage has been caused under the welfare system not only because of the cost involved, but also because of what our welfare system has done to the poor.

If a father cannot find a job, then, in order to receive welfare and thus provide for his wife and children, he must leave home. If he has any children and cannot get a job, the children had better be illegitimate or deserted, because otherwise they will not get assistance.

It makes no sense. Great damage has been caused over the past 30 years. We tried the system out. We know that the present welfare system is antiquated and terribly damaging to our whole society and to the basic family system.

The Harris amendment was passed in the U.S. Senate, but was thrown out in the conference.

As a result, the only time people can get welfare will be if illegitimate children are involved or if the father leaves home.

That provision is not satisfactory. It seems to me that we should have the father at home.

I thought that the Harris amendment, as I said on the floor at the time it was adopted, was the most important amendment that was being considered. I thought several amendments that I had suggested were extremely important, but I thought the Harris amendment was of vital importance.

Not only did the Senate concede the Harris amendment, but it accepted two very restrictive House provisions which will cut down on the availability of welfare for children of unemployed fathers in the 22 States where it now exists. The conference bill requires, for the first time, that a father must have a substantial connection with the labor force before he can get aid to dependent children of unemployed fathers. This will cut out young fathers who have never been able to get a job and hold it for a substantial length of time. And it is these young fathers who have the gravest difficulties in the ghetto areas of our cities. In addition, the conference bill says that a father cannot get welfare if he is also getting unemployment compensation, even though the unemployment compensation may be less than the welfare standard.

These provisions are pernicious. They mean that more fathers will have to leave home in order that their children can obtain aid. They mean more broken families. They mean more broken lives. They mean more children having to grow up without fathers. They mean more juvenile delinquency and additional generations of dependency and tragedy.

Eight and perhaps worst of all, the conference bill restores the House freeze on ADC payments. Thousands of children all over the country will be either cut off welfare or will receive smaller welfare checks as a result. States and localities will have to either trim welfare rolls, spread the Federal money more thinly, or pick up the tab themselves. If they do the latter, the result will be a tremendous burden on local taxpayers, as real estate and sales taxes shoot up all over the country.

The fact is that the cities and the States will not be prepared to do that in the summer of 1968. As the Senator from Montana pointed out yesterday, many of the legislatures will be out of session. They meet once every 2 years. They will not be able to remedy the situation themselves. Many of the legislative bodies will have been out of session in the first few months of 1968. It will be difficult for them to prepare for this kind of problem. Many of the cities will not be adequately prepared and cannot get adequately prepared to try to deal with the problem. Their tax bills will have gone out; their budgets will have been made up. And suddenly this tremendous problem will be put upon them, unless they permit the children to starve to death. The children have to dress and to eat.

It is very well for us to cut 300,000 children off the rolls. That shows a real sign of economy. We have raised everybody's salary. We have raised the salary of everybody working for the Government. We have increased the allowances for Members of the U.S. Senate. We have done all that. We have taken care of ourselves. But we are going to save money. We are going to make sure the children do not have any money. We are going to cut them off the rolls. That is how brave we are. And we can go back and make speeches about how we are for economy. I do not believe it is acceptable.

The Federal Government made a commitment in 1935 that it would bear the primary responsibility for children in need, with whatever State and local matching is required. This provision would break that commitment.

The experience of broken promises is all too frequent in the lives of the poor. Hopes are raised only to be dashed. And the bitterness that results is deeper—and more explosive—than what went before. We should not delude ourselves by thinking that the poor will not realize what we have done. There will come a point at which—like the boy who cried wolf—our protestations of alarm, our expressions of concern, will fall on deaf ears. The ears of the poor will be turned to other voices, preaching alien creeds, proclaiming that the poor must give up on affluent America, must seek relief of their plight in destruction and turmoil. There will come a time when the masses of the poor—and not just a few speechmakers—will reach out for salvation in desperate ways, rather than drown in need and indignity. And I fear that we will bring that time measurably closer if we pass this bill.

I am not a Cassandra, but it seems to me that the lessons we have learned—or should have learned—over the period of the last 5 or 6 years would have moved us in the opposite direction from that in which this bill takes us.

For let there be no mistake about this: the effects of the freeze will be felt throughout our ghetto neighborhoods. The freeze will not affect only those who seek entrance to the welfare rolls after January 1. It will be felt by all of the poor. For what is the most likely result of the freeze? It is that the States will spread the available Federal moneys more thinly among all who need welfare. And, if the States lower their welfare standards in order to provide something for everyone, they will lose even more Federal money because of the freeze. So the freeze will have a double-barreled effect.

Welfare rolls will grow and grow, and every recipient will receive less and less. This is most likely because we would leave the States and cities no real alternative. What choices do they have? We do not permit them to drop presently eligible mothers and children—though I believe that some States will find a way to do this. We should not expect that the States will say to a mother whose child was born on December 31 that she may have government assistance, but turn away emptyhanded a mother whose child was born the next day. Nor can we expect all the States and cities to meet the growing costs of welfare from their own revenue sources. Property owners are already overburdened by property taxes, and sales taxes threaten to reach levels that make further increases politically impossible.

It seems to me that this is a terribly important provision. If we were saying that the poor could have no more children and that a family could not move from the State of Louisiana or the State of Mississippi or the State of Alabama and come into any of the northern communities, perhaps the freeze would not cut any child off welfare. But we are going to have a great influx into all these areas, and where are they going to receive welfare payments? How will they survive? These are the questions I would have liked to address to those who support this bill.

So the effect of the freeze will be quite simply to spread poverty among the poor. The burden of our society's failures will fall on the shoulders of those least responsible for it. We will be taxing the poor to pay for the poor.

And this new burden that the bill would impose is going to be substantial. Let me give the Senate some figures on this. It is conservatively estimated that 300,000 to 400,000 children will be affected by the freeze during the first year of the bill's operation. This is approximately 10 percent of those now eligible. If this standard is applied to Chicago, where roughly 125,000 children now receive welfare, 12,500 more needy children will require assistance next year. In New York City, where roughly 350,000 children now receive welfare, 35,000 more needy children will require assistance next year. These children will either be denied welfare, or all the children will receive reduced welfare. And it is the same in every community across the United States.

On the basis of these figures, it is no exaggeration to say that the freeze is a 10-percent surtax on the poor. It is a cruel irony that only the destitute will pay higher taxes next year.

Bad as these facts are—and they are facts—we know that there are those who will make them sound even worse. They will be seized upon as evidence of a hopelessly corrupt society, by those always on the lookout for such evidence, and be made the pretexts for destruction and disorder. We cannot say to a generation of poor children that we will act as though they do not exist, without forcing them to adopt desperate measures to prove to us that they do exist.

I am not an alarmist. But I think that the enactment these provisions—and especially the one forcing mothers to leave their children, and the freeze—will sow seeds of great despair, unhappiness, agony and pain among our fellow citizens. And we will all reap the whirlwind for that act.

Mr. President, these are just a few of the undesirable provisions of this legislation. Let me say that whatever is the result of the present debate on this legislation, I think this discussion usefully illuminates some of the problems that exist with our welfare system. I think there is much that we could have done through a discussion of this matter. I believe that if people really understood what is in this bill, not just the part of the social security bill in which there are benefits, the bill would have been turned down by the Senate and it would have been turned down by the House of Representatives.

I intend to introduce next year, regardless of what happens in the present debate, legislation to improve our welfare system and make it more effective. If this conference report passes, it will be necessary to undo the damage that we are doing. But in addition to getting us back to where we were before, it is time to move ahead. Making productive, useful citizens out of people who have been forced to seek welfare assistance is of course our goal. And in serving that goal, employment opportunities and related training programs are of the highest priority. But it is also necessary to make our welfare programs consistent with what we believe in as a society. Welfare assistance should be based on a single criterion: need, and need alone. It should not be based on degrading and difficult theories of qualifying tests, applications, and investigations. For the future, we must simplify the process of qualifying for welfare. And we must provide a sounder financial basis for the future. There will always be some in our society who are in need. The test of our society is how we provide for them. I intend, therefore, to continue to pursue this matter, and to put forward proposals during the next session of this Congress which are directed toward developing more effective welfare policy in our country.

Mr. President, let me go into my difficulties with this legislation in somewhat more detail—not point by point, not proposal by proposal, but in the perspective of our overall failure as a nation to do what we must for those who are afflicted and disadvantaged.

Let me begin with the social security portion of the bill. The reason for my concern about the level of benefits in the bill is simple: Our social security system has grown extensively over the years—so that 95 million people are now insured and 23 million receive benefits—but we have not yet succeeded in lifting millions of older Americans into a retirement of security and self-respect.

The 13-percent increase in retirement benefits in the bill would barely get beneficiaries back to the level of real income they had in 1954. The two increases of 7 percent each which we enacted in 1958 and 1965 actually fell short of restoring the 1954 purchasing power of benefits—for the cost of living has risen about 25 percent since that time. Thus four-fifths of the increase which the bill provides would be used up just to get back to 1954 levels. Meanwhile, wages have risen above 50 percent in those 13 years. The wealth of our Nation has steadily increased, but our older citizens have not shared in that affluence. Instead, many elderly couples retire each year—into a life of poverty.

We in Congress must share the responsibility for the inadequacy of retirement benefits.

We have an obligation to our retired citizens, some 5 to 7 million of whom live in poverty. And no wonder—last year social security benefits averaged $84 a month, just $1,000 a year, for individuals, and $142 a month, $1,704 annually for couples. Enactment of the Senate bill's level of benefits is the least we can do to begin to alleviate the difficulties of our elderly fellow citizens.

With these responsibilities in mind, I introduced in the 89th Congress, and reintroduced earlier this year, legislation to provide benefit increases of meaningful scope, and to finance them in the only equitable way available—through the use of general revenues.

In the 90th Congress this bill is S. 1009, which is cosponsored by 10 Senators of both parties. It would provide benefit increases averaging over 50 percent, and would finance these increases by a gradual infusion of general revenues. It envisions a leveling off of the general revenue contribution at 35 percent of the cost of social security by the late 1970's.

At the moment, when we are engaged in a deepening war in Vietnam which saps our resources and consumes over $2 billion each month, it seems impractical to urge the full scope of these proposals.

But we must do everything that can feasibly be done for our older citizens.

That was why, when this bill was in committee, I proposed an amendment which was feasible, which would have provided an across-the-board increase in benefits of 20 percent, and an increase in minimum benefit to $100 a month.

These increases would have been financed by increases in the contribution and benefit base of the magnitude which were ultimately adopted by the Senate, and by a general revenue contribution totalling 11.5 percent of the cost of social security, beginning on January 1, 1972. In 1972 this contribution would have amounted to $4.5 billion.

This was a practical proposal. It was a sensible proposal. Indeed, those who suggest that the financing for higher benefit increase proposals than the Senate enacted was not adequately thought out are simply wrong.

The importance of my proposal was not just that it would have provided more adequate benefits than were ultimately provided by the Senate bill. It was also that these benefits would have been financed in an equitable way. For a tax on payrolls is highly regressive. For low-wage employees particularly, a required contribution beyond that contemplated in present law is going to be very burdensome. Many workers already pay more in payroll taxes than they do in income taxes.

General revenue financing would be a far more equitable way to raise revenues for the social security system, particularly revenues which would be used to provide additional benefits for low-income people—for those who worked either so irregularly or at such low wages that their contributions do not really finance the benefits they receive.

I emphasize this because the proposal I made to broaden the scope of H.R. 12080 would have given relatively more help to the poorest of our elderly, to those who have the most difficulty in finding dignity and comfort in their retirement. If we are to provide a meaningful floor of protection for older people as a matter of social insurance, I believe it is only fair to other workers that we finance it through general revenues.

The general revenue approach is sensible and feasible. It has been considered and discussed since the inception of social security. The first Presidentially appointed Council of Economic Security, whose report preceded the enactment of the Social Security Act, said that Government contributions to the system would eventually be needed, adding prophetically that, "it will not be necessary to have actual Government contribution until after the system has been in operation for 30 years."

The 1938 Advisory Council made the same recommendation, giving as its reason that "the Nation as a whole, independent of the beneficiaries of the system, will derive a benefit from the old-age security program." The Council also said, pertinently, that "with the broadening of the scope of the protection afforded, governmental participation in meeting the costs of the program is all the more justified." The 1938 Council stated the principle to be one of "distributing the eventual cost of the old-age insurance system by means of approximately equal contributions by employers, employees, and the Government." This, of course, is what my bill will do by the ninth year after its provisions go into effect.

The Social Security Board itself in 1939 called it "sound public policy to pay part of the eventual cost of the benefits proposed out of taxes other than payroll taxes, preferably taxes such as income and inheritance taxes levied according to ability to pay."

The Board added that "the wider the coverage, the more extensive this contribution from other tax sources might properly be."

In 1946, the House Ways and Means Committee's technical staff recommended a continuing Federal subsidy up to a third of the year's total of benefit and expense payments. The 1948 Advisory Council called a Government contribution "a recognition of the interest of the Nation as a whole in the welfare of the aged and of widows and children of survivors."

Even now, partial financing for medicare for those over 65 comes from general revenues, as it does for the transitional coverage under social security enacted last year for persons over 72 who are not presently covered.

Just in the last year there have been some important expressions of opinion regarding general-revenue financing. The Automation Commission's report had the following observations:

> We recommend that Congress undertake a detailed review of the entire system, including both its coverage and its financing. There is danger, in our view, that reliance on a narrow payroll tax base makes the system more and more regressive as incomes rise and other taxes are reduced.

The Advisory Council on Public Welfare reported to HEW Secretary Gardner that "consideration must be given to a substantial contribution from general revenues."

The sixth constitutional convention of the AFL–CIO called on Congress to provide for the payment of contributions to the social security trust funds from general revenues.

The general revenue contributions in the proposal I made to the committee would not have had to begin until January 1, 1972. What this meant is that we would have been promising now that we would spend $4.5 billion a year beginning 4½ years from now.

I believe this is a promise we could have made. It is not a huge amount of money. Our gross national product will exceed a trillion dollars by that time, and 1972 is far enough off so that we could easily plan to set aside this amount of money.

The net cost of the increase which I proposed would have been considerably less than the financing I have described. For the people who would have benefited from the increase are people who must now turn to old age assistance in order to eke out enough of a living to survive. Old age assistance has decreased markedly over the years as social security benefits have been liberalized. Only 11 percent of the elderly population receives such assistance now, as opposed to 22 percent of the population in 1950. Even now, more than half those receiving old age assistance in New York are on welfare because their social security pensions are inadequate. Thus, raising the minimum benefit to $100 and raising other benefits 20 percent would correspondingly decrease the number of people on the old age assistance rolls and the amounts which those who remain on the rolls will require.

Mr. President, what I suggested were, I think, the minimum changes which should be made if we are to keep faith with our older citizens. The conditions in which millions of retired Americans find themselves after having worked productively for decades are a disgrace to us all. Adoption of the proposal I have described would begin turning our social security system in the direction long advocated by experts in the field, and would allow us to provide real hope at last to our elderly poor that they will be able to live out their lives in some measure of ease and self-respect.

Even these minimum changes were not made. I think that is unfortunate. But then, on top of the fact that what I regarded as a very reasonable proposal of 20-percent increase in benefits, financed by partial general revenue financing, was not adopted by the committee, even the 15-percent increase which the Senate adopted was rejected by the conference committee. We have broken faith with our older citizens. We must restore that faith, and I say that the way to restore it would have been to reject the conference bill and seek a new conference, in which we can seek more adequate benefits for our older fellow citizens.

Mr. President, let me add that regardless of what happens on the present conference bill, I intend to press for further consideration of partial general revenue financing of social security. We simply cannot tolerate further financing of social security with increased social security benefits by increases in the regressive and highly burdensome payroll tax. We must increase benefits further, so that our older citizens can share fairly in the magnificent gains in productivity which our Nation has made, and when we do so, we must do so by beginning to utilize general revenue financing. That is what must be done in the future and that is what I shall continue to advocate in the coming months.

Mr. President, the public assistance portions of this bill are even more objectionable than the social security provisions. For if the social security provisions are merely far too small a step forward, the public assistance are a giant step backward. I have previously described some of these provisions in detail, but I believe it is worth while to discuss their general implications as well.

The amendments to our public assistance program which the conference adopted will not help, in my judgment, to solve the crisis in employment which grips the ghettos of our cities and the most impoverished of our rural areas. They will not help us to lighten the increasing fiscal burden of public assistance in any constructive way. Public money might be saved, but only because people badly in need of assistance will be eliminated from the welfare rolls without having anywhere else to turn. In short, these proposals seem to punish the poor because they are there and we have not been able to do anything about them. But if this is our approach they will still be there when we are done. And the problem will be no closer to solution.

About a year ago, the distinguished members of the President's Advisory Council on Public Welfare reported that welfare is "desperately handicapped" in both "legislative mandate and financial resources." The Council prescribed "a major updating of our welfare system."

The conference bill not only fails to heed the Council's prescription, but is, in my judgment, a major step in the other direction.

I can well understand what motivated the conference committee in its action. It was concerned that the welfare system as it exists today has failed to enable its recipients to obtain jobs and end their dependency. I share that concern. It was concerned at the recent rise in the number of children and mothers on aid to dependent children. I share that concern. It therefore sought to create a system which would train children and mothers on welfare, provide day care, and establish incentives to work. I, too, believe such a system is needed.

Indeed, I believe that we will never succeed in restoring dignity and promise to the lives of people whose frustration exploded into violence in the cities this summer until we develop a system which provides jobs—enough jobs and good jobs.

For the people of the inner city live today with an unemployment rate far worse than the rest of the Nation knew during the depth of the great depression. In the typical big city ghetto, only two out of five adult men have jobs which pay $60 a week or more—enough for each member of a family of four to eat 70 cents' worth of food a day. Only half the adult men have full-time jobs at any rate of pay. Less than three out of five have any work at all.

We must, then, work out a system to provide jobs. But I do not believe that the approach adopted in the conference bill will provide these jobs. The fact is, as the alarming unemployment and underemployment figures I have mentioned indicate, that there are not enough jobs available at the moment. We must find them, but in the meantime, it will not do to force people into training programs for jobs that are not there.

This is the basic problem which we must look to. For this problem welfare is neither the cause nor the remedy. But welfare has its role: helping those in need—and the House bill will hinder it in fulfilling that role. Indeed, instead of helping at all, it almost appears intended to punish the poor. And punish it will, particularly in areas of the country where welfare authorities have done their best to demean and degrade the recipient of welfare even under existing law.

First, the conference bill says that no State may have a higher percentage of children on welfare than it had at the beginning of next year. This would force States and localities either to deny additional aid when more children are born into a family, to spread available Federal funds more thinly, or to come up somehow with the money needed to pay the difference. The latter, of course, would shift the burden from the level of government that can best afford it to the one that can least afford it. But the more prevalent result will not be more local money for welfare, but more families cut off welfare even though they are in need. For the conference bill, with all of the other restrictions on eligibility which it contains, is an open invitation to welfare departments in some areas of our country to find ways to tidy up their caseloads and discourage new applications.

Second, the coercive provisions on work and training for mothers fit into this pattern. The objective of enabling welfare recipients to obtain productive employment is of course laudable; indeed, as I have indicated, I believe it is the only hope we have for avoiding the deep division in our society which the creation of a permanent class of welfare poor would bring. But attempting to bring about employment by compulsion is not the way to do this. There are many mothers who should not work. Some, particularly in progressive States and cities, will be excused from working. But in other States with less enlightened welfare programs, many will either be driven off the welfare rolls or will be discouraged from applying. And they will still be poor—a little more invisible, for the time being, than they are now, but no less poor, no less miserable.

There is more than one State in this country which, even under existing law, has had what has come to be known as the "employable mother" rule. Under this rule, if the welfare officials judge the mother to be employable, she is stricken from the rolls. Coincidentally, these rulings tend to be made at the time of the year when people are needed to pick crops at $3 a day. This rule is being challenged in litigation, but the provisions of the conference bill on compulsory work and training imply that from now on the "employable mother" rule would be sanctioned by a national policy.

Third, the punitive intent of the conference bill is evident as well in the provisions on aid to children with unemployed parents. For the first time, the parent must have had a substantial connection with the labor force in order to qualify, a provision which will eliminate many men who have never had an opportunity for steady employment. In addition, the provision denying assistance to unemployed parents who are receiving unemployment compensation will keep aid from many who need both forms of help in order to survive, and will cause some to receive neither kind of aid. The conference provision will only succeed in forcing more families to break up, forcing more fathers to leave home so the family can obtain assistance by the traditional ADC route.

We in the Senate must go on record as opposing this almshouse approach. We must go on record as forcefully as we can that this is not the direction which we want welfare to take. We must not allow this backward step.

Let me emphasize again that I do think our welfare system is unsatisfactory. But every reason why I think it is unsatisfactory will only be accentuated by the conference bill.

I believe our welfare system is unsatisfactory, because, in general, it provides aid for broken families and not for whole ones. The conference bill accentuates this by refusing to adopt the recommendations of the Senate to expand aid to unemployed parents, and by restricting that program instead.

I believe our welfare system is unsatisfactory, because it imposes degrading conditions on eligibility, and encourages the enforcement of those conditions by demeaning investigation. The conference bill accentuates these defects by adding a whole raft of new conditions for eligibility and a whole new set of incentives for the State to investigate welfare recipients.

I believe our welfare system is unsatisfactory because, once a family does penetrate the bureaucratic maze and qualify for aid, the benefits it receives are in many States not even enough to live on. The conference bill accentuates this by enacting a freeze on ADC payments.

I believe our welfare system is unsatisfactory because it causes welfare recipients to lose a dollar of benefits for every dollar they earn. The conference bill does provide a small work incentive—$30 a month plus one-third of additional earnings. But this incentive is so small that it may well fail to encourage significant numbers of welfare recipients to work, and opponents of the idea may then succeed in claiming it will never work.

Mr. President, adoption of the provisions suggested by the conference committee would be a great step backward. We must have the perspective to see that the welfare system is not something that exists by itself, that has no effect on the world in which its recipients live. We cannot afford to bury our heads in the sand. Our Nation has been ripped apart by violence and civil disorder that have taken dozens of lives and caused billions of dollars of property damage. We face in our cities the gravest domestic crisis to confront this Nation since the Civil War. We are not going to solve that crisis by lopping people off the welfare rolls. We are not going to solve that crisis by forcing welfare recipients to accept training for jobs when we have absolutely no idea whether jobs will be available to them after their training. We are not going to solve that crisis by punishing the poor and hoping that they will bear that punishment silently, invisibly, graciously, without bitterness or hostility for their "benefactors."

We must reject the conference report which is before us.

Mr. YARBOROUGH. Mr. President, I have been receiving a great many telegrams protesting the conference committee report on the social security bill, in addition to many statements from people who oppose the report. I do not recall anybody outside of the Government that has asked me to support the measure as reported here.

As the distinguished Senator from New York has pointed out, the House version of the social security amendments, virtually adopted by the conference report, I think are even worse than the inadequate provisions of the House version and will punish the welfare recipients.

Mr. President, telegrams continue to come into my office protesting the conference committee report on the social security bill. I will ask to have printed at the end of my remarks some of the telegrams from a wide spectrum of organizations which should be of particular interest to my fellow Senators.

The message these telegrams convey is something we already know—the House version of the social security amendments, which the conference committee virtually adopted, was bad. The House proposed benefits were unduly restrictive and the level the House proposed was shockingly incompatible with what we claim is the minimum level for subsistence in America.

But even worse than inadequate benefits, the House version indicated an intent to punish welfare recipients. Most of their punitive provisions would fall on children and would rupture family relationships. Mothers would be compelled to work without regard to the need to stay with children at home; and the House proposal would make it more profitable for a father to leave his family rather than to stay with them.

We wisely repudiated the House approach when we passed several important amendments on the Senate floor. We increased the benefits and eliminated the punitive provisions. We indicated that there was a different philosophy in the Senate than in the House and that it could not be compromised. But the changes in conference indicate there was a misunderstanding as to the depth of our conviction. Over 1 million people in my State will be directly affected by what we do here today so I severely question anything less than what the Senate provided.

There are four simple reasons why the conference report before us is not a wise proposal. First, the increase in benefits is very small and the price we pay for that small increase is a host of punitive provisions that will be used to degrade and demean recipients.

Second, the benefits will be a sham for many States like mine because this small increase will be met by a corresponding reduction in the old-age payments. The Senate bill contained a mandatory increase, but the House deleted it and in my State, with an average payment of only $64 per month, less than $770 per year, the House has provided an escape clause which means Texans will get little benefit under this bill. Thousands of elderly citizens will receive old-age assistance checks which have been reduced by the same amount that social security checks will have been increased.

Third, employee taxes are raised without corresponding benefits to the elderly. The conference bill tax rate would provide a surplus of $620 million more than the Senate version. So the conference committee has decided to tax our wage earners an additional $620 million this next year with no real increase in benefits to many of the elderly.

Fourth, local taxes will probably be forced up in many areas. The conference limits the assistance the Federal Government can give in aid to dependent children so States must either cut children off of welfare rolls or pay assistance through increased local taxes and real estate taxes.

In summary, the conference version provides little or no real benefit, and it has punitive provisions that attack the sanctity of the family, force mothers out to work, and prevent husbands from coming home. It has a back-door tax increase of $620 million on our wage earners, and may force an increase in local taxes and real estate taxes. Our citizens do not deserve the treatment they would receive from this bill.

Mr. President, I request unanimous consent that 10 of the telegrams I have received fairly representative of all, be printed at this point in the RECORD.

Mr. President, these telegrams are fairly representative of the telegrams I have received. I have selected these 10 to represent a cross section of the objections to the bill. Most of the telegrams are from leaders of nationwide segments of our economy and society and express concern for the elderly, the aged, and the children.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
December 11, 1967.

Senator RALPH W. YARBOROUGH,
Washington, D.C.:

The conference report on the social security bill is repugnant to human needs and dignity. Social security benefit levels are totally inadequate, and the work-training requirements imposed on mothers by the conference report are unconscionable. The welfare benefit freeze will impose heavy tax burdens on local communities and adjustments in old-age assistance and welfare standards may deprive the poorest of our retired citizens of any income increases at all. On behalf of more than 6 million members of the industrial union department, AFL–CIO, I urge you to vote against the social security conference report and subsequently to instruct conferees to insist on the provisions of the Senate bill.

WALTER P. REUTHER,
President, Industrial Union Department AFL–CIO.

MIAMI BEACH, FLA.,
December 11, 1967.

Sen. RALPH W. YARBOROUGH,
Washington, D.C.:

AFL–CIO considers conference report on social security absolutely inadequate. Most of Senate provisions designed to improve House bill have been abandoned. Benefits for OASDI recipients would barely exceed already increased costs of living. Retreats on welfare provisions enacted by Senate are travesty on America's image as compassionate and humanitarian nation. We urge every Senator to vote against this deplorable attack on poor and underprivileged and request another conference to secure passage of an adequate social security bill.

GEORGE MEANY,
President, AFL–CIO.

WASHINGTON, D.C.
December 12, 1967.

Senator RALPH YARBOROUGH,
Washington, D.C.:

Farmers Union board call upon the Senate to reject the social security conference report.

Farmers Union feels that the conference report might push welfare concepts backward 20 years. Farmers Union continues to support the plan to give work and training opportunities for low income people instead of welfare as contained in the Senate version which was rejected by the conferees.

Farmers Union is deeply disappointed that the social security conference report failed to give significant increases in social security payments above a cost-of-living increase. There is little question that the bill will leave many millions on social security with total incomes below the poverty level, and future generations without adequate retirement incomes.

Farmers Union regrets that the drug lobby was successful in eliminating the generic drug provision from the bill, which would save an estimate of $100 million in taxes each year.

Farmers Union urges that the social security bill be reworked by the Congress early next year.

TONY T. DECHANT,
President, National Farmers Union.

WASHINGTON, D.C.,
December 9, 1967.

Senator RALPH W. YARBOROUGH,
Washington, D.C.:

Urge your support for two key public welfare amendments to H.R. 12080, the Social Security Amendments of 1967 eliminated by Senate-House conferees on the bill.

Although Senate had eliminated the AFDC freeze and liberalized work requirements for mothers with children on assistance, the conference maintains the particularly punitive provisions passed by the House.

CHARLES SCHOTTLAND,
President, National Association of Social Workers.

WASHINGTON, D.C.,
December 11, 1967.

Senator RALPH YARBOROUGH,
Old Senate Office Building,
Washington, D.C.:

AVC urges rejection conference report restrictions on welfare payments for dependent children and parents.

DR. EUGENE BYRD,
National Chairman, American Veterans Committee.

WASHINGTON, D.C.,
December 11, 1967.

Hon. RALPH YARBOROUGH,
U.S. Senate, Washington, D.C.:

The executive committee of the Leadership Conference on Civil Rights urges you to vote against the conference report on the social security bill. What started out as a social security measure has become an instrument of social insecurity. It generates pressure to break up families. Under this bill fathers would abandon their families and mothers would be forced to leave their children and go to work. The war on poverty is becoming a war on the victims of poverty. Cities now wracked by terrible crises would be faced with the intolerable choice of leaving poor people destitute or trying to provide for them out of funds they do not have. This is a shocking and regressive bill. We urge you to send it back to conference and instruct the conferees to insist on the Senate provisions.

ROY WILKINS,
Chairman Executive Committee, Leadership Conference on Civil Rights.

WASHINGTON, D.C.,
December 13, 1967.

R. YARBOROUGH,
Senate Office Building,
Washington, D.C.:

ADA opposes the social security amendments conference report. The report's provisions repudiate needs and dignity. ADA urges you to vote against the conference report and to vote for the previously passed Senate social security provisions.

Very respectfully,

Leon Shull,
Director, Americans for Democratic Action.

Washington, D.C.,
December 13, 1967.

Senator Ralph W. Yarborough,
Senate Office Building,
Washington, D.C.:

Public assistants and welfare provisions of 1967 Social Security Amendments approved by conference committee represent major retreat from gains won over many years. Freezing of rolls on aid to dependent children and compulsory work programs are punitive and regressive in effect and would work hardship not only on the poor but on State and municipal welfare resources. We urge your firm support of Senate version of bill.

Arthur S. Flemming,
President, National Council of Churches.

New York, N.Y.,
December 12, 1967.

Hon. Ralph W. Yarborough,
U.S. Senate,
Washington, D.C.:

The Board of Social Ministry, Lutheran Church in America, is opposed to the regressive public welfare measures embodied in the conference report on the social security amendments of 1967. We support you in your efforts to keep the substance of the Senate bill.

Cedric W. Tilberg,
Secretary for Program and Leadership.

New York, N.Y., *December 12, 1967.*

Hon. Ralph W. Yarborough,
Senate Office Building,
Washington, D.C.:

We urge the Senate to reject the report of the conference committee on the 1967 social security amendments. The medievalism of the public welfare provisions far outweighs any gains to be realized from increases in OASDI benefits. We have a deep concern for the plight of the elderly but the additional hardships to be imposed by the bill on already deprived children and families render this bill an unsound public program. The conferees should be instructed to approximate the bill passed by the Senate, and to reject the inhumane and regressive House bill. Our committees on aging, on family and child welfare and on health join us in urging you to return the proposed bill to the conference committee.

John H. Mathias,
Chairman, Committee on Public Affairs, Community Service Society of New York.

Mr. MANSFIELD. Mr. President, my distinguished colleague [Mr. Metcalf] and I were in my office, meeting with the Secretaries of Defense, Labor, and Commerce relative to the copper situation which affects our State and the other States in the Rocky Mountain west. While I was there, I understand that there was an exchange of words between the distinguished Senator from New York [Mr. Kennedy] and the distinguished junior Senator from West Virginia [Mr. Byrd] concerning an incident which took place earlier today having to do with the procedures attached to the consideration of the social security conference report.

The situation which developed was most unfortunate. But I must say that before I went into my office to accept an important telephone call, I did ask the distinguished Senator from West Virginia [Mr. Byrd] to bring the morning hour and the morning business to a conclusion as soon as possible, so that the Senate could resume the consideration of the social security conference report. I did so because I wanted to provide as much time for debate as possible for all the Senators concerned, to enable them to have an opportunity to express their views pro or con on the conference report.

I may say to the distinguished Senator from New York [Mr. Kennedy] that there was no predetermined move on the part of the joint leadership—and I associate myself with the manager of the bill, the distinguished Senator from Louisiana [Mr. Long], and the secretary of the Democratic conference, the distinguished Senator from West Virginia [Mr. Byrd]. There was nothing underhanded in the procedure. The distinguished Senator from Louisiana acted in accordance with the rules of the Senate, as he had a right to do.

I think it fortunate that once that action had been taken, the Senate as a whole, including the leadership—all of them—was able to agree to a motion for a reconsideration of the vote on the motion to agree to the social security conference report.

As to the matter of a time limitation, which, of course, reduced the period which would have been allowed Senators who wished to speak, I take full responsibility. I did approach the distinguished Senator from Oklahoma [Mr. Harris] and asked him what his reaction would be.

He said, in effect, "It looks as though we are in a bind. If you can agree upon a time limitation, I am sure that the group with which I am associated will be agreeable to what you may do."

So on that basis I took it upon myself to ask for a vote at 11 o'clock tomorrow morning. I was willing, if anybody had requested it, that the vote go over until later.

I am sorry that what happened this morning did occur. I repeat, it was most unfortunate. I hope it never happens again.

However, I must say, although the Senator from Montana was not at the time acting as the majority leader, he thinks it was one of those things that happen now and again, it was accidental, most unfortunate but not premeditated, and there was nothing under the table connected with it.

I hope the Senator from New York would recognize the spirit in which this statement is being made and be aware of the fact that as far as the leadership is concerned, the action taken was not predetermined. When I say "leadership" I include myself. We know that there are times when under pressure Senators do things for which they are sorry afterwards and which they would not do had they given the situation proper consideration.

Mr. President, I make this statement only to clear the Record and try to smooth over some of the things which I understand were said earlier this afternoon.

Mr. KENNEDY of New York. Mr. President, I want to say to the Senator from Montana that I made it quite clear before the Senator came in what my feeling is about the majority leader.

Mr. MANSFIELD. I understood that, and I appreciate it.

Mr. KENNEDY of New York. What the Senator from Montana said today, as he talks about this matter, is, I expect one of the reasons he is so highly respected and held in such affectionate regard by all Senators and by me personally. He is not only dedicated to his State and to the country, but he is dedicated to this body. He is obviously a man who is not only generous but pure in heart.

I say that about the Senator from Montana because of the description he gave of the events of the morning. I do not intend to go back into them but I think the majority leader of the Senate is a man who is pure in heart. Period.

Mr. METCALF. Mr. President, I would like to continue a little bit in connection with the statement of my distinguished colleague from Montana with regard to the conference report.

I stayed on the floor of the Senate until adjournment last night. I was prepared to make a statement on the social security conference report last night.

After discussion with the Senator from Tennessee, who was representing the conferees of the Committee on Finance in the majority leader's chair, and with the Senator from West Virginia, I let them know I did desire to speak in some detail on some phases of this report before any formal action was taken.

I also informed both of my colleagues that I would like to go to the Interior Committee where an executive session was being held at which one of the Indian Claims Commissioners was going to be up for confirmation, a gentleman from the State of Montana who has been a longtime friend of mine.

It was with some dismay and surprise that I heard during the course of that hearing that the conference report had been called up for a vote and passed without the opportunity of my having been heard.

I am grateful to my colleague from Montana for working the matter out so that we can have some discussion about this report before the final vote tomorrow at 11 o'clock.

Mr. BYRD of West Virginia. Mr. President, the distinguished junior Senator from Montana is precise in what he has said. He did state to me last evening that he had a speech to make and he said at that time he could make a short speech or a long speech, and so I had the understanding from last evening that the Senator from Montana was going to speak.

But this morning when the majority leader was forced to leave the Chamber, as he stated a moment ago, he asked me to close the morning business as quickly as we could and to lay down the conference report on the Social Security Amendments of 1967.

I had no premonitions that the question would so quickly occur on the adoption of the conference report. When the question was submitted, and there were three motions or questions submitted, as I recall, I was somewhat surprised myself that no Senator protested, but I did not know what might have occurred overnight. I was not privy to any conversations that might have occurred overnight. It was all a cause of wonderment to me as well as to the Senator from Maryland. But I made the motion to table the motion to reconsider.

However, I felt that as long as someone from the group opposing the conference report was on the floor of the Senate—the Senator from Ohio [Mr. LAUSCHE] was in the chair and he presented the motions clearly and deliberately—I had no reason to believe anything other than that the Senator from Maryland was fully aware of what was going on.

I could not be sure under the circumstances that the Senator from Montana [Mr. METCALF] had not decided overnight not to make a speech.

So I am sorry it all happened. I think it was most unfortunate. But again I say, and I hope Senators will believe, that Senators are men, men of their word, and men of honor.

I can only say I am sorry that the matter developed as it did, but certainly there was no intention on my part to deceive any Senator, to take advantage of any Senator, or to do anything underhanded, in offering the motion to table the motion to reconsider.

I expect that more than any Senator in this Chamber I have this year sought to delay rollcalls for the junior Senator from New York [Mr. KENNEDY]. I have sought to protect him on rollcalls time after time, and I would gladly do so again. But I cannot help but be resentful when it is implied that the leadership, and I included in that, has entered into any attempt to do something underhanded or in disregard of the rights of other Senators.

I cannot erase what has happened. I could have entered an objection to the unanimous-consent request which resulted in reviving the matter and delaying a vote until tomorrow had I wanted to, but I did not wish to.

Mr. METCALF. I thank my colleague from West Virginia for that information.

Mr. BYRD of West Virginia. I want the RECORD to show that I was completely sincere, honest, and aboveboard for my part, and I feel that the same can be said for all parties in the joint leadership.

Mr. METCALF. Does not the Senator from Iowa desire to have me yield to him at this point?

Mr. MILLER. If the Senator would be good enough to yield to me for a brief comment, I would appreciate it very much.

Mr. METCALF. I am delighted to do so.

Mr. MILLER. Mr. President, the other day we had before us a conference report on the military pay bill. Before it came over from the House, I advised our staff on this side of the aisle that I wanted a rollcall vote on it. I was necessarily absent at the time the bill passed the Senate, but I was assured that this could be arranged and would be arranged. The conference report came to the Senate and due to an error in communication, I was not notified, the bill was passed on a voice vote, and the motion to reconsider was tabled. After that, I got in touch with the Senator from West Virginia [Mr. BYRD] and apprised him of what had occurred. He knew nothing about it. He was quite concerned about it.

I want the RECORD to show that he was ready to do anything he could to get the Senate to reconsider that vote so that I would have the opportunity for the rollcall vote I had desired.

I took this matter up with the majority leader and with the Senator from Georgia, who had managed the bill. I think that, had I pushed it, they would have agreed to that very thing as a matter of consideration to me. As a matter of fact, in consideration of them, I finally came to the conclusion that it would be better not to push my request. However, I want the RECORD to show that the Senator from West Virginia was ready, willing, and able to do anything he could, even though he had not had any part in what had occurred.

I sometimes think that some of my colleagues might show the same deference to other Members of the Senate as I do. Sometimes, it is not easy to do that. But after all, we are a group of 100 Members. We have to get along with each other unless it is something that is going to affect most of the Members of the Senate. So that perhaps it is better not to push this matter too far.

Mr. METCALF. Mr. President, as I have already said, I was on the floor yesterday and listened with a great deal of interest to the Senator from Louisiana [Mr. LONG] and other Senators who were conferees and introduced and discussed the conference report on social security.

I listened and approved of portions of their report. It is one of the largest bills on social security, with respect to money, ever to be presented to this body. It carries a 13-percent increase in social security benefits which is substantial but not enough, in my opinion, in view of the delay in passing the bill and the delay in bringing up the social security benefits. But, it is a substantial increase, an increase in the minimum rate from $44 to $55, an $11 increase, which is a considerable increase. If a man must live on $44 and gets a 25-percent increase, that is quite a bit. But not enough still, in my opinion. I thought that we should have a minimum substantially higher.

The President recommended and the Secretary of HEW came before both bodies and suggested that we have a minimum substantially higher. This body and the Finance Committee thought that the minimum should be 15 percent and $70, but they came in with a report on the minimums. I would have acquiesced, as I have acquiesced in many of the other reports in the years since I came to Congress, because those things would have been corrected over the years and we would have another opportunity to increase social security benefits.

I was also impressed and I concurred in and agreed with the Senator from Louisiana, the Senator from Tennessee, and the Senator from New Mexico, in their discussion of some of the medicare benefits which would accrue to recipients of medicaid and medicare under the provisions of the conference report, under the provisions of the House bill, and under the provisions of the Senate bill.

There are improvements in the phases of social security and welfare programs which I applaud and approve; but, I do deplore the conference report because of the things that we are doing to the mothers, their children, and the poor of America.

It has been very thoroughly explored by the fine statement which has been made by the Senator from New York, but I still want to discuss it in further detail.

I feel that had we had the opportunity to discuss this special phase of the conference report, the impact upon our States and our tax systems, and our concept of what we should do for the poor and needy, it might have resulted in a whole change of opinion, not only of the Senate, but also in the whole group of States and among our constituents all over America.

Now when the Senator from Louisiana introduced the report, he started to talk about the amendments that were rejected. He suggested that perhaps it was presumed the Senate conferees would look after their own amendments rather than the other amendments offered by their colleagues, or those adopted on the floor. He enumerated a number of the amendments which the various conferees lost, some that he lost in conference, some that the Senator from New Mexico, the Senator from Georgia, and the Senator from Florida lost, and some suggested by the Senator from Delaware, the Senator from Kansas, and the Senator from Nebraska, all of whom are conferees.

Then he said:

> The House conferees were denied but the bill we agreed on makes major improvements in the entire Social Security Act.

Then he discussed some of the amendments some of the other Senators had, and they had a colloquy about the special drug amendment which I supported and voted for. I also supported the amendment to make drugs cheaper for the poor of America, to obtain drugs prescribed by their generic names rather than by special trade names and get to the people important and valued drugs at much cheaper rates.

Then he said about that amendment:

> In some respects we got even more than we tried to get, even though we did not actually get all that we had hoped for. In the long run we might eventually have ended up with something better than we had hoped to get. I am very much pleased.

The Senator from Louisiana also made this statement:

> So that there will be no misunderstanding, and because some persons might seek to create the impression that the Chairman of the House Committee on Ways and Means is an arrogant, unreasonable, and unbending person, may I say that no one, in my judgment, could be farther from the truth to suggest such a thing.

Mr. President, I had the honor and the privilege of representing the First District of Montana in the House of Representatives for 8 years. For one term of that period, I served on the Ways and Means Committee. My chairman was WILBUR MILLS, the gentleman from Arkansas. As I looked over the conference report, every one of those members who signed it as managers on behalf of the House were men with whom I had served in the House of Representatives.

Every one had been a colleague of mine for most of the years I served in the House, and all of them were on the committee when I served.

I have said before, and I want to say here officially today, that Chairman MILLS of the House Ways and Means Committee is one of the ablest, most intelligent, and best chairmen in Congress. I said before that he is one of the most knowledgeable men on social security and on tax affairs that I know of in the United States, and that takes in the Internal Revenue Service, the Treasury Department, the Joint Committee on Economic Affairs, and so forth.

I have the highest respect for the chairman of that committee. I have the highest respect and regard for many of my former colleagues over there. But I did not say these things about the chairman of the committee and I did not make these suggestions about whether they were arrogant, or intemperate, or hard to get along with.

The Senator from Louisiana said that. He said:

> I might say that they were determined not to accept the provisions of this conference report.

He said:

> . . . a mother who could refuse with impunity to accept a good job—

That was not the question, but to accept any job—

> when it was offered to her because she would rather live on the public dole.

It was that sort of attitude the House committee refused to accept.

He said further:

> I regret very sincerely that I was not able to persuade the House Members to agree to the Byrd amendment.

He said further on another amendment:

> We met concerted opposition, not only from the House conferees, but from the administration as well.

The Senator from Louisiana said on another amendment:

> I want to make it very clear to every Senator that the Senate conferees were advised in no uncertain terms that they would not agree to these provisions.

And so on. His statement is replete with suggestions that the House was adamant; that they would not go along; and it was because of those suggestions that some of us who serve on the committee felt that perhaps they had not been quite as persuasive as the House managers; that our conferees, in a couple of afternoons, had abandoned the provisions that went into the bill in the form of amendments in the committee and on the floor.

We held hearings over weeks. We compiled a record of 2,000 pages of testimony. We held executive committee meetings for many days, trying to correct the things that we found wrong in the House bill—not to draft a new bill, not to go along with the legislation that was sent over to the House Ways and Means Committee in the House of Representatives, but to make suggestive changes that were needed. Yet, in a couple of afternoons, our Senate conferees were persuaded by the greater persuasive abilities of our colleagues in the other body, and they abandoned most of the major amendments that were put in the bill in committee and during debate on the floor of the Senate.

That is why some of us felt that this matter should be brought to the attention of the country by rather more extended debate than we would be permitted in one afternoon or a couple of hours, or that we will be permitted as the result of the unfortunate parliamentary situation that has now occurred.

A lot of my amendments did not get adopted. I am not complaining about that. I will offer them again. I shall suggest some of them that should have been adopted, in the course of this discussion. But were it not for the so-called freeze in aid to families with dependent children, I would not be on the floor discussing this conference report today.

Mr. President, I ask unanimous consent to have printed in the RECORD a schedule that I have just obtained from the Library of Congress showing that 27 legislatures will not meet in 1968. I also ask unanimous consent that the schedule concerning legislative sessions, from "The Book of the States, 1966–67," be printed in the RECORD. These schedules point up the problem the States will be faced with when the freeze goes into effect.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LEGISLATIVE SESSIONS

[L—Legislative days; C—Calendar days]

State or other jurisdiction	Years in which sessions are held	Sessions convene		Limitations on length of sessions		Special sessions	
		Month	Day	Regular	Special	Legislature may call	Legislature may determine subject
Alabama	Odd	May	1st Tuesday [1]	36 L	36 L	No	⅔ vote those present.
Alaska	Annual	January	4th Monday	None	30 C	Yes	Yes [2].
Arizona	do	do	2d Monday	63 C [3]	20 C [3]	Petition ⅔ members	Yes [4].
Arkansas	Odd	do	do	60 C	15 C [5]	No	([5]).
California	Annual [6]	do	Odd Monday after Jan. 1	120 C [7]	None	No	No.
		February	Even 1st Monday	30 C			
Colorado	do	January	Wednesday after 1st Tuesday	160 C [8]	None	No	No.
Connecticut	Odd	do	Wednesday after 1st Monday	150 C [8]	None	Yes	Yes.
Delaware	Annual [6]	do	Odd 1st Tuesday	90 L	30 [8]	No	Yes.
		February	Even 1st Tuesday	30 L			
Florida	Odd	April	Tuesday after 1st Monday	60 C [9]	20 C [10]	([10])	Yes [10].
Georgia	Annual	January	Odd 2d Monday	45 C [11]	([12])	Petition ⅗ members [13]	Yes [4].
		do	Even 2d Monday	40 C			
Hawaii	Annual [6]	February	Odd 3d Wednesday	60 C [14]	30 C [14]	([15])	([15]).
		do	Even 3d Wednesday	30 C [14]			
Idaho	Odd	January	Monday after Jan. 1	60 C [3]	20 C	No	No.
Illinois	do	do	Wednesday after 1st Monday	None [16]	None	No	No.
Indiana	do	do	Thursday after 1st Monday	61 C	40 C	No	yes.
Iowa	do	do	2d Monday	None	None	No	Yes.[17]
Kansas	Annual [6]	do	Odd 2d Tuesday	90 L [3]	30 L [3]	No	Yes.
		do	Even 2d Tuesday	30 C			
Kentucky	Even	do	Tuesday after 1st Monday	60 L	None	No	No.
Louisiana	Annual [6]	May	Even 2d Monday	60 C	30 C	Petition 2/3 elected members each house.	No. [18]
		do	Odd 2d Monday	30 C			
Maine	Odd	January	1st Wednesday	None	None	No	Yes.
Maryland	Annual	do	3d Wednesday	70 C	30 C	No	Yes.
Massachusetts	do	do	1st Wednesday	None	None	Yes	Yes.
Michigan	do	do	2d Wednesday	do	None	No	No.
Minnesota	Odd	do	Tuesday after 1st Monday	120 L	None	No	Yes.
Mississippi	Even	do	do	None	None	No	No.
Missouri	Odd	do	Wednesday after Jan. 1	195 C [8]	60 C	No	No.
Montana	Odd	do	1st Monday	60 C	60 C	No	No.
Nebraska	Odd	do	1st Tuesday	None	None	Petition ⅔ members	No.
Nevada	Odd	do	3d Monday	60 C [3]	20 C [3]	No	No.
New Hampshire	Odd	do	1st Wednesday	July 1 [3]	15 L [3]	Yes	Yes.
New Jersey	Annual	do	2d Tuesday	None	None	([19])	Yes.
New Mexico	do [6]	do	Odd 3d Tuesday	60 C	30 C [20]	Yes [20]	Yes. [20]
		do	Even 3d Tuesday	30 C			
New York	Annual	do	Wednesday after 1st Monday	None	None	No	No.

See footnotes at end of table.

LEGISLATIVE SESSIONS—Continued

[L—Legislative days; C—Calendar days]

State or other jurisdiction	Years in which sessions are held	Sessions convene		Limitations on length of sessions		Special sessions	
		Month	Day	Regular	Special	Legislature may call	Legislature may determine subject
North Carolina	Odd	February	Wednesday after first Monday	120 C [3]	25 C [3]	No	Yes.
North Dakota	Odd	January	Tuesday after 1st Monday	60 L	None	No	Yes.
Ohio	Odd	do	1st Monday	None	None	No	No.
Oklahoma	Odd	do	Tuesday after 1st Monday	None	None	No [2]	No.
Oregon	Odd	do	2d Monday	None	None	No	Yes.
Pennsylvania	Annual [6]	do	1st Tuesday	None	None	No	No.
Rhode Island	do	do	do	60 L [3]	None	No	No.
South Carolina	do	do	2d Tuesday	None	40 L [3]	No	Yes.
South Dakota	Annual [6]	do	Odd Tuesday after 3d Monday	45 L	None	No	Yes.
		do	Even Tuesday after 1st Monday	30 L			
Tennessee	Odd	do	1st Monday	75 C [3]	20 C [3]	No	No.
Texas	Odd	do	2d Tuesday	140 C	30 C	No	No.
Utah	Odd	do	2d Monday	60 C	30 C	No	No.
Vermont	Odd	do	Wednesday after 1st Monday	None	None	No	Yes.
Virginia	Even	do	2d Wednesday	60 C [3] [22]	30 C [3] [22]	Petition ⅔ members	Yes.
Washington	Odd	do	2d Monday	60 C	None	No	Yes.
West Virginia	Annual [6]	do	Odd 2d Wednesday	60 C [23]	do	Petition ⅗ members	No.
		do	Even 2d Wednesday	30 C [23]			
Wisconsin	Odd	do	2d Wednesday	None	None	No	No.
Wyoming	Odd	do	2d Tuesday	40 C	do	No	Yes.
Puerto Rico	Annual	do	2d Monday	111 C [8] [24]	20	No	No.

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[1] Legislature meets quadrennially on 2d Tuesday in January after election for purpose of organizing.

[2] Unless Governor calls and limits.

[3] Indirect restriction on session length. Legislators' pay, per diem, or daily allowance ceases but session may continue. In Colorado the 160-day limitation applies to the legislative biennium. In New Hampshire travel allowance ceases after July 1 or 90 legislative days, whichever occurs first.

[4] If legislature convenes itself.

[5] Governor may convene general assembly for specified purpose. After specific business is transacted, a ⅔ vote of members of both houses may extend sessions up to 15 days.

[6] Budget sessions held in even-numbered years, except in Louisiana.

[7] Exclusive of Saturdays and Sundays.

[8] Approximate length of session. Connecticut session must adjourn by 1st Wednesday after 1st Monday in June, Missouri's by July 15, and Puerto Rico's by Apr. 30.

[9] Length of session may be extended by 30 days, but not beyond Sept. 1, by ⅗ vote of both houses.

[10] 20 percent of the membership may petition the Secretary of State to poll the legislature; upon affirmative vote of ⅗ of both houses an extra session, no more than 30 days in length, may be called. Extra sessions called by the Governor are limited to 20 days.

[11] Convenes for no longer than 12 days to organize. Recesses and then reconvenes 2d Monday in February for not more than 33 calendar days. Budget presently considered in odd-year session only.

[12] 70-day session limit except for impeachment proceedings if Governor calls session; 30-day limit except for impeachment proceedings if Governor calls session at petition of legislature.

[13] 30-day limit except for impeachment proceedings.

[14] Governor may extend any session for not more than 30 days. Sundays and holidays shall be excluded in computing the number of days of any session.

[15] Legislature may convene in special session on 45th day after adjournment to act on bills submitted to the Governor less than 10 days before adjournment if Governor notifies the legislature he plans to return them with objections.

[16] By custom legislature adjourns by July 1, since all bills passed after that day are not effective until July 1 of following year.

[17] Iowa constitution requires the Governor to inform both houses of the general assembly the purpose for which a special session has been convened.

[18] Unless legislature petitions for special session. However, no special session may be called during the 30 days before or the 30 days after the regular fiscal sessions in the odd years without the consent of ¾ of the elected members of each house of the legislature.

[19] Petition by majority of members of each house to Governor who then "shall" call special session.

[20] Limitation does not apply if impeachment trial is pending or in process. Legislature may call in 30-day "extraordinary" session if Governor refuses to call session when requested by ⅗ of legislature.

[21] Governor may convene senate alone in special session.

[22] May be extended up to 30 days by ⅗ vote of each house, but without pay.

[23] Must be extended by Governor until general appropriation passed; may be extended by ⅔ vote of legislature.

[24] Session may be extended by adoption of joint resolution.

Source: "The Book of the States, 1966–67," vol. XVI, the Council of State Governments, Chicago Ill.

THE LIBRARY OF CONGRESS,
Washington, D.C.

REGULARLY SCHEDULED SESSIONS OF STATE LEGISLATURES IN 1968

[State and convening date]

Alaska: Jan. 22.
Arizona: Jan. 8.
California: Jan. 1.
Colorado: Jan. 3.
Delaware: Jan. 2.
Georgia: Jan. 8.
Hawaii: Feb. 21.
Kansas: Jan. 9.
Kentucky: Jan. 2.
Louisiana: May 12.
Maryland: Jan. 17.
Massachusetts: Jan. 3.
Michigan: Jan. 10.
Mississippi: Jan. 2.
New Jersey: Jan. 9.
New Mexico: Jan. 16.
New York: Jan. 3.
Pennsylvania: Jan. 2.
Rhode Island: Jan. 2.
South Carolina: Jan. 9.
South Dakota: Jan. 2.
Virginia: Jan. 10.
West Virginia: Jan. 10.

Adapted from table, "Legislative Sessions," pp. 46–17, "Book of the States, 1966–67."

Mr. METCALF. Mr. President, the other night when I listened to President Johnson's talk to the AFL–CIO convention in Miami, he recalled that when he was a Member of the House of Representatives he had voted for a minimum wage law of 25 cents an hour. That reminded me of the first time I participated in a legislative body as a member of the house of representatives in the Montana Legislature. In 1937, I voted for a minimum wage law of 30 cents an hour. At that time, I served on the Social Security Committee of the House of Representatives of the Legislature of Montana. That was the year when the various legislatures throughout the country adopted amendments to their laws to take care of the amendments President Roosevelt and the New Deal Congress had put through Congress in the preceding year.

That was the year when we changed our concepts of how to take care of those who were poor, underprivileged, and unemployed, take them from the county poor farm and the county workhouse, and put them through a welfare program. That was the year we in the State of Montana passed the first State appropriation for social security and for public welfare.

In those days public welfare ran considerably ahead of social security in many cases, especially in benefits to the aged. Old-age assistance is declining these days, and social security benefits are increasing; and that is as it should be, because social security benefits are accruing to more and more people, and more and more people are beginning to enjoy the privilege of being off the relief rolls.

So, in those days, in all the State legislatures, as in Montana, we passed legislation that provided that State appropriations would take care of both welfare and social security provisions and unemployment compensation, which was a problem at that time.

In many of the States, as in Montana, those appropriations are made for 2 years.

We took it out of the hands of the county commissioners and boards of supervisors of the cities and various other agencies, and put it in the hands of State public welfare agencies. I think the thing we did in those days was a great exercise of federalism—to close debtors' prisons, poor farms, workhouses, and begin payments to people and try to let the poor and impoverished exist with some dignity.

We have continued that kind of concept over all the years that have ensued since, until this bill was passed and this provision for aid to families with dependent children was adopted. I refer to the so-called freeze. That is described on page 60 of the conference report, under the subheading, "Limitation on Number of Children With Respect to Whom Federal Payments May Be Made." That is a part of the material that was put in the RECORD, so far as the conference report is concerned. It can be found at the place where the Senator from Louisiana inserted it in the RECORD under this heading.

I read from the conference report relating to amendment No. 214, section 208:

> Amendment No. 214: Section 208 of the House bill amended section 403 of the Social Security Act to provide that the number of children receiving AFDC with Federal financial participation in any State for any quarter after 1967 because of the absence of a

parent from the home may not represent a proportion of the total under-21 population of the State at the beginning of the year involved which is larger than the corresponding proportion for the first quarter of 1967.

The Senate amendment removed this limitation from the bill.

The conference agreement includes the House provision, but bases the limitation on the number of children under 18 receiving aid as compared to the total under-18 population of the State instead of taking into account children up to 21, uses the first quarter of 1968 instead of the first quarter of 1967 as the base quarter for purposes of the comparison, and makes the limitation effective after June 30, 1968, instead of after December 31, 1967.

This very bad concept was not attacked by the Senate conferees. Rather, they boasted that they had made some corrections in the House bill by moving the effective date of the so-called freeze from January 1967 to January 1968, and changing from 21 to 18 the proportion granted. That is a very minor and very small change. It does not in any way affect the principle of the freeze and does not in any way affect the concept that we shall shut the children of these mothers off on July 1, 1968, on the basis of the proportion that they were to the population as of January 1, 1968.

Mr. President, the Senator from New York [Mr. KENNEDY] and other Senators suggested that we cannot control the birth rate and say that no children shall be born after January 1, after New Year's Day, 1968. He suggested that we cannot control the rate of migration of rural families from the farms to the cities. Of course we cannot.

We cannot even control the migration rate of Stokely Carmichael when he wants to travel outside the United States, to say nothing of migration back and forth from the rural areas to the urban areas.

Yet we are saying to the States that after June 30, they will not receive any Federal assistance for any children born after the 1st of January 1968, or any children whose families moved into the area after that date unless there is a comparable outflow of children. That is what I am talking about. That is what many of us feel is going to cause distress, disaster, hunger, and further poverty in this country, this summer, and until it is repealed.

During the course of the debate yesterday, the Senator from Louisiana said, "Well, we left it up to those who know, those experts who know more about welfare."

I challenge that statement. More than 150 people who are true experts, who do know about welfare and about the impact of such a provision as we made, and such a provision as the House agreed to—the impact on the poverty stricken and the welfare recipients of the Nation—testified before the committee. The other day I put into the RECORD a list of people who opposed this so-called freeze before the Senate committee.

Mr. President, the only persons who came in to testify before the Finance Committee in support of the House provision were the representative of a Council of State Chambers of Commerce, and the Puerto Rico Medical Association. More than 150 experts—true experts—formally opposed this provision, including the Governors of 13 States, a statement from the National Council of Governors, members of public welfare commissions from many States, and members of such organizations as the National Council of Negro Women, the National Council of Senior Citizens, and others.

Yesterday the Senator from Oklahoma read into the RECORD a telegram from the National Council of Senior Citizens in which the members of that council, through its executive board, suggested that the National Council of Senior Citizens did not want to have an increase of 13 percent in benefits, or a minimum of $11 per month, at the expense of the mothers and children of poverty stricken America.

That was not a new concept or a new idea as far as the National Council of Senior Citizens was concerned after the bill passed, because, in the course of the hearings, at page 1075 of the hearing record, the representative of the National Council of Senior Citizens, John W. Edelman, president of that council, said:

> Most shocking of all the provisions of the House-passed social security bill are its savage restrictions on Federal aid for relief of the poor.
>
> Under this bill, relief to poor families could be shut off entirely or a poor family could have relief payments reduced by arbitrarily cutting off adults from relief and children could be removed by court order and placed with strangers for care.
>
> So great is the concern of National Council members over this threat to children of the poor that I have received many letters from members who, despite their own need for a meaningful social security increase, offer to forgo an increase if this will protect poor children from the plight that awaits them if the House-passed social security bill should—God forbid—become law.
>
> Our members, who have raised families, know the importance of family life to children and can understand the hurt inflicted on them when they are arbitrarily deprived of family life.
>
> Mr. Chairman and other distinguished committee members, the welfare restrictions of the House-passed social security bill deliberately discriminate against cities like New York, Chicago, Detroit, Cleveland, Newark, and other communities with large ghetto areas teeming with the outcasts of our changing agricultural system.
>
> The bill does nothing to prevent the migration of agriculture's human rejects to city ghettos. This migration will continue. Restrictive welfare measures proposed in the House-passed bill are not likely to change this historic movement from the farms to the cities.
>
> I appeal to the committee and the Senate to show compassion for these victims of a changing technology in agriculture. I plead with you to lighten, rather than add to the heavy burden the unfortunate poor in city slums must bear.

Mr. CASE. Mr. President, for nearly a full year the Congress has been debating the social security bill. It is most unfortunate, therefore, that at this eleventh hour in the session the Senate is faced, virtually on a take-it-or-leave-it basis, with a conference report containing public welfare provisions opposed by nearly every group and individual appearing before the Finance Committee during hearings on the social security bill and by the majority of the Senate as evidenced by the votes taken on the bill 3 weeks ago.

I, of course, am disappointed with the social security benefit levels in the bill. Certainly a 15-percent increase in benefits, with a minimum of $70 per month, is not too much to ask in view of today's cost of living. As most social security beneficiaries know from experience, anyone living on a fixed income has been fighting a losing battle in this inflationary period.

At this point, however, I would like to call particular attention to my deep concern with the provisions of title II, the public welfare amendments. Just 6 months ago the deep social unrest in our urban areas exploded in the violence of Newark, Detroit, and some 50 other cities around the Nation. Evidence of the problems in our core cities continues to mount almost daily. Thus it is particularly distressing to find that we are presented with a bill which is retrogressive in nature and which represents a significant departure from what has been a humanitarian approach to the problems of the poor in our cities.

If anything has been learned in the past several months from the Newarks, the Plainfields, and the Detroits, it is that, as a Nation, we can no longer ignore the deep and bitter feelings of frustration and despair of those trapped in the poverty cycle. Yet the punitive provisions of the welfare amendments can only exacerbate the tensions in the ghettos.

The bill before us would use compulsion to put parents receiving aid to families for dependent children—AFDC—into work training programs. Contrary to the philosophy of the Senate-approved bill, it assumes that mothers of young children should work rather than take care of their children. It also rejects the Senate provision that families of unemployed fathers should be eligible for AFDC payments.

The provisions intended to encourage welfare recipients to find jobs can hardly be called incentives. The job-training allowance we approved three weeks ago has been cut from $20 a week to $30 a month. This comes to approximately $7 a week or just about enough for bus fare. The amount of outside earnings a recipient is permitted to keep over and above his welfare payment has also been substantially reduced.

By placing a freeze on the number of AFDC children for whom States can receive matching Federal funds, the conference committee report ignores population migration patterns which are caused by forces of national scope, such as unemployment, automation, and the decline of rural wages and jobs.

Many large cities have become in-migration areas. Because the migrants generally come from deprived areas, are functionally illiterate, untrained, and lacking in employable skills, many of them become almost immediately, welfare cases. My own State of New Jersey has the third highest rate of in-migration in the Nation, with the heaviest flow moving into the older cities.

In protesting the conference committee bill, officials of Essex County, N.J., where Newark is located, informed me only today that while the total population of Newark has declined in recent years, the welfare case load has increased sharply. Since 1960 the number of Essex County AFDC cases, 87 percent of which are in the city of Newark, has quadrupled and the costs have increased by 463 percent. During this same period of time, the Federal contribution to the Essex County AFDC load has declined from 42 to 33 percent.

Mr. President, at this point I ask unanimous consent to have printed in the RECORD three telegrams, all directed to me.

The first is from Philip K. Lazaro, director of the Essex County Welfare Board.

The second is from Lloyd W. McCorkle, commissioner of the Department of Institutions and Agencies of the State of New Jersey.

The third telegram is from Walter C. Blaisi, Essex County supervisor, C. Stewart Hausmann, Essex County freeholder, Thomas R. Farley, Essex County freeholder, and Hymen B. Mintz, Essex County freeholder.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

NEWARK, N.J.,
December 13, 1967.

Hon. CLIFFORD W. CASE,
Senate Office Building,
Washington, D.C:

We strongly object to the provision in H.R. 12080 relating to the arbitrary freezing of Federal participation in payments to needy families at the January 1968 level for the following reasons: 1. With the national migration of needy people from rural to urban areas, caseloads in urban areas continue to grow rapidly. The freeze would therefore penalize every urban area by requiring them to bear a larger share of the cost. In Essex County for instance, while the total population has remained relatively static, the demographic makeup has changed as middle-class families have moved out and the underprivileged have moved in. As a result costs in Essex for the ADC program alone have risen from $8,000,000 in 1960 to a projected $45,000,000 in 1968. 2. This freeze further intensifies the local financial problem in that the Federal Government in these years has contributed at flat $22 per person in ADC despite mandated rises in assistance grants, thus forcing local government to carry an increasing percentage of cost. In Essex, for instance, the Federal share in 1960 amounted to 42 percent of the total. In 1968 it is projected at 33 percent. Rather than freeze present Federal aid we strongly urge an increase in the per capita payment as well as elimination of the freeze provision.

We respectfully urge you to take whatever affirmative action you can with respect to the points raised herewith.

PHILIP K. LAZARO,
Director, Essex County Welfare Board.

TRENTON, N.J.,
December 12, 1967.

Hon. CLIFFORD P. CASE,
Senate Office Building,
Washington, D.C.:

New social security legislation, HR 12080 as reported out of Senate-House conference contains provision freezing Federal participation in aid-to-families-of-dependent-children program. If adopted this can be catastrophic for New Jersey, particularly our urban centers. New Jersey will suffer because 1—It is nationally recognized that the number of welfare recipients has been maintained at a low level in New Jersey and 2—New Jersey has the third highest rate of in-migration in the Nation. Freeze on Federal participation would place the entire cost of increased loads on State, county, and municipal governments.

LLOYD W. MCCORKLE,
Commissioner, Department of Institutions, and Agencies, State of New Jersey.

NEWARK, N.J.,
December 11, 1967.

Hon. CLIFFORD P. CASE,
Senate Office Building,
Washington, D.C.:

Immigration escalating welfare cost creating crisis in Essex County. Urge you oppose restrictions on and fight for liberalization of welfare provisions of Social Security Act.

WALTER C. BLASI,
Essex County Supervisor.
C. STEWART HAUSMANN,
Essex County Freeholder.
THOMAS R. FARLEY,
Essex County Freeholder.
HYMEN B. MINTZ,
Essex County Freeholder.

Mr. CASE. Mr. President, is less Federal support to our metropolitan areas to be our answer to the urban problem? Are we to express our commitment to the most serious problem in our Nation by accepting a bill which punishes rather than helps those who need help the most? This kind of response is not just shortsighted. For the disadvantaged and the poverty stricken, it contains the seeds of deeper disillusionment and bitterness.

Forcing those on welfare to bear the burden of our national confusion and frustrations will not halt the changes occurring in our society, nor does it represent a responsible answer to the Nation's problems of race and poverty. I, therefore, urge the Senate to reject the conference report and to insist on the public welfare provisions of the Senate bill.

Mr. JAVITS. Mr. President, I, too, as did my colleague, the Senator from New Jersey [Mr. CASE] rise to protest the deeply unjust provisions contained in the conference report.

Nobody knows better than I the charm and blandishment of voting "aye" on a conference report of this character on the ground that it does nice things for a lot of wonderful people.

Mr. President, these very same people, however, do not in their own names wish to see harm and injustice done to a lot of other dear people who deserve to receive the help of our Government.

They know and I know that, even if this conference report were rejected it would only take another 24 hours for the conferees to be back with another report which would correct the rather barbarous inequities contained in this report.

I think that is very important, because due to events over which, let us assume, nobody had a control, to be as kind as possible to our colleague, our efforts to put over consideration of this report were aborted.

We are now face to face with the adjournment rush and the voting deadline, and no opportunity whatever is afforded to alert the people of the country as to what is at stake here and why.

Mr. President, I have received telegrams sent by the Governor of the State of New York and by the mayor of the city of New York, expressing in eloquent terms their opposition to what is here contrived, and their reasons.

Mr. President, I ask unanimous consent that a telegram addressed to me by a distinguished labor leader, Walter Reuther, president of the Industrial Union Department of the AFL–CIO, be printed at this point in the RECORD. In this telegram he speaks of the conference report as being "repugnant to human needs and dignity."

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
December 11, 1967.

Senator JACOB K. JAVITS,
Washington, D.C.:

The conference report on the social security bill is repugnant to human needs and dignity. Social security benefit levels are totally inadequate, and the work-training requirements imposed on mothers by the conference report are unconscionable. The welfare benefit freeze will impose heavy tax burdens on local communities and adjustments in old-age assistance and welfare standards may deprive the poorest of our retired citizens of any income increase at all. On behalf of more than six million members of the Industrial Union Department, AFL–CIO, I urge you to vote against the social security conference report and subsequently to instruct conferees to insist on the provisions of the Senate bill.

WALTER P. REUTHER,
President, Industrial Union Department, AFL–CIO.

Mr. JAVITS. Mr. President, I think that the Senator from Montana [Mr. METCALF], the Senator from Oklahoma [Mr. HARRIS], and the junior Senator from New York [Mr. KENNEDY] who were all fighting so forcefully should receive the thanks of the country for the burden they have had to carry on this matter.

It seems to me that what has to be made clear is that the social security increase, inadequate as it is, would not go down the drain if we postponed action on this report. There is no jeopardy about that. Nobody will even know what went on, as far as that is concerned. No one would receive increased checks until March in any case. Therefore, the idea of slowing down a bit and rousing the welfare organizations and decent citizens and marshaling the Governors was sound. And they should be roused. But we have now found ourselves in this trap—compelled to consent to a vote tomorrow. However, that is by no means the end of the matter.

If this measure is as wrong as I think—and it is—then there will be a chance to right it in the new Congress.

All of us have ultimately to face the people, and we will have to face them in 1968.

There will be plenty of time to make this case and make it effectively. Congress has a way of reacting to the sentiments of the country, I say to my colleague, the Senator from Montana [Mr. METCALF], who was kind enough to yield to me. If the sentiments are expressed well enough and strongly enough, the people will get action next year in the Senate and in the House of Representatives.

That is why I felt that the feelings

expressed so strongly by the Governor and the mayor of New York are very useful. They represent 18 million people, almost 10 percent of the Nation. It is a very progressive State.

I am sure that many other individuals and officials in other States will feel the same way and express their feelings and make their weight felt in Congress.

I hope that my colleagues will not feel that the ball game is over just because the situation we face—which, as I say, is just one of those acts of God—has made it impossible to marshal public sentiment right now.

All that was desired was that the matter go over until 2 days after we return on January 15.

I repeat, no one would have been in the least discommoded. The social security recipients would not even have known it happened, because they would not receive their first checks until March of 1968, anyway, and we have every assurance that their checks would have been sent out just the same if this report were dealt with in January instead of now. But it suits those who do not take our point of view to press the matter now. They have prevailed in terms of the parliamentary situation we face and in which our effort was aborted by the highly controversial events of this morning.

What we must do now, in my judgment, is to make strongly apparent how serious is the case in order to arouse sentiment to support that case. I have never seen Congress fail to respond when there was sufficient outcry, and especially when it was based on just cause.

The single most unjust aspect of this bill is the freeze placed on Federal payments under the AFDC program. This is really like plowing under little pigs or holding back little children or reserving the cure for cancer because it is good for us to suffer.

Mr. President, the proponents of the bill say that it will help to reduce Federal welfare expenditures. Certainly, it will. But it will not help to reduce welfare expenditures borne by decent people living in communities where the size of the welfare rolls will depend upon the welfare requirements, not upon the words of the Federal law. They will have to carry the full cost, without any Federal help. It is particularly burdensome upon those very areas of the country which, because of their superior opportunities and their superior performance, are attracting migration of people of low economic income and low training—people who come from Puerto Rico and from the Deep South and other areas of the country to find exactly what these States, which have enlightened policies, give them.

The welfare rolls of these areas will inevitably increase. Indeed, the mayor of New York says that the New York City burden will rise by $50 to $70 within 18 months. That is what is at stake here. New York—and I am sure it is true of Philadelphia, Chicago, Boston, and cities in the States of almost every Member of the Senate—will not allow children to go uncared for when they urgently need welfare.

The result of this unjust amendment will be to force up real estate taxes in those very municipalities where they are trying to cope with their responsibilities. Mind you, this is a national problem, because we have no control over the movement of population in this country. I believe it is estimated that not less than 5 million Negroes have moved up from the South within the last decade. A tremendous migration to New York, for example, has taken place in the last 20 years, from Puerto Rico, giving us desirable citizens. They will be wonderful citizens in a very short period of years. In the meantime, they represent a national movement of population for whose responsibility the Nation, in this iniquitous amendment, washes its hands.

Mr. President, for myself—and I feel very deeply that it should be the rule for the others who are engaged in this effort—the elimination of this freeze should be one of the major tasks during the next session of Congress.

Another key provision of the conference report which is most objectionable deals with the new so-called work incentive program. This is a euphemism designed to sugar over what is really compulsory work for mothers, something which you would hardly dream of in the Congress of the United States.

We had on the Senate floor—and, indeed, the Senate committee had done it itself—succeeded in ameliorating the original work provisions of the House bill. We had exempted mothers with preschool children from mandatory work, and had also barred compulsory work during nonschool hours for mothers who actually cared for schoolchildren 16 or under. These salutary exemptions were struck out in conference.

Even the provision specifically allowing the States to create categories of exemption was dropped, purportedly for the reason that it was redundant. It was not redundant, for the bill, as it left the Senate, specifically allowed the Secretary of Health, Education, and Welfare to issue criteria under which States could exempt persons from the compulsory work program. That important Federal power to establish guidelines is now out of the bill, and the matter is left in State control—exactly what has caused the trouble before this.

Also extremely distasteful to me is the fact that welfare payments for families in which a parent refuses to work without good cause are henceforth to be made in the form of protective or vendor payments. Mr. President, nothing is more calculated to break down morale and family life than these protective and vendor payments. The words "protective payments" are also a euphemism, because they interpose a third party into the family as the provider and purchaser of elementary goods and services, and this seriously undermines family integrity and stability. It would be difficult to think of a better mechanism to lead to more broken homes and more disrupted family life than we have here. And we further complicated the matter by allowing the use of vendor payments—that is, payments directly to those who supply services—an untried and long discredited system of providing the essentials of life through government arrangements with merchants.

Of course, our conferees also gave in on the enlightened floor amendment, which I had long championed, to make the welfare program applicable on a nationwide basis even where there is a man in the house, and to take away the discretion to deprive such families of welfare payments.

Mr. President, the conference report deserves much greater detailed and critical consideration than it will receive today and tomorrow. We should have had an opportunity to vote it down and to instruct our conferees to return to the conference table to eliminate some of its worst provisions. Instead, we will be forced to vote on it on a take-it-or-leave-it basis—a vote that makes a rejection of the conference report much more difficult. But these issues must be faced. That it what we are here for.

Mr. President, I join with my colleagues, for that reason, in rising to protest against the injustice and against the situation which has brought us to it.

Mr. METCALF. I am grateful to the Senator. In the course of my comments I shall elaborate on the important work that the Senator is doing in the conference on education, in an effort to solve the problem of poverty in America, and the problem of the welfare of people who are unemployed. The Senator from New York, the Senator from Pennsylvania, and others are working on the problem of education for our people and are not attempting to cut them off the welfare rolls.

Mr. JAVITS. I thank the Senator.

Mr. METCALF. Mr. President, the Senator from New York mentioned the fact that there was no question that this 13-percent increase in social security benefits and the $55 minimum would be promptly passed and that there is no question in anybody's mind, too, that the Secretary of Health, Education, and Welfare would go forward and prepare himself to issue the checks under the present legislation and under any other legislation which would be adopted in changing these other matters that would not go into effect until the 1st of March, and that those checks would be forthcoming at that time.

That was the matter I was just preparing to go into when I yielded to the Senator from New York, because I had suggested that back at the time we held hearings in the Senate Finance Committee on this bill the president of the National Council of Senior Citizens, the group that is most affected by this legislation providing a 13-percent increase and a $55 minimum, said they did not want to have that increase if it meant they would have to accept the House-passed social security bill with the so-called freeze.

The House wanted it. We wanted it. The administration wanted it. We wanted the increase. Some of us wanted more than 15 percent. Some of us felt the minimum should be more than $55.

It would not have been a matter of 24 hours from the time this body had rejected the conference report before they would have been back with some provision to take care of those people.

Even if the matter had gone over until 2 days after this Congress reconvened in the second session, as has been suggested, there would still have been time for the Department of Health, Education, and Welfare to issue the checks provided.

During the course of his discussion, the Senator from New York said that one of the reasons why he was not on the floor this morning was that he was participating as the ranking minority member in the conference on the education bill. At that time I mentioned, and I want to reiterate, that the way to take care of this situation with respect to people on public welfare, people who are unemployed and unable to earn enough money to take care of dependent children, is not to kick them off welfare, not to return them to the debtors' prisons or poor farms or workhouses, but to let them compete in a modern society.

Many people have said that we now have a third generation drawing welfare. That is not the failure of the program. That is our failure. That is the failure of the Congress of the United States and the Republican and Democratic administrations over the years. That is the failure of the legislatures and the Governors of the various States of the Union in not providing the kind of work-training programs and vocational education and educational opportunities so people can get themselves out of the morass of welfare year in and year out and have the opportunity to take a useful place in society and earn the kind of wages and salaries they are capable of earning if they have the right opportunity.

The Secretary of Health, Education, and Welfare appeared and testified before the committee. I regret very much that, apparently, the administration has accepted this freeze or the very limited change that came out of the conference report at this time. But the administration had not accepted it when the Secretary came before the Senate Finance Committee. He said, with respect to working mothers and what is going to happen to the children, that what really matters is what happens to individual members of the families.

Let me read from what he said:

> What really matters is what happens to each family. A mother might appear to be a good candidate for work and training on several grounds, yet special circumstances might make it desirable for her to delay entrance into the program. If determinations are made according to rigid formulas inflexibly applied, if lack of imagination and foresight characterize action at the decision level, then the result can only be grief for the individuals and families involved and defeat of the purposes of the program, which are to strengthen the family and move it toward independence.
>
> All things considered, we believe that the establishment of training programs should be mandatory upon the States, but voluntary as far as the AFDC mothers are concerned. We believe that, with the universal existence of work training programs and day care arrangements so wisely provided in the House bill, plus the $20 incentive payments provided in the administration proposals plus the prospect of reasonable income exemptions, a very high percentage of mothers will want to be trained and will want to go to work.
>
> The work-training projects offer great opportunities but, like all opportunities, they must be exploited with wisdom as well as energy. We must be sure that we are not preparing candidates for nonexistent jobs. But I would hope that we could go beyond merely giving vocational training for already existing or conventional, particularly dead end, jobs—that at least some of the projects would be consciously aimed at creating new careers in new kinds of jobs for the participants.

The people who know, to use the phrase used by the Senator from Louisiana, unanimously testified against the House bill and against the freeze and against making mothers work. Yet that is provided in this bill. An assistant professor at the University of Utah, who was a member of the graduate school of social work in that institution, suggested that while the provisions for additional day care service and foster care are much needed, unless we are willing to encourage stronger family life by providing more adequate support for the child in his home, there is a danger of disrupting families unnecessarily.

I ask unanimous consent that excerpts from her testimony be printed in the Record.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

Excerpts From Testimony of Miss Zella D. Allred, Salt Lake City, Utah, Assistant Professor, University of Utah Graduate School of Social Work

Re H.R. 12080.

Hon. Russell B. Long,
U.S. Senate, Washington, D.C.

Dear Senator Long: I am very much concerned over some of the proposed amendments to the public assistance provisions of the Social Security Act. May I take this means of drawing to the committee's attention those provisions which I think will tend to defeat a major purpose of the program to strengthen family life.

* * * * *

The proposed amendment to Section 402A, which would withhold assistance from a relative or dependent child who refused to participate in a work training program is unnecessarily punitive and again fails to recognize the complicated factors that go into such dependency.

There are two points in Section 201a of H.R. 12080, Sub-Sections 15 and 16, which may be detrimental to the overall objective of strengthening family life. Emphasis on "assuring to the maximum extent possible that such relative, child, and individual will enter the labor force and accept employment so that they will become self-sufficient" may not be in the best interest of the child or in long-range planning for family stability. Although this is qualified by reference to "appropriate cases" this qualification is frequently overlooked in employment planning. I have seen a number of instances in which mothers have been encouraged to go to work to the detriment of our future generation.

* * * * *

The provisions for additional day care services and foster care are again very much needed, but unless we are willing to encourage stronger family life by providing more adequate support for the child in his own home there is again danger of disrupting families unnecessarily.

I sincerely trust that your committee will give careful consideration to these particular points.

Respectfully yours,
Miss Zella D. Allred, ACSW,
Assistant Professor.

Mr. METCALF. Mr. Lawrence Speiser, of the American Civil Liberties Union, testified very eloquently about this compulsory work training program. I ask unanimous consent that excerpts from his testimony be printed in the Record.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

Statement of Lawrence Speiser, Director, Washington Office, American Civil Liberties Union

B. COMPULSORY WORK-TRAINING PROGRAMS FOR AFDC ADULTS AND OUT-OF-SCHOOL CHILDREN OVER 16

Section 204 of H.R. 12080 requires the states to set up work-training programs for the "appropriate" adults and children over 16 who are not in school. In the words of the Committee report. "If, without good cause, any appropriate child or relative refuses to accept a work or training assignment, or refuses to accept employment or training offered through the state employment service (or that is otherwise offered by an employer) he will have his assistance discontinued upon verification that of this refusal and specific evidence that the offer of training or employment is a bona fide one."

We feel, fundamentally, that the very power to arbitrarily compel a person to accept employment, is inimical to a free society and in conflict with the Thirteenth Amendment prohibition against involuntary servitude and a denial of the equal protection of the laws.

Mothers, in a program so heavily involved with fatherless homes, are heavily affected by Section 204. We insist it is a denial of equal protection and due process either to withhold aid from a needy family where the mother refuses to leave her young children to work or to compel her to work in order to receive aid. The condition of poverty is not a reasonable basis to deprive a mother of the right to remain with her children if she feels they need her and we must recognize that the right of a mother to rear her children *is* a right.

Nor can we appropriately empower the state to make the decision whether a particular mother's determination not to leave her children is "good cause" for refusing employment. Section 204 lends itself to the same implementation as state "employable mother" rules such as the Georgia act now being challenged on equal protection and due process grounds in *Anderson* v. *Schefer*, Civil No. 10443, N.D. Ga., Sept. 20, 1966.

The complaint alleged that "in practice, the policy has the intended effect of depriving large number of Negro families of AFDC benefits and of maintaining an available supply of Negro laborers for agricultural employment in Georgia. County boards in rural areas terminate AFDC eligibility for Negro mothers as of a certain date each year regardless of whether employment is actually available. White mothers are usually exempted from the work obligation because farm labor traditionally is not 'suitable' for them."

The hearing of the Mississippi Advisory Committee to the U.S. Commission on Civil Rights held early this year in Jackson further illustrated the dangers of this section. The hearings delved into the operation of Mississippi's public assistance, food stamp, commodity distribution and work experience programs. In general, the hearings supported the conclusion that the administration of such programs were discriminatory and arbitrary.

As far as the Work Experience Program under Title V of the Economic Opportunity Act, a parallel program to the one put forth under Section 204, the hearings showed that "it failed to provide on the job training and experience to the poor. Instead of increasing jobs for poor people, Work Experience was used to provide employment to workers from the Department of Public Welfare and to subsidize public agencies by offering a supply of free labor. The few private employers who participated used the program to increase janitorial and maid service, including work done in their own homes, without incurring any expense. Complaints were voiced by many Negroes that they were not receiving training in the jobs which they sought, such as nurses aides or dieticians, but were placed in menial positions. Moreover, when the program ended, most trainees were not employed, and those who were suffered a large wage decrease."

Mr. METCALF. I have a statement of Jo Eleanor Elliott, president of the American Nurses Association; a statement of Norman V. Lourie, first vice president of the American Public Welfare Association—again an expert, one of those men who knows about the impact of this amendment; one of those people who knows, that it was suggested that we should look to by the Senator from Louisiana—one from Mr. Charles B. Harding, president of the Arthritis Foundation, saying:

> We are concerned about compulsory employment and training programs for children over the age of 16, unemployed fathers, and mothers with dependent children. The drastic switch of emphasis makes social security legislation and job training a recruitment program rather than a means of strengthening family life. We are certain it will allow coercive measures, will not rectify the consequences of generations of poverty and disease.

The Association of State Maternal and Child Health Directors, and Directors of Crippled Children's Programs, Dr. R. F. Rice, M.D., president, said:

> Section 201 of the same title appears to place the States in a position of forcing mothers on AFDC to go to work. This could adversely affect the health and welfare of their children.

A representative of the Board of Directors of the Health and Welfare Council of Metropolitan St. Louis testified.

A former colleague of mine in the House of Representatives, who was then a delegate from the territory of Hawaii, and is now Governor of Hawaii, stated that this requirement would be detrimental to the AFDC mothers in his State.

Mr. President, I shall not take up the time of the Senate in reading all of these matters, but in order to make the record complete, and to demonstrate that this controversy is not at an end today, or will not end with the vote taken tomorrow, or by the agreement and approval of the conference report, but will go on as long as there is need for the mothers and children of America, I ask unanimous consent that excerpts from all of these statements and others on this subject be incorporated in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the Record as follows:

Statement of Jo Eleanor Elliott, President, American Nurses' Association

We support in principle and regard as commendable the provision that States set up work training programs to help welfare recipients become employable and self-supporting. However, we believe that where AFDC mothers are involved, their participation in job training and employment should be on a voluntary basis, premised on counseling and evaluation of what is in the best interest of the child or children.

The provision for establishing day care centers and the work incentive features of earnings exemptions will encourage mothers with an employment potential who can safely leave their children, to voluntarily take training and employment.

Statement of Norman V. Lourie, First Vice President, American Public Welfare Association

Our second major objection is with reference to the element of compulsion for participation in job training and to accept employment. Every employable father who is receiving assistance should be required to participate in job training if available or to accept an offer of suitable employment. The situation with respect to the mothers, however, is quite different. We know that there are many working mothers who would be eligible to receive AFDC if they were not working. We know, too, that many mothers now receiving AFDC would go to work if they could find a job, and if arrangements could be made for the care of their children. In fact, there is a constant in-and-out of employment among AFDC mothers who take jobs when they can find them. In households headed by women, more than 12 percent of the AFDC case closings are because of employment or increased earnings. In addition, there is a significant number of mothers receiving AFDC assistance who are working part-time or full-time. Current figures apparently are not available, but in a special study conducted in 1961 HEW found that 4.6 percent of the AFDC mothers had full-time jobs, but with earnings too low to meet the AFDC family budget. Another 8.3 percent of the workers were holding part-time jobs. There were wide variations among the states, with one state reporting that one-fourth of all AFDC mothers were working at full-time jobs. Some of these mothers have to pay for the care of their children at their own expense, which does not leave much net income from their meager earnings.

It is obvious that many more mothers would take employment if they had marketable skills, or if jobs were available, or if arrangements could be made for the care of their children.

The proposed requirement that the welfare agency develop a program for each adult in an AFDC family would serve to identify the potentialities of each individual, as well as the services and facilities that must be brought into play to make the individual's program effective. We are confident that a significant number of persons would voluntarily participate in a training program, and would be enabled to find and keep a job, if the services and facilities were made available to them as proposed in this legislation. We acknowledge that we do not know how large this number would be. Neither do we know in any exact sense how many "hard core" families there are, in which the mother would refuse to take employment even though it were considered appropriate, and if all necessary supportive services were brought into play. We do not know, because the welfare agencies have not so far had these resources and services to offer on a scale large enough to make them available to all who might benefit by them. But we regard provision for compulsory work or training for mothers as impractical and we have serious doubts that it would make any significant difference in the number of families who were enabled to become self-supporting.

It is our recommendation that the welfare agencies be given a chance to try out these new tools, with the recipient participating on a voluntary basis. If the results turn out to be unsatisfactory, the matter can be reviewed and reconsidered.

If the head of a family refuses to accept employment when, according to all reasonable tests, it is considered appropriate, the problem does not go away any quicker by cutting off assistance. If a father's share of assistance is cut out of the budget, he will probably continue to eat at the same table with the rest of the family, with everyone just getting a little less. Or he could desert the family, in which case they could continue receiving assistance. Or the children could be removed, if the court so ordered, at a greater cost than supporting them at home. The only chance for a constructive solution in a situation of this kind is through patient and perhaps time-consuming effort, to encourage and support and enable, and to instill some motivation.

Under the terms of the bill, if an assistance recipient is deemed by the welfare agency to be "appropriate" for training or employment, and refuses to participate in training or to accept a bona fide offer of employment, his assistance would be terminated. Apparently a good deal of latitude for subjective judgment would be permitted in making a determination that employment is appropriate for an individual with the potential consequence of termination of assistance. This is in contrast with the other eligibility provisions for public assistance, which set forth the objective conditions in some detail. We are fearful that this provision could be subject to wide variations in interpretation that could be in conflict with the stated purpose of maintaining and strengthening family life. In the event that Congress should decide to enact this provision we recommend that the Secretary of HEW be directed to formulate guidelines for its interpretation and application. Such guidelines should be designed to protect the rights and best interests of families and children. They should spell out what constitutes refusal of employment for good cause and what measures should be taken to safeguard the children in such situations.

Charles B. Harding, President, Arthritis Foundation, New York Chapter

We are further concerned about compulsory employment and training programs for children over age 16, unemployed fathers, and mothers with dependent children. The drastic switch of emphasis of H.R. 12080 makes the Social Security legislation a compulsory job training and employment recruitment program rather than a means of strengthening family life. We are certain that you are aware that coercive measures will not rectify the consequences of generations of injustice, poverty and disease.

R. G. Rice, M.D., President, Association of State Maternal and Child Health and Crippled Children's Directors

State of Michigan,
Department of Public Health,
Lansing, Mich., September 8, 1967.

Mr. Tom Vail,
Chief Counsel, Committee on Finance,
U.S. Senate, New Senate Building,
Washington, D.C.:

Section 201 of the same title appears to place the states in a position of forcing mothers on AFDC to go to work. This could adversely affect the health and welfare of their children.

Statement of Board of Directors, Health & Welfare Council of Metropolitan St. Louis

Health & Welfare Council
of Metropolitan St. Louis, Inc.,
St. Louis, Mo., September 26, 1967.

Hon. Russell Long,
Chairman, Committee on Finance,
U.S. Senate, Washington, D.C.

DEAR SENATOR LONG: The enclosed statement on H.R. 12080 was unanimously approved by the Board of Directors of the

Health and Welfare Council of Metropolitan St. Louis. The Health and Welfare Council is a voluntary organization of 200 health, welfare and recreation agencies in the St. Louis area.

We respectfully request that you and your committee take into consideration the views expressed in the enclosed statement.

Sincerely yours,
RICHARD S. JONES, *President.*

STATEMENT ON H.R. 12080

There are however other provisions in this bill which give us deep concern and we are opposed to their inclusion in the bill in their present form. These are:

The compulsory nature of the community work and training program requiring that an AFDC mother or other adult or child over 16 years of age must engage in work and training (unless specifically exempted) as a condition of receiving assistance.—Employment and training programs are important resources for public assistance recipients. Their value is however diminished when they are made a condition of assistance. This provision will be expensive to administer and will further drain off already scarce social work personnel into inappropriate roles.

REPLY FROM GOV. JOHN A. BURNS, HAWAII—SPECIAL NOTICE FROM NATIONAL GOVERNORS' CONFERENCE REGARDING SOCIAL SECURITY AMENDMENTS OF 1967 (H.R. 12080)

4. Should the requirement for work training programs for mothers receiving AFDC payments include only mothers requesting the training, mothers of children over 6 years of age, or all AFDC mothers as the bill proposes?

The requirement for work training programs should not be imposed on all AFDC mothers. Participation in such programs should be determined by the individual home situation and the needs of the family. Arbitrary criteria such as "only mothers requesting the training" or "mothers of children over 6 years of age" are not practical. A mother with a handicapped child over 6 or a large family may be vitally needed in the home to provide adequate care and supervision for her children.

LETTER SUBMITTED BY SENATOR HICKENLOOPER FROM CENTRAL IOWA CHAPTER, NATIONAL ASSOCIATION OF SOCIAL WORKERS

NATIONAL ASSOCIATION OF SOCIAL WORKERS, INC., CENTRAL IOWA CHAPTER,
Des Moines, Iowa, September 6, 1967.

Hon. BOURKE HICKENLOOPER,
U.S. Senate,
Washington, D.C.

2. *Participation in work training and day center use.*

a. Both work training and use of day centers to care for ADC children are generally constructive programs for both ADC beneficiaries and society, however, such benefits would arise only from proper application to individual families and not from mass application to all beneficiaries. In many instances the best interests of children and society depend on the mother remaining at home caring for the children. It should be clearly stated in the law that in such instances refusal to accept training or employment should constitute "good cause" to refuse such training or work.

b. The legislation passed by the House would incorporate administrative responsibility in the law and thus impair our tripartite government as well as the programs legislated.

MRS. ELEANOR W. CARRIS, ACSW,
Chairman.
ALICE WHIPPLE, ACSW.
RUDOLPH P. BEERMAN, ACSW.

STATEMENT OF HON. ELMER L. ANDERSON, PRESIDENT, CHILD WELFARE LEAGUE OF AMERICA

We wish to address ourselves to the child welfare and public assistance amendments of title II of H.R. 12080 as they would affect the lives of untold numbers of children in this country. We do not believe that these provisions are in the true tradition of the U.S. Congress which has, over the past decades, expressed its concern for the health and welfare of all the Nation's children.

Although title II of H.R. 12080 presents the illusion of helping children, upon close analysis, it is in fact coercive, punitive, and creates discriminatory conditions hostile to the welfare of children and the promotion of sound family life. Even the positive features of the bill when viewed within the total context of the programs proposed, become negative and hostile to the well-being of children. A bill such as this could only have come from the House of Representatives because those esteemed Members did not fully understand the regressive proposals in this legislation and how they would ultimately harm the lives of millions of our children.

PUBLIC ASSISTANCE AMENDMENTS, PART 1, TITLE II, H.R. 12080

Our first objection to Title II of H.R. 12080 is that, in part, it relies on compulsion and coercion to achieve its end. It is excellent to provide job training and increased employment opportunities which the bill seeks. But we deplore the effort to force people to accept job training or employment with the threat of cutting off food for their children if they refuse. Such efforts are self-defeating.

This is particularly true in light of the fact that H.R. 12080 greatly enlarges the areas where the subjective judgments of welfare workers would determine whether a family receives assistance, for it will be the individual welfare workers who will determine whether a mother has a "good cause" in preferring to stay at home to care for her children, or whether employment is "suitable." We believe that it is a critical error to increase the areas where the subjective judgment of welfare workers is substituted for objective eligibility criteria. We assume that the Department of Health, Education, and Welfare will write sound guides as to what constitutes "good cause" for refusing to accept training or employment, or for defining what constitutes "appropriate" training and employment. However, we know from past experience that well-meaning regulations emanating from Washington frequently provide little real protection for the individual. The subjective judgment of thousands of individual welfare workers influenced by local attitudes and prejudices, frequently results in arbitrary unjust decisions from which appeal is long and costly and often impossible. Such circumstances severely endanger the rights of people, destroy their dignity, and make the individual subject to critical abuses of authority and discretion that, before they are corrected, can result in severe privation for children.

Emphasis upon investigations, searches, and referrals to courts produce a climate in which constitutional rights are endangered and welfare workers are alienated from people they are supposed to serve. It is extremely difficult, if not impossible, to offer rehabilitative service to help the families who must constantly be in fear of the worker who is serving them.

The Ways and Means Committee Report states that children will not be punished for the failure of a mother to work although she may be cut off assistance. This too is an illusion. If a mother, for example, is cut off relief because she sincerely believes she should care for her children and "protective payments" are then made only to meet the children's needs, that mother will either share the children's portion of potatoes or will starve. Either of these alternatives would, in fact, punish the child, despite the Committee's good intentions.

STATEMENT BY DR. TRUDE W. LASH, EXECUTIVE DIRECTOR, CITIZENS' COMMITTEE FOR CHILDREN OF NEW YORK

COMMUNITY WORK AND TRAINING PROGRAMS (SECTION 204)

We have long urged that AFDC mothers be given the choice of caring for their children themselves or working either part-time or full-time while being provided with group day care, family day care, or homemaker services. It is also appropriate that AFDC mothers be allowed financial incentive to work through earning exemptions until they become self-supporting (Sect. 202), though we support the Administration proposals for higher exemptions. But to compel mothers to work is the surest way of destroying whatever family ties may exist. It would break up the home of young children—as a matter of public policy.

The most destructive aspect of this work-training proposal, however, is the fact that it would drive women into the work force while the men remain untrained and unemployed. Unwilling to face the humiliation of not being the "provider" and thereby the acknowledged head of the household, they leave home, particularly in those states where their presence might threaten AFDC payments for their children. Doing further damage to the status of the male will not strengthen family life.

It would be a safe guess that the majority of fathers have not worked 6 out of the last 13 quarters, that few have more than a casual relationship to work and are therefore excluded from the AFDC program. Chief among the reasons for this situation is lack of education and training—due to lack of opportunity. The job market for untrained worker is tight. The urban ghettos are full of healthy, untrained and unemployed males who want to work. Thousands line up every time a city job-opening is announced.

When the summer Neighborhood Youth Corps in New York ended this program recently, over 23,000 out-of-school youths were thrown on the streets, and many in these groups are the absent fathers of AFDC children.

"Increased efforts to enforce the laws against desertion and non-support," will not only be costly but will result in driving unemployed fathers further underground and further away from sources of training and work.

Only a major new training and job program that give absolute priority to the unemployed male can provide a solution.

Such a community work and training program should not be forced upon the states as a welfare measure. If we equate trainees with welfare recipients we isolate them further from their fellow-citizens. Work and training programs must be comprehensive and unstigmatized.

It will be some time before a truly effective training and job program can be developed—and the jobs must be found first. The MDTA program, the OEO manpower program, the Nelson-Scheuer programs are still in the trial and error stage—all of them struggling to define training programs for jobs that have a way of eluding their graduates. The new proposals would mandate another layer and simply add to the confusion and duplication.

The Administration recommended, quite appropriately, that community work and training be transferred to the Department of Labor so that resources can be coordinated and training and jobs provided speedily and effectively.

It should be added here that even if jobs were available for all those mothers who want to work, they would not now be able to find the day care or family day care services they would need for their children in order to be able to go to work. The cost of these programs is only one factor; the shortage of trained staff is another; but the lack of space in crowded ghetto areas may be the biggest obstacle of all. In New York City after 20 years of effort, only 7,000 children can be accommodated in our Day Care Centers and the same number of children are usually to be found on waiting lists.

With adequate financing and mobilization of all the creative genius and innovation at our command, it may be possible to develop an effective day care program, but not tomorrow or next year.

Letter to Long From Irving Kane, Chairman, Public Welfare Committee, Welfare Federation, Cleveland, Ohio

THE WELFARE FEDERATION,
Cleveland, Ohio, August 31, 1967.

Hon. Russell Long,
Chairman, Committee on Finance,
U.S. Senate, Washington, D.C.:

Our Cleveland experience with work-training under Title V of the Economic Opportunity Act has confirmed these points.

We support the general principle in the bill that women who are physically able should have the opportunity to work, and believe it is unwise to encourage these women to stay home. At the same time safeguards must be provided other than the existing appeal procedure to prevent compulsion on those mothers who choose to remain at home because they regard the rearing of their children under close parental guidance and supervision as their primary responsibility.

Prepared Statement of Council for Christian Social Action, United Church of Christ

We are, however, profoundly disturbed by some of the provisions in the public assistance sections of the proposed bill, Title II of H.R. 12080, as passed by the House.

For example, the requirement that the states set up *work training programs for unemployed parents and for children over 16* who get welfare assistance may be unexceptionable in itself. However, if participation in such programs is to be made *mandatory* on the part of all families receiving Aid to Families with Dependent Children, the way would be open to grave injustices.

We—and, we trust, your Committee—will also insist on satisfactory answers to a host of questions that must trouble anyone who reads this bill.

Are all children over 16 who get welfare assistance going to be required to engage in work training? Who is going to set up the standards and oversee the work? Is the work going to be of the kind and quality that contribute to the child's future usefulness? Are considerations of health, progress in school, and the total home situation to be disregarded? Who will determine exceptions, on what basis, and what appeal is there from an adverse decision?

Are all mothers to be required to participate in such programs, regardless of the needs and demands of their own children? What assurance is there that day care programs will be available? What standards governing day care centers for children in such families will be established, and by whom? Are we really prepared to *force* the poor mother to leave her children in another's care, regardless of her preferences—when society heretofore *criticized* the woman who left her children to take a job?

Prepared Statement of Myron L. Mayer on Behalf of the Council of Jewish Federations and Welfare Funds, Federation of Jewish Philanthropies of New York

All too often there is an assumption that most people who require public assistance should, and can, be removed from its rolls, and the corollary, that being in need of such aid is itself a sign of individual failure. The fact is that the vast majority of those who are in need of aid are too young, too sick or too old to work. And these conditions require aid—aid administered with dignity and a full understanding of the conditions of the individual.

Such people require skilled social services to achieve their maximum potentialities for useful lives—as do those others—a small minority—who are employable but who need aid in qualifying for, finding, and holding jobs.

We welcome the increased Federal matching of 75-percent with the States' 25-percent for services to children on the Aid to Families with Dependent Children program. We feel that such Federal assistance should be available for comprehensive child welfare programs, so that services may be available for all children who need them, including those not on AFDC.

But, we are very concerned because H.R. 12080 requires that all adults on the rolls, including mothers and youths over 16 who are out of school, work or engage in a work training program (unless specifically exempted) as a condition of receiving assistance. We believe that skilled counseling services—as currently provided in the Act, and now expanded by increased Federal financial assistance—are required to enable those parents to work who can do so—and whose best interests, and those of their families would be served by working—if they can find jobs.

Many mothers will provide greater benefits to their children by acting as full-time mothers rather than being pushed into involuntary employment.

Letter to Secretary John W. Gardner From Hon. Kenneth M. Curtis, Governor of Maine

STATE OF MAINE,
Augusta, Maine, September 20, 1967.

Hon. John W. Gardner,
Secretary, Health, Education and Welfare,
Washington, D.C.:

It is the view of Maine officials that the provisions contained in Section 201 of H.R. 12080 are both unduly proscriptive and would force unproductive and meaningless procedures. The element of compulsion puts government in the very delicate position of deciding which mothers will work and which ones will not. That this provision is subject to great abuse should be obvious. More importantly, perhaps, in Maine a substantial percentage of the AFDC recipient group are on the program for relatively short periods and except for brief intervals are basically self-supporting families. Forcing us to spend time doing things for these people which they are perfectly capable of doing for themselves is an inefficient allocation of money and energy. I give my whole-hearted support to increased incentive to work with those welfare recipients who *do* need training and guidance to assist them to become self-supporting; however, to make this mandatory may well be self-defeating.

Letter to Secretary Gardner From Hon. Robert Docking, Governor of Kansas

4. Question: Should the requirement for work training programs for mothers receiving AFDC payments include only mothers requesting the training, mothers of children over 6 years of age, or all AFDC mothers as the bill proposes?

Answer: Mothers on AFDC should have the same freedom of choice that other mothers have. If an AFDC mother wishes to be in a training program then she should have that opportunity. It should not be forced upon her. Some mothers should stay home and take care of children, other mothers should work. The difference between the two will have to be decided on an individual basis.

The training programs will serve a useful function in direct relation to the interest and motivation they stimulate in the mother on AFDC.

Dr. Martha M. Eliot, Chairman, Massachusetts Committee on Children and Youth

Dr. Eliot. In respect to the provision of getting more of the mothers of AFDC children to work, I would say that the way in which these provisions are administered is most important. To me, many of these mothers should not go to work. It would be better if they stayed at home and looked after their families. Some mothers may wish to go to work, especially when their children are older, and the situation in the home makes it possible for her to go to work and add to the family income.

To include provisions that would essentially expect the States to force many mothers to go to work seems ill advised. I do not believe that all these mothers should go to work. But many, I think, could, provided the conditions in the home are shown to be satisfactory.

If adequate social services are provided to these families on AFDC, and if these social workers take into consideration all the problems of the children in the families before the mother is urged to go to work, I believe some of the mothers could satisfactorily do it. Actually, I doubt whether there is a very large proportion of the mothers under AFDC who would be—for whom it would be appropriate that they should go to work.

Episcopal Action Group on Poverty

(Submitted by Inabel Lindsay, Ch., Social Goals Subcommittee)

The amendments to Title II of the Social Security Act pertaining to Public Assistance programs as proposed in H.R. 12080 are particularly harsh, punitive and coercive. The concerns of the House that earlier identified goals have not been achieved are justified. The public assistance programs were designed to provide basic financial support for the needy coupled with services to encourage self-support and self-dependence to the extent possible. Failure to achieve these objectives has not been the fault of operating personnel but rather has been due to grants too low to support even a minimum of health and decency; the methods of delivering services have increased feelings of worthlessness and despair and, if anything, have intensified dependency; and the complex administrative structure in most programs has prevented the investment of the time and skill essential to the provision of constructive help. Notwithstanding these deficiencies, the proposed amendments will do nothing to remedy the situation. On the contrary, these amendments will undoubtedly increase the problems, frustrations and unmet needs of those eligible for public assistance.

The most drastic and punitive changes proposed are those affecting children dependent upon or eligible for Aid to Families with Dependent Children. In the attempt to legislate morality, H.R. 12080 imposes a work or work training requirement upon all adults on the assistance rolls, including mothers and youth over 16, not in school as a condition for the receipt of assistance, unless specifically exempted. (No definition of conditions of exemption is provided).

Statement of Family and Child Services of Washington, D.C., Submitted by Mrs. DeForest VanSlyck, President

Family and Child Services, on the basis of its 85 years experience as the largest voluntary family counseling and child welfare agency in Washington, D.C., is deeply concerned with what it believes to be several regressive, unsound, and harmful provisions of the proposed amendments to the Social Security Act.

We wish to submit for the record our general endorsement of the testimony of the Child Welfare League of America as presented by its President, Elmer Anderson, on September 18, as well as the statement of the Health and Welfare Council of the National Capital Area, and urge the Committee to consider very carefully the full implications in particular of Title II—The Child Welfare and Public Assistance Amendments.

We are especially concerned with the two major new restrictions affecting children dependent upon or eligible for public assistance under the AFDC program. In our view these proposals constitute a fundamental reversal of accepted principles of public policy.

Family and Child Services shares the legitimate concern of Congress with the disturbing increases in numbers of families needing this type of assistance and also in numbers of deserting parents and illegitimate births. On the other hand, the experience of our agency persuades us that such arbitrary and punitive restrictions as compulsory work or training requirements and a ceiling on the number of families eligible for federal assistance, irrespective of need, are not only inhumane but self-defeating and would not help to rehabilitate families and remove the causes of dependency.

The need for greatly expanded day care programs to permit parents, where appropriate, to seek employment is obvious. We have long supported this. But to require that all adults and older children have jobs in order to qualify for federal assistance ignores in our experience the fundamental importance of a mother's role, for example, in caring for and training young children and in maintaining stable and independent family units.

We urge the Committee to reject these two provisions.

Letter to Long From William R. Cooper II, President of Board, Family Service of Montgomery County, Pa., September 25, 1967

On the Amendment about work and training for all mothers and out of school youth over 16, we feel it would be far more practical if job opportunities were offered, not forced. Some mothers are not capable of doing two things at once and would break emotionally. It does not allow for individual differences. An overall must is dangerous, for example, if a child is disturbed and the mother has to take him out of the home, this makes the problem worse and your future citizens misfits who cannot contribute constructively to society when they grow to adulthood.

William R. Cooper II,
President of the Board.

National Association of Social
Workers, Inc.,
Flint, Mich., September 20, 1967.

Hon. Senator Russell B. Long,
Chairman, Senate Finance Committee,
U.S. Senate,
Washington, D.C.

Dear Senator Long: The Flint Chapter of the National Association of Social Workers representing more than 80 workers of Genesee, Lapeer and Shiawassee counties wishes to engage your support and concern in the revision of the coercive and restrictive provisions of H.R. 12080 as it was recently passed in the House and now stands before the Senate Finance Committee.

In support of needed revisions, we enclose a brief position statement thereon, as prepared by our Committee on Social Policy and Action. This represents our analysis of the bill and its implications, as it now stands for Public Welfare in our three counties.

We hope that you are supporting this bill but we urge you to consider the changes we think are vital to the people of the State of Michigan.

Respectfully yours,
Murray M. Eisen, ACSW, *President.*

Flint, Mich., Chapter of National Association of Social Work Position Statement on H.R. 12080

Translated into action on the local level, H.R. 12080 would, in effect, reverse the service emphasis of the 1962 Amendments. If, in effect, the purpose of its restrictive provisions is to reduce the welfare burden, then it is a self-defeating bill, with built-in provisions for failure. Coercion through reduction of assistance has been proven time and again to be ineffective as a method of rehabilitating family strength. The skilled social worker whose efforts must be devoted to policing eligibility requirements is rendered totally ineffective as an agent of rehabilitation.

The segment of population most affected by these punitive provisions, would be that portion of our society already suffering from severe deprivation.

This Chapter does recognize the importance of the expansion of the community work and training provisions of the bill with its many good features. We do urge, however, that the proposal of the Administration, transferring this program to the Department of Labor, be supported to effect better operations and the development of public service employment programs. We must, however, urge that the basic right of a mother to stay at home to rear her children, be preserved. The mental health of future generations of citizens dictates that children have basic needs for care given by their natural parents in their own homes. A mother of several children cannot provide a full time mothering after an eight hour day. Foster care and day care costs are so expensive as to effectively reverse the economic gains of the employed mother.

Governor's Committee on Law Enforcement and Administration of Justice, Subcommittee on Juvenile Delinquency, State of Massachusetts

(By Robert M. Mulford, Chairman)

The Commonwealth of
Massachusetts,
Department of Attorney General,
Boston, September 18, 1967.

Senator Russell B. Long,
Chairman, Senate Finance Committee, U.S. Senate, Senate Office Building, Washington, D.C.:

There is abundant evidence that when children are subjected to deprivation of maternal care, impairments of character development often occur.

Extensive provision *should* be made, in our opinion, for day care services for pre-school children and after-school care for school-age children of mothers who work and for whom this seems to be the best plan and for mothers who are seeking work or who for other reasons require day-time care for their children. However, safeguards should be provided so that no pressure is put upon mothers to leave their children in order to go to work.

Submitted by Hiram L. Fong, U.S. Senator—Hawaii's Comments on H.R. 12080—From John A. Burns

We recommend that the requirement that all AFDC mothers participate in work and training programs be eliminated. Participation in such programs should be determined by the individual home situation and the need of the family.

Health and Welfare Council of Nassau County, Inc., Garden City, N.Y.

(Submitted by Board of Directors, John A. Gambling, President)

Undesirable provisions in Title II include:

1. Freezing at the January 1967 level the number of children in each state eligible for AFDC funds regardless of the number of children requiring such funds;

2. Forcing mothers of AFDC families to accept training or employment away from home even when they are the only adult family member, by threatening them with such penalties as removal from AFDC rolls and the possibility of court ordered removal of their children from their homes.

Statement of Glenn E. Watts, President of Health and Welfare Council of the National Capital Area

B. FAMILY EMPLOYMENT

Three negative and restrictive provisions of the House bill give us the deepest concern, and we urge most strenuously that the Senate reject these provisions.

We believe that there needs to be considerable strengthening of programs which can help to rehabilitate families, so that fewer persons need public assistance payments, and those who require aid will need it for a shorter time. More day care is needed, and the House bill would further such programs. We are in agreement with the goals of family independence and self-support expressed in the report of the Ways and Means Committee. We do not believe, however, that the goal of reduced public assistance payments can be achieved by restrictive programs without serious suffering inflicted on individuals, and ultimately the community will pay in some other form.

The House bill would require that each appropriate AFDC adult and older child not attending school be equipped for work and placed in jobs. We oppose this requirement because it is based upon an unsound philosophy. With respect to children, we believe that maximum effort should be made to assist older youths to complete their education. There are Federal programs which lead to this aim. The requirement that they work is contradictory to what we believe is sound public policy.

With respect to mothers of children on AFDC, some may wish to work, and can do so with no damage to the family when adequate child care plans can be made. It is not sound, however, to make work a requirement for mothers in order to receive assistance for their children.

Letter From Governor Hughes to Senator Long, September 20, 1967

I also strongly oppose, as unsound economy, the provisions of the bill relating to required work training programs for mothers receiving AFDC payments. The original philosophy behind the bill was that society and children would benefit from maintaining the family unit. This basic philosophy is still valid. The savings that can be made now through these provisions will prove extremely costly as these children grow into adulthood without the additional parental guidance which the nonworking mother could provide.

There should, in my opinion, be no blanket requirement that all AFDC mothers undergo work training, nor should mothers be arbitrarily required to go to work. The policy adopted should be based on the approach that a mother would be required to accept training and employment only when it is established that—

1. The age of the children, the circumstances of the family, or other factors do not require her continued presence in the home.

2. She is mentally and educationally capable of assimilating the training.

3. A job of the type for which she has been trained is reasonably available in the community or nearby.

4. The mother's acceptance of work training will serve to promote the family unit and increase the value of the over-all home experience.

STATEMENT OF HON. JACOB K. JAVITS, U.S. SENATOR

First, I must strongly oppose the compulsory work and training aspects of the bill. We have the virtually unanimous testimony of the experts that such coercion has not worked in the past. We have our own commonsense to tell us that forced work cannot instill motivation, but instead is likely to increase hostility and resentment. People will learn and earn successfully only if they have some desire to do so, and where they do not have that desire the result will be sporadic attendance and poor performance. Moreover, this coercive work and training approach is based on a false assumption about the characteristics of those who are receiving welfare. In fact, only 1 percent of those on the welfare rolls are potentially employable men, although in some places that figure is slightly higher; for example, in New York City it is 4 percent.

It is true that the public assistance rolls also include many potentially employable mothers who are now engaged in taking care of their children. I am not one of those who thinks that these mothers must invariably be left at home with the family; rather, these mothers on welfare should be given the same opportunity enjoyed by middle- and upper-income mothers to accept employments. But the choice should be voluntary—it should be theirs to make and should not be vested in some supposedly omniscient state or local bureaucracy. I have introduced legislation which seeks to give these welfare mothers such a free choice by providing Federal assistance for day-care facilities, and I hope that the committee will take the structure and philosophy of my bill (S. 1948) into consideration in designing any day-care program under this act.

I fear that the compulsory work and training provisions also dangerously misread the climate in the ghettos and the depressed rural areas of this country. We are in the midst of a "revolution" in which the poor of the Nation, so long denied equal opportunity, are awakening to their rights and powers and are gaining in new self-confidence of self-assertion. The philosophy of the House bill runs exactly counter to that development and can only serve to exacerbate tensions and to further convince slumdwellers that the "power structure" will never respond to their legitimate needs.

And certainly this bill does not recognize the simple fact that many of the poor do wish to work and need no external coercion: a Department of Labor survey taken in the slums of New York shows that over 75 percent of the unemployed would be willing to take training to get a job, that over 55 percent would return to school if necessary, and that 25 percent would be willing to move to another area to get work. Rather than compelling welfare recipients to enter work or training, the better course would seem to be to greatly expand the opportunities for work and training and the knowledge about such opportunities. We can hardly be justified in moving toward a compulsory system when we have not given voluntarism a chance.

In this connection I would like to commend to the attention of the members of the committee the Emergency Employment Act of 1967, which has been approved by the Committee on Labor and Public Welfare and which will be called up on the Senate floor within a very few days. This bill would make some 200,000 job opportunities available for the poor. Job creation activities such as these must be at the heart of any effort to cut down on the size of the welfare rolls.

JEWISH FEDERATION OF METROPOLITAN CHICAGO, A. D. DAVIS, PRESIDENT

JEWISH FEDERATION OF METROPOLITAN CHICAGO,
Chicago, Ill., September 11, 1967.

Hon. RUSSELL B. LONG,
U.S. Senate, Senate Office Building,
Washington, D.C.

The provisions pertaining to registration for work and acceptance of employment by relatives (including mothers) of children receiving aid to needy families with dependent children are unnecessary and could lead to the compulsory employment of many mothers, under fear of denial of assistance, and contrary to the welfare of their children. At the present time, mothers who are able to work under arrangements not harmful to their children are encouraged to do so, and there is no need for compulsory legislation in this regard.

STATEMENT OF HON. EDWARD M. KENNEDY, U.S. SENATOR

Secondly, work training. I think it would be truly an archaic law which required all mothers to accept work or training, as a prerequisite to receiving welfare benefits. I think these should be an optional policy. It could be some kind of flexible policy. I am not prepared today to make detailed comments on how it should be established and regulated. I know you have Mr. Mitchell Ginsberg here and others from other welfare departments who will comment in detail, and perhaps then we can work out some kind of discretionary provision for welfare departments, so this is not mandatory. I think it would be helpful to have some kind of discretion in the welfare department, so they could take into consideration extenuating circumstances on these provisions.

STATEMENT OF HON. ROBERT F. KENNEDY, U.S. SENATOR

About a year ago, the distinguished members of the President's Advisory Council on Public Welfare reported that welfare is "desperately handicapped" in both "legislative mandate and * * * financial resources." The Council prescribed "a major updating of our welfare system."

The House bill which is before you today not only fails to heed the Council's prescription, but is in my judgment, a major step in the other direction.

I can well understand what motivated the other body in its action. It was concerned that the welfare system as it exists today has failed to enable its recipients to obtain jobs and end their dependency. I share that concern. It was concerned at the recent rise in the number of children and mothers on aid to dependent children. I share that concern. It, therefore, sought to create a system which would train children and mothers on welfare, provide day care, and establish incentives to work. I, too, believe such a system is needed.

Indeed, I believe that we will never succeed in restoring dignity and promise to the lives of people whose frustration exploded into violence in the cities this summer until we develop a system which provides jobs—enough jobs and good jobs.

For the people of the inner city live today with an unemployment rate far worse than the rest of the Nation knew during the depths of the great depression. In the typical big city ghetto, only two out of five adult men have jobs which pay $60 a week or more—enough for each member of a family of four to eat 70 cents worth of food a day. Only half the adult men have full-time jobs at any rate of pay. Less than three out of five have any work at all.

I have suggested that we need an immediate impact project designed to put men to work and to restore some sense of hope to the young and the unemployed residents of the city slum. We should begin immediate programs of needed public tasks and works—providing jobs to build schools and roads, to restore parks and erect clinics, and to staff the schools and clinics and neighborhood centers when they are built. Our communities need these jobs done and the men of the ghetto need jobs. By matching the two we can return hope while meeting the most urgent needs of the Nation.

We must, then, work out a system to provide jobs. But, I do not believe that the approach adopted in the House bill will provide these jobs. The fact is, as the alarming unemployment and underemployment figures I have mentioned indicate, that there are not enough jobs available at the moment. We must find them, but in the meantime, it will not do to force people into training programs for jobs that are simply not there. That will only increase the pent-up frustration which has already exploded too often in the past. In the meantime, also, we must not continue to place a premium on broken homes as the condition for obtaining public assistance. And, we must not end up by venting our own frustration in a measure punishing the poor because they are there and we have not been able to do anything about them. They will still be there when we are done. It is not as though people choose to be poor, to need welfare assistance.

Consider, for example, that we have a school system in our slums which is plainly unsatisfactory. Of a quarter of a million Puerto Rican schoolchildren in New York City, only 37 went on to college last year. If young men are unskilled and unprepared for employment, then the schools which left them so heavy a burden bear a heavy share of the responsibility.

Nor, of course, is the problem merely in the schools. For the rest of ghetto life also there are statistics: 43 percent of the housing substandard and overcrowded; 14,000 people treated for rat bites every year; infant mortality at twice the normal rate; and, because of inadequate diets and medical care, mental retardation at seven times the community level.

These are matters we must look to. For these problems welfare is neither the cause nor the remedy. But, welfare has its job—helping those in need—and the bill before you will hinder it in doing that job. Indeed, instead of helping at all, it almost appears intended to punish the poor. And punish it will, particularly in areas of the country where welfare authorities have done their best to demean and degrade the recipient of welfare even under existing law.

Second, the coercive provisions on community work and training fit into this pattern. The objective of enabling welfare recipients to obtain productive employment is, of course, laudable; indeed, as I have indicated, I believe it is the only hope we have for avoiding the deep division in our society which is the creation of a permanent class of welfare poor. But, attempting to bring about employment by compulsion is not the way to do this. There are many mothers who should not work. Some, particularly in progressive States and cities, will be excused from working. But, in other States with less enlightened welfare programs, many will either be driven off the welfare rolls or will be discouraged from applying, and they will still be poor—Mr. Chairman, a little more invisible, for the time being, than they are now, but no less poor, and no less miserable.

There is more than one State in this country which, even under existing law, has had what has come to be known as the "employable mother" rule. Under this rule, if the welfare officials judge the mother to be employable, she is stricken from the rolls. Coincidentally, these rulings tend to be made at the time of the year when people are needed to pick crops at $3 a day. This rule is being challenged in litigation, but the provisions of the House bill on compulsive work and training imply that from now on the "employable mother" rule would be sanctioned by a national policy.

We in the Senate must go on record as opposing this almshouse approach. We must go also on record, it seems to me, as forcefully as we can that this is not the direction which we want welfare to take. We must not allow this backward step. What I would recommend, therefore, is that the Senate use H.R. 5710, President Johnson's original set of welfare recommendations, as its working bill. That bill's recommendations were limited, to be sure, but they were at least not regressive. The expanded training and day care provisions which the House adopted can then be included but without the meat-ax compulsions which the House bill attached to them.

Statement of Hon. John V. Lindsay, Mayor of New York

We are doing everything possible to find the absent fathers of illegitimate children and require them to contribute to the youngsters' support.

We have begun an experiment with an economic incentive to allow welfare recipients to keep the first $85 a month they earn, plus 30 percent of any additional income. This form of economic incentive may be the most effective way to reduce welfare expenditure and encourage independence.

We are providing supplemental assistance to families in which the breadwinner is fully employed but does not earn enough to support his family. With no Federal assistance, the city and the state together are supplementing the income of 13,000 heads-of-families, who in turn support 65,000 individuals. We make up the difference between what the breadwinner earns and what the minimum welfare allowance would be for such a family if the adult were unemployed. It costs us $90 million a year.

But if these programs are to work—any of them—they cannot be forced upon the clients. We can provide day care facilities—but we cannot force a mother to turn her children over to them. We can develop employment opportunities—but we cannot force a person to take the job and expect a satisfactory employee; in all likelihood an unwilling worker will be fired. We can offer family planning advice—but we cannot—and should not—force a woman to accept it.

Although the belief is common that the welfare rolls are burgeoned with the lazy, the shiftless, able-bodied men and women who should be working rather than loafing along on relief checks, the facts do not substantiate the stereotype:

In a spot review of the 600,000 persons who were receiving public assistance in New York City at the end of last year, we found:

Seventy-nine percent were children and adults caring for children. The approximate breakdown was 98,500 mothers and 300,000 children.

Fifteen percent were aged, sick or disabled and wholly unable to support themselves.

Two percent consisted of families with an employed male with an earned income so low that he could not support his family at a subsistence level.

Four percent were potentially employable persons unable to obtain a job because of inadequate skills or training.

Of this last four percent, or 24,000 men who are technically considered employable, only 2,600 have enough occupational ability to move into employment without considerable training and rehabilitation.

About 43 percent of the 24,000 technically employable men are considered ready for training or remedial education and are either involved in or are awaiting assignment to such programs. The remaining 44 percent of that small percent who are technically employable are so disabled as to require massive counseling, rehabilitation, health services, close guidance and long-term follow-through.

I might note that this basic and enormously difficult task—finding jobs for those who cannot now qualify for jobs—is the principal aim of the National Urban Coalition I and other mayors are organizing. It has become frustratingly clear to me as mayor that the public sector cannot marshal the resources—in money and in brains—to move against the problem. But the private sector, which has given a nation the world's highest living standard and yet has not been brought into the fight against poverty, can get results far exceeding governmental abilities.

If the commercial and industrial giants of this country will undertake a total effort to provide training and employment for the poor, I think we can make our present efforts look almost puny. The institution of that commitment is underway, and we in the cities have high hopes that it can succeed where we have so consistently failed.

The concern for the nation's public assistance program that is expressed in H.R. 12080 is a concern we all share. The Congress, the taxpayers, the social work profession and the poor themselves have witnessed the weaknesses of the program over the past 30 years.

The public assistance program was designed to provide basic financial support for the destitute, as well as services to encourage self-support where possible. On both counts, it has clearly not succeeded:

Support payments in most states are too low to sustain even a minimal, decent standard of living.

The method by which these payments are delivered encourages feelings of worthlessness that lock recipients into dependency.

And the complex administrative structure prevents an investment in the time and skill required to offer constructive help.

It has been demonstrated amply over the years, we think, that more investigations of eligibility are not the answer, that forced work is not the answer, that removing children from their homes is not the answer, that denying Federal assistance to intact families is not the answer, that arbitrary caseload ceilings are not the answer, that increasing the stigma of welfare is not the answer, that welding services and income maintenance is not the answer.

The nation has 30 years of experience with these devices and the results are plain. They have not succeeded in controlling the caseload and they have not helped people. I submit that it is equally evident that some of the provisions in H.R. 12080—adhering as they do to the familiar route of control and threat—will fail. Aside from the morality of penalizing children with the proposed ceiling on the aid to dependent children caseload, removing children from parents who decline to work and forcing mothers into work and training that may not be appropriate—there are also questions of practicality and effect.

Our judgment is that the principal amendments in H.R. 12080 will not reduce the number of Americans in need of public assistance. On the contrary, we believe the enactment of provisions for an AFDC ceiling, mandatory work and training and restrictions in the AFDC–UP program will increase the number of hearings and court challenges . . .

Aggravate tension in ghetto areas with a high proportion of welfare recipients . . .

Further cripple the administration of public assistance by multiplying recipients . . .

Penalize the children who are already penalized by their families' reduced circumstances . . .

And place intolerable financial burdens on states and localities that try to maintain their programs.

Las Animas County Department of Public Welfare, Colorado

(The following letter was submitted to the committee by Hon. **Frank E. Evans**, a U.S. Representative in Congress from the State of Colorado:)

September 11, 1967.

Hon. Frank E. Evans,
Member of Congress,
House Office Building,
Washington, D.C.

Community work and training programs

I would endorse this provision 100 percent, as you know we have had such a program in Las Animas County under Title V, and we feel it has been very successful.

Las Animas County Department of Public Welfare,
Clair O. Roberts, *Director.*

Staff of Lutheran Family and Children's Services of St. Louis, Mo.

Lutheran Family and
Children's Services,
St. Louis, Mo., September 6, 1967.

Senator Russell B. Long,
U.S. Senate,
Washington, D.C.:

Although we agree with the principle that it is good for people to work when possible we don't feel that a mandatory law is the way to accomplish this goal. To assume that forcing an ADC mother to work is the best way to break the cycle of family dependency for economic support raises the question of a mother's role in child rearing. Does a mother best meet her children's needs by working, especially if she has young children? Does her working provide the best chance for her children to grow up and live independent of assistance? Thus work for some adults may be an excellent opportunity—but in the long run it seems that focusing on the adults, on the present at all costs, means that we haven't dealt with the chronic nature of dependency—"from generation to generation".

Respectfully yours,
Constance Hartner, Rodney R. Johnson, LeRoy D. Zimmerman, Jean J. Pfeifer, Douglas Zopatoiny, Sally Phend, Helen C. Conunos, Arnold H. Bringewatt, Pat Annis, Martha Bringewatt, Carolyn J. Riske, Douglas Zopatoiny.

Maine Department of Health and Welfare—Letter From Stephen P. Simonds, Director, Bureau of Social Welfare

Department of health and
Welfare, State House,
Augusta, Maine, August 28, 1967.

To: Dean Fisher, M.D., Commissioner.
From: Stephen P. Simonds, Director, Bureau of Social Welfare.
Subject: Social Security Amendments of 1967—National Governors Conference Query.

4. The requirement for work training program for mothers receiving AFDC payments should apply only to mothers requesting the training instead of all AFDC mothers, as the bill proposes. It is both undesirable from the standpoint of public policy and totally unnecessary for practical reasons.

The effect of the bill's proposal is to put government in the position of deciding which mothers will work and which ones will not; which child will have the benefits of his own mother's care; which child will be cared for by parent substitutes. For very sound reasons, government has not taken upon itself the power to dictate such decisions. Furthermore, this element of compulsion is not needed, and is irrelevant. The fact is that the combined resources of our Work Experience and Training program, anti-poverty agencies, and other manpower training programs are unable now to provide all the necessary educational, training and work experience resources requested by AFDC mothers.

We cannot take care of all those who want to work. The proposed Amendments would require us to set up elaborate administrative machinery, assure weekly registration with employment services, police "bona fide" job offers; costly procedures which serve only to divert our attention and resources from the work training programs we are now just getting underway. Moreover, a substantial percentage of the AFDC recipient groups are on the program relatively short periods of time and except for brief intervals are basically self-supporting. Their major need is money to get them through a crisis period and they quickly return to former or new jobs, when this is passed. In our present program, these families are identified and we do not spend time doing things for them which they are perfectly capable of doing for themselves. H.R. 12080 would force us to adopt unproductive and meaningless procedures for this group.

Statement of the Medical Committee for Human Rights, Chicago, Ill., Submitted by Quentin Young, M.D., National Chairman

The Medical Committee for Human Rights believes that Section 201, requiring mothers receiving AFDC to work, is thoroughly unsound. In our society, a child's mother has long been considered the best caretaker. When both parents in an affluent family work it is difficult enough to find a good caretaker. The surrogate parents available to families of low income are most often aged or sick relatives or older siblings who are themselves unsupervised. Under the best of circumstances the prolonged absence of a mother can be devastating to a child. Psychiatrists and psychiatric social workers recognize that often it is most important for the health of a child for a mother not to work in order to care for a child even if it means she must go on welfare. Furthermore, the law will effectively prevent the mother from choosing the person to whom she will entrust her child. The proposed and as yet non-existent day care centers, considering the already low funding for poverty programs, are likely to become the grim, Dickensian institutions which promote mental retardation and emotional disorganization rather than wholesome development.

Statement Presented by Msgr. Lawrence J. Corcoran, Secretary, National Conference of Catholic Charities

The objectives of the changes proposed by H.R 12080 are commendable; assuring that recipients who are able enter the labor force, reducing illegitimacy and strengthening family life. The emphasis on work and training programs may well augment the present program of the Welfare Administration, funded by the Office of Economic Opportunity. It responds to the desire of many AFDC recipients to obtain employment and not receive the assistance grants. This Committee already has been furnished the information that 34% of the closing of AFDC cases resulted from employment or increased earning of family members.

Granting all this, however, one still must question the basic method proposed in H.R. 12080 to accomplish its objectives, namely, coercion. It is highly doubtful that any person forced to work or take work training will perform an adequate job or develop work skills. This Committee would be well advised to remove the coercive aspects of the work and training program.

Children 16 years of age and older, who have dropped out of school, also are to be forced to work or to take work training. The first effort should aim to return these children to school, yet no mention is made of this in the House bill. Only after these efforts have failed should the youth be pressed into the labor force.

Perhaps the most unfortunate focus of the coercion in H.R. 12080 is upon mothers of children. Perhaps some can and should be urged to work, or take work training. Others, however, should remain in the home because of the needs of their children. The determination of this demands a careful and skillful social diagnosis. Yet the staff to perform this skillful task is not available. Only one per cent of the caseworkers and 13 per cent of the supervisors in Public Assistance programs have completed their graduate training in social work. This is a barometer of the readiness of the staff of public assistance agencies to execute the task being assigned to it. Such a job assignment seems impossible of fulfillment under present circumstances.

National Consumers League

(Submitted by Mrs. Sarah H. Newman, General Secretary)

The National Consumers League is greatly troubled by the concept of public welfare expressed in H.R. 12080, which would force mothers into training programs and to accept jobs deemed "appropriate". Worse, yet, is the freeze on welfare payments to dependent children which would punish the unborn by eliminating Federal aid for any additional children. Instead, we endorse improved public assistance payments and more day-care facilities for children, thereby freeing mothers for training programs.

National Council of Churches of Christ in the U.S.A.—Statement by William H. Robinson

The provisions of the public assistance amendments outrage our sense of American standards of decency for a number of reasons.

1. They remove from the mother of AFDC families the right to decide whether her children's growth and development can best be nurtured by her going to work or by her staying in the home to provide them with the tender loving care every child needs for healthy growth. Some mothers may choose to go to work, directly or by way of a training program, and to leave their children with a day care center. Others may sincerely believe that they can make their best contribution to their children and to society by staying at home to care for them. This is not a choice that any agency of government should dictate. It is a thoroughly unjustified intrusion of government into the private decisionmaking responsibilities of a substantial number of American mothers. These provisions undermine the human dignity and sense of worth of AFDC recipients in a shamefully un-American and unethical way.

2. It is a bad social policy to pursue a goal of regularly removing mothers from their normal duties of caring for their young children in their own homes where fathers are absent. Counseling services should be made available to such mothers so that when they want help to decide whether to go to work or stay at home to take care of their children such help is available. Acceptance of such counseling services should be a condition of financial aid. For those mothers wishing to engage in work and/or training programs, day care services of high educational quality should be provided to their children. These day care centers should be staffed with people able to provide a mother-substitute to children while under their care. Our society will certainly not benefit from having over 3 million children in the coming generation deprived of a mother's care during many hours of the day. Children growing up under such conditions will certainly provide a disproportionate share of the delinquents, the mentally ill, and the socially and economically unproductive citizens of the next generation. Our society cannot afford such a dreadful waste of human resources.

Statement of Mrs. Henry Steeger, Chairman, National Council on Illegitimacy

4. The proposal to force mothers and out-of-school youngsters over 16 into the labor market as a condition of receiving assistance. This provision does not allow for individualization, and does not take into account the social value of a mother's work in the rearing of her children and caring for their home. Also youngsters, rather than be urged to enter the labor market prematurely, into possibly dead end jobs, should be urged to complete schooling so that their long-range earning power is enhanced. Continued schooling should be available for pregnant girls and young mothers.

Prepared Statement of the National Council of Jewish Women, Inc., New York, N.Y., Submitted by Mrs. Leonard T. Weiner, National President

The National Council of Jewish Women, established in 1893, with a membership of over 100,000 members in local units throughout the United States, has pioneered in services to children and senior citizens, and has always strongly supported programs for such services.

When H.R. 5710 was before the House Ways and Means Committee, the National Council of Jewish Women supported the provisions of the legislation in the belief that it would provide much needed improvements in the various programs under our Social Security System. We are, therefore, deeply concerned and disturbed by some of the provisions of the measure reported by the Committee and subsequently adopted by the House of Representatives. Instead of improving the lot of those who are recipients of, in some instances, pitifully inadequate assistance, the measure, if it should become law, may rob them of this assistance altogether.

The drastic changes proposed under the Public Assistance title are contrary to a long-standing position of the National Council of Jewish Women of supporting "procedures which uphold the rights and dignity of recipients of welfare services." There is a serious question in our mind whether the dignity of an individual is upheld if he or she is forced to accept or keep a job as a condition of assistance, or the rights of a mother are upheld when she is forced to abandon her freedom of choice of caring for her children, or in some instances deprived of their custody.

Statement of Ruth Atkins, on Behalf of the National Council of Negro Women, Inc.

The intent of the work program provision is to increase the individual's job potential. Accepted as such, there can be no quarrel with the approach. There are, however, serious questions about the effect of the specific provisions written into H.R. 12080.

Although there is no disagreement with the philosophy that people should be helped to become self-supporting, we do not feel that the best interests of children or of all mothers is served by the simplified solution of forcing welfare recipients, including some 16- and 17-year-olds, into the labor market at any cost. Labor Secretary Wirtz has already testified to the difficulty of finding jobs for persons with limited education and the problems likely to be caused by "instant training" programs too hastily established.

Setting up compulsory work programs for mothers of young children introduces an element of coercion which is not likely to produce a sound learning climate. Nor is it consistent with the "freedom to choose your own life work" ethic on which our free enterprise economy prides itself.

There is no question that the arbitrary removal of mothers of young children from the home will have serious effects on wages, working conditions, and family life. The solo parent who has managed to maintain a home for her children and provide some measure of family stability and parental love in the face of overwhelming economic odds is to be admired and respected. Under the provisions of section 201 of this bill, she now can be arbitrarily ordered by local or State welfare agents to abandon her young children to a hastily established day-care center while she worries her way through a day of "work training." If she refuses to abandon her maternal role, "the authorities" may question her "fitness" to remain a mother to her children. I am certain that the gentlemen of this committee share with me a belief in a strong and loving family as the keystone to our American way of life. We had far better concentrate on building family strength and resiliency rather than on destroying the family as this legislation threatens to do.

TESTIMONY OF NATIONAL FARMERS UNION, PRESENTED BY TONY T. DECHANT, PRESIDENT, AND BLUE A. CARSTENSON, ASSISTANT LEGISLATIVE DIRECTOR

The House passed Social Security Amendment (H.R. 12080) contains two controversial amendments. The first one calls for worker-training programs, but requires every adult member and child under the age of 16 who is not in school for whom work or training is appropriate to participate or face loss of public assistance. The Committee said that only a few state welfare departments have established work training programs at this time, and only in limited areas despite congressional encouragement.

We urge that there be an incentive rather than a compulsion so that those on welfare who work or go into training would receive at least the minimum state welfare payment set by the state. People should be able to earn their way out of poverty.

STATEMENT OF MARTIN MORGANSTERN NATIONAL COORDINATOR, NATIONAL FEDERATION OF SOCIAL SERVICE EMPLOYEES

MANDATORY COMMUNITY WORK AND TRAINING PROGRAM

H.R. 12080 requires that every state establish community work and training programs for AFDC parents and that "Every adult member and child over 16 not attending school for who it was *determined* that work and training is *appropriate* would be required to participate or face the loss of assistance." (Summary of Provisions, p. 11.) H.R. 12080 (p. 132) provides that if anyone "refuses without good cause to participate in a work and training program" that that person would be ineligible for public assistance. Chairman Mills asks, "Is that not the way we lead people from a condition that I am sure they do not want to be in—of need—into a position of independence and self-support?" (P. 23053 Congressional Record 8/17/67.) The answer I am afraid is a most resounding "No."

Certainly we are in favor of work and training for any recipients in any category where the individual is capable of benefiting thereby. We recognize, as does Chairman Mills that the best way to help the welfare recipient is to end his dependency. We agree with Mr. Mills when he says that the people involved themselves do not want to remain in a condition of need. The question is how do we alleviate need and end dependency? It is our feeling that the mandatory program outlined in this law will do much more harm and little, if any, good.

There are several factors that convince us that this is the case. The states are required to establish Community Work and Training programs in order to obtain federal reimbursement! We have found that nothing so motivates state officials as the desire to obtain reimbursement. In order to demonstrate how much motives can operate to the defeat of the intent of the law, let me digress a moment and discuss implementation of the 1962 public welfare amendments. In 1965 I was a case worker in the New York City Department of Welfare. At that time HEW insisted on implementation of the services requirements if full reimbursement was to be continued. In my welfare center I attended three meetings, which involved taking one-half of a work day for all workers, and called in order to discuss "the giving of services." In each of those meetings we discussed the completion of certain forms that HEW required for reimbursement. We were carefully briefed on the proper care and maintenance of these forms and repeatedly admonished concerning their importance. These forms "reported" the time and nomenclature of services being given to our clients. Not one word was ever said concerning the quality or nature of such services, or about why and when they should be offered. Nothing was said about the importance of actually giving services; the only thing of importance, the only thing discussed, was the record keeping which guaranteed reimbursement.

If we insist that the states create Community Work Training programs for all clients or face loss of reimbursement, the results will be worse than they were with the services amendments. There is a great deal of planning, intelligence, time, and efficiency necessary to build such a program. The states that have been working on them for years have encountered less than universal success. Everyone in the poverty program has seen training programs that don't train and work programs that don't work. Many programs have trained people for jobs that didn't exist, or for which the trainees could never be hired for reasons other than their own shortcomings. No training program is worth the money invested in it unless it guarantees a man a job at his successful conclusion of the course and unless the trainee really desires such a job. Work prospects as those which many states and counties have instituted where reliefers are used to cut grass, shovel snow, or work for below union scale in dead-end jobs will entice and motivate no one. They will increase the recipient's conviction that the cards are stacked against him and that his only salvation lies in beating the system. Work and training programs that are little more than a return to "work relief" are doomed to waste the taxpayer's money and the welfare worker's time.

There are other drawbacks to this program. The Ways and Means Committee acknowledges that "A key element in any program for work and training for assistance recipients is an incentive for people to take employment" (Report of Ways and Means Committee in H.R. 12080 p. 106). Yet the Committee relies primarily upon coercive techniques rather than incentives. One of the problems with our current Public Welfare program is that it has inherited the coerciveness of the English poor laws. The examples from which we should learn are many. In 1349 the Statute of Laborers in England demanded that anyone under 60 who was unemployed must take any job available. That didn't work and in 1531 we got new legislation from Henry VIII who said, "Many and sundry good laws, strict statutes and ordinances have been enacted yet *notwithstanding the number of poor has not in any part diminished but increased in numbers.*" His highness then decree another "good statute" prescribing whipping, loss of an ear and finally death for unemployed beggars. But that didn't work so 16 years later in 1547 Edward VI tried branding and permanent slavery. This failed. Every 30 or 40 years thereafter English monarchs tried new variations on the punitive theme and poverty continued. The Committee's "new approach" is really old hat.

When the Ways and Means Bill does try incentives it does so half-heartedly and thus ineffectually. The first incentive they recommend is to be provided by the caseworker who will help the client prepare for training by using the social services already authorized under the 1962 legislation (report of the Ways and Means Committee p. 48) to upgrade the client and prepare him or her to benefit from training. Here is the height of irony, for these proposals destroy any hope we may have held for ever properly implementing the services promised in the 1962 amendments. By giving the caseworker and his superiors the absolute power to dictate to a client how she must spend her income, by giving him the right to order her to work, to restrict her activities, and even to take away her children, we have destroyed any chance of creating the environment of trust and understanding that is needed if services are to be accepted by the client.

As for the cash incentives that would reward those who take jobs, they would be excellent if the dollar amounts were not set so low. The Ways and Means Committee correctly points out that the precedent for disregarding some earning of welfare recipients was set in Title VII of the Economic Opportunities Act and Section 109 of the Elementary and Secondary School Act of 1965 and points out that this approach while good, is merely piecemeal and discriminatory. The Committee wisely sets out to correct this by setting one standard that would apply to all income, but it sets the amount of earnings that a client might keep at well below those set in the earlier legislation. The new levels will mean an actual decrease in incentive income for those already covered by existing legislation and in any case is much too low to be a meaningful incentive.

It is our carefully considered opinion, therefore, an opinion that results from long and constant contact with welfare agencies, that given a climate and circumstances where they must, in a relatively short time, establish mandatory community work and training programs the state and local authorities will fail miserably. In making this judgment we take into consideration the fact that these programs must accommodate excessive numbers of persons, many of whom are there involuntarily and resent it, that these programs then have at once a captive audience but a hostile one. We must remember that these programs will not be able to limit or adjust their scope to placements available nor have the benefit of highly-motivated trainees (in fact these trainees may not even be covered by existing laws that protect other workers). These programs will be under a double pressure, first to meet HEW standards as to both inclusiveness without violating "good cause" regulations and second to show immediate effectiveness. The second will exist as public welfare officials will remember the Ways and Means Committee's hasty judgment on the 1962 amendments and be anxious not to lose another program. Further both our experience as workers and poor law history indicate the futility of a punitive "get tough" approach to the poverty problem.

Yet we want to see extensive CWT programs and we believe that the states can create such programs and that they will work. They will work if the states work hard to build programs that provide good jobs and good training so that the recipient will have a better life to look forward to off of welfare. It will work if the cash incentives are set at a more realistic level, perhaps at $85.00 or $100.00 monthly plus one half of the rest. And finally it will work if caseworkers are not overburdened with large caseloads, punitive tasks and extensive paperwork responsibilities and can instead spend their time preparing and motivating clients for work and training projects. Two final points on this topic.

First, if we are panicked into creating CWT projects that are an anathema to welfare recipients they will spend most of their time scheming to avoid work and training. And they will raise a new generation of individuals to whom work and training are evils to be avoided at all costs.

Second, we are alarmed at the possible avoidance of the minimum wage laws under the work and training program. We confess to confusion over the intent of the Committee at this point. In the Bill itself (Section 204 (a)) it is abundantly clear that: "the rates of pay will not be less than the applicable minimum rate (if any) under Federal or State Law for the same type of work and not less than the prevailing rate for similar work in the community . . ." However, in the Report (p. 105) it states:

"The original provision," (as above) . . . "is based on the view that the AFDC participant under the CWT program, including arrangements for training with private employers, *is not in an employment relationship, or otherwise subject, because of this activity, to the wage and hours laws* (*or the internal revenue, social security, or workmen's compensation laws*). For this reason, the Committee urges that the Secretary of Labor find it possible to classify the beneficiaries of this program as not being included under the Federal minimum wage law."

If this last paragraph means what it says, it appears that the calumny is complete. It is quite obvious that someone who is not protected by the minimum wage, social security and workmen's compensation laws will not be given the opportunity to participate in the internal revenue system. This is, of course, together with the penalty provisions of the Amendments, a fundamental thrust at depressing the labor force. We urge careful and detailed inquiry into the intent of the Committee and the strictest conformity to the mandates of the original Act.

LETTER FROM MRS. LUCILLE S. PUGH, PRESIDENT, OREGON SOCIAL WELFARE ASSOCIATION

OREGON SOCIAL WELFARE ASSOCIATION, INC.,
Salem, Oreg., September 18, 1967.

Hon. RUSSELL B. LONG,
Chairman, Senate Finance Committee, U.S. Senate, Washington, D.C.

SIR: The Membership of the Oregon Social Welfare Association, Inc. through its Board of Directors protests certain sections of HR 12080, Title II, as being punitive and not in the best interest of the people of this country. We refer specificially to those sections of the bill which would

(1) require all adults on assistance, including mothers and out of school youth over 16 to engage in work and training as a condition of receiving public assistance. The proposal apparently includes exemption from minimum wage requirements and further provides such penalties as removal of the adult from the assistance budget, discontinuing assistance, or even possible removal of the children by court and placement of the children in foster care.

STATEMENT OF THE PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE, SUBMITTED BY THOMAS W. GEORGES, JR., M.D.

SECTION 204. COMMUNITY WORK AND TRAINING PROGRAMS

The provision for 75% matching (85% until July 1, 1969) for "training, supervision, and material" is attractive. Pennsylvania could use a variety of services in a sound work and training program. However, the mandatory requirement that a CWT program be established in all areas where there is a "significant number" of AFDC recipients age 16 and over ignores the fact that the CWT program by itself, can be used to conduct work relief projects which have a dead end. In effect, the person in a CWT program would work only for his assistance grant.

We have real question as to whether such programs are geared to providing stable, realistic jobs. They seem rather to satisfy the belief that poor people should work for what they get. It is not a respectable way of getting people to work. It does not get people back into the labor market as self-supporting. It tends to continue dependency. It is not a substitute for either public employment or private employment expansion efforts.

We wonder, in these days of almost unlimited training programs with government support, if there is any reason for public welfare to operate a work relief program? Pennsylvania has had such a program for many years. Our own experience is that the more recently created Work-Training programs (Title V. EOA, MDTA, Neighborhood Youth Corps, New Careers Program, etc.), with built-in incentives are more productive.

We propose that there should be a Federally supported work and training program. It should be equal in its incentives and benefits to the MDTA, Neighborhood Youth Corps, New Careers, and Title V (Economic Opportunity Act Program).

Our best experience convinces us that the public assistance role is to prepare the hard core of unemployed to enter the labor market. Our greatest success has proven that literacy training is fundamental to any work and training program if it is to enhance lasting upward mobility. Therefore, the program should be keyed to training rather than a mandatory work training program alone. For literacy and related training, the incentives should be the same as for work training.

STATEMENT OF PAUL H. TODD, JR., CHIEF EXECUTIVE OFFICER, PLANNED PARENTHOOD-WORLD POPULATION

Particularly in extending family planning to those who depend on public assistance, every effort must be made to avoid any actual or implied coercion. Not only does a coercive approach to family planning violate the right or individual privacy but it is self-defeating. We have seen in many communities how the punitive application of such regulations as the "man-in-the-house" rule results in frightening recipients away from taking advantage of family planning services which they want and need. We urge the committee to amend section 201B to require Federal, State, and local authorities to establish clear and unambiguous safeguards against coercion in carrying out the mandated family planning program.

LETTER FROM RICHARD G. SHEPARD, SOCIAL WORK SUPERVISOR, WHITEHALL, WIS. TO HON. WILLIAM PROXMIRE

(Submitted by Senator PROXMIRE)

(The following letter was submitted to the committee by Hon. William Proxmire, a U.S. Senator from the State of Wisconsin:)

WHITEHALL, WIS., *September 20, 1967.*

Hon. WILLIAM PROXMIRE,
Senate Office Building,
Washington, D.C.:

Second. The second potentially damaging aspect of the proposed amendments is in Title II, Section 201, page 107FF, and Section 204, page 126FF. Specifically I refer to the proposal which would require mothers on the AFDC program to engage in work training and employment as a condition to receiving assistance.

It is my feeling that this aspect of the proposed bill could be very damaging to the little pre-school children who need the identification with an adult. Generally AFDC is granted to homes where the father is gone for any number of reasons. Therefore, in AFDC homes there is only one parent for the child to identify with. If the mother is then forced into work training or employment, there will be no one to give the child comfort, re-assurance or love. It would be very likely that such a barren childhood would damage the mental health of these children.

If this aspect of the bill could be changed to exclude those mothers with pre-school children and those adults not physically fit, it would not be so objectionable.

RICHARD G. SHEPARD.
Social Work Supervisor.

STATEMENT OF CARL RACHLIN, LEGAL DIRECTOR, SCHOLARSHIP, EDUCATION, AND DEFENSE FUND FOR RACIAL EQUALITY, INC., NEW YORK, N.Y.

Now what this bill does, Senator, is further carry the destruction of the Negro family one step beyond what I have just said, because now we are saying not only can the father not be there, but that the mother, in order to continue to receive any assistance at all, must leave the house: That is she has no alternative as to whether she will or will not work or will or will not remain and take care of her children. She must accept whatever employment or training will be provided or risk losing assistance for her children.

We say that with the mother out of the house, having already forced the father out of the house, what will be left of the family stability? We think mothers ought to be given an opportunity to decide for themselves. Some may feel that it is better if they work, others may feel better if they stay in their homes. This should be the mother's decision. We think that that is the significant thing that H.R. 12080 is very weak on.

LETTER TO LONG FROM ROBERT D. MABBS, PRESIDENT, SOUTH DAKOTA CHAPTER, NATIONAL ASSOCIATION OF SOCIAL WORKERS

SOUTH DAKOTA CHAPTER, NATIONAL ASSOCIATION OF SOCIAL WORKERS,
September 8, 1967.

Re H.R. 12080 Social Security Amendments of 1967.

Hon. RUSSELL B. LONG,
Senate Office Building,
Washington, D.C.

We protest:

1. The assumption that Aid to Families with Dependent Children is primarily a program for children born out of wedlock. About 83 percent of the children in AFDC grants are legitimate.

2. The assumption that all adults in families with dependent children should work.

a. Rearing children is an important function. Especially where one parent is left with the responsibility, this may take all the time and energy she has. Families receiving an AFDC grant tend to be larger than in the total population.

b. Many adults in these families have obstacles to employment in addition to their need to care for their children, such as poor health, lack of education or work experience, physical handicaps, minority status, and lack of skills. Others live in small communities or on Indian reservations where jobs simply do not exist.

Sincerely,

ROBERT D. MABBS,
President, South Dakota Chapter, Director Undergraduate Social Work Eucation, Augustana College, Sioux Falls, S. Dak.

EDWARD V. SPARER, TEACHER OF LAW OF PUBLIC ASSISTANCE, YALE LAW SCHOOL

C. THE NEW "WORK TEST" FOR MOTHERS AND THE CURRENT STATUS OF "WORK TESTS"

Work requirements as a condition of public assistance for able-bodied adults is not, of course, newly introduced by H.R. 12080. As a general rule, able-bodied men are required to work or to seek work and, so too, are able-bodied women who do not have young children to care for. Some welfare officials in their zealous pursuit of work requirements, have attempted to criminally punish men who refused jobs, and some lower courts have agreed with their theories only to be rebuffed, properly, by appellate courts. See, e.g., *People v. La Fountain*, 21 App. Div.

2d 719 (3rd Dept., 1964) and *People v. Pickett*, —— N.Y. 2d ——, 278 N.Y.S. 2d 802 (1967). (As indicated by the N.Y. Court of Appeals in *Pickett*, serious questions regarding the Thirteenth Amendment arise upon such criminal punishment.) Nevertheless, it is generally accepted as part of the structure of our present federal and state welfare laws, that the able-bodied are required to accept work.

A different situation exists with regard to mothers of young children on AFDC. The intent underlying our present Social Security Act is that the right to make the *decision* as to whether such mothers should work or not should not be taken away from poor mothers just as it has not been taken from other mothers in our society. In its *Handbook of Public Assistance Administration*, Pt. IV, Sec. 3401, HEW has summarized the legislative history and intent of the present act:

"The aid to dependent children program is designed to provide as adequately as possible, such assistance and service as are essential to the rearing of children in family homes. To the extent that such help is available, a mother in and aid to dependent children family is in a position to exercise some degree of choice as to what course of action she should follow with respect to seeking or continuing employment and to make a decision in consideration of her special circumstances, especially the extent to which the age or condition of her children may make her continuous presence at home desirable or necessary."

It was clearly indicated by statements made in the reports of the Committee on Economic Security[*] that the intent of the aid to dependent children program was to enable mothers to remain in their homes, so that their children would have the opportunity for parental care and the benefits of growing up in a family setting.

"The enactment of laws for aid to dependent children was evidence of public recognition of the fact that long-time care must be provided for those children whose fathers are dead, are incapacitated, or have deserted their families; that security at home is an essential part of a program for such care; and that this security can be provided for this whole group of children only by public provision for care in their own homes.

"* * * Before the adoption of these laws it frequently * * * happened * * * that she (the mother) * * * was encouraged to make the attempt to be both homemaker and wage earner, with the result in such cases that the home was broken up after she had failed in her dual capacity and the children had become delinquent or seriously neglected."

The transfer of mothers of young children from their homes into the labor market may increase the woman power in industry and domestic service, but whether the employment of such women represents an economic asset depends upon a number of factors in each case. For example, when children become ill, they are, as a rule, cared for in their own homes, and if the mother is employed she must usually either stay away from her job or neglect her sick child. The time available for domestic responsibilities is limited for an employed mother. She must either neglect her home or make inroads on her physical resources. The resulting nerve strain may affect her contribution to industry as well as to the well-being of her family. Even if, on the other hand, substitutes for the mother's care are obtained, the children will require a considerable portion of the time of some other responsible adult.

The role of the public assistance agencies is, by assistance and other services, to help the mother arrive at a decision that will best meet her own needs and those of her children. Such help will involve consideration with families of such factors as the welfare of children during the mother's absence from home and of the type of substitute child care arrangements the mother can or wishes to make if she takes full- or part-time work. Consultation services should also be available that will help the mother determine what increased costs will be involved in taking a job; for instance, clothes, lunches, transportation costs and other necessary expenses involved in the mother's absenting herself from home. In some instances, a part of the potential wages will be required to provide supervision for the children in their home or in a day-care facility. The opportunity to discuss these conditions will necessarily influence decisions since it will often be apparent that anticipated earnings will not, in all cases, provide the essentials for family life.

The Bureau of Public Assistance recommends against any policy of denying or withdrawing aid to dependent children as a method of bringing pressure upon women with young children to accept employment. Public assistance recipients should not be subjected to undue pressure and receive different treatment from that accorded other persons in the community simply by reason of the fact that they are in receipt of public assistance. In cases of families receiving aid to dependent children, children are already, in most instances, deprived of the care of one parent, and, therefore, need the protection and personal supervision of the available parent.

H.R. 12080 would reverse the purpose of AFDC. It would require mothers of young children to work as a condition of unrestricted AFDC aid whenever the welfare department *decides* she should work. If the mother disagrees and insists that she care for her own children, "the children involved could be taken care of only through protective payments or vendor payments without the need to make the usual determination that the adult is not capable of handling the funds." (P. 104, House Committee Report).

The House bill, however, would thus reverse current policy only on the federal level and in approximately one-half of the states. According to a survey conducted last year by the Columbia Center on Social Welfare Policy and Law, the other half of the states have enacted AFDC regulations which require mothers to work whenever the welfare department, under its rule, deems it appropriate.

Some of the state welfare regulations reach incredible lengths. Thus the Georgia regulation, on the one hand requires mothers to obtain full-time work whenever the welfare dept. deems it appropriate; on the other hand, the welfare department must, under the Georgia "employable mother" regulation, discontinue aid whenever the mother obtains a full-time job, no matter how little she earns. Thus, the lead plaintiff in a current federal court suit challenging the constitutionality of this particular rule, earns *$24.* (twenty-four dollars) for a forty-eight-hour work week and was deemed not eligible for AFDC supplementation. She has seven children to support. Another plaintiff earns *$15.* (fifteen dollars) for a *fifty-hour* work week. She too was denied supplementation, though she has eleven children to support.

The Washington, D.C., rule, as I understand it, goes even further. Under the D.C. rule a mother who is deemed able-bodied and available for work is subject to AFDC termination even though she has not obtained a job! Nevertheless, the more typical rule does not require termination (so long as the mother seeks work when the welfare department so decides) and will provide for supplementation of salaries in the single parent family up to AFDC "need" levels. I cite some of the experiences under such rules, therefore, as an indication of the range of use and abuse that might develop under H.R. 12080 on a national basis.

New York.—New York State has a regulation which empowers the local welfare department to require an AFDC mother to work when the department deems it in the "best interest". The conclusion of the New York City welfare department, however, is that such requirements are unrealistic, damaging to the mother and inconsistent with the self-respect and independence that is the goal of the Social Security Act.

Arizona.—A not untypical case of the "employable mother" sort that I have come across involved a mother of nine children who was cut off welfare (and thereby forced to take a full-time job at strenuous work for little pay). Her young children were left virtually uncared for. She appealed her earlier welfare cutoff and was restored to welfare, only to be cut off again on the claim that her work experience during her earlier cutoff proved that she was "an employable mother." A protracted appeal and hearing finally restored her to AFDC once again, but not until she and her children had endured considerably more suffering.

Mississippi.—How the "employable mother" rule works in Mississippi is best told in the words of a former AFDC recipient who was cut off because of it. Mrs. Ora D. Wilson testified at the welfare hearings in Jackson, conducted by the Mississippi State Advisory Board of the Civil Rights Commission. Mrs. Wilson stated:

> In the year 1965, I was receiving a welfare check. On the first day of June, I came to Jackson on a demonstration. I got locked in jail and stayed locked in jail for eleven days, and when I returned home, the welfare lady who has brought a check—brought my welfare check to my home—she had been mailing it every month, but this time she had brought it a day before I returned home, and she left this check with my children, with the two children. She told the two children, when I came home, to come to the office to see her. When I came home, I did go to the office. The welfare lady asked me where had I been. She came to my home, and where was I? I told her I was in Jackson at that time. And she asked me wasn't I in a demonstration? I told her, "yes, I was." She said, "Didn't you know that you didn't have any business to leave home, to leave your children?" She said, "Where did you leave your children?" I said, "I left my children. They were at home and they was in good care." She said, "You didn't have any business to go off and leave your children." And she said, "You should have been here chopping cotton for $3.00 a day instead of going off on a demonstration." Then she said, "If you will agree to chop cotton for $3.00 a day," she said, "you will get your check back in August." She said, "You will get your first check in August." This was in June. At this time, I belonged to a Freedom Labor Union in Indianola, Mississippi. This union was on strike. I refused to go back into the fields. I told her that this was a Freedom Labor Union, and this union was on strike and I refused to return to go back to the fields. She told me that if I refused to go back to the fields and chop cotton for $3.00 a day, then she would cut my check off, and she did cut it off. I didn't go back. She cut my check off.

The Mississippi hearings contained even more horrifying examples of the use and abuse of employable mother rules. In connection with Mrs. Wilson's testimony however, it might be pointed out that federal law, both under the current Act and as would be amended under H.R. 12080, definition of "good cause" for refusing work is left to the states. Mississippi has *not* chosen to define "good cause" as including the existence of a labor dispute and strike at the site of the offered employment. At the least, a federal definition of "good cause," including labor disputes, ought to be promulgated under new legislation.

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[*] Special Security Board: *Social Security in America*, 1937, pp. 233–234.

One might comment on the examples of wrongful decision-making under current "employable mother" rules by urging that the right to have a "fair hearing," guaranteed in the Social Security Act, is an adequate remedy for abuse. Unfortunately, the "fair hearing" is a most inadequate remedy. As demonstrated by the Arizona case cited above, the "fair hearing" is not held and decided until long after the damage is done.

Moreover, a decision as to when it is "appropriate" for a mother to be required to work and when it is not, is a decision made with regard to vague standards necessarily involving large amounts of discretion. The moment that discretion is placed in the hands of someone (the welfare worker) other than the mother, it becomes extraordinarily difficult for the mother to challenge it. This is especially true when the mother is an isolated welfare client, ignorant of the rules and her legal rights, and afraid to endanger the grant upon which she depends for the food and shelter for her children. These factors have led one of the leading legal scholar-researchers in the welfare field to conclude that the hearing system does not offer mothers protection against the employable mother rule. See Handler, *Controlling Official Behavior in Welfare Administration* (May, 1966, Calif. Law Rev.).

On what ground should the intent of the 1935 Social Security Act—that of allowing the AFDC mother to decide herself whether it is best for her to stay home and care for the children or leave them with others to go to work—be changed. Protecting the right of the mother to decide such a question is traditional within our society. When mothers, both middle class and poor, *choose* to work to advance a career for themselves and/or add to the family income, something basically different has occurred than when an impoverished mother, against her will, is *required* to leave her children with others so that she might work at exhausting, menial activity for the purpose of continuing her children's AFDC grant.

Of course, employment of mothers who have skills which will bring them substantial earnings is frequently socially desirable. However, social researchers have also found that the employment of mothers with no such skills, *who want to remain in their homes and care for their children and who go to work because of financial necessity,* puts sharp strains on family life and may cause severe damage to the children. For an analysis of such research, see Hoffman, *Effects of Maternal Employment on the Child, Child Development* (1961). For research demonstrating the importance of home care of young children as compared to custodial care, see Spitz, Rene, *Hospitalism, an Inquiry into the Genesis of Psychiatric Conditions in Early Childhood* * * * in Psychoanalytic Study of the Child. For research indicating the predictability of increased rates of juvenile delinquency by children whose mothers don't adequately supervise them, see Glueck, Unraveling Juvenile Delinquency (Commonwealth Fund, 1950); Craig and Glick, *Ten Years Experience With the Glueck Prediction Tables,* Crime and Delinquency, (July 1963); also Monahan, *Family Status and the Delinquent Child,* Social Forces, (March 1957).

Some final comments in connection with the new "work test" for mothers:

Experience with the WE&T and CWT programs is mixed. The remark of the ex-miner in Kentucky, cited earlier, that he was "taught nothing" is not unusual. The Mississippi welfare hearings, soon to be the subject of a published report, contain extensive first-hand reports of abuse in the program.

The House Committee Report (P. 105) points out that under H.R. 12080 it is possible to pay workers in community, work and training programs, including those "with private employers" *less* than is required by the minimum wage laws and the prevailing community rates on the ground that the workers are "learners." This is a dangerous approach which subjects the workers, the programs and the community labor standards to great potential abuse. Again, the Mississippi hearings offer striking examples of the reality of this danger. The "learner" exceptions ought to be removed.

It is not work requirements for mother and others on public assistance that is needed. It is genuine work *opportunities* that would radically alter the situation of the American poor. The job opportunities are desperately desired. So too is day care. Indeed, in New York City last week, mothers demonstrated because day care facilities are being closed down. *New York Times,* Sept. 13, 1967, P. 41.

Nothing in H.R. 12080, however, creates real job opportunities. *The notion is to test the recipient*—to see if she is "deserving" of our magnanimity and charity. It is a vile and degrading approach. The Elizabethans spent all their "poor law" energies developing one humiliating "work test" after another. In the middle of the American urban crisis, a crisis quite related to such degrading approaches it is time to be done with them and create a serious job opportunity program.

Statement Submitted on Behalf of the Board of Directors of the Travelers Aid Society of Washington, D.C., by the Service Committee of the Board of Directors, Mrs. Potter Stewart, Chairman

Travelers Aid stands for a strong and effective public welfare program which is directed to meeting basic human needs, and aims at the social and economic rehabilitation of all of our citizens. Several of the other provisions in HR 12080 seem to us to move in the opposite direction. For example the compulsion that all adults and youth over 16 years of age not in school must accept work or work training, waiving minimum wage requirements, seems to us to be a most serious step backward. Adults should be given opportunity and encouragement toward work but must have the right to decide that other family considerations, notably the welfare of children, should take precedence. We see the requirement of work for youth as contributing to non-pursuit of education and working against recently developing efforts to have school dropout youth resume their education.

II. A number of other aspects of H.R. 12080 suffer from even more serious shortcomings than those I have discussed regarding family planning, notwithstanding the admirable aims of those provisions. The provision regarding mandatory placement of children in day-care centers while their mothers work or obtain job training would be admirable if it were done on a voluntary basis. But as a mandatory program, it is both unnecessarily punitive and wholly impractical.

The provision is impractical because we cannot wave a magic wand and produce the quantity of buildings or equipment or trained personnel to establish acceptable day-care centers to handle anywhere near all of the children now receiving welfare payments. The provision is unwise and unnecessarily punitive because, by requiring states to establish day-care centers for all welfare children we will almost inevitably prompt creation of places where children are stored rather than cared for. We will punish the parent by depriving the children of adequate care, and in the end all society will be the losers.

According to statistics compiled by the National Committee for Day Care of Children, there are presently accommodations for about 400,000 children in day-care centers throughout the United States. (This figure refers only to facilities licensed by states generally certifying conformance with minimum health standards, and does not necessarily mean that the staff of such centers is trained to handle children or that the center has adequate facilities for play or training.) There are presently more than 1¼ million children under school attendance age now receiving public welfare. Thus simply to accommodate these children, existing day-care facilities must be increased three-fold.

I believe that an increase in the number of and improvement in the quality of day-care facilities in this country is long overdue. But we must not fool ourselves into believing that establishment of adequate centers is an inexpensive proposition—a cheap way to save welfare funds. The National Committee for Day Care of Children—experts in this matter—estimate that minimum annual cost of adequate day-care is $1200 to $1500 per child. This is the range of annual cost per child in the Children's Development Centers run by the OEO Head Start program. Using the lowest figure, of $1200 per child, we are talking about $1.5 billion each year for the 1¼ million pre-school age children now on welfare.

These cost estimates are not exaggerated or extravagant. Children—particularly preschool children—need considerable attention, guidance and affectionate relations with adults. This means that trained staff is needed, not to mention facilities, equipment, food for the children and so forth. We cannot take children from their mothers and place them—with 30, 40 or 50 other children—into bare prison-like rooms where they are warehoused, like so many cardboard boxes, all day while their mothers work in order to remain on the welfare rolls. If we do this to children in their crucial formative years, we must expect them to grow with serious and irreversible anti-social personality blights. We must expect the gravest kind of social delinquency to result as these children grow to adults. This will happen if we store children in "bargain basement" warehouses deceptively labelled as "day-care centers."

H.R. 12080 offers no assurance that this will not happen and, because this is a mandatory program, I think the bill virtually assures that in many states this will happen. The bill sets no standards of care—no teacher-child ratio, no minimum qualifications for those caring for the children, no minimum expenditures for play equipment or teaching materials—which must be met in these day-care centers. The bill simply requires states to establish something called "day-care centers." In fact, many states do not now even require licensing and inspection of day-care centers, and many of those which do prescribe only minimal sanitation standards not care or staff qualification standards. How many states will be willing to spend even the 15 to 25% matching funds required for establishing anything but "bargain basements" to warehouse children while their mothers work.

Imagine the cruel dilemma this situation would create for a mother on welfare. Should she abandon her children for 8 to 10 hours each day to a cheerless child warehouse, where incalculable harm will almost certainly be done to their growth, or should she give up the welfare payments which are essential for her to feed and clothe her children? We may save some welfare funds by forcing a mother to leave her children in a "warehouse" and work during the day. But in a few short years, society will pay a vastly greater price when the results of this deprivation—in anti-social and criminal conduct—come home to roost.

I believe this dilemma can be avoided, and our system of public welfare immeasurably strengthened by changing this program from mandatory to voluntary, so that mothers can choose whether they will work outside their homes during the day and leave their children at day-care centers. In adidtion, we must specify minimum standards of facility quality and child care which state day-care centers must meet to be eligible for federal assistance. If we adopted this non-coercive approach I think a surprisingly large number of mothers on welfare would voluntarily participate. At present we have too few adequate day-care centers to test my supposition. And the present rule which deducts 100% of earnings from welfare payments is a strong incentive against work. But, with great wisdom, H.R. 12080 abandons this 100% tax on earnings. And if the bill would also make possible the funding of new child day care centers, for voluntary use, I believe that a large number of women will go into gainful employment, confident that their children are being well cared for while they work. But in many other cases, a mother's most important place is in the home attending to the needs of her children. This too is work which is vitally important to the health of our society, and this basic fact is overlooked by any mandatory requirement that a mother leave home and work during the day.

UNITED AUTO WORKERS STATEMENT BY WALTER P. REUTHER

IV. PUBLIC WELFARE AMENDMENTS

The UAW shares the feeling of concerned citizens that the public welfare system in the United States is not performing in satisfactory fashion. It is degrading to those who are dependent on it, often fails to meet minimum subsistence needs and has not achieved its objective of helping the poor to become independent and self-supporting.

While H.R. 12080 professes the desirable objectives of seeking to rehabilitate the poor and reducing the cost of public welfare, it would attempt to accomplish them by means that are repugnant and reflect a harsh and punitive attitude toward the poor.

We in the UAW give our full support to the constructive provisions of H.R. 12080, but we believe the bill would be much improved if the Senate would:

1. Eliminate the requirement that no state may have a higher precentage of children on welfare (AFDC) than it had at the beginning of this year.
2. Require all states to provide assistance programs for families with dependent children when the parents are unemployed without the additional restrictions included in H.R. 12080.
3. Restore the Administration proposal to require the states to meet their own current definitions of need.
4. Protect the right of a mother to choose, or refuse without penalty, to participate in the work and training programs.
5. Remove the incentives that H.R. 12080 would provide the states to remove a child from the care of a parent and place the child in a foster home.
6. Remove the use of the threat of the device of protective and vendor payments to force participation in the work and training program.
7. Retain the provision of H.R. 12080 for aid to the social work education program, but without the $5 million ceiling after the first year.

STATEMENT OF WILLIAM L. TAYLOR, STAFF DIRECTOR OF THE U.S. COMMISSION ON CIVIL RIGHTS

SECTION 204—COMMUNITY WORK AND TRAINING PROGRAMS

The House bill would make it mandatory for the States to provide for community work and training programs. Adults in AFDC families and children over 16 and under 21 who are not in school would be considered with respect to their appropriateness for participation in such programs. If they cannot show "good cause," any appropriate child or relative who refused to accept a work or training assignment, or refused to accept employment by the State employment service or by any employers, would have his assistance discontinued. The Commission strongly opposes this provision.

The Commission favors the establishment and expansion of programs which will provide training, meaningful work experience and remedial education designed to counteract the adverse effects of years of inadequate education, employment and training discrimination, and related denials of opportunity to which millions of Negroes and other minority group members have for so long been subjected. We endorse measures which will replace dependency with greater economic and social opportunity and which will enable disadvantaged people to attain their individual potential.

We seriously question, however, whether these desirable objectives can be achieved within a framework of compulsion and under the constant threat of denials of assistance. We support Section 204 to the extent that it would require the States to *offer* programs of work and training. But we urge the Committee to amend that Section to make it clear that the *acceptance* of the offer of work or training is voluntary.

The Commission has found in the course of its investigations that many mothers of dependent children are anxious to work and actively seek opportunities for training and employment. For these mothers the bill can be of considerable help by providing for meaningful work and training experience and by providing for adequate day care services. We also have found, however, that many mothers of dependent children feel it is more important for them to stay at home and care for their children. We believe it would be a serious mistake for the bill, by permitting the State to determine which mothers are "appropriate" for work, to deprive these mothers of the choice which rightfully should be theirs to make.

Moreover, experience has shown that the coercive approach represented by this provision not only fails to produce the desired result—economic independence and self-sufficiency—but it invites abuse, discriminatory treatment, and threats of reprisal against those who would assert their rights. The Commission's Mississippi State Advisory Committee heard testimony concerning incidents in which local welfare officials used their authority to remove needy families from the rolls as a means of preventing Negroes from exercising basic constitutional rights. Section 204 could provide such officials with even greater power over the lives of needy families.

We also recommend that Section 204 be amended to provide expressly that the training offered to any individual shall not be below the skill level of his last regular occupation. A similar provision has been established by the Secretary of Labor in connection with the Manpower, Development and Training programs. We recommend further that adequate safeguards be provided to assure adherence to appropriate training standards. The Commission's Mississippi State Advisory Committee has learned of several instances of exploitation of trainees in the work experience and training program offered under the auspices of that State's welfare department. In one instance, a woman testified that although she was supposedly being trained to learn the florist business she was required to spread gravel and later found herself assigned to work as a domestic in her employer's house. Another woman who sought training as a dietician told the Advisory Committee that she was put to work washing dishes and mopping floors in the local school. These incidents strongly suggest the dangers of exploitation and the possibility of inadequate training and meaningless work experiences unless appropriate standards are provided.

LETTER FROM UTAH CHAPTER, NATIONAL ASSOCIATION OF SOCIAL WORKERS, JAMES P. WHEELER, PRESIDENT

NATIONAL ASSOCIATION OF SOCIAL WORKERS, UTAH CHAPTER,
Salt Lake City, Utah, September 19, 1967.

Hon. RUSSELL B. LONG,
Chairman, Senate Finance Committee,
Washington, D.C.

DEAR SENATOR LONG: I have been directed as President of the Utah Chapter of the National Association of Social Workers, by the Utah Chapter's membership as its spokesman, to protest certain provisions of the pending Social Security Act amendments of 1967 (H.R. 12080), now before the Senate Finance Committee. The Utah N.A.S.W. Chapter is made up of over 400 professionally trained social workers, representing over 100 Utah community service agencies. This is to say, that virtually all of the state's major social welfare leaders and leadership are represented through the activities and official voice of the Association.

The proposed amendments have been under study for several weeks by both the Family and Children's Council of the Chapter, and the Division of Social Policy and Action. Josephine Scott Patterson, Director of L.D.S. Relief Society Social Services and Chairman of the N.A.S.W. Family and Children's Council, had petitioned for a public N.A.S.W. stand against certain aspects of the Social Security amendments on behalf of the Council. A meeting of the Chapter's general membership has vigorously supported the conclusions of the Council, the Division of Social Policy and Action, the Chapter's Board of Directors, and the release of this statement to Utah's congressional delegation and to the public news media.

You have before you the statements of the Honorable Dr. John W. Gardner, Secretary of Health, Education, and Welfare, and Dr. Wilbur J. Cohen, Under-Secretary of Health, Education, and Welfare, given before the Senate Finance Committee on August 22, 1967. You also have the August 31, 1967 testimony of Mitchell I. Ginsberg, Commissioner of the New York City Department of Social Services, who is Chairman of the National Association of Social Worker's National Division of Social Policy and Action, and Dr. Daniel Thursz, Dean of the University of Maryland School of Social Work.

We are familiar with the statements of these persons, as well as with the official position of the Child Welfare League of America, and the Utah State Division of Welfare. (Which you now have). All of these statements, we have found, speak as one voice with respect to both positive and negative features of the amendments from the professional social work point of view.

The membership of the Utah N.A.S.W. Chapter has taken no exception to the points expressed in these important materials. Where protests have been made, we protest; where commendation has been given, we commend; where questions have been raised, we question; and where alarm and concern has been shown, we show alarm and concern.

In the interest of your valuable time and the needlessness of our written duplication of what has been so expertly stated by the foregoing persons and groups, it is our official position that we concur with these statements and recommend them to you as a representative voice of those in Utah, who have over past years demonstrated a high degree of professional competency in social welfare leadership and administration.

We do desire, however, to specifically cite two provisions of the Public Welfare provisions (Title II) of the amendments as creating coercive, punitive, and discriminatory conditions, hostile to the welfare of Utah's needy children, and the promotion of sound family life. They are:

1. The provision requiring all mothers (with limited exception) on state welfare

programs to seek employment or job training as a condition for receiving public assistance.

2. The provision which would limit the number of one-parent families on welfare to their proportion of a state's child population in January 1967.

These provisions appear to be excessively harsh and punitive towards children. Children living in poverty conditions, who have no fathers in the home need the constant presence, love and attention of their mothers. To deprive this underprivileged and especially vulnerable group of children of the care of their mothers, is to unjustly punish them for circumstances beyond their control. Furthermore, to say to a destitute child that funds and services are not available for meeting his needs solely on the basis of his case having fallen into the wrong "percentage" of destitute children is to blame and punish a child for the circumstances of his birth or the desertion, death or disability of his father.

The attitude towards poverty, illegitimacy and desertion as expressed in these two provisions of H.R. 12080 militates heavily against the positive aspects of the bill. They should be amended out.

We feel so strongly concerning the erroneousness of this attitude that we would like to deal with it at length.

Probably the most often repeated story about public welfare's Aid to Families With Dependent Children Program is that it encourages illegitimacy. Welfare caseworkers hear the accusation made time and time again, and the story has gained stature by being propounded in reputable publications, often by reputable personalities.

"There are a lot of women who feel the world owes them a living, and they find AFDC just the ticket," say some critics. Others believe that many women actually go into the "business" of having illegitimate children as a profitable means of increasing their welfare allotments.

Many can't think of public welfare programs without feeling most of them should be abolished. One indignant writer to the editor of a Salt Lake City newspaper pleads, "Why should decent, hard-working people be taxed to keep such trash? It is families of this type (unwed mothers with illegitimate children) who are now receiving government help to the third and fourth generation and will continue to do so for generations to come. The government should get busy and pass legislation that would prohibit such women from receiving any welfare benefits after their second illegitimate child."

State welfare authorities are also alarmed over the rising rate of illegitimacy—3% of all live births in Utah during 1966—but are quick to refute the statement that public welfare programs are an encouragement of illegitimacy.

In associating welfare with illegitimacy the public's indignant belief far exceeds its actual knowledge. Recent surveys of the state's AFDC caseload point out that 87% of all children on welfare were born legitimately.

Of the 13% born illegitimately, the large majority or up to 90% of these children were born before application for public assistance was made. A large portion of the remaining 10% of the illegitimate births were conceived before application for public assistance. Actually, the Welfare Division only paid medical costs for about 90 illegitimate births during all of 1966.

This is an insignificant number when compared to the 5,600 families on the AFDC Welfare Program and over 23,000 total live births in Utah during 1966.

It would be impossible to prove that the possibility of future financial aid influences the unwed mother at the time of her child's conception.

There are, of course, some exceptions. It's the few cases of this type which bring criticism on the entire AFDC Program.

Most welfare caseworkers who deal with unwed mothers on public assistance regard the "business" of illegitimate children for more welfare money a myth that makes little sense—especially to the mother on welfare. In Utah, a recipient mother with two children receives a total assistance payment of $5.43 a day. ($163.00 per month)

Based upon consumer price index studies, and studies conducted by the U.S. Department of Agriculture this amount falls far below the level of income considered necessary for a minimum standard of living for three persons. The $5.43 must purchase rent ($41.00 per month) food, ($57.00 per month), clothing, personal, care, utilities and household supplies, school needs, furniture, recreation, and all other necessities of life.

For an additional child the mother receives $.70 per day and will receive less than this for a fourth, fifth, or sixth child.

Obviously, the increase in assistance money is not the motive behind having illegitimate children. Emotional insecurity and instability plus inadequate home training and poor personal judgment lie at the root of the growing rate of illegitimacy. Out-of-wedlock births are no respector of any economic or social levels, it's a problem experienced by all income and cultural groups in our society. Welfare authorities point out that the State Welfare Program ultimately becomes involved with only a small percentage—one out of every eight—of the state's illegitimate birth.

The problem is one which belongs to the whole community—to all individuals and families, all social agencies, schools, churches, professions.

Most important, every legislator should try to understand the factors that can lead to illegitimacy. Nobody, of course, can put his finger on one specific cause. But legislators should keep in mind certain points: Young people are growing up in a cold-war world that has little stability. Their unease is a reflection of worldwide unrest. Youth has never found it harder to acquire a sense of personal security. Both the home and the community are losing the ability to provide this sense of security.

Americans are radically becoming a mobile people, moving their families from town to town, from one end of the country to another. This cuts ties with relatives who might give moral and other supportive help as was more common in past decades. And, again, it tends to deprive a child of the security that comes from steadiness.

Movies, television, and magazines that emphasize sex and aggression tend to stimulate young people and place lowered moral codes before them. They are not taught the importance of accepting frustrations, and the long-term rewards of developing self-control.

One approach to the problem is in a stronger parent-child relationship and in the return to our old standards of family ties and family feelings.

In line with this, there is the problem of reaching families before trouble happens and working with parents who are not able to give their children security and affection. The proportion of this type of parent in ratio to population far exceeds the average person's estimate.

Extended parent counseling services would help, but would probably make only a small dent in the problem. Inadequate parents are difficult to reach; only a few will go to agencies for counseling or accept another person's guidance.

We have to start with the child. We should be doing much more in the schools, in public welfare programs, and in our church programs to detect maladjustment which is the danger signal of a potential illegitimacy problem. We must come to know the child and his home situation on an intimate level. Detection is needed to prevent social ills, just as it is needed with physical ills, just as it is needed with cancer.

N.A.S.W. therefore recommends more personal and family guidance resources in and available through schools, public welfare, and churches—more trained persons who could pick out potential unwed mothers and provide professional preventive and corrective casework services. Perhaps even before this, is a more basic need—the need to discover all of the "whys" of the problem. We need far more answers than we now have.

Most unwed mothers do not need public assistance and do not seek aid, either financial or professional counseling services. But the minority who do, the State Division of Welfare has a serious responsibility. If the responsibility is not met, the problem doesn't disappear, it becomes greater.

An unwed mother is a lonely unhappy person. She usually is condemned by the community for her pregnancy. Often she has no one to turn to for help, although she greatly needs help and comfort. The physical needs of an unwed mother are the same as those of the married mother—she needs shelter, food, clothing, medical care, and moral support. The married woman receives these, but the unmarried mother's needs are often met only grudgingly and usually partially so.

The married mother looks forward to the birth of her child joyously while the mother with an illegitimately conceived child is frightened and depressed. She may vacillate between the desire to keep her baby and the thought that the baby would have a better life if given away for adoption. There is a great deal of suffering for the mother without a husband. And there are those who believe she should suffer because she has done wrong; she is "bad."

No person, however harshly he might treat unwed mothers, would believe their children should be punished for the circumstances of their birth. They must be cared for on the same basis as other needy children.

The Aid to Families With Dependent Children Program is one way citizens of the state help an unwed mother and her illegitimate child. The program focuses on the welfare of the child—to keep the child with the mother on the theory that a mother's love is preferable to life in an institution or a substitute home. Only a few children in the AFDC Program have been born illegitimately. (About 13%.) County welfare offices are usually requested to help the expectant unwed mother after the fact; they work with the mother's immediate needs and do what they can to prevent further pregnancies.

The purpose of the AFDC Program is to help care for needy children in their own homes who are deprived of the support of a parent because of death, divorce, desertion, separation, or because the family breadwinner is unemployed, physically handicapped, or in an institution such as a hospital or a prison.

It is of particular importance that a mother provide a suitable and wholesome home for her children. Welfare caseworkers feel strongly about this. They are aware of the emotional damage that can result when a child is removed from his family, and a caseworker will do everything possible to help a mother correct a child neglect problem.

When a neglect situation demands it, a family may be referred to the Juvenile Court and there is the possibility that the court will order a foster care placement for the children. It's in this category that the critics of AFDC have a heyday. They will point to one mother who entertains men and throws booze parties when the AFDC check comes in and condemn the entire program.

Welfare caseworkers are the first to admit that families of this nature are not unknown. But they flatly deny that it is a common practice. These few cases are those who receive public attention, and this builds up a false image of all AFDC mothers. The president of a bank may abscond with all of the bank's money, but it doesn't mean we should think all bank presidents are crooks.

AFDC laws require caseworkers to make regular home visits and make other contacts with families. They must determine individual social problems and move professionally to correct them. Caseworkers contact schools to determine whether a child is attending regularly and inquire about his school performance. They find out whether he appears well fed and properly clothed.

A neglectful mother finds it difficult to hide her neglect should she desire to do so. Neighbors or relatives call the Welfare Office, local officials hear about the problems; and if they are true, neighbors, relatives, and officials demand that some action be taken to correct the conditions. These incidents, however, are very rare in Utah.

In providing assistance for the unwed mother, caseworkers stress concern for the welfare of the child and respect for the dignity of the individual. It is by maintaining a mother's dignity and feeling of worth as a person that she can best be helped to help herself. To force her into the labor market when she believes a mother's place is at home by the side of her children is to destroy the dignity of motherhood in our communities.

Financial assistance is provided so that the mother and child can meet the necessary expense of living. Medical costs are met, and if the mother is in need of psychiatric help, she is referred to a clinic. Although financial aid is the most publicized part of the AFDC Program, casework and other social services is the cornerstone.

Some girls come to the Public Welfare Program in a pretty desperate condition. Their families and friends often reject them, and they don't have anywhere to turn but the Welfare Division. For most it is a last resource, since they have no other place to go for help.

Some of the practical things done by welfare caseworkers with an illegitimately pregnant girl are helping the parents and their pregnant daughter accept the reality of their situation with as little incrimination and self-blame as possible, helping the mother plan for the birth of her child, arranging for medical care, etc.

The mother may want to go to a family-care type of home pending the child's birth. She may wish to release her child for adoption, and the caseworker will help her to reach a decision and follow the necessary procedure. She may also need guidance on how to file legal action against her child's alleged father. H.R. 12080 would torpedo much of this basic service to a mother if she should happen to fall in the wrong "percentage" grouping.

While we don't condone the act that caused a girl's illegitimate pregnancy, we accept the unwed mother as a very hurt, troubled, unhappy and anxious girl who needs her family, her friends, and her community more than at any time in her past life. The last thing she and her unborn child needs at this point is to be personally judged and condemned for the difficulty they find themselves in. The proper development of the child will depend in a large measure upon the degree of its mother's stability as a human being. The punitive and coercive provisions of HR 12080 completely ignore this principle.

The AFDC Program provides for counseling when a mother is faced with daily problems too big for her to cope with. With the help of a skilled caseworker she may be saved from going into worse situations—and perhaps from becoming one of the "repeater" unwed mothers.

Families don't stay on the AFDC Program long. The average family receives assistance about 20 months. For the most part, welfare families find the means of self-support themselves and are glad to get off the welfare rolls. Many AFDC mothers marry, or seek employment as a matter of personal choice and desire.

Contrary to popular belief, only about 4% of all welfare cases in Utah represent second or third generation welfare recipients, and the percent of Utah's population on welfare rolls is at one of its lowest points. In 1940 over 9% of the population was on welfare. In 1950 it had dropped to 4.2%, and in 1966 the ratio stood at 3.6%.

During the 1965–66 fiscal year the Utah Division of Welfare opened 16,265 cases and closed 19,035 cases. Its program is rehabilitation and service oriented. HR 12080 would in its present form, throw the program into chaos. Agencies that help the unwed mother haven't caused the problem; they've inherited it. The Aid to Families With Dependent Children Program doesn't increase illegitimacy, it tries to provide for the fatherless children and families which are the result of something wrong in society.

The Utah NASW Chapter membership firmly believes that HR 12080 unless appropriately amended, is contrary to the best interests of the 18,000 Utah children now in AFDC recipient households. We understand that our State Delegation to the House of Representatives did not consult with Utah Division of Welfare leaders before voting in favor of HR 12080. We would hope that our U.S. Senators will feel it appropriate to do so.

Sincerely yours,

JAMES P. WHEELER, *President*.

LETTER FROM UTAH DIVISION OF WELFARE

STATE OF UTAH,
DEPARTMENT OF PUBLIC WELFARE,
Salt Lake City, Utah, September 13, 1967.

Re Proposed Amendments to the Social Security Act (H.R. 12080).

Hon. RUSSELL B. LONG,
U.S. Senate,
Washington, D.C.

DEAR SENATOR LONG: As Director of the Utah Division of Welfare I wish to protest certain provisions in the Public Welfare Provisions (Title II) of the pending Social Security Act Amendments of 1967 (H.R. 12080) now before the Senate Finance Committee. In taking this action I represent not only myself but the official position of the State Division of Welfare staff who have studied the new legislation and who have over the past years demonstrated a high degree of professional competency in public welfare administration.

It is our conviction that the present bill, while making additional funds available for programs such as day care, foster care, and social services for needy children in their own homes, creates coercive, punitive, and discriminatory conditions hostile to the welfare of children and the promotion of sound family life. More specifically, we cite the following two provisions as an erroneous attempt to reduce the welfare burden and to force and restrict the indigent into self-sufficiency.

1. *The requirement that all adults on assistance, including mothers and out-of-school youth over 16, engage in work and training (unless specifically exempted for exceptional circumstances) as a condition of receiving assistance.*

Under this provision children would be summarily punished because of the hesitancy of their mother to leave them in the care of others. Refusal of a mother to enter or prepare to enter the labor force of her community could mean:

A. The family being dropped from assistance.

B. The family's assistance grant would be severely reduced by eliminating the mother from calculation of the family budget.

C. The children could be removed from the home by court order and placed in foster care.

The citizens of Utah have advocated and supported, through public welfare and other legislation, the need of children to be cared for in their own homes and the necessity of a mother's presence and love. It is contrary to the best interests of everyone to force all AFDC mothers to seek employment as a condition of eligibility for public assistance. In many families the mothers should remain at home for the best interests of the children.

It is the exceptional woman, with many personal strengths, who can prove adequate to meet the basic emotional and life-preparatory needs of her children while at the same time following a full-time pursuit outside the home. This requirement of the bill would serve only to discriminate further against Utah's most vulnerable group of children—those who not only live in poverty but who are also deprived of the care, guidance, and emotional support of two parents.

Mrs. ALGIE E. BALLIF,
Director, Division of Welfare.

STATEMENT BY HON. JOHN A. VOLPE, GOVERNOR, STATE OF MASSACHUSETTS

The original concept of AFDC was to keep families together. Section 201, by requiring that mothers enter the labor force, unless they can show good cause for not doing so, would negate this concept.

While mothers of school-age children should be encouraged to find employment, this should not be required of mothers of pre-school-age children.

The recommended expansion of day care services is an excellent provision. Many of the AFDC mothers could be trained to provide these services.

This appears to be the best plan for mothers who are seeking work, or who require day care for their children.

Safeguards should be provided so that no pressure is put upon mothers to leave their children in order to go to work. The wage incentive provisions of H.R. 12080 are excellent and should be most helpful in encouraging AFDC recipients to enter the labor force and increase their jobs skills, removing them from AFDC rolls at an early date.

Mr. METCALF. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD a telegram addressed to me by G. E. Leighty, chairman of the Railway Labor Executives Association, on yesterday.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
December 13, 1967.

Senator LEE METCALF,
U.S. Senate,
Washington, D.C.:

The Railway Labor Executives' Association representing virtually all of the railroad workers in the United States concurs fully with the position of the AFL–CIO taken in their telegram of 12/11/67 on the pending social security legislation. We ask that the social security legislation be returned to the conference committee in an attempt to develop a just solution to the problem of the Nation's retired and poverty stricken.

G. E. LEIGHTY,
Chairman, Railway Labor Executives Association.

Mr. METCALF. Mr. President, the Senator from Oklahoma, the Senator from New York, and others speaking about various provisions of this bill, discussed some of the other amendments that should be considered more carefully and more thoughtfully before the conference report was adopted. I wish to mention one especially. I have mentioned it before. That is the amendment on disability.

The Senator from Louisiana himself admits that this is an amendment which is regressive in nature. I offered an amendment in committee that would have changed the definition of disability to conform with definitions that are universally adopted in the various States by workmen's compensation commissions and by courts, in interpreting workmen's compensation laws. That amendment would have changed the definition so as to liberalize it, in part.

When we came to the floor, in the course of the debate on the bill, I offered an amendment to reject the House language and go back to the existing language in the act we had adopted in 1965. That amendment was agreed to by a substantial vote of about 2 to 1 here on the floor of the Senate.

The Senate conferees did not prevail in that, and went back to the disability program that is sought to be put into effect under the House bill.

Now, in Montana, for example, we have a provision for disability for those people who suffer silicosis, who have acquired silicosis as a result of working in the mines, and are incapacitated and unable to do any other excessive work. I know silicotics who, in walking up and down the streets of Butte and Anaconda, Mont., have to stop and rest and catch their breath at every other parking meter on the block. Yet those people, under State law and by definition of the workmen's compensation law, are unable to receive their benefits if they are under retirement age, or unable to retire with total disability when they reach the permissive retirement age, because, under the present definition, there is some work in the national economy that they might be able to do.

This was the same sort of thing that was the subject of the case I previously cited, the West Virginia decision which is incorporated in the RECORD, where the man who was a former coal miner had suffered injury and disability in the mines and was in constant pain, was unable to sit or stand or even lie down for more than a few minutes, and was employed as a dishwasher; and, since he was employed as a dishwasher, he could not qualify for total disability.

That case, the case of Leftwich against Gardiner, a Federal circuit court decision, was put in the RECORD, and was cited in the hearings.

Every State, in its compensation program, has such definitions of total disability, which are rejected by the Department of Health, Education, and Welfare under a definition of disability that is completely unfair, does not relate at all to the needs of the disabled person, and has no analogies at any other place in the law, or in the regulations of the Veterans' Administration or other agencies of the Federal Government, or, as I say, in agencies of the State governments where a definition of disability is found.

When we tried to correct this situation in 1965, we tried to take care of some of the disabled people who would lose benefits in the last years of their working lives as a result of the fact that they were so permanently disabled that they were unable to earn any social security credits.

In the conference bill we take a long step backward, a step back of 1965—even a step behind the former law.

Again, if that were the only thing objectionable in this bill, I would suggest that perhaps we could cure it by legislation the next time around.

I might mention that that Leftwich case was not appealed by the Justice Department; instead of trying to obtain correction in the courts of what they considered an erroneous misinterpretation of the definition, they appeared at the conference, and the Senate and House conferees very meekly changed the judicial decision.

Many of us offered amendments in committee. Many of us offered amendments on the floor. Many of those amendments, as I have previously pointed out, were adopted, sometimes by a vote of 2 to 1, sometimes by a vote of 3 to 1, and sometimes unanimously. All of these amendments which required an additional expenditure were rejected by the conference committee.

We got one-half of 1 percent more than the House provision for social security payments, and the conferees raised the amount from $44 to $55 when the administration was asking for a minimum of $70.

Those are almost the only real benefits that have accrued as a result of the passage of the pending conference report.

Mr. President, the bill is overfinanced. Experience will show that the financing and taxing aspects of the bill will bring in more than $4 billion over what is being brought in at the present time. Experience in the future will show that the amount of money that we are allowing for social security beneficiaries will not take care of the rising cost of living until the next social security bill is passed.

Experience will show, as we go to the States, that many of the people who are recipients of both welfare and social security will not get one dollar's worth of additional benefits under the bill.

In the 16 States in which they received a $5 increase as a result of the last social security increase, they can only receive $2.50 of benefits under the Welfare Act.

So, those experiences can be corrected. However, experience will show that beginning in July next year, hundreds of thousands of children in America will be hungry. The Senator from New York suggested that the number will be between 300,000 and 500,000.

Thousands of women will be taken away from their homes and required to go to work.

Thousands of children will be in day-care centers, with more or less competent people in charge, but they will be taken away from their homes and put under the care of strangers.

It was decided in the committee after considerable debate that mothers who are in charge of children under the age of 6 would not be required to take any job in industry.

An amendment was offered by me on the floor, and unanimously agreed to, that other people acting in the place of mothers, older sisters or aunts, would have the same exemption.

The Senator from New York then suggested that perhaps we could be even stronger, and he offered an amendment to provide for other exemptions.

Experience will show that next year these people will be hungry. We will have mothers who will be leaving their homes. We will have fathers who will not be able to draw benefits.

That is why I feel that if we could have taken the bill to conference and explained the detrimental provisions of the bill to the Members of the Senate and had additional time to discuss the matter further and read the various comments of people who do know the impact of this legislation, it might have made a difference in the vote.

I declare now that I am going to join with the Senator from New York [Mr. JAVITS] and others in the statement that this is not the end of the ball game. It is just the end of the first inning.

The Monday after next will be Christmas. Most of us will be digging out old toys and painting them and fixing them or giving them to firemen to paint and fix up for the children who will not have much in their Christmas stockings. And Santa Claus will visit them only temporarily.

A lot of us will be walking up and down the street and dropping a couple of quarters or a dollar bill into the Salvation Army pots and making other contributions for Christmas turkeys and dinners for mothers and fathers and children who are poverty stricken.

However, long after those toys are broken, long after that paint has scaled off, and long after the last Christmas turkey sandwich is gone, there will be boys and girls in America in the streets, and mothers in the homes who will be hungry and destitute and poverty stricken because we have taken this action today that requires a vote in favor of this bill tomorrow.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HART in the chair). Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I rise in support of the conference report of the Social Security Amendments of 1967. I wish to commend the members of the conference committee for the effective work they did in reaching agreement. The bill they have given us may not be all that all Senators might have wanted, but it is a good bill. It is positive, progressive legislation. I believe the Senate should approve it promptly.

A minimum increase in the level of social security payments of 13 percent is provided. The basic payment of $44 will be increased to $55, which is an increase of 25 percent.

A person receiving today's maximum

payment of $144 will get $160.50. A married couple now getting the average social security of $145 will see that figure increased to $165.

These increases were overdue, and while they still may not be as much as we would like them to be, I believe they will prove very helpful to the retired and the elderly who depend upon them.

Since July 1965, when the last social security increases were provided, the cost of living has increased some 8 percent, so that the increases we have the opportunity to provide here are actually greater than the higher cost of living.

There are approximately 24 million older citizens, widows, orphans, and disabled persons who will benefit. They will realize $3.6 billion a year in the aggregate. This will be new purchasing power in the economy. But the greatest argument in favor of providing the increases is simply that our elderly retired and other recipients need the money.

Making these benefits available to those who depend upon social security, Mr. President, should be done as soon as possible. The needed increases should not be jeopardized by resistance to the welfare aspects of the bill.

I do not believe, Mr. President, that the opposition that has been expressed to the provisions aimed at putting welfare recipients to work is soundly based. On the contrary, I think the objective is a highly desirable one.

I do not believe this body should be intimidated by any suggestions or any threats that if these welfare provisions are adopted we will have more trouble, more riots, in the cities next summer. We simply cannot afford to gear the lawmaking process to any such considerations.

There is a real chance, on the other hand I think, that persons on welfare may be helped and may be encouraged to help themselves. I think these provisions offer an opportunity for self-betterment. This is an incentive program, not a program of oppression, as some apparently believe.

May I point out that item 2 under the public welfare and health amendments section clearly states, on page 15 of the summary of the Social Security Amendments of 1967, that "any person with illness, incapacity, advanced age or remoteness from a project that precludes effective participation in work or training" would not be included in the work program; nor would—item 3—persons be included "whose substantially continuous presence in the home is required because of the illness or incapacity of another member of the household." There is no intent here to work a hardship on anyone.

I may say that I am disappointed that the conferees saw fit to drop my amendment which would have permitted voluntary retirement at age 60. I would have liked to see that provision retained in the bill.

But I make the obvious point that increasing the benefits to keep social security payments more in line with the actual costs of living is the overriding consideration now. In the future I hope that we can make other improvements.

This bill, Mr. President, as it relates to the increased benefits under the old-age, survivors and disability insurance system, is actuarially and fiscally sound, we are advised. It provides benefits for additional categories of individuals. And it improves the public assistance program and other related programs, as I have already mentioned.

Mr. President, there are far too many amendments for me to discuss separately, and I do not think that further discussion is necessary on my part, except to reiterate that the benefits provided by this bill have been kept wage related, which is the best insurance for the social security program for the future. As long as the benefits are kept wage related, I think the social security system can continue into the future as a financially responsible program as well as a humanitarian one.

Mr. MONDALE. Mr. President, I again wish to express my profound disappointment with the conference report on H.R. 12080, the Social Security Amendments for 1967.

The report is a sorry response to the increasing needs of the elderly, the disabled, the blind, and the poor. Many of its provisions are punitive and repressive. They show we have not learned from past experience.

Mr. President, I am in favor of increased social security benefits at almost any cost. Elderly people are not getting enough money to keep up with rising costs and with rising standards of living.

What does the bill do for them?

It increases their social security benefits, but only by a small amount. And that is all it does for them.

What does the bill do to hurt them?

It provides a small raise in benefits which only gives Congress an excuse for not acting on social security again for several years.

It gives local governments the continued opportunity to cancel out the effects of social security increases for recipients of old-age assistance by making a corresponding cut in welfare benefits.

It gives the low-income wage earner a disproportionate burden of the social security costs because social security taxes are not to be paid on the part of an individual's income that exceeds $7,800 a year.

This social security bill is an attempt to win the votes of a large number of Americans who will feel their representatives have done something for them. But their representatives have given them far less than they should have.

Mr. President, a good many of the Members of this body have risen to speak about the urban crisis in the past few months. We have talked at length about what can be done to develop new programs aimed at alleviating the despair and frustration rampant in our ghettos. Most of us agree that new approaches are necessary. Yet this bill takes us backward to the centuries of insensitivity to the problems of the urban and rural poor.

HISTORICAL BACKGROUND

Society since the Middle Ages has recognized a duty to assist the poor, the destitute, and the indigent.

The first legislative action taken was in 1601, in England, with the passage of the Poor Relief Act.

This legislation established the nature and techniques of governmental responsibility for the care of the poor. The 1601 act acknowledged governmental responsibility for the care of the destitute, and delegated the provisions of such aid to the smallest unit of government.

The act also established other precedents, but negative ones. It reflected the sentiment that poverty is a personal disgrace caused by individual laziness, moral weakness, or individual or personal shortcomings. This attitude characterized welfare legislation and welfare programs in the United States until the New Deal.

The great depression of the 1930's marked a major watershed in the development of public welfare policies, as it did for many other public policies. The depression brought new types of public welfare programs and the expansion of State responsibility and participation.

Likewise, as a result of the depression, the Federal Government initiated large-scale participation in welfare policies, especially in financing programs, with the adoption of the Social Security Act in 1936. For example, in 1930, 91.3 percent of all public expenditures for assistance and work programs were at the local level; the rest was paid for by the States. By 1932, the local percentage had dropped to 60 percent while the State portion had increased to 21.9 percent and the Federal Government was now financing 17.5 percent.

In 1936, the year after the passage of the Social Security Act, 77.4 percent of all public expenditures were at the Federal level, 13.4 percent at the State level, and 9.2 percent at the local level.

This, of course, was one of the most dramatic shifts from the Elizabethan poor law philosophy. The local unit of government, many times overburdened by large numbers of poor people, would no longer be the chief source of revenue for aiding the poor. Instead, Congress recognized that the problems of the poor were national in scope.

The depression also brought about a change in attitude toward the welfare recipient.

As we experienced a severe depression, people realized that it was not laziness or some inherent quality that caused a person to be poor. Rather, in many instances, poverty was a result of economic forces that individuals could not control. Programs were established to help people who fell within certain defined categories. Congress recognized that there were people who, by the very nature of their classification in a certain group, were more likely to require financial assistance in order to continue to be able to provide for themselves.

Four major categories of citizens are now recognized by Congress for receipt of special assistance: the elderly—old-age assistance; the disabled—aid to the permanently and totally disabled; the blind—aid to the blind; and dependent children—aid to families with dependent children.

Mr. President, the compromises represented by the conference report would reverse the trend away from Elizabethan attitudes, and take us back to the 17th century. Perhaps this bill is the precursor of the reestablishment of poorhouses, debtors farms, and prisons for the indigent.

Let me explain my disappointment by discussing four aspects of the conference bill: social security; AFDC payments; the work training and unemployed fathers provisions; and the title 19 program.

I. SOCIAL SECURITY

At the outset, I want to make it clear that I favor increased social security benefits. But I do not favor this social security bill. This bill is a tax increase at the expense of the poor—a tax increase without hearings. I do not believe we should be satisfied with this bill. I believe we can do better. We must do better.

I want more social security, because I know what an increase can do for the poor in our Nation. More than a third of the poor people in this country are over 65 years of age. The only possible way of lifting this group above the poverty line is higher cash benefits from social security.

More than 23 million beneficiaries receive checks every month through social security. Social security insurance benefits now assist 18 million older people, 3¼ million children—primarily orphans—a half million widowed mothers of children or disabled or retired workers, 1½ million disabled workers and their wives, and since 1966, people who are 72 or older who otherwise are not eligible for insurance benefits.

More than 86 million workers currently are employed and paying contributions under social security. These contributions will buy them a retirement program, protection against serious disability, and life insurance if the major breadwinner in the family dies.

Mr. President, one in every nine Americans receives social security benefits in some form. These people know how far benefits have lagged behind the increases in living costs. They also know these benefits have lagged even farther behind the better living standards most Americans enjoy.

Since 1940 social security beneficiaries have been fighting a losing battle with the cost of living. Social security benefits have been increased five times during this period. But living costs have increased much faster. Neither the social security benefit increase in 1959 nor the one in 1965 matched the increase in living costs since the previous benefit increase. The 8.3-percent increase in the consumer price index in 1966 was the greatest in 15 years. And 1967 has kept a similar pace.

An example will show what this means for the average retired American. The average monthly benefit today for a worker who retired in 1954 is $76, but for him to buy the same goods and services that his benefits would have purchased 13 years ago, he would now have to be receiving $82. A 13-percent social security increase as proposed in the conference report would allow him to buy the same goods and services that he could get in 1954. But this increase does not allow him to keep up with today's standard of living. But to keep pace with wages of employed workers, he would have to receive $104, which is a 37-percent increase over the actual benefits of today.

The problems of inflation aside, the fact is that the average person on social security can barely eke out a subpoverty level of living. The poverty standard is $1,170 for a single aged individual and $1,850 for an elderly couple. The average social security beneficiary is below even the poverty subsistence level. Annually, a single aged person now averages only $1,008 and a couple $1,716.

The main retirement income protection for most elderly Americans comes from social security. Less than 15 percent of those 65 and over receive private pension payments, and those private pensions count for only 3 percent of total income for those people. Even 15 years from now, social security will still be the only pension income for 70 percent of the people. The median income, including all income sources, was $1,130 in 1966 for single persons over 65, and $2,875 for couples. Thirty percent of the elderly couples received less than $2,000 a year.

Furthermore, many people do not realize that when social security benefits go up, welfare payments are likely to go down. Many elderly people think they will get the full benefits of 13-percent increase in social security or a minimum of $55. But many of them will not get this increase.

There is a provision in the bill that the additional amount of money obtained as social security payments can be taken away if one is on welfare. The increase in social security benefits will be matched by a decrease in welfare benefits.

Many States have a practice of reducing welfare payments by the same amount as any increase in social security. An example of this was given by the distinguished Senator from Montana [Mr. METCALF] the other day when he told the story of an 84-year-old man who has been retired for a number of years. This 84-year-old man draws social security benefits of $62 a month and welfare benefits in the amount of $48 per month, a total of $110.

He writes:

> In the past, each time social security payments have been increased, my welfare check has been decreased in the same amount, I do not have enough to properly take care of myself at the present time.

This 84-year-old man, and others like him throughout the country, may very well find that their old-age assistance checks will be reduced by an amount equal to the increase under the conference bill.

Last month's Senate bill was intended to counter this situation. The bill contained a mandatory increase of $7.50 a month in welfare payments for the aged, the blind, and the disabled. This provision was intended to guarantee that the social security increase would not be knocked out for thousands of old people when local and State agencies reduced old-age assistance checks by a corresponding amount. But the conference bill does not contain that safeguard. State and local governments retain the opportunity to continue as they always have, to cancel out the effects of the social security increase.

If present social security payments allow a majority of single persons and nearly 30 percent of all aged couples to exist only under conditions of extreme poverty, why am I opposed to this increase in social security?

I am opposed to this bill because I believe we must have a better one.

One that will provide substantial benefits in cash.

One that will eliminate the opportunity for States and localities to cancel the increase by reducing old-age assistance payments.

One that is not coupled with welfare restrictions that hamstring inadequate programs.

We are fighting a war on poverty. The elderly comprise one-third of the poverty group in America. A bill that truly helps them is a victory in the war. If we settle for a lesser bill, if we compromise our position, it will be a long while before the Senate again has a chance to help the poor and the elderly.

There is another reason for my concern about the conference report. As the conference bill stands, the Social Security Act is overfinanced. The cost of the benefits in the House version was $3.2 billion, while the cost in the Senate version was $5.8 billion. The conference bill costs $3.6 billion.

The conference bill will produce a surplus of $1.850 billion in calendar year 1968. The Senate committee level of benefits would have produced a surplus of $1.230 billion, and the version passed on the Senate floor would produce a far smaller surplus.

The conference report cuts benefits by $2.2 billion when there is no decrease in payroll taxes. This item is a bill which is actually a back-door tax measure.

The cost to the taxpayers is the same in the conference bill as it was in the early Senate bill, but the benefits are far less. The Federal Government gets to keep approximately $620 million which it would not have had otherwise. This definitely appears to be a method to increase the tax burden of Americans without commensurate benefits.

We may need a tax measure to dampen inflationary pressures in our economy. However, without hearings, and without adequate benefits, I do not believe that American wage earners should pay such hidden tax.

But this is not all. The American taxpayer may also find himself faced with an increase in local real estate or property taxes as a result of this bill. Such a tax might very well be levied by local governments to meet the increase in welfare expenses which they will face, as a result of decreased Federal participation in financing of welfare programs under this bill.

There is a further reason for my negative feelings about the bill—the wage base provisions.

"The poor pay more." Usually this phrase refers to consumer practices. Strangely, under the conference social security bill, the poor pay more.

This happens because the conference report allowed a wage base of $7,800 to replace a sliding scale the Senate had proposed. Social security taxes are paid on earnings up to the limit set in the wage base. People who earn more money than the wage base figure, do not pay social security taxes on the excess salary above, in this case, $7,800.

Consequently, those who earn under $7,800 pay a larger share of their income for social security benefits than those who earn more than $7,800. The social security taxes themselves have to be higher when there is a lower wage base, because the cost of the program remains the same but the wages available for taxing are limited.

The original social security wage base in 1935 was $3,000. When the program began, about 95 percent of the persons in the program had their full earnings covered. For the same percentage of Americans today to have their full earnings covered, the wage base would have to be increased to around $15,000.

Because of the failure to raise the taxable wage base to reflect increased earnings of workers, there has been an erosion in the adequacy of benefits in relation to earnings. Large numbers of workers are not receiving benefit protection related to their full earnings.

It is imperative that the program cover the total earnings of the larger majority of workers so that their retirement benefits, which are based on covered earnings only, will be related to what they actually earned. If an unduly low ceiling is placed on the benefits paid to moderate- or high-wage workers, they will be forced to suffer drastic reductions in their living standards when they retire.

The $7,800 base proposed by the conference committee would increase to about two-thirds the proportion of workers whose full incomes are covered. But this proportion is projected to fall to about one-half again by 1974.

The administration and the Senate proposed to finance social security by a three-step increase in the taxable wage base to $7,800 in 1968, $9,000 in 1971, and $10,800 in 1974.

Such a higher wage base would improve the relation between a worker's actual earnings and his eventual social security benefit while providing additional income to improve the program further. In past years, increased coverage partially made up for the decreasing proportion of taxable payroll.

But social security is now virtually a universal program, and the possibilities of expanding coverage in the future are few. The sliding Senate scale would have kept about two-thirds of the payroll covered by a wage base through 1974.

Additionally, a sliding wage scale would allow a lesser increase in the social security tax rate.

The administration proposed to finance the social security benefits in two ways. There would be an increase in the scheduled contribution rates on each party of 0.1 percent on January 1, 1969, and an additional 0.05 percent on January 1, 1973, for a total increase of 0.15 percent. In addition, there would be the three-step increase in the taxable wage base.

The House improvements require a higher tax rate because of the lower wage base; the eventual social security contribution rate with a wage base of $7,800 will be about 0.25 percent unless the number of benefits financed by the program are cut or steps are taken to eliminate the present and projected surpluses in the fund.

If the wage base remains relatively static while earnings rise, social security contributions will be an ever-decreasing proportion of the total national payroll.

Higher benefits will require a higher tax on the decreasing portion of income. Since the tax rate is uniform, low-wage workers bear a greater cost burden when the wage base is frozen.

If the Senate will reconsider the Social Security Act, some revisions can be made in these financing provisions.

Finally, I find the social security provisions unacceptable because of the treatment given to Senate increases for special groups.

The Senate introduced a series of amendments or modified House provisions to allow an increase in benefits for individuals aged 72 and over, for disabled widows and widowers, for those who chose reduced insurance benefits at age 60, and an increase in the amount an individual can earn and still be eligible for benefits.

None of these amendments were reported out of the conference.

The Senate increased the amount of special payments to certain individuals aged 72 and older who have no coverage or whose coverage is insufficient to qualify for regular benefits. The Senate provided increases of $50 for single persons and $25 for a spouse in this category.

The conference bill gave $40 for a single person and $20 for a spouse, an increase of $5 and $2.50 respectively from the House measures.

The Senate wanted to provide benefits for disabled widows and widowers at any age at a benefit rate of 82½ percent of the spouse's primary insurance amount. Again, the conference committee modified the Senate amendment to bring it in line with the House bill. The House, and conference version, provided benefits for disabled widows and widowers age 50 or over with benefits ranging from 50 to 82½ percent of the spouse's primary insurance amount depending on the age at which benefits begin.

The Senate's amendment to provide for payment of reduced old-age, wife's, husband's, widower's, and parents' insurance benefits beginning at age 60 was deleted by the conference.

Under the existing provisions of section 203 of the Social Security Act, if the beneficiary earns $1,500 or less a year, no benefits will be withheld; if he earns more than $1,500 in a year, $1 in benefits will be withheld for each $2 in earnings between $1,500 to $2,700, and $1 in benefits will be withheld for each $1 of earnings above $2,700. The House bill increased the annual $1,500 and $2,700 cutoff points to $1,680 and $2,880, respectively. The Senate amendments increased the cutoff points to $2,400 and $3,600 under the old social security law, no benefit is withheld for any month in which the beneficiary earns $125 or less in wages and does not engage in self-employment. The House raised the monthly figure to $140 and the Senate increased it to $200. In conference, the Senate receded.

In dollars and cents the social security benefits coming from the conference compromise are an across-the-board increase of 13 percent. The House had approved a general increase of 12.5 percent while the Senate raised the figure to 15 percent.

The minimum monthly benefit coming from the conference was $55. The current minimum monthly benefit is $44. The House had approved a raise to $50, while the Senate version approved a raise to $70.

The numbers involved in these compromises clearly indicate that the conference committee leaned heavily toward the more conservative House version on the increase in social security benefits. In fact, it is a little difficult to call the result a compromise.

My record in the Senate is one of favoring increased social security benefits.

I voted for the Senate bill which provided an across-the-board increase of 15 percent in social security benefits and which would have raised the minimum monthly benefit to $70.

I cosponsored an amendment which would have raised the minimum monthly benefit to $100.

I am in favor of social security, in favor of increased benefits, in favor of eliminating burdensome restrictions. But, Mr. President, I am not in agreement with the regressive provisions of this bill.

Let me read you a letter I received yesterday from Mr. C. J. Obert, of Minneapolis, Minn. It reflects the opinions of the elderly of this Nation:

> A funny thing happened to the new Social Security bill from the Senate to the House. This bill was not even recognizable after the mutilating the House gave it.
>
> I'm sure I'm speaking for all the Senior Citizens in your home state when I ask you for help in this *very* important bill to us.

II. AFDC PAYMENTS

I have said the conference report takes us back to the days of the "Poor Laws."

This is true especially of the "freeze" on the number of eligible children for Federal AFDC participation.

The conference bill places a limit on the extent of Federal financial participation in the AFDC program. It states that the Federal Government will set a maximum contribution which will be equal to the proportion of all children in the State under 18 who are receiving aid to families with dependent children as a result of the continued absence of a parent as of January 1, 1968.

I am opposed to this section of the bill for five separate, but related reasons:

First, it is based on unproven assumptions.

Second, it leaves unresolved problems.

Third, it transfers to the States responsibilities which should be shared by the Federal Government.

Fourth, it may be unconstitutional.

Fifth, the amendment clearly is punitive.

Unproven assumptions: Those supporting this measure assumed it would reduce the growth of the AFDC program, illegitimacy and broken homes. There is little likelihood the freeze will produce this result.

One cannot get something for nothing. We do not solve the problem of increased crime by limiting the number of police a city can have. We do not reduce fires by limiting the number of fire engines. Similarly, we cannot diminish illegitimacy and broken homes simply by reducing the financial assistance available to children of these homes.

The assumption of this provision is that AFDC children are receiving aid because of their mothers' illicit behavior with other men.

Evidence shows that curtailing AFDC payments does not end illegitimacy. Many States have used the "suitable home" policy to deny assistance to families where illegitimacy had occurred.

Edward B. Sparer, in his testimony before the Senate Finance Committee on H.R. 12080, discussed this point. He reported that the State of Mississippi conducted a study on the effect of AFDC cutoff for the denial of eligibility on the grounds that a "suitable home" was lacking because of illegitimacy.

This study shows a vast increase in incidence of illegitimate births "following the families' exclusion from AFDC." This quote would seem to counter the arguments raised in the committee report.

The committee report implies that illegitimacy is a simple problem. We know it is not.

Illegitimacy is caused by poverty, lack of educational opportunities, lack of training and job opportunities, poor housing, and all those other factors that produce the psychology and sociology of the poor. To counter these conditions, the family must have adequate financial assistance.

If the committee had really been concerned with the problem of illegitimacy and family disintegration, it would have provided for a large increase in welfare benefits in order to give security to the family.

It would have provided for a mandatory AFDC–UP program in every State in the Nation to allow the unemployed father's family to be eligible for financial assistance.

It would have provided a dramatic program of family planning counseling and intensified counseling services to discourage promiscuity and dissertion.

Unresolved problems: The concept of a "freeze" does not take into consideration that there are factors other than illegitimacy and family breakup that contribute to the increase in the number of AFDC recipients.

There are, in fact, three areas completely outside the control of the public agency which may cause a dramatic increase in the number of AFDC recipients. They are: First, increased awareness of eligibility and changes in scope of program; second, migration and natural increase in population; and, third, changes in the economy.

INCREASED AWARENESS OF ELIGIBILITY AND CHANGES IN SCOPE OF PROGRAM

In a recent article in the New Republic, the then New York City Welfare Commissioner, Mitchell Ginsberg, is quoted as stating that there are nearly as many eligible families off the welfare rolls as there are on them.

If New York is any indication of the situation in the rest of the country, we could double the number of welfare recipients in each community if people were made aware of their eligibility.

Many private groups are now attempting to inform the poor of their rights under eligibility provisions for welfare. These same groups are also testing in the courts some of the restrictions which have prevented many families from receiving benefits.

Residency requirements are being challenged in California and other areas. If residency requirements are declared unconstitutional, hundreds of thousands of additional families will be eligible for assistance. These families will be eligible because of a change in the scope of the program, not because of an increase in illegitimacy or in family breakup.

Thus, by increased awareness of welfare programs and changes in the definition of program eligibility, there is a potential for relief rolls to swell.

MIGRATION AND NATURAL INCREASE IN POPULATION

Federal participation formulas are based on the percentage of children on welfare contrasted with the number of children in the State. There is no allowance for States experiencing large amounts of in-migration of poor families.

Thus, the State's hardest hit will be those that attract the poor to their large industrial cities and ghettos. States least affected by the freeze will be those that are losing their population of poor families.

The impact may be seen by looking at percentage increase in the number of recipients for selected States from May of 1966 to May of 1967. While the national increase was 10.4 percent, the fast-growing States of the West and industrial Northeast showed much higher percentages. In contrast, States in the Midwest showed increases less then the national average.

Those States which suffered heaviest impact: Wisconsin, 27 percent; Washington, 14.3 percent; Virginia, 13.3 percent; Vermont, 18 percent; Rhode Island, 14.1 percent; Oregon, 17.6 percent; New York, 22.4 percent; Nevada, 26.8 percent; Massachusetts, 15.8 percent; California, 18.9 percent; Colorado, 13.2 percent; Delaware, 16.4 percent; Florida, 17.4 percent.

Those States where the impact was the least include: West Virginia, minus 6.5 percent; South Carolina, minus 7.3 percent; North Carolina, minus 1.2 percent; Missouri, plus 1.5 percent; Alabama, minus 0.4 percent; Iowa, plus 0.4 percent; Louisiana, plus 5.9 percent.

Again this is a situation that is beyond the control of the locality. It is caused by economic and social forces which make one area of the country more attractive than another.

It has implications, however. Clearly, faster growing and industrial States will bear the brunt of the loss of support funds in this legislation. Moreover, if the residency requirements are declared unconstitutional, the impact will be even greater.

CHANGES IN THE ECONOMY

The "freeze" in this report assumed we will have the same level of economic prosperity that we are now experiencing. But if we suffer a recession or a depression, our welfare system will not be able to respond.

The number of families eligible for Federal aid has been set. Those added to the need list would have to be treated in a different manner, since there is no room for them under the proposed ceiling.

In the past, the welfare program has been used to offset declines in disposable personal income. It will no longer be available for this function under the provisions of the conference report.

Instead, we will be forced to enact emergency changes in the legislation to lift the freeze and pump additional money into the pocketbooks of our low-income consumers.

Mr. President, I feel that the so-called freeze on AFDC children neglects some important economic considerations.

The Finance Committee in the Senate gave consideration to these economic considerations and we agreed on the floor to the committee's recommendation. However, the House overlooked these recommendations and insisted that the concept of a freeze be included in the conference bill.

Effect on the States: The system of categorical aids established in the 1930's marked the beginning of the flow of Federal funds to the cumulative pot of moneys available to finance welfare programs at the local level. Under this legislation, the States run the program with grants from the Federal Government.

For many States, Federal funds make the difference between meeting standards of "need" as they define them, or providing no help at all. For all States, Federal funds help redistribute economic burdens so that more of those requiring financial aid may receive it.

By limiting the extent of Government participation, the freeze leaves the States with these unpleasant alternatives:

First. They can deny new applicants with the explanation that there is not enough money to cover the cost of assistance.

Second. They can change the eligibility requirements, by excluding persons according to new residency requirements or new waiting periods for absent parents.

Third. They can assume the full financial burden themselves for AFDC children above the "freeze" ceiling.

It is clear that these options trap the States. Few have the financial resources to support the public services they now maintain, much less the addition of further welfare expenses. The property tax can be stretched only so far. Thus, States and localities will be left with only three choices, each of which is punitive, restrictive, and goes against both the philosophy of welfare services, and commonsense.

Possible unconstitutionality of the law: The freeze provides Federal statutory authority for arbitrary exclusions from welfare programs.

If a State attempts to act upon the new Federal statute by denying aid to eligible children in excess of the permitted number, is this a violation of the equal protection clause of the 14th amendment? Critics of the freeze claim that it is.

Lawrence Speiser, Director of the Washington Office of the American Civil Liberties Union, said in testimony before the Senate Finance Committee:

> We believe that the freeze in federal participation in aid to families with dependent children program is unconstitutional and denies equal protection of the law.

If a State grants aid to some needy citizens and not to others, such determination must be made on a more reasonable basis than "first come, first served." Establishing an arbitrary limit on the number of persons who may benefit from a law is indefensible, irrational, and inconsistent with Democratic principles and the Constitution. The 14th amendment requires that there be reasonable and not arbitrary standards for determining which individual falls within each class. *Brown* v. *The Board of Education*, 342 U.S. 483; *Yick Wo* v. *Hopkins*, 118 U.S. 356, 369; *Colorado and Santa Fe Ry.* v. *Ellis (Alice)*, 165 U.S. 150, 155.

The distinction drawn between needy children on the welfare rolls before the freeze as contrasted with those who may or may not be eligible after a certain date seems irrational. How can a State classify a child ineligible because of the freeze, especially, when that child meets every substantive test met by another child who is granted aid?

There are any number of reasons why the percentage of children in a jurisdiction receiving AFDC benefits may increase. A State is then faced with a choice of excluding some by means of tightened eligibility standards or denying aid arbitrarily to those who have applied after the cutoff figure has been reached.

Many States will feel pressure to trim their existing welfare rolls and follow a rigid policy of allotting vacancies on the roll. When assistance is arbitrarily denied and the persons affected are as fully qualified as other persons receiving assistance, the question of equal protection of the laws can be raised.

The freeze provisions may also affect the right to travel, which is a constitutional and protected right. If an indigent person cannot move to another section of the country because he then will not be eligible to receive certain welfare rights, his right to travel has been inhibited.

A legislative provision that gives rise to the constitutional question of equal protection of the laws can in one sense be said to be punitive. The entire tenor of the conference report's welfare provisions is one of punishment.

The limitation of Federal participation to children of deserting fathers is a punitive measure. It is a measure which blames children for the sins of their parents.

This legislation represents the kind of attitude which can incite riots. Thirty to 40 percent of the people in Watts and Harlem are touched by existing welfare programs at any given time. The national average length of stay on the welfare rolls is less than 2 years—20 months to be precise—so people on welfare compromise a constantly changing group. The potential number of those who may be affected by changes in the welfare system, therefore may far exceed 40 percent. Any tinkering with welfare strikes at the heart of urban areas.

About all the residents of big city ghettoes need is another indication of congressional lack of concern for their problems. I believe that if we pass the social security bill with welfare provisions that have "punishment" written all over them—a bill that excludes so many, and destroys the hope of thousands more—we will be showing that very lack of concern.

We will be accomplices in the creation of conditions that invite urban destruction.

III. WORK-TRAINING PROVISIONS

Two years ago, the President warned:

> Unless we work to strengthen the family and to create conditions under which most parents will stay together, all the rest—schools and playground, public assistance, and private concern will never be able to cut completely the circle of dispair and deprivation.

The unemployed fathers and work and training provisions show our inability to comprehend the evidence, and act accordingly.

We know that welfare laws in many cities require that unemployed fathers in families otherwise entitled to AFDC must leave their families if wives and children are to receive public assistance. And we know what this has meant—increases in the welfare caseloads, and the breakdown of family structure.

Approximately 265,000 children were on AFDC this past May, for example, because of the unemployment of the father. By far the largest part of the AFDC growth over the past 15 years has been because of the absence of the father from the home.

Programs for unemployed fathers could help alleviate these problems. Only 22 States have so far taken advantage of the permissive legislative authorization; less than half of our States have programs to permit the unemployed father to stay at home with his family while he is investigating opportunities for work and training.

We listen to the evidence; we see the necessity for united families. We then refuse to act.

The conference report deletes the Harris amendment, which would have made mandatory an AFDC–UF program. Fathers in 28 States will still be required to desert their families in order to assure that their children have food and shelter until they are able to find employment.

In fact, the conference report worsens the situation for unemployed fathers. The reinstated House amendment excludes fathers who do not have six or more quarters of work in any 13 calendar quarter period within 1 year prior to applying for aid. This makes it impossible for States to reach those fathers who need help most—the hard-core, long-term unemployed.

Moreover, we force fathers who have jobs and lose them to penalize their children. The House amendment, retained in the conference bill would exclude the children of fathers receiving—or qualified to receive—unemployment compensation, from eligibility for AFDC payments.

We know the kinds of jobs ghetto fathers can get, janitors or bus-boys, with no job security; "last-hired first fired" assembly line work. Unemployment compensation payments are miniscule compared to the financial needs of families. If he loves his family, how can the unemployed father risk taking a job when he knows that if he loses it, his children may go hungry?

In fact, the conference report contradicts the bill's general emphasis on work for the whole family, in another provision. Under the Senate amendments, the first $50 of the total monthly earnings plus one-half of the remainder for families receiving AFDC would have been exempted. The House amendment reduces this to $30. If our intention throughout the entire measure was to encourage families to take jobs that will help them get off the welfare roles, why did we slash this important work incentive?

As if this were not enough, however, we also go on to punish mothers.

As Edward V. Sparer points out, a distinction has always been drawn in these programs between able-bodied men and mothers, with respect to work and training.

> It is generally accepted as part of the structure of present federal and state welfare laws that the able bodied are required to accept work . . . A different situation exists with regard to mothers of young children on AFDC. The intent underlying our present Social Security Act is that the right to make the decision as to whether such mothers should work or not should not be taken away from poor mothers just as it has not been taken from other mothers in our society . . . H.R. 12080 would reverse the purpose of AFDC.

I do not believe there are valid generalizations in the field of welfare with regard to the merits or demerits of employment of mothers. Our experience is too limited; the results too contradictory. For many, work and training may be the answer. Experience with the OEO title V programs has demonstrated that in some cases work and training can lead to increased self-sufficiency. For others, however, leaving the home only increases family problems.

There is even some evidence that it may harm the children directly. Two psychiatrists, Drs. Frederick Solomon and Chester M. Pierce, assert that welfare children whose mothers are forced to work may reach adulthood mentally retarded or emotionally disturbed.

These psychiatrists are not quacks. They are members of a committee established by Congress in 1965 to study minority group children as part of the Joint Commission on Mental Health of Children. These physicians hold that depriving children of full-time attention by their mothers and substituting "institutional" day-care centers for children under 3 years of age could do lifelong damage to their mental and emotional health.

Dr. Solomon sent me a telegram I wish to quote:

> We beseech you to filibuster if necessary to defeat the welfare amendments to the Social Security bill. The mental growth of thousands of infants and children will be gravely affected by the absence of their mothers in compulsory work or training. Day care for children under age 13 is highly experimental and likely to be extremely dangerous if applied broadly. We feel the freeze on ADC payments is also unspeakably cruel. Your courage on this issue now will be justly rewarded by an easy conscience later.

Many factors affect a person's readiness for work or training at any given point in time. One is the mental, physical, and psychological ability to perform the expected work. Another is attitude. A third is family circumstances. A fourth is ability to pay the incidental expenses involved. Unless all four of these elements are in order, severe harm may result.

An illustration may help: Mrs. X is the mother of four children, aged 16, 12, 6, and 2. She is receiving public assistance. The one training course established in her area this month is a home health aide course. Mrs. X has not finished high school has no health training and can barely read and write.

She explains her anxieties to the social worker. She has not been in school for a long time; she does not know anything about health; she lacks the money for transportation and is worried about the children—the 2-year-old is often ill, and the oldest son is having trouble in school.

The social worker listens to a few sentences, and then cuts her off. "What does this woman mean," she thinks. "Home health aide training is a snap. She's just trying to get out of work."

Somehow Mrs. X manages to struggle through the class. She cannot find a job immediately, but after 3 months is employed. She finds to her dismay, however, that home health aides are employed only on a part-time basis.

Even working as many hours as the scheduler will give her, she still is netting only about $50 per week. And then there are the weeks when the 2-year-old must be taken to the clinic across town. That takes a full day each time.

There are conferences at her son's school with teachers, trying to keep him from becoming a dropout. The home health agency does not pay for cleaning her uniform, or for lunches. At the end of 3 months Mrs. X sees that she cannot possibly make ends meet. But there is nothing she can do to remedy the situation. Her social worker declares her "able-bodied"; State regulations fail to include the family or financial considerations.

Mr. President, these stories and worse are destined to be repeated across the country, because of the bill's language on the work-training program.

The Senate amendments would have made work-training an effective concept by combining training incentives with voluntary participation. People who should know, including Secretary Gardner of the Department of Health, Education, and Welfare, agreed that this was the way to create an effective program.

It is true that the conference report represents a considerable improvement over the original House program. The report calls for new work-incentive programs to be administered by the Department of Labor for AFDC recipients referred by welfare agencies. Programs would include employment, training or subsidized special work projects.

But the language of the conference report still permits welfare officials to force mothers to work. It specifically deletes the Senate exemptions for mothers and other relatives who care for preschool children or children under 16 attending school, and takes from the State the ability to set up other exclusions.

This could be interpreted as a mandate to punish the poor.

We all have listened to the stories of arbitrary behavior by social workers and public welfare officials. Unfeeling, sometimes punitive behavior is held to be an all-too-frequent occurrence. Many hold that the public welfare system as a whole fosters dependency and denies basic human and constitutional rights.

Edward V. Sparer cites what he calls the "incredible" lengths some State welfare regulations reach:

> Georgia regulations on the one hand require mothers to obtain full-time work whenever the welfare department deems it appropriate; on the other hand, the welfare department must, under the Georgia "employable mother" regulation, discontinue aid whenever the mother obtains a full-time job, no matter how little she earns. . . . The Washington, D.C. rule, as I understand it, goes even further. Under the D.C. rule, a mother who is deemed able bodied and available for work is subject to AFDC termination even though she has not obtained a job!

Secretary Gardner warned the Congress about the dangers of the House work-training provisions:

> If determinations are made according to rigid formulas inflexibly applied, if lack of imagination and foresight characterize action at the decision level, then the result can only be grief for the individuals and families involved, and defeat of the purposes of the program.

There is much controversy about the nature and the extent of the abuses. One thing is clear, however. Whatever tendencies there are toward negative results, are escalated to near certainty by the compromise bill.

But there are other reasons for my objections to the bill's treatment of work and training.

If we had wanted an effective work and training program for welfare families, we would not have reduced the training incentives.

The Senate amendments would have made it attractive to gain additional skills and financially possible for welfare recipients to participate. A payment of $20 per week would have given mothers, fathers, and older children the funds to pay for increased costs attendant to being away from home—lunches bought at school rather than prepared at home, dry-cleaning of uniforms required for training, additional transportation costs.

The $30 per month of the compromise, on the other hand, would be a training disincentive in many instances. A payment of $7 per week cannot possibly cover the combination of costs facing a family member who must be away from home during the day—transportation, lunches bought at cafeterias, training materials, and the like.

Equally onerous is the reduced Federal participation in supporting work-training programs.

The compromise amendment would reduce the Federal share of program costs from 90 percent to 80 percent.

The shift doubles the burden on the States from 10 to 20 percent. What are the States to do? The effect on administration may be disastrous. As we all know, the conference bill says that mothers who cannot or do not wish to work have a grace period of 60 days, in which they can still get their AFDC checks, if they receive counseling. But suppose there is not enough money to hire additional caseworkers and counselors needed to handle the increase in work? Suppose the mother cannot get an appointment to see the counselor within 60 days. The mother's welfare check will be cut off. She will be punished for something she could do nothing about.

Many criticisms could be leveled even against the original Senate bill. It does not deal with the problem of creating meaningful jobs and adequate income. It does not create new careers for the poor. And it does not even guarantee placement.

All of these points are well taken. But the fact remains that while the Senate bill may not have been perfect, the House provisions were a disgrace. The conference report is little better.

The poor have always gotten the short end of the stick. Now they are to be beaten with it.

IV. TITLE 19

Let me now turn to title 19, and what the conference report and bill would do to medical care for the needy.

Poverty and ill health reinforce one another. The poor cannot afford the kind of health care they need to escape dependency, disease, and dispair. Illness means they cannot take advantage of opportunities for education, training, and work. As one of the OEO health program administrators put it:

> Without intervention, the poor get sicker, and the sick get poorer.

The title 19 program promised one kind of needed intervention—money. Under this legislation, those receiving cash assistance were to be eligible for help in meeting medical expenses. But also, the medically indigent—those able to pay for food, clothing, and shelter, but unable to pay for medical care—were to become eligible, if the State so desired. So far, 29 States have established these programs. By January 1, 1970, 54 jurisdictions may have programs in operation.

I am proud to say that Minnesota has an approved title 19 plan. The title 19 program in this year alone is expected to benefit nationally, 8 million Americans, two-fifths of them 65 and over, and one-half children and youth under the age of 21. Yet, in this year, when so many are gaining access to good health, House surgeons cut the heart out of the title 19 program.

The House bill limits Federal participation in title 19 programs to those whose income is less than 133 percent of the highest amount ordinarily paid families of similar size under the State aid-to-dependent-children programs. Wilbur Cohen talked about the results in the hearings on the House bill. He said:

> The limitation will effect the programs in operation in 14 States, and will severely restrict the future development of the program to meet the medical needs of persons who lack sufficient resources to pay for them.

A table was introduced, showing the cut in Federal funds that would flow to the 14 States. We all know what drastic reductions in Federal funds will mean. Recent statements by Mayor Lindsay, of New York, and others indicate that there just is not money to cover these costs in local budgets. Reduction in Federal participation for most localities will probably mean cutting down on the amount of medical care for the poor.

Mr. Cohen discusses another effect:

> The House limitation will destroy the concept of medical indigence in a number of states.

He gives illustrations showing how families eligible for cash assistance can find themselves ineligible for medical assistance, because many States do not pay the full percentage of need. He said:

> In Indiana, for example, a family of four is eligible to receive assistance if their income is less than $271.40 per month, yet the highest amount that can be paid in assistance is $103. The House bill would mean that this family could receive cash assistance if their monthly income is up to $271.40, but medical assistance only if their income is below $137, about half of the eligibility level for cash payments.

For another example:

> In Texas, a family of four with income below $163.95 could qualify to receive cash assistance . . . Yet, unless the family income is below $124, its members would not be eligible for medical assistance

Mr. President, this is a false economy, in terms of dollars and of people.

People who are not well and cannot work cost taxpayers money—unemployment insurance, welfare assistance, and the rest. And if they live in families, these costs simply multiply.

Let me tell a story to illustrate my meaning. I know of a family in one of our large eastern cities. Father, mother, four children, aged 22, 15, 11, and 1 year. Family is off welfare right now primarily because of the medicaid program. Before this program this one family had cost all of us a very great deal. The father had had a nervous condition which could be controlled by medicine. Much of the time, he could not afford that medicine, however. When he lost jobs, he had to go on unemployment insurance. When that ran out, welfare was the only answer.

The family dreaded illness requiring hospitalization, because it always caused the same trauma to the family. The general hospital could only keep patients for a certain length of time. Patients sent home required constant home care. Since this family was not eligible for the health department's home-care program free, someone had to stay home to care for recuperating family members.

Usually this was the mother. But if mother was ill, or if she had to take one of the children to the clinic to wait in line all day, one of the school-age children would have to stay home.

The oldest child had missed so much school because of this that he never had completed high school. As a dropout, he was destined to the same treadmill of low paying work that had trapped the school-dropout father.

On and on the family saga went until last year. Almost 12 months ago, their State put a title 19 program into operation, which included this family among the medically indigent eligible for care.

Father now can get the medicine and stay on his job. Mother now can secure a home health aid to provide real care to family members coming home from the hospital. And the children can stay in school.

The savings both in dollars and in human terms has been enormous. Yet, checking their income levels against the House-sponsored formula shows this family will be cut off medical assistance. That is the meaning of the 133-percent formula.

Mr. President, as I said before, this is one of the worst pieces of legislation I have seen in a long time, but it is consistent with other bills that have been coming out of conference with the House.

We have given in too often to the House on legislation. I am tired of being told that we in the Senate must accept reduced appropriations, restrictive amendments, and unnecessary legislation in order to gain House support for the continuation of programs the voters want.

We gave in on rent supplements. In the end, we appropriated only one-fourth the amount requested by the administration and voted by the Senate.

We gave in on the poverty bill. We accepted the Green amendment and reduced authorizations in order to continue this program for another 2 years.

We gave in on metropolitan development. In the appropriation bill for the Department of Housing and Urban Development, we accepted language that eliminated the metropolitan expediter program and may eliminate the "204" program which requires areawide review of cities' applications for Federal aid when these projects affect other cities.

We gave in on model cities. The appropriations nowhere matched the need existing in the 63 cities approved for the model city grants.

We gave in on reapportionment. There we resisted, and forced the House to re-evaluate its position.

Right now we must decide on social security. We are being forced to accept or reject a bill which provides a measly increase in benefits, restricts the welfare family, and ignores the need for effective work incentives. We cannot recommit, we cannot amend, we have to accept or reject.

Mr. President, I for one, am tired of being told that I must vote for this bill or be on record against the program.

I think the people of this country are too sophisticated to interpret a "no" vote on this conference report as a vote against increased social security benefits. Instead they will support efforts to defeat the bill and drive to pass a better bill at the beginning of next session.

I do want to make it clear that I am not accusing any other distinguished Member of this body of conscious duplicity. As one who has just completed a conference on meat inspection legislation and as a member of the conference committee on food stamps, I know that the Senate position must be compromised to get a bill out of conference. But I feel this bill is too important to the poor, the aged, the sick, the disabled to give in as completely as we did.

Therefore, Mr. President, I urge my colleagues to join me in defeating this conference report, because it is a bad bill and because the provisions of the Senate-passed version were nearly ignored in Congress.

We can no longer be a Congress of 20/20 hindsight. The time for action is not next session, but now.

Mr. President, my remarks include what I consider to be 18 grave objections to the conference report.

I ask unanimous consent that a summary of my objections be printed in the RECORD. I also ask that a sample of letters and telegrams sent to me in opposition to this proposed legislation be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the office of Senator WALTER F. MONDALE, Dec. 14, 1967]

OBJECTIONS TO CONFERENCE REPORT ON H.R. 12080, SOCIAL SECURITY AMENDMENTS FOR 1967

1) A 13% increase in Social Security benefits is totally inadequate. The average person on social security can barely eke out a living; the average social security income is below the poverty level. Social Security beneficiaries have been fighting a losing battle with the cost of living since 1940, and neither the 1959 increase nor the 1965 increase in benefits matched the increase in living costs. To keep pace with the wages of employed workers, Social Security benefits would have to be increased 37%. The 15% increase voted by the Senate was barely adequate; a 13% increase will only momentarily ease the economic pinch on the elderly, and it will be another three or four years before Congress will again increase benefits.

2) Thousands of older people who are receiving welfare assistance in addition to social security, will get no increase at all because their welfare aid will be reduced by whatever amount their Social Security check is increased. The Senate voted a mandatory $7.50 welfare increase to offset this reduction; however, it was rejected in conference.

3) The Conference proposal represents a backdoor tax increase. Taxpayers will have to pay the same for the Conference bill (which proposes benefits costing $3.6 billion) as they would for the Senate bill (which

proposed benefits costing $5.8 billion). Thus the tax burden on American taxpayers is increased without hearings and without providing commensurate benefits. We may need a tax increase, but I do not believe American citizens should have to pay such hidden taxes as this represents.

4) Local real estate and property taxes may have to be increased in many states in order to make up for decreased federal participation in welfare programs and new restrictions on uses of federal aid funds.

5) Lower-income taxpayers will have to pay a larger share of their income in Social Security taxes than those who earn over $7,800 a year. This occurs because the Conference Report adopted a proposal that Social Security taxes be paid only on the first $7,800 of income and rejected the Senate's sliding scale proposal. Thus people who earn over $7,800 a year do not have to pay Social Security taxes on the amount of income in excess of $7,800.

6) The Conference Report rejects or reduces additional Social Security increases for special groups. The Senate had proposed additional benefits for disabled widows and widowers, individuals 72 years of age and older, and those who chose reduced benefits at age 60.

7) There are insufficient increases in the amount an individual can earn and still be eligible for full Social Security benefits. At present, a Social Security beneficiary can earn only $1,500 a year without having part of his benefits withheld. The Senate proposed increasing this limitation to $2,400, but the Conference refused to go beyond the $1,680 figure proposed by the House of Representatives. This represents an increase of only $180 rather than $900 as suggested by the Senate.

8) The Conference Report arbitrarily limits the extent of federal participation in Aid to Dependent Children programs by placing a "freeze" on the number of American children who can be fed, clothed and housed with federal funds. This is like trying to reduce fires by limiting the number of fire engines. It fails to provide for increases in AFDC needs resulting from increased awareness of eligibility, migration from state to state, and economic declines.

9) Restricting the amount of federal assistance to needy children forces the states to either 1) deny aid to new applicants; 2) reduce the number of families being helped by imposing harsh new eligibility requirements; or 3) assume the full burden themselves for any assistance provided children in excess of the freeze ceiling. These options trap the states. Few states have the financial resources to support the public service they now maintain, much less the addition of further welfare expenses. The property tax can be stretched only so far; thus the only choice open to states and localities will be those which are punitive, restrictive and counter to the philosophy of welfare and common sense.

10) The "freeze" raises constitutional doubts because it authorizes states to deny aid to families which meet existing eligibility requirements. Providing statutory authority for arbitrary exclusions from welfare programs may violate the 14th Amendment guaranteeing all citizens equal protection of the laws. If a state grants aid to some needy citizens and not to others, such discrimination must be made on a more reasonable basis than "first come, first served." Establishing an arbitrary limit on the number of persons who may benefit from a program is irrational, indefensible, and inconsistent with Democratic principles and the Constitution.

11) Deletion of the Senate amendment extending aid to children of unemployed fathers nationwide is clearly punitive. This provision would hold families together by permitting an unemployed father to stay at home rather than forcing him to leave so that his children will be eligible for aid on grounds of desertion. At present, aid to children of unemployed fathers is a voluntary program in effect in only 22 states. Unemployed fathers in the other 28 states and the District of Columbia must still desert their families in order to feed them.

12) Rather than extending the aid to children of unemployed fathers program nationwide, the Conference Report places additional restrictions on AFDC programs by excluding children of fathers who have not worked in the previous year or for at least 18 of the prior 52 months, and fathers who are eligible to receive unemployment compensation. This would appear to make it impossible to help the families of both the hard-core, long-term unemployed and the regular worker who becomes temporarily unemployed due to economic forces beyond his control.

13) The Conference Report would permit state or local welfare officials to force mothers to accept jobs or participate in training programs without consideration of the effect on children in the family. While such authority is discretionary it is fraught with possibilities for abuse. At worst, it would permit local welfare officials to deny assistance to minor children if their mother refused to accept a particular job—regardless of wages, working conditions and other factors.

14) Senate safeguards against abuse of work-training requirements for mothers were rejected by the Conference Committee. The Senate safeguards included exemptions for mothers and other relatives who care for pre-school children or children under 16 attending school, and authority for states to establish other exclusions.

15) The Conference Report drastically reduces training incentives for welfare recipients. The Senate had authorized payments of $20 a week for recipients participating in training programs to cover personal expenses such as transportation, maintenance of uniform or work clothes, and eating away from home. This was reduced to about $7 per week by the Conference Report.

16) The Conference Report also drastically reduces work incentives for welfare recipients and their children. The Senate version would have allowed a family on welfare to keep the first $50 of earned income each month plus 50% of whatever was earned above that amount, without a reduction in welfare payments. This was cut to $30 and 30% in the Conference Report.

17) The State share of work-training programs is doubled, going from 10% to 20% of the total, while the federal share is cut from 90% to 80%. This will further burden local tax resources and will increase pressure on state and local welfare officials to adopt more restrictive policies and procedures.

(18) The Conference Report limits the amount of federal participation in state medicaid programs under Title 19 through use of a formula based on the amount of state funds spent to help needy children and their mothers under AFDC. This will have the effect of drastically limiting medicaid assistance in states with Title 19 programs.

Washington, D.C.,
December 11, 1967.

Senator Walter F. Mondale,
Washington, D.C.:

The conference report on the social security bill is repugnant to human needs and dignity. Social security benefit levels are totally inadequate, and the work-training requirements imposed on mothers by the conference report are unconscionable. The welfare benefit freeze will impose heavy tax burdens on local communities and adjustments in old-age assistance and welfare standards may deprive the poorest of our retired citizens of any income increases at all. On behalf of more than six million members of the Industrial Union Department, AFL-CIO, I urge you to vote against the social security conference report and subsequently to instruct conferees to insist on the provisions of the Senate bill.

Walter P. Reuther,
President, Industrial Union Dept., AFL–CIO.

Washington, D.C.

Senator Walter F. Mondale,
Washington, D.C.:

Urge your support for two key public welfare amendments to H.R. 12080 the Social Security Amendments of 1967 eliminated by Senate-House conferees on the bill. Although Senate had eliminated the AFDC freeze and liberalized work requirements for mothers with children on assistance, the conference maintains the particularly punitive provisions passed by the House.

Charles Schottland,
President, National Association of Social Workers.

Washington, D.C.,
December 8, 1967.

Senator Walter Mondale,
U.S. Senate Building,
Washington, D.C.:

Dismayed by punitive ADC bill out of conference. Please help restore Senate amendments or kill bill.

Gordon Buyse.

Webster Groves, Mo.,
December 10, 1967.

Senator Walter Mondale,
Senate Office Building,
Washington, D.C.:

As former director, Minnesota Public Welfare, and as former dean, school social work, Washington University, I urge you to work for rejection of conference committee report on aid to families with dependent children. It would take us back to punitive practices resulting in suffering innocent children. Has no merit. Congratulations on article in Progressive last summer.

Benjamin E. Youngdahl,
Washington University.

National Presbyterian Health & Welfare Association of the United Presbyterian Church in the U.S.A.,
New York, N.Y., December 7, 1967.

Senator Walter F. Mondale,
Senate Office Building,
Washington, D.C.

Dear Senator Mondale: On behalf of the National Presbyterian Health and Welfare Association, may I take this opportunity to thank you for your action in the Senate on November 21st. Your vote supporting Amendment No. 425 of Bill H.R. 12080 was greatly appreciated by members of our Association.

The Association, representing over 400 service units in the fields of child care, health services, services to the aging, neighborhood centers, and institutional chaplains, was distressed with some of the coercive features of H.R. 12080.

It is hoped that the House-Senate Conference Committee, following their discussions, will present a bill which is supportive of a progressive welfare policy to meet the many challenges which face us in the area of health and welfare today.

Yours very truly,

Arthur M. Stevenson, Jr.,
President.

New York, N.Y.

Hon. Walter F. Mondale,
U.S. Senate,
Washington D.C.:

In view coercive discriminatory provisions H.R. 12080 with respect public assistance (AFDC) as reported conference committee, urge vote against bill or return conference with instruction retain Senate provisions.

Rev. Reinhart B. Gutmann,
Executive Secretary, Division of Community Service, Executive Council, Episcopal Church.

Minneapolis, Minn.
December 12, 1967.

Hon. Walter F. Mondale,
U.S. Senate,
Washington D.C.:

Local 932 UAW retirees chapter membership of 200 respectfully request you to reject conferees report on social security in favor of the bill passed by the Senate.

Respectfully,
G. Fred Nilsson, *Chairman.*

Austin, Minn.

Senator Walter Mondale,
Senate Office Building,
Washington, D.C.:

Mower County Welfare Board opposes curtailment of AFDC funds on Federal level as per current considered legislation. We urge your opposition.

Harold Mickelson,
Director.

Beltrami-Cass Work & Training Project,
Cass Lake, Minn., December 11, 1967.

Hon. Walter Mondale,
U.S. Senator,
Old Senate Office Building,
Washington, D.C.

Dear Senator Mondale: Those of us with the Beltrami-Cass Work Experience and Training Project wish to express our dissatisfaction and concern over the 1967 Social Security Amendments as reported out by the House-Senate Conferees.

We feel that some provisions are retrogressive in nature and are in violation of the original intent of the Social Security Act which was to strengthen family life.

We refer specifically to the so-called "freeze" on the number of AFDC children for which the Federal Government will provide funds. The ultimate result of this legislation will be of a punitive nature. It will penalize the poor everywhere, but especially in those states that experience financial difficulty in meeting the costs of assistance.

We are also opposed to the work training provision for AFDC mothers. Unfortunately, some states may use their discretionary option to "force" mothers into such programs with the express, (or overt) purpose of reducing their AFDC caseloads. This apparent emphasis on costs, instead of on people and their problems is distressing to all of us who are daily confronted with the deprivation experienced by these people.

We urge you to oppose the joint provisions for these reasons. We would urge you to support only those amendments which would give the states additional resources, and would enable them to work more effectively in alleviating the many needs of our impoverished peoples.

Thank you.

Yours truly,

Paige Christensen.
Mrs. Sandra Davis.
Mrs. Doris Havumaki.
Jos. C. Helfter.
Dennis Johnson.
Mrs. Louise Kolstad.
Verne Tollefson.

December 11, 1967.

Hon. Walter Mondale,
Old Senate Office Building,
Washington, D.C.

Dear Senator Mondale: There are portions of the 1967 Amendments to the Social Security Act which are not only discouraging, but also contradictory to previous legislation passed in our country. Those of us who are familiar with the problems and pressures of the families receiving public assistance are fully aware of the injustices which will result from the proposed amendments.

If a "freeze" is placed on the number of children eligible for Aid to Families with Dependent Children whose payments could be financed by the Federal Government, it may well result in the malnutrition, disease and abandonment of many children. If persons in destitute situations are denied the assistance which would enable them to provide a minimal subsistence for their families, the ultimate reaction would be devastating to them and to our society. Many local areas of our country do not have the financial wealth to assume the costs of public assistance now covered by the Federal Government.

I am against the Amendments as they are proposed by the current legislation. It is essential that we enact more liberal welfare provisions which take into consideration the social, emotional and physical needs of the destitute persons in our own country.

Respectfully yours,
Mrs. Sandra Davis.

December 12, 1967.

Hon. Walter Mondale,
Old Senate Office Building,
Washington, D.C.

Dear Senator Mondale: From all that I have heard of the 1967 Amendment to the Social Security Act I hope that you will vote against this amendment.

The part regarding rejection of support to some AFDC mothers particularly disturbs me. Why should some children be provided for and others refused sustenance?

This is a sample of sloppy thinking and improper legislation.

Respectfully yours,
Jos. C. Helfter.

December 11, 1967.

Senator Walter F. Mondale.

Dear Mr. Mondale: We appreciate your efforts with regards to the Social Security program benefits.

We only want you to carry along to the committee our thoughts.

It didn't take the Congress very long to vote themselves a nice raise a few years ago but they argue and stall and delay a program that will aid people who are really hurting these days.

We are not looking for a handout. We have worked for years, paying taxes and living as good grass roots U.S. citizens and feel as though, at the present time, we are the forgotten people.

I would like two questions to be answered provided you have the answers.

First. When will the new 13% raise come to us.

Second. We would like to be able to earn a bit more on part time work. Have you any information as to a raise in what amount one can earn per year.

Rest assured Mr. Mondale you will continue to receive our support and the complaints we have given in no way point the finger at you.

Best of luck.

Sincerely,
Theodore R. Menges.
Minneapolis, Minn.

Minneapolis, Minn.,
December 8, 1967.

Hon. Walter Mondale,
U.S. Senator,
Washington, D.C.

Dear Sir: This letter is to protest against the miserable Social Security bill, just passed.

I know that my protest means very little. But as your constituent, I have the right. I do not think it fair to raise Legislators salaries, Govn. employees, army personnel and what have you. You spend money for everything conceivable but not for those on the bottom of the social security rung.

The Democrats will have a hard time to peddle their wares in the next election. This inflation is the Democrats own doing. That really hurts. You know, no human can live on the minimum, set by this bill.

Yours truly,
Frederick H. Reinke.

Washington, D.C.,
December 13, 1967.

Senator Walter Mondale,
Senate Office Building,
Washington, D.C.:

Public assistance and welfare provisions of 1967 social security amendments approved by conference committee represent major retreat from gains won over many years. Freezing of rolls on aid to dependent children and compulsory work programs are punitive and regressive in effect and would work hardship not only on the poor but on state and municipal welfare resources. We commend you for your leadership in urging that Senate stand by its version of bill.

Arthur S. Fleming,
President, National Council of Churches.

New York, N.Y.,
December 13, 1967.

Hon. Walter F. Mondale,
Senate Office Building,
Washington, D.C.:

We urge the Senate to reject the report of the conference committee on the 1967 social security amendments. The medievalism of the public welfare provisions far outweighs any gains to be realized from increases in OASDI benefits. We have a deep concern for the plight of the elderly but the additional hardships to be imposed by the bill on already deprived children and families render this bill an unsound public program. The conferees should be instructed to approximate the bill passed by the Senate, and to reject the inhumane and regressive House bill. Our committees on aging, on family and child welfare and on health join us in urging you to return the proposed bill to the conference committee.

John H. Mathis,
Chairman, Committee on Public Affairs, Community Service Society of New York.

New York, N.Y.,
December 11, 1967.

Hon. Walter F. Mondale,
U.S. Senate, Washington, D.C.:

Please reject conference report on H.R. 12080. Title II irremediably endangers and deprives millions of children.

Joseph H. Reid,
Executive Director,
Child Welfare League of America.

Washington, D.C.,
December 11, 1967.

Hon. Walter F. Mondale,
U.S. Senate, Washington, D.C.:

The Executive Committee of the Leadership Conference on Civil Rights urges you to vote against the conference report on the social security bill. What started out as a social security measure has become an instrument of social insecurity. It generates pressure to break up families. Under this bill fathers would abandon their families and mothers would be forced to leave their children and go to work. The war on poverty is becoming a war on the victims of poverty. Cities now wracked by terrible crises would be faced with the intolerable choice of leaving poor people destitute or trying to provide for them out of funds they do not have. This is a shocking and regressive bill. We urge you to send it back to conference and instruct the conferees to insist on the Senate provisions.

ROY WILKINS,
Chairman, Executive Committee, Leadership Conference on Civil Rights.

NEW YORK, N.Y.,
December 12, 1967.

Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:

We support and are encouraged by your efforts to return bill H.R. 12080 to the House-Senate Committee for further review. We urge you to ask the Senate conferees to uphold the humane intent of the welfare provisions in the Senate bill (amendment 425).

ARTHUR M. STEVENSON, Jr.,
President, National Presbyterian Health & Welfare Association.

WASHINGTON, D.C.,
December 12, 1967.

Senator WALTER F. MONDALE,
Washington, D.C.:

Farmers Union Board calls upon the Senate to reject the Social Security conference report.

Farmers Union feels that the conference report might push welfare concepts backward 20 years. Farmers Union continues to support the plan to give work and training opportunities for low income people instead of welfare as contained in the Senate version which was rejected by the conferees.

Farmers Union is deeply disappointed that the Social Security conference report failed to give significant increases in Social Security payments above a cost of living increase. There is little question that the bill will leave many millions on Social Security with total incomes below the poverty level, and future generations without adequate retirement incomes.

Farmers Union regrets that the drug lobby was successful in eliminating the generic drug provision from the bill, which would save an estimate of $100 million in taxes each year.

Farmers Union urges that the Social Security bill be reworked by the Congress early next year.

TONY T. DECHANT,
President, National Farmers Union.

MIAMI BEACH, FLA.,
December 11, 1967.

Senator WALTER F. MONDALE,
Washington, D.C.:

AFL–CIO considers conference report on social security absolutely inadequate. Most of Senate provisions designed to improve House bill have been abandoned. Benefits for OASDI recipients would barely exceed already increased costs of living. Retreats on welfare provisions enacted by Senate are travesty on America's image as compassionate and humanitarian nation. We urge every Senator to vote against this deplorable attack on poor and underprivileged and request another conference to secure passage of an adequate social security bill.

GEORGE MEANY,
President, AFL–CIO.

NEW YORK, N.Y.,
December 12, 1967.

Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:

We support the social security bill originally passed by the Senate and welcome your efforts to reject conference committee report. Shameful quota on number of children aided must be eliminated. Conference acceptance of limitations on medicaid, forced work procedures, and new burdens on States and localities should be reversed.

FAY BENNETT,
Executive Secretary,
National Sharecroppers Fund.

WASHINGTON, D.C.,
December 11, 1967.

Senator WALTER F. MONDALE,
Washington, D.C.:

The National Association of Social Workers is deeply concerned about restrictive welfare provisions in conference report on H.R. 12080—the Social Security Amendments of 1967—compulsory work requirements on mothers with small children and the AFDC freeze must be eliminated. Respectfully request that you not approve conference report but refer it back with request that new conferees be appointed.

CHARLES I. SCHOTTLAND,
President,
National Association of Social Workers.

WASHINGTON, D.C.,
December 12, 1967.

Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:

We beseech you to filibuster if necessary to defeat the welfare amendments to the social security bill. The mental growth of thousands of infants and children will be gravely affected by the absence of their mothers in compulsory work or training. Day care for children under age 3 is highly experimental and likely to be extremely dangerous if applied broadly. We feel the freeze on ADC payments is also unspeakably cruel. Your courage of this issue now will be justly rewarded by an easy conscience later.

FREDERICK SOLOMON, M.D.,
Medical Committee for Human Rights.

NEW YORK, N.Y.,
December 12, 1967.

Hon. WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.:

The Board of Social Ministry, Lutheran Church in America, is opposed to the regressive public welfare measures embodied in the conference report on the social service amendments of 1967. We support you in your efforts to keep the substance of the Senate bill.

CEDRIC W. TILBERG,
Secretary for Program and Leadership.

WASHINGTON, D.C.,
December 13, 1967.

W. MONDALE,
Senate Office Building,
Washington, D.C.:

ADA opposes the social security amendments conference report. The report's provisions repudiate needs and dignity. ADA urges you to vote against the conference report and to vote for the previously passed Senate social security provisions.

Very respectfully,

LEON SHULL,
Director, Americans for Democratic Action.

WASHINGTON, D.C.,
December 13, 1967.

Hon. WALTER F. MONDALE,
Washington, D.C.

DEAR SENATOR MONDALE: Social security conference report falls short of our recommendations. Twenty-three million older Americans however need all possible assistance. Trust you will take their needs into consideration when voting.

CYRIL F. BRICKFIELD,
Executive Director, National Retired Teachers Association, American Association of Retired Persons.

WASHINGTON, D.C.,
December 13, 1967.

Senator WALTER F. MONDALE,
U.S. Senate, Washington, D.C.:

The Railway Labor Executives' Association, representing virtually all of the railroad workers in the United States concurs fully with the position of the AFL–CIO taken in their telegram of December 11, 1967, on the pending social security legislation. We ask that the social security legislation be returned to the conference committee in an attempt to develop a just solution to the problem of the Nation's retired and poverty stricken.

G. E. LEIGHTY,
Chairman, Railway Labor Executives Association.

BAGLEY, MINN.,
December 12, 1967.

Hon. WALTER F. MONDALE,
Senator for Minnesota,
U.S. Senate, Washington, D.C.:

Wish to support your floor fight on pushing for liberalization of social security bill. Minnesota and Clear Water County will suffer from conference committee bill. Concerned about AFDC freeze, forced employment, medicaid cutback.

JOHN F. JELSTUL,
Director,
Clear Water County Welfare Department.

LONG ISLAND CITY, N.Y.,
December 12, 1967.

Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:

The 1,500 members of the Senior Citizens Club of Bakers Union Local Three, Long Island City, N.Y., urge you to do everything possible that the "punish-the-poor social security bill" does not become law. For this bill to become law would be a disgrace to all Americans. We wholeheartedly endorse and support the social security bill passed by the Senate.

SEYMOUR RASKIN,
Secretary.

ST. PAUL, MINN.,
December 12, 1967.

Senator WALTER MONDALE,
Washington, D.C.:

The 350 members of Ford Local 879 retirees chapter urge you to reject conference report on social security in favor of bill as passed by the Senate.

PHILLIP J. PADDEN,
Chairman.

ST. PAUL, MINN.,
December 1, 1967.

Hon. WALTER F. MONDALE,
U.S. Senate, Washington, D.C.:

The Ramsey County Welfare Board at its meeting on 11–28–67 voted to urge support of a new provision in H.R. 12080 Social Security Amendments of 1967, which would utilize services of Internal Revenue Service to locate runaway fathers and encourage them to make payments to their abandoned children in compliance with court orders. IRS would collect from individual or employer an amount equal to Federal share of court order, if less, if parent refuses payment.

Miss RUTH L. BOWMAN,
Executive Director,
Ramsey County Welfare Board.

SIOUX FALLS, S. DAK.,
December 12, 1967.

Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:

Know of hearty professional support for your coalition of Senators Mondale, Kennedy, Morse, Kennedy, Harris, Hartke, and Metcalf regarding Senate position on 12080 ADC provisions. Better that the 1967 social security amendments perish than that we regress to the punitive era of the English poor laws of 1600.

ROBERT MABBS,
National Association of Social Works Commission, Social Actions for Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota.

[From the Minneapolis Tribune, Dec. 10, 1967]

By Liberals—Senate Welfare Fight Organized

(By Jack Wilson)

Washington, D.C.—A group of Senate liberals held a strategy session Saturday to organize their fight to remove "restrictive and repressive" changes in welfare programs from a bill to increase Social Security benefits.

The group, which included Sen. Walter F. Mondale, D.-Minn., admitted it faces a dilemma. The parliamentary situation is such that by opposing restrictions on programs for aid to dependent children, the unemployed and the aged, the senators would endanger the rest of the bill, which boosts Social Security payments to retired persons.

They agreed to take the risk. Sen. Robert F. Kennedy, D.-N.Y., said "No bill at all is better than this."

Mondale called the bill "One of the worst pieces of legislation I've seen in a long time. The only responsible thing we can do is fight to reject it."

The bill in its present form was the product of a conference committee that met to adjust differences between the House and Senate versions of the Social Security-welfare measure. The Senate version was more liberal than the one that passed the House, and some senators were suggesting that the Senate members of the conference committee had given in to the House on every basic point without receiving any concessions in return.

The group that met yesterday included, in addition to Mondale and Robert Kennedy, Sens. Wayne Morse, D-Ore.; Edward M. Kennedy, D-Mass.; Fred Harris, D-Okla.; Vance Hartke, D-Ind.; and Lee Metcalf, D-Mont.

They cited several specific objections to the conference committee bill, among them:

The bill authorizes state officials to force mothers to take jobs or risk losing their Aid to Dependent Children payments. This would mean that if a mother refused to accept a job, no matter what the wages, that welfare officials found for her, she and her children could be cut off the welfare rolls.

"This is nothing but a way of reinstituting slavery," Mondale said.

Another controversial provision in effect would require states to limit the number of children receiving aid. The number of children eligible for Aid to Dependent Children next Jan. 1 would be balanced against the number of children in the state, and from then on the number receiving aid could not exceed that proportion.

The Senate bill originally provided that children of unemployed fathers should be eligible for aid payments. At present this is optional, and only 22 states have adopted such programs.

The House threw out the Senate provision and further limited the program by saying children of an unemployed father should not be eligible unless he had had "a substantial connection" with the labor force. This would eliminate young fathers still looking for their first jobs."

The conference report also provides that the children are not eligible if the father gets unemployment compensation—regardless of the amount—or has applied for it.

Incentive provisions of the Senate bill designed to encourage persons on welfare to find jobs were reduced by the conferees.

The Senate bill would have allowed a family on welfare to keep the first $50 of earned income each month, plus 50 per cent of whatever was earned above that amount, without a reduction in welfare payments. The conferees cut this to $30 and 30 per cent.

In addition the Senate bill proposed to permit welfare clients in certain work training programs to keep up to $87 per month of their pay without suffering loss of welfare. The conferees cut this to $30 per month.

December 11, 1967.

Dear Senator Mondale: Regarding enclosed clipping from the Sunday paper I like to express my great dismay, because the provision to include widows regardless of age under the disability provision under Social Security was deleted.

I came to the United States in 1947 from Berlin, Germany. Was married, had a daughter in 1948 and became disabled with polio in 1950. Spent eight months in a local hospital and was sent home in a wheelchair. In 1957 my husband died very suddenly. I was left with many bills, a mortgaged house, very little money, a nine-year-old daughter, and still disabled.

We were covered under widows and survivors Social Security. I could not hold onto the house and had to move into public housing in 1960, where I still live.

My widows pension under social security was cut of March 1, 1965. I was told by that "sweet" lady at the Social Security department that I would just have to wait around 'til I reached age 62 when I could get any other benefits.

My daughter is a student at the University of Minnesota. Last year she received a scholarship and an Education grant. For her sophomore year the grant was denied because she gets $93.20 a month from Social Security. The University insisted that the money should be spent only for her tuition and books, et cetera. But the money goes for food, rent, clothes and things like that.

I have tried since my daughter started high school six years ago to get some help and training from various departments like Voc. Rehab. and the "War on Poverty" (New Couriers) without any luck. They have taken my applications, talked to me and then it was always, "Don't call us, we will call you. . . ." Nothing constructive ever happens. By now I am so discouraged I would just as soon lay down and vegetate, but I must go on and help my daughter get through college. With a college degree she will never have to worry about the same things I had to. I could hold down a good paying job despite my handicap if I had some sort of degree.

If I was covered under Social Security now I could still earn a few extra Dollars without worry that it would be taken away from me. That's what's wrong with our so-called "Welfare" legislation, handouts through highly unsuited so called "Welfare" people, but not constructive, timely programs that would encourage people to help themselves.

Just read the last paragraph on the enclosed clipping. Locally through "Indoors Sports, Inc." we pressed for that legislation, had it passed and now what. It is so discouraging. Since my Social Security was cut I receive a very small amount of money monthly through Aid to the Disabled, but what humiliation and the people that dole this out are impossible. One has to learn to wheedle and beg for needed extras. I refuse to do so under any circumstances. I wish there was a way out. So please throw your weight behind some of the incentive measures and improve Welfare legislation.

Sincerely,

Ursula G. Kozak.

Minneapolis, Minn.

P.S.—Without this money Carol would not be back at the University. I am a member of the 5th district Federation of Womens Clubs.

U. K.

"A sophomore at the University of Minnesota, Carol Kozak, 19, center, received a scholarship check for $250 from Mrs. E. Hane Carlson, 37 Park Lane, Fifth District president. It was her second scholarship. At left was her mother, Mrs. U. G. Kozak, 630 Bryant Av. N."

The Federation of Public
Service Employees No. 8,
St. Paul, Minn., December 11, 1967.

Senator Walter F. Mondale,
U.S. Senate,
Washington, D.C.

Dear Senator Mondale: The City and County Employees Local #8, AFL–CIO are disappointed with the Social Security Bill agreed upon by the House and Senate Conference Committees.

Hope you can have it improved on the Senate Floor. Hold to the $70.00 monthly minimum if possible.

Yours very truly,

Carl D. Gastineau,
Legislative Chairman.

Citizens Protest Social Security Bill
Washington, D.C.,
December 11, 1967.

Dear Senators and Congressmen:

At a national conference in Washington last week, delegates from all parts of the country who have responsibilities in administering social welfare programs responded with shock and dismay when the Joint Senate-House Conference Committee reported out H.R. 12080 Thursday evening, December 7. Clearly the Conference Committee did not understand the injurious implications of this legislation to people on public assistance. On Friday, December 8, during intervals between workshops, a great many delegates discussed what could be done to protect the gutting of so many of the forward-looking provisions that had been incorporated into the Senate bill. A spontaneous groundswell of protest prompted the four individuals listed below to call a meeting that afternoon, after the official conference sessions had ended, to consider what action might be taken. Five hundred individuals appeared in the Palladium Room at the Shoreham Hotel at five p.m. to express their concern. Many of those were on their way home that night and will be getting in touch with their Senators and Representatives from there.

One of the actions agreed to was that a petition be circulated among the delegates at the final session of the conference on Saturday, December 9. The petition language and names of the signatories accompany this letter. The 227 signatures from 29 states and the District of Columbia and the Virgin Islands represent largely persons who are directly concerned with the application of welfare programs in their communities and who therefore are keenly aware of the problems that the drastic deletions by the Conference Committee will impose.

We hope you will take full cognizance of the deep concern expressed in this spontaneous gesture, unorganized though it may be, as you consider further how you will vote on the Conference Report on H.R. 12080.

Sincerely yours,

Mrs. Phillip Thorson.
Geraldine Aronin.
Charles Lansberry, Jr.
Iris Gordon.

St. Cloud, Minn.,
December 13, 1967.

Hon. Walter Mondale,
U.S. Senate Office Building,
Washington, D.C.:

We are concerned about the House Senate Conference Report on Social Security. We hope you are. The freeze on AFDC recipients and the force element in the work-training program ought to be eliminated. Since it is totalitarian in spirit and in direct opposition to values of family life. Placing limitations on amount of Medicaid payments is asking the poor not to get as sick as the rich. Please oppose the Conference Report and return to committee to join results more in line with the Senate version, H.R. 12080.

Richard J. Leisen,
Catholic Charities and
Family Service Director.

Committee of Concerned Citizens—Petition Signed at Shoreham Hotel, Washington, D.C., Saturday, December 9, 1967

We, the undersigned—a group of concerned individuals—do hereby register our protest against the decision made by the House-Senate Conference Committee which destroyed the positive results of the Senate sponsored amendments to HR 12080.

We believe that the Senate proposal requiring welfare aid be given to families of unemployed fathers living at home, exempting work training programs for mothers of small children, adding to the benefits for Medicaid, providing for subsidy of work programs, and especially eliminating the freeze on the number of children receiving aid, plus other constructive amendments, are sound and beneficial to the basic public welfare system.

We believe that by deleting these Senate amendments not only will the welfare program be severely affected, but so will all other programs that have been established to combat poverty.

California: John P. Florey, Elizabeth MacLatchie;
Delaware: Irene K. Simpler, John Berenguer, Donn E. Jannel;
Florida: Barbara S. McCubbin, Margaret H. Jack;
Georgia: Charlou Seegar;
Hawaii: M. G. Fox;
Illinois: Isabel B. Waddy, Frank G. Blumb, William H. Waddy, Bob Mondlock, Joan Mondlock, William H. Roberson, Vivian O'Malley, Elease I. Reed, Ann Simons, Wm. H. Robinson, Thomas D. Hunt, Winnona Carter, Vivian Sasin, David L. Daniel;
Kansas: Ruth Casey, Miriam P. Harper, Joyce E. Reed, Harriet Burroughs, Elizabeth Lovgood;
Maine: Beatrice M. Chapman;
Maryland: Geraldine Aronin, Linda Millison, Nathan Miller, Bette Stein, George E. McDowell, Marit Thorson, Delores B. Ruffin, Elizabeth A. Riley, Milton Wittman, Walter R. Dean, Jr., Charles Lansberry, Jr., John O. Isaac, Virgil Hampton, Wayne D. Swartz, E. Wheeler, Robert Lansdall, Raleigh C. Hobson, Felton Gogau, Margaret Woodward, Louise Rainer, Barbara U. Mikushi, Gracie E. Goode, Monk S. Harvey, William E. Harvey, Lloyd A. Anderson, Robert H. Cohen, Jennie M. Jenkins, Inge Barron, Edmond D. Jones, Freddie L. Jones;
Massachusetts: Daniel I. Cronin, Gertrude P. Feder, Ernestine R. Friend;
Michigan: Michael Mahow;
Minnesota: Mary Ann Banas, Joe Brewins, Joe Gaertner, Mrs. J. G. Scott, Raymond T. Brien, Richard H. Giberla, John Fjelstul, Eb Lipschultz, Joyce Luoma, Frank J. Widerski, Mrs. F. Widerski, Don Fisher, Eugene Powell, Gordon W. Burpe, Verne Follepar, Mays Newhouse;
Missouri: Martha Hughes, Judith L. Dubbs, Robert W. Chester, Ralph E. Pumphrey, Robert Lawyer;
Nebraska: C. A. Paterson;
Nevada: Markin S. Sonju, Mark Brand;
New Hampshire: Kathleen Neerlle, Barbara Hanus, Elmer C. Rudey;
New Jersey: Arleen Kenney, Wilbur F. Pick, M. L. Cornease, Rose C. Thomas, Wynetta Bryant, Connie Brady;
New Mexico: John G. Jasper;
New York City: Elizabeth Wickenden, Gwendolyn Nurse, Myrtle M. Joseph, Elizabeth Twilley, Virginia P. Hyde, Minerva Critchlow, Madlyn Screiber, W. Budd Dorpet, Gusta Stuger, Judith Mendell, Martin Silberstein, Jane Saltzman, Totaro Okada, V. Demby, Elizabeth Bayroad, Josephine Ryan, Edith S. Baxter;
New York: Katherine M. Ahearn, Jannette S. Force, Ruby Lowmer, Florence Gitten, Catherine M. Manning, Huldah Marsh, Mary Millicent Hopkins, Myrtle B. Horrington, Natalie Wiley Brown, Lucy K. Longhart, Marguerite Preval, Frieda Luck, Elton H. Golden, Louise Nelson;
North Carolina: Annie May Pemberton, Myra F. Milchman, Frances B. Long, Augusta M. Cooper, Rebecca Peebles, Virginia Pfohl, Margaret M. Stirk, Mrs. Thelma Doby, Katherine Barrier, Patricia Hill, Josie M. Pittman;
North Dakota: Barbara Stein, Mrs. W. R. Hovell, Henry Stimsodt, Miss Nora Johnson, Estelle I. Krick;
Ohio: Elizabeth Tuttle, Esabelle A. Hadley, Hilda K. Gilbert, Arnett Wright, Judy Fanning, Marian Ramsay, Bob Moor;
Pennsylvania: Thomas Gallagher, Samuel C. Freson, Joseph I. Nicholson, Helen Abbatico, Jean E. Moore, Shirley D. LeBlanc, Elizabeth Welton, Patricia Tomlinson, Deane Crongard;
Rhode Island: Amity E. Rein, John J. Affleru, Phimer Gottschalk;
South Dakota: Carol E. Anderson;
Utah: Melvin Pobanz, Olga E. Ballif;
Virginia: Richard E. Morrison, Ann Emmon, Betty J. Wright, Bernice Amspohn, Clara M. Stirk, Pauline A. Rogers;
West Virginia: Gene Ann Snyder, Ann B. Sullivan, Dorothy Allen, Elizabeth Sharkey;
Wisconsin: John S. Patten, Esther Frolat, W. E. Kurtz, Max Wald, Helen de Bardeleben, Helen MacDonald.
District of Columbia: Elizabeth Long, B. A. McIntos, Marjorie M. Farley, Linda D. Lovell, Harriet Gruger, Beatrice L. Garrett, Edna H. Hughes, George Sitgraves, Myrtle Wolf, Inabel B. Lindsay, Alan Ane Taussend, Victoria C. Sims, Richard Ackerman, Anna W. Schneider;
Virgin Islands: Helen C. Owens, Joycelyn Excarxacion;
Unidentified by State: Zigmund Gabruk, Irene H. Jacobson, Judith A. Evelancy, Patricia Milligan, Lisa Gooden, Katherine Sullivan, John Barnett, W. Howard, D. A. Thomas, Howard Kaplan, Grace Hechlenard, Mary A. Craig, Margaret D. Ward, Eugene Leyellotto, Mary Chance, Audry Pittman, I. S. Longuh, Isabelle Axenfeld, Ruth C. Argento, Alicetine K. Bell.

Dear Mr. Mondale: Our choice for the Senate.

A funny thing happened to the new Social Security bill from the Senate to the House.

This bill was not even recognizable after the mutilizing the House gave it.

I am sure I am speaking for all the Senior Citizens in your home State when I ask you for help on this very important bill to us.

C. J. Obert.

Minneapolis, Minn.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 14397) making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Mahon, Mr. Kirwan, Mr. Whitten, Mr. Evins of Tennessee, Mr. Natcher, Mr. Flood, Mr. Bow, Mr. Laird, Mr. Minshall, and Mr. Langen were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 10595) to prohibit certain banks and savings and loan associations from fostering or participating in gambling activities, and it was signed by the Acting President pro tempore.

THE UNITED STATES SHOULD BREAK DIPLOMATIC RELATIONS WITH FASCIST GREEK USURPERS

Mr. YOUNG of Ohio. Mr. President, the dread portent of the hour is not apparent at the moment. These are black days for Greece. The recent flight of King Constantine of Greece from Athens to Rome has at last clarified the moral and constitutional situation in Greece. It is now crystal clear to the world that General Patakos and his fellow conspirators in the junta which overthrew the constitutionally elected Greek Government are in rebellion against the Crown. Their regime is patently illegal and should be treated as such by the United States and Greece's other NATO allies.

So long as the King gave his reluctant sanction to the Fascist junta after last April's coup they had some vague claim to legitimacy. Now, it is obvious that they are usurpers. In his effort to overthrow the junta the King has in effect dismissed the comic opera government of the Fascist colonels and generals.

I strongly urge that President Johnson and Secretary of State Rusk immediately recall our Ambassador to Athens, withdraw recognition from the ruling junta and immediately stop all economic and military assistance to their criminal regime. Furthermore, it must be stated in the strongest terms possible to the tyrants now ruling Greece that they will face most dire consequences if they should proceed to engage in a bloodbath and savage repression of the more than 3,000 political prisoners now incarcerated in their concentration camps.

Mr. President, if some ragtag group, including some Communists, had taken over Athens in the darkness of night, surely Secretary of State Dean Rusk and the Department of Defense would have sent in some of our planes and airborne troops to protect American lives, as they stated they had done at the time of the Dominician Republic crisis. And yet, what difference is there in the way the tyrants, whether Fascists or Communists, rule? The Facists now govern Greece by decree. They arbitrarily arrest some citizens, deny them their rights, confiscate their money and property, and without written charges, or any charges whatsoever, throw them in jail or send them to detention centers in islands around Greece. The tactics of that Fascist regime are no different than they would have been had the Communists taken over.

The Fascist clique now ruling Greece

has suppressed personal freedom, established control over press and radio, abrogated the constitution and canceled free elections. To date we have accepted these actions. There have been no expressions of profound concern from the administration, no special ambassadors dispatched to Athens, no threat of intervention in behalf of the Greek people to choose their own form of government, no exertion of pressure through economic or military aid to restore constitutional government in Greece. If instead of rightwing generals, a ragtag group of leftwing extremists and Communists had staged a coup d'etat and established a Communist government or quasi-Communist government in Greece, without doubt officials of our State Department and our Defense Department would have immediately taken measures to oust them. The Fascists deserve no less.

It is clear to all that those colonels and generals have no intention of restoring constitutional government to Greece. Greece, the cradle of democracy, has gone Fascist. Patakos is a Greek Mussolini. It is also clear that these ruthless power seekers are now free of the few restraints they had accepted prior to the King's exile.

To continue to recognize this criminal regime would be a blight on our honor. It is my understanding that the Government of Great Britain earlier today refused to recognize the junta and was reconsidering the entire scope of relations between London and Athens. Certainly, Mr. President, our Government should do no less. In fact, we should take leadership in making every effort possible to restore freedom to Greece.

MODIFICATIONS AND REVISIONS IN THE INTERSTATE HIGHWAY SYSTEM

Mr. RANDOLPH. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 913, H.R. 13933.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 13933) to amend title 23, United States Code, to authorize modifications or revisions in the Interstate System.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works, with an amendment, on page 3, after line 12, insert a new section, as follows:

SEC. 2. Section 129 of title 23, United States Code, is amended by adding a new subsection (f) at the end thereof:

"(f) Whenever the Secretary, upon the request of any State, finds that any toll road, bridge, or tunnel which heretofore has been designated as a part of the Interstate System is no longer capable of meeting the standards adopted for the improvement of projects located on the Interstate System without substantial construction, reconstruction, or improvement, which inabilities to meet such standards are, in part, due to changes in the standards required by law and when the Secretary also finds that such toll road, bridge, or tunnel constitutes a high accident location which cannot be corrected without substantial construction, reconstruction, or improvement, he may permit Federal participation in the acquisition of such toll facility as improved right-of-way, on the condition that tolls will be removed at the time the facility is acquired. In no event shall the Federal share of the cost of acquisition of such facility exceed 90 per centum of the average market price of the outstanding bonds for the year immediately preceding the State's request that such acquisition be undertaken."

Mr. RANDOLPH. Mr. President, I ask to strike section 2 of the bill, beginning on line 13, page 3. This language will not be needed, since the problem to which it is directed can be handled by other means.

The PRESIDING OFFICER. The question is on the committee amendment. [Putting the question.]

The committee amendment was rejected.

Mr. RANDOLPH. Mr. President, the interstate highway program has been in progress for more than 11 years. The system was originally authorized in 1944 and laid out in 1947. It has become apparent that certain projects cannot be undertaken within the completion schedule established in 1956. These projects are all in urban areas where difficult corridor location problems make decisions almost impossible.

At the same time, within the same States, there are alternate nonurban corridors which could be included on the system but because of the 41,000-mile limitation contained in the Federal Highway Act of 1956, these projects cannot be undertaken. H.R. 13933 will permit substitutions of projects upon the meeting of certain well defined conditions.

In general the bill amends section 103 of title 23, United States Code, to authorize an additional 200 miles. Let me emphasize that this is not a 200-mile extension of the Interstate System. The Committee on Public Works is well aware of the fact that there is a need for extending the mileage of the Interstate System. There are currently pending before the committee eight bills to achieve such a result. The committee will undertake consideration of legislation to accomplish an extension of the system during the next session of the 90th Congress.

The 200 miles which this bill authorizes may only be used to facilitate modifications or revisions in the interstate road program. Two hundred miles are needed because there are only 25 miles presently undesignated remaining out of the original 41,000.

In order for a State to take advantage of the provisions of H.R. 13933, it must be prepared, first, to deactivate a portion of the currently authorized system within the State which is not essential to the completion of a unified and connected Interstate System; second, give assurances that the deactivated portion will not be constructed as a toll facility; and third, be able to construct the substitution at or below the amount of money the deactivated project would have cost under the 1965 cost estimate.

The legislation will provide States with the flexibility to better serve the needs of traffic and at the same time will not increase the cost of the system. In order to qualify, a State must be prepared to give up something. This bill does not provide for an outright increase but merely grants permission to make a substitution and provides the additional miles necessary to make the substitution meaningful.

Mr. President, I want the record to reflect that this legislation which came over to us from the House was considered by the Public Works Committee of the Senate and there was unanimous agreement within the committee that the measure should be passed in the Senate, as it has previously been passed in the House.

Now, Mr. President, I am glad to yield to my distinguished friend from Iowa who has an interest in this legislation.

Mr. MILLER. I appreciate my colleague's yielding to me for a question or so.

I think that he has very definitely stated some of the conditions for the additional mileage that would be authorized. I wonder whether he would mind repeating why it is necessary to have the additional 200 miles authorized for the Interstate System?

As I understand it, the State must surrender some portion of an interstate segment in order to obtain the money that would otherwise have been spent on that segment for other uses in the State; but I do not understand, yet, why there is the 200 additional miles authorized by the pending bill for that purpose.

Mr. RANDOLPH. Perhaps the best way I can answer the question is by example: In New Jersey, they propose to deactivate an 8-mile segment in that State. The estimated cost of that project is approximately $100 million.

Under this legislation, that deactivated 8 miles would be replaced by 40 miles, but the 40 miles would be constructed for a total sum of approximately $60 million rather than the original cost estimate of $100 million.

Senators WILLIAMS and CASE, both of New Jersey, expressed agreement on the plan to deactivate a road and construct the new segment to be fitted into the Interstate System. New Jersey is a very specific case to which we can point as to the reason for the extra mileage. The substitute project requires extra mileage to make a complete connection. The 8 miles alone would not be sufficient to serve the needs of the area involved.

Mr. MILLER. So that the extra or new 40 miles will become a part of the Interstate System in New Jersey, and it will actually cost less than the original short segment.

Mr. RANDOLPH. Yes; $40 million less.

Mr. MILLER. In order to give flexibility, there must be extra mileage, which is going to be there, but without the extra cost?

Mr. RANDOLPH. The Senator from Iowa explains the matter very clearly.

Mr. MILLER. There is no possibility of a State obtaining this extra 200 miles unless it surrenders a segment. So it is a quid pro quo. As the Senator from West Virginia points out, in the case of New Jersey there is actually a saving.

Mr. RANDOLPH. There would be. I mention that because the legislation originated, in part, with the problem in New Jersey. There is also a situation in California which can be handled by H.R. 13933.

Perhaps the RECORD should indicate that we are not certain how many States will come under this bill, but we think there are a number which could use it to solve problems.

Mr. MILLER. Mr. President, may I ask a further question of the Senator from West Virginia?

Mr. RANDOLPH. Yes.

Mr. MILLER. What is going to happen to the saving in the case of New Jersey? Would it be available for use in the Interstate System? We all know, as a matter of fact, that the Interstate System has, over the years, increased in cost above the cost estimates. Would it be the Senator's thought that this money would revert to the Interstate System fund?

Mr. RANDOLPH. Yes.

Mr. MILLER. For use in another State?

Mr. RANDOLPH. Yes.

Mr. MILLER. In implementing that Interstate System?

Mr. RANDOLPH. Yes.

Mr. MILLER. May I say to the Senator from West Virginia that I think the bill is needed. I think it is going to fit very properly into the intention of Congress, but I know we have to have legislation in order to meet these contingencies.

I appreciate very much the Senator's willingness to bring this matter before the Senate at as early a date as he possibly could. I think the committee is to be commended. So is the chairman.

Mr. RANDOLPH. I thank the Senator for his comments. I know he follows these matters very closely. Frankly, I wish he were back on the committee, where he gave attention to these matters. I appreciate his joining the chairman of the committee in support of this legislation.

Mr. President, I desire no more time.

Mr. DOMINICK. Mr. President, I support the flexibility which is provided in the current bill H.R. 13933 to authorize an additional 200 miles for the Interstate Highway System. This flexibility is needed in several States, among which is the State of Colorado.

Mr. President, I want to point out that the additional 200 miles being proposed to be added to the Interstate System shall be accomplished without any additional cost over that which has already been budgeted. Actually in some areas the cost of adhering to the requirement in the Interstate Highway Act that the highway shall connect by the most direct route possible the metropolitan centers of one State with those of another is greater than that of an alternative route which would provide an equal or better highway a few miles longer but at a substantial savings in cost to the taxpayers. Such is the case with respect to Interstate 70 between Dillon and Booth Creek, Colo.

Under existing law the proposed route which follows U.S. 6 west of Denver to Dillon would then proceed west from Dillon, under the Gore Range via a twin-bore tunnel under the Gore Range and join U.S. 6 again east of Booth Creek. the 16.5-mile route from Dillon through the Red Buffalo Tunnel until it rejoined Route 6 near Booth Creek would pass through the Gore Range-Eagles Nest Primitive Area with considerable disruption to the wildlife and primitive state of the southern tip of this primitive area. The cost of this 16.5 miles of highway has been very conservatively estimated as being in excess of $63 million. However, improvement of an alternate route, the present Route 6 which is 10.6 miles longer, would require an expenditure of approximately $22 million to bring it into conformity with Interstate Highway standards. There are factors other than distance which recommend the alternate route. First, the Red Buffalo Tunnel route would enter the tunnels at an elevation higher than any elevation to be found on the alternate route. On both sides of the tunnel the driving conditions would be comparable. On the Red Buffalo route the grades of 7.5 percent would be substantially above that found on the alternate U.S. 6 route.

Mr. President, I have recently traveled the proposed route through the primitive area on horseback and on the following day flew over the route by airplane to survey the area. I am firmly convinced that improvement of the existing U.S. Highway 6 to Interstate standards would result in an equal or superior scenic route at an earlier time, and at substantially less cost to the taxpayers. Therefore I believe we should take advantage of it. The present bill which authorizes additional mileage to the Interstate Highway System will be of benefit in reaching that decision. I therefore fully support this legislation.

Mr. COOPER. Mr. President, I would like to comment briefly on the pending measure, H.R. 13933.

While the bill has been passed by the House of Representatives, and approved by the Committee on Public Works on which I serve, I think it important that it should not serve as a precedent. The subject of any additional mileage for the Interstate System, or of any change in the criteria for the designation of interstate routes as approved by the committees in 1955, should be very carefully considered by the House and Senate Committees on Public Works, and testimony received at thorough hearings.

Some flexibility should be accomplished, to accommodate changes since the interstate routes were first designated, to protect historic areas and parks, to reduce the high cost of some urban routes, and to avoid disruptive effects on the life of these areas. But attempting to deal with these questions through special legislation runs the risk of its substitution for proper administrative determinations under the law.

The correct way, it seems to me, is for the committees to consider the problems involved—as our committee under the leadership of Senator RANDOLPH is doing in its hearings on the impact of highway planning, design, and location on the growth of urban areas, and as it will do next year in considering the highway program to follow the interstate program, including urban highways.

I will support this bill, which I believe includes certain safeguards and relies on proper administrative determinations. But I do want to point out that it must not be considered a precedent for intervening in or substituting for administrative decisions in this vital program, which has such far-reaching effects and which is a costly program.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question now is, Shall it pass?

The bill (H.R. 13933) was passed.

Mr. MILLER. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. RANDOLPH. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H.R. 3031. An act for the relief of Mr. and Mrs. Christos Photinos-Svoronos;

H.R. 5575. An act for the relief of Panagiotis Paulus;

H.R. 6326. An act for the relief of Chrisanthe Savas Karatapanis;

H.R. 7427. An act for the relief of Maria Kolometroutsis; and

H.R. 8476. An act to confer U.S. citizenship posthumously upon Pfc. Alfred Sevenski.

The message also announced that the House had passed a bill (H.R. 10397) for the relief of Nguyen Van Be (James Be Roellig), in which it requested the concurrence of the Senate.

THE COPPER STRIKE

Mr. MANSFIELD. Mr. President, this statement is in behalf of my distinguished colleague, the Senator from Montana [Mr. METCALF] and myself.

After a meeting with the Secretaries of Labor, Defense, and Commerce, first, we wish to express our great disappointment that the four major copper producers could not find it possible to go along with the creation of the factfinding board and our appreciation to the union for its acceptance.

Second, we do not see the possibility of a creation of a presidential factfinding board.

Third, there is no possibility that Taft-Hartley will be invoked because the supply of copper precludes the national emergency factor.

Fourth, it is our belief that the national stockpile will not be touched.

Therefore, it appears that the only way this matter can be settled is not through Government intervention but only, as we have stated repeatedly, by the unions and the producers getting together on a daily around-the-clock basis. In the last analysis the strike will have to be settled in this manner. We have been assured by Mr. William E. Simkin of the Federal Mediation and Conciliation Service—incidentally, Mr. Simkin was at the meeting today—that he will use the whole resources of his office and will be ready to participate in the settlement of these disputes. Each day's delay means only more misery for the miners and the smeltermen and it is our hope that both the companies and the unions will take immediate measures to get together, get down to business, and start negotiations at long last—and for the first time.

Perhaps the recent proposal by Phelps Dodge, which we understand has been turned down by the steelworkers, ought to be reopened, because we understand that for the first time, an offer of consequence has been made by one of the major producers and we would hope that this possibility would be explored further so that a possible pattern could be set for an eventual settlement.

IDLE THEORIES, IDLE MEN

Mr. MANSFIELD. Mr. President, the miners and companies alike have paid a heavy price for 5 months of inactivity during the current national copper strike. There is urgent need for a new initiative to get the strike negotiations off dead-center.

A front-page article in the December 11 issue of Barron's Weekly, entitled "Idle Theories, Idle Men," sums up the state of the impasse in the following words:

> Like most manmade disasters, the copper strike apparently defies attempts to fix responsibility. Management and labor, which can't even agree on the dollar-and-cents value of their respective bids and offers, thrust the burden of guilt on each other, while government vainly seeks to find some middle ground. The truth is that all hands must share the blame.

Mr. President, the article sheds additional light on a murky situation, and I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IDLE THEORIES, IDLE MEN

The production and sale of copper, once a more-or-less run-of-the-mill affair, lately has been anything but business-as-usual. Eighteen months ago, at the height of the record-breaking shortage, thieves were stealing cable right out of the ground, and copper wire off telegraph lines and telephone poles. Last spring, the Federal Bureau of Investigation arrested several principals in a New York City trading firm on charges of conspiracy to blow up a railroad bridge in Zambia, second largest producer of the red metal, and thereby to rig the world market. Since mid-July, finally, over 50,000 workers in 12 states have been pursuing the longest and costliest walkout in the industry's history. For the first time since the protracted steel dispute of 1959, the Executive Council of the AFL-CIO last week voted to set up a special strike fund; it also vowed to keep the bosses from "starving the strikers into submission."

In an age of enlightenment in labor relations, where muscle is supposed to be flexed only at the bargaining table and nobody goes hungry, the copper strike increasingly resembles the bad old days of dog-eat-dog. The shutdown has cost producers an estimated three-quarters of a million tons of output to date, while exacting upwards of a quarter-billion dollars in excessive costs from consumers. In several Western states (notably Arizona, Montana and Utah, where 7%-10% of the work force is idle), it has slashed tax revenues and forced the imposition of emergency levies. Perhaps worst of all, it has brought financial hardship to thousands of miners and their families and the local businessmen with whom they trade.

Like most man-made disasters, the copper strike apparently defies attempts to fix responsibility. Management and labor, which can't even agree on the dollars-and-cents value of their respective bids and offers, thrust the burden of guilt on each other, while government vainly seeks to find some middle ground. The truth is that all hands must share the blame. By joining forces with a rival union and insisting on industry-wide bargaining, the United Steelworkers (AFL-CIO) are making a grab less for money than for power. By refusing to invoke the Taft-Hartley Act, Washington in effect has sanctioned a strike that is doing great harm to the U.S. balance of payments. Management—which, after all, should know better—has the most to answer for. In a futile effort to keep a lid on prices, domestic copper producers for years have persisted in charging less than the traffic will bear. Thus they have encouraged massive hoarding, which has tended to delay a quick settlement; spurred exaggerated market moves abroad and distorted supply and demand at home; and otherwise undermined their own best interests (as well as those of their workers). The quest for counterfeit price stability, in short, has yielded economic chaos.

In recent years chaos in copper has taken many forms. For example, since 1964, when quotations on the world market climbed above those of U.S. producers, there has been not one copper price but several. In this country prices have grudgingly inched up a cent or two at a time, from 30 cents per pound to 38 cents. At least once Washington browbeat the industry into rescinding a two-cent rise. Meanwhile, elsewhere—notably on the London Metal Exchange, where African, Chilean and Canadian mines sell their output—the lid blew off. At the peak of the shortage last year, copper in London fetched over 90 cents per pound, or perilously close to the point at which it would have begun to pay to melt pennies. Even prior to the U.S. strike in mid-summer, when the market was showing unmistakable signs of weakness, the world price never fell below 44 cents a pound.

The fancy premiums threatened at one point to trigger a crime wave. Thefts of scrap metal or anything with a sizable copper content soared, as noted, while telephone, telegraph and electric utilities began reporting the suspicious disappearance of wire and cable. Since demand for anything priced too low is theoretically unlimited, scarcity also led producers to ration their output; under the quota system which they adopted, only old customers could buy copper and in quantities no greater than those of 1963, the base year. A few, in consequence, enjoyed handsome windfalls, while many—notably the fastest-growing—paid heavily. Since 1963, Belden Corp., which makes a varied line of electrical wire, cable and cord, has stepped up its consumption of copper by nearly 65%. As an executive wryly told the National Association of Purchasing Agents last week: "We had to turn elsewhere for that added portion . . . we have been living with a blended copper cost situation for sometime."

Less good-humored customers have grown either sullen or downright mutinous. Nearly two years ago, the chairman of British Insulated Callender's Cables pointedly cited a "pronounced swing" toward aluminum in his company's products. Last year Alcan Aluminum made a $12 million capital gain "from the sale of large copper bus conductors which were replaced by aluminum." Last month American Telephone & Telegraph Co., which ranks second only to the U.S. government as a copper buyer, announced that a 2½-year effort to substitute the lighter, cheaper metal had met with success. "For the first time," said AT&T, "our experiments have made us confident that aluminum cable will be used ultimately to replace copper in many uses."

Industry pricing policy also must bear much of the blame for the bitterness and length of the present strike. True, as noted, the unions have done their worst to exacerbate matters. The last-minute merger (on July 1) between the Steelworkers and the Mine, Mill & Smelter Workers allowed organized labor for the first time to confront employers with a united front. In an effort to exploit its advantage, labor has been seeking to impose an industry-wide pattern upon many different kinds of mining operations. Hence the strike has become less a dispute over wages, hours or working conditions than a holy war. "It's an ideological thing now," said one union man.

It's also the inevitable result of past mistakes. For artificially low prices encouraged a wave of inventory-building, the extent of which has amazed all the experts, public and private alike. Thus, when the walkout began on July 15, Secretary of Commerce Trowbridge predicted: "It will take within three-to-five weeks until we reach rock-bottom of our supply." In mid-September a top sales executive of one leading producer remarked: "The entire pipeline will start to dry up by late this month." Now, five months and 750,000 tons later, only a few manufacturers of auto radiators and other parts requiring special grades of metal have suffered from shortages. By insulating management from both political and economic pressures, the unsuspected over-supply doubtless has prolonged the dispute. By helping to persuade labor that copper prices are a one-way street, industry policy has worked to the same end. Three years ago Barron's warned: "Future (wage) pacts, either at Kennecott or its competitors, undoubtedly will come higher and harder." We never figured on a five-month strike.

While the cost has been high some good may come of it. Perhaps it's been a chastening experience for the militant union leadership, which faces hard bargaining in coming months with makers of cans, aluminum and steel. It also may have taught management something useful about the workings of supply, demand and price. Industrial statesmanship has proven inferior to the free market. Businessmen had better stick to business.

ORDER FOR ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until 9 a.m. tomorrow.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

NGUYEN VAN BE (JAMES BE ROELLING)

Mr. KENNEDY of Massachusetts. Mr. President, I ask unanimous consent that the Chair lay before the Senate a message from the House of Representatives on H.R. 10397.

The PRESIDING OFFICER. The bill will be stated by title.

The Legislative Clerk. A bill (H.R. 10397) for the relief of Nguyen Van Be (James Be Roelling).

Mr. KENNEDY of Massachusetts. Mr. President, I ask unanimous consent that the bill be considered as having been read the second time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY of Massachusetts. Mr. President, I object to further proceedings on the bill.

The PRESIDING OFFICER. Objection having been heard to further proceedings, under rule XIV the bill will go to the calendar.

AMENDMENT OF IMMIGRATION AND NATIONALITY ACT—ALIEN COMMUTER (GREEN CARD) SYSTEM

Mr. KENNEDY of Massachusetts. Mr. President, on behalf of myself, the Senator from Texas [Mr. Yarborough], the Senator from New York [Mr. Javits], the Senator from New York [Mr. Kennedy], the Senator from Michigan [Mr. Hart], and the Senator from New Jersey [Mr. Williams], I introduce, for appropriate reference, a bill to amend the Immigration and Nationality Act.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2790) to amend section 212 of the Immigration and Nationality Act, introduced by Mr. Kennedy of Massachusetts (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. KENNEDY of Massachusetts. Mr. President, this amendment adds a new subsection to section 212 of the Immigration Act, which lists the grounds for exclusion of aliens and waivers of inadmissability. The amendment is geared specifically to regulating more effectively the influx into the United States of Nationals from Canada and Mexico under the so-called alien commuter system administered by the immigration and naturalization service.

This system—a creature of administrative ingenuity without a statutory base—permits Canadian and Mexican workers who have been lawfully admitted to the United States for permanent residence, and who hold alien registration receipt cards—commonly known as "green cards"—to reside in Canada or Mexico and regularly commute across the border to places of employment in the United States.

For reasons difficult to understand, commuters have never been routinely identified in the operating reports of the Immigration Service and consequently there is no accurate count of their current number.

Sample counts have been taken from time to time, however—the last on January 11 and 17, 1966. At that time, at least 54,375 commuters entered the United States, of whom 43,687 entered from Mexico. I ask unanimous consent that two tables showing a breakdown of this count be included in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. KENNEDY of Massachusetts. Mr. President, most observers believe the number of commuters is significantly higher than the January 1966 sampling would indicate. In all likelihood, this sampling simply reflected the number of commuters on a given day. But the total number of those who move on a continuing daily basis, or on a weekly or monthly basis is unknown.

As a result, some officials estimate the total number of commuters as being close to 100,000. I am extremely hopeful that a census of the commuter movement currently underway by the immigration service will produce needed and definitive information in this area of concern.

Regardless of the numbers involved, however, there is no doubt that the commuter movement adversely effects the wages and working conditions of our own citizens and residents, especially those living in the cities and towns along the Mexican border—in Arizona, California, New Mexico, and Texas. The commuter movement from Mexico is a factor contributing to the grinding poverty, high unemployment, and low wages in the border areas.

The facts are in the record of hearings I participated in earlier this year in Starr County, Tex., as a member of the Labor and Public Welfare Subcommittee on Migratory Labor. They are in the record of hearings I conducted in Washington last October as acting chairman of the Judiciary Subcommittee on Immigration. They are in the record of hearings conducted in California by Representative John V. Tunney. They are in reports filed with the Select Commission on Western Hemisphere Immigration, established by the Immigration Act of 1965, and in additional surveys made by the Department of Labor, various unions, and other public and private agencies.

What are the facts, Mr. President? Let us examine briefly two matters of concern in border areas—high unemployment and depressed wage rates.

Border areas consistently have higher rates of unemployment than do interior areas. In many cases, the rates are very much greater.

The rates available in 13 border areas for the first 6 months of this year are typical of annual figures available since 1957. Last June, for example, in none of these 13 areas was the unemployment rate lower than the average rate for the State. Twelve of these border areas were in Texas—the unemployment rate in seven of the Texas areas was more than double the statewide rate of 3.7 percent. In one area, Crystal City in Zavala County, the rate was much greater—11.3 percent.

In 1966, in only one of 19 border areas for which data were available, was the unemployment rate lower than the average rate for the State.

Over the last 10 years, available data permitted 138 comparisons of annual average unemployment rates in border areas with those at the State level. In 129 cases, border area rates were higher than the State average.

It is a deplorable situation—an indication of severe economic depression—that unemployment rates exceeding 10 percent are common in such Texas communities as Laredo, Eagle Pass, Zapata, Brackettville, Cotulla, Crystal City and in El Centro, California.

The influx of commuters from Mexico is contributing to the high unemployment rates in border areas.

These commuters are a significant part of the work force in many communities. In some areas their number nearly equals the number of unemployed American workers. In El Paso, where unemployment is currently some 35 percent greater than the State average, the estimated number of commuters in 1966 was more than double the number of unemployed. In El Centro, Calif., where the unemployment rate is currently 13.1 percent, the estimated number of commuters in 1966 was nearly double the number of unemployed. There is every reason to believe the situation has not changed for the better. If anything, it has been aggravated by the frequent use of commuters as strikebreakers.

Mr. President, I ask unanimous consent to include in the Record at the conclusion of my remarks statistical summaries of unemployment rates in border areas over the last 10 years, and an additional table on unemployment and alien commuters in 1966 for selected border areas.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 3, 4, and 5.)

Mr. KENNEDY of Massachusetts. Mr. President, aside from the commuter influx contributing to high unemployment in border areas, it also contributes to depressed wage rates. Industry by industry, county by county, the pattern is the same—earnings in border areas are lower than average earnings in the State. This is true in more than 90 percent of those cases where available information has made a comparison possible.

Although the most definitive date available is based on nonfarm weekly wage rates in 1965, the Department of Labor informs me that the situation remains unchanged. The average weekly nonfarm wage in Imperial County, Calif., is $20 less than the average in the State as a whole—in Santa Cruz County, Ariz., it is $29 less—in nine of the Texas border counties it is at least $25 less, and often more.

The differential is even greater in wage rates for farmwork—especially in the lower Rio Grande Valley of Texas. A year ago, hourly wages in the valley averaged approximately 75 cents—some 22 cents less than the 97 cents average at the State level. As a result of the new farm labor coverage of the Fair Labor Standards Act, there has been a sharp increase in farm wage rates in the valley, and the gap between farm wages in this area and the State as a whole is beginning to narrow. Currently it is some 16 cents—the differential between 89 cents in the valley and $1.05 at the State level.

But this is belated progress—because for at least 10 years, not only have farm wages in the valley been low, they have also failed to show the gains recorded elsewhere in the State. In 1956 the hourly wage in the valley was 84 percent of the State average—it had dropped to 77 percent by 1966.

Today, largely as a result of the new farm labor coverage of the Fair Labor Standards Act, the ratio has climbed to some 85 percent.

Mr. President, I ask unanimous consent to include in the RECORD at the conclusion of my remarks a statistical summary of average weekly earnings of nonfarm workers in border areas during the first quarter of 1965, and a second table listing average hourly wage rates for seasonal farmworkers in Texas border areas.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 6 and 7.)

Mr. KENNEDY of Massachusetts. Mr. President, to illustrate further the contribution of commuters to depressed wage rates in border areas, I will refer to the results of a special survey conducted in 1961, by the Department of Labor in Laredo and El Paso. The survey concerned the jobs held by commuters, the wages received, and the availability of domestic workers for these jobs. Again, the situation has changed little from the time the survey was made, in fact, there is reason to believe it has worsened.

The survey indicates that, although commuters were employed in most occupations and industries, they were heavily concentrated in the garment industry, hotels, restaurants, and retail trade and service establishments.

In the Laredo survey, the Department of Labor contacted a sampling of firms employing some 3,000 workers—of whom 438 were easily identified as commuters.

The survey team reported that additional workers were suspected of being commuters, but could not be readily identified.

The Laredo survey revealed at least two things. First, that a large number of unemployed American workers had the same occupational skills as alien commuters—this in a community where unemployment was heavy—11.3 percent. For example, the two garment firms in the sampling employed 88 commuters as sewing machine operators. Files of the Texas Employment Commission contained applications from 156 unemployed American workers with this same occupation.

Second, the survey shows that firms employing alien commuters paid lower wages than did firms employing American workers. This was not the exception—but a very common pattern, for 19 occupations where sufficient data were available. Moreover, there were cases where a single firm employing both commuters and Americans would pay the commuters less than the Americans similarly employed.

And finally, the average wage paid by those firms employing only American workers was 38 percent higher than the average wage paid by those firms employing commuters as well.

The El Paso survey produced similar results.

I should add here some recent information compiled by the Department of Labor which greatly adds to the seriousness of the wage problem.

The common pattern of low wages in the border areas has led to a high incidence of minimum wage law violations. The Department reports that in fiscal year 1967, 20 percent of the violations in the four border States occurred in counties contiguous to the Mexican border. Yet, these counties had only 6 percent of the nonfarm work force in these four States.

Mr. President, I ask unanimous consent to include in the RECORD at the conclusion of my remarks a table listing occupational wage data obtained in the Laredo survey and a brief summary of the survey in El Paso.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 8 and 9.)

Mr. KENNEDY of Massachusetts. Mr. President, distressingly poor working and living conditions are rampant in areas of our country along the Mexican border. In large measure this is imposed upon our own residents because of the presence of a readily available and low-paid alien work force—which undermines the standards American workers generally enjoy throughout the rest of the country. I would be remiss in my comments, however, if I did not also indicate there are other factors at work.

Many of the border areas face serious problems apart from the influx of commuters. There is no strong economic base. The border areas are largely rural—agriculture is the major industry.

Until recently, farmworkers have been excluded from social legislation designed to protect most other workers in our economy. And even now, despite such changes as the extension of the Fair Labor Standards Act to agriculture farmworkers still receive far from equal treatment. Wages are low—and partly because new machinery and new patterns of production have been introduced in agriculture, a labor surplus situation exists.

As a result, industries attracted to border communities are usually in the low-wage category. The kinds of jobs available in the border areas are not the better jobs found elsewhere in the American economy.

Moreover, Mr. President, border residents are often of Mexican decent—or recent immigrants from Mexico. They have suffered, and continue to suffer economic and social discrimination—a vicious and evil discrimination because of their national origin, and a more subtle discrimination, but no less evil—arising out of the fact that Mexican Americans are often poverty stricken, poorly educated, unable to speak English, and seldom able to compete for jobs and opportunities in a society dominated by Anglos.

The influx of commuter workers from Mexico, to compete with our own workers for the limited number of jobs available is compounding an already serious situation—and, understandably producing bitter resentment among the severely disadvantaged American workers in the border areas.

In these days of increased agitation by the disadvantaged who find they have no redress of grievances, the commuter issue could well develop into an explosive situation with grave local and international consequences. I believe this urgent problem demands the very active concern of the administration and the Congress. It demands an orderly pursuit of justice and fairplay. Some measure of relief is needed promptly.

Mr. President, a major thrust of our immigration laws has always been to protect the working conditions and job opportunities of American workers. As it currently operates, the 40-year-old commuter system—not provided for in these laws but directly related to them—does not carry out this objective.

It is true that current applications for commuter status are covered by the labor clearance provisions of the Immigration Act of 1965. But once an applicant is given permanent residence status as a bona fide immigrant—once he receives his green card—for all practical purposes he holds in his hand a permanent work permit for employment in the United States.

I do not believe aliens should be given the unique privilege of being considered bona fide immigrants for purposes of employment in the United States—when they choose to reside across the border and fail to become immigrants in the sense contemplated by the law—and, more importantly, when their employment in this country is so clearly detrimental to the economic conditions, the job opportunities, and the collective-bargaining efforts of American workers.

The bill I introduce today does not end the commuter system, but it does refine its current operations.

The bill simply says that each commuter alien must be regularly certified every 6 months by the Department of Labor; that his presence in the United States to seek or continue employment does not adversely affect the wages and working conditions of American workers similarly employed. The bill provides for the revocation of a commuter alien's labor clearance, if he violates administrative regulations, such as a ban on strikebreaking, prescribed by the Department of Labor and the Immigration Service to carry out the purpose of this bill.

Mr. President, I ask unanimous consent that the bill I introduce today be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill introduced by Mr. KENNEDY of Massachusetts is as follows:

S. 2790

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 212 of the Immigration and Naturalization Act is amended by adding at the end thereof a new subsection as follows:

"(j) Any alien lawfully admitted for permanent residence whose principal, actual dwelling place is in a foreign country contiguous to the United States and is returning from a temporary stay in such foreign country to seek or continue employment in the United States shall be admitted into the United States only if the Secretary of Labor has determined and certified to the Attorney General within six months prior to the date of admission that the employment of such alien will not adversely affect the wages and working conditions of workers in the United States similarly employed, and if such certification has not been revoked on any ground. The provisions of this subsection shall be applicable to any aliens lawfully admitted for permanent residence, whether or not such aliens were so admitted prior to or on or after the date of enactment of this subsection."

Mr. KENNEDY of Massachusetts. Mr. President, I believe the enactment of this bill will contribute much to a permanent solution of the seemingly endless problems posed by the influx of workers from Mexico. Several years ago we were faced by the so-called problem of "wetbacks." This was replaced by the more sophisticated problem of braceros. Today we are faced with commuters.

The commuter system grew up in recognition of the special relations which we have had over the years with neighboring countries. The control of this system provided in my bill is a reasonable one—so that hopefully, the United States and Canada and Mexico, can continue to enjoy the mutual benefits of these relations, while at the same time curbing the adverse affects of the commuter system, including the exploitation of the commuters themselves.

I am extremely hopeful that Congress will act on the bill early in the next session.

EXHIBIT 1

ALIEN COMMUTERS

State	Total	In agriculture
Total	53,329	19,822
Northeast region [1]	4,527	2,169
Maine	2,571	2,015
New Hampshire	8	8
New York	1,466	10
Vermont	482	136
Northwest region [2]	6,161	
Alaska	1	
Michigan	6,074	
Minnesota	30	
Montana	2	
Washington	54	
Southwest region [2]	42,641	17,653
Arizona	5,691	3,195
California	16,609	10,464
New Mexico	17	13
Texas	20,324	3,981

[1] Jan. 17, 1966.
[2] Jan. 11, 1966.

Source: Immigration and Naturalization Service.

EXHIBIT 2

NUMBER OF MEXICAN ALIEN COMMUTERS

Major points of entry	Jan. 17, 1966 [1]		Jan. 11, 1966 [1]		May 17, 1963 [1]	May 8, 1963 [1]	January 1960 [2]	Jan. 24 to Feb. 1, 1960 [1]	Mexican estimates [3]
	Total	In agriculture	Total	In agriculture					
Texas:									
Brownsville	2,032	226	2,552	619	1,796	1,729	135		3,500
Hidalgo	1,163	805	1,000	511	366	532			
Roma	208	187	146	125	89	108			
Laredo	2,581	175	2,239	209	2,490	2,382	3,000		
Eagle Pass	1,604	536	2,195	901	1,586	1,037	1,400		
Del Rio	513	99	489	82	237	314	400		
Fabens	274	219	267	207	307	316			
Ysleta	248	137	266	115				111	
Cordova	2,932	80	3,455	164				2,273	
Santa Fe Street Bridge (El Paso)	8,592	590	7,605	944	13,492	13,332		10,884	15,700
Arizona:									
Douglas	418	96	470	93	307	288			
Naco	127	20	134	19	202	134			
Nogales	1,614	108	1,392	53	1,464	1,854	1,132		
San Luis	4,234	3,583	3,654	3,024	1,239	1,038			
California:									
Calexico	7,616	6,468	8,098	7,324	4,692	5,342	183		
San Ysidro	9,281	3,967	8,460	3,134	5,855	5,374	15,000–20,000		15,000
Minor points of entry	250	161	219	129	87	101			
Grand total	43,687	17,457	42,641	17,653	34,223	33,867			

[1] Special I. & N.S. surveys on dates indicated.
[2] U.S. State Department estimates based on U.S. consulate reports.
[3] Programa Nacional Fronterizo: Tijuana, B.C.; Ciudad Juarez, Chih.; and Matamoros, Tamps, Mexico, 1962. The Mexican figures probably include commuters who are U.S. citizens residing in Mexico.

EXHIBIT 3

UNEMPLOYMENT RATES IN BORDER AREAS, JANUARY–JUNE 1967

State and labor market area	Counties	1967					
		June	May	April	March	February	January
California		5.4	4.9	5.3	5.7	6.0	5.5
San Diego	San Diego	5.3	4.6	4.9	5.1	5.2	5.0
El Centro	Imperial	(1)	(1)	13.1	(1)	(1)	(1)
Texas		3.7	2.7	2.6	2.7	3.0	3.0
Border areas:							
El Paso	El Paso	5.0	3.8	3.7	3.8	4.0	3.9
Brownsville-Harlingen-San Benito	Cameron	7.3	6.2	6.3	6.0	5.8	5.9
Laredo	Webb	10.6	7.4	9.0	9.0	9.9	11.4
McAllen	Hidalgo and Starr	6.8	5.6	5.6	6.3	6.2	6.3
Del Rio	Val Verde	5.6	(1)	6.1	(1)	8.8	(1)
Eagle Pass	Maverick	9.3	(1)	7.9	(1)	12.8	(1)
Zapata	Zapata	9.8	(1)	11.7	(1)	14.4	(1)
Areas close to the border:							
Brackettville	Kinney	8.8	(1)	8.5	(1)	8.5	(1)
Carrizo Springs	Dimmit	(1)	(1)	7.0	(1)	(1)	(1)
Cotulla	La Salle	7.8	(1)	4.4	(1)	12.4	(1)
Crystal City	Zavala	11.3	(1)	10.7	(1)	14.3	(1)
Hebronville	Jim Hogg	7.3	(1)	6.0	(1)	7.6	(1)
Raymondville	Willacy	7.7	(1)	4.3	(1)	5.2	(1)

[1] Information not available.

Source: Bureau of Employment Security, U.S. Department of Labor.

EXHIBIT 4

BORDER AREA UNEMPLOYMENT RATES ANNUAL AVERAGES, 1957–66

State and labor market area	Counties	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957
California		5.0	5.9	6.0	6.0	5.8	6.9	5.8	4.8	6.4	4.2
San Diego	San Diego	5.2	7.2	7.5	7.7	7.9	7.5	6.4	3.9	4.8	3.1
El Centro	Imperial	9.6	10.1	9.6	9.2	9.0	8.6	(1)	(1)	(1)	(1)
Texas		3.2	4.2	4.8	5.4	5.3	6.0	5.3	4.6	5.3	4.0
Border areas:											
El Paso	El Paso	4.4	5.8	6.0	6.2	5.5	5.6	4.9	3.4	3.9	4.0
Brownsville-Harlingen-San Benito.	Cameron	6.4	7.6	8.5	9.1	9.7	(1)	(1)	(1)	(1)	(1)
Laredo	Webb	9.6	11.3	11.9	12.0	10.1	9.1	9.4	9.2	8.6	9.3
McAllen	Hildalgo and Starr	6.1	7.0	8.0	8.6	9.0	(1)	(1)	(1)	(1)	(1)
Del Rio	Val Verde	6.2	7.7	9.2	9.1	9.4	10.0	8.0	8.5	6.0	9.2
Eagle Pass	Maverick	11.2	14.4	14.7	15.1	13.8	12.4	9.5	11.4	10.4	14.4
Zapata	Zapata	11.0	12.8	12.6	14.3	13.1	12.4	13.1	12.2	6.7	6.9
Areas close to the border:											
Brackettville	Kinney	7.7	8.6	11.7	10.5	12.2	11.2	9.9	8.6	10.4	9.8
Carizzo Springs	Dimmit	10.6	7.1	7.0	6.7	(1)	(1)	(1)	(1)	(1)	(1)
Cotulla	La Salle	10.0	12.2	12.3	13.2	11.8	8.4	7.4	8.2	11.7	9.7
Crystal City	Zavala	12.5	12.3	13.3	12.9	13.6	6.7	7.4	7.7	8.6	4.5
Hebronville	Jim Hogg	9.5	11.5	11.8	10.1	10.6	10.9	9.3	9.8	10.6	10.2
Raymondville	Willacy	9.1	9.1	9.5	10.2	10.0	(1)	(1)	(1)	(1)	(1)
Arizona		3.8	5.1	5.1	5.0	5.1	5.8	4.7	4.7	5.7	3.9
Tucson	Pima	4.1	6.2	6.5	5.8	4.9	5.7	5.1	4.8	6.0	4.1
Douglas and Bisbee	Cochise	3.1	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Nogales	Santa Cruz	5.0	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Yuma	Yuma	5.1	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)

[1] Information not available.

Source: Bureau of Employment Security, U.S. Department of Labor.

EXHIBIT 5

BORDER CITIES—UNEMPLOYMENT AND ALIEN COMMUTERS, JANUARY 1966

City	Unemployed U.S. residents		Alien commuter
	Number	Rate	
Brownsville-Harlingen-San Benito, Tex.	3,020	6.2	2,032
El Paso, Tex.	5,050	4.8	11,772
Laredo, Tex.	3,365	12.6	2,581
McAllen-Pharr-Edinburg, Tex.	4,190	6.9	1,163
El Centro, Calif.	3,675	10.7	7,616
San Diego, Calif.	22,300	5.2	9,281

Source: Unemployment data from The Texas Labor Market, Texas Employment Commission, and labor market reports of the California Department of Employment; alien commuter data from I. & N.S. survey, Jan. 17, 1966.

EXHIBIT 6

THE BORDER COUNTIES—AVERAGE WEEKLY EARNINGS OF NONFARM WORKERS, JANUARY–MARCH 1965

Area	Total nonfarm	Selected industries							
		Mining	Contract construction	Manufacturing	Transportation, communication, and public utilities	Wholesale trade	Retail trade	Finance, insurance, and real estate	Services
Border States	$103	$117	$121	$125	$117	$121	$74	$101	$82
Border counties	91	132	116	122	106	98	68	94	66
California	113	147	142	132	128	131	83	106	92
Border counties	107	151	140	147	122	120	79	102	74
San Diego	107	152	140	147	122	122	79	102	75
Imperial	93	122	134	124	107	107	77	85	71
Arizona	94	139	124	117	115	108	68	97	67
Border counties	87	145	114	112	106	86	67	94	66
Yuma	74	101	102	84	110	57	74	90	61
Pima	88	145	117	116	108	104	67	96	67
Santa Cruz	65	(1)	70	53	85	82	61	87	45
Cochise	101	(1)	(1)	117	104	82	60	86	67
New Mexico	89	125	97	106	104	105	62	89	84
Border counties	78	85	92	138	82	97	60	78	61
Hidalgo	69	(1)	(1)	(1)	93	88	57	73	47
Luna	73	(1)	109	78	87	86	57	82	43
Dona Ana	80	85	86	165	79	100	61	78	64
Texas	87	126	91	108	98	107	60	91	61
Border counties	67	101	79	73	90	82	53	80	49
El Paso	76	94	85	78	113	103	60	85	54
Hudspeth	68	70	89	----------	(1)	----------	48	(1)	15
Jeff Davis	76	(1)	(1)	----------	(1)	68	31	(1)	38
Presidio	53	(1)	54	(1)	60	50	50	87	35
Brewster	52	(1)	78	(1)	67	74	44	75	37
Terrell	67	(1)	26	(1)	111	(1)	53	54	36
Val Verde	57	(1)	87	(1)	79	67	49	74	42
Kinney	58	----------	38	----------	(1)	(1)	32	(1)	37
Maverick	48	104	70	(1)	64	92	39	70	34
Webb	53	79	67	60	62	66	48	67	39
Zapata	54	86	(1)	----------	64	(1)	23	64	31
Starr	68	102	(1)	----------	68	43	38	68	35
Hidalgo	59	107	68	62	81	62	50	72	46
Cameron	58	111	71	65	58	70	49	78	48

[1] Data not published to avoid disclosing information from individual establishments.

Source: Based on data published in 1965 County Business Patterns, U.S. Department of Commerce. Average weekly earnings computed by dividing quarterly payroll by March employment by 13. Result rounded to nearest dollar.

EXHIBIT 7

TEXAS BORDER AREAS—AVERAGE HOURLY WAGE RATES FOR SEASONAL FARM ACTIVITIES, MID-NOVEMBER 1966–65

Area	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957	1956
State of Texas	$0.97	$0.87	$0.78	$0.76	$0.73	$0.56	$0.55	$0.56	$0.52	$0.58	$0.51
Lower Rio Grande Valley	.75	.65	.60	.58	.59	.43	.43	.43	.43	.43	.43
Rio Grande Plains	.77	.73	.68	.68	.67	.49	.46	.46	(1)	.50	.47
Trans-Pecos	.83	.82	.71	.71	.71	.50	.50	.50	.50	.50	.50

[1] Information not available.

Source: Office of Farm Labor Service, Bureau of Employment Security, U.S. Department of Labor Based upon reports prepared by the Texas Employment Commission.

EXHIBIT 8. OCCUPATIONAL WAGE STRUCTURE—LAREDO, TEX., JUNE 1961[1]

Industry and occupation	Average wage rate (per week)	
	Firms employing only domestic workers	Firms employing domestic and alien commuter workers
Hotels and motels:		
Cook	$58	$34
Maid	20	17
Hallboy	25	20
Waiter	[2] 15	[2] 18
Busboy	[2] 25	13
Bartender	58	46
Bellboy	[2] 15	[2] 16
Drugstores and related firms:		
Cashier	27	12
Stock clerk	52	40
Fountain girl	16	[3] 23
Drug clerk	77	55
Grocery and related firms:		
Cashier	24	24
Stockboy	35	20
Produceman	45	35
Butcher	65	52
Warehouseman	37	31
Miscellaneous retail firms:		
Porter	53	35
Warehouseman	73	21
Stockman	53	45

[1] Data were collected in the survey concerning the different rates paid each occupation in each firm. For some occupations monthly rates were reported; these were converted to weekly rates by dividing the monthly rate by 4.33. The number of workers paid each rate was not reported in all cases, making it impossible to compute an average rate weighted by the number of workers paid each rate. The average rates shown in the table represent the average of the highest and lowest rates paid. These averages correspond quite accurately with the weighted averages computed for the few occupations where data were reported for each worker.

[2] Plus tips.

[3] Plus $3 meal allowance.

EXHIBIT 9

Following is a summary of the El Paso survey results:

Eleven construction firms. Six firms employed only U.S. residents; five employed alien commuters. Two-thirds of the firms employing only U.S. residents paid the union scale. Only 20 percent of the firms employing commuters paid the union scale. The lowest rates were paid by the non-union firms that employed commuters.

Four retail dry goods stores. Three firms employed alien commuters. They paid lower wage rates than the firms that employed only U.S. residents.

Four wholesale and warehouse firms. Three firms employed alien commuters. The firm employing only U.S. residents paid the highest wage rates.

All sample firms in the following industries employed alien commuters: garment manufacturing (11 firms); restaurants (five firms); meatpacking (three firms); and laundries (four firms). Of interest is the fact that in the one laundry where wage rate data were supplied for both alien commuters and U.S. residents, the commuters were paid less than $.50 per hour while the U.S. residents were paid about $.80 per hour.

Insufficient wage and employment data were obtained to make any comparison for seven *transportation and storage* firms; two *cotton processors;* and three *hotels and motels.*

In several industries, *refineries* (four firms); *miscellaneous manufacturing* (seven firms); and *miscellaneous* firms (five establishments), there was no difference in the rates paid by firms employing alien commuters and those employing U.S. workers. One refinery, two miscellaneous manufacturing, and two of the other miscellaneous firms employed commuters.

Six other *retail trade* firms were included in the sample, but meaningful comparison could not be made because the nature of their operations and the occupations of the workers they employed were too dissimilar.

Mr. President, I want to mention at this point that I have had an opportunity to talk with Ambassador Telles, a former mayor of El Paso and a former Ambassador from the United States to Costa Rica, who was recently appointed by the President to the Rio Grande Valley Development Commission. He has the responsibility of looking at the various economic and social problems along the Mexican-American border, and to make recommendations toward solving these problems, which, hopefully, will be acted upon by our wonderful friends south of the border in Mexico, as well as acted upon by the United States.

I have had an opportunity to talk with Ambassador Telles about the commuter problem, and he demonstrates a deep concern and sensitivity to the question. He also feels it appropriate that Congress moves ahead in its legislative function. I am also aware of the fact that the commuter question was brought up not long ago when President Johnson had an opportunity to meet with the distinguished President of Mexico. It was a matter at least discussed at the Foreign Minister level in conversations which took place at that time. Although no ready solution to the commuter problem resulted from the conversations, nonetheless, our good friends in Mexico are becoming increasingly aware of the very deep concern which many of us in this country have for the problem, and expressed a willingness to help in pursuing a solution in the best interests of both countries.

As I mentioned earlier in my remarks, the problems resulting in part from the commuter system were dramatically presented to me earlier this year, in a very personal way, when the Migratory Labor Subcommittee had an opportunity to visit Rio Grande City and hold 2 days of hearings. During that period of time, the subcommittee had the good fortune to have in attendance the distinguished senior Senator from Texas [Mr. YARBOROUGH] who has an understanding of the area and its problems which many of us who represent different constituencies deeply respect. I see him in the Chamber at this moment.

Mr. YARBOROUGH. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY of Massachusetts. I yield.

Mr. YARBOROUGH. It was a great privilege to participate in the hearings on the Migratory Labor Subcommittee held in Rio Grande City in Edinburg, Tex., this year, where the problem was one of those that influenced the whole question of poverty along the border.

The hearings in Rio Grande City, in Starr County, were held in one of the 11 lowest income counties in the Nation, where a number of foreign families earn a total of $300 a year—not $3,000, but only $300.

I know that the distinguished Senator from Massachusetts, as a member and acting chairman of the Immigration Subcommittee of the Judiciary Committee has been studying the problem for a considerable length of time before that.

I want to ask the Senator this question: What does the legislation being introduced today do to open-border policy where people can freely cross an open border and not be restricted in crossing it, where trade flows, such as in the United States-Mexico border?

Mr. KENNEDY of Massachusetts. This is a worthwhile question. Let me reiterate my feeling that this legislation in no way will serve to close the border with Mexico. The open border is based upon a longtime understanding and the marvelous feeling of friendship and cordiality which exists between our two countries, and I feel there is no reason to believe the enactment of the bill being introduced today would in any way jeopardize the open-border policy. Certainly it is not intended to end the commuter system.

As I mentioned earlier in my remarks, what the bill would do, is simply take the sense of Congress on labor clearances for incoming aliens, which was included in the 1965 Immigration Act, and provide essentially the same standard on a periodic basis to permanent resident aliens who choose to live outside the United States, but who regularly commute to places of employment across the border. As I said earlier, I feel this is a reasonable approach to an outmoded system which adversely affects American workers and exploits so many Mexican nationals as well.

I am very hopeful that, as our good friends in Mexico become increasingly aware of the importance of this difficult situation and the high degree of priority we place on finding a remedy, some kind of adjustment will be worked out, along the lines suggested in the bill, in a feeling of cooperation, so that there will be no misunderstanding and the border will continue to evidence a spirit of cordiality.

Mr. YARBOROUGH. I thank the Senator from Massachusetts for that clarification.

I have one other question: Does the bill ban or end the use of green cards? Does it end or ban the use of commuter alien labor?

Mr. KENNEDY of Massachusetts. In no way does it ban the use of green cards or terminate the commuter system.

What it would attempt to do is to provide that holders of green cards will not use what is a continuing privilege in such a way as to depress working and living conditions within the United States. That is really the only point to which this legislation is directed.

I feel this is important, not only to continuing good relations with Mexico, but also with our friends in Canada. I should indicate, however, there are few difficulties, if any, along the border with Canada.

Mr. YARBOROUGH. Mr. President, I am pleased to be a cosponsor of the measure introduced today by the Senator from Massachusetts [Mr. KENNEDY] which would require commuter aliens—the so-called green carders—to be regularly certified every 6 months by the Department of Labor that his presence in this country to seek work does not adversely affect the wages and working conditions of American workers.

I think the colloquy I have had with the distinguished Senator from Massachusetts clarifies the matter and helps also to put the legislation in proper focus.

My State has faced a long history of poverty and disadvantage along the Texas-Mexico border. Unfortunately, my State has not enacted a minimum wage law and many of the jobs along the border are not covered by the Federal minimum wage law. Some of the wages paid in this area are astonishingly low and because of this fact the area is very poor in many instances.

The alien commuter system has only aggravated this unfortunate situation, by creating extensive unemployment among American workers who are displaced by commuters willing to work for lower wages because they do not live in this country.

This often causes bitter relations along the border—a bitterness which we cannot diplomatically afford. Great progress has been made in our relations with Mexico. I mention the Chamizal Treaty as one example. This progress should not be upset with bitterness among the local people because their jobs are taken away by alien commuters who live in Mexico.

Also, it should be emphasized that we are not ending the commuter system, as mentioned by the Senator from Massachusetts. We will still allow workers to come across the border. All this amendment seeks to do is prevent such commuters from causing unemployment in this country because the commuters are taking American jobs. Furthermore, it is to give an accurate inventory of how many green card holders there are and where they are.

For years I have tried to find out how many green card holders there are. The answer has depended on whom you talked to. However, there have been estimates that the total number of commuters is close to 100,000. Someone testified that a total of 54,300 commuters entered across the border in any 1 day. In the Inter-American Conference held in El Paso, Tex., on the 27th and 28th of October of this year, some people testified that there were more than 400,000 holders of green cards. It is all an estimate. There is no registration.

This bill, requiring a reissuance of green cards every 6 months, will soon give us an accurate inventory of how many green card holders there are, and how they affect American employment.

For these reasons, I enthusiastically support the amendment introduced today by the distinguished Senator from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. President, I appreciate the comments of the Senator from Texas. Certainly, he has an understanding about the commuter problem which many of us deeply respect.

I want to bring to the attention of the Senator from Texas that this afternoon, at a meeting of the Western Hemisphere Commission established by the Immigration Act of 1965, it was decided to hold hearings on January 26 and 27 in El Paso. The hearings will concern themselves with the commuter problems.

So there is an increasing interest in this problem. I know the Senator from Texas has long been interested in it. I know he agrees with me that what we are attempting to do is develop legislation which will benefit our friend across the border as well as improve the lot of American workers who exist on the Texas side and all along the border to California.

I appreciate the comments of the Senator from Texas and also his support.

Mr. YARBOROUGH. I thank the Senator.

The PRESIDING OFFICER. Is there further business?

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY AMENDMENTS OF 1967—CONFERENCE REPORT—UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on the conference report tomorrow morning, instead of taking place at 11 a.m., take place at 11:30 a.m., because of commitments some Senators have made for 10:45 a.m., which they cannot cancel.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO 9 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 o'clock tomorrow morning.

The motion was agreed to; and (at 5 o'clock and 35 minutes p.m.) the Senate adjourned until tomorrow, Friday, December 15, 1967, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate December 14, 1967:

IN THE AIR FORCE

Brig. Gen. Tom E. Marchbanks, Jr., FV669752, U.S. Air Force Reserve, for appointment as Chief of Air Force Reserve and major general, Air Force Reserve, under the provisions of section 8019, title 10 of the United States Code.

POSTMASTERS

The following-named persons to be postmasters:

FLORIDA

Edwin C. Wilhelm, Clarcona, Fla., in place of H. C. Dann, retired.

GEORGIA

Lura M. Long, Cataula, Ga., in place of B. A. Tarvin, retired.

ILLINOIS

John H. Harry, Crescent City, Ill., in place of Louis Sloter, retired.

IOWA

Robert L. Toomer, Delhi, Iowa, in place of J. H. Engel, retired.

KANSAS

Ellsworth V. Bryan, Jr., Cimarron, Kans., in place of M. C. Webb, deceased.

Wilmer G. Boothe, Hillsboro, Kans., in place of A. H. Penner, retired.

NEW YORK

William T. Flansburg, Lima, N.Y., in place of W. E. Slattery, retired.

Stanley Darszewski, Springville, N.Y., in place of R. J. Smith, retired.

PENNSYLVANIA

John W. Erb, Cheltenham, Pa., in place of J. J. Lynch, retired.

Clara M. Fehlman, Pittsfield, Pa., in place of M. A. Swanson, retired.

CONFIRMATION

Executive nomination confirmed by the Senate December 14, 1967:

U.S. DISTRICT JUDGE

John T. Curtin, of New York, to be U.S. district judge for the western district of New York.

EXTENSIONS OF REMARKS

Omnibus Crime Bill

EXTENSION OF REMARKS

OF

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, December 14, 1967

Mr. THURMOND. Mr. President, under the able leadership of the distinguished Senator from Arkansas [Mr. McCLELLAN], its chairman, the Subcommittee on Criminal Laws and Procedures of the Committee on the Judiciary has reported an omnibus crime bill to the full committee.

Such a measure is long overdue and by all means should be passed by the Senate at the earliest possible time in the second session of the 90th Congress.

During the first 9 months of 1967 violent crimes as a group increased 15 percent nationwide over the corresponding period in 1966. The need for an effective crime bill which will aid and encourage law enforcement becomes more apparent with each passing day. S. 917 as amended by the subcommittee would clear the air of the confusion surrounding law enforcement which has been created by recent Supreme Court decisions. As Senator McCLELLAN has stated:

> The immediate problem is to give the policeman tools to work with and to restore to our jurisprudence the eligibility of voluntary confessions as evidence in criminal cases.

S. 917 would provide for admission into evidence of truly voluntary confessions and, in addition, would establish guidelines under which law enforcement officers could make use of Court approved, electronic surveillance.

The need for this legislation was discussed in an article published in the December 7 edition of the Columbia, S.C., Record, in the form of an interview with Senator McCLELLAN. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

McCLELLAN WANTS TO SLASH NATION'S CRIME RATE

(By Vera Glaser)

WASHINGTON.—The Senator's crack investigator and expert on criminal behavior, John L. McClellan of Arkansas, is meeting resistance from the administration as he tries to write a law he considers tough enough to deal with America's rising tide of crime and violence.

In the following interview the chairman of the Government Operations Committee reveals himself as deeply troubled over the widespread defiance of authority in the U.S. He warns that, "no civilized society can withstand such a vicious assault upon its structure."

McClellan's permanent investigations subcommittee is probing the causes of Negro rioting in U.S. cities, an effort which will continue through 1968. Here he offers some tentative findings of the probe and discusses the type of crime law he believes should be enacted.

McClellan also suggests how President Johnson might handle Dr. Martin Luther King's forthcoming massive civil disobedience effort.

Q: Senator, you have called our law enforcement "inefficient and inadequate." Two former U.S. attorneys general, Republican William P. Rogers and Democrat Robert F. Kennedy, launched what were called major drives on organized crime. Where did they fall short?

A: I think those men were sincere but I don't think they have always gotten the cooperation they should have. Of course, law enforcement is primarily a local responsibility. They dealt with federal laws only and what I have said applies to enforcement at all levels. I am not placing the blame on any attorney general. My own thought is that sometimes, in some given cases perhaps, they could prosecute more vigorously.

Q: Then who or what is at fault?

A: It's the failure to make our system work. That responsibility rests upon all of us in the fields of legislation, administration and the courts. I see no indication that the trend is being reversed. By 1975 the number of major crimes could reach 12 million. It's rising like compound interest. No government can withstand such an undermining influence of its sovereignty. This is the greatest internal danger in our country today.

INDIFFERENCE

The people must become aroused. Citizens cannot retreat into an attitude of indifference and pull all of their trust in law enforcement officials. They must insist on enactment of laws to deal with these problems and insist upon strict enforcement.

Hardened criminals should be put behind bars and kept there. I don't think you can reform them. You only jeopardize society when they are released and not punished, whether it is done by a municipal judge, a court of general sessions, or the supreme court.

Q: What would be the best course for the country right now? Is the crime control bill in your Judiciary committee the answer?

A: I believe the approach in the President's "Safe Streets and Crime Bill" is sound, but it will take four or five years before it bears fruit. It does not reach the immediate problem.

We made some modifications in it which, in my judgment, improved it. The immediate problem is to give the policeman tools to work with and to restore to our jurisprudence the eligibility of voluntary confessions as evidence in criminal cases. Those are two weapons—potent and effective weapons—the police today are denied. The confession has been traditional in our system of jurisprudence for more than 100 years.

ILLUSTRATION

A clear illustration occurred recently when a 15-year-old Oklahoma boy murdered his mother, set fire to the premises and burned the house.

When his father took him to the police, along with his two older brothers, he admitted what he had done. The case came to trial. The judge, following the Supreme Court's "Miranda" decision, held that since the boy hadn't been warned he was entitled to a lawyer there had to be a judgment of acquittal.

Now that is a strained, distorted interpretation of the Constitution both in letter and in spirit. That is the harm being done by some of these 5-4 Supreme Court decisions that are shackling law enforcement officials in this country.

Every hardened criminal in this country knows it. They have their grapevine and sometimes it is swifter than that of law enforcement cricles.

Q: What are you doing to counter such rulings?

A: I have added in this bill a section permitting the trial judge, if a question is raised about a confession, to hear all pertinent testimony out of the presence of the jury. He then submits the confession to the jury with the instruction that it be given as much weight as it thinks it should have. The jury could find the confession coerced, in which case it would have no weight at all.

Q: Won't you have serious trouble getting that through?

A: That's why the bill is held up now. A substitute bill has been presented by the administration which the attorney general participated in drafting. It is generally what was originally introduced, without some of the features we prepared.

AUTHORITY

Everybody—except the attorney general, so far as I can determine—seems to want wiretap and electronic surveillance authority under strict orders of the court. I don't know, maybe the President has stood against it, but they say it isn't safe. Somebody's privacy may be invaded.

The overlords of organized crime use the telephone. Dope merchants use the telephone. They are shielded. Why shouldn't the police have the same tool to use under a court order? If we cannot trust our courts to use the special and necessary precautions to see that abuses do not occur, then in what can they be trusted?

Q: You have said we are in a period of crisis. What hope do you see of breaking the dead-lock which seems to have developed between a Supreme Court, described as liberal, which produces decisions like that in the "Miranda" case, and the Congress, which appears to reflect many citizens' urgings for stronger action against offenders?

A: What are we supposed to do, nothing? I believe in trying. I would hope at least one member of the court would change his mind when they see the evil fruits flowing from the decisions they have handed down. I've seen one justice, Hugo Black, indicate perhaps he has become concerned and a little more restrained in this field.

I voted against some justices I now wish I had voted for. (Senator McClellan voted against confirmation of Justice Potter Stewart, John Harland and Thurgood Marshall and later is known to have expressed approval of some of Stewart and Harlan's opinions.)

Q: Senator, your riot investigation has taken you thus far to Nashville, Tenn. and Houston, Texas. What have you found?

A: These are tentative, not final conclusions; the two riots appear to have been fomented by extremists, primarily members of SNICK (the Student Non-Violent Coordinating Committee, a militant Negro group) in both instances. It is very unlikely the disturbance would have occurred, certainly no serious disorder would have occurred, except that extremists fomented the actions.

Q: Would you say they were Communist-oriented?

A: I have no positive proof, but birds of a feather flock together. Stokely Carmichael and some others seemed in a hurry to run off to Cuba.

Q: How do you view the announced plans of Dr. Martin Luther King for a massive civil disobedience campaign in U.S. cities?

A: I do not see how any government can permit such a thing and expect law and order and constituted authority to be respected.

Q: Isn't it similar to the October peace rally at the Pentagon?

A: I don't think they should have permitted it at the Pentagon. I'd stop them before they ever marched into the District of Columbia. They ought to be told it will not be tolerated, and it ought to come from the highest source of authority in this nation. That's the President of the United States.

Q: Are you saying there is some violation of existing law now?

A: Yes, if the purpose is to disrupt the process of government. Certainly there is when an overt act is committed. Declaring the intent may not be.

Farm Bureau for Commitment

EXTENSION OF REMARKS

OF

HON. WM. J. RANDALL

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 14, 1967

Mr. RANDALL. Mr. Speaker, in the New York Times today is an article which states that "Our Nation's largest farm organization, by resolution has called for 'a total National commitment' to win the war in Vietnam." I mention this only because I think it is significant because the American Farm Bureau Federation has never before taken a stand on this issue. Heretofore the Farm Bureau had limited itself to an expression of gratitude to our troops serving in Vietnam.

Delegates to the 49th annual convention of this large farm organization adopted a resolution declaring:

> The Vietnam war requires a total National commitment if we are to complete as rapidly as possible the difficult task of stopping aggression, restoring order and permitting the properly constituted government established by self-determination to function.

The chairman of the subcommittee that drafted the Bureau's resolution stated afterward in an interview that he believed efforts to win the war in Vietnam must be speeded. It is noteworthy that delegates from 49 States approved the resolution without dissent.

Closely akin to the foregoing resolution was another adopted by the Farm Bureau which stated:

> We condemn the action of those who incite or participate in riots, defile the flag or burn draft cards.

The resolution continued on to state:

> We recognize the right of citizens to dissent, but protests and demonstrations should not interfere with the rights of others and must not be permitted to deteriorate into civil disorder.

Whether one classes himself as a hawk or a dove, there is no possible way to quarrel with the content of this last resolution adopted by the Farm Bureau.

Now, Mr. Speaker, I have not always been in agreement with the Farm Bureau Federation because of its attitude toward Government farm programs that are in the nature of subsidies designed to limit production. But I am in full and complete agreement with the organization when they call for reduction in nondefense spending, not only as a curb on inflation, but as evidence of a sacrifice to permit swifter prosecution of the war. There is no better way that I know of than to put the issue in the words of their resolution which declared:

> We oppose any increase in taxes which is not matched by a prior and equivalent reduction in Government expenditures.

Juan T. Trippe—1967 Winner of the Hubbard Award

EXTENSION OF REMARKS

OF

HON. JOSEPH D. TYDINGS

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Thursday, December 14, 1967

Mr. TYDINGS. Mr. President, The Hubbard Gold Medal is a coveted award offered since 1906 by the National Geographic Society to men and women of outstanding accomplishments in the fields of research, exploration, and discovery.

Although the Hubbard Medal is 61 years old, it has been awarded only 22 times, so discriminating is the choice of a recipient.

I am happy to report that the 1967 winner of the Hubbard Award is a famous man who has some famous roots in the great State of Maryland—Juan T. Trippe, board chairman of Pan American World Airways.

In being given this signal honor by Chief Justice Warren in behalf of the National Geographic Society, Juan Trippe joins some illustrious predecessors, in addition to Robert E. Peary, the discoverer of the North Pole and the first recipient, and including Roald Amundsen, Adm. Richard E. Byrd, Lincoln Ellsworth, Charles A. Lindbergh, and the late, great Air Force general, Henry H. "Hap" Arnold.

Although Mr. Trippe is not a native of Maryland, his ancestors on both sides came from the Free State, and there is still a rugged stream churning through our countryside known as Trippe's Creek. We in Maryland are equally proud of Pan American World Airways as we are of Mr. Trippe and their collective accomplishments.

It was before World War II, Mr. President, that Pan American operated its famous clipper ships out of Baltimore and it was in 1958 when Pan American inaugurated international service from Friendship Airport to Latin and South America via daily operations to San Juan, Puerto Rico.

Best describing the accomplishments of Mr. Trippe and his great brainchild, Pan American, are the words of Chief Justice Warren:

> The Hubbard Medal shows an eagle taking wing at sunrise. It is a highly appropriate symbol for tonight's occasion, because the sun never sets on the great jet fleet of Pan American World Airways. Guided by Mr. Trippe, who serves Pan Am as Chairman of the Board, the airline links the United States with 84 nations on six continents.
>
> Our Medalist pioneered this vast network of air routes. When Juan Trippe founded Pan Am more than 40 years ago, international travel was limited to a privileged few. Long-distance air travel did not exist.
>
> It was a great moment in the history of world transportation when Pan Am inaugurated overseas air travel in 1927 with a 90-minute flight from Key West to Havana.
>
> It was a short hop by today's standards, but Mr. Trippe had a dream. He envisioned an American flag carrier that would overcome ocean barriers. He imagined vast, busy highways in the sky to join distant peoples in good will and profitable trade.
>
> The dream required revolutionary aircraft. Thus Mr. Trippe commissioned Igor Sikorsky to build a safe, comfortable multi-engine flying boat.
>
> Now air routes leaped southward across the Caribbean to South America. Airports were carved from jungle wilderness. Navigation and weather stations rose on barren mountain slopes. By 1934, Pan American Clippers served every country in Latin America.
>
> The time was ready for the conquest of the oceans. Not only by bold men making lonely solo flights in flimsy airplanes, but by workaday planes carrying passengers like you and me.
>
> Charles Lindbergh, an earlier Hubbard Medalist, helped accomplish this miracle by joining Pan Am as a technical advisor in 1928. He still holds that post today.
>
> In 1931, Mr. Trippe dispatched Colonel Lindbergh and his wife, Anne Morrow Lindbergh, on an unprecedented survey flight to the Orient. Two years later, the Lindberghs again soared aloft to survey the North Atlantic. For her service as co-pilot and radio operator on the flight, Mrs. Lindbergh received the 1934 Hubbard Medal.
>
> The Lindbergh flights, daring at the time, resolved many of the technical problems facing pilots destined to span the oceans in the mighty clippers being built to Pan Am specifications.
>
> Mr. Trippe looked confidently to the Far East. Desolate coral islands in the Pacific were transformed into way stations for transoceanic travelers. Those tiny inns on Midway, Wake, and Guam were probably the first Inter-Continental Hotels.
>
> On November 22, 1935, Mr. Trippe proudly watched his first China Clipper rise majestically from San Francisco bound for Manila.
>
> You will recall that the National Geographic Society played its own part in the aerial conquest of the Pacific Ocean. The beloved Dr. and Mrs. Gilbert H. Grosvenor were the first couple to fly the entire transpacific route from San Francisco to Hong Kong as paying passengers.
>
> Pan Am's growing fleet turned to the Atlantic. The famed flying boat Yankee Clipper made a dramatic first flight in 1939 from Port Washington, Long Island, to Lisbon.
>
> Juan Trippe, a pioneer at heart, never rested on his laurels. In 1940 the Boeing 307 went into service as the first pressurized land plane on regular flights. Pan Am surveyed and established new air routes between Seattle and Juneau, Alaska, and from Los Angeles to Auckland.
>
> The National Geographic Society and Pan American World Airways joined forces for the Mount McKinley Flight Expedition. This adventure gave Americans their first bird's-eye view of Alaska's awesome mountains.
>
> From a Pan Am Lockheed monoplane, expedition leader Bradford Washburn looked down on Mount McKinley. It was, he reported, "the world's mightiest precipice . . . one stupendous cliff plunging to the plains 17,000 feet below."
>
> World War II halted aerial exploration, but it accelerated progress in aviation. Pan Am trained military crews in long-range flying techniques. The airline ferried troops and cargo to hazardous battle zones. Pan Am, in working with the military, demonstrated the value of a powerful United States air merchant marine.
>
> After the war, Mr. Trippe resumed his

unique role in American commercial aviation with new zeal. By 1947 Pan Am girdled the globe with regularly scheduled round-the-world flights.

The introduction of jet aircraft heightened Mr. Trippe's old dream of making air travel attractive to all peoples. Accordingly, in 1955, Mr. Trippe startled the aviation world with an order for American-built jet transports. Four years later, Pan Am inaugurated America's first overseas jet service with the historic flight of a Boeing 707 from New York to Paris.

Early this year, a Pan Am jet made the first fully automatic approach and landing in the United States on a routine flight with paying passengers.

For more than four decades, Juan Trippe has led Pan Am and, indeed, the entire American aircraft industry across new frontiers in transportation. Facilities that both the airlines and public now take for granted were fantastic innovations when Mr. Trippe introduced them.

Mr. Trippe's daring shattered the shackles of time and distance in travel; he has helped give man a new awareness of his planet. On behalf of all members of the National Geographic Society throughout the world, I take special pride in handing to Mr. Trippe the Hubbard Gold Medal. It bears this citation:

"To Juan T. Trippe, In recognition of his extraordinary contributions to geography and exploration through the development of new air routes across the continents and oceans of the world and a lifetime of service to the air and science of aviation."

I might add, Mr. President, that Mr. Trippe's response to the glowing words of the Chief Justice was typical of him and his modest nature. He thanked the National Geographic Society for the award not only for himself but in behalf of the many thousands of dedicated Pan American employees around the world.

The Surtax Question

EXTENSION OF REMARKS

OF

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 14, 1967

Mr. WINN. Mr. Speaker, for many months we have been reading about the President's request for a 10-percent surcharge on incomes to help finance the Vietnam war, to help cut the budget deficit, and to help stem inflation. It has been difficult for me to reconcile myself to the President's thinking when he announced in November that the deficit was expected to reach $30 to $35 billion, while at that very time, his proposed tax increase/spending cut plan was ready for submission to Congress and showed the deficit to be $22.4 billion which could be reduced $2.6 billion as a result of planned expenditure controls, leaving a $19.8 billion deficit in sight.

I have considered all the arguments advanced by the administration in support of this tax increase and I am simply unable to accept them. And so, for the following reasons, I cannot at this time support a tax increase:

First. The administration says a tax increase is needed to halt inflation, but this contention is disputed by leading economists in the President's own party. What we are experiencing, I believe, is inflation generated by massive Government spending, with the Government bidding against private economy for manpower and services. This opens the door to inflationary wage settlements.

Second. The administration admits it is faced with a multibillion-dollar deficit but has failed to make any meaningful reductions in nonessential spending or postpone new and untried programs not vital to the Nation's welfare.

Third. One of the principal arguments advanced in behalf of the surcharge is that its enactment would relieve pressure on the money market, thus obviating an increase in the general interest level. In view of recent Federal Reserve Board action, this argument is no longer valid. The dampening effect of increased interest rates superimposed with a tax increase might well plunge our economy into a recession. Budget cuts provide a more flexible economic weapon because they can be put into effect at once and allow for a more rapid reversal of policy.

Fourth. A tax increase would be an unnecessary additional burden on the middle-income taxpayer and especially hard on those citizens on fixed incomes.

The 50th Anniversary of Lithuanian Independence

EXTENSION OF REMARKS

OF

HON. WILLIAM T. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 14, 1967

Mr. MURPHY of Illinois. Mr. Speaker, on the eve of the 50th anniversary of the reestablishment of Lithuanian independence, a memorandum was presented to the Vice President of the United States, the Honorable HUBERT H. HUMPHREY, on Wednesday, December 6, 1967, by Mr. Anthony J. Rudis, national president of the Lithuanian American Council, Inc.

Mr. Speaker, I was so impressed with some of the points contained in this memorandum that I thought it should be brought to the attention of my colleagues.

I insert the memorandum and the response of Vice President HUBERT H. HUMPHREY:

DECEMBER 6, 1967.

To the Honorable Vice President of the United States, HUBERT H. HUMPHREY:

MR. VICE PRESIDENT: This Delegation of the Lithuanian American Council comes to you to re-affirm our loyalty and dedication to our Administration and to our great President, Mr. Lyndon B. Johnson. We are a nationwide organization representing one million American-Lithuanians and their organizations. We are an American civic movement united against Communist expansion.

From the time of the U.S. non-recognition of the forced occupation of Lithuania, Latvia and Estonia in 1940, the Lithuanian American Council has been received by every U.S. President. In our request for an audience with President Johnson, he has asked that at this time, the gracious Office of the Vice President receive our Delegation.

As we stand on the threshold of 1968, we express renewed faith in our Government and pledge our earnest support. We agree with our administration's policy on Vietnam. We are seriously aware of the Communist declaration that they will first take Eastern Europe, then the masses of Asia and, lastly, the United States. Being of Eastern European origin, our people have lived and died from the actuality of the Communist scourge. Our prime aim is to safeguard American interests and to alert all segments of American society on the brutally live and destructive forces of Communism. We pledge the Lithuanian Community to uphold our American principles with pride and honor.

On February 16, 1968, the American-Lithuanian Community in the U.S. will commemorate the 50th Anniversary of Lithuania's Rebirth of Independence. Major cultural events will take place throughout the Country.

To solemnly mark this occasion, we ask that a statement and re-affirmation of the official U.S. position be made by our Administration, as stated in "Treaties in Force", Jan. 1, 1967 (Dept. of State Publication 8188) and Dept. of State Publication "Status of the World's Nations" (Geogr. Bulletin No. 2, May, 1965, pp. 1 and 9):

"In the early part of World War II, three sovereign States, Estonia, Latvia and Lithuania, were forcibly incorporated into the Soviet Union.

"The incorporation of the Baltic States into the Soviet Union is not recognized by the U.S. Government. The United States recognizes, furthermore, the diplomatic and consular representatives of the last free governments of Estonia, Latvia and Lithuania as the accredited representatives of those countries."

This would be in line with the action taken by the U.S. Senate and House of Representatives who for many years have commemorated Lithuania's independence date on February 16th, with appropriate talks on the Senate and House floors and incorporation of remarks into the Congressional Record.

To commemorate this event with our beloved United States in the foreground, we have placed a request before the U.S. Postmaster General asking that a commemorative philatelic stamp be issued in 1968 for the country of Lithuania. In fulfilling this request, the United States would establish an affirmative world opinion that America continues to champion the idea of sovereign equality of all nations in an international system of law, order, and decency.

The contribution of the Lithuanian immigrant to the United States has been one of loyal and arduous industry. From the first one of written record, Alexander C. Cursius, who came to the U.S. in April of 1659, as a teacher of high school Classics, through those who served in the regiments of twelve Northern States in the Civil War, on through to those who labored in the coal mines and steel mills, built railroads, churches, schools, established businesses and professions, on to Victor Brenner, famous sculptor who designed the Lincoln penny, we find their tasks were dedicated and proudly patriotic in helping to build and shape our nation.

In these modern times of elaborate and cunning plans to discredit the U.S. and create crises, we wish to show the world that our Country values the friendship and loyalty of her citizens. And, just as in 1917–1918 it was the peaceful and mighty America who attempted to guide the world into a better future—the United States today still supports the humanitarian principles of self-determination and freedom to all peoples.

We respectfully request our Administration's support of the issuance of a commemorative postage stamp for Lithuania in 1968. The idealism of the United States gives her an unchallenged right to honorable world leadership.

We thank you, Mr. Vice President, for your courtesy. We express our respect to a great American and allegiance and fealty to our Country and Flag, the United States of America.

Anthony J. Rudis, National President, Lithuanian American Council, Inc.; National Affairs Chairman, Lithuanian Catholic Federation.

His Exc. Bishop V. Brizgys, Exiled Bishop of Kaunas, Lithuania.

Leonard Simutis, National President, Lithuanian Catholic Alliance of America.

Dr. Pius Graigaitis, Publisher and Editor, Lithuanian Daily Newspaper, "Naujienos".

Michael Vaidyla, Publisher and Editor, Lithuanian Weekly Newspaper, "Sandara".

Rev. Pranas Garsva, M.I.C., Publisher and Editor, Lithuanian Daily Newspaper, "Draugas".

Juozas Kapocius, Publisher and Editor, Lithuanian Encyclopedia; Chairman, Board of Directors, Lithuanian Community U.S.A.

Paul Dargis, President, Lithuanian National Alliance of America.

Theodore Blinstrubas, President, Lithuanian National Association.

Jack Stukas, Director, Lithuanian Radio & Television Programs, New York-New Jersey-Conn.

Mrs. Anthony J. Rudis, Representing Women's Civic Clubs.

Edward J. McElroy, Special Events Director, Radio Station WJJD, Chicago, Illinois.

Response by Vice President Hubert H. Humphrey Following Presentation by Members of the Lithuanian American Council, December 6, 1967

Thank you very, very much. First, may I welcome you: My good friend Tony and Mary and other members of this distinguished delegation. And I especially want to thank you for bringing me this memorandum today and for your letter to me of some days ago telling me of the possibility of our visit. I want also to express to you the heartfelt appreciation of the President of the United States, Mr. Johnson, for your work and for your steadfastness and for your vigorous support of our country and your country—this great America—and what it's endeavoring to do now in Asia as it has endeavored to do in other parts of the world. Your support of our policy in Vietnam is very reassuring and, may I say, deeply appreciated. What we seek to do there is what we are seeking to do around the world—provide for independence, promote independence and self-determination. That's our only objective. We seek no territory; we seek no sphere of influence; we seek no imperial domain. All we seek to do is to help those who are the victims of brutality and aggression to maintain their freedom and their independence so that they can build their own life and design their own future.

It's particularly gratifying for me to meet with this distinguished delegation on the eve of the 50th anniversary of the re-establishment of Lithuanian independence. Of course, we know that Lithuanian independence was re-established at the end of World War I with a great and idealistic and forceful leader, Woodrow Wilson, who fought so hard for the right of self-determination.

Organizations such as the Lithuanian American Council have played an important role in the shaping of our society from the diverse national elements. But out of this diversity of people comes our strength, and the Lithuanian people have truly enriched the culture of America and the industry, and the commerce, and the agriculture of this nation—made it a strong nation. You have contributed to the enrichment of the fabric of American life and you've done so through the preservation of your own cultural heritage.

As you know, the United States government has consistently refused to recognize the forcible incorporation of Lithuania by the Soviet Union and has continued to support the cause of self-determination for all the Baltic peoples. The courage and the dedication with which the Lithuanian people both at home and abroad have maintained their national identity in the face of great adversity is an inspiration to free men everywhere. It was not surprising to me, therefore, that this delegation and your people should stand with the government of the United States in its policy in Vietnam. You know that the principle of self-determination applies universally. And thank goodness you also know what happens in a totalitarian society and a totalitarian regime.

We have learned from bitter experience that the cause of freedom throughout the world is indivisible, and that human liberty can never be advanced and assured without firmness of purpose and readiness for sacrifice on the part of those who cherish its blessings. It is with this fundamental realization and with this spirit that the government and the people of the United States will, I am confident, meet their responsibilities in today's troubled world.

I want to say to the Lithuanian American Council that your message in your memorandum to me needs to be brought to the attention of the entire nation. When I heard you speak of our endeavors as we seek them today and of the threats to our society and to the cause of freedom, I know you spoke, not as men and women of theory, but as people who have lived through it. I think living is the best teacher of all.

So Mr. Rudis, may I thank you very, very much. I will see that this communication is brought to the attention of the President and the Secretary of State, and it will also be incorporated in the records of the Congress.

The Political Principles of Robert A. Taft

EXTENSION OF REMARKS
OF

HON. THEODORE R. KUPFERMAN

OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, December 14, 1967

Mr. KUPFERMAN. Mr. Speaker, the Villager, a fine community newspaper in my district is interested, as we all here are, in men and events that shape our Nation, its previous course and its future path.

For that reason, I was asked to review an excellent book entitled "The Political Principles of Robert A. Taft".

I know my colleagues will share my interest in this book and in my view of it.

The review follows:

The Political Principles of Robert A. Taft

A new book, "The Political Principles of Robert A. Taft," points out what many have long suspected: that Robert A. Taft was the country's modern conservative, with a viable program for the Republican Party that all factions within it could live with for the good of the country.

The Republican Party, on a national basis, had been the party of prosperity in power from World War I until the depression, when its time ran out. Under Franklin D. Roosevelt it became the party of negativism, so feeble that it barely maintained representation in the Congress.

Robert A. Taft gave it a program of intelligent conservatism. With his passing came another wave of prosperity under Eisenhower, to be followed by a negative conservatism that in 1964 took Republicans back to 1936 in defeat.

Taft bridged the gap. First elected to the United States Senate in 1938, he survived until only a short period after Eisenhower's inauguration. During that time, he won three contests for the Senate in Ohio and lost three contests for his party's nomination for President.

Although he was berated by Labor Union leaders for the so-called "slave labor" Taft-Hartley Act, which bears his name, Ohio laboring men supported him, and the Taft-Hartley Act has been amended to make it more stringent.

When he died of cancer in July 1953, many people speculated on what the result would have been of his being chosen as President in 1952, and then passing on with but seven months in office, because his choice for Vice President would undoubtedly have been Senator Knowland of California, instead of the Eisenhower choice of the other California Senator, now a 17th District resident, Richard M. Nixon.

Probably most significant in understanding the esteem in which Bob Taft was held in the country and by his colleagues, is the fact that he was one of the five Senators chosen out of the Senatorial history to be commemorated by a portrait in the Capitol.

All of this and more is covered by this book, which traces the Taft career and, like an elephant, forgets no detail.

To understand national politics, and current political philosophy, this book is a must. One word about the publisher. Fleet Press Corporation at 156 Fifth Avenue is in our Village area. Its guiding light is Doris Schiff, also a Villager. With books like this one, they make a welcome addition to our district.

J. Michaels, Inc., of Brooklyn, Demonstrates Faith in the Future of Our Cities

EXTENSION OF REMARKS
OF

HON. HUGH L. CAREY

OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, December 14, 1967

Mr. CAREY. Mr. Speaker, with so many people deploring the ethnic changes that are taking place in our centers of populations, with so many press stories about various firms deserting the metropolitan areas for the suburbs, with so many prophets of doom predicting the decay of our cities, I believe it is incumbent upon us to pay some tribute to those business concerns who have faith and trust in the community where they matured, and in the people whom they serve.

I am thinking in particular of one firm in my own district of Brooklyn, N.Y. The name of this firm is J. Michaels, Inc., a name, I might add, which has become synonymous with quality furniture and appliances. The beginning of this business dates back to 1886, when one Joseph Michaels opened a small furniture store on Smith Street, convinced that Brooklyn was a healthy community in which to do business. Today that one little store has grown to four large stores, but all these stores are still in Brooklyn, because the descendants of the founder—Jules D. Michaels and Robert Michaels—hold the belief that Brooklyn continues to be a healthy community in which to grow and thrive.

By way of evidence: Only 4 years ago, J. Michaels erected a beautiful modern store in downtown Brooklyn to replace an older one across the street. This fine store has 36,000 square feet of floorspace, is fully sprinklered and 100 percent air conditioned, and involved an investment of over a half million dollars. It is an asset to the downtown Brooklyn landscape and will help to keep that section one of New York's leading shopping centers.

If, indeed, Brooklyn continues to be a healthy community, J. Michaels has helped to make it so through its active participation in various community activities, such as good citizenship awards to high school students, music appreciation concerts for children, sponsorship of Boy Scout troops, and contributions to many Brooklyn charities.

J. Michaels' good-neighbor relations are carried right to within its own organization. It had a nondiscriminatory hiring policy long before the birth of the present-day civil rights movement. Today, over one-third of its employees are nonwhite, and many of them are in responsible and supervisory positions.

A firm such as J. Michaels—with its longtime reputation for fair dealings, low prices, and conscientious service—would undoubtedly be successful in any community.

It is not my intention to praise one firm. I mention J. Michaels only as an example of the kind of business concern that, by simply showing faith in the people, will help our cities prosper.

Civic Firsts in Christmas Decorations in Manchester, N.H.

EXTENSION OF REMARKS

OF

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 14, 1967

Mr. WYMAN. Mr. Speaker, from year to year the Manchester, N.H., Chamber of Commerce has sponsored a communitywide display of Christmas decorations program. This year the display includes a 13-block area in the central city, decorated with aluminum garlanded lighted cross street streamers featuring an old English lantern theme. three major intersection pyramid displays depicting the Christmas candle motif; large lighted snowmen stand as sentinels to the entrances to this display area; each on-street parking meter post within the lighted area is wrapped with red, white, and green plastic covers; each of the major entrances to the city is decorated with large lighted Christmas tree displays of welcome; and on one of the major bridges spanning the Merrimack River are two large lighted Christmas tree designs visible to thousands of motorists using the interstate highway system—known as the Everett Turnpike—during evening hours.

In addition to these displays, the chamber Christmas decorations committee has inaugurated another first for Manchester's Christmas season in the form of a public Santa's workshop located on Merrimack Common in the heart of the city. For Manchester's youth—of all ages—Santa will be housed in his typical workshop laden with toys and goodies, surrounded by busy working elves, brightly colored and lighted "sugar plum" trees, and a large lighted canopy covering the walkway to the colorful entrance arch of his workshop. As the visitor approaches Santa's workshop with his personal Christmas list he will pass between two pens of Santa's own black-faced sheep.

The board of directors of the Manchester Chamber of Commerce feel that it is vital to the successful rallying of the total business community support to sponsor the Christmas decorations program. The chamber represents all types, sizes, and locations of Manchester business, industry, and professional firms, and this sponsorship accentuates the broad community responsibility as distinct from a particular self-interest association or geographical group within the community. Unlike many communities, the financial support of this community project comes from businesses located in all four corners of the Queen City rather than from only the "downtown merchants." Contributions from firms located at the airport—Grenier Field—in the millyard, on the highway entrances, north, south, east, and west, manufacturers, doctors, lawyers, hotels, laundries, plumbing establishments, religious organizations, labor groups—all reflect a citizenship responsibility of the business community in a tangible and attractive way.

As a local "spectacular" costing in the vicinity of $13,000, while 85 percent of the cost is carried by the business and professional community, the public sector—the municipality itself—carries about 15 percent of the total costs so there is demonstrated a practical partnership and a true community undertaking.

Mr. Speaker, congratulations are in order to the members of the Manchester Chamber of Commerce Christmas Decorations Program Committee for this worthwhile undertaking that could readily serve as a model to interested groups in other cities across the Nation. I want to personally and publicly congratulate the general chairman, Mr. Bernard J. Garrell, and the members of his committee for this fine job this year: Thomas R. Burns, Jr., John M. Duffy, Jr., M.D., Ralph Gottlieb, Faustyn K. Jasiel, E. Leo Kanteres, Robert A. Larrivee, D.D.S., Clement M. Lemire, Roger M. Mara, Augustine J. McDonough, Esq., Andrew J. Woronka, and George G. Younger. And to my colleagues and their constituents, I extend a warm invitation to "come see us" and the beautiful spirit of Noel in the Queen City of New Hampshire.

H.R. 14447—A Bill To Provide for the Study of the Feasibility of Using Water From the Missouri River in Western Texas

EXTENSION OF REMARKS

OF

HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 14, 1967

Mr. PRICE of Texas. Mr. Speaker, at the recent annual meeting of the Mid-West Electric Consumers Association in Omaha, Nebr., on December 8, 1967, there was presented by R. W. Beck & Associates, analytical and consulting engineers, a plan for the use of the waters of the Missouri River by the Great Plains area, which includes much of the western part of the State of Texas. I think that this plan is most significant and want to call it to the attention of my colleagues.

Its main point is that many areas in the Missouri River Basin have a surplus of water, while many other areas, that are contiguous with the basin, have a definite shortage. These shortages could be corrected by diverting water from the Missouri into the areas of shortage, still leaving plenty of water for the programed growth of all areas.

This proposal has foresight and vision. The water problem has long been one of the most serious in the Great Plains area, where the soil is so naturally rich and fertile, yet where little will grow in proportion to its potential, because of insufficient water supply. We lose much of our agricultural and industrial capability by not opening up these areas with water from areas of great surplus.

Quoting from the study:

> As our water requirements increase, it is not realistic to permit water unused and unuseable in one area to go to waste when it can be transported and used in another area to enhance the nation's economy. A haunting memory to the Great Plains area is the drought of the Thirties, when a shortage of water supply resulted in untold economic loss and misery.

It is imperative that we act to prevent this from ever happening again, especially when the means are so near our grasp. The existing Texas water plan has recognized the fact that there is not enough water readily available for the western part of our State, and that the only sources that are feasible are at a great distance from the State. It is realized also that water will have to be transported from other areas to fill the requirements.

It is the contention of the study by R. W. Beck & Associates that the Missouri River Basin offers the best promise as a source of water for west Texas, and I am convinced that the proposal should be thoroughly investigated as a solution to vital water needs of west Texas and the Great Plains area.

The annual water flow of the Missouri at Sioux City, Iowa, during the period from 1898 to 1962 was 33,400 cubic feet per second, which was about one and a half times the flow of the Colorado, which serves California and Arizona. Thus, there seems to be plenty of water to divert from one area to the other without endangering anyone's growth. As a fact of life, the western part of Texas, as well as other Great Plains areas, must have an increased water supply, and this could be the answer.

Under the proposed plan of development, flows of the Missouri River would be diverted just downstream from Fort Randall Reservoir at an elevation of approximately 1,250 feet above sealevel. The flows would be lifted through a series of dams and/or canals 200 miles up the Niobrara River in Nebraska to approximately elevation 4,050 feet above sealevel at a point just north of Alliance, Nebr.

From there, the entire project water would flow by gravity in a major canal running almost due south through western Nebraska, crossing the North Platte River and passing between Sidney and Chappel, Nebr.; thence into eastern Colorado, crossing the South Platte River above Julesburg, Frenchman Creek above Holyoke, Colo., the South Fork of the Republican River and crossing into western Kansas above Goodland; thence generally along the Colorado-Kansas border crossing the Smokey Hill River to about Tribune, Kans., where the canal would swing back west to cross the Arkansas River below Lamar, Colo.; thence south to cross the Cimarron River below Boise City, Okla., the North Canadian River near the Oklahoma-Texas border, the Canadian River north and west of Amarillo, Tex.; thence south, crossing the Prairie Dog Town Fork of the Red River south of Amarillo and swinging slightly south and west through the high plains of west Texas, crossing the upper reaches of the Brazos River above Lubbock, the Colorado River near the border of New Mexico, and finally terminating at elevation 3,660 near Hobbs, N. Mex.

A small extension of the main canal could deliver water by gravity to the Pecos River near Carlsbad, N. Mex., and the remainder would flow in natural channels south to the Pecos River below Pecos, Tex.

Water delivered to the Pecos River could flow downstream through a potential power project south of Midland, Tex., where approximately 650 feet of head for conventional and pumped storage power development could be utilized before the water finally flows into the Rio Grande above the Amistad project.

The diversion of a substantial amount of the flows of the Missouri River as here proposed will have no detrimental effect on any existing or proposed water resource developments in the upper basin.

Downstream water quality control on the Missouri River is assured in that at least 3,000,000 acre-feet per year is planned for release below Sioux City for pollution abatement and municipal water supply requirements. This requirement was determined for the Corps of Engineers mainstem operation studies as being adequate with essentially untreated sewage being placed in the Missouri River at Omaha and other major population centers.

As desirable as this transfer is in theory, much planning and study is necessary before it can be carried out. The needs of the areas containing the surplus water must be taken into account, as well as how to parcel the water that is deemed available.

In order to answer these and many other questions raised, I have proposed a measure, H.R. 14447, which would direct a study of the feasibility of diverting water from the Missouri River to areas, such as the western part of Texas, where the need is so great. I hope that the House will expeditiously consider this matter so that the planning for this great and urgent task may get underway.

Mr. Speaker, I am inserting at this point in my remarks a summary of the major features of this proposed project:

A NEW WATER RESOURCE PLAN FOR THE GREAT PLAINS: MAJOR PROJECT FEATURES

WATER SUPPLY

1. Source: Missouri River below Fort Randall Reservoir.

2. Availability: At point of diversion: 13,000,000 acre-ft. average annual, 9,000,000 acre-ft. minimum, 16,000,000 acre-ft. maximum.

Delivered to participating projects: 10,200,000 acre-ft. average annual.

3. Means of diversion and transportation:

Pumping: Reversible turbines and pumps located at dams and/or canals along the length of the Niobrara River from the mouth to Box Butte Reservoir near Alliance, Nebr. Total pumping lift=2,800 feet to elevation approximately 4,050 feet.

Gravity: 940-mile-long canal from elevation 4,050 feet in northwestern Nebraska through eastern Colorado, western Kansas, western Oklahoma and west Texas to elevation 3,660 feet near the Pecos River in New Mexico. Canal capacity at beginning of project=17,000 cfs.

POWER FEATURES

1. Pumping power requirements: 35 billion kilowatt-hours annually for project pumping purposes, equivalent to 4,000 mw at 100% load factor. This excludes re-pumping water cycled for peaking purposes.

2. Pumped storage peaking capacity: As much as 3,500 to 5,300 mw of peaking capacity could be developed as required by the power market.

3. Other power features: Potential pumped storage project on Prairie Dog Town Fork of Red River southeast of Amarillo, Texas—1,200 mw. Potential power facilities installed at participating project reservoirs along route due to increased water supply and on Pecos River below Pecos, Texas. Additional energy production at existing and proposed dams downstream from canal.

PROJECT BENEFITS

1. Potential irrigable lands in project area: 53,000,000 acres.

2. Water benefits: Full and/or supplemental supply to 6,000,000–10,000,000 acres of irrigable land; municipal and industrial water supply. Direct annual water benefits—$350 million to $450 million. Recharge of ground water aquifers. Water quality improvement on intercepted rivers and streams.

3. Power benefits: Raise of overall system load factor for all electric systems in region to a very high level. Provision of considerable on-peak capacity released to meet other system loads when pumping is interrupted and/or reversed. Additional direct on-stream hydro and pumped storage project capacity. Downstream benefits to other hydro power projects depending on releases to individual river basins.

4. Recreation, fish and wildlife benefits: Direct benefits arising from reservoirs on Niobrara River; canal usage; participating reservoir projects.

5. Flood control benefits: Incidental flood control benefits from diverting uncontrolled high flows of intercepted streams into the proposed canal.

6. Indirect benefits: Stimulus to economy of region and nation due to increased land values; adequate municipal and industrial water supply; new agri-business created; aid in population redistribution; land and water conservation.

PROJECT COSTS AND CONSTRUCTION PERIOD

1. Overall approximate estimated project cost: $3–3.5 billion depending on location of project water deliveries and alternative project plans. Estimate based on 1967 price levels and excludes any costs associated with slack-water navigation on Missouri River or of providing base load power.

2. Possible completion date, initial project: 1980, allowing 7 years for detailed project studies and 5 years for construction of initial project facilities. Ultimate full development dependent upon demand and participating project development.

The 90th Congress Winds Up First Session With All Its Old Problems and Some New Ones, Too

EXTENSION OF REMARKS

OF

HON. EDWARD HUTCHINSON

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 14, 1967

Mr. HUTCHINSON. Mr. Speaker, as the long first session of the 90th Congress comes to a close, I take this opportunity to report to the people of the Fourth Congressional District of Michigan on the work of the session.

The Nation is restless and troubled. We cannot say that this Congress has solved any of the problems which beset us. Indeed, we have with us all of the problems of a year ago plus some new ones. We appear no closer to peace. Our fiscal situation has worsened. While this Congress has been meeting we have experienced riots in the streets. Serious crime has increased shockingly. We are troubled with inflation and the highest interest rates in 40 years. The moral and ethical standards of our people are changing. There is widespread and growing disrespect for law and order. It is difficult to point to anything this Congress has done to alleviate these difficulties, plus the many more that have led some to portray this as a sick society.

Our people are burdened with taxes more excessive than ever before in their memory and still our governments—Federal, State, and local—cry out for more in order to satisfy the demands of the people for services. Our Federal Government has balanced its budget in but five of the last 37 years. This Congress has lined up with the 32 rather than the five—and the Government continues to operate more deeply in the red ink than at any time since World War II.

BUDGET DEFICIT SWELLS

In June it became obvious the Administration's January estimates of the budget deficit had been way out of line. An $8 billion projected deficit had grown to $28 billion. Some estimates put it as high as $35 billion for this fiscal year. Thanks to some savings effected by the Congress and the Administration—plus a more optimistic prediction of revenues—at session's end the deficit is estimated at $22 billion.

A budget so far out of balance is economically intolerable. The Congress, on reconvening in January, must continue its determined efforts for further cuts in spending.

Last January the President had proposed in his budget message an income tax increase in the form of a 6-percent surtax. Every taxpayer would compute his Federal income tax, take 6 percent of it and add that to his payment. But it was not until August that the President finally sent his tax message to Congress. By then the 6-percent surtax had grown to 10 percent—estimated to produce $7 billion a year in additional revenue.

Since it is not possible to erase—or even cut in half—a $22 billion deficit with a $7 billion tax increase, the House of Representatives began a drive for deep cuts in spending. At session's end, the combined efforts of Congress and the Administration had reduced spending by about $4 billion—not much out of a $140 billion spending program.

The inescapable fact remains that the Government will be spending $12 billion more in fiscal 1968 than it did in 1967. Some of the added cost cannot be avoided, but many of us believe spending could be reduced by at least another $4 billion.

RAISING THE LID ON THE DEBT

When this Congress convened in January the national debt limit was $338 billion. Early in the year, however, Congress was persuaded to raise that ceiling to $365 billion, since the lower limit was being reached and more money had to be borrowed to permit the Government to pay its bills. As of November 30, the debt was $345.6 billion.

When the Government spends beyond its tax revenues the difference must be borrowed and the debt increased. A government—like a family—may spend more than it takes in for a while, but the time will come when the imbalance must be rectified.

The Government of the United States has been spending beyond its income for so long that the situation has become chronic. Good times or bad, the Administration believes in giving the economy a tonic, souping it up through deficit spending. Many of us disagree with such policies.

Interest on the national debt will cost taxpayers $15 billion during the current fiscal year. This amount is second only to defense in all of the categories of the budget. Interest costs now total more than the entire Federal budget for any year prior to World War II, except the World War I fiscal year of 1919.

The specter of inflation—rapid increases in the cost of living—has alarmed us intermittently throughout the year. Consumer prices were at record highs at the end of November when we learned it now takes a dollar to buy what 82 cents would buy 10 years ago.

Massive Federal spending has so great an impact on the economy these days that it is generally agreed a reduction of the deficit would dampen the fires of inflation. The issue between us is how the deficit should be reduced—by an increase in taxes or a reduction in spending. This session saw a determination in the House to meet the problem by spending cuts but, as I have pointed out, reductions were too small to accomplish the purpose and the situation remains uneasy. There may be further efforts to increase taxes in 1968, on the plea that costs cannot be cut enough to do the job.

TAXES WERE RAISED

The President's income tax proposal did not move in 1967. In fact, no bill to accomplish it was even introduced. But Americans will still pay more taxes. Social security taxes, deducted from paychecks and matched by employers, will take $1.4 billion more in 1968 than in 1967. This tax increase will not reduce the budget deficit, however. The money goes into a special trust fund and will be used to finance increased social security benefits, needed to restore the purchasing power which inflation has robbed. Under the 1967 Social Security Amendments, old-age benefits will be raised 13 percent, increasing the minimum monthly benefit from $44 to $55.

This Congress also raised taxes in another way—through an increase in postal rates. It will now cost 10 cents per ounce for airmail and 6 cents to send a first-class letter.

Rates for other classes of mail were also increased, but this added revenue will have virtually no effect on the budget deficit. The money will go for postal pay increases. The same law raised the pay of other Government employees, but not the President, Federal judges, or Members of Congress.

Competent Government service is dependent upon well-qualified Government employees, skilled and able. The Government has found that, in order to keep career civil servants, it must offer compensation comparable to what they can earn in the private sector of the economy. The need to raise the wages of Government workers to keep them in line with industrial wage rates is forced on the Government by the inflationary spiral which results from the Government's own economic policies. Congress has not succeeded in striking at the root causes of inflation, perhaps because it has not found them.

DEFENSE COSTS SOAR

This year saw enactment of the biggest single money bill in history. It was the Defense appropriation bill, totaling $69,936,620,000, of which some $20 billion was for purposes directly relating to the war in Vietnam. Other appropriation bills boosted the total spending authorized for national defense to $73 billion.

Only in the matter of supplying our troops does this Administration recognize any dependency upon Congress as far as the war in Vietnam is concerned. This responsibility Congress is meeting without stint. Regardless of differences over our entry into the war and its conduct, Members of Congress overwhelmingly agree it is our duty to provide the very best of materiel, equipment, and supplies for our troops. At present the cost of the war is running about $2 billion a month, or $24 billion out of the $73 billion defense budget.

But, aside from being asked to approve the expenditure of such vast sums, Congress is accorded no role by the Administration in matters of war—or peace.

This session of Congress extended the military draft law another 4 years but made no basic reforms. The President had proposed that Congress merely extend the law and authorize him to make such changes as he thought desirable by Executive order. Congress gave the President the extension he requested, made a few changes in the program by statute law, but withheld authorization to reform the system by Executive order.

A SHIFT IN PUBLIC WELFARE POLICY

The Social Security Amendments of 1967 included many provisions having no relationship to the social security program itself.

A definite shift in public welfare policy is reflected in many of the amendments, especially those having to do with the aid to families of dependent children—ADC—program.

Under the law, States will be required to develop counseling, training, and community work programs for adults and work-age, nonschool members of families receiving assistance. To encourage self-sufficiency, a portion of family earnings would be exempt from reduction of ADC payments.

The law establishes a limit on the proportion of children under ADC to the total child population of a State. This ratio cannot exceed that reported as of January 1968.

States also will be required to offer day care and family planning services; to develop programs designed to reduce illegitimate births and to establish paternity in such cases so that support may be obtained for illegitimate children. Additional Federal funds will be provided for these programs.

The new law also establishes limitations on the medicaid program. The various federally assisted State health plans for low-income persons will be required to conform to new income standards for eligibility. To be eligible, a family cannot have combined income greater than either 133⅓ percent of the highest amount paid to families of the same size under ADC, or 133⅓ percent of the State's average per capita income, whichever is lower.

CRIME AND CIVIL DISORDER

The shocking increase in crime throughout America is the most alarming domestic issue facing us today.

Crime runs rampant through the streets and in public and private places. The machinery of law enforcement has been hobbled. In many cases, police officers can no longer do their duty nor can prosecutors bring the accused to trial. The criminal element in society, grown bold by recent judicial decisions, puts the forces of law and order on the defensive. The people rightly demand protection.

Despite this, not one anticrime measure—excepting those pertaining exclusively to the District of Columbia—has been enacted during this long 1967 session. The House wrote a comprehensive bill for assisting the States in law enforcement and passed it over to the Senate, where no legislation on the subject has reached the floor.

Now the bill passed by the House was quite different from that which had been proposed by the Administration, but it was effective legislation, and in the view of the majority of the House, a far better piece of legislation than the Attorney General had asked for. In spite of the urgency, however, the Administration chooses not to press for Senate action. The same fate has befallen a House-passed bill which would make it a Federal crime to cross State lines or use facilities in interstate commerce with intent to incite or promote riot.

Criminal law enforcement traditionally has been and should continue to be primarily a State and local function. But crime which crosses State lines in its conspiracy or commission is wholly appropriate for Federal action. This Congress has yet to attack in force organized crime which operates in more than one State.

Congress could also establish law enforcement academies—as we have long maintained military service schools—to upgrade law enforcement as a profession. Federal help in improving police networks for the exchange of information could be provided without weakening the essentially local character of law enforcement. But a new respect for law and order must be generated in our communities. It cannot be generated from Washington.

From 1961 through 1967, civil disorders in American cities and towns increased steadily both in frequency of outbreaks and severity. Even more violent outbursts are threatened in the future. At the time of last summer's rioting in Newark and Detroit, legislation was introduced calling for Congressional investigations into the causes of the rebellious activity, so that legislation could be drafted to eliminate it. At the same time, however, the President appointed a Commission on Civil Disorders. When the Presidential Commission began its work, further effort for Congressional investigations ceased, and Congress awaits the report of the Commission, expected next March.

Hopefully, the second session of the 90th Congress will act promptly to create law enforcement tools to the extent of its constitutional authority; and State legislatures will likewise respond to meet the problem within their States.

ACT ON AIR POLLUTION

Just as the last Congress made progress in the effort against pollution in our lakes and streams, so the 90th has acted for clean air.

The Congress also enacted the first new Federal meat inspection law in 60 years. Major health legislation was passed, extending both the partnership for health and mental retardation programs through 1970.

NO HELP FOR FARMERS

Despite obvious faults and shortcomings in U.S. farm policies which—combined with other economic factors—forced the parity ratio during 1967 to its lowest point since the depression years of the 1930's, Congress offered no promise of legislative relief to the American farmer. Present farm policies are locked-in through the 1969 crop year, under the 4-year program enacted in 1965.

Two other issues upon which Members of the House of Representatives have no vote under the Constitution, but which prompted a great deal of mail from residents of the Fourth Congressional District, were the Russian Consular and Panama Canal Treaties.

The Consular Treaty with the U.S.S.R. was ratified by the Senate in March but has not yet been approved by Russia. The proposed new treaty with Panama has yet to be submitted to the Senate for its advice and consent, since the treaty met with no better reception in Panama than it did in the United States.

If this session of Congress broke no other records, it did produce the largest number of rollcalls in history. By the end of the session day of December 13, a total of 441 rollcalls had been recorded. I have been diligent in my attendance and am proud to report that, out of 201 quorum calls, I answered to 196, and out of 240 record votes, I voted on 236 of them. I missed no major votes.

President Johnson Speaks at Michoud Space Assembly Facility, Michoud, La.

EXTENSION OF REMARKS

OF

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 14, 1967

Mr. HÉBERT. Mr. Speaker, President Johnson's stirring address at the Michoud Assembly Facility in Louisiana was a renewed pledge to keep the United States the world's space pioneer.

In less than the span of a lifetime, America has advanced from the Wright brothers' first plane to a supersonic space age. In the 9 short years since then Senator Lyndon Johnson first introduced the Aeronautics and Space Act of 1958, we have launched satellites to watch the world's weather, link whole continents in an intricate communications network, map the moon, place astronauts into space, and explore the full reaches of the universe.

There are some doubters who say that the world's mightest nation cannot support a space effort, and that the effort is too costly.

Our space program is costly but it has repaid our investment twentyfold. Its value can be measured in the enrichment of our lives, the stimulation to our economy, the increased knowledge for our schools and industries, and the additional strength it has given our Nation.

Our space program is costly, but the cost of abandoning space to other nations is far greater. This Nation, founded as a new world by a brave explorer, stands, in the President's words, "at the gateway to another and more glorious new world." As did that first brave adventurer, Americans must accept the challenges of its generation.

To do otherwise would be to betray our ideals as a people, to undermine our role as the free world's leader, and to turn against the American heritage of adventure.

President Johnson well stated America's determination to choose the promise of tomorrow over the memory of yesterday in telling the dedicated Americans at the Michoud Assembly Facility that—

> We will not abandon our dream. We will never evacuate the frontiers of space to any other nation.

I am proud that the people of Louisiana are contributing so greatly toward making America's dream a reality.

And I am glad the President made such strong statements in behalf of the space program. Many at Michoud were wondering what the future held in store for them. But the President's strong words have assured them of the continuation of the program at Michoud.

President Johnson's speech to the workers at Michoud, consisting of employees of Chrysler, Boeing, Mason Rust, and NASA, was very forceful and positive. His visit answered many questions as to the future and stability of the space program, with specific relation to the future of the Michoud Assembly Facility.

There was no doubt as to what the President said and no mincing of words. He made a flat statement that he is solidly behind the space program for which I personally thank him.

There was no equivocation of his words of affirmation, and if the President translates those words into action, I am sure the people of Louisiana, and specifically the people who work at Michoud and reside for the most part in the First, Second, and Sixth Congressional Districts, will be most grateful.

His speech, while I did not personally hear it, but since have read it and have heard reports on it from many people who did hear it, left no vacuum as to his position.

For my part, as a Member of Congress, I shall support all efforts which he may make to obtain the full amount of funds needed to carry on this program from which flows productive dollars on which full taxes are paid.

I believe it important that the entire Congress know and understand the position the President has taken on the space program, and his full commitment and full pledge to the ultimate objectives.

The President of the United States was most generous last Tuesday—December 12—in doing the Louisiana delegation and myself the honor of pausing in my district at the site of the Michoud Assembly Facility, which is an integral part of the space program.

Here is the text of the President's speech, made at Michoud, in my district:

REMARKS OF THE PRESIDENT AT MICHOUD SPACE ASSEMBLY FACILITY, MICHOUD, LA., DECEMBER 12, 1967

Governor McKeithen, Mr. Mayor, Director Webb, Captain Schirra and Captain Cunningham, Dr. Von Braun, the able leaders of Chrysler and Boeing and the working people in this group, ladies and gentlemen.

Governor McKeithen and I had our hearts swelled with pride as we rode through this great operation and saw the technical facilities and development that you men and women have produced.

Senators Ellender, Long and Hale Boggs—who gave my daughter a wedding party the other evening—Congressman Hébert and others have insisted I come to Louisiana to see what you had here. But little did I realize how mammoth it was and how much you have done and are doing.

Governor McKeithen, being a farm boy from out in the sticks, looked up to me and said, "Mr. President, this place would really hold a lot of hay, wouldn't it?"

I said, "Governor, I don't know how much hay it will hold. It has been a long time since I bought hay. But I do think it would have been big enough to invite all of my friends to the wedding." I don't think that we could buy them champagne if we got this many there. But it is big enough—Alaska is big enough to do whatever needs to be done.

It was 64 years ago this week that Bishop Wright of the United Brethren Church in Dayton, Ohio received a telegram. This telegram was from his two sons who were vacationing on the seashore.

That telegram began:

"Success four flights Thursday morning. All against 21 mile wind. Started from level with engine power alone. Average speed through air 31 miles. Longest, 57 seconds."

The next line said:

"Inform press."

The figures were a little off. The wind was 27 miles, not 21. The longest flight time was 12 seconds, not 57. But this was blamed on the telegraph operator, Governor, lately. But this telegraph operator said he couldn't read Orville Wright's handwriting.

But the fact remains that the two young bicycle mechanics from Dayton, Ohio had designed and flown the first practical airplane.

Standing here, in this great mammoth center, it is hard to believe that we have come so far and we have come so fast—from the Wright brothers on the sands of Jim Webb's native North Carolina to this amazing space complex here in the freedom-loving State of Louisiana.

What a leap in less than one human lifetime. From a voyage of 120 feet to a trip to the moon. And we are still soaring. We have started a journey from which there can be and there will be no turning back.

We have come a long way—and much of that journey has been made in the last ten years. Ten years ago, we could put scarcely 100 pounds into orbit about the earth. Today we can orbit 285,000 pounds. That is progress. That is something I am proud of and that is something you are proud of. That is something we are doing together.

In the nine years since I first introduced in the United States Senate the Aeronautics and Space Act of 1958, we have seen the power of our rocket engines increase 50 times—from 150,000 to 7,500,000 pounds of thrust in the engines that you build here.

We have satellites watching the world's weather.

We have communications satellites linking all the continents into a community of nations.

We have mapped the moon already.

We have flown our astronauts in orbit for as long as 14 days. They have begun to learn how men can live and work in space.

We have perfected our technology. Thirteen Saturn vehicles have been launched without a single failure. You hear about the bad things; now let's talk about the good things.

On behalf of this very proud Nation, and as your President, I have come here to say on behalf of the American people that we thank you good people of New Orleans and Louisiana for helping to bring these miracles about. We thank you for your skill, your loyalty, and your dedication to your country that gives such blessings to all America.

But you have done more than paved man's road to the stars. Much of what you do stays here at home to enrich our lives, improve our economy, and add to our strength.

Your Apollo program will send men to the moon. It will also help your industry, our universities, and our Nation to develop the knowledge that we need—that we are going to have to have—if we survive in the 20th Century.

We are just beginning, really, to grasp the responsibilities and the opportunities of space. We are just beginning to realize its meaning for the needs here on earth.

I was talking to Governor McKeithen riding through a moment ago. We have invested some $20 billion in the past 10 years. But the value to our Nation of this $20 billion and this successful space program may be millions of times greater than the investment we made. Who knows now, when we have only lifted the first veil from the mysterious and the miraculous?

But think of the cost to us if we were not in space—if we failed to support a program that is worthy of the wealthiest nation in history. What would that say about America's vested system of government? What would that say about our leadership in the world if we brought up the tail end?

Think of the cost to America, compounded again and again, if we had abandoned the determination to master technology—when it is so vital, not only to our prosperity but it is vital to our very national security.

It is because of you that we have not failed. It is because of you that the national effort that we launched in 1961—it is because of this investment, our foresight and sacrifices—that Americans can today watch the moon rise and the stars move through the heavens without great fear.

Not long ago we had to stand by and watch other countries accomplish what we could not accomplish. I will never forget the days of Sputnik-1 and Sputnik-2, and the real concern. You talk about concerned people; they were concerned during that period.

We were the most scientifically advanced nation on the face of the earth but we did not launch man's first earth satellite.

We were backward because we did not choose to adventure. We did not choose to have vision. We did not choose to look forward. Now let us remember that our future achievements—or our future failures—will depend on how far ahead we choose to look and how far ahead we choose to think.

If we think second, and if we look third, then we are going to wind up not being first.

I hope you hear me—that man will make space his domain is inevitable. Whether America will lead mankind to that destiny does not depend on your ability, but it depends on our vision, our willingness, and our national will and determination.

This great pilgrimage of man—like all his adventures—costs money. Christopher Columbus spent more years trying to find money for his voyage than he spent discovering the new world. In the modern world, we can no longer depend on a Queen Isabella pawning her jewels. We have to depend on taxes. We must have the revenues that only Congress can grant through taxes.

So we will advance in space to the extent that our people and their representatives are prepared for us to advance and are prepared to pay the cost of that advance. We may not always proceed at the pace we desire. I regret that there have been reductions and there will be more. There have been interruptions, and I hope that we have had all we can take. But I do have faith and confidence in the American people.

We are all the descendants of those voyagers who found and settled the New World.

We Americans are the first to really enter and the first to understand the 20th Century.

Today we stand here at the gateway to another and a more glorious new world.

We will not surrender our station. We will not abandon our dream. We will never evacuate the frontiers of space to any other nation.

We just must be the space pioneers who lead the way to the stars.

To Capt. Schirra and Mr. Cunningham, and their associates, particularly to Director Jim Webb and Dr. Von Braun, and to all of you in the great State of Louisiana, who have worked your hearts out to make this a success, to the great managers of this operation, Governor McKeithen, I say on behalf of not just the State of Louisiana, but the States of this Nation, all 49 of them—we are very proud of our space program.

We are very proud of our astronauts and the industrial genius that supports them. We are very proud of the good people of Louisiana for what they have built and for the record that they will establish.

Thank you very much.

Just how terrific an impact the President's speech at Michoud had is dramatically reflected in the following news story which appeared in the New Orleans Times-Picayune.

The reaction is only one of many in the news media of New Orleans, but reflects the stimulating influence which the President's speech had on the workers at Michoud and in the communities of the area.

The President's appearance, speech and reassurance on the future of the space program was undoubtedly the best Christmas gift he could have given to the dedicated men and women who make up the space facility community.

This news story, which I insert here, reflects the reaction to the President's most welcome and timely visit to the Michoud Assembly Facility in New Orleans:

[From the New Orleans (La.) Times-Picayune, Dec. 14, 1967]

MICHOUD WORKERS' SPIRIT LIFTED BY JOHNSON SPEECH—8,042 JOBS ARE SECURE UNTIL MAY 1970

President Lyndon B. Johnson's speech here Tuesday gave a definite boost to spirits of employes of the NASA-Michoud Assembly Facility.

The employes, numbering some 8,042 in all operations as compared with the peak employment high of 11,964 May 17, 1965, have secure jobs until at least May of 1970.

However, the President, along with James Webb, head of the Space Administration, who introduced the President, left much room for optimism that the current contracts for Michoud production, now at $1.5 billion, will be extended. There were certainly no hints of contract cancellations.

Although there has been a decrease of 3,952 from the peak employment in 1965, the NASA public relations office at Michoud reported that some of those not employed now were construction workers and planning personnel no longer needed after production operations began full blast.

FIGURES GIVEN

Employment figures, citing the May, 1965, total first and then the current figures, follow:

The Boeing Launch Systems Branch: 7,236 and 4,310.

The Chrysler Corp. Space Division: 3,350 and 2,255.

Mason-Rust (maintenance and housekeeping): 920 and 763 .

National Aeronautics and Space Administration: 280 and 231.

The Telecomputer Services, now known as the Ling-Temco-Vought Inc. Range Systems Division: 208 and 283. (This is the Slidell NASA computer operation).

The current Boeing contract calls for assembly of Saturn V first stages and will continue through December of 1970.

EXTENSION POSSIBLE

The Chrysler contract is for Uprated Saturn I first stages until May of 1970. However, NASA has begun procurement of "long lead-items" for four additional Saturn I first stages. Should this contract be authorized, it would extend the Chrysler contract for at least one year additional.

Boeing's contract runs to December of 1970 and is for 15 Saturn V first stages along with a contract to May of 1970 for 12 Uprated Saturn I first stages.

Mason-Rust's contract terminates at Dec. 31 of this year, but will be extended under a one-year option program exercised by NASA.

Said one Michoud official, "The President definitely provided a lift for spirits of workers here in the plant. His speech was extremely well received, and there was nothing negative about it."

Although President Johnson hinted that the employes might not expect to "jump back" into accelerated space programs as in the past, he was emphatic in declaring beyond a doubt that the United States will continue in its space program.

SENATE

Friday, December 15, 1967

The Senate met at 9 a.m., and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Eternal Spirit, amid the tensions of these terrific days we seek in Thy presence a saving experience of inner quiet and certainty.

We thank Thee that this is our America, and that amid all the contentions and convulsions of these volcanic days, whatever be the verdict of the people, still we can say with utter confidence—God lives and the Government at Washington still stands, and with Thy help will continue to stand as the beacon light of truth for all the earth.

Wilt Thou bless and strengthen all that here has been worthily done as Thy servants in the ministry of public affairs have followed flickering lights amid the encircling gloom.

And now may the Lord bless you and keep you; may the Lord make His face to shine upon you and be gracious unto you; may the Lord lift up the light of His countenance upon you and give you peace—peace in your own hearts, peace in this dear land of ours, and a just peace throughout all the earth, now and evermore. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, December 14, 1967, be dispensed with.

The **PRESIDENT** pro tempore. Without objection, it is so ordered.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The **PRESIDENT** pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Jones, one of his secretaries, and he announced that on December 14, 1967, the President had approved and signed the act (S. 1003) to amend the Flammable Fabrics Act to increase the protection afforded consumers against injurious flammable fabrics.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The **PRESIDING OFFICER** laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Post Office and Civil Service.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE COMMUNICATIONS, ETC.

The **PRESIDING OFFICER** laid before the Senate the following letters, which were referred as indicated:

Report of Farm Credit Administration

A letter from the Governor, Farm Credit Administration, Washington, D.C., transmitting, pursuant to law, a report of the Farm Credit Administration, for the fiscal year ended June 30, 1967 (with an accompanying report); to the Committee on Agriculture and Forestry.

Report of Commissary Operations

A letter from the Secretary, Department of Transportation, transmitting, pursuant to law, a report of the commissary operations, showing the expenditures and proceeds of resales covering the purchase, transportation, and distribution of food and other subsistence supplies sold to Federal Aviation Administration employees and their dependents and other U.S. Government employees located in Alaska and the Pacific Islands, for the fiscal year 1967 (with an accompanying report); to the Committee on Appropriations.

Reports on Reapportionment of Appropriations

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, the appropriation to the Veterans' Administration for "Readjustments benefits" for the fiscal year 1968, has been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriation; to the Committee on Appropriations.

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Veterans' Administration for "Compensation and pensions" for the fiscal year 1968, has been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriation; to the Committee on Appropriations.

Limitation of Shipowners' Liability for Personal Injury or Death

A letter from the Secretary of Transportation and the Acting Secretary of Commerce, transmitting a draft of proposed legislation to repeal the laws authorizing limitation of shipowners' liability for personal injury or death (with an accompanying paper); to the Committee on Commerce.

Recommendatons of General Conference of UNESCO

A letter from the Assistant Secretary for Congressional Relations, Department of State, transmitting, pursuant to law, a recommendation concerning the status of teachers, adopted by a Special Intergovernmental Conference convened by UNESCO in Paris, September 21 to October 5, 1966, and endorsed by the UNESCO General Conference held in Paris October 25 to November 30, 1966 (with an accompanying paper); to the Committee on Foreign Relations.

Report of Foreign Excess Property Disposed of by Federal Aviation Administration

A letter from the Administrator, Department of Transportation, Federal Aviation Administration, reporting, pursuant to law, on the foreign excess property disposed of during the fiscal year 1967 by the Federal Aviation Administration; to the Committee on Government Operations.

Reports of the Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the need for guidance to States on contracting for administrative services under federally aided public assistance programs, Social and Rehabilitation Service, Department of Health, Education, and Welfare dated December 13, 1967 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on opportunities for improvement in administration of the contract for operation of the Kitt Peak National Observatory, Tucson, Ariz., National Science Foundation, dated December 14, 1967 (with an accompanying report); to the Committee on Government Operations.

Proposed Concession Contract—Arlington Hotel Co., Inc., Hot Springs, Ark.

A letter from the Deputy Assistant, Secretary of the Interior, transmitting, pursuant to law, a proposed concession contract under which Arlington Hotel Co., Inc., will be authorized to continue to provide bathing facilities and related services for the registered guests of the Arlington Hotel in the city of Hot Springs, Ark., for a 5-year period from January 1, 1968, through December 31, 1972, when executed by the Director of the National Park Services; to the Committee on Interior and Insular Affairs.

Third Preference and Sixth Preference Classification for Certain Aliens

A letter from the Commissioner, Immigration, and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports relating to the granting of third preference and sixth preference classification to certain aliens (with accompanying papers); to the Committee on the Judiciary.

PETITIONS

The PRESIDING OFFICER laid before the Senate resolutions of the House of Representatives, Commonwealth of Massachusetts, which were referred to the Committee on the Judiciary, as follows:

Resolutions Memorializing Congress To Amend the Immigration Act of 1965 and Afford the Same Immigration Privileges to the People of Ireland That Is Afforded to Other Nations

Whereas, The Irish immigrant played an important part in the early pioneering days of our great nation; and

Whereas, The Irish immigrants and their sons and daughters have contributed greatly and today are playing a leading role in all aspects of the business, social, military and political life of our country; and

Whereas, By the passage of the Immigration Act of 1965, Congress reduced the Irish immigration quota, when it provided that after July, 1968 no Irishman will be allowed to immigrate to this country unless he is a skilled worker, or has a family here which will guarantee his welfare; and

Whereas, Ireland is a young nation that needs her skilled workers but has a surplus of unskilled workers her economy cannot support; therefore be it

Resolved, That the Massachusetts House of Representatives respectfully urges the Congress of the United States to amend the Immigration Act of 1965 and make it possible for more unskilled workers of Ireland to immigrate to America; and be it further

Resolved, That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress and to each member thereof from this Commonwealth.

REPORT ENTITLED "OPERATION OF ARTICLE VII, NATO STATUS OF FORCES TREATY"—REPORT OF A COMMITTEE (S. REPT. NO. 946)

Mr. ERVIN. Mr. President, on October 12, 1967, the full Committee on Armed Services approved the annual report entitled "Operation of Article VII, NATO Status of Forces Treaty," together with other jurisdictional operations, for the period December 1, 1965, through November 30, 1966.

I submit to the Senate this report and ask that it be printed, with illustrations.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Charles E. Bohlen, of the District of Columbia, a Foreign Service officer of the class of career ambassador, to be a Deputy Under Secretary of State.

By Mr. YARBOROUGH, from the Committee on Post Office and Civil Service:

Eleven postmaster nominations.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RANDOLPH:

S. 2791. A bill for the relief of Wong Tat Ming, Yeung Sau Wing, Chiong Book, Kam Fat Wai, Chan Chun Lam, and Cheng Siu Shiu to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 2792. A bill to amend the Mental Retardation Facilities Construction Act in order to make certain facilities on which construction was begun after January 1, 1966, eligible for grants under part C of that act; to the Committee on Labor and Public Welfare.

By Mr. MONDALE:

S. 2793. A bill to restrict the mailing of unsolicited credit cards; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. Mondale when he introduced the above bill, which appear under a separate heading.)

By Mr. SMATHERS:

S. 2794. A bill to amend the Internal Revenue Code of 1954 to provide a longer period of time for disposition of certain assets in the case of regulated investment companies furnishing capital to development companies; to the Committee on Finance.

(See the remarks of Mr. Smathers when he introduced the above bill, which appear under a separate heading.)

By Mr. McGOVERN:

S. 2795. A bill for the relief of Ho Chi Keung and Tseng Kam Kuen; to the Committee on the Judiciary.

By Mr. DOMINICK (by request):

S. 2796. A bill to amend sections 2, 9, 8, and 10 of the National Labor Relations Act, as amended; to the Committee on Labor and Public Welfare.

By Mr. DIRKSEN:

S. 2797. A bill relating to the deduction for Federal income tax purposes of contributions to certain organizations promoting approval of State constitutional conventions; to the Committee on Finance.

(See the remarks of Mr. Dirksen when he introduced the above bill, which appear under a separate heading.)

By Mr. YOUNG of North Dakota:

S. 2798. A bill to amend section 314(k) of title 38, United States Code, in order to provide for a statutory payment of $47 a month to a veteran who has lost the use of a lung or kidney as the result of a service-connected disability; to the Committee on Finance.

S. 2799. A bill for the relief of Santosh Kumar Nandy; to the Committee on the Judiciary.

By Mr. JAVITS:

S. 2800. A bill to provide Rehabilitation Loans for city-owned property in deteriorating areas;

S. 2801. A bill to provide interest supplement payments for housing for low- and moderate-income families; and

S. 2802. A bill to allow State or local financed housing projects to be eligible for rent supplement recipients; to the Committee on Banking and Currency.

(See the remarks of Mr. Javits when he introduced the above bills, which appear under a separate heading.)

By Mr. HARTKE:

S. 2803. A bill for the relief of Antonio Girardi; to the Committee on the Judiciary.

By Mr. HART:

S. 2804. A bill relating to the income tax treatment of treble damage payments under the antitrust laws; to the Committee on Finance.

(See the remarks of Mr. Hart when he introduced the above bill, which appear under a separate heading.)

By Mr. JACKSON (for himself and Mr. Kuchel):

S. 2805. A bill to authorize the Secretary of the Interior to conduct investigations, studies, surveys and research relating to the Nation's ecological systems, natural resources and environmental quality, and to establish a Council on Environmental Quality; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. Jackson when he introduced the above bill, which appear under a separate heading.)

By Mr. TYDINGS:

S. 2806. A bill to amend section 2 of the act of February 11, 1903 (ch. 544, 32 Stat. 823, as amended; 15 U.S.C. 29, 49 U.S.C. 45), commonly known as the Expediting Act;

S. 2807. A bill to amend section 2 of the act of February 11, 1903 (ch. 544, 32 Stat. 823, as amended, 15 U.S.C. 29, 49 U.S.C. 45), commonly known as the Expediting Act;

S. 2808. A bill to amend the act of February 11, 1903, commonly known as the Expediting Act, and for other purposes;

S. 2809. A bill to amend section 2 of the act of February 11, 1903 (ch. 544, 32 Stat. 823, as amended, 15 U.S.C. 29, 49 U.S.C. 45), commonly known as the Expediting Act;

S. 2810. A bill to amend section 1 of the Expediting Act of February 11, 1903, as amended;

S. 2811. A bill to amend the first section of the act of February 11, 1903, commonly known as the Expediting Act, to exclude from the operation thereof actions arising under the Interstate Commerce Act; and

S. 2812. A bill to repeal the act of February 11, 1903, commonly known as the Expediting Act; to the Committee on the Judiciary.

(See the remarks of Mr. Tydings when he introduced the above bills, which appear under a separate heading.)

By Mr. BROOKE:

S. 2813. A bill for the relief of Manuel Soares De Medeiros; to the Committee on the Judiciary.

By Mr. KENNEDY of Massachusetts (for himself, Mr. Fong, Mr. Pell, and Mr. Scott):

S. 2814. A bill to establish in the Department of State a Bureau of Refugee, Migration, and Visa Affairs to be headed by an Assistant Secretary of State, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. Kennedy of Massachusetts when he introduced the above bill, which appear under a separate heading.)

By Mr. PROXMIRE:

S. 2815. A bill to repeal the 25-percent gold cover requirement for Federal Reserve notes; to the Committee on Banking and Currency.

(See the remarks of Mr. Proxmire when he introduced the above bill, which appear under a separate heading.)

By Mr. ERVIN (for himself and Mr. Jordan of North Carolina):

S. 2816. A bill to provide for the issuance of a special postage stamp in commemoration of the Mecklenburg Declaration of Independence; to the Committee on Post Office and Civil Service.

By Mr. MONTOYA:

S. 2817. A bill for the relief of Lau Kwun Chung and Pui Li; to the Committee on the Judiciary.

By Mr. THURMOND (for himself and Mr. Hollings):

S. 2818. A bill to designate the hospital authorized to be constructed at Fort Jackson, S.C., as the "John J. Riley Memorial Hospital"; to the Committee on Armed Services.

By Mr. PEARSON (for Mr. Scott):

S. 2819. A bill for the relief of Ibrahim Zakour Eskaf; to the Committee on the Judiciary.

By Mr. TOWER:

S. 2820. A bill to amend the Federal Water Pollution Control Act in order to provide for regional water pollution control advisory boards; to the Committee on Public Works.

(See the remarks of Mr. Tower when he introduced the above bill, which appear under a separate heading.)

By Mr. MILLER:

S. 2821. A bill to exempt the State of Iowa from certain provisions of the General Bridge Act of 1946; to the Committee on Public Works.

(See the remarks of Mr. Miller when he introduced the above bill, which appear under a separate heading.)

By Mr. METCALF (for himself, Mr. Mansfield, Mr. Burdick, Mr. Morse, Mr. Young of North Dakota, Mr. Jordan of Idaho, Mr. Mondale, and Mr. McCarthy):

S. 2822. A bill to amend section 5 of the Interstate Commerce Act to insure protection of the public interest in rail merger proceedings; to the Committee on Commerce.

(See the remarks of Mr. Metcalf when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (for himself, Mr. Hartke, Mr. Hart, and Mr. Brewster):

S.J. Res. 130. Joint resolution to authorize and direct the Federal Trade Commission to conduct a comprehensive investigation of unfair methods of competition and unfair or deceptive acts or practices in the home improvement industry, to expand its enforcement activities in this area, and for other purposes; to the Committee on Commerce.

(See the remarks of Mr. Magnuson when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. ERVIN (for himself and Mr. Jordan of North Carolina):

S.J. Res. 131. Joint resolution to designate May 20, 1968, as "Charlotte, N.C. Day"; to the Committee on the Judiciary.

(See the remarks of Mr. Ervin when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTIONS

THE "LOST BATTALION" OF WORLD WAR I

Mr. JAVITS (for himself and Mr. Kennedy of New York) submitted a resolution (S. Res. 197) to honor the "Lost Battalion," which was referred to the Committee on Post Office and Civil Service.

(See the above resolution printed in full when submitted by Mr. Javits, which appears under a separate heading.)

APPOINTMENT OF COMMITTEE TO NOTIFY THE PRESIDENT CONCERNING THE PROPOSED ADJOURNMENT OF THE SESSION

Mr. MANSFIELD submitted a resolution (S. Res. 198) appointing a committee to notify the President concerning the proposed adjournment of the session, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. Mansfield, which appears under a separate heading.)

AUTHORIZATION FOR THE PRESIDENT OF THE SENATE TO MAKE CERTAIN APPOINTMENTS AFTER THE SINE DIE ADJOURNMENT OF THE PRESENT SESSION

Mr. DIRKSEN submitted a resolution (S. Res. 199) authorizing the President of the Senate to make certain appointments after the sine die adjournment of the present session, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. Dirksen, which appears under a separate heading.)

TENDERING THE THANKS OF THE SENATE TO THE VICE PRESIDENT

Mr. MANSFIELD submitted a resolution (S. Res. 200) tendering the thanks of the Senate to the Vice President for the courteous, dignified, and impartial manner in which he has presided over the deliberations of the Senate, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. Mansfield, which appears under a separate heading.)

TENDERING THE THANKS OF THE SENATE TO THE PRESIDENT PRO TEMPORE

Mr. BYRD of West Virginia submitted a resolution (S. Res. 201) tendering the thanks of the Senate to the President pro tempore for the courteous, dignified, and impartial manner in which he has presided over the deliberations of the Senate, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. Byrd of West Virginia, which appears under a separate heading.)

TENDERING THE THANKS OF THE SENATE TO THE ACTING PRESIDENT PRO TEMPORE

Mr. DIRKSEN submitted a resolution (S. Res. 202) tendering the thanks of the Senate to the Acting President pro tempore for the courteous, dignified, and impartial manner in which he has presided over the deliberations of the Senate, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. Dirksen, which appears under a separate heading.)

RESTRICTION ON MAILING OF UNSOLICITED CREDIT CARDS

Mr. MONDALE. Mr. President, the growth of credit card use and abuse has been so great in the past year that some form of Federal regulation is required that will not hamper the generation of new business.

With this in mind, I introduce, for appropriate reference, a bill to restrict the mailing of unsolicited credit cards. The bill is identical with the one introduced by my distinguished colleague from Minnesota, Congressman Karth. Congressman Karth's efforts to protect the consumer, particularly his attempt to obtain Post Office regulation of unsolicited credit card mailings, are well known on both sides of the Capitol.

The bill I am introducing would make the following protective measures required by law:

First. All unsolicited credit cards to be sent by registered mail and delivered only to the addressee.

Second. Return postage to be guaranteed if the enclosed credit card is refused or undeliverable.

Third. Envelopes containing unsolicited credit cards to bear notice of credit card enclosed and that it may be refused.

Ample evidence of the need for some type of reform is available in the statistics on credit card business. A thousand companies have issued over 140 million credit cards. Last year 1.5 million cards were reported lost or stolen resulting in more than $100 million worth of fraudulent business; a substantial portion of the cards stolen were taken from the mailboxes. Increased business losses are inevitably passed on to customers in higher prices.

The mailing of unsolicited credit cards is a major factor in rising fraud. We do not want to prevent the mailing of unsolicited cards, often the only way a bank has of attracting customers to a new credit service or an oil company has of meeting competition in a market largely controlled by cards. We do hope to control the unfortunate effects from mass mailings of unsolicited cards to consumers. There exists a difference between requiring care in mailing credit cards and requiring that cards be mailed only to those who have asked for them.

Bank credit cards and credit cards issued by oil companies recently have caused the most headaches. In Chicago not long ago five banks, including three of Chicago's biggest banks, sent out 5 million cards to people who had not asked for them. Many of these cards were stolen, some even taken by postal workers. The banks finally retracted those credit cards.

The issuance of credit cards en masse and unsolicited is fairly widespread in the oil industry. It is reported that Texaco recently distributed 2 million cards unsolicited in California. Texaco's success—the mass issuance brought a sales jump—may very well tempt others to follow suit.

In addition to oil and banking uses, consumers can employ cards to pay for travel and entertainment, to buy airline tickets and even to charge groceries and pay property taxes. The convenience of credit cards is welcomed, but the harassment of unwanted cards is not. As more items can be purchased with credit cards, the number of businesses that decide to pad their customer lists by issuing cards in mass unsolicited mailings is likely to increase.

Needed are limitations on such practices that will safeguard the recipient from harassment and from unjust demands by creditors to pay debts never incurred because the card upon which the bills were run up was stolen from the mail. The protection of registered, identifiable mail should protect the recipient and at the same time allow businesses to increase their customer lists through the device of unsolicited credit cards.

Mr. President, I ask that a copy of this bill be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2793) to restrict the mailing of unsolicited credit cards, introduced by Mr. MONDALE, was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

S. 2793

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 83 of title 18, United States Code, is amended by adding the following new section immediately following section 1734:

"§ 1735. Unsolicited credit cards and similar documents and devices nonmailable

"(a) Except as provided in subsection (b) of this section, every credit card and every other document and device intended or adapted for the purpose of establishing the identity and credit of any person in connection with the purchase or rental on credit of goods or services, or the obtaining of loans, are nonmailable matter and shall not be conveyed in the mails or delivered from any post office or station thereof or by any letter carrier, and shall be withdrawn from the mails under such regulations as the Postmaster General shall prescribe.

"(b) This section does not apply to credit cards or other documents or devices described in subsection (a) when mailed—

"(1) by any person other than the issuer or a person acting on behalf of the issuer;

"(2) in response to a request or application therefor;

"(3) as a replacement for a credit card or other such document or device previously used under the authority of the addressee; or

"(4) under the following conditions:

"(i) the mailing is by registered mail restricted to delivery to addressee only;

"(ii) the envelope bears the following endorsement on the face in letters not less than one-quarter inch in height 'unsolicited credit card—addressee may refuse' or words of similar import prescribed by the Postmaster General to make nonmailable such credit card or other such document or device; and

"(iii) the sender agrees to pay an additional charge for any mailing returned to him covering the cost to the Department of such return as established by the Postmaster General.

"(c) Whoever knowingly deposits or causes to be deposited for mailing or delivery any matter declared by this section to be nonmailable matter except in accordance with subsection (b) of this section shall be fined not more than $1,000 or imprisoned not more than two years, or both."

(b) The table of contents of chapter 83 of title 18, United States Code, is amended by adding at the end thereof the following:

"1735. Unsolicited credit cards and similar documents and devices nonmailable."

AMENDMENT OF INTERNAL REVENUE CODE RELATING TO INVESTMENT COMPANIES FURNISHING CAPITAL TO DEVELOPMENT CORPORATIONS

Mr. SMATHERS. Mr. President, I introduce at this time, for appropriate reference, a bill which would amend the Internal Revenue Code of 1954 to provide a longer period of time for disposition of certain assets in the case of regulated investment companies furnishing capital to development companies.

Present law treats electing regulated investment companies as conduits, taxing these companies only on the income which they do not distribute to shareholders—and taxing shareholders on the balance. Companies otherwise eligible, in order to qualify for this tax treatment, must invest 50 percent of their assets in cash, cash items and certain securities. In the case of most companies otherwise eligible, in respect of any one issuer, these securities, in order to count toward fulfilling the overall 50-percent test, may not be greater in value than 5 percent of the value of the companies' total assets or more than 10 percent of the outstanding voting securities of the issuer.

An exception to the 5- and 10-percent limits applies, allowing investments even when in excess of these limits to count toward fulfilling the 50-percent test, in the case of a development capital company. This is a company which, the Securities and Exchange Commission determines, engages principally in furnishing capital to corporations "principally engaged in the development or exploitation of inventions, technical improvements, new processes, or products not previously generally available to the public." The exception for such a company applies only when the cost—or other basis—of the security or securities of an issuer did not, at the time of the first or any subsequent acquisition of the securities of the issuer, exceed 5 percent of the value of the development company's assets. The exception, with respect to each issuer, applies only for a 10-year period following the company's first acquisition of a security of the issuer—if the company at all times continues to hold a security of the issuer.

The exception to the 5- and 10-percent limits for a development capital company does not apply in one instance. That is where more than 25 percent of the value of the company's assets are in securities of issuers with respect to each of which the company exceeds the 10-percent limit on investments in voting securities and, as explained above, the company has held a security in each issuer for a continuous 10-year period. In such instance, however, even though the company may no longer exceed the 5- and 10-percent limits with respect to new investments, it, nevertheless, still may elect regulated investment company treatment. This latter is the result of a savings provision which applies to regulated investment companies generally.

The effect of the 10-year period above noted and the savings provision is to produce the following described anomalous result. A company, whose only justification for taxation as a regulated investment company is that it once operated as a development capital company, continues to be taxed as such even though the company may no longer make those investments which qualified it for this treatment in the first instance.

Of those two development companies which now qualify as regulated investment companies, one is in a position where failure to extend the 10-year period will hamstring its activities in the manner noted above. An amendment extending this period will avoid this result. And, coupled with an amendment denying application of the general savings provision to a regulated investment company which previously has relied on the special rules for a development capital company, the amendment will prevent the anomaly which may occur under present law from resulting in the future.

This bill makes the two suggested amendments. First, the bill extends the existing 10-year period to 20 years. Second, it limits the general savings provision, so that it does not apply with respect to a company which has relied on the exceptions to the 5- and 10-percent limits for development capital companies. In addition to the two amendments noted above, this bill also makes a technical amendment. This amendment provides that an investment of a development capital company in a debt obligation having a maturity date not more than 5 years is to be considered as a cash item—and not as an investment in the securities of the issuer subject to the 5- and 10-percent investment limits—if the obligation is not convertible or associated with the issuance of stock rights or warrants.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2794) to amend the Internal Revenue Code of 1954 to provide a longer period of time for disposition of certain assets in the case of regulated investment companies furnishing capital to development companies, introduced by Mr. SMATHERS was received, read twice by its title, and referred to the Committee on Finance.

PROPOSED DEDUCTION FOR FEDERAL INCOME TAX PURPOSES OF CERTAIN CONTRIBUTIONS TO STATE CONSTITUTIONAL CONVENTIONS

Mr. DIRKSEN. Mr. President, before the General Assembly of the State of Illinois adjourned this year, it passed a resolution calling for a Constitutional Convention to deal with our Internal Revenue Code. That means that it has to go to the States in the form of a referendum. It requires a considerable fund, under a constitutional provision that obtains.

Obviously, to obtain 2½ million votes is a considerable undertaking; and they have requested that I introduce a bill making contributions for that purpose exempt from income taxes.

Accordingly, I introduce a bill, and ask for its appropriate reference.

The PRESIDING OFFICER. The bill

will be received and appropriately referred.

The bill (S. 2797) relating to the deduction for Federal income tax purposes of contributions to certain organizations promoting approval of State constitutional conventions, introduced by Mr. DIRKSEN, was received, read twice by its title, and referred to the Committee on Finance.

JAVITS RECOMMENDS THREE HOUSING PROPOSALS FOR IMMEDIATE IMPACT IN CITIES

Mr. JAVITS. Mr. President, I regretted very much that the proposed Omnibus Housing Act of 1967 (S. 2700) which is now on the calendar, was not acted upon by the Senate during this session. I had intended to introduce several amendments to the bill; however, since there is some question as to whether the proposal will be taken up as it presently is written, I have instead decided to introduce several of my amendments as individual bills at this time. If S. 2700 should be brought to the floor as reported, I would then submit these proposals as amendments to that bill as well as several other amendments.

REHABILITATION LOAN FOR CITY OWNED PROPERTY

My first proposal seeks to meet a vacuum in our existing housing laws, which do not make provision for various residential properties which, for one reason or another, have come into the hands of a city and which badly need rehabilitating. The city becomes the owner of such properties through code enforcement programs, tax delinquency litigation, abandonment, and so forth. My proposal would allow for cities, or private nonprofit corporations, cooperatives which purchase such property from cities, to obtain loans of up to $10,000 per unit, under the existing section 312 rehabilitation loan program. The plan would also extend eligible areas beyond the urban renewal and code enforcement areas eligible under the existing 312 program to any "deteriorated or deteriorating area," both being words of art, where the Secretary of Housing and Urban Development is satisfied that measures being taken in the area by public or private bodies may be expected to arrest the decline of the area.

Before introducing this proposal, I sought the views of various local housing officials across the country, and I submit that the replies were quite favorable. Strong words of support came from cities such as Pittsburgh, Atlanta, Philadelphia, Boston, and New York City, amongst others. All of these cities, are faced with the problem of dealing with dilapidated housing badly in need of rehabilitation.

Several cities replied that they do not now own such properties, but rather act as receivers. I believe this bill would be an incentive for these cities to seek local or State legislation to allow them to become owners and thereby receive assistance under this plan.

INTEREST SUBSIDY PAYMENTS FOR 221(d)(3) HOUSING

Under existing law, the so-called 221(d)(3) below-market interest rate program, involves a 3-percent direct Government loan using FNMA special assistance funds. These direct loans are now available to nonprofit corporations and cooperatives as well as to limited dividend corporations. However, as most of us are well aware, there is little money available in the FNMA special assistance funds. This fund is made up of money which FNMA borrows from the Treasury, or through participation sales, and in view of the excessive Government borrowing already necessary to meet the budget deficit, there is a good deal of doubt as to immediate plans for replenishing the fund.

At the same time, I would point out that statistics furnished by the Department of Housing and Urban Development demonstrate that in the eight major high-cost metropolitan areas—Los Angeles, San Francisco, St. Louis, Chicago, New York, San Diego, Cleveland, and Washington, D.C.—it is only the below-market interest rate program which is working at all in building low- and moderate-income housing.

City	Unit cost	Average unit rent required to meet debt services assuming a mortgage equal to cost at—	
		6 percent	3 percent
Los Angeles	$16,718	$200.61	$150.46
San Francisco	17,245	206.94	155.20
St. Louis	16,897	202.76	152.07
Chicago	17,380	208.56	156.42
New York	17,967	215.60	161.70
San Diego	17,900	214.80	161.10
Cleveland	16,827	201.92	151.44
Washington, D.C	16,710	200.52	150.39

In the chart above, it is quite apparent that unless a 3-percent loan is secured, the average unit rent required to meet the debt service at 6-percent rates in every one of the cities listed, is over $200—a truly incredible and quite impossible figure for low- and moderate-income tenants.

If the below-market interest rate program which provides direct 3-percent Government money is diluted or reduced, it seems quite obvious that the major cities will be able to provide few low- or moderate-income housing units. While this bill is not intended as a substitute for the below-market interest rate program, but rather as an alternative, the existing high-interest rate and excessive Government borrowing today will most likely result in a diminution of FNMA special assistance funds and, concomitantly, seriously affect the continued viability of the existing program.

My proposal would simply allow as an alternate to the below-market interest rate program an interest subsidy plan—similar to the concept in my college housing proposal now included as section 218 of the proposed Omnibus Housing Act, as reported. Under this plan, the builder would borrow in the private market with the Government paying the difference between 3 percent and the market rate. It is estimated that for every $10 million authorized for this program, approximately $350 million worth of housing can be built assuming the market rate is as high as 6½ percent.

I propose that the Congress authorize $20 million for fiscal 1968, $30 million for fiscal 1969, and $50 million for fiscal 1970. This $100 million over 3 years would support $3.5 billion worth of housing or approximately 200,000 units. I believe this is the only realistic approach if we are ever to get the 221(d)(3) program really moving. The Department of Housing and Urban Development has estimated that only 65,000 units have been built or are under construction since 1961. My plan would provide for the real use of this program.

Probably the strongest attribute of this plan is that it avoids the necessity of the Government borrowing in the marketplace by using exclusive private financing with the Government simply providing the difference between the 3-percent rate and the rate of private lending.

This plan is somewhat similar to that contained in the homeownership provisions of the omnibus housing bill and would have a great deal of applicability in the disadvantaged areas of our large cities.

Thus, rather than having to borrow almost $3.5 billion in the marketplace, the Government through an interest subsidy of $100 million can accomplish the same purpose with minimal budetary impact, without further overheating the already overheated high-interest situation, and without further depleting the special FNMA special assistance fund.

STATE FINANCED HOUSING TO BE ELIGIBLE FOR RENT SUPPLEMENT RECIPIENTS

Many States including Illinois, Pennsylvania, Massachusetts, Connecticut, New Jersey, and New York, have programs making money available at lower rates of interest than is presently available on the open market to private nonprofit entities, limited dividend corporations, or cooperatives. In New York, for example we have a State program called the Mitchel Lama program, which has been very successful in building moderate income housing. Under the existing rent supplement program, housing built under one of these various State programs is not now eligible to receive rent supplement recipients. Yet, it seems fair to say that this housing has at least as good a qualification for inclusion in the program as housing assisted under the Federal program—section 221(d)(3).

My proposal, which passed the Senate last year but unfortunately was dropped in conference, would include the nonprofit or limited dividend owner of a rental or cooperative housing project financed under a State or local program providing assistance through loans, loan insurance, or tax abatement, or which prior to completion of construction or rehabilitation is approved by the Secretary.

Mr. President, these three bills have great possibilities and they are entirely within the context of the kind of financing which we are contemplating in the new housing bill. I hope very much they will have early consideration in the Committee on Banking and Currency as well as by the executive agencies involved. I think they provide practical approaches to meeting major housing needs in our cities.

Mr. President, I ask unanimous consent to have printed in the RECORD the text of the three bills to which I have referred.

The PRESIDING OFFICER. The bills

will be received and appropriately referred; and, without objection, the bills will be printed in the RECORD.

The bills, introduced by Mr. JAVITS, were received, read twice by their titles, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

S. 2800

A bill to provide Rehabilitation loans for city-owned property in deteriorating areas

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 312 of the Housing Act of 1964 is amended by inserting the following new subsection and renumbering the succeeding subsections as (c), (d), (e), (f), (g), (h), (i):

"(b) Loans may be made under this section to local public bodies or agencies which have acquired ownership of structures, as a result of code enforcement activities or otherwise, or to private nonprofit corporations or cooperatives which have acquired ownership of such structures from a local public body or agency, to assist rehabilitation of such structures for residential purposes in any deteriorated or deteriorating area: *Provided,* That the Secretary is satisfied that measures being taken in the area by public or private bodies may be expected to arrest the decline of the area."

(b) Subsection 312(c)(2) of such Act is amended by inserting after "years" the following "(or such longer period as the Secretary deems appropriate to assist in the provision of housing for low and moderate income families)".

S. 2801

A bill to provide interest supplement payments for housing for low and moderate income families

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 221 of the National Housing Act is amended by adding at the end thereof the following subsection:

"(i)(1) the Secretary is authorized, in his discretion, with respect to any mortgage insured under the provisions of subsection (d)(3) which does not bear interest at the below-market interest rate provided for in the proviso in subsection (d)(5), to make, and to contract to make, periodic interest supplement payments to the mortgagee on behalf of the mortgagor. Interest supplement payments shall not be in an amount greater than that necessary to lower the monthly payment the mortgagor would be obligated to pay if the mortgage were to bear interest at the below-market interest rate provided for in the proviso subsection (d)(5).

"(2) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection, including such sums as may be necessary to make the assistance payments under contracts entered into under this subsection. The aggregate amount of contracts to make such payments shall not exceed amounts approved in appropriation Acts, and payments pursuant to such contracts shall not exceed $20,000,000 per annum prior to July 1, 1968, which maximum dollar amount shall be increased by $30,000,000 on July 1, 1969, and by $50,000,000 on July 1, 1970."

S. 2802

A bill to allow State or local finance housing projects to be eligible for rent supplement recipients

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 101(b) of the Housing and Urban Development Act of 1965 is amended by inserting after the first sentence the following: "Such term also includes a private non-profit corporation or other private non-profit legal entity, a limited dividend corporation or other limited dividend legal entity, or a cooperative housing corporation, which is the owner of a rental or cooperative housing project financed under a State or local program providing assistance through loans, loan insurance, or tax abatements, and which prior to completion of construction of rehabilitation is approved for receiving the benefits of this section".

INCOME TAX TREATMENT OF TREBLE DAMAGE PAYMENTS UNDER THE ANTITRUST LAWS

Mr. HART. Mr. President, in 1964 the Internal Revenue Service issued a ruling allowing antitrust violators to deduct as "ordinary and necessary" business expense, any payments—including treble damages—made to compensate those injured because of antitrust violations.

In 1966 the Senate Antitrust and Monopoly Subcommittee of which I am chairman held hearings on legislation I had introduced to correct what I believed to be an indefensible ruling. Hearings made clear that the ruling resulted directly from the electrical conspiracy cases. The effect has been to allow admitted antitrust violators to write off more than a half billion dollars for settlements growing out of their criminal activity.

To make the American taxpayer subsidize the results of antitrust violations made no sense to me then; it makes no sense to me now. This ruling not only offends the purpose and intent of the antitrust laws; it offends my sense of equity and fairplay.

The tax laws should not provide loopholes to protect those who break our laws. We should tolerate no double standard—one for individuals who may not deduct their illegal gains and another for large corporations who may be equally guilty of illegal behavior.

Today I introduce a bill modified as a result of those 1966 hearings which would overturn that IRS ruling in future cases.

The evidence also is clear that Congress has from the beginning meant to encourage private enforcement of the antitrust laws through triple damage suits. Yet, that 1964 ruling frustrates this intent. Therefore this bill is aimed also at reinstating private enforcement to its proper role in antitrust.

In enacting the first antitrust statute in 1890, Congress created a cause of action for private parties injured by violation of that act. It provided for treble damages to encourage private actions to aid in the enforcement of the national antitrust policy.

In 1914—in the Clayton Act—Congress extended treble damage suits to all violations of the antitrust laws.

Congress has spoken by action—and in word:

> The damages of "persons" are trebled so that private persons will be encouraged to bring actions which, though brought to enforce a private claim, will nonetheless serve the public interest in the enforcement of the antitrust laws. S. Rept. No. 619, 84th Congress 1st Sess, 3(1955).

Consistently the courts have viewed the statute not merely as a means to redress private injury but to aid in achieving effective enforcement of the antitrust laws.

Since 1914 the pertinent section, 15 United States Code 15, has been:

> Any person who shall be injured in his business or property by reason of anything forbidden in the antitrust laws may sue therefore in any district court of the United States in the district in which the defendant resides or is found or has an agent, without respect to the amount in controversy, and shall recover threefold the damages by him sustained, and the cost of suit, including a reasonable attorney's fee. (Section 4 of the Clayton Act)

Under this section some lower courts have said that the action is a civil remedy for a private injury and the damages are compensatory in nature. The majority though have considered trebling of the actual damages to be punishment assessed by the law to deter violations and encourage private enforcement. In view of the purpose of Congress, it seems the latter opinion is a proper one.

Regardless of technical terminology used to describe the damages, it is clear the section was intended: first, to induce private parties to aid enforcement by private suits; and second, in the public interest to deter violations by trebling the damages against the defendant.

Now, what has happened in recent years to this inducement to private action and this deterrent to violations?

First, the inducement to sue has been weakened greatly by the decision of the Supreme Court in *Glenshaw Glass Co.* v. *Commissioner of Internal Revenue Service,* 348 U.S. 426, in 1955. There the Supreme Court construed section 22(a) of the Internal Revenue Code of 1939, defining income for income tax purposes, to included the trebled part of damages received under section 4 of the Clayton Act, 15 United States Code 15. It did, however, treat such damages as penal. The Court did not mention or consider the social purpose of section 4 of the Clayton Act. It was simply construing the tax law.

Thus, since 1955 total damages received by a private antitrust plaintiff have been subject to income tax.

> For a long period prior to 1955, the incentive for the private litigant included the prospect that a recipient of treble damages could exclude from his gross income that portion of the amount recovered (two-thirds) which some have characterized as "punitive" damages.

The effect of the Supreme Court's reversal of this longstanding judicial principle is easily demonstrated. Assume a corporate plaintiff recovered $300,000 on proof of actual damages of $100,000. Under the long-established exclusion, the plaintiff would receive after income tax approximately $250,000. But under the Glenshaw Glass decision he would net after taxes approximately $150,000. This has a significant effect on the inducement to sue when the considerable time and expenses consumed by such suits are weighed. Another deterrent is that such plaintiffs subject themselves to the serious danger of being out of business or financially incapacitated before any money can be collected.

Now what was the effect of the July

1964 ruling of the Commissioner of Internal Revenue, ruling 64–224, on the deterrent against antitrust violations intended in section 4 of the Clayton Act? The ruling held that treble damages under section 4 were deductible as ordinary and necessary business expenses. This formal ruling was contrary to the informal rulings by the Commissioner theretofore. Many believed it was based on unsound reasoning. It grew out of approximately 2,000 treble damage suits filed as a result of the Department of Justice indicting in Philadelphia many manufacturers of electrical equipment.

One major problem, as I see it, is that this ruling removed much of the deterrent sting from section 4 of the Clayton Act. The amount of the punishment fixed by section 4 has been reduced by an amount measured by the income tax rate of the defendant.

The combined effect of ruling 64–224 and the Glenshaw Glass decision has been to transfer the tax burden on the penal part of antitrust treble damages from the law violator to the party injured by the violation.

Mr. President, the bill which I introduce now would restore section 4 to the full effect Congress intended. At the same time the bill seems equitable to both the plaintiff and the defendant.

The bill provides that compensation to a plaintiff for actual damages will be taxable as business income. The defendant would be allowed tax exemption on this amount as a business expense.

That portion which is not compensation—in most cases two-thirds—would not be considered income to the plaintiff. Instead the defendant would pay taxes on the two-thirds since it is punishment for violation of the antitrust laws. To exempt such payment from tax would frustrate sharply defined public policy against restraint of trade and monopoly.

We cannot overlook the fact that the law makes restraints of trade and monopolization a criminal offense as well as providing civil remedies. As fines paid for criminal violations are not deductible, neither should be amounts assessed by section 4 in private actions.

The first section of the bill would amend the Internal Revenue Code to provide that no deduction for income tax purposes should be allowed for two-thirds of any amount paid on any judgment entered against the taxpayer or in settlement of any action brought against him under section 4 of the Clayton Act.

The second section of the bill would amend the Internal Revenue Code by including in the items excluded from income two-thirds of any amount received on any judgment or in settlement of any action brought by the taxpayer under section 4 of the Clayton Act.

The bill would not be retroactive.

This legislation then would accomplish three things: it would encourage private antitrust enforcement; it would discourage antitrust violations; it would make clear that public policy does not favor law violations.

The American taxpayer is entitled to equal treatment in the administration of our tax laws. This bill would make clear congressional determination that he be treated fairly by the Internal Revenue Service.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2804) relating to the income tax treatment of treble damage payments under the antitrust laws, introduced by Mr. Hart, was received, read twice by its title, and referred to the Committee on Finance.

LEGISLATION TO ESTABLISH A NATIONAL PROGRAM ON ENVIRONMENTAL QUALITY CONTROL

Mr. JACKSON. Mr. President, on behalf of myself and the senior Senator from the State of California [Mr. KUCHEL], I introduce, for appropriate reference, a bill to establish a national program on environmental quality control.

The purpose of this legislation is to lay the framework for a continuing program of research and study which will insure that present and future generations of Americans will be able to live in and enjoy an environment that is not fraught with hazards to mental and physical well-being.

Title I of the proposed legislation authorizes the Secretary of the Interior to conduct investigations, studies, surveys, and research relating to the Nation's ecological systems, natural resources, and environmental quality.

Title II of the bill would establish a Council on Environmental Quality to study and analyze environmental trends; the factors that affect these trends; and how they relate to the conservation, social, economic, and health goals of the Nation. The Council would also advise and assist the President in the formulation of national policies to foster and promote the improvement of environmental quality, and in the preparation of the biennial environmental quality report required by section 203 of the bill.

It is clear, as we enter the last one-third of the 20th century, that a national policy on environmental quality management is needed. In a recent speech to the Federation of Western Outdoor Clubs in Portland, Oreg., I noted:

> Making rational decisions, profiting by past mistakes, and learning to anticipate future problems in the management of our environment becomes a matter of greater urgency because the pace of change in the world is quickening. The period of time between each new acquisition and application of scientific and technological power is growing successively shorter. The modified scale and scope of change is such that the world is altered as we walk in it. The years of a man's life no longer measure small growths and rearrangements. They measure instead a great upheaval of change. And too often these changes are not for the better.

I also quoted from an article by Max Ways which appeared in a past issue of Fortune magazine. Mr. Ways wrote:

> Within a decade or two it will be generally understood that the main challenge to . . . society will turn not around the production of goods but around the difficulties and opportunities involved in a world of accelerating change and ever-widening choices . . . Trying to "make sense" of change will (soon) come to be our basic industry.
>
> Esthetic and ethical values will be evolving along with the choices to which they will be applied. The question about progress will be "how good?" rather than "how much?"

The important point to be made is that there are alternatives. There are choices which can and must be made in the management of our natural resources and our environment. Environmental decay, whether in the form of a slow unobtrusive decline in the quality of our water, air, and surroundings or in the form of an industrial accident, is not an inevitable byproduct of industrial and technological progress. Today, in many areas, we are deeply engaged in trying to understand and manage our resources as a complex system of interrelated elements, rather than as separate parts. The headlong pace of development we are experiencing is beginning to force both the public and the private sectors to accept responsibilities and to adopt environmental quality policies that would have been unthinkable 10 years ago.

More, however, must be done if we are to have available the scientific and technical information necessary to make the sound and realistic decisions which will lead to a quality environment. Title I of this legislation provides the Secretary of the Interior with the authority to initiate a program which will develop much of this information. Title I also recognizes the legitimate roles of other departments and agencies of Government in developing related information.

This section of the bill represents a revised draft of legislation which was originally introduced by Senator NELSON in the 89th Congress as S. 2282—S. 2789 in the 90th Congress. Hearings on this measure, chaired by Senator NELSON, were held before the Senate Interior and Insular Affairs Committee on April 27, 1966. These hearings are available and detail the need for an accelerated program of basic research, survey, and study of the ecological system of our Nation.

Choosing between the alternatives available to us will require that we develop intelligent long-range public policies on environmental quality and on the administration of the environment. While we have already made some significant progress toward this end, the movement of government from the role of arbitrator among conflicting resource interests to the role of trustee for the environment as a whole is still far from complete.

For too long government has reacted to environmental crises rather than anticipating and avoiding them. The future will require that more effort be spent on treating the causes, rather than the symptoms of environmental decay.

As many Members of the Senate are aware, a number of highly respected conservation organizations, research institutes, and scholars from universities all across the Nation have, over the past few years, proposed the creation of a Council of Advisers to assist and advise the President on the formulation, coordination and implementation of environmental quality goals and policies. Most recently, an article in the December 11, 1967, issue of Sports Illustrated by senior editor Robert H. Boyle, calls for the establishment of a National Council of Ecological Advisers.

A recent report by the Task Force on Environmental Health and Related Problems in the Department of Health, Education, and Welfare, entitled "A Strategy for a Livable Environment," made a similar recommendation.

Similar proposals have been voiced in speeches, articles, and in testimony before committees of the Congress by Mr. Russell F. Train, president of the Conservation Foundation; Dr. Howard R. Bowen, president of the University of Iowa, and chairman of the National Commission on Technology, Automation, and Economic Progress; Dr. Lynton K. Caldwell, chairman of the department of government, Indiana University; staff members of the Hudson Institute; and many others.

The bill I am introducing today will give the Senate an opportunity to consider these various proposals and to determine the most appropriate means to insure that the environment available to the American people is a quality environment full of diverse opportunities.

Finally, section 23 of title II directs that the President shall transmit to the Congress a biennial environmental quality report which shall: First, set forth the status and condition of the major natural, manmade, and altered environmental classes of the Nation; and second, set forth the current and foreseeable trends in the quality, management, and utilization of these environments, and the affect these trends will have on the social and economic well-being of the Nation.

A comprehensive and coordinated report of this nature is needed to provide an overview of the many public and private programs and activities now underway which have obvious—and often detrimental—impacts on environmental quality. At present, there is no single publication or report which even begins to disclose the impact which Federal programs have on environmental quality. Nor is there a publication which discloses the major environmental programs and studies the Federal Government is conducting or supporting. The span of these activities and the need for coordination of policies may be seen in a very incomplete chart published in the May 23, 1966, Journal of Chemistry and Engineering, at page 37.

Mr. President, I ask unanimous consent that this chart be printed at this point in the RECORD.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

FIGURE I.—MAJOR ENVIRONMENTAL PROGRAMS AND STUDIES SPAN, 18 SELECTED FEDERAL AGENCIES

	Pesticides	Solid waste disposal	Water quality (pollution)	Water resources	Land conservation
Environmental Sciences Services Administration (Commerce).			Flow prediction	Flow prediction	Mapping.
Geological Survey (Interior)	Waterborne	Radioactive materials	Measurement	Primary mission	Do.
National Science Foundation			Basic hydrology		
Environmental Health Sciences Centers (HEW)	Biological effects	Biological effects	Biological effects		
Water Pollution Control Administration (Interior)	Waterborne	Waterborne	Primary mission (plus enforcement).		
Bureau of Reclamation (Interior)	do		Sediment control	Primary mission	Land reclamation.
Army Corps of Engineers			Navigation aspects	Flood control	Do.
Soil Conservation Service (Agriculture)			Sediment control	Supply development	Primary mission.
Fish and Wildlife Service (Interior)	Biological effects		Biological effects		
Forest Service (Agriculture)	Usage studies	Pulp wastes		Runoff studies	General studies.
Bureau of Mines (Interior)		Mineral wastes and release of minerals.	Mine drainage		Strip mine reclamation.
Solid Waste Office (HEW)		Primary mission			Open dump elimination.
Air Pollution Control Division (HEW)	Airborne	Combustion studies			
Atomic Energy Commission	Biological pathways	Radioactive materials	Sediment control	Hydrology	
Agricultural Research Service (Agriculture)	Regulation and basic studies.	Agricultural wastes	Agricultural aspects		Soil science and pollution studies.
Smithsonian Institution					
National Aeronautics and Space Administration	Regulation biological effects.	Space travel aspects			Land forms.
Tennessee Valley Authority		Fertilizer development	Sediment control	Primary mission	Land reclamation.

	Air pollution	Atmospheric sciences	Earth or mineral sciences	Oceanography	Basic ecology	Weather modification
Environmental Science Services Administration (Commerce).	Atmospheric vectors.	General studies	General studies	Physical		General studies.
Geological Survey (Interior)		Meteorite studies	Primary mission	Marine geology	Paleoecology	
National Science Foundation		Basic studies	Basic studies	Basic studies	General studies	Basic studies.
Environmental Health Sciences Centers (HEW)	Biological effects				do	
Water Pollution Control Administration (Interior)					do	
Bureau of Reclamation (Interior)						Rainmaking.
Army Corps of Engineers				Beach erosion		
Soil Conservation Service (Agriculture)					Wildlife conservation.	
Fish and Wildlife Service (Interior)				Marine biology	General studies	Lightning suppression.
Forest Service (Agriculture)					do	
Bureau of Mines (Interior)	Abatement studies		Primary mission	Mineral exploitation.		
Solid Waste Office (HEW)	Combustion studies.		Mineral waste disposal			
Air Pollution Control Division (HEW)	Primary mission (plus enforcement).					
Atomic Energy Commission	Fallout studies	Basic studies	Radioactive minerals	General studies	Radiation aspects	
Agricultural Research Service (Agriculture)					General studies	
Smithsonian Institution		Upper atmosphere physics.	Mineral classification, basic processes.	Marine biology	do	
National Aeronautics and Space Administration		Basic studies	General studies (by satellite).	General studies (by satellite).		
Tennessee Valley Authority	Abatement studies		Fertilizer development mineral surveys.		General studies	

Source: Taken from the Journal of Chemistry and Engineering, May 23, 1966, at p. 37.

Mr. JACKSON. Mr. President, I ask unanimous consent that the bill I am introducing today be printed in the RECORD at the conclusion of my remarks. I also ask unanimous consent that the following materials be printed in the RECORD: First, selected material from an article by Mr. Robert H. Boyle which appeared in the December 11 issue of Sports Illustrated magazine; second, a speech entitled "Public Policy and Environmental Administration," written for delivery before the American Institute of Biological Sciences; third, a speech entitled "Environment and Change: 'How Much?' Or 'How Good?'" which I recently delivered before the Federation of Western Outdoor Clubs; fourth, selected material from a January 4, 1967, memorandum by Mr. William Van Ness, special counsel to the Interior and Insular Affairs Committee, discussing the need for legislation in this area and transmitting an early draft of proposed legislation; a speech entitled "The Paradox of Modern Technology," which the senior Senator from California, a cosponsor of this measure, recently delivered before the annual convention of the County Supervisors Association of California.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill, articles, and speeches will be printed in the RECORD.

The bill (S. 2805) to authorize the Secretary of the Interior to conduct investigations, studies, surveys and research relating to the Nation's ecological systems, natural resources and environmental quality, and to establish a Council on Environmental Quality, introduced by Mr. Jackson (for himself and Mr. Kuchel), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the Record, as follows:

S. 2805

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the purpose of this Act to promote and foster means and measures which will prevent or effectively reduce any adverse effects on the quality of the environment in the management and development of the Nation's natural resources, to produce an understanding of the Nation's natural resources and the environmental forces affecting them and responsible for their development and future well being, and to create and maintain conditions under which man and nature can exist in productive harmony and fulfill the social, economic, and other requirements of present and future generations of Americans, through a comprehensive and continuing program of study, review, and research.

TITLE I

Sec. 101. The Secretary of the Interior (hereinafter referred to as the "Secretary"), in order to carry out the purposes of this title, is authorized—

(a) to conduct investigations, studies, surveys, research, and analyses relating to ecological systems and environmental quality;

(b) to document and define changes in the natural environment, including the plant and animal systems, and to accumulate necessary data and other information for a continuing analysis of these changes or trends and an interpretation of their underlying causes;

(c) to develop and maintain an inventory of existing and future natural resource development projects, engineering works, and other major projects and programs contemplated or planned by public or private agencies or organizations which make significant modifications in the natural environment;

(d) to establish a system of collecting and receiving information and data on ecological research and evaluations which are in progress or are planned by other public or private agencies or organizations, or individuals;

(e) to evaluate and disseminate information of an ecological nature to public and private agencies or organizations, or individuals in the form of reports, publications, atlases, and maps;

(f) to make available to States, counties, municipalities, institutions, and individuals, advice and information useful in restoring, maintaining, and enhancng the quality of the environment.

(g) to initiate and utilize ecological information in the planning and development of resource-oriented projects;

(h) to encourage other public or private agencies planning development projects to consult with the Secretary on the impact of the proposed projects on the natural environment;

(i) to conduct research and studies within natural areas under Federal ownership which are under the jurisdiction of the Secretary and which are under the jurisdiction of other Federal agencies; and

(j) to assist the Council on Environmental Quality established under title II of this Act.

Sec. 102. In carrying out the provisions of this title, the Secretary is authorized to make grants, including training grants, and enter into contracts or cooperative agreements with public or private agencies or organizations, or individuals, and to accept and use donations of funds, property, personal services, or facilities to carry out the purposes of this Act.

Sec. 103. The Secretary shall consult with and provide technical assistance to other Federal agencies, and he is authorized to obtain from such departments and agencies such information, data, reports, advice, and assistance as he deems necessary or appropriate and which can reasonably be furnished by such departments and agencies in carrying out the purposes of this Act. Any Federal agency furnishing advice or assistance hereunder may expend its own funds for such purposes, with or without reimbursement by the Secretary.

Sec. 104. The Secretary is authorized to participate in environmental research in surrounding oceans and in other countries in cooperation with appropriate departments or agencies of such countries or with coordinating international organizations if he determines that such activities will contribute to the objectives and purposes of this Act.

Sec. 105. Nothing in this Act is intended to give, or shall be construed as giving, the Secretary any authority over any of the authorized programs of any other department or agency of the Government, or as repealing, modifying, restricting, or amending existing authorities or responsibilities that any department or agency may have with respect to the natural environment. The Secretary shall consult with the heads of such departments and agencies for the purpose of identifying and eliminating any unnecessary duplication of effort.

Sec. 106. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

TITLE II

Sec. 201. There is created in the Executive Office of the President a Council on Environmental Quality (hereinafter referred to as the "Council"). The Council shall be composed of five members who shall be appointed by the President to serve at his pleasure, by and with the advice and consent of the Senate. Each member shall, as a result of training, experience, or attainments, be professionally qualified to analyze and interpret environmental trends of all kinds and descriptions and shall be conscious of and responsive to the scientific, economic, social, aesthetic and cultural needs and interests of this Nation. The President shall designate the chairman and vice-chairman of the Council from such members.

Sec. 202. (a) The primary function of the Council shall be to study and analyze environmental trends and the factors that affect these trends, relating each area of study and analysis to the conservation, social, economic, and health goals of this Nation. In carrying out this function, the Council shall—

(1) report at least once each biennum to the President on the state and condition of the environment;

(2) provide advice and assistance to the President on the formulation of national policies to foster and promote the improvement of environmental quality;

(3) obtain information using existing sources, to the greatest extent practicable, concerning the quality of the environment and make such information available to the public.

(b) The Council shall periodically review and appraise new and existing programs and activities carried out directly by Federal agencies or through financial assistance and make recomendations thereon to the President.

(c) It shall be the duty and function of the Council and the Secretary of the Interior to assist and advise the President in the preparation of the biennial Environment Quality Report required under Section 203.

Sec. 203. The President shall transmit to the Congerss biennially beginning June 30, 1969, an Environmental Quality Report which shall set forth (a) the status and condition of the major natural, manmade, or altered environmental classes of the Nation, including, but not limited to, the air, the aquatic, including marine, estuarine, and fresh water, and the terrestrial environment, including, but not limited to, the forest, dryland, wetland, range, urban, suburban, and rural environment; and (b) current and foreseeable trends in quality, management, and utilization of such environments and the effects of those trends on the social, economic, and other requirements of the Nation.

Sec. 204. The Council may employ such officers and employees as may be necessary to carry out its functions under this Act. In addition, the Council may employ and fix the compensation of such experts and consultants as may be necessary for the carrying out of its functions under this Act, in accordance with 5 U.S.C., 3109 (but without regard to the last sentence thereof).

Sec. 205. There are hereby authorized to be appropriated such sums as are necessary to carry out the purposes of this title.

The material presented by Mr. Jackson is as follows:

[From Sports Illustrated, Dec. 11, 1967]

How To Stop the Pillage of America

(By Robert H. Boyle)

(Note.—One of the most serious problems facing the United States today is the use of the environment, especially in regard to the conservation of wildlife resources. This magazine has often reported on threats to these values, among them the dredging of oyster reefs in Galveston Bay, the plan to stripmine in the North Cascade and the scheme to convert the Hudson River into an electric storage battery. All these threats, and all the conservation battles resulting from them, have one thing in common—they need never have occurred if there had been sound guidelines and policies to protect resources from indiscriminate abuse.

(With this in mind Sports Illustrated assigned Senior Editor Robert H. Boyle and various correspondents to the task of discovering what measures are needed to insure that our wildlife resources will not be impaired, compromised or obliterated, either wholesale or piecemeal. The issue is not one of "people or ducks." Progress is people and ducks. There is no reason why we cannot have both. In compiling this report, Boyle and SI's correspondents interviewed scientists, legislators and conservationists across the country. Not everyone made the same points—but certain common themes were struck. These recommendations merit strong consideration.)

Many of our present environmental difficulties can be attributed to the fact that no single person, agency, bureau or department in the Federal Government has an overall view of what is happening to our land and waters. No one is providing any sense of direction or continuity. Action on a problem comes, if at all, only in response to disaster or after persistent clamor by concerned citizens. Sporadic White House interest in "natural beauty" is so superficial as to be dangerous. The public is gulled into thinking problems are being met. Natural beauty is cosmetics conservation. Instead of applying pancake makeup to the landscape, we should be stopping cancer.

An essential first step would be establishment by Congress of a National Council of Ecological Advisers. This council would offer recommendations for the improvement of the environment and the use of resources and draw attention to threats that might be overlooked—or even posed—by partisan interests, such as the Federal Power Commission or the Defense Department. The council would take a broad view and yet not hesitate to deal with specifics. The council, in brief, should have complete freedom of inquiry and suggestion. It should be able to sound an alarm over the manufacture and sale of detergents or question the approach, say, of the current Appalachia program, in which millions of dollars are being spent on highways for the region instead of on reclamation of the degraded lands and waters (the reclamation project would provide as many or more jobs for the impoverished residents of the area). Ideally, the council should include senior scientists who have shown independent and thoughtful concern for the affairs of mankind, such as René Dubos of the Rockefeller University, Lionel A. Walford of the Fish and Wildlife Service, S. Dillon Ripley secretary of the Smithsonian, A. Starker Leopold of the University of California, Paul Sears of Yale or Robert Cushman Murphy of the American Museum of Natural History. This nucleus would be supplemented by conservationists, such as David Brower of the Sierra Club, Richard Pough, past president of The Nature Conservancy, Rod Vandivert of Scenic Hudson, and a landscape architect, a historian perhaps and representatives from industry, labor and agriculture. There should be no room for the scientific hack or the politician just turned out of office and looking for a new slot at the public trough. Precedent exists for the establishment of such an organization in the Council of Economic Advisers, which has proved influential.

State legislatures would do well to establish similar conservation councils of their own. All too often state governments have complained when the Federal Government finally moved in to stop a long-standing abuse. It is time state governments assumed responsible positions. There is no more time for excuses. With the exception of a few states—for instance, Massachusetts and Wisconsin (their efforts are noted below)—most states have refused to recognize environmental problems.

An ecological inventory of the United States should be conducted both by the Federal Government and the 50 states, down to the town level. This inventory should list all natural resources, ponds, lakes, streams, agricultural lands, forests, wetlands, parks and preserves, along with notations about their value or uniqueness. Information of this sort, essential to any rational use or planning, is not now available. The information gathered should be evaluated, coded and computerized. A power company seeking a site could then be offered a number of locations where the plant would not inhibit the spawning say, of salmon or striped bass, and scientists who are interested in preserving the gene bank would be able to draw upon the information to locate undisturbed habitats where animals or plants flourish in their natural state. There are, literally, thousands of applications for such material, ranging from recreational to educational use.

States need not wait for the Federal Government to prompt them into undertaking surveys of their own. Wisconsin and Massachusetts have already done outstanding work. Several years ago Gaylord Nelson, then governor and now a Senator from Wisconsin, invited Philip H. Lewis Jr., a landscape architect from the University of Illinois, to conduct a survey. Appointed a professor at the University of Wisconsin, Lewis set to work with a team of assistants to inventory and map the state. The team noted waterfalls, mineral sites, trout streams, marshes, historic sites and other areas of value. Most resources fell into what Lewis calls "environmental corridors" along watercourses. In deciding what to buy or protect, Wisconsin set up a point system of priorities and did a demand study for each possible acquisition. A specific sales tax provided $50 million, and, in the first year of funding, Wisconsin acquired 33,000 acres either by outright purchase or through scenic easements. (By granting the state a scenic easement, a private landowner agrees not to build; in exchange, he receives compensation.) Thus far the Wisconsin program has been going along splendidly, with strong popular support. Last year Republicans and Democrats joined to pass a water program, giving counties authority to zone land 300 feet back from each river and stream and 1,000 feet back from each lake. The counties have two years to establish zoning ordinances. If a county fails to act, the state will do the zoning.

Massachusetts, racked by periodic scandals, is not a state ordinarily thought of as being among the most advanced in good-government practices. Yet when it comes to caring for the basic natural environment, Massachusetts could give lessons to others. The Massachussets Department of Natural Resources already has inventoried marine assets, salt marshes, outdoor recreation areas, open-space needs and inland marshes. This enlightened outlook comes not so much from on high—though Resources Commissioner Robert Yasi happens to be forward-looking—but from the concern of the people. As a result of public pressure, the state legislature in 1958 enabled cities and towns to establish conservation commissions. Composed of three to seven members, each commission surveyed the natural resources of value in its own area and under a point system made recommendations for zoning or acquisition of land. As public interest grew, the state legislature agreed to finance 50% of the acquisitions.

* * * * *

There is a need for more state and national parks and better management of those we already have. For example, at famous Yellowstone the Park Service's stewardship has become, in the words of Naturalist Peter Farb, "an act of official vandalism." Concessionaires have been encouraged to build a supermarket, trinket shop, laundry and 1,000 shoddy cabins within the park, while the Service itself constructed a parking lot that destroyed Daisy Geyser, one of the main attractions. Noel Eichorn, who is doing a study of the national parks for the Conservation Foundation, reports that in most parks concessionaires are so firmly entrenched that they are telling the Park Service what to do.

We need new parks not only to meet future needs but to relieve pressure on those we have. The crush of visitors to certain national parks has been such that the rationing of admissions is being considered. Parks should be chosen so as to include representative samples of all kinds of habitat and scenery in the United States. William Bronson of the California Tomorrow association has suggested the establishment of a Napa Valley National Vineyard. The Napa Valley is one place that the hand of man has blessed, but "development" for track houses could destroy it. Given protection, the Napa Valley could remain productive, its beauties unimpaired. The same might be done for other high-quality agricultural lands. (In California 140,000 acres of farmland annually succumb to the developer's bulldozer.)

We must end the engineer's tyranny over the environment. As Kenneth Boulding, professor of economics at the University of Michigan, has remarked, "The domination of almost all our resources policy by engineers and people of this kind is utterly disastrous." Engineers have technical competence to offer, but often a limited outlook as well. Putting an engineer in charge of a resource such as a river basin is no smarter than hiring a plumber to design a fountain. Then again, as William Bronson has written, "Engineers have a tradition of first establishing . . . all manner of monstrosities, and then finding economic justification for building them."

* * * * *

Strong congressional legislation is needed to afford protection to coastal estuaries and wetlands. The marshes, bay bottoms and estuaries, where salt and fresh water meet, are the most valuable and productive areas on the North American continent. Marshes, for instance, are up to six times richer than the average wheat land. Yet nowhere has destruction been more savage and blind than along our coasts. Destroying wetlands or fouling estuaries makes as much sense as burning down a bank, yet the destruction continues at an appalling rate. Connecticut, for instance, now has only 20 square miles of good wetland area left. The remainder lies buried under highways, garbage dumps, factories and houses. In actuality the estuarine-wetland complex that runs from Massachusetts to Florida is one of the natural wonders of the world.

In recent years persistent encroachment and defilement has caused a dramatic decline of fish—in both commercial and sports catches. The American Littoral Society reports that between 1960 and 1965 the total catch of 18 coastal species slumped from 1.4 billion pounds to 700 million pounds—exactly half, in only five years' time. Among the fishes that are dependent on the Atlantic Coast estuaries are alewives, mackerel, Atlantic sturgeon, blackback flounder, black drum, blackfish, bluefish, croaker, fluke, king whiting, menhaden, mullet, porgy, red drum, sea trout, shad, short-nosed sturgeon, spearing, spot, striped bass, summer herring, tomcod, weakfish and white perch. Destroy the estuaries, rip up bay bottoms, fill in marshes and you destroy these species. It does no good to go out in the ocean. The ocean isn't "full of fish." The ocean is a desert by comparison with inshore Cape Cod, Long Island Sound, the Hudson River, Great South Bay, Chesapeake Bay, Pamlico Sound, *et al.*

The coastal fishery resources of the United States are the greatest single wildlife resource this country possesses. It offers respite to millions of people and is worth billions of dollars. So far only one state, Massachusetts, has effectively moved to protect this resource. Massachusetts law prohibits alteration of a salt marsh. When one developer fought this law, the court upheld the state, finding, "Broad Mash is a 'salt marsh' necessary to preserve and protect marine fisheries. . . . Property is acquired by private citizens with the tacit understanding that it shall not be used to the detriment of the public, and the legislature is authorized to take action to prevent such detrimental use." Owners of marshland who seek compensation can have it set by court. So far no one has applied.

Not every state has the vigor of Massachusetts in protecting its coastal resources. New York, for example, is a study in futility. The bays and wetlands of Long Island are not protected from abuse; they are not even considered navigable waters, hence they are subject to unnecessary dredging, filling or other desolation. A favorite trick is to mine sand and gravel under the subterfuge of creating a navigable channel. An ocean liner could be floated in some of the gouges.

Even if New York took prompt and proper action, problems would still remain for numerous species of fish that move up and down the coast. If, for instance, North Carolina decided to seal off or fill in its coastal sounds the fluke population would be wiped out. Fluke eggs are laid at sea, but the larva. fish are carried into the sounds by currents, and there they stay in the shallow waters, protected from larger predators and feeding on the crabs, bait-fishes and marine worms of the estuary. When the fluke are about six inches long, they begin working their way up along the coast to waiting fishermen in New Jersey, New York and Massachusetts. If the North Carolina fishery were destroyed, fishermen in the states to the north could protest, but they could not enforce any reform in North Carolina.

Sometimes fishermen are not even aware of the reasons a species suddenly disappears. This has been the case with the weakfish, which was a tremendously popular fish in New York and New Jersey waters until 15 years ago. Despite official assurance that the weakfish would always remain abundant, lo, it suddenly vanished. A number of reasons were given, over-fishing being the most prominent. Now marine biologists strongly suspect that commercial fishing boats working southern waters in quest of "trash" fish for cat food have been taking juvenile weakfish in the catch. The weakfish never get to move north because they are in some cat's belly. The pity of it is that cats would be just as well fed with a species of fish that has no other economic value. Contrary to popular impression, neither the Bureau of Commercial Fisheries, the Bureau of Sport Fisheries and Wildlife nor any section of the Interior Department has any control of ocean fishes. (Even the President's Science Advisory Committee is misinformed; in *Effective Use of the Sea,* the committee reported that the Bureau of Commercial Fisheries governs ocean fishing.)

Obviously, legislation is needed to protect the estuarine environment and the fishes in it. Inasmuch as the states have abdicated responsibility, and inasmuch as the fish are migratory, and do not recognize state lines, the Federal Government should have authority to protect the aquatic resources of estuaries. To be sure, there will be some states-righters who will protest against "federal invasion," but the harsh truth is that the states' navigable waters are already subject to federal invasion of the worst sort, in the form of the Corps of Engineers and the Federal Power Commission, and a new federal club is needed to beat them off.

Serious consideration should be given to a conservation amendment to the Constitution. This idea has been advanced by Irving Like, a Long Island attorney and conservationist who helped to establish the Fire Island National Seashore. Like's idea is based, in part, on the premise that a national ecological survey and inventory will be taken. Like says, "Constitutional amendments are necessarily brief. This amendment should not include a shopping list, and I suggest the following draft:

"The right of the people of the United States to enjoy the outdoors and their heritage of natural resources and natural beauty shall not be violated.

"The Congress shall, at least once every five years, designate those lands and waters of the United States and its possessions, now owned or hereafter acquired which because of their unusual, natural, wilderness, scenic or historic character, shall be kept forever inviolate and administered for the use and enjoyment of the American people in such manner as will preserve their irreplaceable characteristics and leave them unaltered and unspoiled for future use and enjoyment.

"No federal agency, body or authority shall be authorized to exercise the power of condemnation, or undertake any public work, issue any permit, license or concession, make any rule, execute any management policy or other official act which vitally affects the people's heritage of natural resources and natural beauty, on the lands and waters now or hereafter placed in the public domain, without first giving reasonable notice to the public and holding a public hearing thereon, and any official act which involves the public domain, the natural resources of the United States, and which vitally affects the quality of the natural environment, shall be subject to judicial review and such other forms of review as may be enacted by Congress."

Like's amendment was the basis for a similar measure he advanced this year for the New York State Constitutional Convention. The delegates adopted it almost unanimously, but it went down the drain with the rest of the new constitution in the November 7 election.

The use of persistent toxic pesticides or long-range poisons should be barred. The worst of the pesticides are the chlorinated hydrocarbons: aldrin, DDD, DDT, dieldrin, heptachlor and toxaphene. A study submitted to the late President Kennedy recommended the elimination of such chemicals, but action has been slow in coming. The difficulty with the chlorinated hydrocarbons is that they take a long time to break down (as much as fifteen years for DDT) and they concentrate in the fatty tissues and organs of living creatures, at times killing them or rendering them sterile. Toxic pesticides are not the only problem. Government poisoners in the West have been indiscriminate in spreading baits for coyotes injected with compound 1080, which is also deadly to other wildlife and domestic dogs.

Detergent manufacturers, seeking new washday miracles, came up with the ABS detergents, which do not readily break down in water and can be lethal to aquatic life. When those detergents started foaming up in water supplies there was an outcry, and now the manufacturers are turning out so-called "soft" detergents. These are low in suds but rich in phosphates that can trigger detrimental algal explosions. The point of all this is that no one, no private citizen, no company, no government agency, should be allowed to inject a persistent poisonous chemical into the lands and waters of the U.S.

We need to take a new look at state and federal tax policies dealing with land values and conservation. The Sierra Club, the most vigorous national conservation organization, has suffered a loss in donations because the Internal Revenue Service, angered by club newspaper ads protesting the proposals to dam the Grand Canyon, has threatened to rule that donations are no longer deductible. If the ruling comes, the Sierra Club intends to press a court fight, but until it is resolved, other national conservation groups, not as bold to begin with, will shy away from public issues of importance.

We might look to see if our tax policies encourage wise use of the land. There is a strong suspicion that they do not and that they are rigged in favor of the developer, the realtor and the modern version of the ambulance chaser, the lawyer who specializes in zone busting. If inequities exist, they should be corrected.

Public Policy and Environmental Administration

(Remarks by Senator Henry M. Jackson at the Plenary Session, 18th annual, American Institute of Biological Sciences, Texas A. & M. University, College State, Tex., August 28, 1967)

The title you have chosen for this Plenary Session of the American Institute of Biological Sciences—"The Environment of Man Revisited"—calls to mind a fable written by Mr. James C. Rettie and published in the Fall, 1948 issue of *The Land.*

In the fable there is a planet in another solar system which is inhabited by an intelligent group of people. In the interests of science these people have been making a film record of the Earth's life history on a scale of one picture each year for the past 750 million years. At some time in the future they visit Earth and arrange to have the film shown. Time on the film moves at the rate of approximately two-million years per day. The entire film requires one full year to show with the life span of an individual man taking only 3 seconds.

As the film unrolls its story of Earth's history, the months of January, February and March show a desolate and dreary picture of geological erosion and change. Land masses shift in torrents of rain and high mountains melt away only to be thrust up in new places.

It is April before there is any indication of the presence of single-celled living organisms in the warm sheltered coastal waters. In the middle of July the first land plants appear; in September insects appear, and the first dinosaurs are seen. About December 25 the forces of erosion begin the grinding, cutting work of nature we now know as the Grand Canyon.

According to the fable, man appears on the scene about noon on December 31 (one million years ago), a few short hours before the end of the film. The dawn of Western Civilization does not appear until five or six minutes before the film ends. Compressed within these few minutes are the Golden Age of Greece and the birth of European Civilization. Columbus will discover America 20 seconds before the projector halts and brings us to the present.

In these final few seconds of geological time the history of our Nation will unfold. The temper of the time is one of conquest, of exploitation, of mastering the wilderness, and of industrial development. The pace of environmental change gains speed. New factors and forces put in motion by man's mastery of science and technology will cause the face of Earth to change more radically than it has ever changed in a comparable time in all the generations before. Forests will be leveled, rivers polluted, and the land will be eroded. The air will become contaminated and pressures of population will increase. Critical balances and interrelationships between matter and life which nature created over millions of years will be upset and broken. Everywhere areas of open space will shrink and contract.

The fable ends by saying man has just arrived on this earth. How long will he stay?

The fable serves, I think, to give some perspective on the dynamic and changing nature of the "environment" which we are "revisiting" during this Plenary Session. It points out that as a result of man's actions the pace of environmental change on Earth is rapidly accelerating. During the last 4 seconds of the film—the past 100 years of Earth's history—forces in the form of science, technology and man's increasing ability to harness and transform energy have been added to natural forces as important determinants of environmental change. Man, in this short time, has attained an incredible capacity for extraction, production, distribution, consumption and rejection. Each of these processes takes something from our environment or adds something to it—or both. Each produces change and often the changes are not good.

Environmental quality problems caused by man, such as critical levels of air and water pollution, the control and disposal of radioactive wastes, and the proliferation of pesticides and chemicals, threaten the destruction of life itself. The pressures of population, the loss of open space and recreational opportunity, and the decay of urban areas cause inconvenience, frustration and increased mental health problems.

Today, man, rather than the impersonal forces of nature, exerts the decisive influences on the shape of the future. And with each year, this power increases.

In 1590, Edmund Spenser wrote of "the ever-whirling wheel of change, which all mortal things doth sway." In his time of the Renaissance, modern science was just emerging. The scientific, social, economic and environmental changes of that age were, however, infinitesimal when compared with today's revolution. Galileo was a lonely seeker as he formulated his theories of astronomy. Today 90 per cent of all the scientists known to history are alive and working.

Whether man's ability to work environmental change is good or bad, and whether it has been exercised wisely does not admit to simple answers. These questions are, however, deadly serious as the papers presented this morning by Mr. Brooks and Dr. Cassidy so clearly demonstrate.

They are serious because while man is increasingly able to shape and manage his environment, he must still be able to live with the consequences of his action. As biologists you know better than most that there are limits. Man, though technologically powerful, is still a frail creature and even as he works enormous changes in his environment, he is constrained by these changes and a product of their influence.

Winston Churchill recognized this concept. During World War II when Britain's House of Commons was extensively damaged by German bombs, Churchill insisted that the House be rebuilt in its exact original form, rather than to authorize the construction of a new, larger and more efficient building. Churchill feared that changing the architecture and organization of the House might alter the character of the Parliamentary debates and therefore the English democracy it sheltered. In his words, "We shape our buildings and then they shape us."

This lesson of the interrelationship between man and his surroundings has been written large in history and landscape of 20th Century America. Few people have read it, however, and even fewer have read it with understanding.

The important point to be made is that there are alternatives. There are choices which can and must be made in the management of our natural resources and our environment. Environmental decay, whether in the form of a slow unobtrusive decline in the quality of our surroundings or in the form of a nuclear accident, *is not* an inevitable by-product of industrial progress.

Choosing between available alternatives will require that we develop intelligent long-range public policies on environmental quality and on the administration of the environment. While we have already made some significant progress towards this end, the movement of government from the role of arbiter among conflicting resource interests to the role of trustee for the environment as a whole is still far from complete.

For too long government has reacted to environmental crises rather than anticipating and avoiding them. The future will require that more effort be spent on treating the causes, rather than the symptoms of environmental decay.

Fortunately, the public is ready to accept knowledgeable and effective governmental participation in making management decisions which effect the quality of the environment. In fact, the public demands it.

Today, private foundations, universities and governmental agencies are tripping over each other to open offices and divisions to deal with the problems of environmental decay and degradation. Projects and proposals, suggestions and criticisms are the manifestations of our belated concern for our surroundings. These responses to environmental decay have a number of things in common.

First is the proposition that the "environment" is at least a useful if not a necessary focus for the formulation of public policies and programs to deal with the qualitative decline of the Nation's natural resources.

Second is a dissatisfaction with traditional methods by which environment-affecting actions have often been undertaken. For example, in the past the use of natural resources has often been ruled by opportunistic considerations. If it proved the most economical course of action to use rivers, streams and the atmosphere as a means of dispersing waste products, that course of action was followed. If highways and power lines could be built more economically in straight lines without regard to parks, aesthetics, and other types of land use, they were built in straight lines.

In the future we must strive to improve the methods of economic analysis by which environmental management decisions are made. We must recognize that the marketplace often deals in illusions. And much of the thrift of yesterday turns out today to be prodigality because the price tag did not include all of the social and economic costs.

We must insure that the decision-making processes of government recognize that there are important values which cannot be properly evaluated in economic terms. The Planning, Programming, Budgeting System—PPBS—which is now being implemented throughout the Federal government may provide a management tool that can lead to better decisions. However, it is only a tool, not a substitute for sound judgment.

Finally, there is a growing recognition that the sum total of environment-affecting actions must at some level of government be assessed and evaluated.

Projected trends, their implications and available alternatives should be made readily available to policy makers. In the past we have had "natural resource administration." This has involved a different set of values and institutions for dealing with each separate resource. The accelerating pace of environmental change and the increasing frequency of instances in which man's actions result in unanticipated and unintended harmful consequences indicates a need for a wider, more knowledgeable view of natural resource management. This wider view involves what, for want of a better term, might be characterized as "environmental administration."

What is the proper role of government in "environmental administration" and in insuring that there will be a quality environment for present and future generations? Does environmental quality control require governmental reorganization? Are new powers necessary to control and regulate private actions which are not in the public interest? Who, ultimately, is to determine what constitutes a "good" or a "quality" environment? Does preventive action and rational planning require Federal land use planning and new constitutional powers for the Federal government?

These are but a few of the many questions which must be answered as the necessity for effective environmental administration and quality control becomes urgent.

In the past most governmental action to ensure environmental quality has proceeded on a case-by-case problem solving basis. When the need for the preservation of natural values was felt, a system of national parks was established; when widespread erosion threatened the landscape, the Soil Conservation Service was established; when water and air pollution problems proved to be more than the State government alone could handle, Federal programs were established. Obviously, many more examples could be given.

In the future, reacting to particular crises on a case-by-case basis will not be sufficient if we are to preserve and maintain environmental quality. An effective program of environmental administration will require adjustments in the existing structure of our government. Rather than wholesale reorganization, however, I am inclined to think that organization and redirection of the functions of existing agencies is more likely to obtain objectives, and with less delay and incident friction.

Responsible management of our Nation's natural resources will also require sensitive coordination of the projects and goals of various government agencies. Legitimate ends must be achieved, but not at the expense of environmental values which are belatedly considered equally important.

The practice of arbitrarily dividing jurisdiction over the several parts and segments of the biophysical environment among separate agencies, departments and congressional committees without effective coordination is a luxury we cannot afford.

In the future we must attempt to come to grips with the problems of "value" and "value choices" in managing our natural heritage.

Value judgments are always hard to make. In determining what constitutes a "good" or a "quality" environment many difficult decisions will have to be made. Even if we cannot at present be confident that we can decribe an environment that everyone would find "good", we can at least identify and agree upon environmental conditions that virtually everyone can agree are "bad." And this is a basis upon which to build; a basis upon which to mobilize and begin the effort to have both the private and public sectors of the Nation reflect an intelligent concern for the ramifications of their decisions on the future quality of the environment.

Not long ago, the idea of a public responsibility for the state of the economy, for public health, and for minimally acceptable living conditions was considered utopian. Tomorrow the idea of public responsibility for environmental quality will, as it inevitably must, win public and governmental support.

But public responsibility alone will not be enough. There must also be private responsibility for environmental quality.

As many of you are aware, there have been legislative proposals in recent years to establish in the Office of the President, a Council of Environmental Quality Advisors. The Council's functions would include oversight, assessment, and policy recommendations. While no formal action has as yet been taken, these and many other proposals for dealing with the problems of environmental decay are currently receiving careful study in both the Congress and in the Executive Branch.

The fact that proposals such as these are being made and receiving serious study is significant. Eventually they may prove that Joseph Wood Crutch was unduly pessimistic when he said there is increasing evidence that "man's ingenuity outruns his intelligence." And that though competent to run a primitive world, man may not be competent to "manage the more complicated and closely integrated world which he is, for the time, powerful enough to destroy."

It is clear that we must have more research into the scientific and social causes of environmental decay. Government and private industry need more professional people with multidisciplinary backgrounds to serve as administrators in maintaining a quality environment. Engineers must have specialized training to build, but they should also have the background and ability to recognize the consequences of their actions, the available alternatives, and their impact on other values our culture deems important.

The future will see enlarged opportunities for biologists to serve in maintaining environmental quality. As professional biologists you have an obligation to help educate the engineers, politicians, and other decision-makers on the consequences of their actions. They must learn to be generalists as well as specialists and so must you. Government will need your help if man is to be saved from himself and the forces of change he has created.

ENVIRONMENT AND CHANGE: "HOW MUCH?" OR "HOW GOOD?"

(Address by Senator HENRY M. JACKSON, chairman, Senate Committee on Interior and Insular Affairs, to the Federation of Western Outdoor Clubs, Marylhurst College, Portland, Oreg., September 3, 1967)

In the decade of the 1960's, the American people are making an unprecedented demand for the protection and the improvement of the physical environment in which we live. A profound change has occurred in the awareness and attitudes of people and this has been reflected in the responses of Government and leaders outside of Government.

President John F. Kennedy, less than one month after assuming office in 1961, sent to the Congress a *Special Message on Natural Resources*. The message redefined and reoriented Federal resources policy. It identified new areas for attention, including water and air pollution and other environmental issues.

In 1962, the President amplified his policies in a *Message on Conservation* and in May he convened the White House Conference on Conservation. The purpose of the meeting was, in the words of Secretary of the Interior Udall, to introduce the President's program for "the conservation of the American environment." The White House Conference of 1962 was a distinct break with the past. Instead of dealing with conservation as a set of separate and distinct entities, the Conference attempted to focus attention on conserving the total environment.

That very year, Rachel Carson's *The Silent Spring* appeared as a series of articles in *The New Yorker* magazine and later hit the best-seller list in book form. While initiating a national controversy over the safety of chemicals used in controlling plant and animal pests, Miss Carson aroused public awareness of a whole new range of issues. We began to have a greater realization that many public and private decisions were being made without proper attention to some of the consequences. And these consequences are critical, involving the very health and safety of our people, our continued prosperity, and the enjoyment of our lives.

We have come to understand that the pollution of our air and water, the deterioration of our cities, the congestion of our transportation systems, the littering of our landscape, and the uglification of the outdoors, are not inevitable and unavoidable consequences of our industrial society.

In November of 1965, President Johnson released a report of his Science Advisory Committee entitled *Restoring the Quality of Our Environment*. It is one of the most significant public policy documents ever issued by Government. The recommendations of this distinguished panel amount to an outline of a national policy for protecting and improving the quality of the American environment.

A national policy is required. Machinery is required to implement a national policy. This is an enormous decision-making task.

Making rational decisions, profiting by past mistakes, and learning to anticipate future problems in the management of our environment becomes a matter of greater urgency because the pace of change in the world is quickening. The period of time between each new acquisition and application of scientific and technological power is growing successively shorter.

The modified scale and scope of change is such that the world is altered as we walk in it. The years of a man's life no longer measure small growths and rearrangements. They measure instead a great upheaval of change. And too often these changes are not for the better.

Writing on "The Era of Radical Change" in *Fortune* magazine, Max Ways has said:

"Within a decade or two it will be generally understood that the main challenge to . . . society will turn not around the production of goods but around the difficulties and opportunities involved in a world of accelerating change and everwidening choices . . . Trying to 'make sense' of change will [soon] come to be our basic industry. Aesthetic and ethical values will be evolving along with the choices to which they will be applied. The question about progress will be 'how good?' rather than 'how much?' "

The headlong pace of development is forcing both the public and the private sector to accept responsibilities and adopt policies that would have been unthinkable ten years ago. We are deeply engaged in trying to manage our total environment as parts of a "complete system" of interrelated elements rather than as separate parts. This is a truly revolutionary development.

The Federal government has been moving toward management practices which account for the total environment. We have actually adopted in practice ideas which have not been fully accepted in theory. For example, we proceeded from single-purpose water development for irrigation or navigation to multiple-purpose projects for power development, water supply, flood control, recreation, and fish and wildlife resources. Long ago we developed the policy of sustained yield management and multiple-use in the National Forest System.

These are but two examples of efforts to manage resources with a number of environmental values as well as economic values in mind. Need I point out to the members of the organizations represented here that the efforts of the Forest Service, the Bureau of Reclamation, and the Corps of Engineers are not universally acclaimed? The most enthusiastic admirers of these agencies of government make no claim that they succeed in satisfying all interests or resolving all disputes. Certainly, the critics have not been kind in their assessment of how well the total public interest is served.

The size of the decision-making problem in government is well illustrated in the work of these agencies. When they act or when they fail to act, their decisions have a very visible impact on how we live and how we make a living. They develop and manage resources which are the economic life blood of a multitude of public and private enterprises. They must deal with a host of other entities of the Federal government. These dealings involve both co-operation and competition; consultation and dispute. The agencies work with state and local governmental bodies, each of which has its own power and responsibilities to uphold.

This is but one segment of a complex of decision-making relationships involving all of government and all outside of government. Just think of the host of individual decisions being made every day which will have an important impact on our environment! Obviously, when we talk of bringing about better decisions to maintain a better environment, we must mean a process of educating and properly influencing decision-makers. We have not the means nor, I hope, the desire, to mobilize some super-organization or super-intelligence to master-mind the operation of a utopian environment.

True, there are proposals to reorganize governmental responsibilities and even to extend the authority of government to deal with these issues. Perhaps some greater efficiencies can be achieved by certain reorganizations, but I am inclined to believe that organization and redirection of the functions of existing agencies is more likely to obtain objectives, and with less delay and incident friction.

Far more important in my view, than any tinkering with the machinery of government will be the work of the many private and independent organizations such as those represented here in the Federation of Western Outdoor Clubs. You will mobilize public opinion; you will bring your influence to bear on the decision-maker. You have a great responsibility.

Earlier this year I participated in a panel discussion before a meeting of the National Forest Products Association on the subject of "The Need for an Enlightened Public Land Use Policy." I took advantage of the occasion to offer some unsolicited advice to the members of that Association. This is what I said:

"I have heard that some groups in the forest industry are 'seriously concerned about the unusually large number of proposals now before the Senate Interior Committee to unnecessarily stop timber growing and harvesting on commercial forest lands.' This attitude disturbs me. I think it is a mistake for anyone in the forest industry to retreat to a position of adamant opposition to all proposals to preserve part of our national heritage as Parks and Wilderness Areas. What the forest industry should really be interested in is not the *number* of proposals before the Congress, but whether these proposals are given fair and sensible consideration and whether all the facts, ramifications and alternatives have been thoroughly and objectively evaluated.

"Where industry's response is totally negative, government, as the representative of the public interest, is forced to act without the full benefit of industry's potential contribution. Where industry's response is forward looking and reasonable, Congress and the Administration will cooperate in resolving problems of mutual concern."

Now, I am taking advantage of this occasion to offer somewhat the same unsolicited advice to members of the Federation of Western Outdoor Clubs. We in the Congress need your advice and counsel. But I know that some of my colleagues in the Congress have been persuaded that some of the organizations engaged in conservation work are strictly a negative force. To the extent that this attitude prevails, the effectiveness of your work is diminished.

Every time a tree is cut, a mineral mined, a dam constructed, or a road built, the public interest is not being attacked. Too often, I think, the efforts of well-motivated and constructive organizations are being characterized as a rear-guard action by a valiant few in the white hats against the depredations of reckless exploiters in the black hats. Even the dramatic appeal of this kind of over-simplified melodrama has faded with overexposure on television. To use a recently popular phrase, it risks opening up a considerable "credibility gap."

There is a temptation when one is altruistically engaged in supporting the public interest to attribute to oneself an exclusive possession of virtue. Politicians are notorious for their ability to delude themselves this way. May I urge you to avoid this pitfall of politicians.

Not enough attention is being paid by any of us to some of the "nuts and bolts" problems that we face. Let me illustrate:

Congress has authorized 48 new park areas since 1961. This is some indication that the Congress takes seriously the need for protecting natural values and meeting the outdoor recreational needs of Americans.

In 1961 over 86 million people visited our national parks. Just five years later the number had risen to approximately 134 million—a 53 per cent increase.

During this same period of time—from 1961 to 1967—the full-time staff of the Park Service, including construction employees, rose from 5,637 to 6,579. Just 942 new people were taken on to handle the tremendous increase in responsibility and volume of activity.

Look at it another way. In 1962 the amount of money appropriated for development of the National Park System was about $59 million. In the last fiscal year, the amount appropriated was $6 million *less*.

Is it any wonder that serious questions are being raised about the quality of the environment *in some of our parks?*

In 1965, the Congress adopted the Land and Water Conservation Fund Act. We established the fund—to be fed by entrance fees and other sources—as a means of providing the wherewithal for both State and Federal acquisition of new outdoor areas.

Just two years later we are painfully aware that the fund is grossly inadequate for its purpose. A recent Department of the Interior report estimates that the fund will be $2.7 billion below the amount required for the period 1967–1977. Revenues coming into the fund have been below expectations and the cost of acquiring recreational land has spiraled at a far higher rate than the general increase in land values.

Land speculation has driven acquisition costs up 100 per cent at the Point Reyes National Seashore. Eleven new authorized outdoor areas, including the Cape Cod National Seashore and the Indiana Dunes National Lakeshore, are being jeopardized by runaway cost escalation. These areas have special significance because they are near congested population centers, with particular need for natural outdoor recreation areas.

One way to lick this land price escalation problem is to acquire the lands quickly after authorization by the Congress. To do this, the money must be made available. I have introduced legislation to bolster the Land and Water Conservation Fund for a period of five years with revenues from mineral leasing of public lands, the Outer Continental Shelf lands, and certain receipts from the national forests and national grasslands. All of these revenues are presently deposited in the miscellaneous receipts of the Treasury. They would add approximately $400 million a year for each of the five years to the Land and Water Conservation Fund for use by the States as well as the Federal government. As you know, the greater proportion of money in the Fund has recently been allocated to the States.

My bill would also authorize new techniques for the acquisition of lands, as approved by Congress, including advance contract authority and a leaseback or sellback method of acquiring the desired degree of control over lands within units of the National Park System when it is not necessary or desirable to acquire fee title to the property.

I will push for action on this legislation during this Congress and I hope you will lend your support to this effort.

This year, the Senate has approved legislation to create a National Scenic Rivers System. My Committee has approved for early action in the Senate the bill to establish the Apostle Islands National Lakeshore.

Ready for early action by the Interior Committee are measures to establish a Redwoods National Park and a North Cascades National Park. I want to see the Senate approve bills to create both of these magnificient additions to our National Park System before we adjourn this year.

However, authorizing legislation for all new park proposals is meeting growing resistance as reports pile up of funding shortages, escalating land costs, and a lack of support for proper development in existing parks. There has even been talk in the Congress of deauthorizing certain outdoor areas if our process of authorization, acquisition, and development is not put on a more orderly basis.

Is this not a challenge to conservationists, to those who love and appreciate our National Parks and our other natural areas? This is just one example of the need for a conservation strategy that will mobilize the support of the American people. Support is required not just for a battle here, or a rearguard action there, but for a fundamental and continuing program to make our country a better place in which to live, a cherished place of beauty passed on with pride from one generation to the next.

In his last speech, Adlai Stevenson summarized both our reliance on and our obligation to our environment when he said:

"We travel together, passengers on a little space ship, dependent upon its vulnerable supplies of air and soils, . . . preserved from annihilation only by the care, the work and I will say the love, we give our fragile craft."

MEMORANDUM

U.S. SENATE, COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
Washington, D.C., January 4, 1967.

To Senator Jackson.
From Bill Van Ness.
Re A proposed legislative program on the problems of "environmental quality and the management of natural resources."

In recent years there has been growing private and governmental concern over a vaguely defined subject which has been variously characterized as "environmental quality," "environmental planning and control," "technology and the environment," "the environment and social change," etc.

The causes of this concern stem, in large measure, from man's increasing mastery of science and technology. This mastery has enabled man to work enormous changes in his physical environment and has made possible a great deal that is good in modern civilization. But science, technology, and the changes man has worked on the environment have also brought unanticipated side effects and fallout in the form of air, water, noise and aesthetic pollution, pesticides, urban blight, loss of recreational opportunities, erosion of the land, transportation problems, and a spiraling deterioration of the Nation's natural resources.

The following recent news releases provide a rough picture of the nature and extent and, unfortunately, the disarray which has characterized initial public and governmental recognition and reaction to the challenge these problems present.

"Bureau of the Budget asks each Department and Agency of government to review the Report of the President's Science Advisory Committee on 'Restoring the Quality of our Environment' . . .

"Department of Health, Education and Welfare establishes Special Task Force to study the problems of environmental quality in the United States . . .

"Air, water, solid waste, noise, aesthetic pollution and the deterioration of environmental quality occupy the attention of Congress and promise to be the major domestic problems in the next century . . .

"National Sciences Foundation establishes division of Environmental Sciences . . .

"Resources for the Future, Inc. establishes group to study environmental quality problems . . .

"Scholars from universities and major research institutions contend it is impossible to conduct broad scale research programs into the ramifications, alternatives and policy implications of environmental quality problems because no existent governmental agency has the authority to sponsor such studies due to the fragmented division of responsibility among a virtual maze of agencies . . .

"The National Academy of Sciences in a recent report on Waste Management and Control calls for the establishment of a National Commission to study problems connected with the increasing deterioration of environmental quality . . ."

All of these projects, proposals and criticisms have a number of things in common. The first is the proposition that the concept of *environment* is at least a useful if not a *necessary* focus in the formulation of public policies and programs to deal with the qualitative decline of the Nation's natural resources.

Second, is a dissatisfaction with traditional methods by which environment-affecting actions have been undertaken. For example, most past decisions concerning the use of natural resources have been relegated to the market place. If it proved the most economical course of action to use rivers, streams and the atmosphere as a means of dispersing waste products, that course of action was followed. If highways could be built cheapest in straight lines without regard to parks, aesthetics and other types of land use, they were built in straight lines. Dissatisfaction with the decisions dictated by economical considerations of economics alone in these and many other instances of natural resource administration is today coalescing into a recognition that the market system does not always arrive at the best possible decisions, and that there is a need for continued, knowledgeable and farsighted study to determine the impact which alternative uses of natural resources will have on the shape and quality of the future environment of the nation.

Third is a recognition that the sum total of environment-affecting actions must at some level of government be assessed and evaluated in qualitative terms. Projected trends, their implications and available alternatives should be made readily available to policy makers. In the past we have had "natural resource administration"; this has involved a different set of values and institutions for dealing with each separate resource. The activities depicted in the above news releases indicate a need for a wider view of natural resource programs. This wider view involves "environmental administration."

Finally, these environment-centered projects are all concerned with "quality"—or in other words, with *values* and *value choices* in the decision-making processes. They reflect a reaction to the now generally acknowledged fact that environment-affecting goals in our society have often been inconsistent, incoherent and contradictory. Some goals are of doubtful consistency with what is known to be necessary to human well-being. Insofar as this is so, the duty of government to safeguard and advance human welfare, to make and to implement public decisions that a society knowledgeable of its own needs, interests and potentialities *ought* to make, cannot be effectively carried out.

In some respects, this newly found and now popular concern for environmental quality represents a break from the past and a recognition that new thinking and new approaches are needed. This concern also represents a recognition that government in America, at present, has no charge to deal comprehensively with environmental questions. Environmental issues are approached only through specific environment-affecting responsibilities such as protection of water supply (exclusively a public health measure until recently), prevention of soil erosion (an aid to agriculture), prohibitions on wildlife overskill (for recreational and scientific reasons), creation of natural areas and parks (for recreational purposes), etc. Characteristically, each of these activities is within the sole jurisdiction of one office, bureau or agency which tends to view its mission as an end in itself; a task of self perpetuation that is carried out with only minimal—and this usually coerced—reference to the larger responsibility of government for managing and maintaining environmental quality.

It should, however, be recognized that the divisions of responsibility which exist in government for various aspects of environmental quality control and decision-making are in some measure a necessary and unavoidable allocation of responsibility. Some problems such as air and water pollution, soil erosion, parks, and outdoor recreation require specialized treatment, responses and administration. The task of sustaining an environment which is suitable for man and capable of supporting the standard of living that Americans demand and expect, requires that many diverse problems be attacked from many angles and on many battlefronts.

Too often, though, there is a failure to coordinate the specific projects and goals of various agencies in a manner such that they may be attained without a concomitant deterioration of other values which are belatedly considered equally important. The fractionalized allocation of responsibility for specific resource decisions frustrates coordinated public, Congressional or Presidential policies and action on broad scale environmental issues. Dividing control over the several parts and segments of the biophysical environment between separate agencies, departments and Congressional committees without effective coordination and oversight results in a situation where each pursues its unilateral course independent of the others and often without sufficient regard to the larger environmental consequences of their actions. Further frustrating any effort to institute more comprehensive environmental policies and controls in government are interagency rivalries and the often concerted opposition of natural resource users who constitute "agency" and "special interest" lobbies.

Greater cooperation, coordination and communication between agencies charged with environmental quality responsibilities is needed if programs are to be properly developed, evaluated and administered in a manner that will enchance overall, long-range environmental quality and increase the efficiency and wisdom with which natural resources are managed. The fact of the matter is, however, that the Federal government is not well structured for the administration of complex environmental issues or to offer very meaningful alternatives to past methods of coping with environmental problems. Compensatory measures have been sought through legislation and interagency agreements and understandings which require joint consultation and planning in specified cases of natural resources administration. While this represents an improvement in some areas of environmental administration and policy-making (pesticides problems, water quality, etc.), they are more in the nature of palliatives than basic reforms, and their accomplishments are at the technical and administrative rather than policy level. In effect, they treat the symptoms rather than the basic problem.

Functions of oversight and assessment, insofar as they are presently fulfilled, are vested with Congress and the Bureau of the Budget. Budget's concern is more technical and monetary than policy oriented, while the segmented committee structure of Congress, coupled with inadequate time and staff to survey the broad range of environmental quality problems, make it improbable that Congress can be expected to provide a continuous and informed substitute for administrative machinery through which a comprehensive environmental public policy can be developed and applied.

In recognition of this, further on in this memorandum will be found a legislative proposal which, among other things, considers alternative proposals for the creation of institutional machinery for dealing more effectively with problems of environmental quality and the management of natural resources. The thrust of the proposal is not aimed at reorganization, centralization of authority or increased regulation. What it does aim at, however, is to stimulate and increase the level of governmental awareness, consideration and research into the potential ramifications and consequences of past and present natural resources decisions on the shape and quality of the future environment of the Nation.

The present diversity of interests and values of private and public groups in relation to environmental quality, control, management and planning are, as has been noted, major factors in fractionalizing public responsibility. Institutional innovations would to some extent minimize this diversity. But equally important is the need for public discussion and definition of the larger purposes and goals of publication.

In an open democratic society environmental policy can scarcely be any more coherent than popular consensus will permit. Therefore, it is essential that the values and perceptions which predominate in society—and ultimately influence the objectives that administrative action will pursue—be values which have been knowingly formed with a full appreciation of the parameters and the limits of man's ability to affect his environment without at some future time suffering an aftermath of harmful effects, foregone alternatives and irreversible decisions.

There is, as has been noted, growing concern for environmental quality. Can this concern be coalesced into a consensus for action? It is apparent that even if we cannot at present be confident that we can describe an environment that everyone would find "good," we can at least identify and agree upon environmental conditions that virtually everyone would agree were "bad." And this, it is submitted, is a basis upon which to build; a basis upon which to mobilize and begin the effort to have the private and public sectors of the Nation reflect an intelligent concern for the ramifications of their decisionmaking processes on the future quality of the environment.

The fact that there has not been a comprehensive national environmental policy, and that our past institutional arrangements have been better adapted to exploitation of the environment than to its rational planned use, protective custody and self-renewing development does not mean that there should not or will not in the future be an environmental policy. Not long ago, the idea of a public responsibility for the state of economy, for public health, and for minimally acceptable living conditions was considered utopian. Tomorrow the idea of public responsibility for environmental quality will, as it inevitably must, win public and governmental acceptance. The question today is how far distant that tomorrow will be. This will be determined in part by the public's realization that a crises stage has been reached in environmental problems. Unfortunately, however, the crises of environmental change and deterioration tend to be "quiet crises" and tardy spurs to action. The history of water pollution is a prime example here. The rare "act of God," whether a flood, hurricane, or earthquake, draws an immediate response of millions of dollars and concerted governmental action. The gradual and cumulative poisoning of the environment and its slow, unobtrusive decline in quality fails, however, to elicit response, to excite research, to give impetus to decision-makers in search of alternatives or to do more than win an occasional page in obscure scholarly journals on ecology, biology or urban planning. There are, of course, exceptions. Water and air pollution are no longer "quiet crises." The same is true to a lesser extent of pesticide use and problems associated with disposal of radioactive wastes. These, however, are the exceptional cases where the nature and scope of the problems have become so obvious that to forestall positive action would invite disaster.

There is some danger that the money and the national attention currently being brought to bear on the "critical" environmental quality problems of water pollution, urban renewal, open areas acquisition, etc., may distort the long-range objectives which must be achieved. Clean water, rehabilitated cities and more open space *in and of themselves* are not the ultimate values which government seeks to attain. Considered in isolation, they are simply means to the end of a quality environment. As contributing parts to a larger value, there is a need to recognize them as such. To have cleansed and purified all the waters of the Nation at a cost of $100 billion may, with the hindsight of a future vantage point, appear ridiculous if we fail to timely recognize and cope with other less-glamorous environmental quality problems. It is believed that the legislative program proposed further on in this memorandum will help to bring into focus the overall nature of the environmental quality problems faced by the Nation and provide the research and leadership necessary for their resolution.

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THE PARADOX OF MODERN TECHNOLOGY

(Partial text of remarks by U.S. Senator Thomas H. Kuchel, before the annual meeting of the County Supervisors Association, Fresno, Calif., October 18, 1967)

As we meet here today, two-thirds of the twentieth century has elapsed. The first sixty-seven years have brought great changes in man's way of life—changes which were barely perceptible on the horizon in 1900.

At the beginning of the century, H. G. Wells put his fertile imagination to work to guess what life would be like by the year 2000. He was successful in predicting the coming urban sprawl, the blight of central cities and the growth of our freeway systems, but he also foresaw efficient urban rapid transit systems which, regrettably, few of our communities have achieved. Of air transportation he said:

"I do not think it at all probable that aeronautics will ever come into play as a serious modification of transport and communication. . . . Man is not, for example, an albatross, but a land biped, with a considerable disposition toward being made sick and giddy by unusual motions, and however he soars he must come to earth to live."

Wells viewed the world of the year 2000 without the knowledge which we have accumulated during the first two-thirds of the century. Today our vision of the future is obscured by two conflicting images of what lies in store for the human race. The mushroom-shaped cloud reminds us that man has developed the capacity to destroy mankind. The earth satellite, circling the globe, is a symbol of man's ability to solve the most difficult technical problems for the benefit of the human race.

In a simple world, we could pigeon-hole each new idea, good or bad, mushroom cloud or satellite. But the world of 1967 does not admit of those simple judgments. The weapons research which has brought us to a capability of complete obliteration bears the seed of unlimited peaceful bounty. It represents part of the paradox of this age. And America's great burst of industrial and technological creativity carries the latent potential to make our environment unfit for human habitation.

The whole melange of environmental problems—air pollution, water poullution, radiation, contamination, noise pollution, dangerous insecticides and pesticides, and urban blight—is with us as a stark reality.

The gravity of these threats to human life is amplified by the rate at which population is growing in the world.

In Latin America, for example, a million people die each year from starvation and malnutrition. That situation can only get worse, since by the end of this century Latin America will have, by estimate, one billion people.

There is a temptation to ignore any danger in crowding as long as we can produce enough food to feed our people and enough goods to sustain our economy. Yet overpopulation can destroy the quality of human life.

Some scientists have studied field mouse population explosion to learn about the strains of overpopulation on a society. The end of a mouse outbreak is always abrupt. At the peak, food begins to run short and crowding leads to tension and fighting. Tension, food shortage, crowding, disease, fighting, cannibalism—all these appear and lead into the descending spiral, a rapid decline that ends in mass die-off.

The dangers of overpopulation will be increased by the extreme adaptability of the human race. Humans can become adapted to almost anything—polluted air, treeless hills, traffic jams, water shortages, or urban and suburban blight. But in one way or another, we have to pay later for the adjustment we make to undesirable conditions.

Even feeding the skyrocketing population may prove impossible. The spread of American cities eats up at least a million and a half acres of open land every year.

One hundred and fifty years ago California's population consisted of scattered Indian tribes and a handful of new settlers. The Indians have long since disappeared, and our population has grown to 20 million. By the end of this century we will need space for 50 million Californians. Dr. Maurice L. Peterson, Dean of Agriculture for the University of California, has said:

"Urbanization of prime farmland is one of the most serious problems facing us in agriculture. The population is increasing at a far more rapid rate than our ability to produce food, and farmers are being forced up into the hills where it costs more to produce. California produces 25 per cent of the nation's table food, 43 per cent of the fresh vegetables, 42 per cent of the nut and fruit crops, but conservative estimates show that half of California's farm cropland will go to housing and industry in the next 33 years."

What are the lethal by-products of modern technology which reveal a potential twenty-first century apocalypse?

The clear, fresh air which was America's heritage has long since disappeared from every major city in the country. The most tragic single air pollution incident occurred in Donora, Pennsylvania, in 1948. The community was blanketed for several days by a fog that gathered the chemical wastes of the tiny coal mining town. Half the population of the town fell ill, and 17 persons died.

The highly salubrious climate of the Los Angeles basin has always contained the meteorological building blocks for severe air pollution problems. By the mid-40's increasing population, industrialization and automobiles brought on smarting eyes, coughing, and sore lungs. By 1980 the use of gasoline in the Los Angeles area will have increased fourfold since smog was first noticed around 1945.

More than a decade ago, I was privileged to be the author of the first legislation to bring the resources of the federal government to bear on air pollution research—the Air Pollution Control Act of 1955. More recently I have co-sponsored the Clean Air Act of 1963, and have urged a more active role for private industry in fighting the scourge of air pollution.

California, recognizing the danger of air pollution, mobilized its efforts years before other states. As a result, our state controls are the most advanced in the nation. The Senate, recognizing that fact, made a special exemption in the Air Quality Act of 1967 which it recently passed. The Senate exemption would preserve California state standards for the control of motor vehicle emission, rather than allowing the weaker federal standards to pre-empt the field. Although the exemption recognizing California's leadership was stricken by a House Committee, I believe we will be successful in retaining the exemption in the bill as it is finally enacted.

In recent decades man has begun to burn the fossil fuels, coal, petroleum and natural gas, that were locked in sedimentary rocks over 500 million years, releasing vast quantities of carbon dioxide into the atmosphere. The best approximations are that by the year 2000 there will be 25 per cent more atmospheric carbon dioxide than was present during the nineteenth century. Scientists predict that the concentration of carbon dioxide will heat up the polar areas and cause the Antarctic icecap to melt. They say that in one thousand years sea level will rise 400 feet.

Other scientists are concerned that the increase of pollutants, other than carbon dioxide, which filter the sun's heat rather than creating a natural greenhouse, will cause the polar icecaps to expand, bringing on a second ice age.

As the hazards increase, the nation gropes for effective answers or solutions to meet the challenge of air pollution. Nothing short of an all-out exploitation of federal, state, local and private resources should be tolerated by the people whose lives and surroundings are at stake.

Recently, nine children in Washington County, Utah, were hospitalized to determine the cause of abnormal nodules in their thyroid glands. The tests were inconclusive, but as a grim reminder of the age in which we live, the doctors found that fifteen years earlier each of these children had been exposed to radioactive iodine produced on the nearby Nevada atomic test site.

In 1953 the Atomic Energy Commission predicted that fallout would be evenly distributed over the globe so that no area would receive an excessive amount. By 1958 we had learned that fallout levels in the north temperate zone were more than ten times higher than at the equator or the poles. As our nuclear technology expands, so must our understanding of side effects. We may pay for our bad guesses for countless generations.

America is blessed with abundant water supplies, but our industrial and urban society has been built on the false assumption that our waters are bottomless pools into which waste can be dumped, much as we slip razor blades into the slot at the back of the medicine cabinet. Well, the space behind the slot is filled, as far as our nation's waters are concerned. We can no longer afford the luxury of using our waterways as a common waste receptacle.

Some thirty years ago chemical technology produced synthetic detergents which were much more efficient washing agents, especially in hard water, than soap. A multi-billion dollar detergent industry was founded without any adequate knowledge of the side effects of these detergents. But when Americans began to dump three billion pounds of detergent into our water each year, mounds of foam appeared in rivers and good stiff heads of foam formed on glasses of water.

Only then did we realize that the new detergents differed from soap in an important aspect. Soap is readily broken down by bacteria, but detergents are not. Fortunately, the worst is past. The industry developed new "biodegradable" detergents which are broken down by bacteria in modern urban sewage treatment plants. The detergent episode is a classic example of the failure of scientists to predict the effect of a seemingly beneficial change in our environment.

Over forty years ago, the City of Pomona saw that it was wasteful and wrong to use water only once, pollute it, then dispose of it. Imitating Mother Nature, the city built one of the first waste water reclamation units in the United States.

The local governments of the semi-arid southern part of our state have pioneered in the re-use of waste water. Many California cities and counties are now looking to reclaimed water as a major source of their future supply.

Since World War II and the advent of DDT, we have seen a revolution in the use of insecticides. But wholly unexpected side effects can often create problems worse than the one the substance was developed to cure. In one Bolivian town, DDT sprayed to control malarial mosquitoes also killed most of the cats. With the cats gone, the town was invaded by wild mouse-like animals that carried black typhus. Before new cats were brought to restore the balance of nature, several hundred people were killed by the disease.

Last month, a news bulletin out of Tijuana told of thirty-four children dead from insecticide in their bread. Death and serious illness from insecticide poisoning are rare in the U.S., but everyone in this room has a measurable quantity of these substances in his body, accumulated mainly from contaminated food and water. It is estimated that twenty tons of DDT residue is contained in the bodies of the people of this country.

Noise itself can be a dangerous type of pollutant to our environment. Urban noise, for example, damages the hearing and degrades the quality of life in our cities. Jet noises are among the worst, and as we move on to the supersized and supersonic jets of the future, we must learn what the mental and physical cost will be for persons living near airports and under flight patterns.

In downtown Los Angeles, 66 per cent of the land is taken up by parking lots or streets. We are developing urban complexes so fast that one can travel a hundred miles or more before reaching open country. The leapfrogging haphazard pattern of development hastens the process of spread.

The value of parks, lakes, streams and open green spaces is not wholly aesthetic. In many areas they modify the climate, purify or humidify the air, and maintain thermal control for the metropolitan area. It has been estimated that filling of the San Francisco Bay would raise the temperature of the Bay Area by five to ten degrees and blanket it with a thick layer of smog.

In 1965 I supported a program to make $235 million in open space grants available. This year the Senate Interior Committee has acted favorably on my bills for a Redwood National Park and the San Rafael Wilderness near Santa Barbara. But more such measures are needed to create a viable environment for tomorrow's Californians.

Overpopulation, water and resource shortages, and an environment made unfit for human life by man's own intrusions on nature might discourage us from moving on to the twenty-first century, were it not for the other image—the image of technology as the good provider.

My profession is legislating, and I am happy to leave the technological speculation to the experts. In a recent study, Herman Kahn and Anthony Weiner listed one hundrew innovations likely in the next thirty-three years. I read but a few:

"Lasers and masers for sensing, measuring, communicating, cutting, heating, welding, power transmission, illumination, destructive (defensive), and other purposes."

"New or improved super-performance fabrics (papers, fibers, and plastics)."

"More reliable and longer-range weather forecasting."

"New sources of power for ground transportation (storage-battery, fuel-cell propulsion or support by electromagnetic fields, jet engine, turbine)."

"Extensive and intensive world-wide use of high-altitude cameras for mapping, prospecting, census, land use, and geological investigations."

"Major reduction in hereditary and congenital defects."

"New or improved uses of the oceans (mining, extraction of minerals, controlled 'farming,' source of energy)."

"Three-dimensional photography, illustrations, movies, and television."

"Some control of weather or climate."

"Human hibernation for relatively extensive periods (months to years)."

"Capability to choose the sex of unborn children."

"General and substantial increase in life expectancy, postponement of aging, and limited rejuvenation."

"Permanent manned satellite and lunar installations—interplanetary travel."

"Permanent inhabited undersea installations and perhaps even colonies."

"Practical large-scale desalinization."

These things will not come about without the expenditure of money on basic research and development, and the federal government has moved boldly in the expenditure of research and development funds over the last two decades. In 1940 the federal government spent only $74 million in basic research and development. By 1966 that had multiplied two hundred times over to an expenditure in excess of $15 billion. Incidentally, over one-third of the total federal research and development dollar is spent in California. No state will play a greater role in shaping the technological future of this nation than the state we are honored to call our home.

The future holds dangers, but it also holds limitless promise. The first order of business is, I believe, a long, hard and thorough look at the federal executive effort to understand and cope with man's environment. The ad hoc creation of federal environmental programs has resulted in a crazy patchwork quilt, full of duplication and full of holes.

I count at least eighteen federal agencies having responsibility in the area of man's environment. There are seven agencies dealing with air pollution problems alone:

Environmental Science Services Administration, Environmental Health Services Centers, the Bureau of Mines, the Solid Waste Office, the Air Pollution Control Division, the Atomic Energy Commission, and, of all things, the Tennessee Valley Authority.

In water pollution, the agencies abound. Thirteen have responsibility in the area:

Environmental Science Services Administration, Environmental Health Sciences Center, the Water Pollution Control Administration, the Bureau of Reclamation, the Army Corps of Engineers, the Soil Conservation Service, the Fish and Wildlife Service, the Bureau of Mines, the Atomic Energy Commission, the Agricultural Research Service, and TVA.

An executive reorganization to bring some semblance of rationality and order to these frenetic, unguided and competitive efforts should be given top priority. Both political parties ought to make a pledge that it will be done.

If we delay too long, it will be more difficult to achieve earthbound institutional reform than to place a man on the moon. We will pay dearly if we do not face the need for fundamental reorganization of the federal effort in environmental control. The price we pay will be the continued degradation of man's surroundings.

Simultaneously, we should take a new look at the structure and organization of local governments. Local government in California has a distinguished history. In areas of education, health and labor legislation, California has provided a model for the nation. But, in most of our metropolitan areas, government is frozen in outmoded patterns. The metropolis is one housing market, one transportation grid, one labor market. It is covered by one sky. But the core city represents only a minority of the total population. As population growth has spilled over into the suburbs, environmental problems which transcend the historical political boundaries have become unmanageable.

Efforts to bring about reform lie on your shoulders. It is a difficult task, for the existing local governmental structure is built on many sound reasons and a century of history. Reform will not come overnight, but it must be pursued in all areas where population sprawl has outrun the boundaries of the original core city. If the challenge is not met, I fear that the federal government will step into the void and force federal solutions to many essentially local problems.

There must be an increased emphasis in government at all levels, and in the private sector, on domestic utilization of technology developed for military or space applications.

Our research today is primarily devoted to improving our defense and space capability. The technological innovations derived in work on weapons and space research might remain an unlocked treasure, unless we pursue systematic and energetic efforts to turn them to the benefit of all mankind.

This is especially important in California. Within the past decade a decline in aircraft manufacturing grievously damaged one of our large southern counties. Between 1958 and 1965, aerospace employment there dropped from 80 per cent to 64 per cent of the area's total manufacturing employment.

Space related activities at Vandenberg Air Force Base, on the other hand, have increased. During the same period, the proportion of manufacturing employment in the Santa Barbara area involved in the aerospace industry rose from 30 per cent to 60 per cent. The vagaries of defense and aerospace contracts, and their adverse impact on the economy, would be considerably lightened by successful efforts to turn technology to beneficial domestic uses. An idea turned to domestic use can sustain employment while defense contracts come and go.

Finally, programs which promise to benefit people should be emphasized. In my view, two federal programs deserve the highest priority. The first, a cooperative program of NASA and the Interior, Agriculture and Navy Departments involves earth resource surveys from space. The other is the desalination of the waters of the ocean.

By using remote sensing devices, such as cameras, radar, and other instrumentation, in airplanes and ultimately in orbiting satellites, vast quantities of new information for the good of mankind can be derived. A satellite circling the globe can inventory crop species, locate insect and disease infestation and pinpoint storms and fires. It can tell the density of snow-pack in the mountains, and is able to predict floods and water supply.

Space photography can be used by cartographers to map the surface of the earth and the bottom of the ocean with greater precision than has ever been possible before. From space, geologists can discover features of the earth's surface never before detectable. Instruments in the satellite can pinpoint water pollution, petroleum, minerals and subsurface water.

The information available from satellites will revolutionize the fishing industry. Wherever they may be in the oceans, large schools of fish will be detectable. Volcanic eruptions can even be predicted.

With the vast and seemingly limitless potential of this program, it is, nonetheless, a poor stepchild of our nation's space efforts. Despite the huge NASA budget, the earth resources project has never been adequately funded. The potential of an earth resources satellite is so great that it should no longer be shunted aside. While we are putting a man on the moon and sending spacecraft far beyond into outer space, NASA ought also to utilize what we have already learned to unlock some of the unknown potential of the earth on which we live.

Desalination of sea water is another program which must be pursued aggressively. I have been privileged to co-sponsor every piece of legislation on desalination which has passed through the Senate in my years in that body. Just this year, my bill to authorize federal participation in a massive desalination project off the coast of my home County of Orange was enacted.

In this effort, the Metropolitan Water District of Southern California, which has one-half the population of our state within its service area, has joined a unique partnership of local, private and public utilities, and the federal government to build the world's largest sea water conversion plant. The plant will be built on a man-made 43-acre island and will produce 150 million gallons of fresh water each day, enough to supply the domestic needs of a city the size of San Francisco, and 1,800 megawatts of power, enough to supply the domestic needs of two million people.

This summer, former President Eisenhower and his Atomic Energy Commission Chairman, Admiral Lewis L. Strauss, proposed a daring new approach to bring water to the Middle East. The Eisenhower proposal would locate three massive dual-purpose nuclear powered desalting and electric power generating plants in the Middle East. Two plants would be located on the Mediterranean coast of Israel, the other at the northern end of the Gulf of Aqaba in Jordan or Israel.

The first stage of the bold Eisenhower proposal will be a 450 million gallon per day plant three times the size of the recently authorized California plant. This first plant would produce electric power far in excess of the present needs of the Middle Eastern deserts, but industry and prosperity would quickly follow the availability of abundant water and power.

The Senate Foreign Relations Committee has pending before it a resolution to put the Eisenhower plan into action. It was introduced by Senator Baker of Tennessee and co-sponsored by dozens of Senators, including myself.

The ability to talk seriously about the possibility of economically feasible large-scale desalination is based on fifteen years of federal research. But we have not arrived. We merely are at a point where we predict that substantial quantities of fresh water can be produced cheaply enough to be used for municipal purposes. We have not yet produced large amounts of cheap desalted water. Aggressive support of the federal desalting program now is vital to peace and well-being of the world in the year 2000.

Soon it will be too late to cope with the choking and crowding that is becoming our very environment. Indeed, for those who have died from polluted air and contaminated water, it is already too late. We have to get out ahead of our technology, or technology and the debris it leaves behind will reduce mankind to a pitiful nothingness. We must create new human institutions to cope with our environment. We must make better use of the institutions we have. Failing that, we leave a sorry legacy for the coming twenty-first century.

PROPOSED LEGISLATION TO MODIFY THE OPERATION OF THE EXPEDITING ACT

Mr. TYDINGS. Mr. President, the Expediting Act,[1] designed to speed the determination of important antitrust cases, has been the subject of extensive controversy for a number of years. It contains two separate provisions, both of which are applicable to those civil antitrust suits and civil cases arising under the Interstate Commerce Act in which the United States is the plaintiff. The first provision enables the Attorney General, in cases that he considers to be of "general public importance," to require the empaneling of a three-judge district court. The act directs such a court to expedite the disposition of the case. Where the Attorney General does not certify a case as being of general public importance, the proceedings are held before a regular U.S. district court. According to the second provision of the act, appeals in these Government antitrust and interstate commerce cases, whether from a three-judge district court or from an ordinary single-judge district court, lie only to the Supreme Court of the United States. The U.S. courts of appeals are bypassed entirely. Unlike the litigation of a normal civil case, there is no possibility of an interlocutory appeal on any issue an appellate court, since the act provides that only final judgments can be appealed.

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[1] Act of Feb. 11, 1903, ch. 544, § 1, 32 Stat. 823, as amended; 15 U.S.C. §§ 28, 29; 49 U.S.C. §§ 44, 45.

There are a number of objections that can be raised to the provisions of the Expediting Act as they operate today.

One of the principal objections to the direct appeal provision is that having all Government antitrust cases proceed directly from a U.S. district court to the Supreme Court imposes an unnecessary and undesirable burden on that already overburdened tribunal. The burdensomeness of these cases is accentuated by the fact that they typically involve voluminous records of detailed economic data and business history. To review such records thoroughly requires an effort from the Court disproportionate to the overall public importance of the issues ordinarily involved in such cases. The burdensomeness of these Expediting Act cases has been suggested by several Justices of the Court. In 1962, Justices Clark and Harlan called the direct appeal provision "a great burden on the Court" that "seldom results in much expedition." [2] The Court itself in *United States* v. *Singer Mfg. Co.* (374 U.S. 174, 175 n. 1 (1963)) said:

> Whatever may have been the wisdom of the Expediting Act in providing direct appeals in antitrust cases at the time of its enactment in 1903, time has proven it unsatisfactory.

Mr. Justice Brennan, in several speeches in 1965,[3] reiterated this comment and called for revision of the act.

At the time the Expediting Act was enacted, it established the seventh class of cases in which appeals lay directly to the Supreme Court from the decision of a single district court judge. Today, Expediting Act cases are one of only three classes of cases in which there is a direct appeal from the decision of a single district court judge. The other two classes of cases are decisions holding an act of Congress unconstitutional, and certain decisions adverse to the United States in criminal cases. In all other direct appeals, direct review by the High Court is restricted to decisions by three-judge district courts. Yet antitrust cases falling within the Expediting Act now provide the major source of direct appeals to the Supreme Court.[4] The Supreme Court heard 31 of these direct-appeal Expediting Act cases over a recent 10-year period.[5] These cases amounted to more than one-half of all the antitrust cases heard during that period. The most important point is that very, very few of these Expediting Act cases involved issues of sufficient magnitude to warrant the attention of the Supreme Court. While it is impossible to say in exactly how many of these cases the Supreme Court would have granted certiorari in the absence of the direct-appeal provision, it is safe to suggest that if appeals had been routed through the courts of appeals, and the Supreme Court had employed the usual criteria in determining whether to exercise its jurisdiction, the number of these cases heard by the highest tribunal of the land would have been very much smaller.

The direct-appeal procedure also has been criticized as shortchanging a litigant's right to a full and effective review of the trial court's decision in an appellate court. Notwithstanding that the appeal to the Supreme Court is the appellant's first and only appeal, demands on the Supreme Court's time often make it necessary for the Court to give summary rather than plenary attention to these cases, thereby effectively depriving the appellant of a full review. In the ordinary case taken by the Supreme Court for decision, extensive briefs are filed, the full Court hears oral argument from all parties, and a lengthy and considered opinion is written. When a case is disposed of summarily, however, full briefs and oral argument are omitted, and the Court may issue no more than an order. This treatment, while it may be justified by the lack of importance of the issues before the Court, hardly affords the review to which the parties are entitled and which the case would receive in the court of appeals. The problem was emphasized by Justices Harlan and Goldberg dissenting in *Kennecott Copper Co.* v. *United States* (381 U.S. 414 (1965)). They pointed out that "this is appellant's first and only appeal" and called for "plenary rather than summary dispositions of such appeals" so long as the Expediting Act "remains on the books." Moreover, the Court's somewhat cryptic orders issued in cases summarily disposed of may unintentionally appear, by reason of factual analogies, to cast implications upon rules of law contained in prior decisions that the Supreme Court did not actually intend to affect. Thus the practice of rendering summary dispositions in these complicated cases may have a confusing and unsettling effect upon the administration of the antitrust laws.

A somewhat related problem is that the terms of the district court's decree are seldom reviewed at all under today's Expediting Act procedures, yet in the view of many this may be the most significant part of the district court's action, at least in terms of potential economic effect. It is probable that if decisions were being reviewed by a court of appeals, more attention would be given to the terms of the decree itself.

Another objection to the direct appeals provision, Mr. President, notes that an appeal coming directly from a district court to the Supreme Court tends to be less well-focused than is the ordinary case that comes to the Court after having been given thorough review by a court of appeals. In going through the court of appeals, issues are frequently narrowed as points are adequately disposed of or are abandoned by the parties. The court of appeals also serves a valuable function by subjecting the trial court's findings of fact to close scrutiny—a function that the Supreme Court is neither ideally suited nor frequently called upon to perform. The strength of this objection has been adequately outlined by Mr. Justice Brennan in his speeches in 1965.[6]

Against these objections, of course, should be weighed the justifications for having available a direct means of review by the Supreme Court in these cases. There are three significant historical justifications for direct appeals. First, at the time the Expediting Act was enacted in 1903 it was becoming apparent that the young Sherman Act was not going to be a dead letter. After a languishing beginning, the act was beginning to emerge as a potent weapon with which to challenge the increasing concentration of economic power. The collision between Government and concentrated economic power raised novel and important issues of business regulation, and it was deemed necessary to provide a procedure by which Government antitrust cases could be expeditiously appealed to the Supreme Court for final, uniform determination. The Expediting Act was, in part, a response to this problem.

Distrust of the courts of appeals was another historical factor. These intermediate courts had been in existence only 12 years. There was considerable resistance to entrusting to these comparatively new and inexperienced tribunals the review of cases in this new and very important field. Consequently, it was felt that at least those antitrust cases instituted by the Government should proceed directly to the Supreme Court.

The third historical justification for the direct appeals provision was the possibility of delay that otherwise would have existed in 1903. Before the Expediting Act, Sherman Act cases were appealed to the court of appeals. Six months were allowed for taking the appeal, and then 1 year more was allowed for taking an appeal from the court of appeals to the Supreme Court. In addition, there was the possibility of an interlocutory appeal to the court of appeals from a decision of the district court granting or denying an interlocutory injunction. It thus was possible for trusts and large business organizations to utilize the then existing appellate procedure to tie up complex and important antitrust cases for almost indefinite periods in the courts. The solution achieved in the Expediting Act was to allow only appeals from final decisions, to require that such appeals be taken within 60 days of the rendition of the district court's decision, and to require that these appeals be taken directly to the Supreme Court.

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[2] *Brown Shoe Co. v. United States,* 370 U.S. 294, 355, 363–64 (1962).

[3] Talks delivered to the Bar Association of the Seventh Judicial Circuit on May 11, 1965, and to Marquette University Law School on March 10, 1965.

[4] Note, The Antitrust Expediting Act—A Critical Reappraisal, 63 Mich. L. Rev. 1240, 1244 (1965).

[5] *Id.* at 1246.

[6] See note 3, *supra.*

Each of these three historical justifications for the direct appeals provision has eroded with time. In a recent 10-year period, an average of 37 civil antitrust cases falling under the Expediting Act were instituted by the Government each year, compared to one case in 1903.[7] It is doubtful that many of these cases would meet the standards of importance contemplated by the drafters of the Expediting Act. Many of the appeals today involve merely procedural matters. Frequently, the issue is merely whether the district court's decision is supported by the facts in the record. Indeed, it has been asserted that today there are very few cases involving important substantive issues of antitrust law.[8]

Moreover, it is clear that the courts of appeals have established themselves as fully competent to handle antitrust and ICC appeals. They regularly handled antitrust cases—involving the same questions of law as are involved in Expediting Act cases—initiated by the Federal Trade Commission or by private litigants. Also, for the most part, the opportunity for appellate delay that existed in 1903 has been reduced. Today an appeal to the court of appeals must be taken within 2 months—1 month for private cases—and only 3 months are allowed for taking an appeal from the court of appeals to the Supreme Court. Where interlocutory appeals may be taken from decisions granting or denying an interlocutory injunction, a litigant must satisfy both the district judge and the court of appeals that the interlocutory appeal "may materially advance the ultimate termination of the litigation." [9]

As to the question whether the direct appeals provisions of the Expediting Act do, in fact, expedite, recent statistics show that cases directly appealed to the Supreme Court under the act are disposed of in approximately the same amount of time it takes for relatively similar private antitrust cases to receive an initial appellate judgment in the court of appeals.[10] These statistics also show that on the average it would take a case an extra year if, instead of going directly from the district court to the Supreme Court, it went from the district court to the court of appeals and was then taken by the Supreme Court for review. Thus, the Expediting Act does not provide a more rapid initial appellate review, although it does provide a somewhat more rapid ultimate judgment than is available where the case proceeds through the court of appeals and is reviewed on certiorari by the Supreme Court. The year saved, however, is not a terribly large proportion of the total time that generally elapses from the initiation of an antitrust investigation by the Department of Justice to the final ultimate judgment. And, considering that many cases that the Supreme Court is now forced to take would probably proceed no further than the court of appeals were the Expediting Act not in the picture, in the great majority of instances there would be no additional delay whatsoever in obtaining the final judgment in a case by proceeding through the courts of appeals.

Another related point to be considered in evaluating the direct appeal provisions is whether there is an alternative means already in existence for expeditiously obtaining a judgment by the Supreme Court. There is such a procedure. Section 1254(1) of title 28 of the United States Code provides that in a case appealed to the court of appeals the Supreme Court may grant certiorari before, as well as after, any judgment has been entered by the court of appeals. Thus, without the direct appeal provisions of the present Expediting Act, parties in important cases initially heard by a single-judge district court can swiftly reach the Supreme Court by filing a petition for certiorari immediately after they have filed their appeal in the court of appeals. The Supreme Court, in its discretion, can then take the case prior to action by the court of appeals, expediting only those cases in which the need for speed—because of the implications the case may have on the wellbeing of the national economy, or whatever—outweighs the other inconveniences of a direct appeal. The use of this procedure was illustrated in the steel mill seizure [11] and Girard [12] cases.

Thus, it appears that each of the historical justifications for the enactment of the direct appeal provisions of the Expediting Act is no longer completely valid. In addition, the Expediting Act appears to provide only a relatively slight amount of expedition, and it does this without regard to whether the case is of sufficient importance to merit expedition. Finally, there is already in existence an operative alternative means by which selected important cases may rapidly reach the Supreme Court. In short, the objections that may be raised to the current direct appeal provisions are numerous and significant, while the justifications that may be raised in defense of those provisions as they now exist appear to be slight.

Evaluation of the three-judge district court provision of the act is more difficult. There is no similar historical background for the three-judge court provision of section 1. Apparently, Congress simply felt that occasionally antitrust cases would involve matters too complex and important to be considered by a single judge, and that the Attorney General was in the best position to recognize such a case. It was felt that three judges would ensure that the case would receive "as full consideration before presentation to the Supreme Court as if heard by the U.S. circuit court of appeals." [13]

The principal objection to the three-judge court provision of the act arises from the fact that it may require the expenditure of an unnecessary amount of judicial time and resources. For instance, it appears difficult to justify the use of three judges to hear a suit to enjoin an order of the Interstate Commerce Commission or a Government antitrust suit, while suits to enjoin the orders of other Federal administrative agencies and private antitrust suits are heard by one judge.

Criticism may be also raised because the Expediting Act is the only one that presently calls for the invocation of a three-judge district court solely at the discretion of the Attorney General.[14]

However, the three-judge court provision has been so seldom invoked that the effect of changing this aspect of the act is uncertain. Some of the questions that should be answered by the Congress are whether there is a continuing need for some special procedure such as the three-judge court for hearing antitrust cases that on their face appear to be especially important, and whether a three-judge court tends to do a more complete or more reliable factfinding job.

The several problems experienced with the operation of the Expediting Act have precipitated a number of attempts to modify or repeal the act, beginning in 1949 with a bill introduced in the House of Representatives by the distinguished chairman of the House Judiciary Committee, Representative EMANUEL CELLER.[15] This bill would have modified the three-judge court provisions by making the formation of such a court subject to the discretion of the judge designated to preside over it. More recently, in 1963, a bill sponsored by the late Senator Olin D. Johnston and Senator ROMAN HRUSKA was introduced repealing the act entirely for antitrust cases.[16] In that same year, another bill was introduced that would have left the three-judge court provision intact, but would have altered the direct appeal provision.[17] The Department of Justice, the American Bar Association, and the Judicial Conference have indicated some agreement with this approach.

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[7] *Supra* note 4, at 1244.

[8] See, *e.g.*, Gesell, *A Much Needed Reform—Repeal the Expediting Act for Antitrust Cases*, 1961 N.Y. S.B.A. Antitrust L. Symposium 98; Note, The Antitrust Expediting Act—A Critical Reappraisal, 63 Mich. L. Rev. 1240, 1244–1245 (1965).

[9] 28 U.S.C. 1292(b).

[10] *Supra* note 4, at 1246.

[11] *Youngstown Sheet and Tube Co. v. Sawyer*, 343 U.S. 579 (1952).

[12] *Wilson v. Girard*, 354 U.S. 524 (1957).

[13] H.R. Rep. No. 3020, 57th Cong., 2d Sess. 2 (1903).

[14] See, *e.g.*, Celler, *Case in Support of Application of the Expediting Act to Antitrust Suits*, 14 DePaul L. Rev. 29 (1964).

[15] H.R. 6451, 81st Cong., 1st Sess.

[16] S. 1811, 88th Cong., 1st Sess.

[17] S. 1992, 88th Cong., 1st Sess.

I am today introducing several proposals to modify or repeal the Expediting Act. Because of the complexity of the issues and the diversity of the approaches that may be taken, I am introducing a series of alternative solutions for study by the Senate. These proposals present a wide spectrum of possibilities from which, after complete study, the Senate may choose an appropriate bill.

The first proposal that I introduce, S. 2806, is advanced by the American Bar Association. It would retain the three-judge court provision of the Expediting Act, and would allow direct appeals from the decisions of these three-judge courts pursuant to section 1253 of title 28. However, it would modify the direct appeal provision of the act to allow such appeals from final judgments only in those single-judge Government actions seeking equitable relief where either the district court certifies that a direct appeal is in the interest of justice or the Attorney General certifies that a direct appeal is "of general public importance in the administration of justice." Certification may apply to the whole case or a particular question of law therein. It has been suggested that this approach will allow three-judge courts any direct appeals in those cases where it is important to have them, while eliminating this special procedure for unimportant cases and questions. Some problem may arise with regard to the feature of this bill that allows the Attorney to invoke the direct review provision of the bill even in instances where the district court thinks this unnecessary. Another possible problem with regard to any bill that places the initial appellate review in the court of appeals arises out of the so-called "two court" rule. The gist of this rule is that the Supreme Court does not review findings of fact made by a district judge and approved by a court of appeals. In antitrust cases, the Supreme Court heretofore has exercised a review of the district court's findings of fact with a measure of freedom that is broader than in instances where the two-court rule is applicable. It is possible that the courts of appeals would not feel equally free to review the trial court's findings of fact. If all antitrust cases were routed through the courts of appeals, and the Supreme Court then did invoke the two-court rule, the scope of review might be somewhat narrower than at present, with possible unfortunate consequences for the enforcement of the antitrust laws.

A somewhat related bill, S. 2807, is a modification of a proposal by the American Law Institute. Like the bar association bill, it leaves the three-judge court provision intact and allows direct appeals from decisions of a three-judge court. It modifies, however, the direct appeal provision with regard to single-judge courts. Decisions by single-judge district courts are reviewed by the court of appeals unless the district court on its own motion or on the motion of either party certifies that the case is of general public importance. This bill does not allow the Attorney General to bypass the district court certification. In this respect, it provides for greater equality between the Government and private parties. The bill applies to all Government cases, while the ABA bill allows the certification procedure only in Government suits seeking equitable remedies. The American Law Institute bill provides that interlocutory appeals ordinarily go to the court of appeals, and it also eliminates the ABA provision allowing the Supreme Court to pass only on particular questions in the case.

The third bill I introduce today, S. 2808, was drafted by the Harvard Legal Research Bureau. Unlike the two preceding bills, it would repeal the three-judge court provision. This repeal has been rejected by the ABA, the Judicial Conference, and the Justice Department, but has been suggested by at least some critics of the present Expediting Act who point to what they consider the waste of judicial manpower involved in three-judge courts. The reasons advanced in favor of the three-judge courts are the need for precise factfinding, the greater probability that at least one of several judges will be more abreast of developments in antitrust law, and the possibility of the decision of a three-judge court having more prestige than the decision of a single judge. This third bill also establishes a somewhat novel certification procedure for direct appeals. It would provide for review by the court of appeals of Government antitrust cases in which equitable relief is sought unless the Attorney General certifies that direct review by the Supreme Court is necessary for the effective administration of the antitrust laws, or unless the defendant certifies that direct review is necessary in the interests of justice. The bill gives the Supreme Court discretion to grant or deny the direct "appeal." If the direct appeal is denied, an appeal will lie to the court of appeals. The problem with this procedure has been to define a proper standard for certification by the defendant. There is also some question about the propriety of allowing a private defendant to "certify" to the Supreme Court. He has no public responsibility, and perhaps can be relied upon only to certify that he wants the case heard. On the other hand, allowing certification by the defendant does have a certain "mutuality" appeal, and the Supreme Court's discretion to grant or deny the direct appeal may adequately allow the Court to protect its docket against cases that, from a public interest standpoint, should go first to the court of appeals.

In a fourth proposal that I introduce today, S. 2809, the three-judge court provisions are preserved, but direct appeals are allowed from three-judge courts only. There is no special certification procedure for other cases, which are to proceed to the Supreme Court only under the provisions of section 1254(1) of title 28, which also governs Supreme Court review in ordinary litigation. Retaining the three-judge court feature of the present law allows the Attorney General to have an assured direct route to the Supreme Court in those instances where he feels that direct review is imperative. The pressures upon the Attorney General to refrain from calling for a three-judge court hopefully would operate as a check against his abusing the opportunity for direct Supreme Court review. The problem of mutuality of access to the Supreme Court, which has concerned many people, seems to be minimized by this bill because, while the Attorney General is the only person able to institute a three-judge court proceeding, either party may, once a three-judge court has made its decision, request direct review by the Supreme Court. In single-judge cases, by relying on the accelerated procedure for obtaining certiorari provided by section 1254(1) of title 28, this bill would allow the Supreme Court complete control over the selection of important cases for direct review. The bill contains provisions, however, to encourage the Court to be more liberal in granting applications for certiorari. The bill specifies that in determining whether to grant certiorari, the Supreme Court shall consider, among other factors, "the economic importance of the alleged violation of law and the need, in the public interest, for a prompt final determination." This bill also makes an attempt to deal with the "two-court" rule.

In light of the questions that have been raised about the propriety of the three-judge court provisions in section 1 of the Expediting Act, I also introduce a bill, S. 2810, which allows the chief judge or the presiding circuit judge, in instances where the caseload merits, to refuse to establish a three-judge court. This bill was originally introduced by the distinguished chairman of the House Judiciary Committee, EMANUEL CELLER, in 1949. It would involve a weighing of the importance of the case to be expedited against the docket pressure of the applicable district court. It could be appended to a number of the other bills that I have introduced.

The sixth proposal I introduce, S. 2811, would simply remove from the provisions of the Expediting Act Government civil cases arising under the Interstate Commerce Act. As the Expediting Act now stands, Government cases brought pursuant to the Interstate Commerce Act are treated differently than the cases of any other administrative agency. In cases where the ICC is attempting to enforce an order, regardless of the importance of the order, a three-judge court may be convened, and, regardless of whether there is a decision by a three-judge court or a single-judge court, any appeal must go directly to the Supreme Court.

Thus, for instance, if the ICC wishes to enforce an order and seek an injunction against a railroad that has on its own initiative gone ahead and ripped up track or changed a route, or changed a rate, the appeal in such a case must go directly to the Supreme Court, irrespective of the lack of general public importance of the issues involved, and although this is not the kind of matter which one usually expects to find the Supreme Court considering. There is little if any justification for having ICC cases treated differently from other administrative agency cases, or for imposing this burden on the Supreme Court. It is my understanding that the ICC is aware of this problem, and with their blessing proposed legislation has recently been introduced that may remedy it. I refer to S. 2687, introduced by Senator LAUSCHE. The bill I introduce today, or Senator LAUSCHE's bill, may be the very minimum alteration that should be made to the Expediting Act. S. 2811, might also be passed as a title II in one of the first four bills that I have introduced today.

Finally, I have introduced S. 2812, which would repeal the entire Expediting Act, and would have both antitrust and ICC cases treated like all other cases. Ordinarily appeals would be to the court of appeals, with review in the Supreme Court on a writ of certiorari pursuant to section 1254(1) of title 28. This bill would provide the Supreme Court with complete control over its own docket, and would also eliminate three-judge courts for antitrust and ICC cases.

In our endeavor to find a solution to the Expediting Act problem that will improve our judicial machinery, Mr. President, I look forward to the assistance of the bench and the bar. It is my hope that all of these proposals can be circulated to all interested parties for their comment, and that hearings can be scheduled on these bills early next year. I would like to emphasize that I have no commitment to any one of the bills described above, nor do I preclude consideration of some other solution that has yet to be offered. Rather, after the issues involved have been thoroughly aired, I am confident that the Congress will support that measure which promises the best solution to a problem that has plagued the Supreme Court and antitrust litigants increasingly over recent years.

I ask unanimous consent that the bills be printed in the RECORD.

The PRESIDING OFFICER. The bills will be received and appropriately referred; and, without objection, the bills will be printed in the RECORD.

The bills, introduced by Mr. TYDINGS, were received, read twice by their titles, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD as follows:

S. 2806

A bill to amend section 2 of the act of February 11, 1903 (ch. 544, 32 Stat. 823, as amended; 15 U.S.C. 29, 49 U.S.C. 45), commonly known as the Expediting Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of February 11, 1903 (ch. 544, 32 Stat. 823, as amended; 15 U.S.C. 29, 49 U.S.C. 45), is amended to read as follows:

"SEC. 2. (a) Except as otherwise expressly provided by this section, in every civil action brought in any district court of the United States under any of the Acts referred to in the first section of this Act in which the United States is the complainant and equitable relief is sought, appeal may be taken only to the court of appeals. Subject to the provisions of section 1254 of title 28, United States Code, any such appeal to the court of appeals from a final judgment entered in any such action shall be taken pursuant to section 1291 of title 28 of the United States Code, and any such appeal to the court of appeals from any interlocutory order entered in any such action shall be taken pursuant to sections 1292(a)(1) and 1292(b) of title 28 of the United States Code.

"(b) In any such action an appeal from a final judgment or an interlocutory order of a three-judge district court designated pursuant to the first section of this Act (15 U.S.C. 28, 49 U.S.C. 44) shall lie directly to the Supreme Court.

"(c) In any such action before a district court other than such a three-judge district court an appeal from the final judgment of the district court shall lie directly to the Supreme Court if (1) the district court, upon application of a party or upon its own motion, certifies that immediate review by the Supreme Court is appropriate in the interest of justice, or (2) the Attorney General certifies that in his opinion immediate review of the action, or of a particular question of law therein, by the Supreme Court is of general public importance in the administration of justice.

"(d) Any such certificate made by the Attorney General or by the district court upon its own motion, and any application for such a certificate made by any party to the district court, shall be filed in the district court within seventy days after the entry of final judgment by the district court. Any application made by a party to the district court for such a certificate shall be deemed to have been denied unless such application is granted within eighty days after the entry of such final judgment.

"(e) When a direct appeal is taken upon a certification made under subsection (c), the Supreme Court may (1) allow the appeal and require the record of proceedings before the district court to be transmitted to the Supreme Court for decision of the entire matter in controversy, or (2) dismiss the appeal and remand the action to the district court with binding instructions for the disposition thereof. Subject to such instructions in any action so remanded, an appeal from the judgment of the district court may be taken to the court of appeals as provided by section 1291 of title 28 of the United States Code. The time allowed for such appeal shall run from the date of entry of the order of the Supreme Court remanding the action to the district court."

SEC. 2. The amendment made by this Act shall not apply to any action in which a notice of appeal to the Supreme Court has been filed on or before the date of enactment of this Act. Appeal in any such action shall be taken pursuant to the provisions of section 2 of the Act of February 11, 1903 (32 Stat. 823, as amended; 15 U.S.C. 29, 49 U.S.C. 45) which were in effect on the day preceding the date of enactment of this Act.

S. 2807

A bill to amend section 2 of the act of February 11, 1903 (ch. 544, 32 Stat. 823, as amended; 15 U.S.C. 29, 49 U.S.C. 45), commonly known as the Expediting Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of February 11, 1903 (ch. 544, 32 Stat. 823, as amended; 15 U.S.C. 29, 49 U.S.C. 45), is amended to read as follows:

"SEC. 2. (a) In every civil action brought before a three-judge district court designated pursuant to the first section of this Act, appeal from a final judgment or an interlocutory order of such court shall lie directly to the Supreme Court.

"(b) In every civil action brought before any other district court of the United States under any of the Acts referred to in the first section of this Act in which the United States is the complainant and in which the district court, either on application of a party or upon its own motion, has certified that the case is of general public importance, an appeal from the final judgment of the district court shall lie directly to the Supreme Court. No such certification may be made by the district court on its own motion, nor shall an application for a certificate be made to the district court by any party, more than thirty days after final judgment. In any case in which a party applies to the district court for such a certificate, such application shall be deemed to have been denied unless it is granted within forty days after final judgment.

"(c) Except as otherwise expressly provided by subsection (a) or subsection (b), appeal in any civil action brought under any of the Acts referred to in the first section of this Act may be taken only to the court of appeals. Subject to the provisions of section 1254 of title 28, United States Code, such appeal from an interlocutory order of a district court may be taken pursuant to section 1292 of title 28, United States Code, and such appeal from a final judgment of a district court may be taken pursuant to section 1291 of title 28, United States Code."

S. 2808

A bill to amend the Act of February 11, 1903, commonly known as the Expediting Act, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first section of the Act of February 11, 1903 (ch. 544, 32 Stat. 823, as amended; 15 U.S.C. 28, 49 U.S.C. 44) is repealed.

(b) Section 2 of that Act (15 U.S.C. 29, 49 U.S.C. 45) is amended to read as follows:

"SEC. 2. (a) In any civil action brought by the United States in a district court of the United States under the Act entitled 'An Act to protect trade and commerce against unlawful restraints and monopolies,' approved July 2, 1890 (26 Stat. 209, as amended; 15 U.S.C. 1–7), commonly known as the Sherman Act, or any other Act having like purpose thereafter enacted, in which equitable relief is sought, appeal from the final judgment of the district court shall lie directly to the Supreme Court if within forty-five days after the entry of such judgment (1) the Attorney General files in the district court a certificate stating that such direct appeal is necessary for the effective administration of such Act, or (2) the defendant files in the district court a certificate stating that such direct appeal is necessary in the interest of justice. If the Supreme Court concurs in the statement so made in any such certificate in any such action, it shall allow such direct appeal, and require the record of proceedings to be transmitted to the Supreme Court for the determination of such appeal in whole or in part. If the Supreme Court does not concur in such statement, it shall dismiss such direct appeal, and remand such action to the district court. If the Supreme Court allows in part such direct appeal in any such action, it shall after determination of such appeal in part remand such action to the district court for appropriate proceedings.

"(b) Except as otherwise expressly provided by subsection (a), appeal in any such civil action, without regard to the nature of the relief sought, may be taken only to the court of appeals. Subject to the provisions of section 1254 of title 28, United States Code, such appeal from an interlocutory order of a district court may be taken pursuant to section 1292 of title 28, United States Code, and such appeal from a final judgment of a district court may be taken pursuant to section 1291 of title 28, United States Code.

"(c) Notwithstanding the provisions of the second paragraph of section 2107 of title 28, United States Code, in any such civil action in which a direct appeal from the final judgment of a district court pursuant to subsection (a) has been dismissed by the

Supreme Court, appeal to the court of appeals may be taken within forty-five days after the dismissal of such appeal by the Supreme Court. Notwithstanding the provisions of that paragraph, in any such civil action in which such a direct appeal to the Supreme Court from the final judgment of a district court has been allowed in part, appeal to the court of appeals may be taken with respect to any question not determined by the Supreme Court within forty-five days after such action is remanded by the Supreme Court to the district court for further proceedings."

Sec. 2. The amendment made by subsection (b) of the first section of this Act shall not apply to any action in which a notice of appeal to the Supreme Court has been filed on or before the date of enactment of this Act. Appeal in any such action shall be taken pursuant to the provisions of section 2 of the Act of February 11, 1903 (32 Stat. 823, as amended; 15 U.S.C. 29, 49 U.S.C. 45) which were in effect on the day preceding the date of enactment of this Act.

S. 2809

A bill to amend section 2 of the act of February 11, 1903 (ch. 544, 32 Stat. 823, as amended; 15 U.S.C. 29, 49 U.S.C 45), commonly known as the Expediting Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of February 11, 1903 (ch. 544, 32 Stat. 823, as amended; 15 U.S.C. 29, 49 U.S.C. 45), is amended to read as follows:

"Sec. 2. (a) In every such civil action in which the Attorney General has requested a three-judge court pursuant to the first section of this Act, an appeal from a final judgment or interlocutory order of such court will lie only to the Supreme Court.

"(b) In every other such civil action brought in any district court of the United States in which the United States is complainant, appeal will lie only to the court of appeals. Subject to the provisions of section 1254 of title 28, United States Code, any such appeal from a final judgment of a district court shall be taken pursuant to section 1291, title 28, United States Code, and any such appeal from an interlocutory order of a district court shall be taken pursuant to section 1292 of title 28, United States Code.

"(c) In acting upon a petition for a writ of certiorari in any such action, the Supreme Court shall consider, among other factors, the economic importance of the alleged violation of law and the need, in the public interest, for a prompt final determination. In its review of any such action in which a writ of certiorari has been granted, the Supreme Court may fully review all findings of fact and conclusions of law without regard to the determinations made by the courts below."

S. 2810

A bill to amend section 1 of the Expediting Act of February 11, 1903, as amended

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Expediting Act of February 11, 1903, as amended (15 U.S.C. 28, 49 U.S.C. 44), is amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: "*Provided,* That the chief judge or the presiding circuit judge, as the case may be, upon determining that the designation of three judges to hear and determine such case would unduly prejudice the dispatch of other judicial business in the circuit, may assign or reassign the case to a single district or circuit judge with such instructions for expedition of the hearing and determination of the case as will accomplish the purposes of this Act."

S. 2811

A bill to amend the first section of the act of February 11, 1903, commonly known as the Expediting Act, to exclude from the operation thereof actions arising under the Interstate Commerce Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Act of February 11, 1903 (ch. 544, 32 Stat. 823, as amended; 15 U.S.C. 28, 49 U.S.C. 44) is amended by striking out the words "'An Act to regulate commerce,' approved February fourth, eighteen hundred and eighty-seven,".

S. 2812

A bill to repeal the act of February 11, 1903, commonly known as the Expediting Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of February 11, 1903 (ch. 544, 32 Stat. 823, as amended; 15 U.S.C. 28–29, 49 U.S.C. 44–45) is repealed.

ESTABLISHMENT OF A BUREAU OF REFUGEE, MIGRATION, AND VISA AFFAIRS IN THE DEPARTMENT OF STATE

Mr. KENNEDY of Massachusetts. Mr. President, on behalf of myself and Senators Fong, Pell, and Scott, I introduce, for appropriate reference, a bill to amend the Immigration and Nationality Act and for other purposes.

Mr. President, for nearly 18 months, the Judiciary Subcommittee on Refugees, which I serve as chairman, has been conducting an intensive inquiry into U.S. refugee policy and our apparatus of assistance to the homeless throughout the world. Many of the subcommittee's findings and recommendations are contained in a lengthy report, approved unanimously by the subcommittee and currently pending in the full Judiciary Committee.

Because of the widespread interest in the subcommittee's inquiry, and the report itself, I believe it would be helpful to make a few remarks on the principal finding of the subcommittee before Congress adjourns.

We believe, Mr. President, there is an urgent need for the United States to develop a forthright, national policy of concern and action for refugees throughout the world. The shift in focus of major refugee problems from Europe to less-developed areas of the world—from a "cold war" to a universal framework—has not carried with it the perspective, creative concern, and dynamic spirit which gave impulse and direction to U.S. refugee activities in early years.

Today our national concern for refugees is hampered by ad hoc reactions to individual situations and a timidity of purpose, which does disservice to our national interest and humanitarian tradition.

There is an urgent need for the United States to develop a comprehensive and continuing policy toward refugees which is clearly visible to our own citizens and the international community—a compassionate policy which more fully and faithfully expresses our humanitarian concern for the welfare of all who have fled their homes—a flexible policy which forcefully declares to the world our readiness to act in concert with others promptly and effectively at all times—and an active policy which is fully integrated into the overall conduct of our foreign relations, in Africa, Asia, the Middle East and elsewhere.

There is little doubt that many of the recognized problems in the current conduct of refugee affairs by our Government, lies in the low priority which has been given these affairs in the policy councils and administrative apparatus of the executive branch.

Nothing illustrates this more than the history of our involvement in the refugee problem of South Vietnam. Our failure to fully anticipate this problem, our lack of understanding and action in this significant aspect of the Vietnam conflict, has not helped us in winning the allegiance of the Vietnamese people, and threatens the disintegration of their society.

The subcommittee believes that refugee affairs should be placed directly in the hands of a Presidential appointee, and in order to insure a degree of continuity and permanency for refugee affairs in the administrative structure of the Department of State, that his office and responsibilities should be prescribed by law.

The bill I introduce today would accomplish this objective. Briefly, in amending section 104 of the Immigration and Nationality Act, the bill replaces the Bureau of Security and Consular Affairs in the Department of State with a Bureau of Refugee, Migration and Visa Affairs, headed by an Assistant Secretary of State. His responsibilities to give leadership, guidance and coordination to refugee affairs within the executive branch are broadly prescribed in the bill.

The bill establishes within the new Bureau "a visa office and such other offices as the Secretary of State may deem to be appropriate to perform functions, powers and duties relating to the administration of refugee and migration affairs and to perform other functions, powers, and duties relating to the administration of of the Bureau."

Finally, the bill transfers out of the present Bureau of Security and Consular Affairs, the Passport Office, and authorizes the Secretary of State to establish the Passport Office elsewhere within the Department.

In this connection, Mr. President, I hope we can look forward to the creation of an Office of Citizenship Affairs within the Department of State, whose responsibility will include the issuance of passports and various services for American citizens overseas.

My comments today on a significant area of public policy have been brief, and I want to assure Senators I will elaborate further in the next session of Congress.

I strongly believe there is much work to be done in energizing our Government's conduct of refugee and migration affairs, and in providing needed services for our own citizens who travel abroad.

Mr. President, I ask unanimous consent that the bill I introduce today be printed at this point in the Record.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, will be printed in the Record.

The bill (S. 2814) to establish in the Department of State a Bureau of Refugee, Migration, and Visa Affairs to be headed by an Assistant Secretary of State, and for other purposes, introduced by Mr. Kennedy of Massachusetts (for himself and other Senators), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the Record, as follows:

S. 2814

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101 (a) (1) of the Immigration and Nationality Act (8 U.S.C. 1101 (a) (1)) is amended to read as follows:

"(1) The term 'Assistant Secretary' means the Assistant Secretary of State who is the head of the Bureau of Refugee, Migration, and Visa Affairs"

Sec. 2. (a) Section 104 of the Immigration and Nationality Act (8 U.S.C. 1104) is amended to read as follows:

"POWER AND DUTIES OF THE SECRETARY OF STATE; BUREAU OF REFUGEE, MIGRATION, AND VISA AFFAIRS

"Sec. 104. (a) The Secretary of State shall be charged with the administration and the enforcement of the provisions of this Act and all other immigration and nationality laws relating to (1) the powers, duties and functions of diplomatic and consular officers of the United States, except those powers, duties and functions conferred upon the consular officers relating to the granting or refusal of visas; (2) the powers, duties and functions of the Bureau of Refugee, Migration, and Visa Affairs; and (3) the determination of nationality of a person not in the United States. He shall establish such regulations; prescribe such forms of reports, entries and other papers; issue such instructions; and perform such other acts as he deems necessary for carrying out such provisions. He is authorized to confer or impose upon any employee of the United States, with the consent of the head of the department or independent establishment under whose jurisdiction the employee is serving, any of the powers, functions, or duties conferred or imposed by this Act or regulations issued thereunder upon officers or employees of the Department of State or of the American Foreign Service.

"(b) There is hereby established in the Department of State a Bureau of Refugee, Migration, and Visa Affairs (hereinafter referred to as the 'Bureau') to be headed by an Assistant Secretary of State, who shall be appointed by the President by and with the advice and consent of the Senate. The Assistant Secretary shall be a citizen of the United States, qualified by experience, and shall maintain close liaison with the appropriate committees of Congress in order that they may be advised regarding the administration of this Act by consular officers. He shall be charged with any and all responsibility and authority in the administration of the Bureau and of this Act which are conferred on the Secretary of State as may be delegated to him by the Secretary of State or which may be prescribed by the Secretary of State. In order to give leadership, guidance, and coordination to all refugee affairs within the Executive Branch, the Assistant Secretary shall also be charged with any and all responsibility and authority in the administration of refugee and migration affairs which are conferred on the Secretary of State under the Migration and Refugee Assistance Act of 1962 or any other law and may be delegated to the Assistant Secretary by the Secretary of State or may be prescribed by the Secretary of State. The Assistant Secretary shall also perform such other duties as the Secretary of State may prescribe.

"(c) Within the Bureau there shall be a Visa Office and such other offices as the Secretary of State may deem to be appropriate to perform functions, powers, and duties relating to the administration of refugee and migration affairs and to perform other functions, powers, and duties relating to the administration of the Bureau and of this Act. Each such office shall be headed by a director, who shall be experienced in the administration of the refugee and migration laws or the nationality and immigration laws, as may be appropriate.

"(d) All functions, powers, duties, and authority of the Visa Office of the Bureau of Security and Consular Affairs are hereby transferred to the Visa Office of the Bureau of Refugee, Migration, and Visa Affairs. All functions, powers, duties, and authority of the Passport Office of the Bureau of Security and Consular Affairs are hereby transferred to such office, agency, division, or service in the Department of State as the Secretary of State may deem appropriate to establish.

"(e) There shall be a General Counsel of the Visa Office, who shall be appointed by the Secretary of State and who shall serve under the general direction of the Legal Adviser of the Department of State. The General Counsel shall have authority to maintain a liaison with the appropriate officers of the Service with a view to securing uniform interpretations of the provisions of this Act."

(b) Section 104 of the table of contents of the Immigration and Nationality Act is amended to read as follows:

"Sec. 104. Powers and duties of the Secretary of State; Bureau of Refugee, Migration, and Visa Affairs."

Sec. 3. Section 105 of the Immigration and Nationality Act (8 U.S.C. 1105) is amended by striking out "administrator" each time it appears and substituting "Assistant Secretary".

Sec. 4. (a) Section 1 of the Act entitled "An Act to strengthen and improve the organization and administration of the Department of State, and for other purposes", approved May 26, 1949, as amended (22 U.S.C. 2652), is amended by striking out "eleven" and substituting "twelve".

(b) Item (22) of section 5315 of title 5, United States Code, is amended by striking out "(11)" and substituting "(12)".

Sec. 5. The first section of the Migration and Refugee Assistance Act of 1962 is amended (1) by inserting "(a)" immediately after "That", and (2) by adding at the end thereof a new subsection as follows:

"(b) The Congress hereby reaffirms the traditional humanitarian and political interests of the United States and its citizens in extending tangible assistance to refugees and migrants, who for political, racial, religious, or other urgent reasons are unable or unwilling to return to their country of nationality. The resolution of refugee problems, through the reestablishment of the homeless under conditions of freedom, dignity, and self-respect, is importantly related to broadening the frontiers and practical application of institutional freedom, and to promoting stability, progress, and peace in troubled areas. In partnership with other members of the international community, and with the help of nongovernmental voluntary organizations, the United States will continue to develop a viable and creative humanitarian alliance to assist refugees throughout the world."

Sec. 6. The first sentence of section 4(a) (1) of the Migration and Refugee Assistance Act of 1962 (22 U.S.C. 2603) is amended to read as follows: "The President is authorized to designate the Assistant Secretary of State who is the head of the Bureau of Refugee, Migration, and Visa Affairs, or any other official of any department or agency of the United States Government who is required to be appointed by the President by and with the advice and consent of the Senate, to perform any function conferred upon the President by this Act.".

A SENSIBLE POLICY ON GOLD

Mr. PROXMIRE. Mr. President, I am introducing today, for appropriate reference, a bill to repeal the 25-percent gold cover requirement upon U.S. Federal Reserve notes. This action has long been advocated by our leading monetary and fiscal experts, and I believe the time has come for Congress to give serious consideration to the proposal.

In 1965, the Congress eliminated the 25-percent gold reserve requirement against the deposits liabilities of the Federal Reserve Board. However, the 25-percent requirement against Federal Reserve notes was continued. Some members of the Banking and Currency Committee believed at that time that the partial repeal of the gold cover requirement was a mistake and that the entire gold reserve requirement should have been repealed.

I believe the case for repealing the gold reserve entirely was persuasive in 1965, and it is even more persuasive today. I would like to quote briefly from the statement of supplemental views of former Senator Paul Douglas, Senator Mondale, and myself regarding gold policy. These views were appended to the Senate Banking Committee report in 1965:

> In summary, the Congress should eliminate, rather than partially remove, the existing gold reserve requirements because:
>
> (1) Under present and foreseeable conditions, the gold reserves freed by the administration proposal would probably be exhausted within 4 to 6 years—too short a period to justify the administration's limited measure.
>
> (2) A gold reserve requirement was relevant in earlier times when gold circulated as money, but is no longer appropriate in the domestic monetary system of today.
>
> (3) The international position of the dollar would be stronger if all, rather than only a part, of the U.S. gold stock were unequivocally made available for international settlements and the defense of the dollar.
>
> (4) Both in practice and in principle, gold reserve requirements are not desirable as devices for limiting domestic monetary policy. Such policy should be related to the needs of the economy rather than to an arbitrary formula tied to gold.

These views were written over two and a half years ago. At that time, we felt the supply of so-called free gold available to meet foreign commitments would be exhausted in a period of 4 to 6 years. It happens that this prediction was remarkably accurate. At the present time, our stock of gold is approximately $12.4 billion; whereas, the gold which must be held against Federal Reserve notes is approximately $10 billion. This only leaves $2.4 billion available for international purposes.

Mr. President, even if our balance-of-payments problem is completely solved and even if there is no additional requirement to export gold to foreign countries, it is only a matter of time before the statutory 25-percent gold reserve requirement will be reached. The gradual growth in our money supply which is required by an expanding domestic economy will soon require that all of our gold be used to meet the anachronistic 25-percent requirement against domestic currency.

Sooner or later, therefore, Congress will have to act to repeal the 25-percent gold cover requirement. Most experts believe that without considering the international requirements for gold, the gold reserve ratio will drop to 25 percent within 2 years as a result of the normal expansion of our domestic money supply.

Mr. President, the requirement to hold gold against Federal Reserve notes is a completely outdated and obsolete drawback to earlier periods of monetary history. The gold reserve requirement may have made some sense prior to 1933 when Federal Reserve notes were freely convertible into gold. However, the United States has been off the gold standard domestically for the last 34 years. The gold cover requirement has been a lingering fiction which has long since served its useful purpose. I am hopeful, therefore, that the Congress can act readily to remove this obsolete provision in the Federal Reserve Act. This will improve our international monetary system and will strengthen the position of the dollar abroad. It will make abundantly clear to foreign holders of U.S. dollars that the United States stands fully behind the dollar.

Mr. President, I have also included in the proposed bill a requirement for the Secretary of the Treasury to report to our Congress twice a year concerning the current gold situation, including a record of the sales and purchases of gold by the various countries abroad. I believe this information will give Congress the facts it needs on a timely basis to exercise its continuing oversight responsibilities on gold policy.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2815) to repeal the 25-percent gold cover requirement for Federal Reserve notes, introduced by Mr. Proxmire, was received, read twice by its title, and referred to the Committee on Banking and Currency.

THE 200TH ANNIVERSARY OF CHARLOTTE, N.C.

Mr. ERVIN. Mr. President, the year 1968 will have a special significance for North Carolinians. Our largest city, Charlotte, will be celebrating its 200th anniversary. It was on November 7, 1768, that the North Carolina State Assembly created the town of Charlotte in Mecklenburg County.

Charlotte, called the Queen City, was named for the wife of George III, King of England, and Mecklenburg was taken from the name of her Royal House in Germany.

Throughout the next year, the people of Charlotte have planned an elaborate celebration of their bicentennial. During the year, Charlotte will present an outdoor drama by one of our State's most gifted literary talents, Legette Blythe. The drama will be given throughout the summer months in a 4,000 seat amphitheater now under construction. Several souvenir magazines will be published and a book has been written—"Charlotte, Queen of Carolinas," by Kenneth and Blanche Marsh.

The general chairman of the Charlotte bicentennial is Mr. John M. Belk, an outstanding citizen of the Queen City. He is attempting to have the State Culture Week held next year in Charlotte and a jazz festival, similar to the one in Newport, R.I., is expected to be held with many famous North Carolina jazz musicians returning to the State to participate.

Mr. President, Charlotte has contributed greatly to the heritage of our Nation, and it seems that during this bicentennial year it would be most fitting to focus national attention on Mecklenburg County and Charlotte by issuance of a stamp to commemorate the Mecklenburg Declaration of Independence and the passage of a Senate joint resolution which declares May 20 as a National Day of Recognition for the 200th anniversary of the town of Charlotte.

As a part of the bicentennial celebration, I have already written to Postmaster General O'Brien and requested that he issue a stamp to commemorate the Mecklenburg Declaration of Independence. Also, I intend to introduce at the close of my remarks a bill which would express the wishes of the Senate that Postmaster General O'Brien issue a stamp celebrating this historical event. I feel the presentation of this commemorative stamp would be an important part of Charlotte's bicentennial celebration which will take place throughout 1968.

The Mecklenburg Declaration of Independence, considered the forerunner of the Declaration of Independence, was adopted by the citizens of Mecklenburg County meeting in Charlotte. As reported by the Raleigh Register on April 30, 1819, the people declared themselves in this document to be "a free and independent people; are and of right ought to be a sovereign and self-governing association under the control of no other power than that of our God and the General Government of Congress."

At this point in the Record, Mr. President, I ask unanimous consent that a copy of the Mecklenburg Declaration of Independence be printed.

There being no objection, the Declaration of Independence was ordered to be printed in the Record, as follows:

Declaration of Independence, May 20, 1775

NAMES OF THE DELEGATES PRESENT.

Col. Thomas Polk, Ephraim Brevard, Hezekiah J. Balch, John Phifer, James Harris, William Kennon, John Ford, Richard Barry, Henry Downs, Ezra Alexander, William Graham, John Queary, Abraham Alexander, John M'Knitt Alexander, Hezekiah Alexander, Adam Alexander, Charles Alexander, Zacheus Wilson, Sen. Waightstill Avery, Benjamin Patton, Matthew M'Clure, Neil Morrison, Robert Irwin, John Flenniken, David Reese, Richard Harris, Sen.

Abraham Alexander was appointed Chairman, and John M'Knitt Alexander Clerk. The following resolutions were offered, viz.

1st. *Resolved,* That whosoever directly or indirectly abetted, or in any way, form or manner, countenanced the unchartered and dangerous invasion of our rights, as claimed by Great Britain, is an enemy to this country, to America, and to the inherent and inalienable rights of man.

2d. *Resolved.* That we, the citizens of Mecklenburg county, do hereby dissolve the political bands which have connected us to the mother country, and hereby absolve ourselves from all allegiance to the British Crown, and abjure all political connection, contract, or association, with that nation, who have wantonly trampled on our rights and liberties, and inhumanly shed the blood of American patriots at Lexington.

3d. *Resolved,* That we do hereby declare ourselves a free and independent people; are, and of right ought to be, a sovereign and self-governing Association, under the control of no power other than that of our God and the general government of the Congress; to the maintenance of which independence, we solemnly pledge to each other our mutual co-operation, our lives, our fortunes, and our most sacred honor.

4th. *Resolved,* That as we now acknowledge the existence and control of no law or legal officer, civil or military, within this county, we do hereby ordain and adopt as a rule of life, all, each and every of our former laws—wherein, nevertheless, the crown of Great Britain never can be considered as holding rights, privileges, immunities or authority therein.

5th. *Resolved,* That it is further decreed, that all, each and every military officer in this county, is hereby reinstated in his former command and authority, he acting conformably to these regulations. And that every member present, of this delegation, shall henceforth be a civil officer, viz. a Justice of the Peace, in the character of a *"Committee-man,"* to issue process, hear and determine all matters of controversy, according to said adopted laws, and to preserve peace, union and harmony in said county;—and to use every exertion to spread the love of country and fire of freedom throughout America, until a more general and organized government be established in this province.

After discussing the foregoing resolves, and arranging bye-laws and regulations for the government of a Standing Committee of Public Safety, who were selected from these delegates, the whole proceedings were unanimously adopted and signed. A select committee was then appointed to draw a more full and definite statement of grievances, and a more formal declaration of independence. The Delegation then adjourned about 2 o'clock, A.M. May 20.

Mr. ERVIN. Mr. President, a commemorative stamp would be an excellent opportunity to remind us that Charlotte, Mecklenburg County, was the first to declare its independence from England, and that citizens of Charlotte, Mecklenburg County, still have the same sense of patriotism and loyalty today that their forefathers had 200 years ago. It would be well to remind the Nation of the heritage that has built America to its present greatness, and I feel that the most effective method of doing this would be by means of this commemorative stamp as an integral part of Charlotte's bicentennial celebration.

I intend to introduce at the close of my remarks, the Senate joint resolution which designates May 20 a national day of recognition of Charlotte's bicentennial. I feel it quite appropriate for our country to recognize Charlotte's anniversary in this way because in so many instances the historical background and dynamic growth of Charlotte is typical of our Nation. For example, Charlotte has become the center of the largest concentration of population in the Southeastern United States. It is second only to Chicago as a major national trucking center, and because of its busy air, bus, and rail industry, Charlotte is a major distribution center for the entire Southeast.

Since 1930, Charlotte's population has grown by almost 150 percent and a 90 percent increase has been forecast from 1960 to 1980. Not only is the growth in Charlotte's population expected to continue this phenomenal rate of increase; the growth of the surrounding market area served by Charlotte is expected to be substantial.

Mr. President, I strongly urge the two legislative measures which I now intend to introduce receive the Senate's most serious consideration. Charlotte is a proud, forward-looking and dynamic community, and I hope the Senate feels as I do that it deserves these acts of national recognition.

I ask unanimous consent that copies of the bill and joint resolution introduced by me be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. The bill and joint resolution will be received and appropriately referred; and, without objection, the bill and joint resolution will be printed in the Record.

The bill (S. 2816) to provide for the issuance of a special postage stamp in commemoration of the Mecklenburg Declaration of Independence, introduced by Mr. Ervin (for himself and Mr. Jordan of North Carolina), was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the Record, as follows:

S. 2816

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Postmaster General is authorized and directed to issue a special postage stamp in commemoration of the Mecklenburg Declaration of Independence, during the calendar year 1968, as a part of the Bi-centennial celebration of the City of Charlotte in Mecklenburg County, North Carolina. Such stamp shall be of the determination and of such design as the Postmaster General shall determine.

The joint resolution (S.J. Res. 131) to designate May 20, 1968, as "Charlotte, North Carolina Day," introduced by Mr. Ervin (for himself and Mr. Jordan of North Carolina), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the Record, as follows:

S.J. Res. 131

Whereas 1968 will mark the 200th Anniversary of the establishment of the City of Charlotte by the State Assembly of North Carolina; and

Whereas the City of Charlotte has made outstanding contributions during those 200 years to the strength and well-being of the State of North Carolina and the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That May 20, 1968, is hereby designated as "Charlotte, North Carolina Day" in commemoration of the two hundredth anniversary of such city, and the President is authorized and requested to issue a Proclamation inviting the people of the United States to observe such day with appropriate ceremonies and activities.

AMENDMENT OF FEDERAL WATER POLLUTION CONTROL ACT

Mr. TOWER. Mr. President, I introduce, for appropriate reference, a measure to help cope with the ever-increasing problem of water pollution. This bill would instruct the Secretary of the Interior to divide the United States into 12 regions for the purpose of administering the Federal Water Pollution Control Act. The new boards are to consist of representatives of the various State, interstate, and local governmental agencies and public and private interests involved in the fight against water pollution.

Mr. President, I cannot stress too much the necessity for improving our effort in this area. We are wasting millions of gallons of water every day, while our supply of this precious resource is constantly diminishing. It is urgent that the program of saving our Nation's rivers and streams be intensified and improved. By dividing the Nation into 12 regions, the particular problems of each area may be taken into account, and a solution that is readily workable in that area may be arrived at.

Local people working at local levels know what is feasible in their area and can best handle any problems. They can give the Department invaluable insight into the situation and provide a truly efficient program. I appeal to the Senate to give a swift and favorable consideration to this measure.

I ask unanimous consent that the measure be printed at this point in the Record.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 2820) to amend the Federal Water Pollution Control Act in order to provide for regional water pollution control advisory boards, introduced by Mr. Tower, was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the Record, as follows:

S. 2820

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 9 of the Federal Water Pollution Control Act is amended (1) by striking out "Board" in the heading of such section and inserting in lieu thereof "Boards.", (2) by striking out "the Board" in the first place it appears in subsection (a) (2) (B) and where it appears in subsection (c) and inserting in lieu thereof "any board appointed pursuant to this section", (3) by striking out "the Board" in the second place it appears in subsection (a) (2) (B) and inserting in lieu thereof "such board", and (4) by inserting at the end thereof a new subsection as follows:

(d) (1) The Secretary shall divide the United States into twelve regions for the purpose of administering the provisions of this Act, and shall establish for each such region a regional water pollution control advisory board, composed of an appropriate number of members appointed by the Secretary to represent the various State, interstate, and local governmental agencies and public and private interests contributing to, affected by, and concerned with water pollution in such region.

(2) Each regional board shall advise, consult with, and make recommendations to the Secretary on matters of policy relating to the activities and functions of the Secretary under this Act in the region of such board.

EXEMPTION OF STATE OF IOWA FROM CERTAIN PROVISIONS OF THE GENERAL BRIDGE ACT OF 1946

Mr. MILLER. Mr. President, I introduce a bill and ask that it be received and appropriately referred, and that the bill be printed in the Record.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record, as requested by the Senator from Iowa.

The bill (S. 2821) to exempt the State of Iowa from certain provisions of the General Bridge Act of 1946, introduced by Mr. Miller, was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the Record, as follows:

S. 2821

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the thirty-year requirement contained in the first sentence of section 506 of the General Bridge Act of 1946 (33 U.S.C. 529) and the requirements of the second sentence of such section 506 shall not apply to any interstate toll bridge, all or any part of which is within the State of Iowa, so long as the provisions of section 7 of chapter 255, Acts of the Sixty-second General Assembly of the State of Iowa, as in effect on the date of enactment of this Act, remain in effect in such State.

MERGER OF THE GREAT NORTHERN, THE NORTHERN PACIFIC, AND OTHER RAILROADS

Mr. METCALF. Mr. President, on behalf of myself and for Senators Mansfield, Burdick, Morse, Young of North Dakota, Mondale, Jordan of Idaho, and McCarthy, I introduce, for appropriate reference, a bill to amend section 5 of the Interstate Commerce Act to insure the protection of the public interest in rail merger proceedings.

This bill would subject all pending rail consolidations and mergers which have not yet been consummated to the operation of the antitrust laws, whether or not the Interstate Commerce Commission has issued its decision approving and authorizing such mergers.

The Interstate Commerce Commission would be prohibited, under the terms of this bill, from approving any further rail mergers or consolidations unless in accordance with revised standards hereafter enacted by Congress.

The bill contains a 3-year expiration date within which time Congress, after thorough review of the present merger statute and the Interstate Commerce Commission's provisions, can enact positive standards for the ICC to apply in rail merger proceedings.

This bill grants authority to the Department of Justice to determine that any pending merger not be prosecuted under the antitrust laws, if it finds it in the overall public interest. I hope that Hon. Alan S. Boyd, the Secretary of

Transportation, will promptly prepare and submit proposed legislative rules or statutes to be applied in these rail merger cases.

Special interest, at this time, in connection with this legislation, is brought about by the merger, some of the effects of which were announced today, of the Great Northern and the Northern Pacific Railroads, two great transcontinental railroads which operate throughout the Northwest. The merger of those two prosperous and wealthy long-line roads with the Burlington, the Spokane, Portland, and Seattle, and some other minor roads will have a profound effect on labor and the economy of the Northwest, and on our whole transportation system.

This bill, with the material that I shall ask to be put in the Record, will demonstrate that we should perhaps, acting upon the basis of the pending merger of the Great Northern and the Northern Pacific, review our whole merger concept; and I hope the chairman of the Committee on Commerce [Mr. Magnuson], who is in the Chamber at this time, will ask for the appropriate recommendations and will hold prompt hearings, so that we can explore this whole very vital and important matter.

I yield to my colleague from Montana.

Mr. MANSFIELD. Mr. President, I wish to say that I am happy to be a cosponsor of this measure with my distinguished colleague and other Senators representing the Great Northwest, which extends from Minnesota to Washington State. It is our hope after, at long last, the release by the ICC of the decision in the Great Northern and Northern Pacific Railroad case, that this matter will be promptly considered by the chairman of the Committee on Commerce, the distinguished senior Senator from Washington [Mr. Magnuson], who is also dean of the Members of Congress from the Northwest.

He is aware that in 1958, when the merger act was passed, it was stipulated, or at least so we thought, that mergers were to take place between weaker railroads for the purpose of strengthening them, or between a stronger railroad and a weak one for the purpose of making better combination as a result.

But when lines like the Northern Pacific and the Great Northern, which are both operating at a very good profit, seek to consolidate and merge, along with other lines, then I think those of us who represent rural States like Montana must make our position known.

As my colleague has said, the effect of rail labor on the economy of a State 148,000 square miles in area, but very sparsely populated, will be tremendous.

I join my colleague in asking the distinguished chairman of the Committee on Commerce to consider the possibility of holding hearings on this matter next year—next month.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. METCALF. I yield.

Mr. MAGNUSON. Mr. President, I suggest that this is a matter of very serious concern to the whole Northwest, to all the States from Chicago, Ill., to Puget Sound in Washington.

The distinguished majority leader and the junior Senator from Montana are absolutely correct when they state that when we wrote the bill in 1958 in an attempt to do something about the railroad situation in this country, the whole intent of the section of the bill which allowed the ICC to approve these mergers concerned the fact, as the majority leader stated, that in some cases a merger may be thoroughly justified.

Two weak lines may go together and thereby have a better fiscal situation. One strong line may join together with one weak line.

I think one such merger that would be completely justified would be the New York Central and the Pennsylvania. And they are also picking up some of the two weak lines in the New England States which were bankrupt—the Boston, Maine, and the New Haven.

What will happen? I will put the exact figures in the Record, but I believe I am quite accurate. Since 1958, of the 104 class A railroads in the United States at that time, about 25 were in good fiscal condition. Perhaps the fiscal condition was not as good as the stockholders would like to see. However, they were in good fiscal condition. The fiscal condition of some railroads were not bad. There were some, like the Boston, Maine, and New Haven, that were in bad financial shape.

We anticipated that there would be applications for mergers between—as the Senator from Montana pointed out—two weak lines or that one strong line would pick up a weak line. What happened? Exactly what the Antitrust Division told us would happen happened.

We passed the bill. About 80 percent of the applications for mergers to the ICC were within the 25 strong railroads. I think that does violate the intent of the law.

We cannot be specific about this. There may be some cases in which the mergers are justified. In other cases they are not justified.

We told the ICC at that time also that in our considered opinion when they looked at a merger they should look at the whole sectional problem and not merely at two or three railroads. We thought they should examine how the merger would affect, say, the whole Pacific Northwest, west of Chicago, served by one or two or three lines.

This is not a new proposal. As a matter of fact, the Northern Pacific and the Great Northern have been trying to merge since 1870. The first application was in 1870. And I suppose that there were some hard souls representing these States in the Senate in those days that might have opposed it. I do not know. However, it did not happen.

We cannot quite understand this, and I am sure I speak for the majority of the committee.

This matter was before the Commission some 8 or 9 months ago, and the Commission turned it down.

I do not know the exact vote. However, I heard by way of the grapevine that the vote was 6 to 5. All of a sudden, after a few months, the Commission reversed itself and voted in favor of the merger. I think the Commission today voted in favor of the merger by a vote of 9 to 2. I do not know of any additional evidence they have received since then.

There may be some conditions involved in the merger that make it a better proposition. I do not know. However, in any event, I think in view of the condition of railroad labor, the people who work for the railroads and have spent their lives working for the railroads, that we should consider the matter.

I know the State of Montana fairly well. The railroads have to provide service in both the northern and southern parts of the State. And we are talking about many miles in between.

Mr. METCALF. More than 200 miles.

Mr. MAGNUSON. The same situation exists in North Dakota and in parts of Minnesota, and in Alberta and Manitoba.

I would like to know a little more about the reason for the change in the vote of the ICC.

The Senator from Oregon [Mr. Morse] agrees with us. He is interested in part of this matter, also.

I think it behooves the Commerce Committee, through this resolution, to immediately find out what the facts are that have caused this complete turnabout in the vote of the Commission.

Unless someone can show me some more facts than I now have, I think the intent of the 1958 act has been violated.

I speak for myself, but I think I speak also for the majority of the members of the committee.

Mr. METCALF. Mr. President, I am pleased to hear the senior Senator from Washington, the chairman of the Committee on Commerce, and the senior Senator from all of the Northwest States make that statement.

I can remember as a Representative when the matter came before the House, the illustration was made that perhaps the Milwaukee, as a weak road, would merge with the Northern Pacific and Great Northern to have a strong line. However, nobody came in with a suggestion that the Milwaukee would be left out.

Mr. MAGNUSON. And, as I understand it, unless something is done, the Milwaukee will have pretty hard going.

Mr. MORSE. Mr. President, I associate myself completely with the remarks of the chairman of the Committee on Commerce, the senior Senator from Washington [Mr. Magnuson] and with the remarks of the Senator from Montana.

We have to ride herd on this one as far as our legislative responsibilities are concerned. And we must make perfectly clear that, after all, the Interstate Commerce Commission and the antitrust unit happen to be wards of Congress.

We had better see to it that we protect our wards.

I will stand shoulder to shoulder with the senior Senator from Washington and the distinguished majority leader, the senior Senator from Minnesota, the junior Senator from Minnesota, and the rest of those that have already served notice on this administration that we do not intend to have the loss that will be suffered if the facts are as we believe them to be in connection with this proposed merger.

Mr. MAGNUSON. Mr. President, I can assure the Senators that hearings will be held in this matter by the Commerce Committee.

Mr. METCALF. Mr. President, I am delighted to hear that statement from the chairman of the committee. This is such an important matter to the economy and to the labor of our several States, and to the transportation facilities, the freight shippers.

Mr. MAGNUSON. Mr. President, I do not know if the shippers will get better service. Let them say so. However, I know that the shippers do not want to be cut out from service, whether they are away up at Wolf Point, or down at Billings. One thing goes one way and another goes the other.

Mr. METCALF. Mr. President, I have not had an opportunity as yet to read the report and the decision of the commission.

Mr. MAGNUSON. We will look at it and be as objective as we can. However, I think this is of great concern to everybody in our area. I say to my majority leader that I hope it is of concern to the Attorney General of the United States.

Mr. MANSFIELD. Mr. President, there is one way to find out, and that is to hold inquiries and call the committee into session and look into the merger. And I am glad that the Senator has agreed to do so.

I ask unanimous consent that the bill be printed in the Record.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 2822) to amend section 5 of the Interstate Commerce Act to insure protection of the public interest in rail merger proceedings, introduced by Mr. Metcalf (for himself and other Senators), was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the Record, as follows:

S. 2822

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Railroad Merger Amendment of 1967".

AMENDMENT TO INTERSTATE COMMERCE ACT

Sec. 2. Section 5 of the Interstate Commerce Act is amended by inserting at the end thereof a new paragraph (17) as follows:

"(17) Notwithstanding the provisions of paragraph (2) and (11), any consolidation or merger or other transaction between two or more carriers by railroad to which paragraph (2)(a)(1) applies prior to the enactment of this Act, whether or not approved and authorized by the Commission, unless heretofore consummated, shall be subject to the operation of the antitrust laws unless the Department of Justice determines that such merger or consolidation or other transaction should not be prosecuted under the antitrust laws as in the overall public interest."

Sec. 3. The Interstate Commerce Commission shall not, after the effective date of this Act, approve under section 5 of the Interstate Commerce Act any consolidation or merger or other transaction to which section 5(2)(a)(1) of such Act applies between two or more carriers by railroad unless in accordance with revised standards hereafter enacted by the Congress.

Sec. 4. The provisions of this Act shall expire three years after the date of enactment of this Act.

INVESTIGATION OF UNFAIR PRACTICES IN THE HOME IMPROVEMENT INDUSTRY

Mr. MAGNUSON. Mr. President, I introduce, on behalf of myself, the senior Senator from Indiana [Mr. Hartke], the senior Senator from Michigan [Mr. Hart], and the senior Senator from Maryland [Mr. Brewster], for appropriate reference, a joint resolution which will create a special task force within the Federal Trade Commission to combat the rapid growth of home improvement frauds which today has escalated into a national scandal. For until we act, the elderly couple living on a pension and the rural farmer eking out a subsistence wage will continue to struggle under the crushing burden imposed by a home improvement swindle.

Over a year ago, the President's Consumer Advisory Council submitted a report to the President on consumer problems. This report identified home improvement frauds as one of the major areas of consumer exploitation. It estimated consumer losses at $500 million to $1 billion annually.

In late September and early October of this year, Leonard Downie, Jr., and David Jewell wrote an outstanding series of articles on home improvement rackets which appeared in the Washington Post. Again public attention was focused on these pernicious schemes which are directed so viciously against those members of our society who educationally, socially, and financially, are least prepared to resist them and most unable to afford them. Again condemnation of these schemes was universal.

Although the great majority of home contractors in this country are honest, reliable, and reputable businessmen who deserve protection from the many unscrupulous charlatans who operate on the fringes of the industry and under the umbrella of its good reputation, too many home improvement companies have fleeced property owners with ruthless, unscrupulous practices, which strip people of their earnings, their investments, and even their homes to pay for small improvements. The products and services these swindlers sell are numerous—siding, storm doors and windows, roofing, wall-to-wall carpets, central vacuum systems, intercoms, fire alarm systems, awnings, gutters, chimney repairs, furnace repairs, driveway repairs, and many more. The methods which these fringe operators employ are many and varied, and are uniformly designed to squeeze the last possible dime out of their frequently poor and gullible victims. Fictitious and inflated prices, "model home" pitches, bogus contests, "special" factory deals or wholesale prices, bait and switch tactics, misleading guarantees, product misrepresentation, distribution of free gifts and samples, and the use of scare tactics are only some of the too commonly used unethical sales techniques. But to understand truly these reprehensible practices, we can look at two, too typical, examples.

In Chicago, an "engineer" fleeched an elderly man of $9,000 after pouring water into the cracks of the concrete floor in his basement and convincing him that the house was sitting on a cesspool, that water and sewage was collecting under his floor, and that the house could collapse at any time. In Walla Walla, Wash., a woman receiving aid to dependent children and living in a $7,500 home was attracted by an offer of 1,000 square feet of aluminum siding for $299. She ended up purchasing a "permanent" siding for $4,000 and signing a mortgage trust deed to her home.

Consumer credit has become an important and beneficial part of our way of life, but the manner in which the racketeering home improvement operator employs his offer of "easy credit" is a part of the unconscionable scheme by which consumer frauds are perpetrated upon thousands of American consumers. Negotiable obligations securing payment on fraudulent contracts are transferred to finance companies which assert the defense of bona fide holder in due course, thereby stripping the victims of the meritorious defenses which they would have against the fraudulent operator.

The Federal Trade Commission is directed by this joint resolution to make a penetrating 1-year investigation into the deceptive practices employed in the home improvements industry, including a detailed study of the relationship between many of these racketeers and the finance companies and their product suppliers. Simultaneously, the Commission is instructed to expand and intensify, over a 3-year period, its enforcement program in this area. Hopefully, the study will help the Commission to determine the most useful allocation of its limited resources in this massive crackdown on home improvement swindlers. To enable the Commission to accomplish the task assigned to it, the joint resolution would authorize a special appropriation of $500,000 per year for each of the next 3 years.

Because of the extraordinary problems presented by these frauds, the resolution will also authorize the Commission, when it believes it is in the public interest to do so, to seek a preliminary injunction which will curtail the activities of these home improvement racketeers until a final order is issued against them. This authority will exist for the 3½-year life of the special task force. It is designed to be used against those operators who "buy time" to continue their illicit operations by utilizing the many possible dilatory tactics afforded by those customary legal procedures which are designed to insure due process of law to all litigants. Although these procedures are, without question, necessary and proper, the Commission should be authorized to go to a Federal court, with all its safeguards, to seek a preliminary injunction, when the public interest warrants. For only in this manner will the rights of consumers and honest competitors be protected from these illegal practices which are being carried on while an unscrupulous operator delays being placed under a final order by milking out the maximum period of grace afforded by exercising his full procedural rights.

In closing, I earnestly hope that the Congress will act on this resolution as speedily as possible. Millions of consumers need this protection now. I also want to serve notice today that the Commerce Committee will schedule hearings on this resolution early next year.

Mr. President, I ask unanimous consent that the full text of this joint resolution be printed in the RECORD following my remarks, along with a thorough and detailed letter from Chairman Dixon of the FTC, responding to my request for information about the Commission's activities in policing home improvement frauds, and an article which appeared on November 23, in the Yakima Herald.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution, letter, and article will be printed in the RECORD.

The joint resolution (S.J. Res. 130) to authorize and direct the Federal Trade Commission to conduct a comprehensive investigation of unfair methods of competition and unfair or deceptive acts or practices in the home improvement industry, to expand its enforcement activities in this area, and for other purposes, introduced by Mr. MAGNUSON (for himself and other Senators), was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD as follows:

S.J. RES. 130

Resolved, by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Trade Commission is authorized and directed to—

(a) conduct a full and complete investigation of the purchasing, processing, marketing (including advertising and franchising), pricing and financing practices of persons, partnerships, and corporations engaged in producing, selling, installing or financing home improvement products, or services in connection therewith, in commerce (as that term is defined in section 4 of the Federal Trade Commission Act) with a view to determining whether any such practices are in violation of the provisions of the Federal Trade Commission Act, and whether further legislation is needed to protect competitors and consumers adequately from such practices;

(b) transmit to the Congress within one year after the effective date of this joint resolution, a report which shall include a comprehensive statement of (1) the facts and circumstances disclosed by such investigation, (2) the action taken and contemplated by the Commission with respect to violations of law disclosed by such investigation, and (3) such recommendations for further legislation as the Commission may deem appropriate;

(c) undertake a rigorous and expanded enforcement program with respect to any such violations of the Federal Trade Commission Act within the home improvement industry; and

(d) transmit to the Congress within six months after the effective date of this joint resolution, and annually thereafter for three years, a report which shall include a comprehensive statement of (1) the status of these enforcement activities, including a brief description of the action taken and contemplated by the Commission under its enforcement program, and (2) such recommendations for further legislation as the Commission may deem appropriate.

SEC. 2. (a) The Commission is authorized, whenever it has reason to believe—

(1) that any person, partnership or corporation is engaged in, or is about to engage in, an unfair method of competition in commerce, or an unfair or deceptive act or practice in commerce within the meaning of section 5 of the Federal Trade Commission Act, and in connection with the production, sale, installation, or financing of home improvement products, or the performance of any services in connection therewith, and

(2) that the enjoining thereof, pending the issuance of a complaint by the Commission under section 5, and until such complaint is dismissed by the Commission or set aside by the court on review, or the order of the Commission to cease and desist made thereon has become final within the meaning of section 5, would be to the interest of the public, to bring suit, by any of its attorneys designated by it for such purpose, in a district court of the United States or in the United States court of any Territory, to enjoin such unfair method of competition or such unfair or deceptive act or practice. Upon proper showing a temporary injunction or restraining order shall be granted without bond. Any such suit shall be brought in the district in which such person, partnership, or corporation resides or transacts business.

(b) Authorization conferred upon the Commission by this section shall not continue in effect after a date which follows by three years and six months the effective date of this Act. Nothing contained in this subsection shall be effective to abate any proceeding instituted by the Commission during the effective period of this section, or to prevent the enforcement of any injunction or order issued by any court in any such proceeding.

SEC. 3. There is hereby authorized to be appropriated to the Federal Trade Commission the sum of $500,000 each year for three years to carry into effect the provisions of this joint resolution.

SEC. 4. This joint resolution shall take effect on the date on which funds to carry into effect the provisions of this Act first become available to the FTC pursuant to an appropriation Act enacted after the date of enactment of this Act.

The letter and article, presented by Mr. MAGNUSON, are as follows:

NOVEMBER 28, 1967.

HON. WARREN G. MAGNUSON,
Chairman, Committee on Commerce, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in further reply to your letter of October 10, 1967 requesting an outline of the Commission's current program in the area of home improvement frauds together with suggestions for additional legislation to improve the enforcement program in this field.

The home improvement industry is vast and complex. The April, 1966 issue of the *Building Supply News,* a leading trade magazine, estimated that the current home improvement market is about 15 billion dollars annually. According to other presumably reliable sources the alterations and repairs of homes represent about 20–25% of the national spending on residential buildings. In this industry there are many product lines, manufactured, distributed and merchandised by thousands of individual firms at different levels of competition. Some of these are siding, storm windows, recreation rooms, kitchen fixtures, air conditioning systems, pools, intercoms, central vacuum systems, awnings, gutters, lightning rods, etc. It's a big industry and rapidly growing bigger. The growth of this industry has been further accelerated by the recent shortage of mortgage money and the sag in new home constructions.

From presently available published data, it is impossible to state accurately the number of firms engaged in the sale and installation of home improvements. The Bureau of Census reports that there are 285,000 contractors engaged in the building construction industry, of which 194,000 are special trade contractors. The latter are the type of firms which would be primarily engaged in the installation of home improvements.

An official of a large lending institution has estimated that there are over 50,000 firms engaged in the sale and installation of residential siding and storm windows.

The industry can be subdivided into four separate levels of competition. These are: 1. The producers of raw materials, such as U.S. Steel, Alcoa, Reynolds, Monsanto, etc. 2. The producers sell their products to a large number of firms engaged in the fabrication and processing of various items used by the home improvement industry. These firms purchase the unfinished aluminum, steel, etc., from a manufacturer and convert it into a finished end product. 3. The fabricators generally sell their finished products to hundreds of building supply distributors located throughout the United States. 4. Distributors in turn sell home home improvement products to local retailers, or building contractors.

In many cases the contractors (local retailers) are "fly-by-night" operators with minimal assets and gross annual sales in the millions. Generally speaking, these firms operate through a program of offering phony bargains, easy credit and exaggerated performance claims.

The operational patterns of the unethical firms in this industry defy any neat categorization of deceptive or unfair trade practices. They repeatedly change their method of operation to meet increased consumer resistance or governmental restriction. However, many techniques have become almost standardized. The fringe operators are out for the quick dollar and are without concern when it comes to squeezing the last possible dime out of their victims. Their arsenal of sales techniques includes:

1. Fictitious and inflated prices from which the home owner is promised a substantial discount, but who actually ends up paying far more than a fair market price, as charged by ethical contractors.

2. The Model Home Sales Pitch—The home owner is offered a phony "special discount", "reduced price" or phantom commission for the use of his home for display or advertising purposes.

3. "Special" factory deals or wholesale prices which are neither "factory" nor "special", but which are actually overpriced.

4. Bait and Switch Tactics—Services or products are advertised at ridiculously low prices and then later disparaged in order to switch the purchaser to a highly overpriced item or service.

5. Bogus Contests—A so-called "lucky winner" is offered fictitious discounts in a rigged contest with the purchase of the product or service offered for sale.

6. Phony bargains are often disguised by salesmen posing as "a representative of a well known manufacturer".

7. Misrepresentations of guarantees—"Unconditionally guaranteed for 20 years" when there are conditions, limitations and restrictions which in fact render the "guarantee" worthless.

8. Misrepresentation of product efficacy, durability, performance, etc.—such as "never needs repainting", "save 20% on fuel bills", "won't chip, crack or peel", etc.

9. Scare tactics to lead the consumer to believe that because of some defect in his home the lives of his family and himself are in danger if the product or services are not purchased.

10. Referral Selling—The consumer is misled into believing that he can pay for all or

part of the service or product through commissions gained from sales to his neighbors or friends.

11. Fraudulent misrepresentations in which the salesman promises one product or services, while the contract calls for another.

12. "Spiking the job"—where, within hours after signing, the home improvement racketeer initiates a minimum, token performance and then badgers the purchaser into believing that there is partial performance which makes the contract non-cancelable. It is frequently weeks and may be months before the job is completed at the convenience of the gyp operator.

13. Affirmative misrepresentations in connection with loan transactions—Sales of home improvement products are made on the representation of "buy now and pay later" coupled with an offer to consolidate all outstanding bills of the prospective purchaser. The deceptive practices include such things as actual misrepresentations as to the interest rates and finance charges; signatures obtained upon blank completion certificates before the work is completed and on blank contracts which are later loaded with unauthorized charges; and enticing home owners into executing first or second mortgages without their knowledge, or by subterfuge or misstatement.

14. In some cases the unethical operator employs such practices to obtain the signature of a home owner to a bogus home improvement contract through misleading statements and the procurement of signatures to blank contracts. He immediately sells the obligation to a finance institution who interposes the defense of a bona fide holder in due course, thus cutting off most defenses the victim might have against the seller.

Although we realize that consumer credit has become an integral part of our way of life and represents a means by which most Americans acquire, use and enjoy essential goods and services, it is believed that the manner in which the racketeering home improvement operator employs his offer of "easy credit" is a part of the scheme by which consumer frauds are perpetrated upon untold thousands of American consumers.

While the great majority of the abuses outlined above are worked against the uneducated, the unsophisticated and the poor, no one is immune from the glib salesman or unethical operator who urges the prospective buyer to sign a contract, which is often printed in small type, difficult to read and deliberately confusing.

I believe the objective of any program of the Federal Trade Commission in the home improvement field should be to put the consumer on an equal footing with the seller by requiring the vendor to provide the consumer with reliable, truthful information which will allow him to make an intelligent evaluation of the transaction and thus to protect him from the above described deceptive, illegal and unconscionable practices.

The home improvement situation is one of those in which the ultimate enjoining of fraudulent practices is not an adequate deterrent to the unethical operator.

It is my opinion that the consumer today is faced by deceptions deserving a degree of protection from fraudulent, intentional violations of Section 5 of the Act, without regard to the type of commodity, comparable to those practices prevailing in food, drug, device and cosmetic advertising which impelled Congress in 1938 to enact Sections 13 and 14.

Section 13 now provides that the Commission may bring suit, when it would serve the public interest, in a Federal Court enjoining the dissemination of a false advertisement for a food, drug, device or cosmetic pending final disposition of a Commission complaint. Section 14 declares any false advertisement for such products, if disseminated with intent to defraud or mislead, to be a misdemeanor punishable by a fine of not more than $5,000 or by imprisonment for not more than six months, or both.

It is unthinkable that in these enlightened times a fraudulent operator can continue his vicious practices while his "rights" are being protected in the course of prolonged litigation. The Commission should be authorized to go to a Federal Court seeking a preliminary injunction, when in the public interest, to accord to the consumer the "right" at least to be protected from illegal practices while the operator delays issuance of a final order by insisting upon his full procedural rights.

Similarly, those practices in the home improvement field, as in others, when engaged in with intent to defraud or mislead, are equally as vicious as the false advertising of food, drugs, devices and cosmetics, and should be declared misdemeanors.

A major problem in this area is a lack of manpower and funds to undertake the extensive and aggressive program required to deal adequately with the sheer magnitude and complexity of the consumer problems in this area and to afford competitive protection to the thousands of honest firms in this industry. Our staff informs me that over the past three years our annual expenditure on the home improvement project has been approximately $30,000 (two man years).

In the past three years the staff has opened 75 field investigations of home improvement operations. During this time 9 orders and 5 assurances of voluntary compliance have been obtained. These are:

FORMAL

1. Interstate Builders, et al., Cincinnati, Ohio, docket No. 8624.

2. Gulfcoast Aluminum Supply Company, et al., Tampa, Florida, docket No. 8662.

3. Royal Construction Company, et al., Greensboro, North Carolina, docket No. 8690.

4. Cast-o-Brick, et al., St. Louis, Missouri, docket No. C–1098.

5. Modern Builders, Inc., et al., Winter Park, Florida, docket No. C–1130.

6. First Federal Construction Company, et al., Evansville, Indiana, docket No. C–1181.

7. Youngstown Awning and Window Company, et al., Creve Coeur, Missouri, docket No. C–1142.

8. Republic Construction Company, et al., Fern Park, Florida, docket No. C–1164.

9. The National Aluminum Company, et al., Columbia, South Carolina, docket No. C–1076.

ASSURANCE OF VOLUNTARY COMPLIANCE

1. Ambrico, et al., Toledo, Ohio, file No. 662–3065.

2. Dietz Home Improvement, et al., Alton, Illinois, file No. 662–3116.

3. Seaman Andwall, et al., Ixonia, Wisconsin, file No. 662–3339.

4. Lumaside, Inc., et al., Milwaukee, Wisconsin, file No. 662–3362.

5. Mastic Corporation, et al., South Bend, Indiana, file No. 672–3080.

The time lag between opening an investigation and obtaining an order for both consent orders and voluntary compliance matters has been approximately one year. In the three litigated cases the time lag has been approximately one year. This is precisely the time lag during which the consumer is entitled to the protection which would be afforded by amending Section 13.

Currently we have approximately 45 home improvement cases under active investigation. Two additional complaints are presently being litigated. The staff has further advised me that they are now in the process of preparing 12 additional matters in which they will recommend the issuance of complaints against home improvement companies.

Due to major manpower commitments to the packaging and cigarette programs, the District of Columbia Consumer Protection project, the automobile warranty and softwood lumber inquiries, bait-and-switch practices in the sale of frozen food and other promotions, the insurance investigation, and many other efforts reflecting a high degree of public interest, I can give you no assurance that additional personnel can be assigned to attack this swelling workload promptly.

Including all types of corrective action the companies involved in this enforcement program for the past three years operated in all 48 states of the continental United States.

Depending upon the facts of each individual case our orders and other corrective action generally cover the practices outlined above.

In addition to the activities in our Bureau of Deceptive Practices, the Bureau of Industry Guidance in administering the guides for the "Residential Aluminum Siding Industry", "Guarantees", "Pricing" and "Shell Homes", is constantly attempting to obtain voluntary compliance by various members of the home improvement industry with the Commission's Guides.

Recently, several states have passed legislation to control unfair and deceptive practices such as those involved in the sale of home improvement products. Our staff has on occasion met with officials from some of these states to exchange ideas and information for the purpose of obtaining more effective enforcement at both Federal and state levels.

In the past year, we have forwarded a number of matters in which the local home improvement retailer is not engaged in interstate commerce to various state officials for appropriate action. We expect to continue this practice in the future.

Our Assistant General Counsel for Federal-State Cooperation has devoted much of his time to encouraging various states to enact laws and proceed against unfair and deceptive practices at the state level.

Precision in identifying members in this industry is difficult, as there is no reliable published information available on firms engaged in various functional levels of competition in the home improvement industry. Sufficient funds are not presently available for the assignment of personnel to pursue a thorough industry-wide instructional study of the home improvement industry.

A brief outline of such study would include:

A. The Home Improvement Industry.

1. Products involved.

2. Size of individual product markets.

3. Number, location and size of retail firms and an identification of their behavioral patterns.

4. Fabricators and suppliers of home improvement products together with a delineation of their relationship with individual home improvement retailers.

5. Producers of raw products and their relationship with suppliers and individual retailers.

6. Financing of home improvements and the relationship between the finance companies and individual retailers.

B. Remedial action.

1. By Congress.

2. By the Federal Trade Commission.

3. Action by other Federal agencies.

4. By state and local agencies.

5. By industry.

I would estimate that such a study (apart from regulatory action) would require the time of a ten-man task force for approximately a year to serve as a basis for the multiple purposes indicated.

Essential to truly effective remedial action in this field, if adequate personnel were available, would be the issuance of investigational subpoenas against certain of the leading finance institutions engaged primarily in purchasing home improvement paper, and field investigations against others, to determine the actual involvement of the financing organizations.

The false, fraudulent and deceptive practices described above, continue to increase due to the exorbitant finance charges which makes ample easy credit available and encourages quick entry into this market with minimal assets. Furthermore, these fraudulent practices are carried on with impunity because of the immediate transfer of the negotiable instruments to the finance companies who claim the defense of a bona fide holder in due course, thereby stripping the victim of meritorious defenses. The Commission's staff believes it could be demonstrated that leading companies specializing in home improvement loans are not always innocent holders and should be prohibited from asserting this defense. Fragmentary but persuasive information raises the expectation that in some cases the staff may be able to develop facts which would demonstrate that certain finance companies have actually participated with selected home improvement retailers in obtaining contracts based on fraud and misrepresentations. Should the facts bear out the suppositions of our staff, such companies should not only be prevented from asserting the innocent holder defense, but should also be put under the same prohibitions as the retailer.

Our staff believes that such a program would foreclose substantial consumer credit which is presently being utilized by the home improvement racketeers, who cannot stand alone, to sustain their programs of unethical competitive conduct.

Our staff also advises me that they have reason to believe that many of the producers and fabricators of home improvement products may be placing in the hands of the home improvement swindlers certain sales promotional material which is so employed as to assist them in the consummation of home improvement frauds. There is also strong objective evidence that certain of the producers and fabricators may be operating finance branches in the manner described above. It is the opinion of our staff that in this area they may be able to develop facts which could be the basis for orders against these firms which would do much to eliminate consumer frauds in the home improvement market.

Under an accelerated program the staff would simultaneously attempt to increase the case-by-case approach at the retail level, and would also continue and expand, to whatever limits appeared profitable, our voluntary compliance work, our state cooperation efforts and our consumer education program.

One important factor, constantly in my mind, is that while much of our effort is in the interest of the consumer, the great majority of honest, reliable home contractors in this country are equally deserving of this protection.

It is obvious that the present assignment of two attorneys cannot be expected to keep abreast even of the increasing flow of litigation against individual operators.

Recapitulating—

1. Section 13 of the Federal Trade Commission Act authorizing petition for an injunction to prevent false advertising of foods, drugs, devices and cosmetics should be amended so as to extend to the enjoining of any charge of violating Section 5.

2. Section 14 should be amended so as to provide that any practice in violation of Section 5, if with intent to defraud or mislead, constitutes a misdemeanor.

3. No other legislative authority would be required to enable the Federal Trade Commission to carry out the type of enforcement program outlined above if it were provided with adequate additional funds for necessary personnel and other expenses. It is estimated that 25 attorneys would be required for a period of three years to cope adequately with this nationwide problem of consumer deception.

Sincerely yours,

PAUL RAND DIXON,
Chairman.

[From the Yakima (Wash.) Herald Nov. 23, 1967]

CON RACKETS ABOUND IN WASHINGTON STATE

(By Stephen Kent)

SEATTLE.—A Spokane businessman received a data processing card from a classified directory firm.

"Pay this amount" and "send check to this address" were printed on the card which appeared much like a statement. Only fine print at the bottom said the card was "a proposal not an invoice."

A Walla Walla woman, attracted by an offer of 1,000 square feet of aluminum siding for her home for $299, ended up purchasing the material for $4,000. She also unwittingly signed over the mortgage to her house during the transaction.

A Seattle couple purchased a set of encyclopedia with extended payments so as "not to deprive their children of vital educational material." The child was then an infant.

These are but three ways consumers in Washington have been separated from their money.

In the past it was "caveat emptor"—let the buyer beware.

That theory worked increasingly to the disadvantage of the buyer in this era. To recover his cost he had to go to court and prove nine elements of fraud existed. The private remedy was hard to accomplish.

The 1961 Consumer Protection Act established the Consumer Protection Division of the State Attorney General's office, currently headed by Donald L. Navoni.

Gullibility and a smooth talking salesman lead to the most grief, Navoni said.

"The consumer today has his faults. He is uninformed, negligent, and fails to investigate the credit charges.

"And all of us have the latent instinct of trying to get something for nothing," he said.

"The confidence men are bright, many of them have IQs of 140. They are masters of communication and can establish rapport with a person of any age group and income level. They are able to stimulate artificial desire and then make the sale in the heat of passion," Navoni said.

Unethical selling is a multimillion dollar business nationally, the 34-year-old attorney pointed out.

"Home improvement sales amount to $500 million a year. Charity swindles bring $100 million annually and medical quackery devices amount to more than a billion dollars in sales," he said.

Navoni said the division has been able to put a stop to many chain referral sales.

"This is used widely to sell goods for several times their worth with the promise the customer can recoup enough to have his product for free, and perhaps even make a profit.

"The person is told to recommend several friends and when they purchase, a percentage of the proceed will be credited to their account," he said.

Navoni said the firm often makes only small effort attempting to sell to the referrals.

The consumer protection division won a decision from the State Supreme Court in the case of Mr. and Mrs. Clyde G. Leach of Yakima. The court, making the first Supreme Court ruling in the country on such a matter, ruled the conditional sales contract was illegal because it was a lottery and hence unenforceable.

Navoni said unethical salesmen often strike the state in a wave.

Aluminum siding for houses was big for some time he said.

"The offer was for 1,000 square feet for $299. But when the sale was made, the salesman said the siding would have to be waxed yearly at a substantial cost. A 'permanent' siding could be had for $4,000. It was no different than the other.

"A woman in Walla Walla, receiving aid to dependent children, lived in a $7,500 home. She signed the contract. In addition to paying an exaggerated price for the material, she found she had signed over a mortgage trust deed to her home. It was the bottom paper on a clipboard and she was made to sign rapidly so she signed this unawares.

"A check of county auditors showed the scheme had been worked in 22 counties," Navoni said.

A section of the law now requires every retail installment contract to be contained on a single document with a copy to the buyer.

Navoni said that although the purpose of the division is to halt deceptive business practices, and not act as a collection agent for the buyer, some recovery has been possible.

"We have received over 25,000 complaints and have been able to recover some $2.5 million over the last 5½ years," he said.

The division often obtains consent decrees. This is signed by a Superior Court judge and in it the firm agrees to cease certain practices without admitting guilt. At the same time restitution can sometimes be arranged through informal processes.

Navoni said the consumer statutes are civil not criminal in nature and are designed to prohibit rather than punish. Violation of a court injunction to halt practices could result in a $25,000 penalty and dissolution of the firm's corporate charter in the state.

Washington was the first state to adopt laws basically the same as the Federal Trade Commission Act, the Sherman and Clayton Acts. In addition to plugging loopholes where the federal law was not applicable in intrastate commerce, the laws brought with them 50 years of legal precedence in federal courts.

One states facts may literally be true, but tend to deceive.

Navoni said unethical firms are a small percentage of legitimate business and operate to their detriment.

In a recent speech he said:

"Most businessmen like to present an image to the public. Most often the image is based upon a sound reputation for providing goods and services of quality, durability and value to the consuming public in exchange for a fair return. This image is cultivated by years of hard work and integrity in all the business transactions. A lot of unfair competitive practices hurt not only the consumer because they decrease the selectivity of the product and increase the price by tarnishing the industry image hurt the fellow businessman as well."

THE "LOST BATTALION" OF WORLD WAR I

Mr. JAVITS. Mr. President, I submit a resolution that would result in the building of a battle monument and the issuance of a commemorative stamp honoring the "Lost Battalion" of World War I.

The September to November 1918 Meuse-Argonne campaign constituted the greatest battle in American history up to that time. More than 1,200,000 Americans took part in this 47-day campaign along a front that extended from southeast of Verdun at the Argonne Forest. Out of this battle action emerged the legend of the "Lost Battalion." For 5 days, a valiant detachment of American soldiers, under constant enemy fire and lacking food, water, and medical supplies, held fast even though completely surrounded by German forces.

On October 2, 1918, Maj. Gen. Robert Alexander, commander of the 77th Division, ordered the understrength 1st and 2d Battalions of 308th Infantry Regiment to the attack. Maj. Charles Whittlesey, commanding the 1st Battalion, led the assault. The offensive of which this attack was a part failed everywhere, but Major Whittlesey and his men reached a ravine just south of their objective.

Thus began the legend of the "Lost Battalion." Cut off from the other U.S. forces—sewed up in a pocket approximately 300 yards long and 60 yards wide—Major Whittlesey's men dug into the thickets of the Argonne Forest to secure their positions.

Attempts made to reach the "Lost Battalion" were repulsed by the Germans. By October 5, Major Whittlesey and his men were suffering severely, having been isolated for 3 nights and lacking sufficient food, water, and medical supplies, and they were surrounded by a fresh German division, the mortars, machineguns, flamethrowers, and rifles of which lashed at them relentlessly.

On October 7, Major Whittlesey received a surrender message from his German counterpart. He sent no reply. The Germans launched a fierce attack with flamethrowers, and were repulsed. Paralleling this action, a major American attack was launched, and the "Lost Battalion" was reached.

The "Lost Battalion," in reality, consisted of the 1st Battalion of the 308th Regiment and elements of the 307th and the 306th Machinegun Company. It would have been lost to the enemy, save for the heroism and tenacity of the American fighting men involved. Published figures vary, but of the 550 men sealed off in the pocket, one source lists 252 survivors, 107 dead, 190 wounded, and 63 missing. Major Whittlesey, Captain McMurty, and Captain Holderman each received the Congressional Medal of Honor and the survivors of the "Lost Battalion" volunteered to remain on the frontline.

The deeds of the men of the "Lost Battalion" constitute a legend and a symbol, equaling such other moments in American history as the Alamo, when Americans have done that which has been necessary regardless of the cost to themselves. It is only fitting, therefore, that the Nation should honor the men of the "Lost Battalion" in like manner. A conspicuous monument has never been erected for this purpose, So, on behalf of Senator Kennedy of New York and myself, because this was a unit of the 77th Division, one of New York's own, I submit this resolution for appropriate reference.

The PRESIDING OFFICER. The resolution will be received and appropriately referred and, under the rule, the resolution will be printed in the Record.

The resolution (S. Res. 197) was referred to the Committee on Post Office and Civil Service, as follows:

S. Res. 197

Whereas the "Lost Battalion," portions of two battalions of the 77th Division, United States Army, fought heroically during the Battle of the Argonne Forest, in October, 1918, for approximately five to six days while being without food, water, and medical supplies, and being completely surrounded by a German division; and

Whereas the "Lost Battalion" refused to surrender, and suffered great losses, including 107 killed, 190 wounded, and 63 missing; and

Whereas it is appropriate to honor the members of the "Lost Battalion" on the fiftieth anniversary of their acts of bravery: Now, therefore, be it

Resolved, That the American Battle Monuments Commission, with the consent and cooperation of the Secretary of the Army, is urged to erect an appropriate memorial at Arlington National Cemetery, Virginia, to honor the "Lost Battalion" on the fiftieth anniversary of its heroism and bravery in October, 1918, during the Battle of the Argonne Forest.

Sec. 2. The Postmaster General is urged to issue, during October, 1968, a special series of postage stamps to honor the "Lost Battalion."

PROMOTION OF THE GENERAL WELFARE, FOREIGN POLICY, AND NATIONAL SECURITY OF THE UNITED STATES—AMENDMENTS

AMENDMENT NO. 496

Mr. MANSFIELD (for himself and Mr. Metcalf) submitted amendments, intended to be proposed by them, jointly, to the bill (S. 2332) to promote the general welfare, foreign policy, and national security of the United States, which were referred to the Committee on Finance and ordered to be printed.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTION

Mr. DOMINICK. Mr. President, I ask unanimous consent that, at its next printing, the names of the Senator from Indiana [Mr. Hartke], the Senator from Wisconsin [Mr. Proxmire], the Senator from Nevada [Mr. Cannon], the Senator from Michigan [Mr. Hart], the Senator from Illinois [Mr. Percy], and the Senator from Texas [Mr. Yarborough] be added as cosponsors of the joint resolution (S.J. Res. 127) to proclaim National Jewish Hospital Save Your Breath Month.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METCALF. Mr. President, I ask unanimous consent that, at its next printing, the names of the Senator from Nevada [Mr. Bible], the Senator from Utah [Mr. Moss], and myself be added as cosponsors of the bill (S. 2782) to authorize the Secretary of Labor to provide supplementary compensation for permanent total disability or death from lung cancer resulting from exposure to ionizing radiation in uranium mines; to provide grants to States for research and planning with respect to ionizing radiation injuries in uranium mines; and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Oklahoma [Mr. Monroney] I ask unanimous consent that, at its next printing, the name of the Senator from North Dakota [Mr. Burdick] be added as a cosponsor of the bill (S. 2743) to provide for the establishment and maintenance of reserve stocks of agricultural commodities by producers and the Commodity Credit Corporation for national security, public protection, meeting international commitments, and for other purposes.

CHILD DEVELOPMENT GROUP OF MISSISSIPPI

Mr. STENNIS. Mr. President, a strong and timely paragraph appears on page 5 of the report of the Appropriations Committee on the supplemental appropriation bill, 1968, regarding Headstart operations. I ask unanimous consent that this excerpt from the report be printed at this point in the Record.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

The committee strongly suggests that at the earliest possible date, and whenever feasible, the scattered areas being served by large, single-purpose statewide Headstart operations be converted into the several local community, or area, biracial community action program operations.

Mr. STENNIS. Mr. President, each year for the last 3 years, the Appropriations Subcommittee on Deficiencies and Supplementals has had before it a matter involving an antipoverty program in Mississippi operated by the Child Development Group of Mississippi through a grant to Mary Holmes Junior College.

In 1965, the Child Development Group of Mississippi—which I shall hereinafter refer to as CDGM—was given a grant of $1.4 million to operate a Headstart program. Evidence presented at a hearing before the Appropriations Subcommittee showed that more than $500,000 of that grant was questioned by OEO as having been misused, used irregularly, or spent for purposes unauthorized under the grant. In the calendar year 1966 despite the fact that many of these questioned expenditures were still questioned and unresolved, CDGM was given a new grant of nearly $5 million. After an investigation and an audit of these 1966 funds the Office of Economic Opportunity questioned more than $600,000 of that grant as having been misspent, used irregularly, or for activities not authorized by the grant. In testimony before the subcommittee, Mr. Shriver in commenting upon the misuse of this money by CDGM in 1966 made the following statement:

AGENCY PROGRAM FAILURES

Mr. Shriver. Our people continued to find serious failures on the part of the administration and the program of this agency. It is on the basis of those findings which were concurred in by all the top people in our agency that the original decision was reached that it would not be lawful under the statute that authorized our agency for us to continue to finance it. So we made that decision. We found specifically that people were paid for work that they had not performed.

We found that people were paid and time and attendance sheets were certified by supervisors for employees who were not even in the State of Mississippi. We found that at least 5 of the 15 administrators of various areas under this program had certified that certain employees were on the job when in fact they were not on the job. We found a variety of conflict-of-interest matters that included people on the board of directors as well as staff members. We found cases of nepotism. We found that property paid for by the Government was used for nongrovernmental purposes. Automobiles, for example, were used on weekends and at nighttimes for activities that clearly were not connected with the program.

NUMEROUS VIOLATIONS OF REGULATIONS AND RESTRICTIONS

We found that contracts were paid out on estimated performance rather than on actual performances. We found a number of cashed payroll checks that appeared to be endorsed by persons other than the payee. We found that more than a half of a sample of 300 applications were not submitted until after the person was hired.

We found numerous violations of our own regulations. We have regulations that come from our office that apply to all recipients of funds granted by our office. They involve such things as the amount of pay increase that a person can receive when coming to work for us. They involve restriction on political activity of persons who come to work for us. They involve restriction on other types of activities which apply across the board to recipients of money from OEO.

These restrictions and conditions which applied to everybody, and specific conditions which have been appended as a part of this grant, were violated in case after case. So, in view of the fact that we had once refunded it in the face of records that were not perfect at that time but which we hoped would be improved, but, finding that that has not taken place, we made the decision in the agency—I repeat without any pressure from anybody in the Congress or political people outside the Congress, about whether or not it should be refinanced.

The Office of Economic Opportunity made the decision not to refund CDGM for additional programs but under great pressure the CDGM was refunded early in the calendar year 1967 and was given nearly $7 million in Federal funds.

Each year that CDGM has been refunded, the Director of OEO has stated categorically that all of the discrepancies had been corrected and that steps had been taken to prevent such discrepancies in the new grant. Each year it has been clearly shown that all the discrepancies were not eliminated but did, in fact, exist in each of the 3 years and do now exist.

A member of the Appropriations Committee staff recently completed an investigation of CDGM and on December 9, 1967, and in a report to the chairman of the Appropriations Committee stated as follows:

COTTER REPORT

Conclusions Regarding CDGM Operation—On the basis of all the facts, information and background available, no other conclusion could be reached but that CDGM is a *sour and discordant note* in the whole Mississippi OEO-funded anti-poverty effort, and it would seem that if at all possible, and as soon as possible, the areas served by this operation should be converted into several bi-racial Community Action Programs, and CDGM should be phased out.

With the pendulum swinging so well in the direction of bi-racial harmony through cooperative community efforts to improve educational, health and economic ills and racial inequalities, it would appear that there is no place for a federally funded CDGM Head Start.

CDGM has evolved from a 1965 beginning sponsored in the main by outsiders, marked by fiscal irresponsibility, and too preoccupied with civil rights activities—through 1966 with too little change and OEO's complete cancellation of its funding—to the re-newed funding operation of this year, still sponsored in the main by outsiders. In 1965 there were strict OEO requirements that at every level from the headquarters operation to each teaching center there should be staff racial integration, which in great part was accomplished by soliciting persons with civil rights backgrounds from outside the State, including students at northern colleges, through Friends of SNCC, etc. This year, except for the one third white membership on the CDGM Board, the majority of whom are ministers, the operation is approximately 99 percent Negro-operated and, for all practical purposes, is exclusively for Negro children. The attitude encountered was hostile and defiant.

Further, in spite of all sorts of extra and expensive management, accounting, personnel, banking, and other specially contacted services, CDGM has consistently demonstrated an inability to manage its fiscal affairs properly.

It is not as if the areas and children now being served by CDGM could not be served and served better by CAP or other bi-racial arrangements. This has now been successfully demonstrated in Mississippi. It has also been amply demonstrated that it takes not only ability and fiscal responsibility to operate these anti-poverty programs sucessfully and that there are many persons of both races both capable and willing to do this in bi-racial harmony, but that where there is effective, responsible leadership, those voted to represent the Negro poor have generally demonstrated remarkable ability and cooperation in achieving progressive programs.

When this matter was first brought to the attention of the Appropriations Committee 3 years ago. We wrote into the appropriations bill the following provision:

> No part of the funds appropriated in this paragraph (for OEO) shall be available for any grant until the Director has determined that the grantee is qualified to administer the funds and the programs involved in the proposed grant.

That language appeared in the appropriation bill of fiscal year 1966 and of fiscal year 1967. It is in the fiscal year 1968 bill. It is clear that the provisions of this law have not been met. Ample evidence has been presented on that point. I refer to the following reports which have been made a part of the record of the hearings before the subcommittee:

First. Report of audit by OEO on CDGM dated August 11, 1967. This is a part of the official record and in the file of the Committee on Appropriations of the Senate.

Second. Report on review of Office of Economic Opportunity programs in Mississippi by William J. Miller and Paul J. Cotter, December 5, 1967.

Furthermore, I refer to the following quotation from the auditing firm of Peat, Marwick & Mitchell, the accounting firm of CDGM, which statement was made in the monthly CPA audit report for the 4-week period ending August 11, 1967:

> In our judgment the lack of adequate personnel is such that financial operations and the administration of the accounting system and related internal controls do not yet meet acceptable standards. This statement shows conclusively that the law is not being complied with.

To refuse further financing of CDGM will not deprive a single child of the opportunity to enroll in a Headstart program. On the contrary it will improve the opportunities. Money that has been wasted and misused for other purposes under CDGM can through the community action programs to be authorized in their place would go to the purpose of helping little children, not for unauthorized activities.

My request to refuse funding of CDGM is made on the basis of fiscal irresponsibility. It is not primarily a civil rights matter, although the civil rights and political activities conducted by CDGM has made a serious problem in Mississippi. In 1965 the investigative reports of the Appropriations Subcommittee were full of civil rights activities conducted by CDGM. In 1966 the Appropriations Subcommittee staff reported as follows:

> There is little doubt but that civil rights organizational activities are being promoted within the framework of this activity. Patently, some of this activity is not the type which should be subsidized by Federal Head Start grant funds, and it is sure to breed racial friction and possibly violence. In some of the classrooms visited, the children were singing "We Shall Overcome." In one classroom, there was a sign "Black Power." Regardless of the desirability of assisting the parents of these children in improving themselves and identifying them with the program, the way it is seemingly being done within the framework of CDGM is believed to be wrong and something should be done about it.

The December 5, 1967, report of the Appropriations Subcommittee staff from which I read earlier, emphasizes the widespread civil rights activities of CDGM. The audit report of OEO showed that $9,600 in Federal money had been spent by CDGM in unauthorized telephone calls to the Atlanta headquarters of the Student Nonviolent Coordinating Committee now headed by H. Rap Brown who is under indictment in Maryland for inciting to riot and to other civil rights organizations.

In addition, the audit report of OEO dated August 11, 1967, states as follows:

> Rental automobiles were paid for with Federal funds for use in unfunded areas and for political and civil rights activities.

These violations took place in spite of and contrary to a specific contractual limitation upon Mary Holmes Junior College and CDGM prohibiting the use of Federal funds for political and civil rights activities.

I emphasize that the Appropriations Committee staff report has high praise for the conduct of the poverty program in Mississippi other than that part of it operated by CDGM. The CDGM program has given the entire poverty program in Mississippi a black eye. It is a rotten apple that should be removed before the whole barrel is diseased and while there is time.

I believe that the new provisions of the antipoverty law recently enacted will have a wholesome and controlling influence on this problem.

Mr. President, I shall continue to give this problem my personal attention, not in an effort to destroy the program, but in an effort to have all the Headstart programs operate in a constructive and lawful manner, as some already are operating.

ORDER OF BUSINESS

Mr. METCALF obtained the floor.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that my distinguished colleague, the Senator from Montana, may speak for at least 10 minutes.

The PRESIDING OFFICER (Mr. McGOVERN in the chair). Without objection, it is so ordered.

CONSIDERATION OF CONFERENCE REPORT ON SOCIAL SECURITY AMENDMENTS OF 1967

Mr. METCALF. Mr. President, a story is told about the great lexicographer Noah Webster in which it is said that his wife caught him kissing the cook in the hall; and his wife said, "Noah, I am surprised."

He said, "No, I am the one who is surprised. You are amazed."

I was surprised yesterday, Mr. President, when I was at a meeting of the Committee on the Interior, participating in hearings on nominations to the Indian Claims Commission, and introducing a distinguished constituent of the majority leader and mine, from Montana, to be a member of that Commission.

I thought I had informed the leadership that I desired to speak in some detail on the conference report on the social security amendments before action was taken. I was amazed this morning to read in the CONGRESSIONAL RECORD how the conference report came up yesterday, and I was amazed by some of the statements that were made—especially those made by the junior Senator from Louisiana, who is the chairman of the Committee on Finance, and who was the floor manager in behalf of the report.

I am delighted that both the majority leader and the Senator from West Virginia are in the Chamber this morning.

I read in the discussion, after the conference report was taken up about 9:30 yesterday and voted upon, and a motion to reconsider was laid on the table, that the majority leader came to the Chamber and suggested that perhaps a motion to reconsider would have to be made. The Senator from Louisiana said that he would not agree to a motion to reconsider, unless a day and an hour certain were set for a vote on the report. He then continued:

> I have done a lot of filibustering in my day.

That certainly is a true statement from the Senator from Louisiana. He then said:

> If you have a filibuster on your hands, you had better break it if you can. One way to break a filibuster is to vote when you have a chance to vote.

I said yesterday, Mr. President—and I repeat today—that I was on the floor when the conference report was called up. I listened patiently and courteously as the Senator from Louisiana, the Senator from New Mexico, the Senator from Nebraska, and other Senators laid the case before the Senate in behalf of the conference report. The Senator from Oklahoma [Mr. HARRIS] sought and obtained the floor, and I listened to him.

Then I walked over to the first seat in the front row on the Democratic side of the aisle, where the majority leader sits, and which he relinquishes to anyone managing a bill, and I spoke to the Senator from Tennessee [Mr. GORE]. The Senator from Louisiana was long gone. I told the Senator from Tennessee that I was prepared to make a speech in detail for as long as he desired to keep the Senate in session that night.

I spoke to the Senator from West Virginia, who was sitting alongside the Senator from Tennessee, and said that I was prepared to commence speaking and that I was prepared to speak in some detail that night, but that I wanted to speak on the bill before it was brought up. I did not want to participate in a filibuster. I only wanted to present what I felt was a very important matter to my colleagues in the Senate.

I then told the senior Senator from Tennessee and the junior Senator from West Virginia that I had planned to stand by, to come in at 9 o'clock the following morning and call the Senate to order, if the President pro tempore was not here. Yesterday morning I was called, and it was suggested that the Senator from Arizona [Mr. HAYDEN], the President pro tempore, was here and that it would not be necessary for me to come to the Chamber. So I said I would then be able to go to my committee meeting at 9:30. And I thought I had arranged that I would be called whenever it was necessary for me to speak on the bill.

So I was surprised and amazed when I read that the Senator from Louisiana was talking about a filibuster and talking about breaking the filibuster. In the peculiar lexicon of the Senator from Louisiana, apparently a filibuster is any speech in opposition to the position he takes. I certainly shall be prepared to understand his attitude in the future.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. METCALF. I am delighted to yield.

Mr. CLARK. Mr. President, may I say that I share the Senator's amazement at what took place yesterday morning. I am fully aware of the requirements of rule XIX, section 2, of the Senate, so I shall say nothing more, I am not only amazed, but also disappointed. I do hope that kind of behavior will not be seen on the floor of the Senate again for many a long year.

I thank the Senator for yielding.

Mr. METCALF. Mr. President, I bring this matter up again merely to set the RECORD straight that as far as the junior Senator from Montana is concerned he was not going to filibuster. As far as the junior Senator from Montana was concerned he thought he had an arrangement with the manager handling the bill, and he thought he had an arrangement with the leadership, represented by the deputy leader, the Senator from West Virginia. Whether the Senator from Maryland [Mr. TYDINGS] was on the floor or not, or whether representatives of what the Senator from Louisiana calls a filibuster position were on the floor, I expected to be shown to me the kind of courtesy and consideration that has been shown to Senators and Members of Congress ever since I have been in Congress these many years. I expected a quorum call or some suggestion that I be called to come to the Chamber to make the speech I was prepared to make and did make later yesterday.

I have no quarrel about setting a time certain and I have no quarrel about voting today. I only have a quarrel about statements made by the Senator from Louisiana trying to overcome some opposition and cut off debate on an important and significant piece of legislation. I say this today and reiterate my position because I want the RECORD completely straight and because I feel some statements made by the Senator from Louisiana yesterday were erroneous.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that I may be permitted to proceed for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I do not rise to take umbrage in any way with what has been said. I have no reason to feel that the junior Senator from Montana has in any way been unjustly critical of me in his remarks this morning.

I said yesterday about all that I think I could say which would contribute to the clarification of the incident which took place yesterday morning.

The junior Senator from Montana [Mr. METCALF] is the only Senator, as far as I can recall, who personally indicated to me that it was his intention to speak on the conference report. I do not think my recollection is in error. However, my memory is not infallible and it could be in error, but I do not think it is. The RECORD is here, if I am in error. Any Senator who may have discussed the matter with me and indicated he had a speech to make can clarify the RECORD.

I was aware prior to yesterday morning of the general situation that a number of Senators wished to speak in opposition to the conference report. I think every Member of the Senate was aware of that. I do not think one could help but be aware of that, even if his only source was the newspaper reports.

But as far as I can recall, again I say the junior Senator from Montana was the only Senator representing the group which opposed the adoption of the conference report who came to me personally and made reference to the fact he had a speech to make. The Senator from Montana [Mr. METCALF] has correctly reiterated the events of that discussion when he said he spoke to the senior Senator from Tennessee [Mr. GORE] on the evening before yesterday at the desk which is now occupied by the able majority leader.

I was at that desk on that late evening and I overhead the conversation between the Senator from Montana [Mr. METCALF] and the Senator from Tennessee [Mr. GORE].

I was brought into the discussion. The Senator from Montana [Mr. METCALF] indicated he had a speech that could be either a short speech or a long speech and that he could make it that evening or the next day. It was agreed he would not make it that evening, and that it would be made the next day.

The Senator from Montana [Mr. Metcalf] spoke a few minutes ago of "an arrangement" with the Senator from West Virginia. I have reiterated the only arrangement there was between the Senator from Montana [Mr. Metcalf] and me.

I do not think I specifically committed myself, and I do not think the Senator from Montana [Mr. Metcalf] asked me to commit myself, to get in touch with him the next day to see that he was here to make the speech.

I do not think there was any arrangement, beyond that of an understanding that he would make a speech the next day.

I believe I am correct in that statement. Am I correct?

Mr. METCALF. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. METCALF. Mr. President, the Senator from West Virginia, as far as the junior Senator from Montana was concerned, was occupying the position of majority leader.

Mr. BYRD of West Virginia. Yes.

Mr. METCALF. It had been the idea of the junior Senator from Montana, and he had been told by the majority leader, my colleague from Montana, that he wanted the Senate to run until 8 o'clock; and in discussing the matter with the junior Senator from West Virginia, who is the acting majority leader, I told him I was prepared to acquiesce in the wishes of the leadership.

Mr. BYRD of West Virginia. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. METCALF. I was speaking both to the Senator handling the bill, the Senator from Tennessee [Mr. Gore], and to the acting majority leader, the Senator from West Virginia.

I did not know we had to nail these agreements down. I felt that by acquainting the Senator from West Virginia with my desire to speak on the bill, I would be protected from such action as was taken at 9:30 yesterday morning when, relying upon what I felt was an arrangement made, I went to a committee meeting and participated in a committee hearing concerning a valued constituent.

Mr. BYRD of West Virginia. Mr. President, perhaps the junior Senator from Montana [Mr. Metcalf] had good reason to feel that he would be called from the committee and protected in that way. Insofar as I am concerned, the only "arrangement" was an understanding which was conveyed to me by the junior Senator from Montana that he did wish to speak on the next day.

I made no promise at that time that I would contact him. I made no commitment, nor was I asked to do so, that I would get in touch with him. But this was no indication of any design, on my part, to intentionally deprive the Senator of a chance to speak. I merely had the understanding he would speak.

Mr. METCALF. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. METCALF. Mr. President, the Senator from Montana did not require a commitment. All the Senator from Montana wanted from the acting majority leader was the conduct of the business in the Senate so that he would not move to lay a motion to reconsider on the table, so that it would be impossible for the Senator from Montana to speak on the bill as originally planned.

Mr. BYRD of West Virginia. Mr. President, from the viewpoint of the junior Senator from Montana I can understand his feeling that business would be conducted in that way. He has a right to that viewpoint, and I would probably feel as he does, were I in his shoes. He has stated that he required no commitment from the junior Senator from West Virginia. The junior Senator from West Virginia acted in all good faith throughout the entire proceedings. I did not have any conversation with the junior Senator from Louisiana on yesterday morning prior to his motions.

I was asked by the majority leader, when he was required to leave the floor, to close morning business as rapidly as possible and to lay down the unfinished business which was the conference report on social security, and to do so as soon as possible.

When the majority leader left the floor, the acting majority leader came on the floor. Morning business was closed. When the deputy majority leader is on the floor, I do not usually make motions unless he is occupied with other matters. I feel that it is my responsibility to surrender the floor to him.

I believe at that time that he made the motion to lay down the unfinished business. I am not sure——

Mr. METCALF. The Record speaks for itself.

Mr. BYRD of West Virginia. Yes. Events then developed with rapidity. I want to emphasize that I had no previous conversation with the deputy majority leader. Thus, there was no conspiracy here. There had been no intent between the two of us to enter into an agreement to shut off discussion on the part of those who opposed the conference report.

The Senator from Louisiana clearly stated his point of order and moved to lay the conference report before the Senate.

The clerk audibly and clearly reported it.

Three times the Chair put questions clearly, concisely, and audibly. I did not, on the spur of the moment, recall the discussion with the Senator from Montana the night before. The motions were made. The questions were put. This was done all in the space of about one and a half to 2 minutes. I was somewhat surprised myself at the developments which took place without any protest from anyone, without any suggestion of the absence of a quorum, without any negative vote when a Senator representing the Senators who were opposed to the conference report's adoption was in the Chamber and in his seat.

Thus, I thought that perhaps something had developed overnight to which I was not privy and that the protesting Senators were not going to carry on the fight. I had no reason to believe otherwise. I was not privy to any conversations which went on between the group and the majority leader or the deputy majority leader. I knew nothing about those conversations. The only conversation I had was with the junior Senator from Montana.

So, Mr. President, I made a motion to table the motion to reconsider. That is a routine motion around here. I note from the Record this morning that both "Mr. Byrd of West Virginia and Dr. Dirksen moved to lay the motion on the table."

I did not make that motion with any desire or intent to deny the rights of any Senators who were determined to carry on the debate. I can only say that, and I hope that other Senators will accept it as a statement of good faith and sincerity on my part. I can do more than state it. I regret that this unfortunate development took place. I know of nothing that I can add, except to say that since January 10, 1967, during the year that I have served as secretary of the Democratic conference, I have been on the floor practically every day. I have been on the floor when the Senate convened. I have been on the floor when the Senate adjourned. I have attempted to fulfill every commitment that I have made or thought I made to any Senator.

I have attempted to protect the rights of every Senator who came to me and asked that he be protected. I have called Senators to relay information to them which I thought they should have and which I was not absolutely sure they had requested of me, but which, since it related to a particular subject that they had discussed with me, I thought I should relay to them, and that I had an obligation to do so. I have done everything I can do for Senators. I have called them in the baths. I have called them in their offices. I have sent word to them in restaurants. I have delayed rollcalls for Senators. I have done everything I could possibly do to assist my colleagues on this side of the aisle and, many times, to assist my colleague on the other side of the aisle.

The PRESIDING OFFICER. The time of the Senator from West Virginia has expired.

Mr. BYRD of West Virginia. I ask unanimous consent to proceed for 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. I am sorry to impose upon the time of the Senate, but this matter has been of a great concern to me as it has to any Senator in this body because, in a manner, I have had my own honesty and integrity impugned—not by the junior Senator from Montana, of course, or by the senior Senator from Pennsylvania—not at all.

But I have attempted to do whatever I could to protect the rights of all Senators, including Senators with whom I do not agree on a particular subject at a particular time. I have felt it my responsibility, as acting majority leader at times, to do what I could, in every instance, for every Senator, regardless of a Senator's philosophy or viewpoint.

The events of yesterday morning were no exception to the case insofar as I personally am concerned.

I cannot speak for the deputy majority leader. He is not here to speak for himself. I try to impute to every Senator that honor and integrity which I think should be the qualities of every Senator.

Mr. President, I rose yesterday only because I thought the entire leadership was being questioned, and I am part of that leadership.

The Senator from Louisiana [Mr. LONG] was being attacked, and I sought to defend him in his necessary absence from the floor.

I trust there will be no further discussion of this matter. I do not care to participate any further in it. But, again, I say that I am sorry that this unfortunate event occurred.

Mr. STENNIS. Mr. President, will the Senator from West Virginia yield?

Mr. BYRD of West Virginia. I yield.

Mr. STENNIS. I want to say this: I do not know about the facts, but I doubt that anyone intended to try to impugn the integrity and the honesty of the Senator from West Virginia. I hope that they did not. I know that they were not successful, because we all know of the very high character and honor of the Senator from West Virginia, and I think that knowledge is shared by all of us.

I just cannot believe that anyone would try to impugn the Senator's integrity. So perhaps he is mistaken in thinking that. Anyway, it was not successful, because it could not be successful.

I appreciate the sentiments toward the Senator from Montana whom I appreciate very much as a fellow Senator whom I admire. He made a very sincere statement on that.

Mr. BYRD of West Virginia. Mr. President, I thank the Senator from Mississippi.

Again I say, I do not think any Senator on the floor has attempted to impugn my integrity today, but I think a reading of the RECORD will show that some doubt was cast yesterday by a Senator upon the integrity of the leadership, and statements were made about the integrity and honesty of Senators and about decency, and so forth, and so forth. The Senator from Montana [Mr. MANSFIELD] was clearly excluded, so that his integrity was not impugned. By implication, it could be inferred that my integrity, as a Senator who is the junior member of the leadership, was being questioned.

The question which I asked yesterday of that Senator—with whom I had had no previous discussion or understanding and to whom I had no commitment—as to whether he was accusing me of deceit, was never answered.

Thus, so far as I am concerned, I am sure that the Record is absolutely clear on the point as to whether the integrity of members of the leadership was impugned.

Nevertheless, the record of one's own good intentions and one's own heart and conscience is clear to each individual, and that is as far as he can go.

I have done the best I could. I do not feel that I owe any apology to anyone, and I make none, and I am sorry that I did not call the Senator from Montana. I am sorry that I tabled the motion, now, because as I reflect back and as I hear the expressions of the Senator from Montana, I can understand that, on the basis of his discussion with me on the evening before yesterday, he, I think, would rightly expect me not to table the motion and to somehow protect him. But as far as the information which was available to me is concerned yesterday morning, perhaps the Senator from Montana, had he stood in my place, would have acted as I did.

Mr. METCALF. Mr. President, will the Senator yield for a moment? I do not want to belabor this.

Mr. BYRD of West Virginia. Yes; I yield.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METCALF. Mr. President, I only regret that the Senator from West Virginia was not as solicitous in the discussion he had with the Senator from Montana as he has described the solicitude he has exercised over the year that he has occupied the position of assistant majority leader; and I hope that in the future a Senator will not have to have a watch on the floor to protect his rights when he is attending to other business on committee; and I hope in the future, when a Senator speaks to one of the leadership and speaks to one of the Senators in charge of a bill, that will be sufficient warning that the Senator wants to speak on the bill before any formal action is taken and that actions such as took place yesterday will not again occur.

Mr. BYRD of West Virginia. Mr. President, I hope, as far as my intentions were concerned, I was as solicitous yesterday morning of the interests of the junior Senator from Montana as I have been throughout the year of all Senators.

I can only express the hope that the leadership will, in accordance with the wishes of the junior Senator from Montana, next year do whatever it can at all times to protect the interests of all Senators. That has been my intention throughout this year, and it will be next year. And I also hope Senators will be on the floor to protect their own rights as far as they can. They all know when the Senate convenes. They all know the rules of the Senate. I think every Senator has a little bit of responsibility to act in his own interests and to protect his own rights.

I ask unanimous consent to have printed in the RECORD an excerpt from the CONGRESSIONAL RECORD of yesterday showing the sequence of events when the conference report was brought before the Senate.

There being no objection, the excerpt from the RECORD was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY AMENDMENTS OF 1967—CONFERENCE REPORT

Mr. LONG of Louisiana. Mr. President, a point of order. Under the rules, does the conference report on H.R. 12080 automatically come down at this point, or must I make a motion?

The PRESIDING OFFICER. Not until after 2 hours have expired following the convening of the Senate.

Mr. LONG of Louisiana. Mr. President, I move that the conference report on H.R. 12080 be laid before the Senate.

The PRESIDING OFFICER. The clerk will state it.

The LEGISLATIVE CLERK. A bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to.

The PRESIDING OFFICER. The question now is on adoption of the conference report.

The motion was agreed to.

Mr. LONG of Louisiana. I move that the vote by which the conference report was agreed to be reconsidered.

Mr. BYRD of West Virginia and Mr. DIRKSEN moved to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, I would hope that this matter would be buried and forgotten and not remembered. We are all subject to not thinking things through, to moving accidentally, and we are all, in some form or another, involved in incidents now and then. So I would hope that this matter would be put to sleep and not resurrected any more, because there is nothing to be gained by carrying on the argument, except to create more friction and abrasiveness among Members of the Senate, and it is too late in the year to get caught in a bind of that nature.

As far as the Senator from West Virginia is concerned, there is no man in this body who is more sincere, more honest, more hard working. He has been a tower of strength to me as far as the leadership is concerned, and when I have left the floor and asked him to carry out certain instructions, he has done so unfailingly and willingly and at great sacrifice to himself.

So I commend him for what he has done, and I hope in the year ahead our relationship will be just as close, and even closer than it has been this year. But, Mr. President, I think we have spent too much time on this incident—this accident. I hope it will be buried, and buried permanently, because there is nothing to be gained by raising it time again and again and again.

THE SEAT OF THE GOVERNMENT OF THE UNITED STATES

Mr. BYRD of West Virginia. Mr. President, the Book of Genesis tells us that Jacob served 7 years for Rachel, the younger daughter of Laban, "and they seemed unto him but a few days, for the love he had to her."

I, soon, will have served 7 years as

chairman of the Appropriations Subcommittee on the District of Columbia, and they, too, will have seemed "but a few days."

It would seem to me to be appropriate for me to render not so much an accounting of my stewardship after these 7 years but rather a report, of sorts, which will reflect the progress that has been made in some of the problem areas.

To begin with, perhaps I should state that I have served as chairman of the subcommittee longer than has any other Senator in the past 61 years, and only two Senators have served longer than I as chairman of the Appropriations Subcommittee on the District of Columbia.

During these 7 years, I have worked long and hard in an effort to render a genuine service to the Nation's Capital, which we all love, and I have found this assignment to be interesting, challenging, and rewarding—rewarding in the sense that, if I may refer once more to the Bible, and, this time, to the parable of the talents, I feel that, unlike the servant who "digged in the earth and hid his lord's money," I have attempted to handle my responsibilities to the Congress and to the First City of our country in such a way as would promote the good interests of Washington and its residents as well as the good interests of the people of America, because, after all, it is their city and their Capital, too.

My work has, at times, seemed difficult, but I have accepted it, not as a chore but as my duty as a Senator, for paragraph 17, section 8, article I, of the Constitution says:

> The Congress shall have power to exercise exclusive legislation in all cases whatsoever over such District (not exceeding ten miles square) as may, . . . become the seat of the government of the United States . . .

My subcommittee, therefore, has the responsibility of appropriating moneys to fund the government of the only city in the country specifically designated under the Constitution as "the seat" of the Federal Government and over which the Congress shall have power "to exercise exclusive legislation." Thus, ours is an important responsibility and a signal honor. It is a labor in behalf of all our citizens and in fulfillment of a clearly delineated constitutional duty.

I view with pride the work of my subcommittee over the past 7 years, and I wish to pay tribute to those Senators who have served on the subcommittee and whose support I have had.

Especially do I want to refer to the senior Senator from Nebraska [Mr. HRUSKA] who is the ranking minority member and who at all times demonstrates great interest in the work of the subcommittee. Even in the face of his other busy, and many, committee assignments, he has given unstintingly of his time to our work. And this is fortunate, for he is a man of great ability. His cooperation could not possibly be excelled, and I have not only valued his advice and his support, but I have also enjoyed working with this congenial Senator from the other side of the aisle who is a great Senator, a real gentleman, and a man for whom I have much respect and admiration.

I have also been fortunate to have the President pro tem of the Senate, Senator HAYDEN, on the subcommittee. He has been a member throughout the 7 years of my chairmanship, and he has yet to cast the first vote in opposition to any position I have taken. The Senator from Arizona is chairman of the Senate Committee on Appropriations, and he believes in supporting his subcommittee chairmen.

I also wish to thank Senators PROXMIRE, YARBOROUGH, and JAVITS. They have made many contributions to the work of the subcommittee. I would be remiss, too, if I did not recognize the invaluable and outstanding contributions that have been made by such Senators as Mr. BIBLE of Nevada, chairman of the Senate Committee on the District of Columbia, Mr. SPONG of Virginia, Mr. TYDINGS of Maryland, and others who have served from time to time as ex-officio members of my subcommittee.

Then, of course, one cannot refer to the work of my subcommittee without also taking cognizance of the toil and diligence and devotion to duty of my counterpart in the other body, Representative NATCHER of Kentucky, and his subcommittee. Mr. NATCHER, the chairman of the House Subcommittee on Appropriations for the District of Columbia, conducts his hearings with great skill, and I am aware of no man who knows more about fiscal matters involving the city of Washington than does he. I also know of no person who has worked more to promote the good interests of the Capital City than has he. And, may I add, one could not hope for a better working relationship than that which I have enjoyed over the years with BILL NATCHER. He is a strong, effective, knowledgeable, and able chairman, and he has performed a great service to the National Capital—a service concerning which all Kentuckians may justly be proud.

The population of Washington today is estimated to be 809,000 and varies but little from what it was almost two decades ago in 1950 when the population, according to the "Statistical Abstract of the United States," was 802,178. But, while the population figure remains about the same as it was in 1950, the city and the population have undergone much change. In 1950, the population of Washington was 35 percent Negro; in 1960 it was 53.9 percent; today the Negro population of the city is estimated to be 64 percent. The problems and needs have multiplied, and appropriations to meet those needs have grown.

In fiscal year 1950 the total of appropriations to the District of Columbia amounted to $98,331,275. For fiscal year 1968, thus far, they have amounted to $500,954,300, and we can expect an additional request, in the form of a second supplemental, after Congress reconvenes in January. This does not take into account the funds that have gone into the city as Federal grants-in-aid and as private grants, the latter of which have been miniscule and relatively insignificant, amounting only to an estimated $209,873 in fiscal year 1968. However, Federal grants-in-aid have proliferated rapidly, having increased annually from 1964 when they amounted to $57,461,330, to an estimated $173,353,324 in fiscal year 1968. Thus, for fiscal year 1968 the total amount of funding for the District of Columbia will be over $674 million; how much over will depend upon the amount of the second supplemental appropriation and the final figure for Federal grants-in-aid.

Of the $500,954,300 appropriated for fiscal year 1968, $63,979,200 was a Federal payment to the general fund. This amount constituted 14.54 percent of the total, a percentage which has not varied greatly in recent years. Prior to 1923, the Federal payment was set at 50 percent. Since 1923, the amount has varied from a high of 39.5 percent in fiscal year 1924 to a low of 8.52 percent in fiscal year 1954.

The present real and personal property taxes paid by District of Columbia property owners generally are below those paid in adjacent jurisdictions, the actual tax rate on real property in the District of Columbia being $2.90 per $100 of assessed valuation, and the actual rate on personal property being $2.20 per $100 of assessed valuation.

Tax exempt properties in the District of Columbia constitute 54.5 percent of the total property, by land area, and 45.4 percent by value. All nontaxable property, however, is not U.S. owned; 4.2 percent of the tax-exempt property, by area, is owned by the District of Columbia Government, and 5.1 percent by value. Seven percent, by area, is possessed by "all other" owners—such as religious, educational, libraries, foreign, cemeteries, hospitals, and so forth—and 9.4 percent, by value. Therefore, 43.3 percent of the tax-exempt property, by area, and 30.9 percent, by value, is owned by the United States. If current values are correct, U.S. property, if taxed fully, would pay $46,220,000. The District Government would pay $7,627,000, and "all other" ownership would pay $14,111,000, making a total of $67,960,000. It is in recognition of this tax-exempt status of federally owned property that the Congress annually appropriate a so-called Federal payment.

I personally believe that the Federal payment should be larger than the presently authorized figure of $70 million and that it will ultimately have to be considerably larger. I say this not only because a District only 68 square miles in area and ordained to be the seat of the Federal Government really can never have an industrial tax base, but also because many taxpayers continue to leave the city, and the Federal presence in itself places a financial burden upon the transportation, health, and police facilities of the city government.

On the other hand, the huge Federal payroll redounds to the city's benefit inasmuch as thousands of District of Columbia residents are employed in the Federal Establishment and other thousands of persons in the surrounding metropolitan area spend millions of dollars annually in the city. Moreover, the Federal presence attracts over 9 million tourists annually, and each convention and tourist visitor spends an estimated $36 while in the city. In 1966, the total amount spent by conventions and tourists was estimated at $413 million, of which amount almost $12 million came directly into the District tax coffers.

So, the financial advantages that accrue from the Federal presence undoubtedly far outweigh the financial liabilities encumbered thereby to say nothing of the favored status of Washington as a national shrine which, like the great man whose name it bears, is "first in war, first in peace, and first in the hearts of its countrymen."

PUBLIC EDUCATION

The appropriations for District of Columbia public schools in fiscal year 1968 have thus far amounted to $96,187,000—aside from capital outlay funding. This figure represents a 248-percent increase over fiscal year 1955. The number of authorized positions in the public schools has increased from 5,311 to 9,898, or 86 percent, during the period 1955–1968, and the salary cost of authorized positions increased 233 percent during the same period.

I am most proud of the progress which has been made in the field of public education. The fiscal year 1962 budget was the first regular budget presented to me as chairman of this subcommittee. Therefore, fiscal year 1961 information will provide a comparative base.

Few people are aware that the number of professional staff per 1,000 students has increased from 41.1 in fiscal year 1961 to 57.7 in fiscal year 1968. Regular District of Columbia appropriations provide 53.9 of the 58 professionals per 1,000. A comparison of the professional staff per 1,000 pupils shows that the District of Columbia ranks No. 1 among 15 cities of comparable size, 500,000 to 1,000,000, in the United States. The District of Columbia figures are based on ADM—average daily membership—enrollments and would drop from 57.7 to 56.9 if single day enrollments are used. However, this does not affect the position of the District of Columbia schools relative to the other major urban school systems. The other cities of comparable size rank in the following order with regard to the number of professionals per 1,000 pupils:

Boston	50.1
Buffalo	49.2
Seattle	46.4
Los Angeles	44.8
Dallas	40.9
San Diego	40.7
Pittsburgh	40.6
Philadelphia	40.2
Houston	40.1
Cleveland	40.0
Baltimore	39.1
Cincinnati	39.0
St. Louis	38.7
Milwaukee	35.8

The foregoing constitutes an accomplishment of which we can justly be proud. I am also happy to state that per-pupil costs have increased from $413 in fiscal year 1961 to an estimated $745 in fiscal year 1968, an increase of 80 percent. A total of 54 percent—$636—of the 80-percent increase has come from District of Columbia appropriations.

The number of classroom teachers from regular District of Columbia appropriations has increased from 4,482 in fiscal year 1961 to 6,952 in fiscal year 1968, a 55-percent increase.

The number of counselors has increased from 51 in fiscal year 1961 to 260 in fiscal year 1968, an increase of 409.8 percent.

The number of librarians has increased from 17 in fiscal year 1961 to 140 in fiscal year 1968, an increase of 723.5 percent.

It should be added that the number of severely mentally retarded students enrolled in special classes in the District of Columbia public schools has increased from only 39 in fiscal year 1961 to 444 in fiscal year 1968, an increase of 1,038 percent. This is a signal accomplishment in view of the fact that for several years there had been a waiting list of such pupils unable to attend school because of a shortage of teachers and facilities, but the waiting list has been completely eliminated. Earlier this year, my subcommittee approved the reprograming of $148,000 of unobligated funds in the capital outlay account to complete the funding of a site for a new school for the severely mentally retarded children.

Since 1961, a total of 66 elementary school projects have been initiated, 17 junior high school projects have been initiated, and six senior high school projects have been initiated. These capital outlay projects involve 1,414 rooms in the elementary schools, 687 in the junior high schools, and 206 rooms in the senior high schools, making a total of 2,307 rooms, for which funds amounting to $126,777,692 have been appropriated.

At the present time, the public school plant consists of a grand total of 245 buildings, and during the fiscal year 1968 hearings the replacement value of school buildings was estimated to be $295,575,000, while the total amount of land value of the District of Columbia public schools was said to be $25,347,444. The fiscal year 1968 appropriation for public school construction was $48,394,600.

In the fiscal year 1968 appropriation, Congress provided moneys for 75 prekindergarten relocatable classrooms, as well as 36 demountable units to be located next to existing elementary school buildings on available sites. The demountable units cost an average of $14,300 per unit; each unit will accommodate 30 students, and the average life of the unit is 10 years. The demountable units have been used successfully in Chicago, Ill.

The school superintendent, during the fiscal year 1968 hearings, stated that part-time classes in the public schools have been eliminated for the first time in at least 20 years.

The superintendent also stated that 117 out of 123 schools reported no books in use with a copyright date older than 10 years—"an unusual record."

The subcommittee has regularly provided the full requests for funding the free lunch, the free breakfast, and the free milk programs.

The average number of students participating per day in the free lunch program during 1966–67 was 13,132 in the elementary and 2,435 in the secondary schools for a total of 15,567. The cost of food and supplies for this program was $1,098,574.

The average number of students participating per day in the free breakfast program was 7,908 at a cost of $178,626 for food and supplies.

All elementary schools are eligible for the free milk program and all elementary schools are participating. A student may elect to have one or two milks—or none at all—if he wishes. While the average number of students participating per day is not known, the average number of milks served per day was 122,901 at a cost of $1,015,356.

Pupil-teacher ratios based on average daily membership in regular day school classes have been reduced at all levels as follows:

Elementary schools, grades 1 to 6—from 31.3 in 1960–61 to 27.8 in 1967–68.

Junior high schools, academic classes—from 27.2 in 1960–61 to 19.7 in 1967–68.

Junior high schools, shop and home economics classes—from 16.8 in 1960–61 to 15.6 in 1967-68.

Senior high schools, academic classes—from 23.8 in 1960–61 to 19.5 in 1967–68.

Senior high schools, shop and home economics classes—from 16.7 in 1960–61 to 13.8 in 1967–68.

On October 20, 1966, the total school membership was 148,149. On October 19, 1967, the total school membership was 151,677. For the school year 1966–67, the ADM was 145,602 and the ADA was 133,716—these figures include Capitol Page School, District of Columbia Teacher's College, and Americanization School.

The District of Columbia school population is 92 percent Negro, and the system is fast becoming an all-Negro system as the exodus of whites from the District continues. I believe that it is necessary to provide every possible opportunity to these Negro children for a good education. This has been my goal and it will continue to be.

In closing, I mention one miscellaneous item: that of window breakage in the public schools, inasmuch as I have been severely critical of such destructiveness. In fiscal year 1967, there were 36,525 windowpanes broken. The total cost of replacement of these panes was $180,202.

POLICE DEPARTMENT

The fiscal year 1968 appropriation of $44,884,000, and 3,572 authorized positions, constitutes a percentage increase, over the period 1955–68, of 250 percent for total appropriations, 149 percent for salary costs of authorized positions, and 44 percent for authorized positions.

Over the period of my service as chairman, the subcommittee has consistently supported the full requests for appropriations to meet the personnel needs of the Department.

Although the population of the District of Columbia is estimated, as of July 1, 1967, to be 809,000—which constitutes a very infinitesimal increase over the population of 802,000 in 1950—the number of authorized police positions has increased greatly, from 1,954 positions in 1950 to 3,100 positions in 1967.

Washington, D.C., leads all cities of comparable size in the ratio of authorized police positions—4.1 per 1,000 population, according to the 1960 census for the 16 cities with 500,000 to 1,000,000 population. The cities rank as follows:

Washington, D.C.	4.1
Boston	3.7

Baltimore	3.6
Cleveland	3.2
St. Louis	3.0
Pittsburgh	2.7
Buffalo	2.6
San Francisco	2.4
Houston	2.3
Dallas	2.2
New Orleans	2.1
Cincinnati	1.8
Seattle	1.8
San Diego	1.4
San Antonio	1.4
Milwaukee	(1)

[1] Information not available for this city.

As of today, there are 362 vacancies in the police positions, but, notwithstanding this fact, the District of Columbia is still at the head of the list with respect to the number of actual police positions—3.6 per 1,000 population. The 16 cities with 500,000 to 1,000,000 population rank as follows in this regard:

Washington, D.C.	3.6
Boston	3.6
Baltimore	3.1
Pittsburgh	2.7
St. Louis	2.7
Milwaukee	2.6
Buffalo	2.5
San Francisco	2.4
Cleveland	2.3
Dallas	2.0
New Orleans	1.8
Cincinnati	1.7
Seattle	1.7
Houston	1.4
San Diego	1.3
San Antonio	1.2

In addition to the 3,100 authorized positions in the Metropolitan Police Department, there are 308 authorized police positions in the Park Police, with vacancies totaling 30 as of December 4. Of the Park Police positions, 201 are U.S. funded, and 107 of the positions are funded with District appropriations.

Consequently, there is a total of 3,408 authorized police positions in both the Metropolitan Police Department and the Park Police in the District of Columbia.

As to the Canine Corps strength, there were 84 man-dog teams on the street on November 29, 1967. Four teams will graduate on December 22, 1967, and four teams were to have begun training on December 11.

With regard to the detail to the Capitol Police force, there is a detail of 10 uniformed privates 7 days per week, a detail of five canine teams 7 days per week, and a detail of 16 detectives when Congress is in session. Additionally, there are 10 personnel positions permanently detailed.

Negro officers constitute about 20 to 23 percent of the Metropolitan Police force. I have maintained that a higher percentage of Negro officers would enhance relations between the police and the community, and I have also been consistently critical of civil rights organizations and Negro leaders in Washington for their failure to bring forth qualified Negroes to fill the vacant police positions. I do not propose that white applicants be discriminated against, but I do maintain that in a city whose population of 809,000 is almost two-thirds Negro, the Negro community should be able to supply more than 20 to 23 percent of the police officers on the force. Even if the 362 vacancies were to be filled entirely with Negroes, testimony adduced during the fiscal year 1968 budget hearings indicated that Negro officers would then only comprise 33 percent of the police force.

Here exists a challenging opportunity for young ambitious Negro men to serve the Nation's Capital and bring credit to their race in promoting law and order.

I have visited all of the 14 police precincts and the harbor precinct in the city, some of them several times. I have been in the precincts at night as well as during the day. I have sought to ascertain their needs as well as boost the morale of the policemen.

My subcommittee has vigorously supported the provision of moneys to equip all precincts with two-way radio sets for police footmen, believing that this equipment would not only improve law enforcement but would also contribute to the safety of the policemen.

My subcommittee has supported capital outlay moneys for new and improved police facilities, and we have sought to provide air-conditioned cars wherever possible.

My subcommittee has supported appropriations for improved communications equipment and for increased police salaries.

In short, we have sought to give our full and unqualified support to the Chief of Police and his men in the increasingly difficult war on crime in the District of Columbia.

The increase in crime is perhaps easiest to understand from the fact that the District of Columbia has risen from 12th place in the year 1957 as to the crime rate among 16 cities of comparable size, to second place in 1967. That the District is well on its way to first place is readily discernible in the light of FBI statistics which show that for the first 6 months of calendar year 1967, Washington had a 44-percent increase in crime compared to a 23-percent average increase in other cities of comparable size. Nationally, crime in the same period increased 17 percent.

Going back to the 1957 records, there were 9,868 crime index offenses for the 12-month period. In each of the succeeding 10 years there was an increase. As of June 1967, there was a total of 34,758 offenses, which represents a 252 percent increase. Over the 10-year period there was an increase of 680 percent in the number of robberies. Burglaries increased 327 percent. Auto thefts increased 347 percent. Criminal homicides increased 137 percent.

With the exception of the month of April 1966, there has been a steady increase in part I offenses for more than 65 months.

Police clearances of crimes has shown a pronounced decrease since 1955 when 65 percent of part I felonies were cleared. The rate of clearances for the 12-month period ending in June 1967 was down to 24.4 percent. In other words, fewer than one-quarter of the offenders were apprehended.

During fiscal year 1966, 92 percent of the personal contact offenses of rape, robberies, aggravated assault, and murder and manslaughter were committed by nonwhite persons. Sixty-six percent of the victims were nonwhite.

For fiscal year 1967, of the persons arrested for all part I crimes—auto theft, larceny, burglary, aggravated assault, robbery, forcible rape, murder, nonnegligible manslaughter and manslaughter by negligence—10,126, or 89.4 percent, of the 11,237 offenses were nonwhite arrests. The category of offenses in which nonwhite arrests constituted the lowest percent was in the category of manslaughter by negligence, 55.6 percent of the arrestees being nonwhite. At the other end of the spectrum, nonwhites committed 177, or 96.7 percent, of the 183 forcible rapes reported.

It should be pointed out that while 10,126 nonwhite persons constituted 89.4 percent of the total arrestees for serious crimes, those 10,126 persons constituted only 2 percent of the total nonwhite population of the District of Columbia. It is impossible to figure out the details of the full picture, of course, in view of the fact that only one-quarter of the crimes reported are solved by the police, and only 31 percent of the crimes actually committed are ever actually reported, according to the President's Crime Commission.

Mr. President, we have a good police department in Washington. Its officers and men need and deserve the support of all of us. My subcommittee has consistently given its unqualified support. May I say, in this respect, that the chairman of the Committee on the District of Columbia [Mr. BIBLE] has always followed my subcommittee's work, and he has evidenced strong interest in, and support of, full and adequate funding of police needs.

The following items constitute an inventory of capital outlay projects initiated by the Metropolitan Police Department from fiscal year 1961 through 1968:

INVENTORY OF CAPITAL OUTLAY PROJECTS INITIATED BY THE METROPOLITAN POLICE DEPARTMENT FROM FISCAL YEARS 1961 THROUGH 1968

Fiscal year		Amount
1961	No. 4, replacement: Furniture and equipment.	$19,000
1962	No. 13, replacement:	
	Plans and specifications	39,000
	Construction	66,000
	Subtotal	105,000
	No. 3, replacement:	
	Site (funds available)	270,000
	Plans and specifications	33,000
	Subtotal	303,000
	Total, 1962	408,000
1963	No. 3, replacement:	
	Construction	440,000
	Furniture	20,000
	Subtotal	460,000
	No. 13, replacement:	
	Construction	414,000
	Furniture	20,000
	Subtotal	434,000
	Renovation of 2d floor of the Fire Department building:	
	Plans and specifications	7,000
	Construction	85,000
	Furniture	16,000
	Subtotal	108,000
	Total, 1963	1,002,000

INVENTORY OF CAPITAL OUTLAY PROJECTS INITIATED BY THE METROPOLITAN POLICE DEPARTMENT FROM FISCAL YEARS 1961 THROUGH 1968—Continued

Fiscal year		Amount
1964	None	
1965	Rehabilitation of sewer facility, harbor precinct:	
	Plans and specifications	$700
	Construction	10,300
	Total, 1964	11,000
1966	Addition, No. 2 precinct:	
	Plans and specifications	3,000
	Construction	30,000
	Subtotal	33,000
	Precinct No. 9, replacement: Site	197,700
	Total, 1966	230,700
1967	New building for police training:	
	Preliminary survey	25,000
	Plans and specifications	100,000
	Total, 1967	125,000
1968	New building for police training:	
	Plans and specifications	72,000
	Construction	2,150,000
	Total, 1968	2,222,000

DEPARTMENT OF HEALTH

Mr. President, the following are among the major health accomplishments of the District of Columbia Department of Public Health from fiscal 1961 to fiscal 1968.

First. Reorganization of the District of Columbia Department of Public Health: Lines of authority have been clearly spelled out; policies and procedures have been developed; coordination of activities throughout the department have been promoted and developed into a total program concept; training programs have been inaugurated—all to provide a streamlined approach toward solving public health problems.

Second. Renovation of District of Columbia General Hospital: A $13 million construction program at District of Columbia General Hospital, started in the summer of 1964, is almost completed. The construction consolidates hospital buildings; renovates older quarters, unifies the medical-surgical facilities, provides new and larger quarters for the emergency room and outpatient clinics.

Third. Program for chronic alcoholics: A rehabilitation center for alcoholics was opened in November 1966. With a capacity of 425 beds, the center provides inpatient treatment, rehabilitation, and occupational and recreational therapy. Construction of a 50-bed detoxification center, offering treatment and rehabilitation to alcoholics, has been started.

Fourth. Expansion of maternity and child health services: Maternal and infant care programs have been expanded and improved. The program is now geared to improve services to women and babies in the high-risk categories and supports more hospital and clinical services, intensive followup for infant care, and homemaker aid to families with high-risk mothers and babies.

Fifth. Establishment of medicare and medicaid programs: Medical care services to the aged under title XVIII of the Social Security Act were begun in District of Columbia General and Glenn Dale Hospitals, Area C Community Mental Health Center, and the home care program. Plans to immediately implement title XIX—medicaid—have been made and will provide medical benefits to more than 160,000 residents in the District of Columbia.

Sixth. Establishment of home care program: The home care program provides medical, dental, and laboratory services, nursing care and physical therapy to homebound patients 65 years of age and older. By making health care available to the elderly sick in their homes, more hospital beds are made available to persons with more serious medical needs.

Seventh. Care of the chronically ill: Glenn Dale Hospital has been converted from a tuberculosis hospital to a chronic disease hospital and rehabilitation center. It accommodates 550 adults and 50 children, with 215 beds reserved for nontuberculosis patients with chronic diseases. In addition, the department started a chronic disease clinic at the Northwest Central Clinic.

Eighth. Health testing: A health testing program for persons 40 years of age and over was started. The program helps to detect abnormalities early. Two out of every three persons tested are referred to a physician for additional diagnosis and treatment. More than 50,000 persons have been screened at the Southwest Health Center and in a mobile screening unit placed at various locations throughout the city in order to better serve the community.

Ninth. Inauguration of mental health and retardation programs: The Area C Community Mental Health Center has been established and offers patient services to a quarter million persons living in northeast and southeast Washington. A similar center is being organized in the Cardozo area and additional centers are planned throughout the city, in this way making service available throughout the District of Columbia. A 24-hour telephone service provides emergency psychiatric consultation services to individuals who are in danger of destroying themselves. In the first year and a half of its operation, 6,157 calls were received, of which 868 were regarding suicide attempts.

Tenth. Effective control of communicable diseases: A project to detect and control tuberculosis in the District was begun. As a result of offering tuberculin skin tests to each person in a 30-block high tuberculosis incidence area, 1,000 people have been placed in daily chemoprophylaxis. Schoolchildren have been skin tested and chest X-ray facilities have been expanded greatly. Through mass inoculations, polio has been almost eliminated and more than 25,000 schoolchildren have been vaccinated against measles.

Eleventh. Expansion of venereal disease control program: Although venereal diseases continue to be a serious public health problem in the District, special educational programs have been instituted with emphasis directed toward the teenager. Treatment facilities and followup epidemiology have been greatly expanded to break the link of infection.

Twelfth. Expanded health education and information program: A health education and information program was started and expanded to encourage residents to effectively utilize the health department resources. Hundreds of community meetings, involving more than 30,000 people annually, are conducted; over a million health pamphlets a year are prepared and distributed; health films are shown to thousands; and hundreds of news releases are prepared and distributed to local newspapers and radio and television stations. The Health Information and Referral Center receives about 20,000 requests for health information annually.

Thirteenth. School health program: The amount of nursing time devoted to the elementary schools have more than doubled during the past 2 years. In addition, several nursing aides have been added to this program to relieve nurses of clerical and other nonnursing duties. During the last year for which figures are available, namely the 1965–66 school year, 86 percent of the defects found among elementary school children were brought to medical care by the end of the school year.

Fourteenth. Health services in public housing projects: Health services are now being provided in several public housing projects. All low-income senior citizens in these projects are able to receive medical, nursing, and ancillary services from health department staff who are stationed in clinic facilities located right in the housing projects.

Fifteenth. Environmental health: Several new programs have been initiated aimed at controlling health problems of the environment. These include programs to combat air pollution and to reduce the extent of harmful radioactive emanations by careful supervision of X-ray devices. An industrial hygiene program has also been established under which citizens' complaints of noxious fumes, gases, chemicals, or other industrial hazards are investigated by health department staff, and appropriate control measures taken.

Sixteenth. Development of the birth control program: The department has opened 11 birth control clinics, with one more to be opened in the near future. The clinics provide birth control information and devices to any married woman or any woman who has had a baby. In 3 years, more than 15,000 women have been registered in the program, providing opportunities for people to plan their families.

During the period 1960–64, the U.S. birth rate decreased 11.4 percent. The District of Columbia rate decreased 9.7 percent. For the period 1964 to 1966, the years in which the family planing clinics have been in operation, the U.S. rate continued to decline, an 11.9 percent decrease. The District of Columbia rate, however, dropped much more markely—16.2 percent.

A more specific and scientifically sound estimate of the impact of the department's program is found in a preliminary report of a special study conducted by the planning research and statistics division. To date, this report is based on 65 women who delivered at District of Columbia General between

November 1964 and December 1965 and who elected to enroll in the family planning program. As a contrast group, these women were matched with 65 women who delivered during this same period but elected not to enroll in the clinics.

The study shows that for an 18-month period, following the identification of these two groups, 19 of the 65 enrollees in the program subsequently became pregnant. Among the 65 who did not participate, however, there were 45 pregnancies. Thus, there was a reduction of 58 percent in pregnancies among the family planning participants compared to the matched nonparticipant group. The continuation of this study will provide more definitive evaluation of this program and may highlight ways in which the efficacy can be further improved.

I have consistently pressed hard for a strong and adequately financed family planning program in the District of Columbia Departments of Health and Welfare, and I am proud of the progress that has been made thus far. That the need is great, can be readily seen from a study of the facts concerning illegitimacy in the District of Columbia.

Nearly 28 percent of all resident deliveries in the District of Columbia are illegitimate, as compared to about 7 percent for the Nation. In each age group, the District rates are higher than the national figures. The rate of illegitimacy, which is linked closely with the age distribution of the population here in the District, continues to increase.

In the Department of Welfare, as of January 1, 1967, there were 1,961 cases on the AFDC rolls with all illegitimate children. As of March 1, 1967, 42.4 percent of the ADC children were illegitimate. Six mothers had 60 illegitimate children, all on welfare. Fourteen mothers had 126 illegitimate children, all on welfare. Another grouping of 20 mothers had 160 illegitimate children, all on welfare. Another group of 46 mothers had 322 illegitmate children, all on welfare. Another group of 172 mothers had 860 illegitimate children, all on welfare. Another group of 264 mothers had 1,056 illegitimate children on welfare. The highest reported number of fathers in any given case was seven.

The illegitimate child cannot help his status, but I feel that it is imperative that the District of Columbia, and the Nation as well, take every possible step to encourage and foster family planning among welfare recipients.

It will be my purpose to continue to support appropriations to meet this great need.

GENERAL

Of the patients in District of Columbia General Hospital 93.8 percent are indigents, and the Public Health Director testified earlier this year that "at least 80 percent are Negro." Dr. Grant also stated that the cost to the District of Columbia of indigent patients "would be close to $24,000,000" in fiscal year 1968.

PUBLIC WELFARE

The appropriation for the Department of Public Welfare increased 344 percent over the period fiscal years 1955–68. The number of authorized positions increased 257 percent, and the salary cost of authorized positions in public welfare increased 463 percent over that period. These percentages of gain exceed, in all three categories, those of any other District department or agency, with two exceptions, one being the Department of Vocational Rehabilitation. However, the total amount of appropriations for the Department of Vocational Rehabilitation is very minor, being less than $1 million for fiscal year 1967. The other exception was the Recreation Department, for which the fiscal year 1968 appropriation of $7,756,000 constituted an increase of 373 percent over fiscal year 1955. So, in comparison with other departments and agencies, on a percentage basis, the District Department of Public Welfare has fared well. The total number of authorized positions in the Department of Welfare is 3,698, and the total appropriation for the Department for fiscal year 1968 was $38.8 million.

A few years ago, my subcommittee was instrumental in instituting a random sample investigation of the ADC, the GPA, and the APTD caseloads. As a result of that investigation, conducted by the District of Columbia Department of Welfare in conjunction with the General Accounting Office of the United States, it was determined that 59 percent of the aid-to-dependent-children category was ineligible, 58 percent of the general public assistance caseload was ineligible, and 39 percent of the aid to the permanently and totally disabled caseload was ineligible.

The Comptroller General of the United States recommended that there be a continuing audit of the ADC caseload, and, accordingly, additional investigators and supporting personnel were added. The first investigators were provided by Congress to the Department in 1955 and, as a result of the findings of excessive ineligibility, to which I have referred, positions added brought the total number of investigators to 77.

The Department's office of investigations and collections, aside from conducting investigations to provide information which the social workers may use to determine eligibility or ineligibility of welfare recipients, also locates deserting or missing parents or relatives, and, since its inception, has located over 11,000 missing persons for the social workers. It also collects overpayments, handles contract burials of indigents, acts as court liaison, reviews wills, and handles all estate claims for the Department.

In fiscal year 1968 an additional 14 investigators were provided, making a total of 91 investigative positions in the Department.

The close surveillance of the welfare caseload in the District of Columbia has undoubtedly saved the taxpayers tens of millions of dollars, and, although the caseload is again gradually increasing, partially because, as the Director of Public Welfare reports—

> There is better knowledge available in the community about eligibility requirements by other social service agencies that refer cases to us—

It is interesting to note that the AFDC caseload as of November 1967 consisted of 5,380 cases, which was 248 fewer than the 5,628 cases in November 1961—the highest total ever recorded in the District of Columbia. The total caseload for the AFDC, APTD, GPA, AB, and OAA categories stood at 12,985 cases in November 1967 as against 12,942 cases in November 1961, an increase of 43 cases. I doubt that any major city in the United States can lay claim to a smaller ADC welfare caseload in 1967 than existed 6 years earlier, in 1961.

Prior to the high point of the ADC caseload in November of 1961, each preceding month over a period of years had shown an increase in that category. Thus, I think it somewhat of an accomplishment to be able to say that the overall welfare caseload in the Nation's Capital is virtually the same today as it was 6 years ago, while caseloads in other major cities generally have been going upward throughout this period.

I consider it also noteworthy that the average caseload by authorized social worker position in the Public Assistance Division has been greatly reduced over this period. Since 1961, through fiscal year 1968, the number of social worker positions for the Department of Welfare has been exactly doubled from 285 to 570. The same can virtually be said for social workers assigned to the Public Assistance Division, the number of authorized positions having risen from 149 in fiscal year 1961 to 294 in fiscal year 1968—including fiscal year 1968 positions. Yet, social workers spend only 21½ percent of their time in the field.

Thus, while the overall welfare caseload in November 1967 was almost exactly the same as in November 1961, and the AFDC program was even less than in November 1961, the number of social workers provided through congressional appropriations increased dramatically, so that the average caseload per authorized social worker position in the Public Assistance Division as of October 31, 1967—including the fiscal year 1968 positions—was 66 cases.

Junior Village, the population of which reached an all-time high of 912 in February 1965, had an "in being" population of 515 as of December 4, 1967. Even this figure is too high, the estimated per capita monthly cost in fiscal year 1968 being $481, and every step should be taken to bring about a continued reduction. But progress has been made. Ninety-six percent of the population at Junior Village is Negro, which reflects the problem of securing Negro adoptive parents.

An across-the-board cost-of-living increase of 13 percent was provided at my request to recipients in the foregoing five conventional welfare caseloads during fiscal year 1967, and this program was annualized in the fiscal year 1968 appropriation.

Foster home payments have been increased, and every effort is being made to speed up the location of foster homes and thus reduce the population in institutionalized facilities. During hearings on the fiscal year 1968 budget, it was stated that, as of April 1967, there were 1,912 children in foster homes at public expense. Eighty-nine percent of the children in foster homes are Negro children. The total number of children in foster homes and in institutions was stated to be 3,646, the total number in homes of relatives and other facilities not publicly supported is 4,682, making a total of 8,328 children.

The District foster home payments compare favorably as against those in adjoining counties. The rate for infants up to 6 months is $75 per month; from 6 months through 5 years, it is $65 per month; from 6 years through 11 years, it is $70 per month; and for those 12 years and over, it is $80 per month. Additionally, my subcommittee supported a service charge not long ago of $5 per child per month up to a maximum of $20 for four children, the purpose being to encourage people to become foster parents.

Many clerical positions, as well as GS-9 social workers, have been added by the subcommittee, to the Department during the period of my chairmanship of the subcommittee. Formerly, social workers in PAD were limited to GS-5 and GS-7 positions, but the subcommittee in fiscal year 1963 provided grade reallocations to GS-9 so as to provide incentive to and improve the morale of social workers.

Additionally, several new programs have been instituted to aid families in emergency situations and to keep families together. For example, there is the crisis assistance program, the temporary emergency family shelter, and family emergency services.

An appropriation was provided by the subcommittee in fiscal year 1963 for a pilot day care program, a program which has grown. Home-finding workers, recruiters, and supporting clerical personnel have been provided to place children in foster homes.

Moreover, a program of temporary assistance for unemployed parents—TAFUP—has been added, funded entirely from local moneys. Under this program, unemployed parents may receive up to a ceiling of $200 per month for a period not to exceed 28 weeks while awaiting employment or training for employment. The monthly grants are computed on the same basis as ADC grants, with no payment, as I have already stated, to exceed $200.

The Public Welfare Training Center has continued to receive the support of my subcommittee, this being a facility for the training of in-resident as well as nonresident ADC mothers.

Six new buildings have been constructed at Junior Village to which I have already referred, and in addition thereto, an infirmary and admissions building with a capacity for 60 children, has been added, bringing the capacity of that institution, exclusive of the infirmary and admissions building, to 710.

The surplus commodity program has been replaced by the food stamp program, and the latter has proved to be both successful and good.

During the recent debate on the Social Security Amendments of 1967, I offered an amendment, which was adopted by the Senate and accepted by House conferees, to permit the District of Columbia to participate in the new work incentive and special work projects programs to be administered by the U.S. Department of Labor.

There is no ceiling on District of Columbia welfare payments in the ADC category—unlike some States, for example, West Virginia, which has a $165 ceiling. The highest ADC payment to any ADC family in calendar 1967 was $471, not including the food stamp bonus.

The average ADC payment in the District of Columbia is $38, which is above the national average of $36.

The average general public assistance grant per recipient in the District of Columbia is $81, the highest in the Nation. The national average is $36.

In the District of Columbia, 67 children per 1,000 population under age 18 receive ADC payments as compared with a national average of 49. Twenty-one of the ADC families have been on the caseload over 20 years.

As of January 1, 1967, 86.4 percent of the public assistance caseload was nonwhite, by family units. By recipient, the percentage would be higher.

The fastest growing caseload, over the past several months, is the category of aid to the permanently disabled.

The ADC caseload as of April 30, 1967, consisted of 23,716 persons, of whom 19,052 were children. The average number of children per AFDC family in the District of Columbia has risen from 3.19 in 1955 to 3.82 in 1966.

PARKS AND RECREATION

Mr. President, the appropriation of $7,756,000 for the Recreation Department in fiscal year 1968 represented a 373-percent increase over the total appropriation of $1,641,000 in fiscal year 1955. There was a 408-percent increase, during the same period, in salary cost of authorized positions, and there was a 96-percent increase in the number of authorized positions.

The subcommittee has supported appropriations, during the period March 1961 through fiscal year 1968, of $4,115,000 with which to provide 33 playgrounds and recreation center projects in the District of Columbia. During this same period, my subcommittee has appropriated $2,694,800 for 11 capital outlay swimming pool projects and 15 walk-to-learn-to-swim pools. I am advised that these are the only swimming pools that have been constructed since 1935. I shall enumerate them, together with the playground and recreation center items:

SWIMMING POOL APPROPRIATIONS, MARCH 1961 THROUGH FISCAL YEAR 1968

Unit	Address	Appropriation	Year
1. Kelly Miller	49th St. and Washington Pl. NE	$182,000	1963
2. Randall Recreation Center	1st and Eye Sts. SW.:		
	Planning	50,000	1965
	Construction	545,000	1966
	Total	[1] 595,000	
3. Oxon Run Recreation Center	Oxon Run Parkway:		
	Planning	25,000	1965
	Construction	275,000	1966
	Total	[1] 300,000	
4. McKinley	Lincoln Rd., 2d and T Sts. NE	200,000	1965
5. Fort Stanton Playground	17th and Erie Sts. SE.:		
	Planning	25,000	1966
	Construction	385,400	1967
	Total	[1] 410,400	
6. Langdon Park Playground	20th and Franklin Sts. NE.:		
	Planning	33,000	1967
	Construction	346,400	1968
	Total	[1] 379,400	
7. Upshur	14th St. and Arkansas Ave. NW.:		
	Planning	24,000	1967
	Construction	252,500	1968
	Total	276,500	
8. Fort Dupont	Fort Dupont Park SE	25,000	1968
9. Capital East	7th St. and North Carolina Ave. SE	[1] 54,000	1968
10. Kenilworth Courts	Anacostia Ave. extended and Quarles NE	[1] 50,000	1968
11. Lincoln—Van Ness	5th and L Sts. SE	[1] 35,000	1968
12. 15 Walk-to pools	Barry Farms Community Center, 1230 Summer Rd. SE		
	Woodson Recreation Center, Minnesota Ave. and Foote St. NE		
	Trinidad Recreation Center, Childress and Holbrook Sts. NE		
	Happy Hollow Playground, 18th St. and Kalorama Rd. NW		
	Riggs-LaSalle Playground, Riggs Rd. and Madison St. NE		
	Buchanan Recreation Center, 12th and E Sts. NE		
	Garrison Playground, 12th and S Sts. NW		
	Powell Playground, 16th and Lamont Sts. NW		
	Benning-Stoddert Community Center, Ridge Rd. and 37th St. SE		
	Lincoln Capper Community Center, 5th and K Sts. SE		
	Parkside Playground, 711 Anacostia Dr. NE		
	Deanwood Recreation Center, 49th and Nash Sts. NE		
	Wilson Playground, 6th and K Sts. NE		
	Park View Playground, Warder and Princeton Pl. NW		
	North Michigan Park, 13th and Emerson Sts. NE	187,500	1967
	Total	2,694,800	

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[1] Playground and swimming pool funds combined.

PLAYGROUND AND RECREATION CENTER APPROPRIATIONS, MARCH 1961 THROUGH FISCAL YEAR 1968

Unit	Address	Appropriation	Year
1. Emery Recreation Center	Georgia Ave. and Madison St. NW	$12,000	1961
2. Amidon Playground	6th and F Sts. SW	30,000	1961
3. Hardy Recreation Center	Foxhall Rd. and Q St. NW	84,000	1961
4. Upshur Recreation Center	14th St. and Arkansas Ave. NW	58,000	1961
5. North Michigan Park Playground	1st St. and New York Ave. NW., site acquisition	275,000	1961
6. Watkins Recreation Center (Buchanan).	13th and D Sts. SE	100,000	1962
7. Trinidad Recreation Center	Holbrook St. and Mount Olivet Rd. NE	98,000	1962
8. Fort Stevens Recreation Center	13th and Van Buren Sts. NW	100,000	1962
9. Happy Hollow Playground	18th St. and Kalorama Rd. NW	21,000	1962
10. Langley Recreation Center	2d St. NE	52,000	1962
11. Lewis (Mott) Playground	4th and Bryant Sts. NW	90,000	1962
12. Anacostia Recreation Center	Nichols Ave. to Pennsylvania Ave. SE	57,000	1963
13. Hoover Playground	2d and N Sts. SW	143,000	1964
14. Deanwood Recreation Center	48th and Nash Sts. NE	185,000	1964
15. Arboretum Playground	New York Ave. and Bladensburg Rd. NE.:		
	Planning	25,000	1964
	Construction	170,000	1967
	Total	195,000	
16. New York Avenue Playground	1st St. and New York Ave. NW.:		
	Planning	25,000	1964
	Construction	300,000	1965
	Total	325,000	
17. Petworth Playground	8th and Taylor Sts. NW	105,000	1965
18. Fairfax Playground	Alabama Ave. between Massachusetts and Pennsylvania Ave. SE.:		
	Planning	15,000	1966
	Construction	290,000	1967
	Total	305,000	
19. Randall Recreation Center	1st and Eye Sts. SW	(1)	1966
20. Oxon Run Recreation Center	Oxon Run Parkway between 4th and 7th Sts., Mississippi and Valley Aves. SE.	(1)	1966
21. Benning-Stoddert Recreation Center (phase 1).	Burns and C Sts. SE	175,000	1966
22. Fort Stanton Playground	17th and Erie Sts. SE	(1)	1966
23. Langdon Park Playground	20th and Franklin Sts. NE	(1)	1967
24. Powell Playground	16th and Lamont Sts. NW:		
	Planning	9,500	1967
	Construction	130,000	1968
	Total	139,500	
25. Brentwood Park Playground	6th St. and Brentwood Parkway at Penn St., NE.:		
	Planning	15,000	1967
	Construction	180,000	1968
	Total	195,000	
26. Wheatley Playground	Montello Ave. and Neal St. NE.:		
	Planning and construction	55,000	1967
	Equipment	5,000	1968
	Total	60,000	
27. North Michigan Park Playground	13th and Emerson Sts. NE.:		
	Planning	15,000	1967
	Construction	185,000	1968
	Total	200,000	
28. Chevy Chase Community Center	5601 Connecticut Ave. NW.		
	Planning	64,000	1967
	Construction	1,007,000	1968
	Total	1,071,000	
29. Langdon Park (west)	20th and Franklin Sts. NE., planning	17,500	1968
30. Park View Playground	Warder St. and Princeton Pl. NW., planning	6,000	1968
31. Bald Eagle Playground	Nichols Ave. and Joliet St. SW., planning	16,000	1968
32. Capitol East Playground	7th St. and North Carolina Ave. SE	(2)	1968
33. Kenilworth Courts Center	Anacostia Ave. extended and Quarles St. NE	(2)	1968
	Total	4,115,000	

[1] See swimming pools.

[2] See pools.

DEPARTMENT OF HIGHWAYS AND TRAFFIC

Mr. President, in regard to the District's transportation problem, I would like to point out that for at least the past decade, and probably the past two decades, the Washington metropolitan area, of which the District of Columbia is the nucleus, has been one of the fastest—if not the fastest—growing metropolitan areas in the entire United States. For instance, the metropolitan area population for the 1950 census was 1.46 million, in the 1960 census it was 2.06 million, and the present estimate issued recently by the Metropolitan Washington Board of Trade was 2.50 million. The forecast for 1970 is over 2.92 million and for 1990 it is over 4.51 million. In turn, this tremendous growth has sparked a building program in the metropolitan area which construction permits show has at times reached almost $1 billion per year. As a result, in the downtown area alone, the past decade has seen the construction of over 220 new buildings. These include such new huge structures as the Hilton Hotel, additions to the Sheraton Park and Shoreham Hotels, the huge new Watergate Town and Columbia Plaza apartment complexes in the Foggy Bottom area, and the gigantic new development now taking place in the Southwest centered in the Southwest Mall, and many others. I mention these developments merely to point out that although they furnish a large number of new jobs and contribute greatly to the well-being of the District of Columbia, they are at the same time responsible for the continuing need for increased transportation capability in the movement of people and goods both in the District and also in the entire metropolitan area.

In this connection, statistics show that traffic has been increasing in this same period at a rate of between 3 and 7 percent per year.

I am sure that many will recall the traffic situation back in 1958 and 1959 when there was considerable public discontent with traffic congestion here. The city newspapers were demanding action and a series appeared in the Washington Evening Star entitled "Ten Worst Traffic Jams." In looking over the clipping file this morning, I noted with some considerable interest that in the opening article of this series, a statement to the effect—

> A lot of people hooted back in 1945 when a Federal Highway official predicted 90,000 cars a day would be using 14th Street bridges by 1960.

Do you know what the traffic volume on that corridor is today? Well, I can tell you. It now runs as high as 149,000 vehicles per day. Other corridors have increased in the District similarly.

Accordingly, during my tenure as chairman of the Subcommittee on District of Columbia Appropriations of the Committee on Appropriations, I have vigorously advocated, promoted, and demanded that the District government aggressively pursue the construction of a truly modern balanced transportation system.

Today, largely as a result of this policy, traffic is moving better than it did in 1958 and 1959 in spite of the fact that we have experienced a 3- to 7-percent increase each year because of the conditions I have just outlined.

Under the leadership of the Washington Metropolitan Area Transit Authority, we are on the threshold of commencing actual construction of a subway system that is needed to handle future rush-hour movement of people.

More importantly, my subcommittee has encouraged and demanded that the District government through its Department of Highways and Traffic, take full advantage of interstate and other highway programs authorized by the Congress in Federal highway legislation in 1956 and in succeeding years.

These interstate projects that are now open to traffic and are a part of what we consider to be a minimal system for the District, are presently rendering yeoman service. For instance, the Anacostia Freeway is currently carrying about 50,000 vehicles per day that would otherwise be using the city streets. The Southwest Freeway is currently carrying over 78,000 vehicles per day, and the other completed segments are likewise rendering heavy duty service for the movement of people and goods that would otherwise be using the city streets including its residential and semiresidential type streets. In addition to the interstate freeways, we have a sizable number of street-widening projects that have improved operations on New York Avenue, Rhode Island Avenue, New Hampshire Avenue, and M Street, both southeast and southwest. We have substantially removed the old streetcar tracks from the District's street surfaces. A few remain yet, but these will be completed on schedule within the next few years. My subcommittee has also authorized funds for the District Department of Highways and Traffic to perform a host of safety and channelization type projects, as well as betterments to the street surfaces that I think are in the interest of both safety and the better movement of traffic. Other projects of an allied nature consist of a centrally controlled system for the District's 1,000 traffic lights in order that vehicle movement can be expedited by better traffic signal and synchronization. We have funded 6-year programs for the relighting of the entire city and for the periodic maintenance including replanting, when necessary, of all street line trees. During the period I have been chairman of the District Subcommittee on Appropriations, we have obligated in the neighborhood of $350 million on these programs. In my opinion, they are absolutely essential to the well-being of the District.

Much remains to be accomplished however. I want to see the subway system actually commenced and under construction. Of the 29 miles of the interstate freeway system currently authorized, only 10 miles are fully completed and in use, 5 miles are under construction, but the remaining 14 miles, after all these years, are still in various planning stages. I want all of the remaining 14 miles under construction and this includes the Three Sisters Bridge, at the earliest possible date. This is so that the area's heavy duty through-type traffic can be diverted to this system from our city streets, particularly our residential streets, where people live, and at the same time, furnish the additional traffic capacity needed to keep abreast of the growth in jobs and metropolitan area population.

DEPARTMENT OF HIGHWAYS AND TRAFFIC

FINANCIAL ANALYSIS OF MAJOR CAPITAL OUTLAY PROGRAM REVISED AS OF SEPT. 30, 1967

Project	Funds available, total appropriations			Obligations to date, Sept. 30, 1967			Balance available as of Sept. 30, 1967		
	District of Columbia	Federal	Total	District of Columbia	Federal	Total	District of Columbia	Federal	Total
Interstate:									
Theodore Roosevelt Bridge and approach	$2, 375, 127	$20, 702, 772	$23, 077, 899	$2, 221, 301	$20, 702, 772	$22, 924, 073	$153, 826	----------	$153, 826
Southeast Freeway	1, 281, 513	11, 263, 019	12, 544, 532	1, 196, 682	10, 758, 376	11, 955, 058	84, 831	$504, 643	589, 474
Anacostia Freeway	16, 514, 789	11, 576, 673	28, 091, 462	14, 650, 315	11, 576, 673	26, 226, 988	1, 864, 474	----------	1, 864, 474
Potomac River Freeway	6, 358, 541	40, 237, 727	46, 596, 268	5, 195, 379	27, 722, 404	32, 917, 783	1, 163, 162	12, 515, 323	13, 678, 485
North leg—West section	707, 000	6, 363, 000	7, 070, 000	21, 465	193, 191	214, 656	685, 535	6, 169, 809	6, 855, 344
North leg—Central section	4, 989, 379	25, 020, 000	30, 009, 379	1, 619, 291	4, 587, 985	6, 207, 276	3, 370, 088	20, 432, 015	23, 802, 103
East leg—Inner loop	2, 376, 000	21, 384, 000	23, 760, 000	258, 898	2, 328, 799	2, 587, 697	2, 117, 102	19, 055, 201	21, 172, 303
11th St. bridges and approaches	3, 549, 267	9, 131, 936	12, 681, 203	1, 970, 345	9, 131, 936	11, 102, 281	1, 578, 922	----------	1, 578, 922
Interchange C	2, 404, 550	18, 254, 450	20, 659, 000	1, 596, 827	14, 349, 554	15, 946, 381	807, 723	3, 904, 896	4, 712, 619
Center leg—Inner loop	6, 849, 400	61, 644, 600	68, 494, 000	4, 356, 191	37, 692, 407	42, 048, 598	2, 493, 209	23, 952, 193	26, 445, 402
Central Potomac River Branch crossing	580, 000	5, 220, 000	5, 800, 000	98, 450	76, 162	174, 612	481, 550	5, 143, 838	5, 625, 388
Southwest Freeway	4, 346, 751	34, 883, 153	39, 229, 904	3, 683, 511	34, 480, 601	38, 164, 112	663, 240	402, 552	1, 065, 792
Northeast—North Central Freeway	3, 223, 000	29, 007, 000	32, 230, 000	1, 761, 715	16, 164, 205	17, 925, 920	1, 461, 285	12, 842, 795	14, 304, 080
North leg—East section	423, 000	3, 807, 000	4, 230, 000	2, 567	23, 102	25, 669	420, 433	3, 783, 898	4, 204, 331
Old 14th Street Bridge replacement	940, 000	8, 460, 000	9, 400, 000	441, 765	3, 975, 404	4, 417, 169	498, 235	4, 484, 596	4, 982, 831
14th Street Bridge and approaches (southbound)	751, 052	6, 691, 055	7, 442, 107	640, 817	5, 932, 343	6, 573, 160	110, 235	758, 712	868, 947
South leg—Inner loop	30, 000	31, 970, 000	32, 000, 000	----------	1, 812, 947	1, 812, 947	30, 000	30, 157, 053	30, 187, 053
Beautification	----------	1, 505, 304	1, 505, 304	----------	1, 224, 623	1, 224, 623	----------	280, 681	280, 681
Woodrow Wilson Bridge	15, 000	135, 000	150, 000	----------	----------	----------	15, 000	135, 000	150, 000
Subtotal	57, 714, 369	347, 256, 689	404, 971, 058	39, 715, 519	202, 733, 484	242, 449, 003	17, 998, 850	144, 523, 205	162, 522, 055
Primary, secondary, and urban:									
H.P.S.-H.P.R	2, 249, 700	3, 779, 531	6, 029, 231	2, 211, 289	3, 607, 693	5, 818, 982	38, 411	171, 838	210, 249
K Street Expressway	1, 905, 730	2, 006, 479	3, 912, 209	2, 057, 422	2, 006, 479	4, 063, 901	(151, 692)	----------	(151, 692)
Missouri and Georgia Aves. (interchange)	1, 800, 000	1, 800, 000	3, 600, 000	82, 592	82, 592	165, 184	1, 717, 408	1, 717, 408	3, 434, 816
E Street Expressway	2, 813, 300	4, 746, 622	7, 459, 922	4, 744, 372	4, 746, 622	9, 490, 994	(1, 931, 072)	----------	(1, 931, 072)
9th Street Expressway	4, 500, 000	5, 000, 000	9, 500, 000	1, 699, 544	2, 571, 075	4, 270, 619	2, 800, 456	2, 428, 925	5, 229, 381
12th and 13th Sts., Rhode Island Ave. to Michigan Ave	475, 500	461, 093	936, 593	461, 093	461, 093	922, 188	14, 405	----------	14, 405
Anacostia Freeway	6, 219, 904	8, 542, 115	14, 762, 019	6, 396, 240	8, 542, 115	14, 938, 355	(176, 336)	----------	(176, 336)
New York Ave NE., 1st St. to Bladensburg Rd	1, 045, 000	1, 374, 585	2, 419, 585	1, 382, 784	1, 374, 585	2, 757, 369	(337, 784)	----------	(337, 784)
New York Ave. viaduct	----------	2, 932, 726	2, 932, 726	----------	2, 932, 726	2, 932, 726	----------	----------	----------
South Capitol St., Canal to K Sts	165, 000	231, 843	396, 843	232, 257	231, 843	464, 100	(67, 257)	----------	(67, 257)
Dupont Circle underpass	60, 000	63, 100	123, 100	63, 101	63, 100	126, 201	(3, 101)	----------	(3, 101)
Vermont Ave. radial	1, 119, 667	1, 245, 978	2, 365, 645	1, 300, 559	1, 245, 978	2, 546, 537	(180, 892)	----------	(180, 892)
Rhode Island Ave NE., 4th to 14th Sts. and B. & O. RR	1, 093, 551	4, 167, 108	5, 260, 659	1, 086, 950	4, 167, 108	5, 254, 058	6, 601	----------	6, 601
11th St. connections to 12th St. Expressway	3, 180, 610	2, 093, 524	5, 274, 134	1, 586, 956	2, 014, 517	3, 601, 473	1, 593, 654	79, 007	1, 672, 661
14th St NW., Monroe St. to Colorado Ave	635, 000	671, 938	1, 306, 938	665, 328	671, 938	1, 337, 266	(30, 328)	----------	(30, 328)
Minnesota Ave. NE., Sheriff Rd., to Eastern Ave	57, 500	57, 500	115, 000	7	7	14	57, 493	57, 493	114, 986
4th St. NE., T St. to Michigan Ave	66, 000	55, 000	121, 000	52, 870	29, 034	81, 904	13, 130	25, 966	39, 096
H St. NE., railroad viaduct	20, 000	432, 834	452, 834	----------	432, 834	432, 834	20, 000	----------	20, 000
7th St. NW., Pennsylvania Ave. to G St	236, 000	117, 901	353, 901	117, 900	117, 901	235, 801	118, 100	----------	118, 100
7th St. NW., G St. to Florida Ave	310, 000	412, 787	722, 787	412, 797	412, 787	825, 584	(102, 797)	----------	(102, 797)
C St. and Virginia Ave. NW	27, 300	76, 312	103, 612	77, 777	76, 312	154, 089	(50, 477)	----------	(50, 477)
Nichols Ave. and 13th St. SE	242, 500	232, 500	475, 000	73, 278	73, 278	146, 556	169, 222	159, 222	328, 444
L St. NW., Connecticut Ave. to 22d St	147, 800	197, 382	339, 182	195, 802	197, 382	393, 184	(54, 002)	----------	(54, 002)
M St. SE., South Capitol to 11th Sts	359, 100	380, 668	739, 768	380, 668	380, 668	761, 336	(21, 568)	----------	(21, 568)
M St. SW., South Capitol to 3d Sts	94, 000	94, 000	188, 000	91, 476	91, 467	182, 943	2, 524	2, 533	5, 057
Virginia Ave. NW., 19th St. to Rock Creek Parkway	570, 000	540, 000	1, 110, 000	415, 139	283, 840	698, 979	154, 861	256, 160	411, 021
16th St. NW., U St. to Columbia Rd	228, 200	190, 000	418, 200	----------	----------	----------	228, 200	190, 000	418, 200
South Capitol Street Bridge widening	202, 600	185, 000	387, 600	----------	----------	----------	202, 600	185, 000	387, 600
14th St., Constitution Ave. NW., to D St. SW	150, 000	150, 000	300, 000	----------	----------	----------	150, 000	150, 000	300, 000
Maine Ave. and 14th St. SW	80, 000	----------	80, 000	----------	----------	----------	80, 000	----------	80, 000
Michigan Ave., railroad viaduct	----------	80, 000	80, 000	----------	----------	----------	----------	80, 000	80, 000
Cover on Federal-aid streets	207, 900	207, 900	415, 800	128, 665	128, 190	256, 855	79, 235	79, 710	158, 945
Heater on Federal-aid streets	96, 700	96, 700	193, 400	75, 220	77, 276	152, 496	21, 480	19, 424	40, 904
Safety improvements and realinement of intersections	182, 000	182, 000	364, 000	35, 425	35, 394	70, 819	146, 575	146, 606	293, 181
South Dakota Ave. NE., Rhode Island Ave. to Bladensburg Rd. and B. & O. RR. bridge	225, 000	555, 000	780, 000	520, 669	535, 882	1, 056, 551	(295, 669)	19, 118	(276, 551)
L St. NW., New Hampshire Ave. to Pennsylvania Ave	70, 000	70, 000	140, 000	26, 983	26, 890	53, 873	43, 017	43, 110	86, 127
Southern Ave. SE., Pennsylvania Ave. to South Capitol St	975, 000	905, 000	1, 880, 000	370, 989	370, 722	741, 711	604, 011	534, 278	1, 138, 289
Subtotal	31, 804, 562	44, 335, 126	76, 139, 688	26, 946, 154	37, 989, 328	64, 935, 482	4, 858, 408	6, 345, 798	11, 204, 206
100 percent District of Columbia project: Michigan Ave. NE., Bunker Hill Rd. to Perry St	150, 000	----------	150, 000	175, 171	----------	175, 171	(25, 171)	----------	(25, 171)

DEPARTMENT OF HIGHWAYS AND TRAFFIC—Continued

FINANCIAL ANALYSIS OF MAJOR CAPITAL OUTLAY PROGRAM REVISED AS OF SEPT. 30, 1967—Continued

Project	Funds available, total appropriations			Obligations to date, Sept. 30, 1967			Balance available as of Sept. 30, 1967		
	District of Columbia	Federal	Total	District of Columbia	Federal	Total	District of Columbia	Federal	Total
Transferred from "Street improvements and extensions":									
Maryland Ave. and 15th St. NE	$1,700	$2,626	$4,326	$2,627	$2,626	$5,253	$(927)		$(927)
Vermont Ave., O St. to Logan Circle NW	3,700	5,955	9,655	5,956	5,955	11,911	(2,256)		(2,256)
Benning Rd. and 36th St. NE	1,000	1,000	2,000	449	449	898	551	551	1,102
Florida Ave. and 14th St. NE	900	900	1,800	682	681	1,363	218	219	437
Cathedral and Connecticut Aves. NW	1,000	28,538	29,538	28,538	28,538	57,076	(27,538)		(27,538)
Pennsylvania Ave. SE., 2d to 3d Sts	4,700	4,700	9,400	4,416	4,416	8,832	284	284	568
Minnesota Ave. and Benning Rd. NE	12,100	19,309	31,409	19,309	19,309	38,618	(7,209)		(7,209)
Barnaby Run at Southern Ave. SE	110,000	110,000	220,000	34,712	34,712	69,424	75,288	75,288	150,576
58th St. NE., Grant to Eads St	21,700	48,862	70,562	48,863	48,862	97,725	(27,163)		(27,163)
New Mexico Ave. NW., Newark St. to Nebraska Ave	40,000	48,679	88,679	48,679	48,679	97,358	(8,679)		(8,679)
Eastern and Georgia Aves., NW	16,100	16,100	32,200	15,521	15,520	31,041	579	580	1,159
16th St. NW., M St. to Scott Circle	1,500	1,500	3,000	966	966	1,933	533	534	1,067
Dupont Circle at Mass. Ave. NW	2,150	3,005	5,155	3,005	3,005	6,010	(855)		(855)
R St. NW., North Capitol St. to Rhode Island Ave.	95,000	95,000	190,000				95,000	95,000	190,000
North Capitol St., Hawaii Ave. to Kennedy St.	21,000	24,075	45,075	24,082	24,075	48,157	(3,082)		(3,082)
Pennsylvania Ave. SE., Fairlawn to Minnesota Ave	13,650	13,650	27,300	9,627	9,874	19,501	4,023	3,776	7,799
Taylor St. NE., Michigan Ave. to 18th St	7,900	11,956	19,856	11,955	11,956	23,911	(4,055)		(4,055)
Alabama Ave. SE., 25th St. to Suitland Parkway Bridge	14,175	15,924	30,099	15,140	15,924	31,064	(965)		(965)
K St. NW., 5th to 6th Sts	17,300	17,300	34,600	17,041	17,041	34,082	259	259	518
Alaska Ave. NW., 16th St. to Kalmia Rd	50,000	50,000	100,000	34,043	34,042	68,085	15,957	15,958	31,915
Thomas Circle at 14th St. NW	30,000	49,113	79,113	41,453	49,113	90,566	(11,453)		(11,453)
Pennsylvania Ave. SE., 27th St. to Minnesota Ave.	22,600	25,433	48,033	23,190	25,433	48,623	(590)		(590)
Mount Olivet Rd. and West Virginia Ave. NE	15,500	15,500	31,000	13,759	13,767	27,526	1,741	1,733	3,474
Taylor St. NE., 7th to 10th Sts	6,495	6,495	12,990	4,102	4,160	8,262	2,393	2,335	4,728
Alabama Ave. SE., Suitland Parkway to 18th St.	12,785	12,785	25,570	9,958	10,739	20,697	2,827	2,046	4,873
Benning Rd. SE., G St. to Southern Ave	10,730	10,730	21,460	9,745	10,038	19,783	985	692	1,677
South Capital St. at Nichols Ave., Portland St. and north approaches between N and P Sts	68,300	68,300	136,600	5,869	6,286	12,155	62,431	62,014	124,445
K St. NW., 16th St. to Connecticut Ave	8,250	8,250	16,500	5,482	4,953	10,435	2,768	3,297	6,065
Massachusetts Ave. NW., Florida Ave. to Dupont Circle	12,000	12,000	24,000	7,151	7,132	14,283	4,849	4,868	9,717
13th St. NW., New York to Massachusetts Aves	19,000	19,000	38,000	17,249	17,236	34,485	1,751	1,764	3,515
River Rd. NW., Wisconsin Ave. to Davenport St	12,990	12,990	25,980	10,802	11,914	22,716	2,188	1,076	3,264
Massachusetts Ave. NW., 5th to 7th Sts	10,000	10,000	20,000	9,332	9,087	18,419	668	913	1,581
12th St. NE., Michigan Ave. to Varnum St	15,775	15,775	31,550	15,727	15,649	31,376	48	126	174
Traffic control facilities	182,690	182,690	365,380	45,052	45,052	90,104	137,638	137,638	275,276
Eastern Ave. NE., Minnesota Ave. to Quarles St	38,100	38,100	76,200	472	472	944	37,628	37,628	75,256
Eastern Ave. NE., Chillum Pl. to Riggs Rd	67,800	71,172	138,972	71,269	71,172	142,441	(3,469)		(3,469)
Kenilworth Ave. NE., Benning Rd. to District of Columbia line	119,292	119,292	238,584	275	106	381	119,017	119,186	238,203
Massachusetts Ave., at Sheridan Circle	16,000	16,480	32,480	16,480	16,480	32,960	(480)		(480)
23d and Q Sts. NW	3,700	3,700	7,400	3,417	3,417	6,834	283	283	566
South Dakota Ave., and V St. NE	25,300	28,619	53,919	28,619	28,619	57,238	(3,319)		(3,339)
Subtotal	1,132,882	1,245,503	2,378,385	665,015	677,455	1,342,470	467,867	568,048	1,035,915
Total, distributed costs	90,801,813	392,837,318	483,639,131	67,501,859	241,400,267	308,902,126	23,299,954	151,437,051	174,737,005
Undistributed costs [1]				15,240,767		15,240,767	(15,240,767)		(15,240,767)
Grand total	90,801,813	392,837,318	483,639,131	82,742,626	241,400,267	324,142,893	8,059,187	151,437,051	159,496,238

[1] Undistributed costs include preliminary and construction engineering and testing. These charges are carried in suspense and distributed to projects at the time of final billing to the Bureau of Public Roads.

WASHINGTON METROPOLITAN AREA

One of the fastest growing areas in the Nation during the past decade.

SMSA population:

1940	967,985
1950	1,464,089

SMSA population—Continued

1960	2,064,090
1966	2,588,944

Forecasts indicate:

1970	2,926,000
1980	3,741,000
1990	4,518,000

Construction permits have approached $1 billion per year: 220 new buildings in D.C. during the past decade. (October 1967 Board of Trade News).

Traffic increases averaging 3 to 7% per year. (Department of Highways and Traffic Data).

DISTRICT OF COLUMBIA TRAFFIC VOLUMES, 24-HOUR AVERAGE WEEKDAY

Number and location of stations	1967 volume	1957 volume	Percent change
8 Highway Bridge	138,297	110,352	+25.3
9 Memorial Bridge	47,055	61,885	−23.8
10 Key Bridge	65,792	49,839	+32.0
27 Woodrow Wilson Bridge	67,730		
31 Theodore Roosevelt Bridge	39,665		
98 Cabin John Bridge	51,815		
99 Chain Bridge	21,668	18,019	+20.2
Total, Potomac River bridge traffic	432,022	240,095	+79.9
5 Benning Rd NE., west of 34th St	48,473	44,054	+10.0
6 Sousa Bridge	59,414	45,392	+30.9
7 Anacostia Bridge (11th St.)	41,382	32,226	+28.4
23 Frederick Douglas Memorial Bridge (South Capitol St.)	75,633	53,242	+42.1
24 East Capitol Street Bridge	53,193	29,518	+80.2
Total, Anacostia River bridge traffic	278,095	204,432	+36.0
1 Wisconsin Ave. past District of Columbia line.	32,978	30,261	+9.0
2 Georgia Ave. at Silver Spring viaduct	36,627	36,580	+.1
4 Bladensburg Rd. NE., north of Earl Pl	21,420	21,355	+.3
11 Connecticut Ave. NW., south of Macomb St.	33,634	34,315	−2.0
12 16th St. NW., between Euclid and Fuller Sts	29,284	26,230	+11.6
13 Rhode Island Ave. NW., between North Capitol and 1st Sts	32,712	24,612	+32.9
14 13th St. NW., between I and K Sts	22,200	19,846	+11.9
15 K St. NW., between 18th and 19th Sts	29,678	20,088	+47.7
17 Pennsylvania Ave. SE., between 5th and 6th Sts	33,747	28,724	+17.5
19 Canal Rd. NW., between 36th St. and Foxhall Rd	35,325	27,696	+27.5
20 Massachusetts Ave. NW., east of 30th St	40,653	37,790	+7.6
21 13th St. NW., between Fairmont and Girard Sts	24,757	26,958	−8.2
22 Sherman Ave. NW., between Euclid and Fairmont Sts	23,145	19,062	+21.4
25 Baltimore-Washington Pkwy. at District of Columbia line	74,523	36,119	+106.3
26 Kenilworth Ave. underpass at District of Columbia line	66,789		
29 River Rd. NW., past District of Columbia line	24,899		
30 Southwest Freeway at 9th Street Bridge	78,105		
32 Anacostia Freeway over Howard Rd	45,541		
40 Georgia Ave. NW., south of Eastern Ave	30,369		
34 North Capitol St., north of Michigan Ave	29,049		
Total, all stations	1,455,552	834,163	
Total for stations counted in both 1957 and 1967	1,180,800	834,163	+41.6

Mr. President, the foregoing does not constitute a complete rundown of appropriations to the District of Columbia government. But it does, perhaps, present a fairly good picture of the progress that has been made in certain departmental areas. It will also perhaps indicate some of the more pressing problems which confront the District of Columbia government and the Congress as we attempt to work together to make the city of Washington a city in keeping with its unique purpose—"the seat of the Government of the United States."

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calandar.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider executive business.

DEPARTMENT OF THE INTERIOR

The assistant legislative clerk read the nomination of Max N. Edwards, of New Mexico, to be an Assistant Secretary of the Interior.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

INDIAN CLAIMS COMMISSION

The assistant legislative clerk proceeded to read the nominations to the Indian Claims Commission.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that those nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

POSTMASTERS

The assistant legislative clerk proceeded to read sundry nominations for postmasters.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that those nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, I ask that the President be immediately notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

There being no objection, the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I thank the distinguished Senator from Pennsylvania [Mr. CLARK] for allowing me to proceed.

Mr. CLARK. Mr. President, I desire to speak on the social security conference report, and I ask unanimous consent that I may proceed for not more than 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President——

Mr. BYRD of West Virginia. Mr. President, will the Senator yield to me for a unanimous-consent request?

Mr. CLARK. Yes.

Mr. BYRD of West Virginia. Mr. President, in view of the fact that the Senator is speaking on the conference report on the social security amendments, I wonder if he would mind if I asked the Presiding Officer to lay the unfinished business before the Senate?

Mr. CLARK. My only problem is that I thought perhaps the Senator from Delaware [Mr. WILLIAMS] had morning business.

Mr. WILLIAMS of Delaware. Mr. President, it is all right.

Mr. CLARK. I have no objection.

Mr. BYRD of West Virginia. We will protect the rights of the distinguished Senator from Delaware.

The PRESIDING OFFICER. The Senator can make that request without in any way interfering with the morning hour.

Mr. BYRD of West Virginia. I make that request.

SOCIAL SECURITY AMENDMENTS OF 1967—CONFERENCE REPORT

The PRESIDING OFFICER. The clerk will state the unfinished business.

The ASSISTANT LEGISLATIVE CLERK. Report of the committee on conference on the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate resumed the consideration of the report.

Mr. BREWSTER. Mr. President, the social security bill clearly is one of the most important pieces of legislation to come before the Congress this year. It has undergone intensive study in both Houses, and a compromise measure has resulted.

The two major features of this bill that concern me are the increased benefits for the elderly and disabled and the provisions on Federal welfare payments.

The benefits sections are of vital and immediate importance to nearly 24 million citizens. The bill provides that they receive a 13-percent increase in monthly benefits with a minimum payment of $55 a month. All together, this amounts to $3.6 billion in additional benefits to our elderly citizens.

There can be no quarrel with this benefits program. An increase in social security payments is long overdue and should be approved.

The Federal welfare payments are another story. The bill would impose severe restrictions. It would limit the amount of aid to families with dependent children and, in fact, freeze such payments as of January 1, 1968. It also would require job training for recipients of such aid.

The matter of welfare is a problem not easily solved at any level of government. It has great social and economic consequences in the States and the cities. They undoubtedly would be required to assume a considerable financial burden on very short notice if the Federal welfare program is restricted.

In my own State, the Department of Public Welfare has estimated that the proposed freeze on Federal welfare allotments would cost Maryland several hundred thousand dollars in additional State welfare funds in the next fiscal year.

In addition, the bill might require Maryland to provide day-care centers for the 80,000 children who now receive welfare grants in the State. This would cost another $2.4 million annually.

I am sure that every other State, and many of our major cities, would have similar experiences.

Without now getting into a social or philosophical discussion of welfare programs, I think it is clear that Congress must give this matter much more careful consideration.

Mr. CLARK. Mr. President, the Senate bill, in my judgment, took a humane and intelligent approach to the problems of the poor and successfully avoided the pitfalls of the overly restrictive and parsimonious approach adopted by the other body.

The conference report with which we have been presented bears little or no resemblance to the excellent bill which the Senate passed. This is not a compromise bill; it is a cave-in bill.

Let me mention a few of the more important issues on which this conference report represents what seems to me a tragic retreat from a sound Senate position.

First, the level of social security benefits. The Senate approved an across-the-board increase of 15 percent, certainly no more than is justified in view of the price squeeze on our elderly people. The House figure was 12½ percent. The conference figure was 13 percent. In other words, the Senate conferees came down four times as much as the House conferees came up. That is, indeed, a strange way to reach a "compromise." In addition, the Senate conferees raised the minimum monthly payment to $70; the House raised it to $50. The conference figure is $55. So on this issue the Senate conferees came down three times as much as the House conferees came up.

Second, the freeze on aid to dependent children. The House bill contained an iniquitous provision freezing payments under the aid to dependent children program, as a result of which thousands of children all over the country will be deprived of welfare support. We were successful in the Senate in stripping this punitive legislation out of the bill. The conference has put it back in, with only slight modifications which do not really ameliorate its serious effects.

Third, earning exemptions. The Senate bill had provided that $50 a month of earnings and half of all other income would be treated as exempt in computing the amount of welfare to which a recipient is entitled. Under the House bill the exemption was limited to $30 a month and one-third of all additional income. The Senate receded completely on these provisions.

I shall not describe each of these retreats in detail. These various points have been fully discussed by Senators who share my views; and I completely endorse their comments. But I should like to comment briefly on the procedure under which this conference report comes to us.

Simply put, we are being confronted with this conference report on a take-it-or-leave-it basis. We are given no option to try to improve it. We are given no chance to send it back to conference with directions to our conferees to bargain a little harder for the Senate's position. We are, instead, being told we must vote for this bill or risk a delay in the payment of the increased benefits which it authorizes.

Mr. President, this is pretty close to legislative blackmail, and I do not intend to be a party to it. I believe it is unconscionable that the Senate should be placed in this position. Whatever action the Senate takes, whether to approve or disapprove this conference report, we shall be acting under procedures which effectively prevent a majority of Senators, who I am sure share my view, from doing the one thing we should do—go back to conference and bring out an improved bill for adoption by both Houses.

It is therefore a hard decision as to whether to vote to approve this conference report or not; but I have concluded to oppose it—not because I think my views will prevail, but as one Senator at least protesting against what is being done to the Members of the Senate who want a good bill; and what is being done, too, to the President of the United States, who wants a good bill and is not getting it.

I am not concerned, and I do not mean to be threatened, by the suggestion that those who vote against this conference report are signing their own political death warrants because we might be postponing for 1 or 2 or even 3 months the payment of additional benefits to the old people of this Nation.

In my view, the sound political position is this: There are 435 Members of the House of Representatives, no one of whom dares run for reelection next year without an increase in social security benefits—and it should be an increase far higher than what the niggardly House of Representatives and its leadership were prepared to give.

Thirty-three Senators are running for reelection next year; and not one of them dares run for reelection without giving the older people of our country fairer benefits than this bill provides.

If this conference report is rejected—and I hope it will be—we could take up the matter anew next year. We can get a good bill. The Senate conferees can have time to negotiate fairly and properly, and not be under the gun of imminent adjournment.

So, Mr. President, I think the politics as well as the ethics of the situation call for a rejection of the conference report, and I mean to vote against it.

Mr. President, I yield the floor.

Mr. WILLIAMS of Delaware. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NGUYEN VAN BE

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar Order No. 931, H.R. 10397.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 10397) for the relief of Nguyen Van Be (James Be Roellig).

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H.R. 10397) for the relief of Nguyen Van Be (James Be Roellig) was considered, ordered to a third reading, read the third time, and passed.

Mr. LAUSCHE subsequently said: Mr. President, the special relief bill which we have just passed would bring to the United States a 15-year-old Vietnamese boy.

That boy was adopted by Cincinnatians, the parents of a young man who was in the Navy of the United States in Vietnam. That Navy boy found the Vietnamese lad as a waif and became attached to him. He helped him. The relationship became so close that the Navy boy wrote to his parents in Cincinnati and asked them to adopt this young waif from South Vietnam.

The bill which we passed was necessary because the adopted waif was more than 14 years old, and under the law he did not have the right to enter the United States without special relief being granted.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 174. An act for the relief of Dr. Eduardo Gonzalez;

S. 866. An act for the relief of Giuseppe Pacino Biancarosso;

S. 1477. An act to amend section 301 of title III of the act of August 14, 1946, relating to the establishment by the Secretary of Agriculture of a national advisory committee, to provide for annual meetings of such committee;

S. 1722. An act to amend the wheat acreage allotment provisions of the Agricultural Adjustment Act of 1938, as amended;

S. 2119. An act for the relief of Dr. Octavio Suarez-Murias;

S. 2153. An act for the relief of Dr. Jose Rafael Montalvo y Urrutibeascoa;

S. 2206. An act for the relief of Dr. Jorge Rolando Guerra-Reyes; and

S. 2265. An act for the relief of Christopher Nicholas Rushton.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H.R. 1141) to permit duty-free treatment of limestone, when imported to be used in the manufacture of cement, pursuant to the Trade Expansion Act of 1962.

APPEASEMENT IN THE MIDDLE EAST

Mr. LAUSCHE. Mr. President, I have in my hand an editorial written by William Randolph Hearst, Jr., which deals with the Middle East situation, in which Mr. Hearst states:

> America's relations with Israel, our only real friend in the Middle East, keep getting curiouser and curiouser.
>
> When the Hearst task force was in Israel a few weeks back we found that country's military and government leaders puzzled, hurt and a bit indignant at the role the U.S. was playing in the continuing Mideast drama.

The writer of the editorial goes on to tell about how Egypt is being aided by Communist Russia, and I assume Poland and Czechoslovakia, to the extent that its military equipment, lost in the recent war, has been almost completely replaced.

There are other aspects of the editorial that are quite significant to me.

Mr. Hearst states:

> Not only is Israel the only democracy in that part of the world, the only friend of America, it is one of the few countries anywhere that has shown any appreciation of what America is trying to do in Vietnam.

Mr. President, the editorial rather pointedly and clearly sets forth a number of weaknesses which I think exist with respect to our treatment of the Mideast situation. I ask unanimous consent that the editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IN A WORD, APPEASEMENT

(By William Randolph Hearst, Jr.)

WASHINGTON.—America's relations with Israel, our only real friend in the Middle East, keep getting curiouser and curiouser.

When the Hearst Task Force was in Israel a few weeks back we found that country's military and government leaders puzzled, hurt and a bit indignant at the role the U.S. was playing in the continuing Mideast drama.

There was the U. S. urging Israel to pull back from new (but in some instances age-old), eminently sensible and defensible borders she had established—and in one instance reestablished—during the lightning-like six days' war in June. And there we were turning a deaf ear to Israel's requests to purchase arms that would only restore the pre-war ratio and keep her on a parity with Arab neighbors sworn to drive her into the sea.

All of this, mind you, while the Soviet Union was operating an airlift to her Arab stooges that has now replaced all but a fraction of the vast stores of planes, tanks and other equipment lost in the June campaign, and actually increased the Arabs' fire power.

That was the view from Tel Aviv, and I could share the feeling of frustration the Israelis felt.

Now I must tell you the view from Washington isn't a bit clearer, and that U. S. actions still don't make sense.

The after-effects of the six-days' war have been among the oddest in history.

As Israel's Foreign Minister Abba Eban has pointed out, it is the victor in this war who is seeking the peace terms while the vanquished are refusing to come to the negotiating table except on their terms.

The Arabs are being encouraged in their obstinance by both the Russians and President De Gaulle. The motives of both are clearcut and mostly matters of self-interest.

In return for the billions of dollars' worth of equipment they have supplied to the Arabs the Soviets have obtained a long-sought beachhead in the western Mediterranean. Soviet warships can now be seen in Alexandria.

The French—or I should say DeGaulle, because many if not most of his countrymen are not with him in his anti-Israeli stand—is involved in a nice bit of double-dealing. DeGaulle has reneged on a transaction under which he was to deliver 50 Mirage fighter planes to Israel—and this after Israel had already paid $40 million on a $60 million contract. At the same time France is selling arms to the Arab countries, including some Mirages to Iraq.

Pure pique is part of the explanation for the French double-cross—DeGaulle is still furious with the Israelis because they proceeded with their war of survival last June despite his strictures against such a move.

Pure greed provides the rest of the explanation. Iraq recently signed an agreement with a French government oil company to exploit large fields confiscated from the British-owned Iraq Petroleum Co.

So the Russian and French motives are at least understandable, if not admirable. But how do you explain the United States' actions?

Not only is Israel the only democracy in that part of the world, the only friend of America, it is one of the few countries anywhere that has shown any appreciation of what America is trying to do in Vietnam.

Like South Vietnam, Israel is menaced by a numerically superior force serving the interests of world Communism.

Beyond that, as Premier Levi Eshkol made clear in a talk we had in Jerusalem, Israel's leaders recognize that both Israel and the United States are defending democracy and freedom in different parts of the world.

Mr. Eshkol also told me that his government was working on ways of showing its sympathy for the U.S. position in Vietnam.

Perhaps it was a coincidence that the next day the Jerusalem Post carried a front-page editorial commenting on the similarities between the situation in the Middle East and that in Vietnam, and urging Israelis to take a fresh look at the Vietnamese war. The editorial declared:

"At the moment both countries (Israel and the U.S.) want to end a state of war. Both want direct talks with the other side. Both refuse to enter into negotiations conditioned upon withdrawal with no guarantee that peace will be restored if they do so."

And the Post added:

"The present impasse in the Middle East can only make them (Israelis) better aware of the grave responsibility now facing the American President."

The Israeli understanding of the American position in Vietnam has had no echo here of sympathy for the Israeli position.

In her column, Marianne Means reports that the State Department, which has long harbored the delusion that some of its best friends are Arabs, is dragging its feet on the Israeli request for arms aid. (And the State Department dragging its feet can make a snail look like Man O'War.)

"Israeli emissaries here have been pressing high government officials to get the State Department moving," Marianne reports. "They are particularly depressed by the fact that despite an appeal by Foreign Minister Abba Eban during a visit in October the matter has progressed no further than the level of undersecretary. It has not even reached President Johnson's desk with recommendations."

The sort of thing that the United States is doing—to curry favor with the Arabs—is nothing but appeasement.

Appeasement was a shortsighted policy 30 years ago. And it's just as myopic today.

We are—at least we should be—on the side of the little Republic of Israel.

And if we are we should make it plain and act accordingly.

ELECTION OF MEMBERS OF THE BOARD OF EDUCATION, DISTRICT OF COLUMBIA

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 927, H.R. 13042.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 13042) to amend the act of June 20, 1906, and the District of Columbia election law to provide for the election of members of the Board of Education of the District of Columbia.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to the consideration of the bill which had been reported from the Committee on the District of Columbia with an amendment. Strike out all after the enacting clause and insert:

SHORT TITLE

SECTION 1. This Act may be cited as the "District of Columbia Elected Board of Education Act".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. The Congress hereby finds and declares that the school is a focal point of neighborhood and community activity; that the merit of its schools and educational system is a primary index to the merit of the community; and that the education of their children is a municipal matter of primary and personal concern to the citizens of a community. It is therefore the purpose of this Act to give the citizens of the Nation's Capital a direct voice in the development and conduct of the public educational system of the District of Columbia; to provide organizational arrangements whereby educational programs may be improved and coordinated with other municipal programs; and to make District schools centers of neighborhood and community life.

AMENDMENTS TO DISTRICT OF COLUMBIA BOARD OF EDUCATION LAW

SEC. 3. (a) Section 2 of the Act entitled "An Act to fix and regulate the salaries of teachers, school officers, and other employees of the board of education of the District of Columbia", approved June 20, 1906 (D.C. Code, sec. 31–101), is amended by striking out the first paragraph of subsection (a) and inserting in lieu thereof the following:

"SEC. 2. (a) The control of the public schools of the District of Columbia is vested in a Board of Education to consist of eleven elected members, three of whom are to be elected at large, and one to be elected from each of the eight school election wards established under the District of Columbia Election Act. The election of the members of the Board of Education shall be conducted on a nonpartisan basis and in accordance with such Act.

"(b)(1) Except as provided in paragraph (2) of this subsection and section 10(e) of the District of Columbia Election Act, the term of office of a member of the Board of Education shall be four years.

"(2) Of the members of the Board of Education first elected after the date of the enactment of this paragraph, three members elected from wards and two members elected at large shall serve for terms ending January 25, 1971, and the other six members shall serve for terms ending January 22, 1973. The members who shall serve for terms ending January 25, 1971, shall be determined by lots cast before the Board of Elections of the District of Columbia upon a date set and pursuant to regulation issued by the Board of Elections.

"(3) The term of office of a member of the Board of Education elected at a general election shall begin at noon on the fourth Monday in January next following such election. A member may serve more than one term.

"(4) The members may receive compensation at a rate fixed by the District of Columbia Council, which shall not exceed $2,400 per annum.

"(c)(1) Each member of the Board of Education elected from a ward shall at the time of his nomination (A) be a qualified elector (as that term is defined in section 2 of the District of Columbia Election Act) in the school election ward from which he seeks election, (B) have, for the one-year period immediately preceding his nomination, resided in the school election ward from which he is nominated, (C) have, during the three years next preceding his nomination, been an actual resident of the District of Columbia and have during such period claimed residence nowhere else, and (D) hold no elective office other than delegate or alternate delegate to a convention of a political party nominating candidates for the Presidency and Vice Presidency of the United States. A member shall forfeit his office upon failure to maintain the qualifications required by this paragraph.

"(2) Each member of the Board of Education elected at large shall at the time of his nomination (A) be a qualified elector (as that term is defined in section 2 of the District of Columbia Election Act) in the District of Columbia, (B) have, during the three-year period next preceding his nomition, been an actual resident of the District of Columbia and having during such period claimed residence nowhere else, and (C) hold no elective office other than delegate or alternate delegate to a convention of a political party nominating candidates for the Presidency and Vice Presidency of the United States. A member shall forfeit his office upon failure to maintain the qualifications required by this paragraph.

"(3) No individal may hold the office of member of the Board of Education and also be an officer or employee of the District of Columbia government or of the Board of Education. A member will forfeit his office upon failure to maintain the qualification required by this paragraph.

"(d) Whenever, before the end of his term, a member of the Board of Education dies, resigns, or becomes unable to serve or a member-elect of the Board of Education fails to take office, such vacancy shall be filled as provided in section 10(e) of the District of Columbia Election Act.

"(e) The Board of Education shall select a President from among its members at the first meeting of the Board of Education held on or after the date (prescribed in paragraph (3) of subsection (b) of this section) on which members are to take office after each general election. The Board of Education may appoint a secretary, who shall not be a member of the Board of Education. The Board shall hold stated meetings at least once a month during the school year and such additional meetings as it may from time to time provide for. All meetings of the Board of Education shall be open to the public. At any regular or special meeting, the Board may proceed in executive session, but no final policy decision shall be made by the Board while in executive session."

(b) The second, third, fourth, and fifth paragraphs of such section 2(a) are redesignated as subsections (f), (g), (h), and (i), respectively.

(c) Subsection (b) of such section 2 is repealed.

(d) (1) The provisions of the Act of June 20, 1906, listed in paragraph (2) of this subsection, are amended by striking out the terms "board of education" and "board" each place they appear in such provisions and inserting in lieu thereof "Board of Education" and "Board", respectively.

(2) The provisions of the Act of June 20, 1906, amended by paragraph (1) of this subsection are as follows:

(A) Subsections (f), (g), (h), and (i) of section 2 of such Act (as so redesignated by subsection (b) of this section) (D.C. Code, secs. 31-102, 31-103, 31-104, 31-101).

(B) Section 3 of such Act (D.C. Code, secs. 31-105, 31-108, 31-110, 31-111).

(C) The first paragraph of section 5 of such Act (D.C. Code, sec. 31-112).

(D) Section 12 of such Act (D.C. Code, sec. 31-117).

AMENDMENTS TO DISTRICT OF COLUMBIA ELECTION LAW

SEC. 3. The Act entitled "An Act to regulate the election in the District of Columbia of electors of President and Vice President of the United States and of delegates representing the District of Columbia to national political conventions, and for other purposes", approved August 12, 1955 (D.C. Code, sec. 1-1101 et seq.), is amended as follows:

(1) The first section of such Act (D.C. Code, sec. 1-1101) is amended by inserting immediately after "Vice President of the United States" the following: ", the members of the Board of Education,".

(2) Section 2 of such Act (D.C. Code, sec. 1-1102) is amended by adding at the end thereof the following new paragraphs:

"(4) The term 'ward' means a school election ward established by the Board under section 5(a)(4) of this Act.

"(5) The term 'Board of Education' means the Board of Education of the District."

(3) Paragraph (4) of section 5(a) of such Act (D.C. Code, sec. 1-1105(a)(4)) is amended by inserting immediately before the semicolon the following: "; divide the District into eight compact and contiguous school election wards which shall include such numbers of precincts as will provide approximately equal population within each ward; and reapportion the wards accordingly after each decennial census".

(4) Section 7 of such Act (D.C. Code, sec. 1-1107) is amended—

(A) by striking out in subsection (a) "he registers in the District during the year in which such election is to be held." and inserting in lieu thereof "he is duly registered in the District on the date of such election. A person shall be considered duly registered in the District if he registers under this Act after January 1, 1968, and if after the date he registers no four-year period elapses during which he fails to vote in an election held under this Act.";

(B) by amending subsection (d) to read as follows:

"(d) The registry shall be open from January 1 until thirty days before the first Tuesday following the first Monday in November during each even-numbered calendar year except the thirty-day period which ends on the first Tuesday in May, and except as provided by the Board in the case of a special election. The Board may close the registry on Saturdays, Sundays, and holidays. While the registry is open, any person may apply for registration or change his registration.

(C) by striking out in subsection (e) "Municipal Court for the District of Columbia" and inserting in lieu thereof "District of Columbia Court of General Sessions".

(5) Section 8 of such Act (D.C. Code, sec. 1-1108) is amended by adding the following new sections at the end thereof:

"(h) (1) Except in the case of the three members of the Board of Education elected at large, the members of the Board of Education shall be elected by the qualified electors of the respective wards of the District of Columbia from which the members have been nominated.

"(2) In the case of the three members of the Board of Education elected at large, each such member shall be elected by the qualified electors of the District of Columbia.

"(i) Each candidate in a general election for member of the Board of Education shall be nominated for such office by a petition (A) filed with the Board not later than thirty days before the date of such general election, (B) signed by at least one hundred persons who are duly registered under section 7 in the ward from which the candidate seeks election, or in the case of a candidate running at large, signed by at least two hundred fifty persons who are duly registered under section 7 in the District of Columbia, including at least twenty-five persons in each ward of the District who are duly registered in such ward; and (C) accompanied by a filing fee of $25. Such fee may be refunded only in the event that the candidate withdraws his nomination by writing received by the Board not later than three days after the date on which nominations are closed. A nominating petition for a candidate in a general election for member of the Board of Education may not be circulated for signatures before the ninety-ninth day preceding the date of such election and may not be filed with the Board before the seventieth day preceding such date. The Board may prescribe rules with respect to the preparation and presentation of nominating petitions and the posting and disposition of filing fees. In a general election for members of the Board of Education, the Board shall arrange the ballots in each ward to enable a voter registered in that ward to vote for any one candidate duly nominated to be elected to such office from such ward, and to vote for as many candidates duly nominated for election at large to such office as there are Board of Education members to be elected at large in such election.

"(j) (1) The Board is authorized to accept any nominating petition for a candidate for any office as bona fide with respect to the qualifications of the signatories thereto if the original or facsimile thereof has been posted in a suitable public place for at least ten days. Any qualified elector may within such ten-day period challenge the validity of any petition by a written statement duly signed by the challenger and filed with the Board and specifying concisely the alleged defects in such petition. Copy of such challenge shall be sent by the Board promptly to the person designated for the purpose in the nominating petition.

"(2) The Board shall receive evidence in support of and in opposition to the challenge and shall determine the validity of the challenged nominating petition not more than eight days after the challenge has been filed. Within three days ofter announcement of the determination of the Board with respect to the validity of the nominating petition, either the challenger or any person named in the challenged petition as a nominee may apply to the District of Columbia Court of Appeals for a review of the reasonableness of such determination. The court shall expedite consideration of the matter and the decision of such court shall be final and not appealable.

"(k) In any election, the order in which the names of the candidates for office appear on the ballot shall be determined by lot, upon a date or dates and under regulations prescribed by the Board."

(6) Section 9 of such Act (D.C. Code, sec. 1-1109) is amended—

(A) by striking out "for electors of President and Vice President" in the second sentence of subsection (b); and

(B) by striking out "Municipal Court for the District of Columbia" in subsection (e) and inserting "District of Columbia Court of General Sessions".

(7) Section 10 of such Act (D.C. Code, sec. 1-1110) is amended—

(A) by striking out the second and third sentences of paragraph (1) of subsection (a) and the second sentence of paragraph (2) of such subsection;

(B) By adding at the end of subsection (a) the following new paragraphs:

"(3) A general election for members of the Board of Education shall be held on the Tuesday next after the first Monday in the month of November which is in an even-numbered calendar year and which begins more than ninety days after the date of the enactment of this paragraph and on the Tuesday next after the first Monday in November of each even-numbered calendar year thereafter.

"(4) (A) If in a general election for members of the Board of Education no candidate for the office of member from a ward, or no candidate for the office of member elected at large, where only one at-large position is being filled at such election, receives a majority of the votes validly cast for such office, a runoff election shall be held on the twenty-first day next following such election. The candidate receiving the highest number of votes in such runoff election shall be declared elected.

"(B) When more than one office of member elected at large is being filled at such a general election, the candidates receiving the highest number of votes shall be declared elected, except no candidate shall be declared elected who does not receive the votes of a majority of the voters participating in such at-large election. Where one or more of the at-large positions remains unfilled, a runoff election shall be held as provided in subparagraph (A) of this paragraph, and the candidate or candidates receiving the highest number of votes in such runoff election shall be declared elected.

"(C) Where a vacancy in an unexpired term for an at-large position is being filled at the same general election as one or more full term at-large positions, the successful candidate or candidates with the highest number of votes in the general election, or in the runoff election if a runoff election is necessary, shall be declared elected to the full term position or positions, provided that any candidate declared elected at the general election shall for this purpose be deemed to have received a higher number of votes than any candidate elected in the runoff election.

"(D) The Board may resolve any tie vote occurring in an election governed by this paragraph by requiring the candidates receiving the tie vote to cast lots at such time and in such manner as the Board may prescribe."

"(5) In the case of a runoff election for the office of member of the Board of Education elected at large, the candidates in such runoff election shall be those unsuccessful candidates, in number not more than one more than the number of such offices to be filled, who in the general election next preceding such runoff election received the highest number of votes. In the case of a runoff election for the office of member of the Board of Education from a ward, the runoff election shall be held in such ward, and the two candidates who in the general election next preceding such runoff election received respectively the highest number and the second highest number of votes validly cast in such ward or who tied in receiving the highest number of such votes shall run in such runoff election. If in any case (other than the one described in the preceding sentence) a tie vote must be resolved to determine the candidates to run in any runoff election, the Board may resolve such tie vote by requiring the candidates receiving the tie vote to cast lots at such time and in such manner as the Board may prescribe.

"(6) If any candidate withdraws (in accordance with such rules and time limits as the Board shall prescribe) from a runoff election held to select a member of the Board of Education or dies before the date of such election, the candidate who received the same number of votes in the general election next preceding such runoff election as a candidate in such runoff election or who received a number of votes in such general election which is next highest to the number of votes in such general election received by a candidate in the runoff election and who is not a candidate in such runoff election shall be a candidate in such runoff election. The resolution of any tie necessary to determine the candidate to fill the vacancy caused by such withdrawal or death shall be resolved by the Board in the same manner as ties are resolved under paragraph (5)."

(C) by amending subsection (b) to read as follows:

"(b) All elections prescribed by this Act shall be conducted by the Board in conformity with the provisions of this Act. In all elections held pursuant to this Act the polls shall be open from 8 o'clock antemeridian to 8 o'clock postmeridian. Candidates receiving the highest number of votes in elections held pursuant to this Act, other than general elections for members of the Board of Education, shall be declared the winners.";

(D) by inserting after "In the case of a tie" in subsection (c) the following: "vote in any election other than an election for members of the Board of Education,";

(E) by inserting after "official" in subsection (d) the following: ", other than a member of the Board of Education,"; and

(F) by adding at the end thereof the following new subsection:

"(e) Whenever a vacancy occurs in the office of members of the Board of Education, such vacancy shall be filled at the next general election for members of the Board of Education which occurs more than ninety-nine days after such vacancy occurs. However, the Board of Education shall appoint a person to fill such vacancy until the unexpired term of the vacant office ends or until the fourth Monday in January next following the date of the election of a person to serve the remainder of such unexpired term, whichever occurs first. A person elected to fill a vacancy shall hold office for the duration of the unexpired term of office to which he was elected. Any person appointed under this subsection shall have the same qualifications for holding such office as were required of his immediate predecessor."

(8) The first sentence of section 11(b) of such Act (D.C. Code, sec. 1-1111(b)) is amended by striking out "the United States District Court for the District of Columbia" and inserting in lieu thereof "the District of Columbia Court of Appeals".

(9) The following new section shall be added at the end of such Act:

"Sec. 15. This Act may be cited as the 'District of Columbia Election Act'."

COORDINATION WITH THE DISTRICT OF COLUMBIA GOVERNMENT

Sec. 5. The Board of Education and the Commissioner of the District of Columbia shall jointly develop procedures to assure the maximum coordination of educational and other municipal programs and services in achieving the most effective educational system and utilization of educational facilities and services to serve broad community needs. Such procedures shall cover such matters as—

(1) design and construction of educational facilities to accommodate civic and community activities such as recreation, adult and vocational education and training, and other community purposes;

(2) full utilization of educational facilities during nonschool hours for community purposes;

(3) utilization of municipal services such as police, sanitation, recreational, maintenance services to enhance the effectiveness and stature of the school in the community;

(4) arrangements for cost-sharing and reimbursements on school and community programs involving utilization of educational facilities and services; and

(5) other matters of mutual interest and concern.

The Board of Education may invite the Commissioner of the District of Columbia or his designee to attend and participate in meetings of the Board on matters pertaining to coordination of educational and other municipal programs and services and on such other matters as may be of mutual interest.

TERMINATION OF OFFICE

Sec. 6. The term of office of the members of the Board of Education appointed under section 2 of the Act of June 20, 1906, before the date of the enactment of this Act shall terminate on the date on which at least six of the members first elected to the Board of Education take office.

Mr. MORSE. Mr. President, I send to the desk an amendment to H.R. 13042, unanimously approved by the committee.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to state the amendment.

Mr. MORSE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

Page 24, strike out lines 5 through 13 and insert in lieu thereof the following:

"The registry shall be open in each year except for (A) the thirty-day period ending on the first Tuesday following the first Monday in November of each even-numbered calendar year, (B) the thirty-day period ending on the first Tuesday in May in each presidential election year, and (C) such other period as the Board may provide in the case of a special election. The Board may close the registry on Saturdays, Sundays, and holidays. While the registry is open, any person may apply for registration or change his registration."

The purpose of the amendment is to make it clear that the voter registry in the District of Columbia will be closed only during the thirty-day periods immediately preceding the party primary elections, school Board elections, and the presidential election in the District of Columbia.

Mr. MORSE. Mr. President, the purpose of the amendment is to make clear that the Board of Registry of the District of Columbia will be closed only during the 30-day period immediately preceding the primary election, school board election, or presidential election in the District of Columbia.

Mr. President, I am ready for a vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon to the committee amendment in the nature of a substitute.

The amendment was agreed to.

Mr. MORSE. Mr. President, I want to explain the bill very quickly.

The pending bill is on the calendar. I bring it up for Senate action now at the request of the District of Columbia Committee. The reason that we are seeking to speed it through at this time is that the House wishes to have us pass the bill at the earliest moment because it wants to consider passing the bill, as amended.

The bill provides for an elected school board. The Senate District Committee considers it of greatest importance that the Senate act on the bill before we adjourn.

I do not have to tell the Senate the importance of the pending bill in order to resolve certain problems in the District of Columbia.

The pending bill is really the Dominick bill, may I say. As chairman of the subcommittee which handled the measure, I want to say that the Senator from Colorado [Mr. Dominick] deserves the credit for taking the leadership in helping us get an elected school board bill through the committee and, I hope, through the Senate.

Mr. President, I am ready to vote on the passage of the bill.

Mr. BYRD of West Virginia. Mr. President, I would like the Record to show that I support the bill, and I congratulate the Senator from Oregon.

Mr. MORSE. Mr. President, I want to say, as printed in the Washington Post with authenticity, that in my judgment the true Mayor of the District of Columbia, the Senator from West Virginia [Mr. Byrd] in my book, has given to my subcommittee complete cooperation not only on this kind of legislation, but also on other legislation that we need for the District of Columbia.

Although I speak facetiously and jocularly when I refer to the Senator as Mayor, I do it to express appreciation to him for what he has done to help the Senate District of Columbia Committee.

Mr. BYRD of West Virginia. Mr. President, with due deference and regard to the Senator from Oregon, may I say that the title is neither precise, wanted, nor deserved.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute as amended.

The amendment was agreed to.

Mr. DOMINICK. Mr. President, I

thank the distinguished Senator from Oregon [Mr. MORSE] for his kind comments this morning. I know of his abiding interest in the District of Columbia on educational and other matters, and am delighted to work with him on this legislation.

My legislative record reflects the efforts I have made to obtain an elected School Board for the District of Columbia. I have introduced bills to this effect since 1965, and lost on the floor of the Senate last year when I offered an amendment on this subject.

The President's decision to join us this year in seeking an elected School Board, though somewhat belated, is certainly welcome. I cannot help but wonder where all the widespread support we have heard voiced for this concept in recent weeks has been in the past. The shift is both remarkable and refreshing.

Under existing law in the District of Columbia we have the anomalous situation of appointed officials—judges—appointing officials—school board members—who appoint an official Superintendent—to run the school system.

To make matters worse, the appointed School Board members must look for approval of their budget to an appointed Mayor and City Council which in turn must depend on approval of a large share of funds from the Bureau of the Budget and Members of Congress who were not elected by those dependent upon the funds.

I have long supported self-government for citizens living in the District. I shall continue to do so. But experience has shown that home rule will be a long battle.

For this reason I have offered bills for an elected School Board apart from the home rule legislation. If we can show to the citizenry and the Congress that a School Board elected by the people can operate the schools and handle the financing of the school system on a responsible basis, we will advance far down the road to home rule.

The bill reported by the committee provides for the election of Board members, but leaves untouched the vital issue of financing.

My enthusiasm for the committee bill is tempered by my concern that the question of the fiscal dependence or independence of the School Board has been kept in the background. Regrettably, the President did not address himself to this companion issue as well.

Assuming the committee bill becomes law, financial decisions on the future of the educational system in the District will still be made two times removed from elected representatives of the District residents.

In the 89th and the present Congress, I offered legislation along each route—fiscal independence or dependence. It was my thought that this would provide the impetus for a full airing and the building of a record on the subject of the fiscal independence of school boards including alternative sources of revenue which might be available. Unfortunately, this has not been the case.

We did, however, receive testimony strongly advocating we move promptly in this direction. The comments of Rev. Hewlett, President of the District of Columbia Board of Education, illustrate my point:

> Senator DOMINICK. Dr. Carroll was good enough to call me yesterday and discuss some of the provisions of the independent financing I have suggested in bills that I have introduced. He indicated at that time that he was not going to be here. Noting that he was not trying to speak for the Board, he said he personally felt that independent financing was a very important adjunct of an elected school board. Do you share that viewpoint?
>
> Reverend HEWLETT. Yes; I personally share the viewpoint that, without independent financing, the ability to finance, the provision to finance, the Board cannot in reality discharge its function.

When a local school system is fiscally dependent on the municipal government, it is thrown into the struggle with other city functions for a portion of the city's total expenditures. The January 1967 Educational Research Service circular of the National Education Association contains a study of systems which do not have independent financing authority. Its conclusions were based on the most recent report—fiscal year 1964–65—of the U.S. Bureau of the Census on city government expenses. Seventy-three cities with a population of 50,000 or more fiscally dependent school boards are included. The average school expense, excluding capital outlay and interest, for the 73 was 31 percent of total city expense. For the District of Columbia, it was 24 percent. Only two others were lower.

Fiscal independence for school boards is not an unproven theory. A 1950 National Education Association research report found that, in approximately 1,900 cities with a population of 2,500 or more, some 72 percent had for all practical purposes fiscally independent school boards.

More current figures, based on school enrollment rather than population of the city, were issued in September 1966 by the National Education Association's Research Division: 94 of the 140 largest school systems have complete fiscal independence, including the power to levy taxes; six more were fiscally independent except for capital outlay and/or interest and debt retirement.

SUMMARY OF LARGE SCHOOL SYSTEMS BY FISCAL INDEPENDENCE OR DEPENDENCE, 1964-65

Enrollment stratum	Total number of school systems reporting	Fiscally independent: For all school purposes	Fiscally independent: Except for capital outlay and interest	Fiscally dependent
1. 100,000 or more	24	13	2	9
2. 50,000 to 99,999	45	33	1	11
3. 25,000 to 49,999	71	33	3	20
Total	140	94	6	20

Source: Research Report 1966—R-13, Selected Statistics of Local School System, 1964-65, Research Division—National Education Association, September 1966.

Of the 24 systems similar in size to that of the District, 15 have either complete or partial control over their financial affairs.

FISCAL INDEPENDENCE OR DEPENDENCE OF 24 SCHOOL SYSTEMS WITH ENROLLMENTS OF 100,000 OR MORE, 1964-65

School system	Fiscally independent: For all school purposes	Fiscally independent: Except for capital outlay and interest	Fiscally dependent
Los Angeles, Calif	--------	X	--------
San Diego, Calif	X	--------	--------
Washington, D.C	--------	--------	X
Dade County, Fla	X	--------	--------
Duval County, Fla	--------	--------	X
Atlanta, Ga	--------	X	--------
Hawaii (State)	--------	--------	X
Chicago, Ill	X	--------	--------
Indianapolis, Ind	X	--------	--------
Orleans Parish, La	X	--------	--------
Baltimore, Md	--------	--------	X
Baltimore County, Md	--------	--------	X
Montgomery County, Md	--------	--------	X
Prince Georges County, Md	--------	--------	X
Detroit, Mich	X	--------	--------
St. Louis, Mo	X	--------	--------
New York, N.Y	--------	--------	X
Cleveland, Ohio	X	--------	--------
Columbus, Ohio	X	--------	--------
Philadelphia, Pa	X	--------	--------
Memphis, Tenn	--------	--------	X
Dallas, Tex	X	--------	--------
Houston, Tex	X	--------	--------
Milwaukee, Wis	X	--------	--------
Number of school systems	13	2	9

Source: Research Report 1966—R-13, Selected Statistics of Local School Systems, 1964-65, Research Division—National Education Association, September 1966.

On December 7, 1967, the Board voted unanimously to propose legislation providing it with independent borrowing authority for capital outlay.

This week the District Board of Education is engaged in a valiant debate over budget differences before the City Council.

Frankly, until Congress gives the school board some degree of, if not complete, fiscal independence, I do not see how even an elected board can be fully responsive to the people of the District. To withhold control over the Board's financial affairs substantially impairs the Board's ability to make judgments in areas for which it is particularly suited.

It deprives the citizens of the District of an opportunity to participate in a truly meaningful manner in the basic financial decision affecting education throughout the community.

I do not intend to press for an amendment to this bill which would place financial powers in the Board because I do not want to take any action which might delay passage.

It is my conviction, however, that we have taken only a part of the step forward in education to which residents in the District are entitled.

The PRESIDING OFFICER. The question is on the engrossment of the committee amendment, as amended, and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill, having been read the third time, the question is, Shall it pass?

The bill (H.R. 13042) was passed.

Mr. MORSE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD of West Virginia. Mr. President, I got in trouble for making this motion on yesterday, but I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 942), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The education of children is a municipal matter of primary and personal importance. This bill will give the citizens of the District of Columbia a direct voice in the development and conduct of their public educational system. The bill provides for the popular election of the Board of Education of the public schools of the District of Columbia by the registered voters of the District of Columbia.

BACKGROUND

Election of a School Board within the Nation's Capital City will provide to the District's 800,000 residents a voting voice in helping determine educational policies—something which the residents of each of our States has enjoyed since they became States. Never before has the District of Columbia had an elected School Board. However, the Senate in the 89th Congress on July 22, 1965, approved legislation providing for the popular election of a School Board, but such did not finally clear the Congress.

This bill carries out the recommendations made to the Congress by President Johnson, who urged the Congress "to modernize the structure of the District's educational system by providing for the popular election of its School Board."

Historically speaking, the District's first Board of Education was appointed by an elected City Council in 1804 and the first President of that Board of Education was Thomas Jefferson. In fact, his School Board duties were in addition to his more overpowering responsibilities as the fourth President of the United States.

Washington's first School Board consisted of 13 members, with seven members appointed by the City Council and six elected by the major contributors to the school system, such private contributions used along with Government funds to support the Washington public schools.

The first Washington Board of Trustees of the Washington public schools held its first meeting August 5, 1805, in the Supreme Court chamber of the U.S. Capitol Building. Elected unanimously as the first President of the Board of Trustees was President Thomas Jefferson, who was then in his second term as President of the United States, and President Jefferson held the office of President of the Board of Trustees until he left the Presidency of the United States.

In a letter to a member of the School Board, dated August 14, 1805, from Monticello, Va., President Jefferson wrote that he would be pleased to carry on his duties as President of the Washington public school trustees to the degree that "the duties of paramount obligation will permit," obviously meaning his duties as President of the United States.

Your committee believes that popular election of a School Board within the Nation's Capital City will bring the goal of greater representative local government for the District of Columbia one step nearer.

Under existing law, approved in 1906 (34 Stat. 316) the control of the public schools of the District of Columbia is vested in a Board of Education consisting of nine members appointed by the judges of the Supreme Court of the District of Columbia. In 1936, the U.S. District Court for the District of Columbia was substituted for the Supreme Court of the District of Columbia as the appointing authority.

In May of this year, following review of this appointive function of the judges of the U.S. District Court for the District of Columbia, the judges of that court and the Judicial Conference of the District of Columbia recommended that the members of the Board of Education for the District of Columbia be selected by some other method. The provisions of H.R. 13042 would relieve the judges of this responsibility and place the selection of Board of Education members in the hands of the voters of the District of Columbia.

WASHINGTON ARTISTS DIRECTORY

Mr. JAVITS. Mr. President, the late Mrs. Nancy Kefauver was well known in the Washington community, not only as a most gracious lady and the wife of a nationally famous Senator, but as an artist of distinction in her own right. She was until her recent death the director of the art in Embassies program in the State Department and was greatly respected as a teacher, as well.

One of her important interests was the Washington artists community, and she was instrumental in founding the National Capital chapter of Artists Equity Association. This group was organized to provide a framework for coordinating efforts by area artists—painters, sculptors, printmakers, and lithographers—and to keep artists, and the arts, before the public eye.

The AEA local chapter has, as its first major effort, recently published a directory of Washington artists which is probably the first of its kind in the Nation. Beautifully bound and illustrated, the book lists 199 professional artists in the Washington area, and reproduces, in black and white, one work of each of 60 artists. The book is a valuable reference for museums and libraries, as well as for architects, and Government officials. Hopefully, other cities will follow this pattern and foster wider recognition of local artists.

In his foreword to the book, Livingston Biddle, the Deputy Chairman of the National Endowment for the Arts, states:

> The arts can expand to new audiences through such united undertakings and through the strength which a combination of individual talent implies. An artists' directory demonstrating this combination and its potentials, is a distinct accomplishment and can form the springboard for greater achievements, not only at a local level but as an example of how talents can be combined to produce constructive community development of the arts.

THE OMNIBUS HOUSING BILL

Mr. MONDALE. Mr. President, one of the unfinished pieces of important business before the Senate is the omnibus housing bill, S. 2700.

This legislation, prepared by the Subcommittee on Housing and Urban Affairs, is a determined effort to make new inroads on the problems of housing for the poor. I hope it will receive early consideration in the next session.

Mr. President, in order to survey the reactions of experts and other interested persons in Minnesota, I recently wrote a letter asking for their opinions about the omnibus housing bill. I want to share some of those responses with my colleagues in anticipation of consideration of this legislation on the Senate floor.

My letter asked these people to comment on 10 specific innovative features of the omnibus housing bill, ranging from flexible interest rates to a new high-risk insurance program in the Federal Housing Administration. I ask unanimous consent that the text of my letter and a sampling of the responses I have received be printed in the Record.

There being no objection, the items were ordered to be printed in the Record, as follows:

Dear ———: Because of your deep interest in urban affairs, and particularly in housing legislation, I am enclosing a copy of the Report of the 1967 omnibus housing bill. The bill will be debated on the floor starting this Monday. I would appreciate your comments by then if at all possible.

The legislation introduces innovative approaches toward implementing the goal of a safe and decent dwelling for every American family. These new approaches include:

1. A program of home ownership for the lower income family which will offer an alternative to public and rental housing. The mechanism used is an interest rate write-down to operate through the Federal Housing Administration (Section 101) and the Farmers Home Administration (Section 107);
2. A mandate to the Federal Housing Administration to insure dwellings in deteriorating, declining areas of our cities by giving the Administration the power to waive the established regulations. (Section 105);
3. A program which will provide FHA insurance to families who in the past have had credit problems. (Section 102);
4. The creation of a special high-risk insurance fund within FHA for the above three programs. Congress will appropriate money to cover losses. This is another mandate to the FHA to take the necessary risks with these programs. (Section 103);
5. A program to assist non-profit housing sponsors with technical advice and financial aid to cover up to 80% of the "pre-packaging" costs of a project. (Section 111);
6. The establishment of a foundation to encourage the development of neighborhood and community organizations whose purpose would be the development and implementation of housing programs. (Section 110);
7. The creation of a flexible interest rate ceiling on FHA insured mortgages to facilitate the flow of investment into the mortgage market. (Section 203);
8. An increase in the authorization for public housing to finance an additional 100,000 units. (Section 215);
9. A study of the use of "self-help" in the development of housing for the low income family and a report from the Secretary with legislative recommendations for using this device. (Section 217).
10. The addition of a grant program for the assistance in the construction of college housing. (Section 218).

As one who has worked hard and long on this bill, I would appreciate your comments by Monday. If this is not possible, I would appreciate any other comments relating to housing and urban development since we will be working on another housing bill the first part of next year.

With best regards,

Sincerely,

Walter F. Mondale.

St. Paul, Minn.,
December 4, 1967.

Senator Walter Mondale,
U.S. Senate,
Washington, D.C.:

Thank you for your letter of Nov 30 which I received today. Relating to report on omnibus housing bill. The objectives of flexibility in financing housing for low income families will be a great step forward. The problem has not been resolved in the past 50 years. I did not have time to examine the entire proposal in detail but your letter summary looks good. If there are bugs in any part of it by the time legislation is debated I know that you will come up with the solution which we need, thank you.

James F. Dalglish,
Commissioner of Finance.

Le Sueur, Minn.,
December 4, 1967.

Senator Mondale,
Senate Office Building
Washington, D.C.:

Your letter to the chairman of the Le Sueur LPA was received this a.m. In order to get an answer to you today, we must comment by wire rather than by letter as we would like. Basically we support the points covered in your letter. Time does not permit individual comment. Rest assured this support comes because we are involved in a housing code enforcement program and see that there is need for programs both to help low income families improve their homes and for programs to help low income families to acquire better housing as outlined in your letter. Both government and private programs need to be encouraged. Best wishes.

Allen Cords.

St. Paul, Minn.,
December 4, 1967.

Hon. Walter F. Mondale,
Senate Office Building,
Washington, D.C.:

You are to be congratulated for this magnificent response to the problems facing our cities. At last real solutions to this very real crisis are being formulated and hopefully we have moved beyond partial simpleton and wholly inadequate answers to the housing problems of our lower income citizens. Letter to follow.

St. Paul Housing and Redevelopment Authority,
Lawrence J. Hayes,
Chairman.
Edward N. Helfeld,
Executive Director.

Housing and Redevelopment Authority of Duluth, Minn.,
Duluth, Minn., December 5, 1967.

Subject: Reaction to S. 2700.

Hon. Walter F. Mondale,
U.S. Senate,
Washington, D.C.

Dear Senator: Thank you for sending me a copy of the Report of the 1967 omnibus housing bill. Having just received the Report today, obviously, I am unable to get a response to you as quickly as you had requested. However, I will briefly respond to the Report in hopes that it may be of some value to you. It is certainly refreshing to review the many innovative approaches which have been written into this particular piece of proposed legislation. I can only hope that the many items will be approved as is because we on the home front know how valuable each of the items can be in working with people in the neighborhoods that are so deeply affected. I am herewith giving you my response to the ten items which you spelled out in your letter of November 30, 1967:

1. When we last met in your office in April, 1967 and presented to you our application for a Model City Grant, it may have gone unnoticed but we, too, advocate a program of home ownership for the lower income family and have written same into said application. We trust that we will be given an opportunity to test out this type of legislation during our undertaking of our Model Neighborhood activities. Obviously, we are in full support of this program and sincerely feel that home ownership for the low-income family is an absolute must if we are to rejuvenate pride that a family has for the neighborhood in which it lives.

2. I personally believe that the FHA has to become more active in blighted areas of our community. To me, one of the big voids in preserving residential characteristics in a blighted area has been that in many instances FHA loans are unavailable to the home owner and he is, therefore, unable to purchase housing in an area which he has selected to live in. The fact that FHA insurance is unavailable has caused many a person to turn to the so-called contract-for-deed purchases which are anything but adequate.

3. Again, FHA insurance must be extended to families who have had credit problems in the past.

4. Same as above.

5. You undoubtedly are well aware of the fact that a local group has already been organized to sponsor housing for low and moderate income families. We are certainly in favor of this legislation and would * * * coordinate with the plans of the local public agency, in this case, the Housing and Redevelopment Authority.

6. I would wholeheartedly support the establishment of a foundation to encourage the development of neighborhood and community organizations as spelled out in Section 110. It is through organizations such as proposed that we get closer to the truth as to the causes and effect of our housing problems. It will only be through the efforts of both public and private groups that answers to our many common problems will be resolved.

7. No reaction.

8. Today this Agency is stymied in its efforts to obtain additional units of low rent public housing. As you undoubtedly know, we have at least two applications in the pipeline and both are held up by the stark realization that no more units of housing under this program are available. We would strongly urge that fast and prompt attention be given to increasing the authorization for an Annual Contributions Contract for the low-rent housing program.

9. No comment at this time.

10. No comment.

Again, it is refreshing to know that our housing problems are in such capable hands in the Senate. I appreciate your contacting this office for our reaction and trust that should you desire any more specific information which we may be in a position to provide, you will feel free to contact us.

Best personal regards.

Sincerely,

O. Richard Humes, Jr.,
Executive Director.

Eberhardt Co.,
Minneapolis, Minn., December 11, 1967.

Senator Walter F. Mondale,
Senate Office Building,
Washington, D.C.

Dear Senator Mondale: I appreciate your sending me a copy of the Report of the Committee on Banking and Currency concerning the Housing and Urban Development Act of 1967. Unfortunately, I have been away from the office and for that reason I could not get my reply to you by today as you had hoped.

It does appear that one of the most effective methods of providing assistance for lower income families is to use a subsidized interest rate as outlined in Section 101. I think it is particularly helpful if it can be done in connetcion with single family dwellings or scattered apartments in different buildings. It seems to me that the individuals receiving the assistance have a better chance of general community acceptance if they are not all placed in public housing units as they are at the present time. By using the lower interest rate program they can be scattered into all areas of the community in the general price range of properties they can afford to buy.

I am inclined to believe that Section 105 will work out better than anticipated because our experience has been that most people will try to keep their properties in satisfactory condition and the fact that a mortgage other than the Federal Government makes periodic checks on the condition of the property as a normal part of its mortgage loan servicing, tends to keep them in line with respect to proper maintenance of their dwelling. Certainly Section 103 is the proper way to handle the risk as far as the insurance fund is concerned. To a degree FHA in its underwriting process classified risks into various categories when they were establishing the amount of refunds to be made under insured mortgages that had been fully repaid.

As you know, all of us in the mortgage banking industry want a flexible interest rate ceiling which seems more logical than asking the seller and the contractor to pay a heavy discount for a purchaser of a property on which an FHA loan is used.

I have seen some of the self-help programs in other countries and with proper supervision and selection of owners this has worked very satisfactorily. I would believe that Section 217 should help establish this kind of a program.

Our ultimate desire of course, is to develop housing for everyone that is satisfactory without the use of special consideration but that is a rather utopian point of view and I know that a certain part of our population will always need outside assistance and your plan seems to cover the situation very well. I commend you for the hard and intelligent work you have done on the housing situation and you may be sure that if there is any assistance that I can offer or information, I will gladly do so.

Very truly yours,

Walter C. Nelson,
President.

The Housing and Redevelopment Authority of St. Cloud, Minn.,
December 5, 1967.

Senator Walter F. Mondale,
Washington, D.C.

Dear Senator: Thank you very much for sending me a copy of the proposed Housing and Urban Development Act of 1967. I am sorry that I was not able to answer this letter by Monday, December 4. Your request did not reach my desk until this morning, December 5. I would like to take this opportunity, however, to comment on some of the specific recommendations of the Committee on Banking and Currency.

One of the most apparent needs in our cities in the past few years has been the need for housing which would be available on an economic basis for low-income families in other than public housing. This need becomes most apparent when attempting to undertake a responsible relocation job with families who are displaced because of public action of one form or another, particularly through urban renewal and highway and freeway development programs. These programs themselves have removed a substantial amount of housing which would otherwise be available to these low-income families. It is apparent from the recommendations of the Committee that Congress is becoming increasingly aware of the scope of this problem. I would expect that if favorable action is received from both houses of Congress, that particularly sections 101, 102, 107, 111, and 215 would provide the necessary tools to accomplish a satisfactory relocation job.

I am also very much encouraged to see the added encouragement provided to communities and to private enterprise to work out coopertaive efforts to aid in the solution of housing problems for our nation. One of the most frequent criticisms of the public housing program as it existed in the past has been that it does not take advantage of the tools and methods that have been developed by private enterprise to work out economic solutions to the housing problems. The Housing Act of 1966 provided several tools to encourage this cooperative effort through the Turnkey Development Process and through the addition of leasing and the purchase of used housing programs to the traditional methods of making housing available to low-income families. The proposed Legislation goes even further in promoting this cooperation by establishing the National Housing Foundation.

I am also very encouraged to see Section 215 of the Bill, which proposed to increase the appropriations for public housing by approximately 100,000 units, state that it is the intention of Congress to encourage the Department of Housing and Urban Development to utilize the Turnkey process as much as possible. I feel very strongly that the present policy of giving priority to those programs which utilize the leasing and the acquisition of used housing quite definitely eliminates from consideration all those areas which have extremely tight housing markets. For us and other cities like us it would not be economically feasible to lease housing which is presently in occupancy. To do this would serve only to remove from the market housing which otherwise might be available to families regardless of their income group. We would, therefore, be compounding the tight housing situation in the city, and as a matter of fact, the Department of Housing and Urban Development has specifically stated that if a city does have a tight housing market they are not eligible to participate in the Leased Housing Program.

I would like to suggest that several other areas be considered for new legislation. The Housing Act of 1964 made available to displaced families the relocation adjustment payment, which is a payment of up to $500.00, intended in part to compensate for some of the economic hardships of relocation which are not taken care of through the moving expense allowance. The administration of this payment has become so unruly that the administrative cost in some cases has exceeded the amount that has been received by the displaced family. I would like to suggest that consideration be given to amending this law to allow for a lump sum payment of $250 to every displaced family and elderly individual, which payment would be made in addition to the moving expenses which are received. I am quite confident that the overall cost of this program would be less than the program as it had been originally conceived. I am also quite convinced that the program administered in this way would be much more beneficial to all displaced families than is presently the case. It has been my experience that the original program has caused more bad feelings on the part of those who are displaced than any other program that I have been involved in the administration of for the Housing and Redevelopment Authority.

I would also like to suggest that the administration of all Housing and Urban Redevelopment Programs as they are presently conceived is oriented towards larger metropolitan areas. It has become apparent to me in my work here in St. Cloud that there are several areas where small cities in undertaking programs of Housing and Urban Development are required to engage in activities which simply do not fit the sensible administration of a small city. One of the most obvious of these is the Workable Program. Although the requirements of the Workable Program have quite definitely brought the administrative practices to our city up to date and have worked a very great service in our city, it does not seem reasonable that we should be required to resubmit the Workable Program every year and be recertified on an annual basis. The problems of a small city simply are not of the scope of those of a large metropolitan area. Therefore, the amount of change in the Workable Program as submitted would vary little from year to year. I would like to suggest that certification of Workable Programs for small municipalities of perhaps under 50,000 population be for a two year period instead of the present one year period.

I hope that these remarks in reaction to the proposed Housing legislation for 1967 will be of some assistance to you. It is extremely encouraging for those of us who are working with these problems on a day to day basis to see that Congress is beginning to react to those areas which are in most crucial need of new legislation. The most dramatic of the proposed new approaches to realizing the goal of the 1949 Housing Act of decent, safe, and sanitary dwelling for every American family is that of the Home Ownership Program. I am sure that this will result in a very lengthy debate in Congress, but I would very strongly urge its passage.

Incidentally, we have received a report from the Department of Housing and Urban Development as a result of your efforts, and the efforts of our other representatives which indicates to us that the department is approving only those reservations which they are reasonably sure can be in occupancy by September 30 of 1968. Although we share the department's desire to move as rapidly as possible in the securing of housing for low-income elderly and families, and are in sympathy with the need for the establishment of a priority system as a result of the overwhelming acceptance of the public housing program, we do feel that this decision will very likely exclude St. Cloud from consideration for housing in the present fiscal year. It would also appear that very many other cities in situations similar to that which we have here in St. Cloud will be experiencing this same delay in their housing programs. This is the result of the fact that cities with tight housing situations cannot be reasonably expected to enter into the leasing or the used housing programs.

I would like to thank you very much for your assistance, and I would also like to express the hope that you would continue in the pursuit of your most enlightened and reasonable approach to the full scope of the problems of our urbanized nation. It is most gratifying for those of us who are attempting to resolve some of these problems to see that our efforts are getting the support of our representatives.

Thank you again for this opportunity to express my feelings in regards to the pending legislation on Housing and Urban Development.

With best wishes.
Sincerely yours,
JAMES F. DLUTOSCH,
Executive Director.

MINNEAPOLIS HOUSING AND REDEVELOPMENT AUTHORITY,
Minneapolis, Minn., December 6, 1967.
HON. WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: This is in reply to your letter of November 30, 1967, which enclosed a copy of the Report of the Committee on Banking and Currency of the United States Senate.

The innovations proposed in this report to meet the goal of providing a decent dwelling unit for all Americans are all urgently needed today, and, in my opinion, meet some of the voids in our housing today. The most significant innovation to me is found in Section 101 of the Bill, which establishes a home ownership assistance program for lower income families. This (i.e. home ownership), to us in Minneapolis, seems to be an objective that is worthwhile striving for, since in our opinion home ownership is one answer to solving some of the problems of our cities. It is encouraging to me that the Senate has recognized the difficulty for the lower income family to obtain home ownership simply because they do not have adequate funds to meet the monthly costs of such housing. It also seems to me that long-term mortages, as well as interest rate write-downs, are the main methods by which home ownership can be accomplished, and these are reflected in the report on the 1967 Omnibus Housing Bill.

A number of provisions of the Bill relate to a mandate to the Federal Housing Administration to insure dwellings that they would not normally insure, and insure families that they would not normally underwrite, and in my opinion these provisions are also essential in meeting the housing demand. It seems to me that if anyone is willing to take more than the normal risk on properties and families, it will be the Government. Private enterprise, because of its structure which is related to profit motives, cannot and will not take such risks.

As to the provisions relating to the establishment of financial aid to assist non-profit housing sponsors and foundations to encourage the development of neighborhood and community organizations, these will be helpful to attaining the over-all goals of the Department of Housing and Urban Development, but in Minneapolis are not as necessary as some of the features previously commented upon. The reason is that it seems the formation of non-profit sponsors and foundations, as envisioned under the proposal, can and is being accomplished in the private sector.

Section 215 of the proposal makes a recommendation that the authorization for public housing be increased by an additional 100,000 dwelling units. It seems to me that this would be a worthwhile addition to the supply if for no other reason than to house the elderly who are so urgently in need of housing. It seems, in this day of demonstrations, etc., that the elderly, who have not to my knowledge taken it upon themselves to demonstrate for their needs, are not being given the consideration that they should have since most of them simply cannot afford decent, safe and sanitary housing in the normal rental market. In Minneapolis we have one of the largest Senior Citizen programs in the United States, and if we have demonstrated anything by this program, it is the fact that the need is much greater than anyone realizes for the housing of these elderly persons who, in most cases, no one will employ nor have they any method by which they can increase their income.

The section of the Bill that would increase the maximum grant permitted for rehabilitation from $1,500 to $2,500 would be most helpful in Minneapolis in carrying out our rehabilitation-type urban renewal projects. We have to date made approximately 150 grants for rehabilitation of properties, all of which have been made to elderly and families of very low income. This has been the only means by which some of these homes that need rehabilitation can be rehabilitated. We have a substantial number of additional elderly and low-income families who are eligible for these grants but cannot obtain them because the repairs needed to bring their property to a good standard exceed $1,500 and they are unable to provide additional funds necessary to meet the improvement cost. Thus, an additional $1,000 in this program will reach many elderly and families in Minneapolis and, again, be the only means by which they can improve their homes.

Due to the time limitations, I have not had an opportunity to review the report in detail and consider at length all of its provisions. However, I intend to make such a detailed review shortly and will provide you with my opinion as to the details of each proposal and any other comments that occur to me that will be helpful to all of us in trying to solve the housing problems in the City of Minneapolis as well as cities throughout the country.

Sincerely,

CHARLES R. KRUSELL,
Executive Director.

BOARD OF HENNEPIN COUNTY COMMISSIONERS,
Minneapolis, Minn., December 4, 1967.
Hon. WALTER F. MONDALE,
U.S. Senate,
Committee on Banking and Currency,
Washington, D.C.

DEAR FRITZ: Just a note to thank you for sending me a copy of the Report of the 1967 Omnibus Housing Bill which I received today.

Although I have not had time to review in detail the Report, it certainly appears that the innovative approaches outlined in your letter are certainly on the right track.

Since floor debate on the bill is starting today, I thought you would appreciate knowing that it was well received by the few persons that I had the opportunity to show it to this morning.

If I can be of assistance in furnishing any additional background information as to its impact on Minneapolis or Hennepin County please be sure to let me know. I will also make a point to share with you any other comments I receive relating to housing and urban development for the bill up for consideration next year.

Thanks again for the Report.

Regards,

ROBERT P. JANES,
Chairman.

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF ST. PAUL, MINN.
December 5, 1967.
Hon. WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: We are in receipt of a copy of the 1967 Omnibus Housing Bill which we understand is currently being debated on the floor of the Senate.

Some of the innovations proposed in this Bill reflect a keen insight into the difficulties we encounter on the local level in implementing Federal housing programs. The Bill identifies many workable solutions to these difficulties.

Sections 101, 102, 103, 105 and 216 comprise a four-pronged solution to the obstacles which presently prevent low-income families from sharing in the objective of home ownership. These provisions quite properly anticipate and promote a deeper involvement on the part of FHA in solutions to the housing problems of low-income families.

Moreover, these same provisions contain a recognition of the limitations of the traditional public housing program. This is not to say that the conventional low rent housing program has not lived up to its legislative potential; operating within its own narrowly defined mandate, the program's achievements have been notable. Too often, however, the "interim solution" of residence in public housing projects has become a permanent non-solution, and local housing authorities in many instances have become unwitting partners in the perpetuation of the status quo for disadvantaged families. The new home ownership program presents a most desirable alternative to conventional public housing tenancy and can be tailored to meet the specific needs of individual communities.

We are encouraged to discover in Sections 111 and 217 of the Bill a new emphasis on programs designed to help the disadvantaged help themselves. From our recent experience here in St. Paul and in other parts of the country, these new programs quite accurately gauge the emerging theme of the ghetto resident, i.e. "Give us the tools to do the job ourselves."

We are enthused by the recognition of the "blight lag" factor which has plagued urban renewal areas since the beginning of the program. That is, with the announcement of an imminent urban renewal program (2½–5 years from planning applications to execution), blighted areas deteriorate at an accelerated pace before the cumbersome machinery can be brought into play. Thus, Section 213, providing interim assistance for blighted areas, is a most creative step forward. Similar creativity might well be directed at providing rehabilitation loans and grants during the project planning phase of the urban renewal process.

Section 212, increasing rehabilitation grants from $1,500 to $2,500, recognizes the practical economic problems of rehabilitation for low-income families and will improve the local public agency's chances at encouraging rehabilitation.

Many of the innovative measures in the Senate Housing Bill would find immediate application in the residential renewal programs now being planned in St. Paul—most immediately Concord Terrace and Summit-University.

We enthusiastically support this Bill and trust that a similar tough-minded examination of the critical shortage of urban renewal grant funds will also be examined by the Senate Committee on Banking and Currency early next year. The passage of creative housing legislation inadequately funded can only increase the cynicism and frustrations of the slum dweller.

Sincerely,

LAWRENCE J. HAYES,
Chairman.
EDWARD N. HELFELD,
Executive Director.

NORTHWEST BANCORPORATION,
Minneapolis, Minn., December 5, 1967.
Hon. WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.

DEAR FRITZ: Your request for comments regarding S. 2700, scheduled for debate before the Senate on Thursday, is most appreciated. I know you have spent many hours in improving home ownership for lower income families and in meaningful amendments to existing housing and urban development laws, and compliment you on these improvements.

Section 203 will be most helpful in maintaining an orderly real estate mortgage market. Many Banco banks, because of increased loan demand, must rely on investors in other parts of the country and F.N.M.A. to purchase mortgages made in their communities. In a market such as we are now experiencing, government insured mortgages can only be sold at high discounts. Mortgage department officers are reluctant to charge the high discount points necessary to make these loans salable, resulting in a slowdown in housing. This is indeed inconsistent with a program instituted for the purpose of bringing more home ownership to modest income families.

Unfortunately, the present fixed rate, resulting in discount points, leaves the party that can least afford to lose, the buyer, in the worst position. With homeowners moving on the average of every seven to eight years, it is the buyer who must pay these points through a "built up" sales price. Section 203 will be particularly helpful to a purchaser as it will again make FHA mortgages available and should actually lower housing costs.

Putting on my other hat, I am pleased to see section 701 of the Housing Act of 1954 changed in section 208. The increase in authorization of 701(b) funds will be helpful to the solution of problems in our area currently being undertaken by the Metropolitan Council. Another most important change in section 208 is the broadening of the definition of comprehensive planning to include human and natural resources.

Section 209—Planned areawide development for areas outside the metropolitan area will be helpful to the state as well as complimentary to the Metropolitan Council.

The present Metropolitan Council, although appointed, appears well covered under your definition of Metropolitan, Regional, and District Planning Agencies on page 31 of the Committee's Report. This is most important and has caused concern in our area in the past.

Again, I thank you for your efforts in a most improved Housing and Urban Development Act and hope the Senate sees fit to adopt your report.

A Merry Christmas to you and your family and best wishes for the New Year.

Sincerely,

DENNIS W. DUNNE,
Vice President.

NEW ENGLAND REGIONAL COMMISSION

Mr. KENNEDY of Massachusetts. Mr. President, the New England Regional Commission, established by the Public Works and Economic Development Act of 1965, has this fall conducted hearings in each of the six New England States. It has also held a hearing on the problems of New England as a whole.

These hearings are the first step in a process designed to produce for the six States, and for the region as a whole, a development plan which can both restore New England's former vigor and also guide the inevitable future growth in population, jobs, housing, and recreation.

Mr. President, I presented testimony to both the Massachusetts hearing and the New England hearing. I outlined, in this testimony, a program of action for the regional commission.

I ask unanimous consent that my testimony be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR EDWARD M. KENNEDY, BEFORE THE NEW ENGLAND REGIONAL COMMISSION, BOSTON, MASS., NOVEMBER 8, 1967

Mr. Chairman, this hearing you are holding today has major implications for Massachusetts. It can lead to a regeneration of the economy of this Commonwealth. If it does, then it will stimulate the economy of the New England region. This will in turn help build a stronger America.

This is why I am so pleased to have the opportunity to testify today. For, as a United States Senator, my responsibility is not only to my state of Massachusetts—it is to New England and the nation as well.

I welcome the opportunity to suggest a program for the economic and social development of Massachusetts.

The New England Regional Commission was

formed to provide a forum for programs of economic development. I co-sponsored the Public Works and Economic Development Act of 1965 which authorized this commission. I testified in support of it. And I worked to secure its passage. It is, consequently, a pleasure for me to see the commission in actual operation.

Today's testimony focuses on the economic development of Massachusetts. But we cannot isolate Massachusetts from its neighbors, in New England, in the Northeast, and in the United States. To do so would be to ignore the realities of our modern life.

Pollution from afar is visited on Massachusetts. Jet planes carry passengers to other states and nations. Businesses here produce for distant markets. Students come to Massachusetts from all over the world, as do sick people in search of the world's best medical treatment.

Massachusetts is part of New England, and part of the United States. We must always keep this in the forefront of our minds as we plan for the future.

But in the immediate future, Massachusetts and New England will also be a part of a new social and economic unit—the megalopolis. Forecasted since the beginning of this century, the great Northeastern megalopolis will stretch from Maine to Virginia. It will include more than sixty metropolitan communities.

The role of the New England Regional Commission is to aid New England in solving its individual and interstate problems. Let me suggest a broader role for the commission; to prevent the megalopolis from becoming a tragic example of the evils of unchecked, unplanned urban sprawl.

The megalopolis can be a tribute to man's ingenuity. It can reflect the fruits of modern technology. It can offer unparalleled cultural satisfactions. But it cannot do these things without planning.

The New England Regional Commission must devote a major portion of its effort to the problems of New England. At the same time, it must be active in leading other parts of the megalopolis to sound and rational regional developments. True to its proud traditions, New England should be the leader in progressive planning for transportation, pollution control, health, social welfare, manpower training, vocational rehabilitation, urban development, housing, crime control and consumer protection.

The promise of the sixties is all but behind us. The future of the seventies is upon us. We have a short time to learn if we have laid the proper foundation for that future.

On numerous occasions in the past, I have outlined the major economic and social problems facing the Commonwealth. President Kennedy did the same when he was a Senator from Massachusetts. Progress has been apparent in some problem areas, but not in others. The time for discussion of these persistent problems is behind us. The pressures for action are now upon us. They become more critical every day.

Therefore, I will not address my remarks solely to matters of concern to the Commonwealth. Nor will I address my remarks solely to matters of economic development. To my mind, it is impossible to discuss the basic problems of Massachusetts without giving consideration to the effect of these problems on the other New England states. It is also impossible to discuss economic conditions without discussing social conditions. We share our economic and social problems with all the New England states. In many cases, we share them with every state in the nation.

In today's mobile society, effective progress cannot be limited by geographic boundaries. A transportation system within one state, no matter how advanced or well planned, is of little value if it does not tie in with other systems beyond that state. In the same manner, the effectiveness of programs of social welfare is reduced if the services provided to our citizens differ markedly in quality and equality from other states and regions.

I believe that the New England Regional Commission is charged with a responsibility to translate the discussions of the past—and of today—into the positive action programs of tomorrow.

I will ask the commission to undertake specific studies and to develop specific proposals for submission to the Congress. I will urge the Commission to serve as a coordinating body to bring together the officials of all the New England states. Sound regional development cannot proceed without active partnership among the several states.

I would like to outline a twelve point program for the New England Regional Commission. This program can form the nucleus of a detailed plan for the expanded development of Massachusetts and New England.

I. INDUSTRIAL GROWTH AND DEVELOPMENT

It is evident that the economic growth of New England has not kept pace with that of the nation as a whole. Pockets of poverty are scattered throughout southern New England. Whole areas of poverty are spread across three northern New England states. This poverty is in stark contrast to the once-thriving and productive industrial complexes New England once knew.

But the nation expanded, our mills and factories moved elsewhere. Our farming declined. There was insufficient industrial diversification to take up the slack. As a result, New England's increase in personal income is below the national average. Except for Massachusetts and Connecticut, the per capita personal income in New England is considerably less than the national average. In northern New England, the industrial structure is limited to a narrow range of industrial activity.

We cannot attract new industry to northern New England with our existing highway and transportation systems and our community facilities for health, education, sanitation, housing and vocational training.

In southern New England, space age industries have reformed the industrial structure. But at the same time, our traditional industries, cotton and wool textiles, shoes, furniture, jewelry, and so forth, are continuing to decline.

In 1920, more than 50 per cent of our labor force was employed in the manufacturing industries. A significant 8 per cent was employed in the extractive industries, such as agriculture, forestry, fisheries, and mining. By 1960, employment in manufacturing had declined to less than 35 per cent, and in the extractive industries to a low of about 2 per cent.

This has led to a substantial decline in manufacturing jobs. It has left us a surplus of workers not being sufficiently absorbed into new industrial and service fields. The result is poverty, despair, and disillusionment.

The future of Massachusetts and New England will be different. Growth will see to that.

By 1980, the total of New England's population will increase by some 3.3 million people over the 1960 figure. This will mean:

An increase in our total labor force from 4,331,500 to 5,620,000;

A total employment increase from 4,024,500 to 5,380,000; and

An unemployment increase from 193,500 to 233,000, based on today's percentages.

The forecasts predict further declines in some industries:

A decline in employment in the extractive industries from 92,900 to 88,900;

A decline in employment in the textile industry from 125,400 to 62,600;

A decline in the employment in the lumber and wood products industry from 33,400 to 25,700.

At the same time, the forecasts predict increases in other industries:

An increase in employment in the paper and allied products industry from 72,700 to 80,400;

An increase in employment in the rubber and plastics industry from 61,600 to 76,100;

An increase in the machine industry from 329,000 to 488,000;

An increase in the employment in the fabricated metal industry from 116,200 to 136,000;

An increase in the finance, insurance, and real estate professions from 183,000 to 305,000; and

A remarkable increase in employment in the service industry from 680,400 to 1,220,000.

For a sound Massachusetts and New England, we must work to forestall the projected decreases. And we must work to see that our incentive and other programs are designed to ensure that the projected increases are realized.

We urgently need programs designed to encourage industrial growth and development. New industries, new products, new firms, and new markets will remove labor surpluses, invigorate the economy, and stimulate economic growth. Similarly we need new plants, new machines, new technical developments, and new techniques of management to cure an economy suffering from old age.

I ask the Regional Commission to present to Massachusetts, to the other New England states, and to the Congress a balanced program for encouraging the settlement of new industry in New England.

Revitalization of existing industries is an important factor in any program of economic growth. The untapped food resources of the sea, for example, stand as an open challenge to our scientific and technological capabilities. The Continental Shelf off New England abounds in fish, shellfish, minerals and other resources. Science has provided us with the technology we need to modernize our fishing fleet and its marketing methods. It has also given us a guide to commercial development of our offshore resources. What we need is the initiative to move ahead.

I will urge the Congress to pass the Fisheries Development Act of 1967 which I introduced this year in the Senate. This bill can go far toward re-energizing an industry trapped in a cycle of obsolescence and decline.

I ask the Regional Commission to develop programs for revitalizing other traditional industries now on the decline. The New England Regional Commission can provide the initiative we in Massachusetts and New England need to stimulate industrial growth and development.

II. URBAN DEVELOPMENT

Today, urban sprawl is a major hazard to our society, to the beauty of our nation, and to the structure of our local communities. Sound urban development is one of our major tasks. In 1900, forty per cent of the population of the United States lived in urban areas. By 1960, this figure reached seventy per cent. Almost all of the population increase between 1960 and 1975 will occur in urban areas. Megalopolis comprises four per cent of the nation's land area—but more than twenty per cent of its population.

Only new concepts of planning and dynamic leadership can make our cities and urban areas into places we are proud of.

Urban development involves every aspect of our society: transportation, pollution control, industrial growth and development, welfare, education and housing. As we treat each of these problems individually, we are attending to a basic problem of urban development. But rational urban development can only proceed from comprehensive planning.

We have the abilities to design and the resources to construct great cities. The cities of Boston, Springfield, Providence, New Haven, Hartford, Portland, Bangor, Manchester, Nashua, and Montpelier—they must pursue their programs of urban renewal, and must be aggressive to take advantage of new programs such as Model Cities.

I ask the Regional Commission to serve as a liaison among State and local governments, to aid them in meeting the challenge of urban development in the seventies.

III. TRANSPORTATION

A chief cause of New England's economic difficulties is its transportation crisis. Our major railroads are in, or near, bankruptcy. They need complete rehabilitation. We are continuously faced with the threat of losing all intercity passenger service, and of a substantial abandonment of freight service. Intracity rapid rail and bus service to suburban communities is more than inadequate. Progress in the establishment of efficient interstate air service is at a standstill. Progressive programs in highway construction in southern New England are offset by lack of programs in northern New England. Thirty-three and a third percent of all outbound freight from the port of New York comes from New England, while the Port of Boston handles only fifteen per cent. This is indeed a sad commentary on a port that was once the leading port on the Eastern coast.

Improving transportation facilities is the critical component in the plans and programs for the physical reconstruction of our cities and the resolution of our economic difficulties. I cannot emphasize too strongly the need for solutions to New England's transportation problems. If the Regional Commission does nothing else, it will have proved the value of regional planning if it develops solutions to New England's transportation crisis.

I ask the Regional Commission to put transportation high on its agenda.

The Northeast corridor high speed rail service could spur New England's economic growth. But it never will unless the businessman, the scientist, the technician or the private citizen, alighting from a train in Boston, can make a connection to cities in Maine, New Hampshire, or Vermont. New England is an economic unit. Each state must must keep pace with the other if unemployment and industrial stagnation are to be eliminated and the economy regenerated.

Many have written off the Port of Boston as an important port of the future. As reasons, they cite dilapidated facilities, labor-management conflict, and an apparent lack of support from the Massachusetts Port Authority. For example, last year the Massachusetts Port Authority spent in excess of $2 million for a restaurant at Logan International Airport. But it spent only $800,000 on the improvement of the entire port. Last year, during the so called "Export Month"—about which there is still controversy—no ship of substantial size left the Port of Boston.

In 1966, I requested the Federal Maritime Administration, in cooperation with the Interstate Commerce Commission and the Civil Aeronautics Board, to conduct a study of the Port of Boston. They did not write off the Port.

According to this report, similar problems, in varying degrees, face every other port facility in the United States.

Since the Port of Boston is of significant importance to the general economy of the New England area, I suggest that the Regional Commission should focus on it.

The Port of Boston needs a realistic facility development program. Containerized shipping should and must be the cornerstone of that program.

The Port of Boston needs a dynamic and creative promotional campaign if it is to attract regional, national and international business.

The Port of Boston must arrive at a resolution of its labor-management problem. With the entire country searching for jobs for the unemployed, adequate gangs to load and unload ships at the Port of Boston are not available. Only last week, three ships which called at the Port with cargoes for delivery in the New England area, had to go elsewhere to be unloaded. One cargo consisted of twenty-five thousand cartons of frozen meat.

Finally, the Port of Boston needs a reasonable storage rate to compete with other eastern ports.

The Regional Commission, acting in cooperation with the Massachusetts Port Authority, could speed us along the road to full development of the port. The Commission could encourage all shippers, throughout the New England region, to band together, pooling their shipment of freight and thereby creating a need for steamships calling at New York to also call at Boston.

I do not write off the Port of Boston. New England cannot afford to write off the Port of Boston. We must take the initiative, now, to show that Boston need not be a "no-call" port.

I ask the Regional Commission to assume a position of leadership in solving the problems facing the Port of Boston.

Modern technology is just ahead on transportation. We can envision moving sidewalks, electronically controlled highways, supersonic air carriers, and high speed rail service. But we have yet to complete the development of adequate interstate highway systems with sufficient access roads. We have yet to renovate rapid transit systems. We have yet to locate convenient air port facilities. We have yet to containerize trucking and shipping.

Transportation is the key to success in our modern world. It is my hope that the Regional Commission will work swiftly to provide New England with that key.

IV. POLLUTION CONTROL

Air and water pollution are the end result of an economy whose unprecedented scientific and technological growth has far outstripped its ability to cope with the by-products of that growth. We must now deal with them.

This is a matter which requires regional planning and cooperation. Efforts by Massachusetts to control the pollution of the Connecticut River are useless without the cooperation of New Hampshire and Vermont. Air pollution control programs in Fall River and New Bedford are futile without similar programs in Providence.

I have often stated my views on pollution. We in New England have made considerable progress, particularly with state and federal-aid funds. However, pollution is still, today, the largest single destroyer of New England water resources—hindering the economy, impairing health, and jeopardizing the prosperity of the region.

The Regional Commission, in cooperation with the New England Governors Council, must continue and increase the rate of progress in this most important area. Intra- and interstate regulations and programs need further design and development. Implementation of technological advances in control devices must be accelerated. More than in any other field, regional planning is the only effective tool in our effort to rid our communities of these unwanted by-products of our modern technology.

V. EDUCATION

Regionalization of our educational programs is the wave of the future. Within the New England states, regional high schools and regionally located branches of state universities are well developed. The importance of equal opportunity in education and equal preparation for a responsible and self sufficient citizenry is undisputed. But because of the mobility of that citizenry, curricula planning must assume a regional role. Today, there is no guarantee that a child beginning school in Norwood, Massachusetts will complete his education in Norwood. More likely, he will attend his first three grades in Norwood, his middle grades in Worcester, and perhaps begin high school in Hartford, Connecticut. Lack of regional and interstate curriculum planning places this child at a distinct disadvantage.

The advent of educational television and closed circuit television makes regionalization more reasonable and functional. No child or adult should be denied quality education simply because he lives in a city as opposed to a suburb, or in the country as opposed to an urban area. Our state departments of education must meet the demands of all of our communities. And our states must work together on programs to improve the quality of education.

The Regional Commission can play a role in education development. Massachusetts is one of the great educational centers of the world. And so is New England. We have available to us many of the best minds of America, in Massachusetts and New England. Let us tap that resource. Every state in the union has derived immeasurable benefits from the faculties of Massachusetts universities. Yet there are areas of New England where the quality of education is far below the national standard.

It is indeed tragic to note that four of the New England states rank among the bottom ten states in per capita expenditures for all education—Massachusetts ranks forty-ninth. And only Vermont places within the top twenty with the rank of nineteen.

The day must come when we, as a region, as well as a nation, can point with pride to the quality of education provided for all children.

I ask the Regional Commission to propose to the States specific methods for raising regional coordination.

I ask the Regional Commission to prepare a survey on the curriculum differences within the New England States.

VI. MANPOWER TRAINING AND VOCATIONAL REHABILITATION

Rapid technological changes, bringing new plants and equipment, increases the output of employees. They also raise their earning power and standard of living. But these same changes create problems of displaced workers, declining industries and depressed areas. Nowhere is this fact more visible than in the New England States.

The location of a major portion of the electronics and space industry in Massachusetts created a completely new standard of living from the communities bordering on Route 128. By the same token, the loss of parts of the textile, wool, shoe, and furniture industries has spread poverty throughout all of New England. To eliminate these depressed areas, renewed efforts in the areas of manpower training and vocational re-education are necessary.

Congressional recognition of the potential for developing human resources through retraining led to the Manpower Development and Training Act. Under the programs provided by this act, much of the skilled labor force of New England has been retrained and has found new work. But action by the Federal Government is not enough. Each state and each region must provide facilities for job retraining and vocational education. Private business and industry must share the cost of these programs.

It is indeed significant that many areas of Massachusetts are binding together to form districts for housing modern, well-equipped and well staffed retraining and vocational education facilities.

The Regional Commission can assume a leadership role in this area. Regionalizing within state, and between states, is a necessary requirement for effective programs. It is a geographic fact of life that many New Englanders live in one state but work in another. All New England States must share the costs of an expanded and regionalized job retraining and vocational education program. All the states will reap the benefits if they do.

As the pace of technological change accelerates, individuals in skilled positions will need to learn two or more skills within their work years. Facilities must be available for these workers. New England has faced the problem of industrial relocation before. Indeed, it is still suffering from the effects of that relocation. Whether or not we have learned the lessons of history will be apparent only if we prepare to meet the effects of any future relocation activity. The provision of progressive job retraining and vocational education programs will ensure our ability to do so. And, as a fortunate side effect, the availability of such programs and facilities will encourage the location of new industry in our area.

I ask the Regional Commission to act as a coordinating body for multi-state job-retraining programs, and to stimulate their development.

VII. HEALTH

The provision of adequate and comprehensive health care is one of my prime concerns as a United States Senator. I know it is a concern of all pulic officials in Massachusetts, and throughout New England. Regionalization of health programs to provide the finest in available services to our citizens is an important and progressive idea. I know that legislation is now pending before the Massachusetts General Court which would revitalize the Commonwealth's public health program. I am confident that this legislation will be enacted. Its programs will take their place with those provided by the recently enacted mental health and public health reorganization bills.

Massachusetts and New England are fortunate to have one of the most outstanding medical complexes in the world in the region. The research facilities, the hospitals and the highly qualified medical personnel concentrated in the Boston area attract patients from across the nation and around the world. Also located in the Boston area, at Columbia Point, is the first Neighborhood Health Center to be funded under an amendment I introduced to the Poverty Program legislation. The Roxbury-North Dorchester community will shortly have established another of these centers.

The concept of neighborhood health centers is new and promising. Although Boston houses the medical center of the world, seventy-five miles outside of Boston live people who receive little or no benefit from comprehensive medical care programs. The wealth of skills in the Greater Boston area should not be confined to that area. The desirability of establishing a computerized diagnostic center for outlying areas, and closed circuit television systems to service other New England hospitals and medical schools cannot be denied.

I ask the Regional Commission to undertake a feasibility study on the establishment of such a network.

The state departments of health should cooperate in establishing standardized programs of health education, communicable disease control, and in providing more facilities to serve the medical needs of all of our citizens.

Public health reorganization is necessary if all are to receive comprehensive health care. The Regional Commission can do much to foster such reorganization in the New England states.

I ask the Regional Commission to encourage public health reorganization.

The development of comprehensive and regional public health programs cannot proceed without attention to mental health. The care of the mentally ill is presently undergoing revolutionary change in Massachusetts. The Mental Health Reorganization Bill, just passed by the Massachusetts General Court, identifies Massachusetts as a leader in a field too long neglected by our nation.

This Bill serves as an excellent example for other New England states. It can well serve as the foundation for regionalization of mental health programs. In 1963, President Kennedy said that:

"Mental illness and mental retardation . . . occur more frequently . . . require more prolonged treatment . . . waste more of our human resources, and constitute more financial drain . . . than any other single health condition. We as a nation have long neglected the mentally ill and the mentally retarded." President Johnson recently stated: "For thousands of mentally and physically handicapped Americans, employment has too long been considered an exclusive concern of 'charity'. Yet we know that many handicapped citizens can learn important skills." Through the provision of regional mental health centers, Massachusetts and the other New England states can reduce the waste of human resources. Regional services will permit many of these individuals an earlier reentry into society. They will allow them to make valuable and needed contributions to their communities.

The program adopted by Massachusetts will take ten years to complete. This illustrates the need for similar action by other New England states as quickly as possible.

I ask the Regional Commission to work with every New England State in an effort to raise the quality of care for the mentally ill and retarded.

I ask the Regional Commission to support programs aimed at returning our mentally and physically handicapped citizens to the work force. State and local governments must assume the leadership in this area, and private industry must be encouraged to do more.

VIII. WELFARE

The persistence of substantial poverty and unemployment in our productive and prosperous society, justifies social welfare programs. New England, as a region well-schooled in the fluctuations of an industrial community, is well aware of this need. To say that an individual is fully responsible for his own welfare is unrealistic in an era when technological change can, overnight, turn a skilled worker into an unemployable worker.

The challenge of returning that individual to the work force requires a progressive welfare system. It must, first, encourage him to obtain job retraining. Second, it must provide for the support of his dependents during the period of his retraining.

Massachusetts, again, provides leadership. While the other New England states have state administered welfare programs, few provide a program as comprehensive as the one authorized in the recently enacted Public Welfare Reorganization Bill. The provisions of this bill can serve as an example to the other New England states.

The basic change provided in this landmark legislation is the establishment of fifty community service centers. These regional centers will replace the myriad of local boards of public welfare. The new state administered regional welfare system, aside from providing these regional centers, has another unique feature which I believe is most in keeping with the anticipated future needs of our citizens—a program of comprehensive services.

Regionalization is a requirement for a modern welfare system. The establishment of intra-state regional service centers providing all of the necessary welfare services is a first step in our efforts to reform our welfare program. Because of the close proximity of the New England states, regionalization on an interstate basis is also necessary. Equality of services among states of close proximity is mandatory. The disparate requirements for public assistance should be standardized whenever possible.

I ask the Regional Commission to work with the states to bring their welfare assistance programs into alignment.

I ask the Regional Commission to study the establishment of regional multi-purpose service centers. The day will come, when it is possible for the citizen to make one trip to take advantage of comprehensive service in any one of the above areas—public health, mental health, and public welfare. When that day comes, we can be sure that more of our citizens will be served and that they are better served.

IX. HOUSING

As a state and a region our goal cannot be any different from that stated by the Congress in 1949 as national policy: "A decent home and a suitable living environment for every American family."

Nineteen years later, we are a long way from that goal. The creation of the Department of Housing and Urban Development indicates our high national concern for meeting this goal. However, states and regional agencies must assume the responsibility for comprehensive planning. The Federal Government can offer financial assistance, but only local and regional efforts can ensure that construction actually proceeds logically and rationally.

Megalopolis demands regional cooperation. Soon, miles of undeveloped land between suburban communities will be covered with homes, for our expanding population. To illustrate: in 1930, there were 980,000 households in New England. By 1950, that number had reached 2,550,000. By 1960, 3,120,000. By 1970, New England must accommodate an additional 950,000 households.

Only judicious use of land will prevent the construction of identical communities, with identical street layout, identical homes, and identical shopping areas. Only judicious planning can save sufficient land for scenic beauty and for recreation.

I ask the Regional Commission to pinpoint sites for the construction of new communities in New England. These communities can bring a new order of quality urban living to New England and to Massachusetts. They represent the wave of the future.

X. CRIME CONTROL

Crime control is of growing concern to Massachusetts and to New England. In 1965, the national crime rate per 100,000 persons was 1,502. In 1966, this rate had increased by 10.2 per cent, to 1,656 per 100,000. In New England in 1965, the crime rate was 1,225 per 100,000. And in 1966, it had reached 1,290 per 100,000. Although we can take some pride in the fact that our rate is lower than the national rate, we have cause for concern because in one year New England's crime rate increased 10.8 per cent. This is higher than the national average increase.

Crime control must be a regional concern. Nowhere is this more evident than in gun control legislation. Massachusetts has a very strong and potentially effective gun control bill. However, the effectiveness of this bill is weakened when guns are purchased in other New England states by Massachusetts residents who could not buy them in the Commonwealth. In one year, over eighty-seven per cent of the guns surrendered by criminals in Massachusetts were purchased outside of Massachusetts.

I ask the Regional Commission to work with state legislatures on the development of compatible gun control legislation.

This year in Congress I proposed the establishment of Regional Criminal Justice Institutes to provide impetus for regional research efforts, advanced academic training in criminal justice professions, and concentrated in-service discipline seminars for those who run the criminal justice systems. This idea was born in New England. It illustrates how appropriate New England is for regional treatment of some of these problems.

I have also co-sponsored the Safe Streets and Crime Control Act of 1967. This bill authorizes grants to groups of states. It would be most unfortunate if we in New

England did not take advantage of this feature when the bill passes.

The most recent issue of the Saturday Evening Post carries a cover story entitled, "The Mafia—How It Bleeds New England." Organized crime is reportedly bleeding the area of over a half a billion dollars annually. Only as a region can we meet the menace which is operating regionally.

I ask the Regional Commission to convene regional conferences of law enforcement officials. The Commission can use as a framework the New England State Police Chiefs Association, which has already given us a headstart to regional cooperation.

I ask the Regional Commission to study the advisability of regional licensing of computer interconnections.

Progress to stem the growing crime rate in our region and in our nation presents a serious challenge. But it is a challenge we cannot fail to answer. It requires the efforts of every single government official, every law enforcement officer, and, most of all, every citizen as individuals. And it requires regional cooperation.

XI. NATURAL RESOURCES

New England's natural resources are not adequately used.

New England has an abundance of water—for drinking, for recreation, for industry and for power. Yet, using this water presents a difficulty. Sewage and industrial waste make much of New England's water unusable and a peril to health and recreation, to fishing and industrial development. Water collection and distribution systems are obsolete and inadequate. Again, we need a regional program for water pollution control, for distribution, and for conservation. Every New England state shares rivers with another state. The clean-up cannot work without cooperative efforts.

I ask the Regional Commission to develop a regional program of water resources, drawing from the work of the existing, single purpose regular agencies.

Fifty per cent of New England is covered with forests. We must develop and protect our forests through modern methods of conservation and technology.

The vacation business has great potential for Massachusetts and New England. With improved transportation networks and roads, New England's seashores and mountains will be vast year round retreats for megalopolis. There is ample room for expansion of the tourist industry in New England. But if we are to increase tourism, we must work together for national development of our great natural resources. Haphazard development will destroy the resources and hurt business.

Beach erosion control is mandatory and access roads to our mountain skiing areas are imperative. The preservation of the resource and its intensive use are not mutually exclusive.

I ask the Regional Commission to act as liaison between the States and the local governments seeking to increase tourism.

I ask the Regional Commission to act as liaison between the conservation groups and the development groups.

XII. POWER COSTS AND RATES

The most recent national power survey shows that the cost of producing, transmitting, and distributing power in New England is twenty-eight per cent above the national average. Commercial consumers paid up to forty-five per cent more. Industrial consumers paid up to sixty-two per cent more.

New England's relatively high power rates have accelerated the decline in specific industries. They have also hindered the development of a new industrial base. As an illustration, industrial power sales tripled between 1940 and 1963 in New England—but they increased six times in the nation as a whole. In the same period, residential sales in New England increased six times—but they increased ten times in the nation as a whole. Even accounting for the faster population growth of other regions, New England's consumption of power has not kept pace with the rest of the country.

High costs are the reason.

To some extent, the high costs reflect a lack of natural resources of coal, oil, and natural gas, and the consequently high price of these fuels when used for power generation. To an equal extent, however, the high costs reflect the lack of large-scale generating and transmission facilities.

We have been struggling for years in the Congress to get the funds to construct the Dickey-Lincoln Hydro-Electric Plant in Maine. Our struggles have been only partially successful, because of the intense opposition and powerful lobbying of the private power companies. Eventually, the plant will be built. When it is, New England's power rates will go down.

But there are additional routes open to us to bring down power costs.

I ask the Regional Commission to investigate the feasibility of a New England Power Authority. This Authority could purchase low-cost power outside New England—as in Labrador or New York—and wheel it for sale at cost in New England.

I ask the Regional Commission to work intensively to encourage regional inter-connections to forestall the recurrence of the blackouts which have plagued New England.

I ask the Regional Commission to bring together the private and public power companies in New England and, to urge them to undertake joint planning and programming.

New England's economy can never be strong and vibrant without lower power costs. We must all, private citizens and public officials, work toward lowering rates.

SUMMARY AND CONCLUSIONS

I have suggested a large number of target areas for action by the New England Regional Commission. There are many others, such as regional employment referral centers, which I would have liked to consider here today. I will comment on others at the December hearing devoted to New England as a whole.

I do not intend to project a pessimistic picture for the future of Massachusetts and the New England area. To the contrary, I have meant to present a frank appraisal of the problems we face before we can realize our full potential. Massachusetts and New England have much of which to be proud. The residents are well educated and independent. It is highly industrialized and highly productive. In absolute terms, its economy expanded throughout the years, despite the fact that its rate of growth has been less than the rest of the country.

The advent of regional planning is a great step forward. It will prove to be of immeasurable value to New England, particularly as we begin to view ourselves as a region when we attempt to treat regional problems.

In 1790, the date of the first census, New England accounted for almost twenty-five per cent of the nation's population. By 1910, this share had declined to 7.1 per cent. Presently, with a population of ten and one half million, the population of New England represents 5.8 per cent of the United States' total. Despite our declining population, New Englanders maintain their traditionally high level of participation in the labor force. This is because the age distributions of our population places a larger share of the total population into work age groups than the nation as a whole. Also, because female participation in the labor force is somewhat higher than in the rest of the nation. At the present time 57.2 per cent of our total population participates in the labor force. The availability of regional statistics of this sort are a recent innovation. They are important for an understanding of what we are doing as a region, and what we must do to raise our standards.

I recently asked the Bureau of the Budget in Washington to prepare regional and state-by-state breakdowns of the flow of Federal funds into the New England region. I have that breakdown with me today, and I ask that it be made part of the record of this hearing. It shows that, as a region, we receive a smaller percentage of Federal funds than we did five years ago, down to 6.1 per cent from 7.2 per cent. In many cases, this is because we have not been aggressive in taking advantage of the new Federal programs.

I ask the Regional Commission to develop a system for accounting for the use by New England states of the available Federal programs. This can act as an important incentive to New England.

I ask the Regional Commission to aid local legislatures to keep abreast of new Federal programs and to pass companion legislation as swiftly as possible. At the present time, many Federal programs are inoperable in Massachusetts because the General Court has not yet enacted the necessary enabling legislation to authorize state participation in the programs.

But I do not want to suggest that the Federal Government should assume all the burdens of economic and social development in New England. Neither do I want to suggest that the New England Regional Commission should assume all responsibilities for the economic and social development of the New England states.

The tasks we face are so vast that we need all the help and advice we can get. The Regional Commission is uniquely suited to carrying out some of these responsibilities, acting as a stimulus and catalyst.

We have an obligation to future generations of Americans. This obligation is to leave for them a better world than our parents left for us.

Sound planning on a regional basis is a beacon to lead the way to this better world.

The work of the Regional Commission can light this beacon.

I urge it to get on with its work.

FEDERAL EXPENDITURES BY AGENCY

[In millions of dollars]

	Connecticut		Maine		Massachusetts		New Hampshire		Rhode Island		Vermont		New England	
	1962	1967	1962	1967	1962	1967	1962	1967	1962	1967	1962	1967	1962	1967
HEW	28	510	21	180	100	16,124	10	121	17	183	8	84	184	17,202
HUD	60	125	6	36	35	231	5	31	33	55	6	10	145	488
OEO	....	9	....	9	....	28	....	2	....	3	....	2	....	53
Agriculture	5	15	11	26	7	23	3	9	1	4	3	12	30	89
Roads	53	86	19	25	111	182	24	26	23	27	38	29	168	385
NASA	7	28	....	....	16	79	....	7	....	1	....	5	23	116
Interior	....	4	....	4	....	16	....	3	....	4	....	1	....	32
Defense	786	....	77	....	882	16,796	69	264	25	324	15	105	1,854	5,216

FEDERAL EXPENDITURES

	1962	1967
U.S. total	$39,851,000,000	$168,695,000,000
New England total	2,880,000,000	10,395,000,000
Connecticut	1,022,000,000	3,493,000,000
Maine	159,000,000	611,000,000
Massachusetts	1,346,000,000	4,638,000,000
New Hamsphire	133,000,000	576,000,000
Rhode Island	140,000,000	741,000,000
Vermont	80,000,000	336,000,000
New England as a percentage of U.S. total	7.2	6.1

STATEMENT BY SENATOR EDWARD M. KENNEDY BEFORE THE NEW ENGLAND REGIONAL COMMISSION, BOSTON, DECEMBER 12, 1967

I am delighted to have the opportunity to present further testimony to the New England Regional Commission.

One month ago, at your Massachusetts hearing, I had the opportunity to outline what I consider the areas of major concern for the New England Regional Commission, as they apply to Massachusetts. Today, I would like to present my views on how the Regional Commission can implement certain of those suggestions, as well as other suggestions more relevant to New England as a whole.

As a United States Senator and as a New Englander, I am proud of the interest shown in these hearings by men of leadership in every New England state, men with a broad range of knowledge and expertise. I am proud, but not surprised, for New Englanders have a proud heritage of leadership.

For over three hundred years, New England has been identified as a geographical, political, and economic unit. New Englanders are born with a spirit of regionalism. This spirit is encouraged and nurtured. So that today, interstate cooperation is truly the hallmark of the region.

The New England Regional Commission can provide finite leadership and direction to assure effective use of this great resource. Cooperation, without adequate advance planning, can be misdirected and wasteful. But well-planned and well-controlled cooperation can revive New England, can make it a focus of economic and social activity—a position that is historically our own.

But to provide the necessary direction and leadership, the Regional Commission must be action-oriented.

No one denies the need for research and study. But we can have too much of a good thing. Many of the problem areas outlined in my testimony and in the testimony of other witnesses have been studied and restudied. The time has come to stop studying and start acting, at least in these areas. The Regional Commission must use available resources. Federal and state studies in the areas of transportation, pollution, housing and urban development are available and they are current. The outstanding universities of New England—one of our most valued natural resources—all have Bureaus of Public Affairs dedicated to the study and research of community affairs. Harvard, MIT, Yale, Boston College, Dartmouth, Bowdoin, Northeastern, Middleburg, the University of New Hampshire, Boston University and the University of Massachusetts—these are just a few of the academic institutions which continually publish studies on every facet of New England life. The Federal Reserve Bank, the New England Council—these organizations, and others, publish data continually.

It is my fervent hope that the Regional Commission will not turn out to be just another study group. I urge you to look to our universities for assistance—ask them to place their vast research facilities at your disposal. Look to the Federal and state governments for assistance—they too have much to offer. Look to business and finances—they have much at stake in a viable future for New England.

We have the studies; in some cases, we have the plans. Let the Regional Commission serve as a catalyst for action.

Under the terms of the Public Works and Economic Development Act, you have authority to seek program funds from the regular Federal Departments and agencies. You also have authority to go directly to Congress.

The time has passed for you to seek fiscal 1968 funds through the regular departmental budget process. But it has not passed for requests direct to Congress. I know I speak for the entire New England Congressional delegation when I urge you to bring us your requests for program funds.

I will outline a few areas where this seems particularly appropriate. But there are undoubtedly others. You should put this high on your agenda, as I am talking not about 1969 or 1970, but 1968. New England has waited a long time for its Regional Commission. Let us wait no longer for action. Let action be the Regional Commission's watchword.

I would like to outline a brief ten point action program for the New England Regional Commission. This program can serve to ensure action—which in turn will ensure progress for New England.

I. REGIONAL COORDINATION OF PROGRAM PLANNING AND DEVELOPMENT

The most important prerequisite in any effort designed to meet regional problems is coordination. Once the problems of a region have been identified, the planning for the development programs to solve them must be coordinated.

In my previous testimony before the Commission, I outlined the major problems facing the New England Region. The problems are not new. I am not the first to cite them. President Kennedy, in 1952, presented a detailed analysis of them to the Congress. Many programs he recommended are now law.

We have made efforts in some areas to eliminate the other problems. We have established commissions, separate agencies, state agencies, regional agencies to study problems and plan programs. The New England Regional Commission is the first agency designed to coordinate intrastate and interstate efforts in every problem area.

I ask that the Regional Commission assume the responsibility for the coordination of program planning and development in New England.

At the present time, in the area of pollution control, each of the New England states has a state agency responsible for the establishment and enforcement of water pollution controls. The Federal Government, through the Federal Water Pollution Control Administration, has some responsibility in this area. A Federal representative is active in each of the New England states. The New England River Basins Commission, the Army Corps of Engineers, the Department of Agriculture and the New England Interstate Water Pollution Control Commission and each city and town in New England, share responsibility in this most vital area.

The Regional Commission can and should serve as a clearing house for programs designed to meet the challenge of pollution, particularly interstate programs.

Elimination of overlapping responsibilities is a major concern. At a recent hearing on pollution in Boston Harbor, it appeared that no fewer than ten agencies or individuals share responsibility for clearing the waters of the harbor. It is hardly surprising that pollution control efforts are bogged down, and that Boston Harbor is still dirty.

The same situation exists in pollution. Again, each state, the Federal Government, and cities and towns have agencies designed to meet this problem. The same is true in almost every one of the major problem areas identified as critical in the New England region: transportation, health, social welfare, manpower training, vocational rehabilitation, urban development, housing, crime control and consumer protection.

I ask the Regional Commission to move to eliminate the overlaps among Federal, state and local agencies. To do this, the Commission should make a survey of the existing agencies, state and Federal, to determine where duplication exists. Then, it can suggest modern management techniques to reduce the overlaps and to ease the burdens of the inevitable paperwork the overlaps create.

I ask the Regional Commission to identify lines of responsibility in each of these problem areas. The Regional Commission might, in some cases, be given the authority of final approval in programs of particular regional impact, such as air pollution control. Determining lines of responsibility can be a step in this direction of sound program management.

II. SUBMISSION OF A PRIORITY PROGRAM TO THE CONGRESS

The Regional Commission is authorized to determine priorities and submit programs to the Congress for approval and funding.

I ask the Regional Commission to submit a priority program for New England to the Congress before April 15, 1968.

Through examination of existing studies on New England's transportation, industrial development, manpower training, pollution and other problems, the Regional Commission can be in a position to recommend to the Congress a series of action programs in these pressing areas. Again, I urge the Commission to utilize the resources available to them—existing studies. In each area, studies have been completed and recommendations have been made. Let it be the role of the Regional Commission to sift through the studies and recommendations, and come up with an action program to lay the foundation for successful solutions.

In other areas, less pressing perhaps, programs have been designed in areas of importance to New England. Let the Regional Commission solicit such programs from the states for presentation to the Congress and to the appropriate Federal agencies. In its role as liaison to the Federal Government, no service could be more appropriate.

I ask the Regional Commission to prepare programs of both long and short range benefit to the region, and to submit their programs to the Congress. This would carry out the mandate of the Congress, as outlined in the Public Works and Economic Development Act of 1965.

Let me give a specific example of how the Commission could proceed under this proposal. Water pollution control programs have been prepared, both in Massachusetts and in New England. Cities, towns and industries are ready to act. But the Federal budget situation has forced the Administration to seek only 50 percent of the funds for water pollution control activities, which the Congress authorized only last year.

Consequently, those who drew their plans counting on a certain level of Federal participation find the regular Federal programs very short of funds. The Regional Commission could—and should—ask the Congress for supplemental water pollution control funds. In this way, New England could move faster down the road to clean rivers and harbors than it otherwise could.

III. COORDINATION OF STATE AND FEDERAL LEGISLATIVE PROGRAMS

Most of the programs authorized in the Congress, to provide Federal assistance to state and local governments, require the passage of enabling legislation at the state or local level. This is particularly true where Federal funds are available on a matching basis. The state must authorize participation in these Federal Programs, and earmark funds to pay the state share.

I ask the Regional Commission to aid state legislatures to pass the necessary enabling legislation.

Massachusetts, until November 7 of this year, could not participate in the programs authorized by the Land and Water Conservation Fund Act of 1965 because the state lacked the necessary authorization. This act provided for the planning acquisition, and development of public outdoor recreation areas and facilities. Because of the delay, $2 million in Federal funds reserved for Massachusetts went unspent. Massachusetts lost out on many programs of value to its citizens, and jeopardized its chance to secure the same amount of funds in future allocations.

In examining the record of New England's share of funds available to it through the Federal Government, it is apparent that there are many other programs which are not fully utilized. *I ask the Regional Commission to survey each Federal program,* to determine whether they are being utilized fully on a state and on a regional basis. I then urge the Commission to cooperate with the states to secure full participation in Federal programs. With such assistance, we can be assured that New England will not lose out on the programs designed to improve the region and the lives of New Englanders.

IV. NEW TOWN PLANNING AND DEVELOPMENT

In November, the population of the United States reached 200 million. By 1975, it will be 225 million. And by the year 2000, it will be 300 million.

Eleven million Americans live in New England. By 2000, there will be 15 million—a 36 per cent increase. New England must make plans to accommodate these 4 million new citizens. The Regional Commission, through coordination of public and private development programs, can do much to forestall haphazard urban sprawl and unnecessary population concentration.

I ask the Regional Commission to survey the concentration of present population in New England, and to determine the need for, and select suitable sites for, New England new towns.

The building of new towns is one of the most challenging and rewarding activities of the sixties. The Appalachian Regional Commission has recently announced that two new towns will be built in central Appalachia. One is Fairdale, West Virginia; the other, Midland, Kentucky.

This is regional planning at its best. Fairdale and Midland are now just names. Within a few years, they will be active young towns with active young families and young ideas working in growing young industries.

Certainly, new town development must depend to a great extent on private investment. But without the Appalachian Regional Commission, it is safe to say that Fairdale and Midland would never have been started. And without the New England Regional Commission, there is no agency in New England with the facilities and with the mandate to enter this area of creative planning.

I ask the Regional Commission to work with the governors to encourage industrial and private development companies to enter into the area of new town planning. The Regional Commission can survey potential sites, and recommend those which appear best suited for development.

V. REGIONAL AIRPORT DESIGN

Logan International Airport is the largest airport in New England—but it is underused. Much of the air traffic now routed through New York should, when we consider time and efficiency factors, be routed through Boston.

I ask the Regional Commission to present a program to domestic and international carriers highlighting the advantages of Logan International Airport as a major air traffic terminal.

Boston is an hour closer to the European continent than New York, so it offers a distinct advantage to international carriers. Logan Airport does not suffer from the tremendous overcrowding which presently plagues the New York airports. Logan is served by most domestic airlines, so that transfers are convenient and frequent. Logan is ten minutes from downtown Boston with its outstanding hotels and restaurants.

Logan can become even more of a regional resource than it now is, with aggressive promotions and sound development. It can stimulate the economic progress of the entire area. I urge the Regional Commission to become active in promoting it.

The Regional Commission can also serve as a developer of a regional airport plan for New England. Interstate air travel needs much improvement. New airports are needed to serve both the growing private plane needs of the area and the growing commercial traffic. Certainly, much of this activity now handled at Logan could be removed to allow for an increase in international traffic and transcontinental traffic. Small airports to accommodate private planes should be built close to the major access roads to a city. These airports should have the facilities offered at the larger airports such as adequate transportation to the city, car rental services and restaurants so that they will attract the private plane and draw them away from the city airport where they must wait in line for long periods of time in deference to commercial carriers.

I ask the Regional Commission to prepare a regional airport plan for the New England area, to meet the demands of both private and commercial carriers.

VI. REVITALIZATION OF THE FISHING INDUSTRY

In my previous testimony, I urged the Commission to work for the revitalization of the fishing industry in New England. I want to go into this matter in greater detail today.

During the last twenty years, the tides of fortune have turned against the American fishing industry—an industry of which New England was once the center.

In 1966 America's domestic producers supplied only 40 per cent of the fish eaten in this country—the remaining 60 per cent was imported. The United States is the world's foremost importer of fish and fish products, at an annual value of nearly $750 million. This is true in spite of the fact, that our geographical borders to the south, east and west are ocean. We have allowed foreign competition to all but destroy what was once our greatest industry.

I csk the Regional Commission to restore the fishing industry to prominence in New England.

To do this, the Commission must lend its support to legislation pending in Congress. I have introduced a bill for the rebirth of the industry, but there are other important measures pending also.

The Regional Commission must not delay its encouragement of state and local programs designed to meet the needs of the fishing industry. In the program I have urged the Regional Commission to present to the Congress early next year, I would hope that financial assistance programs for the fishing industry would be included. A recent article in the Boston Globe outlined the difficulty one fisherman in New Bedford had supporting himself and his family on the profits of his catch. He needed both financial and technical assistance.

Revitalization of the fishing industry will have a multiplier effect. It would mean more jobs for fishermen, new demand for processors and processing facilities, new orders for shipyards and equipment suppliers, and the rebuilding of port facilities.

We can never allow one industry to die. For with it die three or four related industries. No country can afford this. No region can afford this. No industry can afford this.

I ask the Regional Commission to work with states and local governments to develop incentive programs to encourage individuals to take to the sea in search of fish.

I ask the Regional Commission to initiate construction of plants for the production of fish protein concentrate.

VII. REDEVELOPMENT OF THE NEW ENGLAND PORTS

The rebirth of the fishing industry will create a need for the redevelopment of the once proud ports of New England. Expanding world trade accents the demand for bettering our port facilities.

We in New England can always look to the past for glowing descriptions of our leadership in any economic area. We led the nation in the development of the extra-active industries—fishing, forestry, and mining. We led the nation in implementation of their industrial revolution. We can be proud of our history.

But, unfortunately, you and I do not live in the past. Equally unfortunately, we no longer lead in these areas. But we have the power to determine our future—if we have the dedication. New England still possesses the natural resources which gave us our proud history. It is our job to utilize these resources and to make history repeat itself.

I ask the Regional Commission to take the leadership in the redevelopment of the ports of New England.

Boston Harbor, like Logan Airport, is being bypassed in favor of New York. One third of New England's exports are channelled through the port of New York. In many instances, time and money could be saved were Boston, or some other of New England's ports, used instead of New York. Of the major American shipping lines, only one retains its service in Boston—the United States Lines. We in New England should all be appreciative of the efforts of the United States Lines to keep Boston a major North Atlantic port.

But Boston Harbor has problems which must be solved before we can attract new business. One of the key issues concerns what is generally considered a revolution in the maritime industry—containerization.

It takes 24,000 man-hours to handle 40,000 tons of traditional break-bulk cargo in traditional ships. With containerization, it takes just 750 man-hours to handle this same shipment. This fact has led to fears among longshoremen similar to those apparent with the introduction of the computer—that automation will reduce the number of jobs available. Consequently, in Boston a disagreement between labor and management has made it impossible to utilize the containerization facility completed two years ago.

But just as the fears of computer automation are proving unfounded, so, it is becoming apparent, are the longshoremen's. In fact, on the West Coast, where the union reached an agreement with management, the number of longshore jobs has *increased* rather than decreased. This is a reflection of the increased volume of traffic brought on by an active, expanding trade.

I ask the Regional Commission to seek viable labor-management agreements to open up our ports in New England to the container revolution.

Other ports in Massachusetts, Connecticut, New Hampshire, Rhode Island and Maine have also suffered the effect of declining industries. The Regional Commission can serve a valuable purpose were it to conduct a survey of the existing facilities and needs of these ports, and to work in cooperation with the North Atlantic Ports Association on their redevelopment.

VIII. COMPUTER INFORMATION SYSTEM TO SERVE NEW ENGLAND

On August 30, I introduced legislation calling on the Advisory Commission on Intergovernmental Relations to examine the desirability of constructing a computer system to help states and cities with Federal program information.

I ask the Regional Commission to lend its support to this legislation, and to prepare plans to incorporate vital regional information into the system.

At the present time, there are more than 300 Federal programs dealing with education, environment, poverty, or community development. There are some 150 major bureaus and offices in Washington, and over 400 regional and subregional offices in the field. All signs indicate that these numbers will increase before they decrease. How can a selectman in Ashburnham, Massachusetts, keep informed on all of these programs, when, in fact, it can be shown that many major cities are unaware of some of the programs available to them?

I recently sponsored a conference in Washington, to which I invited the state, city and town officials of Massachusetts to meet with the various Cabinet officials whose departments have jurisdiction over many of the Federal programs. These officials gave capsule descriptions of the programs their departments offered. The most often expressed reaction of these men and women was, "I never knew such a program existed."

We will go far toward our goal of a better life for all Americans if we make modern computer technology available to state and local officials, for it is these officials who must plan for and carry out the programs designed to bring this better life about.

In the area of local information systems, regional planning and coordination would be much facilitated if each state could be kept informed of all the developments in the other states—and if each city and town could be aware of the programs available in each of them.

One of the most outstanding contributions such a system could afford is the regionalization of education opportunity. In our mobile society, the day must come when no child's education will be disturbed simply because he moved to a new town or a new state and entered a different school system.

I have long been impressed by the enormous potential of computer and information retrieval technology, and by its possible application to the development of an information system designed to serve all of our citizens.

I ask the Regional Commission to work on this concept of information exchange particularly as it relates to the New England region.

IX. INTER-REGIONAL PLANNING

The New England Regional Commission represents but a portion of the area encompassed by the great Northeastern megalopolis. We in New England must recognize the fact that we are now a part of a larger community—a community stretching from Maine to Virginia. We must make plans and prepare programs, and develop areas, in concert with the plans, programs and development of the other regions in this community.

I ask the Regional Commission, again, to assume the broader role of preparing New England for megalopolis.

To do this, the Commission cannot operate in isolation. I urge the members of the Commission—the New England governors and the Federal co-chairman—to open the channels of communications with the rest of this new community. This can be done most effectively, I think, through organizations such as the associations to which our governors and mayors belong. It's been my experience that we often ignore existing sources of information and assistance in our efforts to develop new and exciting programs for progress. Let the Regional Commission become an expert in the knowledge of ready sources of information.

Megalopolis, with all it may offer in the way of new cooperation and coordination, brings many problems to the unprepared. Let us New Englanders, as we plan for our own economic and social rejuvenation, keep megalopolis in the forefront of our minds. The groundwork is being laid, in the work on the high-speed ground transportation system for the Northeast corridor. This experience can be a model for cooperation in other fields than ground transportation.

X. ELECTRIC POWER

The Regional Commission could help New Englanders meet one of their most pressing problems—cost and reliability of electric power. The New England region pays the highest electric rates in the United States. The memory of the 1965 blackout, and the many intervening, smaller blackouts, is vivid in every mind.

High rates and less than the highest possible reliability means that all consumers of power in New England suffer. The high rates are a factor in the decisions businessmen make in locating their plants. High rates are a burden on senior citizens living on fixed incomes. There are countless other arguments against the high rates.

One sure way of lowering these rates would be construction of the Dickey-Lincoln project in Maine. Unfortunately, the bill this year was the object of an intense and successful lobbying campaign, and so New Englanders must wait another year before getting another chance to have their rates lowered.

I ask the Regional Commission to survey the existing studies of the Dickey-Lincoln project, and to report on whether construction of the project would be in the region's interest.

Another aspect of this matter involves regional cooperation and planning for electric power development. The private power companies have acted systematically to exclude the municipal power companies from planning for the future growth of production and transmission facilities. This refusal, reflected nation-wide, is a large part of the reason for the repeated black-outs. It is also the genesis of the provisions of the proposed Electric Power Reliability Act which would stimulate coordinated planning among all power producers and transmitters.

I ask the Regional Commission to inventory the status of power production and transmission planning in New England, and to report on the extent of cooperation among the various companies. This could provide the Congress and the public with the baseline it needs to judge the effectiveness of the planning.

SUMMARY AND CONCLUSIONS

I have presented the Regional Commission with a large number of recommendations. All are designed to let history show that the New England Regional Commission was a Commission of accomplishment, and not merely another study group. All reflect my hope and confidence in the Regional Commission's stated commitment to action and progress.

One vital contribution you, as a Commission, can make, is to publish a report summarizing the recommendations made to you by the various witnesses you have heard in your six separate hearings. You have heard some of the best minds in New England give you their detailed plans for restoring the prominence of New England. I can think of very few more worthwhile efforts than one to spread these suggestions widely throughout New England, to receive the scrutiny of educators, businessmen, public officials, and others.

I would suggest that in such a report you might break down the recommendations into three phases, as follows:

Phase I: Recommendations which could be presented to Congress for immediate action. These would include funds for water pollution control, as I have already pointed out. They would also include other programs, which would become apparent on a review of the testimony.

Phase II: Recommendations for high priority study and action. These would include airports, power fisheries, and others. The study necessary on these Phase II programs would not be in-depth probes of the universe of the subject matter. Rather, they would be short-range determinations of exactly what amount of funds should be requested of the Congress in specific program areas.

Phase III: Recommendations for long-range studies and action. These would include coordination of development projects, new towns, and others.

This is, I think, a sensible way for the Regional Commission to proceed. It provides for an immediate action program, as well as for intermediate and long-range surveys of the best ways to rebuild the economy of New England.

In my earlier testimony, last month, I spoke of employment, welfare, health, education and other areas of social concern which are particularly relevant to state activity. I did suggest, however, a number of ways in which the Regional Commission could help the states in meeting these pressing and growing needs.

The author of a recent documentary on New England cites realism as the dominant feature of a New Englander's character. We New Englanders are realistic in appraising our shortcomings, he says, and just as realistic in praise of our accomplishments.

New England, today, is a record of both—shortcomings and accomplishments. As you review the testimony presented to you at your state hearings—and here today—what you will discover is evidence of that New England realism. Realistic New Englanders from every state, from both private and public life have outlined our shortcomings. They do this in the hope that the New England Regional Commission will be one of our accomplishments.

New England has a proud history. We must work together to see that its future is just as proud.

RANKINGS OF THE NEW ENGLAND STATES[1]

	Connecticut	Vermont	Maine	New Hampshire	Rhode Island	Massachusetts
Population	25th	47th	36th	45th	39th	9th.
Per capita income	$3,401 1st	$2,312 35th	$2,277 38th	$2,547 45th	$2,823 16th	$3,050. 9th.
Unemployment	2.9	2.9	3.2	1.5	3	3.6.
Number of poor	35th	45th	38th	44th	40th	26th.
Total Federal funds	25th	47th	38th	45th	39th	9th.
Agriculture	44th	39th	28th	46th	51st	38th.
Commerce	21st	42d	44th	49th	43d	18th.
Federal Aviation Administration	15th	39th		38th		40th.
General Services Administration	5th	35th	19th	52d	44th	2d.
Health, Education, and Welfare	25th	47th	38th	43d	37th	9th.
Housing and Urban Development	6th	50th	37th	41st	29th	18th.
Interior	45th	51st	37th	50th	48th	26th.
Labor	29th	48th	36th	52d	39th	11th.
Office of Economic Opportunity	29th	49th	40th	47th	39th	13th.
Small Business Administration	46th	42d	43d	36th	45th	3d.
Veterans' Administration	33d	47th	38th	44th	40th	10th.

[1] Includes territories.

ORDER OF BUSINESS

Mr. MORSE. Mr. President, I should like the attention of the Senate. I am about to deliver a speech on District of Columbia affairs, in behalf of my Subcommittee on the District of Columbia which has jurisdiction over the police, the schools, and welfare.

In an effort to cooperate with the leadership, I am taking the time now to commence the speech. I will lay the speech aside whenever the leadership desires to bring up any pending business of the Senate.

I should also like the RECORD to show that I told Senator STENNIS, before he left the Chamber, that I will not bring up the conference report on education until we have taken up the conference report on social security, and that due notice will be given to those Senators who are concerned about the judicial review section of the Senate bill. I am concerned about it, also. It is not in the conference report.

I should like the Senators, may I say to the members of the staff, to have due notice when I take up the bill, so that the Senators will be on the floor.

ACTIVITIES OF CORPORATION COUNSEL, METROPOLITAN POLICE DEPARTMENT, AND DISTRICT OF COLUMBIA FIRE DEPARTMENT

Mr. MORSE. Mr. President, on November 28, during hearings I conducted on the District of Columbia elected-school-board bills, I advised Mayor Walter Washington that there are a number of problems and investigative reports which I wish to turn over to him during the Christmas season in the spirit of Christmas. I also advised the Mayor that I wish to turn over these reports and problems to him because of my great admiration and my enthusiasm of his accepting the responsibility of heading our newly reorganized city government.

I explained to Mayor Washington that, for a number of years, I have been serving on the Senate District of Columbia Committee as chairman of the Subcommittee on Public Health, Education, Welfare, and Safety and that, in serving in this capacity, I have found it necessary not only to handle legislative responsibilities but also the responsibility of surveillance and legislative oversight of many practices that existed in the District of Columbia government. I am of the opinion that with the newly reorganized District of Columbia government, under the very capable direction of Mayor Washington and Deputy Mayor Fletcher, my subcommittee can and should relinquish to the maximum extent possible the jurisdiction it has previously been exercising of an administrative nature.

As Senators know, the Senate District Committee had two functions under the former District of Columbia form of government. It has had the legislative function and the surveillance or legislative oversight function. What I wish to discuss in the Senate today is my subcommittee's work in connection with the surveillance or legislative oversight function. I propose to delegate most of this legislative oversight function of an administrative nature to the new city government. The subcommittee has not taken action on the reports and problems which I shall turn over shortly to the Mayor.

I have reason to believe that the newly reorganized District of Columbia government in carrying out what I think is its responsibility and duty will see to it that good and honest government is maintained in the Nation's Capital. I do not mean by this that it is a reflection upon the preceding District of Columbia government because, as I have said on many occasions and I repeat today, in carrying out my surveillance functions I have had the complete cooperation of the preceding District of Columbia Board of Commissioners.

Because my subcommittee has complete confidence in the Mayor and the new City Council, it is passing on these reports and problems to them. In doing this, I wish to point out that there is always remaining the residual power of the subcommittee and the full committee and of the Congress to step in if there is any evidence of any kind that shows the newly reorganized District of Columbia government is not living up to its responsibility to maintain good and honest government.

So today, I believe that it is a most appropriate time to discuss in the Senate and to announce to the Mayor and the new City Council that in this Christmas season, it will get a Christmas present from me—a Christmas present in the form of a lot of work that will go with it.

The subcommittee, upon learning that individuals, banks, universities, and businesses were giving money and other gifts to various units of the Metropolitan Police Department and the Fire Department, requested an investigation to be conducted by an investigator on the staff of the District of Columbia Board of Commissioners. The results of that investigation, which was requested on July 18, 1967, were submitted to the subcommittee on October 16, 1967.

The report shows that precinct after precinct and unit after unit accepted money in violation of the District of Columbia Code, chapter 4, section 129, and an order of the District of Columbia Board of Commissioners prohibiting the acceptance of gifts. These gifts amounted to thousands of dollars.

Commissioner Tobriner, in forwarding the report to me, stated:

> From a perusal of the report, it is apparent that many of these funds do not meet the requirements of the D.C. Code, Chapter 4, Section 129, in that previous Commissioner consent has not been had either for the acceptance of such funds or the use thereof.

I believe that Commissioner Tobriner went to the very heart of the matter when he stated in his letter to me that—

> I think there is no justification for gifts to individual officers, the Precinct or the Police Department as an entirety, from sources outside of the Department. Such gifts, though sometimes motivated by gratitude for an act accomplished on the part of the Police, may also be motivated by favors expected in the future. They readily tend to make the donor the preferred recipient of Police services over and above the citizen who has not given. Therefore, rather than direct the abolition of citizen generosity properly motivated, I feel that such generosity should be channeled away from the Police Department. If because of gratitude toward the Police, organizations or citizens desire to make a contribution of some kind, then in my opinion that contribution should be made to the District Government as a whole, or to a department thereof neither directly or indirectly connected with Police activities.

I wish to point out that the acceptance of these funds is not universal throughout the Police and Fire Departments. According to the report, a number of police precincts did not accept funds from sources outside the Department. The report shows, however, that one police precinct accepted $3,740 during the last 3 or 4 years from people outside the Department.

These practices concerned me very much and they have concerned Commissioner Tobriner, as he stated in that portion of the letter which I just quoted, because, if police officials accept gifts, it erodes public confidence in the work performed by the Department. I urge Mayor Washington and the new City Council to study this report carefully and effectuate whatever changes are necessary to halt these practices immediately.

The next report which I have included in my Christmas present to the Mayor is a report of an investigation which I requested the Comptroller General of the United States to undertake into the existence and nature of free medical care being furnished through the personnel and facilities of the District of Columbia Board of Police and Fire Surgeons Clinic to retired members of the Metropolitan Police and Fire Departments. The Comptroller General advises me that he knows of no congressional legislative authority which authorizes the Board to render medical treatment to retired Police and Fire Department members.

The Comptroller General advises me that—

> We were informed that the retirees, during their active-duty days, had occasion to visit the clinic for treatment of illnesses and injuries, that patient-doctor relationships had been created which carried over to retirement days, and that, when retirees had a need for medical attention, they returned to the clinic where a doctor was available who was familiar with their ailments or injuries. No action has been taken by the Board or the Fire Department (charged with the administration of the clinic) to refuse or to curtail this free medical care.

The Comptroller General advises me also that he is informed by the Board that, because of the heavy workload, it is becoming extremely difficult for the doctors to fulfill their duties in regard to treating active-duty policemen and firemen and at the same time treat retired employees. At the end of fiscal year 1967, there were nearly 2,200 retired police and firemen. Of this number, 351 retirees made 1,117 visits to the clinic for medical treatment.

Mr. President, let me say parenthetically that the retirement does not necessarily carry with it free medical service after retirement. This is a handout being given to these police and firemen retirees, being paid for by the taxpayers, without the slightest justification, and it should stop.

The General Accounting Office advises me that 40 percent of the laboratory technician's work consists of services rendered to these retirees even though the laboratory technician states that she has been advised by the Chairman of the Board that retirees are not legally entitled to such service. Also, the General Accounting Office estimates that it costs the District of Columbia government more than $7.50 a visit by these retirees which, when considering the number of retirees who visit the clinic each year, involves a tremendous amount of money.

I am also advised that the retirees require much more of a doctor's time than do active-duty members of both forces. The doctors at the clinic take both the active-duty and retired police and fire officials on a first-come, first-served basis, which means that this involves a loss of time to active-duty members. It also means that active-duty members are losing time so that they cannot spend as much time as they should fighting crime on the streets of Washington and putting out fires.

The PRESIDING OFFICER (Mr. Byrd of West Virginia in the chair). Will the Senator suspend?

The Record will show that the morning business has been closed, that the pending business has been laid down, and that the senior Senator from Oregon has unanimous consent to speak out of order.

Mr. MORSE. I thank the Chair.

I am further advised that a majority of the Board members are of the opinion that the medical treatment to retirees should be discontinued. It was pointed out in the Comptroller General's report that over 14,000 prescriptions were issued for active-duty police and firemen during the last fiscal year. Prescriptions were being issued to police and firemen for such items as mouthwash, vitamins, peroxide, analgesic balms, and many other over-the-counter items which anyone can buy without a prescription. However, the police and firemen can get their mouthwash free if the doctor writes a prescription for it and takes his time to do it. Otherwise, he would be required to pay for it. I would urge the District government to look into this practice at once to see to it that it pays only for prescription drugs.

The General Accounting Office report also points out that a lot of laboratory work is being awarded to private laboratories and that there is no specific legal authority for such policy. This is being done, Mr. President, at the same time we have laboratory facilities maintained at District of Columbia General Hospital by the Department of Public Health. The Board also is using private medical specialists and services costing the District of Columbia government more than $42,000 in fiscal year 1967 when the District of Columbia Department of Public Health has specialists on its staff at District of Columbia General Hospital who are capable of handling these cases. I would urge that Mayor Washington look into this matter to determine whether some arrangement can be made to have this work performed at District of Columbia General Hospital or some other District of Columbia public health facility.

It might also be pointed out that the District of Columbia government contributes toward the health benefits insurance premiums for both active and retired policemen and firemen. This amounted to $21,500 in fiscal year 1967. The Comptroller General believes that many of the services rendered to the retirees by the clinic could be provided by private physicians under the provisions of the retirees' health insurance policies.

I suggest to Mayor Washington that he study the Comptroller General's findings and recommendations with the view of effectuating this economy of time and money on the part of the District government.

Another problem of great concern to my subcommittee is the increasing number of automobile accidents and fatalities in the District of Columbia. As a member of the Senate District Committee, I have pleaded for years with Chief Murray and Chief Layton of the Metropolitan Police Department to give greater police attention to the mayhem being inflicted by motorists on the streets and highways of the Nation's Capital. The number of traffic fatalities continues to increase. The number of personal injuries and property damages is on the upswing.

As of November 29, 1967, there have been 120 traffic fatalities in this city compared to 97 traffic fatalities in all of 1966. It is estimated that economic loss caused by automobile accidents in the District of Columbia was $31,119,840 in 1964, $29,811,150 in 1965, and $32,004,600 in 1966. No figures are available for 1967.

I urge the Mayor to see what he can do to reverse the present trend within the Metropolitan Police Department of taking manpower and equipment away from the traffic division for other purposes. I believe that most highway safety authorities would agree that, with stepped up traffic law enforcement, traffic accidents and fatalities almost always decline. I cannot help but believe that many traffic accidents and fatalities could be prevented through improved traffic law enforcement and driver education. This is not necessarily the case in crimes of passion and violence.

Another problem which I am including in my Christmas package to the Mayor involves the problems which have developed in the past few years in connection with personnel policies in the District of Columbia Fire Department. In my judgment, there is a very serious need to revise existing procedural rules of promotion in the Fire Department. There is a great amount of dissension among employees of that department in relation to the fire chief. Labor relations, generally, between the men in the Department and the fire chief are very bad. Morale has deteriorated in the department as a result of this.

I have every reason to believe that the Mayor is already looking into this matter and will develop revisions of present procedural rules upon completion of his study. I hope that he will find it possible to do so at the earliest possible date as there is no reason why this serious problem cannot be resolved.

I am also referring to Mayor Washington and the City Council the problem of traffic ticket adjustment which has not, as yet, been completely resolved. I have worked hard during the past few years to have this nagging problem resolved satisfactorily.

As a result of my intervention and watchdog activity, I have saved for the taxpayers of this city many, many tens of thousands of dollars which otherwise would not have gone into the treasury of the District of Columbia if the shocking practice of ticket fixing had not been stopped. It had become nothing short of a racket in the District of Columbia and, may I say, a racket in which many Members of Congress participated because they permitted themselves to yield so that they, in effect, became traffic ticket fixers, too.

All that I did was to give the traffic ticket fixing matter the light of full public disclosure. There is nothing more antiseptic than the light of full public disclosure whenever you have the kind of attack on the body politic that was being conducted in this city, to the ill health of the body politic, with respect to traffic ticket fixing practices.

There must be found, and will be found, some procedure and understanding to prevent this periodic public controversy over traffic ticket adjustments in the future. I shall be pleased, if so requested, to cooperate with the Mayor and the City Council in doing this.

The traffic ticket adjustment problem arose publicly several years ago when there was presented to my subcommittee time and time again a great many complaints in regard to traffic ticket adjustments by the Metropolitan Police Department and the corporation counsel's office. The subcommittee went into the problem sufficiently to satisfy it that the matter needed to be promptly corrected. A vast majority of the traffic ticket adjustments at that time were not based upon justification. They represented the exercise of arbitrary discretion on the part of the corporation counsel's office and an action, without legal authority, on the part of the Metropolitan Police Department. As chairman of the subcommittee, I was and am completely opposed to arbitrary discretion in the operation of government at any level. Because of this arbitrary exercise of authority, my subcommittee discussed the matter at some length with the District Commissioners, with the chief of police, and the corporation counsel.

Mr. President, I have discussed this problem at length with many police traffic officers. I have reported in the past and I report again today that I found the traffic ticket adjustment policy was having a very detrimental effect on the morale of the traffic officer of the District of Columbia. Why should it not? Mr. President, how would you like to be a traffic officer, issuing a traffic ticket upon a wrongdoer, only to find that that wrongdoer could go to someone high in the District of Columbia Government or some Senator or Congressman and get the ticket fixed? It was devastating upon the morale of the police.

When I started my surveillance we stopped police department traffic ticket adjusting and made great inroads in the practice of congressional traffic ticket adjusting. I have had the congratulations of traffic officer after traffic officer because they felt at long last they were being backed up in carrying out their duty. Carrying out the policeman's duty is not easy to do. It is a difficult job.

The way to back up the police is to see to it that their morale is not destroyed. The traffic ticket fixing policy was having a very detrimental effect upon the police morale of the District of Columbia.

The corporation counsel and the District Commissioners ruled that the Metropolitan Police Department did not have any authority to adjust traffic tickets. After this ruling, the Metropolitan Police Department ceased to adjust traffic tickets.

The problem since that time has been with the corporation counsel's office. During the several years that the subcommittee has been looking into the traffic ticket adjustment problem, it has requested and received from the District of Columbia Commissioners and Mayor Washington traffic tickets which have been adjusted by the corporation counsel's officer.

The traffic ticket adjustment continued to plague the subcommittee, so on April 13 and 14, 1967, my subcommittee held informal conferences on the traffic ticket adjustment problem with Mr. Charles T. Duncan, corporation counsel; Mr. Robert H. Campbell, acting chief, law enforcement division of the corporation counsel's office; Mr. Thomas H. Johnson, special assistant to the corporation counsel; and Chief of Police John B. Layton of the Metropolitan Police Department. All of these public officials were most cooperative with the subcommittee.

During these discussions, I pointed out to these officials that, in my judgment, judicial decisions and not administrative decisions should be made in practically every traffic ticket case, and that the corporation counsel's office should prosecute those charged with traffic offenses and allow the courts to make a judicial determination.

One reason why I have been pleading for a night traffic court.

As a result of the informal discussions that I just mentioned, the corporation counsel submitted to the subcommittee a memorandum his office prepared to regularize the adjustment of traffic tickets. There still continues to be a good number of traffic tickets being adjusted by the corporation counsel's office—far, far too many. I do not think the amount of the adjustment can be justified. I urge Mayor Washington and his staff to study the memorandum of the corporation counsel with the view to closing numerous loopholes which remain in it. I believe that the corporation counsel, in setting up the guidelines for adjustment of traffic tickets, may have erred in favor of too flexible and elastic guidelines.

From discussions I have had with Mayor Washington, I have every reason to believe that he will pursue the traffic ticket adjustment matter as relentlessly as my subcommittee has during the past few years in order to insure public confidence in the administration of justice in the District of Columbia. Because of my confidence in Mayor Washington, I am turning the traffic ticket problem over to him and shall request that he discontinue forwarding to my office all traffic ticket adjustments.

During the past 2 years, my Subcommittee on Public Health, Education, Welfare, and Safety has received at its request from the District of Columbia government a great deal of data pertaining to the high percentage of disability retirements of policemen and firemen.

The subcommittee is turning over this data and the reports to Mayor Washington with the suggestion that the data and the reports receive his very careful attention. I believe that the District government must determine from this and other information available to it, whether the high disability retirement rates are caused by deficiencies in the laws relating to such retirements. My guess is that some of the problem arises from deficiencies in the retirement laws and that much of it arises from poor administration of the Retirement Act.

The data being turned over to Mayor Washington shows that during the past 10 years, 83 percent of the policemen retiring, retired on disability. This is a remarkable figure. Of all the retirements, 83 percent qualify to retire on grounds of disability. I am satisfied that that is not true, that there is no justification for the retirement of 83 percent of policemen in the District of Columbia on disability. I think it is a misapplication of existing retirement laws which need to be strengthened in some particulars. But I think the administration of it needs to be carried out in good faith. I challenge the good faith of the administrators who have been granting easy disability retirements.

Of the personnel retiring from the Fire Department, 79 percent retired on disability.

These studies indicate that the 814 Metropolitan District policemen who retired over the 10-year period had an average age of about 53 years—and still young enough to take police jobs in other police departments in close proximity to Washington, or elsewhere in the country, or undertake other jobs in which their alleged disability did not disqualify them for further employment. They are even working as investigators in the Welfare Department. Of these 814, only 151 were retired for age and service, 551 were retired for disabilities that were either incurred or aggravated in the line of duty, and 112 were retired for other disabilities. In the Fire Department, the comparable figures were a total of 332 retired, of which 69 were retired for age and service, 247 were retired for disabilities incurred or aggravated in the line of duty, and 62 were retired for other disabilities. Thus, as I stated earlier, in the Police Department 83 percent were retired on disabilities, and in the Fire Department 79 percent were retired for the same reason. The median service for the policemen who were retired on disabilities was between 19 and 20 years, for firemen who were retired for disabilities, 75 percent of them had retired before they completed 26 years of service. This compares with a median service of between 25 and 26 years for firemen who were retired for disability, 75 percent of them had retired before they completed 30 years of service.

I believe that these figures may well suggest that, since the bulk of the retirees were approaching the age at which they could have qualified for an age and service pension, disability retirements in many cases may have been sought because of the higher pension rates and the tax advantages that accrue as the result of a disability retirement.

I would like to urge Mayor Washington to have a comprehensive study undertaken by his staff of disability cases to first, determine whether the medical evidence is sufficient to establish the existence of the disability and its severity; second, determine whether the disability was either directly of indirectly related to the performance of the retiree's duties; third, determine whether additional medical evidence might prove or disprove any of the factors I just mentioned; fourth, determine whether disability retirements, as alleged in the report of the President's Crime Commission, based on personality disorders are being used as a device for retiring inefficient policemen; fifth, determine whether the determination of disability is made by the Retirement Board or by the Board of Surgeons; sixth, determine the effectiveness of the present administrative machinery and the advantages which might accrue from a separate disability evaluation board which would evaluate the medical evidence, including such evidence as the Board might secure for itself in addition to the evidence furnished by the Board of Surgeons, and make determinations of disability and determinations of the relationship of the disability to the individual's duties; and seventh, determine if the item I just mentioned were adopted, what role should be played by the present Retirement Board.

A fairly high percentage of these disabled policemen and firemen upon retirement almost immediately apply for benefits under the District of Columbia Unemployment Compensation Act. I am forwarding to Mayor Washington a list of those persons who received unemployment compensation after being awarded total disability from the two above mentioned departments. Also included in this data is the amount of money they received.

Mr. President, I ask unanimous consent to have printed at this point in my remarks a table prepared for me by the District government showing the cost of disability and optional retirement of the policemen's pension since fiscal year 1958.

There being no objection, the table was ordered to be printed in the Record as follows:

GOVERNMENT OF THE DISTRICT OF COLUMBIA, METROPOLITAN POLICE DEPARTMENT—COST OF POLICEMEN'S PENSION BY FISCAL YEAR

	1958		1959		1960		1961		1962		1963		1964		1965		1966	
	Number of men	Amount	Number of men	Amount	Number of men	Amount	Number of men	Amount	Number of men	Amount	Number of men	Amount	Number of men	Amount	Number of men	Amount	Number of men	Amount
Metropolitan Police:																		
Disability	755	$1,980,443	785	$2,629,836	811	$2,766,399	809	$3,103,096	859	$3,364,426	894	$3,728,066	946	$4,260,850	994	$4,953,179	1,096	$5,465,361
Optional	105	327,412	104	408,382	110	437,390	117	520,711	122	556,903	151	710,108	159	809,022	169	948,481	177	932,551
Subtotal	860	2,307,855	889	3,038,218	921	3,203,789	926	3,623,807	981	3,921,329	1,045	4,438,174	1,105	5,069,872	1,163	5,901,660	1,273	6,397,912
Park Police:																		
Disability	43	114,461	51	176,027	58	205,610	57	228,605	67	276,150	64	287,176	70	347,579	73	386,418	79	435,700
Optional	12	31,943	12	42,246	13	44,861	15	59,268	14	55,229	19	83,542	16	77,906	18	105,387	18	99,370
Subtotal	55	146,404	63	218,273	71	250,471	72	287,873	81	331,379	83	370,718	86	425,485	91	491,805	97	535,070
Secret Service:																		
Disability	6	23,957	6	31,685	5	26,169	5	29,633	4	23,012	5	31,328	5	35,957	9	63,232	10	84,082
Optional	6	18,633	5	17,602	5	18,692	5	21,167	6	36,820	8	46,992	8	53,935	6	49,181	10	84,082
Subtotal	12	42,590	11	49,287	10	44,861	10	50,800	10	59,832	13	78,320	13	89,892	15	112,413	20	168,164
White House:																		
Disability	39	106,475	40	137,301	46	160,750	46	182,037	45	184,100	50	203,634	54	239,710	58	337,238	69	351,618
Optional	20	58,561	21	77,452	21	78,506	21	88,902	25	105,857	27	130,535	32	167,797	32	182,670	34	191,097
Subtotal	59	165,036	61	214,753	67	239,256	67	270,939	70	289,957	77	334,169	86	407,507	90	519,908	103	542,715
Total, all departments:																		
Disability	843	2,225,336	882	2,974,849	920	3,158,928	917	3,543,371	975	3,847,688	1,013	4,250,204	1,075	4,884,096	1,134	5,740,067	1,254	6,336,761
Optional	143	436,549	142	545,682	149	579,449	158	690,048	167	754,809	205	971,177	215	1,108,660	225	1,285,719	239	1,307,100
Grand total	986	2,661,885	1,024	3,520,531	1,069	3,738,377	1,075	4,233,419	1,142	4,602,497	1,218	5,221,381	1,290	5,992,756	1,359	7,025,786	1,493	7,643,861

Mr. MORSE. Mr. President, the cost totaled $2,661,885 in fiscal year 1958 and $7,643,861 in fiscal year 1966. I believe that this table clearly indicates the cost of the retirement program. We should be very careful that those who are entitled to receive disability retirement receive it. I would be the last not to want any policeman or fireman who is entitled to disability retirement not to get it. On the other hand, I do not want the taxpayers and the public to be taken advantage of by the granting of disability retirement when the facts under the law do not support the retirement.

Anyone who is truly disabled should receive disability retirement benefits. I have no quarrel with this category of men and women. However, we should be just as careful to see that those who attempt to take unfair advantage of it are turned down.

I ask unanimous consent to have printed at this point in my remarks an article written by Elsie Carper, of the Washington Post, dated April 2, 1967, entitled "Disability Retirement Provides Haven for 7 of 10 District of Columbia Policemen." That is the ratio.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DISABILITY RETIREMENT PROVIDES HAVEN FOR 7 OF 10 DISTRICT OF COLUMBIA POLICEMEN

(By Elsie Carper)

A Washington policeman suffered a heart attack on a golf course.

The heart attack entitled him to a pension for life at two-thirds pay, all tax free.

This, in a nutshell, is Washington's unique retirement law for policemen, a law under which seven of every ten policemen are retiring for service connected disabilities.

It's a law that says that any illness or injury remotely caused or aggravated by police work is considered service-connected, entitling the man to a tax-free pension at two-thirds of salary.

It's a law that means that men were given service disability pensions for such ills as anemia, ulcers, emphysema, obesity, cirrhosis of the liver and diverticulitis.

Heart attacks, hypertension, aching backs, mental illness, kidney and prostate conditions, loss of hearing, arthritis and other infirmities of advancing age—usually in combinations—have been ruled to be service-incurred or aggravated.

One 46-year-old private with 15 years as a policeman was retired for "congenital polycystic kidneys" incurred in the line of duty. Another was retired for glaucoma, a hyperthyroid condition, a hernia and hemorrhoids, also incurred in the line of duty.

These revealing cases were found in raw data recently made available to Sen. Wayne Morse (D-Ore.) who is looking into all city retirement programs. Statistics gathered from the data were compiled by The Washington Post. The cases studied were anonymous—names were not given.

The International Association of Chiefs of Police called the percentage of disability retirements "exceptionally heavy" in its report on the Metropolitan Police Department last year.

The data shows that, over the last ten years, the average policeman who retired on disability connected with his police work was 47, and Sen. Morse is worried that this attractive pension plan in effect drains qualified men from the force.

The program has other unusual features: Pensions are tied to the salary scale so that every time Congress grants policemen a pay raise, pensions for those retired since 1956 go up too.

Men with disability pensions can (and do) get other jobs, more than doubling their income without losing their tax-free pension benefits.

If they don't get another job, they can collect unemployment compensations.

The cost of all this is a total pension program that last year amounted to $6.4 million, or 22 per cent of the Department's payroll.

The retirement law also covers Firemen, Park Police, White House Police and the Secret Service. Only Metropolitan Police data was included in this study.

The law is based on the premise that policemen deserve special treatment because of the nature of a policeman's work, constantly exposed to danger from both natural and criminal elements.

The Policemen's Association of D.C., which lobbied the law through Congress, boasts that Washington's retirement plan is the best in the Nation.

In the March issue of the Association's News, a special feature outlines the procedure for a policeman to get a disability pension.

The material furnished Morse shows that relatively few of the men retired with service-connected disability pensions actually were injured on the job.

The way the pensions are set up makes the disability route financially quite desirable.

LONGEVITY NOT A FACTOR

If a policeman retires with a service-connected disability, he receives 66⅔ per cent of his salary regardless of his age or how long he has been a policeman. The Internal Revenue Service has ruled a disability pension a form of workmen's compensation and, thus, free from taxes.

But if a policeman retires for a disability unrelated to his police work, his pension is far less (a minimum of 40 per cent, for a man with five years' service) and it is taxable.

The policeman who retires for age and service must be 50 years old and must have worked 20 years to receive a pension of 40 per cent of salary. It is taxable. If he works 30 years, his pension is 70 per cent of salary and still is taxable.

So, men eligible for optional retirement go the in-service disability route if they can. Top ranking police officers have set the pattern.

Former Police Chief Robert Barrett was retired overnight for a list of illnesses including bronchial asthma in 1950 when he was under investigation by a special Senate crime subcommittee. At that time the maximum pension was 50 per cent of salary. Barrett received $11,780 a year tax free for 16 years until his death last year. The Internal Revenue Service figures that $11,000 tax free would be about equivalent to $13,000 of taxable income.

Former Police Chief Robert V. Murray retired in 1964 at the age of 60 for a service aggravated disability after 33 years on the force. He now receives, tax free, $17,196 a year.

Deputy Chief Roy E. Blick, former head of the morals division, was pensioned for a service-connected disability after passing the mandatory retirement age of 64. He was granted one six-month extension of active duty and tried to get a second. He retired for disability when he didn't receive it and now collects $14,244 a year tax free. The IRS says

$14,000 tax free would be about equivalent to $17,000 taxable.

DEPUTY CHIEFS RETIRE

The survey shows that during the ten-year period, ten other deputy chiefs were retired for disabilities incurred or aggravated by police work. Eight were in their 60s, four at or above the mandatory retirement age, and the other two were 55 or older.

The greatest number of policemen retired for service shows 141 in this age group.

The next largest group, 94, was in the 55 to 60 age bracket. Forty-nine were over 60 years old.

Congress intended the pension program for policemen to be liberal. The law specifies that the policeman seeking a disability retirement be given the benefit of the doubt.

A policeman who has been ailing goes before the Board of Police and Fire Surgeons, a group of ten doctors.

If the doctors determine that he is physically unable to do police work, his medical record is sent to the five-member Police and Firemen's retirement Relief Board. Members of the Board are the city Personnel Officer, the Corporation Counsel, the Public Health Director, the Police Chief and the Fire Chief. By practice their representatives or deputies actually serve on the Board.

The Board decides whether the injury or illness is service-incurred or aggravated. If the ruling goes against him, the policeman can appeal for a service disability to the City Commissioners and then to District Court.

The Commissioners overturned the Board and granted service disabilities in 21 cases during the ten years studied.

COURTS UPHELD IT

The courts have upheld a liberal interpretation of the law. In two separate cases, the District Court and the U.S. Court of Appeals have granted line-of-duty disability pensions to motorcycle policemen with gout. The men had claimed that the condition resulted from cranking the starter pedal. The Board and the Commissioners found no causal connection but the men went to Court and won their tax free pensions.

Heart condition is one of the most frequently cited reasons for disability retirements.

One member of the Retirement Board explained that heart trouble can result from a number of causes: aging, weight, heredity, smoking and cholesterol level, but the chief factor is tension and mental strain.

It makes no difference where the heart attack occurs, on the golf course or at work, for it is held that the condition could have resulted from the strain of the job.

Arthritis, another frequently cited reason for a service-connected disability, can be caused by the aging process but it also can be the result of an injury suffered years earlier.

MENTAL ILLNESS, TOO

Psychiatric problems, a third major cause for retirement, also are difficult to trace. The presumption here, too, is that mental illness is caused or aggravated by police work.

There is persuasive evidence that the Retirement Board has made use of non-service connected disability retirements to rid the Police Department of individuals not suited for police work.

More than one-third the 91 in this category were retired for personality problems.

The International Association of Police Chiefs noted in its report that several commanding officers felt that the psychiatrist member of the Board of Police and Fire Surgeons was recommending retirements for psychiatric reasons without sufficient cause.

They quoted the unnamed doctor as having told them the Police Department "is better off with a man who is drawing 40 per cent of his pay instead of drawing 100 per cent and doing nothing."

One 36-year-old private with 16 years experience was retired under this provision for alcoholism. Another, a 29-year-old private with nine years on the force, was retired for an "inadequate personality."

Senator Morse is interested in policemen taking other jobs without reducing their pensions. The only restriction on retirees is that they cannot make more in each of two successive years than 80 per cent of the pay they would have received had they remained on the force.

Morse earlier released a report showing that ten men retired for disability were rehired by the city government in other departments without losing any of their retirement pay.

SALARY PLUS PENSION

Deputy Chief Loraine T. Johnson, who was retired last year for physical disability at 65, one year after the mandatory retirement age, went back to work the next day in a new position of attorney-investigator for the City. His salary of $12,510 added to his tax free police pension of $13,296 gave him a total income of $25,806. The tax free pension has now been increased to $14,244 as a result of last year's police pay raise.

Others have gone to work for suburban police departments.

Capt. Murray Kutner, former head of the robbery squad, was retired for health reasons in 1964 at age 47 with a tax-free pension of nearly $8400. The pension is now $9636. Shortly after his retirement for disability, he was appointed police chief of Fairfax City with a salary of $9000 a year.

Deputy Chief John E. Winter, former head of the Youth Aid Division, who retired last year at 57 for a coronary insufficiency, receives $14,244 tax-free annual pension. He is now a full-time consultant on juvenile problems for Prince Georges County at $8500 a year.

Some find jobs in private industry.

Insp. John L. Sullivan, head of the robbery squad, retired last November at 57 for high blood pressure with a $10,704-a-year non-taxable pension. He went to work in December as chief of security for the Giant Food Stores.

COMPENSATION FOR 216

A good many policemen on pensions get unemployment compensation. Information prepared for Senator Morse shows that in the period from the middle of July, 1962, to October of last year, 216 policemen on disability pensions collected nearly a quarter of a million dollars in unemployment compensation.

One 35-year-old private, retired after 15 years on the force for back trouble, collected more than $3500 in tax-free unemployment compensation on top of his tax-free retirement pay.

NO DEPOSIT, NO RETURN

Under the police retirement program, disabled men are required to be examined every two years until they reach the age of 45 to see if they have sufficiently recovered to return to active police work. The schedule has not been maintained, and some men retired for disability have never been re-examined.

There is no record of a man having been returned to work.

HERE'S BOX SCORE ON RETIREMENTS

Information furnished Sen. Wayne Morse (D-Ore.) on 817 police retirements during the ten-year period from 1956 through 1965 shows:

574 retired for service-connected disabilities at two-thirds of salary tax free.

91 retired for non-service disabilities with pensions of at least 40 percent of pay taxable.

152 retired for age and service at pensions ranging from 40 to 70 percent taxable.

Mr. MORSE. Mr. President, after retiring on disability, a sizable number of policemen and firemen then either go back to work for the District of Columbia, the Federal Government, or private enterprise. They are then able to receive their tax-free disability pension plus their present salary. There is every incentive for these men to attempt to retire on disability whether they are disabled or not, until we tighten the administration of this law.

Mr. President, I am greatly concerned, and have expressed such concern, on numerous occasions, that manpower in the Metropolitan Police Department is not being used as wisely and efficiently as it should be. For example, the Metropolitan Police Department recently formed a field inspections division which is under the supervision of an assistant chief of police. The only argument that has ever been given to me to justify the existence of this division is that it was recommended by the Crime Commission.

When the Crime Commission study was first proposed, I endorsed it. As we all know, however, even various boards and commissions that have been established to undertake studies and recommendations often recommend ideal solutions to problems without giving a timetable for action. It may be wise to have a field inspection unit in operation under differing circumstances and time. But now is not the time, as the evidence I am about to put in the RECORD I think clearly shows. I would find no fault in establishing the field inspections division if we did not have a critical shortage of police manpower on the streets of Washington. This shortage of police manpower bears directly, may I say, on the problem of bringing crime in the District of Columbia under control.

With a critical shortage of police manpower, we must establish priorities. In my judgment, fighting crime should get a higher priority than checking uncleanliness.

It is argued that the military uses such divisions to check its men. But, Mr. President, the Metropolitan Police Department is not the military. The Metropolitan Police Department does not have the equivalent of the selective service. It does not have an unlimited manpower supply.

The military can maintain a full complement of personnel through the device of the draft laws. The Metropolitan Police Department is over 360 men short of its authorized strength, the moment I speak. Men are working on a voluntary basis 6 days a week in order to meet the manpower requirements of the police department. Yet, while this is being done, Mr. President, we have had established a field inspections division presently composed of 13 officials. There are six privates, four sergeants, two lieutenants, and an inspector. Five of these officials were taken from the first precinct where they fought crime, two were taken from the second precinct where they fought crime, one from the third precinct, two from the morals division, one from the criminal investigations division, one from the training division, and the last one from the special operations division. The department is not satisfied with these 13 officials. It wants 24 officials—believe it or not. This is a third as many men as there are assigned to the morals division, which is assigned the task of enforcing all morals laws of the District of Columbia. They are all shorthanded. We all know that.

What does this field inspections division unit do, Mr. President? It has issued reports on the third and eighth police precincts. It determined that the wall clock in the station house at the third precinct needs cleaning.

This is a great discovery. A great discovery for which to take a policeman off the street where he ought to be patrolling to try to reduce crime in the District of Columbia.

It noticed that desk blotters needed replacing, that all trash receptacles need cleaning, that the cell doors need cleaning, that the light is out over the sink in the men's restroom, that two umbrellas and two canes are hanging on a pipe, that a mirror needs cleaning in the locker room, that three lights are out in the garage area, that the lighting fixtures need cleaning in the storage room, and that there is no attaché case in scout car 36. This report consists of 16 pages of similar trivia put together by highly paid police officials who should be fighting crime, and leave these janitorial services to the janitorial force.

It is unbelieveable. It is an unbelievable use of manpower in the District of Columbia Police Department.

Mr. President, the field inspections division had a nice time in the eighth police precinct, also. It put together a 58-page report. It reported that the telephone instrument was dirty in the eighth precinct; that a pencil sharpener was attached to a wall; that the tops of the lockers were dusty and dirty; that the glass on the wall clock was cracked; that one of its officers needed a haircut; and that another officer had a tarnished cap plate while another one had a dirty weapon.

Mr. President, this is kid stuff. Where are the sergeants, the lieutenants, the captains, the inspectors, and the deputy chiefs that they are unable to see these conditions in the police precinct house, with their own eyes, without having an inspection force taken off the streets, where they ought to be left in order to help do a better job of meeting the crime problems in Washington?

If they do not have the time to check these conditions, I believe Mayor Washington should see to it that a janitorial force of some competence is employed to take care of the matter. The truth of the matter is that the police precinct house could be clean today and dirty tomorrow—so of what value are these reports? I ask unanimous consent to print at this point in my remarks the organization chart of the field inspections division, dated December 27, 1966, signed by Chief Layton.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

[Metropolitan Police Department General Order No. 7-G-2, Series 1966]

GOVERNMENT OF THE DISTRICT OF COLUMBIA

DECEMBER 27, 1966.

ORGANIZATION OF FIELD INSPECTION DIVISION

The purpose of this order is to further define the organization, functions and responsibilities of the Field Inspection Division. This division will be responsible for inspectional service of personnel, material resources, and procedures within all levels of the departmental structure. This order consists of the following numbered sections:

I. References.
II. Organization.
III. Functions and responsibilities.
VI. Administrative actions.
V. Effective date.

I. References

A. General Order Number 7, Series 1966, dated November 18, 1966.

B. General Order Number 7-A, Series 1966, dated December 3, 1966.

C. General Order Number 7-G, Series 1966, dated December 27, 1966.

II. Organization

A. The Field Inspections Division will be commanded by a director who will be responsible to the Assistant Chief of Police of the Office of Inspectional Services.

B. The Field Inspections Division shall be divided into the following three sections:

1. Procedure Evaluation Section.
2. Material Resource Section.
3. Crime Reporting Section.

III. Functions and responsibilities

The Field Inspections Division shall:

A. Conduct open staff inspection of every organizational unit, and every task of the department, on a continuing basis.

B. Identify and describe organizational, administrative and operational deficiencies within the department for the Chief and the Assistant Chiefs of Police.

C. Specific functions of the sections of the Field Inspections Division include, but are not limited to, the following:

1. The Procedure Evaluation Section shall:

(a) Conduct regularly scheduled evaluations of procedures to insure that departmental policy is being followed and that directives are being uniformly interpreted and followed.

(b) Conduct regularly scheduled inspections of all units of the department and make a critical comparison between performance and written directives.

2. The Material Resources Section shall inspect all equipment (including communications equipment, motor vehicles, buildings, and office supplies and equipment) used by the department to insure that all items are properly used, maintained in a satisfactory conditions, and to obtain data necessary for forecasting replacement needs.

3. The Crime Reporting Section shall:

(a) Inspect the total crime reporting process including arrest and clearance procedures.

(b) Make frequent sample audits of complaints received by the department.

(c) Interview complainants to ascertain the quantity and quality of police service and the accuracy of reporting.

IV. Administrative actions

A. The Field Inspections Division shall be staffed as shown on the attached Manning Table (Enclosure #2), subject to fiscal and personnel limitations.

B. The process by which personnel will be selected for this division will be established at a later date.

V. Effective date

This order is effective January 1, 1967.

JOHN B. LAYTON,
Chief of Police.

Mr. MORSE. Mr. President, there are 13 officers assigned to this unit, as I have said. However, this unit has a habit of requesting assistance from other divisions in carrying out its responsibilities. I believe the city government must decide on a list of priorities for the police. In my judgment, the top priority should be in seeing to it that every possible policeman on the Metropolitan Police force be placed in the position of fighting crime instead of sitting behind a desk or checking on janitorial services.

May I quickly add that if there is clerical work to do, hire a woman to do the work. I am a great believer in equality rights for women. There are a great many unemployed women in the District of Columbia who can do many of the things that these able-bodied policemen, who ought to be on the beat, are now doing. That will save manpower. We do not have to have able-bodied policemen sitting behind a desk doing clerical work that very competent women can be hired to do. In my judgment, we do not have the policemen to waste in such unprofitable work as far as the relationship of the work to the enforcement of the criminal laws of the District of Columbia is concerned.

It is argued that this division will create good public relations for the Department. I assert that the best public relations that these 13 men could perform for the citizens of the District of Columbia would be to get out on the streets and fight crime.

There is another practice that has developed during the past few years which also gives me a great deal of concern. That is the practice of requiring police officers in the vicinity of a bank to stop at that bank, go inside the bank and sign a book to show that he was there.

Mr. President, why single out banks? Police officers do not do this for liquor stores, small delicatessens, small grocery stores, service stations, and other businesses which are far too often held up by bandits and thieves. Why should banks be singled out for preferential treatment? If there were ever institutions in this city that could afford to employ their own security force, it is the banks.

Whenever a policeman goes into a bank, he is putting a scout car out of commission from 10 to 30 minutes so that that car, for all practical purposes, is not free to be used in the event of crime or accidents. In my judgment, this is not a wise use of police manpower or police equipment. The police department does not have a sufficient number of men to check every store in Washington several times a day, so why should banks be singled out for this preferential treatment?

Do not forget that there is security built into the banks. Do not forget the television security cameras in the banks, that take the image of people coming in. Do not forget the alarm systems in the banks. The security around a bank is already much greater than in most other establishments. Policemen can get to a bank in a matter of just a few minutes; in some cases 2 or 3.

We do not need to have these police cars stop and this time taken by these officers going in the bank to sign a bank book. For what purpose? To make a show for the benefit of the customers that are in the bank?

Mr. President, in my judgment this is a misuse of police manpower. I hope that

Mayor Washington will look into this problem with the view to discontinuing it.

Some progress has been made in the last couple of years in relieving police officials from doing clerical work so that they may once again participate in this city's war on crime. However, as I have said, there remains much to be done. I have a hunch that, if a thorough study were made, it would reveal that many men removed from clerical positions in one unit or division are transferred to another unit or division in a similar capacity. I believe the department is playing the personnel numbers game in the assignment of police personnel.

There is another program which has existed in the Metropolitan Police Department during the past year that warrants close study. This program is known in the police department as "Operation Sweep." Operation Sweep was intended to lead citizens who complain of crime to believe that they are getting more police protection than they receive.

Four privates are assigned to an automobile or station wagon with a sergeant and are given a list of areas in the city where police officials had received citizens' complaints of crime. These five police officers drive their station wagon to a given block; the four privates get out of the station wagon on each corner of the block and proceed to walk to another corner of the block where the station wagon picks them up and drives to another block where citizens' complaints had been heard. This allegedly gives the citizens the impression that they had more police protection than they actually had. Until August, operation sweep operated in the second, ninth, 10th and 13th police precincts.

It is a camouflage. It is a charade. It does not really provide police protection. In my judgment, it is form without substance; and those men ought to be put, not five in a squad car, but two to a squad car, in areas where we do not have enough squad cars patrolling now.

I am advised that Operation Sweep ordinarily conducted its operations only on Friday and Saturday nights, from 5 p.m. to 1 a.m., and that since the first of the year, the department has had an average of 14 teams operating on those nights. This means that there were 70 men involved.

Mr. President, anyone who knows anything about the crime situation in the District of Columbia knows that ordinarily the high incidence of crime increases dramatically after restaurants and bars close after midnight. It is difficult to understand why Operation Sweep would discontinue its operations around 1 a.m., when, in fact, that is ordinarily a high-crime-rate period of time. If we ever need this kind of multiple-man inspection in various areas of the city, it is after 1 a.m., not before.

To give some idea as to the work performed by Operation Sweep, I ask unanimous consent that two reports, including a table prepared for me by the Metropolitan Police Department, listing the arrests by Operation Sweep from January 20 through May 6, 1967, be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

GOVERNMENT OF THE DISTRICT OF
COLUMBIA, METROPOLITAN POLICE
DEPARTMENT,
May 23, 1967.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: In response to the telephonic inquiry from Mr. Judd, the following details relating to the "Operation Sweep" being conducted by this department are submitted for your information.

Operation Sweep is, essentially, an experimental change in the method of operation of our tactical force. With Operation Sweep, instead of saturating a large area of the city for a full tour of duty with men on foot patrol, we are assigning one sergeant (or acting sergeant) with four privates in an automobile or station wagon and giving them a list of designated city squares which they are to "sweep" on a random basis during the tour of duty.

The squares are selected on a basis of spot maps showing street robberies and other serious street crimes. Upon arrival at a designated square, the four police officers disembark from the vehicle, one at each corner of the square, and proceed separately either around or through the alleys of the square to the opposite side where they are individually picked up by the vehicle.

This experimental operation was instituted in January of this year and has been applied since that time in Precincts 2, 9, 10, and 13. The operation is ordinarily conducted only on Friday and Saturday nights from 5:00 p.m. thru 1:00 a.m. Since January, we have had an average of a total of fourteen teams operating on those nights.

Attached hereto, as requested by Mr. Judd, is a list of arrests made by personnel engaged in Operation Sweep since its inception. In furnishing these arrest data, I want to make it clear that it is not an objective of Operation Sweep to make a large number of arrests for minor offenses. Our fundamental objective is to prevent serious street crimes by placing visible patrol units at many places at random times throughout high crime areas. Because of this policy, you will find that there have been very few minor misdemeanor arrests by these teams, considering the locations and times in which they are operating.

Sincerely yours,
JOHN B. LAYTON,
Chief of Police.

ARRESTS BY OPERATION SWEEP

Date	Precinct	Number	Charge
Jan. 20, 1967	10	2	Assault with intent to rape.
Apr. 15, 1967	9	1	Drunk.
		1	Disorderly.
		1	CDW gun.
Do	9	3	Unauthorized use of auto (auto recovered).
Apr. 21, 1967	10	1	Disorderly.
Do	10	1	Drunk.
Do	2	2	Disorderly.
Apr. 22, 1967	9	1	Drunk.
Apr. 28, 1967	2	1	Robbery.
Apr. 29, 1967	10	1	Drunk.
Do	10	1	Do.
May 6, 1967	2	1	Urinating in public.

GOVERNMENT OF THE DISTRICT OF
COLUMBIA, METROPOLITAN POLICE
DEPARTMENT,
December 13, 1967.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: In response to the telephonic request from Mr. Judd, the following information relating to the "Operation SWEEP" conducted by this department during the past year is submitted for your information.

As I explained to you in my letter of May 23, Operation SWEEP was, essentially, an experimental change in the method of operation of our tactical force. With this operation, we assigned one official and four privates in a motor vehicle and furnished them a list of designated city squares which they were to "sweep" on a random basis during the tour of duty. The squares were selected on a basis of spot maps showing street robberies and other serious street crimes.

This experimental operation was instituted in January of 1967, and applied in Precincts 2, 9, 10, and 13 on Friday and Saturday nights from 5:00 p.m. through 1:00 a.m. The program called for an average of a total of 14 teams operating on those nights.

In August of 1967, our evaluation of crime data indicated to us that the value of Operation SWEEP as a tactical device, in comparison to preventive aspects of more routine tactical patrols, was questionable. On the basis of this information, I directed my officials of field operations, working with the Office of Planning and Development, to devise and recommend to me alternative systems for utilizing our tactical force. Those officials recommended to me, and I have approved, a tactical plan which contemplates utilization of a 66-man tactical force on a basis of experimental alternating of various field tactics.

This plan, which we have designated with the acronym DRAFT (Dynamic Randomly Alternating Field Tactics) will utilize a tactical force of 60 privates and 6 officials on a 5 or 6-day week basis. Tactics and strategy of the force will vary, experimenting with sometimes walking, sometimes cruising, sometimes planting, and sometimes parking, and with the force working at times in uniform and at times in nondescript clothing. The heart of this plan lies in its program for closely integrating, through discussion sessions with personnel of the tactical force, the observations and ideas of the personnel in the force with the statistical data and concepts of a closely related analysis of crime patterns in areas where the force is working.

It bears commenting, Senator Morse, that neither this department nor, so far as we can determine, any other major city police department has developed a preventive tactic which has proven truly effective on a long-term basis. The reason for this is obvious, of course. If we generate enough crime prevention patrol in a given area to stop crime there, all or at least a part of the individuals who would have committed crime in that given area simply shift their activities to other areas. And since we obviously can never afford sufficient manpower to saturate the entire city, our only recourse, at least in terms of preventive patrol, is to try to develop a variable patrol method which will give at least an impression of an extremely widespread saturation force.

I know, of course, that you would agree with me that the final, complete answer to these problems will never be found in crime repression activities of the police, but must instead be sought in improved sociological conditions within our cities and in a really significant improvement in our extremely overburdened, and therefore inefficient, machinery of justice. Until those long-range goals are achieved, however, I assure you that this department will continue to experiment with ways of doing as much as possible as we can with our resources to cope with our growing crime problem.

Sincerely yours,
JOHN B. LAYTON,
Chief of Police.

Mr. MORSE. Only 17 arrests were made during this period of time. Mr. President, a single policeman ordinarily makes more arrests than this during a

5-month period. It is hard for me to believe that 70 men would be tied up in this type of public relations work. I learned from Chief Layton today that his evaluation of crime data indicates to him that the value of operation sweep, in comparison to preventive aspects of routine tactical patrols, is very questionable. Chief Layton advises me that in place of operation sweep, he is attempting to develop a variable patrol method which will give "at least an impression of an extremely widespread saturation force."

I highly commend him for seeking to bring about this change, and I do hope, Mr. President, that as Chief Layton attempts to work out changes in the operation sweep program, that Mayor Washington will take a very close look at it.

Mr. President, I am very pleased that Mayor Washington has appointed Patrick Murphy to the position of Director of Public Safety for the District of Columbia. In my judgment, Mr. Murphy is exceedingly well qualified to hold this position. I am sure that Mr. Murphy, in the months immediately ahead, will be studying many of the problems that my subcommittee has studied and looked into over the years. My subcommittee wishes to pledge its cooperation to Mayor Washington and to Mr. Murphy as they enter their new and very difficult tasks. I believe that with the creation of the position of Director of Public Safety, the operations of the police, fire, and civil defense departments may be made more efficient and responsive to the needs of the citizens of the Nation's Capital.

Finally, Mr. President, I wish to highly commend the many dedicated and properly motivated men and women in the police and fire departments for the very fine work they are performing under very difficult conditions. We have very fine police and fire departments in the Nation's Capital, and I pledge to every man and woman employed by these departments that I shall continue to do whatever I can to be helpful to them.

The studies I have carried on and the criticisms I have made in this speech today of certain practices going on in both departments are aimed at but two objectives: First, to give the people of the District of Columbia better police and fire protection; and second, to give assistance to those dedicated men and women in both departments who need to have maladministration corrected, in their interest as well as in the public interest.

I believe that by pointing out to them where I believe they have made mistakes, and by making suggestions to correct these value judgments or mistakes, I am performing a valuable service to members of the police and fire departments. I am very proud of both of these departments, and I shall continue to back them up so long as I serve in the Senate.

I have listed in my speech today some of the issues that need to be raised with the Mayor, but far from all of them, Mr. President. The other issues I wish to raise with the Mayor I shall raise by personal conference with him. My hope is that by raising problem areas, from time to time, the efficiency of these departments can be improved and that anyone found guilty of wrongdoing may be justly reprimanded.

Mr. President, I wish to thank the chairman of the full committee, the Senator from Nevada [Mr. BIBLE], and every member of the Committee on the District of Columbia for the unfailing and complete cooperation they have always given to me as I sought to carry out my work as chairman of the subcommittee. I have reported on part of the results of that work this morning.

In that spirit, Mr. President, I shall today turn this working Christmas present over to Mayor Walter Washington and to the City Council.

After I step back from the position and activity I have been carrying on of being the surveillance officer of the Senate District of Columbia Committee, I shall no doubt continue to keep myself informed as to what is going on, but now the first responsibility rests on the shoulders of the new Mayor of the District of Columbia, and no longer on the chairman of the Senate subcommittee that has had jurisdiction over these problems in the past.

The PRESIDING OFFICER. What is the will of the Senate?

SOCIAL SECURITY AMENDMENTS OF 1967—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

Mr. SMATHERS. Mr. President, I want to express my full support and endorsement of a solid legislative achievement. The social security bill now before us is the product of months of hard work and honest effort. It is a good bill which will put billions of needed dollars into the pockets of tens of millions of older Americans.

Of course, you cannot please everyone. There are those who are perfectly willing to see this particular "baby" go down the drain with the "bath water." I am not one of those people. There is absolutely no reason for the Senate to deliberately sacrifice a perfectly sound legislative proposal simply because someone in the Senate could not have everything he wanted in the bill. I have been in the Congress quite a few years and I have participated in a good number of conferences. As most Senators know, working out a conference agreement is no different from politics in general—it is the art of the possible considering the facts of life.

We were confronted head on with those facts of life by the House conferees.

Repeatedly, we were reminded, and I must say not without reason, of the need to proceed carefully in terms of the amounts of money which might be poured into the economy, as well as the question of how much new social security taxes could be imposed. All of this was framed against the background of probable consideration, early next year, of proposals to increase income taxes through a surtax charge. The need to economize and the need to proceed cautiously in the imposition of new payroll taxes were weighed against the need to better provide for our older population. In my opinion, a generous and good balance was struck. Consider some of these facts:

First, social security beneficiaries will receive at least a 13-percent cash increase. In absolute dollars, this amounts to the greatest single increase since the inception of the Social Security Act—$3.6 billion in the first full year of operation.

Second, the minimum cash benefit is increased by 25 percent—from $44 to $55.

Overall, cash benefits are increased by more than 14 percent. Here are some more facts to put this in proper perspective:

Assuming we adopt the conference report, Congress will have increased social security benefits by 21 percent since 1965. The minimum benefit will have gone up by about 40 percent since 1965.

Not only that, but in 1965 we enacted medicare, which added the equivalent of about another $170 or $175 a year for each and every older person in the program.

That is a record of generous response to the needs of the elderly.

I suppose, however, that no matter what we do, it can never be enough. There are other programs and other needs to consider when we legislate. There are other valid claims on the Federal tax dollar; and, lest we forget, there are our responsibilities to the taxpayers who would ultimately have to bear the burden of any openhanded, open-ended generosity. Let us face it, Mr. President. I think most of us recognize that the social security increases in this bill are substantial and will certainly improve the financial situation of about 24 million Americans. I just cannot see how anyone can really contend that a $3.6 billion increased payout is the product of a miserly Congress.

WELFARE

We have heard a lot of talk about cutbacks in the aid for dependent children program. The Department of Health, Education, and Welfare's estimates indicate no overall reduction in Federal dollars flowing to the States because of the so-called freeze. As a matter of fact, the estimated expenditure for day care services, family planning services, and work training will inject hundreds of millions of additional dollars into the aid to families with dependent children program. All these features will serve to relieve pressure on the AFDC limit. Because of the inclusion of these work and work training and family planning provisions, HEW changed its estimate of a cut of $18 million in AFDC payments resulting from the freeze, to "no reduction." We are not cutting back or shirking our responsibilities in that area. We are trying as best we know how to refocus our efforts. We are dedicating dollars to the proposition that work and work training will help people to help themselves. This bill provides the means and mechanism to help the poorest of the poor, through work, to feel, at the least, a measure of pride and self-respect, and at best, that some pride and self-respect coupled with independence.

Welfare will no longer leave these people to the "doldrums of dole."

We have heard a lot of talk and passed a few bills during the past few years designed to provide economic opportunity for our less fortunate citizens. I have every hope that some of that sense of adventure and excitement carries over to the new program and succeeds in getting some of these people off the welfare rolls and back to work again so that they may make a serious and sizable contribution to the economy of this country.

There are some who call this work and work-training program "the end of the world." There is loud lamentation and much handwringing. Why not look at this as possibly opening the door to a new and better world for hundreds of thousands of unfortunate citizens? Why are there always these prophecies of doom and gloom? Why not let an exciting and imaginative idea be tried first.

There is no question in my mind that all of us know that we need to take a positive approach to our welfare problems. The provisions in this bill constitute for the first time a positive approach. We in the Congress are practical men. If the new program exhibits flaws after it is operating, we can always go back to the drawing board and make whatever changes we might think are necessary.

The House conferees made it clear as a crystal to the Senate conferees that if this social security bill were not agreed to, there would be no further conference and they can make it stick. The 1964 Social Security Act did not please the House conferees and it was not enacted. They let it die in conference. The same thing happened in 1966 with respect to the unemployment compensation bill. The Senate had been overly liberal from the House viewpoint in the benefits we required in our bill. The House conferees just refused to agree to anything in that bill and it died in conference. This year we have seen the unyielding attitude taken by many of those who serve on the House conference, with respect to the President's request for a 10 percent surtax increase. Those people are not yet willing to agree to a surtax and they just are not going to let it come about. They have not yet had the third day of hearings on the bill.

If this conference report is not agreed to, those who oppose it will not be able to say that they were hopeful of getting some liberalizing changes in a second conference. There will be no second conference. But they will have to bear the responsibility for denying nearly 24 million aged, sick, widowed, and orphaned people of $3.6 billion in social security increases. That is what they will accomplish if they defeat the social security conference report.

Mr. President, as one of the Senate conferees, I was more than a little upset over the allegation that all we did was walk into the Ways and Means conference room and "roll over and play dead." That allegation is simply just not true. On the major items in which we receded, we reluctantly backed off because of a rock-hard flat statement by the House conferees:

> Your amendment is completely unacceptable. The House will not approve a bill which increases taxes much more than the bill which the House sent to the Senate.

As the senior Senator from Kansas knows, not a single House conferee would recede. They also carefully and frequently pointed out to us that the Senate, in its generosity, had overlooked the need to impose an additional $1½ billion in new taxes required to pay for the Senate bill. Mr. President, that was not bluff or bluster. It was obvious that they meant it. For those who think it not so, let me remind them of Senator LONG's recitation of the amendments sponsored by Senate conferees and passed by the Senate which we were forced to abandon. Make no mistake about it. The amendments of the Senate conferees were also deleted.

In my own case, it meant the loss of an amendment which I have pressed for several years—that is, the continuation of unlimited tax deduction of medical and drugs expenses by taxpayers age 65 or over. The Senate adopted my amendment in 1965, again in 1966, and once more this year. But once more, the House stood like a stone wall and adamantly refused to authorize this vital tax relief for our older citizens. So you see, we all have our conference scars.

Mr. President, as I have said, this is, on balance, a good and a sound bill. It is actuarially sound. Each benefit carries the tax necessary to pay for it. How can the U.S. Senate refuse to give 24 million American citizens on social security the increased benefits they need and deserve?

Before we come to a final vote on this bill, let me reiterate what the chairman said on Wednesday when he opened debate on the conference report. The AFDC freeze which has been so vigorously assailed, is not the bug-a-boo some people fear. Because of the operation of other provisions in the social security bill—those which provide work-training, family planning services, day care services, and aid in seeking support from runaway parents—the Department of HEW has changed its attitude about the effect of the freeze and now estimates that it will not reduce Federal welfare expenditures one iota. In other words, they feel it just is not going to apply. The Senate conferees were successful in getting some changes in the House freeze before we agreed to it. Those changes also contributed to the new departmental attitude regarding the freeze.

As for working mothers, again the conference bill is not as onerous as it has been portrayed. The conferees requested the Labor Department to advise them as to how they proposed to implement the new work incentive program included in the final bill. They indicated that their initial efforts would be directed to those areas of welfare recipients where the potential for rehabilitation would be the greatest and that relates, in their judgment, to unemployed fathers. Their next concern would be directed toward the high school dropouts because there, too, the potential for rehabilitation, they believe, is significant. As a general rule, the cost of training these persons will be less than the cost involved with respect to welfare mothers, because where a mother is concerned, the State will have to make additional expenditures to provide the child-care services required under the conference agreement. Welfare mothers will be the last group to be brought into the work program. I do not mean to imply that no mother will be brought into a work-training program until all fathers and other persons have been trained, but I do mean to say that as a group, they will not receive the priority the Labor Department plans to devote to the other groups.

In my opinion, if Senators are concerned about the plight of the welfare mother under the conference agreement, their concern relates to the distant future, not to the present or the foreseeable future.

Moreover, the State welfare agencies will write the regulations on who is appropriate for referral. For example, if a State wants to exempt mothers with preschool children it can do so. It can exempt any other class of mothers if it wants to. The legislative history—from the House committee report—states very clearly that "in some instances—where there are several small children, for example—the best plan for a family may be for the mother to stay at home." What the opponents of the provisions in the bill do not realize is that the States are now allowed to cut off a family's welfare payment if a parent refuses to work or refuses to take training. And, many States are doing just that. For example, in New York State when a father refuses work without good cause they cut off aid to the whole family. And New York does that every day. Under the bill, New York State will have to continue aid to the children in such cases. For the first time there will be restrictions on the States. How can anyone characterize such a provision as regressive?

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. SMATHERS. I am delighted to yield to the distinguished senior Senator from Kansas, who is a member of the conference committee.

Mr. CARLSON. Mr. President, I rise to support the conference report, and I wish to associate myself with the remarks of the distinguished Senator from Florida, with whom I have had the privilege of serving on the Senate Committee on Finance, where we wrote this bill, from the Senate viewpoint.

We had weeks of extended hearings and we had weeks of executive sessions; and, as the distinguished Senator has stated, he does not fully approve of the conference agreement. I can assure the Senator that some amendments I had offered, which were adopted in our committee and were adopted on the Senate floor, were stricken from the bill. Therefore, I appreciate that situation.

I am pleased to associate myself with the distinguished Senator from Florida and the distinguished Senator from Indiana [Mr. HARTKE], who now occupies the Chair, who participated in the hearings and the executive sessions in which we wrote the bill that was submitted to the Senate.

The conference report provides for an increase in benefits for some 24 million Americans by at least 13 percent, with an increase of 25 percent for many at the bottom of the scale. There are other features of the bill.

Many of the welfare provisions in the bill reflect the increasingly congressional concern over soaring costs of these relief programs.

The social security system is in danger of becoming a prime example of what can go wrong when a successful government is pushed beyond its purpose.

The original principles on which the social security system is based are still sound. But in recent years, Congress has been getting further and further from these principles.

Social security has been growing far faster than any other kind of Government spending. And the United States clearly has come to a point where the system is exerting real pressure on the Federal budget. More social security means less of something else—education, health, funds for the cities. A lower level of overall taxation should also be listed among the alternatives.

Higher social security benefits are a tempting weapon to use in the war on poverty. But they are an expensive weapon. Because benefits continue to be wage related, it costs about $3 in higher benefits for each extra $1 that goes to the poor or near poor. So the use of social security to help the poor means massive growth for the system whether or not higher benefits are the best way to provide protection for the broad middle of society.

Mr. President, I ask unanimous consent to have printed in the RECORD a table showing the increased benefits, as a result of this measure, for individuals and couples; also an editorial entitled "Social Security Package," published in this morning's Washington Post, which I believe expresses the concern of the citizens of our Nation in regard to where this program is heading with respect to future benefits.

There being no objection, the table and editorial were ordered to be printed in the RECORD, as follows:

NEW BENEFITS TABLE

Here are tables showing Social Security benefits and tax levels in present law and in the compromise Social Security bill agreed upon Thursday night.

Retirement benefits (these are maximum potential payments and are not available in all cases to a person retiring now):

Average monthly earnings	Individual		Couple	
	Present Law	Bill	Present Law	Bill
$67	$44.00	$55.00	$66.00	$82.50
$150	78.20	88.40	117.30	132.50
$250	101.70	115.00	152.60	172.50
$350	124.20	140.00	186.30	210.60
$450	146.00	165.00	219.00	247.50
$550	168.00	189.90	252.00	284.90
$650	168 00	218.00	252.00	323.00

Maximum taxes payable each by employer and employee:

Period	Present law	Bill
1968	$290.40	$343.20
1969–70	323.40	374.40
1971–72	323.40	405.60
1973–75	356.40	440.70
1976–79	359.70	444.60
1980–86	366.30	452.40
1987 and thereafter	372.90	460.20

The maximum annual earning now subject to the Social Security tax is $6600. Under the pending bill this would increase to $7800 next year.

[From the Washington Post, Dec. 15, 1967]

SOCIAL SECURITY PACKAGE

The social security bill reported out by the House-Senate conference is a measure of breath-taking comprehensiveness. It provides for a record-breaking increase in old age benefits, schedules increases in social security taxes for the next 20 years, limits aid to dependent children and grapples with the issue of drug prices in Federally supported health programs. It is an imperfect bill, but fortunately one that can be improved later as Congress comes to grips with some of the issues that it neglected this time around.

The conference agreed to raise the income base on which social security taxes are levied from $6600 to $7800 on Jan. 1, 1968, and to advance the combined taxes which employers and employes pay on that new base from 8.8 to 9.6 per cent on Jan. 1, 1969. Subsequent increases on the $7800 income base would increase the tax rate to 11.8 per cent in 1987, at which time the employes' maximum contribution would be $460.20 as against the present $290.40.

A decision to raise social security taxes by 57 per cent over a 20-year period raises a number of important questions. How will this payroll tax affect the demand for labor? Will young people now entering the labor force realize benefits that are commensurate with their contributions? Will not freezing the income base at $7800 preclude the use of general revenues in financing benefits for low income people? None of these questions—and a host of others that impinge on economic growth—received adequate consideration in the course of the debate. And yet they must be answered if Congress is to make intelligent long-range plans.

The adoption of the House freeze on payments under the Aid to Families with Dependent Children is deplorable, particularly at a time when the urban slums are threatened by unrest. If the Senate accepts the decision of the conferees today, as seems likely, efforts should be made to reverse it at the earliest opportunity. In grappling with poverty it would, however, be preferable to enact a modest negative income tax that would give the poor the difference between what they earn and the tax exemptions to which they would be entitled if their incomes were higher. The advantage of the negative income tax, which has been endorsed by the president of the Ford Motor Company and many other prominent figures, is that it would provide an income floor for the poor without destroying the incentive to earn more and without subjecting them to the indignities suffered under the current welfare programs.

The insidious drug lobby was delighted with the decision to all but scuttle Sen. Russell B. Long's amendment compelling the use of the lowest priced drugs, specified by their generic names, in all Federal health programs. But their victory may prove ephemeral. In the Federally supported medicaid program, the bill provided that states can only reimburse for drugs when there are "reasonable charges, consistent with efficiency, economy and quality of care." Surely the Federal Government should everywhere adhere to the principle of purchasing only at the lowest prices. And unless the pharmaceutical industry adopts enlightened pricing policies, more comprehensive and stringent drug provisions will be enacted.

Mr. CARLSON. Mr. President, I believe it is best that we take a serious look at where we are headed, not only this year or next year, but also 20 years from now, when the young men and women enter the labor force. They will be paying into the social security fund for probably 40 or more years, and we should consider what they can expect when they retire.

More and more of our young men and women in the labor force are seriously concerned that the contributions they will be required to make in future years will be of no substantial value as they reach retirement age.

I appreciate the statement of the distinguished Senator from Florida, and I thank him for yielding to me.

Mr. SMATHERS. Mr. President, I am grateful to the distinguished Senator from Kansas for his statement. I am delighted that he has emphasized—and I believe we should continue to emphasize—that, after all, we are putting a tax on approximately 80 million people who work and who pay the tax.

While we would like to give an unlimited amount of benefits, and while I am sure that any Senator in the Chamber would open his heart and his pocketbook if he had it to give so that everybody would have everything they felt they needed or wanted, we must remember that we are putting an ever-increasing burden on the people who are working and contributing to make the new program work.

We are increasing the tax. We must remember that if we have a surtax in the first part of next year, there will be a sizable tax increase for every working person in the United States. So, while we talk about our great concern for the elderly people—and I believe we have treated them more than generously in this bill—in fact, I know we have—let us also remember that we must have concern for the younger people, who are in the labor force today, who are having over 4 percent—pretty soon 5 percent—of their pay taken away from them and put into the social security trust fund.

I appreciate particularly what the senior Senator from Kansas has said in that respect.

In closing, I would merely say that those who have objected primarily to the conference report are those who are concerned about 800,000 mothers on welfare, many of whom are unwed, many of whom have, unfortunately, large numbers of children.

What we sought to do and what the House sought to do in the conference report was to make them, as someone has said, not taxeaters but taxpayers. If it is possible to rehabilitate them and put them back to work and let them work by providing day care centers, and so forth, we want to do so. But although they amount to approximately 800,000 people, we are talking about benefits in this bill to elderly, sick, disabled, and dependent citizens. I do not believe we should endanger the 23,700,000 elderly citizens and others receiving social security benefits, who are to receive the 13-percent benefit increase under the bill, because of a real and genuine concern about some 800,000 others who come under the welfare provisions. We can concern ourselves with them very seriously at the beginning of next year.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. SMATHERS. I am delighted to yield to the distinguished Senator from Nebraska.

Mr. CURTIS. Mr. President, I commend the distinguished Senator from Florida for his statement.

While this bill does not contain everything that many people would like, it contains so many very good provisions that a vote against it would be a vote against progress in this field.

I wonder whether the Senator would yield at this time so that I may ask for the yeas and nays on the conference report.

Mr. SMATHERS. I am happy to yield for that purpose.

Mr. CURTIS. Mr. President, I ask for the yeas and nays on the conference report.

The yeas and nays were ordered.

Mr. SMATHERS. Mr. President, in closing, I also take this opportunity to extend the Finance Committee's thanks and appreciation to Mr. Fred Arner and the staff of the Education and Welfare Division of the Legislative Reference Service in the Library of Congress who put in so many long, hard hours of work on this bill. As always, and despite the fact that their Division is under heavy workload pressure, Fred and his fine people rendered yeoman service to the committee. Without their talents this social security bill would have progressed more slowly and would have been less technically perfect.

Mr. President, on behalf of the Finance Committee conferees I express particular gratitude to the staff. They have done a good job.

Mr. SYMINGTON. Would the Senator from Florida yield for a question?

Mr. SMATHERS. I would be glad to yield.

Mr. SYMINGTON. This concerns the provision requiring State welfare departments to provide for the training and use of nonprofessional staff and volunteers in the health, child welfare, and public assistance program.

When the social security bill was in conference, the Governor of Missouri wrote the conferees about this provision. He stated:

> Section 209(a) of H.R. 12080, as passed by the Senate, provides for the use of nonprofessional staff and volunteers by the State Welfare Departments in providing services to the individuals applying for and receiving assistance. This is mandatory effective July 1, 1969, and could impose problems in Missouri and probably in some other states as well. Under this amendment, each state plan for public assistance or medical assistance must provide for the training and effective use of paid non-professional and voluntary staff. Particular emphasis is to be placed on the employment of full or part-time public assistance recipients.
>
> The Missouri Constitution requires that all employees of the State Department of Public Health and Welfare shall be employed under the State Merit System through competitive examination administered by the State Personnel Division. I do not see how Missouri could possibly comply with Section 209(a) of H.R. 12080 as passed by the Senate without a change in the Constitution. As we all know, changing a State Constitution is an involved, laborious, and unpredictable undertaking. Therefore, I urge that Section 209(a) of H.R. 12080, as passed by the Senate, be removed by the Conference Committee.

I would ask the Senator from Florida whether this situation was clarified in conference?

Mr. SMATHERS. The provision referred to by the Senator from Missouri was retained in conference.

We did take up with the Department of Health, Education, and Welfare the question of its impact on State constitutional provisions requiring all public positions to be subject to competitive examination.

The Department has assured us that State constitutional provisions were not invalidated by this amendment.

They report that the requirements imposed by section 210 of the bill for use of subprofessional staff in public assistance programs would appear in the public assistance titles of the act in the same paragraphs or clauses that require State plans to include methods relating to the establishment and maintenance of personnel standards on a merit basis. It is very clear, therefore, that the positions filled by subprofessionals must be under merit system standards.

Even if the Federal merit system standards were to permit exemption of some subprofessional positions from the merit system, there is nothing that would preclude the State from requiring that subprofessionals meet the State's own merit system standards.

Mr. SYMINGTON. I thank the Senator from Florida.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the remarks of the Senator from Maine the distinguished Senator from Oklahoma [Mr. HARRIS] be recognized.

The PRESIDING OFFICER (Mr. HARTKE in the chair). Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I approach the vote on H.R. 12080 with mixed feelings. The improvements in social security benefits, although less than the Senate had approved, do represent substantial benefits for more than 24 million Americans now eligible for benefits under the program.

At the same time, several features of the public welfare provisions of the bill are objectionable and regressive. They are provisions, which if allowed to stand, will hurt the program, injure hundreds of thousands of poor men, women and children, and hinder our search for a better answer to the vicious cycle of poverty which afflicts too many families in all areas of our country.

I object to the provision which restricts ADC benefits under the unemployment program to children of unemployed fathers with a "recent and substantial" connection with the labor force. This eliminates the current provision benefiting children of unemployed mothers.

I object to the mandatory employment features which affect mothers of children eligible for ADC payments. I recognize that horrible examples can be presented by those who complain of burgeoning ADC rolls; but I cannot agree that those who are poor should be treated as second-class citizens, and I cannot condone a policy which punishes parents by injuring their children.

I object to the provision which places a freeze on the total ADC payments in the several States as of the total number of cases outstanding January 1, 1968. This will not halt the increase in the number of poor. It will not solve the fiscal problems of the Federal, State or local governments. It will place an intolerable burden on those States and cities to which the rural poor are fleeing. They are seeking opportunity. They are threatened with poverty compounded by the dangers and horrors of the urban ghetto.

For these and other reasons, Mr. President, I am opposed to the conference report as it applies to welfare programs. At the same time, I recognize the problems we face because of the lateness of the hour, the complicated nature of the legislation, the equities of the older citizens whose right to adequate financial support is tied up in the legislation, and the adamant position of the House of Representatives on the issue. I have come to the reluctant conclusion that a delay in consideration of this legislation will not change the climate. It can only serve to confuse the issue, increase antagonisms among significant groups in the country toward the poor, and lessen our chances for correction of the adverse welfare provisions.

For these reasons, Mr. President, I am constrained to vote for the conference report. At the same time, I wish to announce my intent to work with my colleagues in a search for corrections in the existing, onerous welfare provisions and—more importantly—for new approaches to the problem of poverty and its destructive impact on millions of our citizens and on our society.

I hope that the Senate will not make the narrow question of the present conference report the focus of the poverty issue. Even if we corrected the pending legislation in line with the Senate version, we would still have a long way to go. Our principal objective must be to use this legislation and its deficiencies as a base from which we can move to reform our society and correct the inequities which stand between millions of our fellow citizens and the promise of our Constitution.

Mr. HARRIS. Mr. President, I yield to the junior Senator from Montana without losing my right to the floor.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. METCALF. Mr. President, I thank the Senator for yielding to me. I have asked the Senator to yield to me so that I might make the following unanimous-consent request before the final vote on this important conference report.

Mr. President, I ask unanimous consent to have printed in the Record a statement made by Representative Utt on the floor of the House of Representatives, Congressional Record, volume 113, part 27, page 36391, in which he stated:

> About 90 percent of the conference report is the House bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

> Mr. Utt. Mr. Speaker, I signed the conference report because I think we did the very best we could between the House bill and the Senate bill. About 90 percent of the conference report is the House bill. I think that we improved it considerably, with one exception. We added about $200 million a year more in cost to it. While I signed the report, I am going to offer a motion to recommit to the conference committee in order to bring the bill back in compliance completely with the House-passed bill.
>
> I know the bill will be passed, but I just feel that we are looking down the road to complete socialization, to the complete nationalization of medicine. I predict that within 30 years from today medicare, medicaid, hospitalization, doctors, nurses, and the pharmaceutical industry will be nationalized 100 percent and will be under the control of the Government. That will be because of the pressure we are seeing on the outside today by those people who want more than they are getting under social security. It will come from the people under 65—and I do not blame them—who do not get medicare from the Government, who do not get the benefits that older people get. Yet they have to put up their own money to pay their bills. They will demand more and more and more. The result will be that we will nationalize the medical business, the hospitals, and the doctors. This will result in a decrease in the quality and quantity of medicine, now so available under the free enterprise system.

Mr. METCALF. Mr. President, I also ask unanimous consent to have printed in the Record a motion to recommit, offered by Mr. Utt in the House of Representatives, Congressional Record, volume 113, part 27, page 36393.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

MOTION TO RECOMMIT

> Mr. Utt. Mr. Speaker, I offer a motion to recommit.
>
> The Speaker pro tempore. Is the gentleman opposed to the conference report?
>
> Mr. Utt. I am, Mr. Speaker.
>
> The Speaker pro tempore. The Clerk will report the motion to recommit.
>
> The Clerk read as follows:
>
> "Mr. Utt moves to recommit the conference report on the bill (H.R. 12080) to the committee of conference with instructions to the managers on the part of the House to insist on the language of sections 101 and 108 of the House-passed bill which provides a 12½-percent benefit increase, a minimum primary insurance amount of $50, and an annual contribution and benefit base of $7,600."

Mr. METCALF. Mr. President, I ask unanimous consent to have printed in the Record an editorial published in the Boston Globe.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Boston Globe, Dec. 12, 1967]

LET 'EM EAT CAKE

> With Congress racing to get away from Washington for a month's Christmas vacation, there is probably little to be done about the Conference Committee's agreement on amendments to the Social Security law except to deplore the committee's niggardliness.
>
> Deplored, then, it is. And to the hilt. It comes on the heels of another such committee's cutting of the antipoverty authorization a few days earlier, the slashing of foreign aid funds and the pittance distributed with such fanfare for the Model Cities program. It comes at a time when billions are still pouring uninterruptedly into government financed research for supersonic aircraft, safe automobiles, nuclear produced gas and oil and other such private industry projects, including virtually unsupervised spending by the arms and munitions industry.
>
> It confirms fears that any cuts which Washington is about to make in spending will be at the expense of those least able to pay and least able to defend their interests.
>
> It justifies the outrage of progressive senators who will demand (forlornly at this late date) that the Senate reject it and return it to a new and rectifying conference.
>
> Its most regressive feature is the proposed revision of welfare laws curtailing benefits to welfare mothers and dependent children. A government once called humanitarian has decided to save a few dollars at the expense of children whose crime is that they unwisely chose to be born into welfare families after a legislatively prescribed cutoff date.
>
> Children and welfare mothers are hit at one end of the bill and the aged ill at the other. Typical is the provision limiting the sum which the aged infirm may deduct from their income taxes for medicines and drugs. This is not only unfair but an instance of borrowing from Peter to pay Paul, for plainly the aged poor will have to get the money for essential medication from one quarter or another—if not out of deductions from taxes, then from welfare or private charity and with all of the humiliation forced on such recipients.
>
> Great to-do has been made of an increase of $1680 from the current limitation of $1500 in the wages which may be earned without losing Social Security benefits. But this is merely to continue a gross inequity, for the premiums already have been paid and there is no such limitation at all on unearned income.
>
> The crowning bit of nonsense is in the meager increase in benefits, an increase which underscores the fact that the Social Security law is not a security law at all, but an insecurity law. There can be no objection to the proposed increase in premiums. But $1680 a year (the maximum now permitted in wages) plus $55 a month (the new minimum in Social Security monthly benefits) figures out at $45 a week, which is scarcely enough to maintain a man without other assistance—other assistance which the law, in theory, is intended to obviate.
>
> The compromise, says the A.F.L.-C.I.O., is inhumane. It may not be that. But it comes close.

Mr. HARRIS. Mr. President, it is obvious that this conference report will be adopted overwhelmingly. Therefore, I would like to make three brief announcements. First, Mr. President, those who had hoped to work out some way that the social security benefits could be passed separately while we held up the harsh welfare provisions have been unsuccessful in every attempt. Thereafter, we had hoped to discuss this matter sufficiently to explain it so that Senators and the public might be aroused enough to join with us to stop this regressive action. We have not had time to do so. Consequently, the distinguished junior Senator from New York [Mr. Kennedy], I, and others, although we intend to vote against this conference report as a matter of principle, have made it clear that we are quite agreeable for other Senators to go ahead and vote for its adoption because their vote against the adoption of the conference report could easily be misunderstood as matters now stand.

Second, Mr. President, I wish to state now that in the coming session, after the first of the year, we intend to vigorously renew this fight to remove this regressive welfare freeze on AFDC cases in the various States, and to revise and rescind the harsh actions otherwise applying to welfare which are contained in this conference report.

I am grateful to the large number of Senators, including the distinguished Senator from Maine [Mr. Muskie], who has just spoken, who have made it clear to us that they agree with our stand on the welfare provisions in principle, and that they will join with us in early action at the next session to correct what the Senate is about to do. I hope that we will have the help of the President in doing so.

Also, at the next session, we shall look for every opportunity to amend various House bills which may come to the Senate, so as to do what we think should be done for the country to repeal the antipoor provisions of the bill now before us.

Third, I wish to announce that after the first of the year, I intend to press vigorously for the authorization of a special and full study of the welfare system of the United States, a system which I think has been a failure. The people of the United States are entitled to a complete exposition of the failings of our welfare system and to have specific recommendations for its correction, which is greatly needed.

I also wish to express my appreciation to the many fine organizations and individuals throughout the country who have joined us in our assessment of the harsh and regressive provisions of the conference report as it relates to welfare. I have already had communications received from several such organizations placed in the Record during the course of the debate. I now ask unanimous consent that other such communications and an article from the Washington Post be printed in the Record.

There being no objection, the communications and article were ordered to be printed in the Record, as follows:

ITHACA, N.Y.,
December 14, 1967.

Hon. Fred Harris,
Senate Office Building,
Washington, D.C.:

As scientists specializing in problems of human development we urge elimination of provision in the social security bill forcing mothers of young children to go to work. The effect of such enforced separation can seriously impair the mental and emotional development of young children, thus further aggravating the already crippling disabilities among children of the poor. To allow the present provision to pass is to increase prob-

lems of mental retardation, school dropouts, and delinquency in the coming generation.

Urie Bronfenbrenner, Professor of Child Psychology and of Child Development and Family Relationship, Cornell University; Perry Crump, Professor and Chairman, Department of Pediatrics, Meharry Medical College, Nashville, Tenn.; Martha Elliott, Professor, Maternal and Child Field, Emeritus, Harvard School of Public Health; George Gardner, Professor of Child Psychiatry, Harvard University; Jacqueline Grennan, President, Webster College; James Hymes, Professor of Education, University of Maryland; John Niemeyer, President, Bank Street College of Education, New York City; Lloyd Ohlin, Professor, Criminology, Harvard Law School; Keith Osborn, Chairman Community Services, Merrill Palmer Institute; Julius Richmond, Dean, Upstate Medical College, State University of New York; Robert Sears, Dean of Humanities and Science, Stanford University; Harold Stevenson, Director, Institute of Child Development, University of Minnesota; George Tarjeon, Professor of Psychiatry, UCLA; Paul Wehrle, Chief Physician, Children's Division, Los Angeles Hospital.

OKLAHOMA CITY, OKLA.,
December 14, 1967.

Senator FRED R. HARRIS,
Senate Office Building,
Washington, D.C.:

Oklahoma Federation of the Blind joins with American Council of the Blind urging delay in voting on conference committee report on H.R. 12080. Should never be agreed to as compromised. Particularly object to compromise on sections 174 and 213. No general increase in benefits should be made until other defects are cured.

DURWARD MCDANIEL,
Legislative Chairman.

NATIONAL COUNCIL OF JEWISH WOMEN,
Sacramento, Calif., December 12, 1967.

DEAR SIR: We are writing in regards to the Social Security Amendments proposed before the Senate under Public Welfare titles.

We agree that there is a need to provide job training for all people whether or not they are presently receiving welfare; however, it is unfair and illogical to automatically refuse welfare or to remove children from a home if the recipient either refuses job training or refuses to do any job offered.

Rather, we feel that a job training program should be structured to the individual's ability, interest, and future job availability. Further, it is possible for a social case worker to determine whether a child would better benefit from its mother's constant care, a foster home setting, or a child-day care center. It is imperative that we be mainly concerned for the child's welfare.

Sincerely,

MRS. JANET JAGIELLO.

WELFARE RESIDENCY RULE CALLED IMMORAL; PROBES ARE SCORED

(By Carol Honsa)

Residence requirements for welfare recipients are illegal, immoral and just plain foolish because poor persons don't move just to get on welfare, according to Mitchell I. Ginsberg, administrator of New York City's Human Resources Administration.

Furthermore, local welfare departments should cut out the "stupidity" about midnight raids and man-in-the-house rules because they can't help recipients move into independence and dignity if they treat them as untrustworthy and guilty until proven innocent, he said.

And what's more, says the man, who until Wednesday headed this city's welfare department, the whole welfare system in this country is bankrupt anyway.

Ginsberg, whose new job as human resources administrator puts him in authority over such big-city programs as welfare, manpower, youth services, and narcotics addiction and alcoholism, admits some of his ideas don't go over so well with the American Public Welfare Association, whose convention he was attending here Thursday.

However, Ginsberg's criticisms of many welfare policies goes with a realization that the present system—which he says encourages dependency and family breakdowns—will have to be patched up and improved for the time being because it will take years to get a new one.

In an interview, he said he would like to see simplified application procedures for all welfare clients in which they would simply declare their financial need by affidavit.

Home investigations to determine the client's family arrangements and financial resources should be scrapped entirely he said.

In two of New York City's 36 welfare offices this declaration system has been tried with success, he said. A 10 per cent sample check by an independent research group uncovered less than 1 per cent of suspected fraud or misinformation from clients, compared to the 3 to 5 per cent assumed for other welfare clients. The two centers involved handle about 8000 families each in Spanish Harlem and Bedford-Stuyvesant.

Periodic checks are still made to redetermine eligibility. They are made by caseworkers, not full time investigators, working from 9 a.m. to 5 p.m. Clients are notified in advance of home visits, Ginsberg said. In the District, a staff of 91 professional investigators visits homes between 8 a.m. and 10 p.m.

Ginsberg said the city has over 750,000 persons on welfare at a cost of about $1 billion a year from city, state and Federal sources. The cost has approximately doubled in the last five years, he said. The welfare staff numbers more than 25,000 persons—only several thousand fewer than the number on relief in Washington.

New York state does not have a residence requirement for welfare applicants and about 3 per cent of those who go on the city relief roles have lived there less than a year, Ginsberg said.

(The District's one-year requirement was recently declared unconstitutional by a panel of Federal judges. The District Welfare Department plans an appeal to the Supreme Court.)

"The case against the residency law doesn't really depend on the percentages," Ginsberg said. "That would assume that all the 3 per cent came to New York to go on welfare, and that is not true. They came to get work and after they couldn't get it they went on welfare."

Ginsberg said he thought it was illegal to deprive a citizen of his right to move in effect, through welfare residency laws.

According to Ginsberg the American public welfare system is failing because it is based on Depression experiences no longer true today. During the 1930s the welfare system was devised to meet problems of generalized unemployment—affecting people in many walks of life—which most people regarded as a temporary phenomenon.

"Today unemployment is a permanent problem concentrated in certain groups," he said.

* * * * *

Mr. HARRIS. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Indiana [Mr. HARTKE] without losing my right to the floor.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). Before the Senator from Indiana proceeds, the Chair asks all aides and attachés who are not in the Chamber on business or to assist their Senators to leave the Chamber, please. The Chair asks the Sergeant at Arms to carry out the directive of the Chair. The Senator from Indiana will not proceed until the directive is followed.

MANY SHORTCOMINGS IN THE SOCIAL SECURITY BILL

Mr. HARTKE. Mr. President, the advent of the social security system in the 1930's, at a time when our total gross national product was only a third greater than the current Federal defense, was a landmark in the advancement of the Nation's welfare. Incidentally, lest it be thought I am exaggerating, let me call to mind that in 1939, 4 years after the law was passed, the total gross national product was less than $91 billion.

But nevertheless, in this restricted economic climate as compared to these later years of abundance and affluence, this country set out to alleviate the lot of the elderly, the widowed, the disabled, the orphaned, and the helpless persons who comprise so many of the social security system's categories of need today. Today the gross national product stands at a dollar level eight times greater than in 1939. Yet we still have all too much poverty in the midst of our plenty, all too many who do not share in the benefits of economic growth, all too many incapable of earning a living and dependent, whether elderly or otherwise, upon public funds.

If you will compare the total economic picture of 40 years ago with that of today, and then compare the benefits provided in the social security amendments now before us as they applied to both eras, you will find that this—which some have acceded to only grudgingly, which some have opposed on the ground of cost while we escalate the billions for the war in Vietnam—you will find, I say, that this investment in the lives of our citizens falls far below the comparative standard of its time of origin.

Social security is a great potential resource far beyond that to which it is being utilized. It has the capability of being used far more than this bill before us will do, to help wipe out poverty for millions and to eliminate those persons from the welfare system. I have always been for its improvement each time it has come before the Finance Committee and the Senate. I have always been for its improvement beyond what we finally adopted, and that is my continuing position. What we have before us, so shamelessly below the recommendations of the administration, so far less than the bill which we in the Senate passed, is, to borrow a phrase, "too little and too late." Improvements up to the level of those we are asked to vote for now are long overdue; in that sense they are too late. But they are also too little, both in the comparative scale with the role social security was given in its relation to the whole economy and in actual benefits provided to the recipients today. It is for reasons of its inadequacy that I shall vote for adoption of the conference report only with great reluctance, only because half a loaf is better than none and I do not propose that our elderly, widowed, and disabled should receive none while we hold everything in abeyance pending improvements. Let us make the further improvements, and as soon as possible. The present bill is far too little—it is unworthy of what we can and should do in this rich economy.

THE $55 MINIMUM IS FAR TOO LITTLE

As one example, look at the minimum which will be enacted in this bill—$55 per month. This is the munificent total of $660 per year, only a third of the amount considered the poverty level for an individual over 65. Here was our opportunity to help eradicate the poverty of the elderly at least in part, but we are hardly making a dent in it. The present minimum is $44, and the additional sums add the grand total of $132 per year, an amount less than the average rent for 1 month of a small city apartment.

Personally, my own amendment No. 325 called for a $100 per month minimum. Those in poverty comprise 15 percent of the population, but 37.4 percent of the persons in this country who live alone—and the largest group in this category are widows and widowers—are in poverty. There are thousands upon thousands today who are trying to exist with no other income than their $44 minimum, out of which comes $3 off the top if they are to be covered for medicaid programs. But when they cannot make it, they are forced to apply for old-age assistance, whose levels of benefits are not uniform but vary with the State, with some of them also pitifully small.

THE INCREASE SHOULD BE 20 PERCENT, NOT 13 PERCENT

Along with my proposal for a $100 minimum, I suggested not the 12½ percent of the original House-passed bill, not the 15 percent of the original administration proposal, but a 20-percent increase in benefits.

That was not an unrealistic proposal. We as a wealthy nation can afford it—or we could if we were not shoveling so much money into the expensive fires of Vietnam. These amounts, the $100 minimum and 20-percent increase, according to figures I received from the Social Security Administration, would have completely removed half a million elderly persons from the old-age assistance rolls. They would have partially removed, by reducing old-age assistance payments, another 350,000 persons. The reduction of old-age assistance funds paid out by the Government would have been $504 million, with $325 million coming from Federal funds and $179 million from the State and local share. Nor does this account for the reduction in caseworkers and supervision which lowering the rolls by so many persons would entail.

I made that proposal in the Finance Committee. It was rejected. I then voted for the proposition that the level should be set at 17½ percent. That was also rejected, but both the Finance Committee and the Senate accepted the administration original proposal of 15 percent and a $70 minimum, which still would have removed a much greater number from the assistance rolls.

But even more than the effect on the welfare rolls is the importance of the effect on the people involved. There are vast numbers more who are not on welfare but who are well below the poverty line. My amendment would have taken 3,700,000 persons out of the poverty category. The administration bill would have taken 2,100,000 out of poverty. But those who will be carried up from poverty by the conference bill before us will be only a million in number. This is only 1 million out of about 30 million persons in poverty today, according to the Census Bureau release of August 14, 1967. In short, because the reported bill is held at the lower level, we are doing only half the job for the poverty group that the Senate-passed bill would have done.

THE EARNINGS LIMIT SHOULD BE REMOVED

Another point of inequity which has concerned me year after year is the unwarranted requirement that an elderly person, one past 65 years of age, dare not take a job with earnings beyond a prescribed low limit under pain of losing his benefits. Again this year, on the basis of equity, I moved in committee to eliminate the earnings test. There is, as this body well knows, no penalty if you have enough wealth to "earn" your income from rentals, stocks and bonds, or other sources. But if all one has as capital is his strength to work still preserved at 65, he can have under the present bill no more than $1,680 per year in wage payments before he begins to lose his benefits.

The committee in the Senate agreed to increase the limit from the present $1,500 to $2,000 in 1969, and then on the floor we agreed to a further lifting of the restrictions. But the conference report reduces the amount to $1,680—or $15 per month above what it has been. Here is another lack, another shortcoming, in this bill.

THE DISABLED NEED MEDICARE

Another Hartke amendment, No. 326, would have extended the benefits of medicare to the disabled. This is another much needed improvement in the law, but it was destined this year to meet a narrow defeat in the Senate Finance Committee.

For a long time we have had old age, security and disability insurance, or OASDI. Two years ago we added "Health" to that name, making it OASDHI. It should not be surprising that in general the disabled as a class have greater health problems than others, even as do the elderly. Even though they may have acquired full coverage with 40 quarters of employment on the record, the disabled are handicapped both by their physical impairment and by economic impairment. Although many may be in as good health as most of us, there are also many whose disability involves a chronic conditioning requiring hospitalization from time to time, perhaps successive operations, or frequent X-ray or laboratory attention. The costs can be almost as disabling economically as the 'physical problem in its sphere. To one who is subsisting on the disability payments of OASDHI, these facts compound the problem and add one more handicap.

We need to extend to the disabled the same medicare opportunities afforded to the elderly beneficiaries. Here is another shortcoming of the bill before us in the conference report.

FURTHER IMPROVEMENT FOR THE BLIND NEEDED

For the third successive time in as many Congresses, the Senate this year again upheld my bill to make blindness automatically a disability under Social Security definitions, fixing the statutory definition for this purpose at the same 20/200 figure accepted by the Internal Revenue Service, and lowering the earned quarters requirement from 20 to six. This conference report includes the first part of that amendment, which is a step forward—blindness certainly is a disability, and deserves automatic recognition as such. But it does not follow through with easing the employment requirement voted by the Senate.

This is not the only change that is needed in improving the conditions for the blind, and for some others included in the welfare provisions of the law. Three of the handicaps faced by those under programs such as that for the blind, with the States providing matching funds and setting their own rules, are among those which would be eliminated by others of my bills and amendments offered this year but which are not in the proposal before us. One of these would eliminate the residence requirement, permitting the blind to move freely from one State to another without losing benefits. Another would prevent the States from requiring that relatives exhaust their resources for support before they will grant blind assistance. The third would protect the blind from liens by the State against their property as repayment for assistance rendered through the State.

DRUGS FOR THE ELDERLY

One of the much-discussed problems demanding attention in the social security medical care structure is that of covering the cost of prescribed drugs under part B of medicare. I am glad that the bill has emerged from conference with the Hartke amendment in this field intact and even broaden somewhat in the scope of the study that it requires from the Secretary of Health, Education, and Welfare. The study of proposals to reduce welfare and medicare drug costs and study of proposals to provide coverage of prescribed drugs is to be reported back within a year. Based on the findings of the study, improvements should be forthcoming. They are needed, of that I have no doubt. With the findings to be made, we will be in a position to make them.

EARLY RETIREMENT

One of the shortcomings in the bill before us, which I intend to bring up again at the next opportunity, is its failure to provide for early retirement at reduced benefits. Such an option should be available for the older man who is caught in a plant closing, for example, and who subsequently cannot find work. There are many such men in their late fifties or early sixties who have had to wait for time to pass in order to be eligible for old age benefits. Optional early retirement was deleted in the conference action.

A related amendment which I offered would have geared the system more adequately to modern private pension plans which allow for early retirement. Suppose under a private agreement a worker at age 58 has completed 35 years of service for his employer and qualified for a pension. He decides to take the pension and leave the job. What happens to his social security benefits?

When he attains social security retirement age, of course, he can file for and begin receiving them. But at 65 it will be 7 years since he was under covered employment. Five of those no-earnings years will be dropped in the calculation of his benefits, but the other two will count against him in that calculation. My proposal to drop an additional low- or no-earnings year for every 10 years of coverage under social security was defeated in the Senate by 40 to 39. Here is another improvement I believe we should achieve in the future.

SOCIAL SECURITY TAXES SHOULD NOT PROVIDE SURPLUSES MERELY FOR BORROWING BY TREASURY

Large surpluses every year are not necessary in order to secure actuarial soundness in the social security trust funds, which now contain more than $28 billion. Soundness of the system rests upon the productive ongoing capacity of the Nation's businesses and the employment of its workers. Surpluses beyond real need only provide funds which are used for Treasury borrowing.

It is for this reason that I opposed the $4.4 billion excess originally approved by the Finance Committee and sought instead a better balance between revenues and expenditures. The bill the Senate finally approved had a much better balance, with an excess of only $1.3 billion.

But that has been changed considerably by the conference report. While cutting benefits by well over $2 billion, the revenue now to be produced will amount to $2.7 billion in excess of the amount needed actuarially for 1968 and with larger surpluses in future years. This surplus will come from the increased revenue of taxes paid in. Thus the bill before us provides a bigger tax increase to pay benefits that are smaller. In fact, it would be possible to provide the benefits in this recommended conference bill with no tax increase whatever and still come out of 1968 with a $1.3 billion surplus and larger surpluses thereafter. I continue to be opposed to taxing workers and employers more than is necessary to keep the fund sound. Overkill in economics is no more desirable than in any other arena of life.

WELFARE PROVISIONS NEED IMPROVEMENT

I have associated myself in the Senate with a considerable number who find in the bill before us not simply unwise but absolutely retrogressive provisions in the field of child welfare. We will see under this bill compulsion upon mothers, at the insistence of many a State welfare agency, to leave preschool children and work rather than caring for them, with all the attendant family problems involved. The amount of aid for dependent children will be frozen to the proportion of the child population under 18 in the State as of January 1, 1968. Federal financing will stop at this point, but that will not in any foreseeable way be likely to stop the production of illegitimate children; there is no enforceable freeze we can apply there. The result is bad public policy—to punish the children for the errors of their parents. In actual fact, if there is to be curtailed Federal aid, unless conditions for such children are to be left intolerable, the States will have to raise their own funds. Everyone knows the burden already carried by State taxes, and this action merely compounds the problems of the overburdened States. It is no solution at all, but rather an aggravation of the problem.

CONCLUSION

Mr. President, as my statement makes abundantly clear, I find this bill quite inadequate. Yet we are threatened with failure to pass any bill at all perhaps until 1970 unless we accept the conference report. As full of shortcomings as it is, and as much in need of further improvement, it will nevertheless bring a benefit increase—disappointing as it is—to our elderly. It will lift a million persons above the poverty line who are now below it, although it is far short of what we could and should do by reasonable standards. Under the circumstances, I find it hard realistically to do more than I have done, to explain my unhappiness and my determination to continue to press for improvements to eliminate the shortcomings. I will therefore vote for the bill, but in voting for it I do so with reluctance because of the inadequacies.

Mr. HARRIS. Mr. President, I want to thank the distinguished Senator from Indiana who has once more stated his willingness to join with us as we renew the fight on the welfare provisions next year.

Mr. HARTKE. I thank the distinguished Senator from Oklahoma. He has performed yeoman service in this regard. He is to be congratulated for his efforts. I join him in trying to make it possible next year to correct the serious error which is just about to occur as a result of adoption of the conference report.

Mr. KENNEDY of New York. Mr. President, will the Senator from Oklahoma yield?

Mr. HARRIS. I yield.

Mr. KENNEDY of New York. I join my colleague from Indiana in commending the Senator from Oklahoma [Mr. HARRIS] for the leadership he has provided in this field. He has also stated that in view of the fact there is not time to discuss this matter, and in view of the fact that we were not able to begin talks among ourselves with the House of Representatives, as I had expected that we would, because of the facts which were known about the legislation that would cause tremendous damage all across the country, I would hope that those who feel as I do and who have been associated with us in this endeavor would feel free to vote in favor of the legislation.

As I was coming in this morning, I heard a news report which stated that we were about to pass legislation which meant a considerable increase in social security benefits for 22 million Americans.

I think it is going to be difficult, with that kind of coverage of the conference report, that kind of labeling and description of it, for Senators, particularly those running for political office, under those circumstances, to vote against the bill. That I recognize. The parts we are opposed to, or on which we have reservations, are very complex. It would have taken a fair degree of time and a great deal of discussion to bring about any changes. I was convinced that if what happened yesterday had not happened, opportunity would have been open to us, but I do not believe it is any longer open to us. I hope that those Senators who support us will feel free to vote for the conference report even though we express grave doubts about some provisions of it.

Mr. HARRIS. Mr. President, I conclude by stating that we will renew the fight next year. I am grateful for those who will join us next year in repealing these harsh provisions.

I am sorry that this matter has caused some confusion and difficulty in the Senate. But I do not apologize, Mr. President, for standing on what I consider to be a principle of the most basic nature.

(At this point, Mr. HARTKE took the chair as Presiding Officer.)

Mr. GORE. Mr. President, will the Senator from Oklahoma yield?

Mr. HARRIS. I yield.

Mr. GORE. In many respects, I find myself sharing the views of the Senator from Oklahoma and the Senator from New York [Mr. KENNEDY] with respect to some provisions of the conference report. Nevertheless, I come to a different conclusion as to its acceptance. This is the largest and most beneficial social security bill in the history of the U.S. Congress.

I shall vote for its adoption, but wish it known that I will be prepared to assist and take part in the correction of such deficiencies as the pending bill may have.

I do not wish the statement of my position to be in any way critical of the position of the distinguished Senator from Oklahoma. I commend him for his efforts in trying to prevent adoption of provisions disagreeable to him. I rise only to state that some of them are disagreeable to me, but I think the good outweighs the deficiencies of the bill.

Mr. HARRIS. I thank the Senator for what he says. The Senator from New York and I have stated that, as a matter of principle, we intend to vote against the conference report; but we have also said that we have understood the positions like that of the Senator from Tennessee, and we understand their voting for the conference report.

Mr. WILLIAMS of Delaware. Mr. President, I urge the Senate to adopt the conference report on H.R. 12080.

This report represents a good compromise between the Senate and the House versions, taking into consideration both the need for an increase in the social security benefits and the ability of the wage earners to pay the necessary tax.

These benefit increases mean that over $3 billion be paid during the first 12 months to an estimated 22.9 million persons—and 1 month earlier than under the Senate version. The benefits are effective February 1968 rather than March 1968 and the increase will be in the March checks.

These increases, together with the other improvements in the social security program, will benefit an estimated 24 million beneficiaries—retired and disabled workers, widows, and orphans—persons who have patiently awaited these needed additional benefits.

This conference report provides—

First. A 13-percent across-the-board increase in social security benefits. This means that the retired worker with an eligible wife will have his monthly payment increased from $145 to $165.

Second. A 25-percent increase in the minimum social security payment. This means that a person receiving the present minimum payment of $44 will receive $55 a month.

Third. It raises the earnings test from $1,500 to $1,680. This means that persons receiving social security benefits are entitled to supplement such benefits with a higher amount of earnings before any reduction is made in benefits. This provision alone will enable an estimated 760,000 persons to be paid $175 million in benefits that they would otherwise have lost.

The conference agreement reduces the cost of the Senate bill from $7.4 billion to $3.6 billion. This is a tremendous savings, and it came about because the conference removed provisions, many of which could not have been paid for under the Senate bill.

As the result of this substantial reduction in cost the tax on the wage earners at the top is lowered by 50 percent under what the Senate bill would have necessitated. The conferees did this by holding the tax base to $7,800 a year, only $200 a year more than the $7,600 in the House bill. The Senate bill, on the other hand, would have increased the base to $8,000 in 1968, to $8,800 in 1969, and $10,800 in 1972 and thereafter. The payroll tax rate under the conference report does not reach its maximum rate until 1987 as against 1890 in the Senate bill.

There are innumerable other good provisions in the conference agreement which deal with the medicare and medicaid programs as well as the correction of recognized abuses under the much discussed welfare programs. I think most important of all is that the bill which the conference agreed to provides a substantial reduction in cost compared with the Senate bill. I for one believe this was not only necessary but a good thing. The Senate bill was underfinanced, and costs had to be reduced; it just did not provide money to pay for all of the $7.4 billon in benefits which it contained. The Senate higher tax rate schedule was prohibitive.

In summary, Mr. President, the conference bill is a good bill—a responsible piece of legislation—responsive to the needy, responsive to the retiree, and responsible to the taxpayer. I for one am pleased to have been able to contribute to its formulation.

Those who vote against this report should be reminded that in doing so they are voting against a 13-percent across-the-board increase in all social security payments, against a 25-percent increase in the minimum social security payments, against an increase in the earnings limitation from $1,500 to $1,680, as well as against many other benefits scattered throughout the bill.

These are benefits to which these people are entitled, and I for one wholeheartedly urge the adoption of the conference report.

Mr. MOSS. Mr. President, like many of my colleagues, I am very much distressed by some of the restrictive provisions adopted by the House-Senate conference committee on H.R. 12080, the social security amendment. Since the other body has adopted the conference report by an almost unanimous vote, I recognize the virtual impossibility of getting any adjustment this session in the provisions of the bill.

We are, therefore, faced with the question of whether to reject the conference report and hold the bill over until next session, or pass it now with its glaring deficiencies. If we hold it, we may be able to get some modification of the objectionable provisions. However, that will delay for weeks, and perhaps months, the extra compensation provided in this bill to millions of our elderly, to our dependent children, our blind, our poor and our distressed. They have been in need of these benefits for a long time.

Consequently, I shall vote for the conference report, but it should be made clear here on the Senate floor today that we expect the Department of Health, Education, and Welfare to write regulations which are neither too restrictive or rigid to carry out the controversial provisions.

For example, there must be maximum flexibility in applying the provisions requiring mothers on welfare to work. Surely, no reasonable person would say that all mothers on welfare ought to work. There obviously are going to be some who are not well enough to do so, or who cannot be trained for one reason or another to hold a job. Many mothers with young children should stay at home and take care of those children. This is especially true where there is a lack of adequate child day-care services. These mothers and their children should not be summarily denied support. They must be given the protection that a civilized and benevolent society owes them.

Certainly, there is no question that work opportunities should be made available to mothers on welfare. I would like personally to think the mother on welfare could have the same options to work or not to work that many other mothers have.

In other strata of our society, we allow the mother to decide whether it is better for her, in her particular case, to work, or to stay at home with her children. I hesitate to say that it is better for all mothers on welfare to work anymore than I would take it upon myself to say that it is better for all mothers on welfare not to work but to stay home and take care of their children. As with anybody else—some are better off working and some are better off taking care of their children. If it is more important for the welfare of her children and to her own psychology to stay home, we should consider this and not force her to work.

On the other hand, satisfactory jobs should be made available to women on welfare, and we should train them for such jobs if they have no training. I am confident that most women receiving welfare checks would far rather be earning their own way. I placed in the CONGRESSIONAL RECORD 2 days ago the very inspiring story of a woman in my own State, a divorcee with five children, who through a training program administered under title V of the Economic Opportunity Act of 1964, took vocational education courses and qualified herself to the extent that she replaced her AFDC grant of $221 a month with a monthly paycheck of $325. She traded dependence on welfare for the independence of a job in which she earns her way. I am sure there are thousands of other women like her now on welfare in the United States. I am confident that there are very few Americans who prefer welfare to employment.

I realize, however, that under the provisions of the conference version of H.R. 12080, it will not be possible to give women on welfare the option of working or not working. But certainly there must be flexibility which allows consideration of each individual situation—of the mother's health, qualifications and employment potential, and, especially, the best interests of the children involved. If we are to be able to consider ourselves a humane and wise society, these aspects must be taken into consideration. If, after the guidelines have been drawn, and the program has been given some time to operate, we find that it is too rigid and unyielding to personal considerations, then there is no question that we will have to amend it.

The States and the Department are given some latitude to determine criteria of "appropriateness" for job referral, and I think it is clear that these are considerations which must be taken into account in applying the term "appropriate."

At this point I would like to ask the distinguished manager of the bill if I am not correct that States would have latitude to set criteria of appropriateness which would recognize these individual and family situations?

The other provision of the conference version of H.R. 12080 which especially disturbs me is the AFDC freeze. This could be be tragic for our children. We are in the midst of a population explosion, and how can we possibly hope to hold the population of AFDC children to the level of January 1968?

I realize that the theory is that enough children will be taken off the rolls, through the employment of their mothers, or through other means, to hold the present level of assistance. But this is risky planning, it seems to me. There is no assurance whatsoever that this can be done.

In reality, this provision is a slap at the States. What we are saying to them, in effect, is that "You have done a poor job, and we do not trust you. Tighten up or we will take your Federal money away from you." The Governors of our sovereign States have a right to resent this, and they will.

And, unfortunately, some States may lose their Federal funds under this provision. It will probably be the poorer States who cannot afford to pick up the tab for the additional AFDC children themselves. And it will be the children who will suffer the most.

I do approve of the provisions written into the bill to strengthen the machinery to catch deserting or absent fathers. Several sessions ago, I sponsored what was called the runaway father's bill. It would have opened Social Security Administration records to welfare officials to learn the whereabouts of fathers whose families had gone on welfare because the wage earner had deserted them. I did not press for final action on the bill because I was informed by the Social Security Administration that some of the machinery my bill would have established had been set up by administrative action. I am delighted to see H.R. 12080 increase the ways in which deserting fathers can be located—I would far rather see us put our efforts in locating men who refuse to accept the responsibilities of parenthood, than see us concentrate on putting to the fire the feet of our States.

This bill also contains important new provisions relating to medical assistance under title XIX which will greatly improve the care of hundreds of thousands of sick aged people. These are legislative and social advances we cannot let go by.

Mr. President, I support this conference report, but with reluctance. I cannot agree with some of its provisions, but I feel that—in the overall—the benefits it brings to America are so great, and so inescapably necessary, that we must enact it. Agreement to the report would be justified solely on the basis of the extra dollars it will give our elderly under the OASI program, and the benefits it will pass on to our orphans, our blind, and our disabled.

Seldom have we passed a measure, however, which is more dependent for success upon the type of rules and regulations which will be written to administer it. I trust that the Department of Health, Education, and Welfare will be especially careful to set solid guidelines on the two controversial programs which I have discussed—the provisions which require mothers on welfare to work, and the AFDC freeze. The extent of good, and damage, these provisions do depend in a great measure to how wisely they are administered. I hope, also, that when the various States submit plans for the administration of the AFDC program on illegitimate children, that departmental officials will scrutinize these plans carefully, to make sure they do not go beyond the intent of Congress. Rigid State plans, with no room for human considerations, can heap disaster on our children.

Mr. President, the Senate has been put in a take it or leave it position by the House on this conference report. This is far too important legislation to be enacted in that spirit. But, in view of the vote in the House 2 days ago, I believe we can do nothing here today but accept the conference report, and send this bill to the President.

Mr. McGOVERN. Mr. President, I share the disappointment that other Senators have expressed over some of the terms of the conference report on H.R. 12080.

Without faulting the Senate conferees or the distinguished Senator from Louisiana [Mr. LONG], who has labored valiantly and effectively on this bill for many weeks, I regret that some of the important provisions adopted by the Finance Committee and by the Senate have been deleted.

In connection with the increase in benefits, I believe our obligation is to maintain the purchasing power of older Americans at levels comparable with the sacrifices they made when they were paying into the program. The dollar amount or the percentage amount of the raise obviously means little to the person who is trying to survive on social security payments, since he is primarily concerned about what his retirement income will buy. The 13-percent increase will not catch up with the growth in the cost of living that has occurred since the program was first adopted.

I am disturbed, too, by the loss in conference of the Senate amendment which would have raised to $2,400 the amount a recipient can earn without any loss in benefits. The conference report recedes all the way back to the House level of $1,680.

There is, of course, no limitation on the amount of income a retired person can derive from stocks and bonds, rental property and other kinds of investments wihout interference in social security payments. A retired person receiving $1 million or more from such sources can still collect full benefits. It is only wages and salaries that bring about a reduction in payments—50 cents per dollar of income over $1,500 and dollar for dollar over $2,700 under present law. As noted, those figures would be increased slightly under the bill, but the discrimination against older people who must work to supplement meager incomes and the obstacle to a decent standard of living will still remain.

I have introduced a bill to remove the outside earnings limitation completely, and I intend to continue pressing for action on it. It is regrettable that the progress made by the Senate in this direction did not prevail.

In past years I have also received numerous letters from people on old age assistance who have not received increased benefits when Federal payments for that purpose have gone up. I believe a pass-along provision is necessary, and regarded the $7.50 figure approved by the Senate as a minimum. The conference bill also recedes on that figure, and the bulk of the increase will undoubtedly be used for savings to the State.

If this bill were objectionable only because it did not go far enough in improving the social security system I would have few qualms about approving the conference report and then going to work on new legislation next year. The proper approach would be to accept the great gains that are made in this report, and they are highly significant notwithstanding the loss of many important provisions adopted by the Senate. In many respects this bill is as an historic step forward.

But I am deeply concerned about provisions in the welfare sections which retreat from values that I think are fundamental in a just society.

There is legitimate reason for concern over the growth of welfare rolls in absolute terms, particularly in aid to families of dependent children—although it is significant that we are today spending a far smaller percentage of our total personal income for public assistance than we were 10 years ago. All of us would prefer to see the people who are dependent on society elevated to self-sufficiency, and I have no doubt that the recipients themselves would rather be in that status. Third generation welfare recipients ought to be leading productive lives.

But the work and training provisions of this bill do not even concentrate on people whose families have been living on public assistance for several generations. They apply across the board in requiring AFDC mothers, with a few exceptions, to leave their children and take work or training. They will apply to one mother in South Dakota who is an excellent mother and homemaker, and who has been praised by her children's teachers for the fine job she has done in raising them, and to thousands of others in similar circumstances whose role in the family is far more important to society than any interest we might have in forcing them into a labor market that already has some 3½ million unemployed.

It has been argued that these work provisions, and the authorization for the creation of jobs, will have a salutary effect because it is far better to have people working at important public tasks than it is to have them receiving payments without contributing labor in return. I am impressed by that argument. At the same time I am surprised to hear it from people who just a few weeks ago vigorously opposed the Emergency Employment Act which would have provided jobs for unemployed people other than AFDC mothers. I cannot fathom how it becomes so important to remove a mother from the home, to take the children away from her and put them in day-care centers, and to make her work as a precondition of receiving minimal support payments, when we have so little interest in providing employment for people who might not have the responsibility to be in the home with the children.

I am particularly disturbed by the freeze on AFDC rolls at an arbitrary level regardless of the number of people who would otherwise be eligible. Even though it is geared to population growth, this provision will leave States who have a disproportionate rise in AFDC cases, through migration, localized economic difficulties or other causes, with a choice of bearing all of the increased costs themselves or else cutting off assistance to people who might be in desperate need. I know of no Senator who can say that his State wants to make that painful choice.

The Senate is anxious to complete its work on this measure. In voting on the conference report, however, I believe we ought to be fully aware of its inadequacies and of its defects, and that we should move to remedy these problems early in 1968.

Mr. HART. Mr. President, this is not a body that is unused to compromise. In order to get a fat chicken, all of us are willing to accept a few pinfeathers.

The increased benefits that the social security bill will provide are certainly of tremendous importance to American disabled workers, widows, and retirees. But in order to achieve benefits for these people, the conference report would require us to damage seriously the economic well-being of thousands of other, equally needy citizens.

I doubt whether the trade is a good one. I find the abundance of pinfeathers very bitter in my mouth.

Many retiree groups in my own State, greatly to their credit have urged me to join in sending the bill back to conference because of the regressive measures it involves.

The conference report has a "give" section and a "take away" section. The "give" section, in my opinion, is not an overly generous one. I supported the higher benefit increases proposed by the junior Senator from New York [Mr. KENNEDY].

The increases we are considering today barely will bring real income, after the inflation factor is deducted, back to what was paid in 1950. Then, in return for this inadequate package, we are asked to set percentage limits that will allow welfare aid to some children but will put other youngsters—equally in need of help—outside the quota simply because they picked an unfortunate time to be born.

In an avowed effort to crack down on freeloaders, we are asked to set standards that will force many honestly unemployed fathers to leave their homes so that their families may qualify for help.

And even the mother is being pressed to leave the home—at least during the daytime working hours. Does this contribute to tranquility in the ghettos of the country?

Some may remember from earlier Senate debate my convictions as a father of eight that a child needs its mother at home at least during the hours the child is there. As he grows older, the need increases, not diminishes.

Certainly we want to encourage people to be self-supporting. Of course, we are all disgusted with anyone who refuses the opportunity to work. But in order to kill one unwanted chicken, we are firing into the whole flock.

These provisions will disrupt family unity and will contribute to the breakdown of many homes that are earnestly endeavoring to stay together while honestly waiting and striving for economic betterment.

In these particulars, the conference report is a harsh document. It is my conclusion that the measure should be reconsidered and reworked before we can grant its approval.

Concern as to the consequences which might follow from fixing into law certain of the provisions of the report has been expressed from many responsible sources. I ask unanimous consent that a few of these messages addressed to me be made a part of the RECORD at this point.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

DETROIT, MICH.,
December 13, 1967.

Senator PHILIP A. HART,
Old Senate Office Building,
Washington, D.C.:

I urge you to vote against the proposed social security bill as developed in the joint conference report since it includes a provision that acts to punish America's poor. The section of the bill freezing the number of children whose welfare payments can be financed by the Federal Government after January 1, 1968, is a step backward that our Nation can ill afford to take.

JEROME P. CAVANAGH,
Mayor, City of Detroit.

WASHINGTON, D.C.,
December 12, 1967.

Senator PHILIP A. HART,
Senate Office Building,
Washington, D.C.:

Public assistants and welfare provisions of 1967 social security amendments approved by conference committee represent major retreat from gains won over many years. Freezing of rolls on aid to dependent children and compulsory work programs are punitive and regressive in effect and would work hardship not only on the poor but on State and municipal welfare resources. We urge your firm support of Senate version of bill.

ARTHUR S. FLEMMING,
President, National Council of Churches.

NEW YORK, N.Y.,
December 12, 1967.

Hon. PHILIP A. HART,
U.S. Senate,
Washington, D.C.:

The Board of Social Ministry, Lutheran Church in America, is opposed to the regressive public welfare measures embodied in the conference report on the social security amendments of 1967. We support you in your efforts to keep the substance of the Senate bill.

CEDRIC W. TILBERG,
Secretary for Program and Leadership.

NEW YORK, N.Y.,
December 11, 1967.

Hon. PHILIP A. HART,
U.S. Senate,
Washington, D.C.:

In view coercive discriminatory provisions H.R. 12080 with respect public assistance (AFDC) as reported conference committee, urge vote against bill or return conference with instruction retain Senate provisions.

Rev. REINHART B. GUTMANN,
Executive Secretary, Division of Community Service Executive Council Episcopal Church.

GRAND RAPIDS, MICH.,
December 12, 1967.

Senator PHILIP HART,
Senate Office Building,
Washington, D.C.:

The Kent County Board of Social Services urgently requests that H.R. 12080 be returned to conference committee for the purpose of reconsidering and eliminating the freeze on ADFC and removing the requirement of substantial connection with the labor force in cases of unemployed fathers of dependent children these restrictions are definitely against the welfare of the needy children of this community and, by transferring their care to local government at which must be of a lower standard because of limited local fiscal ability, will nevertheless impose extreme financial burdens upon this county.

Msgr. JOSEPH C. WALEN,
Chairman.

PETER BROWER,
Vice Chairman.

RUPERT KENNETLE,
Chairman, Director.

JACKSON, MICH.,
December 13, 1967.

Senator PHILIP A. HART,
Senate Office Building,
Washington, D.C.:

The Michigan State Association of County Officials urgently requests that H.R. 12080 be returned to conference committee for the purpose of reconsidering and eliminating the freeze on AFDC and removing the requirements of substantial connection with the labor force in cases of unemployed fathers of dependent children.

These restrictions are definitely against the welfare of the needy children of this state and will impose, by transferring their care to local government at which must be a lower standard because of limited local financial ability, impose extreme financial burden on local government.

DOUGLAS BURLEIGH,
President, Michigan State Association of Administrative Officers.

GRAND RAPIDS, MICH.,
December 12, 1967.

Senator PHILIP HART,
Senate Office Building,
Washington, D.C.:

The Kent County Board of Supervisors urgently requests the H.R. 12080 be returned to conference committee for the purpose of reconsidering and eliminating the freeze of AFDC and removing the requirement of substantial connection with the labor force in cases of unemployed fathers of dependent children. These restrictions are definitely against the welfare of the needy children of this community and, by transferring their care to local government at which must be of a lower standard because of limited local fiscal ability, will nevertheless impose extreme financial burdens upon this county.

LEONARD ANDERSON,
Kent County Board of Supervisors.

DETROIT, MICH.,
December 12, 1967.

Senator PHILIP HART,
Senate Building,
Washington, D.C.:

The anti-welfare provisions of the welfare bill must be defeated if this is not impossible then kill the bill. Sincerely yours,

ROCHELLE MCCOULLOUGH,
WCO Welfare Union.

DETROIT, MICH.,
December 14, 1967.

Senator PHILIP A. HART,
Washington, D.C.:

Please continue fighting for a decent welfare bill you have our support.

MARY MATHEWS,
Chairman, West Side Mothers ADC.

FLINT, MICH.,
December 12, 1967.

Senator PHILIP A. HART,
U.S. Senate,
Washington, D.C.:

Flint area social workers know you share our chagrin that H.R. 12080 conferees failed to hold to their Senate passed liberalizing amendments, particularly upon public welfare provisions. We strongly urge send bill back to conference with instructions at minimum to eliminate AFDC freeze and restore Senate-passed resolutions for exemption of mothers of preschool children from requirement to take jobs; also as regards job requirements for mothers or school age children. These are punitive restrictions. Cost to Genesee County alone would be staggering in local tax funds and in acute deprivation of children.

MURRAY M. EISEN,
President, Flint Area Chapter National Association of Social Workers.

BATTLE CREEK, MICH.,
December 14, 1967.

Senator PHILIP A. HART,
U.S. Senate,
Washington, D.C.:

The Southwestern Michigan Chapter of the National Association of Social Workers deplores the ADC freeze and loss of Federal funds to Michigan recipients in H.R. 12080. Urge you to block or amend in whatever way possible.

DONALD THACKER,
ACSW, Chairman, Social Action Committee.

GRAND RAPIDS, MICH.,
December 12, 1967.

Senator PHILIP A. HART,
Senate Office Building,
Washington, D.C.:

The Michigan Association of County Social Services Boards and Directors urgently requests that H.R. 12080 be returned to conference committee for the purpose of reconsidering and eliminating the freeze on AFDC and removing the requirement of substantial connection with the labor force in cases of unemployed fathers of dependent children. These restrictions are definitely against the welfare of the needy children of this State and, by transferring their care to local government at which must be of a lower standard because of limited local fiscal ability, will nevertheless impose extreme financial burdens upon local government.

THE EXECUTIVE COMMITTEE,
By PETER BROWER,
President, State Association County Social Services Board and Director.

WASHINGTON, D.C.,
December 11, 1967.

Senator PHILIP A. HART,
Washington, D.C.:

The National Association of Social Workers is deeply concerned about restrictive welfare provisions in conference report on H.R. 12080—the Social Security Amendments of 1967. Compulsory work requirements on mothers with small children and the AFDC freeze must be eliminated. Respectfully request that you not approve conference report but refer it back with request that new conferees be appointed.

CHARLES I. SCHOTTLAND,
President, National Association of Social Workers.

THE INADEQUACIES OF THE SOCIAL SECURITY CONFERENCE REPORT

Mr. WILLIAMS of New Jersey. Mr. President, I was a little astounded to learn that the social security conference report was adopted before 10 o'clock yesterday morning by a voice vote. I was a little surprised because I thought it was obvious to most of the Members of the Senate that at least several Senators were not satisfied with the conference report, and had decided that its inadequacies at least needed to be exposed. I was gratified by the action of our able majority leader in his allowing us to at least reconsider this hasty, ill-advised action.

The social security conference report is before us, although I do not recognize it for the progressive document that the Senate recently overwhelmingly passed. All the months of hard work, all the millions of words in the Finance Committee sessions are seemingly wasted on this curious conference report. If we defeat the conference report now it will mean a temporary setback to those who know so well the desperate need for more equitable benefits.

If we accept this regressive, almost embarrassing conference report, we will be giving our least efforts to all the requests we have made for a more realistic social security benefit schedule. We will be announcing to millions of Americans who depend on us that although we have promised them something better, we are going to give them something very shabby instead. This report, if accepted, will be an easy explanation for the persistence of poverty. In it we will have deprived thousands of children of needed welfare assistance who, through no fault of their own, were born in poverty. We will have also forced mothers to leave their homes and go to work at a critical stage in their childrens' development.

And, among other things, we will have provided less than the minimum across-the-board increase for which we had all hoped.

The easy solution to our dilemma is to accept the conference report; however, I believe we must muster a little more courage and reject the conference report and request another conference. There we must make a greater effort to correct the wrongs and the setbacks we are about to perpetuate.

My criticism of the conference report is directed at several major decisions made during the conference.

Foremost among many unfortunate decisions was the cutback in social security benefits, from an average of 15 percent to an average of 13 percent.

It is ironic that at about the time the conferees were reaching their final conclusions, the Senate Special Committee on Aging was hearing from economists and others who warned that social security is running a poor race with poverty among the elderly.

Here, for example, is what the National Council on the Aging had to tell us:

> The Social Security amendments recommended this year by the President would increase the minimum annual benefit to $840 per year for an individual and $1,260 per year for a couple. The 15 per cent increase would mean that the average Social Security benefit would still be slightly below the poverty level. Thus does the Government fight a war on poverty on the one hand and propose legislation bound to perpetuate poverty on the other.

The witness, of course, was talking about the 15-percent increase in the Senate bill, not the 13-percent increase advanced in the conference report.

Mr. President, many of the disappointments that have occurred during the first session of the 90th Congress are rooted in harsh realities such as the tremendous and unquestioned costs of the war in Vietnam and our other defense programs. Jeweldean Jones, associate director of the National Urban League, made the point in the clearest and most succinct manner I have heard when she said:

> Not only materialistic goals, but scientific, technological, and military aims absorb us. We are skilled in the art of war; we are unskilled in the art of peace. We are proficient in the art of killing; we are ignorant in the are of living. Somewhere in the scheme of things, these values must be reordered. This must be reflected in the re-allocation of our national expenditures. Basic human qualities have to receive our highest priority, or progress on all other fronts becomes meaningless.

The low priority given to such values is evident when you read the social security conference report. It was strikingly expressed in the decisions to eliminate the Senate provision of the bill to exempt mothers from working; to prohibit a father from receiving welfare benefits if he is getting unemployment compensation; to recede on earnings exemptions that were more realistic in the Senate-passed bill; to permit a freeze on the number of children on ADC; to eliminate my amendment which would have aided children in foster homes on a similar basis that such aid is now provided to children receiving AFDC; and the arbitrary decisions to eliminate every other liberalizing, humane, progressive and realistic provision that the Senate included in the Social Security Amendments of 1967.

Mr. President, I am very much concerned and disturbed by the conference report on the social security amendments. I am hopeful that we will demonstrate the courage of our convictions by refusing to accept the compromise we have before us. We are capable of so much more. These millions of Americans deserve so much more.

I realize that it is almost futile, but I would like to see a new conference convened to produce a truly equitable bill.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that a telegram from the Governor of the State of Washington on the subject of the social security legislation be printed at this point in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

OLYMPIA, WASH.,
December 13, 1967.

Senator WARREN G. MAGNUSON,
Senate Office Building,
Washington, D.C.:

Conference version H.R. 12080 has many excellent provisions but we strongly object to certain provisions which will seriously impair the public assistance program in this State.

1. Limitation on Federal participation in AFDC for children deprived by absence to proportion existing in 1st quarter 1968. This State is under threat of a restraining order which could remove residence requirements and increase the proportion of population technically eligible for AFDC. A maximum related to proportion prior to removal of residence is inappropriate. Population estimates neither sufficiently refined nor timely to be effective or equitable as caseload controls. Although we share with Congress its concern with the AFDC program States such as Washington which have rehabilitated AFDC mothers and kept caseloads down are penalized.

2. Requirements for substantial attachment to labor force to be eligible for AFDC penalizes an unemployed family which stays

together since if the father were to leave home his family would then be eligible for AFDC.

3. We oppose transfer of the community work and training program currently administered by local public offices to the Department of Labor with its concentration of authority at the Federal level. Local public assistance agencies have greater knowledge of work and training needs of recipients and could affect more timely assignments. The State of Washington has current assistance standards, provides a broad medical care program, rehabilitative services, and is interested in a good welfare program. We urge that H.R. 12080 be returned to conference for further consideration and appropriate changes in these three critical areas.

DANIEL J. EVANS,
Governor, State of Washington.

Mr. MAGNUSON. Mr. President, I am in great sympathy with what the Governor of Washington proposes in view of the conference version of the bill.

Had I had a chance to vote to recommit the bill, I would have done so in the hope that some of the provisions would have been changed. However, with the legislative situation as it is now in both the House and the Senate, we are required to vote the social security conference report up or down.

I would not want to vote "no" on this matter because the measure does contain many good features. It would afford a lot of needed relief in this field to many people.

I hope that in the very near future we will have a chance, in the next session, to legislate further on some of the provisions of the conference report with which I did not agree.

I am in entire agreement with the Governor of Washington in his statement. However, we did not have a chance during this legislative session to vote in, at least as he points out, three critical areas of the bill which need further consideration.

Mr. KENNEDY of Massachusetts. Mr. President, the emotional debate over the Senate's vote on the social security conference report has treated in depth the harsh and restrictive provisions imposed on welfare recipients. It has highlighted the inadequacy of the increase in social security benefits. It has dramatized the Federal Government's retreat from its pledge to the States for participation in the medicaid program. In short, the debate has shown that the Senate should not accept this conference report without firm assurances that early next year we will have a chance to reopen the whole matter.

When the implications of this bill are fully understood in our statehouse, in our city halls, in our senior citizen's homes, in our welfare offices, and in our ghettos. I believe that there will be a very much higher degree of dissatisfaction with this bill than there now is. By accepting this report, I think we will light a fuse. The length of that fuse will be determined by our commitment to early corrective action next year, if the Senate votes today to accept the report.

Let me cite briefly a number of the bad provisions in the bill. The conference report now forces mothers to work if they are to get their ADC payments. The conference report freezes the number of children that can receive ADC payments. The conference report does not require that the increase in social security benefits will be passed on to all recipients, because there is no maintenance of effort requirement in old age assistance payments. The conference report ignores both the President and the Senate in raising social security benefits only 13 percent—when what we really need is a 20 percent increase. The conference report would produce a nearly $2 billion surplus in calendar year 1968—a regressive and harsh tax increase with no corresponding benefit increase. The conference report restricts arbitrarily the earnings exemption which was liberalized so greatly in the Senate version of the bill.

For all these reasons, and many more besides, this bill should today be rejected and a pledge made that next year our first order of business will be the crafting of a fair, meaningful, and progressive social security bill.

The nationwide support for rejecting this report can only be declared overwhelming. The National Council of Senior Citizens, the National Farmers Union the Railway Labor Executives Association, the Americans for Democratic Action, the Industrial Union Department of the AFL–CIO, the AFL–CIO, the American Veteran's Committee, the Leadership Conference on Civil Rights, the National Association of Social Workers, the Child Welfare League of America, the Medical Committee for Human Rights, the National Conference of Catholic Charities, the Division of Community Services of the Episcopal Church—all these national organizations and more have urged me to reject the conference report as unsound, unsatisfactory, and disruptive.

This nationwide sentiment has been echoed in Massachusetts. Mayor John Collins, of Boston, Gov. John Volpe, of the Commonwealth, Mrs. Larue Kemper of the Social Concerns Committee in Northampton, the Massachusetts Chapter of the ADA, the Jewish Committee Council of Metropolitan Boston, the Right Rev. Joseph T. Alves, of the Massachusetts Chapter of the NASW, Mr. John Sweeney, of the Massachusetts Commission on Aging, Mr. Neil Rosenberg, president, Greater New Bedford Retired Workers Council UAW—all these have urged me to vote to reject the conference report.

We must not lose sight of the fact that many millions of Americans depend upon the various provisions of the Social Security Act for brightening their lives. We must not let our concern over the pages of an accountant's ledger obscure our concern for the dignity of every individual American. Our stature as a nation will be measured by whether we carry out our commitment to democracy—to fairness of treatment for all.

I urge the Senate to reject this conference report.

CHILDREN ARE THE VICTIMS

Mr. NELSON. Mr. President, I am voting against the conference report on the social security bill solely as a protest against some of the unfortunate welfare provisions which were added in the House. I strongly support strengthening and improving our social security system. I supported the Senate version of the bill which was clearly a better bill.

There are many excellent features in the bill approved by the conference committee, but there are a few very bad features too, and I do not think these can be allowed to pass without some conscientious objections being registered.

The House wrote into the legislation a freeze on funds used to provide monthly assistance to dependent children, without taking into account the effect that this will have on many thousands of innocent children all across the country. This provision will create hardship. Furthermore, it will add an oppressive additional burden to the local property tax.

The reason we have a program of aid to dependent children is because the people of this country do not believe that little children should be made to suffer unduly as a result of disruptions in their family, such as the death of their wage-earning father. The enactment of this House provision would mean that many children simply will be denied the benefits which the law entitles them to. The only alternative will be for the cities or the States, out of their own sense of humanity, to step in and supply the needed funds. It will be extremely difficult for the cities and States to do this. In many cases, legislative bodies which must approve such expenditures will not even be meeting in the coming year.

Consequently, I feel that I must in good conscience vote against this bill to dramatize the lack of wisdom, the sheer lack of human consideration, in writing this feature into the bill.

Mr. COOPER. Mr. President, I am glad to vote for the bill before us.

Social security amendments always present difficult problems. On one hand benefit increases are never as high as beneficiaries hope they will be to enable them to keep pace with the increases in living costs. On the other hand, the taxes on earnings against both employer and employee alike, which the Congress must levy to support the trust fund from which the payments are made, are also difficult to bear—particularly with respect to the younger employer and employees. But the amendments we adopt today are helpful and progressive, and I shall attempt to name some of them in a very simple fashion.

First, I think the average increase of 13 percent in monthly benefits will help social security beneficaries reach a higher standard of living than they have been able to have before. The minimum monthly benefit has been increased from $44 to $55 per month.

Second, beneficiaries may now earn up to $1,680 per annum without any deduction from their benefits, as compared to the present $1,500. They will also be able to earn up to $2,880 with only a 50-percent deduction in benefits, as compared to the present $2,700 cutoff point.

Very important, children who become totally disabled at a young age will now be able to have a better insured status than before.

The bill includes a provision which will make it possible for an individual to receive reimbursement under medicare for emergency services received in a nonparticipating hospital. The bill provides an individual with a lifetime reserve of 60 days of additional coverage under medicare for inpatient hospital care, which can be used after the exhaustion of the 90 days of entitlement of hospital services during any spell of illness. This will prevent the too early discharge of patients.

The bill also raises the special payments to those persons over 72 who are not receiving any monthly payments from Federal funds, and are not insured, from $35 to $40 per month for a single person, and from $52.50 to $60 per month for a couple.

The most controversial issue in the social security amendments relates to the welfare provisions and their effect upon both the poor and needy and the average taxpayer in our country. It is my belief that every effort must be made to break the cycle of poverty and dependency which exists for so many people in our Nation. This bill provides for work and training programs to enable those on welfare to become wage earners. The programs also include an incentive to work rather than to remain on the welfare rolls, and offer the possibility for regular employment and thus, independence. Yet, these provisions will provide continuing security. I believe that it is essential that people be given the opportunity to provide for their own futures. The purpose of the social security program is to provide for security from dependency. The Social Security Amendments of 1967 are helpful toward the attainment of these goals for every American, and this is the basic reason why I support the bill.

Mr. SMATHERS. Mr. President, I wish to ask the Chair exactly what it is we are voting on.

The PRESIDING OFFICER. The hour of 11:30 having arrived, the Senate, under the previous unanimous-consent agreement, will now proceed to vote on the adoption of the conference report on H.R. 12080. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MANSFIELD (after having voted in the affirmative). Mr. President, on this vote I have a pair with the distinguished Senator from Louisiana [Mr. LONG]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore I withdraw my vote.

Mr. CLARK (after having voted in the negative). Mr. President, on this vote I have a live pair with the distinguished Senator from Oklahoma [Mr. MONRONEY]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. BYRD of West Virginia (after having voted in the affirmative). Mr. President, on this vote I have a pair with the distinguished Senator from Alaska [Mr. GRUENING]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Indiana [Mr. BAYH], the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. JORDAN], the Senator from Louisiana [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Oklahoma [Mr. MONRONEY], and the Senator from Georgia [Mr. TALMADGE] are necessarily absent.

I also announce that the Senator from Louisiana [Mr. ELLENDER], the Senator from Alaska [Mr. GRUENING], the Senator from Hawaii [Mr. INOUYE], the Senator from Missouri [Mr. LONG], and the Senator from Connecticut [Mr. RIBICOFF] are absent on official business.

I further announce that, if present and voting, the Senator from Indiana [Mr. BAYH], the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Hawaii [Mr. INOUYE], the Senator from Connecticut [Mr. RIBICOFF], and the Senator from Georgia [Mr. TALMADGE] would each vote "yea."

On this vote, the Senator from North Carolina [Mr. JORDAN] is paired with the Senator from Alaska [Mr. BARTLETT]. If present and voting, the Senator from North Carolina would vote "yea," and the Senator from Alaska would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from California [Mr. KUCHEL], the Senator from California [Mr. MURPHY], the Senator from Illinois [Mr. PERCY], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from Colorado [Mr. ALLOTT] is absent on official business.

The Senator from Vermont [Mr. PROUTY] is absent because of illness.

If present and voting, the Senator from Vermont [Mr. AIKEN], the Senator from Colorado [Mr. ALLOTT], the Senator from California [Mr. MURPHY], the Senator from Illinois [Mr. PERCY], and the Senator from Pennsylvania [Mr. SCOTT] would each vote "yea."

The result was announced—yeas 62, nays 14, as follows:

[No. 392 Leg.]

YEAS—62

Anderson
Baker
Bennett
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Cannon
Carlson
Church
Cooper
Cotton
Curtis
Dirksen
Dominick
Ervin
Fannin
Fong
Fulbright
Gore
Griffin
Hansen
Hartke
Hatfield
Hayden
Hickenlooper
Hill
Holland
Hollings
Hruska
Jackson
Jordan, Idaho
Lausche
Magnuson
McClellan
McGee
McGovern
McIntyre
Miller
Montoya
Morse
Morton
Moss
Mundt
Muskie
Pastore
Pearson
Pell
Randolph
Russell
Smathers
Smith
Sparkman
Spong
Stennis
Symington
Thurmond
Tower
Williams, Del.
Young, N. Dak.
Young, Ohio

NAYS—14

Brooke
Case
Harris
Hart
Javits
Kennedy, Mass.
Kennedy, N.Y.
Metcalf
Mondale
Nelson
Proxmire
Tydings
Williams, N.J.
Yarborough

NOT VOTING—24

Aiken
Allott
Bartlett
Bayh
Byrd, W. Va.
Clark
Dodd
Eastland
Ellender
Gruening
Inouye
Jordan, N.C.
Kuchel
Long, Mo.
Long, La.
Mansfield
McCarthy
Monroney
Murphy
Percy
Prouty
Ribicoff
Scott
Talmadge

So the report was agreed to.

Mr. MANSFIELD. Mr. President, just after the social security bill passed the Senate, the authoritative New York Times predicted that it "will rank as the year's outstanding achievement." The Times stated editorially that "the changes it embodies represent the longest stride in three decades toward the goal of all social insurance—to make the society more secure by providing sound answers to the needs of the people."

I certainly subscribe to this view. The Social Security Amendments of 1967 add new dimensions to our ability to "promote the general welfare." In the context of history, the social security improvements are as forward looking and as far reaching in their implications for the times in which we now live as was the original Social Security Act at the time it was enacted by the Congress in 1935. Social security benefits will be increased for 24 million persons. The medicare program is improved and extended.

It certainly can be said that the two committees of the Congress who held the major responsibility for this important legislation spared no effort to be sure that the extensive hearings before both the House and the Senate afforded every interested citizen an opportunity to contribute his experience, his knowledge, and his opinion to the end result. The committees are to be commended for their careful attention to an enormous body of testimony on the many complicated facets of the bill under consideration.

Not only are social security benefits improved for the 24 million persons now drawing benefits but they are improved for all persons contributing to the system—over 80 million persons.

CHILD HEALTH ACT

The Social Security Amendments of 1967 offer us many benchmarks for progress in the years ahead. I would like to call your attention to one section of the new legislation, known by its short title as The Child Health Act of 1967, which sets the stage for a vast acceleration of our efforts to insure the birthright of health to all children.

Through its provisions, we can look forward to further reductions in our infant mortality rate. For the first time, family planning services are specifically identified as a regular part of health services to our families, giving all of our citizens the right to make their choice in this important matter.

The amendments extend until June 30, 1973 the authorization for the maternity and infant care projects which have made possible high quality care for large numbers of women in low-income sections—of both our cities and rural areas. This extension, plus the increased amounts authorized, will make possible expansion in the maternity care program, will help more women in poverty to obtain good care for themselves and their babies, and will promote major growth in family planning services.

The act provides for the coordination of medical and dental services for children in the vital preschool and school years so that children in families of low income will have attention paid to their health needs at the time in their lives when they can be of the greatest preventive benefit. It also includes provisions that make possible more dental health services for children.

The act requires the States to work harder to find children with handicapping conditions so that these conditions can be treated early in life. It also makes provision for the maximum use of health personnel so that our manpower in this important field can be utilized to the fullest.

We must rely on the children of each generation to carry forward the work of this great Nation. I am happy that the historic Social Security Amendments of 1967 recognize our obligation to them in this meaningful way. It is an important and constructive provision of the legislation.

This bill not only will improve the lot of many needy people but ultimately, holds the prospect of considerable savings for the taxpayers.

The matters these committees deal with range widely over the span of the Nation's problems. Among them is the difficult problem of meeting the needs of the poor, the ill, the aged, and the handicapped. In recent years, this problem has grown in complication because of many forces at work in our society. Poverty is no longer the problem of the individual and it cannot be corrected by telling the individual to mend his errant ways. Programs must deal with causes and must assume, properly, it seems to me, that everybody who is dependent wants to become self-supporting.

EMPLOYMENT AS A GOAL

The legislation now under consideration, and shortly to become law, is as significant a piece of legislation as has ever emerged from the Congress. It is designed to deal with causes and in the highest tradition of a democratic society assumes that the way to cure the problem is to help the individual to meet and conquer his problems.

This legislation, thus, provides for the States to make an individual employment plan for each member of the family receiving assistance for whom employment is a feasible goal. For these persons, and for all others for whom employment is not feasible, at this time, the States are required also to develop a plan for each family designed to strengthen family life.

What are the elements of an employment plan? The proposal, simply, is for persons with employment potential to be tested and evaluated to see what the prospects are for their employment, and what needs to be done to improve these prospects. The Department of Labor will carry this part of the program and will be responsible for making a plan for the individual which will assure him, or her, a chance to improve his skills and find a job. For some persons, this may mean back to school to make up for education missed, or to learn new skills in a training center, or on a job. For others, it may mean, merely, locating a job for the individual to perform. Inasmuch as many of these potential workers are women, with children, the welfare agencies are responsible for making a plan for child care so that the mother can leave the home and go into her training or employment with the assurance that her children are well cared for. This provision alone is of tremendous significance as well as controversy. Its positive aspects will afford the Nation an increase in places for children in child care centers which are badly needed. Many groups have asked for this kind of help.

STRENGTHENING FAMILY LIFE

Strengthening family life, the other major goal of individual planning, is very much needed. The growing incidence of illegitimacy, desertion, and divorce is of great concern to all Americans. Among the needy, those with limited education and poor parental background, these problems are especially severe.

The unfortunate children who happen to be illegitimate must never be punished. Every effort should be made to obtain support from their parents. Only too often these steps are not taken. If the children have been deserted, every effort must be taken, under this bill, to use the existing legal machinery to locate the absconding individual and hold him accountable for the money he should pay for the support of his children.

Strengthening family life is more than dealing with problems of illegitimacy and financial support. It is helping families to keep children in school, to offer help to mothers in learning the business of running a home, preparing nutritious foods, dressing the children and getting them to school on time. Many families need this help which, under this legislation, can be offered by the social workers of the agency or by homemakers. Legislation enacted in 1962 made a start in the direction of helping dependent families with their problem. The 1967 legislation provides further impetus in this direction by requiring States to provide the necessary social services.

EMERGENCY AID

Families with emergency trouble will be able to receive emergency assistance in whatever form it is best for them at their time of need. Families which have been burned out, suffered personal tragedies and such will be able to get money, medical care, shelter provided, food sent in, or whatever else is needed to deal with the crisis. The committees are to be commended for adding this provision, thus, recognizing that emergencies which strike families cannot be delt with by business-as-usual methods.

Sometimes emergencies which strike families reveal deepseated problems which establish that the children are in danger of exploitation or abuse. Under the legislation, States are required to have, in advance, plans to deal with these situations. This means working closely with the courts and being prepared, when necesary, to find places for children removed from the home by the courts. For these children, previous provisions have been inadequate. Under the new legislation, the financing will be sufficient to assure that the child may be placed in a safe place with the Federal Government paying its share of the cost.

IMPROVED MEDICAL CARE

A number of provisions in the legislation deal with the program of medical assistance. In addition to making certain that the financing of that program is kept within reasonable limits, the legislation contains a number of provisions which will make more safe and secure the lives of those who must live in nursing homes. Standards for such homes have not been sufficiently high to assure that those who must receive that form of care will be properly cared for. Under the bill, standards will be improved several ways. One of the most interesting is a provision that the administrators of such homes will need to be licensed and the States will be obligated to provide training programs for such administrators. The nursing home industry has grown rapidly and not all administrators have had training or even valid experience in the kind of work they are now engaged in. This is unfortunate and has resulted in questionable care in some places. This legislation should correct that problem.

Provisions are included to provide a start for improved management of medical assistance programs. One of the areas most in need of attention is the provision of drugs. The Department of Health, Education, and Welfare will be working with the States to experiment with methods of more efficient and economical administration of the drug parts of the program as well as others. These provisions will be of benefit to all in the community, not only to those who are beneficiaries of the welfare programs.

The question has been raised that the welfare provisions are negative or could be punishing. If it should turn out that some States, in their zeal to reduce the costs of assistance, are punitive in their approach, or if any particular provision reveals itself to be in and of itself mischievous, I am confident that Congress will promptly respond with corrective measures.

In conclusion, I wish to stress the positive features of the legislation. I wish to emphasize the monumental aspects of this great advance in responding to the needs of the elderly and the less fortunate.

Mr. HOLLAND. Mr. President, when the social security bill came up for passage in the Senate in the form that it then existed, I voted against it, and made a statement for the RECORD.

Since I have gladly voted for the conference report on that bill, which has just been agreed to—and I am happy that it has been agreed to—I wish to repeat for the RECORD a part of the statement that I made at that time.

This is what I said:

> This is an extremely swollen bill, with numerous provisions in it which cannot be financed, and which I hope will be cut out in conference, so we will have a reasonable approach to this program. I do not want to see our old people persuaded that they have something they have not got, or that Congress has done something for them which it

has not done, because here is a bill which is not properly financed, which could not stand under its own weight, and which I hope will come back, under the able leadership of the Senator from Louisiana, out of conference in a much better form, so that we may support and say to our elderly friends, "We have given you something that is meaningful, because we have provided for the payment of the additional benefits which we are voting.

I am happy that the bill did come back from conference in accordance with the hope that I expressed at that time. The conference bill is well financed, and the additional benefits that it affords to our elderly people are financed so that they will be paid.

I think that those Senators who voted in favor of the conference report should be very happy that the conference report was in the form in which it was.

I congratulate the Senator from Louisiana, the chairman of our committee, and our other conferees for having participated in making the changes which have made the bill a bill of which friends of a reasonable social security program can be proud.

SOUNDNESS OF THE SOCIAL SECURITY PROGRAM

Mr. RANDOLPH. Mr. President, I commend the Members of the Senate and House who served on the social security conference committee for their diligent work and for their efforts in making this much-needed legislation a reality. The members of both the House Ways and Means Committee and the Senate Finance Committee, and their distinguished chairmen, have our commendation for their dedication and diligence in formulating and perfecting the Social Security Amendments of 1967. Once again we observe the soundness and adaptability of our social insurance system—the fact that it can be amended by the Congress to fit our constantly changing times.

THE ABLE CHAIRMAN, SENATOR LONG OF LOUISIANA AND REPRESENTATIVE MILLS

It was my privilege to serve in the House with WILBUR MILLS. He is an able Representative.

Senator LONG of Louisiana has proved his leadership in social security legislation.

The principle of a financially sound program is met under present law and—thanks largely to the purposeful and diligent work of the gentlemen in both committees of Congress—it will continue to be met under the provisions of the new measure on its way to the President for signature. This is in the best tradition of the program. Over the years, regardless of political party, both the Congress and the executive branch have been scrupulous in providing for full financing of all program liberalizations. The nature of the contributory program, with its huge commitments to the future welfare of the aged, the disabled, and the widows and orphans of the Nation, demands and receives this kind of fiscal responsibility. The congressional intent has always been that contributions plus interest on the trust fund investments shall be sufficient to meet all of the costs of benefits and administration, now and into the indefinite future. The new legislation adheres to this intent—and the program under its provisions will continue to be self-supporting.

The financing provisions are sufficient to meet a large part of the cost of the benefit improvements provided. Part of the remaining cost will be financed by an increase in the contribution rates of the program—from an ultimate rate of 5.65 percent for employers and employees under present law to 5.9 percent.

The remaining cost will be met by an increase in the benefit base—the annual amount of earnings that is subject to the tax and counted toward benefits—from $6,600 to $7,800. Keeping this base current is the factor that determines how effective is the job that social security does in providing retirement security. H.R. 12080, in raising the contribution and benefit base to $7,800, has thus increased the retirement security of middle and upper income citizens. It is in the best interest of millions of persons to raise the base. In effect, it will enable them to count on much more adequate benefits in retirement and in case of disability, and a much more comfortable level of income protection for their families. About 81 percent of all workers will now have their entire earnings covered by social security; nearly 64 percent of regularly employed men will have all their earnings covered.

For these reasons, I appreciate and commend the 1967 amendments to the Social Security Act. Some provisions are not 100-percent acceptable to many persons, but the finanical soundness of the social security program is assured. At the same time, proper consideration is given to the needs of our elderly citizens. The newest social security measure is surely one of the outstanding accomplishments of this 90th Congress.

MEDICARE IMPROVEMENTS

Mr. ANDERSON. Mr. President, the social security bill that we have just approved is an outstanding one in several respects. Although the final bill as agreed upon by the House-Senate conferees does not include a number of improvements that we in the Senate would have liked to see included, it is nevertheless an impressive bill.

To me the improvements in the medicare program are particularly noteworthy—not so much for the size of the improvements that are made in the medicare benefits as for what the adoption of the amendments indicates about the success of this new part of the social security program. It is only 2 years since health insurance for the aged was added to the Nation's basic system for providing workers with retirement, survivors, and disability insurance. We all recall the dire predictions that accompanied the final adoption of the proposal that had so long been a subject of controversy—the system would prove unworkable, the doctors would not cooperate, and so on. None of these predictions came true. Instead, with the cooperation of hospitals and other medical institutions, private insurance companies, physicians, and the senior citizens themselves, the new program in the short space of a year and a half was so well established that both Houses of the Congress were ready to make minor adjustments and improvements that would help the system to operate more effectively—without any talk of scrapping the system.

This bill will smooth out some rough spots in administration—for example, it will simplify collection and payment for hospital outpatient services by consolidating them under one part of the program, and will make it easier for beneficiaries to pay their physicians' bills by allowing them to claim medicare reimbursement before paying the bill. It will also improve benefits by providing additional days of hospital coverage in the form of a lifetime reserve of 60 days of hospital coverage with the beneficiary paying $20 a day coinsurance, by permitting the medical insurance program to pay for X-rays and laboratory services for people in hospitals and extended care facilities where the hospital insurance program cannot pay, and by covering outpatient physical therapy provided by or through a variety of health agencies and institutions.

It is highly satisfying to find that the new part of our social security program has so quickly taken its place as a part of the system on which virtually all of our citizens depend. Now people can safely count on social security to provide benefits not only in case of retirement, death and disability, but also in case of illness in old age. And they know that the benefits will be theirs even though they have been able to save a substantial amount on their own, and not just if they are needy. To me the idea of paying contributions during working years so as to receive benefits without question when the family's work income is cut off by retirement, death, or disability is so appealing that I feel a fresh glow of pride every time we make improvements in our social security system. I am very proud of the Social Security Amendments of 1967.

Mr. CHURCH. Mr. President, with misgivings, I have voted to accept the conference report on H.R. 12080. The bill produced by the Senate-House conference not only strips away many of the gains we added in the Senate, but reinstates some sections that are clearly regressive.

The worst provisions in the conference version of the bill are outlined in a telegram I received from Bill Child, commissioner of the Idaho Department of Public Assistance, in which he said:

> Provision known as AFDC freeze and provision that could be used to require mothers to take employment contrary to best interests of their children is highly discriminatory and not in the interest of the welfare of children. Urge restoration of Senate version on these points.

I agree with Commissioner Child. Surely this freeze on funds for aid to families with dependent children would work new burdens on all States. In Idaho, where taxes are already very high, it would be difficult to supply the money needed to supplement the programs so restricted; thus the penalty may of necessity be shifted to the children themselves. It is not difficult to see how a State would have only two choices: either reduce payments across the board to preserve equality of treatment for all, or refuse assistance to all who exceed the arbitrary quota.

Likewise, in the provision for mandatory employment of mothers, the principal victims, certainly through no fault of their own, will be the children. While everyone would like to convert welfare recipients into self-sufficient workers and taxpayers, it seems to me that compelling mothers to work, regardless of the needs in the home of their minor children, is a heavy-handed approach.

I have voted for acceptance of the conference report only because I fear that its rejection would jeopardize the increased retirement benefits, now due to become effective in March 1968, so important to millions of our retired citizens.

There is strong feeling among my colleagues—feeling similarly expressed today by the President—that we must review, shortly after the start of the next session of this Congress, and attempt to amend the House-drafted welfare sections of this bill.

EFFECT OF SOCIAL SECURITY BILL ON POVERTY

Mr. FULBRIGHT. Mr. President, I would like to take this opportunity to point out that one of the major effects of the social security bill will be to reduce poverty. I think we would all agree that poverty is unnecessary and that we should take every opportunity available to rid ourselves of this scourage.

Using the standard for poverty developed by the Social Security Administration, we find that 7.5 million of the 19.3 million persons aged 65 and over are poor. And—what is worse—while the total number of persons of all ages considered to be poor becomes less with each passing year, the number of persons aged 65 and over who are considered poor is actually increasing. There is no doubt that the aged population of this country easily qualifies as the Nation's major poverty group.

Without social security, this picture would be worse than it is now. About 5.7 million people 65 or over are kept above the poverty level only by the receipt of their monthly social security benefits. This means that 36 percent of the 16 million social security beneficiaries aged 65 or older are kept above poverty only by the receipt of their monthly benefits.

Under the bill we have just passed, which would raise cash benefits under social security by 13 percent, with a $55 minimum benefit, about 1 million beneficiaries who are now poor will be moved out of poverty. About 200,000 of these beneficiaries are under 65—young widows with children and disabled workers and their dependents.

Thus, I consider this bill as one of our most important weapons in the war against poverty. Every Senator who voted for this bill helped us take another giant step along the road to economic security for all our citizens.

Mr. MANSFIELD. Mr. President, the social security measure just adopted by the Senate will appear on the books as a lasting monument to the devoted and diligent efforts of the distinguished Senator from Louisiana [Mr. LONG], the highly able chairman of the Finance Committee. The older Americans who stand to benefit by its provisions will now realize the fruits of the promise made more than a year ago. There certainly is great merit in the proposal and in the provisions that are designed to lift so many persons out of depths of poverty, in the increases that will benefit the recipients of medicare and social security, and in all the other laws that have been expanded and improved. The Senate is highly grateful to Senator LONG for his outstanding efforts.

SENATOR JAVITS' ANNUAL REPORT

Mr. JAVITS. Mr. President, every year I report to my constituents in New York State on the current session of Congress and on my activities during the past year. This is my 19th report.

Nineteen hundred and sixty-seven was a gratifying year for me personally, but the first session of the 90th Congress itself was characterized by deep legislative frustrations in the face of grave national crises; it was a session of inadequacy.

The Nation was deeply troubled this year by the Vietnam war, the growing crisis of our cities, and the threat of international financial crisis. Yet, the Congress seemed to be more preoccupied with debating the Dodd case involving the ethics of a Member—but not passing a much needed code of ethics for Senators and Congressmen—and with disputes between House and Senate over how best to cut Government spending—without passing a tax bill.

The pace of the session itself was most distressing. For example, other than supplemental appropriations to cover current needs, not one appropriation measure was enacted until June 24, and most of the measures dealing with the needs of people—such as social security, antipoverty and education were held in continuous delay until the final hours.

Left unresolved were important measures on civil rights, higher education, crime prevention and housing, all of which are critically needed. Also unresolved were efforts to establish responsible congressional guidelines in the search for peace, the need for permanent legislation to protect the Nation from strikes or lockouts threatening its health and safety, and an effective program to deal with fiscal and monetary policies at home and abroad, especially in view of the devaluation of the British pound.

I will continue to work next year for the adoption of the Javits-Symington resolution, cosponsored by 63 Senators, which outlines the elements of stability and peace in the troubled Middle East. And I will also work for adoption of another resolution I have circulated in the Senate, which would replace the outdated Gulf of Tonkin resolution in establishing practical U.S. peace-seeking goals in Vietnam.

Enacted were several measures of particular interest to me. One was the Public Broadcasting Act of 1967 which will provide Federal aid, under strict guarantees of freedom from Federal control, to noncommercial television and radio. Another was a bill barring age discrimination in employment, a proposal I have been sponsoring since I was a Congressman in 1951.

I was particularly gratified that my assignment on the Appropriations Committee and my seniority as ranking minority member of the Labor and Public Welfare Committee enabled me to help conserve major aspects of the antipoverty, education, and welfare programs from insistent attack in key House-Senate conferences. It also enabled me to fight for long-overdue projects for New York State.

I was honored this year by being elected Chairman of the Political Committee of the North Atlantic Assembly, the parliamentarians' arm of NATO, and by the prestigious Distinguished Congressional Service Award of the American Political Science Association, for my legislative activities in the Senate. These represent the highlights of the past year.

VIETNAM, FOREIGN AFFAIRS

The conflict in Vietnam has grown in intensity over the last year—as has the domestic debate over our involvement. Greater vigor, imagination, and determination are required in the search for a political, diplomatic, and self-help breakthrough. I do not believe continued escalation and progressive "Americanization" of the war effort will achieve our objectives there. In February 1967, I called for an unconditional cessation of the bombing in North Vietnam to promote peace negotiations—because the time then seemed ripe. Then, in a series of Senate speeches, I focused national attention on the importance of the Vietnamese presidential election in relation to our commitment to assure self-determination for the South Vietnamese.

Because the Gulf of Tonkin resolution, which the administration has used to show congressional endorsement of our actions in Vietnam, was enacted almost 4 years ago under very different circumstances, I have been developing a resolution that would supplement and supersede it, and point toward practical U.S. peace-seeking goals in Vietnam. My proposal has met with much interest and I will work for its adoption in the next session.

I cosponsored the Mansfield resolution, which passed unanimously, expressing the sense of the Senate that the United States should insist that the United Nations Security Council take up the Vietnam problem.

Capping 10 years of active participation in NATO affairs, I was elected this year Chairman of the Political Committee of the North Atlantic Assembly and have been very active in the discussions concerning U.S. relations with the European Common Market. I have also proposed a free trade association among the United States, Canada, Britain, and other industrialized nations if Britain continues to be excluded by General de Gaulle from the Common Market.

In 1964, I proposed formation of a Latin American Common Market and am gratified to note that this idea was endorsed by hemisphere heads of state at Punta del Este this year.

MIDDLE EAST

June 1967 saw the dramatic outbreak of hostilities in the Middle East which underscored the continuing instability of this region. In the months prior to the Arab-Israel war I had endeavored to alert the administration to the coming crisis in a series of speeches, personal conferences and an exchange of correspondence with the Secretary of State—released in January—and to galvanize the United States into action diplomacy that might have prevented armed conflict. Israel's brilliant military victory not only preserved Israel's existence but saved vital free world interests from defeat at Arab and Soviet hands. The Javits-Symington resolution stated the views of the Senate on the elements of a stable and durable Middle East peace, emphasizing that there should be direct negotiations between the parties prior to withdrawal from Israel-occupied territory.

In view of the Soviet's crash program to rearm the Arabs and President de Gaulle's discontinuance of France's arms aid to Israel, I have emphasized the U.S. responsibility to assure Israel of an adequate arms supply sufficient to maintain deterrence in the region. I have sought also to alleviate another source of friction by sponsoring a major study of the Arab refugee program aimed at practical ways of permanently settling the refugees.

I have continuously denounced persecution of the Jews by the U.S.S.R., and I have consistently worked for Senate ratification of the Genocide Convention, and will continue my efforts in the next session.

INTERNATIONAL TRADE

The far-reaching tariff reductions achieved at the sixth round of trade negotiations—the Kennedy round—had my full support in the belief that they will be extremely beneficial to the United States. Tariff concessions by our trading partners affected almost $8 billion of U.S. exports. Also agreement was reached on an international antidumping code on chemicals and on grains.

The recent massive drive for the enactment of import quotas involving billions of dollars of trade, therefore, comes as a grave threat to the results of the Kennedy round. I opposed this protectionist drive, for it would expose our exports to the danger of retaliation; worsen our balance of payments; hurt millions of consumers through higher prices; and threaten U.S. industry with more Government controls. New York needs unfettered international commerce as a leading export and transshipment State. Remedies exist for those sectors of industry hurt by excessive foreign competition under the Trade Expansion Act. I fully support the use of these remedies, liberalization of adjustment assistance and domestic measures to strengthen the competitiveness of our industries.

The $2.3 billion 1967 foreign aid bill was the lowest amount in 20 years, making the role of private enterprise increasingly important. This year I succeeded in reversing the Senate Foreign Relations Committee's decision to reduce the existing ceiling on AID's extended risk guarantee of private investments in less developed countries. The Senate supported my amendments to retain the existing 75-percent ceiling and to extend the program until 1970, guaranteeing continuation of this essential tool to encourage greater U.S. private investment in developing countries.

The successful negotiations on the creation of new international reserves—the so-called special drawing rights—through the International Monetary Fund had my full support and I helped contribute to their success through the work of the Joint Economic Committee, of which I am the ranking Senate Republican member.

The Special Committee of the North Atlantic Assembly, of which I was Chairman, completed its work of increasing economic cooperation between Greece and Turkey on a permanent basis with the announcement that an Eastern Mediterranean Development Institute will shortly be established for the purpose. I deeply regretted the coup of the colonels in Greece and have worked for the earliest possible return to constitutional government through high-level contacts developed during my work with the Greek-Turkish project.

Once more the House of Representatives refused this year to appropriate the $4.7 million authorized for the U.S. Travel Service, an agency designed to encourage foreign travel to this country. I succeeded in persuading the Senate Appropriations Committee and the full Senate to increase the agency's appropriations from $3 to $4 million, but this was lost in conference. I strongly approved the President's announcement in November to appoint a high-level industry-Government task force on travel which will have before it my bill to expand the functions of USTS and to increase its budget to $15 million per year.

At my initiative the Joint Economic Committee held hearings this April and issued a series of studies on the economy of Communist China. This constituted the first comprehensive Congressional examination of Communist China's economic base.

CRISIS OF THE CITIES

Rioting in more than 70 U.S. cities last summer underlined the deterioration of living conditions in the slums and the frustrations of the people. Yet, it was a continuing fight this year to assure that crucial antipoverty funds would be available on time. I petitioned the President to make supplemental funds available last spring, and introduced a bill for $137.5 million for special summer programs. I also testified and worked on behalf of the administration's $75 million summer measure, aided New York State in receiving a $8 million share, and led the eventually successful fight in the Senate for a special continuing appropriation to keep programs operating and personnel paid when original funds ran out.

The antipoverty bill itself was not passed until the end of 1967. It contains more than 12 amendments I authored. Among them are: a $25 million new day-care program to enable unemployed mothers to seek training and employment; community action agencies to conduct narcotics and alcoholic addiction programs; reimbursement to employers for the extra costs of employing and training the hard-core poor, including costs of transportation from slums to industrial parks; incentives to employers to locate plants in or near poverty areas and to give special assistance to rural areas of high out-migration; and revision of the small business assistance program, focusing these activities on poverty areas and in training ghetto residents for small business opportunities.

In our investigations of the "crises of the cities," it has become apparent that the key to the antipoverty effort is jobs. The Clark-Javits Emergency Employment Act, which would have created 200,000 jobs for the poor in public service fields, failed by only five votes in the Senate and will be of major concern again next session.

Supported by 20 Senators, I introduced legislation to establish a Domestic Development Bank, patterned after the World Bank, to provide a new source of financing for business ventures in urban and rural poverty areas. My companion measure, cosponsored by 24 Senators, would establish an Economic Opportunity Corporation to act as a national technical assistance group to bring the private sector more effectively into the antipoverty effort. I intend to press for both measures early next year.

Regressive welfare provisions were contained in the House-passed social security bill, and I led the Republican side in the bipartisan Senate effort to eliminate these provisions, including one which would freeze Federal welfare payments at a given rate, forcing the States and the cities to pay the entire cost of any increase in the welfare rolls. Following a personal inspection tour in Mississippi, I cosponsored legislation to provide food and medical services on an emergency basis to prevent any American from starving.

As ranking Republican on the Appropriations Health, Education, and Welfare Subcommittee, I was able to help in obtaining a $5 million increase in programs for educational parks and a $252,000 increase for civil rights compliance work by the Health, Education, and Welfare Department. As a member of the Appropriations Committee, I participated in the successful effort to increase annual appropriations for model cities by $100 million and for rent supplements by $10 million over the House-passed figures.

Although the Senate did not enact a housing bill in 1967, the omnibus measure reported out of the Banking and Currency Committee for action next year includes a program I cosponsored to make homeownership available to low-income families and my own proposal to increase the amount available for rehabilitation grants in urban renewal or code enforcement areas. It also contained my proposal to double funds presently available for college housing through provision of interest subsidy payments.

Convinced that adequate funds must be made available for substantial housing rehabilitation, I introduced legislation which would allow: Federal guarantees of local housing bonds to be used for more low-cost, long-term loans for rehabilitation, a rapid Federal income tax depreciation write-off for rehabilitation, loans to cities to rehabilitate city-owned substandard properties, and Federal grants up to 50 percent of local tax abatement for the provision of low-income housing.

I also offered legislation to make State-supported, nonprofit middle-income housing projects—such as New York's Mitchel-Lama program—eligible to persons receiving rent supplements and a proposal to provide interest subsidy payments for privately financed middle-income housing. I again cosponsored a resolution to establish a Senate Urban Affairs Committee.

Equally vital to the health of our urban areas is adequate transportation. I interceded with various Federal agencies on behalf of continuing commuter service on the New Haven Railroad. Recent developments in the proposed merger of the Pennsylvania and New York Central Railroads suggest that this problem may finally be eased with the integration of the New Haven into the combined Penn-Central system.

I introduced a broad plan of airport development to relieve the dangerously overcrowded air and ground conditions at metropolitan jetports. Using increased taxes on airport users instead of the general public, this legislation would expand the use of "satellite" airports by private aircraft and establish an airport development fund to improve airport facilities, parking, and access roads.

INFLATION AND TAXES

Serious questions about our ability and willingness to manage our economic affairs require adequate fiscal measures to bring our $29 billion budget deficit under control. I have stated that Congress should not consider the proposed 10-percent tax surcharge until the President outlines in detail his suggested cuts in nonessential spending and his proposed tax reforms.

I voted for an amendment which would have resulted in a 5-percent across-the-board cut in controllable expenditures and for another stating that before adjournment Congress should enact legislation limiting expenditures this fiscal year to $5 billion less than those proposed in the budget unless the President takes similar action beforehand. I voted in favor of final Senate approval of NASA appropriations which cut the budget request for this fiscal year by $421 million, but supported an amendment which would have cut this figure by an additional $100.5 million.

I voted for the restoration of the 7-percent investment tax credit, suspended last year at the administration's request and cosponsored legislation which would create a Joint Committee on the Budget to provide for a more effective congressional evaluation of the financial requirements of executive agencies.

With several Republican sponsors, I reintroduced a revised Javits plan for the return to the States, and through them to local governments, of a portion of Federal revenues with a minimum of strings attached. This tax-sharing plan would provide a new source of funds to revitalize State and local governments.

Following devaluation of the British pound, I proposed several measures to demonstrate to the world our determination to defend the dollar. These proposals included the removal of the remaining requirement for a gold reserve to back Federal Reserve notes; and if necessary, the further tightening of the administration's voluntary controls on bank loans to foreigners and on U.S. direct investment abroad; the enactment of a temporary tax increase, subject to review within 6 months of enactment and coupled with cuts in nonessential spending; and a firm commitment by the President on tax reform.

LABOR AND EMPLOYMENT

The 2-day railroad strike in July, which followed two extensions of the Railway Labor Act's strike deadline, dramatized the continuing need for statutory law to protect the Nation from such strikes or lockouts as threaten its health and safety. Early in 1967, I joined with a bipartisan group of Senators in sponsoring a resolution to require the Secretary of Labor to submit recommendations for such legislation. The administration remains reluctant to come to grips with this issue, and the railroad strike led to enactment of legislation establishing a special Board to mediate and, if necessary, to make binding recommendations.

Despite my continuing opposition to compulsory arbitration, I voted for this resolution as the only means of ending a critical national stoppage. I succeeded, however, in obtaining approval of an amendment to insure that the award of the special Board would be within the limits of prior collective bargaining between the parties.

One of the most pressing issues today is the necessity for legislation to protect the retirement security of millions depending on private pension plans. Early this year I introduced the first bill which deals comprehensively with problems which have arisen in the operation of pension plans. It would establish minimum standards for vesting, funding, administration, and a type of pension bank, which would allow the transfer of pension credits from job to job. It is my hope that hearings will be held on this bill next spring.

I also introduced a bill to extend unemployment compensation rights to over 1.5 million employees of nonprofit organizations and State hospitals and institutions of higher learning presently excluded from this system.

As an advocate of adequate salaries for Federal employees, I supported legislation this year to increase their pay as one step toward comparability with private employment. This legislation also included a postal rate increase, necessary to minimize the postal deficit.

HEALTH AND EDUCATION

The inadequate response of Congress and the administration during the past year to the Nation's continuing health care crisis has left us with one-third of our hospital capacity outmoded, a continuing shortage of medical personnel and rapidly increasing medical costs. Accordingly, I introduced legislation to correct hospital obsolescence and develop new techniques in hospital modernization and construction.

Two proposals which I authored were enacted this year: first, providing safety standards for clinical laboratories, thus insuring more adequate medical diagnosis and treatment; and second, Federal aid for staffing institutions for the mentally retarded children. Thirty-six Senators have joined in the bill I authored to launch a nationwide drive against alcoholism. This measure implements recommendations of the President's Crime Commission and the National Conference on Alcoholism and would assist local communities in treating chronic alcoholics medically and socially, rather than criminally. The Congress this year expanded and extended to 1972 the Older Americans Act. Included in the bill is the provision I introduced which requires reallocation of State program funds, thus increasing the amount received by New York State.

In expanding and renewing the Elementary and Secondary Education Act, Congress included a comprehensive new program, which I cosponsored, for bilingual education. The new law includes 14 major provisions I had authored including those providing for school bus safety, priority for overcrowded schools in receiving Federal funds, encouraging community involvement and strengthening local education agencies and technical assistance programs to rural areas. I also introduced legislation to make the same loan privileges available to Americans studying medicine abroad as to those in U.S. schools.

As a member of the Appropriations Committee I was able to help in obtaining Senate approval of $13.5 million for the Teacher Corps after the House failed to appropriate any funds whatsoever. This appropriation was essential to continue a program which provides skilled teachers for deprived area schools.

Also enacted was broad legislation which extended to Vietnam and cold war veterans, pension, education and readjustment benefits received by veterans of previous wars. Included in this law is the provision I introduced to extend the home loan guarantee program for World War II veterans.

I supported the Senate-passed version of the Social Security Act of 1967, which would have increased benefits across the board by 15 percent and increased minimum benefits to $70. But I was compelled to protest the final product which materially cut the benefits and established most objectionable conditions in certain welfare programs, especially those dealing with mothers who are welfare recipients.

RURAL LIFE

Recognizing the increasing importance of rural development, together with 10 New York Congressmen I introduced legislation to provide Federal assistance to localities for the construction of multipurpose water projects to insure high water quality standards on smaller rivers and streams and for the maintenance of reserve water supplies to allow future industrial or community growth in rural areas. I also cosponsored two Senate-passed bills: one, to authorize loans by the Farmers Home Administration for the development of rural community centers and to increase the ceiling on loans which FHA can make; and the other, to allow the Secretary of Agriculture to share in costs of improvements relating to public fish, wildlife, or recreational areas.

In an effort to protect New York's important dairy-farming industry, I supported the Tariff Commission's recommendation and urged immediate Presidential action to prevent the circumvention of the intent of dairy import quotas and urged the Secretary of Agriculture to consider one milk marketing order for the Northeast to meet the effect of price variance in the present orders.

The Agriculture Appropriations Subcommittee, on which I serve, increased House-allocated funds for farmer cooperative service by $100,000 over last year, and soil conservation service for part-time workers by $500,000. The Senate also provided specifically for better liaison between State and Federal Agriculture Departments, and increased the budget request for watershed construction by $5 million.

NEW YORK STATE AFFAIRS

As a member of the Senate Appropriations Committee, I was particularly gratified in helping to obtain in the Senate an increase of $22 million in the amount available for water pollution abatement facilities—crucial in light of New York's massive "clean waters" program. Although the amount was later lost in conference, I will again press for its adoption.

I was instrumental in restoring $440,000 to the Department of the Interior appropriations for the Cortland Fish Hatchery. In addition, appropriations for the Post Office Department contained $3.6 million for the Syracuse Post Office and $16 million for Manhattan's Morgan Station Post Office.

The Agriculture Appropriations Subcommittee, on which I serve, increased funds for extension services and 4–H programs by $3 million and provided $40,000 for planning a new soil-plan and research laboratory at Cornell. Other appropriations bills included funds for the construction or site acquisition of the Bronx Post Office and Federal Office Building, the Buffalo Federal Office Building, a Hyde Park Library extension, the Syracuse Courthouse and Federal Office Building, Rochester Courthouse and Federal Office Building and the Champlain border station.

Twenty-one New York flood control, navigation, and beach erosion projects were funded in the amount of $12.6 million. Of particular interest to the State was my request for $100,000 in the public works–AEC bill, to be used for education purposes at the hall of science in Flushing Meadow, Queens. This request, turned down by the House, was restored by the Senate but lost in conference.

The 1967 social security bill contained a specific restriction on Federal participation in State medicaid programs. This ceiling will force New York State either to cut back its medicaid program by providing a lower standard of income eligibility or to assume a much greater share of the cost. While acknowledging the likelihood of some ceiling, I unsuccessfully opposed this unnecessarily low ceiling, which threatened to defeat the very purpose for which this program was originally enacted.

Changes which I had advocated in previous years were, however, included in this year's bill. They would permit different income eligibility levels in different parts of the same State, and allow States to establish deductibles for hospital costs as well as medical fees. Their effect will be to cut the cost of the program and to give New York greater flexibility in devising its medicaid program.

I led the fight against the House-passed measure which would make it impossible for federally chartered or insured banks to sell State lottery tickets. This bill was aimed directly at New York State, and I felt it an inappropriate congressional interference with a State's valid public policy, approved by a statewide vote of the people.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Nos. 929 and 930, in sequence.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

DISTRICT OF COLUMBIA MEDICAL FACILITIES CONSTRUCTION ACT OF 1968

The Senate proceeded to consider the bill (S. 1228) to authorize project grants for construction and modernization of hospitals and other medical facilities in the District of Columbia, which had been reported from the Committee on the District of Columbia, with amendments, on page 1, line 4, after the word "of", strike out "1967" and insert "1968"; in line 7, after "June 30," strike out "1967" and insert "1968"; in line 8, after the word "necessary," insert "not to exceed in the aggregate $36,227,000"; on page 2, line 4, after the word "facilities," insert "including extended care facilities,"; on page 4, line 11, after the word "the", strike out "Surgeon General" and insert "Secretary"; and on page 5, line 1, after the word "facility," insert "including extended care facilities,"; so as to make the bill read:

S. 1228

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "District of Columbia Medical Facilities Construction Act of 1968".

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. There are authorized to be appropriated for the fiscal year ending June 30, 1968, and for each of the next three fiscal years, such sums as may be necessary, not to exceed in the aggregate $36,227,000, to enable the Secretary of the Department of Health, Education, and Welfare (hereafter referred to as the Secretary), to make grants to assist in the modernization of public or nonprofit private hospitals and in the construction or modernization of public health centers, long-term care facilities, including extended care facilities, diagnostic or treatment centers, rehabilitation facilities, facilities for the mentally retarded, and community mental health centers in the District of Columbia. Sums so appropriated shall remain available until expended.

APPROVAL OF APPLICATIONS

SEC. 3. (a) An application for a grant with respect to any project may be approved by the Secretary under this Act only if an application for a grant with respect to such project has been filed under the Medical Facilities Acts (which for purposes of this Act means title VI of the Public Health Service Act or, where appropriate, title II or part C of title I of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963) and—

(1) has been approved under the Medical Facilities Acts and the application filed under this Act is for additional funds in connection therewith, or

(2) has been denied under the Medical Facilities Acts because insufficient funds are available from the allotments of the District of Columbia under such Acts to permit approval of the application.

In determining whether to approve an application for a grant with respect to any project in the District of Columbia under the Medical Facilities Acts, the availability of additional funds for such project under this Act shall be taken into consideration; and, in any such case, approval under the Medical Facilities Acts may be made contingent upon the approval of an application with respect to such project under this Act and upon such additional funds being made so available.

(b) The Secretary shall establish criteria for determining the order in which to approve, under this Act, applications for grants with respect to projects. Such criteria with respect to construction projects for the same type of facility (or for modernization projects) shall be the criteria developed by the State agency of the District of Columbia pursuant to the State plan approved under the Medical Facilities Acts.

(c) In the case of any project with respect to which an application for a grant is filed under this Act and with respect to which an application for a grant has been denied under the Medical Facilities Acts, such application under this Act may be approved only if there is compliance with the same terms and conditions (including determination, in accordance with the applicable State plan, that the project is needed) as are applicable to applications for grants under the Medical Facilities Acts, other than the availability of sufficient funds in the appropriate allotment of the District of Columbia.

(d) An application for a grant under this Act with respect to any project may not be approved unless an opportunity to review the application has been afforded to a body, found by the Secretary to be a responsible metropolitan areawide planning body, and any recommendations of such body that were timely made have been considered by the appropriate State agency of the District of Columbia and have been submitted to the Secretary in connection with the application.

PAYMENTS

SEC. 4. (a) Payments under this Act with respect to any project shall be made in the manner provided under the Medical Facilities Acts for payment of the Federal share of the cost of projects for which applications are approved under such Acts; except that such payments shall also be subject to such reasonable conditions as the Secretary deems appropriate to safeguard the Federal interest.

(b) The total of the payments made under this Act with respect to any project, together with any payments with respect thereto under the Medical Acts, may not exceed—

(1) in the case of a construction project for a long-term care facility, including ex-

tended care facilities, a diagnostic or treatment center, or a rehabilitation facility, 66⅔ per centum of the cost of such project; and

(2) in the case of any other project (including a modernization project), 50 per centum of the cost of such project.

RECOVERY OF PAYMENTS

Sec. 5. Payment under this Act shall be subject to recovery or recapture under the same conditions and to the same extent as is provided under the Medical Facilities Acts with respect to payments made thereunder.

MEANING OF TERMS

Sec. 6. The terms used in this Act shall have the same meaning as when used in the Medical Facilities Acts.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 944), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSES OF THE BILL

The purpose of the bill is to authorize supplementary Federal assistance for the District of Columbia government for modernization of public or nonprofit private hospitals, and for the construction of such health centers, long-term and extended care facilities, diagnostic or treatment centers, rehabilitation facilities, community mental health centers, and facilities for the mentally retarded.

The bill would provide additional Federal project grants to those now available under various programs provided by the Medical Facilities Acts (which for purposes of this bill means title VI of the Public Health Service Act, including the Hill-Burton program, or, where appropriate, title II or pt. C of title I of Mental Retardation Facilities and Community Health Construction Act of 1963).

Briefly, this legislation establishes the administrative and programming machinery for this intended or supplemental aid for projects required to be approvable under construction aid programs—the Hill-Burton program, or the mental retardation facilities of the mental health center construction programs. In summary, the bill provides as follows:

(1) For the funding authorization, for purposes of the act for fiscal year ending June 30, 1968, and for each of the next 3 fiscal years, commencing with the fiscal year ending June 30, 1969, and concluding with the fiscal year ending June 30, 1971.

(2) For a maximum funding authorization of $36,227,000, or the portion thereof as is necessary and supported by the appropriate national program authority and by approval of the Secretary of the Department of Health, Education, and Welfare.

Supplemental aid would be conditioned upon the sole ground of insufficient funds under the District's allotments under the respective nationwide programs.

(3) For two types of Federal grants to the District of Columbia government:

(*a*) Supplementary grants to make up the difference between funds provided for a project under the regular, Federally sponsored Hill-Burton, mental retardation or mental health center programs, and the amount of funds required to constitute the higher Federal share authorized by this new legislation; and

(*b*) Grants for projects enabled to qualify for grants under the Hill-Burton, mental retardation or community mental health center programs, provided an application has been filed for a grant under the appropriate program and has been denied because the project had insufficient priority or because sufficient funds were unavailable in the applicable allotment to the District to permit approval of the application.

(4) For approval of grants for construction of long-term and extended care facilities, diagnostic or treatment centers, or rehabilitation facilities that may not exceed—

(*a*) 66⅔ percent of the cost of long-term-care or an extended care facility, diagnostic or treatment centers, or rehabilitation facilities; or

(*b*) 50 percent of the cost of any other project.

(5) For special Federal assistance only if there is compliance with the same terms and conditions (including determination that the project is needed in accordance with the appropriate State plan for health facilities in the District) as are applicable to the grants under the Hill-Burton, mental retardation or mental health center construction programs. Accordingly, such proposed projects would be reviewed to assure compliance with the State plan and priority system required under the Federal Hill-Harris mental retardation or community mental health centers program. Such projects would be required to meet construction and equipment standards contained in regulations adopted to implement such programs.

(6) For a mechanism by which a responsible metropolitan areawide planning body may comment upon the merits of each application. This particular phase is especially noteworthy because it provides a device by which local representatives, both professional and lay, may consider construction proposals in relationship to the needs and plans of other health institutions or programs in the Washington, D.C., metropolitan area, wherein the three jurisdictions of the States of Maryland and Virginia and the District of Columbia are concerned.

BACKGROUND OF FEDERAL AID TO THE DISTRICT OF COLUMBIA

The unique responsibility of the Federal Government to provide financial assistance for the construction of hospitals and other medical facilities in the District of Columbia has been recognized by the Congress for more than 20 years.

In 1946, Congress enacted the Hospital Center Act, authorizing the appropriation of Federal funds for the construction of the Washington Hospital Center as a replacement for three independent, nonprofit hospitals. This act required the District government to pay 50 percent of the net cost to the Federal Government because at that time a serious hospital bed shortage was evident in the District, and Congress felt compelled to meet that emergency.

Later extensions and amendments of that act took place, such as the 1951 amendment authorizing Federal grants of up to 50 percent of the cost of constructing or renovating hospital facilities generally within the District. The District of Columbia government was required to pay 50 percent of the Federal contribution. Such was reduced to 30 percent by a congressional amendment in 1958 to the Hospital Center Act for grants made after that time. Under the 1951 and subsequent amendments, grants totaling $17,420,453 were made for hospital projects having an estimated total cost of $44,400,000, with the fact being today that practically every public and private hospital in the District of Columbia having participated in such program. That act expired in 1962.

In 1962 Congress enacted legislation (Public Law 87–460) authorizing special Federal grants not to exceed $2.5 million for 50 percent of the cost of constructing an addition to George Washington University Hospital. Funds for this purpose were appropriated by Congress in fiscal year 1964, and the project is now completed.

In addition to the Hospital Center Act and Public Law 87–460, both of which applied solely to the District, Federal financial assistance has been given for the construction of hospitals and other medical facilities generally in Washington through two generally applicable Federal programs—the wartime defense housing and public works program, commonly known as the Lanham Act, and the hospital and medical facilities construction program, usually called the Hill-Burton program. Under the Lanham Act, two hospitals in the District received a Federal contribution of $5,655,000. Under the Hill-Burton program, a total of $7,194,000 in grants was approved through fiscal year 1966 for 27 projects in the District of Columbia.

LOCAL PRIVATE FUNDING UNAVAILABLE

The medical necessity for the 1946 Washington Hospital Center Act and its amendments thereto arose because of the inability of sponsors within the District of Columbia to raise private capital for hospital construction to meet the statutory matching requirements of the nationwide Hill-Burton program. As a result, the District was unable to use certain funds allotted to it under that program.

Consequently, in 1961 President Kennedy directed the Department of Health, Education, and Welfare to examine into the District's continuing need for special assistance to meet health needs because of the District's unique geographic location. Factually, Washington, D.C., is the central city of a metropolitan area wherein some 40 percent or more of the patients who are required to utilize hospital facilities within the District of Columbia are residents of nearby Maryland and Virginia. This bill is the outgrowth of the findings of the Department of Health, Education, and Welfare originally submitted to the Congress in 1965.

This bill is designed to meet special needs for hospitals and other medical facilities in the District of Columbia by reason of its being the Nation's Capital and the central city of a large metropolitan area, with an estimated 2½ million population expected to increase to 3 million by 1970.

The special Federal aid made available by the Congress over the past 20 years for construction of District medical facilities indicates that the Hill-Burton, mental retardation and mental health center construction programs provide only a partial answer to the problem of financing the construction of such facilities in the District.

First, sponsors of projects for such construction in the District of Columbia experience serious difficulty in raising the non-Federal share of the cost thereof. Second, the allotment of Hill-Burton funds to the District, which in general is based on per capita income and population, is low in relationship to the facility construction demands, considering that hospitals within the District itself care for a substantial number of residents from suburban Maryland and Virginia.

Nonprofit medical facility groups seeking contributions in Washington do not have available to them much of the important support from corporate gifts which are available in other communities. Corporate gifts generally make up to 60 to 70 percent of the total private funds subscribed for constructing hospitals in cities the size of the District;[1] and more than half of these corporate gifts come from manufacturing corporations. The District, however, has only about 14 percent of the per capita potential of metropolitan areas of comparable population for receiving contributions from manufacturing corporations.

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[1] "Survey of Municipal Hospital Facilities," by J. B. Steinle (1957), indicating that industrial and commercial concerns account for 70 to 80 percent of all private donations to hospitals.

Another reason for the difficulty experienced by project sponsors in the District in securing funds to meet the non-Federal share of the cost of construction of hospitals and other medical facilities is that, although the average income in the District is among the highest in the country, a large proportion of those on the upper part of the income scale are temporary residents who do not feel an obligation to support capital improvement drives to the same extent that permanent residents here or elsewhere do, or indeed, to the extent that these same temporary Washington residents feel in relation to their "home" communities. This factor has made it difficult to raise money for these facilities in the amounts which might be expected if the average income alone were used as a guide.

Likewise, unique medical facility utilization and construction problems exist in the District because of the large number of patients from nearby Maryland and Virginia who occupy general hospital beds in the District. A survey conducted in 1958 showed that approximately 40 percent of the patients in District hospitals came from outside the District, primarily from the Maryland and Virginia counties in the metropolitan area.

A study of the residence of patients admitted to general hospitals in the District during the week of February 25–March 3, 1962, showed similar results; only 58 percent of those patients were District residents. If District of Columbia General and Freedman's Hospitals, which are operated locally by the District and Federal Governments, respectively, were excluded from this latter study, a significantly higher percentage of patients in all District of Columbia hospitals from outside the District would be found, ranging up to nearly 60 percent in the case of Georgetown University Hospital. The Hill-Burton, mental retardation and community mental health center construction legislative provisions do not recognize this factor in the allocation of funds. As compared with other States, a wider disparity exists in the District of Columbia between Federal funds available for health facilities construction and the need and demand for such funds.

NEED FOR LEGISLATION

Your committee believes that this legislation is not only a necessary substitute for the outdated Hospital Center Act but in addition, it includes legislative features which (1) take advantage of advances made in recent years in the planning, design, and construction of health facilities; and (2) provide an orderly mechanism for consideration of construction proposals by local, District of Columbia, and Federal officials who are skilled in the planning, design, and construction of hospitals and other health facilities, prior to consideration of such construction proposals by the Congress.

Presently in the District of Columbia, there is a total of 4,879 general hospital beds, with additional facilities for 200 more at George Washington University and Georgetown University Hospitals.

Statistics supplied to the committee by the Health Facilities Planning Council for Metropolitan Washington showed that the total hospital beds in the District of Columbia have an annual utilization rate of 84.7 percent, which means that on a given day of the year an average of 4,147 beds is being utilized and of these, at least 40 percent, or 1,659 beds, are being used by residents of nearby Maryland and Virginia, leaving 2,488 beds for use by District residents. Furthermore, the average length of stay for a patient in any one of these beds is 8.1 days.

Obviously, the Maryland and Virginia residents either prefer the medical facilities located in the District of Columbia or such facilities are not as readily available in their States of residence. Whatever the reason, the District's hospitals face a greater patient influx than would be the case if the District were not the unique geographic and governmental unit it is.

Presently excessive occupancy of acute hospital beds within the District must continue until such time as sufficient nursing home beds become available. Estimates place this need in the Washington metropolitan area at 3,000 beds of which more than 600 beds can be used immediately in the District. Presently, the District has 2,513 beds in 26 licensed nursing homes which are being occupied near the 100-percent figure throughout the year.

LONG-TERM-CARE FACILITIES INADEQUATE

The need for Federal aid is most acute in the case of long-term-care facilities, one of the principal aims of the medicare program nationally and especially important in the District because Congress is expected to clear this session enabling legislation, already passed by both Houses, placing the District under medicaid coverage. The lack of private fundraising potential for construction of these facilities is even more pronounced than in the case of short-term-care facilities—as demonstrated by the fact that the District has been able to use little of the money available to it under the Hill-Burton program for construction of long-term-care facilities, due to inability to raise the required matching funds.

The District of Columbia Department of Public Health advised the committee that 272 additional long-term-care beds are needed and 204 other long-term-care beds require modernization or replacement in the District. Assuming an average cost of $10,000 per bed, the total cost of construction and modernizing long-term beds amounts to $4.7 million, whereas the annual Hill-Burton allotment to the District of Columbia for this purpose is only $200,000.

For the reasons cited above, special Federal assistance for the modernization of hospitals and the construction or modernization of other medical facilities in the District of Columbia is clearly required. To make up for the loss of normal private sources of support in the District, Federal grants should cover up to two-thirds of the cost of construction projects for a long-term-care facility, a diagnostic or treatment center, or a rehabilitation facility. The urgency of the need for such facilities and the relatively greater difficulty in securing financing for the non-Federal share of the cost of their construction, justifies a higher matching ratio than in the case of short-term-care facilities.

Federal grants under this bill would not be available to provide additional short-term acute general hospital beds. The Health Facilities Planning council for Metropolitan Washington has found that additional general beds in the District of Columbia will not be needed until after 1975. If this should change, however, additional authority can be sought from the Congress to construct additional general hospital beds, commensurate with the need existing at that time.

Your committee believes that the emerging patterns of health care nationwide, as already evidenced within the medicare and medicaid programs, point to the need in urban cities, such as Washington, D.C., for medical complexes ranging from specialized acute care—both physical and mental—to ambulatory facilities, self-care units, and long-term-care facilities providing extended convalescent care. The bill under consideration provides a higher Federal share for long-term and extended care and ambulatory care facility construction as an incentive to the construction of these less costly facilities. This action should help to stabilize the cost of medical care and at the same time reduce the pressures for more acute care beds which are more expensive to construct and operate.

Supplementary Federal grants permitted under this legislation during the period ending June 30, 1971, could not exceed $36,227,000 under the authorization maximum of this bill. To support the physical need for this bill, the District of Columbia Department of Public Health submitted the accompanying table setting forth current plans for hospitals and other health facilities in the District of Columbia.

While the justification for each of these construction proposals would be required to meet standards laid down in the appropriate sections of the Medical Facilities Acts and the Mental Retardation Facilities and Community Health Construction Act of 1963, the statistical table illustrates the magnitude of the problem as viewed presently without attempting to project the need for 5 of 10 years in this fastest growing metropolitan area in the country. An example of the inadequacy of Federal funds presently available to the District under the Hill-Burton program to construct and modernize needed general hospital facilities is the fact that the Hill-Burton allotment to the District of fiscal year 1968 is $441,619 compared to the current need of $36,227,000.

RETIREMENT OF FIREFIGHTERS

The bill (S. 1507) to include firefighters within the provisions of section 8336 (c) of title 5, United States Code, relating to the retirement of Government employees engaged in certain hazardous occupations, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1507

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8336 (c) of title 5, United States Code, is amended by inserting after "United States" the following: "or are primarily to perform work directly connected with the control and extinguishment of fires or the maintenance and use of firefighting apparatus and equipment".

SEC. 2. The provisions of section 8348(g) of title 5, United States Code, shall not be applicable with respect to benefits payable pursuant to the amendment made by this Act.

SEC. 3. The amendment made by this Act shall be applicable only in the case of persons retiring after the date of enactment of this Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 945), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE AND JUSTIFICATION

S. 1507 would include Federal firemen under the hazardous-duty retirement provisions of title 5 of the United States Code.

Under section 8336(c) of this title, the Congress has provided for retirement and annuity, at age 50 and after 20 years' service, for employees who daily risk their lives in the performance of their duties in law enforcement hazardous duty. The law covers 795 U.S. marshals, 2,254 policemen, 13,125 guards, and FBI and Treasury agents.

There are over 11,000 Federal firemen, however, who are not accorded these same benefits even though their employment is hazardous. Federal firemen are required to work a 72-hour week for 52 weeks a year, minus leave. This includes holidays and Sundays.

The firefighters' fatality rate in 1966 was approximately 2½ times greater than the rate for policemen, listed as 20.9 duty deaths per 100,000 men. These statistics compare with a rate of 7.2 on-the-job deaths per 100,000 workers engaged in civilian Federal service, and 20 deaths per 100,000 employees in the overall work force. One out of every eight firefighters—or 12.5 per 100 men—sustained a lost-time injury in 1965. Ranked against 24 other occupations, the lost-time injury rate for firefighters working in major cities was topped only by the rate for those engaged in handling marine cargo. In 1965, 55.3 percent of firefighters' deaths, excluding retirees, resulted from heart and lung diseases.

The committee believes that the preferential retirement benefits for hazardous duty should be extended to firefighters because of the extremely hazardous nature of their duties which are always related to firefighting. To confine a preference of law to a group of employees engaged in hazardous duty without recognizing other employees in other agencies in equally or more hazardous occupations is an inequity.

COST

The proposal would have a cost which we estimate at $17,500 for each qualified firefighter retiring after enactment of the bill. Assuming that about 200 firefighters retire each year, the added annual cost would be $3.5 million.

HEARINGS

Public hearings were held on S. 1507 on July 26, 1967, before the Subcommittee on Retirement of the Committee on Post Office and Civil Service.

AN ARTICLE BY A MISSIONARY IN SOUTH VIETNAM

Mr. McCLELLAN. Mr. President, recently I received an article from one of my constituents. It was written by a Vietnamese missionary. I think it may be of particular interest to all who are vitally concerned about the war.

I commend it to the attention of every Senator.

I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A VIETNAMESE MISSIONARY SPEAKS OUT ON THE WAR IN VIETNAM

Gordon H. Smith has been a soldier for Christ in Viet Nam for 38 years. He was there when the Japanese occupied the country during World War II, then while the French were fighting the Viet Minh, and now during the present conflict with the Viet Cong. Below are his views on this controversial struggle:

Much is being said about American bombing of the north, as being immoral. What I find immoral are the almost treasonable statements made by those who want peace at any price—even at the price of dishonor and slavery. The protesting is based on pure ignorance. What distresses us is the flirting with the Communists by liberal, Apostate Christian Churches in America. How blind they are not to see that Communism is against God and His Church and that Communists never keep their word. Communism anywhere means the end of the organized Christian Church.

Little is said by the protestors about the VC terror tactics. DaNang hospitals are always full of civilians, old and young, who are wounded by VC actions. Nearly every day civilian buses are blown up. The other day two of our preachers were returning to DaNang on a motorbike when a bus in front, loaded with passengers, was blown into a rice field. They had to carry their bikes over the dead and dying and rush to inform a government outpost to send help. There is no excuse for ignorance in America. The news magazines give true details. Compromise in any way with the Communists means certain takeover and eventual expansion of the bloodshed and horror as they will endeavor to "liberate" other countries nearby.

LAW ENFORCEMENT

Mr. McCLELLAN. Mr. President, a few days ago I received a letter from the Reverend Walter H. Watts, pastor of the James Fork Baptist Church of Fort Smith, Ark. With the letter, he enclosed a resolution of that church with respect to law enforcement in this country.

I ask unanimous consent that the letter of Walter H. Watts to me, together with the resolution and my reply to the Reverend Watts be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Hon. JOHN L. MCCLELLAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MCCLELLAN: With the exception of you and a few stalwart statesmen like you there seems to be a timidity in the face of mounting anarchy and lawlessness on the part of our elected leaders. As a minister of a small rural church, I felt that my people and I could at least positionize ourselves on the side of law and order. Perhaps if enough churches and other groups do this, our leaders will take notice and quit coddling criminals, rioters, and troublemakers.

Best wishes to you.

Sincerely,

WALTER H. WATTS,
Pastor, James Fork Baptist Church.

RESOLUTION

Whereas God's word tells of a period in human history when such anarchy prevailed that men broke any law they disliked and 'did that which was right in their own eyes', Judges 17:6 and,

Whereas there is today widespread lawlessness, looting, theft, arson, violence and other crimes being committed by lawless mobs, led by vulgar extremists who parade under guise of 'dissent' 'Civil rights' and other false pretenses, and,

Whereas other extremists are advocating 'massive civil disobedience' to achieve their own selfish purposes without regard for the general welfare of all people, and,

Whereas we believe it is the duty of all Americans to uphold our Constitution and protect our liberties, and,

Whereas we feel that the Courts have erred in placing serious handicaps on Police officers, and have erred still further in giving light, or suspended sentences to convicted criminals,

Therefore be it resolved that we, the James Fork Baptist Church go on record as supporting our constitution, Our elected state and national leaders, the law-enforcement agencies, patriotic groups and all who seek to keep our Country safe from Communism, crime, rioting, violence and lawlessness,

Be it further resolved that we ask our elected leaders on the State and national level to take notice of our group action, and to use the full powers of their office to see that the law is enforced, the Police are supported, and criminals are brought to justice.

Be it further resolved that each of us renew his personal allegiance to our Country's flag, and that we deplore the burning of American flags and draft-cards by misguided youth, and that we declare ourselves to be on the side of God, Country and the Law,

Be it further resolved that we file copies of this resolution in our Church records, with our elected officials, the News Media, and the Arkansas Baptist newsmagazine.

By order of the church, December 6, 1967.

WALTER H. WATTS,
Moderator.
SYLVIA JEAN GOSSETT,
Clerk.

DECEMBER 11, 1967.

Rev. WALTER H. WATTS,
Pastor, James Fork Baptist Church,
Fort Smith, Ark.

MY DEAR MR. WATTS: This acknowledges your letter of recent date in which you enclosed copy of Resolution adopted by your church on December 6th, I personally appreciate the strong position your members are taking regarding law enforcement, and it will be my pleasure to insert the Resolution in the Congressional Record. When this has been done, I'll send you a copy of the Record for your information.

I can only express the hope and wish that every religious group in our nation would demonstrate the same courage, faith, loyalty, and devotion to our country, by adopting similar resolutions.

I appreciate hearing from you, and with very kindest regards, I am

Sincerely yours,

JOHN L. MCCLELLAN.

AMENDMENT OF ACT RELATING TO CONSTRUCTION SITE OF A SEA-LEVEL CANAL CONNECTING THE ATLANTIC AND PACIFIC OCEANS

Mr. MAGNUSON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1566.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1566) to amend sections 3 and 4 of the act approved September 22, 1964 (78 Stat. 990), providing for an investigation and study to determine a site for the construction of a sea-level canal connecting the Atlantic and Pacific Oceans, which were, in line 5, strike out "(1)"; and in line 6, strike out all after "thereof" down through and including line 8, and insert "December 1, 1969."

Mr. MAGNUSON. Mr. President, The difficulties in Panama in 1964 focused world attention on the commercial and strategic inadequacies of the canal. The members of the Committee on Commerce, after extensive inquiry, concluded that an immediate investigation should be made to determine the feasibility of constructing a second canal at sea level through the American Isthmus. Under the provisions of Public Law 88-609, the President appointed the Atlantic-Pacific Interoceanic Canal Commission to conduct the study. The Commission is required to report its findings and recommendations by June 30, 1968.

At our recent hearing held on S. 1566, it was determined that the Commission cannot conclude this task within the deadline.

First of all, agreements with Panama and Colombia to permit the necessary onsite surveys were not negotiated in time for the surveys to advance very far during the 1966 tropical dry season.

Both surveys are now proceeding expeditiously.

Furthermore, the U.S. Atomic Energy Commission's plowshare program, which includes the cratering studies essential to a determination of the feasibility of nuclear excavation of the new canal, is now well behind schedule. These are the reasons why the Commission requested more time for the study. S. 1566 would extend the time from June 30, 1968, to December 1, 1970.

The bill also increased the authorization for the study from $17.5 million to $22 million based on the recent experience of the Army Engineers during the conduct of the onsite surveys.

The House amendments delete the additional authorization and extend the reporting date to December 1, 1969.

The uncertainties surrounding the plowshare program and the increasing delays in the nuclear cratering test program of the AEC which have occurred since S. 1566 passed the Senate, lead the members of the committee to agree that the Commission does not require the additional authorization at this time. We do believe, however, that the Commission needs additional time in which to complete its study and submit the report.

We wish to make clear that in the event the plowshare program becomes productive and experience is gained in the techniques of nuclear excavation, the Commission in all probability will require additional study time and an increase in its authorization. If these nuclear cratering tests are conducted and prove successful, the Atlantic-Pacific Interoceanic Canal Study Commission is free to propose legislation to the Congress to authorize additional funds and an extension of the reporting date.

Under these circumstances, Mr. President, I move that the Senate concur in the amendments of the House of Representatives to S. 1566.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

Mr. MAGNUSON. Mr. President, the Senator from Alaska [Mr. BARTLETT] has done a great deal of work on this measure. The measure merely extends the life of the Panama Canal Commission study group.

The importance of this matter is very great in view of many of the present world situations, the present state of the Suez situation, and the other water systems of the world.

I compliment the Senator from Alaska for the work he has done on this matter.

Unfortunately, the Senator was taken ill this morning—I hope not seriously. He could not be present for the vote or otherwise he would have added some further remarks.

DENIAL TO THE LAW-ABIDING CITIZENS OF THE PROTECTION OF EFFECTIVE FEDERAL FIREARMS CONTROLS

Mr. FONG. Mr. President, I ask unanimous consent on behalf of the Senator from Connecticut to have printed in the RECORD some comments of my distinguished colleague, the senior Senator from Connecticut [Mr. DODD], and certain material he wishes to have printed in the RECORD.

Mr. DODD is unable to be present today. He is in New York with a dental surgeon, and I share his anguish.

Mr. DODD'S comments concern public support for strong Federal firearms laws.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR DODD

It saddens me that, as the first session of the 90th Congress closes, the law-abiding in this nation have once again been denied the protection of effective federal controls over the sale of firearms.

We have failed to provide our families, our friends and our constituents with laws adequate to protect them from the felon, the narcotic addict or the crazed who on a whim will take a gun he should never have possessed in the first place and kill an innocent.

This legislation has been more than six years in the making.

President Johnson has called repeatedly for its passage, as did his predecessor. Each time the public was polled its response was overwhelmingly in support of firearms controls much stronger than the proposals now before Congress.

Congress must be responsive to the public.

Newspapers, radio, television—virtually all of media has reflected this public mood on the matter of firearms controls.

And the public mood is that strong federal firearms controls are necessary, even at the cost of a minor inconvenience to a legitimate sportsman when he goes to purchase a gun.

This is civilized, 20th-century America.

And I am certain that I speak for the 150 million Americans not represented by a firearms lobby who do not want to have to defend their homes and hearths with a gun.

Civilized people expect more than that from their government.

The public has spoken repeatedly, and I believe that Congress should be responsive to its mood.

For the benefit of my colleagues who have not been exposed to the expressed and published opinion, I offer at this point a selection of editorials and articles which I believe is representative of public opinion on the need for Congress to adopt much stronger federal firearms controls:

"RESULTS OF A POLL CONDUCTED BY THE GALLUP ORGANIZATION FOR THE NATIONAL BROADCASTING COMPANY, JANUARY, 1967

"National findings

"The question: 'Now I'd like to ask you a few questions about guns: As you probably know there are two basic types of guns. One type consists of guns with long barrels, such as rifles and shotguns. The second type is the kind of gun you can hold in your hand, such as pistols or revolvers. First I'd like to ask you about pistols and revolvers.

" 'Some people feel that laws covering the sale and ownership of handguns such as pistols and revolvers should be made less strict than they are now. Other people feel that the laws are all right as they are. Still others think the pistol and revolver laws should be made more strict. In general, how do you feel about the laws covering the sale and ownership of this kind of gun? Should they be made less strict, are they all right as they are, or should they be made more strict? Which of these statements do you agree with?[1]

"Laws concerning handguns should be:	*Entire sample (percent)*
More strict	70
Less strict	2
All right now	23
No opinion	5
Total	100"

"The question: 'Now how do you feel about rifles and shotguns—in general, do you feel that the rifle and shotgun laws should be made less strict, are all right as they are, or should be more strict? Which of these statements do you agree with?'[1]

Laws concerning rifles and shotguns should be:	*Entire sample (percent)*
More strict	61
Less strict	2
All right now	32
No opinion	5
Total	100

"The question: 'Are you for or against a law which would require everyone who owns a rifle or shotgun to register his gun with a state or local governmental agency?'[1]

	Entire sample (percent)
For a law which would require registration of a rifle or shotgun	73
Against a law which would require registration of a rifle or shotgun	22
No opinion	5
Total	100

"The question: 'How about pistols and revolvers—are you for or against a law which would require everyone who owns a pistol or revolver to register his gun with a state or local government agency?'[1]

	Entire sample (percent)
For a law which would require registration of a handgun	85
Against a law which would require registration of a handgun	11
No opinion	4
Total	100

"The question: 'Do you believe that a person should or should not be able to send away for guns through the mail?'

	Entire sample (percent)
A person should be able to send away for a gun through the mail	20
A person should not be able to send away for a gun through the mail	75
No opinion	5
Total	100

"The question: 'Some people feel that anyone who wishes to purchase a gun has a right to buy one and should be permitted to buy one. Others feel that there should be restrictions on who should and who should not be allowed to buy a gun. How do you feel—should anyone who wants to be allowed to buy a gun or should there be restrictions on who is allowed to buy a gun?'

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[1] The order in which these two questions appeared on the questionnaire was reversed on half the sample.

[1] The order in which these two questions appeared on the questionnaire was reversed on half the sample.

	Entire sample (percent)
Anyone who wants to should be allowed to buy a gun	12
There should be restrictions on who is allowed to buy a gun	84
No opinion	4
Total	100"

"[From Public Opinion News Service, Aug. 30, 1959]

"IS THE PUBLIC READY TO ACCEPT STRICTER CONTROL OF FIREARMS?—PUBLIC WOULD BACK DRASTIC CURBS ON SALE OF FIREARMS—EVEN GUN OWNERS, HUNTERS, IN FAVOR OF REQUIRING A PERMIT BEFORE PURCHASING ANY GUNS

"(By George Gallup)

"PRINCETON, N.J., Aug. 29.—A shotgun killing in Washington, a triple murder on Long Island, a 'fast draw' mishap, a sister shot by a brother who 'didn't know it was loaded'—these might not have happened with stricter firearms regulations which the American public is ready to accept today.

"With some 14,000 Americans killed each year by guns, and headlines about firearms tragedies a daily occurrence in the nation's press, the Gallup Poll has undertaken a survey of the public's willingness to accept certain drastic restrictions on the present use of guns by private individuals.

"Highlights of the survey:

"An overwhelming majority of the public believes that a police permit should be required before the purchase of any kind of a gun—even a shotgun such as that used recently in the Nation's Capital to kill a 72-year-old man.

"By a smaller majority, Americans would support a law requiring a police permit for the purchase of ammunition. Francis Bloeth, confessed killer of three persons on Long Island, admitted to police that he would have killed more except for the fact that he was afraid to buy more shells.

"Eight states at present place some restrictions on buying a pistol or revolver. Anyone, however, can buy a shotgun or rifle, and any kind of ammunition, throughout the U.S. without a license or permit.

"In England, where strict laws govern registration of all kinds of guns, there is a very low homicide rate. Even the well-known "bobbies" (police) in that country do not carry guns.

"Opposition to gun regulation

"Opposition to bills in this country restricting the purchase of shotguns or rifles has usually developed on the grounds that they would be unfair to persons who participate in the sport of hunting or target shooting.

"Today's survey shows, however, that even those persons who hunt or have guns in their homes would be willing—by a ratio of 2-to-1 to get a police permit before buying a gun.

"Here are the figures:

" 'Would you favor or oppose a law which would require a person to obtain a police permit before he or she could buy a gun?'

"All adults

Favor	75%
Oppose	21
No opinion	4

"Gun owners

Favor	65%
Oppose	30
No opinion	5

"Hunters

Favor	62%
Oppose	33
No opinion	5

"Such a law, if passed, would be most popular in the East where three states, New York, New Jersey and Massachusetts, already have some restrictions on the purchase of hand guns. New York, with some of the nation's strictest firearm restrictions, has one of the nation's lowest rates of homicide by firearm.

"South favors gun laws

"Even in the South, however, where little or no restrictions are currently placed on guns sales (and rates of homicide by firearms are high), two out of three persons would be willing to accept the suggested curb.

"Permit for ammunition

"Although the public is also in favor of requiring a police permit for the purchase of ammunition, opposition to such a restriction is somewhat higher than in the case of a gun permit.

"Many persons volunteered the comment that requiring a permit to buy a gun would be sufficient restriction and that this would naturally control the sale of ammunition.

"Authorities point out, however, that if a person should be able to get a gun by illegal means, he would then be legally free to purchase as much ammunitions as he wished, provided he had the funds.

"The .38 caliber ammunition used by Bloeth sells for around five dollars for 50 rounds; 50 rounds of .22 caliber shells may be bought in hardware stores for as little as half-a-dollar.

"Here is the public view on the survey question:

" 'Would you favor or oppose a law which would require a police permit for the purchase of gun shells or ammunition?'

Favor	54%
Oppose	40
No opinion	6

"The second article in the current Gallup Poll series will report on the public's attitude toward sharply restricting the use of guns by persons under 18 and views on making it illegal to keep a loaded gun in the home.

"At a glance

"Police permit required before buying any gun?

Favor	75%
Oppose	21
No opinion	4

"Police permit required before buying shells or ammunition?

Favor	54%
Oppose	40
No opinion	6"

"[From Public Opinion News Service, Sept. 2, 1959]

"IS THE PUBLIC READY TO ACCEPT STRICTER CONTROL OF FIREARMS?—PUBLIC WOULD SHARPLY LIMIT TEEN-AGERS' USE OF FIREARMS—ONE ADULT IN THREE WOULD DENY GUNS TO YOUTHS; LAW BANNING LOADED GUN IN HOME FAVORED

"(By George Gallup)

"PRINCETON, N.J., Sept. 1—In New York City last week, a 17-year-old 'gang leader' fired a volley from his .22 rifle into a crowd and killed a 14-year-old girl.

"A 15-year-old boy shot and killed his 'best pal' while demonstrating how the safety works on his new rifle. Another teen-ager killed his younger brother while practicing a 'quick draw' with a revolver he 'didn't know was loaded.'

"Those are just several instances of the types of gun tragedies happening daily across the nation. An estimated 40 persons a day in the U.S. are killed by firearms.

"The public today shows itself willing to adopt stricter firearm legislation which might possibly have averted the kinds of incidents mentioned above.

"As parts of its special study of the public's attitude on curbing the use of guns and ammunition, the Gallup Poll asked the public about two suggestions advanced by many authorities as ways in which the yearly toll of firearms deaths might be reduced.

"An overwhelming majority of American adults would strictly regulate the use of guns by teen-agers. One adult in three would go so far as to forbid completely the use of guns by persons under 18.

"A majority of the public would favor making it illegal for the private citizen to keep a loaded gun in his home.

"*(On two other suggested restrictions, as reported earlier, public support is evident. An overwhelming majority would favor requiring a police permit before the purchase of any gun. A smaller majority would back the time procedure before buying shells or ammunition.)*

"This was the first question asked by Gallup Poll reporters of a cross-section of the American public:

" '*Which of these three plans would you prefer for the use of guns by persons under the age of 18—forbid their use completely, put strict regulations on their use, or continue at present with few regulations?*'

"Teen-age use of guns?

Forbid completely	34%
Regulate strictly	51
Continue at present	12
No opinion	3

"The very low percentage failing to express an opinion on this issue testifies to the interest on the public's part. Reporters found this particular question sparked a great deal of interest among the people they talked with.

"Support for restriction on youngsters' use of guns is significantly higher among women than it is among men. Nine out of ten women want some kind of regulation; four in ten women would forbid the use of guns by teen-agers completely.

"The National Rifle Association annual casualty report for 1956 showed that youngsters in the 11-to-19 age group accounted for almost half the hunting casualties (although only about a quarter of all hunters are under 25). A fourth of all accidental gun deaths in the U.S. happen to youths under fifteen.

"A second question in the series asked the following:

" '*Do you think it should be legal or illegal for private citizens to have loaded weapons in their homes?*'

"Loaded weapons in home?

Illegal	53%
Legal	40
No opinion	7

"A frequently-used argument by persons opposed to additional gun regulations has been the point that the nation's gun-owners would object to restrictions.

"In the case of persons owning shotguns and rifles at present (the bulk of the countries' gun owners), this is not true. Among shotgun and rifle owners, the weight of the opinion favors this restriction—although they are somewhat more reluctant than the public as a whole to outlaw loaded guns in the home.

"Among the nation's pistol and revolver owners however, six in ten feel that it should be legal to keep a loaded weapon in the home.

"In all regions of the country, except one, the public is in favor of outlawing loaded guns in the home.

"The one exception is the South—a region where present restrictions on guns are almost nonexistent and where the rates of death by guns are some of the highest in the nation.

"The final article in the Gallup Poll's current series will report the public's attitude toward outlawing the possession of all pistols and revolvers by private individuals. The article—to be published in the (Name of Paper)—will also deal with the size and type of 'arsenal' Americans have in their homes. How many citizens own a shotgun? A rifle? A pistol?"

[From Public Opinion News Service, Sept. 4, 1959]

"IS THE PUBLIC READY TO ACCEPT STRICTER CONTROL OF FIREARMS?—PUBLIC WOULD OUTLAW ALL PISTOLS EXCEPT FOR POLICE—ONE OF MANY CONTROLS PEOPLE WILLING TO ACCEPT; ONE HOME IN EVERY TWO NOW HAS A GUN

"(By George Gallup)

"PRINCETON, N.J., September 3—Definitely of a mind to place some kind of restriction on the use of guns, the American public would go so far as to completely outlaw the possession of any pistols or revolvers by private individuals.

"Such a drastic step would have an immediate effect on some 8,000,000 homes across the country where a pistol or revolver is now owned.

"The current Gallup Poll series of articles has embraced several suggestions put forth by authorities as ways in which stricter control of firearms could be imposed.

"The all-important finding of the series is that the public is ready to accept drastic measures in an attempt to reduce the number of firearms fatalities in the U.S. each year—an estimated 14,000 deaths a year, or approximately 40 gun fatalities a day.

"Here are some of the measures the American people would be willing to accept:

"1. Outlawing the possession of all pistols and revolvers except by police or other authorized persons. At present, only eight states place any restriction on the sale of handguns, chiefly requiring a permit. In the remaining states, anyone can buy a pistol without any kind of license.

"As the following figures show, nearly six out of ten Americans questioned in a nationwide survey would support such legislation:

"Outlaw all handguns except for police use?

Should	59%
Should not	35
No opinion	6

"2. Requiring that a police permit be obtained before being able to purchase any kind of gun. Such a move is supported by three out of four adults. No license or permit is required currently anywhere in the U.S. for the purchase of shotguns or rifles.

"3. A law making it illegal for private citizens to have loaded weapons in their homes. This suggestion has the backing of 53 per cent of a cross-section of Americans interviewed.

"4. Sharp restrictions on the use of guns by teen-agers are favored by 85 per cent in the survey. One adult in three would go so far as to completely forbid the use of any gun by a person under 18.

"5. Requiring a police permit before being able to purchase ammunition or shells—supported by 54 per cent of the public. Authorities point out that if a person should be able to get a gun by illegal means, he would then be legally free to purchase as much ammunition as he wished, provided he had the funds.

"Support for such drastic curbs comes from people in a country where the use and ownership of all kinds of guns—shotguns, rifles and pistols—is currently widespread.

"About one out of every two American homes has at least one firearm of some kind.

"Some 25 million adult Americans, the survey finds go hunting at some time; 16 million did some hunting during 1958.

"The ownership of guns varies widely by regions of the country—from two out of three homes in the South where a gun is owned to about three out of ten homes in the Eastern states where this is the case.

"Approximately four out of five farm families report that they have a firearm of some kind in the home.

"Shotguns most popular

"Shotguns are the most popular type of firearm—one out of every three homes has one. Rifles are owned by slightly more than one home in four, pistols or revolvers by one home in six.

"Following are the figures on ownership of firearms. With many homes owning more than one type of weapon, the tables add to more than 100 per cent:

"DO YOU HAVE A GUN IN YOUR HOME?

[In percent]

	Yes			No guns
	Shotgun	Rifle	Pistol	
All homes	32	27	16	51
East	20	18	11	69
Midwest	37	29	14	47
South	46	37	19	33
Far West	24	30	21	53
Cities:				
Over 500,000	13	11	12	75
50,000 to 499,999	19	19	12	65
2,500 to 49,999	34	26	16	48
Under 2,500	48	39	22	32
Farms	61	53	15	19"

"[From Public Opinion News Service, Jan. 12, 1964]

"EIGHT IN TEN PERSONS FAVOR LAW REQUIRING POLICE PERMIT FOR GUN—PROPORTION IN FAVOR HAS GROWN SINCE 1959 SURVEY; U.S. LAGS BEHIND OTHER NATIONS IN CONTROLS

"(By George Gallup)

"PRINCETON, N.J., January 11.—The assassination of President Kennedy by a man using a mail order carbine has stirred up the debate over the greater control of firearms.

"When the question was put to a carefully selected sample of the American public, almost eight in ten persons said they favored a law which would require a police permit in order to buy a gun.

"The following question was asked of a representative sample of the total adult civilian population of the nation:

" 'Would you favor or oppose a law which would require a person to obtain a police permit before he or she could buy a gun?'

"The findings:

	Percent
Favor	78
Oppose	17
No opinion	5

"The results, by areas and groups:

"[In percent]

	Favor	Oppose	No opinion
Men	71	26	3
Women	85	10	5
College	80	17	3
High school	81	17	2
Grade and no school	74	18	8
21 to 29 years	74	25	1
30 to 49 years	81	16	3
50 and over	78	15	7
East	90	8	2
Midwest	77	18	5
South	72	21	7
West	73	25	2"

"Four years ago, the identical question was asked of a parallel sample of the American public, including hunters and gun owners.

"Other measures suggested

"The results showed some of the other measures the public was willing to take at that time to curb the use of firearms:

"1. Outlawing the possession of all pistols and revolvers except by police or other authorized persons. Nearly six out of ten (59 per cent) Americans questioned in the survey at that time said they favored such legislation.

"2. A law making it illegal for private citizens to have loaded weapons in their homes. This suggestion had the backing of 53 per cent of the public.

"3. Sharp restrictions on the use of guns by teenagers were favored by 85 per cent in the survey. One adult in three would go so far as to forbid entirely the use of any gun by a person under 18.

"4. Requiring a police permit before the purchase of ammunition or shells—supported by 54 per cent of the public.

"U.S. lags behind

"Almost all nations of the world regulate the use of firearms far more stringently than does the U.S.

"In fact, in some nations, such as England, even the purchase and use of ammunition must be registered and accounted for.

"Opposition to stricter laws has been fought bitterly in the U.S. by one of the country's most powerful lobby and pressure groups—the National Rifle Association.

"At the time of the earlier study, it was found that nearly half of the persons included in the survey possessed guns.

"PUBLIC WOULD FAVOR POLICE PERMIT FOR GUN

"(By George Gallup)

"PRINCETON, N.J.—If a nationwide referendum were held at this time on a law to require a police permit before a person could own a gun, such a proposal would pass with flying colors.

"Today, 73 percent of Americans say they favor such legislation, 23 per cent are opposed, with 4 per cent expressing no opinion.

"The public has been ready to accept such a law since 1959 when the Gallup Poll first measured opinion on this issue. At that time 75 per cent or about the same proportion as today, supported the proposal to require police permits. In 1963, one month after the assassination of President Kennedy by a man with a mail order carbine, 78 per cent were in favor of this measure.

"Interestingly, if the referendum were limited to just gun-owners, the proposal would still pass. Sixty per cent of this group would vote in favor of a law requiring police permits before a gun could be bought.

"A person's political and educational background appear to have little bearing on where he stands on this issue, but women back the proposal to a greater extent than do men.

"FIREARMS VICTIMS NUMBER 17,000

"In no major nation of the world is sale, possession, or use of firearms so free as in the United States. In 29 states, there are no restrictions whatever on the sale of firearms, and guns of every description may be bought even by children.

"With respect to fatal firearm accidents, our death rate from this cause is approximately ten times that recorded in Great Britain, for example. Victims of firearms in the U.S. now number more than 17,000 annually.

"To find out the public's willingness to accept restrictions on the purchase of guns by private individuals, the Gallup Poll put this question to a representative sample of 1689 persons across the nation:

" 'Would you favor or oppose a law which would require a person to obtain a police permit before he or she could buy a gun?'

"The results:

Yes	73%
No	23
No opinion	4

"The public's case—pro and con

"Judging by their volunteered comments, the position taken by those among the general public who favor the proposed law can be summed up this way:

"Such a law would cut down the amount of crime in the nation. With no restrictions, it is easy for guns to get into the hands of teenagers, or careless or emotional persons, and criminals as well. The situation is too dangerous as it is now. A few persons in this group commented that they thought such a law was already in existence.

"On the other side, the case can be stated in these terms:

"Guns are needed for protection. Such a law would interfere with the interests of hunters and sportsmen. Criminals would be able to get guns even if permits were required. A law like this would be against a person's basic rights. It would be a violation of the Constitution.

"What is being referred to in this last point is the right guaranteed in the Second Amendment, 'to keep and bear arms.' Many experts on the Constitution, however, believe that the amendment's wording clearly means that the arms be specifically part of a nation's militia, e.g. the National Guard.

"Although certain groups in this country have argued that laws restricting gun ownership would make it easier for a 'communist take-over,' this argument has little support among the public at large, judging by their volunteered comments.

"Persons under 18

"On the question of the use of guns by persons under the age of 18, there is little doubt as to where the public stands—gun owners and non-owners alike.

"Eighty-three percent of all persons interviewed would either forbid their use completely or put restrictions on their use. The replies of 75 per cent of gun-owners are in this category.

"Here is the question asked:

"*'Which of these three plans would you prefer for the use of guns by persons under the age of 18—forbid their use completely, put strict restrictions on their use, or continue as at present with few regulations?'*

"Here are the results for the general public and for gun-owners.

"USE OF GUNS BY PERSON UNDER 18?

[In percent]

	All persons	Gun owners
Forbid completely	28	17
Strict restrictions on use	55	58
Continue as now	14	23
No opinion	3	2"

"Gun Ownership in U.S.

"Support for a law to require police permits before a gun can be purchased, and for tighter restrictions on the use of guns by youths under 18, comes from people in a country where the use and ownership of all kinds of guns—shotguns, rifles, and pistols—is currently widespread.

"About one out of every two American homes (48 per cent) has at least one firearm of some kind.

"Some 22 million adult Americans, the survey finds, are hunters.

"The ownership of guns varies widely by regions of the country—from two out of three homes in the South where a gun is owned, to about three out of ten homes in the Eastern states where this is the case.

"Approximately nine out of ten farm families report that they have a firearm of some kind in the home.

"Following are the figures on ownership of firearms:

"Gun in home?

	Percent
Homes with guns	48
Homes without guns	52

"Kind of gun owned?

Shotgun	33
Rifle	24
Pistol	16

"*(Note: the percent of guns owned adds to more than the 48 percent of homes with guns since many homes have more than one type of weapon.)*"

"MASS SHOOTING IN TEXAS RAISES QUESTION OF FIREARMS CONTROL

"PRINCETON, N.J., August 20—The shocking mass murder in Austin, Texas, by a student sniper this week has raised the question of restricting the sale and use of firearms.

"Large majorities of the public have favored a law requiring a police permit before a person can buy a gun, in regular surveys since 1959, when opinions were first measured on the issue.

"In the last survey conducted, 73 per cent of the public supported such legislation. When the results were limited to just gun-owners, a majority of 60 per cent still voted in favor.

"This was the question asked:

"*'Would you favor or oppose a law which would require a person to obtain a police permit before he or she could buy a gun?'*

"The results:

"General public

	Percent
Favor	73
Oppose	23
No opinion	4

"Use of guns by youngsters

"If the public had its way, it would either forbid the use of guns by persons under the age of 18, or would put restrictions on their use. Eighty-three per cent of the general public, and 75 per cent of gun-owners, held this view, in the last survey conducted."

"NEGROES, WHITES AGREE ON FOUR PLANS TO DEAL WITH RACIAL PROBLEMS

"(By George Gallup)

"PRINCETON, N.J., August 26.—Whites and Negroes are in general agreement on four measures suggested as possible ways to deal with racial problems.

"The four plans surveyed are: (1) compulsory youth training programs for youth who are out of school and out of work; (2) stricter gun laws; (3) interracial councils composed of white and Negro leaders; and (4) a curfew for children under 16.

"Results reported today are based on surveys of the entire adult population.

"Negroes comprise approximately 9 per cent of the adult population—the proportion of Negroes included in the latest Gallup Poll survey. The sample of Negroes therefore is relatively small, but the results reveal the direction of thinking of Negro citizens.

"Public votes on 4 plans

"Here are the four plans and the vote of whites and Negroes:

"1. *Compulsory youth training programs.* A large share of the blame for the recent riots has been laid to unemployed youth seeking excitement.

"As a possible solution to the high unemployment among young Negroes and the steady increase in juvenile delinquency, the public approves of a youth training plan that would reach the out-of-school and out-of-work.

"Present efforts call for *voluntary* attendance at Job Corps centers. The public would go farther and make attendance *compulsory.* The plan would follow generally the CCC camps of the thirties, one of the most popular projects ever carried out by the nation.

"This question was asked in an earlier Gallup survey:

"*'Some people say that all young men between the ages of 16 and 22 who are out of school and out of work should be required to join a Youth Conservation Corps to carry on their education, learn a trade, and earn a little money. Do you approve or disapprove of this plan?'*

"The national findings showed 3 persons in every 4 in favor. As many as 9 Negroes in 10 backed the plan.

"2. *Stricter gun controls.* The outbreak of sniping that accompanied the recent riots has rekindled the debate over gun controls. Mayor Lindsay of New York City this week called for new firearms controls for the protection and safety of citizens.

"For three decades the mood of the public has favored stricter laws on the purchase of firearms. In the latest survey nearly three persons in every four (73 per cent favor a law which would require a person to obtain a police permit before he or she could buy a gun. In the previous survey on this issue (conducted one year ago, 68 per cent were in favor.

"The law proposed would not prohibit a person from owning a gun—either for sport or protection—but would require that a record be made of the name of the gun purchaser. The purpose of such a law would be to keep guns out of the hands of persons with a criminal record, the mentally disturbed, and others unfit to handle guns.

"The latest findings show little difference between the views of Negroes and whites:

"[In percent]

	Negroes	Whites	National
Favor gun registration	70	73	73
Oppose	21	24	23
No opinion	9	3	4"

"A further question shows that only one person in seven favors present gun laws. These laws place few regulations on the use of guns by persons under the age of 18.

"3. *Curfew for all children under 16.* The recent turmoil in many areas has prompted officials of some cities to impose tight curfew regulations.

"An earlier Gallup survey found 77 per cent of all persons in favor of a curfew for children under 16 for their communities. Among this group, more than 8 out of 10 would set the curfew for weekdays at 10 p.m., or earlier.

"Nine Negroes in ten say they would favor such a curfew for their communities.

"Many communities across the country now have a curfew law. In some communities, however, curfew regulations are 'on the books,' but are not strictly enforced.

"4. *Interracial councils.* Renewed interest has been expressed in councils made up of community leaders of both races to discuss ways to deal with racial problems.

"An earlier Gallup survey found widespread support for such councils: 8 in 10 among both whites and Negroes favored such councils."

"27 MILLION WHITES ARM SELVES BUT LEAN TO REGISTERED GUNS

"(By Louis Harris)

"A national survey indicates that 27 million white Americans, representing 54 per cent of the nation's homes, own guns. A majority of gun owners say they would use their weapons to 'shoot other people in case of a riot.' Large numbers of white people in this country have apparently given serious thought to self-protection, and one person in every three believes that his own home or neighborhood might be affected by a riot.

"It would be a mistake, however, to conclude from this evidence that most whites welcome the idea of unrestricted arms. To the contrary, by a decisive 66-to-28 per cent margin, white gun owners favor passage of a law in Congress which would require that all persons 'register all gun purchases no matter where they buy them.'

"Gun ownership shows wide variants by regions of the country:

"[In percent]

	Own	Don't own
Nation	54	46
By region:		
East	33	67
Midwest	63	37
South	67	33
West	59	41

"Harris survey

"Gun ownership is concentrated more in the South and the Midwest than in other parts of the country. The East, where the fewest own guns, is also the area where gun owners would be least willing (46 per cent) to use their firearms against fellow citizens.

"The cross section of white gun owners was asked:

" 'Would you use your gun to shoot other people in case of a riot?' "

"[In percent]

	Yes	No
Nation	55	45
By region:		
East	46	54
Midwest	54	46
South	58	42
West	59	41

"The willingness to use guns against other people seems to be related to white gun owners' attitudes toward a national firearms control law. Although a majority in the South and West favor such legislation, the percentages in favor are less than in the East and Midwest.

The cross section of white gun owners was asked:

" 'Do you favor or oppose federal laws which would control the sale of guns, such as making all persons register all gun purchases no matter where they buy them.'

"[In percent]

	Yes	No	Unsure
Total	66	28	6
By region:			
East	70	21	9
Midwest	70	25	5
South	62	27	11
West	56	40	4

"Clearly, the spate of civil disorders over the past summer has raised people's fears for their safety. This was evident in the replies of the special cross section of whites to this question:

" 'Do you fear that in a riot your own home or neighborhood might be affected?'

"[In percent]

	Yes	No	Unsure
Total	34	58	2½
By income:			
Under $5,000	41	49	10
$5,000 to $10,000	33	60	7
$10,000 and over	32	62	6

"Low income whites, many of whom live in fringe neighborhoods alongside Negroes, are most apprehensive.

"It should be pointed out, however, that earlier Harris Surveys reported that when both Negroes and whites were asked how they feel about their personal safety on the streets, Negroes were far more anxious than whites. Fear of violence does not seem to show any color line."

I offer for the RECORD at this point the considered opinion of the Association of the Bar of the City of New York on the need for improved Federal control over the interstate sale of firearms.

The Bar Association's Committee on Federal Legislation, consisting of 23 distinguished attorneys working with Chairman Eastman Birkett, after a lengthy deliberation and learned analysis, supported the legislation that I introduced on behalf of the Administration calling for effective Federal control over the sale of firearms.

The Association's November 1967 bulletin concluded: "The need for effective Federal firearms controls has become increasingly apparent. S. 1, the present bill, seeks to accomplish the aims indicated by enlightened observers of the problem, such as the President's Commission on Law Enforcement and the Administration of Justice. In our view the bill would benefit if it were strengthened and revised as indicated above. Nevertheless, the bill as drafted represents a substantial step forward. Accordingly, in view of the pressing need for strengthened controls in this area, we strongly urge that the bill be adopted, preferably with the suggested modifications, but that in any event legislation of this nature be enacted at the current session of the Congress."

"PROPOSED LEGISLATION FOR THE FEDERAL CONTROL OF FIREARMS

"(By the Committee on Federal Legislation)

"Firearms control legislation, which has been introduced repeatedly in recent sessions of Congress, has received increasing public attention, particularly since the assassination of President John F. Kennedy in November 1963, where there was evidence that the assassin had used an easily obtainable mail order rifle. The increasing climate of violence, of which the recent widespread outbreaks of urban riots are but one dramatic evidence underscores the importance of limiting the ready access to firearms by irresponsibles and extremists of whatever persuasion. As the President's Commission on Law Enforcement and the Administration of Justice has stated:

" 'The Commission strongly believes that the increasing violence in every section of the Nation compels an effort to control possession and sale of the many kinds of firearms that contribute to that violence.'

"S. 1, as amended, a bill introduced in the 90th Congress by Senator Dodd and numerous other Senators, seeks to strengthen the present Federal Firearms Act substantially while leaving room for legitimate sporting interests. This Committee, which has approved the principle of such legislation in the past, strongly urges the enactment of S. 1 at this time, with ceretain modifications as suggested below.

"1. Existing legislation

"A. Federal Legislation

"There are now three Federal firearms statutes: the National Firearms Act of 1934, the Federal Firearms Act of 1938, and the Mutual Security Act of 1954.

"1. The National Firearms Act

"This Act imposes transfer taxes, ranging from $5 to $200, on machine guns, short barreled and sawed-off rifles and shotguns, mufflers and silencers, or any other concealed weapon 'except a pistol or revolver'. The Act also limits imports of these weapons and imposes annual occupational taxes on firearms manufacturers, importers and dealers. Possessors of weapons and devices covered by the Act must register them with the Treasury Department.

"2. Federal Firearms Act

"The Federal Firearms Act applies to all varieties of firearms, mufflers and silencers, as well as to ammunition for firearms other than rifles or shotguns. Its main provisions are:

"(i) Manufacturers and dealers transporting or receiving firearms and ammunition in interstate or foreign commerce are required to be licensed.

"(ii) The knowing transportation or receipt of stolen firearms or ammunition in interstate or foreign commerce is prohibited.

"(iii) Firearms or ammunition may not knowingly be transported to or received by any person under indictment or anyone who has been convicted of a crime punishable by more than one year in prison or is a fugitive from justice.

"(iv) Licensed dealers are required to maintain permanent records of importation, shipment and other disposition of firearms and ammunition.

"(v) Section 902(c) of the Act makes it unlawful for any licensed manufacturer or dealer to transport or ship any firearm in commerce to any person in any state 'the laws of which require that a license be obtained for the purchase of such firearms, unless such license is exhibited to such manufacturer or dealer by the prospective purchaser'.

"3. The Mutual Security Act of 1954

"Under this Act, the President is authorized to regulate the import and export of firearms. The Department of State, the administering agency, requires importers and exporters to register with the Department and to obtain an import or export license for each shipment.

"B. State legislation

"A total of eight states have enacted legislation requiring permits for the possession of firearms. Of these, only one—New Jersey—extends controls to rifles and shotguns as well as handguns. There are also many municipal and other local laws that requires licenses, but in most jurisdictions one can enter a gun or 'sporting goods' store and freely purchase the weapon of his choice. Moreover, the widespread lack of control legislation renders largely ineffective the laws which do exist, since those desiring firearms may simply cross into a neighboring jurisdiction to make their purchases or, perhaps with greater facility, merely send for them by mail. By way of example, Massachusetts, a strict firearms control State, has traced 87 per cent of the concealable firearms used in crimes in Massachusetts to out of State purchases.

"II. The necessity for stronger controls

"*Statistics.* Firearms statistics reveal a grim picture of the seriousness of the problem and the inadequacy of present controls. Each year some 17,000 Americans die through homicide, suicide and accident due to firearms. Federal Bureau of Investigation statistics disclose that in 1965, 57 per cent, or 5,634, of all murders were committed with firearms. In the first nine months of 1966 the percentage increased to 59 per cent. Of the 206,700 victims of aggravated assaults in 1965, approximately 17 per cent were attacked with firearms; moving in an upward trend, the nine month totals for 1966 disclose a 22 per cent nationwide increase in aggravated assaults in which a gun was used. Since 1960, 96 per cent of all police murders have been committed with rifles, shotguns or handguns.

"Firearms of all kinds have contributed to these statistics. The handgun is by far the most widely used murder weapon, accounting for 70 per cent of the total number of deaths by firearms, with shotguns accounting for 20 per cent and rifles the remaining 10 per cent. However, of all rural murders 52.8 per cent are by rifle and shotgun.

"The vastness of the problem is demonstrated by the fact that there are an estimated 50 million privately owned guns in the United States. Many are owned by hunters, gun collectors and sportsmen, as well as those bent on self protection. Yet many others are owned by criminals, the mentally deranged, self-styled vigilantes and those who view themselves as the final line of defense when the United States mainland is attacked by foreign enemies.

"Speaking generally, on a nationwide basis the law treats all of these groups alike. It gives them virtually unlimited access to firearms of every description, from Derringers to bazookas and mortars.

"*Easy Access by Mail.* Mail order firearms constitute a multimillion dollar nationwide business. Testimony given before a Senate subcommittee investigating juvenile delinquency has revealed that mail order guns have attracted substantial numbers of juveniles and convicted felons. These firearms, primarily foreign made, including imported military surplus, are generally inexpensive and inferior in design and quality. They are not usually attractive to sportsmen and hunters, since these groups enjoy quality weapons which are carefully examined by them before purchase.

"Mail order transactions are totally unregulated. Hundreds of thousands of firearms of all kinds travel in interstate commerce each year to recipients unknown to the seller other than as a name on a mailing list—although not always unknown to the police. That these mail order dealers are cognizant of the character of their clientele is suggested by the unorthodox advertising techniques they often use to attract business.

"*Constitutionality of Federal Firearms Control Legislation.* The Second Amendment provides:

" 'A well regulated Milita being necessary to the security of a free State, the right of the people to keep and bears Arms, shall not be infringed.'

"That this Amendment does not preclude the Federal government from enacting regulatory firearms legislation is well established. In United States v. Miller, the Supreme Court sustained the constitutionality of the National Firearms Act. In doing so, it held, after lengthy discussion of the history of the right to bear arms, that the Second Amendment merely guarantees the right to bear arms in so far as possession of the weapons is necessary for the preservation or efficiency of a well regulated State milita. The amendment, said the Court, complements the provisions of Article 1, Section 8, of the Constitution, reserving to the States the right to train the militia. Hence, except for this narrow proscribed area, the Second Amendment appears inapplicable and Congress seems to be free to regulate firearms broadly under the commerce power and other constitutional provisions such as those relating to the mails.

"III. The State Firearms Control Assistance Act of 1876 (S. 1 as amended).

"*The Bill.* S. 1, as amended, would repeal the Federal Firearms Act. It deals with seven major areas: interstate mail order sales, over the counter sales, licensing and record keeping, sanctions for false statements, control of imports, sales to minors, and sales of destructive devices. The bill—

"(i) prohibits the interstate mail order sale of handguns (such as pistols and revolvers), rifles and shotguns, to persons who are not licensed to engage in the firearms business; that is, it totally bans retail interstate mail order sales. Intrastate mail order sales are presumably unaffected;

"(ii) prohibits over the counter sale of handguns to out of state purchasers and prohibits over the counter sale of any firearm to persons who could not acquire them under the laws of the place where they reside. Thus, persons living in State A, which has stringent controls on firearms, are not to be permitted to subvert the laws of State A by acquiring their firearms in State B, which has fewer or no controls. The bill goes so far as to prohibit sales in one municipality to a resident of another city which has enacted an ordinance preventing sales within that other city;

"(iii) strengthens federal licensing requirements and requires all dealers, importers and manufacturers of firearms to be federally licensed;

"(iv) prohibits licensees from supplying any rifles or shotguns to persons under 18 years of age and from supplying handguns to persons under 21 years of age. The bill also prohibits licensees from supplying firearms or ammunition to fugutives from justice and persons convicted of felonies and requires them to keep records of firearms transactions;

"(v) provides criminal penalties for false statements made to acquire firearms in contravention of the bill's requirements;

"(vi) prohibits the importation of all military surplus handguns and strictly regulates and limits the importation of other firearms;

"(vii) establishes some controls over such destructive devices as bombs, bazookas, anti-tank guns and mortars.

"*Strengths of the Bill.* S. 1 goes far to meet the distinctively federal aspects of firearms control. It deals with the serious problem of interstate mail order sales. It also prohibits the interstate transportation of firearms, except where, after an over the counter sale of a rifle or shotgun, shipment to the purchaser would not result in possession which is unlawful under the law of the place where the purchaser resides. The licensing provisions by setting standards designed to weed out the irresponsible and those of bad character, are more meaningful than those under the present Federal Firearms Act, which is little more than a revenue collecting vehicle. The bill deals with the problem of cheap foreign military surplus firearm imports, which have been a major problem. Under the bill, only weapons peculiarly adaptable for sporting purposes could be imported (subject to approval by the Secretary of the Treasury, who has discretion) and not such weapons as German Army surplus arms which can be found so easily today in Times Square gun shops and similar establishments. The bill also limits the use of such destructive devices as bazookas, machine guns and anti-tank guns, for which no legitimate civilian purpose is readily apparent.

"*Weaknesses of the Bill.* Many on the Committee believe the bill does not go far enough and that a Federal firearms registration statute should be enacted now. It may be noted that the President's Commission on Law Enforcement and the Administration of Justice has called for State registration laws and has recommended that Federal legislation be enacted to apply to States which have not so acted within five years. While resolution of this question is not required in order to enact the present bill, we believe that consideration should be given at this time to the addition of uniform Federal registration requirements. The bill, as drafted, seems to have created some unduly heavy burdens. Thus transferors of firearms are required to make a legal determination as to whether the transferee would be violating the local law of the latter's residence as well as the law of the State where the transfer is made. This burden is virtually impossible for laymen, who would be required to know and interpret the laws of fifty States, as well as numerous ordinances and other local laws. It would seem preferable to require the display of permits by purchasers, and for those who have no permits, affidavits by the purchasers that their local law permits them to acquire firearms without permits. Perhaps this affidavit should be required to be checked with or verified by authorities in the buyer's home town before delivery of the firearms could be made. At the least, it would not be unreasonable to subject makers of false affidavits to the risk of prosecution, even without proof of criminal intent. Nor would it seem unreasonable to prosecute sellers of firearms who know or have reason to believe that the affidavit is false, as they would where a large part of their business is with residents of a neighboring State.

"The broad provisions making transfers by unlicensed transferors criminal, furthermore, should be amended so as to provide that guilty knowledge must be shown before criminal sanctions can be imposed, as the bill presently requires in the case of licensees. It may be observed that the penalties section of the bill, which has no such requirement, nevertheless provides for severe penalties, including incarceration for up to five years.

"Another weakness lies in the fact that interstate shipments of rifles and shotguns are permitted by unlicensed persons who have acquired the firearms lawfully. This opens up a possibility of using dummies and buying agents. It would be preferable to prohibit *any* unlicensed person from shipping a rifle or shotgun to another in interstate commerce. At the least, interstate shipments of rifles and shotguns should not have been acquired locally, regardless of whether the recipient resides there or is just having the weapon sent to him there. Under the bill, the limitations would be tied solely to the purchaser's residence, and if there are no restrictions in the purchaser's place of residence, the shipper is free to ignore restrictions in the State of destination.

"S. 1 contains limited and erratic restrictions in ammunition which relate only to ammunition used for destructive devices. Ammunition should be treated in the same way as the firearms for which it can be used. Thus ammunition for handguns should be subject to the same controls as are handguns. The record keeping requirements should be developed, moreover, to include more evidence of purchasers identification. An earlier version of the bill required licensees to obtain identification customarily used in good commercial practice and this standard, stated in perhaps greater detail and with more precision, should be restored.

"With respect to destructive devices, we see no reason why proscription is more flexible than that with respect to handguns. Further, if any determination is necessary as to the need of an applicant for such a weapon, the decision should be made by federal officials and not by local law enforcement officers.

"No mention is made, moreover, of the sale or other disposition of firearms to drug addicts, habitual drunkards, or the mentally deranged. The National Crime Commission specified that persons in the two former categories should be banned from acquiring firearms. Perhaps there is little that can be presently accomplished on the federal level in this area. Yet it is both reasonable and desirable to require a licensee to exercise the same forbearance when he knows or has reason to believe a person is an addict, a drunkard, or is deranged, as when he has similar knowledge or belief with respect to a criminal. We favor the inclusion of such controls.

"The Committee believes, finally, that Congress should exercise its entire constitutional power in this area and that language should be added to make it explicit that Congress is doing so. Thus, for example, intrastate sales through use of the mails could and should be brought under explicit federal regulation.

"*Conclusion.* The need for effective federal firearms controls has become increasingly apparent. S. 1, the present bill, seeks to accomplish the aims indicated by enlightened observers of the problem, such as the President's Commission on Law Enforcement and the Administration of Justice. In our view the bill would benefit if it were strengthened and revised as indicated above. Nevertheless, the bill as drafted represents a substantial step forward. Accordingly, in view of the pressing need for strengthened controls in this area, we strongly urge that the bill be adopted, preferably with the suggested modifications, but that in any event legislation of this nature be enacted at the current session of the Congress.

"*September 15, 1967*.

Respectfully submitted.

"Committee on Federal Legislation; Eastman Birkett, Chairman; Thomas L. Bryan; Sheldon H. Elsen; Leonard Epstein; Andrew N. Grass, Jr.; James T. Harris; Louis Henkin; Edwin M. Jones; Geoffrey M. Kalmus; Robert E. Kushner; Kenneth J. Kwit; Gerald M. Levin; Jerome Lewine; Jerome Lipper; Louis Lowenstein; John E. Massengale; Robert B. McKay; John E. Merow; Gerald Oscar; Mahlon F. Perkins, Jr.; Myra Schubin; Jerome G. Shapiro; E. Deane Turner; Leon H. Tykulsker."

Following is a brief selection of broadcast editorial opinion calling for stronger, more effective and more equitable firearms laws, and several newspaper editorials:

"[From WABC-TV, New York, N.Y., Aug. 3, 1967]

"SNIPING BY RIOTERS UNDERLINES THE NEED FOR A STRICT FEDERAL GUN CONTROL LAW

"New Jersey has the kind of firearms law Channel 7 would like to see adopted in every state. Before a dealer can sell a gun there, the state checks to make sure the buyer isn't a criminal, a drug addict, a drunkard or a mental case. Yet Senator Dodd of Connecticut says his investigators discovered that more than half of the people arrested with guns during the riots in Newark had previous criminal records. The Senate investigators also found out how this could happen. A spot check of 50 gun dealers revealed that at least 690 New Jersey residents had bought guns in four other states within a few weeks of the riots. This is why state laws alone can't control gun sales. Channel 7 urges you to support the strong federal firearms control legislation now before Congress. It won't stop riots, but it should help make them less deadly."

"[WCBS editorial, New York, N.Y., Aug. 29, 1967]

"WCBS RADIO AGAIN CALLS FOR RESTRICTIVE GUN LEGISLATION IN NEW YORK CITY

"The murder of George Lincoln Rockwell, head of the American Nazi Party, again focuses attention on the indiscriminate possession of firearms in the United States.

"Although little good can be said of Rockwell and his crackpot following, the killing of any citizen by a rooftop sniper is cause for increasing concern.

"Last year, guns figured in over 100,000 crimes in this country. In 1965 the total was 86,000. Of nearly 10,000 murders in 1965, more than 50 per cent were committed with firearms. The ease with which firearms can be purchased by people who should not have them is illustrated by the former mental patient who gunned down two people in New York's Bryant Park last December. Only an hour before his rampage he had purchased a .30 calibre rifle a few blocks away. Lee Harvey Oswald, using an assumed name, purchased the weapon that killed President Kennedy through the mails. Sniper fire figured in just about every urban riot this summer and was a prime reason for the deployment of National Guard troops in many of the cities involved.

"There are restrictions on the purchase of rifles and shotguns in New York State, but they are so weak as to be virtually unenforceable. We need urgently in New York City a law requiring the registration with the police of all rifles and shotguns; this would be a useful tool in the solution of crime. We need urgently in New York City some sort of screening process . . . a licensing procedure . . . that would deny gun ownership to felons and those with a history of mental disorder; this would be a useful tool in the prevention of crime. We say New York City because emotion here is running high for some type of legislation along these lines. We need restrictive gun laws upstate, we need them in the region, we need them in the nation. But the prospects for wider controls are slight. A start made in New York City will be just that, a beginning. It will not halt the out of state traffic in guns flowing across city lines. But it will give the other political subdivisions a lead to follow in pursuing the goal of reasonable and effective nationwide gun legislation."

"[WTMJ-TV, Milwaukee, Wis., editorial, Sept. 12, 1967]

"FBI Director J. Edgar Hoover again has spoken out for strong gun control legislation. He declares in the September FBI Law Enforcement Bulletin that 'Mailorder firearm purchases should be banned, interstate transportation of firearms controlled, and local registration of firearms required and enforced.'

"The article, coming as it does during congressional consideration of the administration firearms control bill, in effect, is a timely endorsement of the measure. As Hoover says, 'to protect the public.' The recent riots in Milwaukee and many parts of the nation brought out snipers, and the urging by extremists, including Rap Brown who told Detroit Negroes to get themselves guns, has prompted a renewed campaign by peaceful citizens for federal gun legislation.

"Some sportsmen's groups oppose the legislation claiming the bill is aimed at them rather than criminal elements who will find ways to get guns. Hoover agrees that a hardened criminal will obtain a gun no matter what the law states. He also points out, however, that a large percentage of the murders in the country occur within the family or among acquaintances. And that guns are seven times more lethal than other weapons.

"Although some sportsmen object to registering their guns, they submit to registering for the privilege of hunting by purchasing a license; they register their hunting dogs; they license themselves for the privilege of driving their cars, and many have to purchase licenses for the businesses they operate. FBI Director Hoover once told a congressional committee: 'I see no great problem to the individual in requiring all guns to be registered, if the owner has nothing to hide and if he is a law-abiding citizen.' Neither do we."

"[WABC radio editorial, New York, N.Y., Sept. 3, 1967]

"THE HAND ON THE TRIGGER—LOCAL GUN LAWS WON'T WORK UNLESS CONGRESS PASSES FEDERAL CONTROLS, TOO

"In New York the law says pistol owners must be licensed. With riots and snipers in mind, the City Council is thinking about extending the law to cover rifles and shotguns as well. New Jersey already has a similar law—the toughest in the country—and since it went into effect about 750 permits have been denied—to criminals, drug addicts, mental cases and so on. In many ways New Jersey has a model firearms law, but listen to what Governor Hughes says about it:

"'. . . We've got to have a national gun control law. We should have had it four years ago . . . A Lee Harvey Oswald or any narcotics addict or mentally unbalanced juvenile who wants to kill his mother and father—any one of these people can simply send an application and buy a gun through the mails.'

"WABC believes New York needs a stricter gun control law. But so does the whole country. Tell your elected representatives what you think. For a booklet that gives their names, write to 'Who's, Who,' WABC, New York 10023."

"[WTMJ-TV, Milwaukee, Wis., editorial, Oct. 2, 1967]

"Congress, which up to now hasn't got very far in passing a law to control the mail order sale of firearms, should turn some of its attention to the back door government sale of surplus guns.

"It's ridiculous that police departments must have individual members join the National Rifle Association so these officers can purchase firearms at bargain prices. But that's how it is because the government subsidizes the association to the amount of 428-thousand dollars annually in surplus guns and ammunition.

"Congress should insist that law enforcement agencies have first call on the surplus material. It is costing 40 Milwaukee policemen about $20.00 each to buy carbines, which apparently are wanted for possible future riot control. In addition, each officer must pay the association $5.00 as a membership fee, since the guns are not sold to nonmembers.

"This is as silly as if our healthy officers were forced to join a hunting club in order to get government subsidized poison to fight the war on rats."

"[WTMJ-TV, Milwaukee, Wis., editorial, Nov. 1, 1967]

"The recent hunting tragedy in Colorado should give Wisconsin deer hunters some second thoughts about their own eyesight. Two boys wearing red hats and riding a red motorbike were killed by a hunter in Colorado who mistook them for an elk. Who knows how many innocent persons have been killed or wounded because hunters with bad eyesight mistook them for fair game? All of the accidents can't be attributed to being 'trigger happy' or shooting before identifying.

"As Wisconsin hunters prepare for the November 18th opening of the deer season, they're checking their guns, ammunition, clothes and supplies. They also should be having their eyesight checked. The Wisconsin Optometric Association estimates that at least 25,000 of the 500,000 hunters who will be in the fields and woods this season are color blind. Furthermore, the association reports, a person with poor visual acuity can easily mistake a cow with horns for a buck with a rack.

"In the absence of a state law requiring a hunter to get his eyesight corrected, he is left to do so voluntarily. The wise ones do so for their own safety, the safety of other innocent people and to assure that if they get a shot at a deer they'll hit their target. They should encourage more of their companions to do so. No one wants a tragedy such as that which happened in Colorado to occur in Wisconsin."

"[From the Honolulu (Hawaii) Advertiser, Sept. 2, 1967]

"SPORTSMEN?

"Every year there are issues which are buried in legislative bodies yet manage to stay alive because they have a basic merit that eventually will be recognized by enough reasonable men. Such is the argument for gun controls.

"On the State level we have a Legislature that is part apathetic and part unwilling to offend a minority of gun users. It annually refuses to act on police requests for a law requiring the kind of registration for rifles and shotguns that we have for handguns.

"Nobody pretends this would be a cure-all, any more than drivers' licenses stop accidents. But it would make it harder for criminals to obtain guns. It might have prevented a young sniper with a previous record from simply going to one of our larger stores on impulse, buying a rifle and ammunition and going up to the Pali to blaze away at a passing tour bus.

"Such a requirement for registration of guns does not seem too high a price for legitimate sportsmen to pay, but they insist in picturing it as the beginning of a police state.

"On the national level, nothing much is expected from Congress on the equally modest requests for banning mail order sale of firearms—the means by which half the 2 million guns sold annually are peddled.

"FBI Director J. Edgar Hoover and a wide variety of police and government leaders have backed this as a needed minimum step.

"But a Congress that failed to act after President Kennedy was assassinated with a mail-order rifle can hardly be expected to be moved by the sniping that attended the summer rioting.

"Nor can we expect the gun lobby to be impressive. The National Rifle Association's magazine American Rifleman, with amazingly inaccurate timing, brought out an issue this summer that paid tribute to the important role of the sniper in shaping history. An earlier editorial praised the role of the armed citizenry in protecting the home front from rioters.

"Now we see again how snipers shape our history and how much the armed citizen contributes to riot prevention.

"But we understand that these violators are not the good legitimate sportsman. The sportsmen are the ones who just finance the lobby to kill any controls."

"[From the Honolulu (Hawaii) Star-Bulletin, Sept. 18, 1967]

"TIGHT FIREARMS CONTROL URGED

"Banning of mail-order purchase of firearms and greater control of all firearms was urged by J. Edgar Hoover, director of the FBI, in a message to law enforcement officials.

"Local efforts at firearm control should be increased and stiffer criminal penalties should be imposed on use of firearms, he said in his message issued Sept. 1.

"In 1966, more citizens were killed or assaulted with guns than had been killed in the Korean Conflict, he noted.

"'There is no doubt in my mind that the easy accessibility of firearms is responsible for many killings,' he said.

"Local registration of firearms should be required and enforced, he said.

"Such controls at local levels would aid in investigations of stolen weapons and guns used in crime, he said.

"A large percentage of murders occur within the family or among acquaintances, he said.

"The readily available firearm is a major factor in this, he said.

"'While it is true a hardened criminal will obtain a gun regardless of statutes,' he said, 'controls would make acquisition more difficult.'

"Since 1960, 96 per cent of 335 police killings have been with guns, he noted.

"Last year, he said, 55 or 57 law enforcement officers killed in the line of duty were shot.

"Some States have laws which impose stiffer penalties for criminals using firearms, he said.

"Such legislation along the mandatory prohibitions against suspended sentences in cases involving firearms would serve to deter the use of firearms for crime, he said."

"[From the Honolulu (Hawaii) Advertiser, July 25, 1967]

"NEEDED: A GUN LAW

"Some grim statistics about guns have been provided the U.S. Senate by Attorney General Clark.

"In 1966, some 6,400 murders, 10,000 suicides and 2,600 accidental deaths were caused by firearms. Criminals used guns in 43,000 aggravated assaults and 50,000 robberies. Some 2,000,000 guns were sold in the U.S. last year, among the purchasers being criminals, mental defectives, angry spouses, habitual drunkards, children and drug addicts.

"Surely this is convincing evidence that Congress must approve President Johnson's proposals for a ban on mail-order sales and shipments of firearms, except between federal licensees. Congress also should adopt other proposed restrictions that do not hamper the sportsman while putting at least a partial brake on those who use guns for criminal purposes.

"Consider the havoc wrought by snipers in the Newark riots, and the house-to-house search for guns in Plainfield, N.J.

"It's time for Congress to get moving. Some form of regulation is essential. Heavy pressures have been brought to bear on the members by the National Rifle Association. Those pressures should be resisted. Unregulated firearms are a menace!"

"[From the New York (N.Y.) Times, Sept. 26, 1967]

"TAKING AIM AT RIFLES

"The New York City Council has begun consideration of a bill that has the same aim as one that has been shot at and wounded in the United States Congress: How to control the easy traffic in deadly weapons.

"For more than fifty years New York State has restricted the ownership of pistols, revolvers and automatic weapons through the Sullivan Act. But as a summer of sniping has shown, shotguns and, especially, rifles—not simply concealed weapons—can do grave damage. To license the hand gun and not the more dangerous rifle which can be fired from a distance, leaves a gaping hole in the law.

"No sportsman should object to a city law that makes it mandatory to obtain a license from the Police Department and to register rifles. (A license is required to catch a fish or shoot a deer). In contrast to the requirement of the Sullivan Law, city rifle and shotgun licensees would not have to show a need for possession. Carefully drawn local legislation would protect the constitutional rights of owners and buyers.

"Stronger state and Federal laws of a similar nature within their jurisdictions need to be passed to make gun control truly effective. President Johnson and Attorney General Clark in recent days have both urged Congress to defeat the lobbyists and finally approve a Federal gun-control law. It is long overdue; but complementary city legislation is needed too."

"[From the Trenton (N.J.) Times-Advertiser, Sept. 8, 1967]

"FEDERAL GUN CONTROL

"A federal gun control law, says President Johnson, could plug one more loophole 'to save your life or mine or the life of some innocent child down the street.'

"Mr. Johnson made the statement in a speech to the International Association of Chiefs of Police in which his principal purpose was to enlist popular support for the gun control bill pending in Congress and for his proposed Safe Streets and Crime Control Act.

"Others, notably our own Governor Hughes, have long been beating the bushes for popular support for federal gun control legislation. Although this state has a gun control law, Hughes knows only too well how much its effectiveness is reduced in the absence of legislation that covers the nation.

"The New Jersey law, which requires prospective gun purchasers to register and prohibits the sale of guns to persons with criminal records or backgrounds of mental illness, can easily be circumvented. Residents of the state can cross into adjoining states which place no restriction on gun purchases and can bring guns purchased there into the state. Also they can purchase firearms by mail.

"The administration's gun control bill, as amended by a Senate subcommittee, would, among other things, prohibit the mail-order sale of handguns and regulate such sale of rifles and shotguns. And it would ban over-the-counter sale of handguns to persons not living in the dealer's state.

"The President said the provisions of the bill are consistent with 'due process and in keeping with our tenacious regard for the blessings of individual freedom.' They would still be consistent with these things if they were even stiffer, for instance with respect to the over-the-counter sale of rifles and shotguns.

"We join with the President in urging support of a federal gun control law and we'd like one even stronger than the administration measure now before Congress."

"[From the Toledo (Ohio) Blade, Sept. 18, 1967]

"ONLY THE FIRST TARGET

"With two well-placed, well-timed pleas in as many days, President Johnson has given new emphasis to the urgent need for clamping down at long last on the incredibly free flow of firearms in this country. At the same time, the members of the Detroit police department—busy arming themselves with government-surplus carbines at cut-rate prices with the sanction of their commissioner—gave new emphasis to the complexity of the task of bringing the gun traffic under control.

"Through a letter to Speaker McCormack, the President appealed to Congress to speed action on a measure that would tighten up federal regulations on the acquisition of firearms, principally through interstate commerce channels. He enumerated by category thousands of crimes involving guns that have been committed just within the last year and said that a 'civilized nation cannot allow this armed terror to continue.'

"The letter to Congress was delivered the day after Mr. Johnson addressed several hunded of the nation's police chiefs on the general subject of crime and violence in the streets, telling them that passage of the federal gun-control bill 'would plug up one more loophole to save your life, or mine, or the life of some innocent child down the street.'

"The Administration-backed measure would do that—plug up one more loophole. But curbing interstate gun traffic through such outlets as mail-order houses would leave other loopholes still gaping, like the many channels for firearms acquisition that need to be controlled through state and local regulation.

"Indeed, the Detroit development demonstrated the paradox that even if the legislative branch of the Federal Government passes the bill the President wants, it would not close off the executive branch's direct involvement in the widespread distribution of firearms. For it is through the cozy arrangement the Defense Department maintains with the National Rifle Association that the Detroit policemen are building up their personal arsenals.

"We do not argue against the department's need for additional weapons; we accept the police commissioner's statement that its supply was inadequate for the task it faced during the July riots. But in that case, it is the city's responsibility to provide the necessary equipment on a departmental basis, not to encourage individual policemen to join the NRA as a subterfuge for personally buying the weapons at a cheap price.

"Such a policy only makes it all the more difficult to argue that the same route to gun ownership should not be available to everybody else. Yet it has been proved that the special privileges afforded in the Pentagon-

NRA relationship can be used not only by law-abiding and law-enforcing citizens but also by convicted murderers, political extremists, and racist revolutionaries.

"The public campaign for better gun controls was precipitated by the use of a mail-order weapon to assassinate President Kennedy. During the ensuing four years, however, while Congress has dawdled and debated at the behest of the gun lobby, it has become frighteningly apparent that the problems associated with the wholesale traffic in weapons extend far beyond that tragic event and that single source of weaponry.

"The specific measure for which President Johnson has renewed his request is as much needed as it was in 1963; Congress ought to pass it without further delay. But it is obvious by now that that is only one step in the over-all task of clamping down on the flow of guns."

"[From the Minneapolis (Minn.) Star, Sept. 13, 1967]

"GRAND JURY URGES GUN CONTROL

"It is heartening to note that the Hennepin County Grand Jury, in its report Tuesday, took cognizance of the growing problem of unregulated hand gun ownership in this community. As we have reported, the unrestricted sale of hand guns in the city of Minneapolis alone is increasing at a rate exceeding 5,000 a year.

"The Grand Jury said: 'We . . . recommend that a law be enacted controlling the carrying of hand guns in public places,' This is a reference to the absence of any law, state or city, that prohibits the carrying of a concealed weapon.

"The first step should be taken by the City Council, but unless neighboring communities take a similar action, at least to ban the carrying of concealed weapons, the job will be only partially done.

"Ultimately,.of course, the legislature must act so that hand gun regulation can be truly effective."

[From the Bayside (N.Y.) Times, Aug. 31, 1967]

"OF CATS AND RATS, AND WATER METERS, AND GUN CONTROL

"Councilman Joseph Modugno, Beechhurst Republican-Conservative, has given his views and comments, pertinent and impertinent, on current happenings in Fun City. Among them are remarks on rats and cats, universal water metering and gun control hearings.

"On the first issue, he says, 'While the city of New York, where there are too many rats and not enough cats, is engaged in the process of eliminating hundreds of thousands of rats, the city of Rome, where there are more cats than rats, is now in the process of eliminating thousands of cats which, according to some Rome officials, are making Rome a very dirty city. Wouldn't an international exchange of rats for cats be mutually beneficial?'

"More seriously, he cites, a statement from the U.S. Geological Survey declaring that the record Northeast drought was over, Modugno said the fundamental reason for the meter measure—to conserve water during a shortage—no longer existed. He reiterated his charge of a few months ago that the water metering proposal was a 'revenue-raising measure' and not designed to conserve water.

"This is said to reflect the feeling among City Council leaders that a water meter bill supposedly intended to conserve water, would be difficult to push through at a time when the threat is not of a water shortage but of flooding.

"The Administration's meter proposal, which would produce an additional $110 million in revenue, is at present in the City Council Committee on General Welfare. A spokesman said no date had been set for consideration of the measure.

"Modugno said he wondered 'What arguments will now be advanced to push down our home owners' throats a measure which they do not want and should not have?'

"The Councilman criticized Sen. Robert Kennedy (D–N.Y.) and two Congressmen for appearing last week before the Joint Legislative Committee which heard testimony on possible gun control legislation.

"Modugno chided Kennedy and Reps. James H. Scheuer (D-L–Bronx) and Jonathan B. Bingham (D–Bronx) as 'legislators who had failed to persuade their conferees to enact legislation on the federal and state level and use the City Council's public hearings to give vent to their frustrations.'

" 'Shouldn't Sen. Kennedy devote more of time and effort to persuade his colleagues in the Senate to act on gun control legislation rather than try to persuade a local municipality to take action which will unquestionably do it serious economic harm?' Modugno asked.

"The councilman questioned the value of legislation on the local level so long as guns could be purchased through the mails."

"[From the Norfolk (Va.) Virginian-Pilot, Sept. 16, 1967]

"MAINTAINING ORDER: THE FIRST BUSINESS OF GOVERNMENT

"Self-righteous indignation against crime in the streets is not a policy, as President Johnson told the International Association of Police Chiefs in Kansas City Thursday. 'It is a substitute for a policy.'

"But the policy proposed to Congress by the White House in February has been in trouble. That policy, reflected in legislation advocated by the President, was based on recommendations made by the National Crime Commission. Appointed by Mr. Johnson in July 1965, the Commission exhaustively scrutinized crime—its causes and prevention, law enforcement, and courts of justice.

"As the President told the 1,200 police chiefs, the program he asked Congress to enact contains 'the most comprehensive Federal legislation that's ever been devised to help local authorities meet the problem of crime at the local level in their cities.'

"Thus far, however, the President's request for Federal legislation to curb the out-of-state purchase and interstate mail-order sale of firearms has gotten nowhere, a tribute to the effectiveness of the National Rifle Association's casuistic defense of the right to bear arms at any price.

"The NRA and other gun and sports groups are fond of assuring us that laws designed to deny weapons to criminals would be ineffective while imposing hardships on sportsmen.

"To some extent, this is true, as the President acknowledged. But the present trafficking in guns is unrestrained, which is unconscionable. The President's bill would make more difficult the acquisition of lethal weapons by criminals, minors, drug addicts, and the mentally ill. Sportsmen and collectors should be willing to incur some inconvenience to further that goal, which may spare innocent bystanders the inconvenience of being shot.

"The President's Safe Streets and Crime Control Act has fared somewhat better. It passed in the House of Representatives, but with an amendment to channel Federal aid through the states rather than let it flow direct to cities and local communities.

"The President coupled his plea for the police chiefs' support of anti-crime legislation with his strongest denunciation yet of rioters and 'wretched, vulgar men' who 'posed as spokesmen for the underprivileged and capitalized on the real grievances of suffering people' by urging the devastation in American cities this summer.

"His words are welcome. The first business of government, as he noted in February, is public order. The Nation is troubled by fears that order is threatened. The National concern should be transmuted into active public support for the President's program."

"[From the Albuquerque (N. Mex.) Journal, Sept. 13, 1967]

"TELLS CONGRESS CEASE DODGING ISSUE ON GUNS

"Quoting FBI Director J. Edgar Hoover in a recent issue of the FBI Bulletin: 'There is no doubt in my mind that the easy accessibility of firearms is responsible for many killings, both impulsive and premeditated. Strong measures must be taken, and promptly, to protect the public. I think mail order firearms should be banned, interstate transportation of firearms controlled and local registration of weapons required and enforced. The time for debate is passed; the time for action is here.'

"Congress has dilly-dallied too long on the arms control issue. It's the 'local registration of weapons' provision that has caused the almost hysterical opposition to pending legislation. Congress has been stalling. It has lacked the courage to act. It should either enact a reasonable and adequate gun control law or go on record against. Do something and cease dodging the issue.

"A 12-page pamphlet published in Peking gives information in minute detail on how to generate violence in American cities, promote racial hatred and urged Negro soldiers to kill their white buddies in Vietnam. It is understandable why the Red Chinese gangsters would compose such a pamphlet. It is not understandable why this loathful Red propaganda was permitted to go through our mails. U.S. postal officials ruled the material was permissible because the trend of court decisions would ban interference.

"True, court decisions have been extremely liberal in ruling much anti-American and repulsive stuff qualified for mailing privileges. But certainly not to the extent as exhibited in the gruesome and shocking Peking pamphlets. Finally, Postmaster General O'Brien has reversed the inexcusable ruling of his underlings and ordered the outrageous mail rights cancelled.

"Fact that the Red guide for promoting violence in the U.S. was permitted to circulate through mails even for a limited time is beyond comprehension. O'Brien should yank those stupid officials on the carpet and administer proper discipline. The discipline should be something more than a mere reprimand.

"That group of soft U.S. senators who direfully forecast the Vietnam election would be disastrously permeated with fraud and crookedness should now do something about purifying American elections. Since the Vietnam voting turned out at least 'fairly fair,' the election must be accepted as more honest and tinged with less corruption than many American elections.

"Most of these griping senators were in office during the 1960 Kennedy-Nixon election. Charges of fraud and corruption were many in Chicago, Philadelphia, points in Texas and elsewhere. No outburst of indignation then nor proposals for voting reforms from these congressmen who shouted the Vietnam election would be only a farce because it was sure to be rigged.

"Perhaps it is appropriate to go way back to the 1948 election in Texas when the first count showed Gov. Coke Stevenson winner over Lyndon Johnson for the U.S. Senate. Another count gave it to Johnson under very questionable circumstances. The Johnson people finally succeeded in getting Stevenson's fraud charges thrown out on a technicality by U. S. Supreme Court Justice Black. The evidence in that noted election contest showed our election practices could be on the dark side—burned ballots, suspect counting and so on. And so it has been down through the years—many questionable winners in both high and low office.

"Give the Vietnamese some 180 years (that's how long the U.S. has been in the business of democracy) and their election machinery might even be flawless. Ours hasn't reached that stage yet.

"Our election machinery needs considerable repairing. We trust the senators who held high fears of voting rigging and corruption in Vietnam will now be in the vanguard of U.S. election reformers."

[From the Cincinnati (Ohio) Enquirer, Sept. 20, 1967]

"FOR A SENSIBLE CONTROL OF GUNS

"J. Edgar Hoover has entered the lists of the highly emotional and controversial fight over whether the U.S. Congress should enact a gun-control law, and he has done so with his customary blunt courage.

"The director of the FBI is for gun control and, in fact, for stricter control than even the congressmen who have sought futilely over the years for a law to keep weapons out of irresponsible and criminal hands have dared advocate.

"In the September issue of the FBI Bulletin, Mr. Hoover wrote: 'There is no doubt in my mind that easy accessibility of firearms is responsible for many killings, both impulse and premeditated. The statistics are grim and realistic. Strong measures must be taken, and promptly, to protect the public.

"'I think mail-order firearm purchases should be banned, interstate transportation of firearms controlled and local registration of weapons required and enforced.'

"The Johnson administration has a bill before Congress now on gun control that would ban mail-order purchases, license all dealers, importers and manufacturers of firearms, and prohibit importation of military surplus hand-guns (most of which go into the mail-order trade and one of which killed President Kennedy).

"In short, the bill would give some control, albeit very limited, to the community over who gets a gun in his hands. Mr. Hoover goes further than the administration by seeking local registration of weapons and regulation of all interstate commerce in them.

"The FBI director cited some very disturbing statistics to back up his position. He noted that 'firearms have been the murder weapon in 96% of the 335 police killings' since 1960 and that 55 of 57 officers who died in the line of duty last year were shot to death.

"Furthermore, he said 'with a large percentage of the murders in the United States occurring within the family or among acquaintances, the readily available lethal firearm, seven times more deadly than other murder weapons, becomes a major factor.'

"No man in this country—perhaps no one in the world—knows more about crime control than Mr. Hoover. When he speaks up on this subject, he deserves to be heard by every citizen.

"There will still be those who oppose any form of control over the sale of firearms. As in the past when Congress has considered gun-control bills, it has this year too heard impassioned pleas that our constitutional right to bear arms must be upheld.

"The gun-control bill to ban mail-order sales, license dealers and manufacturers and regulate imports is not going to infringe that right. Every freedom carries with it an obligation, and it is time for some sensible limits on the present anarchic freedom of the gun trade blithely and blindly to sell weapons to the Lee Harvey Oswalds, the snipers and other criminals of our cities."

"[From the Providence (R.I.) Journal, Sept. 19, 1967]

"ARMED FIREMEN

"Grim possibilities arise from the fact that some Detroit police and firemen have asked the National Rifle Association to supply them with surplus Army carbines to better protect themselves in performance of duty. Members of Detroit's public safety services have cause to feel profoundly concerned over their personal safety in answering alarms in strife-torn ghettos, but the remedy is not to embark on self-styled civil war with the rock-throwers and roof-top snipers.

"The spectacle of firemen in any city answering alarms with NRA-donated carbines in hand is appalling since it amounts to a massive citizen usurpation of the most fundamental of government functions—preserving peace and order.

"The Pentagon, which gives ammunition and offers bargain-priced weapons to the NRA, should blow the whistle immediately on any move to bypass local and state governments in supplying arms to police and firemen on a department-lot basis.

"Further, Congress can help to restrict available arms to violence-prone ghetto dwellers and others bent on violence by heeding President Johnson's plea for the sensible strengthening of federal gun control laws."

"[From the Boston (Mass.) Herald Traveler, Sept. 21, 1967]

"GUNS IN THE WRONG HANDS

"While it is true, as President Johnson told the International Association of Police Chiefs last week, that the responsibility for law and order is 'squarely on the shoulders of local authorities,' there are many ways the federal government can assist in the fight against crime in and out of the streets.

"In one area, gun control legislation, only federal action can be effective. 'The widely varying state laws,' according to the Harvard Law Review, 'present no obstable for the determined purchaser.' New Jersey and Massachusetts, for example, have strict gun laws but neighboring states do not. One Massachusetts State Police study showed that 87 per cent of the guns used in crimes in Massachusetts were bought over-the-counter in surrounding states, notably New Hampshire. And according to an investigator for the U.S. Senate subcommittee studying firearms legislation, most of the guns used by rioters in Newark were bought out of state or by mail.

"The administration-sponsored firearms bill would stop interstate mail order sales of firearms, stop over-the-counter sale of firearms other than rifles and shotguns to any person not a resident of the state of purchase, halt the sale of handguns to any person under 21 and the sale of rifles and shotguns to those under 18. The measure, as the President described it, is 'aimed solely at keeping deadly weapons out of the wrong hands.' It would not abridge the rights of a single legitimate gun owner or sportsman. At worst, it would result in a few minor inconveniences to a few gun owners or potential gun owners—a small price to pay for the saving of even a single life.

"Yet more than one life would be saved. A projected total of 17,000 Americans will die by the gun this year. Since August of last year when Charles Whitman shot 44 people from a university tower in Austin, Tex., guns have been involved in 6,500 murders, 10,000 suicides, 2,000 accidental deaths, 43,500 aggravated assaults and 50,000 robberies.

"'A civilized nation,' the President concluded, 'cannot allow this armed terror to continue. An enlightened Congress must not allow it to continue.'

"The administration's firearms bill must pass."

"[From the Louisville (Ky.) Courier-Journal, Sept. 23, 1967]

"CONGRESS LAGS BEHIND PUBLIC ON GUN CONTROLS

"Public opinion polls dating back as far as 1938 have consistently shown that an overwhelming majority of the American people favor checks on the distribution of firearms. A 1959 Gallup survey, confined to gun owners, revealed that they would be willing to get a police permit before buying a gun—by a ratio of 2-to-1. This same survey indicated that even in the South, where there are relatively few restrictions on gun-toting, two out of three gun owners there would be willing to get permits.

"Now Louis Harris has conducted a national poll of white gun-owners, and 66 per cent of them, he reports, are for a law that would require all persons to register all gun purchases no matter where they buy them. They also favor proposed federal restrictions on the traffic in firearms, which do not include registration.

"Evidently, on the basis of these polls, the gun lobby's campaign against controls is not succeeding among the people where success could be reasonably expected—gun owners themselves. They are clearly not as gullible as the gun lobby propagandists assume. They do not accept the line that the gun legislation before Congress would deny legitimate sportsmen access to guns, which it wouldn't. They do not view registration of firearms as unreasonable, which it isn't.

"Aimed at mail orders

"The administration bill Congress is considering is aimed primarily at the unrestricted mail-order distribution of firearms. It would forbid the mail-order sale of handguns, but it would not prohibit interstate shipment of sporting shotguns and rifles to individuals. It specifically exempts from the mail-order prohibition 'a shotgun or rifle (other than a short-barreled shotgun or a short-barreled rifle) of a type and quality generally recognized as particularly suitable for lawful sporting purposes. . . .'

"A secondary purpose of the bill is to make it more difficult to circumvent local and state restrictions on firearms. It does not interfere with over-the-counter sales of firearms, other than imposing age and residency requirements.

"The bill, in short, cannot be logically attacked as too restrictive; if anything, it is not restrictive enough. But it would help, and Congress has no excuse for lagging so far behind public opinion and being intimidated by the gun lobby."

"[From the Providence (R.I.) Journal, Sept. 29, 1967]

"GUN LAW NEEDED

"Proposed amendments to the federal gun control law now are before the Senate Judiciary Committee, and it is hard to imagine how committee members can find serious fault with the subcommittee-approved version.

"Which sportsman or gun collector, who appreciates in some small measure the hazards arising from present loose restraints over gun sales and shipments, can object to these proposed controls: to prohibit the interstate mail order sale of handguns to individuals; to prohibit the over-the-counter sale of handguns to non-residents of a given state; to require the identification and age of all purchasers of firearms from federally licensed dealers; to require the licensing of all dealers, importers and manufacturers of firearms; to prohibit the importing of all military surplus handguns; to regulate all other imported firearms; and to impose stringent control over such destructive devices as anti-tank guns, bazookas and mortars.

"Behind these proposals are six years of congressional debate and fact-gathering. Inaction by the Judiciary Committee at this point will amount to careless handling of an exhaustively documented public need."

"[From the Dayton (Ohio) News, Sept. 11, 1967]

"FBI CHIEF SHOOTS

"The National Rifle Association and similar lobbyists against gun control laws frequently refer to the respectability of the law-abiding people they represent. Thus it is worth pointing out that proponents of gun control laws include attorneys general from all sections of the country and police chiefs of many metropolitan areas.

"Add to this growing list the name of J. Edgar Hoover, director of the Federal Bureau of Investigation. Although Hoover has supported gun controls before, he came out stronger than ever in the September FBI law-enforcement bulletin.

"'I think mail-order firearm purchases should be banned, interstate transportation of firearms controlled and local registration of weapons required and enforced,' said Hoover. 'Strong measures must be taken, and promptly, to protect the public.'"

"[From the Albany (N.Y.) Times-Union, Sept. 15, 1967]

"THE MARCH OF CRIME

"During the first six months of this year, the FBI discloses, crime rose 17 per cent over the similar period of last year.

"To say that this reveals an alarming social condition has—alarmingly in itself—become platitudinous. Year by year crime continues to increase. Yet when effective anti-crime legislation, such as a law curbing the use and sale of guns, is proposed it lingers agonizingly in congressional committees.

"It does this in spite of the fact that, within the overall crime increase of 17 per cent, such categories as 'use of firearms in aggravated assault' and 'alarmed robbery' rose by 24 and 37 per cent respectively. The latter category, moreover, was the highest increase in any of the FBI's crime breakdowns.

"Causes of crime in the United States are deep-seated, with many historical, economic and social roots. Its eradication will prove an immensely difficult task. But when certain laws have been proposed that could have a swift and immediate effect on at least some aspects of crime, there is no excuse for delaying their passage.

"A strong gun-curb bill must be passed by Congress quickly."

ADDRESS BY VICE PRESIDENT HUMPHREY

Mr. SPARKMAN. Mr. President, on December 6, Vice President Humphrey spoke to the National Association of Home Builders Convention in Chicago. His remarks included a forthright discussion of the dangers of inflation and of the need for action by Congress to curb inflation.

The Vice President also expressed the support of the administration for the housing bill reported by the Senate Committee on Banking and Currency on November 28 (S. 2700). I ask unanimous consent that the speech be printed at this point in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Excerpts of Vice President Hubert Humphrey Speech, National Association of Home Builders, Chicago, Ill., December 6, 1967

I want to visit with you briefly today about our America, and what we can do to make it even better . . . and stronger . . . and freer than it is today.

A few years ago Gunnar Myrdal made this comment about us:

"In the long run it detracts from the position of America as leaders of the Western World if, in spite of its wealth, it leaves its cities blighted by horrible slums . . . if it lags behind other countries in social security for its old people, its invalids, its widows and its children . . . and if generally it accepts so much poverty for a large part of the nation. None has so little license, needs all its virtues so much as the leader. And America for its own security cannot retreat from leadership."

I believe that, since Myrdal made his commentary, our country has *not* retreated from leadership.

On the contrary, when historians look back on these past few years, I think they will conclude that at no other time in this century did America make so many new breakthroughs, in the face of so many old obstacles; obstacles to a society operating on *all* its cylinders and utilizing *all* its available resources; obstacles to a better, freer, more satisfying life for even the least among us.

We have been concerned about the conditions of life in this nation. But, more than that, we have acted on that concern.

Why has this happened?

I will claim some credit—in fact, more than some—for the leadership of the Johnson-Humphrey Administration. There are laws on the books today—and their benefits are already reaching *people*—that were no more than perennially-controversial proposals, year-after-year, until the Presidency of Lyndon Johnson. And our nation has goals firmly before it—achievable goals—that were looked on as pipedreams only five year ago.

But I also give credit to the American people—and, most of all, to people such as yourselves. I give credit to people with vision . . . people more interested in solutions than in problems . . . people willing to take risks . . . people *creating* change rather than resisting it . . . people *doing* things rather than bemoaning the fact they couldn't be done.

Now, in the midst of this change, there has been turbulence.

That is the way it is with progress.

Just as there is turbulence when you fly through one weather system into another . . . as your aircraft is sometimes shaken and buffeted, so there is turbulence as a nation passes from one era into another.

As your aircraft passes through such turbulence, you ask: Is the pilot competent? Is the machine strong?

As our nation experiences turbulence, we ask: Is our leadership able? Is our society strong?

Right now we are passing from an era in which there has been regrettable injustice and intolerance—fed by longstanding poverty and unequal opportunity—into a time when these things are being met and challenged.

And, at this time of transition, we see all too clearly that the problems are difficult and the answers will not be easy. We may even tend to doubt ourselves.

But, if we ask: "Is our leadership able? Is our society strong?"—and if we see how far we have come—I believe we have reason for hope and even for optimism.

The thing is not to doubt ourselves, but to keep moving forward.

You and I are asking questions together.

What is the future of the American city? Today 70 per cent of our people live in the city—on one per cent of the land.

We will be joined by 100 million newcomers before the year 2000.

Where are we going to put them? Where and how will they exist?

In what environment will our children and grandchildren live—an environment of poverty, crowding, poor housing and schools, frustration and agitation?

Or an environment where every child looking to the stars through a tenement fire escape can reach outward to an open future . . . an environment where every citizen can have his chance . . . and yes, where every American family can live secure in a decent home.

It's up to us to provide the answers to those questions.

* * * * * * *

Basic to any future progress is one thing: A strong, stable, growing economy.

To sustain that kind of economy, we have urgent business before us.

We need a tax increase, and we need it now.

President Johnson requested last August a temporary, 10 per cent tax surcharge. He did this in the face of an unacceptable deficit. . . . rising interest rates . . . and clear inflationary pressures.

You supported that proposal then. You have supported it since. And you have been right in doing so.

But there has still been no Congressional action.

As you know, uncertainty about such action has caused upheaval in credit markets.

Uncertainty about such action has cast international doubt on the health of the dollar.

And every day that passes without such action increases the pressure on credit . . . increases the dangers of inflation . . . and endangers particularly such industries as housing and real estate.

Let me be clear: The No. 1 legislative objective of this Administration remains passage of this badly-needed tax surcharge.

And we believe it should be the No. 1 item of priority on the agenda of the Congress.

I ask you to give your help, as you have before, in support of this measure. Is our progress to be cheapened by inflation, and our expansion to be stifled by intolerable interest rates? Or are we going to take the responsible course and act in time to keep our growth healthy and steady?

* * * * *

The building blocks of the new neighborhoods . . . the new cities are at hand.

Never before have we had such a storehouse of tools to bring the full partnership of industry and government, public and private financing, local, state and federal programs to focus on the remaking of old cities and building the new.

With these tools we not only rebuild the structures of the slums and the new towns of tomorrow, more importantly we rescue and revitalize the people of lost dreams.

Our nation is awakening to those who lack income to do more than struggle for survival . . . people who live in a building no one could call a home . . . people deprived of health, education and, most importantly, hope.

What are these tools that are being put to work?

Perhaps most important for the long pull is Model Cities.

There is now a catalyst through which our resources can turn a neighborhood of decay and poverty into one of happiness and opportunity.

We look to leadership to be drawn from every corner of the community.

We look to neighborhoods that are safe and secure.

We look to neighborhoods where health and education standards will be as high as the national average . . . where youngsters can play and families be proud to grow together.

Every housing program to insure decent housing, at costs every family can afford, will be called on.

Our aim: That residents in these model neighborhoods should be full partners in developing businesses, schools and public facilities.

Today, this is not an idle dream.

Model Cities planning is a reality . . . you have helped us achieve it. You know the opposition to the President's effort for full funding. You know the doubters and the doers in Congress.

You have been partners in many of these legislative fights. We are proud of these mutual accomplishments. The American people know what has been done.

You fought for full funding of rent supplements.

You understood the importance of more

public housing through the "turnkey" program.

You supported efforts by Senator Sparkman and Senator Mondale in reporting to the Senate new FHA financing tools to reach low income families.

The housing bill recently reported to the Senate, with your support, from the Senate Banking and Currency Committee, is one which the Administration is most anxious to see enacted. It will have high priority in the next session.

Through this nation's massive assault on poverty, unskilled manpower, discrimination, unequal education, inadequate health care, impoverished diets, we are doing things never believed possible in any great nation.

This Administration . . . President Johnson, your Vice President . . . every Member of the Cabinet is committed to this war on slumism.

This is not a hand-wringing Regime of Doubts and Fears. It is a responsive government of confidence and commitment.

We know what a strong, growing economy can accomplish for the American people.

We know our obligations to the people of this nation . . . and to the Americans of the year 2000.

We are committed in this nation to see that their homes, their neighborhoods, their cities, their new towns are built and renewed to provide the wholesome environment so important to the human spirit.

If we falter with the resources and know-how presently in our hands, we will be harshly and rightly judged—just another one of history's false starts.

But we shall not falter.

We pledge not just minimum housing.

We seek not just minimum neighborhoods.

Our goal is not just a minimum America.

We have asked for your partnership in the past and received it. We ask again, and know that we will have it—in the work of today—the building of an America where every day can be better than the day before, because we decided it could be done and did it.

LEGISLATIVE ACCOMPLISHMENTS OF THE COMMITTEE ON BANKING AND CURRENCY

Mr. SPARKMAN. Mr. President, the staff director of the Banking and Currency Committee has prepared a memorandum for the majority leader of the work done by the committee this year.

I think it is of interest to note that 27 bills have been passed by the Senate out of that committee. Fifteen of them have been approved and signed by the President and are now law. One other is on the President's desk awaiting signature. One is in conference between the two Houses. And there are 10 waiting House action. One bill is on the Senate Calendar for action.

I ask unanimous consent that the report be printed at this point in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

Memorandum, December 12, 1967

To: Pauline R. Moore, Chief Clerk and Counsel, Democratic Policy Committee.

From: Lewis G. Odom, Jr.

Listed below is the information pertaining to every bill handled by the Senate Committee on Banking and Currency which passed the Senate:

S. 5 (Mr. Proxmire); passed Senate July 11, 1967; the bill would require creditors to disclose to consumers the full cost of consumer credit. (S. Rept. 392, June 29, 1967.)

S. 376 (Mr. Proxmire); passed Senate January 18, 1967; P.L. 90–2; the Act increased the number of members of the Joint Economic Committee and fixed the representation of the majority and the minority. (Reported January 18, 1967; passed the House January 23, 1967; approved January 25, 1967.)

S. 510 (Mr. Williams of N.J.); passed Senate August 30, 1967; the bill would amend the Securities Exchange Act of 1934 and require disclosure to shareholders and to the public of all pertinent information (1) when a person or a group of persons seek to acquire 10% of the stock of a corporation by a cash tender offer of through open market or privately negotiated purchases, and (2) when a corporation repurchases its own securities in the open market. (S. Rept. 550, August 29, 1967.)

S. 714 (Mr. Proxmire); passed Senate April 14, 1967; P.L. 90–44; the Act increases the amount which member banks and Federal credit unions may lend to certain officers. (S. Rept. 165, April 12, 1967; passed House June 5, 1967; approved July 3, 1967.)

S. 965 (Mr. Proxmire); passed Senate April 14, 1967; the bill would authorize Federal Reserve banks to invest in securities which are direct obligations of any foreign government and which have maturities from date of purchase not exceeding twelve months. (S. Rept. 163, April 12, 1967.)

S. 966 (Mr. Proxmire); passed Senate April 14, 1967; the bill would remove from the Federal Reserve Act certain unwarranted restrictions on the kinds of assets on which banks may borrow from the Federal Reserve banks. (S. Rept. 164, April 12, 1967.)

S. 1084 (Mr. Sparkman); passed Senate October 11, 1967; the bill would permit Federal employees to save through automatic payroll deductions. (S. Rept. 590, October 9, 1967.)

S. 1085 (Mr. Sparkman); passed Senate October 11, 1967; P. L. 90– ; the Act modernizes Federal credit union operations by liberalizing loan and dividend payment procedures. (S. Rept. 591, October 9, 1967; passed House November 27, 1967; approved November 13, 1967.)

S. 1155 (Mr. Sparkman); passed Senate August 11, 1967; the bill would extend the life of the Export-Import Bank to June 30, 1973, increase the Bank's lending authority and its authority to make guarantees under some circumstances, impose prohibitions upon certain financing connected with transactions with Communist countries or countries with which the United States is engaged in armed conflict, limit participation of the Bank in arms sales financing to underdeveloped countries, and make changes in the organization of the Bank. (S. Rept. 493, August 4, 1967.)

S. 1306 (Mr. Proxmire); passed Senate November 7, 1967; the bill would authorize banks to underwrite and deal in State and local revenue bonds. (S. Rept. 713, November 1, 1967.)

S. 1352 (Mr. Sparkman); passed Senate June 5, 1967; P. L. 90–29; the Act authorized the Secretary of the Treasury to write off the amount of silver certificates outstanding which he deems to have been destroyed or lost, provided that silver certificates shall be exchangeable for silver bullion for one year following the enactment of the Act, provided for the stockpiling of silver to meet certain contingencies, and repealed the prohibition against mint marks. (S. Rept. 232, May 15, 1967; passed House June 12, 1967; approved June 24, 1967.)

S. 1542 (Mr. Sparkman); passed Senate June 26, 1967; the bill would provide the Federal Home Loan Bank Board with more control over savings and loan holding companies. (S. Rept. 354, June 23, 1967.)

S. 1762 (Mr. Sparkman); passed Senate May 15, 1967; P. L. 90–66; the Act extends for three years (from July 1, 1967 through June 30, 1970) the fellowship program authorized by section 810 of the Housing Act of 1964. (S. Rept. 224, May 11, 1967; passed House August 7, 1967; approved August 19, 1967.)

S. 1862 (Mr. Sparkman); passed Senate June 28, 1967; P.L. 90–104; the Act clarified the regulatory authority of the Small Business Administration with respect to the management and of small business investment companies, authorized additional government financing to small business investment companies falling within a certain category, and increased the amount of stock of a small business investment company which may be held by a bank. (S. Rept. 368, June 27, 1967; passed House September 12, 1967; approved October 11, 1967.)

S. 1909 (Mr. Moss); passed Senate July 21, 1967; the bill would provide for the striking of medals in commemoration of the 100th anniversary of the completion of the first transcontinental railroad. (S. Rept. 404, July 18, 1967.)

S. 1956 (Mr. Sparkman); passed Senate July 17, 1967; P.L. 90–87; the Act extended for one year the authority to regulate the maximum interest rate paid on time and savings deposits by banks and savings and loan associations. (S. Rept. 396, July 13, 1967; passed House September 19, 1967; approved September 21, 1967.)

S. 1985 (Mr. Williams of N.J.); passed Senate September 14, 1967; P.L. ———; the Act authorized a national program under which flood insurance could be made available to occupants of flood-prone areas through the cooperative efforts of the Federal Government and the private insurance industry. (S. Rept. 549, August 29, 1967; passed House November 1, 1967; in conference.)

H.R. 1499 (Mr. Zablocki); passed Senate October 26, 1967; P.L. 90–125; the Act provided for the striking of medals in commemoration of the 300th anniversary of the explorations of Father Jacques Marquette. (S. Rept. 678, October 24, 1967; passed House October 16, 1967; approved November 4, 1967.)

H.R. 10105 (Mr. Montgomery); passed Senate October 26, 1967; P.L. 90–128; the Act provided for the striking of medals in commemoration of the 150 anniversary of the founding of the State of Mississippi. (S. Rept. 681, October 24, 1967; passed House October 16, 1967; approved November 4, 1967.)

H.R. 10160 (Mr. Patman); passed Senate October 26, 1967; P.L. 90–127; the Act provided for the striking of medals in commemoration of the 50th anniversary of the founding of the American Legion. (S. Rept. 680, October 24, 1967; passed House October 16, 1967; approved November 4, 1967.)

H.R. 10595 (Mr. Patman); passed Senate November 13, 1967; P.L. 90– ; the Act prohibits Federally insured banks and savings and loan associations from selling lottery tickets. (S. Rept. 727, November 6, 1967; passed House July 13, 1967.)

H.R. 13212 (Mr. Utt); passed Senate October 26, 1967; P.L. 90–124; the Act provided for the striking of medals in commemoration of the 200th anniversary of the founding of San Diego. (S. Rept. 679, October 24, 1967; passed House October 16, 1967, approved November 4, 1967.)

S.J. Res. 42 (Mr. Sparkman); passed Senate February 20, 1967; P.L. 90–19; the Act amends the National Housing Act and other laws relating to Housing and Urban Development to correct certain obsolete references. (S. Rept. 56, February 16, 1967; passed House May 15, 1967; approved May 25, 1967.)

S.J. Res. 93 (Mr. Murphy); passed Senate August 29, 1967; the bill would provide for the issuance of a gold medal to the widow of Walt Disney and for the issuance of bronze medals to the California Institute of Arts in recognition of the public service and outstanding contributions of Walt Disney. (S. Rept. 541, August 25, 1967.)

S.J. Res. 112 (Mr. Sparkman); passed Senate September 21, 1967; P.L. 90–118; the Act extends the time for filing a report of Commission on Urban Problems from March 6, 1968 to December 31, 1968. (S. Rept. 566, September 20, 1967; passed House October 16, 1967; approved October 31, 1967.)

H.J. Res. 601 (Mr. Patman); passed Senate June 19, 1967; P.L. 90–34; the Act extends for four months (from July 1, 1967 to November 1, 1967) the Urban Mass Transportation Program. (S. Rept. 347 on S.J. Res. 90, June 16, 1967; passed House June 19, 1967; approved June 28, 1967.)

H.J. Res. 859 (Mr. Patman); passed Senate November 22, 1967; P.L. 90–169; the Act extends for one year (from November 1, 1967 to October 31, 1968) the emergency provisions of the Urban Mass Transportation Program. (Passed House November 21, 1967; approved December 1, 1967.)

In regard to bills numbered S. 1085, S. 1985, and H.R. 10595, these are matters which may very well become public law before this material is utilized by you.

S. 1985—No Conference Committee meeting is anticipated before next year.

H.R. 10595—Bill is at the White House for signature.

HOW STUPID CAN WE GET?

Mr. LAUSCHE. Mr. President, an article entitled "We're So Dumb," written by Ray Cromley, was published in the Washington Daily News on Tuesday, December 12, 1967. There are aspects of the article which I believe are worthy of being printed in the CONGRESSIONAL RECORD.

Mr. Cromley states:

> One thing that deeply bothers GIs back from Viet Nam is the cynical attitude of some Americans toward what they've risked their lives to accomplish.
>
> Typical is the thinking of a Navy chaplain who writes:
>
> "I spent eight months in the combat zone with a group of men who literally worked themselves to death on humanitarian projects. We built roads, a hospital, dug water wells and did countless acts of civic improvement, such as working with Catholic and Protestant orphanages.
>
> "Then, returning to the . . . U.S.A., I find . . . questions like 'Are you still burning innocent villages and shooting civilian women and children?'
>
> "I'm sick to death of battlefield experts who have never left home, and of mushy Christians who have never been to an area where to believe in Christ means torture and death . . .
>
> "I hear continued criticism of our presence in Asia and continual harping to withdraw . . . Why isn't there more condemnation of the raping, looting, burning and the hell the communists are spreading south of the demilitarized zone?

Mr. President, the aspects of this column which I wish to particularly emphasize are the statements of the chaplain that the words back home are constantly condemnatory of the United States and practically always absent of any comment about the designed and the planned atrocities being committed by the Communists in South Vietnam, A word of praise for our country and less praise for the Communists is quite in order. The truth would be told with greater certainty if mention were made by those who are condemning the United States about the atrocities committed by the enemies of our country.

Mr. President, I ask unanimous consent that the column be printed at this point in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

"WE'RE SO DUMB"

(By Ray Cromley)

One thing that deeply bothers GIs back from Viet Nam is the cynical attitude of some Americans toward what they've risked their lives to accomplish.

Typical is the thinking of a Navy chaplain who writes:

"I spent eight months in the combat zone with a group of men who literally worked themselves to death on humanitarian projects. We built roads, a hospital, dug water wells and did countless acts of civic improvement, such as working with Catholic and Protestant orphanages.

"Then, returning to the . . . USA, I find . . . questions like 'Are you still burning innocent villages and shooting civilian women and children?'

"I'm sick to death of battlefield experts who have never left home, and of mushy Christians who have never been to an area where to believe in Christ means torture and death . . . Let them go over and talk to the refugees from China and North Vietnam, and I'll talk with them.

"May God have mercy on these political and military experts who debate in a classroom and never get more than a hundred miles from home. May God have mercy on us all, for condemning so easily and commending so slowly. . . .

"What frightens me is that our people are not getting a good and true picture of the Vietnamese conflict, even tho I'm sure it is the best covered news event in history. When I tell people . . . that the communists . . . savagely blew up our hospital and maimed our men with ambushes, no one wants to listen. . . .

"I hear continued criticism of our presence in Asia and continual harping to withdraw . . . Why isn't there more condemnation of the raping, looting, burning, and the hell the communists are spreading south of the demilitarized zone?

"When I tell folks back here about the work the boys are doing there—building, teaching, healing and cleaning, I get a sweet smile, a knowing look, and a reply something like this: 'Oh yes, it is wonderful what our boys are doing. But don't you think these people are just taking advantage of us, and they really aren't in favor of us being there, and wouldn't they be just as happy and well off under the communists?'

"How stupid can we get?

"I know that this war is a terrible thing . . . I know that . . . Oh Lord, how well do I know this—as does anyone who has been there for a few months.

"But how would you like to have someone say to you, "Let them go, don't help, they will be happy under communism!' It's an old truism that if we sit here smugly in our freedom and not help others preserve theirs, we wouldn't have ours very long! We're so smart we know this, but we are so dumb we don't want to do anything about it.

"There is no doubt in my mind that this is the 'Good-Samaritan Parable War!' We've got a bruised and bleeding South Vietnamese desperately in need of help. And a lot of Americans fear getting involved by stopping to help.

"I think the thing that burns the soul of every soldier is to come home and hear some . . . comfortable (man) . . . denounce our country's policy, and spout off about a war . . . he has no first hand knowledge of."

TRIBUTE TO WARREN S. DUFFEE

Mr. STENNIS. Mr. President, I was greatly saddened to learn of the death of my personal friend, Warren S. Duffee, who was esteemed by every Member of the Senate, a distinguished Mississippian, and an outstanding journalist.

Mr. Duffee represented the very finest in his profession. He was repeatedly honored by his colleagues by being placed in positions of unusually high responsibility. This was a tribute to his ability, his dedication, and to his dependability—all of which are characteristics that marked his long and useful career.

He was born in Mobile, Ala., and he grew up in Laurel, Miss. After completing his education, he served with distinction as an officer in the U.S. Navy, and then joined the United Press International.

He was the manager of several UPI bureaus before he was assigned to cover the U.S. Senate. Since 1947, he helped report 10 Presidential conventions and traveled around the world reporting the activities of some of the world's most famous people. His assignments took him into 49 States and 40 foreign lands.

His fellow Washington newsmen elected him chairman of the Standing Committee of Correspondents in 1964 where he supervised press arrangements for both national political conventions and for President Johnson's inauguration. He also served as a member of the board of governors of the National Press Club from 1963 until 1966. For two decades he covered national politics.

His death is a great loss to journalism, to his fine profession, but he has left a mark that will long serve as a high standard for others to strive to reach. May his soul rest in peace.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 2270. An act for the relief of Capt. David Campbell;

H.R. 2709. An act for the relief of Suh Yoon Sup;

H.R. 4370. An act for the relief of Sandy Kyriacoula Georgopoulos and Anthony Georgopoulos;

H.R. 4544. An act for the relief of Giovanna Ingui Dallara;

H.R. 4976. An act for the relief of Theofane Spirou Koukos;

H.R. 5785. An act to authorize the disposal of magnesium from the national stockpile; and

H.R. 5789. An act to authorize the disposal of platinum from the national stockpile and the supplemental stockpile.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H.R. 4765. An act to amend the Internal Revenue Code of 1954 with respect to the income tax treatment of certain distributions pursuant to the Bank Holding Company Act of 1956, as amended, and for other purposes;

H.R. 10783. An act relating to crime and criminal procedure in the District of Columbia; and

H.R. 10964. An act to enable the District of Columbia to receive Federal financial assistance under title XIX of the Social Security Act for a medical assistance program, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 2270. An act for the relief of Capt. David Campbell;

H.R. 2709. An act for the relief of Suh Yoon Sup;

H.R. 4370. An act for the relief of Sandy Kyriacoula Georgopoulos and Anthony Georgopoulos;

H.R. 4544. An act for the relief of Giovanna Ingui Dallara; and

H.R. 4976. An act for the relief of Theofane Spirou Koukos; to the Committee on the Judiciary.

H.R. 5785. An act to authorize the disposal of magnesium from the national stockpile; and

H.R. 5789. An act to authorize the disposal of platinum from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

REVIEW OF "THE NEW INDUSTRIAL STATE," A BOOK BY JOHN GALBRAITH

Mr. MONDALE. Mr. President, I invite the attention of the Senate to a perceptive review of John Galbraith's latest book, "The New Industrial State." Specifically, I refer to the August 14 issue of the New Leader, in which Mr. Jerry Cohen, staff director and chief counsel of the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary, reviewed Professor Galbraith's book.

Jerry Cohen is one of the outstanding staff members on Capitol Hill. During his 8 years with the Subcommittee on Antitrust and Monopoly, he has carved out a unique record of protecting the "public interest" in such a complex area as antitrust. Furthermore, Mr. Cohen has recently achieved great distinction in another field, playing a key role in the winning season enjoyed by the football team of the office of the distinguished Senator from Michigan [Mr. Hart], the team known as "Hart's Heroes."

To anyone interested in the key antitrust issues of today, I commend Mr. Cohen's review of "The New Industrial State" and ask unanimous consent that the review be printed in the Record.

There being no objection, the review was ordered to be printed in the Record, as follows:

Candide at Harvard

("The New Industrial State" by John Kenneth Galbraith, Reviewed by Jerry S. Cohen, Staff Director and Chief Counsel, Senate Antitrust and Monopoly Subcommittee)

Candide wandered the face of the earth experiencing all manner of hardship, humiliation, indignity, terror and inhumanity. But he was fortified by the cheerful words of the philosopher Pangloss: "Everything is for the best in this best of all possible worlds." And so with John Kenneth Galbraith.

His wanderings through the New Industrial State reveal giant corporations which, aided and abetted by a compliant government, stand astride the economy with power to set prices, control demand, and generate their own capital needs. This handful of corporations controls its own environment and has immunized itself from the discipline of the marketplace. As a means of regulation the market is dead and its place is *not* taken by the government either as coach or referee; instead, the government is given a place on the corporate team—with the corporation, of course, playing quarterback.

Galbraith quite appropriately recognizes that this "market power which large absolute and relative size gives to the giant corporation is the basis not only of economic power, but also of considerable political and social power." Is this anything for mature men to worry about? Of course not. Everything is for the best in this best of all possible worlds.

Yet, alas, unlike Candide, Galbraith is a scholar and so finds the need to rationalize this simplistic picture—a painful process that takes up the greater part of 427 pages, relieved occasionally by the wry wit and pithy phrasing for which he is justly famous. Also apparent is his self-proclaimed compulsion for understatement. Thus his dismissal of other scholars' arguments, "This is not true"; the summing up of his own logic, "The answer is now clear"; his own conclusions, "This cannot be denied."

Many of Galbraith's observations are pertinent. Overall economic concentration has risen dramatically in the past two decades. Today's giant corporation is likely to be an international behemoh—operating as a pervasive holding company—with its tentacles reaching into numerous and often unrelated product lines and hundreds of markets. To the extent of its conglomeration, the giant corporation is relieved from dependence on any single market. Where the market is oligopolistic the large corportaion has substantial control over the prices charged. And to some degree—but certainly not as freely as Galbraith suggests—demand can be manipulated through advertising.

These features of our industrial economy have been documented in hearings on administered prices by the Senate Antitrust and Monopoly Subcommittee under the late Estes Kefauver. More recently his successor, Philip A. Hart (D-Mich.) has held hearings on economic concentration.

Further, as Galbraith suggests, the tendency of government regulators to identify with the corporations supposedly being regulated is well established. The partnership has been described as "clientism." Although the corporate executive may make emotional speeches against government regulation, if that regulation reinforces his monopoly position and guarantees a high rate of return, he will tend to prefer its comparative security to the rigors of competition. In addition, empirical examination of the socialization of an industry—particularly in England—indicates generally not improvement but regression in its economic behavior. The name of the corporation may be changed; but not the game or the players. Socialization appears to result in poorer economic performance, higher costs, a decline in technological development and higher prices for consumers.

Some of Galbraith's other observations are less pertinent. His supposition that the giant corporation will generate its own capital requirements does not stand up as a generalization. The extent of life insurance penetration into the airlines, for example, is well known. And during the height of the tight money crisis last year, both Westinghouse and IT&T arranged for substantial long-term loans from traditional lending institutions. Galbraith to the contrary, the financiers cannot be confined to an obscure footnote in the history of industrial organization. Any study of industrial organization must take into account not only their influence, but their interrelationships with the "mature corporation."

Also, Galbraith's assumption of divorcement of corporate ownership from control is becoming outdated. It is true that small stockholders do not run corporations. But the rapid growth of the institutional investor—mutual funds, pension funds, etc.—is placing a measure of persuasion, if not control, within the reach of financial interests. Almost one-third of all stock transactions on the New York Stock Exchange now involve institutional investors.

The validity of Galbraith's observations, though, is not crucial. His propositions are. He believes that the requirements of technology make his key observations unavoidable:

"In an industrialized society, technological imperatives require giant size and massive corporate planning. . . .

"The giant corporation [also referred to as the 'mature corporation' or 'technostructure'] will inevitably serve and achieve social goals.

"The enemies of the market . . . are advanced technology and the specialization of men and processes this requires and the resulting commitment of time and capital. These make the market work badly when the need is for greatly enhanced reliability, when planning is essential.

"The individual's choice is limited. He can decide whether or not he wishes to have a high degree of industrialization. Given that decision, much of what happens is inevitable."

It then follows:

"Size is the general servant of technology, not the special servant of profits.

"Modern industrial planning requires and rewards great size.

"Planning requires control.

"The size of General Motors is in the service, not of monopoly or the economics of scale, but of planning."

When Charles E. Wilson said, "What is good for General Motors is good for the country," the remark was greeted with derision. But when John Kenneth Galbraith says it, something more than derision is required. After all, Galbraith has said that the existence of the giant corporation (technostructure) as a law unto itself, free to control price and demand in the name of planning, is not only inevitable and immutable but is socially desirable. And because this state of affairs is socially desirable, government exists, in part, to assist the process.

In keeping with Galbraith's self-pronounced goal of understatement, a fair reaction is "nonsense." What if technology does not require corporate giantism? Then Galbraith's entire carefully contrived structure crumbles.

In point of fact there is substantial evidence—to be found in those hearings of the Senate Antitrust and Monopoly Subcommittee and elsewhere—suggesting that the natural thrust of the new technologies is toward greater efficiency in smaller, not larger, plant sizes. The modern computer, for example, now available to the smaller corporation, allows economies that once could be obtained only by the largest firms. The point beyond which further size provides no further economies appears to be moving toward smaller units of production. Decreasing efficiency with increasing size is particularly true of the conglomerate corporation whose very diversity allows inefficiency to be hidden deep within the corporate complex.

Innovation apparently can be carried out as readily and efficiently in the smaller corporation as the larger. This is even more true of inventive activity, which often comes from the mind of the individual working alone or in the small research and development firm. Indeed, there is a growing tendency for the most imaginative and inventive minds to avoid the bureaucracy of the giant corporation because of its sometimes stifling and inhibiting effect. In short, the new technologies should mean less, not greater, economic concentration; smaller, not larger, firms.

Nor is the individual as powerless in the corporation as Galbraith claims. Any regular reading of *Fortune* or *Forbes* will make clear that the fate of corporations still depends on the role of the individual. It is the man on top who sets the tone and philosophy, and his individual leadership may play a not insignificant role in the success or failure of the corporation—and society.

If technology does not require the giant corporation, then what may exist need not be accepted. The "planning" which in Galbraith's lexicon surfaces as price fixing—arbitrary allocation of resources and manipulation of demand through advertising—may not be necessary at all.

Then, we may be spared the results of the kind of corporate behavior which fill hundreds of law books: unduly high prices for consumers, inefficient operation, technological atrophy and swollen corporate returns. The facts are quite clear that where oligopoly and monopoly abound, corporations do tend to consider their own acquisitive desires rather than some social goal—like better products at lower prices for the consumer. (In the period 1960–65, the industry mean on return of invested capital has risen from 9.1 to 11.8 per cent.)

So Galbraith meets himself coming around the corner. The bigness and market control (planning) he eschews because of modern technology may have the effect of inhibiting the same technology with which he is so much concerned. What remains is that big corporations, controlling markets under the guise of technological necessity and secure from competitive restraints, are free—within broad limits—to keep profits and prices rising.

If Galbraith's theory of "inevitable corporate control" applied only to our economic structure, it would be bad enough. But the most disturbing aspect of his thesis is its implications for democratic institutions. How are they to survive in the "New Industrial State"? What is there to prevent the individual from being sacrificed to the corporate imperative? For a man with Galbraith's libertarian instincts to implicity reconcile himself to the loss of individual identity and the erosion of democratic institutions should be a cause for dismay—at least among liberals.

For if Galbraith's postulate were true, then a dictatorship of corporate management would inevitably supplant our present political structure. The best which could be hoped for would be benevolence. But the historical record of benevolent dictators, whether corporate or individuals, is hardly a source of comfort.

Galbraith believes that the technostructure may assign to government a role in improving the esthetic quality of our lives, because by the process of "adaption and identification" it will absorb many of the legitimate goals of society. His wistful hope supplants reason and experience.

What is most difficult to understand is Galbraith's brushing aside the one force which could reverse the trend he sees as inevitable: competition and antitrust. He refers to antitrust as a "charade." Yet, we do have on our books a basic law which permits an acceptable alternative to his identification of econmic power and political power. For the antitrust laws are directed at economic power. They seek to diffuse it so that the kind of political structure Galbraith envisages cannot arise.

If the new technologies in fact mean that giant firms are not an economic imperative —rather an economic detriment—what is needed is to breathe new life into antitrust concepts. (Producer goods industries show a trend away from concentration.) Instead of being a charade and the dead hand of the past, competition and antitrust may be the best method of reconciling an industrialized society with a meaningful role for the individual in a democratic political structure.

Galbraith pays passing attention to the need to arrest the political power of the technostructure by suggesting that the university play a more active political role in shaping corporate ends—through government influence—toward esthetic goals. Given his thesis of oneness between the technostructure and government and given the role of the technostructure in influencing universities through grants, research money and foundation projects, one cannot help feel some slight discomfort at the prospects of the success of his suggestion.

That on occasion antitrust enforcement might appear a charade is something much different than the possibilities explicit in the laws themselves. But rigorous enforcement—and changes in government procurement and tax policies to deal with existing concentration—requires an antitrust constituency. This constituency does not exist today.

Paradoxically, the value of Galbraith's book may be that it will stimulate the debate which will destroy his own "inevitably" thesis. And such a debate could result in political action by an aware public to force greater government effort on behalf of competition. The alternative now having been made clear, it becomes apparent that competition can best insure that political democracy and industrialization will dwell together as brethren. If this should occur, Galbraith's book will be well worth the obviously great effort that went into it.

For there was one lesson Candide learned after his travails, "We must cultivate our gardens."

BARGAINING FOR FARMERS

Mr. McGOVERN. Mr. President, everyone in agriculture is discussing some system of bargaining for farmers comparable to organized labor's ability to bargain with employers. The idea of a National Agricultural Relations Act, paralleling in purpose, if not exact pattern, the National Labor Relations Act, was advanced in the 1940's by Mr. M. W. Thatcher, general manager of the Farmers Union Grain Terminal Association and president of the National Federation of Grain Cooperatives.

The National Food Marketing Commission proposed bargaining in its report late last year. The President's Advisory Commission on Food and Fiber Policy has endorsed it. The Secretary of Agriculture, Mr. Freeman, is developing some specific proposals and President Johnson has given the broad concept his support.

The first indication I have seen of the general public reaction to bargaining power for farmers comes in a Minnesota poll recently published by the Minneapolis Tribune.

The poll shows that 75 percent of Minnesotans interviewed supported the idea. It also showed that 75 percent believed that collective bargaining would result in farm prices rising some.

The poll indicates several things to me. One, of course, is broad public acceptance of the farmers' rights to have more of a voice in the pricing of his product. Another is that the public generally feels that farmers are entitled to better returns.

Mr. President, I ask unanimous consent that the text of the Minnesota Poll, which was published in the Minneapolis Tribune of Sunday, December 10, be printed in the Record.

There being no objection, the poll was ordered to be printed in the Record, as follows:

Minnesota Poll: Farm Bargaining Law Favored

Most Minnesotans favor giving farmers the same kind of bargaining power now enjoyed by industrial workers, according to a statewide survey by The Minneapolis Tribune's Minnesota Poll.

Currently a majority of farmers cannot legally compel food processors to bargain with them nor can their actions legally bind farmers who do not wish to co-operate with them.

Seventy-five per cent of the state residents interviewed said they think it would be a good idea to permit farmers to bargain collectively with processors much in the same way unions deal with employers.

About one out of six people (15 per cent) thinks it would be a poor idea to adopt a Wagner Act for farmers and 10 per cent were noncommittal.

If collective bargaining for agriculture were to become a reality most Minnesotans (79 per cent) believe that farm prices would increase but many of those people do not feel prices would go up very much.

Only one in five state residents (20 per cent) feels that collective bargaining would result in farm prices going up quite a lot.

Before inquiring about collective bargaining, field reporters asked:

"Do you think farm families in Minnesota are about as well off financially as other people are, better off or worse off?"

The responses:

[In percent]

	All State residents	City residents	Rural residents
Better off financially	16	14	18
As well off	44	49	35
Worse off	36	32	44
Other answers	1	1	2
No opinion	3	4	1
Total	100	100	100

"The small farmers are suffering but the large farmers are not," a rural Dakota County man said.

Recent declines in farm prices have renewed the insistence of some farmers that collective bargaining would help farm income. Previous attempts, however, have been largely unsuccessful because processors have refused to bargain and negotiated prices could not be enforced.

To remedy those problems advocates of collective bargaining have been calling for legislation which would compel processors to bargain in good faith with elected producer representatives.

Sen. Walter Mondale, D.-Minn., has announced he will introduce a bill which would allow a majority of producers of a commodity to elect a bargaining committee to negotiate with processors for a fair price. The negotiated price would be binding on all producers.

To learn the reaction of Minnesotans to that kind of proposal, field reporters asked a cross-section of 600 Minnesota adults:

"It has been suggested that farmers be permitted to bargain collectively with food processors much in the same way industrial workers bargain with employers. Do you think that is a good or poor idea?"

Opinions divided 75 per cent inverably disposed toward the idea, 15 per cent who took a dim view of it and 10 per cent in neither group. Urban and rural residents both gave strong endorsement to the suggestion. Democratic-Farmer-Laborites were more inclined to think it a good idea (82 per cent) than were Republicans (62 per cent).

The next question asked:

"If farmers were permitted to bargain collectively, do you think they would or would not get higher prices for their products?"

Seventy-nine per cent said that farmers

would get higher prices and 15 per cent said they would not. Six per cent did not express an opinion. There were virtually no differences in the response patterns of farm, town and city residents.

Respondents who said prices would go up were asked:

"Do you think farm prices would go up quite a lot or not too much?"

The answers to both questions:

[In percent]

Farm prices would go up quite a lot	20
Not too much	55
Unsure how much farm prices would go up	4
Subtotal	79
Farm prices would not go up	15
No opinion	6
Total	100

"I don't know how much prices would go up, but I do think they would be stabilized," said the wife of a retired Lyon County farmer.

LITTON INDUSTRIES 1967 ANNUAL REPORT—THE DEVELOPMENT OF THE AMERICAN ECONOMIC SYSTEM

Mr. BENNETT. Mr. President, I recently came across an essay on the "magic" of the free enterprise system and why America has been able to rise to its present leadership among the world's economies.

The essay is incorporated into the Litton Industries annual report for 1967, and particularly deals with that firm's tapping of human potential for creative innovation—innovation which personifies the development of the entire American economic system.

Litton, a multipurpose firm formed only 14 years ago, is already ranked in the top 40 companies in the Nation receiving the largest dollar volume of military prime contracts. It credits this growth to a philosophy which does not resist new ideas as threats to comfortable methods but, rather, welcomes them as possible new ways to fuller achievement.

The "magic" in the American economic system is that it worked principally because it replaced a system which naturally resisted change with one which sought it out. Imagination, communication, freedom, and reward for creative changes are earmarks of the success of the American system and that of Litton.

I ask unanimous consent that the essay be printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

FROM LITTON INDUSTRIES ANNUAL REPORT FOR 1967

Litton Industries is a large and growing group of creative people. The main task of Litton's management is to provide the sort of climate in which these people can satisfy their own ambitions as they work to achieve the ambitions of the company. We believe the way to build such an environment is to put to work internally the same powerful forces that energize, guide and govern the free economic system of which Litton is a part. We want to create for Litton people the kind of atmosphere in which Litton itself operates—an atmosphere that invites creativity and rewards achievement.

Human potentials challenged: Every day physical scientists are finding extraordinary new qualities in ordinary substances. In the same way, social scientists and business managers are finding new ways to release the almost unlimited potential of people.

As we see more clearly how the free economy works, and as we come to understand what makes it so productive, we are learning how to challenge human abilities more and more fully.

For a long time, the strength of the free economy was a mystery. The United States, which became its main proving ground, was a world-wide enigma. The nation's achievements were most often attributed to America's physical frontier, to supposedly boundless natural resources, or to the industrial revolution. In other words, America's success was usually thought to be mainly the product of discovery and technological change. But the country's strength was really the result of her choice of the free-market method of organizing economic life. American businessmen were more free to act than men had ever been before. The businesses they built became explosively productive. The world was astonished and puzzled.

The working principles of the free economy were abstracted after the fact. It happened, and the theory followed. Even now the metabolism of the market is not understood very widely. Its least unusual element, the profit motive, is usually held up as its essential feature. Most people call our system "capitalism," as if a special awareness of the need for capital were at the bottom of America's economic success. But statist systems are also built on strong, often brutal incentives. And statists have never overlooked the importance of capital. They use the same basic ingredients—capital, motivated manpower, technical know-how—as the American economy does. But centrally planned systems are clumsy and comparatively unproductive.

The free system became as productive as it is mainly because it saw the unique importance of change, created opportunities for constructive change and then worked to digest change quickly. In short, the system recognized that the production line is only a part of the economic problem—not its central force. Productivity is not just a matter of mixing capital and manpower and know-how together in tested proportions. The real economic problem is deciding how much of what to produce at what time, by what method—in a world where literally all the facts are changing all the time.

The free economy worked mainly because it replaced a system which naturally resisted change with one which sought it out. By rewarding foresight, the system put the premium on the acceptance and creation of constructive change—on the prompt, orderly conversion of "discovery into use."

The free economy's ability to digest change quickly can be traced to three specifics.

In the first place, the system produced an unparalleled flow of primary economic data and know-how. The torrent of shifting information businessmen needed to make sensible economic decisions was translated into the universal language of price and communicated widely and automatically. The ever-adjusting price system became a very complex, sensitive instrument for recording and communicating change. Each of thousands of separate entities could find its relationship to the whole economic process without comprehending the whole process. Each business could "coordinate" itself, because business managers could observe concrete signals of change and modify what they did accordingly.

Secondly, competition for customers and capital produced reliable controls which made clumsy, day-to-day official controls from the top unnecessary. The market provided clear measures of successful adjustment to change. At the same time, competition supplied stern, automatic economic control. Capital moved to businesses which successfully digested change. It moved away from businesses which didn't. The competitive process provided built-in controls. The concept we know now as feed-back, the automatic perception and correction of error, was an integral part of the price system. Scholars had been searching for years for ways to use resources wisely without control coordination, for a reliable "system" of self-coordination which would put thousands of minds to work on the economic problem and then automatically fit the results of what each did into an optimum total result. The free economy accomplished this aged goal.

Third, and most important, the psychological climate of the free system attracted growing numbers of creative, venturesome people to business careers and drew unprecedented achievements from them. The psychology of the free economy was rooted in the fact that the enterpriser got his sense of direction from objective economic data which both he and his competitors could observe but which neither could direct or arbitrarily control. The market revealed clearly which businessmen were succeeding and which were failing in the race to absorb change. There was no need for a central economic authority to dictate methods or for any subjective judgment of results. Thus, the free economy became a giant model of effective human organization, embodying the best we yet know about sound organizational design. It provided the kind of atmosphere in which men work best, with the largest satisfaction and sense of fulfillment.

Men were free to pursue goals in their own way. The system provided positive rewards for achievement. At the same time, the competitive process sternly directed enterprisers' efforts toward desirable economic goals. But that direction was objective and impersonal. No enterpriser knew he would succeed, but he did know how the results of what he ventured to do would be evaluated. Because the system rewarded those who got results rather than those who most diligently imitated established ways of doing things, business became a creative, innovative process. Work became less an ugly necessity than an outlet for the often latent but nearly universal human impulse to create. Men took risks, investing themselves in their beliefs that they, in one way or another, saw the future more clearly than did their competitors.

So America's free economy developed without much structure. It was not closely guided or supervised. It had no Czar. It consisted of thousands of separate enterprises, each pursuing its own goals in its own way. The free economy seemed chaotic to observers who looked vainly for some bureaucratic structure or for someone in charge. For a long time its main defense was simply that it worked.

America produced more and more with less and less effort. Productivity multiplied. American enterprisers put a back-log of experimental technology to work and then went on to develop more. Innovation became commonplace. The free market had begun to conquer the problem of change, and the system stamped an immigrant people as uniquely resourceful, energetic and imaginative.

Technological Change Accelerates: When Litton was formed fourteen years ago, the perennial economic problem of digesting change had become more urgent than ever. The rate of technological change had suddenly and radically quickened. In a handful of years, the cascade of technological discovery had exceeded that of all previous human history. The fact of change is not new, but the pace of change is accelerating so greatly that unique new demands are being put on business enterprise.

Traditional concepts of management are being tested and are found wanting. The daily competitive pressure to absorb rapid change is forcing business organizations to review and modify their organizational ideas and practices. The modern corporation is taking on a new look both inside and out. Its internal organization resembles more and more the free economy of which it is a part and less and less the top-heavy bureaucratic institutions which early corporate forms imitated.

Litton, as a young company, has built the newest physical technologies into its operation from the beginning. But equally important, the company has from the start been watchful for new management concepts best suited to an era of constant change and for ways to apply them in the company's daily operations.

As we find specific, practical ways to do it, Litton is adapting the tested principles of the free economy to our internal operations:

1. A free flow of primary information promptly communicated.

2. A system of precise, quantitative goal-setting and measurement of results.

3. A company-wide emphasis on entrepreneurial management. Litton lives on accurate, primary information—quickly and freely communicated. For example, the telephone and the jet airplane permit prompt voice-to-voice and face-to-face communication. In this way, information travels fast, is most comprehensive and free of the clouding or filtering that less direct forms of communication often produce. Thus, many decisions, once necessarily dictated by remote central authority, are made on the spot by those who are closest to the vital data and who understand it best. Decisions can be communicated almost simultaneously to others affected by them.

In setting company goals, new business and profit opportunities are carefully and continuously identified; resources are allocated and reallocated; and specific operating strategies are devised. These in turn are converted into objective goals which guide management as they review the actual performance of the operating divisions. Variance signal the need for corrective action or suggest branching opportunities. In other words, the "feed-back" principle, basic to any automatic system and the key to the free economy's disciplined agility, is a basic Litton management concept and a guide to its daily operation.

Observers find Litton different. They find the pace faster. They see in Litton people the confident enthusiasm that freedom of action so often generates. Because the basic strength of entrepreneurial company is in its operating entities, Litton's central administration is unusually small. It works closely with the divisions—guiding, complementing, and assisting them with its own expertise—but does not prescribe the divisions' detailed operating decisions. A company's climate is the products of its management's philosophy and attitude not of its size.

As we continue to refine our objectives, express them more precisely, and make them more widely understood, every day's experience reaffirms our belief that sterile protocol is a needless formality. As we rely increasingly on more direct methods of communication, we find that less pace-limiting and information-filtering paperwork is necessary. As we define individual responsibility more and more clearly, we eliminate the need for many conventional but cumbersome committee-type procedures.

Because Litton's goals are set by objective, non-personal methods, relationships within Litton can become uniquely personal. Litton people feel free. We do not resist new ideas as threats to comfortable, customary methods, but welcome them as possible new ways to achievement.

Confidence, energy, excitement and a contagious sense of adventure are the outward signs of Litton's inward commitment to the creative individual.

We find an atmosphere like this attracts and challenges the kind of talent a corporation needs to succeed in today's world—men who are neither afraid to dream nor to act—men who see opportunity in change and find fulfillment in creating it.

Thus Litton is attracting growing numbers of achievers, men who welcome responsibility, who would feel restrained and frustrated in more traditionally structured environments. Most men respond more to large challenges than to small ones. Men like these thrive in the kind of environment Litton is working to provide—an internal environment designed like the economic system of which Litton is a part.

Because Litton is a deliberate microcosm of the free economy, we are confident that it will keep growing, taking the shape of the ambitions and achievements of the creative people who are part of it.

GEORGE S. SQUIBB TESTIFIES AT MONOPOLY SUBCOMMITTEE HEARINGS ON HIGH PRESCRIPTION DRUG PRICES

Mr. NELSON. Mr. President, yesterday, the Subcommittee on Monopoly of the Select Committee on Small Business had the pleasure of hearing testimony by George S. Squibb, a former vice president of the drug firm which bears his great-grandfather's name.

Mr. Squibb was completely candid with the committee and made a thoughtful and refreshing contribution to the dialog about the questions these hearings are raising.

I am sure there are some people in the industry who do not agree with what he says. But his testimony came from the experience of a man with a lifelong and distinguished record in the drug industry. He has worked in practically every phase of business in which his family had been involved for four generations.

His testimony and comments were intended to help guide the manufacturers to improve themselves and to avoid the regulation that might come if they do not.

His criticism was constructive, even though the attack on him personally by the Pharmaceutical Manufacturers Association was not.

I think it was unfortunate that they should choose to decry his efforts, rather than to embrace some of his views and to help find an acceptable solution to the nagging problems we are discussing. This kind of attack only serves to further weaken their position.

Mr. Squibb's testimony was one of the most significant developments in our 7 months of work. It was especially valuable to hear from an informed witness and an acknowledged expert from within the drug industry. His 28 pages of testimony have opened the door to major reforms.

It is reassuring to know that prices can be reduced on many quality drugs and that industry leaders, such as George Squibb, are willing to fight for these reforms. He has supplied the subcommittee with many useful facts.

I ask unanimous consent that his statement be printed in the RECORD.

Mr. Squibb told the subcommittee:

> If the drug industry does not settle for "ordinary profits" rather than "windfalls" in the future, it will invite regulation like a public utility.
>
> It is clearly false and stupid to say that prescription drug prices cannot be reduced—

Squibb said:

> It is to be hoped that industry will take the leadership to do it. If not, others will.
>
> Because the government now is preparing to pay so much of the medical bill of the public, the drug industry cannot expect its return on sales after taxes to increase from 10 percent to 12 percent and then 15 percent and even 18 percent over a five or ten year plan—

Squibb said:

> The concept of more and more profits from the miseries of the sick, the aged, and the malnourished . . . seems to run counter to the swelling trend towards state-supported medicine—

He said:

> Exploitation . . . of medicines used in life-preserving and life-saving situations, by setting prices far above the cost must be deliberately and conscientiously avoided.

Squibb said that drug companies can expect "ordinary profits, yes, but windfalls, no."

Squibb said:

> This may come as a shocking idea to those who set the prices . . . but it is an idea which must be accepted or it will be imposed by regulation.

In testifying before the subcommittee, Squibb elaborated on views he had expressed recently in a 30-page memo to the drug industry. The memo had set off an uproar in the industry at the very time it was defending itself against charges of unexplained price disparities in its products.

Squibb emphasized that the drug industry cannot operate like just any other industry because of the intimate relationship which drugs have to the health and welfare of a community or a nation. He said:

> Probably it must . . . accept the idea that its profits should be less than those of average comparable industries in recognition of this special social responsibility which is being firmly and irrevocably forced upon it by the general public—

Squibb criticized the enormous range in drug prices.

> Indeed—

He said—

> it is difficult to determine just what the price is on many important prescription drug products.

He pointed out that pharmacists pay one price, hospitals another, and government agencies still another price. Tremendous quantities of drugs are given away free in combination sales which greatly alter their price, Squibb said.

Squibb still acts as a consultant to the company which bears his grandfather's name.

After warning that drug prices can and must be reduced, Squibb criticized a number of practices within the drug industry which lead to unjustifiable high prices.

He made these criticisms:

The drug industry has convinced many people that "all products are different" which "gives the pricer a unique opportunity to set his figure without relation to any factor except what he believes the market can bear."

Drug advertising "is suspect of exerting influences which are not only productive of undesirable medical practice but actually harmful to the health of the Nation, both in a physical and economic sense." Squibb said advertising rules must be different for drugs than they are for other merchandise.

Much drug research is "poor, wasteful, extravagant, unproductive, unimaginative, and pointless." Drug firms must take a hard look at research and "explain their research programs in terms of their place in the overall scheme of medical progress, their purposes in terms of public need."

Drug substitution laws, which forbid pharmacists to substitute lower priced drugs of identical formula when a doctor prescribes a high-priced trade name drug, should be reexamined. States should consider developing "formulary systems" under which medical experts draw up a list of quality drugs which can be obtained at the most reasonable prices.

Federal patent laws, which give a drug firm 17 years to sell a new drug without competition, should be restudied.

Regulation of the drug industry as a public utility is "a most drastic alternative to possible reforms," Squibb said, "but one which is by no means unrealistic or inconceivable."

I think the country owes a debt of gratitude to Mr. Squibb for daring to tell what we have long hoped the industry would finally admit.

The **PRESIDING OFFICER**. Is there objection to the request of the Senator from Wisconsin?

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Reform or Regulation—The Choice Before the Pharmaceutical Industry

(Statement by George S. Squibb, before the Monopoly Subcommittee of the Senate Small Business Committee, December 14, 1967)

The public believes that pharmaceutical prescription prices are too high—that they should be paying less for their prescribed medicines—and that they could be paying less if pharmaceutical companies were not so greedy—or used less wasteful sales methods.

Because the government, state and federal, now is preparing to pay so much of the medical bill of the public, (a bill the potential of which incidentally still is grossly understated and misunderstood), legislators have seized upon this public conviction of high prices on drug products to attack the industry for its behavior and to use it as the justification for proposals of new regulation and control of a magnitude for beyond anything that has been felt to date.

The problem that faces the pharmaceutical industry today relative to public criticism of its pricing and profit structure can be stated just that simply. What to do about it, if indeed anything, is not so easy for the pharmaceutical manager to determine. All sorts of complex social forces and economic facts must be understood, sorted out, and balanced against each other in an effort to foresee the long range effects of this concept of pharmaceutical prices, a concept which is now generally accepted outside of the industry itself.

The only answer that the pharmaceutical industry has given to date is to "tell its story", to "improve its image", to "explain its contributions to medical knowledge and the health of the people". These efforts for the most part have been ineffectual in changing the mind of the public about the nature of the prices it pays for its drugs, and yet the industry keeps at it with dogged persistence issuing new studies in depth—new comparative analyses of profits country by country and industry by industry, new interpretations of the value of its product contributions, new explanations and justifications for its modus operandi. To all of its critics, temperate or intemperate, expert or lay, legislative or academic, it keeps on saying in effect: "You just don't understand us—here is the truth which only we can properly explain."

The industry has been primarily concerned and no doubt properly so, with its own internal problems induced for the most part by reason of its phenomenal expansion and by the possibilities for even further growth in widely divergent areas. It has tried to meet, sometimes successfully and sometimes not, the day-to-day problems arising from a complex product mix in a complex marketing situation all the while keeping a sharp eye on earnings and corporate health. It has tried honestly and hard to produce good products, and has generally not been satisfied to rest on today's achievement, but to press on to something better. It has been diligent within its own self-established limits in assuming its responsibilities, and it is truly hurt by those who suggest anything to the contrary.

However, diligence, devotion to ideals, and just plain hard work do not necessarily imply intelligence and good judgment, and it is in this light that the pharmaceutical managers should look today at their policies and their operational procedures if they are to control their own futures.

II

Let's take a look, just at how the industry prices its products.

Every product in the market place has a cost, a price and a value.

Costs of products in all industries are difficult to determine precisely, not only because manufacturers are naturally reluctant to discuss them, but also because there is a real difference in opinion as to what they actually are within a given company's financial structure. Methods of accounting, allocation of overhead and variable production expenses, problems in separating out indirect distribution costs and applying them fairly to diverse items, all cloud over any effort to fix clearly just what the "cost" of a product is. This is often an even more irritating difficulty to the manufacturer than to the outside investigator, and many a firm has undergone real financial distress because it could not properly establish its product costs.

All this applies especially to the pharmaceutical industry. With their multi-product lines of greatly dissimilar products requiring all sorts of different production lead times, storage and shipping variants, and sales promotion programs ranking from the simplest to the most complex technically of any that can be imagined, pharmaceutical companies find product cost determination a real problem even without the almost overwhelming difficulty of proper allocation of basic and specific research and development costs which are a substantial part of their annual operating expenses. However, it seems reasonably certain that costs of major volume products are a much smaller percentage of trade prices than is usual in consumer goods industries. This can be deduced from much published evidence of costs estimated and real, and the facts that price ranges are enormous, and profits better than average.

Generally speaking and within a given industry the price of a product has a predictable relationship to the cost, and in turn the value is close to the price, such being the nature of our competitive economic system. In the drug business, however, prices are unpredictable; often they seem to bear no normal relationship to cost. More often than not there are several widely divergent prices for the same product, the highest frequently in the largest market and the lowest in the smallest market. Indeed it is difficult to determine just what the price is on many important prescription drug products.

Value, on the other hand, is often far above any of the prices set for the product. If health and indeed life itself are measured in terms of dollar value against the cost of the medicines that contribute to them and in many cases guarantee them, drug products give probably the finest value of anything that can be purchased today. Yet, in spite of these tremendous values, the public belief persists that prices of drugs are too high and costs inflated by unnecessary and wasteful operational procedures by their manufacturers.

The reason for this seems to be in the unusual, to say the least, pricing policies of the pharmaceutical industry. It must be understood, however, that the industry operates in a complex—partly regulated, partly open—market in which it deals on a direct basis with the widest possible range of customers both in terms of their capacity for product utilization, and in terms of their competitive and non-competitive natures.

At the retail level, prices on direct sales to pharmacies large and small—some are very large, others very small—are regulated relative to prices by Robinson-Patman. Identical prices must be charged to the largest chain and its smallest independent competitor for the same drug package. Package size and quantity discounts are minimal, and always subject to the close examination of the Federal Trade Commission both as to their cost justification and as to their reality in relation to the needs of the competing customers. (A price cannot be established on a large quantity which only the biggest chain drug store could reasonably use. This would be unfair to his across-the-street competitor who must stock the same item but cannot either financially or physically handle more than a limited quantity.)

Prices of drugs at the direct retail level tend to be rigid within very small permissive variations. A price catalogue of a manufacturer who sells direct to retail pharmacies can be relied on to reflect accurately his prices to this class of customer. There are few, if any, ways except for manufacturer's special deals, for the retailer to acquire this merchandise from his direct supplier at anything but the so-called trade price. Price cutting, discrimination, favored customers, under-the-counter deals, hidden discounts are no factor in sales of prescription products direct to the retail pharmacy trade by pharmaceutical manufacturers. It must be stressed that the retail pharmacist does most of the prescription business in the country, and it is from this source, generally speaking, that the industry not only gets most of its sales volume, but an overwhelming percentage of its profit.

Pharmaceutical manufacturers also sell to wholesalers who in turn fill orders from retail pharmacies. There are sharply competing wholesalers in every city and state in the nation and the price to each of them on a given pharmaceutical product from a given manufacturer is identical. It has to be for obvious legal reasons, and there are no exceptions to this rule. The wholesaler price is generally discounted from 5 to 20 percent from the so-called trade (retailer) price. Price competition among wholesalers in passing along to the retailer part of this discount is a common procedure, but this also is regulated by Robinson-Patman and wholesalers must offer these discounts equally to all his competing customers.

Attempts have been made to tie-in services, order quantity and order timing factors, and credit privileges with discount sharing, but generally speaking the variance in price produced by this wholesaler practice is not large and it remains but a small factor in the determination of the ultimate price of the product on the consumer's prescription. Occasionally and especially in a large metropolitan area when competition among wholesalers for retail accounts is bitter, products can be purchased by the pharmacist from the wholesaler more cheaply than he can buy them direct, which fact in itself reflects the rigidity of the direct-selling manufacturers list, and the firm observance of the general principle of Robinson-Patman.

While prices of drug products remain generally rigid to the retail and wholesale druggist, quite a different picture is shown on prices to hospitals—non-profit or government operated. Here the widest variations exist and from this area of pricing, evidence is deduced that other pricing is non-competitive, unreasonable and unfair. While many pharmaceutical manufacturers maintain so-called hospital price lists, most hospitals, large and small, find ways to buy their requirements at lesser figures particularly on important large volume products which bear relatively high price tickets to start with. It should be understood at once that Robinson-Patman does not apply to non-profit institutions who are per se not judged to be in competition with each other. Therefore, while Walgreen Drug Company, the largest drug chain in the country, pays $5.00 for a bottle of a brand of diuretic tablets even if that purchase is repeated a hundred times in a week as compared with the once-a-month $5.00 price for the item by an independent pharmacy, a large hospital can and often does beat that price down to $3.50 or less, and even the small hospital can expect to get at least ten percent off the retail trade price if it has any buying acumen at all. This is done by one or more of several procedures which hospitals are using to ever-increasing effect as their size and importance grow under current expansive trends of medical treatment supported by government and insurer funds.

Request for competitive bids, formation of buying associations, threat to manufacture or sub-divide themselves, control over brand specification within its own walls by therapeutic or formulary committees, exposure of products to large numbers of physicians who can be expected outside the hospital to use a product with which they have become familiar within (such usage incidentally at considerably higher prices)—all these things contribute to the hospital's ability to obtain drug products at lower prices than the retailer or wholesaler. And if the retail price is set for some reason far above the actual factory cost of the product than the hospital can expect to be able to obtain the product for much less than the retailer does—maybe as little as a fifth or even a tenth as much although this range shows signs of narrowing under pressures of public scrutiny in recent months.

Many pharmaceutical houses have so-called published "government" price lists. Sometimes these prices are administratively set by application of a discount to the wholesale price—usually five or ten percent less, and sometimes they reflect results arrived at by the acceptance by some government purchasing body of prices submitted in a competitive bidding procedure, and finally in some case by actual negotiation between the individual company and the government.

Prices as a result of competitive bidding or negotiation are often very low indeed as compared with the retail or wholesale prices on the same product, and considerably lower than those to the non-profit private hospitals. Prices in this area are so low as to raise a serious question as to the validity in normal terms of most other prices, particularly those on which are based prescriptions paid for by individuals. On occasion the industry has offered the incremental cost theory as an explanation for these low prices to government purchasers. This argument based on the utilization of excess capacity or excess inventory can certainly not be meaningful in the future when the government takes its inevitable place among the industry's major customers.

Again it should be pointed out that it is the size of the range of prices between retail trade on one hand and government on the other, that sets investigators on the trail for reform—not the fact that there is a range. To the extent that this range is excessive, unnecessary, and productive of unreasonable profit—just so is the industry vulnerable to suggestions of regulation and control from outside.

Such is the background of pharmaceutical pricing sketched in broad and general terms. It is significant to note that the industry's pricing policies and practices have not only brought on sharp criticism from those in academic, press and legislative circles outside the pharmacy and medical professions, but also from those within the professions. The drug press, pharmacy convention proceedings, records of legislative hearings, all are full of complaints of discriminatory pricing on the part of manufacturers from retail pharmacies, wholesalers, their trade associations; from puzzled physicians, purchasing agents and institutional personnel both private and government-employed who are faced with responsibilities to maintain and dispense inventories of drugs. Friend and foe alike of the industry point with all sorts of degrees of alarm, shame, disgust, distrust and perplexity at what is certainly a situation at best hard to justify and at worst completely unreasonable, chaotic as well as shortsighted and stupid.

III

Now let's see what can be done about pharmaceutical pricing, the public conception of which threatens a whole industry, and which could lead if not properly handled to irretrievable steps of retribution and regulation which very well might have serious implications for the whole pattern of medical care in the United States—and not necessarily for its improvement. It is important that public confidence in the fairness of drug prices be restored, and that in so doing the future of an important industry's contribution to medical progress not be limited or prescribed to absolutely no one's benefit.

First, how can the industry by itself revise its price structure and restore some sanity into its marketing programs? It must be immediately realized that the concern here is with prices, and this being so, a concerted, cooperative approach by pharmaceutical companies is impossible, antitrust and conspiracy concepts being what they are. Actions must be taken and solutions found, company by individual company working within its own framework of costs, prices and profits—not to mention its own competitive standing in a bitterly contested market.

In the first place and by far the most important of all, pharmaceutical management must understand the nature of the social climate relative to medical care in which it now lives and works. This is not the climate of ten years ago, or even of last year. It is a moving, expanding, developing concept of prepaid or guaranteed protection from the financial impact of illness as a basic personal requirement with the added growing idea of a real affirmative responsibility resting in the public health authorities—state and federal—for establishing and maintaining conditions leading to optimum health for all. There is no longer any question that it is the duty of government to protect the public from itself as well as to provide for the means to insure sound health in every physical and mental aspect of individual well being. The public wants the government, state and national, to pay for most of this, and for what it doesn't actually pay for, the public expects its governments to assume roles of stern regulators, overseers, and active supervisors.

It is precisely because the public looks for and even demands these services and responsibilities from its elected officials that all of those privately engaged in medical care in any form must exercise extreme caution to conform their activities (particularly financial) to what are considered normal, fair, and reasonable—such judgments to be made and construed within a very narrow range of acceptable conduct and its results. Definitely the pharmaceutical industry must accept special responsibility for its operations, and special burdens and limitations not regularly assumed by other industries because of its place in the scheme of medical care now an object of particular public concern.

It must adapt itself at the very least to the standards of normal economic and industrial practices and profits, and be able to live with them and at the same time continue to make the contributions and perform the services that it has pointed to so proudly in the past. Probably it must go even further than this, and accept the idea that its profits should be less than those of average comparable industries in recognition of this special social responsibility which is being firmly and irrevocably forced upon it by the general public.

While it is unfair to expect immediate adjustments in profit objectives that might be disruptive of the financial position of the company, long-range plans must be adjusted to conform with these outside pressures. This is not easy because deep reorganization must be accepted, operational programs and practices changed to meet the new circumstances, and in general, limitations self-imposed must be administered with discipline and control. Current universal tendencies to do what other successful managements do in research, production and sales just for the possibility that these things may work for everyone, and just for the mindless fear of being left behind if by change they are especially productive must be stopped, and replaced with individually designed programs within the scope of newly accepted limitations and responsibilities.

However the approach may be, it is just some sort of this type of thinking that is essential in the pharmaceutical industry if government-imposed limits are to be avoided. This is the central fact that must be understood at this moment in time before the thinking of legislatures—state and Federal—crystallizes into some kind of action.

A pharmaceutical company management—now enjoying let us say, a ten percent return on sales after taxes—sets its objective for the next year at twelve percent—and then fifteen and even eighteen percent over a five or ten year plan. Often in the past this type of profit objective has been obtained through new products and intensive marketing programs. Recently such growth has been more exceptional in actuality, although it still is quite possible. However, pharmaceutical firms still project and plan for steady growth in profits, as does most industry. These pressures for better profits quite normal and accepted elsewhere as good business practice, take on peculiar overtones when sales of essential health care products are involved. The concept of more and more profits from the miseries of the sick, the aged, and the malnourished segments of the population seems to run counter to the swelling trend towards state-supported medicine. If the government takes over the responsibility of ameliorating or improving the health of a large part of the nation, this should not result in enriching beyond normal levels at the very most those who participate in the job. Expenditures for medicine by tax-supported government agencies bring with them strong pressures both sociological *and* economic for the avoidance of profiteering, waste and misappropriation. The latter two pitfalls are the responsibility of those who administer the health care programs—the first is the prime responsibility of the supplier, in this instance the pharmaceutical manufacturer. Until and unless he sees this clearly the threat of government-imposed profit regulation will always be imminent. Profit objectives must be made subordinate to productivity objectives. There is, of course, much more to the problem than the adoption of such a state-of-mind on the part of the pharmaceutical industry, but this is needed first as the background and climate for other important and more specific industry readjustments and approaches to the dilemma in which it now finds itself.

As another necessary step to pricing policy reform—the price of the pharmaceutical product should become a function of its cost—a function approximately the magnitude of those in major consumer goods industries and varying only in terms of the sales burden imposed. Prices which are set at nine or twelve or twenty times factory cost only serve as incentives for public attack on the various means and methods that permit such action, patent protection, product monopoly, successful sales pressures, or whatever. Exploitation of the value factor of medicines used in life-preserving and life-saving situations, by setting prices far above the cost is what must be deliberately and conscientiously avoided no matter what justification or economic temptation is felt by the manufacturer. For example, if a new drug will largely depopulate state mental institutions by permitting home care of the patients, *all* of the extraordinary economic gain from this product must be felt by the state, and none by the pharmaceutical company that supplies it. Ordinary profits, yes, but windfalls, no. This may come as a shocking idea to those who set the prices on major volume pharmaceutical products which are used for treatment of patients in tax-supported situations but it is an idea which must be accepted, or it will be imposed by regulation. As the scope of purchase of medicine by government widens, the idea has greater implications for an ever larger part of drug product distribution and sale.

A product that does the job that modern drugs often do affords, under any comparative value approach, a most unusual temptation for the pricer to set his figure much higher than might otherwise be the case. Classic theories of price established to get a share of a competitive market are applicable only to a very slight degree. In fact it often might be said that each drug product can be established in its own market by skillful promotion and exploitation of its own particular virtues. Not only has the pharmaceutical industry been successful in maintaining the conviction with many physicians and buyers that not all drugs are alike, but it has even succeeded in persuading them that all products are different which is a much more effective argument from a sales point of view.

Leaving aside at this point the validity of this claim, the mere fact that it has been frequently and effectively established, and continues to be, even under the conditions of current controversy and attack, gives the pricer a unique opportunity to set his figure without relation to any factor except what he believes the market can bear. He, of course, will take into consideration in a general way the existence and success of comparable products, or products used for the same therapeutic or diagnostic purposes, but not by definition any product exactly like the one to be priced because there is none. It is well to remember here that differences for pricing purposes arise not only from varying chemical or molecular structures, but from differing manufacturing sources or brand names and sales programs as well.

Prices set in this way on prescription products lead to the very situation that is so often criticized today; an enormous range between trade or retail prices and those given to institutional or government purchasers. The rigidities of prices at the trade level already described tend to freeze the prices at the top level for at least a considerable period of time during which the disruption of the institutional pricing structure occurs, and the perplexing and dismaying situations now deplored by retail pharmacists, legislators, and the general public arise.

The precise and detailed approach that a pharmaceutical pricer should use to avoid falling into the trap of an eventual "no-price" for his product presents a complex and difficult problem. It amounts to the better utilization of forecasting, and market research tools—including computerization of much basic information—to establish in advance the market utilization of each product and package of product, and the pricing prerequisites of each market segment contributing to the product's sales volume. Varying competitive forces and their effect on prices in each market must be recognized and evaluated in advance so determination of product dollar productivity can be measured in realistic terms. By this means formulas for pricing can be set that do not lead in fact and theory—by actual use or by company policy—to anything more than a reasonable price range for a given product. It must be stressed that in setting up any such approach to pricing that due attention must be given to the new hard facts of prescription product distribution—facts which the outside world is imposing on an industry which is reluctant to believe and acknowledge them and even more reluctant to change their policies accordingly. Some such facts are:

(1) that hospital and institutional volume of drug usage will be substantially up in the immediate future. Some of this volume is new due to more patient coverage through government and private insurance, but some of it will come out of the retail pharmacy as more medicines are dispensed in association with hospital and other institutional treatment. As a result hospital bulk packages of drugs will now be used on outpatient-prescription to a substantial degree in direct price competition with the retail pharmacist.

(2) that the government, state and federal, which will now pay much of the nation's drug bill, is going to insist of paying the government price for its purchases—not the much higher retail price.

(3) that the governments will see no reason to buy their drug requirements any way except direct from the manufacturer thus eliminating wholesalers, commission agents and other middlemen from this part of the market.

(4) the use of various means to permit substitution of brands for those specified, or to require prescribing in generic terms will continue to be urged by many influential persons and professional groups. This will weaken market positions and set up new price pressures for many products vulnerable to these trends. Facing up to this fact alone is a difficult job and a major challenge for the pharmaceutical pricer.

Any new or revised approach to his job by the pharmaceutical pricer will, of course, bring a substantially altered pattern of income to his company. For this reason this concept cannot be put into effect with immediate or all inclusive coverage of any company's products. But it can and should be adopted in new pricing, and also wherever changing circumstances permit on existing products on which there is need for one reason or another of pricing revision. Gradually this pricing policy should be implemented to bring order from chaos, and public understanding and approval from bewilderment and hostility.

Before closing this discussion of the pharmaceutical manufacturer's price schedule two relatively minor aspects should be touched on—first the so-called service products and second the use of special deals, temporary discounts, and other promotional activities that affect price.

This argument is made frequently by pharmaceutical companies that prices are maintained high on some volume products in order to permit the marketing of items which return no volume or profit at all but provide a needed service for physicians in treating rare illnesses or for use in very specialized circumstances. Marketing of products at a loss does exist, and to the extent that money is found for these products from the earnings of others the argument appears sound. However, the actual extent of such support is limited. If volume of the service items is small both the cost involved and the out-of-pocket loss is small in terms of earnings elsewhere. Overall profits show this. A better answer to this situation is to try to price the losers more appropriately; they can carry a considerable premium because of the very rarity and urgency of their use, or to dispose of the product to some other firm which because of more suitable facilities, lower overhead, or other advantages can better produce the item. In any case, it does not appear that the practice of providing the medical profession with a few under-priced service items is any real or significant burden on overall earnings even giving no credit at all to the "good-will" or "good public image" created by the practice and exploited with enthusiasm by public relations departments.

The pharmaceutical industry has historically been partial to special deals of the most extraordinary nature on its products—deals, of course, offered openly to all competitive classes of customers. Perfectly legitimate deals as far as Robinson-Patman or antitrust are concerned, but deals which are greatly disruptive of whatever price structure of a formal nature, and there is not much of it in any case, that may exist. For example, deals often go far beyond the one-free-with-a-dozen offer frequently found in case-good pricing, to such levels as five free with five, and even two free with one. It is not uncommon for an important pharmaceutical product of a strongly competitive nature priced at let us say $10.00 to the retailer to be offered by the salesman for a limited period of time at one free with each purchased bringing the cost to the retailer for that purchase to $5.00. The use of this material on a refill prescription for an original which was filled with $10.00 material opens up all sorts of intriguing pricing questions.

Diversion, over-buying, substitution, special sales pressures for price alone—and many other questionable practices are practically guaranteed by this sort of pricing. And behind it all lies the question, What is the real price of the product? Other types of deals offered seasonally for "inventory protection", or as stimulations for salesmen's selling activities, or as devices to move potentially short dated merchandise, or as lures for improved dealer cooperation and support, all may or may not accomplish the intended purpose, but each without question seriously confuses the price basis for the product and contributes importantly to the feeling that the original off-deal price is somehow inflated and not really necessary. Deals add greatly to the difficulty of outsiders in understanding pharmaceutical sales operations, and even have the unfortunate result of adding to the burden of public suspicion unfairly. Sometimes a company has a published price for a product which is a fine target for "high-price" critics, but rarely, if ever, sells the item at this price because of the frequency and generosity of its deals on the product—deals which the retailers wait for with the certain anticipation of a bargain price.

In the meantime the published price remains for all to see and none to use, and as a perfect subject for critical analysis by industry's detractors. Manufacturers should take a new and hard look at their published retail prices compared with their average selling prices based on unit sales divided into the dollars received. Deals are importantly disruptive of orderly pricing introducing an element of uncertainty into the market that often confuses the manufacturer as well as his customer. They have been over-used in fact, misunderstood in principle, and wrongly analysed in relation to their effect on profits often enough to make them an area for immediate and determined study by any management which believes in pricing reform as a prerequisite to the solution of many of the industry's critical problems.

IV

So much for pricing—now let's talk about the detailmen.

Sales procedures and costs of the pharmaceutical industry have been attacked qualitatively and quantitatively for so long and so hard by so many that they certainly should be subject to close reexamination by even their greatest supporters on the general theory that where there is so much smoke there just might be some fire. If any such fire does exist and is permitted to continue unchecked in the very combustible climate of today on medical care matters, it could very well develop into a blaze that by itself and without reference to price except in the most general terms, would bring down the pharmaceutical industry's house with the same result as would unchecked and unreasonable prices and profits.

The basic criticism of pharmaceutical companies' sales activities arises from the feeling that somehow sales pressures, advertising, commercial exploitation, selling in its strict dollar and cents aspects, are foreign to and incompatible with the practice by the physician of his profession. Choice of treatment, drug selection, and, indeed, the whole physician-patient relationship should not be affected by any forces not finding their roots in the physician's training, abilities and understanding of the patient and his malady. The idea that anything coming out of such fields as advertising, sampling, selling pressures, price advantage, or third party recommendation of any kind could intrude on this relationship is somehow repugnant to the public who still regards the medical profession as a sort of pre-fabricated-all-knowing group of specialists of superior and perhaps even secret powers who need no help or direction from those inspired by motives other than the specific cure of the patient at hand. Commercialism of all kinds, and medicine, have always been uneasy associates. It is difficult to keep this relationship in proper balance particularly that part of it that is exposed to public view. While the ultimate solution of this problem can only come from readjustment of certain professional attitudes on the part of the physician as well as by adjusting those of the industries who supply him with his tools and much of his knowledge of their use, it is only the latter side of the coin we are concerned with here.

The biggest—much the biggest part—of pharmaceutical selling costs—is the expense of hiring, training, traveling, equipping and paying the detailman—the salesman who carries the word about the company's products to the physicians and who sells them to pharmacies, hospitals, and state and federal institutions. The analysis of this cost in terms of time spent to produce a dollar not of sales but of profit is urgently called for, frightfully difficult to obtain, and very painful to apply. But it must be done, and when, as and if it is done, there can only be a large reorganization, reapplication in terms of assignments, and resultant substantial changes in the product mix and customer service patterns of a given company. Efficiencies obtained from such action, however, would offset much of the loss of income from price reform as already described. Prices are inflated, and by some sort of Parkinsonian Law, sales activities are inflated within the limits set by those inflated prices.

A better understanding of the precise source of the prescription specification—who wrote it, why he wrote it rather than something else, and where and at what price it was filled is essential to build a knowledge of what to do about getting the next specification for your label. The reason it was received yesterday, may not and probably will not, be the reason it comes in tomorrow.

The industry does have at the present time much statistical data on the number of prescriptions written, the products specified and even the prices charged. However, this data is slim on precise motivation behind each selection of drug prescribed, and it is difficult to trace back to the basic cause for the choice. Besides this failing, the shifting trends insofar as numbers of prescriptions written under circumstances other than those of the traditional private patient in office practice which a few years ago was literally the sole source of drug specialty sales volumes are not properly reflected in data form.

Improvement in available information on prescriptions from every aspect will be forthcoming soon as studies now being set up are completed, and fuller utilization of computers is realized. Progress in this area has been slow, for even although a pharmaceutical company is so often quick to spend several hundred thousands of dollars in research efforts to develop the best possible formula for a drug product, it is more often than not quite unwilling to spend even half that amount to determine the key patterns of the ever-shifting market place for the product when it is finally perfected.

Even more specifically than this, however, the pharmaceutical manager needs to determine what activities on the part of his sales staff produce which results in his sales area today. Generally speaking, he is not succeeding in getting this information. Partly this is because it is a very difficult thing to do, but partly it is because there have not been real pressures as yet to require it. Behind it all is the knowledge that if he does acquire it, it will be an overwhelming job to implement his new knowledge with a completely revised and reorganized and reassigned staff.

The shifting pattern of medical care centered around the growing importance of the hospital—its accident rooms—out-patient departments, diagnostic facilities, and its expansion to include nursing home and convalescent care in its scope of influence will change the job of the pharmaceutical detailman in the years immediately ahead. This will be true not only to the extent of where he works, but also how he works. It will reduce him in numbers, but no doubt will increase his individual cost to his employer. It will place new burdens on his training and new strictures of regulations and control on the performance of his duties. All of this calls for immediate re-examination of every facet of this part of the sales procedures of the industry. The pharmaceutical detailman must be, like Caesar's wife, above any suspicion. Economies and readjustments which will result will contribute to the improved climate for pharmaceutical industry operations.

A similar close look must be given to the costs of advertising and product promotion outside the detailman. Criticism of the industry in these areas has been mostly concerned recently with the quality of the advertising material in terms of full disclosure and balanced presentation of product information.

The results of these regulatory efforts will be of course of real significance to the industry, but the question of the effect of advertising on prices is the consideration here. Again we have a difficult problem of balance for the pharmaceutical manager to solve. As always he has a special responsibility to avoid waste, to keep within generally acceptable limits, and to persuade his potential customers that his advertising efforts are useful. To the degree he fails to do these things, these expenses will be deemed an unnecessary force and contributor to the upward trend of prices. Advertising in any industry is vulnerable to critics who see in it many sinister implications contrary to the public interest, but especially in the drug industry is it suspect of exerting influences which are not only productive of undesirable medical practice, but actually harmful to the health of the nation both in a physical and an economic sense. The pharmaceutical advertising manager finds himself in the same sort of position we have seen before in relation to his counterparts in other industries. His rules should be different, his responsibilities for careful, accurate and nonprejudicial work are greater, his field of activity is more restricted by regulation and by public policy, and any deviation will not only be measured in terms of communicative quality, but also in economic effect.

V

Now we've come to the problem of Research, maybe the stickiest of them all.

Research costs are used more often than any other one favor as an explanation for drug prices whenever the pharmaceutical industry is replying to its critics—or even when it takes the initiative in one of its "image building" or "story-telling" phases. They are certainly part, and an important part, of the industry's operations. They are in the overall sense essential to keep the medical armamentarium of drugs moving ahead. However, a great deal more light needs to be shed on the general subject of pharmaceutical industry research and the costs thereof—both as to its own internal research organizations, programs, and procedures and as to the research projects it supports outside its own walls.

It is most difficult in industry circles to criticize "Research," or even to attempt to stand off and look at it objectively. To many, drug research is almost a religion, and to question it in any practical way is to speak heresy. However, it must be said that there is poor, wasteful, extravagant, unproductive unimaginative, and pointless work being done under the category of "Research" by the industry. The degree of this among all of the productive and sound research operations carried on is certainly open to argument. Most probably it varies from time to time and from place to place, but it always represents a sizeable part, and a significant one because of the amount of money involved. There are several questions that should be asked by every pharmaceutical manager and in turn by his research director, and answers given before research objectives are set and funds to carry them out are committed. These questions involve such matters as the proportional size of research budgets both minimum and maximum in relation to basic operating costs or even to sales; number of projects to be supported at any one time and in any one field; relation of basic research budget to product and developmental research expenses; similar or overlapping efforts elsewhere; and last but certainly not least the need actual or potential of the anticipated output of its research activities after the forecast costs have been incurred, and after market trends now readily discernible have evolved into significant new requirements for drugs from both the therapeutic and economic standpoint.

It will be said by every pharmaceutical manager and research director that they do all these things; they couldn't do their job if they did not; and that this is simply a restatement of what is done every time a research dollar is budgeted or a project entered into. However true this claim may be in theory, it leaves much to desire in practice. From the standpoint of cost, the research operations of the industry are not yet properly integrated into the whole pharmaceutical operation, and their relationship with other parts—particularly sales, are not clearly worked out for many reasons, most of them internal and peculiar to each individual company.

Before accepting the idea that all is well in this particular segment of his responsibility because merely to do research is in itself a creditable and self-rewarding effort, a pharmaceutical manager should take a hard look at his research expenditures in relation to his projected accumulative, new product forecasts, his competitive position, and the state of his own pocket book and arrive at a private conclusion that he apply the same principles of cost control to his R & D programs as he does to manufacturing and sales.

Research expenses can and should be closely re-examined by the pharmaceutical industry, and the resulting adjustments need to be explained to, and understood by, the scientific community generally. Objectives, and general routes toward these objectives, should be discussed openly so that better information is available to shape all concurrent research programs to make certain of better utilization of the total research dollar. It is not enough for the industry to point with pride at the size of its research budgets. or even to their past research achievements. It is now essential that they explain their research programs in terms of their place in the overall scheme of medical progress, their purposes in terms of public need, and their costs in terms of efficient procedures with a minimum of duplication and waste.

Such are some of the things that the industry can do to answer the critics now pressing for reform enforced by legislation and bureaucratic control. There is really no choice as things stand today so far down the road have matters gone. These things *must* be done by the industry or they will be done for it by others.

VI

There are many approaches that a legislative body, state or federal, can take to attack "high" prices for pharmaceutical products. In all of them it is suggested that they be studied from a more objective, long ranged and balanced view with less emotion, prejudice and political consideration. The economics of health care, a potential financial burden to the nation that can be and is grossly underestimated, needs the thoughtful attention of the best brains that can be devoted to it. There should be no off-limit areas for investigation all the way from the manufacturer through the last distribution point for the product. There should be no preconceived theories of merit based on real or imagined evil practices of the past. There should be no temporizing with the best standards of quality and safety for all those who are to benefit in the future from new concepts of public health.

At the state level legislatures can reexamine the meaning and intent of their drug substitution laws, in view of current welfare programs, local, state and federal. These laws passed ten or twelve years ago served quite a different purpose then, compared to serving a government-financed public assistance program. There are ways to permit utilization of the finest drugs in these programs, or any specialties that the prescribing physician may desire without freezing into the state welfare budgets retail level prices. The state formulary system carefully and thoughtfully adjusted to the practical needs of the patient can be combined and coordinated with pharmacy laws concerned with substitutions. While these two bodies of drug regulation are now generally separate in the states, they must become parts of the same problem because sheer economic necessity has made it so. Under Title XIX of the Social Security Law state welfare and medical programs have been made a most important part of the administration of public medical care in the future. Each state is required to set up its own program in this area for HEW approval before federal funds are allocated to share the cost. States should take this opportunity to review all their pharmacy laws to make them suitable for maximum utilization of funds available without lessening of the quality of medical care afforded insofar as use of drug products is concerned.

At the federal level patent laws can be restudied with realistic and dispassionate attention to the proposals made in the Kefauver report several years ago. Time limitations on drug patents, systems of compulsory licensing at uniform royalties, and the place of government-paid-for research in patent procedure all need specific study now for the pharmaceutical industry alone, without relation to other industries who may read into such efforts a threat to their own patent protection laws. Consideration of the importance of medical care from both a social and economic standpoint would seem to set apart the patent rules for prescription medicines from those for other commercial operations. Patents can provide an umbrella for high prices and to that extent at least their value for medicines should be questioned.

The notion that without the inducement of a seventeen year patent with no licensing requirement all medical research would die seems quite an extravagant and unrealistic claim. To the extent it can be modified, drug prices will come down.

Laws that now are concerned with competitive forces in the distribution system for medicines must also be re-examined, particularly the effect of Robinson-Patman. The rigidity of drug prices in retail pharmacy where this law is applicable, and quite the opposite situation in hospitals where it is not, have already been discussed. It has been publicly suggested by Dr. Apple of A. Ph. A. that consideration should be given to enforcing Robinson-Patman on prices to institutional purchasers. This would certainly tend to bring the same price rigidity to this area of drug distribution now benefiting from unregulated competition among suppliers. It is worth at least as much consideration to suggest the removal of Robinson-Patman from application to the pricing of prescription drug prices to the retail pharmacist. This would undoubtedly bring drug prices to the consumer down, but it would also bring down many retail pharmacists now benefiting from percentage markups of manufacturers' prices. To the degree that the professional fee replaces this markup system however—pharmacists would survive. This is a difficult problem, but one for which solutions can be found if the public welfare is given first consideration as certainly it should be.

As a matter of fact and as prelude to any possible revision of Robinson-Patman or other laws bearing on pricing of drug products, a better general understanding of the economics of the entire drug distribution system is essential. If real benefits are to be obtained in the form of lower drug prices without loss of product quality or medical progress in the form of new drugs, a full realization of the costs that now go into a patient's prescription dollar is obviously called for. Attacking one small piece of this cost which even if completely removed would not appreciably help solve the problem at hand would be a very minor and even useless victory. Distribution costs of *all* kinds have to be weighed—their benefits and their burdens. The possibility that we are extending life today to a drug distribution pattern that should have been made obsolete long ago if not for the fear of outraging special interests should be given real objective consideration in the light of today's requirements, not those of a generation or more ago.

Among the approaches that could be taken by government to the pharmaceutical industry is that of the "public utility" concept by which operations and profits are subject to close scrutiny and regulation as are those of electric and telephone companies, and common carriers. Here rates are subject to approval by government commission, and profits controlled within generally approved limits. Price approval could similarly be given for drug products with the entire financial operation of the industry subject to review and control to established levels of performance. This is a most drastic alternative to possible reforms, but one which is by no means unrealistic or inconceivable.

Thirty-five years ago these words were published.

"The manufacture and distribution of medicines, because of their intimate relation to the health and welfare of a community or nation, partake of the nature of public utilities. In view of the shifting of control from professional to financial hands, manifested by recent developments in the drug industry, the public interest may require 'regulation' of the industry, through the guarantee of a fair return to investors and the limitation of prices to be charged to consumers."*

They are even more applicable today.

These are some of the principal approaches governments can and should consider to the problem of drug pricing. The extent that any of them are necessary depends upon the immediate reaction of the industry to the pressures it is now undergoing from public and legislative criticism. It is probable, the nature of the modern competitive corporation of no matter what industry being what it is today, that some direct government action is necessary and desirable now. Whatever is done should be pointed toward requiring the industry, and drug wholesalers and retailers as well, to reorganize and reform their own procedures, and not be restricted to the mere imposition of new regulations and controls of outward and basically superficial parts of the drug distribution system. Major economies are possible in getting our present drug products into the hands of the public who needs them, changed only in price and not in quality. With the facts of basic costs as they are today it is clearly false and stupid to say that this cannot be done. It is to be hoped that industry will take the leadership to do it—if not, others will.

BUDGET DIRECTOR SCHULTZE OPPOSED TAX HIKE TO FIGHT INFLATION IN 1955–57, WHY NOT NOW?

Mr. PROXMIRE. Mr. President, the Director of the Bureau of the Budget, Charles L. Schultze, is an extraordinarily able man. He does such an impressive job that even though members of congressional committees may disagree from time to time with the position he advocates, there is universal respect for his ability, his intelligence, his alertness, and the remarkable grasp he has of the immensely complex budget for which he is responsible.

It is with this respect clearly in mind that I invite the attention of Senators to a recent exchange of correspondence involving the Budget Director and myself.

Mr. Schultze and I disagree vigorously on the wisdom of a tax increase under present circumstances. The correspondence highlights the basis for our disagreement.

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*"The Costs of Medicines," by C. Rufus Rorem and Robert P. Fischelis, pages 233–4.

The correspondence refers to a brilliant analysis by Mr. Schultze when he was a professor—free of Government commitment—and was analyzing the proper kind of fiscal policy the Nation should have followed to meet the 1955-through-1957 inflation.

I contended that the arguments against a tax increase which Mr. Schultze argued so eloquently in 1959 apply with equal and perhaps even greater force today. Mr. Schultze denies that the two periods are so sufficiently similar as to warrant similar governmental fiscal policies.

The correspondence was provoked by a welcome inquiry by Representative Lee H. Hamilton, of Indiana, who asked Mr. Schultze to comment on my assertion that Mr. Schultze had made a better analysis when he was speaking his mind freely as a professor than he is making today as the administration's Budget Director.

I ask unanimous consent that Mr. Schultze's reply to Representative Hamilton and my letter to Mr. Schultze commenting on the reply be printed in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Executive Office of the President, Bureau of the Budget,
Washington, D.C., December 9, 1967.

Hon. Lee H. Hamilton,
House of Representatives,
Washington, D.C.

Dear Lee: You have asked for my comments on Senator Proxmire's speech of December 4 in which he expressed the view that a tax increase at this time would contribute to, rather than alleviate, the rise in prices. Senator Proxmire cited in this speech an earlier monograph of mine to support his position—implying that if I were freer to speak my mind, I might agree with his evaluation.

Let me hasten to assure you that I am free to speak my mind, I do speak it, and respectfully, I disagree thoroughly with Senator Proxmire's conclusions.

My earlier analysis of the 1955–1957 inflationary period investigated the causes of an inflation occurring in the absence of excessive aggregate demand. I pointed to several causes of the inflation during that period—chiefly the imbalanced expansion among the several sectors of the economy. As a subsidiary cause, I cited the problem of rising overhead costs, chiefly associated with the very large increase then occurring in overhead labor in our manufacturing industries. I pointed out, that *under the conditions prevaling in 1955 through 1957*, a restrictive fiscal or monetary policy would contribute little to dampening inflation except at the risk of sharply rising unemployment.

As I pointed out, the 1955–1957 period was characterized by an absence of excessive aggregate demand. Even a cursory comparison of the current situation with the one then prevailing, however, will reveal the wide difference between the two periods.

From mid-1955 to mid-1957 real GNP rose at an annual rate of only 1½%; current-dollar GNP rose at an annual rate of 5½%; the Federal budget on national income accounts averaged a $4.8 billion *surplus* over the period.

At the present time, however, we face an actual and prospective excessive rise in GNP; in the third quarter of this year, real GNP rose at an annual rate of 4½% despite the effects of the Ford strike; current dollar GNP rose at an annual rate of 8.2%, and barring a tax increase, seems most likely to continue rising at about that rate; we are currently running a budgetary *deficit* of over $13 billion on national income account, and without a tax increase, there will be little change in this rate of deficit in the period immediately ahead.

While there was some rise in interest rates over the 1955–1957 period, the rise was very moderate compared to what we have experienced in recent months, and are likely to experience in the future unless a tax increase helps relieve the pressure on the capital markets.

In short, a tax increase and restrictive fiscal policy was *not* the appropriate medicine in 1955–1957 because we were *not* facing the threat of aggregate excess demand accompanied by a large Government deficit, and sharply rising interest rates.

Conversely, at the present time, we are clearly facing the threat of excessive increases in aggregate demand, large and continuing budget deficits, and rising interest rates. A tax increase is, indeed, appropriate medicine under these circumstances. The fact that it was not so in the 1955–57 period is irrelevant to the current situation.

As a side matter, Senator Proxmire's speech pointed out that recent price rises have been associated with increasing costs. He then concluded that this was a sign of "cost-push" rather than "demand-pull" inflation. Since Senator Proxmire apparently read my monograph, he will undoubtedly recall that one of its major thrusts was that costs rise in any inflation, demand-pull as well as cost-push. Data which show costs have risen do not enable one to make any conclusion about the cause of the inflation.

Sincerely,

Charles L. Schultze,
Director.

December 12, 1967.

Hon. Charles Schultze,
Director, Bureau of the Budget,
Washington, D.C.

Dear Charlie: This is in response to your letter of December 9th to Congressman Hamilton, which in turn expressed your disagreement with a speech I made on the floor of the Senate on December 5th and reported in the Congressional Record on pages 35063 and 35064.

The heart of your criticism of my speech was directed at my contention that in the present situation, as in the period 1955 through 1957, there is an absence of excessive aggregate demand. My argument was that absent that demand a tax increase calculated to reduce aggregate demand was not the effective way to fight inflation and, indeed, might be perverse, as you concluded about the 1955 through 1957 situation.

Your answer: "Even a cursory comparison of the current situation with the one then prevailing, however, will reveal the wide difference between the two periods."

You show the disparity by comparing the rise in real and money GNP in the two periods and contrasting the budget surplus in the earlier period with the budget deficit now.

These comparisons are only faintly relevant, if indeed they are relevant at all.

What I was talking about was the absence of excessive aggregate demand, *not* GNP or the budget deficit.

It seems logical to me that the best way to measure demand must be in relationship to its impact on productive facilities and manpower. The budget may be in deficit or surplus. The GNP may be rising at a faster or slower annual rate.

But the crux of the problem is whether aggregate demand is sufficiently "excessive" to strain available resources.

This is what determines whether the economy is suffering or is likely to suffer from demand pressure on prices.

So let us consider the impact of demand on our productive resources:

From 1955 through 1957 this country's manufacturing capacity was utilized as follows: 1955—90%; 1956—87.8%; 1957—83.6%.

Compare this with the most recent four quarters: 1966 (last quarter) 90.7%; 1967—(first quarter) 87.0%; 1967 (second quarter) 84.8%; 1967 (third quarter) 83.8%.

I submit this situation is remarkably similar in two very striking ways:

1. From 1955 through 1957 the rate of capacity utilization was steadily falling. The same is true in the most recent four quarters.

2. From 1955 through 1957 the percent of capacity utilization fell from 90% to 83.6%, almost precisely the same level of capacity utilization as in the past year.

Now let's compare the two periods in terms of manpower utilization. From 1955 through 1957 unemployment experience was as follows: 1955—4.4%; 1956—4.1%; 1957—4.3%.

In the past three months unemployment has been: September—4.1%; October—4.3%; November—3.9%.

Hours of work per week in manufacturing compares as follows: 1955—40.7; 1956—40.4; 1957—39.8.

This year factory hours of work have been close to the lowest level in the past six years at an average of about 40.5 per week.

These two indices—unemployment and hours of work per week—suggest that the pressures of scarce manpower on prices are about the same now as they were during most of the earlier period.

Arthur Ross, the Commissioner of Labor Statistics, put it most aptly in his November 29, 1967 analysis of wages, prices and productivtly when he wrote, and I quote:

"In the most recent four quarters ending September 1967, growth in real output of the private economy increased somewhat as compared with earlier periods, but it was only 2 percent. This is hardly half the rate necessary to keep pace with labor force growth, and long-term productivity gains."

This statement of two weeks ago by the Administration's principal statistical official stands in my view as a devastating rebuttal of any argument that exuberant aggregate demand pressure has been or is about to push up prices.

The statement is especially significant because Ross is talking about total output for the entire economy, not simply manufacturing.

I am convinced that the tax increase—designed to take $10 billion of income out of our economy—would, under present conditions of slack demand and inadequate utilization of the resources, substantially increase unemployment, and, as you said in your excellent analysis in 1959 before the Joint Economic Committee in describing the strikingly similar situation of 1955 through 1957, could increase prices not decrease them.

Sincerely,

William Proxmire,
U.S. Senator.

JOHN WESLEY POWELL

Mr. MOSS. Mr. President, since the reservoir was filled behind the giant Glen Canyon Dam on the Colorado River at the Utah-Arizona border to create Lake Powell, thousands of Americans have journeyed to the area to enjoy one of America's most spectacular new water sports playgrounds.

But few people know for whom Lake Powell was named. The Deseret News in Salt Lake City recently published a most interesting article on John Wesley Powell, the one-armed Civil War veteran and explorer who led the first known scientific expedition down the Colorado River through Wyoming, Colorado, Utah, Arizona, and Nevada in 1869, and who left such a vivid mark on the area that there was no question that the lake back of Glen Canyon Dam should bear his name.

I ask unanimous consent that the Deseret News article, entitled "United States Hails Powell—Giant of the West," and written by Robert Mitchell, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES HAILS POWELL—GIANT OF WEST

(By Robert Mitchell)

Ask anyone where Lake Powell is and he probably can tell you, but ask him for whom the lake was named and he may hedge.

Being an easterner might be an acceptable excuse for ignorance of the fact. But every westerner should know the lake was named for Maj. John Wesley Powell, the one-armed Civil War veteran and exploration giant whose impact may never cease to be felt in their region.

Maj. Powell led the first known scientific expedition down the Colorado River in 1869, from Green River, Wyo., to the mouth of the Virgin River in Nevada. His party included 10 men who rode through the river's wild chasms in four boats.

For this accomplishment alone, the Department of the Interior, Smithsonian Institute and National Geographic Society will sponsor a national centennial in his honor in 1969.

Preliminary proposals for the affair announced this week in Washington, call for establishment of a John Wesley Powell Conservation Award, presentation of a series of Powell Lectures by outstanding scientists and scholars in Washington and perhaps in the states covered by his expedition, issuance of a commemorative stamp, reenactment of the 1869 expedition, exhibits depicting highlights of Powell's career, a motion picture on Powell for school classroom use and a special publication on Powell's exploration.

In Utah, the State Historical Society is planning a special commemorative edition of its quarterly to Powell.

"We have obtained some previously unpublished diary material pertaining to early Colorado River exploration and some other interesting materials and pictures, aside from those of Powell," said Dr. Everett L. Cooley, society director.

Maj. Powell, Dr. Cooley noted, perhaps affixed more names to places and landmarks than any other person traversing the Colorado River Plateau. Flaming Gorge and Lodore Canyon, for instance, received their names from him.

Although Powell's name has been somewhat forgotten by the average American, Powell was a national hero in his own time because of the river expedition. This was a springboard to government sponsorship of further western exploration.

As if the harrowing Colorado River expedition were not enough to have a lake named for him, Powell's illustrious record of service also includes:

Bringing forth the U.S. Geological Survey of the Rocky Mountain Region and serving as its director.

Making the now classic "land ethics" report in which he showed that water was the key to land use, and that shortage of water supplies demand classification of land for use and management (his proposals for sweeping federal land policy and disposition, however, were not accepted in his own time).

Advancing ideas that became the basis for forming the Reclamation Service in 1902 as part of the Geological Survey. Powell's concern over water also was the foundation for the independent agency being established in 1907 that became the Bureau of Reclamation.

Shaping events that culminated in consolidation of the four western federal surveys into the U.S. Geological Survey in 1879. He was its director from 1881 to 1894.

Being a major force, while joint director of the Geological Survey and Smithsonian Institute's Bureau of Ethnology, in organizing research on the Indians, in expanding the study of mineral resources, in extending topographic mapping throughout the entire U.S., and in stimulating investigation of soils, ground water, rivers, flood control, and irrigation.

Before making the famed 1869 Colorado River trip, Powell led two expeditions to the Rocky Mountains in 1867 and 1868.

Powell was a native of Mount Morris, N.Y., but moved to the Midwest when he was young.

He was largely self-taught, except for brief periods at Illinois Institute, Illinois College and Oberlin College. But despite this, he taught school in both Wisconsin and Illinois and made long collecting trips on the Mississippi River.

At age 24, he became secretary of the Illinois State Natural History Society. He lost an arm from wounds suffered at the Battle of Shiloh.

Returning from the war, he served as professor of geology at Illinois Wesleyan and Illinois State Normal University before making his first two western expeditions.

Noted Utah writer Bernard DeVoto, introducing a 1954 book on Powell, may have best described the man: "He tried to shape legal and political and social institutions so that they would accord with the necessities of the West.

He tried to conserve the West's natural wealth so that it could play to the full its potential part in the future of the United States. He tried to dissipate illusions about the West, to sweep mirage away . . . long ago he accomplished great things and now we are beginning to understand him . . . even out West."

FESTIVAL SINGERS OF TORONTO

Mr. LAUSCHE. Mr. President, I invite the attention of the Senate to the presence in Washington of an outstanding choral group from Canada.

Representing our good friends and neighbors to the north in holiday festivities here are the Festival Singers of Toronto. This talented aggregation will present a choral concert this morning in the rotunda of the Old Senate Office Building. It will also sing at the State Department and will participate in the Christmas Pageant of Peace on the Ellipse.

Specializing in unaccompanied choral work, it is one of the few semiprofessional choirs in existence. Generally speaking, a choir tends to be one of two things; either a small ensemble of highly skilled individuals temporarily assembled for the occasion or a large gathering of amateurs. The Festival Singers are nearly unique in this respect—a permanent group encompassing both professional and amateur as well as semiprofessional performers, all adhering to the highest artistic standards.

The Festival Singers are widely acclaimed. Their repertoire ranges from Palestrina to Poulenc with emphasis on present-day composers like Britten, Ridout, Willan, and Stravinsky. Indeed, the great Stravinsky himself was so impressed with the choir's precision and discipline when conducting them recently in a television performance of his "Symphony of Psalms" that he decided to record the composition with them.

Ticket sales alone would not support the Festival Singers. The choir is dependent on private donations and grants. This has permitted it to undertake specially commissioned works and to travel well beyond its home city of Toronto. The current visit to Washington will highlight the 1967–68 season for the Festival Singers. In addition, they will have also done 60 concerts including radio and television broadcasts; performed 4 days at the Canadian Pavilion at Expo '67 and given a concert at Dartmouth College.

Before the season is over, they will also perform at the Eastman School of Music at Rochester, the Handel-Haydn Society in Boston, and at the St. John the Divine Cathedral in New York City. This outstanding choir continues today under the direction of its founder, Mr. Elmer Iseler, the son of a Lutheran minister and a dedicated and accomplished musician. He has given this remarkable ensemble genuine international status.

Mr. President, I ask unanimous consent that there be printed in the RECORD an article about the Festival Singers which was published in the Toronto Globe and Mail of November 25.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Toronto Globe and Mail,
Nov. 25, 1967]

IS THERE A PRO CHOIR WAITING IN WINGS?

(By John Kraglund)

Does Canada want a professional choir? Or, more specifically, does it want one badly enough to pay the price for what is perhaps the rarest commodity on the musical market?

If the answer to either question is yes, the Festival Singers of Toronto are willing to assume the role and the organization's current activities indicate not only that they are capable of doing so, but that that fact has been recognized in at least two countries. However, unless there is an affirmative answer to the second question, it seems likely a professional choir will remain a dream.

Several years ago the Festival Singers and founder-conductor Elmer Iseler won U.S. recognition when Igor Stravinsky selected them to record some of his choral works. Next month that recognition will be extended. The choir has accepted an invitation to the annual Christmas Pageant of Peace at the White House in Washington Dec. 15.

As their contribution, the Festival Singers will perform Christmas music for an anticipated audience of 10,000. And it is presumed they will take part in a portion of the program to be broadcast on national television and radio, after President Johnson's speech.

Although scheduled to be in Washington for only one day, the Singers will give two other short performances—a half-hour concert at noon in the Senate Building and one at a reception at the Canadian Embassy.

Iseler and the choir are also on the verge of making another bid for international recognition, this time from home territory. Recently they negotiated with Capitol Records a contract for the making and international distribution of recordings. The first two discs have already been made and are slated for early release.

One record will be devoted to the choral music of Healey Willan. The other will include Canadian compositions by Harry Somers, John Beckwith and Welford Russell, as well as Poulenc's Mass in G. While the actual recording project was made possible by a grant from the Centennial Commission, the international distribution clause in the choir's contract with the recording company will permit the establishment of a recording fund, through royalty and promotion arrangements. It is hoped this fund will make possible the financing of one major recording annually.

Needless to say, a diplomatic, non-paying appearance in Washington and two recordings are not enough to warant the establishment of a professional choir—that is an ensemble whose members can make their living from work with the choir. But these two major achievements form only a small part of the Singers' activities this season.

Toronto fans of the choir have been disconcerted because its 1967–68 series will include only three concerts. A fall program was omitted because of recording commitments and tours for the Centennial Commission.

The first Toronto series event will be the Christmas concert at St. Anne's Anglican Church Dec. 9, which will feature Monteverdi's Magnificat and Bach's Cantata No. 191, Gloria in Excelsis. On March 30, also at St. Anne's, the program will include Hindemith's Mass and Six Schuebler Chorale Preludes by Bach. And the final concert, at Massey Hall, will be a performance of Bach's B minor Mass, June 12.

Actually, Toronto has not been slighted. During the CBC's Summer Festival the Festival Singers presented two programs at St. James Cathedral. A CBC concert will be presented by them at the same location this evening and another at Hart House, Dec. 3. A concert, sponsored by the North York School Board, is scheduled for Dec. 12 and the Annual City Hall Carol Service will take place Dec. 22.

The last will be the 25th concert by the choir in the last six months. By the end of the 1967–68 season that total will increase to about 60. That is approximately half as many concerts as are performed annually by the Netherlands Chamber Choir, one of the few truly professional choirs.

However, it is quality rather than quantity that dictates the right of a choir to bid for professional status, although it is quantity that makes it possible. But quality can be achieved only through ample rehearsal and because it can pay only a small fee to its members—for each concert this year, for the first time—the Festival Singers feel they cannot justify more than one rehearsal a week at present.

To get financial support, even the best of choirs must prove able to attract audiences. That aspect appears to be well in hand for the Festival Singers. This season the group expects to perform before more than 26,000 persons (excluding the Washington audience), nearly three times as many as last season. But this has also tripled the operating budget to $90,000, and while earned income has also tripled to $55,500, government grants have only doubled to $17,500. This leaves the choir seeking $30,000 in donations—nearly 20 times as much as last season. As professionals, the choir's annual budget would exceed $400,000.

A highly successful, six-concert tour of Saskatchewan, in October, indicated that a choir of this calibre would be welcomed across Canada. It could certainly do a great deal to improve choral standards. And that suggests a contribution the choir could make where it is most needed—in the field of music education.

It is a field in which Iseler has a wealth of experience. Before turning his full attention to choral conducting, the 39-year-old conductor was, for 12 years, a teacher of orchestral and choral music in Toronto schools. Two years ago he was appointed to the Faculty of Music at the University of Toronto as a special lecturer in choral music.

When it became necessary to rebuild his choir this year, after soloists withdrew from the Festival Singers because they felt they could not afford to give all their time to it, he found openings for some members of his Faculty of Music Choir with the singers. It is a practice he hopes to be able to continue on a scholarship basis. He hopes also to be able to start an intensive training program in choral conducting.

Because no definite plan has been worked out, it is impossible to discuss in detail how the Festival Singers, as a professional choir, could best function in an educational program. Some possibilities were suggested by Vincent Dupuis, the choir's managing director.

Among them were extensive tours of the ever-increasing universities in Canada. There is already talk of a tour of this sort in the United States, where there have been numerous efforts to entice Iseler as a choral director. A tour of this sort would stand a good chance of support from the Ford Foundation or some other U.S. education-supporting body.

THE COST OF THE VIETNAMESE WAR AND ITS RELATIONSHIP TO THE VALUE OF THE DOLLAR

Mr. SYMINGTON. Mr. President, the United States is now spending some $70 million a day on the Vietnam war; and this unprecedented expenditure is becoming ever more of a danger to both our domestic economy and our international position.

From a domestic standpoint, this heavy steady outlay of Government funds can only help to further accelerate the inflation already well underway in this country—inflation which in turn is undermining confidence in the dollar, at home as well as abroad.

From an international standpoint, this inflation is bound to reduce our competitive position in world markets, automatically thereby affecting in negative fashion our balance of trade.

The need to maintain a favorable trade position is well stated in a recent editorial in the St. Louis Post-Dispatch:

> Thus fallout from devaluation of the pound and inflationary forces at home combine to threaten the trade surplus which alone has prevented the deficit in our balance of payments from becoming worse than it is.

The gigantic outflow of dollars incident to Vietnam severely aggravates the balance-of-payments deficit, a deficit which, on an annual basis, is now running at more than $2.7 billion.

Dollars in the hands of foreigners represent a claim on our gold stock. That stock has now been reduced to $12.4 billion, the lowest since mid-1937; and current potential claims against this gold now total more than twice that figure.

It is clear that the desirable growth in world trade will ultimately require a change in the relationship of currency to gold. Let us hope, nevertheless, that we decide how this should be done before all our gold is lost to foreign individuals and foreign central banks; that is, before we sit down at the bargaining table with such hard traders as General de Gaulle.

The recent flurry incident to the devaluation of the pound has already cost this country over $500 million in gold bullion, and the trend is continuing; a trend which would appear to be against our financial security and overall well-being.

A SPLENDID REPORT ON THE OFFICE OF WATER RESOURCES RESEARCH

Mr. McGOVERN. Mr. President, the act which authorized the establishment of the Office of Water Resources Research, and support of State water resources research institutes and their work, provided for periodic examinations of the progress of the program by panels of qualified citizens, who would advise on the program.

The report of such a panel, presented to the Secretary of the Interior on December 8, has just become available, and it is very pleasing to all of us who had a part in the enactment of the legislation and launching this urgently needed program to help the Nation meet its pressing water problems.

Each of these panel reports is a special tribute to the foresight of the distinguished Senator from New Mexico [Mr. ANDERSON], the principal author of the water resources research legislation, who made it his own responsibility to see that the recommendations of the Senate Select Committee on National Water Resources were implemented and thereby rendered this body and the Nation a very great service, as he did also in the case of the Outdoor Recreation Resources Review Commission.

The panel report this year makes some very constructive suggestions in regard to the water research program, it warmly praises the progress that has been made and finds that we need to support the program with funds to the limit of the authorizations for its work.

The report is, of course, also a tribute to the fine direction that has been given the program by Roland R. Renne, the Director of the Office of Water Resources Research; and by Eugene D. Eaton, its Associate Director. Dr. Renne, former president of Montana State University, and Mr. Eaton, who has served in water resources agencies and on the professional staff of the Committee on Interior and Insular Affairs, have provided exceptionally strong and outstanding leadership in the formative period of this effort.

In an excellent article in the Saturday Evening Post sometime ago, the Senator from Connecticut [Mr. RIBICOFF] deplored the lack of new ideas and leadership from the legislative branch of Government. Thus we can take particular satisfaction in this report. It is my observation that the legislative branch is the source of a very large share of the new thinking and new ideas for meeting national problems which our Government adopts. It was our majority leader, the distinguished Senator from Montana [Mr. MANSFIELD] who proposed a Senate study of urgent national water problems in the late fifties. A select committee under the chairmanship of the late Senator Robert S. Kerr made the study, which proved a landmark job, and it was Senator ANDERSON, a member of the select committee, who led in translating the select committee report into action programs, just as he originated the first major study and shepherded into reality our new outdoor recreation resources programs.

Mr. President, I ask unanimous consent to have printed in the Record the report of the special advisory panel on the operations of the Office of Water Resources Research, which indicates at the end the distinguished membership of the panel.

There being no objection, the report was ordered to be printed in the Record, as follows:

Report and Recommendations of the Special Panel[1] Convened Pursuant to Regulations of the Secretary of the Interior (CFR Chapter IV, Section 506.5) To Advise on the Operations of the Office of Water Resources Research December 8, 1967

The Panel is impressed with the progress that has been made by the Office of Water Resources Research in advancing the objectives of the Water Resources Research Act. There is already tangible evidence that the program has improved training of students, has enhanced State and regional research competence, has moved towards better balance in water research, and has focused on areas of critical need.

The Panel notes specifically that more than 1500 technicians and scholars have entered the water resources field through avenues provided by the 51 State institutes. Establishment of the institutes has accelerated, and, in some cases, been the basis for initiation of interdisciplinary programs within individual institutions and among several institutions of a State. This has extended to regional cooperative efforts, as in New England. Such developments facilitate more complete use on specialized problems of the capabilities of highly qualified individuals in their specific fields, and permit bringing together on complex problems the diverse talents of individuals in many disciplines from different departments and from several institutions.

Furthermore, even with available funds much less than needed for research proposals already formulated and ready to go, there has been a modest strengthening of water research across the board, a gratifying increase in priority areas and a marked improvement in attention to critical and neglected areas, particularly Category VI, Water Resources Planning.

The Panel is pleased to commend the OWRR for the impetus it has provided towards the objectives of the Act through its contribution to the foregoing accomplishments and its effective administration of its responsibilities generally.

Since it is not possible at this early stage in the implementation of the Water Resources Research Act to evaluate performance in terms of the utimate criterion, the results of research efforts per se, the Panel has concentrated its analysis on three areas which it believes offer the best prospects for sustained progress and improvement. These are:

Acquisition and dissemination of technical information.

Administration policies and procedures.

Research priority considerations.

In offering comments in these specific areas, the Panel recognizes that the OWRR has broad responsibilities in water resources research and that the availability of funds is a factor which currently limits the extent to which all responsibilities can be discharged. The Panel believes that the progress thus far and the needs for the future justify and demand the appropriation of the full amounts already authorized in the Water Resources Research Act for realization of the levels of research effort envisioned in the Ten Year Program of Federal Water Resources Research of the Federal Council for Science and Technology, Februray 1966.

The Panel's comments are generally in support of discernible trends of current activities under OWRR. Some of them follow up on suggestions of previous advisory panels. The Panel is pleased to observe that OWRR has responded well to suggestions from these panels and to statements of need for research developed by the Federal Council for Science and Technology, the American Geophysical Union, the American Society of Civil Engineers and others.

The specific observations, suggestions and recommendations of the Panel which follow are therefore offered in the spirit of additional emphasis and improvement rather than re-direction or drastic change. The Panel considers these suggestions timely for furtherance of the goal of improving the management of the Nation's water resources.

ACQUISITION AND DISSEMINATION OF TECHNICAL INFORMATION

The Federal Council for Science and Technology, consistently with the provisions of the Act, has designated the Office of Water Resources Research as the responsible agency within the Federal Government to provide technical information services in the water resources area. This includes information service for both Government agencies and the national community of those active in the field.

It is the opinion of the Panel that this function of OWRR is of extreme importance and that its implementation needs and deserves substantial acceleration and expansion. The Panel is impressed by the activities already initiated under contract with the Bureau of Reclamation. This is effective operationally in a specialized field and useful experimentally for design of an optium comprehensive information system. However, the panel is convinced that early implementation of a comprehensive information system is necessary.

It should be pointed out that no comprehensive information service is available at this time from any source to those engaged in research, planning, and development of water resources. It is essential that such services be provided at the earliest possible time in order to minimize possible duplication of research effort to enable those dealing with actual problems to receive and apply the knowledge gained through experience and research, and to afford a basis on which to evaluate the current status and future needs of water resources research.

It has been estimated that the current input to such an information system would consist of approximately 50,000 bibliographic items per year. This number will, of course, grow substantially in the years immediately ahead. Such a volume of material is well within the capability of modern techniques for data storage and retrieval as is evidenced by the system employed in Chemical Abstracts.

It is, therefore, recommended that immediate steps be taken to establish a suitable information center for the broad field of water resources. Such a center could be a single large bibliographic information center, or could consist of a group of specialized information centers such as the one already established under the Bureau of Reclamation. This management decision should be made expeditiously.

The immediate emphasis should be on the establishment of the basic bibliographic and information bank. This should be in such form that "search and browse" requests can be accomplished effectively. From this basic capability, various types of related information services can and should be drawn. These include specialized bibliographies, critical reviews of selected areas of the literature, state-of-the-art summaries, etc. It is recognized that critical reviews and state-of-the-art summaries will require the employment of outstanding talent for their preparation, with the information bank merely serving as input. These kinds of activities are considered a proper and important part of the OWRR responsibility.

The ideal of an information system is to provide each worker and decision-maker in the field with a continuous stream of selected information which fits his need and keeps him fully abreast of current developments. This function is often termed "current awareness," and the technique of drawing his special needs from the comprehensive information resource is termed "profiling." While "profiling" has been successful in certain isolated small-scale experiments, it has proven less successful in several larger attempts. It is the opinion of the Panel, therefore, that "current awareness" will be best enhanced if building up the information bank is given first priority and efforts concentrated on making it available for "search and browse" requests and by specialized withdrawals. "Profiling" efforts could be considered once these basic capabilities and services are well launched.

The Panel believes that the allocation of funds to the information system effort must be enlarged substantially. An immediate doubling of the budget is essential, with further budgetary growth necessary in the years ahead. Recognizing current budgetary limitations, the Panel nevertheless strongly urges that this area of activity be well funded. On a cost effective basis, it will repay the investment many times over.

ADMINISTRATIVE POLICIES AND PROCEDURES

The Panel has noted with satisfaction that each of the three types of funds administered by OWRR has been utilized in ways that contribute effectively to the several objectives of the Water Resources Research Act.

The use of allotment funds under Title I shows a distribution of effort across the board with a reasonable emphasis on priority areas. There is limited opportunity for OWRR to guide the allocation of these funds to priority problems in a national sense. Allotment funds contribute primarily to the basic purpose of strengthening the overall water research effort in each State, and thus in the Nation as well.

Matching funds under Title I show a distribution among research categories reflecting the more urgent needs of the States and regions and, to a reasonable degree, the national priority items. OWRR has somewhat more flexibility in influencing the application of these funds to the more urgent needs but only to the extent there is a desire and a capability in the State to propose research conforming to the nationwide priorities.

Title II funds have been well utilized to exploit the maximum flexibility they have for providing balance to the total program and achievement of results in priority and critical areas. This type of funding offers the maximum flexibility for achieving program balance, for employing the best available talents, and for attacking critical problems. As will be evident from many of its suggestions and recomendations, the Panel favors steady augmentation of this flexible means of improving water management through research.

The specific policy and procedural comments which follow are offered in the light of the foregoing appraisal of current application of funds and the realization that additional funding will be required for effective results in many areas.

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[1] The Panel met on November 28 and 29, 1967 to review operations of the Office of Water Resources Research. The Office was represented by its Director, Roland R. Renne, and its Associate Director, E. D. Eaton. The Panel has reviewed a draft of the 1967 Annual Report of the Office, prepared pursuant to the Water Resources Research Act of 1964 as amended, and has had access also to other pertinent documents.

Allocation of Funds to Priority Problems—At this stage in its review and assignment of projects, OWRR has relied heavily on the broad research priorities identified by the Federal Council for Science and Technology and on its own identification of research subject areas requiring emphasis. This practice has resulted in notable emphasis on priority subjects in both allotment and matching fund allocations and to outstanding emphasis (80% or more) on priority items in Title II applications. At the same time, there have been many more proposals in priority areas than could be funded, particularly under Title II. Continued rejection of or inaction on proposals may discourage future interest of capable researchers. Also, application of limited funds to the best available proposals may result in too much of a "bits-and-pieces" attack on major problems.

The Panel believes that the time has come for OWRR to use its accumulated experience in these ways:

Retain the practice of encouraging all proposals under broad priority categories.

Continue to identify, but more specifically, the curently higher priority items under the broad categories.

Pinpoint a few specific research project areas for which proposals are most urgently needed.

Utilize the procedures for solicitation of proposals for research on subjects which the OWRR finds are needed but which are not being adequately provided for by response to the basic incentives and guidance inherent in the foregoing invitational procedures.

The Panel considers that solicitation of proposals on specific research projects is a highly desirable procedure at this time, particularly in the use of Title II funds which should be increased appreciably to enable this to be done. Solicited proposals can be directed towards the problems that are most urgent, toward the best qualified individuals to deal with specific problems and toward the best combinations of individuals and institutions for collaboration on a total complex problem rather than for uncoordinated efforts on its inter-related parts. Solicitation of specific proposals would encourage pooling of the best available talent and make unnecessary a large number of worthy individual proposals which have to be passed over because of lack of funds or because their small part in a total problem does not currently justify their implementation independently of related aspects.

Communication—The Panel's review and discussion of current water resources research activities provided a reminder of the breadth of concern and involvement of many interests in water resource management. This focused attention on two aspects of communication of importance in the OWRR program.

First, the Panel believes that OWRR should be able to communicate effectively with and receive reactions from the many interests its efforts serve. This is being attempted on an annual basis at the national level through the device of this special panel. The Panel is impressed with the usefulness of this procedure and concludes that there are even greater possibilities for its application at State and local levels. Two-thirds of the State institutes now have advisory committees. Some of the committees provide adequate representation for all of the academic, business, professional and other interests concerned. Others are too narrowly constituted to serve as an effective medium of exchange of ideas among all interests.

The Panel recommends that OWRR issue administrative regulations to insure that all institutes established under the Water Resources Research Act have the benefit of advisory committees representative of all of the academic, professional, business and lay interests concerned with water management. Such advisory committees could also be formed for regional or drainage basin grouping of research activities.

The second communication problem considered by the Panel concerns the comprehension of the reports and results of research by those who have the opportunity and obligation to apply new knowledge and techniques as they become available. Many research reports are couched in language that can be comprehended and interpreted by only a few specialists whereas the implications may be of concern to many of the diverse disciplines involved in water management.

The Panel recommends that OWRR seek procedures that will facilitate the comprehension of research results by those who can apply them in practice.

Regional Cooperation—The Panel urges continued effort by OWRR to encourage cooperation and collaboration on research on a regional basis. This can provide a more concerted attack on regional problems and result in more effective use of research capabilities within a region.

With regional coordination of research planning there will also be increased opportunities for multi-disciplinary and "team" approaches to complex problems and improvement in the composition of teams to include the best available capabilities for the project at hand.

RESEARCH PRIORITY CONSIDERATIONS

The Panel concurs generally in the 13 priority research subject areas developed for fiscal year 1969 by OWRR in consultation with other agencies. As stated previously, the Panel considers that identification of priority subject areas in general terms serves a useful purpose in encouraging consideration of research on all aspects of the priority subjects. However, the Panel believes that better progress and more effective use of limited funds might be attained if the more critical or more promising aspects of a generalized subject area could be singled out and more precisely delineated in order to concentrate proposals on such facets of the priority subject. Also, as previously stated, the Panel favors formulation by OWRR of specific research objectives in priority areas as a basis for solicitation of project proposals by selected individuals, institutions or teams considered best qualified to accomplish the desired results. In conjunction with the foregoing observations, the Panel offers the following comments for consideration by OWRR in determining research priorities.

Systems Analyses—The applicability of the systems analysis approach in water management has been extensively explored and the principles for its use are fairly well established. Application in practice is proceeding and is limited primarily by inadequacies of input data. These inadequacies stem from lack of knowledge about the many factors which are pertinent in comparisons of alternative ways of managing water resources. Some of these factors are identified as research problems in subsequent comments.

The Panel recommends that research proposals involving systems analysis be directed towards improvement of the adequacy and comparability of input data rather than to experimentation with application of established principles which can now be done by managers of water use programs.

Data Collection—The Panel believes that an effort should be made to determine what types and amounts of data should be accumulated and evaluated to improve decision-making in water management. We may be diligently recording and analyzing statistics that have little use in deciding on current or future water management problems while neglecting to take note of circumstances that would be valuable to planners and decision-makers.

Ecological Impact of Water Resources Development—Water planners are being confronted with demands for greater consideration of the ecological effects of their proposals. Relatively little is known as to how various water use practices affect the total environment. Case histories to develop this knowledge are urgently needed. In addition, there is a need for definition of objectives from ecological and esthetic viewpoints, and development of criteria for measuring the degree of conformance to such objectives. The Panel urges OWRR to seek every opportunity to gain knowledge in this area.

State-of-the-Art Reports—The Panel notes that analyses of the state-of-the-art in various aspects of water management have been made as part of the administrative functions of OWRR. The Panel considers that case studies and retrospective analyses may well be undertaken as research projects for this purpose.

Inter-relations of Water Planning with Other Activities—Correlation of water planning and development with possible future developments in urbanization, transportation and other activities is becoming increasingly difficult. The Panel believes it desirable to seek ways to improve such correlation through analysis and determination of the key factors that are of greatest mutual significance.

Education and Manpower—OWRR has listed clarification of future personnel needs as a priority research subject area for 1969. The Panel questions whether this is a desirable activity for OWRR and suggests cooperation with the National Science Foundation to stress to the scientific community the needs and possibilities for convertibility of talent among personnel trained in the sciences.

Measurement of Public Preferences and Amenity Values—Critical to the effectiveness of water resources planning and decision-making is knowledgeable understanding of what uses of water are desired by the public—water supply, navigation, flood and erosion damage abatement, waste disposal, recreation and enhancement of natural beauty, and fish and wildlife habitat. Because in many situations some of the potential uses of water are competitive or incompatible, correct appraisal of public preferences is essential for planning and action in a democratic society, but adequate techniques for such appraisals are not now available.

There is increasing public concern with aspects of water resources management that yield products not susceptible of valuation through marketplace pricing. The value of preserving a wild river, for example, is not measurable in monetary terms by the methods for measuring the economic returns of hydroelectric power generation; yet decisions between these two potential uses may have to sacrifice one or the other.

In view of the extent and importance of the water resource management decisions confronting the Nation, the panel recommends that OWRR strongly support research to provide improved methods for evaluation of amenity and other non-marketable water resource management functions, and for appraisal of public preferences among the several potential water uses in various situations.

SUMMARY AND RECOMMENDATIONS

The Panel finds that impressive progress has been made toward the objectives of the Water Resources Research Act through the program administered by OWRR.

There is already tangible evidence that the program has improved training of students, has enhanced State and regional research competence, has moved toward better balance in water research, and has focused on areas of critical need.

The Panel believes that the progress thus far and the needs of the future justify and demand the appropriation of the full amounts authorized in the Water Resources Research Act.

The Panel's comments are generally in support of discernible trends of current activities of OWRR. The following specific recommendations are offered to provide for additional emphasis and improvement rather than re-direction or drastic change.

1. Acquisition and dissemination of technical information being initiated by OWRR through its Water Resources Scientific Information Center (WRSIC) is of extreme importance, and its implementation needs and reserves substantial acceleration and expansion. Fully effective WRSIC operation, including the following recommended actions, requires allocation of enlarged funding of the information system so as to permit:

(a) Immediate emphasis on the establishment of the basic bibliographic and information bank to provide capability to respond to technical information needs.

(b) Focus on provision of "search and browse" service.

(c) As soon as the capability of the data bank permits, institution of specialized bibliography and state-of-the-art services in subject areas of priority concern.

(d) Ancillary development of a "current awareness" service to the extent compatible with the foregoing recommendations.

2. For improvement of the already commendably effective OWRR program administration, the Panel recommends:

(a) In order to secure increased research effectiveness in aiding solution of priority problems, OWRR should:

Retain the practice of encouraging all proposals under broad priority categories.

Continue to identify, but more specifically, the currently higher priority items under the broad categories.

Pinpoint a few specific research project areas for which proposals are most urgently needed.

Utilize the procedures for solicitation of proposals for research on subjects which the OWRR finds are needed but which are not being adequately provided for by response to the basic incentives and guidance inherent in the foregoing invitational procedures.

(b) In order to improve communication between water research scientists and the many interests in water resources management, OWRR should:

Assure that all of the institutes supported pursuant to the Act have the benefit of advisory committees representative of all the academic, professional, business and lay interests concerned with water management.

Encourage activities that will facilitate the comprehension of research results by those who can apply them in practice.

(c) To provide more concerted attack on regional problems and to secure more effective utilization of research capabilities within a region, OWRR should continue to encourage cooperation and collaboration in research on a regional basis.

3. To further strengthen the effectiveness of OWRR support of research on high priority problems, the Panel recommends that:

(a) Research proposals involving systems analysis be directed toward improvement of the adequacy and comparability of input data rather than experimentation with application of established principles which can now be done by managers of water use programs.

(b) Research be undertaken to determine what types and amounts of data should be accumulated and evaluated to improve decision making in water management.

(c) Case histories and other types of research be emphasized to develop improved understanding of the ecological effects of water resource developments.

(d) State-of-the-art reports and similar retrospective analyses be recognized as eligible for support through OWRR research as well as administrative funding.

(e) Research be encouraged to aid correlation of water planning and development with future developments in urbanization, transportation, and like activities, especially through analysis and identification of the key factors that are of greatest mutual significance.

(f) Clarification of training and manpower needs be sought through collaboration with the National Science Foundation.

(g) Increased attention be given to research on improved methods for evaluation of amenity and other non-marketable water management functions, and for appraisal of public preferences among the several potential water uses.

SPECIAL ADVISORY PANEL

Mr. Ivan Bloch, Ivan Bloch & Associates, 220 S. W. Alder Street, Portland, Oregon 97204.

Mrs. Ruth L. Clusen, 820 Allouez Terrace, Green Bay, Wisconsin 54301.

Dr. Joseph Feldmeier, Director, Franklin Institute Research Laboratories, Benjamin Franklin Parkway, Philadelphia, Pennsylvania 19103.

Mr. Martin Goland, President, Southwest Research Institute, 8500 Culebera Road, San Antonio, Texas 78206.

Dr. H. Garland Hershey, Director and State Geologist, Iowa Geological Survey, 16 West Jefferson Street, Iowa City, Iowa 52240.

Mr. Thomas L. Kimball, Executive Director, National Wildlife Federation, 1412 16th Street NW., Washington, D.C. 20036.

Dr. Earl F. Murphy, Professor of Law, Temple University, Philadelphia, Pennsylvania 19122.

Mr. Eugene W. Weber, Commissioner, International Joint Commission, Apartment 604–S, 2500 Virginia Avenue NW., Washington, D.C. 20036.

Dr. M. Gordon Wolman, Chairman, The Isaiah Bowman Department of Geography, The Johns Hopkins University, Latrobe Hall, Baltimore, Maryland 21218.

DISCLOSURE OF FINANCIAL INTERESTS OF SENATOR CLARK

Mr. CLARK. Mr. President, for the last several years I have disclosed my financial interests in accordance with a proposed rule XLVII—Disclosure of Financial Interests—which I ask unanimous consent to have printed in the RECORD.

"RULE XLVII

"Disclosure of financial interests

"1. Each individual who at at any time during any calendar year serves as a Member of the Senate, or as an officer or employee of the Senate compensated at a gross rate in excess of $10,000 per annum, shall file with the Secretary of the Senate for that calendar year a written report containing the following information:

"(a) The fair market value of each asset having a fair market value of $5,000 or more held by him or by his spouse or by him and his spouse jointly, exclusive of any dwelling occupied as a residence by him or by members of his immediate family, at the end of that calendar year;

"(b) The amount of each liability in excess of $5,000 owed by him or by his spouse, or by him and his spouse jointly at the end of that calendar year;

"(c) The total amount of all capital gains realized, and the source and amount of each capital gain realized in any amount exceeding $5,000, during that calendar year by him or by his spouse, by him and his spouse jointly, or by any person acting on behalf or pursuant to the direction of him or his spouse, or him and his spouse jointly, as a result of any transaction or series of related transactions in securities or commodities, or any purchase or sale of real property or any interest therein other than a dwelling occupied as a residence by him or by members of his immediate family;

"(d) The source and amount of each item of income, each item of reimbursement for any expenditure, and each gift or aggregate of gifts from one source (other than gifts received from any relative or his spouse) received by or accruing to him, his spouse, or from him and his spouse jointly from any source other than the United States during that calendar year, which exceeds $100 in amount or value; including any fee or other honorarium received by him for or in connection with the preparation or delivery of any speech or address, attendance at any convention or other assembly of individuals, or the preparation of any article or other composition for publication, and the monetary value of subsistence, entertainment, travel, or other facilities received by him in kind;

"(e) The name and address of any professional firm which engages in practice before any department, agency, or instrumentality of the United States in which he has a financial interest; and the name, address, and a brief description of the principal business of any client of such firm for whom any services involving representation before any department, agency, or instrumentality of the United States which were performed during that calendar year, together with a brief description of the services performed, and the total fees received or receivable by the firm as compensation for such services;

"(f) The name, address, and nature of the principal business or activity of each business or financial entity or enterprise with which he was associated at any time during that calendar year as an officer, director, or partner, or in any other managerial capacity.

"2. Each asset consisting of an interest in a business or financial entity or enterprise which is subject to disclosure under paragraph 1 shall be identified in each report made pursuant to that paragraph by a statement of the name of such entity or enterprise, the location of its principal office, and the nature of the business or activity in which it is principally engaged or with which it is principally concerned, except that an asset which is a security traded on any securities exchange subject to supervision by the Securities and Exchange Commission of the United States may be identified by a full and complete description of the security and the name of the issuer thereof. Each liability which is subject to disclosure under paragraph 1 shall be identified in each report made pursuant to that paragraph by a statement of the name and the address of the creditor to whom the obligation of such liability is owed.

"3. Except as otherwise hereinafter provided, each individual who is required by paragraph 1 to file a report for any calendar year shall file such report with the Secretary of the Senate not later than January 31 of the next following calendar year. No such report shall be required to be made for any calendar year beginning before January 1, 1964. The requirements of this rule shall apply only with respect to individuals who are Members of the Senate or officers or employees of the Senate on or after the date of adoption of this rule. Any individual who ceases to serve as a Member of the Senate or as an officer or employee of the Senate, before the close of any calendar year shall file such report on the last day of such service, or on such date not more than three months thereafter as the Secretary of the Senate may prescribe, and the report so made shall be made for that portion of the calendar year during which such individual so served. Whenever there is on file with the Secretary of the Senate a report made by any individual in compliance with paragraph 1 for any calendar year, the Secretary may accept from that individual for any succeeding calendar year, in lieu of the report required by paragraph 1, a certificate containing an accurate recitation of the changes in such report which are required for compliance with the provisions of paragraph 1 for that succeeding calendar year, or a statement to the effect that no change in such report is required for compliance with the provisions of para- made for that portion of that calendar year

"4. Reports and certificates filed under this rule shall be made upon forms which shall be prepared and provided by the Secretary of the Senate, and shall be made in such manner and detail as he shall prescribe. The Secretary may provide for the grouping within such reports and certificate of items which are required by paragraph 1 to be disclosed whenever he determines that separate itemization thereof is not feasible or is not required for accurate disclosure with respect to such items. Reports and certificates filed under this rule shall be retained by the Secretary as public records for not less than six years after the close of the calendar year for which they are made, and while so retained shall be available for inspection by members of the public under such reasonable regulations as the Secretary shall prescribe.

"5. As used in this rule—

"(a) The term 'asset' includes any beneficial interest held or possessed directly or indirectly in any business or financial entity or enterprise, or in any security or evidence of indebtedness, but does not include any interest in any organization described in section 501(c)(3) of the Internal Revenue Code of 1954 which is exempt from taxation under section 501(a) of such Code;

"(b) The term 'liability' includes any liability of any trust in which a beneficial interest is held or possessed directly or indirectly;

"(c) The term 'income' means gross income as defined by section 61 of the Internal Revenue Code of 1954.

"(d) The term 'security' means any security as defined by section 2 of the Securities Act of 1933, as amended (15 U.S.C. 77b).

"(e) The term 'commodity' means any commodity as defined by section 2 of the Commodity Exchange Act, as amended (7 U.S.C. 2).

"(f) The term 'dealing in securities or commodities' means any acquisition, transfer, disposition, or other transaction involving any security or commodity.

"(g) The term 'officer or employee of the Senate' means (1) an elected officer of the Senate who is not a Member of the Senate, (2) an employee of the Senate or any committee or subcommittee of the Senate, (3) the Legislative Counsel of the Senate and employees of his office, (4) an Official Reporter of Debates of the Senate and any person employed by the Official Reporters of Debates of the Senate in connection with the performance of their official duties, (5) a member of the Capitol Police force whose compensation is disbursed by the Secretary of the Senate, (6) an employee of the Vice President if such employee's compensation is disbursed by the Secretary of the Senate, (7) an employee of a Member of the Senate if such employee's compensation is disbursed by the Secretary of the Senate, and (8) an employee of a joint committee of the Congress whose compensation is disbursed by the Secretary of the Senate.

Mr. CLARK. Mr. President, I now ask unanimous consent that a statement of my financial interests for the calendar year 1966 be printed in the RECORD at this point. Upon the filing of my income tax for 1967, on or about April 15, 1968, I shall make a disclosure for the current calendar year, which will reflect changes in my financial conditions which occurred after January 1, 1967.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

DISCLOSURE OF FINANCIAL INTERESTS OF SENATOR JOSEPH S. CLARK, DEMOCRAT, OF PENNSYLVANIA

(a) The fair market value of each asset owned by me as at December 31, 1966, was:

100 shares American Bakeries Co. 5 percent CV. Pfd. Stock	$8,000.00
300 shares Chrysler Corp. Common	9,225.00
314 shares Armstrong Cork Common	14,994.00
98 shares International Business Machine Common	36,407.00
121 shares Rohm & Haas Common	11,072.00
600 shares Massey-Ferguson Ltd. Common	12,672.00
490 shares First Penna. Banking & Trust Co. Common	14,700.00
126 shares Pepsico, Inc. Common	9,041.00
150 shares Insurance Co. of North America Common	12,938.00
400 shares Pabst Brewing Co. Common	14,132.00
400 shares International Paper Co. Common	10,152.00
330 shares American Optical Common	24,545.00
525 shares Western Publishing Co. Common	11,025.00
800 shares Avery Island Inc. Capital Stock	40,000.00
50 shares Modern Community Developers, Inc.	1,200.00
10,000 James Talcott CV. Capital Notes 5 percent due 12/1/79	8,450.00
15,000 Reynolds Metals Co. Conv. 4½ percent, due 3/1/91	15,525.00
15,000 Allegheny Co. Pa. 3⅝ percent due 7/1/69	14,780.00
10,000 Lebanon Pa. 3.30 percent due 6/1/73	9,606.00
10,000 Penna Highway & Bridge Auth. 3½ percent due 2/15/77	9,627.00
25,000 Phila., Pa. 3½ percent due 11/1/82	22,935.00
15,000 Cumberland Co. Pa. 3¼ percent due 11/1/86	13,469.00
25,000 State Pub. School 3¼ percent due 11/1/86	21,518.00
10,000 Phila., Pa. 3¼ percent due 7/1/87	8,578.00
25,000 Penna Turnpike Rev. Bond 3.10 percent due 6/1/93	22,483.00
15,000 New Kensington, Pa. S.D. Auth. 3.05 percent due 4/1/95	11,055.00
22,000 U.S. Treas. Bills due 2/2/67	21,903.00
12,000 U.S. Treas. Bills due 2/23/67	11,914.00
Penn Mutual Life Insurance Co., paid-up policy	15,000.00
Provident Mutual Life Ins. Co., 2 paid-up policies	56,015.31
Share of mineral rights under royalty lease with Humble Oil & Refining Co., at Avery Island, La.	[1] 284,838.82
Savings account	5,651.84
Cash and checking accounts	22,779.43

(b) The fair market value of each asset owned by my spouse as at December 31, 1966, was:

200 shares Air Products & Chemicals	$6,450.00
534 shares American Telephone & Telegraph	29,370.00
170 shares General Electric	15,045.00
296 shares General Motors	19,499.00
160 shares Howard Johnson Co.	5,760.00
21 shares International Business Machines	7,791.00
191 shares International Paper Co	$4,775.00
207 shares Jewel Tea	5,485.50
164 shares National Dairy Products Co	5,535.00
200 shares Philadelphia Electric Co.	6,325.00
600 shares Smith, Kline & French	30,975.00
475 shares Standard Oil of California	28,559.37
600 shares Sterling Drug Co	23,700.00
150 shares Texas Gulf Sulphur	15,862.50
5,000 City of Bethlehem, Pa., Counties of Northampton and Lehigh School Dist. 2.70 percent Imp. Bond	5,000.00
5,000 County of Allegheny, Pa. Peoples Airport Bond, Series 9–C 2½ percent	5,000.00
5,000 Pa. State Public School Bldg. Authority 4¼ percent	5,000.00

(c) Neither my spouse nor I owe liabilities, jointly or severally, in excess of $5,000.

(d) My spouse realized total net capital gains of $16,957.48, in 1966. I realized no total net capital gains in 1966.

(e) The source and amount of items of income received or accrued to me from sources other than the United States, which exceed $100 in amount or value were:

Allis Chalmers	$281.25
American Bakeries	500.00
American Optical	403.14
Armstrong Cork	443.45
Avery Island, Inc	5,600.00
Chrysler Corp	600.00
1st Penna. Banking & Trust Co	695.80
Insurance Company of North America	360.00
International Business Machines	413.50
International Paper Co	135.00
Massey Ferguson Ltd	517.50
Pabst Brewing Co	300.00
Parke Davis Co	580.00
Penn Mutual Life Ins. Co	129.60
Pepsico	320.00
Rohm & Haas	185.60
Vulcan Materials	349.75
Western Publishing Co	468.00
Trust for Thelma Spencer, Residual income	152.76
Humble Oil & Refining Co., Oil and gas royalties, lease and rent	[2] 81,382.52
Allegheny County 3⅝ percent Bonds	543.75
City of Lebanon, Pa., 3.30 percent Bonds	330.00
City of Phila. 3¼ percent Bonds	325.00
City of Phila. 3½ percent Bonds	875.00
Cumberland Co. Inst. 3¼ percent Bonds	487.50
New Kensington S.D. Auth. 3.05 percent Bonds	457.50
Penna. Public School 3½ percent Bonds	812.50
Penna. Turnpike Rev. Bond 3.10 percent	775.00
State Highway & Bridge 3½ percent Bonds	350.00
James Talcott Inc. 5 percent Cap. Note	500.00
Phila. Saving Fund Society—Int. on account	311.90
Reynolds Metals Co. Conv. 4½ percent	337.50

(f) The source and amount of items of income received or accrued to my spouse from sources other than the United States, which exceed $100 in amount or value were:

American Telephone & Telegraph Co	$1,174.80
General Electric Co	442.00

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[1] Market value computed at 3½ times annual income, which may be conservative. However, because of depletion in the field, the monthly royalties are currently running 20 percent less than last year.

[2] Income from this source has been steadily declining for the last 5 years as the field was brought in in 1945 and is being steadily depleted.

General Motors Corp	$1,346.80
International Business Machines	86.60
International Paper Co	236.36
Jewel Companies, Inc	248.40
National Dairy Products Corp	229.60
Phila. Electric Co	296.00
Smith Kline & French Laboratories	1,200.00
Standard Oil of Calif	643.76
Standard Oil of Calif. Pfd	495.00
Sterling Drug, Inc	495.00
Allegheny County 2½ Percent Bonds	125.00
City of Bethlehem 2.70 Percent Bonds	135.00
Penna. Public School 4¼ Percent	212.50
Philadelphia Saving Fund Society, Interest on account	138.36

I was reimbursed for various expenditures incurred in connection with trips made by me during the year to various meetings at institutions and elsewhere, where I had been invited to speak. My spouse received no such reimbursement.

The only reimbursement I received which exceeded $100 was for expenses to Chicago for a speech for the University of Chicago in the amount of $101.80.

Net fees and other honoraria received by me during the year were as follows:

Muhlenberg College Student Council, Allentown, Pa	$100.00
Californians for Liberal Representation, Los Angeles, Calif., Kefauver Award	1,000.00
University of Chicago, Chicago, Ill.	300.00
Haverford College, Haverford, Pa.	850.00
Brookings Institute, Washington, D.C	150.00
University of Pennsylvania, Phila., Pa.—ORBIS article	150.00
Saturday Review, 380 Madison Ave., N.Y.—Editorial	150.00
Hadassah, 65 E. 52nd St., New York—Article	150.00
Educational Foundation for Nuclear Science, Inc., Bulletin of the Atomic Scientists—Article	50.00
Harper & Row, 49 E. 33 St., N.Y.—Royalties on "Congress: The Sapless Branch"	134.80
Hill & Wang, Inc., 141 Fifth Ave., N.Y.—Royalties on "The Establishment"	132.26
Thos. Y. Crowell Co., 201 Park Ave., N.Y.—Royalties on "Congressional Reform: The Problems & Prospects"	457.74

(h) I am not connected with any professional firm engaged in practicing before any instrumentality of the United States.

(i) I am neither an officer, director or partner of any business or financial entity other than Avery Island, Inc., a family corporation, whose principal place of business is at Avery Island, Louisiana, which is engaged in collecting rents and royalties, paying the expenses of upkeep of its property and distributing the balance in dividends to its shareholders, of whom I am one.

(j) Neither my wife nor I received gifts valued at more than $100 from any individual or corporation.

STRONG CASE FOR RATIFICATION OF FORCED LABOR TREATY

Mr. PROXMIRE. Mr. President, I am at a loss to understand why the Senate has failed to ratify the Convention Concerning the Abolition of Forced Labor. The case for the ratification of all the Human Rights Conventions is strong but the case for ratification of the forced labor treaty is beyond dispute.

Mr. President, this convention is a direct outgrowth of a letter sent in 1947 by the Abolition of Forced Labor to the United Nations. This letter expressed the concern of the American workingman for the welfare of his fellow workers around the world. "To give further consideration to the problem of forced labor and its nature and extent in the light of all possible information" was a part of the request the American Federation of Labor made to the Economic and Social Council of the United Nations. U.S. representatives were active in the discussions from this point until 1957, when the Convention Concerning the Abolition of Forced Labor was adopted. It is my belief that the Senate should complete the task begun by labor and should ratify the Convention Concerning the Abolition of Forced Labor.

There may be some who feel this is all well and good but who raise the question of constitutionality. After all, the convention contains a provision outlawing forced labor as a punishment for participation in strikes. Is this not dealing with an area reserved for State regulation? No. As Secretary of Labor Wirtz has said:

> Just as there is neither Federal nor State power validly to impose forced labor as a punishment for holding and discussing political views in a lawful manner, by reason of the Federal Constitution, there is neither Federal nor State power validly to impose forced labor as a punishment for a legal strike.

In other words, the Convention Concerning the Abolition of Forced Labor demands nothing more than guaranteed under the 13th amendment to the Constitution.

Finally, there are those who cynically suppose that conventions such as these do no good. I direct such men to the list of the countries which have ratified this treaty. The name of the Soviet Union will not be found on this list. Of course not, for the Soviets have for years been operating forced labor camps.

Tragically, the name of the United States along with that of the Soviet Union is absent from the list of nations which have ratified this treaty. Mr. President, we know why the Soviet Union cannot ratify this convention. But there is no good reason why the United States cannot. Let us take that course of action. Let us ratify the treaty on forced labor now.

THE RIGHT TO DISSENT

Mr. McINTYRE. Mr. President, much has been said and much has been written recently about the form and the quality of dissent. The right to express disagreement with the policies of government is a keystone in the structure of our democracy. Like all Members of this body, I believe in it, I support it, and I would oppose any abridgement of it.

In the past year, nevertheless, we have seen flagrant abuse of this freedom. In the name of dissent we have witnessed violence, destruction, arson, and murder. We have seen organized attempts to disrupt the normal processes of government. We have seen attempts to stifle the free expression of viewpoint by eminent officials of our Government. These actions do nothing to enhance the causes of those who use them. Rather they are self-destructive.

The difference between the right to dissent and the abuse of that right was magnificently expressed by the Senator from Hawaii [Mr. INOUYE] in an address before the students of the University of Hawaii on December 12. The report of that talk was published in the Honolulu Advertiser the following day. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Honolulu Advertiser, Dec. 13, 1967]

DISSENT, BUT DO IT WISELY, INOUYE SAYS

(By Jane Evinger)

U.S. Sen. Daniel K. Inouye yesterday told University of Hawaii students that "dissent is the lifeblood of a free society."

But he warned that when dissent is expressed by methods which are illegal, unreasonable or in poor taste, not only the individual, but usually his cause, is harmed.

Inouye spoke at a noon meeting in Hemenway Hall sponsored by the Hemenway Activities Council, which invited him to discuss "The Role of Dissent in Policy-Making."

Inouye said that "if I could select but one requirement for this University to perform, it would be to train students to dissent; to form habits of dissent, to teach how to dissent with skill and insight, but always to dissent wisely.

"In a democracy, dissent has become the principal tool for insuring that differing and often clashing points of view shall be heard and tested. It is the instrument by which compromises can be hammered out."

But he warned:

"While some modes of dissent have social and legal sanction, some do not. And when the taboos are violated, society generally retaliates by punishment. Always the individual is harmed—and with him, usually his cause.

"This is not to say that all of our laws, all of our conventions are just.

"But I do say that we have the instruments by which dissent can be expressed in a constructive manner.

"The man who gets into a fist-fight over a difference of opinion and the person who burns a draft card all have one thing in common—they have 'opted out' of discussion and debate.

In so doing, they reverted to a lower form of behavior for solving human problems. It is in the field of talk that decisions ultimately will be made once the bloodletting and sound of fury subside."

Inouye said he realizes that "rash acts during a demonstration create a rallying point for those who hold the same opinion.

"But these benefits must be balanced against the adverse reactions of the opposition, and against the dismay of good men of reason everywhere who, though they be friends, still fear the consequences of rash deviations from legal modes of dissent."

He said that "modes of dissent that are outside the law just are not practical. The recent riots and the wild orations by Stokely Carmichael and H. Rap Brown (Negro "Black Power" advocates) failed to add to the cause of civil rights, they just stiffened the opposition."

Inouye said that the 1963 March on Washington—a mass demonstration in which there was "not a single incidence of civil disobedience"—was "the most successful blow struck for civil rights."

In contrast, he said, the effect of riots on legislation has been appropriations for riot training in the National Guard and discussions of such things as high-frequency sound devices which disperse crowds and slippery substances which can be sprayed on the pavement so that rioters cannot stand.

Inouye said that "no one denies the Negro has cause for the most bitter hatreds. It is true he needs to become more aggressive and even militant in a political sense.

"It also is true that his right should be coming to him even when he misbehaves, when he ceases being a 'good Negro.' Nevertheless, the facts of life are that if the Rap Browns prevail in this movement, we will surely be in for racial violence for many decades to come."

He urged the students to "channel your dissent wisely" and to follow the example of "one of the greatest dissenters of the 20th Century," Norman Thomas.

Thomas, Inouye said, opposed the Administration's Vietnam policies, yet said "I don't like the sight of young people burning the flag of my country, the country I love."

Inouye continued, "If young people wanted a symbol of dissent, Thomas suggested they wash the flag instead of burning it."

He noted that many of Thomas' proposals for social reforms—such as unemployment insurance, minimum wage laws, and abolition of child labor—have been enacted into law, although Thomas never held a public office in the United States.

"In all the years of his life," Inouye said, "Norman Thomas never burned an American flag. He never threw eggs at a secretary of state, and he never advocated that American servicemen shoot their officers.

"Norman Thomas advocated many causes, but he advocated them from the rostrum, exercising his constitutional rights as an American citizen."

Inouye told the students:

"This generation of college students has a passion for a better life for all, unlike that of any other generation in our history. Your scope is wider and deeper. I do not criticize your impatience at tasks yet undone. I have only delight in it.

"But I should not want you to waste your idealism and blemish your objectives by ill-conceived and fruitless endeavors. In the forum, through community organizations, at the ballot box, there exist already the means by which your dissent can be made to bear good fruit. I wish all of you well."

THE EARL COE AWARD TO SENATOR MAGNUSON

Mr. JACKSON. Mr. President, my colleague, the senior Senator from Washington [Mr. MAGNUSON], has received the highest honor for public service presented by the Washington Public Utility Districts' Association, the Earl Coe Award. This is worthy recognition of Senator MAGNUSON's outstanding record of leadership and achievement in the conservation and development of the natural resources of the State of Washington, the Pacific Northwest, and the Nation.

I ask unanimous consent that the article published in the December 7, 1967, issue of the Public Power News, the newsletter of the Washington Public Utility Districts' Association, describing the presentation of this award to Senator MAGNUSON, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENIOR SENATOR HONORED: MAGNUSON RECEIVES THE EARL COE AWARD

Senator Warren G. Magnuson has been selected by the Washington Public Utility Districts' Association to receive its highest public service honor—the coveted "Earl Coe Award."

This honor is bestowed only upon demonstration of outstanding leadership in the fields of conservation and development of the power and water resources of the State of Washington and the nation.

Senator Magnuson is the unanimous choice of the P.U.D. Board of Directors, based upon recommendations of the executive Committee, to be the recipient of this award, it was announced by Gerald C. Fenton, president of the P.U.D. Association.

"The many acomplishments of Washington's Senior Senator in the conservation and development of the power and water resources not only of this area but of the nation are becoming legendary," Fenton said. "An endless list can be cited of his valiant efforts on the floor of the United States Senate, and of his work with Congressional committees and Federal agencies, in promoting and securing water and power projects."

The 7th ranking Senator in the United States, Senator Magnuson quietly but effectively wields tremendous power in the nation's capitol. "Magnie," as he affectionately is known among his colleagues and friends, is credited with being influential in obtaining the chain of dams along the Snake and Columbia Rivers that mean so much to the low-cost power supply of the Northwest. And credit, too, is attributed to the Senior Senator for the various power interties, and for the water conservation projects that are so important to future requirements of the Northwest.

HISTORY OF THE EARL COE AWARD

The "Earl Coe Award" is a meritorious distinguished service award extended by the Washington Public Utility Districts' Association in public recognition to a person who has demonstrated outstanding leadership in the fields of conservation and development of the power and water resources of Washington and the nation.

The award, in the name of the former Director of Conservation of the State of Washington, is made after consideration and approval by the Board of Directors of the Washington P.U.D. Association. Action by the Board of Directors is based upon recommendations submitted by the P.U.D. Association Executive Committee. Presentation is in the form of a suitably inscribed plaque.

Coe had vision

The establishment of the "Earl Coe Award" is based on the personal life and official public service of the late Mr. Earl Coe. Earl Coe demonstrated great foresight, courage and sincerity in the conservation and use of the Pacific Northwest's water and power resources.

For example, he was one of the first State officials to take a position in favor of extra-high voltage transmission lines between the Pacific Northwest and the Pacific Southwest. He authorized engineering studies to foster such inter-regional tielines.

Coe spoke out

Next, it was his voice which spoke out first to promote the non-Federal public construction of the Hanford Nuclear Steam Plant when it was turned down as a Federal project.

His first official duty as State Director of Conservation was to sign the order authorizing the formation of the Washington Public Power Supply System, the first Joint Operating Agency, established by sixteen Public Utility Districts for the purpose of joint construction and ownership of generating properties.

He was constantly in the forefront promoting the use of the coal reserves of the State of Washington for the purpose of steam-electric generation.

In addition, as Director of Conservation, he gave leadership in the all-important program of pollution control of our water resources.

All these make the adoption of an "Earl Coe Award" a significant and a high honor to be bestowed upon individuals concerned with water conservation and power development.

TEXT OF THE EARL COE AWARD

Dedicated to outstanding leadership in the conservation and development of the power and water resources of the State of Washington and the nation.

"Vision is a gift. Courage is an attribute. Each is to be highly prized. You have both and have used them in dedicated public service. We salute you."

Presented to: WARREN G. MAGNUSON, *United States Senator*, by the Washington Public Utility Districts' Association December 7, 1967.

SIGNS OF A RETURN TO ISOLATIONISM

Mr. McGEE. Mr. President, Joseph Alsop, in the December 16 issue of the Saturday Evening Post, recalls the dream of an Atlantic community, of growing worldwide harmony, which was with us just a few short years ago. He sees today a reaction toward sullen self-centered nationalism—not only here in America, but abroad as well. The world, he fears, and that includes America, is turning back to the type of spirit, the type of design, which resulted in two previous world wars. He calls it isolationism.

All the signs indicate that isolationism is, indeed, on the upswing in this country and in Congress. How this can be when we know with historical certainty where a world of divided, isolationist nations will end, is beyond me, as I think it is beyond Mr. Alsop. I ask unanimous consent that his column "The Pity of It" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE PITY OF IT

(By Stewart Alsop)

WASHINGTON.—The time was July 4, 1962, on a sunny morning. The place was Independence Square, in Philadelphia. With the old red brick of Independence Hall as a background, the young President of the United States rose to address a big, enthusiastic audience, crowded into the square.

The President began his short speech by movingly recalling the Declaration of Independence—"the testament handed down by those gathered in this historic hall one hundred and eighty-six years ago today." Then he turned to the present, and spoke of how "the nations of Western Europe . . . are today joining together, seeking, as our forefathers sought, to find freedom in diversity and in unity, strength."

He spoke then of the future. "The United States looks on this vast new enterprise with hope and admiration. . . . We see in such a Europe a partner with whom we can deal on a basis of full equality . . . . I will say here and now, on this Day of Independence, that the United States will be ready for a Declaration of Interdependence, that we will be prepared to discuss with a United Europe the ways and means of forming a concrete Atlantic partnership . . . . All this will not be finished in a year, but let the world know it is our goal."

There is a sadness in reading those words now, less than six years later—a sadness that recalls Othello's words, before he murdered Desdemona, the wife he loved: "O Iago, the pity of it, Iago!" The sadness is partly human. The President who spoke on that bright day in Philadelphia—one can see in the mind's eye the strong, graceful figure, and the summer sun on the bushy hair—is dead. But there is a larger sadness as well. For President Kennedy's "Grand Design" for a "concrete Atlantic partnership" is dead too—as dead as Desdemona or John Kennedy.

The "Grand Design" seems now, in retrospect, an idle dream. It did not seem a dream only six years ago. In those days, serious, practical and well-informed men on both sides of the Atlantic believed that a new kind of Western World was growing up out of the ashes of the Second War.

This new kind of world would see a Europe that had found "freedom in diversity and in unity, strength." Britain would join the Common Market, and out of the Common Market would emerge a new federal European system—a true United Europe.

This United Europe would, in turn, join in a "concrete Atlantic partnership"—economic, military and political—with the United States. Thus would be formed what Walter Lippmann called at the time "an Atlantic Community . . . a great and secure center of power and wealth, of light and leading."

This "Atlantic Community" was "the shore dimly seen." It was the "goal" of American power and policy when Kennedy spoke his stirring words, in that distant time less than six years ago. Now the shore is not seen at all, even dimly. Instead, another kind of shore is dimly seen, a shore on which civilization may one day be wrecked.

Britain is not in the Common Market. NATO, the cornerstone of the Western alliance, is a farce. Instead of the United Europe that Kennedy foresaw, there is emerging what Gen. Charles de Gaulle calls *"l'Europe des nations,"* and this Europe of nations is not unlike the divided, nationalist Europe of the prewar era.

There is no "concrete Atlantic partnership." Washington and Paris are hardly on speaking terms any more. Even the relationship between Washington and London, once so intimate, is now cool and distant, while the signs and portents multiply of a deep and growing impulse in this country to return to a latter-day version of the old American isolationism.

These signs and portents are many and various. Some are large and obvious, like the growing resistance to any sort of foreign aid at all. This year's foreign-aid program was extracted from a reluctant Congress with great difficulty, and there are experienced congressional observers who predict that this year's program will be the last. Thus the combination of generous impulse and enlightened self-interest that gave birth to the Marshall Plan is almost wholly dissipated.

Generosity and enlightened self-interest have been replaced by attitudes strikingly similar to those which produced the ultra-isolationist and wholly disastrous Smoot-Hawley tariff act of the 1930's. As this is written, 90 out of 100 senators are sponsoring protectionist legislation of one sort or another. As the Washington *Post* has pointed out, the ever-more-powerful protectionist lobby is pushing legislation that "would bring world trade to a halt by imposing import quotas on everything from steel to strawberries."

There are plenty of other signs of the rebirth of American isolationism. General de Gaulle has done everything he can—which is a lot—to nurture this rebirth. He has been enormously helped by the war in Vietnam. The war has alienated Europe from the United States. It has also alienated the United States from Europe. For to many Americans the spectacle of the Europeans, self-righteously lecturing this country about our sins in Vietnam, refusing to lift a finger to help in our time of trouble, while confidently expecting the United States to risk its national existence to protect Europe, is intolerably infuriating.

Those who, like Walter Lippmann, advocate abandoning Vietnam and withdrawing American power wholly from Asia, overlook the obverse of that coin. It is as difficult to be half isolationist as it is to be half pregnant.

Anyone who tests the temper of Congress these days can confirm that is so. "I guess we'll see this one through because we can't help it," says one midwestern Congressman. "But never again. And that goes for de Gaulle and all the rest of them." He speaks for many of his colleagues.

There are many factors, other than Vietnam and de Gaulle, that have promoted a rebirth of American isolationism. But perhaps the most powerful factor of all was Lee Harvey Oswald's bullet. For the bullet that tore through John Kennedy's head seems to have torn something vital out of this country's soul, eroding both our idealism and our self-confidence, turning the country in angrily upon itself.

In any case, the Grand Design of Kennedy's day has been replaced with a design that is not so grand—a sullenly self-centered and nationalist United States, isolated from a sullenly self-centered and nationalist Western Europe. It is not at all a pretty design, for it is very like the design that produced two world wars.

WORLD LEPROSY DAY

Mr. HILL. The decision of the eminent Cardinal Leger, of Canada, to become "a simple priest" among the victims of leprosy serves to remind us that we will celebrate the 15th annual World Leprosy Day on January 28, 1968.

This day was originated in 1954 by Count Raoul Follereau, of Paris, founder of the Order of Charity. The occasion is observed in more than 100 countries to dramatize the needs of leprosy victims and potential victims, the need for stepped-up research toward the discovery of methods of prevention, the need for vastly expanded medical services, and the crucial need for enlightenment on the part of the public.

World Leprosy Day spokesmen emphasize that fear and prejudice sometimes deny a useful place in society to leprosy victims, who often are able and anxious to work and who have been treated to the point of noninfectivity. Early treatment can arrest the disease in most cases, and corrective surgery can ameliorate deformities in advanced cases. Leprosy is no more a curse from God than is cancer or tuberculosis—nor is it any more "unclean."

The disease occurs worldwide. Although the greatest number of cases by far exist in Asia, Africa, and South America, more than 2,000 cases are registered in this country. Stepped-up diagnostic efforts in Texas now produce rising infection statistics, the Texas Department of Health reports.

Concerned Americans can be very proud of two distinguished women who have led in the movement to assist the victims of leprosy worldwide and to inform the public about the facts of leprosy.

Mrs. Arthur J. Goldberg, wife of the U.S. Ambassador to the United Nations, serves as the honorary chairman of a national committee to promote the 15th annual observance of World Leprosy Day on Sunday, January 28.

Leona Baumgartner, M.D., Ph. D., president of the American Association for World Health and the first women Assistant Secretary of State, serves as the chairman.

The World Leprosy Day committee consists of representatives of the American Leprosy Missions, a primarily Protestant group; the Damien-Dutton Society, a primarily Catholic group; and the Leonard Wood Memorial, a nondenominational scientific organization to research a cure for leprosy. The committee was formed to stimulate observance of World Leprosy Day as a means of bringing to the attention of the public the urgency of helping leprosy sufferers and the urgency of promoting efforts to find a preventive.

I am honored to be among the sponsors of World Leprosy Day. I ask unanimous consent that some information concerning leprosy be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

An Appeal for the 15th World Day for the Leprosy Sufferers, January 28, 1968, by Its Founder, Raoul Follereau

Fifteen years! Already fifteen years have flown by since I founded the World Day for the Leprosy Sufferers, that once again we are going to celebrate together.

Fifteen years is a big slice of a man's life, especially when it is in its evening, like mine . . .

It was an attempt to set free fifteen million men and women who were the prisoners of our fear—excommunicated by our cowardice: to give back the likeness of men and women to 15 million people: to make of them today patients like any others, and tomorrow, when cured, men and women just like any others.

At first I was not sure of being quite understood. "There have always been sufferers from leprosy, and so there always will be"—it was as simple, clear, and definite as that. The best of my well-wishers said, with a touch of pity: "What's the use? You can't change anything—it's not possible!"

"Impossible?" I cried: "The only thing that is impossible is for us, people who are so terribly happy, to go on eating, sleeping and laughing, while 15 millions of human beings who are our brothers and sisters, stricken by an illness which is only slightly contagious and quite curable, should remain for the most part without care, without help, and without affection."

Then I sent out this slogan which has since gone several times round the world: "Nobody must henceforward be condemned to leprosy for life."

That was the beginning of a long, tough, and difficult battle, with its setbacks undergone and victories gained. Then in 1954 came the foundation of the World Day.

Today, the World Day has become an immense and wonderful rendezvous of love in every country in the world.

Fifteen years! How long it seems! And yet, at this moment, knowing better what a monster we had to face, I marvel (a bit naively perhaps!) that it has taken no more than fifteen years to overthrow those taboos which are so many thousands of years old, to strike down so many prejudices and terrors—and sometimes even hatreds.

Of course all is not yet accomplished, but the movement thus created has passed the point of no return. We have opened eyes and hearts which can no longer forget. The problem of leprosy will henceforward weigh more heavily on the conscience of the world. And the world will not get free from it except by setting free these people whose only crime is being ill.

How many journeys have been made and how many years have gone by since my first encounter with leprosy, nearly forty years ago!

How many memories, with disappointments sometimes but never without hopes, from the time of those lecture-tours that we made, accompanied by Sisters of Our Lady of the Apostles—quarter of a century ago—

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to raise, by means of 1200 meetings, the first thousands of pounds which enabled us to create Adzopé. Today Adzopé has become the Leprosy Institute of the Ivory Coast.

That is how, for my wife and myself, the Battle against Leprosy began. The World Day for the Leprosy Sufferers only came a long time afterwards.

For millions of leprosy sufferers, today, that battle has been won. Its final issue is certain for them all. But it is not finished everywhere.

The disorders throughout the world, which are the cause of some of its greatest calamities, the misery due to poverty which is constantly growing more severe and yet is often disregarded; the scandalous shortage of doctors in poor countries; the shameful scantiness of aid agreed to—if not merely tolerated—all these have allowed leprosy to pursue its terrifying effects in many countries in spite of its being kept well under observation. Sometimes, owing to the population explosion and that poverty which keeps on spreading like dry rot, it even gains new strength and takes the offensive.

Ah, if only we had had those two bombing-planes in 1954! Do you remember my appeal to the two great Heads of State? "Give up, each of you, one death-dealing aeroplane, and we shall be able to care for all the leprosy sufferers in the world."

What do they think about it now, those two giants, who have come down to being ordinary men, in their gloomy retirement, and who never gave me any answer?

But all regrets are vain—and dangerous too, unless new strength and new hopes are born of them.

The battle goes on, with the same faith. And every year there comes round the great rendezvous of love.

There is light at the end of the road, waiting for us.

During fifteen years I undertook the responsibility—and the honour—of launching and organising the World Day for the Leprosy Sufferers. That astonishing festival was carried by me at its christening, and thereafter, for 15 years, I held it in my arms while it grew heavier year by year.

The time has now come for me to pass on its destiny to younger hands in those International Committees which I have created or called into being.

I do this in full confidence and serenity, feeling sure that the Cause will thus be carried on to greater heights and greater lengths then I could have done.

Yesterday I was at your head: tomorrow I shall be at your side; and I shall always be with you.

Do not let any one of us forget, however, in the daily struggle, in the hard combats we must endure as well as in the joy of celebrating victories, that this fight against leprosy is only *one chapter* of that great battle which *all* of us, whoever we may be, no matter where we may be, have to wage against those real leprosies, so much more contagious, alas, than the physical disease: they are misery, famine, selfishness, fanaticism and cowardice.

We have learned, when serving the leprosy sufferers, how to attack, pursue and conquer those other leprosies.

If we have been able to help in the deliverance of so many men and women who are fallen, accursed, and desperate, why should we not be able to inspire other struggles tomorrow, against sufferings of worldwide extent?

Each year, when the World Day for the Leprosy Sufferers comes round—and every day of every year when that Day is prolonged or being prepared for—we shall be fighting against all these intolerable evils, that could be vanquished by science, if love would only insist upon it.

For it is only by loving the world that we shall save it.

RAOUL FOLLEREAU.

(Translated by W. Angus-Jones.)

THE WHITE HOUSE,
Washington, D.C.

The stigma attached to leprosy symbolizes the darkest, most superstitious, most irrational of human fears.

For we now know that leprosy can be checked. Deformities can be corrected. Scientists seek—and will someday discover—a preventive. Fear born in the mists of ignorance be can made to vanish in the sunshine of facts.

Disease and ignorance in any part of this small planet threatens us all. The germs of ignorance, no less than those of disease, spread from person to person. But so, too, do the seeds of enlightenment—and it is those we must choose to nurture.

I applaud the efforts of all who seek to make known the facts of leprosy. I commend those who work to eliminate both a disease and a fear that stand in the path of compassion and progress.

LYNDON B. JOHNSON.

WORLD LEPROSY DAY,
New York, N.Y., November 24, 1967.

His Eminence PAUL-EMILE CARDINAL LEGER,
West Montreal 25,
Quebec, Canada.

DEAR CARDINAL LEGER: As a doctor, as a person and as the chairman of the World Leprosy Day observance in the United States, I am deeply moved by your spirited dedication to and love for the victims of leprosy.

Your action calls attention to the kind of hope and the kind of faith and the kind of work needed to eradicate this most feared disease from the earth.

I send you my warmest admiration and most sincere well wishes on your splendid undertaking. Your action points the way for the human race—for we must be our brothers' keepers in fact as well as in theology. Otherwise the world cannot be a good or a Godly or a safe place for anyone.

Sincerely yours,

LEONA BAUMGARTNER, M.D.

WORLD LEPROSY DAY,
New York, N.Y., November 24, 1967.

His Eminence PAUL-EMILE CARDINAL LEGER,
West Montreal 25,
Quebec, Canada.

DEAR CARDINAL LEGER: World Leprosy Day will be observed in the United States on January 28.

As the date of this observance approaches, our thoughts dwell on the meaning of that day and on the poignancy that your dedication gives to that meaning. It is one thing to recognize that one should love his neighbor, no matter how afflicted with misery, but it is a much more difficult, a much finer and much more grand thing to practice one's faith in the face of unpleasant realities.

We are indebted to you for your startling example of selflessness and concern for suffering humanity. Would that we have the courage, the wit, the will and the strength to go and to try to do likewise. For in the direction of the kind of pure service that you have taken lies the hope of all people all over.

Sincerely yours,

MRS. ARTHUR J. GOLDBERG.

STUDIES BY THE COMMITTEE ON PUBLIC WORKS

Mr. BYRD of West Virginia. Mr. President, I make this request on behalf of my colleague, the senior Senator from West Virginia [Mr. RANDOLPH], which request has been relayed to me through the staff of the Committee on Public Works.

Mr. President, I ask unanimous consent that the Senate reconsider the vote by which the Senate Resolution 189 was agreed to by the Senate on yesterday.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 189) to authorize certain additional studies by the Committee on Public Works.

The PRESIDING OFFICER. The resolution is before the Senate.

Mr. BYRD of West Virginia. Mr. President, I have an amendment which has been prepared and placed in my hands at the request of the senior Senator from West Virginia [Mr. RANDOLPH]. I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> On page 3, line 12, after the word "however", strike out "That this study shall not be conducted in such a manner so as to reexamine, compete, delay or interfere with the planning, financing or construction of the rapid transit system presently planned by the Washington Metropolitan Area Transit Authority." and insert "That neither the conduct of this study nor any of its observations, conclusions, findings or recommendations shall in any way re-examine, delay, compete or interfere with the rapid transit system planned by the Washington Metropolitan Area Transit Authority."

Mr. BYRD of West Virginia. Mr. President, before the question is put, I wish to say that I am informed by the staff of the Committee on Public Works that this amendment has the unanimous support of all members of the committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the junior Senator from West Virginia on behalf of the senior Senator from West Virginia [Mr. RANDOLPH].

The amendment was agreed to.

The resolution as amended was agreed to.

THE GOLD RUSH OF 1967

Mr. BYRD of Virginia. Mr. President, 1967 may well go down in history as the year of the big gold rush.

U.S. gold stocks have declined from $13.2 billion in January to $12.4 billion in November. Against this gold reserve, foreign governments hold claims totaling more than $14 billion. And $10 billion of that gold must be retained in the Treasury as a reserve supporting the value of our domestic currency.

Just 10 years ago, U.S. gold stocks were valued at almost $23 billion. In 10 years' time our gold holdings have been reduced by nearly half.

This diminishing gold supply would represent no immediate and pressing problem for the United States were it not for foreign governments converting some of their dollars into gold.

Against this background it is interesting to note that foreign countries and international organizations owed the United States about $42 billion at the end of fiscal year 1967. These debts are the result of our assistance to countries during World Wars I and II, our foreign assistance programs, Export-Import Bank loans, and the sale of our agricultural surpluses.

The Comptroller General in a report to Congress last October noted:

> If interest and principal repayments now due were to be made on all of these debts, enough revenue would be received to eliminate any current U.S. balance of payments problem.

One of the leading claimants on U.S. gold reserves, but also one of the leading debtors to the United States, is France.

As of June 30, 1966, French debts to the United States arising from World War I amounted to $6,715,000,000. Of this amount, $4,882,000,000 in principal and interest was due, but unpaid. The French have not made a payment on this debt since 1930.

In the aftermath of World War II, the United States gave more than $3.2 billion in grants and loans to France, not including the billions of dollars invested in the military defense of France. Most of this—$2.9 billion—was in grants.

I recite these figures not with any realistic hope that this country can force France to pay its legitimate debts to this country. We have every legal basis for making such a demand, but the political implications appear to rule out this course of action for the present.

But I think these figures can be used as a measure of Charles de Gaulle's ingratitude for the assistance given his nation by this country in the past.

President De Gaulle appears to be embarked on a policy of weakening U.S. interests in Europe wherever and however he can.

It is no secret that the French have sought to undermine confidence in the dollar by converting huge amounts of their dollar reserves into gold.

French policies within the NATO organization are also well known, and it is doubtful at this moment that France will continue in the alliance after 1969.

The historic ties between this country and France date back to the American Revolution. France and the French people will always have a special place in the hearts of the American people, and nothing that Charles de Gaulle can do will destroy that.

The French are a sturdy people. They have survived revolutions, pestilence, and occupation. With an effort, they can survive De Gaulle also.

CONSIDERATIONS IN ESTABLISHING SOUND RESERVES OF AGRICULTURAL COMMODITIES

Mr. McGOVERN. Mr. President, the distinguished Senator from Florida [Mr. HOLLAND] last week announced that hearings will be held the week of January 28 on proposals to establish a strategic reserve of wheat, feed grains, and soybeans, including consideration of a bill introduced early in this Congress by the Senator from Minnesota [Mr. McCARTHY] (S. 2233), another introduced last Thursday by the Senator from Oklahoma [Mr. MONRONEY] (S. 2743), and one I introduced about 6 weeks ago (S. 2617), which contemplates, in addition to the commodities I have named, ultimate reserves of cotton, rice, and flaxseed as well as wheat and feeds.

I wish to thank the Senator from Florida for setting the hearings and also to put some material in the record which I hope will be helpful to Members in any consideration of the merits of the reserve proposals during the holidays. I had rather hoped we could consider the bill in this session of Congress, but I must agree with Senator HOLLAND that reserve policy should be thoroughly studied and not set hurriedly.

The reserve proposal is generally regarded as an effort to raise market prices on the commodities involved, and I very much hope that this will occur. The Secretary of Agriculture, in commenting on his disappointment over House failure of the Purcell reserve bill, estimated that it might have improved grain prices 10 cents per bushel, which would be little enough when the average of farm prices is only 73 percent of parity.

However, the reserve proposal is not just a price-lifting measure. Regardless of the price situation, the Nation needs to have reserves for several reasons, including national security and the protection of our own and other peoples of the world against droughts, floods, or other disasters which might dramatically worsen the already serious world food shortage.

President Johnson called for such reserves in his agricultural message in 1965, and there was a reserve provision in the bill subsequently sent up to Congress. Nothing was enacted, basically I believe because we had not given the subject very extensive or thorough study.

The National Advisory Commission on Food and Fiber has now considered the matter of proper reserve policy carefully. Frederick V. Waugh, who is well known for his excellent studies in a number of fields for the Department of Agriculture, proposed a study for the Commission which appears in volume V of the technical papers published by the Advisory Commission. Members can get copies by calling the Commission.

In his study, Mr. Waugh identifies seven aims of reserve programs, including provision of adequate working stocks to supply distributors, processors and for export, reduction of the danger of food shortages at home and abroad, and helping to stabilize farm income and thereby the general economy as well as lift the level of farm returns and farm income.

Waugh identifies types of reserves by purpose.

Working from Mr. Waugh's study, the Food and Fiber Commission recommended that the Nation establish two levels of stocks, one would be carryover stocks, managed to maintain reasonable stability of supply of the commodities involved for normal requirements.

In the report of the President's Advisory Commission on Food and Fiber the summary of recommendations for modification of commodity supply and reserve policies will be found starting at page 22, and a more extensive discussion starts on page 73 of the report.

It is important, Mr. President, to understand the differing purposes of reserve stocks, and the consequent difference in types of management needed for a strategic or emergency reserve, and for a stabilization reserve. This importance is increased in the present situation because I believe we are having some differences on proper reserve policies as a result of confusion as to objectives and types.

There also appears to be some differences as to the degree of control over reserves which should be put in the hands of farmers, or in the hands of the Department of Agriculture through the Commodity Credit Corporation.

As I analyze the three bills pending in this body, all three attempt to strengthen current farm prices in some degree by providing for the removal from the market of some of our 1967 production in excess of annual needs.

Senator McCARTHY's bill, like the Purcell bill, would have the Commodity Credit Corporation buy up some wheat, feed grains and soybeans, presumably on a bid basis, for not to exceed 115 percent of the price support loan level. The CCC resale price would escalate to 145 percent of the loan level as total national carryover, or supply, shortens. It is subject to the criticism that was made of the Purcell bill in the House, that the protection given farm prices by the resale level is least when most needed, or when supplies are largest.

The Monroney bill, as I understand it, has about the same features. The CCC could both buy and sell commodities at 115 percent of price support plus carrying charges on the same day unless and until overall supplies got low. Then, when market prices would already be high, and protection is least needed, the price on CCC stocks would go up to parity less the amount of certain payments—75 cents per bushel currently in the case of wheat and 30 cents per bushel in the case of corn. Prices would be very likely to be at the release levels in the market if wheat stocks in all hands—the total carryover—were down to 350 million bushels or less as required in S. 2743.

Both of these two bills have an excellent objective. The Advisory Commission called for maintenance of adjustable carryover stocks to maintain reasonable stability of supplies and it called for "definite rules for management of such stocks to guard against excess acquisition because of political pressure or excessive stock dispositions to hold consumer prices in check."

There have been complaints of mismanagement of Government carryover stocks since 1953. The charge was made that Secretary of Agriculture Benson cut prices and dumped about 700,000 tons of oil meals early in his administration, which led to cheap feed, increased livestock production and resulted in ruinous livestock prices. Secretary Freeman has been criticized for sales nearly 2 years ago to help hold down food prices, and to prevent inflation.

Regardless of the validity of these charges, they cannot be avoided in the future except by the adoption of well understood rules or criteria for acquisition and sales which the farmers and the grain trade know in advance. To the extent that the McCarthy and Monroney bills attempt to establish rules of the game, they are meritorious. I believe the committee will find, however, that additional management criteria are necessary if price-support loans and resale arrangements are to be used as a system of farmer ownership and control of carryover reserves, as suggested in S. 2743.

Whether commodities which are put under price support loans may be resealed, or must be delivered to CCC or redeemed, is now entirely a decision of Government, not the farmers. The Department of Agriculture has recently announced that it will offer reseal arrangements on wheat supplies in the producers' hands when present arrangements expire next spring and summer. I heartily approve, but it was a departmental decision—not a producers' decision.

The only decision producers now make is whether to put their commodities under price support loans and pay 3½ percent interest and storage cost to hold it during the first marketing year until they are either ready to sell and pay the CCC back, or have to deliver the grain to the CCC. They may later be given an option to reseal, but the offer is up to the Government.

The Department of Agriculture's controversial sales of feed in 1966, which the chairman of the Council of Economic Advisers characterized as one of several moves to dampen food price inflation, was accompanied by the call of some grain in reseal, and I can produce a large basketful of mail to demonstrate that it was not what farmers in my State wanted done. If price support loans, and extended loans are to be made a system of producer control as suggested in section 1 of S. 2743, then the present discretion of the Department of Agriculture to extend or terminate reseal would have to be withdrawn and lodged with the farmers. The enactment of a policy statement does not accomplish the objective unless followed by the authorization of a program which will implement that policy; there would have to be automatic reseal if the producers wished it. In S. 2743, section 1 declares it the policy of Congress to establish reserves and maintain them to the maximum extent practicable in the control of producers. It then proceeds to provide for Commodity Credit Corporation purchase, ownership and control of sizable stocks which the corporation can hold or sell into the market in the discretion of the corporation's managers under existing criteria until and unless overall stocks in the Nation drop to very low levels. At that point, and only at that point, the law takes over and raises the level at which CCC sales may be made. When stocks or carryover is high, and producers most need protection, S. 2743 offers them nothing new except the possibility that CCC may buy enough wheat, feed grain or soybeans to reach specified stock levels, and it may or may not resell them into the market at the level currently authorized in the law.

Mr. President, this is not the sort of objective I was attempting to achieve in S. 2617, a bill cosponsored by Senators MANSFIELD, YOUNG of North Dakota, BURDICK, COOPER, HARRIS, YARBOROUGH, LONG of Missouri, MORSE, CHURCH, MONRONEY, and METCALF.

The bill I sponsored was designed to bring into existence the two-level type of reserves recommended by the Advisory Commission on Food and Fiber and specifically to establish the strategic or emergency reserve identified in Mr. Waugh's study and recommended by the Commission at pages 22 and 76 of their report.

At page 22, in the summary of recommendations, the Commission said:

> The Commission recommends establishment of a national security or strategic reserve, including emergency stocks for food aid. This reserve should be isolated from the market except as offsetting sales and purchases are required to maintain the quality of the reserve stocks.
>
> We do not have such a reserve now.
>
> The normal needs of foreign demand and food aid can and should be made a part of the regular market for farm products. Food aid should be purchased by the U.S. or the recipient government on the basis of announced plans made known to farmers in advance of planting.

The citation to emergency reserves in the body of the report repeats virtually this same language, adding to it a little by citing droughts in India or Pakistan as an example of emergency needs.

Mr. President, S. 2617 which I introduced is not intended to be a device for managing current carryover stocks. It was intended to withdraw some of the stocks now available in excess of requirements during the current marketing year into an emergency or strategic reserve and keep them there, isolated from the market as the Food and Fiber Commission recommended, for release only on a basis of a critical supply situation. We already have price support loans and reseal programs but, as the Commission report stated in regard to such an isolated reserve as I have proposed:

> We do not have such a reserve now.

By taking advantage of the current oversupply to start to build an emergency reserve, we would relieve the pressure of the oversupply on current wheat feed grain, and soybean prices in the market and hopefully obtain a more just price for producers.

Let me review the events which have led to a decline of 30 to 40 cents per bushel in the price of wheat to further clarify the situation.

Our Government last year increased wheat acreage allotments by 32 percent because stocks were low and there was some fear that carryover might drop under 400 million bushels. At about the same time, the Government notified our mission abroad that supplies of wheat for food aid would be off 25 percent and to slow up on wheat commitments. Additionally, we substituted grain sorghum for wheat to satisfy part of our outstanding commitments, as in the case of India. Wheat exports in the 1967 marketing year fell to 742 million bushels from 867 million bushels the year before.

As a consequence of a 26-percent increase in planting we have a 1,554,000,000 bushel wheat crop this year—a very big one. The Department of Agriculture is estimating our exports, including food-for-peace shipments, at 750 million bushels so total requirements for both domestic and foreign needs are 100 to 125 million bushels less than the crop we have just harvested. This excess will be an addition to our stocks of wheat carried over into the 1968–69 crop year. The grain trade has been doubtful that exports would reach the 750-million-bushel target in the Department of Agriculture estimates until very recently, when we announced negotiations with India for another 3½ million tons, or around 125 million bushels. Some in the trade now think the target may be reached. Even so, the current crop of wheat is considerably more than our requirements, the extra production has depressed prices, and it will continue to do so until it is removed from the available supply.

I ask unanimous consent to have printed at this point in the RECORD a table from the Department of Agriculture wheat situation report for November showing supply, distribution, and carryover of wheat in recent years, including a projection of what is expected in this 1967 crop year, ending next June 30. The table shows carryover will increase 100 to 120 million bushels this year.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE I.—WHEAT: SUPPLY, DISTRIBUTION AND PRICES, ANNUAL 1962-67 (REVISIONS IN FOOD ITEM BASED ON 1963 CENSUS OF MANUFACTURES)

[In millions of bushels]

Item	Year beginning July 1					
	1962	1963	1964	1965	1966 [1]	1967 projected
Supply:						
Carryover, July 1	1,322.0	1,195.2	901.4	817.3	535.2	426
Production	1,092.0	1,146.8	1,283.4	1,315.6	1,310.6	1,554
Imports [2]	5.4	3.9	1.1	.9	1.8	1
Total	2,419.4	2,345.9	2,185.9	2,133.8	1,847.6	1,981
Domestic disappearance:						
Food [3]	500.4	503.3	509.2	515.1	507.7	512
Seed	61.4	65.0	65.6	61.9	78.3	70
Industry	.1	.1	.1	.1	.1	----------
Feed (residual) [4]	18.5	20.0	68.7	154.1	92.8	100–125
On farm where grown	(16.1)	(15.2)	(31.4)	(41.7)	(24.6)	----------
Total	580.4	588.4	643.6	731.2	678.9	682–707
Available for export and carryover	1,839.0	1,757.5	1,542.3	1,402.6	1,168.7	1,274–1,299
Exports [2]	643.8	856.1	725.0	867.4	742.4	750
Total disappearance	1,224.2	1,444.5	1,368.6	1,598.6	1,421.3	1,432–1,457
Stocks, June 30	1,195.2	901.4	817.3	535.2	426.3	524–549
Private "Free"	(6.0)	(19.7)	(97.0)	(194.8)	(221.9)	----------

[1] Preliminary.
[2] Imports and exports are of wheat, including flour and other products in terms of wheat.
[3] Used for food in the United States and U.S. territories, and by the military both at home and abroad.
[4] Assumed to roughly approximate total amount used for feed, including amount used in mixed and processed feed.

Mr. McGOVERN. Mr. President, the situation affords us an opportunity to get a start on the tightly held emergency or strategic reserve we have discussed for years, and the Food and Fiber Commission has recommended, without taking in a bushel for which there is real current need—a situation which may not exist every year—and at the same time help lift farm prices.

That is what my bill proposed to do. It has been erroneously characterized as a 1-year, one-crop bill. It is not. It clearly contemplates a continuing emergency reserve. It provides for contracts with farmers to store wheat until critically low supplies result in termination of enough contracts to rebuild stocks by 5 percent of annual requirements, contracts which extend indefinitely and not just for 1 year. It calls for a report from the Department of Agriculture on fluctuations in domestic and foreign production since 1900, and fluctuations in demand on our supplies during the same period, so the Agriculture Committees and Congress can next year make a knowledgeable determination of the size of strategic or emergency reserves we should maintain and adopt permanent security reserve goals.

The Waugh study and the Food and Fiber Commission report based on it recommend that the combined total of our carryover and reserve should be 450 to 650 million bushels of wheat, 35 to 45 million tons of feed grains, 10 to 12 million hundredweight of rice, and 5 to 6 million bales of cotton. They made no recommendation as to soybeans and vegetable oils. A study by O. V. Wells and Karl A. Fox, published as Senate document 130 in 1952, concluded that we should have a reserve, in addition to wheat, feeds, rice and cotton, of 100 million bushels of soybeans, 800 million pounds of vegetable oils, 150 million pounds of dry beans, 100 million pounds of lard, about 2 billion pounds of milk equivalent in nonfat dry milk, butter and cheese, and 8 million bushels of flaxseed.

In all instances, these are totals for both carryover and strategic reserve, undivided between the two.

In S. 2617 I have proposed the Secretary of Agriculture contract, to go into emergency reserve, up to 200 million bushels of wheat, 500 million bushels of feed grains, and 75 million bushels of soybeans, and that the Department report in May on possible emergency requirements not only of those three items, but also cotton, rice, and flaxseed.

The quantities in the bill were not intended to be the goal of both carryover and emergency reserve, but were set to give the Secretary of Agriculture authority to take out of the market this year supplies which are excess to requirements—supplies which can now be spared and put away without hardship to anyone—pending a knowledgeable congressional determination of reserve policy and quantities which may be needed for a proper emergency reserve as distinguished from carryover.

There is a general consensus that if we establish a strategic reserve to protect against unforeseen contingencies, it will be possible to manage carryover more precisely and avoid the presence of very large oversupplies. If the Secretary of Agriculture knows that there is enough wheat, or corn, or rice, or soybeans, or cotton in storage, sealed off from normal market supply, to meet needs if a drought or floods or war demand creates an unforeseen emergency, he will not have to take such possible requirements into account in setting acreage allotments each year. He will not have to add a margin of acreage to guard against the possibility of low yields—the strategic reserve will be there as a backstop. If the strategic reserve is depleted in any year, then acreage can be set the next year to replenish it, and contracts made during the following harvest to set aside the production for the reserve.

When an acreage allotment is set to get extra production to build or rebuild the reserve the Department of Agriculture should execute reserve contracts at harvest time so this production will not get into and affect the market, and so as many producers as wish to do so may get a pro rata share of reserve storage contracts. Unfortunately, this cannot now be done for the 1967 crop. Some producers have marketed their crops. However, enough have held, or put grain under price-support loan, to permit a substantial quantity to be contracted for reserve if Congress enacts legislation early next year.

It is my hope that we can act on reserve policy very promptly next year.

I shall be happy, during any recess we may have or in January, to discuss the situation with any who are interested.

NATIONAL AGRICULTURAL BARGAINING ACT

Mr. MONDALE. Mr. President, I intend to introduce the National Agricultural Bargaining Act of 1968 when Congress reconvenes in January. The bill provides farmer producers of agricultural commodities the opportunity to bargain collectively and effectively for a fair price for their produce.

While existing laws and programs have brought the farmer out of the dark days of the late 1950's and early 1960's and have prevented disaster, they have only provided a floor under farm income and have not brought rightful prosperity to farm families. They have prevented disaster; they have not assured equity or prosperity.

They have not been able to do so because these programs, commendable and necessary as they have been, have not attacked the basic problem of farm income—the inability of the farmer to price his product to meet his costs and expenses and provide a fair profit. I think President John F. Kennedy summed it up best when he once said:

> The farmer is the only man in our economy who buys everything he buys at retail, sells everything he sells at wholesale, and pays the freight both ways.

This has remained true despite the important progress of the last 7 years in farm legislation and farm income.

This was true 20 years ago. M. W. Thatcher, in testifying before the Senate Agriculture and Forestry Committee in 1947, addressed himself to the state of farm economic power:

> The farmer is an individual. He has no economic power to protect himself in our present big economy. He cannot strike. Our farm organizations and cooperatives have never suggested such a weapon. He cannot fix the prices of his commodities.

Regarding the farmer's inability to set his own prices, Mr. Thatcher said:

> Organized labor would strike before accepting such a potential position of economic disparity. Manufacturers would not produce except in control of price making. Banks would liquidate instead of continuing services under such doubtful conditions as confront farmers. Public utilities would liquidate if their present protection were to be discontinued.

Mr. Thatcher has been a pioneer in the field of farm bargaining power. He has almost singlehandedly kept alive the concept of bargaining power over the years. And the farmers of the United States owe him a debt of gratitude for his refusal to abandon this necessary and worthwhile proposal.

For a National Agricultural Bargaining Act is sorely needed and must be passed if we expect the American family farmer to stay in the business of farming.

There is no force so powerful as that of an idea whose time has come. I believe that the time for adoption by the Congress of the United States of a Wagner Act for agriculture has come. However, we cannot expect that the discussion of the merits and drawbacks of such legislation will be very helpful unless a specific proposal is placed before the farmer and the public for suggestions, comments, arguments, and criticism.

It is in this spirit that I intend to offer early next year a bill specifically aimed at providing a decent economic and bargaining position for the farmer. It is my hope that public and private discussion of the bill will move forward so that we might have hearings early next year in the Congress, because I firmly believe that such a bill is necessary.

It is necessary because without it the farmers are doomed to permanent economic disenfranchisement, without any real hope of receiving the just portion of national income to which they are entitled.

In just about every way that the economic status of farmers can be measured, they rank lower than any other trade, occupation, or profession in our society. In 1966 general construction trades laborers earned $3.87 per hour; trucking warehouse workers, $3.18 an hour; railroad workers, $3.09 an hour; factory workers, $2.71 an hour; retail food workers, $2.39 an hour; and in last place the farmer earned only $1.60 an hour. I am pleased that American labor is doing better; I want the American farmer to do well also.

As the most recent issue of Minnesota Agriculture points out, the $1.60 national average will appear high to many farmers in the Midwest, where the average for most major types of farming operations was closer to $1 an hour.

But every farmer has much more at stake than his labor. He risks hundreds of thousands of dollars in land, machinery, and production expenses every year.

Farmers are businessmen. But no business could or would stay in operation under the conditions affecting every farmer's operations. They are at the mercy of wind, weather, rain, and sunshine. One could imagine the problems of the automobile plant manager whose cars would be compact-size or full-size sedans or perhaps none at all depending on the amount of sunshine or rainfall during the year.

Second, the farmer has no economic power to establish a price on the commodity he has for sale. He must take whatever is offered to him by way of the market price, or Federal programs. Even with extreme care in formulating supply management programs, unusually good weather or other crop conditions may decrease the farmer's bargaining power significantly. This year is a good illustration. As of November 1, four crops—corn, soybeans, sorghum grains, and rice—were at all time record levels. Production in those crops was from 25 to 41 percent higher than the average. Just the news of such record crops will depress market returns.

There is no doubt that these conditions have caused the farmers of the United States to lag far behind the prosperity enjoyed by nearly every other member of our society.

Let us look at the record.

Civilian consumers in this country are expected to spend approximately $85½ billion this year, 1967, for domestic farm products. This is an increase over the last 20 years of 100 percent.

The farmer's share or the farm value of that civilian food marketing bill is only $27½ billion and has increased in the last 20 years only by one-half.

It can be said that the American farmer subsidizes the American consumer, but ironically the consumers pay more but farmers get less.

The farmer receives only 2.7 cents for the wheat in a pound loaf of white bread, or 12 percent of the cost of that loaf. The farmer sees overall only 39 cents out of every dollar spent in food by the American consumer. And this share of the consumer dollar has not varied materially in the last 10 years despite an increase in the farm retail spread.

We read several weeks ago that the adjusted parity ratio had fallen another point from 85 last year to 78 this year. This reflects the fact that while the prices of goods the farmers must buy are increasing rapidly—and are increased by those who have economic power to control their prices to meet costs—the farmer who also has overhead and costs is unable to increase his prices sufficiently to offset those expenses. And this is the long and short of it. This is the reason why something absolutely must be done to overcome some of the inherent handicaps faced by the American farmer.

Such a step is not new in our history. The most striking and most noteworthy example of Federal legislation to improve the economic-bargaining position of a group in our society is the Wagner Act of 1935. This legislation has successfully eliminated sweatshop conditions and permitted men and women who have no other commodity to offer them their labor to bargain and receive a fair price in return for that labor.

Organized labor has come a long way under the Wagner Act. In 1937, the average annual wage in the textile industry was $850, even though the hours were from "caint to caint"—"caint" see to "caint" see. In 1934 coal miners were making $3 for a 12-hour day. The annual earnings of an autoworker at that time averaged less than $1,000, or about $4 a day. This year those average earnings have risen over seven times to $3.57 an hour, or somewhere in excess of $7,000 annually.

I think the American farmer must borrow a page out of the book of organized labor. I think the American farmer needs a Magna Carta for agriculture similar to the Wagner Act of 1935.

Organized labor has not seen the Wagner Act as the total solution to all of their problems. They have sought and received such legislation as the Fair Labor Standards Act—the minimum wage law—and the unemployment compensation legislation on the State and Federal level.

I think it must be very clear that we should not talk here about throwing out all of the other farm and rural programs now in the law. American farmers simply must have the existing Federal farm programs, and all other programs now on the books for their assistance. The farmers need education legislation, social security legislation, they need better highways and roads and safer automobiles, they need recreation and vacation areas, and laws to protect their interests as consumers with such bills as truth in lending and meat inspection.

The farmers will always need easy and fully available credit, sewer, and water for rural communities, and rural community development.

While we need more in terms of bargaining power for the farmers, we need to keep what we have now. The existing Federal farm programs have prevented disaster, but have not assured prosperity. Existing farm programs have provided the farmer with a floor in his house but not a ceiling, indeed we need to constantly improve these programs.

The proposed legislation, which I shall introduce and on which I am now putting the finishing touches, will provide for the formation of institutions built right into the American farm structure, able to establish fair prices for farm commodities.

It is important to note here that the proposal now under consideration for introduction is really and fundamentally only a self-help measure for American farmers. It will not force any arbitrary authority on farmers. Farmers must freely join together to work for a common end. They can do it; I think they are now willing to do it.

We have been talking for the last several years about the vast importance of the principle of self-help for agriculturally underdeveloped nations. In my opinion, it is about time we had some "self-help" for American farmers and gave them the tools and Federal law to do the job.

The legislation is not designed to raise consumer prices. It is designed to give the farmer a bigger share of the consumer dollar, rather than increase the size of the dollar. There need be no substantial consumer price increase, because the farmer only gets a very minimal share of the retail price of a given food product anyway. As an example, he receives only 2½ cents for the value of wheat in a loaf of bread. The rest of the price—most of it—is added after the farmer has been paid.

I am introducing this legislation, not because I believe it will solve every problem of the American farmer or be a final and complete proposal in itself. I am doing so because I believe that if this concept and if this idea is ever to become a reality, some proposal in concrete language must be presented for discussion and review by farmers, cooperatives, and farm organizations. Unless we are willing to put down the language on paper for the farmers and the public, we will surely lose the fine work done by those who have championed this cause for so many years.

In conclusion, I repeat that the time has come for this idea. A recent Minnesota poll found that 75 percent of the residents of Minnesota favored such a law. I ask unanimous consent that the poll be printed in the RECORD.

There being no objection, the poll was ordered to be printed in the RECORD, as follows:

MINNESOTA POLL: FARM BARGAINING LAW FAVORED

Most Minnesotans favor giving farmers the same kind of bargaining power now enjoyed by industrial workers, according to a statewide survey by The Minneapolis Tribune's Minnesota Poll.

Currently a majority of farmers cannot legally compel food processors to bargain with them nor can their actions legally bind farmers who do not wish to co-operate with them.

Seventy-five per cent of the state residents interviewed said they think it would be a good idea to permit farmers to bargain collectively with processors much in the same way unions deal with employers.

About one out of six people (15 per cent) thinks it would be a poor idea to adopt a Wagner Act for farmers and 10 per cent were noncommittal.

If collective bargaining for agriculture were to become a reality most Minnesotans (79 per cent) believe that farm prices would increase but many of those people do not feel prices would go up very much.

Only one in five state residents (20 per cent) feels that collective bargaining would result in farm prices going up quite a lot.

Before inquiring about collective bargaining, field reporters asked:

"Do you think farm families in Minnesota are about as well off financially as other people are, better off or worse off?"

The responses:

[In percent]

	All State residents	City residents	Rural residents
Better off financially	16	14	18
As well off	44	49	35
Worse off	36	32	44
Other answers	1	1	2
No opinion	3	4	1
Total	100	100	100

"The small farmers are suffering but the large farmers are not," a rural Dakota County man said.

Recent declines in farm prices have renewed the insistence of some farmers that collective bargaining would help farm income. Previous attempts, however, have been largely unsuccessful because processors have refused to bargain and negotiated prices could not be enforced.

To remedy those problems advocates of collective bargaining have been calling for legislation which would compel processors to bargain in good faith with elected producer representatives.

Sen. Walter Mondale, D-Minn., has announced he will introduce a bill which would allow a majority of producers of a commodity to elect a bargaining committee to negotiate with processors for a fair price. The negotiated price would be binding on all producers.

To learn the reaction of Minnesotans to that kind of proposal, field reporters asked a cross-section of 600 Minnesota adults:

"It has been suggested that farmers be permitted to bargain collectively with food processors much in the same way industrial workers bargain with employers. Do you think that is a good or poor idea?"

Opinions divided 75 per cent favorably disposed toward the idea, 15 per cent who took a dim view of it and 10 per cent in neither group. Urban and rural residents both gave strong endorsement to the suggestion. Democratic-Farmer-Laborites were more inclined to think it a good idea (82 per cent) than were Republicans (62 per cent).

The next question asked:

"If farmers were permitted to bargain collectively, do you think they would or would not get higher prices for their products?"

Seventy-nine per cent said that farmers would get higher prices and 15 per cent said they would not. Six per cent did not express an opinion. There were virtually no differences in the response patterns of farm, town and city residents.

Respondents who said prices would go up were asked:

"Do you think farm prices would go up quite a lot or not too much?"

The answers to both questions:

[In percent]

Farm prices would go up quite a lot	20
Not too much	55
Unsure how much farm prices would go up	4
Subtotal	79
Farm prices would not go up	15
No opinion	6
Total	100

"I don't know how much prices would go up, but I do think they would be stabilized," said the wife of a retired Lyon County farmer.

MAYOR BARR'S LYCOMING SPEECH

Mr. BREWSTER. Mr. President, one of the outstanding urban administrators in this country is Mayor Joseph Barr.

Largely through the efforts of Mayor Barr, Pittsburgh is in many ways a model American city. The wisdom of his administration has caused him to be known as a man of great judgment. For this reason, his support of a program or a personality carries great meaning.

Yesterday evening, Mayor Barr announced his strong support for the reelection of Lyndon Johnson to the Presidency. In stating his support, he made a partial listing of the impressive record of the Johnson Presidency.

The war on poverty, programs against crime and urban blight, aid to education—these are some of the Johnson accomplishments Mayor Barr cites.

And on a subject uppermost in the minds of all of us, he says:

> I support President Johnson not because I like war—any more than he does or any sane person—but because I am convinced that our present policy, hard and costly as it is, offers the surest and safest hope for a world where both freedom and peace can be both secured and secure.

In what Mayor Barr has said, I concur; therefore, Mr. President, I ask unanimous consent that his speech of December 14, 1967, be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Remarks of Mayor Joseph M. Barr, Lycoming County Democratic Council Victory Dinner, Williamsport, Pa., December 14, 1967

I am grateful for the kindness of your invitation and the warmth of your hospitality which, together, have made my visit to Lycoming County not only possible but pleasant and worthwhile as well.

And I especially appreciate your generosity in permitting an outsider from Pittsburgh to share your joy at this Victory Dinner, which not only celebrates an election triumph, but honors all of those—candidates, party workers, and the voters themselves who made it achievable and real.

It was a great victory—a thing which obviously fills you with pride as well as happiness. Now comes the burden of responsibility, as Adlai Stevenson described it—the work and the agony of transforming words into acts and promises into deeds. Having met the men who now assume that responsibility, I share also your confidence in their determination and capacity to follow through, to write a record of public service and achievement which will be the lasting reward for all the hard work we recall and honor tonight.

For the past year, indeed since my election as Democratic National Committeeman a year ago, I have wanted to come to Lycoming County, to renew old friendships and to meet those other Democrats I have not known personally before.

Your invitation has made it possible, at last, to satisfy that desire.

Actually, I had planned a trip here in early September, but the President asked me to join a group to observe another election—the one held in Vietnam—so I had to forgo a visit to Williamsport in order to journey to Saigon and beyond.

And while it was hardly a pleasure trip, I would not have missed it for the world.

It did not make me an expert on either the war or on all the nuances of Far Eastern politicking, but it gave me a chance to see by myself, and for myself, freely and unfettered and unbrainwashed.

The frightfulness of war—any war—mixed with the determination of a spunky people to get some kind of break out of life after generations of suppression and blood-letting—these are awesome things to observe and experience.

Having disclaimed any expertise, I hardly qualify as the man to dispell your doubts or clarify your views about the unhappy conflict, yet I do have my own opinions, some of which have been molded, modified, or changed by what I saw in Vietnam several months ago.

As to the elections, they were remarkably free of corruption and confusion and impressively attractive to an electorate with no past tradition of self-determination.

They were, in my judgment, a significant and altogether praiseworthy beginning along the road to true democracy.

As to the war itself, ugly as it is, you cannot escape a feeling of pride in the actions of our military and their allies—pride not only in the fact that they are winning that struggle—as surely they are—but also in the conviction, which is overwhelming among them, that the hard and costly work they do is both necessary and right.

It is necessary and right, they believe, to assure that a brave and tortured people, in this instance the people of South Vietnam, have a chance to be free and decide for themselves the form of government they want—and I agree.

It is necessary and right, our men believe, that America honors its word and commitment, that no people shall be open prey to aggressive conquest, that no section of the world shall be abandoned to political plunder, that no people shall be foresaken to a covetous neighbor—and I agree.

Finally, in this capsule report, our fighting men consider it necessary and right that America not only maintain its moral standing by honoring its word and commitment, but also, from the practical viewpoint of self-interest and survival, we must be prepared in Vietnam, as in Korea, Berlin, Lebanon, Greece, Turkey, and elsewhere, to stand hard in the overall struggle to preserve freedom and avoid all-out suicidal war—and I agree.

You might conclude that I support President Johnson—and you are right.

I support him not because I like war—any more than he does or any other sane person—but because I am convinced that our present policy, hard and costly as it is, offers the surest and safest hope for a world where both freedom and peace can be both secured and secure.

But then I support the President for other reasons—good reasons to my mind—as well.

Where others might attack him for his war on poverty, I applaud him for it.

Where others may assault him for his programs against crime and urban blight, I thank God for them.

Where others fault him for his assistance to education, I acclaim him for it.

And on and on the list rolls on—almost too long, almost too much, almost too impressive.

Indeed, if you really want to be honest about it, the only truly legitimate criticism to be made of the Johnson Administration is that it has done too much, it has fulfilled its promises too fully, it has kept its word too closely.

That is the kind of record most of us in public office try to achieve; seldom is its accomplishment a reason or source for the critic's taunts.

If you are against the idea of Medicare, it is right to criticize Lyndon Johnson for having made it a reality for five million people whose doctor's bills it has already paid.

But you should be against Medicare if you are mad at the President—and I am not.

If you oppose Federal aid to education, you should complain about Lyndon Johnson for having brought that aid to nine million needy elementary and secondary school children, and more than a million college students.

But you should be dead-set opposed to Federal aid to education if you are mad at the President—and I am not.

If you are against helping the poor and the underpaid, you have every reason to be against Lyndon Johnson for having helped raise five and a half million Americans above the poverty line and for increasing the minimum wage and giving its protection to nine million more of our workers.

But you should be against the war on poverty and low wages if you are mad at the President—and I am not.

And on and on it goes!

The Johnson record is 81 months of prosperity, six million more people employed, equal rights and equal justice for all Americans, conservation of our lands and resources, restoration of urban vitality and growth, protection for the consumer (and that is all of us), purification of our skies and rivers, highway beautification as well as safety—on and on its goes, impressive in scope but more important still, significant because it comes to grips with the challenges and problems not only of our times but of our civilization.

The battles against disease and poverty have not been won, that's true, but the fight has begun and Lyndon Johnson started it.

We have not as yet assured the consumer the fullest possible measure of protection against fraud and deception but the battle is on and Lyndon Johnson started it.

If you are against this work, if you oppose this effort, you should have no difficulty making up your mind on how to vote.

You should vote Republican because the Republicans in the Congress have opposed these programs in overwhelming majority. As a matter of fact, 93 percent of them voted to kill Medicare, for example, and (would you believe it?) 68 percent said "no, no, no, the *education* bill is not going to go!"

I have no doubts, no hesitations, no reservations about my support for the President.

It is not just because he's a Democrat and I am too—but that helps.

It isn't only because he has enacted legislation and started programs which are absolutely essential to me as Mayor of a great city—but I appreciate that.

It isn't because he is the President now and will be four years from now—although I am comforted by that confident expectation.

I support Lyndon Johnson and Hubert Humphrey this year and next for all these reasons, but more important still, I support them because I am convinced, beyond any question, that they are best for America.

And I have no doubt America knows that to be true, as it will show decisively next November.

THE COPPER STRIKE

Mr. MANSFIELD. Mr. President, I ask unanimous consent at this time that such time be allocated as necessary for Senators from the copper-producing States to hold a roundrobin on the present copper-strike situation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, over the past several weeks, some of the Senators from the copper-producing States in the Rocky Mountain West have had meetings with the Secretaries of Defense, Labor, and Commerce and, on occasion, with their representatives when they were personally unable to attend.

By the same token, some of us—the distinguished Senator from Montana [Mr. METCALF] and I—have had at least two meetings with the representatives of the Steelworkers; namely, Vice President Joe Maloney and International Representative Al Skinner, who was also the last president of the Mine, Mill & Smeltermen's Union before it merged with the Steelworkers last July 31, I believe.

The third member of the union who met with us just this morning was Mr. Jack Sheehan who, I believe, is a representative of the Steelworkers in Washington. Unfortunately, we have not been able to arrive at any hard and fast conclusions as yet; but I do want the RECORD to show that just today the Senators from the copper-mining States—Senators HAYDEN and FANNIN, of Arizona; Senators BENNETT and MOSS, of Utah; Senators MONTOYA and ANDERSON, of New Mexico; Senators BIBLE and CANNON, of Nevada; and Senator METCALF and I, from Montana—have just concluded a meeting, at which I reported that the possibility of creating a presidential factfinding board is not foreseeable, at least at the present time; that the possibility of Taft-Hartley being invoked against the strike is not now intended because the present supply of copper precludes the national emergency factor on which this application of Taft-Hartley would have to be predicated; and, third, that it is our belief—and I am speaking only on behalf of my colleague [Mr. METCALF] and myself in this respect—that the national stockpile will not be touched.

Therefore, it appears to some of us—and I can speak only for myself—that the way this matter is going to be settled eventually will be through direct negotiations between the unions and management. When I say "direct negotiations," I mean daily, round-the-clock sessions, which have not as yet taken place.

This, I believe, is the first day of the sixth month of the strike.

We know what delay means; it means added misery for the lot of the miners and smeltermen. The longer the strike lasts, the greater their difficulty, the worse their position and the more urgent their need for assistance will be.

It is our understanding that within the past several days, the Phelps-Dodge Corp., one of the big-four copper producers, along with Anaconda, Kennecott, and American Smelting & Refining has made an offer to the steelworkers of somewhere in the vicinity of 61 to 62 cents in increases. Yesterday I was under the impression that negotiations based on that proposal by Phelps-Dodge had been broken off.

Today, I am happy to state that such has not been the case, that the offer is still alive. It is my further understanding that there is a degree of flexibility on both sides respecting the offer made by Phelps-Dodge to the steelworkers. This is an encouraging factor because, for the first time, something of consequence has been laid on the table. For the first time, the unions and a major producer seem to be willing to discuss the matter and perhaps establish the groundwork for a settlement that might be given consideration by the other three major copper producers in this country.

The purpose of the meeting of the 10 copper-State Senators this morning was to bring them up to date with respect to the information I had at my disposal.

The purpose of making this statement today is to express the hope that, based on the encouraging sign that there is a possibility of negotiations between Phelps-Dodge and the steelworkers, something concrete will develop.

Mr. METCALF. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield to my colleague.

Mr. METCALF. Mr. President, I want to concur absolutely in the statement made by my distinguished colleague. He and I have met with representatives of high officials or the Secretaries of the interested Departments; namely, Labor, Commerce, and Defense. When we offered a proposal for a factfinding committee, it was accepted by the unions and rejected by the management. It was not rejected with an absolute refusal not to discuss matters. Doors were left open for such a committee, but at the present time we do not feel we can achieve anything by suggesting that there be another factfinding commission.

However, as the Senator from Montana has suggested, there is one bright spot. That is the negotiations we have been informed about with Phelps-Dodge. This bright spot should continue to be encouraged.

There is quite a bit of difference between management and the labor representatives, but they have not been adamant or shut the door.

I think all of us feel that if there would be a breakthrough at Phelps Dodge, there would be a breakthrough at Anaconda, Kennecott, American Smelting & Refining, and some of the other major copper producers.

I want to concur in my colleague's remarks that I see no possibility for Taft-Hartley. I see no alleviation for the situation from the stockpile. It looks like factfinding proceedings by a Presidential Commission are stalled for the present. We must urge that both parties get together on this matter.

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield to the distinguished Senator from New Mexico.

Mr. MONTOYA. Mr. President, I heartily endorse what the distinguished Senator from Montana has stated. I also want to commend him for the leadership which he has exemplified and asserted with respect to the copper strike in this Nation. Periodically we have had some meetings with the distinguished majority floor leader, and periodically we have evaluated the lack of progress, I am sorry to say, with respect to the negotiations that have been going on between the copper industry and the unions.

The two Senators from Montana proposed a few days ago that the President name a special board, and the copper companies rejected this suggestion at the time.

It seems to me that the question revolves around whether we are going to have industrywide negotiations or individual-company-with-union negotiations. It seems to me that the recent assurances that Phelps Dodge is tenaciously conducting negotiations with the union is a bright spot in this wilderness—or desert, I should say—of inaction, because for 6 months the companies and the unions, on an individual basis, have been meeting, and there has been no progress.

The Federal Mediation and Conciliation Service has rendered great service in trying to get them together and trying to get a consensus or agreement, but, somehow, they have been very far apart up until now.

I do not think any of us believe we should travel down the Taft-Hartley road. It certainly is not necessary. In the last few days, there have been newspaper reports that the cause for any lack of interest on the part of the copper companies or those in need of copper in this country has been that the Government stockpile has been releasing part of its copper.

I understand today that that is not true; that there has been no release from the stockpile. But there have been considerable imports of copper into this country, because some of the countries that are in negotiations have foreign interests and they have been bringing copper into the United States. Whether that is a contributing factor to this delay, I do not know. I hope it is not.

I think uppermost in our minds should be the fact that many Americans are out of work; that the industry is a vital industry to the economies of the respective States affected; and that the delay up to now is beyond tolerance. We are now in the sixth month. Something should be done. All we can do in the Senate and in the Congress is to exhort the companies, the unions, and the Federal Mediation Service to try to intensify meetings so that we can arrive at some reasonable basis for a settlement.

I thank the distinguished majority leader for yielding to me.

Mr. BIBLE. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. I yield.

Mr. BIBLE. I thank the distinguished majority leader. I want to clearly associate myself, as I have in the past, with his efforts to bring about a settlement of a strike that has crippled the copper industry in Nevada and other Western States.

I joined the majority leader some weeks ago in urging that labor and management get together for negotiations on a daily, around-the-clock basis. I am hopeful our efforts had some salutary effect in bringing labor and management a little closer together. Possibly they did, particularly in the case of Phelps Dodge.

The report given to us today by the majority leader, at a meeting in his office of interested Senators from the States involved, was encouraging, because it offered a ray of hope for a breakthrough in labor-management negotiations.

I do not mean to imply this dispute has been solved, but at least there is some evidence of communication. If this continues, with the able assistance of Mr. William E. Simkin, of the Federal Mediation and Conciliation Service, there is a great possibility that satisfactory results will be forthcoming. This would set a pattern for the other major copper companies to follow, so men can go back to work, copper can be produced, and the economies of the States involved can recover from the debilitating effects of the strike.

In my State of Nevada we have three fine copper companies. One is the Kennecott Corporation in eastern Nevada's White Pine County. In this particularly critical area, the towns of Ely, Ruth and McGill comprise practically one industrial community and almost a one-industry county. The result of the strike has been devastating to these communities to and including the school systems, allied services and the entire economy.

Our second operation is at Weed Heights and is conducted by the Anaconda Copper Co. I know our efforts in this Congress have paid dividends at least in Weed Heights, where there are continuing negotiations to settle the differences between labor and management. They are still talking, and as long as they continue I think there is reason for optimism that the difficulty can be resolved.

I join with the Senator from Utah [Mr. Moss] and the Senator from New Mexico [Mr. MONTOYA] months ago in urging the President of the United States to appoint a factfinding board, because the issues are so greatly in dispute between management and labor. The President did not see fit at that time to appoint a board. I regret this was not done.

The Senator from Montana and his colleague made a second suggestion for a factfinding board, and, as has been indicated, management would not go along with that particular proposal. Again, I regret this decision.

So it seems to me that at this point our role is to exert a concerted effort in urging representatives of management and labor people to sit down and see if they can resolve these differences. There is a wide area of disagreement as to who is right and who is wrong, but the problem is hardly insoluble. At this time of year, particularly, men of good will should be able to get together and resolve their problems.

I wholeheartedly join my distinguished colleagues in urging the principals in the dispute to earnestly seek an early solution.

Mr. MANSFIELD. I yield to the distinguished Senator from Utah.

Mr. MOSS. I thank the majority leader for yielding to me, and I wish to express my appreciation for the effort that he has been making, together with the other Senators from the copper-producing States, to find some way out of this long and protracted copper strike.

It has indeed been frustrating, and it has had a great impact on my State of Utah. In fact, the impact has been so great that the Governor of our State has imposed a cut on all State government departments of 4 percent across the board in all of their expenditures, and there is even consideration of a further cut. This cut affects even our institutions of higher learning and our schools—there is that great an impact in tax loss to the State because of the number of workers who are out on the strike, and because of the loss of income of the copper companies.

We have three of the large copper companies that are involved in the work stoppage in our State of Utah, and this is an issue of great importance to us.

As the Senator from Nevada has pointed out, it was more than 2 months ago that he and the Senator from New Mexico [Mr. MONTOYA] and I implored the President to appoint a factfinding board to see if we could not get out into the open all of the facts surrounding this strike, because much is said and much is speculated about what is going on, but the plain fact is that we have no bargaining, and that is what has been so frustrating.

If the unions and the companies were sitting around the table every day, bargaining and exchanging views, then there could be some hope; and that is the reason that all of us have pinned some hopes on the fact that the Phelps-Dodge situation seems to be one where there is some bargaining going on. As long as there is some bargaining, there is hope that we can find an agreement and get a contract, and get production back on the track.

But in the case of Kennecott, which is the principal producer in my State, there has not been any bargaining for months. They have not even met to exchange any words at all. This is a situation that lends greatly to frustration, when the parties will not meet and bargain, because free collective bargaining, which we all support, is predicated, of course, on the fact that there will be meetings and exchanges; and if each of the parties just stands rigidly and refuses to bargain, the system does not work.

That was apparent to our Governor some 2 months or more ago, and he publicly announced that if the unions and the companies had not started to bargain by a given date, he would invite the president of Kennecott Copper and Mr. Maloney of the steelworkers, who is the chief negotiator for the union, to come and meet with him and talk with him in the capitol of our State at Salt Lake City; and he extended the invitation accordingly.

No bargaining occurred, and on the day that the Governor invited the parties to come and meet, Maloney was there and said he was ready to talk. All we got from Mr. Milliken, the president of Kennecott Copper, was a telegram saying he would not be there, that there were some employees of Kennecott in the State, and they could talk with them.

So really nothing came of that effort. The Governor was frustrated in his efforts to bring together the top leaders of the union and the righest copper company in our State for bargaining, and the negotiations fell apart. He has made further efforts since that time, trying to get the parties together to bargain, but unfortunately without success.

One of the things that is said about this situation—on which we do need some enlightenment, and for that reason could well have a factfinding board—is that there is a tax writeoff advantage to the companies because of their loss of income on the local production; that those companies which have overseas mines and production can import, and consequently continuation of the strike gives them an economic advantage.

I do not know enough about that to verify whether that is the fact or not; and that is one reason why I think we ought to have a factfinding board. Is there an advantage that accrues to the companies here, that makes the situation of the parties unequal? Because the workers who are out on strike, of course, have no opportunity to augment their income in any way.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MOSS. Certainly.

Mr. MANSFIELD. It is my understanding that both Kennecott and Anaconda do import copper from Chile, where they both have large holdings. These imports are shipped in in bond, as I understand it; and while they are landed at east coast ports, and it may be that some degree of processing takes place, they are not placed on the domestic market, but are transshipped, if my understanding is correct, to Europe and other markets overseas.

But it is my further understanding that a great deal of imported copper is coming in from Canada. So the companies are making up for some of the deficiencies caused by the shutdown in domestic producing areas with Canadian copper.

Mr. MOSS. Canadian copper does supply some of our domestic markets; at least we know there are imports of considerable quantities.

One of the other problems that worry me about this matter, and I would like to have the factfinding board examine it, is that it has been suggested that perhaps the Taft-Hartley Act should be invoked. Of course, there is an argument about whether legally there is a basis for doing that; but putting that side, the thing that occurs to me is that if Taft-Hartley were invoked, and the workers were required to come back on the job for 80 days, but there is no bargaining going on, if they are not even going to the bargaining table, what happens? In 80 days, they simply go out again.

Perhaps many of those former employees who are skilled workmen, having obtained other employment—as many have done in my State; fortunately, there are work opportunities in other areas for skilled employees—would not leave the new employment to come back for only an 80-day period of time, thinking that at the end of that time they would be out of a job once again.

So this is not a situation, it appears to me, where Taft-Hartley would be likely to be effective, even if it is legally possible to invoke it.

Mr. METCALF. Mr. President, I wonder if the Senator would yield at that point.

Mr. MOSS. I am happy to yield to the Senator from Montana.

Mr. METCALF. In view of the fact that some of those people, especially those who are working in the pits, are not traditionally hard rock miners, but are very highly skilled machinists, truck drivers, or shovel operators, and while some of them have found employment opportunities in our local communities, others have left our State and have gone out to work in aircraft plants, automotive assembly plants, or other industries on the coast.

While it may be that as a result of the settlement of the strike, some of those people will be attracted back because they own homes or pension benefits, certainly they would not return from steady employment in some other geographical location to participate in production for an 80-day period, if it were problematical whether it would last any longer than that.

Mr. MOSS. I thank the Senator for his comment, and I certainly agree with that wholeheartedly.

The real problem here is, How can we get bargaining started, how can we get these parties to sit down and seriously exchange points of view, and offers and counteroffers?

That is the reason that I take some heart from the fact that the Phelps-Dodge matter does seem to be open and subject to bargaining. I commend the Conciliation Service—Mr. Simpkin and the others—for their continuing efforts to bring the parties together, and I think if there is any area in which we should spend our thinking and our efforts, it is, "How do you get the parties to come together in good faith and bargain in a situation like this?"

I have been in conferences with both management and labor many times on this issue, and I have been told again and again by representatives of one of the parties that they are ready to bargain, they will sit down, they will go any time, and then I have been told by the other party that there is no use to do that, that the conditions are such that there is nothing, really to talk about, and therefore they see no reason for coming into the meeting.

Mr. President, this is frustrating, and it will in the end, it seems to me, work against the principle of free collective bargaining.

Both management and labor assert again and again and always that they want free collective bargaining. If they want it, they had better use it or it will be gone sometime, and there will have to be another way to bring about conciliation of disputes that end in work stoppages.

I again commend the majority leader and the other Senators who have shown such great interest and concern in the matter and have taken positive steps, to the maximum extent possible, to bring this matter to a head and get it concluded.

I hope that we can find some way to do it, because the privation that is resulting from this work stoppage in all of the copper-producing States is spreading not only to copper production but also to other industries and suppliers and is mounting and mounting until it is of great proportion in my State. I am sure that is also true in the other involved States.

I thank the majority leader for yielding to me.

Mr. MANSFIELD. Mr. President, I thank the Senator.

I yield to the Senator from Nevada.

Mr. CANNON. Mr. President, I thank the distinguished majority leader for yielding to me.

I associate myself with the remarks of the distinguished majority leader and my colleagues who have spoken on the subject.

I completely agree that there is no possibility that the Taft-Hartley Act could be invoked to increase our supply of copper at the present time.

I agree from the standpoint of an 80-day period, that it would really not solve anything unless the parties meet in good faith and negotiate. Second, I agree that it could not be invoked at the present time because there is not a national emergency.

It seems that copper continues to come into the inventory in a sufficient amount to meet the defense needs, thus precluding any possibility of a national emergency being declared. However, it is having an ultimate effect in the form of a national emergency, certainly on those of us whose States are directly concerned as copper producers. And it will have the economic effect of a national emergency on many other States that fabricate copper and are involved in that particular end of the industry.

There is one point that has not been made so far, and that I want to raise at this time.

By the action that is taking place now on the part of the unions and management, we are, in effect, driving a lot of the copper industry, the ore processing, and fabrication, into foreign countries. It is creating a problem that we have all been concerned with as it relates to our competition with the foreign market by which means certain foreign countries are attempting to get a foot in the door. Believe me, they will not do it unless they can sign up contracts over a long period of time.

We are, in effect, driving ourselves out of the market by the unfortunate action that is taking place by means of which the parties are not getting together and bargaining collectively in good faith.

I agree completely with the majority leader that the national stockpile is not going to be touched in this instance. We have had two releases from the stockpile in not too many months. And I am satisfied that there will be no further releases from the stockpile because our stockpile objective is not up to the point that has been established at the present time.

I think that the only way the matter can be settled under the present conditions is for labor and management to get together and bargain collectively in good faith.

With respect to the in-good-faith question, it has been rumored around and I do not know whether there is any verification for the rumor—that there will not be any good-faith bargaining until some time in the future because some of these contracts have not expired.

I hope that is not the case. I hope that these people who are involved, both labor and management, will meet together, primarily now on contracts that have expired, and try to satisfactorily resolve the situation.

In my opinion, if both of these bodies, labor and management, cannot meet and bargain collectively, they will be doing an injustice not only to themselves but also to the great Nation.

I thank the majority leader for associating himself so strongly on this entire mater and for his suggestion that the proposal by Phelps-Dodge, that is still under consideration by union and management, should be considered further and that some good-faith negotiations should take place.

Mr. MANSFIELD. Mr. President, I thank the Senator from Nevada. I point out that the longer the strike continues the more substitutes will be used in place of copper.

Mr. President, I yield to the Senator from New Mexico.

Mr. ANDERSON. Mr. President, I am very happy to associate myself with the Senator from Nevada and congratulate him for the good work he has done.

I am happy that this is a bipartisan effort and that we will be successful in accomplishing something, with both Democrats and Republicans working together.

I think the Senator from Nevada just now said that there are many questions that must be solved by collective bargaining.

Mr. President, I appreciate the assistance of the distinguished majority leader, who has always supplied us with fine leadership.

Mr. MANSFIELD. Mr. President, I thank the distinguished Senator from New Mexico.

Before I yield to the distinguished Senator from Arizona [Mr. FANNIN], I want to reply to a question raised by the Senator from Nevada [Mr. BIBLE], in which he mentioned White Pine County and Phelps Dodge. The same situation applies in Butte, Anaconda, and East Helena, three of the most important cities in Montana.

Having worked in the mines in Butte and in the old Sacramento mine in Bisbee, I know what it is to live in a community which has no outlet. People there have only one commodity. This makes a difficult situation much more difficult. There is no place to which these people can turn unless they leave the State, and many of them have and more will leave the State.

We will then be the big losers because of this situation.

Mr. President, I yield to the Senator from Arizona [Mr. FANNIN], a great Governor of that copper-producing State.

Mr. FANNIN. Mr. President, I thank the majority leader. I commend him for calling together the Senators from the copper-producing States to discuss this very important issue.

The matter really constitutes a crisis in our Western States, particularly in the State of Arizona, since my State produces over 50 percent of the copper produced in the United States.

The situation pointed up by the majority leader and by other Senators this morning is extremely critical in the State of Arizona.

I think we should realize that we have a power struggle going on in which the workers and the general public are suffering the greatest.

There are 26 unions involved, as I understand it, in this strike.

A new system of bargaining has been injected into the negotiations between the union and the companies. We should take cognizance of the fact that not only should we be thinking about what should be done today, but we should also be thinking about what should be done in the future to avert similar occurrences.

When the Congress convenes in January, therefore, I plan to introduce a bill to prohibit coalition bargaining by unions. This form of bargaining has confronted the Nation with industrywide strikes—now on a scale never heretofore seen. It threatens an ever greater massing of union power to force settlements on its own terms, regardless of national guidelines. Administration calls for restraint, and public interest.

In addition to its threat to the national economy this form of bargaining also endangers the right of rank and file union members to decide in their own local unions and bargaining units what is best for them. Coalition bargaining, to accomplish its purpose, necessarily vests power in the international unions which form the coalition, and in turn transfers the power of decision from the base of unionism; that is, the workers, to a handful of leaders at the top. This result was frankly acknowledged in the recent report of the IUD to the AFL–CIO national convention when it stated:

> It has been shown that if coordinated bargaining is to achieve its greatest gains, the international unions' top leadership must make key policy, planning and strategy decisions.

In many parts of the Nation, including my State of Arizona, employees of the non-ferrous metals industry continue to suffer through a strike that has little interest in their legitimate concern for improvement in wages, hours and other terms and conditions of employment as set forth in section 8(d) of the Labor Management Relations Act. Rather, they are enmeshed in a drive by their purported representatives to circumvent the intent of section 9(a) of the act, by establishing composite bargaining committees or teams which include representatives from several units from various plants or divisions of an employer, rather than restricting the bargaining conferences to representatives of the union certified or recognized in the particular bargaining unit.

The purpose of this tactic is to force companywide and systemwide bargaining rather than bargaining in the units established under the act. The increased wages and labor costs which result from the uniformity forced by this type of bargaining will be disastrous for local businesses which are not its immediate target, and may also shut down or severely cut back operations of the companies directly involved.

I believe, too, we should consider just what results will accrue if this strike continues and the consequences spoken of by Members of the Senate have their effects. This could be disastrous for my State of Arizona, I know, and for the other Western States, and, of course, it would be detrimental to the Nation.

Accordingly, the bill I plan to introduce would amend section 9(a) to clarify Congressional intent by requiring that bargaining with employers be conducted by those whom the employees designated for that purpose; namely, such people as officers, agents, and members of the union—including for this purpose both the international and local union—selected by the employees as the bargaining agent.

The proposed amendment applies only to representatives sitting at the bargaining table with the employer. It would not infringe on the right of the union to consult in advance of bargaining sessions with other unions on any matters whatsoever, including its bargaining objectives and tactics. One union could not, however, invite the representatives of another union to sit in at the bargaining table unless, of course, some form of joint bargaining or multiplant bargaining had been established by consent or by prior National Labor Relations Board certification. The amendment would not hamper a union's rights to retain a lawyer or consultant of any kind and bring to the bargaining table so long as he is not an officer or agent of another union which has no standing as representative of the bargaining unit.

I believe we have a problem here serious enough to implore the unions and the companies involved not to at this time change their system of bargaining. That they bargain in good faith, as has been requested by several Senators today, taking into consideration that an emergency exists and that the defense of our country is at stake. Our men are fighting in far off Vietnam, in a struggle that is essential to the freedom of the people of the world.

So I would hope at this time that the union officials and the company officials would consider what is at stake, and not insist on changing the entire bargaining procedure at this critical time.

Mr. MANSFIELD. Mr. President, I yield to the distinguished Senator from Utah, who will round out the number of Senators from the five copper-producing States in this roundrobin.

Mr. BENNETT. Mr. President, I was happy to sit in with the majority leader and the Senators from the other copper-producing States this morning to discuss the problem. I am happy that there is some show of hope in the fact that the Phelps Dodge negotiations still seem to be open. But I agree with my colleague, the Senator from Arizona, that the problem goes much deeper, and I should like to speak in detail about the situation as I see it.

Mr. President, today on December 15, the copper strike which is now affecting the entire Nation will go into its sixth month. It began on July 15, and at this point there is no prospect of a settlement, unless the Phelps Dodge situation holds up. Phelps Dodge of course, does not operate in my State. The cost in dollars and lost work can only be partially measured in figures. The economic suffering which has come to the workers who have not drawn a paycheck for more than 21 weeks is inestimable.

It the State of Utah, the impact upon our economy has been calculated at $57,442,000. It has adversely affected not only employees, but also all citizens in Salt Lake City and the smaller towns where the workers live, who themselves provide the services and products of daily living to the striking workers. Many small merchants are hanging precariously to their very business existence.

Tax revenues which normally accrue to their localities, and to the State itself, have been depleted to the point where severe budget cutbacks have been forced upon my State of Utah, as Senator Moss has already pointed out, and I am sure that is true with respect to the other States involved.

Even if the strike were settled today,

the time required for each striking employee to make up the lost wages based on an additional 5 cents per hour over and above the original company offer would require more than 29 years. If the offer were 10 cents above the original company offer, it would require more than 14 years. Each worker has now lost, on the average, a total of $3,036 in wages.

We have come to the point in this disaster where it has spread far beyond the Intermountain West, and under no terms can it now be classified as merely a regional problem. Workers in many States have been drawn in and are now facing a cheerless Christmas and a jobless winter.

In anticipation of this strike, many fabricating industries stockpiled extra copper, but we are now at a point where that supply is rapidly becoming exhausted. Within a few weeks if a settlement is not reached the automobile industry, the communications industry, defense industries, and other copper users will be without this vital metal.

The problem goes even beyond this, however, so far as the Nation as a whole is concerned, and some interesting statistics show the critical position in which we find ourselves.

During fiscal year 1967, this Nation consumed 3,345,000 tons of copper. At the present time there are only 260,594 tons of copper in the national stockpile. This represents a little over one-third of our stockpile objective of 775,000 tons, and only 7.8 percent of our annual copper consumption.

Mr. President, none of us need reminding that we are a Nation which at this moment is engaged in a major foreign war, and with our own copper production shut down, we have become entirely dependent upon foreign imports of the red metal to prosecute this war. If those foreign imports, for one reason or another, were cut off, we would not have enough copper available at home to carry us through a single month. Ever since the strike began 5 months ago, we have been told that there was no shortage crisis in the supply of copper available. Today it is painfuly obvious that we can no longer accept that thesis, and that the time has come when a solution must be found.

Prior to the strike, copper was selling in this country for 43 cents a pound, and it is now selling, when available, for about 60 cents a pound. During the last few months, the foreign price has been higher than the domestic price. Under the President's urging, when they were producing, all American producers kept the American price down. Now we are being forced to pay something like the foreign price. This price rise is not helping the domestic producers—because they are producing nothing. Therefore, not only are we dependent upon foreign imports for this strategic commodity, but we are paying a price increase of nearly 50 percent to foreign producers. And while this is going on thousands of American copper workers—40,000, to be exact—have been without a paycheck.

What has been done in an effort to end this strike? Some weeks before the contract expired on July 15, an offer was made by the industries which the unions have not accepted, or, in my opinion, even seriously considered. I do not wish to get into the pros and cons of the various negotiation proposals, but the fact of the matter is, Mr. President, there is not now, nor has there been, hard-nosed, meaningful negotiations at any time since the strike began.

Mr. President, one of the reasons for this, perhaps, is that since we can assume adequate copper supplies are available from foreign sources, the unions have lost their economic leverage. They cannot say that by shutting down copper producers they are creating public pressure, because of the lack of copper.

However, many attempts to find a solution have been made by officials of the States affected. As my colleague pointed out, the Governor of Utah tried very hard to bring these people to the bargaining table but these efforts failed. It is my impression from observing the process of this experience that representatives of the miners, who have been without work for 5 months, could care less. They are concerned with building up their power, and the buildup of that power, in my opinion, will not come until every contract with copper producers in the United States has expired and they can control the entire industry.

Mr. President, shortly after it started the governors of the five Western States which have been involved since the beginning attempted to bring the parties together in order to promote negotiations between them. This has been repeated on several occasions, but all of these efforts have been unsuccessful. Wires and telegrams containing various proposals have been sent to the President by Senators from the States involved, including myself, suggesting a number of ways by which a solution might be found. Some asked for a fact-finding commission to be appointed by the administration; others, at different times have asked for the invocation of the Taft-Hartley law. These efforts have been unsuccessful. There have been many fruitless meetings. Federal Mediation Service officials and Secretaries Wirtz and Trowbridge, have met with the disputing parties, and at this hour, inspite of all these "jawbone" efforts, negotiations are still at a standstill.

I personally have introduced two legislative proposals designed to end, or assist in ending, the strike. As soon as it became apparent that we were facing a crisis I offered a resolution which would inform the President of the United States that it was the sense of the Senate that the Taft-Hartley law be invoked. This has been completely ignored. Later on, I joined with Senator FANNIN, of Arizona, a State whose economy is also suffering, in cosponsoring a "vote to work bill" which would allow striking union members themselves, after a period of 30 days, to vote on whether or not they might wish to return to work during negotiations—or in other words, giving them under the Taft-Hartley Act the same power the President has.

Most recently the distinguished majority leader and his junior colleague from Montana, Senator METCALF, have proposed that a panel be set up to arbitrate the dispute, consisting of four nominees recommended by management, four by the striking union, and three public members who, in the inevitable absence of agreement by the two contesting sides to the conflict, would be nominated, one each, by three members of the President's Cabinet. This would have allowed three of the President's political appointees to decide the men who would hold the balance of power in this recommended panel. As was to have been expected, this was rejected by the companies involved. That this would have stacked the Commission against industry should be obvious to anyone. The Cabinet officers are political appointees of the President; we have a presidential election coming up, and even as this suggestion was being made the AFL–CIO was meeting in its annual convention in Miami, and its leaders—including those of the striking union—were declaring their political support for the President.

This whole sad experience confirms again the tragic truth that the legal machinery we set up 30 years ago to handle strikes affecting the national interest is not longer adequate. This is essentially true because it is vulnerable to political pressure—pressure that can be successfully applied to Congress as well as to the President.

It is a sad commentary on our claim to bring an enlightened and sophisticated nation when, after 5 months, we stand helpless before the needs of 40,000 workers, facing Christmas and the coming winter with no hope of settlement in the months ahead.

I have been told that the President has been given the sincerely objective legal advice that this strike does not fall within the definition of a national emergency, without which he cannot invoke the Taft-Hartley "back to work" provision. If that is true, then the President himself is powerless and Congress must assume the responsibility to provide new methods of dealing with the problem.

The bill, S. 2667, which Senator FANNIN and I introduced on November 15, 1967, contained just such a new idea. Something is sadly needed now, and we think this idea is worthy of more than a political brushoff. That is what happened, and here we are ready to adjourn leaving the men still helpless and the Nation facing a dangerous copper shortage.

During the past week we have seriously considered trying to offer it as an amendment to a bill we knew had to be passed before adjournment, but the Senate leadership has rejected that approach. Under the circumstances, I must reluctantly agree with their judgment. The idea would represent a fundamental change in our national labor law. The unions could be expected to go all-out in opposition. It could touch off a long and bitter debate on the Senate floor and delay adjournment when there is no time left this year. Maybe all these conditions make the proposal seem like "whistling in the dark" as some union leaders claim. But neither they nor anyone else have come up with any other idea which would give those most affected—the employees, 5 months payless—any chance to help themselves.

Mr. President, as I close I want to give voice to two warnings to the President.

The first concerns the inevitable effects of our growing dependence on copper imports, which at their highest level are far below our domestic needs. This threatens damage to our economy in three ways:

First. The world copper price has been higher than the domestic price since July 10, 1967. This one factor is forcing us to pay 50 percent more for copper today than when the strike began.

Second. Imports of refined copper have risen from 3,500 tons in July 1967, to 56,000 tons in November 1967. At that rate they represent approximately 20 percent of our current consumption, and the volume of imports is rising monthly. In a few months our private domestic stockpiles will be exhausted. I am sure that the foreign suppliers are demanding future contracts—and we are doubtless building a new and higher base of imported copper into our supply picture—thus, exporting jobs and increasing our balance-of-payments problem.

Third. But this is only the beginning; all this is being compounded by the fact that when the strike impact reaches the last of the copper fabricators we could become dependent on foreign producers not only for our metal, but for the forms and shapes we need for our weapons, as well as all our domestic machinery, and all this is compounded by the higher foreign price for copper.

My second warning is addressed to the President as head of his great political party—of which I am not a member—the international leaders of organized labor may hail him in Miami, but the little people who, after 5 payless months, are being held jobless by a strike that has long since passed the point of any increased payout will probably vote their frustration in next year's elections.

And, Mr. President, none of us in Congress who could have taken some action in this case, and did not try, can go home feeling proud of our legislative record. When we come back in January, the strike will have run into its seventh month, and maybe we will recognize the imperative need for some new legislative approach, not only to stop this economic and social debacle, but to prevent future ones.

Mr. MANSFIELD. Mr. President, will the Senator from Utah yield?

Mr. BENNETT. I yield.

Mr. MANSFIELD. The result of this round robin among the copper-State Senators of the West indicates that there is no unanimity of opinion as to how the pending strike should be settled, but it does recognize a unanimity of opinion that the strike should be settled. I am sure that all 10 Senators are in accord that insofar as the unions and management are concerned; they have dillydallied too long, they have operated on an arm's length basis; and it is about time for them to get down and negotiate in earnest and do it daily and on an around-the-clock basis.

It is our hope that what we have had to say today will have some effect on both labor and management. I think I can speak for all 10 Senators when I say that we are cautiously encouraged by the fact that a hard and fast offer has been made by Phelps Dodge, that that offer is being considered by the unions, and that there is a good possibility, on this basis, that negotiations may well continue.

If that is the case, it might also be possible that any settlement reached between Phelps Dodge and the union will serve as a pattern for the rest of the industry.

Speaking personally, I want to say, as one who is vitally interested in copper and the effects caused by the strike, that I am indebted to my colleagues from the copper States in the Rocky Mountains for taking the time they have to engage in this roundrobin this afternoon.

Mr. BENNETT. I am very happy that I had the privilege to be a part of it. I am one of the two Republican Senators directly involved. If my contribution to the roundrobin expresses that natural bias, I am sure that the majority leader understands it.

I agree with him that the time is long past due when the unions and management should begin to bargain with each other in order to solve the problem.

I have very interesting and peculiar evidence of the fact that the unions are still turning to political pressure, because about 2 weeks ago the two Republican Senators who have spoken today were both hanged in effigy at a union meeting. That is an honor I had never expected to receive.

Mr. MANSFIELD. If the Senator from Utah will yield right there, I deplore such action and I would deplore it on the part of any group because while I feel that the unions have a good, strong case, I do not believe that the other side should not be listened to. Nor do I think that Senators, regardless of their feelings on this matter, should be pilloried or burned in effigy, as I understand was the case concerning the Senator from Utah [Mr. BENNETT] and the Senator from Arizona [Mr. FANNIN]. That is not a good way to reach a settlement, because while we may disagree with one another as to how, what, or why it should be done, we should at least be decent and respectful enough to give a fair hearing to other points of view as well.

Mr. BENNETT. I was surprised. I am sure that the majority leader recognizes that it was an irresponsible action which very few Americans condone.

I have been tempted to suggest to the majority leader that we should offer a bill in Congress to prohibit the lynching of Senators in effigy. I hope I will have his support if it is offered.

Mr. President, I yield the floor.

Mr. LAUSCHE. Mr. President, I have been listening with attention to the presentations made by Senators from the copper-producing States. On the basis of what was said, one would conclude definitely that the States primarily interested are those that produce copper, but let it not be forgotten that the fabricating States are also deeply concerned with this strike, which has already lasted for 5 months, and which at present has no prospects of coming to an end.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. BENNETT. I think in my comments I recognized that situation.

Mr. LAUSCHE. Mr. President, I rise to speak as a Senator from a State that fabricates copper. I have been getting mail and telephone calls from processors of copper asking what the Federal Government can do to bring about bargaining that will eventually lead to an agreement settling the dispute.

I have been disturbed by the fact that there is nothing that the Federal Government allegedly can do. It is argued that the Taft-Hartley Act is not applicable because it allows Federal intervention only if and when it is shown that there is a national emergency of a character in which, in this instance, copper is not available for the fabricators. The answer is that copper is available, they say, by buying scrap copper or buying foreign copper.

Perhaps the case can be made that when foreign copper is bought in large quantities, there is available copper for fabricating and the operation of the copper fabricating industry of the country. But speaking for a noncopper producing State and speaking the mind of a citizen, 5 months of strike, no prospect of negotiation, the law of the jungle prevailing—how long will the people of the Nation tolerate that method of solving disputes?

I subscribe to the principle of collective bargaining. But collective bargaining presupposes a legitimate purpose—to sit down at the negotiating table, exchange views, with the bona fide intent of giving consideration to the merits of the arguments of the contesting parties, and then reaching a settlement.

Why have negotiations not been carried on for 5 months? To me the answer is simple. One of the contesting parties is of the opinion that it has a power with which it will conquer by the use of power.

What the exact facts are concerning the reason why there have not been bona fide negotiations, I cannot give the answer; but I am told that the union leaders are waiting until all of the copper bargaining contracts have expired and that there will then be one mass effort against all of the copper producers and, in effect, against the copper fabricators. The law of the jungle is asked to prevail. The one that is stronger, economically and otherwise, shall win, and the one that is weaker shall lose.

That has never been the principle of justice in the United States, and I hope it never will be.

Shall we let them go on fighting? Five months have elapsed. The prospects are now that it will be 6 or 7 months, unless something comes out of the offer made by the company mentioned by Senator MANSFIELD.

But I pose this question to my colleagues and to the citizens: If this strike of 5 months, with a prospect of 7 or 8 months, continues, and if the more powerful of the two shall win, will the result be that the exporters of foreign copper to the United States may finally capture the market? If by the strike we add to the strength of producers and fabricators of foreign copper, what are the prospects for the businessmen and the workers in the United States?

It has been my opinion that in the United States, if we are to produce jobs in the number that are needed to keep our inhabitants employed, we cannot afford to put ourselves in a price position incapable of competing with foreign competitors.

Jobs for our citizens must be found through the promotion of industry. Industry will not expand if it is made uncompetitive with foreign producers and fabricators.

In conclusion, Mr. President, my appeal is to those who are involved in this dispute to give consideration to what the ultimate impact of a procrastinated and prolonged strike will be upon the copper industry of our Nation. What will be the result if we really settle upon the proposition that the one who is most powerful shall win?

I would deplore with all my strength placing in the employer, in industry, the ability to win because of this economic power; and I would place that same condemnation upon labor leaders if their purpose were to win because of the might of their organization.

I join with Senator MANSFIELD and the other Senators who have spoken here today in imploring the contesting parties to recognize the weaknesses of their positions, and also, of course, the potentialities; but to keep in mind that the law of the jungle shall not prevail, to keep in mind that they may achieve temporary victory, but that temporary victory may result in ultimate conquest of their own objectives.

I think it has been wonderful that the Senator from Montana [Mr. MANSFIELD] has developed this roundtable discussion, so that the labor leaders and the employers will know that there is concern in the Congress, and concern not only in the producing States but in the fabricating States, over what is happening.

Mr. MANSFIELD. Mr. President, I thank the distinguished Senator from Ohio for participating in this debate and presenting the position of those who fabricate the raw red metal.

Frankly, it is my opinion that if the Taft-Hartley Act were to be invoked, it should have been invoked in the beginning. It would be most difficult to invoke Taft-Hartley at the present time; the consequences could well be unfavorable. For instance, as far as shaft mines are concerned, they tend to flood, and it takes a long time to get them into operation again; and it is my belief that, because of the length of the strike, shaft mining in Montana and perhaps elsewhere in the country is in a most difficult and serious position at the moment.

We have to keep in mind also that in addition to the shaft mines, there are the open pit workings. Those who operate the big machines which scoop out the rock, the machinists and electricians and all those who are part of the employment force in any mining operation, have gone to other areas, and very likely would not return to work for an 80-day period, which is the most that can be obtained under Taft-Hartley.

So far as I know, the unions are not waiting for other contracts to terminate before they make a massive push on the companies. It is, I think, a matter of fact that both sides are at fault in this matter, and both sides are keeping each other further than "arm's length" apart. That is not the way to bring about a settlement of this situation, which confronts primarily the Rocky Mountain West, but affects as well the whole Nation, as the distinguished Senator from Ohio has pointed out.

I would note also, however, that, in addition to the negotiations now going on between Phelps Dodge in Arizona and the steel union, on October 14, 2 months ago yesterday, a 75 cents an hour—or approximately 75 cents an hour—settlement was arrived at between the Pima Copper Co. of Arizona and the Steelworkers Union.

When I worked in the mines, they used to have a number of colorful expressions, two of which I recall. One was "Tap 'er light," which meant take it easy; the other was "Take five," which meant take 5 minutes off and rest somewhere.

In my opinion, both the unions and management are "tapping it light" and "taking five," and it is about time that they got down to business, got down to bedrock, got around that table and began operating, at "arm's length," even face to face on a daily, round-the-clock basis. As a matter of fact, that time is long overdue.

GERMAN REUNIFICATION

Mr. PELL. Mr. President, I have taken the Senate floor several times in the past years suggesting that a more rewarding approach might be used by our Government and by the Federal Republic of Germany in honestly facing up to what can and cannot be done on the question of German reunification. I have also given voice to my conviction that both our Government and the German Government might profitably undertake new initiatives toward realizing a general detente with Eastern Europe.

I raise this subject again today but do so with a bit more hope and also with renewed concern. My hope is based in good part on what I consider the imaginative and adroit change in foreign policy emphasis initiated by Chancellor Kiesinger and Foreign Minister Brandt on the part of the Federal Republic. It stems in part from our efforts to increase trade and contacts with the people of Eastern Europe and, by doing this, to hasten the erosion of communism there.

My renewed concern is based on what appears to be deliberate steps on the part of the Soviet Union to rebuff these efforts at detente by the Federal Republic. Press reports during the past weeks indicate that the Soviet Union may in fact be attempting to reactivate the trouble spots in central Europe, partly as a counterploy to the U.S. involvement in Vietnam, and partly as a response to growing friendliness between many of the East European satellite states and West Germany.

A year ago Dr. Kiesinger and Mr. Brandt brought together a new coalition government made up of the Federal Republic's two largest parties, the Christian Democrats and the Social Democrats. Because of internal domestic political considerations, such a coalition was no mean achievement. Once achieved, however, this coalition has given their Government a sufficiently large base to take the first cautious steps toward updating its policy vis-a-vis East Germany and the rest of Eastern Europe. It has given the Federal Republic leaders a chance to face the hard facts of the present situation in Eastern Europe.

In one of his Government's early foreign policy pronouncements in January 1967, Dr. Kiesinger, rightly in my opinion, places the amelioration of the German question in the context of a general detente between the two parts of Europe and not as an unrealistic precondition to a general detente.

Chancellor Kiesinger also expressed a desire to find a pragmatic basis to make more normal his diplomatic relations with Eastern European countries. This "pragmatic approach" enabled Germany to unshackle itself from the hitherto increasingly sterile policy of the "Hallstein doctrine," by terms of which Bonn has threatened to sever diplomatic relations with states recognizing East Germany.

Finally, the Chancellor said in discussing the highly sensitive issue of relations with East Germany:

> We believe that there is a force in human beings and in nations which with patience, perseverance, good will and intelligence can master situations which at times appear nearly invincible.

He went on to say:

> We simply must move. We must talk to each other. We must be in touch with each other in all areas: the economic field, the cultural field, and the political field.

This willingness to initiate contacts with the East was not long in bearing fruit. Diplomatic relations were established with Rumania in February of this year, and a trade agreement with Czechoslovakia was concluded in August. It is to be hoped that the talks that have already been undertaken with Bulgaria and Yugoslavia will also result in full diplomatic relations with those nations.

In an important policy statement in April of this year, Dr. Kiesinger outlined the following program for relaxing tensions between the two Germanies. The main points of this program, which was entitled, "Detente: A Task for All Germans," are as follows:

> It is the duty of all persons living in Germany and taking a part in political affairs to examine this question: what can be done practically—regardless of the key differences existing between both parts of Germany to ease the suffering of our people, caused by the division, and in this way to create the conditions for a relaxation of tensions inside Germany.
>
> For this, there are many possibilities, for example:
>
> I. Measures for easing the daily life of the people in the two parts of Germany, such as:
>
> (A) Improved travel possibilities, particularly for relatives, with the aim of developing normal traffic;
>
> (B) Border-pass regulations in Berlin and

> between the neighboring areas in both parts of Germany;
>
> (C) The easing of payment transactions through internal German accounting and the mutual provision of travel funds;
>
> (D) Facilitating the receipt of medicines and gift parcels;
>
> (E) Permitting the joining together of families, particularly the return of children.
>
> II. Measures for strengthening cooperation in economic and commercial matters, and in transport facilities, such as:
>
> (A) Expansion and easing of internal German trade, including public guarantees and the establishment of credit lines;
>
> (B) Exchange between the two energy markets, establishment of efficient energy networks;
>
> (C) Joint development or installation of new transport facilities, especially bridges, auto highways, water transport facilities, railroads;
>
> (D) Improved postal and telephone connections, especially the re-establishment of telephone service for all of Berlin;
>
> (E) Discussion of economic and technical ad hoc cooperation.
>
> III. Agreements on arrangements for scientific, technical and cultural exchanges, such as:
>
> (A) Ending the bureaucratic organization of contacts between universities, research institutions and scientific associations;
>
> (B) Timely forms of scientific and technical cooperation;
>
> (C) Step-by-step liberalization of the unhindered receipt of books, magazines and newspapers;
>
> (D) Visits of youth groups and school classes;
>
> (E) Free internal German athletic contacts;
>
> (F) Free exchange and contacts between cultural associations and institutions.
>
> The Federal Government stands ready to examine still other suggestions. By way of conciliation, it wishes to do everything it can to end the division of Europe and of Germany.

Now, while these steps will not be considered radical, they do represent movement off the dead center of the old German policy to the East.

Germany and the United States have much to gain and practically nothing to lose by increased contact with Eastern Europe, including East Germany. It is we who are a free, open society, and they who are closed, secretive, and clandestine. They build walls—we have no need of them. Marxist and even Stalinist approaches, theories and methods are bound to start to atrophy in a society which is increasingly consumer-oriented and literate, as that of the Soviet Union is becoming. Eventually, I believe we will find throughout Eastern Europe an actual withering away of doctrinaire communism, a system that goes so against human nature. We can speed up the process by increasing contacts of all sorts between our free people and communism's imprisoned population.

The progress of detente will require firmness and tact especially at this time when, as I have noted, the Soviets are once more making threatening noises. Within the last week, they resumed their calls on Bonn to renounce its claims in Berlin—a proposal so obstreperous on its face that I can only attribute it to the desire to make propaganda to accompany the visit of East Germany's Chief of State Walter Ulbricht to the Soviet Union.

The Soviet proposal is unthinkable, but it points up the vulnerability of Berlin in a way that suggests a long-range solution, within the framework of a settlement for all of central Europe. I have urged, and continue to press for an internationalized land corridor to West Berlin, specifically the Helmstedt autobahn. By doing this, and by removing Communist control over our traffic to Berlin, we would have removed one more potential trouble spot which is vulnerable to Communist pressure.

In return, the Kiesinger-Brandt government could well afford to offer recognition of the Oder-Neisse frontier and ultimately de facto recognition of the East German regime. This in turn would pose a neat dilemma for the Soviet Union because of the great pressures within Poland to hold the territory east of the Oder-Neisse line. And in another sense it could open up a Pandora's box for the Soviets because it will remove the one excuse they have for maintaining troops in Polish territory, namely the defense of that line against incursions from the West.

Would West Germany or the United States really have anything to lose by following such a course? I think we have much more to lose by inaction. Not a soul nor a square inch would have gone to the Communists. Rather, we would have territorially gained by having secured the auto highway. And, I believe we should move in this direction without delay as the value of the quid pro quo which the East would be willing to pay for an Oder-Neisse settlement and for the facto recognition is diminishing every day.

I also continue to believe that more efforts should be made to secure more of a United Nations or international presence in Berlin, preferably in East Berlin. Specifically, it would be very salutary if some of the functions of the United Nations Geneva Headquarters could be transferred to Berlin, or, perhaps an easier change might be to move the United Nations Educational, Scientific, and Cultural Organization—UNESCO—from Paris to Berlin.

In conclusion then I would again like to express my support for the Kiesinger-Brandt initiatives, urge them to move more forcefully in this direction, and urge our Government also to become still more imaginative in its policy vis-a-vis Eastern Europe and East Germany. Particularly at this time when there are rumblings of renewed tensions from the Soviet Union, the United States should give the Kiesinger government all possible support and encouragement in its efforts to bring a more rational settlement to central Europe.

AMENDMENT OF THE TENNESSEE VALLEY AUTHORITY ACT

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 914, S. 1637.

The PRESIDING OFFICER. (Mr. BREWSTER in the chair). The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1637) to amend the Tennessee Valley Authority Act of 1933 to provide that the issue of just compensation may be tried by a jury in any case involving the condemnation of real property by the TVA.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works with an amendment strike out all after the enacting clause and insert:

> That section 25 of the Tennessee Valley Authority Act of 1933 (48 Stat. 70), as amended (16 U.S.C. 831x), is amended—
>
> (1) by inserting "(a)" immediately before the existing text thereof;
>
> (2) by inserting a comma and "unless a party shall demand a trial by jury," immediately after "the court shall" in the first sentence of the second paragraph of the newly designated subsection (a); and
>
> (3) by inserting at the end thereof the following new subsection:
>
> "(b) Upon the timely demand of a party, the court shall order a trial by jury for the purpose of ascertaining the value of the property to be acquired, and assessing the compensation to be paid. Such demand shall be filed within the time allowed for answer in a condemnation proceeding or within such further time as the court may fix. The provisions of chapter 83 of title 28, United States Code, shall be applicable to appeals from any decisions or rulings arising out of the proceedings authorized under this subsection.".
>
> SEC. 2. The amendments made by this Act shall be effective only with respect to condemnation proceedings initiated after thirty days following the date of enactment of this Act.

Mr. BAKER. Mr. President, I send to the desk an amendment in the nature of a substitute.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. The Senator from Tennessee [Mr. BAKER] proposes an amendment on page 3, beginning with line 3, to strike out all through line 2 on page 4 and insert the following:

> That the last six paragraphs of section 25 of the Tennessee Valley Authority Act of 1933 (48 Stat. 70), as amended (16 U.S.C. 831x), are hereby repealed.
>
> SEC. 2. The amendment made by this Act shall be effective only with respect to condemnation proceedings initiated after thirty days following the date of enactment of this Act.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. SPARKMAN. Mr. President, I have had a conversation with both Senators from Tennessee. I had prepared an amendment to offer to the bill which simply would have restated rule 71(a) in the wording of the statute itself.

My understanding of the amendment offered by the Senator from Tennessee is that it has exactly the same effect. I understand it makes applicable rule 71(a) to the Tennessee Valley Authority, as it is in all other Government agencies.

Mr. BAKER. The Senator is correct. The proposal will bring about the application of Rule 71A to all Tennessee Valley Authority proceedings, but it would not affect current litigation nor any litigation commenced within 30 days of enactment.

Mr. SPARKMAN. I understand. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute for the committee substitute.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

Mr. BAKER. Mr. President, the Tennessee Valley Authority Act of 1933 provides, in section 25, that in cases where the Authority finds it necessary to condemn real or personal property, it must proceed in a specified manner, namely, by resort to appraisal and determination of value by three commissioners appointed by the U.S. district judge for the area in which the property to be acquired lies.

I introduced in April, with cosponsorship by the Senators from Kentucky [Mr. COOPER and Mr. MORTON], a bill to amend the Tennessee Valley Act so as to guarantee the right to trial by jury in condemnation cases, instead of resort only to trial before a board of commissioners.

The Committee on Public Works conducted public hearings on this proposal and reported S. 1637, which provides that the Tennessee Valley Act should be amended to preserve the existing TVA commissioner system, but to provide for the right to demand and receive a trial by jury, if demand is timely made by either party.

The Senate has just agreed to an amendment in the nature of a substitute to the bill reported by the Committee on Public Works. The amendment, in effect, simply repeals that section of the Tennessee Valley Authority Act which sets up and directs the utilization of a three-member commissioner system, and places the TVA in precisely the same position as every other Federal agency, excepting only the District of Columbia, in the matter of jury trials of condemnation cases.

This amendment in the nature of a substitute, which is now before this body, provides that rule 71(a) of the Federal Rules of Civil Procedure would have full applicability to land and personal property condemnation cases by the Tennessee Valley Authority.

The principle of rule 71(a), which, as I have said previously, applies equally to all Federal agencies excepting only the District of Columbia, provides that assessment of value and determination of compensation will be made by a jury unless the U.S. district judge involved determines, in his discretion, that the matter is so complex or unique that the ends of justice would better be served by determination on a commission basis instead of on a jury basis.

I am perfectly free in my assertion that I believe the applicability of rule 71(a) to TVA proceedings and the uniformity of procedures among agencies thus invoked is highly commendable. I believe, however, that at this point it should be underscored that in committee hearings the Tennessee Valley Authority made the point that they preferred a commission system and objected to a trial by jury as embodied in rule 71(a) because of a lack of uniformity in the amounts of compensation determined by a jury.

Mr. President, in passing S. 1637, as amended to provide for the applicability of rule 71(a) to TVA proceedings, I am confident that I express the hope of the majority of the Members of the Senate that the courts of the land would not take this to mean that, while because there is allowed a discretionary element in the granting of jury trials in TVA cases, they could automatically, regularly, and consistently deprive landowners of the right of trial by jury, but rather that it is the clear purpose and intent of Congress to provide for a jury trial on demand except in extraordinary, unique, and unusual circumstances. Otherwise, there would be no reason, no logic, and no basis for this effort to amend the TVA Act to provide the jury trial option.

I reiterate that I think the element of discretion on the part of the U.S. district court judges as to whether there shall or shall not be a jury in Tennessee Valley Authority land condemnation cases is a valuable addition to S. 1637. I think it will, if properly implemented by the courts, unquestionably serve the ends of justice, because there are certain cases that conceivably can be so complex, intricate, or technical that the ends of justice would be better served by a commission system than by trial by jury.

I firmly believe, however, that is not ordinarily the case. I believe that in the case of the small landowners, regardless of how many properties are condemned simultaneously and for the same purpose, and in the case of uncomplicated litigation and in the case of establishing values in the ordinary course of events and in the vast majority of condemnation cases, resort to trial by jury is infinitely superior to the less rigid requirements of resort to trial by commission.

I hope that on passage of S. 1637, as amended, which has the effect of invoking the procedures of rule 71(a)(h) of the Federal Rules of Civil Procedure, our experience in the initial years of its implementation will be that the trial judges in the exercise of their discretion will feel compelled to find only the most extraordinary, unusual, and complex reasons to deprive landowners and property owners of the traditional American right to trial by jury.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. COOPER. Mr. President, I commend the distinguished junior Senator from Tennessee [Mr. BAKER] for introducing this bill in the Senate, and congratulate him for successfully leading it first to approval by the Senate Committee on Public Works, and now to approval by the Senate.

As we all know, and as the people of Tennessee know, Senator BAKER has been a strong supporter of the Tennessee Valley Authority. It is my judgment that the passage of this bill, and its implementation in the spirit of the law, will result in the strengthening of and in a wider support for TVA among the people of Tennessee and Kentucky and other TVA States. I say that as one who has supported TVA—and as a citizen of Kentucky, where TVA has played a very important part in the advancement of our State.

I wish to join in the colloquy with the Senator from Tennessee, who is not only the sponsor of the bill but is also managing the bill in the Senate today, and on my part to speak on this subject as the ranking minority member of the Committee on Public Works, in order to provide some interpretation which I would hope may guide the parties to litigation and have some influence on the courts in carrying out the provisions of this act.

As the Senator has said, the TVA has had a procedure for the condemnation of land, which differs from that of every other Federal agency in the United States, with the exception of those cases in which land is taken in the District of Columbia. When the value of land cannot be agreed upon by the Tennessee Valley Authority and private property owners, that procedure provides only for the determination of the value by three commissioners appointed by the Federal district court.

Another distinctive feature between the existing TVA procedure and other cases in which a Federal agency is involved in taking land, is that these commissioners cannot be residents of the community, of the section, or of the vicinage in which the citizen lives, and where the taking is being considered and values fixed. In other cases, where commissioners may be appointed, I believe they are of the vicinity, because under longstanding procedures at common law, and then statutory law, that principle has been followed with respect to the appointment of commissioners.

The bill before the Senate today, as it has been amended, would provide that with respect to the taking of land by the TVA, the same procedure as prescribed for other agencies shall be followed.

I point out that the bill as reported by the Committee on Public Works provided an absolute right of trial by jury to a private citizen upon timely demand. But it is correct that some properties are of such a complex nature that it would be difficult for a jury to pass upon values, and in such cases it is recognized that it is proper for commissioners to make the decision.

I think it important to remember, and to make clear at this point, that rule 71A is primarily an assurance of the right of trial by jury when requested by either party, unless the issue is so involved that the appointment of a commission is required by the court. I believe that what may have happened in some courts of the land—and it may be a result of the practice which has been followed in the Tennessee Valley area—is that this premise, this fundamental principle, has been ignored and, in fact, the priority reversed. Priority appears to have been given to the appointment of commissioners and the private citizen's request for trial by jury recognized only in a few cases by some courts.

I hope that this colloquy, the debates in the House, and, in fact, the letter of the law itself—rule 71A and its background—will be impressed upon the courts in the Tennessee Valley Authority area and other courts. I hope it is made clear that the substantive principle is that the right of trial by jury shall be given to either party, unless the situation is of such a complex nature that commissioners are required.

This issue is not just an abstraction. I know that in my own State, and in other areas where there have been takings of land recently by the TVA, there is great dissatisfaction with the present procedure. Many people believe that equitable procedure is denied to them, and that the land that is taken is not properly valued. Perhaps that is not a correct judgment on their part. But I believe that the requirement to appoint commissioners from outside the locality, and where the same commissioners are often appointed, they may become in a way professional appraisers; they could have a tendency to take into consideration primarily the interests of the Tennessee Valley Authority.

I believe it is necessary, in our system of government, that a private citizen believe that he has his day in court—that he has justice, that he has the right to ask for determination by his peers. One of the sad occurrences in our country today is that, more and more, some people believe that they do not have their day in court, either literally in case of a trial, or when any other determination is made by the Federal Government.

So I emphasize that this bill, which may seem a small matter to some, goes to a fundamental issue. It will put the TVA on the same basis as every other Federal agency in the United States. It should remove the feeling of dissatisfaction that many landowners have expressed when their land has been taken by the TVA. It should give private citizens the confidence that they have had their day in court, and that the Federal Government deals justly with them.

But this will not happen unless the Federal courts which try these cases—and the courts themselves should know this—recognize that the spirit of this act is substantively and primarily to provide for a trial by jury if requested, that this is not to be the exception, and that the discretion in rule 71A for a determination by commissioners goes only to those issues which are complex and which would be beyond the competence of a group of jurors picked from the vicinage.

I strongly support this bill.

I hope it will be passed by the House, and I hope its spirit will be observed.

Mr. BAKER. Mr. President, I thank my colleague, the Senator from Kentucky, not only for his remarks today but for the indispensable support that he has provided for this bill during the year.

I share most enthusiastically the concern of the Senator from Kentucky for the vitality and preservation of the historic concept of the right to trial by jury. I acknowledge freely that there is no constitutional right to a trial by jury in civil cases. But the concept of a trial by a jury of one's peers is so deeply embedded in the law of the United States—in the common law and in the body of the statute law—that I am thoroughly convinced that the people of the Tennessee Valley, the several States which contribute to the geography of the Tennessee Valley, and the people of the Nation can be convinced that they have had their day in court only when they have had an opportunity to submit their controversies, disputes, and disagreements with their Government and its agencies to such a jury of their peers, and not, except in extraordinary circumstances, to a specialized jury such as the commission system proposes.

As I have said previously, my first inclination, and the action of the Committee on Public Works, was to provide for the absolute right to trial by jury in such cases. But I acknowledge these twin virtues of rule 71A; that is, first treating the Tennessee Valley Authority as every other agency is treated, except the District of Columbia, and, second, acknowledging the requirement for a degree of discretion in these matters on the part of the U.S. district judges and other judges in particular and extraordinary circumstances.

However, I repeat once again that these circumstances should be so unique and specialized that they would result in the rare use of the commission and the general use of a jury.

I am imbued with tremendous confidence in the discretion and ability of the various judges who will be confronted with these cases in years to come and I am sure that they will exercise sound judgment and discretion in determining whether or not there will be jury trials.

For the sake of legislative history and to assist in interpreting how this body feels rule 71A should apply to situations of this type. I have prepared language which I think, in effect, further elaborates the appparent intent of 71A, as it relates to the TVA situation. That language would read substantially in this manner:

> Upon demand for a trial by jury, if the court shall, for compelling and extraordinary reasons due to the uniqueness and complexities arising out of the nature of each piece of property condemned, and not for reasons of uniformity of award or solely because of the nature and scope of operations by the Tennessee Valley Authority, reasonably determine that the ends of justice would be better served by the appointment of a commission as provided for in subsection (a) above, the court shall appoint such a commission, and the ascertainment of the value of the property to be acquired shall be in accordance with the provisions as provided.

Mr. President, I have read that language to clarify how I would interpret the discretionary element of rule 71A as it should apply to the Tennessee Valley situation, and I feel confident that my colleagues will agree that this is the purpose and intent of Congress in this matter. I feel that this would be the end result if this legislation is adopted; that is, that as a rule and in the great majority of cases, there will be jury trials. If this does not prove to be the case, I feel it should be the subject of additional legislation substantially in accordance with the language I have just read.

Mr. SPONG. Mr. President, I am pleased to learn that S. 1637 will be modified to invoke rule 71A in cases involving condemnation of real property by the Tennessee Valley Authority. In individual views filed with the report on S. 1637, I agreed that the law should be amended to provide landowners with the right to petition for jury determination of the issue of just compensation, but stated a preference for rule 71A, because this would make TVA condemnations uniform with almost all other Federal eminent domain proceedings.

I should like to commend the junior Senator from Tennessee for his diligence in this matter. In accepting this modification—which in my judgment improves the bill—he is doing what he was quite willing to do during both the hearings on the bill and during its consideration by the committee.

At the hearings, representatives of TVA quoted the late Judge Paul of Virginia, a distinguished jurist who recognized the complexities of eminent domain proceedings. Judge Paul had serious reservations about the absolute right to a jury trial on the question of compensation, as well as doubts about the capacity of lay jurors to appreciate and understand the more complicated facets of real estate values and damages suffered by the landowner as a result of the taking. Under 71A the landowner may petition for a jury trial and this may be granted unless the Court determines that the case is so technical and complex that the parties would be better served by reference to commissioners.

I have enjoyed working on this bill with the junior Senator from Tennessee, and I commend him for his efforts to place condemnees within the TVA on a parity with others under Federal jurisdiction.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BENNETT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The title was amended so as to read: "A bill to amend the Tennessee Valley Authority Act of 1933 with respect to certain provisions applicable to condemnation proceedings."

SENATOR HOLLINGS' DEDICATION TO AGRICULTURE

Mr. RUSSELL. Mr. President, I was interested to read in a recent edition of the Southern Planter, a leading publication on agriculture research and education, an article recognizing the junior Senator from South Carolina [Mr. HOLLINGS] for his keen insight and dedication to the science of agriculture.

In over 40 years of public service, I have seen dramatic evidence of how agriculture research and education can be employed to assist our Nation's farmer in securing a just reward for his contribution to the bounty of our Nation.

I am, therefore, pleased to be reminded by this article of Senator Hollings' dedication to agriculture development in the Nation, and I commend it to the attention of the Senate.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Senator Hollings Pays Tribute to the Farmer

Too often we tend to forget the blessings that liberty and education have brought to America. Great concepts from the early days of our nation have made it possible for us to realize the golden dreams of the founders of our way of life. It was the concept that the earth is round that resulted in the discovery of our great continent. There is no gainsaving the fact that we have built a mighty Republic as a result of a man's quest for freedom and expansion. Knowledge played a significant role.

Man's ability to formulate concepts often reflects sparks of rationality which separates him from the animal. It has been the ability of the Western World to build on vital concepts that has distinguished our democracy, and made us a searchlight beaming across the world. Occasionally, we are privileged to see reflection of important development from some of these early concepts which, at once, is inspirational and praiseworthy.

In a recent speech on the floor of the United States Senate, a freshman member, the Capable Senator Ernest F. Hollings of South Carolina, distinguished himself by recalling once more that education is the secret of our bountiful harvest. He very accurately pointed out that our founders provided an "inexpensive method of bridging the gap between the scientific laboratory and the land" as a practical tool of agriculture.

If knowledge is power, it has been amply demonstrated in the tremendous productivity of American agriculture. Senator Hollings truly placed his perceptive mind at the pulse of American life. For our farmers have provided this nation with the most adequate, the most nourishing and the least expensive food of any nation of the world. The Senator reminded us once again that Americans spend less than 18 per cent of their disposable income for food, compared with 29 per cent in the United Kingdom, 30 per cent in France, 53 per cent in Russia, 45 per cent in Italy, and 47 per cent in Japan.

Recent statistics compiled by the U.S. Department of Agriculture provided great testimony to the wealth of American agriculture and its service to all people. USDA has stated that if farm prices had kept pace with the food prices over the past twenty years, consumer expenditures for food in America last year would have been $104 billion instead of $91 billion. This contribution to our economy by the American farmer resulting in a savings of $13 billion per year is twice the annual cost of running the U.S. Post Office Department, or the total cost of operating both the U.S. Post Office Department and the Department of Agriculture.

Praising the American farmer for building a $50 billion industry, Senator Hollings urged that their rewards were not commensurate with their contributions, and certainly not adequate for the challenge that lies ahead in the race between population and food, where hunger seems to be outpacing hope. We commend Senator Hollings for his insight and dedication to the science of agriculture. His record as Governor of South Carolina is concrete proof of his dedication. His practical oratory reveals insight and wisdom that both America and the World will require in the next decade.

Of course, we take pride in the great contributions of our Rural Press to America. Senator Hollings' remarks encourage the small farm magazine in their role of scientific education for our rural population. We thank the Senator for his service, not only to the hard-pressed business of publishing, but in the final analysis to all the people. For as our farms prosper, so does America.

SUMMARY OF ACTIVITIES OF COMMITTEE ON FOREIGN RELATIONS, FIRST SESSION, 90TH CONGRESS

Mr. FULBRIGHT. Mr. President, in keeping with tradition at this time of year, I ask unanimous consent that there be printed at this point in the Record a summary of activities of the Committee on Foreign Relations.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Summary of Activities of Committee on Foreign Relations 90th Congress, First Session

TREATIES

1. Convention Concerning the Exchange of Official Publications and Government Documents Between States. Approved May 8 by a vote of 83 to 0.

2. Convention Concerning the International Exchange of Publications. Approved May 8 by a vote of 83 to 0.

3. Consular Convention with the Soviet Union. Approved March 16 after 8 days of debate by a vote of 66 to 28.

4. Convention for the International Council for the Exploration of the Sea. Approved March 1 by a vote of 90 to 0.

5. Customs Convention on containers. Approved March 1 by a vote of 92 to 0.

6. Customs Convention on the temporary importation of professional equipment. Approved March 1 by a vote of 92 to 0.

7. Customs Convention on the ATA carnet for the temporary admission of goods. Approved March 1 by a vote of 92 to 0.

8. Customs Convention regarding E.C.S. carnets for commercial samples. Approved March 1 by a vote of 92 to 0.

9. Customs Convention on the international transport of goods under cover of T.I.R. carnets. Approved March 1 by a vote of 92 to 0.

10. International Telecommunications Convention. Approved April 18 by a vote of 87 to 0.

11. Treaty of Amity and Economic Relations with Thailand. Approved September 11 by a vote of 69 to 0.

12. Inter-American Convention on Facilitation of International Waterborne Transportation. Approved March 1 by a vote of 93 to 0.

13. Convention on Facilitation of International Maritime Traffic. Approved March 1 by a vote of 93 to 0.

14. Exchange of notes with Canada concerning amendment of the Convention on Great Lakes Fisheries. Approved March 1 by a vote of 90 to 0.

15. International convention for the Conservation of Atlantic Tunas. Approved March 1 by a vote of 90 to 0.

16. Amendment to article 109 of the Charter of the United Nations. Approved May 8 by a vote of 84 to 0.

17. Convention on the service abroad of judicial and extrajudicial documents in civil or commercial matters. Approved April 14 by a vote of 82 to 0.

18. Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, including the Moon and other Celestial bodies. Approved April 25 after 2 days of debate, by a vote of 88 to 0.

19. Amendments to the International Convention for the Safety of Life at Sea, 1960. Approved March 21 by a vote of 88 to 0.

20. Single Convention on Narcotic Drugs, 1961. Approved May 8 by a vote of 84 to 0.

21. Partial revision of the Radio Regulations (Geneva, 1959). Approved August 2 by a vote of 86 to 0.

22. Consular Convention with France. Approved September 18 by a vote of 80 to 0.

23. Supplementary Slavery Convention. Approved November 2 by a vote of 77 to 0.

24. Supplementary Tax Convention with Canada. Approved November 2 by a vote of 77 to 0.

25. Double Taxation Convention with Trinidad and Tobago. Approved November 2 by a vote of 77 to 0.

26. Protocol for the Further Prolongation of the International Sugar Agreement. Approved December 6 by a vote of 84 to 0.

27. Amendment to the Convention on the Intergovernmental Maritime Consultative Organization. Approved December 11 by a vote of 75 to 0.

BILLS AND JOINT RESOLUTIONS

1. S. 623, to give the consent of Congress to the construction of certain international bridges. Passed Senate, April 3. Pending in House Foreign Affairs Committee.

2. S. 633, to promote the foreign policy of the United States by strengthening and improving the Foreign Service personnel system of the U.S. Information Agency through establishment of a Foreign Service Information Officer Corps. Passed Senate, November 13. Pending in House Foreign Affairs Committee.

3. S. 990, to establish a U.S. Committee on Human Rights to prepare for participation by the United States in the observance of the year 1968 as International Human Rights year. Passed Senate, June 14. Pending in House Foreign Affairs Committee.

4. S. 1031, to amend further the Peace Corps Act. Approved December 5. Public Law 90–175.

5. S. 1418, to make several changes in the passport laws presently in force. Reported to the Senate, December 12.

6. S. 1577, to complement the Vienna Convention on Diplomatic Relations. Passed Senate, June 15. Pending in House Foreign Affairs Committee.

7. S. 1785, to improve certain benefits for employees who serve in high-risk situations. Senate agreed to House amendments, December 7. At White House.

8. S. 1872, to amend further the Foreign Assistance Act of 1961, as amended. Approved November 14. Public Law 90–137.

9. S. 2003, to provide certain increases in annuities payable from the Foreign Service Retirement and Disability Fund. Passed Senate, June 26. Pending in House Foreign Affairs Committee.

10. S. 2269, to amend the act of August 27, 1954, relative to the unlawful seizure of fishing vessels of the United States by foreign countries. Reported adversely, December 11.

11. H.R. 3399, to extend the termination date for the Corregidor-Bataan Memorial Commission. Passed Senate, December 6.

12. H.R. 6167, to authorize the extension of certain naval vessel loans now in existence, and for other purposes. Conference report, adopted, December 12. At White House.

13. H.R. 9063, to amend the International Claims Settlement Act of 1949. Passed Senate, December 7.

14. H.R. 9547, to amend the Inter-American Development Bank Act to authorize the United States to participate in an increase in the resources of the Fund for Special Operations. Approved September 22, Public Law 90–88.

15. S.J. Res. 60, to welcome the Latin American summit conference. Reported to Senate, April 3; placed on the table, April 14.

CONCURRENT RESOLUTIONS

1. S. Con. Res. 16, H. Con. Res. 280, extending greetings to the Parliament of Canada on the occasion of the centennial. Passed Senate, March 21.

2. S. Con. Res. 49, to observe the 50th anniversary of the Republic of Finland. Passed Senate, November 1; passed House, November 27.

RESOLUTIONS

1. S. Res. 67, to provide additional funds for the Committee on Foreign Relations. Agreed to, February 20.

2. S. Res. 115, to authorize the Senate to respond to official invitations received from foreign governments. Agreed to, May 19.

3. S. Res. 155, to express the sense of the Senate concerning a means toward achieving a stable and durable peace in the Middle East. Agreed to, December 12.

4. S. Res. 180, seeking U.S. initiative to assure United Nations Security Council consideration of Vietnam conflict. Agreed to, November 30.

5. S. Res. 187, relative to commitment of U.S. Armed Forces. Reported to Senate, November 20.

NOMINATIONS

International Financial Institutions	4
United Nations and its organizations	25
Peace Corps	1
Trade Negotiations	1
State Department and AID	11
Ambassadors	34
Advisory Commissions	7
Subtotal	83
Foreign Service	1, 692
Total	1, 775

Mr. FULBRIGHT. Mr. President, by way of comparison, which is also a popular pastime at this time of year, I might add that this activity compares favorably with the first session of the preceding Congress. In 1965 the committee acted on six treaties, 24 bills and joint resolutions, six concurrent resolutions, and three simple resolutions. In 1967, it has acted on 27 treaties, 15 bills and joint resolutions, two concurrent resolutions and five simple resolutions. Also 2,032 nominations were approved in 1965 and 1,775 in 1967.

Interesting as all this may be to a statistician, it does not reflect what are to me the real achievements of the committee this session. These rest on the important hearings and initiatives undertaken this year by the committee and various of its subcommittees. In January and February the full committee held a series of hearings designed to explore the general theme of the responsibilities of the United States as a great power and brought fresh thinking and ideas from expert witnesses such as George Kennan, Edwin Reischauer, Henry Steele Commager, and Gen. James Gavin.

Hearings held by the Disarmament Subcommittee under the leadership of the senior Senator from Tennessee [Mr. GORE] and by the Subcommittee on the Near East and South Asia under the leadership of the senior Senator from Missouri [Mr. SYMINGTON] led to a rewriting of our arms sales policy abroad.

Under the leadership of the senior Senator from Montana [Mr. MANSFIELD], a combined subcommittee from the Foreign Relations and Armed Services Committees held hearings on U.S. troop deployments in Europe, which I am sure contributed to the decision to lessen our commitments there.

The American Republics Affairs Subcommittee under the leadership of the senior Senator from Oregon [Mr. MORSE] initiated a thorough examination of the Alliance for Progress, the results of which are already beginning to appear.

Senate ideas found expression also in the resolution seeking U.S. initiatives to assure United Nations consideration of the Vietnam conflict—Senate Resolution 180—and in the resolution urging the design and construction of nuclear desalting plants as a means toward achieving a stable and durable peace in the Middle East—Senate Resolution 155.

The Middle East crisis, which suggested Senate Resolution 155, was closely followed by the Committee on Foreign Relations, as were developments in the Congo and Greece, negotiations with Panama on the canal treaties, and the Vietnam situation, even though it was not possible in the latter instance to secure open testimony by the highest Government officials responsible for the policy in Vietnam.

Most significant, however, was the fact that the committee moved to assert the responsibilities and powers of the Congress. It did this first by rewriting the broad authority requested by the President to make pledges to our Southern neighbors at the Punta del Este Conference. And, following unique hearings on what constitutes a national commitment, it reasserted congressional responsibility with respect to the commitment of the Armed Forces of the United States to hostilities on foreign territory. These actions, together with the other initiatives taken this session will be the things most remembered about this year in the Foreign Relations Committee.

I want to thank all members of the committee for making this record possible and in particular the ranking majority and minority members on whom much of this burden fell.

ELECTRIC POWER RELIABILITY ACT

Mr. KENNEDY of Massachusetts. Mr. President, one large item of unfinished business on which we must act at the next session is the proposed Electric Power Reliability Act.

This legislation would greatly decrease the risk of future blackouts in this country, and as well promote meaningful cooperation and coordination among the various producers and consumers of electric power.

I testified recently before the Subcommittee on Communications and Power of the House of Representatives, in favor of this legislation. In my testimony, I urged that there be added to the bill a provision for a National Advisory Council on Natural Resources, to advise the Federal Power Commission on matters affecting our natural resources. These include air and water pollution, routing of transmission lines, and others.

I mentioned also that I shall introduce legislation to that effect in the near futuure.

I hope that my suggestion for a National Advisory Council on Natural Resources will stimulate a discussion of exactly what powers this Council should have. To provide a background for this discussion, I ask unanimous consent that my testimony be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR EDWARD M. KENNEDY BEFORE THE HOUSE SUBCOMMITTEE ON COMMUNICATIONS AND POWER IN SUPPORT OF THE ELECTRIC POWER RELIABILITY ACT OF 1967, DECEMBER 5, 1967

Mr. Chairman and Members of the Subcommittee, let me say how pleased I am to have the opportunity to testify on the bills before you this morning. They represent the culmination of 18 months of work, by the government and representatives of the public and private utilities, on devising the best ways of preventing the massive power failures which cause disruptive blackouts.

The blackout of November 9, 1965, was the impetus for the painstaking effort behind the development of this legislation. I do not think it inappropriate, before I comment specifically on the legislation, to review briefly the events of that evening.

The failure of a single, toaster-sized relay at 5:16 P.M. in Ontario precipitated a cascading failure of transmission and generating facilities which left 30,000,000 people in a 30,000 sq. mile area without electric power. The failure cascaded because the transmission network in the Northeast and the transmission connections to the South and West were too weak to withstand the backward surge from the failure of the relay.

In simpler terms, the blackout was the result of poor planning.

In its July 1967 3-volume report "Prevention of Power Failures," the Federal Power Commission said that this 1965 blackout "touched off the most intensive examination of power system planning and operation in the 85-year history of the electric power industry." This examination is long overdue.

There have been subsequent blackouts, of both major and minor extent. In June, 1967, a blackout struck 4 Middle Atlantic States, affecting 13 million people in 15,000 sq. miles. On July 3rd, 1967, a blackout struck Cape Cod, affecting some 40,000 people. In the first six months of this year, there were 52 blackouts across the country of sufficient severity to be reported to the FPC under the terms of FTC order number 331.

If blackouts affected no one, if they disrupted no plans, if they frightened no ill or elderly individuals—then there would be little cause for this legislation designed to lessen their reoccurence.

But blackouts are dangerous. They cause untold inconvenience. They frighten millions of people. They cause injuries.

During the 1965 Northeast blackouts, 600,000 people were stranded in the New York City subway. Ten thousand of these were still on the immobile trains at midnight, seven hours after the blackout. Seventeen hundred passengers were stranded on the Williamsburg Bridge high above the East River. Air tragedy was averted at major airports only because of the bright, full moon. Two hundred and fifty flights were diverted from New York City airports. Three hospitals in Massachusetts had inoperable emergency power supplies.

During the June 1967 blackout in the Middle Atlantic States, which happened at 10:16 AM, businesses and schools closed. Traffic lights failed, snarling traffic. Thousands of people were trapped in elevators.

Fifteen hundred persons had to be led to safety from Philadelphia's subway tunnels.

During the July, 1967 blackout on Cape Cod, businesses closed, gasoline stations shut down, summer theaters had to refund tickets, traffic was brought to a standstill, and freezers stopped working—all on the Fourth of July weekend when the Cape does its heaviest business.

This listing of the blackouts' effects is in itself a call to action. But it does not take any measure of the human suffering, which makes this call insistent. The fears and anxiety of shut-ins and senior citizens when they are cut off from the rest of the world and without light—this is beyond measure. The dangers from use of kerosene lanterns and candles—this is also immeasurable. The loss of electric heat should a blackout occur on a very cold night—the risks of tragedy are high. And the spoiling of food when refrigeration is lost—what are the health dangers, not to speak of the losses?

We have the advice of the Federal Power Commission and of its advisory panels of experts that the risks of repeated blackouts could be greatly reduced and almost eliminated by passage of the bills now before you. For this reason, I co-sponsored the companion legislation in the Senate—S. 1934. I hope to see it law.

Representatives of the private utility companies have opposed this legislation. In a memorandum appearing in the Senate hearings on this legislation, Mr. Lelan F. Sillin, Jr., President of the Central Hudson Gas and Electric Corporation, said that the bill "would adversely affect reliability and the future vitality of the electric utility industry." He makes this judgment on the basis of his belief that the public interest is best served by voluntary agreements among power companies to promote regional interconnections—the key to reliability.

So, Mr. Chairman, the issue is joined.

I reject the argument that voluntary agreements offer the brightest hope for increased reliability. To be sure, if voluntary agreements were the pattern in the industry, or if they had a proven record of success, then I might have a different viewpoint.

But they have not been the pattern. In response to the 1965 blackout, 6 regional planning councils were indeed established—under the threat of the type of legislation we are now considering. There is a seventh—the Northeast Power Coordinating Council. If the practices of these regional councils is anything like that of the Electric Coordinating Council of New England—the ECCNE—then its actions do not herald a reawakening of the public interest. For in New England, the municipally-owned systems are systematically excluded from the power resource planning being carried on by the private power companies. Further, ECCNE by-laws limit membership to private utilities only.

Yet the private companies claim to be undertaking comprehensive power planning. Planning which systematically excludes the producers or distributors of 20 percent of New England's electricity can hardly be called comprehensive. And any assertion to the contrary simply flies in the face of reason.

The ECCNE was instrumental this year in the lobbying effort to persuade the House to reject the Dickey-Lincoln power project in Maine. This project would have meant lower electric rates throughout New England, which as a region pays the country's highest rates. Equally important, it would have provided peaking power to reduce the likelihood of blackout recurrences. The power lobby is already on notice that Dickey-Lincoln is not dead. Those of us who want lower rates and increased reliability will continue to work for the funding of Dickey-Lincoln, as the President has requested and as the Senate has voted.

Mr. Chairman, I believe the FPC must be given the increased authority contained in this bill. Thirty-nine of the 50 State regulatory commissions have the word "public" in their name—and not by accident. Utility companies are granted the extraordinary sovereign right of eminent domain, and permitted to operate under monopoly conditions, exactly because they are deemed to be servants of the public interest.

When we find a situation in which public utilities could be made more effective, or when the public interest could be better protected, then I think we have an obligation to act firmly and without delay. We have such a situation before us, I think, in the matters on which this bill focuses. We should act to pass it without delay.

Mr. Chairman, if I may, I would like to make a number of specific comments about the Electric Power Reliability Act.

First, regional planning. Section 404 of the bill gives the FPC the authority to "secure the establishment of appropriate and effective regional organizations and procedures to carry out regional and interregional coordination." I take this to mean that the FPC shall endeavor to work out the boundaries of regions and coordinating procedures on a voluntary basis. This is, I think, eminently reasonable. If the job of regionalization—which is, as I have pointed out, the key to increased reliability—is done voluntarily, then there is no need for any exercise of section 404 powers unless the procedures to carry out the coordination fall short. An important provision of this section would open membership on the regional councils to all utilities, regardless of the nature of ownership. I have already referred to the problem we have in this regard in New England. So, I think this would be a distinct step forward, and I do not think it should be weakened in any way.

Second, transmission lines. Section 409 deals extensively with the problem of routing extra-high voltage lines, establishing a procedure to guarantee wide public knowledge of routes in advance of land-taking proceedings. This is a badly-needed provision. Too often, towns discover that a distant utility company has condemned land for transmission lines without consultation with the town—not infrequently in areas prized by the town for scenic, recreational or other uses. Congressman Henry Reuss has introduced legislation to forestall the construction of transmission lines on or adjacent to land the Secretary of the Interior had determined of national, historic, recreational or scenic value, unless the Secretary determines the construction in the national interest.

Mr. Chairman, I believe this suggestion would be an improvement in the bill, and I urge you, when you call public witnesses, to include it on the agenda for comment. As experience in New England demonstrates, our natural resources are dwindling. We must exercize careful restraint to see that they are safeguarded.

There is another aspect of Section 409 which deserves mention. Under its terms, any group could apply for the license to construct a transmission line publicized in an approved regional plan. Licensing by the Commisison would assure use of the eminent domain power. This is a bold and needed departure from traditional practice. Some have urged that any owner of a transmission line be required to sell capacity on it, the theory being that transmission lines should be treated separately from producing plants. Transmission lines were constructed using public powers—eminent domain—the argument goes, and the owners should be required to lease the capacity presently unused.

While this may not be acceptable to the Committee, certainly the provision in Section 409 should be. If a group of small municipal companies wanted to construct transmission lines, to wheel in low-cost power to a high-cost area I think they should actually be encouraged to do so. And as Section 411 provides, they should be required to interconnect with appropriate utilities in the area.

Mr. Chairman, I urge you to retain this flexibility in the version of the bill before you. I think it raises new hope that the public interest will be better served in the future than it has in the past. In Vermont, low-cost power from outside New England is now being wheeled in. Vermont's electric rates have gone down dramatically. Section 409 would see that this success in Vermont was duplicated elsewhere in New England.

Third, natural resources. I have, Mr. Chairman, referred to the effect on natural resources of one aspect of the electric industry—transmission lines. But there are many others as well. A distinguished member on the majority side of this Subcommittee, Mr. Ottinger, has had a long involvement with the proposed generating plant at Storm King Mountain. A number of us in New England are concerned that nuclear power plants which must use water for cooling, will raise the temperature of our rivers and even harbors to the point of damaging our wildlife. The Commonwealth of Massachusetts has filed suit to block construction of a nuclear power plant on the Connecticut River in New Hampshire, on the ground that this "thermal pollution" will forever upset the ecological balance in the River. Then there is the air pollution, which we see from fossil fuel generating plants in nearly all our cities.

What we need, Mr. Chairman, is a National Advisory Council on Natural Resources to advise the FPC on licensing plants and transmission lines. I will shortly introduce legislation to this end in the Senate, and will ask the Chairman of the Senate Commerce Committee, Senator Magnuson, to put it on the agenda when his Committee begins its field hearings on the Reliability Act.

Fourth, public information. Woven through all the many threads of the proposed Reliability Act is one common thread: that secrecy in matters of the public interest should not be tolerated. Thus, the bill requires extensive filing of information with the FPC—as to future plans, programming, and so forth.

The very act of filing itself can have a marked salutary effect. I do not see how public utilities could be reluctant to file information statements with the watchdog of the public interest, in this case the FPC. Neither do I see how the FPC could want to shield this information from the public. The distinguished author of the Freedom of Information Act, Mr. Moss, is a member of this Committee. I know that he will be vigilant to see that public access to information on public utilities, which is in the public interest, will be guaranteed.

There is very little substitute for the scrutiny of the public eye. I hope this Committee will work to enlarge the opportunities for scrutiny.

The electric industry is this country's largest single business, comprising 12 percent of all plant investment. Revenues for the year ending November, 1966, totalled $14.3 billion. The use of electricity is rising dramatically. It more than doubled between 1950 and 1960. It increased from 750 billion kilowatt hours in 1960 to over 1 trillion in 1965.

As we Americans rely more and more upon electricity, the need for reliability increases. A growing public outcry demands it. Commonsense argues for it.

Mr. Chairman, the day must eventually come when all the electric power production and transmission facilities of this country are part of sound, interconnected grids. There is no dissent from the proposition that this will raise reliability to new highs.

But there is disagreement on how best to build this grid. I think the provisions of the proposed Electric Power Reliability Act are the best assurance that the grid will be constructed rapidly and that, when constructed, it will function well.

I urge you to give it your favorable consideration.

NORTH ATLANTIC PORTS ASSOCIATION

Mr. KENNEDY of Massachusetts. Mr. President, 2 weeks ago I had the privilege of addressing a Convention of the North Atlantic Ports Association in Washington. This association has been active in promoting an expanson of maritime trade, and their successful efforts hold high promise for the future.

In my address to this group, I discussed a number of the problems facing the industry and proposed a series of steps which, if followed, could lead to a great resurgence in the industry. Of particular interest, I think, is the "land bridge" concept. Under this concept, cargoes from Europe to Japan would go by ship to the U.S. east coast, by land to the west coast, and then by ship again to Japan. This is possible only because of containerization.

Mr. President, I ask unanimous consent that my address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by Senator Edward M. Kennedy Before the North Atlantic Ports Association, Washington, D.C., November 30, 1967

I am very pleased to be able to be with you today, and to talk about the future of our ports and maritime industry. The ports of the North Atlantic are important to the economy of this country, just as they are to New England and Massachusetts. You men, charged with day-to-day responsibility for the management of our ports, are central to any efforts to face the future with bold plans and concerted action. Today, I will outline five areas in which you can take the lead in building a brighter future for our ports and our maritime industry.

I come from a state with strong links to the sea. Boston was a thriving port when this nation was still an infant. Her clipper ships, and the whalers of New Bedford and Gloucester, wrote the name of Massachusetts and New England across the map of the world's oceans. Ours was a glorious past, one of which I am proud.

If I were living with the past alone, then I would be content. But I am not here to discuss history, grand as it may be. I am here to look at the future. And the future, unless we act to shape it, will hold much less grandeur for the North Atlantic ports and for all the ports of America than we find in our maritime history books.

Let's look at the record.

Our domestic maritime industry has been in serious decline for many years. We can prove this with any manner of statistics; with statistics that show U.S. flagships carrying only 8 per cent of our foreign waterborne trade; or those that show that, while the world fleet has increased by 61 per cent in the last 15 years, the U.S. privately-owned fleet has declined by 25 per cent; or those that show that, while 871 merchant ships sail under the U.S. flag, only 100 of them can be called modern, or sustain speed over 20 knots.

The implications to the managers of American ports are obvious. This means that the whole complex of activity surrounding the shipping industry is shrinking, even if the total volume of trade is not. It means that foreign-owned ships do not lay over for maintenance and repair in U.S. ports unless in an emergency. It means a sharp cut back in shipyard supporting and repair facilities in the United States. It means a decline in shipbuilding. It means a general loss to the economy of U.S. ports because families of crew members of foreign ships will not be living there. And it means that most of the food and other supplies for foreign ships come from foreign countries.

This may sound like just a recitation of gloomy facts. But it is really more than that, if we consider these facts in perspective. For what I am suggesting, with a few random points, is the anatomy of decline of a basic and vital American industry. And it is incredible to believe that this nation, so forward-looking and progressive in so many ways, could allow this decline to occur and could devote so little time and attention to preventing it.

The importance of America's ports—North Atlantic, Gulf and West Coast—to the economy of the nation can hardly be overestimated. More than 300 million tons of freight, and many hundreds of thousands of jobs, are directly involved with these ports. Many hundreds of thousands of other jobs depend upon port activity. We need only think back to periods when ports are closed to see the strangulation of commerce which occurs with the stopping of ships.

And yet, despite all that bears on American shipping and American ports, there are few segments of this nation's economic life which receive so little attention. And it should also be said that there are few industries which could pay such high dividends to the nation if only they were encouraged to thrive and to compete in the world market.

What I intend to say by these remarks is that we must concern ourselves with the future of our maritime industry. We simply cannot let it wither and stagnate.

This is an appropriate time for a reasoned discusion of the future of the maritime industry, because the industry stands on the threshold of a vast change. This change is being worked by the container revolution.

The container revolution is so important that its development cannot be left to a haphazard course. We need careful planning—by industry, by government and by labor. Only by this kind of planning and action can we be sure that all segments of the industry will participate fully in the fruits of this revolution.

I would like to discuss five specific actions we must take to safeguard and better the health of American ports and the American maritime industry.

First, containerization. We cannot quarrel with the assertion that containers are causing a revolution in the maritime industry. Sea-Land Corporation has invested $350 million in its container operation. Matson Navigation Company will soon have spent $160 million. Five other U.S. lines have committed a total of $160 million on containers. In two years, 15 U.S. lines alone will have invested more than one billion dollars in container operations.

This rapid pace in the United States is being matched by foreign nations. A cartel of six foreign shipping lines, which represents four European countries, is investing $206 million in the Atlantic Container Line. Nine British lines have formed two consortia wtih an investment of $162 million in containers. And in Japan of more than $300 million by 1970.

This revolution on the sea is creating its own revolution on shore. The Port of New York Authority has already spent $72 million, and will spend another $103 million, to develop container facilities at Elizabeth, New Jersey. This will mean an increase of container berths now in use on the Atlantic and Gulf Coasts from 36 to 76—an increase of more than 100 percent.

Oakland, California, meanwhile, is spending $35 million on a container facility, which will allow a 300 percent increase from 14 to 47 West Coast berths in two years. Japan plans to spend $146 million in Tokyo, Kobe, Osaka and Yokahama. The Port of London is spending $40 million for containerization. And Rotterdam, the foremost European container port, is spending another $60 million for expansion and modernization.

The basis for all this is simple economics. It takes 24,000 man-hours, for example, to handle 40,000 tons of traditional break bulk cargo in traditional ships. With containerization, it takes just 750-man-hours. This is a reduction of three thousand per cent. And as a side benefit, containerization reduces pilferage.

So it appears clear that containerization is the way of the future for the shipping industry. But the path is not altogether clear; there are obstacles in the way of increased use of containers.

For one thing, fears are wide-spread in the industry that such rapid expansion of containerization will lead to serious overcapacity—and in turn to price cutting and a serious disruption of shipping. Many arguments can be advanced to support these fears, and the prospects are serious enough to have forced some shipping companies to postpone a decision to enter the container field. But despite the economic arguments against containerization, it is my feeling that these companies postpone their decisions at a risk to their future.

Another critical issue in the container field is size standardization. Those who deal in transportation theory insist that the immense promise of containers will be realized only when all carriers use interchangeable containers. This belief is what led the International Standards Organization in 1965 to suggest standard container dimensions.

Unfortunately, the sizes they agreed on were not the sizes being used by the two largest American lines—Sea-Land and Matson, and these two lines own more that half of the world's marine containers. It is unfortunate as well that Sea-Land and Matson each operate "closed systems"—systems which are not compatible with other ship lines. At the moment, this dilemma has yet to be resolved. The Maritime Administration has announced that it will require adherence to I. S. O. standards in its program, and inevitably, that announcement was followed by a flurry of bills in Congress to prohibit the Maritime Administration from doing this very thing.

Size standardization, it seems to me, is vital to the industry. But it will not come through legislation or executive fiat alone. It will come best through agreements among shipping lines and trucking lines. And port association executives can be the catalysts for reaching these agreements. You stand mid-way between the trucker and the shipper, and you are neutral in the size standardization dispute. I hope you will work with the truckers and shippers to reach agreement on sizes which meet the standards of national and international organizations. Without these agreements, your ports will suffer.

I understand that Sea-Land and Matson are developing new types of container ships which will take all size containers. But these ships are still only on the drawing boards. So you must go out and try to win agreements on sizes.

Containers are turning the maritime industry upside down. This movement brings with it problems and disagreements. But the stakes are so high that we should not let the problems obscure our progress, nor the disagreements stand in our way. Containerization is the key to the future of the ports, and I hope that you will see that it is used to the best advantage, and used in the near future.

Second, the future of break-bulk cargoes. While we consider the ways that containerization can help our ports, we must also consider the ways in which it can hurt. Containers are best-suited to the low-bulk, high-value trade so common in the North Atlantic. But this trade is not likely to surpass the bulk shipments of oil, grain, ore and other commodities, no matter how sophisticated our container operations become. As one example of this, 88 per cent of the volume in North Atlantic ports is bulk cargo, with the remaining 12 per cent falling into the category of general cargo.

General cargo has traditionally been carried in break-bulk shipments. And it is this trade which is being taken over by containers.

Such a take-over represents a threat to the port authorities which have made large investments traditional port facilities. It represents a threat to the many smaller ports on the North Atlantic, where shippers may find it cheaper to send cargo by truck to a container facility. It threatens as well the steveadoring and freight forwarding firms who may find their business gradually disappearing. And certainly it threatens smaller shipping lines.

Some shippers have recognized the need for a residual break-bulk capacity. Two Scandinavian firms in particular, Meyer Lines of Norway and Mollar enterprises of Copenhagen, have put their faith in the future of break-bulk services. These services would of course have to be shored up with improved cargo handling techniques, such as palletization, skids, side-loading and others.

The container revolution has been viewed as a shift away from the historical method of ships sailing to find cargo, and toward a method of cargo travelling to find ships. The meaning of this shift is obvious for our smaller ports, and obvious as well for the men responsible for traditional port facilities.

I urge you to work with the shipping lines interested in preserving some break-bulk capacity, to encourage them to retain their service. I do not think that the momentum of the container revolution should sweep smaller ports into oblivion. But I believe it will, unless there are vigorous efforts on your part to forestall it. You should also encourage small freight shippers and forwarders to band together to promote traffic through a port, as is being done in Boston.

Third, intermodal transportation. I believe that only when we view transportation as a multi-modal system will we reach full economies and efficiencies. Containers are spurring business and government to move more and more toward intermodal treatment of transportation, but I do not think that we will ever reach it without Federal legislation.

The reason is the rate structure. Shipping lines must now file water rates with the Federal Maritime Commission. Truckers and railroads must file land rates with the Interstate Commerce Commission. There is at present no way for a carrier or forwarder to file a single factor intermodal rate, as from Frankfort, Kentucky, to Frankfurt, Germany, because of the regulatory laws. Consequently a manufacturer or his agent must negotiate separately with railroads, truckers, and shippers. Further, only rarely are through bills of lading and insurance available.

Two separate legislative approaches to this problem are presently under consideration. One would allow "intermodal carriers," a new term in regulatory law, to file tariffs with the ICC and the FMC covering point-to-point transportation. These carriers would not need to be certified by the ICC, FCC, or any other agency. They could be water carriers wanting to expand inland, or land carriers seeking to expand over the ocean. Further, and more important, they could be carriers which did not provide any underlying transportation. They would purchase this underlying transportation from regulated carriers at tariff rates.

The other legislative approach would restrict the new term "intermodal carriers" to those who provide the underlying transportation. This would, it seems to me, restrict competition unduly, and I prefer the other approach.

But the need for permitting single factor point-to-point rates is so great that one or the other bill should receive high priority consideration.

This need is illustrated, I think, by the "land-bridge" concept, which has received new impetus from the closing of the Suez Canal. One container line, the United Cargo Corporation, has developed plans to use the United States as a land bridge for freight moving between Japan and Europe. The service is now in operation, and sends about 20 containers a month by ship from Japan to Seattle, by rail to New York, and once again by ship to Europe. These containers are filled with high value electronic parts, cameras and small machinery. Use of this land bridge cuts 20 days off the previous 44-day voyage through the Suez Canal.

But development of this service is presently hamstrung by the lack of authorization in rate regulation legislation. Part of the urgency in this is demonstrated by the announcement in Tokyo this month of an agreement between the Yamashita-Shinnihon Line and the All-Soviet External Transport Public Corporation. This agreement provides for shipment of cargo by ship from Japan to Siberia, and then by rail across Siberia and Russia, via the Trans-Siberian Railroad, into Eastern and Western Europe. It would be a severe blow to the American transportation industry should this land bridge across Russia supplant a land bridge across the United States.

We need legislation amending our regulatory laws. If the two bills now in preparation by the Maritime Administration and the Federal Maritime Commission are not filed soon, then I will work with other Senators and the industry to see that some bills are.

Fourth, labor, a crucial question to the future of our maritime industry. Labor unions are the favorite whipping boy of those who despair about the future of the U.S. maritime industry. Let me say to those people that it is the labor unions who care about the health and welfare of the working man, and who care about improving his lot. Their concerns are less for profits than for people—a fact often overlooked by critics of the unions.

And union leadership is often enlightened. The basic economy in containerization comes from a saving in labor costs. Thus, although the shippers may hail the saving, the longshoremen's unions fear it. Some progress has been made on the West Coast, where union and management have worked out a contract under which management pays nearly $35 million every year into a special "mechanization and modernzation" fund. The International Longshoremen's and Warehousemen's Union, led by Harry Bridges, uses this fund to encourage early retirement among longshoremen. This arrangement is proving satisfactory to both sides.

But outlook is not so cheerful on the East and Gulf Coasts. Here, the International Longshoremen's Union, led by Thomas Gleason, has indicated its opposition to the kind of agreement in force on the West Coast. This opposition has had much to do with the fact that the container facility in my home city of Boston has not been used since it was completed two years ago. And indeed, it has serious implications to the future of all the North Atlantic ports.

Harry Bridges said ten days ago at a seminar sponsored by the Federal Maritime Commission that he fully understood the nature of the container revolution's impact in reducing longshoremen's jobs. He then added that with the $35 million annual fund, he was fully prepared to see all the longshore jobs disappear because the men would be compensated.

In point of fact, the number of longshore jobs has increased on the West Coast, rather than decreased. This is a reflection of the increased volume of traffic brought on by an active, expanding trade.

It is unfortunate that the same conditions do not prevail in the East and Gulf Coast Ports. I urge you to go out and work with the union local in your own ports, and with the parent union, the I.L.A. Tell them about the growth of the West Coast traffic. It is you, as the executives of the North Atlantic ports, who are responsible for their growth. You can be the catalyst between unions and management. I urge you to take the lead.

Fifth, new construction. Earlier this month Senator Warren Magnuson introduced a bill authorizing $3 billion over five years to stimulate a rebirth of the U.S. flag fleet. Under its terms, it would: provide subsidies for the construction of 35–40 ships a year; include dry bulk carriers within the operating differential subsidy; stimulate the development of nuclear powered merchant vessels; authorize $25 billion a year for research and development; and work a number of other important changes.

While this is not an Administration bill, it has wide backing in the industry and among the labor unions, who have been waiting for two years for a comprehensive package of maritime legislation. As Senator Magnuson pointed out when he introduced the bill, the urgency of the situation demands immediate attention and action. Our maritime industry can wait no longer for the stimulus this bill provides

For this reason I favor this legislation. But there may well be room for improvement in it. I have in mind some specific measures to encourage operational efficiency among subsidized lines. The two lines presently holding 50 per cent of the container business—Sea-Land and Matson—are not subsidized in their container operations. Sea-Land has not raised the rates for its Puerto Rico traffic since it began the service in 1959. Matson has not raised the rates for its Hawaii traffic since it began that service in 1961. Yet general rates, in the same period, have risen some 10 per cent a year.

Under the terms of the bill, there is provision for an experimental program of subsidies patterned on those to local service airlines. Under that subsidy arrangement, the better a company performs, the higher its rate of return. I firmly believe that our subsidies to the shipping industry should be tied to some form of incentive, and I am interested in the proposed new Title XIII to be added to the Merchant Marine Act of 1936. It is specifically aimed at reducing the unit costs of subsidies in the future, and gives the Secretary of Commerce wide latitude in devising new forms of subsidy.

This is the imaginative kind of thinking we must have if our merchant marine is to be rescued from its plight, and to be made able to meet the needs of the container revolution.

I will work with Senator Magnuson to secure passage of this legislation, and to encourage the development of expanded efficiency incentives in our subsidy program.

Progress in the five areas I have discussed can mean a brighter future for the ports of the United States—and particularly of the North Atlantic. But it will not be bright if we let our fleet wither, or if we let other nations overtake our technical lead in containers, or if we let squabbles among ourselves slow our progress, or if we let more time pass before we enact new legislation.

The seaports of the world thrive on trade. Without it, ports would die. And so would the inland areas the ports support. We are fortunate that our imports and exports are rising dramatically—in 1957, imports totalled $13 billion. Today, ten years later, they are $26 billion. Our exports in 1957 totalled $19 billion. Today, they are $31 billion. The Kennedy Round of tariff negotiations will be a spur to greater trade increases.

All of this is good news to managers of our ports. But I urge you to review your port development plans to see if you are doing all you should to prepare for the future. I urge you to act as a catalyst for solving the problems facing you—the labor-management problems, the construction and modernization problems, and all the others. You can—and you should—be beacons to guide industry, labor and government.

We need bustling ports—and we will have them with your help.

GEORGE B. AUTRY, CHIEF COUNSEL OF THE SENATE CONSTITUTIONAL RIGHTS SUBCOMMITTEE

Mr. ERVIN. Mr. President, above all States, the State of North Carolina has historically been richly blessed with the most valuable natural resource a State may have—young people who are gifted, concerned, and educated to the full duties and responsibilities of service. In part, this is attributable to the genius of the educational system of our State; but in greater measure, it is due to the spirit of inquiry and quest for knowledge demonstrated in such abundance on the campuses of North Carolina. As a result, our young people adhere to a tradition of constructive and unstinting contribution to the progress of their communities, their State, and their Nation.

For 6 years, it has been my good fortune, on behalf of North Carolina, to have had the able assistance of one of these outstanding young men—George B. Autry. But it is with regret that I must announce his departure from the ranks of Senate assistants and from the position of chief counsel of the Constitutional Rights Subcommittee.

Fortunately, he will continue to serve his State as director of the North Carolina Manpower Development Corp., a project sponsored jointly by the Office of Economic Opportunity and the National Association of Manufacturers.

During his 6 years on the Hill, George has brought to legislative problems the boundless energies of one of the most restless and inquiring minds with which it has been my pleasure to work. He has demonstrated a great breadth of legal talent and political knowledge, and a deep understanding of the constitutional and public policy issues which confront us daily.

As a graduate of Duke University Law School, George first came to the Subcommittee on Constitutional Rights on a Richardson fellowship to study the legislative process. He quickly became addicted to the intellectual challenges, the long hours, and heavy workloads which we all know are the rewards afforded dedicated employees of the Senate.

Realizing that nowhere was he going to satisfy these cravings as thoroughly as in the Halls of Congress, he joined the staff of the subcommittee as a counsel. After 2 years, he became chief counsel of the Senate Judiciary Subcommittee on Revision and Codification. Last year, he assumed the duties of chief counsel and staff director of the Subcommittee on Constitutional Rights. In each of these posts, he has served with distinction, bringing more zeal, dedication, and courage to the performance of his duties than anyone I know.

As an administrator, his staff testify to a rare ability to inspire, by his own example, the initiative and enthusiasm of others.

His unique awareness of the human aspect of the law has been an important element in his duties with the Constitutional Rights Subcommittee. Certainly, he has helped make the subcommittee one of the best known and productive committees of Congress. This subcommittee, more than most, must be alert to the impact on the individual of laws, regulations, and practices which may threaten his rights and liberties as a citizen, as a free man in a free society. It deals with the rights of people who have no one to defend them. Every year, thousands of complaints are received from citizens. To resolve these and determine the need for legislation, its members and staff must understand and attempt to apply the spirit as well as the letter of the Constitution.

An example of such efforts has been our work on S. 1035, a bill to protect the privacy of Federal employees, which was recently approved by the Senate. Other subcommittee measures have been drafted and introduced on the basis of our studies to protect the rights of the serviceman; the rights of the American Indian; and freedom of religion and the separation of church and state. The new Federal Bail Reform Act and the act to protect the rights of the mentally ill in the District of Columbia also grew from subcommittee studies.

George Autry has left an indelible mark on the record of achievements of the Constitutional Rights Subcommittee and I shall miss his able counsel. I wish him and his lovely wife, Bess, and their two children and, not to be overlooked, their dog, Lamb Chop, much happiness and success in their new venture.

It would be my hope that his new duties would leave George more time than he has had recently for the fishing and hunting he enjoys so much. But this is probably a futile hope, for some of his friends think George must have taken to heart the observation of Oliver Wendell Holmes:

> As life is action and passion, it is required of a man that he should share the passion and action of his time, at peril of being judged not to have lived.

I am also sorry to lose the assistance of another effective and able staff member of the Constitutional Rights Subcommittee—Miss Nova Henderson. Nova will also be returning to North Carolina to join the staff of the Manpower Development Corp. As with George, the subcommittee's loss is tempered only by the knowledge that North Carolina is benefiting by her return.

I ask unanimous consent that the following articles be printed in the RECORD at this point: An article from the Winston-Salem Journal and Sentinel, by Bill Connelly, October 29, 1967; an article by Al G. Dickson, from the Sunday Star-News, Wilmington, N.C., August 27, 1967; articles from the Greensboro Daily News, October 24, 1967; and an editorial from the News and Observer, October 25, 1967.

These report not only George Autry's departure, but describe the ambitious plans for the Manpower Development Corp., under the chairmanship of Luther Hodges, Jr. Under the guidance of these able young men, this project portends a new era of progress and economic development in North Carolina. It reflects also the public-spirited and enlightened efforts of our industries and businesses to make a meaningful contribution to the social and economic goals of the people of North Carolina.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Winston-Salem (N.C.) Journal and Sentinel, Oct. 29, 1967]

AIDE TAKES MANPOWER TRAINING JOB: ERVIN WILL MISS AUTRY'S SERVICES

(By Bill Connelly)

WASHINGTON.—In just six years, George B. Autry became chief counsel to Sen. Sam J. Ervin's subcommittee on constitutional rights and began to be known as one of the most knowledgeable and well-connected North Carolinians in Washington.

Then, to the astonishment of his friends, he announced that he was leaving it all to return to North Carolina and run a manpower training program sponsored by the N. C. Fund and the National Association of Manufacturers.

His departure at the end of this year's session will deprive Ervin of both an aggressively efficient legislative aide and subcommittee boss and a trusted political confidant.

Autry, a 30-year-old native of Wilmington, will be especially missed if Ervin has serious opposition in next year's elections. Among the North Carolinians here, it is generally agreed that few have better political antennae than Autry.

SUBCOMMITTEE COUNSEL

But it is as subcommittee counsel that the young lawyer's work has been most important to the senator.

Like Ervin, Autry is indefatigable and totally absorbed in his job. He has dug deeply into constitutional law and has left his mark on several of Ervin's bills, such as those protecting the privacy rights of government employes. Liberalizing the immigration laws, reforming the bail system and protecting the rights of American Indians.

Although only six years out of Duke University's Law School, Autry has won respect in the Senate for his handling of the subcommittee (which has a staff of 16) and for his skill as a legislative strategist.

Most of all, however, he has been the man who knew the score—on the next committee vote, on the next floor fight, on the current political controversy at home. An inexhaustible source of information, he is so perpetually on the telephone that some friends wonder whether he sleeps with it.

His friends say Autry is not as conservative as Ervin on most social issues, but this does not appear to have any effect on their close working relationship.

In sum, Autry, a short man with slightly graying dark hair, seemed destined for a long career in Washington. It was hard to picture his going so far away that he would not know who had voted with whom and for what.

So how was he recruited to run the new Manpower Development Corp.—to take a job largely unrelated to law, politics or legislation and a job paying very little more than he made here?

"This job on the subcommittee is the greatest in the world," Autry said in beginning an explanation. "I would have been happy to sit here forever. I love it. I love the Senate. But the new job was so important I felt I didn't have any choice."

The job is important, he believes, because the manpower program offers one effective way of eliminating poverty. The Manpower Development Corp. will select with a computer 3,000 unemployed, unskilled North Carolinians and attempt to match them with jobs for which they are suited. Then they will be trained through new teaching methods for specific jobs in a specific industry.

With the help of the National Association of Manufacturers, the program will try to persuade industrialists either to hire workers prepared by the program training center or to set up their own training programs for such people under government contract.

SKILL AND JOB IDEA

The idea is to give a man a skill and a job as well.

If it works, thousands of other North Carolinians will be recruited.

Although three other states are planning similar programs, this one will be the first to get started.

The prospect so appealed to Autry that, after some initial hesitation, he decided he wanted to be in on it. "It sounds trite," he said, "but it's that simple."

The change also will enable Autry to get to know more about his home state. He came to Washington in 1961, shortly after graduation from Duke Law School, on a one-year fellowship sponsored by the Richardson Foundation. He was assigned to Ervin's staff and, at the end of the year, decided to stay. Consequently his whole working life has been here.

During the first years that Autry was an aide to Ervin, his wife Bess worked in Sen. Hubert Humphrey's office. Both the Autrys have retained friendships with Humphrey and his staff, and Autry helped in the Humphrey campaign in 1964. This, plus his gregarious nature, has given him broader political friendships than the average North Carolina staffer here.

FRIENDSHIPS RANGE

His political friendships at home have ranged a bit, too. In 1960, as a law student, he supported Terry Sanford in Sanford's second primary race for governor. Now Sanford is a possible Democratic primary opponent for Ervin.

But Autry's devotion to Ervin now seems total. He calls the senator "a man of tremendous intellectual energy and rare political courage." He says that his only regret in returning to North Carolina is that he will have to leave Ervin in an election year, when the subcommittee and political duties could be burdensome.

[From the Wilmington (N.C.) Star News, Aug. 27, 1967]

AUTRY LAUDED FOR WORK ON BILL: JOINS RANKS OF AUTHORITIES ON FEDERAL CONSTITUTION

(By Al G. Dickson)

A 30-year-old Wilmington attorney has joined the ranks of outstanding authorities on the Federal Constitution.

He is George B. Autry, Chief Counsel and Staff Director of the Constitutional Rights Subcommittee of the Senate Judiciary Committee. Senator Sam J. Ervin, Jr., is chairman of the Subcommittee and also ranks third on the Judiciary group.

Mr. Autry is the son of Mrs. J. Murchison Autry and the late Mr. Autry, 102 Forest Hill Drive.

Following graduation from New Hanover High School, he entered Duke University and was graduated from the Law school there in 1961. Recipient of a fellowship in government from the Richardson Foundaton, he went to Washington and entered the office of Senator Ervin. Because of his outstanding work, he was elevated later to his present important position.

The Wilmingtonian has been Senator Ervin's "righthand" in drafting and advancing the sweeping "bill of right" for Federal civilian employees.

This measure, approved by the full Judiciary committee, would curb several invasions upon Constitutional rights of Federal employees. It would curtail governmental use of lie detectors and psychological testing, ban racial entries on personnel forms, limit requirements for financial disclosure by government workers and free workers from the pressure to participate in off-hours or voluntary activities such as bond drives and community projects.

In his advocacy of the bill, Senator Ervin charged that these and similar practices trampled the rights of Federal employes.

The bill also provides for a board of employes' rights independent of the Civil Service Commission. This board would have authority to hear complaints. Another recourse is the Federal district courts.

Mr. Autry worked on the bill for months. A day or so ago, Senator Ervin paid him high compliment when he said: "I do not know anyone who could have done a finer job."

The distinguished statesman and the young lawyer took a liking to each other shortly after they met on the "Hill."

"George has a fine mind and an insatiable intellectual curiosity," the Senator said. "On any problem that comes up, he is not satisfied until he gets to the bottom of it. He has an unlimited amount of energy and always does a great job."

It was not the first occasion Mr. Autry has been an "architect" on Constitutional rights legislation. He turned in an equally good performance in drafting measures to protect rights of military personnel and American Indians.

Early last week, Mr. Autry was given the opportunity and responsibility of explaining the Ervin bill at the annual convention of Internal Revenue Employes in Los Angeles. He took advantage of his appearance to deny the Reader's Digest charge that Internal Revenue officers and agents have "bullied, degraded and crushed innocent citizens."

"I can only say," he told his audience, "that when it comes to being bullied and degraded, I'd rather be a taxpayer than a tax collector anytime.

"No—after working with your association and its representatives for over a year on the Ervin bill, and after meeting all of you here, I can testify that you are neither walking computers nor are you the sadistic monsters described in the magazine article."

Mr. Autry explained that the Ervin bill would serve to correct some of the more glaring violations of privacy by investigators, but by no means does it cure them all.

"That is the purpose of the Subcommittee's new inquiry," Autry added. "Senator Ervin is in the process of sending questionnaires to the heads of various departments and agencies to determine exactly what controls and guidelines should be adopted to govern these investigators, and where political and administrative responsibility for these functions lie."

In his Los Angeles speech Autry cited several examples of violation of privacy by Federal investigators.

"There was the IRS employe being investigated for a job with the Service whose neighbors were asked how he treated his adopted children. Neither the neighbors nor the children knew they were adopted. The irrelevancy of matters drawn into these investigations would be funny if it were not tragic. One employe was investigated for pilfering candy machines. Yet he was asked, didn't he know his wife was running around with another man."

Mrs. Autry is the former Bess Powell, daughter of Dr. and Mrs. C. J. Powell, of Wilmington. She, too, is a graduate of Duke.

When they went to Washington, she decided she would like to work on the "Hill." So, she walked from office to office in the Senate building. After several calls, she was hired by Senator Hubert Humphrey. When he campaigned in North Carolina for vice-president, she was among those accompanying and advising him. When he was elected, she continued on his staff until she resigned because of the increase in her family duties. The Autrys have a four-year-old son and a six-month-old daughter.

And walking into the office to replace her was her younger sister, Margaret. She is now one of the Vice-President's two appointment secretaries.

But, back to George.

The real test of his work on Senator Ervin's bill will come when it is voted upon in the Senate. It may be called up any day now. And with the measure co-sponsored by more than half the members of the upper house, the outlook for its enactment is good. If and when it becomes law, Federal employes will owe their best thanks to Senator Ervin and his able and hard working aide, George B. Autry.

[From the Greensboro (N.C.) Daily News, Oct. 24, 1967]

PROGRAMED TEACHING: TRAINING CENTER NET PROPOSED IN STATE

(By Arthur Johnsey)

RALEIGH.—Training centers using programed teaching as developed by the National Association of Manufacturers will be established as the first phase of a new project for making better use of the state's labor supply.

Luther H. Hodges Jr., Chapel Hill banker and chairman of the North Carolina Manpower Development Corp., discussed the centers Monday in announcing new developments in the corporation's plans.

Hodges said the first training center using the NAM's system of advancing worker skills will be located in "a major industrial area" at a site to be determined very soon.

Another of the corporation's initial actions will be a "computer match" for low-skilled jobless persons.

By the end of this year data will have been fed into computers for matching 3,000 persons in this state with job opportunities.

He said that if 3,000 persons can be matched with 3,000 jobs in this state then 5,000 persons can be matched with 5,000 jobs, and in the nation 5 million persons can be matched with 5 million jobs.

Methods to be used in the training centers are already in use in industrial plants in other states, and Hodges said they have been "phenomenally successful".

Hodges said the Manpower Development Corp. has been evolved as a response to a study of manpower and the state's economic development by the North Carolina Fund, a foundation-financed experiment with headquarters in Durham.

The study confronted the state with some hard facts, Hodges said—among them:

Between 1.2 million and 1.5 million adult North Carolinians cannot read well enough to qualify for jobs paying a living wage.

One-third of the work force is below the 8th-grade level in education.

Diversification of industry has not occurred rapidly, primarily because of a lack of skilled manpower.

The income lag between this state and the rest of the country is not closing, nobody predicts much improvement over the next decade.

[From the Greensboro (N.C.) Daily News, Oct. 24, 1967]

G. B. AUTRY WILL DIRECT JOBS AGENCY

RALEIGH.—George B. Autry will leave his position as chief counsel for U.S. Sen. Sam Ervin's subcommittee on constitutional rights to become executive director of a North Carolina agency for relocation and training the poor for jobs.

Luther H. Hodges, Jr., board chairman of the North Carolina Manpower Development Corporation, announced Monday the directors of the agency had selected Autry after screening a number of high level Washington jobholders and others.

Paul K. Woodard, a native of Bayboro, will succeed Autry as chief counsel of the Senate Constitutional Rights subcommittee. Woodard has been a lawyer on the subcommittee staff.

Hodges said one aspect of the new corporation he heads by appointment of Gov. Dan K. Moore "has challenged those of us who have become involved to make personal sacrifices in order to help solve manpower problems in North Carolina."

This willingness, he said, "was a result of having reached a conclusion that no single segment of society . . . can solve those problems alone, nor can they be solved by efforts which are fragmented . . . as they now are . . ."

MPC will combine efforts of public and private sectors, in an effort that will involve government, industry and business in a new relationship.

Hodges described Autry, a native of North Carolina, as a lawyer whose "interest in and commitment to the state is evidenced by his willingness to leave his chosen profession of the law to accept the challenge of this exciting project."

The challenge was to supply the capacity for creativeness and innovation in discovering new working relationships between government and industry.

Autry's ability along these lines was demonstrated by his "swift rise to a position of major responsibility in Washington," Hodges said.

The development of the new corporation, its chairman said, resulted from a meeting of George Esser, director of the North Carolina Fund, with representatives of the National Association of Manufacturers.

Autry said the "positive aspects" of such programs as the fund's mobility project would be expected to continue under the manpower program when the fund program has been phased out.

Under the mobility project, untrained poor people have been removed from agricultural counties of the Eastern Seaboard to urban centers in the Piedmont for training in industrial plants.

Under the manpower development program a much larger amount of money will be available to enable industries to provide training for workers to fit their specific job needs, thus reducing the rate of return by the relocated workers to their farm homes.

[From the News and Observer, Oct. 25, 1967]

PROMISING RESPONSE

Given the extent of low income employment in North Carolina it is not probable that the new Manpower Development Corporation, whose executive director was named Monday, will soon bring about the kind of change it seeks. But it is indeed encouraging that the chairman of the group's policy board so clearly outlined the challenge it faces. That challenge, said banker Luther Hodges Jr., is to provide a positive response to the North Carolina Fund's recent economic and manpower survey which showed that:

—Nearly one and a half million adult North Carolinians cannot read sufficiently well to qualify for jobs which pay a living wage.

—The income gap between this State and the rest of the country is not closing, even though our per capita income is rising. North Carolina ranks only 44th among the 50 states in this index of well-being, and there is little reason to expect relative improvement in the next decade.

—Two-thirds of the new manufacturing jobs created in North Carolina each year since 1960 have paid wages below the State's average, and that average has ranked the State 49th or 50th, nationally, each year of the period.

—The job-creating industrial and business development which has taken place has not benefited all North Carolinians. There were 37,000 fewer jobs for non-white males in 1960, for example, than there were in 1950.

Clearly these stark facts outline the State's number one problem in terms of providing education and job training to help the underemployed lift themselves. It also suggests the need for more careful search for higher quality industry.

The Manpower Development Corporation, a joint venture of the National Association of Manufacturers, the Office of Economic Opportunity and the North Carolina Fund, is an experiment in enlightened and cooperative help for the many thousands who subsist almost without hope of enjoying a better life. No more promising effort has been launched before. George Autry, the young attorney who will head its operations, has much ability. His task will demand it all.

ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1967

Mr. ERVIN. Mr. President, I am deeply disappointed that the Senate-House conference on the 1967 elementary and secondary education amendments did not retain the amendment agreed to by the Senate which provided for a judicial review of the constitutionality, under the first amendment, of grants and loans being made by the Federal Government to church-related institutions.

Thomas Jefferson stated in the Virginia Statute of Religious Freedom that to compel a man to make contributions of money to the dissemination of opinions he disbelieves is most sinful and tyrannical.

As a result of the determination of the Founding Fathers to have religious freedom in America, the first amendment was added to the Constitution. The first amendment attempts to do two things: First, to prohibit the Government from establishing a religion; second, to secure to all Americans the right to bow their own knees to their own god in their own way. It is just as sinful and tyrannical today, as it was in the days of Thomas Jefferson and in the days when James Madison penned the first amendment, to tax Americans for the support of the teaching of religion, no matter how laudable the religion may be.

Today, billions of dollars of taxpayers' moneys are being disbursed by the Federal Government in one form or another to various institutions, many of which are owned, controlled, and operated by various denominations.

Unfortunately, in 1923, the Supreme Court handed down a decision in the case of Frothingham against Mellon, in which the writer of the opinion emulated the example that we Senators sometimes set, and talked too much. The question in that case was whether Mrs. Frothingham could secure an injunction against an appropriation of Federal funds for maternal benefits to the States. The Court held merely that since her interest in the funds in the Treasury was so minute she was not entitled to equitable relief. Unfortunately, the writer of the opinion went further and cast doubt upon the right of district courts to entertain any suits which challenge the expenditures of Federal tax money.

Mr. President, there are only two remedies against the uncertainties produced by this decision. The first is for Congress to pass a judicial review statute giving Federal courts jurisdiction to entertain suits challenging the expenditures of public tax money on the ground that this violates the first amendment, and the other is for the Supreme Court of the United States to clarify its decision in the case of Frothingham against Mellon.

Recently the Supreme Court granted certiorari to review the case of Flast against Gardner, which involves precisely the same question we sought to resolve by passing the judicial review bill—whether the Federal courts have jurisdiction to entertain suits challenging the constitutionality of the disbursement of Federal tax moneys on first amendment grounds.

I predict, as far as anybody can predict with any assurance, that the Supreme Court is going to hold in that case that Federal courts do have such jurisdiction. But that decision will not clarify the subject as it needs to be clarified, because we need a statute specifying who can invoke that jurisdiction and how that jurisdiction can be invoked.

Other Senators and I have worked on this problem for several years because we believe that the first amendment should be a living principle of government and not merely a piece of dead parchment. So several years ago the distinguished Senator from Kentucky [Mr. COOPER] and I originally offered an amendment to the Higher Education Facilities Act which would have given Federal courts jurisdiction to entertain suits questioning the constitutionality under the first amendment of Federal grants and Federal loans. Mr. President, that amendment was passed by the Senate and rejected in the conference committee on that act.

Why any man who has taken an oath to support the Constitution of the United States would consent to the Constitution of the United States being nullified insofar as the first amendment is concerned is something beyond my feeble intellect to comprehend.

Then, along with other Members of the Senate, I introduced a bill which was carefully drafted and subjected to long and searching hearing. The bill met the approval of millions of Americans. That bill, S. 2097, passed the Senate by a voice vote on July 29, 1966, with only two dissenting votes.

Upon passage of that bill, Senators MORSE, COOPER, CLARK, YARBOROUGH, SMATHERS, FONG, and I, as its sponsors, addressed a letter to the chairman of the

House Committee on the Judiciary, asking that he conduct hearings on the bill. That committee did not conduct such hearings, although the bill lay before it from July 29, 1966, until the end of the 89th Congress. The chairman of the House Judiciary Committee gave as an excuse for not holding the hearings that he was unable to get a report from the Department of Justice on its attitude toward the bill.

Consequently, on December 9, 1966, I addressed a letter to the Department of Justice and asked it to give its views on the bill. On December 20 I received an assurance from the Department of Justice that I would receive a reply to my letter in the near future. Since that time almost a year has gone by, and I am still waiting for my reply.

Mr. President, I ask unanimous consent to have printed in the Record the letter which I addressed to the chairman of the House Committee on the Judiciary on August 4, 1966, and which was cosigned by the other sponsors of the bill.

There being no objection, the letter was ordered to be printed in the Record, as follows:

August 4, 1966.

Hon. Emanuel Celler,
House Committee on the Judiciary, Rayburn House Office Building, Washington, D.C.

Dear Mr. Chairman: On July 29, 1966, the Senate approved S. 2097, an Act "To provide effective procedures for the enforcement of the establishment and free exercise clauses of the first amendment to the Constitution." This bill is presently before your Committee.

It represents the culmination of many years of debate on the question of Federal aid to church-related institutions and exhaustive hearings held earlier this year by the Subcommittee on Constitutional Rights. We are writing you to request prompt attention and favorable consideration of this vitally important measure.

For far too long the issue of government aid to church-related organizations has been a divisive force in our society and in the Congress. It has erected communications barriers among our religions and fostered intolerance. This is a natural consequence when the courts are prevented from carrying out their function of deciding a great constitutional issue. We emphasize that this bill makes no declarations as to the constitutionality of the legislation under review; on the contrary, it would remove the cloud which hovers over several important acts of Congress by allowing the Federal courts to hear the arguments and to render a final decision.

Several of us who are sponsors of this bill feel there is no doubt as to the constitutionality of the programs which would be subject to review. Others of us feel that certain aspects of these programs fail to meet the test of the First Amendment. But one thing on which we all agree: the courts must be given the opoprtunity to decide.

The bill has the support of many educators, lawyers, religious organizations, and civil liberties groups. Among the eminent professors of law supporting S. 2097 are Professors Paul A. Freund and Louis L. Jaffee of Harvard Law School, Leo Pfeffer of Long Island University, and Kenneth Culp Davis of the University of Chicago Law School.

Educational organizations endorsing the legislation include the National School Boards Association, the Association of State Colleges and Universities, the American Association of University Professors, and the Council of Chief State School Officers.

The religious and civil liberties organizations endorsing this measure are the National Association of Evangelicals, Seventh Day Adventists, the Unitarian Universalist Association, American Jewish Congress, the Anti-Defamation League, Americans United for Separation of Church and State, American Jewish Committee, American Civil Liberties Union, and many others.

Several witnesses voiced objection to the stringent provisions in the original bill. We are confident, however, that the amendments adopted by the Senate meet these objections and make this legislation a worthwhile addition to our judicial process. For example, the automatic stay provision and the requirement that unconstitutional grants be refunded have both been removed. Also, consolidation of suits is now permissible in order to facilitate a speedy and orderly review of the issues involved.

Under separate cover, we are sending you a copy of the hearings and report on this measure. We hope you will agree that because of the extensive consideration given to this measure in the Senate, no further hearings are necessary.

Presently, judicial review is available for every aspect of the Bill of Rights except the establishment clause of the First Amendment. This void should be filled; and we respectfully suggest that the Judiciary Committee recommend House approval of S. 2097.

With best wishes, we are
Sincerely,
Wayne Morse,
Chairman, Subcommittee on Education.
Sam J. Ervin, Jr.,
Chairman, Subcommittee on Constitutional Rights.
John Sherman Cooper.
Joseph S. Clark.
Ralph Yarborough.
George A. Smathers.
Hiram L. Fong.

Mr. ERVIN. On the first day of the 90th Congress convened, my cosponsors and I reintroduced that judicial review bill, and on April 11, 1967, it passed the Senate by a voice vote without the dissent of any Member of the Senate.

Thereafter, on April 26, 1967, the cosponsors of the bill, S. 3, joined in a letter to the chairman of the House Committee on the Judiciary in which they again implored the committee to hold hearings on the bill.

I ask unanimous consent to have a copy of that letter printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U. S. Senate, Committee on the Judiciary, Subcommittee on Constitutional Rights,
April 26, 1967.

Hon. Emanuel Celler,
House Committee on the Judiciary,
Rayburn House Office Building,
Washington, D.C.

Dear Mr. Chairman: On April 11, the Senate approved S. 3, an Act "To provide effective procedures for the enforcement of the establishment and free exercise clauses of the First Amendment to the Constitution. This bill, now pending before your Committee, is identical to S. 2097 which passed the Senate during the 89th Congress. Last year, however, Senate action came too late for consideration in the House.

We know you are already aware of the objectives of this legislation and the wide support it has in the academic community, among civil liberties groups, and from many educational and religious organizations. Our views differ widely on the legislation to be the subject of judicial review under S. 3; but our joint sponsorship is evidence of our deep concern over the divisiveness among our citizens which has arisen as a result of the courts' inability to act in this area of constitutional law.

Enclosed is a copy of the report on S. 3 with an account of recent developments making this legislation more imperative than ever. We urge you to schedule hearings on this measure as soon as it is conveniently possible.

With best wishes, we are
Sincerely,
Wayne Morse,
Chairman, Subcommittee on Education.
Sam J. Ervin, Jr.
Chairman, Subcommittee on Constitutional Rights.
John Sherman Cooper.
Joseph S. Clark.
Ralph Yarborough.
George A. Smathers.
Spessard L. Holland.
Hiram L. Fong.

Mr. ERVIN. Mr. President, the bill has been sleeping in the arms of Morpheus, so far as the House Judiciary Committee is concerned, ever since.

When inquiry was made of the House committee as to why it did not hold hearings, in response to scores and scores of requests which it had received not only from the cosponsors of the bill but also from organizations and individuals interested in the bill, the reply came back that the committee could not get a report from the Department of Justice as to its attitude on the bill.

When the 1967 Elementary and Secondary Education Amendments bill came before the Senate, the judicial review bill was offered as an amendment and it was adopted by the Senate by a unanimous vote of 71 to 0. It was made title VIII of the 1967 Elementary and Secondary Education Amendments. Not only was that supported and voted on by 71 Senators on a rollcall vote without a dissenting vote, but 20 other Senators also placed themselves on record as favoring the bill.

It is a shame that in a country so proud of possessing the first amendment to the Constitution—which was placed first in the Bill of Rights because it occupied first place in the hearts of the people—we cannot secure passage of this bill; and not only that, but have been frustrated in our demand for a hearing for almost 2 years because of the failure of the Department of Justice to answer a simple request from the chairman of the House Committee on the Judiciary as to its position in regard to the bill.

Mr. President, as I have already pointed out, since April 1966, we have been trying to get hearings, and have been told hearings could not be held in the House Judiciary Committee, because of the lack of any report from the Department of Justice.

I sometimes think we have fallen into a very unfortunate circumstance in which the Department of Justice has departed, in large measure, from its role as an impartial enforcer of the Federal laws, and has assumed the role of being a political agency rather than a quasi-judicial agency.

I say that because after we failed, from April 1966 down to the time the Senate added the judicial review bill as an amendment to the elementary and secondary education bill, we received no response from the Department of Justice; but after the amendment had been adopted, the Department of Justice immediately sent out the letter.

I do not know what its motive is, but I think the Department of Justice, like every institution and individual that is not illiterate, knows that it is customary to date communications. Though I did not receive it, after the conference committee met, the Department of Justice began to circulate an undated letter from the Deputy Attorney General, stating that the Department of Justice was opposed to this judicial review bill.

Mr. President, that is a strange position for the Department of Justice to take. One would think that the Department of Justice ought to believe that the courthouse door should be open to interpret the provisions of the first amendment as well as all other provisions of the Constitution. Surely it is a strange thing for the Department of Justice to send down an undated letter, and to withhold that letter from the sponsors of the judicial review measures themselves. I had to call the Department of Justice to find out when the letter was dated; and I told them it was customary in Washington, in official circles as well as in individual circles, to date letters.

The Department of Justice told me the letter was written on the 7th day of December, 1967. And it was used as a weapon to bludgeon and persuade the House conferees not to agree to this amendment favored by 91 Senators.

Mr. MANSFIELD. Mr. President, will the Senator from North Carolina yield?

Mr. ERVIN. I am delighted to yield to the Senator from Montana.

Mr. MANSFIELD. Mr. President, I, too, was disappointed that the amendment offered by the distinguished senior Senator from North Carolina was not accepted by the House, especially in view of the fact that it passed unanimously in this body.

I am hopeful, however—very hopeful—that on the basis of that vote and the strong representations made by the distinguished Senator, that hearings will be held early next year by the Judiciary Committee of the House. While I cannot be definite, it is a very, very hopeful hope.

Mr. ERVIN. If it were not for the fact that hope springs eternal in the human breast, I would be without hope; but I do share the hope of the Senator from Montana.

Mr. LAUSCHE. Mr. President, will the Senator from North Carolina yield for a question?

Mr. ERVIN. I yield.

Mr. LAUSCHE. Regarding the amendment offered by the Senator from North Carolina, will the Senator kindly explain exactly what that amendment contemplated doing?

Mr. ERVIN. All that the amendment contemplated doing was, in the first place, to make clear that Federal courts should have jurisdiction and, in the second place, to provide an orderly procedure to determine whether Federal grants and loans being disbursed out of Federal taxpayers' money violated the first amendment.

Mr. LAUSCHE. Will the Senator now define the first amendment?

Mr. ERVIN. The first amendment states:

> Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; . . .

Quite a paradoxical situation exists today. The amendment was originally adopted solely to act as a restraint upon the Federal Government. In 1940, the Supreme Court held, for the first time, in Cantwell against Connecticut, that the due process clause of the 14th amendment was made applicable to the States. But, because of the Frothingham decision, we now have an amendment which originally was designed to apply to the Federal Government but not the States, but which now has vitality only against the States and is largely a dead letter against the Federal Government.

It is perfectly legitimate to question the expenditure of State funds as a violation of the first amendment, but there seems to be no way in which one can get a test of the expenditure of Federal funds for like purposes under the same amendment unless we pass a judicial review bill or unless the Court clarifies the Frothingham case.

Mr. LAUSCHE. The amendment, which was adopted without a dissenting vote, merely said the Congress shall give the right to go to court and ask for a determination of whether the moneys of the taxpayers of the United States have been expended in compliance with the provisions of the Constitution.

Mr. ERVIN. The Senator is right. The judicial review proposal does not attempt to interpret the first amendment; it merely authorizes the Federal courts to do so.

Mr. LAUSCHE. Mr. President, I think that I engaged in a dialog with the Senator from North Carolina several years ago, pointing out the need of creating, by law, a procedure which would give the right to challenge Federal expenditures not only in compliance with the first amendment, but all other provisions of the Constitution, which leaned to the ability of the expenditure of money by the Federal Government without any chance of the citizen to challenge the expenditure.

Mr. ERVIN. The recollection of the Senator from Ohio is absolutely correct. The Senator from Ohio, like the Senator from North Carolina, has always had the conviction that every provision of the Constitution ought to be made a living principle of government, and that the courts should be open at all times to allow any citizen to assert and to allow the court to determine whether the expenditure of Federal funds is a violation of the Constitution.

Mr. LAUSCHE. Does the Senator from North Carolina agree with me that his argument on the first amendment of the Constitution, which deals with the right of religious expenditures, is also his principle with respect to all other expenditures—that there ought to be an ability to go to court to have a determination of whether such expenditure is constitutional or not?

Mr. ERVIN. I certainly agree with the Senator from Ohio. I think that if there is not access to the courts for a determination of the validity of Federal expenditures for any purpose, there is provided a method by which the Constitution of the United States can be thwarted.

Mr. LAUSCHE. To put it in my own simple terms, the Senator from North Carolina wants to give an opportunity for an appeal to the courts to determine whether the taxpayers' moneys are being properly spent, whether it is for religious purposes or other purposes, in connection with the Constitution.

Mr. ERVIN. The judicial review bill I proposed relates only to expenditures under the first amendment, but I would certainly support a proposal to have a law to allow any expenditure to be so tested.

Mr. LAUSCHE. I concur in what the Senator from North Carolina is advocating, though this deals only with expenditures for what are alleged to be religious purposes; but I go beyond that and say that the doors of the courts shall not be blocked and closed against any challenges that are made concerning the expenditure of the money of the taxpayers in violation of the Constitution.

Mr. ERVIN. I agree with the Senator from Ohio, and I would support any legislation which made that applicable to all kinds of expenditures. I narrowed it in this bill simply because I sought to get that right in a narrow bill rather than in a broad bill.

Mr. LAUSCHE. May I remind the Senator that at the time we had the discussion, the Senator from Oregon [Mr. MORSE] said on the floor of the Senate, "Do not attach this proposal to the bill. I will support you in a separate bill, in the event it is presented, to enable taxpayers to go to the courts"?

Mr. ERVIN. Yes; and I will say that later the Senator from Oregon [Mr. MORSE] did join me in these judicial review bills. At the time it was difficult to get an independent bill, and he advocated getting the judicial review bill attached to the education bill.

Mr. LAUSCHE. It must be said that the Senator from Oregon [Mr. MORSE] kept his word and joined with the Senator from North Carolina in the acceptance of the amendment to the bill he is now discussing.

Mr. ERVIN. He did.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ERVIN. I yield to the Senator from Florida.

Mr. HOLLAND. The Senator knows that I have long supported him in this effort, and I still do; and I feel it is one of the things which must be cleared up before the Federal Government can continue to spend billions of dollars in the education field, which are going to religious schools of all denominations, or of various denominations, and for various purposes as well as to other private schools and, of course, to public schools.

Nobody knows what the Supreme Court would decide if this matter were heard by it and decided on its merits. It might decide that this provision would not apply in such matters as the purchase of schoolbooks. In fact, I think that has been so decided in one or more States as to the use of State funds.

The court might decide it would not

apply to the transportation of children in buses to schools, whether they were transported to a church school or a public school, in that the service would be regarded as rendered to the child rather than to the religious institution.

It might be decided that in the case of higher institutions of learning there would be limited fields in which the court would say such expenditures are good and supportable as, for instance, for the turning out of health servants—doctors and dentists—who are so badly needed in our Nation—but not for use in theological schools, and perhaps not for use in academic schools where the Bible is taught or the Talmud is taught, or one or the other versions of the Bible, depending upon what religious denomination it is that operates the school. But the subject terribly needs to be decided, and the more we are spending in the way of billions of dollars of money, the more people are troubled.

I hope the Senator will allow me to recite this little bit out of my own experience. The Senator from Florida has had the honor of serving on the boards of trustees of three religious institutions. They happen to be institutions of higher learning: Emory University, at Atlanta, Ga.; Florida Southern College, at Lakeland, Fla.; and Florida Presbyterian College, at St. Petersburg, Fla. The Senator from Florida happens to be in the position of being now a trustee emeritus in those institutions, but he served for many years on each of them, and he knows that able and dedicated men who are serving as trustees and as administrators and as teachers in those schools are disturbed over the question of whether they can properly receive Federal moneys and whether they can properly apply for Federal moneys for the support of various activities in those schools; and he is sure that that fact can be multiplied many times over.

Mr. ERVIN. If the Senator will yield, I may say to the Senator from Florida that I have received expressions from educators in my State lamenting the fact that there is this present state of uncertainty. They do not know whether their applying for certain funds for certain purposes would be violating the Constitution or not.

Mr. HOLLAND. I may say that one of my nearest neighbors in my home town is a distinguished official of another branch of religion, another church than the ones which I have mentioned, and he has served in such high positions as president of the trustees of his church college. He is so disturbed about it that he has never been willing to agree that his particular school can accept such support. And yet his school is operating in competition, if we can use that term—it is not strictly competition in the business sense—with other schools supported by other faiths that seem to have no compunctions at all about going after those particular types of grants from the Federal Government.

This is something that is disturbing the consciences of fine people in great numbers, dedicated people, dedicated to the cause of the education of our youth.

The PRESIDING OFFICER. The Senator from North Carolina may proceed.

Mr. HOLLAND. Mr. President, if the Senator will continue to yield to me, I shall not take much longer.

It seems to me to be so desperately wrong, so undemocratic, so out of accord with our system that our courts be precluded from determining a question that hits so directly at the root of conscientious thinking of so many people as does the question of the financial support of educational institutions of great character and fine service, that I cannot understand how anybody can feel that it is appropriate American practice to continue this traditional fetish—for that is about all it amounts to, though the courts have upheld it—that the courts will not now permit a citizen to raise this question.

I realize, with my friend from Ohio, that there are other questions than those presented by the first amendment, but we are talking, now, about this question of church and state. There is nothing closer to our people than the church, unless it is the state; and the idea of the courts actually ruling that they will not permit the submission of litigation and will not consider to conclusion court tests in this field is to me a position I have been completely unable to understand.

So as far as the Senator from Florida is concerned, lifelong friend of education as he is, he does not intend to vote for this year's or any other bill supplying Federal money for education until this question is allowed to be submitted to our courts. I hope that others will take the same position, because it seems to me that this is fundamental. The idea, in this day and time, of not permitting our courts to interpret a provision of our Constitution—the first provision in our Bill of Rights—as it applies to the supply of money that is federally raised for support of religious institutions of learning, is to me so foreign from my concept of true democracy, of true rule by the people, that so far as I am concerned, I shall not vote for an educational appropriation bill providing for Federal money to go to religious schools as well as others, until that question is permitted at least to be submitted to and heard by the courts.

I thank the Senator for yielding.

Mr. ERVIN. I thank the Senator from Florida for his contribution.

I yield to the Senator from Oregon.

Mr. MORSE. Mr. President, I think I owe the Senator from North Carolina an apology, but my dereliction is not my fault. I did not know that the Senator was going to bring up the judicial review matter for discussion now, and I want him to know that had I known it, I would have been here from the beginning of the discussion. I have been on other official business and, when I got here, the majority leader told me the Senator was discussing it.

I shall await the Senator's pleasure before I make a report on what happened in conference, but I do think, before he finishes, I should like to tell him and the Senate what our situation was in conference in regard to judicial review, because I think he and the Senate ought to know about it.

We are not ready to take up the conference report yet, because we are waiting for it to come over from the House of Representatives, I have a detailed report that I want the Senate to have about what happened yesterday in conference, because, as the Senator knows, I am in complete agreement with him on the judicial review matter.

I have something I think will please the Senator very much, which I have been advised that I can state on the floor of the Senate this afternoon, as to a change of attitude in the House of Representatives in respect to bottling up hearings. I shall simply say now that I have been told today that there is no question about the fact that, come the next session of this Congress, there will be hearings in the House of Representatives on the judicial review bill that we have passed in the Senate.

Mr. ERVIN. I thank the Senator for his assurance, and I should also like to take this occasion to say that the Senator from Oregon has been a great fighter in behalf of the judicial review bill, as one of the original authors and one of the cosponsors of all of these bills, and he and the Senator from Texas [Mr. YARBOROUGH] deserve the thanks of the Senate for their efforts to present the Senate's cause in conference. The Senator from Texas, as did the Senator from Oregon, fought tirelessly on behalf of judicial review and admitted defeat only after the votes were in.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. ERVIN. I want to finish as quickly as possible, so the Senator from Rhode Island can call up his conference report, but I have just a few more words.

I yield to the Senator from New York.

Mr. JAVITS. Mr. President, I was the ranking Senate conferee on the Republican side, and I should like to tell the Senator, in deference to his historic labors for this cause, that we talked about breaking up the conference on this issue, because it was just that deadlocked and just that impossible to make the remotest impression upon the conferees from the other body.

Being unable at the moment to consult with the Senator from North Carolina, the Senator from Oregon [Mr. MORSE] said that he divined that, as strongly as the Senator from North Carolina feels on the issue, he would not want us to make this issue the rock upon which the conference would founder and there would be no education bill at this session of Congress. He felt deeply troubled in his own conscience, but he felt that that is what the Senator from North Carolina would have decided, and it was only because of our chairman's feeling in that respect—and I assure the Senator it was very close and very difficult—that we finally elected to yield on the issue and remain in conference.

Mr. ERVIN. I thank the Senator from New York. The Senator from Oregon correctly apprehended my thought in the matter, in his deduction that I would not be willing to sacrifice the bill merely on the basis of the rejection of this particular amendment.

But I will reaffirm now my intention to see that judicial review legislation is enacted by Congress. I am gratified to learn that hearings will soon be held in the House Committee, and I hope that the 90th Congress will finally see this legislation become law.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. MORSE. Mr. President, if the Senator will permit me to take 2 or 3 minutes to intervene at this point, I should like to state not only that the letter of the Senator from North Carolina was used last night in our conference, but I also want the Senator to know that the Senator from Texas [Mr. YARBOROUGH]—and I completely agree with the procedure that he followed and supported him—read verbatim into the conference not only the letter of the Senate, but also the position taken by the Department of Justice in the undated later that they failed to send to the Senator from North Carolina.

I want to share the complete disapproval expressed by the Senator from North Carolina with respect to this strategy by the U.S. Department of Justice.

I point out the change that has taken place in the Department of Justice if this is going to continue to represent their position. If the Senator will bear with me, I take him back to the administration of President Kennedy.

In the first year of President Kennedy's administration, we suffered a setback in Congress in respect to educational legislation. We passed an education bill in the Senate, but were unable to get to conference with the House.

This was very disturbing to the then President of the United States, and he called me down to the White House because I was chairman of the Subcommittee on Education.

The President asked me what I thought had happened. I will paraphrase what I said, but I will paraphrase it very accurately. Later the President also brought into the conference the Secretary of Health, Education, and Welfare, Mr. RIBICOFF, now our colleague in the Senate, and the two of us accepted the assignment that the President of the United States gave to us, that I will speak about in a moment.

First, however, we had a conference between the President and myself, the President asked me what I thought about it. I said: "Mr. President, there is a nonunity among these education groups in the country. The higher education people are interested only in higher education. And the elementary and secondary education people are only interested in their field of education. The same is true with vocational education, technical education, and with the junior colleges.

We need some unity, or we will not get any education legislation. They have a common objective, but they do not know it. There is also the public-private split. Let us face it. And the split is over the religious issue."

The President said: "What are we going to do about it?"

I said, "Mr. President, we have to find out how far we can go under the first amendment. What we need is a U.S. Supreme Court decision on the application of the first amendment of the Constitution to this field of education, and until we get it, we have to go through the back door or the side door."

I am willing to say now, and I think that most of my colleagues know it—some of them agree and some of them disagree—that it was at that time, if one wants to use the phrase, that I had a brainstorm.

I suggested at that time to the President, based upon the NEDA program that we had worked out in the NEDA bill: "I think we can use part of that formula or that principle. I think we ought to use another approach, through the side door—I think that NEDA went through the back door—and have a categorical use approach."

That is where that approach came from, out of that conference.

As the Senator knows, our education bills thereafter, for the first time, adopted the provision that provided for funds to private schools for so-called categorical uses that, in my judgment, are constitutional. I have argued it again and again on the floor of the Senate.

Our bills have had categorical uses in them ever since, and I think they are constitutional. We cannot be too sure until we get the decision that I am talking about. However, we have got to approach the day when we can have a general aid bill. And the reason we do not get a general aid bill is because of this split over the church-state issue. Let us face that question, too.

Does the Senator know what the President said, as I went on to point out that what we needed was a judicial review bill? I will shorten it by saying that the President called the Attorney General of the United States, who was his brother, now our colleague, the junior Senator from New York, and told him that he was giving me the assignment of going to the Department of Justice to work out the drafting of a judicial review bill.

I went to the Department of Justice. The Attorney General of the United States—now our colleague—after I had explained the situation, agreed with me and called in the Solicitor General, Archibald Cox, and told the Solicitor General to work with me in the drafting of a judicial review bill.

I worked with the Solicitor General. I brought that bill to the Hill.

Does the Senator know what it became? When I introduced the bill, it became the Morse-Clark judicial review bill, the first of the judicial review bills.

The Senator will recall that he and the Senator from Kentucky [Mr. COOPER], when we had an elementary and secondary school bill, added a judicial review bill to it. The Senator from Pennsylvania [Mr. CLARK] and I joined as cosponsors of the Ervin bill. We had already introduced the Morse-Clark bill in the Congress preceding.

We have worked with the Senator from North Carolina. We passed the Ervin bill earlier this year. It contains the provisions, in essence, of the Morse-Clark bill. I give this history of the the matter because President Kennedy was for it. The then Attorney General of the United States was for it. The Solicitor General was for it. I am at a loss to understand the position that is now being taken by the Department of Justice.

I am not too sure, even by what they have sent up here, where they stand on the matter. However, we need a judicial review bill. We must get that problem behind us once and for all.

I am pleased that I was able to announce a few moments ago that I have been told today, on the basis of a source that is so reliable that I am willing to lead with my chin, so to speak, here on the floor of the Senate this afternoon, and say that I have every reason to believe that come the next session of this Congress, we will have hearings in the House on the Ervin bill. If we had had hearings on that bill, I think the bill would have passed the House.

I am convinced that if we can get a vote on the floor of the House on that bill, it will pass. And until we get that vote and get that bill on the statute books, we are not, in my judgment, going to meet the problem that the Senator from Florida and the Senator from North Carolina have been talking about here today.

Let us get that decision and see how far we can go, because we need to have a decision on the matter from the Supreme Court to settle the legal aspects of this matter once and for all.

Mr. ERVIN. I thank the Senator.

He has made it clear in his statement that he has been a pioneer in the field, and the salient features of the Morse-Clark bill are incorporated in the judicial review bill we passed. We had the bill rewritten to incorporate those features and contain the provisions of the Senator from Florida and the Senator from Oregon and others who cosponsored the bill.

What the Senator from Florida and the Senator from Oregon want—and what the others who have cosponsored the bill want—is to have a decision so that Congress can legislate in constitutional light rather than in constitutional darkness, as we are now compelled to legislate for want of court decisions.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. HOLLAND. I want to say for the RECORD that there is nothing timid or spineless about the Senator from North Carolina, the Senator from Oregon, the Senator from Ohio, the Senator from Kentucky, the Senator from Pennsylvania, or others who have sponsored these measures. Unfortunately, too much timidity and spinelessness has prevailed in high quarters in this country to ever bring this question to a conclusion up to this time.

I am glad to hear from the Senator from Oregon that finally, after all these years, there will be a hearing in the other body on this important measure.

Mr. President, I reiterate what I said a while ago: Until this question is decided, millions of people will be deeply disturbed in their consciences as to whether or not it is right for them, as parents and as officials of schools, to ask the Federal Government for help for private or religious schools.

Millions of people, some of whom are officials or teachers or administrators in schools, are in the same position; and I believe we must have an end to the timidity and spinelessness which has prevailed in so many quarters up to this time and bring this matter to a head.

I congratulate the Senators from North Carolina and Ohio and the others who have taken the lead in this question.

Mr. ERVIN. Mr. President, those of us who are interested in this proposal expect to continue the fight until we have a system under which the entire first amendment can be considered and properly interpreted by the courts.

I am delighted to have the assurance of the Senator from Oregon that he is satisfied that we will be able to get a hearing on the bill next year in the House of Representatives.

PRINTING OF COMMITTEE ACTIVITY REPORTS

Mr. MANSFIELD. Mr. President, with reference to the printing of committee activity reports for the session, I state, on behalf of the chairman of the Joint Committee on Printing [Mr. HAYDEN], that the Joint Committee on Printing has very properly ruled that the printing of such reports, both as committee prints and in the RECORD, is duplication, the cost of which cannot be justified.

It is requested that committee chairmen decide whether they wish these reports printed as committee prints or in the RECORD, since the Government Printing Office will be directed not to print them both ways.

AUTHORIZATIONS FOR INSERTIONS IN THE RECORD FOLLOWING ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Senators may be permitted to make insertions in the RECORD following the adjournment of Congress until the last edition authorized by the Joint Committee on Printing is published; but this order shall not apply to any subject matter which may have occurred or to any speech delivered subsequent to the adjournment of Congress.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HAYDEN. Mr. President, I wish to advise that the time for filing information to be included in the RECORD will be up to January 2, 1968, and I will include a statement to that effect in the RECORD.

AUTHORIZATION TO FILE REPORTS AFTER ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Government Operations be allowed to file such reports as necessary concerning the hearings conducted on the Small Business Administration after adjournment sine die of the first session of the 90th Congress.

The PRESIDING OFFICER (Mr. SPONG in the chair). Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H.R. 1341) to amend section 701 of title 10, United States Code, to authorize additional accumulation of leave in certain foreign areas.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 3982) to amend section 409 of title 37, United States Code, relating to the transportation of house trailers and mobile dwellings of members of the uniformed services.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H.R. 10242) relating to the authorized strengths by grade for medical and dental officers on active duty in the Army, Navy, and Air Force.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13893) making appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 10, 20, and 25 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 19, 22, and 23 to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

FOREIGN ASSISTANCE APPROPRIATION BILL, 1968—CONFERENCE REPORT

Mr. PASTORE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13893) making appropriations for foreign assistance for the fiscal year ending June 30, 1968, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The assistant legislative clerk read the report.

(For conference report, see House proceedings of December 14, 1967, pp. 36520—36521, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. PASTORE. Mr. President, I ask unanimous consent to have printed in the RECORD a tabulation showing the appropriations for fiscal year 1967, the budget estimates for fiscal year 1968, and the amounts recommended by the House and Senate, as well as the totals agreed to in the conference.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

COMPARATIVE STATEMENT OF THE APPROPRIATIONS FOR 1967 AND THE BUDGET ESTIMATES FOR 1968 AND AMOUNTS RECOMMENDED IN THE BILL

TITLE I—FOREIGN ASSISTANCE

Item	Appropriation, 1967	Budget estimate, 1968	House bill, 1968	Senate bill, 1968	Conference action
FUNDS APPROPRIATED TO THE PRESIDENT					
Economic Assistance					
Technical cooperation and development grants	$200,000,000	$242,815,000	$180,000,000	$210,000,000	$180,000,000
American schools and hospitals abroad	10,989,000	13,900,000	11,500,000	10,620,000	11,500,000
Special foreign currency program	(1,000,000)		(5,986,000)	(5,986,000)	(5,986,000)
Surveys of investment opportunities		2,000,000	1,000,000	2,000,000	1,250,000
International organizations and programs	140,433,000	140,980,000	125,000,000	141,000,000	130,000,000
Supporting assistance	690,000,000		600,000,000	610,000,000	600,000,000
Supporting assistance, general		170,000,000			
Supporting assistance, Vietnam		550,000,000			
Contingency fund	35,000,000	31,000,000	10,000,000	10,000,000	10,000,000
Alliance for Progress:					
Technical cooperation and development grants	87,700,000	[1] 110,000,000	75,000,000	100,000,000	80,000,000
Development loans	420,300,000	[1] 533,000,000	370,000,000	478,000,000	389,000,000
Partners of the Alliance				714,000	330,000
Development loans	500,000,000	774,000,000	400,000,000	600,000,000	435,000,000
Administrative expenses, AID	55,813,500	59,325,000	55,800,000	54,800,000	55,300,000
Administrative expenses, State	4,095,000	3,400,000	3,255,000	3,255,000	3,255,000
Subtotal, economic assistance	2,144,330,500	2,630,420,000	1,831,555,000	2,220,389,000	1,895,635,000
Military Assistance					
Military assistance	792,000,000	596,000,000	365,000,000	510,000,000	400,000,000
Total, title I, foreign assistance	[2] 2,936,330,500	[3] 3,226,420,000	[4] 2,196,555,000	[5] 2,730,389,000	[6] 2,295,635,000

See footnotes at end of table.

COMPARATIVE STATEMENT OF THE APPROPRIATIONS FOR 1967 AND THE BUDGET ESTIMATES FOR 1968 AND AMOUNTS RECOMMENDED IN THE BILL—Continued

TITLE II—FOREIGN ASSISTANCE (OTHER)

Item	Appropriation, 1967	Budget estimate, 1968	House bill, 1968	Senate bill, 1968	Conference action
FUNDS APPROPRIATED TO THE PRESIDENT					
Peace Corps	$110,000,000	[6] $118,700,000	$105,000,000	$110,000,000	$107,500,000
Limitation on administrative expenses	(24,916,000)	(28,400,000)	(28,400,000)	(28,400,000)	(28,400,000)
DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS					
Ryukyu Islands, Army					
Administration	14,948,000	14,956,000	14,956,000	14,956,000	14,956,000
Pretreaty claims	21,040,000				
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE					
Assistance to refugees in the United States	51,000,000	[7] 49,000,000	[8] 49,000,000	[7] 49,000,000	[7] 49,000,000
DEPARTMENT OF STATE					
Migration and refugee assistance	6,050,000	5,660,000	5,500,000	5,000,000	5,500,000
FUNDS APPROPRIATED TO THE PRESIDENT					
Investment in Inter-American Development Bank	250,000,000	[9] 300,000,000	300,000,000	300,000,000	300,000,000
Subscription to the International Development Association	104,000,000	194,000,000	104,000,000	104,000,000	104,000,000
Total, title II, foreign assistance (other)	557,038,000	592,316,000	578,456,000	582,956,000	580,956,000

TITLE III—EXPORT-IMPORT BANK OF WASHINGTON

Item	Appropriation, 1967	Budget estimate, 1968	House bill, 1968	Senate bill, 1968	Conference action
Limitation on operating expenses	($2,708,241,000)	($2,850,000,000)	($2,550,000,000)	($2,850,000,000)	($2,672,000,000)
Limitation on administrative expenses	(4,262,000)	(4,190,000)	(4,190,000)	(4,190,000)	(4,190,000)
Total, title III, Export-Import Bank	(2,712,503,000)	(2,854,190,000)	(2,554,190,000)	(2,854,190,000)	(2,676,190,000)
Grand total, all titles	3,493,368,500	3,818,736,000	2,775,011,000	3,313,345,000	2,876,591,000

[1] Includes $10,000,000 for development grants, and $90,000,000 for development loans contained in H. Doc. 123.

[2] Unobligated balances as of June 30, 1966, reappropriated.

[3] Unobligated balances as of June 30, 1967, requested to be reappropriated.

[4] Appropriation of unobligated balances as of June 30, 1967, with the exception of $29,477,847 for the contingency fund, not approved.

[5] In addition, unobligated balances as of June 30, 1967, of $61,072,561 and deobligations-reobligations estimated at $48,805,000, for a total of $109,877,561.

[6] Reflects reduction of $5,700,000 contained in H. Doc. 130.

[7] In addition, reappropriation of $4,500,000 of unobligated balance of fiscal year 1967.

[8] Appropriation of unobligated balances as of June 30, 1967, not approved.

[9] Contained in H. Doc. 123.

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PASTORE. I believe we have a unanimous-consent agreement with respect to a rollcall vote on this matter.

The PRESIDING OFFICER. The Senator is correct. The yeas and nays have been ordered.

Mr. PASTORE. Mr. President, I have another parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PASTORE. I have a motion to make to have the Senate concur in the amendments of the House to the amendments of the Senate numbered 19, 22, and 23. Will that be done now, or after the vote?

The PRESIDING OFFICER. After we dispose of the conference report, which will be after the yea and nay vote.

Mr. PASTORE. I thank the Chair.

I have nothing further to say, Mr. President. I am ready to answer any questions.

REFUGEE AND MIGRATION ASSISTANCE

Mr. KENNEDY of Massachusetts. Mr. President, I want to single out for a brief comment the section of the conference report on refugee and migration assistance.

The Department of State initially requested some $5,660,000 to support programs in this area. In keeping with the administration's general economy drive, this reflected a voluntary reduction by the Department of $390,000 in an anticipated request of $6,050,000—a sum equal to the appropriation for fiscal year 1967.

The House reduced the Department's request by $160,000—the Senate approved an additional reduction of $500,000. This left an appropriation of $5,000,000 for refugee and migration assistance. The congressional reduction of $660,000 in this appropriation—when combined with the State Department's voluntary cut of $390,000—amounted to $1,050,000 less than the anticipated request from the executive branch.

As chairman of the Judiciary Subcommittee on Refugees, I was deeply concerned over this drastic reduction. So too were the many American voluntary agencies and religious groups, whose humanitarian programs overseas often depend, in part, on the continuing support of their government.

To jeopardize these needed programs by withholding funds would greatly threaten an important partnership between government and the private sector.

I expressed my feeling to the conferees that every effort should be made to restore the $500,000 cut made by the Senate. Senators HART, TYDINGS, FONG, and JAVITS—all current or former members of the subcommittee—joined me in expressing this view. We are extremely pleased to note the committee on conference agreed to restore this amount. I want to commend the committee for recognizing the importance of maintaining a reasonable level of assistance to refugees—especially at this time when the number of homeless is growing throughout the world—and for taking such positive action in a significant area of public concern.

Mr. President, although the private voluntary agencies are frequently the channel through which we express our national humanitarian concern for refugees, the appropriation also includes our Government's contributions to the Intergovernmental Committee for European Migration—ICEM—and the United Nations High Commissioner for Refugees—UNHCR.

Both these organizations deserve our strong and continued support.

I want to stress, especially, the importance which I personally attach to the extremely vital contributions being made by the office of High Commissioner for Refugees in many areas of the world. I am disturbed that in recent years our contribution to the High Commissioner has dropped sharply, in spite of the fact that the need for his services is growing constantly—especially in Africa, where the number of refugees has climbed to 800,000. The High Commissioner's expanding responsibilities demand increasing support from members of the international community. Other governments have been raising their contribution for his needed humanitarian efforts. I strongly believe that our own Government, also, can and should do more to support the High Commissioner's work.

The action by the committee on conference is a step in the right direction. Refugee appropriation is at its lowest level in recent years, and drastic cuts at this time would have seriously undermined our position of leadership in refugee affairs.

The PRESIDING OFFICER. The question is on the adoption of the conference report.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Louisiana [Mr. ELLENDER], the Senator from Alaska [Mr. GRUENING], the Senator from Hawaii [Mr. INOUYE], the Senator from

Missouri [Mr. Long], and the Senator from Connecticut [Mr. Ribicoff], are absent on official business.

I also announce that the Senator from Alaska [Mr. Bartlett], the Senator from Indiana [Mr. Bayh], the Senator from Connecticut [Mr. Dodd], the Senator from Mississippi [Mr. Eastland], the Senator from Indiana [Mr. Hartke], the Senator from Alabama [Mr. Hill], the Senator from North Carolina [Mr. Jordan], the Senator from Louisiana [Mr. Long], the Senators from Minnesota [Mr. McCarthy and Mr. Mondale], the Senator from Oklahoma [Mr. Monroney], the Senator from Florida [Mr. Smathers], the Senator from Alabama [Mr. Sparkman], and the Senator from Georgia [Mr. Talmadge] are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana [Mr. Bayh], the Senator from Connecticut [Mr. Dodd], and the Senator from Florida [Mr. Smathers], would each vote "yea."

On this vote, the Senator from Alaska [Mr. Gruening] is paired with the Senator from Louisiana [Mr. Ellender]. If present and voting, the Senator from Alaska would vote "yea" and the Senator from Louisiana would vote "nay."

On this vote, the Senator from Alaska [Mr. Bartlett] is paired with the Senator from Mississippi [Mr. Eastland]. If present and voting, the Senator from Alaska would vote "yea" and the Senator from Mississippi would vote "nay."

On this vote, the Senator from Hawaii [Mr. Inouye] is paired with the Senator from North Carolina [Mr. Jordan]. If present and voting, the Senator from Hawaii would vote "yea" and the Senator from North Carolina would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. Aiken], the Senator from California [Mr. Kuchel], the Senator from California [Mr. Murphy], the Senator from Illinois [Mr. Percy], and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from Colorado [Mr. Allott] is absent on official business.

The Senator from Vermont [Mr. Prouty] is absent because of illness.

The Senator from Arizona [Mr. Fannin] is detained on official business.

If present and voting, the Senator from Vermont [Mr. Aiken], the Senator from Colorado [Mr. Allott], the Senator from California [Mr. Murphy], the Senator from Illinois [Mr. Percy], and the Senator from Pennsylvania [Mr. Scott] would each vote "yea."

On this vote, the Senator from California [Mr. Kuchel] is paired with the Senator from Arizona [Mr. Fannin]. If present and voting, the Senator from California would vote "yea" and the Senator from Arizona would vote "nay."

The result was announced—yeas 54, nays 19, as follows:

[No. 393 Leg.]

YEAS—54

Anderson
Baker
Bennett
Boggs
Brewster
Brooke
Cannon
Carlson
Case
Church
Clark
Cooper
Dirksen
Dominick
Fong
Fulbright
Gore
Griffin
Harris
Hart
Hatfield
Hayden
Hickenlooper
Holland
Jackson
Javits
Jordan, Idaho
Kennedy, Mass.
Kennedy, N.Y.
Lausche
Magnuson
Mansfield
McGee
McGovern
McIntyre
Metcalf
Miller
Montoya
Morton
Mundt
Muskie
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Smith
Spong
Tower
Tydings
Williams, N.J.
Yarborough
Young, Ohio

NAYS—19

Bible
Burdick
Byrd, Va.
Byrd, W. Va.
Cotton
Curtis
Ervin
Hansen
Hollings
Hruska
McClellan
Morse
Moss
Russell
Stennis
Symington
Thurmond
Williams, Del.
Young, N. Dak.

NOT VOTING—27

Aiken
Allott
Bartlett
Bayh
Dodd
Eastland
Ellender
Fannin
Gruening
Hartke
Hill
Inouye
Jordan, N.C.
Kuchel
Long, Mo.
Long, La.
McCarthy
Mondale
Monroney
Murphy
Percy
Prouty
Ribicoff
Scott
Smathers
Sparkman
Talmadge

So the conference report was agreed to.

Mr. PASTORE. Mr. President, I move that the vote by which the conference report was agreed to be reconsidered.

Mr. HOLLAND. I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The clerk will report the amendments in disagreement.

The assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 19, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: ": *Provided further,* That none of the funds contained in this paragraph and none of the funds contained in the military assistance credit sales revolving fund shall be used to finance directly or indirectly the purchase or acquisition of sophisticated weapons systems, such as missile systems and jet aircraft for military purposes, by or for any underdeveloped country other than Greece, Turkey, Iran, Israel, the Republic of China, the Philippines, and Korea unless the President determines that such purchase or acquisition of weapons systems are vital to the national security of the United States and reports within 30 days each such determination to the Congress:".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 22, and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert the following:

"Sec. 119. The President is directed to withhold economic assistance in an amount equivalent to the amount spent by any underdeveloped country other than Greece, Turkey, Iran, Israel, the Republic of China, the Philippines, and Korea for the purchase of sophisticated weapons systems, such as missile systems and jet aircraft for military purposes from any country, unless the President determines that such purchase or acquisition of weapons systems are vital to the national security of the United States and reports within 30 days each such determination to the Congress."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 23, and concur therein with an amendment, as follows: Change the section number in said amendment from "Sec. 119" to "Sec. 120".

Mr. PASTORE. Mr. President, I move that the Senate concur in the amendments of the House to Senate amendments Nos. 19, 22, and 23.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Rhode Island.

The motion was agreed to.

Mr. PASTORE. Mr. President, now I am happy to relinquish the floor.

Mr. MANSFIELD. Mr. President, with the overwhelming adoption of this conference report the Senate has paid an everlasting tribute to the senior Senator from Rhode Island [Mr. Pastore]. That record, more than anything I could say at this time, speaks loudly and clearly for the magnificent task he performed in bringing back to the Senate a proposal so acceptable and so meritorious. Significantly, the report on foreign aid was adopted swiftly and with full regard for the views of each Member. This fact attests highly to the unmatched ability of Senator Pastore as the floor manager of any proposal. The Senate is deeply grateful.

BROADCASTS BY REPRESENTATIVE DANIEL J. FLOOD ON THE PANAMA CANAL

Mr. THURMOND. Mr. President, the announcement in June 1967, by the Presidents of the United States and of Panama of the completion of negotiations for three new Panama Canal treaties was the culmination of a chain of events sparked by the January 1964 Red-led Panamanian mob assaults on the Canal Zone that required the use of force by the U.S. Army to protect the lives of our citizens and the canal itself.

In two recent radio broadcasts over the "Manion Forum" of South Bend, Ind., Representative Daniel J. Flood, of Pennsylvania, one of the leading exponents of interoceanic canal problems in the Congress, gave the historical background of the present canal crisis, discussed the three proposed treaties, treating in detail the overriding issue of sovereignty of the Canal Zone. Instead of surrendering United States sovereignty over the zone to Panama, as has been indicated by the executive branch of our Government, Representative Flood proposes to widen it so as to include the entire watershed of the Chagres River; also to haul down the illegally displayed Panama flag over the Canal Zone territory.

In order that Senators and all others concerned with the interoceanic canal problem may have the text of these two fine and informative broadcasts by Representative Flood together with the commentary by Dean Manion, the distinguished authority on constitutional law, I ask unanimous consent that they be printed in the Record.

There being no objection, the broadcasts were ordered to be printed in the Record, as follows:

Red Scalpel Poised Over Panama Artery: The Historical Background of the Present Canal Crisis

(Interview with Hon. Daniel J. Flood, Member of Congress for Pennsylvania, November 26, 1967)

Dean Manion. Over this microphone a few weeks ago United States Senator Strom Thurmond, of South Carolina, analyzed some of the inequities embedded in the proposed new Panama Canal treaties. The shock and surprise with which the Senator's revelations were received is evidenced in the big volume of correspondence generated by his broadcasts.

Since then, Senator Harry F. Byrd, Jr., of Virginia, has announced that all of these proposed treaties will be rejected by the U.S. Senate "if (and this is a big 'if') the American people are made to understand their contents." (*Chicago Tribune,* November 17, 1967)

To help develop this all-important (popular) understanding, the Manion Forum will return to this subject periodically until these treaties are either repudiated by the President or rejected by the Senate.

Our current Panama crisis did not spring "full-panoplied" from the recent treaty negotiations. Farsighted students of our extended relations with Panama have watched the slow, long term development of this crisis and have warned us repeatedly to forestall it.

Let us take Congressman Daniel Flood, of Pennsylvania, for instance. This vigilant, patriotic Congressman has been making personal, on-the-spot investigations of these developments in Panama for many years and reporting them promptly and fully to the Congress. He warned us about them over this Manion Forum network in 1960, in 1963 and again in 1965. He is back at this microphone now. So that we may begin now to get a full understanding of what these treaties would do to us I have asked him to put them into their broad historical background.

Congressman Flood, welcome back to the Manion Forum.

Congressman FLOOD. Thank you, Dean Manion. I am always gratified to address the vast audience provided by this outstanding tribunal of public expression.

The announcement last June by the Presidents of the United States and Panama of the completion of a package of three treaties relating to the Panama Canal marks the gravest crises to strike this strategic waterway since our acquisition in 1904 of the Canal Zone territory.

Conceived in iniquity and secretly negotiated, these agreements would perpetrate a gigantic giveaway of United States territory and property, in what is a new low of American diplomatic history, causing well-informed observers to ask who are those who wish to surrender the Panama Canal and who are the architects of this incomprehensible proposal?

More significantly, many of our thoughtful citizens and taxpayers now wish to know what is our Isthmian Canal Policy. As historically developed, this policy is embodied in both law and treaty. Its objectives are simple: the best type of canal at the best site for the transit of vessels of all nations on terms of equality, with tolls that are just and equitable. This long range commitment by the United States was undertaken under the 1901 Hay-Panncefote Treaty with Great Britain as a mandate for civilization, and it has been so accepted.

The construction of the Panama Canal in one of the most forbidding areas of the world—oppressive climate, treacherous terrain, endemic disease and revolution, and endless political instability—was one of the greatest works of man. Its subsequent efficient operation, maintenance, sanitation, and protection, all at low cost, are among the most brilliant features of its success.

To understand the significance of the current canal crisis at Panama we must know the judicial structure of the canal enterprise. In the Spooner Act of 1902, the Congress authorized President Theodore Roosevelt to acquire by treaty the perpetual control of the Canal Zone from Colombia, which country was then the sovereign of the Isthmus, and to obtain by purchase from individual owners the title to all land and property in the Zone.

When Colombia rejected the treaty after it had been ratified by the United States Senate following its signing by Executive authorities of the two countries, Panama declared its independence from Colombia on November 3, 1903. As a consequence, we recognized Panama as an independent nation and made a treaty with her instead of Colombia.

This was the Hay-Bunan-Varilla Treaty of November 18, 1903, under which the Canal Zone Territory was acquired, the Panama Canal was constructed, and has been subsequently maintained and operated.

FRAMERS HAD FORESIGHT

In addition to the grant by Panama to the United States of executive sovereignty over the Canal Zone in perpetuity, the 1903 Treaty also granted the right of eminent domain in the Republic of Panama for canal purposes—control over health and sanitation in the terminal cities of Colon and Panama, and the right to maintain public order in these cities should Panama, in the judgment of the United States, not be able to do so.

History has shown the wisdom of the framers of the 1903 Treaty and that full sovereignty over the Canal Zone was indispensable for the construction of the Canal and likewise indispensable for its successful maintenance, operation, sanitation and protection.

Later, in the Panama Canal Act of 1912, the Congress provided for the permanent government of the Canal Zone and an operating organization of the Panama Canal under a Governor, effective April 1, 1914. Significantly, the authors of this act provided an organization capable of quickly shifting from civil to military control in time of grave emergency, as was done during World Wars I and II, also briefly during the 1964 Panamanian mob assaults on the Canal Zone.

The first permanent operating organization lasted until 1951, when it was superseded by that established under the Panama Canal Reorganization Act of 1950, which placed the enterprise on a self-sustaining basis.

It was not until after the Bolshevik Revolution of 1917 that serious agitation in Panama against the United States started. Confronted with Panamanian demands for increased sovereignty over the Canal Zone and greater sovereignty attributes over the Canal, Secretary of State Charles Evans Hughes, on December 15, 1923, called in the Panamanian Minister in Washington.

With a refreshing degree of candor and breadth of statesmanship, Secretary Hughes warned him that the United States "would never recede from the position which it had taken . . . in 1904," that it "could not, and would not, enter into any discussion affecting its full right to deal with the Canal Zone" to the "entire exclusion of any sovereign right or authority on the part of Panama," and that it was "an absolute futility for the Panamanian Government to expect any American administration, any President or any Secretary of State, ever to surrender any part of (the) rights which the United States had acquired under the treaty of 1903."

The views of Secretary Hughes, who recognized the verities of the situation, prevailed until 1936, when the first great American give-away occurred at Panama in the Hull-Alfaro Treaty. This agreement increased the annuity to $430,000 to compensate for going off the gold standard, a justifiable adjustment, revoked the 1903 guaranty by the United States of Panamanian independence, the U.S. right of eminent domain in the Republic of Panama, and our authority to maintain order in the terminal cities

Alarmed by the implications of the treaty, influential Senators delayed consideration in the Senate and it was not ratified by the United States until July 26, 1939, shortly before the outbreak of World War II.

As viewed by astute observers at that time, this treaty was the first step toward the eventual loss of the Panama Canal by the United States, and this despite the reaffirmation by Panama in the 1936 Treaty of United States sovereign rights under the 1903 Treaty.

By 1953, Panama was again making persistent demands for still greater concessions. Finally embodied in the Eisenhower-Remon Treaty of 1955, this agreement rescinded the 1903 Treaty provision over health and sanitation in the terminal cities of Colon and Panama, increased the annuity to $1,930,000, ceded valuable real estate and property owned by the United States in Panama, and even contemplated abandonment of the Panama Railroad.

While the treaty power of our government was engaged in the process of giving away the two railroad terminal yards and stations, the House of Representatives stepped into the situation, conducted an independent investigation, and saved the main line tracks. Result: now we have a railroad without its designed and needed terminal facilities! Could there be anything more ridiculous on the part of our Executive authority?

BILLION-DOLLAR BOUNTY

The significant effect of the 1936 and 1955 treaties was the withdrawal of all United States collateral canal activities within the boundaries of the Canal Zone Territory.

Meantime, the United States investment in the Panama Canal continued to increase materially. The total from 1904 to June 30, 1966, including acquisition of sovereignty and ownership, was $1,951,600,000. When to this figure the costs of defense for the same period are added, the grand total investment of the taxpayers of our country becomes $4,889,051,000, much of which has benefited Panama. And this vast investment is, in the proposed treaties, to be given away without a penny of reimbursement to the United States.

Did the concessions in the 1936 and 1955 treaties and other benefits satisfy Panamanian radicals and Communists? They did not. As was foreseen by informed students of canal policy, the ink was hardly dry when agitations and demands were renewed for even greater concessions and benefits, including full sovereignty over the Canal Zone and ownership of the Canal itself, with ultimate extinction of all United States authority with respect to the canal enterprise.

These agitational activities culminated in the 1964 Red-led mob assaults on the Canal Zone, requiring the use of the U.S. Army on the Isthmus to save the lives of our citizens and even the canal itself. The eventual result was that Executive officials of the United States agreed to abrogate the 1903 Treaty and to negotiate three new ones, which can be accurately described as mob-incited treaties.

The three treaties relate to the existing Panama Canal, its defense, and a proposed new canal of so-called sea-level design. The official texts of the treaties have never been made known to the people of the United States but English versions have been published in Panama. It required the journalistic skill of the *Chicago Tribune* to obtain and publish them and the legislative initiative of Senator Strom Thurmond, of South Carolina, to insert them in the *Congressional Record,* thus making the proposed treaty provisions available to the Congress and the people of our country.

Since their publication, I have received hundreds of letters opposing ratification and, so far, not one in support of it. This can only mean that the people of the United States are far ahead of their government in comprehending the perilous situation at Panama.

DEAN MANION. Thank you, Congressman Daniel Flood, for this graphic historical development of the present Panamanian crisis.

My friends, Congressman Flood will be back at this microphone two weeks from today to describe what he calls the "triple infamy" of the pending Panama treaties. Meantime, get the script of the remarkable broadcast that you have just heard. It is indispensable for your complete understanding of this proposed surrender to Communism.

A TRIPLE INFAMY: PENDING PANAMA CANAL TREATIES VIOLATE U.S. CONSTITUTION

(Interview with Hon. DANIEL J. FLOOD, Member of Congress for Pennsylvania, December 10, 1967)

DEAN MANION. Those of you who have listened to this program regularly for years will recall how startled we all were on June 2, 1963, when Congressman Daniel J. Flood, of Pennsylvania, opened his address here with these words: "Wake up America! Your House is on Fire. The foundation of your house, the Panama Canal Zone, is smouldering and spurting forth flames. It is the Panama Canal which is the key target of the world revolutionary movement in the Caribbean." (Manion Forum Broadcast #453.)

This was by no means the first time that this distinguished Representative had alerted this audience, the Congress and the country to the smouldering fire in Panama. It is my conviction that without the persisting vigilance, courage and patriotic dedication of Congressman Flood, all of our vital, vested interests in the Canal Zone would have long since been surrendered.

Over this microphone two weeks ago, Congressman Flood described the fair but firm United States policy that brought both the Republic of Panama and the Panama Canal into existence and successfully maintained our friendly relations with the Panamanian Republic during the first 30 years of its history. Since World War II, our relations with Panama have been progressively degenerated by the chronic weakness of our State Department for vacillation and indecision.

During these years our diplomats have been attempting to put out the smouldering fire in Panama with the gasoline of concession and appeasement. For instance, in 1958 there were recurring demands by Panamanian mobs that the Panama flag be flown in the Canal Zone as a symbol of Panamanian sovereignty. Instead or recognizing this demand for what it was, namely, a bold defiance of the treaty-established sovereignty of the United States in this vital and valuable area, naive officials of our Government finally agreed that the Panama flag could be flown in the Zone to signify the "Titular Sovereignty" of Panama.

The righteous reaction in Congress came fast and furiously. The *Congressional Record* for February 2, 1960, records a spirited debate led by Congressman Flood in which this Executive proposal was soundly and roundly condemned. By a vote of 381 to 12, the House then passed a resolution protesting against the flying of the Panama flag in the Canal Zone as a palpable violation of the territorial sovereignty of the United States established by the three existing treaties between the United States and Panama.

At that time Congressman Flood pointed out to the Congress and to the country that the Panama flag display would be the first step in Panama's revolutionary program to take over full control of the Canal. President Eisenhower respected this positively expressed will of the House, while the State Department was working to keep the Senate from considering and passing the same resolution lest it give "offense" to Panama.

Then, on September 17, 1960, after Congress had adjourned, the President was persuaded to issue an Executive Order directing that Panama's flag be flown at the Shaler Triangle in the Canal Zone. So, in spite of Congressman Flood's warning, and contrary to the expressed command of Congress, the first step in the direction of our surrender in Panama was deliberately taken.

When this appeasing bit of fat went into it, the smouldering fire immediately burst into flames. Soon the Panama flag was being flown in the Canal Zone wherever the American flag was displayed. Panamanian mobs were now demanding abrogation of the historic treaties which affirmed American sovereignty over the Canal Zone. In 1964 President Johnson yielded. Now, three years later, after prolonged, super-secret negotiations, three new treaties have been concluded between the United States and Panama.

Senator Strom Thurmond took these agreements apart for you on this program six weeks ago. Congressman Flood contends that these treaties constitute a triple infamy and he is back at this microphone now to tell us why.

Congressman Flood it is a pleasure to have you with us again.

Congressman FLOOD. Thank you, Dean Manion.

The proposed treaty for the existing Panama Canal would abrogate the 1903 Treaty that granted sovereignty over the Canal Zone to the United States, the 1936 Treaty that confirmed this grant of sovereignty, and the 1955 Treaty.

It provides for ceding sovereignty over the Canal Zone to Panama and for the operation of the Canal by an "international juridical entity" under a director general and deputy, one a United States appointee and the other a Panamanian; and a governing board of nine members, five of them United States appointees and four Panamanians, with majority vote for decisions.

It would change the system of tolls from one calculated for operating the canal on a self-sustaining basis to one designed to produce income, mainly for Panama. It would transform the beautiful Canal Zone into an area of squalor with business enterprises of all kinds, which would probably include two of Panama's most lucrative businesses—gambling and prostitution, with the United States flag entirely removed and supplanted by the flag of Panama.

It reduces the size of the Canal Zone from its present width of 10 miles to a far more constricted "canal area" in a condominium status under Panamanian law and flag.

PROPOSED DEFENSE BASE TREATY

The proposed Defense Base Treaty provides for joint defense by the United States and Panama, which latter country does not have an army, navy or air force but only a police force. In event of disagreements, it provides for a joint committee of a North American and a Panamanian, with the right to refer questions at issue to the respective governments if unable to agree.

Imagine the travesty of conferences between a highly trained member of our armed forces and a police official of Panama on complicated questions of defending a vital waterway. Certainly, this would jeopardize the security of the canal itself as well as the entire Western Hemisphere in which the existing canal plays an outstanding strategic role.

In the proposed so-called Sea-Level Canal Treaty, Panama grants the United States a 20-year option to decide upon the construction of such type of canal at a location not yet announced and for its operation by a Joint Panama Interoceanic Canal Commission of the same composition as for the operation of the present canal. It also provides for international financing of the project as well as for financing by Panama, and its eventual donation to Panama, a country that cannot collect its own garbage from the street of Colon and Panama City!

OBSERVATION ON TREATIES

After the texts of the proposed treaties became known, some 150 Members of the House of Representatives sponsored resolutions opposing them. The House Committee on Foreign Affairs held lengthy hearings during which opponents of the treaties made strong statements exposing their defects and perils, but the committee has not yet taken final action and has not published the hearings, which should be published without further delay.

In view of the relevations made at these hearings, I do not see how the Kremlin itself could have prepared a more effective plan for causing confusion and chaos on the Isthmus than has been done by our treaty negotiators—a plan that is designed to assure the ultimate extinction of all United States authority with respect to any canal on the Isthmus.

THE REAL ISSUE AT PANAMA

Panamanian leaders have insistently stated that their greatest national resource is their country's location on the strategic Isthmus. This is also their greatest danger, for the Isthmus is coveted by predatory nations seeking control of key water transportation routes, with the Panama Canal as a prime target. The independence of Panama is assured only so long as the United States remains on the Isthmus in force.

With Panama on the verge of becoming another Cuba, the giving back to Panama of sovereignty over the Canal Zone would remove the most stable jurisdiction in the entire Isthmian region and jeopardize the security of the Western Hemisphere.

The real issue at Panama thus is not United States control over the Canal Zone versus Panamanian but U.S. sovereignty versus Communist control. Were our forces ever withdrawn, as is now being demanded by Panamanians, the government of Panama would inevitably be overthrown by Soviet power. In such a case, the realities of the situation would prevail and the United States would be forced to occupy not only the Canal Zone territory but also the entire Republic of Panama. Such event could well supply the spark for the start of World War III.

Instead of ceding the Canal Zone to Panama and reducing it, this protective strip should be widened to include the entire watershed of the Chagres River as was once recommended by a former Commanding General of the U.S. Army on the Isthmus, Major General Clarence R. Edwards. This is the realistic way to meet the situation and not by futile efforts to appease that only serve to increase voracious appetites.

U.S. CONSTITUTION PROTECTS CANAL ZONE

The proposed treaties are designed to put over on the people of our country by means of the treaty power (the President and the Senate) what could never be attained by statute. Fortunately, the framers of the Constitution of the United States foresaw such attempts once our country became affluent.

Clause 2, Section 3, Article IV, of the U.S. Constitution vests the power to dispose of "territory or other property" of the United States in the Congress (House and Senate), which provision must be read along with Clause 2, Section 2, Article II, giving the President the power to make treaties, by and with the advice and consent of the Senate, provided two thirds of Senators present concur.

In connection with the proposed Panama treaties, the Congress has not authorized the President to make any treaty with Panama either ceding the sovereignty over the Canal Zone to Panama or giving away United States property in the Zone. Yet our treaty negotiators sought to ignore the indicated Constitutional provision as to the disposal of United States territory and property and were caught and exposed in their red-handed deceit.

CANAL ZONE IS AMERICAN SOIL

The Canal Zone and Panama Canal with their vast installations are a territorial possession and properties of the United States, acquired in perpetuity and governed for one great purpose—the operation of an Isthmian Canal constructed by American genius and paid for by the United States taxpayer.

The Zone is American soil, forming a part of the coast line of the United States, and can no more be given away by Executive fiat than Texas, California or Alaska. Moreover, there is but one flag that should be displayed in the Canal Zone and that is the flag of the United States.

Dean Manion. Thank you, Congressman Flood, for your sustained defense of our Flag and of our property in the Canal Zone.

My friends, be sure that your own Congressman and Senators understand the Constitutional provision that Congressman Flood has explained in this broadcast. The pending Panama treaties violate the Constitution by attempting to surrender United States property without the prior approval of both Houses of Congress.

If a treaty can surrender our property in the Canal Zone today, then a treaty may likewise surrender our military installations and weapons to the United Nations tomorrow. Here is the basic wickedness of the President's Panama proposals.

AMERICA'S WORLD LEADERSHIP ROLE: THE SWISS VIEW

Mr. KENNEDY of New York. Mr. President, on November 9, 1967, Swiss Federal Councilor Hans Schaffner, head of the Department of Public Economy, of Switzerland, spoke in New York to the American Society for Friendship with Switzerland. His speech was made on the occasion of a visit to the United States, his first in the post-Kennedy round period.

Federal Councilor Schaffner's role in international economic policy is key. He was Chairman of the ministerial meeting of GATT that in May 1963, succeeded in forging the difficult compromises which enabled the "Kennedy round" of trade negotiations to be begun. He has been Chairman of the Council of Ministers of the 21-member International Organizational for Economic Cooperation and Development, and he has been Chairman of the Council of Ministers of the eight-member European Free Trade Association three times. Throughout Europe and indeed among trading nations everywhere Federal Councilor Hans Schaffner speaks with special wisdom and effect on international economic policy.

Thus, Mr. Schaffner's speech in New York, his only public speech in the United States, has a special interest if only because he discussed in it the meaning for Switzerland and the free world of U.S. foreign trade policy. He noted that it was symbolic that—

> One of the very first trade agreements concluded under the auspices of Cordell Hull's program was the one with Switzerland, negotiated in 1935 . . . and still valid today.

Perhaps most important is Mr. Schaffner's view that United States and Swiss international trade objectives are the same: "to further liberalize world trade as a whole." With this objective in mind he views recent developments in both America and the Common Market.

For America he emphasizes the role of leadership that we have so effectively performed in foreign trade. He said:

> America always brought to us and to the rest of Europe the fresh wind of world trade. The fundamental problems of world trade had to be tackled as a whole and in the widest possible context. In other words, the United States was to us always an example, and more than that: an encouragement.

With regard to the European community, Mr. Schaffner expressed his view that—

> European economic integration is to us meaningful and can be considered sound only upon one condition; namely, that, whatever shape the European trade pattern eventually assumes, the trade policy of the European countries and economic unity shall remain or shall become, where it is not, liberal, outward looking; suitable to build up a healthy world trading system in the interest of all countries.

There are many in the United States who believe that we cannot now abandon America's historic role in the foreign trade field, a role that Federal Councilor Schaffner describes so well. But it is equally encouraging, and even more important, that the European Economic Community develop more fully as an outward looking economic entity which is willing to fully assume the burdens of more open international competition.

Federal Councilor Schaffner's views have particular relevance to contemporary events. I commend them to the attention of Senators and ask unanimous consent that they be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by Federal Council Hans Schaffner, Head of the Federal Department of Public Economy, of the Swiss Confederation, Before the American Society for Friendship With Switzerland on November 9, 1967, in New York City

Mr. President, ladies and gentlemen, before introducing my topic this evening, I should like to thank you, Mr. President, for the kind sentiments you expressed about me. Your commendations recall to mind the feelings a perennial spinster expressed to her Minister about rumors that she was about to be married. She said: "Oh, dear, there is not a word of truth in it. But thank God for the rumors." And so, Mr. President, thank you, for those you have spread about me.

Coming to New York for the first time is a very pleasant and exciting thing to do. This city is in itself the expression of the grand American economic vitality, and, at the same time, its sky scrapers recall to us some of the more bizarre pieces of rock structures in the Swiss Alps; yours, however, have the comforting assurance of high-speed elevators, and, at the top, lavish Mediterranean roof gardens.

The American Society For Friendship With Switzerland has in our view a most important function to fulfill: to speak for Switzerland, as Americans, in this great country of yours. Your distinguished president, Mr. Greeven, and the other officers and executives of the Society deserves the warm thanks of those who are concerned with Switzerland's image in the world. The relations between our two countries and our two peoples have always been characterized by close understanding. At the base of this relationship certainly lies the fact that Swiss settlers in the early days, as well as the immigrants of today, found and still find a largely similar political climate. So much so that recently an American historian, writing about the defense of Anglo-Saxon traditions in your past, mentioned the Swiss among the groups of immigrants who were the strongest supporters of your great traditions. No wonder that our national hero William Tell, also became a hero of the American patriots in the early days of your republic. Thus, Tell—it is not certain that he really lived, but it is certain that he killed the foreign baliff Gessler, in the last years of the 13th century—Tell, with his cross bow and arrow occupied a place in the hearts of American 19th century school children just as dear as that of young George Washington and his hatchet.

Later, you recognized in our country the "only European Republic" as wrote your then Chairman of the Committee on Foreign Affairs of the House to the Secretary of State in January 1853, and you cared enough to help Switzerland in a very special way: namely, by the great Treaty of Friendship between Switzerland and the United States ratified in 1855, a Treaty in which your President wanted to extend to Switzerland "a fraternal hand in the very midst of the storms" threatening her as a country surrounded then, as they said, by "autocratic powers." These are, indeed, the words of a friend.

This friendship between our two countries and sister republics has stood the test of time. The American and Swiss people are as I said, close to each other in many things, ranging from basic political convictions to the outlook on the intricacies of everyday life. That is why I feel quite at home tonight in your distinguished company.

May I now turn, with your permission, to a short "exposé" of a few points of fundamental interest in the field of Swiss foreign policy. I shall not repeat here in any detail what is well-known about Switzerland's status of permanent neutrality. Let me just say this: Swiss neutrality is much more than merely a political attitude, although of long duration, but a regular institution of international public law, which has been recognized as such by the great powers for a very long time. In this context, the recognition of Swiss neutrality in 1815 by the Congress of Vienna, going with the declaration that Swiss permanent neutrality was "in the interest of the whole of Europe", is only the most celebrated acknowledgment of a basic political reality. But we were particularly gratified that the United States could always be counted among the countries setting great store by this fundamental feature of Swiss policy. If further proof was needed, it was provided by the Korean war, when Switzerland was called upon to act as a member of the United Nations' Armistice Commission. The American Government in an exchange of letters with our government then emphasized—and I quote—"The Government of the United States sympathizes with the desire of the Government of Switzerland to maintain policies of neutrality and impartiality". And again, further down: "The Government and people of the United States, like governments and peoples throughout the world, have long considered Switzerland as the government to be looked to for the impartial services frequently so essential to the settlement of wars and international disputes."

Permanent neutrality has always been considered by my country as the best means of maintaining what counts most for us: the independence of Switzerland. On the other hand, neutrality never meant—and does not mean today—a lack of interest in international cooperation, or unwillingness to make practical contributions to it. Especially since the end of the last war Switzerland has consistently participated in all the manyfold efforts to make this our world a better place to live in, the only limit being any schemes incompatible with our neutrality such as political and military alliances. Moreover, Switzerland always stands ready to make its neutral position available for rendering services to the family of nations. May I recall that Geneva is the seat of the European center of the United Nations and many other international organizations, including the International Committee of the Red Cross, which, despite its name, consists exclusively of Swiss citizens. Over and over again, individual countrymen of mine were asked to serve in highly responsible and difficult jobs, as for instance the post of High Commissioner for Refugees, filled twice by Swiss citizens in recent times. This wide-ranging activity could be displayed despite the fact that Switzerland is not a member of the United Nations. It may even be said that this situation—a kind of a "reserve position" of our country, as the late UN Secretary General, Dag Hammarskjold, used to call it—has helped us to assume certain missions more easily than a member country might have been able to.

These are just a few examples to show how anxious Switzerland is to participate fully and constructively in international life. There is one field, however, where this cooperation is particularly intense and at the same time the expression of vital needs of my country, and this is the field of international trade. Foreign trade has been called the lifeblood of Switzerland. To understand this, may I remind you of a few familiar facts which dominate Switzerland's economic existence. We are a small Alpine country, right in the center of Europe, with no raw materials or other natural riches whatever, with conditions not very favorable for agricultural production, with no access to the high seas. If Switzerland is known to the world as a rather wealthy country—after having been for many centuries the most underdeveloped region of the old continent—it is because of the power and variety of its industrial production and a high rate of exports. About a third of our national production is regularly exported, against only about four or five per cent in the case of the United States.

Our vital interest in foreign markets is matched by our constant belief in the merits of free trade. From the very beginning of the industrial era we opted for economic liberalism—if option indeed there was, because, as I see it, the liberal credo is for our country a matter of necessity. Protectionism, which is theoretically thinkable also for Switzerland, would have meant crippling of all constructive efforts, permanent lack of efficiency, economic backwardness and the killing of any trace of enterprising spirit among the best of our countrymen.

I know full well that the same option is not always that easy in the case of the United States. Still, I would like to stress here how very important it has always been for us to be able to look to the United States for initiatives to liberalize world trade. Such initiatives have come forth, over more than thirty years, with impressive regularity and consistency, since the moment when the late Secretary of State Cordell Hull launched his Reciprocal Trade Agreements Program in 1934. It may be considered symbolic that one of the very first trade agreements concluded under the auspices of Cordell Hull's program was the one with Switzerland, negotiated in 1935 and signed on January 9th, 1936. This agreement is still valid today. It has brought to both countries a tremendous expansion of bilateral exchanges. The figures show that the total trade volume—imports and exports together—amounting to $33 million in 1936 went up to $709 million in 1966. The United States have always been the winner in this peaceful contest, netting a benefit in export surpluses of $1.07 billion over the 31 years of the trade agreement's existence.

As you know, Switzerland has fully co-operated in the restoration of the European trading system after the war. We were very active members of the old OEEC whose great achievement was the elimination of quantitative restrictions to industrial trade. When the European Economic Community was set up by the Rome Treaty of March 25, 1957, it was our firm hope that a European Free Trade Zone would be built around it. After this had proved impossible—at least for the moment—we were among the countries taking the initiative for the creation of EFTA, the European Free Trade Association. We never saw—and do not see now—EFTA as an end in itself but only as a step which should lead all European countries able to participate to the building of a large and free European market. That is why Switzerland intends to take part—in one way or the other—in any enlargement of the present Community of the six countries, provided a formula can be found to preserve our political status of a permanently neutral country.

This steadfast interest in European developments has, however, never debarred us from paying the most vivid and sincere attention to the wider scenes of world trade as a whole. Our sympathy was entirely with the big sister democracy beyond the seas, wherever and whenever it put the full weight of its enormous power behind the great objectives of world trade liberalization and the practical arrangements meant to serve it, such as, in particular, the tariff and trade conferences organised by GATT, of which the Dillon Round and, above all, the Kennedy Round are only the most momentous achievements. Through these undertakings America always brought to us and to the rest of Europe the fresh wind of world trade, and warned us—if this was needed—that our mind should not become parochial, that the interest of economic progress could never be served if Europe—or, for that matter, America—became inward-looking or protectionist, but that the fundamental problems of world trade had to be tackled as a whole and in the widest possible context. In other words, the United States was to us always an example, and more than that: an encouragement.

What I would like to stress here is this: there is, according to us, no incompatibility whatever between the European efforts to achieve greater economic unity and the efforts of GATT, with America as its principal supporter, further to liberalize world trade as a whole. European economic integration is to us meaningful and can be considered sound only upon one condition: namely, that, whatever shape the European trading pattern will eventually assume, the trade policy of the European countries and economic entities shall remain—or shall become where it is not—liberal, outward-looking, suitable to build up a healthy world trading system in the interest of all countries.

Only such a system can be considered a fitting expression of what Switzerland stands for in this field. What we can say or do in international discussions and negotiations about such questions is not entirely without weight. Among the 130-odd members of the community of nations Switzerland holds the number 12 position, according to the absolute figures of its foreign trade. For the European Economic Community Switzerland is the second or third most important market, after the United States and alternating with Great Britain. All the influence we may have been able to bring to bear has always been in favor of the objectives proclaimed by all American governments of our generation: a progressive dismantling of barriers to world trade, based on reciprocity and mutual effort.

That is the reason why, if I may say that with all due respect, we follow with such great and genuine interest the developments on the American scene with regard to present and future foreign trade issues. It seems to us that much more is at stake here than just immediate advantages in individual sectors for individual firms. It is the long term perspectives which we have to keep consistently in mind on both sides of the Atlantic, among which rank foremost, in my opinion, absolute confidence in the firmness of the convictions of our partners and the stubborn resolve to make the good cause prevail also in the future. Europe and America are linked together in a common task. Should one or the other turn their back on it, yielding to the deceptive lure of protectionism, it would most certainly be to the detriment of both. What is required is that we face up to the remaining problems—many of them are difficult, I know—and continue our patient endeavor to solve them in common.

This being said, let us recognize that the Kennedy Round has been a great success, especially in the industrial sector. This was only possible because there was a clear awareness on the part of all major participants that they all stand to gain, in the long run, by a break-through to freer trade. Furthermore, the Kennedy Round is an eloquent testimony of America's persistent and enlightened interest in developing its European markets, and of Europe's will not to let a closer integration of its economic resources be an obstacle to a constructive cooperation on the burning issues of world trade.

To end my talk, I might give you, from the Swiss point of view, the following appraisal of the situation after the conclusion of the Kennedy Round. There are three principle aspects to it:

1. You will bear with me as a European that I mention the problem of the economic division of Europe first. There, we will have to give the current efforts to settle this issue a fair chance to achieve their objective. As we see it, what we are faced with is not a question of political philosophy, but a down-to-earth practical matter. Western Europe is a natural economic unity. Trade currents are powerful, numerous and traditional. A situation which subjects them to a danger of serious disruption—or rather: has disorganized them already to a certain extent—cannot last forever, despite the beneficial effects to be expected from the Kennedy Round concessions. To satisfy the pressing economic needs of Europe in our modern age where large, American-size markets clearly correspond to the dictates of economic reason, there is, to be sure, not just only one way to accommodate everybody: the European Economic Community, the member countries of EFTA—four of which are politically neutral—and the countries which have remained so far outside of both these groupings. It seems evident to me that what the hour commands is—tempting though the triumph of some political concept or idealistic doctrine might be—a concentrated and realistic effort to create as large a market as possible, as free as possible from any restrictions. As I indicated already, Switzerland is prepared to participate in this effort to the best of her ability.

2. At the same time, we should not lose sight of the perennial objective of a further liberalization of world trade as a whole. As in the Kennedy Round, to work for this aim is above all the responsibility of the highly developed countries of this world. The fact that the implementation of the Kennedy Round results has not even begun should not delude us as to the urgency of making further progress. A careful, time-consuming preparation will be needed to make the following round of negotiations a success, especially where the achievements in the Kennedy Round have been lagging far behind legitimate expectations. Agriculture, non-tariff barriers, some protectionist islands in the industrial tariffs: these are just a few catchwords for what remains to be done. Firmly as Switzerland believes in the necessity of putting an early end to the economic split in Europe, just as completely are we convinced that, concurrently, the process of further developing world trade according to the Kennedy Round formula—and foremost between Europe and America—has to go on. We would be well advised also, on both shores of the Atlantic, not to neglect a more systematic searching of the possibilities to develop trade with the Eastern European countries.

3. Among the critics of the Kennedy Round, there is one group in particular which vigorously calls for further efforts to be made soon: the less developed countries.

Their dependence on foreign trade is particularly heavy. Yet, their proportionate share in world trade is constantly declining because they cannot keep pace with current rates of growth. If their foreign indebtedness, which is staggering, should be checked, then the only alternative, short of crippling sorely needed development plans and industrialisation programs would be to help the developing countries to increase their export earnings.

Switzerland has from the outset participated actively in the search for constructive solutions and is taking a leading part in the work of the United Nations' organ created for this purpose: the UNCTAD. Our positive attitude is prompted by the fact that of all the non-colonial nations Switzerland was one of the first to establish trading relations with the developing world as early as the beginning of the last century, and now ranks in the top group with regard to private investments in these countries.

At a time when the United States which has for decades borne the brunt of development assistance is looking to Europe for burden-sharing, Switzerland is prepared to play her part. Our countries find themselves broadly in agreement both with regard to the objectives to be attained and to the basic principles which guide our approach. We both believe that the private sector, through the investment of capital and the transfer of know-how, has an important role to play. In the commercial policy field we look for general solutions and oppose schemes such as selective reciprocal preferences which tend to fractionalize North-South trade. In addition, Switzerland favors the idea of synchronized action and concerted efforts by the different groups of countries. The World Trade Conference, meeting in New Delhi in 1968, might bring to maturity some of these programs.

Speaking of development aid, I do not wish to overlook the role played by the Swiss banking system through export financing and even the grant of stand-by credits. Our capital market has enabled the World Bank to float thus far twelve issues. Even more important is the role of Switzerland in monetary cooperation. Although not a member of the Monetary Fund, we joined the General Agreement to Borrow and supplied since 1961 exchange credits close to seven billion Swiss francs.

This, Ladies and Gentlemen, brings me to the end of my after-dinner speech. Since Swiss cuisine has the reputation of being rather rich, I do hope that you found the menu—it was my pleasure to serve you—not quite unpalatable. At any rate, I should like to thank you most sincerely for your patience and attention.

FEDERAL PROGRAM COORDINATION AND INTERGOVERNMENTAL RELATIONS

Mr. MONDALE. Mr. President, as the number of Federal Government programs expands, coordination becomes increasingly difficult among the various levels of government and among the Federal departments that administer programs.

This is especially true for municipalities. At the Federal level they must go to the Office of Economic Oportunity for poverty funds; HUD for public housing; Labor for manpower programs; HEW for air pollution prevention funds; and on and on. The result is extreme difficulty in developing a coordinated plan for improving the city.

Likewise, in addition to Federal programs, the city has its own source of funds and is eligible for State aid in many programatic areas. Thus, the result is confusion as to where to go and how to apply for a program to assist in alleviating a problem.

Mr. President, Congress has recognized this problem. In 1966 we passed the model cities program aimed at encouraging cities to develop programs that crossed agency jurisdictions. Also, we established the metropolitan expediter program, not funded this year, to assist communities in learning what programs are available at the Federal level.

Yet this is not sufficient. We must continually develop new programs to encourage programatic coordination and intergovernmental cooperation. Mr. President, Mr. Elmer Binford has written an article, "Problems of Federal Program Coordination and Intergovernmental Relations," in this month's issue of Minnesota Municipalities.

Mr. Binford, now a special assistant at HUD for Minnesota, North Dakota, and South Dakota, was formerly the metropolitan expediter for the Twin Cities of Minneapolis and St. Paul. He has dealt with Federal programs, is aware of the problems of coordination, and is concerned about the relationship of these programs to existing local and State efforts.

Mr. President, I ask unanimous consent that this thoughful article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PROBLEMS OF FEDERAL PROGRAM COORDINATION AND INTERGOVERNMENTAL RELATIONS

(By Elmer C. Binford)

As the growth of our governmental structure at all levels has become more far reaching and more complex, of necessity, we have had to give formal consideration to the inter- and intra-departmental relationships which effect common national goals.

To understand the federal involvement in intergovernmental relations, we must first understand the problems involved in federal grant administration. By 1970, the federal government will be spending about $110 billion annually on various grant-in-aid programs. As I hope to develop in my presentation, the impact of this kind of spending has a tremendous effect on state and local governmental relationships.

History tells us two things in this field. First, we have had federal grants since the beginning of American history, and second, the functions of the federal system have been closely interwoven and interchanged with the functions of state and local governments.

For example, before the Constitution, the Northwest Ordinance gave land grants to territories for public schools. It is interesting to note that public school administration, once a federal function, is now a most important local function. During the Early Constitution Period, we note that Revolutionary War debts, previously a liability of the states, were assumed by the new federal government. Here a state function was transformed into a federal one.

As the years of the 1800's unfolded, the Supreme Court talked in terms of separate functions of state and federal governments. Such terms as "areas of exclusive competence", and "separate and distinct" were used frequently when the Court was confronted with jurisdictional issues. However, judicial rhetoric is sometimes different from judicial actions, and intergovernmental cooperation was frequently enhanced by the Court's decisions.

For example, the Court almost continually upheld the state police powers regulating the shipment of goods and therefore encouraged state governments in interestate commerce. The Court also upheld national commerce powers to regulate such things as telegraphic communications, interstate lotteries and food and drug traffic.

Concurrently, we see a federal grant-in-aid program beginning with *land grants* to the states for elementary schools, colleges, roads, canals, harbors, railroads, veterans welfare, desert reclamation. Likewise, we begin to see *service grants* from such institutions as the Army Corps of Engineers, and even *money grants* for such things as state militias. The states and the federal government became real partners in such things as homesteading, reclamation, tree culture, conservation, highway routes, railroad routes.

As land became scarce (as our frontiers disappeared) land grants were replaced by cash grants. Originally calculated on the value of disposable land, cash grants from the federal government in many cases became annual grants which are now supported by annual Congressional appropriations.

SHARED FEDERAL AND LOCAL FUNCTIONS

As public administrators, I think we need to emphasize the fact that our duties share a very important common ground even though we may work for a different strata of government.

The classic example of this is the County Health Officer in many states. He is appointed by the state but based on a federal merit system. His salary is shared jointly by the state and federal government, and when he serves sometimes as City Plumbing Inspector, his salary is also provided by the city.

His work also defies distinction. When enforcing food and drug regulations, he is usually acting pursuant to federal laws, when making milk inspections, he is enforcing state laws; and when making plumbing inspections, he is acting as a city officer.

In our own capacity, we of the federal establishment frequently share in local functions. Consider the federal urban renewal representative who is administering a federal program in an incorporated city as permitted by state statutes. In this and similar instances, the federal representative is constantly confronted with the necessity of performing in a state and local capacity even though officially he is an agent employed by a federal department.

RECENT TRENDS IN GRANT-IN-AID ADMINISTRATION

In terms of the problems encountered by you as municipal representatives from a metropolitan area, we see that since the 1930's, federal grants have moved directly into the core of metropolitan and central city problems. We now have a multitude of federal grant-in-aid programs relating to state, city and metropolitan problems.

I would like now to examine with you some of the problems relative to the administration of these programs which contribute to a much greater problem of intergovernmental coordination. There are a number of barriers to the coordination of federal grant-in-aid programs in any given metropolitan area. The following are the most common of these barriers frequently cited by students of public administration.

There is no uniformity as to grant recipients. Federal aid programs are administered by states, cities, special districts, and many other organizational vehicles which produce a great deal of organizational proliferation.

Federal Regional Offices differ greatly in terms of field location and regional boundaries. A mayor or local administrator must then spend time and effort to seek out the right office for the right program.

Federal grant-in-aid programs administered by different departments of government frequently overlap and/or relate to a common problem. Local officials then find it advantageous to "shop around" for the best "bargain" in grants-in-aid.

Federal funding procedures also contribute to problems of local coordination and planning. Localities must frequently guess about the amount and availability of federal grants. Departments of a city or state which count heavily on federal funding usually find themselves juggling programs and people to coincide with federal grant availability. Local planning develops priorities and schedules which then must be ditched in favor of a realized project where federal money is actually available. Instead of developing definite priorities in planning what localities sometimes have to settle for is a "shopping list" of projects which are suitable to local objectives. Then they go hunting for the appropriate federal grant-in-aid program.

Application procedures are extremely complex and often require localities to spend their extra energies in groping with different kinds of data to supply to different federal departments. This is to say that localities and the departments of federal government have developed rather costly application procedures which are duplicative as to content, but uncoordinated with respect to processing and funding.

ACTIONS TO IMPROVE FEDERAL PROGRAM COORDINATION

There are two significant efforts being made with respect to improving federal program coordination. First, there are now positive steps being taken to consolidate grant-in-programs so as to focus inter-departmental programs on a single complex problem. The Pilot Neighborhood Facilities Center recently approved for Minneapolis is an example of this kind of consolidation. HUD's new Model Cities Program is another example of formal inter-departmental consolidation.

The second effort, the one in which I am involved, is the out-reach of federal field services in an attempt to bring about consistent coordination at the field and operating level. Here we are talking in terms of having a federal representative in the locality on a full-time basis to pull together all of the federal programs that have an urban impact.

Let me list very briefly some of the things to be accomplished by such an assignment. Basically, we would be trying to aid cities in making effective use of federal grant-in-aid programs. It is not enough just to help localities get federal money; it is more important to help localities use federal money effectively.

In providing information, data, and assistance to localities throughout the state, we hope to eliminate the present situation where local officials must spend time and money seeking out an appropriate federal agency in hopes of getting in touch with the "right" program. We would also assist the appropriate state agency in bringing forth its delivery of assistance programs.

In our close-up service to the localities, we must constantly ask ourselves: Does the program fit the local problem? Can the locality respond to the program? Have arrangements been made to use all local resources effectively, including the appropriate state-aid programs? Our new efforts are a realization that localities, for the most part, just don't have the staffs and local resources to follow up on the multitude of federal aid programs now being put to use in our cities.

Finally, such an assignment would aid the whole federal establishment in improving the delivery of service and program timing. This is to say, getting the right program, in the right place, and at the right time! How many times in the past have we dealt with cities from the arm's length of the Regional Office only to pass paper work between us and in fact be too late with too little in the way of federal assistance; or even worse, build a program of the wrong kind.

Note that our emphasis is on service to the localities. We go when invited to enhance, not detract from, local decision making.

Now this idea of on-site program service and advice is only one of several ideas being tried to improve federal coordination. As partners in a huge governmental system, we have before us an enormous task of pulling together the multitude of urban impact programs now before us.

We are fast approaching the day when we will be dealing with over $100 billion in grant-in-aid programs. As stated by the President in his 1967 State of the Union Message, ". . . these enormous sums must be used wisely, honestly, and effectively."

So this is my story. As I sit with you from time to time in your council chambers to consult with you about your problems, I only hope that we can come up with imaginative solutions that will in effect make use of these grant-in-aid programs wisely, honestly, and effectively.

MAJORITY LEADER'S AND MINORITY LEADER'S REPORTS

Mr. DIRKSEN. Mr. President, in conformity with custom, I ask unanimous consent that at some subsequent time before the Record closes, I might file the minority leader's report, together with exhibits and accomplishments, and the major laws digest, and that they not only be printed in the Record, but also be printed as documents, and that the usual number of copies be struck off.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, if I have not made that request already, that the majority leader's report also be printed, I should like to do that now.

The PRESIDING OFFICER. Without objection, it is so ordered.

PETITION FOR PEACE FROM FACULTY OF YALE UNIVERSITY

Mr. THURMOND. Mr. President, today I received a petition for peace signed by 500 members of the faculty of Yale University.

While I disagree with the logic of the petition and believe that the signers are ignorant of the facts about the war, I should like, nevertheless, to insert this petition and signatures into the Congressional Record. My purpose in doing this is to expose to the public the names of the "summer soldiers" and faint-hearted personnel at Yale University.

Mr. President, I ask unanimous consent that this petition and the list of signatures be inserted in the Record at the conclusion of my remarks.

There being no objection, the petition and signatures were ordered to be printed in the Record, as follows:

November 30, 1967.

Dear Sir: The enclosed petition was signed by 500 members of the Faculty of Yale University. We earnestly call it to your attention.

Sincerely yours,

Charles A. Reich,
Professor of Law.
Vincent Scully,
Col. John Trumbull Professor of the History of Art.

A Petition for Peace

It is becoming obvious to everyone that the war in Vietnam is contrary to the best interests of the United States. It has in fact grown ever more inhuman and terrible without the slightest sign that it is promoting the interests of anyone at all.

In Vietnam, the war is pulverizing a whole culture. It is permitting vast technological means to smash the lives of poor people who have only each other, wasting their sustenance and breaking their homes. It is causing the agonizing deaths of thousands of American young men and of untold thousands of Vietnamese men, women and children.

In the United States, the war is rapidly undermining our most precious values, our most necessary virtues, and the most cherished gifts of our heritage: respect for human life, for freedom, for fair play, for truth itself.

It is brutalizing our people and hardening them dangerously to the sufferings of others. It is alienating a whole generation of our youth from their government and is clouding their faith in the United States and in the common future we once held dear.

We members of the Faculty of Yale University therefore call upon the President of the United States to rise to his historical destiny and to represent the vast majority of the people of the United States, who elected him precisely because they wanted peace and trusted him to keep it. That same majority wants peace and magnanimity now.

We urge our President, respectfully and with full awareness of the courage required, to terminate the bombing of North Vietnam unconditionally and at once, and thereafter to seek, through negotiation with the National Liberation Front and Hanoi, an honorable peace, an end to destruction and this nightmare war.

Robert P. Abelson, Willa D. Abelson, Thomas Achenbach, Roy M. Acheson, M.D., B. H. Adams, Harry B. Adams, Jeremy Adams, Robert S. Adams, Edward A. Adelberg, G. Aghajanian, Sydney E. Ahlstrom, William T. Allen, Jr., Joel Allison, Truett Allison, Victor A. Altshul, M.D.

Rodolfo Alvarez, Lane Ameen, M.D., Jose Arrom, Elisha Atkins, M.D., Roland H. Bainton, Theodore S. Baker, David A. Balla, James D. Barber, Dagmar Barnouw, Jeffrey Barnouw, Jean Barrett, Marshall Bartholomew, C. Malcolm Batchelor, Franklin L. Baumer, Richard H. Bell.

Wendell Bell, Jerome S. Beloff, M.D., Harry J. Benda, Carroll O. Bennett, Thomas G. Bergin, Paul Berl, Graeme P. Berlyn, Sidney Berman, M.D., R. Albert Berry, Frank Bevan, Alexander M. Bickel, Allan D. Birney, Boris I. Bittker, Arthur S. Blank, Jr., Sidney J. Blatt, Robert Bloom, Kent C. Bloomer.

John M. Blum, Phyllis Bodel, M.D., E. J. Boell, J. Boorsch, Richard P. Boyce, Arthur Brandenburg, Leo B. Braudy, J. Jay Braun, Irwin M. Braverman, M.D., John W. Breisford, Jr., Charles Brenner, M.D., Dieter Brill, Lowell S. Brown, Gisela R. Brude, Victor Brudney, Robert S. Brumbaugh, Almir de Campos Bruneti.

Robert Brustein, Imbrie Buffum, John B. Butt, Claude E. Buxton, Seymour H. Cabin, Walter Cahn, Guido Calabresi, Desmond Callan, M.D., Thomas C. Campbell, E. S. Canellakis, Beekman C. Cannon, Michael Caplow, David A. Carlson, M.D., David Carr, Bernard Chaet, Jean Chamberlain, A. Elizabeth Chase.

Serge Chermayeff, Irvin L. Child, Marvin Chirelstein, Lawrence W. Chisolm, William A. Christian, Burton R. Clark, Joseph C. Cleveland, M.D., Mary E. Clutter, William S. Coffin, Jr., Jon S. Cohen, Edward C. Cole, Tamie W.

Cole, Jules Coleman, Harold C. Conklin, William B. Conlin, Charles D. Cook, M.D., Robert M. Cook.

Jack R. Cooper, Lindarose Cortell, Michael Cowan, Warren Cowgill, Thomas E. Creighton, Donald M. Crothers, A. Dwight Culler, Iris V. Cully, William E. Curran, David J. Danelski, Charles B. Daniels, Joseph Danko, Alan J. Davidson, M.D., Christopher M. Dawson, Alice Taylor Day, Lincoln H. Day, Mrs. Sibylle DeCarlo.

Barbara W. Deutsch, Wilbur G. Downs, Felix R. R. Drury, Raymond S. Duff, Mrs. Rhetaugh G. Dumas, Manuel Duran, Ronald M. Dworkin, Isidore Dyen, Nancy L. Edwards, Thomas K. Edwards, David Egger, J. Ehrmann, Jerome Eisenstadt, Hester Eisenstein, Eugene Eliasoph, Thomas I. Emerson, Thomas F. Emery.

Peter T. Emerson, Kai T. Erikson, Victor Erlich, Paul Errera, Hans-Dieter Evers, Alexander G. Farkas, Charles Feidelson, Howard Felperin, John B. Fenn, Jacob J. Finkelstein, Arthur L. Finn, M.D., Helene Fitzgerald, Roberta Fitzgerald, Paul Howard Flanders, Richard F. Flint, John P. Flynn, Robert J. Fogelin.

William J. Foltz, Charles W. Forman, John Fowler, Hans H. Frankel, James W. Friedman, Josephine Fuhrmann, M.D., Ira W. Gabrielson, Joseph G. Gall, Brian B. Gallagher, M.D., Arthur W. Galston, Howard B. Garey, Howard Garland, Alexander Garvin, Jean-Max Guadilliere, Atle Gjelsvik, Jane E. Glassman, James R. Glenn, Jr.

Joseph Glick, Timothy H. Goldsmith, Abraham S. Goldstein, Joseph Goldstein, Edward J. Gordon, Thomas M. Greene, Richard H. Greenspan, M.D., Robert J. Griffin, John Griffiths, S. Ellsworth Grumman, Jerome Grunt, M.D., Gordon S. Haight, Milton R. Hales, M.D., John G. Halkett, John Whitney Hall, William W. Hallo, Davis P. Harding, Karsten Harries.

Luther H. Harshbarger, Geoffrey H. Hartman, Robert A. Hatfield, Eric A. Havelock, J. W. Hayes, Anne Haywood, Gustav A. Hedlund, Al Held, Joseph Heller, Samuel Hellman, Robert J. Herbert, G. L. Hersey, John Hersey, Donald D. Hester, J. H. Hexter, David Hilding, Roscoe E. Hill.

Frederick W. Hilles, Jon T. Hirschoff, J. L. Hirschfield, Samuel P. S. Ho, Michael T. Holahan, Susan R. L. Holahan, Graham Hood, Dorothy M. Horstmann, M.D., Henriette W. Hoskin, Daniel W. Howe, Katheleen H. Howe, Franklin E. Huffman, Samuel P. Hunt, M.D., J. Dennis Huston, Peter R. Huttenlocher, M.D., Stephen Hymer, Nathan Jacobson.

Ronald Jager, Julia C. Johnson, Lester Johnson, Robert Jones, Peter A. Jordan, Harvey W. Kaetz, M.D., Frances Kaplan, Louis Kaplan, David H. Kelsey, Kenneth Keniston, A. B. Kernan, William Kessen, Friedrich Kessler, David M. Kessner, Chase P. Kimball, M.D., John A. Kirchner, M.D., Ralph Kirkpatrick, Shirley Kirschner.

Gerald Klatskin, Sidney N. Klaus, M.D., Edward B. Klein, Martin J. Klein, Gerald L. Klerman, Elizabeth P. Kligerman, William Konigsberg, Toshio Kono, Tjalling C. Koopmans, Stephen Kuttner, Daisy H. Kwoh, Robert G. LaCamera, M.D., Julius Laffal, Sydney M. Lamb, S. Jack Landau, M.D., Cecil T. Lane, Robert E. Lane.

K. S. Latourette, Paul Lavietes, M.D., Standish D. Lawder, Kenneth R. Lea, F. Thomas Ledig, Peter Lengyel, Martha F. Leonard, M.D., Susan J. Lepper, David H. Levey, Murray Levine, Stanley I. Levine, Daniel J. Levinson, Gordon H. Lewis, Herbert D. Lewis, M.D., William Lichten, Robert Jay Lifton, M.D., George A. Lindbeck.

Ernst H. Lockridge, Robert S. Lopez, George deF. Lord, Floyd G. Lounsbury, Peter A. Lupsha, Richard Lytle, Bernard Lytton, A. Lee McAlester, Angus Macbeth, J. M. McBride, M. Angela McBride, S. Dean McBride, Jr., William Leon McBride, John McCabe, Charles E. McCarthy, Jr., Roger K. McDonald, S. W. MacDowell, William S. McFeely, James McIntosh.

Braxton McKee, M.D., Joseph H. McMahon, Ramsay MacMullen, Paul T. Magee, P. Maingot, Pasqualina Manca, Leonard Marcus, Henry Margenau, Clement L. Markert, Kathryn L. Markhus, Richard S. Markovits, Samuel E. Martin, Louis L. Martz, O. Massenet, William S. Massey, Herbert Matter, James A. Mau.

Gustav Meier, Gretchen Mieszkowski, Peter Mieszkowski, James C. Miller, Joseph A. Miller, Roy Andrew Miller, Theodore M. Mills, Murray A. Milne, Paul S. Minear, Sidney W. Mintz, Alice S. Miskimin, Harry A. Miskimin, Laurence Mittag, Gorden R. Mon, Charles W. Moore, Harold J. Morowitz, Richard M. Morse.

Lawrence Moss, G. D. Mostow, Peter S. Mueller, M.D., Louis H. Nahum, K. S. Narendra, June Nash, Yale Nemerson, Fred Nichols, Thomas A. Noble, Sheldon Nodelman, James A. Ogilvy, Michael J. K. O'Loughlin, Richard E. Olson, Jane E. Oltman, M.D., Emin Turan Onat, Etta Onat, Van Doorn Ooms, Philip M. Orville, Heinz D. Osterle.

Willard G. Oxtoby, Howard Pack, Haig P. Papazian, Adam Parry, Karl J. Pelzer, Max Pepper, M.D., Gabor F. Peterdi, Henri Peyre, Leon Plantinga, Donald R. Ploch, Daniel Poirion, L. H. Pollak, John C. Pope, Marvin H. Pope, Donald F. Poulson, Thomas L. Poulson, Ernst Prelinger.

Donald A Preziosi, Derek J. de Solla Price, Martin Price, William Prusoff, Donald James Puchala, Eugene Rabe, Richard C. Raymond, Gerald Reaven, Charles A. Reich, William E. Reifsnyder, Robert A. Rescorla, Stephen Resnick, Charles E. Rickart, Nicholas X. Rizopoulos, Michael A. Roberts, Fred Rodell, Gordon Rogoff.

J. L. Rolleston, Mark Rose, Peter Wires Rose, Joel L. Rosenbaum, Arthur M. Ross, David O. Ross, Jr., Joseph E. Rothberg, Irwin Rubenstein, Richard R. Russell, Joseph Russo, William Ryan, Thomas P. Saine, Priscilla P. St. George, Jeffrey L. Sammons, Herbert Scarf, Murray M. Schacher, Roy Schafer, Stephen Scher.

John E. Schowalter, M.D., George A. Schrader, Jr., Henry A. Schroeder, Jr., Paul Schubert, Ernst Schurer, Martin S. Schwartz, Paula J. Schwartz, Rosaline S. Schwartz, Egon Schwelb, Vincent Scully, Paul B. Sears, Erich Segal, David Seligson, Milton J. E. Senn, Richard B. Sewall, James P. Sewell, Charles Seymour, Jr.

Brooks Shepard, Jr., Martin Shubik, Rolf H. Siemssen, Louis H. Silverstein, John G. Simon, F. Seth Singleton, Edmund W. Sinnott, A. W. Slawson, Allan L. Smith, John E. Smith, Elizabeth Anne Socolow, Robert H. Socolow, Albert J. Solnit, M.D., Charles M. Sommerfield, Edward V. Sparer, Edward P. Stabler, R. Leland Starnes, Fritz Steele.

Howard Stein, Robert Steinberg, Donald R. Steinle, Blake G. Stern, Robert B. Stevens, Hugh M. Stimson, James Stirling, Jan A. J. Stolwijk, George Sugarman, Clyde W. Summers, Richard S. Sylvester, Robert H. Szczarba, Charles W. Talbot, Jr., Norman S. Talner, James Tanis, Eugene TeSelle, C. S. Thomas.

Richmond H. Thomason, Huynh Sanh Thong, I. Todorov, Donald Topkis, W. Sibley Towner, Roy C. Treadway, Robert Triffin, J. P. Trinkaus, William K. Trinkaus, Edwin M. Truman, Gary J. Tucker, Christopher Tunnard, Henry A. Turner, Franz B. Tuteur, Jack Tworkov, Ernest G. Uribe.

G. van Wagenen, Robert Venturi, George Veronis, Miklos J. Veto, Carl von Essen, M.D., Harold K. Voris, Eugene M. Waith, Mrs. Florence S. Wald, James C. G. Walker, Elga R. Wasserman, Harry H. Wasserman, William W. Watson, Peter P. Wegener, Volker C. Wehdeking, E. Richard Weinerman, Gilbert Weisman, M.D.

Paul Weiss, Martin Weitzman, Harry H. Wellington, Rulon Wells, Joseph Westlund, Harry J. Wexler, John Wild, Iris Wildman, Robert C. Wilhelm, John A. Wilkinson, Robert Williamson.

Charles H. Wilson, Robin W. Winks, Claude E. Wintner, Richard Wolfgang, C. Vann Woodward, Arthur F. Wright, Mary C. Wright, King Lui Wu, Robert J. Wyman, Yehudi Wyner, José A. Zadunaisky, M.D., Leonard Zegans.

"HERSHEY'S EXERCISE IN ARROGANCE"—ARTICLE BY CARL T. ROWAN

Mr. KENNEDY of Massachusetts. Mr. President, I would like to call the attention of this body to a recent Washington Star article by Carl Rowan entitled "Hershey's Exercise in Arrogance." In this article Mr. Rowan graphically illustrates some of the shortcomings of General Hershey's recent recommendation that college students who interfere with selective service procedures be drafted.

At this point I ask unanimous consent to insert in the Record Mr. Rowan's article.

There being no objection, the article was ordered to be printed in the Record, as follows:

Hershey's Exercise in Arrogance

(By Carl T. Rowan)

One of the proud old cliches of American life is, "Ours is a government of laws, and not men."

It has never been wholly true. Many communities have been burdened by men whose financial or other power was so great that they constituted themselves as the "final law," or operated with such arrogance that they placed themselves, their will, their caprice, above the law.

But the country has done pretty well at preserving the rule of law on the national level, with even Presidents Roosevelt, Truman and other great figures having to yield in the face of adverse court decisions.

The one major area in which a man has put himself above the law and gotten away with it is the running of Selective Service System. Lt. Gen. Lewis B. Hershey continues to make the military draft a reflection of his own political prejudices, his own quaint notions of what is "in the national interest."

Why a President of the United States watches meekly as this debasement of the rule of law takes place is more than I can understand.

Hershey's latest exercise in arrogance was to advise the nation's 4,100 draft boards that college students and others who interfere with Selective Service procedures should be stripped of their deferments and drafted immediately.

The 74-year-old Selective Service director then said testily that he would not withdraw this recommendation unless ordered to do so by President Johnson—even in the face of Justice Department and court declarations that the draft may not be used as punishment.

Hershey's letter provoked gales of protest from congressmen and others who resented an act that implied the 150,000 draftees fighting in Vietnam are members of a penal colony rather than patriots.

But the truly frightening import of Hershey's letter sinks in only after one examines the logic on which he based his recommendation. A deferment is granted to a young man, Hershey maintains, only because it is deemed "in the national interest" to have that young man pursue a certain course of study or a certain line of work. But if that young man engages in any line of activity that his draft board deems not "in the national interest," then the deferment is to be withdrawn.

Senator Philip Hart, D.-Mich., recently pointed out in a Senate speech just what this comes to. He cited a local draft board in Oklahoma that terminated a student's deferment because he was a member of Students for a Democratic Society (SDS). The student appealed and was told:

"The local board did not feel that your activity as a member of the SDS is to the best interests of the U.S. government."

Oh, boy. Does a fellow dare join the Epworth League, John Birch Society, YMCA or Ku Klux Klan without checking with Gen. Hershey to see if the group is on the verboten list?

Hershey's pigheaded directive may have the good effect of stirring up enough public disgust to force Congress to get about taking the many injustices and inequities out of our draft law.

Many boards didn't need any instructions from Hershey about how to make the draft a punitive business. Boards in the deep South have long found the draft an easy means of "exiling" Negroes they considered "uppity." Almost a quarter century ago a Tennessee merchant "sicked" the draft board on me because I had refused to mow his lawn. The authorities were terribly perplexed to find that I had already volunteered for Navy duty and was awaiting assignment.

Maybe Hershey can explain why it is "in the national interest" to defer a student in a four-year college working toward a bachelor's degree but it is not in the national interest to defer a student in a junior college or in a business and technical college. Maybe. But I'd prefer that the general stepped down and let someone else do the explaining.

INTERNATIONAL HEALTH, EDUCATION, AND LABOR PROGRAM

Mr. YARBOROUGH. Mr. President, the experience of the Peace Corps and VISTA, as well as the work of our hundreds of private organizations using young volunteers, have made this country realize that youth are a potent force for change in our society and throughout the world. The skills that this generation has developed through community help programs here and abroad reach vital problems like education, labor, food production, and health care.

The cumulation of these skills give us an invaluable resource and that resource carries with it a responsibility to share it with the developing areas of the world. Last May I introduced a bill (S. 1779) which would create means by which the private sector could increase its involvement in international relations to the point that it would be recognized as a vital part of our foreign policy.

One of the strongest segments of our private sector is the resources of our youth, and this is an invaluable resource, for most of the troubled world that we seek to aid is young. This country considers itself young with an average age of 25, but the world's average age is below 21, and in many developing areas the median is in the early teens. We should accept the fact that the creative and constructive leadership of the very near future for all countries will become increasingly dependent on young persons who are now in their twenties.

The Communist world understands the significance of this fact, for Moscow has scheduled a major attempt this next summer to influence young people to promote communism and oppose the United States. The history of this type of activity should indicate the nature and importance of this summer's event.

Since 1918, with the establishment of the All-Union Leninist Communist League of Youth, Moscow has been vitally interested in influencing youth throughout the world. After the Second World War, the Communists capitalized on the idealism and antiwar sentiments of young people by establishing two international organizations—the International Union of Students and the World Federation of Democratic Youth. Both soon revealed themselves as instruments of a tightly controlled international Communist effort.

The major propaganda effort of these two front groups was a biannual meeting called the World Youth Festival for Solidarity, Peace, and Friendship. It claimed to be international and open and objective in its perspective; but its sole goal was to propagandize youth. The vast majority of those reached by this propaganda effort were youth and students from non-Communist countries with a genuine interest in bettering their world.

The festivals were held on alternate years beginning in 1947. The degree of openness and opportunity for dissent in these meetings can be easily seen from the choice of the first six sites—Prague, Czechoslavakia; Budapest, Hungary; East Berlin, Germany; Bucharest, Rumania; Warsaw, Poland; and Moscow, U.S.S.R. In 1959, the festival ventured outside a Communist country to Vienna, Austria. Communist propaganda in this freer atmosphere was so constructively countered that the next festival was delayed for 3 years. And after a similar experience in Helsinki, Finland, in 1962, the Communists seemed to have given up this expensive propaganda weapon. After delaying this biannual event for 6 years, they will retreat to a Communist country and hold the ninth World Youth Festival for Solidarity, Peace, and Friendship in Sofia, Bulgaria, next July.

The Communists plan for this ninth festival to be the biggest in their history. It will have an estimated 25,000 participants from over 110 countries, including virtually all of the developing areas of the world. The carefully selected delegates will be young lawyers, educators, farmers, laborers, economists, and political workers—people who will influence their countries' actions for several generations.

The festival will attempt to show these important young persons from other countries that there is a moral polarization in the world: That Russia is for peace, friendship, and the welfare of all humanity and that the United States is the source of all evils besetting the world. The Communist initiative at this level must be taken very seriously. Several examples should indicate the level of importance that they place on youth work.

First, when the Communists set up their international youth organization after the Second World War, a not very young youth was selected to head it. His name was Alexander Shelepin. Those who have followed his well-publicized rise to power in Russia, now know that at the time of his work for the youth organization he also had substantial duties with the KGB, and most agree that he was the head of that Russian Secret Service during the time he lead a youth organization, supposedly working for international peace and friendship. So we know that the Soviet's highest men and strongest tactics are committed in this fight.

Second, substantial financial resources are utilized. The Sixth World Youth Festival, held in Moscow, cost over $100 million. Free housing and entertainment events were provided, and extensive transportation and 1-month tours of Eastern Europe were available for the participants. No one can estimate accurately the high amount of financial resources committed to each of these events in the continuing work with youth, but that amount of money could more productively be spent if Moscow truly wished for international peace. It could be applied to payment of U.N. dues. Or a good faith effort like our Peace Corps could be launched. On the basis of our Peace Corps workers' average of 11 cents an hour, the amount of money Russia spent in the Moscow propaganda festival would support over 900 million man-hours of work for international peace. Apparently, Moscow has become so sensitive about this vast expense that the official line is that the $100 million was not contributed from Communist coffers, but was raised entirely in a voluntary student lotterey.

Third, the Communists commit their full cultural resources to this struggle in a way very influential with youth. Festival participants will see the Bolshoi ballet, hear young poets, talk to cosmonauts, and meet Olympic champion athletes. This 2 weeks of propaganda will masquerade essentially as an athletic and cultural weapon. The 1951 festival held in East Berlin at the height of the Korean war had several so-called cultural dramas depicting Asian babies killed by American bombs, and peasants being captured and abused by GI's. There is no question what is in store for those attending this festival next summer.

Fourth, the Russians try to gain very practical advantage from these meetings. In 1948, a year in which a festival was not being hosted, the international youth and student organizations hosted instead an Asian conference which brought youth together to discuss the inevitability of a Communitst world. Brian Crozier, the Economist's expert on Southeast Asia for 10 years from 1954 to 1964 details in his book "Southeast Asia in Turmoil" how those young delegates returned to engage in the 1948 uprisings in Burma, Indonesia, Malaya, and the Philippines. At this time in our history, with threats of a second and third Vietnam to be created in the developing areas, we cannot ignore the potential threat of young Africans and Asians and Latin Americans coming together to listen to Moscow explain its plans for the world.

I condemn this festival not simply because it is a waste of money, or because it is a cold war propaganda vehicle, or because it will be viciously anti-American. I condemn it because it claims to seek peace and friendship but it denies any dissent or any freedom of inquiry. When an international meeting favors tyranny over truth and dogma over dissent, it is doomed to failure. But this vast effort by the Russians aimed at youth of all countries should be viewed with concern by us all because our country is doing so little. We are not even countering the efforts to propagandize this next generation of world leaders.

But even more important than confronting and countering Communist propaganda is the need to cooperate in a host of constructive ventures with the many countries in the developing areas of the world. Rather than being negative in regard to Russia, we should seek ways of being positive in regard to the needs of other countries. The world needs programs not propaganda and we, better than any country in the world, have developed the resources to meet that need. Eric Hoffer recently said, "America is the only thing new in history." What keeps us new is the unlimited initiative and resourcefulness of our individual citizens. The simple question is whether we as a nation will commit ourselves to explore the full potential of our country's resources in cultural relations.

Our foreign policy is nothing more than the way in which we seek to relate to other countries. There have been three traditional dimensions to our foreign policy—military, economic, and diplomatic. We often rely solely on the military as the means to correct international problems. But thinking in military terms limits our ability to perceive problems before boundaries are crossed or guns are fired. As a consequence, we seem to ignore other countries' less-visible problems because we do not seem to understand the nature of their need for help, and we do not realize the full resources by which we could assist. Most tragic, we often leave to the lowest priority the ideal of promoting understanding among peoples.

We are conducting our foreign policy without proper attention to what should be our strongest and most far-reaching weapon. The sum of the characteristic features that make America great—in education and science and the arts and humanities—should be the fourth dimension of our foreign policy. In this fourth dimension we can fight with the weapons of peace, learning and teaching at the same time. Our cultural relations should be the point of our lance.

Think of the resources we have that could meet the world's needs now, rather than waiting until the only alternative left is armed force. And think particularly of the resources we have among our young citizens that can meet precisely the needs of young nations. We have tens of thousands of student leaders who have been constructively involved in over a thousand tutorial programs seeking to wipe out the indignity and ignorance and helplessness that accompany illiteracy. We have editors of student newspapers who have shown small communities and minority groups how to improve their means of communication among themselves and with their society. We have young lawyers who have worked part time to change old rules and write new ones to gain a greater measure of justice for minority groups within a system that is ruled by the majority. What an invaluable commodity that would be to export.

We have young doctors who have set up clinics in forgotten hollows of urban centers and in rural fields where elderly persons have never received medical attention. We have young farmers in the international farm exchange of the 4–H clubs who are striking blows at the greatest problems of the future, the need for adequate food production. We have young laborers who have worked with Latin American and African youth to provide the skills to build the vital resource of young workers—the largest single resource in many developing areas—into a free institution compatible with a democratic society. Young businessmen, particularly Jaycees, realize the aid they can give to whole nations in trying to establish burgeoning industries in a free enterprise system.

Community action workers have discovered techniques in working with the poor in this country that have attracted the attention of youth in other countries and should certainly be shared. And Negro and Latin American community action workers have a special relationship to youth in developing areas. We have the finest athletes in the world, and in addition to our Olympic champions our athletes coach young persons to provide an alternative to delinquency, to increase physical fitness, or to work in new techniques with the physically handicapped and the mentally retarded.

We have filmmakers who have captured the soul of America in a medium appealing to youth, and authors, and performers who have risen from the ghetto to show the unlimited creativity of our minority groups, whether it is in a Watts workshop or the grapepicker's Teatro Compesino and know of no better way to communicate the hope for progress that can be possible in a democratic society. And we have young jazz artists whose warm reception abroad has shown that they truly communicate in an international language and in an art form for which America is respected.

The list of young persons who have acquired skills to be shared with the world goes on: We have returned Peace Corps volunteers, VISTA workers, scientists, journalists, teachers, ministers, social workers, and young workers in political parties. With all of this resource we have a great responsibility to share it with those of the world who need it and want it. And we need a plan to implement that sharing.

The bill I introduced last May would establish an international health, education, and labor program to provide open support for private, nongovernmental activities in the fields of health, education, and labor, and other welfare fields. It would provide a way to stimulate the private sector's assistance and help that assistance to be effective and continuing.

Several problems now plague the voluntary private nongovernmental sector and keep it from being very active or effective internationally. The first reason is funds. The type of program I foresee would not be expensive, but no single organization would have funds to research, plan, coordinate, and carry out each program by itself. This bill would not only provide for a more effective utilization of funds but would enable adequate financing, so that if finances were the only reason to prohibit an activity, that barrier could be overcome.

A second problem is planning. Newly elected heads of private organizations are often not familiar with possibilities for programs. They often do not know what other groups similar to theirs have done. This bill would establish a council of private citizens within a foundation who would themselves offer a wealth of information about programs tried in the past, programs now being run which might interest a particular organization, and might help in planning for a future. Without some provisions for a repository of information we will never know the sum assets of our cultural relations.

As a result of not having a central clearinghouse for information, there is almost no chance for effective exchanges of information between our Nation and others. Much technical assistance could be imparted in written communications that described a synthesis of activity, but no single private organization can assume the burden of knowing what other groups have done or are planning for the future. And consequently the story of America's total effort is left untold. For example, when Vice President HUMPHREY returned from a European trip early this past summer, he complained that the young Europeans he talked to did not have any idea of the amount of work that private organizations were conducting in the war on poverty. No one can tell the story because no one knows more than a fraction of it. The world press will always tell of our problems. It is up to us to tell of our good faith attempts at solutions.

Fourth, there is a problem of continuity in our organizations. One group may establish contact with an African group one year, lay the groundwork for future cooperation, encourage the response of the Africans, and then the next year have a totally different interest. A foundation with a repository of information and a facility for continuing contact with organizations here and abroad would solve this crippling problem of discontinuity.

Not everyone can join the Peace Corps for 2 years. The vast majority of Americans who have something to offer abroad can only afford a little time. We should guarantee that they will be financially able to make a contribution, that their time will be used effectively, and that the work will not be lost when a new group assumes office in their organization.

The efforts of our young Americans in this international venture will reflect the freedom of our society. They will not be compromised because they receive some assistance from Government sources. A diversity of views will be allowed and there will be no censorship of persons involved. All we ask of possible beneficiaries under this bill would be that they have something of value to contribute. We will not be like Russia where disagreeing authors are put in jail and ballet tours and athletic contests are canceled when it serves political purposes. In addition, there are strong provisions in this bill which safeguard against anyone's being required or employed to gather intelligence under the guise of working in cultural relations.

I have been gratified by the enthusiasm and cooperation of some of our private institutions who want to join with the Government in this partnership for progress, and I call for an indication from all segments of the private sector on their willingness to meet this challenge. The challenge is clear and the opportunity for cooperation to meet world problems has never been greater or more needed. As Sargent Shiver has observed:

> There is a world election now under way on every continent. The "voting" takes place outside the election booths. The "returns" are measured in terms of people fed, jobs found, schools built, children educated, bodies cured, and economies growing.

We have a responsibility not only to help, but also to reaffirm our own fundamental commitment to a just and free society. We must determine whether we will meet the challenge. And we will be judged by the weapons we choose to employ in dealing with the rest of the world. I think we shall be judged harshly if we do not promote to the fullest our strongest weapon for peace and justice, the cultural aspect of our foreign policy which reflects those features that have made America unparalleled in history.

I ask unanimous consent that my bill, S. 1779, be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1779

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ESTABLISHMENT OF FOUNDATION

SECTION 1. (a) There is hereby established as an independent agency of the Government an International Health, Education, and Labor Foundation (hereinafter referred to as the "Foundation").

(b) The Foundation shall be composed of a Director and an International Health, Education, and Labor Council (hereinafter referred to as the "Council").

(c) The purposes of the Foundation shall be to establish and conduct an international health, education, and labor program under which the Foundation shall provide open support for private, nongovernmental activities in the fields of health, education, and labor, and other welfare fields, designed—

(1) to promote a better knowledge of the United States among the peoples of the world;

(2) to increase friendship and understanding among the peoples of the world; and

(3) to strengthen the capacity of the other peoples of the world to develop and maintain free, independent societies in their own nations.

DIRECTOR OF FOUNDATION

SEC. 2. (a) The Foundation shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate. The person nominated for appointment as the Director shall be a distinguished citizen who has demonstrated exceptional qualities and abilities necessary to enable him to successfully perform the functions of the office of the Director.

(b) The Director shall receive compensation at the rate prescribed for level II of the Executive Schedule under section 5311 of title 5, United States Code, and shall serve for a term of five years.

(c) The Director, with the advice of the Council, shall exercise all of the authority granted to the Foundation by this Act and shall serve as chief executive officer of the Foundation.

COUNCIL

SEC. 3. (a) The Council shall consist of eleven members to be appointed by the President, by and with the advice and consent of the Senate. The persons nominated for appointment as members of the Council (1) shall be eminent in the fields of education, student activities, youth activities, labor, health, scientific research, or other fields pertinent to the functions of the Foundation; (2) shall be selected solely on the basis of established records of distinguished service; and (3) shall not be officers or employees of the Government of the United States. The President is requested, in the making of nominations of persons for appointment as members, to give due consideration to any recommendations for nomination which may be submitted to him by leading private associations, institutions, and organizations concerned with private activities in the fields of health, education, and labor, and other welfare fields related to the purposes set forth in the first section of this Act.

(b) The term of office of each member of the Council shall be six years, except that (1) the terms of the members first appointed shall expire, as designated by the President, three at the end of two years, four at the end of four years, and four at the end of six years after the date of enactment of this Act; and (2) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed. No member shall be eligible for reappointment during the two-year period following the expiration of his term.

(c) The members of the Council shall receive compensation at the rate of $100 for each day engaged in the business of the Foundation and shall be allowed travel expenses as authorized by section 5703 of title 5, United States Code.

(d) The President shall call the first meeting of the Council and designate an Acting Chairman. The Board shall, from time to time thereafter, select one of its members to serve as Chairman of the Council.

(e) The Council shall meet at the call of the Chairman, but not less than once every six months. Six members of the Council shall constitute a quorum.

(f) The Council (1) shall advise the Director with respect to policies, programs, and procedures for carrying out his functions, and (2) shall review applications for financial support submitted pursuant to section 4 and make recommendations thereon to the Director. The Director shall not approve or disapprove any such application until he has received the recommendation of the Council thereon, unless the Council fails to make a recommendation on such application within a reasonable time.

(g) The Council shall, on or before the 31st day of January, of each year, submit an annual report to the President and the Congress summarizing the activities of the Council during the preceding calendar year and making such recommendations as it may deem appropriate. The contents of each report so submitted shall promptly be made available to the public.

GRANTS IN SUPPORT OF PRIVATE ACTIVITIES

SEC. 4. (a) To effectuate the purposes of this Act, the Director is authorized, subject to section 3(f), to make grants to private, nonprofit agencies, associations, and organizations organized in the United States, to public or private nonprofit educational institutions located in the United States, and to individuals or groups of individuals who are citizens of the United States not employed by the Government of the United States, a State or political subdivision of a State, or the District of Columbia, for the purpose of enabling them to assist, provide, or participate in international activities, conferences, meetings, and seminars in the fields of health, education, and labor, and other welfare fields related to the purposes set forth in the first section of this Act. No portion of any funds granted under this section shall be paid by the Director, or by any recipient of a grant under this section, to support any intelligence-gathering activity on behalf of the United States or to support any activity carried on by any officer or employee of the United States.

(b) Each grant shall be made by the Director under this section only upon application therefor in such form and containing such information as may be required by the Director and only on condition that the recipient of such grant will conduct openly all activities supported by such grant and make such reports as the Director may require solely to determine that the funds so granted are applied to the purpose for which application is made.

(c) The Director shall develop procedures and rules with respect to the approval or disapproval of applications for grants under this section which will provide, insofar as practicable, an equitable distribution of grants among the various applicants for such grants and types of activities to be supported by such grants, but which will assure that grants will be made to those qualified recipients most capable of achieving a successful or significant contribution favorably related to the purposes set forth in the first section of this Act. In making grants under this section, the Director shall not impose any requirements therefor or conditions thereon which impair the freedom of thought and expression of any recipients or other beneficiaries of such grants.

(d) The Director may (1) pay grants in such installments as he may deem appropriate and (2) provide for such adjustment of payments under this section as may be necessary, including, where appropriate, total withholding of payments.

PUBLIC REPORTS BY DIRECTOR

SEC. 5. The Director shall, on or before the 31st day of January of each year, submit an annual report to the President and the Congress setting forth a summary of his activities under this Act during the preceding calendar year. Such report shall include a list of the grants made by the Director during the preceding calendar year; a statement of the use to which each recipient applied any grant received during the preceding calendar year; and any recommendations which the Director may deem appropriate. The contents of each report so submitted shall promptly be made available to the public.

GENERAL AUTHORITY

SEC. 6. The Director shall have the authority, within the limits of funds available under section 9, to—

(1) prescribe such rules and regulations as he deems necessary governing the manner of the operations of the Foundation, and its organization and personnel;

(2) appoint and fix the compensation of such personnel as may be necessary to enable the Foundation to carry out its functions under this Act, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates: except that the salary of any person so employed shall not exceed the maximum salary established by the General Schedule under section 5332 of title 5, United States Code;

(3) obtain the services of experts and consultants from private life, as may be required by the Director or the Council, in accordance with the provisions of section 3109 of title 5, United States Code;

(4) accept and utilize on behalf of the Foundation the services of voluntary and uncompensated personnel from private life and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(5) receive money and other property donated, bequeathed, or devised, by private, nongovernmental sources, without condition or restriction other than that it be used for any of the purposes of the Foundation; and to use, sell, or otherwise dispose of such property in carrying out the purposes of this Act; and

(6) make other expenditures necessary to carry into effect the purposes of this Act.

PROHIBITION AGAINST REQUIRING INTELLIGENCE GATHERING

SEC. 7. No department, agency, officer, or employee of the United States shall request or require any recipient or any other beneficiary of any grant made under this Act to obtain, furnish, or report, or cause to be obtained, furnished, or reported, any information relating, directly or indirectly, to any activity supported by such grant, except as is (1) provided by section 4(b) of this Act or (2) authorized under law in the case of any information directly relating to the violation of any criminal law of the United States by such recipient or beneficiary.

INDEPENDENCE FROM EXECUTIVE CONTROL

SEC. 8. (a) Determinations made by the Director and the Council in the discharge of their functions under this Act shall not be subject to review or control by the President or by any other department, agency, officer, or employee of the Government.

(b) The provisions of subchapter II of chapter 5 of title 5, United States Code (relating to administrative procedure), and of chapter 7 of such title (relating to judicial review), shall not apply with respect to the exercise by the Director or the Council of their functions under this Act.

APPROPRIATIONS

SEC. 9. There are hereby authorized to be appropriated to the Foundation such sums as may be necessary to carry out the purposes of this Act, except that the aggregate of such sums appropriated prior to June 30, 1972, shall not exceed $100 million. Sums appropriated under this section shall remain available until expended.

IS THE NSF AT WAR WITH L. B. J.?

Mr. MUNDT. Mr. President, the inconsistencies and contradictions occurring in this administration sometimes staggers the imagination of all who are even faintly familiar with its curious self-defeating actions.

Hear now, another case in point. I invite the attention of Congress and the country to a recent column published in the Washington Evening Star, depicting how the taxpayers' money is being used to subsidize actions and protests in opposition to the war in Vietnam, a war that President Johnson tells the country he is determined not to quit and resolved not to lose.

I happen to believe that the President is right in that determination and that resolution, but like hundreds of thousands of other citizens, I cannot understand and I do not approve the President's attitude in permitting a part of his administration to spend the taxpayers' money to undermine and defeat the administration's foreign policy and its decisions on the war.

The use of National Science Foundation funds to undermine our war effort and to strengthen the determination of our enemy in Hanoi to continue fighting is strangely and strikingly similar to the inconsistencies involved in the Johnson administration's correct position that we must not lose the war in Vietnam and its completely wrong position that while sacrificing thousands of American lives overseas to win that war the President himself encourages American exporters and war profiteers to ship and sell more and more supplies to the Communists in Moscow at the very time these Communists are supplying 100 percent of the petroleum and over 80 percent of the significant weapons being used by the Communists in Hanoi to kill our boys, to prolong the war, and to bolster Ho Chi Minh's stubbon refusal to come to the conference table to negotiate an end to this costly and bloody war.

I think all Americans devoted to consistency and sincerely desirous of ending his war successfully as soon as possible will want to read and quote the article by James L. Kilpatrick that I now ask unanimous consent to have printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ANOTHER SUBSIDY FOR PEACENIK MATHEMATICIAN

(By James J. Kilpatrick)

The National Science Foundation now has settled upon the boyish head of Stephen Smale a new grant of $87,500 in public funds. For another two years, the taxpayers of America thus will be subsidizing the summer vacations of this peacenik mathematician whose abiding avocation is to give aid and comfort to America's enemies in Vietnam. It is, in truth, a lunatic world we live in.

How do these things happen? How did the Congress get around to subsidizing mathematicians in the first place? And why this particular mathematician?

In the old days, the theory was that Congress lawfully could appropriate public funds only for purposes enumerated in the Constitution. Smale's research has nothing whatever to do with raising an army, maintaining a navy, regulating commerce, coining money, or laying taxes. He breathes the rarified air of pure research. He deals in "ordinary and partial differential equations and the relation between topology and particle physics." Where do you find that in the Constitution?

No one doubts that Smale is a brilliant fellow. In 1966 he received the Fields medal, sometimes described as the Nobel prize in mathematics, for his theorem on the mapping of a sphere. When it comes to differential topology, he apparently is the best there is. At 37, he holds a full professorship at Berkeley, and Berkeley pays him well.

Neither is there any doubt about Smale's left-wing activism. As an undergraduate at the University of Michigan, 15 years ago, he was a member of the old Labor Youth League, a Communist front. At Berkeley, he became faculty advisor to the Fair Play for Cuba Committee. He embraced the Free Speech Movement. He was a co-founder with the notorious Jerry Rubin, of the Vietnam Day Committee. He is an inveterate signer of protest petitions.

If this were the whole of the story, conservatives and liberals alike could defend Smale's rights of free speech, and agree that his political views ought not to have any effect, one way or another, on his eligibility for a Federal grant. Okay. Smale has gone farther. In his capacity as a cochairman of the Vietnam Day Committee, he proposed in May of 1965 that thousands of students and others block the gates of the Oakland army terminal. Also, "we might consider the en masse breaking of the Espionage Act of 1917 and the Selective Service Act."

In August of 1965, Smale led a company of demonstrators who attempted to block troop trains at the Santa Fe Station in Berkeley. Earlier, Smale had urged that "we must put OUR bodies on the line," but when the train came down the tracks he chickened. His prodigal brain informed him that the body of Stephen Smale and the wheels of a locomotive could not simultaneously and successfully occupy the same point in space at the same time, unless the body of S. Smale were speedily to be reduced to a differential equation, so he got out of the way. Nevertheless, he and his colleagues were here going beyond mere expression of opinion.

Smale's demonstration of grantsmanship began early in 1965, when he was named principal investigator on an NSF grant totaling $58,900; his share, for two months' summer salary, was $4,800. In 1966, he won a two-year grant for $91,500, including $12,112 for his summer salary and for travel. The new grant is for $87,500, of which $17,868 is to go to Smale directly for summer work in 1968 and 1969. This adds up to $238,900 put under the gentleman's thumb. His own take, for a total of ten months' research and travel, is $34,780.

The ultimate irony is that Smale probably can ride this gravy train forever. A few months ago, the NSF exuded some skepticism that Smale really had spent two months in the summer of 1966 in actual research; they suspected he was junketing. The NSF also complained mildly of Smale's loose administration of the grant money. Whereupon a terrible clamor arose within the groves of academe, and the NSF was accused of trying to punish Smale because of his political views. Meanwhile, Indiana's Congressman Dick Roudebush was raising hell at the prospect of giving Smale another dime. In the end, the NSF caved in, invoked the holy name of academic freedom, and gave Smale the money. The next time he wants to besiege an induction center he won't have to walk. He can go by cab.

INTERNAL SECURITY

Mr. KENNEDY of Massachusetts. Mr. President, in the course of the House debate on the Subversive Activities Control Board legislation, one Member of the House served to be a courageous Representative of his district. Representative JOHN CULVER, who is a member of the House Un-American Activities Committee, stood up for what he believed was right and was responsible for getting more than 100 of his colleagues to vote against this legislation. That, I believe, is something of a record.

I ask unanimous consent to have printed in the RECORD an article entitled "HUAC Prodded by Iowan," written by Richard L. Lyons, and published in the Washington Post of December 3, 1967. An editorial entitled "Fizzle," from the same edition of the Post; Representative CULVER's letter; and an editorial entitled "On the Communist Front," published in the New York Times of December 13, 1967.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Dec. 3, 1967]

HUAC PRODDED BY IOWAN

(By Richard L. Lyons)

Cedar Rapids, Iowa, may not seem the likeliest place to produce the leading congressional critic of the House Un-American Activites Committee, but Rep. John C. Culver has a good claim on that title.

The second-term Democrat went on HUAC this year at the request of party leaders to fill a vacancy, a liberal in a world of eager Red-hunters. He promptly became that rarest of congressmen, a HUAC member who writes dissenting views trying to balance civil liberties against internal security. Culver has written a minority report on each bill the Committee has reported this session.

Last week Culver, 35, led a floor fight that rolled up the biggest vote in memory against a HUAC bill. The bill, attempting to pump life back into the Subversive Activities Control Board, passed, 269 to 104. But HUAC bills usually go through almost unanimously because they are labeled anti-Communist.

Part of the SACB bill's trouble was that even some conservatives balked at trying to prop up an agency that has accomplished nothing in 17 years. But the big anti-HUAC vote was also due in good part to Culver's researched minority report and a ringing floor speech in which he called the bill "unnecessary, unwise and unconstitutional."

He sat down to applause and tributes from liberals led by Rep. Thomas L. Ashley (D-Ohio) who said:

"I want to say that this is one of the most courageous statements that I have ever heard on the floor of this House during the 13 years that I have served in this body. Our colleague from Iowa is in his second term. He represents a district which is anything but secure politically. Nevertheless, he has chosen to speak out forcefully on an issue and to take a position which can easily be misconstrued, misrepresented and misunderstood. This is an act of statesmanship and courage of which the House can well be proud."

Culver is built like a pro football tackle and played fullback for Harvard on the team where Sen. Edward M. Kennedy (D-Mass.) played end. Culver went on to a year at Cambridge, Harvard law school, the Marine Corps and then worked for Kennedy for a year after he came to the Senate in 1963. He won election to the House in 1964 over a Republican incumbent in a swing district which is now marginally Democratic.

Culver didn't ask for the HUAC assignment but said he was glad to take it on as an opportunity to work, from the inside, to try to strike a balance between security and freedoms.

This would be safe enough for a New York liberal, but it might seem risky for a new member from a close district in the conservative heartland. But Culver has had little kickback from home. Last year he voted against a HUAC bill to crack down on antiwar acts and his opponent threw it at him in the campaign. But Culver, who won by only 8000 in the Goldwater year of 1964 won re-election by 11,200.

[From the Washington Post, Dec. 3, 1967]

FIZZLE

American taxpayers will have to fork over another $300,000 and endure another year of the Subversive Activities Control Board. The House has now joined the Senate in decreeing that this ancient scab of a bygone fever sore is to be perpetuated—as a sinecure for five $26,000-a-year political hangers-on and as a monument to the mindless anticommunism of the House Committee on Un-American Activities. Judging from its past 17 years of idle fatuity, the SACB will do no particular harm; it will just leave the country looking a little scared and silly for a year longer.

When President Truman vetoed the bill creating the SACB 17 years ago, he said: "We need not fear the expression of ideas—we do need to fear their suppression." The SACB is in the business of suppressing ideas by pinning ugly labels on organizations whose aims it dislikes. That 269 members of the House of Representatives voted to continue this sort of suppression is dismaying. We take heart, however, from the fact that 104 members stood up stanchly and answered a roll call in opposition to this trumpery form of flagwaving.

A considerable number of these opponents made speeches against the bill. Perhaps the most potable of them came from Rep. John C. Culver of Iowa, himself a member of the Un-American Activities Committee. Referring to the SACB's role of labeling voluntary associations of American citizens, he said: "Mr. Chairman, this may be a legitimate task of a totalitarian regime, but in my judgment it hardly is consistent with the tradition of a free society. Exposure has been traditionally and properly left in our democracy for nearly 200 years, not to government but to democratic institutions, the free press, private organizations devoted to this purpose and above all the free and open competition of divergent opinions where they properly should be debated, in a marketplace of ideas."

We applaud that old-fashioned American declaration of independence and all those in the House who shared in it. What in the world is a man with such ideas doing on the Un-American Activities Committee?

RE CONFERENCE REPORT ON INTERNAL SECURITY ACT AMENDMENTS TO REACTIVATE THE SUBVERSIVE ACTIVITIES CONTROL BOARD (S. 2171)

DEAR COLLEAGUE: As you are probably aware, the conference report on the Internal Security Act Amendments has been filed and a vote on it is imminent.

I am directing this memo to the 121 Democrats and Republicans who voted or were recorded against the conference report as well.

The bill that emerges from conference, in my judgement, represents no appreciable improvement over what we considered in the House. This legislation is still unwise, unnecessary, and unconstitutional.

Indeed, the presumption that the SACB rests on constitutional quicksand is further strengthened by the Supreme Court decision only this Monday in *U.S.* v. *Robel*. This 6–2 case invalidated the prohibition in the Internal Security Act against any member of a "Communist-action organization" from working in a defense facility when it falls under a final order to register.

There is no attempt to reconcile the legislation with the *Robel* case. When so integral a section as this one is struck, what remains is only a brittle patchwork.

Essentially, the conference report stitches together both the House and Senate bills. The only pivotal addition, however, is a modification of the so-called *Proxmire amendment* on which the Senate leadership insisted.

This amendment *originally* provided that SACB would lapse on June 30, 1969 unless *proceedings* had been instituted and *hearings* conducted by the Board by December 31, 1968. The Attorney General would make a determination whether these specifications had been met, and if not, the Board would dissolve automatically on the date specified.

This probationary provision has been emasculated in conference. *Now* it sets but one proceeding and one hearing as the mandatory minimum. The hearing qualification is already met by the pending DuBois case, and the mere institution of one proceeding in the next twelve months would hardly justify the expense of paying five men $26,000 each for that minimal activity.

Furthermore, the steps by which the Board might finally be dissolved are not clear.

However, the case against S. 2171 (previously H.R. 12601) does remain clear:

No law enforcement agency of the government has requested this bill. All who have previously testified on this legislation were convinced that we have strong laws on the books to deal with treason, sabotage, espionage, and actions looking to the overthrow of the government.

Neither in the past 17 years nor in the future will it offer any added protection against the real dangers of Communism but on the contrary will damage our fundamental freedoms.

It is enfeebled by adjudicated constitutional infirmities and racked by prospective ones.

SACB is an empty vessel not worth maintaining either for what it costs or for what it accomplishes.

I urge you to vote against this conference report.

Sincerely,

JOHN C. CULVER.

(I am attaching an editorial on this subject from the New York *Times* of this morning.)

[From the New York Times, Dec. 13, 1967]

ON THE COMMUNIST FRONT

One bill that deserves to be forgotten in the Congressional rush for adjournment—but probably won't be—is the bill to reanimate the Subversive Activities Control Board.

The board has spent $5 million of the taxpayers' money in seventeen years without succeeding in registering a single Communist. It has had virtually nothing to do since 1965, when the Supreme Court ruled that forcing Communists to register with the board was a violation of constitutional guarantees against self-incrimination.

The Supreme Court's refusal this week to bar the board from holding hearings in another area of its concern—exposure of "Communist-front" groups—does permit the five board members to go ahead with hearings on whether the campus-based DuBois Clubs are a "front." But to do so would be an exercise in futility. Assuming the DuBois organization is found to be a "front," a requirement that it register as such would seem to be as questionable constitutionally as rulings invalidated by the previous court decisions.

Besides, under the new anti-subversion bill passed by both the Senate and the House and now in conference, there would be no need for any individual or group to register as Communist, Communist-front or Communist-infiltrated, or even to appear at a hearing. The board could make those findings on its own, and an organization so branded would have to carry that brand on all its literature.

The bill seeks to get around the self-incrimination difficulty, but in so doing it poses a threat to freedom Liberals and conservatives who fought the measure in both houses called vainly on the President to make his position clear. He still can—by vetoing the bill when it reaches his desk.

The Supreme Court's other civil-liberties ruling this week—voiding a provision that made it a crime for a Communist to work in a defense plant—restores a saner approach to the problem of keeping security risks from sensitive positions in defense industry. The way to do that is through specific laws and regulations, of which there are plenty, not through blanket proscriptions that do more to penalize the innocent than catch the subversive. Freedom cannot be defended by being undermined.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14397) making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 4, 5, 6, 7, 8, 9, 10, 11, and 14 to the bill and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 3 and 19 to the bill and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

SUPPLEMENTAL APPROPRIATIONS BILL, 1968—CONFERENCE REPORT

Mr. PASTORE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14397) making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. PASTORE. Mr. President, without losing my right to the floor, I suggest the absence of a quorum, because I have been asked to do it.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, in the conference report and the accompanying motions on the supplemental appropriations bill (H.R. 14397) the following results were obtained.

For the Office of Economic Opportunity, $1,773, 000,000, which is the figure that we agreed on, in lieu of the figure of $1,980,000,000 in the Senate version of the bill and the figure of $1,612,500,000 in the House version of the bill.

For the Appalachian regional development programs, $56,700,000, as contrasted with $64,200,000 in the Senate and $54,000,000 in the House.

In doing this we took into account the extension of the continuing resolution that we passed, which would have compelled a reduction in spending of 10 percent in programs and 2 percent in the personnel funds.

The Senate provision for $2,800,000 for the James Madison Memorial Building for the Library of Congress was not approved and was removed without prejudice to the merits.

I think I should say, with reference to this item, that it was presented to the House. The House rejected it. An appeal was taken to the Senate. We inserted it.

I think we were wise to insert it, for the reason that we are now paying $880,000 a year to store books for the Library of Congress.

We need this building sorely. It is not only a memorial to Madison, but it also has a very practical and utilitarian purpose of housing books. But the House conferees felt that, in view of the fiscal situation, it could wait until we came back next year.

The Senate amendment which would have provided $17,247,269 for various Indian claims was struck at this time with the statement in the report:

> It is fully expected that these items will be considered and acted upon early in the next session . . . in the first Supplemental Bill.

Here again, I must say that we were wise in putting this item in the Senate, because these are adjudicated claims, the money will have to be paid, it is going to be paid to poor Indians, and we felt there was a relevancy between poor Indians and other poor people in the United States of America.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. PASTORE. I yield to the Senator from South Dakota.

Mr. MUNDT. May I say, Mr. President, as the author of the amendment that was added in the Senate bill, that I should like to express my appreciation, first to the chairman of our conference, the distinguished Senator from Rhode Island [Mr. PASTORE]. He fought valiantly, persuasively, and effectively in the conference committee for this award. He certainly did so with completely unselfish motivation, because I am sure Rhode Island does not have very many Indian reservations any more.

Mr. PASTORE. We do not have any at all.

Mr. MUNDT. It does not have any Indians, I suppose.

Mr. PASTORE. No, we have a few Indians, but no reservations. We have assimilated them.

Mr. MUNDT. But I wish to say, for the information of Senators from the areas where the Indians are, that the Senator from Rhode Island did a magnificent job, and fought courageously and effectively for this amendment.

I am disappointed that this $17 million, which has been awarded to the Indians by official adjudication of the Government, has been denied them. This is the only place that I can recall in this entire session of Congress where we have continued to practice abject discrimination against the member of a different race, the red man. He is entitled to the funds; these claims have been accumulating for a century in some instances, and this simply means he will be deprived of the money which is his until such time as the supplemental bill makes it available.

I should like to engage my friend from Rhode Island in a bit of colloquy at this point, to reinforce the language of the House conferees, because, under the arrangement which we follow, the Senate conferees do not write a report; it is written on behalf of the managers of the House. It does express, however, the consensus of the conferees of both Houses, and it was made specifically clear, as I am sure the Senator from Rhode Island will agree with me, that in the first supplemental appropriation bill next year this item will be included; and we have assurances from the conferees on both sides that they will support it. Is that not the understanding?

Mr. PASTORE. That is absolutely correct; and I wish to say this: God willing, when we come back, the Senator from Rhode Island will be the chairman of the subcommittee that deals with supplementals, and my distinguished friend, the Senator from South Dakota, will be the ranking Republican, and we will get the job done and there will be no question at all that the item will get in.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. MUNDT. In a moment. Again, I want to say I am proud of the fact that Senator PASTORE fought as hard for this item as he did for other items in the bill, where we were also forced to make concessions; and I certainly agree with this observation that we were pennywise and pound foolish, in my opinion, to continue to spend $800,000 a year for the rental of space for the Library of Congress, which has insufficient space for its books, in order to effect an "economy" of saving some $2 million which we had appropriated in this bill to get the new library building started.

Mr. MAGNUSON. Will the Senator yield?

Mr. PASTORE. I yield to the Senator from Washington.

Mr. MAGNUSON. I merely wish to associate myself with the Senator from South Dakota and the Senator from North Dakota [Mr. YOUNG], who is also on the committee.

I think we concluded the discussion of this issue by the Senator from Washington suggesting to the House conferees, "Well, can we say to the Indians, who have had this claim legally adjudicated, that they can look forward within 60 days to getting their money?"

The House conferees all nodded their heads, as I recall.

Mr. MUNDT. That is correct.

Mr. MAGNUSON. If they do not do that, we will jerk their heads up again.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. YOUNG of North Dakota. Mr. President, I was very regretful that we were not able to sustain this appropriation for the Indians in conference with the House of Representatives. The Indians have been nearly 100 years getting this claim adjudicated, and even if we had appropriated the money, they actually would not receive their payments for a year or two, at least; it requires further legislation to distribute the money to the Indians in my State and elsewhere and I believe in every other State. They are the poorest people of all, who need help the worst.

But I think the record we have made will assure that the appropriation will be made early next year.

Mr. COTTON. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. COTTON. Mr. President, when this supplemental bill passed the Senate, I was one of, I believe, seven Senators who voted against it.

I wish to say, Mr. President, that about 2 years ago I resolved to stop voting for most supplemental appropriation bills, particularly those that we pass in the last hours of a closing session of Congress. I did this because, in the years I have served on the Appropriations Committees of the House and the Senate, I have seen us, year after year, struggle and fight, and squeeze the appropriations, and then, time after time, it all goes right back in a supplemental bill.

I do wish to say, however, that I congratulate and commend the distinguished Senator from Rhode Island. I think that on the years I have served on Appropriations Committees of Congress, I do not recall a chairman of a supplemental appropriation who has tried any harder to avoid the very thing I have just commented upon.

I did vote against the bill when it passed the Senate the other day, partly because of the general principles of the resolution I had formed, and partly because I thought this particular bill went too far in certain respects.

I think the results of the conference have been, on the whole, very satisfactory. I think, in justice to the Senator from Rhode Island, that there is not anyone who can say that this supplemental has not been screened with the very greatest of care; and I intend to vote for it should there be a rollcall.

Again I commend the distinguished Senator from Rhode Island and his associates.

Mr. PASTORE. I thank the Senator very much.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. PASTORE. I yield to the majority leader.

Mr. MANSFIELD. Mr. President, I join my fellow Senators in commending the distinguished Senator from Rhode Island, who is really a wizard in conference, and who can accomplish more than any other Senator that I know of when he gets down to business.

May I say to the distinguished Senator from South Dakota that I, too, am very sorry that his efforts to get some very badly needed appropriation moneys for the Indian claims was not allowed; but by the same token, I am delighted that there is firm language in the report which holds out more than a strong hope that early next year this matter will be attended to.

While I am on my feet, I say to the distinguished chairman and all of the members of the committee, on behalf of the people of Montana, that I am indeed grateful that it was possible, because of their efforts and the acquiescence of the House conferees, to retain the legislative reallocation for the Kelley Flats Airport in Montana.

Mr. PASTORE. I thank the Senator. I have only one observation, Mr. President: Encomiums of this high quality are usually paid only to a Senator who is about to leave the Senate. I have no such intention.

Mr. MILLER. Mr. President, in the conference report, under Office of Economic Opportunity, there appears this language: "$1,773,000,000: *Provided,* That those provisions of the Economic Opportunity Amendments of 1967 that set mandatory funding levels for programs newly authorized therein, shall not be effective until the fiscal year ending June 30, 1968."

I have two questions. I take it it will be effective for the fiscal year 1969. Second, will the Senator give us an example of how that would work?

Mr. PASTORE. Mr. President, if the Senator will hold that question in abeyance until we get through with this matter, I will get into that in some depth. We will bring up the matter at that time.

Mr. MILLER. I will be happy to wait.

Mr. PASTORE. The Senator from Pennsylvania and the Senator from New York want to discuss that very proposition. I will answer those questions at that time, with the kind indulgence of the Senator.

So, in conclusion, the total of the bill would be $1,842,923,790, which is $234,586,519 under the Senate version of $2,077,510,309; $163,487,290 over the House version, which totaled $1,679,436,500; and $277,861,210 under the budget estimates, which totaled $2,120,785,000.

Mr. President, we are ready for the vote.

Mr. CLARK. Mr. President, is the Senator from Rhode Island now prepared to discuss the provisions with respect to the Economic Opportunity Act appropriations?

Mr. PASTORE. I am.

Mr. CLARK. I would like to make a statement and see if my friend, the Senator from Rhode Island, is in accord with what I say.

The House has added to the appropriations bill, as it passed the Senate, the following amendment: "$1,773,000,000, *Provided,* That those provisions of the Economic Opportunity Amendments of 1967 that set mandatory funding levels for programs newly authorized therein shall not be effective during fiscal year 1968."

In explaining this proposed amendment, Representative MAHON, the chairman of the House conferees said on the floor of the House:

> The authorization bill for the Office of Economic Opportunity included a few new programs. In at least two instances, a floor was placed in the legislation with regard to the amount of funds that were to be used for these programs. For instance, with regard to the new Special Impact Programs.

I pause to point out that the special impact program is not new. It was in effect last year, has been authorized and is presently an ongoing program; $25 million was appropriated for it. It is presently in effect. I go back to the quotation:

> The authorization bill carries the following language: "Of the sums appropriated or allocated for any fiscal year for programs authorized under this title, the Director shall reserve not less than 7 percent for the purpose of carrying out this part." Also, in connection with the newly authorized Emergency Food and Medical Services.

I interpolate that this is a new authorization for this program. There never was specific reference to it before, although the OEO has always had general authority to fund such assistance.

I continue the quote:

> The bill carries the following language: "The Director shall reserve and make available not less than $25,000,000 for the fiscal year ending June 30, 1968, and not less than $50,000,000 for the fiscal year ending June 30, 1969, for the purpose of carrying out this program."
>
> Since practically one-half of the fiscal year is passed and since it is highly unlikely that these new programs can be immediately inaugurated since rules and regulations and guidelines must be established, the conferees felt it unwise to require that not less than a certain sum be spent on such programs. The managers on the part of the House will offer a motion in connection with Amendment No. 3 which will include language to set aside these floors on all new programs for fiscal year 1968.

The motion was the one I read a moment ago.

I continue to quote:

> This action is not taken with a view to discouraging the prompt initiation of the programs but simply to give the Director some discretion in the matter of funding. The language in the motion which will be offered is effective only for the remainder of this fiscal year. It does not extend to fiscal year 1969.

I ask my friend, the Senator from Rhode Island, whether the net effect of that is not solely to remove from the special impact program, whether or not it is new, the mandatory 7-percent floor and to remove from the emergency food program, which is new, the mandatory $25 million floor, and leave the expenditure of the whole $1,773 million and, within that total, the funds allocated to the two programs, substantially within the discretion of Mr. Shriver, the director of the Office of Economic Opportunity.

Mr. PASTORE. The Senator is absolutely correct. I think we ought to place in the RECORD the whole historical background that led to this.

This was not unilateral initiative on the part of the House. This was also a suggestion on the part of the conferees of the Senate.

Here is the full picture, and I hope we will all harken to the figures I give.

The Senate legislative committee authorized $2,258 million for this fiscal year. That was the authorization.

The administration submitted a budget estimate of $2,060 million. When the measure went to conference between the House and Senate, they agreed on a figure of $1,980 million.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. PASTORE. I hope the Senator will not bring this up now, but will wait until we get through. I will then come back.

Mr. CLARK. That will be satisfactory.

Mr. PASTORE. Mr. President, we reported from the subcommittee of the Appropriations Committee the amount that was agreed to in conference, the authorized amount of $1,980 million.

When Mr. Shriver appeared before our committee, he explained that in order for him to carry out all of the programs that are now in progress at the current level would require $1,788 million.

When we went to the conference, the best figure we could get was $1,773 million, which is $15 million below the amount that Sargent Shriver said he would need in order to carry out the programs he is now conducting at the current level. That means that if he is to pursue that course, to begin with, he will be short $15 million.

If we set a floor on any particular program—and the requirement in the authorization bill on this was 7 percent set aside of the amount appropriated for title I—and if we take 7 percent of the amount agreed upon in conference, that comes to $49 million.

If we take $49 million in that program and then take the Stennis program of $25 million, that brings us to a total of $74 million.

If we take $74 million out of $1,773 million, and allocate it to one program, it necessarily means that Sargent Shriver would have to begin either to cut down, suffocate, or cut out one of the ongoing programs.

In order not to put him in that box—and I use that word advisedly—we thought that the best way to handle it, if all the money he was going to have was $1,773 million, was to give him the flexibility and the discretion to run this program, and, if at any time, he felt he could put a little more money in one program than in another program, or reallocate the money, he ought to be given that discretion. And that was done.

Because of that fact, we removed the restriction, and that was the only reason for it—not because we did not want to pursue the impact program, not because we did not want him to feed the hungry children. We want him to do all that. But we wanted to give him the latitude to use $1.773 billion the best way he knew in carrying out the purpose of Congress. That is the only reason we did it.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. CLARK. I agree with everything the Senator has said, and I believe what he did was sensible and wise.

I should like to make just two additional comments.

First. The Senator—quite inadvertently, I am sure—referred to the amount requested by the administration as $2,060 million, which is correct; but the amount authorized by the House was only $1,600 million.

Mr. PASTORE. Appropriated, rather.

Mr. CLARK. Authorized.

Mr. PASTORE. Authorized, too?

Mr. CLARK. Yes.

So that when we went to conference on the authorization bill, we had a pretty tough time getting them up to $1,980,000,000.

Mr. PASTORE. That is correct.

Mr. CLARK. And I congratulate the Senator from Rhode Island again for sticking with the authorization committee in bringing out of the Senate the full amount authorized.

My final point is that, although the special impact program is no longer manditorily earmarked because, with all due deference to the Appropriations Committee, they undertook to tinker with the legislative authorization bill——

Mr. PASTORE. We had to, under the circumstances.

Mr. CLARK. I am not quarreling with the Senator.

Mr. PASTORE. It is not a matter of tinkering. It is a matter of doing what is right.

Mr. CLARK. Now, let us make this clear. Certainly, so far as the authorization committee is concerned—and I speak as the chairman of the conference committee on the authorization—I hope very much that despite the amendment which has been introduced in the appropriation bill, the Office of Economic Opportunity and the Bureau of the Budget will look with great favor upon feeding the hungry children and adults of America and using some part of this bill for the Stennis program, the emergency food and medical services.

I hope, also, that since the special impact program is not a new program—it is already in effect—some part of the money with respect to which he has acquired new flexibility, by reason of the action of the Appropriations Committee, will be spent to keep the special impact program going at least at the rate at which funds were appropriated for it last year, and I hope more.

I thank the Senator from Rhode Island.

Mr. PASTORE. Mr. President, if Sargent Shriver does not feed the hungry children with this money, then I do not know the man; because I know of no greater man or greater humanitarian who came over the pike in my public life than Sargent Shriver. I have complete confidence in him. I think he is a great administrator, a great American, and a great humanitarian.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. JAVITS. I should like to join the majority leader and other Senators in a tribute to the creativity, the skill, the integrity, and the fair attitude of the Senator from Rhode Island, whom I have the pleasure of working with in the Appropriations Committee. I speak as a conferee on the authorization bill, as the ranking minority member of the legislative committee, and now as a member of the Appropriations Committee—and I believe I have been through as many of these negotiations as anyone else.

What the Senator has done now is to make crystal clear, in my judgment, what the situation amounts to. I shall not repeat what has been done.

The Senator will recall that one of the most creative actions taken by the Appropriations Committee was the statement in the report which resulted from the suggestion of the Senator from Maine [Mrs. SMITH], which reads as follows:

> The Office of Economic Opportunity is directed to examine, reexamine, and keep its programs under constant evaluation, with a view toward weeding out programs that are insufficient and replacing them with either proven or new programs which are more promising. The committee strongly feels that much greater concentration should be directed toward the worst areas of poverty. The committee is to be kept informed.

Is there anything that has been done by the conference, that has been said in that conference, in the other body, or said here, which, in the judgment of the manager of the conference report, changes the direction that is there stated?

Mr. PASTORE. No. As a matter of fact, it should be made clear that we expect Sargent Shriver to have the flexibility to move around. He is admonished in this report to watch these programs very closely, to see whether, in his judgment, they are carrying out the purpose, whether they are too expensive, or for any other reason, and to do what needs to be done. This is the admonishment and I believe it is acceptable to him, and I believe he will do it.

Mr. JAVITS. When we speak of authorized programs in the committee report, we include even programs in which we have eliminated the concept of floor? That all programs, including previously authorized or old programs—such as community action, special impact, and small business assistance—as well as newly authorized programs—such as emergency food and day care—all stand on the same footing in terms of their eligibility for funding?

Mr. PASTORE. That is correct.

Mr. JAVITS. So that the Senator would agree that we have eliminated floors, but we have set no ceilings?

Mr. PASTORE. We have not vitiated these programs. We have not touched these programs. All we have done is to remove the compulsory floor. That, I am afraid, would have tied up the administrator a little too unduly.

Mr. JAVITS. The Senator will recall that when we discussed this matter at the time the supplemental appropriation bill was before us. I made reference to the fact that in the report of the other body, in the report of the House Appropriations Committee, they sought to earmark more than $1 million of the supplemental appropriation for special purposes. The Senator then said:

> Therefore, we, in our report, vitiated that. We will go into a conference and talk about it and I do not think we will have much trouble.

I ask the Senator this question: As the result of the conference, the Senator states to the Senate that the earmarking attempted in the House Appropriations Committee report was vitiated?

Mr. PASTORE. That is correct.

Mr. JAVITS. Now, last, is the Senator's view confirmed, in his judgment—I believe it is, but I ask his judgment—by the statement of Chairman Mahon of the House Appropriations Committee, on the House floor—the statement which Senator Clark read—when he stated:

This action—

To wit, the adoption of this particular amendment to the legislation which was adopted in the House—

is not taken with a view to discouraging the prompt initiation of the programs—

Including the new programs—

but simply to give the Director some discretion in the matter of funding.

Mr. PASTORE. That is correct.

Mr. JAVITS. I thank the Senator. If there is any question about it, it certainly will not be because we did not have it very clear.

Mr. PASTORE. To return to the question asked by my distinguished colleague, the Senator from Iowa [Mr. Miller], this only applies to 1968. It does not apply to 1969. So far as 1969 is concerned, what was authorized and contained in the authorization bill is binding.

Mr. MILLER. I thank the Senator. I especially appreciate the full explanation by both the Senator from Rhode Island and the Senator from Pennsylvania.

Mr. JAVITS. Mr. President, may I say that the statement which I attributed to Mrs. Smith, which was initiated by her, is the result of the joint work of Mrs. Smith and Senator Milton Young, the ranking minority member of our committee.

Mr. CANNON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Louisiana [Mr. Ellender], the Senator from Alaska [Mr. Gruening], the Senator from Hawaii [Mr. Inouye], the Senator from Missouri [Mr. Long], and the Senator from Connecticut [Mr. Ribicoff] are absent on official business.

I also announce that the Senator from New Mexico [Mr. Anderson], the Senator from Alaska [Mr. Bartlett], the Senator from Indiana [Mr. Bayh], the Senator from Connecticut [Mr. Dodd], the Senator from Mississippi [Mr. Eastland], the Senator from Indiana [Mr. Hartke], the Senator from Alabama [Mr. Hill], the Senator from North Carolina [Mr. Jordan], the Senator from Louisiana [Mr. Long], the Senator from Minnesota [Mr. McCarthy], the Senator from Minnesota [Mr. Mondale], the Senator from Oklahoma [Mr. Monroney], the Senator from Georgia [Mr. Russell], the Senator from Florida [Mr. Smathers], the Senator from Alabama [Mr. Sparkman], and the Senator from Georgia [Mr. Talmadge] are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico [Mr. Anderson], the Senator from Alaska [Mr. Bartlett], the Senator from Indiana [Mr. Bayh], the Senator from Connecticut [Mr. Dodd], the Senator from Alaska [Mr. Gruening], the Senator from Alabama [Mr. Hill], the Senator from Hawaii [Mr. Inouye], the Senator from North Carolina [Mr. Jordan], the Senator from Louisiana [Mr. Long], the Senator from Minnesota [Mr. Mondale], the Senator from Oklahoma [Mr. Monroney], the Senator from Connecticut [Mr. Ribicoff], and the Senator from Florida [Mr. Smathers] would each vote "yea."

On this vote, the Senator from Louisiana [Mr. Ellender] is paired with the Senator from Mississippi [Mr. Eastland]. If present and voting, the Senator from Louisiana would vote "yea," and the Senator from Mississippi would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. Aiken], the Senator from California [Mr. Kuchel], the Senator from California [Mr. Murphy], the Senator from Illinois [Mr. Percy], and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from Colorado [Mr. Allott] is absent on official business.

The Senator from Vermont [Mr. Prouty] is absent because of illness.

If present and voting, the Senator from Vermont [Mr. Aiken], the Senator from Colorado [Mr. Allott], the Senator from California [Mr. Kuchel], the Senator from California [Mr. Murphy], the Senator from Illinois [Mr. Percy], and the Senator from Pennsylvania [Mr. Scott] would each vote "yea."

The result was announced—yeas 69, nays 3, as follows:

[No. 394 Leg.]

YEAS—69

Baker
Bennett
Bible
Boggs
Brewster
Brooke
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Carlson
Case
Church
Clark
Cooper
Cotton
Curtis
Dirksen
Dominick
Ervin
Fannin
Fong
Fulbright
Gore
Griffin
Hansen
Harris
Hart
Hatfield
Hayden
Hickenlooper
Holland
Hollings
Hruska
Jackson
Javits
Jordan, Idaho
Kennedy, Mass.
Kennedy, N.Y.
Lausche
Magnuson
Mansfield
McGee
McGovern
McIntyre
Metcalf
Miller
Montoya
Morse
Morton
Moss
Mundt
Muskie
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Smith
Spong
Symington
Tower
Tydings
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—3

McClellan
Stennis
Thurmond

NOT VOTING—28

Aiken
Allott
Anderson
Bartlett
Bayh
Dodd
Eastland
Ellender
Gruening
Hartke
Hill
Inouye
Jordan, N.C.
Kuchel
Long, Mo.
Long, La.
McCarthy
Mondale
Monroney
Murphy
Percy
Prouty
Ribicoff
Russell
Scott
Smathers
Sparkman
Talmadge

So the conference report was agreed to.

Mr. PASTORE. Mr. President, I move that the vote by which the conference report was adopted be reconsidered.

Mr. HOLLAND. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The clerk will report the amendments in disagreement.

The legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 3 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: "$1,773,000,000: *Provided*, That those provisions of the Economic Opportunity Amendments of 1967 that set mandatory funding levels for programs newly authorized therein shall not be effective during the fiscal year ending June 30, 1968".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 19 to the aforesaid bill, and concur therein with an amendment, as follows:

Change the section number in said amendment from "Sec. 602" to read: "Sec. 502".

Mr. PASTORE. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 3 and 19.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Rhode Island.

The motion was agreed to.

Mr. PASTORE. Mr. President, I ask unanimous consent to have printed in the Record a tabulation of the bill reflecting the budget estimates submitting the amount agreed to in the House and the amounts agreed to in the Senate on the final conference figure.

There being no objection, the tabulation was ordered to be printed in the Record, as follows:

COMPARATIVE STATEMENT OF BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL

Department or activity	Budget estimate	Version of bill		Conference action
		House	Senate	
CHAPTER I				
INDEPENDENT OFFICES				
Appalachian Regional Commission				
Salaries and expenses	$785,000	$706,500	$785,000	$745,750
Appalachian regional development programs	[1] 60,000,000	54,000,000	64,200,000	56,700,000
Total chapter I	60,785,000	54,706,500	64,985,000	57,445,750
CHAPTER II				
DEPARTMENT OF THE INTERIOR				
Office of Saline Water				
Salaries and expenses	(13,482,000)	10,000,000	10,000,000	10,000,000
PUBLIC LAND LAW REVIEW COMMISSION				
Salaries and expenses		2,200,000	2,200,000	2,200,000
Total chapter II		12,200,000	12,200,000	12,200,000

COMPARATIVE STATEMENT OF BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL—Continued

Department or activity	Budget estimate	Version of bill		Conference action
		House	Senate	
CHAPTER III				
OFFICE OF ECONOMIC OPPORTUNITY				
Economic opportunity program	$2,060,000,000	$1,612,500,000	$1,980,000,000	$1,773,000,000
CHAPTER IV				
LEGISLATIVE BRANCH				
Senate				
Contingent expenses of the Senate:				
Folding documents			8,000	8,000
Postage			9,040	9,040
House of Representatives				
Gratuity to widow of deceased member		30,000	30,000	30,000
Architect of the Capitol				
Capitol buildings and grounds:				
Extension of the Capitol (by transfer)		[2] (135,000)	[2] (135,000)	[1] (135,000)
Senate Office Buildings			231,000	231,000
Library buildings and grounds, Library of Congress:				
James Madison Memorial Building			2,800,000	
Total chapter IV		30,000	3,078,040	278,040
CHAPTER V				
Claims and judgments			17,247,269	
Grand total	2,120,785,000	1,679,436,500	2,077,510,309	1,842,923,790

[1] Excludes $4,200,000 requested but previously carried as a budget estimate in other appropriation bills.

[2] To be derived by transfer from "Expansion of facilities, Capitol Power Plant."

Mr. PASTORE. Mr. President, if I may have just one moment, I know we are coming to the end of our day, which will probably be the last day of this session, but I want to take this occasion to thank all members of the Appropriations Committee for their fine cooperation in working out these last two bills under very trying circumstances, but particularly to say a word of praise to the members of the staff, to all the dedicated young men and women who devoted themselves so arduously to their responsibilities, which made things easier than they otherwise would have been.

I say to my colleagues now in the Chamber, as this may be the last day I am on my feet to speak here during this session, I want to wish you all a Merry Christmas.

Mr. HOLLAND. Mr. President, may I say, as one who labored in the vineyard a little bit with our distinguished chairman in trying, first, to bring out a foreign aid bill and, second, in conferences with the other body in trying to bring the final figures together, that we have at last produced a final figure which has been adopted and now goes to the President for his signature. Also in the hearings, and the testimony for the building of supplemental appropriations and the handling of them both on the floor and in conference, and now in the conference report, I want to say that I do not believe I have ever seen such a diligent, such a patient, such an aggressive—it is hard to be both patient and aggressive at the same time, but we have seen that here—such an altogether effective performance by any one Senator as I have seen displayed on the part of the distinguished senior Senator from Rhode Island [Mr. PASTORE].

I want to say that he should have a happy Christmas. He should go away from here with a conscience at perfect rest because he has done the finest job any person could do in handling these two difficult bills which came in here at "11:59" just before we go home at "midnight."

From the bottom of my heart, I want to congratulate him.

Mr. MANSFIELD. Mr. President, it is difficult to express my feelings at this time to the senior Senator from Rhode Island [Mr. PASTORE]. Rarely have I ever had the opportunity to witness any Senator managing two highly important conference reports with such outstanding skill and ability within such a short period of time. On the surface, the record cannot possibly demonstrate the long hours and tireless devotion involved in reaching an agreement at the conference concerning a matter of such magnitude as the supplemental appropriations measure containing the poverty program funds. But when that task is made doubly difficult with the addition of the foreign aid appropriations measure, it is a truly outstanding event. Senator PASTORE has earned the deepest gratitude of the entire Senate.

TABULATION OF ALL APPROPRIATION BILLS HANDLED DURING THE FIRST SESSION OF THE 90TH CONGRESS

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed in the RECORD a tabulation of all appropriation bills handled during the first session of the 90th Congress. Among other things, this table shows direct appropriations totaling $127,477,895,247 made during this session. This amount is $5,795,188,030 below the budget estimates submitted to the Senate.

In addition to the appropriation measures, the Congress has approved House Joint Resolution 888, which contains provisions to reduce Federal obligations in fiscal year 1968 in excess of $9 billion and Federal expenditures in fiscal year 1968 in excess of $4 billion under the budget estimates submitted by the President. The latter figures include specific reductions made by the Congress in the appropriation bills.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF ACTION ON APPROPRIATION BILLS, 90TH CONG., 1ST SESS.

[Does not include any permanent appropriations [1]]

	Budget estimates considered by House	Passed House	Budget estimates considered by Senate	Passed Senate	Enacted	(+) or (−), enacted compared to budget
Bills for fiscal 1968:						
Treasury-Post Office	$7,613,787,000	$7,499,230,000	$7,615,148,000	$7,555,167,000	$7,545,641,000	−$69,507,000
District of Columbia:						
Federal payments	63,499,000	59,499,000	73,499,000	71,499,000	67,478,200	−6,020,800
Federal loan appropriation	49,600,000	48,100,000	89,700,000	79,200,000	79,200,000	−10,500,000
Interior	1,443,793,000	1,365,310,150	1,458,218,000	1,399,359,550	1,382,848,350	−75,369,650
Loan and contract authorizations	(30,700,000)	(16,200,000)	(30,700,000)	(16,200,000)	(16,200,000)	(−14,500,000)
Independent Offices-HUD	[2] [3] 10,804,642,700	[2] [3] 10,013,178,782	[2] [3] 10,820,513,700	[2] [3] 10,514,830,900	[2] [3] 10,139,473,900	−681,039,800
Contract authorization (rent supplements)	(40,000,000)		(40,000,000)	(40,000,000)	(10,000,000)	(−30,000,000)
Labor-HEW	[3] 13,322,603,000	[3] 13,137,488,000	[3] 13,424,146,000	13,421,660,000	[3] 13,255,356,000	−168,790,000
State, Justice, Commerce, and Judiciary	[3] 2,342,942,000	[3] 2,194,026,500	[3] 2,347,803,195	[3] 2,186,105,500	[3] 2,169,012,500	−178,790,695
Legislative	231,311,132	228,089,952	276,005,210	275,885,804	275,699,035	−306,175
Agriculture	[3] 5,021,097,400	[3] 4,770,580,950	[3] 5,021,097,400	[3] 6,782,529,789	[3] 4,952,945,700	−68,151,700
Loan authorization	(859,600,000)	(859,600,000)	(859,600,000)	(909,000,000)	(859,600,000)	
Defense	71,584,000,000	70,295,200,000	71,584,000,000	70,132,320,000	69,936,620,000	−1,647,380,000
Transportation	[4] 1,718,618,772	[4] 1,530,198,372	[4] 1,718,618,772	[4] 1,651,407,272	[4] 1,581,905,772	−136,713,000
Public works	4,867,813,000	4,622,922,000	4,867,813,000	4,776,064,000	4,689,938,000	−177,875,000
NASA	5,100,000,000	4,583,400,000	5,100,000,000	4,678,900,000	4,588,900,000	−511,100,000
Military construction	2,937,000,000	2,142,693,000	2,937,000,000	2,099,350,000	2,093,362,000	−843,638,000
Foreign assistance	3,818,736,000	2,775,011,000	3,818,736,000	3,313,345,000	2,876,591,000	−942,145,000
Supplemental (poverty, Appalachia, etc.)	2,120,785,000	1,679,436,500	2,120,785,000	2,077,510,309	1,842,923,790	−277,861,210
Subtotal, 1968 bills	133,040,228,004	126,944,364,206	133,273,083,277	131,015,134,124	127,477,895,247	−5,795,188,030

See footnotes at end of table.

SUMMARY OF ACTION ON APPROPRIATION BILLS, 90TH CONG., 1ST SESS.—Continued

[Does not include any permanent appropriations [1]]

	Budget estimates considered by House	Passed House	Budget estimates considered by Senate	Passed Senate	Enacted	(+) or (−), enacted compared to budget
Bills for fiscal 1967:						
Defense supplemental (Vietnam)	12,275,870,000	12,196,520,000	12,275,870,000	12,196,520,000	12,196,520,000	−79,350,000
2d supplemental	2,134,932,833	2,041,826,133	2,257,604,652	2,260,246,933	2,197,931,417	−59,673,235
Subtotal, 1967 bills	14,410,802,833	14,238,346,133	14,533,474,652	14,456,766,933	14,394,451,417	−139,023,235
Total for the session	147,451,030,837	141,182,710,339	147,806,557,929	145,471,901,057	141,872,346,664	−5,934,211,265

[1] Permanent "appropriations" were tentatively estimated in January budget at about $15,212,066,000 for fiscal year 1968. (All forms of permanent "new obligational authority" for 1968 were tentatively estimated in the January budget at $17,452,899,000.)

[2] Includes advance funding for fiscal 1969 for urban renewal and mass transit grants (budget, $980,000,000; House bill, $925,000,000; Senate bill, $955,000,000; enacted, $925,000,000.)

[3] And participation sales authorizations as follows: Independent Offices-HUD, $3,235,000,000 in budget estimates, $881,000,000 in House bill, $3,235,000,000 in Senate bill and $3,235,000,000 enacted; Labor-HEW, $115,000,000 in budget estimates, House bill and enacted; State, Justice, Commerce, and Judiciary, $150,000,000 in budget estimates. House bill, Senate bill and enacted; Agriculture, $800,000,000 in budget estimates and House bill, $700,000,000 in Senate bill and $750,000,000 enacted. Total authorizations requested in budget, $4,300,000,000; total in House bills, $1,946,000,000; total in Senate bills, $4,085,000,000; total enacted, $4,250,000,000.

[4] Includes advance funding for fiscal 1969 for grants-in-aid for airports (budget $75,000,000; House bill, $65,000,000; Senate bill, $75,000,000; enacted, $70,000,000).

Mr. **HAYDEN**. Mr. President, I also ask unanimous consent to have printed in the RECORD a tabulation giving the effect of the reductions under the "10 percent-2 percent" formula that was enacted as title II of House Joint Resolution 888.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

EFFECT OF TITLE II OF H.J. RES. 888 ON CONTROLLABLE OBLIGATIONS

[In millions]

Department or agency	Budgeted controllable obligations (1)	Congressional reductions in obligations (estimate) (2)	H.J. Res. 888 additional reductions (estimate) (3)	Total reductions (estimate) (4)	Revised obligations (estimate) (5)
Agriculture	$4,322	+$72	$448	$376	$3,946
Commerce	1,070	104	None	104	966
Corps of Engineers	510	10	57	67	443
Health, Education, and Welfare	7,498	174	542	716	6,782
Housing and Urban Development	1,351	488	150	638	713
Interior	1,668	85	43	128	1,540
Justice	477	20	None	20	457
Labor	525	27	20	47	478
Post Office	532	62	49	111	421
State	306	6	12	18	288
Transportation	1,456	+6	104	98	1,358
Treasury	917	7	26	33	884
Atomic Energy Commission	2,646	115	85	200	2,446
General Services Administration	699	8	113	121	578
National Aeronautics and Space Administration	5,061	511	None	511	4,550
Veterans' Administration	1,754	1	118	119	1,635
Office of Economic Opportunity	2,060	287	None	287	1,773
Economic assistance	2,450	560	None	560	1,890
Other civilian programs	1,300	88	246	334	966
Allowances	2,450	----------	----------	----------	2,450
Interfund transactions	−682	----------	----------	----------	−682
Exceptions	----------	----------	+300	+300	300
Subtotal	38,370	2,475	1,713	4,188	34,182
Defense, non-Vietnam	54,100	2,516	2,884	5,400	48,700
Military assistance	595	196	None	196	399
Total	93,065	5,187	4,597	9,784	83,281

COPPER STRIKE

Mr. **METCALF**. Mr. President, regarding the meeting we had today on the subject of the copper strike, and then the round robin in the Chamber a short time ago, with the interesting colloquy concerning possible solutions to the copper strike, when I went back to my office I received a letter from a miner's wife who, more eloquently than anything I said, or the majority leader said, or any of the other Senators said, demonstrates the need to settle this unfortunate strike that has created such a desperate situation.

I ask unanimous consent to have printed in the RECORD this letter, exactly as written.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BUTTE, MONT.,
DECEMBER 13, 1967.

DEAR MR. METCALF: Am asking for a Federal fact finding board hearing for the Company & Unions.

Conditions are desperate here in Butte; Stores, restaurants & other businesses failing due to the strike & the company buying up the property for pit mining. People are being harassed to get us out of this area. The company wants people to take down these buildings so the cost to them is nil. I hope we get the same contract as Pima as I read so do you. My husband is 62 years old & we have been drawing on our savings to maintain our self respect. The Co. pensions as of now are $77.00 per mo. The teamsters get $135.00—Very few men receive pensions, also the company has realized a great profit on the group Insurances. Many have had to drop their group Ins due to lack of funds. With the help of God and you, Mansfield & Olson working in the Strikers behalf I am sure we can win.

Thanking you kindly,
The temperature now is −8

RESOLUTION OF THE VIETNAMESE SENATE

Mr. **THURMOND**. Mr. President, on December 8, 1967, by unanimous vote, the 54 Senators present at the Vietnamese Senate in Saigon condemned the acts of terrorism of the National Liberation Front in South Vietnam.

Recently, the State Department and our Ambassador to the United Nations were openly discussing the contacts they had made with members of the NLF.

I do not believe that they would be so anxious to meet with NLF agents if they read the contents of this resolution, particularly when the entire Vietnamese Senate denounced to the world the traitorous attitude of the NLF, the enemy of the Vietnamese people.

Mr. President, I ask unanimous consent to have this resolution printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Following is the resolution passed by the Vietnamese Senate on Friday, December 8, 1967, condemning all schemes designed to recognize the National Liberation Front under any form. After the debate, the resolution was unanimously adopted by all 54 Senators present:

"The Senate of the Republic of Vietnam energetically condemns the acts of terrorism and sabotage of the National Liberation Front in the southern part of Vietnam, the most striking example of which is the atrocious massacre of refugees from communism at Dak Son on December 5, 1967.

"The Senate affirms that the National Liberation Front usurps the name of 'The Government of Vietnam' and is only the tool of aggression from North Vietnam. All plots to recognize the National Liberation Front in any form are violations of the right of self-determination of the Vietnamese people.

"Once again the Senate denounces before domestic and international opinion the traitorous attitude of the National Liberation Front, the enemy of the Vietnamese people."

SOCIAL SECURITY CONFERENCE REPORT

Mr. **DIRKSEN**. Mr. President, one of the local newspapers published a story concerning so-called senatorial maneuvers with respect to the social security conference report. In the article, written by Mr. Walter R. Mears of the Associated Press, he speaks of two of our distinguished Senators, the Senator from Louisiana [Mr. LONG] and the Senator from West Virginia [Mr. BYRD] as follows:

Long and Byrd engineered passage of a bill, the Social Security increase, when only a handful of Senators were on hand soon after the Senate convened at 9 a.m. yesterday.

Well, that term "engineered" is not quite a correct term. There were enough Senators here and enough Senators who could hear to know precisely what was going on. I was in and close to the well most of the time, and I knew what was going on. When the distinguished Senator from Ohio, the Presiding Officer, said, "The question is on adoption of the conference report," and the question was "yes" or "no," the question was put, and that was it. The question was raised about reconsideration. I forget, but I think I made the motion to table.

So I accept my share of the responsibility, and in so doing I do not apologize for a moment to any Senator who was asleep at the switch. If they are going to conduct a "minibuster," or filibuster, or some other kind of "buster," they had better be "up and at 'em" and better be "watching their apples," because it is not my function or that of the majority leader to have to call up Members of this body and say, "Please come over here if you want to be heard, please come over here if you want to vote, please come over here if you want to participate."

That is what the staff is here for. They keep everybody advised as to what is going on.

I think this kind of article is a distinct disservice to two outstanding Senators, Senator LONG of Louisiana, and also Senator BYRD of West Virginia. The Senator from West Virginia has exhibited the greatest kind of patience on this floor, who has been diligent almost to a fault, and who has been here early and late. Instead of scolding them as this article does, I think they ought to be applauded for their actions in the Senate, for keeping the Senate moving. It cannot be stalemated. It cannot be stopped, particularly in the adjournment season. Every Senator ought to know, and he ought to be here, when he contemplates action of some kind in order to stalemate adjournment and have this go into another week or have the social security bill go over into a new year.

Fortunately, it turned out all right, because we were put into a bargaining position where we could get a day certain for a vote. Wherever I participated and whatever I had to do in it, I accept that role gladly, cheerfully, and proudly.

Mr. METCALF. Mr. President, I would like to respond to the statement made by the Senator from Illinois. The Senator from West Virginia and I had discussions about this very matter this morning. I have just been handed the material that the distinguished minority leader put in the RECORD. As far as the Senator from Montana is concerned, it is a moderate and accurate description of what happened. The junior Senator from Montana was prepared to talk on the bill. He went to the acting majority leader, he went to the manager of the bill on the floor, and told each of them he was prepared to talk on the legislation the night before. The Senator from Tennessee [Mr. GORE] said, "I am hungry. Let's go home." I said, "Very well. I will talk tomorrow. I want to make a statement on this important and significant legislation." Then I said to him, "I have a meeting of a committee at 9:30, where one of my constituents will come in and is to be confirmed for a nomination on the Indian Claims Commission. I would like to talk on the bill."

This does not involve any kind of a "buster." It involves a question of the right of a Member of the Senate to make a presentation on the floor. There were weeks of hearings in the House of Representatives. There were pages of debates. There were weeks of hearings in the Senate. There were days of executive hearings. We had debate on the floor. This Senator sat on this floor and listened as patiently and as courteously as he could while the various members of the conference committee made their points, made their discussions and their defense of the legislation. This Senator was ready, later that evening, while most Senators had gone home, including the Senator from Illinois, to make his statement on the bill. This Senator expected the manager of the bill and the acting majority leader to keep the commitment made to him and give him the opportunity to speak before final passage.

I did not rely on the Senator from Maryland. I did not rely on any Senator. I did rely not on anything except the ordinary, customary courtesy the minority leader always affords Members on his side and the acting majority leader has always afforded Senators on this side before—that I would be notified and I would be able to go to my committee meeting as expected.

Mr. DIRKSEN. Mr. President, I reiterate what I said before as to what happened. I am describing what happened on the floor.

Mr. METCALF. I am describing what happened on the floor.

Mr. DIRKSEN. I was not privy to conversations with the chairman of the Finance Committee or anyone else, but I was standing here in the well of the Senate, and I could hear, emphatically and distinctly, the question that was put. I think everybody in the Chamber heard it. He should have heard it. There was no undue confusion or commotion. What should the Chair have done under the circumstances? Look around and ask some Senator if he did not have a few kind remarks to make? That is not the function of the Chair.

Mr. METCALF. The chairman of the committee, as the floor manager of the bill, who left the Senator from Tennessee to make commitments for him, should have notified me, when they told me I could go to the committee meeting to introduce my distinguished constituent, who was going to be confirmed.

Mr. DIRKSEN. I object to any account which says something was "engineered" by a couple of Senators, because when one uses the word "engineered," one gets the idea that it was carefully planned and that the plan was carefully carried out. Nothing of the kind happened here. The idea of attributing to the Senator from West Virginia some kind of engineered plan is simply not in accord with the facts.

Mr. METCALF. I have not used the word "engineered," but I will stand on the record made by the acting majority leader, manager of the bill, and the Senator from Tennessee, who was acting after the Senator from Louisiana had gone home, and the record made this morning.

Mr. DIRKSEN. And I likewise stand on the record, because the distinguished Senator from Maryland was in the rear row——

Mr. METCALF. I did not rely on the Senator from Maryland.

Mr. DIRKSEN. I did not say the Senator did.

Mr. METCALF. I did not rely on any other Senator. I relied on customary courtesy when I went to the acting majority leader, and expected him to protect my right, just as the Senator from Illinois protects the rights of Senators on his side.

Mr. President, I ask unanimous consent that an article which appeared in the Evening Star of today be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATOR'S MANEUVER BACKFIRES: BENEFITS BILL NO BENEFIT TO LONG, BYRD

(By Walter R. Mears)

Senate Democratic whip Russell B. Long, who knows which wires to cross to make sparks fly in the Senate, may have a short circuit on his hands.

A key Senate Democrat believes that with one 30-second exercise yesterday, Long has dimmed—perhaps eliminated—the chance that he will one day become Democratic leader.

And the leadership ambitions of Sen. Robert C. Byrd, D-W. Va., now No. 3 in the Senate's Democratic hierarchy, apparently also suffered in the same process.

Long and Byrd engineered passage of a bill, the Social Security increase, when only a handful of senators were on hand soon after the Senate convened at 9 p.m. yesterday.

Byrd made the routine motion which normally renders passage final. But nothing is really final in the Senate, so the whole process was swiftly undone, to be voted on again today.

A bloc of Senate Democrats oppose restrictions on federal welfare aid written into the Social Security bill, and they wanted to talk about the subject.

They assumed that, in the club-like custom of the Senate, they would be protected by Democratic leaders—that is, that there would be no vote until they had their say.

Democratic Leader Mike Mansfield was on the telephone in his office when Long seized the leadership reins and, as the man in charge of the Social Security bill, moved for its approval.

Long's is a dual role for, in addition to being Mansfield's deputy, he is chairman of the Finance Committee.

It wasn't the first time Mansfield had seen his deputy try to take charge. In an earlier disagreement over a tax bill, Mansfield declared the issue to be a vote of confidence in his leadership. He won.

This time he said that a leader is entitled to some consideration when he must leave the floor, and added:

"There is such a thing as decorum and dignity in this body."

"There are times when under pressure senators do things which they're sorry for later," Mansfield said afterwards.

But an unrepentent Long left town for Louisiana defending his tactics.

"The way to break a filibuster is to vote when you have a chance to vote," Long said.

"I thought I was dealing with men,"

snapped Sen. Robert F. Kennedy, D-N.Y., who said he had an understanding with Long that there would be no vote until he had spoken on the bill.

Byrd stepped in at this point, and said he resented Kennedy's words. He denied there was any deception, and added he had repeatedly delayed Senate roll calls to suit the New York's convenience.

"For whatever I've done, I apologize," said Byrd, who moved into the Democratic leadership this year as secretary to the Democratic conference and has worked hard at the job.

Long is serving his second term as Democratic whip. His stewardship this year has sometimes been abrasive. And there have been past differences with Mansfield.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination.

There being no objection, the Senate proceeded to consider executive business.

DEPUTY UNDER SECRETARY OF STATE

The assistant legislative clerk read the nomination of Charles E. Bohlen, of the District of Columbia, to be a Deputy Under Secretary of State, reported earlier today from the Committee on Foreign Relations.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

REPORT OF THE POLITICAL COMMITTEE OF THE NORTH ATLANTIC ALLIANCE

Mr. JAVITS. Mr. President, as a member of the delegation to the North Atlantic Assembly, I attended sessions of it at the end of last month at Brussels. This is an Assembly with which I have been connected as a Senate delegate for the last 10 years. It affords an opportunity for the parliamentarians to synthesize disparate views of member nations. France still participates fully and actively in the 15-member North Atlantic Assembly. This gives an opportunity to have some association with the parliamentarians of France, which is most valuable.

I have the honor to state to the Senate that I was the rapporteur of the Political Committee of the North Atlantic Assembly. Because I believe Senators will be interested in the report, I ask unanimous consent that it be printed in the Record at the conclusion of my remarks.

There being no objection, the report was ordered to be printed in the Record, as follows:

Report of the Political Committee

(Submitted by Senator Jacob K. Javits, rapporteur)

INTRODUCTION

1. The North Atlantic Alliance today finds itself in a period of rapid change and intense activity. 1967 has seen a renewed sense of purpose in the Alliance, reflected in part by initiatives and decisions taken at the December 1966 and June ministerial meetings and the May meeting of Defense Ministers. These range from the Study of the Future of the Alliance and establishment of permanent machinery for nuclear consultations, to the recent agreement on revised political guidance for NATO military authorities. Adjustments have been made regarding most of the issues arising from France's decision to withdraw from the Alliance's integrated military activities.

2. Underlying these encouraging developments is a fundamental fact: the Alliance and its associated arrangements and undertakings are accepted by the fourteen as essential to our security and unity of purpose. Organized Western strength remains an essential element in working toward better relations with the Soviet Union and the nations of Eastern Europe. It remains a necessary element in working toward an equitable and lasting settlement of the problems that divide Germany and Europe.

3. Yet, despite a number of encouraging developments, problems of the greatest importance remain to be resolved. Differences persist over what steps the Alliance should take to counter the growing Soviet presence in the Mediterranean and Middle East—areas of vital concern to the security and well-being of NATO members. Differences persist over the proposed non-proliferation treaty. Differences over problems outside the treaty area, including the Vietnamese conflict, represent other actual and potential sources of difficulty. Also, there is still no agreed common view of the role and purpose of NATO in the entire spectrum of political and non-military questions. The seriousness of these differences should not be underestimated. To do so could lead to grave consequences for Europe and for the Atlantic world. They must be faced frankly if the Alliance is to maintain its vitality and effectiveness.

4. A serious and continuing effort to resolve or limit basic differences of view on Alliance issues becomes especially important as 1969 approaches. This is the year in which any member country may invoke Article Thirteen in order to withdraw from the Treaty. It is necessary to demonstrate that after twenty years of existence NATO continues to respond to the needs of its members for security and to their aspirations for a peaceful and prosperous world. It is hoped that France will, at some point in the foreseeable future, resume its full role in NATO. However, in view of the damage already done by the partial Franch withdrawal, the effect of a complete withdrawal would be less drastic than some may think. Anxiety over the implied threat of complete withdrawal should not, therefore, be permitted to immobilize the Alliance.

THE CHANGING INTERNATIONAL SITUATION

5. Many of our difficulties, as well as our opportunities, arise from a feeling on both sides of the Atlantic that the international situation has changed drastically, and is continuing to change; that NATO has failed to keep pace with these changes in certain respects; and that it must be modernized if it is to remain responsive to the tasks of today and tomorrow. Critical and questioning attitudes exist in important segments of governmental, public and parliamentary opinion. These attitudes require clear and convincing answers.

6. What are the changes in the international situation that impinge directly or indirectly on the Alliance? They include—

The easing of tensions in Europe and the opportunities for improved East-West relations.

In particular, a more moderate Soviet tactical posture toward NATO, although basic Soviet objectives toward the West have not changed. Changes within the Communist nations and in relations among Communist states, notably the deterioration of Sino-Soviet relations.

The rapid development of technology, both civil and military.

Changing relations among the Allied powers consequent to the recovery of Western Europe and steps toward its reunification, reflected notably in development of the European communities.

The existence in all our countries of a dynamic and questioning *new generation* which is challenging established concepts and modes of thought.

The pressing needs and changing problems of the newly independent and developing nations.

The impinging on NATO of problems of security in Asia, the Middle East, Africa and Latin America.

EAST-WEST RELATIONS AND NATO'S ROLE

7. Relations between the NATO nations, on the one hand, and the Soviet Union and Eastern Europe, on the other hand, have by and large continued to improve over the past year or so. This has been reflected in many ways. Contacts of all kinds have increased. High-level visits between Ministers of Eastern and Western nations have taken place and more are envisaged. Cultural and economic relations have continued to expand.

8. A notable development has been the German Federal Republic's new initiative to seek better Eastern relations in general and, specifically, to propose establishment of full diplomatic relations with a number of Eastern European countries. The attitude and program of the German Government is consistent with the known views of Alliance members as reflected in various pronouncements, and is a welcome development. In some respects, the reactions of the Warsaw Pact nations will serve as a barometer for *detente*. To date, the barometer has registered primarily a continuing concern for Warsaw Pact unity, as indicated by the rather hasty conclusion of bilateral security treaties between East Germany and other Pact members. President de Gaulle's suggestions of new initiatives in East-West relations during his recent visit to Poland produced a reaffirmation of Polish-Soviet security ties. The Federal Republic has indicated its intention to preserve in its efforts to establish a better climate of relations. This attitude is to be welcomed by the NATO countries.

9. Movement toward improved East-West relations in Europe must not be confused with achievement of the final goal: a peaceful and equitable settlement of the problems remaining from the war, notably the division of Germany and Europe. The meaning for NATO is clear. While we all welcome any thaw in the cold war atmosphere, there is as yet no sign that the basic objectives of the Soviet Union toward the West have changed. Warsaw Pact military strength is formidable, indeed. The Soviet Union remains essentially security-minded. Mr. Brezhnev's verbal attack on NATO at the conference of Communist Parties at Karlovy Vary, Czechoslovakia confirms this assessment.

10. The events of May and June in the Middle East provided a dramatic reminder of the crucial importance of that region to the security of the NATO community. It seems clear that the Soviet Union, through its pol-

icy of arming the radical Arab States and encouraging them to pursue aggressively anti-western and anti-Israel policies, hoped to achieve a flanking movement to the south and east of NATO. Fortunately for NATO, the Soviets miscalculated and President Nasser overreached himself with the result that the Arab armies were destroyed by Israel. Nonetheless, the situation in the Middle East continues to be explosive and the Soviet political-strategic objective remains; namely, the removal of western influence from the Middle East and the establishment of a Soviet sphere of influence from which it can exert strategic pressure on NATO and threaten the economic security of western Europe. Mr. Brezhnev's statement on April 24, 1967 at Karlovy Vary that: "The time has come to demand the complete withdrawal of the U.S. Sixth Fleet from the Mediterranean", is a part of this Soviet strategy.

11. While the threat of overt Soviet military intervention in Central and Western Europe has receded in recent years, Soviet military and political activities in the Middle East and the Mediterranean underline the need for continued vigilance on the part of the Alliance. Moreover, the problem is—and has always been—more than military. In the absence of a strong and cohesive Western system—with adequate deterrent power—the balance of political forces could become so changed as seriously to threaten Western Europe's freedom. This could happen without any Alliance country being invaded or becoming overtly Communist. Such a situation would seriously tilt the international balance against North America as well as Europe. The result would be to jeopardize all that has been achieved through Western cooperation since the war and to destroy the hope for the kind of eventual peaceful settlement our nations seek.

12. This is not to say that we should avoid a bold approach in seeking better East-West relations. Even in the security field some steps might be taken. Careful attention should be given to the possibilities of balanced and equivalent force reductions in Central Europe. The Alliance powers should, however, assure themselves that any such limited reductions are truly equivalent. This should be the case irrespective of the diplomatic approach to the problem—negotiated reductions, reductions by tacit agreement, or reductions by "mutual example".

13. While our nations hold certain broad objectives in common in the field of East-West relations, differences of view persist about the proper balance between *détente* and deterrence. Differences also exist about the role of the Alliance in working toward improved East-West relations. That most steps toward improved relations will be carried out on a bilateral basis, or in other forums such as the United Nations, seems generally accepted. In a period of *détente,* however, the Alliance becomes even more important as a forum for concerting policies on issues which have a significant impact on the interests of the Alliance members taken together. Failure to consult promptly and fully could result in our countries working at cross purposes with each other. This could be dangerous from several standpoints. The Soviet Union and its allies might gain a false impression of Western weakness and disunity of purpose. At the worst, western unity of purpose might be eroded in fact as well as appearance. The issue is not whether to seek a bloc-to-bloc approach to negotiations on European problems. This view seems to have little support for a variety of reasons. The need is, rather, to assure that Western strength can be utilized effectively as opportunities arise to begin solving basic problems between East and West. This requires a considerable degree of policy coordination within NATO. Each Alliance nation should be able in its dealings with the Eastern countries to act on the basis of full appreciation of the common interest as reflected in deliberations of the North Atlantic Council.

RELATIONSHIPS WITHIN THE ALLIANCE

14. The dominant view among the Atlantic nations is that continued cooperation between Western Europe and North America is crucial to the fulfillment of Alliance objectives. Yet there is concern about adapting NATO to reflect the new economic and political strength of the European members. The problem of a stronger Western European role and contribution to Alliance affairs has not been solved. It is one of the issues being examined in the Study of the Future of the Alliance. This problem is unlikely to be resolved quickly since it is closely related to the problem of European economic and political unification. Careful attention is required (a) so that the movement toward European unity can evolve and develop as the nations concerned desire and (b) so that Alliance cohesion and effectiveness are not impaired as the European members reorder relations among themselves.

15. The renewal of the United Kingdom's application for membership in the European communities, together with applications by several other countries, is a matter of great importance to NATO. The outcome, over time, can fundamentally affect the character of Europe and hence of Atlantic cooperation. The success of the forthcoming negotiations will be watched with close interest and attention. The problems and issues are highly complex and sensitive. If the will to succeed is there and the United Kingdom is admitted, a hopeful new chapter in postwar history can be opened.

16. Atlantic economic problems continue to have a very important bearing on relationships among the Allied nations. They affect, directly or indirectly, both the nature and kinds of resources that can be devoted to the defense effort. Moreover, issues regarding the economic organization and groupings among the Alliance members affect the entire fabric of cooperation among our countries. The Kennedy Round has succeeded after several years of hard bargaining. The negotiation of an international anti-dumping agreement is most welcome. We are also gratified by the major decisions taken at the Rio meeting of the IMF and the IBRD. In particular, the IMF decision to create Special Drawing Rights was a major step forward. The future of the world trading community is much brighter as a consequence. But many pressing problems of economic cooperation remain. Non-tariff barriers to trade continue to be nettling; as a reaction, a danger of a recurrence of protectionism persist even in the United States. The problem of aid to underdeveloped countries requires constant attention and closer consideration. While negotiations on aid questions and monetary problems take place in other bodies, the results of those negotiations, good and bad, can affect the Alliance in many ways.

17. An important member of the Alliance, Greece, has recently undergone a change to a military regime and an end, we devoutly hope to be temporary, of parliamentary government. We note also that it has issued a timetable for the restoration of constitutional processes in that country. We hope that the regime will take steps to bring about the earliest possible return of democracy and we hope that Greek parliamentarians will again soon represent their country in this Assembly—it is a consummation we shall find most welcome.

18. Many other problems bearing on relationships within the Alliance require comment. These include questions arising from France's withdrawal from most of the common military activities; problems related to force levels and financing; strategy; nuclear questions; and political consultation. These are examined below.

ISSUES BEFORE THE ALLIANCE AND STEPS TO DEAL WITH THEM

19. When we last met, the Alliance was still under the shadow of problems raised by the French Government's decision to withdraw from integrated military activities and to request the removal from French soil of Allied forces, bases, and military installations. While other member countries continue to regret the French Government's decision, the adjustment to the new situation has been as smooth as could be expected and physical relocation outside of France has been accomplished.

20. New arrangements for institutional cooperation have been speedily evolved to permit the fourteen to carry on the essential military business of the Alliance. SHAPE and associated military headquarters have been relocated in Belgium as has the NATO Defense College. The North Atlantic Council has moved to Brussels. France has continued to participate in certain of the political activities of the Alliance, and in some defense matters.

21. The Alliance also faced a serious potential crisis over the foreign exchange difficulties related to the stationing of British and American forces in Germany. Intensive discussions among the three countries concerned have permitted each to reconsider its position and adjust its views. The results provide a basis for confidence that the Supreme Allied Commander will continue to have available the essential strength he needs for the Central Front, on the ground and in the air. There has been some feeling within the Alliance over the fact that the three nations have consulted together on these matters. This is a fact. There is no point in denying it. The most important thing that can be said on the positive side is that the results of the trilateral discussions have forestalled what could have been a dangerous erosion of Alliance military and political strength. The three countries also agreed that they should base their present and future actions on security and strategic considerations, not purely financial ones. Seen in this light, the trilateral discussions were both necessary and successful.

22. The plans presented to NATO by the British and American governments envisage only a limited redeployment of forces while assuring their maintenance in a high state of readiness, and their availability to return to Europe on short notice if required. It also seems clear that early press reports greatly exaggerated the effects that German budgetary difficulties would have on German troop strength. Moreover, the Federal Republic has assured its Allies that there will be full consultation in NATO prior to any decision on German troop levels. These give promise of assuring the kind of modernized military establishment the Alliance needs. They should also assure a businesslike method for continuously adapting our military planning as circumstances require.

23. Another sign that NATO military planning is on the right track is the outcome of the May 9 meeting of Defense Ministers. For the first time in years, Alliance members have been able to agree on a formal restatement of political guidance for the military authorities. The results do not fully satisfy all our countries. Compromise has been required on all sides. The most important thing is that ministers have now come to grips with the problems and begun to make genuine progress in realistically relating to each other strategy, forces, and available resources.

24. Nuclear affairs remain a highly sensitive and potentially divisive element in Alliance relations. Aside from their intrinsic complexity, they go to the heart of such concepts as national sovereignty and the ultimate credibility of the Alliance as a deterrent force. For the first time in NATO's history, permanent and specialized machinery now exists for nuclear consultation and

planning. The decision by the ministers last December to establish the Nuclear Defense Affairs Committee and the Nuclear Planning Group is a welcome step. The Nuclear Planning Group has already held two successful meetings during which it considered a wide range of important issues. These included the role of tactical nuclear weapons, discussion of atomic demolition and aspects of the ABM issue. Governments must now assure that the new machinery is used to produce the best results and that these in turn are properly factored into the Alliance's overall military planning and crisis consultation procedures.

25. The proposed treaty on non-proliferation is, in many respects, the most important item on business currently before the Alliance. All of our countries share a common interest in avoiding proliferation of nuclear weapons. All recognize the vital importance of non-proliferation to world stability and perhaps to our very survival.

26. The draft threat, nevertheless, has produced deep and emotional differences among some of our countries. It is no overstatement to say that a resolution of these differences is vital to the continued integrity of the Alliance.

27. Some of the differences have been of an essentially technical character and subject to resolution by technical discussions. Others appear more fundamental and these shall be briefly reviewed. Beyond the specific issues, however, is the problem of allied consultation. A number of criticisms were levelled against the United States because of a belief that it was moving too quickly to reach an understanding with the Soviet Union without adequate opportunity for full consultation within the Alliance. Whatever may have been the validity of these criticisms, recent months have seen a depth and intensity of consultations unparalleled in recent Alliance history. These consultations have proceeded both through normal diplomatic channels and in the North Atlantic Council. They are continuing. The discussions on the non-proliferation treaty have constituted an example of consultation in the fullest sense of the word. Member countries have revised their attitudes on significant aspects of the draft treaty in order to take account of the views of their Alliance partners. While welcoming this example of vitality and effectiveness in the consultation process, we must frankly recognize that significant differences of view remain. These must be resolved on a basis which assures Alliance cohesion while making clear the fundamental importance the Alliance attaches to limiting the danger and risks of a proliferation of nuclear arms.

28. A major point raised by various countries has been their reluctance to undertake treaty obligations of unlimited duration. The United States and some other countries consider a non-proliferation treaty of unlimited duration as highly desirable to assure the stability of the commitments all signatories will be undertaking. This issue requires continued study and consultation.

29. A second major issue in the non-proliferation discussions has been the problem of safeguards. The United States and many other NATO nations believe that a strong safeguards provision is essential to any non-proliferation treaty in order that all parties can have confidence in the obligations being undertaken. The six Euratom nations have in operation an effective safeguards system to assure that fissionable material will not be diverted illegally or clandestinely from peaceful uses to military uses. For other potential signatories to the treaty, the most effective—indeed the only available—multilateral safeguards are those of the International Atomic Energy Agency. One approach to resolving this problem might be for present nuclear weapons states to consider placing their peaceful atomic energy activities under IAEA safeguards. The EURATOM member countries have been unwilling to do this for a variety of reasons. These include the success of their own safeguards system; a reluctance to undergo duplicate inspections; the fact that one EURATOM member country (France) has already indicated that it does not intend to become a party to a non-proliferation treaty; a fear of industrial espionage; and the fact that the Soviet Union is unwilling to accept international inspection of its own peaceful nuclear activities. Progress has been made in resolving intra-allied differences on this sensitive problem, based on the concept of IAEA verification of EURATOM safeguards. The Soviet Union has thus far been unwilling to accept such an arrangement, however. More consideration will be required in NATO.

30. A third major issue arising in the non-proliferation discussions has been the implications of the draft treaty for European unification. The United States has indicated its understanding for this problem. It has recognized that a new situation would exist if the Western European nations were to be unified to the extent that a single authority had responsibility for all foreign and security policies of member states (including France or the United Kingdom, present nuclear weapons states). Some in Western Europe believe this is not enough, however. It would not permit a common European nuclear weapons program at any intermediate stage short of full unification as described above. This is seen as removing a potential major field for the development of European unity.

31. The recent decision of the United States to proceed with the deployment of a "thin" anti-ballistic missile system, oriented against the developing nuclear capabilities of Communist China, has caused misgivings and expressions of disapproval by some NATO governments. The possible ramifications of the United States ABM decision, both with regard to the Non-Proliferation Treaty and the security of other NATO members, requires, also, the fullest exploration and especially, consultations.

32. While the Alliance is now responding to the need for change and modernization in military and strategic questions, a parallel effort is under way on the political side. Thanks to the initiative of the Belgian Government, member countries are now studying intensively the future political tasks of the Alliance and its procedures for fulfilling them. This is the first major effort of its kind since the Wise Men's exercise of 1956. The work is being carried out by a Special Group at high political level under the chairmanship of the Secretary General. The initial studies have been organized under four headings and draft reports have been completed.

East-West relations (general and European security).

Inter-allied relations.

General defensive policy of the Alliance.

Developments in regions outside the NATO area.

The timetable envisages completion of the study in time for ministers to act on the conclusions and recommendations at the meeting in December of this year.

33. The participants have a mandate to examine frankly and imaginatively the future of the Alliance. It is to be hoped that the conclusions will indeed be "frank" and "imaginative" based on full examination of issues that unite us; the issues that divide us; and the importance of thorough-going consultation on the major questions affecting the Alliance and its place in the world. This effort merits the full support of both governments and parliaments. It represents another opportunity to breathe new life and meaning into the Treaty as a whole and particularly into Article Two. In connection with the study, NATO should find effective means to create better public understanding and support for its objectives and activities.

34. Lastly, as a closely related matter, governments should act on our proposal for establishing the Atlantic Assembly in a new and official relationship to the North Atlantic Council.

35. As the second decade of our Alliance draws to a close, the question is not whether it should continue to exist. The question is how can it be modernized, strengthened, and adapted to our needs. Partly because of new initiatives, partly because governments have been forced to face up to long-neglected problems, the outlook has improved measurably. But constant attention is required at the highest levels of governmental responsibility if the improvement is to be sustained and to produce the needed long-term results.

Mr. JAVITS. Mr. President, I also have the honor to inform the Senate that I was elected Chairman of the Political Committee for the ensuing year. I consider this to be a solemn responsibility, because it will be the last year before the option of withdrawing from the North Atlantic Treaty Organization will be open to France, under article 13 of the treaty.

We all fervently pray that President de Gaulle will keep France in the treaty organization, notwithstanding the fact that France is now cooperating to a far lesser extent than is desirable to the interests of NATO and to the peace of the world. Indeed, I hope that 1968 will mark the beginning of a return of France to her full role in NATO; and I shall certainly devote my efforts as Chairman of the Political Committee to that end.

Mr. President, this is an extremely fine and worthwhile organization, doing important work, and I look forward with great anticipation to my duties as Chairman of the Political Committee.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7819) to strengthen and improve programs of assistance for elementary and secondary education by extending authority for allocation of funds to be used for education of Indian children and children in overseas dependents schools of the Department of Defense, by extending and amending the National Teacher Corps program, by providing assistance for comprehensive educational planning, and by improving programs of education for the handicapped; to improve authority for assistance to schools in federally impacted areas and areas suffering a major disaster; and for other purposes.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 13042) to amend the act of June 20, 1906, and the District of Columbia election law to provide for the election of members of the Board of Education of the District of Columbia, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. McMillan, Mr. Dowdy, Mr. Fraser, Mr. Multer, Mr. Sisk, Mr. Nelsen, Mr. Broyhill of Virginia, Mr. Zwach, and Mr. Steiger of

Arizona were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 5854. An act for the relief of Mrs. E. Juanita Collinson;

H.R. 7882. An act for the relief of certain individuals employed by the Department of the Navy at certain U.S. naval stations in Florida;

H.R. 10050. An act for the relief of Capt. Russell T. Randall;

H.R. 10985. An act for the relief of Dr. Lorenzo Galatas;

H.R. 11287. An act for the relief of Amir U. Khan;

H.R. 12420. An act for the relief of Nguyen Van Hue;

H.R. 13301. An act to confer U.S. citizenship posthumously upon Pfc. John R. Aneli;

H.R. 13373. An act for the relief of Richard C. Mockler; and

H.R. 14367. An act to authorize the disposal of beryl ore from the national stockpile and the supplemental stockpile.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

S. 174. An act for the relief of Dr. Eduardo Gonzalez;

S. 294. An act for the relief of Eloy C. Navarro;

S. 866. An act for the relief of Giuseppe Pacino Biancarosso;

S. 1477. An act to amend section 301 of title III of the act of August 14, 1946, relating to the establishment by the Secretary of Agriculture of a national advisory committee, to provide for annual meetings of such committee;

S. 1722. An act to amend the wheat acreage allotment provisions of the Agricultural Adjustment Act of 1938, as amended;

S. 2119. An act for the relief of Dr. Octavio Suarez-Murias;

S. 2153. An act for the relief of Dr. Jose Rafael Montalvo y Urrutibeascoa;

S. 2171. An act to amend the Subversive Activities Control Act of 1950, so as to accord with certain decisions of the courts;

S. 2206. An act for the relief of Dr. Jorge Rolando Guerra-Reyes;

S. 2265. An act for the relief of Christopher Nicholas Rushton;

H.R. 664. An act to amend the Tariff Act of 1930 to provide that bagpipes and parts thereof shall be admitted free of duty;

H.R. 5575. An act for the relief of Panagiotis Paulus;

H.R. 12505. An act to provide that a District of Columbia public school teacher may retire on a full annuity at age 55 after 30 years of service or at age 60 after 20 years of service, and for other purposes;

H.R. 12961. An act to amend title 37, United States Code, to authorize the nontemporary storage of household effects of members of a missing status;

H.R. 13273. An act to amend the Marine Resources and Engineering Development Act of 1966, as amended, to extend the period of time within which the Commission on Marine Science, Engineering, and Resources is to submit its final report and to provide for a fixed expiration date for the National Council on Marine Resources and Engineering Development;

H.R. 13833. An act to provide that the post office and Federal office building to be constructed in Bronx, N.Y., shall be named the "Charles A. Buckley Post Office and Federal Office Building" in memory of the late Charles A. Buckley, a Member of the U.S. House of Representatives from the State of New York from 1935 through 1964; and

H.R. 13933. An act to amend section 103 of title 23, United States Code, to authorize modifications or revisions in the Interstate System.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 5854. An act for the relief of Mrs. E. Juanita Collinson;

H.R. 7882. An act for the relief of certain individuals employed by the Department of the Navy at certain U.S. naval station in Florida;

H.R. 10050. An act for the relief of Capt. Russell T. Randall;

H.R. 10985. An act for the relief of Dr. Lorenzo Galatas;

H.R. 11287. An act for the relief of Amir U. Khan;

H.R. 12420. An act for the relief of Nguyen Van Hue;

H.R. 13301. An act to confer U.S. citizenship posthumously upon Pfc. John R. Aneli; and

H.R. 13373. An act for the relief of Richard C. Mockler; to the Committee on the Judiciary.

H.R. 14367. An act to authorize the disposal of beryl ore from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

STATUS REPORT ON THE GREEK-TURKISH ECONOMIC COOPERATION PROJECT

Mr. JAVITS. Mr. President, I have several times brought to the attention of the Senate the work of the project for Greek-Turkish economic cooperation. I first reported on this matter on June 3, 1965, and I have presented other reports to the Senate on October 20, 1965, and January 19, 1967. In those reports, the nature of the project, the fact that it has been sponsored by a special committee of the North Atlantic Assembly, of which I have had the honor to be Chairman, and some of its accomplishments have been described.

I believe that important progress has been reported, despite the fact that the ever-present problem of Cyprus and the governmental troubles in Greece, has made relationships between our two important NATO allies in the Eastern Mediterranean extremely difficult. At the present juncture in the history of the Cyprus issue and of relations between Greece and Turkey, it seems to me both striking and of vital importance that I am able to report not only the successful conclusion of the first phase of the Greek-Turkish economic cooperation project, but also the commencement of a new and, I confidently believe, a more important and more far-reaching phase.

As the Members of this body will recall, the project has been sponsored by the Special Committee on Developing NATO Countries of the North Atlantic Assembly—formerly the NATO Parliamentarians Conference—with Messrs. Kasim Gülek of Turkey and Alexander Spanorrigas of Greece acting as my Vice Chairmen, and Mr. Theodore Westerterp of the Netherlands acting as rapporteur. At the sessions of the North Atlantic Assembly held in Brussels during the week of November 20, 1967, the Special Committee was able to vote itself out of existence, not because it has been a failure, nor because the task of promoting economic cooperation between Greece and Turkey was completed, but because the first, and if you will, preliminary stage of this task was about to yield to a new phase, and because the work being carried on by the project for Greek-Turkish economic cooperation was to be taken over by a new and permanent instrument of international cooperation, the Eastern Mediterranean Development Institute.

It is with a sense of real accomplishment that I am able to report that the meetings at which these steps were taken were attended by a highly representative group of industrialists and bankers, not only from the United States, Canada, and Western Europe; but also from Greece and Turkey, and that our Greek and Turkish friends were able to arrive at complete understanding on the establishment of a new private institution whose task would be to promote and encourage economic development projects of mutual interest to the two countries.

Mr. President, I ask unanimous consent to have printed in the Record a list of those present at the November 20, 1967, meeting of the International Advisory Commission in Brussels.

There being no objection, the list was ordered to be printed in the Record, as follows:

INTERNATIONAL ADVISORY COMMISSION MEETING NOVEMBER 20, 1967

Present: Mr. Kasim Gülek (Turkey), Vice-Chairman and Acting Chairman; Mr. Charles Arliotis (Greece), Acting Chairman; Mr. T. E. Westerterp (Netherland), Rapporteur.

Members:

France: Mr. H. Tafforeau.

Germany: Mr. Jörg Schill.

Greece: Mr. Evangelos Devletoglou, Mr. George Gondicas, Mr. Alexander N. Zullas, Mr. Evangelos Kourakos (Project Consultant for Greece).

Italy: Mr. Carlo Castaldi.

Turkey: Mr. Melih Birsel, Mr. Hüseyin Gülek, Mr. Nuri Sabuncu, Mr. Ahmet Ramazanoglu (Project Consultant for Turkey).

United Kingdom: Mr. Richard Coleman.

United States: Mr. Stanislaw Ciechanowski, Mr. Robert Collard, Mr. Douglas Denby, Dr. F. T. Haner, Mr. George James, Mr. Rutger Rosenborg, Mr. Arthur Ross.

Observers:

BIAC: Mr. Bengt B. Uggla.

European Investment Bank: Mr. Karl-Heinz Drechsler, Mr. Guy Trancart.

NATO: Mr. André Vincent.

OECD: Mr. Peter C. Kruse.

USOECD: Dr. Edward Fei.

Mr. Seymour J. Rubin, Executive Director of Project.

Mr. Albert Zumbiehl, European Director of Project.

Mr. Peter Cusick, Consultant to Senator Javits.

Mr. Daniel Szabo, Assistant to Senator Javits.

Mr. JAVITS. It is a source of regret to me, as it must be to all friends of democracy, that neither my good friend and Vice Chairman Alexander Spanorrigas, nor other members of the Greek Parliamentary delegation to the North Atlantic Assembly, were present at Brussels. This is not the proper occasion on which to discuss the present political situation in Greece, other than to say that all of us devoutly hope for a speedy return to parliamentary rule in Greece.

Peaceful relations between Greece and Turkey are essential to the development of the economies of these two countries, to the betterment of the welfare of the peoples of these two countries, and, to the security of the eastern flank of the North Atlantic Alliance. It is important to note that the Cyprus communique issued on September 9, 1967, made a special reference to this vital fact. And it is my belief that such peaceful relations will affirmatively assist in the return of Greece to normal parliamentary government.

The project of Greek-Turkish economic cooperation was begun at a time when different governments were in power in Greece and Turkey. In Greece, I first discussed this project with the then Prime Minister, Mr. George Papandreou; in Turkey, I first discussed it with the then Prime Minister, Mr. Ismet Inou. It is of more than passing interest to note that the support of the private element in both countries has been constant, and that in both countries, each succeeding government has strongly endorsed the objectives of a project which is, as this one is, devoted to cooperation on a nonpolitical basis, in the interests of the peoples of both countries.

Mr. President, the period since my last report in January of this year has been extraordinarily troubled in the region of concern to the project of Greek-Turkish economic cooperation. Economic problems have been themselves substantial; but the political developments in Greece of April 1967, and the consequent reevaluation of attitudes and engagements has, without doubt, slowed the forward progress of the project. It is therefore all the more extraordinary that the progress which I wish hereinafter to note has been made and that, even during the course of the recent crisis relating to Cyprus, men of good will were able to get together and plan for the establishment of the Eastern Mediterranean Development Institute.

This accomplishment has, I believe, several important implications.

It vindicates, first of all, the belief which I share with my parliamentary colleagues that more is to be accomplished by working toward specific and mutual objectives that can be attained by theoretical and very largely fruitless discussion of rights and wrongs, or of past injustices and future rectifications. What the success of this project has demonstrated, against the widely held and often evident doubts as to whether any kind of Greek-Turkish cooperation is possible, is that progress can be made, if projects are adequately prepared, if they concern matters of legitimate and mutual interest and if, above all, they rigorously exclude the collateral political considerations which give rise to the doubts I have mentioned.

Second, the project has shown that there is a very real role for private enterprise to act constructively in the amelioration of relations between states and between peoples. I may point out, Mr. President, that the project of which I have had the honor to be Chairman, was sponsored by a group of parliamentarians; but it has been guided by an International Advisory Commission composed entirely of persons from the private sectors in the various countries concerned. Its affairs were directed on a day-by-day basis, by my friend the Honorable Seymour J. Rubin, a Washington lawyer with much previous experience in government and business, and by Monsieur Albert Zumbiehl, a French business executive. My fellow parliamentarians and I participated in the affairs of the International Advisory Commission, but in no way acted as representatives of our governments. At the same time, we were able to have, and did have at all times, the strong endorsement of all relevant governments.

The U.S. Government has, on many occasions, stated its unqualified endorsement of this project to me, through the Secretary of State, through the American Embassies in Greece and Turkey, and otherwise. Moreover, the Department of State has sent telegrams of encouragement to various meetings sponsored by the project, including the last one held in Brussels.

Similarly, and equally importantly, and certainly more strikingly, the highest authorities of Greece and Turkey, consistently over the years during which this project has been in operation, and regardless of the administration which was in office, have endorsed it, both generally and with respect to specifics. Other NATO governments have given their support to the project. Thus, an essentially private effort, sponsored by a parliamentary group, has been able to mobilize all of the forces necessary to bring about tangible and extremely worthwhile accomplishments.

Third, this project is, I believe, notable in having made as a matter of first priority the creation of a constituency for its reports and recommendations, and for having at all times insured that the mechanisms for carrying out recommendations were given equal attention with the recommendations themselves. From the beginning, it has been our intent not just to accumulate professorial research documents which would then be given a respectful reading only to be consigned to dusty desk drawers or wastepaper baskets.

All of us concerned with the project have sought to accomplish a day-by-day participation of the private sectors, not only in the United States, Canada, and Western Europe; but also in Greece and Turkey, in the formation of plans for feasibility studies and surveys and in the work on those studies and surveys. This has not been a process of bringing in outside exports and having them formulate reports. Those directly concerned have actively worked on each project, at all stages, from planning to final recommendations. And we have insisted that each report carry within it proposals for the accomplishment of its recommendations—that it not merely say that something should be done, but explain how it can be done. In this way, the project has been able to enlist a wide range of support. Each report, as it has been brought to a conclusion, has carried with it the involvement of those with a real stake in transforming it from paper into a physical reality.

It is these techniques and methods, Mr. President, which I believe have made it possible to report to you the specific accomplishments which I should like briefly to set out hereinafter:

The meeting of the International Advisory Commission held in Brussels on November 20 and 21, 1967, agreed in principle to form an Eastern Mediterranean Development Institute, to operate within the framework of the Governmental Affairs Institute, a nonprofit organization in Washington, D.C., and established an organizing committee for this purpose. The operating headquarters of the Institute will, for the present, remain in Washington. As time goes on, and as needs indicate, it may well be that operating headquarters will be shifted to a locale closer to Greece and Turkey. For the present, the existence of an office in Paris, furnished to the project through the courtesy of the Mobil Oil Co., provides a sufficient operating base on the Western European Continent.

Such an institute, to be effective, must be adequately funded. The project for Greek-Turkish economic cooperation has been the beneficiary of the wise generosity of the Ford Foundation—which has granted $262,000 to the Governmental Affairs Institute of Washington for this purpose, and of a number of companies and individuals, mainly American. The new Institute has a pledge of support in the amount of $50,000 each from private industrialists and bankers in Greece and in Turkey, such amount to be placed at the disposal of the Institute for local currency expenditures. We anticipate that private industry, banking, and commerce in the United States and in Western Europe will contribute at least an equal share. This will, I am afraid, still leave the Institute considerably short of the minimal amount necessary for it effectively to exploit the opportunities before it; but I am hopeful that foundations and similar institutions which have so large a stake in the objectives of the Institute, will again come to the assistance of these objectives.

Finally, we would hope that, as was the case in connection with the magnificent study which has been done on the development of the Meric/Evros valley, we would be able to have the direct financial assistance of foreign foundations and trusts, when the projects to be financed lie in the fields of their competence and interest.

As I have previously mentioned in my reports to the Senate, the Thyssen and the Volkswagen Foundations of West Germany have thus made $100,000 available to finance the scientific work of the Meric/ Evros project.

A nucleus of a Board of Directors has been established for the Eastern Mediterranean Development Institute; this consists of myself as Chairman, with Mr. Karol Arliotis, governor of the National Mortgage Bank of Greece, and Mr. Kasim Gülek, member of the Turkish

Parliament, as Vice Chairmen. We, of course, all act in our private capacities. We expect to join with us in the near future a large and distinguished group of businessmen, broadly representative of all fields of private enterprise, and all genuinely concerned with the peaceful and cooperative economic development of the eastern Mediterranean region.

A program of work for the Institute has been proposed to the International Advisory Commission by Mr. Rubin and M. Zumbiehl. It has been approved. This agenda of specific work items will provide for ongoing activities of an enormously useful nature in such fields as tourism, fisheries, agriculture, and the holding of economic development seminars. Experience, and available time and funds, will broaden these fields of work.

One item on the agenda of the Institute deserves special and somewhat detailed mention. This is the further work to be done looking toward development of the basin of the Meriç/Evros River. This is of special importance, Mr. President, both because the river and its basin represent a rich and as yet underdeveloped natural resource for both Greece and Turkey, but also because the river is the boundary between Greece and Turkey in Thrace, and because it rises in the highlands of Bulgaria.

I need not repeat here what I have already said in describing this river development project, and its potential for economic benefit. But it is relevant at least to note again that it was, after 1953, the object of a cooperative effort between Greece and Turkey, that a considerable amount of coordinated work was done in the area of flood control, but that further phases of the work originally contemplated ceased at the time that Cyprus became the difficult issue which it has been now for some years.

It is a major accomplishment of the Greek-Turkish economic cooperation project that it has been able to bring together a team of German, Greek and Turkish scientists, who have now completed a preliminary study of the river and its possibilities for development, and who have laid those recommendations, unanimously agreed, before the International Advisory Commission.

The Meriç/Evros project has undoubted economic importance, which in itself more than justifies the effort expended on it. But, Mr. President, it has far-reaching implications, beyond the economic field. For it demonstrates that, with the catalytic help of the Greek-Turkish economic cooperation project, it is possible to achieve cooperation even during a period of political stress. During the course of the Meriç/Evros work, scientists from Greece and Turkey have exchanged visits, compared information, discussed their findings, and, with their German colleagues, worked together as a team.

The governments have made available official records, and have issued visas—or admitted the scientists in some cases without visa. The Governors on the two sides of the river have welcomed the entire group, and given them all possible help. I was able, Mr. President, to visit the area myself, in November of 1966—and to do so with my Turkish and my Greek colleagues. The significance of such a work of cooperation should not be underestimated. It gives great hope, based not on vague generalities but on tangible evidence, for the future.

Moreover, almost 60 percent of the river lies upstream in Bulgaria. The Meriç/Evros project creates not only a bond between Greece and Turkey, but it thus almost compels consideration of a nonpolitical and useful discourse with one of the Eastern European countries. I shall have a word to say about this, and other implications of the Meriç/Evros project, a little later in this report.

Third, Mr. President, note should be taken of the fact that the project for Greek-Turkish economic cooperation has succeeded dramatically in expanding the contacts between those two countries and their nationals, and in placing their mutual problems and possibilities in the broader context in which confrontation is forgotten and accomplishment is possible. The project has placed the problems and the prospects of cooperation in a broad international context—that of the various international institutions in which both countries participate.

I believe that I need not argue, Mr. President, the high importance of this technique and this result. For too long, the problems of the region have suggested to both the peoples and the Governments of Greece and Turkey that the issues which they confront are bilateral issues—to be solved only by either bilateral discussion or bilateral confrontation. Yet it is the fact that Greece and Turkey are members not only of the worldwide organizations, such as the United Nations, and its affiliated organizations—the Food and Agriculture Organization, the World Health Organization, and so forth—but also of an impressive number of economic and political institutions of a regional or political character.

Chief among these is, of course, NATO, the organization which gave rise to the North Atlantic Assembly out of which the project of Greek-Turkish economic cooperation has arisen. But more than that, Greece and Turkey are both joined with the European Economic Community by agreements of association which hopefully will bring both of them into full membership in the future. They are both members of the Organization for Economic Cooperation and Development. They each participate in the great international financial institutions, the International Monetary Fund, and the World Bank family of institutions—the Bank itself, the International Development Association, and the International Finance Corporation.

What the project has done has been to stress the affirmative and constructive nature of such associations, and the common interest of a number of countries as well as Greece and Turkey, in arriving at acceptable and useful solutions to the problems of the Greek-Turkish area. The project thus enlisted the willing and—if I may say so—enthusiastic support for its efforts of the authorities of the Common Market—the EEC—of the OECD, of the International Finance Corporation and of the Food and Agriculture Organization.

In point of fact, where it has been possible, the project obtained the assistance of such institutions as FAO to prepare analyses and to review proposals for research projects and to suggest names of persons who might conduct these research projects. On many occasions, these organizations have lent their good offices and their facilities to the project, and the project has held meetings in the headquarters of the FAO and the OECD. The affirmative and numerous ties, of common membership in a community of nations and of common interest in questions which in the end are not merely bilateral, have thus been emphasized, and confrontation has been minimized.

The Commission of the EEC, for example, has taken a deep interest in the agricultural work of the Greek-Turkish economic cooperation project, and has provided much helpful guidance and assistance. The staff of the OECD has made offers of its technical assistance facilities. I could go down the line in outlining several similar instances. But I think that, with one exception to which I now turn, the list would merely underline the point which has already been made—that this project of Greek-Turkish economic cooperation has not sought to operate independently of those institutional arrangements which help to bring Greece and Turkey together within a common framework, but has sought to utilize the impetus toward cohesion and toward solution of problems in a common multilateral framework which these institutions provide.

I would like to say one special word about the role of the U.N. development program under the capable leadership of its director, Mr. Paul Hoffman, and his assistant, M. Paul-Marc Henry. Messrs. Rubin and Zumbihel have had many conversations with Messrs. Hoffman and Henry, and I myself have on several occasions talked with Mr. Hoffman about the project. The U.N. development program has given the project magnificent assistance and encouragement. It has taken a deep interest in all aspects of the project, but perhaps most significantly and concretely, in the Meric/Evros River development project. It has received and commented on the papers relating to the Meric/Evros. The senior water resource development officer of the development program, M. Georges Drouhin, was delegated to attend the October 2 and 3, 1967, meeting in Frankfurt which culminated the first phase of the study of the Meric/Evros conducted under the leadership of Dr. Hans Wilbrandt and his Greek and Turkish associates.

The receptivity to new ideas of the development program, its affirmative willingness to cooperate and to encourage this work, and its evident desire to see the work carried to a successful and useful conclusion, has given to me and to my associates great encouragement. All too often, an established institution, whether governmental or otherwise, takes the position that projects not developed within its own bureaucracy are ipso facto not useful or practical, and sees in any external suggestion something akin to a threat to its jurisdiction.

Mr. Hoffman and his assistants have shown—and continue to show—an entirely different attitude—one of active encouragement toward those who are sincerely attempting, through somewhat different methods, to attain the same objectives as those of the development program. I look forward, Mr. President, to further and intimate association with the development program, particularly in the further phases of work of the Meric/Evros, but also in relation to other aspects of the Greek-Turkish project, as it will be carried forward by the Eastern Mediterranean Development Institute.

I should also mention also, Mr. President, but only in brief résumé, so as not to burden this report unduly, the work which has been done in other fields of economic cooperation.

Much has been done to bring governments and private individuals together in the area of tourism, and it is now widely conceded that the mutual and cooperative development of those tourist areas of the two countries lying roughly within what may be called the Aegean region, promises to each country advantages greater than those possible in separate and uncoordinated development.

In the fields of fisheries and agriculture, further discussions have suggested a number of possibilities, including those of joint consultation on production and marketing of agricultural products, particularly early fruits and vegetables, and in problems of transport.

A meeting looking toward the establishment of common research and training facilities in the important field of fisheries has been scheduled, although the political changes of April 1967 have compelled its postponement. At our recent meetings in Brussels, the suggestion of a study of production of fishmeal concentrates, to be used as a protein supplement, was put forward, and this is being actively investigated.

In addition, in what one might call the broader area of the science of economics, it has been agreed that it would be highly useful to hold a series of meetings, in cooperation with the OECD Development Center, which would bring together Greek and Turkish economists with experts from other countries, to consider the broad economic development of the two countries. It has also been suggested that it would be useful to provide a forum for the development bankers of both countries, to discuss problems of common interest and particular ways in which barriers to commerce between the two countries could be eliminated, thus providing broader markets which could support stronger industrial establishments.

This gives an adequate résumé of what I consider to be accomplishments attributable to the Greek-Turkish project to this date. I think that the record will prove that they are not inconsiderable, that they are specific and identifiable, and that they have helped immeasurably to ameliorate a situation in which for 2 years at least this project has seemed to be almost the only instrument of cohesion—instead of division—between Greece and Turkey.

I should like to conclude this report by dwelling for a moment on the future of this project, under the institute, and more importantly, the implications for the future of the work which will be carried on by the institute.

The Meric/Evros project is, again, illustrative. I have already described at some length what has been done on that project and the economic benefits of the work already done, and to be done in the future. What I have not mentioned and what seems to me to be even more important, are the dangers of not establishing now a cooperative and coordinated plan for the development of this river.

You will recall that this is the border in Thrace between Greece and Turkey, and that its area—which at present is relatively sparsely populated—is not intensively cultivated, but nonetheless, inhabitated by some millions of people. It is, moreover, an area in which a substantial Turkish minority lives in Greece. It is inevitable that this area will come under more intensive cultivation as the years go by. Such cultivation will require more water for irrigation than is at present being drawn out of the river on either side. The river at present floods in the winter and early spring, and is practically dry in the latter part of the summer. Each side now takes water out of the river at will. Only the minimal nature of present water requirements has prevented a conflict of interests, and a competition for the water of the river. But this condition will not last long.

These facts will lead to an inevitable collision between Greece and Turkey at a date not far distant—unless cooperation is now established, and a method is now agreed of utilizing the water of the river for irrigation throughout the year, so as to satisfy and reconcile these ever-increasing demands. Either the river will bring the people of the two countries together for their mutual benefit; or it will result in daily clashes over the utilization of the waters of the river in an area in which the two populations face each other, and the two countries exist side by side.

It is incumbent, in my view, upon all of us, and particularly on those of us who have been concerned with damping down the fire of Cyprus, to take those measures which can easily be taken now and which would be so difficult to take once a conflict were to arise.

Mr. President, what I have said about the Meric/Evros is applicable, in perhaps a lesser degree, to other aspects of this project. We, in the United States, know, for example, how difficult the special problems of fisheries may be. And these problems have arisen, I may point out, between extremely friendly countries, with no special problem akin to that of Cyprus—between France and Brazil, between Britain and Iceland, between the United States and Peru. As between Greece and Turkey, the entire economic and geographic situation argues for cooperation now—and for the avoidance of conflict later.

I thus close my report, Mr. President, on a hopeful but urgent note. During a period of great stress, much has been accomplished. The accomplishments have been in specifics—the work which has been done on tourism, on fisheries, on the Meric/Evros et cetera. The accomplishments have also been institutional—the establishment of an Eastern Mediterranean Development Institute. These accomplishments should be taken not as the culmination of a job which has been done, but as providing encouragement for the much more important tasks which lie ahead. And I stress that to deal with those tasks now in a sine qua non of a wise diplomacy, and of our own interests, of the interests of the free world, and most specially of the peoples of Greece and Turkey.

REPORT ON MINORITY ACTIVITIES IN THE COMMITTEE ON LABOR AND PUBLIC WELFARE IN 1967

Mr. JAVITS. Mr. President, during the first session of the 90th Congress, the Republican members of the Senate Committee on Labor and Public Welfare, of which I am the ranking minority member, made an outstanding record of constructive contributions and effective legislative achievement. In a number of instances, minority members originated the central concepts around which major legislation was built. These contributions of the minority cover every area of activity of the Committee on Labor and Public Welfare—labor, education, antipoverty, health, and veterans' affairs.

EDUCATION

ELEMENTARY AND SECONDARY EDUCATION ACT AMENDMENTS OF 1967 (H.R. 7819—PUBLIC LAW 90–)

In addition to numerous minor and technical improvements to the bill, major provisions offered by the minority which were written into law were the following:

First. Adequate leadtime for funding, thus facilitating planning and efficient use of funds by local education agencies—Senator PROUTY.

Second. Demonstration projects and study for schoolbus safety—Senator JAVITS.

Third. Incentive grants to encourage additional efforts for education by the States—Senator DOMINICK.

Fourth. Establishment of a dropout prevention project designed to make a concerted and concentrated effort to reduce and prevent dropouts—Senator MURPHY.

Fifth. Earmarking 15 percent of title III (supplementary educational centers and services) funds for education of the handicapped—Senator PROUTY.

Sixth. Requiring 10 percent of title V funds to be used to strengthen local education agencies—Senator JAVITS.

Seventh. Repeal of Public Law 874 mandatory group rate provisions to assist heavily impacted school districts—Senator DOMINICK.

Eighth. Increasing authorization to provide for captioned films for the handicapped—Senator PROUTY.

Ninth. Encouraging community involvement in education programs in title III—Senator JAVITS.

Tenth. Clarifying Public Law 874 to include payments to local education agencies for Federal forest areas and other Federal lands in lieu of taxes—Senator DOMINICK.

Eleventh. Inclusion of experts on education of handicapped in title III State advisory councils—Senator PROUTY.

Twelfth. Adding emphasis on bilingual education programs to title III—Senator JAVITS.

Thirteenth. Authorizing in-house research by the Office of Education for education of the handicapped under title VI—Senator PROUTY.

Fourteenth. Expanding the title VII provision for technical assistance to rural areas to include all Federal education programs—Senator JAVITS.

Fifteenth. Inclusion of dropouts and potential dropouts in bilingual education programs—Senator JAVITS.

Sixteenth. Extending priority to overcrowded schools in the granting of title III funds—Senator JAVITS.

Seventeenth. Inclusion of preservice training for ancillary bilingual education personnel, such as counselors—Senator JAVITS.

Eighteenth. Requiring the Commissioner of Education to use title III special projects money to meet problems of national importance—Senator JAVITS.

Nineteenth. Permitting the purchase of special equipment for bilingual education programs—Senator JAVITS.

Twentieth. Phasing in State plans for title III programs—Senator JAVITS.

Twenty-first. Insuring that local education agencies will not have State funds reduced when such agencies receive title III funds—Senator JAVITS.

Twenty-second. Clarification of the provision for compliance with the Civil Rights Act of 1964—Senator JAVITS.

Twenty-third. Addition of AFDC recipients to bilingual education title—Senator JAVITS.

HEALTH

PARTNERSHIP FOR HEALTH AMENDMENTS OF 1967 (H.R. 6418—PUBLIC LAW 90-174)

Section 5—"Clinical Laboratories Improvement"—is taken from legislation introduced by Senators JAVITS and MURPHY in the 89th Congress—S. 2184—and in the 90th Congress—S. 894. We are pleased that the administration greatly improved the chances for enactment of this proposal by withdrawing its objections of last year and sponsoring this program as its own this year; the American public has gained.

MENTAL RETARDATION AMENDMENTS OF 1967 (H.R. 6430—PUBLIC LAW 90-170)

Section 4—"Grants for Services in Community Mental Retardation Facilities"—is almost identical with S. 2836 introduced in the last Congress on January 26, 1966, by Senators JAVITS and PROUTY; these Senators introduced a parallel proposal this year. We are particularly heartened that the administration this year has seen fit to adopt this pioneer proposal as its own and thus materially improve its chances of enactment into law; it is a needed investment in rehabilitation of the mentally retarded.

ANTIPOVERTY

ECONOMIC OPPORTUNITY AMENDMENTS OF 1967 (S. 2388—PUBLIC LAW 90–)

The minority introduced numerous amendments to this year's bill designed to make successful the war against poverty and to overcome administrative and program deficiencies. Those enacted into law were the following:

First. Establishing a new day-care program as part B of title V—Senators JAVITS and PROUTY.

Second. Requiring improved followup and placement procedures, including an expanded role for the U.S. Employment Service in placement and postenrollment evaluation for Neighborhood Youth Corps enrollees—Senator PROUTY.

Third. Allowing youths with a history of serious delinquent behavior into the Job Corps if approved on a case-by-case professional basis—Senator MURPHY.

Fourth. Authorizing a new program of incentives to private employers to hire and train the hard-core poor—Senator JAVITS.

Fifth. Requiring the Comptroller General to conduct an independent investigation and evaluation of programs and activities carried on under the act, with a report to be submitted to the Congress not later than December 1, 1968—Senator PROUTY.

Sixth. Requiring establishment of pilot programs to encourage maximum private industry involvement in training programs—Senators JAVITS.

Seventh. Authorizing OEO to carry out pilot projects to enroll seriously delinquent youth in the Job Corps, since OEO had indicated it should not and could not attempt to serve this element—Senator MURPHY.

Eighth. Requiring OEO to take steps to assure adequate enrollment in the Job Corps from rural areas—Senator JAVITS.

Ninth. Requiring increases in personal allowances with increased service so as to encourage enrollees to remain in the Job Corps—Senator PROUTY.

Tenth. Requiring Job Corps camps to offer nonresidential training facilities to Neighborhood Youth Corps enrollees—Senator JAVITS.

Eleventh. Authorizing narcotics and alcoholic addiction control and rehabilitation programs and requiring pilot projects in narcotics control—Senators JAVITS and MURPHY.

Twelfth. Requiring establishment of pilot programs to involve the private sector in community action programs—Senator JAVITS.

Thirteenth. Requiring establishment, through agreements with State educational agencies, of combined vocational schools and skill centers in urban areas—Senator MURPHY.

Fourteenth. Requiring the administration to submit to Congress a national poverty action plan which would include estimated costs and duration of suggested programs—Senator JAVITS.

Fifteenth. Authorizing $3 million to provide temporary and emergency housing and sanitation facilities for migrant and seasonally employed agricultural workers—Senator MURPHY.

Sixteenth. Expanding and revising the program for small businessmen in poverty areas, including new management assistance, subcontracting, and procurement programs and loan assurances—Senator JAVITS.

Seventeenth. Prohibition of use of program funds for voter registration endeavors—Senator MURPHY.

Eighteenth. Requiring a timely and expeditious appeal to the OEO Director for groups denied delegate agency status—Senator JAVITS.

Nineteenth. Requiring use of control groups in community action program evaluation procedures—Senator JAVITS.

Twentieth. Requiring development of comparative data among various training programs—Senator JAVITS.

Twenty-first. Revising the special impact program to include rural areas having a high outmigration, to delineate certain economic and business development functions and to allow the Economic Development Administration to channel its funds into urban areas designated as special impact areas—Senator JAVITS.

A key minority amendment adopted by the Senate was rejected in conference—a requirement that allowances paid to youth under the Manpower Development and Training Act be equivalent to those paid to enrollees in on-the-job training under the Neighborhood Youth Corps—Senator PROUTY.

The minority members on the conference committee also insisted on more effective bypass provisions to ameliorate the so-called city hall amendment.

LABOR

This year the Congress acted on only two labor measures: S. 830, which prohibits age discrimination in employment, and Senate Joint Resolution 81, which ended the 2-day railroad strike during July 1967. The minority members made substantial contribution in both these bills.

AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967 (S. 830—PUBLIC LAW 90–)

First. This legislation, as finally enacted into law, adopted the provision first advanced in S. 788, sponsored by Senators JAVITS, ALLOTT, KUCHEL, MURPHY, and PROUTY, requiring enforcement through Fair Labor Standards Act proceedings in the courts. Other minority amendments include the following:

Second. Protection of bona fide seniority systems and pensions plans—Senator JAVITS.

Third. Requiring the Secretary of Labor to comply with the Administrative Procedure Act in promulgating regulations under the act—Senators JAVITS and KUCHEL.

Fourth. Substituting a right to double damages for a criminal penalty for willful violation of the act—Senators JAVITS and KUCHEL.

Fifth. Requiring an individual wishing to sue under the act to file a notice of his intent with the Secretary of Labor within 180 days of the date of the alleged discrimination or, in an instance where the claim must first be pursued under State law, within 300 days of the alleged unlawful act or 30 days from the date he receives notice of termination of the State proceedings, whichever is earlier—Senator Javits.

SETTLEMENT OF RAILWAY LABOR DISPUTE (S.J. RES. 81—PUBLIC LAW 90–54)

This measure created a special board to mediate between the parties to the railroad labor dispute and, if necessary, make an award resolving the issues. Through the amendment sponsored by Senator Javits, the award of the board was required to be within the limits of the collective bargaining which had already taken place, thus preventing the possibility of a "runaway board." Other amendments sponsored by Senator Javits empowered the board to clarify its award and channeled all litigation concerning the award through a single court, thus eliminating the possibility of conflicting judicial interpretations of the same award and "forum shopping."

VETERANS' AFFAIRS

VETERANS' PENSION AND READJUSTMENT ASSISTANCE ACT OF 1967 (S. 16—PUBLIC LAW 90–77)

Extend past the July 25, 1967, expiration date the home loan guarantee program for veterans of World War II—Senator Javits.

Mr. MILLER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Montana has the floor.

Mr. METCALF. How much time does the Senator desire?

Mr. MILLER. Two minutes.

Mr. METCALF. I am happy to yield to the distinguished Senator from Iowa.

WILSON AND LAWRENCE ON THE STATE OF AMERICAN POLITICS

Mr. MILLER. Mr. President, in today's Washington Evening Star there is published an article written by the distinguished columnist, Richard Wilson, entitled "No, Mr. President, Insulting GOP Won't Do."

In that article, Mr. Wilson does a most appropriate job of putting in proper perspective the completely uncalled-for comments by the President during his speech at the national AFL–CIO convention.

Also in today's Washington Evening Star there appears another article, written by the distinguished columnist, David Lawrence, entitled "Lack of Party Discipline Shows." This article, in addition to touching on the President's unfortunate and uncalled-for comments, also points up one of the problems that the American people have as a result of what Mr. Lawrence refers to as lack of party discipline.

I would agree, in considerable measure, with his observations, with one reservation, and that is that I think the American people can still be guided, in their choice of parties, by where the consensus of each party is—not where does a single vote, but where do the votes of all of the Members in Congress fall? How do 75 percent of them vote?

If the people will follow the idea of consensus, I think they can take considerable guidance. But nevertheless, Mr. Lawrence's observations are appropriate; and I ask unanimous consent that the two articles to which I have referred be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

No, Mr. President, Insulting GOP Won't Do

(By Richard Wilson)

No, Mr. President, you are not going down the center of the road regardless of the polls and regardless of the elections. You are aligning yourself with the Old Left of the Democratic party in the traditional frontal assault on the Republicans as political troglodytes, malefactors and "wooden soldiers of the status quo."

This is not Eisenhower's middle of the road; it is the side of the road on which the Democratic party travelled for 30 years hand-in-hand with organized labor, the farmers and the ethnic, racial and religious minorities bulwarked by the intellectual community.

That side of the road has grown increasingly rocky because the Vietnam War, the racial question and economic issues have splintered the old Democratic coalition. The hazardous shards of this once solid rock are strewn all over the highway.

Because that side of the road is so rocky, Mr. President, you might wish to walk with Republicans who do not like to be called wooden soldiers. They may be wooden, but they are not the "summer soldiers" to whom you refer in your own party, and they are not obstructionists or unprogressive either.

Mr. President, you may need their votes, if you are to win again, as you won them in 1964, but there is nothing to equal epithets in rejecting them and driving them back into the arms of any one of several Republican candidates whom they do not particularly like.

Mr. President, a very great many Republicans regard prospective Presidential nominees of their party with indifference and in some instances with loathing.

You fall short of perfection in their eyes but you are regarded as better than any visible alternative. These, Mr. President, are Republicans to be cherished, so why call them bad names?

Why make them think there is never to be any hope of moderation? Why alarm them with visions of uncontrollable government programs snowballing into deficits at the $30 or $40 billion level? Why make them think that excessiveness is more than ever to be the hallmark of the Johnson administration?

Why cause them to think that organized labor is backing you not because of its support of the Vietnam War but because next year is to be the year to end all years in highly inflationary wage increases which you will lightly condemn but do nothing about? In your own official family, Mr. President, these increases are regarded as self-defeating.

Why reject Republicans who supplied the margin to save the rat control bill, who passed a meat inspection bill without your participation, who have been trying to improve and not scrap the poverty program, who have somewhat different ideas than yours on the scope and nature of aid to education?

How would you have passed the model cities bill, and revisions of the education act without the margin supplied by northern urban Republican votes in Congress?

These same Republicans or their counterparts made it possible to overcome die-hard conservative Democrats to pass civil rights legislation. What would you have done, Mr. President without the help of Republican Leader Everett M. Dirksen?

Who prevents the passage of a tax bill? The Republicans or Democratic Chairman Wilbur Mills of the House Ways and Means Committee, whom you can't control?

It is a heady business speaking to a convention of the AFL–CIO which has ringingly endorsed the candidacy of an incumbent President. John F. Kennedy went to Atlantic City under similar circumstances and observed that he had almost forgotten who elected him, but now he remembered. It was different then. The labor movement is not wholly united on the Vietnam War. The farmers are in revolt against the Johnson administration. A New Left regards the Old Left as bloodthirsty bumblers. The once solid Negro support of the Democratic party is splintered, part hostile and part apathetic.

Given a chance to vote for anyone but Richard M. Nixon, the vote in the Jewish community might veer toward the Republicans. A significant part of the intellectual community is wholly alienated from Johnson. The traditional Democratic South is no longer of a mind to do its duty and vote for any Democratic nominee.

These all are factors which place a higher premium this year on the support, or at least the votes, of good, old, square Willkie-type Republicans who even think that Eisenhower was not so bad.

Lack of Party Discipline Shows

(By David Lawrence)

"Responsible government" is a phrase that has long been given a special meaning in political science as an attribute of democracy, but "irresponsible government" would more accurately describe the present relations between the President and the Congress of the United States.

The latest example of disunity has been revealed in a speech by President Johnson, on the one hand, and the contrary opinion subsequently voiced by Senator Mike Mansfield, Democrat, the leader of the majority party in the United States Senate.

Johnson, in his address before the AFL–CIO convention on Tuesday night, said that 47 Democrats were defeated in the 1966 congressional elections and were "replaced by 47 Republican nay-sayers."

The President stressed, moreover, that a substantial percentage of Republicans had since voted against legislation which he had recommended to the present Congress. But he made no mention of those Republicans who had voted to support his programs.

Senator Mansfield the next day, on the other hand, took occasion to credit the Republicans with providing the margin of victory for many of these same administration bills. He said:

"There are nay-sayers and yes-sayers in both parties. So if any blame is to be placed, it should be spread impartially."

Johnson caught the point and thereupon declared that "everything Congress does has help from both sides, to some extent.

The tragedy of this debate, however, is that, while it brings out into the open a weakness in the American system—the absence of party responsibility—no remedy is being offered to cure the defect.

Congress is floundering today largely because the two major parties are split. Coalitions are formed for reasons of expediency as each measure of vital importance comes up for a vote. The Republican leaders have no more control over their members than do the Democratic leaders.

There was a time in American history when members of each political party in Congress met in a formal "caucus" and privately threshed out their differences. Once a majority in that conference favored a particular bill, the dissenting members were virtually bound by the decision and found it necessary to vote with the majortiy of their colleagues in their own party.

The real reason why members of either the Republican or Democratic party in Congress do not follow the leadership of their own party is that they feel they may not be able always to justify this to their constituents back home. Loyalty to a party means less and less nowadays, as individual members seek at the polls the support of voters in both parties. Unfortunately, such a system leads only to confusion and to the passage of "compromise" legislation that is not liked by the majority in either party.

In previous years, members of Congress were satisfied to make public protest against a particular piece of legislation and also to cast their votes against it in a party caucus. This was designed to let constituents back home know that everything possible had been done and that there was danger of losing a formal affiliation with the party by a refusal to vote for such measures as the caucus had approved.

Today no conferences within each party are binding upon the members. With few exceptions, moreover, such dissenters run on the party ticket, too. As a rule, they get the benefit also of party funds and the campaign support of party leaders.

In Great Britain, while occasionally there are dissents within a party, the normal course is to support the decisions of the party conference. When a substantial number of the members disagree and vote with the opposition party, an election frequently is called to decide whether or not a new majority should take power.

In this country no effective system to achieve harmony within each party is in existence. The result is that on every piece of legislation each member can act as an individual irrespective of responsibility to his party.

Some day the American system will have to be revised so that there will be party discipline. Only then will the people be able to fix responsibility upon the political party to which they have given the majority of their votes in an election.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed a joint resolution (H. J. Res. 960) establishing that the second regular session of the 90th Congress convene at noon on Monday, January 15, 1968, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res 604. Concurrent resolution providing for sine die adjournment of the two Houses of Congress on Friday, December 15, 1967; and

H. Con. Res. 605. Concurrent resolution authorizing the Speaker of the House and the President of the Senate to sign enrolled bills and resolutions.

ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1967—CONFERENCE REPORT

Mr. MORSE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7819) to strengthen and improve programs of assistance for elementary and secondary education by extending authority for allocation of funds to be used for education of Indian children and children in overseas dependents schools of the Department of Defense, by extending and amending the National Teacher Corps program, by providing assistance for comprehensive educational planning, and by improving programs of education for the handicapped; to improve authority for assistance to schools in federally impacted areas and areas suffering a major disaster; and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The Assistant Legislative Clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MORSE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MORSE. Mr. President, the conference report on the 1967 Elementary and Secondary Education Act Amendments, which I have just submitted, is brought to the Senate with a deep feeling of pride and satisfaction upon the part of the chairman of the conference committee, not on behalf of the contents of the agreement reached, although it is my belief and considered judgment that these are substantial and of great import to the boys and girls of this country, but even more because of the way in which my colleagues on both sides of the aisle and both sides of the Hill, while operating under pressures of adjournment, and following well over a week on the floor of this body in debate, supported me as manager of the bill, in negotiations of great difficulty and high complexity.

This conference compromise is not the product of a single mind or brain. It is, rather, the concentrated essence of careful consideration and a spirit of honorable compromise on the basis of conscientious reconciliation of very diverse views and positions.

I am deeply appreciative of the support I was given in debate and discussion, and the willingness of my Senate colleagues of both parties to subordinate sectional considerations, economic considerations, yes, and even political considerations, to the demands of the public interest and the needs of the American schools and children.

Mr. President, as a preface to my further remarks, I ask unanimous consent that there be printed in the RECORD at this point the statement of the managers on the part of the House, the text of the conference substitute measure, and the table of authorizations.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7819) to strengthen and improve programs of assistance for elementary and secondary education by extending authority for allocation of funds to be used for education of Indian children and children in overseas dependents schools of the Department of Defense, by extending and amending the National Teacher Corps program, by providing assistance for comprehensive educational planning, and by improving programs of education for the handicapped; to improve authority for assistance to schools in federally impacted areas and areas suffering a major disaster; and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The first Senate amendment struck out all of the House bill after the enacting clause and inserted a new text. The accompanying conference report recommends a new text which would be a substitute for both the House bill and the Senate amendment. The other Senate amendment was to the title.

This statement describes the conference action with respect to the differences between the House bill and the Senate amendments, except for minor, technical, and conforming changes.

AMENDMENTS AFFECTING THE ADMINISTRATION OF THE CIVIL RIGHTS ACT

"FOUNTAIN AMENDMENT"

The House bill amends section 182 of P.L. 89–750 (concerning deferral of action on applications pending a determination of compliance with the Civil Rights Act of 1964) to delete all language governing the period when action on applications may be deferred.

The Senate amendment contains no such provision.

Recently the Secretary of Health, Education, and Welfare in correspondence with the Chairman of the Senate Education Subcommittee and the Chairman of the Committee on Education and Labor set forth new general administrative procedures which the Department has adopted relative to the compliance procedures under title VI of the Civil Rights Act. The text of the Secretary's letter to the Chairman of the House Committee follows:

THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE,
Washington, Dec. 12, 1967.

Hon. CARL D. PERKINS,
Chairman, House Education and Labor Committee, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: During Senate debate of the proposed Elementary and Secondary Education Amendments of 1967 this week, I sent to the Chairman of the Subcommittee on Education, Senator Morse, a letter spelling out procedures we believe will help to reduce elements of uncertainty in our civil rights compliance program.

In my letter, I pointed out that we in the Department of Health, Education, and Welfare are concerned that our procedures under Title VI of the Civil Rights Act of 1964 operate with a minimum of difficulty for the orderly planning and operation of educational programs. We believe these new procedures will assist school districts genuinely attempting to develop school desegregation plans.

The Department scrupulously follows the hearing and review procedures required by the law and our Title VI Regulation, which afford the school district every opportunity to present its case. Where a hearing examiner or the reviewing authority has ordered the termination of funds and after all of the procedural safeguards have been observed, the order terminating funds takes effect thirty days after the filing of a report with the appropriate Committees of Congress.

The termination of Federal funds comes as a result of a process of negotiation and enforcement which now usually requires well over twelve months to complete. Nevertheless, to reduce uncertainty to the fullest extent possible, consistent with the objectives of the Civil Rights Act of 1964, we will adopt new general administrative procedures for the coming school year. Under these procedures, termination orders will not become effective between September 1 and June 1 of the school year unless *both* of the following conditions have been met:

1. A written communication was mailed to the school district prior to March 1 of its preceding school year informing it that our

information indicates probable noncompliance with requirements under Title VI and of the imminence of compliance proceedings if adequate corrective action is not taken, *and*

2. A notice of opportunity for a hearing regarding alleged noncompliance was mailed to the school district by certified or registered mail no later than September 1 of the school year in which the order is sought to be made effective.

These procedures would not apply to an order of a hearing examiner or the reviewing authority which contains a specific determination that any one of the following issues was a substantial and material factor in the compliance proceeding: interference with or denial of the exercise of choice in a manner inconsistent with such agency's free choice desegregation plan, denial to any student on the ground of race, color, or national origin, of full participation in the program and facilities of the school he attends, failure to carry out one or more commitments which the local educational agency made in writing in response to a notification by the Department of Health, Education, and Welfare of failure to comply with requirements under Title VI of the Civil Rights Act of 1964, or refusal to provide material information or the provision of inaccurate information which has a substantial bearing on the compliance of the school system.

Under these procedures 94 to 95 percent of the 4600 school districts in the Southern and Border states, assuming their good faith, would have an absolute assurance by March 1, six months prior to the beginning of the next school year, that they would not lose Federal funds during that year. The remaining districts will have been advised at least six months in advance of the next school year of the alleged noncompliance and will have ample opportunity to correct that noncompliance prior to the opening of school.

In addition, under these procedures, the Department will come to a final enforcement decision prior to September 1 as to each school district which might be subject to a termination order during that school year by offering it an opportuntiy for a hearing.

Our experience has been that half of the school districts with whom we enter into negotiation to secure compliance do develop acceptable school desegregation plans and that half of the districts which are offered an opportunity for a hearing likewise come into compliance prior to the termination of Federal funds.

The Department makes every effort to secure voluntary compliance through negotiations before enforcement proceedings are initiated. The process of reaching agreement is not prescribed by a rigid set of rules but there are certain basic principles and mutual responsibilities which can and should be stated.

In the first instance it is the Department's responsibility based on the school district's reports and on-site field surveys to identify in writing the particular areas in which the current desegregation plan has proven ineffective or inadequate to accomplish the purposes of the Civil Rights Act. The Department will advise the school district of its responsibility to prepare and submit a modified desegregation plan which will prove effective in accomplishing the purposes of the Act. It is further the responsibility of the Department to offer the school district assistance and guidance which would be helpful in enabling the district to comply with the requirements of the law. In addition, the Department will inform any school district of our willingness to put recommended steps in writing at the request of school officials.

It is then the responsibility of the local school district, to prepare an effective desegregation plan which will carry out the clear mandate of the Civil Rights Act throughout the Nation. Once the school district has submitted its proposal, it is the responsibility of the Department to comment in writing and in detail setting forth any areas in which the plan is not satisfactory and any additional steps which must be taken if it is to meet the requirements under the law. If further negotiations are necessary, it is essential that such negotiations continue in good faith toward the development of an effective desegregation plan. At the conclusion of negotiations resulting in an effective plan, the Department will, if the school district wishes, advise the school district in writing that adoption of the plan is necessary to enable the school district to meet the requirements of the Civil Rights Act.

We are deeply aware of the importance of achieving school desegregation and the complexity of the problem. We are making every effort to administer the law equitably and in a fair-minded orderly way.

Sincerely,

JOHN W. GARDNER,
Secretary.

In view of the above and with the understanding that the procedures outlined by the Secretary will be closely adhered to, the conference report does not contain the House provision.

"WHITENER AMENDMENT"

The House bill amends section 182 of P.L. 89–750 to provide that compliance by a local educational agency with *an order or decision of a Federal court with respect to student or faculty assignment policies* shall (1) entitle such agency to receive funds authorized by the Elementary and Secondary Education Act of 1965 and other similar provisions of Federal law assisting elementary and secondary education and (2) constitute compliance by such agency with title VI of the Civil Rights Act of 1964.

The Senate amendment provides that compliance by a local educational agency with *a final order or judgment of a Federal court for the desegregation of the school or school system* shall constitute compliance with title VI of the Civil Rights Act of 1964 *insofar as the matters in such order of judgment are concerned.*

The conference substitute contains the provisions of the Senate amendment in this respect.

REPORTS OF STUDIES TO CONGRESS

IMPACT OF LOW-RENT PUBLIC HOUSING

The House reporting date, contained in section 110 of the House bill, is January 10, 1968.

The Senate reporting date, contained in section 111 of the Senate amendment, is May 15, 1968.

The conference substitute incorporates this provision of the Senate amendments.

DATA USED TO ESTABLISH ENTITLEMENTS

The House reporting date, contained in section 113 of the House bill, is January 10, 1968.

The Senate reporting date, contained in section 113 of the Senate amendments, is May 1, 1968.

The provisions of the Senate amendment are contained in the conference substitute.

TITLE I—AMENDMENTS TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965, AND RELATED AMENDMENTS

PART A—AMENDMENTS TO TITLE I OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

INDIAN CHILDREN

The House bill adds language to the provisions of title I concerning schools for Indian children operated by the Department of Interior making "other Indian children on reservations" eligible for participation in that part of the title I program administered by the Department of the Interior.

The Senate amendment and the conference substitute contain no comparable provision.

CONFORMING RATES OF PAYMENTS TO STATE AGENCIES

The Senate amendment makes State agencies serving—

(A) Migratory children of migratory agricultural workers eligible for payment on the basis of one-half the State average per pupil expenditure when such expenditure is greater than one-half the national average per pupil expenditure; and

(B) Neglected and delinquent children eligible for one-half the national average per pupil expenditure when it is greater than one-half the State average per pupil expenditure.

The Senate amendment also provides for a uniform definition of "average per pupil expenditure."

The House bill contains no provisions.

The conference substitute adopts the Senate provision, but with an amendment delaying the effective date of the change until fiscal year 1969.

ADJUSTMENTS NECESSITATED BY APPROPRIATIONS

The House bill provides that if appropriations are insufficient to satisfy the maximum grants for which State and local educational agencies are eligible, the "low-income factor" reverts to $2,000.

The Senate amendment provides that, if appropriations are insufficient, appropriations would be allocated according to the following schedule:

(1) State agencies serving handicapped, migrant, and neglected and delinquent children would receive the amounts for which they are eligible;

(2) Each county would receive an amount equal to the amount the local educational agencies in that county received the previous year;

(3) Each State educational agency would receive the amount for which it is eligible for administrative expenses;

(4) The remainder would be allocated to State and local educational agencies according to the formula.

The conference substitute incorporates a substitute for both the House provision and the Senate provision. Under this substitute provision, where the amounts appropriated for a fiscal year are insufficient to pay the full amount to which all local and State educational agencies are entitled then the following adjustments will be made. First, State agencies serving handicapped, migrant, and neglected and delinquent children will be eligible for a grant equal to their full entitlements under paragraphs (5), (6), and (7) of section 203(a). Second, allocations will be made to local educational agencies on the basis of the computations, in accordance with section 203(a)(2) as reduced ratably, subject to two exceptions. The first exception provides that until appropriations are sufficient to satisfy all maximum grants as computed by using the low-income factor of $2,000, the low-income shall be $2,000. The other exception provides that the aggregate amount available for grants within a State to local educational agencies shall not be less than the aggregate amount allocated to local educational agencies within the State for the fiscal year 1967, until the total appropriations for that fiscal year exceed $1,500,000,000 for part A of this title. Third, the amount available for payments to each State educational agency for administrative expenses will be 1 percent of the aggregate amounts available within that State under the provisions described in the two preceding sentences, except that no State will receive less than the minimum amount provided for in the provisions relating to the minimum administrative payment. The conferees emphasize that where appropriations are below $1,500,000,000 the conference substitute after allocations are made to States for handicapped children, migratory children, and institutionalized neglected or delinquent children covered in section 203(a) (5), (6), and (7) requires the distribution of the remainder, utilization of 50 percent of the national average per pupil expenditure or 50 percent of the State average per pupil expenditure whichever is greater and the $2,000 low-income factor. This is to assure the immediate impact of the equalizing effect of the 50 percent national average factor in those States where per pupil expenditures are below the national average. After this step in the calculation the conference substitute provides for adjustments of the allocations to assure that no State receives less than it received in fiscal year 1967. It is also emphasized that the substitute does not permit the use of a low-income factor of $3,000 until appropriations are adequate to fully distribute all entitlements of the formula utilizing a low-income factor of $2,000.

OFFSETTING REDUCTIONS NECESSITATED BY APPROPRIATIONS

The House bill provides that if the amount allocated to any local educational agency is more than it can use (as determined by the State educational agency in accordance with regulations prescribed by the Commissioner), the excess would be made available to local educational agencies in that State and then, if not so needed, to local educational agencies in other States in accordance with criteria established by the Commissioner which are designed to assure that excess amounts are made available to local educational agencies on the basis of need and for the purpose of redressing inequities and mitigating hardships under the distribution formula caused by changes in population and economic circumstances.

The Senate amendment contains no such provision.

The Senate recedes.

SPECIAL INCENTIVE GRANTS

The Senate amendment provides for a new program of incentive grants under which special incentive grants would be made to the State educational agency of each State which, during the fiscal year 1968, and succeeding fiscal years, has an effort index in excess of the national effort index. The amount of such grant would be determined by multiplying $1 for each 0.01 percent of such excess by the aggregate number of children counted for the purpose of title I in that State. The amounts for which the States are eligible would be ratably reduced insofar as the total of such amounts exceed the appropriation ($50 million would be authorized.) No State would be eligible to receive amount in excess of 15 percent of the amount appropriated for any fiscal year. Funds would be distributed to local educational agencies on the basis of need and would be expended for the purposes of title I.

The House bill contains no such provision.

The conference substitute adopts this provision of the Senate amendment, except that the program will begin with the fiscal year 1969, and only non-Federal expenses will be considered in determining the State's effort index.

REPORT ON COMPENSATORY EDUCATION PROGRAMS

The Senate amendment requires the inclusion of a report on the effectiveness of compensatory education programs in the title I report of 1969.

The House bill contains no provision.

The House recedes.

PART C—REVISION OF TITLE III OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

Both the House bill and the Senate amendment revise title III of the Elementary and Secondary Education Act of 1965 to change the administration of the program to a State plan—State grant administrative mechanism. The States would submit a State plan through their State agencies to the Commissioner for approval. The conference substitute adopts the general form of the Senate amendment with modifications.

AUTHORIZATION OF APPROPRIATIONS AND DURATION OF PROGRAM

The House bill provides for an authorization of $500,000,000 for the fiscal year ending June 30, 1968, and for the succeeding fiscal year. The Senate amendment authorizes $500,000,000 for the fiscal year ending June 30, 1968, $525,000,000 for the fiscal year ending June 30, 1969, $550,000,000 for the fiscal year ending June 30, 1970, and $575,000,000 for the fiscal year ending June 30, 1971. The conference substitute authorizes $500,000,000 for the fiscal year ending June 30, 1968, $512,500,000 for the fiscal year ending June 30, 1969, and $550,000,000 for the fiscal year ending June 30, 1970.

APPROVAL OF STATE PLANS

The House bill provides that the Commissioner shall approve any State plan which meets the requirements set forth in sec. 304(a), concerning contents of State plans.

The Senate amendment, in addition to a similar requirement in section 305(b), authorizes the Commissioner to approve part of a State plan if he finds that the plan is in substantial compliance with the requirements set forth in section 305(b), concerning the contents of State plans.

The conference substitute adopts this provision, except that the permission for the Commissioner to approve part of a State plan will be applicable only for the fiscal year 1969.

The amendment provides that the Commissioner may not approve part of a State's plan unless the amount necessary to carry out the part in compliance is less than 50 percent of the maximum amount the State is eligible to receive. The conference substitute contains these provisions.

AMOUNT A STATE MAY RECEIVE

The House bill provides that, if a State's plan is approved, it receives 100 percent of its allotment.

The Senate amendment provides that, if a State's plan is approved, it receives 33⅓ percent of its allotment in fiscal year 1969, 50 percent thereof in fiscal year 1970, and 66⅔ percent thereof in fiscal year 1971.

The conference agreement provides that for the fiscal year 1969 a State which has had its State plan approved will have available to it 75 percent of its allotment. It should be noted that under the new provisions of section 306(c) it is only for the fiscal year 1969 that 25 percent of the State's allotment will be available for special projects and programs funded by grants from the Commissioner to local educational agencies, plus any amounts made available because of the Commissioner's action in disapproving part or all of a State's plan under section 305. For fiscal year 1970 there will be available for such grants only the amounts necessary to continue toward completion those projects which were initiated prior to such fiscal year under section 306(a), and funds which are not utilized for this purpose, or for the purposes of carrying out an approved State plan, must be reallotted in accordance with section 302(c).

SPECIAL PROGRAMS AND PROJECTS

The Senate amendment provides that, from the amount allotted to any State which is not available for grants under its State plan, the Commissioner may make grants to local educational agencies in that State for the purposes of the title if such local agency has an application meeting the requirements of section 304, concerning application requirements, and conditions of approval. In States having plans approved under section 305 grants under this section must be of national significance. Fifteen percent of the funds granted under this section must be for special programs for handicapped children. Applications under this section may be approved by the Commissioner only if they have been submitted to the appropriate State educational agency for review and recommendation.

The House bill contains no such provision.

The conference substitute contains this provision modified so that for the fiscal year 1970 only such projects initiated in fiscal year 1969 may be funded toward completion.

APPLICATIONS FOR GRANTS—CONDITIONS FOR APPROVAL

The Senate amendment sets forth the requirements which must be met by applicants and the conditions for approval by the State educational agency or the Commissioner.

The House bill contains no such provision.

REQUIREMENTS FOR STATE PARTICIPATION

The House bill requires a State desiring to participate in the program to submit a State plan through its State educational agency to the Commissioner.

The Senate amendment requires, in addition to the submission of a State plan, the establishment of a State advisory council and the setting of dates for the submission of applications. Uniform dates could be set by regulation.

STATE ADVISORY COUNCILS

The Senate amendment sets forth the membership and duties of the State advisory councils.

The House bill contains no such provision.

The conference substitute is similar to the Senate provision, except that it requires the Advisory Council to be appointed by the State educational agency, and it removes the requirement that its membership include persons representative of professional organizations of teachers and school administrators and of organizations promoting the improvement of education. It also removes a provision which says that nothing in the subparagraph may be construed to preclude the appointment of nonresidents of a State to the Council. Further, the Advisory Council is required to submit its report through the State educational agency, (together with the additional comments of that agency) to the Commissioner and to the National Advisory Council in such form as the Secretary may prescribe.

CONTENTS OF STATE PLANS

Both the House bill and the Senate amendment require a detailed State plan which sets forth the programs and projects to be funded and the customary assurances.

A. GRANTS TO LOCAL EDUCATIONAL AGENCIES

The House bill requires the plan to set forth a program under which funds will be expended for the purposes set forth in section 303, concerning uses of Federal funds.

The Senate amendment requires the plan to set forth a program under which funds will be expended for the improvement of education in the State through grants to local educational agencies having applications approved for a program or project described in section 303, concerning uses of funds.

B. CONTINUITY OF THE PROGRAM

The House bill provides that for the first year a State plan is in effect it must provide that no local educational agency will receive less than the amount that it would be expected to receive had H.R. 7819 not been enacted.

The Senate amendment provides that special consideration be given to applications proposing to carry out programs and projects planned with assistance under the title.

C. STATES IN WHICH THE STATE EDUCATIONAL AGENCY IS ALSO A LOCAL EDUCATIONAL AGENCY

The Senate amendment provides that, in the case of a State educational agency which is also a local educational agency, the State agency will be deemed to be a local educational agency if its plan includes provisions and assurances which are required of a local educational agency.

The House bill contains no such provision.

D. ADMINISTRATIVE ORGANIZATION

The Senate amendment requires the State plan to set forth the administrative organization and procedures to be used in carrying out the State plan, including the qualifications for personnel having responsibilities in the administration of the plan. The detail in which such organization and procedures are to be set forth is to be prescribed by regulation.

The House bill contains no such provision.

The conference substitute contains technical modifications of this provision.

E. EVALUATION AND DISSEMINATION OF INFORMATION

The Senate amendment provides for the adoption of effective procedures for the (1) evaluation of the programs or projects supported under the State plan, (2) dissemination of the results of the evaluations and of other information about the programs and projects carried out under the plan, and (3) adoption of promising educational practices developed through the programs and projects carried out under this title.

The House bill contains no such provision.

F. PLANNING PROJECTS AND DEMONSTRATION PROGRAMS

The Senate requires that at least 50 percent of the funds the State receives be used for planning project grants and grants for the establishment or expansion of exemplary and innovative educational programs designed to stimulate the adoption of new educational programs in schools throughout the State.

The House bill contains no such provision.

G. PROGRAMS FOR HANDICAPPED CHILDREN

The Senate amendment requires that 15 percent of the amount the State receives for carrying out the State plan be used for special programs or projects for the education of handicapped children.

The House bill contains no such provision.

H. EVALUATION REPORT

The Senate amendment requires that the annual report contain reports on evaluations carried out under the State plan.

The House bill contains no such provision.

I. HEARINGS OF THE STATE AGENCY

The House bill requires assurance that every applicant whose application has been denied will be given an opportunity for a hearing.

The Senate amendment requires that final action on an application will not be taken without first affording the applicant reasonable notice and an opportunity for a hearing.

J. STATE AID

The Senate amendment requires assurance that grants made to a local educational agency under the title will not be taken into consideration with regard to the eligibility for, or the amount of, State aid to that agency.

The House bill contains no such requirement.

ADMINISTRATION OF THE STATE PLAN

The House bill provides that if a State fails to comply with its approved plan or if the plan is changed so that it no longer complies with the law the State will not be regarded as eligible to participate in the program.

The Senate amendment provides that if there is failure to comply with a State plan or with the requirements in an application, the State will not receive further payments or, in the case of a local educational agency's failure to comply with its application, the local educational agency will not receive further payments.

JUDICIARY REVIEW

The Senate amendment provides for judicial review of a State's action on an application of a local educational agency in the same manner as for review of the Commissioner's action on a State plan.

The House bill contains no such provision.

PAYMENTS FOR ADMINISTRATIVE EXPENSES, ADVISORY COUNCILS, AND EVALUATION AND DISSEMINATION ACTIVITIES

The Senate amendment makes provision for a separate authorization of appropriations for the administration of State plans, advisory council activities, and the evaluation of the program and dissemination of the results of such evaluation. The Commissioner is authorized to pay to each State with an approved plan an amount equal to 7½ percent of its allotment (or $150,000, whichever is greater) for such activities. Of that payment no more than an amount equal to 5 percent of its allotment (or $35,000, whichever is greater) may be used for the administration of the State plan.

The House bill makes no provision for administrative expenses.

The conference substitute differs from the Senate provision only in that the requirement limiting the amount which may be used for administration will be applicable only for the fiscal year 1970.

USES OF FEDERAL FUNDS

The House bill would change present law only in that language requiring that funds be used only in accordance with applications would be deleted.

The Senate amendment would retain the requirement that funds be used in accordance with applications.

The Senate amendment would restructure the pattern of grants by dividing the present operational grant program into (1) grants for exemplary and innovative educational programs designed to stimulate the adoption of new educational programs in the schools of the State (demonstration programs) and (2) supplemental services and activities.

The Senate amendment adds to the present list of programs described as supplemental services and activities a new description of a program of initiating and carrying out programs or projects designed to meet the critical educational needs of local educational agencies which are making a reasonable tax effort but which are nevertheless unable to meet their critical educational needs because some or all of their schools are seriously overcrowded, obsolete, or unsafe.

The Senate amendment also adds to the listing of supplemental services and activities projects to encourage community involvement in educational programs to the list of descriptions.

The Senate amendment includes bilingual education methods as a means for providing special educational services to persons isolated from normal educational opportunities.

The Senate amendment would emphasize new and improved approaches in providing supplementary educational services and activities.

LIMITATION ON PAYMENTS

The Senate amendment provides that no local educational agency may receive payments under the title if there is a decrease in fiscal effort and that no State may receive payments under the title if there is a decrease in State aid for public education.

The House bill contains no such provision.

NATIONAL ADVISORY COUNCIL

The House bill repeals the authority for the National Advisory Committee on Supplementary Centers and Services.

The Senate amendment reconstitutes the committee as an independent advisory council appointed by the President and responsible to the President, the Congress, and the Secretary of Health, Education, and Welfare.

The conference substitute adopts the Senate amendment with modifications which delete the provisions requiring the Advisory Council to advise the Commissioner in the preparation of general regulations; but inserts a provision directing it to review general regulations for the operation of the title. It deletes the requirements that the Council must review State plans and applications and the requirements with respect to the submission of reports by State Advisory Councils. The substitute also takes out the provisions that require the Secretary to make available technical, professional, and other assistance to the Council and inserts in lieu thereof a requirement that when requested by the President the Secretary must engage such technical and professional assistance as may be required to carry out the functions of the Council and requires him to make available to the Council other assistance and data. It deletes the authority for the Council to hire personnel without regard to the civil service laws and the Classification Act.

REALLOTMENT

The Senate amendment provides that, if an amount available for grants under a State plan will not be needed for the period for which it is available, that amount will be available first for grants to local educational agencies in that State as special programs or projects and then for reallotment to other States or special project grants in other States.

The Senate amendment provides that the amounts available for reallotment or grants under the reallotment authority shall, if such amounts are not obligated during that fiscal year, be available during the next fiscal year for obligation.

SERVICES FOR INDIANS

The House bill provides that allotments shall be made to the Department of Interior for services to children and teachers in schools operated by that department.

The Senate amendment provides that such allotments be used for persons or reservations serviced by schools operated by Interior.

EFFECTIVE DATE

The House bill provides that the revision of title III will be effective on the last day of fiscal year 1968, except that it would be effective in fiscal 1968 for States submitting State plans upon the submission of a State plan.

The Senate amendment provides that the revision will be effective on the first day of fiscal year 1969, except that those provisions of the amendment concerning advisory councils will be effective upon enactment. The Senate amendment authorizes the Commissioner to take the necessary steps to prepare for the implementation of the revision upon enactment.

Unless otherwise noted, the conference substitute adopts the provisions of the Senate amendment.

PART D—AMENDMENTS TO TITLE V OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

DURATION OF AND FUNDS FOR TITLE V

The House bill extends title V for one year and provides an authorization of $65 million for fiscal year 1968 and $80 million for fiscal year 1969. The Senate amendment extends the program for three years with authorizations of $80 million for fiscal year 1970 and $85 million for fiscal year 1971. The conference substitute extends the title for two years with an authorization of $65 million for fiscal year 1968, and $80 million for fiscal year 1969 and 1970.

REPEAL OF SPECIAL PROJECT GRANTS

The House bill repeals the special project grants authorized by section 505 of title V.

The Senate amendment contains no provision.

The conference agreement does not contain this provision of the House bill.

COMPREHENSIVE PLANNING FOR LOCAL EDUCATION AGENCIES

The House bill specifies that State educational agencies could make grants to local educational agencies in metropolitan areas to enable them to engage in comprehensive planning to meet their needs.

The Senate amendment would, in addition, decrease the percentage of title V appropriations available for special project grants from 15 to 5 percent and provide that the States must make 10 percent of their apportionment available to local educational agencies to be used for the purposes of title V as applied to a local educational agency. The Senate amendment would be effective beginning in fiscal year 1969.

The House recedes.

GRANTS TO INTERSTATE COMMISSIONS

The Senate amendment makes public regional interstate commissions and agencies eligible for special project grants for educational planning and research.

The House bill contains no such provision.

This provision is retained in the conference substitute.

COMPREHENSIVE EDUCATIONAL PLANNING

The Senate amendment amends title V of the Elementary and Secondary Education Act of 1965 by adding a new part B which would authorize a 4-year program of grants to States for the purpose of enhancing the capability of the States to make effective progress, through comprehensive and continuing educational planning, toward the achievement of opportunities for high-quality education for all segments of the population throughout the several States.

The House bill contains no such provision.

The Senate recedes.

Part E.—Amendments to Title VI of the Elementary and Secondary Education Act of 1965, and Related Amendments

DEFINITION OF HANDICAPPED

The House bill deletes the word "seriously" before "emotionally disturbed" in the definition of "handicapped" in all acts amended by H.R. 7819.

The Senate amendment contains no such provisions.

The conference substitute does not contain this provision of the House bill.

ELIGIBILITY OF LOCAL EDUCATIONAL AGENCIES AS REGIONAL RESOURCE CENTERS

The Senate amendment makes local educational agencies eligible for grants and contracts in the program of Regional Resources Centers.

The House bill contains no such provision.

The conference substitute permits local educational agency participation but only in combination with State educational agencies or institutions of higher education.

CENTERS AND SERVICES FOR DEAF-BLIND CHILDREN

The Senate amendment authorizes (through a limited number of model centers for deaf-blind children) a program designed to develop specialized and intensive services, methods, and aids that are effective in enabling deaf-blind children to achieve their potential for communication, for participation in society, and for self-fulfillment (and designed to bring such services, methods, and aids to such children as early as feasible in life). The Secretary would be authorized to make grants to or contracts with public or nonprofit private agencies, organizations, or institutions to pay the cost of the establishment and operation of centers for deaf-blind children. The Senate provision authorizes the appropriation for carrying out this part of $1 million for fiscal year 1968, $3 million for fiscal year 1969, and $7 million for fiscal year 1970.

The House bill contains no such provision.

The conference substitute retains these provisions of the Senate amendment.

HANDICAPPED INDIAN CHILDREN

The House bill authorizes allotments to the Department of Interior for handicapped Indian children in schools operated by the Department of the Interior.

The Senate amendment authorizes allotments for handicapped children on reservations serviced by schools operated by the Department of the Interior.

The House recedes.

MINIMUM ALLOTMENT TO STATES

The Senate amendment would provide that no State would receive less than $100,000 (or 0.3 percent of the appropriation, whichever is greater) under title VI–A.

The House bill contains no such provision.

The conference substitute adopts this provision of the Senate amendment.

STIPENDS UNDER THE PROGRAM OF CAPTIONED FILMS

The Senate amendment authorizes stipends for trainees in the program of captioned films for the handicapped.

The House bill contains no provision.

This provision is retained in the conference substitute.

AUTHORIZATION OF APPROPRIATIONS FOR CAPTIONED FILM PROGRAM

The Senate amendment increases the authorization of appropriations for the captioned film program by $3,000,000, rather than by $1,000,000 as in the House bill. The House recedes.

"IN-HOUSE" RESEARCH IN THE PROGRAM OF RESEARCH AND DEMONSTRATION PROJECTS IN THE EDUCATION OF HANDICAPPED CHILDREN

The Senate amendment authorizes the Commissioner to conduct research, surveys, and demonstrations relating to the education of handicapped children. The Senate amendment authorizes $18,000,000 for the fiscal year 1970.

The House bill contains no provision.

The conference substitute adopts the Senate amendment.

It is the understanding of the conferees that this new authority will be used only in cases in which it is not practicable to have research, surveys, or demonstrations conducted outside of the Office of Education.

Part F—Amendments to Title VII of the Elementary and Secondary Education Act of 1965

The Senate amendment amends title VII of the Elementary and Secondary Education Act of 1965; the House bill does not.

TECHNICAL ASSISTANCE TO RURAL AREAS

The Senate amendment amends section 706 to authorize the Commissioner, upon request from a State educational agency, to give technical assistance to schools in rural areas, to assist such schools in obtaining the benefits available to such schools from Federal programs. The Senate amendment increases the authorization by $1,500,000 for the fiscal year ending June 30, 1968, and authorizes $3,700,000 for the fiscal year ending June 30, 1969, and $4,000,000 for the fiscal year ending June 30, 1970. This provision is contained in the conference substitute.

DEMONSTRATION PROJECTS TO PREVENT DROPOUTS

The Senate amendment amends title VII of the Elementary and Secondary Education Act of 1965 by adding a new section 707 which would authorize grants to local educational agencies in urban areas to support demonstration projects designed to prevent school dropouts. The Senate amendment authorizes $30,000,000 for the period ending June 30, 1969, and $30,000,000 for the fiscal year ending June 30, 1970.

The conference substitute adopts this provision of the Senate amendment with a modification making it applicable to rural as well as urban areas. It is the intention of the conferees that demonstration projects under this section be limited to a relatively small number of projects in areas of outstanding need in which there are high concentrations of school dropouts.

TITLE II—FEDERALLY AFFECTED AREAS

Part A—Assistance for School Construction and Current Expenditures in Impacted Areas

The Senate amendment makes substantive changes in present law; the House bill makes only one which concerns the effective date of certain 1966 amendments on which the Senate amendment does not disagree.

MODIFICATION OF SCHOOL CONSTRUCTION PROVISIONS CONCERNING INDIAN LANDS

The Senate amendment amends section 14 of Public Law 815 (relating to children living on Indian lands) to provide that, (1) under the present subsection (a), if a local educational agency meets the minimum requirements for eligibility under such subsection, it may receive payments for construction to house all "unhoused" children and (2), as an alternative to subsection (a), a new subsection (b) would provide that a local educational agency meeting requirements less stringent than those in subsection (a), may receive payments for construction to house only "unhoused" children living on Indian lands.

This provision is contained in the substitute agreed upon in conference.

DELETING REQUIREMENT THAT CERTAIN CONTRIBUTIONS BE DEDUCTED

The Senate amendment amends section 2(a) (which entitles local educational agencies to Federal payments to compensate them for the additional financial burden placed on them by the acquisition of property by the Federal Government) by deleting the requirement that other Federal payments with respect to such property to such agencies be deducted from such compensation.

The Senate amendment also amends sec. 3 of such act (concerning payments to local educational agencies for children residing on, or whose parents are employed on, Federal property) to delete subsec. (e) thereof which requires that "other Federal payments" be deducted from contributions to local educational agencies under sec. 3.

Both of these provisions are contained in the conference substitute.

PROVISION FOR INTERNATIONAL BOUNDARY CHANGE

The Senate amendment amends those parts of Public Law 815 and Public Law 874, which authorize payments for children who had a change of residence as a result of an international boundary relocation between the United States and Mexico to provide that if by reason of a provision of other law such payments were not made in fiscal year 1967, the entitlement for such payments shall be added to the entitlement of a local educational agency for the first fiscal year for which appropriations may be used for such payments. The House recedes.

REPEAL OF MANDATORY GROUP RATE PROVISIONS

The Senate amendment amends sec. 3(d) (concerning the computation of local contribution rates) of Public Law 874 by deleting the amendments made by sec. 201(b) of Public Law 89–750 (which required the Commissioner to place all school districts in comparable groups) and inserting the language which appeared in such section prior to the enactment of Public Law 89–750. This provision of the Senate amendment is contained in the conference substitute.

DISCRETION TO WAIVE CERTAIN REQUIREMENT

The Senate amendment amends sec. 5(e) of Public Law 815 to permit the Commissioner to reduce or waive the requirement in subsec. (f) of sec. 5, concerning the deduction on account of memberships in the base year of a previous application. The House recedes.

PART B—ASSISTANCE FOR SCHOOL CONSTRUCTION AND CURRENT EXPENDITURES IN DISASTER AREAS

"PINPOINT" DISASTERS

The Senate amendment amends section 16 of Public Law 815 and section 7 of Public Law 874 to authorize assistance to schools which have been damaged or destroyed as a result of fire, flood, hurricane, earthquake, storm, malicious action of any person, or other catastrophe even if the area in which the school is located has not been designated as a major disaster area.

The House bill does not contain this provision.

The conference agreement includes the Senate provision, modified to limit such assistance to schools which have been damaged or destroyed as a result of flood, hurricane, earthquake, storm, or fire, except fire caused by negligence or malicious action.

TITLE III—DURATION OF AND AUTHORIZATION FOR CERTAIN PROGRAMS

TITLE I OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

The House bill extended the title through fiscal year 1969. The Senate amendment extended the title through fiscal year 1971. The conference substitute extends the title through fiscal year 1970.

TITLE II OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

The House bill extends title II for one year with an authorization of $150,000,000 in fiscal year 1969. The Senate amendment extends title II for three years with authorizations of $175,000,000 in fiscal year 1969, $200,000,000 in 1970, and $225,000,000 in 1971. The conference substitute extends the title for two years with authorizations of $162,500,000 for fiscal year 1969, and $200,000,000 for fiscal year 1970.

TITLE VI OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

The House bill extends title VI for one year with an authorization of $150,000,000 in fiscal year 1969. The Senate amendment extends title VI for three years with authorizations of $175,000,000 in fiscal year 1969, $200,000,000 in fiscal year 1970, and $200,000,000 in fiscal year 1971. The conference agreement extends the title for two years with authorizations of $162,500,000 in fiscal year 1969 and $200,000,000 in fiscal year 1970.

PUBLIC LAW 815—EIGHTY-FIRST CONGRESS

The House bill extends the temporary provisions of Public Law 815, Eighty-first Congress, for one year. The Senate amendment extends these provisions for four years. The conference substitute extends them for three years—that is, through fiscal year 1970.

PUBLIC LAW 874—EIGHTY-FIRST CONGRESS

The House bill extends Public Law 874, Eighty-first Congress, for one year. The Senate amendment extends it for four years. The conference substitute extends it for three years—that is, through fiscal year 1970.

TITLE IV—PROVISIONS FOR ADEQUATE LEADTIME AND FOR PLANNING AND EVALUATION IN ELEMENTARY AND SECONDARY EDUCATION PROGRAMS

The Senate amendment contains a title IV not contained in the House bill which directs the Secretary to plan for programs in succeeding years and to evaluate present programs. The Secretary must transmit a report on the results of the evaluation to the legislative and appropriation committees in Congress no later than March 31 of each calendar year. The conference substitute incorporates this provision of the Senate amendment with a change in the reporting date to January 31 of each year.

The title authorizes funds for elementary and secondary education programs to be appropriated one year in advance of the year in which they will be obligated. The House recedes.

If, during the last year of the authorization of a program, Congress has not passed or formally rejected an extension of the authorization of that program, the authorization is automatically extended for one year for the purposes of permitting advanced appropriations to be made during that year. The Senate recedes on this point.

Provision is made for grants or payments to educational institutions or agencies on the basis of academic years when such years are different from fiscal years. The House recedes.

TITLE V—EXTENSION OF ADULT EDUCATION PROGRAM

The Senate amendment contains a title V which would extend and revise the adult education Act of 1966 (title III of the elementary and Secondary Education Amendments of 1966). The House bill contains no comparable provision. The conference substitute contains this title of the Senate amendment.

REVISION OF ALLOTMENTS

Section 501 of the conference substitute provides that each State shall receive a basic allotment of $100,000 under the Adult Education Act of 1966.

INCLUDING PRIVATE NONPROFIT AGENCIES

Section 502 of the conference substitute specifically includes private nonprofit agencies in the program.

FEDERAL SHARE

Existing law provides for a 90 percent Federal share through fiscal year 1968. Section 503 of the conference substitute deletes the duration limitation on the Federal share, and raises the Federal share to 100 percent for the Trust Territory of the Pacific Islands.

AUTHORIZATION EXTENDED

Section 504 of the conference substitute extends the program through fiscal year 1970 and authorizes $70,000,000 for the fiscal year 1969, and $80,000,000 for the fiscal year 1970.

TITLE VI—DEMONSTRATION PROJECTS AND STUDY FOR SCHOOLBUS SAFETY

The Senate amendment contains a title VI which authorizes the Secretary of Health, Education, and Welfare, in cooperation with the Secretary of Transportation to make arrangements for (1) a study of minimum safety standards for the operation of schoolbuses and (2) demonstration projects for such study. A report to Congress would be required before January 31, 1969. The sum of $1,000,000 is authorized to carry out these projects.

The House amendment contains no comparable provisions.

The conference substitute adopts these provisions of the Senate amendment with clarifying changes. It also reduces the authorization to $150,000.

TITLE VII—BILINGUAL EDUCATION PROGRAMS

The Senate amendment contains a title VII which amends the Elementary and Secondary Education Act of 1965 by adding a new title VII which would authorize grants to local educational agencies to assist such agencies in planning, establishing, and operating special programs designed to meet the special educational needs of children of limited English-speaking ability. The Senate amendment authorizes $15,000,000 for the fiscal year ending June 30, 1968, $30,000,000 for the fiscal year ending June 30, 1969, and $40,000,000 for the fiscal year ending June 30, 1970.

The House bill contained no comparable provision. The Conference Substitute incorporates this title with two substantive changes, and a number of technical amendments. The first substantive change requires maintenance of effort under the program with respect to funds received under title I of the Elementary and Secondary Education Act of 1965. The other substantive change requires the Commissioner of Education to cooperate with State educational agencies in establishing criteria for allocation within each State of that State's allotment under this program.

TITLE VIII—ENFORCEMENT OF THE ESTABLISHMENT AND FREE EXERCISE CLAUSES OF THE FIRST AMENDMENT TO THE CONSTITUTION

The Senate amendment contains a title VIII which would provide for judicial review of the constitutionality of certain Federal grant programs. The House bill contained no comparable provision. The conference substitute does not include this title.

AMENDMENT TO TITLE OF BILL

The second Senate amendment changes the title of the bill. The House recedes.

	Fiscal year 1968 authorizations	Fiscal year 1968 appropriations	Fiscal year 1969 House bill authorizations	Fiscal year 1969 Senate bill authorizations	Fiscal year 1969 conference report authorizations	Fiscal year 1970 authorizations
Title I:						
Assistance for education of children of low-income families	$2,563,067,584	$1,191,000,000	$2,725,959,699	$2,725,959,699	$2,725,959,699	$2,862,175,945
Special incentive grants				50,000,000	50,000,000	50,000,000
Title II: School library resources, textbooks, and other instructional materials	154,500,000	104,457,000	154,500,000	180,250,000	167,375,000	206,000,000
Title III: Supplementary educational centers and services	515,000,000	208,750,000	515,000,000	540,750,000	527,875,000	566,500,000
Title V:						
Strengthening State departments of education	50,000,000	29,750,000	80,000,000	80,000,000	80,000,000	80,000,000
Comprehensive educational planning				20,000,000		
Title VI: Education of handicapped children:						
Pt. A—Grants to States	154,000,000	15,000,000	154,500,000	180,250,000	167,375,000	206,000,000
Pt. B—Regional resource centers			7,500,000	8,000,000	7,750,000	10,000,000
Pt. C—Centers and services for deaf-blind children				3,000,000	3,000,000	7,000,000
Pt. D—Recruitment of personnel and information			1,000,000	1,000,000	1,000,000	1,000,000
Pt. E—Captioned films for the handicapped	5,000,000	2,800,000	6,000,000	8,000,000	8,000,000	10,000,000
Dissemination of information (sec. 706)	2,000,000		2,000,000	3,700,000	3,700,000	4,000,000
Dropout prevention projects (sec. 707)				30,000,000	30,000,000	30,000,000
School construction (Public Law 815)		22,937,000		66,000,000	66,000,000	66,000,000
Maintenance and operations (Public Law 874)	461,500,000	416,200,000	495,000,000	510,000,000	510,000,000	545,000,000
Adult education programs	60,000,000	40,350,000		70,000,000	70,000,000	80,000,000
Study of schoolbus safety				1,000,000	150,000	
Bilingual education				30,000,000	30,000,000	40,000,000
Research and demonstration (handicapped, Public Law 88–164)		11,100,000				18,000,000
Total	3,965,067,584	2,042,344,000	4,141,459,699	4,507,909,699	4,448,184,699	4,781,675,945
Total, conference report (H.R. 7819), fiscal years 1969 and 1970					9,229,860,644	

Mr. MORSE. Mr. President, the statement sets forth concisely and most ably the principal features of the actions agreed upon and the language of the proposed statute. Because of the day and hour, I shall not dwell at length on the legislative history surrounding and underpinning the compromise proposal I am offering to the Senate for its judgment, and, I hope, approval. But I shall summarize very quickly the main features of the conference report.

As the Senate knows, we passed in the Senate a 3-year bill. The House passed a 1-year bill. I am sure that no one will be surprised when I state that we compromised on a 2-year bill. That is the duration of the bill we bring to the Senate.

Mr. President, we had in our bill a good many programs not in the House bill. I am proud to tell the Senate we lost none of our programs. For example, our program for the handicapped was retained; the money for it was retained.

Our program for incentives, which was the amendment of the Senator from Colorado [Mr. DOMINICK], who has stood shoulder to shoulder with the chairman in all our handling of the education bill this year, was passed without change. It called for an additional $50 million. We obtained the $50 million from our House colleagues, so far as their approval is concerned.

The amendment of the Senator from California [Mr. MURPHY] dealing with the projects for dropouts, which involved an additional $30 million, was accepted by the House—the authorization funds were accepted.

We retained the valuable studies we had added—school bus safety—authored by our ranking minority Member, Senator JAVITS, and the mandate provided by an amendment to the Senate bill offered by my very good friend and distinguished colleague on the full Committee on Labor and Public Welfare, the junior Senator from Massachusetts [Mr. KENNEDY], which should give to us in the near future, hard data on the effectiveness of compensatory education programs under the act. Both of these Senate provisions won House managers approval and are contained in the conference substitute.

With but very slight modification we expanded the school disaster authorities of Public Law 874 to cover the "pinpoint" disasters about which the junior Senator from Montana [Mr. METCALF] and our majority leader have testified so eloquently.

The contribution of a beloved member of our subcommittee, the senior Senator from West Virginia [Mr. RANDOLPH] to provide technical assistance to schools serving rural areas is among the long list of programs for which we won House acceptance. Chief among this number, for which we also won House acceptance is our bilingual education program, a program originally conceived by the distinguished member of our subcommittee, Senator YARBOROUGH, who has observed the educational problems of non-English speaking children at first hand. The senior Senator from Texas refined his bill by putting it to the test in hearings held in his home State and here in Washington. We can take pride in the fact that we have won endorsement for this well-thought-out program to help elementary and secondary school-age children break down the language barrier for them in their own country.

We also retained the great humanitarian programs for which your chairman argued on the floor of the Senate last week, when we debated this bill, such as the special institutes for the little boys and girls who are both deaf and blind.

We succeeded in retaining in the conference report one program after another that the Senate committee added to the bill. The adult education program, retained in conference expresses the continuing concern of our committee for eliminating the blight of illiteracy in the Nation. In future years, the committee undoubtedly will recommend an expanded adult education program. It was apparent throughout Senate committee deliberations that a chronic need for developmental projects and increased resources is being voiced by the people who want to learn; who want to read; who want to reach an educational level equivalent to that of their fellow citizens. This Senate committee adult basic education program is only a start for what I hope can become a truly comprehensive adult education program.

It is one among many other major educational concerns expressed by the Senate proposals this year. These too will grow.

I do not have a count. There were many differences. Because there were so many differences in our bill as compared with the House bill, that would be bound to affect a statistical graph, if you were to draw one, as to the number of concessions or recedings that the House participated in and the number that the Senate participated in. But if I were to make an estimate of the difference, I would say that the House receded three times for every time the Senate receded. Of course, recedings may be qualitatively more important than others. But even on a qualitative basis, we have reason to be proud of this conference report.

To my right sits the ranking minority member of the Committee on Labor and Public Welfare, the Senator from New York [Mr. JAVITS]. He gave us terrific leadership in the conference, backing me to the limit, except on one little amendment with respect to which it was necessary for the Senator from New York and the Senator from Oregon, as chairman of the conference, to do a little compromising ourselves. But we compromised in a most amicable and constructive fashion. Even in that compromise, which deals with the formula, the Senator from New York deserves a great deal of credit for the final result.

This causes me to raise that point now, because if I do not raise it, someone will ask me about it, anyway.

FORMULA IN CONFERENCE REPORT

As Senators know, one of the most difficult items we had to deal with in the conference was the title I formula. The fact that appropriations for the current fiscal year—fiscal year 1968—are not substantially greater than the appropriations last fiscal year—fiscal year 1967—would result in changes in the allocations from one year to the next.

This is true in large measure because in the Elementary and Secondary Education Amendments of 1966 the Congress made a basic change in one of the key factors in the formula in determining maximum grants to educational agencies. We included in that legislation the option for a State, where the State average per pupil expenditure for education was less than the national average per pupil expenditure, to use the national average per pupil expenditure if that is higher in computing the title I grants.

This was designed, of course, to aid the poorer areas of the country and to add greater equalization to the title I formula. However, the restrictive budget that was submitted for fiscal year 1968, the current year, turned out not to provide enough money to fund the national average per pupil expenditure without taking some funds away from other States.

The 1968 Appropriations Act has a so-called floor provision insuring that no State will get less in title I funds than local educational agencies in that State were allocated in fiscal year 1967.

We on the Senate side thought it best to deal with this matter in the authorizing legislation as, in a somewhat different fashion, the House dealt with the problem in the authorizing legislation when they passed the bill in May. The problem in conference was that the House and the Senate bills dealt with this problem in substantially different ways.

Let me explain.

The House bill provided that until appropriations are sufficient to fund fully all maximum grants at the $3,000, State or national average formula, computations would be based on a $2,000 low income factor, State or national average formula.

Their authorizing legislation had no savings clause. However, the effect of the appropriations act upon the language in the House authorizing legislation had to be shown in the distribution tables in our consideration of what funds States would be getting during the current fiscal year.

In general, the House bill, taken together with the appropriations statewide floor provision, meant that States where the national average per pupil expenditure is substantially greater than the State average per pupil expenditure would get most of the extra money appropriated this year over what was available last year—which is about $140 million. But no State would have suffered a loss compared to last year's allocation upon a statewide basis.

The Senate bill which we passed this month, took a different approach, recognizing the principle that educational agencies should be guaranteed at least as much during the current fiscal year as they were allocated last year. The Senate bill would have done it this way:

First, all of the State-supported school programs—handicapped, migrant, neglected, and delinquent—would get their maximum grant as if the title I program were fully funded; that is, the number of children in such institutions would be multiplied by half of the State or national average per pupil expenditure, whichever is higher.

Second, local educational agencies in

every county would get what they were allocated last year.

Third, administrative expenses of State educational agencies would be funded at 1 percent of grants within that State or $150,000 if that is higher.

Fourth, the remaining sums which under the Senate bill for this fiscal year's appropriation would be $84 million, were to be distributed on the basis of the formula in the existing law we passed last year based on $3,000 low income factor and State or national average per pupil expenditure.

Now the impact which the Senate bill would have had was this: Since all counties would have started off getting what they got last year, most of the $1.2 billion appropriation would in fact have been based on the formula for 1967, at a time when we did not have the national average per pupil expenditure option in the law. The 1967 allocations total happens to be $1.053 billion of the $1.2 billion appropriations.

The legislation that we have brought out in the conference combines features of both the House formula and the Senate formula. As provided in the Senate bill, the State supported school programs get their maximum entitlements.

After that, the maximum grants for every local educational agency is computed in accordance with the formula contained in the basic law.

Let me add one qualification. Until appropriations are sufficient to fund fully the $3,000, one-half the State or national average formula, the conference accepted the House bill's concept that the $2,000 low-income factor, one-half the State or national average formula, would be used. Staying with the $2,000 low-income factor avoids the internal shifting which would occur within States; that is, many cities, in particular, would have received less this year than last year if existing law had not been touched in any respect or if we did not have a bill before the end of this session of the Congress. One reason for this is that the urban areas within States as a general rule benefit from counting children in families receiving AFDC payments, in excess of $2,000, much more than they benefit from counting such children from AFDC families receiving above $3,000.

But to go on with my basic description under the conference reported bill, computations are first made of the full entitlements for all States. Then, the statisticians must prorate that authorization down to the $1.2 billion actual appropriation for this fiscal year. The statisticians then find that certain States—about 19, I believe—fall below the allocations that they received in fiscal year 1967. We have included in the conference reported bill a floor provision providing that local educational agencies within a State may not get less than local educational agencies within that State received in 1967. This floor provision would cease to be operative whenever appropriations exceed $1.5 billion.

The procedure that the statistical people then have to follow is to raise the allocations to States that fall below fiscal 1967 up to the point that the total of grants to local educational agencies within that State equals last year's allocations to the State's local educational agencies.

In dividing the appropriated funds, in order to raise the States to the level of last year, funds are shaved off the other States on a ratable basis. The result is that, while the States which use the national average per pupil expenditure option would be better off if it were not necessary to take some from their allocations to bring other States up to the 1967 level, nevertheless the bulk of the extra $140 million which has been appropriated for fiscal year 1968 goes to those States which we were trying to help last year when we put the national average per pupil expenditure option in the law.

As I have previously indicated, until appropriations are sufficient to fund fully the maximum grants of all educational agencies using the $2,000 low income factor, that low income factor of $2,000 will be used. At such time as appropriations may exceed the amount necessary for such full funding of the $2,000 formula the basic act's $3,000 low income factor would then be used to compute all of the allocations, with such ratable reductions as may be necessary.

I think we have worked out a fair compromise meeting the interests of all concerned about as well as could be done. We have in the conference-reported bill assured that local educational agencies in every State will be guaranteed no less than they received in fiscal year 1967. We have protected the State-supported handicapped, migrant, neglected, and delinquent programs from getting caught in any reduction due to changes in the aspects of the title I formula which are affected by the low income factor.

We have not, in view of the limited appropriations, been able to aid the States with less educational resources—with a lower State average per pupil expenditure than the national average—as much as we had hoped when we enacted last year's elementary and secondary education act. At that time, I think it is fair to say, we all expected that the 1968 funds for title I would show a much greater increase over 1967 than this year's budget provides. Nevertheless we have assured that what increase over the fiscal year 1967 allocations we have in this fiscal year and what further increases we hope will be possible in fiscal years 1969 and 1970 will go to those poorer States.

I ask unanimous consent to insert a table showing the tentative allotment to States based on the conference report.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated distribution of fiscal year 1968 appropriation of $1.2 billion for title I of Elementary and Secondary Education Act under conference report

Alabama	$38, 616, 042
Alaska	1, 891, 482
Arizona	10, 068, 352
Arkansas	24, 014, 608
California	88, 130, 205
Colorado	9, 771, 581
Connecticut	9, 201, 104
Delaware	2, 743, 930
Florida	33, 275, 951
Georgia	38, 523, 599
Hawaii	2, 606, 567
Idaho	$3, 184, 317
Illinois	48, 007, 537
Indiana	16, 127, 341
Iowa	15, 840, 845
Kansas	10, 602, 955
Kentucky	33, 569, 033
Louisiana	33, 396, 769
Maine	3, 805, 043
Maryland	15, 807, 341
Massachusetts	18, 297, 733
Michigan	34, 697, 450
Minnesota	20, 233, 451
Mississippi	40, 443, 743
Missouri	24, 670, 155
Montana	3, 762, 554
Nebraska	6, 251, 642
Nevada	1, 051, 395
New Hampshire	1, 607, 815
New Jersey	26, 150, 736
New Mexico	10, 597, 398
New York	124, 274, 033
North Carolina	54, 355, 769
North Dakota	4, 665, 553
Ohio	36, 239, 715
Oklahoma	18, 514, 368
Oregon	8, 643, 687
Pennsylvania	49, 844, 986
Rhode Island	3, 789, 277
South Carolina	33, 179, 434
South Dakota	6, 032, 707
Tennessee	35, 305, 410
Texas	77, 913, 606
Utah	3, 266, 392
Vermont	1, 844, 355
Virginia	29, 783, 274
Washington	12, 196, 783
West Virginia	17, 863, 951
Wisconsin	15, 516, 571
Wyoming	1, 695, 934
District of Columbia	6, 008, 682
American Samoa	-----------
Canal Zone	-----------
Guam	32, 116, 789
Puerto Rico	-----------
Virgin Islands	-----------

State agencies providing education for the *handicapped*, *neglected*, and *delinquent*, and *migrant* children, receive the *full* amounts for which they are eligible in fiscal year 1968.

Mr. MORSE. Mr. President, the item that held us up longer than any other was the matter of a formula. We did not get it settled until just before 10 o'clock last night. We did not get it settled without the necessity for the chairman to make perfectly clear to our friends in the House that we were going to stand pat and insist upon a floor provision.

I appreciate the assistance of all my colleagues, but I especially wish to thank Senator JAVITS and Senator YARBOROUGH, because they represented two divergent views, which put me in the middle and called upon me to mediate, as best I could, agreement among my own conferees.

I see the distinguished Senator from Colorado [Mr. DOMINICK] in the Chamber. He was of great help to me in working out this compromise.

It is to the great credit of the House conferees, although there was considerable discussion, about our final version that at last they unanimously accepted it. That is the way in which we settled the formula.

TITLE III COMMENTS

Now, I know that if I do not cover it I am going to be asked about it, so I come to title III. Title III of the Elementary and Secondary Education Act is concerned with supplementary educational services and centers. It, too, was of great concern to the House, as it was to us. Fortunately, we were meeting on the common ground of a desire to see to it that the administrative pattern for this title be modified in the direction of greater State operation of the programs.

Senators will remember that the bill left the Senate with the title III formula that the State departments would get 33⅓ percent the first year, 50 percent the second year, and 66⅔ percent the third year. The moment we accepted a 2-year bill instead of a 3-year bill, that was bound to have a great effect on the portion that was going to the States.

On this matter, the House was pretty adamant. They did not say that we could not get a bill, but they made it clear that we would not get the title III without a better adjustment than we wanted to make. To make a long story short, we ended up with 75 percent going to the States for the first year, and for the last year of this bill, other than amounts needed to complete projects underway, all of it would go to the States. The House accepted that compromise instead of their bill's provision of H.R. 10090 for the States in the first year.

I say to my colleagues, who at first blush may say that that is not good enough, that it is much better than one might think, because in the first year the State does not get anything until the State plan is approved. There is the check, for the State will have to submit a plan to be approved.

With the transition times and funding changes that emerged and which are reflected in the substitute language of the conference bill, we have a basis for a sound pattern of operation of the program which can provide to us the necessary information in the future to correct any problems which may arise. I do not think, however, that there will be many. And I am confident that men of good will, working together in the common effort to achieve solutions based upon the interests of the students, can and will make this new operational pattern work.

I regret that in the second year of our extended program that we will not, under this pattern, have federally awarded funds for new projects of national significance. The work that has been done, and which is being done in this area, I believe to be rewarding. I hope, however, that at another time, the demand of the public, based upon the informed judgment of the educational and cultural communities in each of the 50 States, will restore this innovative feature.

But the central feature of our legislative duty is the obligation to weigh in judgment conflicting claims and to decide, on balance, where the public good lies at this particular time and place. Concepts and programs, like fertile fields, are improved when they lie for short periods in a fallow state.

I am very pleased that for the most part, as I have said, the Senate language prevailed in the new title III. This, as interpreted in our committee reports and our floor debates, can be an invaluable guide to the Office of Education in making this new program work well and effectively.

FIFTEEN PERCENT FOR HANDICAPPED

The bill accepted by the conferees includes the Senate provision earmarking 15 percent of title III funds for innovative programs in education of the handicapped. Last year this committee and this body took the leadership in providing a giant step forward in education of the handicapped when we passed a new title VI to the Elementary and Secondary Education Act. Title VI provided grants to the States for education of handicapped children and at the same time established a new Bureau of Education for the Handicapped. The title III funds provided by this Senate bill and unanimously accepted by the conferees will give the Bureau of Education for the Handicapped an essential tool. These funds will enable school districts to begin innovative programs bridging the gap between research and general classroom programs, a gap which too frequently has represented years, in fact, decades, of delay.

No area affords me greater satisfaction than those provisions of the bill which relate to the special education programs for our handicapped children—those of the 15-percent reservation of funds under title III and in the expansion of title VI. With respect to the former, I again acknowledge with gratitude our debt to Senator PROUTY who has so stoutly championed this cause. I know he shares with me a deep appreciation for the support which included these Senate provisions in the conference recommendation.

Mr. President, I think that on the whole the conference language is a fair settlement of the title III part of the bill.

TITLE VI COMMENT

I have already alluded to our intention of the additional resources facilities for deaf-blind youngsters under our expanded title VI programs and to that I will add but a few words on the new "in-house" or intramural research authority that we added in the Senate and retained in conference.

INTRAMURAL RESEARCH AUTHORITY FOR THE HANDICAPPED

One provision of the Senate bill accepted by the conferees which we feel offers great promise for assisting in the development of effective education programs for handicapped children is the authorization for the conduct of research by the Bureau of Education for the Handicapped. The intent of this provision is to make possible the use of research funds in this program for the support of staff and materials necessary for the conduct of intramural studies of the effectiveness of research programs in education of the handicapped and similar evaluative studies necessary for the creative development of the research, training and service programs of this bureau.

The committee looks forward to the prospects of an intramural research program for handicapped children in the Bureau of Education for the Handicapped. The research program of this Bureau has consistently demonstrated imaginative leadership and good judgment in approaching problems of handicapped children. The utilization of this leadership for direct research and demonstration should substantially improve an already outstanding research program.

The only other point I might mention, which has already been covered in debate, is that we yielded on the judicial review and we yielded because of the same position the House has always taken that it conflicts with the position of the House Judiciary Committee. As a matter of comity they do not take jurisdiction over a matter that falls within the jurisdiction of another committee. Furthermore, the House managers felt that we should wait for the Judiciary Committee to act. They assured us they could not give this addition to us.

I had to make a choice then because some of my Senate conferees were pretty adamant as to whether or not I was going to run the risk of sacrificing the bill for judicial review. I sat there with quite a few proxies. I told my colleagues I was going to use them, but to take all of the burden off of my colleagues, as the manager of the bill I moved that the Senate recede, and I take full responsibility for it. I know I am right about it. I have proxies to show how right I was.

There was a suggestion first that we have a rollcall vote but to demonstrate the cooperation I received I said, "I do not think you should put the proxies in that position because I am going to vote them." So the suggestion for a rollcall vote was withdrawn. We agreed with the House. We bring you the bill.

I wish to make one point for the benefit of my good friend from Virginia [Mr. BYRD]. I am sorry that the distinguished Senator from Ohio [Mr. LAUSCHE] is not here. The Senator from Virginia [Mr. BYRD], the Senator from Ohio [Mr. LAUSCHE], and I had an interesting discussion about the authorization amount last Monday. The total authorization is no longer now $14.5 billion, the Senate bill's 3-year grand total concerned my friend from Virginia and my friend from Ohio. Because it is only for 2 years the total amount is now $9,229,860,664. Therefore, on paper it shows some savings, although I would be less than honest if I did not say to my friend from Virginia that we get another crack at it after 2 years, and I am going to ask for an even larger amount after 2 years than the Senate's bill would have provided in the third year because I think by that time the schoolchildren will need the larger amount.

Mr. President, all joking aside, I want to say on the financing, where there was a difference in the bill, as between the House figure and the Senate figure, we adopted the standing formula of splitting the differences. That was the only way of compromising.

Mr. President, I close by thanking every member of the Senate conferees. We could not have had more wonderful support. I wish to pay high respect to Representative PERKINS, of Kentucky, who was chairman of the House conferees. I wish also to pay high respect to my colleague, Representative Edith Green on the House side who ably upheld the House position. She was exceedingly fair, reasonable, and cooperative, as she always is in my relationships with her. She deserves great credit for our coming out of there with a bill.

I think that the chief minority spokesman of the House side, Representative Quie, of Minnesota, deserves great credit for his willingness to go along with our fair, reasonable, and equitable compromise.

Mr. President the other day at the close of Senate debate I expressed my personal appreciation to our staff and the HEW staff for the work they had done to help us get a bill to the Senate.

As I bring back this conference proposal I am constrained again to express my admiration for the brilliant legal services given the conferees by our committee counsel, Mr. John Forsythe and his colleagues on the House side Messrs. Jack Reed and William Ganl. They, together with House and Senate legislative counsels Messrs. George Skinner, Robert Nordhaus, Peter LaRue, and Blair Crownover and the Department's representatives Dr. Samuel Halperin, Jerome Murphy, Richard Johnson and Richard Smith, and our own Charley Lee and Ray Millenson worked together as a team to bring before us the data we needed.

Mr. President, I close by saying I am proud of the bill. I think history will prove it is one of the most important of all the landmark education bills we have passed, for this carries out President Johnson's proposal when he said that we must continue to see to it that we provide the educational opportunities for boys and girls of this country. As I have added to that mandate of the President, we have to do that in order to see to it that we keep faith with the boys and girls of this country by guaranteeing to them the right to the opportunity to develop their intellectual potential to the maximum extent possible. Our children have that as a right. We had better see to it that we provide it to them in order to meet the needs of the Republic. The wealth of the future comes out of the brainpower of the oncoming generation. We are not going to have that wealth unless we have brains to produce it in an automated age.

Mr. President, I submit the report.

(At this point, Mr. Muskie assumed the chair.)

Mr. JAVITS. Mr. President, it is customary to laud other Members in connection with work of this character, and it is so richly deserved in this particular case. I think it would be more pertinent, as we are interested in the merits, if I defer that, which shows no less deep feeling on my part, until the end of my statement.

There are so many critically important substantive matters that require comment as part of the legislative history of the bill that I wish to deal with those first.

Mr. President, this is an historic and monumental bill for elementary and secondary education. It represents the moment when we began to come of age in respect of what we should be doing for the education of the youth of America. Let us remember, Mr. President, that we are dealing directly in the bill with more than 50 million schoolchildren. We are not an appreciable way down the road, especially when one considers the drying up and eroding away of taxing sources for our schoolchildren.

But this, at least for poor children, represents the beginning of a coming of age. It is the largest education aid bill yet passed. I do not know of any better way to spend our money, except for survival, than in this kind of effort. In my judgment, it represents a comprehensive national acceptance of the responsibility for the education of our children with families and circumstances that are subpar in economic terms. That is the big thing.

As to the details, we did have a tremendous row about the formula in title I. This is natural. Well over $1.2 billion is involved in the current fiscal year. Title I represents the heart of the program.

The fundamental principle which I think was generally accepted is that the States shall have at least what they had according to the 1967 fiscal year distribution; this gives them the basic floor. Above that the poorer States will begin to reap their greatest benefits based upon the average of national per annum expenditures on education rather than the averages in the individual States. That is not entirely equitable because there is no standard of effort built into this formula. There should be. But it is not built in. It is a very difficult thing. One of the alleviating factors, however, is that the House accepted the incentive grant program of $50 million of which the distinguished Senator from Colorado [Mr. Dominick] is the author. It is an extremely desirable and worthwhile amendment, indeed. It does somewhat help us with the formula, which is not entirely fair.

But the basic principle is that once the fundamental base has been met, the States below the national average in per capita education expenditures will benefit more materially than States spending above that average.

In addition, I am still not sure that we are absolutely right about the billion and a half dollar cutoff figure contained in the conference compromise. From then on the formula which gives the greater advantage to the so-called poorer States will operate without any floor whatever in terms of guarantees to the other States.

Second, in respect to title III which relates to supplemental education centers, educational parks, and so forth, we had a tremendous struggle over State versus Federal control. The House clearly prevailed on that.

There is no use gilding the lily, but we did get some money in Federal control for 1 year and a continuation of projects thereafter. It will depend on the funding of those projects in fiscal years 1968 and 1969 as to the capability for following this up. But at least it was a compromise. I think, in this case, that the other body prevailed far more than it should in the best interests of education; but, in any case, it was done and we have to be satisfied with it.

Title V also presented a very important and creative opportunity for us because it is the first time the local educational agencies were mandated to receive their share of Federal funds to help them as we are helping to strengthen the State educational centers. We mandated that 10 percent of the funds appropriated must go through States to the local educational agencies.

I had the honor to be the author of that amendment, and I think, generally speaking, it is a very constructive contribution to the bill.

Mr. MORSE. Will the Senator from New York yield at that point?

Mr. JAVITS. I yield.

Mr. MORSE. Not only was it a good contribution, it also makes it, really, an historic bill, because this is the way to be of help to the local school areas.

Mr. JAVITS. I am very grateful to my good friend from Oregon. I did not want to be praising it too much, of course, but I am pleased that my colleague has said what he has.

To go on now, it is understood that in all the compromises we made, great care was taken to protect the handicapped children. In every case, their rights were carved out with a very high sense of priority so that I think anyone interested in the blind, the deaf, and other handicapped children will find that those ideas of priority were well preserved.

Also, we have undertaken a couple of interesting studies. One would give attention to the safety of the operation of school buses. We do this without in any way interfering with the jurisdiction of the Commerce Committee or the Department of Transportation. We must remember that 17 million children are transported in more than 200,000 school buses each and every day. This study should prove very useful and it has the endorsement of education authorities.

The work we have done on the adult education program I believe is creditable.

I wish to speak on the bilingual education program which was, generally speaking, authored by the Senator from Texas [Mr. Yarborough] and cosponsored by my colleague from New York [Mr. Kennedy], and by myself, as well as other Senators who had a deep interest in Spanish-speaking and other bilingual children. It was quite a struggle. The House resisted it. But, they finally accepted the provision. I am very glad to be able to say that such a creative program which has been carved out of the Federal aid to education will have a marked impact in terms of non-English-speaking children who have the least opportunity because of their origin and their home circumstances.

My colleague spoke of the measure which the Senator from North Carolina [Mr. Ervin] and the Senator from Kentucky [Mr. Cooper] sponsored, giving the right to test in the courts the constitutionality of aid to nonpublic school children. I must assure my colleagues that we bled and died for that one. As I said this morning, we were within a hair's breadth of breaking up the conference on that, if it had not been for the spirit of sacrifice on the part of the Senator from Oregon [Mr. Morse].

There were many points of view on the other side. In fairness to my colleagues, let me say that their objections were jurisdictional more than substantial. They felt they would have all kinds of trouble if they defied the jurisdiction of the House Judiciary Committee by dealing with matters of which the Judiciary Committee is seized, by virtue of the fact that we passed such a bill, S. 3, which has gone over to the other body. So that again, most reluctantly, on motion of the Senator from Oregon [Mr. Morse], and after much soul searching, we receded.

I repeat, the Senator from Oregon [Mr. Morse] is the greatest maverick in this Chamber, but any time he handles a bill he is the greatest cooperator, the greatest catalyst, the greatest healer of hurt feelings, the greater "putter together" of anyone I know. I want to pay him the highest tribute. When he takes over a job and accepts the responsibility, he need yield to no one in his subsequent performance.

Mr. President, I take enormous pride in the devoted attendance of the Senator from Colorado [Mr. Dominick] and the Senator from California [Mr. Murphy] in the conference and the very effective role they played.

It is a matter of great pride to me that the bill in every area bears enormous credit to Senator Prouty and bears marks of his ideas, initiative, and creativity. Senator Prouty, the ranking minority member of the Education Subcommittee, was not able to be with us, except at the beginning, because of indisposition in health, but his able aide, Art Du Fresne was present throughout and most helpful.

In that connection, Mr. President, I ask unanimous consent that, at the appropriate place in the Record, a statement by Senator Prouty may be made a part of the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Prouty

I wish to commend the Education Conferees for their magnificent effort in attempting to meet the educational needs of this nation. I support the recommended Conference Report which is a most favorable response to the provisions which the Senate so strongly approved. I particularly want to share with you my pride for this Body's leadership in providing another giant stride forward in the education of the handicapped.

Programs for extending equality of educational opportunities for handicapped children have received strong bipartisan support both in our Committee, in the full Senate and in our dealings with the Education Committee of the House of Representatives.

In each of the last two years this sense of national purpose toward bringing the deaf, the blind, the mentally retarded, the slow to learn into the common family of our nation, has been strongly endorsed through the new provisions in the Elementary and Secondary Education Amendments of 1967.

Last year we began the first program of grants to the States which specifically had as its purpose the improvement, expansion and initiation of educational opportunities for the handicapped in the elementary and secondary schools in this nation. This new program authorized by Title VI offers to provide the boys and girls who come to the classrooms with a built-in disadvantage an opportunity to prepare for the challenges of tomorrow. We offered this long neglected and lonesome legion of deprived children in American education a beacon to shine the way for their hopes and aspirations.

The bill awaiting your approval today continues to add strength to this campaign against the barriers to learning caused by sensory, intellectual and emotional problems. New programs for the deaf blind will be started as a counteraction against the cruel blows of the German Measles epidemic of three years ago which caused as many as 30,000 babies to be born with one or more defects.

A new program of recruitment and information will help bring new manpower to provide education for over three million children who now must do without. New materials for the teacher will be developed. Regional Resource Centers for the evaluation and educational treatment of handicapped children will come into being. Here parents and teachers will be able to bring their children for an accurate appraisal of their educational needs and for help with planning specific programs to facilitate their learning.

Help is also being provided the small States which will now be able to receive a minimum of $100,000 per year. This is the minimal amount for Title VI programs and since the program is already more than 150 years late our less populous States are in dire need of the funds above and beyond those which could be expected under the original formula.

Of perhaps the greatest importance, in this marvelous surge of support, is the specification that 15% of the funds under Title III of this Act will go to develop innovative programs for the handicapped. The Bureau of Education for the Handicapped now has research authority, extended and expanded by this Act, to help discover the new procedures necessary for meeting the enormous challenges facing the teachers of our handicapped children. Title VI now unfortunately offers only about 6% of the sums authorized by this Congress to support what might be called the "meat and potatoes" of educational services, although it is surely a lean diet. But where can support come for the implementation of the research findings into the every-day tools of the classroom teacher? This is what can and will be done with the Title III funds for the handicapped.

We have waited too long to help our weak children. We have exiled them to the country where they would be neither seen nor heard. Now we are opening the doors of schools, albeit slowly, to offer these children the basic promise of education which we have promised to all. This bill now has provisions which will make a significant contribution to the life of every handicapped child and his family, and I urge that the Conference Report be accepted so that the programs called for will be speeded along the way.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. MORSE. I want to take only a minute to say I have said time and time again that I always bring a bipartisan education bill to the floor of the Senate. Senators have seen why.

It is because I have at my right arm the statesmanship of the Senator from New York. He realizes that we have to function on a completely nonpartisan basis. That is why I am able to bring out a nonpartisan education bill. All his Republican colleagues take the same position.

I am sorry Senator Prouty is not here. The handicapped children provisions of the bill are a great tribute to Senator Prouty. He is our leader in this field.

MESSAGE FROM HOUSE

At 5:30 p.m. a message from the House delivered by Mr. Hackett relating to sine die adjournment resolution, House Concurrent Resolution 604.

Mr. MORSE. Mr. President, I have already stated that Senator Dominick was the author of the incentive part of the bill, a very important section of the bill and as well of many major improvements in Public Law 874. We all owe him our thanks.

Senator Murphy was the author of the school-dropout special-projects section. We are grateful to him.

Senator Fannin, on the full committee, was really the leader of the Indian schools sections of the bill.

Senator Griffin, of Michigan, has supported us time and time again in full committee on our education bills.

That is the kind of support I got from the Republican side.

Senator Clark of Pennsylvania, and Senator Kennedy of New York fought with me shoulder to shoulder, in fact, I had unfailing support at all times from all of my Democratic colleagues. That is how we reached this conference report.

I yield now to the Senator from Texas.

Mr. JAVITS. Mr. President, I have the floor.

Mr. MORSE. I beg the Senator's pardon.

Mr. JAVITS. I think perhaps it might be well—and I hope Senator Morse will forgive me—if I say, President Lyndon Johnson, please note the performance of Republicans as Senator Morse has referred to them. [Laughter.]

Mr. President, to quickly conclude, Senator Prouty is entitled to credit for the advance funding concept, which is so critically important and which will enable school districts to make future plans based on what they are likely to receive from this program. It is critically important and creative and it is imbedded into the bill as contained in the conference report.

I wish to add my praise to that of the Senator from Oregon to Charles Lee and Jack Forsythe, majority staff members, who have been tireless in their assistance on this bill, and to Roy Millenson, on the staff of the minority, for their extremely constructive work in respect to this matter. We could not have done this work without them.

I wish to express my thanks to legislative counsel, Peter LeRoux and Blair Crownover, whose work was of tremendous help.

I also wish to thank Richard Smith, Richard Johnson, and Richard Warden, who worked under the direction of Dr. Samuel Halperin, Assistant Secretary of Health, Education, and Welfare for legislation, for their assistance at all hours in providing requested information and statistics.

Finally, I wish to pay tribute to the creative role played by my colleagues in the House, Representatives Ayres, Quie, Goodell, and others of the minority, without whom we could not have had the bill.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. DOMINICK. I will be very brief. I merely want to say that I have been in a number of conferences, but I have never seen a conference that had more difficult problems to resolve, and I have never seen the problems really worked out in a more equitable manner. I think the leadership of the senior Senator from Oregon [Mr. Morse] was great. I think the leadership of our own ranking minority member, Senator Javits, of New York, was tremendous. He was willing to give when we needed to give, and to stand firm when we needed to stand firm and play a little "poker." I think we did a fine job.

I want to repeat for the Record that, in my opinion, this education bill is a unique contribution to the American legislative process, not only in the way in which it has been enacted, but in the format of the bill itself.

It is perfectly apparent to me, and I am sure to the rest of the Members, that we are not going to get appropriations which will equal the authorizations. But these authorizations will help chart the course for the future of education and I think we have a bill which will stimulate positive thinking and planning in education. This bill should challenge the world of education in a very real sense. I would be remiss if I did not add that their aid and helpful suggestions have been of great assistance to the committee. The imaginative ideas of members of our committee have also contributed a great deal to this legislation which will be of tremendous help to the disadvantaged children of this country who are participating in the educational process.

I regret that we were not able to hold the judicial review section in this bill, but it was not to be there if we were to get a bill.

I personally was rather glad that we were able to give more control of funding, under title III, to the States than in the previous legislation. The Senator from Oregon knows that I proposed similar amendments in our own committee, and I was quite happy with the eventual result.

I want to thank all members of our committee for their support of the incentive grant program. I think it is going to help in the equalization process which we are trying to stimulate, and that it will be of real help in those areas where they are giving maximum local support to their schools. In return for what they do, they will get more Federal funds. It does not take funds away from any State. This incentive type of program is the same type of program which the foundations have used in the process of stimulating higher education. They have gone to higher education institutions and have said, "If you will put up this much, we will put up that much." Here we are saying, "If you will put your own local resources into your schools, we will give you some of the tax funds available."

Once again I want to express my thanks to the senior Senator from New York and to the senior Senator from Oregon and emphasize that, in my opinion, the net result of this compromise has resulted in an excellent bill.

Mr. JAVITS. Mr. President, I am grateful to my distinguished colleague, and wish to applaud the creative role he played in bringing this bill out.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. FULBRIGHT. I want to join in the tributes paid to the Senator from Oregon, the Senator from New York, and our other colleagues. I agree that this is one of the greatest bills that has come out of this session. I think it is an extraordinary result in view of what has happened to many other efforts in this field.

I think it is noteworthy to recall that 20 years ago the Senate considered a bill of a similar nature—much smaller, of course—but it never got through the House. I always thought that marked the beginning of the troubles for which we are paying in the cities. What trouble we could have been spared if we could have done in 1947 what we are doing in 1967.

It is a big help to education, but I cannot help but note that the authorization is approximately what we recently appropriated for the Apollo project to get to the moon. It leaves the sense of priorities of our Government clearly out of focus. It ought to be twice as much as it is if we expect to make anything out of the country in the next 20 years.

But I applaud the accomplishment of the Senator for something we could not have expected in view of the history of the education bill.

Mr. JAVITS. Mr. President, I appreciate, and I know Senator Morse appreciates, the comments of the Senator from Arkansas.

Mr. TOWER. Mr. President, the 1967 Elementary and Secondary Education Act has several provisions which I feel will be most beneficial to the Nation's education development.

I am exceedingly pleased with that portion of the measure originally known at the Bilingual Education Act which I cosponsored when it was introduced. In my State, as well as in many other sections of our country, we have at times overlooked the problems of our Spanish-speaking children.

Many Latin American children are raised with Spanish as their first, or home, language. When these children enter public school, they are expected from the very outset to compete on an equal footing with their English-speaking classmates.

Many Latin American children become discouraged very early in their educational careers and quit their schooling long before completing their basic high school studies. This is a trend which must and can be arrested.

One particular school district in Texas—the Laredo Independent School District—introduced in 1960 a program similar to the title VII provision of this bill. The administrators have found that children who study the fundamentals and concepts of their own language are able to learn a second language with more ease and understanding.

This bill also copes with another serious educational problem—the children of the migratory families. These families move from one section of the country to another, following the seasonal crop harvests. Unfortunately, the children can be classified as students for only a portion of the regular school year. I believe this section of the proposal is a significant step forward in assisting the 200,000 migratory children to find the educational opportunities which will be so vital to their future.

Mr. President, the 1967 Elementary and Secondary Education Act will provide more substantial assistance to those communities whose educational facilities have been destroyed or damaged by a disaster. I have personally inspected the aftermath of two devastating hurricanes which struck my State in 1961 and 1967. In both cases, the damage to the various educational plants was tremendous.

Also, I would like to offer my support to title VI of the proposed legislation. This legislation directs specific assistance to a problem which concerns us all—the handicapped child. This particular program will aid the child by an early determination of his particular problem. A system of advanced detection will be of significant assistance to those who are called upon to determine the special educational needs of such a child.

Furthermore, the proposal directs additional funds for the development of new educational programs for the handicapped child as well as assisting existing schools and agencies which are currently administering such programs.

This bill also directs special attention to those school districts which have experienced major increases in enrollment as a result of the Chamizal Treaty. We must not expect the local districts to absorb the financial burdens of this international agreement. The school districts in question will receive the same benefits as those schools in federally affected areas.

Mr. President, I am pleased this legislation also provides technical assistance to those rural school districts unable to qualify for the services offered by existing Federal educational programs. Many of the smaller districts do not have the personnel nor the financial capabilities to obtain this needed assistance. This measure will hopefully meet these demands and brighten the educational possibilities of the rural student.

Mr. THURMOND. Mr. President, there are good things and bad things in this bill as it has been reported by the conference committee. I have given careful consideration to the changes which have been made by the conference committee and to all titles of the bill as it now stands. I have decided that on balance it would be unwise for the Senate to pass this legislation. Let me summarize my reasons briefly. First, I have always felt that it was a mistake for the Federal Government to get into the field of education because coercion and control would inevitably follow. I am not inclined to vote for any general education bill so long as coercion and pressure over and beyond the statutory requirements occurs. This coercion above and beyond the call of the law continues to this day.

Second, I believe that this is a very large expenditure for Congress to authorize at a time of inflationary pressure on the economy. This bill authorizes over $9.2 billion, which I believe to be unnecessary and unwise at this time.

Mr. President, I am pleased, however, that the conference committee has seen fit to make several major strides toward removing objectionable Federal controls from this bill. My purpose in offering amendments to revise title III and to delete part B of title V was to prevent the ever-increasing trend toward Federal control of education. The conference committee was most wise in its changes in title III and in its decision to eliminate part B of title V. I believe this bill has definitely been improved by these two decisions.

Mr. YARBOROUGH. Mr. President, the conference report on the Elementary and Secondary Education Act represents the joint efforts of many people in this Nation to give increased opportunity to the more than 50 million school-age children in the United States. Almost 3 million of these children live in my home State of Texas. I am proud to support this major bill which will increase the opportunities for the disadvantaged children, as well as raise the general quality of education in this country.

For the State of Texas, the bill has special meaning, for we have long lagged behind in education despite the wealth of our State. Nonetheless, when measured against the low per-capita income level of our State, the comparable effort which is being made by us is among the highest in the Nation. Under the incentive provision of this bill, Texas receives almost $4 million to be utilized under title I grants. This is the fifth highest incentive grant in the Nation. Under the regular provisions of title I, Texas will receive almost $78 million.

The major factor in this bill is that which concerns the distribution formula. Last year I was successful in having a provision put in the formula which would allow the poorer States to receive an allocation per child of one-half the national average or one-half the State average, whichever was greater. Unfortunately, this provision would go into effect only when a certain level of funding was reached, which rendered the formula ineffective. This bill, however, would have this formula go into effect as soon as title I is funded at $1.5 billion. This means that the poorer States, which are the ones we originally intended to help under this bill, will be given their equitable share as soon as we reach that level of appropriation.

We were also successful in retaining my Chamizal amendment, to give relief to those school districts which had a sudden increase in school enrollment because of the relocation of families caused by the Chamizal Treaty. This amendment will give effect to a similar provision which was passed last year but was frustrated by a rider on the appropriations bill, which cut off the money. As a result of this year's amendment, the relocated children will be included in a school district's entitlement for federally affected areas.

The amendment to provide technical assistance to rural areas is especially important to my State, since we have many small local school districts without the money, personnel, or expertise to even fill out the forms to qualify for programs of Federal aid. This amendment provides additional money to my dissemination of information amendment of last year to assist all schools.

There is also a new provision for "pinpoint disasters." This would authorize loans to school districts where a facility is destroyed by an isolated disaster such as a hurricane or tornado. This is very important for our schools in Texas. Only recently we suffered extensive damage from Hurricane Beulah. Our local schools could receive assistance in that instance because there was a declaration by the President that we had a natural disaster area. However, there is no comparable law for the instances in which a single school is destroyed. This bill contains that needed addition to the law.

Finally, this bill contains a major new title, the Bilingual Education Act. I introduced the Bilingual Education Act (S. 428) on January 17 of this year, after having been to a couple of conferences in the Southwest on this problem. The concept of the bill is really very simple—so simple that it is amazing that in all of our years of striving for improved education the problem has never been given very much attention. The problem is that many of our school-age children in this Nation come from homes where the mother tongue is not English. As a result, these children enter schools not speaking English and not able to understand the instruction that is all conducted in English.

In my own State of Texas, and indeed in the entire Southwest, this is not an isolated problem, but one which involves millions of schoolchildren. In Texas, the years of school completed for those who are white is 10.8 years, for nonwhite 8.1 years, but only 4.7 years for the Spanish-surnamed. Over one-half of the Spanish-surnamed families have incomes under the poverty level of $3,000, and 13.6 percent have incomes under $1,000 in Texas.

To alleviate this problem, I introduced S. 428 to provide Federal assistance to local school districts in establishing and operating bilingual programs to create a more feasible transition into our schools for these children by giving them special educational programs aimed at solving their problem.

Our hearings received broad testimony as to the urgent need for this legislation to provide equal educational opportunity for those children who do not come to school with English-speaking ability. We received almost unanimous enthusiasm and support for this legislation as being an effective remedial program.

The adoption of the Bilingual Education Act as a new title VII of the Elementary and Secondary Education Act will be a significant step forward in the educational progress of this Nation.

Mr. President, I have praised the merits of this bill, but now I would like to devote the Senate's attention to the senior Senator from Oregon [Mr. MORSE] who deserves the real appreciation of this body, the Congress, and indeed the American people. It is through the admirable qualities, and intellectual leadership and the capacity for bringing people with widely divergent views strongly held into agreement, of Senator MORSE that American education can compare with the education of any other country. He, more than any other person, deserves the sole credit for this bill and the thanks of the Nation.

Mr. President, I desire also to commend and compliment the distinguished senior Senator from West Virginia [Mr. RANDOLPH] for his many valuable contributions to this bill, including the requirement, which he authored, to require the Office of Education to furnish technical assistance to rural and small city school districts to enable them to properly prepare their applications so that they could receive as prompt and fair treatment as the larger, wealthy districts which have adequate expert personnel to promptly prepare a complicated application for moneys under this bill. The amendment of the Senator from West Virginia assures that the smaller districts will have a much fairer opportunity than in the past to share in the school moneys authorized in this bill.

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Louisiana [Mr. ELLENDER], the Senator from Alaska [Mr. GRUENING], the Senator from Hawaii [Mr. INOUYE], the Senator from Missouri [Mr. LONG], and the Senator from Connecticut [Mr. RIBICOFF] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Alaska [Mr. BARTLETT], the Senator from Indiana [Mr. BAYH], the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Indiana [Mr. HARTKE], the Senator from Alabama [Mr. HILL], the Senator from North Carolina [Mr. JORDAN], the Senator from Louisiana [Mr. LONG], the Senators from Minnesota [Mr. MCCARTHY and Mr. MONDALE], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Georgia [Mr. RUSSELL], the Senator from Alabama [Mr. SPARKMAN], the Senator from Georgia [Mr. TALMADGE], the Senator from North Dakota [Mr. BURDICK], the Senator from Arizona [Mr. HAYDEN], and the Senator from New Mexico [Mr. MONTOYA] are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Alaska [Mr. BARTLETT], the Senator from Indiana [Mr. BAYH], the Senator from North Dakota [Mr. BURDICK], the Senator from Connecticut [Mr. DODD], the Senator from Louisiana [Mr. ELLENDER], the Senator from Alaska [Mr. GRUEN-

ING], the Senator from Alabama [Mr. HILL], the Senator from Hawaii [Mr. INOUYE], the Senator from North Carolina [Mr. JORDAN], the Senator from Missouri [Mr. LONG], the Senator from Louisiana [Mr. LONG], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Connecticut [Mr. RIBICOFF], and the Senator from New Mexico [Mr. MONTOYA] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from California [Mr. KUCHEL], the Senator from California [Mr. MURPHY], the Senator from Illinois [Mr. PERCY], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from Colorado [Mr. ALLOTT] is absent on official business.

The Senator from Vermont [Mr. PROUTY] is absent because of illness.

The Senator from Kansas [Mr. CARLSON], the Senator from New Hampshire [Mr. COTTON], the Senator from Hawaii [Mr. FONG], and the Senator from Iowa [Mr. HICKENLOOPER] are detained on official business.

If present and voting, the Senator from Vermont [Mr. AIKEN], the Senator from Colorado [Mr. ALLOTT], the Senator from Kansas [Mr. CARLSON], the Senator from Hawaii [Mr. FONG], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from California [Mr. KUCHEL], the Senator from California [Mr. MURPHY], the Senator from Illinois [Mr. PERCY], and the Senator from Pennsylvania [Mr. SCOTT] would each vote "yea."

The result was announced—yeas 63, nays 3, as follows:

[No. 395 Leg.]

YEAS—63

Baker
Bennett
Bible
Boggs
Brewster
Brooke
Byrd, Va.
Byrd, W. Va.
Cannon
Case
Church
Clark
Cooper
Curtis
Dirksen
Dominick
Ervin
Fannin
Fulbright
Gore
Griffin
Hansen
Harris
Hart
Hatfield
Hollings
Hruska
Jackson
Javits
Jordan, Idaho
Kennedy, Mass.
Kennedy, N.Y.
Lausche
Magnuson
Mansfield
McClellan
McGee
McGovern
McIntyre
Metcalf
Miller
Morse
Morton
Moss
Mundt
Muskie
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Smathers
Smith
Spong
Symington
Tower
Tydings
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—3

Holland
Stennis
Thurmond

NOT VOTING—34

Aiken
Allott
Anderson
Bartlett
Bayh
Burdick
Carlson
Cotton
Dodd
Eastland
Ellender
Fong
Gruening
Hartke
Hayden
Hickenlooper
Hill
Inouye
Jordan, N.C.
Kuchel
Long, Mo.
Long, La.
McCarthy
Mondale
Monroney
Montoya
Murphy
Percy
Prouty
Ribicoff
Russell
Scott
Sparkman
Talmadge

So the report was agreed to.

Mr. MANSFIELD. Mr. President, the senior Senator from Oregon [Mr. MORSE] has again demonstrated his immense devotion to the cause of education in this Nation. He led the education bill to a great success just a few days ago in this Chamber and today returned to lead the conference report with the same abiding dedication. This measure again testifies to his unswerving devotion to the high education standard he has helped to establish. We thank him. All America is grateful.

PROGRESS IN FAIR HOUSING

Mr. MONDALE. Mr. President, considering the chaos and bitterness that characterizes so much of race relations in this country today, I am sure I shall seem immoderately optimistic when I say there appears to be a new and hopeful trend in this country toward doing something about one of our most formidable domestic problems: discrimination in the sale and rental of housing.

I know this is far from the prevailing view. But I am moved to express it on the basis of a series of developments during the past year or so and by my keen disappointment at the failure of Congress to enact a national fair housing law.

In failing to come to grips with the problem of residential segregation and its attendant evils, Congress appears to be oblivious to what has been happening throughout the country. At this moment, 22 States have adopted fair housing laws, five of them during 1967. The laws of four other States, Connecticut, Indiana, Massachusetts, and my own State of Minnesota were amended this past year in order to strengthen them. Minnesota's law is now one of the strongest in the Nation and covers most of the housing market.

In addition to the States, 84 cities, villages, and counties, together with the District of Columbia, have adopted fair housing ordinances. And for those of us who live in the metropolitan Washington area and believe housing discrimination is a national disgrace, it has been a source of local pride to have Maryland this year become the first border State to adopt a fair housing law and both Montgomery County and Prince Georges County adopt separate ordinances that improve upon the statewide law.

It is some measure of the rate at which such laws are being passed that of the 84 local ordinances, 43 were adopted in 1967, the great majority since midsummer.

And even these figures are becoming outdated almost as I speak. For example, Detroit, Mich., adopted a fair housing law only last week. In Alexandria, Va., just across the Potomac River, the city council is establishing a new department to carry out a voluntary open-housing policy. And within the past few days, open housing laws have been enacted in Louisville, Ky., by a newly elected Democratic city council which reversed the decision of the previous Republican-controlled council, and in Milwaukee, Wis., where a white Catholic priest, Father James Groppi, has led more than 100 marches demanding enactment of a strong open housing law.

Perhaps at this point some Members of this body will feel that if progress is being made in open housing, there is no need for Congress to act. I do not believe so. These scattered and local developments, far from absolving us from action, make it even more important than before, that Congress enact a national fair housing law that will place all States and all localities upon an equal footing. The local and State open housing laws being enacted represent a hodgepodge of good and bad. Some are good laws, but most are ineffective at best, and a few are tokenistic frauds. Too many of them have glaring loopholes in coverage and totally inadequate enforcement.

But they all represent progress for their mere adoption is an official recognition by the community that housing discrimination does in fact exist, that it is undesirable, and that laws are needed to eliminate it.

As the Milwaukee Journal noted in an editorial following approval of that city's limited open housing law:

> Local enforcement of the open housing right within the narrow coverage limits of the state law . . . has finally become the official policy of the city of Milwaukee. It is no great thing, but at least the council did move. It is a beginning.

And it is time that the Congress made a beginning. There is no longer any economic, political, moral or other justification for segregated housing. On this one issue alone, liberals and conservatives alike can be condemned, or we all know that justice, morality, and the national interest demand that the Congress act.

As the chief author of the Federal fair housing bill, I have found nothing more frustrating than trying to make real progress on this issue—which for the first time involves northerners as well as southerners—and call upon this Nation to declare the principle that we are going to live together and not separately.

Mr. President, in addition to the statistics I have cited above, there is also other evidence of a new and hopeful trend in the area of open housing.

Even where States have failed to act, cities and towns within them have shown a disposition to do so. We all remember, surely, the Senate fight earlier this year over the proposal to build an atomic reactor in Weston, Ill., when the failure of the State legislature to enact a fair housing law left in doubt the question of whether or not Negroes and members of other minority groups would be able to find places to live if they obtained jobs at the new facility. Yet, since August 31, six Illinois municipalities have enacted open occupancy ordinances, bringing the State total to 19 or 20.

There have been recent developments that indicate a readiness on the part of other agencies of Government to work for fair housing, even if Congress is not disposed to do so. The Defense Department has begun to move against one of the ugliest manifestations of prejudice in America today, the refusal by thousands of landlords to rent off-base housing to Negro servicemen and their families because of race. Defense Secretary Robert S. McNamara put the issue clearly when he said:

> The Negro serviceman has been loyal and responsible to his country. But the people of his country have failed in their loyalty and responsibility to him. The country which sent him to hazardous duty abroad refuses

to permit him to live in the midst of the white civilian community when he returns.

In April of this year, Secretary McNamara ordered a nationwide census to determine the housing situation at about 300 bases in 46 States. The census found that at least one-third of the facilities investigated, North as well as South, were being denied to Negro servicemen. In June 1967 he issued a directive declaring segregated apartments and trailer courts near Andrews Air Force Base in Maryland off limits to all servicemen until the owners agreed to rent to everyone without regard to color. Since then the Defense Department has used the off-limits sanction against segregated housing near six military installations in Maryland and the number of units available to Negro servicemen rose from 1,500 to 5,300 in 120 days. Regrettably the Department has, so far, failed to use the off-limits sanction anywhere else in the country.

The Federal Trade Commission, another Government agency responsive to the demands of our times, has just issued complaints against operators of nine large apartment developments in northern Virginia, charging them with "false and misleading" advertising because they have failed to note in their ads that they rent to whites only. I complement the FTC on this creative effort.

The Federal Housing Administration has as recently as October placed aides in 76 cities on notice that they must make greater efforts to provide housing for minority groups in the white suburbs.

Nonetheless, fair housing is too much at the mercy of local sentiment and emotion. There were setbacks this year as well as advances. Six States—Nebraska, Missouri, Kansas, Delaware, Illinois, and West Virginia—had unsuccessful campaigns for fair housing laws during 1967. Seven local ordinances were struck down in referendums. The Montgomery County, Md., law is presently under legal attack and has been held invalid by a lower court judge.

Thus representatives of the real estate industry itself, in testimony before Congress, have called for a national fair housing law to prevent those who discriminate from obtaining any competitive advantage over those who do not.

This view was expressed several times during hearings on the Fair Housing Act of 1967 held in August before the Senate Banking Subcommittee on Housing and Urban Affairs. Philip M. Klutznick of Chicago, the nationally known developer and businessman, observed in his statement:

> I am convinced that unless we get national leadership in this area our resolve to tackle this problem (open occupancy), which is not too strong to start with, will mature too late and produce too little. What is equally clear is that cities cannot save themselves with ordinances while all-white or token integrated suburbs follow an easy pace or relax altogether. Unless we get firm and determined national leadership accompanied by accelerated rates of dispersal of our nonwhite population, we shall inherit the worst that black power advocates urge and none of the benefits of a sensible and informed black population which is black power at its best.

Elliott N. Couden, a prominent real estate broker in Seattle, Wash., declared:

> I think a universal law would remove many of the shackles and impasses we in the real estate business are subjected to.

Edward Durchslag, a Chicago real estate broker, told the subcommittee:

> Some real estate men and owners would, I am sure, welcome . . . legislation that would allow them to be respectable among their colleagues . . . many would be relieved by having . . . a law that would give them an excuse not to have to further indulge in some of the doubletalk and hypocrisy that is sometimes necessary to maintain the artificial restrictions against a portion of our population.

We rejected the idea that a local or State law would be sufficient.

> The action has been so scattered, slow and inconsistent that it is wishful thinking to hope that our national problems will ever be solved in this manner.

The international builder, William J. Levitt, creator of Levittowns, made much the same point when he testified before a House Judiciary Subcommittee in 1966, in behalf of a fair housing bill that passed the House but was blocked in the Senate by a filibuster. He said:

> This nation must achieve a realistic solution to the problem of discrimination, not only in housing, but in every aspect of American living. The only way this can be done is by establishing national policy applying equally to everyone, under law that governs all of us.

I hear something reminiscent in these calls from members of an industry for some sort of national regulation. I remember back in 1963 and 1964, during testimony on the bill that became the Civil Rights Act of 1964, mayors and businessmen urged this Congress to enact a national law that would prohibit discrimination in restaurants, hotels, and other places of public accommodation. We did enact that law and have seen its passage crowned with success. The indignity men faced of being denied food or lodging because of the color of their skin, has largely vanished from this country.

I believe the greater indignity of being denied a place to live because of race or religion will also go down before a national law. And we are ready for that law. That seems to me the inescapable conclusion of the evidence I have presented here today.

You may remember that also back in 1964 a sage and highly respected Member of this body announced his readiness to vote for the Civil Rights Act and quoted in support of his decision those stirring words from Victor Hugo's essay, "The Future of Man":

> There is one thing stronger than all the armies in the world: and that is an idea whose time has come.

Mr. President, fair housing is an idea whose time has come. I urge my colleagues, when they return next year to fall in step with the Nation and enact the Fair Housing Act of 1968.

Mr. President, I ask unanimous consent that a compilation of the 22 States and 84 localities that have enacted fair housing laws be printed at this point in the RECORD. The list was prepared by the National Committee Against Discrimination in Housing and is an excellent summary. I also ask consent that a number of newspaper stories that supply additional details to my remarks be printed at this point as well.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

THE FAIR HOUSING STATUTES AND ORDINANCES

(AS OF JUNE 1, 1966)

THE RECORD TO DATE

The first law in the United States to prohibit discrimination in the general housing market went into effect on April 1, 1958, in New York City. On May 1, 1959, Colorado became the first state in the nation to put such legislation into operattion.

By June 1, 1966, 17 states (See note No. 1 below), 34 cities, the District of Columbia, King County in the State of Washington, Puerto Rico and the Virgin Islands had adopted anti-discrimination laws affecting some part of the private housing market.

Three additional states have measures which prohibit discrimination in certain types of publicly-assisted housing, and at least 40 additional cities have adopted policy resolutions or regulations against the denial of shelter because of the homeseeker's race, religion or national origin.

Also, one state and 11 cities which have no anti-discrimination laws affecting private housing have enacted legislation prohibiting efforts to incite panic selling ("blockbusting") based on the entry or prospective entry of minority families into neighborhoods. Four states and six cities which have fair housing legislation have added anti-blockbusting provisions by law or regulation.

Thus, by June 1, 1966, no less than 110 governmental jurisdictions had taken official action related to efforts to achieve an open housing market. All of these measures are in effect except five of the 34 city fair housing laws. (See Note No. 2, page 2.)

STATE ACTIVITY IN 1965 AND 1966

In 1965, when most state legislatures were in session (relatively few convene in even-numbered years), campaigns for fair housing legislation—either for first laws to apply to the general market or for measures to strengthen existing statutes—were waged in 22 states (Colorado, Connecticut, Delaware, Illinois, Indiana, Kansas, Maine, Maryland, Massachusetts, Minnesota, Missouri, Nebraska, New Hampshire, New Jersey, New Mexico, New York, Ohio, Rhode Island, Utah, Washington, Wisconsin and Wyoming). Only 12 states had such campaigns in 1963, the previous record year.

(NOTE No. 1.—Not included in the list of 17 states which have adopted laws applying to private housing is Washington, where the State Board Against Discrimination, which administers the state's anti-discrimination laws, has taken the position that real estate firms are covered by the Washington public accommodations statute. A lower court has upheld the Board's position, but the State Supreme Court has not ruled on the issue.)

During 1965 fair housing measures were enacted in ten of the 22 states: Indiana, Rhode Island, Maine, Ohio and Wisconsin adopted their first laws barring discrimination in private housing; Colorado, Connecticut, Minnesota, New Hampshire and New York passed amendments to strengthen existing laws. Also, in 1966 New Jersey broadened the coverage of an anti-discrimination statute covering private housing.

Also significant is the fact that during 1965 anti-fair housing forces failed in their efforts to secure legislation in eight states to provide for referenda to repeal or prevent the enactment of anti-discrimination housing laws. In Arkansas, Indiana, Maryland, Nevada, Rhode Island, Texas, Utah and

Washington, referenda proposals were either defeated or died in legislative committees.

SCOPE OF THE LAWS

The fair housing laws vary widely in their primary coverage of the housing supply and in provisions for enforcement. Alaska's statute covers all sales and rentals with no exemptions, and is enforced by a state human rights commission. Maine, on the other hand, is the only one of the 17 states which provides no administrative machinery for enforcing a law which is limited to part of the rental housing supply.

There is also considerable variance in enforcement practices, both under statutory provisions and operating procedures adopted by the commissions. Some commissions initiate complaints of discrimination on their own motion; some seek restraining orders from the courts to hold the housing at issue on the market until the charge of discrimination is investigated and resolved (injunctive relief); some lean toward a liberal interpretation of anti-discrimination legislation taking into account "the intent of the law"; some follow a conservative approach, adhering rigidly to "the letter of the law."

THE TREND

The trend is in the direction of comprehensive laws which substantially cover the housing supply and which apply alike to owners, builders, brokers and mortgage lenders. Nine of the 17 states (Alaska, Colorado, Connecticut, Indiana, Massachusetts, Michigan, New Jersey, New York and Rhode Island) now prohibit discrimination in 100 per cent of all residential property advertised for sale and in most rental housing.

Also, there is clearly a movement toward achieving more effective implementation of the laws: 11 of the 16 state commissions administering fair housing legislation now have specific power to take affirmative action by initiating complaints and investigations of discrimination on their own motion; and seven are authorized to ask for court injunctions or have other means of holding the housing in question in *status quo* until cases are settled. In addition, several commissions are moving to streamline their operating policies and practices. Some states have established the right of an applicant to see a unit in which he may be interested, and refusal to show the unit is a violation of the law.

(NOTE. No. 2.—Four of the 34 city ordinances have been struck down by referenda, and one was held invalid by the courts on technical grounds (see page 10).)

Manifestly, the trend toward broader coverage of the market and for provisions to insure more effective implementation are in response to demonstrated needs and weaknesses, and to widespread recognition that affirmative vigorous action is essential if the fair housing laws are to achieve their purpose: the end of discrimination and segregation in housing and the development of a free society in which every man in fact receives equal treatment and equal service in his search for a home.

STATE LAWS PROHIBITING DISCRIMINATION IN THE GENERAL HOUSING MARKET

1. Alaska: Effective April 4, 1962. Covers sale or rental of all housing; also applies to business transactions of real estate brokers and builders. Enforcement commission empowered to initiate complaints of discrimination on its own motion. Penalties: fines up to $500, 30 day imprisonment, or both. Enforced by Alaska Commission for Human Rights, 24 Reed Bldg., Anchorage 99501.

2. California (See note below): Effective Sept. 20, 1963. Covers sales or rentals involving buildings with 5 or more units, and all existing publicly-aided housing; also applies to all transactions of brokers, builders and mortgage lenders. Provides for injunctive relief or damages up to $500. Enforcement by California Fair Employment Practice Commission, 455 Golden Gate Ave., San Francisco 94101.

3. Colorado: Effective May 1, 1959. Amended 1965. Covers all publicly-offered sales or rentals (including vacant lots), exempting the rental of rooms in single-family dwellings. Also applies to commercial space, and to brokers, builders and mortgage lenders. Makes refusal to show available housing a violation. Provides that if a respondent fails to comply with a cease and desist order issued by the enforcement commission, the complainant may seek damages in a civil action. In such cases, the court may not only award damages and costs, but may require the respondent to provide housing comparable to that which was at issue in the complaint. Commission empowered to initiate and to seek injunctive relief. Enforced by Colorado Civil Rights Commission, 1525 Sherman St., Denver 80203.

(NOTE.—California's fair housing legislation was restored to full force and effect on May 10, 1966, when the State Supreme Court struck down Section 26 of Article I of the State Constitution (Proposition 14) which was designed to nullify the anti-discrimination housing laws and prevent enactment of such measures in the future. The high court ruled that this initiative constitutional amendment, adopted by referendum in 1964, was in violation of the 14th Amendment to the Federal Constitution. California decision upheld by U.S. Supreme Court, June 1967.)

4. Connecticut: Effective Oct. 1, 1959. Amended 1961, 1963, 1965. Covers all sales and rentals (including vacant lots) except rental of an apartment in an owner-occupied two-family house and rental of rooms in private residences; also applies to brokers, builders and mortgage lenders. Commission empowered to initiate complaints. The commission may also seek injunctive relief, but must give bond in an amount determined by the state circuit court to compensate the respondent for damage suffered if the commission fails to prosecute the action. Penalties: fines up to $100, 30 days imprisonment or both. Enforced by Connecticut Commission on Civil Rights, 92 Farmington Ave., Hartford 06115.

5. Indiana: Effective July 7, 1965. Covers all sales or rentals (including vacant lots); also applies to commercial space, and to brokers, builders, mortgage lenders and real estate advertising. Provides that the enforcement commission may not issue cease and desist orders against owner-occupants of buildings with less than 4 dwelling units. Enforced by Indiana Civil Rights Commission, State Office Bldg., 100 N. Senate Ave., Indianapolis 46204.—Amended, 1967.

6. Maine: Effective September 1965. Covers rental housing, exempting the rental of a unit in an owner-occupied two-family house and owner-occupied one-family dwellings which rent four or less rooms. Penalties: fines up to $100 or imprisonment up to 30 days, with each additional violation punishable by fines up to $500 or imprisonment up to 30 days. No administrative machinery provided for enforcement.

7. Massachusetts: Effective July 21, 1959. Amended 1960, 1961, 1963, 1965. Covers all publicly-offered sales or rentals (including vacant lots), except rental of an apartment in an owner-occupied two-family house (rentals of rooms in private residences are covered by the state's public accommodations statutes by administrative ruling); also covers commercial space, and brokers, builders, mortgage lenders and advertising. Provides for revocation of license of brokers who refuse to obey an enforcement order. Commission empowered to initiate and to seek injunctive relief. Enforced by Massachusetts Commission Against Discrimination, 41 Tremont St., Boston 02108.—Amended, 1967.

8. Michigan: Effective Jan. 1, 1964. Michigan's new State Constitution has been interpreted by the Attorney General to prohibit discrimination in all housing and in all mortgage lending transactions. The enforcement agency is empowered to initiate complaints. Enforced by the Michigan Civil Rights Commission, 900 Cadillac Square Bldg., Detroit 48226.

9. Minnesota: Effective Dec. 31, 1962. Amended 1965. Covers sales or rentals (including vacant lots), with the following exceptions: 1) owner-occupied, privately-financed one-family houses (homes with outstanding FHA or VA mortgages are covered); 2) rental of an apartment in an owner-occupied two-family house; and 3) rental of rooms in private homes. Also applies to brokers, builders and mortgage lenders with respect to housing covered by the law, and to all real estate advertising. Commission empowered to initiate complaints. Provides that at least 5 days prior to the commencement of a hearing before the commission, the respondent may demand that the matter be referred to the district court for determination. In such event, the commission may no longer handle the case and may not conduct a hearing or issue a cease and desist order. Enforced by Minnesota Commission Against Discrimination, 55 State Office Bldg., St. Paul 55101. Amended to cover most of market, May, 1967.

10. New Hampshire: Effective Aug. 29, 1961. Amended 1965. Covers all sales and rentals involving buildings containing more than one dwelling unit, exempting rentals in owner-occupied houses with three or less units. Also exempts the rental or rooms in owner-occupied housing accommodations. Violations are criminal offenses punishable by fines up to $100. The New Hampshire Commission for Human Rights (care of John S. Holland, chairman, 1838 Elm St., Manchester 03104) may receive and attempt to conciliate complaints.

11. New Jersey: Effective Sept. 13, 1961. Amended 1966. Covers all real estate sales, including vacant land and commercial property; and all rentals except rental of an apartment in an owner-occupied two-family house or the rental of a room in a one-family accommodation. (The rental of an apartment in a two-family owner-occupied house or of rooms in a one-family house are covered if the house was built with or has an outstanding FHA- or VA-guaranteed mortgage.) Applies to owners, builders, brokers and salesmen, mortgage lenders, and to real estate advertising. Enforcement agency may initiate complaints and is empowered to seek injunctive relief from the courts. Enforcement by the New Jersey Division on Civil Rights, 52 West State St., Trenton 08608.

12. New York: Effective Sept. 1, 1961. Amended 1963, 1965. Covers all sales and rentals except rental of an apartment in an owner-occupied two-family house and rental of rooms in private residences. Applies to commercial space; to brokers, builders and mortgage lenders, and to real estate advertising. Enforcement commission may initiate complaints and is empowered to seek injunctive relief from the courts. Commission may also award compensatory damages in appropriate cases. An individual whose complaint is dismissed by the investigating commissioner may apply to the chairman of the commission for review. Provides that violation of a conciliation agreement is an unlawful discriminatory practice. Also provides that the use and occupancy of housing and commercial space without discrimination is a civil right, thus making violators subject to action under the penal code. Enforcement by the New York State Commission for Human Rights, 270 Broadway, New York City 10007.

13. Ohio: Effective Oct. 30, 1965. Covers all sales and rentals exempting owner-occupied one- and two-family buildings. Also applies to real estate brokers with respect to hous-

ing covered by the law; to all transactions of mortgage lenders; and to advertising. Provides for the right to inspect available housing. Before exercising enforcement powers, the commission must find that a complainant is a bona fide homeseeker. Enforced by Ohio Civil Rights Commission, 240 Parsons Ave., Room 234, Columbus 43215.

14. Oregon: Effective Aug. 5, 1959. Covers persons engaged in the business of selling or renting real property, including vacant lots and commercial space; advertising. Attorney General can initiate complaints. Persons charged with discriminatory acts are notified upon filing of complaints, are forbidden to sell or rent the property at issue until disposition of the case has been made, and are liable to damages if they do so. Separate statute provides for revocation of license of brokers who violate the fair housing law. Enforced by Civil Rights Division, Oregon State Bureau of Labor, State Office Bldg., Portland 97201.

15. Pennsylvania: Effective Sept. 1, 1961. Covers all sales and rentals (including vacant lots) except owner-occupied one- and two-family houses; brokers, builders and mortgage lenders with respect to housing covered by the law; advertising. Commission is empowered to initiate complaints. Enforcement by Pennsylvania Human Relations Commission, 301 Muench St., Harrisburg 17105.

16. Rhode Island: Effective April 12, 1965. Covers all sales and rentals (including vacant lots) except rental of apartments in owner-occupied two- and three-family houses and rental of rooms in private residences; brokers, builders, mortgage lenders, and advertising. Commission empowered to initiate complaints. Enforced by Rhode Island Commission Against Discrimination, State House, Providence 02902.

17. Wisconsin: Effective Nov. 1965. Covers the sale, rental and financing of all residential property with the following three exemptions: 1) single-family dwellings which are owner-occupied or which were last occupied by the owner; 2) owner-occupied apartment houses with four or less units; and 3) owner-occupied rooming houses with four or less rooms for rent. Covers vacant residential lots and the construction and financing of residences upon such lots. Applies to owners, builders, brokers and salesmen, mortgage lenders and to advertising with respect to transactions involving property covered by the law. Provides for the right to inspect available housing. However, the statute specifically prohibits "testing," requiring that only persons with a bona fide intention to buy or rent property may use the law. Enforced by the Industrial Commission of Wisconsin, Hill Farms State Office Bldg., P. O. Box 2209, Madison 53701.

STATES WITH LAWS BARRING DISCRIMINATION IN PUBLICLY-ASSISTED HOUSING ONLY

1. Illinois: Prohibits discrimination in public housing, and restrictive covenants on urban redevelopment land. No enforcement agency.

2. Montana: Prohibits discrimination in urban renewal housing. No enforcement agency.

3. Washington: Prohibits discrimination in urban renewal housing. (See also note on page 1.)

CITY AND LOCAL LAWS BARRING DISCRIMINATION IN PRIVATE HOUSING

District of Columbia (Art. 45, Police Regs.): Effective Jan. 20, 1964. Commissioners' Council on Human Relations, District Bldg., 14th and E Sts., N. W., Washington 20004.

King County, Wash.: Effective Mar. 3, 1964. King County Sheriff's Office, Seattle 98104. (This fair housing law covers the county's unincorporated areas—excluding Seattle.)

1. Albuquerque, N.M.: Enacted June 18, 1963. Fair Housing Advisory Board, Box 1293, Albuquerque 87101.

2. Ann Arbor, Mich: Effective Dec. 20, 1965. Ann Arbor Human Relations Department, c/o City Hall, Ann Arbor 48101.

3. Beloit, Wis.: Effective Apr. 1, 1964. Beloit Human Relations Commission, c/o City Hall, Beloit 53511.

4. Chicago, Ill.: Effective Sept. 24, 1963. Chicago Commission on Human Relations, 211 West Wacker Dr., Chicago 60606.

5. Des Moines, Iowa: Effective June 4, 1964. Des Moines Commission on Human Rights and Job Discrimination, Armory Bldg., Des Moines 50309.

6. Duluth, Minn.: Effective Oct. 19, 1963. Duluth Fair Employment and Housing Practices Commission, Suite 700, Torrey Bldg., Duluth 55802.

7. East St. Louis, Ill.: Enacted Jan. 29, 1964. East St. Louis Commission on Human Relations, 1602 Missouri Ave., East St. Louis 62205.

8. Elyria, Ohio: Adopted Sept. 21, 1965. No enforcement agency.

9. Erie, Penna.: Effective Sept. 1, 1963. Erie Human Relations Commission, 606 Commerce Bldg., Erie 16501.

10. Gary, Ind.: Effective June 4, 1965. Gary Fair Employment Practices Commission, City Hall, 401 Broadway, Gary 46402.

11. Grand Rapids, Mich.: Effective Dec. 23, 1963. Grand Rapids Human Relations Commission, City Hall Annex, 303 Iona Ave., Grand Rapids 49502.

12. Indianapolis, Ind.: Enacted July 1964. Indianapolis Human Rights Commission, City-County Bldg., Indianapolis 46204.

13. Louisville, Ky.: Effective Aug. 25, 1965. Louisville Human Relations Commission, 101F Mayor's Suite, City Hall, Louisville 40202.

14. Madison, Wis.: Enacted Dec. 12, 1963. Madison Equal Opportunities Commission, 416 Russell Walk, Madison 53703.

15. New London, Conn.: Effective Aug. 1, 1963. New London Fair Housing Practices Board, 181 State St., New London 06321.

16. New Haven, Conn.: Enacted May 14, 1964. New Haven Commission on Equal Opportunities, c/o City Hall, New Haven 06510.

17. New York, N.Y.: Effective Apr. 1, 1958. New York City Commission on Human Rights, 30 Lafayette St., New York 10013.

18. Oak Ridge, Tenn.: Effective July 25, 1965. City Attorney, City Hall, Oak Ridge 37832.

19. Oberlin, Ohio (See Toledo, below): Enacted Nov. 20, 1961. Housing Renewal Commission, c/o City Hall, Oberlin 44074.

20. Peoria, Ill.: Enacted Dec. 30, 1963. Peoria Commission on Human Relations, 302 City Hall, 1821 N. Underhill St., Peoria 61601.

21. Philadelphia, Penna.: Effective June 10, 1963. Philadelphia Commission on Human Relations, 625 City Hall Annex, Philadelphia 19102.

22. Pittsburgh, Penna.: Effective June 1, 1959. Pittsburgh Human Relations Commission, City-County Bldg., Pittsburgh 15219.*

23. Schenectady, N.Y.: Enacted April 1, 1963. Schenectady Human Relations Commission, 1929 Union St., Schenectady 12305.

24. St. Louis, Mo.: Effective Feb. 6, 1964. St. Louis Council on Human Relations, Room 200, Municipal Courts Bldg., St. Louis 63103.

25. St. Paul, Minn.: Enacted Aug 13, 1964. St. Paul Human and Civil Rights Commission, 1745 City Hall, St. Paul 55802.*

26. Springfield, Ill.: Effective Mar. 15, 1966. Springfield Human Relations Commission, Municipal Bldg., Springfield 62701.

27. Tucson, Ariz.: Effective May 16, 1966. Tucson Commission on Human Relations, 134 West Council St., Tucson 85701.

28. Wichita, Kan.: Enacted Oct. 6, 1964. Wichita Commission on Human Relations, c/o City Hall, Wichita 67201.

29. Yellow Springs, Ohio: Enacted Aug. 19, 1963. Yellow Springs Human Relations Commission, 314 Dayton St., Box 226, Yellow Springs 45387.

30. Los Alamos Co., N.M.: Effective Oct. 12, 1964.

31. Iowa City, Iowa: Effective Aug. 26, 1964. Amended 1967.

32. Ames, Iowa: Enacted Aug. 16, 1966.

33. Prince George's Co., Md.: Enacted Nov. 21, 1967.

34. Battle Creek, Mich.: Effective July 22, 1966.

35. Burlington, Vt.: Effective Aug. 19, 1967.

36. Kalamazoo, Mich.: Enacted June 6, 1966.

37. Joliet, Ill.: Effective July 8, 1967.

38. Covington, Ky.: Enacted June 1, 1967.

39. Muskegon, Mich.: Effective May 9, 1967.

40. Kansas City, Kans.[1]: Effective July 31, 1967.

41. Kansas City, Mo.[2]: Adopted July 31, 1967.

42. Weston, Ill.: Enacted Feb. 14, 1967.

43. Rockville, Md.: Enacted July 31, 1967.

44. Montgomery Co., Md.: Effective Aug. 19, 1967.

45. Wheaton, Ill.: Effective July 5, 1967.

46. Lexington, Ky.: Effective Oct. 1, 1967.

47. Fayette Co., Ky.: Effective Oct. 11, 1967.

48. Dayton, Ohio: [3] Fall 1967.[1]

49. Topeka, Kan.: Effective Oct. 13, 1967.

50. Anchorage, Alaska: Oct., 1967.

51. Flint, Mich.: Enacted Oct. 30, 1967.

52. Bardstown, Ky.: Effective June 29, 1966.

53. Albion, Mich.: Enacted Aug. 28, 1967.

54. Port Huron, Mich.: Enacted 1967.

55. Lansing, Mich.: Enacted 1967.

56. Annapolis, Md.: Enacted 1967.

57. East Lansing, Mich.: Enacted Feb. 20, 1967.

58. Ypsilanti, Mich.: Effective Sept. 19, 1966.

59. Decatur, Ill.: Enacted May 23, 1966.

60. Maywood, Ill.: Enacted Aug. 11, 1966.

61. Freeport, Ill.: Enacted Oct. 14, 1967.

62. Elgin, Ill.: Enacted April 13, 1967, Amended July 27 & Aug. 10, 1967.

63. Champaign, Ill.: Enacted April 28, 1967.

64. Bloomington, Ill.: Enacted July 24, 1967.

65. Normal, Ill.: Enacted Sept. 18, 1967.

66. East Moline, Ill.: Enacted Oct. 2, 1967.

67. Galesburg, Ill.: Enacted Oct. 2, 1967.

68. Skokie, Ill.: Enacted Oct. 9, 1967.

69. Rock Island, Ill.: Enacted Oct. 9, 1967.

70. Evanston, Ill.: Effected Jan., 1968, Enacted Oct. 23, 1967.

71. Allentown, Pa.: Enacted Oct. 18, 1967.

72. Rochester, Minn.: Enacted Dec. 24, 1967.

73. Easton, Pa.: Enacted July 16, 1967.

74. Steubenville, Ohio: Enacted June 3, 1966.

75. Detroit, Mich.: Enacted Nov., 1967.

76. Brown Deer, Wis.: Enacted Nov. 6, 1967.

77. Bayside, Wis.: Enacted 1967.

78. Fox Point, Wis.: Enacted 1967.

79. Mequon, Wis.: Enacted 1967.

80. Birmingham, Mich.: Enacted Nov. 1967.

81. Shorewood, Wis.: Enacted Dec., 1967.

82. Whitefish Bay, Wis.: Enacted Dec. 1967.

83. Kenton Co., Ky.: Enacted June 1, 1967.

The following cities have enacted fair housing ordinances reaching the private market which have been struck down by referenda or, in one case, ruled invalid by the courts on technical grounds.

1. Akron, Ohio: Enacted July 1964. Struck down by referendum November 3, 1964.

2. Berkeley, Calif.: Enacted Jan. 15, 1963. Struck down by referendum April 2, 1963.

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*Amended to strengthen and broaden, 1967.

[1] There remains a possibility of a referendum challenge.

[2] Signatures demanding referendum have been certified. No date set.

[3] Law not in effect pending outcome of court test. (These notes are all as of Dec. 5, 1967).

3. Seattle, Wash.: Enacted Nov. 26, 1963. Struck down by referendum March 10, 1964.

4. Tacoma, Wash.: Enacted Sept. 24, 1963. Struck down by referendum Feb. 11, 1964.

5. Toledo, Ohio: Effective June 9, 1961. Ruled invalid by Ohio Supreme Court March 10, 1965, on ground that the ordinance was so indefinite that enforcement of its provisions would be impossible.

A second ordinance was approved in Toledo on March 20, 1967. This was struck down by referendum on Sept. 11, 1967.

6. Jackson, Mich.: Enacted Sept. 27, 1966. Repealed by referendum April 11, 1967.

7. Springfield, Ohio: Enacted April 3, 1967. Struck down by referendum, Nov. 7, 1967.

MEASURES PROHIBITING "PANIC PEDDLING"

Several states and cities have regulations or ordinances which prohibit real estate operators from engaging in practices designed to incite panic selling due to the entry or prospective entry into a neighborhood of persons of another racial or ethnic background.

The state licensing agencies in *Connecticut, New York* and *Pennsylvania* have regulations under which brokers and salesmen are liable to revocation or suspension of their licenses if they are found guilty of engaging in "blockbusting" tactics. *Ohio* prohibits "blockbusting" under a recently-enacted fair housing law. In *Maryland*, a law aimed at preventing blockbusting was adopted in 1966.

The following cities have adopted special anti-panic peddling ordinances:

1. Baltimore, Md.
2. Buffalo, N.Y.
3. Detroit, Mich.
4. Kansas City, Mo
5. Park Forest, Ill.
6. San Francisco, Calif.
7. Shaker Heights, Ohio
8. South Euclid, Ohio
9. Teaneck, N.J.
10. Toledo, Ohio
11. Warrensville Heights, Ohio

The following cities have incorporated anti-blockbusting provisions into their fair housing ordinances:

1. Chicago, Ill.
2. East St. Louis, Ill.
3. Elyria, Ohio
4. Peoria, Ill.
5. Washington, D.C.
6. Wichita, Kan

STATE LAWS BARRING DISCRIMINATION IN PRIVATE HOUSING

18. Iowa: Effective July 1, 1967. Covers all sales and rentals with exception of owner-occupied two-family dwellings and owner-occupied rooming houses renting less than six rooms.

19. Maryland: Effective June 1, 1967. Covers all sales and rentals in new developments of five or more houses completed after June 1, 1967, and apartment buildings completed after that date, with exception of owner-occupied buildings of up to 11 units.

20. Vermont: Effective July 1, 1967. Covers all sales and rentals except owner-occupied buildings renting four or fewer rooms.

21. Washington: Not in effect. Referendum scheduled Nov. 1968. Makes real estate brokers' and salesmen's licenses terminable if they engage in discriminatory acts as brokers or salesmen.

22. Hawaii: Effective June 4, 1967.

[From the Milwaukee Journal, Dec. 13, 1967]

Limited Housing Law Approved by Council—Alderman Phillips Fails in Bid To Expand It.

After weeks of conflict, demonstrations, debate, negotiations and study, the common council Tuesday enacted an open housing ordinance that proponents and opponents agreed had little effect.

The council, by a 13 to 6 vote, passed an ordinance that virtually copies the state law which already covers the city.

The action came after about one and a half hours of debate and rejection of four amendments to strengthen the law proposed by Alderman Vel R. Phillips, the council's only Negro. She voted against the final proposal.

The measure was a compromise proposed by Ald. Clarence M. Miller after several stronger open housing versions bogged down in committee in the face of strong opposition.

HOW THEY VOTED

Voting for the ordinance were Aldermen Allen R. Calhoun, Jr., Francis E. Dineen, Robert J. Dwyer, Robert O. Ertl, Stephen A. Galligan, Norman J. Hundt, Harold J. Jankowski, Robert J. Jendusa, Sr., Rod Lanser, Miller, Richard B. Nowakowski, Mark W. Ryan and Martin E. Schreiber, council president.

Voting against it were Aldermen Robert A. Anderson, James E. Maslowski, Mrs. Phillips, Fred F. Schallert, Robert L. Sulkowski and Eugene L. Woehrer.

The ordinance was sent to Mayor Maier for his signature. A spokesman for the mayor said the mayor would sign it. It will take effect upon publication.

LIKE STATE LAW

Like the state law, the Miller ordinance makes discrimination in sale, rental or lease of housing illegal, and applies primarily to housing which constitute a business. It exempts owner occupied single family homes, some rooming houses and rental units of four families or fewer.

Aldermen on both sides of the issue said the ordinance had little effect although some said it was a step in the right direction.

It appeared to be an attempt to satisfy civil rights advocates and assuage the opponents of open housing, but neither side emerged happy.

"It is obvious," Jankowski remarked, "that both sides will leave these chambers rankled and somewhat displeased."

But he added that it was a start, "as humble and feeble as it is."

Miller said that although the law duplicated the state's, it was hoped that people would feel freer to bring their discrimination complaints to the city attorney.

The main difference in the law is that the city's ordinance will be prosecuted by the city attorney while the state enforcement is handled by state officials.

Mrs. Phillips, sponsor of a strong open housing ordinance, said the Miller proposal would not satisfy Milwaukee Negroes or whites who have worked with them for a strong ordinance.

THANKS FOR NOTHING

"It is not what we want," she said.

"Thanks for nothing," Mrs. Phillips told the council. "You are very much too late with very much too little."

She said the vote by some aldermen was "a way out, a face saving device." Aldermen now can tell opponents of fair housing in their constituencies that "we gave them nothing more than they had," she said.

On the other hand, she said, they can also tell supporters of open housing that "we now have an open housing ordinance."

She called it a way of "purporting to act although no meaningful gain has been accomplished."

She said it was "a coward's way out at worst and at best a show of good faith."

Sulkowski said he had always advocated state or federal open housing legislation.

"I believe it is wrong for this common council to take any action that would circumvent any action taken by the people of this community that circulated the petitions that this council has adopted," he said.

He referred to petitions filed by the Milwaukee Citizens' Civic Voice, containing 27,000 signatures, which forced the council to call a referendum on the open housing issue. The effort was designed to block open housing.

"This is democracy at its best," Sulkowski said of the petitions. "It isn't easy to get 27,000 signatures."

Ald. Robert J. Dwyer said the legislative approach to open housing had been found lacking. He said he favored voluntary methods.

"Proponents of the legislative approach do not understand democracy," Dwyer said. "They do not understand that democracy is the rule of the majority."

IMPOSING JUDGMENT

He said the supporters of the law were trying to impose the moral judgment of the minority on the majority of the population.

"It is ironic that the same liberals alleging that we have a moral obligation here to impose a moral judgment of the minority on the majority are the same people who are advocating the repeal or loosening of laws against abortion, pornography or even sexual acts between consenting adults," Dwyer said.

Dwyer said, however, that he would vote for the Miller ordinance "only because it changes nothing."

Ald. Eugene L. Woehrer said the Negro population of his ward had increased "voluntarily."

"I don't think any legislation can force open housing," he added.

Ald. Robert J. Jendusa said some people thought the ordinance was a beginning and could be strengthened. He said he would not support such action until the state law was made stronger.

He said that the city attorney had said the city could pass nothing stronger than the state law because of the Civic Voice petition.

The Miller ordinance was passed after the council rejected four amendments by Mrs. Phillips designed to broaden the proposal.

The first, calling for removal of all exemptions, so that the law would cover all housing, was defeated 18 to 1.

OTHERS DEFEATED

After that, Mrs. Phillips proposed an amendment to expand the law to cover all housing except owner occupied duplexes, rooming houses and housing for religious organizations. That lost 15 to 4, with Lanser, Miller and Schreiber joining Mrs. Phillips.

When that lost, another amendment to expand the law to cover the lease or rental of all types of housing, but not the sale, was defeated by the same vote.

Her final amendment, to expand the law to cover all types of housing except where the seller involves the public or a third party (an agent, through advertising, etc.) lost 18 to 1.

In a statement on the common council's action, Mayor Maier said it "at least manifests that Milwaukee already is covered by a state open housing law which is stronger than more than 90% of the open housing laws in existence in our country."

MILWAUKEE SECRET

He said this dispelled what he called a well kept secret nationally about the Milwaukee situation.

"Locally, however," the mayor added, "to quote Winston Churchill: 'It is a riddle wrapped in a mystery inside of an enigma' as to why the county board—which has the power to act in the name of the entire metropolitan area—has never been called upon to act on this question by powers of communication.

"To me, this is just another manifestation of the metropolitan hypocrisy."

About 150 persons attended the council meeting.

Father James E. Groppi and members of the NAACP youth council which he advises sat on the east side of the chamber. The youth council has conducted demonstrations for open housing since last August.

On the other side of the room were members of the Civic Voice, which is leading the opposition.

ENFORCEMENT EASIER

Although the ordinance parallels the state law, its enforcement procedure is less cumbersome. It provides that a person alleging discrimination in violation of the law can complain to the city attorney.

The city attorney then will decide whether a formal complaint should be filed in court. The state law is enforced by the state department of industry, labor and human relations and contains time consuming provisions for conciliation.

The common council has rejected open housing ordinances four times since 1962. All the others were proposed by Mrs. Phillips and contained more stringent provisions than the Miller proposal.

Since this summer, open housing has become one of the most debated subjects in the city's history.

Passage of a law got strong support from a long list of civic, labor and religious organizations. But many aldermen claimed that they had noted, on the other hand, a strong and relatively silent grass roots movement opposing open housing.

Mayor Maier also proclaimed that he would not sign a strong open housing law unless 14 of the 26 suburbs also passed similar ordinances. So far six have.

Maier said he favored metropolitan or statewide open housing because a city-only law would cause a flight of middle class whites to the suburbs, resulting in a loss of tax base.

The coming spring election made the decision on open housing more difficult. Many aldermen were afraid a vote for the law would result in their defeat in April.

MEETINGS HELD

There were efforts to negotiate a settlement with the open housing advocates, and some aldermen—chiefly Mrs. Phillips, Miller, Schreiber and Calhoun—held meetings with them.

In the meantime, groups on both sides circulated petitions.

Later, the council's judiciary committee appointed an 11 man committee of citizens and aldermen headed by Lanser to find a compromise.

After a 19 hour closed door session in the Pfister hotel, the special committee emerged, stating that an open housing law was needed.

PETITION FILED

But the committee said it could not agree on what the law should be. It presented four versions to the judiciary committee for consideration.

The stage was set for a final vote on an ordinance. But the day before it was to come up the Civic Voice filed its petition demanding a referendum. The majority of the aldermen breathed a little easier.

They decided that because of the petition, they could not act on any ordinance that would be stronger than the state law, because the state law already was in effect.

The council voted to hold the referendum in the April election. The American Civil Liberties Union later challenged the action in the federal court. A trial on the ACLU request for a permanent injunction will be held in January.

VIOLENCE DEPLORED

After passing the Miller ordinance Tuesday, the council asked the city attorney to attempt to remove the common council as a defendant in the lawsuit. Aldermen said the Civic Voice should be the defendant.

The council also passed a resolution deploring "violence, threats or intimidation" during the Christmas season.

[From the Milwaukee Journal, Dec. 13, 1967]

ONLY A BEGINNING

Local enforcement of the open housing right within the narrow coverage limits of the state law—this much, nothing more—has finally become the official policy of the city of Milwaukee. It is no great thing, but at least the council did move. It is a beginning.

Enough aldermen were finally made to see that some affirmative posture had to be taken. There was no slightest sign of any new conviction, no new determination to have justice done. Excuses for stopping at the state law were trumped up, apologies were written in advance for going even that far, mealy-mouthed new perversions of "democracy" were expounded.

Ald. Phillips was still the solitary voice for full coverage of all housing. Her compromise proposals to cover all sales only, exempting various types of rentals, gained only the adherence of Aldermen Lanser, Miller and Schreiber, who had been her colleagues in the recent subcommittee effort at solution. And her final concession, to exempt unadvertised and unbrokered sales by owners, found her alone again. This would hurt brokerage business, someone explained.

Hope for any fuller coverage than already exists in higher law does not lie in this council or another one like it. The county board, though now fully empowered by the state, is not a much greater hope. It reflects largely the same politics and prejudices that the council does. The duty and necessity fall back upon the legislature to make the state law complete, and before it adjourns this month.

[From the Louisville Courier-Journal, Dec. 14, 1967]

LOUISVILLE HOUSING LAW APPROVED BY ALDERMEN—9-TO-3 VOTE

(By Vincent Crowdus)

The Louisville Board of Aldermen last night, by a 9 to 3 vote, passed an open-housing ordinance with enforcement powers.

The vote came after the aldermen had listened for 2 hours and 15 minutes to arguments both for and against the proposed ordinance. The decision drew applause and cheers from supporters in the jammed Aldermanic Chambers in City Hall. One boo was heard.

The ordinance now goes to Mayor Kenneth A. Schmied for signing into law or a veto. The ordinance would become law automatically if the mayor takes no action on it before the next aldermanic meeting Dec. 27.

If the mayor vetoes the ordinance, the aldermen could override him with a two-thirds vote of the 12-member board.

Schmied thus far has not indicated what he would do if the ordinance were passed. He told newsmen this week that he wanted to see exactly what was passed before making a decision.

The mayor has said he favored some type of housing law, but he has been opposed to any containing a fine as a penalty provision.

The ordinance approved last night provides for fines up to $100, as well as enforcement through court orders and contempt of court proceedings.

Voting for the ordinance were Dr. Robert Lykins, Henry A. Triplett, Donald Noble, Edwin Love, Aldermanic President James E. Thornberry, Charles H. Miller, Chester Terry, Mrs. Louise Reynolds and Dr. Albert B. Harris.

Mrs. Reynolds and Dr. Harris are the only Negroes on the board.

Voting against the ordinance were John P. Hayes, Joseph Kotheimer Sr. and Arthur D. Yocom.

Thirty-eight persons spoke on the proposal before the voting. There were 20 against the measure and 18 for it.

[From the New York Times, Dec. 15, 1967]

LOUISVILLE PASSES OPEN-HOUSING RULE

LOUISVILLE, December 13.—The Louisville Board of Alderman, by a vote of 9 to 3, passed an ordinance Wednesday night to prohibit racial discrimination in the sale and rental of housing.

The ordinance now goes to Mayor Kenneth A. Schmied. He can sign it, veto it, or allow it to become a law automatically by taking no action before the next aldemanic meeting in two weeks.

The vote came after the board, now controlled by Democrats, listened more than two hours to supporters and opponents of the ordinance.

The meeting was orderly, in sharp contrast to demonstrations and disturbances last spring when the aldermen, then predominantly Republican, rejected an open-housing law. The Republican's opposition to the law is considered the major reason for their defeat in the November election.

[From the New York Times, Dec. 12, 1967]

FTC COMPLAINS APARTMENT ADS MASK COLOR LINE—FILES ACTIONS CALLING THEM ILLEGAL FOR NOT MENTIONING ALL-WHITE OCCUPANCY—STEP IS FIRST OF KIND—POWER TO POLICE MISLEADING ADVERTISING USED AGAINST DEVELOPERS NEAR CAPITAL

(By Eileen Shanahan)

WASHINGTON, December 8.—The Federal Trade Commission issued complaints today against the operators of nine apartment developments in nearby suburban Virginia, charging them with failing to disclose in their advertisements that they rent only to whites.

The complaints marked the first time that any Federal agency had attacked housing segregation by attempting to police real estate advertising. The commission has broad statutory authority to stop advertising that is "false and misleading."

The complaints represent only the first step in what could be a long legal procedure if the apartment operators choose to fight.

It was expected they would do so because several of them have been picketed nearly continuously by open-housing advocates for several years and have not opened their apartments to Negroes.

HEARING IS FIRST STEP

Testimony on the complaints would first be taken in a hearing presided over by a commission hearing examiner, who would then hand down an opinion.

The commission could then review the opinion, either on its own motion or upon appeal. Finally, if the commission's opinion were adverse to the apartment operators, they could appeal in Federal court.

If the apartment owners chose not to fight, they could change their occupancy policy, change their advertisements or stop advertising.

However, if the advertisements were revised to include some sort of "white only" statement, the apartment owners might run afoul of other Federal laws, including the 1964 Civil Rights Act.

This bars racial discrimination in any federally assisted program. At least some of the apartments involved in the complaints were built with Federal financial assistance.

The commission's complaints charge that their advertisements, placed in Washington newspapers, were "false, misleading and deceptive" because they did not state that "these apartments are not available for rental to applicants who are Negro."

The commission also charged that some of the ads were misleading because they failed to state that the occupancy of one-bedroom apartments would be limited to two persons and that of two-bedroom apartments to four persons.

CHAIRMAN IS DOUBTFUL

Two members of the five-man commission issued special statements about the complaints against the apartment owners.

The commission's chairman, Paul Rand Dixon, argued that the Federal Trade Commission Act, which authorizes the commission to police advertising, contemplated that the commission "should act only in the field of trade and commerce and not in the area of civil rights."

"I therefore think it unwise for the commission," he said, "to venture into this field."

"I agree that the housing problem in America must be resolved. I would suggest, however, that it should be resolved by the Congress and not by an administrative agency created to deal with the problems associated with interstate trade and commerce," he said.

Mr. Dixon also argued that the commission should not have acted against just a handful of apartment owners, but against "all like parties wherever they might be situated who may have advertised deceptively."

Commissioner MacIntyre also objected to the issuance of complaints against a small number of apartment owners when "the problem now before us appears to involve an industry numbering many thousands of operators and directly touching an affected segment of the public embracing millions of persons."

Mr. MacIntyre also raised questions about the commission's authority to act, noting that the apartment owners might not legally be engaged in interstate commerce and thus subject to the commission's jurisdiction.

The three remaining commissioners, who favored the filing of the complaints, decided that since the Virginia apartment owners had advertised in Washington newspapers, there was no question that interstate commerce was involved.

[From the New York Times, Dec. 4, 1967]

Justices To Rule on Open Housing—Interracial Couple's Suit in Suburb Puts Issue Up to Court for First Time

(By Fred Graham)

Washington, December 4.—The Supreme Court agreed today to consider whether suburban housing developments must be opened to Negroes on an equal basis with white persons.

The action will bring the issue of discrimination in housing before the Supreme Court for the first time. It has been asked by the Justice Department to rule that those who develop suburban land into going communities cannot legally refuse to sell to Negroes or members of other minority groups.

In an unsigned order, the Court announced without comment that it would review the appeal brought by an interracial couple from St. Louis, Mo., who contend that they were denied the right to purchase a house and lot because the husband is a Negro.

The couple, Mr. and Mrs. Joseph Lee Jones, further contend that even though Congress has balked at enacting a fair housing law, the courts can order the developers to sell housing to them. They assert that this can be done under current interpretations of statutes and constitutional provisions already on the books.

In 1965, the Joneses were rebuffed in their attempt to buy a house in the Paddock Woods subdivision, then being developed in suburban St. Louis.

They took the issue to the Federal District Court, where they asked for $10,000 in damages and a court decree ordering the developers to make the sale.

The District Court and the United States Court of Appeals for the Eighth Circuit both ruled that existing law provides no remedy for persons who say they were denied the right to purchase real property because of their race.

The appeal of Mr. and Mrs. Jones to the Supreme Court rests on two alternative grounds.

One is an almost-forgotten civil rights law of 1866 that guaranteed the recently freed slaves the same right as white citizens to "purchase, lease, sell, hold and convey real and personal property."

The appeal contends that this law was enacted to enforce the 13th Amendment, which prohibits slavery. Since housing discrimination is a "vestige of slavery," the appeal asserts, the courts can invoke the law to prevent individuals from discriminating against Negroes in housing transactions.

CONSTITUTION INVOKED

The second argument is that the 14th Amendment, which prohibits racial discrimination by states, also forbids discrimination by suburban land developers who create new communities and thus assume the character and responsibilities of state agencies.

The appeal contends that the developers' alleged racial discrimination was, in substance, "state action," because the state had involved itself through licensing, zoning and other regulation.

In its friend-of-court brief in support of the appeal, the Justice Department argued that "a private individual who is permitted by the state to perform an essentially public function assumes, along with the governmental powers of the state, its constitutional obligations" not to discriminate against Negroes.

The brief also pointed out that the developers of Paddock Woods had provided streets, playgrounds, a garbage collection system and other features traditionally furnished by the state.

A TREND DISCERNED

In recent years the Supreme Court has been notably receptive to arguments of this type. It has steadily expanded the list of private discriminatory acts that are designated "state action" and are thus held to be unconstitutional.

Among other decisions along this line, it has prohibited enforcement by courts of agreements by landowners that they will not sell to Negroes, and has ruled that a privately owned park in the center of Macon, Ga., could not bar Negroes.

[From the New York Times, Dec. 3, 1967]

FTC Plans Drive on Home-Sale Bias—Panel Weighs Suits on Ads That Do Not State When Only Whites May Buy

(By Eileen Shanahan)

Washington, December 2.—The Federal Trade Commission is preparing to police the advertising of real estate concerns that do not sell or rent to Negroes.

Whether the commission's plans for such a move against discrimination in housing will ever be put into effect depends, however, on a decision by the White House on filing an impending vacancy on the five-man commission.

Under its basic statutory authority to police false advertising, the commission voted this week to file suits against a number of real estate concerns in Washington.

The suits charge that the ads of these concerns are false and misleading because they do not state that the properties offered for sale or rent are available only to white persons. Suits in other areas of the country are also planned.

The vote on filing the suits was 3 to 2, however, and one member of the majority, Commissioner John R. Reilly, is about to leave the commission to return to private law practice.

The commission's chairman, Paul Rand Dixon, who is said to believe that the commission has no business getting into civil rights matters is reported to be holding up the filing of the suits until President Johnson names a successor to Mr. Reilly.

Mr. Dixon's candidate for the job is the agency's general counsel, James McI. Henderson, a Texan, who also opposes the attack on real estate advertising.

The two other major candidates for the job are believed to side with the commission's present majority. They are Neal P. Rutledge, a Washington lawyer and son of the late Supreme Court Justice Wiley B. Rutledge, and Willard F. Mueller, the commission's chief economist.

A number of issues before the often-divided commission, other than the use of its powers to try to force open occupancy of housing, are also at stake in the naming of a successor to Commissioner Reilly. Among these are the commission's role in policing cigarette advertising and its policies with respect to corporate mergers.

Mr. Henderson tends to believe that the commission should play a very limited role in both of these fields.

The planned legal attack on real estate advertising, though it would begin with cases in Washington, is seen by the commission's present majority as just the beginning of an attempt to use its powers to force open occupancy in many other parts of the country.

Officials explained that there were several possible outcomes in event the commission won its suits requiring real estate concerns to state that their properties were available to whites only, where that was the case.

Where there are state or local laws forbidding discrimination in housing, the real estate concerns would be forced either to change their policies or to stop advertising.

PUBLIC SUPPORT A GOAL

Where no such laws exist, the commission's majority believes, appearance of ads stating "whites only" would mobilize public opinion against the discriminating real estate concerns.

The commission's majority also see its planned attack as an aid to the recent drive of the Department of Defense to force landlords near military bases to open their facilities to all.

The department has issued orders covering military personnel of several bases in the Washington, D.C. area, stating the future rent from landlords who will not rent to all.

The commission's majority believes that its planned suits would help the Pentagon identify the offending landlords and also mobilize opinion against them.

The commission has been considering action against false advertising of housing accommodations for at least two years, it was learned. However, there was never a majority for the action until recently, when Senator Edward M. Kennedy, Democrat of Massachusetts, persuaded Mr. Reilly to support it.

Mr. Reilly is an old friend of the Kennedy family and was chosen for the commission by President Kennedy. The two other members of the commission who support the move against false real estate advertising are Philip Elman and Mary Gardner Jones.

In addition to Chairman Dixon, Commissioner A. Everette MacIntyre opposed it.

[From the Washington (D.C.) Evening Star, Nov. 29, 1967]

Alexandria Council Votes Housing Agency

(By Jerry Kline)

The establishment of an Alexandria Department of Housing and Community Development, duties of which will include carrying out the city's voluntary open-housing policy, received the tentative approval of the city council last night.

In another area, the council received a committee recommendation urging that the local 1 percent sales tax be renewed after it expires next June 30 and that the state sales tax on food be supported. The item was docketed for discussion on Dec. 12.

The new Alexandria department, to be

created with the present Urban Renewal Division as its nucleus, is to seek improvements of general housing conditions, assist residents who lack adequate accommodations and create programs to eliminate urban blight, among other tasks.

Besides the present urban renewal personnel, the staff will include at least one housing specialist. Although not specified in the ordinance which creates the department, the specialist's technical concern is expected to be housing for middle and low income Negroes.

Under the ordinance, slated to be adopted at the Dec. 12 council meeting, the city will have separate Urban Renewal and Planning departments for the first time since they were merged under a reorganization proposed by City Manager Albert M. Hair Jr. in 1962.

Councilman Wiley F. Mitchell Jr., who had suggested the hiring of a specialist some weeks ago to coordinate the housing programs, joined the other councilmen in backing the ordinance. He expressed concern, however, that the specialist would be "buried" in the new department.

"I frankly don't know whether this will work or not, but the city manager is the expert in this city," Mitchell added.

The sales tax proposal was contained in a series of recommendations submitted in an interim report by the Advisory Tax Commission. The optional 1 percent sales tax produced $1,690,000 in revenue to the city last year and $2 million during the current year, the commission said. Forty percent of the total came from non-city residents, according to the committee.

Over $750,000, or about 25 percent of the city's receipts from the 3 percent state sales tax and the 1 percent local tax, is derived from the levy on food, the commission said. Based on 1960 census figures, elimination of the tax on food would amount to less than $35 per year for families with incomes under $3,000 annually, according to the commission.

In a covering letter with the report, Commission Chairman Herbert M. Early told the council that the recommendation to ask the city's legislative delegation to support the food tax "does not represent enthusiasm by the commission for the sales tax on food."

Early said: "Rather, the recommendation is based upon the commission's conclusion that the raising of an equivalent amount of revenue from other available local tax sources would be equally burdensome to low-income families."

Two councilmen, Mitchell and John T. Ticer, expressed immediate opposition to the food tax. If Virginia adopted the pay-as-you-go method of financing capital projects, they said, the tax would be unnecessary.

[From the Washington Post, Nov. 11, 1967]

HOUSING LAW SET IN COUNTY—PRINCE GEORGES ENACTS OPEN OCCUPANCY BILL

(By Peter A. Jay)

An open housing law was adopted yesterday for Prince Georges County, the Washington area's most populous suburban jurisdiction.

The measure, which takes effect Dec. 1, goes beyond a new State law by covering the sale and rental of existing apartments as well as new apartment and subdivision projects.

It also applies to existing single family homes. It stops short of the only other suburban county ordinance—Montgomery's—by allowing individual home owners to discriminate by stating in writing that they do not want to sell or rent on an open occupancy basis.

Despite this exemption, the Prince Georges law could have more impact than Montgomery's since there are substantially more apartments available in Prince Georges at prices that moderate and low income Negro families in Washington can afford.

Prince Georges, with a population of 600,000, already has more Negroes than any other suburb.

The measure was adopted unanimously by the five-member Board of Commissioners after a series of public hearings at which the bill was attacked as too weak by citizens' groups and too strong by real estate operators and some private citizens.

A number of protesters was on hand again yesterday, warning the Commissioners that their vote would hurt them at the polls next time around.

The ordinance bars racial discrimination in the sale or rental of all housing in the County with the exception of:

Individual homes sold or rented without the aid of a broker, or individual homes whose owners specify to their brokers in writing that they do not wish to sell or rent on an open occupancy basis.

Owner-occupied rooming houses with four or fewer rental units.

Existing apartment buildings with four or fewer apartments.

The ordinance was strengthened beyond its pre-hearing form by the Commissioners to specifically bar brokers from soliciting clients for written instructions to handle transactions on a discriminatory basis.

A controversial quota provision, lifted from the Montgomery law, is included in the Prince Georges measure. The section provides that if an owner or broker can prove he has sold or rented 10 per cent of his units to persons of the same race as the complainant, he is presumed to be in compliance with the law. The complainant must then prove otherwise.

There are no criminal penalties provided by the ordinance, except for a section that sets a $500 fine or 90 days in jail for persons found guilty of engaging in blockbusting tactics to scare whites into selling their homes.

Instead, complaints will be brought to a "fair housing commission," which will evaluate them and certify violations to the County Attorney's office for civil action. Such action could result in fines or jail terms for contempt of court.

A provision in the original ordinance requiring complainants to post a bond—meant to discourage frivolous complaints—was dropped from the ordinance yesterday. The Commissioners said the bond could serve to intimidate persons with legitimate complaints.

The Montgomery law, now subject to a court challenge covers virtually all housing in the County. An effort to petition to referendum the statewide measure was recently upheld by a Harford County judge.

If this decision is reaffirmed by the State Court of Appeals, the measure will be suspended until it can be placed on the ballot. The County laws would remain in effect even if the State law is overturned.

"The time has come for us to take action to meet the legitimate need for decent housing which faces many of our citizens," the Commissioners said in a resolution.

Not all the spectators in the Upper Marlboro hearing room agreed. As the Commissioners left the room after approving the ordinance, William Parreco, a 64-year-old Hyattsville resident, drew a smattering of applause when he launched into a loud ten-minute tirade opposing the measure.

[From the New York Times, Nov. 21, 1967]

FHA ASKS AIDES TO GET HOUSING FOR MINORITIES—WARNS THAT GREATER EFFORT IS NEEDED—SAYS NEGROES LAG UNDER U.S. PROGRAM

(By Robert B. Semple)

WASHINGTON, November 20.—The Federal Housing Administration, appalled by a confidential new survey of Negro occupancy of federally insured housing, has told its local employes in 76 cities that they must make a greater effort to provide housing for minority groups in the white suburbs or risk unpleasant consequences.

One possible consequence, it has been hinted, would be the loss of their jobs to men with greater "loyalty and zeal" for the principle of open housing. Another would be the gradual decline of the housing agency itself as an instrument of social change.

These warnings were contained in a speech delivered here last month by a high F.H.A. official to a conference of the agency's underwriters and district directors.

The speech, which has not been released by the F.H.A. or its parent agency, the Department of Housing and Urban Development, is now beginning to circulate in civil rights circles. These circles regard it as one of the most forceful speeches on open housing ever delivered by a Federal official.

PRODUCE OR "STEP ASIDE"

In blunt language, the official, Deputy Assistant Secretary Philip J. Maloney, told his audience that "you have been measured and found wanting." Urging them to "measure up," to "manifest your loyalty and zeal for these causes," Mr. Maloney added this warning:

"If you can't give this much to your position of leadership in the department, I suggest that, in good conscience, you should step aside for men who can provide leadership in these areas."

He also warned that his agency should either take a more vigorous role in providing housing opportunities for Negroes or "call it quits."

"These are critical times for F.H.A.," he declared. "We either produce, as we have before, or we are an agency with little future."

The Housing Agency has been the target of rising criticism from private groups and from Congress for its alleged failure to carry out the Executive Order of 1962. The order forbids discrimination in federally insured housing and gives the Government various forms of leverage over developers who exclude Negroes. This includes the power to withdraw Federal mortgage insurance.

THE VITAL DECISIONS

Although officials at the Washington level have professed their commitment to the Executive order many times, the real power to carry out that order lies with officials in the housing administration's 76 local insuring offices—that it, the men to whom Mr. Maloney was addressing himself.

Although subject to check from Washington, the local underwriters usually determine who receives F.H.A. insurance. Their vigor—or inertia—also determines the success or failure of any civil rights enforcement program.

Mr. Maloney told the underwriters that their record since 1962 had been unimpressive. He said that a recent survey of all new subdivisions insured by the agency and constructed since the executive order showed that of 410,574 houses sold, only 35,000 had gone to minorities.

Of these, only 13,832—or about three per cent of the total—went to Negroes, 12,765 to Spanish-Americans, 8,784 to Orientals, and 687 to American Indians.

Negroes make up about 11 per cent of the total population. Mr. Maloney said that in some metropolitan areas where Negroes make up an even larger percentage of the population "virtually no minority family housing has been provided through F.H.A."

Mr. Maloney's speech complemented an address given only two days before by the head of the housing agency, Philip N. Brownstein. Mr. Brownstein told the same group that their excessive caution in the past, reflected by a reluctance to insure housing in slum areas, had hurt the agency's image and had thwarted its mission of "restoration of the inner cities."

[From the New York Times, Nov. 19, 1967]

Detroit Appeals for Open Housing—Leaders Make "Pilgrimage" to Legislature and Romney

(By Jerry M. Flint)

Detroit, October 12.—A blue ribbon committee, including some of the nation's leading businessmen, made a "pilgrimage" today to Lansing to push for open occupancy, tenants' rights and housing code enforcement laws.

The group, the New Detroit Committee, was formed after July's riot here to plan the rebuilding of Detroit. Its trip signals the beginning of a battle for fair housing legislation in Michigan.

Gov. George Romney, who earlier opposed the inclusion of fair housing legislation in the current special session of the State Legislature, is now expected to propose such action. This is taken here as an indication of the New Detroit Committee's influence as well as an effect of the Governor's recent trip through the nation's Negro slum areas.

Twenty-four of the 39 member-committee made the trip to Lansing from Detroit on a private plane provided by General Motors Corporation and Ford Motor Company. The group included such men as James M. Roche, president of General Motors, who said he had never done anything like it before, and Virgil Boyd, President of Chrysler Corporation.

APPEAL TO CONSCIENCE

William T. Gossett, a committee member and president-elect of the American Bar Association, called the trip a "pilgrimage" and said the community leaders were "working and speaking to the heart and the conscience" of the private sector of the community.

Joseph L. Hudson Jr., president of Detroit's largest department store and head of the committee, said the trip was "evidence that these men feel strongly about the matter."

"They are taking their own time to meet with the legislators and show them that as individuals and organizations and citizens they are willing to speed this thing through," he said.

Max Fisher, a committee member and friend of Governor Romney, said when asked if he had talked to the governor about open housing:

"We are all pretty good lobbyists."

Before New Detroit's intervention, there was little likelihood that fair housing legislation would be introduced into the special session, let alone pass. Passage is not assured yet. The Michigan Legislature is dominated by members from suburban areas and areas outside Detroit, and not all Detroit legislators favor open housing. Such laws have failed in the Legislature before.

"It is going to be difficult, but I think we can swing it," said Representative William Ryan, the Democratic leader in the State House. But he conceded that passing the new state income tax earlier this year "was easier."

GROUP INCLUDES NEGROES

The New Detroit Committee includes not only businessmen but also educators and militant Negroes, the first attempt of what is called the "power structure" to ally itself with the militant factions in the Negro community.

The committee's report on housing, issued today, said whites and Negroes had grown so used to the concentration of Negroes in the Inner City and of whites in the suburbs "that many whites seem to believe their economic and physical security is dependent on isolation from Negroes, and few Negroes seem to be motivated to challenge the barriers, even when such challenges are supported by law."

The committee called the tenant-landlord relationship a left-over from "feudal times." In most states "the tenant still remains obligated to pay the rent even when the landlord has broken all his promises," and the tenant's remedy to sue is "a wholly impractical course for a poor tenant" while the law of eviction "put the tenant in a procedural straightjacket," the report said.

"The fact that the landlord failed to keep his promises or failed to observe the local housing code is no defense for the tenant in an eviction proceeding," it added. "The tenant gets put out on the street. His theoretical right to sue the landlord for damages is of no real value."

Housing codes, too, "have not been enforced effectively," the report said. Government officials "who are charged with code enforcement have no enforcement machinery except cumbersome criminal prosecution looking toward the imposition of petty fines."

[From the New York Times, Oct. 29, 1967]

Study Finds Gain in Housing Laws—Open Occupancy Enacted in 21 States and 46 Cities

Chicago, October 28.—The Chicago Commission on Human Relations, a city agency, reported this week that as of last Aug. 31 open housing laws and ordinances were in effect in 21 states, 46 municipalities, and two counties in the nation.

The report was out of date by the time it was printed and submitted to the City Council. The commission said that since Aug. 31 six Illinois municipalities—Evanston, Skokie, Normal, East Moline, Rock Island and Galesburg—had enacted such ordinances bringing the Illinois total to 19.

The commission explained that many municipalities had waited to see if the Illinois Legislature would adopt a statewide open occupancy law.

When it did not, the cities began acting on their own. Now all the major population centers and nearly all the municipalities with significant Negro populations in Illinois are covered by such ordinances, which in most cases ban discrimination by real estate brokers in sale or rental of housing.

MUNICIPALITIES LISTED

Other Illinois municipalities with open occupancy ordinances are Chicago, which in 1963 became the first Illinois city to act; Bloomington; Champaign; Decatur; East St. Louis; Elgin; Freeport; Joliet; Maywood; Peoria; Springfield; Weston, and Wheaton.

The first open housing law was adopted by New York City in 1958.

An earlier survey by the commission found that by April 1, 1963, only three cities and 12 states had passed such laws.

The 21 states where open housing laws are now in effect, plus Washington, which has adopted a law subject to approval of the voters in November, 1968, include nearly 108 million people, or about 54.2 per cent of the nation's population.

The states are Alaska, California, Colorado, Connecticut, Hawaii, Indiana, Iowa, Maine, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Vermont, and Wisconsin.

However, only about 56 per cent of the housing in these states are covered. Thirteen states have laws applying to single-family homes.

Unsuccessful campaigns for statewide laws were conducted this year in Delaware, Kansas, Nebraska, Missouri and West Virginia.

Open housing legislation has been upheld by seven state Supreme Courts.

Municipalities outside Illinois with open housing ordinances were listed in the report as:

Tucson, Ariz.; New Haven and New London, Conn.; Washington; Gary and Indianapolis, Ind.; Des Moines; Wichita, Kans.; Covington and Louisville, Ky.; Ann Arbor, Battle Creek, Detroit, Grand Rapids, Jackson, Kalamazoo and Ypsilanti, Mich.

Duluth and St. Paul, Minn.; St. Louis; Albuquerque, N.M.; New York City; Schenectady; Elyria, Oberlin, Toledo and Yellow Springs, Ohio; Erie; Philadelphia; Pittsburgh; Oak Ridge, Tenn., and Beloit and Madison, Wis.

In addition, such ordinances were in effect in Montgomery County, Md., and Kings County, Wash.

Housing Race Bar Charged—FTC Cites Nine in Deceptive Advertising

(By Paul W. Valentine)

The Federal Trade Commission charged the owners of nine Arlington apartment houses yesterday with deceptive advertising that makes their apartments appear open to everybody while they are actually closed to Negroes.

The unprecedented action, take over the objection of two of the five FTC members, was another in a series of recent moves by Government agencies to curtail alleged discrimination in the absence of national legislation against it.

It also marks the first time the FTC has entered the civil rights field through the door of interstate advertising.

The apartment houses cited include high-rise and garden varieties, ranging from 37 to 1906 units in size and from three to 26 years old, according to Arlington County records. Total number of units affected is 4042. Rents range from $74 to over $200 per unit.

Technically, the FTC filed two complaints involving the nine complexes clustered in the Columbia Pike-Arlington Boulevard area adjacent to the District. The apartments are:

Dorchester Apartments, 2040 Columbia Pike, 408 units, completed in 1960.

Dorchester Towers, 2001 Columbia Pike, 263 units, completed in 1960.

Arlington Boulevard Apartments, 1500 N. 16th pl., 37 units, completed in 1952.

Oakland Apartments, 3710 Columbia Pike, 242 units, completed in 1956.

Quebec Apartments, 4010 Columbia Pike, 172 units, completed in 1953.

Westmont Garden Apartments, 3860 Columbia Pike, 249 units, completed in 1960.

Buckingham Community, 313 N. Glebe rd., 1906 units, largely completed in 1941 with an addition in 1953.

Chatham Apartments, 4501 Arlington blvd., 246 units completed in 1964.

Claremont Community, 2733 S. Walter Reed dr., 519 units completed in 1950.

The FTC voted 3–1 to pursue the controversial action on Nov. 29, but did not reveal its specific targets until yesterday.

Commission Chairman Paul Rand Dixon voted against the decision. FTC member A. Everette MacIntyre did not participate in the Nov. 29 vote but submitted a statement yesterday objecting to the Commission's approach to the issue.

Voting for this approach were Philip Elman, John R. Reilly and Mary Gardner Jones.

The complaints allege that owners of the apartments have represented in advertisements, directly or by implication, that their units "are available for rental to the general public without restrictions or limitations as to race (while) in truth and fact . . . these apartments are not available . . . to applicants who are Negro."

The advertising, which appeared in The Washington Post, Washington Evening Star and other media, is "unfair and deceptive" in violation of the FTC Act, the complaints say.

Jan. 17 was set for a hearing on the complaint against the Buckingham-Claremont-Chatham apartments and Jan. 18 for the other six.

They will be asked why a "cease and desist" order should not be issued against them.

Sen. Edward M. Kennedy, who urged FTC action last May, hailed yesterday's move as "the start of what could be an important new direction in the national effort to erase the last vestige of slavery in the United States."

Clarence Mitchell, director of the Washington bureau of the NAACP, noted that along with the FTC action, the Supreme Court agreed last Monday to consider whether racial discrimination by large residential developers is unconstitutional.

"Our experience has been that when the Supreme Court and an executive agency of the Government move in the field of civil rights, Congress becomes more receptive," he said.

He referred to Congress' failure so far to pass a nation-wide open-housing law. Legislation on the subject is currently bogged down in two Senate committees.

FTC Chairman Dixon expressed alarm at the Commission's willingness to venture into this sensitive area.

"Before the FTC may proceed against an unfair or deceptive act or practice," he said, "the act or practice must be 'in commerce.' Historically, the Commission has restricted itself, wisely, in my opinion, to proceeding only against acts or practices which resulted in the movement of goods or a sale in commerce."

He suggested that the problem of housing discrimination be resolved by Congress.

FTC member MacIntyre objected to the "case-by-case judicial approach" which the Commission has decided to take. It would have been better, he said, to hold hearings on the prevalence of discrimination and, if necessary, issue formal guidelines on proper advertising to the housing industry as a whole.

He compared the case-by-case approach to a person trying to remove a granite mountain with a "hammer and chisel." Dixon said he fears the Commission may now be "inundated" with complaints and the agency will not be able to handle the load.

FTC officials indicated the Commission launched its action in the Washington area because of its interstate nature and the availability of newspaper advertising which is delivered interstate.

The Defense Department has also recently issued directives designating segregated housing as off-limits to servicemen in the area.

LIGHTS ON FOR VIETNAM

Mr. CURTIS. Mr. President, before the first session of the 90th Congress adjourns, I wish to convey to every Member of Congress a message I hope he will take home as a proposal to the citizens of every State comprising this great Nation.

I do not know what the experience of Senators has been, but if it has been anything like mine, they have received many letters and oral comments from Americans deploring the methods used by opponents of the Vietnam war to protest our involvement in the war.

These critics of the protest movement are sickened by the sight of unclean, unkempt, unshaven demonstrators shouting and spitting at law enforcement officers and members of our Armed Forces. They know these demonstrators represent only a small minority of the American people, and they ask me: "What can we do to protest against the protesters? How can we show our support for the brave American men who are fighting for our country and all the principles for which it stands?"

The message which I wish to convey is an effective answer to those questions. It is called "Lights on for Vietnam," and it proved very successful as a community-wide project sponsored by the young Republicans of the University of Omaha at Omaha, Nebr., recently.

The student group publicly urged the residents of Omaha and the surrounding area to turn on all their lights at a certain time—lights in homes as well as business places—and leave them on for 1 hour "to back our men in Vietnam." The time selected was from 8 o'clock to 9 o'clock at night.

The result, Mr. President, was extremely reassuring to anyone who had any doubts about the sentiment of a vast majority of the people of Omaha and the surrounding area.

The Omaha World-Herald published a front-page picture showing the lights burning in every downtown business building for as far as the camera's eye could see along one of the main streets.

Power consumption in the Omaha area increased about 10,000 kilowatts for the first half hour of the period and did not return to normal until the hour was up. An official of the Omaha Public Power District pointed out that 10,000 kilowatts would light 100,000 100-watt light bulbs, indicating the size of the response.

Bruce Allen, secretary of the University of Omaha Young Republicans, reported afterward:

> Residents in all sections of Omaha turned on porch and yard lights or all lights in the house. Officials of the Interim City Hall, the Northwestern Bell Telephone Company and the Northern Natural Gas Company showed their support by turning on lights in their buildings.
>
> In addition, a local radio station stated they had dozens of calls from Ralston, Papillion, Millard and Lincoln. Many long distance calls were received from the surrounding towns in Iowa. All of the people wanted to let Omaha know that they, too, had their lights on in support of our boys.

He went on to say:

> We feel a national campaign such as this would receive world-wide attention and would give the grassroots citizen a chance to have his opinion heard.

Acting City Council President Robert G. Cunningham, a brother of Congressman GLENN CUNNINGHAM, of Omaha, said the project was especially meaningful "in view of the demoralizing, disgraceful spectacle of the recent antiwar protesters."

I agree wholeheartedly, and I recommend the "Lights on for Vietnam" project to every other area of the United States. I think a national campaign should be organized. I commend it to Senators as they go home to meet and talk with the citizens of their States between now and the convening of the next session of the 90th Congress.

A BIZARRE ALLIANCE

Mr. WILLIAMS of New Jersey. Mr. President, it virtually takes a revolution to get Latin America into the news. Journalistic coverage of our southern neighbors is appalling, especially in relation to both the large amount of dollar investment this country has in Latin America and, more vitally, the strategic importance the South American Republics have in the world power struggle.

The findings of a recent survey made by the Journalism School of Pennsylvania State University illustrated that a large part of the daily foreign news reported in the average South American paper was devoted to news about the United States. Conversely, the average U.S. newspaper was found to devote only about one-twentieth of the amount of space to news of South America that the South American paper devotes to the United States.

Today, the only English-language newspaper in the Nation dealing exclusively with Latin American affairs is the Times of the Americas. This journal, within a concise four pages, features both news and commentary by many outstanding writers on the events and issues facing Latin America today.

I would specifically like to make note of an editorial written by one of my former staff members and a knowledgeable authority in Latin American affairs, Woodruff M. Price. Woody's editorial, characteristic of the expert coverage of this journal, gives some perceptive insights into the situation in Brazil and what that situation forecasts in terms of United States-Brazilian relations.

I ask unanimous consent that the editorial be printed in the RECORD and strongly commend its reading by Senators.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A BIZARRE ALLIANCE

(By Woodruff M. Price)

Three years after its conservative revolution of 1964, Brazil has managed to achieve this unlikely combination: a benevolent and progressive quasi-dictatorship, a free press, and a renascent opposition. In contrast to their opposite numbers in Greece, the revolutionary military officers have been at great pains to maintain the trappings of democracy. They even went so far as to create an artificial opposition party, the Brazilian Democratic Movement (MDB), a loyal opposition whose loyalty far exceeds its opposition.

The MDB offered only token opposition to the new Constitution of 1967. This document, which gave a formal blessing to the Revolution of 1964, also guaranteed that General Arthur de Costa e Silva and the leaders of the revolution would maintain effective control over Brazilian political life, and, most importantly, over the succession to Costa e Silva in 1970. But while legally dominating the political scene, the government did not, after an initial series of purges, repress political life or a free press.

This has led to the development recently of a new and bizarre political alliance, the Frente Ampla composed of former presidents Kubitschek, Quadros, and Goulart, and publisher Carlos Lacerda. This is roughly similar in American political terms to an alliance between Bobby Kennedy, Barry Goldwater, John Kenneth Galbraith, and Richard Nixon. An interesting twist is that all three former presidents have been deprived of political rights and only Lacerda is eligible for the presidency.

The impact of the Frente Ampla is hard to gauge at this point. The reaction of the government so far has been mild. An attempt was made to question Kubitschek about his involvement with the Frente; Kubitschek showed up at a police station and refused to answer any questions. The public scandal forced the government to back off, and Kubitschek has since left the country. So far the government's public reaction has been one of bland unconcern, and without appearing totally undemocratic, there is little it can do about the Frente. It is not a formal party and it has confined its program to a demand for the "redemocratization" of Brazil and direct elections for the President.

In sum, the Frente by acquiring prestigious support and limiting itself to a fairly narrow issue—direct election of Presidents—has maintained its existence as a limited opposition party and received wide press coverage. Any form of legal responsible opposition in Brazil should be welcomed by Americans. But, from our point of view, it is questionable whether Lacerda's election to the Presidency is anything to be hoped for. His economic nationalism verges on xenophobia and his accession to power, unlikely though it seems now, would presage a stormy period in U.S.-Brazilian relations.

LEGISLATIVE SUMMARY OF COMMITTEE ON PUBLIC WORKS

Mr. MANSFIELD. Mr. President, it is a real pleasure to submit the legislative summary of the Committee on Public Works, headed by the very able and distinguished senior Senator from West Virginia [Mr. RANDOLPH]. The entire committee membership is to be congratulated on their expeditious handling of the improvements to and extension of the Appalachia Development Act, the Clean Air Act, the highway beautification program extension, and many other major items. It is illustrative of good team work and a capable and willing staff.

I ask unanimous consent that the summary be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

LEGISLATIVE SUMMARY, COMMITTEE ON PUBLIC WORKS, U.S. SENATE, 90TH CONGRESS, FIRST SESSION

1967 was a year in which the Committee on Public Works devoted a great deal of attention to the operations of programs previously authorized by the Congress. In order to facilitate the work of the Committee, the Subcommittee on Air and Water Pollution was established as a standing subcommittee and the Special Subcommittee on Economic Development was created. These two subcommittees, together with the Subcommittees on Flood Control-Rivers and Harbors, Roads, and Public Buildings and Grounds, held 55 days of public hearings on a number of important issues under consideration by the Committee. Three days of hearings were held with regard to nominations submitted to the Congress by the President; 25 days of field hearings, oversight hearings and policy review hearings were also held by the Committee and its subcommittes making a total of 83 days of hearings. The Committee met in executive session 29 times to act on matters coming before it.

The following is a subcommittee-by-subcommittee analysis of activities for the year 1967.

SUBCOMMITTEE ON FLOOD CONTROL, RIVERS AND HARBORS

H.R. 8363—Additional authorization for certain river basin plans: This legislation, reported favorably by the Committee on April 27, 1967, which became Public Law 90–17, provides increased authorization for the prosecution of river basin plans for flood control and related purposes under the jurisdiction of the Secretary of the Army and the Chief of Engineers. The Act made available $472 million for the continued prosecution of projects in 15 river basin plans.

S. 1649—Change in name of certain water resource projects under jurisdiction of the Department of the Army: S. 1649 was in a sense an omnibus project name-change bill. It redesignated a number of previously approved projects in honor of outstanding individuals who have contributed much to American life. In addition, it amended existing law to permit the term "lake" to be used in designating Federal water resource projects in West Virginia which are under the jurisdiction of Corps of Engineers, Department of the Army. In adopting this legislation the Committee felt the term "lake" would be instrumental in promoting increased recreational use of these projects. The bill was signed into law by the President on July 4, 1967, and became Public Law 90–46.

S. 423—Small-boat harbor at Manele Bay, Lanai, Hawaii: This legislation was reported favorably by the Committee on Public Works on April 27, 1967, and became Public Law 90–142. It authorizes the payment by the United States of $172,000 to defray the cost of certain construction work on the small-boat harbor at Manele Bay, Lanai, Hawaii, which was necessitated by changed project conditions.

S. 2514—Wheeling Creek Watershed Compact, Pennsylvania and West Virginia: This legislation grants the consent of Congress to an interstate compact between the States of West Virginia and Pennsylvania, creating an agency to serve in the capacity of a local organization for carrying out the watershed project on Wheeling Creek which was previously approved by the Congress.

S. 2330—Bayou La Fourche, Louisiana: This legislation, declaring Bayou La Fourche, Louisiana, a nonnavigable stream, was approved by the Congress in order to permit local interests to construct a dam across the Bayou for water supply purposes. The interests of the United States were not adversely affected by such action. The measure was approved by the President on November 22, 1967, and became Public Law 90–149.

S. 1637—Tennessee Valley Authority, land condemnation procedures: This bill amends the TVA Act of 1933 by providing that the issue of just compensation in connection with the condemnation of real property by the Tennessee Valley Authority shall be tried by jury. S. 1637 was reported to the Senate on December 12, and passed by the Senate on December 15, 1967.

S. 1017—Cross-Florida Barge Canal, Rhodeheaver Boys' Ranch access road, Putnam County, Florida: The purpose of this legislation is to authorize the Chief of Engineers to pay for the cost of hard surfacing an access road leading to the Rodeheaver Boys' Ranch which will be permanently cut off as a result of the construction of the St. Johns lock of the Cross-Florida Barge Canal. The bill was favorably reported by the Committee on December 4, and passed the Senate on December 6, 1967.

River and harbor and flood control committee resolutions

The Committee on Public Works during 1967 adopted a total of 55 resolutions directing the Chief of Engineers, Department of the Army, to investigate and report back to the Committee on the need for improvements throughout the Nation in the interest of navigation, flood control, and other allied purposes.

Small watershed projects under jurisdiction of the Department of Agriculture—Approved by the Committee on Public Works, U.S. Senate

The Committee on Public Works, during the first session of the 90th Congress, considered and approved a total of 14 favorable reports submitted by the Secretary of Agriculture recommending construction of flood water retarding and multiple-purpose structures throughout the Nation at an estimated Federal cost of $26 million.

Committee inspection

The severe August 1967 floods at Fairbanks, Alaska, prompted the Committee on Public Works to inspect the damaged area to ascertain what corrective measures should be taken to prevent a recurrence of this tragedy.

The inspection was made on August 25 and 26, 1967, and a report was prepared for the information of the Congress on the findings and recommendations of the inspection teams.

Omnibus river and harbor and flood control legislation

The Committee on Public Works initiated hearings in September, 1967 on an omnibus rivers and harbors bill. Testimony was received on a number of favorable reports submitted by the Chief of Engineers. Hearings will be resumed early in the 2nd Session of the 90th Congress, after which enabling legislation will be formulated and reported to the Congress.

SUBCOMMITTEE ON ROADS

While the major legislative efforts of the Subcommittee will not be undertaken until 1968 when the Committee considers the estimate of cost for completing the Interstate System to be submitted to the Congress in January, 1968, the Subcommittee did consider the following bills:

S. 1467—authorizations for the highway beautification program. This bill authorized $85 million for Fiscal Year 1968 to carry out the purposes of the Highway Beautification Act of 1965; $5 million for outdoor advertising control; $10 million for junkyard control and $70 million for landscape and scenic enhancement. The legislation was approved by the Senate and is pending in the House of Representatives.

S. 438—Disaster Relief Act of 1967. This legislation, designed to provide basic relief to private individuals and businesses injured by major disasters, was ordered reported on December 11, 1967 by the Committee.

H.R. 13933—a bill to authorize modifications or revisions of the Interstate System. This legislation would authorize an additional 200 miles on the Interstate System for a "mileage bank" to be drawn upon by the States for modification and revision of existing routes, which would be re-designated. No. State could draw upon the mileage bank except by agreement with the Secretary of Transportation and on condition that the new project with additional mileage will be constructed at the same or less than the costs of the original project as presented in the 1965 Estimated Costs of Completion. This measure was reported by the Committee on December 13 and passed in the Senate on December 14, 1967.

Most of the activity of the Subcommittee on Roads took the form of policy review or oversight hearings, beginning in late February with a joint House-Senate hearing on the November, 1966 cutback in Federal-aid highway funds.

In connection with the Subcommittee's consideration of authorizations for the beautification program, five days of hearings were conducted on that program and its implementation and on the implementation of the Highway Safety Act of 1966.

The Subcommittee also received a preliminary report by the American Association of State Highway Officials on a future Federal-aid highway program.

The Subcommittee is currently engaged in an extensive policy review of highway planning, location and design in urban areas. These hearings, which have been recessed until the second session, are designed to ascertain how well highways are being planned to facilitate their maximum contribution to the economic and social well being of the communities through which they pass.

SUBCOMMITTEE ON AIR AND WATER POLLUTION

The Subcommittee on Air and Water Pollution established this year as a standing Subcommittee of the Committee on Public Works, considered four major pieces of legislation; held oversight hearings on two matters within its jurisdiction and held joint hearings with the Senate Commerce Committee on the subject of alternatives to internal combustion for automobiles.

S. 780: The major activity of the Subcommittee in 1967 related to the President's proposed Air Quality Act. Associated with consideration of that legislation were oversight hearings in Detroit and Los Angeles on the problems and progress associated with national emission standards for motor vehicles. Seventeen days of hearings were held including the field hearings in Los Angeles and Detroit, and additional field hearings in Denver and St. Louis.

Though primarily directed toward an understanding of the type of legislation needed for development of an effective national air pollution control program, the hearings also included discussions of the technological and economic problems associated with air pollution control, health and welfare effects of air pollution, and the types of governmental entities which might be most effective in controlling air pollution on a regional basis.

The Committee reported unanimously on July 15 the Air Quality Act of 1967. This legislation was approved 88–0 by the Senate.

Coincidental with the consideration of S. 780, the Subcommittee on Air and Water Pollution met jointly with the Senate Commerce Committee to explore the feasibility of developing alternatives to internal combustion engines with particular emphasis on electric vehicles both as an air pollution control measure and as a remedy to the difficult transportation problems confronting our major cities.

In its report on the Air Quality Act, the Committee recommended increased efforts by private industry to develop such alternative systems and that the Federal government might well stimulate this effort using existing authorities.

S. 2760—a bill to authorize research and demonstration projects for the control of lake pollution and acid and other mine water drainage, and to prevent pollution of water by oil. This is a Committee bill which incorporates provisions of S. 1341, S. 1591, S. 1604, S. 1870 and S. 2457, amending the Federal Water Pollution Control Act. The bill as reported includes the following provisions:

(1) Authority for the Secretary of Interior to initiate research and demonstration programs of new or improved methods of preventing, removing, and controlling pollution of the Nation's lakes whether caused by natural or artificial processes.

(2) Authority for the Secretary to make grants or enter into contracts for projects which will demonstrate new or improved techniques which are feasible and practical to eliminate or control acid or other mine water pollution.

(3) Authority for the Secretary to enter into agreement with States to carry out watershed or drainage area demonstration programs for the elimination or control of acid or other mine water pollution resulting from active or abandoned mines. For this purpose the bill would authorize an appropriation not to exceed $15 million.

(4) The bill would repeal the Oil Pollution Control Act of 1924 and amend the Federal Water Pollution Control Act authorizing a comprehensive program for controlling and preventing oil pollution in our Nation's waterways and territorial sea. The bill would consolidate into one statute the pollution authority of the Secretary of the Interior and would incorporate many of the provisions of the Oil Pollution Act of 1924, as amended. The bill would clarify those provisions, particularly the enforcement and cleanup authority, and remove ambiguities in the amended act. It would also expand, in some cases, the authority of the 1924 act.

This measure was reported on December 11 and passed by the Senate on December 12, 1967.

Associated with the hearings on specific water pollution problems, the Subcommittee held two days of hearings on the activities of the Federal Water Pollution Control Administration with particular emphasis on the water quality standards program. The Subcommittee felt it imperative that oversight hearings be held in order to ascertain the extent to which States had complied with the provisions of the Water Quality Act of 1965 and the extent to which the Administration was carrying out the intent of the Congress in its review and approval of these standards.

Because there are still several questions relating to standards which have not been answered to the satisfaction of the Subcommittee, those hearings were adjourned subject to the call of the Chair and may be continued next year.

SUBCOMMITTEE ON BUILDINGS AND GROUNDS

S.J. Res. 74. This Joint Resolution provides for the formulation, adoption, administration and periodic upgrading of a comprehensive plan for the United States Capitol Grounds and contiguous related and influencing areas. In order to devolp the plan it authorizes and directs the Architect of the Capitol, in consultation with the National Capital Planning Commission, to enter into a contract with an experienced consultant firm of national reputation to prepare a comprehensive plan for the future development of the United States Capitol Grounds and the contiguous related and influencing areas. The terms and conditions of this contract will be approved by the Committees on Public Works of the Senate and the House of Representatives, and the final plan submitted by the contractor would have to be approved by both Committees before it would become the approved comprehensive plan. This Joint Resolution also provides for the review, modification, and updating of the approved comprehensive plan at least once every five years.

Senate Joint Resolution 74 was passed by the Senate on May 18th, 1967 and is now pending in the House.

S. 222, an Act to insure that public buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped. This measure defines the term "public buildings", authorizes the Administrator of General Services, in consultation with the Secretary of Health, Education, and Welfare, to prescribe regulations establishing such standards for design and construction of public buildings as may be necessary to insure that they will be accessible to, and usable by physically handicapped persons and requires that plans and specifications for the construction of public buildings by or on behalf of the Federal Government be drawn in compliance with these regulations. There are approximately 22 million people in the United States who, because of some form of physical handicap, are restricted in their ability to move from place to place. This measure will afford an opportunity to many of these people to obtain gainful employment, carry on normal affairs, and otherwise enter into the mainstream of American life.

S. 222 was passed by the Senate on August 25, 1967, and is now pending in the House.

S. 1039, an Act to extend the authority of the Postmaster General to enter into leases of real property for periods not exceeding thirty years and for other purposes, Public Law 90–15. The purpose of this Act is to authorize the Postmaster General to obtain control of a suitable site either by assignable option, purchase or condemnation; to advertise for competitive bids for the construction of a postal facility in accordance with Post Office specifications on the designated site; assign the option or sell the site to the successful bidder and lease back the entire facility for a term of years not in excess of thirty. The thirty-year lease construction program for the post office department was originally authorized in the Post Office Department Property Act of 1954, which authority expired on April 30, 1967. This Act, therefore, extends that authority with some modifications until June 30, 1972.

S. 1039 became Public Law 90–15 on May 8, 1967.

S. 2310, an Act to provide more effectively for the regulation of and for the preservation of safety and order within the United States Capitol Grounds and the United States Capitol and for other purposes. This Act extends the coverage of the Capitol Grounds Act, the act of July 31, 1946, to the Capitol Buildings by enumerating and prohibiting certain dangerous, disorderly and disruptive conduct in the Capitol Buildings. In addition, it substantially increases the penalties for engaging in such dangerous, disorderly, or disruptive conduct on the Capitol Grounds and within the Capitol Buildings.

It also revises the enforcement provisions of existing law by providing for the prosecution of offenses involving the Capitol Grounds and buildings by the U.S. attorney and increases the penalty for disorderly conduct in all public buildings of the United States located within the District of Columbia.

S. 2310 became Public Law 90–108 on October 20, 1967.

S. 2484, a bill to authorize the extension of the additional Senate Office Building site. This bill authorizes the Architect of the Capitol, under the direction of the Senate Office Building Commission, to acquire on behalf of the United States lots 863, 864, 892, 893, 894 and 905 in Square 725, in order to bring under Government control the remaining privately owned property in Square 725 which would be needed if an extension to the New Senate Office Building is constructed. While this is not the appropriate time to initiate construction of this badly needed addition the only way to be assured that the site will be available at a reasonable price when needed is to purchase it now. The bill also authorizes the appropriation of $1,250,000 for the purchase of the land and was reported by the Public Works Committee on November 8, 1967.

SPECIAL SUBCOMMITTEE ON ECONOMIC DEVELOPMENT

The Special Subcommittee on Economic Development initially concerned itself with the Appalachian Regional Development Act of 1967, a reauthorization and extension of one of the major Great Society programs adopted by Congress in 1965. This bill was reported to the Senate after seven days of hearings on the progress of the program during its two years of operation, and after careful attention to the need for modifications and revisions of that highly successful program. The legislation provides for the construction of an Appalachian highway program of 2700 miles of developmental highways and 1600 miles of access roads at a cost of $1,015,000,000. Continuing programs designed to improve medical care, land conservation, mining area restoration, vocational education and the like through direct and supplemental grants were authorized at a level of $170 million.

The 1967 Appalachian Act also included supplemental grant provisions for regions established under Title V of the Public Works and Economic Development Act of 1965.

The Special Subcommittee also conducted hearings in Washington and in the field on the workings of the Title V Commissions with a view to laying the foundation of future program authorizations.

FULL COMMITTEE

S. Res 189, authorizing certain additional studies by the Committee on Public Works. The purpose of this resolution is to authorize a study or studies relating to the movement of commuter traffic into and out of the Washington, D.C., metropolitan area, to study the relationship between highway facilities and other modes of commuter services in the movement of people from those areas beyond the proposed range of projected mass transit and urban freeway facilities, to study the disposal of solid waste originating in the Washington, D.C., metropolitan area by such manner and means as will substantially reduce air and water pollution in the area, all designed to measure the impact of proposals which will affect various programs authorized by the Committee on Public Works.

The resolution authorizes the expenditure of up to $20,000 during the remainder of the first session of the 90th Congress.

S. Res. 189 passed the Senate on December 14, 1967.

THE DANGER TO GREATER INTERNATIONAL TRADE

Mr. JAVITS. Mr. President, those of us in Congress and in the country who have been in the opposition to the drive for a whole series of import quotas can take some comfort in the fact that this effort has not overwhelmed the Congress in 1967.

Thus far we have pointed out to the country that the imposition of these quotas would have had far-reaching consequences to this country—to our balance-of-payments, to our consumers, and to our American industry which would be subjected to increasing Government controls as a result of these quotas.

The Administration came out in open opposition to import quota legislation when six Cabinet officers were sent by the President before the Finance Committee on October 18 to state the country's case against the quotas.

A national effort is now being organized—in which I have had a part—by the Committee for National Trade Policy to form the National Coalition for International Trade Policy. This is to be composed of at least 100 national organizations such as the League of Women Voters, the Committee for National Trade Policy, the National Grange, the National Retail Merchants Association, and so forth. This coalition should be fully organized by early next year.

I also invite attention to the formation of the Emergency Committee for American Trade on November 17 under the leadership of Arthur K. Watson, chairman of the IBM World Trade Corporation, and composed of a most eminent group of business leaders across the country.

I understand there is also an effort under way by 1,200 members of various regional export expansion committees across the country to take up the struggle in defense of U.S. trade policy and in opposition to protectionism.

This struggle will continue in 1968 and will be intensified as a result of its being an election year.

It will be important that the Administration submit to the Congress early next session a trade bill which would not only provide for certain "housekeeping" authority but would also liberalize the adjustment assistance provisions of the Trade Expansion Act. These provisions have been practically inoperative thus far due to the great difficulty under which injury can be proven to the Tariff Commission. I believe these provisions should be eased while retaining the Tariff Commission's role in this field.

As I proposed in my testimony before the Finance Committee on October 19 and before the National Foreign Trade Council on October 31, I believe that there is also a need for action by the Federal Government to attack the basic causes of obsolescence in American industry either directly through a new Federally financed modernization fund or through Federal guarantees of commercial bank loans or private investments that would lead to significant modernization programs in industries threatened by intensive foreign competition. In addition, a renewed effort should be made to eliminate Government policies or programs which contribute—as was the case with "two-price cotton"—to difficulties of certain industries facing foreign competition.

I intend to submit specific proposals in these areas when trade legislation is proposed early next year.

I ask unanimous consent that an excellent editorial entitled "Preparing for the Main Bout," published in today's Journal of Commerce, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PREPARING FOR THE MAIN BOUT

The demands for new import quotas that erupted this past fall has largely been beaten back. The administration deserves a large measure of the credit for this accomplishment, although it moved belatedly. From President Johnson down, administration spokesmen have hammered away at the need for avoiding new protectionist measures. It would be a mistake, however, for proponents of free trade to become over-confident and view the battle as over.

It is obvious that those who seek new import restrictions will be back again next year. The preliminary battle has been won; the main bout will be fought next spring.

If anybody has any doubts about this we suggest a careful reading of a speech given last week by Senator Russell Long (D-La.), chairman of the Senate Finance Committee. The senator makes no bones about it. The proposals for new import restrictions will be made again next year.

It seems to us that, if anything, there will be greater pressure in 1968 on Congress to pass bills restricting imports on steel, lead and zinc, textiles, glass and such. The reason: 1968 is an election year when the pressures from the folks back home are intensified. All too often Congress shirks its duties when the screws are tightened.

We can understand the problems of the various industries involved. For many industries the past year has been one largely of reduced earnings. The possibility of increased competition from across the seas is certainly one to cause considerable concern for many industrialists.

This prospect of increased competition is a result of the likelihood of economic expansion here in 1968 which will attract additional imports. Over the long term the results of the recently concluded Kennedy Round are likely to mean increased competition for many industries.

The administration went into those negotiations determined to get quid pro quo tariff cuts. And it did. If we are going to receive cuts in tariffs for the goods we export then we have to permit foreign goods to be sold here in greater volume. One without the other is impossible.

Some of our industries will be hurt, for sure, but the trade picture for the entire nation might be improved. This is what the Kennedy Round was about. If Congress looks only at the narrow picture it will not be facing up to its responsibilities.

It will have a chance to face up when it takes up the proposed elimination of the American selling price (ASP) method of customs valuation. In return for elimination of ASP, the Common Market and Great Britain would cut their chemical duties by an additional 30 per cent. Senator Long indicates that the plan is in trouble. He noted "The Committee on Finance is not going to be bulldozed into approving any agreement which it feels is not in the best interest of the United States." The senator does the administration a disservice by such an assertion.

There is a growing fear that if Congress does not approve the elimination of ASP the backlash from foreign nations could hamper expansion. Last week this newspaper reported that European officials are discussing the possibility of making the proposed 30 per cent tariff cut in chemicals even if Congress does not approve ASP elimination. The catch is that the cuts would not be extended to the U.S. Chemicals produced here would be relatively more expensive in Europe and markets would undoubtedly be lost.

This could lead to demands to show "them foreigners". We would hope not. Taking action that could lead to protectionism on both sides of the Atlantic would not be in the best interests of the U.S.

While the administration has borne the brunt of the protectionist drive, there are growing indications that when the major battle comes next year, it will have strong support from many private groups. The National Export Expansion Council, for one may take a public position on the import quota bills. Further, new groups are being formed by those in favor of greater foreign trade.

It may appear on the surface that the battle is over increased competition for certain industries. It isn't. If new import quota bills are passed next year it could open the dikes to massive restrictive legislation that might set the cause of foreign trade back many years. The nation would be worse off for it.

APPALACHIAN REGIONAL DEVELOPMENT PROGRAM

Mr. COOPER. Mr. President, earlier this year, the Congress enacted S. 602, extending for 2 years the nonhighway provisions of the Appalachian Regional Development Act of 1965, and making some amendments in that act.

The bill was overwhelmingly approved by the Senate by a vote of 68 to 13, and by the House 189 to 168—very largely on the assurance that the new relationship established between the States and the Federal Government was proving to be one of the most successful proposals of recent years, and had resulted in State and local initiatives, coordination among Federal agencies, and the development of priorities not achieved in other programs or by individual Federal agencies. I am proud to have been a cosponsor of the bill, as I was of the original act, and as the ranking minority member of the Committee on Public Works to have comanaged those acts in the Senate.

I think it correct to say that the Appalachian program has achieved wide acceptance in the country, and by the Congress. Its success rests in large degree on the partnership position of the States—and on the responsibility placed upon the Governors of the States as members of the Commission, dealing directly with the Federal Co-Chairman who is responsible to the President.

While the bill was signed into law on October 11, 1967, the 1967 amendments to the Appalachia Act have not yet been implemented by Executive order, as will be required. Several weeks ago a proposal was advanced which would change the relationship between the Appalachian Regional Commission and the executive branch, and between the Federal Co-Chairman and other Federal agencies. Of course, such a change would also alter the relationship between the States and the Federal Government in carrying out the provisions of the act.

The 1965 act and the 1967 amendments were enacted after thorough hearings and full debate. Both in the committee reports and during the debate the importance of establishing and maintaining the initiative and responsibility of the States, and the value of creating a more constructive relationship between the States and the Federal Government was made clear. I consider that any substantial departure from the present organization and position of the Appalachian Regional Commission would be contrary to the spirit of the act and the intention of the Congress.

I have asked to be kept advised of any proposal to change by executive order the organization of the Appalachian Regional Development Commission within the executive branch. I do not know at this time how this issue may be decided. But as the first session of the 90th Congress draws to a close today, I wanted to make this statement.

I have urged as strongly as I can that the Appalachian Regional Commission not be downgraded, or its ability to function effectively impaired by interposing some new level of bureaucracy between the members of the Commission—the Governors—and the authority to act for the Federal Government on the regional economic development policy to be followed in carrying out the provisions of the Appalachian Act. It would be a shame to confuse or combine this successful program with the difficulties of some other programs or agencies. I hope it will not be done.

The Appalachian program can serve as an example for other programs. It would be a great mistake to burden it with the very problems which it, almost alone, has happily avoided.

STATE DEPARTMENT SPOKESMAN'S STATEMENT ON THE NLF PROGRAM

Mr. BYRD of West Virginia. Mr. President, it has just been brought to my attention that the spokesman of the Department of State today told the press how his Department viewed the political program of the National Liberation Front just circulated in New York as a United Nations document.

I think that it is important for all of us to have an opportunity to study what he said and to study the captured document be made available. I ask unanimous consent that his remarks and the document be printed in the Record.

There being no objection, the items were ordered to be printed in the Record, as follows:

State Department Spokesman's Statement

Some of you will have noted the statement issued by Ambassador Goldberg in New York last night in response to inquiries. And for your benefit, let me repeat it:

"The document of the National Liberation Front of South Viet-Nam distributed at the request of the Rumanian delegation presents nothing new. It is the political manifesto adopted by the Front in mid-August and publicly released September 1. While containing some new verbiage" the Ambassador went on "it reaffirms the NLF's traditional position."

He said "We have sought clarification as to whether circulation of this document at the UN represents a change in the position of Hanoi or the Front denying UN competence to deal with the Viet-Nam problem." He concluded, saying "We have been reliably informed that it does not."

That was the end of the Ambassador's statement.

Our conclusion is that the program reflects no significant change in the position of the NLF or of Hanoi—whose "four points", which it maintains must be the basis for peace, refer to the NLF program. This conclusion rests not only on a textual analysis of the program but also on documents captured both before and after the release of the program. The textual analysis takes account of the meaning attached in Communist documents to such terms as "patriotic" elements who would be permitted to participate in the government. The captured documents include instructions to cadres which make clear that the objective in any coalition structure would be for the NLF to secure at once the levers of power and in effect control the resulting government both at the local and central levels.

(Later the Spokesman made available to the press a copy of a captured document recently released and particularly relevant. The document contained instructions issued to cadre in the South in September 1967, after the release of the revised NLF program. The document is reproduced below together with the release of the US Mission at Saigon issued on December 8, 1967.)

Captured Notebook Gives Vietcong Position on "Coalition Government"

(Text of press release, U.S. mission, Saigon, December 8, 1967)

Training courses being given to members of the Viet Cong are providing a candid definition of what their leaders mean by "coalition government"—the type of regime they say they would form if they could win the war in South Viet-Nam.

According to a captured document released today, they mean a government with a representative facade but with the "real powers" concentrated "in our hands."

The document consists of lecture notes taken in September by a member of a Viet Cong unit subordinate to VC Military Region IV, nominally covering the Saigon-Cholon-Gia Dinh area.

"In regards to the coalition government," the notes state, "our [People's Revolutionary] Party will exercise over-all control over it, and if our agents are firmly established and if they properly carry out the principal lines of action of the Front, [the Party] will lead the Revolution to the final objective." The notes elsewhere give "socialism" as the ultimate goal.

The unidentified author of the notes participated in a political training conference based chiefly on a resolution of the Central Office of South Viet-Nam (COSVN) headquarters.

His remarks also reflect indoctrination on the new political program which the South Viet-Nam National Liberation Front announced September 1. This program calls for "total victory" in the war, the overthrow of South Viet-Nam's present government and the establishment of "a national union democratic government including the most representative persons among the various social strata, nationalities, communities, patriotic and democratic parties, patriotic personalities and forces which have contributed to the cause of national liberation."

The captured notes say that some of the Viet Cong cadres felt anxiety when they first heard about the NLF position on "coalition government" but that their worries disappeared after political study. Judging by the author's record, the cadres were told in part:

"The coalition government may include a non-revolutionary element as President. But he basically must follow the line of action of the Front's political program.

"The Front will be the core element.

"What is important is that we must have tight control over the government, the workers and peasants. It does not matter if there are a few [non-party] notables at the top. The Front's political program must be followed . . .

"To all appearances, it will be a coalition government, but the real power will lie in our hands and we will follow the Front's political program, the revolutionary line."

The indoctrination notes indicate that the Viet Cong would attempt to institute their version of a "coalition government" if they could overcome present problems and arouse what is called a "general uprising" among the South Vietnamese people. Several passages call for better coordination of rural and urban activities to precipitate "the general uprising."

"The people should be motivated to revolt," one entry says. "They should feel that the time for revolution is imminent and that it will be a 'one-in-a-thousand years opportunity'."

The notes say that when an uprising is touched off to seize power, a coalition government could be established before "the Americans completely pull out."

The notes claim that the Viet Cong are "now ten times stronger than before." However, they acknowledge that there is still insufficient strength to deal Republic of Viet-Nam and Allied forces "a lethal blow" and that a general uprising would require "extended time."

Aside from its comments on "coalition government," the notebook reveals a situation assessment based on inflated statistics and strained interpretations. Among factors favorable to the Viet Cong, for example, it cites "a shortage of copper in the U.S.A., limiting the production of ammunition." It says the United States became "entangled" in the Near East where they "helped one million Israelis fight one hundred million Egyptians."

On casualties, the writer claims that "from October 1966 to June 1967, we annihilated 2,200,000 enemy troops." Allied sources give the cumulative total for combat deaths from 1960 to June 30, 1967, as 62,635, a figure covering losses by South Viet-Nam, the U.S. and five other Free World countries.

Among specific problems experienced by the Viet Cong, the notebook mentions slack discipline, cowardice in battle and defections. In reference to Binh Tan Sub-Region of VC Military Region IV, the notebook states: "Our own personnel and property losses were double those of 1966." More than 20,000 persons left the region.

The notebook was captured by a U.S. military unit on October 10, 1967.

CONFERENCE TO STUDY THE 1967 RESOLUTIONS

1. The COSVN [Central Office of South Viet-Nam] Resolution.
2. The Military Region [IV] Resolution.
3. The "Canh" [Binh Tan Sub-Region] Resolution.

PURPOSES AND SCOPE

1. Improve ideology and accurately assess the success of the 1966–67 Winter-Spring campaign.

Accurately assess the enemy's failures. The enemy's massive confusion and loss of initiative have had specific effects upon our I [Military Region].

Accurately assess our abilities and anticipate forthcoming opportunities to gain victory. On that basis, we can strengthen our absolute confidence.

2. Everyone must thorouoghly understand the situation and mission in the Region at the present time and in the days to come.

3. Understand the Resolution of our "Canh" [Binh Tan Sub-Region] for the future three month period.

4. Satisfactorily solve personal ideological problems in a sensitive manner, be determined to eliminate passive rightism and fears of hardships and difficulties.

Build the concept of strongly attacking the enemy and promote revolutionary spirit and an active sense of duty.

Continue to study the 12th Resolution of TW [Central Headquarters of the Hanoi Lao Dong Party].

The mottoes and guidelines of the 12th Resolution remain; unchanged. However, the situation is new.

Destroy 200,000 [enemy troops] including 100,000 US troops.

Destroy 170,000 [troops] during the Winter-Spring Campaign. Four hundred and seventeen thousand US troops participated in the Korean War. The present war is being fought by 500,000 US troops and [blank] puppet troops. The US has committed a larger force to this war than to any of its past wars in 20 countries.

The victory of the Winter-Spring Campaign will inspire great confidence in our movement throughout the world.

ENEMY MILITARY AND POLITICAL FAILURES

The enemy plan to concentrate his troops in order to escalate the war in North Viet-Nam and step up the war tempo in South Viet-Nam has failed.

Only 50,000 additional US troops were introduced into South Viet-Nam instead of the 150,000 requested.

I. DETERMINATION OF THE MISSION [OBJECTIVE]

The tactics remain unchanged. *"The people's national democratic revolution."*

First of all, increase our military and political forces. Concentrate our forces to defeat the enemy in his limited war and to *establish a people's democratic coalition government*, with members of the Front as the nucleus. Why does the Party advocate this policy? The answer is given in the section on the present situation.

To what degree should we push the fight? Creation of 3 basic conditions:

Because the US and puppet troops support each other:

1. Destroy a substantial portion of US forces, to shake their will to fight.

2. Destroy or disrupt a major puppet force both materially and morally.

3. Boost the movement in the city [Saigon] and in the neighboring areas in three fields. In the rural areas, conduct simultaneous uprisings and in the city . . . [blank]

Only by creating these three conditions can we achieve the immediate objectives. The three conditions are closely related and cannot be separated.

Assessment of enemy failures in 1966–1967:

In 1965–66, the US massed 20,000 troops [sic].

In early 1965, [the US strength] was increased to 25,000 [sic].

By the end of 1965, the US strength had been increased to 200,000.

US purpose: To destroy 2 friendly divisions during the first counter-offensive and to pacify South Viet-Nam especially the Gia Dinh area, thus stabilizing [the situation] in Saigon Viet-Nam.

With the defeat of its special warfare, by the end of 1965 the enemy [US] increased its strength to 200,000 and shifted to limited warfare in an attempt to fulfill the above purpose.

US and puppet troop losses during the dry seasons of 1965 and 1966:

The US lost more than 100,000 troops. Many puppet units were disorganized.

By the end of 1966, [the US] had increased its strength to 300,000 to prepare for the second dry season counter-offensive.

US troops occupied important, strategic positions. By the end of 1966, US strength was increased to between 450,000 and 500,000 troops.

The "pincers" tactic was then applied.

In 1966, [Defense Secretary] McNamara declared that only 20% of the plan had been achieved and that he was required to summon a conference to discuss the situation in South Viet-Nam.

Increase the [US] strength to 750,000.

Anticipate difficulties in this increase of strength.

The increase of strength to 750,000 soldiers will not produce victory.

Conclusion: The US adopted the "pincers" tactic and increased its strength to 450,000–500,000.

Strength build-up: 1,000,000 [US, puppet and satellite troops]. The US strength will amount to 470,000.

4,300 aircraft.

2,500 artillery pieces of large caliber.

FIVE OBJECTIVES

1. Search out the enemy [VC] to destroy him.
2. Pacify 900 hamlets.
3. Re-occupy roads.
4. Attack North Viet-Nam.
5. Stabilize the political situation in South Viet-Nam.

The US will increase its strength to 500,000 but will be on the defensive. Its tactics will change only slightly but its strategy will remain unchanged.

From October 1966 to June 1967, we annihilated 200,000 enemy troops.

From October 1966 to April 1967, we annihilated 170,000 enemy troops.

In Cau Dan, Tay Ninh:

The 96th US Brigade [sic] was annihilated and its designation struck off. From these points, we judge the enemy to be defeated:

The enemy is unable to counter-attack in the 4 tactical zones.

Only in Tactical Zone # 3, could the enemy launch sweep operations, in Tay Ninh Province. But still he failed and withdrew in haste.

In Tactical Zone # 1, he failed completely (Central Viet-Nam). (Sic)

In Tactical Zone #2, he had to move his troops to the DMZ, to cope with the situation ([Quang] Tri [Thua] Thien) (Mekong). (Sic)

He was unable to realize his 5 objectives.

He failed to protect his rear areas and communication lines.

The political situation in Saigon was not settled and more dissension developed. The Americans were in danger, as were the puppets.

The Buddhist movement became stronger and openly opposed the puppet government.

The people opposed and boycotted the 3 September election. In some places, 90% of the people did not go to the polls.

Petrus Ky High School students refused to take their examinations and demanded that the election be held over again.

The enemy tried to destroy our communications from North to South Viet-Nam but failed (we evaded him as he destroyed).

His warships shelled without results and did not dare approach our shore.

His artillery did not hit our bases. However, our artillery hit his.

OUR SUCCESSES

We launched campaigns in Da Nang and Binh Tri Thien [Quang Binh, Quang Tri, Thua Thien]. The enemy was forced to relocate his forces to other areas. His counterattack strategy was in a defensive position (in the Mekong Delta).

In the Tay Ninh battle, the enemy attempted to launch a major attack with 45,000 soldiers, supported by armor. The attempt was destroyed, and he was forced to withdraw.

Most of the forces that countered the enemy operations were from guerrilla and agency units. Our regular army was preserved.

The enemy concentrated his forces, with 10 puppet divisions and ⅓ of all US forces. He attempted to attack both fiercely and systematically. But the results were meager.

We were recently provided with additional modern weapons and missiles. The Americans became fearful.

THE US SITUATION

Many US divisions are held up in the U.S.A. because of the developing Negro movement.

There is a shortage of copper in the U.S.A., limiting the production of ammunition.

No more taxes can be levied on the American people. The US Government continues to meet strong opposition. Many young Americans refuse to be conscripted.

The US Government planned to augment its troop strength with an additional 150,000 soldiers. But the actual increase reached only 50,000. The puppet government was forced to conscript 700,000 men. The results were unsatisfactory and many difficulties were met.

Formerly the Americans wanted to be world masters. They were unsuccessful. So they anticipated large-scale war, limited war, special war. In all this they are stepping back; and nothing can save them.

In addition, the US became entangled in the war of the Israelis against the Egyptians. They helped one million Israelis fight 100 million Egyptians.

China was successful with her hydrogen bomb tests and the Americans grew more fearful.

Because of the above situation, it is possible for us to defeat the Americans and puppets with a general uprising and thus secure final victory.

In the future, we should counter-attack the enemy in Central Viet-Nam and force him to concentrate his forces defensively. The advantages are on our side.

OUR ADVANTAGES

The people are politically conscious and side with us against the enemy.

We have considerable experience in remaining on the battlefield to fight the enemy.

Our installations and agents in towns are strong. They acquire skills and experience. We control the rural areas and are developing our installations.

The movement in towns have made sudden leaps forward.

We receive supplies from the North and from socialist countries. The Front provides prompt effective leadership. Men and equipment are infiltrated into the South.

FUTURE ENEMY ATTEMPTS IN GENERAL

The enemy will increase his strength between now and 1968. The increase may boost the total to 700,000 well-equipped soldiers. It is now 50,000 [the increase]. The amount of weapons will be slightly increased.

The enemy's ability to make a strategic counter-attack will be ineffective, even poorer than in the past. This failure is caused by our growing armed forces.

Over the North US aircraft may land "Biet Kich" [Government of Viet-Nam Special Forces] and the P.52 [sic, possibly B.52's] will increase their activities. But the results will be no better than those of the past.

OUR WEAK POINTS

Movement 1 [political indoctrination] is not sufficiently strong or consistent.

Ideologically, escapism and rightist tendencies still persist. Our efforts are not good enough.

Our installations and agents in enemy and in strategic areas are inadequately established.

POLICY OF R (COSVN)

In 1967, we should destroy an entire puppet division and an entire US brigade. The most practical thing would be to destroy an entire enemy company with just one company of our forces.

The people should be motivated to revolt. They should feel that the time for revolution is imminent and that it will be "now or never."

The "decision on Activities in Towns" emphasizes the necessity to develop the popular movement to the utmost, and motivate thousands, millions, of people to join in an armed struggle.

In rural areas, the three tasks (political, military and troop proselyting) should be increased with different procedures from those adopted in towns.

A general uprising requires extended time. It is essential that it take place in one area after another.

In the process of this general uprising, there may be a coalition government. The US troops must withdraw.

The coalition government may include a non-revolutionary element as President. But he basically must follow the line of action of the Front.

PLEASE STUDY THIS LESSON

Determination of objectives and conditions for achieving them.

Estimate of our victories and enemy failures in the Winter-Spring [campaign]—Watch for propitious opportunities to achieve ever more significant victories.

How we go about determining our future missions:

Private conversation: One half-day session.

Discussion: Three half-day sessions.

Debriefing: One half-day session.

1. What are our long-range and immediate objectives? Why has our party set them?

Will the US and her Allies pull out [of Viet-Nam] at once or step by step?

These must be considered as problems to be solved:

Why not carry out the people's democratic revolution directly instead of by a coalition government? If a coalition government is formed and the chairman is not one of our comrades, will that fact affect us?

Ideas put forth:

The Front will be the core element.

The immediate objectives as set forth by the Party at this time are suitable, because the Americans are being defeated and the puppet [forces] are deteriorating. But we are not strong enough now to deal them a lethal blow. A coalition government will be advantageous to our revolutionary goals.

What is important is that we must have tight control over the government, the workers and peasants. It does not matter if there are a few [non-party] notables at the top. The Front's political program must be followed.

CONCLUSIONS

Long range objectives of the revolution:

A national, democratic and popular revolution. Immediate objective is not separate from long range objective because the immediate objective is a neutral, independent, national, democratic regime progressing toward socialism. So, there is no contradiction.

Relations drawn between our forces and the enemy forces: We are on the winning side, whereas the Americans are on the losing one and are encountering many difficulties, even in the US. Consequently, we must take advantage of every opportunity to accelerate our victory. The sooner victory comes, the less blood will be shed. Anyway, we will certainly reach our ultimate goal.

To all appearances, it will be a coalition government but the real powers will lie in our hands, and we will follow the Front's political program, the revolutionary line.

When the uprising is touched off to seize power and establish a coalition government, the Americans will not be totally withdrawn. We will (one word illegible). We don't have to wait until the Americans completely pull out to form the coalition government.

(Summary by comrade 3 [Ba] Chanh)

Why must there be military and political violence, and why must we crush the US determination to carry on its aggression?

The US imperialists are stubborn by nature. Thus they cannot recognize a coalition government, and then withdraw unceremoniously. The above statement [i.e. violence is a necessity] stems from the party's concept of armed struggle.

The Americans are losing the battle but they still have real war potential. For this reason we must be on a constant look-out for good opportunities to attack and crush them.

2. What are the enemy's past schemes and defeats?

Achievements scored by Gia Dinh [Province] during the first half of 1967: 14,303 of the enemy were put out of combat and 10,865 others killed including 8,200 US and Allied troops. 3,440 RVNAF troops deserted, 486 tanks and armored vehicles were destroyed or burned and 100 aircraft were damaged. 12 military vessels, 13 bridges and culverts, 7 wharf warehouses, 15 105mm and 155mm artillery pieces, 9 traffic check-points located near outposts and watch-towers, 20 locomotives and 70 US servicemen's quarters were either destroyed or damaged.

We loosened the foundation of and gained control over 172 strategic hamlets. 1,500 armed propaganda operations were conducted, 500,000 propaganda leaflets of all types were spread.

[As a result of the above achievements], 10 units were awarded bronze medals, 269 individuals and units received liberation medals. 10 villages of Cu Chi, Binh Tan, Di An and Thu Duc Districts were recipients of the liberation medals.

CONCLUSIONS

Enemy plots of 1966–1967:

Search and destroy [our forces].

Pacification program.

Support the puppet [forces].

Following their defeats on the battle fields in the delta areas, the enemy increased their combat strength with 200,000 more troops. American soldiers were committed to large-scale operations conducted throughout the territory of South Viet-Nam, but these operations met with failures.

In 1967, 200,000 troops [will] be brought [to South Viet-Nam], in addition to the old strength of 400,000 men, for their second counter-offensive. The war will become more fierce. But, the enemy will take a step backward and be on the defensive. The pacification program will also collapse: its downfall can not be prevented.

Dissension among the puppet government authorities will be more acute following the election.

SIGNIFICANCE OF OUR SUCCESSES

Our successes have blunted the US and RVNAF's determination to fight. They will not have faith in the outcome of the war. The U.S. troops long to go home. All of the Jon Son [Johnson] and White House clique are pessimistic.

The US and RVN Governments are isolated more than ever before. So is the entire United States of America.

Our experiences in the fight against the Americans become richer and richer daily. We have expanded and liberated more areas.

All of the [Vietnamese] people and all of the world display their full confidence in our [cause] and support it. We have, at the same time, cast more light on Marxism and Leninism and on the stand of our Party. Revisionists have now realized 3 their mistakes. Russia has provided us with greater supplies.

PROBLEMS TO TACKLE

Why do we say that 1967 is a year of great victories for us? What are the causes and significance of our victories?

IN WHAT WAYS IS THE ENEMY DEFEATED?

The US 96th Brigade [sic] was completely annihilated. It now exists only by name, on the T.O.E. (Its destruction occurred at Cau Dang).

CONCLUSIONS

Causes behind our victories

1. The Party, armed forces, and people have an unyielding determination [to win]. The leadership of our Party can not be matched.

2. The traditional sense of heroic struggle has been developed to a high degree.

3. Our people have acquired many experiences in their fight for the revolution.

4. Our fight has the sympathy and support of all the people of the world.

GREAT SIGNIFICANCE

1. We have defeated over one million US and RVNAF troops. The US determination to invade [Viet-Nam] has been blunted.

2. We have absolute confidence in our capability of defeating the US in the future.

3. The world expresses faith in our revolution and provides us with greater support. Various countries in the world stand up against the [US] imperialists.

RECAPITULATIVE REPORT ON IDEOLOGICAL

Revolutionary heroism is reflected in the following: Overcoming all suffering and difficulties caused by heavy air strikes and artillery fire, we penetrated deep into the enemy areas to operate and get information. Postal transportation and communication routes were cut off. At times, three or four surgical operations were successively performed mid-way during our movement. There were female personnel with us.

Our agencies stayed close to the enemy C2 [2d Co], then attacked and destroyed it when it was conducting a sweep operation. The political staff and rear service sections also attacked the enemy with punji stakes. d6 [6th Bn [VC]] drove off d30 [30th Bn [ARVN]] and attacked the Americans.

Despite the atrocities of the war cadre and combatants alike, armed with revolutionary ideas, held fast to the battle grounds. There were very few cases of surrender. Some of our combatants, however, defected to return to civilian life.

Relationships and cooperation between servicemen and civilians were good. Armed units stayed close to the local people who provided them with support, even when their areas were being attacked or harassed by the enemy.

OUR WEAKNESSES

Comrade Kiet's ideas: During the past, some cadre were promoted without Kiet's knowing about it. He said that democratic prinicples had to be practiced. He complained that few meetings had been held.

In the ideological field:

Cadre and combatants did not estimate the enemy's true capabilities. This resulted in some of them becoming fed up with fighting the enemy in the face of the harshness of war. Some of our cadre ran for their lives and put up no fight, others remained inactive.

Protest demonstrations did not reach the intensity required. Internal unity left much to be desired. Derogatory criticism of others was a common and rather widespread practice.

Observance of discipline slackened with some individuals. Concrete examples were observed during reporting sessions. Some put forth their ideas with slovenly expressed words and inconsistent language.

A few others attached too much importance to red tape and were too vainglorious and not aggressive in the accomplishment of their tasks.

Still others merely sought safety for epicurean purposes. They indulged in drinking and wasted their money to keep pace with the "hurry-up-to-live" tempo. Rank and file had illegal relations with women.

Activities were not carried deep enough into the enemy areas. The various elements did not stay close to the enemy. Consequently, when an emergency arose, it could not be dealt with in time.

Future enemy plots:

The enemy will make efforts to boost the strength of their combat troops to 50,000 additional men. RVNAF forces will be cut up [into small units] for integration with the US counterparts and the overall command will be in the hands of the US. RVNAF will force an additional 70,000 fresh troops into the service. More allied troops will be brought in.

Occupy a number of key points for defense purposes.

The war will be conducted at the same rate as before. Major operations will be fiercely mounted in certain areas. There will be no spreading out of forces in a wide area as before. Two-prong attacks will be mounted against vital targets.

Chairman Ho [Chi Minh]'s letter, dated 6 September 1967 and addressed to Nguyen Huu Tho.

[excerpt]: "The day when our country is reunified and northerners are reunified with southerners, then we will be happy."

Advantages:

1. The enemy is being defeated and is in a passive, awkward position, not knowing whether he has to move forward or backward. Taking advantage of this weakness of the enemy, we will deal him repeated blows.

2. We will study this resolution and bring about a big ideological change throughout the region.

3. The people at large have become conscious of their responsibilities [to the revolution], having a long tradition of great revolutions such as the revolutions of August 1945 and 1960. They only wait to be led by the Party.

4. We are now ten times stronger than before. All our three types of forces have developed evenly all over the country. Party chapters have been established everywhere and in sufficient number.

Present stock of equipment can meet all requirements.

5. During the Winter-Spring Campaign we will bring our three "full-flown movements" to gigantic proportions. All middle-of-the-road people and even enemy troops will be won over to our side.

6. The Front's essential line of action agrees with everyone, because it lays down what the people have always aspired to. They will positively back it up.

North Viet-Nam brings to South Viet-Nam supplies and equipment to strengthen the people of South Viet-Nam.

7. The Americans are having big troubles at home. England's total national budget is 23 billion [dollars]. The US spent 23 billion dollars before [in Viet-Nam], now that budget rises to 30 billion, 80 billion is earmarked for home expenditures.

They are now running the presidential race in the states. The Americans say they will elect a President who is against the aggression [in Viet-Nam]. The Americans are now concerned with bolstering up the puppet government of South Viet-Nam by organizing the presidential senatorial and congressional elections. But internal troubles and dissension are now more acute than before. The puppet armed forces will be broken down into small [units] for integration with the US forces. But this will only bring about more internal conflict.

DIFFICULTIES

The enemy steps up activities to cope with our I [military region] battle front.

Our lodging areas are under attacks by the enemy.

Occasionally, we were short of subsistence supplies.

CELL ACCOMPLISHMENTS

Assessment of the enemy: At first, cadre saw that the enemy increased their troop strength and grew stronger. Later, after the study, they realized that the enemy suffered serious defeats and was greatly confused.

Enemy activities in Tay Ninh were not conducted according to their desires. We can see that we are defeating the Americans everywhere. We also see that the Americans experience great failures in strategy (even in our Binh Tan area) and they now believe, thanks to the study of the revolution, in certain victory. Under the leadership of our Party and thanks to close coordination in the [general] uprising, success will certainly be with us.

We saw the new policy of the Front through its 14-point political program. We were confident in the capabilities of the Revolution and we were very encouraged.

At first when [we] heard of the coalition government, [we were] worried. However, after learning and seeing clearly [the situation] we became very confident. Because, if in a coalition, our Party keeps control of the entire government, firmly establishes our foundations and properly carries out the Front's political program, we will lead the revolution toward our ultimate goal.

In regards to the coalition government, our Party will exercise overall control over it, and if our agents are firmly established and if they properly carry out the principal lines of action of the front, [the Party] will lead the revolution to the final objective:

Studying in advance will enable us to find a way out of our ideological plight, and will relieve us from anxiety and worry. Although we may meet difficulties as far as our forces are concerned, we can depend on reinforcements to be provided by higher echelons.

POINTS TO BE CLARIFIED

What will be our goal in specifically carrying out the general uprising in the future?

While we are carrying out [the general uprising], what shall we do to control the 7th Fleet? (few cadre asked this question).

To carry out the general uprising, shall we concentrate our main effort in urban areas and our secondary effort in rural areas?

After studying this revolution; what shall we do if it leaks out to the enemy and they take measures to cope with us? (few cadre asked this question).

Additional answers and explanations: Anh 2 [Hai] X [Brothers 2 [Hai] X]

CONCERNING THE ENEMY TROOP STRENGTH

September 1965, 80,000. At the end of 1966, 200,000.

Second Counter-Offensive, 400,000; November, 470,000.

In addition, US troops are too numerous, and the 7th Fleet has also been used in 1966–67.

Increase: Artillery, double; aircraft, double; Finance (money).

COMPARISON

The enemy has dropped 837,000 tons of bombs in South Viet-Nam in 1 year.

They dropped 635,000 tons of bombs in Korea in 3 years.

The number of military operations is 10 times greater as compared with the number of operations conducted previously.

On an average, 2 operations with division strength were conducted each month.

The US 7th Fleet with 60,000 troops has already come to blows with us, but we are not overly afraid of it.

20 September 1967.

RESOLUTION OF THE REGION: 1967

Enemy situation in our I [military region] in the first six months of the year.

Military and political activities were greatly intensified throughout Canh [sub-region] as compared with last year.

Increase of strength:

Eighteen US battalions.

Two South Korean battalions.

Twenty-two thousand soldiers, including 3,900 occupation troops.

Twenty-two Puppet Regular Force battalions.

Eight Puppet Regional Force battalions.

Total: 21,000 soldiers, excluding the draftees in the Quang Trung Training Center.

In Binh Tan, there were 4 general reserve battalions, and 2 US battalions. Artillery units also increased. The 10th Division [sic] was assigned to the airfield.

Concentration of troops at the airfield.

Earlier, the US strength was 2,000.

After our attacks, it increased to 20,000, then to 25,000.

Although their troop strength was increased, they were still put on the defensive.

In NB [Nha Be], the civilian self-defense force was increased and assigned responsibilities for defense.

In BT [Binh Tan], as US troops increased, puppet regular troops were assigned defensive missions. The role of US and puppet troops was lowered.

Along with the increase in strength, psychological war and "open arms" activities were conducted under various forms. The South Korean soldiers tried to win the people's hearts by marrying Vietnamese girls.

Under the command of a CIA member, the enemy is striving to pacify our region.

BINH TAN

A highway connecting TS [sic] with PTh [sic] was constructed.

A white belt [free fire zone] was established.

Our fortifications were destroyed.

OUR LOSSES

Our personnel and property losses were double those of 1966.

Our communication lines were cut off for 10 to 15 days, and from 1 to 2 months in the Canh's [sub-region] of Cu Chi and Nha Be.

Many rice-fields were abandoned.

In 1967, over 20,000 people were herded from our region.

Our victories and the enemy failures: The enemy failed to achieve his 3 purposes: Destruction, pacification, and defense.

He failed to defeat our forces.

Although the people were forcibly relocated, we still could control them.

No hamlets were pacified.

Enemy rear bases were not stabilized.

Dissension existed among enemy ranks.

A number of Americans became naturalized Vietnamese, married Vietnamese girls, engaged in smuggling, and deserted.

Friendly situation: In view of enemy attacks and acts of destruction, the people became more furious and bitterly hated the enemy. A number of people also witnessed the death of our soldiers and realized that the war would be a long one.

EXPANSION OF LIBERATED AREAS

Di An: 6 hamlets, 10,000 people.

Go Mon: 3 hamlets.

Battles fought, 564.

Enemy soldiers killed, 8,084.

The guerrilla warfare was maintained.

Forces were not regularly developed, training was seldom conducted, and the main force troops did not increase.

In a number of areas, namely Binh Tan, [Tuy] Hoa and Phu Tho, the political movement was stepped up, but not regularly.

Propaganda, troop proselyting and penetration activities were also intensified. However, they still left much to be desired as compared with military and political activities. The tendencies of rightism, neutralism and [illegible] still existed.

In some areas, such as: VI [Area I] B. Diem, VII [Area II] Tan Tao, VIII [Area III] Phu Tho, we were still weak and failed to recruit enough agents as required.

Forthcoming enemy plots to be carried out in our region: In view of our strong activities, in the near future the enemy will be able to:

Increase the US strength and the number of sweep operations and conduct more fierce attacks on our troops in every area.

Expand and consolidate the strategic belts by such measures as clearing brush, constructing strategic highways, namely road 21, road 10, and widening the Ham Co river.

Our side.

Weak points: The political, armed and troop proselyting movements still left much to be desired. The strength of local forces was insufficient and their capabilities were still weak.

Capabilities and advantages: Party and group members are more efficient.

The spontaneous uprising will be advantageous and feasible.

Forthcoming tasks (From now through the first 6 months of 1968):

"Rapidly grasp opportunities, work against time and engage in a major effort to motivate the entire Party, army and people to be determined to overcome all difficulties and hardships. Push forward the three movements and conduct continuous attacks on the enemy."

To begin our tasks, the Party introduces the above guidelines:

Concept of the use of violence.

The concept of the masses.

Capabilities.

We must achieve 5 objectives in order to accomplish our mission:

1. Energetically motivate the people on the spot and provide them with a full understanding of the situation and of sacrifice so that they can stand up to the enemy.

2. Initiate the three movements: Political, military and troop proselyting. Our forces of I [Military Region IV] have wiped out 50,000 enemy soldiers.

Number of enemy soldiers killed:

Number of deserters:

3. Strive to control ⅔ of the rural areas.

4. Increase our force to 10,000 members. Double the number of party members and triple the number of group members.

5. Closely coordinate rural areas with cities to launch attacks on and foster a general uprising against the enemy until the final decisive victories.

By the end of 1967, 3,000 key cells must be activated.

Conduct the political, troop proselyting and armed movements on a permanent basis.

Armed activities of I [Military Region IV]: Wear down and destroy enemy forces and pacification cadre. Provide support for the movement of attack and foment uprisings.

Contents of lesson for soldiers and b [platoon] cadre.

I. General situation at the I [Military Region IV] battle-field: Binh Tan [Binh Chanh—Tan Tru—Districts].

A. Enemy Situation.

B. Friendly situation.

C. Long range and immediate objectives.

II. The present urgent political mission of the Party, army, and people in South Viet-Nam.

III. Enemy plots and our future capabilities.

A. Enemy plots.

B. Our capabilities.

1. Advantages.

2. Difficulties.

(The specific mission of the unit).

This part will be disseminated by d [battalion].

Method: Place more emphasis on explanation and discussion. Lessons should be concerned with the realistic situation of the battlefield.

Time allotted: General, 3 days; classroom instruction, 8 hours; discussion, 16 hours; 1st subject, 4 hrs; 2d subject, 3 hrs; 3d subject, 5 hrs; 4th subject, 4 hrs.

QUESTIONS RAISED FOR DISCUSSION

1. What was the strategic characteristic of the enemy's great failure and our great victory?

What was the significance of this victory? [center the discussion on the 2 counter-offensives of the enemy in the dry season].

Schedule

Day—Morning: In class, discussion, discussion. *Afternoon:* In class, discussion, discussion. *Evening:* Study of documents; guidance for drafting a proper resolution, motivation of emulation.

After training: A number of certificates of commendation should be issued before the initiation of the emulation movement.

Each group chapter, party chapter and platoon should make one resolution. We should organize competition among a [squad] and b [platoon] cadre.

Be ready for combat.

To respond to the appeal of Uncle Ho, we should be enthusiastic in grasping the opportunity of liberating the people.

To my comrades,

At this stage of the revolution, we should be determined to sacrifice our lives for the Fatherland. Otherwise, we do not deserve to be men.

RESOLUTION FOR 1967

I. *The forthcoming situation*. The enemy may increase his troop strength and intensify air and artillery activities in disputed areas in order to wipe us out. The enemy may increase his psy-war activities and strengthen his strategic communication lines.

Difficulties. Our cadre and soldiers' morale may be affected by the fierceness of battles. They will probably be discovered while they are operating in deep areas.

The strengthening of our forces will probably be confronted with many difficulties.

Advantages. Thanks to the training courses, our cadre and soldiers' ideology is improved. The masses are highly enlightened and experienced in the struggle movement.

The Americans are now demoralized because of their repeated defeats during the dry season.

II. *Immediate mission and future courses of action:*

A. *General mission*. We must grasp opportunities and motivate all our party members, army and people to surmount difficulties. We must conduct the "three-front attack" continuously to wear down and annihilate as much enemy potential as possible. We must provide basis conditions for uprisings by gaining control in rural areas.

Simultaneously, we must strengthen our organization and coordinate activities in the rural areas with those in the cities to prepare for the general uprising.

B. *Specific mission:*

1. *Political indoctrination and ideological guidance:* a. We must carefully study the resolution of the Central Headquarters to increase the political awareness of our cadre and soldiers (we should talk about the resolution at every meeting). We must indoctrinate our cadre and soldiers in revolutionary heroism in order to strengthen their determination to fight.

b. We must: Instill into our comrades a high determination to fight the enemy, improve their ideology, promote their aggressiveness and eliminate the attitude of avoiding combat, or balking at hardships.

Increase the sense of organization and discipline.

Avoid cliques or careless talk which may affect internal unity.

2. *Criteria for armed activities in the fourth quarter*. a. *Hamlet and village guerrillas:*

1) We must quickly develop and strengthen our forces both in quality and quantity.

Each village must have at least one or two guerrilla a's [squads].

Each hamlet must have at least two guerrilla cells able to fight successfully.

Local Force: This force should consist of at least 3 a's [squads] capable of accomplishing their mission. They should be equipped with adequate weapons to ensure victory.

C. *Cahn's [sub-region] Force:* Two infantry c's [companies] and C4 [4th company] should be at full strength. Skeleton cadre should be assigned to activate one additional c [company] or two b's [platoons] with full strength.

D. *Fulfillment of requirements for replacement of troop strength*. For the above purpose, we must:

Try to propagandize the people to send their youths to the army.

Request each area to supply 20 conscripts each month.

In addition, civilian personnel in various agencies can also be sent to the army and we can choose a certain number of soldiers and place them at the disposal of the civilian agencies.

3. *Combat objectives and requirements*. a. Efforts should be made to destroy or wear down the strength of the enemy pacification personnel and popular forces in the local area; the popular forces, the self defense groups, and pacification personnel.

Try to annihilate or wear down the U.S. forces in the local area.

Try to get rid of all enemy tyrants at any cost.

b. Combat requirements: We must study a plan to concentrate our force to raid and destroy the 4 future targets at any cost.

In the 4th quarter, we must destroy as many as 2,000 US and puppet soldiers.

D6 [6th Bn] must destroy an enemy mechanized force 3 times larger than before. CA [sic]. The entire Canh [sic].

C1 and C2 [1st and 2d Companies] must make greater efforts in countersweep operations in order to destroy more enemy troops. Each c [company] must completely destroy 1 US or puppet b [platoon]; chiefly the US forces.

Each b [platoon] of the area must completely destroy 1 a [squad] of the enemy Popular Force and self defense group.

Each village guerrilla must completely destroy 1 pacification team—Our self defense group (1 or 2 cells) must constantly destroy the enemy tyrants.

4. Reorganization and consolidation: We must figure out the consolidation and reorganization of various units and agencies, also the training of excellent soldiers and cadre.

We must also figure out how to correct the employment of old cadre and assign them to proper jobs according to their capacity.

Consolidate and strengthen party chapters to develop the group and the Party. Increase the role of party leadership. Recruit 1 or 2 new group members or party members every month.

Individuals and units should be awarded or punished as necessary.

5. Continue to indoctrinate cadre and soldiers in precautions against the enemy, self imposed discipline and proper implementation of the internal regulations.

Get full information about the biographical data and strong and weak points of each soldier or cadre. Classify them into categories: A, B, C [sic].

Indoctrinate the masses in the operational area in precautions against the enemy.

6. Civilian and troop proselyting missions: Propagandize and motivate the people to stand up and destroy the enemy by revolutionary force. We must prepare for a general uprising and motivate party members and group members to prepare for it. The revolutionary circles must set an example for the others.

The paramilitary forces must regularly propagandize the people, clarify the people in the deep and weak areas, with particular attention to the families of enemy soldiers during the troop proselyting missions and to the proper implementation of the policy toward the enemy prisoners of war. Troop proselyting activities should be conducted before each battle.

Leadership: In leadership, efforts should be made to guide party members, soldiers, cadre and the people to study the resolution so they can better understand it.

Increase the capacity of cadre and soldiers. Develop the substantial forces. Correct cadre and train excellent soldiers and excellent cadre.

Motivate the people and form them into 3.

Pay particular attention to the replacement of recruits in Canh [sic] armed units and the equipping of various units in Canh [sic] and village.

Fortify party and group leadership and develop the Party and group.

Situation of C1 [1st company]: Vinh Loc A and B, 2T [sic] in the white area, Tuy Hoa 2T [sic] [2 words illegible]; XOT, BD [sic] maintained close contact with 2T [sic] operating among the people. Due to the shortage of food and inadequate food allowances; a number of cadre sought to live for themselves without caring about the unit; the majority of them did not want to hold onto the battlefield.

C2 [2d co] was clinging close to T.Tao [Tan Tao] and T.K. [Tan Khanh]. On the hamlet 3 highway, we had to face the enemy tyrants. In Long Toan area we met with many difficulties when we attacked the enemy. We failed to maintain contact with Tan Tao.

Ideological Shortcomings: Due to lack of determination to stay in the base and because of fear of airstrikes and artillery, cadre went to seek refuge in the hamlet every evening. When they were going to receive new jobs, a number of them requested to be sent away from the battlefield.

A number of them remained but were deeply influenced by the discrimination between the southerners and northerners and their activities were, therefore, not effective.

Comrade Nha left the difficult command of the large element in the care of another comrade and he himself led a small cell and operated separately without reporting to higher echelon in advance. Living conditions in some areas such as food, drink and lodging were inadequate.

Our recent casualties were due to our careless preparations for our lodgings: eg. Tuy Hoa, Bathing in the open in Vinh Loc A, Carelessness in speech and manner of living [2d Co]

Training: C2 [2d Co] had 20 comrades in training (20 others have not been trained yet).

C1 had 12 comrades and 2b's [platoon] sent to training (there was still 1 cell which is not trained yet). d [bn] Headquarters had 5 comrades in training.

LOWERING THE VOTING AGE: AN ACT OF WISDOM AND JUSTICE

Mr. TYDINGS. Mr. President, the Maryland State constitutional convention, meeting in Annapolis, has been frequently cited as a model for other States in its planning and organization. Last week the convention proved itself a model of another kind—a model of democratic spirit—when it voted to reduce Maryland's voting age from 21 to 19 years. The Maryland convention's decision will give the vote to all Marylanders, 19 and over, in both State and Federal elections.

I am proud to have testified before the convention in favor of lowering the voting age and to be a cosponsor of the constitutional amendment proposed by Senators Mansfield and Dirksen to lower the voting age in Federal elections to 18.

Testimony I gave before the convention summarizes my views on the wisdom and justice of lowering the voting age. I ask unanimous consent that it be printed in the Record.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Testimony of U.S. Senator Joseph D. Tydings, Before the Committee on Suffrage and Elections of the Maryland Constitutional Convention, Annapolis, October 3, 1967

Madame Chairman and members of the Committee on Elections and Suffrage, I appear here this evening to testify in favor of extending the vote in state elections to two groups now denied the vote: first, residents of Maryland who would qualify to vote except that they live on federal enclaves within the state, and, second, residents of Maryland who are over eighteen and would qualify to vote except that they have not reached twenty-one years of age.

RESIDENTS OF FEDERAL ENCLAVES

In Maryland, as in almost every state, the federal government owns a good deal of real estate. Although Maryland retains jurisdiction over much of this property, jurisdiction over some of it has been ceded to the federal government, by our legislature at various times.

Frequently federal employees live on this federal land. Except for that fact, these people are indistinguishable from other residents of the state. They bear substantially all the burdens of state residence. Yet, some of them are not entitled, under Maryland law, to the most precious of state benefits: the right to vote.

Marylanders who live on federal reservations can vote if the state has retained jurisdiction over the land. But if the state has ceded jurisdiction over the land to the federal government, the federal employees on it cannot vote, even though Congress has specifically authorized the state to collect income taxes, sales and use taxes, and motor vehicle fees from the residents of these federal enclaves.

The Maryland Court of Appeals has held, in the case of *Royer* v. *Board of Education Supervisors, Cecil County* (231 Md. 561, 191 A. 2d 446 (1963)), that residents of federal enclaves are not "residents" within the meaning of Art. I, Section 1 of the present Maryland Constitution, the article which gives the residents of Maryland the right to vote.

I think this provision of our State Constitution, which keeps some Marylanders from voting just because they live on federal land within the state, is unreasonable, unjust, and should be changed.

Withholding the vote from Marylanders who live on federal enclaves not only prevents them from voting in state elections; it also prevents them from voting in federal elections, including the election for President, because the United States Constitution leaves it to the states to establish voter eligibility in federal election.

The Constitutional Convention Commission has wisely and justly, I believe, recommended that the new Constitution should permit residents of federal enclaves to vote in state and national elections, if they meet all other qualifications of the election laws. This recommendation of the Commission is reasonable and fair. It corrects an injustice which has accidentally arisen under the present State Constitution. I support it, because a Marylander's right to vote should not depend on legal niceties between the state and federal government.

REDUCING THE VOTING AGE

The Constitutional Convention Commission has examined the question of reducing the minimum voting age and has recommended that the voting age should not be reduced from the twenty-one years required by the present Constitution.

I respectfully disagree with the Commission's conclusion. The minimum voting age should be that age level at which the average person of that age group has attained the maturity required to make an intelligent choice from among the various candidates for the leadership of his government.

Although the twenty-one year minimum is traditional in this country, it is not sacred or immutable. Two states, Georgia and Tennessee, long ago reduced the voting age to eighteen; Alaska allows voting at nineteen; and Hawaii at twenty.

I believe Maryland should reduce the voting age. I believe that the age of eighteen—the age of high school graduation—is a reasonable minimum voting age. This Convention may choose a higher age. But I urge you to reduce the twenty-one year requirement, because no argument can justify it.

As the Constitutional Convention Commission explicitly recognized, "any decision as to voting age must be arbitrary." But some ages are more arbitrary than others.

In its report, the Commission enumerated the primary arguments for retaining twenty-one as the voting age. I believe an examination of those argugments will show that none of them offer valid reasons against lowering the voting age.

TRADITION

First, the Commission noted twenty-one is the traditional age in forty-six of the states.

Whatever justification existed for imposing twenty-one as the minimum age a century ago, the fact is that today's American young people are achieving physical, emotional and mental maturity at an earlier age than ever before. While the traditional twenty-one year old voting age has remained unchanged, the character of our population has changed dramatically, especially with regard to the education, maturity, and responsibilities assumed by our young people.

Indeed, tradition itself is no reason at all for maintaining the voting age. If tradition were a good reason to maintain a constitutional provision, we would not be holding this Convention today to revise our traditional, but badly outdated Constitution.

We should deal with the facts as they are today. The fact is that most eighteen year olds are as personally qualified to vote as most of their elders. Indeed, in some instances they are more qualified.

OTHER 21-YEAR REQUIREMENTS

Some argue that since the common age for legal majority is twenty-one, the minimum age for voting should be twenty-one. There is no compelling connection between the age set as the minimum for voting and the age set as the minimum for other state-regulated activities, such as the purchase of alcohol or the administration of an estate. The law in each case should be shaped to the subject matter involved.

In the case of voting, the question is whether eighteen, nineteen, or twenty year olds are mature enough to make an intelligent choice in the voting booth for the government leaders who tax them, regulate their lives, and can send them to war. I think the answer is clearly that these young people are as qualified to make such political judgments as most of their elders.

TOO MUCH IDEALISM

In its report, the Commission notes the argument that lowering the voting age would add to the voting population many whose idealism has not been tempered by practical experience in adult society.

I do not think that we should fear a little idealism in politics. I think we should welcome it.

Moreover, although precise figures are unavailable, the Census Bureau has given me statistics which indicate that more than one of every five Marylanders between eighteen and twenty-one is a full-time wage earner. Many others work part-time while putting themselves through college. Thousands of Maryland boys between eighteen and twenty-one are not only getting practical experience in "adult society," they are getting it in a very hard school—in the jungles and on the battlefields of Vietnam.

OUTSIDE INFLUENCES

The argument is made that reducing the voting age would add to the voting population persons highly influenced by their parents, schools, television, and special interests.

I reject the notion that young Americans are any more susceptible than their elders to parental political influence, political pitchmen, or special interests. My experience, as a Senator speaking to high school and college groups and answering their questions in every corner of Maryland, has been that these young people—as a group and as individuals—are as acutely aware of the world as anyone in society. They know their history and current events; they are earnest and informed; they are skeptical and searching; they are no more likely to be taken in by demagogues than anyone else. As a matter of fact, they are less likely. As for undue parental influence, if eighteen to twenty-one year olds take the advice of their parents on whom to vote for, it will be, if the testimony of many parents is to be believed, the only aspect of life on which a parent's advice is the prevailing factor at that age.

If a perfect test could be devised for determining who should be able to vote, so that arbitrary age limits could be eliminated, surely some eighteen to twenty-one year olds would fail it. But, I submit that a far greater percentage of present voters over twenty-one would fail it. Because no such perfect test can be devised, we will have to continue to have an arbitrary minimum age limit. But that age limit should be based on today's realities, not those of a century ago or legalistic concepts developed during the Middle Ages.

COLLEGE COMMUNITIES

Another argument offered against lowering the voting age is that small college communities might find their municipal governments overrun by college students. Of course, the same argument can be made against having the voting age at twenty-one. Perhaps it should be increased to twenty-two or twenty-three, since most people do not graduate until that time.

But basically this argument deserves little weight because the new Constitution will certainly provide residency and registration requirements which will discourage, and probably prevent, the registration of most college students in any but their home districts. A phantom fear about a few places should not prevent the extension of the franchise to thousands of qualified young people throughout the state.

All the arguments made against giving young adults the vote have been made against every expansion of the franchise. All of them were made, for example, against the 19th Amendment, which gave women the right to vote.

The tradition of nearly every state was against it.

Other state laws were against it. Women had been legally deprived of certain rights—such as the right to make contracts—for centuries, and, it was argued, this same legal inferiority should be continued in the case of the vote.

Giving the vote to women, it was said, would add to the voting population many persons whose idealism has not been tempered by practical experience. Women would be highly influenced by their parents, schools, and handsome rogues and demagogues.

Women, it was said, would affect elections even though they had little knowledge of, or interest in, local affairs.

Fifty years have now passed since these prophesies of doom, but the Republic still stands. I believe few would argue against the point that our political system is much richer and wiser because of the participation of women in the electoral process.

I think the fears expressed against extending the vote to persons under twenty-one are just as invalid today as these same arguments were a half century ago when they were used against the universal suffrage.

I hope this Committee will recommend a lowering of the voting age, if not to eighteen, at least to some more realistic level than twenty-one. But even if you decide against lowering the voting age in the Constitution, I urge you to do as New York's convention has done in the new Constitution to be voted on in that state in November: to leave to the legislature the setting of the minimum voting age, and not foreclose the question by specifying twenty-one in the Constitution.

APPENDIX TO TESTIMONY OF U.S. SENATOR JOSEPH D. TYDINGS, BEFORE THE COMMITTEE ON SUFFRAGE AND ELECTIONS OF THE MARYLAND CONSTITUTIONAL CONVENTION, ANNAPOLIS, MD., OCTOBER 3, 1967

RESULTS OF CBS NEWS SPECIAL "THE NATIONAL CURRENT EVENTS TEST" AS BROADCAST OVER THE CBS TELEVISION NETWORK, TUESDAY, JANUARY 3, 1967

On January 3, 1967, the CBS Television Network broadcast "The National Current Events Test," an hour long television program to test American public knowledge of the events of 1966, on the theory that "The decisions this country makes depend upon the sum total of what we know."

Prior to the broadcast, CBS employed the Opinion Research Corporation to administer the same test to a sample of adult Americans across the country. *In addition to this prebroadcast testing, during the broadcast, CBS simultaneously administered the same test to one hundred college journalism students, including some from Morgan State College in Baltimore.*

The test itself was composed by CBS and the Educational Testing Service of Princeton, New Jersey. The test contained thirty-three questions on current events including such questions as those set out below.

In scoring the nationwide sample of adults and the one hundred college students who took the test, CBS counted each correct answer as three points, so that a perfect score on all 33 questions was 99. *The average score in the national sample of adults was 84, with only 2% over 84. In contrast, the studio audience of journalism students had an average score of 78, more than 50% better than the average adult in the nationwide sample.* The average college journalism student did almost as well (78%) as the *best 2%* of the adult national sample.

(3) The Viet Cong control more of the land in South Vietnam. True or False?

(9) Premier Ky of South Vietnam was elected to his office by the South Vietnamese Parliament. True or False?

(11) How many seats did the Republican party gain in the United States House of Representatives in the 1966 elections? A) 7 B) 27 C) 47.

(16) The newest position in the President's Cabinet is Secretary of Transportation. True or False?

(23) Communist China has successfully developed and tested a missile capable of carrying a nuclear warhead. True or False?

(26) There is an international treaty prohibiting nations without nuclear weapons from developing them. True or False?

(30) The leader is Sukarno. What is the name of his country? A) Malaysia B) The Philippine Islands C) Indonesia.

DISSENT IN PERSPECTIVE

Mr. MOSS. Mr. President, on November 16, I suggested in a speech before this body that it is time to call a halt to the vilification and slander which the President of the United States is suffering because of his Vietnam and other policies. At that time I raised the issue of the place which responsible dissent should occupy in a free, democratic society.

Today I should like to discuss in more detail the role which legitimate dissent has played in the development of English parliamentary government and of its progeny, American constitutional democracy.

Before doing so, however, I must make my own position abundantly clear once again. In this discussion of dissent, I do not take a stand for or against the President's policies. For under our political system they are in the area of free debate, and they must remain there. Nor am I taking a stand against dissent, or against rational debate. This is a cornerstone of our democracy, and must remain so. The success of any representative form of government based upon constitutional law depends upon the willingness of a concerned minority to exercise its right fully to debate or discuss any policy or any issue, and to try to win others to their point of view.

What I want to discuss here is: what is legitimate debate; what is rational and responsible discussion; and to raise the question as to whether certain contemporary "dissenters" to the administration's policy on Vietnam have not transformed the role of dissent into a shabby travesty of its true function.

I want to ask furthermore whether some of these misguided protesters, who resort to irrational, and sometimes illegal, tactics in order to force a minority opinion upon Government duly elected by a majority are not a source of boundless satisfaction to the enemy which we are fighting? Are not these people giving countenance to personal vilification and primitive force as a means of solving national problems—a means whose triumph would spell the end of rational discourse in America—a triumph precisely in accord with Communist wishes?

I think they may be. And I think we should concern ourselves both with the internal consequences of such behavior and with the consequences to our men in battle.

I am frank to say that I do not understand what many of our dissenters hope to gain when they abandon the forum of rational debate, or the march of peaceful petition, for other and more violent tactics.

Surely these dissenters do not believe that American citizens in these enlightened sixties can be forced to change their views by the strong armed, vulgar methods of the mob?

Surely they do not believe that by accusing the President of every vice from immorality to inhumanity they can shift public opinion one way or the other on the basic policies which he has espoused.

Surely the young men and women at our colleges and universities who stamp and boo and drown out opposition speakers, and who sit in their path and rock their automobiles, do not believe that these tactics make converts to their cause.

How can anyone hope to win an argument by carrying placards bearing four letter words toward the Pentagon, or by spitting on soldiers and police officers who are trying to maintain order?

Vulgarity, force, personal attack, mob rule, and rioting—no matter how carefully cloaked under the name of honest dissent—have no place in a democracy—and no place in an America beset with serious problems at home and abroad, and trying desperately to find solutions for them.

Against this background, let us examine the place and history of dissent—its place and history in our Anglo-Saxon heritage.

Responsible dissent within the framework of viable consensus has always been cherished. It is upon the reverence for legal dissent that the structure of English parliamentary law was erected and it is that reverence which imbued the American constitutional form of government.

Although it is erroneous to assume that the Anglo-Saxons brought with them from Continental Europe a full-blown system of democratic government by assemblies of free men, it is nevertheless true that from the beginning the Anglo-Saxon mentality was not predisposed toward passive submission to one-man authority. The Anglo-Saxons were not, as historian Wingfield Stratton puts it, "like oriental peoples and the Romans of the later Empire, content to resign all their wills to that of the person, or persons, to whom they entrusted the business of government."

From the earliest times, the Anglo-Saxon kings, according to the observations of the Roman historian Tacitus, spoke at assemblies "rather with influence to persuade than power to command." And although constitutional government in the modern sense did not exist in pre-Norman England, a certain feeling for consensus and a distrust of absolute authority were inherent concomitants of the Anglo-Saxon mind. Thus it was that the primitive laws of the Anglo-Saxons were "the practical expression(s) of the commonsense of the community," and again I am quoting Mr. Stratton.

A first significant step toward the development of constitutional government in Norman England was the signing of the Magna Carta by King John in 1215. Although the privileges granted by Magna Carta extended only to the nobility, and not to the common man, this document is important in two respects: first, it affirmed that certain laws and customs were of greater authority than the King himself and secondly, it reserved to the people the right to force the King to observe those laws and customs.

English history is regularly punctuated with a series of charters which in progressive fashion served to limit the King and extend the rights of the people—thereby strengthening the ideal of rational discussion, and rational dissent—as the means by which Parliament could operate as a body representative of the people. The Petition of Right, drawn up in 1628, and the famous Bill of Rights, signed by the King in 1689, are said to be, together with Magna Carta "the Bible of the English Constitution." And if the populace did not receive full representation in Parliament until after the reform measures of the 19th and early 20th centuries, England nevertheless has moved in a general progression throughout its history toward the achievement of parliamentary, constitutional government.

The United States, of course, was founded, and has grown, firmly within this tradition, and it is because of this heritage that the mob has met with such little success in influencing the course of either English or American history.

And yet, despite this legacy, we are faced, in our own time, in our own country, as we seldom have ever been, with a rising tide of mob hysteria. We are faced with the ugly specter of irresponsible and illegitimate dissent, which is really no more than a crass defiance of elected and vested authority. I believe that only by understanding fully the nature and function of rational dialog can we measure the threat of irrational monolog and the offspring it spawns—crime and violence.

Our system is predicated upon the right and the duty of the minority to express itself, on any given issue, in the arena of public conversation, in the news media, and perhaps most importantly, in the parliament or congress of the land. By this process the minority is protected, being afforded a viable means of expression, potentially transmutable into action. It is apparent, however, that those who defy the law in order to force their own point of view on the majority, hold in utter contempt the elective and legislative process, through which they might legitimately seek redress. These people are either ignorant of, or apparently deaf to, the great voices of English and American history, which have so often and so proudly affirmed the glory as well as the practical success of the system by which we have come to live.

As early as the 17th century, John Pym, a stanch supporter of the rights of parliament, protested against King James' repression of that body, asserting that parliament's privileges were "the ancient and unredoubted birthright and inheritance of the subjects of England." Pym was in fact a leading supporter of the Petition of Right, a written expression of the House of Commons dissenting against certain abuses of royal power then current. But aware of the danger which irresponsible dissent represented, Pym warned that "political bodies, like natural bodies, are endangered (in) diverse ways; but (most seditiously), by outward violence . . . that may be foreseen and prevented." Violence, then, as a means to action, was rejected in principle by one of the earliest and most vocal supporters of parliamentary government. That Pym actively participated in the early stages of the Civil War does not vitiate his basic faith in dialog as the most satisfactory means of realizing the will of the people. It was, in fact, precisely because he feared the consequences of civil war, that he so stoutly argued the cause of parliamentary government.

One of the greatest English political philosophers of the 18th century, William Blackstone, whose commentary is considered a standard treatise on the nature of law, expresses the characteristic British appreciation for the social contract. "The community should guard the rights of each individual member (writes Blackstone), and . . . in return for this protection each individual should submit to the laws of the community, without which submission of all it was impossible that protection could be certainly extended to any." Furthermore, "when civil society is once formed, government at the same time results . . . as necessary to preserve and to keep that society in order." The highest expression of government concludes Blackstone is, therefore, the legislative process, through which the rational discussions of men are elevated to the supreme dignity of law. "Sovereignty and legislature are, indeed, convertible terms; one cannot subsist without the other."

In the same century, the younger William Pitt expressed a similar confidence in the proper role of parliament to serve as a forum for discussion, echoing the words of Pym, a century and a half before him:

> If we looked back to our history—

Said Pitt to the parliament of which he was a part—

> we should find that the brightest periods of its glory and triumph were those in which the House of Commons had the most complete confidence in their ministers, and the people of England the most complete confidence in the House of Commons. The purity of representation was the only true and permanent source of such confidence: for though occasionally bright characters had arisen, who, in spite of the general corruption and depravity of the day, in which they lived, had manifested the superior influence of integrity and virtue, and had forced both parliament and people to countenance their administration; yet it would be unwise for the people of England to leave their fate to the chance of such characters often arising, when prudence must dictate that the certain way of securing their properties and freedom was to purify the sources of repre-

> sentation and to establish that strict relation between themselves and the House of Commons, which it was the original idea of the constitution to create.

Yet another 18th century figure—Edmund Burke—whom many consider to be the most eloquent of all apologists for law and the established order—Edmund Burke was consistently concerned that the procedures of constitutional government be safeguarded against the attacks of those who championed violence and anarchy as means to redress grievance. More urgently, however, did Burke see the necessity for parliamentary law, as a safeguard against causing legitimate complaints to develop among the masses, which, without hope of satisfaction, could fester and finally erupt, tearing apart the fabric of social order and rendering meaningless the concept of civilized debate. Burke was greatly alarmed by the French Revolution, which came about, in part, because of the very failure in France of parliamentary government to develop as it had done in England, and Burke, ever after the time of that cataclysm was particularly concerned that England leave open the avenue to rational dissent, in order that the structure of established government be preserved. The commentary of Burke upon the excesses of the French Revolution is a classic testament to the universal validity of law and reason, an eternal denial of lawless and animal terror:

> The fresh ruins of France (he wrote) which shock our feelings wherever we can turn our eyes, are not the devastation of civil war; they are the sad but instructive monuments of rash and ignorate counsel in time of profound peace. They are the display of inconsiderate and presumptuous, because unresisted and irrestible, authority.

In contradistinction to the agony of France, the stability of England, Burke indicated, unmistakably emanated from Britain's heritage of constitutional law, he wrote:

> You will observe that, from Magna Carta to the Declaration of Right, it has been the uniform policy of our Constitution to claim and assert our liberties, as an entailed inheritance derived to us from our forefathers, and to be transmitted to our posterity, as an estate specially belonging to the people of this kingdom, without any reference whatever to any other more general or prior right. By this means our Constitution preserves a unity in so great a diversity of its parts . . . By a constitutional policy, working after the pattern of nature, we receive, we hold, we transmit, our government and our privileges, in the same manner in which we enjoy and transmit our property and our lives.

It seemed an eminently practical axiom to Burke, as it does to me, that if "the uniform policy of our Constitution (is) to claim and assert our liberties," then it follows automatically that the mob will have no justification for rejecting the principles of rational dissent in order to make heard their just complaints—if the Constitution is faithful to that uniform policy. Our Constitution is, and as always been, faithful to the policy of claiming and asserting our liberties—the liberties of all citizens. I think history will vindicate my assertion. Thus it follows that by refusing to debate on a rational level, those who oppose Government policies by extralegal, subrational, or irresponsible actions impair their own right to dissent, and, indeed, forfeit the right to call themselves responsible citizens.

In the tradition of Burke, George Canning—who, as Foreign Affairs Secretary, saw the tumult which followed the French Revolution—was well aware of the value and efficacy of England's heritage of parliamentary law and of the right to responsible dissent which that heritage bestowed. He asked:

> Do I deny then, the general right of the people to meet, to petition, or to deliberate upon their grievances? God forbid! But social right is not a simple abstract, positive, unqualified term. Rights are, in the same individual, to be compared with his duties; and rights in one person are to be balanced with the rights of others.

Furthermore, he continued:

> It is no part of the provision of the laws, nor is it in the spirit of them, that . . . multitudes should be brought together at the will of unauthorized and irresponsible individuals, changing the scene of meeting as may suit their caprice of convenience, and fixing it where they have neither property, nor domicile, nor connection.

And finally:

> The (pervading principle of the law is one) by which each man is held to act under the view of his neighbors; to lend his aid to them, to borrow theirs; to share their councils, their duties, and their burdens; and to bear with them his share of responsibility for the acts of any of the members of the community of which he forms a part.

Man is a political, a social animal; and as he is uniquely marked by the badge of reason, he is uniquely compelled to order his social, his political, life, by the governing principle of that reason, if he is to survive as a rational creature distinct from mere beasts. That is the essence of Canning's belief, as it has always been of all civilized men.

America, of course, no less than England, has produced leaders who valued the place of responsible dissent in a free society. A "fundamental principle in our system," wrote Daniel Webster, "is that the will of the majority, fairly expressed through the means of representation, shall have the force of law; and it is quite evident that, in a country without thrones or aristocracies or privileged castes or classes, there can be no other foundation for law to stand upon." Note that Webster is careful to emphasize the important place in our system of the "means of representation," through which dissent is properly channeled if it hopes to result in effective action.

It is true, of course, that dissent may be expressed in areas other than representative bodies of legislators. The historic right of petition, the right to free speech, the right to peaceable assembly—all of these are rights which guarantee the expression of responsible dissent, and all are an integral part of our heritage. But all find their most effective base of power in legislative action; and legislative action is predicated on the elective process, from which it derives its reason to be. Those who dissent are free to speak; they are free to propose candidates for office; they are free to elect. But we can ask with justice at what point free speech leaves off and license begins? I think we can answer with the weight of historical experience behind us that violence and obscene character assassination, such as we have been seeing in this country during the last year, constitute a license which has nothing whatever in common with free speech, and which expresses the most arrogant contempt for the elective process. It is a license which harbors the most blatant nihilism.

In opposition to this nihilism I place the counsel of William Gladstone, who a century ago voiced his belief that established order must be responsive to necessary change, even as necessary change must evolve within the context of established order. Gladstone's words are particularly applicable to our own situation:

> To wait with patience the course of present events . . . to encourage the calm, serious, orderly, and temperate expression of opinion, seems to be the chief duties of the hour.

In the same tradition, and in the same spirit, John F. Kennedy addressed himself when he said:

> A free society places greater burdens upon every citizen than any other kind of system. It requires an ability to make a choice, to have those qualities of judgment and self-restraint which permit a democracy to operate.

If we ignore these words of counsel, Mr. President, we pass sentence not only upon ourselves but upon the wisdom of the greatest minds our culture has produced. We must face the future, mindful of the heritage of our past, which, indeed, should guide our actions. Let us invoke the proven principle of dissent within the law, remembering that without recourse to the law of rational minds, we must turn, of necessity, to the law of beasts, and the primal force of animal instinct. It is our duty to protect our cherished inheritance. Let us stand firm in that resolve.

It was Abraham Lincoln who observed, with woeful accuracy, that:

> Human nature will not change. In any future great national trial, compared with the men of this, we shall have as weak and as strong, as silly and as wise, as bad and as good.

It is incumbent upon us to assure, by our determination to adhere to the spirit of law, that in our own age the strong and the wise and the good will prevail.

INDUSTRY'S SOCIAL RESPONSIBILITY FOR URBAN HOUSING

Mr. MONDALE. Mr. President, the recent announcement of the insurance industry's pledge to finance $1 billion of mortgages for low- and middle-income housing is most encouraging.

It is an example of the industry's commitment to make decisions that will have positive social impact. It is a demonstration on the part of one industry that investment can be directed toward assisting the slums of our Nation.

Mr. President, as a Minnesotan, I am proud that the president of the Life Insurance Association of America, John Pillsbury, is a citizen of my State. Mr. Pillsbury, President of the Northwestern National Life Insurance Co., worked many long hours in arranging for this commitment from the membership of the association. He is to be congratulated for this personal commitment to improving urban life in America.

November's issue of the Mortgage Banker contains a copy of Mr. Pillsbury's remarks to the Mortgage Bankers Association. In these remarks, Mr. Pillsbury outlines the background of the $1 billion pledge and explains how this money will be used. Mr. President, I ask unanimous consent that the article be printed in the RECORD as an explanation of one industry's feeling of social responsibility to urban housing.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOCIAL RESPONSIBILITY AND URBAN HOUSING

(By John S. Pillsbury, Jr., Chairman, Life Insurance Association of America)

I consider it a distinct honor to be invited to speak today to this important audience. It was a particular pleasure, also, to have the invitation issued to me by your still relatively new executive vice president, John deLaittre. He and I grew up as lifelong friends in Minneapolis, and I served—and still serve—as a trustee of the Farmers & Mechanics Savings Bank, of which he was president. He was a good citizen of our community by any standard one might apply and we were sorry to see him leave.

But our loss is your gain, and, as I said, it is an honor and a matter of real pride to be with John on this platform where he now appears as a leading spokesman for your great industry and I, in turn, have the privilege to speak—not just for my own company—but for our industry on our reaction and response to a serious national problem—the blight and discontent which exist so extensively in the older poverty-stricken areas of our urban centers.

The life insurance industry has, of course, been a leading investor in residential mortgages. Life insurance company holdings of residential mortgages—currently mostly being made in guaranteed and insured loans—represent about $1 out of every $6 of total residential mortgages outstanding. The bigger part of these holdings is in one- to four-family homes, but the companies' acquisitions of loans on multi-family residences have grown in importance in recent years. Out of our industry's total assets, almost $1 out of every $4 is invested in mortgages of this type, with the total amounting to $40 billion as of the end of 1966. Of this figure, over $16 billion was added, net, to the residential mortgage portfolio during the past ten years. To reach this net addition, life companies had to acquire loans totaling $48 billion in the past decade, or an average of almost $5 billion in new mortgage loans each year.

Life insurance companies are also major investors in commercial mortgages on such diverse facilities as hotels, office buildings, nursing homes, supermarkets, warehouse facilities, and medical clinics, just to mention a few. I believe my own company has about as wide a range of investments in commercial mortgages as any company in the industry. Life insurance company holdings of commercial mortgages as of the end of 1966 stood at $19 billion, or nearly 12 percent of total assets. With respect to commercial and industrial mortgages, life insurance companies represent the single largest investor in these instruments. Their holdings account for about one-third of total commercial and industrial mortgages outstanding. This type of investment helps to provide the plants for jobs and essential services for our expanding population.

I cite these figures both to point up the breadth of our mortgage investment policy and, more importantly, to illustrate the vast involvement of the life insurance industry in the housing field, whether expressed in absolute dollar holdings, as a percentage of their total portfolio, or as a share of the total market.

But, unfortunately, despite this enormous flow of savings in housing, the housing sector has shown up the poorest growth performance of any segment of the national economy for a number of years. Let's review some data to see just how housing has fared compared to the rest of the economy.

By the end of this month the current economic expansion will be 81 months old. This sets a new record, surpassing even the 80-month wartime expansion from mid-1938 to February 1945. Impressive too is the vigor of the present expansion. Total output has increased at an average annual pace of 4.6 percent, after taking out price increases. As compared with the long-run growth rate of 3 percent, from 1900 to 1960, the advance of real output over these past seven years can truly be called extraordinary.

The contrast of housing with the overall economy is dramatic. Housing expenditures have not grown at all. Residential construction expenditures are now running at about $23 billion on an annual basis. True, this doesn't look too bad in absolute figures. But when adjusted for the rise in prices, we are spending less than we did in 1949. The contribution that the growth of housing has made to the 4.6 percent expansion in GNP these past seven years is exactly nothing. Expressed as a share of GNP, housing now represented less than $3 out of every $100 of gross national product.

There is another point that deserves our attention. The fast pace of economic growth has brought with it in the last two years serious inflationary pressures, and this has compounded the problem of housing, particularly for the lowest income groups. Land, labor, and cost of construction materials have moved up very rapidly, at a much faster pace than the rise in the average level of prices. Those with low incomes have found it increasingly difficult to obtain adequate housing. Indeed, many more will be priced out of the housing market unless the trend of the last seven years can be halted or reversed. A virtual zero rate of growth of housing expenditures, coupled with a sharp rise in housing costs, cannot go on much longer without greatly compounding the many already serious economic and social problems.

Our cities face problems that go far beyond those of housing: population congestion, racial strife, air pollution, transportation, schools, and jobs. Minority groups which have migrated to the city are often untrained, uneducated, and unemployed. They are not prepared for urban living. Taken in combination, these problems, plus the many unfulfilled and frequently unfulfillable promises made too often by community leaders, city officials, and politicians, have resulted in resentment, cynicism, frustration, and disillusionment.

These problems that today beset our cities are of direct concern to life insurance companies. I have already noted our heavy investments in housing and income-producing properties, many located in or near large metropolitan areas. More important, a large majority of our policyholders live in metropolitan areas. It is no wonder, then that life insurance managements should be and are concerned about the quality of life in our cities. We recognize it as not merely a social problem or a government problem; it is a business problem that calls for business-like solutions. We have a necessary interest in taking special steps to help solve these urban problems.

To make any headway in solving these problems requires enormous resources. Government alone cannot be expected to solve them—the job is too big. The erosion of the tax base resulting directly and indirectly from the extreme poverty of those who need assistance itself imposes serious limitations, and even if government could provide solutions, those imposed by it might not always be acceptable to the community. Effective solutions, therefore, will require the efforts of all of us, particularly of the business community, to a degree far beyond its usual contribution. It is too serious a problem and too costly to take a business-as-usual approach, and that is why in the last year we in the life insurance industry have devoted a great deal of study to it and especially to the question of how, with our particular experience and resources, we can make a most significant contribution to its solution. The most promising area appeared to be housing, so that I would like to talk about this for a moment.

The great bulk of life insurance company investments in urban finance has been to those—individuals and business—who have sufficient incomes to service their debts. At the same time, life companies have made substantial investments in the central city areas, including urban renewal and slum areas. In many cities across the country, from Boston to San Francisco, the companies have invested in urban reconstruction and rehabilitation of housing in slum areas, sometimes without the direct participation of government. Some of the giant life insurance companies have taken a direct lead in housing developments, both sponsoring and creating large-scale projects in major cities. And many others as well, both large and small, have participated in urban redevelopment and housing programs. My own company, for example, erected its new home office building in the redevelopment of a "skid row" area and helped to finance other additional new construction in the same area. And only recently we have committed to participate in an urban redevelopment project near our University of Minnesota campus.

In addition to these investments in both urban housing and urban commercial properties, life insurance company officers have frequently participated in community organizations to make available their special skills in urban finance. One of my principal civic responsibilities at the moment, for example, is the presidency of a Community Development Corporation whose mission is to promote and coordinate the orderly development of a large, old and run down area of our community encompassing our state university campus and a number of other educational and health-care institutions.

It is perhaps not surprising, therefore, that when our industry decided to do something about the urban problem it should take the form of the commitment—about which I am sure all of you have already heard—to divert $1 billion of our industry's investable funds into improving housing conditions in the central city core area and financing job creating enterprises there.

The program dates back to last May, when the executive committee of the Institute of Life Insurance recommended to the life insurance business that it should assume a larger role in seeking solutions to the serious problems confronting our urban areas. The governing bodies of the Life Insurance Association of America and the American Life Convention thereupon appointed a joint committee on urban problems comprised of chief executives of eight companies. It was this committee which, after a number of meetings and consultation with government agencies, worked out the program which was announced to the President at a White House conference on September 13.

The knowledge and experience of our companies in housing and commercial investments was a compelling reason for this emphasis, as I have already hinted. The companies were convinced that they could make their greatest contribution in these two areas.

Although the $1 billion program has received a good deal of publicity, there are, as you can imagine, a number of matters that still need to be worked out, and our committee on urban problems has already appointed an advisory subcommittee made up of investment officers from representative participating companies to help develop guidelines for the implementation of the program. In addition, a central clearing house has been established by the committee under the direction of Mr. Kenneth Wright, the chief economist of the Life Insurance Association of America in New York, to which participating companies will report loan commitments for investments falling within the standards of the industry's urban program. This clearing house is also expected to serve as a collection point for project applications which are not directed toward any individual company, which will then be referred to participating companies under the guidelines to be developed.

There are also a number of other questions about the program which, I am sure, are of interest to you and also of considerable concern. Let me spend a few minutes to try to anticipate some of these in question and answer form.

Question. What kind of projects specifically will the companies invest in?

Answer. Specifically, investments will be made in projects that will produce low-income housing and finance job-creating enterprises in our slum areas. This would include single- and multi-family housing, financed either through existing federal insurance programs or through state and local development authorities. Low-income housing projects outside the core city can qualify provided they are primarily designed for the benefit of the population of the core city. To the extent possible, investments in commercial enterprises will be directed to those that will provide jobs for the city poor. These investments would be located where these people live, whenever possible. Beyond that, further studies are being made by the industry's committee on urban problems to see what other opportunities are available where our business can be effective.

Question. Aren't we endangering policyholder funds by risking them in these areas?

Answer. Appropriate measures will be undertaken to safeguard policyholder funds. The measures will differ in many of these investment situations, but generally the companies will be making use of existing federal programs which insure capital where risks are higher than normal. This will permit the companies to provide loans at interest rates that are no higher than prevailing market rates on investments on mortgage properties under normal practices.

Question. What was behind the $1 billion program?

Answer. As noted previously, most of our policyholders live in cities and are dependent upon the strength of our cities. In addition, the bulk of policyholder funds are invested there. As businessmen, we are concerned with the quality of their lives, the safety of their livelihoods, and the security of these investments. In addition, as thoughtful citizens of our country, we are mindful of the critical nature of the problems of our urban areas as they affect the long-term well being of our country—socially, economically, and politically—and we feel an obligation to devote a substantial measure of our special capabilities to the solution of these problems.

Question. Why haven't life insurance companies done something like this before?

Answer. As I remarked earlier, life insurance companies have invested in projects under urban redevelopment programs for many years. But the companies reached the conclusion that additional efforts must be specifically directed to the poorer areas of the community, where, particularly under current money conditions, capital does not normally flow in sufficient quantities to be effective.

Question. How is the $1 billion being subscribed?

Answer. The companies participating in the program have agreed to respond on a pro rata basis according to assets—up to 1 percent of assets, which, on the basis of the companies already committed, will definitely underwrite the full commitment.

Question. Will this money be pooled?

Answer. For the most part, no. Each company will make investments under the program through its own investment department. The test of a project counting toward a company's pledge is that it would not ordinarily have been financed under normal business practices because of location or risk. After clearance with necessary governmental authorities, pooling arrangements may be set up to encourage and permit participation by small companies or to permit the spreading of risk.

Question. Will the companies be originating and servicing the loans under the $1 billion program? What is the role of the mortgage banker?

Answer. In some instances loans under the program will be developed and serviced directly by the companies themselves. But many of the loans will require the active participation of the mortgage bankers. We need you to help us search out the very loans that we typically would not make because of high risk or location. We need you to advise us in this new area as to a host of problems that will inevitably arise in both the origination and the continued management of these loans. We need you to service these loans, loans that may well entail additional record keeping and collection expense. Participating companies have been urged to inform their loan correspondents or regional lending offices throughout the country that they are now willing to receive loan applications under the program which have not ordinarily been considered under normal investment practices. In summary, we are going to need the mortgage bankers to help make this program work.

Question. Which life insurance companies are participating in the $1 billion urban program?

Answer. Among the companies that are joining in this effort, some have already indicated a full commitment to the program while others will be presenting the plan for final approval of their boards of directors very shortly. We know already that more than 90 percent of the business by asset size will be represented when a complete list of participants is published, which hopefully will be before the end of this month.

Question. What steps have been taken since the program was first announced?

Answer. We are trying to work through existing government programs wherever possible, to avoid the delays that would result under new schemes requiring new legislation. One such program is the FHA 221(d)(3) housing section with insured loans at the market rate, combined with rent supplements for low-income groups. Where such projects are designed to relieve urban slum conditions, the life companies have worked out a plan with Secretary Weaver to take over FNMA commitments and thereby release funds immediately for further investment in urban housing projects, and a backlog of $38 million is already under review. As of this time, we have indicated a willingness to commit for $7.7 million in such loans, and we are well advanced on our examination of additional loans of this type. Individual companies have also started to work on projects in their own communities, and we will hear more of this in the weeks ahead.

Let me re-emphasize that this enormous undertaking by the life insurance business is going to require the cooperation and support of the mortgage banking fraternity. You have already been active in the financial development of 221(d)(3) loans at the local level and other projects of this type. Through your correspondent relationships with the life insurance business, this new emphasis on urban housing investments will generate additional opportunities for origination and servicing of such loans.

And here, let me digress briefly to some other areas in which a strong community of interest exists between the mortgage banking fraternity and the life insurance business.

One problem is the host of interest rate ceilings, fixed by law or by regulation, which have a critical influence on the flows of mortgage funds available for housing. These ceilings, whether state limits on mortgage interest rates or FHA–VA contract ceilings on mortgages, divert funds away from housing during periods of credit restraint. We have a common interest in seeing that such ceilings do not defeat their own purpose by harming those they pretend to protect, and in keeping them flexible and realistic rather than rigid and arbitrary.

We have learned together some harsh lessons on the effects that monetary and fiscal policies can have on the housing field. Inflationary pressures on the economy can lift the price of housing beyond the incomes of many thousands of families. If interest rates are pushed higher by excessive federal borrowing in 1967, credit available to the mortgage market could shrink drastically. These are two of the reasons that the life insurance business has gone on record before the House Ways and Means Committee in support of a temporary income tax surcharge to restrain inflation and reduce upward pressures on long-term interest rates.

As a final illustration of the problems we can solve by working together, many of you are undoubtedly aware of the techniques that have been developed for collateral trust notes issued by mortgage bankers to life insurance companies and other lenders against a pool of FHA and VA mortgages. While there are legal obstacles in some jurisdictions, major breakthroughs in this area have taken place in the past few months, and it is safe to predict that expansion and adaptations of this approach can and will be developed to the mutual benefit of life companies and mortgage bankers.

I entitled my speech "Social Responsibility and Urban Housing" and I want to end on that note. We in the life insurance business are deeply aware that the growth and vitality of our nation—and of our industry within it—depends upon a healthy economic and social climate. We know that if this is to be achieved, the burden of so doing—and the opportunity—must be shared by business and government.

By our $1 billion urban problems commitment, we feel that we have accepted a substantial measure of social responsibility in an area where we have special competence and resources. We can do more, and so can all business—including your business. We invite you to join us in this cooperative effort with government, both where you can help us specifically with our program, and elsewhere.

LETTERS FROM JOHN M. BAILEY, CHAIRMAN, DEMOCRATIC NATIONAL COMMITTEE, TO SENATOR CURTIS

Mr. CURTIS. Mr. President, I ask unanimous consent to have printed in the RECORD three letters I received from John M. Bailey, chairman of the Democratic National Committee, and my replies thereto.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

DEMOCRATIC NATIONAL COMMITTEE,
Washington, D.C., February 28, 1967.
Senator and Mrs. CARL T. CURTIS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR AND MRS. CURTIS: Will you back your political beliefs with money?

Fifteen weeks ago, when some great Democratic candidates went down to defeat, some of your more deeply-felt political beliefs were probably beaten down, too. Many people whose candidate did not win were shaken by that loss. Some, who had devoted much effort to the campaign, still feel it quite personally.

You cannot alter the verdict of the November elections of 1966, but you can do something, starting now, to begin setting matters right.

You surely know that a key part in any political battle is played by the countless citizens who work for the candidate they believe in . . . and for the party they believe in.

If the Curtis name was among the Democratic supporters last November, I offer you our thanks. Your help contributes to the good health of our country's political system, for public-spirited support is the very life blood of our party organization.

That is why the Democratic Party needs your support now, to strengthen its activities at a time when the opposition (which outspent us nationally $7 to $4) would like to surge into the lead. We cannot draw on the "wealth in depth" that is available to the GOP. Instead, we must ask for a few dollars from the many—from sensitive, loyal Americans like you.

If you believe in the Party of the People, you can support its ideals by enrolling as a Sustaining Member now. Please mail your contribution today in the enclosed pre-addressed envelope. Your gift will strengthen the voice of the Democratic Party. If that's where your political beliefs lie, U.S. Sen. and Mrs. Curtis, I hope you'll back them now.

Sincerely,

JOHN M. BAILEY,
Chairman.

MARCH 3, 1967.

Mr. JOHN M. BAILEY,
Chairman, Democratic National Committee,
Washington, D.C.

DEAR MR. BAILEY: I have your letter of February 28. It was most thoughtful of you to write me. I appreciate your compliment about the help I have given "to the good health of our country's political system".

However, your argument that a financial donation to the Democratic Party would contribute further to the country's good does not convince me. I certainly wouldn't want to alter the verdict of the November, 1966, election or the trend it started for the future.

I do not wish to close the door completely. If I were sure that money could remedy the ills of the Democratic Party, I would not only make a financial contribution but I know thousands of other citizens who would. But you would have to agree in advance to accept my recommendations for changes in the party's philosophy and approach to problems. Since you are not likely to do this, I must decline your request.

Yours truly,

CARL T. CURTIS.

P.S.—Mrs. Curtis does not want to give you any money either.

DEMOCRATIC NATIONAL COMMITTEE,
Washington, D.C., March 13, 1967.
Hon. CARL T. CURTIS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CURTIS: Thank you for your good-humored letter of March 3.

How your name appeared on our list, we do not know, but I would agree with you that it was a mistake for us to solicit you for funds. We do appreciate your letting us know of our error.

Please be assured we will see that your name is removed from our file.

Sincerely,

JOHN M. BAILEY.

THE DEMOCRATIC NATIONAL COMMITTEE,
Washington, D.C., December 7, 1967.
Senator and Mrs. CARL T. CURTIS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR AND MRS. CURTIS: As an American citizen you know how vital it is to keep our country free and to protect our democracy and our democratic way of life.

Ours is a land of free people who cherish their liberty and their equality. In our history, men have fought and died to protect these precious rights, and today you and I benefit from that heritage.

But if you and I now enjoy the rights and privileges of citizenship, we must carry the responsibilities too.

It's our duty—and it's the American way—to join in helping to run our government—by participating in our political life, by registering to vote, by voting on election day and by supporting the political party of our choice.

The Democratic Party includes Americans from all walks of life who want to help our country grow and prosper. And we're proud that we have accomplished so much for our people in spite of the negativism and the opposition of the "other" party. We'd be proud to count your name, US Sen & Mrs. Curtis, among our supporters.

Won't you make the decision now to take out a Participating Membership in the Democratic Party. Just send your contribution of $10—or as much as you feel you can afford—but please do it today.

Your gift will assist your country, our democratic way of life, the Democratic Party—and also your family and friends in Washington, D.C., and across the country.

Thank you!

JOHN M. BAILEY,
Chairman.

DECEMBER 15, 1967.

Chairman JOHN M. BAILEY,
Democratic National Committee,
Washington, D.C.

DEAR CHAIRMAN BAILEY: On February 28, 1967, you wrote a letter to me and to Mrs. Curtis asking us to contribute to the Democratic Party. On March 3rd I acknowledged your letter but declined to contribute because I could see no way that such a contribution would help our country. On March 13, 1967, you acknowledged my letter. Now I have another letter dated December 7, 1967, addressed to Mrs. Curtis and to me, once more asking us to contribute to the Democratic National Committee.

Now I can understand how the country is in such a mess. Inflation is rampant. We have riots and civil disorders. Crime is on the increase. We are at war for the fourth time in this century. The national debt is at an all-time high. Why don't you use your good offices to interest the Democratic Party in the welfare of the country? The country can't afford a Democratic Administration much longer.

This year the interest on the national debt amounted to 14.2 billion dollars. This 14.2 billion dollars exceeds the grand total of expenditures for the year for all veterans' benefits and services, highways, including the Interstate System, the Hill-Burton hospital construction program, the civil works program of the Army Engineers, the entire cost of the Bureau of Reclamation, and the entire cost of running the Congress and the Federal Courts.

What happened to all your Party's pious promises about peace in 1964? General Maxwell Taylor says that we became committed for our huge land war in Vietnam in early 1965. Is it true that you were planning that at the time the campaign was going on? Can you offer any hope to the country that crime will not continue to increase? What on earth is the Democratic Party doing with all the billions that they are collecting in taxes and borrowing from our people? You certainly haven't solved any problems because the administrators of all these programs continue to magnify the problems shout for more billions.

It would be amusing to think that the mailing list of the Democratic National Committee was run with the same degree of accuracy as the Johnson Administration is running the country. However, it isn't amusing because our country and its future are suffering. I must decline once more to contribute. Mrs. Curtis joins me in this.

Sincerely yours,

CARL T. CURTIS.

ADDRESS BY SENATOR DOMINICK BEFORE UNITED BUSINESS SCHOOLS ASSOCIATION, LAS VEGAS, NEV.

Mr. PEARSON. Mr. President, on October 21, 1967, the distinguished junior Senator from Colorado [Mr. DOMINICK] delivered an excellent address before the annual meeting of the United Business Schools Association in Las Vegas, Nev. His discussion of the "Challenges We Face" and the role of the business school in expanding the individual citizen's opportunities to participate in seeking solutions to the problems that confront us nationwide are worthy of the attention of the other Members of this body.

I ask unanimous consent that Senator DOMINICK's address be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

CHALLENGES WE FACE

(Speech for the United Business School Association, by Senator PETER H. DOMINICK, October 21, 1967, Las Vegas, Nev.)

I have given a great deal of thought to this meeting with you tonight. For I am very impressed with your record of more than half a century of service to the public, to government and to industry.

It seems appropriate to me to review some of the high-lights and trends of the past and try to project these trends into the future. I would say at the outset that it is perfectly obvious that we are all optimists. Otherwise we would not be here in Las Vegas.

When most of us came upon the scene, government influence upon our lives was at a minimum. The income tax was negligible. Our childhood was spent in the Roaring 20's with flapper skirts, the Charleston, and F. Scott Fitzgerald morals all around us. The bubbling stock market offered prosperity for all who wanted to risk a chance. Individualism and free expression of spirit were the dominant scenes of the times. The racoon coat was the badge of the college boy and our typewriters by comparison with todays' streamlined models had some resemblance to a Rube Goldberg contraption.

Then came the depression—a world-wide disaster. Everywhere it seemed citizens were selling apples on street corners to stay alive and "brother can you spare a dime" was more than just a song title. Business schools suffered along with business.

The course of government changed almost overnight. A new concept of responsibility emerged. The blame for a great deal of the tragedy was placed on individualism and a new philosophy of government control of business and governmental responsibility for individuals swept the country.

Viewed in retrospect, it was probably needed—needed to provide a sense of collective security when hard work, education and individual initiative were just not enough. Governments throughout the world grew more and more centralized, spawning Hitler, Mussolini and other military dictatorships.

More and more power flowed into Washington. The NRA, WPA, PWA, the NYA and CCC camps came into being. Other brave new programs were introduced with a flourish and some died with a whimper. Some died at the hands of the Supreme Court, and the book "The Nine Old Men" became a best seller.

Then came World War II and the need to mobilize our entire energies as a nation. We had wage controls, price controls, rent controls, rationing, travel restrictions, and all the bindings which bound the individual into a cog in an enormous governmental wheel.

The war defeated the dictatorships of the right but strengthened the dictatorships of the left. The patterns of thought generated by that generation and a half been hard to discard. But now, more than 50% of the people of this country do not remember World War II and more than 35% were not born until after World War II ended.

Meanwhile, however, as the country grew in population its material capacity and educational processes expanded. But expansion was held within carefully contoured channels by the continued governmental direction of our lives. But, slowly at first but ever increasingly, our young men and young women began questioning, wondering whether it was necessarily true that all experts lived in Washington. They began wondering whether individual rights were being trampled, and wondering whether individualism any longer had a right of expression. These concerns in many cases were expanded into action and a new philosophy evolved—one which said society is wrong and the individual is right.

Then the libertarian philosophies of Dr. Spock's writings came into flower and the pendulum had swung hard and fast—long hair for men, short skirts for women. Sit-ins, be-ins, and love-ins became the fashion of the day. Short skirts, beards and long hair became some of the visible signs of the discontent of our young people with the restraints built into our system of living.

Taxes have continued to rise as new national programs have been developed by Washington. Less authority and less responsibility are being left to the local areas and to the individual citizen.

Today we see many major crises between these two concepts of collective security in pre-arranged patterns and individualism. Such crises seem to be everywhere. We are fighting a war which isn't called a war and we are drafting men to fight in that war which they are not permitted to win. We seem preoccupied with protecting the criminal and not society—burning cities instead of rebuilding them. And we have negro segregationists instead of negro integrationists. These all are problems involving this fundamental conflict between centralization and the search for individual expression.

What does the future hold for us as a nation? Where will we likely be 20 years from now? Will we still be a nation? I to am an optimist and I think the answer to that question is a resounding yes.

Recognizing the conflict is not too difficult. Remedying the situation is far more complicated. But many of us are trying—seeking means to balance individual responsibility, creativity, and the right of self-expression against the enormous power of centralized government. Education is our real key to success. Many programs have been proposed and others will be adopted.

One such program which I have long advocated would provide a credit against the individual income tax for the cost of tuition, fees and books at an institution of higher learning, including business schools and colleges such as yours.

This bill would permit such student to use a portion of his own gross income to further his own education. It would leave freedom of choice of the institution to an individual and it would provide an incentive for people to donate scholarships for others.

By combining the concept of individual freedom of choice and individual responsibility with a national policy to further higher education, we are trying to achieve a balance between the two conflicting trends in our society. Through a federally initiated program to provide the security of higher education opportunities, the emphasis is placed on encouraging individual responsibility to provide his or her own earnings where possible and on retaining individual freedom to choose the type of education the student desires.

Earlier this spring we brought this proposal to a vote on the Senate floor as an amendment to the bill restoring the Investment Tax Credit.

Against strenuous Administration opposition we succeeded by a vote of 53 to 26. However, in later action the bill was stripped of all amendments including our Tuition Tax Credit amendment. I think it is only a matter of time before we shall be able to bring this matter before the Senate again and this time see it enacted.

Using the same tax incentive technique we have also proposed the Human Investment Act—an Act designed to permit businesses to conduct retraining courses for the undertrained and under-educated so that they may become productive citizens instead of discontented unemployed individuals. This Act would permit freedom of choice of job opportunity and guarantee the security of a job if the individual satisfactorily completes his training course. It too would be financed by a tax credit to those businesses engaging in the program and would replace the relatively useless and very expensive Job Corps camps.

Many of the businesses who would participate under this program would very likely utilize your schools in a manner similar to present under-contract training which you provide in carrying out various federal programs such as the Manpower Development and Training Act, Vocational Rehabilitation, Indian Adult Vocational Education, Government Employees Training Program and Veterans Vocational Rehabilitation. You are to be congratulated for the contributions you have made to the success of these programs, and, as you know, there are provisions in the presently proposed Social Security Act Amendments of 1967 under which you would further your participation in the community work training programs provided thereunder.

There are other proposals in this Congress which will be of interest to you. I am hopeful that there will be amendments adopted to the National Defense Education Act Student Loan Program to include needy students in accredited business schools. This is the one remaining program which does not make its benefits available to students in your schools. There is also a possibility that the work study program in Sections 435 and 437 of the Higher Education Act will be amended to permit students enrolled in accredited business schools to join in the work-study program where the work they do would be carried out in a non-profit institution such as a hospital for example.

We could discuss a number of other programs and proposals, but in all of the programs which I have mentioned and in all of the proposed legislation which I have just discussed there is one common factor—they all have a common goal of training and equipping people for jobs. And that is exactly what you and your schools are primarily concerned with. Those of us who are weary of the concept that all good things flow from Washington instead of from God are searching for the means and mechanisms to provide collective security in the national sense without placing an individual in hardened channels where individual creativity and expression are doomed. I think you and your association are headed in the right direction. I can think of no better illustration than the example of your own Accrediting Commission for Business Schools which you founded in 1953 and into which you have poured well over half a million dollars—not one cent of which has come from the Federal government or from any Foundation grant. Proof of the acceptance and value placed upon this commission is evident in the fact that the commission was designated by the U.S. Office of Education as a nationally recognized accrediting agency.

It has been said with the greatest validity that the most important capital that any nation possesses is in the skills which its people carry around in their heads. This we must not lose sight of as we approach the decades of the 70's and the 80's.

For as surely as the sun follows the darkness recognition of our problems and development of solutions will depend upon the brain power and initiative of our young people and upon the skills and job opportunities which we can provide them. And we need to equip our young people to participate not only in business but in government at all levels. People at all levels of the economic ladder have a common desire to participate in the great advances we are making and in the good life which we can create. They are not satisfied to be spectators—they want to have the opportunity to be a part of it. And we should provide that opportunity.

We need more training to participate. How many of you have voiced your thoughts to the members of your city Council? How many times have you written to the members of your State Legislature? I would venture a guess that you will find that a surprisingly small number of your students have written such letters.

I would urge that you try this as an experiment. Give your students a list of current topics of interest before your State Legislature. Ask each of them to type a letter to the State Legislator from your area. Do not try to discuss more than one topic in the letter. Try to be concise and indicate by the wording in the letter that a great amount of thought has gone into the writing of the letter. I think you and your students will derive worthwhile benefits from this project.

We have a wealth of talent waiting to be developed. Keen and eager minds needing only direction to tackle the problems of the future. You are doing an excellent job in bringing more than a quarter million of our people into the business world each year and I commend you for it. Let's keep up the good work.

DEATH OF PERRY F. SIMMS

Mr. DIRKSEN. Mr. President, it is with deep regret that I announce the death of a faithful employee of the Senate, Perry F. Simms, on Wednesday, December 13. Senators will remember that Perry faithfully served us all in the private lavatory just off the Senate Chamber.

He first joined the Senate staff as a skilled laborer on November 16, 1960, and during his service with the Senate endeared himself to all who came in contact with him. Faithful, friendly, and conscientious, he was the friend of all.

Our sympathy goes to his widow, Wilhelmina, to his mother, and to his sisters and brothers.

THE ACTIVITIES OF PRESIDENT CHARLES DE GAULLE

Mr. HART. Mr. President, many Americans have been distressed by the recent statements and activities of France's President Charles de Gaulle.

Recently, I was interested to note that the distinguished junior Senator from Indiana [Mr. Bayh], upon returning from a European trip, severely criticized President de Gaulle and proposed that the United States should take decisive action to counteract French pressure on the American dollar.

Senator Bayh's remarks have received wide acclaim. A good example of this widespread approval is the editorial which was published in the Michigan City, Ind., News Dispatch of December 8, 1967. The editorial is entitled "Bayh's Plain Talk." I commend it to the reading of Senators and ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Bayh's Plain Talk

Plain, blunt talk is sadly lacking in the super-polite, protocol-infested world of high-level diplomacy. Indiana's Sen. Birch Bayh broke the rules rather refreshingly the other day.

Returning from an European trip Bayh called a spade a spade, in spades! Specifically, he termed France's cantankerous President Charles DeGaulle a "despotic, demogogic egomaniac."

"I think a lot of Frenchmen are beginning to question the man's sanity," Bayh added bluntly. "If he can't run the show, he's going to wreck it."

Moreover, Bayh would match these strong words with equally strong deeds. If DeGaulle demands our gold, let us demand payment of France's long-forgotten $6.5 billion World War I debt. If DeGaulle bans American military flights over France, cut off French access to the U.S. early-warning system—vital to France's own defense.

Bayh's tough talk may cause diplomats to wince, but it poses a thoughtful question. Are the world's power-corrupt autocrats treated too gently?

Consider the great cost of a few. Despite rich resources, Sukarno impoverished Indonesia and almost gave it to Communism. Mao has the most populous nation on earth writhing in chaos. Nasser foments hatred and war in the Middle East. Castro keeps Cuba enslaved and exports disorder and violence. DeGaulle recklessly disrupts international finance and orderly world trade.

Yet the malicious mischief of these ego-sick national leaders has been tolerated by the rest of the world, although the consequences spread far and wide.

In this age of complex interdependence, no nation can long endure isolation by the rest of the world community. We quarantine people with dangerous diseases. Why not nations?

Maybe the cautious diplomatic world needs to be infused with more of Senator Bayh's brand of plainspoken Hoosier common sense.

MR. OTEPKA'S PUNISHMENT

Mr. WILLIAMS of Delaware. Mr. President, the December 12, 1967, issue of the Chicago Tribune contains an editorial entitled "The State Department Disgraces Itself." The editorial calls attention to the arrogant manner in which the Department has tried to punish Mr. Otepka for telling the truth to a congressional committee.

During his testimony, Mr. Otepka told the Senate committee of instances in which "quickie" clearances had been given to scores of departmental pets of dubious standing as security risks.

It is ironic to note that Department officials who testified before the Senate committee in rebuttal to Mr. Otepka's accusations later admitted that their testimony was not true. It now appears that those Department officials who refused to cooperate with a congressional committee have been complimented, while Mr. Otepka, whose only crime was telling the truth, has been reprimanded.

I hope that at the next session of the Congress Mr. Otepka's status as a Government official will be reinstated by congressional action. Mr. Otepka was a Government employee who put his duty to his country above his duty to his superior, and he should be commended rather than reprimanded.

I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The State Department Disgraces Itself

Secretary of State Rusk has gone thru the motion of trying to disgrace Otto F. Otepka, former chief of the evaluations division of the state department's office of security. Rusk demoted, reassigned, and "severely reprimanded" Otepka, who is now to be a management analyst [whatever that may be, for there is no visible management in the state department] at a reduction in salary of $3,000 a year.

Fifty months ago Rusk did not set out to spank Otepka or penalize him. He announced Otepka was fired. The secretary's present orders, retracting the dismissal, show how feeble the department's case always was. Rusk has done just enough to save face and get himself off the hook, but he implicitly confesses that there was no sufficient cause to accomplish what he wanted to do—get rid of Otepka once and for all.

It is not Otepka who has been disgraced by these star chamber proceedings; it is the state department. That department persecuted with a ferocity unparalleled in bureaucratic in-fighting a public servant who holds that same department's meritorious service award. Otepka has been in government service for 31 years. For 10 of those years he had been the man to give security clearances to state department employees.

He was originally ordered dismissed in 1963 on charges of conduct "unbecoming a state department officer." What was his offense? It was that he testified candidly and truthfully before the Senate internal security subcommittee when it began investigating lax loyalty and security standards in the selection and assignment of state department officers.

Otepka was specifically accused of transmitting to the subcommittee documents and other classified information, in asserted violation of a Presidential directive barring executive department employees from giving official papers to Congress. But Congress itself had written into the United States code a provision stating that it was not only the right but the duty of federal employees to furnish information to any member or any committee of either the Senate or the House, and that this right and duty were "not to be denied or interfered with."

Chairman Eastland of the Senate subcommittee said, when Otepka came under fire, "The powers of Congress are at stake, and I intend to protect Mr. Otepka by every means at my command against allegations which complain, in effect, that he told the truth when asked to do so by a Senate subcommittee."

It is now up to the Senate to show whether it will fight executive arrogance. It has assembled a score of volumes of testimony showing that Otepka tried to do his patriotic duty in separating the wrong guys from the right ones seeking employment and assignment by the department. Instead, he found his recommendations ignored. The wrong guys were posted to handle the sensitive diplomacy of the United States, while the right one—Mr. Otepka—found himself out of a job.

The testimony is a catalog of scandals—of efforts by the department to get "quickie" clearances for hundreds of departmental pets of dubious standing as security risks. Of backstage efforts, also, to clear the way for a number of proven security risks, including Alger Hiss, the convicted soviet agent and perjurer, to worm their way back onto the department's payroll. When Otepka complained, his office telephone was bugged, and three department officials were caught lying under oath when questioned about it.

In the topsy-turvy world of the state department, the idea is to catch the cop and not the culprit. Otepka was "tried" in secret, for a public hearing would have exposed the curious values of the department, where the "members of the club," however dubious their reliability, are to be protected at all costs. Every citizen in the country should protest the outcome of this phony drumhead court martial.

FEDERAL ARCTIC RESEARCH

Mr. MANSFIELD. Mr. President, on behalf of the distinguished senior Senator from Alaska [Mr. Barlett], I ask unanimous consent to have printed in the Record a statement by him entitled "Federal Arctic Research."

There being no objection, the statement was ordered to be printed in the Record, as follows:

Federal Arctic Research

(Statement by Senator Bartlett)

The Federal Government is actively engaged in scientific research in the polar regions. In the Arctic as well as the Antarctic, we are spending millions of dollars in an effort to learn more about these two environments. However, our national effort in general leaves a lot to be desired. There is little public awareness of this effort, and whatever little awareness may exist, is not the result of any organized or systematic approach.

This deficiency has to be pointed up, and measures should be taken to improve this situation.

Let me start wih the South Pole. Although we have no single Federal agency specifically authorized to oversee our activities, the United States Antarctic Research Program has been directed by the Office of Antarctic Programs at the National Science Foundation. While the National Science Foundation manages the scientific program, the United States Navy provides the logistic support necessary to implement these programs. Although the absence of a single Federal organization points up the lack of a policy-making body, our relations with other nations in Antarctica have been properly maintained under the direction of the Department of State. The Department of State shoulders the responsibilites of adhering to, and implementing, the provisions of the Antarctic Treaty signed by more than twelve nations.

Thus if we wanted to know about our programs in the South Polar region, we can obtain the scientific information from the National Science Foundation, the logistic support information from the Navy's Operation Deep Freeze, and the policy-making information from the Department of State. This may not be the most satisfactory setup, but it works.

In the Arctic, on the other hand, not even the least satisfactory mechanism exists. We spend many more millions of dollars in the Arctic than we do in the Antarctic, and yet we do not have the simplest means of keeping track of our expenditure. We have no national goals, and we have nothing that even closely resembles a national program!

This cause for concern is what prompted me to ask the Legislative Reference Service of the Library of Congress to compile a report on all scientific resarch activities done by or for the Federal Government in the Arctic region. And after months of gathering the required information from the numerous agencies engaged in Arctic research, the Science Policy Research Division of LRS forwarded to me the report entitled "Federal Arctic Research."

The report was compiled by George A. Doumani, a Specialist in Science and Technology, a veteran of several Antarctic expeditions, and a recognized authority on polar research. This is the first report of its kind, comprising as many aspects as possible of Federal activities in the Arctic, such as description of projects, funding, organizational structure of the operating agencies, administration of the projects, research facilities and manpower, interagency coordination and cooperation, and formal or informal agreements for bilateral or multilateral international cooperation. It includes all unclassified subjects, military-oriented as well as civilian, and covers most of Alaska, Greenland and Iceland, and the adjacent seas and overlying upper atmosphere.

The report reveals an unconsolidated program scattered among no less than twenty-three agencies of the Federal Government. The degree of involvement of these agencies varies from one or two projects in one agency to over one hundred projects in another. The agencies participate in the form of logistic support activities, the actual conduct of scientific research, contract work performed by private organizations, financial support by grants and awards, the Federal Aid Program, and cooperative activities on reimbursable or transfer-of-funds basis.

The scientific programs represent a broad spectrum of disciplines, noticeably oriented toward the biological, atmospheric, and earth sciences. There was a time, during and immediately following World War II, when we realized how much we lacked in knowledge for military operations in the Arctic environment. As a result, the activities of the Department of Defense were oriented toward military goals and the ultimate application of basic research in the benefit of national defense.

Since most of our Arctic research has so far been dependent on the support of the Department of Defense, the result is obviously most discouraging to the professional researchers engaged in Arctic activities. And there is a nationwide concern over the fate of Arctic research projects in general.

A direct cause of this situation is the lack of funds. Although more money is expended in Arctic activities than in the Antarctic, the funds are appropriated to the projects as mere line items in the overall budgets of the individual agencies. About forty million dollars go into the Federal research program in the Arctic every year, and there is not one Government agency responsible for preparing an annual budget and securing appropriations to ensure the continuation of the research programs.

Similarly, the administration of these projects suffers from the same disjointed and uncoordinated state of affairs. No formal body exists for coordinating the Federal programs in the Arctic. In 1958, the National Academy of Sciences established the Committee on Polar Research which derives recommendations from panels of experts in each discipline. These recommendations are passed on to the National Science Foundation. Most of the Committee's activities have been confined to the Antarctic, and no coordination is exercised within its responsibilities; furthermore, the Committee is a non-Federal organization.

An informal body was recently organized under the name Interagency Arctic Working Group, to assess the total Federal effort and explore the possibilities of coordination on a national level. Not much has been accomplished by this group and, for all practical purposes, it has been inactive for more than two years.

The only formal office responsible for polar work is the Office of Antarctic programs of the National Science Foundation. Although this office has occasionally participated in Arctic activities, it is primarily concerned with directing the U.S. Antarctic Research Program, as its name implies.

Thus we are left without a formal agency to coordinate the activities and programs of the Federal Government in the Arctic.

Lack of cooperation on the higher levels of administration is also a problem.

Although formal coordination appears to be lacking, there is, however, some cooperation among the different agencies on the working level. The spirit of cooperation prevails mostly in the field, in cases where funds are transferred from one agency to another for the performance of a service, and in the availability of one agency's facilities for utilization by another.

On the working level, particularly in the field, individual investigators in Arctic research achieve and enjoy a comfortable amount of cooperation among themselves. Informal exchange of data, reprinted articles, and other scientific material, as accomplished completely through personal contact among researchers, unaided by formal government agreements. Published results are available through normal Government channels, but no formal mechanism is available for control, dissemination, and exchange of information, except those of the World Data Centers on the international scene. Information control for the Arctic researcher is maintained through the *Arctic Bibliography*, which is compiled by the Arctic Institute of North America and partially funded by Federal funds; and the *Bibliography on Snow, Ice and Frozen Ground*, which is compiled at the Library of Congress and is sponsored by the Army's Cold Regions Research and Engineering Laboratory in Hanover, New Hampshire. Both of these information tools leave much to be desired and suffer from lack of funds. Last year, the Army could not fully support its Bibliography at the Library of Congress, and had to be bailed out by supplemental funds from the Office of Antarctic Programs, National Science Foundation, another example of inadequate funding procedure.

On the international scene, cooperation in the actual conduct of research is minimal. Whereas Antarctic researchers enjoy the advantages and efficiency of the Antarctic Treaty, and the full cooperation among the countries signatory to this treaty, the Arctic researchers cannot boast such conveniences. It is true that there is a radical difference here between the two polar regions, but the presence of national interests around the Arctic regions makes doubly compelling the need to learn what the other nations are doing.

This, of course, does not mean that international cooperation is completely nonexistent. Among the numerous Arctic activities, cooperative fisheries research leads the rest in the extent of multinational endeavor. Bilateral and multilateral agreements exist between the United States and Canada, Japan, and the Soviet Union; and scientists and observers are exchanged on the cooperating nations' vessels. The United States and Canada cooperate in weather observations, and the Coast and Geodetic Survey's geomagnetic data are exchanged with a number of foreign observatories, and through the World Data Centers. The United States Coast Guard also performs a truly international function through its International Ice Patrol. Ships of many nations contribute information on iceberg sightings; Canada provides ice reconnaissance information, and 15 nations help pay for the Coast Guard effort.

In essence, the report on Federal Arctic Research reveals an appreciable number of scientific projects and research activities being conducted or sponsored by the Federal Government in the Arctic region. These activities suffer from lack of coordination, cooperation, and adequate funds, and can be considered as a national effort only in the loosest sense.

The situation is remarkably analogous to that which prevailed until recently in the field of oceanography. The oceanographic activities of the United States were haphazardly scattered among numerous agencies, and coordination, funding, administration, and other essential aspects of our national programs were in dire need of attention on the highest level. It was only at the initiative taken by Congress that attention was focused on this chaotic situation, and Congressional action culminated in the passage of the Marine Resources and Engineering Development Act of 1966 and the Sea Grant College and Program Act of the same year.

And now we are faced with a similar situation in Arctic research. Some may rightfully ask, "And what's in the Arctic for us?"

To this, my answer is "much, very much!" But the fact that we are unaware of it, goes further to augment my concern. Without going into great detail and illustrations, let me only state that in the Arctic we are separated from Russian territory by less than 2½ miles! And when I say "we" I do not mean only Alaska, but the United States of America! This alone should suffice.

It is true that most of our activities in the Arctic are almost entirely in Alaska. And it is only obvious that I should be most concerned about this situation. But let me hasten to add that the individual researchers and the various academic institutions involved in Arctic research are fairly distributed throughout our Nation. There is the Army's Cold Regions Research and Engineering Laboratory in New Hampshire, the Army's Natick Laboratories in Massachusetts, and other installations from Vicksburg, Mississippi, to Fort Huachuca, Arizona. And it may come as a surprise to the unfamiliar reader to see such states as Kansas, Texas, Alabama, Louisiana, and Hawaii, to name a few, engaged in Arctic-related research.

It is therefore in the national interest that our attention should be focused on the present chaotic situation in Arctic research. Clearly, we need a national policy. If we are to establish a national Arctic research effort keyed to the needs of the whole Nation, those Federal agencies that support and participate in such research need a mechanism to effect a high degree of cooperation, to establish a coordinated and coherent set of research undertakings, to formulate policies, and to prepare long-range plans and budgets.

Our experience with oceanography strongly suggests that Congressional interest and action are now needed for the Arctic. And it is to the appropriate form and content of this interest and action that I shall devote considerable attention during the coming year.

THE LAST HAND-CRANK TELEPHONE IN PENNSYLVANIA COMES DOWN

Mr. CLARK. Mr. President, the last magneto hand-crank telephone in Pennsylvania will come down from a farm home wall early in the new year. The first one went up around the turn of the century. The telephone's removal will mark, too, the beginning of the changeover from the old system to modern dial service by the Otto Telephone Co., of Duke Center, a borrower of the U.S. Department of Agriculture's Rural Electrification Administration. Approximately 80 percent of the 437 subscribers of the company will enjoy one-party service and the remaining 20 percent will have two-party service. Direct distance dialing will be available to all.

It is significant in this changeover that a loan from the REA, under its telephone loan program, will play a major role. REA loans have and continue to be an effective stimulus in telephone upgrading operations. In fact, the demand by rural people nationwide has been for more and improved telephone service. This is reflected in REA telephone loans for fiscal year 1967 which totaled about $110 million of which more than $71.5 million was for upgrading and other system improvements. The loans made during the year include provision for improved grades of service for 107,500 present subscribers.

Telephone communications for rural people in Pennsylvania have come a long way since REA made its first telephone loan in the State just 12 years ago. Since then, REA has approved more than $33 million in telephone loans to 26 Pennsylvania borrowers. These borrowers reported that by January 1, this year, they had placed in operation 78 automatic dial exchanges to serve better the needs of their rural subscribers.

Altogether, the Pennsylvania borrowers serve some 74,000 subscribers.

REA and its telephone borrowers have moved past their old target of eight-party rural service. Presently, the trend is toward a minimum provision of four-party rural telephone systems, with more and more all one-party systems emerging. The long-range objective of the REA telephone program is all single-party systems and the achievement of service and rates for rural people comparable to that enjoyed by urban people.

The telephone borrowers have made solid advances in improving the service for rural people but they are still far short of the objective of a parity of rates and service for rural people. This conversion to dial of the last magneto exchange in my State is a step toward fulfillment of that goal.

HOUSING DEVELOPMENT CORPORATION

Mr. MONDALE. Mr. President, the need for adequate, safe housing is one of the most critical facing our Nation. New approaches and techniques are necessary if we are to redress the present imbalance, providing decent homes not only to the middle class, but also for those of modest means. The Housing Development Corporation represents such an aggregation of novel ideas.

The Housing Development Corporation represents a new alliance for housing progress, including business and the community.

The Office of Economic Opportunity's housing program staff has led the way in assisting interested groups in developing their own variations on the Housing Development Corporation theme.

OEO-sponsored Housing Development Corporations have replaced the fragmented approach imposed by disjointed pieces of housing legislation with a comprehensive outlook, based on the total needs of the family, not only for brick and mortar, but for social services as well.

The corporation, through its technical assistance services, has enabled local civic, church and labor groups to wend their way through the mass of Federal regulations and apply successfully for FHA insurance necessary for establishing low-income housing ventures.

Mr. President, I ask unanimous consent to the insertion in the Record of the remarks of Michael J. Mazer, Deputy Director, Housing Programs, Office of Economic Opportunity, on OEO experience with the Housing Development Corporation.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

OEO AND THE HOUSING DEVELOPMENT CORPORATION

(Remarks by Michael J. Mazer, Deputy Director, Housing Programs, Office of Economic Opportunity, at the National Conference on Development Funds and Nonprofit Housing Development Corporations, sponsored by Urban America, Monday, November 21, 1967, Chicago, Ill.)

Housing development corporations have been the main feature of OEO's Community Action demonstration program in housing this past year. They represent a convergence of several different interests. In part they are an attempt to upgrade the capabilities of the nonprofit sponsor. In part, they are an attempt to create institutions which effectively advocate for poor people in the housing system. And in part they are an attempt to relate housing programs to other Community Action efforts as part of a coordinated attack on poverty.

Of these different strands, the problem of the nonprofit sponsor is the most obvious. Virtually all housing professionals agree that many of the problems facing the 221(d)(3), Rent Supplement, and 221(h) programs stem from the inability of many, if not most, nonprofit sponsors to deal with complex real estate issues. Well-intentioned and energetic though many of them are, nonprofit sponsors seldom have the expertise or the access to short-term capital which successful project development requires. Nor do they have the savvy necessary for effective operation in urban real estate markets.

This is not to say that the *only* problem is the nonprofit sponsor. An often reluctant FHA, with cautious underwriters and time-consuming procedures, clearly contributes to the difficulties these programs have in many areas. Nonetheless, we all spend too much time on that particular convenient whipping boy. It is only in the last year or so that we have given concerted attention to nonprofit sponsors and how to provide them with effective resources to deal with low and moderate income housing programs.

The housing development corporation is a way of aggregating resources for the nonprofit sponsor. It brings together the lawyers, architects, financial analysts, and real-estate and construction specialists needed to prepare applications for FHA and to shepherd them through the processing stages. With the right kind of men, it can provide the entrepreneurial drive which the private market has yet to supply for low-income housing. Equally important, it can aggregate capital in a revolving fund, that all-important seed money without which nothing can get started. By bringing together these human and financial resources, the development corporation becomes a new base of support for other institutions. Existing nonprofit groups—churches, labor unions, and civic associations—can draw on the corporation for talents which they are unable to muster themselves; and they in turn become the formal mortgagor entities.

Although technical assistance is a basic function of the development corporation, it is by no means its only purpose. If it were, other devices might be just as effective. Competent packagers, if sufficiently rewarded by a percentage of the final mortgage, could probably do the job. Non-profit sponsors could call on such assistance and pay for it when it succeeded. This is the way many housing projects for the elderly (under Section 202) receive their technical assistance; and I am sure that similar devices are periodically considered by FHA for their own programs.

OEO conceives of the development corporation in much broader terms than the provision of technical assistance. It sees this new institution as an advocate for poor people in the housing system. In most, and perhaps all, cities, the poor have no way of affecting housing policy. Local housing authorities speak to, not for, poor people. Boards of commissioners are appointed as part of local political processes. They do not, and were not intended, to represent poor people. Nor do local renewal agencies or local banks or local FHA offices. Community Action Agencies, by contrast, were created specifically to deal with poor people's problems in a coordinated and comprehensive way. They were created to represent poor people and their problems. Whatever their shortcomings. and I suspect we at OEO are more aware of them than even their most vigorous critics, I know of no other local agencies which are either more concerned about or more representative of poor people. We see the housing development corporation extending to a special purpose this general idea of Community Action. We see it pushing, prodding, and persuading other specialized housing agencies to deal more effectively with the housing problems of poor people. And we see it bringing together various community resources for a coherent attack on these housing problems.

These purposes can be served in several different ways. In every community there are potential resources for low-income housing development. Banks, labor unions, real estate firms and associations, lawyers, politicians, and construction firms all have contributions to make. They are seldom brought together in a single forum to discuss these problems, much less to act upon them. They are virtually never brought together with the poor people their contributions are intended to serve. We see the boards of directors of housing development corporations serving this purpose. We see them as diverse and representative bodies, creating new coalitions to give impetus to low-income housing programs. We see them speaking for, not to, poor people.

Similar purposes can be served at other levels. The disparate agencies which deal with low-income housing often have little or no contact with one another. Many simply do not know what the others are doing. The development corporation, focusing on the entire housing problem of poor people in its area, can do much to encourage coordination. It can suggest ways of using FHA and public housing programs together. It can relate housing development to code enforcement, urban renewal, and other programs of city agencies. More than that, it can play a direct role in cooperative efforts with other agencies, utilizing its specific skills to supplement their programs. In Philadelphia, for instance, the housing development corporation is acting as acquisition agent for many of the houses to be rehabilitated under the Philadelphia Housing Authority's massive used house program. Its flexibility will permit the housing authority to acquire many units more rapidly and less expensively than it could by itself, and in that way, make feasible a program which might otherwise have been unworkable.

Although we hope that much of the work

of development corporations will involve coordination rather than conflict, we realize that advocacy for the poor will sometimes lead to vigorous public disagreement with other public and private agencies. There can be no question about the legitimacy and importance of this role. In many places, housing agencies are no more responsive to poor people and their problems than other old-line agencies. At least one aspect of Community Action is persuasion of such agencies to operate in ways more responsive to and effective for poor people. If that involves public criticism and open conflict, we must accept it as a necessary part of the process of institutional change. At the same time, we must realize that long range results depend upon the cooperation of specialized housing agencies at all levels—local, State, and Federal—and that cooperation does not ordinarily follow swift kicks in the shin.

In the long run, we hope that the work of these corporations will encompass more than the development of housing. Perhaps the most important related area is housing management. Until quite recently most of the discussion of low-income housing concentrated on housing development: how many units could be built by whom at what cost. Within the last year, however, there has been increasing concern about the management of housing for poor people. Put more broadly, we are all suddenly more aware of feelings among poor people, and especially among poor black people, about their lack of control of the environment around them. These deeply hostile feelings clearly extend to housing. They are expressed constantly in vandalism and periodically in widespread destruction. If these feelings are to change, tenure and management patterns must change.

The most effective remedy is ownership. The response to Senator Percy's initiatives and the Senate housing subcommittee's bill indicate there is widespread support for programs to encourage ownership among poor people. We can probably expect legislation of this sort within the next year. Yet we all realize that it will take a very long time for such programs to reach large numbers of people. In the short run, we have to look for ways in which the management of housing is more responsive to poor people's needs and problems. We have to look for ways of giving poor people a say in the management of the housing they occupy. Devices like management committees, advisory bodies, and the employment of tenants by housing management firms all point in this direction. Corporations of tenants to manage their own housing is an even fuller and potentially much more effective step. Such an approach would put management fees in the tenants' pockets, and, more important, would allow them some meaningful measure of control over their houses.

The ability of corporations created for housing development to implement management programs will vary from situation to situation. Some corporations will themselves be sponsors and can create such management programs directly. Others can urge them upon nonprofit sponsors they have assisted, most of whom will have little idea of how to manage their newly acquired properties. Still others will be able to assist and encourage neighborhood groups which want to affect housing management but don't know how to proceed.

In addition to the need for new approaches to management, it is urgent that housing programs be linked to human services and community development. We think that housing development corporations, particularly if they are delegate agencies of Community Action Agencies, can do this. They can develop employment training programs that are part of their rehabilitation and new construction efforts, or they can relate to ongoing training programs of other agencies. They can use their leverage in the housing markets to help break down some of the barriers in the building trades unions. They can develop block organizations around their newly developed housing, or can assist the neighborhood programs of the Community Action Agency in doing so. Finally, they can use their housing programs to achieve related goals like open occupancy, either directly or through assistance of sponsors who wish to produce integrated housing.

With these many complex goals, how likely are development corporations to achieve their aims? For the central goal—the development of housing—we are confident that the corporations will do a good job. It is true that start-up problems, as in any institution-building, require an initial grace period for each of the corporations. Yet once they are well underway, the results are striking.

Take, for instance, the low-income housing development corporation in North Carolina. In the period between the inception of the 221(d)(3) program and the beginning of the corporation's work, only 380 units had been completed or begun in the entire State. Against this, the corporation set a relatively modest goal of 800 units in a period of roughly two and a half years. Now, after just a little more than a year of operation, that goal has been increased to a realistic minimum of 1800 units (worth $17,800,000) and a hopeful maximum of 3950 units (worth $40,325,000). If we take 1800 units as the expected outcome, a total OEO investment of $450,000 in administrative costs and revolving funds will have produced some 40 times its value in housing. The administrative costs themselves, some $200,000, are little more than 1% of the expected minimum value of housing to be produced. This represents to us the very small but necessary expenditure required to make other Federal programs work more effectively for poor people.

A secondary, but no less important, effect of the North Carolina corporation's work is widespread interest in these housing programs. The corporation's operations were initially limited to four medium-sized cities. But its early successes and effective staff work created interest elsewhere, among potential nonprofit sponsors, city officials, and the private sector. As a result, the corporation has now expanded its operations to the entire State. It has also begun to explore rural housing programs. These ripple effects are creating a broader base for effective housing programs throughout the State.

The Philadelphia Housing Development Corporation is another example of what we can expect once initial start-up problems are solved. Its first annual report, for 1966, lists some 850 units in process, worth approximately $10,000,000. These include the first new residential construction in recent memory in one ghetto neighborhood, a group of houses rehabilitated by the corporation and sold under 221(d)(2), the bulk of the houses financed under a special mortgage fund created for the ghetto by the city's four largest mutual savings banks, a number of 21(d)(3) projects by nonprofit sponsors, several houses rehabilitated by a neighborhood corporation, and one house rehabilitated by Armstrong Cork. This impressive mix of approaches has been augmented this year by the acquisition of properties needing minimal rehabilitation, a 221(h) program, several Rent Supplement commitments, and the corporation's participation as acquisition agent in the Philadelphia Housing Authority's 5000-unit used house program.

The Washington Housing Development Corporation, now about six months into operation, is developing a number of different projects. The most controversial, rehabilitation of 290 units in three large deteriorated buildings in the heart of the ghetto, is still under negotiations with FHA. Others include the development of 1100 new units in Northeast Washington, several hundred units outside the city in the metropolitan area, and a number of smaller parcels within the city.

On the basis of these and other experiences, we are understandably optimistic about the corporations' abilities to produce housing. At the moment, we can see two major problems for the future. The first, as always, is money. In some instances, we have been able to put up a small amount of money for a revolving fund. These were in our earlier grants, like North Carolina. It is now evident, as it has been for the last year, that OEO will be unable to do this on a regular basis. We simply do not have enough money. As a result, the corporations which we supported this last year received only administrative expenses from OEO, and, in some instances, a small amount of money for interest to start borrowing a revolving fund. In the future, given our funding situation, it is clear that OEO will be able to provide only administrative costs.

OEO-funded development corporations will thus have to raise revolving funds themselves. This will require active participation of the rest of the community. Money will have to come from banks, unions, pension funds, foundations, and other community sources. This involvement of the rest of the community can be a tremendous advantage. It is, after all, part of the basic notion of Community Action. At the same time, it means that our development corporations will be unable to function effectively until they can raise money for their revolving funds. Without short-term capital, their flexibility is sorely hampered and their volume severely curtailed. The ability of the Philadelphia Housing Development Corporation to move quickly has clearly been aided by the $2,000,000 which the city put up for a revolving fund. The start-up problems of the Washington corporation, on the other hand, can in large measure be traced to its lack of capital. When the Washington community completes the task of putting together a development fund, a process now well under way, the effectiveness of the corporation will surely be enhanced.

The other problem with OEO funding is the Congressional limitation on salaries. Our legislation restricts salaries under the Community Action program to a maximum of $15,000 from OEO grants. It will undoubtedly be difficult to recruit the necessary top caliber personnel at such salaries. Communities will have to raise additional money, either from public or private sources, to augment OEO money if development corporations are to become the effective housing institutions we envisage. This has been the pattern thus far, and will have to continue under any expanded program.

In addition to the practical problem of money, there is a conceptual problem of the appropriate level of operation. All the programs I have described operate at citywide, metropolitan, or statewide levels. We have also funded several neighborhood development corporations, and have encouraged the larger corporations to work with neighborhood affiliates. Thus far, programs at the neighborhood level are having a more difficult time than their bigger brothers. Although much more evidence has to be accumulated before final programmatic conclusions can be drawn, it may well be that the neighborhood is not the appropriate level for aggregating *housing development* resources. It may be too difficult to attract the right kind of personnel to neighborhood operations or to plug neighborhood corporations into the citywide nexus of institutions that affects housing development.

At the same time, it is clear that neighborhood corporations can more effectively deal with social services and community organization than citywide corporations can. Larger institutions are of necessity more removed from neighborhood people. They are not perceived by neighborhoods as *their* organizations. We thus expect that corporations based in neighborhoods can do a better job with management and community development programs. Neighborhood groups can effectively organize tenant management corporations, recruit for job training programs, create block organizations, and involve residents as program participants. The most effective long range pattern may well be for citywide corporations to concentrate on developing housing and for neighborhood groups to concentrate on managing and maintaining properties and administering related programs.

Housing development corporations have not yet operated for a long enough time for us to know how effective they will be in linking housing programs to the rest of Community Action. In these early stages, their activities have correctly, and almost entirely, concentrated on the difficult and complex problem of building, acquiring, and rehabilitating housing. At project proposal-writing and reviewing stages all of us consistently underestimate how difficult those tasks will be. We always expect corporation staffs to have time left over for other purposes. Thus far that extra time has been scarce and programs over and above housing limited.

There are, however, steps in that direction. Philadelphia has used Neighborhood Youth Corps enrollees in cleaning, sealing, and rehabilitation. It has a full-time community worker dealing with neighborhood groups. Washington has wide-ranging contacts among community groups in the area in which it is operating; it has effectively gained their support of its program. It has helped the Community Action Agency neighborhood workers organize people seeking better city code enforcement. In St. Louis, neighborhood residents have been employed as painters and tilesetters; neighborhood workers have helped residents of newly rehabilitated housing deal with financial and personal problems. A home maintenance school trains residents and lends them tools to fix their houses. All of these bits and pieces are inklings of what we can expect in larger volume in the future. Once the housing development process becomes more regularized, we can expect the corporations to forge progressively more effective linkages with other aspects of Community Action.

We think these linkages are crucial, just as we think the corporation's role as advocate for poor people is crucial. We think this is OEO's important contribution to the housing development field. We think this is what differentiates the development corporation from the development fund. We think this approach is sound and in the long run will make more meaningful use of housing programs for poor people.

The response to the development corporation has been widespread and enthusiastic. Cities all over the country have asked for OEO assistance in developing such institutions. Large numbers of cities have proposed development corporations in their Model Cities applications. We think this response is evidence of a widely felt and crucial need.

OEO is now ready to move to a larger program of development corporations. The demonstration phase is over; it is time for more widespread action. As you all know, our legislation is still pending. The Senate version gives Community Action Agencies explicit encouragement to create housing service and development organizations as delegate agencies. The House version expresses the same intent more generally. We hope that the final legislation will include this encouragement, as well as the fund to make the hope reality. For that, we can only wait and see.

JUDICIAL CONFERENCE OF THE AMERICAS

Mr. TYDINGS. Mr. President, the chief justice of the Supreme Court of Puerto Rico, the Honorable Luis Negron-Fernandez, addressed the National Institute on International Law in New Orleans on September 29. I have had the opportunity to read that address and I want to share Chief Justice Negron-Fernandez' ideas with my colleagues.

The chief justice is also the President of the Judicial Conference of the Americas. In his speech he recounted the development of that body and its efforts in behalf of an independent judiciary and the rule of law in the administration of justice throughout this hemisphere.

I commend this speech to the Senate, and ask unanimous consent that text of the remarks of Chief Justice Negron-Fernandez to the National Institute on International Law be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE JUDICIAL CONFERENCE OF THE AMERICAS: ALLIANCE FOR JUSTICE

(Address by Chief Justice Luis Negron-Fernandez, of the Supreme Court of the Commonwealth of Puerto Rico, President, Judicial Conference of the Americas, Friday, September 29, 1967)

In the Spring of 1965 the Chief Justices of twelve Latin American countries—Argentina, Colombia, Costa Rica, Chile, Nicaragua, Paraguay, Ecuador, Guatemala, Honduras, Peru, Uruguay and Venezuela—met during the 14th Conference of the Interamerican Bar Association, in San Juan, with Associate Justice William O. Douglas of the Supreme Court of the United States, under the chairmanship of the Chief Justice of the Supreme Court of the Commonwealth of Puerto Rico in a historic meeting known as the First Judicial Conference of the Americas.

After two working sessions of exchange of ideas and discussion on the topic of Judicial Independence, the Conference adopted the following Declaration of Principles:

"The First Judicial Conference of the Americas, assembled in the City of San Juan Bautista de Puerto Rico from May 24 through 26, 1965, consisting of Chief Justices and Justices of the Supreme Courts of Justice of most of the countries of America, being aware that a stable judiciary, free from interference and pressure of any nature, is of paramount importance for the Rule of Law in a representative democracy, assumes its historic responsibility in the strengthening of democracy and solemnly declares—

First: A vigorous and independent judiciary is a fundamental requisite, a basic element for the very existence of any society that respects the Rule of Law. Judicial independence should be secured by means of legal and constitutional guarantees that render impossible any interference or pressure of any nature with the judicial function.

Second: The judges and other judicial officers should be selected on the basis of their ability and integrity; political or partisan criteria should not be used in the selection of the members of the judiciary. For the attainment of these goals, taking into consideration the particular judicial structure of each state, adequate mechanisms are needed to make the principles necessary for judicial independence a reality.

Third: Security in office is an essential element for the achievement of true judicial independence. Judges should not be removed from office except for constitutionally established reasons and by due process of law.

Fourth: The economic autonomy of the Judicial Power, based on resources that permit the fulfillment of its high mission, should be constitutionally recognized. Judges should receive adequate compensation in order to free them from the pressures of economic insecurity. This compensation should not be altered to their detriment.

Fifth: It primarily behooves the lawyers, as auxiliaries of the judiciary, to make sure that the principles contained in this Declaration are truly achieved and maintained.

Sixth: Judicial independence in America will be greatly strengthened by the creation and development of permanent professional organizations and by the interchange of ideas and experiences through international congresses and conferences.

This Declaration of Principles shall be known as the Declaration of San Juan de Puerto Rico.

Signed in the City of San Juan Bautista de Puerto Rico on this twenty sixth day of May in the year of nineteen sixty five.

The Bar Association of Puerto Rico endorsed and adopted as its own the Declaration of San Juan, in the understanding that it was its historic responsibility to do so, and obliged itself to be a guardian of the principles therein stated.

The Declaration was also endorsed by the Conference of Chief Justices of the United States, and by the American Bar Association in General Assembly, at their 1965 meetings in Miami.

The International Commission of Jurists, in the June 1966 issue of its Bulletin, commented on the Conference and the Declaration:

"Together with other gratifying moves such as the creation of the Latin American Parliament . . . and the trend towards economic integration, which has taken concrete form in the establishment of various regional bodies such as the Latin-American Free Trade Association, the Central American Common Market and the Institute for the Integration of Latin America, this Conference reveals the existence of a clear awareness among the governing and educated classes in Latin America of the need to coordinate and harmonise national efforts for the effective promotion of the Rule of Law, reflects a genuine and well-founded respect for the principles underlying it, and recognizes that a system founded on the Rule of Law is the sole safeguard for human rights."

Mr. Justice Douglas speaking at the Judicial Conference Dinner hailed the adoption of the Declaration saying "A hundred years from now this Declaration will be regarded as a landmark in creating judicial stability in the Americas and as a document comparable in significance to the Magna Carta itself."

It is too soon to pass judgment now on this prediction, but never before in history the highest judicial officers of the hemisphere had spoken in concert to the man of the Americas, and to governments as well, on the necessity of an independent judiciary as one of the fundamentals of a democratic system, as a *sine qua non* for the prevalence of the Rule of Law and the administration of justice in a Free Society.

The Declaration of San Juan is more than a Declaration of principles: it is a call to the conscience of the people and of the governmental, political and military leaders of the hemisphere to honor the Rule of Law, to respect the judicial function by abstaining from any interference and pressure of any nature, a pronouncement intended to promote judicial stability and develop political restraint. It is not only a statement of generally accepted norms and aspirations founded in the values of judicial independence. It is a mutual promise, a common purpose, a firm determination of the judiciary of the hemisphere to give vertical support to its significance. It is, as far as a non-governmental organization like the Judicial Conference of the Americas can speak through its members on governmental relationships pertaining to them in their respective countries, a moral Alliance for justice.

This Alliance was ratified in a second Conference that convened in San Juan in October 1966, attended by Chief Justices or Justices of thirteen Latin American countries—Bolivia, Chile, Colombia, Costa Rica, El Salvador, Peru, Dominican Republic, Uruguay, Honduras, Nicaragua, Panama, Paraguay, and Venezuela—and of the Commonwealth of Puerto Rico. In that second meeting the Judicial Conference of the Americas was created as a non-profit, non-governmental permanent organization under the laws of the Commonwealth. Under its Constitutive Charter the Conference shall meet in San Juan every two years, but may meet in any other country and at such other time as the Conference itself may decide by two-thirds of the votes of the members present. Its objectives and purposes are outlined in the Charter as follows:

"1. To sponsor forums, studies, research and consultations among the members of the judiciary of the countries of the Continent on problems related to the Administration of Justice, so as to strengthen its independence as an indispensable requirement for the prevalence of the Rule of Law; to improve and simplify all administrative and judicial procedures; and to stimulate the adoption and application of standards that dignify the judicial function.

2. To provide means of information to bring within the reach of the members of the judiciary of the Continent, texts, jurisprudence, studies, and research in the fields of Law, judicial administration and court operation, and advise them of the achievements and measures adopted in different countries, within their respective systems, aimed at enhancing the judicial function.

3. To develop an educational program through the establishment of Judicial Schools and sponsor the exchange of magistrates and jurists of the different countries, with a view to the coalescence of the principles sanctioned in the *Declaration of San Juan*, which is attached herewith as part of this Constitutive Charter.

The Chief Justices of the Supreme Courts of Justice of the countries which were represented in the first meeting of the Conference held in May 1965 and in the second meeting held in October 1966, as well as the signers of the Declaration of San Juan and of the Constitutive Charter, are members of the Judicial Conference of the Americas. The Chief Justices of the Supreme Courts of other countries of the hemisphere that were not represented in the first two meetings may become members upon admittance by the Conference in a plenary session by two-thirds of the votes of the members present.

The third meeting of the Conference is scheduled for April 1968, to pass on the feasibility of specific projects in member countries within the scope and in furtherance of the Conference's objectives. Pilot projects sponsoring seminars for trial and appellate court judges and research on judicial procedure, civil as well as criminal, including the rights of the accused, type of trial, due process, bail and habeas corpus, and on judicial administration and the scope of the judicial function by an independent judiciary, will be examined as part of the programs to be developed under the project of the Judicial Schools. A program of research on the need of judicial reform—structural, organizational and functional—will be under examination.

The Judicial Conference of the Americas is intended to be both a consultative and a promotional organization in the development and application of modern techniques of court administration and in the strengthening of the judicial process and the concept of fairness in the recognition and protection of the rights of man and his personal freedoms, through judicial independence, judicial and procedural reform and the adoption of the highest standards of conduct for the judiciary of the hemisphere, in its goal to depoliticalize justice, together with the unification of the law, in substance and in form, as far as feasible, in an effort to remove obstacles that might hinder or delay economic development. If economic integration is sought, legal integration—or the hemispherization of the law—must either precede or follow as a necessary component to meet the needs of a changing society.

In this field, two major projects appear as immediate objectives:

(1) A Latin American project of Court Assistance and Research under the supervision and direction of Judicial Conference of the Americas, following essentially the pattern of the Nation Court Assistance Act proposed by Senator Tydings and currently under congressional consideration.

(2) A Latin American project, under the direction of the Integral Law of America Research Center of the Judicial Conference of the Americas, for the progressive unification and harmonization of the substantive law in specific transactions in order to avoid law conflicts, complementing the study and research projects relating to the choice of competing law rules under way by United Nations regional organizations and other inter-governmental organizations.

Science has progressed vertically while man's cultural habits have not. They are still permeated with the residues of a culture of aggression and conquest, of political domination. America is besieged from the outside and from the inside. Our personal liberties and civil rights are being exercised by our social components, at times, almost lawlessly to a point beyond recognition. We are experiencing today the exploitation of inequalities, the social connotations and results of a culture of affluency and a subculture of poverty, the consequences that revolve around the emotional imbalances and frustrations of part of our Society.

Our problem is to keep constitutional government, the Rule of Law and social order—both national and international—paramount to civil disobedience and aggression, while keeping from erosion in our own land the inhibitory mandate of due process of the 5th and 14th Amendments of the Federal Constitution, in their proclamation of the moral values of fairness for the validity of the judicial process and the administration of criminal justice.

The golden rule for the judicial conscience embodied in the words of Cap. 40 of the Magna Carta "To no one will we sell, to no one deny or defer right or Justice" contains an ethical value which is as good today as it was seven and a half centuries ago when King John's Charter was sealed in the year 1215.

Learned Hand's admonition "Thou shalt not ration Justice" are words written in granite with the force of a commandment for all generations to come. Good they were when delivered in 1951 to stress the importance of providing defense counsel to poor defendants to protect their right to a fair trial. Good they are today, and good will they be tomorrow, to convey an admonition and an inspiration to judges to dispense Justice in plenitude.

Each country, each generation, will give its own importance, its own dimension to these eternal words, but no man that senses justice and respects human dignity, anywhere in the world, should dare to disregard their commandment.

Many ways may be thought of for the effective orientation of the judicial conscience and the appropriate integration of the judicial order of the hemisphere. But none to me more promising for this so-much-needed process of hemispherization than this spontaneous non-governmental great Alliance of the American Judiciary known as the Judicial Conference of the Americas. An Alliance for Justice to make America greater:

A concept of international unity, not of political domination.

A process for the preservation of human values, not for the disintegration of national cultures or identities.

An organ of admiration, not of disdain.

An instrument of progress, not of stagnation.

A way of life of everlasting values, not a transient proposition of ephemeral conveniences.

A monument to create, not to demolish.

A temple to worship, not to desecrate.

Such is the image and the program for action that we offer to the man of the Americas in his quest for justice. It may sound as a dream in our time, but it is rather a challenge for a joint venture of visionaries and pragmatics as well for the concretion of the great ideals of human solidarity and dignity that form part of the American legacy.

The temple has to be built.

If we start it, if we stand by it, some—if not we—may get to see its completion.

SAD CHRISTMAS FOR ENDANGERED SPECIES OF ANIMALS

Mr. YARBOROUGH. Mr. President, this Christmas season is not a time of rejoicing in all ways. During the last few days, I have noted advertisement after advertisement glowing with reports of exciting jaguar coats, leopard trimmings, decorations, and full-size clothing, furs made out of all various species of beautiful animals that are facing extinction and that are very likely to have been shot and exported illegally, and alligators which are to be obtained in this country practically only by poaching. Indeed, these hides and furs are valuable and rare, because they are the skins of species which are fast disappearing altogether from this earth. It is bad enough that some impoverished native in Africa risks his life, or a better off but no less ignorant American, kills the disappearing animals in order to earn a living—but it is truly criminal that purchasers all over this country have no better conscience than to supply this livelihood to illegal killers and illegal importers of the hides of endangered species by buying and selling their end products.

I hope that people of conscience among the American public will react in indignation that such merchandise that threaten the extinction of entire species should be offered to the less well-informed, and that there will be a public outcry against this underhanded, unethical practice of merchandising of illegally procured skins by the stores, by the manufacturers and by all the agents of death to several species of our world's scarcest, most beautiful, and most treasured animals.

There has been increasing reaction by the press and by the public against the growing danger of the leopards, the alligators, the sea turtles, and other fascinating and beautiful animals becoming extinct. I am hopeful that this increasing awareness will create such an atmosphere of public indignation against the illegal practices that enable fur and hide exploitation of these endangered species to continue. That stores will decline to offer such wares, and manufacturers will not make them from illegally taken skins.

This has not yet occurred—in fact a member of my staff recently was shocked to see on sale in the bargain basement of a Boston store, a leopard skin coat marked down to almost $1,000—a price which justifies the killing of no proud, beautiful animal in our world today, that is fast becoming extinct.

Yet America herself has no law prohibiting such illegally taken furs and hides importation—and other nations have not always the wherewithal in money or in personnel to prevent their illegal slaughter and their exportation. It is for such reasons that I have introduced Senate Concurrent Resolution 41, to call an International Conference on the Conservation of Wildlife. Every day this becomes more necessary—and before another Christmas season occurs, when trees are further decorated with skins of animals on the verge of extinction, I urge the passage of this vitally necessary legislation.

Not long ago, the Baltimore Evening Sun published an editorial pointing out the necessity of this measure—with the highly endangered ivory billed woodpecker of Texas as a case in point. I ask unanimous consent that the editorial, "Save the Animals," from the Baltimore Evening Sun of Monday, September 4, 1967, be printed in the RECORD.

This last week, the Silsbee, Hardin County, Tex., newspaper the Pine Needle, long an advocate of increased attention to conservation in Texas, discussed conservation measures needed in Texas, including establishment of the Big Thicket National Park, in its column by conservationist Geraldine Watson. Such a park is sponsored in my bill now pending in the Senate. I ask unanimous consent that the "Big Thicket" column from the December 7, 1967, the Pine Needle, be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the Evening Sun, Baltimore, Sept. 4, 1967]

SAVE THE ANIMALS

Wildlife conservationists are not accustomed to good news. So the recent sighting of an ivory-billed woodpecker—long thought extinct—in East Texas, must have brought a collective hallelujah from the throats of the Audubon Society membership. Unfortunately, it is a slim ray of light shed on an otherwise dark landscape. It is said there are about 250 species of wildlife fast bound for extinction. The leopard may soon be seen only in old Tarzan and nature movies. The polar bear is being wiped out. Giant pandas are becoming scarcer, as is the rhinoceros, and the American alligator.

Most of these animals fall victim to poachers. Leopards are slaughtered because their fur has again become fashionable. The rhinoceros is still killed for its horn, which in many places in the world is considered an aphrodisiac. The polar bear is slain for sport. The reasons for the hunt are as various as the species being hunted, and all that stands between the depopulated forest and the empty plain is time—and a growing awareness among conservationists that something must be done.

Encouraged by this spreading concern, the United States Interior Department is already planning for a global conservation conference, which is expected to convene on some unscheduled date in 1970. A resolution has just been introduced into the Senate "to take first steps toward convening a world wildlife conference to consider uniform regulations governing international trade in wild animals and animal products, to explore the economic value of wild animals and to set up conservation programs for developing nations." It is to our credit that the United States has initiated the effort to conserve wildlife on a world wide scale. One can only hope that the response, particularly by the African nations where most of the slaughter is going on, is enthusiastic.

[From the Pine Needle, Silsbee, Tex., Dec. 7, 1967]

BIG THICKET

(By Geraldine Watson)

"To him who, in the love of nature, holds communion with her visible forms, she speaks a various language"; and how fortunate are the few who listen and understand! Sweet tongues indeed have the many forms which nature takes: the whispery swish of dry grasses—the cry of the laughing gull or low moan of the mourning dove—the singing of the pine tree when the soft south wind runs its fingers through her hair—even the strong, muscular roar of the giant wind-thrashed oaks. But there are more lilting melodies—unheard save by the soul. The sight of a pure white lily rising from the murky slime of a cypress swamp, even though surrounded by towering trees, dominates the mind with moralistic platitudes. And the flitting of silent swarms of tiny bright-winged warblers is like the tinkling laughter of children.

Those who know Nature's voice are bound as by the ties which bind those of one's own native language, and Nature's children are never happier than when with their own kind to tell and hear what has last been seen and heard. The tone of much of this conversation is sad as more and more tales of rapacious waste and destruction are related and of more and more species that struggle on the brink of oblivion for awhile—then fade away from the earth forever.

Recognizing his position as an intruder and not wishing to flaunt his trespassing on the forest folk's realm, the naturalist develops a light step and quiet, gentle speech; but this week, at the T.O.S. convention, a different tone was heard. The voice of the Conservation Federation of Texas, meeting during the convention, was loud and bold as it stated the dangers posed to our invironment by the greedy and avaricious in the name of progress, outlined ways and means of protecting our air, water, natural areas and wildlife, and gave the positions of our various representatives in government on conservation issues. There were no whining complaints, but a forceful assertion of the rights of humanity. I felt a thrill of hope knowing such a power was behind our cause.

The major portion of this meeting was given to the consideration of the proposed Big Thicket National Monument plan and recommendations for its improvement. The most significant recommendation being the connection of the various units by acquired lands on easement grants. The purpose of this is to allow for the protected movements of large animals as bear, panther (puma), wolf, etc., which require wide range, and for a system of hiking trails such magnificent birds in the skies as the Appalachian and others over the country. Hiking has become America's favorite outdoor recreation (according to the National Audubon Society), and one of the first inquiries I hear from out-of-staters is "Where are your hiking trails?" I have to say that in spite of all our beautiful streams and woodlands, we have none. The nearest is in the Sam Houston and Angelina National forests, which indicates that if we are to have any of these assets which other states have, we will have to rely on the Federal government to arrange it.

Also at the meeting a resolution was made to request an investigation into the killing of the golden eagle shown recently in the Pine Needle. Every eagle showing itself in our vicinity is immedaitely shot for some reason or the other—probably because too many people with guns are trigger happy. If the $400 fine imposed for killing an eagle is enforced, perhaps we can again thrill to the sight of these over the Big Thicket.

The Conservation Federation is made up of representatives of various organizations which share the same aims and is headed by Dallas attorney, Edward C. (Ned) Fritz, one of the most dedicated men it has been my pleasure to know. It was fitting that on the last day of his stay, Ned was awarded by a glimpse of the elusive Ivory-billed woodpecker. The qualifications of these people are very impressive; brilliant, successful professional men and women, fully informed and world traveled. It seemed all a dream to me that they came here, saw what we have, and deemed it worthy to fight for so that some might be saved for the future. Conservation work is expensive and time consuming, and those who do the field work, the research, watchdog the legislatures, the travel and the pushing necessary to effect an organized effort, are the heroes of our time. I have used Emerson's beautiful poem, "Forebearance," before, but would like to dedicate it again to these special people:

"Hast thou named all the birds without a gun?
Loved the woodrose, and left it on its stalk?
At rich men's tables eaten bread and pulse?
Unarmed, faced danger with a heart of trust?
And loved so well a high behavior,
In man or maid, that thou from speech refrained,
Nobility more nobly to repay?
O, be my friend, and teach me to be thine!"

SOCIAL SECURITY BENEFIT INCREASE

Mr. MONTOYA. Mr. President, it is with great pride that I endorse, along with so many other Senators, the social security bill that has been passed by both Houses of Congress and that shortly will be signed into law.

While the bill contains many much-needed improvements in the social security program, the most immediately important thing about it is that, with the benefit increase that it contains, the more than 23 million people now on the social security benefit rolls will have their levels of living substantially improved.

The 13-percent across-the-board benefit increase provided by the bill is a badly needed increase. For a great many of our social security beneficiaries, all they have in terms of a regular income is their social security benefit, and for almost all beneficiaries, social security benefits are their main source of support. It is for this reason that the level of social security benefits is the all-important factor in determining how well these people will be able to live. About three-fourths of the aged who get social security benefits, for example, are either living in what is looked upon as poverty today, or would be, if it were not for social security, and a very high proportion of the other one-fourth are very close to the poverty line. I can assure you that the increase will be very meaningful to the large number of beneficiaries who are trying to get along on incomes that are too small to meet their needs.

The average benefit for retired workers today, for example, is about $86 a month; for aged widows, the average is $75 a month. In a country as prosperous as the United States, there is no reason why these people should not share in the expanding prosperity most of us have come to know and enjoy. Under the bill, the average benefit for retired workers will be increased 14.3 percent, to $98, and the average benefit for aged widows will be increased 14 percent, to $86. Benefits that now range from $44 to $142 for retired workers will be increased to a range of $55 to $160.50.

The bill also substantially improves the protection provided under the program for the 86 million workers now contributing to the program. As a result of the higher amounts of annual earnings that would become creditable toward benefits, it provides for an increase of about 30 percent in the maximum benefit that will ultimately become payable under the program. Under present law, the maximum benefit is $168—based on average monthly earnings of $550—$6,600 a year. Under the bill, the maximum benefit would be $218—based on average monthly earnings of $650—$7,800 a year.

The new maximum retirement benefits will, of course, be paid only to workers earning above $6,600 a year—up to $7,800 a year—over a considerable period of time before they retire. But benefit amounts are also increased significantly for workers who will pay on these higher amounts for a relatively short period. For example, a man age 50 in 1968 with annual earnings of $7,800 or more a year will get a retirement benefit of $188.80—a 21-percent increase over the old law. Disability and survivorship protection will be increased even more quickly. If the same man became disabled in 1970, for example, he would get a monthly disability benefit of $165—a 15.3-percent increase over old law. And if he died in 1970 his widow and child would receive a monthly benefit of $247.60—also an increase of 15.3 percent over the old law.

Thus, the bill we have passed today not only improves the lot of this country's nearly 24 million current social security beneficiaries, but also makes the program significantly more effective than it has been in assuring adequate protection for all of this country's present work force, who, of course, will comprise tomorrow's beneficiaries.

I am particularly pleased to see that the bill contains provisions to alleviate the plight of those women who have the twofold misfortune of losing their spouses and becoming severely disabled.

Under present law, a widow cannot get benefits until she attains age 62 unless she has a child in her care or she takes reduced benefits at age 60. During the period after the widow's children reach age 18 and before she attains age 60, the widow is without any social security protection.

The widow in her 50's who has suffered the dual tragedy of the death of her lifelong partner and helpmate and of a severe impairment that destroys her working ability, has a need which this bill recognizes. The able-bodied widow can work during this hiatus of protection. However, the widow who incurs a severe disability, of course, is not able to support herself by working.

The need for protection, therefore, is at least as great for the disabled widow who cannot work and support herself as it is for the able-bodied 62-year-old widow.

The bill provides benefits for a widow who becomes severely disabled before she has had a reasonable opportunity to acquire social security protection through her own work. The widow will be eligible if disability has begun before or within 7 years after either her husband's death or the termination of her social security benefits as the mother of a dependent child.

To provide benefits for disabled widows as the bill does seems badly overdue. The bill also provides benefits to disabled widowers who were dependent on their spouses, since their need for protection is comparable to that of disabled widows.

We cannot ease the heartache involved for these disabled widows and widowers. But we can, and do, in these provisions help to ease the financial strain.

MODERNIZING LOCAL GOVERNMENT

Mr. BAKER. Mr. President, it is apparent that as 1967 draws to a close, the American people are becoming concerned to an extent not paralleled for many years with the increasingly difficult problems of relationships and governmental responsibilities among our Federal-State-local levels of government. During the past year the Senate Intergovernmental Relations Subcommittee, upon which I am privileged to serve, has pointed up this concern, highlighted by its hearings on creative federalism conducted during November 1966 and January, February and March 1967.

The year has also witnessed a very encouraging increase in concern on the part of national business organizations with the strengthening of State and local government. Too often, in criticizing the far-flung activities of the Federal Government, especially as they relate to many of the grant-in-aid programs, we neglect to note the absolute necessity of strengthening the capability of our State and local government so that a greater proportion of our future governmental endeavors can be carried out by levels of government that are closer to the people. If we are to preserve a balanced federalism, we must match strength at one level with strength at other levels. The Committee for Economic Development issued three valuable reports in this field during the past 2 years—"Modernizing Local Government," "A Fiscal Program for a Balanced Federalism" and "Modernizing State Government." The Chamber of Commerce of the United States has undertaken similar studies and has issued similar reports.

It is not surprising, therefore, that the third national major business organization—the National Association of Manufacturers—has decided to try to come to grips with some of the basic problems confronting State and local government. On September 1 of this year the National Industrial Council of the National Association of Manufacturers initiated a new publication entitled "Intergovernmental Relations Reporter." The first issue of this newsletter dealt with the responsibilities and activities of the Advisory Commission on Intergovernmental Relations which has been carrying on active and valuable work on problems of federalism. The second issue of the Reporter was issued early this month and it contains a summary of recent remarks by Miss Jo Bingham, assistant to the vice president of the government relations division of NAM. It also contains an October 15 New York Times book review written by Gov. Nelson A. Rockefeller on former North Carolina Gov. Terry Sanford's book "Storm Over the States."

The activities of the NAM in addressing itself to the problem of federalism are to be commended. I ask unanimous consent to have printed in the Record a summary of the contents of the second intergovernmental newsletter, including the review of Governor Sanford's book by Governor Rockefeller.

There being no objection, the summary was ordered to be printed in the Record, as follows:

SAVE OUR STATES

I want to thank you for this opportunity. You've given me a chance to talk about one of my favorite subjects: intergovernmental relations and the *state* in the federal system. And I want to tell you also why NAM is concerned and why you, as executives of state manufacturers' associations should be concerned, *and* active. It's probably presumptuous to talk on this subject to state association people whose job, after all, it is to know what's happening at the state level, and to represent manufacturers' best interest there; but I'm *still* happy to do it.

I don't have to tell you that the national government has taken the lead in the federal system, and that in some minds it already plays the "heavy," or that the role of the state has diminished as that of central government increased. However, as you may also be aware, the spotlight is currently on the character of state government in the domestic drama. The reasons are varied:

First, it's become intensely apparent that the national government has its hand full with the priorities of international security and finance. Second, there's a growing reliance on all government as such to do more than it ever did before, and in more respects. States and localities are increasingly pressed for funds and personnel, to a large extent because the national government's call upon them tends to dry up the sources of both. Yet demands that only state-local government can service and solve continue to rise. Today the cities encompass the most visible needs for public service. And they are the most hamstrung, by their own and their states' statutory barriers.

Almost everyone has treated local government as if it were to be put up with rather than improved. Except Washington. With willingness and relative promptness, central government has answered the S.O.S. of the cities. But it also created a service-structure which, in itself, is a sticky problem. To a grant-in-aid framework that was already unwieldly, the direct federal grant to localities and the newly emerging project grant added both dimension and difficulty.

Probably nothing indicates better the random-shot approach, the resort to more programming than planning, and the symptom-treating techniques than the fact that there *are* nearly 400 grant programs—going to states, to regions, to municipalities, and to non-profit organizations. Most of the money ($17 billion now) is accounted for by 30 major grants. The others are small. Many are incentive grants or for special projects. But they add to the complexity, confusion and administrative fragmentation at both federal and state levels.

Fragmentation isn't the only problem. Four hundred sets of compliance requirements have led to federal interference with both state administration and policy. State and local officials have indicated that the results have been more coercive than stimulative. Planning, performance, and budgeting are all influenced, sometimes distorted—not only by the grants, but by the lure of them. Grants have acted as a wedge, or heightened the differences, between the state administrative and legislative branches, and between the states and their localities.

Instead of welding the federal system into a fully functional operation, the best intentions of a concerned Congress and an earnest Administration have resulted in doing the federal system the disservice of weakening its fulcrum—the states.

This is not an isolated phenomenon in a few states. It is widespread. And widely recognized. Washington, having contributed substantially to the problem, has devoted increasing attention to solving it. The most effective thing Congress has done so far has been to establish the *Advisory Commission on Intergovernmental Relations*. The ACIR is a bi-partisan study and policy group, made up of representatives of all three levels of government and the public. In my mind, the ACIR has been the prime mover behind most of the action to strengthen state government. The next most notable step taken by Congress was the comprehensive health planning legislation passed last year, which gives states some leeway in allocating federal funds to their health programs. Senator Muskie has long proposed legislation for the consolidation of grants. But it has been bottled up—partly, perhaps, because it included a lot of provisions essentially unrelated to grant consolidation and partly, no doubt, to give the Administration time to finish its own proposals of this nature.

The Administration, too, has recently sought means to bring the states more functionally into the picture by consulting governors and mayors in advance of new or revised regulations, consulting governors before setting up planning or development regions within their states, streamlining application procedures to cut down the processing time, bringing some order and coordination into varying requirements for federal planning grants, reviewing field office structure for more effective use and location, working with state and local government associations to improve intergovernmental information data and systems, and developing a statistical program for reporting *all* federal outlays, direct as well as in the form of grants, by geographic location. What these administrative steps are really doing is only to oil the machinery a little.

The states themselves are taking steps of a more fundamental nature to strengthen their own positions. In connection with reapportionment, there have been some efforts to re-examine the state's organization and its role in local affairs. Constitutional revision has been undertaken in 22 states. Also, states have been trying to work out simpler compliance arrangements for federal grants and to improve state-federal working relations. As I just mentioned, they've finally succeeded in being consulted by federal officials. The National Governors Conference has established a Washington office. A study by the Council of State Governments (financed by HUD incidentally) is looking for ways to strengthen the state role in administering federal grants. There are departments of local affairs or development in about fifteen states now—my own home state of Connecticut being the most recent.

National organizations, too, are involved in efforts to upgrade the role, performance, and image of state government. NAM is one, so is the U.S. Chamber of Commerce, and the Committee for Economic Development. The Citizens Conference on State Legislatures, the American Assembly at Columbia University, and The National Municipal League have all been involved in projects to improve the effectiveness of state legislatures.

It's significant I think that most of this action has been undertaken by national organizations, but about state-level problems. I suspect that increased activity and support of these goals by state-based organizations would be of especially stimulating encouragement to governors and state legislators trying to beef up the states' role.

Perhaps the most recent expression of the mounting "Storm over the States" is a book of that name by Terry Sanford who was governor of North Carolina from 1961 to 1965 and who has been devoting himself ever since to the job of strengthening state governments. His purpose is twofold: to make the federal system more effective and to halt the trend toward "all-powerful central government."

That particular phrase, "all-powerful central government," is from the October 15 New York Times *Book Review*, and it was written by Governor Nelson Rockefeller. But I admit it sounds like NAM.

As a matter of fact, NAM produced the first pragmatic appraisal of potential for halting the trend toward centralism. And it has been giving concerned attention to this ever since. Let me remind you how long ago that was. In 1950, NAM's Government Finance Policy Committees completed and published a year's study of how to achieve a better balance of service responsibilities and tax resources between federal and state-local governments. It was called "Bring Government Back Home." That was the message. The goal was and still is to help state-local government become more independent of federal programming and financing—and thus to redress the degree of power that has accrued to the central government.

You know, it's curious in the light of all this excitement about saving the states from domination—evidently a fate worse than debt—but the amount of federal money received by state and local governments, though it has increased tremendously, is still relatively small—about 16% of the total general revenue available to those jurisdictions.

How did the central government get so much control with so little outlay?

You've heard of Parkinson's Law and Peter's Principle. Well, I'd like to suggest the answer to that question by Fina's Fable—subtitled "creative federalism." You will recognize this term as one being used to suggest a constructive, imaginative, happy-family picture of the relationships among the three levels of government. But as already indicated, some see in the concept the threat of an autocratic, overpowering Uncle Sam. As a matter of fact, federal machinery *does* cast that shadow.

Present procedures are the results of well-intentioned efforts but they *could* construct a "creative federalism" that would shoulder most of the responsibility and cost, and at the same time shoulder out the competitive jurisdiction of state-local governments. It would be premised on a kind of public "noblesse oblige." To put it in President Johnson's own words, "Having the power, we have the duty." The presumption, of course, is of *federal* power, capability, resources and reach—and of parallel impotence on the part of state-local governments. The steps that could be used are beguiling in character, benign and logical:

Step. 1. *Inquiry:* Somewhere in the backstage of political action somebody suggests that "Something" must be looked into, maybe remedied. This is a search and find assignment.

Step 2. *Report or Study:* The President appoints a so-called task force to make a report and/or a Congressional Committee requests a staff study. This gives official character to the problems identified, or documents the need.

Step 3. *Pilot and Demonstration Projects:* A so-many-dollars test run of "Something" is authorized for the Department of Such and Such, and funds are appropriated. Now it can be made to work. The benefits are established.

Planning Aids or Incentive Grants: Widen the proving grounds; these funds give a special financing break to the early planners, who are willing to be early doers.

Step 4. *Grants-in-Aid:* Now the "Something" programs are authorized on a national scale.

Step 5. *Increase in Personnel:* The President requests new positions—the Coordinators of "Something", since the Department of Such and Such is now making grants to 29 states, 1 region, 4 areas, 79 communities and 802 Somethings, Incorporated.

Step 6. *Compliance Requirements:*

Hurdle A: Legislation is passed to consolidate overlapping state-local jurisdictions and avoid waste and duplication and/or to require that new "Something" programs be reviewed by Regional Planning Agencies where these exist.

Hurdle B: Legislation is passed to require *all* "Something" programs to be organized, funded and administered on a regional basis in a public, private, or mixed agency, with a Regional Coordinator as the parallel to the Coordinator for the Department of Such and Such.

Result: As time goes on, the "Regional Public Service Agency" becomes the standard operating program-vehicle for creative federalism.

Incidentally, the White House just announced that experimental one-stop information centers piloted in Atlanta and Kansas City were so successful directing people to the proper federal agency for the solution to their problems that centers are soon to open up in Boston, Chicago, Fort Worth, Denver and San Francisco.

That's just an example; it doesn't prove the fable as prophesy. But if it were, it would mean a superstructure replacing what we esteem as grass roots government: the regional agency would be the field office of the establishment, subordinating state-local governments, conceivably even composed of non-governmental bodies and funded as much as nine-tenths by central government. That the wherewithal exists for such a bad trip has no doubt put aggressiveness into efforts to pull the federal system up by its bootstraps. Everyone agrees the states are holding these.

A rejuvenated federal system calls for something new in psychology and structure. I believe that business can represent that new force and can be the decisive factor in bringing about a real renaissance in state-local government. Business generally succeeds in what it puts its hand to, and it could succeed here.

How? There are two main avenues of approach, and they would reinforce each other.

To begin with, traditional means should be exploited. For example, and in terms of NAM policy, "industry should support the self-financing efforts of the states and their political subdivisions and should stress the need for assumption of a strong and positive role by the states in helping communities solve their problems—including the elimination of obsolete restrictions on state and local government." To play a strong and positive role, however, states need first to modernize. The ACIR recommends that they strengthen the operations of their legislatures (annual sessions, longer sessions, better salaries, better staffing) and improve their administrative framework (fewer elected officals, a more comprehensive executive budget, better planning capability, authority for the governor to succeed himself and to reorganize the executive branch subject to legislative veto). If more explicit attention were given some of these practical concerns, I suspect the contacts that business and industry have with legislators could be enhanced. To adopt a famous quote, ask not what your legislators can do for you, but what you can do for your legislators!

The not-so-traditional should be explored, too—such as the new emphasis that has been developing in business-government relations. Business has been becoming conspicuous as a corporate citizen creating social benefit at the same time it pursues its own normal purpose and function. There's no automatic conflict, after all, between serving the public good and serving the profit motive. Over the past year the press and feature writers have taken particular note of these developments. And this June, NAM's statement for the Senate Subcommittee on Employment, Manpower and Opportunity documented the trend. Furthermore, government officials themselves have been pointing up the potential in profit-seeking enterprise for solving public problems.

Recent references of this kind are of mounting significance. In September 1967, before the Annual Conference of the Governmental Research Association, William Colman, Executive Director of the ACIR, made special mention of the search for ways by which the federal government and private enterprise might work more effectively together to meet the urban crisis. In early October, the ACIR itself adopted a recommendation that industrial or highly urbanized states remove legal barriers to involving private enterprise in strengthening the economies of the cities and enhancing public-private cooperation in such efforts.

In mid-October, Vice President Humphrey's message to the National Conference on Legislative Leadership was headlined as urging state legislators to involve private enterprise in critical problems. In early November, the subject came up in the Joint Economic Committee's hearings on "Financing Creative Federalism." In mid-November, a barrier-cracking speech of Stanley Surrey, Assistant Secretary of the Treasury, openly added this to the dialogue: [1]

"As to low income housing in urban areas and jobs for the urban disadvantaged, just why has private enterprise not undertaken these tasks in the past? Is it that the immediate return is insufficient, or is it that the participation has been seen as only sporadic? What forms of private enterprise are best suited to the tasks? . . . More crucial, what measures are needed to *induce* the participation—what rate of profit, what assistance in financing, what guarantees against loss, what assurance of a continued market, what other forms of protection against the risks that have hitherto restrained participation, and so on?" (Emphasis added.)

Hindsight has messages for industry on social security and unemployment, perhaps there are current ones on medicare and pensions. Listen to this pertinent comment from Dr. Tedbrock, Medical Director of General Telephone and Electronics Corporation.[2] He was reporting on a survey made this year of occupational medical programs in representative small companies.

The majority *had* no programs or policy. Dr. Tedbrock said:

"If private industry thus far has been unsuccessful in solving the dilemma of providing adequate small plant medical services, then we should not be too surprised to learn that governmental intervention is planned on a local and/or federal basis. Such recommendations have already been suggested by a competent commission and reported to the Surgeon General."

The real question is, what will the message of hindsight be in ten or twenty years if business interests *don't* act now to shape their own role and the role of state government in our economic and political society?

The fact is, whether it likes it or not, private enterprise is going to be more involved with government at some level to get done the things that the majority of people in this country want done. In such an enlarging partnership, would you rather be the dominant or passive partner?

The last three issues of the *Harvard Business Review* have carried earnest pleas to business to take an aggressive lead. Banker George Champion says: [3]

"Business must move from the defense to the offensive and begin pushing the boundary line between the public and private sectors the other way."

St. Louis Mayor Alfonso Cervantes, unlike his famous predecessor is not tilting with windmills, and, in discussing solutions to the mounting crisis in the central cities, says: [4]

"If industry does not take the initiative in providing jobs, the task will fall to the federal government, with its inevitable markup, bureaucracy, taxes, and control. Whoever does the job, it will be industry who pays the bill—only the bill will be at least double and the results will be at best dubious if the government does the job."

Victor Longstreet, Executive Director, International Management and Marketing group, with reference to the Champion and Cervantes articles, says: [5]

"Corporate profits *and* community benefits would be enhanced if a number of firms could get their programs underway at the same time and integrate civic and government programs *into their own efforts*—thus combining to produce a multiplier effect." (Emphasis added.)

In today's glossary of action words, "cooperation" has taken on a broad-spectrum connotation. It no longer means the one-to-one, reciprocal backscratching it used to. Its graduated to the level of a functional technique, for example: interstate compacts, interlocal councils or contracts, and, as Mr. Longstreet suggests, intercorporate projects.

So, there's evidence that business not only can but should supply the adrenalin for a renaissance in state-local government. And it has fundamental reasons for doing so.

First, strengthening the states would decelerate, then brake, the trend toward more programming and more financing by central government. The lethargy of state officials, and the efforts of taxpayers to hold down state-local spending, may be the historical basis for increased spending by central government. But if the forward motion isn't checked, history is going to go right on repeating itself. As a contemporary example: heavy federal fiscal involvement in war-riots-poverty is making voters turn down local school budgets and bond issues for things that should be done at home. The more this happens, the more justification will be claimed for *greater* federal involvement. The Congressional hearings [6] on tax-sharing disclose that kind of check-writing on the wall.

Second, even partial recapture of government finance by the states would free up the fiscal and monetary handles to the economy which central government has been holding. That this *can* be done was indicated November 7 by ACIR Chairman Farris Bryant,[7] who cited a considerable untapped state-local revenue potential which "is not impossible to tap" with appropriate tax policies and determined political leadership.

Third, whatever government controls the pursestrings to the metropolitan areas has the reins of the country in hand. You might think it would be these areas themselves, since they have 65% of the people, 80% of bank checking accounts, 75% of personal income tax collections and 70% of taxable assessed valuation. Or, you might think it would be the states, since the cities are the creatures of the states and their relationships are very direct ones. But this isn't the way it is. It's the federal government that is responding to the cities' needs with direct grants by-passing the states.

By 1980, there will supposedly be 75–80% of 240 million Americans in the cities. The question is whether the states will measure up to their responsibility or default completely. The national government stands ready to do what they leave undone.

Fourth, the closer the taxpayer is to the government he is financing, the greater his chances of guiding the commitments of that government and controlling their operation or cost. Businessmen have more opportunity for direct communication with Governors and state legislators than they do with leaders of the action in Washington. Furthermore, if the states were a dominant force in determining public policy, the influence of the education bloc or of labor, to name two areas of organized influence, would be dissipated somewhat since it would have to be exerted at 50 pressure points instead of just on Washington.

Fifth, business has both immediate and long-range interest: investments to protect, markets to seek, and personnel to employ. It isn't only a question of grocery stores in the ghettos and their reasons for charging higher prices than a comparable store in a better community. Every community is a market for business and a potential plant location. Communities are trying to create an attractive environment for business investment, and business is going to choose the environment most conducive to harmony and profit in operation.

In business decisions involving location, the broader the availability of such environment, the better for freedom of choice and competition. The narrower the choices, the sooner is conjured up that spectre of autocratic government making sure that disadvantaged communities are not without their share of business and industrial residents.

Now, what are the main points I've made?

The hassle over intergovernmental relations is a many-faceted one, with the central cities the focal point but with the states holding the keys to the solution.

Improving mechanics for federal grants will help, but the basic remedy involves strengthening state legislatures and state executive management.

In business-government relations and in public-private service activities, business is going to be more involved whether it chooses to or not.

The things the majority of people in this country want done will get done, and if business doesn't take the lead in shaping its own and the state's roles, the central government will.

In the public sector, central government has the lead now; it also holds the reins of the workhorse revenue-producers, thus

If business and the states do not join forces to revive responsibility at home, "creative federalism" could create federalization.

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[1] Address, November 15, 1967, New York, New York.

[2] Before NAM, Employee Health and Safety Committee, September 7, 1967.

[3] May–June issue.

[4] September–October issue.

[5] November–December issue.

[6] Hearings, Subcommittee on Fiscal Policy of the Joint Economic Committee, on "Financing Creative Federalism."

[7] Ibid.

[From the New York Times Book Review, Oct. 15, 1967]

Storm Over the States

(By Terry Sanford)

(Reviewed by Nelson A. Rockefeller)

A noted political pragmatist, Terry Sanford was Governor of North Carolina from 1961 to 1965. Since then, with an able staff and the support of the Ford Foundation and the Carnegie Corporation, he has been drawing on his experience and dedicating his energy to the vital task of strengthening state government in America.

One result has been the Education Commission of the States, designed to deal with the concern of James B. Conant and many others that education in America is, in Governor Sanford's words, "too important to be left to the haphazard chance of unconnected local and state efforts and too complex to be left to a single guiding national hand."

Governor Sanford was a prime mover in the organizing efforts and conferences during the past two years that produced the Commission and a Compact for Education among the states. Forty states are now exchanging ideas through the Commission, sharing their experience and debating educational goals, and the political and professional forces in education across the nation are being brought together to discuss what they can do in partnership for the advancement of education.

A second result of Governor Sanford's activities is a unique "Institute for State Programming in the Seventies." This is a new, state-created source of advice and guidance to governors, legislators, and administrators who want to provide themselves with the best information and thinking in the various areas of state responsibility. The Institute's first project is to develop guidelines for long-range planning by the individual states.

This book is a third result of Governor Sanford's activities since leaving office—and important as the Education Commission and the Institute for State Programming may be, his book may in the long run prove the most significant of all.

The two premises of the book are, one, that our Federal system of government must deal more competently with the multiplying human problems of our present and our future and, two, that the present trend toward increasingly all-powerful, central government must be halted. But, as Governor Sanford points out, "we need first to change the climate" before we can achieve the essential reforms. This book should certainly help to do that.

For decades commentators have been proclaiming the death of the states as effective instruments for dealing with the problems of an urban, technological and rapidly changing society. Governor Sanford tackles this charge with vigor and conviction, arguing effectively that "the states are here to stay." "The genuine question," he says, "the one we can do something about, the one worth our attention, is how we might shape the states' actions, not their boundaries, for the most effective response to their citizens' needs." The author then proceeds to outline in detail the steps at local, state and national level that he considers vital to making our Federal system more effectively responsive to today's needs.

Governor Sanford's objectivity is a particularly valuable aspect of this book. He does not waste time on a search for villains or heroes; instead, he sees "a crisis of responsibility at every level of government." "As the crisis has risen," he says, "it is obvious that the states have not done enough, the cities have seemed paralyzed, and the national Government has inaugurated as many wrong approaches as right solutions. The answers, however, will not be found by assessing blame, but by drawing together all our resources."

In charting this mobilization of resources, Governor Sanford calls on the states to do far more than they have been doing to help meet urban problems. "Our problems are where the people are," he says. "States must bring money and programs to bear in the urban areas or find themselves permanently outside the Federal-local axis, as the cities, however wrongly, step up their reliance on the national Government for funds."

One measure of the tremendous state effort this urban challenge demands may be found in the recent experience of New York State, if I may cite an example with which I am familiar. When I became Governor, the state's financial aid to the City of New York was about $364 million a year. That figure has been tripled in nine years—totaling well over a billion dollars in the current fiscal year. Comparable increases in the flow of state money have also been made to the other large cities of the state.

As to programs, New York State currently is stressing 21 undertakings that reinforce its commitment to erase corrosive slum conditions. These programs vary widely: community development projects, expanded manpower training, support of small business, more help for working mothers, expansion of the state's pre-kindergarten program, additional aid for schools in slum areas, creation of additional urban college centers and so on.

Yet, even though New York State has traditionally been a national leader in the development of progressive programs, we still have not done enough—and many other states have even farther to go.

Governor Sanford calls on the state to serve as "coordinator, stimulator, representative, protector and advisor for local governments in their relationships with the national Government"—something which New York and many other states already are doing, but likewise a field in which much more can be done. And the author advises the states to remove outdated shackles on local governments—to permit a substantially greater measure of home rule—and to give local governments better financial support.

If I may again use an example with which I am familiar, New York State now returns 58 per cent of its total budget to the localities as state aid—and in the last nine years, the annual sum of state aid to all local governments and schools in the state has been increased by $1.7 billion a year.

This, too, serves to measure the magnitude of the problem the states have in meeting their own fiscal responsibilities. Only when a state is doing this, the Governor suggests, is it in a sound position to call for the three other adjustments in the Federal-state fiscal relationship that Governor Sanford and most authorities regard as equitable.

Firstly, the Federal Government should allow a substantial percentage of state income-tax payments as a credit against Federal income-tax liability. Secondly, Congress should adopt some version of the so-called Heller Plan for direct state sharing in Federal revenues. Finally, Congress should overhaul and consolidate Federal grant-in-aid programs to make them more flexible, more adaptable to local needs, and less wasteful because of duplication and overlapping.

Governor Sanford sees "the strengthening of our Federal system, and even its preservation" as quite likely the most important domestic task before the President. "We need a Presidential understanding that the Federal system is now being shaped by the winds of hazard," says the author, "that the national bureaucracy is inclined to random procedures that weaken the capacity of state government, and that only the White House can be effective in bringing order and balance to the Federal system."

"He further argues that Congress or the President should declare the strengthening of the Federal system to be a central national goal. He also urges that the President consult appropriate Governors and mayors in preparing legislation that will involve intergovernmental relationships. For all the importance of national action, Governor Sanford believes that the future of the American system "could well be determined" by gubernatorial performance. He calls for a marked strengthening of governors' powers, as well as for state constitutional, legislative, budget, organizational and planning reforms.

This book is the product of an experienced man who has done his homework and has something important to say to those willing to look beyond contemporary personalities and political maneuvers to the basic institutions of our government. One can only hope that many people will be listening. For as the author points out, the great American contribution to mankind has been the union of government and freedom—and the preservation of the Federal system that has produced that contribution must finally rest with the people.

ONE OF THE MOST COMPREHENSIVE URBAN AFFAIRS AGENCIES IN THE NATION

Mr. WILLIAMS of New Jersey. Mr. President, a recent report from the national Governors conference focused critical attention on the dynamics of Federal-State-local relationships in administering assistance programs for the Nation's cities.

The thrust of the report was to examine the practicability of administering various Federal programs under a single State agency, with the intention of centralizing and streamlining the process of cooperative government. It was the intention of the national Governors conference to point out ways in which each State could develop a coordinated State urban affairs program, a program which would make maximum use of available Federal, State, and local resources.

It is with no small note of pride that I call attention to a highlight of that report. New Jersey was singled out for developing "one of the most comprehensive urban affairs agencies in the Nation."

I ask unanimous consent that appropriate passages of the report of the national Governors conference be printed at this point in the Record.

There being no objection, the passage was ordered to be printed in the Record, as follows:

The New Jersey Program

New Jersey has established one of the most comprehensive urban affairs agency in the nation. Created in 1966, New Jersey's Department of Community Affairs absorbed several State agencies which had administrative responsibility in community affairs. These agencies were transferred by law from their respective parent State departments to the new Department of Community Affairs. The organizational structure of New Jersey's Department of Community Affairs is shown in Figure 1 on page 19.

The benefits of a unified State administrative organization such as the New Jersey model are fairly obvious. State government functions that involve community development can be brought together and interrelated within a single administrative structure. Overlap and duplication of program activities can be eliminated. Greater convenience is afforded local government officials from the standpoint of dealing with a single

State agency. The chief executive role of the Governor is strengthened through the coordination of Federal and State assistance programs in terms of local needs and priorities.

A unified State administrative organization for local assistance will enable States to coordinate related Federal programs in terms of simplified application procedures. It should be possible for the State agency eventually to combine all Federal assistance programs within a single application procedure for submission to the Federal level. This should result in a more effective utilization of State and local resources on a participating basis with Federal resources. Unified application procedures would enable the States to assure maximum use of Federal dollars as well as greater efficiency in the review and processing of applications.

There are numerous other benefits to be gained in a unified State urban affairs agency and a listing of advantages could go on and on. There are also other excellent models of State departments of local affairs that could be given as case illustrations. Most of these are documented in such publications as "The States and Urban Problems"; "A National Survey of State Involvement in Community Affairs"; and "State Responsibility for Urban Regional Development."

Mr. WILLIAMS of New Jersey. Mr. President, the distinguished head of New Jersey's Department of Community Affairs, Paul N. Ylvisaker, presented a summary of that department's structure and function to a Governor's conference workshop on Federal-State relations. This summary could serve as a guideline for those in other States who contemplate the organization of similar State agencies. I ask unanimous consent that this summary report on the New Jersey Department of Community Affairs be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

SUMMARY REPORT OF NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS, TRENTON, N.J.

Office of the Commissioner, 363 West State Street; Paul N. Ylvisaker, Commissioner; Joel H. Sterns, Deputy Commissioner; B. Budd Chavooshian, Assistant Commissioner; Gregory R. Farrell, Assistant Commissioner.

Office of Community Services, 363 West State Street.

Office of Economic Opportunity, 28 West State Street.

Division of State and Regional Planning, 520 East State Street.

Division of Housing and Urban Renewal, 28 West State Street.

Division of Local Finance, 137 East State Street.

Department publications[1]

Community: Monthly, free.
Added Years: Monthly, free.
Jersey Plans: Quarterly, $2 per year.
Local Finance: Monthly, $3 per year.
Planning Newsletter: Bi-monthly, free.

History

The Department of Community Affairs was established March 1, 1967 to help New Jersey's local, county and regional agencies meet community needs. The first commissioner of the Department is Dr. Paul N. Ylvisaker, who served as Public Affairs Director of the Ford Foundation for 12 years preceding his appointment, and has been called the "father" of the federal Model Cities legislation. The Department consists of five major divisions and six boards and commissions with statutory responsibilities. Among these is a special Advisory Council on Community Affairs, composed of the Commissioner and 12 other members appointed by the Governor from local communities and private organizations.

Goals

The Department of Community Affairs was established on the premise that modern community problems no longer can be met by local and county governments acting alone. It provides assistance to New Jersey communities and their citizens in dealing with a vast range of government problems—land use, housing, urban renewal, local finance, planning, administration, community relations, the war on poverty, the problems of youth and the elderly, and more.

To accomplish this, the Department acts as a service agency, responsible for coordinating and marshaling resources in a comprehensive attempt to renew and revitalize New Jersey communities.

The Office of the Commissioner is the central administrative agency of the Department. Working under the Commissioner are a deputy commissioner in charge of operations, and two assistant commissioners. Also included in the Office of the Commissioner are the staffs for administration, budgeting and personnel, public information, special projects and legislation, and program review, coordination and evaluation.

OTHER ACTIVITIES

Career Development Program: Under joint direction of the Office of the Commissioner and the New Jersey Civil Service Commission, this project involves redrafting rules and procedures for certain civil service jobs, putting them within reach of the disadvantaged. It has resulted in lowering job barriers for hundreds of people. The program offers training to help the poor become eligible for these jobs and encourages training and upgrading of present staff to allow the disadvantaged to take entry level jobs. It also establishes a far-reaching personnel planning system so that training programs can be started before personnel shortages and emergencies arise in public agencies.

Intergovernmental Liaison: Through the Assistant Commissioner for Intergovernmental Liaison, the Office bridges the information gap between the Department and other state agencies and non-state agencies both public and private. These include professional and business associations.

The Assistant Commissioner acts as the Department's primary, although not sole contact with such groups. He is coordinator of projects of joint interest. As part of this function, the Assistant Commissioner often represents the Commissioner in his role as a member of the Delaware Valley Regional Planning Commission, Tri-State Transportation Commission, Metropolitan Regional Council, Regional Conference of Elected Officials and the Tocks Island Regional Advisory Council.

Program Development and Federal Liaison: Through the Assistant Commissioner for Program Development, the Office develops programs for which it negotiates and draws up proposals for federal funds.

The Assistant Commissioner's staff also coordinates efforts and establishes procedures for all federal fund applications in all divisions of the Department. In addition, he keeps abreast of all pertinent legislation before Congress and arranges for testimony at Congressional hearings.

OFFICE OF COMMUNITY SERVICES

The Office of Community Services is the chief means for fulfilling the Department's role as a creative middleman between the communities needs and state and federal resources.

Bureau of Technical Services: Helps municipalities to solve their problems by providing expert help, both from within the Department and from other government or private agencies. The bureau also administers the Government Employee Interchange Act which allows units of the state and local government to send personnel to work on problems and projects in other governmental units, local, state and federal.

Model Cities Program: Helps New Jersey communities develop ideas and prepare applications for federal grants under the Model Cities and Metropolitan Development Act. The program also distributes a $250,000 State Model Cities appropriation to some of those communities which applied but were not selected by the federal government so that they may further develop their projects.

Community Relations Services: Establishes contacts with neighborhood and community (civic, civil rights, anti-poverty) groups in New Jersey communities which have large disadvantaged populations concentrated in ghetto areas and advises local and state officials of problem areas.

Interns in Community Service: Recruits and screens qualified graduate and undergraduate students to take professional jobs in local, county, state and state-connected agencies as interns. The summer program, open to both graduates and undergraduates, offers full-time positions, while the academic year program, available to graduate students only, offers part-time employment. Both programs attempt to influence these students to plan careers in government service and community affairs and offer them an opportunity to fill real needs in government.

Youth Services: Creates youth councils in communities which work through the mayor's offices. Councils, consisting of young people from all neighborhoods and social strata, provide a means of communicating their problems to local officials. Youth Services also conducts research and studies on youth problems and organizes conferences to deal with them.

OFFICE OF ECONOMIC OPPORTUNITY

The Office of Economic Opportunity is the major anti-poverty wing of New Jersey's State government. It creates and operates programs and services aimed at bettering the lives of the state's 200,000 disadvantaged families.

Bureau of Technical Assistance to Community Action Programs: Provides assistance to 26 community anti-poverty agencies by providing leadership in program development, helping to establish necessary administrative apparatus, and providing cash grants to help communities qualify for federal grants.

Bureau of Basic Education: Designs programs and operates classes in basic literacy and arithmetic in classrooms, churches, halls and factories throughout the State. The bureau aims to meet the problems of more than 761,000 New Jersey residents, 18 years or older, who are unable to read or write at the sixth-grade level. As part of this program, the bureau also trains teachers to staff these classes.

Bureau of Rural Programs: Operates rural work training programs throughout the State. Bureau also designs and supervises job training and upgrading programs for migratory workers.

Office of Manpower Planning: Provides staff and data systems support to allocate manpower resources more efficiently throughout the State. The office also administers a special manpower grant fund from the Ford Foundation.

Office of Poverty and the Law: Helps local legal services agencies develop programs for the poor. The office also conducts administrative reviews of the relationships between the legal system and poverty. Such reviews cover the entire scope of landlord-tenant relations, consumer protection, family law, status of dependent children, administration of welfare laws, as well as research on criminal law.

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[1] Available from Public Information Office, Department of Community Affairs, P.O. Box 2768, Trenton, New Jersey 08625.

Narcotics Program: Designs, funds and provides technical assistance to rehabilitation programs, such as half-way houses, to help the narcotics addict.

DIVISION OF HOUSING AND URBAN RENEWAL

The Division of Housing and Urban Renewal helps communities carry out urban renewal programs; assists in relocation of families and businesses displaced by public clearance projects; enforces codes governing construction and maintenance standards for hotels and multiple dwellings; and helps local groups wishing to sponsor moderate-cost housing. The division also works in conjunction with the Housing Finance Agency, an independent body within the Department, which promotes middle-income housing.

Bureau of Housing: Provides technical assistance and interest-free advances to sponsors of non-profit or mutual housing projects. The bureau also makes grants to local sponsors who wish to demonstrate new techniques and materials in housing construction and rehabilitation or programs for prevention and elimination of slums and blight.

Bureau of Urban Renewal: Assists municipalities undertaking extensive and necessary urban renewal projects through new legislation allowing the state to grant up to one-half the local share of federally funded projects. In special cases, the State grant may equal the full local share if the project is to be used for schools, parks, open space or neighborhood centers or for non-profit moderate income housing.

Bureau of Relocation: Establishes and administers statewide uniform relocation standards. Such standards include payments to families, businesses and farms displaced by providing a complaint and hearing procedure administered by the division.

Bureau of Housing Inspection: Establishes and regulates minimum construction and maintenance standards for hotels and multiple dwellings throughout the State.

DIVISION OF LOCAL FINANCE

The Division of Local Finance assists local government officials to maintain firm financial status of counties and municipalities through the following services:

Technical Assistance to local finance units and registered municipal accountants through development of audit requirements, standard audit programs, budget forms, budget reviews and examinations. The division also sponsors periodic meetings for statute revision and runs annual audit examinations in selected local units.

Newsletter—title Local Finance, offered as an educational service to local officials, accountants and others wishing to subscribe. It lists new statutes and describes current procedures.

Annual Report to give an up-to-date picture of the financial condition of New Jersey's counties and municipalities. The report includes population statistics, assessed valuations, per capita debt, tax collections and valuation trends.

Local Finance Board—a part of the division set up to make special reports in the field of local finance, hear petitions to extend credit, and approve all municipal bond issues in excess of legal debt limitations. It has power to intervene in cases of financially distressed communities.

DIVISION OF STATE AND REGIONAL PLANNING

The Division of State and Regional Planning, a research and advisory agency, promotes programs for the orderly development of New Jersey's physical assets such as land, utilities, recreation space and urban facilities.

Bureau of Statewide Planning: Inventories and reports on development trends throughout the State. The bureau prepares and maintains a long-range statewide development plan and capital improvements program. Through meetings of the Governor's Interdepartmental Committee on State Planning, the bureau helps various State departments to coordinate their activities to achieve unified results in development and capital improvements.

Bureau of Regional Planning: Encourages regional planning throughout the State. The bureau advises regional development agencies and serves as a source of information for them. In this capacity, it has been involved in such projects as the reclamation of the North Jersey Meadowlands, implementation of a regional plan for the Lake Hopatcong region and a development study for the New Jersey seashore area. It cooperates with planners from other states in such projects as the Land Use Plan for the Delaware Water Gap National Recreation Area.

Bureau of Local Planning: Reviews and processes all applications from municipalities for federal advances for public works planning and local planning assistance. It provides financial and technical assistance to communities formulating and implementing local and county master plans.

The bureau also provides planning advisory services and materials to counties and municipalities. These include booklets on zoning, boards of adjustment and available State services to local planners. Through division liaisons with such groups as the County Planners Associates and the New Jersey Federation of Local Planning Officials, the bureau advises on ways county and local development can mesh with State planning.

BOARDS, COMMISSIONS, COUNCILS

Housing Finance Agency: an independent body within the Department of Community Affairs, promotes the development of middle-income housing in New Jersey through the sale of low-interest bonds. The agency uses bond proceeds to provide a fund for below-market interest rate mortgages to non-profit and public sponsors of new construction and rehabilitation of middle income housing. The agency consists of the Commissioner of Community Affairs, chairman; the Attorney General; the State Treasurer; and two public members appointed by the Governor.

Local Finance Board: functions within the Division of Local Finance with the director of the division as chairman. The board makes special reports in the field of local finance, hears petitions to extend credit, approves all municipal bond issues in excess of legal debt limitations and intervenes in cases of financially distressed communities. In addition to the chairman, the board consists of three public members.

Hotel and Multiple Dwelling Health and Safety Board: advises and consults with the Commissioner on rules, regulations and other matters concerning hotel and multiple dwelling health and safety. The board, appointed by the Governor, consists of 10 members, including two representatives from the hotel and motel industry and two from the real estate industry. The chairman is elected annually by board members.

State Housing Council: approves housing regulations of the Commissioner and also approves his appointments of state members to local redevelopment agencies. The council has five members appointed by the Governor for five years.

New Jersey State Commission on the Aging: furnishes consultation and advice to the Department on the problems of the aging and makes sure that the interests of older persons are represented in programs of the Department's five divisions. It makes recommendations to the governor and legislature regarding new legislation needed in areas related to aging.

Serving as a resource of the commission is a Division of the Aging staff which does basic research for commission recommendations. The staff also carries on educational programs and cooperates in drafting and implementing proposals for the aged. The commission, which consists of nine members appointed by the Governor, also maintains liaison with other commissions and groups who activities relate to the broad field of aging. The Director of the Division of the Aging staff is chairman.

New Jersey State Youth Commission: studies the needs and problems of youth in New Jersey; plans development, coordinates and evaluates youth programs and services; makes recommendations to the Governor on programs and laws concerning youth; and enlists citizen support on county and local levels. The commission consists of nine members with the Director of Youth Services serving as chairman.

ADVISORS COUNCIL ON COMMUNITY AFFAIRS

The Advisory Council on Community Affairs is the special advisory group to the Commissioner. It advises and consults with the Commissioner on affairs and problems of local government and the work of the Department. The council conducts studies directed by the Commissioner on specific local government problems.

Its 12 members, appointed to four-year terms, include three mayors representing cities of different sizes, and one representative each from the New Jersey Association of Boards of Chosen Freeholders, New Jersey State League of Municipalities, New Jersey Federation of District Boards of Education, Municipal Managers Association and the New Jersey Federation of Planning Officials. The council also has four members-at-large. The Commissioner is ex-officio chairman of the council and the Director of the Office of Community Services serves as secretary.

Members

Commissioner Paul N. Ylvisaker, ex-officio.

Mayor John W. McCaffrey, Allenhurst, New Jersey.

Mayor Henry N. Luther, Parsippany, New Jersey.

Mayor Carmen J. Armenti, Jr., Trenton, New Jersey.

Maurice V. Brady, Jersey City, New Jersey.

John J. Sullivan, New Jersey Association of Boards of Chosen Freeholders, Passaic, New Jersey.

Henry Kennedy, Newark, New Jersey.

John W. Gleeson, Secretary.

Six vacancies.

Mr. WILLIAMS of New Jersey. Mr. President, I think we ought to recognize that this approach—the cooperation between Federal, State, and local agencies—is the approach most likely to solve the problems of the cities. I am pleased to note the efforts of Commissioner Ylvisaker and his staff, and I congratulate them on their recognition as a promising team in the struggle for more efficient management of Federal assistance at the local level.

AIR POLLUTION

Mr. MONDALE. Mr. President, our environment has become a polluted one. We have poisoned our lakes and rivers and streams, we have filled our world with noise, and we have fouled the very air we breathe.

Although these pollutions may be an understandable if undesirable outgrowth of industrialization, we must do everything in our power to curb them, one of government's primary tasks is the provision and maintenance of a healthy environment. Reducing present levels of air pollution and encouraging the development of a technology to control the pollution problems of tomorrow is, in my view, an indispensable part of that responsibility.

Congress has recognized this responsibility, and programs to deal with the pollution problem are now underway. Even as polluted air continues to spread across broad intercity and even interstate regions, research aimed at the development of an abatement and control technology is advancing.

One conclusion this research has already yielded is that exhaust fumes from the internal combustion engine—the sort found in practically every rolling vehicle—are prime contributors to the smog that blankets Los Angeles, New York, and most other population centers including the Nation's Capital. Since the number of such engines is bound to increase rapidly, the immensity of our air pollution problem in the years just ahead is frightening.

Fortunately, Mr. President, possible answers to this problem which threatens to dirty our civilization and ruin the health of our citizens have been offered. An editorial in a recent issue of the St. Paul Dispatch mentions one, the use of liquified gas. I think the argument advanced in this editorial is responsible and suggestive. I commend it to the Senate and ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Cooking or Driving With Gas

Since Congress has decided to spend $125 million for research on what kind of fuels cause air pollution, some of these funds might be directed towards finding out how more vehicles can be powered by LP-gas.

LP stands for liquified petroleum; most of us are more familiar with the names Propane or Butane, both of them LP-gases. You can cook with it. You can also fuel an automobile or a truck with the stuff.

Research over the past six years has shown that LP-gas burned in an internal combustion engine gives off fewer pollution-forming gases than does gasoline.

That is, a regular automobile engine running on LP-gas gives out about 2 per cent less carbon monoxide and from 20 to 50 per cent fewer hydrocarbons, depending on the engine's load. While carbon monoxide is lethal, it is not responsible for the bulk of air pollution because it is such a small part of the total exhaust fumes.

The hydrocarbons, according to experts, are the principal culprits in air pollution because they react with nitrogen and oxygen (given enough sunlight) to form the type of eye-stinging smog so infamous in Los Angeles.

Because of this reduction in the amount of polluting hydrocarbons, several brands of fork-lift vehicles for use inside warehouses have been made with LP-gas engines. Also, the entire Chicago Transit Authority fleet of 1,600 buses run on LP-gas engines.

Other advantages of LP-gas are that maintenance costs are reduced, slower idling is possible (causing less wear on automatic transmissions through creeping), no fuel pump is necessary and there's no chance of a vapor lock.

Disadvantages of LP-gas in internal combustion engines, and targets at which some federally paid for research might be directed are: no extensive distribution network to deliver large volumes of this gas to a broad consumer market; a more complex and expensive fuel system is necessary than with gasoline.

Also, LP-gas is taxed at the same rate per volume as gasoline although its energy content per volume is lower than that of gasoline. This inequity could be amended by congressional action.

Even with these disadvantages, however, the Chicago Transit Authority and other users of LP-gas powered vehicles have found that extra costs are returned in the form of less maintenance costs. Civic-minded bus and taxicab companies might develop a marketable vehicle that cities or private investors can buy in money-saving fleets.

Certainly, more and more rolling vehicles are inevitable. But perhaps their source of power can be changed to eliminate air polluting vapors. We'd suggest big squirrels in circular cages, but there aren't enough peanuts to go around.

DIRECT MARKETING

Mr. HARTKE. Mr. President, recently Mr. Lester Wunderman gave what I consider a meaningful speech to the Boston chapter of the American Marketing Association at MIT, in Cambridge, Mass.

Mr. Wunderman describes the increasing employment of direct marketing techniques in the distribution or products and services. His remarks represent, in one of their aspects, a message of paramount importance to consumers. It shows how many of the large companies are meeting consumer demand for high quality products and services at lower prices than can be found in the traditional distribution network.

This study shows that 9 percent of all general merchandise sold in the United States is done so through the mail, thus making the post office a very great marketing force indeed.

As a member of the Committee on Post Office and Civil Service, I am greatly interested in all facets with which the Post Office Department contributes to the growth of the U.S. economy, I ask unanimous consent that the speech be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Direct Marketing: The New Revolution in Selling

(Address by Lester Wunderman, president, Wunderman, Ricotta & Kline, Inc., to the Boston chapter of the American Marketing Association, at Massachusetts Institute of Technology, Cambridge, Mass., November 29, 1967)

I find it fitting today to be making this talk at M.I.T., for it is here that so much has been done and is being done that is shaking our tight and safe little marketing world. So many glamour industries have sprung from M.I.T. research and the minds of its alumni, that I wonder if anyone has really considered how all of this has shattered the equanimity of the marketing community and the consuming public. To me it has ushered in a new form of marketing, which I choose to call direct marketing. Forbes Magazine recently called it "Tele-Purchasing." No matter what you choose to call it, I believe that it will take its place among the other glamour industries of our time. This new form of distribution used to be called mail-order selling.

Mail-order advertising, or response advertising, as I prefer to call it, is the most pragmatic of all the advertising disciplines. Traceable, countable, absolutely measurable responses are one of the peculiar advantages of our business. We can measure the result of every advertisement, commercial or mailing we create—from every medium in which we place it. Every sales action we take is totally accountable. "Let's test it," is both a unique advertising privilege and a too safe discipline.

Today's success is really a solution to yesterday's problem—and too frequently it does not project into tomorrow. We live in a society which is in the throes of a technologic revolution—and technology affects our total perspective and mode of life. The changes we see each year are probably greater than those our predecessors encountered in a decade, or perhaps even a working lifetime. When I started in this industry, a good ad, promotion pattern, or media strategy could remain productive for years. They now pass into history almost as fast as the datelines on the magazines and newspapers we use.

So, today let us look at the new facts which are intruding on our consciousness, and let us examine where they may lead us. For sooner or later, we will have to cope with them. The future is already all around us, if we could but perceive it. What is the mail-order business, and where is it going?

Mail order and mail-order advertising is bigger, healthier and more vital today than ever before—even though much of it is no longer being done by mail. The very term itself has lost total validity—and it will be less applicable in the future. In a strict sense, mail order means that the customer's order is sent by mail and that his merchandise is, in turn, delivered to him by mail. Already this too is not true. Most of the catalog volume of Sears & Roebuck and Montgomery Ward is done over the telephone or in catalog order stores. Phones are easier, faster, and more personal. But it will not stop there. More sophisticated and better methods of ordering and delivering will surely come, whether they be orders geared directly to computers, video phones, closed-circuit television, or some newer technology.

What is true is that whatever the mechanics, we are dealing with a form of convenience marketing where the consumer is placed in direct contact with a warehouse, factory, or fulfillment center, which will deliver merchandise directly to his home. I believe the term direct marketing is more appropriate than mail-order selling. Forbes Magazine chose to call it "Tele- (from the Greek 'far-off') Marketing." Mail-order will pass into history as an early, primitive phase of direct, in-home marketing. Already, 9% of general merchandise sales are made through in-home channels, and the percentage is rising faster than the curve of total consumer sales. And to mention a few specifics, more than 25% of the phonograph records are now sold by direct marketing, and most of the country's magazines and newspapers are sold that way as well. The sales method is dynamic, and ordering and delivering techniques must catch up with it.

Now, why is this taking place in an era when department stores, discount houses, supermarkets and other convenience retailers are following the consumer to every part of the city, suburb, village and highway? Why hasn't the awesome new power of convenience retailing killed old-fashioned, mail-order selling?

The answers, I think, lie in the nature of today's consumer, the basic contradiction of convenience retailing itself, the absolutely modern quality of direct marketing, and in the real purpose and power of advertising.

The American consumer is in a race between income and leisure time. Work weeks grow shorter, and incomes grow larger. This should, theoretically, provide increasing time for shopping—and yet it hasnt. New leisure time activities, commuting, home maintenance, television, civic work, education, the arts and increasing work opportunities for women have actually reduced the time left to the average family for run-of-the-mill shopping. Education, labor-saving devices and storage devices such as refrigerators and freezers have converted todays homemaker more and more into a purchasing agent. She does less shopping and more buying, and she wants to do it as efficiently and economically as possible. Shopping is no longer the social period it once was—and increasingly part of the value a woman places upon herself is her time and convenience.

Lets face it, convenience retailing has become very inconvenient. You need only watch women carrying babies through crowded aisles, pushing carts through in-store traffic jams, looking in vain for assistance when they need it, carrying heavy packages across vast parking lots where the only contact is between contending fenders, to realize what a misapplied semantic convenience retailing has become. Convenient for whom? The consumer, the manufacturer—no, just for the retailer, I think. He uses fewer and more poorly-trained clerks; stocks only fast turnover or high mark-up products; insists they be well advertised; offers no credit; cashes no checks; sells cash and carry—your cash and your carry; dehumanizes the whole process of shopping; and yet demands the same or larger discounts than he did when he really provided a service function. This is not convenient to anyone. The manufacturer increasingly carries the burden and expense of selling. The consumer is offered more and more self-service—a euphemism for no service at all.

The retailer, who historically provided a valuable link between manufacturer and consumer for which he was in a real sense paid by both, is now, by and large, a remittance man. He is a monument to the mass production and mass consumption era in our history which shows every sign of becoming obsolete.

Mass production technology created a mass consumption environment. The black Model T Ford, Levittown, and the ready-made suit sold on plain pipe racks are already ancient marketing history. The Ford Mustang, with its numerous options, the proliferation of cigarette brands, the patterns, colors and sizes of men's suits and shirts, the emphasis on color and style in everything, indicate that we are living in an age of repersonalization and individuation. People, products and services are all seeking an individual identity. Psychiatry increasingly recognizes the emotional symptom of *anomie* or the "who am I problem." The Lonely Crowd and the Corporation Man increasingly want to become individuals and to be dealt with on a personal basis. Even products need individual personalities—and they are getting them in today's best advertising. Volkswagen, Hathaway Shirts, Avis, Benson & Hedges cigarettes and others have become corporate personalities.

Taste, desire, ambition, life style have made shopping once again a form of personal expression. There is a vast difference between mass production, mass consumption—and volume production and volume consumption, and we had better take note of it. Automation, which we feared as being anti-people, has become pro-person. Norbert Wiener's cybernetics have become a marketing fact. Our automated, computerized, electronic, information society has created opportunities for personalized, individualized selling, which will surely replace mass marketing. To quote Forbes Magazine again: "The hardware already developed to link the consumer to the store far outstrips its usage."

A computer can know and remember as much marketing detail about 200,000,000 consumers as did the owner of a crossroads general store about his handful of customers. It can know and select such personal details as who prefers strong coffee, imported beer, new fashions, bright colors. Who just bought a home, freezer, camera, automobile. Who had a new baby, is overweight, got married, owns a pet, likes romantic novels, serious reading, photo journalism, listens to Bach or The Beatles. If we know all of these things, and we can, how could they be used in the ultimate marketing sense by a supermarket, discount house, or rack jobber? Neither can this knowledge be used for the limited advertising objective of locating advertising targets. New marketing forms which will link these facts to advertising and selling must evolve—and this can be done in only one way—*direct marketing,* where the advertising and buying become a single action. Those marketers who ignore the implications of our new individualized information society will be left behind in what may well come to be known as the age of mass production and marketing ignorance. In addition, they will continue to contribute to our ever-increasing high cost of living, which certainly numbers among its problems the high cost of distribution.

Now let us examine the message and the media, and how the function and nature of advertising may change in the years to come.

Some time ago Marshall McLuhan made an address called "Advertising in an Electronic Environment," and while Dr. McLuhan claims no point of view, his angle of view is novel, stimulating and frequently astonishing in its ability to focus otherwise hazy images. He said, and I quote: "Advertising is a branch of the education industry, entirely informational. And, as such . . . its job is increasingly to provide consumer satisfaction—instead of the product providing it." . . . "Audience participation becomes absolutely indispensable in our kind of information environment." . . . "One of the future aspects of advertising is the custom-made, the tailor-made. Instead of peddling mass-produced commodities, advertising is going to become a personal service of each individual." These quotes are lifted from his complete address, which was entirely stimulating and fascinating. To me they read like a prophesy for direct marketing. Advertising has increasingly become the product. It has become so much more than its original function of announcement, explanation and argumentation. When you see a lush cake in a cake-mix ad, a bubbling percolater in a coffee commercial, a White Tornado, a steaming bowl of soup, a Polaroid camera taking a picture, a couple in the sun in Jamaica, you see the real product. It is only visible in advertising and in the consumer's use. The can, the ticket, the label, the insert apparatus is only a station along the way. And yet, it is only the way stations that the retailer displays.

No matter what the design of the label or package, the retailer sells a dead, inanimate, latent substance, which is only a shadow of the product itself. The manufacturer's product in a retail store is shown in its worst possible dimension. It is vital and alive in advertising, dead at the point of purchase, and Phoenix-like rises again when used by the consumer. Our current marketing system forces the selling process to act like a rocket engine.

Advertising must provide such impetus that the product can coast into orbit at retail. We advertising people call the orbital period recall—but it's really just another way of saying that we hope the consumer will remember the living when he calls upon the dead. Direct marketing sells while the thrust of selling energy is at its greatest force. Any salesman will tell you that it is the best time to take the order. Remember too that the ultimate participation in an advertisement is the fact that you can buy from it. There we have another definition of response advertising, or mail-order advertising, or direct marketing, if you prefer. It sells while the product is alive. It not only gets the order, but takes it as well. If advertising has replaced the product, it may in many lines replace the retail graveyard as well.

Advertising, as we know it today, must not only sell the consumer on the idea of trying the product, but it must cause him to continue buying it as well. To secure this brand loyalty, advertisers must not only compete adjacently in media, but on the retailers' shelves. If advertising has sold the product to the consumer, it must continue to steer him toward it over and over again, despite ever-present alternatives, just inches away on the shelves. Brand loyalty runs a constant competitive gauntlet.

Must this be so? I think not. Let's examine direct marketing in this light. Magazine publishers are direct marketers. It was not so many years ago that most magazine circulation came from retail sources—newsstands. Every week, or month, the reader went to his magazine dealer and made his choice. That is, he did so, if he went. The situation was not unlike that in package goods. But then subscription selling began in earnest through direct advertising. If a reader wanted Life Magazine, why should he not want it every week? Why should he go for it when it could be sent to him—and so it happened. The promotional budgets, which had previously been spent to ensure brand loyalty, were now applied to advertising and subscription discounts. Newspapers, radio television, magazines, direct mail, telephone, door-to-door—in fact, the whole arsenal of direct marketing techniques were employed.

The advertising budgets, which had been applied for each weekly issue, were telescoped and concentrated on getting a continuous contract to supply the product regularly. The wholesalers' and retailers' markups were available for this purpose as well. The rest is history. Circulations zoomed, and brand loyalty, call it a subscription if you like, was ensured by contract. Subscribers were handled by computer, and other benefits accrued. Regional editions were one of them. Suddenly the computer knew where almost every copy of the magazine was going and to whom. In fact, it was personally addressed to the reader at his home. If he liked magazines, perhaps he would also like books created by the same publisher—after all he was a customer. Time Inc., therefore, created the Time-Life Book Division to sell these customers in depth. Time-Life Books has now become a $60,000,000 business. The books are sold mainly by direct marketing and by subscription. Had Life continued selling one copy at a time on newsstands, they would neither have 7,000,000 circulation nor a $60,000,000 book division.

Columbia Records, a division of CBS, made a similar move in 1955. They launched a record club through what is now CBS Direct Marketing Services. The result—an additional sales volume of more than $60,000,000—and incidentally, they also sell their record club customers radios, guitars, TV sets, tape recorders, record cabinets and a whole variety of related merchandise. They offer credit, as they can, because every customer has a credit account, a purchase and payment history, and a pattern of purchases.

Another example is a recent revolution in the selling of life insurance. The Executive Fund Life Insurance Company of Omaha, Nebraska, recently tested the feasibility of selling life insurance policies direct to the consumer. It offers to the public exactly the same kind of policies sold by every major life insurance company in the United States. However, instead of selling through salesmen in the conventional way, it goes directly to the home through newspapers and magazines. These advertisements do not simply offer information about a policy, but describes it in detail, and provide an insurance application right with the advertising message. This form of direct consumer buying, which excludes costly intermediate distribution patterns, results in sharply reduced administrative and selling expenses. Executive Fund Life Insurance Company, therefore, can guarantee, on a money-back basis, the lowest premium rates of any of the 1700 legal reserve insurance companies in the United States.

Executive Fund's first year premiums alone are 50% lower than those charged by other companies. Executive Fund's advertisements provide more information, and this absolutely subject to the control and intention of its management, than the normal insurance salesman usually does. Internally, this company is in every respect maintaining the same high standards of underwriting, customer service, etc., as the best-known and most progressive companies in America. In addition, because of the way they make sales, they have been encouraged to develop ways of bringing the customer directly in touch with the home office of the company through direct telephone communication, where customer service experts have at their fingertips complete information tied into the company's computer data banks.

Because the program, to date, has been more experimental than operational, it has focused on making just the sales required to provide necessary data about response patterns, actuarial and underwriting information. But even with testing and self-restraint, the Executive Fund has been able in just a few months to write more than $60,000,000 worth of life insurance. If the company had launched a full-scale sales program during the recent test period, it could easily have written from $200,000,000 to *half a billion* dollars worth of insurance entirely through direct marketing.

Through this new method of marketing, the Executive Fund is clearly operating in the highest public interest, providing quality, service, information, reliability and responsibility—and tremendous price advantages—everything the consumer wants and needs.

Advertising, therefore, can not only become the product, and take the order, it can also contract for brand loyalty by arranging for the customer to have the product regularly. Why should consumers continuously shop for services, soap, soup, paper goods, cosmetics, etc., when these products can be personally delivered to the consumers' homes, according to their needs and tastes. They know what they want, their continued use of the product is measurable, and they should not have to waste valuable time in fetching and carrying.

According to Forbes Magazine, Dr. William R. Davidson and Dr. Alton F. Goody, professors of marketing at Ohio State University, believe that in a few years housewives will be able to order practically all of their staples from a few large central distribution facilities in each major metropolitan area. "Consumers will never set foot inside these centers," they say. "Instead retail transactions will be made by electronic telecommunications and push-button devices installed in private homes and hooked on-line to data processing networks."

Advertising can be a personalized information service—if we realize that the bulk of our media today are addressed to a specific person or family. We know this to be true of direct mail. Direct mail has just been through its own revolution. Because it was a largely unrecognized medium, and attempted to compete with other forms of communication, direct mail houses in the last few years have been selling what they call mass mail. Once again, this is a misapplied semantic. Volume and mass are worlds apart. Anything addressed to a person is individual. Ten million addressing is volume—not mass. Costs of printing and addressing are so high that a mass approach must make direct mail a second-rate competitor in the field of mass communication. Radio and television are truly mass media. They blindly reach out for everyone—without selection or discrimination.

Direct mail can never, and should never, compete for numbers. The action and color of television make it, I think, the ultimate mass medium. Direct mail must increasingly use its power to address specific individuals of known demography and characteristics, if it is to come to full flower. A telephone transmitter is blind, but a computer has a memory and selective vision. These, harnessed to the new printers which are being developed, can write tens of millions of personalized letters at low cost. The Reader's Digest used this technique recently. The letter was not only personally addressed, but repeated the addressee's name several times in the letter and included too the names of the recipient's neighbors. A respondent to such a computerized letter wrote, and I quote Randy McIntyre, "In this age of computers, it is refreshing to be treated once more as an individual." We are just a short step away from completely individualized, volume direct mail, which I believe will soon create personalized advertising opportunities we never dreamed of.

Magazines in their efforts to compete with television have a similar opportunity, if they will but use it. Almost every copy of most magazines is addressed to a person whose name is on a computer. The publisher knows who he is—but hasn't yet taken the time to know what he is, except by mass. This is knowable—and if known, usable in the years to come. The use of it today is limited to regional editions, which were a direct competitive response to the local availabilities of newspapers, radio and television. However, those computers are still being used as faster hands rather than selective memories. If a magazine's computer knew who was a homeowner, who had young children, who was young or old, who traveled, who was an executive or clerk, not as mass audience research, but as a personal fact, a whole new world would open for us all. We would have not just regional editions, which are just imitations of other media—but demographic editions, which would put so much of our advertising right on target. We could advertise paint or insurance to homeowners, baby foods to new mothers, golf clubs to executives, geriatric products to the aged, fashions to women, right in the pages of Life, Look, McCall's or Ladies' Home Journal.

This too could be reflected in editorial content. Why couldn't Life, for example, print sections on sports, fashions, books, cooking, science, finance, business, babies, etc.? Is it impossible to think that an edition of Life could be created for a specific reader or family? Why must I read five magazines, when I like the specific editorial style of Life, Look, Time, or the Ladies' Home Journal? My magazine, addressed to me, could be collated by computer, and I could get the information I want in the editorial style I prefer. Couldn't a magazine have a circulation of 30,000,000 that way—and wouldn't much of our advertising benefit from the specific editorial climate? It can be done—and even more, is possible with current technology.

Time Magazine's doctors' edition is surely a first step in this direction. Going even further afield, if we know who is getting each copy of a magazine, couldn't we, in time, actually print the reader's name in an advertisement? We may yet see these things happen, and when we do, the function of our advertising will have to change, if we are to make the most of these new sales opportunities. Montgomery Ward sent out 50,000,000 copies of its kind of publication in 1965 to 193 different classifications of customers. Because of the rigorous and measurable discipline of direct marketing, every page and every copy of those publications had to pay their way. Magazines are publications mailed to the customers and prospects of every manufacturer who uses them. They too must, in time, stop selling us geography and mass audience research, and begin to recognize that they can have a special place in an age of personalized, direct marketing relationships. I would like to remind them too that this could make good economic sense.

Newspapers, for us and other direct marketers, are a resurgent medium, because we have begun to use them in a new way. We preprint our own special sections, which the newspapers insert. For the first time, now, we can create newspaper networks with a fantastic regional or national impact. If advertising has indeed replaced the product, it can do so almost better in newspapers than any other media. They can't give us the computer selectivity and personalization of direct mail—they can't give us the fine printing, editorial overview, or computerized list of a magazine—they can't provide the motion, sound and color of television—but they can provide a new dimension in advertising—if they will.

With preprints we are no longer limited by newsprint presses. We can print color, and we no longer concern ourselves with the strength of any individual editorial section. The newspaper provides the marketplace, and we gain our own attention in it. However, even this is still primitive. Newspapers are, by and large, exempt from the limitations of the second class mailing privileges which apply to magazines. Therefore, we are not restricted to thinking in terms of flat paper, rectangular unit advertisements. New printing, folding, die cutting, and other technologies now make it possible for us to create newspaper advertisements which are die cut, glued, flocked with tactile material, three-dimensional, or even fragrant. They can even carry product samples. Such advertisements can attract reader interest and participation such as have never been seen except in direct mail and point of purchase. They are, I think, a completely modern concept of advertising, which must attract reader interest. There is an apple in this marketing paradise, however. Many newspaper publishers do not have the technology to insert these advertisements at high speed and low cost—and when they do, they charge for them as if they were regular pages of advertising—despite the fact that they neither print them nor do they use otherwise salable space. This is so much more radical a step than hi-fi color or Spectacolor that I think many publishers do not yet see its implications in our new marketing environment. But they will, and when they do, they will assume a place of tremendous importance in the direct marketing economy. National magazines have become regional advertising media—preprints will make of newspapers a national network medium.

I fear I have overstayed my time, and perhaps my welcome, but then, if we believe in the concept of equal time, direct marketing is still on the debit side in most advertising and marketing forums. However, we shall be hearing much more of it in the years to come. The future of direct marketing is bright. It represents a significant—perhaps revolutionary transformation in our economy. It is a basic American invention—just as mass production was—and should benefit both producer and consumer in the most enlightened sense. It may, in fact, be a key answer to the profit squeeze and cost-of-living problems. Fundamental values will continue to be rendered to it by the Postal System, unless postage costs continue to escalate and inhibit its growth. The Congress and the Administration may well be shortsighted if they fail to note that increased postal cost may well restrict the development of a marketing revolution, which can ease the high cost of living and bring enormous new profits to taxpaying enterprises.

The road ahead for direct marketing is not yet well traveled nor wholly known. I hope that these remarks will cast some light, however dim, on the path. Thank you again.

A PETITION FOR PEACE

Mr. YOUNG of Ohio. Mr. President, the civil war in Vietnam which this administration has turned into an American air and ground war has already taken the lives of more than 18,000 young Americans, caused the wounding of more than 95,000 others, the loss of more than 3,000 of our finest aircraft and the complete waste of $2.5 billion of taxpayers' money each month. In addition, hundreds of thousands of Vietnamese civilians—children, women and men—have been killed and thousands of others maimed for life.

To continue this war means that the desperate social problems we face at home will remain neglected. Instead of rebuilding our cities, we burn Vietnamese villages. Unemployment, ghetto housing, the urgent need for more hospitals and schools—all these must wait while we destroy Vietnam. In their place we have dissension and mistrust among our people, inflation and higher prices, higher interest rates, a more intensified gearing of our economy to military needs, and all the other economic and social ills that have afflicted our land as a result of the war in Vietnam.

Mr. President, officials of governments of more than 50 nations have called for a halt to our bombing of North Vietnam in the hope that this will bring the Vietnamese and the Vietcong to the conference table where a cease-fire can be negotiated.

The Johnson administration apparently has taken the position that the only alternative to our continuing involvement in Vietnam is abject, dishonorable withdrawal of our Armed Forces. The truth is that honorable alternatives exist. For example, we could halt further escalation of the ground fighting and an unconditional cessation of the bombing of North Vietnam, and seek negotiations for a compromise settlement based on the Geneva agreements. We could offer disengagement of our offensive actions in South Vietnam of our ground forces provided the Vietcong also withdraw from offensive combat action in South Vietnam.

Secretary of Defense McNamara testified earlier this year that the objectives attained by the incessant bombing are no longer commensurate with the loss of priceless lives and the loss of aircraft that we Americans sustained. I am hopeful that President Johnson will soon announce to the world that we will unconditionally halt the bombing of North Vietnam. We have little, if anything, to lose. We have everything to gain. We will have shown to the world that we desire a political and diplomatic rather than a military solution to end the war. Should the North Vietnamese and the Vietcong after a reasonable pause then refuse to enter into negotiations, then much of the guilt for continuing this war would shift to them.

Mr. President, 500 members of the faculty of Yale University recently signed a petition urging the President to terminate the bombing of North Vietnam unconditionally and to seek an honorable peace and an end to this war. I commend this petition to Senators and ask unanimous consent that it be printed in the RECORD.

There being no objection, the petition was ordered to be printed in the RECORD, as follows:

A PETITION FOR PEACE

It is becoming obvious to everyone that the war in Vietnam is contrary to the best interests of the United States. It has in fact grown ever more inhuman and terrible without the slightest sign that it is promoting the interests of anyone at all.

In Vietnam, the war is pulverizing a whole culture. It is permitting vast technological means to smash the lives of poor people who have only each other, wasting their sustenance and breaking their homes. It is causing the agonizing deaths of thousands of American young men and of untold thousands of Vietnamese men, women and children.

In the United States, the war is rapidly undermining our most precious values, our most necessary virtues, and the most cherished gifts of our heritage: respect for human life, for freedom, for fair play, for truth itself.

It is brutalizing our people and hardening them dangerously to the sufferings of others. It is alienating a whole generation of our youth from their government and is clouding their faith in the United States and in the common future we once held dear.

We members of the Faculty of Yale University therefore call upon the President of the United States to rise to his historical destiny and to represent the vast majority of the people of the United States, who elected him precisely because they wanted peace and trusted him to keep it. That same majority wants peace and magnanimity now.

We urge our President, respectfully and with full awareness of the courage required, to terminate the bombing of North Vietnam unconditionally and at once, and thereafter to seek, through negotiation with the National Liberation Front and Hanoi, an honorable peace, an end to destruction and this nightmare war.

SUPPORT OF S. 2650, A MARITIME PROGRAM

Mr. TOWER. Mr. President, I am pleased to speak today in support of S. 2650, a measure designed to provide for an adequate merchant marine in the United States. I called attention to the impending dangers in this field last year and introduced a measure at that time. Again during this Congress, I have exhorted the administration to come up with a solution to the problem, again to no avail. Now I am glad to join in sponsoring a measure which Congress on its own initiative has set up to deal with the problem. It is not only our prerogative, but also our duty to act when there is a leadership void.

The heart of the new program is to provide for the construction of new ships for our merchant marine. This has been the most chronic ailment of our fleet, with its becoming more obsolescent every day. Now we have declared that we shall maintain our status as the world's maritime power, and new ships are the most important item. However, new ships are not the only consideration, and the bill does more.

It corrects certain deficiencies that are causal to the present situation and make some needed reform. It provides money for research in the maritime field, something that has been sadly lacking. Also, it provides for additional nuclear maritime ships, which many believe to be the answer to our future shipping needs.

I am also gratified that the measure includes my proposal for the establishment of a commission to study the adequancy of the industry and to plan for its future. Without this, the measure would definitely be inadequate and only stopgap. However, with an indepth study, we will be able to provide for an orderly growth in this industry and make certain that our future is maintained.

I ask that the Senate give this matter favorable consideration. It is a measure that should have one of our highest priorities in the second session of the 90th Congress.

AIRLINES VIEW OF PROBLEMS OF AIRPORTS AND AIRLINE GROWTH

Mr. MAGNUSON. Mr. President, I recently had brought to my attention an address delivered by George A. Spater, vice chairman of the board of American Airlines in Anaheim, Calif. I commend this speech to Senators for its concise statement of the airline view of the problems of airports and airline growth and ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AIRPORTS AND THE COMMUNITY: AN AIRLINE VIEW

(An address by George A. Spater, vice chairman of the board of American Airlines, Inc., before the American Institute of Aeronautics and Astronautics, Anaheim, Calif., Oct. 24, 1967)

During the past two decades, air traffic in the United States has been doubling approximately every five years. The increased volume has resulted in airport congestion. If the congestion increases, it will make air transportation less attractive and impair the future growth prospects of the industry. This paper attempts to describe the congestion problem to determine its scope and to suggest some of the solutions.

It must be appreciated at the outset that congestion, and delay resulting from congestion, are characteristic of every transportation facility or system. If you leave your car in a public garage and want to take it out during the rush hours, you expect to experience some delay. Crowded conditions and delays exist at peak periods on highways, on railways, on subways, on buses, on elevators, as well as at parking lots. Congestion and delays also occur in restaurants and many other facilities open to the general public. The reason, in each case, is that it is not practical to build a system large enough to handle the volume that may be offered at any moment of time. The critical problem always is whether the delays at peak periods can be eliminated at a cost the user is willing to pay. For example, it would be theoretically possible to eliminate all highway delay at rush hours by building more and more highways, but this could be accomplished only at a fantastic cost to the public and by the creation of a system that would be very much under-utilized most hours of the day.

This seems a perfectly obvious statement, and most everyone accepts with understanding the congestion that occurs on the highways over the Labor Day weekend. There seems relatively little comparable understanding that at peak periods of airline travel there will always be congestion and delays at airports. Perhaps I shouldn't say always, but rather that so long as air transportation is commercially feasible and attractive, there will be congestion and delays at peak hours.

Airport congestion can be of three types: First, there is the possibility of congestion on the highways bringing traffic to the airport and carrying it away; second, there can be congestion in the terminal areas, that is, at the departure gates, the waiting rooms, the baggage claim areas and the parking areas; and, finally there can be congestion on the runways and in the air immediately adjacent to the runways. Each of these represents a separate problem with differing causes and cures.

HIGHWAY CONGESTION

The currently popular way of commencing an article on airports is to state that while the airlines are steadily cutting down on the air travel time, it takes longer than ever to go from town to airport. Recently a national magazine of general circulation made this statement:

"Flying time from New York to Boston in 1933 was two hours and five minutes; today it is less than fifty minutes. But with rush hour traffic jams, airport delays and baggage snarl-ups, it actually takes longer to get from downtown New York to downtown Boston than it did thirty-four years ago."[1]

This is just silly. I have kept a record of the trips I have made by taxi between LaGuardia and my office in Manhattan during most of 1967, and on no occasion did it take more than 30 minutes. This includes travel during both the morning and evening rush hours. I have frequently made the trip in 15 minutes. You can go from Logan Field to downtown Boston in even less time. Our flight time, both scheduled and actual, is under 50 minutes. That makes a total of an hour and a half to an hour and forty minutes for both ground and air. The air time alone was longer in 1933.

Unfortunately, dramatic statements of the type I have quoted are not limited to national magazines of general circulation. Even people in the industry find this myth sufficiently attractive to keep repeating it.[3] Apparently a voice deep in the average human breast instinctively says that the olden times were better than today, like the 80-year old man who complained that peaches tasted better when he was a boy.

Rather than rely on my own happy propensity of thinking that everything is better today than it was yesterday, I have prepared a tabulation based on information taken from the Official Airline Guide giving the time allowed for bus transportation from town to airport at 12 typical metropolitan airports in 1967 and at earlier intervals going back in most cases to 1941. The number of airports was limited because I tried to pick ones that had been in operation for long periods. The analysis shows a reduced time in every case except two: LaGuardia, where the listed travel time has increased 10 minutes in 26 years and Cleveland, where the listed time was the same in 1941 as it is today.

PUBLISHED TRAVELTIME FROM CENTER OF CITY TO AIRPORT

	Traveltime in minutes					
	1941	1946	1951	1956	1961	1967
New York-La Guardia	35	35	45	40	60	45
New York-Newark	55	50	55	40	45	45
Chicago-Midway	50	50	60	60	70	30
Dallas	30	40	40	40	40	25
Los Angeles	(¹)	60	60	60	60	45
Washington-National	20	30	30	30	30	15
Boston	30	25	25	25	60	20
Cleveland	45	60	60	60	60	45
Buffalo	45	40	45	45	50	25
St. Louis	55	60	60	60	60	30
Cincinnati	(¹)	(¹)	50	50	50	25
San Francisco	45	50	60	60	60	30

[1] Not in operation.

[Source: Official Airline Guide, June.

Highway congestion in general is one of the facts of urban living. It is a serious civic problem. But except for a few special conditions, which I will discuss later, it is not a major aviation problem in the sense that it is caused by or can be remedied by the aviation industry.

The peak auto movement entering O'Hare, the busiest airport in the world, has been recorded at 3,392 cars in a single hour.[2] Modern expressways can handle 1,500 to 2,200 vehicles per hour in each lane,[4] or 4,500 to 6,600 cars on a three-lane highway. Although a figure such as the O'Hare peak of almost 3,400 cars an hour is sizeable, it is clearly within the capabilities of the highway system, particularly when it is kept in mind that in the typical case, traffic bound for the airport does not all move along a single roadway, but approaches from a variety of directions.[5] Another way of viewing 3,400 cars over the course of a peak hour on a peak day—something that occurs at rare intervals—is to compare it to the crowd that hits the highways all at once when a ball game lets out or even more pertinently, at a factory shift change—something that happens regularly every day.

The special conditions, when highway congestion is peculiarly an aviation problem, fall into three categories: First, there are some cases like Kennedy airport, where almost all highway traffic that originates over the entire metropolitan area, is finally being funneled into the airport during the last few miles through a single access way, in that case, the Van Wyck Expressway.

This is a road that has 7 exits and 8 entrances in each direction in the 3 miles between the airport and Queens Boulevard. It seems likely that in a situation of this type, in order to relieve the present congestion condition, it will be necessary either to add a second-level limited access highway or to close some of the local entrances and exits. You can, if you like, call this an airport problem. It is also possible to regard it as evidence of poor planning of the urban roadway system from which airport users are among the principal sufferers.

A second type of highway congestion that may be regarded as an aviation problem is that which occurs on the roads within the airport itself. Many of the major airports have internal roadway systems that were not designed for current volumes of traffic. In most instances, these can be remedied by widening or double-decking. There are also cases of poor unit terminal design which create congestion. There are at least two airline facilities at Kennedy that are so badly designed that the resulting automobile jam affects the traffic flow on the rest of the airport. Kennedy also suffers from inadequate access to and egress from its parking lots. The airport operator will have to give increasing attention to this type of problem.

The third type of highway congestion that I regard as special is that which occurs at the three major terminals on the two coasts where the number of persons employed at the airport is appreciably greater than at other airports. There are 20,000 persons employed at San Francisco International Airport, 30,000 at Los Angeles International, and nearly 40,000 at Kennedy in New York.[6] The Kennedy figure is three times the total employed at Chicago's O'Hare, an airport that handles almost twice the volume of passenger traffic moving through Kennedy.

The impact of employee travel on highway usage is dramatically shown in a recent study at San Francisco International. There, on a busy Friday in August 1966, the number of cars entering and leaving the airport throughout the 24 hours was 2½ times the number of passengers arriving and departing on flights serving the airport.[7]

No comparable study has been published for Los Angeles International or Kennedy. The San Francisco figures suggest, however, that shift changes are one possible method of relieving highway congestion at those relatively few airports where very large numbers of individuals are employed. It must be recognized, however, that such changes would unquestionably adversely affect efficient utilization and increase operating costs. A more practical solution is the development of off-airport parking lots with frequent bus service to working areas.

There are many suggestions for special rapid transit from the center of the metropolitan area to the airport. This is well worth continued exploration, although the several experiments outside the United States (Brussels and Tokyo) have not been crowned with success. The Cleveland rapid transit and the Oakland (BART) programs, the New York Port Authority highway/track high speed transportation system and the proposed Skylounge project being considered in Los Angeles will be watched with great interest. The problem inherent in all these efforts is the strongly manifested desire of individuals to use their automobiles, the widely dispersed origins and destinations of airline passengers and the inability of rapid transit systems to cover costs except with traffic volumes greater than travel between center of town and airport. We begin with the fact that only 9% of the traffic moving out of Los Angeles International Airport originates in downtown Los Angeles; only 22% of the O'Hare traffic originates in the Loop.[8] At Kennedy in New York, according to a Port Authority expert, "the peak hour airport-city demand in the peak direction of travel is on the order of 20 buses and 500 autos including taxis."[9]

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[1] Esquire, August 1967, at page 85.

[2] This figure is for July 14, 1967.

[4] Developing Metropolitan Transportation Policies, A Statement on National Policy by the Research and Policy Committee of the Committee for Economic Development, April 1965, at page 24; Highway Capacity Manual 1965, Special Report 87, Highway Research Board, National Academy of Sciences publication 1328, at pages 26–27.

[3] See, for example, Air Traffic Capacity Conference, Federal Aviation Agency, Eastern Region. January 26, 1967, at page 16.

[5] See Airport Transportation, A Study of Transportation Means between Airports and the Metropolitan Areas They Serve, prepared by Human Sciences Research, Inc., for the Federal Aviation Agency, February 1961, at pages 55, 284.

[6] The approximate number of employees at some other typical major airports are Atlanta 13,000, Cincinnati 700, Cleveland 3,000, Dallas 7,000, Denver 4,950, Detroit 2,700, Dulles 1,500, LaGuardia 6,000, Newark 5,900, New Orleans 2,500, O'Hare 12,200, St. Louis 1,200, Washington National 8,500.

[7] On August 12, 1966, total number of passengers in and outbound 25,782; total number of cars arriving and departing 60,979, Koussios & Homburger, Vehicular Traffic Patterns at an Airport in Relation to Airline Passenger Volumes, The Institute of Transportation and Traffic Engineering, University of California, Research Report No. 44, May 1967, Tables A–1, A–2, and A–6.

A rapid transit system, to be successful, must be directed at the entire movement of traffic within the metropolitan area. The airport travel problem will remain a small part of the much larger urban transportation problem, and must await the solution of that larger problem.[10] If the day comes that it regularly takes 2 hours, as some have predicted, to go from downtown Los Angeles to the Los Angeles International Airport, people will move their residences and their businesses away from Los Angeles and there won't be a demand for much air transportation there. Cities must find a way to cope with local traffic for more demanding reasons than the need to go to the airport.

RAMP AND TERMINAL CONGESTION

The ramp and terminal areas face both short-range and long-range congestion problems.

The short-range problem is that we have been constantly building terminals designed for specific aircraft and specific traffic volumes only to find that in a few years new aircraft types and higher than estimated volumes have obsoleted our structures. Instead of dealing with a fairly standard vehicle like a railroad passenger car of a fixed width, height and length, we are steadily producing new aircraft which differ in all dimensions from types previously in use. As a single simple example, some of the door levels (i.e., the distance from the ground to the level at which the passenger enters) we are currently trying to cope with are: 6'8" for the BAC-111, 8'6" for the Electra, 8'8" for the Boeing 727, 9'0" for the Boeing 720, 10' for the Boeing 707, 12'6" for the Boeing SST, 15'6" for the Boeing 747 and 16'5" for the Concorde.

The problem of handling aircraft of different measurements, while serious, is small compared with the problem of increased flight departures and larger capacities of new aircraft demanded by growing traffic, both of which require more and larger departure lounges, wider corridors, and different baggage handling facilities. Yet despite what is being said and written about increasing congestion of passenger handling facilities, I am reasonably certain that today there is more lounge space per passenger, and that passenger clearance and baggage delivery takes less time than 25 years ago. It seems, however, that a good news story, whether it is about aesthetics or morals or airline service, depends on a finding of deterioration and impending doom.

It is perfectly obvious that as traffic increases we shall have to build more and it is true, too, that even if things are not as bad as critics would have us believe, we are still quite anxious to make them better. The problem of expanding our space to accommodate increased volume, which we are now doing, I classify as a short-range problem. The more serious long-range problem is that at many airports we are rapidly running out of land on which new buildings can be placed.

The following tabulation shows, for 15 major airports, the area that is available for new building under prevailing FAA rules governing runway and taxiway clearances:

Airport	Total land (acres)	Building and parking area (acres)	
		Built	Remaining
Atlanta	2,000	390	100
Cleveland	1,500	275	25
Dallas	1,400	272	28
Detroit	3,500	667	200
Kennedy	4,900	1,050	200
La Guardia	578	90	30
Los Angeles	3,000	750	250
Newark	2,300	260	200
New Orleans	1,500	195	115
O'Hare	6,000	1,080	620
Philadelphia	1,900	250	500
Phoenix	1,800	200	150
San Francisco	2,200	525	275
St. Louis	1,733	295	55
Washington National	861	110	20

These are fairly representative big city airports. Yet in only one case out of the fifteen (Philadelphia) does the land presently unoccupied equal that already utilized. On the average, the land still available for further construction is about one-third of the land now in use. If traffic doubles in the next five years and so on ad infinitum in the future, how can we find enough land for the required facilities?

The first thing that must be done is to make greater use of the vertical dimension. Up until now, the land around most airports has been used as though it were worthless. As an example, large areas are needed for parking and today a great deal of airport property is set aside for that purpose. Roughly, a million passengers a year require 20 acres of parking space. This can be provided either by 20 acres used in the prevailing mode, what might be called "prairie-style", or by a 4-acre structure with five levels. Moreover, this structure could be placed on the roof of the passenger terminal so that no extra land will be used for parking and, at the same time, the airline customer will have a shorter walk to his plane.

A second relief for the land problem will come through providing for certain of the airline requirements off-airport. Examples of this already in operation include catering activities, cargo marshalling facilities and fuel tank farms.[11]

A third source of relief is the acquisition of more land adjacent to the airport through purchase (Atlanta), or fill (Kennedy), or by the provision of an entirely new airport (Dallas-Fort Worth).

Finally, efficient land use will have to become of greater concern to the designer of aircraft as well as to the purchaser of aircraft, and some relief can be hoped for here. There are two design considerations of overriding importance. First, at an airport like LaGuardia, with its very limited land area, aircraft much over 170' long cannot be efficiently maneuvered within the existing or proposed terminal area. Second, it is necessary to provide places for the overnighting of aircraft and, as the existing available land disappears, the area occupied by an airplane, in relation to its carrying capacity, may become critical. It will require well over an acre just to park a Boeing 747. Even a 707 takes three-quarters of an acre. If we consider also turning radius and the usual maneuvering margin, it will require almost three acres to park the 747.

I have tabulated below the square feet of land area required per passenger seat for some of the major existing and proposed types of aircraft. This is the minimum safe parking area, without allowance for turning radius and maneuvering margin. We can see from this that the proposed new wide body tri-jet will make 50% more efficient use of land area than an airplane like the Boeing 727.

COMPARISON OF AIRCRAFT PARKING AREA PER PASSENGER

	Length (feet)	Span (feet)	Parking area (square feet)[1]	Passenger capacity	Parking area per passenger (square feet)
Tri-Jet	170	155	33,250	234	142
B-747	231	196	54,216	360	151
BAC-111	94	89	12,426	65	191
DC-8-61	187	142	33,534	202	166
Concorde	191	84	21,944	121	181
B-727-200	153	108	22,144	125	177
B-2707 (SST)	306	116	44,336	258	172
B-707-100	145	174	32,010	132	243
Electra	105	99	14,875	71	210
B-720-023	136	131	23,556	112	210
B-727-23	134	108	19,712	93	212
B-707-323	153	146	28,718	141	204

[1] Including 10-foot margin for safety.

RUNWAY AND APPROACH CONGESTION

The most serious of our three areas of congestion, by far, is in runways and approaches. It is serious because flying a four-engine jet around, waiting to land, makes our passengers unhappy and costs us $10 a minute. It costs us $4 a minute when we are waiting on the ground, with engines idling. It has recently been estimated that delays cost the airlines some $41 million a year.[12]

Nevertheless, the extent of the current crisis in this area, like that of highway travel time, has been exaggerated from the viewpoint of the passenger. An extremely well-publicized statement these days is that delays at Kennedy average 20 minutes and will increase to nearly 2 hours by 1970. This appears in nearly every article on airport problems,[13] but no one ever seems concerned about the accuracy of the figures.

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[8] Unpublished study, Local Transportation to Six Major Airports, prepared for Air Transport Association of America, October 1965, at pages 6–7.

[9] "Ground Transportation between City and Airport", paper prepared by Edward S. Olcott, Chief, Central Planning Division, Port of New York Authority, at Joint Conference AOCI and ASCE, Aero-Space Transport Division, Houston, Texas, April 14, 1967, at page 7.

[10] See, for example, study referred to in note (5).

[11] In 1967, the United States airlines will use 7 billion gallons of fuel. Much of this is now stored at the airports, although there is an increasing tendency to supply airport needs through pipe line. By 1975, the United States airline use will increase to 17 billion gallons. United States Airline & Industry Forecast of Turbine Fuel Demand 1967–1975, prepared by the Air Transport Association of America, Supply Committee—Fuels Subcommittee, Table 1.

[12] Estimated Cost of Delay at FAA Tower Airports, C. Y. 1965, Staff Study of FAA, June 1966.

[13] Jetports and General Aviation in the New York Metropolitan Area, A Report to Governor Nelson A. Rockefeller, March 1967, at page 3; American Aviation, August 1967, at

The original basis for this statement is a study by Professor Robert W. Simpson of MIT. But Professor Simpson's study did not purport to show the average of all flights, but only the average of those flights which were delayed. If there are 100 flights and one is delayed a half-hour, the study shows an average delay of a half-hour. Further, the extrapolation of Professor Simpson's study to 1970, leading to the horrific 2-hour figure, is based on the assumption that the maximum capacity of Kennedy airport in 1970 will be 49 movements an hour, whereas actual experience in 1967 demonstrates that the capacity is over 70 movements an hour. For the 14 months ended February 28, 1967, a period which includes two winter seasons, the actual average delay of American Airlines' flights at Kennedy airport was 4.4 minutes.[14]

As another evidence that airline service is not deteriorating, I have tabulated our actual block to block times in three typical short-haul, high-density segments, each under 250 miles, where you would be most likely to feel the impact of congestion. This shows that from 1960 to 1966, while air passenger traffic has increased 104%, our actual flight times have declined:

	Average actual times, block to block	
	1960	1966
Boston to La Guardia:		
CV-240	1:13	----------
DC-6	1:10	----------
Electra	1:03	0:56
BAC-111	----------	0:47
Washington to La Guardia:		
CV-240	1:20	----------
DC-6	1:12	1:18
Electra	1:09	1:02
BAC-111	----------	0:56
Detroit to Chicago:		
DC-6	1:19	1:21
Electra	1:07	1:06
BAC-111	----------	0:59
B-727	----------	0:55
B-707/720/990	----------	0:56

Unfortunately, we have not retained records for periods prior to 1960 but, in my opinion, those critics who think that actual flight times were shorter in 1946 or 1956 than they are today, and that there were no airport or airways delays at peak hours 20 years ago, are being moved more by emotion than by fact.

We do not regard the present situation as satisfactory—we do have some long delays at peak hours on certain days, but we could live with the current conditions if we could be sure it would get no worse. And this is the real question: How can we provide adequate capacity in 1980 when, according to many forecasters, our volume of traffic will be three or four times as great as today?

Before discussing possible solutions, we should first look at those elements which currently impose limitations. To begin with, airport capacity is measured in number of movements (landings and takeoffs) in an hour. The measure is far from exact—it is not the same as figuring the capacity of a tank car which is absolutely limited—because the number of landings and takeoffs depends on variables such as weather, the skills of the pilots and control tower operators and the speed of the aircraft. For example, the FAA says the capacity of Washington National is 60 movements an hour. In many months of the current year, there were over 90 movements in an hour at Washington National.

Currently the runway capacity at many maor jet airports is being used to a large extent by the smaller private planes operated by general aviation. At Washington National, 57% of the peak hour movements are by general aviation. The figure for LaGuardia is 62%. At Kennedy it is 31%. At Newark, it is 52%. The figure for all New York airports combined is 46%. To repeat, nearly half of the peak hour capacity of the major jet airports at the nation's capital and at the largest city in the country is currently being preempted by the small airplanes of general aviation. When you are delayed on commercial transports at these cities, the chances are great that the delay is due to the high level of use of the airports by general aviation. It is ironical to note, parenthetically that while taking half the peak capacity, the private aircraft comprising general aviation pay less than 3% of the fees being collected at these airports—the balance being exacted from the airlines and hence passed on to the general public. The general public using the airlines not only suffers the inconvenience caused by the private aircraft saturating the big commercial airports, but also pays landing fees that subsidize general aviation and thereby make the inconvenience possible.

The percentage by which the capacity of jet airports is being used by general aviation is not the whole story. The capacity of an airport is reduced when the aircraft using it are of mixed speeds. Three aircraft going 150 knots and two aircraft going 95 knots take 70% more time to land than five 150-knot airplanes.[15] It addition, existing FAA rules permit general aviation aircraft, which are neither qualified nor equipped to fly IFR, to operate under "Special VFR Procedures" when visibility is a mile or better, *regardless of the ceiling*, and often to take priority over the airlines operating under IFR procedures.

Under these conditions, long delays by airline aircraft are frequently encountered in order to afford protection to the general aviation aircraft. This results in a further preference to the private aircraft over the public aircraft and to the poorly equipped plane over the fully equipped plane. Consequently, the increasing proportion of total traffic made up of general aviation is the first element of importance affecting runway capacity.

The second limitation on airport capacity is the effect of noise restrictions. At many major airports, special procedures and maneuvers are required to reduce the noise to those living in adjacent communities. Under certain weather conditions at Kennedy, its capacity is cut by 50% merely because of noise considerations.[16]

Now to look at solutions—

These fall into two major categories: First, those that would expand the capacity of existing commercial jet facilites, and second, those that would relieve existing commercial jet facilities by moving some of the air traffic elsewhere.

We are all familiar with one of the natural evolutionary processes which makes it possible to expand the capacity of present airports, that is, the tendency toward larger aircraft. Since the number of movements an hour controls capacity, doubling the size (i.e., the number of seats) of the commercial airplane enables the carriers to transport twice as many people without any added burden to the runway capacity. The replacement of aircraft by larger units is a process that has gone on a long time and continues to go on at a rapid rate. At the present time, American Airlines operates hourly service between New York and Boston with the 65-seat BAC-111. If traffic increases three or four times by 1980, as some forecasters predict, we can handle our share of the market with the same number of frequencies in an airplane that seats 225 persons. Under these conditions, there would be no greater use of runway or approach capacity than there is today.

Second, many airports can be expanded by the construction of parallel runways permitting simultaneous landings and takeoffs. Los Angeles is now in the process of building its fourth parallel runway. Additional parallel runways can be added at Kennedy, to cite another example. Moreover, the capacity of most existing runways can be improved by the addition of superior instrumentation and lighting and better designed turnoffs and taxiways.

Third, airport capacity is directly related to the separation distance between aircraft while landing or taking off. It should be possible to reduce this separation safely from the present 3 miles, plus or minus, since it is manually maintained by a human controller, to a regular 2 miles with an electronically controlled system. This would mean a theoretical 50% increase in capacity, probably something less than that in practice, but still substantial.

Fourth, something can be done about noise that will increase the capacity of existing airports. One possible move is to buy out the neighbors who are the principal sufferers and convert their property to compatible industrial use. This is now being done at Los Angeles to permit the construction of the fourth parallel runway. It is economically feasible because land near airports has a steadily increasing economic utility. It is often more valuable for industrial use than for residences. Another avenue is the construction of quieter aircraft. There is real hope for progress in this direction. When noise is reduced, the capacity of many airports will be increased overnight.

Frequently the suggestion is made that delays are occasioned by the bunching of schedules, the result of providing service at the hours when the public wishes to travel. An analysis of airport activity shows that because of operational considerations, the actual demand for runway use is more evenly spaced than the scheduled demand, and that the bunching of schedules in itself neither increases nor decreases the movement rate on the runway, but does affect the level of delay to operations.[17] My own conclusion is that, at busy airports, while bunching may increase the level of delay, in actual practice this is a minor element.

This ends my list of ways to get more use out of existing airports. You will recall that the other major category of proposed solutions is to move some of the traffic out of existing airports.

The usual suggestion, made by laymen and by some intelligent experts as well, is that we simply build wholly new jet airports for commercial aircraft. This must be done at some points. It is being done in the Dallas-Fort Worth area, and is being seriously considered in Chicago. This is a very expensive way to solve the problem and in some areas, particularly around New York, it is almost impossible to find sufficient, convenient land to build these monster airports, so the other alternatives must be stretched to the maximum.

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page 26; Business Week, July 22, 1967, at page 61; City in Crisis, address by Oscar Bakke, Director Eastern Region, FAA, June 28, 1967.

[14] A survey performed by Pan American showed an average *departure* delay of 6.3 minutes for all flights at Kennedy in November 1964. It should be noted that "Airborne Instrument Systems in Metropolitan Areas, Methodology of Analysis", January 1964, at page C-3 defines an overloaded condition as one in which the average delay exceeds 4 minutes.

[15] A Plan to Meet General Aviation Requirements in the New York Metropolitan Area, prepared by Frank M. McDermott for the Aircraft Owners and Pilots Association, December 1965, at page 6.

[16] Warskow & Tiemann, Journal of the Aero-Space Transport Division, ASCE, January 1966, at page 54, conclude that noise abatement procedures at Kennedy reduce total annual capacity by 8% increase delays by 40%.

[17] See Airborne Instrument Laboratories Report cited in note (3), Appendix A, pages A-1 to A-3.

One of these, the development of short takeoff and landing aircraft, permitting operation directly from center of city to center of city, which is almost certain to come in the next 10 to 15 years, could relieve existing airports of a very large volume of short-haul traffic. About one-third of existing airline volume is short-haul traffic under 300 miles, especially suitable for STOL aircraft. Also, some of this short-haul traffic may disappear from the airways entirely if the new high speed rail service proves effective.

The most feasible and most immediate relief for the airports, involving the expenditure of only relatively modest sums, is to provide separate airports for the smaller general aviation aircraft that are now saturating the big jet airports.[18] Chairman Charles S. Murphy of the CAB has strongly supported this solution.[19] Parenthetically, wherever separate general aviation runways can be provided at existing commercial airports without interfering with airline service, this also should be done.

Modern jet airports take 7,000 acres and more. As many as 50 good general aviation airports could be built for the same money and in the same aggregate space, and the smaller sites suitable for general aviation airports are still available closer to the center of town.

In New York, people keep talking about building a fourth jet airport and a fifth jet airport at a cost ranging from 500 million to a billion dollars each, and located 50 to 70 miles from the city. With 46% of peak hour capacity at our three existing airports used by general aviation, we could have the equivalent of a fourth jet airport and part of a fifth one, overnight, if we found adequate facilities for general aviation. The notion of building another commercial jet airport to take care of the rising volume of general aviation is like building another dock adequate to house the Queen Mary, in order to accommodate an increased use of row boats.

The efficient utilization of land and facilities demands the construction of general aviation airports and the allocation of total airport capacity between the airlines and private aircraft in a manner that is in the best interest of the public as a whole. The question is not whether anyone should be displaced, because this is inevitable as we reach saturation; the question is whether those displaced should be a large segment of the public or a small segment. Unless some sensible allocation of uses is made, none of the other alternative methods to increase capacity will be of any value. Today there are 110,000 general aviation aircraft and 2,200 airline aircraft. It has been estimated that the number of general aviation aircraft will increase by over 50,000 in the next five years and will have reached 300,000 by 1980. In the same time, the total commercial airline fleet will have a net increase of about 500 to 800 units, so the airline fleet will be 1% or less of the total number of aircraft requiring landing facilities. Under today's rules, there is nothing to prevent general aviation from successively preempting New York's three existing airports and then going on to preempt its fourth and fifth airports as they are developed, so that anyone who wants to get on a public plane in New York will have to go 100 miles from the city to board one.

This is a condition which must be remedied if public air transportation is to survive.

THE REDWOODS ARE GOING

Mr. METCALF. Mr. President, one of the finest stands of redwoods, in an area that may be included in the Redwood National Park proposal now before Congress, is being sawed down this very moment. The Georgia-Pacific Corp., which has declined the request of numerous Members of the House of Representatives and myself to preserve areas under consideration for the park, this week moved its chain saws into the Emerald Mile.

A preliminary report came in Wednesday, in a wire from President David Van De Mark of the Citizens for a Redwood National Park. Six trees had been felled. Checks were made on the extent and nature of the cutting. More trees had been cut. It is now apparent that Georgia-Pacific is arrogantly beginning full-scale logging operations. The company is cutting the area before the House of Representatives has time to act on the bill approved by the Senate and the companion House proposals, some of which would include within the park the area now being cut, an area which could also be included by the Secretary of Interior under the terms of the Senate-approved bill.

Mr. President, it is interesting to note that this cut by Georgia Pacific has been timed to coincide with the adjournment of the first session. Thus the Congress is not in a position to act promptly to prevent this rape of the redwoods. I regard the situation as comparable to an attack by the Vietcong on Christmas Eve.

Mr. President, I ask unanimous consent to insert at this point in the Record a statement by President Edgar Wayburn of the Sierra Club, released this afternoon, the December 13 telegram to me from President David Van De Mark of the Citizens for a Redwood National Park, and the December 8 telegram to the president of Georgia-Pacific from Alfred A. Knopf, chairman of Alfred A. Knopf, Inc., who concludes:

> If you believe in what you are doing in the name of your stockholders' interest you must be unaware of the disgust and resentment with which tens of thousands of citizens view your short-sighted policy and the insolence with which you defend it.

There being no objection, the material was ordered to be printed in the Record, as follows:

Georgia Pacific Invades the Emerald Mile of Redwood Creek

(Sierra Club, Statement by President Edgar Wayburn, December 15, 1967)

San Francisco.—Georgia Pacific is beginning to cut one of the greatest groves of redwoods that could still become a part of a Redwood National Park, the Sierra Club declared today.

The company's loggers are now at work with their chain saws felling trees in the Emerald Mile, which can be added to the Senate passed Redwood Park bill under the authority given to the Secretary of the Interior. The Emerald Mile is a magnificent 300 foot wall of virgin redwoods that front Redwood Creek for two miles upstream from the mouth of Redwood Creek. With a face comparable to the Bull Creek Flat, this 900 acre unit is just upstream from the national park boundaries approved by the Senate (S. 2515) in early November. The Secretary of the Interior is given authority under the Senate bill to add another 2,346 acres to the Park.

Terming Georgia Pacific's move "arrogant and defiant," Sierra Club President Edgar Wayburn said Georgia Pacific is "ripping one of the finest chapters out of the park story which Redwood Creek can tell. The attitude of Georgia Pacific seems to be that what is good for the company is good for the people of the United States. Since the First Session of the 90th Congress is about to adjourn, it is obviously impossible for the House of Representatives to finish its action on the Senate-passed bill before early Spring. It is our understanding that Georgia Pacific plans to begin full scale logging operations in the Emerald Mile by Spring. If Georgia Pacific proceeds, it will define the final boundary with its chain saws," Wayburn stated.

Wayburn called upon the company to suspend its operations within the Emerald Mile and other areas adjacent to the boundaries of the Senate-passed bill until the House acts.

Trees were first cut in the Emerald Mile on December 11, though growing construction of logging roads and skid trails has been evident since late November. Activity is centered at a large flat on the west bank mid-way up the two mile long corridor. More than a dozen huge trees have already been felled in this location, and more are down on the slopes back of the flat. Facilities for a major logging operation are being installed.

Georgia Pacific has not yet filed notice of intent to commence timber operation in this locality with the State Division of Forestry, as it is still installing roads, landings, and skid trails. By January 30, the Company must file the required notice with the Division of Forestry concerning its operating plans in this area.

On November 29, Georgia Pacific turned down a request from Congressman Jeffery Cohelan (D-Calif.) and 34 other Congressmen that the Company stay out of areas immediately adjacent to the boundaries of the Senate-passed bill. Despite the fact that it has other high grade stands of redwood outside of the Redwood Creek drainage that it could utilize instead, the Company insisted on proceeding with logging along the western edge of the boundaries approved by the Senate. A company with $50 million annual profits, Georgia Pacific claimed economic need to go ahead with this logging.

In view of the imminent destruction of the Emerald Mile, the Sierra Club is urging the House of Representatives to take up the Redwood bill as soon as possible. It urges that field hearings be held in January rather than in March or April.

Eureka, Calif.,
December 14, 1967.

Hon. Lee Metcalf,
Old Senate Office Building,
Washington, D.C.

Sir: Citizens for a Redwoods National Park, CRNP, has just discovered evidence of the first logging by Georgia-Pacific Corp. in the Emerald Mile on Redwood Creek. Access to the lowermost portion of the Emerald Mile at Bridge Creek was by way of the M–9 Line Road which passes through portions of S1515.

CRNP maintains that the Emerald Mile has top priority for park purposes. It remains substantially unspoiled and has great scientific interest. The superb forests of this section includes the ninth tallest known tree, located in a beautiful grove in the middle of the Emerald Mile. Aerial inspection indicates bulldozers are operating in or near the grove and logging has already begun just downstream one quarter mile.

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[18] Warskow & Tiemann, cited in note (16) at page 53, find that by excluding general aviation, air carrier capacity would increase almost 45%.

[19] "In places where traffic is heavy enough so that the same airports cannot adequately serve the needs of both air transportation and general aviation, separate and adequate airports should be provided for general aviation. The failure to do this leads to the wasteful use of resources and is a serious impediment to the growth of air transportation." Statement of Charles S. Murphy, Chairman of the Civil Aeronautics Board, before the Subcommittee on Aviation of the Committee on Commerce, United States Senate, August 28, 1967.

CRNP considers the protection of the Emerald Mile is justified, at least until the House has considered park legislation and the three thousand acre adjustment clause in the Senate bill S. 2515 has been acted upon.

Immediate action to stay the chainsaws is needed, for the Emerald mile is small in area and its geology is fragile. Full scale logging by Georgia-Pacific, apparently now imminent, could destroy the priceless qualities of the Emerald Mile in only a few weeks.

Please consider coming out and seeing the area yourself, to be directed on an aerial tour and ground inspection by CRNP, and to be the judge, not only of your own time, but of the urgency of this crisis.

Sincerely,

David Van de Mark,
President.

Alfred A. Knopf, Inc.,
December 8, 1967.

Robert B. Pamplin,
Georgia-Pacific Corp.,
Equitable Buiding,
Portland, Oreg.:

Editorial in New York Times, December 8, sets forth fairly and precisely the "image" your corporation and its officers and directors have long presented to the thoughtful patriotic American. If you believe in what you are doing in the name of your stockholders' interest you must be unaware of the disgust and resentment with which tens of thousands of citizens view your short-sighted policy and the insolence with which you defend it.

Alfred A. Knopf, *Chairman.*

MARYLAND CONSTITUTIONAL CONVENTION

Mr. TYDINGS. Mr. President, the Maryland State constitutional convention now meeting in Annapolis has been justifiably cited innumerable times by political scientists and experts in State government as a model of State constitutional revision and reform for all the States. Most recently, the Wall Street Journal, in a front page article, entitled "Statehouse Reform," devoted considerable attention to the precedent-making activities of the constitutional convention in Annapolis. The article quoted W. Brooke Graves, Library of Congress specialist on State government, as saying:

> Maryland is giving us a convention that will serve as a model for some time to come.

Mr. President, I am proud to know personally most of the delegates to the Annapolis convention, and I have followed their proceedings with great interest. I can attest that the praise being heaped upon their wisdom and energy in rejuvenating Maryland's State charter of government is richly deserved.

The Maryland State constitutional convention is setting the pace for the wave of State constitutional reform moving across the entire Nation. Maryland's convention, and the conventions like it in other States, provide a large degree of the hope many of us have for a fruitful renewal of an effective State role in the Federal partnership.

I ask unanimous consent that the Wall Street Journal article, entitled "Statehouse Reform: Many States Press Drives To Modernize Their Constitutions," published on December 6, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Statehouse Reform: Many States Press Drives To Modernize Their Constitutions—Goal Is Stronger Governments To Tackle New Problems; Efforts Face Obstacles—Smaller Legislatures Urged

(By Arlen J. Large)

Annapolis.—A solemn ceremony of democracy is in progress here in the dignified state capitol, oldest in the nation. A convention of 142 popularly elected delegates is fashioning for Maryland a basic new political charter, a blueprint of ordered liberty—a constitution.

Big deal.

"A $10,000 fire or an assault and robbery gets a helluva lot more news coverage than we do," grouses Robert Martineau, the convention's staff secretary. "Sure, we get a lot of school kids coming through, but look in the galleries—they're empty."

The constitution-writers here have an unsettling sense of isolation in the 18th century House of Delegates chamber, though they feel in their bones the importance of what they're doing—strengthening the power and status of the legislature, overhauling the court system, slicing away the old constitution's verbal deadwood. Yet the delegates have few visitors. They get little mail. The lobbyists on hand tend to be blandly benign instead of interestingly sinister.

A NATIONWIDE TREND

Bored though they may be, voters across the land had better be ready to pass judgment on a rash of reform proposals. The tempo of constitutional revision is quickening in state after state. The push comes from governors, business groups, "good government" types from the newly enfranchised suburbs—all of whom see a need to give the states more robust powers.

Last Friday 150 delegates opened a convention in Harrisburg to revise a limited part of Pennsylvania's 93-year-old constitution. The Maryland convention, with broader power to write an entire new charter from scratch, has been in session here since mid-September and is working against a final Jan. 12 deadline. In Rhode Island, delegates to a long-running convention finally voted on Monday to approve a proposed new constitution; the voters will have their say in a referendum April 16.

Hawaii has a firm schedule for a constitutional convention starting next summer. Next November voters in Illinois, New Mexico and possibly Arkansas will decide whether to call conventions in their states; the governors of Georgia, Nebraska and Washington have recommended calling conventions for constitutional revision.

But a full-blown constitutional convention is perhaps the most difficult path to a streamlined state charter. The convention approach received a sharp setback last month when New York's voters decisively turned down nearly six months of work by 186 delegates, mainly because of a church-state fight over aid to parochial schools.

CHANGE IN CALIFORNIA

The obvious alternative to package reform is piecemeal revision, an approach being used successfully in California. A blue-ribbon commission last year gave the legislature a series of proposed changes in California's tangled old charter, modernizing the courts, empowering the state supreme court to decide whether the governor is disabled and providing for annual regular sessions of the state legislature (under the present system, in even-numbered years the legislators have met only on the state budget). The voters ratified the changes in November 1966, and the commission currently is working on additional revisions to submit to the legislature next month. In Texas, a 25-man commission is now at work on constitutional changes to suggest to the legislature.

Even where a state goes for whole-package reform, it need not take the trouble of calling a full-dress convention to do the job. The Florida legislature is in the final stages of drafting an entire new constitution based on two years of work by a special commission; if there's no hitch, the new charter will be submitted to the voters next year.

"The 1960s are characterized by extensive interest in constitutional changes," according to a staff study prepared for the recent National Governors Conference. "More constitutional revision committees have been created than in any comparable period in history. Major revision activity in one form or another has been going on in about half the states since 1963."

AN ACTIVIST ROLE

Cheering on the constitutional reformers is the Advisory Commission on Intergovernmental Relations, a Congressionally established study agency. "The purpose of the new constitutions is to make the states more powerful," says Executive Director William Colman. "People who are pushing them are actually pushing for a much more activist role on the part of their state."

The rush to reform is something novel in a field characterized in the past by lethargic preference for the status quo. W. Brooke Graves, a Library of Congress specialist in state government, once observed: "The advocate of constitutional reform in an American state should be endowed with the patience of Job and the sense of time of a geologist."

In his cramped library cubicle overlooking Independence Avenue in Washington, Mr. Graves says one reason for the recent demand for modernization is the growing array of Federal aid programs that states must help oversee. "You can't have effective cooperation between the different levels of government if some of the team members are weak," he says.

Increasingly, business groups are taking the lead in pushing for "activist" state governments. "The business community has an emphatic interest in clearing away basic faults that inhibit potential growth and development of the national economy and its regional components," said the Committee for Economic Development in a state modernization study last summer. The CED, composed mainly of top business executives and professors, urges "sweeping renovation" of state constitutions.

In a few days, the U.S. Chamber of Commerce will publish a "Modernizing State Government" pamphlet calling on its business members to start organizing local committees to whoop it up for constitutional reform.

Among political scientists, there's wide agreement that old constitutions are too stingy with power for state regimes. "The constitutions of the last century were based on the idea that the best government is the least government," says H. Vernon Eney, the spare, ascetic Baltimore lawyer who is the Maryland convention's president and guiding spirit. "Most of them reflect a distrust of popular government."

Thus, the standard list of reform targets boils down to an attack on 19th century power limitations. The CED's list is typical: Executive power should be concentrated in a well-paid governor, free to succeed himself for an unlimited number of four-year terms (permitted in only 17 states); legislatures should have no more than 100 members (there are now 400 in the New Hampshire house alone) to improve each lawmaker's "visibility"; legislatures should meet every year, without adjournment deadlines; the constitution itself should be short (Louisiana's 236,000-word charter is nearly 36 times longer than the U.S. Constitution), with minimum strings on the legislature's power to tax.

A MODEL IN MARYLAND

The obstacles to even modest changes are countless. The convention here at Annapolis is attracting special attention among political scientists because it's using textbook methods in trying—with considerable success so far—to slay the stand-patters. "Maryland is giving us a convention that will serve as model for some time to come," says the Library of Congress' Mr. Graves.

The Maryland reform effort began two years ago with the governor's appointment of a 27-member commission to study changes in the state's 100-year-old Reconstruction-era constitution. Under Chairman Eney, the commission drafted a proposed new charter to give the convention something to chew on; "To get ready for a convention today, a preparatory commission is a must," he says.

The delegates were elected last June by an extremely light turnout. Unlike the New York and Rhode Island convention delegates, the Marylanders ran without party labels. Mr. Eney, who was elected president of the convention, added an important textbook touch by seating the 142 delegates in alphabetical order in the ornate House of Delegates chamber; the aim is to discourage political and geographical factionalism, coaxing delegates to act as independent citizen-statesmen.

More than half the delegates are lawyers, with a sprinkling of college professors, schoolteachers, social workers, businessmen, housewives and one Baltimore fireman. Most haven't held elective office before, but the group does include former Gov. Millard Tawes, former U.S. Sen. J. Glenn Beall and 12 incumbent members of the legislature.

APPROVAL FROM A PRO

The amateurs win high praise from delegate Carlton Sickles, a former Democratic Congressman. "They'll say they're not politicians—but they are, in the sense of being able to be persuaded by argument and in being sensitive to public reaction to what they do," he says. "The quality of their performance so far is as high as if not higher than the pros I've dealt with in the legislature and in Congress."

The idea of constitution-making in the historic old statehouse—where in 1786 the call was issued for the Federal Contitutional convention in Philadelphia—has been thrilling for the delegates.

"When we first started I was so excited I couldn't sleep at night," said bow-tied Herbert Chabot, a delegate from a Washington suburb. Yet Mr. Chabot is no stranger to parliamentary bodies or great public affairs; his regular job is with the staff of a committee of Congress.

Though delegates complain about lack of public interest in their deliberations, the convention has attracted special-interest groups hoping to influence the outcome. Among the registered lobbyists are youngsters from the University of Maryland Student Government Association, pushing for a reduction in the 21-year-old voting age (a drafting committee has recommended age 19; the full convention may settle on 20). The City of Baltimore hired a lobbyist to protect its interests. A methodist minister, asked to state the "subject of lobbying," replied on the official form: "Christian principles."

One group of welfare mothers testified at a public hearing on the constitution's new bill of rights and actually had some influence on the drafting committee's choice of language. "They said that even if a person is on welfare, she ought to be protected from invasions of privacy by welfare investigators," says committee chairman Richard Kiefer. "They made a considerable impression on us." This was the origin of the new phrase "or other invasion of their privacy" in the section banning unreasonable searches and seizures.

PROTESTS FROM LEGISLATORS

But in this and other sections, drastic revision has proven difficult. The new constitution is going to fall far short of the CED's textbook goal of cutting the legislature to 100 members or less. Maryland now has a 43-member senate and a 142-member house; the convention has voted a modest trimming to 40 senators and 120 house members. Francis X. Gallagher, a former legislator who served as chairman of the committee in charge of drafting the section, wanted to chop much deeper, but the pleas of incumbents prevented it. "Nobody likes to perform surgery on themselves," shrugs Mr. Gallagher.

As in other states, Maryland reformers are finding it particularly hard to boost the governor's powers by junking other elective offices in the executive branch. Republican Gov. Spiro Agnew wanted authority to appoint the state's comptroller and attorney general, both of whom currently are elected Democrats. The proposal caused the first real partisan flare-up at the Annapolis convention; amid complaints of old-fashioned arm-twisting, the delegates narrowly voted to keep the posts elective.

The draft constitution in Florida similarly preserves the elective status of six executive-branch Democrats, despite the grumbling of reform purists and Republican Gov. Claude Kirk. Currently only Alaska, Hawaii, New Jersey and Pennsylvania elect no other executive-branch official besides the governor.

The Maryland convention's final draft will be submitted to the voters next May 14 on an all-or-nothing basis. So far no overpowering dispute has developed comparable to the church-state fight that doomed the New York convention's work last month, and most delegates here seem confident their new constitution will win favor. Says President Eney: "If anything, I think the New York vote is making the Maryland delegates a little more determined to avoid mistakes."

AMBASSADOR McKERNAN AND DELEGATE DYKSTRA SINGLED OUT FOR PRAISE ON U.S.-U.S.S.R. FISHERIES AGREEMENT

Mr. PELL. Mr. President, recently a talented and energetic delegation from this country went to Moscow to negotiate a fisheries agreement. I am happy to say that they managed to succeed in their mission. I would like to commend Ambassador Donald L. McKernan, leader of the delegation and Special Assistant to the Secretary of State for Fisheries and Wildlife.

Also, I would like to single out for special praise Mr. Jacob Dykstra, president of the Point Judith Fishermen's Cooperative in Rhode Island, who served as a member of the delegation to Moscow. Mr. Dykstra was, according to Ambassador McKernan, "a tower of strength in our negotiations."

I wish to compliment Mr. Dykstra further for the continuing leadership he provides the fishing interests in Rhode Island. Not only is the Point Judith Fishermen's Cooperative an efficient and productive business enterprise under Mr. Dykstra's leadership, but his is also a knowledgeable and frequent presence in Washington. He plays a significant role in the essential liaison between practicing fishermen and the Federal legislative and executive offices which are concerned with improvement of the Nation's fisheries.

Mr. Dykstra, in short, is not only a distinguished representative of his own trade; he is also a public-spirited citizen, whose activities directly contribute to the general welfare of his State and Nation.

Mr. President, I ask unanimous consent that the fisheries agreement negotiated by Ambassador McKernan and his delegation, together with a statement by the Secretary of State on this subject, be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

STATE DEPARTMENT STATEMENT ON RUSSIAN FISHERIES AGREEMENT, NOVEMBER 25, 1967

American and Soviet fisheries delegation met in Moscow the last 2 weeks of November and reached agreement after extended discussion on the fishery problems of the Middle Atlantic Coast of the United States. The agreement is expected to be signed in Moscow at 12:40 p.m. on November 25th. It provides relief for the American commercial and sports fisheries in the area between Cape Cod and Cape Hatteras by a reduction in the fishing effort of the Soviet Union.

The American delegation was led by Ambassador Donald L. McKernan, Special Assistant for Fisheries and Wildlife to the Secretary of State. The Soviet delegation was led by Deputy Fisheries Minister V. M. Kanentsev. The American delegation included officers of the Departments of State and Interior and the United States Coast Guard. Experts and advisors from the fishing industry and state governments and the New York-New England area included the following: Thomas A. Fulham, President, Boston Fish Market Corporation, Massachusetts; Ronald W. Green, Commissioner of Sea and Shore Fisheries, Maine; David H. Wallace, Director, Bureau of Marine Fisheries, New York; Cornelius Poullion, Legislative Advisor, State of New York. Jacob Dykstra of the staff of the Senate Commerce Committee, who is also a member of the State of Rhode Island's Fishing Industry, attended as an observer.

In return for the agreed reduction in fishing effort by the Soviet Union's fishing fleet, the United States will permit fishing by vessels of the Soviet fleet in a limited area within the 9-mile contiguous zone of the United States off Long Island and loading in limited areas off New Jersey during those seasons when there would be no conflict with American sport and commercial fishermen in those areas.

The one-year agreement is considered an experimental step in international fisheries agreements by American fishery experts. The present discussions followed 4 previous meetings on Middle Atlantic fishery problems. Earlier meetings took place in Moscow, Washington and in Boston.

These meetings were the result of the great increase of Soviet fishing effort in the Middle Atlantic. Following this increase, several species of fishes declined markedly. In the view of American experts, these declines were due in good part at least to the increased Soviet fishing effort. Further, American experts expressed concern for those species normally not in great abundance and highly vulnerable to over-exploitation whether or not they are specifically fished.

At the conclusion of the discussions, Ambassador McKernan noted that the agreement provides less than the United States desired from the discussions but gives some chance for the recovery of our fishery. The United States delgation felt that we should take this step in hopes that it will help our hard-pressed fishermen and establish a basis for future action to provide further relief.

The agreement represents another step in the improvement of relations between the U.S. and the U.S.S.R. in the field of fisheries and is a further expansion of cooperation between the 2 countries in the field of fishery and oceanographic research, the Ambassador said.

The agreement also looks to expanding cooperative research by American and Soviet scientists. A cooperative program, Project Albatross, was launched this summer with Soviet and American fishery research vessels, both named Albatross, operating jointly. The program was carried out from the U.S. Bureau of Commercial Fisheries Biological Laboratory, Woods Hole, Massachusetts. Scientists were exchanged between the 2 vessels and further work was done on the results of the cruises at the Laboratory. The American scientific party included scientists from the states of New York, New Jersey and Virginia.

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNION OF SOVIET SOCIALIST REPUBLICS ON CERTAIN FISHERY PROBLEMS ON THE HIGH SEAS IN THE WESTERN AREAS OF THE MIDDLE ATLANTIC OCEAN

The Government of the United States of America and the Government of the Union of Soviet Socialist Republics, considering it desirable that the fisheries in the Western areas of the high seas in the Middle Atlantic Ocean be conducted on a rational basis with due attention to their mutual interests, proceeding from generally recognized principles of international law,

Considering it necessary to conduct the fisheries in the said area with due regard for the state of fish stocks, based on the results of scientific investigation, for the purpose of ensuring the maintenance of maximum sustainable yields and the maintenance of the said fisheries,

Taking into account the need for expanding and coordinating scientific research in the field of fisheries and the exchange of scientific data,

Have agreed on the following:

1. The Government of the United States of America and the Government of the Union of Soviet Socialist Republics consider it desirable to expand research pertaining to the species of fish of interest to both parties, on a national basis as well as in the form of coordinated research according to agreed programs. The competent agencies of both Governments shall ensure the following:

a. An exchange of scientific and statistical data, published works and the results of fishery research;

b. Meetings of scientists and, in appropriate cases, the participation of the scientists of each Government in fishery research conducted on the research vessels of the other Government.

Each Government will take the necessary steps to ensure that its competent agencies conduct the corresponding fishery research as well as develop the most rational fishing technology in accordance with a coordinated program, which has been developed by the scientists of both countries.

2. The Government of the United States of America and the Government of the Union of Soviet Socialist Republics, for the purpose of reproduction and maintenance of fish stocks, will take appropriate measures to ensure that their citizens and vessels will:

a. Refrain from fishing during the period from January 1 to April 1, to ensure access of red hake and silver hake to the spawning grounds; said abstention will apply to an area of the Mid-Atlantic bounded by straight lines with the following coordinates: on the east, along the meridian 71°40′ W. long.; on the west, along the meridian 72°40′ W. long.; on the south, by a line connecting points with coordinates 39°00′ N. Lat., 71°40′ W. Long. and 39°00′ N. Lat., 72°40′ W. Long., and on the north by the outer limit of the nine-mile fishery zone contiguous to the territorial sea of the United States of America;

b. Refrain from increasing fish catch above the 1967 level in the waters situated west and south of Sub-area 5 of the Convention area of the 1949 International Convention for Fisheries in the Northwest Atlantic and north of Cape Hatteras;

c. Refrain from conducting specialized fisheries for scup and fluke and not increase their incidental catch in the waters specified in sub-paragraph b. of this paragraph.

The above provisions shall not apply to vessels under 110 feet in length, nor to vessels fishing for crustacea or molluscs.

3. a. Fishing vessels of the Union of Soviet Socialist Republics may, during the period from November 15 to May 15, conduct loading operations in the waters of the nine-mile fishery zone contiguous to the territorial sea of the United States of America enclosed by straight lines connecting the following coordinates in the order listed:

North latitude	*West longitude*
40°40′55″	72°40′00″
40°34′31″	72°40′00″
40°33′28″	72°43′44″
40°39′48″	72°43′44″

b. Fishing vessels of the Union of Soviet Socialist Republics may conduct loading operations during the period from September 15 to May 15 within the nine-mile fishery zone contiguous to the territorial sea of the United States of America, in the area between 39°20′ N. Lat. and 39°45′ N. Lat. The Government of the United States of America will communicate to the Government of the Union of Soviet Socialist Republics, prior to January 1, 1968, the coordinates of the area most suitable for this purpose, which shall be three nautical miles long, and six nautical miles wide measured landward from the outer limits of the nine-mile fishery zone contiguous to the territorial sea of the United States of America.

4. Fishing vessels of the Union of Soviet Socialist Republics may fish during the period from January 1 to April 1, within the nine-mile fishery zone contiguous to the territorial sea of the United States of America, in the waters bounded by straight lines connecting the following coordinates in the order listed:

North latitude	*West longitude*
40°40′56″	72°40′00″
40°34′31″	72°40′00″
40°32′41″	72°46′26″
40°32′32″	72°53′26″
40°36′54″	72°53′26″

5. Each Government will, within the scope of its domestic laws and regulations, facilitate entry into appropriate ports for fishing and fishery research vessels of the other Government. This shall apply with respect to the procedure for presenting crew lists for the above-mentioned vessels and to the providing of fresh water, fuel and provisions.

6. Under conditions of force majeure, each Government will, within the scope of its domestic laws and regulations, facilitate entry of fishing and fishery research vessels into its respective open ports after appropriate notification has been given.

7. Nothing in this agreement shall be interpreted as prejudicing the views of either Government with regard to freedom of fishing on the high seas or to traditional fisheries.

8. This agreement shall remain in force for the period of one year. Representatives of the two Governments will meet at a mutually convenient time prior to the expiration of the period of validity of this agreement to review the operation of this agreement and to decide on future arrangements.

In Witness whereof the undersigned, being duly authorized for this purpose, have signed this agreement.

Done in Moscow, November 25, 1967, in two copies, each in English and Russian, both texts being equally authentic.

For the Government of the United States of America:

DONALD L. MCKERNAN,
Special Assistant for Fisheries and Wildlife.

For the Government of the Union of Soviet Socialist Republics:

V. M. KAMENTSEV,
Deputy Minister of Fisheries.

INTRODUCTION OF AMENDMENTS TO S. 2332

Mr. MANSFIELD. Mr. President, S. 2332, by Mr. LONG of Louisiana, a bill to limit the importation of foreign oil, was introduced August 23, 1967, and is now before the Senate Committee on Finance. I am a cosponsor of this bill.

As originally offered, S. 2332, among other things, defines as "imports" petroleum products shipped from refineries in the Commonwealth of Puerto Rico to the mainland United States.

Puerto Rico's Resident Commissioner, SANTIAGO POLANCO-ABREU, pointed out in testimony before an October 19 hearing of the Finance Committee and in subsequent exhibits that such a definition is obviously contrary to the free trade relationship existing between Puerto Rico and the continental United States.

I am certain that the particular language in question undoubtedly resulted from an oversight and in no way represents an intent by Congress to legislate against such a fundamental and historic principle.

Nevertheless, the original language of S. 2332, if left standing, creates the erroneous impression that artificial barriers to commerce can be indiscriminately erected. This could be a source of confusion and is potentially harmful to both the United States and Puerto Rico. Accordingly, I am bringing this to the attention of the Senate today by proposing certain amendments to S. 2332 as it relates to Puerto Rico.

I hope that the Finance Committee will give this problem careful consideration when it again takes up S. 2332, or, if similar legislation is offered in different form next year, the authors will be aware of this conflict.

The unrestricted movement of goods between Puerto Rico and the States of the Union was first embodied in the Puerto Rico Organic Act of 1900. This act established civil government for the island following its cession to the United States from Spain. The compact of 1952 which created the present Commonwealth form of government specifically reenacts the free trade principle.

Both Puerto Rico and the United States as a whole have benefited from this relationship. Puerto Rico is a major offshore consumer of mainland products. Last year this small island purchased $1.4 billion worth of goods produced by farms and factories in every State of the Union. This volume directly supported 180,000 mainland jobs and amounted to about 5 percent of all U.S. sales of the mainland. Puerto Rico today ranks only slightly behind the United Kingdom and West Germany as a buyer of mainland products. Puerto Rico in 1966 stood fifth in the world as a purchaser of goods from the U.S. mainland. Puerto Ricans are U.S. citizens who purchase nearly 90 percent of their goods and services from the U.S. mainland.

Obviously, to impede in any way commerce between the mainland and Puerto Rico would be costly and self-defeating for both trade partners.

Imaginative use of the free trade relationship has also enabled Puerto Rico, an island virtually devoid of natural resources, to work a miracle of economic development. Industries brought to the island under the Commonwealth's Operation Bootstrap program rely on unrestricted access to U.S. raw materials and markets in their operations.

During the past few years, Puerto Rico's ambitious economic planners have staked much of their island's future progress on petrochemical and related industries. Establishment of factories using petrochemicals and their byproducts as raw materials means creation of tens of thousands of new, better paying jobs during the next decade. This new prosperity will be reflected in higher per capita purchases from U.S. mainland sources.

The changes Senator Metcalf and I are offering will eliminate the free trade conflict now contained in S. 2332 by removing controls on product movement between Puerto Rico and the mainland United States. The amendments will also preserve—without expansion or contraction—Puerto Rico's present position under the mandatory oil import program. Nothing contained in the proposed changes would prevent Congress from writing into law the existing 12.2-percent limitation on foreign oil imports, which is a basic intent of S. 2332.

I would like unanimous consent to have printed in the Record a statement to the Senate Finance Committee by the Honorable Santiago Polanco-Abreu, Resident Commissioner of Puerto Rico, a statement by Rafael Durand, the Commonwealth's economic development administrator, and the text of an exhibit submitted to the committee, "Puerto Rico and Its Economic Development—Operation Bootstrap—The Role of the Petrochemical Industry."

There being no objection, the material was ordered to be printed in the Record, as follows:

Statement of Santiago Polanco-Abreu, Resident Commissioner, Commonwealth of Puerto Rico

Mr. Chairman, Members of the Committee on Finance, I appreciate the opportunity you have extended for me to appear before you today. As I have arranged through the Committee staff, I will share the time allotted for my appearance with Mr. Rafael Durand, the Commonwealth Government official in charge of Puerto Rico's "Operation Bootstrap" program.

Mr. Durand will outline Puerto Rico's position on the substantive issues which are the subject of these hearings. I would like to discuss one aspect of the oil import bill—S. 2332—which is of unique concern to Puerto Rico.

Among other things, S. 2332 would define as "imports" and proposes to limit the movement of certain petroleum products from Puerto Rico. From conversations I have had with some of the sponsors of this legislation—time has not yet permitted consultation with all of the sponsors—I gather that the authors of the bill inadvertently overlooked the incompatibility of S. 2332 with the established political relationship between Puerto Rico and the United States.

Freedom of movement of people and goods has been the hallmark of U.S.-Puerto Rico relations since 1900. The free-trade relationship was carried through and embodied in the Puerto Rico's status transition from territory to Commonwealth in 1952. The results of this trade relationship—in terms of benefits both to Puerto Rico and to the States—are discussed in Mr. Durand's statement.

Whatever disposition is made by this Committee and the Senate on the matter of oil imports generally, we are confident that it is not the intention of the authors of S. 2332—nor will it be the decision of this Committee—that the established concept of free trade between Puerto Rico and the States be impaired.

Statement of Rafael Durand, Administrator, Economic Development Administration, Commonwealth of Puerto Rico

Mr. Chairman, Members of the Committee On Finance, I am Rafael Durand, Administrator of the Economic Development Administration of the Commonwealth of Puerto Rico. This is the Commonwealth agency entrusted with implementing Operation Bootstrap, Puerto Rico's effort at economic improvement through industrial development.

I appear today on behalf of the people of Puerto Rico—a Caribbean island where two and three-quarter million United States citizens have launched and are engaged in a *peaceful* revolution for economic growth.

Puerto Rico's economic progress rests on freedom of movement of goods between the United States mainland and Puerto Rico. Pending protectionist trade measures, particularly S. 2332 relating to petroleum products, could strike a devastating blow to our efforts to reduce unemployment in Puerto Rico to a tolerable level.

By 1975, Puerto Rico will need well over two hundred thousand additional employment opportunities if unemployment is to drop below 10 percent. Let me repeat that figure: By 1975, we must create two hundred thousand *new* jobs if our unemployment rate is to drop below 10 percent.

We have never sought, nor do we now seek, to have the nation's petroleum policy molded especially for Puerto Rico. We are fully aware of other vital considerations the nation must take into account in this regard.

But we do ask that the nation's oil import policies remain flexible, while providing for the national security, to also allow Puerto Rico the essential conditions it must have for economic growth. Petrochemicals and the wide range of subsidiary products made from petroleum derivatives are the strongest—and, as of now, the only—hope we have of creating the jobs in the magnitude required by present and future generations of Puerto Ricans.

Certainly Puerto Rico's employment needs *cannot* be met unless our infant petroleum and petrochemical industry is permitted to survive and grow. S. 2332 would, if adopted, preclude such survival and growth.

Puerto Rico is, as I have said, most immediately concerned with the effects that S. 2332 would have on our industrialization program.

But we are no less deeply concerned with the possible effects of this measure—and the other pending protectionist proposals—on the fundamental matter of our nation's future course in international trade.

In short, we believe that the long-term economic and political interests of the United States would be gravely damaged by reverting to protectionist trade policies. To raise new barriers and reverse the trend toward more free trade would particularly shatter the hopes of millions of people in developing countries around the world. And, what should be of immediate and urgent concern to the members of this Committee, it would destroy what could in a few years become markets for U.S. goods abroad.

I believe that the experience of the United States with Puerto Rico demonstrates the benefits accruing to *both* parties in a liberalized trade relationship.

The Commonwealth and the United States as a whole take pride in the achievements of Operation Bootstrap. Puerto Rico was formerly known as the "Poorhouse of the Caribbean." The island has now developed to the point where its people can look to the future with hope, rather than with despair or discontent.

As I stated earlier, a fundamental determinant of our economic growth has been the freedom of movement of people, capital, and goods between the island and the Mainland.

Because of this two-way street of trade, Puerto Rico's standard of living has risen significantly, *and at the same time* the continental United States has reaped major economic benefits from our growth.

Puerto Rico's purchases from the States in 1966 totaled more than $1.4 billion, or about five percent of all U.S. sales off the Mainland. If Puerto Rico were ranked among the export customers of the United States, it would be classed as fifth in the world—only slightly less than the United Kingdom or West Germany. *Our purchases from the Mainland support an estimated 180,000 jobs in the States.*

Yet if there had not been free movement of goods, capital and people between our island and the Mainland, the attainment of a better life for the people of Puerto Rico, *and* the expanding Puerto Rican market for Mainland goods, would not have been possible.

I can give you a specific example of how Puerto Rico's economic growth stimulates the Mainland economy through trade. The $1.4 billion in purchases last year by Puerto Rico from the States may conservatively be estimated as being responsible for some $4 billion of the United States gross national product. Given the existing relationship between United States petroleum consumption and gross national product, Puerto Rico's purchases from the Mainland created a demand in the United States in 1966 for over 25 million barrels of petroleum products.

It is clear, then, that the policy of free trade between Puerto Rico and the States has worked for the mutual benefit of the Commonwealth and the continental United States. Drawing on this experience, liberalized trade policies should, we submit, be the guiding principle in the nation's commerce with foreign countries.

And I reiterate our urgent request that this Committee reject the measure (S. 2332) that would strike a fatal blow at Puerto Rico's strongest hope for a solid base for economic growth.

With your permission, I will submit for the record, prior to the close of these hearings, a detailed statement of the historical and prospective predicates for the Puerto Rican position as I have discussed it today.

Puerto Rico and Its Economic Development—"Operation Bootstrap"—The Role of the Petrochemical Industry

Puerto Rico's future economic development for the near and long-range future hinges, to a decisive degree, upon the petroleum and petrochemical industry. Puerto Rico's basic goal is the development on the island of an integrated chemical industry, providing the base for scores of thousands of employment opportunities.

I. PUERTO RICO'S ECONOMIC PROGRESS—AND PROBLEMS

A. A decade and a half of progress (1950–65)

Before reviewing the economic development of the past decade and a half, it is well to note that at mid-century (after 50 years of U.S. sovereignty over the island) "poverty, disease, hunger and insecurity were still the lot of the average Puerto Rican." It is against this reality that the progress made to date must be reviewed.

During the past 15 years our industrialization and tourism promotion programs for which the Economic Development Administration is responsible have been the primary factors underlying the island's effort to reduce unemployment. Population pressures and the paucity of natural resources dictated that these two areas would have to be the keystones of Puerto Rico's effort to raise its standard of living. What we have been able to accomplish to date has been effected by enlisting the technical and financial resources of private enterprise. The limited availability of both of these resources on the island made it necessary that we try to attract them from the Mainland. Economies of scale and the small local market meant that, for the most part, the manufacturer in Puerto Rico would have to channel his output into the Mainland market.

Our first stage of development can be said to have been completed in 1955 when net income originating from manufacturing equaled that generated in agriculture. Most of the new plants attracted during this stage fell into the category of light industry, notably wearing apparel. The next stage was attended by considerable diversification into such industries as metalworking and the production of electrical goods and light chemicals. The apparel industry continued to grow and achieved a degree of integration. Some heavy industries also located on the island in this period (1955–65)—these represented very large investments but did not contribute correspondingly to the opening up of employment opportunities. Nevertheless, so many new plants were established that by the end of 1965 employment in manufacturing exceeded employment in agriculture. This can be said to mark the end of our second stage of development and the entry of Puerto Rico into the category of a truly industrialized area.

Since 1956 manufacturing net income has exceeded that generated in agriculture and this "gap" has been widened in each succeeding year. We view this ever-widening gap with mixed emotions because, in addition to measuring industrial progress, it also reflects, unfortunately, severe limitations on the capacity for growth of agriculture. The human dimension of this ever-widening gap between manufacturing and agriculture is appalling—a steady decline in employment opportunities in agriculture which, in turn, requires an intensification of our effort to industrialize.

The gross product of the island rose from an estimated ¾ billion dollars in 1950 to over $2.7 billion in fiscal 1965, an increase of some 260%. Annual per capita net income rose from $279 in 1950 to $900 in fiscal 1965, an increase of 225%.

Physical indicators are probably more meaningful measures of economic changes than general economic indicators of growth. Some of the physical changes that have taken place on the island are impressive.

Motor vehicle registrations in Puerto Rico in 1950 were about 60,000; 15 years later the figure was approximately 319,000; a five-fold increase.

In 1950 installed electrical generating capacity in Puerto Rico totaled 140,560 KW; 15 years later the capacity was 743,920 KW.

There were 32,000 telephones in service in Puerto Rico in 1950; in 1965, the number was some 182,000.

Another relevant statistic refers to the island's external trade. In 1950, external trade amounted to less than $600 million; in fiscal 1965, two-way trade reached $2.5 billion. Most of this trade is with the U.S. mainland. In 1966, shipments from the States amounted to $1.4 billion, making Puerto Rico the Mainland's fifth largest customer—exceeded only by Canada, Japan, West Germany and the United Kingdom. We estimate that these shipments were responsible for some 180,000 jobs on the U.S. Mainland.

B. Achievement during fiscal 1966

During the past year Puerto Rico once again experienced an overall growth rate in excess of ten percent. Gross product rose by some $317 million and per capita net income rose to $950, a level exceeded in this hemisphere only by the United States and Canada.

During 1966 Puerto Rico can be said to have entered the third stage of its development. The year marked the coming on stream of significant new ventures in petrochemicals and formulation of plans by private firms for the creation in Puerto Rico of substantial industrial complexes.

Overall, 1966 was a year of substantial economic expansion: some 29,000 new jobs—one-third of them in the island's new and rapidly expanding industrial plants were created; 22,353 new dwelling units were constructed; 15,000 additional telephones were installed; 87.6 kilometers of new highways were constructed; 16,277 new sewer and 26,733 water customers were added to the island-wide networks; electricity was made available to 11,277 additional rural families.

Total external trade expanded by $325 million; exports to foreign countries rose by 50 percent. An additional 117,000 persons visited the island and vistor revenue rose to $140 million.

Accompanying these indicators of continued economic growth was an increase in the number of unemployed—the unemployment rate rose by well over a full percentage point. There was also an increase in the number of public welfare beneficiaries.

C. A look into the future (1967–73)

The employment outlook in Puerto Rico for the next five to six years calls for action. Even though net migration to the Mainland rose significantly last year—after five years of stagnation—the island's population increased by 2.2 percent. The formidable dimensions of the task before the development agencies is illuminated by consideration of the number of jobs which would have to be created to reduce unemployment to what might be termed "acceptable" levels by 1970. The Commonwealth's recent Overall Economic Development Program, prepared in response to the program requirements of the Economic Development Administration, U.S. Department of Commerce, reveals that if one assumes that the currently low Puerto Rican labor force participation rates will respond to an increasing availability of jobs, it is then foreseeable that during the second half of the decade it would be necessary to create 343,000 new jobs; some 66,000 jobs annually or slightly over twice as many as have been created annually during the 1960's to date—a period of substantial employment expansion.

The report goes on to state that the computation tends to understate the additional job requirements because no account is taken of the effects that changes in the structure of the economy, higher wages, and improved productivity will have on the number of existing jobs.

Since October 1960 industrial wages in Puerto Rico have increased at an annual rate of 5.6 percent largely as a result of legislative and administrative pressures on the wage structure. The immediate outlook is for an accelerated rate of increase, as a result of the implementation of the 1966 amendments to the Fair Labor Standards Act which will increase manufacturing payrolls in Puerto Rico by some 14 percent within the next twelve months (as minimums are raised by 12 percent in April 1967 and an additional 16 percent one year later). The U.S. Secretary of Labor's recent decision to deny appealing Puerto Rican industries legislatively provided for relief presages even greater job losses than had hitherto been anticipated.

Other factors which will adversely affect the level of existing employment and the future rate of industrial growth include the expiration of tax exemption grants which, given the provisions of the U.S. Internal Revenue regulations, requires firms to liquidate their operations on the island in order to maximize their benefits from the tax concessions granted by Puerto Rico. Over the next four years the tax grants of 216 concerns, currently employing some 19,000 persons, will expire. In the following three years, by 1973, an additional 218 firms, with 21,000 employees, will lose their tax-exempt status. Unless the current peculiarities in the U.S. tax regulations are satisfactorily resolved a large number of these enterprises will probably be forced to abandon the island leaving behind them a small army of unemployed.

Probably Puerto Rico's gravest social problem is the under-utilization of its human resources; a matter of the gravest concern given the extreme youth of its population and the resulting high number of dependents for each citizen who is actively employed.

A staff paper prepared for the U.S.-P.R. Commission on the Status of Puerto Rico makes the following relevant observations. "During the past 20 years, between 3 percent and 7 percent of the members of the U.S. labor force have been totally unemployed. These unemployment rates are higher than in most of the developed countries but far below those prevailing in Puerto Rico. Under-employment rises and falls along with unemployment, thereby compounding its effect on output."

". . . Since the 1920's, when Puerto Rico's land resources were sufficient to provide subsistence to those who could not be more productively employed elsewhere, the Island has never known even nominally full employment of its human resources. According to the conventional labor force statistics, unemployment in Puerto Rico has been roughly three times higher than in the United States, ranging between 11% and 16% of the labor force ever since 1948. The degree of under-utilization of human resources in Puerto Rico, or in any other undeveloped country, cannot be adequately measured, however, by the methods appropriate for advanced economies. In the more backward of the underdeveloped countries, the concept of 'looking for work', a key element in conventional labor force statistics, is practically meaningless. . . . [Rather] to measure the true extent of unemployment in an economy where it is chronically high, there must be a more stable concept of labor force from which to subtract the recorded figures of employment."

"The key assumption made in calculating the labor force base . . . is that, if work were available, Puerto Ricans in each specific age and sex group would be working or looking for work, in the same proportionate numbers as in counterpart age and sex groups in the United States. This is statistically equivalent to assuming that, except for differences in the age and sex structure of the population, the overall labor force participation rate in Puerto Rico would be the same as in the United States, *if jobs were available.* This assumption cannot be verified because nowhere in Puerto Rico have there been enough job openings to test it pragmatically. There is, however, substantial evidence in its support."

On the above premise, the author proceeds to calculate that in April 1960 Puerto Rico had a total numerical job deficiency of 243,000 (and in April 1965, despite a sizeable increase in jobs, the deficiency had nevertheless increased to 263,000). The conventionally calculated unemployment estimate for April 1960 was only 56,000. The 1960 calculation shows a job deficiency equal to 30 percent of the calculated labor force. "This approximate measure of true unemployment is eight times greater than the current rate of unemployment in the United States and considerably above the highest rate of unemployment ever recorded during the depths of the great depression of the 1930's. There is perhaps no area within the United States that has ever experienced a period of unemployment of comparable duration and severity." Nevertheless, even conventionally computed unemployment estimates show several labor market areas within Puerto Rico with unemployment rates in excess of 20 percent. This demonstrates why a major objective of the Commonwealth Government must continue to be industrial decentralization.

II. NEED FOR RESTRUCTURING THE ECONOMY OF PUERTO RICO

The essential effect of Puerto Rico's industrialization efforts over the past fifteen years has been to restructure Puerto Rico's economy—from an agricultural economy to a diversified economy.

But Puerto Rico's agriculture cannot be the mainstay of the island's economic growth, for several fundamental reasons: Cultivable land is scarce; soil has been depleted; and necessary capital investment funds simply do not flow into agriculture in sufficient amounts.

Prior to World War II, Puerto Rico's economic development was, in fact, directed primarily at exploitation of natural resources, with sugar, of course, as "King." In the late 1930's, most people—including technicians and policy makers—still believed that agriculture was the key to Puerto Rico's development. Even during the formative years of "Operation Bootstrap"—from 1950 to 1965—Commonwealth Government appropriations for agricultural development exceeded those for industrial development by about $13 million.

As a result of Puerto Rico's efforts in agriculture—and while much work remains to be done—the fact is that the island's agricultural resources have to a large degree been exhausted as far as major employment opportunities are concerned. For example, Puerto Rico has more of its land in farms, more of its farmland in cropland, more agricultural net income generated per acre either in farmland and cropland, and more employment per acre of farmland than does the United States. Yet while mechanization of Puerto Rico's agriculture has caused rising productivity within limited farming areas, it has also caused a decline in employment in agriculture—from 214,000 in 1950 to 124,000 in 1960, and down to 110,000 in 1966. It is expected that the decline in agricultural employment in Puerto Rico will continue, and that the total number of workers employed will not exceed 100,000 by 1975. Income per farm worker should then be substantially higher, but for an island-wide labor force that will then be in the neighborhood of one million people, agriculture can provide only a small and relatively inflexible part of the total employment opportunities required.

Other natural resources of the island are even more limited than farmland. Much of the interior is wooded, but it is mostly second-growth timber, having been cut over for fuel. So far, no substantial forestry operation has proven economically feasible. Similarly, the waters around Puerto Rico have not proved suitable for large-scale commercial fishing. There is a relative abundance of clays, sands and stones, but they can serve as a base for relatively few export products. And their use will probably expand at about the same pace as the economy as a whole. Metallic minerals exist, but no deposits are known to be commercially exploitable. An exception is found in two deposits of copper around which efforts now center to develop a copper mining and fabricating complex to provide employment for, hopefully, up to 4,000 people.

Of Puerto Rico's known physical resources, only its combination of fine weather and beaches seems capable of supporting expansion of a large primary industry. External tourism has been one of the most rapidly advancing sectors of the economy, and it seems likely that its growth will continue. But among the sectors of the economy on which economic growth is so dependent, tourism still accounts for *only 6.5 percent of total Commonwealth gross product*, only about one-eighth as much as manufacturing. Employment in Puerto Rico attributable to tourism is less than 10,000 jobs.

The Commonwealth of Puerto Rico is by no means so poorly endowed that an adequate level of living cannot be achieved for its people. Its resource limitation implies, however, that Puerto Rico must bring from abroad—mostly from the United States—the full range of materials and products it needs. To pay for these, it must be able to produce and ship out a necessarily much narrower range of products but in comparatively larger volume. Its shipments of agricultural and industrial products, and its income from non-resident tourists, must be of sufficient value to pay for the thousands of products that cannot be efficiently produced locally but which are needed for an adequate level of living. Thus, the development strategy for the Commonwealth of Puerto Rico *must* be specialization in the crops, products and services in which nature or man-made conditions give production in Puerto Rico a cost advantage in its own or other penetrable markets.

The significant growth of the Puerto Rican economy during the last 15 years is, of course, attributable almost entirely to the fourfold increase in the value of merchandise shipments out of Puerto Rico, mainly to the continental United States. The investment needed to produce this export increase also came mostly from the United States. Thus, a penetrable "outside" market, plus an inflow of investment funds, had enabled and has largely financed a fourfold expansion of total production—destined for use or consumption outside Puerto Rico. This, in turn, has financed an approximately equal expansion of merchandise shipments into Puerto Rico originating in the Mainland, and results in more than a tripling of the economy as a whole.

The factories which have to date been responsible for Puerto Rico's economic development are not a cross-section of manufacturing in the United States. They are concentrated in industries in which production and distribution from Puerto Rico can be at a lower cost than in competitive areas in the United States. Their characteristic difference is that they are concentrated in the production of nondurable goods, especially apparel and foods, where comparatively low wages are paid even in the United States. Except for petroleum and stone, clay and glass products, every industry group in Puerto Rico with a greater concentration of employment than in the United States is a relatively low wage industry in the United States as well as in Puerto Rico. This partly explains the vulnerability of most Puerto Rican manufacturing industries to the wage increases that are necessary to provide an adequate standard of living. At the same time, many industries that are of great importance in the United States manufacturing scheme are entirely absent from Puerto Rico. Among the durables, there are many absentees, including all smelting and refining of metals. Lack of these basic metal industries largely accounts for other "absentees" from Puerto Rico's industrial base, such as ordnance, autos, aircraft and many other heavy machinery and fabricating industries.

The heavy and more highly technical industries which abound in the States typically pay higher than average wages. They require more fixed capital per worker, and thus may be considered more permanent than the light industries in which Puerto Rican employment has been concentrated. Throughout the world, metal-based heavy industry is concentrated where ores and usually coking coal are also concentrated. Petroleum, however, can be shipped economically over greater distances. Petroleum refining and related chemical industries are, except for a few industries based on locally available raw material or scrap materials, the only heavy, capital-intensive industries which are demonstrably feasible in Puerto Rico.

The Commonwealth of Puerto Rico now has a higher concentration of employment than the continental United States in only two basic industries: oil refining, based on imported petroleum, and cement manufacturing, based on local limestone. The cement industry has limited possibilities for forward integration and a limited export potential. Petroleum and petrochemicals provide Puerto Rico's main hope for the development of a heavy industry base which can be integrated forward through fibers and plastics to support the existing light industry concentration in apparel and plastics fabricating.

III. PETROLEUM REFINING AND PETROCHEMICALS; PROGRESS AND PROBLEMS

A. Initial promotion of petroleum refining and petrochemical facilities (1950–55)

At the time of the establishment of the Economic Development Administration Puerto Rico had neither petroleum refining capacity nor facilities for the production of synthetic organic chemicals.

Demand in Puerto Rico for petroleum products at that time amounted to approximately 14,400 b/d broken down as follows:

Product:	*Quantity (b/d)*
Gasoline	5,300
Kerosene	1,700
Distillate	800
Residual	6,400
Other	200

It is relevant to note that the 1950 makeup of product demand in Puerto Rico differed markedly from that on the U.S. mainland. In the former case demand for heavy products amounted to 46 percent of the total while in the latter case the comparable percentage was 25 percent.

Satisfaction by source of local demand for petroleum products in 1950 was governed by the import tax structure of the U.S. Internal Revenue Code: heavy materials were imported into Puerto Rico from foreign Caribbean sources; light products were shipped into Puerto Rico from the U.S. mainland.

An early and prime objective of the Commonwealth's development effort was the promotion of petroleum refining capacity in Puerto Rico. Thee fruits of this effort were establishment of the Caribbean Refining Company and of the Commonwealth Oil Refining Company. The plant of the former company came "on stream" in May 1955; that of the latter in December 1955.

The early promotional efforts of the Commonwealth Government in this area are relevant to present purposes for two reasons.

The first of these reasons is derivative from the composition of petroleum product demand (noted above) as it existed in Puerto Rico in 1950. Should this demand have been viewed in isolation (which it was not) it would probably have suggested promotion of a "topping" plant involving an investment of, say, $1,500,000. Instead, however, the basic concept was that of a common Puerto Rico-U.S. Mainland market (free movement of goods, capital and persons) which would warrant investment in refining capacity to produce a full range of the major refinery products: production of any product in excess of local demand would be shipped to the U.S. Mainland.

The second of the reasons concerning this early and prime promotional effort of the Commonwealth Government which is relevant to present purposes relates to the importance which government attached to this promotional activity. The best measure of a sense of urgency and importance in this context is a willingness to commit resources to the purpose at hand; in this case scarce governmental financial resources.

In the matter of such a commitment outside, expert advice, contracted for by the Commonwealth Government recommended caution, delay and, in effect, inaction. Despite this, the Commonwealth Government made the largest single financial commitment it has ever made to an industrial facility to bring into being the first petroleum refinery in Puerto Rico (the governmental line of credit established was 50 percent of the estimated cost—$12 million—of building the refinery of the Caribbean Refining Company).

The interest of government in local production of synthetic organic chemicals dates from this early period of the Economic Development Administration and is also attested to by the fact of the willingness on the part of government to commit scarce resources to such an end. Specifically, the Government Development Bank and the Puerto Rico Industrial Development Company subscribed to bonds in an amount of approximately $5 million which made possible the construction of a synthetic ammonia plant (González Chemical) at Guánica, P.R., with an initially estimated total plant cost of slightly in excess of $12 million. As a consequence of production and marketing difficulties which need not be detailed here these government investments in González Chemical subsequently had to be written off as a total loss. However, the plant continues to be operated under different management (1960) primarily as a consequence of government intervention directed at keeping the plant in production.

B. Great expectation and crises (1956–60)

The beginning of the second half of the decade of the 1950's was one of great expectations in government circles in the matters of growth both of petroleum refining and petrochemicals production (for a concrete expression of these expectations see the annexed paper (1957) titled: "Puerto Rico's Industrial Future"). Both refineries were "on stream;" the fertilizer plant of González Chemical was under construction; Commonwealth Oil was engaged in the doubling of its facilities based primarily upon a long-term (20 years) supply contract with the Union Carbide and Carbon Corporation.

A series of events demolished these expectations. In chronological order these events were as follows:

First, Commonwealth Oil experienced severe start-up difficulties (1956–57) with consequent heavy financial losses.

Second, González Chemical experienced severe start-up difficulties (1957-58) with consequent heavy financial losses.

Third, the U.S. Government instituted mandatory oil import controls (1959).

Fourth, Union Carbide's investment at Peñuelas, P.R., was jeopardized because of the fact that Commonwealth Oil was able to supply only a fraction of the feedstock required by Carbide (1959).

Government's responses to these several developments were as follows:

First, the Government Development Bank and the Puerto Rico Industrial Development Company extended three lines of credit aggregating $3¼ million in an effort to prevent the threatened insolvency of the Commonwealth Oil Refining Company.

Second, the Government Development Bank and the Puerto Rico Industrial Development Company waived their rights as bondholders in González Chemical so that emergency financing could be obtained to keep the plant in operation.

Third, in the matter of mandatory oil import controls the Commonwealth Government sought recognition of the fact that, both for reasons of geography and a lack of indigenous natural resources, Puerto Rico should be established as a wholly separate importing district.

In summary, the second half of the 1950's which began as a period of great expectations in fact turned out to be a "salvage operation" by government so far as petroleum refining and petrochemicals production were concerned.

C. Laying a foundation for growth (1961–65)

During the first half of 1961 three things became apparent.

First, Commonwealth Oil's financial solvency was assured.

Second, continued operation (though only marginally attractive financially) of the fertilizer plant (now known as Caribe Nitrogen under W. R. Grace management) at Guánica, P.R., was assured.

Third, with the active cooperation of the Interior Department's Oil Import Administration, a "permanent" solution to Caribe's feedstock problem was in sight: creation of a foreign trade sub-zone which would enable Caribe to execute the necessary long-term supply contracts for importation of naphtha from the foreign Caribbean area.

With these problems resolved and/or in process of resolution the Commonwealth Government (second quarter of 1961) began to work actively in an effort to realize, at least partially, the great expectations of five years earlier. This effort became known, colloquially, within the Commonwealth Government as the "third refinery project." That is, Puerto Rico's economic growth could be greatly stimulated if the ban on entry of new refiners into Puerto Rico could be eliminated.

Specifically, the effort, which lasted some 2½ years, was concentrated on identifying someone prepared to invest in an unconventional refinery—one which would maximize the output of basic petrochemical streams. Discussions were held with representatives of many companies, oil and chemical, culminating in early 1964 with the formal endorsement by the Commonwealth Government of the project of the Phillips Petroleum Company.

Meanwhile, numerous discussions were taking place between government representatives and representatives of the two existing local refining companies looking toward development of plans by them for production of petrochemical streams. The position (1964) of Gulf Oil was that the firm had no plans for production of petrochemicals in Puerto Rico. The position at the same time of the Commonwealth Oil Refining Company was that it was going to enter the petrochemicals field. This decision was taken in the absence of a commitment by the Commonwealth Government to endorse any oil import quota request which the company might see fit to file.

To summarize, the foundation for growth of an integrated petrochemical industry was "triggered" by the decision in 1961 of the Commonwealth Government to promote the "third refinery project" and reinforced by the decision of Commonwealth Oil to commit substantial sums for chemical production.

IV. DEVELOPMENT OF AN INTEGRATED CHEMICAL INDUSTRY IN PUERTO RICO (1966–1972/73)

The basic objective of the Commonwealth Government in matters of petroleum refining and production of basic petrochemicals during the next 5–6 years is development in Puerto Rico of an integrated chemical industry. What precise content can be given to this highly generalized objective?

First, it means the strengthening of our weak industrial base for the purpose of overcoming what now appears to be an intractable unemployment problem.

Second, it means maximizing the integration potential of existing and prospective producers of basic petrochemical streams. We visualize the desirability of an exchange of streams as among the existing and proposed petroleum refining and petrochemical plants in Puerto Rico. Such interchanges as we visualize pose difficult but, we hope, not insoluble problems of effecting the necessary contractual agreements.

Third, it means maximizing the further fabrication on the island of basic petrochemical streams.

Fourth, achievement of the objective stated immediately above will in turn require promotion of inorganic as well as organic chemical operations. Specifically, our first priority in this area is promotion of a substantial chlorine-caustic soda industry.

Fifth, achievement of an integrated chemical industry in Puerto Rico during the next 5–6 years will require an increase in imported feedstocks. The basic requirements are now embodied in applications pending before the Department of the Interior. The dimension of this increase can and, we hope, will be reduced to the extent that integration among the producers of basic petrochemicals in Puerto Rico can be maximized.

OLDER AMERICANS AS CONSUMERS

Mr. WILLIAMS of New Jersey. Mr. President, the October issue of Agenda, the magazine of the United Auto Workers, contains an excellent article entitled "Older Americans as Consumers," written by Geneva Mathiasen, executive director of the National Council on Aging.

Miss Mathiasen examines not only the current state of the needs of elderly consumers, but also stresses how much must be done in consumer education.

As chairman of the Subcommittee on Consumer Interests of the Elderly of the Special Committee on Aging, I have known firsthand of the great contribution that Miss Mathiasen and the National Council on Aging have made in many areas affecting older Americans. I commend her for this creative approach in this sensitive area of consumer interest.

Mr. President, I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Older Americans as Consumers: Few of Us Realize the Special Consumer Problems Which Face Our Elder Citizen Group

(By Geneva Mathiasen)

Producers for the "Pepsi generation" are leaving our older citizens forlorn and forgotten when it comes to their special needs.

Yet there are nearly two million more persons 60 and over in this country than there are teenagers. They have, all told, between $35 and $40 billion in income—and they spend it. Many are poor, a few are rich, and a good number are well to do. Their incomes are growing and in 10 years it is expected that this will be a $55 billion market. But today, neither producers nor sellers are catering to it.

The National Council on the Aging, concerned with the well-being of older people, believes that their needs can be met in part by health and welfare services, but that production and marketing of consumer goods suited to their special requirements is necessary.

For many years, NCOA has directed attention to areas where the inventiveness of today's industrial design and engineering might enhance the well-being of our citizens as they grow older, help them retain independence and perform their daily tasks with less effort, and enjoy with greater zest their leisure time.

Whether a dress has a zipper up the back or up the front may make the difference between a woman's being able to dress herself or not. The simple act of rising from a chair, or getting in and out of a taxicab, can add or subtract years to a man's apparent age, depending on how the chair or taxicab is designed. Even those elderly people who are financially able to buy consumer goods are often unable to find products suited to their specific needs—from clothing, to furniture, to automobiles, to bathtubs.

Four years ago, NCOA conducted a consumer institute in furniture requirements and design for older people. The institute was held at the request of a man who had supervised the planning and building of a large housing development for older people and was having great difficulty in finding furniture appropriate to the needs of the residents.

The institute reported many practical and specific suggestions. Among them—chairs high enough from the floor to enable older people to sit and rise with minimum effort and with strong wooden arms for support; beds of aluminum easy to move and keep clean; dressers with two sets of drawers to be exchanged seasonally for easy storage.

Another area where the older consumer should receive special attention is in the packaging and marketing of goods. A simple example is the cutting and prepackaging of meat in supermarkets. Who has seen a single pork chop under cellophane—or a quarter pound of ground beef—the amount needed by an elderly person living alone?

This billion-dollar market is worth attention. It is made up of persons who will respond in consumer loyalty, despite shocking evidence that some stores prefer *not* to have substantial numbers of older people as customers. Recently, we convinced an executive of a large retail chain that the elderly constitute a mass market worth cultivating, and we suggested ways of attracting this group through appropriate marketing and display. But the idea was unacceptable to local store managers and was turned down on the grounds that larger numbers of elderly customers would hurt their store's public image and tend to keep away the young—the age group considered most desirable.

One changing practice that has become a severe but seldom recognized handicap to the elderly is the gradual disappearance of the free public toilet. This leads to the entire question of environmental design to meet the needs of the elderly. There is no reason why in planning public facilities the needs of the elderly and handicapped should not be considered.

In testimony before the subcommittee on Consumer Interests of the Elderly of the Senate Committee on Aging, architect Edward H. Noakes said:

". . . when design caters to the self-propelled, wheelchair-bound person, it also caters to those who have artificial limbs, use crutches or canes, have a heart or pulmonary condition or are living with the frailties of old age. Such designing is more a business of eliminating rather than adding features. Eliminate steps outside and at the entrance, eliminate steps inside as the sole means of moving from level to level. Eliminate doors narrower than 2'8''. Eliminate corridors narrower than 3'0'' in a dwelling unit or 5'0'' in an access corridor. Eliminate thresholds, low electrical outlets, inaccessible closets. Eliminate bathrooms that have tortuous access and are too compact. Eliminate drinking fountains and telephones that are too high to use from a wheelchair. Provide, in public and office buildings, one toilet for wheelchair use on every floor. Out of doors, provide curb ramps from roadway to sidewalk and a few wider-than-average parking spaces in the lot or garage. Provide for those with failing or no sight by having elevator lobbies equipped with floor annunciators as well as step indicators on hand rails. Provide for the hard of hearing or deaf through the use of illuminated elevators and alarm signals."

CONSUMER EDUCATION COULD HELP OLDER PEOPLE TO PLAN MORE WISELY, TO SHOP MORE INTELLIGENTLY

Another important way to provide for the consumer needs of the elderly is special price reduction based on age. There have been numerous attempts to secure reduced prices for commodities and services for those 65 and over. In a few cities, reduction in bus fares in off hours has greatly increased their mobility. But, despite years of effort to encourage this practice, it prevails in only a very few communities, and so far as is known, in each case the bus system is publicly owned. Private bus companies have offered some quite understandable reasons for not extending to other special groups the fare reductions they are usually required to make for school children.

Recently there have been attempts to get reduced plane fares for older people, such as are now available to youth. One lively group of elderly persons in upstate New York has formed an organization for the sole purpose of promoting this idea. Although airline executives have some reasonable doubts as to the wisdom of extending discounts to this age group, one wonders about the public image of an airline that has large numbers of the elderly standing in line competing with the young for a vacant seat.

There is a relatively new organized movement aimed at securing discounts in retail stores for older people. Properly provided and supervised, such a plan would certainly be helpful to those on very low income.

But should not our strongest efforts be directed toward assuring the older persons enough income to pay his own way?

What is "enough income"? Particularly, what about the "BLS—modest but adequate" budget is used as a basic guide by many organizations across the country. In New York City, the annual "Price Survey—Family Budget Cost" is a function of the Budget Standard Service of the Community Council of Greater New York. Each year it brings the BLS budget up to date in terms of dollar value and adapts it to the local community situation.

The most recent New York City budget, in terms of 1965 dollar value, provides $192 per year for clothing and upkeep for an elderly couple. Broken down, it provides a man with one topcoat every 10 years, one suit every three years, one sweater every four years, and one pair of shoes every two years. A woman can buy a new coat (casual) every seven years, a wool suit every four years, and a blouse every five years. A man can have a suit and a coat dry-cleaned twice a year; a woman can do about the same. Shoes may be half-soled once every two years. Twenty hours of household help per year are allowed for a couple at the rate of $1.25 per hour. The transportation budget provides two trips by bus or subway a week, or only one if both bus and subway are needed.

With today's standard of living and the social pressures to maintain cleanliness and a good appearance, to keep busy and in touch with the community, regardless of age, such a budget is surely inadequate. With 37 percent of income allocated to housing in the budget, how can the rest cover all other consumer needs?

The BLS budget must be restudied with the special consumer *needs* of older people in mind—for such things as laundry and cleaning, ready-prepared meals such as frozen foods, eyeglasses and dentures, and transportation. The revision should also consider that yesterday's luxuries (like the telephone) are today's essentials, and that some of today's luxuries (like television) are fast becoming a minimum standard in American living.

Such a study might help to answer one question frequently raised—do elderly people spend their money *wisely?* Mostly, they spend according to necessity. Studies indicate their first economies are in recreation, their second in food.

Consumer education is needed. Under many government programs this could help older people to plan more wisely, to purchase economical food and plan balanced menus, to experiment with cooperative buying, to shop more intelligently, and to consider carefully the advertising claims of expensive cleaning materials and cosmetics.

The President's Consumer Council could mount a campaign to inform producers and sellers of the special needs of older people.

Pre-retirement education in the middle years and better consumer education in the schools would prepare people better for the realities of the marketplace.

Finally, old age assistance and Social Security rates should be carefully examined, not so much in terms of dollar amounts, as in the amount of consumer goods that our older people's dollars will buy.

THE POUND AND THE DOLLAR: A VIEW FROM BRITAIN

Mr. HARTKE. Mr. President, there can be no question that the devaluation of the British pound has increased the pressure upon the American dollar. One of the measures I have proposed as a means to resist this pressure is the freeing of the gold reserves, now held as a backing for Federal Reserve notes. It is my hope that this proposal may receive prompt attention at the beginning of the year.

The London Spectator, in its November 24 issue, published some comments on the gold situation and the effect of the devaluation upon the dollar. "The battle of sterling has been lost," says the writer. "The battle of the dollar has begun." That battle has a real relationship to the gold problem, but in my view it is a battle which we are quite able to win, as indeed we must in order to maintain stability in the world monetary system until it can be reconstituted.

Mr. President, I ask unanimous consent that the article, written by Mr. William Janeway, be printed in the Record. I might add that Mr. Janeway, who has in the past served as a Senate summer intern, is at present a graduate student at Cambridge University and is also an honors graduate in economics from Princeton University.

There being no objection, the article was ordered to be printed in the Record, as follows:

Next the Dollar?

(By William Janeway)

Sterling has gone. Will the dollar go, too? This is the crucial question whose answer will determine the fate of the international monetary system constructed more than twenty years ago at Bretton Woods. The first part of the answer is that whatever happens, no other nation can allow the dollar to fall in price relative to that nation's own currency. With great luck and good management, a sterling devaluation holds out the hope of endowing British industry with an improvement in the terms under which it competes with the rest of the world. By contrast, a dollar devaluation can only be in terms of gold. The failure of the British government to hold the line at $2.80 for the international value of the pound now calls into question the American government's ability to hold the line at $35 per ounce of gold. A successful international assault upon the dollar means either a rise in the price of gold or the elimination of gold as the keystone of the world's money system.

Three reasons underlie the grave suspicion with which any prudent observer must view the ability of the Johnson administration to maintain the monetary *status quo*. The first reason is the manifest failure of the repeated *ad hoc*, last-minute efforts to prop up sterling. For the United States has played the crucial role in determining that the free world's efforts to evolve a stable and sound monetary system would take the form of short-run palliatives—such as the international 'swap' system—or meaningless declarations of intent—such as the 'reform' of the world monetary system, worked out at Rio, which requires, for its implementation, the agreement of those nations most opposed to such reform. Again and again, the U.S. Treasury and the White House have chosen the superficial public relations of action over the more fundamental substance of real reform.

The second reason grows out of the first. Because, during the years of relative stability that ended with last weekend's devaluation, public relations has been chosen over substance, the basic contradiction in the current monetary system remains. The annual increase in the world supply of usable money depends upon the availability of pounds, dollars or gold. Sterling is suspect and Britain must restict the supply of pounds to pay her way in the world. The increase in the supply of gold serves only to feed the hoards of speculators and is, in any event, not subject to rational control. The result is that healthy growth in the world economy depends upon the dollars made available to traders and investors each year by America. But an increase in the supply of dollars means that the United States is running a balance of payments deficit. And continuing dollar deficits raise the same fears and suspicions which have forced sterling down.

These two reasons for doubting the ability of the American government to maintain the monetary *status quo* existed before the sterling devaluation and have been greatly accentuated by it. The third reason is based upon the devaluation itself. For speculative pressure is going to attack the dollar whether devaluation is a success or not. If sterling's devaluation fails to produce an export-led boom and general recovery in Britain, a speculative run on London seems certain once again to break the pound; and a second forced devaluation will at once generate worldwide financial chaos. On the other hand, if devaluation succeeds, the pressure will fall upon Britain's competitors, from France to Japan. No one can have a guarantee that the generosity with which Britain's trade partners have greeted her forced move to a competitive parity will persist: the tales of French intransigence last week are most discouraging. In fact, realistic evaluation of the international implications of devaluation can be expressed in the paradox: if devaluation fails, devaluation will be forced again; if it succeeds, it may well not be allowed to succeed.

Thus the question cannot be shirked. The clear and present danger exists that either a renewed run on sterling or a series of competitive devaluations will produce a major shift from dollars into gold. The United States still retains some $13,000 million worth of gold. But approximately $10,000 million of this sum remains frozen as an anachronistic domestic reserve, unusable for the maintenance of international stability. The deliberate refusal of the Johnson administration to free all of America's gold for the defence of the world's monetary system—a refusal made in the face of clear Congressional pressure *for* such a move—has, therefore drastically reduced both the credibility and the resources upon which the Administration can draw in the gathering crisis. Mobilisation of America's gold now, at this late date, could only be interpreted as a move from weakness.

What will the American government do if the gold in Fort Knox runs out? Here is where economics must yield to politics. The Administration, by means of a Treasury order, has the power to stop either the selling or buying of gold: but a change in the *price* at which gold is bought or sold requires an Act of Congress. In political terms, the run on the dollar which the Johnson administration by its sins of omission and commission has invited, will force Congress to decide between subsidising the gold mines of South Africa and the Soviet Union and embarking upon a brave new world of goldless, rational, international management of the world's money—as proposed a quarter of a century ago by Lord Keynes. For the lines are now drawn. The battle of sterling has been lost. The battle of the dollar has begun. And gold, Congress willing, may prove to be the first casualty.

CHRISTIAN CENTURY EXPLAINS REFUSAL TO PUBLISH THANKSGIVING PROCLAMATION

Mr. HARTKE. Mr. President, this is the season of traditional "peace and good will." It is a heartache to the Nation that we do not have that peace today, that Christmas will find American men in muddy rice paddies and behind sandbagged positions in Vietnam.

Thanksgiving is now in the past. Fortunately, we still have much as Americans to be thankful for in spite of Vietnam. As is the time-honored custom, Thanksgiving was accompanied by the President's annual proclamation, although as usual probably only a comparative handful of Americans read its text. One who did, however, was the editor of the nondenominational Protestant publication, Christian Century, generally considered one of the most thoughtful and powerful voices of liberal Protestantism in the country.

It has just come to my attention that Dr. Kyle Haselden, the editor of the magazine, refused to publish the Thanksgiving proclamation because of his view that it was "not a genuine expression of Thanksgiving but militaristic propaganda." Religious News Service, in a December 1 release, gave the story of what might be called the "conscientious refusal" of the magazine. I ask unanimous consent that the release be printed in the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

"Century" Hits President's Message as "Militaristic Propaganda"

CHICAGO.—Christian Century magazine has called President Johnson's 1967 Thanksgiving Proclamation "in part a chauvinistic justification of U.S. military intervention in southeast Asia" and as such "not a genuine expression of Thanksgiving but militaristic propaganda."

The ecumenical weekly published here made the statement in its Nov. 29 issue in explaining why it could not "conscientiously publish the proclamation. Kyle Haselden is editor of the magazine.

Quoting a sentence from the President's statement, Christian Century added its editorial response in parenthetical form:

"We are engaged in a painful conflict in Asia (true), which was not of our choosing (false), and in which we are involved in fidelity to a sacred promise (false) to help a nation which has been the victim of aggression (false)."

Christian Century declared that this emphasis did "not speak for the vast number of Americans who believe that the United States is involved in an illegal, undeclared, aggressive war that has—as the Administration now admits—the encircling and crippling of China as its ultimate objective.

"The proclamation did not include those Americans who are under increasing pressure and penalty because they express their disagreement with the administration's Vietnam policy.

"We were unwilling therefore to let the government drag us into its defense of an evil war. We could not publish a Thanksgiving Proclamation that used one of the people's sacred days to justify that war."

The magazine said the President's message contained one line about Vietnam with which it could agree, that saying, "We pray that their sacrifice (that of the young men in Vietnam) will be redeemed in an honorable peace and the restoration of a land long torn by war."

It was said that the editors would henceforth offer "double prayers" for servicemen since "the cause for which they are commanded to kill and to die cannot be accomplished by their killing and their dying."

In addition to the remarks about Vietnam, the Presidential Proclamation noted the uniqueness of the Thanksgiving holiday, gave thanks for "material and spiritual blessings," expressed gratitude for the endurance of the nation and implored God for the "blessing of wisdom and perseverance that will lead us to both peace and justice, in the family of nations and in our beloved homeland."

THE CRISIS IN EDUCATION

Mr. TYDINGS. Mr. President, most experts now agree—with hardly any argument—that the crisis of our cities is, in at least part, a crisis in American education. Yet, agreement on viable solutions and even on the relevant facts relating to urban educational opportunities are more difficult to come by. Fortunately, some hard evidence concerning the basic dimensions of this metropolitan dilemma are beginning to emerge. The research of the Advisory Commission on Intergovernmental Relations and others indicates that—

The local tax burden in the central cities, measured against income, is more than 50 percent greater than in suburbs;

The educational expenditures of most central cities have dropped in recent years relative to those of their non-core-city counterparts;

These central city outlays are also significantly lower on a per pupil basis, meaning that children who need quality education most are receiving the least;

The overall expenditure pattern of large central cities indicates an expansion of the "noneducational" municipal services sector and a fall in the educational outlays for the same cities; and

State educational grants-in-aid generally are larger on both a per pupil and a per capita basis for the outside core city areas than for the central cities.

In addition to these general findings, which merit the close attention of all concerned with eradicating the educational disparities in urban areas, we now have clear evidence that intensive education, on a truly massive scale, can overcome many of the environmental barriers that place ghetto youngsters on an unequal education footing. The more effective schools program of New York City is now being recognized as a remarkable example of what can be done in slum schools—with small classes, special instruction services, and striking teaching techniques—what can be done in short if the educational expenditures for ghetto schools are geared to the disproportionate needs of disadvantaged children.

This raises the question of where can the massive amounts of additional funds required to mount such a compensatory educational effort come from? Private foundations can and are helping. The Office of Economic Opportunity can and is helping. The Primary and Secondary Education Act with its special equalization formula is a great help. The State of Maryland this year has pioneered in developing a fiscal system which is a model of responsibility and soundness and which permits a system of State grants-in-aid that provides greater assistance for the poorest counties and Baltimore City. But clearly, most States could be helping much more than they are. In the long run, we all pay the price for inferior central city education. If we do not pay for it in taxes, we will pay for it in crime, welfare costs, and the loss of productivity and purchasing power in our economy which poor education brings in its wake.

In this connection, I call the attention of my colleagues to the recommendation and proposed model legislation of the Advisory Commission on Intergovernmental Relations relating to "Fiscal Measures for Equalizing Educational Opportunities for Economically and Socially Deprived Children," which appears in the recent publication of the Advisory Commission, 1968 State Legislative Program.

This ACIR legislative proposal would have State governments assume far greater responsibility for equalizing educational opportunity than they have demonstrated up to this time. More specifically, it calls for a major departure from the status quo on both the revenue and expenditure fronts. It would give all school districts an equal opportunity to obtain financing by using State aid and State equalization mandates both to compensate for local property tax differentials and to insure equal access to Federal aid funds. On the expenditures side, it would compensate those local school districts that are burdened with a disproportionate number of high-cost students. I believe predominant reliance on sales and property taxes among the States, to the neglect of income taxes, is a serious exhibition to effective State government. Yet, until the States reform their tax structures, this equalization plan would insure that all districts start from the same basis. It is also designed to insure that those districts with a weak tax base or those carrying extremely heavy educational loads are not forced to make extraordinary tax effort in order to stay abreast of the pack. The community's commitment to education, not the size of its tax base, would determine its performance. In view of the great fiscal disparities that now exist among the local school districts, adoption of this equalization plan would cause quite a change. Yet, in our rapidly changing urban world, there is an alternative that is far more revolutionary—a status quo policy.

Mr. President, I ask unanimous consent that an address entitled "The Role of the State in Equalizing Educational Opportunity—An ACIR Legislative Proposal," by John Shannon, assistant director of the Advisory Commission on Intergovernmental Relations; the ACIR draft model legislation on this critical topic; and a September 19, 1967, Wall Street Journal article by James Gardner, dealing with the most effective schools program of New York City, be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

FISCAL MEASURES FOR EQUALIZING EDUCATIONAL OPPORTUNITIES FOR ECONOMICALLY AND SOCIALLY DEPRIVED CHILDREN

Equality of education opportunity is of critical importance in a democratic society dedicated to the proposition that all persons should have an equal chance to develop their potentialities to the fullest. This objective takes on a particular urgency as technological advancement causes employment opportunities to become progressively more limited to persons with professional and technical skills.

The growth of national and state programs in education demonstrates increasing citizen recognition that (1) the vagaries of political boundaries, (2) the variations in local property tax bases, and (3) the unwillingness of local rate-making bodies to underwrite education are no longer acceptable reasons for wide differences in educational opportunity. At the state level, however, the assumption of responsibility for high quality education has thus far been hampered by a reluctance to marshal all the state's fiscal resources, including the local property tax, in support of a total state educational program. Intercommunity disparities in educational opportunity will persist until each state revamps its school grant formulas to: (a) provide an adequate educational level below which no community may fall, (b) build in factors designed to measure as accurately as possible local tax effort and diverse community educational requirements, and (c) reflect such measurements in the allocation of aid.

Provision for state leadership in promoting equal educational opportunity in this suggested legislation proceeds from the premise that all tax resources within the state boundaries must be harnessed in support of a total educational program for all pupils in public schools regardless of where in the state they reside. State and local resources are joined in a four-phase plan to accomplish this purpose. The legislation provides:

1. A "basic program" at an adequate expenditure level [$500 per pupil] financed jointly at the state and the county level. Funds would come from the levy of a required countywide property tax rate based on equalized assessed value and from state appropriations in inverse proportion to each county's relative ability to support the basic program (sections 3 through 6 of the suggested legislation).

2. An "educational improvement program" in which states and localities participate in accordance with each local community's relative need for state aid to supplement the basic program in order to raise expenditures per pupil up to a maximum of twice the basic program level [$1,000 per pupil]. The objective of this program is to encourage all districts, but particularly the less prosperous districts, to go beyond the basic program level by matching their local effort with state funds on terms most favorable for those districts with least local ability (sections 7 and 8 of the suggested legislation).

3. A "special needs program" to identify those segments of the state's pupil population necessitating extraordinary costs over and above those required for the average pupil and to provide funds to meet such special requirements until such time as they become integral parts of the regular school program. (Section 9 of the suggested legislation).

4. A "state program" to provide funds to districts for federal programs requiring local matching contributions or local outlays that will be federally reimbursed. The objective is to give all school districts equal access to federal aid that is now expanding into an ever increasing variety of programs, regardless of local ability to meet the matching or funding requirements. (Sections 10 and 11 of the suggested legislation).

For most states this plan, if enacted, would change the method of channeling state aid to local school districts. Continuing state responsibility to support local expenditures for education would be emphasized, not only at the minimum level, but well above it to achieve equality of educational opportunity. This contrasts sharply with the typical foundation-type program now widely used by states in which state basic school grants in conjunction with other state aid generally results in a uniform amount of assistance per pupil regardless of the wealth of the community or its special educational needs.

The "basic school program" gathers the property tax resources of the entire state in support of a mandated minimum level of per pupil expenditures in local districts. This eliminates the highly questionable practice of fiscal zoning to either (1) shield certain properties from the burdens of financing education or (2) reduce the cost of operating public schools in particular districts. The basic program requires that property throughout the state contribute equally to the basic school program through a state-mandated local property tax rate levied in each county and that collections in excess of local needs be transferred to the state for redistribution to less wealthy counties. Variations in the property tax base are submerged for purposes of this program in the interest of obtaining equal distribution of the property tax resource behind each pupil.

The "educational improvement program" enables school districts with the help of the state to improve their educational offering up to a maximum of two times the expenditures per pupil required for the basic program. A minimum guaranteed state share in local programs of educational improvement is provided even in the wealthiest districts.

The "special needs program" is the mechanism for bringing state and local tax resources to bear on the problems stemming from an uneven distribution of extra-cost pupils among school districts. The special school census called for in this legislation would identify unique needs district by district. State assistance would then be made available for high-cost educational needs either temporarily or in a manner that would build the necessary support into the basic program in school districts where extraordinary costs are permanent in nature. The special needs program has particular applicability to programs for overcoming the deterrent effect of poverty and cultural deprivation on the learning process. Typically, the children living in the slums of central cities and in depressed rural areas stand out as the groups of young people most handicapped by an inadequate support for education. Children residing in school districts with strong tax bases usually are the beneficiaries of a superior educational environment both in the home and in the school.

The "state program" of financial assistance to districts for federal aid purposes is provided to insure that the least wealthy school districts obtain the necessary funds initially required to participate in federal matching or reimbursement programs deemed desirable by the state legislature. This program would undo the perverse situation in some states where only the wealthiest districts are able to take advantage of federal aid provided for the explicit purpose of assisting the poor.

In combination the four programs recognize the responsibility of the state in providing equality of education opportunity for all pupils regardless of the wealth of their district or the need for varying types of education.

Several states now utilize one or more of the concepts embodied in this suggested legislation. For example, New York, Rhode Island, and Wisconsin have equalization formulae that provide state support above and beyond the ordinary foundation-type. Most states now require a minimum local tax effort under their foundation programs, but Utah is the only state that requires tax collections in excess of local needs to be turned over to the state for redistribution to the more needy districts. The present inadequacies of school aid legislation to achieve equal education opportunity on a statewide basis and the desirability of establishing a multi-faceted program with built-in flexibility to respond to emerging needs make suggested legislation along the lines presented here a timely subject for state consideration.

SUGGESTION LEGISLATION

[Title should conform to state requirements. The following is a suggestion: "An act to equalize educational opportunity."]

(Be it enacted, etc.)

SECTION 1. STATEMENT OF PURPOSE.—The purpose of this act is to equalize educational opportunity in the public schools by requiring a minimum per pupil expenditure level, by encouraging local governments and boards of education to provide superior education beyond this minimum, by identifying fiscal responsibilities of local authorities, and by incorporating the several state aids into one comprehensive program.

SEC. 2. DEFINITIONS.—As used herein:

(1) "Average daily membership" [or "average daily attendance"] means the average number of pupils in a school district during a school year as determined pursuant to the provisions of section 16 and the word "pupil" refers to pupil in average daily membership;

(2) "Equalized assessed valuation" means the equalized assessed valuation of taxable property for a school district as determined by the [state tax commission] pursuant to the provisions of section 15;[1]

(3) "Basic program" means the cost of education of resident pupils in grades preprimary through twelve in average daily membership for the reference year as determined by the mandated minimum program level;

(4) "Mandated minimum program level" means the amount which shall be spent by a school district for every pupil in average daily membership;

(5) "Required local property tax rate" means the county-wide levy on the equalized assessed valuation required to finance the basic program;

(6) "Excess local property tax collections" means the amount of the required local property tax levy together with federal funds received under the federal program for maintenance and operation aid to federally impacted school districts (20 USCA 236–240) which exceeds the amount of funds required in the county to finance the basic program;

(7) "Local percentage" means that percentage established by the legislature as the statewide local share of the basic program;

(8) "Reference year" means the school year immediately preceding that for which the aid is to be paid.

SEC. 3. MANDATED MINIMUM PROGRAM.—There is hereby established a mandated minimum program of education [$500][2] in the public schools of this state. The mandated minimum program level per pupil shall be financed from the levy of a required local property tax rate as provided in section 4 and from the state basic school fund provided in section 5.

SEC. 4. REQUIRED LOCAL PROPERTY TAX RATE.—Each county shall levy a local property tax for schools at the rate required to provide the local share of the basic program. The required local property tax rate shall be determined by dividing the product of the three following items: (1) local percentage [50%], (2) mandated minimum program level, and (3) the number of pupils in average daily membership in the state by the total equalized assessed valuation in the state.[3] Excess local property tax collections in any county shall be forwarded by the [county treasurer] to the [state treasurer] to be credited to the state basic school fund.

SEC. 5. STATE BASIC SCHOOL FUND.—There is hereby established the state basic school fund for the purpose of assisting all school districts to finance a minimum mandated level of per pupil expenditures. The fund shall consist of (1) excess local property tax collections and (2) state appropriations for this purpose.

SEC. 6. DETERMINATION OF THE STATE'S SHARE OF THE BASIC PROGRAM.— The state's share of the basic program in each county shall be determined by subtracting from one hundred percent the local share which shall be the product of the local percentage times the ratio of equalized assessed value per pupil in the county to the statewide average equalized assessed valuation per pupil.[4]

SEC. 7. EDUCATIONAL IMPROVEMENT PROGRAM.—There is hereby established an educational improvement program in which the state will assist local school districts to finance a level of per pupil expenditures above the mandated minimum program level provided in section 3 up to 2.00 times that level or its equivalent, 2.00 times the basic program. The [head of the state education agency] shall subtract from total local expenditures approved by him for each school district, for purposes of this section, the amount of the basic program and the amount of federal funds received by the school district under the federal program for maintenance and operation aid to federally impacted school districts (20 USCA 236–240) to determine the amount of state assistance under this section.

SEC. 8. DETERMINATION OF THE STATE'S SHARE IN EDUCATIONAL IMPROVEMENT PROGRAM.[5]— The state's share of the educational improvement program in each school district shall be determined by subtracting from one hundred percent the local share which shall be the product of the local percentage times the ratio of equalized assessed value per pupil in the school district to the statewide average equalized assessed valuation per pupil provided however, that the state's share shall not be less than a guaranteed [10] percent in any qualified district. Districts which qualify for the educational improvement fund shall have more than [1200] pupils or local equalized assessed value per pupil less than [3.00] times the statewide equalized assessed value per pupil.

SEC. 9. SPECIAL EDUCATIONAL NEEDS PROGRAM.—There is hereby established a special educational needs program to assist school districts in financing expenditures resulting from extraordinary educational costs. The [head of the state educational agency] shall conduct a special count at the beginning of the school year immediately following the effective date of this act to identify pupils

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[1] In states where the equalized assessed valuation of taxable property by school district is not now available, a directive to the appropriate state tax authorities would need to be included.

[2] The amount of the mandated minimum program level for school districts should be substantially similar to the statewide median expenditure level per pupil in average daily membership and not the median expenditure level of school districts because it fails to reflect the higher cost of education generally required in large urban school districts. If some level below the median is selected, it would be well to specify it as "[ ] percent of the median."

[3] Because the local percentage and the mandated minimum program level together determine the required local rate, either the local percentage or the mandated level can be adjusted to produce a reasonable and acceptable rate. The calculation should result in a required local rate close to the rate levied in districts of average wealth or that levied by the majority of the districts. If the required local rate resulting from the calculation is too high, however, the local percentage rather than the mandated level of expenditures should be decreased. The following illustrates the computation required to determine the required local property tax rate:

$$\frac{\begin{matrix}\text{Local}\\ \text{percentage}\\ \text{(50 percent)}\end{matrix} \times \begin{matrix}\text{Mandated minimum}\\ \text{program level}\\ \text{(\$500 per pupil)}\end{matrix} \times \begin{matrix}\text{Pupils in}\\ \text{ADM}\\ \text{(200,000)}\end{matrix}}{\begin{matrix}\text{Equalized assessed valuation}\\ \text{(\$5 billion)}\end{matrix}} = \begin{matrix}\text{Required local}\\ \text{property tax rate}\end{matrix} = \left[\begin{matrix}\text{\$1 per \$100 or 10 mills}\\ \text{per \$1 equalized}\\ \text{assessed value}\end{matrix}\right].$$

[4] The following illustrates the computation required to determine the state share of the mandated minimum program level for a county with equalized assessed valuation of half the statewide average:

$$\text{100 percent} - \left[\text{Local percentage (50 percent)} \times \frac{\begin{matrix}\text{Local equalized}\\ \text{assessed value}\\ \text{per pupil (\$1,250)}\end{matrix}}{\begin{matrix}\text{Average equalized}\\ \text{assessed value}\\ \text{per pupil (\$2,500)}\end{matrix}}\right] = \begin{matrix}\text{State share of}\\ \text{mandated program}\\ \text{level}\end{matrix} = \text{(75) percent.}$$

[5] In the case of countywide school systems, this section is unnecessary as the calculation would be the same as section 6 except for the provision of a guaranteed [10] percent.

with special educational needs such as those from families with low incomes, the mentally and physically handicapped, the emotionally disturbed, the gifted, and others. The [head of the state educational agency] shall determine the amount per pupil in excess of the mandated minimum program level that educational programs to serve the special needs of such pupils would require. The [head of the state educational agency] shall determine the distribution of these financial requirements and others such as above-average cost for pupil transportation among school districts. Upon the determination of the [head of the state educational agency] that groups of pupils or combinations of groups of pupils, identified by the special count, require per pupil expenditures in excess of the mandated minimum level and that such program expenditures raise per pupil costs more than [10] percent in any school district, he shall recommend either:

(1) that for the purposes of computing the state's share of the mandated minimum program level under section 3 through 6 and the educational improvement program under sections 7 and 8 such pupils be weighted in the count of average daily membership by the relationship of their cost per pupil to the mandated minimum program level if the condition is believed to be one which will persist, or

(2) that an amount per pupil equal to the average amount of the excess cost above the mandated minimum program be paid all school districts with such pupils if such condition is temporary.[6]

Sec. 10. State Assistance for Matching Federal Aid.—There is hereby established a state program to assist school districts with equalized assessed values per pupil less than the statewide average value per pupil to participate in the following federal programs requiring local funds:

[To be specified by the legislature from among programs as the National Defense Education Act, School Lunch Program, etc.]

Sec. 11. Determination of the State's Share for Matching Federal Programs.—The state's share shall be that percentage required to make the federal matching funds together with state funds under this section equal to the state's share determined under section 8, the educational improvement program; except that, for the first year of this act, the state share shall be the matching funds required for participation in federal programs and the funds required to establish programs upon which federal funds are provided on a reimbursable basis.[7]

Sec. 12. Collection of Required Local Property Tax Levy.—The [county treasurer] in each county shall receive the tax payments resulting from the levy of the required local property tax rate under section 4 and shall distribute as provided in section 13 such funds, together with state funds, to be distributed to the county under sections 5 and 6 of this act.

Sec. 13. State Payments to Counties.—The [head of the state education agency] shall distribute to the [county treasurer] in each county from the state basic school fund the state's share which shall be the difference between the amount of the basic program and the sum of the amount of the countywide required property tax levy plus the amount of federal funds received by or on behalf of school districts in the county under provisions of the federal program for maintenance and operation aid to federally impacted school districts (20 USCA 236–240). The [head of the state educational agency] shall certify to each [county treasurer] for each school district in the county the average daily membership as determined under section 16 and the amount of federal impacted area aid. The [county treasurer] shall distribute to each school district on the basis of the certification from the [head of the state educational agency] the amount of the difference betwen the basic program in the school district and the amount the school district received in federal impacted area aid under provisions of federal law (20 USCA 236–240). [Each state will need to determine the best schedule of cash flow to counties and to local school districts.]

Sec. 14. State Payments to School Districts.—The [head of the state education agency] shall distribute as a combined payment to each school district the funds to be made available to the district from legislative appropriations for purposes of the educational improvement program under section 7, the special needs program under section 9, and the federal matching program under section 10 based on the state share determined under sections 8, 9, and 11.[8]

Sec. 15. Determination of Equalized Assessed Valuation.—On or before August 1 each year the [state tax commission] shall determine and certify to the [state education agency] the equalized assessed valuation for each school district in the following manner: The total assessed valuations of real and tangible personal property for each school district as of [the assessment date] of the second preceding calendar year shall be weighted by bringing such valuations to the true and market value thereof which shall be the equalized assessed valuation of each school district. The sum of the equalized assessed valuations of real and tangible personal property for all school districts in a county shall be the equalized assessed valuation of the county and the sum of the total true and market value of real and tangible personal property of each county shall be the equalized assessed valuation of the state.

Sec. 16. Determination of Average Daily Membership.—The [head of the state education agency] shall determine from data supplied by the [local education agency] in each school district the average daily membership of each school district for the reference year which shall be the aggregate number of days of membership of all pupils enrolled in grades preprimary to twelve (12), both inclusive, increased by (i) the aggregate number of days of membership of resident pupils whose tuition is paid by the school district to schools approved by the [state education agency] and decreased by (ii) the aggregate number of days of membership of nonresident pupils enrolled in its schools.[9]

[From the Wall Street Journal, Sept. 19, 1967]

MESS FOR MES: NEW SCHOOL PLAN FOR SLUM CHILDREN RUNS INTO CONTROVERSY

(By James Gardner)

New York.—A once-obscure effort to help some 15,000 slum children through compensatory education has suddenly become one of this city's hottest public issues. The effort is the More Effective Schools program here, and striking teachers don't want it reduced. In fact they list its expansion as one of their most important and controversial demands.

The strike, though, inevitably tends to subordinate issues of education to those of a power struggle—whether such policy matters are subjects for collective bargaining and, indeed, whether teacher' strikes are legitimate at all. Thus the controversy tends to obscure the MES program's profound implications for national educational policy: Almost alone among a succession of similar efforts in a host of cities, MES seems to work.

In standard tests given last April, second and third grade pupils in the 21 MES schools displayed reading ability at the national norm level or above. The huge spending on the program, which runs twice the city's average per-pupil cost, evidently enabled slum students to progress as rapidly as an average middle-class student. In 240 other slum-area schools in New York, by contrast, second-graders were five to six months behind norms in reading development, while third-graders lagged even more.

MOST MEANINGFUL

The MES results seem a singular accomplishment to educators familiar with the outcomes of other attempts to improve slum pupils' progress through such devices as smaller classes, special instruction and cultural enrichment. Dr. Kenneth Martyn, a University of California expert, says New York's program constitutes "the most meaningful educational program for disadvantaged youth that I have observed in any urban center."

The success of MES comes just as educational experts were sinking into deep despair about compensatory education. Students in hopeful-looking programs in Syracuse, N.Y., and Berkeley, Calif., for instance, had demonstrated no better educational achievement than similar students who never had the benefit of special programs.

Perhaps the most ambitious effort to probe the educational prognosis of slum students was the Coleman report issued by the U.S. Commission on Civil Rights. It concluded that the only proven way to improve educational results of slum youngsters was to integrate them in a middle-class school. Compensatory education, it reported, had not worked: "None of the intensive programs appear to have raised significantly the achievement of participating pupils."

The Coleman report, however, did not consider the three-year-old MES program, where results have been impressive and relatively consistent. Indeed, in some of their best spurts MES pupils have pushed ahead of national averages. Between February and June of 1966, for instance, they gained 0.6 years in reading ability while most students in the nation gained 0.5 year.

The MES program does few if any things

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[6] The basic program combined with the educational improvement program provides sufficient funds for both general and special needs when each school district has the same percentage of children with higher than average costs. Where there is great variation, however, sections 9 and 10 are desirable in order that a permanent need can be identified and made part of the basic program and temporary needs can be met. Continued study and review should provide the basis for changes in the basic program and recognition of new needs as they arise.

[7] This section makes it possible for districts of average and below average taxable property to participate on a par with more wealthy districts in federal programs. The first year provision is necessary to achieve this equity and the provision for continued state sharing in the same proportion provided under the educational improvement fund assures that the equity will be maintained. A similar first year provision would be needed to make all districts equal when future federal programs have matching or reimbursement provisions.

[8] In the event that legislative appropriations are insufficient to finance total program costs, provision should be made to prorate state shares in accordance with legislative determination of the priority of each program established by this act.

[9] This section is somewhat over simplified on the assumption that the proportions of elementary and secondary pupils will be nearly equal in all school districts. Pupils have not been assigned weights although in Illinois and California where some separate elementary and secondary school districts exist weighting may be necessary. The effect of counting all pupils alike is not serious when state assistance is available for all local expenditures in excess of the mandated minimum level as provided in section 8. Moreover, the suggested legislation provides for special needs in section 9 which would be, in any district, a disproportionate number of higher cost secondary pupils.

some other compensatory education effort has not tried. It simply does more things at once and does them more intensively.

New York's total spending per Mes pupil was $859 in the 1964–1965 school year, a whopping $425 above the cost of an ordinary school program. While later figures are not complete, spending is doubtless higher today. The extra money allows MES to pare class size to 15 in kindergarten and a maximum of 22 in other grades. In addition, each set of three regular teachers is backed by an extra instructor who takes charge of students who fall behind and instructs them in groups of five or six.

Other efforts spent less. The Syracuse Madison Area program, financed by the Ford Foundation, spent $100 extra per pupil per year, and reduced class size to 25. A program in Philadelphia, which the school district there describes as "one of the nation's first extensive plans specifically designed to raise the achievement level of educationally disadvantaged children," spends about $35 extra per pupil to reduce class size to "under 30."

Teachers in MES say the especially small class size leads to an entirely different atmosphere. "The teacher isn't on the other side of an iron curtain," one observes. "You don't have 40 kids sitting formally at their desks with the teacher up front. Instead, you have 12 kids grouped informally around the teacher."

Beyond reducing class size, MES offers an especially wide variety of other services. Each school employs a full-time nurse and a full-time social worker to deal with home problems. Each has part-time use of its own doctor, dentist and even psychiatrist. The schools also employ "community aides" to free teachers from clerical chores and playground duties.

The variety of service has attracted the interest of the Federal Office of Economic Opportunity, which is designing a project Follow-Through to supplement its widely praised Head Start. OEO Director Sargent Shriver says, "The More Effective Schools program in New York City has more of the elements of a Head Start or Follow-Through than other types of compensatory education. It includes a small child-teacher ratio, consideration of the whole child and his family, and the creative and imaginative use of methods and materials."

MES may also reap an important psychological advantage simply from the knowledge that the program is highly expensive. Students in MES schools are absent less often than those in other slum schools, for instance, perhaps because their parents are enthusiastic. "You get just what you pay for," says Mrs. Francis Turner, an MES parent from Harlem. Indeed, one administrator reports that the program's prestige has grown to the point that middle-class children are seeking transfer to MES schools.

The spending and prestige may also have an important effect on teachers, many of whom consider an MES school a pleasant and rewarding assignment. Significantly, the National Advisory Council on the Education of Disadvantaged Children has concluded that one of the most important steps toward a successful program is simply instilling in teachers the "belief that these children can make a success of school experience."

The huge additional spending MES requires, though, is also what gives school officials pause. The program, after all, has affected only about 5% of the more than 300,000 students in the city's slum schools. And it gobbles up about 11% of a Federal grant for such schools. Alfred Giardino, president of the Board of Education, protests, "I have to think about the education of all the children."

Administrators also note that although MES costs twice as much as a normal program, its test results, while better, aren't twice as good. Superintendent of Schools Bernard E. Donovan says of MES students, "They were doing better, but they weren't doing that much better that we could afford to spend all that money." The board has been contemplating a cut-back in MES to free funds for other slum schools.

Mr. Giardino says that in any event a large-scale expansion of MES is "impossible for a variety of reasons." Covering all slum schools with the program, even if physical facilities and teachers could be found quickly, would add about $70 million to the city's $1.1 billion school budget.

Instead, budget plans include about 21 million to reduce the pupil-teacher ratio in all slum schools by putting two teachers in many classrooms. Mr. Giardino hopes this will preserve the most important feature of MES, which he says has been promoted by "puffery and PR" by the union. "No one knows exactly what elements of MES are producing results," he says. "The most important thing that MES did was to reduce class size, I think."

The board also contends that the fate of MES is a policy matter beyond the scope of collective bargaining, a point which wins support even among some who are sympathetic to the union's recommendations on the program. Mediators appointed by Mayor John V. Lindsay apparently agreed, suggesting the issue be referred to a special committee for study and recommendations.

The possibility that the MES dispute may set a precedent for collective bargaining on wide-ranging policy matters doubtless colors the attitudes of both sides. The MES program was originally planned by a joint committee of board and union officials. Board members contend that the union is interested not primarily because children will be helped but because the plan provides teachers with ideal working conditions.

WATERING DOWN

Union officials counter that the board's plans will deaden the effect of MES without providing any real improvement in slum schools. Sidney Schwager, chairman of the union's MES committee, say the board will use the money for "the type of compensatory education projects the Civil Rights Commission has branded as failures."

The poverty war's Mr. Shriver, for one, agrees that New York would not be wise to water down MES and spread its money more widely. He recalls the results of diluting other once-promising programs. "Piecemeal and half-hearted efforts will not suffice to upgrade the education of disadvantaged children. Nothing short of massive improvement can reverse the trend."

Some experts have been on the brink of concluding, of course, that even massive efforts cannot reverse the trend that leaves slum youngsters increasingly far behind their middle-class counterparts. Therein, it seems, lies the real importance of MES. Whatever is fate, whatever the practicality of giving a similar program to every slum child, and whatever the deep misfortunes of its embroilment in labor relations, More Effective Schools seems to have demonstrated a highly significant point.

To wit: Intensive education, provided it is indeed done on a massive scale, can at least sometimes overcome the heritage of an unhealthy environment and put slum children on an equal education footing. If enough money can be found, compensatory education can after all compensate.

THE ROLE OF THE STATE IN EQUALIZING EDUCATIONAL OPPORTUNITY—AN ACIR LEGISLATIVE PROPOSAL

(Address by John Shannon, assistant director, Advisory Commission on Intergovernmental Relations, before the National Education Association 10th national conference on school finance, St. Louis, Mo., April 3, 1967)

As a generalist in the field of public finance, it is with some hesitation that I appear before this assembly of experts in the field of school finance. My reluctance is heightened by the fact that my task this morning is to outline a model State foundation bill recently proposed by the Advisory Commission on Intergovernmental Relations.[1]

I am keenly aware that drafting State foundation legislation is both a mysterious and complicated subject—yet generalists often rush in where specialists fear to tread. Fortunately, our staff had the expert assistance of Dr. Eugene McLoone who helped translate our idealistic objectives into equalization concepts and legislative prose.

Before describing the provisions of the Advisory Commission's proposed legislation, it might be appropriate to give you some information about the Commission and its interest in State legislation to equalize educational opportunity. The Advisory Commission is a permanent bipartisan body of 26 members that represents all levels of government. Congress created this agency in 1959 and instructed it to give continuing study to the needs of our federal system.

THE NEED FOR STATE EQUALIZATION ACTION

In 1965, the Advisory Commission took a close look at the economic and social disparities among local jurisdictions within metropolitan areas and quickly concluded that State governments will have to play a far more active role in equalizing educational opportunity. The Commission noted that equality of educational opportunity is of critical importance in a democratic society dedicated to the proposition that all persons should have an equal chance to develop their potentialities to the fullest. This objective takes on particular urgency as technological advancement causes employment opportunities to become progressively more limited to persons with professional and technical skills.

The Commission also observed that great disparities in educational opportunity will persist unless each State revamps its school grant formulas to (a) provide an adequate educational level below which no community may fall, (b) build in factors to measure as accurately as possible local tax effort and diverse community educational requirements, and (c) reflect such measurements in the allocation of aid.[2]

In order to hurry school equalization history along, the Commission has drafted model State legislation to facilitate legislative enactments of its recommendations. However, we do not regard our model legislation as being as immutable as the laws of the Medes and Persians—rather, the draft legislation is merely something to shoot at. Your comments and suggestions will undoubtedly point up provisions that will need strengthening in future drafts of this legislation.

It must be admitted that those of us who draft model equalization legislation have something in common with the race horse handicapper. To use the parlance of the race track, we dream of that day when all school districts will finish in a very fast "dead heat." This utopian vision assumes, of course, that we can all agree on the standard for measuring performance and that we can control or compensate for the pace of each entry in a diverse field.

In the real world, there is something less than universal agreement about performance standards, and the race horse handicapper and the educational equalizer must employ very different means to achieve their financial equalization objectives. The handicapper attempts to equalize the race by imposing heavier burdens on the more fleet of hoof. School equalization advocates seek to narrow the gap between the rich and the poor school districts by providing greater financial spur to the poorer districts.

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[1] *1967 State Legislative Program of the Advisory Commission on Intergovernmental Relations,* Washington, D.C., September 1966, pp. 233–243.

[2] Advisory Commission on Intergovernmental Relations, *Metropolitan Social* and *Economic Disparities: Implications for Intergovernmental Relations in Central Cities and Suburbs,* Washington, D.C., January 1965, p. 125.

THE NEED FOR LOCAL INNOVATION AND INTER-DISTRICT COMPETITION

The race track analogy also highlights a second need—if we are to run a fast race, we must have the local pace setter as well as the State equalizer. The interests of education appear to be best served by policies that accelerate the general pace of educational performance as well as by those that reduce the gap between the "have" and the "have not" school districts.

If we want to maximize the number of dollars committed for public education and the advantages that come from local innovation, then there appears to be no substitute for a substantial degree of local financing with its attendant inter-district competition. While transferring all financing responsibilities to the State level would promote the cause of inter-district equalization, it would probably constrict the flow of resources into public education channels.

TWO STATE EQUALIZATION RESPONSIBILITIES

To harmonize the need for inter-district equalization and competition, State policy should have for its central aim the creation of a financial environment that gives all local school districts at least a fighting chance to provide a first-rate brand of education. More specifically, every school district can become a competitor if not a pace setter provided the State is willing to take on two distinct equalization responsibilities:

1. *Revenue equalization responsibility*—give all districts an equal opportunity to obtain financing by using State aid both to compensate for local property tax differentials and to insure equal access to Federal aid funds.

2. *Expenditure equalization responsibility*—compensate those local school districts that are burdened with a disproportionate number of high-cost students.

REVENUE EQUALIZATION

On the revenue side of the school finance equation, the proposed legislation comes to grips with a primary cause for educational disparities—the unequal distribution of property tax resources among local districts. Two property tax equalization approaches are recommended:

1. *Equalization of local property tax resources*—The legislation would require each local district to impose an effective tax rate—a levy calculated to underwrite [50] percent of the cost of the basic or minimum educational program [$500 per pupil] in a district with an average property tax base. Because this tax effort formula would generate revenue in excess of the designated amount in the wealthier districts, this "tax surplus" would be earmarked for redistribution among the poor districts, first in the home county and then throughout the State.

2. *Variable State matching grants*—The legislation would equalize local school tax effort expended to finance a program above the basic or minimum level by matching local school dollars in an inverse proportion to the district's equalized assessed value per pupil.

Let me emphasize that this equalization plan would not superimpose a new State tax on property. The locally imposed school tax would remain—restructured, however, to insure that the property tax resources of the entire State are uniformly tapped in support of the minimum level of education. Actually, this plan would undoubtedly permit school tax reductions in many of the poorer districts that are now making an extraordinary tax effect. By the same token, it might well result in higher taxes in some of the wealthier districts.

Let me also emphasize that the suggested legislation does not undercut the opportunity for local innovation. Each school district, rich or poor, would be free and encouraged by the State's variable matching to impose a supplemental tax rate to finance a level of education beyond the mandated minimum level.

Because a State variable matching system would provide State dollars in an inverse relationship to the size of the district's tax base, a poor school district with only half the averaged equalized assessment per pupil would receive three State dollars for each local dollar raised to support a program above the mandated minimum level. Conversely, the wealthy district with twice the average tax base would have to raise three local dollars in order to obtain one State dollar. The so-called average district would be matched dollar for dollar up to twice the minimum level [$1,000 per pupil].[3]

The central aim of these two provisions is to eliminate the accidents of property tax geography. The quality of a child's education should not be dependent on the size of the local tax base.

While several States—New York, Rhode Island, and Wisconsin—have equalization formulae that provide State support above and beyond the ordinary foundation type, the differences in the size of the local tax base are often too great to be swamped by variable State matching grants. State legislation, therefore, must go farther and muster property tax resources of the entire State in support of a minimum level of per pupil expenditures. The combination of a local property tax redistribution formula and variable State matching grants will go a long way toward placing all local school districts on an equal property tax footing.

Because of the growing importance of Federal grant programs, State policies must also be designed to give each school district an equal chance to obtain help from this revenue source. If the State fails to act, only those local districts with tax leeway are in a position to match Federal grant dollars.

The proposed ACIR legislation provides State aid to the poorer districts for the express purpose of permitting them to participate in Federal aid programs deemed desirable by the State legislature. Section 10 would undo the perverse situation in some States where only the wealthiest districts are able to take advantage of Federal aid provided for the express purpose of assisting the poor.

EQUALIZING EXPENDITURE DEMANDS

It is becoming increasingly necessary to look at the expenditure side of the school finance equation because of the uneven distribution of extra-cost pupils among school districts. This concern takes on special significance for central city and many rural school districts.

Typically, the children living in the slums and in depressed rural areas stand out as the groups of young people most handicapped by inadequate support for education. In striking contrast, children residing in local districts with strong tax bases are usually the beneficiaries of a superior educational environment, both in the home and in the school.

In order to compensate those school districts with a disproportionate number of high-cost students, the ACIR proposed legislation directs the head of the State educational agency to conduct a special count of high-cost students at the beginning of the school year. This census would identify pupils with special educational needs such as those from families with low incomes, mentally and physically handicapped, the emotionally disturbed, and the gifted. The head of the State educational agency is then directed both to determine the cost of these special education needs and to build them into the State aid formula.

Placing an educational price tag on cultural deprivation and racial discrimination raises at least two hard questions: For the professional educator—what are the appropriate yardsticks for measuring the educational performance and needs of deprived students? For suburbanites—what price apartheid?

If the States are to play an important role in governing and servicing an urban America, they must face up to these tough issues. The Federal alternative is both apparent and real.

THE MUNICIPAL OVERBURDEN ISSUE

At least on one score the ACIR equalization proposal has been criticized for not going far enough. I refer specifically to the fact that the bill does not specifically compensate city school districts faced with the "municipal overburden" problem.[4] Let me emphasize that we are keenly interested in any views you may have on this issue.

It is an encouraging sign of the times to have educational finance people insist on taking a comprehensive view of the financial needs of local governments and school districts.

An increasing number of mayors are advancing quite a different solution for the municipal overburden problem. They advocate that the State assume complete responsibility for financing education, thereby enabling the cities and counties to enjoy exclusive exploitation rights within the property tax preserves. If the experience of the last 25 years can serve as any guide, most State governments will be extremely loathe to buy this solution.[5]

There is still a third approach to this issue—the taxpayer overburden approach recently taken by the State of Wisconsin. The legislature of that State has taken the position that an elderly home-owner who is required to turn over more than five percent of his total household income to the property tax collector is carrying an extraordinary burden. The State, therefore, rebates the amount in excess of five percent to the homeowner. Note that the State, not the local governments, assumes the responsibility for providing this type of relief.

Educators concerned about tax overburden might well study this Wisconsin plan. We, the citizens of the wealthiest nation in the history of mankind, should not have to force elderly homeowners through the property tax wringer in order to finance the education of our youth.

SUMMARY

In summary, the ACIR legislative proposal would have State governments assume far greater responsibility for equalizing educational opportunity than they have demonstrated up to this time. More specifically, it calls for a major departure from the status quo on both the revenue and expenditure fronts. It would give all districts an equal opportunity to obtain financing by using State aid and State equalization mandates both to compensate for local property tax differentials and to insure equal access to Federal aid funds. On the expenditure side, it would compensate those local school districts that are burdened with a disproportionate number of high cost students.

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[3] For a more detailed description of the financing arrangements for the "basic program" and the "educational improvement program," see *1967 State Legislative Program of the Advisory Commission on Intergovernmental Relations*, p. 233.

[4] Municipal overburden—heavy use of the property tax to finance urban services and welfare programs as well as education.

[5] The financing trends clearly indicate that most States are moving toward a more equal division of financial responsibility as between State and local school districts (see appendix table).

Once more to use the race track analogy, this equalization plan is designed to insure that all districts leave the starting gate at the same time. It is also designed to insure that those districts with a weak tax base or those carrying extremely heavy educational loads are not forced to make extraordinary tax effort in order to stay abreast of the pack. The community's commitment to education, not the size of its tax base, would determine its performance.

In view of the great fiscal disparities that now exist among the local school districts, adoption of this equalization plan would cause quite a change. Yet, in our rapidly changing urban world, there is an alternative that is far more revolutionary—a status quo policy.

STATE AND LOCAL GOVERNMENT EXPENDITURE FOR EDUCATION (OTHER THAN HIGHER EDUCATION) BY SOURCE OF FINANCING, BY STATE, 1942 AND 1965

[Percentage distribution by level of government]

State and region	Federal aid		State funds [1]		Local funds [1]	
	1942	1965	1942	1965	1942 [2]	1965
United States	[3] 5.8	4.2	[3] 32.9	38.3	[3] 61.3	57.5
New England	4.7	4.3	10.6	22.8	84.8	73.0
Maine	5.8	7.1	22.3	29.3	71.9	63.6
New Hampshire	9.2	5.8	6.6	10.1	84.2	84.1
Vermont	5.3	4.2	24.6	28.3	71.9	67.5
Massachusetts	4.4	4.2	10.0	18.4	85.7	77.5
Rhode Island	2.2	6.3	9.4	32.2	88.4	61.5
Connecticut	4.9	2.9	7.1	27.4	88.0	69.7
Mideast	4.9	2.7	31.3	41.4	63.8	55.9
New York	3.8	1.8	38.9	49.2	57.3	49.0
New Jersey	3.0	3.1	22.3	15.5	75.0	81.4
Pennsylvania	7.5	3.0	25.4	41.8	67.1	55.2
Delaware	8.5	3.2	89.4	85.6	2.1	11.2
Maryland	6.6	6.1	21.3	35.1	72.1	58.7
District of Columbia	2.3	9.6	--------	--------	97.7	90.4
Great Lakes	4.7	2.9	28.2	28.2	67.1	68.9
Michigan	5.5	2.6	45.6	39.3	48.9	58.0
Ohio	4.4	3.5	39.2	19.2	56.3	77.3
Indiana	5.4	2.4	32.6	32.8	62.0	64.9
Illinois	3.9	2.9	11.1	26.3	85.0	70.8
Wisconsin	5.6	2.9	15.4	22.1	79.1	75.0
Plains	4.3	4.4	23.8	25.1	71.9	70.5
Minnesota	4.2	3.1	36.0	38.9	60.0	58.0
Iowa	2.8	3.2	2.0	14.7	95.0	82.0
Missouri	4.9	4.5	40.5	32.8	54.9	62.6
North Dakota	3.5	7.7	29.2	21.5	67.3	70.9
South Dakota	2.5	8.1	21.8	10.5	75.6	81.4
Nebraska	4.5	5.1	6.0	5.3	89.4	89.6
Kansas	6.8	5.2	17.9	19.3	75.3	75.4
Southeast	8.9	6.5	47.4	53.2	43.6	40.3
Virginia	7.7	7.5	34.4	32.4	57.9	60.0
West Viginia	6.7	7.6	50.0	47.9	43.3	44.6
Kentucky	8.0	8.2	36.0	50.9	55.9	40.9
Tennessee	6.7	6.2	34.9	50.0	58.4	43.8
North Carolina	6.6	6.1	77.0	62.3	16.4	31.6
South Carolina	8.5	6.9	48.7	57.0	42.7	36.2
Georgia	9.1	7.8	47.3	57.6	43.6	34.5
Florida	11.5	4.9	46.6	52.7	41.6	42.5
Alabama	11.8	5.4	42.1	60.5	46.1	34.0
Mississippi	15.3	7.3	35.2	58.0	49.4	34.6
Louisiana	8.8	3.7	53.9	67.2	37.3	29.0
Arkansas	11.9	11.4	49.0	39.3	39.2	49.3
Southwest	6.9	5.5	53.1	44.7	39.9	49.9
Oklahoma	6.2	8.3	42.2	37.3	51.6	54.4
Texas	6.5	3.7	54.7	45.6	38.6	50.7
New Mexico	14.6	9.0	64.0	68.4	21.3	22.6
Arizona	5.9	8.9	66.3	32.6	26.7	58.5
Rocky Mountain	8.8	5.7	20.0	31.0	71.4	63.3
Montana	4.1	4.8	24.0	27.7	71.9	67.5
Idaho	5.2	5.9	27.8	30.8	68.0	63.3
Wyoming	13.1	5.5	18.0	38.3	68.9	56.4
Colorado	7.5	6.3	9.9	20.2	82.5	73.5
Utah	16.7	5.2	28.3	53.2	55.0	42.6
Far West [3]	6.6	3.6	41.8	40.9	51.6	55.5
Washington	7.3	5.4	52.0	62.5	40.7	32.1
Oregon	16.0	2.5	0.5	26.9	84.0	70.6
Nevada	3.4	4.9	24.1	36.3	72.4	58.8
California	5.5	3.4	44.6	39.3	49.9	57.3
Alaska	[4] 18.7	26.9	[4] 60.6	61.2	[4] 20.7	11.9
Hawaii	[4] 7.3	11.7	[4] 75.2	75.2	[4] 17.6	13.0

[1] Net of Federal aid and State-local transfers.

[2] Includes a minor percentage for local government expenditures for higher education in 20 States, plus larger amounts in 4 States (California, New York, Ohio, and Texas).

[3] Excluding Alaska and Hawaii. Includes approximately $100,000,000 for training of defense workers.

[4] Based on 1957 data, 1942 not available.

THE FESTIVAL SINGERS OF TORONTO

Mr. MUSKIE. Mr. President, it was my good fortune to lisen to the Festival Singers of Toronto today during their performance in the Senate Office Building rotunda.

They are extraordinary representatives of their city and their nation, and I am proud that we could be their hosts today.

Their repertoire is wide and their talents self-evident. Their audience this noontime was obviously moved by their performance. The response of all of us was warm and immediate, an indication of our appreciation for them.

I have had many cordial and valuable experiences with our neighbors from Canada. Today's performance by the Festival Singers was one of the most pleasant and rewarding.

I thank them for coming to Washington, and I send home with them a full measure of gratitude for their visit.

THE JOB CORPS RESULTS

Mr. MAGNUSON. Mr. President, throughout its short history the Job Corps has been the subject of intense debate and considerable controversy. In recent months the Job Corps programs have begun to gain acceptability because of their outstanding results.

The letter which I will now introduce into the RECORD testified to that fact. I ask unanimous consent that the specified portion of the letter written by the administrator of the Samaritan Hospital in Moses Lake, Wash., be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SAMARITAN HOSPITAL,
Moses Lake, Wash., November 8, 1967.

Mr. JOHN CORRIGAN,
Director, Women's Job Corps,
Moses Lake, Wash.

DEAR MR. CORRIGAN: You, of course, are aware that this institution is called "The Samaritan Hospital." It was named, I assume, after the kind gentleman who traveled near Jericho and made his mark on history by being more than kind to a Jewish fellow. The story further testifies that a priest and Levite were much less compassionate when confronted with the same situation. This same lack of compassion must be clearly evident to you when you analyze the Job Corps-Moses Lake reception. We are certainly running true to form.

Facts and events are different here, and because they are I feel it is my duty to inform you that our relations with the AVCO Corporation and the Women's Job Corps have been, and we hope, will continue to be, splendid. The many young ladies who have visited the Hospital in a training status have conducted themselves in a manner that is a credit to their instructors and their parents. I have consulted with the Hospital supervisory personnel and I find that their opinions confirm my own. It is true that some small difficulties have been encountered, but nothing more than we faced with the other students who pre-dated the Job Corps. Some of your ladies have shown, by their conduct and their interest in nursing, that they are indeed taking advantage of the opportunities in your program, but all of them are absolutely no better or no worse than the non Job Corps groups that we have seen.

It is my opinion that we, who are involved directly with your people, should inform, not only you about the success of this program, but also the residents of this area, realizing that they are not easily entertained by facts or success stories.

* * *

You and your staff have learned many lessons in the brief time that your payrolls have found our tills, and I hope that we now can begin to utilize that the other half of the problem cannot be solved within the confines of Larson Air Force Base.

Sincerely yours,
RODNEY E. GANNON,
Administrator.

ADMINISTRATION DISCRIMINATION AGAINST SMALL INVESTORS

Mr. WILLIAMS of Delaware. Mr. President, the Johnson administration has again demonstrated its lack of concern over the present high interest rates so long as the benefits go to the banks and large investors, but it remains determined that the small investor, the wage earner buying series E bonds, will get none of these benefits.

For example: The administration recently raised violent objections to a Senate-adopted amendment which would have raised the interest rates now being paid on series E bonds from the present rate of 4.15 percent to a rate comparable to that being paid on other Government bonds of similar maturity.

As further evidence of this policy of discrimination against the small investors I invite attention to an article entitled "Banks May Raise Big-Deposits Rate," published in the December 12 issue of the Washington Evening Star.

The article calls attention to the fact that the Federal Reserve Board's regulation Q limits the rates on certificates of deposits of $100,000 or more to 5½ percent, and that it is contemplated that this rate will soon be raised again; however, it emphasizes that the interest which banks will be permitted to pay on deposits of less than $100,000 will continue at 5 percent or below.

I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BANKS MAY RAISE BIG-DEPOSITS RATE

(By Lee M. Cohn)

Banks may soon raise the interest rates they pay on big deposits, financial experts said today.

If these rates rise, rates paid to ordinary savers by banks and savings and loan associations may go up eventually, too.

And if banks and S&Ls pay more on deposit, they probably will charge more on loans.

The prospect of increased rates on deposits is the latest repercussion of the escalation of interest rates throughout the economy, which has pushed the cost of credit in some cases to heights not reached since the Reconstruction period after the Civil War.

To obtain money for lending, banks rely heavily on selling certificates of deposits (CDs) to corporations and others with idle cash.

CDs are basically receipts for money deposited for a specified period of time—generally 30 days to one year—as distinguished from ordinary savings deposits, which in practice can be withdrawn at any time.

The Federal Reserve Board's Regulation Q limits the rate paid on CDs of $100,000 or more to 5½ percent. The ceiling on so-called consumer CDs, below $100,000, is 5 percent. On regular passbook savings accounts, banks may pay up to 4 percent.

Bankers fear they soon may be unable to sell enough CDs at these rates, so they are pressing the "Fed" to raise the ceiling at least on big CDs. A decision may come next month.

Interest rates on Treasury bills, commercial paper and other short maturity securities in the money market have been rising, though not so sharply as rates on long-term notes and bonds. Now there are signs that the rise of short-term rates will accelerate.

CDs compete against these short-term securities. If rates paid on CDs lag, corporations and others buy Treasury bills or other short-term securities on the market.

Major banks months ago raised rates on big CDs maturing in six months or longer to the 5½ percent ceiling. More recently, as money market rates have climbed, they have boosted rates to 5½ percent on shorter and shorter CDs—even 30-day maturities in some cases.

By scrambling, the banks so far have managed to maintain their CD volume. They have been able to renew maturing CDs or replace them with new CDs, and have sold enough to increase the total of deposits moderately.

That's why the Fed does not believe it is necessary to raise the rate ceiling yet.

The test probably will come early in January. For seasonal and other reasons, it may be easier for banks to attract deposits then.

If money flows more freely into banks next month, they will be able to lower CD rates for some maturities and will be in good shape.

But if banks are compelled to keep rates at the 5½ percent ceiling, they will be in trouble. They need elbow room below the ceiling so they can raise rates selectively to sell CDs whenever deposits decline or loan volume expands.

Without such flexibility, banks almost inevitably will lose CD money. They would be forced to curtail lending or raise money by selling securities, or both.

The Fed deliberately allowed this to happen in the summer and fall of 1966. The money managers kept the ceiling at 5½ percent as the CD volume shrank, because they were trying to fight inflation by curbing bank loans to business.

Although still worried about inflation, the Fed is not likely to allow such a severe squeeze on the banks this time.

The money managers fear that sharp curtailment of bank lending and the dumping of securities on the market might cause financial disorder, rocket interest rates into the stratosphere and push the economy into a tailspin.

In retrospect, they feel that perhaps the 1966 squeeze was allowed to go too far.

Therefore, if CD rates stay glued to the present ceiling next month, the Fed probably will raise the ceiling to give banks more room to maneuver in the quest for money to lend and invest.

But a higher ceiling for CDs could cause a lot of problems.

If banks are allowed to pay more for deposits, savings and loan associations may have trouble holding onto present deposits and attracting new money.

S&Ls specialize in mortgage lending so a scarcity of loanable money could depress the housing industry, which is still recovering painfully from the depression caused by the troubles of the S&Ls last year.

The Fed probably would try to protect the S&Ls by keeping the rate ceiling at 5 percent for smaller CDs if it raised the 5½ percent limit on CDs of $100,000 or more. The smaller CDs are more directly competitive with the S&Ls.

Mr. WILLIAMS of Delaware. Mr. President, I call attention to a third instance of the Johnson administration's discrimination against the small investor.

On December 14, 1967, Fannie Mae—a Government agency—sold $250 million 18-month debentures at 6.10 percent interest.

These are 100 percent Government-guaranteed notes and just as sound as any regular Treasury obligation; however, to make sure that the small investor could not benefit from this high interest they have ruled that the smallest denomination bond available will be $5,000. Any investor with less than $5,000 can continue to loan his money to the Government at 4.15 percent by buying series E bonds.

It is ironic to find the Johnson administration guilty of such rank discrimination against the small investor, particularly when we are reminded of the fact that it is always making speeches expressing its great concern for the little fellow. In fact, to paraphrase that great Englishman, never has any administration said so much about its concern for the little man and done so little.

I ask unanimous consent that the article entitled "Fannie Mae Offering $250 Million Debentures at 6.10 Percent Interest Rate," published in the Wall Street Journal of Thursday, December 14, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BOND MARKETS: FANNIE MAE OFFERING $250 MILLION DEBENTURES AT 6.10 PERCENT INTEREST RATE—ISSUE MATURES IN ABOUT 18 MONTHS—AGENCY SKIPS $1,000 CATEGORY—$5,000 IS LOWEST DENOMINATION

WASHINGTON.—The Federal National Mortgage Association is offering $250 million of debentures today at 6.10% interest rate, Raymond H. Lapin, president, announced.

Priced at par, the issue of approximately 18 months' maturity will be dated Dec. 28, 1967, and mature June 10, 1969. It is being offered through Fannie Mae's fiscal agent, John H. Claiborne Jr., New York, and a national selling group of security dealers.

Net proceeds, the agency said, will be used to repay borrowings from the U.S. Treasury and to finance its secondary-market operations.

Fannie Mae is a mixed Government-private corporation that buys home mortgages insured by the Federal Housing Administration or backed by the Veterans Administration in order to supply fresh funds for construction in times of tight money.

The agency is omitting its usual $1,000 denomination in this issue, a spokesman said; the step is in line with Johnson Administration efforts to avoid or minimize the "disintermediation" effect of high money-market interest rates. By starting with a $5,000 denomination as the smallest, the Government hopes to avoid diverting funds from such intermediaries as banks and savings and loan associations, which it doesn't allow to pay as lofty a rate. The debentures will also be offered in denominations of $10,000, $50,000 and $100,000.

By the time the agency gets the proceeds of the sale, an official added, it appears that practically all the money will be needed to repay temporary loans from the Treasury. Although a few weeks ago the agency was tentatively planning to make its next debenture offering in January, the sale was moved to December because the market then is apt to be less congested, he added.

The interest rate is substantially higher than on the agency's last debenture offer in October, when the yield was 5.82%.

TRIBUTE TO SAM HUFF

Mr. KENNEDY of New York. Mr. President, "Men fight not as they fought in the brave days of old," Macaulay once said. To those who follow the fortunes and misfortunes of the New York Giants' defensive unit, few words ring as truthfully. As the Yankee Stadium partisans watch with hope and gloom, their minds must at times look back to the heady days of the late 1950's, when the Giants defensive unit proclaimed in deed the words of Marshal Foch: "They shall not pass—or run—or lateral." The heart of this unit—the captain of their fortunes—is one of the men who lends authentic greatness to the world of sports, and who this week announced his retirement: Mr. Sam Huff.

Sam Huff—No. 70 in his 8 years with the Giants and more recently with the Washington Redskins—was middle-linebacker; the most challenging of positions. From the day he broke in as a rookie in 1956, he called defensive signals, and stayed alert for line plunge, the off-tackle slant, and the quick pass over the middle. It was Sam Huff who made the Giants the most feared defensive team in the league, and who turned the fans' eyes and hearts away from the glamour of the offensive backfield, into the middle of the fury that is defense.

Sam Huff was a great ballplayer, and a great leader. Few will forget one three-game stretch in 1958 when the Giants scored only 9 points in each of three games—and won two of them because of the strength of the defense, and of Sam Huff.

His professional world was a violent world—but Sam did not leave his life on the football field. He grew up in the coal mines of West Virginia, and never forgot the poverty and misery he found there. His work in benefits, raising funds for scholarships, and aid to needy children, is testimony to his concern.

Sam also was committed to action. His work for the late President Kennedy in West Virginia was tireless; and helped win that State for President Kennedy in 1960. He did as much in that primary as any other man: and he was ever in President Kennedy's gratitude and affection.

Sam Huff is leaving football, to tackle a new and challenging career. We wish him well; but we in New York and Washington will miss him on Sunday afternoons. And the world of sports is a little lesser, now that No. 70 will no longer be fighting the good fight.

PRESIDENT JOHNSON SPEAKS FIRMLY ON THE PROBLEMS OF VIETNAM

Mr. RANDOLPH. Mr. President, these are exceedingly difficult days for President Johnson. He is our leader. We are citizens, regardless of party affiliations, who are understandably concerned with the problems in Vietnam.

The Chief Executive of the Republic has spoken often on these vexing questions. Editorial comment on his words comes pro and con.

I ask unanimous consent to have printed in the RECORD an editorial entitled "Firm Statements on Vietnam," published in the Christian Science Monitor of Monday, November 20, 1967.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FIRM STATEMENTS ON VIETNAM

President Johnson has made it crystal clear that there will be no weakening, yielding or compromising on what he believes is right on Vietnam. In statements which were unequivocal, he has informed the Communists, his critics in the United States and his fellow countrymen that he intends to press forward steadfastly toward the goals which have been set in Vietnam.

These goals are the protection of the security of the United States, a resistance to aggression, and the establishment of conditions under which the South Vietnamese will be able to determine the kind of government they wish.

When firm, President Johnson was not belligerent. He did not threaten the enemy with an escalation of the fighting or severer trials. Indeed, he said that he saw no increase in American troops beyond the level already authorized. Furthermore, although he said that those who say that a halt in the bombing of North Vietnam would stop the war were misleading the people, he at no point categorically ruled out such a step. He was also, it seemed to us, at great pains to speak well of such critics as were reasonable, thoughful and sincere in their disagreement with him.

If anything came through the President's answers to newsmen's questions, it was his determination to press on with what he believed was right and needful, regardless of the amount of opposition and criticism. He is obviously fortified in this stand by his realization that every president has had to undergo severe criticism and that many of America's wars have been even less popular than the one now being fought.

Particularly interesting as President Johnson's direct warning to Hanoi that the later would gravely deceive itself if it believed that Washington could be led, pushed or persuaded to abandon its commitments in Southeast Asia. In this the President was clearly seeking to counter any overweight which Hanoi might be tempted to give to the chorus of antiwar statements on America's home front.

In one sense, the Johnson statements have cleared the air. Obviously they will not lessen criticism and opposition; indeed, the latter as well as a feeling of frustration by many will probably increase as a result of the President's tough stand. But he has sunk without trace the hope of those who believe that they can induce the White House to lessen its objectives in Vietnam.

This must not mean, however, that Washington should lessen its efforts to bring about an honorable peace through negotiation. We commend the White House's readiness to support the call for a United Nations peace effort. Every suggestion for peace must be carefully and prayerfully weighed. This is particularly so, since, unhappily, we cannot feel that the war is progressing to the degree that the President himself implied.

ACTIVITIES OF THE COMMITTEE ON FINANCE

Mr. MANSFIELD. Mr. President, I submit a letter and report to me from the Committee on Finance and ask unanimous consent that they be printed at this point in the RECORD.

There being no objection, the letter and report were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, D.C., December 15, 1967.

Hon. MIKE MANSFIELD,
Majority Leader,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MANSFIELD: At the Chairman's request, I am forwarding to you a list of bills on which the Committee on Finance has acted and of hearings conducted by the Committee during the First Session of the Ninetieth Congress.

Sincerely,

TOM VAIL.

COMMITTEE ON FINANCE REPORT

(90th Congress, first session)

REVENUE

H.R. 6950: Restores the investment credit and the allowance of accelerated depreciation in the case of certain property, redefines suspension period property, makes other amendments to the investment credit and accelerated depreciation provisions of the Internal Revenue Code of 1954, and prohibits the appropriation and disbursement of funds under the Presidential Election Campaign Fund Act of 1966 and the designation of $1 of income tax by a taxpayer into the Presidential Election Campaign Fund until guidelines are enacted into law. (P.L. 90–26 (6–13–67).)

H.R. 6098: Provides for an extension of the interest equalization tax until July 31, 1969; authorizes the President to raise or lower the rate of tax; provides new rules for administering the exemption from the tax for sale of foreign stocks held by Americans; and makes other amendments to the Interest Equalization Tax Act. (P.L. 90–59 (7–31–67).)

H.R. 1282: Provides for the withdrawal of wine from bonded wine cellars without payment of tax, when rendered unfit for beverage use, and perfects record-keeping requirements with regard to prior American ownership enacted in the Interest Equalization Tax Extension Act of 1967. (P.L. 90–73 (8–29–67).)

H.R. 6056: Provides rules to facilitate the determination of which parent is entitled to the deduction for personal exemptions for children of parents who are divorced or separated. (P.L. 90–78 (8–31–67).)

H.R. 4765: Relates to the income tax treatment of certain distributions pursuant to the Bank Holding Company Act of 1956, as amended; provides a carryback of the investment credit where the investment credit for a year is disallowed by reason of a net operating loss carryback to that year; allows certain taxpayers to carry net operating losses incurred in 1967 and 1968 back 5 years and forward 3 years (text of S. 2262); and enables a parent and a subsidiary corporation, both of which are life insurance companies, to reorganize as brother-sister corporations under a holding company arrangement without incurring liability for the phase three tax. (Awaiting Presidential action.)

H.R. 3890: Establishes a working capital fund for the Department of the Treasury; and provides, in "The Honest Election Act of 1967", an income tax credit for political contributions (50% of a contribution of up to $50.00), federal funds, if chosen to the exclusion of private contributions, for the campaign expenditures of candidates for President, Vice President and the Senate, the Election Reform Act of 1967 (text of S. 1880), and criminal penalties for soliciting votes within a certain distance of a polling place and for transporting voters to the polls. (Awaiting Senate floor action.)

H.R. 6058: Provides for rounding the amount of State and local taxes for purposes of computing the Federal excise tax on cigars and allows a special deduction for additions to catastrophe reserves for mortgage guaranty insurance companies (the text of this bill is also part of H.R. 1141, which is awaiting Presidential acton). (Awaiting Senate floor action.)

RECIPROCAL TRADE AND TARIFF

H.R. 286: Permits, pursuant to the Trade Expansion Act of 1962, the duty-free treatment of dicyanimide and of limestone when imported to be used in the manufacture of cement (latter is the text of H.R. 1141). (P.L. 90–14 (5–5–67).)

HR. 4880: Extends, until June 30, 1967, the time for requesting refund of duty under the Tariff Schedules of the United States; and extends for a period of one year the present temporary programs established under the Public Welfare Amendments of 1962. (P.L. 90–36 (6–29–67).)

H.R. 5615: Continues until the close of June 30, 1969, the existing suspension of duties for metal scrap (P.L. 90–45 (7–3–67).)

H.R. 3349: Continues until the close of September 30, 1967, the existing suspension of duties on certain forms of nickel. (P.L. 90–48 (7–7–67).)

H.R. 3652: Continues until the close of June 30, 1970, the existing suspension of duties on manganese ore (including ferruginous ore) and related products. (P.L. 90–49 (7–7–67).)

H.R. 1566: Provides for the free entry of a four-octave carillon for the use of the Northfield and Mount Vernon Schools, East Northfield, Massachusetts. (Private Law 90–65 (8–11–67).)

H.R. 1886: Provides for the free entry of one mass spectrometer and one rheogoniometer for the use of Princeton University, Princeton, New Jersey. (Private Law 90–66 (8–11–67).)

H.R. 3029: Provides for the free entry of one ship model for the use of the Lutheran Church of the Covenant, Maple Heights, Ohio. (Private Law 90–67 (8–11–67).)

H.R. 3737: Provides for the free entry of a carillon for the use of the University of California at Riverside. (Private Law 90–68 (8–11–67).)

H.R. 4934: Provides for the free entry of one mass spectrometer for the use of Indiana University. (Private Law 90–69 (8–11–67).)

H.R. 4977: Provides for the free entry of a triaxial apparatus and rheogoniometer for the use of Northwestern University. (Private Law 90–70 (8—11–67).)

H.R. 2470: Provides for the free entry of one rheogoniometer for the use of Tufts University, Boston, Massachusetts, one Perkin Elmer Automatic Digital Polarimeter with accessories for the use of Mount Holyoke College, South Hadley, Massachusetts (text of S. 1380), and one gas-liquid chromatograph mass spectrometer for the use of the Massachusetts Division of the American Cancer Society (text of S. 1381). (Private Law 90–82 (8–28–67).)

H.R. 664: Amends the Tariff Act of 1930 to provide that bagpipes and parts thereof shall be admitted free of duty. (Awaiting Presidential action.)

H.R. 1141: Permits duty-free treatment of limestone, when imported to be used in the manufacture of cement, pursuant to the Trade Expansion Act of 1962; in lieu of above language of House-passed bill, which became amendment to H.R. 286 (P.L. 90–14), extends until December 31, 1969, time within which Vietnam servicemen may qualify for $50 exemption from tariffs for gifts sent to the United States, permits under certain conditions importers to transport merchandise from the Port of Entry to a customs bonded warehouse without incurring liability for the duty involved until withdrawn from the warehouse, provides for rounding the amount of State and local taxes for purposes of computing the Federal excise tax on cigars, and allows a special deduction for additions to catastrophe reserves for mortgage guaranty insurance companies. (Awaiting Presidential action.)

H.R. 2155: Amends the Tariff Schedules of the United States with respect to the tariff classification of Chinese gooseberries, and permits under certain conditions importers to transport merchandise from the port of entry to a customs bonded warehouse without incurring liability for the duty involved until withdrawn from the warehouse (latter is also provision of H.R. 1141, which is awaiting Presidential action). (Awaiting Senate floor action.)

VETERANS

S. 16: Extends full wartime benefits for Vietnam veterans and their dependents; increases educational allowances and broadens opportunities under the "Cold War G.I. bill"; and provides a cost-of-living increase with respect to non-service-connected pensions similar to the increase Congress voted in the 89th Congress for those receiving compensation growing out of death or disability. (P.L. 90–77 (8–31–67).)

PUBLIC DEBT

H.R. 4573: Provides, for the period ending on June 30, 1967, a temporary increase in the public debt limit set forth in Sec. 21 of the Second Liberty Bond Act. (P.L. 90–3 (3–2–67).)

H.R. 10867: Increases the public debt limit set forth in Sec. 21 of the Second Liberty Bond Act to $358 billion effective on July 1, 1967, temporarily increases this debt limitation by $7 billion, beginning with fiscal year 1969, up to June 30 of each fiscal year, and includes the face amount of any Federal National Mortgage Association participation certificates issued during fiscal year 1968 in determining the debt subject to limitation. (P.L. 90–39 (6–30–67).)

SOCIAL SECURITY

H.R. 12080: Provides 13 percent increases in social security benefits with a 25 percent increase in the minimum benefit; makes other improvements in the OASDI, Medicare, Medicaid and public welfare programs; initiates a new work-training program for recipients of Aid to Families with Dependent Children; finances increased supportive child welfare services; limits the extent of Federal participation in the Medicaid program; consolidates and increases authorizations for child health programs and grants and provides funds for the training of social work personnel. (Awaiting Presidential action.)

HEARINGS ONLY

Proposed cut-off of welfare funds to the State of Alabama. (Hearings held January 25 and February 23, 1967.)

Trade Policies and the Kennedy Round. (Hearing held March 10, 1967.)

S. 2100: Provides tax incentives to encourage private enterprise to provide adequate housing in urban poverty areas. (Hearings held September 14, 15, and 16, 1967.)

The nomination of Stanley D. Metzger to the U.S. Tariff Commission. (Hearing held on September 28, 1967.)

Proposals to impose import quotas on various commodities. (Hearings held on October 18, 19, 20, 1967.)

A FIGHT FOR A BETTER LIFE

Mr. WILLIAMS of New Jersey. Mr. President, at the recent convention of the AFL–CIO, important and compelling national issues were discussed openly, honestly, and energetically. This is nothing new, however; the organized labor movement in the United States has made consistent contributions to a working dialog for democracy.

It is appropriate at this time to note the contribution of one very dedicated labor representative, Evelyn Dubrow. As legislative representative for the International Ladies' Garment Workers' Union, Evelyn Dubrow is characteristically a leader—a leader in progressive, constructive labor legislation. It is particularly refreshing to work with Evie, because she is proud of her accomplishments and her objectives. Pride rubs off on those who contact it. and I am proud to claim Evelyn Dubrow as an ally in the cause of a better way of life for the Nation's workers.

It is through the patient, precise reporting of Miss Dubrow that the 455,000 members of the ILGWU carry on effective communications with Congress and the general public. I am very much aware of the disfavor with which some people view the process of "special interest lobbying," but I wish to make it clear that without the assistance and support of concerned groups and individuals, we would be less than effective as spokesmen for our public.

In an editorial in the December 1 edition of Justice, the ILGWU paper, recognition is given this function of the union movement. Evelyn Dubrow, the ILGWU, and the other Americans who make up the AFL–CIO, ought to be proud of the part they play in what the editorial calls a "fight for a better life." We want to join in that fight, but we are virtually powerless to act unless we continue to receive the encouragement and enthusiastic participation of the labor movement.

Because of the significance of the recent AFL–CIO convention, and because of the importance of the labor movement to all of us, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

POPULATION 200,000,000 PLUS

With no special effort at all, the nation last month passed the 200,000,000 population mark. Without either baby bonuses or organized family planning, we have moved inexorably toward the record count, many mistaking this statistic in biology for a measure of our ethical well-being and economic good health.

We should rather stop to consider that in most areas of the world, population growth rises in direct proportion to poverty. Other nations, nowhere near as well off as we are, far outstrip us in the rate of increase of their population, their poverty and the consequent problems. The conclusion is inescapable that denied all else, human beings cannot be denied offspring.

Indeed, there are some who argue that the only effective block to the increasing population explosion with which the world will have to deal will be the more effective spread of a higher standard of living. By increasing human desires for the good things of life. by expanding the horizons of ambition, by making available educational and business channels for achievement, family units are induced to limit their size in order to make better uses of their resources.

Greater availability of education, better health and housing and economic security have been the constant goals of the middle class. There is a strong tendency in our time to be disdainful of middle-class ideals. Vocal dissident groups denounce them as being tawdry and materialistic but offer disaffiliation from life's problems as an alternate.

There is also a tendency in some quarters to condemn the organized labor movement by charging it with having gone middle class. The mass of its members, through organized effort, have reached many of the elementary goals for which—in a more primitive time—they fought their historic strikes.

The fight for a better life begins with the drive for a higher standard of living. Another way of putting it is to say that the achievement of a better life for the mass of Americans will require the spread—not curtailment—of middle class ideals. The history of this nation is the story of a levelling up from the bottom and down from the top of our social structure toward an expansion of the vast middle.

As the AFL–CIO goes into national convention this week it faces an agenda of the unfinished tasks of our time. It ought to be clear to all that middle class or not, it is the organized labor movement of this nation—and not offside clamor groups—that has been the most revolutionary force in our history by constantly striving for the improvement of the general welfare.

Delegates to that convention will be considering resolutions and programs calling for increased security for Americans through full employment, for more and better schools, for the building of model cities and the construction of decent homes, for fair housing and consumer protection and the further elimination of poverty—middle-class ideals all.

History provides few certainties, but one of them seems to be that while dictatorships from above or below are doomed to fail, taking a terrible toll, it is the middle mass of humanity that has endured in a steady striving for improvement for all.

THIN ANTIBALLISTIC MISSILE SYSTEM

Mr. FULBRIGHT. Mr. President, the recent decision by the administration to begin the construction of a thin antiballistic missile system has not met with the unanimous approval of our Nation's distinguished military scientists. In a Look magazine article of November 28, 1967, Dr. Jerome B. Wiesner, former assistant to the President for science and technology, and now provost of the Massachusetts Institute of Technology, points to the risks involved in making the decision to spend up to $6 billion on this initial nuclear defense system. Dr. Wiesner makes persuasive arguments against the usefulness of these missiles in an age of quick obsolescence. He points to the overwhelming advantage any offensive nuclear weapons system can have against a defense of this type.

Mr. President, our future military security involves questions which demand a most intensive analysis and not the superficial debate which preceded the announcement that construction of these missile sites would begin in the near future.

I ask unanimous consent to place the article, entitled "The Case Against the Antiballistic Missile System," in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE CASE AGAINST THE ANTIBALLISTIC MISSILE SYSTEM

(By Dr. Jerome B. Wiesner)

When China exploded a hydrogen bomb, waves of concern spread around the world. Renewed calls were raised in the United States for a defense that would protect us from Chinese nuclear ballistic missiles. These calls have now been heeded by President Johnson. Scientists agree that neither the United States nor the Soviet Union can protect itself completely from a nuclear attack by the other. But as long as Communist China's primitive missile force is very small, some protection *can* be achieved—and this is what the President has decided to buy. Because he couldn't persuade the Russians to consider limitations on missile defenses, the President has now ordered the building of a "thin" defensive system to protect us from the Chinese. The logic of the President's decision seems mighty tortured.

The word in Washington is that President Johnson was forced to bend under the pressure of the military, congressional and industrial sponsors of the antiballistic-missile system. Enormous pressure certainly existed, but such pressure on a President to build a missile-defense system is not new. Both President Eisenhower and President Kennedy were exposed to it. One of the most difficult decisions President Kennedy had to make concerned the Nike-Zeus missile-defense system. The pressures on him were tremendous, but after long, careful study, he decided, on technical grounds, not to build the Nike-Zeus. Today, we know that to have built that system would have wasted between $20 and $30 billion. It would have been already obsolete. I am certain that the system we are now planning will be regarded as ineffective before it is installed.

Secretary of Defense McNamara estimates that the United States could build an ABM system (for between $3 and $6 billion) that would provide a reasonably effective defense against Chinese ballistic missiles—for 10 to 15 years. But he concedes that such a system would do us little good against an attack by the Russians. Even if the thin ABM system is as effective as the Secretary of Defense says—and I strongly question this—should we take the portentous step of deploying an ABM system for protection against Red China? I think we should not.

In his long statement announcing the President's decision to build an anti-Chinese ABM system, Secretary McNamara concludes that the arguments marginally support its construction. This is obviously a matter of judgment. I think the arguments are overwhelmingly against building it. In fact, I believe that this decision could be as wrong and have as serious domestic and international consequences as the disastrous conclusion six years ago that a few military advisers and some weapons would lead to an early victory for South Vietnam's forces.

In the late 1950's, the United States first began to examine the problem of defense against ballistic missiles. At that time, the only useful concept involved low-altitude interceptor missiles armed with nuclear weapons. The idea was that radars would track an incoming enemy missile and guide our "anti-missile missile" near enough so that the nuclear warhead, exploded at the right time, would destroy the enemy missile. One defensive rocket would be fired against each incoming object. But an enemy could easily confuse the radars—by including along with the real nuclear warheads high-altitude "decoys," such as lightweight metallic balloons. Since decoys break up or slow down when they hit the earth's atmosphere, we hoped that by waiting, we could pick out the real warheads and launch a defensive attack. The antimissile missiles would have to be placed near each city to be defended, and the tremendous heat and blast caused by the explosion of the defensive warheads, low over the cities, could inflict terrible civilian casualties. It was possible that such a defensive system would do as much damage as enemy warheads. The Nike-Zeus plans, therefore, included a major fallout-shelter program.

During the past two years, it has appeared feasible to build high-altitude defensive missiles for use against small-scale attacks. The nuclear warheads on the high-altitude missiles would be exploded far out in space—in an attempt to destroy both the decoys and the real enemy warheads. In this way, some defense of a much wider region, farther from each antimissile site, would be possible. The proposal is that, with enough sites, the entire United States can be protected. But this will not work if an attacker staggers his decoys and warheads in time and spreads them over a large area, or precedes them by a nuclear explosion of his own to "black out" our defending radars. High-altitude defense represents an improved approach to the problem of defense against ballistic missiles, but it is by no means a solution.

The basic technical fact about an ABM defense is that a sophisticated opponent can overcome any defense currently possible. Offense has all of the advantages; any defense system can be overpowered.

Today, the nuclear powers rely on the deterrent effect of their offensive missiles to keep the peace. A powerful incentive, therefore, exists for either side to increase its offensive-missile forces the moment the other starts to build an ABM system.

The Russians appear to be building a simple ABM defense around Moscow, and possibly other areas, though it is yet unclear that they have decided on a full-scale, antimissile defense system. In response, the United States has taken steps to add decoys and multiple warheads to its own offensive-missile force. These actions on our part are still quite limited, but the steps we have already taken, especially the introduction of multiple warheads on each missile to overwhelm possible Soviet defenses, will greatly increase the number of missile warheads in our inventory. The Russians appear to have been taking similar steps in anticipation of a U.S. decision to build an ABM system. An ABM system in the U.S. will stimulate the Soviets to increase the number of their offensive warheads.

The United States is earnestly seeking some agreement with the Soviet Union to limit the deployment of ABM systems and missiles, in order to forestall a new spiral in the arms race. Unofficial conversations have been held with individual Russians, but we have not succeeded in getting discussions started at an official government level. In Glassboro, President Johnson repeated to Mr. Kosygin our willingness to explore the problem. The Soviet Union does not seem ready to discuss such questions—yet. But there is no need for us to rush into an ABM deployment.

There is little relation between a Russian decision to deploy an ABM system (if, indeed, they have made a decision for more than an experimental system) and such a decision here. Our security would be seriously endangered if the Russians installed an effective ABM defense that could prevent our missile force from reaching their territory and if they simultaneously developed an effective defense against our Strategic Air Force bombers—something they have not been able to do so far. Since it is obvious folly for us to build a defense against missiles while we also are so vulnerable to a bomber attack, the Pentagon has quietly decided to spend four billion more dollars improving our air-defense system.

I do not believe that a really effective antimissile system is remotely possible for either the U.S. or the Russians. And even if the Russians could develop one, and a truly effective defense against our SAC bombers as well, our installing an ABM system would not restore our powers of deterrence. Only improvements in our own offensive-missile force, including "penetration aids" such as decoys and electronic jammers to ensure that our missiles could get through the Russian defense, could achieve this. This is our Defense Department's basic strategy.

The United States has embarked on a large, expensive program of outfitting ballistic missiles with multiple warheads and other devices to penetrate Russian defenses. We have also started a $2 billion program to replace our submarine-based Polaris missiles with the larger Poseidon missiles, which can carry more and better penetration aids. As long as we continue to improve our missile forces and maintain our B–52 bomber force, our deterrent power will remain effective. An ABM system is not required to preserve the power and the effectiveness of our deterrents.

We should build an ABM system only if it gives us greater security. And in deciding this, we must assume that the Russians will respond to our ABM system by upgrading and enlarging their missile force—just as we are doing in response to their ABM activities. If the Russians were to do this, an American ABM system would leave us with less security and more vulnerable to destruction.

Secretary McNamara and many proponents of an ABM system concede that an anti-Soviet ABM defense would not be worth the huge expense, because the Russians could nullify its effectiveness at considerably lower cost to themselves. So the proponents now argue: We can at least provide ourselves with protection against Red China at a more modest cost and without starting a new Russian-American arms spiral. Is this so? Again, I think not.

An ABM system would grant us some protection against China's missiles during the early years of its missile buildup; but this protection would not be complete, and it would be short-lived, certainly, much shorter than 15 years. Once the Chinese can build intercontinental missiles, the cost to them of producing additional missiles would be relatively small (perhaps $5 to $10 million per missile). Within a short time, they would have enough missiles (say, 50 to 100) to penetrate our "anti-Chinese" ABM system.

The Chinese would certainly build penetration aids into their missile force. The techniques of designing such aids are neither highly complex nor exceedingly costly (one can learn all about them in American aerospace journals). I do not believe, therefore, that an ABM system will give us either complete or lasting protection against Chinese missiles. I am convinced we must rely instead on the offensive deterrent, as we must with the Russians; that is, we must rely on our known ability to retaliate devastatingly in case of a nuclear attack. Ten percent of our SAC bomber force could kill 200 million Chinese.

I am very skeptical that any ABM system based on the present approach will ever work at its calculated effectiveness. No one has even succeeded in developing an anti-aircraft defense that is as much as ten percent effective (three percent is a more common actual effectiveness). An ABM system that was only this effective would be almost worthless. Even if an ABM system were as much as 90 percent effective, it could still not prevent an opponent from inflicting millions of fatalities on us.

Besides, whenever an ABM system might be installed, how could a realistic test be made? We could not fire missiles at it (it would be located within the continental United States), and from hard experience during World War II, we know that far simpler devices (such as submarine torpedoes) fail to work the first time. I realize that a model system is being tested on Kwajalein, but these tests are under laboratory conditions and cannot simulate a nationwide installation manned by GI's and technicians. Even if we were willing to fire missiles at the system, the test would not be completely realistic, for we would be testing against our missiles, not enemy warheads. Few competent people expect the extremely complex ABM system to work the first time; yet it must to have any effect!

There will always remain a big chance that even if the system is working as designed, it will not intercept all of the enemy missiles. They will obviously know how our ABM system works; we will know little about their offensive weapons. Imagine the advantage a football team would have if it knew precisely its opponents' defense on every play. Remember that if a single enemy nuclear weapon leaks through the defense to a city, the city will be destroyed.

Besides, the Chinese could bypass our ABM system completely—either with low-altitude missiles launched from submarines or with aircraft, which, surprisingly enough, are more difficult to intercept than intercontinental ballistic missiles because they come in at relatively low altitude and do not follow predictable trajectories the way a missile does. We simply cannot rely upon an ABM system to give us a sure defense against a Chinese attack.

Many people also fear that the deterrent power on which we rely against the Soviet Union will not be effective against China. The exceptional anxiety expressed each time the Chinese carry out a nuclear test seems related not to their military potential but to our view of them as irrational or unstable. This anxiety rises more from Chinese rhetoric than Chinese actions. Although the words of China's leaders have been inflammatory in the extreme, in action, they have been exceedingly cautious.

China's actual military capacity is, most likely for decades to come, hardly comparable to that of either the United States, or the Soviet Union. The Chinese have an extremely limited industrial capacity (until now, they have produced no aircraft of their own!). They also lack the broad base of technically trained manpower that is absolutely necessary for a modern military establishment. Nonetheless, they have made remarkable progress in developing nuclear weaponry. They took less time than any of the other nuclear powers to carry out a thermonuclear explosion. In this, they received considerable help from the Soviet Union, in the late 1950's, as well as a good deal of technological information from open sources and their own intelligence network. And they do appear to be making progress on missiles capable of carrying nuclear weapons. Apparently, they launched one of their nuclear weapons on a short-range missile. Though we have no evidence of a Chinese long-range ballistic missile, we know that their resources are adequate to develop one and, I believe, produce it in moderate numbers (100–200) in less than a decade.

During the late 1950's, many statements by Chinese leaders minimized the importance of nuclear weapons, arguing that they did not really change the relative power balance. We heard boasts that China alone among the great powers would be able to survive a nuclear war. All this has changed. The Chinese now renounce any intention of being the first to use their nuclear weapons, and they show every sign of a growing sophistication in nuclear matters, which is to be expected as they acquire knowledge of the terrible effects of nuclear explosions.

It is China's neighbors, not we, who would be most directly threatened by any Chinese missile force, and an ABM system in the U.S. would be of little help to them. We could not deploy an ABM system in India and Japan; they are too close to China to permit the system to work effectively. What, then, must the leaders and people of Japan and India think as we make plans to hide under an ABM umbrella while they have no way to defend themselves? If the United States is so fearful of China that it must create an ABM defense, should not Japan and India conclude that it is time for them to make their peace with the Chinese? There is no easier way for us to build up China in Asian eyes. No Asian can afford to believe that we are prepared to lose New York to counter a Chinese nuclear attack against them. Some Indian officials are already asking for a missile-defensive system.

Can we build a limited ABM system to protect us against China without stimulating the Soviet Union to respond with an offensive-force buildup of its own? I think not. Just as we are enlarging our missile forces because we cannot wait to see whether the Soviet Union is building a limited or an extensive ABM system, so the Russians could not wait to see whether our system would be a limited one before embarking on an offensive-missile buildup. Even if, as the President proposes, we build a thin ABM system, it would be unlikely to remain small; pressures from the military and industrial establishment to improve—and expand—it would be irresistible. Most military planners expect the system to expand rapidly, and in fact do not consider the initial system to be of much use. This is the reality of the President's decision. I am convinced that once we decide to take the ABM route, we cannot avoid an enlarged arms race.

Three other consequences of the President's decision are not generally appreciated. First, an expanded ABM system will be needed eventually to cope with decoys and multiple warheads. It will almost certainly raise the issue of fallout shelters to protect the population both from Russian nuclear weapons and our own protective system.

Secondly, no one has bothered to mention the several hundred million dollars a year that it will cost to maintain and operate even this thin system or the billions of dollars it would take to run the final one.

Finally, our only substantial arms limitation accomplishment, the limited test ban treaty, is likely to be a victim of this step-up in the arms race. The developers of the ABM system will soon be telling us that they cannot assure its effectiveness without nuclear tests in the atmosphere. The pressure on the President to renounce the treaty in the interest of national security and protecting our multi-billion-dollar investment will be overwhelming.

The United States and Russia are learning to work together to create a more rational world order. Gone are those deep fears of a surprise attack that dominated the 1950's. The best hope for the future lies in joint efforts by the Soviet Union and the United States to eliminate the arms race. Such efforts will be impossible if each side is forced to offset the defensive and offensive buildup of the other.

Under the present circumstances, we are going to have to accept and live with a "deterrent balance." We have done it with the Russians. We will have to with the Chinese. There just is no way to avoid this; there is no magical or technical escape from the dilemmas of the nuclear age through defense. A sensible course would be to reduce greatly the offensive-missile forces on both sides, achieving the deterrence with much less danger to all of us.

Like most other scientists who have studied its problems, I am convinced that much mutually coordinated disarmament is technically achievable with considerably less risk, effort and cost than is involved in our current deterrent positions. The blocks to disarmament are political and psychological, not technical. Unfortunately, disarmament has no effective political support, no vested interests backing it, and no power base in the Government bureaucracy or in the Congress. Some of the same senators who have been pressing the President to spend tens of billions of dollars on defense against a missile attack have consistently tried to cut the tiny budget of the Arms Control and Disarmament Agency. Substantial balanced disarmament is sensible, safe and technically achievable, and even partial disarmament would release many tens of billions of dollars for constructive uses. But it is not coming very fast. Until statesmen take disarmament efforts seriously and fashion international security arrangements more appropriate to the nuclear age we all live in, the best we can hope for is an increasingly nightmarish peace insured by only a balance of terror.

A real defense against nuclear-armed missiles is a mirage. Our only real security lies in peace itself. Nuclear weapons are just too potent for effective defense. The best defense is to prevent a nuclear war.

LABOR MOVEMENT SEEKS CHANCE FOR GREATER SERVICE TO POOR

Mr. CLARK. Mr. President, no one knows the problems, the frustrations and the desperate needs of America's poor like the poor themselves. It goes without saying that only the deprived fully comprehend deprivation. Only those without sufficient food know the real meaning of hunger and malnutrition. Only families forced to live in reeking big city slums and dilapidated rural shacks understand the real meaning of squalor. Only those who cannot afford medical and hospital care know the true disaster of illness and disease. Only those doomed to unemployment or a lifetime of low-paying unskilled jobs understand the heartbreak of no education and the lack of job training.

The one group of Americans that comes closest to understanding the tragedy of penury, hunger, ignorance and disease are the Nation's working men and women and their trade union organizations. It can be truthfully said that the American labor movement, now nearly 200 years old, was the first to wage organized war against poverty in the New World and that the AFL–CIO today is one of the most effective instruments in the continuing struggle to eradicate poverty from this most affluent of all nations.

It deserves to be emphasized, Mr. President, that the excellent support which the AFL–CIO, representing 15,000,000 working men and women, gives to the war on poverty is not just verbal and moral. Day in and day out the AFL–CIO and its 130 affiliates participate in national and local antipoverty programs. Day in and day out thousands and thousands of AFL–CIO leaders and members devote their time, talent and energies, as volunteers, to a great variety of local, regional and national antipoverty programs. Because they work closely with these programs and are themselves part of the programs, they and their organizations are in a unique position to judge the worth of the overall effort.

Because that is true, Mr. President, the judgment of the AFL–CIO on the Federal antipoverty program is worth the careful consideration of Congress and the American people.

The seventh constitutional convention of the AFL–CIO has been meeting this week in Bal Harbour, Fla., and the more than 1,000 delegates unanimously approved a policy statement dealing with the war on poverty and the OEO. Among many things worth noting about this statement, Mr. President, is the fact that the American labor movement, unlike others who comment on the program, does not just stand aside and render ex cathedra opinions. The labor movement, already deeply involved in the war on poverty, wants to become more involved, wants greater responsibilities, seeks additional opportunitiees to help and to contribute. Mr. President, I ask for unanimous consent that the AFL–CIO convention policy statement on the war on poverty be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

War on Poverty

Whereas, The first three years of operation of the anti-poverty program under the direction of the Office of Economic Opportunity has opened up for thousands of the poor, opportunities for education, training, jobs, social, legal and health services that have enabled them to escape from the misery and frustration of poverty, and has given hope and the promise of a better life to still thousands of others.

The AFL–CIO commends the action of Congress for the constructive action it has taken with regard to the anti-poverty program by continuing for two years; by authorizing $1.98 billion for the current year and $2.18 for the following year; by permitting anti-poverty agencies to contribute their share of the cost of local anti-poverty progams in services and facilities. We urge both Houses of Congress to appropriate the full amount authorized.

The AFL–CIO is aware of the indispensable role that local Community Action Agencies have played in the war on poverty. We feel that every effort should be made to retain a balance in the local Community Action Agency that will permit the poor and other concerned segments of the community to continue their important role in developing new and innovative programs that meet the needs of the poor.

To win the war on poverty much more needs to be done. The war on poverty should be expanded. Proven programs should be extended. New programs should be developed to meet unmet needs. While the efforts of Congress toward increased funding of the anti-poverty program are a step in the right direction, the current funding of OEO is woefully inadequate, both in terms of the need and of our capabilities. Therefore, be it

Resolved: 1. That the AFL–CIO continue to support the war on poverty at all levels, as an essential program in helping all segments of our society share in its affluence.

2. That the President and Congress are urged to expand the war on poverty under the Office of Economic Opportunity and that the funding of OEO programs be substantially increased to meet the overwhelming demand for local programs of various kinds to help the poor.

3. That local AFL–CIO central bodies cooperate with church, civil rights, school, social welfare and other community groups in safeguarding the integrity of the local Community Action Program to permit it freedom to develop, promote and carry forward meaningful anti-poverty programs.

4. That local central labor bodies insist on having adequate representation on local Community Action Agencies, along with representatives of minority groups and of the poor themselves; and where possible, state and local central bodies should initiate or sponsor programs through OEO, designed to help the poor.

EMPLOYERS IN EDUCATION

Mr. WILLIAMS of New Jersey. Mr. President, recently I was pleased to cosponsor a bill, S. 2704, to permit employer contributions to trust funds to provide employees, their families, and dependents with scholarships for study at educational institutions or for the establishment of child care centers for preschool and school age dependents of employees. It has recently come to my attention that Herbert A. Levine, director of the Labor Education Center at Rutgers, our State University in New Brunswick, N.J., has written a most penetrating article on this subject in the fall 1967 issue of Changing Education. In view of the importance of this issue—the maintenance of the highest standards of educational opportunity for all of our children—I ask unanimous consent that Professor Levine's article entitled "Educational Opportunity: A New Fringe Benefit for Collective Bargaining," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Educational Opportunity: A New Fringe Benefit for Collective Bargaining

(By Herbert A. Levine)

Both workers and management benefit when employees add to their education, says the author. That's why unions should exercise their power at the collective bargaining table to demand time and payment for classwork for their members. The writer surveys examples of current agreements, signed by several major unions, aimed at this goal, and offers suggestions for additional approaches.

American labor unions from the very outset have understood the importance of education as an instrument of democracy and a vehicle to advance the working man.[1] As a consequence, they have consistently supported social and political policies which promised to enlarge educational opportunities for working people. These unions lead the world, not only in the level of real income achieved by workers, but in the extent and nature of the fringe benefits they have won through collective bargaining.[2]

It is somewhat surprising, therefore, that American labor unions have not yet seriously brought educational opportunity for their members to the collective bargaining table. If unions were to turn their attention to negotiating educational opportunity in their collective bargaining agreements, it would have a profound effect not only upon the character of organized labor but on the quality and skill of the American work force. It would also significantly alter the United States' education system.

Undoubtedly, unions are correct in taking the position that education is primarily a public responsibility which should be supported, in the main, as a social charge on the public treasury.[3] In this regard, many unions fought for federal aid to education, called for free universal education through college, supported the development of low-cost community colleges; and some have urged income tax deductions for education expense. But unions have negotiated a wide variety of fringe benefits, such as pensions, health plans, and supplementary unemployment benefit (SUB) plans which complement existing public programs. The time has come for unions to place educational opportunities high on their fringe benefit priority list, so that significant sums of money will become available to develop programs for supplementing public educational provisions.

THE EDUCATIONAL NEEDS OF WORKERS

Professor Whitehead has suggested that a society which does not value trained intelligence is doomed.[4] President Johnson says it in another way, "We must recognize that a free society today demands that we keep on learning or face the threat of national deterioration."[5] The professionally educated union members, the engineer, the laboratory technician, the nurse, and the teacher, are being inundated by new knowledge which is increasing at a phenomenal rate. We are told that knowledge in the physical sciences is doubling every eight or nine years; that an engineer's technical knowledge is obsolete within eight years after graduation from college; that 90 percent of all scientists who have ever lived are alive today.

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[1] "Report of the Workingmen's Committee," *Workingman's Advocate*, New York, March 6, 1820, in *Commons, A Documentary History of American Industrial Society 1909–1911*, Vol. I, pp. 95–100.

[2] *Directory of BLS Studies in Industrial Relations*, 1954–65, U.S. Department of Labor, Bureau of Labor Statistics, October, 1965.

[3] *U.S. Senate 87:2, Federal Assistance to General University, Extension Education Programs* (Labor and Public Welfare Committee, Washington, D.C., July 26, 1962).

[4] Alfred North Whitehead, *The Aims of Education* (New York City: Mentor Books, July, 1949).

[5] Paul H. Sheats, "New Knowledge for What?" *Adult Leadership*, January, 1963, p. 194.

Margaret Mead says, "We are now at the point where we must educate people in what nobody knew yesterday, and prepare people in our schools for what no one knows yet, but what some people must know tomorrow."[6]

As the labor movement moves out into its great "third wave" of organization in the United States,[7] one of its attractive features for white-collar and professional people might very well be the union's concern for educational opportunity for its members. Teachers and other groups concerned with professional status, increased income derived from advanced degrees, and the ability to continually improve the quality of their performance, will certainly appreciate and support the idea of a negotiated fringe benefit which provides additional educational opportunity without cost and without loss of income.

WORKERS DEPRIVED OF COLLEGE STUDY

One of the largest groups of Americans deprived of a college education is the gainfully employed worker. While it is true the poor, minority groups, the aged, and others require educational assistance, the American worker 28 to 45 years old who has a reasonably good income, a car, home, and other amenities, does not have the educational equipment needed for successful adjustment and advancement in the coming decade. This deprivation takes on an added sting when one realizes that it is this group whose taxes and general economic well-being are making it progressively more likely that qualified young people can reach college through expanded scholarships, loans, and other programs.[8]

There is a market for a college education in the American work force. Fifty-eight percent of all persons 18 or over in the labor force have completed four years of high school or more. Twelve percent have completed four years of college or more.[9]

There may have been a time when some union leaders were not too sanguine about a college education for working men, but most of them are now fully aware that the average American faces a world of rapid technological change which will force him to adjust his knowledge and skills several times before he retires.[10]

Despite the unmistakable tendency toward an increase in the level of formal education accomplished by American workers, the fact remains that a high proportion of the work force has not completed high school.

The figures in 1965 indicated that of all white male employed members of the labor force 42 percent had fewer than four years of high school.[11] Of these, 18.4 percent had some high school education. The relationship between the level of education and of unemployment is shown in the fact that 61 percent of those unemployed had fewer than four years of high school. The corresponding figures for nonwhites show a similar story, though the magnitude of the problem increases. Sixty-five percent of the employed nonwhites had less than a four-year high school experience, while 78 percent of the unemployed lacked a high school education.

Perhaps one of the most vexing educational problems is the fact that 7.3 million Americans age 25 and over have less than five years of education.[12] The United States Office of Education defines a functional illiterate as one who has not completed eight years of schooling. It is suggested that a more realistic definition is the inability to read at a sixth grade level.[13] Thus, many individuals possessing a high school diploma would nevertheless need basic literacy remedial work.

The direct relationship between illiteracy, unemployment, underemployment, and poverty is will known and is of immediate concern to unions. It has special relevance for those unions whose members come from minority groups, migratory workers, and marginal industries.

Despite the fact that this is an area in which considerable federal funds are being expended, it would seem appropriate for unions to concern themselves directly with these educational needs of their members.

If there is anything more economically and socially disastrous than having thousands of American youth walking the streets unemployed while thousands of jobs stand idle for lack of skilled workers, it would be the sight of previously highly paid displaced workers walking the streets because their special skills have not been reshaped or upgraded to meet the exigencies of changing technology. One international union president recently likened the situation to "depression day" unemployment in his industry.[14]

The U.S. Department of Labor has repeatedly argued for education and training programs designed to increase the marketable skills of American workers.[15] We are told that a worker must be sufficiently educated so that he can make satisfactory adjustments to eight significantly dissimilar vocations during his lifetime. This could be done with a minimum economic loss to the individual, the industry, and the nation if new-job programs could be built into our educational and industrial system before serious dislocations and displacements of workers occur.[16]

Thus, the labor movement is faced with a staggering educational task. Very few of the millions of new workers who entered the labor movement since the last significant wave of union organization, in the '30s and '40s, know anything about the social, economic, and political developments leading to the situation in which they find themselves today. Unionists need to learn the practice of unionism, the meaning of industrial democracy, and the ability to perform in a participating democracy. They need to know parliamentary procedure, union administration, and grievance procedure. Union leaders need to learn how to communicate imaginatively with the rank and file. They must learn how to compete with television, so that members will be motivated to attend meetings, serve on committees, and understand the union's position on inflation, civil rights, and legislative programs.

Dedicated trade union leaders need new knowledge to cope with the expanding size of unions and the changing roles and relationships that will result. They need to experiment as they practice democracy in the modern labor movement and to experience the problems encountered. Some of them must face a growing obsolescence of old functions, such as those of stewards, and adjust to newly emerging tasks, such as those of "community stewards." They need to know how to organize white-collar and professional workers. They need to be able to deal effectively with race—morally, emotionally, and scientifically.

Some 24 universities have labor education services, which are struggling with small staffs and smaller budgets, trying to provide union members and staff with the education they require to meet the exigencies of the tail end of the 20th Century.

There is so little research in the field of labor studies that it is incredible that so large a segment of the American people could be overlooked by research scientists.

Surely management, perhaps even more than other segments of American society, should recognize the necessity for labor education. Unionism is recognized at the collective bargaining table. Some managements even praise the American collective bargaining system and hail its contributions as a bulwark of the economic and political strength of American freedom. Yet, there has been very little acceptance of the need to educate union members to perform their union tasks.

FINANCING UNION EDUCATION PROGRAMS

In the face of this growing need, organized labor's efforts to provide educational opportunities for workers have generally been overwhelmed by the financial drain on its resources. Some unions are spending considerable sums on their educational programs.

The International Typographical Union has tried desperately to upgrade the skills of its members.[17] The ITU "new processes" program is a great effort, costly to the union, but it has had some impact in maintaining the skills of its members.

The Plumbers and Pipe Fitters' Union began an extensive training program in 1955 designed to improve the skills of its membership.[18] Other unions in one way or another attempt to meet the vast need for training and retraining opportunities for their constituency; yet, the total sum involved is woefully inadequate to the task.

The United Auto Workers alone spends at least $700,000 a year on a per capita allocation on its education programs, and its local unions spend an even greater sum.[19] During the 1967 Ford strike, incidentally, the UAW spent considerable money on a massive union education program. More than 60,000 workers attended classes during the strike. Another international union, the Communications Workers of America, estimates its budget for education at $240,000.

It is common knowledge that unions provide for $1.4 million a year for scholarship programs for youth to go to college, but few scholarships include the possibility for adult workers to return to school.[20]

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[6] *Ibid.*

[7] Gus Tyler, "Labor's New Horizons," *AFL-CIO American Federationist,* September, 1966, p. 1.

[8] See Robert F. Kennedy, Address to Joint Conference, Region 9-9A, UAW, Statler Hilton Hotel, Washington, D.C., Jan. 22, 1966.

[9] *Special Labor Force Report No. 65, Educational Attainment of Workers,* U.S. Department of Labor, Bureau of Labor Statistics, March, 1965.

[10] Seymour L. Wolfbein, "Adult Education and Continuing Employment," *Adult Leadership,* April, 1966, p. 329.

[11] *Special Labor Force Report No. 65.*

[12] *Strengthening Human Resources,* Economic Report of the President, transmitted to Congress, January, 1966.

[13] *A Proposed Plan,* Governor's Task Force on Adult Literacy Opportunities in New Jersey, October, 1966, p. 4.

[14] A. F. Grospiron, president, Oil, Chemical, and Atomic Workers International Union, "400 Pacts Near Termination," *AFL-CIO News,* November 12, 1966.

[15] Wolfbein, *op cit.*

[16] See "Sweden's Manpower Programs," by Sol Swerdloff, *Monthly Labor Review,* January, 1966, p. 1, for an interesting view of what government can do in this area. Also, Phyllis P. Groom, "Retraining the Unemployed—European Government Programs," *Monthly Labor Review,* August, 1961, pp. 823–28.

[17] Rennard Davis, "Retraining the Unemployed—Skill Improvement Training for Electricians and Plumbers," *Monthly Labor Review,* LXXXIV, October, 1961, pp. 1074–80.

[18] David E. Christian, "An Assessment of Apprenticeship," *Monthly Labor Review,* LXXXVII, June, 1964, pp. 628–29.

[19] *Ibid.* Daniel S. Bedell, Prepared Statement, U.S. Senate, 87:2.

[20] "Union Education Aid Totals $1.4 Million," *AFL-CIO News,* Washington, D.C., Oct. 22, 1966.

Looked at in one way, unions are making a gigantic effort with very limited resources. In terms of the need, it is hard to understand why unions have been so short-sighted in developing the financial resources to make a greater contribution to the educational needs of workers and their families.

A PROPOSAL: BRING EDUCATIONAL OPPORTUNITY TO THE BARGAINING TABLE

Unions can meet the needs of their members for educational opportunity by negotiating an educational fund, similar to pension and welfare funds, to which employers contribute a portion of the wage bill. It is safe to say that the accumulated total of all U.S. trade union expenditures on education for the 20 years since World War II would not equal the sum that could be raised in one year by 2 cents an hour negotiated at the bargaining table.

In the 57 years from 1908 to 1965, the International Typographical Union spent $1,937,465 on educational work for apprentices.[21] In one year, the ITU on 2 cents an hour, could raise almost five times that sum.

Perhaps it will be suggested that this is a illusionary figure, for not all industries could adopt an across-the-board 2 cents an hour. Let me hasten to point out, however, that there are many industries which could well afford it. The United Steelworkers in one year could develop a fund of approximately $40 million; the United Automobile Workers, $50 million; the IUE, $11 million; the IBEW, $33 million; the Machinists, $33 million; and the Carpenters, $31 million.

UNIONS COULD SUPPORT EDUCATIONAL EXPERIMENTATION

Union-negotiated educational funds might be used to provide educational opportunities at all levels, from basic literacy to the Ph.D., for workers and their families. Education itself is moving into new areas and unions should be in the forefront of those pressing for new methods and programs. Unions could support experimental programs which the formal school system is reluctant to accept or slow in adapting. They could help attract thousands, if not millions, back into the educational arena and develop imaginative financial incentives, including released-time, work-study, vacation-study, and travel-study programs which are currently so difficult to incorporate into the U.S. educational pattern. One has but to think of the influence of the Ford Foundation and other private foundations in urban and international studies, to get some idea as to what these funds derived from collective bargaining could accomplish.[22]

UNIONS' STAKE IN ADULT EDUCATION

A recent report by the National Commission on Technology, Automation, and Economic Progress emphasizes the need for unions to take a special interest in financing education for adult workers. Characterizing "the dilemma of the educational squeeze as being caused by the enormous needs of adults for further education on the one hand, and the equally insistent and even more visible demands for elementary, secondary, and higher education on the other," Howard McClosky concludes that, in spite of all the good reasons for expanding adult education opportunities, it faces an uphill fight today for any substantial expansion of its programs in the near future.[23]

American industry already spends millions on scholarships, tuition refunds, and in-plant training programs. Much of American industry realizes that "one reason for the success of American business is the ability of the working people to adapt themselves to new ideas and technological change. Anything a company can do to further worker-adaptability is of benefit to the company." [24] One company describes its employee education financial assistance plan as one established for the purpose of encouraging regular employees to obtain additional education or training on their own time in a local college, university, or business or trade school, and to provide financial assistance to those who do so. The company realizes that a sound education increases the value of an employee, and that it is desirable when an employee's knowledge of his job and his experience on the job is supplemented by additional theory.[25] Twenty percent of the corporations cooperating in a study of corporation educational opportunity programs permit employees to take courses on company time.[26]

A FEW UNIONS HAVE SHOWN THE WAY

The UAW in 1965 negotiated a $250 a year a person tuition refund plan for all GM, Ford, and Chrysler workers, which, if decently applied, can become a real boon to the workers, to the companies, and to the nation in terms of upgrading the work force.[27]

An interesting variation of a tuition refund plan was recently negotiated by the IUE and GE. As described in the GE newsletter, this program provides: "A whole new separate series of credits earmarked for paying tuition expenses while on layoff [to] be added to the Income Extension Aid Plan. This would be accomplished by permitting employees to use IEA credits for tuition expense in learning new skills, *without* using up such credits for other purposes. That is, instead of having to choose between retraining and weekly payments at 50 percent of pay, for example, an eligible employee could take both.

"Both these IEA improvements will be effective this year. This new retraining aid is in addition to thousands of ongoing training and retraining programs at General Electric." [28]

In 1965, the Chicago Joint Board of the Amalgamated Clothing Workers negotiated an educational fund for higher education.[29] "Scholarship funds are available for students in the top 10 percent of their high school class. But the concern of our union is for the remaining 90 percent. Therefore, we are establishing an Educational Plan whereby the children of all eligible members, regardless of their rank in their high school class, can receive as much education as they so desire. The Plan will provide $600 a year for four years for tuition or living expenses in any accredited college, university, or approved technical school." [30]

Perhaps one day the union will see fit to extend this program to cover the needs of the members themselves, in addition to the children.

One of the most interesting negotiated educational opportunity plans is that of Local 3, IBEW, in New York City.[31] This plan calls for an employer contribution of 1 percent of weekly payroll to an education fund. Members and their spouses are entitled to draw on this fund for college tuition. Some 100 individuals have returned to academic study under this plan. Another negotiated plan developed by Local 3 provides a one-week resident study opportunity to union members on a noncredit extension basis without cost or loss of income.

The American Federation of State, County, and Municipal Employees has negotiated educational benefits for one or more of its professional units.[32] The IAM has concluded a pact with Douglas Aircraft which calls for a comprehensive apprentice-training program which includes the possibility of a worker earning college credits toward an associate of arts degree. This program was developed in cooperation with eight California colleges.[33]

CONCLUSION

Unions are just now hesitatingly bringing to the bargaining table demands for educational opportunity for workers. Even management spokesmen have suggested that "businesses might, for example, offer young workers help in acquiring education [through] tuition refunds for evening courses, perhaps, and some time off for those among the men who do well. Such help is customarily given to young white-collar employees, but the young and ambitious blue-collar worker needs it even more." [34]

Secretary of Labor W. Willard Wirtz has said that "the primary battlefront for attacking the problem of disadvantage is unquestionably in education." [35] It is not stretching the point to assert that the average American worker is deprived of his educational birthright. This article has raised the possibility of developing mechanisms through collective bargaining which would make it feasible for hourly and salaried workers to take advantage of available educational opportunities for completing a high school education or to acquire additional skills or to expand their educational horizons through community or state colleges and universities. These opportunities could also be vastly expanded if funds were available for experimental programs offering accelerated curricula and released time for study.

GOVERNMENT SPENDING AND TAXES: SPENDING CUTS—SIZABLE BUT SENSIBLE

Mr. CLARK. Mr. President, no one can compute the human costs of the war in Vietnam. There is no way to measure the tragedy of the loss of a human life, American or Vietnamese, or to total up the sum of the suffering associated with the fighting. But we can compute the dollar costs, and they are enormous.

The war in Vietnam is now costing us $30 billion a year. That is more than twice as much as the whole Federal budget was in 1941. Until we are able to reach the honorable settlement we all seek which will bring our soldiers home and put a stop to this huge drain on our national resources, both human and financial, we are going to have to find some better way of paying for the war than we are using now.

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[21] *Annual Reports of Officers and Proceedings of 107th Convention*, ITU, Washington, D.C., Aug. 14–20, 1965, p. 325.

[22] Martin Mayer, "Washington's Grant to the Ford Foundation" *New York Times Magazine*, Nov. 13, 1966, pp. 58, 150.

[23] "Educational Implications of Technological Change," Appendix Vol. IV, *Technology and the American Economy, The Report of the Commission on Technology, Automation, and Economic Progress*, Washington, D.C. February, 1966, p. 88.

[24] "Tuition-Aid Plans for Employees," *Studies in Personnel Policy, No. 151*, (New York: National Industrial Conference Board, Inc., 1956), p. 5. See also, "Company-Sponsored Scholarship and Student Loan Plans," *Studies in Personnel Policy, No. 192*, National Industrial Conference Board, Inc., New York, 1964.

[25] *Ibid.*

[26] *Ibid.*, p. 9.

[27] Letters of Understanding between UAW and Ford Motor Co., Nov. 23, 1964, p. 49.

[28] *GE Relations Newsletter*, Sept. 21, 1966.

[29] Administrative Letter, Amalgamated Clothing Workers of America, AFL–CIO, May 17, 1966.

[30] *Ibid.*

[31] Individuals interested in this plan might contact Ted Sullivan, IBEW, Local 3, New York City.

[32] Contract between Sheltering Arms Childrens' Services and the American Federation of State, County, and Municipal Employees, Local 1707, New York City.

[33] "IAM-Douglas Pact Links College Training to Job," *AFL–CIO News*, Washington, D.C., October, 1965.

[34] Peter F. Drucker, "Automation Is Not the Villain," *New York Times Magazine*, Jan. 10, 1965.

[35] *News Digest*, U.S. Department of Labor, Sept. 26, 1966, p. 3.

Cuts in Government spending are a must, but they will have to be sensible as well as sizable. Trimming the fat out of the budget is essential; trimming out and throwing away the meat is foolish and self-defeating.

NO MEAT-AX SLASHES

I believe that substantial reductions can be made in Federal spending without impairing the programs that really count. By eliminating waste, abandoning some programs which should not have been begun in the first place, and postponing other programs which, while good, can wait, we can make sizable savings.

Although I am a strong supporter of our space program, I think there are strict limits to the amount of money we can afford to spend on this sort of project now, in view of the demands of Vietnam and our own earthly needs. That is why I voted to cut $316.8 million from the space budget for the coming year. The moon can wait. But can our less affluent elderly people, living on dwindling savings, who may no longer be here to celebrate the arrival of the first Americans on the moon? Can the millions of children who are not getting the kind of education they need to become responsible, law-abiding and productive citizens? Are we really willing to wait to clean up our polluted streams and poisoned air in order to have the satisfaction of being first on the moon?

I find it equally hard to understand why, at a time like this, the taxpayers should be obliged to subsidize the building of the proposed supersonic transport airplane, commonly known as the "SST." I voted against legislation to spend $141.3 million of public funds on this project. With the skies already congested to the danger point, and our senses equally congested with a multitude of noises, the last thing we need is a fleet of huge SST's overhead producing massive sonic booms.

MY RECORD ON SPENDING CUTS

I know that substantial cuts can be made in the Federal budget without harming important programs because I have consistently voted for such cuts—although they have not always been approved by my colleagues. You may be interested to learn that if the Congress had approved budget cuts for which I voted in the past 6 months alone, Government spending would have been reduced by more than $5 billion.

The proposed cuts in the space program—$316.8 million—and the SST project—$141.3 million—have already been noted. But in addition I voted for a 5-percent reduction in our swollen Defense Department appropriation, which would not have had any effect on our support for the troops in Vietnam, but which would have saved the taxpayers $3.5 billion by tightening up on procurement procedures and eliminating waste and needless duplication. I voted to cut off the Federal subsidy for the national rifle matches, an economy measure which has been adopted by the administration at a saving of $228,000 for the taxpayers.

The Agriculture Department's budget runs to $6.7 billion for the coming year; I voted to cut $1.5 billion of the fat in that appropriation. I voted to strike out the $295,000 budgeted for the defunct Subversive Activities Control Board, which merely serves as a resting place for Government drones. The Atomic Energy Commission will get $2.6 billion from the Federal Treasury for the present fiscal year; I voted to cut $7.3 million out of this appropriation. Some of these items deserved to be rejected out of hand; some of them should have been postponed; but none of them should take priority over such truly crucial matters as the financing of our basic public service programs in such fields as education, health, making our cities safe and livable, and carrying on the wars on poverty and environmental pollution.

CAN WE AVOID A TAX INCREASE?

Quite frankly, I do not know whether these spending cuts and others like them would be enough to make a tax increase unnecessary. There are many factors involved:

The amount of money which could be saved just by closing loopholes in the tax laws, which I strongly advocate;

The need for firm action to prevent runaway inflation;

Our obligation to protect the acceptability of the dollar in the international money market;

The importance of avoiding a new tight money squeeze;

And the danger that a premature or excessive tax increase might slow the economy and plunge the country again into a new period of recession and unemployment, similar to those we suffered during the Eisenhower years.

All of these considerations will demand careful study when—or, indeed, if—a tax increase bill is brought before the Senate next year.

REPORT OF THE COMMISSIONER-GENERAL OF THE UNITED NATIONS RELIEF AND WORKS AGENCY FOR PALESTINE REFUGEES IN THE NEAR EAST

Mr. COOPER. Mr. President, Dr. Laurence Michelmore, Commissioner-General, United Nations Relief and Works Agency, submitted a report on the refugee situation in the Near East covering the period July 1, 1966, through June 30, 1967. This report, published by the United Nations in October, is a sober, balanced and thorough review of the refugee situation. The unresolved refugee situation has been one of the major stumbling blocks preventing a lasting solution to the conflict between Israel and the Arabs. Dr. Michelmore's report provides the data and facts necessary to understand the dimensions of the problem. Of particular concern is the section of the report entitled "The Aftermath of the Hostilities" which deals with the immediate pressing human problems created by that tragic war. Because of the importance of this subject to a lasting peace in the region I ask unanimous consent that this section of the "Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East" be inserted in the RECORD at this point.

There being no objection, the section of the report was ordered to be printed in the RECORD, as follows:

THE AFTERMATH OF THE HOSTILITIES

24. A report by the Secretary-General pursuant to paragraph 10 of the General Assembly's resolution 2252 (ES-V) of 4 July 1967 on humanitarian assistance and two reports by the Commission-General on the humanitarian aspects of the situation in the Middle East have been submitted to the General Assembly.[8] The present account brings the information presented in these documents up to date and attempts to outline the main developments in the humanitarian field that occurred during the three months following the outbreak of hostilities. No factual and necessarily brief account can, however, portray the overwhelming sense of bewilderment and shock felt by the inhabitants of the areas affected by the hostilities as the cataclysm swept over them. The disruption of the lives and careers of countless persons, the anxiety caused by the sudden loss of earnings and remittances from abroad, the personal tragedies resulting from the separation of husbands and wives, parents and children, are only some of the problems which confront so many of the former Arab inhabitants of Palestine. They will need the sympathy and understanding of the international community, quite as much as the financial help which has been forthcoming on such a generous scale, as they face the often bitter problems of readjustment which now confront them.

25. UNRWA, as an operational agency already on the ground, was quickly able to resume its services to the refugees; indeed in Lebanon these services were never interrupted, except for the temporary closure of schools, while in East Jordan and in most of Syria it was possible to resume normal operations almost immediately after the outbreak of hostilities. Shortly after the outbreak of the conflict, the Commissioner-General authorized his staff to distribute certain supplies, on an emergency basis and subject, where appropriate, to reimbursement to persons in need not registered with UNRWA, and to institutions. This decision was reported to the General Assembly (A/6723, para. 6) and endorsed in resolution 2252 (ES-V), paragraphs 5 and 6, which read:

"*The General Assembly,*

". . .

"5. *Commends* the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East for his efforts to continue the activities of the Agency in the present situation with respect to all persons coming within his mandate;

"6. *Endorses*, bearing in mind the objectives of the above-mentioned Security Council resolution, the efforts of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East to provide humanitarian assistance, as far as practicable, on an emergency basis and as a temporary measure, to other persons in the area who are at present displaced and are in serious need of immediate assistance as a result of the recent hostilities."

26. On 14 June 1967, the Security Council had adopted a resolution calling on the Government of Israel to ensure the safety, welfare and security of the inhabitants of the areas where military operations had taken place and to facilitate the return of those that had fled; recommending to the Governments concerned the scrupulous respect of the humanitarian principles governing the

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[8] A/6787 and A/6723 and Add.1.

treatment of prisoners of war and the protection of civilian persons in time of war; and asking the Secretary-General to follow the effective implementation of the resolution and to report thereon. On 6 July the Secretary-General appointed Mr. Nils-Goran Gussing as his representative to obtain on the spot the information required for the discharge of his responsibilities under this resolution. UNRWA has given Mr. Gussing all the assistance that lies in its power and has transmitted to him such information as has become available to it concerning matters within his field of competence. The present report, therefore, does not deal with such questions as the protection of civilians in occupied areas, although the Agency's staff in those areas necessarily encounter problems of this nature during the day-to-day performance of their duties.[1]

AREAS IN WHICH MAJOR HOSTILITIES TOOK PLACE

27. Soon after the cessation of hostilities, and following a request from the Israel Government, basic arrangements were agreed between UNRWA and the Government in an exchange of letters dated 14 June to enable the Agency to continue its services to refugees in the West Bank area of the Jordan and the Gaza Strip (see annex III). These arrangements imply no commitment or position by UNRWA with regard to the status of the areas in question or any instrument relating to them and do not affect the Agency's subjection to any relevant instructions or resolutions emanating from the United Nations. Co-operation between the Government and the Agency in pursuance of the exchange of letters has been effective. The Israel authorities have also offered the Commissioner-General their full co-operation in rectifying the ration rolls and contemplate that progress will be made in this respect after a census of the inhabitants of these areas has been completed.

28. During the brief period of actual hostilities, UNRWA's activities in these areas were completely disrupted except in the field of health, where many clinics continued to function in order to provide emergency medical care. When the fighting ceased the Agency had to overcome formidable obstacles. The movement of staff on the West Bank and in Gaza was greatly hampered by curfews and other limitations; many vehicles had been destroyed, requisitioned or stolen; telephone communications were non-existent and in some areas had not been fully restored by the end of August; losses of equipment and supplies, through destruction and looting, were heavy and were later found to total an estimated $0.8 million; some Agency premises and other installations serving the refugees, including the Agency's Jerusalem Field Office and the Augusta Victoria Hospital, both in the Mount Scopus area, had been damaged in the fighting or occupied by military forces. Despite these difficulties, steps were taken as soon as the fighting ended, in co-operation with the Israel authorities, to restore the distribution of food and other relief services and the full range of health activities. Fortunately, civilian casualties were fewer than had been feared.

29. Both on the West Bank and in the Gaza Strip a grave problem facing the Agency was to ensure that supply lines were kept open, despite the difficulties and delays caused by the disruption of shipping following the closure of the Suez Canal and the consequent necessity of trans-shipping cargoes. The problem was not only one of maintaining the basic ration distribution for a population of 430,814 ration recipients, but of meeting the emergency needs of the many thousands who were no longer self-supporting because of a sudden temporary loss of employment with Governments or the United Nations Emergency Force or of income from remittances from abroad. The Government of Israel has stated its willingness for residents of the West Bank and the Gaza Strip to continue to receive these remittances, through suitable banking channels. The food situation was temporarily eased by a loan of 2,800 tons of flour from the Government of Israel and by an arrangement with the Goverment of the United Arab Republic for the shipment of UNRWA supplies from warehouses in Port Said to the Gaza Strip. Arrangements for receiving new supplies through ports in Israel were subsequently made and from mid-July onwards the major difficulties appeared to have been largely overcome. An additional problem generally on the West Bank and in Gaza stemmed from an acute shortage of currency; but this has subsequently eased. In the Gaza Strip, fighting had taken place in Gaza Town and in some of the Agency's camps and in certain places refugee shelters had been demolished, after the cessation of hostilities, reportedly as a reprisal for mining incidents. The rebuilding of the refugees' damaged huts, as well as of schools and other installations, is proceeding.

30. During June, July and August a total of some 200,000 persons, among them at least 100,000 UNRWA registered refugees, are believed to have crossed the River Jordan from west to east. In the Jericho area alone, 65,000 persons are reported to have fled from their homes, leaving only about 7,500 persons. In Qalqilya (near Nablus) and in five other smaller frontier villages in the Latrun and Hebron areas many houses were damaged or destroyed during the fighting or were subsequently demolished. The extent of the destruction varies from rather less than half the houses in Qalqilya to virtually total destruction in some of the smaller villages. The inhabitants fled during the fighting or moved out or were moved out afterwards. The extent to which they were forced to leave is disputed. It was not possible for the Agency's staff to verify the facts because they were not allowed to move freely during the days in question. At one time the total number of persons thus rendered homeless exceeded 20,000. However, those displaced from Qalqilya and the two Hebron border villages have now been allowed to go back to their villages and work on rebuilding their homes is beginning. The inhabitants of the three villages in the Latrun area, who number about 4,000, are still not allowed to go back and these villages are reported to be wholly destroyed. Emergency assistance given to the people of these six border villages by the Agency and other organizations is described below in paragraph 46.

31. Up to the end of August no UNRWA staff had been able to enter the southwestern area of Syria occupied by Israel, but arrangements were made for a senior officer to visit the area early in September. Of the estimated 125,000 inhabitants of the area, only some 8,000 are reported to have remained there.

AREAS IN WHICH NO MAJOR HOSTILITIES TOOK PLACE

32. It was towards the refugee problem in East Jordan that international attention and concern were primarily directed, and it was here that UNRWA faced the greatest demand on its resources for emergency aid. Some 100,000 of the 200,000 persons who had fled from the West Bank were refugees already registered with the Agency. This influx added to the formidable problems facing a country threatened with economic collapse because of the loss of a large part of its main sources of income. While roughly half the displaced persons found refuge with friends and relatives, some thousands had at first to remain under the shelter of trees or in the open air, while the remainder were housed in government and UNRWA schools, in mosques and in other public buildings. The intolerably crowded conditions, with totally inadequate, cooking and sanitation facilities, under which these unfortunate people were living, posed a serious health hazard, not only for the refugees themselves, but also for the surrounding communities.

33. The Agency has at all times stood ready to co-operate to the fullest extent in the Jordan Government's own emergency measures. Resources have been pooled; and some two weeks after the firing ceased, the Government asked UNRWA to take responsibility for establishing and running six of the nine tented camps which it had been decided to to set up. UNRWA immediately agreed to this request. By mid-August, 73,200 persons had been housed in the new camps, 49,200 in camps run by UNRWA and 24,000 in the three other camps. In the camps operated by UNRWA, the population consisted of both registered refugees and newly displaced persons.

34. There were, however, reasons to hope that this would be a purely temporary arrangement. On 2 July, the Commissioner-General had learned of the announcement by the Government of Israel that they were prepared to allow the return to the West Bank of the Jordan of those persons who had fled across the River Jordan as a result of the hostilities. He immediately appealed to all those who might still be contemplating leaving their homes to stay where they were, and urged all concerned, on grounds of common humanity, to encourage those persons who had already left to return to their former place of residence, and to do everything to allay the fears which deterred them from going back. In making this appeal, he stressed the fact that UNRWA's capacity to assist these persons was far greater on the West Bank, where the Agency had the necessary camps, installations and other facilities.

35. On 10 July, the Government of Israel issued rules concerning the return of these persons. The arrangements for the return were the subject of prolonged negotiations between the International Committee of the Red Cross and the Governments of Israel and of Jordan. The date of 10 August 1967 had originally been set by the Israel Government as the final day of submission of applications for return; at a later stage, however, the date of 31 August was set for the completion of the actual return. The rules provided that applications were to be submitted on special forms, through the Red Cross, by heads of families and other adults whose permanent place of residence as on 5 June was on the West Bank, and who had crossed over to the East Bank in the period between 5 June and 4 July. The application forms were to be accompanied by passports, identity cards, UNRWA registration cards or specially designed UNRWA certificates which would afford evidence of residence on the West Bank. No application would be approved if the return of the applicant was considered by the Israel Government to involve a risk to security or legal order. The cases of residents of the West Bank who went abroad prior to 5 June and who wished to return would be treated separately, within the framework of arrangements for the reunion of families, by means of application to the diplomatic missions of Israel abroad.

36. The application forms were issued on 12 August and in the following days UNRWA staff members worked with Jordan government and Red Cross officials to help the many thousands of persons anxious to submit applications for return to the West Bank. In the event permits were issued only during the remainder of August and the return arrangements came to an end on 31 August. However, with the expiry of the 31 August

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[1] The report of the Secretary-General under General Assembly resolution 2252 (ES–V) and Security Council resolution 237 (1967) was issued on 15 September 1967 as documents A/6797 and S/8158.

deadline, the Government of Israel informed the Secretary-General (A/6795) that those whose applications had been approved but who had not managed to return would be permitted to do so within a fixed period of time. In addition, it announced that West Bank residents could apply for the return of members of their families, and that individual applications based on special hardship could be made. In the time available before putting the text of this report into final form, it has not been possible to reconcile entirely the figures relating to the return arrangements. From Amman it is reported that some 40,000 application forms were completed and submitted in respect of approximately 150,000 persons (out of the 200,000 who are reported to have crossed over to the East Bank). Israel has stated that the number of applications actually received by them amounted to only some 32,000 and related to only about 100,000 persons. The number of applications approved and permits issued is stated on the Jordan side to be 5,122 (relating to 18,236 persons) and on the Israel side to be 5,787 (relating to 20,658 persons). The number of persons who had actually crossed by 31 August was reported from Amman to be 14,150 and from Jerusalem to be 14,056. It is evident that only a small fraction of the total number of persons applying to return have so far been permitted to do so. Among those permitted to return, it appears that there were very few former inhabitants of the Old City of Jerusalem, very few from among the refugees formerly living in UNRWA camps on the West Bank and from among the displaced persons who were accommodated in the tented camps set up in East Jordan since the hostilities. The number of refugees registered with UNRWA who have been permitted to return is reported to be only about 3,000 out of the 93,000 who crossed to the East Bank before 4 July and who were therefore *prima facie* eligible to return in accordance with the conditions stipulated by the Government of Israel. The Jordanian authorities have also reported that, in some cases, permits have been issued for some members of the family but not for others; the procedure for the submission of applications required that adult sons and daughters should apply separately from the rest of the family and this has resulted in cases where families were faced with the choice of either leaving a son or daughter behind or of losing their opportunity of return. It is clear from the figures given above that the hopes which were generated at the beginning of July that at least the bulk of the displaced persons would be able to return to the West Bank in pursuance of the terms of the Security Council's resolution 237 (1967) have not been realized. The reasons for the frustration of these hopes are disputed and are not a matter on which the Commissioner-General believes he can helpfully comment in present circumstances. However, from personal observation, he and his staff in Amman are able to record that the Jordanian authorities did all that was humanly possible to ensure that those whose applications to return were approved were promptly informed and were given every assistance in re-crossing the river. Nevertheless the bulk of the displaced persons remain on the East Bank and, whatever the reason may be and wherever the responsibility may lie, have not been able to return to their former homes.[2]

37. Faced with this massive human problem, the Commissioner-General feels that he can only reiterate that UNRWA's capacity to help will be much greater if the refugees return to their previous camps and homes on the West Bank where UNRWA's installations and facilities already exist. In a statement issued on 3 July the Commissioner-General observed: "Our mission is purely humanitarian and it is on grounds of common humanity that I urge this action—the return of the displaced persons—on all concerned. For this is a situation where the obligations of humanity must, I believe, prevail." These obligations have lost none of their urgency in the interval since that statement was made. Indeed, with the approach of winter, which can be very severe in this region, the humanitarian arguments against leaving tens of thousands of displaced persons to face the coming months in the misery and discomfort of temporary tented camps become all the more urgent and compelling.

38. The Agency maintained liaison in regard to the practical arrangements for return with the two Governments concerned and with the Red Cross. It joined with the Jordan Government in erecting and operating a transit camp at Ghor Nimrin in the Jordan Valley. On departure, each refugee was to be given by the Government the sum of five Jordan dinars. In addition, it had been intended by the Jordan Government that all those returning would be able to draw rations from UNRWA on arrival at their former place of residence, and that the rations issued to those who were not registered with UNRWA would be for three months and would be replaced by the Government. The Agency was prepared to carry out this arrangement, but the Government of Israel objected on the ground that returning West Bank residents who were not refugees registered with UNRWA would be the responsibility of the Israel authorities on the same footing as other residents, and that it would be inadvisable to create within the general population a new and separate category of ration recipients.

39. In the Syrian Arab Republic, over 115,000 people moved northwards and eastwards from the area occupied by Israel, mainly to Damascus and Dera'a. As in Jordan, they were temporarily housed in schools and other public buildings or had to live in the open air, pending the arrival and installation of tents. Amongst these 115,000 or more people were some 16,000 Palestine refugees already registered with UNRWA. The Government of the Syrian Arab Republic has not so far asked for emergency help from UNRWA for the Syrian displaced persons, but given the fact that the assistance for this group of people from the World Food Programme is limited in time, the possibility of a request in the future cannot be excluded. The Agency's emergency help has thus been limited to the displaced Palestinians. Full UNRWA assistance to the bulk of the registered refugee population has meanwhile continued without interruption.

40. In addition to the 35,000 people who reportedly moved from the Sinai Peninsula to the United Arab Republic, between three and four thoustand young men among the registered refugees in Gaza were forced to leave the Gaza Strip because the Israel authorities believed them to be members of the Palestine Liberation Army. They are now housed in a government-run camp in the Tahrir Province. UNRWA regards this group as falling under paragraph 6 of General Assembly resolution 2252 (ES–V) and has at the request of, and in agreement with, the Government of the United Arab Republic, undertaken to give assistance to the group (see paragraph 48 below). There are also some thousands of Palestinians from Gaza and Jordan who were in the United Arab Republic for educational and other reasons and who have not been able to return to their homes.

41. Displaced refugees in both the Syrian Arab Republic and the United Arab Republic have also made oral representations to the Commissioner-General and the Deputy Commissioner-General asking them to convey to the General Assembly their urgent desire that they should be allowed to return to their former places of residence.

EMERGENCY ASSISTANCE

42. The emergency assistance for Arab refugees in the Middle East in the summer of 1967 has been a combined operation to which the Governments directly concerned, other donor Governments, the Red Cross and the Red Crescent, UNRWA, UNICEF, the specialized agencies, national and international non-governmental organizations and countless individuals in many parts of the world all made essential contributions. As a United Nations agency long established in the area and intimately connected with the problem, UNRWA found itself acting as an intermediary and a source of information on matters of general concern. UNICEF contributed food, blankets, drugs, vaccines, sanitation supplies, vehicles for mobile clinics and other equipment to a value of approximately $350,000. This aid was directed to mothers and children amongst both the UNRWA and non-UNRWA refugees in Syria, Jordan and the United Arab Republic, also to groups in temporary economic distress in the West Bank, Gaza and Sinai areas. In addition, UNICEF representatives played an active role in co-ordinating inter-Agency activities and in rationalizing the distribution of certain foodstuffs. Efforts were made to set up central co-ordinating machinery, but this proved to be impracticable. The widely differing viewpoints of the parties, the necessity for rapid decisions and the almost insurmountable difficulty of travel between one country and another, made it necessary to rely largely on *ad hoc* consultations on the spot rather than on any area-wide master plan agreed in advance. The willingness of all concerned to approach mutual problems with common sense and in a humanitarian spirit resulted in the avoidance, to a very large extent, of wasteful and unnecessary duplication of effort.

43. The Commissioner-General wishes to pay tribute to the staff of the Agency, and particularly to those in areas which in one way or another felt the impact of the hostilities, for the untiring devotion with which they faced up to the problems arising out of the conflict. He has no doubt that the staff, nearly all of whom are themselves Palestine refugees, will continue to tackle with patience and courage the difficult tasks that lie ahead.

44. The following brief account does not attempt to be exhaustive and merely indicates examples of the practical co-ordination of efforts that has been achieved. The Commissioner-General has no record, other than reports which have appeared in the press, of contributions made directly to the Governments concerned or to the voluntary agencies, but he understands that very substantial emergency help has been forthcoming.

45. In East Jordan, as was mentioned in paragraph 33 above, the resources of the Government and of UNRWA were pooled. The Agency continued its normal programme of ration distribution and supplementary feeding to displaced persons already registered with it and, in addition, with assistance from UNICEF, gave these persons protein supplements and, to all children up to the age of fifteen, milk, vitamins and a daily hot meal. During the first few weeks it also supplied cooked meals to other displaced persons besides the registered refugees and at one time the total number of cooked meals supplied daily reached 75,000. The Agency also extended its basic ration distribution by some 30,000 rations to meet the need of registered refugee families impoverished by the emergency and distributed to non-registered persons foodstuffs made

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[2] See also the report of the Secretary-General under General Asembly resolution 2252 (ES–V) and Security Council resolution 237 (1967), document A/6797, paragraphs 185-199.

available by the Government. Of the nine new tented camps, UNRWA undertook to run six, in one case on behalf of the German Evangelical Relief Organization; the Iranian Red Lion and Sun Society had established and was operating a seventh camp, and the two remaining camps were run by the Jordan Government. The World Food Programme, with a view to avoiding discrimination between UNRWA-registered refugees and other displaced persons, had decided to distribute to 100,000 persons in the latter group, for a period of three months, UNRWA-type dried rations, supplemented by canned meat, dried milk and small quantities of dates, with immediate distribution authorized by the Jordan Government from its own stocks, pending the arrival of World Food Programme foodstuffs. As the August-September distribution proceeded, the World Food Programme intended to review the question of the need for a second three-month distribution period, in the light of the anticipated return of substantial numbers of displaced persons to the West Bank. UNICEF has provided the Government with sanitation supplies, drugs, vaccines and blankets; it has also proposed a co-ordinated plan for the next five months for the distribution of 500 tons of skimmed milk available in Jordan from its own supplies and from those of the World Food Programme and of the League of Red Cross Societies. this proposal envisaged the distribution of reconstituted milk to all children up to the age of fifteen and pregnant and nursing women in the nine new tented camps, and of milk powder to all non-UNRWA displaced persons living outside the camps. Meanwhile, to take only a few random examples of the part played by the voluntary agencies, the Lutheran World Federation had agreed to finance for three months medical services in two of the UNRWA tented camps, to supply medical equipment and supplies and some staff, probably to the end of 1967, in a further two camps, and to establish bakeries in all nine camps. The Pontifical Mission for Palestine, Caritas and Catholic Relief Services worked closely together in supplying food, blankets and other commodities and in ascertaining the personal, individual needs of the displaced persons. British voluntary agencies donated tents for one new camp of 10,000 inhabitants and contributed field kitchens and a pharmacy; the Commonwealth Save the Children Fund provided medical care for mothers and children in one camp, as well as supplementary feeding, blankets and cooking utensils; it also made medical care available, and supplied daily hot meals, in another camp; the Belgian Caritas and Entr'aide socialiste donated tents, blankets, foodstuffs and medical supplies, all of which were airlifted from Belgium in two planes made available by the Belgian Government (which also offered UNRWA the use of these planes for other purposes, as a contribution to the Agency's emergency expenses); Norwegian voluntary agencies sent several plane-loads of blankets, medicine and foodstuffs and four mobile health clinics are on the way; CARE imported foodstuffs for distribution by the Governments; the Near East Christian Council made blankets and food available, primarily to displaced persons living outside camps; and the League of Red Cross Societies has imported tents, blankets, foodstuffs, clothing and medical supplies and has set up ten milk distribution centres.

46. In the West Bank area and the Gaza Strip, emergency aid followed a similar pattern and after the cessation of hostilities all UNRWA relief services were brought back into operation as rapidly as possible. Ration distribution recommenced on the West Bank as early as 12 June and the main medical, sanitation and supplementary feeding services were also quickly reinstated. An increased ration issue was authorized, to cover persons other than normal ration recipients, including 50,000 children, over 6,000 displaced frontier villagers and over 1,000 other needy refugees. Similarly in Gaza an increased basic ration distribution was authorized, to meet the needs of persons suffering hardship through loss of income as a result of the hostilities. In both areas, special milk issues and daily hot meals were available for needy children under the age of fifteen. The Agency also gave protein supplement in the form of canned meat and cornflour-soya-milk mixture and extra dry rations to certain categories, among them expectant and nursing mothers. The repair of 400 war-damaged refugee shelters in Gaza proceeded without delay, and was expected to be completed by the end of September. Meanwhile UNICEF arranged for dry rations for three months for 20,000 mothers and children not registered with UNRWA in Gaza and northern Sinai. It also provided 39,000 dry rations and 16,000 blankets as a one-time emergency issue to mothers and children on the West Bank in temporary economic distress and concluded a provisional agreement with the Government of Israel, providing for the resumption of a quarterly supplementary feeding programme for 51,000 children among the frontier villagers. Ambulances, medical supplies, tents, blankets, food and some clothing were flown into the West Bank by the Swedish Organisation for Individual Relief and by the Norwegian Refugee Council. Notable assistance was also given by the Lutheran World Federation, which operated its own independent programme in close co-operation with UNRWA. CARE also made foodstuffs available to non-refugees on the West Bank and planned to continue, and probably expand, its normal programme of food distribution to non-refugees living in the Gaza Strip. Catholic voluntary agencies, working through the Pontifical Mission for Palestine, Catholic Relief Services and Caritas Internationalis made donations in cash and kind for relief of distress on the West Bank and planned a supplementary feeding programme for children not covered by UNRWA assistance.

47. In the Syrian Arab Republic, the Government, within the limits of its resources and with assistance in the form of foodstuffs from the World Food Programme, UNICEF and the International Committee of the Red Cross, took charge of the 100,000 displaced Syrians. The Government also received from UNICEF insecticides, disinfectants, antibiotics, vaccines, vehicles for mobile health teams, and from the International Committee of the Red Cross, clothing, tents, blankets and cooking utensils, while the Lutheran World Federation contributed clothing and planned to make tents available. Meanwhile, UNRWA assumed the main responsibility for meeting the needs of the 16,000 displaced Palestinians already registered with it, by providing tents, blankets, additional basic rations, supplementary feeding and, with the help of UNICEF, protein supplements. Supplies of tents were in fact not forthcoming for displaced persons in Syria on anything like the scale on which they were contributed to Jordan, so that in August the Agency was forced to place orders for the manufacture of some 1,200 tents in order to provide shelter for the UNRWA-registered refugees. The Agency also gratefully records that the Syrian Government gave foodstuffs and cash grants during a period of over two months to UNWRA-registered refuges as well as to Syrian displaced persons.

48. The World Alliance of YMCA's and of YWCA's took under their charge Arab students dispersed in various countries and unable either to return to their homes or to receive any funds from their families; and the World Council of Churches launched a $2 million world-wide appeal on behalf of all victims of the conflict. The total value of emergency donations in cash and kind from Catholic sources for the areas affected by the hostilities as a whole amounted in August to over $4 million. During August an encouraging and potentially very important initiative was launched in the United States of America with the formation of Near East Emergency Donations to raise funds for use by UNRWA on behalf of the displaced persons. Former President Eisenhower has consented to serve as honorary chairman of the Board of Directors.

49. For refugees from Gaza and Sinai, UNICEF is providing assistance to the United Arab Republic Government in the form of 1,000 family emergency kits, 15,000 blankets, drugs, vaccines and equipment, including vehicles, for the establishment of delivery room facilities, diagnostic laboratories and community kitchens in two settlement camps. Meanwhile UNRWA, as indicated in paragraph 39 above, has undertaken to make food supplies available for a group of 3,000 young registered refugees from Gaza and to contribute towards the provision of medical and sanitation services.

SPECIAL CONTRIBUTIONS

50. In the week following the outbreak of hostilities the Commissioner-General appealed to Governments, voluntary agencies and private donors to contribute money or emergency supplies to UNRWA. The President of the General Assembly and the Secretary-General also called for generous emergency donations and the General Assembly itself in paragraph 9 of resolution 2252 (ES–V) appealed to all Governments, organizations and individuals to make special contributions to UNRWA as well as to the other inter-governmental and non-governmental organizations concerned. Even while the fighting was still going on, offers of help had already begun to pour into the Agency's offices in Beirut, Geneva and New York. They took the form of donations in kind or in cash or of offers of services by individuals from many countries who were anxious to help the displaced persons in their plight. By the end of August, donations to a value of some $6.4 million had been pledged or received. Details of these contributions will be found in annex I, tables 20 and 21. On behalf of those who have suffered as a result of the hostilities, the Commissioner-General wishes to express his heartfelt gratitude to all donors for their prompt and generous response. He also wishes to place on record that the Agency gratefully received from the United Nations Emergency Force substantial quantities of supplies and equipment.

LONGER-TERM PROSPECTS

51. The Commissioner-General believes that the General Assembly will wish him to offer some comment on how the future of the refugees from the 1948 conflict may develop in the longer term and how the role of UNRWA may be affected by recent events. In so doing he would emphasize that the present is fluid and the future uncertain. He will seek as far as possible to confine his comments to the humanitarian aspects, but political issues underlie the whole Palestine refugee problem and cannot be ignored if comment is to be meaningful.

52. Among these issues are the long-deadlocked questions of repatriation, compensation and resettlement. In December 1948, only a few months after the refugees had fled from their homes, the General Assembly adopted resolution 194 (III),[3] in paragraph

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[3] The resolution, as has been frequently pointed out by the Government of Israel, also called in paragraph 5 for negotiations between the parties in the following terms: "The General Assembly calls upon the Governments and authorities concerned to extend the scope of the negotiations provided for in the Security Council's resolution of 16 November 1948 and to seek agreement by negotiations conducted either with the Conciliation Commission or directly, with a view to the final settlement of all questions outstanding between them."

11 of which it resolved "that the refugees wishing to return to their homes and live in peace with their neighbors should be permitted to do so at the earliest practicable date, and that compensation should be paid for the property of those choosing not to return and for loss of or damage to property which, under principles of international law or in equity, should be made good by the Governments or authorities responsible". In the same paragraph, the Assembly instructed the Conciliation Commission "to facilitate the repatriation, resettlement and economic and social rehabilitation of the refugees and the payment of compensation, and to maintain close relations with the Director of the United Nations Relief and Works Agency for Palestine Refugees and, through him, with the appropriate organs and agencies of the United Nations". Paragraph 11 has been reaffirmed year after year by the Assembly but has remained unimplemented. After nineteen years the refugees have still had neither an opportunity of returning to their homes nor compensation for their property. Since the two issues of repatriation and compensation are linked together as alternatives in the resolution, the continuing deadlock over repatriation has had the result of denying the refugees of any benefit from the property they left behind in 1948. It would hardly seem that this can have been the intention of the Assembly in adopting its resolution nineteen years ago. Suggestions have been made from time to time for measures to enable the refugees to receive compensation, irrespective of whether they would have the opportunity of returning to their homes and without prejudice to this or any other political claims they may have; but these suggestions have not been pursued.

53. Under the surface of this continuing deadlock on the political plane, much solid, constructive progress has been made in dealing with the economic and social aspects of the problem. As the Secretary-General has pointed out in a report circulated on 18 August 1967 (A/6787), the widespread assumption that the refugees have been stagnating in idleness in the refugee camps throughout all these years is untrue. Nor is there validity in the widespread belief that, because many of the refugees (in fact less than 40 per cent of the total) were still living in camps so many years after their displacement from their homes, therefore no progress had been made towards their rehabilitation. These mistaken assumptions have given rise to the equally mistaken view that UNRWA was engaged in an endless operation of merely keeping the refugees alive to remain a charge on the charity of the international community. Finally, there is the widespread belief that the host Governments have been deliberately and inhumanely keeping the refugees in a state of destitution and dependence on international charity as a weapon in the prosecution of their political aims. This also needs correction. Although the host Governments have opposed mass schemes of direct resettlement, on the grounds that this would be contrary to the interests and expressed wishes of the refugees themselves, their record in promoting the rehabilitation of the refugees as individuals through education, training and employment has been notably humane and helpful. They have extended this aid to the refugees in spite of the grave difficulties which already confronted them in providing a livelihood for their own rapidly expanding populations.

54. The truth is that, up to the time of the recent hostilities, a slow but steady process of rehabilitation had been at work among the refugees and, in recent years, had begun to make an evident impact in improving their economic and social condition. This improvement was not uniform in all areas and necessarily Gaza lagged behind, owing to the lack of opportunities for the very large numbers of refugees to engage in productive work. The process of rehabilitation was being achieved not by ambitious and costly works projects and schemes of mass resettlement but by the operation of normal economic and human factors. It is these factors which have in the past proved most effective in this part of the Arab world in coping with the human problems arising from movements of population. As the Secretary-General has stated:

"This progress has been primarily due to three factors: first and foremost, the rapid economic development of the Arab host countries and of the Arab world generally in recent years; second, the energy, intelligence and adaptability of the refugees themselves, who have fortunately shown themselves to be eager for work and very capable of profiting by any opportunity given to them; and third, the education and training which the host Governments, various voluntary agencies and UNRWA have been able to give the young refugees to enable them to take advantage of any opportunities of employment that might come their way. A subsidiary but not unimportant adjunct to these principal factors in the rehabilitation of the refugees has been the economic aid supplied by UNRWA in the form of rations, shelter, and other relief services. The regular provision of this relief assistance over an extended period, even though on a meager scale, has certainly helped the refugees not merely to survive but to recover their capacity to support themselves.

"It is true that it has not proved possible for UNRWA to reflect adequately the extent of this rehabilitation in its published statistics of the number of refugees who have been rendered self-supporting and from whom relief assistance has therefore been withdrawn. But, however regrettable this may be—and, in fairness to UNRWA and the Arab host Governments, the difficulty of measuring degrees of progress in economic rehabilitation among a mass of people living not much above subsistence level needs to be recognized—it does not alter the reality of the progress that had been made.

"In Jordan, official and authoritative statements have been made in recent years indicating not only a very high level of economic growth for the country as a whole but also suggesting that the problem of unemployment and underemployment which has chronically beset the Jordanian economy was within sight of solution. These statements implied that within a few years Jordan, in spite of its not having been endowed with abundant natural resources, might look forward to becoming economically viable and independent of external aid. This could only mean that, in common with the other citizens of Jordan, the 720,000 refugees, representing over half of the whole refugee population, were rapidly achieving the capacity to support themselves and, hence, that the social and economic aspects of the refugee problem in Jordan, though not the political, were well on the way, if not to a solution, at least to a partial remedy."[4]

55. The numerically smaller problems of the refugees in Lebanon and Syria also showed encouraging signs of progress towards social and economic rehabilitation. Even in Gaza improvement was discernible in recent years, included even a positive shortage of unskilled labour at certain seasons of the year. But of course this improvement in the level of economic activity rested primarily on the artificial and precarious base of a high level of expenditure injected into the Strip by the United Arab Republic Government, UNEF and UNRWA. A more solid element of improvement in the condition of the refugees in Gaza in recent years was the placement, with the active co-operation of the Gaza authorities, of some thousands of young refugees in employment in the United Arab Republic and elsewhere and the remittances which they were then able to send back to Gaza for the support of their relatives.

56. This gradual but hopeful process of economic and social rehabilitation of the refugees has now, for the time being at least been halted and indeed reversed as a result of recent events. At the present time too many uncertainties overhang the future of the refugees in Gaza and on the West Bank to permit any prediction of how long this adverse effect will last in those areas. It is understood that some remedial action is already being taken by the Government of Israel to restimulate economic activity in both areas. But clearly if the refugees living in Gaza and on the West Bank remain cut off from opportunities of education, training and employment in the rest of the Arab world, this cannot but increase the difficulty of promoting their rehabilitation. Whether it may be feasible to offset this disadvantage by some basically different approach which would not depend for its success on educational and employment opportunities elsewhere in the Arab world is not a matter on which the Commissioner-General feels entitled to express an opinion. In East Jordan it is possible to say with more certainty that, so long as the separation of the West Bank from the remainder of Jordan lasts, the whole process of rehabilitating the refugees on the East Bank, both those already living there before the hostilities and any of those displaced from the West Bank who may not be permitted to return by the Government of Israel or may not wish to return, will be gravely, perhaps irremediably, set back. In Syria, too, for so long as the Palestinian refugees displaced from the south are not able to return to their former places of residence, they will be faced by many new difficulties in their struggle to recover economic independence.

57. The longer the present state of affairs lasts, the greater will be the need for action to promote economic recovery in the areas affected. As far as UNRWA is concerned, the Agency's most effective contribution would appear to be the maintenance of its existing services, possibly with some extension to new groups of displaced persons, coupled with an expansion of its programme of education and training for the children and young refugees. But not even the existing UNRWA services can be maintained, let alone extended or expanded, unless the chronic problem of financing the Agency is tackled with determination and realism.

BUDGET FOR 1968

58. In present circumstances the preparation of a budget for the Agency's operations during the coming year, 1968, has necessarily involved much guesswork and many assumptions. The estimates of expenditure included in part II should therefore be treated as tentative and subject to substantial adjustment in the light of developments as yet unknown and questions still open. How many of the displaced persons will ultimately return to the West Bank? Will displaced persons from other areas be permitted to return and, if so, when? Is any further movement of population out of the areas occupied by Israel in prospect? (There have recently been disturbing reports of the arrival of substantial numbers in East Jordan from the Gaza Strip.) What will be the continuing needs in 1968 of any groups who still remain displaced at the end of this year? Will UNRWA be expected and authorized to continue assistance during 1968 to persons other than refugees from the 1948 conflict? What will be the longer-term impact of the hostilities and their aftermath on the Agency's operating costs? Will the General Assembly wish UNRWA in present circumstances to enlarge its efforts in the field of education and training? (The need and scope for expanding these activities was illustrated

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[4] A/6787, paragraphs 32–34.

in the outline assessment prepared by the Agency's Department of Education and referred to in paragraphs 10 to 12 above, and the economic consequences of the hostilities may well be regarded as providing additional and urgent justification for greater efforts, not necessarily by UNRWA alone, in this field.) Finally, what level of funds is likely to be available to the Agency in 1968 and will action be taken to place the future financing of the Agency on a sounder basis than in the past?

59. These uncertainties greatly complicate the process of budgeting for the coming year. The budget which is contained in part II of this report has been framed on the basis of the following, necessarily tentative and even in some respects arbitrary, assumptions:

(1) Continuation of normal UNRWA services, as before the hostilities, without reduction;

(2) Continuation of issue of rations on a temporary and emergency basis for up to 75,000 recipients over and above the pre-hostilities number (861,000);

(3) Reversion of the supplementary feeding programme to its normal pre-hostilities pattern and scope by April 1968, except for increasing by 3,000 the number of hot meals provided in Gaza;

(4) Cessation of issue of emergency supplements to certain categories of recipients and reversion to the normal scale of basic rations by April 1968;

(5) Contingent provision for possible replacement of tented camps by normal shelters (and ancillary buildings) to accommodate 30,000 displaced persons;

(6) Provision of a special contingency item of $1 million to meet the needs of individual cases of hardship attributable to the emergency and its aftermath;

(7) Continuation of UNRWA medical services on a temporary and emergency basis for up to 30,000 additional beneficiaries;

(8) Provision of environmental sanitation for the increase in the camp population;

(9) Provision of general education for a net addition of 6,000 children attending UNRWA/UNESCO schools in East Jordan;

(10) Provision for two training centres in East Jordan; for reopening the training centre at Homs in Syria (now occupied by displaced persons) in the autumn of 1968; for expanding the Gaza vocational training centre to accommodate 200 more trainees; and for continuing to operate all the other UNRWA centres on a normal basis;

(11) Contingency provision of a block sum of $1.5 million against possible increases in unit costs in Gaza and West Bank arising from currency changes and other factors.

Regrettably, since the report was drafted it already seems probable that the above assumption may underestimate the continuing would appear to be especially necessary.

60. No provision has been included in the budget for 1968 for the improvement and expansion of the Agency's education services on the lines mentioned in paragraphs 10 to 12 above. However, if special contributions, either governmental or nongovernmental, were forthcoming for this purpose, UNRWA would propose to spend up to $5 million during 1968 as a first installment of this programme. Action would be initiated first in East Jordan and Gaza as being areas where the economic impact of recent events is most severe and where intensified effort to promote rehabilitation by education and training would appear to be specially necessary.

61. Looking back over the past decade at the gradual but substantial improvement which has taken place in the economic condition of the refugees and at the crucially important contribution which the expansion of the UNRWA/UNESCO programmes of education and training has made to this process of progressive rehabilitation, the Commissioner-General feels that he is fully justified in urging the international community to look afresh at the dynamic role which education and training can play in ameliorating this long-standing human problem and at the cogent arguments which emerge for financing these programmes on a more ambitious and more liberal scale than ever before. With the shadow of recent events still obscuring the future of the refugee community, he feels that present difficulties and uncertainties only reinforce the case for bold and generous action in this field. In retrospect a striking feature of these past eight years or so is how much solid achievement has been gained at how little cost. The turning-point was in the period 1959/1961 when, aided by large special contributions from World Refugee Year and other sources, the Agency was able to invest nearly $6.5 million principally in the expansion and improvement of its schools and training centres but also in the improvement of the qualifications of its teachers. In the following years, 1962 through 1967, the Agency was provided an additional sum totalling $4.5 million for these purposes, with the larger share going to the expansion of schools and the improvement of teaching methods. These are not large sums in relation to the size of the social and economic problem of the Palestine refugees or to the cost of trying to tackle that problem by other means; and any fresh investment in these programmes from both governmental and nongovernmental sources would be an investment in a proven success. Recent events have served to stimulate renewed interest and concern throughout the world regarding the protracted tragedy of the Palestine refugees. It is no doubt the general hope that this renewed interest and concern will be channelled principally towards a new, constructive effort to promote a just and lasting solution of the political issues which underlie the refugee problem. But, on a lower and more limited plane, there is certainly scope for a still more ambitious and imaginative approach to the amelioration of the refugee problem, in its social and economic aspects, by means of education and training.

62. For 1968, the Agency has not felt that its existing financial predicament permitted it to make any specific provision for initiating any such large programme for expanding its education and training activities and it has therefore budgeted only for the continuation of its pre-hostilities programme and for such unavoidable increases in the scope and cost of that programme as may be necessitated by natural population growth and by the aftermath of the emergency situation of 1967. For these purposes the Agency estimates that it will require to extend approximately $45.8 million as set out in part II of this report, including $40.1 million to continue its pre-hostilities programme and $5.7 million for increased scope and costs of programmes arising from the hostilities.

63. To meet this budget, the Agency further estimates that it will need to receive $41.6 million in contributions from Governments, after taking into account estimate income of $1.5 million from non-governmental contributions and miscellaneous sources and $2.7 million unexpended balance of special contributions received in 1967 for the emergency.

64. It is more than ever essential that the Agency's requirements be adequately financed if it is to continue to carry out its mandate. As shown in section F of part I of this report, although in 1967 UNRWA received or expected to receive special contributions for the emergency materially in excess of its estimated increased expenditure arising from the emergency, it also expected to incur a deficit—for the fifth consecutive year—on its normal programme, amounting to some $2.8 million. As a consequence, it expects to enter the fiscal year 1968 with barely $11.5 million of working capital (operating reserve), excluding the estimated unexpended balance of $2.7 million of special emergency contributions which are referred to above and which are expected to be used towards financing continued emergency expenditure in 1968. This amount of working capital ($11.5 million) is far less than UNRWA requires in order to operate properly, and exposes it to the risk of having to halt or abruptly reduce operations at any time during the year if payment of contributions is unduly delayed.

65. For several years the Commissioner-General has called attention to the Agency's steadily worsening financial position and its possible implications (see also paragraphs 3 to 9 above). He feels constrained to do so once again, and to appeal to the General Assembly to place the Agency on a sound financial basis, both with respect to current funds to cover its budget and with respect to working capital adequate to meet its requirements.

SUMMARY AND CONCLUSIONS

66. In summary, the questions affecting UNRWA which seem to the Commissioner-General to require consideration and decision by the General Assembly are the following:

(1) Is it desired that UNRAW should maintain its existing services during 1968 on the same basis as before the recent hostilities?

(2) Is it desired that UNRAW should continue in 1968 giving help on a temporary and emergency basis to new groups of beneficiaries in urgent need?

(3) Is it desired that UNRAW should seek to expand and improve its existing education and training services, particularly in those areas severely affected by the economic impact of recent events?

(4) How is UNRAW to be provided with secure and adequate sources of funds to carry out whatever tasks may be assigned to it by the General Assembly?

(5) If in fact adequate funds cannot be secured, will the General Assembly give the Commissioner-General guidance as to the action he should take to bring the Agency's expenditure and income into balance? Failing this, the harsh and highly political decisions as to which services must be reduced or eliminated fall upon the Commissioner-General and expose him to inevitable criticism.

It will be appreciated that affirmative answers to any or all of the first three questions will in practice be meaningful only to the extent to which a correspondingly positive answer can be given to the fourth question. If that is not forthcoming, then the fifth question assumes crucial importance. When this report is considered in the General Assembly, the Commissioner-General intends to report further on the needs in the area, and to offer additional comments on the above questions, based on the latest information then available.

SUSPENSION OF PARAGRAPH 6 OF RULE 38 OF THE STANDING RULES OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that paragraph 6 of rule 38 of the standing rules of the Senate relating to proceedings on nominations be, and it is hereby, suspended with respect to nominations unacted upon during the present session, and the status quo shall not be affected by the final adjournment of the first session of the 90th Congress.

The **PRESIDING OFFICER.** Is there objection? The Chair hears none, and it is so ordered.

DATE OF MEETING OF SECOND SESSION OF 90TH CONGRESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Chair lay before the Senate a message from the House of Representatives on House Joint Resolution 960.

The PRESIDING OFFICER laid before the Senate House Joint Resolution 960, which was read the first time by its title and the second time at length, as follows:

> *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the second regular session of the Ninetieth Congress shall begin at noon on Monday, January 15, 1968.

Mr. MANSFIELD. Mr. President, I ask for the immediate consideration of the joint resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H.J. Res. 960) was considered, ordered to a third reading, read the third time, and passed.

AUTHORITY TO SIGN ENROLLED BILLS AND RESOLUTIONS

Mr. MANSFIELD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on House Concurrent Resolution 605.

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 605, which was read as follows:

> *Resolved by the House of Representatives (the Senate concurring)*, That notwithstanding the sine die adjournment of the two Houses, the Speaker of the House of Representatives and the President of the Senate, be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to the consideration of the concurrent resolution.

Mr. MANSFIELD. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. On page 1, line 5, after the word "Senate", insert: "the President pro tempore, or the Acting President pro tempore."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution, as amended.

The concurrent resolution (S. Con. Res. 605) was agreed to, as follows:

> *Resolved by the House of Representatives (the Senate concurring)*, That notwithstanding the sine die adjournment of the two Houses, the Speaker of the House of Representatives and the President of the Senate, the President pro tempore, or the Acting President pro tempore be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

JUNG SOO BOK

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 11292.

The PRESIDING OFFICER laid before the Senate H.R. 11292, for the relief of Jung Soo Bok, which was read twice by its title.

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the immediate consideration of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

ORDER FOR ADJOURNMENT SINE DIE

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Concurrent Resolution 604.

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 604, which was read, as follows:

> *Resolved by the House of Representatives (the Senate concurring)*, That the two Houses of Congress shall adjourn on Friday, December 15, 1967, and that when they adjourn on said day they stand adjourned sine die.

Mr. MANSFIELD. Mr. President, I ask for the immediate consideration of the resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (H. Con. Res. 604) was considered and agreed to.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations of postmasters, reported earlier today.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations for postmasters.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

NOTIFICATION TO THE PRESIDENT

Mr. MANSFIELD. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read the resolution (S. Res. 198), as follows:

> *Resolved,* That a committee of two Senators be appointed by the Presiding Officer to join a similar committee of the House of Representatives to notify the President of the United States that the two Houses have completed their business of the session and are ready to adjourn unless he has some further communication to make to them.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The PRESIDING OFFICER. Under the terms of the resolution the Chair appoints the Senator from Montana [Mr. MANSFIELD] and the Senator from Illinois [Mr. DIRKSEN].

THANKS OF THE SENATE TO THE ACTING PRESIDENT PRO TEMPORE

Mr. DIRKSEN. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read the resolution (S. Res. 202), as follows:

> *Resolved,* That the thanks of the Senate are hereby tendered to the Honorable Lee Metcalf, Acting President pro tempore of the Senate, for the courteous, dignified, and impartial manner in which he has presided over its deliberations during the first session of the Ninetieth Congress.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

AUTHORIZATION FOR PRESIDENT OF THE SENATE TO MAKE APPOINTMENTS TO COMMISSIONS AND COMMITTEES

Mr. DIRKSEN. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read the resolution (S. Res. 199), as follows:

> *Resolved,* That, notwithstanding the final adjournment of the present session of the Congress, the President of the Senate be, and he is hereby, authorized to make appointments to commissions or committees authorized by law, by concurrent action of the two Houses, or by order of the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

THANKS OF THE SENATE TO THE VICE PRESIDENT

Mr. MANSFIELD. Mr. President, I send a resolution to the desk, and ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The resolution will be stated.

The resolution (S. Res. 200) was read by the legislative clerk, as follows:

> *Resolved*, That the thanks of the Senate are hereby tendered to the Honorable Hubert H. Humphrey, Vice President of the United States and President of the Senate, for the courteous, dignified, and impartial manner in which he has presided over its deliberations during the first session of the Ninetieth Congress.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

THANKS OF THE SENATE TO THE PRESIDENT PRO TEMPORE

Mr. BYRD of West Virginia. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be read.

The resolution (S. Res. 201) was read by the legislative clerk, as follows:

> *Resolved*, That the thanks of the Senate are hereby tendered to the Honorable Carl Hayden, President pro tempore of the Senate, for the courteous, dignified, and impartial manner in which he has presided over its deliberations during the 1st session of the Ninetieth Congress.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

TOTAL REDUCTION IN BUDGET

Mr. HOLLAND. Mr. President, the compilation filed a little while ago by the chairman of the Committee on Appropriations showed that the total reduction in budget requests of the administration, as reflected by the actual appropriations bills passed by the Congress during this session, amounted to $5.8 billion.

Mr. President, I have had from the staff of the Appropriations Committee, which has been in contact with the Budget Bureau, additional figures showing how this total reduction is reflected in the joint resolution which was passed (H.J. Res. 888), accomplishing reductions in the expenditures budget for this year and in the obligations budget.

I am now told, and I think the RECORD should reflect these figures which I think are all of very great importance, that the obligations budget for this year, as affected by the appropriations and by the resolution has been reduced by $9.8 billion, and that the expenditures budget for this year, as affected by both the appropriations bill and resolution has been reduced by between $4.4 billion and $4.5 billion.

Mr. President, when the President signs the resolution (H.J. Res. 888), which he has assured us he will sign, the figures of the total reduction of both the expenditures budget and the obligations budget—and everything, insofar as the Senate Appropriations Committee staff has been able to discover, has been accomplished, and I think that Senators going home should have these facts which are of utmost importance to the Nation—will show that with the signing of the resolution, a compulsory reduction of the obligations budget of the Nation for the fiscal year 1968 in the amount of $9.8 billion is assured, and a compulsory reduction in the expenditures budget for the fiscal year 1968 of between $4.4 billion and $4.5 billion is accomplished.

Mr. President, I think those are facts of which all Senators can well be proud, because all Senators have had a part in it.

REPORTS ON EXPANSION OF VIETNAMESE WAR

Mr. COOPER. Mr. President, the Senate will soon adjourn. I do not want to delay the Senate. However, before we adjourn, I want to express my concern about reports that the war in Vietnam may be expanded.

For the past month there have been recurring reports, rumors, and speculations that the administration is considering a limited invasion of North Vietnam and the inauguration of a policy of "hot pursuit" into Cambodia and Laos.

I have no information to support these reports or speculations, nor do I have any information that decisions have been made for such action or that it is being considered seriously. Thus far, the war in Vietnam has not been extended into Cambodia. No invasion of North Vietnam or Laos has taken place.

If these courses have been or are being urged presently by the military or other advisers of the President, it is evident that the President of the United States has determined thus far that they are not in the interests of the United States.

I desire to speak today, before Congress adjourns, to support the President in this determination and to urge that the President reject any course of short-term military expediency. The introduction of U.S. troops into North Vietnam, Laos, or Cambodia could only lead to a further and more dangerous expansion of the war.

We are aware that routes in Laos have been used by North Vietnam to infiltrate men and supplies to the south, and that our forces have bombed these routes. There is an increasing weight of evidence that Cambodia is being used as a sanctuary for the troops of North Vietnam and the Vietcong. It is normal for the military services to make plans to counter this situation for it is their duty to consider and prepare for all contingencies.

The desire to pursue the enemy, to protect our troops, and to shorten the war contribute to the pressures to involve our forces further in North Vietnam and Laos and engage them in Cambodia.

But the lesson our experience in Vietnam teaches, I believe, is that the extension of the war, either by bombing or by the introduction of our forces, would be met by additional Vietnamese forces in Laos and Cambodia, by the additional supply of weapons and particularly sophisticated weapons by the Soviet Union, the involvement of the governments and peoples of Laos and Cambodia against their will, then the employment of additional American troops and increased casualties and destruction. We can only conjecture the vast array of new political problems that would be raised.

Only recently, General Westmoreland and Ambassador Bunker reported to the Nation that progress is being made in South Vietnam upon both the military and the political fronts. Why, then, if progress is being made, should the prospect of new interventions of larger forces from North Vietnam and new political problems be invited? Why should the effectiveness of our fighting men be diluted by expanding the areas in which they must fight?

There is a growing pessimism in this country and in the world about the possibility of negotiating the end of this war. This pessimism, I believe, will become confirmed if the war is so expanded that the only settlement is by armed force.

The administration has said that no alternatives have been offered to the policy it now follows. Proposals have been made in the past which, while not offering a complete policy for dealing with Vietnam, have suggested means of determining if a cease-fire and negotiations were possible. Among these is one for a cessation of bombing, which I proposed for 2 years, not as a complete and alternative policy for dealing with Vietnam, but as a means of determining if cease-fire and negotiations were possible. Senator Symington has made a proposal for a complete cease-fire. These proposals and others have been rejected.

Senator MANSFIELD's resolution to submit the issue of Vietnam to the United Nations, adopted unanimously by the Senate, was and is a constructive, positive, and hopeful alternative. His proposal still is a possible alternative. It might not succeed, but I believe it represents the view of Congress and the view of the majority of our people—that we must not cease to seek a resolution of this war, unlikely as it may seem at present, through peaceful means rather than by armed force.

I speak as one who has supported our Armed Forces and—like others in the Senate—has never urged unilateral withdrawal; as one who believes that the issues related to the war in Vietnam should not become just a shuttlecock of politics, but must be treated with deliberate, rational, and disciplined concern. It is my belief that the true security of the United States, the security of South Vietnam, and its chance for self-determination and the progress of its people, will be better served by a continued search for political negotiations than by any expansion of this war.

The history of this war, for years, has been one of increasing expansion and of our increased involvement. I earnestly hope that no further expansion will come from the initiative or decisions of the United States.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. JAVITS. Mr. President, I should like, first, to associate myself with the substance of what Senator Cooper has said. What to me is especially important—and what I hope is especially noted in an outside the Chamber—is that the very moderate and reasoned views be expressed, with a generous effort to understand and to put the administration in the best light. How different this is from the harsh language, the ridiculing of opponents, and the impugning of their views, which we too often hear from high quarters in this country!

I believe everybody knows how I feel about this matter and what the Senator has said about the grave unwisdom of escalating this struggle. If we could just have this kind of reasoned, moderated, and understanding approach shown by Senator Cooper adopted by all parties—the hawks, the doves, the owls, and all concerned—our country would be better off.

Senator Cooper has great prestige and is a very important figure in our country and in the world. I hope his approach will have an influence upon the President and all his advisers, and all those who speak to this issue, so that the reason and wisdom which has animated his words today may become the prevailing note in this terrible tragedy which is tearing the fabric of our country, instead of the impassioned and sometimes quite heedless rhetoric which issues forth on this subject from all sides.

I congratulate the Senator.

Mr. COOPER. I thank my friend, the Senator from New York.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. FULBRIGHT. Mr. President, I also wish to join the Senator in expressing his views with regard to the rumors about action in Cambodia and Laos.

I do not know whether the Senator has any firm knowledge other than what has been in the newspapers with respect to rumors, but I join him in his suggestions as to caution and restraint in not widening this war.

The Senator from Kentucky, of course, has had an unusal experience, not only as a Member of this body, but also as an ambassador, in that general part of the world—as Ambassador to India. I hope the administration will consider his advice most seriously. I do not believe that in the past they have been disposed to pay much heed to the advice of the Members of this body; but in view of the conditions which confront our country abroad as well as at home, I certainly believe it is high time they do.

I believe that what the Senator has said is very pertinent, and I join him in hoping that they will follow this approach in the present circumstances.

Mr. COOPER. I thank the Senator.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. MORSE. Mr. President, I join the Senator from Kentucky in his speech, but I do not join him in some glaring omissions. I believe it is well to point out what he pointed out in his speech. When he points out that we have not invaded North Vietnam, it is obvious he means we have not invaded North Vietnam with a land army. But we are guilty—and history will record it—of one of the most shocking, inhumane invasions of a country in all the history of warfare—that is, the invasion by the United States of North Vietnam with our airpower and our inexcusable misuse of that airpower as we have committed one atrocity after another.

It is a sad thing that those thousands of graves in North Vietnam cannot open up long enough for the voices of the dead to speak up, the voices of the men, women, and children, the aged and the civilian dead, which the United States has killed in North Vietnam. When I think of the pews that we are about to occupy at this Christmastide, and the good thoughts that will be in the hearts of many, I think also of the hypocrisy of talking about peace on earth and good will toward men. I think of the inhumanity of the United States in Southeast Asia. It should shock our spiritual values.

When the Senator talks about the fact that there is some speculation in some quarters that there might be an invasion of Cambodia and Laos, let me say that the ex-Republican President of the United States, Mr. Eisenhower, advocates it. There is not a word from the Senator from Kentucky about this phase of the Republican policy, for let me say these Republicans and Democrats are the same about our advocating this kind of inhumanity to be practiced by the United States in the prosecution of this illegal, immoral, and completely unjustifiable war.

It is well that the Senator from Kentucky should list the proposals of some persons for ending the war, but his omissions are glaring, for there is a long list of proposals for ending the war which the Senator from Kentucky does not mention.

The Senator from Alaska and the senior Senator from Oregon for almost 4 years have been carrying much of the burden of the proposal for ending the war that the experts have been proposing before the Committee on Foreign Relations. We cannot justify not following the Ridgway and Gavin approach or the General Shoup approach. We cannot justify not seeking to get intervention by way of the reconvening of the Geneva conference expanded.

Where has our President been as far as his absenteeism is concerned in respect to the United Nations? He should have been up there speaking before the Security Council and the General Assembly working out specific proposals.

Let me say to the Senator from Kentucky what I think we are confronted with. There is, on the one way, an attempt to so escalate the war that you are going to get a surrender. I have said for over a year I think we can force a surrender if we follow the military escalating policy of the Johnson administration. That is not going to bring peace. It will eventually produce war with China.

Now we have it out of the lips of the Secretary of State, who should have been fired at least 4 years ago, as he sought to discredit the foreign policy of John Foster Dulles, who served primarily under the Republican administration. Now we get an admission that we are going to contain China or try to.

A policy of containing China means war with China, and when that breaks out, listen to the experts. The Senator from Kentucky knows what they are saying. Shortly after the outbreak of that war, in 30 to 36 months you will have to have 3 million American boys on the mainland of China. That is the bloodletting we are storing up. Where are you going to get them, and how are you going to support them, and for what purpose?

I have stood shoulder to shoulder with the Senator from Kentucky and I intend to continue to stand shoulder to shoulder with the Senator from Kentucky as we urge restraint with regard to the war. But if we are going to have speeches on the war in Vietnam in the closing hours of the session, let us get some of the other facts out on programs offered to bring the war to an end and get consideration of them.

Mr. COOPER. Mr. President, I believe the Senator misunderstood the intent of my remarks. Of course, I know the Senator from Oregon has for years been talking about peaceful means to resolve the war. I have spoken of his efforts on at least three occasions in speeches I have made in the Senate about Vietnam this year. I have had colloquies with the Senator from Oregon in the course of those speeches, and reminded the Senate that the Senator from Oregon was one of the first Senators if not the first, to see the small cloud on the horizon, which now darkens the firmament. He has made constructive submission to the United Nation.

Today I have not made my speech a partisan matter. In no speech in the Senate on Vietnam, have I raised the partisan and political flag. I simply want to help end the war, if I can be of help. In referring to the reports and rumors, I must speak to the administration in power, for only the administration can make the decisions.

I read the statement of former President Eisenhower and as much as I love and respect him, I believe the statement and advice were wrong. If he is an adviser of the President, I have said I hoped the President would reject any such advice. The fact is that up to now, the President has not accepted any such views. I commend him, and support him in this position. I speak on this one issue, this one aspect of the war in Vietnam today.

I know we have invaded North Vietnam by our bombing. I specifically related my statements about other interventions to the intervention of our forces.

I think my position is clear, and I am glad that I could speak today before we adjourn.

Mr. MORSE. Mr. President, will the Senator yield for a comment?

Mr. COOPER. I wish to reiterate

simply that I have had great sympathy for the President of the United States, as he must deal with this awful situation. In great measure he inherited it. I too have spoken of Vietnam for many years and my position has been consistent, I repeat my plea that military action which has not brought a relief in the settlement of this war will not be relied upon as the sole arbiter of this war. My speech speaks for itself, and I thank my friend for his suggestions.

Mr. MORSE. Mr. President, I have not misconstrued it at all. I share the views expressed in it, every word.

I simply point out that something needs to be added as an addendum because at the present time the speech is also based on clear acceptance of the idea that we are going to get this matter settled on a bilateral basis and you cannot do it. It must be multilateral. The United States will never settle the war bilaterally. You will only get surrender and then truce. We should make clear and take advantage of the opportunity to make clear to the administration that you will have to have a multilateral table over there with representatives of the noncombatant nations telling the United States as well as the Communists, what must be done and should be done to get a fair and equitable settlement of the war.

Mr. President, I want to say to the majority leader that I want the floor later in my own right in order to make a few suggestions about what I think we need to do to improve the procedures of the Senate.

Mr. MANSFIELD. Mr. President, I have read the remarks of the distinguished Senator from Kentucky with great interest. As always he has been courageous. He has been wise and aware of possibilities which might come into existence.

I note where he says during the course of his speech:

> If these courses—

Referring to possible invasion of Cambodia, Laos, or North Vietnam—

> have been or are being urged presently

And this is the important part—

> I believe it is evident that the President of the United States has determined thus far that they are not in the interests of the United States.

It is my belief that that is still the position of the President of the United States and I would anticipate that it would continue to be that.

To those of our citizens, and there are some in the Congress, although not necessarily in the Senate, who advocate an invasion or hot pursuit into Cambodia and Laos, who advocate end runs and other procedures into North Vietnam, north of the demilitarized zone, and even some who advocate hot pursuit into China, I point out the consequences it might entail. All of these are dangerous proposals which are being advanced, not by the administration and certainly not by the President.

But these proposals would mean, of course, if carried into effect, that there would be a widening of the war into Cambodia. Prince Norodom Sihanouk, the Chief of Staff, of course, would not stand idly by with his 30,000 troops and 5 million people if the situation developed that we would go into North Vietnam in any fashion, or by way of an end run of landing from the sea, with the increasing possibility of China entering the war.

I think the Senator from Kentucky has done an excellent job today in raising a warning flag as to how he and many of us feel about this particular matter.

Should, by any chance—I do not think the President would advocate it or approve of it—some of the proposals made by some of our fellow citizens take place, then all I can say to my colleagues is that the 525,000 limitation on U.S. soldiers to be placed in Vietnam by next July could easily be raised, if the proposals being advanced today—not by the administration—take place, at least to three-quarters of a million men. In my opinion, that would be a conservative estimate.

Again I congratulate the distinguished Senator from Kentucky for speaking his mind and advancing his views and doing so in a manner seeking to be responsible and statesmanlike.

Mr. HART. Mr. President, let me add that the Senator from Kentucky also expresses my concern. I share his hope and support his position.

The able Senator from New York mentioned the ridicule, and harshness of the tone sometimes found in high places when suggestions are made regarding Vietnam.

I find this to be often true from a great many sources, including a source which by tradition and training one would think would be most balanced in their judgments about an extraordinarily complicated question. I speak here of some in the academic community.

One of the marks I thought characteristic of the academician was the measured balance in his argumentation and the tentativeness of his conclusions. Fallibility is the lot of humankind. One likes to see in the conduct and hear in the speech of any adult some acknowledgment, or at least some indication of awareness of this unhappy limitation, this inability of man always to be right—or even to assert with absolute conviction he is right on any tough problem. Most especially would it be expected of the intellectual.

Even in the 2 plus 2 disciplines, and certainly in fields marked by complexity, a measure of tentativeness would be a minimum requirement. And I suggest our problem in Vietnam, whatever else we may say about it, is complex. It has been remarked, wisely I believe, that gray is the color of truth about Vietnam. There are ambiguities on both sides, or all sides. Let every man who has given the problem study, assert his conclusions, and advocate the course he believes best serves our national interest and mankind. But recognize the possibility you could be wrong.

I hear voices in the land, and some are academicians, which give me the impression they feel they have divine guidance. It is not because they state their case with vigor.

Each of us should but I am uncomfortable when the language suggests they have no doubts about their conclusions. That inclines them to regard everyone who may not share their views as stupid or evil. Our way out of Vietnam is not made easier by such elocution. So, I thank the Senator from Kentucky. I share his view that we must see this threat of an open-ended war. I have urged that we remember we can be wrong. So I should conclude with the hope I am not wrong on this. I believe I am not.

PRESIDENTIAL REPORT OF NOTIFICATION COMMITTEE

Mr. MANSFIELD. Mr. President, on behalf of the distinguished minority leader [Mr. DIRKSEN] and myself, I report that the committee appointed to notify the President of the United States that the Congress had completed its business and was ready to adjourn unless he had further communications to make to them, that the committee had performed that duty, and that the President informed them that he had no further communications to make to the Congress at this session.

The PRESIDING OFFICER. The Chair on behalf of the Senate receives the message with pleasure.

INTERFERENCE WITH CIVIL RIGHTS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 705, H.R. 2516. I do this so that the bill will become the pending business for next year.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 2516) to prescribe penalties for certain acts of violence or intimidation, and for other purposes, reported with an amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

> That (a) chapter 13, Civil Rights, title 18, United States Code, is amended by inserting immediately at the end thereof the following new section to read as follows:
>
> "§ 245. Interference with civil rights
>
> "Whoever, whether or not acting under color of law, by force or threat of force—
>
> "(a) knowingly injures, intimidates, or interferes with, or attempts to injure, intimidate, or interfere with any person because of his race, color, religion, or national origin and because he is or has been engaging or seeking to engage, lawfully, in—
>
> "(1) voting or qualifying to vote, qualifying or campaigning as a candidate for elective office, or qualifying or acting as a poll watcher, or any legally authorized election official, in any primary, special, or general election;
>
> "(2) enrolling in or attending any public school or public college;
>
> "(3) participating in or enjoying any benefit, service, privilege, program, facility, or activity provided or administered by the

United States, or by any State or subdivision thereof;

"(4) applying for or enjoying employment, or any perquisite thereof, by any private employer or agency of the United States or any State or subdivision thereof, or of joining or using the services or advantages of any labor organization or using the services of any employment agency;

"(5) serving, or attending upon any court in connection with possible service, as a grand or petit juror in any court of the United States or of any State;

"(6) using any vehicle, terminal, or facility of any common carrier by motor, rail, water, or air;

"(7) participating in or enjoying the benefits of any program or activity receiving Federal financial assistance; or

"(8) enjoying the goods, services, facilities, privileges, advantages, or accommodations of any inn, hotel, motel, or other establishment which provides lodging to transient guests or of any restaurant, cafeteria, lunchroom, lunch counter, soda fountain, or other facility which serves the public and which is principally engaged in selling food for consumption on the premises, or of any gasoline station, or of any motion picture house, theater, concert hall, sports arena, stadium, or any other place of exhibition or entertainment which serves the public, or of any other establishment which serves the public and which is located within the premises of any of the aforesaid establishments or within the premises of which is physically located any of the aforesaid establishments; or

"(b) knowingly injures, intimidates, or interferes with, or attempts to injure, intimidate, or interfere with any person (1) to discourage such person or any other person or any class of persons from lawfully participating or seeking to participate in any such benefits or activities without discrimination on account of race, color, religion, or national origin, or (2) because he is or has been urging or aiding others to so participate, or is or has been engaging in speech or peaceful assembly opposing any denial of the opportunity to so participate; or

"(c) knowingly injures, intimidates, interferes with, or attempts to injure, intimidate, or interfere with any public official or other person to discourage him from affording another person or any class of persons equal treatment in participating or seeking to participate in any of such benefits or activities without discrimination on account of race, color, religion, or national origin, or because he is or has been affording another person or class of persons equal treatment in so participating or seeking to so participate—

shall be fined not more than $1,000 or imprisoned not more than one year, or both; and if bodily injury results shall be fined not more than $10,000 or imprisoned not more than ten years, or both; and if death results shall be subject to imprisonment for any term of years or for life."

(b) Title 18, United States Code, is amended by adding to the analysis of chapter 13 at the end thereof the following:

"245. Interference with civil rights."

Sec. 2. (a) Section 241 of title 18, United States Code, is amended by striking out the final paragraph thereof and substituting the following:

"They shall be fined not more than $10,000 or imprisoned not more than ten years, or both; and if death results, they shall be subject to imprisonment for any term of years or for life."

(b) Section 242 of title 18, United States Code, is amended by striking out the period at the end thereof and adding the following: "; and if death results shall be subject to imprisonment for any term of years or for life."

Sec. 3. Nothing contained in this Act shall be construed as indicating an intent on the part of Congress to occupy the field in which any provision of the Act operates to the exclusion of State laws on the same subject matter, nor shall any provision of this Act be construed as invalidating any provision of State law unless such provision is inconsistent with any of the purposes of this Act or any provision thereof."

TRIBUTE TO SENATOR MANSFIELD, MAJORITY LEADER

Mr. FULBRIGHT. Mr. President, I want to say a few words about our majority leader. I am not often given to adulation, but this has been a very long and arduous session, but I cannot let this moment pass without saying that I think the majority leader has shown the greatest statesmanship during this session in the patience he has exhibited, under the most trying circumstances and, above all, in his capacity to maintain and retain his judgment and wisdom, especially about our foreign relations, during a year which has been unparalleled, in my experience, in its difficulties.

I just wish to express my own appreciation for the great leadership of the Senator from Montana [Mr. Mansfield].

Mr. MANSFIELD. Mr. President, I express my deepest thanks to the Senator from Arkansas [Mr. Fulbright], the distinguished chairman of the Committee on Foreign Relations, but I want to take this occasion to express my thanks to all the staff who have cooperated in making the Senate function this year. That includes the staffs on both sides of the aisle.

I want to express my heartfelt thanks to the other 99 Members of this body—my peers—for the cooperation, the consideration, and the courtesy they have consistently shown towards me.

I also want to express my thanks to the distinguished majority whip, the Senator from Louisiana [Mr. Long], who has cooperated and has been most useful in carrying out the duties in connection with his position.

Also the secretary for the majority, the distinguished Senator from West Virginia [Mr. Byrd], who has spent long and patient hours on this floor, who has made many sacrifices to keep the Senate functioning, and who has carried out so many requests with diligence, accuracy, and honesty.

I want to pay special tribute to my colleague across the aisle, the distinguished minority leader.

Without his support and the support of some of the members of his party, it would have been impossible to pass some of the most important segments of the legislation proposed by this administration.

I feel that I am fortunate, indeed, to have across from me the distinguished Senator from Illinois [Mr. Dirksen]. He is an old pro. He knows his way around. His word is good. He has always been most helpful and considerate when he could have been most disastrous so far as the functions of the leadership on the majority side were concerned.

The same applies to the distinguished minority whip, the Senator from California [Mr. Kuchel], and to the three ranking members of the Republican hierarchy; namely, the distinguished Senator from Maine [Mrs. Smith], the distinguished Senator from North Dakota [Mr. Young], and the distinguished Senator from Iowa [Mr. Hickenlooper].

May I pay special tribute to the freshmen Members on both the Republican and Democratic sides of the aisle. I think they have been outstanding. I think they have fitted into the pattern of the Senate with ease and grace. I think they have made much in the way of contributions. I am appreciative of what they have done.

To all of you, my thanks. Words are useless to express how I feel. But I do want you to know that you have made this job of mine much easier. You have made it more rewarding. The debt I owe goes not to one single Member but to every Member of the Senate.

However, if I must pick out one, I think it would have to be my dear colleague, the minority leader, the Senator from Illinois [Mr. Dirksen].

Mr. MORSE. Mr. President, I have been waiting to do what already has been done for me in part by the Senator from Arkansas [Mr. Fulbright]. But I rise to extend my appreciation both to the majority leader and the minority leader for the great cooperation they have given to every man on both sides of the aisle.

I want to say to the minority leader that time and time again during this session, when I have had problems which have involved parliamentary matters in the Senate, he has never failed to cooperate in advising me, including his offer when it did not mean a vote which could determine an issue, to help me with pairs when it was necessary for me to be out of town.

His cooperation and his understanding are very much appreciated by me. It means that even though we may get that kind of cooperation it does not call upon him to agree with me at all, for sometimes he does not.

I want to say that I recognize the importance of making bipartisanship in the Senate work, just as I was heard earlier on the floor this afternoon, in connection with the education bill, to say that we have got to make bipartisanship work in the handling of legislation in committee.

To Mike Mansfield, all I want to say is that every Member of the Senate owes him debts of gratitude that words can never repay, and I do not know how action can ever repay.

He is a superb majority leader, and I want to so express myself.

I do want to say to him and the minority leader, too, I understand they both have under consideration ways of improving the efficiency of the Senate by way of some minor procedural changes that do not require any rule changes at all. We discussed them at some length in the Democratic conference the other morning. The suggestions were very helpful. I only regret that most of the suggestions I heard the other day are going to go over until January to be put into practice, because the particular courses of floor conduct that we talked about still continue to be practiced. I hope the suggestions made will bear greater results in January.

But there is one I want to mention, because I want to say to my leadership that Friday afternoon seems to be the afternoon of exodus of many of our colleagues, particularly those who live along the Atlantic coast. Apparently they think they have some right to prevent the Senate from transaction of any business after 5 o'clock. I only want to say, as I have told the majority leader, that I am not going to cooperate any more with stopping business on Friday afternoon, as was done this afternoon, so somebody can catch a plane to go to some place on the Eastern Seaboard where a relative lives. If a Senator has to catch a plane, go ahead and go, but the business of the Senate is not going to be stopped by the kind of performance we had this afternoon, when a major bill was before the Senate and a record needed to be made on it, and Senator after Senator was asked to file a statement without making the statement, which might very well produce some disagreement or some discussion.

So the Senator from Oregon, who very often plays the watchdog role, or the unpopular role, or the independent role, serves notice on my majority leader, Do not come to me in January and ask me to accommodate any Senator, who lives elsewhere but spends the week in Washington, so he can get home late Friday afternoon. He is welcome to go home, but the Senate is not going to stop its work to accommodate him or them.

If we are going to carry out the suggestions made at the Democratic conference, let me say they have to be carried out on late Friday afternoon, too. I do not believe we should stop functioning on late Friday afternoon because someone wants to take a plane. If they do not want to stay, let them go, but the business of the Senate should not be stopped.

Mr. President, I do not want to end on such a non-Christmas spirit. I think we have had a relationship among all of us in this session that makes it possible to go home as we separate from the Senate with prayers on our lips that good fortune will be visited on every Member of the Senate and of our staffs and that they will be back here to greet each other, come January 15.

"BUILDING A WORLD WITHOUT WALLS, WANT, AND WAR"—BACCALAUREATE SERMON BY REV. ANNALEE KYGER STEWART

Mr. MORSE. Mr. President, I ask unanimous consent that there be inserted in the RECORD a speech by Rev. Annalee Kyger Stewart, of the Wesley Methodist Church, given at the Illinois Wesleyan University at Bloomington, Ill., on June 4, 1967, entitled "Building a World Without Walls, Want, and War," and also the citation by President Lloyd Bertholf at Illinois Wesleyan University upon the conferring of the degree of doctor of humanities on Mrs. Stewart.

There being no objection, the speech and citation were ordered to be printed in the RECORD, as follows:

BUILDING A WORLD WITHOUT WALLS, WANT, AND WAR

(Baccalaureate sermon, Illinois Wesleyan University, Wesley Methodist Church, Bloomington, Ill., June 4, 1967, by Annalee Kyger Stewart)

This is a high moment of joy and humility. I feel sure that you will pardon a moment of retrospection from one who was born in Bloomington and lived within a half-block of the Illinois Wesleyan Campus. I was a member of Grace Methodist Church three blocks from the campus, which in recent years combined with First Methodist Church downtown to become this beautiful Wesley Church. I was baptized in Grace Church, joined it at age ten, received my missionary call when thirteen, and our wedding vows were exchanged there.

It is wonderful to come home after living in the East for nearly fifty years. As beautiful as the New England hills and mountains or the ocean may be, when I come back to the Illinois plains I am inwardly stirred. The June issue of the *National Geographic* has marvelous pictures of McLean County with its seemingly endless miles of cornfields. I recall my growing years and learning experience and realize what a debt I owe to my church, my university and my family. Our home was always open to the students, and every Sunday evening after church fifteen or more came to sing around the piano and eat. For over 20 years students lived with my parents.

Next door to us lived a kindly, gentle Quaker. He watched my two brothers and me grow up playing baseball and other vigorous outdoor sports with the next-door boys and their sister, who is a member of this church. Those were the days before girls were supposed to participate in such unfeminine activities, and he often said to my Mother, "Thee will never raise Annalee, Mrs. Kyger; thee will never raise Annalee!" To add to this dire prediction, when I was a senior at Bloomington High School I went with my fellow students to Decatur (our greatest rival) to a very important ball game. Toward the end, when we were losing and our cheer leader was not active in cheer leading, I jumped over the fence and led in cheers for our losing team. The next morning my parents were shocked to read in *The Daily Pantagraph* a description of my activity which was considered definitely "unladylike." I was told years later that this contributed to my delay in being invited, during my freshman year, to join a sorority because I would not add to its dignity. I mention these incidents because the role of woman has changed greatly. Young men and women today are *equally* actively engaged in a revolution more far-reaching and widespread than that which was only hinted at 50 years ago when to be a girl and a cheer leader was thought to be incongruous. As I look back now I can see that these seemingly inconsequential digressions apparently were to shape my life, for I have found that religious commitment necessitates radical involvement.

I feel humble because of the inadequacy one feels in this moment of history when one stands before a group of young people who, having completed the required years of study and participation in the activities of Wesleyan, are going out to apply their knowledge and faith by contributing to the solutions of the many problems of a growingly interdependent world.

Fifty years ago this fall I was a college freshman, just after the United States entered the first World War to help "make the world safe for democracy" and to "crush German militarism." Grace Church, like many Methodist Churches and those of other denominations, had a recruiting station in it. My minister's parting message to my brother just before he left for overseas was, "Bring back the Kaiser's ear to me."

I should hasten to add that in 1924 at the General Conference of the Methodist Church provision was written into the Discipline stating that in the future no Methodist Church or property could be used as a recruiting station, and that the right of Methodist young people to become conscientious objectors to war should be upheld by our church.

No one at that time, so far as I can recall, challenged me by suggesting that there might be another way than war to solve international problems. No one told me that there were conscientious objectors to war, most of whom were imprisoned in those days. I was sent to Chicago, representing Illinois Wesleyan University, to a gathering of many religious and civic organizations who were meeting to encourage enthusiastic participation in the war effort. Dr. Sherwood Eddy gave the keynote speech called "They Shall Not Pass" during which he told of the atrocities of the Germans and urged all present to go out with the zeal of youth in support of the war, believing that if enough Germans were destroyed peace would come. I learned to hate and to rejoice over the destruction of the enemy. I was urged to come back to Wesleyan to make speeches here and in surrounding communities, which I did.

From the time I was a child I wanted to be a missionary to China or Latin America. In the spring of my junior year here at Wesleyan I attended a Student Council Meeting of the Student Volunteer Movement (SVM) in New York City. It was there that I met my husband-to-be, Alexander Stewart. This Student Council meeting had been called because the young people of *our* generation wanted to express *their* opinions about running their lives and the world. They felt that they wanted to tell those wonderfully inspiring leaders—John R. Mott, Robert Speer and others of the older generation—how to "Evangelize the World in Our Generation," which was the motto of the SVM. Every four years, 6 or 7 thousand young people met to discuss the needs of the world and dedicate themselves anew to carrying the Christian message to the utter-most parts of the world.

During our senior year Alexander Stewart and I became engaged and were licensed to preach, and upon graduation we were married and entered Boston University School of Theology to study for the ministry. While there we had professors who faced us with the evils of the 12-hour day in the factory and raised questions about war and conscientious objection to the war system. This was three years *after* the end of World War I in which my husband had been a commissioned officer.

At the next Student Volunteer Quadrennial Conference—between Christmas, 1923, and New Year's Day, 1924—the students were challenged by Dr. Sherwood Eddy, this time not to support war, but to answer the question: "Is America 98% All Right?"—in Race Relations, Labor-Management and International Relations? We had discussion groups by day and into the night. On New Year's Eve a committee of seven (in which we shared) prepared a statement which was in essence for the building of a world without *walls*, without *want*, and without *war*. It emphasized the need for alternatives and a searching of our own hearts to correct conditions in our own country by applying Christ's principles here at home while also preparing to take them to "the uttermost parts of the world." On New Year's Day the statement was presented to the entire Conference and resulted in starting the Fellowship of Youth for Peace (FYP) as a youth section of the Fellowship of Reconciliation, with my husband as its first Executive Secretary. The memory of those years makes us most sympathetic and understanding of the rebellion of youth today—the searching for values which may have been lost in an affluent society within our own country and in the turmoil of the newly emerging and developing nations determined to be free from colonial powers, from hunger and the fear of a nuclear world war. At least 54 states under colonial rule 26 years ago are now independent.

Two weeks ago today I heard a TV panel of college students discussing today's world and questioning many of the values which my generation seems to accept with little challenge. You and your generation must continue to raise questions, challenge our methods and be prepared to offer alternatives.

I was reminded of the allegory told by Olive Schreiner in her book *Women and Labor* (1911), about a mother duck who took her young ducklings to a pond to teach them to swim and be on their own. When she got there she found that there was no water in the pond and no chickweed. She stood on the bank and urged her young ducklings to go in; but the young ducklings with their fresh young instincts smelled the chickweed and heard the water far off above the dam. So they left their mother beside her old pond to go in quest of other water (or get lost on the way, for that is the risk). They said to her as they left: "Mother, for you and all the generations of your ducklings before us, this may have been good water. But if you and yours would swim again, it must be in other waters."

In the past many people came to our country in order to have freedom from forced military duty. At that time we, as a nation, took pride in the fact that we did not have a history of drafting our youth. (This was one of the issues I was working on just before leaving Washington to come here.) Now, after 20 years of conscription following World War II, it is understandable that many young people are questioning the draft because (1) they consider it to be unequal and immoral; (2) they believe that war will not solve problems in an interdependent world in a nuclear age; and (3) they think that it is an unproductive use of their intelligence and talents which they wish to use to *create* rather than to *destroy*.

It was primarily the students who two years ago began the "teach-ins" during which students and faculty discussed the causes of war, particularly the Vietnam war, from all sides and shades of opinion. It was my privilege to participate in a number of these and to hear the freedom of expression that went on. This is a basic part of our democratic system. Congresswoman Edith Green of Oregon commended the students, saying that this was a most hopeful sign. She indicated that they and some faculty members had the courage to start the first real debate on the questions of Vietnam and the draft, and to challenge the basis of our foreign policy at a time when most Members of Congress refused to speak out except in very limited numbers* and most clergy and laymen were keeping silent.**

Of course, in the dialogue, or efforts at communication, between parents, teachers, scientists, clergy, business leaders and youth there are often great differences of opinion as to goals or methods. One of our most precious heritages as a nation is the right to differ and yet to respect each other's views. There is an honest difference of opinion among persons in the Church and Temple about our responsibility toward the political life of our nation.

It is always the duty and responsibility of citizens to inform themselves on issues in domestic and foreign policy and to let their goverment leaders—the President, Vice President, Department of State and Members of Congress know what they think.

I have been a "Cause" Lobbyist for 22 years. Over 15 years were spent as National Legislative Secretary for the Women's International League for Peace and Freedom, the oldest women's peace organization—founded 52 years ago by Jane Addams of Hull House and 1,200 other internationally-minded women. My work in Washington has given me faith in the possibility of making democracy work in spite of difficulties and setbacks. If you work hard enough and persistently you can see changes in attitudes and policy. *No situation or individual is hopeless unless you feel hopeless yourself.*

It is our patriotic duty to support the Government when we believe it is going in a constructive direction; it is our patriotic duty and responsibility to dissent or protest when we believe it is going in the wrong direction; and it is our duty and responsibility to offer alternatives. As President Bertholf said, it has been my responsibility to talk with many Senators and Representatives of both parties. I work closely with them on some issues and oppose them on others, but we always remain good friends and keep the door open for further consultation.

Democracy can neither flourish here at home nor recommend itself to the peoples of the world unless the individual American citizen fulfills his duty to (1) reach conscientious conclusions regarding the rights and wrongs of his country's policies; (2) USE his mind to formulate alternative policies whenever he finds present policies morally unsatisfactory; and (3) work with others to publicize his dissenting views in the *faith that wrong policies can be changed as soon as citizens are persuaded of the need.*

This is particularly true for those of us who stand with the Judeo-Christian tradition—a tradition of both courageous dissent and constructive affirmation. Christians and Jews must be interested in what is happening *in* and *to* our world. Jesus taught that religion should touch all of life. Certainly politics is a part of life—and every political question has its humanitarian implications because it deals with people.

Rabbi Richard Hirsch, Director of the Religious Action Center of the Union of American Hebrew Congregations in Washington, D.C., has said, "Religious groups mistakenly assume that a resolution passed at a national convention constitutes action. The truth is that resolutions have greater impact on those who discuss and approve them than on the people to whom they are supposedly addressed. To demand the right to preach in society without becoming involved in the society to whom we preach is to act irresponsibly."

Life in a nuclear age is ever more demanding and more complex. The ethically sensitive person is being faced with many hard choices and decisions. The temptation is very great to withdraw from the action, to go along with the *status quo*, rather than risk destruction or injury (physical or economic) or condemnation or ridicule.

Many times we are tempted to think of ourselves as insignificant. We excuse ourselves from doing what we should do in facing life's difficult problems by saying, "I am small and weak and unimportant." Let us remind ourselves that neither the world's work nor that of the Methodist Church or of any denomination or religious faith or organization is done by the spiritual leader alone. Each such leader has needed the spiritual response and work of others—sometimes a few, sometimes hundreds, to *receive* and *believe* in his message and act upon it. The eleven companions of Jesus *understood* enough of what He *said* and remembered enough of what He *was* so that they kept His message alive and *lived* it.

For example, a hitherto unknown young preacher in Montgomery, Alabama, a few years ago supported the impulsive act of a Negro woman, Rosa Parks, who refused to move from her seat on a bus and thus initiated the greatest nonviolent movement in America. Dr. Martin Luther King, Jr., could never have led the historic march from Selma to Montgomery several years later had there not been 50,000 persons from all over the nation who responded by action in this famous march. "Words only are so cheap!"

Congressmen often say to me, "Whenever you preach in a pulpit or speak to a religiously motivated group ask this question. 'Why do you expect me, a Congressman, to have the courage and responsibility to stand up on the floor of the Senate or House to support good legislation or oppose that which is not, when so many times you, the *clergy in the pulpit* and the *people in the pews*, refuse to let these questions be discussed or, if you do discuss them, you fail to come to see me in Washington or when I am home in the District or State or to write a letter to give me your opinions?' Often I would go much further in supporting or opposing legislation if I felt that there was a group of concerned citizens willing to back me up."

We need to be continually reminded that the world is in God's hands *plus* our hands. This is a great responsibility because God, whose essential quality must be creative love, surely does not want the world to continue in the direction, the frightening direction, it seems to be going—toward annihilation of portions, if not all, of our planet.

Jesus emphasized the importance of bringing *life* not *death* to our world. He taught His disciples to *act* with love as their guide. He said love was the strongest force in the world and that He came to fulfill, not destroy, the law. He fulfilled the law by taking two commandments out of the Old Testament and by lifting them to center stage.

"These are the two great commandments: Thou shalt love the Lord thy God with all thy *heart* and *soul* and *mind* and *strength* and thou shalt *love thy neighbor* as thyself."

I challenge you, therefore, not with a minor chore but with a major task: that of translating these commandments into a meaningful life purpose that you will do your part in building a world *without walls, without want*, and *without war*.

You cannot turn on a radio these days without hearing this song:

"To dream the impossible dream, to fight the unbeatable foe,
To bear with the unbearable sorrow, to run where the brave dare not go.

"To right the unrightable wrong, to love pure and chaste from afar,
To try when your arms are too weary to reach the unreachable star!

"This is my quest, to follow that star,
No matter how hopeless, no matter how far;
"To fight for the right without question or pause,
To be willing to march into hell for a heavenly cause!

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*On Vietnam—*Senators:* Gruening (Alaska), Morse (Ore.), Mansfield (Mont.), Fulbright (Ark.), Aiken (Vt.), Church (Idaho), Clark (Pa.), Cooper, Morton (Ky.), Gore (Tenn.), Hartke (Ind.), Hatfield (Ore.), Javits, R. Kennedy (N.Y.), McCarthy, Mondale (Minn.), McGovern (S.Dak.), Nelson (Wis.), Pastore, Pell (R.I.), Percy (Ill.), Ribicoff (Conn.), Tydings (Md.), Young (Ohio). *Representatives:* Brown, Burton, Cohelan, Corman, Edwards, Hawkins, Rees (Calif.), Conyers (Mich.), Green (Ore.), Kastermeier (Wis.), Diggs (Mich.), Button, Dow, Farbstein, Halpern, Kupferman, McCarthy, Rosenthal, Ryan, Scheuer, Tenzer (N.Y.), Fraser (Minn.), Gonzalez (Texas), Helstoski (N.J.), Reuss (Wis.), Mink (Hawaii), Mosher (Ohio), Yates (Ill.).

Some of these have more recently expressed themselves.

**From p. 3 I am glad to say that especially during the past year many Protestant, Catholic and Jewish clergy and laymen have made statements and their religious bodies have spoken out and been active on various phases of the Vietnam war. For example, the Clergy and Laymen Concerned about Vietnam, a National Emergency Committee whose co-chairmen are Dr. John C. Bennett, Rabbi Abraham Heschel, Father John McKenzie and Mr. Philip Scharper, sponsored studies of issues and visits to Congressmen to offer alternatives to bring the war to an honorable end. See also reference to the Clergymen's Emergency Committee on Vietnam initiated by the Fellowship of Reconciliation (pp. 10–11)

"And I know, if I'll only be true to this
glorious quest,
That my heart will lie peaceful and calm
when I'm laid to my rest,
And the world will be better for this:

"That one man, scorned and covered with
scars,
Still strove with his last ounce of courage
To reach the unreachable stars."

Theologians may wish to analyze the content of the "quest," but I'm sure that everyone is singing these words because instinctively we know that "to dream the impossible dream, to right the unrightable wrong, to fight for the right without question or pause, to be willing to march into hell for a heavenly cause" is the real stuff of life. The world *will* be better for this: "that one man, scorned and covered with scars, still strove with his last ounce of courage to reach the unreachable stars."

This is not an invitation to martyrdom, but it is an earnest expression of hope that you will join the company of the committed. You'll not regret it! The price may be costly, but the prize is a world *without walls, without want* and *without war*. Bloomington's honored son, Adlai Stevenson, knew this!

It was my privilege and joy to know Adlai Stevenson personally and to discuss with him major foreign policy issues such as the nuclear test-ban treaty, world disarmament through world law, peaceful settlement of threats to the peace, and ending the war in Vietnam. My last conversation with him was at the United States Mission to the United Nations when we talked about the importance of persons like yourselves, young and old, discussing these issues and sending letters to Government leaders—the President, your Congressman and others—in order to *create a climate of public opinion* that would give the President and other decision-making persons the *flexibility they need to find solutions*.

I. A WORLD WITHOUT WALLS

Dr. Vincent Harding of Atlanta University, himself a Negro, spoke of the *walls* we build.

"Look at the walls. Perhaps you simply haven't examined them closely in the recent past. Begin with those tough and fibrous walls at the center of our hearts that protect us from the invasion of other men's sorrow. Shall we not keep this? Begin with the inner, quivering walls of our fears, walls painted in all the fierce and garish colors of pride and indifference and scorn. What would we do in our own homes without these walls?

"Look at the walls. What of the walls of our well cut, tasteless clothes? (And if we think they are not walls, then let us walk among the poor as we are today. We shall see how effectively our garments cut us off.) What about the walls of our possessions, our money—walls shield us from the experience of nine-tenths of the world and hide us from their glances? Some walls are pleasant, aren't they? Do you see the walls of food? Food in the garbage pails, food in the freezers, food on our minds, food fretting in the sleekness of our bodies. Piled up high upon a billion shelves and trays, food is one of our most impenetrable walls against the world. Shall this also fall?

"And color? What of that vexatious but precious wall? What of the privileges it affords us?

"Imagine what would happen if we began urgently to cut down those emotional and irrational walls which separate us from the people of Vietnam . . . To break down the walls is to stand trembling together before the future. To break down the walls is to stand so close that the bombs fall on us too. To break down the walls is to stand so close that the flaming jelly leaps on our flesh. To break down the walls means that the burning rice fields starve us out, and the terror of the night beneath the American planes is ours as well. Is this what you want?"

"Thou shalt love the Lord thy God with all thy heart and soul and mind and strength, and thou shalt love thy neighbor as thyself."

What can you do? Some suggestions:

1. *Inform yourself* on the provisions of the 1964 Civil Rights Law and the present Civil Rights Act of 1967 being discussed in the 90th Congress! Write your Congressman for copies. Find out what your Church or Temple is doing to implement it.

2. *Help develop social education and action programs and projects* which involve the affluent and the poor in a common effort toward the goal of the elimination of poverty.*

3. *Encourage participation* by clergy and laymen on Community Action Boards and advisory committees and as volunteers in other anti-poverty programs.*

4. *Help conduct a Community Audit* to see how your community measures up to the Declaration of Human Rights in Public Accommodations, Education, Integration of Churches and Temples, Job Opportunities, Welfare Agencies, Recreation, Health Services, Fair Housing Projects, etc.

5. *Challenge leaders* of all sectors of the economy (business, industry, labor, agriculture, etc.) to seek with full imaginative thrust the expansion of present and creation of new industries and services.*

6. *Support the development of adequate programs* of motivation, vocational guidance, job training and placement for all persons needing employment, particularly for youth and minorities.*

7. *Work actively in or support* Pre-School efforts with culturally deprived children and Special Opportunities Programs of Underprivileged Children, such as Head Start Child Development Programs.

8. *Mobilize the educational forces* of the churches for sensitizing and informing church people about persons in poverty and for stimulating action in their behalf.*

9. *Promote and cooperate with the educational features* of the Economic Opportunity Act and other federal anti-poverty legislation such as the men's and women's Job Corps, the Neighborhood Youth Corps, College Work-Study Program, Adult Work Experience Program, and the great variety of educational components of Community Action Programs.*

10. *Support the principle* of the involvement of the poor in all aspects of antipoverty programs, both public and private, and develop practical procedures for implementing the principle.*

11. *Study the processes* of community organization and encourage and assist indigenous organizations of the poor in their efforts to develop the leadership and acquire the skills and powers necessary to participate effectively in the war against poverty.*

12. *Encourage denominational and interdenominational church programs* which stress commitment to definite periods—weekly, monthly, or for one or more years—to Christian service in local or regional projects aimed at elimination of poverty, and encourage and train local church members to make regular personal investments of time to local anti-poverty projects as part of their Christian mission and service.*

13. *Encourage persons and families to enlist in VISTA* (Volunteers in Service to America).**

II. A WORLD WITHOUT WANT

In the Saturday Evening Post for May 6, 1967, the editors ask, "Are we our brothers' keepers?" and then go on to say:

"It is probably true—or it could certainly be argued—that the division between the rich and poor is the greatest problem confronting the world today, greater than the conflicts between Communism and capitalism, or between the godly and the ungodly, or between rival nations or hostile races. To be rich, or at least prosperous, is to have access to everything that man's wit has devised over the centuries, to jet travel or frozen food or stereophonic recordings, to new medicines or higher education or a rose garden, to a longer life and a better one. To be poor is to live in a past era, to be deprived of what others have and to know you are deprived, to hate the others for being richer and yourself for being poorer. It is the ultimate loss of freedom of choice.

". . . the gap is steadily widening each year, and so is the knowledge of it, and so is the anger it causes. Is it then still acceptable? No, according to an exceptional document recently issued by Pope Paul VI, an encyclical letter titled *Populorum Progressia* (On the Development of Peoples) . . .

"Pope Paul condemned as 'unfortunate' any system 'which considers profit as the key motive for economic progress, competition as the supreme law of economics, and private ownership of the means of production as an absolute right . . . We must make haste. Too many are suffering.' "

Today, nearly two-thirds of the human race will sit down to a meal considered inadequate in quantity or quality or both. Last year taxpayers of the U.S. spent one and a quarter billion dollars to keep *60 million acres out of production in the United States*, perhaps some of it right here in McLean County. This in a hungry world!

So stepping up food production around the world and slowing down the population explosion, which if not curbed will result in doubling the world's population to six billion or more by the year 2000, becomes one of the most crucial questions of the next half-century. And the problem of food and population is only one facet of the task of building a world with the elementary necessities of a decent life on earth. According to a report just released to stockholders from National Dairy the new mouths of the underdeveloped nations will require 300 million tons of additional grain annually by 1980.

What can we do? We can urge that instead of spending $2.5 billion monthly to continue the war in Vietnam we solve some of our problems such as:

1. Ending poverty and healing our growing racial and economic differences in the United States.

2. Solving the threat of world-wide hunger and famine including the critical famine conditions in India and elsewhere.

3. Closing the dangerously widening gap between the developed and the less developed nations.

4. Being more willing to commit ourselves to providing trucks, tractors, tools and know-how to build a peaceful world than we are to providing the tools of death and destruction that may doom us all in a nuclear war. *Religion stresses that the common humanity of all is more fundamental than man's differences, whether they be political, social, economic or cultural.*

In his book, *The Prophets on Main Street*, Dr. J. Elliott Corbett portrays the Old Testament prophets as they would speak to our world today. In "Amos—His Times and Ours" we find the following:

"THE RACE IN SPACE

"Hear this word,

"You who shoot rockets out into space!

"Have you solved all problems on your earth?

"Is it prestige you seek to buttress your unsure confidence?

"Do you expect to impress the third of the world that is *uncommitted*?

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*(Taken from "Action Objectives For The Churches Toward The Elimination of Poverty in the U.S.A.," Department of Publication Services, National Council of Churches, Box 301 Madison Square Station, New York, N.Y. 10010.)

**Op. cit.

"Those less-developed nations who are *hungry, illiterate,* and *diseased?*

"Bend your ear, O America! Do not be deceived!

"The *space they* care about is their empty stomachs;

"The *shots* that will impress *them* are penicillin shots!

III. A WORLD WITHOUT WAR

The three nuclear giants—Soviet Union, United States and the Peoples Republic of China—(not to mention the nuclear weapons of France and other countries which may be developing nuclear power) could probably destroy so much of each other's country that hundreds of millions of people would be killed or find themselves living in radio-active areas and facing destruction of the values and cultures of their civilizations. The contemplation of this is staggering to the imagination and terrifying beyond comprehension. Before he died, Albert Einstein said, "Our civilization faces a crisis as yet unknown by those possessing the power to bring *life or death* to our civilization. The unleashed power of the atom has changed everything *except our modes of thinking,* and thus we drift towards unparalleled catastrophe (emphasis added).

Bishop Lloyd C. Wicke of the New York area told an audience of several hundred Methodists a few years ago about a sign in a New York subway which read, "PEACE by 1970—with or without people." He added that there should be another sign saying, "Help stamp out people—join the arms race." Seeing the shocked reaction of the audience he went on to point out the need of serious consideration and planning for World Disarmament under Law and the setting up of peace-keeping machinery in and through the United Nations to work toward a *World Without War.*

In support of Bishop Wicke's plea I should like to point out a study made by The Ohio State University called the Mershon National Security Program. In 1960 they issued a report titled "Accidental War" which listed some of the dangers in the decade of the '60's:

Defense Systems Accidents.

Accidental nuclear explosion.

Human Aberrations—Irresponsible or Deranged leadership.

Unintended spread of Limited Wars (Vietnam, Middle East?).

Catalytic War—Involving a plot by one or more nations, perhaps with nuclear weapons, to precipitate a war among other nations.

Diplomatic and Military Miscalculatons—Mistake in "Brinkmanship"—failure to foresee consequences of military action.

Pre-emptive War—Temptation to "strike first" if you think the other side is preparing to attack.

The report indicated that the *most dangerous period* would be *between 1965* and *1970,* and we are up to our armpits in trouble now—exactly halfway into that period. With the diffusion of nuclear power in the People's Republic of China the United States and the U.S.S.R. are not the only nations involved in the attempt to attain global strategic equilibrium. The central problem is not *how to deter the enemy with the threat of force* as how, in an atmosphere of tension, to guard against a variety of possible accidents that could lead to mutual destruction. *The greatest danger, in time of tension, is that normally insignificant events or accidents may set in motion on both* (*or all*) *sides a series of events leading to disaster.*

You and I each know today that only the slightest incident in Vietnam or the Middle East *could shatter the tender membrane that separates the world from World War III!*

It was my privilege to be a member of the Interfaith team of the Clergmen's Emergency Committee on Vietnam sponsored by the Fellowship of Reconciliation which went to Vietnam (and other Asian countries) to inform themselves directly on the situation in Vietnam and to meet with their counterparts in the religious communities indigenous to that country. We also talked with news correspondents, students, soldiers, young volunteer workers, teachers, labor union leaders, officials of the United States and South Vietnam governments, defectors from the Viet Cong, neutralists, and supporters of North Vietnam and the National Liberation Front.

One of our most moving interviews was with the Venerable Thich Nhat Hanh, a Buddhist Bonze (monk) from South Vietnam. He is director of the School of Social Studies at Van Hanh University in Saigon; director of the Youth for Social Service Program of the Unified Buddhist church which trains young people for work of social reconstruction in the villages of Vietnam; editor of the leading Buddhist publishing house in Saigon; one of the country's best known poets and author of eleven published books.

He pointed out that after nearly 25 years of war against the Japanese, the French and now the United States, the deep desire of the peasants (who are about 80% of their population) is to live at peace and be allowed to till their soil or work in their rice paddies without fear of being killed. He said that they see the planes coming which are made in the United States, piloted by our young men who drop napalm bombs, defoliation sprays on their crops and other deadly weapons. He said that our bombers kill 5 to 10 civilians for every Viet Cong. He joined us in deploring the violence on both sides.

He also told us that their Buddhist religion has many of the same basic principles which we have—love, nonviolence, reverence for life and recognition of the rights of others. They do not accept the argument that there are no choices except between victory and surrender.

He believed that there should be a cessation of bombing in both North and South, limitation of all military operations of the U.S. and South Vietanmese forces to defensive actions; an unambiguous commitment to the Geneva Agreements, including a flat statement of withdrawal of troops and bases within a specified time and a generous effort to help rebuild the country. They want a civilian, independent government which will include all religious groups.

Members of this Clergymen's Team went to various Asian and other countries to encourage support to find alternatives to end the Vietnam War. Out of their visits grew the International Committee of Conscience which has nearly 10,000 leaders of the major religious faiths in 40 countries on 5 continents. Their widely publicized statement "They Are Our Brothers Whom We Kill" was sent to President Johnson, Ho Chi Minh, Nguyen Cao Ky, Mao Tse-tung and the National Liberation Front of South Vietnam.

This interview made me recall a story told us after the second World War by a young man close to our family who was a pilot in the Air Corps. He was stationed on an island in the Far East which was owned by the Dutch, inhabited by a primitive tribe, and had been bombed by our planes. It was the duty of this young officer to go with the Dutch official and the Chief of the tribe around the island to determine what buildings and areas should be rebuilt. They came to the place where the *school* had been. The Dutch official turned to the Chief and said, "Do you wish your *school* rebuilt?" The Chief nodded his head and said, "Yes, we would like our school rebuilt." They came to the place where the *hospital* had stood. The same question was asked and the answer was, "Yes, we would like our *hospital* rebuilt." Various places were visited and the same question asked with the same answer given.

Finally they came to the place where the church had been. The Dutch official turned to him and asked, "Do you wish your church rebuilt?" The Chief hesitated, slowly shook his head negatively and answered, "*No, not now. We want to wait and see whether the white man really believes his religion or not.*" Turning to the Dutch official he said, "Some years ago the church leaders in your country sent us missionaries to tell us about a God of love and a Christ of brotherhood. They taught us to believe in them so we gave up our gods and tried to follow your God and your Christ. They told us it was wrong to destroy our neighboring tribes. We believed them and stopped doing this. Now we are confused for we have seen such terrible destruction from the bombs made in your country, carried by your planes, and dropped on our people, our homes, our island. We did not believe that possible. So now we are not sure that we want *your religion or your way of living any more.*"

So, you see, we are *weighed in the balance.* And *this moment of history is the test!*

You young Americans under age 25, who now comprise the majority of the nation, are the new and hitherto unknown America. You are to be its producers, consumers, opinion molders, decision makers. You are to be its new image in the world. You are its young adults who will spread around the world in its Peace Corps; you are the ammunition in its War on Poverty. You will be found in the desert places of the earth, on its barren mountains, in its verdant jungles serving the needs of all God's children. You will man the laboratories, explore the depths of the seas and the reaches of space, stand in the doorways of learning, persist in the places of healing, manage the factories and farms, uphold and strengthen the systems of justice, fashion tomorrow's headlines.

Never has a class been sent into such a dangerous world, and never with such magnificent opportunities. Affairs are man-size, soul-size, full-size. They ought to be just right for you!

May God grant you the wisdom and courage for the facing of this hour when the world still looks with hope to you and your nation for the spiritual leadership in creating the foundations of peace.

"Fearless and unconquerable Gentleness,
Touch, calm, and embolden us,
And all men.
Take from our frightened hands the bomb
and bayonet;
Arm us with spirit instead.

"Arm us with compassionate faith in one
another,
By the courage of our faith in Thee;
That where we come in every land,
Life will enter, and *not death!*"

—Poem by Sarah Cleghorn.

Citation Read by President Lloyd Bertholf at Illinois Wesleyan University Upon the Conferring of the Degree of Doctor of Humanities on Annalee Kyger Stewart

Annalee Kyger Stewart, distinguished alumna of the Class of 1921 and a recognized leader in the development of a world conscience for peace and freedom and social justice, your Alma Mater is glad this day to honor you.

A native of the City of Bloomington, you grew up here in a home near this campus where many Wesleyan students were housed through the years, and when the time came for college it was only natural that you should come to this University. Those were the days of the young Student Volunteer Movement, and you were much attracted and inspired by the idealism and optimism of that movement. In fact, it was the great 1923 convention of that movement, and the leaders which you and your husband met there, that sparked your resolve to devote your life to the elimination so far as possible of the causes of war and the establishment of social justice.

You soon found a vehicle for your efforts in the Women's International League for Peace and Freedom, founded only a few years before by Jane Addams, and your entire career since about 1924 has revolved about this

> world-wide organization. It has taken you into every part of this country and into twenty-two other countries. Since World War II alone you have made ten trips to Europe and one to the Far East conferring with government officials, church leaders of all faiths, labor leaders, soldiers, students, news correspondents, educators, and ordinary citizens, attending conferences, giving lectures, always seeking to find ways of easing tensions, building up mutual trust, reducing armaments, encouraging minority groups, and building up popular support for movements designed to stop war and bring greater social justice. Meanwhile, for most of the last twenty years you have been lobbying for peace legislation in Washington, and have become one of the best known figures around the Congressional halls. Meanwhile, also, you have become an ordained minister of the Methodist church and have come into great demand as a preacher and lecturer.
>
> Because of the great influence you have exerted in behalf of world peace and freedom, because of your persistent and undiscourageable good will, and because of the fame that has come to you as an Illinois Wesleyan alumna, your Alma Mater desires to honor you. Therefore, by authority of the State of Illinois vested in the Trustees of this University, and by vote of that body, I am authorized to admit you to the degree of doctor of humanities in this University, and to declare you entitled to all the honors, rights, and privileges to that degree appertaining.

TRIBUTES

Mr. DIRKSEN. Mr. President, the instant President of the United States, when he was the majority leader, would often say, either in his office or mine, that the U.S. Senate was a two-way street; its prime function was to serve the national interest, and it had to function in that fashion, and that it could function only when there was that degree of cooperation between the leadership on both sides to bring it about.

MIKE MANSFIELD, in his high degree, has certainly carried out that objective. He has brought to the leadership his sense of mission and responsibility and a tolerance and a humility that have never been equaled or exceeded, in my judgment. It is because of that rare understanding that he has, his slowness to anger, and his readiness to cooperate to the full, that has made it possible to go through this session when nerves were taut, when irritation was in the air, and when it could have exploded many times. And to him I express now my personal appreciation and that of my party.

My party has been good to me. They have been jubilant when they have followed in my leadership in some kind of victory. They have cheerfully rebuffed me when they did not follow that leadership. And I could never complain. And so to everyone of them I express my undying gratitude.

I am glad that at long last the final curtain of the first session of the 90th Congress will now soon come down. It is now more than 2 months ago that I forecast, out of the top of my head, that we would adjourn on the 15th of December. Well, we have gotten pretty close to it, I would say. I own to no mysterious extrasensory perception of any kind which makes that possible. At best I can only justify it as a guess, but I am so glad that we made it a week before Christmas.

I am frank to say that I do not particularly share the feelings of my distinguished friend from Oregon. Who knows? A man may be wanting to get to an out-of-the-way place on the Atlantic coast, or it could even be on the Pacific coast, and by getting away in time it may make the difference of rejoining his family or friends by a day or a day and a half. Well, a day or a day and a half in the life of an individual and those companionable contacts he has is important. In the life of the Senate, I suppose we can afford a day and a half. And so I quarrel with no man if he feels he must get away on a given hour, particularly on a Friday, when we come to what we think is the end of the workweek.

I have been working, in a moderate fashion, for a sort of 4-day week, which is to say that thus far we have taken no action on the Monday holiday bit. But when we do, we will devote 3 days to the holidays and 4 days to regular business. So it makes it a 4-day week.

Well, distressingly enough, that obtains only for five or six holidays, and there are 52 weeks in the year. I suppose my little committee, of which I am proud, and which has the greatest legislative record in the U.S. Senate, and which has exclusive jurisdiction over charters, holidays, ceremonies, and celebrations, must get busy in 1968 and remedy this difficulty, and then everybody will be happy. I indicated some doubt about adjourning as smoothly as we did and as quickly as we did, but I knock on wood, like I do when I am invited to a meeting somewhere in the land, and after hazardous transportation, I finally get there.

I am a little like that man who married a very foolish and nagging wife. She nagged him from the day of wedlock until she was gathered into the bosom of Abraham.

Mr. President, that is a polite way of saying she died.

When they had the ceremony at the graveside, there came a jagged bolt of lightning in the sky, and there came a rolling peal of thunder. The bereaved husband contemplated this phenomenon for a moment, and finally, looking at the minister, tapped him on the shoulder and said, "Parson, I think she made it."

And so, Mr. President, we made it. I could take a lot of time to review the session, but I think I ought to put in a commercial here—a plug for myself and my party—because, at the hour of 7 o'clock, there will be on all the networks a 30-minute presentation in response to what our distinguished President had to say in Miami Beach. That, as you know, Mr. President, was the speech where he talked about the wooden soldiers and the status quo.

I heard two fellows arguing outside. One said to the other, "Joe, what is that business, that status quo that they are talking about?"

The other said, "Don't you know?" He said, "That's the Latin for the helluva fix we're in."

So we thought we ought to talk a little about the wooden soldiers and the status quo, and that old buggy running down hill.

He did not mention old Dobbin, but, you know, it is an interesting thing how often that old buggy has been summoned to haul the 500 horsepower "Great Society Special" out of the mudhole. [Laughter.]

But I like that one phrase that the President uses. He says, "I shall advance."

I can just see him, making that forward motion. You see, Mr. President, when you act, as Shakespeare said, you "suit the action to the words."

"I shall advance."

Yes. I was going to say, I hope not on borrowed money and high interest rates, but I had better not say it. [Laughter.]

But sometimes, Mr. President, there is salvation, also, in standing still. In 1842, Abraham Lincoln wrote a letter to a close, personal friend named Joshua Speed; and I guess he did it because Speed had gotten married, and Lincoln was so anxious that this union might succeed that he went back and borrowed a little line from the "Second Book of Chronicles," where it says:

> Stand still, and see the salvation of God.

You know, maybe we can profit a little by that. Sometimes, when we want to advance, maybe, too rapidly for the well-being of the country, let us think for a moment that salvation can also be found when, in meditation, we stand still, and attune our cogitations to that one great creative force that pervades this universe, that accounts for it, that accounts for all human beings, and that accounts for the spirit and the soul that emanates through us.

You know, that story of creation is still a great vision. Everything created—everything—even a garden, without the benefit of the Federal Housing Administration. That was home. But after the Lord had created all living things, and created man, then He gave man one thing. He breathed the breath of life and intelligence, soul and spirit, into him.

Then He said to him, "You shall have dominion over all living things."

Think of that responsibility that human beings have, as a part of mankind, since they were commissioned by God Almighty. We ought to be mindful of it, and when someone, somewhere in the Book, says to stand still, and see the salvation of God, there is merit and virtue in that, also.

So as the curtain comes down—and I do not want anybody to be late for that network broadcast, or my commercial will have been in vain—I say "Au Revoir" to my colleagues on this side, and "Au Revoir" to my colleagues on that side. I wish them all well. I hope they will have a joyous Christmas season, such as it is.

That reminds me of my old high school class teacher. I do not know how long ago that was. It was certainly well over 55 years ago. But it was at the junior-senior dinner, which is one of the great traditions in a small town, that she was asked to utter a toast, and she said she enjoyed the dinner much, such as it was.

Everybody politely tittered.

Then, to recompose herself, she said, "What there was of it," and that, of course, made it worse.

So whatever there was of it, get back, now, to the television sets. I want you to hear about the wooden soldiers and the status quo. [Laughter.]

The PRESIDING OFFICER. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the concurrent resolution (H. Con. Res. 605) authorizing the Speaker of the House and the President of the Senate to sign enrolled bills and resolutions.

TAX ON CIGARS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 901, H.R. 6058, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is H.R. 2516.

Mr. HART. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HART. It is not solely because of the announcement just made from the Chair that I had wanted to join in the tribute to Senator MANSFIELD, but I thank him for that also.

In Michigan, our State motto is in Latin, and the generally accepted translation is something like this: "If you seek a pleasant peninsula, look around you."

I suggest that we in the Senate, with certain modifications, could use that motto. Perhaps it might be modified as follows: "If you seek a good, gentle, and decent man, look at MIKE MANSFIELD."

Just think of the much better world we would see when we looked around us, if all of us had his temperament, his character, all of his qualities. And I include his leadership talents, too. For me it is a wonderful break just to know and be with him.

ADJOURNMENT SINE DIE

Mr. MANSFIELD. Mr. President, I am about to move that the Senate adjourn in accordance with the concurrent resolution agreed to by both Houses, but before doing so, I desire to wish everyone a good Christmas, and to express the hope that peace will come next year.

In accordance with the terms of House Concurrent Resolution 604, I move that the Senate adjourn sine die.

The motion was agreed to; and (at 6 o'clock and 50 minutes p.m.) the Senate adjourned sine die.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED SUBSEQUENT TO SINE DIE ADJOURNMENT

Pursuant to the provisions of House Concurrent Resolution 605, on Monday, December 18, 1967, the Secretary of the Senate received a message from the House of Representatives, which announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, on the following dates:

On December 15, 1967:

H.R. 1141. An act to continue the duty-free status of certain gifts by members of the Armed Forces serving in combat zones, and for other purposes;

H.R. 3031. An act for the relief of Mr. and Mrs. Christos Photinos-Svoronos;

H.R. 6326. An act or the relief of Chrisanthe Savas Karatapanis;

H.R. 7427. An act for the relief of Maria Kolometroutsis;

H.R. 8476. An act to confer U.S. citizenship posthumously upon Pfc. Alfred Sevenski;

H.R. 8547. An act to amend title 10, United States Code, to simplify laws relating to members of the Army, Navy, Air Force, and Marine Corps, and for other purposes;

H.R. 8580. An act to declare that certain lands are held in trust for the Squaxin Island Indian Tribe;

H.R. 10397. An act for the relief of Nguyen Van Be (James Be Roellig);

H.R. 11542. An act for the relief of Marshall County, Ind., and

H.J. Res. 960. Joint resolution establishing that the second regular session of the 90th Congress convene at noon on Monday, January 15, 1968.

On December 16, 1967:

S. 1566. An act to amend sections 3 and 4 of the act approved September 22, 1964 (78 Stat. 990), providing for an investigation and study to determine a site for the construction of a sea-level canal connecting the Atlantic and Pacific Oceans;

H.R. 1341. An act to amend section 701 of title 10, United States Code, to authorize additional accumulation of leave in certain foreign areas;

H.R. 3982. An act to amend section 409 of title 37, United States Code, relating to the transportation of house trailers and mobile dwellings of members of the uniformed services;

H.R. 7819. An act to strengthen, improve, and extend programs of assistance for elementary and secondary education, and for other purposes;

H.R. 10242. An act to amend title 10, United States Code, relating to the authorized strengths by grade for medical and dental officers on active duty in the Army, Navy, and Air Force;

H.R. 11292. An act for the relief of Jung Soo Bok;

H.R. 12080. An act to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes;

H.R. 13893. An act making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes; and

H.R. 14397. An act making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED SUBSEQUENT TO SINE DIE ADJOURNMENT

The VICE PRESIDENT, pursuant to House Concurrent Resolution 605, 90th Congress, first session, on Thursday, December 21, 1967, signed the following bills and joint resolution, which had previously been signed by the Speaker of the House of Representatives:

S. 174. An act for the relief of Dr. Eduardo Gonzalez;

S. 294. An act for the relief of Eloy C. Navarro;

S. 866. An act for the relief of Giuseppe Pacino Biancarosso;

S. 1477. An act to amend section 301 of title III of the act of August 14, 1946, relating to the establishment by the Secretary of Agriculture of a national advisory committee, to provide for annual meetings of such committee;

S. 1566. An act to amend sections 3 and 4 of the act approved September 22, 1964 (78 Stat. 990), providing for an investigation and study to determine a site for the construction of a sea-level canal connecting the Atlantic and Pacific Oceans;

S. 1722. An act to amend the wheat acreage allotment provisions of the Agricultural Adjustment Act of 1938, as amended;

S. 2119. An act for the relief of Dr. Octavio Suarez-Murias;

S. 2153. An act for the relief of Dr. Jose Rafael Montalvo y Urrutibeascoa;

S. 2171. An act to amend the Subversive Activities Control Act of 1950, so as to accord with certain decisions of the courts;

S. 2206. An act for the relief of Dr. Jorge Rolando Guerra-Reyes;

S. 2265. An act for the relief of Christopher Nicholas Rushton;

H.R. 664. An act to amend the Tariff Act of 1930 to provide that bagpipes and parts thereof shall be admitted free of duty;

H.R. 1141. An act to continue the duty-free status of certain gifts by members of the Armed Forces serving in combat zones, and for other purposes;

H.R. 1341. An act to amend section 701 of title 10, United States Code, to authorize additional accumulation of leave in certain foreign areas;

H.R. 3031. An act for the relief of Mr. and Mrs. Christos Photinos-Svoronos;

H.R. 3982. An act to amend section 409 of title 37, United States Code, relating to the transportation of house trailers and mobile dwellings of members of the uniformed services;

H.R. 5575. An act for the relief of Panagiotis Paulus;

H.R. 6326. An act for the relief of Chrisanthe Savas Karatapanis;

H.R. 7427. An act for the relief of Maria Kolometroutais;

H.R. 7819. An act to strengthen, improve, and extend programs of assistance for elementary and secondary education, and for other purposes;

H.R. 8476. An act to confer U.S. citizenship posthumously upon Pfc. Alfred Sevenski;

H.R. 8547. An act to amend title 10, United States Code, to simplify laws relating to members of the Army, Navy, Air Force, and Marine Corps, and for other purposes;

H.R. 8580. An act to declare that certain lands are held in trust for the Squaxin Island Indian Tribe;

H.R. 10242. An act to amend title 10, United States Code, relating to the authorized strengths by grade for medical and dental officers on active duty in the Army, Navy, and Air Force;

H.R. 10397. An act for the relief of Nguyen Van Be (James Be Roellig);

H.R. 11292. An act for the relief of Jung Soo Bok;

H.R. 11542. An act for the relief of Marshall County, Ind.;

H.R. 12080. An act to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes;

H.R. 12505. An act to provide that a District of Columbia public school teacher may retire on a full annuity at age 55 after 30 years of service or at age 60 after 20 years of service, and for other purposes;

H.R. 12961. An act to amend title 37, United States Code, to authorize the nontemporary storage of household effects of members of a missing status;

H.R. 13273. An act to amend the Marine Resources and Engineering Development Act of 1966, as amended, to extend the period of time within which the Commission on Marine Science, Engineering, and Resources is to submit its final report and to provide for a fixed expiration date for the National Council on Marine Resources and Engineering Development;

H.R. 13833. An act to provide that the post office and Federal office building to be constructed in Bronx, N.Y., shall be named the "Charles A. Buckley Post Office and Federal Office Building" in memory of the late Charles A. Buckley, a Member of the U.S. House of Representatives from the State of New York from 1935 through 1964;

H.R. 13893. An act making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes;

H.R. 13933. An act to amend section 103 of title 23, United States Code, to authorize modifications or revisions in the Interstate System;

H.R. 14397. An act making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes; and

H.J. Res. 960. Joint resolution establishing that the second regular session of the 90th Congress convene at noon on Monday, January 15, 1968.

ENROLLED BILLS PRESENTED SUBSEQUENT TO SINE DIE ADJOURNMENT

The Secretary of the Senate reported that, on December 21, 1967, the following bills were presented to the President of the United States:

S. 174. An act for the relief of Dr. Eduardo Gonzalez;

S. 294. An act for the relief of Elroy C. Navarro;

S. 866. An act for the relief of Giuseppe Pacino Biancarosso;

S. 1477. An act to amend section 301 of title III of the act of August 14, 1946, relating to the establishment by the Secretary of Agriculture of a national advisory committee, to provide for annual meetings of such committee;

S. 1566. An act to amend sections 3 and 4 of the act approved September 22, 1964 (78 Stat. 990), providing for an investigation and study to determine a site for the construction of a sea-level canal connecting the Atlantic and Pacific Oceans;

S. 1722. An act to amend the wheat acreage allotment provisions of the Agricultural Adjustment Act of 1938, as amended;

S. 2119. An act for the relief of Dr. Octavio Suarez-Murias;

S. 2153. An act for the relief of Dr. Jose Rafael Montalvo y Urrutibeascoa;

S. 2171. An act to amend the Subversive Activities Control Act of 1950, so as to accord with certain decisions of the courts;

S. 2206. An act for the relief of Dr. Jorge Rolando Guerra-Reyes; and

S. 2265. An act for the relief of Christopher Nicholas Rushton.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION SUBSEQUENT TO SINE DIE ADJOURNMENT

The Secretary of the Senate, on December 27, 1967, received a message from the President of the United States, which announced, that on the dates indicated, he had approved and signed the following acts and joint resolution:

On December 14, 1967:

S. 320. An act to authorize the Secretary of the Army to release certain use restrictions on a tract of land in the State of North Carolina in order that such land may be used in connection with a proposed water supply lake, and for other purposes;

S. 809. An act for the relief of Dr. Youssef (Joseph) Selim Hasbani;

S. 1136. An act to amend section 9 of the act of May 22, 1928 (45 Stat. 702), as amended and supplemented (16 U.S.C. 581h), relating to surveys of timber and other forest resources of the United States, and for other purposes;

S. 1410. An act for the relief of Tran Van Nguyen;

S. 2195. An act to amend the marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended;

S. 2644. An act to amend the Atomic Energy Community Act of 1955, as amended, the Atomic Energy Act of 1954, as amended, and the Euratom Cooperation Act of 1958, as amended; and

S.J. Res. 101. Joint resolution amending title XI of the Merchant Marine Act, 1936, to authorize the Secretary of Commerce to guarantee certain loans made to the National Maritime Historical Society for the purpose of restoring and returning to the United States the last surviving American square-rigged merchant ship, the *Kaiulani*, and for other purposes.

On December 15, 1967:

S. 830. An act to prohibit age discrimination in employment; and

S. 2565. An act to amend the Federal Farm Loan Act and the Farm Credit Act of 1933, as amended, and for other purposes.

On December 18, 1967:

S. 814. An act to establish the National Park Foundation;

S. 2126. An act to amend the Food and Agriculture Act of 1965; and

S. 2247. An act to amend the Merchant Marine Act, 1936, to increase the Federal ship mortgage insurance available in the case of certain oceangoing tugs and barges.

On December 23, 1967:

S. 1785. An act to improve certain benefits for employees who serve in high-risk situations, and for other purposes; and

S. 2388. An act to provide an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs, and for other purposes.

NOMINATIONS

Executive nominations received by the Senate December 15, 1967:

POSTMASTERS

The following-named persons to be postmasters:

FLORIDA

Cecil W. Roseke, Boca Raton, Fla., in place of D. E. McDermott, deceased.

MASSACHUSETTS

William J. Healey, South Yarmouth, Mass., in place of V. D. Morgan, retired.

George Aguiar, Swansea, Mass., in place of J. W. Griffin, transferred.

MICHIGAN

Carol J. Hadley, Shaftsburg, Mich., in place of L. A. Rugg, resigned.

Harold C. Peterson, Deer Creek, Minn., in place of L. W. Ohman, deceased.

NEW YORK

Kathryn B. Talbot, Chaumont, N.Y., in place of J. T. Van Doren, retired.

OKLAHOMA

Ivan W. Cleek, Arcadia, Okla., in place of G. M. Crabb, retired.

SOUTH CAROLINA

James Woodrow Wilson, Aiken, S.C., in place of Henry Summerall, retired.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 15, 1967:

DEPARTMENT OF THE INTERIOR

Max N. Edwards, of New Mexico, to be an Assistant Secretary of the Interior.

INDIAN CLAIMS COMMISSION

The following-named persons to be Commissioners of the Indian Claims Commission:

John T. Vance, of Montana.
Richard W. Yarborough, of Texas.
Jerome K. Kuykendall, of Virginia.

DEPARTMENT OF STATE

Charles E. Bohlen, of the District of Columbia, a Foreign Service officer of the class of career ambassador, to be a Deputy Under Secretary of State.

POSTMASTERS

ALABAMA

June M. Turnipseed, Mathews.

CALIFORNIA

Geraldine M. Glassgow, Butte City.
Margaret M. Smith, Ferndale.
Floyd D. Ziegler, Orangevale.
Rosemary M. Cox, Running Springs.
Donald Risso, San Bruno.
William J. Ingle, Wilmington.

COLORADO

James A. Barrett, Mancos.

FLORIDA

Corrine M. Collier, Crescent City.
Mary C. Hurst, Glen St. Mary.

GEORGIA

Charlie T. Kellogg, Canton.

KANSAS

Creston C. Kern, Mayetta.

MASSACHUSETTS

Mary E. Forbes, North Bellingham.

MINNESOTA

Carter G. Randall, Ashby
Robert L. Anderson, Kasson.

MISSOURI

Robert E. Erwin, Greentop.

MONTANA

Warren H. Davis, Anaconda.
Thomas J. Hatten, Joliet.

NEW HAMPSHIRE

Michael B. Marchetti, Enfield.

NEW JERSEY

Raymond South, Jr., Kendall Park.
Charles J. Langmaack, Metuchen.

NEW YORK

William H. Boening, Franklin.
John F. Sweeney, Glen Cove.
Kendall E. Barnes, Islip.
Charles F. Ihle, Seaford.
Alben Klos, Stony Brook.
Wilfred E. Batt, Waterport.

NORTH CAROLINA

J. Paul Haynes, Sr., McLeansville.

NORTH DAKOTA

Warren R. Boots, Emmet.

OHIO

Virgil H. Fritz, Port Clinton.
Berl R. Weimer, Rudolph.

OKLAHOMA

George W. Armstrong, Marlow.

PENNSYLVANIA

Herbert W. Roser, Ardmore.
Frederick O. Hesse, Fort Washington.
Floyd F. Frederick, New Enterprise.
Anthony J. Marcolivio, Ridgeway.

William E. Start, Sewickley.
Wilson U. Allebach, Worcester.

SOUTH CAROLINA

Daniel L. Koth, Beaufort.
Theodore G. Scholtes, Neeses.

TENNESSEE

Richard F. Knight, Jonesboro.
Charles H. Kreis, Lancing.

TEXAS

Marjorie M. Keeling, Avery.
Milburn E. Ray, Ector.
William A. Keith, Jr., Eddy.
Oran T. Gray, Florence.
Clarence J. Rehm, Hallettsville.
F. Charles Laffoon, Iraan.
Robert E. Ligon, Loving.
Charles C. Franklin, Mount Pleasant.
Herbert R. Mutschler, Nordheim.
Norman S. White, Riesel.
Joseph C. Sullivan, San Marcos.

VERMONT

James A. Bouvier, Bristol.
Allen C. Sweatt, Craftsbury Common.

VIRGINIA

Pearle B. Miller, Lightfoot.

WASHINGTON

Lloyd I. Larson, Peshastin.
John P. Yarr, Quilcene.

WEST VIRGINIA

James R. Beavers, Pineville.

WISCONSIN

James P. Hillyer, Necedah.
Reuben Vandenbush, Oconto Falls.
Melvin C. Paulson, Prairie Farm.
Boyd Brown, Rewey.

POSTMASTERS

ARKANSAS

Ola M. Leach, Mount Vernon.

GEORGIA

Lura M. Long, Cataula.

IOWA

Robert L. Toomer, Delhi.

MAINE

Joseph D. Mayo, Millinocket.

MICHIGAN

Lloyd A. Newland, Tekonsha.

MINNESOTA

Patrick J. Donnelly, Lakeville.

MONTANA

Wayne G. Casman, Fort Harrison.

NEW JERSEY

Alberta J. Stoddard, Green Village.

NEW YORK

John J. Portanova, Purchase.

OKLAHOMA

Ivan W. Cleek, Arcadia.

TEXAS

Margrette M. Alford, May.

HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Glory to God in the highest and on earth peace, good will among men.—Luke 2: 14.

O God, our Father, who hast taught us in Thy word that we should always pray and never lose heart—we come to Thee for help which Thou alone canst give.

Some of us are weary—may we find rest in Thee. Some of us are anxious and troubled about many things—may we find Thy grace sufficient for every need. Some of us are tempted, sorely tempted—may we find in Thee strength not only to resist but to overcome.

Give us grace to put our trust in Thee and to go forth in the direction of Christmas with the assurance that Thou art with us and amid the troubles and trials of daily living may we find strength for the day, rest for the night, and peace in our hearts.

Grant unto us and unto all men this Christmastide the blessings of Thy grace and the benediction of Thy spirit. May good will live in all our hearts and in the heart of all our people. In the name of Him whose birthday we celebrate we pray.

May the Lord bless us and keep us; the Lord make His face to shine upon us; the Lord lift the light of His countenance upon us and give us peace. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

PRINTING OF COMMITTEE ACTIVITY REPORTS

Mr. BURLESON. Mr. Speaker, with reference to the printing of committee activity reports for the session, I wish to remind the chairmen of all committees that the Joint Committee on Printing has very properly ruled that the printing of such reports both as committee prints and in the RECORD is duplication, the cost of which cannot be justified.

It is requested that committee chairmen decide whether they wish these reports printed as committee prints or in the RECORD since the Government Printing Office will be directed not to print them both ways.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 13273. An act to amend the Marine Resources and Engineering Development Act of 1966, as amended, to extend the period of time within which the Commission on Marine Science, Engineering, and Resources is to submit its final report and to provide for a fixed expiration date for the National Council on Marine Resources and Engineering Development; and

H.R. 13933. An act to amend section 103 of title 23, United States Code, to authorize modifications or revisions in the Interstate System.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 827. An act to amend the Presidential Inaugural Ceremonies Act;

H.R. 1341. An act to amend section 701 of title 10, United States Code, to authorize additional accumulation of leave in certain foreign areas;

H.R. 3982. An act to amend section 409 of title 37, United States Code, relating to the transportation of house trailers and mobile dwellings of members of the uniformed services; and

H.R. 10242. An act to amend title 10, United States Code, relating to the authorized strengths by grade for medical and dental officers on active duty in the Army, Navy, and Air Force.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2171) entitled "An act to amend the Subversive Activities Control Act of 1950 so as to accord with certain decisions of the courts."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1245. An act to authorize the Commissioner of the District of Columbia to lease airspace above and below freeway rights-of-way within the District of Columbia, and for other purposes;

S. 1246. An act to authorize the Commissioner of the District of Columbia to enter into leases for the rental of, or to use or permit the use of, public space in, on, over, and under the streets and alleys under his jurisdiction, other than freeways, and for other purposes; and

S. 1902. An act for the relief of Greene County, Miss.

PERMISSION FOR THE SPEAKER TO DECLARE A RECESS ANY TIME THIS WEEK

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that for the balance of this week it may be in order for the Speaker to declare a recess at any time subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

BILL OF RIGHTS

Mr. DORN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN. Mr. Speaker, I call the attention of the House today that today is the day we commemorate the adoption of the Bill of Rights guaranteeing peaceful assembly and the other basic rights enjoyed by American citizens.

Mr. Speaker, today December 15, is the day in 1791 when the Commonwealth of Virginia ratified the Bill of Rights as amendments to the Constitution of the United States. At the first session of the Congress in New York, September 25, 1789, 12 amendments were submitted to the States to spell out certain individual and State rights not named in the Constitution. The Bill of Rights was influenced largely by the Declaration of Rights of Virginia, written by George Mason. In the First Congress, James Madison, of Virginia, "the Father of the Constitution" was one of the principal exponents of the Bill of Rights. Today it is "fitting and proper" that we pause to commemorate the adoption of perhaps the greatest guarantee of individual freedom in all the history of the world.

Mr. Speaker, I wish to call to the attention of my colleagues that the Bill of Rights only guarantees "peaceful assembly." Nowhere in our sacred documents do we guarantee disorderly assembly. It is necessary for the preservation of democracy for freedom loving people to be disciplined and restrained—yet to protect the individual and property rights of others. Of course, Mr. Speaker we have the right to dissent but only in an orderly fashion—to do otherwise would be a mockery of freedom and would lead to anarchy and chaos. It would be well for each of us to read and re-read on this day our Bill of Rights.

STATE DEPARTMENT AND PASSPORTS

Mr. HAYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS. Mr. Speaker, there are some days that you have just got to feel sorry for the State Department Passport Division. They no sooner get Stokely Carmichael's passport picked up than they got another fellow with a passport in Vietnam, a Member of another body, with a pistol pointing this way while he is looking the other way mugging for the news cameras.

Then you have the Governor of Michigan running around in Europe, especially in England, where there is a terrific, serious outbreak of hoof and mouth disease—and on the basis of his record he has just got to be a carrier—you would think that they might have to pick up his passport.

As I say, there are days when you have just got to feel sorry for the State Department and this day is one of them.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I know that the gentleman is going to make a great contribution to my speech, so I just have to yield to him.

Mr. GROSS. Has the gentleman given consideration to the thought that this fellow's trip to Vietnam might be for the purpose of laying the foundation to provide hazardous pay for Members of the other body?

Mr. HAYS. Well, there is that possibility. As I said yesterday, any fellow who can take his wife out there and put her on a front where we have 500,000 troops who cannot have their families with them at Christmas might very likely do almost anything—and there is no question that it is bad judgment.

WARNING AGAINST ESCALATION OF WAR IN VIETNAM

Mr. DOW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DOW. Mr. Speaker, at the close of this session someone ought to leave a message warning against further escalation of the war in Vietnam. Someone should warn against the danger and the harvest of damage all over this world and the problem of dealing with it.

I think we should rethink whether or not our national interest is truly at stake in Vietnam because we are not defeating communism in its seats of power or in the minds of the people in the underprivileged nations.

All we are doing is sowing seeds of war amongst hungry men, and this will not be forgotten. It is neither practical nor moral, and if we live on in that way, it will be to our eternal shame.

JOYOUS CHRISTMAS ON THE NEW HAVEN

Mr. MONAGAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MONAGAN. Mr. Speaker, I am happy to announce a Christmas present in the form of today's announcement by the White House of substantial financial assistance for the New Haven Railroad.

In fact three Christmas presents were announced today for the bankrupt New Haven, as promised by President Johnson when he was in Connecticut last summer.

Secretary Weaver of HUD stated that the New Haven Railroad will receive a $28 million mass transit grant for equipment.

Secretary Boyd of DOT announced a $500,000 grant to speed-up work on the New Haven's right-of-way for planned high-speed rail service.

The Federal Government said that it will defer collection of certain installments on a debt contracted to repair flood damage.

These three actions, together with the imminent termination of litigation and the prospective merger with Penn-Central will provide the New Haven with increased authority to borrow funds and permit this long-troubled line to negotiate the premerger period with success.

Having continually urged the Attorney General to speed litigation which is holding up the life-saving merger between the Pennsylvania, New York Central, and New Haven railroads, I am particularly pleased with this turn of events. I applaud the Federal agencies for their faith in the future of the New Haven, and for their recognition of the importance of safe, reliable, and economically sound rail service throughout the southern New England States.

AUTHORIZED STRENGTHS BY GRADE FOR MEDICAL AND DENTAL OFFICERS ON ACTIVE DUTY IN THE ARMY, NAVY, AND AIR FORCE

Mr. RIVERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 10242), to amend title 10, United States Code, relating to the authorized strengths by grade for medical and dental officers on active duty in the Army, Navy, and Air Force, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 10, strike out all after "grades" over to and including "captain" in line 1 on page 2 and insert "below brigadier general".

Page 2, line 14, strike out "above lieutenant" and insert "below rear admiral".

Page 3, line 5, strike out "above captain" and insert "below brigadier general".

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. HALL. Mr. Speaker, reserving the right to object—and I shall not object—I wonder if the distinguished chairman of the Committee on Armed Services would explain the import of these Senate amendments to the Members.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. HALL. I am delighted to yield to my chairman.

Mr. RIVERS. To begin with, the amendments are germane to the bill.

Mr. Speaker, the House on August 7, 1967, passed H.R. 10242 and referred it to the Senate for action.

The House-passed bill reflected favorable action on a Department of Defense legislative recommendation which had the purpose of providing increased promotion opportunity for medical officers of the military departments.

The Committee on Armed Services, with the ultimate concurrence of the House, amended this Department of Defense proposal to extend the same benefits to dental officers of the uniformed services and also to permit this increased promotion opportunity to extend to general and flag officer grades as well as all grades below general officer rank.

The Senate on December 14, 1967, concurred in the House action with an amendment, however, to limit this increased promotion opportunity to medical and dental officers below the grade of brigadier general and rear admiral.

The Senate action, therefore, with the exception just noted, reflects complete concurrence with the House action.

In view of these circumstances and because of the critical need to enact legislation which will provide increased career opportunities for these professional officers to insure their retention in the military departments, I recommend House concurrence in the Senate amendments.

Mr. HALL. Mr. Speaker, I thank the gentleman.

This is a critical area, and we are losing many of the specialist medical officers. I am sorry the Senate, under some sort of "ceiling" they apply, did not allow the bill to go through, but because this is indeed part of the package for promotion and retention and enhancement of the doctors in the services as a whole, which the distinguished chairman and the committee have brought out in advance, I withdraw my reservation of objection. Again I compliment the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

AUTHORIZING ADDITIONAL ACCUMULATION OF LEAVE IN CERTAIN FOREIGN AREAS

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 1341) to amend section 701 of title 10, United States Code, to authorize additional accumulation of leave in certain foreign areas, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 2, line 8, strike out "June 30, 1966" and insert "January 1, 1968".

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE of Illinois. Mr. Speaker, this bill would allow a member of the Armed Forces to accumulate more than 60 days of leave if the member has served more than 120 days in a foreign area where there is hostile activity.

The bill as it passed the House contained an effective date of June 30, 1966. The Senate amendment eliminates the retroactive date and makes the act effective January 1, 1968.

I am advised that the Department of Defense is willing to accept the Senate amendment. Therefore, I ask that the House approve the bill as amended by the Senate.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

TRANSPORTATION OF HOUSE TRAILERS AND MOBILE DWELLINGS OF MEMBERS OF THE UNIFORMED SERVICES

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 3982), to amend section 409 of title 37, United States Code, relating to the transportation of house trailers and mobile dwellings of members of the uniformed services, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Strike out all after the enacting clause and insert:
>
> "That the second sentence of section 409 of title 37, United States Code, is amended by striking out '51 cents' and inserting in lieu thereof '74 cents'."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. HALL. Mr. Speaker, reserving the right to object, I simply want to register repulsion at the act of the other body in putting this body in a "squeeze," since there is no time in order to effectuate the good intent of this bill, as passed by the House under the leadership of the distinguished chairman of the subcommittee, Mr. PRICE of Illinois, the committee on which I am privileged to serve in a joint conference. This knocks out all other benefits of the so-called armed services trailer bill, and it also changes the effective date.

Those who have performed travel on return from overseas or on permanent change of station, should not have to wait for proper reimbursement. I know that it is claimed by the transportation departments of the various services that this will cover upward of 90 percent of the costs for all those who travel in trailers—most of whom do so at the request of and for the convenience of the Government, especially in the last few years when we have been short on family and dependent housing on post.

The bill as passed by the House of Representatives would certainly have been a better bill. I agree with the chairman in his action in bringing it up and accepting the Senate amendments here on the last day of this session, rather than putting it over to the second session of this Congress. I hope we can again give consideration to the other five components of the bill as passed by the House in our committee in the future and then insist on our position.

Mr. Speaker, once again I decry the Senate report, paragraph 4, page 3, where they rationalize their position on the basis of expense being greater than cost of equipment in a few years, and with so many moves.

The paradoxical and utter ridiculousness of this situation is that the same thing could be applied to the purchase of any serviceman's furniture or the repeated transporting of same on permanent change of station, or, indeed, the storing of it in warehouses while he is overseas, which has long been a custom and tradition in the service.

Mr. PRICE of Illinois. Mr. Speaker, will the gentleman yield?

Mr. HALL. I yield to the distinguished chairman.

Mr. PRICE of Illinois. I agree with the gentleman completely. I regret that the bill is not being considered today for final approval on the basis of the legislation which came from the House Armed Services Committee.

The bill as passed by the House would—

Remove the present limitation of 51 cents per mile payable for transporting trailers when the Government makes arrangements by commercial means for this transportation;

Permit the payment of a dislocation allowance when a trailer is moved at Government expense;

Permit a member of a uniformed service to ship both a trailer and household goods and baggage when the member is ordered overseas or returns from overseas;

Limit the allowable cost of moving the trailer to what it would cost the Government to move the maximum weight of household goods and baggage for a person of the same military grade; and

Allow the member to be reimbursed for tolls, charges, and permits fees when the Government does not arrange for the transportation by commercial means and the member makes his own personal arrangements.

The Senate amendment deletes the benefits provided in the House bill and merely increases the current monetary ceiling from 51 cents per mile for the movement of household trailers to 74 cents per mile.

According to the Senate report the new statutory ceiling would fully reimburse more than 90 percent of the trailer owners for the cost of moving their mobile homes when transferred to another permanent station.

While the House Armed Services Committee is not completely happy with the Senate version of the bill, because of the lateness of this session and our desire to obtain some relief for those presently experiencing loss of money upon a permanent change of station, we recommend the adoption of the Senate amendment.

Mr. HALL. I compliment the gentleman and the committee for trying to be of service to the servicemen here at Christmastide.

Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

FOREIGN ASSISTANCE APPROPRIATIONS, 1968—CONFERENCE REPORT

Mr. PASSMAN. Mr. Speaker, I call up the conference report on the bill (H.R. 13893) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

Conference Report (H. Rept. No. 1046)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13893) "making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 4, 8, 26, and 29.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 5, 9, 11, 13, and 28, and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,250,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$130,000,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$80,000,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$389,000,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "$330,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$435,000,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$55,300,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$400,000,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$8,000,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$107,500,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,672,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 10, 19, 20, 22, 23, and 25.

Otto E. Passman,
John J. Rooney,
Julia Butler Hansen,
Jeffery Cohelan,
Clarence D. Long,
George Mahon,
Garner E. Shriver,
Silvio O. Conte,
Managers on the Part of the House.

John O. Pastore,
Carl Hayden,
Warren G. Magnuson,
Spessard L. Holland,
Mike Monroney,
Margaret Chase Smith,
Milton R. Young,
Karl E. Mundt,
Managers on the Part of the Senate.

Statement

The managers on the part of the House at the further conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13893) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—FOREIGN ASSISTANCE

Funds Appropriated to the President

ECONOMIC ASSISTANCE

Amendment No. 1.—*Technical Cooperation and Development Grants:* Appropriates $180,000,000 as proposed by the House instead of $210,000,000 as proposed by the Senate.

Amendments Nos. 2 and 3.—*Technical Cooperation and Development Grants:* Delete language proposed by the House and insert language proposed by the Senate which provides $20,000,000 for family planning activities without prior justification to the Congress.

Amendment No. 4.—*American Schools and Hospitals Abroad:* Appropriates $11,500,000 as proposed by the House instead of $10,620,000 as proposed by the Senate.

Amendment No. 5.—*American Schools and Hospitals Abroad (Special foreign currency program):* Corrects the spelling of the name of one of the institutions as proposed by the Senate.

Amendment No. 6.—*Surveys of Investment Opportunities:* Appropriates $1,250,000 instead of $1,000,000 as proposed by the House and $2,000,000 as proposed by the Senate.

Amendment No. 7.—*International Organizations and Programs:* Appropriates $130,000,000 instead of $125,000,000 as proposed by the House and $141,000,000 as proposed by the Senate.

Amendment No. 8.—*Supporting Assistance:* Appropriates $600,000,000 as proposed by the House instead of $610,000,000 as proposed by the Senate.

Amendment No. 9.—*Contingency Fund:* Deletes language proposed by the House reappropriating the unobligated balance in the Contingency Fund, which is dealt with in amendment number 10.

Amendment No. 10.—*Contingency Fund:* Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur with the language proposed by the Senate which reappropriates all unobligated balances and gives the agency the authority to deobligate and reobligate funds.

Amendments Nos. 11 and 12.—*Alliance for Progress, Technical Cooperation and Development Grants:* Insert proper section number as proposed by the Senate, and appropriate $80,000,000 instead of $75,000,000 as proposed by the House and $100,000,000 as proposed by the Senate.

Amendments Nos. 13 and 14.—*Alliance for Progress, Development Loans:* Insert proper section number and appropriate $389,000,000 instead of $370,000,000 as proposed by the House and $478,000,000 as proposed by the Senate.

Amendment No. 15.—*Alliance for Progress, Partners of the Alliance:* Appropriates $330,000 instead of $714,000 as proposed by the Senate.

Amendment No. 16.—*Development Loans:* Appropriates $435,000,000 instead of $400,000,000 as proposed by the House and $600,000,000 as proposed by the Senate.

Amendment No. 17.—*Administrative Expenses, AID:* Appropriates $55,300,000 instead of $55,800,000 as proposed by the House and $54,800,000 as proposed by the Senate.

MILITARY ASSISTANCE

Amendment No. 18.—*Military Assistance:* Appropriates $400,000,000 instead of $365,000,000 as proposed by the House and $510,000,000 as proposed by the Senate.

Amendment No. 19.—*Military Assistance:* Reported in technical disagreement. The managers on the part of the House will offer a motion to insert language similar to that proposed by the House together with a provision that the President may use such funds when he determines that the furnishing of sophisticated weapons to under-developed countries is vital to the national security of the United States and reports within 30 days each determination to the Congress.

GENERAL PROVISIONS

Amendment No. 20.—*Section 106:* Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur with the language proposed by the Senate.

Amendment No. 21.—*Section 113:* Places a limitation of $8,000,000 on the appropriations contained in title I of the bill which may be used for research activities instead of $5,000,000 as proposed by the House and $10,000,000 as proposed by the Senate.

Amendment No. 22.—*Section 119:* Reported in technical disagreement. The managers on the part of the House will offer a motion to insert language similar to that proposed by the House together with a provision that an equivalent amount of economic assistance need not be withheld when the President determines that purchases and acquisitions of sophisticated weapons by underdeveloped countries is vital to the national security of the United States and reports within 30 days each determination to the Congress.

Amendment No. 23.—*Section 119:* Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur with an amendment changing the section number.

TITLE II—FOREIGN ASSISTANCE (OTHER)

Amendment No. 24.—*Peace Corps:* Appropriates $107,500,000 instead of $105,000,000 as proposed by the House and $110,000,000 as proposed by the Senate.

Amendment No. 25.—*Assistance to Refugees in the United States:* Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur with the Senate amendment.

Amendment No. 26.—*Migration and Refugee Assistance:* Appropriates $5,500,000 as proposed by the House instead of $5,000,000 as proposed by the Senate.

TITLE III—EXPORT-IMPORT BANK

Amendment No. 27.—*Limitation on Program Activity:* Provides that not to exceed

$2,672,000,000 shall be available for the lending program of the Bank instead of $2,550,000,000 as proposed by the House and $2,850,000,000 as proposed by the Senate.

Amendment No. 28.—*Limitation on Administrative Expenses:* Provides that not to exceed $12,000 shall be available for entertainment allowances of the Board of Directors of the Bank as proposed by the Senate instead of $9,000 as proposed by the House.

TITLE IV—GENERAL PROVISIONS

Amendment No. 29.—*Section 404:* Deletes language proposed by the Senate.

OTTO E. PASSMAN,
JOHN J. ROONEY,
JULIA BUTLER HANSEN,
JEFFERY COHELAN,
CLARENCE D. LONG,
GEORGE MAHON,
GARNER E. SHRIVER,
SILVIO O. CONTE,
Managers on the Part of the House.

Mr. PASSMAN (during the reading), Mr. Speaker, I ask unanimous consent that further reading of the statement of the managers on the part of the House be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The SPEAKER. The gentleman from Louisiana is recognized for 1 hour.

Mr. PASSMAN. Mr. Speaker, certainly we shall not use the full hour to which we are entitled. We hope we will not take over possibly 1 or 2 minutes at the most.

We fully debated the conference bill yesterday before the conference report was recommitted. At the conference late yesterday afternoon the other body yielded an additional $20 million—$15 million in the development loan appropriation and $5 million in the Alliance for Progress development loan appropriation.

The revised conference report on title I of the bill—the mutual security part—with which we return to the House today for your consideration is for $2,295,635,000. This is only $99,080,000 above the bill that passed the House, but it is $434,754,000 below the appropriation bill that passed the other body. It is over $505 million below what the Congress authorized a few weeks ago.

We believe that this is a good conference report. We believe it is the best possible agreement we can obtain.

A summary table of the bill is as follows:

FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATION BILL, 1968 (H.R. 13893)

	Appropriation, 1967	Budget estimates, 1968	House bill	Senate bill	Conference action	Conference action compared to—			
						Appropriation, 1967	Budget estimates, 1968	House bill	Senate bill
Total, title I, foreign assistance	$2,936,330,500	$3,226,420,000	$2,196,555,000	$2,730,389,000	$2,295,635,000	−$640,695,500	−$930,785,000	+$99,080,000	−$434,754,000
Total, title II, foreign assistance (other)	557,038,000	592,316,000	578,456,000	582,956,000	580,956,000	+23,918,000	−11,360,000	+2,500,000	−2,000,000
Total, title III, Export-Import Bank	(2,712,503,000)	(2,854,190,000)	(2,554,190,000)	(2,854,190,000)	(2,676,190,000)	(−36,313,000)	(−178,000,000)	(+122,000,000)	(−178,000,000)
Grand total, all titles	3,493,368,500	3,818,736,000	2,775,011,000	3,313,345,000	2,876,591,000	−616,777,500	−942,145,000	+101,580,000	−436,754,000

Mr. Speaker, I should now like to yield to the distinguished gentleman from Kansas, the ranking Republican minority member of the subcommittee, who also signed the conference report.

Mr. SHRIVER. Mr. Speaker, I concur and I agree on the results of the conference. I feel that this is the very best compromise that can be effected. I support the bill as it is now in the conference report.

I want to commend the leadership of this conference and of the committee on the cooperation obtained and the work that has been done.

Mr. CONTE. Mr. Speaker, I just want to take this opportunity to state that I believe we have achieved a good conference report which deserves the full support of the Members of this body.

As is always the case in a conference nobody gets everything that they wanted. But considering all of the circumstances it is my view that we have brought to this body a bill as close to our original position as we could have achieved.

I urge the Members of this House to adopt our conference report.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the distinguished gentleman from Iowa for a question.

Mr. GROSS. This bill, taking into account the unobligated funds made available, is still something like $180 million above the figure as the bill left the House; is that not correct?

Mr. PASSMAN. That is not correct.

Mr. GROSS. Well, you tell me about it.

Mr. PASSMAN. I will be pleased to do so, if the gentleman wants to delay the approval of this conference report.

Many of the items we discussed yesterday represented items that the House had previously approved when it passed the appropriation bill. Now, there are two additional items in this conference report. One, we yielded on $31 million additional in unobligated funds. Two, there is an item that we refer to as "DEOBS," which means it is possible for the agency to conclude a contract and still have an overrun. The overrun makes funds available for deobligation. At other times they find that they may have obligated funds to a project and then found another project with a higher justification of priority. They deobligate those funds and allocate that money to the more desirable project. There are the kind of items that can result in deobligations and the agency has no idea as to what they will amount to until the end of the year. The present estimate furnished to us by the AID agency is that during fiscal year 1968 they anticipate there will be some $48,055,000 of funds in annual appropriation accounts that will be deobligated and reobligated for other projects. It is only an estimate. It may be too high; it may be too low. Next June 30 will be the day we know how accurate the estimate is.

Mr. GROSS. Will the gentleman yield further?

Mr. PASSMAN. Yes.

Mr. GROSS. In view of the fact that we have spewed out $152 billion around the world since this foreign aid boondoggle was started; in view of the fact that we can look around the world and find all too little accomplishment for this $152 billion, and in view of the desperate debt, deficit, and inflation situation in this country today, I say to the gentleman that this bill ought to have been cut this year far below what it presently is. Certainly, if we are in possession of our senses next year, we will refuse to appropriate any new program money, use up the pipeline, and then forget about it.

Mr. PASSMAN. Mr. Speaker, I thank the gentleman for his contribution.

Mr. COHELAN. Mr. Speaker, yesterday in one of the most exasperating moments of this long session the House voted to reject the conference report on the foreign aid appropriation bill. The conference had reported out the lowest foreign aid appropriation in the history of the program. Many of us felt that this sum was very much too small, but we supported the conference amounts in deference to the views of our colleagues.

However, Mr. Speaker, the House rejected this minimum bare-bones report.

Later on in the day we reconvened the conference and after much earnest debate we agreed to reduce the appropriation by $20 million. Mr. Speaker, I deplore this cut.

The bill was already the most meager in history—and it comes at a time when there are more poor and hungry people in the world than ever before—when the major threat to world peace is not so much ideological differences as the growing disparity of the rich and the poor nations of the world.

The conference cut is deplorable too because it comes in one of the most vital parts of the program—development loans. Rather than cutting the military assistance program which is fostering the prestige and power of the military in developing nations much in need of countervailing civilian forces, the conference has cut the forward looking economic assistance program.

Mr. Speaker, I signed the conference report not because I think it is good, but because it appears to be the best that can be done in the circumstances. However, I will put my colleagues on notice that I intend to work diligently for increased appropriations for foreign assistance in the next session of the Congress.

Mr. Speaker, if we are to preserve a world worth living in, we must think bigger and do more in connection with the problems of the poor and developing nations of the world. Next session will not be too soon for this Congress to begin doing just this.

Mr. LLOYD. Mr. Speaker, unlike the

majority of my constituents who have written or talked to me on the subject, I am not opposed to the continuance of the foreign aid program, and I must trust to their fairness to realize that I have given great study to this subject and believe that our decision as to whether to continue to extend military and economic aid on a reduced and improved basis is of such overriding importance that I must be guided by the hard evidence as I see it.

It is gratifying that the other body has substantially accepted the lower figure which the House has insisted upon. The original House-approved appropriation of approximately $2.2 billion must be contrasted against the Senate figure of approximately $2.7 billion. The conferees first returned with a figure of approximately $2.3 billion. I supported yesterday's motion to recommit even that lowered figure for further reduction, and as a result we are now at workable rockbottom with a figure reduced below $2.3 billion. This includes such items as $600 million in supporting assistance to Vietnam and $400 million in military aid to countries supporting the Vietnam war.

The other body should know that there are those of us who have voted for the continuance of the program who will reverse our position and vote against this appropriation if, when it returns to the Senate, a figure arbitrarily higher than the conference figure is demanded by that body. The foreign aid appropriation must be cut as a result of the fiscal problem which we face even as we make it more effective and more efficient.

In voting for this legislation today I do so because I believe it is good economics and a good business practice to make prudent investments to expand and protect a market. Just as a financial institution invests to develop a market, not always with the best results, so must the United States as the leader of the free world accept this responsibility of leadership if we are to remain free. In my opinion, there is no freedom in isolation.

In passing the authorization measure we made continuing improvements in the program and red flags have been posted at every spot where waste or misuse has been claimed. Each of us can cite flagrant examples of misuse of some funds in the past, but the country should not believe there is not the sharpest concern over that misuse, or that this Congress and the committees which consider the bill are not armed and ready in the search-and-destroy methods used to eliminate the misuses and wastes which occur. It should further be noted here that the conference committee has come back with the finding that the appropriation for the administrative expenses of the AID agency should be cut even under the House figure.

Overall, this conference report represents a decrease in appropriation under last year, and a decrease of nearly $1 billion under the President's request. The program is thus financed at the lowest figure since its inception in 1946, which is appropriate considering the fiscal problems confronting the United States. At the same time, we are enabled to continue military aid, supporting assistance and the economic development investment vital to our safety, as the nation carrying the major responsibility of retaining on this earth, havens where men can remain free.

Mr. PASSMAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GERALD R. FORD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 198, nays 158, not voting 77, as follows:

[Roll No. 444]

YEAS—198

Addabbo
Albert
Anderson, Tenn.
Ashley
Aspinall
Ayres
Barrett
Bell
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bolton
Brademas
Brasco
Brooks
Brotzman
Burke, Mass.
Burton, Calif.
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Clark
Cohelan
Conable
Conte
Conyers
Corman
Culver
Daddario
Daniels
Delaney
Dellenback
Dent
Diggs
Dingell
Donohue
Dow
Downing
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Fallon
Farbstein
Fascell
Feighan
Flood
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Gallagher
Garmatz
Gibbons
Gilbert
Gonzalez
Goodell
Green, Oreg.
Green, Pa.
Gude
Hamilton
Hanley
Hansen, Wash.
Hathaway
Hawkins
Hays
Hechler, W. Va.
Helstoski
Holifield
Holland
Horton
Howard
Irwin
Jacobs
Joelson
Johnson, Calif.
Karsten
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
King, Calif.
Kirwan
Kluczynski
Kyros
Laird
Leggett
Lloyd
Long, Md.
McCarthy
McCloskey
McDade
Macdonald, Mass.
MacGregor
Machen
Madden
Mahon
Mailliard
Mathias, Calif.
Mathias, Md.
Matsunaga
May
Mayne
Meeds
Miller, Calif.
Minish
Mink
Monagan
Moorhead
Morgan
Morse, Mass.
Morton
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
Olsen
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Pike
Pirnie
Pollock
Price, Ill.
Purcell
Quie
Railsback
Rees
Reid, N.Y.
Rhodes, Ariz.
Riegle
Rivers
Robison
Rodino
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roybal
Ryan
St Germain
Scheuer
Schneebeli
Schweiker
Schwengel
Selden
Shriver
Slack
Smith, Iowa
Smith, N.Y.
Springer
Stafford
Stanton
Taft
Teague, Tex.
Tenzer
Thompson, N.J.
Tiernan
Tunney
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Whalen
White
Widnall
Wilson, Charles H.
Wolff
Wright
Wydler
Yates
Zablocki

NAYS—158

Abernethy
Adair
Anderson, Ill.
Andrews, Ala.
Andrews, N. Dak.
Ashmore
Baring
Battin
Belcher
Bennett
Berry
Betts
Bevill
Blackburn
Blanton
Bow
Bray
Brinkley
Brock
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burke, Fla.
Burleson
Burton, Utah
Bush
Carter
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Collier
Cowger
Cramer
Cunningham
Curtis
Davis, Ga.
Davis, Wis.
de la Garza
Denney
Derwinski
Dole
Dorn
Dowdy
Duncan
Edwards, Ala.
Eshleman
Findley
Fino
Fisher
Flynt
Fountain
Galifianakis
Gathings
Gettys
Goodling
Gross
Grover
Gubser
Hagan
Haley
Hall
Hammerschmidt
Hansen, Idaho
Harvey
Henderson
Hull
Hunt
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jonas
Jones, Ala.
Jones, N.C.
Kleppe
Kornegay
Kyl
Landrum
Langen
Latta
Lennon
Lipscomb
Long, La.
McClory
McClure
McCulloch
McDonald, Mich.
McEwen
McMillan
Marsh
Meskill
Michel
Miller, Ohio
Mills
Minshall
Mize
Montgomery
Moore
Morris, N. Mex.
Mosher
Myers
Natcher
Nelsen
O'Konski
O'Neal, Ga.
Pettis
Poage
Poff
Pool
Price, Tex.
Pryor
Quillen
Randall
Rarick
Reid, Ill.
Reifel
Rogers, Fla.
Roth
Roudebush
Roush
Rumsfeld
Ruppe
Satterfield
Saylor
Schadeberg
Scherle
Skubitz
Smith, Calif.
Smith, Okla.
Snyder
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Stuckey
Taylor
Thompson, Ga.
Thomson, Wis.
Utt
Vander Jagt
Waggonner
Walker
Wampler
Whalley
Whitener
Whitten
Wiggins
Williams, Pa.
Winn
Wylie
Wyman
Zion
Zwach

NOT VOTING—77

Abbitt
Adams
Annunzio
Arends
Ashbrook
Bates
Broomfield
Brown, Calif.
Buchanan
Carey
Casey
Celler
Colmer
Corbett
Dawson
Devine
Dickinson
Dwyer
Edmondson
Edwards, La.
Everett
Evins, Tenn.
Fulton, Tenn.
Fuqua
Gardner
Giaimo
Gray
Griffiths
Gurney
Halleck
Halpern
Hanna
Hardy
Harrison
Harsha
Hébert
Heckler, Mass.
Herlong
Hicks
Hosmer
Hungate
Jones, Mo.
King, N.Y.
Kupferman
Kuykendall
Lukens
McFall
Martin
Nichols
Pucinski
Reinecke
Resnick
Reuss
Rhodes, Pa.
Roberts
Rogers, Colo.
Rostenkowski
Sandman
St. Onge
Scott
Shipley
Sikes
Sisk
Staggers
Stratton
Sullivan
Talcott
Teague, Calif.
Tuck
Watkins
Watson
Watts
Williams, Miss.
Willis
Wilson, Bob
Wyatt
Young

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Martin against.

Mr. St. Onge for, with Mr. Harrison against.

Mr. Annunzio for, with Mr. Buchanan against.

Mr. Adams for, with Mr. Scott against.

Mr. Celler for, with Mr. Watson against.

Mr. Giaimo for, with Mr. Talcott against.

Mr. Sisk for, with Mr. Dickinson against.

Mr. Rostenkowski for, with Mr. Kuykendall against.

Mrs. Sullivan for, with Mr. Bob Wilson against.

Mr. Kupferman for, with Mr. Gardner against.

Mr. Hicks for, with Mr. Gurney against.

Mr. Halpern for, with Mr. Hungate against.

Mr. Corbett for, with Mr. Brown of California against.

Mr. Broomfield for, with Mr. Colmer against.

Mr. Pucinski for, with Mr. Reinecke against.

Mr. Gray for, with Mr. Sandman against.

Mrs. Griffths for, with Mr. Talcott against.

Mr. McFall for, with Mr. King of New York against.

Mrs. Heckler of Massachusetts for, with Mr. Hosmer against.

Mr. Halleck for, with Mr. Ashbrook against.

Mr. Arends for, with Mr. Evins of Tennessee against.

Mr. Bates for, with Mr. Edwards of Louisiana against.

Mrs. Dwyer for, with Mr. Everett against.

Mr. Teague of California for, with Mr. Fuqua against.

Mr. Resnick for, with Mr. Harsha against.

Mr. Reuss for, with Mr. Abbitt against.

Mr. Rhodes of Pennsylvania for, with Mr. Nichols against.

Mr. Rogers of Colorado for, with Mr. Roberts against.

Mr. Stratton for, with Mr. Devine against.

Mr. Young for, with Mr. Shipley against.

Mr. Carey for, with Mr. Sikes against.

Mr. Hanna for, with Mr. Casey against.

Mr. Dawson for, with Mr. Lukens against.

Mr. Hardy for, with Mr. Wyatt against.

Mr. Edmondson for, with Mr. Willis against.

Mr. Fulton of Tennessee for, with Mr. Staggers against.

Mr. Herlong for, with Mr. Tuck against.

The result of the vote was announced as above recorded.

The doors were opened.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will report the first amendment in disagrement.

The Clerk read as follows:

Senate amendment No. 10: Page 3, line 10, insert: "Unobligated balances as of June 30, 1967, of funds heretofore made available under the authority of the Foreign Assistance Act of 1961, as amended, except as otherwise provided by law, are hereby continued available for the fiscal year 1968, for the same general purposes for which appropriated and amounts certified pursuant to section 1311 of the Supplemental Appropriation Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961, as amended, for the same general purpose as any of the subparagraphs under "Economic Assistance" are hereby continued available for the same period as the respective appropriations in such subparagraphs for the same general purpose: *Provided*, That such purpose relates to a project or program previously justified to Congress and the Committees on Appropriations of the House of Representatives and the Senate are notified prior to the reobligation of funds for such projects or programs."

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Passman moves that the House recede from its disagreement to the amendment of the Senate numbered 10 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 19: Page 6, line 8, strike out ": *Provided further*, That none of the funds contained in this paragraph and none of the funds contained in the military assistance credit sales revolving fund shall be used to finance directly or indirectly the purchase or acquisition of sophisticated weapons systems, such as missile systems and jet aircraft for military purposes, by or for any underdeveloped country (as defined on page 142 of part 2 of the printed hearings of the House Committee on Appropriations on the fiscal year 1968 Foreign Assistance Appropriations) other than Greece, Turkey, Iran, Israel, the Republic of China, the Philippines, and Korea:" and insert: "*Provided further*, That none of the funds appropriated in this paragraph (including funds used for the military assistance credit sales revolving fund) shall be used to finance directly or indirectly the purchase or acquisition of sophisticated weapons systems, such as missile systems and jet aircraft for military purposes, by or for any underdeveloped country, when the President finds that such funds or the recipient or purchasing country's own resources are being used for unnecessary military expenditures, to a degree which materially interferes with its development. In making such finding, the President shall take into account (1) the percentage of the recipient or purchasing country's budget which is devoted to military purposes, and (2) the degree to which the recipient or purchasing country is using its foreign exchange resources to acquire military equipment:".

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Passman moves that the House recede from its disagreement to the amendment of the Senate numbered 19 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "*Provided further*, That none of the funds contained in this paragraph and none of the funds contained in the military assistance credit sales revolving fund shall be used to finance directly or indirectly the purchase or acquisition of sophisticated weapons systems, such as missile systems and jet aircraft for military purposes, by or for any underdeveloped country other than Greece, Turkey, Iran, Israel, the Republic of China, the Philippines, and Korea unless the President determines that such purchase or acquisition of weapons systems are vital to the national security of the United States and reports within 30 days each such determination to the Congress:".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 20: Page 9, line 13, insert:

"Sec. 106. It is the sense of the Congress that any attempt by foreign nations to create distinctions because of their race or religion among American citizens in the granting of personal or commercial access or any other rights otherwise available to United States citizens generally is repugnant to our principles; and in all negotiations between the United States and any foreign state arising as a result of funds appropriated under this title these principles shall be applied as the President may determine."

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Passman moves that the House recede from its disagreement to the amendment of the Senate numbered 20 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 22: Page 15, line 12, strike out:

"Sec. 119. The President is directed to withhold economic assistance in an amount equivalent to the amount spent by any underdeveloped country (as defined on page 142 of part 2 of the printed hearings of the House Committee on Appropriations on the fiscal year 1968 Foreign Assistance Appropriations) other than Greece, Turkey, Iran, Israel, the Republic of China, the Philippines, and Korea for the purchase of sophisticated weapons systems such as missile systems and jet aircraft for military purposes from any country."

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Passman moves that the House recede from its disagreement to the amendment of the Senate numbered 22 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert the following:

"Sec. 119. The President is directed to withhold economic assistance in an amount equivalent to the amount spent by any underdeveloped country other than Greece, Turkey, Iran, Israel, the Republic of China, the Philippines, and Korea for the purchase of sophisticated weapons systems, such as missile systems and jet aircraft for military purposes from any country, unless the President determines that such purchase or acquisition of weapons systems are vital to the national security of the United States and reports within 30 days each such determination to the Congress."

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the distinguished gentleman.

Mr. GROSS. From what I am hearing, this is not an appropriation bill. This is a legislative bill.

Mr. PASSMAN. Are you in favor of the contents of the motion?

Mr. GROSS. I was not alluding to any one amendment. I am just hearing all kinds of legislation going through here on an appropriation bill.

Mr. PASSMAN. This is an attempt to save money. You are not objecting, are you?

Mr. GROSS. I do not object to the saving of money. I only wish you had held to the House figure, which you did not do.

Mr. PASSMAN. I will discuss it with the gentleman next year before bringing a matter of this type out.

Mr. GROSS. I wish you would do that.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Louisiana.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 23: Page 15, line 22, insert:

"Sec. 119. Hereafter, none of the funds obtained or authorized to be obtained from the sale of notes under authority of paragraph 111(c)(2) of the Economic Cooperation Act of 1948 or paragraph 413(b)(4)(F) of the Mutual Security Act of 1954 may be used for the purposes of discharging liabilities under any guaranties (exclusive of informational media guaranties) issued under sections 221(b) and 224 of the Foreign Assistance Act of 1961, sections 202(b) and 413(b)(4) of the Mutual Security Act of 1954, and section 111(b)(3) of the Economic Cooperation Act of 1948. Any portion of the funds in the reserve established pursuant to section 222(e) of the Foreign Assistance Act of 1961 which are attributable to the funds realized from the sale of notes specified in the preceding sentence shall be transferred to the general fund of the Treasury. The Secretary of the Treasury shall cancel all such notes and sums owing and unpaid thereon, including interest to date of cancellation."

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Passman moves that the House recede from its disagreement to the amendment of the Senate numbered 23 and concur therein with an amendment, as follows: Change the section number in said amendment from "Sec. 119" to "Sec. 120".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 25: On page 19, line 4, insert the following:": together with $4,500,000 of the unobligated balance of the appropriation under this head for the fiscal year 1967."

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Passman moves that the House recede from its disagreement to the amendment of the Senate numbered 25 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and to include extraneous matter upon the conference report just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

SUPPLEMENTAL APPROPRIATIONS, 1968—CONFERENCE REPORT

Mr. MAHON. Mr. Speaker, I call up the conference report on the bill (H.R. 14397) making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

Conference Report (H. Rept. No. 1047)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14397) "making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 12, 13, 15, 16, and 18.

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$745,750"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$56,700,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 4, 5, 6, 7, 8, 9, 10, 11, 14, and 19.

George Mahon,
Michael J. Kirwan,
Jamie L. Whitten,
Joe L. Evins,
William H. Natcher,
Daniel J. Flood,
Frank T. Bow,
Melvin R. Laird,
William E. Minshall,
Odin Langen,
Managers on the Part of the House.

John O. Pastore,
Spessard L. Holland,
Warren G. Magnuson,
Mike Mansfield,
Karl E. Mundt,
Milton R. Young,
Margaret Chase Smith,
Managers on the Part of the Senate.

Statement

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14397) making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

CHAPTER I—INDEPENDENT OFFICES

Appalachian Regional Commission

Amendment No. 1: Appropriates $745,750 for salaries and expenses of the Commission instead of $706,500 as proposed by the House and $785,000 as proposed by the Senate.

FUNDS APPROPRIATED TO THE PRESIDENT

Appalachian regional development program

Amendment No. 2: Appropriates $56,700,000 for Appalachian regional development programs instead of $54,000,000 as proposed by the House and $64,200,000 as proposed by the Senate.

CHAPTER III—OFFICE OF ECONOMIC OPPORTUNITY

Amendment No. 3: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will have the effect of appropriating $1,773,000,000 for the Office of Economic Opportunity instead of $1,612,500,000 as proposed by the House and $1,980,000,000 as proposed by the Senate, and will add language which will provide that those provisions of the Economic Opportunity Amendments of 1967 that set mandatory funding levels for programs newly authorized therein shall not be effective during fiscal year 1968.

CHAPTER IV—LEGISLATIVE BRANCH

Amendments Nos. 4–11, and 14: Reported in technical disagreement. Motions will be offered to recede and concur in these amendments, which pertain solely to housekeeping items for the Senate.

Amendments Nos. 12 and 13: Strike out the provision in the Senate bill that would have appropriated $2,800,000 for plans for the James Madison Memorial Library of Congress building. This action is recommended without prejudice to the merits of the project.

CHAPTER V—CLAIMS AND JUDGMENTS

Amendment No. 15: Strikes out the provision that would have appropriated funds for certain Indian Claims Commission awards. It is fully expected that these items will be considered and acted upon early in the next session along with other pending claims and judgments, in the first supplemental bill.

CHAPTER VI—GENERAL PROVISIONS

Amendments Nos. 16–18: Correct center heading and chapter and section numbers.

Amendment No. 19: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur with the Senate amendment making $140,000 available for an airport at Kelley Flats, Montana, with an amendment changing the section number.

George Mahon,
Michael J. Kirwan,
Jamie L. Whitten,
Joe L. Evins,
William H. Natcher,
Daniel J. Flood,
Frank T. Bow,
Melvin R. Laird,
William E. Minshall,
Odin Langen,
Managers on the Part of the House.

Mr. MAHON. Mr. Speaker, I yield myself such time as I may consume.

APPROPRIATION BUSINESS OF THE SESSION—SUMMARY

Mr. Speaker, as of tomorrow, 110 years ago, the House of Representatives convened in this Chamber for the first time. As for today, I join all of my colleagues in the fervent hope that this is the last day that we shall convene in this Chamber for 1967.

Mr. Speaker, the action on this bill, when completed, will conclude action on the 17 appropriation bills for this session, 2 of which have been supplemental bills for fiscal 1967.

During the year, if the present measure becomes the law, we will have appropriated, during the session—including supplementals for fiscal 1967—$141.9 billion. When we add to this the appropriations for interest on the debt, as well as a few other items which do not require annual action, in the estimated amount of $15.4 billion, the appropriations made in this session will total about $157.3 billion.

But when we confine ourselves to fiscal year 1968, the appropriations total $142.9 billion, including the estimate of $15.4 billion for permanent appropriations.

REDUCTIONS BELOW ESTIMATES

As all Members know, we have been engaged in a fierce battle of the budget throughout this session. The ferocity was apparent even yesterday. In regular appropriation bills for the current fiscal year 1968, we have reduced appropriations below the President's budget not in the sum of $6 billion, as had been our target, but in the sum of $5.8 billion. The total requested, aside from permanent appropriations, was $133.3 billion.

In addition to the $5.8 billion reduction achieved in our regular appropriation bills for fiscal 1968, we have enacted, as the Members know, a special reduction in fiscal 1968 budgeted obligations as a rider to the continuing resolution. I shall insert in the RECORD the description of the consequences of that action which was just completed, as the Members know, on December 12. But just briefly, it was designed to assure reductions in fiscal 1968 obligations of not less than $9 billion, inclusive of those 1968 obligations that would have been incurred under the $5.8 billion of obligating authority cut from the appropriation bills. And this, in turn, was designed to reduce budgeted expenditures in fiscal 1968 by not less than $4.1 billion, inclusive of perhaps as much as $1.9 billion reduction that would ensue from specific reductions in the 15 appropriation bills for fiscal 1968.

APPROPRIATIONS, FISCAL 1968 BELOW FISCAL 1967

Mr. Speaker, at this time of skyrocketing costs of Government in both new programs and expanded old programs, and at a time when war costs are soaring, I believe the Members will agree it is quite noteworthy that we have been able to reduce appropriations for the current fiscal year 1968 below appropriations made by Congress for the previous fiscal year, 1967. Appropriations for 1968 are below last year, 1967, by almost $1.3 billion.

Except for the indefatigable efforts of the Members of the House and members of the committees on both sides of the aisle, it would not have been possible to make the reductions which I have described. I believe all Members are due a vote of thanks during these concluding hours of the session for the work which has been done to help maintain the economic stability of our country, and to solidly withstand the challenge to the dollar.

EXPENDITURE ESTIMATES, 1968

Mr. Speaker, I have been talking about appropriations. I should now like to make reference to the expenditure budget—the administrative budget. The President in January estimated that budget expenditures for this fiscal year—and the administrative budget does not include trust funds such as social security, highway funds, and so forth—would total $135 billion. But there has been an escalation in the cost of the war; there has been an escalation in costs in certain commodity credit programs in the Department of Agriculture, in medicare, in public assistance, in veterans' programs, and others. The budget estimates on expenditures increased from $135 billion to $140 billion plus.

As a result of the action of Congress on regular appropriation bills, and as a result of the economy provisions attached to the continuing resolution, the reduction in spending below the $140 billion figure will be about $4.1 billion, as now estimated.

Mr. Speaker, I would like to indulge the patience of the Members, if I may, for an additional few moments.

Mr. Speaker, it would have been desirable, in my opinion, had Congress been able to make further reductions in Government spending at this session, faced, as we have been, with the compelling national necessity to curb spending as a result of fiscal stringencies. Woodrow Wilson once said:

> The duty of economy is not debatable. It is manifest and imperative.

Mr. Speaker, the original budget deficit projection, of last January, was $8.1 billion. In August, on the basis of certain stated assumptions and contingencies, the deficit outlook went as high as $29 billion—a vastly changed, and worsened outlook. The more recent outlook, based on no tax increase, is $22.4 billion—a situation drastically different, vastly more bleak than the $8.1 billion of last January. Even with the additional expenditure reduction of some $2.6 billion attributed to the economy provisions of the continuing resolution, the present outlook without a tax increase is a deficit of $19.8 billion—a situation still vastly different from the original $8.1 billion.

The executive branch should screen all programs with a view of withholding spending where good judgment and the public interest dictate such action.

A dollar spent from trust funds is just as inflationary as a dollar spent from regularly appropriated funds. Great care must be used in the curtailment of expenditures but I think it is fair to say that in seeking to achieve economies in the face of the fiscal crisis, all spending needs to be scrutinized.

In my judgment, our country will find it possible to cope successfully with the financial crisis but we cannot do so if we ignore the spending picture at home and the turbulence surrounding the dollar in world financial markets following devaluation of the British pound. The President, in his continuing efforts in the direction of restraint, is seeking to bring the deficit to a more manageable level.

The law of 1950—the antideficiency law—authorizes the President to withhold funds from expenditure when conditions and circumstances have changed since the budget was made and the appropriations were enacted. Certainly, Mr. Speaker, the Budget and the Treasury continue to be confronted with a serious situation. Every saving, from whatever source, that can reasonably and safely be made, ought to be made.

Under leave to revise and extend, I shall later incorporate more detail on the fiscal matters of the session.

CONFERENCE REPORT ON PENDING SUPPLEMENTAL BILL

In the conference report now before us, we are providing additional obligational authority, additional appropriations, in the sum of $1,842,923,790. This is principally for the Office of Economic Opportunity—$1,773,000,000.

There are some funds in this measure for the special Appalachia program, totalling $57,445,750.

For the Department of the Interior the funds as provided in this conference report total $12,200,000. There is no change from the House bill on that.

The Senate added some little additional money for housekeeping items. We acceded to those.

The Senate, in amendment 15, included $17,247,269 to pay a number of Indian Claims Commission awards which have been finalized. The conferees representing the other body strongly supported the inclusion of this amount in the conference report and only after lengthy discussion of the item was it deleted. The President had not transmitted any supplemental requests to the Congress. Of course there were other claims and judgments eligible for appropriation consideration in addition to the Indian claims. It was not deemed appropriate to give preferential treatment to any particular category of claims at this time. It is fully expected that these items will be considered and acted upon early in the next session along with other pending claims and judgments, in the first supplemental bill.

The conference total is below the budget in this measure by something in excess of one-quarter of a billion dollars—the exact figure is $277,861,210.

Mr. Speaker, with respect to the Office of Economic Opportunity, the appropriation last year was $1,612,500,000.

Mr. Speaker, I include a table in summarization:

SUPPLEMENTAL APPROPRIATION BILL, 1968 (H.R. 14397)

	Appropriations, fiscal year 1967 (where applicable)	Budget estimates, fiscal year 1968	Passed House	Passed Senate	Conference action	Conference action compared with—			
						Appropriations, fiscal year 1967	Budget estimates, fiscal year 1968	House	Senate
Independent offices	$59,650,000	[1] $60,785,000	$54,706,500	$64,985,000	$57,445,750	−$2,204,250	−$3,339,250	+$2,739,250	−$7,539,250
Interior	--------------	(13,482,000)	12,200,000	12,200,000	12,200,000	+12,200,000	+12,200,000	--------------	--------------
Office of Economic Opportunity	1,687,500,000	2,060,000,000	1,612,500,000	1,980,000,000	1,773,000,000	+85,500,000	−287,000,000	+160,500,000	−207,000,000
Legislative	--------------	--------------	30,000	3,078,040	278,040	+278,040	+278,040	+248,040	−2,800,000
Claims and judgments	--------------	--------------	--------------	17,247,269	--------------	--------------	--------------	--------------	−17,247,269
Total	1,747,150,000	2,120,785,000	1,679,436,500	2,077,510,309	1,842,923,790	+95,773,790	−277,861,210	+163,487,290	−234,586,519

[1] Excludes $4,200,000 which was requested but previously carried as budget estimates in other appropriation bills.

Note: Sundry budget estimates in the January 24th budget for 1968 that were laid aside when the applicable regular bills for 1968 were considered because such estimates lacked legislative authorization, and which have not been considered in any subsequent appropriation bill, or this bill, aggregate $136,797,000.

There were certain carryover funds that were available which increased the availability of expenditure authority during the fiscal year 1967. Carryover funds are not available to the same degree for the fiscal year 1968. We have recommended here in this report a total sum of $1,773,000,000 for the Office of Economic Opportunity.

In the authorization bill there were four new programs spelled out. One of them has to do with the high unemployment areas in the cities; the "Special Impact Programs." One has to do primarily with feeding the poor; the "Emergency Food and Medical Services" program. One has to do with technical assistance by the Small Business Administration. The other has to do with day care centers.

It is true that some of this impact program had been authorized prior to this year. But this has been dealt with by the committees and by the Office of Economic Opportunity as a new program.

I want to make it clear that it was the intent of the conferees, when speaking of newly authorized programs, to include the four programs that I have mentioned. That would include the special impact program for the slums and ghetto areas.

I should point out that the authorizing legislation makes it mandatory that $25 million of the appropriation be allocated to the emergency food and medical services program, and 7 percent of the appropriation for title I be allocated to the special impact programs.

We will have a provision setting aside these mandatory provisions for fiscal 1968, in view of the lateness of the year and other situations.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Wisconsin.

Mr. LAIRD. I thank the chairman for yielding to me.

In a letter I received from him only yesterday, the Director of the OEO, Mr. Shriver, specifically listed four programs as newly authorized. These are the emergency food and medicine, special impact, small business technical assistance, and day care programs. I ask unanimous consent to insert in the RECORD that letter and a table I shall refer to during the course of this discussion. These new programs are pointed out very precisely by the Director. The letter and table follow:

OFFICE OF ECONOMIC OPPORTUNITY,
Washington, D.C., December 14, 1967.

Hon. MELVIN R. LAIRD,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN LAIRD: As I know you understand, OEO needs $1.788 billion to continue the existing programs at present levels. This figure, however, does not reflect the new Congressional requirements or the President's recommendations. The attached sheet shows the impact of these two additional items, and may be of some help in your conference consideration.

With best regards.

Sincerely,

SARGENT SHRIVER,
Director.

P.S. You were great on the "Today" show. Your philosophy of local control sounds as if you've been reading our OEO literature!

SARGE.

OEO appropriation, fiscal year 1968

[In millions]

ADDED BY NEW CONGRESSIONAL AUTHORIZATION

Needed to continue present programs at existing levels	$1,788
Emergency food and medicine	25
Special impact (7 percent of title I)	60
Small business technical assistance	10
Day care	25
Total	1,908

This total would not provide for the following Presidential recommendations:

Special summer programs	$75
Headstart followthrough	125
Concentrated employment program	125

When the House passed this supplemental appropriation bill, we earmarked funds for the Job Corps in the amount of $295 million, for the Neighborhood Youth Corps funds in the amount of $321 million, for the Headstart funds in the amount of $352 million, and for the adult employment and training program funds in the amount of $95 million.

It is my understanding that with the higher level arrived at in the conference report, the earmarking for these programs which the House report instructed the Director to make will be followed out in the next fiscal year. The mandatory earmarking in the authorization act that the Chairman refers to, however, must be set aside. There are only 6 months left in this fiscal year. To follow the mandatory earmarking required in the authorization bill for only a 6-month period would create a funding level for fiscal year 1969, which was not intended by the authorizing committees in either the Senate or the House.

It seems to me that the proposed language setting aside these mandatory earmarkings is absolutely necessary in view of the fact that we have only 6 months remaining in the fiscal year. The emergency food and medicine program can be adequately funded within the amount agreed to by the conferees; the mandatory level is not needed for that purpose. The special impact program would require $60 million funded at the level of the mandatory provision, that is 7 percent of title I. Since new regulations and guidelines would have to be drawn, this $60 million would cover only a few months and build up to an annual level that would be several times $60 million.

When OEO Director Mr. Shriver appeared before the committee, he submitted a table reflecting his decisions at that time on program earmarking under a $1,788,000,000 appropriation. That earmarking would have done no more than finance programs already running during fiscal 1967; it would not have covered new programs. I will place that table in the RECORD at this point:

COMPARISON OF FISCAL YEAR 1967 ACTUAL APPROPRIATIONS WITH FISCAL YEAR 1967 ANNUALIZED AND HOUSE AUTHORIZATION BILL LEVELS, ECONOMIC OPPORTUNITY ACT, FISCAL YEAR 1968 FUNDING

[New obligational authority in millions of dollars]

	Fiscal year 1967 OEO appropriation (millions)	Fiscal year 1968 annualized at the fiscal year 1967 commitment level (millions)	Fiscal year 1968 House authorization bill (millions)	Remarks: Comparison of fiscal year 1967 appropriation with fiscal year 1968 annualized
Agency totals	1,687	1,788	1,600	
A. Work and training programs:				
Job Corps	211	295	265	$295,000,000 required to keep Job Corps operating at end fiscal year 1967 program level. Sizable prior-year funding balances available in fiscal year 1967 will not be similarly available in fiscal year 1968.
Neighborhood Youth Corps	373	321	273	Fiscal year 1967 summer program levels cannot be supported in fiscal year 1968. $321,000,000 required to refund fiscal year 1967 in-school and out-of-school programs, plus a greatly reduced summer program, in fiscal year 1968.
Adult work training	98	133	129	$133,000,000 required to fund fiscal year 1967 commitments in fiscal year 1968. This level of funding is $125,000,000 below the amount requested by the President for this essential program.
Subtotal, work and training	682	749	667	
B. Community Action programs:				
Local Initiative	276	329	293	Programs funded for portion of fiscal year 1967 must now be funded for a full 12 months.
Upward Bound	28	35	26	Continues existing programs and funds a portion of pending applications.
Legal Services	25	40	34	Required to refund in fiscal year 1968 those programs funded in fiscal year 1967; and in addition to refund fiscal year 1966 projects which did not require refunding in fiscal year 1967.
Comprehensive Health	51	42	38	Refunding of some programs initiated late in fiscal year 1967 will not be needed until early in fiscal year 1969.
Headstart	351	347	301	Maintains fiscal year 1967 enrollment levels (the $351,000,000 included $15,000,000 used for summer 1966 programs; $347,000,000 therefore annualizes $336,000,000).
Headstart follow through	(1)	4	14	Supports operation of pilot project for which planning grants were let in fiscal year 1967 from regular Headstart funds. President's budget for fiscal year 1968 included $120,000,000 for this program.
Parent-child centers	(1)	1	5	Allows planning and limited pilot operation.
Support	75	69	66	Staffing increases during fiscal year 1967 to carry out larger programs will need to be financed on a full-year basis, including supporting costs.
Subtotal, CAP	806	877	777	

See footnote at end of table.

COMPARISON OF FISCAL YEAR 1967 ACTUAL APPROPRIATIONS WITH FISCAL YEAR 1967 ANNUALIZED AND HOUSE AUTHORIZATION BILL LEVELS, ECONOMIC OPPORTUNITY ACT, FISCAL YEAR 1968 FUNDING—Continued

[New obligational authority in millions of dollars]

	Fiscal year 1967 OEO appropriation (millions)	Fiscal year 1968 annualized at the fiscal year 1967 commitment level (millions)	Fiscal year 1968 House authorization bill (millions)	Remarks: Comparison of fiscal year 1967 appropriation with fiscal year 1968 annualized
C. Rural loan program	24	20	20	Program level can be maintained through use of repayments along with NOA requested.
D. Migrants program	33	27	27	Lower level funding required primarily because responsibility for funding youth education projects has been transferred to HEW.
E. Work experience program	100	70	70	Decrease from $100,000,000 to $70,000,000 to be offset by proposed increases in the community work and training program under the Social Security Act.
F. General direction and administration	14	16	14	Staffing increases during fiscal year 1967 related to increased program level will need to be financed on a full-year basis in fiscal year 1968, including supporting cost.
G. VISTA program	26	29	25	To achieve 1967 man-year level of 3,287 required end-year strength of 4,259 volunteers. Maintenance of the 1967 end-year level in 1966 will require at least $29,000,000.
H. Transfers to other agencies	2	------	------	

[1] Initiated with planning grants from regular Headstart funds, committed and obligated in fiscal year 1967.

Mr. MAHON. I thank the gentleman for his able contribution to the discussion. It is true that we have now provided funds above and beyond the House figure for the poverty program, and actually we have not specifically earmarked funds for any of the various programs. This gives more flexibility. Also the authorizing legislation provides certain flexibility. I believe the OEO is allowed to transfer up to 10 percent between limitations. I would think, then, that we have no earmarking problem.

The action of the conference will enable the President, within the limits provided by the authorizing legislation, to use the funds available to meet high-priority requirements to carry out an effective antipoverty program.

The responsibility in the executive branch for the operation of the Government is chiefly on the President. The appropriation for the Office of Economic Opportunity is carried in the budget under the heading "Funds Appropriated to the President." Of course, he has to delegate a great deal of that authority But it is true, in my opinion, that all officials in the executive branch, including the President, should do whatever is reasonably possible to achieve the most efficient operation of Government programs, and I think it is important to lay part of that responsibility specifically on the President to do all he can in supervising the various departments and agencies—in this case the Office of Economic Opportunity—in such a way as to achieve maximum results and efficiencies in the operation of this highly controversial program—highly controversial, but yet capable of a major contribution to the public welfare.

Mr. O'HARA of Michigan. Mr. Speaker, will the gentleman yield?

Mr. MAHON. Mr. Speaker, I yield to the gentleman from Michigan.

Mr. O'HARA of Michigan. Mr. Speaker, I thank the gentleman.

When the gentleman from Wisconsin referred to the earmarking in the House bill, he intimated that something comparable to these amounts would be available for the Neighborhood Youth Corps and the Job Corps, and so on under the conference report. I was pleased to hear him say that, but I think he misspoke himself on one minor point, which I would like to clear up.

The gentleman referred to $95 million for adult work and training. It was my recollection that the amount referred to is for the concentrated work and training program, which is but a small part of the adult work and training.

Mr. LAIRD. That is correct. There are several work and training programs. The $95 million was for that section of the adult work and training program that is called "community employment and training programs" by OEO.

Mr. O'HARA of Michigan. Mr. Speaker, I thank the gentleman.

Mr. LAIRD. Mr. Speaker, will the gentleman from Texas yield further?

Mr. MAHON. I yield to the distinguished gentleman from Wisconsin.

Mr. LAIRD. Mr. Speaker, I happen to be in favor of earmarking in these various areas, but the majority of conferees were not. There are only two items earmarked specifically now. There is $10 million of appropriations we are making now, for the work-study program in the Office of Vocational Education. There is $500,000 earmarked for the indemnity payments by the Department of Agriculture for milk condemned because of insecticides. Those are the only two earmarkings, although I did favor earmarking these funds as we did in the House report.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. MAHON. Mr. Speaker, I yield to the distinguished gentleman from Arizona.

Mr. RHODES of Arizona. Mr. Speaker, I thank the gentleman for yielding. The gentleman will recall in the meeting of the Appropriations Committee on this supplemental bill, I mentioned the point of earmarking for the category of expenditure under OEO known as legal services. I had been in hopes there would be some earmarking for this. The program is very important. The gentleman from Pennsylvania, the chairman of the subcommittee, and I, agree this was one of the most important parts of the whole Office of Economic Opportunity program. It had been my hope there would have been some sort of earmarking. Was this considered by the conferees?

Mr. MAHON. Mr. Speaker, there was budgeted for fiscal year 1968 the sum of $47 million for that purpose, which is almost twice the amount for the fiscal year 1967 and more than twice the amount for fiscal year 1966.

Mr. RHODES of Arizona. It is my understanding, though, that this is not anywhere a sufficient amount of money to continue the program as it is contemplated. It would be my hope certainly in the future, at least, that this program would be well supported by the Congress and the administration.

Mr. MAHON. Mr. Speaker, I thank the gentleman for his contribution.

Mr. Speaker, I think it is appropriate to say at this time, in order that the record may be crystal clear, that we anticipate that no supplemental requests will be made. This appropriation is made with the clear understanding of the conferees that it is an appropriation to provide for the entire program for the 12 months of fiscal year 1968, and it is up to the executive branch to tailor this program and distribute these funds in such a manner as not to require funding a crisis program through a supplemental appropriation. I would say that this position is documented by the law of the land, which is aimed at preventing such additional requirements. I refer, of course, to the antideficiency law.

Mr. FOLEY. Mr. Speaker, will the distinguished chairman of the Appropriations Subcommittee yield?

Mr. MAHON. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, many of us in the House have been very much interested in the action of the authorizing committee in providing for a program of emergency food and medical assistance through the Office of Economic Opportunity in cooperation with the Departments of Agriculture and Health, Education, and Welfare.

We are concerned that the earmarking of $25 million for that program has been eliminated. Was it the intention of the conferees, in removing that earmarking requirement, that the funding during the remaining 6 months of this fiscal year for emergency food and medical care could be accomplished from the general appropriation for the Office of Economic Opportunity?

Mr. MAHON. Whatever funds are to be expended for these four new programs, including the food and medical services program, must be funded within the framework of the $1,773,000,000 provided. That must be made abundantly clear.

The action of the conferees in recommending and providing that there should not be a mandatory set-aside of $25 million was taken because it seemed to be the most practical thing to do this late in the fiscal year. But this action was taken without any prejudice whatever against the emergency food and medical services program to which the gentleman referred.

Mr. QUIE. Mr. Speaker, will the gentleman from Texas yield?

Mr. MAHON. I am glad to yield to the gentleman from Minnesota.

Mr. QUIE. With reference to the remarks made by the gentleman from Wisconsin [Mr. LAIRD] there seems to be an understanding that even though there is no earmarking in this conference report the items he mentioned, such as Headstart, would have assurances that the expenditures would be at least at that level.

It is my understanding that the total of those figures the gentleman from Wisconsin spoke of would not be more than about a billion dollars. This would mean at least $773 million over and above that could be utilized for old programs or new programs without any previous understanding of how the money would be expended.

Therefore, would it be the understanding of the gentleman from Texas that if the Director saw people living in hunger or suffering from malnutrition he could use the sums he has available to alleviate that hunger and malnutrition, under the authority given to him in the Emergency Food and Medical Services Program?

Mr. MAHON. I would say that the actions of the Director would be controlled by the authorization legislation.

I do not speak for anyone else in regard to earmarking, but that is the only earmarking of any consequence we have in this legislation.

There is no doubt in my mind that there is ample flexibility to take care of the requirement involving providing food to the hungry. There are many agencies of the Government, on many levels of Government, engaged in the business of trying to take care of the poor. The President, in his January budget message, said that of the Federal expenditures anticipated during the fiscal year more than $25 billion would relate to meeting the requirements of the poor.

Mr. QUIE. The gentleman has not answered my question yet. Let me preface my remarks by saying that now the Department of Agriculture has responsibility for feeding the poor. Also, the Department of Health, Education, and Welfare is involved with helping people suffering from malnutrition, through the Public Health Service. Some people have fallen through the cracks, however. Some people are living in hunger and suffering from malnutrition even though programs are available from USDA and HEW.

We have a provision in the Economic Opportuinty Act which will enable the Director to transfer his funds to the Department of Agriculture and to the Department of Health, Education, and Welfare in order to carry on a more extensive program to reach those people who it is said have fallen through the cracks. If the Department of Agriculture and the Department of Health, Education, and Welfare cannot or will not do it, the Director has the authority to move in himself, into the communities of the United States, to see the situation corrected.

I do not want the action of the conference to prejudice his ability to do that.

I would think if there is any one thing of highest priority that the general at the command post of the war on poverty would do, it is see that people are not hungry or suffering from malnutrition. That ought to be first. Even though he claims he only has money, as stated in the other body's report on their bill, to continue old programs, if people are living in hunger and suffering from malnutrition, this ought to be the first responsibility of the authorities with the money that you have given them.

My question is, Is this true, that there is nothing to prohibit the director from utilizing that auhority in the emergency food and medical services program to fund them?

Mr. MAHON. There is nothing to prevent the Director from using the appropriated funds, within the limits of the authorization bill, for this purpose.

Mr. QUIE. I would like to ask the gentleman from Ohio, so that the legislative history will be clearly written on this if that is his understanding.

Mr. BOW. That is my understanding. I agree with the gentleman from Texas, if you have hungry people and the Director finds that this is so, these funds can be used to feed them.

Mr. QUIE. I would thank the gentleman further for that statement. I say again that as we look at the war on poverty and the mistakes that have been made, I think we can all agree with this one thing: The gentleman from the other body who began this legislation, when he found at first that people were suffering in his State from hunger as they were found to be suffering in other States, did a good thing and that this ought to be No. 1 on the list of programs in the war on poverty, to see that people who need food will have food and are not hungry and that people who need these medical services will get them.

Mr. MAHON. I thank the gentleman for his contribution.

Mr. FARBSTEIN. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New York.

Mr. FARBSTEIN. The gentleman said that there was $47 million here for legal services. This is on the basis of a $2 billion appropriation. This appropriation has been reduced, so instead of $47 million there would only be $40 million for that purpose. In view of that fact, I would like to have the chairman, if it is possible to do so, in view of the fact that the American Bar Association is so highly pleased with this program and has strongly endorsed its formation, suggest to the Director, in the event it is possible to do so, to utilize as much of the funds that have been appropriated, perhaps from some other program, in order to build it up to the $47 million that has been suggested by the chairman.

Mr. MAHON. I would say that the Director, within the framework of the authorizing legislation and within the frame work of the availability of funds, has the authority to provide for these legal requirements, but at this time we cannot anticipate the precise amount. I do not think it would be fair to undertake to make legislative history for a high funding level for legal aid at the expense of some of the other programs. They must all stand on their own footing, so to speak, in accordance with the authorizing legislation and the total amount of funds made available.

Mr. FARBSTEIN. May I just ask this further question and make this further comment: If it is at all possible for the Director to divert some sums to this legal aid program without injuring any other program, would there be objection to it?

Mr. MAHON. No. If in his judgment, without injuring any other program, he could assign additional funds for the legal aid program, there would be nothing contrary to the intent of the conferees in that action.

Mr. FARBSTEIN. I thank the gentleman.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman.

Mr. HALL. I appreciate the distinguished chairman of the Committee on Appropriations yielding to me.

My question has to do with amendment No. 3. In the statement on the part of the managers for the House of the committee on conference, I notice they are reported in technical disagreement and we do plan to move to recede and concur in the Senate amendment with a further amendment that will have the effect of appropriating $160.5 million more than the House figure, albeit reducing by $207 million from the recommendation of the other body.

This is just for a 1-year period of time, is it not?

Mr. MAHON. The gentleman from Missouri is correct.

Mr. HALL. Mr. Speaker, if the gentleman will yield further, the authorization as I recall the report from the legislative committee and the final action on the part of both bodies was for a 2-year period. Am I correct in stating that the committee on appropriations and its members in the conference decided to appropriate for only 1 year, although they could have appropriated for 2 years?

Mr. MAHON. We only appropriated for 1 year, and the mandatory funding levels were set aside just for fiscal year 1968.

Mr. HALL. That is the point I am getting to, Mr. Chairman, and I appreciate your forthright answer. However, I am confused about the provisions of the Economic Opportunity Act of 1967 that set mandatory funding levels for programs duly authorized, were not to be effective during 1968.

Do we need the whole increase of $160.5 million for the 6 months remaining in fiscal 1968 in order to clean up back commitments or obligations insofar as the actual expenditure budget is concerned, or should we maintain the position of the House in this respect?

Mr. MAHON. These four new programs are not prejudiced. They are still provided for in the law. The funds are not denied as a result of the conference action. However, we must point out that the entire bill, as agreed to in conference, provides for less money to continue the old programs, at the level they have already reached, than the Director of the OEO said is necessary.

Mr. HALL. I understand that, but it is still well if you use the comparable figure of $1,733 million, as compared to what we spent in fiscal year 1967 rather than what was requested, is it not?

Mr. MAHON. The gentleman from Missouri is correct; but both comparisons are useful.

Mr. HALL. And, I also understand, Mr. Speaker, if the distinguished chairman of the Committee on Appropriations will yield further, because we have been operating under continuing resolutions, these programs are in effect and we must pick up this funding?

But, I would hope that the committee as a whole in accepting this might be willing to accept the House-passed figure of $1,612,500,000 rather than the figure of $1,773,000,000.

Mr. MAHON. I had sought, myself, as the distinguished gentleman from Missouri knows, to hold the figure to $1.6 billion or $1.612 billion. But the prevailing view in the conference, and apparently the prevailing view of the majority in the Congress, was to go higher. In order to resolve the differences between the House and the Senate and get a conference report, this is the best we could do.

Mr. HALL. And, it is the feeling of the distinguished chairman that there would be no further avail in going back to conference in order to attempt to hold this figure, since one-half of the year is practically gone?

Mr. MAHON. I believe it would be of no avail to send it back. It is my opinion that we have done as well as we could do.

Mr. HALL. Would the chairman agree with me that the only way to do that would be through the adoption of a motion to recommit instructing the conferees on the part of the House to insist upon maintaining the position of the House?

Mr. MAHON. The gentleman from Missouri is correct that this would be one way to secure reconsideration.

Mr. HALL. I thank the gentleman from Texas.

THE APPROPRIATION BUSINESS, 90TH CONGRESS, FIRST SESSION

Mr. MAHON. Mr. Speaker, it has been our practice at the end of each session of Congress to place in the RECORD various résumés of the business of the session. Under leave, I am at this point providing a résumé of the appropriation business for the session.

With the lateness of the session and with appropriation bills pending in the final hours, I must say this should to a limited extent be considered subject to some refinement of detail.

THE BUDGET AS POINT OF DEPARTURE

This has been an unusual year, Mr. Speaker. The session has been long and arduous, most particularly so with regard to fiscal affairs. This was partly due to the various contingencies, such as proposed tax surcharge, incorporated in the budget which was submitted to us on January 24, 1967.

The Federal Budget is perhaps the most complex and comprehensive annual fiscal document put together anywhere in the world. It is far more than an accumulation of figures. It is a program for action. It is an expression of plans and aspirations. Once the budget is assembled and delivered, it is the responsibility of Congress to consider and dispose of the various elements of the plan as Congress may decide. The items included in the budget are primarily those previously authorized by law. There are, of course, items which are new and which are included for financing in the budget based on the contingency of being authorized by a new act of Congress. Let me at this point repeat what I have said previously: that the budget is more than a proposal for new appropriations. It is more than a proposal for Federal spending. It involves the whole gamut of the national economy. The revenue proposals are as significant—and sometimes more immediately significant—to the individual taxpayer and businessman as are the spending proposals.

Mr. Speaker, last January 24 when the budget was presented to us, I placed in the RECORD a tabulation of the possible effect of the failure of several of the major contingencies that were presented, particularly on the revenue side of the budget. At page 1364 of the RECORD of January 24, 1967, there is a table which shows that without the proposed surtax; without the postage rate increase; without the proposal to further accelerate corporate tax payments and without congressional authority for the so-called participation certificate method of financing, the deficit for 1968 could have been projected at that time to be $19.3 billion. As you know, the tax proposals have not been enacted. The postage rate increase was enacted, but with a later effective date. Congress did provide for the participation certificate program.

Subsequent to the January budget and during the session, many other fiscal and economic considerations came to bear with the result that during the year revised estimates of possible deficits ranged all the way from the original $8.1 billion to the possibility, based on various contingencies, of a $29 billion deficit. As it now stands, the administrative budget deficit is projected to be approximately $19.8 billion. I include a table showing the various figures:

ADMINISTRATIVE BUDGET DEFICIT, FISCAL YEAR 1968

[In billions]

Item	January budget	Aug. 3 revision	Nov. 29 revision
Estimated receipts:			
Estimated receipts with tax increase	$126.9	$122.5	$122.5
Estimated receipts without tax increase		116.4	116.4
Estimated expenditures	135.0	136.5	140.3
Changes made by Congress (13 appropriation bills)			[1] −1.5
Additional changes by Congress and administration			−2.6
Net estimated expenditures	135.0	136.5	[1] 136.2

Item	January budget	Aug. 3 revision	Nov. 29 revision
Estimated deficit with tax increase	$8.1	$14.0	$13.7
Estimated deficit without tax increase		20.1	[1] 19.8
Possible other adjustments (memorandum):			
Increased cost Vietnam war		(+4.0)	
Excess of pay increase		(+1.0)	
Failure PC sales		(+2.0)	
Maximum deficit		(27.1)	

[1] Does not reflect the effects of final action on the last 2 appropriation bills, which cleared Congress today (foreign assistance and final supplemental).

BACKGROUND FOR SPENDING

Mr. Speaker, let me attempt to set the record straight with respect to the source of spending. As most Members know, a large part of the actual spending in any given fiscal year results from appropriations or other obligational authority enacted by Congress in the year or years just preceding. To a very considerable extent this was the situation in fiscal 1968. As I stated in January in a rather preliminary statement anticipating the 1968 budget:

It is all very easy to talk about how we are going to cut spending. And we must and we will, but when it comes to individual cases we are going to find that talk is cheap but action is at times rather expensive and painful. If we are going to do a good job in fiscal matters, we are going to have to gird ourselves for the contest because there will be many distractions and obstacles along the way. I make that statement especially because the area of the budget that can be cut substantially is somewhat narrow. We all agree that we probably cannot drastically cut the Defense requests, and they will certainly be in excess of $70 billion. We provided more than that this year. Certainly for the forthcoming fiscal year, it will be considerably more. We cannot sidestep the interest on the debt, which is some $14 billion more. Those two areas may run the total up close to $90 billion. Then we probably will appropriate the necessary money for the Veterans' Administration, which is above $6 billion. We can go and find that, while it is theoretically possible to make reductions in such programs as these, as a practical matter no substantial net reductions can be expected in large chunks of money which are devoted to defense, interest, veterans payments and certain other categories. But there are fields in non-defense spending where major cuts can be made.

Spending results from the making available of obligational authority. Under the rules, no appropriation is in order unless the object for which the appropriation is made has been authorized previously by law. Thus restraint in spending is the responsibility not solely of the Committee on Appropriations but of all committees and in fact all of the Congress generally. Processing the budget is the work of many hands and product of the minds of all Members.

The spending situation in which we found ourselves this year results in large measure from the fact that budget spending for fiscal year 1967 had increased sharply from $107 billion in 1966 to $126.7 in 1967. It is now estimated to be $136.2 billion in 1968. Increases in revenues have not kept pace with the increase in spending. Nonetheless, newly authorized programs have provided generally for even greater spending. By way of emphasizing this point and to demonstrate the impact of new spending authorizations from previous years on any given budget, I would like to quote from a statement which I made on the fiscal 1968 budget, in the CONGRESSIONAL RECORD of January 24, 1967, page 1358.

> Two years ago we increased appropriations over the previous year by some $13 billion. Last year, we increased appropriations over the previous year by nearly $25 billion. This year, we are being requested to increase appropriations over last year by roughly $21 billion. So we can see how rapidly appropriations have escalated in the last 2 years and what we are confronted with in our considerations during this session.

Once appropriations are made expenditures naturally follow.

Mr. Speaker, the culmination of the congressional concern over expenditures and deficits was the recent enactment of the continuing resolution, House Joint Resolution 888, with its provision for withholding obligational authority and expenditures in fiscal year 1968.

I shall have more to say on this later. My point in devoting this much space to revenues, expenditures, and deficits is simply to say that it seems to me that we cannot continue to provide more and larger programs involving expenditure of Federal funds without either a sharp increase in Federal revenue or facing up to curtailing otherwise desirable Federal programs.

It is true that the war in Vietnam contributes heavily to the drain on the Treasury. The current estimates for 1968 expenditures indicate a $2 billion increase over the estimated expenditures of $21.9 billion for the war in Vietnam projected in the original budget last January.

Up to this point I have been referring, for the most part, to spending in terms of cash outgo or expenditures. It is the level of expenditures as related to the level of revenues which determines the deficit or surplus in a given year, but the control of the expenditure side is accomplished largely through control over the appropriations. No money can be spent without an appropriation, and there are a number of legislative methods for appropriating money, but the bulk of this money is provided through the regular annual appropriation process.

THE APPROPRIATION BILL TOTALS

At this session we have enacted 14 regular appropriation bills and three supplemental appropriation bills. Two of the three supplementals were for fiscal 1967. So we generally refer to 15 appropriation bills for fiscal 1968. The last two of these bills were acted upon here today.

Let me give a brief résumé of appropriations provided at this session:

To begin with there were the two fiscal 1967 supplemental appropriations totaling $14,394,451,417, most of which was for support of the Vietnam war.

HOUSE TOTALS

In the 15 appropriation bills for fiscal 1968, the House considered estimates totaling $133,040,228,004. The House initially approved in these 15 bills total appropriations of $126,944,364,206, a reduction of $6,095,863,798 below the estimates considered.

SENATE TOTALS

The Senate considered estimates totaling $133,273,083,277 in these 15 appropriation bills—$232,855,273 higher than the estimates considered by the House, as a result of a few budget amendments going directly to the Senate—and initially approved appropriations totaling $131,015,134,124, a reduction of $2,257,949,153 below the estimates considered. While the Senate first passed these 15 bills containing $4,070,769,918 more than the House had approved, it must be noted that the Senate also considered estimates which were higher than the estimates considered by the House.

The Senate reduced three of the 15 bills below what the House had provided.

FINAL TOTALS

Final action on these 15 appropriation bills by both Houses of the Congress resulted in appropriations totaling $127,477,895,247, for a reduction of $5,795,188,030 below the budget requests. Including estimates in the amount of $136,797,000 which the committee did not consider, the total decrease below the total estimates submitted is $5,931,985,030. This is not an insignificant accomplishment, Mr. Speaker, which will result in reduced expenditures for at least the next 3 years, including approximately $1.9 billion for fiscal 1968. A dollar not appropriated is a dollar that cannot be spent—this year, next year, or beyond.

I include a summary of the appropriation totals for the session, as follows:

COMPARATIVE SUMMARY OF APPROPRIATION BILL TOTALS, 90TH CONG., 1ST SESS., AS OF DEC. 15, 1967

[Does not include any "back-door" type appropriations, or permanent appropriations[1] under previous legislation. Does include indefinite appropriations carried in annual appropriation bills.] All figures are rounded amounts

	Bills for fiscal 1967	Bills for fiscal 1968	Bills for the session
A. House actions:			
1. Budget requests for "appropriations" considered	$14,411,000,000	[2,3,4] $133,040,000,000	[4] $147,451,000,000
2. Amounts in 17 bills passed by House	14,238,000,000	[2,3] 126,945,000,000	141,183,000,000
3. Change from corresponding budget requests	−173,000,000	[4] −6,095,000,000	[4,5] −6,268,000,000
B. Senate actions:			
1. Budget requests for "appropriations" considered	14,533,000,000	[2,3,4] 133,273,000,000	[4] 147,806,000,000
2. Amounts in 17 bills passed by Senate	14,457,000,000	[2,3] 131,015,000,000	145,472,000,000
3. Change from corresponding budget requests	−76,000,000	[4] −2,258,000,000	[4,5] −2,334,000,000
4. Compared with House amounts in these 17 bills	+219,000,000	+4,070,000,000	+4,289,000,000
C. Final actions:			
1. Budget requests for "appropriations" considered	14,533,000,000	[2,3,4] 133,273,000,000	[4] 147,806,000,000
2. Amounts approved in 17 bills enacted	14,394,000,000	[2,3] 127,478,000,000	141,872,000,000
3. Comparison with corresponding budget requests	−139,000,000	[4] −5,795,000,000	[4,5] −5,934,000,000

[1] Permanent appropriations were tentatively estimated in January budget at about $15,212,066,000 for fiscal year 1968.

[2] Includes advance funding for fiscal 1969 for urban renewal and mass transit grants (budget, $980,000,000; House bill, $925,000,000; Senate bill $955,000,000; enacted, $925,000,000) and for grants-in-aid for airports (budget, $75,000,000; House bill, $65,000,000; Senate bill, $75,000,000; enacted, $70,000.000).

[3] And participation sales authorizations as follows: Total authorizations requested in budget, $4,300,000,000; total in House bills, $1,946,000,000; total in Senate bills, $4,085,000,000; total enacted, $4,250,000,000.

[4] Excludes $136,797,000 budget estimates not considered in any appropriation bill.

[5] If the $136,797,000 of estimates not considered were also counted, these figures would be that much greater.

Prepared Dec. 15, 1967, in the House Committee on Appropriations.

I should add, Mr. Speaker, that to reconcile these appropriation figures with the budget document it is necessary to convert from "appropriations" to "obligational authority," a relatively slight difference, and to convert appropriations for the Post Office Department from a gross basis to a net basis, a difference of perhaps about $6 billion.

CHARACTER OF APPROPRIATIONS INCREASES, LAST THREE SESSIONS

Mr. Speaker, total appropriations during this session of Congress are roughly $13,400,000,000 over total appropriations during last session. Of this $13,400,000,000 increase, all but about $1,300,000,000 is in national defense. National defense appropriations are up by $12,100,000,000.

The increase of $1,300,000,000 in non-defense appropriations this session is about the same as the increase in non-defense appropriations in the second session of the 89th Congress over the first session of the 89th Congress.

NET APPROPRIATION CHANGES, BY SESSIONS

[In billions of dollars]

	Total	National defense	Nondefense
89th Cong., 1st sess., over 88th Cong., 2d sess. (from $106,100,000,000 to $119,300,000,000)	+$13.2	+$0.2	+$13.0
89th Cong., 2d sess., over 89th Cong., 1st sess. (from $119,300,000,000 to $143,900,000,000)	+24.6	+23.3	+1.3
90th Cong., 1st sess., over 89th Cong., 2d sess. (from $143,900,000,000 to $157,300,000,000)	+13.4	+12.1	+1.3

THE ECONOMY RESOLUTION—HOUSE JOINT RESOLUTION 888

I have given you the figures relating to the normal processing of the regular annual appropriation bills for fiscal year 1968, but, as you know, an unusual economy provision was enacted this year as a part of the final continuing resolution–House Joint Resolution 888. That resolution provided for reductions in obligating authority in the more controllable civilian programs, and in defense programs not related to Vietnam, in amounts of 2 and 10 percent. While there is a certain amount of administrative leeway in the measure, it is generally estimated to reduce obligation authority by $9 billion, plus inclusive of the reductions resulting from actions in the individual appropriation bills. And, in turn, budgeted expenditures are generally estimated to be reduced by $4.1 billion, inclusive of reductions that would result from actions in the individual appropriation bills.

The economy resolution—on which final action by Congress was achieved on December 12—in simplest terms, provides that departments and agencies shall be limited to the lesser amount of obligational authority provided by—

First. The applicable appropriation act for 1968; or

Second. The budget estimates for 1968, less a sum equal to a 2-percent cut in budgeted personnel compensation and a 10-percent cut in other items.

Third. There are certain classes of exemptions, briefly: First, permanent appropriations—interest on the debt and so forth; second, trust funds—the social security program and the like; third, "relatively uncontrollable" items as described on page 14 of the budget—veterans benefits, and so forth; fourth, an overall authority to exempt up to $300 million of programs on Presidential finding of vital necessity; and fifth, defense obligations and expenditures are subject to special provisions. The reduction is to be 10 percent on budgeted obligations for other than Vietnam costs, with the further provision that any obligations for national defense purposes may be exempted from the limitation upon Presidential determination of essentiality.

This is the largest reduction in obligational authority by way of appropriation action since fiscal year 1954 when Congress reduced the last Truman budget by $12 billion plus. The ending of the Korean war was instrumental in making this possible.

In summary form, the following table compares obligation and expenditure estimates in the January budget as revised in August, the total estimates on November 29, the 2- and 10-percent reductions, and the revised estimates:

1968 OBLIGATIONS AND EXPENDITURES (JANUARY BUDGET AS REVISED NOV. 29)

[In billions of dollars]

	January budget as revised in August		Additional estimated requirements		Total requirements		Reduction by 2- to 10-percent provisions		Revised estimate	
	Obligations	Expenditures	Obligations	Expenditures	Obligations	Expenditures	Obligations	Expenditures	Obligations	Expenditures
Controllable civilian programs	38.4	22.2	−0.3		38.1	22.2	−3.6	−2.1	34.5	20.1
Defense non-Vietnam	54.1	50.4			54.1	50.4	−5.4	−2.0	48.7	48.4
Foreign assistance military	.6	.8			.6	.8	−.1		.5	.8
Subtotal	93.1	73.4	−.3		92.8	73.4	−9.1	−4.1	83.7	69.3
Defense Vietnam	20.8	21.9	+3.0	+2.0	23.8	23.9			23.8	23.9
Uncontrollable civilian programs	30.5	45.5	+1.7	[1] +1.7	32.2	47.2			32.2	[3] 47.2
Participation sales public enterprise funds, etc	1.1	−4.3			1.1	−4.3			1.1	−4.3
Total	145.5	136.5	[2] +4.4	+3.7	149.9	[3] 140.2	−9.1	−4.1	140.8	[2][3] 136.1

[1] See the following table:

[In millions of dollars]

	Amount
CCC: Price support program	672
HEW:	
Payments to trust funds for health insurance	217
Public assistance grants	475
Treasury: Interest of public debt	200
VA: Compensation, pensions, and insurance	127
All other	49
Total	1,740

[2] These figures vary slightly from Budget Bureau tables due to rounding.

[3] These figures do not include an estimated additional $544,000,000 of expenditures which would be in the picture if Congress fails to enact certain legislation proposed in the January budget, as follows:

[In millions of dollars]

	Amount
Defense Production Act (cancel interest on Treasury borrowings)	53
REA revolving fund and user charges	213
Interior, power marketing revolving funds	78
Beauty-safety activities and forest and public land highways	171
Treasury, mint revolving fund	22
Interfund transaction adjustments (net)	7
Total	544

The estimated expenditure changes made by Congress during the session are summarized by department and major agency below. It should be borne in mind that both the preceding and following tables were calculated before final Congressional action on the final two appropriation bills, however, necessary subsequent adjustment should be relatively minor:

CONTINUING RESOLUTION (H.J. RES. 888)—ESTIMATED EXPENDITURE REDUCTIONS

[In thousands of dollars]

Agency	Fiscal 1968 administrative budget expenditures (executive estimates, Nov. 29, 1967)	Estimate of expenditure changes made by appropriation bills	Expenditure reductions, H.J. Res. 888, above changes made in appropriation bills
Legislative branch	269,564	−400	
Judiciary	95,887	−2,300	
Executive Office of the President	28,204	+2,300	(1)
Funds appropriated to the President	5,089,202	−400,000	
Department of Agriculture	7,152,805	−56,000	−234,000
Department of Commerce	998,865	−32,700	−2,300
Defense, military	74,300,000	−688,000	−1,312,000
Defense, civil	1,465,101	−8,000	−27,000
Health, Education, and Welfare	12,938,980	−45,800	−364,200
Housing and Urban Development	607,696	−40,000	−100,000
Interior	1,661,263	−41,800	−18,200
Justice	450,796	−7,500	−2,500
Labor	555,780	−11,200	−3,800
Post Office	606,218	−58,000	−2,000
State	422,866	−3,200	−6,800
Transportation	1,503,660	−74,700	−10,300

See footnote at end of table.

CONTINUING RESOLUTION (H.J. RES. 888)—ESTIMATED EXPENDITURE REDUCTIONS—Continued

[In thousands of dollars]

Agency	Fiscal 1968 administrative budget expenditures (executive estimates, Nov. 29, 1967)	Estimate of expenditure changes made by appropriation bills	Expenditure reductions, H.J. Res. 888, above changes made in appropriation bills
Treasury	15,345,880	−6,600	−23,400
Atomic Energy Commission	2,385,000	−3,000	−77,000
General Services Administration	710,480	−7,300	−27,700
National Aeronautics and Space Administration	5,300,000	−385,000	−90,000
Veterans' Administration	6,330,000	−1,800	−78,200
Other independent agencies	559,458	−22,000	−181,600
District of Columbia	126,760	−6,000	(1)
Interfund transactions	−681,957	------------	------------
Sec. 203(4) (the $300,000,000 obligation exemption reserve)	------------	------------	+150,000
Special allowances:			
Pay increases	1,000,000	------------	------------
Shortfall in asset sales	750,000	------------	------------
Contingencies	300,000	------------	------------
Total	140,272,508	−1,899,000	−2,411,000
Adjusted to reflect estimates on 2 appropriations not yet passed:			
OEO (final supplemental, rough approximation)	------------	−200,000	+80,000
Foreign assistance (rough approximation)	------------	−200,000	+130,000
Adjusted total (total, $4,100,000,000)	------------	−1,499,000	−2,621,000

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[1] Reflected in figures for other independent agencies.

DELAYS IN APPROPRIATION BILLS

I have said that no appropriation is in order unless its object has been authorized by law. Thus the appropriation bills are geared to the legislative authorizing process.

The committee's original reporting plan, released on April 10, was to bring all of the regular annual bills for fiscal 1968 to the House during the period March 20 to June 30. The last one, for the new Department of Transportation, was scheduled to be reported on June 30.

The first nine bills for 1968 were reported on schedule, but all the others were either wholly or in significant part delayed for lack of more timely enactment of a number of related annual authorization bills.

The public works bill was scheduled to be reported to the House on June 16 but was not actually reported until July 20. Action on this appropriation bill was delayed for lack of authorization primarily for the Atomic Energy Commission. The authorizing legislation—Public Law 90-56—was enacted into law July 26, 1967.

The transportation appropriation bill was scheduled for reporting to the House on June 30 but experienced a slight delay until July 13, 1967, pending authorization for the Coast Guard which was signed into law—Public Law 90-37—June 30, 1967.

The appropriation for the National Aeronautics and Space Administration was originally scheduled for inclusion in the independent offices-HUD bill which was reported to the House on May 12, but because of lack of authorization, the NASA appropriation was processed as an individual bill and was reported to the House on August 18. The NASA authorization—Public Law 90-67—was signed into law on August 21, 1967.

The military construction appropriation bill was originally scheduled for reporting to the House on June 16, but because of lack of authorization was not actually reported until October 19, 1967. The military construction authorization—Public Law 90-110—was signed into law October 21, 1967.

The foreign assistance appropriation bill was scheduled for reporting to the House on June 23 but was not actually reported until November 6, 1967. Once again, the delay was caused by the lack of authorization. The necessary authorization—Public Law 90-137—was signed into law November 14, 1967. Funding for the Peace Corps was included in the foreign assistance appropriation bill under special permission granted by the House since the Peace Corps authorization—Public Law 90-175—was not signed into law until December 5, 1967.

The appropriation of funds for the economic opportunity program was originally scheduled to be included in the Labor-HEW bill, but because of lack of authorization, it was necessary to defer action on the budget estimate. The authorizing legislation was cleared by the Congress on December 11, 1967; the Appropriations Committee reported the related appropriation to the House in the supplemental appropriation bill for 1968 the next day, December 12.

Another activity for which appropriation action was delayed pending the enactment of authorization was the Appalachian program. The authorizing legislation—Public Law 90-103—was signed into law October 11, 1967. The related appropriations were included in the supplemental appropriation bill for 1968 which was reported to the House on December 12, 1967, as follows:

MAJOR RECURRING LEGISLATIVE AUTHORIZATION BILLS FOR FISCAL YEAR 1968 (WHICH, UNDER THE RULES, MUST PRECEDE THE RELATED APPROPRIATION BILLS)

Bill	Current authorization bills				Corresponding appropriation bill reported to House 90th Cong., 1st sess.	Date and law number, similar authorizations in previous Congress							
						89th Cong.		88th Cong.		87th Cong.		86th Cong.	
	Passed House	Passed Senate	Conference report finally adopted	Signed into law 90th Cong., 1st sess.		2d sess.	1st sess.	2d sess.	1st sess.	2d sess.	1st sess.	2d sess.	1st sess.
	1967	1967	1967	1967	1967	1966	1965	1964	1963	1962	1961	1960	1959
Armed Forces, procurement, R.D.T. & E. (S. 666)	May 9	Mar. 21	May 23	90-22 June 5	June 9	89-501 July 13	89-37 June 11	88-288 Mar. 20	88-28 May 23	87-436 Apr. 27	87-53 June 21	--------	--------
Armed Forces, military construction (H.R. 11722)	Aug. 1	Sept. 25	Oct. 4	90-110 Oct. 21	Oct. 19	89-568 Sept. 12	89-188 Sept. 16	88-390 Aug. 1	88-174 Nov. 7	87-554 July 27	87-57 June 27	86-500 June	86-149 Aug. 10
Coast Guard (H.R. 5424)	Apr. 12	June 12	------	90-37 June 30	July 13	89-381 Mar. 30	89-13 Apr. 20	88-281 Mar. 11	--------	--------	--------	--------	--------
NASA (S. 1296)	June 28	June 28	Aug. 8	90-67 Aug. 21	Aug. 18	89-528 Aug. 5	89-53 June 28	88-369 July 11	88-113 Sept. 6	87-584 Aug. 14	87-98 July 21	86-481 June 1	86-45 June 15
Atomic Energy Commission (H.R. 10918)	June 29	July 12	------	90-56 July 26	July 20	89-428 May 21	89-32 June 2	88-332 June 30	88-72 July 22	87-701 Sept. 26	87-315 Sept. 26	86-457 May 13	86-44 June 11
Foreign assistance (S. 1872)	Aug. 24	Aug. 17	Nov. 8	90-137 Nov. 14	Nov. 6	89-583 Sept. 19	89-171 Sept. 6	88-633 Oct. 7	88-205 Dec. 16	87-565 Aug. 1	87-195 Sept. 4	86-472 May 14	86-108 Jul. 24
Peace Corps (S. 1031)	Nov. 21	May 15	--------	90-175 Dec. 5	do	89-572 Sept. 13	89-134 Aug. 24	88-285 Mar. 17	88-200 Dec. 13	--------	--------	--------	--------
Economic Opportunity (S. 2388)	Nov. 15	Oct. 5	Dec. 11	--------	Dec. 12	89-794 Nov. 8	89-253 Oct. 9	88-452 Aug. 20	--------	--------	--------	--------	--------
National Teacher Corps (H.R. 10943)	June 27	June 28	--------	90-35 June 29	Oct. 3[1]	--------	--------	--------	--------	--------	--------	--------	--------
Appalachian Regional Development Act (S. 602)	Sept. 14	Apr. 27	Sept. 29	90-103 Oct. 11	Dec. 12	--------	89-4 Mar. 9	--------	--------	--------	--------	--------	--------

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[1] Funds added to Labor-HEW bill in Senate (1st reported to House in conference report). Teacher Corps previously authorized as part of a broader education bill.

Mr. Speaker, I append a table listing the totals involved in each of the 17 appropriation bills of the session:

SUMMARY OF ACTION ON BUDGET ESTIMATES OF "APPROPRIATIONS" IN APPROPRIATION BILLS, 90TH CONG., 1ST SESS., AS OF DEC. 15, 1967

[Does not include any "back door" type appropriations, or permanent appropriations[1] under previous legislation. Does include indefinite appropriations carried in annual appropriation bills]

	Budget estimates considered by House	Passed House	Budget estimates considered by Senate	Passed Senate	Enacted	Latest action compared to budget (+) or (−)
Bills for fiscal 1968:						
Treasury-Post Office	$7,613,787,000	$7,499,230,000	$7,615,148,000	$7,555,167,000	$7,545,641,000	−$69,507,000
District of Columbia:						
Federal payments	63,499,000	59,499,000	73,499,000	71,499,000	67,478,200	−6,020,800
Federal loan appropriation	49,600,000	48,100,000	89,700,000	79,200,000	79,200,000	−10,500,000
Interior	1,443,793,000	1,365,310,150	1,458,218,000	1,399,359,550	1,382,848,350	−75,369,650
Loan and contract authorizations	(30,700,000)	(16,200,000)	(30,700,000)	(16,200,000)	(16,200,000)	(−14,500,000)
Independent offices—HUD	[2] [3] 10,804,642,700	[2] [3] 10,013,178,782	[2] [3] 10,820,513,700	[2] [3] 10,514,830,900	[2] [3] 10,139,473,900	−681,039,800
Contract authorization (rent supplements)	(40,000,000)		(40,000,000)	(40,000,000)	(10,000,000)	(−30,000,000)
Labor-HEW	[3] 13,322,603,000	[3] 13,137,488,000	[3] 13,424,146,000	13,421,660,000	[3] 13,255,356,000	−168,790,000
State, Justice, Commerce, and Judiciary	[3] 2,342,942,000	[3] 2,194,026,500	[3] 2,347,803,195	[3] 2,186,105,500	[3] 2,169,012,500	−178,790,695
Legislative	231,311,132	228,089,952	276,005,210	275,885,804	275,699,035	−306,175
Agriculture	[3] 5,021,097,400	[3] 4,770,580,950	[3] 5,021,097,400	[3] 6,782,529,789	[3] 4,952,945,700	−68,151,700
Loan authorization	(859,600,000)	(859,600,000)	(859,600,000)	(909,000,000)	(859,600,000)	
Defense	71,584,000,000	70,295,200,000	71,584,000,000	70,132,320,000	69,936,620,000	−1,647,380,000
Transportation	[4] 1,718,618,772	[4] 1,530,198,372	[4] 1,718,618,772	[4] 1,651,407,272	[4] 1,581,905,772	−136,713,000
Public works	4,867,813,000	4,622,922,000	4,867,813,000	4,776,064,000	4,689,938,000	−177,875,000
NASA	5,100,000,000	4,583,400,000	5,100,000,000	4,678,900,000	4,588,900,000	−511,100,000
Military construction	2,937,000,000	2,142,693,000	2,937,000,000	2,099,350,000	2,093,362,000	−843,638,000
Foreign assistance	3,818,736,000	2,775,011,000	3,818,736,000	3,313,345,000	2,876,591,000	−942,145,000
Supplemental (poverty, Appalachia, etc.)	[5] 2,120,785,000	1,679,436,500	[5] 2,120,785,000	2,077,510,309	1,842,923,790	[5] −277,861,210
Subtotal, 1968 bills	133,040,228,004	126,944,364,206	133,273,083,277	131,015,134,124	127,477,895,247	[6] −5,795,188,030
Bills for fiscal 1967:						
Defense supplemental (Vietnam)	12,275,870,000	12,196,520,000	12,275,870,000	12,196,520,000	12,196,520,000	−79,350,000
2d supplemental	2,134,932,833	2,041,826,133	2,257,604,652	2,260,246,933	2,197,931,417	−59,673,235
Subtotal, 1967 bills	14,410,802,833	14,238,346,133	14,533,474,652	14,456,766,933	14,394,451,417	−139,023,235
Cumulative "appropriation" totals for the session:						
House (17 bills)	147,451,030,837	141,182,710,339				[6] −6,268,320,498
Senate (17 bills)			147,806,557,929	145,471,901,057		[6] −2,334,656,872
Enacted (17 bills)			147,806,557,929		141,872,346,664	[6] −5,934,211,265

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[1] Permanent "appropriations" were tentatively estimated in January budget at about $15,212,066,000 for fiscal year 1968. (All forms of permanent "new obligational authority" for 1968 were tentatively estimated in the January budget at $17,452,899,000.)

[2] Includes advance funding for fiscal 1969 for urban renewal and mass transit grants (budget, $980,000,000; House bill, $925,000,000; Senate bill, $955,000,000; enacted $925,000,000).

[3] And participation sales authorizations as follows: Independent Offices-HUD, $3,235,000,000 in budget estimates, $881,000,000 in House bill, $3,235,000,000 in Senate bill, and $3,235,000,000 enacted; Labor-HEW, $115,000,000 in budget estimates, House bill, and enacted; State, Justice, Commerce, and Judiciary, $150,000,000 in budget estimates, House bill, Senate bill, and enacted; Agriculture, $800,000,000 in budget estimates and House bill, $700,000,000, in Senate bill and $750,000,000 enacted. Total authorizations requested in budget, $4,300,000,000; total in House bills, $1,946,000,000; total in Senate bills, $4,085,000,000; total enacted, $4,250,000,000.

[4] Includes advance funding for fiscal 1969 for grants-in-aid for airports (budget, $75,000,000; House bill, $65,000,000; Senate bill, $75,000,000; enacted $70,000,000).

[5] Excludes $136,797,000, budget estimates not considered in any appropriation bill.

[6] If the $136,797,000 of estimates not considered were also counted, these figures would be that much greater.

Mr. Speaker, I yield 4 minutes to the gentleman from Ohio [Mr. Bow], the ranking member of the Committee on Appropriations, who has contributed mightily to our work on appropriation bills at this session of Congress.

Mr. BOW. I appreciate the gentleman from Texas yielding to me at this point.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate the distinguished gentleman's yielding to me. I rise in support of this conference report.

The concept embodied in the report of the conference to provide a maximum level of appropriation of $1,773,000,000 without earmarking the funds is sound. This will enable the Director to establish priorities with the limits of the authorizing legislation and the appropriation contained in the report.

This will insure that both the ongoing programs and those new programs authorized in the legislation recently passed can both be funded if the Director makes the determination.

Among those new programs for which an authorization was provided is one which I believe deserves priority. That is the technical assistance program established in section 406 of title IV for which an authorization of $10 million was provided.

I have called to the attention of my colleagues the critical importance of this program. I have stated that this section of the legislation is the one portion which gives real meaning to the words "economic opportunity."

I would urge that the Director give careful and serious consideration to the latitude given to him by this conference report in order for him to recognize the value and validity of the title IV amendment contained in section 406.

I recognize fully the limit of funds within which the Director must operate and share the concern of my colleague from Minnesota [Mr. QUIE], for the need for action under the emergency food and medical services program.

There were a number of new programs authorized by this Congress in the Economic Opportunity Act Amendments of 1967. Under the provisions of the conference report they can be given a fair chance to stand on their own merits.

The total needs of our society are great and I have confidence that this conference report will allow the needs to be judged on an equitable basis.

Mr. BOW. Mr. Speaker, I shall address myself only to the conference report now pending before the House of Representatives, and say that I am in favor of it.

Mr. Speaker, the members of the committee will note that all of the conferees on our side have signed this conference report and we are supporting it as was agreed to by the conference committee.

However, during the subsequent discussion of this bill, I am going to request that the ranking minority members on our side handle the different items as they come up for consideration.

I should like to join, however, with my distinguished friend, the gentleman from Texas [Mr. MAHON] in one observation which the gentleman has made on the question of inflation.

We must be careful in spending. With respect to inflation it is not only the appropriated dollars that tend to fan the flame of inflation, but whatever dollars are used, whether from trust funds or appropriated funds. And I would hope—and I join my friend from Texas in the hope—that we will be very careful in the use of trust funds, appropriated dollars, or whatever they may be, in order to keep expenditures at the lowest possible level so we can continue to fight inflation.

I am sure that is the intention of the gentleman from Texas, and it is certainly my intention.

Mr. Speaker, I yield back the balance of my time.

Mr. GROSS. Mr. Speaker, I regret that the conferees on the pending supplemental appropriation bill saw fit to include $140,000 for the construction of an airport at Kelley Flats, Mont.

It will be remembered that on October 17, Members of the House refused, on a rollcall vote, to approve this expenditure and for the reason that it had not previously been considered by the House Appropriations Committee and therefore was special-privilege legislation.

Moreover, many Members, including myself, insisted that there ought to be State participation in the construction of this airport rather than 100-percent financed by the Federal Government.

Mr. Speaker, the fever for adjournment of this session of Congress is running high and I recognize the facts of life, one of these facts being that to attempt to now strike this item from the bill might well prolong the session.

Let the Record show my feeling that it is most unfortunate that certain Members of Congress have again made this demand at this late hour and that certain other Members have acquiesced in the demand.

Mr. HAWKINS. Mr. Speaker, much fuss is being raised in this session of Congress by Republicans and southern Democrats over a so-called financial crisis which they are using to justify cutbacks in domestic programs. Factually, however, one has every right to question whether the budget cutters are being fiscally responsible or merely using economy to destroy antipoverty measures, aid to education, medicare, social security, and civil rights.

This conservative coalition, under the guise of economy, has fought rent supplements for needy families, inserted a States rights provision into the aid-to-education bill, emasculated the model cities program, weakened the Teacher Corps to help train deprived children, and voted to slash $460 million from the antipoverty program.

Such cuts are not fiscal responsibility for there is no saving in depriving our neediest citizens of education, employment, health protection, and better housing only to end up paying much more in welfare, crime, slums, urban decay, and social disorders. The old saying "a stitch in time saves nine" is still a good one.

Perhaps we should examine more closely this fantasy of budget cutting for the delusion it actually is and not be romanced into accepting such cuts as saving us from increased taxation or required by our current financial situation.

Charges of runaway expenditures, mounting debt burdens, and ever-increasing Federal taxes are just not true.

It is true that over 32 million individuals still live in poverty but most Americans are enjoying more prosperity than ever before. Their personal income after taxes—and adjusted to 1958 dollars—has risen over 20 percent since 1961.

In the last 5 years civilian employment has gained over 7 million persons while unemployment has decreased in sharp contrast to the Eisenhower administration in which it rose from 2.9 percent to 5.5 percent.

Excluding Vietnam, expenditures—exclusive of interest on debt, veterans' benefits, and civilian pay increases—have risen by less than 3 percent per year during the last 5 years despite a population increase of over 9½ million people.

Federal tax rates are actually lower today than in 1963, in sharp contrast to rising State and local taxes. And despite unprecedented prosperity we have maintained price stability. At the same time the national debt as a percent of the gross national product, has decreased—from 57.1 percent in 1961 to 42.8 percent in 1967.

Ours today is the richest and most powerful country in the world. And we have various ways of meeting our fiscal problem. We can increase our annual economic growth and we can, as a last resort, raise taxes. But if we must raise taxes at least we ought to obtain the increases from those who are more prosperous than ever before. Above all we should not cut funds for the poor, the sick, the aged, and the disabled who need help more than ever. This is not only sound economics but simple morality as well.

No one, of course, can rightfully oppose budget reductions wherever justified. But the issue before us is one of priorities. On what can we spend less? And where should we not cut?

The current issue of Time magazine gives good advice on this issue. It opposes pennywise reductions in Federal educational aid, the Peace Corps, and the war on poverty.

At the same time, Time magazine wisely points out "the richest field for cutting is down on the farm" where farm subsidies, often to the wealthiest farmers, now amount to $3.3 billion and rising farm food prices constitute a strong force for inflation.

Also, a reduction in our $74.5 billion defense budget is recommended, especially in military construction, which too often is more political than essential.

And finally, the budget cutters can well take a second look at public works, where projects are often located in the districts of those who vote to cut antipoverty funds while grabbing bigger chunks of the tax dollar for their own pet projects.

Mr. OLSEN. Mr. Speaker, as you and all of our colleagues in the House know, the entire Montana congressional delegation has been working hard this week urging that the Corps of Engineers be authorized to join with the Federal Aviation Administration and interests in the Libby Dam area in the construction of a permanent airport at Kelley Flats in my district.

I appeal to you to vote in favor of the amendment which has been attached to the supplemental appropriations bill. The support which I have received from my colleagues is greatly appreciated and I want to take this opportunity to express my sincere gratitude for the support our appeal has received in the House of Representatives.

A favorable vote today would reverse an earlier decision made in this body. The question is whether the Corps of Engineers should be forced to use approximately $140,000 in funds already appropriated to construct a temporary landing strip on a site which would later be flooded by dam water or to allow the Corps to combine its appropriation with other funds available to construct a permanent airport which would continue to serve the rapidly expanding Libby area after the dam's completion.

The earlier decision to refuse authorization did not mean a saving of money. It was not economical. It was a vote to allow a project which, in the long run, will be extremely wasteful.

But, today we have a chance to vote for the aid of a small town and a big dam. The city of Libby needs this chance to be linked to the abounding airways of our great Nation permanently—not temporarily. And the Corps of Engineers and various contractors will benefit, too, because their work will be more efficient—larger airplanes will be able to land on the improved airport and I have been assured that the safety factor will be greatly enhanced.

On behalf of all concerned, and particularly my distinguished colleagues in the Senate from Montana, Senators Mike Mansfield and Lee Metcalf, may I once again urge you to vote favorably for Kelley Flats.

Mr. MAHON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT

Mr. RHODES of Arizona. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore (Mr. Albert). Is the gentleman opposed to the conference report?

Mr. RHODES of Arizona. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. Rhodes of Arizona moves to recommit the conference report on H.R. 14397 to the committee of conference.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. HALL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 108, nays 254, not voting 71, as follows:

[Roll No. 445]

YEAS—108

Abernethy
Adair
Andrews, Ala.
Ashmore
Bennett
Berry
Betts
Bevill
Blackburn
Brinkley
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson
Cederberg
Chamberlain
Clancy
Clawson, Del
Cleveland
Collier
Cramer
Curtis
Davis, Wis.
Derwinski
Dole
Dowdy
Downing
Edwards, Ala.
Eshleman
Findley
Fino
Fisher
Flynt
Fountain
Fulton, Tenn.
Gathings
Gettys
Goodling
Gross
Grover
Gubser
Hagan
Haley
Hall
Hansen, Idaho
Henderson
Hull
Hunt
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jonas
Jones, N.C.
Kleppe
Kornegay
Latta
Lennon
Lipscomb
Long, La.
McClure
McEwen
McMillan
Marsh
Montgomery
Myers
Nelsen
O'Konski
O'Neal, Ga.
Pettis
Poff
Pool
Price, Tex.
Randall
Rarick
Reid, Ill.
Rhodes, Ariz.
Rivers
Rogers, Fla.
Roth
Roudebush
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Schneebeli
Scott
Selden
Smith, Calif.
Snyder
Steed
Steiger, Ariz.
Stuckey
Taylor
Thompson, Ga.
Thomson, Wis.
Utt
Waggonner
Whalley

Whitener
Wiggins
Williams, Pa.
Winn
Wylie
Zion

NAYS—254

Addabbo
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, N. Dak.
Ashley
Aspinall
Ayres
Baring
Barrett
Battin
Belcher
Bell
Biester
Bingham
Blanton
Blatnik
Boggs
Boland
Bolton
Bow
Brademas
Brasco
Bray
Brock
Brooks
Brotzman
Brown, Mich.
Burke, Mass.
Burton, Calif.
Burton, Utah
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Carey
Carter
Casey
Clark
Clausen, Don H.
Cohelan
Conable
Conte
Conyers
Corman
Cowger
Culver
Cunningham
Daddario
Daniels
Davis, Ga.
de la Garza
Delaney
Dellenback
Denney
Dent
Diggs
Dingell
Donohue
Dorn
Dow
Dulski
Duncan
Eckhardt
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Fallon
Farbstein
Fascell
Feighan
Flood
Foley
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Galifianakis
Gallagher
Garmatz
Giaimo
Gibbons
Gilbert
Gonzalez
Goodell
Green, Oreg.
Green, Pa.
Gude
Halpern
Hamilton
Hammerschmidt
Hanley
Hansen, Wash.
Harvey
Hathaway
Hawkins
Hays
Hechler, W. Va.
Helstoski
Holifield
Holland
Horton
Howard
Irwin
Jacobs
Joelson
Johnson, Calif.
Jones, Ala.
Karsten
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
King, Calif.
Kirwan
Kluczynski
Kyl
Kyros
Laird
Landrum
Langen
Leggett
Lloyd
Long, Md.
McCarthy
McClory
McCloskey
McCulloch
McDade
McDonald, Mich.
Macdonald, Mass.
MacGregor
Machen
Madden
Mahon
Mathias, Calif.
Mathias, Md.
Matsunaga
May
Mayne
Meeds
Meskill
Michel
Miller, Calif.
Miller, Ohio
Mills
Minish
Mink
Minshall
Mize
Monagan
Moore
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Morton
Mosher
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
Olsen
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Pike
Pirnie
Poage
Pollock
Price, Ill.
Pryor
Purcell
Quie
Quillen
Railsback
Rees
Reid, N.Y.
Reifel
Riegle
Robison
Rodino
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roush
Roybal
Rumsfeld
Ruppe
Ryan
St Germain
Scheuer
Schweiker
Schwengel
Shriver
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Smith, Okla.
Springer
Stafford
Staggers
Stanton
Steiger, Wis.
Stephens
Stubblefield
Taft
Teague, Tex.
Tenzer
Thompson, N.J.
Tiernan
Tunney
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waldie
Walker
Wampler
Whalen
White
Whitten
Widnall
Wilson, Charles H.
Wolff
Wright
Wydler
Wyman
Yates
Young
Zablocki
Zwach

NOT VOTING—71

Abbitt
Adams
Annunzio
Arends
Ashbrook
Bates
Bolling
Broomfield
Brown, Calif.
Celler
Colmer
Corbett
Dawson
Devine
Dickinson
Dwyer
Edmondson
Edwards, La.
Everett
Evins, Tenn.
Ford, Gerald R.
Fuqua
Gardner
Gray
Griffiths
Gurney
Halleck
Hanna
Hardy
Harrison
Harsha
Hébert
Heckler, Mass.
Herlong
Hicks
Hosmer
Hungate
Jones, Mo.
King, N.Y.
Kupferman
Kuykendall
Lukens
McFall
Mailliard
Martin
Nichols
Pucinski
Reinecke
Resnick
Reuss
Rhodes, Pa.
Roberts
Rogers, Colo.
Rostenkowski
St. Onge
Shipley
Sikes
Sisk
Stratton
Sullivan
Talcott
Teague, Calif.
Tuck
Watkins
Watson
Watts
Williams, Miss.
Willis
Wilson, Bob
Wyatt

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Everett for, with Mr. Annunzio against.

Mr. Hébert for, with Mr. Gerald R. Ford against.

Mr. Martin for, with Mr. Celler against.

Mr. Edwards of Louisiana for, with Mr. St. Onge against.

Mr. Abbitt for, with Mr. Rostenkowski against.

Mr. Colmer for, with Mrs. Sullivan against.

Mr. Fuqua for, with Mr. Adams against.

Mr. Hungate for, with Mr. Hicks against.

Mr. Nichols for, with Mr. Resnick against.

Mr. Tuck for, with Mr. Rogers of Colorado against.

Mr. Kuykendall for, with Mr. Corbett against.

Mr. Watson for, with Mr. King of New York against.

Mr. Devine for, with Mr. Kupferman against.

Mr. Dickinson for, with Mr. Broomfield against.

Mr. Gurney for, with Mr. Bates against.

Mr. Ashbrook for, with Mr. Bob Wilson against.

Until further notice:

Mr. Evins of Tennessee with Mr. Arends.

Mr. Sikes with Mr. Halleck.

Mr. Hardy with Mr. Mailliard.

Mr. Brown of California with Mr. Harsha.

Mr. Edmondson with Mrs. Dwyer.

Mr. Pucinski with Mr. Teague of California.

Mr. Shipley with Mr. Lukens.

Mr. McFall with Mr. Harrison.

Mr. Watts with Mr. Gardner.

Mr. Roberts with Mr. Hosmer.

Mr. Sisk with Mrs. Heckler of Massachusetts.

Mr. Rhodes of Pennsylvania with Mr. Wyatt.

Mr. Stratton with Mr. Talcott.

Mr. Reuss with Mr. Watkins.

Mr. Willis with Mr. Reinecke.

Mr. Gray with Mr. Herlong.

Mr. Hanna with Mr. Diggs.

Mr. Williams of Mississippi with Mrs. Griffiths.

Mr. BROCK changed his vote from "yea" to "nay."

Messrs. GROVER and LIPSCOMB changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment numbered 3: Page 3, line 10, strike out "$1,612,500,000" and insert "*$1,980,000,000,*".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 3 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert the following: "$1,773,000,000: *Provided*, That those provisions of the Economic Opportunity Amendments of 1967 that set mandatory funding levels for programs newly authorized therein shall not be effective during the fiscal year ending June 30, 1968".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4: Page 4, line 12, insert the following:

"SENATE"

Mr. MAHON. Mr. Speaker, since amendments numbered 4, 5, 6, 7, 8, 9, 10, 11, and 14 all deal with matters pertaining only to the Senate, I ask unanimous consent that they be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The Clerk will report the other amendments en bloc.

The Clerk read as follows:

Senate amendment No. 5: Page 4, line 14, insert the following:

"ADMINISTRATIVE AND CLERICAL ASSISTANTS TO SENATORS

"Effective January 1, 1968, the clerk hire allowance of each Senator from the State of Indiana shall be increased to that allowed Senators from States having a population of five million, the population of said State having exceeded five million inhabitants; and that the clerk hire allowance of each Senator from the State of New Jersey shall be increased to that allowed Senators from States having a population of seven million, the population of said State having exceeded seven million inhabitants."

Senate amendment No. 6: Page 5, line 1, insert the following:

"OFFICE OF THE SECRETARY

"Effective January 1, 1968, the Secretary may fix the compensation of the assistant reporter of debates at not to exceed $17,860 gross per annum."

Senate Amendment No. 7: Page 5, line 5, insert the following:

"CONTINGENT EXPENSES OF THE SENATE"

Senate Amendment No. 8: Page 5, line 6, insert the following:

"FOLDING DOCUMENTS

"For an additional amount for 'Folding Documents', $8,000."

Senate Amendment No. 9: Page 5, line 9, insert the following:

"POSTAGE STAMPS

"For an additional amount for airmail and special delivery stamps for Senators and the President of the Senate, $9,040: *Provided*, That the President of the Senate and each Senator from a State east of the Mississippi River shall be allowed an additional $80, and each Senator from a State west of the Mississippi River shall be allowed an additional $100."

Senate Amendment No. 10: Page 6, line 2, insert the following:

"CAPITOL BUILDINGS"

Senate Amendment No. 11: Page 6, line 7, insert the following:

"SENATE OFFICE BUILDINGS

"For an additional amount for 'Senate Office Buildings', $231,000, to remain available until expended."

Senate Amendment No. 14: Page 6, line 16, insert the following:

"ADMINISTRATIVE PROVISION

"The second paragraph under the heading 'Senate Office Buildings' in the Supplemental Appropriation Act, 1966 (79 Stat. 1147), is amended by striking out '$7,700' and inserting in lieu thereof '$8,200'."

Mr. MAHON (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the aforementioned Senate amendments be dispensed with and that they be considered en bloc and printed in full in the RECORD at this point.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendments of the Senate numbered 4, 5, 6, 7, 8, 9, 10, 11, and 14, and concur therein.

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 19: Page 7, line 22, insert:

"Sec. 602. Funds heretofore appropriated to the Department of the Army for the Libby Dam and Reservoir project in Montana may be used in an amount not to exceed $140,000 in participation with local interests and the Federal Aviation Administration for the construction of an airport facility at Kelley Flats, Montana, in a manner deemed appropriate by the Chief of Engineers."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numered 19 and concur therein with an amendment, as follows: Change the section number in said amendment from "SEC. 602" to "SEC. 502."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

LEAVE TO REVISE AND EXTEND REMARKS

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members who spoke on the conference report may revise and extend their remarks.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 10397. An act, for the relief of Nguyen Van Be (James Be Roellig).

The message also announced that the Senate had passed with amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 13042. An act to amend the act of June 20, 1906, and the District of Columbia election law to provide for the election of members of the Board of Education of the District of Columbia.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1566. An act to amend sections 3 and 4 of the act approved September 22, 1964 (78 Stat. 990), providing for an investigation and study to determine a site for the construction of a sea-level canal connecting the Atlantic and Pacific Oceans.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12080) entitled "An Act to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes."

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1941. An act to prevent, abate, and control air pollution in the District of Columbia, and for other purposes.

The message further announced that the Presiding Officer of the Senate, pursuant to Public Law 115, 78th Congress, entitled "An act to provide for the disposal of certain records of the U.S. Government," appointed Mr. MONRONEY and Mr. CARLSON members of the Joint Select Committee on the part of the Senate for the Disposition of Executive Papers referred to in the report of the Archivist of the United States.

FIXING THE TIME OF ASSEMBLY OF THE SECOND SESSION, 90TH CONGRESS

Mr. ALBERT. Mr. Speaker, I offer a joint resolution (H.J. Res. 960) and ask unanimous consent for its immediate consideration.

The Clerk read the joint resolution, as follows:

H.J. Res. 960

Joint resolution establishing that the second regular session of the Ninetieth Congress convene at noon on Monday, January 15, 1968

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the second regular session of the Ninetieth Congress shall begin at noon on Monday, January 15, 1968.

The **SPEAKER**. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1967—CONFERENCE REPORT

Mr. PERKINS submitted the following conference report and statement on the bill (H.R. 7819) to strengthen and improve programs of assistance for elementary and secondary education by extending authority for allocation of funds to be used for education of Indian children and children in overseas dependents schools of the Department of Defense, by extending and amending the National Teacher Corps program, by providing assistance for comprehensive educational planning, and by improving programs of education for the handicapped; to improve authority for assistance to schools in federally impacted areas and areas suffering a major disaster; and for other purposes:

CONFERENCE REPORT (H. REPT. No. 1049)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7819) to strengthen and improve programs of assistance for elementary and secondary education by extending authority for allocation of funds to be used for education of Indian children and children in overseas dependents schools of the Department of Defense, by extending and amending the National Teacher Corps program, by providing assistance for comprehensive educational planning, and by improving programs of education for the handicapped; to improve authority for assistance to schools in federally impacted areas and areas suffering a major disaster, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "Elementary and Secondary Education Amendments of 1967".

ADMINISTRATION

SEC. 2. Rules, regulations, guidelines, or other published interpretations or orders issued by the Department of Health, Education, and Welfare or the United States Office of Education, or by any official of such agencies, in connection with, or affecting, the administration of programs authorized by this Act or by any Act amended by this Act shall contain immediately following each substantive provision of such rules, regulations, guidelines, interpretations, or orders, citations to the particular section or sections of statutory law or other legal authority upon which such provision is based. All such rules, regulations, guidelines, interpretations, or orders shall be uniformly applied and enforced throughout the fifty States.

TITLE I—AMENDMENTS TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965, AND RELATED AMENDMENTS

PART A—AMENDMENTS TO TITLE I OF ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

PROVISIONS RELATING TO SCHOOLS FOR INDIAN CHILDREN

SEC. 101. The third sentence of section 203(a)(1)(A) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by striking out "June 30, 1967," and inserting in lieu thereof "June 30, 1968, and the fiscal year ending June 30, 1969,".

RAISING THE DOLLAR LIMITATION FOR STATE ADMINISTRATIVE EXPENSES UNDER TITLE II OF PUBLIC LAW 874

SEC. 102. Effective for fiscal years beginning after June 30, 1967, section 207(b)(2) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by striking out "$75,000" and inserting in lieu thereof "$150,000".

TECHNICAL CORRECTIONS WITH RESPECT TO PAYMENTS ON ACCOUNT OF NEGLECTED OR DELINQUENT CHILDREN

SEC. 103. (a) The first sentence of section 203(a)(2) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by inserting "(other than such institutions operated by the United States)" immediately after "living in institutions for neglected or delinquent children", and by striking out "paragraph (5)" and inserting in lieu thereof "paragraph (7)".

(b) Section 205(c)(1)(C) of such Act is amended by striking out "(8)" and inserting in lieu thereof "(11)".

(c) Section 206(a)(3) and section 207(b) of such Act are each amended by striking out "section 205(a)(5)" and inserting in lieu thereof "section 205(a)(6)".

CONFORMING AMENDMENTS TO MAKE STATE OR NATIONAL AVERAGE PER PUPIL EXPENDITURE OPTION AVAILABLE TO STATE AGENCY PROGRAMS UNDER TITLE I

SEC. 104. (a)(1) The second sentence of section 203(a)(6) of the Act of September 30, 1950, is amended by striking out "average per pupil expenditure in the United States" and inserting in lieu thereof the following: "average per pupil expenditure in that State or, if greater, in the United States".

(2) The first sentence of section 203(a)(7) of such Act is amended by inserting after "average per pupil expenditure in that State" the following: "or, if greater, in the United States".

(b)(1) Section 203(a)(2) of such Act is amended by striking out the last sentence thereof.

(2) Section 203(a)(6) of such Act is amended by striking out the last sentence thereof.

(3) Section 203 of such Act is amended by adding at the end thereof the following subsection:

"(e) For purposes of this section, the 'average per pupil expenditure' in a State, or in the United States, shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made, of all local educational agencies as defined in section 303(6)(A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year."

(4) The first sentence of section 203(a)(2) and the first sentence of section 203(a)(5) are each amended by striking out the matter in the parentheses immediately after "United States".

(c) The amendments made by this section shall apply with respect to fiscal years ending on or after June 30, 1969.

USE OF RECENT CASELOAD DATA

SEC. 105. The third sentence of section 203(d) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by striking out "latest calendar or fiscal year data, whichever is later" and inserting in lieu thereof "caseload data for the month of January of the preceding fiscal year".

JOINT TRAINING PROGRAMS FOR EDUCATION AIDES AND PROFESSIONAL STAFF

SEC. 106. Section 205(a) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by inserting a semicolon at the end of paragraph (9), by striking out the period at the end of paragraph (10) and inserting in lieu thereof a semicolon and the word "and", and by adding at the end thereof the following new paragraph:

"(11) in the case of projects involving the use of education aides, the local educational agency sets forth well-developed plans providing for coordinated programs of training in which education aides and the professional staff whom they are assisting will participate together."

ADJUSTMENTS WHEN NECESSITATED BY APPROPRIATIONS

SEC. 107. (a) The second sentence of section 203(c) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended to read as follows: "Except as otherwise provided in section 208, for the fiscal years ending June 30, 1968, June 30, 1969, and June 30, 1970, they shall be 50 per centum and $3,000, respectively."

(b) Section 208 of such Act is amended to read as follows:

"ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS

"SEC. 208. If the sums appropriated for any fiscal year for making the payments provided in this part are not sufficient to pay in full the total amounts which all local and State educational agencies are eligible to receive under this part for such year—

"(1) the amount available for each grant to a State agency eligible for a grant under paragraph (5), (6), or (7) of section 203(a) shall be equal to the maximum grant as computed under such paragraph;

"(2) allocations shall be made to local educational agencies on the basis of computations, in accordance with section 203(a)(2) as reduced ratably, except that—

"(A) until appropriations are sufficient to satisfy all maximum grants as computed by using a low-income factor of $2,000, the low-income factor (referred to in section 203(c)) for such year shall be $2,000; and

"(B) the aggregate amount available for grants to local educational agencies within each State shall be not less than the aggregate amount allocated to local educational agencies within such State for the fiscal year ending June 30, 1967, until the total appropriations for that fiscal year exceed $1,500,000,000 for part A of title I;

"(3) the amount available for payments to each State educational agency for the purposes of section 207(b) shall be equal to 1 per centum of the aggregate amounts available within that State pursuant to paragraphs (1) and (2), except that no State shall receive less than the minimum amount provided for in section 207(b)(2).

In case additional funds become available for making payments under this part for that year, such reduced amounts shall be increased on the same basis that they were reduced. In order to permit the most effective use of all appropriations made to carry out this part, the Commissioner may set dates by which (1) State educational agencies must certify to him the amounts for which the applications of educational agencies have been or will be approved by the State, and (2) State educational agencies referred to in section 203(a)(6) must file applications. If the maximum grant a local educational agency or an agency referred to in section 203(a)(6) would receive (after any ratable reduction which may have been required under the first sentence of this section) is more than an amount which the State educational agency determines, in accordance with regulations prescribed by the Commissioner, such agency will use, the excess amount shall be made available first to educational agencies in that State. Determinations of the educational agencies to which such excess amounts shall be made available shall be made by the State educational agency in furtherance of the purposes of this part, in accordance with criteria prescribed by the Commissioner which are designed to assure that such excess amounts will be made available to other eligible educational agencies with the greatest need, for the purpose of, where appropriate, redressing inequities inherent in, or mitigating hardships caused by, the application of the provisions of paragraph (2) of section 203(a) as a result of such factors as population shifts and changing economic circumstances. In the event excess amounts remain after carrying out the preceding two sentences of this section, such excess amounts shall be distributed among the other States as the Commissioner shall prescribe for use by local educational agencies in such States for the purposes of this part in such manner as the respective State educational agencies shall prescribe."

SPECIAL INCENTIVE GRANTS

SEC. 108. (a) Title II of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is further amended by—

(1) inserting "PART A—BASIC GRANTS" immediately after the heading of such title;

(2) striking out "this title" wherever it appears in sections 201 through 208 and inserting in lieu thereof "this part";

(3) inserting "PART C—GENERAL PROVISIONS" immediately before the section heading of section 209;

(4) redesignating sections 209 through 214 and references thereto as sections 231 through 236; and

(5) inserting after section 208 thereof the following new part:

"PART B—INCENTIVE GRANTS

"SPECIAL INCENTIVE GRANTS

"SEC. 221. (a) A special incentive grant shall be made for any fiscal year beginning after June 30, 1968, to the State educational agency of each State which has an effort index for the preceding fiscal year that exceeds the national effort index for such year. The amount of such special incentive grant shall be determined by multiplying the amount of $1 for each 0.01 per centum by which such State's effort index for such year exceeds the national effort index for such year times the aggregate number of children counted for purposes of entitling local educational agencies within such State to basic grants in accordance with clauses (2), (5), (6), and (7) of section 203(a) of this Act. If the sum of the amounts so determined for all the States exceeds the amount appropriated pursuant to this part for any fiscal year, such amounts shall be ratably reduced. No State agency shall receive in any year a grant pursuant to this section which is in excess of 15 per centum of the total amount appropriated for such year for the purpose of this section. The State educational agency shall distribute such grant to those local educational agencies in such State which are in the greatest need of additional funds, for the purposes set forth in section 205(a), and amounts so distributed shall be used by such agencies in accordance with the provisions governing the use of grants to such agencies under this title.

"(b) Grants pursuant to this section shall be made upon application containing such information as the Commissioner may require for the purpose of this section. The

Commissioner shall not finally disapprove such an application except after reasonable notice and opportunity for a hearing to the State educational agency.

"(c) For the purpose of this section the term 'State effort index' means the per centum expressing the ratio of expenditures from all non-Federal sources in a State for public elementary and secondary education to the total personal income in such State, and the term 'national effort index' means the per centum expressing the ratio of such expenditures in all States to the total personal income in all States.

"(d) For the purpose of making grants under this part there are authorized to be appropriated not in excess of $50,000,000 each for the fiscal year ending June 30, 1969, and the succeeding fiscal year."

(b) Sections 232 and 233(a) of such Act (as redesignated by subsection (a) of this section) are each amended by striking out "or 206(b)" and inserting in lieu thereof ", 206(b) or 221(b)".

AGRICULTURAL WORKERS

SEC. 109. Section 205(c) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by adding at the end thereof the following new paragraph:

"(3) For purposes of this subsection, with the concurrence of his parents, a migratory child of a migratory agricultural worker shall be deemed to continue to be such a child for a period, not in excess of five years, during which he resides in the area served by the agency carrying on a program or project under this subsection."

REDESIGNATING SECTION NUMBERS IN TITLE II OF PUBLIC LAW 874

SEC. 110. For the purpose of avoiding confusion between references to section numbers of title II of the Elementary and Secondary Education Act of 1965 and references to section numbers of title II of Public Law 874, Eighty-first Congress (which latter title is also generally cited as title I of the Elementary and Secondary Education Act of 1965), sections 201 through 208, 221, and 231 through 236 of Public Law 874, Eighty-first Congress, as amended by the preceding sections of this Act, are redesignated as sections 101 through 108, 121, and 131 through 136, respectively, and all references to any such section in that or any other law, or in any rule, regulation, order, or agreement of the United States are amended so as to refer to such section as so redesignated.

STUDY OF IMPACT OF CHILDREN LIVING IN PUBLIC HOUSING

SEC. 111. The Secretary of Health, Education, and Welfare shall make a study of the burden imposed on a local educational agency by the presence of low-rent public housing within the boundaries of its school district. The Secretary shall submit a report on the results of his study to the Senate and House of Representatives on or before May 15, 1968. Such report shall include such recommendations for legislation as the Secretary deems appropriate.

COMPLIANCE WITH CIVIL RIGHTS ACT OF 1964

SEC. 112. Section 182 of title I of Public Law 89–750, Eighty-ninth Congress, is amended by striking the period at the end of section 182, inserting in lieu thereof a colon and the following language: "*Provided*, That, for the purpose of determining whether a local educational agency is in compliance with title VI of the Civil Rights Act of 1964 (Public Law 88–352), compliance by such agency with a final order or judgment of a Federal court for the desegregation of the school or school system operated by such agency shall be deemed to be compliance with such title VI, insofar as the matters covered in the order or judgment are concerned."

STUDY OF DATA USED TO ESTABLISH ENTITLEMENTS

SEC. 113. The Commissioner of Education and the Secretary of Commerce, acting together, shall prepare and submit to the Senate and House of Representatives, on or before May 1, 1968, a report setting forth a method of determining the information necessary to establish entitlements within each of the several States under title I of the Elementary and Secondary Education Act of 1965 on the basis of data later than 1960. Such report shall include recommendations for legislation necessary to permit the adoption of such method.

ADDITION TO NATIONAL ADVISORY COUNCIL REPORT

SEC. 114. Section 134 of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof the following new subsection:

"(e) In its annual report to the President and the Congress to be made not later than January 31, 1969, the Council shall report specifically on which of the various compensatory education programs funded in whole or in part under the provisions of this title and of other public and private educational programs for educationally deprived children, hold the highest promise for raising the educational attainment of these educationally deprived children."

PART B—AMENDMENTS TO TITLE II OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

EXTENDING FOR TWO YEARS PROVISIONS RELATING TO SCHOOLS FOR INDIAN CHILDREN AND DEFENSE DEPARTMENT OVERSEAS DEPENDENTS SCHOOLS

SEC. 121. Section 202(a)(1) of the Elementary and Secondary Education Act of 1965 is amended by striking out "June 30, 1967" and inserting in lieu thereof "June 30, 1968, and the fiscal year ending June 30, 1969".

PART C—REVISION OF TITLE III OF ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

SEC. 131. Title III of the Elementary and Secondary Education Act of 1965 is amended to read as follows:

"TITLE III—SUPPLEMENTARY EDUCATIONAL CENTERS AND SERVICES

"APPROPRIATIONS AUTHORIZED

"SEC. 301. (a) The Commissioner shall carry out a program for making grants for supplementary educational centers and services, to stimulate and assist in the provision of vitally needed educational services not available in sufficient quantity or quality, and to stimulate and assist in the development and establishment of exemplary elementary and secondary school educational programs to serve as models for regular school programs.

"(b) For the purpose of making grants under this title, there is hereby authorized to be appropriated the sum of $100,000,000 for the fiscal year ending June 30, 1966; $175,000,000 for the fiscal year ending June 30, 1967; $500,000,000 for the fiscal year ending June 30, 1968; $512,500,000 for the fiscal year ending June 30, 1969; and $550,000,000 for the fiscal year ending June 30, 1970. In addition, there are hereby authorized to be appropriated for the fiscal year ending June 30, 1968, and each of the two succeeding fiscal years, such sums as may be necessary for the administration of State plans, the activities of advisory councils, and the evaluation and dissemination activities required under this title.

"ALLOTMENT AMONG STATES

"SEC. 302. (a)(1) There is hereby authorized to be appropriated for each fiscal year for the purposes of this paragraph an amount equal to not more than 3 per centum of the amount appropriated for such year for grants under this title. The Commissioner shall allot the amount appropriated pursuant to this paragraph among Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this title. In addition for each fiscal year ending prior to July 1, 1969, he shall allot from such amount to (A) the Secretary of the Interior the amount necessary to provide programs and projects for the purpose of this title for individuals on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, and (B) the Secretary of Defense the amount necessary for such assistance for children and teachers in the overseas dependents schools of the Department of Defense. The terms upon which payments for such purpose shall be made to the Secretary of the Interior and the Secretary of Defense shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this title.

"(2) From the sums appropriated for making grants under this title for any fiscal year pursuant to section 301(b), the Commissioner shall allot $200,000 to each State and shall allot the remainder of such sums among the States as follows:

"(A) He shall allot to each State an amount which bears the same ratio to 50 per centum of such remainder as the number of children aged five to seventeen, inclusive, in the State bears to the number of such children in all the States, and

"(B) He shall allot to each State an amount which bears the same ratio to 50 per centum of such remainder as the population of the State bears to the population of all the States.

For the purposes of this subsection, the term 'State' does not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(b) The number of children aged five to seventeen, inclusive, and the total population of a State and of all the States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him.

"(c) The amount allotted to any State under subsection (a) for any fiscal year, which the Commissioner determines will not be required for the period for which that amount is available, shall be available for grants pursuant to section 306 in such State, and if not so needed may be reallotted or used for grants pursuant to section 306 in other States. Funds available for reallotment may be reallotted from time to time, on such dates during that period as the Commissioner may fix, among other States in proportion to the amounts originally allotted among those States under subsection (a) for that year, but with the proportionate amount for any of the other States being reduced to the extent it exceeds the sum the Commissioner estimates that State needs and will be able to use for that period; and the total of these reductions may be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection from funds appropriated pursuant to section 301 for any fiscal year shall be deemed to be a part of the amount allotted to it under subsection (a) for that year.

"(d) The amounts made available under the first sentence of subsection (c) for any fiscal year shall remain available for grants during the next succeeding fiscal year.

"USES OF FEDERAL FUNDS

"SEC. 303. (a) Funds appropriated pursuant to section 301 shall, except as provided in subsection (b), be available only for grants in accordance with applications approved pursuant to this title for—

"(1) planning for and taking other steps leading to the development of programs or projects designed to provide supplementary educational activities and services described in paragraphs (2) and (3), including pilot projects designed to test the effectiveness of plans so developed;

"(2) the establishment or expansion of exemplary and innovative educational programs (including dual-enrollment programs and the lease or construction of necessary facilities) for the purpose of stimulating the adoption of new educational programs (including those described in section 503(4) and special programs for handicapped children) in the schools of the State; and

"(3) the establishment, maintenance, operation, and expansion of programs or projects, including the least or construction of necessary facilities and the acquisition of necessary equipment, designed to enrich the programs of local elementary and secondary schools and to offer a diverse range of educational experience to persons of varying talents and needs by providing, especially through new and improved approaches, supplementary educational services and activities, such as—

"(A) comprehensive guidance and counseling, remedial instruction, and school health, physical education, recreation, psychological, social work, and other services designed to enable and encourage persons to enter, remain in, or reenter educational programs, including the provision of special educational programs and study areas during periods when schools are not regularly in session;

"(B) comprehensive academic services and, where appropriate, vocational guidance and counseling, for continuing adult education;

"(C) specialized instruction and equipment for students interested in studying advanced scientific subjects, foreign languages, and other academic subjects which are not taught in the local schools or which can be provided more effectively on a centralized basis, or for persons who are handicapped or of preschool age;

"(D) making available modern educational equipment and specially qualified personnel, including artists and musicians, on a temporary basis for the benefit of children in public and other nonprofit schools, organizations, and institutions;

"(E) developing, producing, and transmitting radio and television programs for classroom and other educational use;

"(F) in the case of any local educational agency which is making a reasonable tax effort but which is nevertheless unable to meet critical educational needs (including preschool education), because some or all of its schools are seriously overcrowded, obsolete, or unsafe, initiating and carrying out programs or projects designed to meet those needs, particularly those which will result in more effective use of existing facilities.

"(G) providing special educational and related services for persons who are in or from rural areas or who are or have been otherwise isolated from normal educational opportunities, including, where appropriate, the provision of mobile educational services and equipment, special home study courses, radio, television, and related forms of instruction, bilingual education methods, and visiting teachers' programs;

"(H) encouraging community involvement in educational programs; and

"(I) other specially designed educational programs or projects which meet the purposes of this title.

"(b) In addition to the uses specified in subsection (a), funds appropriated for carrying out this title may be used for—

"(1) proper and efficient administration of State plans;

"(2) obtaining technical, professional, and clerical assistance and the services of experts and consultants to assist the advisory councils authorized by this title in carrying out their responsibilities; and

"(3) evaluation of plans, programs, and projects, and dissemination of the results thereof.

"APPLICATIONS FOR GRANTS—CONDITIONS FOR APPROVAL

"SEC. 304. (a) A grant under this title pursuant to an approved State plan or by the Commissioner for a supplementary educational center or service program or project may be made only to a local educational agency or agencies, and then only if there is satisfactory assurance that, in the planning of that program or project there has been, and in the establishment and carrying out thereof there will be, participation of persons broadly representative of the cultural and educational resources of the area to be served. The term 'cultural and educational resources' includes State educational agencies, institutions of higher education, nonprofit private schools, public and nonprofit private agencies such as libraries, museums, musical and artistic organizations, educational radio and television, and other cultural and educational resources. Such grants may be made only upon application to the appropriate State educational agency or to the Commissioner, as the case may be, at such time or times, in such manner, and containing or accompanied by such information as the Commissioner deems necessary. Such applications shall—

"(1) provide that the activities and services for which assistance under this title is sought will be administered by or under the supervision of the applicant;

"(2) set forth a program for carrying out the purposes set forth in section 303(a) and provide for such methods of administration as are necessary for the proper and efficient operation of the programs;

"(3) set forth policies and procedures which assure that Federal funds made available under this title for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in section 303(a), and in no case supplant such funds;

"(4) provide, in the case of an application for assistance under this title which includes a project for the construction of necessary facilities, satisfactory assurance that—

"(A) reasonable provision has been made, consistent with the other uses to be made of the facilities, for areas in such facilities which are adaptable for artistic and cultural activities,

"(B) upon completion of the construction, title to the facilities will be in a State or local educational agency.

"(C) in developing plans for such facilities, (i) due consideration will be given to excellence of architecture and design and to the inclusion of works of art (not representing more than 1 per centum of the cost of the project), and (ii) there will be compliance with such standards as the Secretary may prescribe or approve in order to insure that, to the extent appropriate in view of the uses to be made of the facilities, such facilities are accessible to and usable by handicapped persons, and

"(D) the requirements of section 310 will be complied with;

"(5) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this title; and

"(6) provide for making an annual report and such other reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this title and to determine the extent to which funds provided under this title have been effective in improving the educational opportunities of persons in the area served, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

"(b) An application by a local educational agency for a grant under this title may be approved only if it is consistent with the applicable provisions of this title and—

"(1) meets the requirements set forth in subsection (a);

"(2) provides that the program or project for which application is made—

"(A) will utilize the best available talents and resources and will substantially increase the educational opportunities in the area to be served by the applicant, and

"(B) to the extent consistent with the number of children enrolled in nonprofit private schools in the area to be served whose educational needs are of the type provided by the program or project, makes provision for the participation of such children; and

"(3) has been reviewed by a panel of experts.

"(c) Amendments of applications shall, except as the Commissioner may otherwise provide by or pursuant to regulations, be subject to approval in the same manner as original applications.

"STATE ADVISORY COUNCILS AND STATE PLANS

"SEC. 305. (a)(1) Any State desiring to receive payments for any fiscal year to carry out a State plan under this title shall (A) establish within its State educational agency a State advisory council (hereinafter referred to as the 'State advisory council') which meets the requirements set forth in paragraph (2), (B) set dates before which local educational agencies must have submitted applications for grants to the State educational agency, and (C) submit to the Commissioner, through its State educational agency, a State plan at such time and in such detail as the Commissioner may deem necessary. The Commissioner may, by regulation, set uniform dates for the submission of State plans and applications.

"(2) The State advisory council, established pursuant to paragraph (1), shall—

"(A) be appointed by the State educational agency, and be broadly representative of the cultural and educational resources of the State (as defined in section 304(a)) and of the public, including persons representative of—

"(i) elementary and secondary schools,

"(ii) institutions of higher education, and

"(iii) areas of professional competence in dealing with children needing special education because of physical or mental handicaps;

"(B) advise the State educational agency on the preparation of, and policy matters arising in the administration of, the State plan, including the development of criteria for approval of applications under such State plan;

"(C) review, and make recommendations to the State educational agency on the action to be taken with respect to, each application for a grant under the State plan;

"(D) evaluate programs and projects assisted under this title;

"(E) prepare and submit through the State educational agency a report of its activities, recommendations, and evaluations, together with such additional comments as the State educational agency deems appropriate, to the Commissioner and to the National Advisory Council established pursuant to this title, at such times, in such form, and in such detail, as the Secretary may prescribe; and

"(F) obtain such professional, technical, and clerical assistance as may be necessary to carry out its functions under this title.

"(b) The Commissioner shall approve a State plan, or modification thereof, if he determines that the plan submitted for that fiscal year—

"(1) sets forth a program (including educational needs, and their basis, and the manner in which the funds paid to the State under this title shall be used in meeting such educational needs) under which funds paid to the State under section 307(a) will be expended solely for the improvement of education in the State through grants to local educational agencies for programs or projects in accordance with sections 303 and 304. *Provided*, That, in the case of a State educational agency that also is a local educational agency, its approval of a program or project to be carried out by it in the latter capacity shall, for the purposes of this title, be deemed an award of a grant by it upon application of a local educational agency if the State plan contains, in addition to the provisions otherwise required by this section, provisions and assurances (applicable to such program or project) that are fully equivalent to those otherwise required of a local educational agency;

"(2) sets forth the administrative organization and procedures, including the qualifications for personnel having responsibilities in the administration of the plan in such detail as the Commissioner may prescribe by regulation;

"(3) sets forth criteria for achieving an equitable distribution of assistance under this title, which criteria shall be based on consideration of (A) the size and population of the State, (B) the geographic distribution and density of the population within the State, and (C) the relative need of persons in different geographic areas and in different population groups within the State for the kinds of services and activities described in section 303, and the financial ability of the local educational agencies serving such persons to provide such services and activities;

"(4) provides for giving special consideration to the application of any local educational agency which is making a reasonable tax effort but which is nevertheless unable to meet critical educational needs, including preschool education for four- and five-year-olds and including where appropriate bilingual education, because some or all of its schools are seriously overcrowded (as a result of growth, or shifts in enrollment or otherwise), obsolete, or unsafe;

"(5) provides that, in approving applications for grants for programs or projects, applications proposing to carry out programs or projects planned under this title will receive special consideration;

"(6) provides for adoption of effective procedures (A) for the evaluation, at least annually, of the effectiveness of the programs and projects, by the State advisory council, supported under the State plan in meeting the purposes of this title, (B) for appropriate dissemination of the results of such evaluations and other information pertaining to such programs or projects, and (C) for adopting, where appropriate, promising educational practices developed through such programs or projects;

"(7) provides that not less than 50 per centum of the amount which such State receives to carry out the plan in such fiscal year shall be used for purposes of paragraphs (1) and (2) of section 303(a);

"(8) provides that not less than 15 per centum of the amount which such State receives to carry out the plan in such fiscal year shall be used for special programs or projects for the education of handicapped children;

"(9) sets forth policies and procedures which give satisfactory assurance that Federal funds made available under this title for any fiscal year (A) will not be commingled with State funds, and (B) will be so used as to supplement and, to the extent practical, increase the fiscal effort (determined in accordance with criteria prescribed by the Commissioner, by regulation) that would, in the absence of such Federal funds, be made by the applicant for educational purposes;

"(10) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State under this title;

"(11) provides for making an annual report and such other reports, in such form and containing such informations, as the Commissioner may reasonably require to carry out his functions under this title and to determine the extent to which funds provided under this title have been effective in improving the educational opportunities of persons in the areas served by programs or projects supported under the State plan and in the State as a whole, including reports of evaluations made in accordance with objective measurements under the State plan pursuant to paragraph (6), and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

"(12) provides that final action with respect to any application (or amendment thereof) (3) regarding the proposed final disposition thereof shall not be taken without first affording the local educational agency or agencies submitting such application reasonable notice and opportunity for a hearing; and

"(13) contains satisfactory assurance that, in determining the eligibility of any local educational agency for State aid or the amount of such aid, grants to that agency under this title shall not be taken into consideration.

"(c) The Commissioner may, if he finds that a State plan for the fiscal year ending June 30, 1969, is in substantial compliance with the requirements set forth in subsection (b), approve that part of the plan which is in compliance with such requirements and make available (pursuant to section 307) to that State that part of the State's allotment which he determines to be necessary to carry out that part of the plan so approved. The remainder of the amount which such State is eligible to receive under this section may be made available to such State only if the unapproved portion of that State plan has been so modified as to bring the plan into compliance with such requirements: *Provided*, That the amount made available to a State pursuant to this subsection shall not be less than 50 per centum of the maximum amount which the State is eligible to receive under this section.

"(d) A State which has had a State plan approved for any fiscal year may receive for the purpose of carrying out such plan an amount not in excess of 75 per centum of its allotment pursuant to section 302 for the fiscal year ending June 30, 1969, and for the fiscal year ending June 30, 1970, plus for such fiscal year ending June 30, 1970, such part of the remainder of such allotment as is not used pursuant to section 306.

"(e)(1) The Commissioner shall not finally disapprove any plan submitted under subsection (a), or any modification thereof, without first affording the State educational agency submitting the plan reasonable notice and opportunity for a hearing.

"(2) Whenever the Commissioner, after reasonable notice and opportunity for hearings to any State educational agency, finds that there has been a failure to comply substantially with any requirement set forth in the plan of that State approved under section 305 or with any requirement set forth in the application of a local educational agency approved pursuant to section 304, the Commissioner shall notify the agency that further payments will not be made to the State under this title (or, in his discretion, that the State educational agency shall not make further payments under this title to specified local educational agencies affected by the failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, no further payments shall be made to the State under this title, or payments by the State educational agency under this title shall be limited to local educational agencies not affected by the failure, as the case may be.

"(3)(A) If any State is dissatisfied with the Commissioner's final action with respect to the approval of a plan submitted under subsection (a) or with his final action under paragraph (2), such State may, within 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action as provided in section 2112 of title 28, United States Code.

"(B) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings.

"(C) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(f)(1) If any local educational agency is dissatisfied with the final action of the State educational agency with respect to approval of an application by such local agency for a grant pursuant to this title, such local agency may, within sixty days after such final action or notice thereof, whichever is later, file with the United States court of appeals for the circuit in which the State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the State educational agency. The State educational agency thereupon shall file in the court the record of the proceedings on which the State educational agency based its action as provided in section 2112 of title 28, United States Code.

"(2) The findings of fact by the State educational agency, if supported by substantial evidence shall be conclusive; but the court, for good cause shown, may remand the case to the State educational agency to take further evidence, and the State educational agency may thereupon make new or modified findings of fact and may modify its previous action, and shall certify to the court the record of the further proceedings.

"(3) The court shall have jurisdiction to affirm the action of the State educational agency or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"SPECIAL PROGRAMS AND PROJECTS

"SEC. 306. (a) From the portion described in subsection (c) of the amount allotted to any State, pursuant to section 302, the Commissioner is authorized, subject to the provisions of section 304, to make grants to local educational agencies in such State for programs or projects which meet the purposes of section 303 and which, in the case of a local educational agency in a State which has a State plan approval, hold promise of making a substantial contribution to the solution of critical educational problems common to all or several States. The Commissioner may not approve an application under this section unless the application has been submitted to the appropriate State educational agency for comment and recommendation with respect to the action to be taken by the Commissioner regarding the disposition of the application.

"(b) Not less than 15 per centum of the funds granted pursuant to this section in any fiscal year shall be used for programs or projects designed to meet the special educational needs of handicapped children.

"(c) For the fiscal year ending June 30, 1969, not in excess of 25 per centum of a State's allotment shall be available for the purposes of this section, and for the fiscal year ending June 30, 1970, only such part, not in excess of 25 per centum, of such allotment shall be available as is necessary to continue toward completion projects pursuant to this section in such State which were initiated prior to such fiscal year except that, for the fiscal year ending June 30, 1969, any portion of a State's allotment which is not available for grants under an approved State plan shall be available for grants in such State under this section.

"PAYMENTS

"Sec. 307. (a) From the allotment to each State pursuant to section 302, for any fiscal year, the Commissioner shall pay to each State, which has had a plan approved pursuant to section 305 for that fiscal year, the amount necessary to carry out its State plan as approved.

"(b) The Commissioner is authorized to pay to each State amounts necessary for the activities described in section 303(b), during any fiscal year, except that (1) the total of such payments shall not be in excess of an amount equal to 7½ per centum of its allotment for that fiscal year or $150,000 ($50,000 in the case of the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), whichever is greater, and (2) in such payment, the amount paid for the administration of the State plan during the fiscal year ending June 30, 1970, shall not exceed an amount equal to 5 per centum of its allotment for that fiscal year or $100,000 ($35,000 in the case of the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), whichever is greater.

"(c) The Commissioner shall pay to each applicant which has an application approved pursuant to section 306 the amount necessary to carry out the program or project pursuant to such application.

"(d) Payments under this section may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

"(e) No payments shall be made under this title to any local educational agency or to any State unless the Commissioner finds, in the case of a local educational agency, that the combined fiscal effort of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was not less than such combined fiscal effort for that purpose for the second preceding fiscal year or, in the case of a State, that the fiscal effort of that State for State aid (as defined by regulation) with respect to the provision of free public education in that State for the preceding fiscal year was not less than such fiscal effort for State aid for the second preceding fiscal year.

"RECOVERY OF PAYMENTS

"Sec. 308. If within twenty years after completion of any construction for which Federal funds have been paid under this title—

"(a) the owner of the facility shall cease to be a State or local educational agency, or

"(b) the facility shall cease to be used for the educational and related purposes for which it was constructed, unless the Commissioner determines in accordance with regulations that there is good cause for releasing the applicant or other owner from the obligation to do so,

the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility (or so much thereof as constituted an approved project or projects) the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated.

"NATIONAL ADVISORY COUNCIL

"Sec. 309. (a) The President shall, by January 31, 1968, appoint a National Advisory Council on Supplementary Centers and Services which shall—

"(1) review the administration of, general regulations for, and operation of this title, including its effectiveness in meeting the purposes set forth in section 303;

"(2) review, evaluate, and transmit to the Congress and the President the reports submitted pursant to section 305(a)(2)(E);

"(3) evaluate programs and projects carried out under this title and disseminate the results thereof; and

"(4) make recommendations for the improvement of this title, and its administration and operation.

"(b) The Council shall be appointed by the President without regard to the civil service laws and shall consist of twelve members, a majority of whom shall be broadly representative of the educational and cultural resources of the United States including at least one person who has professional competence in the area of education of handicapped children. Such members shall be appointed for terms of three years except that (1) in the case of the initial members, four shall be appointed for terms of one year each and four shall be appointed for terms of two years each, and (2) appointments to fill the unexpired portion of any term shall be for such portion only. When requested by the President, the Secretary of Health, Education, and Welfare shall engage such technical and professional assistance as may be required to carry out the functions of the Council, and shall make available to the Council such secretarial, clerical and other assistance and such pertinent data prepared by the Department of Health, Education, and Welfare as it may require to carry out its functions.

"(c) The Council shall make an annual report of its findings and recommendations (including recommendations for changes in the provisions of this title) to the President and the Congress not later than January 20 of each year. The President is requested to transmit to the Congress such comments and recommendations as he may have with respect to such report.

"(d) Members of the Council who are not regular full-time employees of the United States shall, while serving on business of the Council, be entitled to receive compensation at rates fixed by the President, but not exceeding $100 per day, including traveltime; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

"LABOR STANDARDS

"Sec. 310. All laborers and mechanics employed by contractors or subcontractors on all construction projects assisted under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c)."

EFFECTIVE DATE

Sec. 132. (a) The amendment made by section 131 shall be effective July 1, 1968, except as specifically provided in subsection (b).

(b)(1) That part of section 305(a) of the Elementary and Secondary Education Act of 1965, as amended by section 131, concerning State advisory councils, and section 309 of such Act, as so amended, shall be effective upon enactment of this Act.

(2) The second sentence of section 201(b) of such Act, as so amended, shall be effective upon enactment of this Act.

(c) The Commissioner is authorized, upon enactment of this Act, to take such steps as he may deem appropriate in order to prepare to implement the amendment made by section 131.

Part D—Amendments to Title V of the Elementary and Secondary Education of 1965

DURATION OF AND FUNDS FOR TITLE

Sec. 141. (a) Section 501(a) of the Elementary and Secondary Education Act of 1965 is amended by striking out "during the fiscal year ending June 30, 1966, and each of the four succeeding fiscal years,".

(b) Section 501(b) of such Act is amended by striking out "and $50,000,000 for the fiscal year ending June 30, 1968" and inserting in lieu thereof the following: "$65,000,000 for the fiscal year ending June 30, 1968, and $80,000,000 each for the fiscal years ending June 30, 1969, and June 30, 1970.".

INCLUSION OF TRUST TERRITORY OF PACIFIC ISLANDS

Sec. 142. (a) The first and third sentences of paragraph (1) of section 502(a) of the Elementary and Secondary Education Act of 1965, relating to apportionment of appropriations, are each amended by striking out "and" after "Samoa," and by inserting ", and the Trust Territory of the Pacific Islands" after "Virgin Islands".

(b)(1) Paragraph (j) of section 701 of such Act, defining the term "State", is amended by striking out "and for purposes of title II and title III, such term includes the Trust Territory of the Pacific Islands" and inserting in lieu thereof ", and for purposes of titles II, III, and V such term also includes the Trust Territory of the Pacific Islands".

(2) Such section 701 is further amended by inserting ", except when otherwise specified" immediately after "As used in titles II, III, and V of this Act".

REVISION OF APPORTIONMENT FORMULA

Sec. 143. The second sentence of paragraph (1) of section 502(a) of the Elementary and Secondary Education Act of 1965 is amended to read as follows: "The remainder of such per centum of such sums shall be apportioned by the Commissioner as follows:

"(A) He shall apportion 40 per centum of such remainder among the States in equal amounts.

"(B) He shall apportion to each State an amount that bears the same ratio to 60 per centum of such remainder as the number of public school pupils in the State bears to the number of public school pupils in all the States, as determined by the Commissioner on the basis of the most recent satisfactory data available to him."

ENCOURAGEMENT OF USE OF AUXILIARY PERSONNEL

Sec. 144. Section 503 of the Elementary and Secondary Education Act of 1965 is amended by redesignating paragraphs (7), (8), (9), (10), and (11) as (8), (9), (10), (11), and

(12), respectively, and by inserting after paragraph (6) the following new paragraph:

"(7) programs and other activities specifically designed to encourage the full and adequate utilization and acceptance of auxiliary personnel (such as teacher aides) in elementary and secondary schools on a permanent basis;".

COMPREHENSIVE PLANNING GRANTS

SEC. 145. (a) Section 503 of the Elementary and Secondary Education Act of 1965 is amended by striking out "and" at the end of the next to the last paragraph, by striking out the period at the end thereof and inserting a semicolon, and by adding at the end thereof the following new paragraphs:

"(13) programs for providing grants to local educational agencies in metropolitan areas to enable them to engage in comprehensive planning to meet their particular needs, either alone or in cooperation with other such agencies; and

"(14) a program, which shall be included in each such overall program for each fiscal year pursuant to this section, for distributing in the State in an equitable manner on the basis of need among local educational agencies, within the State at least 10 per centum of such amount to be used by such agencies for any of the purposes of this title as applied to a local educational agency in lieu of a State educational agency."

(b)(1) Section 502(a) of such Act is amended by striking out "85" each time it appears and inserting "95" in lieu thereof.

(2) Section 502(a)(2) of such Act is amended by striking out "Fifteen" and inserting in lieu thereof "Five".

(3) Section 505 of such Act is amended by striking out "Fifteen" and inserting in lieu thereof "Five".

(c) The amendments made by subsections (a) and (b) shall be effective for fiscal years beginning after June 30, 1968.

GRANTS TO INTERSTATE COMMISSIONS

SEC. 146. Section 505 of the Elementary and Secondary Education Act of 1965 is amended by striking out the period at the end of such section and inserting in lieu thereof the following: ", and for grants to public regional interstate commissions or agencies for educational planning and research."

PART E—AMENDMENTS TO TITLE VI OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965, AND RELATED AMENDMENTS

REGIONAL RESOURCE CENTERS, SERVICES FOR DEAF-BLIND CHILDREN, RECRUITMENT OF PERSONNEL

SEC. 151. Title VI of the Elementary and Secondary Education Act of 1965 is amended by—

(1) inserting immediately below the heading of such title

"PART A—ASSISTANCE TO STATES FOR EDUCATION OF HANDICAPPED CHILDREN";

(2) inserting immediately above the heading of section 608

"PART E—GENERAL PROVISIONS";

(3) redesignating sections 608, 609, and 610 and references thereto as sections 611, 612, and 613, respectively;

(4) striking out the words "this title" wherever they occur in sections 601, and 603 through 607, and inserting in lieu thereof "this part"; and

(5) inserting immediately after section 607 the following:

"PART B—REGIONAL RESOURCE CENTERS FOR IMPROVEMENT OF THE EDUCATION OF HANDICAPPED CHILDREN

"REGIONAL RESOURCE CENTERS

"SEC. 608. (a) For the purpose of aiding in the establishment and operation of regional centers which will develop and apply the best methods of appraising the special educational needs of handicapped children referred to them and will provide other services to assist in meeting such needs, there are authorized to be appropriated $7,500,000 for the fiscal year ending June 30, 1968, $7,750,000 for the fiscal year ending June 30, 1969, and $10,000,000 for the fiscal year ending June 30, 1970.

"(b) Appropriations under this section shall be available to the Commissioner for grants to or contracts with institutions of higher education, State educational agencies, or combinations of such agencies or institutions (which combinations may include one or more local educational agencies), within particular regions of the United States, to pay all or part of the cost of establishment (including construction) or operation of regional resource centers for the improvement of education of the handicapped in such regions. Centers established or operated under this section shall (1) provide testing and educational evaluation to determine the special educational needs of handicapped children referred to such centers, (2) develop educational programs to meet those needs, and (3) assist schools and other appropriate agencies, organizations, and institutions in providing such educational programs through services such as consultation (including, in appropriate cases, consultation with parents or teachers of handicapped children at such regional centers), periodic reexamination and reevaluation of special educational programs, and other technical services.

"(c) In determining whether to approve an application for a project under this section, the Commissioner shall consider the need for such a center in the region to be served by the applicant and the capability of the applicant to develop and apply, with the assistance of funds under this section, new methods, techniques, devices, or facilities relating to educational evaluation or education of handicapped children.

"(d) Payment pursuant to grants or contracts under this section may be made (after necessary adjustments on account of previously made underpayments or overpayments) in advance or by reimbursement, and in such installments and on such conditions as the Commissioner may determine.

"PART C—CENTERS AND SERVICES FOR DEAF-BLIND CHILDREN

"SEC. 609. (a) It is the purpose of this part to provide, through a limited number of model centers for deaf-blind children, a program designed to develop and bring to bear upon such children, beginning as early as feasible in life, those specialized, intensive professional and allied services, methods, and aids that are found to be most effective to enable them to achieve their full potential for communication with and adjustment to the world around them, for useful and meaningful participation in society, and for self-fulfillment.

"(b) The Secretary is authorized, upon such terms and conditions (subject to the provisions of subsection (d)(1) of this section) as he deems appropriate to carry out the purposes of this part, to make grants to or contracts with public or nonprofit private agencies, organizations, or institutions to pay all or part of the cost of establishment (including, when necessary, construction) or operation, or both, of centers for deaf-blind children.

"(c) In determining whether to make a grant or contract under subsection (b), the Secretary shall take into consideration the need for a center for deaf-blind children in the light of the general availability and quality of existing services for such children in the part of the country involved.

"(d)(1) A grant or contract pursuant to subsection (b) shall be made only if the Secretary determines that there is satisfactory assurance that the center will provide such services as he has by regulation prescribed, including at least—

"(A) comprehensive diagnostic and evaluative services for deaf-blind children;

"(B) a program for the adjustment, orientation, and education of deaf-blind children which integrates all the professional and allied services necessary therefor; and

"(C) effective consultative services for parents, teachers, and others who play a direct role in the lives of deaf-blind children to enable them to understand the special problems of such children and to assist in the process of their adjustment, orientation, and education.

"(2) Any such services may be provided to deaf-blind children (and, where applicable, other persons) regardless of whether they reside in the center, may be provided at some place other than the center, and may include the provision of transportation for any such children (including an attendant) and for parents.

"(e) The Secretary is further authorized, either as part of any grant or contract under subsection (b), or by separate grant to or contract with an agency, organization, or institution operating a center meeting the requirements prescribed by or pursuant to subsection (d), to provide for the payment of all or part of the cost of such activities as—

"(1) research to identify and meet the full range of special needs of deaf-blind children;

"(2) development or demonstration of new, or improvements in existing, methods, approaches, or techniques which would contribute to the adjustment and education of deaf-blind children;

"(3) training (either directly or otherwise) of professional and allied personnel engaged or preparing to engage in programs specifically designed for deaf-blind children, including payment of stipends for trainees and allowances for travel and other expenses for them and their dependents; and

"(4) dissemination of materials and information about practices found effective in working with deaf-blind children.

"(f) For purposes of this part, the term 'construction' includes, in addition to those matters set forth in section 701(b), construction of residential facilities; and the cost of construction shall be deemed to include the cost of acquisition of land in connection with any of the foregoing, but not the cost of off-site improvements.

"(g) If within twenty years after the completion of any construction (except minor remodeling or alteration) for which funds have been paid pursuant to a grant or contract under this part the facility constructed ceases to be used for the purposes for which it was constructed, the United States, unless the Secretary determines that there is good cause for releasing the recipient of the funds from its obligation, shall be entitled to recover from the applicant or other owner of the facility an amount which bears the same ratio to the then value of the facility as the amount of such Federal funds bore to the cost of the portion of the facility financed with such funds. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated.

"(h) For purposes of this part, the determination of children who are both deaf and blind shall be made in accordance with regulations of the Secretary.

"(i) Payments pursuant to grants or contracts under this part may be made (after necessary adjustment on account of previously made overpayments or underpayments) in advance or by way of reimbursements, and in such installments and on such conditions as the Secretary may determine.

"(j) For the purpose of carrying out this part, there are authorized to be appropriated $1,000,000 for the fiscal year ending June 30, 1968, $3,000,000 for the fiscal year ending June 30, 1969, and $7,000,000 for the fiscal year ending June 30, 1970.

"Part D—Recruitment of Personnel and Information on Education of the Handicapped

"GRANTS OR CONTRACTS TO IMPROVE RECRUITING OF EDUCATIONAL PERSONNEL, AND TO IMPROVE DISSEMINATION OF INFORMATION CONCERNING EDUCATIONAL OPPORTUNITIES FOR THE HANDICAPPED

"Sec. 610. (a) The Commissioner is authorized to make grants to public or nonprofit private agencies, organizations, or institutions, or to enter into contracts with public or private agencies, organizations, or institutions, for projects for—

"(1) encouraging students and professional personnel to work in various fields of education of handicapped children and youth through, among other ways, developing and distributing imaginative or innovative materials to assist in recruiting personnel for such careers, or publicizing existing forms of financial aid which might enable students to pursue such careers, or

"(2) disseminating information about the programs, services, and resources for the education of handicapped children, or providing referral services, to parents, teachers, and other persons especially interested in the handicapped.

"(b) To carry out the purposes of this section, there are authorized to be appropriated $1,000,000 for the fiscal year ending June 30, 1968, and for each of the two succeeding fiscal years."

TRANSFER OF DEFINITION AND OTHER TECHNICAL AMENDMENTS

Sec. 152. (a) Section 602 of title VI of the Elementary and Secondary Education Act of 1965 is redesignated as section 614 and transferred to the end of such title.

(b) Section 601 of such title is amended by—

(1) striking out the section heading and inserting in lieu thereof the heading

"GRANTS TO STATES FOR EDUCATION OF HANDICAPPED CHILDREN";

(2) striking out "(a)" in subsection (a);

(3) redesignating section 601(b) and references thereto as section 602 by striking out "(b)" in subsection (b) and inserting "Sec. 602." in lieu thereof; and

(4) inserting above section 602 as so redesignated the section heading

"APPROPRIATIONS AUTHORIZED".

(c)(1) The portion of section 701 of the Elementary and Secondary Education Act of 1965 (containing definitions) which precedes subsection (a), as amended by section 142(b) of this Act, is further amended by striking out "As used in titles II, III, and V" and inserting in lieu thereof "As used in titles II, III, V, and VI".

(2) Paragraph (j) of such section 701, as amended by section 142(b) of this Act, is further amended by striking out "and V" and inserting in lieu thereof "V, and VI".

INCLUDING SCHOOLS FOR INDIAN CHILDREN OPERATED BY THE DEPARTMENT OF THE INTERIOR AND DEFENSE DEPARTMENT OVERSEAS DEPENDENTS SCHOOLS IN TITLE VI

Sec. 153. (a) So much of paragraph (1) of section 603(a) of the Elementary and Secondary Education Act of 1965 as follows the first sentence is amended to read as follows: "The Commissioner shall allot the amount appropriated pursuant to this paragraph among—

"(A) Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs, and

"(B) for the fiscal year ending June 30, 1968, and the succeeding fiscal year, (i) the Secretary of the Interior according to the need for such assistance for the education of handicapped children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, and (ii) the Secretary of Defense according to the need for such assistance for the education of handicapped children in the overseas dependents schools of the Department of Defense. The terms upon which payments for such purpose shall be made to the Secretary of the Interior and the Secretary of Defense shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part."

(b) The first sentence of paragraph (2) of section 603(a) of the Elementary and Secondary Education Act of 1965 is amended by changing the period at the end thereof to a comma and adding the following: "except that no State shall be allotted less than $100,000 or three-tenths of 1 per centum of such amount available for allotment to the States, whichever is greater."

SHORT TITLE OF TITLE VI OF ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

Sec. 154. Title VI of the Elementary and Secondary Education Act of 1965 is further amended by adding at the end thereof the following new section:

"SHORT TITLE

"Sec. 615. This title may be cited as the 'Education of the Handicapped Act'."

EXPANSION OF INSTRUCTIONAL MEDIA PROGRAMS TO INCLUDE ALL HANDICAPPED CHILDREN

Sec. 155. (a) Subsection (b) of the first section of the Act entitled "An Act to provide in the Department of Health, Education, and Welfare for a loan service of captioned films for the deaf" (42 U.S.C. 2491 et seq.), is amended to read as follows in order to conform its statement of objectives to amendments made to such Act by Public Law 89–258 and by this Act:

"(b) to promote the educational advancement of handicapped persons by (1) carrying on research in the use of educational media for the handicapped, (2) producing and distributing educational media for the use of handicapped persons, their parents, their actual or potential employers, and other persons directly involved in work for the advancement of the handicapped, and (3) training persons in the use of educational media for the instruction of the handicapped."

(b) Section 2 of such Act is amended by adding the following at the end thereof:

"(4) the term 'handicapped' means deaf, mentally retarded, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired persons."

(c) Section 3 of such Act is amended by striking out the word "deaf" and inserting in lieu thereof "handicapped" each time it occurs therein.

(d)(1) Subsection (b)(5) of section 3 of such Act is amended by inserting immediately before the semicolon at the end thereof the following: ", including the payment to those persons of such stipends (including allowances for travel and other expenses of such persons and their dependents) as he may determine, which shall be consistent with prevailing practices under comparable federally supported programs".

(2) This subsection shall take effect on the date of enactment of this Act, except that as to payments made pursuant to such section 3 prior to such date this subsection shall be effective as of September 28, 1962.

(e) Section 4 of such Act is amended by striking out "$5,000,000" and inserting "$8,000,000" in lieu thereof and by striking out "$7,000,000" and inserting "$10,000,000" in lieu thereof.

AUTHORIZING CONTRACTS, AS WELL AS GRANTS, FOR RESEARCH IN EDUCATION OF THE HANDICAPPED

Sec. 156. (a) The first sentence of section 302(a) of Public Law 88–164 is amended (1) by striking out "and" before "$14,000,000"; (2) by inserting ", and $18,000,000 for the fiscal year ending June 30, 1970" after "June 30, 1969"; and (3) b inserting ", and to make contracts with States, State or local educational agencies, public and private institutions of higher learning, and other public or private educational or research agencies and organizations, for research and related purposes (as defined in this section) and to conduct research, surveys, or demonstrations," immediately before "relating to education for mentally retarded," and by striking out "for research or demonstration projects".

(b) The second sentence of such section 302(a) is amended by striking out "Such grants shall be made" and inserting in lieu thereof "Payments pursuant to grants or contracts under this section may be made".

Part F—Amendments to Title VII of the Elementary and Secondary Education Act of 1965

TECHNICAL ASSISTANCE TO RURAL AREAS

Sec. 171. (a) Section 706 of the Elementary and Secondary Education Act of 1965 is amended by redesignating subsection (b) as subsection (c) and by inserting before such subsection a new subsection as follows:

"(b) For such purpose and also for the purpose of carrying out more effectively other provisions of Federal law, the Commissioner, upon request from a State educational agency, shall provide counseling and technical assistance to elementary and secondary schools in rural areas, as defined by the Commissioner, of such State (1) in determining benefits available to such agencies and schools under Federal laws, and (2) in preparing applications and meeting other requirements for such benefits. Assistance pursuant to this subsection may, in accordance with such request, be provided by personnel from the Office of Education or be provided in the form of grants in such amounts as may be necessary for such State educational agency to employ such personnel as may be necessary to provide such assistance."

(b) Section 706 of such Act is amended in subsection (c), as redesignated by subsection (a), by striking out "and not to exceed $2,000,000 for the fiscal year ending June 30, 1968" and inserting in lieu thereof "$3,500,000 for the fiscal year ending June 30, 1968, $3,700,000 for the fiscal year ending June 30, 1969, and $4,000,000 for the fiscal year ending June 30, 1970".

DEMONSTRATION PROJECTS TO PREVENT DROPOUTS

Sec. 172. Title VII of the Elementary and Secondary Education Act of 1965 is amended by inserting at the end thereof a new section as follows:

"DROPOUT PREVENTION PROJECTS

"Sec. 707. (a) The Commissioner is authorized to arrange by contract, grant, or otherwise, with local educational agencies for the carrying out by such agencies in schools which (1) are located in urban or rural areas, (2) have a high percentage of children from families with an income not exceeding the low-income factor, as defined in section 103(c), and (3) have a high percentage of such children who do not complete their education in elementary or secondary school, of demonstration projects involving the use of innovative methods, systems, materials, or programs which show promise of reducing the number of such children who do not complete their education in elementary and secondary schools.

"(b) The Commissioner shall approve arrangements pursuant to this section only on application by a local educational agency and upon his finding:

"(1) that the project will be carried out in one or more schools described in subsection (a);

"(2) that the applicant has analyzed the reasons for such children not completing their education and has designed a program to meet this problem;

"(3) that effective procedures, including objective measurements of educational achievements, will be adopted for evaluating at least annually the effectiveness of the project; and

"(4) that the project has been approved by the appropriate State educational agency.

"(c) There is authorized to be appropriated not to exceed $30,000,000 for the period ending June 30, 1969, and $30,000,000 for the fiscal year ending June 30, 1970, for the purpose of this section."

TITLE II—FEDERALLY AFFECTED AREAS

PART A—ASSISTANCE FOR SCHOOL CONSTRUCTION AND CURRENT EXPENDITURES IN IMPACTED AREAS

CLARIFYING DEFINITIONS OF "FEDERAL PROPERTY"

SEC. 201. Section 15(1) of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress), and section 303(1) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), are each amended by—

(a) striking out the second sentence thereof;

(b) striking out "also" in the penultimate sentence thereof; and

(c) inserting immediately before the last sentence thereof the following new sentence: "Such term also includes any interest in Federal property (as defined in the foregoing provisions of this paragraph) under an easement, lease, license, permit, or other arrangement, as well as any improvements of any nature (other than pipelines or utility lines) on such property even though such interests or improvements are subject to taxation by a State or political subdivision of a State or by the District of Columbia."

EFFECTIVE DATE FOR CERTAIN 1966 AMENDMENTS

SEC. 202. The amendment made by section 204, and the amendment made by section 229, of the Act of September 23, 1950 (Public Law Amendments of 1966 shall be effective only with respect to fiscal years beginning after June 30, 1969.

MODIFYING PROVISIONS RELATING TO SCHOOL CONSTRUCTION ASSISTANCE IN OTHER FEDERALLY AFFECTED AREAS

Sec. 203. (a) Subsection (a) of section 14 of the Elementary and Secondary Education 815, Eighty-first Congress) is amended in the following respects:

(1) Paragraph (1) is amended by striking out "Federal property" and inserting in lieu thereof "Indian lands", and by inserting ", or that such Indian lands constitute a substantial part of the school district of such local educational agency," immediately after "such agency provides free public education".

(2) Paragraph (2) is amended by striking out "Federal property" and inserting in lieu thereof "Indian lands".

(3) Paragraph (4) is amended by striking out "in its school district" and inserting in lieu thereof "of a substantial percentage of the children in the membership of its schools".

(4) Such subsection (a) is further amended by—

(A) striking out "is attributable to children who reside on Federal property, and which" in the portion of the first sentence of subsection (a) which follows paragraph (4);

(B) striking out "in the case of any application for additional assistance on account of children who reside on Indian lands" in the second sentence of such subsection (a);

(C) striking out "subsection (c)" and inserting in lieu thereof "subsection (d)" in the third sentence of such subsection (a); and

(D) striking out "third" and inserting in lieu thereof "second" in the last sentence of such section (a).

(b) Section 14 of such Act, as amended by this section, is further amended by redesignating subsections (b) (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively, and by inserting immediately after subsection (a) the following new subsection (b):

"(b) If the Commissioner determines with respect to any local educational agency that—

"(1) such agency is providing or, upon completion of the school facilities for which provision is made herein, will provide free public education or children who reside on Indian lands, and whose membership in the schools of such agency has not formed and will not form the basis for payments under other provisions of this Act, and that the total number of such children represents a substantial percentage of the total number of children for whom such agency provides free public education, or that such Indian lands constitute a substantial part of the school district of such local educational agency, or that the total number of such children who reside on Indian lands located outside the school district of such agency equals or exceeds one hundred; and

"(2) the immunity of such Indian lands to taxation by such agency has created a substantial and continuing impairment of its ability to finance needed school facilities;

he may, upon such terms and in such amounts subject to the provisions of this section) as the Commissioner may consider to be in the public interest, provide the additional assistance necessary to enable such agency to provide the minimum school facilities required for free public education of children in the membership of the schools of such agency who reside on Indian lands; but such additional assistance may not exceed the portion of the cost of constructing such facilities which the Commissioner estimates has not been, and is not to be, recovered by the local educational agency from other sources, including payments by the United States under any other provisions of this Act or any other law. Notwithstanding the provisions of this subsection, the Commissioner may waive the percentage requirement in paragraph (1) whenever, in his judgment, exceptional circumstances exist which make such action necessary to avoid inequity and avoid defeating the purposes of this section. Assistance may be furnished under this subsection without regard to paragraph (2) (but subject to the other provisions of this subsection and subsection (d)) to any local educational agency which provides free public education for children who reside on Indian lands located outside its school district. For purposes of this subsection 'Indian lands' means Indian reservations or other real property referred to in the second sentence of section 15(1)."

(c) Subsection (d) of section 14 of such Act, as redesignated by subsection (b) of this section, is amended by inserting "or (b)" immediately after "subsection (a)" each time it occurs in such subsection.

(d) Subsection (e) of section 14 of such Act, as redesignated by subsection (b) of this section, is amended by inserting "or (b)" immediately after "subsection (a)".

DELETING REQUIREMENT THAT CERTAIN CONTRIBUTIONS BE DEDUCTED

SEC. 204. (a) (1) Paragraph (3) of section 2(a) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is amended by striking out "(A) other Federal payments with respect to the property so acquired, or (B)".

(2) Section 2(a) of such Act is further amended by striking out in the matter following paragraph (3) of such section the following: ", to the extent such agency is not compensated for such burden by other Federal payments with respect to the property so acquired".

(b) The last sentence of section 2(a) of such Act is amended by striking out ", minus the amount which in his judgment the local educational agency derived from other Federal payments with respect to the property so acquired and had available in such year for current expenditures".

(c) Subsection (b) of section 2 of such Act is amended to read as follows:

"(b) For the purposes of this section any real property with respect to which payments are being made under section 13 of the Tennessee Valley Authority Act of 1933, as amended, shall not be regarded as Federal property."

(d) Section 3 of such Act is amended by striking out subsection (e) thereof, including the heading of such subsection, and by redesignating subsection (f) of such section as subsection (e).

PROVISION FOR INTERNATIONAL BOUNDARY CHANGE

SEC. 205. (a) The last sentence of section 3(b) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by inserting before the period at the end thereof the following: "; but if, by reason of any other provision of law, this sentence is not considered in computing the amount to which any local educational agency is entitled for the fiscal year ending June 30, 1967, the additional amount to which such agency would have been entitled had this sentence been so considered, shall be added to such agency's entitlement for the first fiscal year for which funds appropriated to carry out this Act may be used for such purpose".

(b) Section 5(a)(4) of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress), is amended by inserting before the period at the end thereof the following: "; but if, by reason of any other provision of law, this clause is not considered in computing the maximum payments a local educational agency may receive for the fiscal year ending June 30, 1967, the additional amount such agency would have been entitled to receive shall be added to such agency's entitlement for the first fiscal year for which funds appropriated to carry out this Act may be used for such purpose".

REPEAL OF MANDATORY GROUP RATE PROVISIONS

SEC. 206. Effective for fiscal years beginning after June 30, 1967, subsection (d) of section 3 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), as amended, is amended as follows:

(1) The first sentence is amended by inserting "and the local educational agency" following "the State educational agency".

(2) Clauses (1) and (2) of the first sentence are amended to read as follows:

"(1) he shall determine which school districts within the State are in his judgment generally comparable to the school districts of the agency for which the computation is being made; and

"(2) he shall then divide (A) the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which he is making the computation, which the local educational agencies of such comparable school districts made from revenues derived from local sources, by (B) the aggregate number of children in average daily attendance to whom such agencies provided free public education during such second preceding fiscal year."

(3) The third sentence is amended by striking out "If, in the judgment of the Commissioner, the current expenditures in the school districts within the generally comparable group as determined under clause (1)" and inserting in lieu thereof "If, in the judgment of the Commissioner, the current expenditures in those school districts which he has selected under clause (1)".

DISCRETION TO WAIVE CERTAIN REQUIREMENT

SEC. 207. Section 5(e) of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress), is amended (1) by striking out "subsections (c) and (d)" and inserting in lieu thereof "subsections (c), (d), and (f)", and (2) by inserting before the period at the end thereof the following: "; or (3) he may waive or reduce the requirement contained in subsection (f)".

EFFECTIVE DATE

SEC. 208. The amendments made by sections 201, 203, 204, 205, 206, and 207 of this part shall be deemed to have been enacted prior to June 30, 1967, and shall be effective for fiscal years beginning thereafter.

PART B—ASSISTANCE FOR SCHOOL CONSTRUCTION AND CURRENT EXPENDITURES IN DISASTER AREAS

SCHOOL CONSTRUCTION ASSISTANCE

SEC. 217. Section 16(a) of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress), is amended to read as follows:

"SCHOOL CONSTRUCTION ASSISTANCE IN CASES OF CERTAIN DISASTERS

"SEC. 16. (a) In any case in which—

"(1) (A) the Director of the Office of Emergency Planning determines with respect to any local educational agency (including for the purpose of this section any other public agency which operates schools providing technical, vocational, or other special education to children of elementary or secondary school age) that such agency is located in whole or in part within an area which, after August 30, 1965, and prior to July 1, 1970, has suffered a major disaster as the result of any flood, drought, fire, hurricane, earthquake, storm, or other catastrophe which, in the determination of the President pursuant to section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a)), is or threatens to be of sufficient severity or magnitude to warrant disaster assistance by the Federal Government; or

"(B) the Commissioner determines with respect to any such agency that public elementary or secondary school facilities (or, in the case of a public agency other than a local educational agency, school facilities providing technical, vocational, or other special education to children of elementary or secondary school age) of such agency have been destroyed or seriously damaged as a result of flood, hurricane, earthquake, storm, fire, or other catastrophe, except any such catastrophe caused by negligence or malicious action; and

"(2) the Governor of the State in which such agency is located has certified the need for disaster assistance under this section, and has given assurance of expenditure of a reasonable amount of the funds of the government of such State, or of any political subdivision thereof, for the same or similar purposes with respect to such catastrophe;

and if the Commissioner determines with respect to such agency that—

"(3) as a result of such major disaster, (A) public elementary or secondary school facilities of such agency (or, in the case of a public agency other than a local educational agency, school facilities providing technical, vocational, or other special education to children of elementary or secondary school age) have been destroyed or seriously damaged, or (B) private elementary or secondary school facilities serving children who reside in the area served by such agency have been destroyed and will not be replaced, thereby increasing the need of such agency for school facilities;

"(4) such agency is utilizing or will utilize all State and other financial assistance available for the replacement or restoration of such school facilities;

"(5) such agency does not have sufficient funds available to it from State, local, and other Federal sources (including funds available under other provisions of this Act), and from the proceeds of insurance on such school facilities, and requires an amount of additional assistance equal to at least $1,000 or one-half of 1 per centum of such agency's current operating expenditures during the fiscal year preceding the one in which such disaster occurred, whichever is less, to provide the minimum school facilities needed (A) for the restoration or replacement of the school facilities of such agency so destroyed or seriously damaged or (B) to serve, in facilities of such agency, children who but for the destruction of the private facilities referred to in clause (3) (B) would be served by such private facilities; and

"(6) in the case of any such major disaster, to the extent that the operation of private elementary and secondary schools in the school attendance area of the local educational agency has been disrupted or impaired by such disaster, such local educational agency has complied with the provisions of section 7(a) (4) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), with respect to provisions for the conduct of educational programs under public auspices and administration in which children enrolled in such private elementary and secondary schools may attend and participate,

the Commissioner may provide the additional assistance necessary to enable such agency to provide such facilities, upon such terms and in such amounts (subject to the provisions of this section) as the Commissioner may consider to be in the public interest; but such additional assistance, plus the amount which he determines to be available from State, local, and other Federal sources (including funds available under other provisions of this Act), and from the proceeds of insurance, may not exceed the cost of construction incident to the restoration or replacement of the school facilities destroyed or damaged as a result of the disaster. In all cases determined pursuant to clause (1) (B) of this subsection, and in any other case deemed appropriate by the Commissioner, such assistance shall be in the form of a repayable advance subject to such terms and conditions as he considers to be in the public interest."

CURRENT SCHOOL EXPENDITURES ASSISTANCE

SEC. 218. Section 7 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended to read as follows:

"ASSISTANCE FOR CURRENT SCHOOL EXPENDITURES IN CASES OF CERTAIN DISASTERS

"SEC. 7. (a) In any case in which—

"(1) (A) the Director of the Office of Emergency Planning determines with respect to any local educational agency (including for the purpose of this section any other public agency which operates schools providing technical, vocational, or other special education to children of elementary or secondary school age) that such agency is located in whole or in part within an area which after August 30, 1965, and prior to July 1, 1970, has suffered a major disaster as the result of any flood, drought, fire, hurricane, earthquake, storm, or other catastrophe which, in the determination of the President pursuant to section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a)), is or threatens to be of sufficient severity or magnitude to warrant disaster assistance by the Federal Government; or

"(B) the Commissioner determines with respect to any such agency that public elementary or secondary school facilities of such agency have been destroyed or seriously damaged as a result of flood, hurricane, earthquake, storm, fire, or other catastrophe, except any such catastrophe caused by negligence or malicious action; and

"(2) the Governor of the State in which such agency is located has certified the need for disaster assistance under this section, and has given assurance of expenditure of a reasonable amount of the funds of the government of such State, or of any political subdivision thereof, for the same or similar purposes with respect to such catastrophe;

and if the Commissioner determines with respect to such agency that—

"(3) such agency is utilizing or will utilize all State and other financial assistance available to it for the purpose of meeting the cost of providing free public education for the children attending the schools of such agency, but as a result of such disaster it is unable to obtain sufficient funds for such purpose and requires an amount of additional assistance equal to at least $1,000 or one-half of 1 per centum of such agency's current operating expenditures during the fiscal year preceding the one in which such disaster occurred, whichever is less, and

"(4) in the case of any such major disaster to the extent that the operation of private elementary and secondary schools in the school attendance area of such local educational agency has been disrupted or impaired by such disaster, such local educational agency has made provisions for the conduct of educational programs under public auspices and administration in which children enrolled in such private elementary and secondary schools may attend and participate: *Provided*, That nothing contained in this Act shall be construed to authorize the making of any payment under this Act for religious worship or instruction,

the Commissioner may provide to such agency the additional assistance necessary to provide free public education to the children attending the schools of such agency, upon such terms and in such amounts (subject to the provisions of this section) as the Commissioner may consider to be in the public interest. Such additional assistance may be provided for a period not greater than a five-fiscal-year period beginning with the fiscal year in which it is determined pursuant to clause (1) of this subsection that such agency suffered a disaster. The amount so provided for any fiscal year shall not exceed the amount which the Commissioner determines to be necessary to enable such agency, with the State, local, and other Federal funds available to it for such purpose, to provide a level of education equivalent to that maintained in the schools of such agency prior to the occurrence of such disaster, taking into account the additional costs reasonably necessary to carry out the provisions of clause (4) of this subsection. The amount, if any, so provided for the second, third, and fourth fiscal years following the fiscal year in which it is so determined that such agency has suffered a disaster shall not exceed 75 per centum, 50 per centum, and 25 per centum, respectively, of the amount so provided for the first fiscal year following such determination.

"(b) In addition to and apart from the funds provided under subsection (a), the Commissioner is authorized to provide to such agency an amount which he determines to be necessary to replace instructional and maintenance supplies, equipment, and materials (including textbooks) destroyed or seriously damaged as a result of such disaster, to make minor repairs, and to lease or otherwise provide (other than by acquisition of land or erection of facilities) school and cafeteria facilities needed to replace temporarily such facilities which have been made unavailable as a result of the disaster.

"(c) There is hereby authorized to be appropriated for each fiscal year such amounts as may be necessary to carry out the provisions of this section. Pending such appropriation, the Commissioner may expend (without regard to subsections (a) and (e) of section 3679 of the Revised Statutes (31 U.S.C. 665)) from any funds heretofore or hereafter appropriated for expenditure in accordance with other sections of this Act, such sums as may be necessary for immediately providing assistance under this section, such appropriations to be reimbursed from the appropriations authorized by this subsection when made.

"(d) No payment may be made to any local educational agency under this section except upon application therefor which is submitted through the appropriate State educational agency and is filed with the Commissioner in accordance with the regulations prescribed by him. In determining the order in which such applications shall be approved, the Commissioner shall consider the relative educational and financial needs of the local educational agencies which have submitted approvable applications.

"(e) Amounts paid by the Commissioner to local educational agencies under this section may be paid in advance or by way of reimbursement and in such installments as the Commissioner may determine. Any funds paid to a local educational agency and not expended or otherwise used for the purposes for which paid shall be repaid to the Treasury of the United States."

TITLE III—DURATION OF AND AUTHORIZATION FOR PROGRAMS

EXTENSION OF CERTAIN PROGRAMS UNDER ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965 AND PUBLIC LAWS 815 AND 874, EIGHTY-FIRST CONGRESS

SEC. 301. (a) Section 102 of title I of the Elementary and Secondary Education Act of 1965 (as redesignated by section 110 of this Act) is amended by striking out "June 30, 1968" and inserting in lieu thereof "June 30, 1970".

(b)(1) Section 201(a) of the Elementary and Secondary Education Act of 1965 is amended by striking out "during the fiscal year ending June 30, 1966, and each of the four succeeding fiscal years,".

(2) Section 201(b) of such Act is amended by striking out "and $150,000,000 for the fiscal year ending June 30, 1968; but for the fiscal year ending June 30, 1969, and the succeeding fiscal year, only such sums may be appropriated as the Congress may hereafter authorize by law" and inserting in lieu thereof "$150,000,000 for the fiscal year ending June 30, 1968, $162,500,000 for the fiscal year ending June 30, 1969, and $200,000,000 for the fiscal year ending June 30, 1970".

(c)(1) Section 601 of such Act (as redesignated by section 152 of this Act) is amended by striking out "during the fiscal year ending June 30, 1967, and the succeeding fiscal year,".

(2) Section 602 of such Act (as redesignated by section 152 of this Act) is amended by striking out "and $150,000,000 for the fiscal year ending June 30, 1968" and inserting in lieu thereof the following: "$150,000,000 for the fiscal year ending June 30, 1968, $162,500,000 for the fiscal year ending June 30, 1969, and $200,000,000 for the fiscal year ending June 30, 1970".

(d)(1) Section 3 of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress), is amended by striking out "June 30, 1967" and inserting in lieu thereof "June 30, 1970".

(2) Section 15(15) of such Act is amended by striking out "1962–1963" and inserting in lieu thereof "1965–1966".

(e) Sections 2(a), 3(b), and 4(a) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), are each amended by striking out "1968" wherever it occurs and inserting in lieu thereof "1970".

TITLE IV—PROVISIONS FOR ADEQUATE LEADTIME AND FOR PLANNING AND EVALUATION IN ELEMENTARY AND SECONDARY EDUCATION PROGRAMS

ACTS SUBJECT TO THIS TITLE

SEC. 401. The provisions of this title shall apply to title I of the Elementary and Secondary Education Act of 1965 (title II of Public Law 81–874), titles II, III, V, VI, VII, and VIII of the Elementary and Secondary Education Act of 1965, and the Adult Education Act of 1966 (title III of the Elementary and Secondary Education Amendments of 1966), as now in effect or hereafter from time to time amended.

PROGRAM PLANNING AND EVALUATION

SEC. 402. There are authorized to be appropriated, for each fiscal year for which appropriations are otherwise authorized under any title or Act referred to in section 401, such sums as may be necessary, to be available to the Secretary, in accordance with regulations prescribed by him, for expenses, including grants, contracts, or other payments, for (1) planning for the succeeding year programs or projects authorized under such title or Act and (2) evaluation of programs or projects so authorized.

ADVANCE FUNDING

SEC. 403. To the end of affording the responsible State, local, and Federal officers concerned adequate notice of available Federal financial assistance for education, appropriations for grants, contracts, or other payments under any Act referred to in section 401 are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation. In order to effect a transition to this method of timing appropriation action, the preceding sentence shall apply notwithstanding that its initial application under any such Act will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

EVALUATION REPORTS AND CONGRESSIONAL REVIEW

SEC. 404. (a) No later than January 31 of each calendar year, the Secretary shall transmit to the respective committees of the Congress having legislative jurisdiction over any Act referred to in section 401 and to the respective Committees on Appropriations a report evaluating the results and effectiveness of programs and projects assisted thereunder during the preceding fiscal year, together with his recommendations (including any legislative recommendations) relating thereto.

(b) In the case of any such program, the report submitted in the penultimate fiscal year for which appropriations are then authorized to be made for such program shall include a comprehensive and detailed review and evaluation of such program (as up to date as the due date permits) for its entire past life, based to the maximum extent practicable on objective measurements, together with the Secretary's recommendations as to proposed legislative action.

AVAILABILITY OF APPROPRIATIONS ON ACADEMIC OR SCHOOL YEAR BASIS

SEC. 405. Appropriations for any fiscal year for grants, contracts, or other payments to educational agencies or institutions under any Act referred to in section 401 may, in accordance with regulations of the Secretary, be made available for expenditure by the agency or institution concerned on the basis of an academic or school year differing from such fiscal year.

TITLE V—EXTENSION OF ADULT EDUCATION PROGRAM

REVISION OF ALLOTMENTS

SEC. 501. The first sentence of section 305(a) of the Adult Education Act of 1966 (title III of Public Law 89–750) is amended to read as follows: "From the sums available for purposes of section 304(b) for any fiscal year, the Commissioner shall allot (1) not more than 2 per centum thereof among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under such section, and (2) $100,000 to each State."

INCLUDING PRIVATE NONPROFIT AGENCIES

SEC. 502. (a) Section 304(b) of the Adult Education Act of 1966 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: "and private nonprofit agencies."

(b) Section 306(a)(7) of such Act is amended by inserting immediately after "local educational agencies" the following: "and private nonprofit agencies".

FEDERAL SHARE

SEC. 503. The second sentence of section 307(a) of the Adult Education Act of 1966 is amended to read as follows: "For the fiscal year ending June 30, 1967, and succeeding fiscal years, the Federal share for each State shall be 90 per centum, except that with respect to the Trust Territory of the Pacific Islands such Federal share shall be 100 per centum."

AUTHORIZATION EXTENDED

SEC. 504. Section 314 of the Adult Education Act of 1966 is amended by striking out "and" before "$60,000,000" and by inserting the following after "June 30, 1968,": "$70,000,000 for the fiscal year ending June 30, 1969, and $80,000,000 for the fiscal year ending June 30, 1970,".

TITLE VI—STUDY FOR SCHOOLBUS SAFETY

STUDY FOR SCHOOLBUS SAFETY

SEC. 601. (a) The Secretary of Health, Education, and Welfare, in cooperation with the Secretary of Transportation, is authorized to make a study and investigation in order to recommend action to promote schoolbus safety (including safety of operation), and such study may include such research and testing activities as the Secretary determines to be necessary to carry out the provisions of this title.

(b) The Secretary of Health, Education, and Welfare shall report the results of such study, together with his recommendations, to the Congress not later than January 31, 1969.

APPROPRIATIONS AUTHORIZED

SEC. 602. There is hereby authorized to be appropriated $150,000 to carry out the provisions of this title.

TITLE VII—BILINGUAL EDUCATION PROGRAMS

FINDINGS OF CONGRESS

SEC. 701. The Congress hereby finds that one of the most acute educational problems in the United States is that which involves millions of children of limited English-speaking ability because they come from environments where the dominant language is other than English; that additional efforts should be made to supplement present attempts to find adequate and constructive solutions to this unique and perplexing educational situation; and that the urgent need is for comprehensive and cooperative action now on the local, State, and Federal levels to develop forward-locking approaches to meet the serious learning difficulties faced by this substantial segment of the Nation's school-age population.

AMENDMENT TO ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

SEC. 702. The Elementary and Secondary Education Act of 1965 is amended by redesignating title VII as title VIII, by redesignating section 701 through 707 and references thereto as sections 801 through 807, respectively, and by inserting after title VI the following new title:

"TITLE VII—BILINGUAL EDUCATION PROGRAMS

"Sec. 701. This title may be cited as the 'Bilingual Education Act'.

"DECLARATION OF POLICY

"SEC. 702. In recognition of the special educational needs of the large numbers of children of limited English-speaking ability in the United States, Congress hereby declares it to be the policy of the United States to provide financial assistance to local educational agencies to develop and carry out new and imaginative elementary and secondary school programs designed to meet these special educational needs. For the purposes of this title, 'children of limited English-speaking ability' means children who come from environments where the dominant language is other than English.

"AUTHORIZATION AND DISTRIBUTION OF FUNDS

"SEC. 703. (a) For the purposes of making grants under this title, there is authorized to be appropriated the sum of $15,000,000 for the fiscal year ending June 30, 1968, $30,000,000 for the fiscal year ending June 30, 1969, and $40,000,000 for the fiscal year ending June 30, 1970.

"(b) In determining distribution of funds under this title, the Commissioner shall give highest priority to States and areas within States having the greatest need for programs pursuant to this title. Such priorities shall take into consideration the number of children of limited English-speaking ability between the ages of three and eighteen in each State.

"USES OF FEDERAL FUNDS

"SEC. 704. Grants under this title may be used, in accordance with applications approved under section 705, for—

"(a) planning for and taking other steps leading to the development of programs designed to meet the special educational needs of children of limited English-speaking ability in schools having a high concentration of such children from families (A) with incomes below $3,000 per year, or (B) receiving payments under a program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, including research projects, pilot projects designed to test the effectiveness of plans so developed, and the development and dissemination of special instructional materials for use in bilingual education programs; and

"(b) providing preservice training designed to prepare persons to participate in bilingual education programs as teachers, teacher-aides, or other ancillary education personnel such as counselors, and inservice training and development programs designed to enable such persons to continue to improve their qualifications while participating in such programs; and

"(c) the establishment, maintenance, and operation of programs, including acquisition of necessary teaching materials and equipment, designed to meet the special educational needs of children of limited English-speaking ability in schools having a high concentration of such children from families (A) with incomes below $3,000 per year, or (B) receiving payments under a program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, through activities such as—

"(1) bilingual education programs;

"(2) programs designed to impart to students a knowledge of the history and culture associated with their languages;

"(3) efforts to establish closer cooperation between the school and the home;

'(4) early childhood educational programs related to the purposes of this title and designed to improve the potential for profitable learning activities by children;

"(5) adult education programs related to the purposes of this title, particularly for parents of children participating in bilingual programs;

"(6) programs designed for dropouts or potential dropouts having need of bilingual programs;

"(7) programs conducted by accredited trade, vocational, or technical schools; and

"(8) other activities which meet the purposes of this title.

"APPLICATIONS FOR GRANTS AND CONDITIONS FOR APPROVAL

"SEC. 705. (a) A grant under this title may be made to a local educational agency or agencies, or to an institution of higher education applying jointly with a local educational agency, upon application to the Commissioner at such time or times, in such manner and containing or acompanied by such information as the Commissioner deems necessary. Such application shall—

"(1) provide that the activities and services for which assistance under this title is sought will be administered by or under the supervision of the applicant;

"(2) set forth a program for carrying out the purpose set forth in section 704 and provide for such methods of administration as are necessary for the proper and efficient operation of the program;

"(3) set forth a program of such size, scope, and design as will make a substantial step toward achieving the purpose of this title;

"(4) set forth policies and procedures which assure that Federal funds made available under this title for any fiscal year will be so used as to supplement and, to the extent practicable, increase the level of funds (including funds made available under title I of this Act) that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in section 704, and in no case supplant such funds;

"(5) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this title;

"(6) provide for making an annual report and such other reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this title and to determine the extent to which funds provided under this title have been effective in improving the educational opportunities of persons in the area served, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

"(7) provide assurance that provision has been made for the participation in the project of those children of limited English-speaking ability who are not enrolled on a full-time basis; and

"(8) provide that the applicant will utilize in programs assisted pursuant to this title the assistance of persons with expertise in the educational problems of children of limited English-speaking ability and make optimum use in such programs of the cultural and educational resources of the area to be served; and for the purposes of this paragraph, the term 'cultural and educational resources' includes State educational agencies, institutions of higher education, nonprofit private schools, public and nonprofit private agencies such as libraries, museums, musical and artistic organizations, educational radio and television, and other cultural and educational resources.

"(b) Applications for grants under title may be approved by the Commissioner only if—

"(1) the application meets the requirements set forth in subsection (a);

"(2) the program set forth in the application is consistent with criteria established by the Commissioner (where feasible, in cooperation with the State educational agency) for the purpose of achieving an equitable distribution of assistance under this title within each State, which criteria shall be developed by him on the basis of a consideration of (A) the geographic distribution of children of limited English-speaking ability, (B) the relative need of persons in different geographic areas within the State for the kinds of services and activities described in paragraph (c) of section 704, and (C) the relative ability of particular local educational agencies within the State to provide those services and activities;

"(3) the Commissioner determines (A) that the program will utilize the best available talents and resources and will substantially increase the educational opportunities for children of limited English-speaking ability in the area to be served by the applicant, and (B) that, to the extent consistent with the number of children enrolled in nonprofit private schools in the area to be served whose educational needs are of the type which this program is intended to meet, provision has been made for participation of such children; and

"(4) the State educational agency has been notified of the application and been given the opportunity to offer recommendations.

"(c) Amendments of applications shall, except as the Commissioner may otherwise provide by or pursuant to regulations, be subject to approval in the same manner as original applications.

"PAYMENTS

"SEC. 706. (a) The Commissioner shall pay to each applicant which has an application approved under this title an amount equal to the total sums expended by the applicant under the application for the purposes set forth therein.

"(b) Payments under this title may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

"ADVISORY COMMITTEE

"SEC. 707. (a) The Commissioner shall establish in the Office of Education an Advisory Committee on the Education of Bilingual Children, consisting of nine members appointed, without regard to the civil service laws, by the Commissioner with the approval of the Secretary. The Commissioner shall appoint one such member as Chairman. At least four of the members of the Advisory Committee shall be educators experienced in dealing with the educational problems of children whose native tongue is a language other than English.

"(b) The Advisory Committee shall advise the Commissioner in the preparation of general regulations and with respect to policy matters arising in the administration of this title, including the development of criteria for approval of applications thereunder. The Commissioner may appoint such special advisory and technical experts and consultants as may be useful and necessary in carrying out the functions of the Advisory Committee.

"(c) Members of the Advisory Committee shall, while serving on the business of the Advisory Committee, be entitled to receive compensation at rates fixed by the Secretary, but not exceeding $100 per day, including traveltime; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 of the United States Code for persons in the Government service employed intermittently.

"LABOR STANDARDS

"SEC. 708. All laborers and mechanics employed by contractors or subcontractors on all minor remodeling projects assisted under this title shall be paid wages at rates not less than those prevailing on similar minor remodeling in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have, with respect to the labor standards specified in this action, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c)."

CONFORMING AMENDMENTS

Sec. 703. (a) That part of section 801 (as so redesignated by section 702 of this Act) of the Elementary and Secondary Education Act of 1965 which precedes clause (a) is amended by striking out "and VI" and inserting in lieu thereof "VI, and VII".

(b) Clause (j) of such section 801 as amended by this Act is further amended by striking out "and VI" and inserting in lieu thereof "VI, and VII".

AMENDMENTS TO TITLE V OF THE HIGHER EDUCATION ACT OF 1965

Sec. 704. (a) The third sentence of section 521 of the Education Professions Development Act (title V of the Higher Education Act of 1965) is amended (1) effective for the fiscal year ending June 30, 1968 only, by inserting after "a career of teaching in elementary or secondary schools" a new phrase as follows: ", a career of teaching children of limited English-speaking ability", and (2) effective with respect to subsequent fiscal years, by inserting ", and including teaching children of limited English-speaking ability" after "including teaching in preschool and adult and vocational education programs".

(b) Effective for the fiscal year ending June 30, 1968, only, section 522(a) of such Act is amended by striking out "ten thousand fellowships for the fiscal year ending June 30, 1968" and inserting in lieu thereof "eleven thousand fellowships for the fiscal year ending June 30, 1968".

(c) (1) Section 528 of such Act is amended, effective with respect to fiscal years ending after June 30, 1967, by striking out "$275,000,000" and inserting in lieu thereof "$285,000,000"; striking out "$195,000,000" and inserting in lieu thereof "$205,000,000"; striking out "$240,000,000" and inserting in lieu thereof "$250,000,000"; and striking out "July 1, 1968" and inserting in lieu thereof "July 1, 1970".

(2) The amendments made by this subsection shall, notwithstanding section 9(a) of Public Law 90–35, be effective with regard to fiscal years beginning after June 30, 1967.

(d) Section 531(b) of such Act is amended by redesignating clauses (8) and (9) thereof as clauses (9) and (10), respectively, and by inserting immediately after clause (7) the following new clause:

"(8) programs or projects to train or retrain persons engaging in special educational programs for children of limited English-speaking ability;".

AMENDMENTS TO TITLE XI OF THE NATIONAL DEFENSE EDUCATION ACT OF 1958

Sec. 705. (a) Section 1101 of the National Defense Education Act of 1958 is amended by striking out "and for each of the two succeeding fiscal years" and inserting in lieu thereof "and for the succeeding fiscal year, and $51,000,000 for the fiscal year ending June 30, 1968".

(b) Such section is further amended by striking out the period at the end of clause (3) and inserting in lieu thereof a comma and the word "or", and by inserting after such clause a new clause as follows:

"(4) who are engaged in or preparing to engage in special educational programs for children of limited English-speaking ability."

AMENDMENTS TO COOPERATIVE RESEARCH ACT

Sec. 706. Subsections (a) and (b) of section 2 of the Cooperative Research Act are each amended by inserting "and title VII" after "section 503(a)(4)".

And the Senate agree to the same.

That the House recede from its disagreement to the amendment to the title and agree to the same.

Carl D. Perkins,
Edith Green,
Roman C. Pucinski,
Dominick V. Daniels,
John Brademas,
James G. O'Hara,
Hugh L. Carey,
Sam Gibbons,
Carl Albert,
William H. Ayres,
Albert H. Quie,
Charles E. Goodell,
Alphonzo Bell,
Marvin L. Esch,
William A. Steiger,
Managers on the Part of the House.

Wayne Morse,
Ralph Yarborough,
Joseph S. Clark,
Jennings Randolph,
Robert F. Kennedy,
Harrison A. Williams, Jr.,
Winston L. Prouty,
Jacob K. Javits,
Peter H. Dominick,
George Murphy,
Managers on the Part of the Senate.

Statement

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7819) to strengthen and improve programs of assistance for elementary and secondary education by extending authority for allocation of funds to be used for education of Indian children and children in overseas dependents schools of the Department of Defense, by extending and amending the National Teacher Corps program, by providing assistance for comprehensive educational planning, and by improving programs of education for the handicapped; to improve authority for assistance to schools in federally impacted areas and areas suffering a major disaster; and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The first Senate amendment struck out all of the House bill after the enacting clause and inserted a new text. The accompanying conference report recommends a new text which would be a substitute for both the House bill and the Senate amendment. The other Senate amendment was to the title.

This statement describes the conference action with respect to the differences between the House bill and the Senate amendments, except for minor, technical, and conforming changes.

AMENDMENTS AFFECTING THE ADMINISTRATION OF THE CIVIL RIGHTS ACT

"Fountain Amendment"

The House bill amends section 182 of P.L. 89–750 (concerning deferral of action on applications pending a determination of compliance with the Civil Rights Act of 1964) to delete all language governing the period when action on applications may be deferred.

The Senate amendment contains no such provision.

Recently the Secretary of Health, Education, and Welfare in correspondence with the Chairman of the Senate Education Subcommittee and the Chairman of the Committee on Education and Labor set forth new general administrative procedures which the Department has adopted relative to the compliance procedures under title VI of the Civil Rights Act. The text of the Secretary's letter to the Chairman of the House Committee follows:

The Secretary of Health, Education, and Welfare,
Washington, D.C., December 12, 1967.

Hon. Carl D. Perkins,
Chairman, House Education and Labor Committee, House of Representatives, Washington, D.C.

Dear Mr. Chairman: During Senate debate of the proposed Elementary and Secondary Education Amendments of 1967 this week, I sent to the Chairman of the Subcommittee on Education, Senator Morse, a letter spelling out procedures we believe will help to reduce elements of uncertainty in our civil rights compliance program.

In my letter, I pointed out that we in the Department of Health, Education, and Welfare are concerned that our procedures under Title VI of the Civil Rights Act of 1964 operate with a minimum of difficulty for the orderly planning and operation of educational programs. We believe these new procedures will assist school districts genuinely attempting to develop school desegregation plans.

The Department scrupulously follows the hearing and review procedures required by the law and our Title VI Regulation, which afford the school district every opportunity to present its case. Where a hearing examiner or the reviewing authority has ordered the termination of funds and after all of the procedural safeguards have been observed, the order terminating funds takes effect thirty days after the filing of a report with the appropriate Committees of Congress.

The termination of Federal funds comes as a result of a process of negotiation and enforcement which now usually requires well over twelve months to complete. Nevertheless, to reduce uncertainty to the fullest extent possible, consistent with the objectives of the Civil Rights Act of 1964, we will adopt new general administrative procedures for the coming school year. Under these procedures, termination orders will not become effective between September 1 and June 1 of the school year unless *both* of the following conditions have been met:

1. A written communication was mailed to the school district prior to March 1 of its preceding school year informing it that our information indicates probable noncompliance with requirements under Title VI and of the imminence of compliance proceedings if adequate corrective action is not taken, *and*

2. A notice of opportunity for a hearing regarding alleged noncompliance was mailed to the school district by certified or registered mail no later than September 1 of the school year in which the order is sought to be made effective.

These procedures would not apply to an order of a hearing examiner or the reviewing authority which contains a specific determination that any one of the following issues was a substantial and material factor in the compliance proceeding: interference with or denial of the exercise of choice in a manner inconsistent with such agency's free choice desegregation plan, denial to any student on the ground of race, color, or national origin, of full participation in the program and facilities of the school he attends, failure to carry out one or more commitments which the local educational agency made in writing in response to a notification by the Department of Health, Education, and Welfare of failure to comply with requirements under Title VI of the Civil Rights Act of 1964, or refusal to provide material information or the provision of inaccurate information which has a substantial bearing on the compliance of the school system.

Under these procedures 94 to 95 percent of the 4600 school districts in the Southern and Border states, assuming their good faith, would have an absolute assurance by March

1, six months prior to the beginning of the next school year, that they would not lose Federal funds during that year. The remaining districts will have been advised at least six months in advance of the next school year of the alleged noncompliance and will have ample opportunity to correct that noncompliance prior to the opening of school.

In addition, under these procedures, the Department will come to a final enforcement decision prior to September 1 as to each school district which might be subject to a termination order during that school year by offering it an opportunity for a hearing.

Our experience has been that half of the school districts with whom we enter into negotiation to secure compliance do develop acceptable school desegregation plans and that half of the districts which are offered an opportunity for a hearing likewise come into compliance prior to the termination of Federal funds.

The Department makes every effort to secure voluntary compliance through negotiations before enforcement proceedings are initiated. The process of reaching agreement is not prescribed by a rigid set of rules but there are certain basic principles and mutual responsibilities which can and should be stated.

In the first instance it is the Department's responsibility based on the school district's reports and on-site field surveys to identify in writing the particular areas in which the current desegregation plan has proven ineffective or inadequate to accomplish the purposes of the Civil Rights Act. The Department will advise the school district of its responsibility to prepare and submit a modified desegregation plan which will prove effective in accomplishing the purposes of the Act. It is further the responsibility of the Department to offer the school district assistance and guidance which would be helpful in enabling the district to comply with the requirements of the law. In addition, the Department will inform any school district of our willingness to put recommended steps in writing at the request of school officials.

It is then the responsibility of the local school district, to prepare an effective desegregation plan which will carry out the clear mandate of the Civil Rights Act throughout the Nation. Once the school district has submitted its proposal, it is the responsibility of the Department to comment in writing and in detail setting forth any areas in which the plan is not satisfactory and any additional steps which must be taken if it is to meet the requirements under the law. If further negotiations are necessary, it is essential that such negotiations continue in good faith toward the development of an effective desegregation plan. At the conclusion of negotiations resulting in an effective plan, the Department will, if the school district wishes, advise the school district in writing that adoption of the plan is necessary to enable the school district to meet the requirements of the Civil Rights Act.

We are deeply aware of the importance of achieving school desegregation and the complexity of the problem. We are making every effort to administer the law equitably and in a fair-minded orderly way.

Sincerely,

JOHN W. GARDNER,
Secretary.

In view of the above and with the understanding that the procedures outlined by the Secretary will be closely adhered to, the conference report does not contain the House provision.

"WHITENER AMENDMENT"

The House bill amends section 182 of P.L. 89-750 to provide that compliance by a local educational agency with *an order or decision of a Federal court with respect to student or faculty assignment policies* shall (1) entitle such agency to receive funds authorized by the Elementary and Secondary Education Act of 1965 and other similar provisions of Federal law assisting elementary and secondary education and (2) constitute compliance by such agency with title VI of the Civil Rights Act of 1964.

The Senate amendment provides that compliance by a local educational agency with *a final order or judgment of a Federal court for the desegregation of the school or school system* shall constitute compliance with title VI of the Civil Rights Act of 1964 *insofar as the matters in such order of judgment are concerned.*

The conference substitute contains the provisions of the Senate amendment in this respect.

REPORTS OF STUDIES TO CONGRESS

IMPACT OF LOW-RENT PUBLIC HOUSING

The House reporting date, contained in section 110 of the House bill, is January 10, 1968.

The Senate reporting date, contained in section 111 of the Senate amendment, is May 15, 1968.

The conference substitute incorporates this provision of the Senate amendments.

DATA USED TO ESTABLISH ENTITLEMENTS

The House reporting date, contained in section 113 of the House bill, is January 10, 1968.

The Senate reporting date, contained in section 113 of the Senate amendment, is May 1, 1968.

The provisions of the Senate amendment are contained in the conference substitute.

TITLE I—AMENDMENTS TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965, AND RELATED AMENDMENTS

PART A—AMENDMENTS TO TITLE I OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

INDIAN CHILDREN

The House bill adds language to the provisions of title I concerning schools for Indian children operated by the Department of the Interior making "other Indian children on reservations" eligible for participations in that part of the title I program administered by the Department of the Interior.

The Senate amendment and the conference substitute contain no comparable provision.

CONFORMING RATES OF PAYMENTS TO STATE AGENCIES

The Senate amendment makes State agencies serving—

(A) Migratory children of migratory agricultural workers eligible for payment on the basis of one-half the State average per pupil expenditure when such expenditure is greater than one-half the national average per pupil expenditure; and

(B) Neglected and delinquent children eligible for one-half the national average per pupil expenditure when it is greater than one-half the State average per pupil expenditure. The Senate amendment also provides for a uniform definition of "average per pupil expenditure."

The House bill contains no provisions.

The conference substitute adopts the Senate provision, but with an amendment delaying the effective date of the change until fiscal year 1969.

ADJUSTMENTS NECESSITATED BY APPROPRIATIONS

The House bill provides that if appropriations are insufficient to satisfy the maximum grants for which State and local educational agencies are eligible, the "low-income factor" reverts to $2,000.

The Senate amendment provides that, if appropriations are insufficient, appropriations would be allocated according to the following schedule:

(1) State agencies serving handicapped, migrant, and neglected and delinquent children would receive the amounts for which they are eligible;

(2) Each country would receive an amount equal to the amount the local educational agencies in that county received the previous year;

(3) Each State educational agency would receive the amount for which it is eligible for administrative expenses;

(4) The remainder would be allocated to State and local educational agencies according to the formula.

The conference substitute incorporates a substitute for both the House provision and the Senate provision. Under this substitute provision, where the amounts appropriated for a fiscal year are insufficient to pay the full amount to which all local and State educational agencies are entitled then the following adjustments will be made. First, State agencies serving handicapped, migrant, and neglected and delinquent children will be eligible for a grant equal to their full entitlements under paragraphs (5), (6), and (7) of section 203(a). Second, allocations will be made to local educational agencies on the basis of the computations, in accordance with section 203(a)(2) as reduced ratably, subject to two exceptions. The first exception provides that until appropriations are sufficient to satisfy all maximum grants as computed by using the low-income factor of $2,000, the low-income factor shall be $2,000. The other exception provides that the aggregate amount available for grants within a State to local educational agencies shall not be less than the aggregate amount allocated to local educational agencies within the State for the fiscal year 1967, until the total appropriations for that fiscal year exceed $1,500,000,000 for part A of this title. Third, the amount available for payments to each State educational agency for administrative expenses will be 1 percent of the aggregate amounts available within the State under the provisions described in the two preceding sentences, except that no State will receive less than the minimum amount provided for in the provisions relating to the minimum administrative payment. The conferees emphasize that where appropriations are below $1,500,000,000 the conference substitute after allocations are made to States for handicapped children, migratory children, and institutionalized neglected or delinquent children covered in section 203(a) (5), (6), and (7) requires in the distribution of the remainder, utilization of 50 percent of the national average per pupil expenditure or 50 percent of the State average per pupil expenditure whichever is greater and the $2,000 low-income factor. This is to assure the immediate impact of the equalizing effect of the 50 percent national average factor in those States where per pupil expenditures are below the national average. After this step in the calculation the conference substitute provides for adjustments of the allocations to assure that no State receives less than it received in fiscal year 1967. It is also emphasized that the substitute does not permit the use of a low-income factor of $3,000 until appropriations are adequate to fully distribute all entitlements of the formula utilizing a low-income factor of $2,000.

OFFSETTING REDUCTIONS NECESSITATED BY APPROPRIATIONS

The House bill provides that if the amount allocated to any local educational agency is more than it can use (as determined by the State educational agency in accordance with regulations prescribed by the Commissioner), the excess would be made available to local educational agencies in that State and then, if not so needed, to local educational agencies in other States in accordance with criteria established by the Commissioner which are designed to assure that excess amounts are made available to local educational agencies on the basis of need and for the purpose of redressing inequities and mitigating hardships under the distribution formula caused by changes in population and economic circumstances.

The Senate amendment contains no such provision.

The Senate recedes.

SPECIAL INCENTIVE GRANTS

The Senate amendment provides for a new program of incentive grants under which special incentive grants would be made to the State educational agency of each State which, during the fiscal year 1968, and succeeding fiscal years, has an effort index in excess of the national effort index. The amount of such grant would be determined by multiplying $1 for each 0.01 percent of such excess by the aggregate number of children counted for the purpose of title I in that State. The amounts for which the States are eligible would be ratably reduced insofar as the total of such amounts exceed the appropriation ($50 million would be authorized). No State would be eligible to receive amount in excess of 15 percent of the amount appropriated for any fiscal year. Funds would be distributed to local educational agencies on the basis of need and would be expended for the purposes of title I.

The House bill contains no such provision.

The conference substitute adopts this provision of the Senate amendment, except that the program will begin with the fiscal year 1969, and only non-Federal expenses will be considered in determining the State's effort index.

REPORT ON COMPENSATORY EDUCATION PROGRAMS

The Senate amendment requires the inclusion of a report on the effectiveness of compensatory education programs in the title I report of 1969.

The House bill contains no provision.

The House recedes.

PART C—REVISION OF TITLE III OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

Both the House bill and the Senate amendment revise title III of the Elementary and Secondary Education Act of 1965 to change the administration of the program to a State plan—State grant administrative mechanism. The States would submit a State plan through their State agencies to the Commissioner for approval. In general the conference substitute adopts the general form of the Senate amendment, with modifications.

AUTHORIZATION OF APPROPRIATIONS AND DURATION OF PROGRAM

The House bill provides for an authorization of $500,000,000 for the fiscal year ending June 30, 1968, and for the succeeding fiscal years. The Senate amendment authorizes $500,000,000 for the fiscal year ending June 30, 1968, $525,000,000 for the fiscal year ending June 30, 1969, $550,000,000 for the fiscal year ending June 30, 1970, and $575,000,000 for the fiscal year ending June 30, 1971. The conference substitute authorizes $500,000,000 for the fiscal year ending June 30, 1968, $512,500,000 for the fiscal year ending June 30, 1969, and $550,000,000 for the fiscal year ending June 30, 1970.

APPROVAL OF STATE PLANS

The House bill provides that the Commissioner shall approve any State plan which meets the requirements set forth in sec. 304(a), concerning contents of State plans.

The Senate amendment, in addition to a similar requirement in section 305(b), authorizes the Commissioner to approve part of a State plan if he finds that the plan is in substantial compliance with the requirements set forth in section 305(b), concerning the contents of State plans. The conference substitute adopts this provision, except that the permission for the Commissioner to approve part of a State plan will be applicable only for the fiscal year 1969. The amendment provides that the Commissioner may not approve part of a State's plan unless the amount necessary to carry out the part in compliance is less than 50 percent of the maximum amount the State is eligible to receive. The conference substitute contains these provisions.

AMOUNT A STATE MAY RECEIVE

The House bill provides that, if a State's plan is approved, it receives 100 percent of its allotment.

The Senate amendment provides that, if a State's plan is approved, it receives 33⅓ percent of its allotment in fiscal year 1969, 50 percent thereof in fiscal year 1970, and 66⅓ percent thereof in fiscal year 1971.

The conference agreement provides that for the fiscal year 1969 a State which has had its State plan approved will have available to it 75 percent of its allotment. It should be noted that under the new provisions of section 306(c) it is only for the fiscal year 1969 that 25 percent of the State's allotment will be available for special projects and programs funded by grants from the Commissioner to local educational agencies, plus any amounts made available because of the Commissioner's action in disapproving part or all of State's plan under section 305. For fiscal year 1970 there will be available for such grants only the amounts necessary to continue toward completion those projects which were initiated prior to such fiscal year under section 306(a), and funds which are not utilized for this purpose, or for the purposes of carrying out an approved State plan, must be reallotted in accordance with section 302(c).

SPECIAL PROGRAMS AND PROJECTS

The Senate amendment provides that, from the amount allotted to any State which is not available for grants under its State plan, the Commissioner may make grants to local educational agencies in that State for the purposes of the title if such local agency has an application meeting the requirements of section 304, concerning application requirements and conditions of approval. In States having plans approved under section 305 grants under this section must be of national significance. Fifteen percent of the funds granted under this section must be for special programs for handicapped children. Applications under this section may be approved by the Commissioner only if they have been submitted to the appropriate State educational agency for review and recommendation.

The House bill contains no such provision.

The conference substitute contains this provision modified so that for the fiscal year 1970 only such projects initiated in fiscal year 1969 may be funded toward completion.

APPLICATIONS FOR GRANTS—CONDITIONS FOR APPROVAL

The Senate amendment sets forth the requirements which must be met by applicants and the conditions for approval by the State educational agency or the Commissioner.

The House bill contains no such provision.

REQUIREMENTS FOR STATE PARTICIPATION

The House bill requires a State desiring to participate in the program to submit a State plan through its State educational agency to the Commissioner.

The Senate amendment requires, in addition to the submission of a State plan, the establishment of a State advisory council and the setting of dates for the submission of applications. Uniform dates could be set by regulation.

STATE ADVISORY COUNCILS

The Senate amendment sets forth the membership and duties of the State advisory councils.

The House bill contains no such provision.

The conference substitute is similar to the Senate provision, except that it requires the Advisory Council to be appointed by the State educational agency, and it removes the requirement that its membership include persons representative of professional organizations of teachers and school administrators and of organizations promoting the improvement of education. It also removes a provision which says that nothing in the subparagraph may be construed to preclude the appointment of nonresidents of a State to the Council. Further, the Advisory Council is required to submit its report through the State educational agency (together with the additional comments of that agency) to the Commissioner and to the National Advisory Council in such form as the Secretary may prescribe.

CONTENTS OF STATE PLANS

Both the House bill and the Senate amendment require a detailed State plan which sets forth the programs and projects to be funded and the customary assurances.

A. GRANTS TO LOCAL EDUCATIONAL AGENCIES

The House bill requires the plan to set forth a program under which funds will be expended for the purposes set forth in section 303, concerning uses of Federal funds.

The Senate amendment requires the plan to set forth a program under which funds will be expended for the improvement of education in the State through grants to local educational agencies having applications approved for a program or project described in section 303, concerning uses of funds.

B. CONTINUITY OF THE PROGRAM

The House bill provides that for the first year a State plan is in effect it must provide that no local educational agency will receive less than the amount that it would be expected to receive had H.R. 7819 not been enacted.

The Senate amendment provides that special consideration be given to applications proposing to carry out programs and projects planned with assistance under the title.

C. STATES IN WHICH THE STATE EDUCATIONAL AGENCY IS ALSO A LOCAL EDUCATIONAL AGENCY

The Senate amendment provides that, in the case of a State educational agency which is also a local educational agency, the State agency will be deemed to be a local educational agency if its plan includes provisions and assurances which are required of a local educational agency.

The House bill contains no such provision.

D. ADMINISTRATIVE ORGANIZATION

The Senate amendment requires the State plan to set forth the administrative organization and procedures to be used in carrying out the State plan, including the qualifications for personnel having responsibilities in the administration of the plan. The detail in which such organization and procedures are to be set forth is to be prescribed by regulation.

The House bill contains no such provision.

The conference substitute contains technical modifications of this provision.

E. EVALUATION AND DISSEMINATION OF INFORMATION

The Senate amendment provides for the adoption of effective procedures for the (1) evaluation of the programs or projects supported under the State plan, (2) dissemination of the results of the evaluations and of other information about the programs and projects carried out under the plan, and (3) adoption of promising educational practices developed through the programs and projects carried out under this title.

The House bill contains no such provision.

F. PLANNING PROJECTS AND DEMONSTRATION PROGRAMS

The Senate requires that at least 50 percent of the funds the State receives be used for planning project grants and grants for the establishment or expansion of exemplary and innovative educational programs designed to stimulate the adoption of new educational programs in schools throughout the State.

The House bill contains no such provision.

G. PROGRAMS FOR HANDICAPPED CHILDREN

The Senate amendment requires that 15 percent of the amount the State receives for carrying out the State plan be used for special programs or projects for the education of handicapped children.

The House bill contains no such provision.

H. EVALUATION REPORT

The Senate amendment requires that the annual report contain reports on evaluations carried out under the State plan.

The House bill contains no such provision.

I. HEARINGS OF THE STATE AGENCY

The House bill requires assurance that every applicant whose application has been denied will be given an opportunity for a hearing.

The Senate amendment requires that final action on an application will not be taken without first affording the applicant reasonable notice and an opportunity for a hearing.

J. STATE AID

The Senate amendment requires assurance that grants made to a local educational agency under the title will not be taken into consideration with regard to the eligibility for, or the amount of, State aid to that agency.

The House bill contains no such requirement.

ADMINISTRATION OF THE STATE PLAN

The House bill provides that if a State fails to comply with its approved plan or if the plan is changed so that it no longer complies with the law the State will not be regarded as eligible to participate in the program.

The Senate amendment provides that if there is failure to comply with a State plan or with the requirements in an application, the State will not receive further payments or, in the case of a local educational agency's failure to comply with its application, the local educational agency will not receive further payments.

JUDICIAL REVIEW

The Senate amendment provides for judicial review of a State's action on an application of a local educational agency in the same manner as for review of the Commissioner's action on a State plan.

The House bill contains no such provision.

PAYMENTS FOR ADMINISTRATIVE EXPENSES, ADVISORY COUNCILS, AND EVALUATION AND DISSEMINATION ACTIVITIES

The Senate amendment makes provision for a separate authorization of appropriations for the administration of State plans, advisory council activities, and the evaluation of the program and dissemination of the results of such evaluation. The Commissioner is authorized to pay to each State with an approved plan an amount equal to 7½ percent of its allotment (or $150,000, whichever is greater) for such activities. Of that payment no more than an amount equal to 5 percent of its allotment (or $35,000, whichever is greater) may be used for the administration of the State plan.

The House bill makes no provision for administrative expenses.

The conference substitute differs from the Senate provision only in that the requirement limiting the amount which may be used for administration will be applicable only for the fiscal year 1970.

USES OF FEDERAL FUNDS

The House bill would change present law only in that language requiring that funds be used only in accordance with applications would be deleted.

The Senate amendment would retain the requirement that funds be used in accordance with applications.

The Senate amendment would restructure the pattern of grants by dividing the present operational grant program into (1) grants for exemplary and innovative educational programs designed to stimulate the adoption of new educational programs in the schools of the State (demonstration programs) and (2) supplemental services and activities.

The Senate amendment adds to the present list of programs described as supplemental services and activities a new description of a program of initiating and carrying out programs or projects designed to meet the critical educational needs of local educational agencies which are making a reasonable tax effort but which are nevertheless unable to meet their critical educational needs because some or all of their schools are seriously overcrowded, obsolete, or unsafe.

The Senate amendment also adds to the listing of supplemental services and activities projects to encourage community involvement in educational programs to the list of descriptions.

The Senate amendment includes bilingual education methods as a means for providing special educational services to persons isolated from normal educational opportunities.

The Senate amendment would emphasize new and improved approaches in providing supplementary educational services and activities.

LIMITATION ON PAYMENTS

The Senate amendment provides that no local educational agency may receive payments under the title if there is a decrease in fiscal effort and that no State may receive payments under the title if there is a decrease in State aid for public education.

The House bill contains no such provision.

NATIONAL ADVISORY COUNCIL

The House bill repeals the authority for the National Advisory Committee on Supplementary Centers and Services.

The Senate amendment reconstitutes the committee as an independent advisory council appointed by the President and responsible to the President, the Congress, and the Secretary of Health, Education, and Welfare.

The conference substitute adopts the Senate amendment with modifications which delete the provisions requiring the Advisory Council to advise the Commissioner in the preparation of general regulations; but inserts a provision directing it to review general regulations for the operation of the title. It deletes the requirements that the Council must review State plans and applications and the requirements with respect to the submission of reports by State Advisory Councils. The substitute also takes out the provisions that require the Secretary to make available technical, professional, and other assistance to the Council and inserts in lieu thereof a requirement that when requested by the President the Secretary must engage such technical and professional assistance as may be required to carry out the functions of the Council and requires him to make available to the Council other assistance and data. It deletes the authority for the Council to hire personnel without regard to the civil service laws and the Classification Act.

REALLOTMENT

The Senate amendment provides that, if an amount available for grants under a State plan will not be needed for the period for which it is available, that amount will be available first for grants to local educational agencies in that State as special programs or projects and then for reallotment to other States or special project grants in other States.

The Senate amendment provides that the amounts available for reallotment or grants under the reallotment authority shall, if such amounts are not obligated during that fiscal year, be available during the next fiscal year for obligation.

SERVICES FOR INDIANS

The House bill provides that allotments shall be made to the Department of Interior for services to children and teachers in schools operated by that department.

The Senate amendment provides that such allotments be used for persons or reservations serviced by schools operated by Interior.

EFFECTIVE DATE

The House bill provides that the revision of title III will be effective on the last day of fiscal year 1968, except that it would be effective in fiscal 1968 for States submitting State plans upon the submission of a State plan.

The Senate amendment provides that the revision will be effective on the first day of fiscal year 1969, except that those provisions of the amendment concerning advisory councils will be effective upon enactment. The Senate amendment authorizes the Commissioner to take the necessary steps to prepare for the implementation of the revision upon enactment.

Unless otherwise noted, the conference substitute adopts the provisions of the Senate amendment.

PART D—AMENDMENTS TO TITLE V OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

DURATION OF AND FUNDS FOR TITLE V

The House bill extends title V for one year and provides an authorization of $65 million for fiscal year 1968 and $80 million for fiscal year 1969. The Senate amendment extends the program for three years with authorizations of $80 million for fiscal year 1970 and $85 million for fiscal year 1971. The conference substitute extends the title for two years with an authorization of $65 million for fiscal year 1968, and $80 million for fiscal years 1969 and 1970.

REPEAL OF SPECIAL PROJECT GRANTS

The House bill repeals the special project grants authorized by section 505 of title V.

The Senate amendment contains no provision.

The conference agreement does not contain this provision of the House bill.

COMPREHENSIVE PLANNING FOR LOCAL EDUCATION AGENCIES

The House bill specifies that State educational agencies could make grants to local educational agencies in metropolitan areas to enable them to engage in comprehensive planning to meet their needs.

The Senate amendment would, in addition, decrease the percentage of title V appropriations available for special project grants from 15 to 5 percent and provide that the States must make 10 percent of their apportionment available to local educational agencies to be used for the purposes of title V as applied to a local educational agency. The Senate amendment would be effective beginning in fiscal year 1969.

The House recedes.

GRANTS TO INTERSTATE COMMISSIONS

The Senate amendment makes public regional interstate commissions and agencies eligible for special project grants for educational planning and research.

The House bill contains no such provision.

This provision is retained in the conference substitute.

COMPREHENSIVE EDUCATIONAL PLANNING

The Senate amendment amends title V of the Elementary and Secondary Education Act of 1965 by adding a new part B which would authorize a 4-year program of grants to States for the purpose of enhancing the capability of the States to make effective progress, through comprehensive and continuing educational planning, toward the achievement of opportunities for high-quality education for all segments of the population throughout the several States.

The House bill contains no such provision.

The Senate recedes.

PART E.—AMENDMENTS TO TITLE VI OF THE ELEMENTARY AND SECONDARY ACT OF 1965, AND RELATED AMENDMENTS

DEFINITION OF HANDICAPPED

The House bill deletes the word "seriously" before "emotionally disturbed" in the definition of "handicapped" in all acts amended by H.R. 7819.

The Senate amendment contains no such provisions.

The conference substitute does not contain this provision of the House bill.

ELIGIBILITY OF LOCAL EDUCATIONAL AGENCIES AS REGIONAL RESOURCE CENTERS

The Senate amendment makes local educational agencies eligible for grants and contracts in the program of Regional Resource Centers.

The House bill contains no such provision.

The conference substitute permits local educational agency participation but only in combination with State educational agencities or institutions of higher education.

CENTERS AND SERVICES FOR DEAF-BLIND CHILDREN

The Senate amendment authorizes (through a limited number of model centers for deaf-blind children) a program designed to develop specialized and intensive services, methods, and aids that are effective in enabling deaf-blind children to achieve their potential for communication, for participation in society, and for self-fulfillment (and designed to bring such services, methods, and aids to such children as early as feasible in life). The Secretary would be authorized to make grants to or contracts with public or nonprofit private agencies, organizations, or institutions to pay the cost of the establishment and operation of centers for deaf-blind children.

The Senate provision authorizes the appropriation for carrying out this part of $1 million for fiscal year 1968, $3 million for fiscal year 1969, and $7 million for fiscal year 1970.

The House bill contains no such provision.

The conference substitute retains these provisions of the Senate amendment.

HANDICAPPED INDIAN CHILDREN

The House bill authorizes allotments to the Department of Interior for handicapped Indian children in schools operated by the Department of the Interior.

The Senate amendment authorizes allotments for handicapped children on reservations serviced by schools operated by the Department of the Interior.

The House recedes.

MINIMUM ALLOTMENT TO STATES

The Senate amendment would provide that no State would receive less than $100,000 (or 0.3 percent of the appropriation, whichever is greater) under title VI–A.

The House bill contains no such provision.

The conference substitute adopts this provision of the Senate amendment.

STIPENDS UNDER THE PROGRAM OF CAPTIONED FILMS

The Senate amendment authorizes stipends for trainees in the program of captioned films for the handicapped.

The House bill contains no provision.

This provision is retained in the conference substitute.

AUTHORIZATION OF APPROPRIATIONS FOR CAPTIONED FILM PROGRAM

The Senate amendment increases the authorization of appropriations for the captioned film program by $3,000,000, rather than by $1,000,000 as in the House bill.

The House recedes.

"IN-HOUSE" RESEARCH IN THE PROGRAM OF RESEARCH AND DEMONSTRATION PROJECTS IN THE EDUCATION OF HANDICAPPED CHILDREN

The Senate amendment authorizes the Commissioner to conduct research, surveys, and demonstrations relating to the education of handicapped children. The Senate amendment authorizes $18 million for the fiscal year 1970.

The House bill contains no provision.

The conference substitute adopts the Senate amendment.

It is the understanding of the conferees that this new authority will be used only in cases in which it is not practicable to have research, surveys, or demonstrations conducted outside of the Office of Education.

PART F—AMENDMENTS TO TITLE VII OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

The Senate amendment amends title VII of the Elementary and Secondary Education Act of 1965; the House bill does not.

TECHNICAL ASSISTANCE TO RURAL AREAS

The Senate amendment amends section 706 to authorize the Commissioner, upon request from a State educational agency, to give technical assistance to schools in rural areas, to assist such schools in obtaining the benefits available to such schools from Federal programs. This provision is contained in the conference substitute.

The Senate amendment increases the authorization by $1,500,000 for the fiscal year ending June 30, 1968, and authorizes $3,700,000 for the fiscal year ending June 30, 1969, and $4,000,000 for the fiscal year ending June 30, 1970.

DEMONSTRATION PROJECTS TO PREVENT DROPOUTS

The Senate amendment amends title VII of the Elementary and Secondary Education Act of 1965 by adding a new section 707 which would authorize grants to local educational agencies in urban areas to support demonstration projects designed to prevent school dropouts.

The Senate amendment authorizes $30,000,000 for the period ending June 30, 1969, and $30,000,000 for the fiscal year ending June 30, 1970.

The conference substitute adopts this provision of the Senate amendment with a modification making it applicable to rural as well as urban areas. It is the intention of the conferees that demonstration projects under this section be limited to a relatively small number of projects in areas of outstanding need in which there are high concentrations of school dropouts.

TITLE II—FEDERALLY AFFECTED AREAS

PART A—ASSISTANCE FOR SCHOOL CONSTRUCTION AND CURRENT EXPENDITURES IN IMPACTED AREAS

The Senate amendment makes substantive changes in present law; the House bill makes only one which concerns the effective date of certain 1966 amendments on which the Senate amendment does not disagree.

MODIFICATION OF SCHOOL CONSTRUCTION PROVISION CONCERNING INDIAN LANDS

The Senate amendment amends section 14 of Public Law 815 (relating to children living on Indian lands) to provide that, (1) under the present subsection (a), if a local educational agency meets the minimum requirements for eligibility under such subsection, it may receive payments for construction to house all "unhoused" children and (2), as an alternative to subsection (a), a new subsection (b) would provide that a local educational agency meeting requirements less stringent than those in subsection (a), may receive payments for construction to house only "unhoused" children living on Indian lands.

This provision is contained in the substitute agreed upon in conference.

DELETING REQUIREMENT THAT CERTAIN CONTRIBUTIONS BE DEDUCTED

The Senate amendment amends section 2 (a) (which entitles local educational agencies to Federal payments to compensate them for the additional financial burden placed on them by the acquisition of property by the Federal Government) by deleting the requirement that other Federal payments with respect to such property to such agencies be deducted from such compensation.

The Senate amendment also amends sec. 3 of such act (concerning payments to local educational agencies for children residing on, or whose parents are employed on, Federal property) to delete subsec. (e) thereof which requires that "other Federal payments" be deducted from contributions to local educational agencies under sec. 3.

Both of these provisions are contained in the conference substitute.

PROVISION FOR INTERNATIONAL BOUNDARY CHANGE

The Senate amendment amends those parts of Public Law 815 and Public Law 874, which authorize payments for children who had a change of residence as a result of an international boundary relocation between the United States and Mexico to provide that if by reason of a provision of other law such payments were not made in fiscal year 1967, the entitlement for such payments shall be added to the entitlement of a local educational agency for the first fiscal year for which appropriations may be used for such payments. The House recedes.

REPEAL OF MANDATORY GROUP RATE PROVISIONS

The Senate amendment amends sec. 3(d) (concerning the computation of local contribution rates) of Public Law 874 by deleting the amendments made by sec. 201(b) of Public Law 89–750 (which required the Commissioner to place all school districts in comparable groups) and inserting the language which appeared in such section prior to the enactment of Public Law 89–750. This provision of the Senate amendment is contained in the conference substitute.

DISCRETION TO WAIVE CERTAIN REQUIREMENT

The Senate amendment amends sec. 5(e) of Public Law 815 to permit the Commissioner to reduce or waive the requirement in subsec. (f) of sec. 5, concerning the deduction on account of memberships in the base year of a previous application. The House recedes.

PART B—ASSISTANCE FOR SCHOOL CONSTRUCTION AND CURRENT EXPENDITURES IN DISASTER AREAS

"PINPOINT" DISASTERS

The Senate amendment amends section 16 of Public Law 815 and section 7 of Public Law 874 to authorize assistance to schools which have been damaged or destroyed as a result of fire, flood, hurricane, earthquake, storm, malicious action of any person, or other catastrophe even if the area in which the school is located has not been designated as a major disaster area.

The House bill does not contain this provision.

The conference agreement includes the Senate provision, modified to limit such assistance to schools which have been damaged or destroyed as a result of flood, hurricane, earthquake, storm, or fire, except fire caused by negligence or malicious action.

TITLE III—DURATION OF AND AUTHORIZATION FOR CERTAIN PROGRAMS

TITLE I OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

The House bill extended the title through fiscal year 1969. The Senate amendment extended the title through fiscal year 1971. The conference substitute extends the title through fiscal year 1970.

TITLE II OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

The House bill extends title II for one year with an authorization of $150,000,000 in fiscal year 1969. The Senate amendment extends title II for three years with authorizations of $175,000,000 in fiscal year 1969, $200,000,000 in 1970, and $225,000,000 in 1971. The conference substitute extends the title for two years with authorizations of $162,500,000 for fiscal year 1969, and $200,000,000 for fiscal year 1970.

TITLE VI OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

The House bill extends title VI for one year with an authorization of $150,000,000 in fiscal year 1969. The Senate amendment extends title VI for three years with authorizations of $175,000,000 in fiscal year 1969, $200,000,000 in fiscal year 1970, and $200,000,000 in fiscal year 1971. The conference agreement extends the title for two years with authorizations of $162,500,000 in fiscal year 1969 and $200,000,000 in fiscal year 1970.

PUBLIC LAW 815, EIGHTY-FIRST CONGRESS

The House bill extends the temporary provisions of Public Law 815, Eighty-first Congress, for one year. The Senate amendment extends these provisions for four years. The conference substitute extends them for three years—that is, through fiscal year 1970.

PUBLIC LAW 874, EIGHTY-FIRST CONGRESS

The House bill extends Public Law 874, Eighty-first Congress, for one year. The Senate amendment extends it for four years. The conference substitute extends it for three years—that is, through fiscal year 1970.

TITLE IV—PROVISIONS FOR ADEQUATE LEADTIME AND FOR PLANNING AND EVALUATION IN ELEMENTARY AND SECONDARY EDUCATION PROGRAMS

The Senate amendment contains a title IV not contained in the House bill which directs the Secretary to plan for programs in succeeding years and to evaluate present programs. The Secretary must transmit a report on the results of the evaluation to the legislative and appropriation committees in Congress no later than March 31 of each calendar year. The conference substitute incorporates this provision of the Senate amendment with a change in the reporting date to January 31 of each year.

The title authorizes funds for elementary and secondary education programs to be appropriated one year in advance of the year in which they will be obligated. The House recedes.

If, during the last year of the authorization of a program, Congress has not passed or formally rejected an extension of the authorization of that program, the authorization is automatically extended for one year for the purposes of permitting advanced appropriations to be made during that year. The Senate recedes on this point.

Provision is made for grants or payments to educational institutions or agencies on the basis of academic years when such years are different from fiscal years. The House recedes.

TITLE V—EXTENSION OF ADULT EDUCATION PROGRAM

The Senate amendment contains a title V which would extend and revise the adult education Act of 1966 (title III of the elementary and Secondary Education Amendments of 1966). The House bill contains no comparable provision. The conference substitute contains this title of the Senate amendment.

REVISION OF ALLOTMENTS

Section 501 of the conference substitute provides that each State shall receive a basic allotment of $100,000 under the Adult Education Act of 1966.

INCLUDING PRIVATE NONPROFIT AGENCIES

Section 502 of the conference substitute specifically includes private nonprofit agencies in the program.

FEDERAL SHARE

Existing law provides for a 90 percent Federal share through fiscal year 1968. Section 503 of the conference substitute deletes the duration limitation on the Federal share, and raises the Federal share to 100 percent for the Trust Territory of the Pacific Islands.

AUTHORIZATION EXTENDED

Section 504 of the conference substitute extends the program through fiscal year 1970 and authorizes $70,000,000 for the fiscal year 1969, and $80,000,000 for the fiscal year 1970.

TITLE VI—DEMONSTRATION PROJECTS AND STUDY FOR SCHOOLBUS SAFETY

The Senate amendment contains a title VI which authorizes the Secretary of Health, Education, and Welfare, in cooperation with the Secretary of Transportation to make arrangements for (1) a study of minimum safety standards for the operation of schoolbuses and (2) demonstration projects for such study. A report to Congress would be required before January 31, 1969. The sum of $1,000,000 is authorized to carry out these projects.

The House amendment contains no comparable provisions.

The conference substitute adopts these provisions of the Senate amendment with clarifying changes. It also reduces the authorization to $150,000.

TITLE VII—BILINGUAL EDUCATION PROGRAMS

The Senate amendment contains a title VII which amends the Elementary and Secondary Education Act of 1965 by adding a new title VII which would authorize grants to local educational agencies to assist such agencies in planning, establishing, and operating special programs designed to meet the special educational needs of children of limited English-speaking ability. The Senate amendment authorizes $15,000,000 for the fiscal year ending June 30, 1968, $30,000,000 for the fiscal year ending June 30, 1969, and $40,000,000 for the fiscal year ending June 30, 1970.

The House bill contained no comparable provision. The Conference Substitute incorporates this title with two substantive changes, and a number of technical amendments. The first substantive change requires maintenance of effort under the program with respect to funds received under title I of the Elementary and Secondary Education Act of 1965. The other substantive change requires the Commissioner of Education to cooperate with State educational agencies in establishing criteria for allocation within each State of that State's allotment under this program.

TITLE VIII—ENFORCEMENT OF THE ESTABLISHMENT AND FREE EXERCISE CLAUSES OF THE FIRST AMENDMENT TO THE CONSTITUTION

The Senate amendment contains a title VIII which would provide for judicial review of the constitutionality of certain Federal grant programs. The House bill contained no comparable provision. The conference substitute does not include this title.

AMENDMENT TO TITLE OF BILL

The second Senate amendment changes the title of the bill. The House recedes.

CARL D. PERKINS,
EDITH GREEN,
ROMAN C. PUCINSKI,
DOMINICK V. DANIELS,
JOHN BRADEMAS,
JAMES G. O'HARA,
HUGH L. CAREY,
SAM GIBBONS,
CARL ALBERT,
WILLIAM H. AYRES,
ALBERT H. QUIE,
CHARLES E. GOODELL,
ALPHONZO BELL,
MARVIN L. ESCH,
WILLIAM A. STEIGER,
Managers on the Part of the House.

Mr. PERKINS. Mr. Speaker, I call up the conference report on the bill (H.R. 7819) to strengthen and improve programs of assistance for elementary and secondary education by extending authority for allocation of funds to be used for education of Indian children and children in overseas dependents schools of the Department of Defense, by extending and amending the National Teacher Corps program, by providing assistance for comprehensive educational planning, and by improving programs of education for the handicapped; to improve authority for assistance to schools in federally impacted areas and areas suffering a major disaster; and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The **SPEAKER.** Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

Mr. PERKINS (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the statement of the managers on the part of the House.

The **SPEAKER.** Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The **SPEAKER.** The gentleman from Kentucky is recognized for 1 hour.

Mr. PERKINS. Mr. Speaker, as this session of Congress closes, I want to voice my gratitude to our beloved Speaker, JOHN McCORMACK. On occasions too numerous to mention, he has provided inspiration and guidance to me during my first year as a committee chairman. There was never an hour, day or night, that he was not ready to give me any assistance I sought.

JOHN McCORMACK has a secure place in history as a true successor of Sam Rayburn and all the great names who held the Speakership before him. His greatness arises from the fact that he has never been a sectional Speaker. He is the Speaker for all Americans. Throughout the years, he served as a Member, as majority leader, and as Speaker, he has had the welfare of all the people of this Nation uppermost in his mind and in his heart.

Mr. Speaker, I also am deeply in debt to our diligent and competent majority leader. At every point in this year's legislative process, Carl Albert was at my elbow with invaluable assistance. He was especially helpful as a member of two conference committees which dealt with highly controversial issues. For dedication to his job, for unswerving sense of duty, for tirelessness and unwillingness to spare himself, Carl Albert ranks high on the list of public servants in America who have given unstintingly of themselves.

I want to say a special word of appreciation for all members of the Committee on Education and Labor, who have worked so tirelessly and so diligently in helping bring this conference report before this House today. My Democratic colleagues gave me loyal support. From the Republicans, I have not only received constructive participation, but every possible courtesy. The committee members demonstrated again that all who are vitally interested in educating the youth of our Nation, all who have shown they are capable of being leaders in that field, always are ready to rise above partisanship.

Mr. Speaker, during my 19 years in this House I have been closely associated with every bill that came before it on the subject of education. In all that long list there has never been an educational bill which meant more to the youth of this Nation, which was more important to our country's welfare than the one we are about to vote on here today. At this season of the year, we could do nothing more beneficial for the American people than to vote passage of this measure.

Mr. Speaker, earlier in the session specifically on May 25, the House of Representatives after extensive consideration passed the Elementary and Secondary Education Amendments of 1967. Mr. Speaker, these amendments contain several major and to my way of thinking essential improvements in Federal legislation dealing with elementary and secondary education.

First, the all important impacted areas legislation was extended until June 30, 1969.

Second, the provisions of the Elementary and Secondary Education Act of 1965 providing grants to local educational agencies and State educational agencies were extended until June 30, 1969.

Third, important amendments made in committee and improved by an amendment on the floor assured the equitable application of formula changes made in the allocation to local educational agencies under the provisions of title I of the Elementary and Secondary Education Act of 1965—particularly where appropriations were provided less than those required to provide each local educational agency with its full entitlement under the formula.

Fourth, the House-passed measure transferred the administration of the title III ESEA supplemental educational centers and service program to State educational agencies under a system of State plans.

Fifth, new authorizations were provided for regional centers for the handicapped. The 15 percent set aside to the U.S. Office of Education for the title V program in the Elementary and Secondary Education Act was eliminated so that all the funds under title V would be allocated to the States to strengthen the services and programs of the State educational agencies.

Mr. Speaker, I can report to the Members of the House that all of these major improvements in the Elementary and Secondary Education Act are retained by the conferees without substantial modification as will be seen as I now proceed to discuss in greater detail the major provisions of the legislation approved by the conferees.

IMPACT AID

The conference agreement extends the provisions of Public Laws 815 and 874 for 2 years, or through June 30, 1970. Under existing law, Public Law 815 expired June 30, 1967, and Public Law 874 was scheduled to expire June 30, 1968. Also extended were those features of Public Laws 874 and 815 which as a result of the 1965 amendments provide disaster school assistance.

TITLE I ESEA FORMULA

Mr. Speaker, the House made important amendments to the ESEA title I formula in 1966 which increased from $2,000 to $3,000 the low-income factor, which had the effect of bringing approximately 5 million more children into the formula count. In addition, the 1966 amendments provided that 50 percent of the national average per-pupil expenditure could be used in computing the per-pupil payment to a school district in lieu of 50 percent of the State average per-pupil expenditure if the State average per-pupil expenditure were less than the national average.

Both of these 1966 changes resulted in an authorization increase in title I from approximately $1.6 billion to approximately $2.4 billion. These formula changes provide for an equitable distribution of funds among the States when appropriations are sufficient to enable the formula to operate fully. However, the funds budgeted for fiscal year 1968 are less than 50 percent of that necessary to enable local educational agencies to receive their authorized amounts under the formula. In such event the required prorata reductions and provisions of law assuring that States will receive no less than they received in the preceding fiscal year create inequities and prevent the equalizing influence of the 1966 formula changes.

In essence, the conferees have adopted the principles of the House-passed bill by requiring in underfunding situations that funds be distributed with a low-income factor of $2,000 and use of 50 percent of the national average per pupil expenditure or 50 percent of the State average per pupil expenditure whichever is greater after which the resulting allocations are adjusted so that no State receives less than it would have received in fiscal year 1967.

This is the way the formula will operate in any fiscal year in which there is an underfunding situation except when appropriations reach as much as $1.5 billion or more. It is estimated that at this level of funding no State-saving clause is required to assure that each State will receive an amount at least equal to that received in fiscal year 1967.

SUPPLEMENTAL EDUCATIONAL CENTERS AND SERVICES

As I indicated, the House amendment to title III of ESEA substantially revised the title III program by converting it into a State-plan program. The Senate amendment to title III, while modifying the existing program substantially, did not conform with the House-passed version. The basic difference was that in the House-passed bill, the title III program would be a State-grant or State-plan program in all 50 States in fiscal year 1969. The Senate provision provided for only a graduated phasing over to the State-plan format with the Commissioner of Education reserving even in the final year of the phaseover one-third of the money to enable him to carry out the program in a fashion similar to existing law.

Needless to say, these differences were most controversial in conference.

I am pleased to report to the House that the compromise bill retains in principle the House amendment. For fiscal year 1970, 100 percent of the appropriation will be used for funding of State plans. Only one exception is permitted and this occurs only when funding of an existing project is necessary to preclude premature termination of the project. Under the conference bill, in fiscal year 1969, 25 percent of the appropriation may be used by the Commissioner to fund individual projects. I should point out that this in itself was a substantial recession on the part of the Senate since the 75–25 ratio reserves more than for the State-plan program than the Senate ratio proposed for the final year of their phaseover.

Other than for a number of amendments which are directed to facilitating more efficient administration of the program, the conference report on title III contains only more substantive provision. The House receded to the Senate proposal that 15 percent of the title III appropriation be reserved for support of educational programs for handicapped children. This is an excellent and necessary provision, a provision which the House conferees accepted unanimously.

STRENGTHENING STATE EDUCATIONAL AGENCIES

The conference report contains essentially the House bill with regard to title V as the House conferees refused to accept, as the House refused in debate on the House bill, the concept adopted in the Senate that the program should be expanded to provide funds for comprehensive educational planning. The conference report further provides for a decrease from 15 to 5 percent in the percentage of title V appropriations available for special project grants.

Under the House-passed bill, 100 percent of title V appropriations would have been allocated to the States through the statutory formula. Ninety-five percent of the title V appropriation will be so distributed under the conference report. The remaining 5 percent may be used by the Commissioner to fund interstate projects which in 1966 represented 87 percent and 1967 98 percent of the amounts expended under the special projects provision.

EDUCATION OF THE HANDICAPPED

Amendments to title VI of ESEA, providing support of educational programs for handicapped children, differed in the respective versions of the bill only slightly. The principal change in the House-passed version is the conference report provision authorizing grants or contracts to pay the cost of establishing a limited number of model education centers for deaf-blind children. This is a program designed to develop specialized and intensified services that are effective in enabling deaf-blind children to achieve their potential for communication, self-fulfillment, and participation in society.

With regard to the administration of ESEA, I am pleased to advise the House that the conference report contains an amendment providing specific authority for the Commissioner of Education, upon request from a State educational agency, to provide for technical assistance to schools in rural areas and to provide assistance for such schools in obtaining the benefits available under Federal programs.

I can personally testify on the need for such a provision. Also, the conference report contains a matter which is of interest, I believe, to every Member of this House. Under another provision, a very small and limited program is authorized under which grants will be made to local educational agencies to support demonstration projects designed to prevent school dropouts.

ADULT BASIC EDUCATION

Another provision of the conference report conforms with action taken by the House on December 4, 1967, when we approved by a vote of 352 to 0, an extension of the adult education program. Two matters not in that bill are contained in the conference report. The first provides that each State shall receive a minimum basic allotment of $100,000 per year to administer the State plan of adult basic education. The second difference relates to the authorizations of appropriations for fiscal year 1970. Under the House-passed bill, such sums as may be necessary were authorized to be appropriated. The gentleman from Iowa [Mr. Gross], expressed deep concern over the proposal that an open-ended authorization be provided. The conference report provision limiting authorizations to $80 million in fiscal year 1970 fulfilled my assurances to the distinguished gentleman from Iowa that prior to fiscal year 1970 appropriating time the committee would propose a dollar limitation on the funding authority.

LATE FUNDING

Mr. Speaker, one provision of the conference report deals with what I consider to be the major problem in the Federal program of assistance to education. It is the matter of late authorizations and late funding. The Commissioner of Education said in testimony before one of our subcommittees that—

> If the Federal Government is going to have a significant role in school financing it seems to be essential to look for authorization and appropriation practices which would prevent relationships with states and communities from being regularly conducted on a crises basis.

I doubt if there is one Member of this House who has not received letters from members of the educational community indicating grave concern about this matter. After an extensive study of the Office of Education, under the direction of my colleague, the gentlewoman from Oregon [Mrs. Green], it was concluded that the problem requires immediate attention and deliberate action. If I recall correctly, the study indicated that action beyond the simple acknowledgment of the problem is required in the 90th Congress if the resources allocated to education are to have the salutary impact intended. The conference report we are considering today not only recognizes this urgent problem, but, I am pleased to report, suggests a solution.

There was no such provision in the House-passed bill. The Senate provision on this question was objectionable in part and the House conferees were successful in modifying the provision so that I believe it can be not only accepted but overwhelmingly received by the Members of the House. Under the plan, the Secretary of Health, Education, and Welfare is required to plan for programs in succeeding years, and to evaluate present programs. The Secretary is required to transmit the results of his evaluation to the legislative and appropriations committees of the Congress no later than January 31 of each year.

In addition, the provision authorizes an authorization of funds for ESEA programs to be appropriated 1 year in advance of the year before they will be obligated. Thus, there will be authority next year to appropriate money for elementary and secondary school programs carried on under the ESEA not only for fiscal year 1969 but for fiscal year 1970. This means that in January of 1969, the Congress could consider appropriations for programs authorized in fiscal year 1971.

Permitting the appropriation of funds a year before they are to be expended will permit local educational agencies to know in advance—at a time when they must know—the amount of money which will be made available to them. Need I point out that at the present time, even though we are in the middle of the academic year, local educational agencies still do not know what their entitlements will be for the current year under title I of the ESEA.

BILINGUAL EDUCATION

The conference report contains a Senate amendment which provides for a new program of grants to local educational agencies to assist in planning, establishing, and operating special bilingual programs designed to meet the needs of children of limited English-speaking ability. A bill similar to the Senate provision was reported from the Committee on Education and Labor earlier in the session. The provisions of the conference report differ in no substantial way from the committee-reported bill. By including in the conference report today a program which will not begin until fiscal year 1969, we have wisely provided the Office of Education advance time to plan for the administration and implementation of this new program which is so desperately needed in so many States of this country.

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I am delighted to yield to the distinguished gentleman from Minnesota [Mr. Quie].

Mr. QUIE. Mr. Speaker, I appreciate the distinguished gentleman from Kentucky yielding to me at this point.

Mr. Speaker, I just want to say for the Record that if anyone had told me a week ago that we would have action upon a conference report before this Congress adjourned, I never would have believed him. In fact, when we first went to conference, it was my opinion that there was only one person who believed that we could ever come out with a conference report before the Congress adjourned, if adjournment came this week, and that was the distinguished gentleman from Kentucky [Mr. Perkins].

Furthermore, it is my opinion that the gentleman from Kentucky has shown his ability to hold to the position of the House. We have had conference reports brought before us during the closing days of this session on two most important pieces of legislation—and upon one of which I did not agree with the gentleman from Kentucky in his support of the Green amendment to the poverty bill.

But, Mr. Speaker, I must say to you, in all sincerity, that I respect him when he stood by the position of the House of Representatives.

Now, Mr. Speaker, with reference to the Elementary and Secondary Education Act, the gentleman from Kentucky and I held the same views. Further, I wish to say that it is great to be on the "majority" side. I enjoyed that position immensely during the conference on this vital piece of legislation.

Mr. Speaker, it is my opinion that we have come back with a conference report that is excellent and outstanding. What is more, I believe that the House of Representatives can be proud of its conferees and of the leadership which was furnished to them by the gentleman from Kentucky [Mr. Perkins].

I would also add, by way of commendation to the gentlewoman from Oregon [Mrs. Green], that she, too, won out in both of these conferences. That took a lot of perseverance. Both of these bills carry amendments known as the Green amendment. Similarly, I disagreed with the gentlewoman from Oregon with respect to the poverty legislation. Nonetheless, I greatly respect those who can sell an idea to their colleagues as the gentlewoman from Oregon and the gentleman from Kentucky have done.

Once again, let me say that I believe this is a good compromise. At one time, I would have liked to have had the House adhere to its 1-year extension of the act, and extend it only to 1969, so that next year, in our promise that we would extend authorization bills on education a year before they expire, we would have had the elementary and secondary education bill before us for further review.

I have changed my mind. I believe it was wise to extend it for another year. The workload of the Committee on Education and Labor will be an enormous one. Therefore, it would not be a good idea to be burdened next year with the elementary and secondary education bill, and its extension. The Vocational Education Act must be studied, evaluated, and amended before the 90th Congress adjourns in 1968. I would say the same thing in reference to the manpower program. These should be our major tasks in the year that lies ahead. And, if we were to have the Elementary and Secondary Education Act before us again, we would not be able to do the thorough job that I know we would wish to do, and as I know the gentleman from Kentucky wants us, the Committee on Education and Labor, to do.

I am confident from the experience we have had so far that we will bring out vocational education and manpower legislation of which the entire body will be proud.

So, looking forward to that, I believe it was indeed wise to postpone another year any further extensions or further amendments to the Elementary and Secondary Education Act. This means that in 1969 any of us who are back at that time will have an opportunity to review the Elementary and Secondary Education Act, to make the necessary improvements in it, and to extend it.

I anticipate the kind of improvements that were initiated by the amendment of the gentlewoman from Oregon this year in her changes in title III of the act—changes maintained in principle in the conference report, requiring the involvement of the States in all educational programs. The Commissioner of Education cannot bypass State education agencies, but instead must work with them, and develop partnership between the Federal Government, the State government, and the local schools.

What is more, we need to move toward realizing a goal of block grants thereby consolidating categorical aids.

I believe we have made improvements in the title I formula, as the gentleman from Kentucky has indicated in his comments.

The title III amendments which we accepted in the conference will permit the amendment offered in the House by the gentlewoman from Oregon [Mrs. GREEN] to go into effect with the least amount of disruption of the program in the way of the Office of Education has been operating it so far.

Immediately after July 1, 1968, 75 percent of the title III money will be made available through the State plan and 25 percent through the U.S. Commissioner directly to the local educational agencies. In that first year the Commissioner may determine whether he will accept any State's plan. He will also be able to disapprove a part of a State plan. In this way a kind of working relationship between the State departments of education and the U.S. Office of Education will function in a way we can have the strengthening that is necessary.

But in 1970 all that the U.S. Commissioner of Education will be able to do is to continue to fund the programs he was funding in 1969 under his reserved 25 percent until they expire. It is expected that there are those programs that he funds in 1969 will not last more than 3 years, he will be able to fund them through their lifetimes.

There is one last point that I would like to raise. The amendment we accepted from the other body, to title V, provides that 10 percent of the State's money will be used for strengthening local educational agencies.

This, I believe, is an amendment which will enable the State departments of education to work out greater coordination and cooperation with local agencies than they have done before.

So, Mr. Speaker, I believe that the House ought to accept the conference report as one that makes the Elementary and Secondary Education Act a better piece of legislation than when it came from the House.

In addition, Mr. Speaker, some of my colleagues, especially the gentleman from Kansas [Mr. DOLE] have asked me where this conference report is better than the bill which passed the House. I would like to elaborate on what I have said above and add briefly to it the changes which make the conference report superior to legislation enacted in the past.

The title I formula will work better now and will not be as unfair. In the House bill, a peculiar arrangement prevailed where the change from counting the children from families with less than $2,000 to families with $3,000 or less would not go into effect until the number of children from $3,000-and-below families could be funded. The $3,000 income in the formula will be triggered now as soon as we can fund the full number of children from $2,000 or less families. Also, the national average or the State average, whichever is higher, will be implemented immediately, and maximum funding will be made available for special programs for the handicapped children.

The great change in title II provides that 100 percent of all of title I money will be administered through State departments of education rather than 100 percent through the U.S. Commissioner of Education, who may now completely bypass the State department of education, was maintained. However, an improved method of transition was adopted to enable development of strong State plans with a minimum of disruption of ongoing, innovative, and enriching programs.

Fifteen percent of the money for title III—supplementary educational centers and services—is set aside for planning, innovation, and enrichment for programs for handicapped children. Too little is presently being done to help the handicapped.

Ten percent of the money in title V is set aside for local educational agencies. Title V is a program to strengthen State departments of education. Ten percent of this money, which is made available to the State department of education, will be used by the State department of education to strengthen local educational agencies. This will increase the cooperation and coordination between State educational agencies and local educational agencies, especially those located in the cities. With improved liaison, the danger of Federal circumvention of the State's educational agencies is substantially lessened.

Special incentive grants were added which will enable a State which exerts an effort for education above the national average to be rewarded for so doing.

Mr. PERKINS. Mr. Speaker, let me begin by saying that I, and I am sure that I speak for my colleagues on the Education and Labor Committee, have great admiration and respect for the gentleman from Minnesota [Mr. QUIE]. This morning President Johnson said that we have great men in both parties. I want to say here today that we have great educational leaders in both parties and AL QUIE is one of those leaders in the Republican Party.

We all like to enjoy bipartisan support—but support from a Member like AL QUIE registers throughout the country. His contributions to the Education and Labor Committee have been invaluable. Surely, no Member is more dedicated to the task of providing excellence in education for all of the young people of this Nation than AL QUIE.

I hope that we can continue to work together on a bipartisan basis in the future. It is also my hope that we can bring a bipartisan vocational education bill to the floor of the House next year—a bill that will modernize and greatly expand our vocational educational offerings. We have discussed this matter on several occasions and I look forward to working with the gentleman from Minnesota in the next session of the Congress.

AL QUIE has made numerous and excellent contributions in the writing of this legislation. No Member has shown a greater awareness or a more sincere regard for the most needy in this country. And no Member has worked more diligently than has Congressman QUIE to guarantee that the benefits of our educational programs will be enjoyed by those whose needs are greatest. It would serve no useful purpose for me to reiterate the many contributions that AL QUIE has made in the field of education and to this vital legislation. AL QUIE's record speaks for itself. An innovator and pacesetter, the gentleman from Minnesota, AL QUIE, ranks high as a conscientious, dedicated, and nationally respected educational leader.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the distinguished Speaker of the House of Representatives, the gentleman from Massachusetts.

Mr. McCORMACK. I want to congratulate the chairman of the committee, the members of the committee, and particularly the conference committee. I congratulate the conferees on being able to harmonize and adjust the differences that existed not only between the two bodies of the Congress but also to adjust the honest differences entertained by different Members on the House side, and in coming to an agreement on this conference report.

This conference report which is before the House today relates to a bill which is of transcending importance not only to the America of today but for generations to come in the future.

The Committee on Education and Labor has worked hard this year on many bills, particularly on the antipoverty bill, and on the bill that is now before the House. Giving full credit to all members of the committees, I think special credit should be given to the chairman of the committee who assumed duties under unusual and difficult conditions and who by his patience and his kindness and yet by his firm leadership, has been able to guide the ship safely through these troubled waters to its destination, particularly in relation to these two important bills that I have referred to which mean so much first, to the underprivileged and the poor and their hopes for the future and second, the opportunity for the youth of America to receive an education that will equip them to take the journey of life in the years that lie ahead not only benefiting themselves but benefiting our country by the contributions that they will make and by their mental and intellectual contributions which they will make to our country as the result of the educational opportunities given to them by this particular bill and other educational legislation that has come out of the House Committee on Education and Labor.

The gentleman from Kentucky especially and in particular deserves words of high praise and commendation.

The gentleman from Kentucky assumed the post of chairman—a very serious and important one—as I said, under unusual circumstances. He has guided the committee with patience and kindness, and yet with a firm type of leadership that is refreshing, and this year he has made his committee one of the outstanding committees of the Congress of the United States.

The gentleman from Kentucky is highly esteemed by all his colleagues without regard to party. He might well be termed a "gentleman's gentleman." He is always patient. No one is a harder worker than the gentleman. I have called him on the telephone at 1 o'clock and 2 o'clock in the morning at his home and found him working at that time and ready to talk about matters before his committee. So the House owes a tribute to the committee, but a particular tribute to the gentleman from Kentucky [Mr. Perkins] who serves the people of his district with great honor and distinction in the Congress of the United States.

Mr. PERKINS. I thank the distinguished Speaker.

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Indiana.

Mr. BRADEMAS. It would be superfluous for me to try to add many words to the eloquent expression which we have just heard from our distinguished Speaker in tribute to our able and distinguished chairman of the Committee on Education and Labor.

I recall that as we passed this bill in the House, some months ago, having said that were it not for the persistence and tenacity of the gentleman from Kentucky, Carl Perkins, we simply would not have been able to bring this measure to the floor of the House and to pass it. I know and I know all the members of our committee know of the many long hours, the telephone calls, and the conversations which the chairman of our committee has had in his effort to continue passage of this landmark legislation.

And I wish to add my own words of tribute to those which have already been paid to him as I rise in support of the conference report.

Mr. PERKINS. I thank the distinguished gentleman from Indiana who has not only justly earned my admiration but also our committee colleagues for his extremely able attention to the legislation before our committee. No one has a better knowledge of the legislation or of the programs with which our legislation deals than the gentleman from Indiana [Mr. Brademas], who is the original sponsor of H.R. 7819.

Mr. GOODELL. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from New York [Mr. Goodell].

Mr. GOODELL. I also wish to commend the chairman of our committee. He has been fair in the deliberations of this committee, and I believe we would not have had a bill this session without his persistence and his evenhanded management of the committee.

Although this legislation will not satisfy any of us 100 percent, it is the best education bill we have ever brought before this body. It will be the best education law ever passed by the Congress of the United States, I believe. It corrects a number of inequities, and, I think, misjudgments in the early legislation. Particularly it corrects, on a phased-in basis, what were serious consequences in terms of many areas of our country when we originally passed the Elementary and Secondary Education Act of 1965. It was then broadcast as a means to help the poorer areas of our country that did not have the resources to meet the needs of education in their communities.

Unfortunately, as it was pointed out then and has been pointed out consistently since then by a number of members of the committee and the Congress, the formula for the distribution of funds was inequitable to the poorer areas. The net result was that the richer areas of the country received in many instances twice as much money as the poorer areas of the country. There is some justification, perhaps, for increased amounts to areas that have a higher cost of living, but certainly not the kind of inequity that was contained in the original bill when we were trying to advance education in the poorer sections of the country especially.

We have corrected that with a formula that phased in to see to it that no State will receive less money than it received in fiscal year 1967. This was one of the most difficult points in the conference. It was finally resolved, after charts were brought in and tables were brought in that indicated when this bill was funded at the $1.4 billion level—it now being funded at a $1.2 billion level—all States would be able to receive the amount that they received in fiscal year 1967 under the Gibbons formula, and the Gibbons formula, so-called, that was earlier offered in 1965 and 1966 by Republicans, would go into full effect.

The point was raised, however, when we talked about the $1.4 billion, that by the time we get to that level, maybe a year or 2 years or longer from now, it may take more than $1.4 billion to fully fund the distribution formula without penalizing any State. So we compromised on a $1.5 billion trigger point for a full implementation of the new distribution formula in title I.

I, myself, am particularly pleased with an amendment offered in the other body by the Senator from Colorado, which was incorporated into the law. I think it holds great hope for the future. In title I we have added a new special incentive section, with $50 million authorized. This will give aid to those States who are improving their performance, who are doing more. It is based on an effort index, and those that are doing the most in their own areas, related to their resources, will receive special incentive grants.

I regret that we did not accept the Senate view on judicial review of grants under the Constitution. This was a point on which the House prevailed. The Senate was unanimous in asking for judicial review. We had, however, the other complication with reference to this—not just the merits of the issue—as to whether the courts should be provided with and the taxpayers should be provided with a method of getting the constitutional issue before the courts, but also we faced the problem that this, properly, in the House of Representatives belongs in the jurisdiction of the House Committee on the Judiciary. I had hoped we could see action out of that committee promptly.

I would like to ask the gentleman from Kentucky to confirm one point that I think is critical and on which I think our conference report, in the haste, has made an error. We did not finish the conference until last night, having worked late into the evening hours on several days this week.

The Senate added what was called a pinpoint disaster provision. This was to permit Public Law 874 funds to be used as grants in communities where a disaster had struck a school and they had to provide substitute facilities while they were reconstructing the school buildings and their school facilities. The grants were only to provide for this interim cost of educating the youngsters and carrying on while they reconstructed at their own expense.

The Senate was wide open in this particular provision, in providing that in effect any major damage or destruction of a school building would qualify for this pinpoint disaster aid provided it was certified by the Governor and by the commission that they could not meet this problem themselves. We revised this language, and it was my understanding that we limited such aid to major damage or disasters caused by a natural disaster, such as a storm, flood, earthquake, or a fire related to one of these natural events.

The Senate bill originally provided there could be aid for a fire whatever its cause, for destruction due to malice, or other reasons. I believe—and I think the gentleman who was chairman of our conferees will confirm this—that the final decision was this aid would go only to those school districts where a facility was destroyed by any event related to a natural disaster.

Mr. PERKINS. That is correct.

Mr. GOODELL. I thank the gentleman.

Mr. PERKINS. Let me compliment the distinguished gentleman from New York for working diligently in his efforts to assist us in bringing this conference report to the floor. The gentleman from New York is one of the most able members of the committee and always is helpful in our committee deliberations.

Mr. GOODELL. I thank the gentleman. Will the gentleman yield for a concluding remark?

Mr. PERKINS. I yield briefly.

Mr. GOODELL. I should like to say that this conference was one in which all of the conferees, I believe, did a great deal of hard work. They were knowledgeable. It was a provocative and interesting conference, albeit a difficult one.

I want to pay a special tribute to my colleague, the gentleman from Minnesota [Mr. QUIE], the ranking minority member on the Education Subcommittee. He has been very active for many, many years in the Congress on education matters. Without his assistance I am sure this legislation would not have been the fine product it is.

Without the cooperation of the gentleman from Minnesota [Mr. QUIE], and the chairman, and the conferees on the Republican and Democratic sides, and particularly the statesmanlike approach taken by many of the Senate conferees, we could not come here as united as we are on such fine legislation.

I thank the gentleman.

Mrs. GREEN of Oregon. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. I thank my chairman.

Mr. Speaker, I wish to join my colleagues who have paid such well-deserved tribute to the chairman of the Education and Labor Committee. He has offered magnificent leadership. He is one of the hardest working Members of this Congress. During the past 4 weeks I have worked with him on two conference committees. His expertise there is something to behold. I have sat there with awe and admiration for his technique. This expertise—this way of his recommends him as mediator on any board of arbitration.

Also I join my chairman in expressing my pleasure and gratitude that this conference report comes to the House today with strong bipartisan support. I am delighted that our friends and colleagues on the other side of the aisle have contributed so much in the way of maintaining the House position in the conference committee sessions. The Republicans have every right to be proud of the leadership of AL QUIE and CHARLIE GOODELL. They and other conferees have worked untiringly.

And finally, Mr. Speaker, I could not close without expressing my profound thanks to those members of the staff about whom we hear little but to whom we owe much. They have worked countless hours. The members of the committee would simply not be able to legislate if we did not have the extremely competent and dedicated professional staff who have worked literally day and night to bring this report to the House today. To Jack Reed, to Bill Gaul, and to George Skinner special words of heartfelt thanks are given for that professional competence, for their many courtesies, and for their untiring efforts.

Mr. Speaker, I join my chairman, the ranking minority members of the committee, Mr. AYRES and Mr. QUIE and other colleagues in urging the House to accept this conference report. The amendments adopted by the House last May were retained with only minor modifications. I know most of my colleagues will join me in being pleased that the final measure we bring here today provides for strict adherence to the law in promulgation of guidelines, orders, rules, and regulations.

We asked not that guidelines be modified to soften the impact of the law, but that they be based specifically on the law and that each guideline cite its statutory or judicial authority. And further, we are now assured that what is required in Kansas City, Mo., will be no different from that in Kansas City, Kans.—across the river; that the guidelines will be the same in Georgia as in Oregon; the same in Kentucky as in Indiana. This is, in fact, one Nation, indivisible, and Federal law and Federal policy in one State or one section should be no different from Federal law and policy in another State or section. The administration of the same guidelines is required in all 50 States.

If I may, Mr. Speaker, I would like to comment briefly on what I believe to be a landmark decision that reinforces in law the determination of the majority of us in this House that public educational policy and administration remain firmly in the control of State and local educational agencies.

No one could have sat through the debates on educational policy these past 3 years and not have felt the pressures to move more and more of the decisionmaking to Washington as the critical needs of education become more visible. And perhaps in our anxiety to gain Federal involvement in meeting the needs of education, we accepted, however reluctantly, programs that were too often directed from Washintgon.

We made major progress in House action last May and we have, I believe, gone far in this conference report to eliminate this danger of growing Federal authority in the day-by-day administration of the programs.

Instead of 100 percent of title III funds being administered by the Office of Education, three-fourths of all funds under title III, designed to provide supplementary educational services, will be administered by State departments of education in the next fiscal year. And in the following year, all title III funds, except for phasing out projects begun under the 25-percent setaside in fiscal year 1969 for direct Federal grants, will go to State agencies. We have, indeed, changed the direction of this program—and changed it in the direction requested by three great organizations: the National School Boards Association, the National Education Association, and the National Council of Chief State School Officers.

Our conference agreement on title V to strengthen State departments of education is also very satisfactory. We made real progress. Now 95 percent of the funds to strengthen State departments will indeed go to those State departments. Ten percent of these funds will be set aside by the State departments for planning by local educational agencies. This recognizes the determination of the House—expressed overwhelmingly last May when we debated this measure—that to be strong, to carry out fully and well their vital role in the education of America's children, State departments must be given the money, the authority, and the responsibility. Our conference report undergirds this determination.

The distinguished and very able gentleman from Florida [Mr. GIBBONS] was very persuasive and effective in the conference—as he was on the floor of the House—in retaining the formula for allocation of funds under title I, which the House approved last May. It will be much fairer to the poorer States.

Mr. Speaker, I strongly support this conference report. We sought to the extent of our ability to achieve the full position of the House. This was not entirely possible if we were to have a bill. But we did protect the intent, the principle and most of the provisions passed by the House. This legislation cannot help but contribute immeasurably to the quality and equality of education for America's youth.

I would ask the support of my colleagues for this conference report.

Mr. PERKINS. Will the gentlewoman from Oregon yield?

Mrs. GREEN of Oregon. I yield to the chairman.

Mr. PERKINS. One thing I have learned in Congress is that the chairman of a committee relies heavily on the ranking majority member of his committee. For that reason, I am extremely grateful that during my first year as chairman of the Committee on Education and Labor, I have been so fortunate as to have as the ranking Democrat a member who has more knowledge in the field of education, more expertise in the parliamentary process and more unswerving determination than most of us.

I refer, of course, to the gentlewoman from Oregon, Mrs. Edith Green. And I want to take this occasion to express again to her my admiration for her service to the cause of education, my appreciation for the great help she has been to her chairman, and the thanks of everyone who has at heart the welfare of the Nation's youth.

Mr. CAREY. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from New York [Mr. Carey].

Mr. CAREY. I thank the gentleman for yielding.

I add parenthetically, as I have watched the gentleman yield as he has so generously today, I think of what a change this is from the past 24 or 48 strife-torn hours, when, for the good of the House and for the good of America, he was most unyielding when he had to be.

Mr. Speaker, there are many new things for the handicapped in this conference report, and in part this results from the task force for the handicapped which I had the honor and privilege of serving as the head of during the last Congress.

I would add, Mr. Speaker, that if there are those who were not on the committee who are beginning to wonder why this great Committee on Education and Labor has been able to roar like an express train down a smooth track over these past months to bring out this landmark legislation, it can be said that fully it is because we have two Carls doing a great job.

First is the Carl who is the chairman of that great committee, as the engineer of that express.

If you look far enough down the track, you will see as the brakeman the most junior "Carl" on our committee, Carl Albert, acting as brakeman and fireman. So, with two Carls like that, we are running along pretty well.

I may add to my colleagues who do not know it, that despite the long and tedious hours the chairman devoted to this and other legislation, he did find the time to confer a signal honor on his colleagues in recent days. Among others of the committee, I have been notified that my rank now as a colonel in the U.S. Army Reserve has been added to as a Kentucky colonel as well. I serve with that rank in that distinguished body.

Until I got to this conference I did not realize that the chairman has not only made colonels out of all of us so that we can march behind him, but he made a few generals as well. When it was time to close ranks we found out, while we were colonels, he was the general. I notice also recently that we passed in the House a provision that made in order that ladies can now hold the rank of general. I found out that we had not just one general on the conference but a lieutenant general as well in the person of the distinguished gentlewoman from Oregon [Mrs. Green]. I am glad that we all closed ranks and marched together, because we landed on the right objective for the benefit of the schoolchildren of America. I congratulate all the managers on the part of the House and the other body as well, and the rest of my colleagues here who I hope will vote for this measure which will be for the benefit of the American schoolchildren.

Mr. Speaker, I rise to support the conference report on H.R. 7819, the Elementary and Secondary Education Amendments of 1967. As a conferee, I know first hand the struggle which took place in the conference. Divergent positions, strongly held by both bodies, had to be resolved. As with any compromise, no one is entirely satisfied with the finished product. I would like to address myself, however, to several provisions of the bill which I believe are of tremendous significance, and merit the support of all men of good will.

First, the Senate conferees agreed to the House method of distributing funds under title I of the Elementary and Secondary Education Act. This was an important victory. If this matter had not been resolved and the bill put over to the next session, New York City would have lost approximately $10 million this school year. The New York City schools desperately need more resources. A cutback would have destroyed, for public- and private-school children alike, my city's efforts to help the educationally deprived.

I commend Chairman Perkins and Senator Morse for their determination in resolving this issue in a reasonable way so that the great cities of our country would not be hit with crippling cutbacks in Federal funding.

Second, this bill plows new ground for the forgotten children of our Nation—the handicapped.

State-supported schools for the handicapped will receive approximately $10 million more this school year than last school year, an increase of more than 60 percent.

The captioned films for the deaf program will be expanded to cover all handicapped children. This broad authority calls for research, development, testing, and final dissemination of all types of educational media for the handicapped.

The research authority is made more flexible allowing contracts with private educational or research agencies as well as other groups.

The bill also creates a number of important new programs.

For the first time, there will be special centers to provide desperately needed services for deaf-blind children. This center will also support research, development, demonstrations, dissemination, and training of personnel.

For the first time, there will be regional resource centers to diagnose the educational problems of handicapped children, to develop suitable educational programs, and to assist schools in providing these programs for the handicapped child.

For the first time, Federal funds are authorized for a nationwide recruitment program to attract the best personnel to staff the schools for the handicapped and to help meet the need for 300,000 teachers of the handicapped in the next decade.

For the first time, funds will be available to develop programs to assist parents in obtaining information about special programs for the handicapped.

Finally, I am pleased to report that the conferees have agreed to the reservation of 15 percent of all funds in title III for supplemental centers and services and programs for the handicapped. This will earmark over $15,000,000 for children who need special education.

Mr. Speaker, in the 89th Congress I headed a task force to examine the educational needs of the handicapped along with our colleagues Mr. Thompson, Mr. Scheuer, and Mr. Bell. As a result of our extensive examination, with the support of President Johnson and many sectional organizations we made a number of recommendations in education of the handicapped. Many of them were in my bill H.R. 14, filed in January. I am gratified that so many measures in this bill are now found in the report before us.

Mr. PERKINS. Mr. Speaker, let me compliment the distinguished gentleman from New York, one of the able Members of this body and one of the most articulate of the great lawyers of this body, one of our experts who has done so much in the field of the handicapped. Much credit is due to the distinguished gentleman from New York, Hugh Carey, for the educational benefits for the handicapped that are in this bill today.

Now, Mr. Speaker, I yield to the gentleman from Michigan [Mr. O'Hara].

Mr. O'HARA of Michigan. Mr. Speaker, it is with a good deal of pride and pleasure that I stand here today in support of the conference report on the Elementary and Secondary Education Act amendments of 1967.

I last addressed the House on this subject upon the occasion of the passage of this bill by the House. I faced you then with mixed emotions.

In several days of tumultuous debate, our committee majority had achieved a tremendous victory by routing a major Republican effort led by the gentleman from Minnesota [Mr. Quie] to substitute a system of bloc grants to the States for the selective and sensible partnership of Federal, State, and local government embodied in this legislation.

Of this tremendous achievement we were all justifiably proud.

Our pleasure, however, was lessened by the fact that we had not escaped the legislative gauntlet without some rather painful injuries.

An amendment offered by the gentleman from North Carolina [Mr. Fountain] had been adopted and I feared that his amendment possessed a potential for abuse that threatened the effective enforcement of title VI of the Civil Rights Act of 1964.

An amendment offered by the gentlewoman from Oregon [Mrs. Green] which I had described as being "either meaningless or mischievous," had been adopted without the record showing clearly whether it was "meaningless or mischievous."

An amendment offered by the gentleman from Florida [Mr. GIBBONS] had been adopted which revised the title I fund allocation formula to shift funds from some States to others creating a threat of program cutbacks in northern industrial centers.

An amendment offered by the gentlewoman from Oregon [Mrs. GREEN] which, while specifically providing full participation in title III programs by students in nonpublic schools, so changed the administrative provisions of this title that many feared a disruption of the harmonious relationship between public and nonpublic schools that has been the genius of this legislation.

It was these amendments which prevented those of us who had stanchly supported the committee bill from fully enjoying the fruits of our great victory.

But the victory celebration should be delayed no longer. The bill reported by the conference committee seals the victory won last spring.

The Fountain amendment was stripped from the bill by the Senate and is not a part of the conference report before you today. In its place is a letter from Secretary Gardner spelling out the procedures to be used by the Department of Health, Education, and Welfare in obtaining the compliance of local school systems with the provisions of title VI of the Civil Rights Act—procedures which are eminently fair and will in no way hinder the effective enforcement of title VI.

The legislative history made in the Senate on the Green amendment requiring uniform application of desegregation guidelines makes it clear beyond any question that its effect will not be "mischievous" but that it will simply require that school systems based upon neighborhood attendance areas be treated the same everywhere and that school systems that have been based upon racial segregation or so-called freedom of choice be treated the same everywhere.

The Gibbons amendment to the title I funding formula remains intact but industrial State programs were protected against disastrous cutbacks by new provisions of the Senate bill and of the conference report, and the Congress will have an opportunity to further revise the fund-distribution formula before any harm can come of the change adopted by the House.

The Green amendment providing a greater role for the States in the operation of programs of title III of the act was modified by the Senate. One such modification retained by the conference committee establishes a mechanism for the approval of regulations and policy that, in combination with the provision of the Green amendment assuring full participation by nonpublic school students, will, for all practical purposes, guarantee such participation.

And here again the Congress will have an opportunity to return to this section to make any changes that appear necessary before the transition to State operation of title III is complete.

Finally, Mr. Speaker, the Quie amendments, defeated in the House, were also defeated in the Senate. The ill-considered Erwin judicial review amendment, defeated when offered in the House, was adopted by the Senate but no trace of either the Quie or the Erwin amendments is found in the conference report.

Mr. Speaker, the passage of this conference report is indeed an occasion for rejoicing by those of us who supported the House committee bill. It should be noted, however, that this great accomplishment did not occur by accident.

Certainly the managers of the bill in the Senate did a fine job as did the Senate and House conferees, but the major share of the credit should go the gentleman from Kentucky, who in this action demonstrated his qualities of leadership and determination. Yes, Mr. Speaker, the conference report before us today is largely the handiwork of the chairman of the Committee on Education and Labor, whose steadfastness and whose persistence were major factors in bringing to us a conference report that those of us who supported the committee bill on the floor of this House can now support without reservation. The gentleman from Kentucky, CARL PERKINS, has done a magnificent job—one that the schoolchildren of America will thank him for and one that ought to be recognized in this House.

Mr. PERKINS. Mr. Speaker, I have promised to yield to the gentleman from Florida [Mr. GIBBONS] next; but let me reply to the distinguished gentleman from Michigan by stating that he is a most skillful and dedicated worker for the welfare of the people of this country. He is an outstanding lawyer and legislator. He and CHARLES GOODELL perhaps have done more in the field of manpower legislation than any other Member of this body. It is a very great privilege and pleasure for me to work with him.

Mr. GIBBONS. Mr. Speaker, I know that the time is running out and I do not want to monopolize all of the time. However, I could not let this opportunity go by without a few comments about what I have learned this year from watching the operations of the Committee on Education and Labor.

I think there were a few people in the House of Representatives who felt that when the present chairman, the gentleman in the well, the gentleman from Kentucky [Mr. PERKINS] took the helm of the Committee on Education and Labor that, perhaps, the committee would have a hard time functioning.

I think those people misunderstood the patience, the courtesy and those great common attributes, the great attributes that the chairman has which certain people felt would not make of him the leader that this great Committee on Education and Labor should have.

However, Mr. Speaker, the distinguished gentleman from Kentucky [Mr. PERKINS] has proved to all of those who would detract from his stature that they were wrong.

Mr. Speaker, the fact that the gentleman from Kentucky has created legislative miracles here this year attests to his distinguished leadership. The gentleman has brought to successful conclusion the antipoverty bill that many Members predicted would never survive the Congress, and many people of judgment felt that if it did survive it would only survive in a most emasculated form.

But, Mr. Speaker, the gentleman from Kentucky [Mr. PERKINS] brought that piece of legislation through the legislative halls of Congress in flying colors, a bill which strengthened and improved the original antipoverty bill.

In this legislation, Mr. Speaker, the conferees on the part of the House were faced with about 200 major differences between the bill as passed by this body and as passed by the other body. The conference began very late in the session as all of the Members of the House know. I remember remarking to myself to the effect that I did not see how this conference could ever be completed. I went to the conference thinking that it never would be completed.

But, Mr. Speaker, through the chairman's courtesy, the chairman's patience, and with his profound persistence, coupled with his real strength, he together with his colleagues, was able to carry the day for the House of Representatives.

Further, Mr. Speaker, permit me to say one thing in addition that makes me so proud with reference to this bill. That is the fact that we have concluded this very controversial bill and it is now almost passed, almost unanimously, I hope, with bipartisan support.

Mr. Speaker, this is not only one of the most important pieces of legislation that this House has ever passed, but I believe it represents the largest increase in providing funds for the purpose of education which we have ever passed.

Mr. Speaker, if I had more time, I could say a great deal more in behalf of the distinguished gentleman from Kentucky [Mr. PERKINS]. However, I know that there are many other Members who want to speak.

Therefore, Mr. Speaker, I thank the distinguished gentleman from Kentucky for yielding.

Mr. PERKINS. Mr. Speaker, permit me to say to the distinguished gentleman from Florida [Mr. GIBBONS] that it is a great source of relief to have the solid persuasive force of SAM GIBBONS around when one encounters legislative trouble. I think that SAM GIBBONS has rendered much indispensable assistance to the members of this committee during the course of the conference held on this piece of legislation.

The Gibbons-Quie formula or the Quie-Gibbons formula means much to the poorer areas of this country. The extra funding provided by this formula will go to the districts that have the greatest need—particularly in the South. These poor districts can thank Congressman GIBBONS and Congressman QUIE for this formula change. For, without their help, it would not have been written into the law. The gentleman from Florida [Mr. GIBBONS] has made an impressive record in the field of education and has actively supported every major piece of educational legislation since he came to the Congress. His contributions have been great.

Mr. Speaker, before I conclude, I must say that Sam Gibbons has worked continuously for the past year to improve the Elementary and Secondary Education Act and many other educational programs involved. Mr. Gibbons is untiring and always available. No member has made a greater contribution to the accomplishments of the Education and Labor Committee, during the time Sam Gibbons has been on the committee, than Mr. Gibbons himself. I want to confess that he has taken many burdens off the shoulders of the chairman and has always produced results. Sam Gibbons knows how to legislate, and I feel that I speak for the entire committee in stating that we have no more dedicated an individual on the committe to the cause of good government than Sam Gibbons.

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the distinguished gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Speaker, first of all, I thank the distinguished gentleman from Kentucky [Mr. Perkins] very much for yielding to me at this time.

Mr. Speaker, I wish to join with the other Members of this body in commending the distinguished gentleman from Kentucky [Mr. Perkins], the chairman of the Committee on Education and Labor.

I was perhaps—and I am perhaps a bit more naive than the distinguished gentleman from Florida—because I was sanguine when this bill went to conference in the hands of the chairman of the Committee on Education and Labor. However, the distinguished gentleman from Kentucky has performed a magnificent job. All of the Members of the House I am sure, especially those of us who have served with the gentleman from Kentucky for so long, are extremely proud of the manner in which the gentleman has conducted himself and the excellent results which he has achieved.

Mr. Speaker, I hope that the Members of this body will look most carefully at the report of the managers on the part of the House and will be able to observe the enormously great job which you, Mr. Perkins, are personally responsible for.

Mr. Speaker, I want to express my gratitude to the distinguished chairman of the Committee on Education and Labor for their job. I am sure that I express the gratitude of not only your fellow Members of this body, but the gratitude of the schoolchildren, the teachers, and others throughout the United States who are so vitally interested in the education of children. You have made possible, based upon an absolutely fair and equal basis, the continuing and constructive education of the children of this Nation and I thank the gentleman very much for that effort.

Mr. PERKINS. I thank the distinguished gentleman from New Jersey for his comments.

I wish to state that the gentleman from New Jersey [Mr. Thompson] has worked diligently to improve educational legislation and has made great contributions in this field. As the chairman of one of our major subcommittees he has brought much helpful influence to bear on strengthening legislation to serve the educational needs of the Nation.

Mr. FOUNTAIN. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from North Carolina.

Mr. FOUNTAIN. Mr. Speaker, I hate to interrupt this love feast or mutual admiration society with what might be considered as a sour note, but, Mr. Speaker, I was hoping to get a few minutes to say a few things, of my own to discuss a very important matter, and I was hoping to get sufficient time to do so, but I have now learned that all time is fast disappearing, but perhaps I can get some part of my statement in by asking the distinguished chairman some questions.

The gentleman will recall that last year and again earlier this year I offered an amendment which became known as the Fountain amendment, to require the Office of Education and the Department of Health, Education, and Welfare to stop circumventing the procedural safeguards of the Civil Rights Act by arbitrarily denying Federal financial assistance to school districts which have not been found to be engaged in discriminatory practices and have not even had an opportunity for a hearing.

That amendment was adopted last year, and again this year, by a vote of almost 2 to 1 here in the House, with the support of a cross section of the country.

Last year that amendment was weakened in the conference, and the conference report was agreed to at the end of the session under a parliamentary situation which precluded a House vote to insist on the original version of my amendment.

Knowing the temperament of the Members here, and the attitude of even some of those who supported my amendment, to get this bill passed and leave here early, I know what the situation is now. But I understand that this amendment was deleted by the Senate Labor and Public Welfare Committee, and was rejected by the conference committee. I wonder if the gentleman from Kentucky would be kind enough to tell the Members what transpired in the Senate and in the conference committee concerning my amendment?

Mr. PERKINS. I will be glad to reply to the gentleman.

I asked the Senate to recede, but they refused to recede, and we did not have sufficient votes on the part of the House conferees to force the issue. But I do want to state to the gentleman from North Carolina that I did support and try to hold in the Fountain amendment, and tried to defend the position of the House.

Mr. FOUNTAIN. I regret very much that this occurred.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I appreciate the gentleman yielding, and I want to join in with the other Members in saying that the gentleman from Kentucky is that type of able gentleman who has such great patience, and that he is a gentleman in the whole concept of the word.

I would like to go on in the few minutes remaining just to get the costs that we are authorizing here.

As I understand, the House authorization was for 1 year, and the Senate was for 3 years, and the conference report is for 2 years for 1969 and 1970.

What is the total amount we are authorizing?

Mr. PERKINS. In reply to the gentleman, the total amount for fiscal year 1969 is $4,448,184,699, but that includes several programs. This compares that with the authorization in 1968 of $3,965,000,000 whereas only $2,042,000,000 was appropriated.

For fiscal year 1970, there is authorized $4,781,000,000.

Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. Steiger] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate the distinguished chairman of the full committee yielding to me, and want to join in paying tribute to the members of the conference committee, and especially the gentleman from Kentucky [Mr. Perkins], the gentlewoman from Oregon [Mrs. Green], the gentleman from Ohio [Mr. Ayres], the gentleman from Minnesota [Mr. Quie], and the gentleman from New York [Mr. Goodell].

I rise in support of the conference report and urge the House to support its adoption.

Under the leadership of the gentleman from Kentucky [Mr. Perkins] and the gentleman from Minnesota [Mr. Quie], the House conferees have brought to the House a bill that represents an improvement over the bill adopted by the House.

For me, as a freshman Member of this body, it was a very real privilege to serve as a conferee on this legislation and to have had an opportunity to participate in the formulation of what we are considering this afternoon.

Other members of the conference have discussed the formula about which there was substantial disagreement between the two bodies. I believe the version adopted by the conference is significant and will serve well in the future.

Part B of title I, the so-called Dominick amendment, is an especially important feature. This new provision will provide a special incentive grant to the State educational agency of each State which has an effort index that exceeds the national effort. At this point in my remarks I am going to include a chart which indicates the distribution among the States were there to be an appropriation of the full $50 million authorized:

The adoption of the handicapped provisions contained in the Senate bill by the conference also represents a vital improvement. With this new authority granted to the Secretary to carry on programs designed to meet the especially difficult needs of the handicapped, I believe a major step forward in equalizing educational opportunities has been made.

Estimated amounts under amendment to provide for special grants under Public Law 89–10, title I, part B

(Estimated State amounts [1])

50 States and District of Columbia	$50, 000, 000
Alabama	0
Alaska	90, 019
Arizona	1, 720, 364
Arkansas	0
California	7, 500, 000
Colorado	1, 321, 646
Connecticut	0
Delaware	302, 091
Florida	593, 790
Georgia	0
Hawaii	142, 146
Idaho	0
Illinois	0
Indiana	353, 419
Iowa	0
Kansas	889, 608
Kentucky	0
Louisiana	7, 500, 000
Maine	0
Maryland	0
Massachusetts	0
Michigan	0
Minnesota	5, 757, 597
Mississippi	358, 969
Missouri	0
Montana	1, 464, 599
Nebraska	0
Nevada	0
New Hampshire	0
New Jersey	0
New Mexico	3, 310, 011
New York	7, 500, 000
North Carolina	0
North Dakota	741, 523
Ohio	0
Oklahoma	0
Oregon	1, 504, 356
Pennsylvania	0
Rhode Island	0
South Carolina	105, 625
South Dakota	900, 308
Tennessee	0
Texas	3,914, 827
Utah	1, 828, 577
Vermont	147, 982
Virginia	0
Washington	1, 395, 659
West Virginia	0
Wisconsin	0
Wyoming	656, 884
District of Columbia	0

[1] Distribution estimated on the basis of "1 dollar per each .01 per centum" by which "a State index exceeds the national effort index" and the total number of children counted under the provisions of P.L. 89–10, title I, with the $3,000 income factor. The effort index is based on the total State and local revenue receipts, 1965–66, (NEA Research Report 1966–R20, table 9), and total personal income, 1966.

The special dropout provisions designed to make a concerted and concentrated effort to reduce and prevent dropouts authored by Senator MURPHY represents a needed specific program. There is no question that authority now exists in title I to carry on this program, but the language contained in the conference report will, I believe, insure that this problem will now be attacked as it should.

The title III section of the legislation, which has been discussed by others, also represents a breakthrough.

The title V section has been modified by the adoption by the conference of the Javits amendment to require that 10 percent of the funds are to be used to strengthen local educational agencies. While I did not at first favor this provision, I am persuaded that this approach can work to the benefit of both State and local educational agencies.

One of the problems which has come back on a number of occasions has been the relationship between the State and local educational authorities, and I would urge both to work more closely together through the vehicle contained in this provision.

In what was a complex, difficult, and important task, I believe the conference did an admirable job in shaping a major piece of legislation.

Mr. ESCH. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Michigan.

Mr. ESCH. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ESCH. Mr. Speaker, I wish to say to the chairman that it has been an honor for me as a freshman to serve with the gentleman from Kentucky and the gentlewoman from Oregon. I also believe this is landmark legislation in that it brings in the concept of block grants to the States.

Mr. AYRES. Mr. Speaker, I join my colleagues in support of this conference report and in support of continuing this act in support of elementary and secondary schools.

It is not a perfect piece of legislation. There is much that we can do to make this act more equitable, to give greater responsibility to our local school officials and teachers, to eliminate Federal redtape, and to consolidate programs to provide more effective help for our schools. We shall have this opportunity in the years ahead.

The important thing is to move forward now, and this we have done. The final bill restores to State and local educational officials a large measure of responsibility for the administration of this act. The huge title III supplemental centers program is returned to the States where it belongs. I mean no discourtesy to the U.S. Commissioner of Education when I say that I have confidence in the ability of Dr. Martin Essex, the Superintendent of Public Instruction in Ohio, to deal intelligently and expertly with the educational problems of Ohio. I have the same confidence in Dr. Conrad Ott, superintendent of schools for Akron. These two distinguished educators and their colleagues do need the help provided in this legislation, but they do not need Federal direction or dictation in order to do their jobs. This bill moves away from the notion "Washington knows best."

This bill moves a bit closer to a fair distribution of funds between wealthier and poor States and between needy and better financed schools. I do serve notice, however, that one of our future objectives is to change the situation wherein the wealthiest school districts in the Nation receive more help for each disadvantaged child than the poorest districts receive. I pointed out this indefensible result of the aid formula when this legislation was first introduced in 1965, and it is no more acceptable today. We must move toward equal treatment for all educationally deprived children wherever they go to school.

These and other reservations, however, should not obscure the point of this vote today; namely, that we have moved beyond the time when the principle of national interest in education, and effective Federal aid for education, was at issue.

I think that we really moved past that point with the landmark National Defense Education Act under President Eisenhower—a measure I am proud to have supported. But it is also appropriate to recall that we might never have reached that turning point—or this occasion today—had it not been for the foresight and fair-minded advocacy of one of Ohio's and the Nation's great men, the late Senator Robert A. Taft.

Our action today—in the face of the enormous stress and strain of a huge budget deficit—is a reaffirmation of our faith and belief in education as one of the essential elements of a democratic society.

I congratulate our chairman and the other conferees in both houses on a job well done for the American people.

Mr. FOUNTAIN. Mr. Speaker, I regret that the distinguished chairman of the House Education and Labor Committee, the gentleman from Kentucky [Mr. PERKINS], yielded to someone else without giving me the opportunity to further question him concerning the action of the Senate and of the House and Senate conferees concerning my amendment, commonly called the Fountain amendment. Consequently, I now find it necessary in my own statement to go into this matter in more detail.

First, I would like to give a brief history concerning my amendment. As the Members of this House know, last year and again early this year I offered an amendment to the education bill to require the Office of Education and the Department of Health, Education, and Welfare to stop circumventing the procedural safeguards of the Civil Rights Act by arbitrarily denying Federal financial assistance to school districts which have not been found to be engaging in discriminatory practices and have not even had an opportunity for a hearing. My amendment was adopted last year and again this year by a vote of nearly 2 to 1, with the support of Members from all parts of the country.

Last year my amendment was weakened in conference and the conference report was acted on at the end of the session under a parliamentary situation which precluded a House vote to insist on the original version of my amendment.

Again this year my original amendment was adopted, as I have already said, by a vote of nearly 2 to 1, was again deleted in the Senate and not restored in conference, and the conference report is again being brought before the House in the final hours of the session.

I regret that the conferees did not insist upon retaining my admendment, in view of the overwhelming sentiment in favor of it expressed by the House on two separate occasions.

I am also sorry that there was no rollcall vote on my amendment in the Senate.

I am sure that the deletion of my amendment in the Senate and in conference was based to a very considerable degree on the belief by Members of the Senate and by the conferees that Secretary Gardner has promised to take prompt action to eliminate abuses by HEW in the administration of title VI of the Civil Rights Act. Although the past record of HEW certainly does not justify any optimism, I hope—for the sake of our schoolchildren—that the promises made by Secretary Gardner are worth something.

There is no question concerning the sentiment of the House on my amendment. The amendment has been overwhelmingly endorsed on two separate occasions.

Under present circumstances, however, it is unlikely that the parliamentary situation will make it possible to get a clear test of sentiment on my amendment. If a vote to insist on my amendment could be obtained at this time, it would probably mean—if successful—that the education bill would not receive final action before adjournment. Many Members of the House who strongly support my amendment are also most anxious to have the education bill enacted before adjournment.

I want to make it clear, however, that I intend to continue my efforts to make the Department of Health, Education, and Welfare comply with the law and to prevent them from continuing to deprive schoolchildren of the benefits of Federal financial assistance to education arbitrarily and without due process of law.

Shortly before the education bill was considered by the Senate, the Secretary of Health, Education, and Welfare and other officials of HEW testified for several hours behind closed doors at a meeting called by the chairman of the Senate Education Subcommittee. One purpose of the meeting apparently was to consider charges that HEW had continued to withhold funds from school districts through "deferral" action for more than 60 days without a hearing or more than 90 days without a finding of noncompliance, in violation of the mandatory limits imposed by the modified version of the Fountain amendment enacted last year.

During Senate debate on the education bill, the chairman of the Senate Education Subcommittee stated, in effect, that he and other Senators found, on the basis of the secret testimony by HEW officials, that in nearly every case complaining Senators had been misinformed by their home State educators and that these educators had actually requested and agreed to an extension of deferral beyond the prescribed limits.

More than a week ago I asked the chairman of the Senate subcommittee for an opportunity to examine the testimony by HEW officials. Since the chairman has failed to respond to my request, I have not had that opportunity. In view of the apparent importance ascribed to this executive testimony during Senate debate, I hope the chairman of the Senate subcommittee will see fit to make it available to Members of the House, to educators who have to deal with HEW, and to the public.

I do not know what Secretary Gardner and his associates told the members of the Senate subcommittee. However, I do have proof that HEW has violated the mandatory limitations of the modified Fountain amendment on numerous occasions.

As enacted into law on November 3, 1966, the modified Fountain amendment prohibited the Commissioner of Education from deferring action for more than 60 days without a hearing on any application for funds because of alleged noncompliance with title VI. Public Law 89–750, which contained the Fountain amendment, declared—section 191—that its provisions "shall be effective with respect to fiscal years beginning after June 30, 1966, except as specifically provided otherwise."

On November 3, 1966, at least 120 school districts which had not had an opportunity for a hearing were on the "deferred" list of the Office of Education. Most of these school districts had already been deferred for more than 60 days; some had been deferred for nearly 2 years. However, notwithstanding the language of Public Law 89–750 and the clear expression of congressional intent that there should be no deferral for more than 60 days without a hearing, the Office of Education did not immediately comply with the 60-day limitation. Instead, it took the position that it could continue school districts in deferral status until 60 days after November 3, no matter how long they had already been deferred without a hearing.

In addition to arbitrarily retaining more than 120 school districts on its deferred list for 60 days after enactment of the amendment, the Office of Education even more clearly violated the provisions of the amendment by failing to remove from its deferred list schools which had been deferred for more than 60 days after enactment of the amendment without opportunity for a hearing.

At least 46 school districts were kept in deferral status for varying periods of time after the law required their removal. Twenty-one of these districts were illegally kept in deferral status for more than a month after the 60-day period. Twenty-three school districts which were being kept in deferral status illegally were not reinstated until after a congressional inquiry in April 1967.

I am including at the end of my remarks a list of these 46 school districts, showing the date on which the district was first denied Federal funds for new activities by being placed in deferral status and the date on which deferral status was finally lifted.

A particularly indefensible action by the Office of Education was the withholding of $74,000 in Federal funds needed for braille books and equipment for blind children at the Governor Morehead School in Raleigh, N.C., for nearly 2 years without a hearing. These funds were finally released late in March 1967—more than 4 months after enactment of the modified Fountain amendment—after two congressional inquiries. Funds for blind children in Louisiana, which were being withheld under similar circumstances, were not released until more than a month later.

The evil effects of arbitrary "deferral," although initiated in most instances by HEW, have not been limited to that Department. Title VI of the Civil Rights Act of 1964 requires each department and agency to insure that procedural safeguards are followed before denying Federal financial assistance for programs under its jurisdiction. However, there is evidence that this has not been done and that some agencies have automatically accepted allegations of the Office of Education without any knowledge of the facts.

An example is the use made by the Department of Labor of HEW's "deferred" list.

Names of school districts placed in "deferred" status by HEW are periodically circulated to other departments and agencies. Prior to congressional intervention in April of this year, the Labor Department's Bureau of Employment Security not only refused to approve new guidance and testing programs involving "deferred" school districts, but also—in clear violation of title VI—withheld such services from school districts which had carried out the program for many years.

Nearly 200 school districts were being denied guidance and testing programs by the Department of Labor in April 1967. With very few exceptions, these school districts had not been given an opportunity for a hearing. So far as I know, the Department of Labor had no evidence that any of them had engaged in discriminatory evidences. They were being illegally denied the benefits of guidance and testing programs for their students simply because their names had been placed on HEW's deferral list. After congressional intervention, guidance and testing services were ordered restored on April 28, 1967, to all schools, except for a very few which had actually been found to be in noncompliance. I will also include a list of those school districts immediately following the HEW list previously mentioned.

I want to again emphasize—as I have on other occasions—that my amendment would not in any way change title VI of the Civil Rights Act of 1964. Its purpose is to require compliance with the procedural safeguards of title VI, which prohibit Federal agencies from refusing to grant Federal financial assistance without due process of law. Congress never enacted any law authorizing Federal officials to deny funds for education through "deferral" action; this is a device invented and used by officials of the executive branch of the Government to evade and circumvent the procedural safeguards of title VI.

My amendment is intended to insure that no child is denied the benefits of Federal programs for aid to education on the basis of a summary personal judgment made by some anonymous official of HEW for reasons which are not a matter of record and without any opportunity for the accused to be heard.

Some Members of the House and Senate, I am sure, honestly believe HEW's claim that it institutes deferral action against school districts only on the basis of clear and substantial evidence of noncompliance with the Civil Rights Act. I wish that were true—but it is not. HEW has instituted deferral action against school districts without any complaints of discrimination being made, without any evidence that "freedom of choice" plans are not being carried out in good faith and, in some cases, without any HEW official even setting foot in the school district involved. In many—if not most—cases, school districts are denied funds through deferral action not because of any evidence or charges of discrimination but simply because HEW officials sitting at their desks in Washington or some regional office are not satisfied with the amount of integration shown on reports submitted to them by the school district.

During the debate on the education bill this year, repeated statements have been made to the effect that HEW is finally going to carry on enforcement activities on the same basis in the North as in the South.

If this does happen—and if HEW continues to operate on the same basis—the people of the North are in for a rude awakening.

The material referred to above follows:

SCHOOL DISTRICTS ILLEGALLY RETAINED IN DEFERRAL STATUS BEYOND MAXIMUM PERIOD OF 60 DAYS WITHOUT HEARING (INFORMATION AS OF APRIL 28, 1967)

(The Fountain amendment, as revised in conference, limited "deferral" action to a maximum of 60 days without a hearing. The amendment was specifically declared to be effective for fiscal years beginning after June 30, 1966. Despite the clear intention of Congress, the Office of Education took the position that it could continue school districts in "deferral" status for 60 days after enactment of the amendment on November 3, 1966, no matter how long they had previously been "deferred" without a hearing. As a result, a large number of school districts which had already been "deferred" without a hearing for as much as a year and a half were continued in that status for an additional 60 days without opportunity for a hearing.

(In addition to arbitrarily retaining all school districts in "deferral" status on November 3, 1966 in that status for an additional 60 days without a hearing, the Office of Education clearly violated the law by failing to remove schools and institutions from its "deferred" list even after they had been on that list without opportunity for a hearing for more than 60 days after enactment of the amendment on November 3, 1966.

(The following list includes only school districts which were illegally maintained in "deferral" status without opportunity for a hearing for more than 60 days after November 3, 1966. It does not include districts which had already been deferred for more than 60 days without a hearing on November 3, 1966 and were illegally continued in that status unless the district was still being kept in deferral status without opportunity for a hearing more than 60 days after November 3, 1966.)

	Date of deferral	Date deferral lifted
Alabama:		
Calhoun County	July 23, 1966	Apr. 28, 1967
Dale County	Aug. 24, 1966	Jan. 11, 1967
Dallas County	May 6, 1966	Jan. 7, 1967
Escambia County	do	Apr. 28, 1967
Morgan County	July 23, 1966	Jan. 7, 1967
Muscle Shoals city	May 6, 1966	Mar. 7, 1967
Randolph County	Aug. 8, 1966	Apr. 28, 1967
Tallapoosa County	July 23, 1966	do
Cherokee County	Feb. 11, 1967	do
Sumter County	May 6, 1966	Jan. 7, 1967
Arkansas:		
Conway County (district No. 1)	Aug. 18, 1966	Jan. 7, 1967
New Edinburg	Aug. 24, 1966	Jan. 18, 1967
Georgia:		
Americus public schools	July 16, 1966	Mar. 17, 1967
Brooks County	do	Apr. 28, 1967
Burke County	do	May 1, 1967
Jefferson County	do	Jan. 7, 1967
Jenkins County	Sept. 1, 1966	Apr. 28, 1967
Newton County	July 16, 1966	Jan. 7, 1967
Oglethorpe County	do	May 1, 1967
Taylor County	do	Jan. 7, 1967
Jones County	Aug. 18, 1966	[1] Apr. 28, 1967
Lamar County	Sept. 1, 1966	Mar. 30, 1967
Miller County	do	Apr. 28, 1967
Mitchell County	Sept. 9, 1966	Jan. 7, 1967
Turner County	July 16, 1966	Do.
Warren County	Sept. 9, 1966	Do.
Mississippi:		
Choctaw County	Aug. 24, 1966	Apr. 28, 1967
Coffeeville Consolidated School District	do	Mar. 24, 1967
Forrest County	Jan. 3, 1965	Do.
George County	May 6, 1966	Do.
Lawrence County	do	Apr. 28, 1967
Lumberton Line Consolidated School District	Aug. 24, 1966	Mar. 24, 1967
Neshoba County	Aug. 12, 1966	Do.
Oktibbeha County	Sept. 14, 1966	Do.
Pontotoc County	Sept. 1, 1966	Do [1]
Poplarville	Aug. 18, 1966	Mar. 24, 1967
Bay St. Louis	Feb. 8, 1967	May 1, 1967
Union	Feb. 21, 1967	Apr. 28, 1967
Walthall County	Jan. 27, 1967	May 1, 1967
North Carolina:		
Jones County	Feb. 15, 1967	Apr. 28, 1967
Maxton City	do	Do.
Nash County	do	Do.
Wilson County	Feb. 3, 1967	Do.
South Carolina:		
Clarendon County (district No. 2)	Jan. 3, 1965	Jan. 7, 1967
Florence County (district No. 2)	Aug. 12, 1966	[1] Apr. 28, 1967
Tennessee:		
Tipton County	May 6, 1966	Do.
Lauderdale County	Feb. 8, 1967	Do.
Texas: Groesbeck Independent School District	Aug. 12, 1966	Do.
Virginia: South Hampton County	Aug. 24, 1966	Jan. 7, 1967

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[1] Kept in deferral status more than 30 days after hearing without finding of noncompliance.

Alabama	10
Arkansas	2
Georgia	14
Mississippi	13
North Carolina	4
South Carolina	2
Tennessee	2
Texas	1
Virginia	1
Total	[1]49

[1] Includes 3 school districts kept in deferral status for more than 30 days after hearing without funding of non-compliance.

[Information furnished to Congressman FOUNTAIN by Secretary of Labor Wirtz on May 23, 1967]

SCHOOL SYSTEMS FROM WHICH EMPLOYMENT SERVICE COOPERATIVE PROGRAM SERVICES WERE WITHDRAWN

Guidance and testing services under cooperative arrangements between the Employment Service and schools were withdrawn from schools in the listed school systems (grouped by State) pursuant to instructions in General Administration Letter No. 941, after the school districts had been listed by the Department of Health, Education, and Welfare as not in compliance with Title VI of the Civil Rights Act of 1964. The date of withdrawal and the date of resumption of services, if such occurred, are listed with each system.

On April 28, 1967, State agencies were directed to restore services to these schools, except to those against which an order withholding or refusing funds was in effect.

School district	Service withdrawn	Service resumed
Alabama:		
Baldwin County	Oct. 3, 1966	February 1967.
Barbour County	do	
Calhoun County	do	
Chambers County	do	
Chilton County	do	
Colbert County	do	
Conecuh County	do	
Coosa County	do	
Covington County	do	
Dale County	do	
Callas County	do	
Elmore County	do	
Escambia County	do	
Fayette County	do	
Geneva County	do	
Hale County	do	
Henry County	do	
Houston County	do	
Lee County	do	
Marshall County	do	
Morgan County	do	
Perry County	do	
Pickens County	do	
Randolph County	do	
Shelby County	do	
Tallapoosa County	do	
Brewton city	do	
Morgan County	do	
Demopolis city	do	
Dothan city	do	
Linden city	do	
Muscle Shoals city	do	
Opelika city	do	
Russel County	do	
Sylacauga city	Mar. 30, 1967	
Arkansas:		
Dermott Special School District.	September 1966	
Elaine School District No. 30.	March 1967	
Georgia:		
Henry County	November 1966	
Griffin-Spalding County.	August 1966	September 1966.
Toombs County	December 1965	
Johnson County	September 1966	
Bleckley County	do	
Appling County	September 1965	
Dooly County	January 1967	
Hawkinsville city schools.	September 1966	October 1966.
Coweta County	do	
Camden County	do	
Jones County	do	
Elberton County	February 1967	
Hart County	March 1967	
Lincoln County	March 1966	
Decatur County	November 1966	
Early County	do	
Miller County	do	
Ben Hill County	September 1966	
Turner County	do	
Oglethorpe County	do	
Bulloch County	February 1967	
Treutlen County	November 1966	
Gordon County	do	
Newton County	April 1967	
Brantley County	February 1967	
Madison County	April 1967	
Oconee County	November 1966	
Louisiana:		
De Soto Parish	December 1965	
La Fourche Parish	do	
Quachita Parish	do	
Monroe City schools	do	1967.
St. Bernard Parish	do	
Terrebonne Parish	do	1967.
Winn Parish	do	
Mississippi:		
Lawrence County	Sept. 27, 1966	
Lincoln County	Aug. 25, 1966	
Brookhaven Separate School District.	Apr. 17, 1967	
Quitman County	Jan. 4, 1966	Apr. 11, 1966.
Tunica County	Aug. 25, 1966	
Senatobia County	Jan. 4, 1966	
Lowndes County	Aug. 25, 1966	Nov. 7, 1966.
Columbus Separate School District.	do	Sept. 27, 1966.
Choctaw County	Sept. 27, 1966	
West Point Separate School District.	Aug. 25, 1966	Oct. 7, 1966.[1]
Noxubee County	Jan. 6, 1966	Mar. 7, 1967.
Oktibbeha County	Sept. 27, 1966	
Corinth Separate School District.	Aug. 25, 1966	Nov. 9, 1966.
Marshall County	do	
Holly Springs Separate School District.	do	
Prentiss County	Sept. 27, 1966	Oct. 10, 1966.
Baldwin Separate School District.	Aug. 25, 1966	
Sunflower County	Jan. 4, 1966	Oct. 27, 1966
Drew Separate School District.	do	Do.[1]

See footnotes at end of table.

School district	Service withdrawn	Service resumed
Mississippi—Con.		
Indianola County	Jan. 4, 1966	Jan. 10, 1967.
Hollandale consolidated.	do	
Leland consolidated	Aug. 26, 1966	
Western Line consolidated.	do	
Humphreys County	Jan. 4, 1966	Feb. 1, 1967.
Leflore County	do	Nov. 9, 1966.
Greenwood Separate School District.	do	Jan. 10, 1967.
East Tallahatchie consolidated.	Apr. 3, 1967	
West Tallahatchie	Aug. 25, 1966	
Calhoun County	Sept. 27, 1966	
Grenada Separate School District.	Jan. 4, 1966	Mar. 13, 1967.
Oxford Separate School District.	Sept. 23, 1966	
Montgomery County	Sept. 27, 1966	
Winona Separate School District.	do	
Coffeeville consolidated.	Sept. 23, 1966	
Hancock County	Jan. 6, 1966	Feb. 14, 1966.
Bay St. Louis Separate School District.	do	Do.[1]
Pearl River County	do	Mar. 3, 1966.
Picayune Separate School District.	do	Do.[1]
Poplarville Separate School District.	do	Do.[1]
Stone County	Sept. 27, 1966	
Covington County	Jan. 6, 1966	Mar. 6, 1967.
Forest County	do	Aug. 25, 1966.[1] [2]
Jefferson Davis County.	Mar. 30, 1967	
Lumberton consolidated.	Sept. 27, 1966	
Marion County	Feb. 21, 1967	
Columbia Separate School District.	Aug. 25, 1966	
Perry County	Feb. 21, 1967	
Richton Separate School District.	Sept. 27, 1966	
Copiah County	Jan. 4, 1966	
Hazelhurst County	do	
Hinds County	Jan. 6, 1966	
Rankin County	Aug. 25, 1966	
Scott County	Apr. 17, 1967	
Forest Separate School District.	Sept. 27, 1966	
Simpson County	Sept. 23, 1966	
East Jasper County	Mar. 30, 1967	
West Jasper County	Jan. 4, 1966	Apr. 5, 1966.[1]
Laurel Separate School District.	Feb. 21 1967	
Smith County	Nov. 9, 1966	
Wayne County	Mar. 15, 1967	
Amite County	Jan. 6, 1966	Oct. 7, 1966.
South Pike consolidated.	do	Sept. 27, 1966.
Walthall County	do	Apr. 5, 1966.[1]
Kemper County	Aug. 25, 1966	Feb. 1, 1966.
Lauderdale County	do	
Neshoba County	do	
Newton County	Apr. 17, 1967	
Union Separate School District.	Mar. 13, 1967	
Natchez Separate School District.	Jan. 4, 1966	Aug. 25, 1966.
Jefferson County	Aug. 25, 1966	
Wilkinson County	Oct. 3, 1966	Mar. 2, 1967.
George County	Aug. 25, 1966	
Pascagoula Separate School District.	do	
Itawamba County	Sept. 23, 1966	Oct. 27, 1966.
Nettleton Lines Consolidated.	do	
Aberdeen Separate School District.	Jan. 6, 1966	Feb. 3, 1966.
Monroe County	Apr. 17, 1967	
Pontotoc County	Nov. 1, 1966	
Pontotoc Separate School District.	Sept. 21, 1966	
Angvilla consolidated	Jan. 4, 1966	Sept. 2, 1966.
Sharkey-Issatvena consolidated.	do	Do.
Warren County	do	
Yazoo County	Aug. 25, 1966	
Yazoo Separate School District.	do	
Holly Bluff Line	do	
North Carolina:		
Caswell County schools	Oct. 3, 1966	Apr. 3, 1967.
Chowan County schools administrative unit.	do	Mar. 24, 1967.
Elm City administrative unit	Oct. 7, 1966	
Franklinton city schools	Oct. 3, 1966	
Freemont city schools	do	
Granville County administrative unit.	Oct. 7, 1966	Jan. 20, 1967.
Henderson city administrative unit	Apr. 6, 1967	
North Carolina—Con.		
Hyde County administrative unit.	Oct. 7 1966	
Jones County schools.	Mar. 3, 1967	
Kinston city administrative unit.	Sept. 15, 1966	Jan. 17, 1967.
Lenoir County Board of Education.	Oct. 3, 1966	
Martin County administrative unit.	Apr. 6, 1967	
Maxton city schools	Mar. 3, 1967	
Monroe City administrative unit.	Sept. 9, 1966	Jan. 17, 1967
Morven city administration unit.	Oct. 7, 1966	
Nash County public schools.	Mar. 3, 1967	
Tasquotank County schools.	Sept. 9, 1966	Oct. 28, 1966.
Richmond County administration. unit.	Oct. 3, 1966	Jan. 17, 1967.
Sampson County schools.	Mar. 1, 1967	
Vance County schools	Apr. 6, 1967	
Wilson County schools.	Mar. 1, 1967	
South Carolina:		
No. 1 (includes schools in Lexington County).	Jan. 1966	
No. 3 (includes schools in Anderson County).	do	Sept. 1966.
Tennessee:		
Lauderdale County Board of Education.	Feb. 27, 1967	
Tipton County Board of Education.	Sept. 1966	
Texas:		
Groesbeck Independent School District.	Sept. 13, 1966	
Seminole Independent School District.	Jan. 10, 1966	Sept. 30, 1966.
Virginia:		
Culpepper County	Dec. 31, 1965	Mar. 4, 1966.
Madison County	do	Do.
Rappahannock County.	do	Do.
Staunton City	do	Jan. 10, 1966.
Northampton County	do	Mar. 7, 1966.
Appomattox County	Sept. 29, 1966	
Charlotte County	do	
Mecklenburg County	do	
Sussex County	do	
Essex County	do	
Chesterfield County	Mar. 4, 1966	Apr. 15, 1966.

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[1] Service subsequently withdrawn: West Point Separate School District, Apr. 25, 1967; Drew Separate School District, Dec. 16, 1966; Bay St. Louis Separate School District, Feb. 21, 1967; Picayune Separate School District, Sept. 27, 1966; Poplarville Separate School District, Sept. 27, 1966; Forest County, Dec. 8, 1966; West Jasper County, Aug. 25, 1966; Walthall County, Feb. 21, 1967.

[2] Service resumed after subsequent withdrawal: Forest County, Feb. 16, 1967.

Mr. RYAN. Mr. Speaker, I wish to commend the conferees for incorporating a strong bilingual education program in the conference report of the Elementary and Secondary Education Act Amendments of 1967, H.R. 7819. Title VII of the conference report contains a 3-year authorization totaling $85 million providing grants for special programs for "children of limited English-speaking ability."

Title VII closely parallels H.R. 10024, which I introduced earlier in the session. In areas such as New York with large populations whose first language is not English, programs of compensatory education are essential to overcome the handicaps which persons of limited English-speaking ability will face in a society which operates largely in English.

The bilingual education amendments stress not only improved techniques for the teaching of English, but also programs "designed to impart to students a knowledge of the history and culture associated with their language." It is vital that Americans with other cultural heritages not be divorced from their heritage by the need to assimilate rapidly, but rather have full opportunities to learn and appreciate the culture associated with their mother tongue.

The amendments also provide for grants for adult education, programs to establish closer ties between the school and the home, and special training programs to prepare qualified persons to participate in bilingual education endeavors, including teachers, teacher aides, and guidance counselors. I am pleased that these aspects of the bill which I proposed have been adopted in the conference bill.

This bill will be of enormous value to America's bilingual citizens, especially those of Spanish-speaking backgrounds, whose opportunity for advancement is currently limited by the language barrier. As I said in testimony in New York on this legislation:

> Although the language barrier is not the whole story, the classroom is one obvious place to attack the problem.

GENERAL LEAVE TO EXTEND

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report on the Elementary and Secondary Education Amendments of 1967.

The SPEAKER pro tempore (Mr. HOLIFIELD). Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. PERKINS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. QUIE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 286, nays 73, not voting 74, as follows:

[Roll No. 446]

YEAS—286

Adair
Addabbo
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, N. Dak.
Ashley
Aspinall
Ayres
Baring
Barrett
Battin
Belcher
Bell
Biester
Bingham
Blackburn
Blanton
Blatnik
Boggs
Boland
Bolton
Brademas
Brasco
Brinkley
Brock
Brooks
Brotzman
Brown, Mich.
Brown, Ohio
Burke, Mass.
Burton, Calif.
Burton, Utah
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Carey
Carter
Casey
Cederberg
Chamberlain
Clark
Clausen, Don H.
Cleveland
Cohelan
Conable
Conte
Conyers
Corman
Cowger
Cramer
Culver
Cunningham
Daddario
Daniels
Davis, Ga.
de la Garza
Delaney
Dellenback
Denney
Dent
Diggs
Dingell

Dole
Donohue
Dow
Downing
Dulski
Duncan
Eckhardt
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fallon
Farbstein
Fascell
Feighan
Fino
Flood
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Galifianakis
Gallagher
Garmatz
Giaimo
Gibbons
Gilbert
Gonzalez
Goodell
Goodling
Gray
Green, Oreg.
Green, Pa.
Grover
Gubser
Gude
Halpern
Hamilton
Hammerschmidt
Hanley
Hansen, Idaho
Hansen, Wash.
Harvey
Hathaway
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Holifield
Holland
Horton
Howard
Hull
Hunt
Hutchinson
Ichord
Irwin
Jacobs
Joelson
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Karsten
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
Kirwan
Kleppe
Kluczynski
Kornegay
Kyl
Kyros
Landrum
Latta
Leggett
Lloyd
Long, Md.
McCarthy
McClory
McCloskey
McClure
McCulloch
McDade
McDonald, Mich.
Macdonald, Mass.
Machen
Madden
Mailliard
Mathias, Calif.
Matsunaga
May
Mayne
Meeds
Meskill
Miller, Calif.
Miller, Ohio
Mills
Minish
Mink
Mize
Monagan
Moore
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Morton
Mosher
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neill, Mass.
Ottinger
Patten
Pelly
Pepper
Perkins
Pettis
Philbin
Pickle
Pike
Pirnie
Pollock
Price, Ill.
Price, Tex.
Pryor
Purcell
Quie
Quillen
Railsback
Randall
Reid, N.Y.
Reifel
Riegle
Robison
Rodino
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roth
Roush
Roybal
Rumsfeld
Ruppe
Ryan
St Germain
Sandman
Schadeberg
Scherle
Scheuer
Schweiker
Schwengel
Shriver
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Smith, Okla.
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Wis.
Stephens
Stubblefield
Stuckey
Taft
Taylor
Thompson, Ga.
Thompson, N.J.
Tiernan
Tunney
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Viogrito
Waldie
Walker
Wampler
Whalen
Whalley
White
Widnall
Williams, Pa.
Wilson, Charles H.
Winn
Wolff
Wright
Wydler
Wylie
Wyman
Yates
Young
Zablocki
Zion
Zwach

NAYS—73

Abernethy
Andrews, Ala.
Ashmore
Bennett
Berry
Betts
Bevill
Bow
Bray
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson
Clancy
Clawson, Del
Collier
Curtis
Davis, Wis.
Derwinski
Dorn
Dowdy
Edwards, Ala.
Findley
Fisher
Flynt
Fountain
Gathings
Gettys
Gross
Hagan
Haley
Hall
Jarman
Jones, N.C.
Laird
Langen
Lennon
Lipscomb
Long, La.
McEwen
McMillan
MacGregor
Mahon
Marsh
Minshall
Montgomery
Nelsen
O'Neal, Ga.
Passman
Poage
Poff
Pool
Rarick
Reid, Ill.
Rhodes, Ariz.
Rivers
Rogers, Fla.
Roudebush
Satterfield
Saylor
Schneebeli
Scott
Selden
Smith, Calif.
Snyder
Steiger, Ariz.
Teague, Tex.
Thomson, Wis.
Utt
Waggonner
Whitener
Whitten

NOT VOTING—74

Abbitt
Adams
Annunzio
Arends
Ashbrook
Bates
Bolling
Broomfield
Brown, Calif.
Celler
Colmer
Corbett
Dawson
Devine
Dickinson
Dwyer
Edmondson
Edwards, La.
Everett
Evins, Tenn.
Fulton, Tenn.
Fuqua
Gardner
Griffiths
Gurney
Halleck
Hanna
Hardy
Harrison
Harsha
Hébert
Herlong
Hicks
Hosmer
Hungate
Jones, Mo.
King, Calif.
King, N.Y.
Kupferman
Kuykendall
Lukens
McFall
Martin
Mathias, Md.
Michel
Nichols
Patman
Pucinski
Rees
Reinecke
Resnick
Reuss
Rhodes, Pa.
Roberts
Rogers, Colo.
Rostenkowski
St. Onge
Shipley
Sikes
Sisk
Stratton
Sullivan
Talcott
Teague, Calif.
Tenzer
Tuck
Watkins
Watson
Watts
Wiggins
Williams, Miss.
Willis
Wilson, Bob
Wyatt

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Halleck.
Mr. Hardy with Mr. Arends.
Mr. Sikes with Mr. Bates.
Mr. Annunzio with Mr. Corbett.
Mr. St. Onge with Mr. Devine.
Mr. Nichols with Mr. Harrison.
Mr. Rostenkowski with Mrs. Dwyer.
Mr. Adams with Mr. Ashbrook.
Mr. Evins of Tennessee with Mr. Martin.
Mr. Celler with Mr. Broomfield.
Mr. King of California with Mr. Mathias of Maryland.
Mr. Edmondson with Mr. Dickinson.
Mr. Roberts with Mr. Harsha.
Mr. Hicks with Mr. Gardner.
Mrs. Sullivan with Mr. Lukens.
Mr. Tenzer with Mr. Hosmer.
Mr. McFall with Mr. Gurney.
Mr. Everett with Mr. King of New York.
Mr. Brown of California with Mr. Michel.
Mr. Edwards of Louisiana with Mr. Reinecke.
Mr. Pucinski with Mr. Kupferman.
Mr. Rogers of Colorado with Mr. Talcott.
Mrs. Griffiths with Mr. Kuykendall.
Mr. Watts with Mr. Watson.
Mr. Hungate with Mr. Bob Wilson.
Mr. Rhodes of Pennsylvania with Mr. Teague of California.
Mr. Shipley with Mr. Watkins.
Mr. Sisk with Mr. Wyatt.
Mr. Fuqua with Mr. Wiggins.
Mr. Stratton with Mr. Willis.
Mr. Resnick with Mr. Dawson.
Mr. Tuck with Mr. Williams of Mississippi.
Mr. Rees with Mr. Fulton of Tennessee.
Mr. Hanna with Mr. Herlong.
Mr. Patman with Mr. Abbitt.
Mr. Colmer with Mr. Reuss.

Mrs. REID of Illinois, and Messrs. SCOTT and SMITH of California changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

COMMITTEE TO NOTIFY THE PRESIDENT

Mr. ALBERT. Mr. Speaker, I offer a resolution (H. Res. 1009) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1009

Resolved, That a committee of two Members be appointed by the House to join a similar committee appointed by the Senate to wait upon the President of the United States and inform him that the two Houses have completed their business of the session and are ready to adjourn, unless the President has some other communication to make to them.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair appoints as members on the part of the House of the committee to notify the President, the gentleman from Oklahoma [Mr. ALBERT] and the gentleman from Michigan [Mr. GERALD R. FORD].

FAVORING THE SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Mr. FEIGHAN. Mr. Speaker, I call up Senate Concurrent Resolution 36 and ask unanimous consent for its immediate consideration.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 36

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244(a)(2) of the Immigration and Nationality Act, as amended (66 Stat. 204; 8 U.S.C. 1251):

A-3063150, Bong, Young Chung;
A-5069505, Fat, Tong Li;
A-13756192, Gong, Yicke;
A-4164588, Gonzalez-Magana, Luis;
A-8568488, Heimann-Angres, Sacher;
A-8487289, Pascaul, Vicente;
A-13756892, Chu, Nee Chong;
A-13282780, Chu, Quai;
A-3300262, Krsulic, John;
A-14006061, Lee, Dom Min;
A-13550905, Lum, Ting Kam;
A-5252792, Baylin, Meyer;
A-2894457, Chin, Huey;
A-14677835, Fong, Mun Quong;
A-2569196, Mesa de Bravo, Cenovia;
A-3854398, Spiegel, Max;
A-14681263, Tang, Howe Fook;
A-14219771, Russo, Maria Isaura;
A-14598116, Young, Gim Lung;
A-1975504, Abrams, Samuel S.;
A-5271262, Luna-Segovia, Jose de;
A-8982745, Scocos, William Nicholas;
A-12613969, Don, Hing Lew;
A-8039759, Lee, Chung; and
A-14196929, Yuen, Chung Ng.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. HALL. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

Mr. FEIGHAN. Mr. Speaker, Senate Concurrent Resolution 36 relates to 26 cases referred to the Congress during 1966 in which the Attorney General has suspended deportation under the provisions of section 244(a)(2) of the Immigration and Nationality Act, as amended. The purpose of the concurrent resolution, as amended, is to give congressional approval of the suspension of deportation in certain of these cases in which the Attorney General has, by virtue of referring these cases to the Congress, already found them statutorily eligible as well as deserving of the granting of suspension. Under the prescribed procedure of the law affirmative approval by both the House of Representatives and the Senate is required before the end of this session if the aliens' status is to be adjusted to that of permanent residence.

If this resolution is not passed this session, these aliens will be required to leave the United States or be physically deported. Failure to approve this resolution would thereby deny to these aliens a benefit under the law for which they qualify and which has been granted to those with similar circumstances over the past 27 years.

Section 244(a)(2) of the law is specifically designed to regularize the status of certain deportable aliens who have been fully rehabilitated and have been able to demonstrate a minimum of 10 full years of good moral character. Aliens in this category include those aliens who are deportable as former subversives, criminals, immoral persons, violators of the narcotic laws, or violators of the alien registration laws. These aliens may apply for suspension of deportation under section 244(a)(2) providing the alien can show that:

First. He has been continuously present in the United States for a period of 10 years following the commission of an act, or assuming the status, which constitutes a ground for deportation;

Second. He has been a person of good moral character during the required 10 years of physical presence; and

Third. He can show that his deportation would result in "exceptional and extremely unusual hardship" to himself or to his U.S. citizen or permanent resident alien spouse or child.

In each case in which the Attorney General recommends suspension of deportation, a full description of the facts must be submitted to the Congress. Of the 26 cases submitted to the Congress during 1966 and considered by the committee, 22 were under deportation for one or more narcotics convictions. The vast majority of these individuals had convictions for personal possession of marihuana or opium with sentences of 1 year or less, most of them suspended, and/or fines of $50, if any, or less. Each of these aliens in proving his statutory eligibility has had to show his complete rehabilitation as evidenced by the requirement for 10 years of good moral character. This obviously has required an extensive field investigation by the Immigration and Naturalization Service. Provisions for the classes of aliens covered in section 244(a)(2) of the present law have been in our immigration laws in one form or another since 1940 and this resolution represents no change whatsoever in the administration of the law in this respect for the last 27 years.

This resolution does not grant citizenship; it only grants permanent residence. After the application for suspension of deportation has been granted, each alien will have to prove 5 more years of good moral character from that date before he is eligible to apply for citizenship. In total, when he would apply for citizenship in the future, he will have to have then demonstrated at least 15 continuous years of good moral character. Ample provisions are in the law to provide for rescission of permanent residence should the alien's conduct be such as to render him ineligible for adjustment of status.

ELECTION OF MEMBERS OF THE BOARD OF EDUCATION OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 13042) to amend the act of June 20, 1906, and the District of Columbia election law to provide for the election of members of the Board of Education of the District of Columbia, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

The Chair hears none, and appoints the following conferees: Messrs. McMILLAN, DOWDY, FRASER, MULTER, SISK, NELSEN, BROYHILL of Virginia, ZWACH, and STEIGER of Arizona.

SUMMARY REPORT OF LEGISLATIVE ACTIVITIES OF THE HOUSE COMMITTEE ON THE DISTRICT OF COLUMBIA—STATEMENT OF THE CHAIRMAN

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a summary report of legislative activities of the House Committee on the District of Columbia.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McMILLAN. Mr. Speaker, the House Committee on the District of Columbia, by its legislative activities in this Congress, has again demonstrated its dedicated and abiding interest in the Nation's Capital, and in helping the Congress to meet its responsibility as set forth in article I, section 8, of the Constitution, which defines the powers of Congress and provides that the Congress shall "exercise exclusive legislation in all cases whatsoever, over such District—not exceeding 10 miles square."

The devotion of committee members to their duties has been well demonstrated in this session. My committee has experienced one of its busiest sessions, when a record number of bills have been referred to this committee, more hearings held, more bills favorably reported by the committee and passed by the House than in previous years. The House passed bills reported out by the House District Committee.

The terrific output of legislation by our committee is particularly significant during these times when certain of the news media and other irresponsible parties try so vainly to discredit the Congress and the workings of the dedicated men and women who are contributing so unselfishly to show the world how democracy can effectively function. The Congress and the committee are fortunate in having such able and experienced Members who are so conscientious and thorough in their efforts on behalf of the District of Columbia.

The subcommittee chairmen have given a great deal of time and study to the committee's tasks, and to the record of achievement summarized below.

It has been very evident during the past year that the people throughout the Nation—and the leading newspapers in every State—have become more interested than ever in the affairs and interests of the National Capital. Washington is the only city in the United States created for a special purpose—to be the Federal City and seat of the Federal Government. The taxpayers of all the States have a great financial as well as personal interest in their National Capital and have shown no disposition to Congress redelegating the power over the District of Columbia, reserved in the Constitution to all the people, to any local residents of Washington.

LEGISLATIVE RECORD

Specifically, I wish to report on the overall activities of the House District Committee in the first session of the 90th Congress, as follows:

First. During this session, 281 bills and joint resolutions have been referred to and considered by the House Committee on the District of Columbia, 259 of these being House bills and joint resolutions and six being Senate-passed bills.

Second. Public hearings consuming 45 days have been held by the District Committee and subcommittees on 93 bills and resolutions which have been referred to them.

Third. Thirty-four executive sessions have been held by the full District Committee and by subcommittees on various bills, the most important and major legislative proposals being anticrime legislation; election of a Board of Education; increase in number of judges; authority to permit the District to participate in the medicaid program of title XIX, Social Security Amendments of 1965; revenue authorizations to increase permitted Federal payment to the District of $70 million per year, and raising the permitted debt ceiling to $333.8 million for fiscal year 1968; modification of the authorized rapid rail transit system with the addition of a new line to serve Southwest Washington; alcoholics' rehabilitation; uniform administrative procedures; and chancery legislation to provide additional sites for offices of foreign governments. All these bills were approved by overwhelming majority action in the committee.

Fourth. Printed hearings include 2,607 pages of testimony, and in addition transcripts of hearings not printed over 439 pages.

Fifth. During this session, 55 bills have been favorably reported by the District Committee to the House, 50 of which have passed and nine of which have been signed by the President.

Following is a brief summary of the bills reported by this committee to the House. The law numbers of those which passed the Senate, as well as the House, and were signed by the President, are included:

Administrative Procedure Act—H.R. 7217—covers more than 93 District of Columbia administrative governmental agencies in the District and the laws which they administer. Modeled on the Federal Administrative Procedure Act, this bill follows similar legislation enacted in 19 States. It provides, first, for the compilation and publication of all rules and regulations of the District of Columbia administrative agencies; second, the opportunity for hearing for all parties in contested cases and requires a transcript thereof be kept; and, third, establishes uniform means for judicial review of final administrative determinations.

Alcoholic beverage control—H.R. 6727 and H.R. 13025—amends the District of Columbia Alcoholic Beverage Control Act of 1934 (48 Stat. 322), in accordance with recommendations of the Commissioners and of a special "blue ribbon" citizens committee, as follows: First, to permit the District of Columbia Council to make rules and regulations under the Alcoholic Beverage Control Act, including prescribing the time when alcoholic beverages may or may not be sold; and second, to permit hotels and clubs to serve distilled spirits at food counters and at other places as well as public tables, subject to the same conditions under which restaurants are presently permitted to do so.

Alcoholic beverage control—H.R. 8715—amends the 1934 ABC Act of the District of Columbia, to restrict one quart per month the amount of wines, spirits, and beer which may be mailed into the District for delivery to any person other than a licensed manufacturer, wholesaler, or retailer in the liquor trade. This should terminate the mail-order business in tax-free alcoholic beverages to unlicensed persons in the District.

Alcoholics' rehabilitation, H.R. 14330, provides a comprehensive program for the control of drunkenness and the prevention and treatment of alcoholism in the District of Columbia; develops the concept that chronic alcoholism is primarily a medical problem, not a criminal offense; and draws distinctions between the criminal and noncriminal alcoholic. Three types of service are required to be included in the program: First, detoxification or "drying out" center; second, inpatient facility to provide psychological, social, educational, and vocational training; and third, outpatient services, self-care assistance and therapeutic supportive environment. Estimated costs: capital improvements, $10 million; annual operation, $3.9 million.

B'nai B'rith Henry Monsky Foundation, H.R. 12019, exempts from District taxation certain real property and any improvements thereon owned by the B'nai B'rith Henry Monsky Foundation and adjacent to its present national headquarters in Washington.

Canine Corps of the Metropolitan Police Department, H.R. 824, authorizes the expansion of said corps as may be necessary for police use. Presently there are 80 man-dog teams on the streets of Washington and 11 in training. During the past year, these teams responded on a total of 7,365 calls; 944 felony cases and 2,395 misdemeanor cases were cleared by the use of the Canine Corps; and over one-third of the arrests made in six major categories of crime were accomplished with the aid of the dogs.

Chancery agreements—H.R. 13401—authorizes certain foreign governments to proceed with their plans for the construction, alteration and maintenance of chanceries in the District of Columbia in accordance with their agreements with the government of the District of Columbia entered into in 1958, thus clarifying the intent of Congress as expressed in the Chancery Act of 1964 that nothing in that legislation was to affect the right to use any property for chancery purposes where a lawful right of use existed on the date of enactment of that legislation.

Chancery buildings—H.R. 13402—amends the Chancery Act of 1964 (78 Stat. 1091)—enacted to regulate the location of chanceries and other business offices of foreign governments in the District of Columbia—to cover cases, first, wherein there had been negotiations for sale of a building for chancery use prior to the effective date—October 13, 1964—of the Chancery Act; and, second, relating to transfer of property, subject to lawful chancery use, from one foreign government to another.

Chancery locations—H.R. 13403—amends the Chancery Act of 1964 to obviate some injustices and clarify the intent of the Congress when enacting said act that, first, under the grandfather clause, existing uses of buildings as chanceries, where such use had been established under statute or preceding applicable zoning laws and regulations, were to be continued, thus, guaranteeing the future or continued use of property for chancery purposes; and, second, buildings so qualifying for use as chanceries may be transferred from one government to another.

Chancery sites—H.R. 6638—authorizes the District of Columbia Commissioners to acquire 10 acres of vacant, unused lands to be used for additional sites for the location of chanceries of foreign nations, or for the Organization of American States or other international organizations. As determined by the Secretary of State, the lands could be leased, sold, or exchanged by the District for the purposes indicated. The lands in question have an assessed value of $527,630 yielding $14,246 annually in taxes to the District, and their acquisition cost is estimated to be between $1.3 million and $4.5 million.

Colonial Dames of America—H.R. 9606—exempts from District taxation certain real property—and improvements which may be erected thereon—owned by the National Society for the Colonial Dames of America and adjacent to its present national headquarters in Dumbarton House, Georgetown.

Crematorium—S. 770—amends the act establishing a public crematorium in the District of Columbia by deleting the requirement that the District of Columbia Commissioners prescribe and collect fees for cremation, and permit them to waive or reduce the usual charges when enforcement of such charges would be burdensome or oppressive upon those responsible for the disposal of the remains of a decedent. This then, would allow the District to operate the crematorium only for public health purposes—Public Law 90-173.

Crime and criminal procedures—H.R. 10783—an omnibus anticrime bill which consolidates various bills and proposals into amendments to the District of Columbia Criminal Code, in order to provide the District of Columbia police with additional tools for law enforcement and to assist the prosecuting officials and the courts in ameliorating crime conditions in the Nation's Capital through changes in the Mallory rule, the Durham rule, and others—House Report No. 387.

The purpose of this bill is to give to the people in Washington, its citizens, and those temporarily sojourning here, as well as the millions of visitors who come here annually, some measure of surcease from the ever-growing criminal element which too long, outrageously and indefensibly, has been a threat to life, limb, and property in the District of Columbia.

The crime rate in the Nation's Capital is a national disgrace, and the House District Committee has been in the forefront for many years endeavoring to secure enactment by the Congress of appropriate legislation to help stem the criminal tide in Washington.

This legislation—H.R. 10783—cosponsored by 15 members of your committee, is a compromise anticrime bill. It contains most of the titles of the omnibus bill as approved in the last Congress, and most of the titles of the so-called administration crime reduction bill.

Its main provisions were developed on the basis of the most exhaustive hearings, executive sessions and deliberations given to any legislation before your committee in the past 12 years. Voluminous hearings were held by both the House and the Senate Committees on the District of Columbia, commencing with joint hearings of both committees in the 88th Congress, which were initiated at the suggestion of the chairman of the House District Committee. These were followed by hearings of the House subcommittee on 12 various bills which were introduced, dealing with different aspects of the crime problem in the Nation's Capital. Thereafter, prolonged study and consideration in many executive sessions produced the omnibus bill. This bill passed the House by an approximately 2-to-1 rollcall vote in both the 88th and 89th Congresses.

In this Congress, H.R. 10783 was adopted after thorough consideration of various bills by your committee since the beginning of this session. Very thorough and exhaustive hearings were held during March and April of 1967, and a minimum of opposition was expressed therein by any witnesses to any titles included in the bill as reported.

Title VII, citations, and title VIII, miscellaneous provisions, came from the administration crime reduction bill. On the other hand, title II, Durham rule; title III, detention for questioning; title V, robbery a crime of violence, and title VI, revisions of sentences to be imposed, emanated from the omnibus bill of the last Congress. The obscenity provisions of title VI are revisions suggested by the Department of Justice.

Amendments were made to many provisions which were taken from the omnibus bill of the last Congress, in order to obviate certain objections raised with respect thereto in the veto message. Likewise, amendments were made to some of the provisions of the crime reduction bill to clarify same. Some of the provisions and amendments adopted were suggested or approved by the Department of Justice, by the U.S. attorney's office of the District of Columbia, and by others.

This legislation passed the House on June 26, 1967, by a rollcall vote of 355 to 14.

Meanwhile, the crime rate in Washington has continued to soar, month by month, December being the 66th consecutive month with an increase in crime in Washington.

Criminal penalties for telephone calls—H.R. 828—makes it unlawful to use the telephone to make anonymous calls, or repeated calls to annoy, abuse, torment, harass, or embarrass anyone, or for any comment, request, suggestion, or proposal which is obscene, lewd, lascivious, filthy, or indecent. It subjects violators to a $500 fine or 12 months imprisonment, or both, and provides that the court may, in its discretion, order a pretrial mental examination of a person charged as a violator thereof.

Decedents' estates—H.R. 834—authorizes the District of Columbia Commissioners to compromise and settle disputed claims regarding the surplus in those decedents' estates which escheat to the District, by permitting the District to accept a percentage of the net assets of the estate, where such compromise would result in a reduction of more than $10,000 in the amount of the claim—Public Law 90–33.

District of Columbia Training School, Forest Haven—H.R. 3371—provides for voluntary admissions to this institution for mentally retarded citizens of the District of Columbia, in addition to admissions presently authorized by commitment through court order. A prerequisite to such voluntary admissions is that financial arrangements with the District be made on behalf of such patients when they or their relatives are financially able to pay for all or a part of the expense involved. Also the name of the Training School is changed to Forest Haven.

Dulles-Potomac interceptor sewer—H.R. 8965 (S. 1633)—increases the amount of the Federal contribution to the cost of construction of this sewer so that Maryland and Virginia, and subdivisions thereof, will repay the United States only 50 percent of the total amount of loans made to complete the project, which was built to connect federally owned Dulles International Airport and communities in suburban Maryland and Virginia with the District of Columbia sewer system. Thus, the Federal Government, in addition to its $3 million initial grant, will increase its contribution by $12.5 million—50 percent of the Treasury loan authorization of $25 million to complete the construction—or a total Federal payment of $15.5 million. The loan repayable by Maryland and Virginia and user jurisdictions would be reduced from $25 million to $12.5 million—Public Law 90–84.

Education Board—H.R. 13042—provides for election of an 11-member Board of Education—in lieu of present nine members appointed by the judges of the U.S. District Court for the District of Columbia. The elected Board members must be qualified voters and residents of the District of Columbia; eight of them would be elected by wards and three would be at large.

Gifts to minors—H.R. 5799—amends the District of Columbia Uniform Gifts to Minors Act (79 Stat. 744) to permit deposit of gifts to minors in savings and loan associations, credit unions and related institutions, as well as in banks.

Historic landmarks—H.R. 10939—provides for the preservation of remaining historic buildings and landmarks in the Nation's Capital by listing them on the expanded National Register established by the Historic Preservation Act of 1966 (80 Stat. 915). This will give the Advisory Council opportunity to make comments and recommendations in connection with any proposed alteration, removal or destruction.

Insurance companies' financial standing—H.R. 10213—amends the 1934 Life Insurance Act of the District (48 Stat. 1125) to permit alien life insurance companies, which maintain as the law requires adequate trusteed assets in the United States, to furnish the public as well as their policyholders with full information as to their complete fiancial condition.

Judges—H.R. 8582—provides for an increase—from two to five in the number of associate judges in the District of Columbia court of appeals, thus expanding the court into two divisions of three judges in each, to meet the increasing workload at the appellate level resulting from the enlargement of the civil jurisdiction of the lower court, the District of Columbia court of general sessions—Public Law 90–178.

Judgment liens—S. 1227—provides that every final judgment or decree for the payment of money rendered in the U.S. District Court for the District of Columbia shall constitute a lien on interests in real property and shall be enforceable by execution only when filed and recorded in the office of the Recorder of Deeds, thus providing the same recordation requirements in the same office as now apply to liens established by final judgments or decrees rendered, and recognizances declared forfeited, by the District of Columbia court of general sessions.

Marriages, premarital examinations—S. 1226—transfers from the U.S. District Court for the District of Columbia to the District of Columbia court of general sessions the authority to waive the premarital blood test requirement and the 3-day waiting period between the application for and the issuance of a marriage license—Public Law 90–53.

Medicaid—H.R. 10964—authorizes the District of Columbia Commissioners to furnish medical assistance to eligible residents of the District under title XIX, of the Social Security Admendments of 1965; and permits publicly owned District of Columbia hospitals and other medical facilities to provide health and medical care and services to eligible individuals under the hospital insurance and supplementary medical insurance benefits programs established under said title XIX.

Merchant Marine War Veterans Association—H.R. 1944—grants incorporation to such association, whose purposes are: First, to foster appreciation for the wartime services of veterans of the American merchant marine and the U.S. maritime service and the betterment of the plight of said veterans; second, the perpetuation of the Memorial Day shipboard ceremony to honor the war dead of these services, as inaugurated on Memorial Day, May 30, 1958; third, to encourage the retention and availability of a modernized and adequate American merchant marine held in readiness at all times; and fourth, to encourage the governmental formation of a U.S. Maritime Service Reserve, the acknowledged training branch of the wartime American merchant marine.

Minimum wages—H.R. 10337—amends the District of Columbia Minimum Wage Act Amendments of 1966—Public Law 89–684, 80 Stat. 961—to provide that pursuant to prior agreement or understanding between the parties involved, overtime pay for employees of private hospitals may be computed upon a work period of 14 consecutive days, rather than on the standard workweek of 7 consecutive days. In such event, overtime—one and one-half times the regular rate—will apply for hours worked in excess of 8 hours per day, and in excess of 80 hours within such 14-day period. This amendment will allow District of Columbia hospitals and their employees the same option in computing overtime as is presently provided for such institutions on a nationwide basis by identical language in the 1966 amendments to the Fair Labor Standards Act—Public Law 89–601, 80 Stat. 830.

Motor vehicle collision reports—H.R. 1437—requires that all collisions involving motor vehicles in the District of Columbia, which result in property damage in excess of $100, or in personal injury to any degree, be reported immediately to the District of Columbia Chief of Police. Presently, only collisions involving personal injury are required to be so reported.

Motor vehicle inspection—H.R. 14098—authorizes the District of Columbia Council to prescribe regulations and fix fees for the inspection, on a voluntary basis, of out-of-State motor vehicles and trailers, which are not required to be registered and inspected in the District.

Motor vehicle insurance—H.R. 7831—amends, first, the District of Columbia Fire and Casualty Act (54 Stat. 1063) to make uninsured motorist coverage a required part of every automobile liability policy, with the right of rejection to such coverage reserved to the insured; and second, the District of Columbia Motor Vehicle Safety Responsibility Act (68 Stat. 120) to strengthen it through provisions such as suspension of license and registration of both owner and operator if law requirements are not met in case of uninsured vehicle involved in a serious accident or traffic violation; reduce from $100 to $50 the property damage necessary before an accident report and security are required to be given; minimum security deposit of $500 for 2-year minimum and suspension for same period if security is not deposited and claim is unsettled; proof of financial security required following an accident, to be maintained for 5 years; and impoundment of motor vehicle after accident in case of failure to establish coverage of deposit of security.

Motor vehicle minor traffic offenses—H.R. 13480—limits the requirements under the Motor Vehicle Safety Responsibility Act for future proof of financial responsibility only to those cases involving serious violations—such as driving under the influence of narcotic drugs or intoxicating liquor, or committing homicides or other felonies while using motor vehicles—when the driver's license has been suspended or revoked, thus eliminating inequities which have arisen under present law in cases of motorists convicted of certain relatively minor traffic offenses which do not constitute a traffic safety problem.

Motor vehicle registration of spouse—S. 763—permits an individual owner of a motor vehicle or trailer to add the name of his spouse, as a joint owner, without obtaining a new registration and paying a fee therefor—Public Law 90-43.

Motor vehicle title applications—S. 764—facilitates transfers of motor vehicle or trailer ownership by eliminating present requirements that applications to the Director of Motor Vehicles for official certificates of title, and statements in such applications relating to liens, be made under oath. The interests of the public will continue to be protected without the requirement that applications be made under oath, in view of the fact that the District Commissioners have adopted a regulation providing among other things that the making of any false statement in any application or other document required by the District of Columbia traffic and motor vehicle regulations may subject the offender to punishment by a fine of not more than $300 or to imprisonment for not more than 10 days, or both such fine and imprisonment.

Paralyzed Veterans of America—H.R. 11131—grants a Federal charter to this nonpolitical, nonsectarian organization, comprised of 5,000 members—about one-half of our paraplegic veterans—from every State in the Union, with 21 chapters located in various parts of the country.

Physicians and dentists—H.R. 3973—authorizes the District of Columbia government to employ qualified physicians and dentists who are licensed in a State or other jurisdiction of the United States, but who are not licensed to practice in the District. They will perform duties solely under the administration of the District of Columbia Department of Public Health—Public Law 90-115.

Podiatrists—H.R. 3370—authorizes the District of Columbia Board of Podiatrist Examiners to waive its own written and oral examinations with respect to an applicant for a license as a podiatrist if he holds a certificate from the National Board of Podiatrist Examiners. A satisfactory performance on a practical demonstration test given by the District Board will continue as a requirement of all applicants for such license.

Police and firemen disabled retirees—H.R. 2897—provides that former members of the Metropolitan Police and Fire Departments of the District of Columbia, the U.S. Park Police, the White House Police, and the U.S. Secret Service, who were retired prior to October 1, 1956, for disability incurred in line of duty, which was rated at 100 percent at the time of retirement, shall have their annuities computed on the same basis as are those for members retired for disability subsequent to that date.

Police Band—H.R. 831—expands membership in the Metropolitan Police Department Band—which was first officially authorized by an act of Congress in 1947—to permit the inclusion of members of the District of Columbia Fire Department, the U.S. Park Police, and the White House Police force.

Police and firemen's widows—H.R. 2824—provides that such a widow who married an officer or member of the Metropolitan Police or Fire Department of the District of Columbia after his retirement, may qualify for survivor benefits under the Policemen's and Firemen's Retirement and Disability Act, provided they were married for at least 2 years, or she was the mother of issue by the marriage.

Presidential inauguration—H.R. 827—amends the Presidential Inaugural Ceremonies Act of 1956; first, to provide for the payment of travel expenses of expert health advisers whom the Commissioners of the District of Columbia are already authorized to employ, on a temporary basis, to promote adequate inspection and enforcement of health regulations during the inaugural period; second, to provide meals for employees of the Health Department and other municipal employees, who are required to remain on duty at their posts through meal times during such inaugural period, many of them being stationed along the line of march of the inaugural parade. The act now authorizes such meals for police and firemen; and third, to authorize the District of Columbia Commissioners to issue special registration tags to both registered and unregistered motor vehicles available for use by the Inaugural Committee, designed to commemorate the occasion of the inauguration, and valid for a period not to exceed 90 days.

Reorganization of the District of Columbia government—H.R. 12065—as reported by the committee, this bill in lieu of the President's Reorganization Plan No. 3, continued the three-Commissioner form of government of the District of Columbia. Title I provided that the President of the United States shall designate one of the Commissioners as President of the Board; also it directed the Board to make a comprehensive study of the organization of the District of Columbia government and within one year report the results thereof and recommendations thereon to the House and Senate Committees of the District of Columbia. Title II established a Department of Management and places top administrative responsibility in a Managing Director and Deputy Managing Director. Title III provided for the election of an 11-member Board of Education. However, the House rejected this bill and thereby approved the President's Plan No. 3 (House Doc. 132) which abolished the three-Commissioner form of government in effect almost 90 years and substituted a single Commissioner appointed by the President, assisted by a Deputy Commissioner, but vesting basic, policymaking powers in a nine-member part-time Council also appointed by the President.

Revenues—Federal payment and borrowing authority—H.R. 8718—provides an estimated total of $53.8 million additional revenue availability to meet the needs of the District of Columbia this year by: First, increasing the authorized Federal payment contribution each year to the District by $10 million—from $60 million to $70 million; and, second, increasing the authorized borrowing authority by $43.8 million—from present fixed debt ceiling of $290 million to an estimated $333.8 in fiscal 1968. The law establishes a new method for determining the maximum amount the District may borrow from the U.S. Treasury for general fund capital projects; namely, by a formula computation based on 6 percent of the sum of the estimated general fund revenues from District of Columbia taxes, motor vehicle registration fees, and the annual Federal payment for the year in question. Under this method, given a 3-year trial in this legislation, the District of Columbia Commissioners estimated the loan authorization ceilings for these years would be as follows: $333.8 million, as stated, for fiscal 1968; $363.9 million for fiscal 1969; and $392.3 million for fiscal 1970. The act also prohibits discrimination on grounds of residence, religion, race, and color, in the recruiting and hiring of District of Columbia employees—Public Law 90-120.

Safety standards—H.R. 11638—amends the Industrial Safety Act (55 Stat. 738) for the protection of employees, first, by making it applicable to all usual places of private employment in the District of Columbia; second, by providing that safety standards, rules, and regulations apply without limitation to all usual places of private employment; and, third, by increasing the penalties for violation of the safety code regulations from a fine of not less than $100 to not more than $1,000—in lieu of present law fine of not more than $300—or by imprisonment of not more than 90 days—present law provision.

Sales tax—H.R. 829—exempts from the District of Columbia sales tax, first, certain printing operations of the majority and minority rooms of the House of Representatives established many years ago to perform printing services for Members of the House paid for by them; and, second, the operation of the majority and minority cloakrooms of the House in the purchase and sale of food, beverages, and other goods which are not exempt from the sales tax as are the House dining rooms and cafeterias.

State societies—H.R. 3931—amends the Charter Act of April 3, 1952, to change the name of the Conference of State Societies to National Conference of State Societies.

Statute of limitations—H.R. 6527—amends the District of Columbia Code to provide a 5-year limitation on the period of time after improvements to property are substantially completed, during which time an action may be brought to recover damages, contribution, or indemnity against architects, designers, engineers, or contractors, on the ground of a defective or unsafe condition of an improvement to real property. At present there is no limitation as to the period of liability for a defective or unsafe condition in such cases.

Teachers' leave—H.R. 5709—amends the Teachers' Leave Act of 1949, first, to permit an unlimited number of days of earned sick leave for teachers—in lieu of 75 days' limit for permanent and probationary teachers, and 20 days for temporary teachers and attendance officers; and, second, to increase from 25 days to 30 days the number of days of sick leave which may be advanced or borrowed.

Teachers' retirement—H.R. 12505—amends the District of Columbia Teachers' Retirement Act of 1946 (60 Stat. 875) to permit District of Columbia public school teachers to retire on full annuity at age 55 after 30 years of service, or at age 60 after 20 years of service, thus affording teachers the same benefits as are provided for civil service retirees.

Transit development program—H.R. 11395—amends the National Capital Transportation Act of 1965 (79 Stat. 663), which authorized the NCTA to provide for the establishment of a system of rail rapid transit lines and related facilities, by modifying the system as follows:

First. By adding a subway line to serve the new and rapidly growing concentration of Federal employment south of the Mall in Southwest Washington, continuing the Benning route through this area to a point connecting with the Pentagon route, both of which routes are already authorized; and

Second. By deleting the presently authorized spur line to Columbia Heights which route branches off the Connecticut Avenue route.

Estimated cost of the new Southwest line, first above, is $98 million, which would be reduced by $56.5 million—cost of the deleted Columbia Heights spur, second above, or a net cost increase of $41.5 million to be financed from additional revenues generated by the modified system. The total estimated capital cost of constructing the system, as authorized in 1965, was $431 million—$100 million of which would be Federal contribution, $50 million District of Columbia contribution, and $281 million from the sale of revenue bonds—to which would be added the $41.5 million, net cost of this legislation, or a grand total estimated cost of $472.5, exclusive of escalation.

Unemployment Compensation Act exemptions—H.R. 9059—exempts certain international organizations which have headquarters or regional offices in the District of Columbia, from registering as employers with the District of Columbia Unemployment Compensation Board, and from the payment of the District of Columbia unemployment compensation tax. The organizations so exempt would be those designated by Executive order of the President as being entitled to enjoy the privileges, exemptions, and immunities provided under the International Organizations Immunities Act.

U.S. Court of Appeals' Opinions—H.R. 8581—amends the law to permit the U.S. Court of Appeals for the District of Columbia Circuit to approve an increase in the selling price of the reports containing its opinions, namely, from a price "not more than $6.50 per volume" to a price "not more than $12 per volume."

Wages exempt from attachment—H.R. 836—amends the act of March 3, 1901, to stop the practice which has been developed of certain creditors in Maryland filing in the District of Columbia actions for garnishment against an employer who also has a business in Maryland, so as to secure payment by attachment of wages of an employee who is a nonresident of the District. The bill would afford to the nonresident employee defendant, in a case brought in the District, the same garnishment exemptions as are provided by law in the State in which the defendant resides.

Waterfront priority holders—H.R. 2529—amends the act of September 8, 1960 (74 Stat. 871), relating to the Washington Channel waterfront, by providing supplementary directives to the District of Columbia Redevelopment Land Agency for the relocation of displaced businesses who are ready, able, and willing to relocate on the waterfront in accordance with the redevelopment plans for the waterfront portion of area C, urban renewal project in Southwest Washington. The bill provides for the use of specific procedures by the RLA for the establishment of land values; gives equal priority rights to all businesses displaced from the waterfront area; and attempts to make effective the pledges several times made by the Congress to these displacees—Public Law 90-176.

INCOME LIMITATIONS ON NON-SERVICE-CONNECTED PENSIONS

Mr. TEAGUE of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12555) to amend title 38 of the United States Code to liberalize the provisions relating to payment of pension, and for other purposes, as amended.

The Clerk read as follows:

H.R. 12555

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the table in subsection (b) of section 521 of title 38, United States Code, is amended to appear as follows:

"Col. I, annual income		Col. II
More than—	But equal to or less than—	
	$300	$110
$300	400	108
400	500	106
500	600	104
600	700	100
700	800	96
800	900	92
900	1,000	88
1,000	1,100	84
1,100	1,200	79
1,200	1,300	75
1,300	1,400	69
1,400	1,500	63
1,500	1,600	57
1,600	1,700	51
1,700	1,800	45
1,800	1,900	37
1,900	2,000	29".

(b) The table in subsection (c) of such section 521 is amended to appear as follows:

"Col. I		Col. II	Col. III	Col. IV
Annual income		1 dependent	2 dependents	3 or more dependents
More than—	But equal to or less than—			
	$500	$120	$125	$130
$500	600	118	123	128
600	700	116	121	126
700	800	114	119	124
800	900	112	117	122
900	1,000	109	114	119
1,000	1,100	107	107	107
1,100	1,200	105	105	105
1,200	1,300	103	103	103
1,300	1,400	101	101	101
1,400	1,500	99	99	99
1,500	1,600	96	96	96
1,600	1,700	93	93	93
1,700	1,800	90	90	90
1,800	1,900	87	87	87
1,900	2,000	84	84	84
2,000	2,100	81	81	81
2,100	2,200	78	78	78
2,200	2,300	75	75	75
2,300	2,400	72	72	72
2,400	2,500	69	69	69
2,500	2,600	66	66	66
2,600	2,700	62	62	62
2,700	2,800	58	58	58
2,800	2,900	54	54	54
2,900	3,000	50	50	50
3,000	3,100	42	42	42
3,100	3,200	34	34	34".

(c) The table in subsection (b) of section 541 of title 38, United States Code, is amended to appear as follows:

"Col. I, annual income		Col. II
More than—	But equal to or less than—	
	$300	$74
$300	400	73
400	500	72
500	600	70
600	700	67
700	800	64
800	900	61
900	1,000	58
1,000	1,100	55
1,100	1,200	51
1,200	1,300	48
1,300	1,400	45
1,400	1,500	41
1,500	1,600	37
1,600	1,700	33
1,700	1,800	29
1,800	1,900	23
1,900	2,000	17".

(d) The table in subsection (c) of such section 541, is amended to appear as follows:

"Col. I, annual income		Col. II
More than—	But equal to or less than—	
	$600	$90
$600	700	89
700	800	88
800	900	87
900	1,000	86
1,000	1,100	85
1,100	1,200	83
1,200	1,300	81
1,300	1,400	79
1,400	1,500	77
1,500	1,600	75
1,600	1,700	73
1,700	1,800	71
1,800	1,900	69
1,900	2,000	67
2,000	2,100	65
2,100	2,200	63
2,200	2,300	61
2,300	2,400	59
2,400	2,500	57
2,500	2,600	55
2,600	2,700	53
2,700	2,800	51
2,800	2,900	48
2,900	3,000	45
3,000	3,100	43
3,100	3,200	41".

SEC. 2. (a) The table in subsection (b)(1) of section 415 of title 38, United States Code, is amended to appear as follows:

"Col. I, Total annual income		Col. II
More than—	But equal to or less than—	
	$800	$87
$800	900	81
900	1,000	75
1,000	1,100	69
1,100	1,200	62
1,200	1,300	54
1,300	1,400	46
1,400	1,500	38
1,500	1,600	31
1,600	1,700	25
1,700	1,800	18
1,800	1,900	12
1,900	2,000	10".

(b) The table in subsection (c) of such section 415 is amended to appear as follows:

"Col. I Total annual income		Col. II
More than—	But equal to or less than—	
	$800	$58
$800	900	54
900	1,000	50
1,000	1,100	46
1,100	1,200	41
1,200	1,300	35
1,300	1,400	29
1,400	1,500	23
1,500	1,600	20
1,600	1,700	16
1,700	1,800	12
1,800	1,900	11
1,900	2,000	10".

(c) The table in subsection (d) of such section 415 is amended to appear as follows:

"Col. I, total combined annual income		Col. II
More than—	But equal to or less than—	
	$1,000	$58
$1,000	1,100	56
1,100	1,200	54
1,200	1,300	52
1,300	1,400	49
1,400	1,500	46
1,500	1,600	44
1,600	1,700	42
$1,700	$1,800	$40
1,800	1,900	38
1,900	2,000	35
2,000	2,100	33
2,100	2,200	31
2,200	2,300	29
2,300	2,400	26
2,400	2,500	23
2,500	2,600	21
2,600	2,700	19
2,700	2,800	17
2,800	2,900	15
2,900	3,000	12
3,000	3,100	11
3,100	3,200	10".

SEC. 3. (a) If the monthly rate of pension or dependency and indemnity compensation payable to a person under title 38, United States Code, would be less, solely as a result of an increase in monthly insurance benefits provided by the Social Security Amendments of 1967, than the monthly rate payable for the month immediately preceding the effective date of this Act, the Administrator of Veterans' Affairs shall pay the person as follows:

(1) for the balance of calendar year 1968 and during calendar year 1969, at the prior monthly rate;

(2) during the calendar year 1970, at the rate for the next $100 annual income limitation higher than the maximum annual income limitation corresponding to the prior monthly rate; and

(3) during each successive calendar year, at the rate for the next $100 annual income limitation higher than the one applied for the preceding year, until the rate corresponding to actual countable income is reached.

(b) Subsection (a) shall not apply for any period during which annual income of such person, exclusive of an increase in monthly insurance benefits provided by the Social Security Amendments of 1967, exceeds the amount of annual income upon which was based the pension or dependency and indemnity compensation payable to the person immediately prior to receipt of the increase.

SEC. 4. The annual income limitations governing payment of pension under the first sentence of section 9(b) of the Veterans' Pension Act of 1959 hereafter shall be $1,600 and $2,900, instead of $1,400 and $2,700, respectively.

SEC. 5. Paragraph (4) of section 3012(b) of title 38, United States Code, is amended to read as follows:

"(4) by reason of change in income or corpus of estate shall be the last day of the calendar year in which the change occurred;"

SEC. 6. (a) The first section and sections 2 and 4 of this Act shall take effect on January 1, 1969.

(b) Sections 3 and 5 of this Act shall take effect on the first day of the first calendar month following the month of initial payment of increases in monthly insurance benefits provided by the Social Security Amendments of 1967.

The SPEAKER. Is a second demanded?

Mr. ADAIR. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, the Committee on Veterans' Affairs has reported H.R. 12555 for the purpose of assuring that veteran pensioners also receiving an increase in social security payments, as a result of the legislation now in the stages of final consideration in the Congress, will not be adversely affected. The Committee on Veterans' Affairs has given a great deal of attention to this problem. A subcommittee headed by BRYAN DORN, of South Carolina, with HORACE KORNEGAY, RAY ROBERTS, JIM HANLEY, PAUL FINO, JOHN SAYLOR, and BILL SCOTT as members, had lengthy hearings on this legislation. This bill is supported by the administration and they have worked closely with us in developing it. Mr. A. W. Stratton, the new Deputy Administrator of the Veterans' Administration, Mr. Arthur Farmer, the new Chief Benefits Director, and Mr. Charles Peckarsky, the new Deputy Chief Benefits Director, have devoted a great deal of time to this problem. Mr. James T. Taaffe, Jr., the Acting Chief of the Compensation, Pension, and Education Service and his always helpful associate, Louis Townsend, have spent much time on this legislation. Lloyd Johnson and his assistants spent all last weekend working on estimates on this bill. We thank them all.

The veterans' organizations have worked closely with us and I am placing in the RECORD at a later point telegrams from the American Legion, Disabled American Veterans, Veterans of World War I, Veterans of Foreign Wars and Amvets, expressing support for this bill.

This bill approaches the problem in two ways. It creates a new method of payment based on $100 increments so that in the future when a veteran gets a raise in income from any source it will have only a minimum effect on his pension payment. This new system will become effective January 1, 1969. In the meantime, there are provisions in the bill that protect all pensioners through 1968, and social security recipients are given special protection while getting the new system installed and into operation. Income limits are raised so that a veteran will not go off the pension system solely as a result of his raise in social security.

We believe this bill is a good solution to the problem. It has broad support among those interested in veteran problems. We are hopeful that the Senate will be able to consider it immediately when we pass it so that it can become law this year and thus relieve many veterans and widows from a source of worry.

The net effect on non-service-connected pensions, both income limits and rates of pension, as a result of this bill is shown in the table which, under unanimous consent I include as a part of my remarks.

Income increment	Veteran alone		Veteran with dependent		Widow alone		Widow with 1 child	
	Existing law	H.R. 12555	Existing law	H.R. 12555	Existing law	H.R. 12555	Existing law	H.R. 12555
$100	$104	$110	$109	$120	$70	$74	$86	$90
$200	104	110	109	120	70	74	86	90
$300	104	110	109	120	70	74	86	90
$400	104	108	109	120	70	73	86	90
$500	104	106	109	120	70	72	86	90
$600	104	104	109	118	70	70	86	90
$700	79	100	109	116	51	67	86	89
$800	79	96	109	114	51	64	86	88
$900	79	92	109	112	51	61	86	87
$1,000	79	88	109	109	51	58	86	86
$1,100	79	84	84	107	51	55	67	85
$1,200	79	79	84	105	51	51	67	83
$1,300	45	75	84	103	29	48	67	81
$1,400	45	69	84	101	29	45	67	79
$1,500	45	63	84	99	29	41	67	77
$1,600	45	57	84	96	29	37	67	75
$1,700	45	51	83	93	29	33	67	73
$1,800	45	45	84	90	29	29	67	71
$1,900		37	84	87		23	67	69
$2,000		29	84	84		17	67	67
$2,100			50	81			45	65
$2,200			50	78			45	63
$2,300			50	75			45	61
$2,400			50	72			45	59
$2,500			50	69			45	57
$2,600			50	66			45	55
$2,700			50	62			45	53
$2,800			50	58			45	51
$2,900			50	54			45	48
$3,000			50	50			45	45
$3,100				42				43
$3,200				34				41

In connection with the above rates it should be stressed that the existing law permits any beneficiary of social security or other retirement income to exclude 10 percent of such income in determining eligibility for monthly Veterans' Administration pensions. This bill does not make any change in this exclusion factor.

It will be noted that generally speaking the income limitations have been increased by $200. This was done when the committee voted to report this bill as a substitute for the present three-level income increment system and substitute the more sophisticated multilevel system incorporated in this proposal. The $200 increase applies to the individuals who are receiving pension under the so-called old law as well as under the provisions of Public Law 86–211, effective July 1, 1960.

With regard to those individuals who receive "old law" pension under the first sentence of section 9(b) of the Veterans' Pension Act of 1959, the bill protects such persons against loss of pension because of an increase under the Social Security Amendments of 1967 by increasing the annual income limitations to $1,600 for a single veteran or widow and $2,900 for a veteran with dependents or a widow with children—a $200 increase in each instance; $7.3 million in present annual payments will thus be preserved for 35,000 pensioners. Since no more veterans or widows may come on these rolls, there would be no addition to this group of non-service-connected pensioners.

The committee has included a special protection feature assuring no loss in pension to ease the transition to the new pension structure. The committee wishes to make it clear that this protective feature is a special device and is not intended to serve as a precedent for the future. On the contrary, the rate structure provided by this bill has been carefully designed to assure that pensioners confronted in the future with increases in retirement-type income would never be disadvantaged by a disproportionate decrease in pension. Of course in any system utilizing income limitations there will be those who because of changes in income exceed the top income limit provided by law and thus go off the pension rolls. The provision of section 3, while assuring the protection previously described, gives this group of social security beneficaries protection through the calendar years 1968 and 1969 at their current non-service-connected pension level. On January 1, 1970, there will be an income adjustment of $100, and on January 1, 1971, there will be another $100 adjustment, thus placing this group, now estimated at approximately 173,500, in their proper place in the income limitation schedule.

Service-connected compensation is generally paid without regard to any income limitations, but in the case of dependency and indemnity compensation paid to the parents of deceased servicemen there are income limitations and this bill proposes to change not only the income limitations but also the monthly payments. Mr. Speaker, under unanimous consent I include at this point in my remarks three tables which show the effect of this bill on so-called DIC death compensation:

IF THERE IS ONLY 1 PARENT—

Total annual income		Monthly payment (H.R. 12555)	Monthly payment (law)
More than—	But equal to or less than—		
	$800	$87	$87
$800	900	81	69
900	1,000	75	69
1,000	1,100	69	69
1,100	1,200	62	52
1,200	1,300	54	52
1,300	1,400	46	35
1,400	1,500	38	35
1,500	1,600	31	18
1,600	1,700	25	18
1,700	1,800	18	18
1,800	1,900	12	
1,900	2,000	10	

IF THERE ARE 2 PARENTS, BUT THEY ARE NOT LIVING TOGETHER—

Total annual income		Monthly payment to each parent (H.R. 12555)	Monthly payment (law)
More than—	But equal to or less than—		
	$800	$58	$58
$800	900	54	46
900	1,000	50	46
1,000	1,100	46	46
1,100	1,200	41	35
1,200	1,300	35	35
1,300	1,400	29	23
1,400	1,500	23	23
1,500	1,600	20	12
1,600	1,700	16	12
1,700	1,800	12	12
1,800	1,900	11	
1,900	2,000	10	

IF THERE ARE 2 PARENTS WHO ARE LIVING TOGETHER, OR IF A PARENT HAS REMARRIED AND IS LIVING WITH HIS SPOUSE—

Total combined annual income		Monthly payment to each parent (H.R. 12555)	Monthly payment (law)
More than—	But equal to or less than—		
	$1,000	$58	$58
$1,000	1,100	56	46
1,100	1,200	54	46
1,200	1,300	52	46
1,300	1,400	49	46
1,400	1,500	46	46
1,500	1,600	44	35
1,600	1,700	42	35
1,700	1,800	40	35
1,800	1,900	38	35
1,900	2,000	35	35
2,000	2,100	33	23
2,100	2,200	31	23
2,200	2,300	29	23
2,300	2,400	26	23
2,400	2,500	23	23
2,500	2,600	21	12
2,600	2,700	19	12
2,700	2,800	17	12
2,800	2,900	15	12
2,900	3,000	12	12
3,000	3,100	11	
3,100	3,200	10	

Section 5 of the bill would extend to all income and corpus of estate changes the more liberal end-of-the-year rule for reduction or discontinuance of benefits which currently applies only to an increase in retirement income.

The VA will continue to base benefit awards for a calendar year on reports of anticipated annual income made at the beginning of that year. If there is an increase in annual income, retirement, or other, received after the person has been placed at his proper level on the pension scale for that year, which could not have been reasonably anticipated by the pensioner, any required reduction or discontinuance of his benefit would be deferred until the end of the year.

Sections 1, 2, and 4 of the bill are effective January 1, 1969. Sections 3 and 5 are effective on the first day of the first calendar month following the month of initial payment of increases in monthly insurance benefits provided by the Social Security Amendments of 1967.

Hearings were held before the Subcommittee on Compensation and Pension on approximately 100 income limitation bills on September 19, 20, and 26, 1967.

I want to reiterate my appreciation for the activity of the Subcommittee on Compensation and Pension so ably headed by the gentleman from South

Carolina [Mr. DORN] for its hearings and for the executive sessions which the Subcommittee held resulting in the positive recommendation to the full committee.

Mr. Speaker, I think it would be helpful in our consideration here today to consider the pension rates and their increases over a 30-year period, and I ask unanimous consent to insert such a history at this point in my remarks:

PENSION RATES CORRELATED TO COST OF LIVING

Law	Effective date	Monthly rates, veteran and 3 dependents, minimal income	Consumer Price Index	Percent of change in monthly pension rate over July 1933 rate	Percent of change in cost-of-living index over that for July 1933
Veterans Regulation 1(a)	July 1, 1933	$30.00	45.6		
Public Law 601, 77th Cong	June 10, 1942	40.00	56.7	33⅓	24.3
Public Law 313, 78th Cong	May 27, 1944	50.00	61.0	66⅔	33.7
Public Law 662, 79th Cong	Sept. 1, 1946	60.00	71.2	100.0	56.1
Public Law 356, 82d Cong	July 1, 1952	63.00	93.0	110.0	103.9
Public Law 698, 83d Cong	Oct. 1, 1954	66.15	93.3	120.5	104.6
Public Law 86–211	July 1, 1960	100.00	103.2	233.3	126.3
Public Law 88–664	Jan. 1, 1965	115.00	108.9	283.3	138.8
Public Law 90–77	Oct. 1, 1967	119.00	117.1	296.7	156.8

The Veterans' Administration has given the committee a comprehensive estimate of cost which I include at this point as a part of my remarks:

This estimate assumes effective date of the subject proposal will be April 1, 1968, insofar as the provisions of sections 3 and 5 are concerned. Accordingly, the first year costs as shown represent the 12-month period from April 1, 1968, through March 31, 1969.

Section 1 would provide for payment of VA pension under sections 521 and 541 of title 38, United States Code, in amounts and by income increments consistent with the restructured pension schedule provided in H.R. 12555. The estimated additional costs and the number of cases on the rolls that benefit, applicable to this section, are as follows:

	New cases		Cases on rolls		Total	
	Number	Additional cost (millions)	Number	Additional cost (millions)	Number	Additional cost (millions)
1st year	10,275	$3.9	1,170,743	$25.3	1,181,018	$29.2
2d year	42,719	16.0	1,227,281	105.1	1,270,000	121.1
3d year	44,096	16.4	1,281,784	108.8	1,325,880	125.2
4th year	45,442	16.9	1,337,398	112.4	1,382,890	129.3
5th year	48,861	17.3	1,389,964	116.5	1,436,825	133.8

Section 2 would provide a structure of rates and income increments for payment of dependency and indemnity compensation under section 415, title 38, United States Code, similar in concept to that proposed by section 1 for pension cases. The approximate costs of this section are estimated as follows:

	New cases		Cases on rolls		Total	
	Number	Additional cost	Number	Additional cost	Number	Additional cost
1st year	75	$10,000	248,000	$115,000	248,075	$125,000
2d year	300	40,000	239,000	443,300	237,300	483,400
3d year	300	40,000	230,000	230,300	230,300	456,600
4th year	300	40,000	221,000	410,000	221,300	450,000
5th year	300	40,000	213,000	395,000	213,300	435,000

Section 3 would provide that if the monthly rate of pension or dependency and indemnity compensation payable to a person under title 38, United States Code, is less, solely because of an increase in monthly insurance benefits provided by the Social Security Amendments of 1967, than was payable for the month immediately preceding the effective date of this act, the Administrator shall continue to pay the benefit at the prior monthly rate during 1968 and 1969. Subsequently the benefit payable will be reduced annually to the next lower rate in accordance with the rates provided by the tables in sections 1 and 2 until the benefit payable is otherwise in accordance with the rate provided by the tables in sections 1 and 2 or is terminated. The value of this protection is estimated as follows:

	Number of cases	Value of protection (millions)
1st year	173,471	$2.3
2d year	166,390	8.8
3d year	43,386	2.2
4th year	0	0
5th years	0	0

Section 4 would provide an increase in the annual income limitations governing payment of pension under the first sentence of section 9(b) of the Veterans' Pension Act of 1959 from $1,400 and $2,700 to $1,600 and $2,900, respectively. The estimated value of increasing the income limitations as provided would be:

	Number of cases	Value (millions)
1st year	39,915	$2.1
2d year	35,025	7.3
3d year	31,575	6.6
4th year	28,400	5.9
5th year	24,900	5.2

Data are not available with which to estimate the effect of the amendment proposed by section 5. However, restricting its application to uncontrollable types of income—that is, windfalls, unanticipated dividends, unforeseen insurance benefits, and so forth—it is believed the cost effects would not be substantial.

All the above estimates are based on the assumption that the social security amendments will provide for a 13-percent increase in benefits payable with a minimum monthly payment fixed at $55 in lieu of the present $44 for a primary beneficiary.

This proposal I am happy to say is fully supported by the veterans organizations, the American Legion, Veterans of Foreign Wars, Disabled American Veterans, Amvets, and Veterans of World War I, as evidenced by the letters which, under unanimous consent, Mr. Speaker, I include at this point in the RECORD as a part of my remarks:

WASHINGTON, D.C.,
December 13, 1967.

Hon. OLIN TEAGUE,
Chairman, House Committee on Veterans' Affairs, Rayburn House Office Building, Washington, D.C.:

The American Legion commends you and the members of your committee for reporting H.R. 12555, a bill which will liberalize death and disability pension and compensation for dependent parents and also assure that these beneficiaries will not suffer reductions in their benefits as a result of increases in social security. The bill as reported satisfies many of our mandates and we urge its enactment before adjournment of this session of the Congress.

HERALD E. STRINGER,
Director, National Legislative Commission, the American Legion.

DECEMBER 14, 1967.

Hon. OLIN E. TEAGUE,
Chairman, Veterans Affairs Committee, House of Representatives, Washington, D.C.:

Veterans of Foreign Wars strongly recommend favorable consideration and approval of H.R. 12555 scheduled for vote on Friday. This will provide protection against reduction of veterans pension payments because of social security and other increased income. It provides for a badly needed increase in pension payments for over a million veterans, widows and dependent parents. While the bill does not carry out Veterans of Foreign Wars mandate to the fullest extent, it is a great step in that direction. House approval of this bill will be deeply appreciated by the 1.4 million members of the Veterans of Foreign Wars of the United States.

JOSEPH A. SCERRA,
Commander in Chief, Veterans of Foreign Wars of United States.

DECEMBER 13, 1967.

Hon. OLIN E. TEAGUE,
Chairman, Veterans' Affairs Committee, House of Representatives, Washington, D.C.:

Disabled American Veterans wholeheartedly support H.R. 12555 providing improvement in the income limitations for pension purposes. You and your colleagues on the Committee on Veterans Affairs are to be commended for your efforts on behalf of the needy totally disabled war-time veterans.

CHARLES L. HUBER,
National Director, Disabled American Veterans.

VETERANS OF WORLD WAR I
OF THE U.S.A., INC.,
Washington, D.C., December 13, 1967.

Hon. OLIN E. TEAGUE,
Chairman, House Committee on Veterans' Affairs, Cannon House Office Building, Washington, D.C.

MY DEAR CONGRESSMAN TEAGUE: In recognition of the fact that the proposed legislative bill, H.R. 12555, protects the veterans on the pension rolls on account of thee increase on Social Security effective March 1, 1968, the National Commander of the Veterans of World War I of the U.S.A., Inc., hereby gives his endorsement to this legislation.

With very best wishes, I am,

Sincerely yours,

PHILIP F. O'BRIEN,
National Commander.

WASHINGTON, D.C.,
December 14, 1967.

Hon. OLIN E. TEAGUE,
Chairman, House Veterans' Affairs Committee, Cannon House Office Building, Washington, D.C.:

Amvets continue to favor the legislative intent of H.R. 12555 with its protection to veterans on matters of income limitation and we commend your committee for your continued efforts toward this end.

ANTHONY J. CASERTA,
National Commander.

Mr. Speaker, the committee has had several inquiries raising the question as to why an increase in the rates of compensation for the service-connected disabled was not voted at the same time as the provisions of Public Law 90–77, which became effective last October 1—the previous pension raise was in Public Law 88–664. The last increase in the rates of compensation as provided in Public Law 89–311—October 31, 1965—averaged 10 percent. I ask unanimous consent to include at this point in my remarks a history of wartime service-connected compensation rates since July 1, 1933. This chart, and the previous one on pensions, prove conclusively that in these two important segments of the veterans' program the Congress has acted in a generous and responsible manner.

HISTORY OF WARTIME SERVICE-CONNECTED COMPENSATION INCREASES

	Percent	July 1, 1933	+ Percent increase =	Jan. 19, 1934	+ Percent increase =	Public Law 312, 78th Cong., June 1, 1944	Public Law 182, 78th Cong., Oct. 1, 1945	+ Percent increase =	Public Law 662, 79th Cong., Sept. 1, 1946	+ Percent increase =	Public Law 339, 81st Cong., Dec. 1, 1949	+ Percent increase =	Public Law 356, 82d Cong., July 1, 1952
Sec. 314, title 38, subpar.—													
(a)	10	$9	11.1	$10	15	$11.50	--------	20	$13.80	8.7	$15	5	$15.75
(b)	20	18	11.1	20	15	23.00	--------	20	27.60	8.7	30	5	31.50
(c)	30	27	11.1	30	15	34.50	--------	20	41.40	8.7	45	5	47.25
(d)	40	36	11.1	40	15	46.00	--------	20	55.20	8.7	60	5	63.00
(e)	50	45	11.1	50	15	57.50	--------	20	{ 69.00 60.00 }	8.7	75	15	86.25
(f)	60	54	11.1	60	15	69.00	--------	20	82.80	8.7	90	15	103.50
(g)	70	63	11.1	70	15	80.50	--------	20	96.60	8.7	105	15	120.75
(h)	80	72	11.1	80	15	92.00	--------	20	110.40	8.7	120	15	138.00
(i)	90	81	11.1	90	15	103.50	--------	20	124.20	8.7	135	15	155.25
(j)	100	90	11.1	100	15	115.00	--------	20	138.00	8.7	150	15	172.50
Subpar. (s) (housebound cases) Public Law 86–663, effective Sept. 1, 1960	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
(l)	--------	150	--------	--------	33.3	--------	$200	20	240.00	--------	--------	--------	--------
(m)	--------	175	--------	--------	34.3	--------	235	20	282.00	--------	--------	--------	--------
(n)	--------	200	--------	--------	32.5	--------	265	20	318.00	--------	--------	--------	--------
(o)	--------	250	--------	--------	20.0	--------	300	20	360.00	--------	--------	--------	--------
(p)	--------	--------	--------	--------	--------	--------	300	20	360.00	--------	--------	--------	--------
Subpar. (r) "A and A" nonhospitalization, Public Law 85–782, effective Oct. 1, 1958	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
(k)	--------	25	--------	--------	40.0	--------	35	20	42.00	--------	--------	--------	--------
(q)	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------

	+ Percent increase =	Public Law 427, 82d Cong., Aug. 1, 1952	+ Percent increase =	Public Law 695, 83d Cong., Oct. 1, 1954	+ Percent increase =	Public Law 85–168, Oct. 1, 1957	+ Percent increase =	Public Law 87–645, Oct. 1, 1962	+ Percent increase =	Public Law 89–311, Oct. 31, 1965	Percent increase from Jan 19, 1934	Percent increase from June 1, 1944	Percent increase from Oct. 1, 1954
Sec. 314, title 38, subpar. —													
(a)	--------	--------	7.9	$17	11.8	$19	5.3	$20	5.0	$21	110.0	91.3	23.5
(b)	--------	--------	4.8	33	9.1	36	5.6	38	5.3	40	100.0	73.9	21.2
(c)	--------	--------	5.8	50	10.0	55	5.5	58	3.4	60	100.0	73.9	20.0
(d)	--------	--------	4.8	66	10.6	73	5.5	77	6.6	82	105.0	78.3	24.2
(e)	--------	--------	5.5	91	9.9	100	7.0	107	5.6	113	126.0	96.5	24.8
(f)	--------	--------	5.3	109	10.1	120	6.7	128	6.3	136	126.7	97.1	24.8
(g)	--------	--------	5.2	127	10.2	140	6.4	149	7.4	161	130.0	100.0	26.8
(h)	--------	--------	5.0	145	10.3	160	6.3	170	9.4	186	132.5	102.2	28.3
(i)	--------	--------	5.0	163	9.8	179	6.7	191	9.4	209	132.2	101.9	28.2
(j)	--------	--------	4.9	181	24.3	225	11.1	250	20.0	300	200.0	160.9	65.7
Subpar. (s) (housebound cases) Public Law 86–663, effective Sept. 1, 1960	--------	--------	--------	--------	--------	265	9.4	290	20.7	350	--------	--------	--------
(l)	10.8	$266	4.9	279	10.8	309	10.0	340	17.6	400	166.6	166.6	43.4
(m)	11.0	313	5.1	329	9.1	359	8.6	390	15.4	450	157.1	157.1	36.8
(n)	11.0	353	5.1	371	8.1	401	9.7	440	19.3	525	162.5	162.5	41.5
(o)	11.1	400	5.0	420	7.1	450	16.7	525	14.3	600	140.0	140.0	42.9
(p)	11.1	400	5.0	420	7.1	450	16.7	525	14.3	600	--------	--------	42.9
Subpar. (r) "A and A" nonhospitalization, Public Law 85–782, effective Oct. 1, 1958	--------	--------	--------	--------	--------	150	33.3	200	25.0	250	--------	--------	--------
(k)	11.9	47	--------	--------	--------	--------	--------	--------	--------	--------	88.0	88.0	00.0
(q)	--------	67	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	00.0

It will be my purpose as chairman to have hearings at an early date in the second session on an increase for service-connected compensation for our disabled veterans. They will be held after the report of the Presidential panel, announced in the President's message on January 31, 1967, which is due to make recommendations on a variety of veteran matters.

Mr. Speaker, I have no further requests for time.

Mr. ADAIR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 12555. This bill protects every veteran, widow, and child receiving monthly pension benefits and every dependent parent receiving service-connected survivors' benefits against any reduction or termination of pension or survivor benefits that might otherwise result from the social security increase passed by the House and Senate earlier this week. The Committee on Veterans' Affairs and its staff has devoted considerable time and effort to this important matter. Members of the Subcommittee on Compensation and Pension in particular are deserving of commendation for their careful consideration of the many alternative solutions represented in more than 100 bills introduced on this subject. The subcommittee received the views of the Nation's veterans' organizations, administration officials, and Members of Congress during public hearings in September of this year. The product of their exhaustive consideration of this subject as approved by the full Committee on Veterans' Affairs is set forth in the measure before the House today. This bill, in my judgment, proposes a fair and reasonable solution to the problem.

Since the possibility of a social security increase was first mentioned prior to the convening of this 90th Congress, Members have been deluged with mail from veterans and widows expressing apprehension that a modest increase in monthly social security benefits would trigger a far greater reduction in monthly veterans' pension benefits. Despite the fact that existing law prevented the reduction or termination of veterans' pension until the end of the calendar year in which the increased social security benefit was received, there was ample reason for apprehension. Under existing law, there are three income brackets for veterans or widows without dependents and three income brackets for veterans or widows with dependents, each entitling the pensioner to a different monthly rate of pension. Should a veteran or widow's income from sources other than pension fall within one of these three brackets, it entitled the pensioner to a specific rate of pension. A modest increase in social security could conceivably cause the veteran's income to exceed the limit of that income bracket. Thus, his monthly rate of pension would be reduced at the end of the calendar year to the rate payable for the higher income bracket. In most cases, the reduction in veterans' pension would be far greater than the increase in social security.

The bill before the House proposes to solve this problem by eliminating the three brackets of existing law and in their stead providing a range of 18 income levels for veterans and widows without dependents and 28 for those with dependents. The pension rate, of course, would vary at each income level. Thus, a modest increase in income would not result in a sharp reduction in pension benefits.

Notwithstanding the fact that this revised income scale contained in the proposed bill will prevent most pensioners from being adversely affected by the social security increase, the bill contains a protective provision which permits every pensioner receiving pension to receive the full social security increase without losing a single penny of their monthly veterans' pension benefits.

The bill, Mr. Speaker, contains several additional desirable features. It increases the maximum income limitations of all pension laws, the so-called old law as well as the new law, by $200. It relates the amount of pension payments more closely to financial need. It increases the monthly rate of pension for more than one million veterans, widows and children. It extends eligibility for pension to approximately 10,000 new pensioners. Most important, however, it establishes a somewhat permanent solution to this continually recurring problem for pensioners each time social security benefits are increased.

I urge that the bill be passed.

Now, Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Speaker, I rise in support of the bill, H.R. 12555. This bill will drastically revise the income limitations of current pension laws that determine the monthly rate of pension to which a veteran or widow may be entitled. In place of the three income brackets of existing law, the bill proposes to create 18 income brackets in increments of $100 for veterans and widows without dependents and 28 for those with dependents. Each of these $100 brackets will, of course, entitle the recipient to a different rate of pension. The obvious advantage of the new system is that a slight increase in income will not cause a sharp reduction in monthly pension benefits.

I am supporting this bill, Mr. Speaker, not only because it prevents any pensioner from suffering the reduction or termination of his veterans' pension that might otherwise result from the receipt of the social security increase, but I support it because it increases the monthly rate of pension for 1,170,743 veterans, widows and children. I must confess, however, that I am not entirely satisfied with two features of this bill. First, the bill provides, in some cases, a far greater increase to those with income than it provides for pensioners with no income. I recognize, of course, that once the new scale proposed by this bill is firmly established, it will more closely relate pension payments to need. It is most unfortunate, however, that we cannot in this instance provide the greatest increase to those who are most needy.

I am concerned, Mr. Speaker, that the bill does not provide the same protection against reduction or termination of pension to persons with income from other sources as it provides for the social security recipient. If, for example, the social security increase would ordinarily cause a reduction in monthly pension benefits, this bill protects the pensioner against such a reduction until 1970, and possibly longer. If a second veteran received an increase in his income at the same time and in the same amount, but from a source other than social security, then his pension would be reduced at the end of the calendar year in which the increased income was received. Believing that this discrimination should be eliminated from the bill, I proposed an amendment in committee that would have excluded increases in income from any source in the computation of income for pension purposes. Unfortunately, this amendment was rejected. I am pleased, however, that another amendment I was privileged to offer was accepted by the committee and is now part of the bill. This amendment has the effect of deferring until the end of the calendar year in which a change in income occurs, any reduction or termination of pension payments resulting from an increase in income from any source. Despite these inequities, Mr. Speaker, I believe the bill before the House today is a good bill. As a member of the Subcommittee on Compensation and Pension, I can personally attest to the diligence with which members of the subcommittee tackled this longstanding problem. I urge that the bill be passed.

Mr. ADAIR. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. FINO].

Mr. FINO. Mr. Speaker, I rise in support of H.R. 12555 because it will accomplish two very important objectives.

First, it will provide an increase for non-service-connected pensions for approximately 1 million veterans, widows, and children, and

Secondly, it will restructure our veterans' pension system with respect to income limitations.

Under the present setup, eligibility for veterans' pension depends on the level of other income. If a veteran's income is below a certain amount, he qualifies for a full pension. However, as his income increases the amount of his pension decreases.

Given this arrangement, social security and other income changes often work to reduce a veteran's pension by a greater sum that is represented by the social security increase. This is exactly what the House Veterans' Committee is trying to correct. I think this legislation now before us does the job.

Under this proposal, a veteran's pension will depend on which of 18 income brackets he falls under. By taking this approach, we have cushioned the impact that a few additional dollars of outside income can have on his pension.

Perhaps of more immediate concern to many affected veterans is the exemption this bill will provide for the proposed social security increases. In a nutshell, the new social security increases will not count towards income ceilings, so that no veteran's pension will be reduced because of such increases. This is very important.

However, I regret the action taken by our committee in adopting an amendment which proposes to phase this protection out over a period of 2 years. Thus, while the social security hike will not affect veterans pensions during 1968 and 1969, it will thereafter. Under this amendment, half of the social security increase will count as outside income in 1970, thereby reducing the veterans pension benefits. And by 1971, the entire increase will count as outside income thereby further reducing the veteran's pension. Fortunately because of the new scale, the adjustment will be small.

Frankly, this does not make sense to me because the social security increases are based on the rise in cost of living. It is not fair to give cost-of-living increases on the one hand and then take it back on the other hand. If anything inflation is going to get worse—not better. The budget difficulties of our veterans will increase not decrease. I feel that this idea of phasing out social security increases is most unfair. I should emphasize however that the scale based on $100 steps will greatly minimize the problem in the future.

Of course, on balance, I intend to vote for this bill because it is at least a step in the right direction.

Mr. Speaker, I had intended to speak about 10 or 15 minutes in support of this legislation because I think it is very important. But in view of the fact that today is my birthday, I want to get back home and to my wife to celebrate my birthday.

Mr. DORN. Mr. Speaker, I rise in support of H.R. 12555 and urge the House to adopt this timely legislation by an overwhelming vote.

It has been a great honor and privilege to serve as chairman of the Subcommittee on Compensation and Pensions which held hearings and reported this bill. I want to pay tribute to each member of the subcommittee—Mr. KORNEGAY, Mr. ROBERTS, Mr. HANLEY, Mr. SAYLOR, Mr. FINO, and Mr. SCOTT. I have never worked with a more cooperative subcommittee in my 19 years in the Congress.

We have watched with keen interest the passage of the social security bill providing for an increase in social security benefits. Mr. Speaker, I supported that legislation. This bill is necessary in order that no veteran or widow drawing a non-service-connected pension will lose even $1 of that pension because of an increase in social security benefits.

This legislation is supported by all of our veterans organizations. The veterans and widows who are in receipt of non-service-connected pensions have expressed a great fear that the proposed increase in social security benefits will cause a greater reduction in their pension paid by the Veterans' Administration than the increase they will receive in their social security payments. I am pleased to support H.R. 12555 as it will prevent this from happening. This bill, also, provides protection for dependent parents who receive dependency and indemnity compensation.

This bill will provide another $120 million for veterans, their widows and dependents. It will provide an increase of $200 in the present income limitation for the non-service-connected pension program as well as the D.I.C. program for dependent parents of veterans who died from service-incurred disabilities. This $200 increase will exceed the maximum increase a person will receive in his social security payment; therefore, no person can lose his pension because of the social security increase if H.R. 12555 is approved.

Mr. Speaker, I wish to emphasize that this $200 increase in income limitations applies to the so-called "old law" pension as well as the new law. Under this bill the income limitation for the old law would be $1,600, rather than $1,400, for veterans and widows without dependents and $2,900, rather than $2,700 for veterans and widows with dependents.

One of the complaints of the present pension program, has been that because of its income limitation structure, a person could be placed in a higher income bracket by a slight increase in his income which would result in a far greater reduction in his pension than the increase he had received. H.R. 12555 will eliminate this possibility by replacing the present three step income bracket with income steps in $100 increments. This is probably the most worthwhile provision of the bill.

This bill will not only assure the protection of present pension rates, even though the veteran or widow receives an increase in their social security benefits, but also provides an increase, effective January 1, 1969, in the pension rate for about one million and two hundred thousand persons who are now receiving non-service-connected pensions.

Mr. DONOHUE. Mr. Speaker, there is no question that the substantial intent and design of this bill before us, H.R. 12555, is meritorious in principle and I, therefore, hope the House will overwhelmingly approve it at this time.

The basic purpose of this proposal is to avoid the obvious contradiction and injustice that would be imposed upon veterans and their dependents by reason of inordinate reductions in veterans' pensions which would, without this legislation inevitably follow because of increases in monthly social security benefits.

In other words, it is designed to prevent the situation that has been aptly described as: "The Government giving a little with one hand and taking away much more with the other."

By the adoption of this legislation, we will also be fulfilling a commitment that was inherent in our previous legislative actions affecting social security increases and the benefits granted to our war veterans, their dependent parents and immediate family dependents. Actually this measure under consideration is in accord with the expressed pledge contained in the language of the conferees on S. 16, adopted here last August 17 when it was promised: "To assure that any increase in social security payments which might result from enactment of H.R. 12080 will not result in a reduction of combined income from Veterans' Administration pension, dependency and indemnity compensation, and social security or in the removal of any person from the Veterans' Administration rolls."

Of course, Mr. Speaker, there is no pretense that this bill is perfect and that it will immediately prevent any and every inequity from being visited upon our veterans and their dependents but it is admittedly a real forward step in our proper legislative concern for our veterans and their families.

As the complicated procedures and application of this bill are observed we will have the opportunity, from such experience, to make further corrections and revisions whenever warranted and I am certain all Members stand pledged to do so at the appropriate time in the future. Meanwhile let us accept and approve this measure without extended delay.

Mr. DULSKI. Mr. Speaker, I am happy to support this bill, H.R. 12555, which was unanimously reported by the Committee on Veterans' Affairs last Tuesday.

Months ago I introduced H.R. 3754, which had as its purpose the increase of income limitation applicable to non-service-connected pensions. The bill which we are considering today is more comprehensive and deals with this recurring situation on a long-term basis.

The committee bill may be described as increasing the income limitations by $200 for both the old and new cases. It increases the rates of pension and protects those individuals who have increased income as a result of the Social Security Amendments of 1967.

The bill, as reported, greatly increases the number of income levels, making adjustments for each $100 change in income level, instead of the much wider brackets under existing law. It is best described as a multilevel bill which will be much more sensitive in measuring need—the basic criteria in determining eligibility for non-service-connected penson.

I think it is important to note, too, that our committee on Veterans' Affairs has acted promptly and responsibly in reporting this bill to avoid interim hardship cases.

Mr. Speaker, I want to especially commend our chairman, the gentleman from Texas [Mr. TEAGUE] for his leadership in dealing with this important matter.

In order to protect the hardship cases, the bill now under consideration would be effective immediately following the first payment of increased social security benefits next spring.

It is good to know that the major veterans organizations—the American Legion, Veterans of Foreign Wars, Disabled American Veterans, AMVETS, and Veterans of World War I—all support the concept of the bill which we are acting upon.

When the increased rates of pension are payable, it will certainly make life somewhat easier for those who are in the lower income brackets. This has been the primary concern of all members of the committee in seeing that those who have the greatest need receive the greatest consideration.

Mr. LANGEN. Mr. Speaker, I heartily support H.R. 12555, to amend the income limitation provisions applicable to veterans and widows of veterans receiving non-service-connected disability pensions under chapter 15 of title 38, United States Code.

The current earnings limitations have remained unchanged since 1959, while substantial increases in both wages and prices have occurred. During the same period of time, proper recognition was made of increasing wages and prices on pension systems such as social security. The earning limitations were subsequently liberalized three times in the past 8 years for social security pensioners. Surely our veterans and their dependents need similar treatment.

It would be most unfair for this Congress to increase both social security and veteran benefits, only to fail to finish our job by allowing thousands of pensioners to actually receive less instead of more. For the past number of years, we have been faced with the knowledge that relatively small social security payment increases will often result in substantial reductions in veterans' non-service-connected pensions, and will leave these veterans, their widows or other dependents with even less income than they presently receive. We have but to look at last year to confirm this fact.

I am sure that every Member of Congress has a fairly large file of correspondence from concerned people who have been personally affected by congressional oversight in changing the language of the law. Your letters undoubtedly run along the lines of those received in my office.

Wrote one veteran:

> This past raise I've had less than I had before.

Another wrote:

> The way it stands right now a gain of $200 per year will cause us to lose $900 in veterans' pension.

From a World War I veteran:

> We need some financial help due to the increase in taxes and living costs. If I get a raise I will lose half of my pension unless I get a raise in income limitations.

These are typical of the letters I have received. They offer real evidence of the need to not only provide these people with cost-of-living increases due to the effects of inflation, but to make sure they do not end up with less instead of more.

One of the reasons, of course, for the sharp pension reductions some veterans or their dependents suffer is the fact that there are so few steps in the tables of income limits. By increasing the number of steps by which the income can be raised, and reducing the benefits by smaller amounts for each step up, we can be secure in the knowledge that future increases in social security benefits will not result in other pension reductions that wipe out benefits.

I respectfully urge favorable consideration of this bill.

Mr. ST GERMAIN. Mr. Speaker, I rise today in support of the bill—H.R. 12555—to amend title 30 of the United States Code to liberalize the provisions relating to payment of pensions.

This legislation, which is timely and greatly needed, proposes protective provisions for persons whose monthly Veterans' Administration payments would be affected by increases in retirement benefits. It will assure that no person will have less income—combined retirement and pension payments—after an increase in the retirement benefit than he had before.

In other words, Mr. Speaker, it will avoid the sad occasion of the Government giving a little with one hand—increased social security benefits—and taking away much more with the other—reducing veteran pension by an amount greater than the increase in social security benefits.

On March 16, I stated before the House Ways and Means Committee during its consideration of the social security benefits of 1967, that:

> This practice of giving and taking away has particular relevance to our pensioned veterans. On the one hand we increase Social Security Benefits and, because of this increase in income, on the other hand a veterans pension is reduced by a greater amount than the increase in Social Security Benefits. Thus, he would have been better off had the increase not been given.

I went on to further state:

> Because of this problem which confronts so many veterans, I introduced a bill, H.R. 11585, in the 89th Congress to provide that certain Social Security Benefits be waived and not counted as income for veterans receiving pensions. I would like to see this concept incorporated into the Social Security legislation now being considered by this Committee. I think that we are too indebted to our veterans to allow a so-called increase in Social Security benefits to cause a greater reduction in their veteran pensions.

Therefore, in view of the aforementioned, you can well understand, Mr. Speaker, why I strongly support the legislation before this body today.

Mr. TEAGUE's bill will provide assurance for the future that no pensioner under the current program would receive less in combined benefits after an increase in any retirement payments than he received before.

I urge that all my colleagues join me in supporting this timely and greatly needed legislation.

Mr. KORNEGAY. Mr. Speaker, since the day that Congress began the consideration of proposals to increase social security benefits, there has been much apprehension among recipients of non-service-connected pensions that such action could cause them to lose their pensions from the Veterans' Administration as the payment of the pension is based upon the person's annual income. I know that the Members of Congress have been most desirous to take action which will assure that pensions are not reduced. This may be accomplished by the passage of H.R. 12555 which we have before us today; therefore, I strongly support this bill and urge its speedy approval.

The solution provided by H.R. 12555 is only one of the various steps that could be taken to accomplish what I believe we all desire. The important thing is that it solves the problem and I feel in a very equitable manner.

I understand that under the proposed social security increase, the maximum income a person will receive does not exceed $200 a year. Therefore, to assure that no veteran or widow in receipt of a non-service-connected pension will lose their pension because of the social security increase, H.R. 12555 increases the annual income limitation for the pension program from $1,800 to $2,000 for the widow or veteran without dependents and from $1,300 to $3,200 for the veteran or widow with dependents. I wish to also emphasize that the so-called "old law" pension is not overlooked, and the income limitation of $1,400 for veterans and widows without dependents is increased to $1,600, and the $2,700 income limitation for veterans or widows with dependents is increased to $2,900.

Another important feature of the bill is the replacement of the present three step income bracket for the payment of benefits with a new income formula of income steps in increments of $100. This will eliminate the possibility of a pensioner receiving a severe reduction in his monthly pension because of a slight increase in his income that caused him to be placed in a higher income bracket. Because of the many income steps provided by H.R. 12555, hereafter, if a claimant receives an increase in his income from any source, the reduction in his monthly pension because of being in a higher income bracket will be very small and hardly noticeable.

Under the existing law, receipt of an increase in retirement income during the year would not affect a person's pension until the next calendar year. This bill will expand this provision of the law to include any type of income.

Not only will this bill assure the protection of present non-service-connected pensions because of the proposed social security increase, but not to be overlooked is the fact that effective January 1, 1969 it provides a substantial increase in the pension rates for about 1,200,000 persons now in receipt of non-service-connected pension.

I wish to also point out, Mr. Speaker, that the protection provided for pensions is also provided for dependent parents receiving dependency and indemnity compensation as the income limitation for this program is also increased by $200.

Mr. DUNCAN. Mr. Speaker, I support this legislation, although I would have liked to have seen the bill broadened to cover increased income across the board for all veterans, not just those who receive social security benefits.

Such an amendment was offered in committee but it was defeated.

I offered an amendment in committee that all veterans 72 years of age or older, with an income of less than $3,300, would be considered for pension purposes as having no income. I thought this amendment fair and equitable, because a social security recipient 72 years of age or older has no income limitations.

This amendment also did not receive favorable passage in the Committee on Veterans' Affairs.

Mr. Speaker, it appears to me that our older veterans have been made the whipping boy of this Congress. At a time when it seems that we spend billions of dollars on foreign aid and every conceivable new welfare program is funded almost without prudence and good judgment, it seems that we should do a little for the men who gave so much for their country.

Mr. ZABLOCKI. Mr. Speaker, in these final hours of the first session of the 90th Congress, the House of Representatives has been called upon to take final action on a number of important legislative measures.

Despite this effort to adjourn, however, this body has taken the time to deal with a problem of intense concern to more than one million American veterans.

That problems is one of maintaining parity in the level of the pensions given to our Nation's veterans.

The Social Security Act amendments passed this week and sent to the President for signature raised social security pension by 13 percent across the board.

Yet many of our veterans—certainly those who most need such increases—would not have enjoyed the benefits. The veterans' pension laws would require that pensions received by needy veterans be reduced by 90 percent of the amount of the social security pension increase.

Clearly, this would have worked hardship and injustice on those who have given much for our Nation in the armed services.

The need for a legislative remedy to this situation has been clear to many of us. Credit for the measure now before us must go to the distinguished chairman of the House Veterans' Affairs Committee [Mr. TEAGUE], and the members of his committee.

They have labored hard to bring to the Floor of the House a bill, H.R. 12555, to adjust the income limits and rates for those receiving non-service-connected pensions. At the same time they have increased service connected dependency and indemnity compensation for dependent parents.

This legislation will insure that the veterans receiving veterans' pension and social security benefits will receive the full increase from the new social security scales.

The House should swiftly approve the committee bill. We will, by this action, insure that our needy veterans will have a much brighter and more prosperous Christmas.

As we end this long and weary session—and turn our thoughts to being home for the holidays—we will be able to take satisfaction in knowing that those who have given most to preserve our Nation and its traditions will receive their full and fair share of pension benefits.

Mr. REES. Mr. Speaker, when the original foreign assistance and related agencies appropriation act of 1968 was approved by Congress I had serious misgivings. Today I very reluctantly voted for the conference committee report on this act and I would again like to reassert my reluctance and repeat my original objections.

I very reluctantly voted for the Foreign Assistance and Related Agencies Appropriation Act, 1968. Practically the only reason I could think of for voting for this emasculated appropriation bill is that some vehicle is necessary to keep a concept of foreign aid alive. The bill represents a drastic and dangerous $1 billion cut from recommendations made by the administration and is an attempt by the Appropriations Subcommittee on Foreign Operation to write policy matters which rightly should be dealth with by the Committee on Foreign Relations or the executive branch of Government.

Today we are spending nearly $30 billion a year fighting the war in Vietnam. I can think of no greater insurance policy against this type of involvement than our foreign aid program by which we hope to help the emerging nations of the world. At a time when we should be doubling our commitment, we are making shortsighted cuts. The foreign aid program has changed in scope a great deal during the past few years. The major emphasis now is in low-interest loans for such major projects as creating and conserving water resources, conservation, power development, internal communications, and food production.

Together with the loan program we also have a technical assistance program supplying brain power which these countries need to adequately develop their resources. In our own hemisphere the commitment we made for the Alliance for Progress is being watered down drastically. It is my prediction that if this trend of emasculating our foreign aid obligations continues, the problems we have in Vietnam will be multiplied throughout the underdeveloped areas of this world. The schism of the future will not be between Communist and capitalist nations, but between the developed and underdeveloped countries and, to prevent this, there must be a strong commitment from all developed nations to give basic aid to these less fortunate countries. Only in this way can we reverse this disastrous trend of the rich nations becoming richer and the poor nations becoming even poorer.

The Foreign Assistance Appropriation Act is deplorable, and in voting for this act I do so with the hope that sanity might be restored in the Senate-House conference committee.

Mrs. DWYER. Mr. Speaker, the present bill is an exercise in simple justice and equity for veterans and their dependents, and I support it wholeheartedly.

H.R. 12555 would revise the present structure of pensions and other compensation administered by the Veterans' Administration in order to assure that beneficiaries confronted in the future with increases in retirement-type income will never be disadvantaged by a disproportionate decrease in VA benefits.

The bill is especially relevant to the increases in social security benefits just approved by the Congress. Without the protection afforded by H.R. 12555, most VA beneficiaries who are also on the social security rolls would find their veterans benefits immediately reduced by virtue of the income limitation provisions of the present law. In effect, the bill suspends the limitations through 1969 and reapplies them gradually in 1970 and 1971.

While the bill does not remove such income limitations, the transition it provides from a simple three-level income increment system to a more sophisticated multi-level system for determining benefit rates will assure fair treatment to all. The pending bill, too, preserves the existing 10-percent exclusion of retirement income in determining eligibility for VA benefits. It offers a modest liberalization of income limitations and rates of payment. It eases the effect on benefits of increases in other income. And it continues the principle that the greatest benefits go to persons in greatest need.

Of first importance, however, the legislation will accomplish these two fundamental purposes: It will prevent situations in which an increase in Federal retirement benefits would result in an even greater decrease in VA benefits; and it will assure that no increase in social security benefits would result in a reduction of combined VA-social security benefits.

In brief, this bill will end once and for all situations in which the Government gives a little with one hand and takes away much more with the other.

Mr. RANDALL. Mr. Speaker, I enthusiastically support the provisions of this bill, which makes it certain that no person will receive a reduction in his pension or in dependency and indemnity compensation because of the increases in benefits under the social security bill the Congress sent to the President this week.

The bill now before us will increase the rate of non-service-connected pensions for more than 1 million individuals now receiving benefits by reason of service to their country in the Armed Forces. It also permits payment of pensions for the first time to 10,275 people because of new overall maximum income limitations. All of these cases will receive pension benefit in addition to the 1967 social security increases, which I understand will begin with the February 1968 checks.

Present law provides for three pension income limitations for veterans and three for widows. The bill now before the House provides a range of 18 income levels for veterans and widows without dependents and 28 for those with dependents. Maximum income allowable for receipt of pension is increased from $1,800 to $2,000 for veterans or widows without dependents and from $3,000 to $3,200 for those with dependents.

Veterans and widows who continue to receive pensions under laws in effect before July 1960, who have never made an election to receive under existing law will receive an increase in income limitation in the amount of $200—from $1,400 to $1,600 for those without dependents, and from $2,700 to $2,900 for those with dependents.

Mr. Speaker, this is the season of the year when many of us may be charitably disposed. But there is no charity in this bill. A vote for H.R. 12555 is nothing more than simple acknowledgment of a tremendous debt of gratitude free Americans owe to the veterans of the Armed Forces who have fought and died to keep us free. I can and will cheerfully vote for this bill and I hope that it passes unanimously.

Mr. DOLE. Mr. Speaker, I wholeheartedly support the bill H.R. 12555, not only because it increases the rate of non-service-connected pensions, but also because it increases the overall maximum income limitations.

This bill protects every veteran, widow, and child receiving monthly VA pension benefits against reduction or termination of such benefits that might result from the social security increase passed by Congress earlier in the week.

During the opening days of the 90th Congress, I introduced a bill, H.R. 3952, to rectify an injustice affecting many, many veterans whose pensions were reduced as a result of the modest social security increase voted by the 89th Congress.

Mr. Speaker, in most instances, these veterans received a social security annuity which placed them slightly under one of the income limits established by law for entitlement to a certain rate of pension. When the social security increase, though slight, was approved, it was sufficient to put the veteran in a higher income bracket, thus reducing or terminating his payments. Though the amount varied with the individual case, I understand that each of the more than 29,000 veterans concerned lost considerably more in pension than he gained in social security.

H.R. 12555, fortunately, insures that there will be no repetition of the incidents referred to where veterans lost income by the increase voted by Congress in social security.

The bill contains several additional desirable features. It increases the maximum income limitations of all pension laws, the so-called old law as well as the new law, by $200. It relates the amount of pension payments more closely to financial need. It increases the monthly rate of pension for more than 1 million veterans, widows, and children. It extends eligibility for pension to approximately 10,000 new pensioners. Most important, however, it establishes a somewhat permanent solution to this continually recurring problem for pensioners each time social security benefits are increased.

Mr. GILBERT. Mr. Speaker, I strongly support H.R. 12555, to amend the income limitation provisions for veterans and widows of veterans receiving non-service-connected disability pensions. This legislation is needed. The earnings limitations have been liberalized for recipients of social security benefits. Our veterans and their dependents should have similar consideration.

This bill increases the rates of pensions and protects individuals who have increased income as a result of the recently enacted social security amendments. It increases the number of income levels making adjustments for each $100 change in income level instead of the much wider brackets existing under present law. Both social security benefits and veterans benefits have been increased in this Congress. The sad result, if we did not increase the income limitation, would be that thousands of pensioners would actually receive less instead of more. It does not make sense for a veteran to receive a raise or a social security increase, only to lose twice that amount, or even more, in his veterans pension.

H.R. 12555 creates a new method of payment based on $100 increments so that in the future when a veteran gets a raise in income from any source, it will have only a minimum effect on his pension payment. It becomes effective January 1, 1969, and in the meantime, there are provisions in the bill to protect all pensioners through 1968 and social security recipients are given protection while getting the new system installed and putting it into effect. Income limits are raised so a veteran will not go off the pension system solely as a result of his raise in social security.

Mr. Speaker, I am pleased the Veterans Affairs Committee acted promptly to bring this bill to the House for a vote before adjournment of this session. I shall vote for the bill and I urge my colleagues to do likewise.

GENERAL LEAVE TO EXTEND

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill H.R. 12555.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ADAIR. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion of the gentleman from Texas that the House suspend the rules and pass the bill, H.R. 12555, as amended.

Mr. ADAIR. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 353, nays 0, not voting 80, as follows:

[Roll No. 447]

YEAS—353

Abernethy
Adair
Addabbo
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Ashmore
Aspinall
Ayres
Baring
Barrett
Battin
Belcher
Bell
Bennett
Berry
Betts
Bevill
Biester
Bingham
Blackburn
Blanton
Blatnik
Boggs
Boland
Bolton
Bow
Brademas
Brasco
Bray
Brinkley
Brock
Brooks
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson
Burton, Calif.
Burton, Utah
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Carey
Carter
Casey
Cederberg
Chamberlain
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cohelan
Collier
Conable
Conte
Conyers
Corman
Cowger
Cramer
Culver
Cunningham
Curtis
Daddario
Daniels
Davis, Ga.
Davis, Wis.
de la Garza
Dellenback
Denney
Dent
Derwinski
Diggs
Dingell
Dole
Donohue
Dorn
Dow
Dowdy
Downing
Dulski
Duncan
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fallon
Farbstein
Fascell
Feighan
Findley
Fino
Fisher
Flood
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Fountain
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Galifianakis
Gallagher
Garmatz
Gathings
Gettys
Giaimo
Gibbons
Gilbert
Gonzalez
Goodling
Gray
Green, Oreg.
Green, Pa.
Gross
Grover
Gubser
Gude
Hagan
Haley
Hall
Halpern
Hamilton
Hammerschmidt
Hanley
Hansen, Idaho
Hansen, Wash.
Harvey
Hathaway
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Holifield
Holland
Horton
Howard
Hull
Hunt
Hutchinson
Ichord
Irwin
Jacobs
Jarman
Joelson
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, N.C.
Karsten
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
Kirwan
Kleppe
Kluczynski
Kornegay
Kyl
Kyros
Laird
Landrum
Langen
Latta
Leggett
Lennon
Lipscomb
Lloyd
Long, La.
Long, Md.
McCarthy
McClory
McCloskey
McClure
McCulloch
McDade
McDonald, Mich.
McEwen
McMillan
Macdonald, Mass.
MacGregor
Machen
Madden
Mahon
Mailliard
Marsh
Mathias, Calif.
Matsunaga
May
Mayne
Meeds
Meskill
Miller, Ohio
Mills
Minish
Mink
Minshall
Mize
Monagan
Montgomery
Moore
Moorhead
Morgan
Morse, Mass.
Morton
Mosher
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neal, Ga.
O'Neill, Mass.
Ottinger
Passman
Patten
Pelly
Pepper
Perkins
Pettis
Philbin
Pickle
Pike
Pirnie
Poage
Poff
Pollock
Pool
Price, Ill.
Price, Tex.
Pryor
Purcell
Quie
Quillen
Railsback
Randall
Rarick
Reid, Ill.
Reid, N.Y.
Reifel
Rhodes, Ariz.
Riegle
Rivers
Robison
Rodino
Rogers, Fla.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roth
Roudebush
Roush
Roybal
Rumsfeld
Ruppe
Ryan
St Germain
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Scheuer
Schneebeli
Schweiker
Schwengel
Scott
Selden
Shriver
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Okla.
Snyder
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Stuckey
Taft
Taylor
Teague, Tex.
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Tiernan
Tunney
Udall
Ullman
Utt
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Waldie
Walker
Wampler
Whalen
Whalley
Whitener
Whitten
Widnall
Wiggins
Williams, Pa.
Wilson, Charles H.
Winn
Wolff
Wright
Wydler
Wylie
Wyman
Yates
Young
Zablocki
Zion
Zwach

NAYS—0

NOT VOTING—80

Abbitt
Adams
Annunzio
Arends
Ashbrook
Ashley
Bates
Bolling
Broomfield
Brown, Calif.
Celler
Colmer
Corbett
Dawson
Delaney
Devine
Dickinson
Dwyer
Edmondson
Edwards, La.
Everett
Evins, Tenn.
Fulton, Tenn.
Fuqua
Gardner
Goodell
Griffiths
Gurney
Halleck
Hanna
Hardy
Harrison
Harsha
Hébert
Herlong
Hicks
Hosmer
Hungate
Jones, Mo.
King, Calif.
King, N.Y.
Kupferman
Kuykendall
Lukens
McFall
Martin
Mathias, Md.
Michel
Miller, Calif.
Morris, N. Mex.
Nichols
Patman
Pucinski
Rees
Reinecke
Resnick
Reuss
Rhodes, Pa.
Roberts
Rogers, Colo.
Rostenkowski
St. Onge
Shipley
Sikes
Sisk
Stratton
Sullivan
Talcott
Teague, Calif.
Tenzer
Tuck
Watkins
Watson
Watts
White
Williams, Miss.
Willis
Wilson, Bob
Wyatt

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Arends.
Mr. St. Onge with Mr. Halleck.
Mr. Annunzio with Mr. Dickinson.
Mr. Miller of California with Mr. Corbett.
Mr. Nichols with Mr. Martin.
Mr. Evins of Tennessee with Mr. Michel.
Mr. Sikes with Mr. Gurney.
Mr. McFall with Mr. Broomfield.
Mr. King of California with Mr. Teague of California.
Mr. Tenzer with Mr. Reinecke.
Mr. Adams with Mr. Harrison.
Mr. Delaney with Mr. Bates.
Mr. Celler with Mrs. Dwyer.
Mr. Hicks with Mr. Mathias of Maryland.
Mr. Stratton with Mr. Bob Wilson.
Mr. Shipley with Mr. Talcott.
Mr. Rostenkowski with Mr. Ashbrook.
Mr. Rhodes of Pennsylvania with Mr. Devine.
Mr. Fuqua with Mr. Gardner.
Mr. Pucinski with Mr. Goodell.
Mr. Roberts with Mr. Lukens.
Mrs. Griffiths with Mr. King of New York.
Mr. Watts with Mr. Kuykendall.
Mr. Patman with Mr. Hosmer.
Mr. Everett with Mr. Kupferman.
Mr. Edwards of Louisiana with Mr. Harsha.
Mr. Fulton of Tennessee with Mr. Wyatt.
Mr. Resnick with Mr. Watkins.
Mr. Reuss with Mr. Watson.
Mr. Rees with Mr. Dawson.
Mr. Colmer with Mr. Brown of California.
Mr. Morris of New Mexico with Mr. Ashley.
Mr. Abbitt with Mr. Willis.
Mrs. Sullivan with Mr. Tuck.
Mr. Hungate with Mr. Williams of Mississippi.
Mr. Hardy with Mr. Hanna.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT OF THE COMMITTEE TO NOTIFY THE PRESIDENT

The SPEAKER. The Chair will receive a report.

Mr. ALBERT. Mr. Speaker, your committee appointed to join a committee of the Senate to inform the President that the Congress is ready to adjourn, and to ask him if he has any further communications to make to the Congress, has performed that duty.

The President has directed us to say that he has no further communication to make to the Congress, but congratulates it upon a great job done.

PROVISION FOR SINE DIE ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I offer a concurrent resolution.

The Clerk read as follows:

H. CON. RES. 604

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress shall adjourn on Friday, December 15, 1967, and that when they adjourn on said day, they stand adjourned sine die.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE PRESIDENT PRO TEMPORE OF THE SENATE AUTHORIZED TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS DULY PASSED BY THE TWO HOUSES AND FOUND TRULY ENROLLED

Mr. ALBERT. Mr. Speaker, I offer a concurrent resolution.

The Clerk read as follows:

H. CON. RES. 605

Resolved by the House of Representatives (the Senate concurring), That, notwithstanding the sine die adjournment of the two Houses, the Speaker of the House of Representatives and the President of the Senate be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK OF THE HOUSE TO RECEIVE MESSAGES FROM THE SENATE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that notwithstanding the sine die adjournment of the House, the Clerk be authorized to receive messages from the Senate.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

AUTHORIZING THE SPEAKER OF THE HOUSE TO ACCEPT RESIGNATIONS, APPOINT COMMISSIONS, BOARDS, AND COMMITTEES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the first session of the 90th Congress, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION FOR CHAIRMEN AND RANKING MINORITY MEMBERS OF STANDING COMMITTEES AND SUBCOMMITTEES TO EXTEND REMARKS AND INCLUDE SUMMARIES OF COMMITTEE WORK

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the chairman and ranking minority member of each standing committee and each subcommittee thereof be permitted to extend their remarks in the RECORD, up to and including the last publication thereof, and to include therewith a summary of the work of that committee or subcommittee.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

REPORTS OF THE 90TH CONGRESS, FIRST SESSION, FOLLOWING SINE DIE ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that reports filed with the Clerk following the sine die adjournment by committees authorized by the House to conduct investigations may be printed by the Clerk as reports of the 90th Congress.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS UNTIL LAST EDITION OF CONGRESSIONAL RECORD

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that all Members of the House shall have the privilege, until the last edition authorized by the Joint Committee on Printing is published, to extend and revise their own remarks in the CONGRESSIONAL RECORD on more than one subject, if they so desire, and may also include therein such short quotations as may be necessary to explain or complete such extensions of remarks; but this order shall not apply to any subject matter which may have occurred, or to any speech delivered subsequent to the adjournment of Congress.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE LATE HONORABLE MILTON W. GLENN

The SPEAKER. The Chair recognizes the gentleman from New Jersey [Mr. SANDMAN].

Mr. SANDMAN. Mr. Speaker, it is with deep sorrow that I announce to the House today the death of Milton W. Glenn who represented the Second Congressional District of the State of New Jersey for 8 years.

His public service stretched over more than a quarter of a century having served at the municipal level and having served for many years in the State Legislature of New Jersey. He was a warm personal friend of mine.

The area I come from has suffered a great loss and so has the State of New Jersey and the country at large.

STATEMENT TO STRENGTHEN THE U.S. TRAVEL SERVICE

Mr. PEPPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PEPPER. Mr. Speaker, on January 26 of this year, I introduced a bill, H.R. 3934, which was designed substantially to increase our national effort to attract additional travellers from abroad to our shores, and specifically to strengthen the U.S. Travel Service. My bill, in brief, would amend the International Travel Act of 1961, which created the U.S. Travel Service, in the following ways.

It would increase the authorizations of the Service from $4,700,000 to $15,000,000 annually.

It would establish an Office of Travel Program Coordination to assist the Secretary of Commerce in coordinating the programs of the various Federal agencies.

It would, in addition, provide for a National Tourism Resources Review Commission to be composed of 15 members appointed by the Secretary to: First, determine domestic travel needs of U.S. citizens and of visitors to the year 1980; second, determine travel resources to meet these needs; third, determine policies and programs to insure that these domestic travel needs are adequately and efficiently met; fourth, determine a recommended program of Federal assistance to the States in promoting domestic travel; and fifth, determine whether a separate Federal agency should be established to consolidate and coordinate tourism. Reflecting this emphasis on the needs of both domestic and foreign travellers in our 50 States, the International Travel Act would be redesignated as the International and Domestic Travel Act.

I should like to stress that at the present time the need for this legislation, particularly as it relates to encouraging visitors from abroad, has grown substantially since I introduced H.R. 3934 nearly 11 months ago. Our balance-of-payments deficit remains one of our most serious problems of national economy policy and one which may well become even more serious as a result of Britain's devaluation of the pound. In 1966 our overall deficit—on a liquidity basis—amounted to $1,357 million, most of which occurred during the second half of the year. While the deficit for the first half of 1967, at $428 million, is well below the $1,161 million for the second half of 1966, it is substantially above the $196 million for the first half of 1966.

One of the most important factors contributing to this deficit is the travel component. Expenditures of Americans beyond our borders have for decades exceeded those of foreigners in the United States, but the disparity has grown alarmingly. In 1966 the transportation and travel deficit amounted to $1.4 billion, or about the same as the overall deficit. For the first 6 months of 1967 the transportation and travel deficit amounted to $728 billion compared to $569 million for the first half of 1966. This $728 billion deficit is the result of Americans spending $2,804 million on travel and transportation abroad as against foreigners spending on American transportation and travel $2,086 million.

All of us will agree that this deficit is serious and that we must take steps, promptly and vigorously, to correct it. We will also agree that a very poor way to correct it is to put additional restrictions on American travel abroad. This leaves as the practical and positive alternative the encouragement of more visits and travel by foreigners in this country and on American planes and ships. This is what my bill, H.R. 3934, is designed to help bring about.

It is also, I am gratified to note, a principal motive in the appointment by the President, as he announced last month, on November 16, of an Industry-Government Special Travel Task Force "to make specific recommendations as to how the Federal Government can best increase foreign travel to the United States and thereby improve our balance of payments."

The chairman of this task force, which is to make its recommendations to the President by the early part of next summer, is Robert M. McKinney. Mr. McKinney was formerly U.S. Ambassador to Switzerland and a member of the earlier Balance of Payments Task Force which recommended ways of promoting foreign investment in the United States. Among the distinguished members of the new Travel Task Force are Gov. John A. Burns of Hawaii; Howard Clark, president of the American Express Co.; Frank N. Ikard, president of the American Petroleum Institute; Charles S. Murphy, Chairman of the Civil Aeronautics Board; and John W. Black, Director of the U.S. Travel Service in the Department of Commerce.

The purposes of this task force were admirably stated in the President's announcement of November 16, as follows:

> President Johnson has asked that the Special Travel Task Force do more than prepare a program that will meet our balance of payments objectives. The President has asked that the Special Travel Task Force build into its program ways and means that will insure that more and more foreign visitors truly learn to know our country and our people. It is the view of the President that increased opportunities for contacts between Americans and visitors to the United States will inevitably and beneficially broaden the areas of mutual understanding between the peoples of the world.

Clearly the President's aim and that of my bill are essentially the same. I am thoroughly convinced that my bill would in fact demonstrate a support of the President's objectives that all of us can and should endorse. I therefore fervently hope that early in 1968 the Congress will take action to pass H.R. 3934.

FISHERY PRODUCTS PROTECTION ACT OF 1967

Mr. PEPPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PEPPER. Mr. Speaker, I am introducing a bill today to provide for the inspection by the Department of the Interior of commercial fish and fishery products, including imported fish and fishery products.

INTRODUCTION

Several days ago, this great Congress wrote a Magna Carta for the housewives. It was a bill which, when fully implemented, will be considered a great forward step in meeting a vast need. That need was to close the loophole in the sanitation of State-licensed and State-inspected meat plants. The American housewife has been guaranteed that the meat which she will buy from the corner grocery store, market, or supermarket will be slaughtered under sanitary conditions. We have guaranteed the housewives, the consumers, an opportunity to identify clean from the unclean, the pure from the impure, the noncontaminated from the contaminated.

I for one have had more than just a passing interest in health legislation. I believe very strongly that the Federal Government has a moral obligation to protect the health of its citizens.

Let me say that with the tremendous advances made in science and technology, the marketing of consumer products, including food, has become highly complex. As a result, it has become very difficult for the consumer to appraise the risk or fix responsibility for the quality of the food purchased. Clearly, the consumer must be protected against hazards to health and safety through adequate legislation.

NEED FOR LEGISLATION

This brings me to the principal point I want to make. I have for some time been concerned about the uncertainty of the protection afforded the American consumer of fish and fishery items. Fish and shellfish, as many of you already know, are highly perishable products. They spoil rapidly. Since it is considered an animal protein type of food, they present many of the same types of problems which are associated with meat and poultry. Fishery products, if improperly handled may support food-poisoning types of micro-organisms. Also, if they are handled, produced, or stored under unsanitary conditions, the hygienic risks to the consumer increase. The unfavorable reaction which occurs as a result of eating poor quality fish products generally results in consumer rejection of all fishery products for a considerable period of time, and the industry suffers immeasurably in many ways.

Representing as I do a State which has an important stake in what is broadly called the living ocean resources industry, I have concerned myself with its health—or ill health of this industry. I recognize especially the problems that exist in producing high quality products in an industry made up of a number of widely scattered very small producers.

But it appears to me that production and marketing of high quality fishery products has a double effect in that it benefits the fishing industry as well as the consumer. Poor quality products obtain minimum acceptance in the market and consequently sell at a lower price. The lower quality product discourages the housewife from buying seafood and results in reduction of sales.

True there have been some advances made in improving the quality of fishery products in the past sveral years, particularly by some of the larger firms. One example is the voluntary inspection program administered by the Department of the Interior. However, you must remember that only 40 plants subscribe to this program. This is a very small percentage of the total number of fish processing plants in the United States.

In my own State of Florida is located the only fish cannery in the entire United States presently operating under continuous inspection by the Bureau of Commercial Fisheries. The name of this firm is the Florida Finest Seafood, Inc., located in my district in Miami.

Not enough has been done to elevate the quality of fishery products. I need not remind you of the serious problems we had several years ago. Many of you also are probably familiar with the articles issued by Consumer Reports on the low quality of several fishery products. It would appear to me that general sanitation and good housekeeping practices are needed to improve the condition of many of our domestic fishery plants. It seems to me that mandatory inspection of fish and shellfish is necessary to protect the consumer from buying seafood of low quality. A combined educational-regulatory approach is needed to assure that seafoods are packed under sanitary conditions and are of high quality when they enter commerce. The living ocean resources industry should enjoy the same guarantee now afforded with other animal foods.

WHAT THE LEGISLATION WILL ACCOMPLISH

It is for these reasons that I am introducing this bill, the Fishery Products Protection Act of 1967, and it contains the following features: After enactment, a 6-year grace period would be allowed to implement the provisions of the bill. During the first year a survey would be conducted to determine the sanitary conditions of vessels and plants and regulations would be promulgated within 3 years after enactment. After these regulations have been promulgated, it will be possible for plants that meet sanitation requirements to come voluntarily under mandatory inspection without cost. The provisions of the act would not become mandatory until at least the end of the sixth year after enactment.

The act would provide broad coverage to all aspects of fish handling and processing. The regulations would establish sanitary requirements for vessels and processing plants used to handle fish and shellfish, and supply minimum quality requirements for fishery products. The industry would have an opportunity to comment on these regulations before they become final.

A provision of the act would require a surveillance system to determine if vessels and plants are operated in accordance with sanitary requirements. Products would be sampled during production to determine if they are wholesome and of suitable quality.

Means would be provided to recognize qualified State inspection programs that will produce a service comparable to that outlined in the federally operated program. Thus, if a State program meets criteria established in the inspection regulations, it can be used in lieu of the Federal program. I feel it is particularly important that we have no duplication of effort. If the States can carry out and perform suitable inspection, we should recognize these programs. In my view this is a very important provision of this act.

The act also recognizes the need to include imports. We have a particularly complex situation with fish and shellfish because the United States imports fishery products from many foreign countries. One of the first steps would be to recognize existing foreign inspection services that will provide adequate inspection of products exported to the United States. With the cooperation of foreign countries I hope we can develop a satisfactory means of insuring that products reaching this country will be of quality equal to what we produce at home.

After publication of these regulations, however, there would be a second 3-year period before the mandatory provision becomes effective. This period will permit the industry to improve its facilities and voluntarily come under inspection at no cost for the inspection services.

It would appear to me that these educational and advisory programs provide an opportunity for processors to understand and comply with the program gradually, thereby spreading out any necessary expenditure for new plant improvement.

In summary, I believe the mandatory inspection of fish and shellfish products is needed in order to establish consumer confidence in these products and to make certain that the public receives wholesome, high-quality fishery products. The program I have outlined will achieve these objectives.

EVERGLADES NATIONAL PARK CELEBRATES ITS 20TH ANNIVERSARY

Mr. PEPPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PEPPER. Mr. Speaker, it was a great pleasure for me and Mrs. Pepper to attend the 20th anniversary ceremony of Everglades National Park on December 6. This beautiful wildlife area has been of much concern to me as well as to my colleagues in this body.

The Everglades National Park is located in the congressional district, so ably represented by my distinguished fellow colleague, DANTE FASCELL.

The principal speaker at the 20th anniversary ceremony was Assistant Secretary for Fish and Wildlife and Parks, of the Interior Department, Dr. Stanley A. Cain. His speech was a stimulating experience and brought back many memories to me and specially when, in 1947 along with President Harry Truman, I was present for the dedication of this park.

This 20th anniversary celebration meant much to us who have worked to preserve this area as well as revive those many days of struggle leading to the establishment of the park and reminded us of the fulfillment of the dream that we have had for this great area.

Mr. Speaker, I ask unanimous consent to place, at this point, in the CONGRESSIONAL RECORD, the address of Dr. Stanley A. Cain, Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, for the attention of all those who may read this RECORD.

REMARKS OF DR. STANLEY A. CAIN, ASSISTANT SECRETARY FOR FISH AND WILDLIFE AND PARKS, DEPARTMENT OF THE INTERIOR, AT THE 20TH ANNIVERSARY OF THE DEDICATION OF EVERGLADES NATIONAL PARK, AT FLAMINGO, EVERGLADES NATIONAL PARK, FLA., DECEMBER 6, 1967

Twenty years ago today, President Harry S. Truman stood beneath the sunny skies of this wondrous land and hailed the dedication of Everglades National Park, as he phrased it:

"to the use of all the people for all time."

I wish Mr. Truman could be with us again today, not only for the pleasure of his stimulating company but also because of his knack of expressing the timely thought.

It is a tribute to Florida's salubrious climate that many of you here today were also present 20 years ago. In fact, John Pennekamp presided at the dedication in Everglades on December 6, 1947.

That dedication signaled the opening of the nation's first subtropical national park. It meant that several rare and dwindling species of wildlife would be assured protection. The large-scale seining of tropical fish would be halted. The bald eagle, otter, deer, manatee and alligator would gain at least a measure of protection.

One of the most accurate predictions made at the dedication was Claude Pepper's statement that: "More than 1,000,000 visitors will come each year to enjoy this marvelous museum of nature." Well, the park bore out his forecast last year when it passed the million-per-year mark—1,017,100 in fact. The attendance this year will exceed that figure by at least 65,000. In the next six and a half year, we expect Everglades National Park to attract more visitors than it did in its first 20 years.

This continued popularity of the park is dependent on its receiving sufficient fresh water to maintain the wildlife, scenery and pleasing environment which attract people. We would be deceiving ourselves if we assumed for a moment that rainfall alone will solve the park's water problems. The park needs overland fresh water as well as rainfall. It needs the river part of the "river of grass" which it had known for thousands of years.

Of the 33 national parks, only one faces an uncertain future. Only one is a cause of grave concern. Only one is the victim of forces from beyond the park boundaries which are impossible to control by park management alone. All of our parks require fresh water for their existence, but only one of them has suffered greatly for lack of it because of the actions of man.

Only one national park has alligators, wood ibis, white ibis, great white herons, roseate spoonbills, egrets in vast numbers, the Southern bald eagle, manatees and crocodiles, in crucially small numbers. And only one park may lose this irreplaceable treasure of wildlife. This one national park is Everglades. And as Author Marjory Stoneman Douglas has said, "There are no other Everglades in the world."

There are at least 486 species of vertebrates in this park. The 323 species of birds which have been identified here at one time or another, include 35 aquatic-dependent species which breed in the park. There are at least 175 species of fish here and tens of thousands of invertebrate species. There are 1,500 vascular plant species and another 1,000 species of lower plant groups. These numbers are impressive. Of more importance, however, are the rare and unusual species among them.

It is this extremely rich and varied assemblage of animal life, combined with distinctive vegetation, expanses of water, uncounted miles of waterways, and subtropical climate that create the unique Everglades scenery and its biological systems.

The key to the perpetuation of the park is an annual inundation of the warm, shallow, enormously fertile ponds covering the Glades. Direct rainfall and the vital runoff flowing into and across the park from the north and northeast provide the fresh waters needed by the life of this rich environment, together with the saltwater bays and the flux of brackish water between fresh and salt.

More than enough rain still falls on the watersheds to meet the needs of the park. But to provide the necessary minimum *overland flows* into the park from existing water control facilities outside has become a difficult problem that has yet to have satisfactory solution.

An interim plan is helping. This was particularly true in the past spring drought. Governor Kirk deserves special acknowledgment for directing at that time that the supply of water to the park be continued even though it probably was not required under the interim agreement. This action kept the park going until the rains came.

The Army Corps of Engineers is now completing a new study of South Florida water resources in response to requests of Congress. If the recommended plan proposed by the Corps is authorized by Congress and the project is operated in accordance with the plan that is being presented now, Everglades National Park will receive the minimum annual fresh water flow it must have if it is to be unimpaired.

Every meeting the Park Service has had with the Corps recently has narrowed their differences. The Corps has displayed highly technical capabilities in dealing with a massive and complex problem. We think that at last we have a workable and satisfactory plan.

Most of the water to be delivered to the park will flow through the Shark River Slough where the wading birds' food sources need lengthy flooding. The remainder will go to the Taylor Slough area and the southeast panhandle. The ecologists believe this flow may arrest the adverse plant succession of recent years and restore and maintain the biological communities for which the park was established.

What we are experiencing here is a spectacular mushrooming of interest in Everglades National Park as a recreation area. Camping in the park is up 9½ percent over 1966. It is encouraging that we have been able to accommodate the increase of boating visitors without damage thus far to wildlife of Florida Bay. This is a tribute both to our park personnel and to the boating visitors.

A week from Saturday visitors will be able to rent 34-foot houseboats and start roaming through the countless waterways of these 1.4 million acres. And a system of back-country canoe trails is being developed.

The work now in progress here at Flamingo marks the start of $2 million worth of new facilities to be completed by the Everglades Park Company in the next three years. The picturesque Caribbean architecture that is planned, with buildings resting on pilings 12 feet above the water, will be in keeping with the Park Service emphasis on design that is appropriate to the park.

The Service is spending $250,000 to place the power lines for Flamingo underground, thereby preventing a 20-mile scar across the subtropical landscape and preserving the natural skyline. A restaurant, cafeteria, shops, and 200 lodging units are among the new facilities going up. This is not overdevelopment, for the vast majority of land and water in this park will remain wild forever.

One of the first great services which the park was to provide was a safe haven for relatively rare or endangered species such as the bald eagle, roseate spoonbill, great white heron, reddish egret, Cap Sable sparrow, alligator, manatee, and others.

Now, what has happened to some of the larger bird species? Let's consider just the total breeding adults of all colonial water birds—those nesting in rookeries of the mangrove belt and supported by aquatic organisms of the southern Everglades, primarily Shark River Slough.

In the mid-1930's there were more than 1.5 million breeding adults.

By the mid-1940's after a succession of dry years, there were 250,000 or less.

From 1947 to 1967 the maximum number of successful breeding birds has been 50,000. And in dry years, none!

There has been a dramatic improvement, however, among some species that frequent Florida Bay and other estuarine areas. The population increase of the roseate spoonbill is one of the great success stories of American wildlife conservation, thanks largely to the late Robert P. Allen, research biologist of the National Audubon Society.

In 1947 there were 175 to 200 spoonbills in the park. Today there are about 2,200. The great white heron has shown a similar increase. After the 1935 hurricane all but wiped out this species, its entire population was estimated at about 150. Today there are 1,500 great white herons in the park alone.

The wood ibis, the country's only stork, has suffered probably as much as any species as the result of disruption of its food supply. There were probably about 5,000 wood storks in the park when President Truman spoke at Everglades. Today there are 1,400 breeding pairs which can be maintained only if the park receives a substantial flow of fresh water from the storage areas north of Tamiami Trail.

This anniversary is an appropriate time for rededication. But to the devoted and experienced men of the National Park Service, who guide the day-to-day destiny of these 2,000 square miles of subtropical wonderland, every day is rededication day. They have the support of the Department of the Interior, and I believe of the vast majority of America's 200 million people. I can assure you there will be no retreat, no lessening of our efforts to maintain the ecological health of Everglades National Park.

We won a race to save a priceless part of America 20 years ago but in a sense our work was only beginning. The next 20 years will not be without challenge by thoughtless or self-serving people. To keep the Everglades National Park as it was intended by Congress will require the cooperative efforts of all of us—in town and country, in county, city and state, and in the Federal government. The Nation has its eyes on us.

EULOGY OF MSGR. WILLIAM BARRY DELIVERED BY REV. CYRIL BURKE, O.P., OF BARRY COLLEGE

Mr. PEPPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PEPPER. Mr. Speaker, on November 21, 1967, at St. Patrick's Church, which he founded in Miami Beach, Fla., within my congressional district, a funeral mass was held for Msgr. William Barry, my most esteemed friend, for many years pastor of St. Patrick's Church; one of the most eminent and distinguished of Catholic leaders and one of the most beloved figures of his church and the Greater Miami area, and, indeed, of all Florida. A monsignor of supreme dedication, indefatigable zeal in Christian and human service; a great soldier against evil and for law and order, Monsignor Barry was one of the most beloved of all the citizens of Florida.

At the funeral mass, His Excellency Bishop Coleman F. Carroll of the diocese of Miami, which Monsignor Barry served, delivered a moving and stimulating eulogy of Monsignor Barry which deeply touched the great congregation which heard it.

Rev. Cyril Burke, O.P., of Barry College, delivered on this occasion a eulogy of Monsignor Barry, exceptional in its inspiring eloquence and stirring sentiment. All who heard Father Burke were lifted up as they heard his touching recitals of the great life and works of Monsignor Barry.

I ask leave to insert, following my remarks, Father Burke's eulogy.

FUNERAL MASS FOR MSGR. WILLIAM BARRY—EULOGY PREACHED BY REV. CYRIL BURKE, O.P.

May it please your excellency, Bishop Carroll, Bishop Tanner, Bishop Shanley, Right Reverend and Very Reverend Monsignori, Very Reverend and Reverend Fathers, Reverend Brothers, Mothers General and Revered Sisters, esteemed representatives of other faiths, the distinguished Congressman from the District, Senator Pepper, civic officials of Miami Beach, Dade County and Miami, and friends:

Last Thursday night, strengthened and consoled by sacramental absolution administered by the dedicated Franciscan hospital Chaplain, Father Capistran Petri, and with the sounds of Our Lady's Rosary ringing in his ears, Monsignor Barry fell off in peaceful sleep. He died shortly after midnight on Friday, November 17.

It was a fitting way for Monsignor Barry to die. From his earliest years Our Lady's Rosary was part of his family life. Nightly, in that holy home devoted parents and their thirteen surviving children chanted Our Lady's praises as, through her intercession, they begged a merciful God for the spiritual and material blessings necessary to sustain them in this vale of tears. Their pleas were not in vain. Three priests at the altar of God, one a successor of the Apostles in the See of St. Augustine, and a Dominican Sister destined to the Mother Generalship of the vibrant Adrian Community were fruits of that petition. Other fruits found expression in successful practitioners of the law, a distinguished university professor, and makers of model homes in which three more priestly vocations and two more Dominican Sisters add lustre to the family history.

Devotion to Our Blessed Lady did not end when Monsignor Barry left the parental fireside to enter Rockwell College in County Tipperary. Nor when he entered the seminary at Carlow. He brought it with him to St. Mary's in Baltimore, to the Catholic University in Washington, to north Florida, and finally to Miami Beach in 1926. It was a familiar sight at sundown to see him walking in front of St. Patrick's Rectory, Rosary in hand, continuing in maturity the blessed patrimony of his childhood. The epitome of his devotion to Our Blessed Mother, of course, is the Campanile dedicated in 1939 to honor the memory of the incomparable Carl Fisher and to house the bells that would toll the Angelus of Our Lady amid the hustle and bustle, the gaiety and the sorrow, the sun and the sand that is Miami Beach.

Yes, it was a fitting way for Monsignor Barry to die. And it was a fitting day for him to die.

In the calendar of the Church, November 17 is the feast of St. Gregory the Wonder-Worker. St. Gregory was one of God's Third Century noblemen. Learned and holy, he has come down to us in tradition buttressed by the pen of St. Basil as a miracle worker. The breviary recital of St. Gregory's life recounts that by prayer he moved a mountain that was impeding the building of a Church. He dried up a marsh that was a cause of discord between brothers. He restrained the river Lycum that had ruinously inundated the land. Granted the possible allegorical or imaginative character of these events, three solid truths stand out: 1) Gregory built a Church in the face of great difficulty; 2) He promoted peace between brothers; 3) He stopped the flow of forces that threatened the security of the land. What St. Gregory did in the 3rd Century, Monsignor Barry did in the Twentieth.

Any man who has built a Church knows that it is not done without great difficulty. Land, plans, finances, vested interests, materials, weather and a thousand other obstacles must be overcome. Monsignor Barry built not one but five! Holy Rosary and St. Paul's in Jacksonville, St. Patrick's, St. Francis de Sales and St. Joseph's in Miami Beach are symbols of the Gregorian resolution with which this man carried the Faith of his ancestors to the Florida portion of his adopted land. And while the public record may not show it, certainly the book of Life will record other Churches that came into existence with his counsel, his encouragement and his financial support. Always it was his inspiring leadership that moved his people to sacrificial heights in the construction, the adornment and the maintenance of God's House.

Builder he was. And peacemaker, too. In a priestly service that spanned 57 years no man can count the souls that found peace within the quiet confines of his confessional where contrite sinners were returned to the grace of God by the words of absolution spoken with authority and with mercy. How many homes seared with domestic discord were restored to tranquility by his patient, perceptive and comforting counsel. Civic bickerings melted under the warm smile that hid his passion for justice and the common weal. In Monsignor's eyes the color of a man's skin, the faith he professed, his station in life counted for naught. In his great heart he felt for all men the love that springs from a profound awareness of the eternal Fatherhood of God. All men were his brothers. He sought only to bring peace to their souls by every honorable means within his command.

Gregory-like, Monsignor Barry fought the forces that would destroy us. Against bigotry, there stands his vigorous opposition to the Ku Klux Klan in Jacksonville as well as anti-semitism and racism in south Florida;

against sickness, his dominant role in the founding of St. Francis Hospital in Miami Beach; against insecurity, the establishment of the Casa Francesca and his unsurpassed support of the late Archbishop Hurley's and Bishop Carroll's drives to aid the weak; against ignorance, his own St. Patrick's school, St. Patrick's Book Shop, the Aquinas Center at Miami University, the numerous scholarships he supplied for worthy students and the jewel in his crown, Barry College in Miami Shores; against secularism, the first Florida Catholic newspaper, The Florida Catholic; against tyranny, his advocacy of the cause of Irish Freedom and his forceful recital of the evils of atheistic communism be it Russian, Chinese, Cuban or whatever from his pulpit and in the public forum; against the enemies of hemispheric solidarity, his championship of inter-American amity; against national disunity, his unfailing devotion to his country in peace and in war; against those who would rend the seamless robe of Christ, his complete submission to the person of the office of the Vicar of Christ on earth, filial obedience to his Bishop, compassion for fellow priests in their trials, respect and affection for all the members of the mystical body of Christ.

Truly, the feast of St. Gregory—whose emulator he became—was the fitting day for Monsignor Barry to die.

Like his saintly predecessor, Monsignor Barry's work did not go unheralded or unsung. In life, many testimonials paid tribute to the man and his achievements. Twice he was honored by the late and beloved Pius XII. Notre Dame University selected him for an honorary degree. Barry College's new library bears his name. Mt. St. Mary's College, Maryland, cited him as a great Churchman and patriot. Latin nations and their diplomats have recognized his worth. The Daughters of the American Revolution presented him with a medal in recognition of his leadership and patriotism. On the occasion of his Golden Jubilee in the priesthood the city of Miami Beach, Miami, Dade County and other civic bodies did him honor. In death, your presence here this morning not only comforts his nephews and nieces and other relatives but it reveals the depth of your admiration for this man who did so much to make our world a better place in which to live.

To have said so much is to have said too little unless the ultimate cause of Monsignor Barry's deeds be explained. St. Paul records the reason in the Eighth Chapter of the Epistle to the Romans, verses 28 thru 30: "We know that by turning everything to their good God co-operates with all those who love him, with all those he has called according to his purpose. They are the ones he chose specially long ago and intended to become true images of his son, so that his Son might be the eldest of many brothers. He called those he intended for this: those he called he justified, and with those he justified he shared his glory."

May the same Almighty and Merciful God now give eternal rest to Monsignor Barry's immortal soul.

[From the Miami Beach (Fla.) Daily Sun, Nov 21, 1967]

MONSIGNOR WILLIAM BARRY LAID TO REST—SOLEMN MOURNERS CROWD ST. PATRICK'S

(By Terry Denis)

Monsignor William Barry, whose name and deeds are living markers in the continuing history of Miami Beach and Florida, was laid to rest today amid the tears of thousands of mourners.

They came this morning to St. Patrick's Cathedral—his own Roman Catholics, Protestants and Jews—remembering the jaunty personality applied so ecumenically and effectively to the problems of all who called upon him. Many never knew his hand was helping them until long afterward.

The cathedral, with a 900 capacity, was overflowing.

The black capped casket, crossed with the monsignor's color of deep red, faced the common people, Protestant ministers and rabbis and hundreds of others of the religious life. But despite the sea of solemn faces a reverent joy of happiness for Msgr. Barry's new home with the Lord pervaded the atmosphere.

Bishop Coleman F. Carroll conducted the last Mass, joined in concelebration by a dozen priests, and blessed the 81-year-old builder of spirits, schools and churches and a hospital at Our Lady of Mercy Cemetery in Miami after the hour long funeral procession which finally removed him from the Beach he served for more than 40 years.

The weekend of grief, which began with Monsignor Barry's peaceful death Friday in St. Francis Hospital, drew mourners to pay their respects to several services, including an early one for the children and alumni of St. Patrick's School Saturday, and another at 7:30 a.m. today at Barry College.

The students were in full force at St. Patrick's Cathedral, forming an honor guard for the Requiem Mass.

The Rev. Cyril Burke, a Barry College professor, in his eulogy said his friend of more than 35 years "died in fitting way on a fitting day."

Father Burke pointed out that Friday was the feast day for St. Gregory, called the wonder worker.

He compared Msgr. Barry's own 57-year career to the third century "miracle" church leader, a man who "moved mountains" as he built for the faith and at the same time was a "maker of peace."

Among the audience were former Gov. Fuller Warren, Senator Claude Pepper, Mayor Jay Dermer, City Manager Jack Duffield and the city council.

And there were the pall bearers, all old friends like, John Ingraham, a maintenance man with the monsignor almost four decades; Michael O'Neill, head of the State Road Board, who was baptized and married by the priest; Charles Guimentar, a teacher and coach under Msgr. Barry 28 years; Leonard Hawkins, Charles Graham and William Adler.

And there were the long-time Beach businessmen, many Jewish, who well remember the many times Monsignor Barry as a priest asked them to dig into their pockets and helped build Catholic institutions. "We could never turn him down," recalled one former hotelman. "You could always count on his being there with help when you needed it, no matter what your faith."

A Jewish woman, unidentified here by request, active in meeting Beach poverty needs on a personal level for many years, could remember all the times Monsignor Barry was the only source for aid. "I'd just call him up and say so-and-so needs assistance, and he'd never ask about the religion." The monsignor's helping hands worked fast, too. "There wasn't any waiting around."

The native Irishman had a spontaneous sense of humor, and only his hospitalization since an automobile accident almost two years ago stopped a book from being written, based on his "marvelous" collection of stories, said one of his assistants recently. The request for an interview from a private author had to be deferred because of the monsignor's failing health combined with a refusal to stop the steady flow of visitors to his second floor St. Francis Hospital room.

Though exhausted from a weekend of well-wishers over his birthday, last summer, Monsignor Barry found strength to send the Daily Sun's photographer, Ted Press, a bouquet of his own flowers almost minutes after Press' admission to a room down the hall. The priest gave most of his birthday cake away, "but kept the candy for nibbling," said the assistant.

His face was a familiar sight in the Protestant and Jewish halls of Miami Beach long before the Catholic Church began easing its restrictions against such a practice.

"He is Mr. Ecumenical," declared one mourner this morning, a devout follower of another faith.

His first assignments in Florida put the young priest to traveling by foot, horseback, horsedrawn carriage and railroad for covering a more than 200-mile radius in the Jacksonville area.

He was transferred to Miami Beach in 1926, conducted the city's first Catholic Mass and then set about building three churches here, and sparking the establishment of St. Francis Hospital and Barry College.

Pope Pius XII elevated the priest to the rank of monsignor in 1937 and he was one of the first three in Florida to be so honored.

"The Little Shepherd of Miami Beach" rests at peace, now. But his work, and the results of a remarkable personality and dedication will continue long after today's dark suits and dresses have been put away.

[From the Miami Beach (Fla.) Daily Sun, Dec. 1, 1967]

MONSIGNOR BARRY'S MEMORY LIVES ON IN OUR AFFECTION

TO THE EDITOR:

Monsignor William Barry is dead, yet he lives on. He lives on in the affection of thousands who know him. He lives on in the great church he founded 41 years ago. He lives on in the fine college named in his honor. He lives on in a great hospital he helped to establish. He lives on in thousands of other good deeds during more than 50 years of consecrated service to mankind.

This great and godly man was no narrow sectarian. The parish of his generous heart included all humanity. He had almost as many friends and admirers among other religious faiths as in his own.

He had a warm and winning personality that pervaded any group or crowd he was in.

His friendly cheerfulness never deserted him—even during his last days in the hospital. A few weeks ago when I visited him in the hospital, he was as cheerful as on that day 19 years ago when I first sought his support of my candidacy for governor. I went there to cheer him but it turned out that he cheered me more than I cheered him. A man of winsome wit, he suggested, with a merry twinkle in his eyes, there still was hope that I, a humble Baptist, might embrace the "true faith."

I believe he has made Heaven an even better place than it was before he got there.

FULLER WARREN.

PRESIDENT JOHNSON AND THE DEMOCRATS ARE BUILDING NOW FOR A VICTORY IN 1968

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER of California. Mr. Speaker, in recent days, Richard M. Nixon found out a sad truth: He may be leading all of his Republican rivals for the Presidential nomination, but he is not leading Lyndon B. Johnson in national popularity.

The Harris Poll shows the President leading Mr. Nixon by a 48-to-41-percent margin. And I have little doubt that the President's lead will widen in the weeks and months ahead.

The American people have heard all the nay-sayers, all the doubters and dissenters. And now, in the midst of this flood of irresponsible rhetoric, they have considered the facts and weighed the record of accomplishment achieved by President Johnson.

They have heard all of the attacks against the President's policies in Vietnam. But they have yet to hear one alternative to this policy that would be superior to the reasonable policies we are now following.

They have heard from those who complain that the President is doing too much or not enough in meeting the domestic needs of the American people. And they have studied the record of what this session of Congress has accomplished and reached the conclusion that we have acted responsibly despite the opposition.

In short, our people have listened to all of the irresponsible chatter about the shortcomings of Lyndon Johnson and his administration, and have not been duped into believing it.

The American people do not support this administration by an act of faith. They support it on the record of what it has accomplished during the past 4 years.

The same may be said about our performance in Congress. The people will not support Members of Congress on the basis of speeches and statements—but on how they voted on the vital issues of the day.

Here, too, we Democrats can view next year with assurance. The record of accomplishments is on our side. We have voted "yes" in behalf of the people on important consumer legislation, education, urban renewal, poverty programs, health and other social welfare legislation. The opposition party has voted "no" to the needs of the people.

We Democrats can stand shoulder to shoulder with President Johnson next year as the administration and the party that has kept faith with the American people.

No political rhetoric can alter this fundamental fact. No diatribes against the administration can cloud the impressive record of achievement accumulated over 4 productive years. And no whining and complaining can erase the consistently negative response of our Republican colleagues to the economic and social needs of the Nation.

These are the facts that will determine the political events of next year. The Harris Poll is the first indication of what lies in store for the Republican Party in 1968.

We can be assured that President Johnson will keep working to add to the record. And we Democrats in Congress will continue to work with him in the weeks and months ahead.

Together we shall construct the foundation of Democratic victory in 1968.

DEFECTIVELY CONSTRUCTED AMMUNITION PIERS AT CONCORD NAVAL WEAPONS STATION

Mr. WALDIE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WALDIE. Mr. Speaker, neither the Department of Defense or Navy has any intention of studying alternative solutions to the Port Chicago ammunition hazards. I regret, on the closing day of this session of Congress, to make a serious charge involving the Navy on this floor. Nonetheless, since the matter involves the safety and the lives of thousands of my constituents I am compelled to do so.

The Navy has long been subjecting tens of thousands of civilians in my district with death and injury because of defectively constructed ammunition piers at their Concord Naval Weapons Station.

I have urged that they reconstruct those piers to minimum safety standards. They have refused to do so, urging instead, the removal of 3,100 souls from their homes and the elimination of the entire community of Port Chicago.

Fortunately, the Armed Services Committee in this House, under the able chairmanship of the gentleman from South Carolina, and the Armed Services Committee in the Senate, were not satisfied with the Navy's proposal to eliminate a community of American citizens and they ordered the Secretary of Defense to "conduct an exhaustive study" of the alternatives that exist.

I felt secure, Mr. Speaker, that the Navy would cooperate in this "exhaustive study" and that the alternatives would be examined. This "exhaustive study" was ordered by the Congress when the joint conference report on the military construction authorization bill was adopted on October 4.

I first began to suspect the Navy did not take the direction for a study of the alternatives seriously when, on October 27, at Concord, Calif., Adm. Arthur Gralla, representing the Navy at a press conference called by him, is reported in the local press headlines: "Port Chicago or Navy Must Go Warns Gralla." Clearly, the alternatives to be considered were of greater scope than the admiral's threat to our county would seem to imply.

I expressed my concern that the admiral's statement indicated the Navy had no intention of complying with the Congress' direction for an "exhaustive study" of the matter. I further charged:

> There is grave doubt that a serious and fair examination of alternative solutions to the problems of their defective piers will be made.

There was, as you might expect, an immediate denial from the local Navy command, that Admiral Gralla "meant what he said"—that he had been quoted out of context—and that they had nothing to do with the study ordered by the Congress.

This very day, however, my previous fears have received complete confirmation. The Navy has ignored the order of the Congress to conduct an "exhaustive study." They are proceeding precisely as they had stated they would. They are, this very day, proceeding on an appraisal of the homes of the community of Port Chicago preparatory to condemnation despite the fact no study has been completed and reported.

I was advised today, Mr. Speaker, that this appraisal has nothing to do with the "exhaustive study." That they will be required to condemn the property appraised no matter what the "exhaustive study" indicates.

Mr. Speaker, either the Navy or the Department of Defense, or both, has treated my county and this Congress with complete contempt in this matter. They must consider me a fool—and, worse, and less understandable, they can have little regard for the members of the great committees that studied this matter and ordered the study.

Mr. Speaker, I hope, that when this already discredited report is made to the Armed Services Committees, that those committees will conduct an inquiry as to how much time was spent on this "exhaustive study"; who participated, and why did the Navy proceed as if the study had not even been ordered, and where did they find the moneys for the appraisal prior to receipt by the Congress of the study ordered?

Mr. Speaker, the whole affair smacks of a "whitewash" and I predict the "exhaustive study" will recommend the original plan of the Navy that the community of Port Chicago be removed from the face of the earth.

That will not do, Mr. Speaker—the people in my district who are threatened by this facility and its defective piers, are entitled to more—the Congress is entitled to more.

POSSIBLE DANGERS OF LOCATING NUCLEAR REACTORS NEAR MAJOR CITIES

Mr. WAMPLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WAMPLER. Mr. Speaker, earlier this week, I called to the attention of my distinguished colleagues the first in a series of newspaper articles from the Washington, D.C., Examiner, commenting on the possible dangers of locating nuclear reactors near our major cities.

Yesterday, the second in this series of three articles was published, and I commend it to my colleagues, as follows:

INVISIBLE DEATH: POLLUTION OF THE ATOMIC AGE

(By Damon Runyon, Jr.)

Atomic power plants generate more controversy than electricity. The dispute over safety in itself is a measure of the lack of scientific knowledge about the inherent dangers.

The Atomic Energy Commission is highly sensitive about the comparative use of the words "atomic bomb" and "explosion" in conjunction with nuclear power plants.

Can atomic power plants explode?

How safe are they?

The AEC itself has stated "there could be explosive nuclear energy releases in power reactors," although this would not be "a devastating explosion similar to those produced by A-bombs."

In short, the agency differentiates between the size of an explosion and whether man deliberately sets it off, as in a bomb, or if it's the result of an accident, as in a power plant.

"Under no conceivable circumstances," the AEC said, "can accidental nuclear explosions in power reactors cause significant direct public damage beyond the boundaries of the exclusion areas around such installations."

The AEC guessed an explosion could wreck the reactor, a colossal piece of equipment, "constitute a real threat to the life of personnel," and result in complete loss of the whole expensive works.

Then, the agency admitted, there could be the real danger to the nearby public—in one case, the city of Detroit, only 30 miles from the Fermi atomic power plant that went haywire because of a small piece of metal that somehow was loose in its guts.

The real threat to mankind in atomic power is the "invisible death"—radiation, which could be—and has been—let loose by "accident," despite all the vaunted safeguards and trained personnel.

The most widely-known incident was on November 16, 1957, in the huge atomic power plant at Windscale, England. A reactor overheated and the uranium fuel caught fire. It smouldered four days.

Vaporized fission products, mainly radioactive iodine 131, were carried by the weather over Europe (as far as Denmark) as well as England. The radio-activity contaminated 200 square miles around Windscale, cows ate the grass, produced "hot" milk that was consumed by children. Some 250,000 gallons of milk had to be dumped.

The sprawling Windscale atomic power plant, the size of a small town, was so contaminated with radioactivity from the accident that it had to be sealed off with concrete. It can't be torn down for many years. The Fermi plant outside Detroit also may be written off.

The AEC, a self-serving government agency empowered to sit in judgment on itself and to answer its own questions, once selected "many outstanding leaders" in the reactor and associated fields to figure the odds on a major reactor accident. The question, of course, was footless.

The hand-picked "experts" handed down their "unanimous opinion that the likelihood of a major reactor accident is low." Trouble is, according to scientific standards, "low" is meaningless—but that hasn't stopped the AEC from hawking this vaguary as something sanctified.

". . . no one knows now or will ever know," the AEC admitted, "the exact magnitude of this low probability of a publicly hazardous reactor accident."

Yet the $2 billion agency gave atomic power the Madison Avenue sales treatment by plugging the low accident risk until now there are 16 major reactors around the country, most of them near big cities.

The AEC justifies the risks of the atomic power program on grounds that this is a dangerous age and, therefore, we must live dangerously. This, of course, fringes on the edges of philosophy which some taxpayers might dispute in the case of a program that may not be worth the dangers.

Leo Goodman, a union atomic energy advisor who has gathered a wealth of actual material on the subject, has compiled lists on the risks already experienced in various nuclear programs. These show: Atomic reactor accidents, 210; atomic facilities, 129; accidents involving radiation, 968.

These date from 1944 and the first two lists cover the world from Los Alamos to Moscow, Russia. He assumes that many cases were covered up by the various governments involved. Included is the US submarine, Nautilus, the nation's first atomic craft, which reportedly had a reactor leak in December, 1957, at sea.

Even without accidents, the risks of atomic power plants cannot be glossed over. Every plant spews radioactive garbage with its own special kind of curse that will be suffered by mankind for untold ages to come even if all atomic production activities were stopped immediately.

Some radioactive residue is released from chimneys. Some is pumped into the nearby river used as a source for cooling water. The water may be hot enough to kill life in the river. Again, there is argument as to how much pollution an atomic power plant contributes to the nation's increasingly dirty air and water. But even these sources of residue are not yet proven as dangerous as the unquestionably deadly garbage from each plant.

The reactors must be refueled from time to time. The fuels rods removed produce the highly radioactive garbage which can kill at a distance. What to do with it? This junk cannot be simply dumped into the ocean, or sea life would become contaminated.

The US "solution" to this problem will plague unborn generations to come. It's processed by private firms, then is buried like Rover's meatbone. The garbage is so deadly it must be handled by remote control either beneath a water shield or within a massive concrete structure.

The killer garbage, usually in liquid form, is contained in steel tanks wrapped in concrete and buried deep in the ground. The federal government quickly washes its hands of responsibility. For instance responsibility for keeping nuclear garbage was foisted on the State of New York. This means "perpetual" care.

The nuclear garbage graveyards cannot simply be closed up and forgotten. Science still only guesses how long the tanks will be safe. What with wear and tear and time it's expected they will have to be replaced every few decades. The exact time is not known. Nor can they be left unguarded. This can go on for anywhere from 100 to 1,000 years.

This problem is going to multiply year after year, decade after decade, if atomic power plants keep a-building, with the staggering implications for unborn future generations. Assuming, of course, that there are any.

EMPLOYMENT OF COMMUNISTS

Mr. QUILLEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. QUILLEN. Mr. Speaker, in an attempt to counteract the effect of the recent Supreme Court decision on the employment of Communists in defense facilities, I am today introducing a joint resolution proposing an amendment to the Constitution of the United States relating to employment of subversives in defense facilities.

The amendment I propose would authorize Congress to "establish conditions of employment in any facility which Congress determines is essential to the national defense."

The decision of the Supreme Court earlier this week in the case of the United States against Eugene Frank Robel declared unconstitutional that portion of the Subversive Activities Control Act of 1950 dealing with the employment of Communists in defense facilities on the grounds that the statute is an abridgement of the right of association protected by the first amendment.

After thorough study and consultation during the days following the Court's decision, I have determined that the most practical means of preventing the reoccurence of this situation, wherein the Supreme Court has virtually denied the United States the right to protect itself from the infiltration of subversives in our defense plants, is to amend the U.S. Constitution and make the authority of the Congress explicit in this area.

I do not want to, in fact I cannot in good conscience, introduce a watered-down version of the present statute to conform to the Court's decision.

Perhaps later on it will be possible to draft very tight legislation which would stand up under court tests, but in view of the vagueness of the Court's delineation of what it will hold constitutional in this area, attempts by Congress to restrict the application of the statute are at best "chancy" and at worst dangerous to the security of the country.

I feel that the language of this proposed amendment will make it clear once and for all that Congress does indeed have the authority to establish these conditions of employment in the interest of national security.

I am hopeful that favorable action in the Congress will be forthcoming so that the amendment can start its rounds in the various State legislatures in order that this dilemma may be resolved once and for all.

Mr. Speaker, following is the text of the joint resolution which I am introducing today:

H.J. Res. 964

Joint resolution proposing an amendment to the Constitution of the United States relating to employment of subversives in defense facilities

Whereas in the Subversive Activities Control Act of 1950 Congress found that there exists an international Communist movement which by treachery, deceit, espionage, and sabotage seeks to overthrow existing governments; that this movement operates in the United States through foreign dominated Communist-action organizations; that these organizations are made up of rigidly disciplined adherents operating in secrecy and employing espionage and sabotage tactics in form and manner evasive of existing law; and

Whereas Congress further found that the security of the United States required the exclusion of Communist-action organization members from employment in defense facilities and provided for means of preventing and punishing such action; and

Whereas the Supreme Court of the United States in the case of United States against Eugene Frank Robel has virtually destroyed the right of the United States to protect itself from these activities; and

Whereas the right of association, a judicial construction not mentioned in the Constitution, should not be used as the basis for overriding the national security: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution only if ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by Congress:

"ARTICLE —

"Notwithstanding the provisions of the first article of amendment to the Constitution of the United States, or any other provision of this Constitution, Congress shall have the power to establish by law, conditions of employment in any facility which Congress determines is essential to the national security, including, but not limited to, the condition that no person shall be employed in such a facility who becomes or remains a member of any organization which advocates, advises, or teaches that the Government of the United States or of any State, District, territory, or possession thereof (including any political subdivision therein) should be overthrown or destroyed by force or violence."

Mr. PRICE of Texas. Mr. Speaker, I have joined my distinguished colleague, the gentleman from Tennessee [Mr. Quillen] today in an attempt to counteract the effect of the recent Supreme Court decision on the employment of Communists in defense facilities. I am introducing a joint resolution proposing an amendment to the Constitution of the United States relating to employment of subversives in defense facilities.

The amendment would authorize Congress to "establish conditions of employment in any facility which Congress determines is essential to the national defense."

In view of the recent decision by the Supreme Court in the case involving an admitted member of the Communist Party, I believe it is urgent that Congress adopt new legislation to take the place of that which the Court struck down. And while it may be possible later to draw up legislation which would stand up under court tests, I agree with my colleague that any watered-down version of the present law could also be thrown out by the Supreme Court.

And while I realize that amending the Constitution is a long and complicated process, I feel that this is the only sure way to prevent a recurrence of the decision which struck down the portion of the Subversive Activities Control Act of 1950 dealing with employment of members of Communist-action groups in defense facilities.

We now have more than 500,000 men of our armed services engaged in a shooting war with North Vietnam Communists supported openly by the Soviet Union and Red China. We read and hear daily of Communist boasts to drive all U.S. troops from Asia. We read that Communist China now has nuclear missile capability for long-range submarines.

Off of our Florida coast we have Castro who openly declares his intention to export revolution to all of Latin America.

We have the recently returned Stokely Carmichael running at large after visiting Cuba, North Vietnam and other Communist countries, and urging U.S. defeat in Vietnam.

We have others who have visited Communist countries and are bitter critics of U.S. resistance to the Communist aggressors who now plan massive crusades for more disobedience to law and order. They plan to disrupt our cities and impede the conduct of our Government as well as the pursuits of law-abiding citizens.

Mr. Speaker, we have enough problems at home without the added threat of sabotage in our defense plants. We have the Vietnam extremists who stormed the Pentagon and exercise their arrogance in burning bookstores, kidnaping Navy recruiters and storming draft centers with bottles of blood. They perform these and other criminal acts in the name of constitutional rights.

What will keep these Communist-inspired peaceniks from disrupting our defense plants from the inside as they, in fact, have already attempted to do from the outside?

Mr. Speaker, my constituents are outraged at this Supreme Court decision, as I am. The following is from the front-page column of Wes Izzard, of the Amarillo, Tex., Daily News, December 13, 1967:

They All Want To Do Something

(By Wes Izzard)

Outrage seems to be the dominant response here to the Supreme Court ruling that Communists may not be denied the right to work in U.S. defense plans.

"Why bother to put a guard around the factories, or even lock them?" demanded W. C. Roberts, the Amarillo lumberman. "The saboteurs can get in by just asking for jobs."

George Pratt, the retired Gulf Land man here, who flies the Flag at his home every day, says he is now going to display it upside down.

"That's a distress signal," he explained. "And if ever this country was in distress, it is now."

From 948 W. Bonita, up north of Thompson Park, came G. C. Rainwater, the real estate man, to deliver personally a letter to the editor.

"I am stung and shocked," he wrote, at the court's bold move to "ram down American throats the freedom of Communists to work in defense plants."

The ruling, he said, ignores the pleadings of the Justice Department and the "legitimate exercise of Congressional concern over the danger of sabotage and espionage, as well as the will of the people."

Like most citizens who called yesterday in protest, Mr. Rainwater wants to do something about it.

Appealing to all Americans regardless of party, he says he has only one purpose—"to deal immediately with whatever possible forces can be mustered to defeat this threat."

He wants protesters to send him their names "to be attached en masse to letters to Bob Price, Congressman, to start or support immediately whatever action is required to rectify the Supreme Court's ruling, and to investigate the motives of the Court, itself . . ." And he adds:

"I need a thousand names now."

Frank Warren, the retired floor finisher, called to recommend the reading of an article in the current U.S. News & World Report, headed, "Are Judges Remaking America?"

"Maybe," he suggested hopefully, "the people at long last have had enough."

And so it went all day yesterday.

As Wes Izzard says, they all want to do something and so do I.

The resolution I have introduced today is at least the first step and will, I hope, be acted upon promptly by the Congress.

JUNIOR COLLEGES AND THE DRAFT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, today I have introduced legislation that will eliminate present distinctions now made administratively for draft deferment purposes between students in attendance at 4-year colleges and students in attendance at 2-year junior or community colleges.

Clearly the most significant development in education in the past few years has been the outstanding growth throughout the Nation of the 2-year college. These institutions now fulfill and will continue in the future to fulfill a vital role in the expansion of educational opportunity beyond the high school. With special emphasis being placed upon the role of the 2-year college in meeting the need for technicians and semiprofessional workers in a changing world, it is the junior college and the public community college that have emerged as our most valuable resource for meeting our changing educational requirements. This type of college is leading the way toward universal education beyond high school and may well be democracy's college of the century.

Mr. Speaker, during the recent debate on the Military Selective Service Act of 1967, Congress in no way indicated a desire to treat the junior college student and other occupational college students any differently than 4-year students. To do so nullifies our many fine educational programs recently enacted.

We have determined that it is in the national interest to provide for student deferments while higher educational courses are being completed. There can be no justification for college students in occupational programs being treated any differently from students in other programs. Over 500,000 students are today adversely affected and for many of these students the 2-year occupational, technical or business related program may be their only chance for an education beyond high school. The national economy desperately needs their skills and each individual should have the opportunity to advance to the limit of his ability. The prompt passage of my bill will require that all students be treated alike and will eliminate present confusion and inequities now present. There is no room in America for second-class citizenship and this is particularly true where education is concerned.

Mr. Speaker, Dr. J. W. Cady, president of Texarkana Junior College, and Dr. Louis B. Williams, president of Paris Junior College, two of our fine junior colleges in east Texas have cogently made the case for remedial legislation in communications to me, which I insert in part at this point in the Record.

Dr. Cady stated:

Texarkana Junior College is concerned over the discrimination against junior college students as opposed to the draft deferment given to senior college students under current regulation. 50% of all freshmen and sophomores in the state of Texas are enrolled in junior colleges. Students in junior colleges deserve the same draft deferment status as senior college students.

Dr. Williams stated:

> As you know, the occupational programs offered by a junior college constitute college level work even if they do not lead to a bachelor's degree. We make no difference in the students at Paris Junior College. We are offering excellent occupational programs preparing young people for employment in either one year or two years in place of employment in four years.
>
> Why should a boy be penalized for studying to be an electronic technician instead of an electronic engineer? Both are critically needed in our economy.

The answer, of course, to Dr. Williams' question is that there should be no distinction for selective service purposes between 4-year and 2-year colleges.

THE 90TH CONGRESS PROTECTS THE CONSUMER

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a speech by the President.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, Thursday morning, President Johnson signed into law a bill to amend the Flammable Fabrics Act, thereby giving consumers greater protection against the potential hazards of flammable fabrics. The action was the final step in a process begun last February when the President recommended that the original act be broadened and strengthened. At that time, the President called upon the 90th Congress to "carry forward unflinchingly in the public interest" to protect the American consumer. I think there can be no question but that this Congress has responded to that challenge. The 89th Congress was an historic consumer's Congress, passing legislation protecting consumers from the supermarket to the superhighway. And the 90th Congress has built and is still building a new record of achievement in consumer protection. As a result of the signing ceremony yesterday, protection under the law will be broadened to include not only wearing apparel, but also interior household furnishings. The act will be made more flexible by permitting standards and regulations to be issued under rulemaking procedures, rather than having them rigidly fixed in the law. Standards and regulations will be based upon continuing study and research, and a national advisory committee will represent the many interest groups involved.

The Committee on Interstate and Foreign Commerce, the Subcommittee on Commerce and Finance, and the entire House can take well-earned satisfaction from the knowledge that men, women, and children from this day forward have greater protection from flammable fabrics than they have ever had before. It is probably impossible to legislate an absolutely safe world. But it is within the power of reasonable men and women to eliminate needless risk to our lives and well-being. The bill signed into law on Thursday of this week by President Johnson is an outstanding example of responsible action in the public interest. People throughout the Nation will be safer in their homes and in their daily lives because of this legislation. Achievement of that result is a primary objective of public service, and it is the highest reward for elected representatives of the people.

Remarks by the President upon signing the amendments to the Flammable Fabrics Act, S. 1003, follow:

REMARKS OF THE PRESIDENT UPON SIGNING AMENDMENTS TO THE FLAMMABLE FABRICS ACT, S. 1003, DECEMBER 14, 1967

Secretary Gardner, Secretary Trowbridge, Secretary Cohen, Senator Magnuson, Chairman Staggers, Members of the Congress, Ladies and Gentlemen.

About a year ago, an 11-year-old girl struck a match—for no reason at all—just the way children often do.

That match fell on to her cotton blouse. That blouse burst into flames. The child tried to beat out the fire herself. Then she panicked and began running. That just fanned the flames.

Her mother chased after her and wrapped her in a towel. But the blouse still continued to burn. Finally, she pushed the little girl into a shower to douse the flames.

The girl subsequently spent more than nine weeks in the hospital—six of them in the care of plastic surgeons.

The doctors used every miracle of medicine that they could conceive of. Still, that little girl has remained scarred.

But the burns were not the only price that she paid. Her mind was scarred, too. Now she is under a psychiatrist's care.

Later, her father had the remains of the blouse tested. Surely, he thought, the law of the land, and the legislatures, and the President should see that we have laws to protect our little children from themselves and from causes like this.

But he found that the fabric in that blouse had met all the standards under that law—that law was the Flammable Fabrics Act that had been passed 14 years ago.

But that law 14 years ago was not sufficient today. That law has failed us and failed that little girl. She was the victim of a very terrible blow of fate. She was the victim of a very insufficient law.

Our 200 million people are victims in many fields today.

But I don't think her case is unique:

More than 3,000 other Americans die each year just because their clothing catches fire.

Tens of thousands still spend painful weeks in the hospital. They are badly burned by fabrics that become deadly torches.

I am very concerned—I am not a concerned Democrat but a concerned American—but I am very concerned with the figures we see appearing on the horizon. It looks like our infant death rate is going down and down. It looks like, perhaps, maybe—I don't want my credibility brought into question—I just can't be positive but it looks like, perhaps, maybe that is because of some of the legislation that you men and women in the Congress and in the Cabinet have sponsored to provide health programs for our new-born children.

It looks like our death rate for adults is going down. We cannot tell. All the figures for the year are not in.

But it looks like a rather sizeable decline in our death rate. That could be because Harry Truman back many years ago had the courage, when they called him every name except a good milk cow, to propose some health measures that we got around 20 years later—and to do something about it.

It may be that an old person lives longer today because they have hospital treatment. Some 4 million did under Medicare this year.

Some 5 million had their doctors' bills paid.

I had a young lady who works in the White House, a reporter—and she had her mother with an incurable disease. I can see it taking its part from her.

I wrote her a little note and said, "I'm thinking for you. I am praying for you. And I know there is nothing we can do about it—not now. Some day we are going to find a cure for this. But we are thinking of you."

She wrote me back and said, "I think there is one thing you ought to know. You have already thought of me—you and the Congress and the people—because I have got lots of things to worry about.

"But one thing I am not worrying about is who is paying the doctor bills. I am not worrying about who is going to pay the hospital bill because the Congress has provided Medicare.

"I have been putting in through the months—and that has taken care of it. That is one burden I don't have to bear."

So that is something I think—occasionally I make references, as you may have observed, to people who vote against some of the bills that I think are good bills. They can have equal time for this, if they want to.

I don't ever want to get personal. I don't want to get into name-calling contests. I don't want to say any ugly things about individuals. But I do about policies, about programs and about bills.

I also say very much to the irritation of some of the members of my party. I say good things about the members of the other party—when there are good things to say. We frequently have that opportunity.

This is an instance this morning because there are a great many things—practically everything that Congress really does has helped from both sides to some degree.

So today, we have come here—and we are going to strengthen the law that 14 years has proven itself inadequate. In this new Flammable Fabrics Act, we are going to give renewed shields against anguish and against agony.

This is what this bill does:

It says to Mr. Trowbridge that he will be able to—I hope very promptly—set modern and effective safety standards. He will not need an act of Congress every time a new standard is needed for some fabric used in a blouse, or in a sweater, or in a child's cowboy or Indian suit. I have asked the Secretary to put his experts to work—yesterday—in setting the standards in anticipation of signing the law today.

The law's coverage of clothing is strengthened and is broadened considerably. For the first time, fabrics used in blankets, rugs, drapes, and upholstery will come under the law's protection. So will hats, gloves and shoes.

This bill will better protect us all from imported fabrics which do not meet American safety standards.

It will give us new power to discover how and why these fabrics burn—how they can be made less flammable.

This law does not blacklist anyone. It won't put any reputable firm out of business. It will protect the honest manufacturer. But it will protect him from unscrupulous manufacturers and unscrupulous competition.

Above all, it does the one thing that ought to be the test of every law: It protects the American people.

Our 1967 countdown for consumers is under way.

A man was asking me last night about my grandfather and my father—and their political beliefs—and was saying, "Would you please point to certain things that you recall and that impressed you which you would like to have attached to their names?"

I tried to review some of the measures: The Blue Sky Law my father had introduced, and the Act to Save the Alamo from being torn down—and some of the little things he told me as a boy.

Some day you folks are going to be old enough to be grandfathers, too. They are going to be asking you about your grandchildren; about what did your grandfather do that you would like to have him remembered by.

I can think of nothing that would give them greater pride than to save a little child from a burning blouse, or to save a widowed mother from paying 40 percent interest without knowing it, or from saving some housewife from buying meat with worms in it.

Those are the things that don't cost a lot of money—these consumer things.

Betty Furness' program gives you more for less expenditure than anything I know of.

I am telling you, you had better get with it because the women in this country are going to insist on it. They are tired of eating diseased meat and seeing their babies burned up in blouses—and having pipelines break under their houses, in their streets and across the country—when it can all be curbed, at least, if not completely avoided.

Our 1967 proposal, I believe, contains 12 consumer bills. You hear a lot being said about the Congress.

Some of our enemies—and this includes men in both parties, who ought to get partisan—say it is a very bad Congress. If they want to better it, they can pass some of these 12 bills that are up there.

We started No. 12. That was the program for the year. I checked off No. 12 three weeks ago. I signed the Product Safety Bill.

Then I checked off No. 11 last week. That was the Clinical Laboratories Bill—part of the partnership of the health men.

Today, we are going to check off No. 10. That is the Flammable Fabrics Act.

Tomorrow, we are going to check off No. 9. That is the Wholesome Meat Act.

I am not saying anything about the Rat Bill. That has already been taken care of.

That still leaves us No. 8—a Truth-In-Lending Bill. That has passed the Senate. That has passed certain steps in the House. We hope we can get it as soon as possible.

There is the Gas Pipeline Safety Bill that has passed the Senate and is pending in the House.

That gets us down to half a dozen or less. That is almost half—that is half. A half a dozen is half of a dozen.

But we just have half of the Session—half of the Congress. This is just one session.

We hope the next Session can—elected next year—can get those others passed.

Our society is more prosperous and it is more complex than any the world has ever known. It has not altogether eliminated some of these avoidable dangers.

There are still some petty deceits that people normally practice in their trade. But it is up to good government—and it is up to our good common sense—to say that we must make every effort that we can that is legitimate to protect ourselves from these dangers and to protect ourselves from these deceits.

So this morning, I would like to say to the American people that we have much left to do. We haven't got all of these problems met by a long shot. But we are making progress.

Twelve, Eleven, Ten, Nine, Eight, and we will be down to six—and that is six more than we have ever acted on heretofore.

This is a good service. This helps to make this a good Congress. This shows, I think, that they are good men—in both good parties.

Thank you, very much.

PUBLIC HEALTH SERVICE SHOULD "ACCENTUATE THE POSITIVE AND ELIMINATE THE NEGATIVE" ON AIR POLLUTION

Mr. GUDE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. GUDE. Mr. Speaker, the time has come for the U.S. Public Health Service to take the advice of Johnny Mercer's song, when it talks about progress against air pollution in Metropolitan Washington. The Public Health Service should "accentuate the positive and eliminate the negative."

The Public Health Service is holding a conference, lasting an indefinite number of days, on this subject. It has concluded—before the conference has ended—that local governments here are not doing enough and that their efforts are "doomed."

I have the impression that PHS officials do not get out of Washington often enough, but I can assure them that they would have to travel the length and breadth of our land to find a metropolitan area where the local elected officials have done as much.

In this area, much of the problem is not even the fault of the local governments. It is the fault of the Federal Government through its poisonous low-quality heating fuel. But now an agency of that Federal Government, which admits this guilt, says in effect: "We're continuing to make your problem worse, but you're not doing enough to make it better."

This area has a comprehensive model ordinance on air pollution control, developed through the Metropolitan Washington Council of Governments, and with the participation of the Public Health Service. It has been enacted by two of our largest jurisdictions, Montgomery and Fairfax Counties, and the cities of Rockville and Falls Church. It is about to be enacted by Prince Georges County. Arlington County is expected to follow shortly.

As the sponsor of one of the air pollution bills for the District of Columbia, I can assure the Public Health Service that the District, too, will have a strong air pollution bill. Thus, in a very short time, virtually the entire metropolitan area will be protected under the cover of strong, uniform air pollution laws, which PHS itself helped prepare.

This, Mr. Speaker, is in addition to the 24-hour-a-day air monitoring operation and the scientific air pollution laboratory operated by our local governments, plus a massive public education program conducted by the Council of Governments. Only yesterday, the COG Board of Directors voted unanimously to seek establishment of an Air Quality Control Board in this region, with representation of the local governments, the Governors of Maryland and Virginia, and the Federal Government.

This does not spell doom to me. What makes the Public Health Service think it could do as well?

CONGRESSMAN HORTON INTRODUCES BILL TO STRENGTHEN VOCATIONAL EDUCATION ACT OF 1963

Mr. HORTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HORTON. Mr. Speaker, I am today introducing an amendment to the Vocational Education Act of 1963 which will strengthen that act by permitting States to further utilize the resources of private vocational training institutions to achieve the goals of this act.

As presently written, the act requires the States to utilize public educational institutions almost exclusively. Private educational institutions are only permitted to participate in the vocational training programs to an extremely limited extent. Private institutions can receive Federal funds only when public institutions are not able to provide the needed training programs.

This restriction unnecessarily limits the effectiveness and scope of this joint educational undertaking of the States and Federal Government. The amendment I am introducing today will permit the expansion of these much needed programs by allowing States to contract with both profitmaking and nonprofit private vocational training schools.

In my own congressional district this amendment would allow a wide range of vocational training schools to participate more actively in the vocational education programs of New York State. For instance, at the present time the highly respected Rochester Institute of Technology—a private, nonprofit, 4-year institution—participates in these programs only by training vocational education teachers who will teach in secondary schools and junior colleges. Under my amendment RIT's resources could be employed by the State under the Vocational Education Act to aid in meeting its obligation to provide a wide range of vocational education opportunities.

With the benefit of State and Federal assistance, RIT could further expand its evening course offerings. At the present time nearly 10,000 students are taking evening courses at the school. Most of these students are adults enrolled in diploma rather than degree courses and their program of study is almost always intended to be of immediate benefit to them in their careers. For instance, many secretaries are taking courses to improve their office skills and their command of the English language. As a result many of these students will eventually rise to executive secretarial positions.

Despite the importance that the amendment I am offering today would have for schools such as RIT, it is likely that the many proprietary vocational schools would be even more significantly affected by it. The Rochester Business Institute, a private, profitmaking institution, has for many years been engaged in training highly skilled clerical, administrative, and supervisory employees for businesses in the Rochester area.

Under present law institutions such as RBI, barber and beauty schools, schools training data processors, and other institutions providing similar training are not permitted to receive any funds allocated to the States under the Vocational Education Act. I believe that the Federal Government should recognize the vital contribution these schools are making to the total vocational training efforts of our Nation and permit the States to provide assistance to these schools under the act.

I emphasize that under my amendment the States are merely given discretion to provide aid to these private vocational schools: They are not required to make payments to any private schools. Further, this amendment will affect only the post-high-school programs under the act. Programs for secondary vocational education will continue unchanged under my amendment.

My amendment also reserves to the States the prerogative of establishing the qualifications for teachers in private vocational training schools.

Mr. Speaker, I urge my colleagues to study this measure carefully and join me in supporting this much needed revision in our national vocational training efforts. These programs would be immeasurably strengthened by the amendment I am offering today.

Such corporations as Graflex and Xerox have demonstrated, through their highly successful supervision of Job Corps training centers, that even the private industrial sector of our Nation is capable of effectively responding to the challenge of providing vocational training to large numbers of people. Certainly this Nation's private vocational schools are similarly capable of meeting this challenge.

CONGRESSMAN HORTON INTRODUCES BILL TO MAKE INSURANCE AVAILABLE TO PROPERTY OWNERS IN RIOT-PRONE AREAS

Mr. HORTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HORTON. Mr. Speaker, I am today introducing a bill which will stimulate private insurance companies to provide—at reasonable cost—riot, fire, and extended coverage insurance to property owners in the riot-prone areas of our Nation. At present, insurance is simply not available to many property owners in these areas. As a result, they continue in business at the sufferance of Lady Luck. Their homes and businesses, often the sole fruits of their lives' labors, would be wiped out if they suffered serious property loss as a result of fire, natural disaster, riot, or any of myriad other events.

A very large number of property owners in the inner cities have elected not to purchase insurance due to the higher premiums they have been required to pay as a result of the relatively greater risk of loss to which they are exposed.

Until quite recently the losses suffered by these uninsured property owners stemmed almost universally from isolated events which affected only one or a very few individuals. When losses occurred, individual businessmen were beset by personal tradgedy but the business community as a whole continued as a viable entity. However, the advent of extremely destructive and widespread civil disorders in the last 3 years has dramatically altered this pattern of isolated losses. Of late entire neighborhoods of uninsured businessmen have too often been wiped out by riots. As a result, the vitality and even the very existence of many business and residential neighborhoods has been threatened.

Both society and its individual members have not only a responsibility to prevent future rioting, looting, and civil disorders but also a purely selfish interest in mitigating the losses which stem from such criminal actions.

A simple example will demonstrate the direct financial gain which accrues to the community if those property owners who suffer catastrophic loss are enabled to again become economically productive. Prior to the destruction of their property, businessmen in the riot area are generally a substantial source of revenue to all levels of government. With the loss of their property they frequently also lose their primary source of income and become financial burdens to the governmental units they have previously supported.

Equally important, the demise of these businesses leave remaining residents of the riot-torn area without vital retail outlets and it eliminates potential sources of employment for neighborhood residents. If the integrity and vitality of the neighborhood is to be preserved these businessmen must be given sufficient aid to reestablish themselves in business.

Until now we have attempted to provide this aid through disaster assistance loans from the Small Business Administration. Unfortunately these loans have frequently proven to be too little and too late. After thoroughly studying this matter I have concluded that the only effective course of action for the Federal Government is to subsidize private insurers the extent that they can offer riot, fire and extended coverage insurance, at reasonable rates, to owners of both residential and commercial property located in riot-prone areas.

The bill I am introducing today establishes the administrative machinery to achieve this end. Although my bill shares a common objective with other riot insurance proposals which have been made by some of our colleagues, the administrative provisions of my bill differ from the others in both scope and emphasis. I believe the unique features of my bill will minimize the administrative costs of the program and clearly delineate the joint responsibilities of the States, property owners and insurers in providing comprehensive insurance coverage for riot-prone areas.

My bill provides that if certain conditions are met, the Federal Government will assist insurance companies in paying the extraordinary loss claims resulting from civil disorder. To be eligible for Federal financial assistance an insurance company must agree to write riot, fire and extended coverage insurance on any residential, commercial and industrial property in a designated area which meets the normal structural and physical criteria for insurability.

The insurance companies, with the approval of the State insurance authorities, will be expected to designate single or multicounty regions within which they will provide these three lines of insurance on a nondiscriminatory basis. In the event of a civil disorder in the designated area, each company would be expected to pay from its own resources claims totaling up to 125 percent of the "earned premiums" which the company's riot, fire and extended coverage lines of insurance generated in the defined area during the most recent calendar year. Any additional losses resulting from the riot would be borne by the Federal Government.

In order to assure an equitable distribution of losses paid by the insurers, all of the companies which participate in the program would be expected to join in a risk pool. Should a single incident of civil disorder cause the losses of any participating insurer to exceed 125 percent of its earned premiums, the excess would be apportioned among the other members of the pool until every insurer's total disbursements equaled 125 percent of its earned premiums from these three lines of insurance.

Under this formula it will be possible for insurance companies to recover a portion of their riot-caused losses even when the disorder occurs in a smaller community of suburban area and the dollar value of the loss is not great. On the other hand, in order to provide insurers with an incentive to adopt this program in the great metropolitan areas, my bill provides that insurance companies will not be required to absorb losses from a single incident of rioting in excess of $20,000,000.

Absent this provision, the formula I have just outlined would require insurers to bear losses of many tens of millions of dollars should a catastrophic loss with the magnitude of the Detroit or Newark tragedies occur again. Thus this bill would provide insurers with a financial incentive to offer these lines of insurance on a nondiscriminatory basis in every area of the Nation, including the hearts of our cities.

Mr. Speaker, the proposal which I have submitted today possesses at least one other advantage over many of the other riot insurance proposals which have been advanced: it minimizes the need for elaborate administrative machinery and procedures. The insurers who seek the advantages of Federal assistance are responsible to develop programs which meet the criteria of this bill and submit them to the proper State authorities for approval under applicable State law. The State authorities, after approving the programs, will provide the Secretary of

Housing and Urban Development with copies of the approved plans and subsequent evaluations of the degree to which they have been implemented. On the basis of these reports and his own independent evaluation of the companies' performance, the Secretary will then determine whether or not the requirements of this bill have been met. If they have, the insurers will be eligible for financial assistance in accord with the foregoing formula should rioting break out.

An essential element of the program I have outlined is the responsibility of the property owner to maintain his property in such a state of repair and order as to meet the general underwriters' standards of insurability. Absent such maintenance, the property owner is not entitled to purchase these three lines of insurance and thus benefit from this alliance of government, the insurance industry, and individual property owners.

Mr. Speaker, the measure which I am introducing today does not reach the root of the problem. That can only be reached by eliminating social injustice, improving the effectiveness of law enforcement and instilling in every American a greater respect for law and order. Unfortunately, these goals can only be achieved over a period of years. In the meantime we must act to mitigate the incalculable human and financial losses which have been imposed upon the many thousands of innocent victims of crime and destructive rampages. My bill will achieve this subsidiary purpose and I urge my colleagues to study it carefully.

CONGRESSMAN HORTON URGES THAT FEDERAL GOVERNMENT'S FISCAL YEAR BE ALTERED SO AS TO CONFORM WITH CALENDAR YEAR

Mr. HORTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HORTON. Mr. Speaker, each year recently some Federal Departments and agencies have suffered an intolerable fiscal squeeze because proper consideration of budget requests takes more than the 5 or 6 months which separate the submission of the President's budget and the beginning of the fiscal year on the 1st of July.

This results in embarrassment to the Congress, since it is widely reported that appropriations bills not passed by the beginning of the fiscal year are unduly delayed. Thoughtful people are thankful that we in the Congress do not rush through consideration of spending bills, but the impression is nevertheless created that, somehow, Congress is slow and delinquent in taking care of the Nation's finances.

A more important consideration is the fact that the administrative departments which do not have their appropriations by the 1st of July must live on month to month continuation or supplemental legislation until the final appropriation bills are passed. Furthermore Federal employees are occasionally faced with partial pay or payless paydays because of the delay of regular appropriations bills.

This unfortunate situation hampers departmental operation since it delays the initiation of new programs or changes in existing programs. Such programs are the creatures of Congress, so the delays frustrate ideas which we in Congress have decided should be put into effect for the benefit of the Nation.

There are two important considerations, Mr. Speaker.

First, it is vitally important that the Congress devote sufficient time to appropriation requests to insure that enough money is allocated for programs, but no more money than is necessary. Given the complex society in which we live today, and the many demands upon our resources, the consideration of requests for funds is one of our most solemn duties. Experience has shown by now, Mr. Speaker, that the traditional time between the submission of the President's budget request in early January, and July first, is not sufficient to allow adequate study of the priorities of requests, their essentiality and their ramifications.

The second consideration concerns the importance of providing administrative departments with their appropriations in such a manner that their programs can continue 12 months a year, without having to put them in limbo for 2, 3, or 4 months a year while they exist on continuing appropriations at the level of the previous year.

Two alternatives to the present situation: either inadequate consideration of appropriation requests, or delays in programs, are not acceptable.

But there is a sensible solution, Mr. Speaker.

I propose that the fiscal year be changed to coincide with the calendar year. Under my plan, the President would continue to submit his budget request at the beginning of the calendar year. But it would propose spending plans for his departments beginning the following January first.

Thus, Congress would have a full year to evaluate the detailed and complex components of the requested budget.

Experience has shown, Mr. Speaker, that this is a realistic amount of time to allow for such an evaluation. As the Federal budget creeps ever higher year after year, it has become more important that we husband our resources, making certain that each dollar is spent wisely. And while we cherish frugality, the increasing demands of a growing urban society do require new and revised programs of immense scope. The time it takes Congress to give its final stamp of approval is the time necessary to determine how much must be spent, and how our goals can be achieved with optimum cost. With the budget well above $100 billion a year, we dare not be reckless or hasty in our deliberations.

It might be objected that by alining the fiscal year with the calendar year, we would increase the margin for error in budget forecasts since, necessarily, 6 months would be added to the time between departmental estimates and the beginning of the fiscal year. Under the present arrangement, this would mean that the time during which the administration could appraise the adequacy of appropriations by reference to actual operations would be reduced from about a half year to nothing.

This would be a serious objection, Mr. Speaker, if there were no alternative. But there is an alternative which would not only overcome that objection, but also draw Congress more closely into the budgetmaking process.

I refer to my proposal earlier this year for the establishment of a Commission on Public Management.

This Commission would be specifically charged with applying the "systems-management" approach of large business firms to the functions of the Federal Government.

This continuing examination of Government departments by the Commission on Public Management would provide Congress with current, reliable data on which to base such legislative judgments as whether to continue, increase, decrease, or change directions of Federal programs, and determine program effectiveness and priority.

Having such up-to-date information available during hearings on budget requests would involve Congress to a greater and very desirable extent in the budget making process.

Since, during the authorization and appropriations hearings, the operations of particular departments would be under continuous scrutiny, my plan would extend the budget making process up to the time of final votes by Congress.

It would, thus, be entirely practical to change the beginning of the fiscal year to the first of January.

In summary, Mr. Speaker, by making that change in the fiscal year, and by establishing a Commission on Public Management:

First. Congress would have adequate time to consider appropriations;

Two. That consideration would be more effective with the addition of the information provided by the Commission Public Management;

Three. Departments and agencies would not have to spend part of each fiscal year wondering how much money they would finally receive for their operations with a surer basis for financial planning, they could more effectively administer their programs;

Fourth. Federal employees would not be subjected to partial pay or payless paydays pending stop-gap legislation by Congress.

The Government of the United States is so vast, Mr. Speaker, that the best management tools are required to insure optimum operation. My proposals would provide two very necessary tools.

ASSISTANT ATTORNEY GENERAL JOHN M. DOAR

Mr. RYAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to

the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, it falls to few men that their careers in the Federal Government should represent the vindication of some great principle of the U.S. Constitution.

Such a man is John M. Doar, Assistant Attorney General and Chief of the Civil Rights Division of the Justice Department.

And the constitutional principle which John Doar's 7 years of tireless effort sought to vindicate is that every person is a citizen of the United States as well as of the State in which he lives, and is entitled to the equal protection of the laws in every State without regard to race, creed, or color. The career of John Doar in the Justice Department has been devoted to the task of securing for all of our citizens the equal protection of the laws in every State in the Union.

I think that John Doar was deeply motivated in his civil rights work by the need to communicate to black America a new confidence in American institutions. He said recently:

> The lack of confidence in American society and the bitterness is not as bad among Negroes in the South as in the North.[1]

When speaking a few days ago to a journalist, he stressed the necessity of instilling such confidence.

He said:

> Contrary to what some people think, Negroes are not a monolith bent on destruction. They are good citizens. I think if we do the things that are fair, we can convince the Negroes that this system is as good for them as for anyone. But we have to make our words deeds.

And he added:

> Now I didn't say I'm optimistic about the future. I didn't say I was pessimistic, either. I think it's a time of opportunity.[2]

John Doar understands that Negroes have too little reason for confidence in American institutions. The Negro has suffered for too long the double standard of justice in the South. He has suffered far too long the cruelest discrimination in jobs and housing in the North. And Doar said that he thought that one of the most important things about the recent mayoralty elections in Gary and Cleveland was not only that Negroes won, "but," as he said, that "the elections were fair."[3]

John Doar's ability and courage were dramatically demonstrated in the way he handled a potentially violent encounter between Negroes and police in Jackson, Miss., several years ago. The funeral of Medgar Evers, NAACP leader in Mississippi, took place in Jackson on June 15, 1963. Medgar Evers was shot from an ambush by a racist in a State which has been characterized by racial brutality against Negroes. After the funeral, several hundred Negroes paraded in the street. At a certain moment, the resentment and anger became too strong to suppress, and some 500 Negroes turned to assault a police line with rocks and bottles. One of the officers declared that he would "wipe them out." He and the other policemen made ready to fire on the crowd.

At this moment, John Doar stepped out in front of the crowd, his hands upraised, braving the rocks and bottles.

He shouted:

> My name is John Doar, D-O-A-R. I'm from the Justice Department and anybody around here knows I stand for what is right. Go back, go back, you can't win this way.

And again he shouted:

> You can't win in the streets. You can't win with bricks and bottles.

Calmed by the reasoning of John Doar, the crowd dispersed.

Throughout his years in the Justice Department, John Doar has strived to give to Negroes in the South reason for confidence in our political system.

Doing much of his work in the field, he has traveled the back roads of the rural South in order to gather evidence for voting rights cases, and the evidence he gathered helped in formulating the Voting Rights Act of 1965.

John Doar was one of the Justice Department men who escorted James Meredith when Meredith entered the University of Mississippi at Oxford, and he confronted George Wallace when the former Governor stood at the gymnasium door of the University of Alabama to prevent the admission of two Negro students—Vivian Malone and James Hood.

He deserves great credit for the prosecution of two civil rights murder cases.

Three men have been accused of murdering Mrs. Viola Liuzzo, a white civil rights worker from Detroit, during the march from Selma to Montgomery in 1965. Two of these men—Collie Wilkins and Eugene Thomas—were acquitted in Alabama State court trials. The third, William Eaton, died before his trial in State court.

But John Doar went to work with the evidence and prosecuted the three Klansmen in Federal Court for conspiracy to violate civil rights. He obtained convictions of all three, who were given the maximum prison sentence under the Federal conspiracy statute—10 years.

And on October 20 of this year, Doar obtained convictions of seven men for the brutal murders of three courageous civil rights workers who were killed in Neshoba County, Miss., in June of 1964. James Chaney, Andrew Goodman, and Michael Schwerner were dedicated to helping others achieve equality. Schwerner and Goodman were white; Chaney was Negro. They were brothers in a common cause.

Not a single man has been convicted in Mississippi State court for these murders.

Presenting evidence obtained by the FBI, Doar argued in Federal court that the murders had been planned by the White Knights of the Ku Klux Klan. As a result of John Doar's effective prosecution of the case, both the imperial wizard of the White Knights of the Ku Klux Klan, Samuel Bowers, and a Deputy Sheriff of Neshoba County, Cecil Price, were among those convicted. The seven convicted men face a maximum prison sentence of 10 years for the Federal crime of conspiracy to violate civil rights.

These two murder cases, which John Doar successfully prosecuted in Federal Court, point up sharply the need for Federal legislation to provide adequate penalties for violent interference with the exercise of Federal civil rights. Members of the House confirmed the urgent need for such legislation by passing H.R. 2516 on August 15.

John Doar is leaving the Justice Department to become executive director of a corporation which manages a Bedford-Stuyvesant antipoverty project in one of New York City's Negro ghettos. It is perhaps significant that at this time in our country's history he is turning his attention from the legal problems of the Negro in the South to the sociological and economic problems of the Negro in the North.

John Doar says of himself:

> I'm a reformer at heart. I like to run against the dragon and see if I can help remove the corruption and the corrosion in the system that deprives Negroes of a fair share of this society.[4]

Mr. Speaker, I am sure I speak for many Members in wishing John Doar success in his new undertaking.

I include at this point in the Record an editorial from the Washington Post, dated December 1, 1967, an editorial from the New York Post, dated December 2, 1967, an article by Haynes Johnson from the Washington Evening Star, dated December 3, 1967, and an article by Warren Hoge from the New York Post, dated December 9, 1967:

[From the Washington Post, Dec. 1, 1967]

A GREAT PUBLIC SERVANT

The resignation of John Doar as an Assistant Attorney General is a major loss to the civil rights movement and to the Government of the United States. For more than seven years, he has been at the center of almost every racial crisis in which the Federal Government has been involved. No man in government has been more widely respected, by those he fought as well as by those he befriended, than Mr. Doar.

The stories out of the South about Mr. Doar's courage and his integrity are legion. Red-necked sheriffs in backwoods counties trembled and cursed when his name was mentioned, but, nevertheless, admired him. Negroes knew him as the man from Washington they could trust. Public officials and judges and lawyers knew that when he said something, he backed it up. Perhaps Mr. Doar's finest moment was on a summer afternoon in Jackson, Miss., when he walked between police lines and a brick throwing crowd, talked the mob of irate Negroes into going home, and averted what was on the verge of becoming a bloody massacre.

There have been few public officials in our time who have contributed as much as Mr. Doar to the solution of the nation's most difficult domestic problem. And there are few men to whom the Government owes more than it does to Mr. Doar who went far beyond the call of duty in his own quiet, self-effacing way.

The selection by the President of Stephen J. Pollak to replace Mr. Doar is a wise one. Mr. Pollak's record in the Department of Justice and as the President's adviser on District of Columbia affairs has been excellent. He need set himself no higher goal than simply to continue the work of the

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[1] Washington Star, Dec. 3, 1967: A-3.

[2] Ibid.

[3] Ibid.

[4] Ibid.

Civil Rights Division in the distinguished pattern set first by Burke Marshall, and then by Mr. Doar.

[From the New York Post, December 2, 1967]

To John Doar: For Valor Under Fire

In any chronicle of the battle for equal rights in the U. S., the story of John M. Doar will deserve a long chapter. His resignation this week as head of the Justice Department's Civil Rights Division represents a large loss to the country, but his appointment to a Bedford-Stuyvesant community project is a gain for the city.

There is apparently no mystery about Doar's retirement; he was in his own words, "bone tired" and his successor—Stephen J. Pollak—is reportedly a dedicated man faithful to Doar's spirit.

A Midwestern Republican, Doar initially served under Burke Marshall during the Kennedy era and became the division chief in April 1965. Long before that date he had become a familiar figure of courage in the front-lines of the civil rights struggle. He did not transmit communiques from a comfortable command post in Washington; where there was trouble and danger, he was there—from the confrontation at Oxford, Mississippi, to the cries in Selma and Montgomery, Ala.

Doar carried the banner of justice against the forces of lawlessness and mob rule, and his presence gave new heart and hope to many embattled, oppressed Americans. It was fitting that this phase of his career recently reached a victorious climax with his prosecution of sixteen men—including a deputy sheriff and a high-ranking Klansman—who plotted the infamous killing of Andrew Goodman, James Chaney and Nathan Schwerner.

There are no Congressional Medals of Honor for such service. But Doar's performances under fire have been a continuing saga of home-front heroism.

[From the Washington (D.C.) Evening Star, Dec. 3, 1967]

Doar Says Now Is "The Time of Opportunity"

(By Haynes Johnson)

John Doar is leaving the government the way he came in, quietly and in an atmosphere of good-will. In this cynical city, that is no small accomplishment for a high government official whose carrer has thrust him at the center of controversies. But then John Doar always has managed to bring off extraordinary results in the most unobstrusive manner.

Others may view the present state of race relations as discouraging, but the government's leading civil rights official characteristically takes the long view and looks for the positive side.

"This is a time of opportunity for the country," he says. "Contrary to what some people think, Negroes are not a monolith bent on destruction. They are good citizens. I think if we do the things that are fair, we can convince the Negroes that this system is as good for them as for anyone. But we have to make our words our deeds.

"Now I didn't say I'm optimistic about the future. I didn't say I was pessimistic, either. I think it's a time of opportunity."

VALEDICTORY TO SERVICE

Those words were, in a sense, Doar's valedictory to his service as head of the Justice Department's Civil Rights Division. Next month Doar becomes executive director of the corporation managing the Bedford-Stuyvesant project located in New York City's largest and poorest Negro ghetto.

It's a big job—and challenge—for Doar, whose reputation rests almost solely on the events of the past seven years in the Deep South. He is taking the job, he says, with the realization that he is not an urban expert. Neither does he claim any special insights into racial attitudes in the northern cities.

"The lack of confidence in American society and the bitterness is not as bad among Negroes in the South as in the North," Doar remarks, "and I don't know the answer to that. Some people have thought the Negro in the North is different than in the South. But I don't know. So far, I have not really worked in that area in the North. I was in Detroit, as you know, during the riots last summer, and it is true that there are some different attitudes you encounter, but as to why, I can't say."

ALWAYS ON THE SCENE

It was inevitable that news of Doar's resignation coupled with the announcement yesterday afternoon of his forthcoming move to New York would prompt talk about "the end of an era," about the final seal on the glory days of the Negro revolution in the Deep South. For Doar, more than anyone, has personified the role of the federal government in the civil rights movement.

Since 1960 Doar was always there—on the Freedom Rides, with James Meredith at Ole Miss and George Wallace at Tuskeegee, facing the Klan in Bogalusa, walking along the Jeff Davis Highway from Selma to Montgomery, or trying a murder case in Mississippi.

Perhaps Doar's most memorable moment came in 1963 in Jackson, Miss., after Medgar Evers' murder. After the funeral services a screaming crowd of Negroes, throwing bottles and rocks, charged police lines. Doar, in shirt sleeves, walked alone toward them, shouting over the din: "My name is John Doar, D-O-A-R. I'm from the Justice Department and anybody around here knows I stand for what is right. Go back, go back, you can't win this way."

He took bottles out of the hands of some, and finally convinced the rest to disperse. A riot was averted.

"It seemed to me it was a good thing to stop, and I thought I would try," he explained at that time to a reporter for The Star there were a lot of kids there, good kids. Some of them knew who I was and I thought they had confidence in me. I thought they would listen to me."

PRAISE FOR COLLEAGUES

Doar, the most modest and soft-spoken of men, would rather not talk about these incidents. In reminiscing about his government career, he has nothing but praise and kind words for his associates and colleagues. He also goes out of his way to compliment the people of the South. The Mississippi trial which he prosecuted this fall, resulting in the first conviction of Klansmen by an all-white jury since Reconstruction, was an example of this.

"The country," he said, "was surprised. People seemed to think it was remarkable that the citizens of Mississippi did their duty. But they were wrong.

"I think the same thing is true about the attitudes of Negroes in the North. Sure, there's a lot of hostility toward whites, but attitudes are better since Gary and Cleveland—and not because Negroes won elections there, but because the elections were fair."

Asked what he considered the most important victory or achievement during the last seven years, Doar said:

"I think what stands out for me, as it stands out for others, is getting to know the Negro people. And that's generally characteristic of this division. Now I don't mean that we're Pollyannas or anything, but there's another side to that; the fact that we've been able to function and do our job and still obtain the respect of most of the people in the areas we've worked, because you know how you've heard people say the Civil Rights Division is a terrible thing.

“‘AN EXTRAORDINARY GROUP’

"The people that work here like the people in the South. I like the people in the South. And let me say something about the government and this department. I think the Department of Justice is a great place and any lawyer who has a chance to work here ought to take it—whether as a young lawyer, as a supervisor, or as one of the higher jobs. I think the rewards are ample. I admire and respect and will be forever thankful and appreciative of the work the lawyers in this division have done, their creativity, their stick-to-activeness. They're just a fine group, an extraordinary group."

Saying that, he dwelled for a moment on his regrets at leaving.

"It's a fact of life that people come and go," he said. "I thought my energy was down, and it was a good time to move on. The Attorney General didn't want me to go. He's my friend. I'm his friend. The decision was mine. I don't know how a small town boy from Wisconsin is going to do in New York, but we'll see."

Then he said, with a somewhat rueful smile:

"I'm a reformer at heart. I like to run against the dragon and see if I can help remove the corruption and the corrosion in the system that deprives Negroes of a fair share of this society."

In his quiet style, John Doar was signaling that no one is going to write de profundis to his career as he moves from the areas of the rural South to the city slums.

[From the New York Post, Dec. 9, 1967]

Man in the News: John M. Doar—From the Justice Department to Bedford-Stuyvesant

(By Warren Hoge)

Washington.—Other opportunities than continuing to fight for others' opportunities beckoned when John Doar recently announced he was leaving the Justice Dept.'s Civil Rights Division.

He could have returned to the thriving law practice he left in his brother's hands when he came here seven years ago.

Riding the crest of his remarkable government record, he could have landed himself a spot in any number of prestigious law firms in the Capital.

Or, by evidencing any interest at all in the attentions paid him by Wisconsin party professionals, he could have had a political go in a state whose governor, Warren Knowles, is an old friend and former law partner.

Instead, he chose to become the executive director of the corporation managing the Bedford-Stuyvesant project in Brooklyn.

The battle to secure rights and opportunities for Negroes has in large part shifted from the courtroom to the job market and from the rural South to the urban North. That the Government's leading general in the rights campaign should move on to the new theater of battle comes as no surprise to his friends and associates.

"He's totally committed to the cause," one former Justice official says. "He's completely wrapped up in it," says another.

"I'm a reformer at heart," Doar himself explains. "I like to run against the dragon and see if I can help remove the corruption and the corrosion in the system that deprives Negroes of a fair share of this society."

The Bedford-Stuyvesant Renewal and Rehabilitation Corporation he'll be heading was set up by Sen. Robert Kennedy and is directed by a board of community leaders. Financed by a $7 million federal grant and a lesser grant from the Ford Foundation, the corporation is drawing up plans for housing, health clinics, recreation facilities and for the encouragement of business and industry.

It was Sen. Kennedy who asked Doar to accept the new post, which Doar describes as full-time and salaried—but he adds that it would be inappropriate to disclose the salary.

He openly concedes that he is no expert on the North or on the frustrations felt by the Northern Negro. His experience, though first-hand and thorough, has been almost entirely in the South.

"The lack of confidence in American society and the bitterness is not as bad among Negroes in the South as in the North," Doar remarks, "and I don't know the answer to that. Some people have thought the Negro in the North is different than in the South. But I don't know. So far, I have not really worked in that area in the North. I was in Detroit during the riots last summer, and it is true that there are some different attitudes you encounter, but as to why, I can't say."

If Doar's past performance is a guide, he is apt to blitz Brooklyn in an effort to find answers to these questions. A lawyer who demands of his aides "facts, facts, facts" and of himself the knowledge that only on-the-scene investigation can produce, he will fast become a familiar figure in the streets and haunts of Bedford-Stuyvesant.

He moves so fast and so often that, according to a former aide, the Attorneys General he worked under used to have trouble keeping contact with him during crisis periods in the South. One year staff members toted up his time in Dixie and figured out that he had been there 240 out of the 365 days.

"John Doar's in Birmingham," one reporter told others at dinner in Mississippi one night.

"No, he's in New Orleans," another said.

"No, I saw him here in Jackson," a third objected.

"You're all right," offered a fourth. "He was in Birmingham this morning, argued a case in New Orleans this afternoon and arrived in Jackson tonight."

John Doar began life at a more leisurely pace. Born in Minneapolis on Dec. 3, 1921, he grew up in New Richmond, Wis., 40 miles away.

He went to Princeton, interrupted his studies to serve two years with the Air Force, returned to graduate in 1946. He then went to the University of California Law School because, as he put it then, "California is where you could make a fortune."

But after he got his degree in 1949, the would be fortune hunter returned home to join his ailing father in the family's law practice. His father died soon after his return, and for the next ten years, Doar and his wife, a pretty brunette from Briarcliff he had met at Princeton, led a quiet, small-town Midwestern life.

John and Anne Doar now have a daughter Gael, 16, and three sons, Michael, 12, Robert, 6, and John Burke, 4, named after Doar's predecessor as head of the Civil Rights Division, Burke Marshall. The family has been living in Chevy Chase, Md. outside Washington.

In the spring of 1960, Harold Tyler, chief civil rights attorney in the Eisenhower Administration, assembled a list of young attorneys from lawyer friends and professors and began calling each of them with an offer to become No. 2 man in the Civil Rights Division. There were no takers.

It was 1960, interest in civil rights did not run high, and few white persons had made the kind of commitment to the cause that the job required. Then he called John Doar.

"I liked trial work, and I knew this would be tough trial work," Doar recalled later. "Also, I had some clear ideas about civil rights in this country. It just appealed to me." So he accepted, took a 50 per cent cut in salary, and moved his family to Washington.

When Robert F. Kennedy became Attorney General, Burke Marshall was appointed to replace Tyler. Although a Republican, Doar stayed on his job at Kennedy's insistence when the Democrats came to Washington.

A tall, lanky man with a loping walk and a ruggedly handsome face, Doar became a well known character in the racial dramas that began to rock the nation in the early 1960s. He rode with the Freedom Riders, and shepherded James Meredith through his riot-torn admission to the University of Mississippi. He was on the scene during the turmoil at Albany, Ga., Tuscaloosa, Tuskegee and Birmingham, in McComb, Miss., and in Jackson, in Bogalusa, Selma and Montgomery.

In June, 1963, he dramatically demonstrated the trust he had gained with both white and black communities in the Mississippi capital, then about to explode with tension after the sniper slaying of NACCP official Medgar Evers. When a grieving, resentful crowd of Negroes started throwing bottles and rocks at police lines, Doar walked towards them, braving the missiles, and pleaded with them not to "do what they want you to."

A solitary figure in shirtsleeves, he stood in the no man's land between the two hostile groups and single-handedly restored order.

The incident made headlines, Doar's picture was on the front pages, and Doar was famous—and embarrassed.

Embarrassed by the publicity. "He really was," an aide remembers. "It appeared to be so dramatic and he's not a dramatic person. He's actually more impressive because he's so quiet and understated."

It's difficult to get Doar to reminisce about these incidents. He prefers to talk about the work of the division and of his associates within the department. "I admire and respect and will be forever thankful and appreciative of the work the lawyers in this division have done, their creativity, their stick-to-it-iveness," he interjects. "They're just a fine group, an extraordinary group."

For Doar at that time things got worse before they got better.

Came the spring of 1965 and he was trudging through the mud alongside Jefferson Davis Highway between Selma and Montgomery as Washington's ambassador to the participants in the stirring march to the Alabama capital.

The night the parade arrived in Montgomery, Doar relaxed for the first time and treated himself to a steak dinner with a group of reporters at the Elite (pronounced EEE-light) Cafe.

Veteran newsman Don Irwin of the Los Angeles Times recalls, "We all felt good that night. You could tell that Doar was relieved." Midway through the meal, Doar was summoned to the phone. As he picked up the phone and listened, Irwin remembers, "he just seemed to wilt."

The caller was an FBI agent. The message was that Mrs. Viola Liuzzo had been gunned down as she drove back to Selma. Doar quietly told the reporters the news and then left the restaurant to assist in the painstaking search for the killers.

He was to win convictions of three klansmen for the murder and then this past fall to successfully prosecute the killers of three young civil rights workers killed in 1964 in Neshoba County, Miss. The two cases represented Doar's proudest moments on the job.

But perhaps his most valuable contribution was in establishing communication between the federal government and both Negroes and whites in the South. There had been none before he took office.

In 1964 President Johnson elevated Doar to the top spot in the division when Burke Marshall left to become general counsel of IBM. Typically, when the announcement was made, Doar was on his way to Atlanta on civil rights work. From there he went on to Montgomery, Ala., before returning to Washington.

Doar prizes the chance his job has given him to know Negroes, and he is not as edgy about Negroes' intentions as are many other whites.

"This is a time of opportunity for the country," he says. "Contrary to what some people think, Negroes are not a monolith bent on destruction. They are good citizens. I think if we do the things that are fair, we can convince the Negroes that this system is as good for them as for anyone, but we have to make our words our deeds."

He is similarly optimistic about the response of whites. When an all-white jury in Meridian, Miss. last October returned a verdict of guilty in the trial of seven men for the murder of the three rights workers in Neshoba County, Doar was surprised at how surprised everyone else was.

"People seemed to think it was remarkable that the citizens of Mississippi did their duty. But they were wrong," he said.

"I think the same thing is true about the attitudes of Negroes in the North. Sure, there's a lot of hostility toward whites, but attitudes are better since Gary and Cleveland—and not because Negroes won elections there, but because the elections were fair."

Friends and associates have a difficult time describing Doar personally. "Laconic" is the word they seem to agree on most. "Understated" is another.

Like Doar, his wife blanches at all the praise bestowed upon him. "He's just a regular guy, really," she pleads. "Please don't make too much of all this," she asked a reporter.

His quiet efficient manner has pleased both Kennedy and Johnson, and he is held in unquestioning respect by both.

He quit drinking five years ago to allow himself more time to read and to be alert throughout his marathon days on the job. To keep his 6-foot-2, 185-pound frame trim, he swims and plays squash occasionally at the Pentagon Athletic Club. If he and the Redskins happen to be in town on the same autumn Sunday, he takes his oldest son out to D.C. Stadium.

His wife thinks the move to New York is "wonderful," but Doar himself is more guarded. "I don't know how a small-town boy from Wisconsin is going to do in New York, but we'll see."

OIL SHALE

Mr. RYAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, the Secretary of the Interior will shortly issue regulations for the new oil shale leasing and exchange. Federally owned lands account for nearly 80 percent, or 11 million acres, of oil-shale-bearing lands. It has been estimated that the oil potential of these lands accounts for more than 50 times the country's proven oil reserves.

Any regulations for the exploitation of this wealth must be designed to guard against windfall profits and insure that the development of such resources be consistent with the public interest. Unfortunately, the Secretary's proposed regulations are full of loopholes. They are written in such a way that any company granted a research lease is virtually guaranteed that this will ultimately be converted into a lease for commercial exploitation.

On October 16, 1967, I recommended to the Secretary of the Interior that his proposed regulations to govern oil shale leasing and land exchanges should not be issued, and I set forth my views in support of my position.

Today I have introduced a bill, which is in many respects similar to S. 2754 sponsored by Senator PROXMIRE. This bill would establish within the Department of the Interior an Office of Oil Shale Development. Through this office the Secretary would make a thorough survey of our oil shale resources. He would make a blueprint of land-use to determine which minerals found in oil shale should be given priority development. The Secretary would undertake an accelerated program of clearance of title to the lands now in dispute.

Further, my bill provides for a program of research to develop techniques for the extraction of shale oil with the stipulation that the results of this research be publicly available. Within 5 years the Secretary is to submit a plan for a full-scale mining and processing demonstration facility. Finally, the Secretary is required within 10 years to submit to the Congress his recommendations for a plan of development and exploitation of our oil shale resources.

This proposed legislation offers a rational plan to develop this vital natural resource in a manner consistent with the public interest.

In include at this point in the RECORD my views on the proposed regulations of the Department of the Interior governing oil shale leasing and land exchanges, which I submitted on October 16, 1967:

VIEWS OF CONGRESSMAN WILLIAM F. RYAN ON PROPOSED REGULATIONS OF THE DEPARTMENT OF THE INTERIOR GOVERNING OIL SHALE LEASING AND LAND EXCHANGES

The proposed regulations of the Secretary of the Interior for the leasing of shale oil reserves involves a basic question of public policy: Who should benefit from the development and exploitation of a natural resource on public lands?

In my opinion the proposed regulations would make that decision in favor of private interests before there is sufficient basis of technological knowledge. Clearly, there is a need to promote research, but the effect of the proposed regulations would be to vest commercial interests, who would hold leases for research purposes, with an almost automatic right to future leases for commercial exploitation and private profit. This decision is premature.

Under the language of Section 3172.2(b) ("The Secretary *will extend* the term of such lease"), virtually any lessee who has developed a workable method of extraction meeting the conditions of Sec. 3172.3 would have a right to a commercial lease of up to 5,120 acres.

Since the enormous potential wealth is itself such a great incentive, these regulations are a grossly generous device for promoting research. Instead the government should contract either with universities, research institutes, private industry, or use government employed researchers to develop the technology which will ultimately lead to commercial exploitation.

The federal government should be in possession of certain basic technological knowledge before it determines how this public resource should be developed.

In addition to the basic policy question to which I have referred, there are a number of deficiencies in the proposed regulations upon which I shall comment briefly.

1. Presumably an applicant would be limited to one lease of up to 5,120 acres. However, the regulations do not seem sufficiently clear to prevent a parent corporation from applying for more than one lease through a subsidiary, thus consolidating holdings. See Sections 3171.2(c)(4); 3171.2(c)(7); 3171.2(c)(11).

2. Section 3171.3(a)(3) is unclear. How are the competitive opportunities of smaller companies to be enhanced if the extraction process requires huge capital inputs?

3. The standards of Section 3172.3(c) are vague with respect to "reasonable reserves." By what criteria is the need "for commercial production" determined? Is this based on previous investment, current investment, profit magins?

4. It is unclear whether Section 3172.3(d) entirely prevents persons from holding multiple leases.

5. Section 3172.5(b) and Section 3172.5(d) are unclear as to the definition of "point of shipment to market." Does this mean the refining market or the commercial market?

6. Section 3172.5(d) is unclear as to the definition of "mineral products." If this includes other mineral products then oil, there should be different royalty schedules for different products. Also, how is investment defined? Does it include research investment?

7. In general, the royalty rate is too low, especially in light of the depletion allowance; this will be accentuated if the current depletion allowance is altered in favor of the companies, which seems likely.

8. Under Section 3172.5(e) twenty years is much too long an interval for the adjustment of royalties.

9. Section 3172.9(d) provides only for disclosure of information obtained during the research term. There should be disclosure provisions relating to the commercial lease period as well.

10. Section 3172.9(d) lacks sanctions for disclosures made in violation of the lease.

11. 3172.9(e) applies only to patents made during the research term of the lease. This requirement should be extended to include the commercial term as well. The government should acquire title to all inventions developed from federally owned resources.

12. Under 43 USC g (d), one granting title to land to the United States can retain title to mineral rights. How does this affect the proposed amendment on land exchanges amending 43 CFR subpart 2244 1–7? Will a person retain mineral rights on land exchanged under the proposed amendment? If so, this may provide an unintended windfall.

There seems to be a need for a federal mining claim registration statute drawn so that no claim or patent application thereunder is valid without prior registration with the appropriate federal agency. The burden of proof should be on the applicant or claimant to show the validity of his claim. The statute should provide that a mere registration does not validate a claim, but provides only the record of claim.

In conclusion, it is respectfully submitted that the proposed regulations to govern oil shale leasing and land exchange should not be issued by the Secretary of the Interior.

CONGRESSMAN WILLIAM F. RYAN COMMENTS ON THE SPACE PROGRAM

Mr. RYAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, I am continuing the address I made on December 15 under a special order concerning the Nation's space program.

In our overriding concern for safeguarding the rights of the individual and providing for the needs of our citizens, liberals frequently disregard the importance, the implications, and the role of technology in our society, losing sight of the technological base upon which so much of our social and economic capability and progress rests. At the same time liberals seldom affect the outcome of the competition for public funds in which major technology developments almost always win over social programs. We cannot change or influence this almost inevitable pattern by ignoring the facts or ignoring technology. It is difficult to persuade anyone that domestic needs are equally or more important than the space program, for example, if we do not first acknowledge the importance of the space program.

Since I believe that social programs deserve a higher priority than they receive today; since I believe that most of our technical programs are wastefully administered, overfunded, and tend to substitute their own interests for the national interest; since I believe that good and advancing technology is vital to our Nation and that poorly run technical programs not only cost more than efficient ones but also tend to lower national standards for progress in all areas, I have felt a responsibility to become more deeply involved with the question of research and development—and in particular the space program—its role, its management, and its cost to society.

During this budget-cutting year, when vital domestic programs were being severely cut back, as a member of the Committee on Science and Astronautics I turned with greater attention than ever before toward the space program to examine its importance and its place in our national priorities. As long as public funds are spent on this program, they should be well spent—so that the people of this Nation may receive the greatest possible benefits from their investment. In order to do this, the Nation must have an excellent program which produces first-quality hardware. What is more, only if we appreciate the benefits of this program, can we accurately define their limits. Without such definition of limits, no objective and persuasive argument may be made about national priorities and the relative value of competing programs.

At the end of this confused congressional year, I can say at least that the space budget is no longer sacrosanct; a reorientation of liberal attitudes is beginning; and Congress has been moved in the direction of a more rational and moderate approach toward the Nation's most ambitious and costly technological program.

FAILURE OF THE COMMITTEES TO REPORT

Although the House Committee on Science and Astronautics concluded its hearings on the Apollo disaster on May 10—some 7 months ago—it has not yet managed to publish a report on those hearings for the benefit of the Nation.

The same is true of the Senate committee which concluded hearings on May 9. The reason for this can only be a reluctance to face some unpleasant truths and to ask some hard questions that need to be asked. I feel that people should be informed about the meaning and results of those hearings concerning our $25 billion Apollo moon program, so I have prepared my own report. Since this is not an official committee report, and is therefore directed to my own constituents, I will discuss but not limit myself to the Apollo hearings.

A much more extensive effort is needed to even begin to do justice to the subject of the Apollo disaster. One Congressman does not have the facilities to undertake the task of reporting in full. A committee is both better equipped and expected to fulfill this responsibility. My statement should have constituted additional views to a committee report and is no substitute for a thorough accounting. My hope, then, is to point out some of the larger issues which were revealed by the Apollo hearings and to clarify some of the problems which confront us in our space program and its relationship to our national goals.

APOLLO AND THE SITUATION IN BRIEF

In addition to the more important questions of national priorities and technology's value to the Nation, the space program is for most of us a fascinating venture. It symbolizes America's remarkable technological progress and potential. At the same time its administration illustrates some of the more serious problems of bureaucracy and demonstrates how a policy of secrecy can be harmful even in a technical program. The space agency—NASA—has brought both pride and distress to America through its technical successes and its serious errors and unsolved management problems. The question that Congress has largely evaded is whether to tackle those problems sensibly by facing them head on, or whether to cover them up and rush headlong in a continuing race in space with the Russians—whatever the cost and whatever the dangers.

NASA for a long time maintained a public image of openness and uninterrupted success. It was NASA's policy to televise the breathtaking manned space launches, and it was our good fortune that in spite of various hardware failures and technical problems no major disasters occurred which involved human life. On January 27 of this year disaster struck—taking the lives of three astronauts—when the Apollo capsule burst into flame during a routine ground test at Cape Kennedy.

In the congressional hearings that followed, for the first time the scope of NASA's management problems began to unfold, and Congress learned that there was a great deal of information being withheld. NASA, of course, is performing fantastic engineering feats for which there is no precedent. It is inevitable that it should face great difficulties and have to learn through trial and error—failure and success. It is further true that NASA grew so rapidly that it was not able to properly organize its management. Without an objective acknowledgment of these facts, it is difficult for serious and complex problems to be approached and solved.

If NASA was to disclose to Congress the full range of its problems, its record of successful undertakings would speak eloquently for itself. It is simply unfortunate that NASA's policy of withholding information turns every discovery of trouble into a revelation and a scandalous newspaper headline. But it is inexcusable that Congress, which must make vast financial commitments on behalf of the American people, should be kept in the dark.

MY TWO OBJECTIVES

This year I have devoted considerable effort to the space program in order to further two objectives: first, to bring NASA's budget and ambitions into closer line with the interests of the Nation, and second, to improve the management of the space program through constructive criticism.

(A) NASA'S PLANS AND THE GOOD OF THE NATION

My first point has been seeking harmony between NASA's plans and the needs and desires of Americans. I think that the future of the space program itself will be very much influenced by the success or failure of this quest.

It has recently been brought home to us with special force that the Federal budget is finite. NASA's budget is also finite. What might be desirable, viewed alone by our space planners, may lose its urgency when balanced with the total needs of the Nation. Recent events have called our judgment of national priorities very much into question, and fiscal pressures this year especially have forced us to seek answers to that question. The space agency may ultimately lose support if it is overambitious. The public has already begun to view NASA's ambitions as greater than the public interest. Recent polls show that the public finds the space program impressive but overcostly and is not certain about the desirability of proceeding or spending money in space at such a rapid rate.

It is doubtful, for example, that Americans today would assent to a program costing perhaps hundreds of billions of dollars to place a man on the planet Mars, as NASA is hoping to do through development of the NERVA II nuclear engine. I argued repeatedly, both in committee budget hearings and on the floor of the House, against development of flight hardware for this project. At first my amendment was voted down. But Congress finally deleted those funds from NASA's fiscal year 1968 appropriation. However, although the funds were finally denied, NASA had initially received an authorization for NERVA II flight hardware, and when the Soviet Union performed two recent space feats, many Members of Congress predictably rushed to suggest that NASA return to the congressional committees and resubmit requests for funds to go ahead with this program.

On August 15, NASA Administrator, James E. Webb, testified before a House Appropriations subcommittee:

> After we have made the lunar landing we believe it would be wise to keep the budget approximately . . . where it is now or even going up a half billion dollars a year.

I do not agree that this is wise. I do not believe the public will tolerate a plan for escalating costs—or even the deliberate intention to sustain them—without resentment until such time as greater funds are available for urgent domestic needs.

Part of NASA's present difficulties are related to an overambitious and overoptimistic attitude in projecting new plans, with a greater emphasis on meeting self-imposed deadlines than on sound and deliberate progress. While optimism is always gratifying, it is no substitute for rational planning. Since NASA is already having great difficulty managing its enormous tasks, if the Agency's ambitions grow unchecked, they may in the end be self-defeating and bring about a serious collapse of the program. Needless to say, such a collapse would not only be a great loss, it would cost the public a great deal of money.

NASA uses the space race to create its deadlines and inflate its ambitions. I believe that there has been insufficient attention to the idea of international sharing of the costs and burdens of space exploration. On November 10 I urged the President to determine that the space race be ended and that greater efforts be made to initiate substantial international cooperation. I believe the public awaits those efforts.

(B) BUILDING A BETTER PROGRAM

My second aim has been to seek improved management. I have made a series of detailed proposals to improve NASA's budget and management procedures and have been critical when NASA's policies were ill advised. I recommended to the Administrator of NASA, to the committee chairman, and to the Director of the Bureau of the Budget that NASA's future budget submissions be altered so that they become program oriented. This would make it possible for Congress to know the actual cost of a program. The Budget Director replied in effect that such a request to NASA would have to be made by Congress. Yet Congress is not likely to request such a change in procedure unless the public shows interest and demands that knowledge of true costs which NASA's budget presentations now obscure.

GUIDANCE FROM THE NATION

My efforts to raise the larger issues concerning NASA management and candor during the Apollo hearings drew a response from technical and lay people throughout the country. I received hundreds of letters, documents, and personal commentaries which lent substance to my intuitions about the extent of NASA's internal problems and to my sense of the public view. Not one communication opposed further investigation or criticized the pressure that I put on NASA. On the contrary, people were uniformly grateful to learn a portion of the truth and urged that a much more sweeping investigation be made. Most striking was the approval not only of those who question the need for an extensive space program at this time—but of those who strongly favor a vigorous program and care most about its ultimate success. Particularly disturbing was the number of technicians working in the space program itself who were grateful that some painful revelations had begun, and hoped that this might lead to re-evaluation and real improvement in program management and quality. I learned a great deal from their guidance.

Here I face great difficulty in formulating what I may relate publicly. Almost all of the knowledgeable statements and documents that I received were proffered in complete confidence—for the sole purpose of informing me about a crisis situation and encouraging me to press for further investigation. Fear of reprisals kept the persons involved from making public statements and identifying themselves. Typical of this fear was that expressed in a letter from an experienced high-level employee at a major NASA center who wrote:

> I have to be careful what I send. NASA would fire me for writing you if they could prove it. This is one reason Congress will not get much information on NASA management.

This possibility of jeopardy to individuals prevents me from stating directly some of the disturbing facts which were brought to my attention or to specify the sources from which they came. I will, therefore, attempt to provide only a sense of what was communicated to me by listing a small number of possible quotes and comments.

COMMENTS FROM WITHIN THE SPACE PROGRAM

A managerial employee of many years experience was demoted by NASA on grounds of insubordination following his criticism of a contractor's performance. The employee wrote:

> The purpose of this letter is to communicate to you . . . problems of waste, inefficiency and mismanagement in the Apollo Space Program . . . (I) am unable to accept complacently practices at . . . (the NASA installation) which I believe to be contrary to the best interest of the Space Program and the nation.

An ex-North American Aviation employee wrote of his action of some years ago:

> I directed a letter to . . . (various top officials of) NAA, advising them that . . . testing and evaluation procedures being authorized by S&ID were not following the recommendations of leading authorities . . . NAA management refused to consider my request and terminated my employment on grounds of insubordination.

An employee was fired after 2 years with North American. He explained that he was responsible for quality control and said:

> I made strong attempts to halt and correct the high percentage of faulty parts.
>
> Eventually, an official of North American gave me notice of termination for "violation of company policy."

Two ex-North American employees wrote:

> We worked for 2 years as Quality Engineers . . . We voluntarily terminated our employment because we did not feel Management and Supervision would allow us to perform a quality job . . .

A copy of a letter to an important NASA official contained many pointed comments. Among them:

> During my employment with NASA . . . unsatisfactory conditions were brought to my attention and an effort was made to obtain necessary corrections without success . . . the attached supporting documents show serious deficiencies which, if not corrected, will continue to contribute to failures on the ground and (in) outer space missions, having disastrous consequences.

A NASA section manager spoke of his immediate superior's refusal to accept and transmit documents detailing weaknesses in safety procedures. He said of this:

> I can only interpret his refusal as an attempt to prevent Apollo-related vital information from reaching NASA, and Apollo, upper management.

The president of a company that performed certain services in connection with the Apollo program recounted how his company had been in possession of detrimental information concerning the performance of North American's spacecraft. He explained how the information was suppressed until NASA's original requirements were lessened and the unsatisfactory report was "no longer relevant."

A man employed at a major NASA center for 3 years wrote:

> (NASA is) not likely to permit the public to glimpse the true state of affairs in Washington, Houston, Cocoa, Kennedy or the cislunar lacuna . . .

The president of a company under contract to NASA told of the "shambles" at a NASA center concerning the awarding of contracts. Giving the particular example of an award to "one of the worst contractors there," he said that in his opinion "NASA couldn't afford to have any other contractor come down here and take a look at what's going on."

An employee memo of some years ago was brushed aside by officials at a NASA center. It outlined problems of duplication of work, excessive costs, lack of inspection, failure to monitor contractors and inexperienced workmen. The memo concluded:

> Under strict NASA monitoring and inspection it could save the Government several millions of dollars per year. This could increase a lot with (saving us also) a cable failure, and loss of missile and possible human life.

An engineer working on the Lunar Module at Grumman Aviation said he was worried about the program. As an example he cited the use of "off-the-shelf equipment" which had become obsolete. He explained that—

> There is no review process with regard to equipment originally off-the-shelf which has been outmoded and was really not satisfactory to start with . . . The way in which the decisions are made and the decisions to use things off-the-shelf are rather horrifying.

A Bendix Corp. employee in a responsible position concerning space program safety hazards predicted future disasters with the Saturn rocket program and doubted that the astronauts can be safely returned from the moon should they be fortunate enough to arrive safely there. During the conversation he explained that personnel, responsibilities and contracts are shifted around so that "nobody knows what he's doing"—records of hazardous incidents are "destroyed or taken out of the files" and excess personnel are "asleep on the job." He said in conclusion:

> NASA is aware of all this. They just don't know how to run such a big program . . . No matter what contractor they would have it would be the same result.

A former NASA Section Head said he was not surprised at the Apollo tragedy. He stated:

> Regardless of what steps may be taken by the present NASA organization, (I predict) further tragedies in connection with Apollo, with the eventual probable collapse of the Apollo program as we know it today.

A 1966 note from a NASA Quality Director to Dr. von Braun discussed the investigation of a recurring problem of RCA computer failures in the Saturn rocket program. It said:

> Qualification testing of the board assembly . . . was not performed by R.C.A. prior to production . . . If this protection had been applied, there would be no major problem today.

An internal NASA memorandum dated in 1966 reported on a Quality Control investigation at the facilities of two Saturn contractors—Electronic Communication, Inc. and the Martin Co. It said:

> Support presently provided is inadequate to assure acquisition of acceptable quality manufactured hardware.

After listing several examples of poor workmanship and failure to follow proper procedures, the report concluded:

> Closer surveillance must be maintained over these contractors . . . in order to assure flight worthiness of these mission critical, complex articles.

A NASA QC (Quality Control) Unsatisfactory Condition Report referred to the building used to check and operate GSE—ground support equipment—for Gemini spacecraft operations. The report, dated May 18, 1966, included the following headings:

> Item name—Cryogenic building #1 . . . Criticality Code—Major . . . Reason for report—Quality problem . . . Probable cause: Poor workmanship and shop practices used by Bendix, support contractor, and very little or no Bendix QC support.

An official NASA quality review document of some time ago was sent which included these comments:

> NAA and Grumman do not have a Qualification Test Plan for GSE (Ground Support Equipment) . . . reliability of all GSE is very low . . . GSE is purchased through MSC (Manned Spacecraft Center), Houston, without proper input from Engineering to the concerned Contracting Officer . . . This has resulted in . . . rejecting approximately $8 million of approximately $12 million of GSE submitted.

Later the document said:

> Unit End-Item Specifications are being written by NAA after unit is manufactured.

In reference to reducing standards when acceptance tests are unsuccessful, the document continued:

> In many cases the original design intent is

> compromised in favor of schedule requirements.

Here we have a small sampling of opinion and program ratings from inside the space program. It is sad to note that employees are discouraged and fearful, both for themselves and for the program as a whole. Contractors are skeptical of NASA's management and officials of NASA are greatly concerned about the low level of contractor performance and the rate of hardware failure.

COMMENTS FROM OUTSIDE EXPERTS

Of course, Mr. J. L. Atwood, president of North American Aviation, stated on May 4:

> It must be recognized that problems of this kind are encountered in almost all large, complex developmental programs.

It is a natural response, then, to wonder how technicians outside of NASA's space program viewed the Apollo spectacle. Again the information I received was very revealing.

A retired power electrical engineer from Hawaii spoke of the death of the three astronauts as " a ghastly engineering misfeasance." To the claim that the fire hazard was unforeseeable he stated:

> This is not a supportable fact. The top-flight engineers in charge of the electrical part of the program were remiss in not foreseeing that an oxygen atmosphere represents an extreme hazard, just as power and industrial engineers recognize, and guard against, hazards in explosive and highly flammable surroundings.

A building and zoning superintendent from the State of Washington declared:

> If they had just talked to any Building Code Official . . . they would have readily learned they had a built-in fire trap in the spacecraft . . . It looks to me they snuffed out three lives due to negligence—three of the finest.

A designer for the Boeing Co. wrote:

> NAA and NASA are both to blame . . . FAA requires that any military or civil aircraft be fitted with escape hatches that can be opened instantly . . . regardless of the flight condition . . . (this includes) aircraft stationary on the ground before take-off.

A member of an eastern State motor vehicle research organization wrote:

> In the April 10, 1967, issue of the New York Times an excerpt of the Apollo Investigating Board's Report states in Section b, and I quote "Circuit breakers and other interrupting devices cannot act rapidly enough to prevent an arc." The statement should read, "Circuit breakers, etc., on the Apollo 204 were inadequate and not designed to prevent arcing."

He later said:

> Particularly distressing was the description of the interior of the spacecraft. It read more like a peon's shack in Nicaragua with exposed plumbing, wires, etc. It certainly did not appear as a sophisticated spacecraft.

A fellow of the American Society of Civil Engineers wrote:

> It seems doubtful to me that several basic and essential principles of sound research and development have been followed properly . . . Successful scientific investigation is not compatible with politics, profits or haste.

I received a copy of a letter to President Johnson which said:

> In my professional career of some 35 years in the geological sciences, which included all phases of R&D (research and development), I learned that it is only too easy, and inherent to the system, for even the best of R&D groups gradually, and unknowingly, to become self-satisfied, non-objective, and inefficient without the benefit of occasional reviews by qualified outside parties. NASA has been reviewed and studied, but only by itself.

A physical chemist from California blamed NASA top administration for severe negligence and worried that a lack of criticism will lead to further deaths. He pointed out:

> The present report on NAA deficiencies reflects as much on NASA as on the contractor since it is obvious that there was not an adequate supervision of the contractor's effort . . . The authorities in NASA set the stage, by their own incompetence, for the death of 3 brave men.

A technical consultant from the Midwest wrote:

> With no standards to keep up with, no guidelines, no quality control to bother with, the contractor can afford to be arrogant and careless . . . it is more than conceivable that further tragedies will occur in the space program . . . regardless of how much money Congress doles out.

A consulting engineer from Wisconsin wrote:

> Our entire engineering profession is suffering from a lack of honest reporting of deficiencies and failures in the newer technologies, and this is giving the people the erroneous impression that everything is going well, until we encounter a major tragedy.

It is striking to note that not one of the letters I received suggested tolerance or sympathy for the problems encountered by NASA and its contractor. Not one technician inside the program or from a related field tried to make excuses for NASA and suggest that the difficulties may have been unavoidable. They were a stern jury—single-minded in charging NASA with negligence and full responsibility.

COMMENTS FROM THE LAY PUBLIC

Perhaps saddest of all was the commentary of the lay public. They were shocked and hurt and sincerely worried and skeptical about the space program. They were uniform in their gratitude that a part of the truth had been revealed and in encouraging further disclosures. Their letters also revealed an attempt to understand the tragedy in their own terms. They reasoned as follows.

An 80-year-old woman from Missouri had been employed for 9 years in the delivery rooms of the Independence Hospital. She wrote:

> There were oxygen tanks in each room—and oxygen piped thru the walls from outside. Nurses were not allowed to wear nylon slips on duty, lest a spark cause an explosion. Imagine my horror when I read in the Kansas City Star that the couches of the astronauts were nylon covered and there were nylon curtains in the capsule where live oxygen was used. My horrified reaction was "Oh No!!"

A Florida resident felt that present problems are not new. His memory of NASA history produced the following comment:

> In 1960, Rocketdyne, a division I believe of North American, was given the preference in the selection of the original booster engine in competition with the United Aircraft and one other Company. At that time Rocketdyne was far behind the others in their development of the state of the art but by submitting a "lower price" won the award which in price, through the expedient of "engineering changes" has far exceeded anything ever imagined.

An attorney in Texas wrote:

> The same thing caused the Apollo catastrophy as that which happened to the Submarine Thresher—poor workmanship . . . poor wiring in the space ship was of the same quality as the welding on the patch put on the hull of the Thresher.

A woman from Colorado quoted conflicting testimony:

> One said the craft was on self-electricity, the other said it was outside, or white room electrical supply. They didn't even get their stories straight to give to the public. None of it was necessary or an unavoidable accident in my little-taxpayer-opinion.

A view encountered several times from areas surrounding NASA installations held that—

> We here in Florida close to Cape Kennedy . . . have long expected things worse than that to occur.

We see then that insiders and outsiders, experts and laymen alike, were of one voice in condemning the conditions that led to the Apollo fire. It is significant that we have heard approval of the status quo only from spokesmen of top management in the Agency and industry—those who have a direct stake in maintaining the status quo—whose reputations and business interests are involved.

CANDOR AND NASA'S REACTION TO CRITICISM

It is essential to understand the nature of the criticism that NASA has received and NASA's reaction. There can be no argument that improvement in NASA's management procedures was needed. NASA itself admitted this after the Apollo fire and initiated some internal corrective actions. However, during the House and Senate hearings on the January 27 Apollo tragedy, when committee members attempted to ascertain in detail the nature of NASA's problems and the extent to which they might affect the future of the space program, great difficulty arose and, for the most part, NASA withheld the information. Since the hearings NASA has not complied with requests for a better flow of information to committee members and greater candor in its dealings with Congress. Instead, the space agency has responded by trying to label serious inquiry as hostile action. The effect is to bring congressional investigation down to the level of a clash of personalities and has resulted in agency attacks on the integrity of Members of Congress. Worst of all, NASA, instead of facing its difficulties squarely for the purpose of eliminating them, has attempted to shift blame to Congress for its problems.

One such misdirection of NASA's energies was seen in a hastily called press conference on October 5, to which the Administrator had top NASA officials and industrial executives flown from all over the country to help him suggest that my criticism of the space program represented sensationalism and destructiveness. Mr. Webb, the NASA Administrator, on that occasion characterized my efforts to crack through the information barrier as attempts "to make a sensational item for the front page of a newspaper," and said that by this criticism "you are contributing to the destruction of a system which involves American industry and the governmental system."

The background of this event is rather enlightening. On August 1, I had written a letter to the Administrator renewing my request for accurate and up-to-date program status reports. In particular I voiced my concern about the H–I and J–2 engines—part of the Apollo booster package—and to underscore the seriousness of my request I quoted from an unpublicized letter dated February 15, 1967, from Dr. Wernher von Braun, Director of NASA's Marshall Space Flight Center to the president of the Rocketdyne Division of North American Aviation. It appears that until then NASA did not know that anyone was aware of Dr. von Braun's letter or the problem to which it referred. The strongly worded letter stated that there was an unacceptable amount of error in connection with the two rocket engines and concluded:

> These are your engines which are going to cause us a serious accident if this situation is allowed to continue.

After many telephone requests, I finally received a reply from Mr. Webb 6 weeks later on September 14. The requested status reports were not included, the matter of the engines was lightly passed over as a minor problem, and certain misleading statements were made by the Administrator concerning the origins and risks of NASA "all-up" testing procedures which attempted to blame Congress in advance should there be any mishap with the Saturn V—Apollo booster—rocket shot a month hence. Upsetting as this was, I said nothing of the matter until after Mr. Webb testified in a Senate Appropriations Subcommittee hearing on September 28 and reiterated his stale and unfounded charge that insufficient funding through the years had held back the program and contributed seriously to the possibility that the moon goal would not be met. There was, of course, no mention of the continuous parade of technical failures and development difficulties, some of which were reported in the press and the technical journals, that were daily forcing new postponements of scheduled tests.

It is only fair to point out that NASA had estimated roughly a cost of $20 billion to get us to the moon, and on the date of Mr. Webb's testimony had already received nearly $25 billion for that program. Last year NASA's entire budget request was funded by more than 99 percent. No other civilian agency has had such faithful annual support from Congress which, prior to fiscal year 1968, had funded $27.8 billion of the $28.9 billion NASA had requested since 1959.

I prepared a speech for the floor of the House on the afternoon of October 5 reiterating the serious problem involved in NASA's lack of candor about program status and making public, as evidence, the text of the February 15, 1967, Von Braun letter. News of my speech was carried that day in the early morning editions of the press. NASA's press conference took place the same afternoon in the NASA auditorium in lieu of the requested status reports.

CANDOR AND FREEDOM OF INFORMATION

It would be well to remember that NASA's attitude toward public scrutiny did not arise with the disclosure of the Von Braun letter, or even with the unhappy revelations of the Apollo hearings. It would appear that Mr. Webb felt betrayed that the subject of the Apollo fire was made known at all when he said on April 10, the first day of the House Apollo hearings:

> The issue here is . . . whether the United States can conduct an open program where everything that happens in any factor gets in the newspapers.

This is, of course, an intolerable position in light of the advertised difference between America's "open" program and Russia's secrecy. It is certainly not acceptable to have the American people and their Representatives in Congress believe that they are fully informed when in fact they are not. Worse yet, it appears that news about the space program has been carefully managed in the past, and this has had the effect of deceiving Members of Congress about the true nature of some of NASA's budget requests and the importance of Congress' decisions.

The problem is not merely an overoptimistic presentation of program status. It goes much deeper than that, having implications for the principle of freedom of information in a democratic society and the power of Congress to investigate adequately and represent the interests of the American people. I refer in particular to the sequence of events surrounding a report by NASA's Apollo program director, Gen. Samuel Phillips in December 1965, concerning the operations of North American Aviation, the prime Apollo contractor.

This report, following an intensive investigation by top NASA personnel, showed, among other things, how the taxpayer was being blatantly overcharged. It said, for example, in reference to the S–II booster program:

> NAA's estimate of the total 10 stage program has more than tripled. These increases have occurred despite the fact that there have been reductions in hardware.

In reference to the Apollo spacecraft program it said:

> The final (cost) estimate does not represent, either in tasks to be done or in resources required, the legitimate program requirements as judged by the program manager, but represents total work and dollars required to support a level of effort within S&ID.

In commenting on North American's "Ability To Meet Commitments," it said:

> NASA has been forced to accept slippages in key milestone accomplishments, degradation in hardware performance, and increasing costs.

Clearly the public is entitled to know how its money is being spent. Yet NASA withheld the report—first attempting to deny its existence and then refusing to produce the document itself. NASA failed to meet its obligations under the statute which created NASA and which provides:

> Information obtained or developed by the Administrator in the performance of his functions shall be made available for public inspection—

And provides further that nothing in the act—

> Shall authorize the withholding of information by the Administrator from the duly authorized committees of the Congress.

NASA's Administrator tried to defend his action in withholding the Phillips report by referring to a statute—title 18, United States Code, section 1905—which he said restrained him under threat of penalty from divulging confidential information about a contractor.

I believe it would be useful to set the record straight concerning this statute. Title 18, United States Code, section 1905, is designed to prevent a Government employee from stealing, selling, or giving out trade secrets or financial information that he is not authorized to give out. The statute provides that such employee who makes known:

> *To any extent not authorized by law* any information coming to him in the course of his employment or official duties . . . which information concerns or relates to the trade secrets, processes, operations, style of work or apparatus, or to the identity, confidential statistical data, amount or source of any income, profits, losses, or expenditures of any person, firm . . . or permits any income return or copy thereof or any book containing any abstract . . . to be seen or examined by any persons *except as provided by law*—(Italic added)

Shall be subject to fine or imprisonment or both.

It seems clear that this statute does not apply to the NASA Administrator who is both authorized and obligated by law to make information about the space program available to the public and to respond to requests for information by members of the congressional committees.

The situation was unfortunately made worse when J. L. Atwood, president of North American Aviation, to whom the report had been sent by General Phillips with a covering letter dated December 19, 1965, testified under oath:

> General Phillips has not given us a copy of any report.

A crisis of confidence about NASA's candor has been developing which is perhaps the deepest threat to support of the space program. Only an appreciation of the full extent of the challenges and difficulties confronting the space agency can prepare the American people and the Congress for a mature approach to any failures or disasters which may follow. And certainly, if there is any importance whatever to the competition with the Soviet Union, only open avowal of uncertainties can mitigate the propaganda effect of any future American failures in its space program.

CANDOR AND ITS EFFECT ON PROGRAM QUALITY

It is not only in terms of public confidence and freedom of information that the issue of candor is important. Suppression of difficulties adversely affects the space program itself. NASA has said, in effect, do not bring up these ugly things—let us get on with our business.

This is a disastrous attitude as was seen during the congressional hearings. Extraordinary problems, which had been brewing for years at the plant of the prime Apollo contractor were clearly delineated in the Phillips report of December 19, 1965. From this report we learned that many of the same problems showed up again unsolved in NASA's Apollo Review Board report 15 months later as background conditions for the Apollo fire. The existence of these problems could only have continued without challenge and uproar in circumstances where the truth was sufficiently suppressed.

In spite of NASA's efforts to withhold vital information, certain facts began to emerge. Not only were technical and financial difficulties with the prime contractor being hidden, NASA's own files had for several years prior to the Apollo fire contained records of previous similar NASA fires with ensuing investigations and review board reports, and detailed studies about the extreme fire hazard in a space cabin filled with 100 percent oxygen.

An example was a NASA fire on April 28, 1966, which occurred in a 100-percent oxygen atmosphere in an altitude chamber used to simulate the interior environment of the Apollo command module at a facility in Torrance, Calif. According to NASA's testimony before the Senate Space Committee on February 7, 1967, the 1966 review board's comments on that fire included:

> No adequate fire detection or extinguishing equipment was installed in the test fixture. No written emergency shutdown or fire procedures were provided to the test operators . . . . From the standpoint of fire control, improvement in the selection of some materials used in the Environmental Control System and Apollo Command Module could be made . . . there is a potential fire hazard from arcing or direct short circuits.

Some of the number of similar NASA fires resulted in injuries to personnel, but fortunately no deaths had occurred. It is interesting to compare the Review Board report on the April 28, 1966, fire with the Review Board report on the January 27, 1967, Apollo fire which reads:

> The test conditions were extremely hazardous . . . Adequate safety precautions were neither established nor observed for this test . . . No procedures for this type of emergency had been established either for the crew or for the spacecraft pad work team . . . Emergency fire, rescue and medical teams were not in attendance. . . . This (oxygen) atmosphere presents severe fire hazards if the amount and location of combustibles in the Command Module are not restricted and controlled . . . The risk of fire must be faced . . .

Thus, previous experience with fires existed. NASA had as well, in its files, detailed recommendations for the "amount and location of combustibles" in order to reduce the fire hazard. Properly reviewed, this information should have led NASA to designate the fatal test as hazardous and to take appropriate safety measures. Neither was done. One can only assume the information was quietly filed.

NASA'S DEFICIENCIES

During the Apollo disaster hearings, testimony about the fire, assignment of responsibility, historical data, and inspection and control procedures was contradictory and evasive. Press reports about serious problems at NASA installations increased in frequency. The highly critical Baron report—written prior to the Apollo fire by an employee of North American Aviation—began to take on credibility in the light of other testimony as well as reluctant admissions by NASA and North American that it was substantially correct.

This report, which was compiled of notes made in 1965 and 1966, detailing poor workmanship, lack of control over spacecraft parts, waste of funds, hazardous and inadequate test procedures, disregard of specifications, lack of documentation and quality control, preventable accidents, low morale, and so forth, included various examples of the employee's unsuccessful attempts to communicate with upper management in order to correct or eliminate hazardous conditions. In November 1966 Mr. Baron wrote:

> Why the people higher up don't realize the risk involved in some of this ill practice, I'll never know . . . I was told when I went to work in this building that I was not to create "waves" and above all, don't stop any tests, no matter what.

On April 11, 1966, Mr. Baron had written:

> We will end up in deep trouble.

The Apollo Review Board report itself was a devastating indictment of poor workmanship, poor quality control, lack of adequate inspection and safety procedures, and inadequate contractor supervision. Typical of its conclusions were these excerpts from its findings and determinations:

> Established requirements were not followed with regard to the pre-test constraints list . . . The test specification was released in August 1966 and was not updated to include accumulated changes . . . Deficiencies in design, manufacture, installation, rework and quality control existed in the electrical wiring . . . These deficiencies created an unnecessarily hazardous condition and their continuation would imperil any future Apollo operations.

An interesting comparison may be made between the Baron report and the Review Board report with reference to NASA's testimony that astronaut safety had always been its primary consideration. The official postfire Review Board report stated:

> In its devotion to the many difficult problems of space travel, the Apollo team failed to give adequate attention to certain mundane but equally vital questions of crew safety.

The discredited prefire Baron report said:

> The Apollo program is only the beginning, but this is not to be used as an excuse for poor operations . . . we should not compromise the safety of the astronauts just for the benefit of a schedule.

A striking aspect of NASA's Apollo Review Board report was that, while it faithfully listed many flaws, it did not respond to the implication of its own severe criticism. It spoke only of overt problems which are relatively simple to correct. Poor workmanship can be improved. A hazardous test can be more properly evaluated. Negligence in inspection can be eliminated. The Apollo Review Board failed to note that, although each individual defect can be corrected, the indictment was so comprehensive and so massive that it was impossible to escape the conclusion that NASA's management of the $25 billion moon program was simply inadequate.

Nowhere did the Apollo Review Board conclude that NASA had failed to provide the Nation with a high-quality program, and has yet to prove that it is capable of doing so. Nowhere did the Review Board discuss faulty management procedures that allowed so many errors and difficulties to accumulate. And especially, nowhere did the Apollo Review Board inform us of what we learned with certainty later on from the Phillips report of 1965—that costs in the program were enormously inflated and out of control; that schedules had slipped beyond recognition; that design specifications had been compromised, hardware requirements reduced, and quality degraded in response to inadequate contractor performance. I quote from General Phillips' covering letter to J. L. Atwood, president of North American Aviation, when he transmitted his report on December 19, 1965:

> Even with due consideration of hopeful signs, I could not find a substantive basis for confidence in future performance.

It became so important to make Congress aware of these truths in face of NASA's consistent denials that I warned NASA that, if it did not introduce in evidence the suppressed Phillips report which spelled out these problems, I would publicly release the report. Perhaps NASA did not believe that I had access to this report. In any case, NASA did not acknowledge my offer that it retain charge of the release of information, and on April 29 I made the report available to the public. Through the Phillips report we learned, most of all, that NASA had been aware of the serious problems at North American Aviation but had failed to do anything substantial to either prevent or correct the debilitating conditions.

The foregoing and other items began to suggest that the space program is riddled with so many internal difficulties that accidents are only to be expected and that there may yet be further preventable tragedies. It became apparent that confusion and obscurity in budget planning, and confusion and negligence in supervision of the Apollo program which led to the fire, are both functions of the same institution—NASA management.

CONTINUITY OF NASA'S PROBLEMS

Perhaps NASA's complacency about the deficiencies, by which Congress and the public were so shocked, can be explained by a simple statement made by

Dr. Mueller of NASA before the Senate Space Committee on February 27:

> I do not regard the performance of the contractors in the Apollo program as being any better or any worse than the performance of the contractors in the Gemini or in the Mercury program.

If true, the implications of this comment are extremely grave. Indeed, past documents, such as NASA's Mercury report of 1964, suggest the general accuracy of his statement. The Mercury report, in language similar to the 1967 Apollo review, referred to:

> . . . the MA–9 backup spacecraft. A total of 720 system or component discrepancies were recorded, of which 526 were directly attributed to a lack of satisfactory quality of workmanship . . . thousands of man-hours were expended in testing, calibration, assembly, and installation of a variety of hardware that later failed to meet performance specifications or that malfunctioned during systems tests . . . this could have been avoided in a large percentage of cases if adequate attention to detail during manufacture or thorough inspection before delivery had been exercised.

Poor workmanship and escalating costs have existed throughout NASA's history. NASA management has never solved these problems. Many NASA missions have failed. For example, Grumman's orbiting astronomical observatory is 4 years behind schedule; costs are four times the original estimate; and the project is yet to have a successful launch. At Grumman's plant in Bethpage, Long Island, the lunar module is many months behind schedule and is still suffering severe technical problems. Program costs have again skyrocketed. High-level reviews in the style of the Phillips report have been made at Grumman and other NASA contractors as well. To be sure, despite numerous requests, these reports, as well as recent followup reports at North American Aviation, have not been made public or available on request of congressional committee members.

Despite all of the aforementioned, it took the sacrifice of three American astronauts to focus national attention on the reality of serious flaws in NASA's space program. NASA has lost its public image of frankness. More important, the Administrator has made it clear that he will continue to reveal only what he himself thinks Congress ought to know.

THE COMMITTEE'S FAILURE IN THE HEARINGS

In fairness to NASA, the House Space Committee did not explicitly require NASA to be responsive to questions from committee members or to produce vital documents which were relevant to the circumstances leading up to the fire. In fact, in some instances the committee aided and abetted NASA's evasiveness, self-contradictory statements, and refusal to comply with the requests of individual committee members for pertinent information. Blatant misstatements under oath were ignored.

Unfortunately, the committee was substantially unprepared for the hearings. There was no noticeable preliminary committee staff work; there was no independent committee staff investigation at Cape Kennedy at the scene of the fire: there was no independent analysis of the findings of the Apollo Review Board report; no outside expert opinions were sought for the guidance of committee members.

Some Members feared that disclosure would reveal grave difficulties and might harm the future of the space program. My own view is that the space program is in serious difficulty with its management in extensive disarray. There is a need for strong pressure from Congress through both disclosure and stringent budget control in order to force NASA to undertake more substantive steps toward self-improvement. This need is far more pressing than any deadlines past, present, or future, but Congress has not yet determined to play this role.

In spite of the obvious need for continued searching inquiry, the committee called its hearings on the Apollo fire to an early close, and no further investigations are planned. I asked repeatedly for a renewal of the hearings in letters to the chairman, on the floor of the House, and in the press.

On May 4 I asked the President to appoint a high-level commission of independent experts to objectively evaluate NASA management and assess the true nature of the problems involved.

I pointed out that in addition to serious questions of mismanagement, we had not even begun to scratch the surface of another problem, the intrusion of politics into a program that requires the utmost in rational decisionmaking and a policy of awarding contracts on the basis of technical capability rather than political considerations.

All of these suggestions were received quietly and without action.

UNANSWERED QUESTIONS

When the hearings ended, many important questions were unanswered. To this day some of the most essential questions remain unasked. A full list of such questions would be too long for this report. I will try to indicate just four broad questions, while pointing to some of the reasons for their urgency.

(1) NASA'S RELATIONSHIP WITH ITS CONTRACTORS

The Phillips report was suppressed by NASA and had to become known through another source. General Phillips stated that he visited North American Aviation some eight to 12 times yearly to oversee its operations. In attempting to soft-pedal the importance of the Phillips report, Mr. Webb testified that there are many similar documents in NASA's files and reports on at least two companies that are worse.

On May 9 the Administrator of NASA was forced to reverse his Senate testimony of April 17 and admit that he ignored the advice of NASA's Source Evaluation Board which determined that the Martin Co. was technically better equipped to build the Apollo spacecraft. He stated that his recommendation that the contract be awarded to North American rested on that company's lower bid. Yet the Phillips report showed that North American Aviation's major energies were spent in constant upward revisions of its cost estimates. Costs in the program had tripled and were still escalating unchecked. The attempt to cover up the circumstances of the contract award and NASA's excessive protection of North American did nothing to dispel the aura of politics in what should be objective decisionmaking. If politics is not the answer, this reflects adversely on the validity of the original bid and on the judgment applied in evaluating and accepting it.

Again, Mr. J. L. Atwood, president of North American Aviation, testified in the Senate that part of North American's severe problem was due to new work coming in from NASA so fast that it required a "rapid buildup in manpower." The Phillips report stated that North American's space division—S. & I.D.—was overmanned and showed more dedication to a certain level of effort and dollars than to the Apollo mission. No adequate explanation has yet been offered for continuing and increasing the contractual workload of a company that had shown itself to be inadequate or indifferent to its original task, when other companies were available and qualified.

We were told repeatedly by NASA that by April 1966, the problems at North American had been substantially cleared up. Yet NASA would not make public a July 1966 review of North American, nor the results of a December 1966 design recertification review and later reviews. We should not forget that the Apollo Review Board report suggests that the deficient conditions of December 1965 were still largely in force on January 27, 1967. NASA's testimony is further contradicted by a memo of April 1, 1966, to North American Aviation's space division from the NASA resident manager, which said:

> This office has for periods of more than 12 months pointed out the detrimental effects on the program and insisted that S&ID program management take drastic action in the present to correct deficiencies in the drawing and release system. A year has now transpired in defining the problem and studying solutions.

Furthermore, in his letter to me of September 14, 1967, the Administrator of NASA responded to my question about recent reviews of North American Aviation by admitting:

> NASA did review the North American Aviation operations in July, 1966 . . . Although much progress was made, we were not satisfied with operations as conducted at NAA. This led to the decision, on December 3, 1966, to defer any extended commitment and to revert to a letter contract basis with North American for the Command and Service Module contract.

This letter contract remained in effect for an entire year. Yet a new contract has just been signed retroactive to last December, and in the forthcoming year North American proves once again to be NASA's favorite contractor, having gained new contracts and maintaining a greater share of NASA's business than any other company.

The same complacency that is found in accepting a pattern of serious problems from Mercury to Gemini to Apollo is found in Mr. Webb's casual acceptance of the Phillips report on grounds that it is not unique. He seems to suggest that since other contractors have received similar derogatory ratings, the findings of the Phillips report are of little importance.

Now, if we begin to weigh the massive criticism that has been leveled at NASA from within the program, from outside the program, from NASA's internal documents and from the Apollo Review Board itself—if we contemplate the choice of North American Aviation as prime contractor and the protection it has subsequently received—if we accept NASA's claim of constant supervision of its contractors, the stated routine nature of the Phillips report and commonplace character of its findings, an unavoidable question arises that cannot be left unanswered. That question is: What is the condition of NASA's management that allowed such massive, costly, and hazardous problems to accumulate and to remain unsolved?

(2) NASA'S INTERNAL OPERATIONS

In the past, NASA has had an impressive series of management directives and documents for quality control and program guidance. For example, the NASA NPC 200 series of 3 and 4 years ago includes excellent manuals on "Quality Program Provisions and Inspection System Provisions." Another useful document is NASA's Apollo publication "Contractor Reliability Plans and Performance Evaluation Manual." A 1965 NASA policy directive—NPD 7121.1—introduced "Phased Project Planning" which it said "provide(s) a framework for clearly understood delegations of authority and responsibility down to the lowest level of management."

In response to the Apollo hearings, NASA issued a lengthy new compilation of management directives in its publication "Actions Taken as a Result of the AS-204 Accident." NASA said:

> These are to remove possible ambiguities in the assignment of program responsibilities and to reinforce control of waivers and deviations.

There is no reason to believe that a mere recompilation of documents will bring about an adherence to planning directives that has not existed in the past.

NASA's detailed 1964 publication "Space Cabin Atmospheres—Fire and Blast Hazards"—which contains an extensive bibliography of related studies and publications—anticipates precisely the conclusions about fire hazard, flammability, materials placement, and fire safety construction procedures which NASA management has been investigating and discovering in 1967 at considerable public expense.

NASA has in its files the experience of several previous NASA fires similar to the spacecraft 012 fire on January 27 of this year, but apparently learned nothing from them and did nothing to alter procedures in order to prevent or minimize a recurrence.

Finally, and most upsetting, we learned from the Apollo Review Board report that, as a result of past fire hazard studies, NASA did in fact have criteria for flammable materials and their placement in the space cabin among its directives, but these were not implemented by the contractor or checked on by NASA.

NASA said in its document "Actions Taken as a Result of the AS-204 Accident":

> Knowledge gained as a result of the fire and in subsequent testing has led to a significant change in the approach to selection and placement of materials in the Command Module. This change to previous practice is more significant than any other single change resulting from the investigation.

I genuinely fear that this statement may be true, and that there will be, in fact, few changes of greater magnitude than this.

Incredible as it may seem, despite prior mishaps, NASA failed to designate as hazardous the fatal test which involved three human beings in a 100-percent oxygen atmosphere at 16 pounds per square inch. Because it was not considered hazardous, prescribed safety measures were not followed. The real problem, then, is not a simple error in evaluating the hazards of a particular test. It is a serious and deep-rooted lack of control of an entire program. In this respect it is a bureaucratic and institutional problem—not a problem of individuals. The space agency received enormous sums of money for vast programs before its rapidly growing management structure could gain the experience and maturity necessary for their successful administration.

NASA has enjoyed a unique public confidence and a consequent lack of outside scrutiny and criticism. It is the only civilian agency which has had its annual budget requests almost fully funded. As a result, NASA's internal weaknesses are now deeply inbred. The Apollo Review Board was very frank—but it admitted to only those problems that a good agency can solve; it did not question NASA's management procedures and ability to solve them.

In reviewing NASA's future budgets and projected programs we must urgently ask: What fundamental changes need to be made in NASA's management structure—and are any of the necessary changes in fact being made?

(3) NASA'S DECISIONMAKING PROCESS AND PROGRAM LEADERSHIP

One matter confronting us relates to the forthcoming lunar effort. In light of the prescience shown by the Baron report and similar NASA employee documents of the past few years, it is difficult at this time to dismiss lightly statements by insiders that various aspects of the space program are in great difficulty and in danger of further disaster.

Several experts have pointed out their concern that Grumman's lunar module, for example, cannot with present technology be realistically flight-tested before its first planned use in returning the astronauts from the moon's surface. Apparently the moon program is proceeding at a pace held back only by failure to meet schedules—not by plans to wait for the solution to such a problem.

This alone might give us pause, but my concern is heightened by two other factors. The first is that these doubts and technical difficulties are not readily admitted by officials of the space agency even when directly asked. Unsolved problems are discovered by outsiders in large part accidentally when informed experts confess their apprehension. Since NASA officials are not open about the extent of the serious technical and safety questions still to be resolved, one can only hope that there are no other hazardous problems being shunted aside or unnecessary risks being taken in order to meet schedules and get on with the program. Certainly, schedule pressures and corner cutting played a major role in the Apollo tragedy, and one can only assume the motive to be maintaining the agency's image of rapid success—or to sustain a high level of program funding. Unfortunately, my doubts were greatly increased by the number of comments I received from space program employees citing hazardous working conditions, dangerous or inadequate test and inspection procedures, NASA and contractor unwillingness to admit internal criticisms because acknowledgement might call for changes and interfere with schedules. Apparently it is not clear to these employees that NASA and its contractors are as concerned with human safety and high standards as they are with continuing the space race. Not only has employee morale suffered severely on this account, but morale problems themselves can have a deadly effect on quality and safety in the program.

The other complicating factor is the sad knowledge we have gained about NASA's difficulty in implementing even the satisfactory portions of its own plans. We have come to realize that, despite some impressive management directives, NASA's enforcement of standards has been frequently unsuccessful and can probably be viewed as one of the agency's greatest deficiencies. We have learned also that NASA management compounds its own problems by failing to identify the true status of programs—just as the Apollo Review Board pointed out that North American contributed greatly to the hazards of the fatal Apollo test by not identifying the true status of the space capsule.

NASA wants no further public or even congressional scrutiny of its operations and, in spite of recent criticism, still hopes to carry on largely with its present plans and procedures intact. Yet NASA has widely claimed that a mere 10-percent cut which Congress made in this year's budget—an action for which most agencies would be grateful—may have wounded or halted the space program for years to come. NASA's current $4.5 billion is still a great deal of money. Should the space program actually suffer severe setbacks in the future, it is my belief that they will be largely the result of NASA's deficiencies and handling of its responsibilities—not of a mere $500 million cut in a $5 billion budget.

In light of the tremendous financial effort required of the public to support NASA's program, it becomes unavoidable to ask:

What higher standards of safety, of quality, and of cost control, has NASA adopted—and what concrete steps will

NASA take to strengthen adequately the review and control of its contractors in order to insure their satisfactory performance?

(4) CANDOR, POLICYMAKING, AND NASA'S ROLE IN SOCIETY

We have seen that the nature of NASA's policies on information are such that preservation of the agency's image appears to receive priority over clarification of issues, over accurate accounting of costs and procedures, and over frank disclosures of the true status of programs. NASA's information-dissemination policy can be reasonably described as agency propaganda. In an area which demands the highest dedication to searching, honest inquiry, and scientific objectivity, a devotion to propaganda can, by corrupting the agency's attitudes, have a telling and deleterious effect. This is undoubtedly an important factor in NASA's current difficulties.

One clear result of this propaganda function is the barrier it places between the agency and the public it is presumed to serve. NASA long escaped serious scrutiny not only because it hid behind the complex technical aspects of its programs—but also because the image NASA projected of unlimited success was a carefully manufactured product bearing little relation to real, down-to-earth problems or to processes of decisionmaking about national goals and objectives and the costs and benefits involved.

NASA's devotion to propaganda has been seen in various ways. Surely the original moon deadline was not foisted upon a reluctant NASA. When President Kennedy proposed a manned landing on the moon in this decade as a national objective, various observers recollect that the space agency had already determined that the moon goal was indeed in its own interest.

In fact, according to the NASA historian at the Library of Congress, NASA had laid out its plans for a manned landing on the moon with potential landing dates as early as 1966 during the Eisenhower administration, well before President Kennedy took office. Much time and energy was spent building pressures and creating the climate in which the moon project could be seriously proposed as a national goal. The protests of a number of leading scientists, who said that America had little to gain from such an approach to a space program, were overlooked and quieted. Once convinced that it had made a decision, the American public took full responsibility by viewing the authorization of the enormously expensive Apollo program without a moment's hesitation.

Of course, sputnik contributed a great deal to the national response of unquestioning acceptance. The shock to the national pride was genuine and deep. Patriotism and fear of the Soviet Union's growing power played a real part. But by now we should have learned a great deal from that episode. Yet we have the current spectacle of the Administrator of NASA trying to scare America into full funding of debatable budget requests by once again raising the specter of a space gap—warning that the Russians may soon boost a larger spacecraft or arrive on the moon a little before us, and occasionally implying that whoever lands first on the lunar surface will control all of space if not the earth below. By now we should have realized that, regardless of past hysteria, it in fact matters little today on which date whose original satellite was launched. The world is impressed, and so should we be, by the quality of what we can accomplish—not by who tried to do it first. Serious benefits for mankind should be far more important to us than any possible deadlines or dubious competition. I do not believe the cold war will be won or lost by the nation that steps first onto the lunar surface—nor do I believe that anything but harm can come of the attempt to keep the space program largely inspired and guided by international tournaments. Furthermore, I do not believe the Nation is well served by the current propaganda barrage which tries to magnify the benefits of "technical spinoff" from our space program and implies that potential and hoped-for domestic applications are an adequate substitute for direct attacks on serious domestic problems. This attempt only serves further to threaten public confidence in the candor and leadership of the space agency and further endangers support for the space program.

Another aspect of the agency's propaganda is NASA's occasional reference to its need for extensive facilities in case of large-scale military operations—in which case, the Administrator has suggested, NASA might fly military payloads and play an important role in the national defense. On May 31, 1967, I received a reply from the Department of Defense to my inquiry about NASA's military role. In it, the Director of Defense Research and Engineering stated:

> I feel that the main contribution of NASA's space program to Defense is in the technology being developed rather than in major items of hardware.

Yet another aspect of the irrationality disseminated by NASA is its insistence on equating the success, importance, and image of the space program with immediate and extensive manned—as opposed to unmanned—space flight. At this time the scientific community is not totally agreed that we yet have the necessary technology safely to send men on lengthy space missions. The President's Science Advisory Committee has also raised the question as to whether there is any particular advantage in manned flight for a good deal of the space experimentation now being discussed. This is particularly pertinent considering the fact that instrumented missions are decidedly less expensive, since they weigh less and are less demanding in terms of propulsion, reliability, and advanced life-support technology. Again, those scientists who originally questioned the value of allowing NASA primarily to orient its program around manned flight, argued that we could learn more at less cost if NASA did not divert its best energies to the question of simply providing safety and comfort for the presence of human beings.

Assuming manned space flight, however, many competent observers have pointed out the illogic of following a manned lunar landing by a number of unmanned flights, as planned, instead of vice versa. Finally, some experts are of the opinion that many of NASA's planned experiments are of doubtful value and appear primarily designed to rationalize the importance of the particular launch.

NASA will not admit that there is any question about the primacy of manned space flight at this time. During budget hearings this year, when asked by the House Appropriations Committee what, if forced to choose, NASA would be willing to cut, NASA without hesitation pointed to its unmanned programs which are presumably devoted exclusively to scientific experimentation and advancing the state-of-the-art.

I have already mentioned the NASA-proposed NERVA II nuclear engine with its purpose to serve as a vehicle to place a man on Mars in 1985 at a probable cost of over $200 billion. As was pointed out, Congress has temporarily deleted the funds for this project. But during the budget hearings NASA would not admit that its purpose was the manned Mars landing. It is important to note that careful reading of NASA's fiscal year 1968 budget submission indicates that NASA had already begun the NERVA II hardware program in the preceding year without consulting Congress. More and more frequently this year NASA regularly mentioned a manned Mars landing in public, and articles to that effect based on NASA releases were seen frequently in the press and technical journals. In typical fashion, early in the year Space Aeronautics magazine published a colorful picture graph entitled "U.S. Aerospace Program—Missions and Projects as of January 1, 1967." It included the manned Mars landing and said it "could be launched in the early 1980's." The NASA propaganda machine has been working to inject this project into the national consciousness and to provide us with our next spectacular and unbelievably costly manned space goal. I can only reason that NASA did not officially propose such a goal because raising the issue might lead to serious questions about NASA's capability as well as the astronomical cost. Instead, at one point the argument was made that nuclear propulsion, as provided by the NERVA II engine, would provide us with another option, and that options are precisely what the Russians are developing; and Mr. Webb implied that, if we did not follow suit, we might soon be faced with a serious option-gap—one may wonder if the taxpayers will have an option.

The fact is that NASA may yet succeed in receiving funds for the NERVA II hardware project. Judging by usual procedure, once enough money is spent on developing this nuclear propulsion capability NASA will announce that all the money already invested, and the industrial capability developed in the process of building the hardware, will be wasted unless we take the next step and adopt a goal of landing a man on Mars in order to justify past expense and effort.

In view of NASA's repeated claim that if we did not fund the initial $2 billion

NERVA II flight hardware project right away, our capability to build it later would somehow diminish, and considering the enormous effort already spent in publicizing the idea of a man on Mars without mentioning its cost or questioning its real benefits, it is not unreasonable to ask if NASA's main concern is to insure that its budget is as large as possible.

If we add to this aspect the troubling awareness we have already developed concerning NASA's lack of candor about mission progress and actual program costs—we are faced with perhaps the most difficult and important question of all. How will we be assured that NASA will keep us informed of the true status of its operations, its costs, and its planning process so that the American public will be able to participate in the choice and direction of national goals in space?

CONCLUSION

I think Congress must share the blame for the fact that these vital questions remain unanswered. Congress has not yet determined to lift the technology curtain and expose the bare policy considerations that lie beneath.

I believe that we overfund, and underexamine, the validity of our major technological programs and the success and integrity of their administration. I am neither for nor against the space program. I think that having an excellent program is essential both to our pride and our progress. I think it is essential as well that we throw off the shackles of the space race and declare our intention to make rational plans designed to meet the needs of America not distorted by the conceptions and value judgments of another nation. It is essential that we examine our national priorities with the utmost care and make certain that the space program is neither made a handy villain by its critics nor a handy saviour by its spokesmen. We must establish reality and make a sober and objective appraisal of the space program's role in our society.

Perhaps the problem was best capsulized in a rather sad cartoon which appeared in the press some months ago. It read:

> Ask not what the space program can do for you, ask what you can do for the space program.

Perhaps it is time we reverse that all-too-true commentary and set out to determine with care how the space program may serve us ably and well.

To this end Congress must demand that NASA adopt new standards of candor in its dealings with the Congress and the public. This must include regular and complete status reports on all major programs and on contractor operations.

Congress should demand that NASA's budget presentations be altered so that program costs are clarified and decisions can be made based on an appreciation of the true magnitude of programs. This should include a breakdown of administrative funds as they relate to individual programs, an accounting of cumulative past costs for each program, and a clear and thoughtful projection of future costs for a period of at least 5 years, based not only on ideal considerations, but as well on pragmatic and empirical considerations about development problems and the risks of hardware failure.

Congress must relinquish its romantic illusions about the space program and its notion that all technical efforts are equivalent to progress. Each program proposal should be evaluated in terms of its specific objectives and their social value.

Congress should demand that a panel of independent experts be created to provide an objective technical evaluation of NASA management and planning procedures. Such a group should both challenge and support NASA's methods, where they find it suitable, in order to promote genuine improvement and to broaden the perspective on which Congress bases its own decisions. They should as well be able to suggest areas where NASA's funds could be reasonably cut without endangering the program.

Congress must revise its attitude toward hearings on the space program. In the future, both hostile and friendly witnesses should be called—from all levels of management and from the work force itself. This should include personnel from both NASA and a variety of its contractors in order to begin to clarify where responsibility lies for efficient planning and for the implementation of quality standards. In addition, relevant outside professional advice should be sought to provide a more balanced view of the policies espoused by the space agency.

Finally, if we establish reality in our view of the space program, we can assign it to a proper place in our national priorities; we can determine what truly useful service it may perform; and then we can see that it receives whatever funds are necessary to perform that service and not a penny more.

The American people deserve nothing less.

SEVENTH ANNUAL WEST SIDE COMMUNITY CONFERENCE—"THE CHALLENGE OF HEALTH CARE IN THE CITIES"

Mr. RYAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, perhaps the greatest political problem of our time is the relationship between the individual citizen and the complex governments which are supposed to serve him. To meet this problem, we must increase citizen knowledge and participation in the processes and policies of government.

Elected officials and particularly Members of Congress have special responsibility to increase citizen participation. I believe that the public and those who mold policy are obligated to one another for understanding and direction.

Thus every year of my tenure in Congress I have sponsored an annual daylong community conference in New York City. The conferences are free of charge and free of partisan orientation. They bring together leaders in the government and the academic world with the citizens to whom they are responsible for an exchange and an interchange of views.

I am fortunate that the reform Democratic Clubs of Manhattan's West Side and many individual citizens join me in presenting the conferences.

On April 1, 1967, we held our seventh annual conference on "The Challenge of Health Care in the Cities." Some 2,000 individuals attended and took part in the six panels and the plenary session at Columbia University.

Robert C. Weaver, Secretary, Department of Housing and Urban Development; and William H. Stewart, M.D., Surgeon General, Public Health Service, U.S. Department of Health, Education, and Welfare addressed the plenary session.

The panelists included:

Harry Becker, Executive Secretary, Committee on Special Studies, New York Academy of Medicine.

I. S. Falk, Professor of Public Health, School of Medicine, Yale University.

George A. Silver, M.D., Deputy Assistant Secretary for Health & Scientific Affairs, U.S. Department of Health, Education & Welfare.

Herman M. Somers, Professor of Politics and Public Affairs, Woodrow Wilson School of Public & International Affairs, Princeton University.

Edward O'Rourke, M.D., N.Y. City Commissioner of Health.

Leonard J. Duhla, M.D., Special Assistant to the Secretary, U.S. Department of Housing & Urban Development.

Mrs. Alice Fordyce, Co-Chairman, N.Y. State Committee Against Mental Illness.

Lonnie McDonald, M.D., Director, Community Psychiatry, Harlem Hospital.

Alan D. Miller, M.D., N.Y. State Commissioner of Mental Hygiene.

Dr. Mark Tarail, Administrator, Department of Psychiatry, Maimonides Hospital of Brooklyn.

Dr. Bertram Brown, M.D., National Institute of Mental Health.

Manfred Ohrenstein, Mental Health Committee, N.Y., State Senate.

Dr. Leo L. Beranek, President, Bolt, Beranek & Newman, Inc., Lecturer, M.I.T.

Lawrence E. Hinkle, Jr., M.D., Director, Division of Human Ecology Cornell University Medical College.

Ron M. Linton, Chairman, Task Force on Environmental Health, U.S. Department of Health, Education & Welfare.

William H. Megonnell, Chief, Abatement Program, National Center for Air Pollution, U.S. Department of Health, Education & Welfare.

Peter Kihss, The New York Times.

Martin Cherkasky, M.D., Director, Montefiore Hospital & Medical Center.

Leon J. Davis, President, Local 1199, Drug & Hospital Employees Union.

John H. Knowles, M.D., General Director, Massachusetts General Hospital.

Frank vanDyke, Professor of Administrative Medicine, Columbia University School of Public Health and Administrative Medicine.

Alonzo, S. Yerby, M.D., Head of Department of Health Services Administration, School of Public Health, Harvard University.

William L. Kissick, M.D., Director, Program Planning & Evaluation, Office of the Surgeon General, U.S. Public Health Service.

James Brindle, President, Health Insurance Plan of Greater New York.

James G. Haughton, M.D., First Deputy Administrator, New York City Health Services Administration.

George Himler, M.D., Chairman, Coordinating Council of Five County Medical Societies of New York City.

James C. Ingram, Vice President, Blue Cross.

George K. Wyman, New York State Commissioner of Social Welfare.

Albert H. Blumenthal, Chairman, Committee on Health, New York State Assembly.

John M. Frankel, Director, Health Division Community Action Program, U.S. Office of Economic Opportunity.

Jack Geiger, M.D., Professor, Preventive Medicine, Tufts University.

George James, M.D., Dean of Mt. Sinai Medical School.

Harold C. Light, Associate Director, Gouverneur Health Service Program of Beth Israel Hospital.

Frank Riessman, Professor, Department of Educational Sociology, New York University.

Mr. Speaker, I wish it were possible to acknowledge by individual name everyone to whom I am indebted for the success of the conference. I do want to thank the following for the important parts they played.

The cochairmen were Susan Cohn and David R. McGregor, who organized and coordinated the entire conference, and who were assisted by the tireless efforts of the following members of the conference committee:

Secretary, Anna Lou Pickett; assistant secretary, Elaine Bernstein; club coordinators, Judy Joseph and Ruth Levy; treasurer, Ira Zimmerman; public relations, James Vlasto; assistant for public relations, Joyce Rowe; arrangements chairman, Barbara Jeffers; arrangements assistant chairmen, Brooke Aaronson and Carlton Carl; registration chairman, Ruth Fuhrman.

The club representatives were: Mary Adamson, Leona Brin, Carlton Carl, Fred Nichols, Peter Osman, Joyce Rowe, Stu Schwartz, Elliott Shorter, Israel Weinstein, Inez Wilson.

The panel coordinators were: Betty Jo Bailey, Ada Bass, Jean Faust, Sylvia Hunter, Eva Popper, Barbara Silverstone.

Members of the conference staff were: Rita Breitbart, Stewart Brownstein, Vivian Cohen, Rebecca Cooperman, Jeffrey Cowan, Kathleen Goodin, Adrienne Kivelson, Marvin Lieberman, Joseph Marshall, Jack Rennert, Bertha Sperling, Dr. William Thomas, Dr. Sheldon Waxenberg, Selma Ziskin.

I am most grateful for the friendly cooperation of Miss Smith, Miss Matthews, and Mrs. Myers of the Barnard College staff; to the members of the Columbia-Barnard Democratic Club, to student reporters of the Columbia School of Journalism, and to the many others who gave of their valuable time and talent.

I am also specially grateful to Norman Holly, of the Department of Health, Education, and Welfare, whose advice and assistance was invaluable in helping us shape the conference.

The participating clubs were: New Chelsea Reform Democratic Club, Ansonia Independent Democrats, Reform Independent Democrats, Manhattan West Democratic Club, Inc.; West Side Democratic Club; FDR-Woodrow Wilson Democrats, Inc.; Riverside Democrats, Inc.; Fort Washington Manhattanville Reform Democrats; Heights Reform Democrats; Columbia-Barnard Democratic Club.

I am also deeply grateful to the large number of community sponsors whose generous contributions enabled the conference to be held.

Mr. Speaker, I opened the plenary session by focusing on the three major shortages of the health gap—shortages in doctors, in hospitals, and in the means to finance rapidly increasing costs of medical care.

Surgeon General Stewart called for greater citizen and social action to give impetus and direction to a new health movement.

Secretary Weaver called on doctors and others in the medical field "to put their talents where the problems are" by joining a new Housing and Urban Development group of medical facilities programs for slums as well as other parts of the city.

I include at this point in the Record the remarks of the three speakers at the plenary session.

ADDRESS OF WILLIAM H. STEWART, SURGEON GENERAL, PUBLIC HEALTH SERVICE, U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, TO THE SEVENTH ANNUAL WEST SIDE COMMUNITY CONFERENCE, APRIL 1, 1967

Mr. Ryan, Secretary Weaver, friends and colleagues. I'm honored and slightly awed by the company I'm keeping today. Of course, I am particularly proud to be on the platform with Secretary Weaver and Congressman Ryan. I'm also proud to be included among the powerful lineup of medical dragon-slayers who are addressing us in the various panels.

Thinking about what I might say this afternoon it occurred to me that there was only one way in which I could interject a note of controversy into the proceedings, and that would be to deliver a ringing endorsement of agrariansim, filled with quotations from Thoreau, and topped off with a defense of the good old traditional ways as the answer to all our woes. It would have been a good speech, but unfortunately I couldn't give it. I'm not really made for devil's advocacy. Besides no one who knows me would have believed it, and there was that haunting possibility that somebody who didn't know me might quote it.

And then I focused on the audience instead of the panel members. Unlike the panel members and myself, you have not spent your adult lives in the quiet little world of medicine. You do not go from one meeting to another preaching the same sermon with variations, and agreeing with each other about the state of public health and how it should be fixed. Rather you are people with the healthiest kind of interest in health. You want it for yourselves and for your fellow men. You feel quite correctly that good health care is harder to get than it ought to be. You sense that for too many people it is especially hard to get in the places where the resources are most abundant, in the great cities like this one.

You want somebody to do something about it or you wouldn't be here. And more than that, your presence here suggests to me that you think you might be able to do something about it. If so, you are absolutely right. For health is too big and too important to belong to the doctors and dentists and nurses and hospital administrators. Health belongs to you. Health is for people.

Somehow a glass curtain has descended around the best in American medicine. On one side of that curtain is the gleaming antiseptic world of medical excellence. Its wonders are plainly visible to those outside, but admission is by ticket only and the lines of the box office stretches out of sight. For a time it seemed that the curtain was made of one way glass. People outside could see in, but those inside scarcely seemed to notice the faces pressed against the pane. Now there are hopeful indications of two-way visibility. There is more and more talk inside the medical world that something must be done. Here and there genuine statesmen of the inside world are opening up new passages through the curtain and some are going outside and trying to bring excellence with them into the community. But the curtain remains, and it will remain, I suspect, until the people to whom health belongs start marching around the world blowing the ram's horn.

In this hopeful and exciting time of political and social activism, people are, in fact, beginning to speak up for health. Curiously however, your voice is particularly audible at the most remote level—the level of the national action. President Johnson has expressed the national will that good health care shall be readily accessible to all. The Congress has translated this popular aspiration to a series of remarkable legislative actions—more than a score of major health laws in three years. We in the Public Health Service and our associates in other federal agencies are doing our best to translate this one step further—towards action where it counts. But where it counts is not in Washington, but in the neighborhoods and communities of America. The action is where the people live.

We in the Public Health Service can talk about infant mortality rates. You know where the babies are dying. We in the Public Health Service can talk about national ratios of physicians and hospital beds to population. You know that it cost a sick person a $2.00 taxi fare or a 45 minute bus ride to get the care he needs. We can talk about tens of thousands of needless deaths each year. You know some of the people who died and what became of their kids and why they didn't get to the doctor until too late.

You know these things or you could know them, because they are happening all around you. If these were educational failures instead of medical failures, the P.T.A. would know about them and be hounding the principal and school Board to get them remedied. Where are the health P.T.A.'s? What I'm suggesting is that you, the active citizens, and your counterparts everywhere, have an active role in health just as you have in education, civil rights and in other fields. It requires some hard work, some grubbing for facts, some pavement pounding. If your efforts are to be productive, you will have to transform generalized indignation into specific targets for remedial action. When you have your needs solidly identified, you can bring in the professionals.

Here in New York as in most major cities, you have strong resources to draw upon. The great majority of these resources are genuinely interested in meeting your needs and making an impact on the real health problem of the day. Many of us in the medical world are just as unhappy about the glass curtain as you are, and we are trying to find ways of breeching it.

Of course the professionals may tell you that what you are asking is impossible. There may not be enough reasources, or enough known, to solve the problem. At this point I have two pieces of advice. First make them prove to your satisfaction that it is impossible, and second work out something that can be done that will move in the direction of meeting your needs. I can envision very few situations in which such a citizen effort would not result in at least some measure of tangible improvement.

There is strong tradition of citizen involvement in health affairs in the United States. Much of the success of the public health movement over the past century has stemmed from public indignation, followed by public initiative and public participation. This has been true of the conquest of communicable diseases, advances in occupational health and general sanitation. The voluntary health agencies have been and continue to be a strong force for progress in their fields of interest.

Now it seems to me that we need a renewal of public indignation and initiative directed toward the core health problems of the city which are the core health problems of America. Three weeks ago at Howard University's Centennial Conference on the health status of the Negro, Dr. Kenneth Clements of Cleveland described these problems as they were revealed in a study by the Cleveland Health Department, and not from the viewpoint of the provider but from that of the consumer. Dr. Clements said indigent medical care is rendered—in the eyes of the people who receive it—in ways that are depersonalized. There is no health professional with whom the family can build a trusted relationship. It is fragmented care. The care is rendered without concern for the family as a unit, with each of the members of the family required to go to different clinics within the same institution or to different institutions in different parts of the city on different days at different times on the same day. In many instances welfare medical assistance systems will only reimburse certain groups or certain institutions, and not for reasons of quality control. The institutions are often distant from poverty areas. The inaccessibility is often increased by the failure to provide hours which do not require the patient to miss employment, often without sick-time benefits.

These are the elements that make up the glass curtain. These are the obstacles that separate great segments of the population from the care they need. This indictment is not universally applicable to the health-care systems of our great cities. There are shining exceptions in many places, including this largest city of all. But it applies to some parts of every city and to all parts of some. In fact, one of the characteristics of our health system today is the existence, sometimes within a few blocks of each other, of outstandingly good and outstandingly bad patterns of care. Considered abstractly, these are national health problems, but they cannot be solved abstractly. Each community, each neighborhood, has a unique constellation of needs and resources. Tying resources to needs and creating resources where none exist, can only be done community by community and neighborhood by neighborhood. Hence the urgent need for local action by the people who are dreadfully and immediately involved.

For our part, from our far-off window in Washington, we can help chiefly by allocating our resources where they will do the most good. We can do that effectively only if you tell us. Significant the three most far-reaching health laws passed by the 89th Congress—Medicare, the Heart Disease, Cancer and Stroke Amendment, and the Comprehensive Health Planning Act all depend heavily on regional, state and local initiative. The Comprehensive Health Planning Act has special relevance to the problems we have been discussing in three ways. First, it underwrites the planning process for health advances at the State, and metroplitan or community levels. It thereby provides a strong stimulus for systemically applying resources to priority needs. It also permits the use of these grant funds to meet locally determined priorities. The law provides further that more than half the members of the Advisory Councils to the Planning Agencies must represent the consumers rather than the providers of services.

This last provision breaks a long tradition of professionally-dominated advisory bodies and invites the kind of broadly-based citizen involvement that I've been talking about today.

Now let me return to my point of departure. Health is for people. You—the active ones dedicated to social action—can give impetus and direction to a new health movement. In doing so, you will be a tremendous help to those of us in the medical world who want to break through the barrier that still remains. Now as you help us, you will also be putting us on our metle, and we need that. We need to be held to the fire, to hammer our round words into sharp-pointed action. We may wince a little, squirm a little. But if we can't stand the heat, we ought to get off the anvil.

Thank you very much.

ADDRESS OF ROBERT C. WEAVER, SECRETARY, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, AT THE WEST SIDE COMMUNITY CONFERENCE, APRIL 1, 1967

I want to commend Congressman Ryan for his leadership in inspiring this conference. It is interesting to me that this conference is concentrating on what might seem to some people to be a narrow topic: "The Challenge of Health Care in the Cities."

In previous years, this conference has considered topics such as "Developing Nations," the whole problem of "Cities in Crisis," and other broad concerns such as "The Consumer and the Economy."

But today, in focusing on health care in cities, you are to be congratulated for concerning yourselves with a matter that is nationwide, one that is far more complicated than it would seem at first glance, and one that is unusually appropriate right now.

Over the recent past, it has been amply demonstrated that many problems confronting cities will attract immediate attention from the public-civil rights, the public schools, urban renewal.

But the health problems of cities appear to have escaped the attention of almost everybody—except the professionals, and the most important group of all, those who today suffer ill health, lifelong disabilities, and early death because medical services are not adequately available to them.

This conference is a welcome indication that, at last, the subject is arousing the general interest it deserves.

A few days ago President Johnson emphasized the national concern about health care in cities by devoting much of a message to Congress on it. He illustrated the gravity with a few blunt facts:

That one half of all women who have their babies in public hospitals have received no pre-natal care at all.

That two-thirds of poor children with disabling handicaps are not receiving any medical attention.

That two-thirds of all poor children never see a dentist.

That in poor families, the chance of a child dying before his first birthday is 50 percent higher than if he were born in another family.

That the chance of a man's dying before his 35th birthday is four times greater if he is poor.

Statistics sometimes evoke boredom—but surely not those statistics—and surely not among those people about whom the odds of life or death are being calculated.

It is also appropriate that this conference should be in this city.

It is often said about New York that, since it has more of everything than anyplace else, it is perhaps the most exciting city in the world.

That is clearly true for any examination of urban affairs. It doesn't matter whether you are examining the advantages this city offers, or the obstacles that it puts in your way.

Whatever goes on in any city goes on here, only more so.

That applies to health as it does to many topics. There are to be found here many of the finest hospitals and medical research facilities, and at the same time many of those who are most desperately in need of better medical attention.

The question here, as everywhere, is how to extend the city's resources to those who need them and how to upgrade the services to those who can afford to pay for them.

It is not enough to have fine hospitals developing miracles of modern medicine such as open heart surgery when there are children contracting tuberculosis in the foul environments of their homes.

To cure a tubercular child is worthy of the highest praise. But to cure him, and then send him back to the same environment and the same germs, is a continuing indictment of our society. Nor can we be content with under utilization of our medical talent or less than maximum utilization of our health and hospital facilities.

To twist just slightly the wording of the theme of this conference for my own purpose, I would say that the essential mission of the Department of Housing and Urban Development is to look after the health of cities—and that must include the actual physical and mental health of those who live there.

We in HUD are not doctors, nurses, social workers, or psychiatrists working directly with patients. Nor do we sponsor or support specific health services.

Our concern is the total condition of cities, metropolitan regions, and urban centers of every size. That involves people and all of their needs—whether for medical facilities, shelter, social services, transportation, education, or employment.

Whatever contributes to a thriving community—and whatever detracts from it—are all parts of the assignment to HUD by Congress and the President to take the leadership in Federal efforts to help urban communities help themselves.

Health care is almost uniquely an urban kind of service. Men come to cities for an endless variety of reasons, but a common one is for medical attention. It has always been economical, logical, and sensible to concentrate health facilities where people are concentrated.

That is one of the reasons why the obituaries being written about cities are incorrect, and premature to say the least.

People need cities, for that reason, alone, cities are not going to die. And as more and more people move to urban communities, there will be more and more need for the services and functions that can be, and are, best performed in the core areas.

Our responsibility today, therefore, is to search out the city's inadequacies and find the ways to overcome them.

That kind of analysis shows that inadequate health care, as in almost everything we study today, hits hardest at the slums and the lowest income families.

Medical attention drops in almost exact proportion to income. Three out of four families earning less than $2,000 a year spend nothing at all for dental care.

Medical facilities do not typically exist in a slum. In some, there are not even adequate referral services to direct the residents to other parts of the city where facilities and services are available.

In many cities the slum dweller—who is least knowledgeable about his own medical needs—has a disproportionately long and expensive journey to medical services he cannot afford.

One thing that shows is that transportation has an important relationship to health care. Once a person learns where he can obtain health services, he has to be able to get there to benefit from them. Or, we have to bring the services to where the people are.

Transportation has not traditionally been thought of as a factor in health—but it is. It was true in the Watts area of Los Angeles where it was found that one cause of alienation there was that residents did not have adequate transportation to hospitals or jobs—and we in HUD are working on a program to try to remedy that. We are financing a demonstration project which offers reasonably priced bus service to the city hospital—as well as to centers of job opportunities. For the need is for economic as well as physical health.

I have raised the matter of transportation and health as an illustration of the need for a wider view of city problems than has been typical in the past. This wider view is what the social scientists call ecology—man and his environment, or to put it another way, the effect of changing any one part of that environment on all the rest.

To know what a slum is we have to assess all of its conditions—housing, education, transportation and many others—to find out what the affect of changing any of them will have on all the others.

To make a change in the total condition of a slum or a blighted area will not happen by accident, but only by design, and therefore it must begin with planning. Health planning must be part of total planning, in every community, every city, and every metropolitan region.

We have been working toward that and we have added some significant tools in recent years.

The basic effort is our Urban Planning Assistance program. It is wide-ranging and a dozen years old. At the end of 1966, it had resulted in grants totaling $123.4 million. They include grants to states, metropolitan regions, smaller communities, redevelopment areas and others. These aids can support virtually all kinds of planning.

In the last few years, we have specifically added comprehensive health planning by helping state planning agencies and state health planning councils. The emphasis definitely is on linking, strengthening, developing interrelationships, opening channels of communication between programs.

It turns out—by design and not by accident—that almost everything we do has a health component in it. That is one reason we work closely with the Department of Health, Education, and Welfare. In just recent days, for example, the two departments have formulated some new concepts in how to relate our separate programs more effectively, and thereby enhance joint action.

Some of our programs have obvious affects on health: the FHA mortgage insurance to provide nursing homes, housing for the elderly, housing for low and moderate income families—the new rent supplements that will help poor families to afford and to find decent private housing.

Any program that gets a family out of a rundown, rat-infested, germ-filled, fire-trap and into decent housing is a health program and that is one of the major contributions we make to the health of this nation.

We help communities to build sewer and water systems, to develop rational plans for using their land, to develop effective transportation systems—and they are health programs, too, indirect but vital.

One of our newest programs, authorized by Congress late in 1966, is directly in the health field, and it can have direct relevance to health care in cities. This is the program to provide mortgage insurance to build group medical facilities.

That program is now ready to move. We are preparing to publish shortly the policies and procedures. With the full cooperation of the Department of Health, Education, and Welfare, we have been able to secure 17 professionals from the field to renew and comment on our approach to the administration of this new endeavor.

We are convinced that one of the major thrusts of this new program must be to get doctors and clinics and medical facilities into areas now without adequate health facilities and services.

Here is a chance for doctors and other medical professionals to put their talents where the problems are. If they are willing to do so, there is no segment of humanity more in need of their skills.

As a New Yorker, and as a voter in this Congressional district, I know something of what exists in this city. Also, as a long-time member of the Health Insurance Plan of New York City, I recognize the leadership of New York in group medical practice. I can attest to its efficacy. And I am sure that it augurs well for the future of group practice in this city.

Such practice offers services for the moderate- as well as the low-income household. It provides for both a much more comprehensive and available health service than has been available prior to its institution. We hope our new mortgage insurance program will serve to extend it in places like New York and initiate in it cities where it does not now exist.

We think group medical facilities might well be provided adjacent to, but part of, low-rent public housing projects, for example. Or, they might be built adjacent to, but again a part of, the new Neighborhood Centers that are being planned.

These centers are to give poor families one place to go near their homes for help of many kinds—without going all over a city, or all over creation, to get it.

The Neighborhood Centers program can be the most direct and the most hopeful response of all to the challenge of health care in the cities. They provide the means to gather into one building, or adjacent buildinngs, many urban aids now available separately in social welfare, health care, manpower training, recreational and educational programs.

Grants have already been made for neighborhood centers in 53 cities, 114 more are being prepared, and just last week we joined four other Federal agencies to develop pilot centers in 14 major cities—New York is one of them.

We must do more than put up buildings. We must build wide-ranging programs. The communities themselves must develop the mixture and type of service that will go into them—based on planning and assessing the needs and the resources.

I cannot stress too strongly the need for local leadership—the kind of leadership represented here today. The Federal and State governments can assist but the solutions are local.

On March 14, President Johnson announced a new war on rats.

"The knowledge that many children in the world's most affluent nation are attacked, maimed and even killed by rats should fill every American with shame," the President said.

He has asked Congress for $20 million to begin a program of house-to-house search and destroy missions. We know how to do it. We can cut off the food supply, collect the garbage, eliminate the harborages, and make buildings rat-proof. And, as the President said, the simple fact that we can do it, means that we must do it.

Finally, we come to the new Model Cities Program which, in a way, ties together everything I have been saying today, as well as much of what we have been doing in recent years to give a new thrust to helping urban communities to help themselves.

The thrust here is to call upon all the resources that are in being, Federal, state and local—public and private, community and voluntary—and put them to work in one neighborhood where the problems have piled up over the years.

To be selected, the communities must show that they can make tangible improvements in their most neglected neighborhoods—by building programs that include housing, transportation, education, economic development, manpower training, recreation, crime reduction, social services—and, neither last nor least, health.

The health component means physical and mental health services that are accessible to all residents. It will likely include health education, personal services, diagnostic and therapeutic services, and areawide environmental health services.

It might well involve state and local public health departments, community action agencies, schools, nursing groups, hospitals and clinics, medical socities, health insurance groups, private agencies, foundations and institutes.

The Model Cities will have access to substantial funds, not only for presently available programs but for devising new ones. We have already seen a new spirit of cooperation developing in the cities that are preparing Model Cities proposals—a spirit of drawing in people and agencies who had not previously worked together, and a spirit that draws upon the people who live in the neighborhood itself, which is a fundamental requirement of the program.

The health problems of Americans vary as widely as people vary. Their problems change from city to city, and within communities. Whether we are talking about Model Cities, or Neighborhood Centers, or planning in general, the key element becomes the need for local assessment of local needs.

Involved are special needs, and they require special solutions. No one can say from Washington what all the special solutions will be.

We can see what some of the common needs are across the nation.

First, we need the money to do all this, and there we can use your support. Secondly, we need the local leadership, and there we can use your active participation. Thirdly, we need the commitment among people generally to become involved and to be willing to try new measures. Here, I think, this conference demonstrates that we are on the way.

Remarks by Congressman William F. Ryan at the Seventh Annual West Side Community Conference, April 1, 1967

When I told people in Washington that we were having a conference today, this Saturday, April First, the reaction was that we were a little bit foolish. This is April Fool's Day. They said that it would generally be thought of as another April Fool. I had to explain to them that we are a little foolish on the West Side. We are foolish enough to take very seriously our responsibilities as citizens. We know that when we work at problems, we can do something about them.

Every year for the past seven years, these conferences have proven that West Side citizens who are concerned can come together and discuss the issues, and go away with the knowledge they can do something about it.

In 1961 our first conference was on City problems. The next one was on Foreign Policy, then Disarmament and National Security, the Consumer and The Economy. Two years ago, the conference was on Cities in Crisis, then last year, The Challenge of Developing Nations.

Today we are talking about the Challenge of Health Care in The Cities.

We realize that this is a very real and meaningful challenge which faces us. The panel speakers are touching on major aspects of this challenge, and they are far more expert than I could ever hope to be. We are indeed fortunate in having with us as our panelists some of the wisest, most experienced, and most respected minds in the world of medicine. It is a compliment to West Side citizens and to New Yorkers that they have come today to explore these vital issues with us. We are indeed fortunate for medical care is a subject that most of us laymen are incapable of exploring alone. Consumers of medical care must rely on those who dispense medical services and who give us their assurance that it is in fact being dispensed properly and equitably.

Until recently planning and priorities in disbursement of medical care escaped the processes of democracy. Medical science was entrusted to a relatively small elite. This has been a heavy burden to place upon doctors. It is also perhaps an unfair burden. It requires not only professional expertise, but a knowledge of political processes and of finance. It involves responsibilities in administration, distribution, and finance, responsbilities that distract the doctor's attention from the medical processes he is paid to perform. All of us have a responsibility to accept the burden of decision-making that is entailed in our concept of democracy. We must assist the medical profession in determining how we shall benefit from the achievements of medicine—how we shall benefit now and in the future. If we are to assume this responsibility, then we must see the dimensions of the challenge and ask what we can do about it.

There was talk this morning at one of our panels about the health gap. I think there is really no gap in our medical knowledge or skill. We do have the best in the world. The gap is not in what we can do for Americans. The gap is what we actually fail to do.

We are an affluent society. We have great medical skills. Yet we have let the health gap become a national disgrace. Over the last few years, despite our hopes for the Great Society, the Federal government has seen the health gap increase. At the same time, we are waging a war in Vietnam which is now costing some two billion dollars every month—not to mention the cost in human lives and human suffering. We have not hesitated to put up billions for that cause. While we have loaded the guns, we have slashed and cut essential domestic programs.

Last summer the Director of the national Institute of Mental Health told a Congressional Committee that 19 million Americans need mental treatment. Congress authorized only $30 million for the Mental Retardation and Community Mental Health Centers Act. The Administration's budget request for fiscal 1968 cut that authorization in half.

New Yorkers do not have to be reminded about the narcotics problem. Last year Congress authorized $15 million for technical assistance grants to meet that problem. Yet the budget request was $4.5.

And so it goes. Further, money which isn't going into health, also isn't going into other essential programs on the domestic scene. Last year, in his message on health, the President urged enactment of the Hospital and Medical Facilities Modernization Amendment, which would have helped with our urban hospital problem. It would have helped with construction. The bill died in committee. It is perfectly clear, I think—and it must underlie any discussion of domestic programs—that, until this war is settled, we cannot wage full-score war on disease and poverty and illness which confront us at home.

If we look at the dimensions of our health gap, I think that we find some rather startling statistics. Infant mortality which is considered one of the best indications of a nation's health is a very important index. Where does the United States stand. Not first. Not second. Back in 1950, we ranked fifth. Now we don't even rank fifth. We rank 16th. This is below England, Sweden and Germany and others. Another major factor in a nation's health is longevity. We rank just about as far behind. Among men we stand 15th. Among women, 10th. In Sweden, for example, the overall mortality rate is lower than ours at every age level up to 74. Then it becomes greater. In other words, a higher percentage of Swedes are living out their full lives.

Some of the specifics of this health gap are even worse. Of our children, an estimated 4 million under five years of age have no immunization against such deformative diseases as diphtheria, smallpox, measles, polio, whooping cough and tetanus. Health care hasn't reached them. By the time he is fifteen, the average American child has at least 10 decayed teeth. Health care hasn't reached him. Of course, these are statistics for all Americans. Within the population as a whole, the health gap is a lot worse for those who need medical care the most; those who are poor and those who are discriminated against. A National Health Survey has shown that the rate of medical services goes down steadily as income of the family declines. Today, one-third of the children living in poverty in America suffer from preventable or treatable conditions which will eventually lead to blindness, deafness, chronic illness, or early death. Health care hasn't reached them. It hasn't reached them even when they live in the shadow of some of our great medical institutions.

The health gap is engendered by three major shortages; shortages in doctors, in hospitals and in the means to finance rapidly increasing costs of medical care.

One of the questions which we must ask as we consider the issues before us today, is whether it is a coincidence that those countries which have what is sometimes referred to as "socialized medicine" also have greater longevity and a lower rate of infant mortality. In the 1920's, major insurance carriers joined forces in a massive campaign against a comprehensive national health system. They told us and continue to tell us that our competitive mix of profit and non-profit health insurance carriers constitutes the most efficient, equitable and beneficial protection available. But the fact is that today the United States invests nearly seven per cent of its gross national product in medical services that leave major segments of our society untouched or only partially protected. England spends six per cent of a much smaller gross national product for full coverage for everyone. Scandinavian countries spend only five percent for full coverage plus transportation in rural areas, food supplements and a host of related services.

But we are told to look at comparative administrative expenses. In the United States Administrative expenses and insurance profits consume on the average at least seven percent of insurance deposits for Blue Cross and Blue Shield and up to 51 percent for non-group private policies. But the total expense of administering the British health services is less than five percent of total health expenditures and in Sweden it is only one percent.

But we are told that so-called socialized medicine is demoralizing to doctors and ruinous to the profession of medicine. The fact is that the health services of England, Sweden and other countries are endorsed by every professional medical association within the countries.

Actually, of course, only England has a system that comes close to the so-called theory of socialized medicine. Other western countries like Sweden have broad-based insurance schemes just like Social Security and Medicare. And despite the American Medical Association, there is, of course, nothing socialized and nothing new about national health insurance. Many of you will recall that it was a part of the Harry S. Truman platform and program way back in 1948, 20 years ago.

We Americans are faced with a health gap which has become a national disgrace. How we close this gap is very much a matter for debate. But closing the gap, is not a matter of debate. It is rather a challenge. It is a challenge to each of us. It is a challenge to our doctors and our hospital administrations. It is a challenge to our representative government.

The decisions to be made are not those of a professional elite; they are of Congress and of the President. They are citizens' decisions—your decisions. For our citizens have a human right to the best possible health care. The fact is that only with the best health care, can we also guarantee our citizens life and the pursuit of happiness. And we are dedicated as a nation to the pursuit of those goals.

Mr. Speaker, editorially talented citizens of the West Side and students at the Columbia School of Journalism generously gave of their time and skills to report proceedings at the conference. I am grateful to Carole L. Ashkinaze, Muriel Allen, William J. Fuller III, and Jan Strasma for their reports on the panel sessions.

The report on the morning panel on "Mental Health and the Community," was prepared by Carole I. Ashkinaze.

The panel was moderated by State Senator Manfred Ohrenstein, Mental Health Committee, New York State Senate. Panel members were Leonard J. Duhl, M.D., special assistant to the Secretary, U.S. Department of Housing and Urban Development; Mrs. Alice Fordyce, cochairman, New York State Committee Against Mental Illness; Lonnie McDonald, M.D., director, community psychiatry, Harlem Hospital; Alan D. Miller, M.D., New York State commissioner of mental hygiene; Dr. Mark Tarail, administrator, department of psychiatry, Maimonides Hospital of Brooklyn, and Bertram Brown, M.D., National Institute of Mental Health.

I include the report at this point in the RECORD:

REPORT ON MENTAL HEALTH AND THE COMMUNITY

(By Carole L. Ashkinaze)

Dr. Lonnie McDonald opened the discussion by introducing Dr. Bertram Brown, of the National Institute of Mental Health.

Dr. Brown called the West Side Community Conference "a disturbing and perplexing opportunity to change our lives and environment," and challenged those assembled to grasp the opportunity to do so.

Federal funds are increasingly being made available, he said, for research, training and service in community mental health centers, under auspices of the National Institute of Mental Health.

Some $66 million of Federal money is already being applied to these purposes by 157 community Mental Health Centers in 44 States, Puerto Rico and the District of Columbia.

But to qualify for Federal aid, these centers had to give evidence of providing "inpatient services, outpatient services, and then something in between," Dr. Brown said.

"Each center must provide consultation and educational services to the community," he said.

He deplored the present lack of adequate facilities in New York, pointing out that most residents in need of care must go outside of the city, to Bellevue in Rockland County, and that this inconvenience acts as a deterrent to many in need of treatment.

What is most urgently needed in New York, he said, is a comprehensive mental health center on the West Side, preferably in Washington Heights.

Dr. Alan Miller, the New York State Commissioner of Mental Hygiene, spoke next.

"Community service is such a touchstone," he began, "that it can too easily substitute for hard thinking."

While admitting that "we couldn't and shouldn't claim to provide all services," he pointed out the necessity of "knowing the state of the state and its communities, and making this information available to the many groups for their own planning."

"The community is a place where people live in sickness and in health," he said, "but certain conditions can lead to the extrusion of the individual from the community." Thus, someone who undergoes mental treatment outside of the community has a difficult readjustment to make—as do his former neighbors—when he returns.

This gives mental health workers a twofold problem, he said. While attempting to develop new ways of thinking in their own ranks, they must also work to minimize the antagonism of residents against psychiatric care.

Improving the quality and availability of care would be making a step in both directions, he said.

Ideally, no patient should be required to leave New York City; in fact, any patient should be able to seek care within his own borough.

But complete, high quality services require high quality staffs, and "this cannot be done cheaply," he said. People must be well trained in the skills they will need to apply, and must be instilled with the initiative to work at developing new skills.

But first and foremost, the community *must* take an *active* interest in its own needs.

"If the community is aware of how people live, we will become aware of some of the necessary conditions for health," Dr. Miller said. "Man is by nature a social and political animal; and the community" by assuming this human function will be "learning to provide some of the necessary services."

Dr. Leonard J. Duhl of the U.S. Department of Housing an Urban Development (HUD) agreed with Dr. Miller's contention that the individual and the community must work more closely together, but also spoke of the need to deal with the "whole individual" in community health centers.

"The community center is no longer what it was," he said, "performing every function from birth until death, and with every service." Here, some centers have some resources and others have other facilities. "Some, like Manhattan, have many more in its suburban and rural areas.

"We need to establish a network, connecting areas that have not with areas that have; incorporating schools, colleges, private institutions and public agencies into Department programs."

He said we must break the restraints of "old political boundaries of old systems."

"Professional boundaries," he said, "like fiefdoms and dukedoms and baronies, fight for their territories. . . ." It's time that the fighting stopped and there were some collaboration in community efforts, he added.

Even in the Federal government, he pointed out with a laugh, "everybody gets in everybody else's business. That's necessary. And mental health is *everybody's* business."

What is needed today, he said, is a link between the knowledge, services and facilities that are available. Cities must develop the skills to put their pieces together, to organize in ways that are not wasteful, so that an individual can be treated as a whole individual, and not in parts.

Mental health care can no longer remain practically separated from other services, Dr. Duhl maintained. As it is, he went on, health care in the cities is so diverse that its administrators don't even know how much funds are coming in.

This is a principal concern of HUD, which has pledged itself, in its new Model Cities Program, to increasing the ability of cities to collate data and information in their centers; to provide better transportation to the health centers too, as has already been done in Watts.

It's time, he said, that the people in a community began to pull their pieces together.

"Citizens can't practice neurosurgery, but they *can* and *should* begin to demand *how* these services will be given.

"The very act of participating in mental health programs is a beginning . . . and a critical thing," he said.

"All the Federal government can tackle is five per cent of the problem. The state can solve another five per cent of the problem. But any real action must come from competence and concern in the community itself."

In closing, however, he warned against idle complaints. What he urged dissatisfied residents to do was to present alternative models to replace presently unsatisfactory programs, such as new devices for management.

Dr. Mark Tarail, an administrator at the Department of Psychiatry at Maimonides Hospital in Brooklyn, stepped forward next to tell of his own experiences at working to effect a change in his community.

"Community mental health programs," he found, "can represent real revolutions in practices in the United States."

When he got to Brooklyn, he found traditional facilities that could not be used because they were not accessible in many areas of the community.

Things that discouraged people from taking advantage of the services that existed included: facilities that functioned only from nine to five and never in the evening; (many of those who needed help could not afford to lose a day's pay); and overcrowding in centers that were readily available.

When somebody has to put his name on the bottom of a long waiting list, Dr. Tarail pointed out, he gets discouraged. In Brooklyn, an individual really had to be motivated to get treatment, and "motivation" meant: "knocking on the right door at the right time, being middle class and willing to pay the fee, and not being too sick."

The laughter drawn by this last remark was quickly subdued, however, as Dr. Tarail pointed out that "in the main, treatment represented incarceration . . . the demeaning practice of locking a person away."

Although the services were set up to help people, "the mental health set-up tends to reinforce illness rather than help to treat it," he said.

Traditionally, mental health care in the United States has been separated into: treatment in private institutions, and prevention by public services. "But that separation is not really possible, for both suffer," Dr. Tarail said.

In Brooklyn, he also encountered tremendous resistance from families, not because of ignorance . . . but because of fear.

"It's a myth that a crazy person doesn't know it," he said. "A person in pain knows he's sick. But he resists treatment because he's afraid of the treatment he'll get. And who can blame him?"

Dr. Tarail deplored the traditional separation of social and biological factors of illness from psychological factors. "The human being is not primarily a physical or biological person," he said. "And the fragmentation of services available has had little impact on the incidence of mental illness; so there must be something wrong in what we're doing.

"When we talk about mental health, we're talking about people," he said. "If a person needs help, he should get it, because it's our job."

Dr. Tarail took steps to close the gap between the need for and availability of mental health care in Brooklyn.

"Instead of dehumanizing facilities, we set up open facilities in the middle of the community without bars on the windows," he said. "People work with people, and there are no uniforms or numbers for patients. . . .

"All of the services are together in one facility. . . .

"We serve the needs of lower income families by staying open evenings and weekends. They need better, fast and short-term therapy; there's no time to spare."

But a great deal remains to be done, Dr. Tarail said.

"We must integrate concrete service with psychiatric service," he insisted; we must provide it "*where* welfare is," for instance.

A big step to bringing such changes about, he said, can be through self-help.

"Sixth-grade children help slow first or second-graders in school," he said, "and the result is that *both* become better readers!"

Self-help in mental health is a practical solution, he said, because "psychological problems are really an internalization of social problems. Teenagers for instance are primarily troubled by social problems these days. What do they worry about? Race, war and marriage."

Staring squarely at the crowd assembled in the large lecture hall, he said, "What is needed is maximum participation by *you*."

Mrs. Alice Fordyce, co-chairman of the N.Y. State Committee Against Mental Illness, spoke next about the role of volunteer workers in community projects.

"The importance of volunteer workers has been neglected," she said, throughout the city and state. Students to grandmothers, "me and you," everybody can be of help.

"There's something each of us could do to help, but we need to be recruited and trained just like any other army.

"We must therefore have volunteer service programs at every level" of the state and city. "Only two out of 10 schools for retarded children now have them," she said.

What can volunteer workers be expected to do? They can: assist the professionals, by performing routine tests only professionals do now; they can help with music and art therapy; they can help the patient to gain new job skills as he recovers; and they can provide people-to-people contact, "bringing a fresh look to the patient and a fresh approach to the administration.

"They can help inside and out," Mrs. Fordyce stated.

Shelters, workshops and schools all over need bilingual teachers, typists and babysitters, she said. Anybody with any small skills can be of help.

But she also pointed out that volunteer participation increases the responsibility of the professionals to train and supervise them, and give them "meaningful work to do."

"The rewards for volunteers are not necessarily the undying gratitude of their patients, so there must be other, more meaningful rewards," she said.

And she urged everyone interested in improving the quality and availability of present programs to help recruit volunteers for the programs in the community.

When Mrs. Fordyce had concluded, the floor was open to questions from the audience. Those attending displayed an enthusiastic interest in all that had been said, and asked pointed questions.

One man complained that the funds to effect changes are in the hands of politicians who are not concerned with community health services.

"Who put that money and power in the hands of those politicians?" countered Dr. Miller. "You must help us to change that.

"It's the people who will change institutions, not the sociologists and social workers," he said.

"All we can do is act as consultants to you . . . and have a little humility, a lot of compassion, and some social commitment."

Dr. McDonald summed up the gist of the conference in one powerful sentence:

"The most important part of good mental health is in getting people interested in their own destiny."

I include at this point in the RECORD the remarks of Dr. Leonard J. Duhl:

MENTAL HEALTH AND THE URBAN AREA[1]

(By Leonard J. Duhl, M.D.[2])

When we talk of the vast increase in mental health expenditures over the past few years, of new programs, we usually think in terms of expanded clinic and hospital facilities, of additional trained personnel—psychiatrists and psychologists. However, these mental health services' facilities and personnel are but the top of an iceberg when one considers the range and scope of the problem of dealing with people who have emotional difficulties.

Three kinds of activities have been emphasized by mental health professionals during the last 20 years:

Improvement of care and treatment services for the hospitalized mentally ill, and for those people under severe personal psychological stress;

Concern for those groups whose common characteristics and life circumstances expose them to chronic psychological stress—the aged, the alcoholic, the migrant, the ghetto population, the delinquent youth;

Promotion of mental health—not merely in the negative sense of preventing illness, but in the positive sense of an *active effort to explore the full human potential.*

When one looks carefully at today's urban areas, it quickly becomes obvious that only a small percentage of that portion of the population in need of help can somehow wend their way through the roadblocks and detours (of being "referred") to reach the mental health service system. For the others, a neighbor, a policeman, a welfare worker or any of a whole host of caretakers—official and unofficial—may become the helper or the lay psychiatrist, the adviser or the guide. Though these types of caretakers would appear to abound (many of whom are in a position and with the inclination to intervene when people are in trouble), many with-good-intentions are less than ill fitted to the task. For many of these "interveners" or caretakers sadly either perpetuate the illness, cause further illness, or do not act and react in a way which may afford maximum benefit to the needy.

Today's concern is a growing one for the "whole individual." We have frequently heard it said that we can no longer treat one person's multiple problems as if he were ten individuals—sending him off in ten different directions to search for categorical help. The time is ripe for giving up our categorical concern with mental health as a separate and distinct discipline. The time is ripe for beginning a collaborative endeavor whereby programs are evolved which achieve the maximum in mental health objectives, even though such programs might not be administered and operated by mental health professionals, nor labelled specifically as "mental health."

Within the urban area it is vital that any comprehensive mental health program consist of both that part of the program which may be so labelled (as mental health services) and that part which may be inherent in 100 different programs, all of whose concerns are for those people in difficulty. These may be welfare or employment services, schools or training programs, even surplus commodity distribution centers. For I am firmly convinced that no mental health program which limits itself to official structure can possibly cope with a society and an environment which constantly and consistently counteracts it with more pressure than any mental health program has been able to generate.

The culture within which people live and grow or die in our urban areas is fully "educating"—more important than the schools, more important even than the family—in creating the kind of people who live in that city, and in creating and treating the pathology that they develop. It is thus important to examine all of society's institutions whether they be housing or urban renewal, health or welfare, transportation or land use and zoning policies, education or politics. The question must be asked of each—do they each aid and abet in achieving our mental health objectives? Do they promote mental health and aid in exploring the full human potential?

For example, the problems of decent housing are far beyond the mere provision of shelter. Proof positive is the history of Public Housing in many of our major urban areas. For the very rules and regulations, the way in which people have been treated within these projects (and within the slums as well), "teach" people how to behave, create their illnesses, and indeed, leave them waiting for meaningful help until perhaps too late.

Thus, the very planning of mental health services now demands knowledge of the structure of cities, of the unique characteristics and needs of the many sub-groups within. Planning for mental health services requires an understanding and an accord for the interdependent mission of health and education and welfare and police services and so on. It calls for an intimate knowledge of the processes by which internal social and economic environments, as well as the physical environment of cities change. Such planning basically needs accurate, detailed, timely and correlative data for identifying the areas and degrees of change, and of their impact upon the populations.

The psychiatrist as a collaborator in a program which is not termed "mental health program" has been tested in several unique situations. For example, the totality of the Peace Corps organization was concerned with the well-being, the education and the care of the volunteer. In this case, which has been informally documented as to procedures, the results were dramatic—in terms of performance and in low percentage of psychiatric breakdown under situations of high stress. Why should this approach be limited to a group as unique as the Peace Corps? Why couldn't such collaboration be equally as successfully implemented in work with the poor of the city, and even for the middle class population's pathologies? People do not like to be dealt with in parts. They do not respond positively to being cut up and divided by the professionals—each of whom confines his concerns to one defined part, totally disconnected from the rest. Our concern with "human services" must be total and whole—and so must be our programs.

The Model Cities Act is the first major Federal attempt at promoting and encouraging urban areas to pull together all of these separate pieces into a cognitive whole—to achieve common, collaborative objectives. This in no way destroys the categorical agency; it simply weaves one agency, one service with another—woof with warp to constitute, hopefully, a common whole. Model Cities will be but the beginning, we hope, of a major attempt to connect, to link and to integrate our health and education and mental health programs into just such a unified package.

Obviously the Federal agencies' fiefdoms, dukedoms and baronies—each unwilling to relinquish territorial jurisdictions—further complicate the problem of pulling these separate packages together. One is prompted to question whether such collaboration—true coordination of efforts and programs and monies—will ever take place on this level. So this immediate responsibility is that of the local communities—their ability to plan, to use that political power and organization which will tie the parts together.

Each local community's plans and projections will justifiably be unique—for each faces different problems, with differing priorities. For one community, community participation may be more important as the first step than the creation of a mental health clinic; for another emergency services may be viewed as more important than continued therapy; provision of regulated procedures for the police department or welfare rules revisions may, in reality, be more important than any treatment device we have ever created. The decrease of fear of the unknown, of employment, and the possibility of jobs may be more critical to mental health than any number and range of psychiatric services.

The challenge is really yours—residents of each local community. The challenge is to develop a community in which people are accorded dignity and have the ability to grow and mature to the optimum of their capabilities. The challenge is to create a community in which care and service are available in the manner which makes them most accessible, attractive and useful. This is also a challenge to the very profession which is psychiatry; and inherently, it is a challenge to every profession, to the city as a whole, to the state and to the Federal government.

If our goal is to create and plan for the type of community in which we want to live, than "wholeness" in the individual, in the community services and in the very conception of and emanation of programs and monies is crucial.

I include at this point in the RECORD the remarks of Mrs. Alice Fordyce:

STATEMENT BY MRS. ALICE FORDYCE, COCHAIRMAN, NEW YORK STATE COMMITTEE AGAINST MENTAL ILLNESS, BEFORE THE SEVENTH ANNUAL WEST SIDE COMMUNITY CONFERENCE, COLUMBIA UNIVERSITY, NEW YORK, SATURDAY, APRIL 1, 1967

Mental illness is New York State's and City's number one health problem, and I want to talk to you this morning about what you and I can do about it.

New York State will spend this year over half a billion dollars, and will employ over 50,000 people to take care of over 102,000 patients in our State mental hospitals and schools for the retarded.

New York City will spend over $57,000,000, and employ over 3,000 people to take care of over 50,000 patients in its municipal and voluntary hospitals for the mentally ill.

The *economic* loss to our State and City can be calculated in additional billions, and no one can estimate the loss in human suffering and wasted lives.

Now, the biggest, oldest and most crucial problem in the care of the mentally ill is the desperate shortage of trained professional people to take care of the patients. Here, I believe, we are neglecting a vital resource that could help us relieve the enormous manpower shortages in this field. This resource is the help of the volunteer worker.

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[1] To be presented at the 7th Annual West Side Community Conference, Columbia University, New York City, April 1, 1967.

[2] Special Assistant to the Secretary, Department of Housing and Urban Development.

Volunteers come in sizes and abilities unlimited. They can range from students to grandmothers, and properly supervised and directed, they can help to bridge, for the mentally ill patient, the long way back from the isolation of an institution to the realities of every day home life.

These volunteers are me and you, and there is something that every one of us can do to help. But we need to be recruited, trained and supervised, just like any other Army.

To solicit the help of the volunteer worker, the facts about mental illness must be known; the contribution the drugs have made in making the mentally ill more amendable to therapy and help must be demonstrated; and the fact that volunteers are now needed and wanted in this field, must be broadcast with urgent appeal.

There are many things that volunteers can do, but once recruited, they must be trained—and to do this there must be volunteer service programs in every hospital school and community clinic.

Okay—what can volunteers do? They can assist the professionals. They can relieve them of routine tasks so that the professionals have time for the jobs that only a professional can do. Volunteers can help with music, arts and physical therapy programs. Volunteers can help recovering patients acquire new job skills that will help them find and keep their jobs in the world "outside." Volunteers can establish a "people to people" contact that may mean more to the patient than all the professional help the hospital can provide. Volunteers can bring a fresh outlook to the patient and a fresh approach to the administrator.

Volunteers can work outside as well as inside a mental hospital, and just as the patients must no longer be imprisoned within the hospital walls, so must the work of the volunteer extend itself into the community. There's a job to be done in halfway houses, in sheltered work shops, and schools and "walk-in" clinics. There is a need for bilingual teachers—anyone with some small social skills and flexibility—someone that can type or maybe just "babysit" so that a harassed mother can get to the clinic.

We hear a great deal of talk about returning the care of the mentally ill to the community—but the community is me and you—and what use will it be to return the patient to the community, if we aren't there to receive him?

Volunteers must be trained and supervised and given meaningful work to do. Hospital administrators must learn that volunteers can be useful; hospital staff must learn that volunteers won't replace them or threaten their jobs, and volunteers must learn that their rewards are not necessarily the undying gratitude of the patient!

Mr. Speaker, I include at this point in the RECORD the remarks of Dr. Alan D. Miller, commissioner of mental hygiene, State of New York:

REMARKS MADE AT THE SEVENTH ANNUAL WEST SIDE COMMUNITY CONFERENCE, APRIL 1, 1967, BARNARD COLLEGE, NEW YORK, BY ALAN MILLER, M.D.

Last year in reorganizing the New York State Department of Mental Hygiene the Division of Community Services disappeared. It was eliminated not because we thought less about communities but rather more and found that we could not longer think of any aspect of our work which did not have its focus and its primary reference point in communities.

Actually we re-named the Community Services Division the Local Services Division and it has expanded in its responsibilities and its staff; and now we can consider our entire department to be one which is concerned with services to all people where they live.

"Community" has become such a touchstone that the very uttering of this magic word can substitute for hard thinking and can too easily satisfy our urges to be up-to-date and responsible. We are using the word to mean several inter-related kinds of things. I would like to tell you this morning a little bit about each of them. Community equals defined populations. We say that the responsibility of the Department of Mental Hygiene is to consider how best to meet the full needs for mental health services for each individual who lives in New York State and to see to it that these needs are met. For a number of reasons we find it necessary to consider not only the population all-in-all but in its parts and those parts are communities. We do not claim, nor could we, nor should we, that we must be the providers of all services. In that task our partners in local governments, the counties and New York City, the many groups of citizens voluntarily assembled, people in their individual capacities not only join us but, in fact, are the basic resource. Neither in such an assignment to ourselves can we cease our efforts and our intentions at the borders of service itself. We must be equally concerned with research, training, and of course, with those services which are preventive in intent and consequence. However, defining our responsibility in this way does press upon us certain special requirements. We must continually review our ability to know the state of the state and its communities in respect to the range of mental health problems and resources and we must be able to make this information available to the many groups who would have occasion to use it in their own planning and we have, for example, developed, and are continuing to develop, perhaps the nation's best system for clinical data collection and processing.

We are not, I might add, nearly as fluent in our capacity to assemble and distribute some of the richer programs and social data which must also inform us in the efforts and those of our colleagues. Perhaps one of the most difficult consequences of this kind of definition of our task is that we must find ways for bringing together into one system of services a number of activities which formerly pursued separate courses. I am thinking, for example, of a genuine integration of community health and welfare services with out-patient mental health and mental retardation services, with general hospital services, with public schools, with transitional services, with state-operated psychiatric hospitals and mental retardation institutional services. We have a double problem of learning new ways of thinking within our department as well as improving our ability to collaborate on behalf of the patients who are our common concern with local and voluntary programs. Finally I should say on this score that we are deliberately exposing ourselves and, in fact, bidding for constant scrutiny and criticism wherever and whenever we fail to achieve the optimum level of service which we seek. Even while acknowledging local governmental responsibilities for mental health, with respect to ultimate governmental responsibilities for mental health in New York the buck stops with us; and we welcome that.

One of the earliest uses of the word "community" with reference to mental health programs had to do with what we can call the "Return of the Patient."

Its theme is something as follows: the Community means the place where people live. They live there in sickness and in health. However certain human conditions, including prominently among them forms of mental retardation and mental illness, have in the past led to the extrusion of the afflicted individual from his community. This was good neither for the individual affected, nor for the community.

It was also a self-perpetuating condition. Patients removed were permitted to return only when they had changed, recovered, but many times their condition was one which could not improve except in the community. The community did not have an opportunity to learn this because the affected persons were removed from its sight. The separation took many forms. Distance was one. Patients were gathered in remote and inaccessible places. But one could be, and often was, insulated without such removal. Distance itself may be found the easiest factor to overcome. The most effective separation was an interruption in communications: between patients and their families, between workers and their colleagues, between a man and his neighbors. The breakdown took place between those trying to care for patients, between those who were working within the community, and those who had joined the extruded patients in their isolation.

One of the greatest accomplishments of the past two decades has been the removal of this separation. This process has had three major parts. One consisted of the rediscovery of continuity between the exiled patients and the rest of us, who are also heir to problems of disturbed mental and emotional functioning. This led to the recognition, again, that the communities had responsibilities to provide services to many, perhaps most, of the mentally ill and retarded whose condition did not require their removal. In New York State, for example, the Community Mental Health Service Act of 1954 encouraged and assisted communities to do just that. A corollary, but early too often seen as a competitive development, was the improvement in the quality of care given, to the removed—and a renewed effort to repatriate them. Finally, and only recently, the two systems of care have begun to be one again.

With respect to the services operated by the Department of Mental Hygiene we have very specific plans already in motion to accelerate this process. It is our intention that within the next five years and perhaps as soon as two years no patient in New York City, no patient in this district, will be required to leave New York City for virtually any aspect of care which he may need for a mental disorder unless it was positively indicated and desired. More specifically, any patient whose condition is best treated in a psychiatric hospital or in a school for the retarded operated by the Department of Mental Hygiene will be able to receive such services within the city. If he is a resident of Manhattan he will be able to receive these services within the Borough. The advantages of such an arrangement are many and I have referred to some already, but it is clear that it will begin to be possible to develop patterns of services which are truly responsive to the needs of each patient without the interposition of mechanical and administrative obstacles. It is clearly not enough simply to locate new state facilities within the geographic limits of a population to be served. The very planning of these facilities must be undertaken in concert with those responsible for local services and from the very beginning the programs must be integrated and of high quality. We don't always achieve this level of coordination but we are coming very close and we are dissatisfied when we fail to do so. We are now incidentally appointing the director of our new state facilities, not when they open, but when they are first planned so that he can, from the very beginning, achieve this kind of close working relationship. Further we must together continue to insist that services of high quality require a staff commensurate with the task even more than the physical setting and that this cannot be done cheaply.

Even in describing this use of the concept of "community" I have used prepositions which indicate that such a community is not a passive population on which we perform our duties but rather organic entity with a structure and capacity to plan—to initiate—to work—to assess itself. In New York the basic participating community is local government and such instruments which local government may create. As an example of the latter and perhaps one of the most significant new developments the New York City Mental Health Board under the leadership of Dr. Marvin Perkins and under the direction of Dr. Elena Padilla has defined community for the purposes of planning mental health centers and mental retardation facilities. In the 20th district, for example, there are four and perhaps part of a fifth which is to be served by a comprehensive mental health center and each center in turn related to facilities operated by the state. I would like to stress that these communities are not simply passive populations captured in grid lines but are expected to function as organisms and if this to be so, a great deal of difficult but fascinating work remains to be done to help to create functioning communities. In doing so, I might add, the very participation of as many people as possible surely will be salutary and may, in fact, contribute to mental health. A further, and history-shaping consequence of all this is that in relation to such communities and system of responsibilities, we will at last have an adequate and only proper base for training professional people for work in mental health.

And that brings me, for this morning, to my final use of the concept "community."

If the community is where, and how people live, it is a principal source of their requirements for living. As we observe ourselves in health and sickness, in strengths and weaknesses, in our endless varieties and in our common human attribute, we have begun to identify their apparent necessary conditions. Health and resistance to illnesses, is promoted by proper food, reduction in physical hazards, adequate rest.

Man has physical needs. The community is the depot, if not the source of his physical supplies. Surely he is, also, as Aristotle says "by his nature a social and political animal" and the community must be a source of his "social supplies" as well.

I think it is in this sense—learning to identify, and helping to provide the necessary *supplies*—that we can begin to mean something when we speak of contributing positively to mental health in the community.

In the spirit of one offering a few examples rather than any special insights and in the hope that I can engage you further in this area I suggest that the community must provide for everyone—on behalf of his healthy mental functioning:

—an opportunity to participate in its decisionmaking and action

—an opportunity to learn from experiences, to learn from error

—an opportunity to develop, and exercise by skills, senses, and comprehenses.

—a freedom from prejudgment

—a true affectionate respect for individual differences

—an expectation that we need not face trouble alone.

The simple aphorisms, if valid, obviously have a bearing on housing, neighborhoods, schools. On what do they not?

We with professional and governmental responsibilities for mental health are incomplete and often peripheral in our contribution to such "supplies."

But, I insist that it is our charge to speak out on these matters. As forcefully and often as possible.

It would be unbecoming for us to claim exemption from conviction, impotence and old-fashioned anger.

Mr. Speaker, I include at this point in the RECORD the remarks prepared by Dr. Stanley F. Yolles, Director, National Institute of Mental Health, which he had planned to deliver at the conference. Because of an unexpected development, Dr. Yolles was not able to be present. However, he was ably represented by Dr. Bertram Baker.

The statement follows:

"MENTAL HEALTH AND THE COMMUNITY"—PANEL DISCUSSION

(A statement by Stanley F. Yolles, M.D., Director, National Institute of Mental Health)

In selecting "The Challenge of Health Care in the Cities" as the subject for the 7th annual West Side Community Conference, you have opened the door here for a discussion of one of our most exciting and perplexing opportunities to improve our personal lives and our environment.

The *scene* of change in modern America is the city and the *rate* of change is spectacular. I really do not need to point this out to you who live on New York's upper West Side. Changes occurring in this part of the city have set up chain reactions that affect your lives all day and every day.

I have been asked this morning to make a brief statement about community mental health services as they are being developed in the new and rapidly developing national mental health program.

The National Institute of Mental Health is the Federal agency assigned the responsibility by Congress to administer Federal support in three major areas: mental health research, the training of mental health manpower and the provision of community mental health services. I shall concentrate on the provision of services this morning, since the purpose of research and of training qualified health personnel is to bring the highest quality of services to the people—by improving mental health and preventing, controlling and treating mental illness. The question is, "How can we do this?"

The basic premise of the national mental health program is that mental health is public health and can be improved through the use of public health methods. As the result of the passage in 1963 of the Community Mental Health Centers Act, Federal funds are available to help States and cities to build these centers and to staff them in their first months of operation.

As of March 7, 157 community mental health centers have received grants to aid in construction and/or staffing in the amount of $66,029,301. They are located in 44 States, Puerto Rico and the District of Columbia to serve an estimated 27 million Americans. Four of them are located in New York City and plans for others are currently underway.

If you think about these centers merely as buildings or as places, however, you miss the main point. Most of the people concerned in treating mental illnesses and emotional disturbance are today agreed that individuals in psychological trouble can best be treated in their own home communities and helped to control their illness and problems so that they can continue to live and work productively. Community mental health centers are designed to achieve these goals. They should, therefore, be considered as more than *places;* they provide a program of *services* tailored to meet the individual needs of each person who comes to the center for help.

To qualify for Federal aid, a center must be organized to provide inpatient service, outpatient service, partial hospitalization, emergency services, and consultation and education services that are available to all other social, health and welfare agencies and facilities in the center's service area. These requirements were not established arbitrarily as regulations to be met for their own sake. In the years since World War II, experience had demonstrated that these are the minimum essential services necessary to provide a continuity of care for people in need of help.

And here, I should like to make one point as emphatically as I can. Every community mental health center is—and must be—organized and operated not as an isolated health facility but as a center involved in and related to all the health and welfare services of the community in which it is located. This is the nucleus of the challenge we are talking about this morning. Health services in the United States have developed piecemeal—usually to try to meet a crisis after the crisis has occurred. Our current opportunity and responsibility is to bring the existing fragments together and plan new service programs that will safeguard our health and prevent crises by changing the conditions which cause them.

For years, leaders in the health field have been searching for ways to design such programs of health services but until very recently, help for the mentally ill was not included in such plans. The public has now indicated that it expects and demands to have health care available in every community, including mental health care; people want the facilities and the means through which they can pay for the services. In answer to this public demand, a series of dramatic legislative programs have been established, of which the Community Mental Health Centers Act is only one. The next step in our progress is to dovetail the provisions of each of these health-related statutes into a comprehensive health program.

Let's take this section of New York City as an example.

You who live in this district do not today have adequate mental health services available to you within the geographic area in which you live.

Presbyterian Hospital operates two licensed psychiatric clinics; under a Federal hospital improvement program grant, the New York State Psychiatric Institute provides some community service, but its treatment program is primarily conducted as part of its teaching and research function. The Washington Heights Narcotics Rehabilitation Center provides aid in the special problem area of drug addiction. The Association for Psychiatric Treatment of Offenders works to meet another segment of the mental health problem. But most residents in need of psychiatric care must cross the Island to overcrowded Bellevue Hospital, or go outside the city limits to Rockland State Hospital. Private psychiatric facilities and psychiatrists in private practice are unable to meet the needs of most of the residents of the area. This district, therefore, is faced with a costly and complex problem. It will take a combination of Federal, State, city and private resources to make the necessary men, money and materials available even to alleviate the problem, much less to solve it.

As you know, the proposed Washington Heights Mental Health Center is now in the planning stage. It is being designed to provide the complete range of modern mental health services, but agreement has not as yet been reached on how this can best be achieved.

In planning such a center, Columbia University, like other universities, feels an obligation to develop its research and teaching programs, as well as to provide services to the communities. Modalities to provide an operating plan for such a university-based comprehensive center are emerging. I do not have the time this morning to go into detail about this, but I might refer to the new Temple University Community Mental Health Center in Philadelphia.

It is an example of how a university department of psychiatry can develop a community mental health center which will expand services to a surrounding service area and provide high quality care to a population that has a high incidence of social problems and socioeconomic deprivation. The program at Temple is illustrative of how the Centers Act has encouraged the development of a center which will marshal personnel resources, research capacities and the service capabilities of a medical center to provide high quality mental health care effectively.

Mental health professionals now believe that our concerns must be with the sum total of all disturbance, resulting from environmental stresses among others, and with the means to provide successful intervention to alleviate that stress. What each of the speakers here today searches for is an effective, practical, workable organizational entity to deal with the problems of the whole man.

When developing a mental health program in an urban community, therefore, some of the questions to be answered are: How do you really provide mental health services for everyone within such a diversity of people? How do you relate those services to the other health and welfare services?

Take, for instance, the newly planned Neighborhood Health Centers. Within the Federal government alone, people in the Office of Economic Opportunity, through the poverty program; in the Department of Housing and Urban Development; in the Welfare Administration of the Department of Health, Education, and Welfare are all concerned, as is the National Institute of Mental Health, in finding the means to provide correlated services through these centers.

The "landmark health legislation" of the past few years is so new that we are just beginning to utilize it. I am sure that this conference, by bringing the people who live in the 20th District together to discuss their health care, will add to the ability of each of us to find the way to provide these services and deliver them, in effect, at every resident's front door.

The report on the morning panel on "Urban Hazards: Pollution and Noise," was prepared by Muriel Allen.

The panel was moderated by Peter Kihss of the New York Times. The panel members were Dr. Leo L. Beranek, lecturer, MIT, president, Bolt, Beranek & Newman, Inc.; Lawrence E. Hinkle, Jr., M.D., director, division of human ecology, Cornell University Medical College; Ron M. Linton, Task Force on Environmental Health and Related Problems, U.S. Department of Health, Education, and Welfare; William H. Megonnell, Chief, Abatement Program, National Center for Air Pollution, U.S. Department of Health, Education, and Welfare.

REPORT ON "URBAN HAZARDS: POLLUTION AND NOISE"

(By Muriel Allen)

"It's the people, not the environment, that are most important. We have to create an environment that fits the needs of the people."

With these words Ron M. Linton, chairman of the Task Force on Environmental Health of the Department of Health, Education, and Welfare, summed up his explanation of the role of the Federal government in reducing pollution in urban areas. Mr. Linton and other members of the panel on "Urban Hazards: Pollution and Noise" agreed that the major danger of a polluted environment lies in the subtle long term effects on human health.

All the panelists stressed the importance of increased research, stronger regulations, regional abatement programs, cooperation between city, state and Federal governments, and public education campaigns.

Mr. Linton outlined the responsibilities of the Federal Government in dealing with the problem of air pollution as: (1) more monitoring of pollutants to identify their exact nature; (2) expanded research to determine the effect of pollutants on humans; and (3) support of abatement measures.

"We know that the 'junk volume' of the air you breathe doesn't enhance your health. But we must know what levels of exposure to air pollutants harm man and how they harm him before we can set meaningful tolerance standards," Mr. Linton said.

The government spokesman pointed out that scientists at the Rockefeller Institute say there is no institution in the United States today capable of assessing the impact of pollution and crowded living conditions, even on animals. Mr. Linton said this research gap must be closed.

"It's not enough to set levels of sulfur dioxide and density for today. We must set them for five to 10 years from now," he added.

Mr. Linton decried the "jurisdictional strait jacket" which allows, for example, New Jersey to pollute the air of whole regions.

"No city can now afford to wait for Federal assistance or its neighbor's actions. And the fiscal problems of cities shouldn't stop us. What comes first, clean air or repaved streets?" he asked.

The urban expert urged that government at all levels deal with the totality of environmental problems rather than use a piecemeal approach. He said the Task Force Report, to be released in June, assesses the progress to date of the Department of Health, Education, and Welfare in combating urban hazards and recommends new national priorities and goals.

William H. Megonnell, head of the Abatement Program of the National Center for Air Pollution, said that clean air is possible and practical. He cited resolute regulation and enforcement as the principal missing ingredients in air pollution control.

"A few perplexing technological problems remain but the economic, social and political roadblocks are worse," he said.

Mr. Megonnell accused industrial polluters of asking for a perfect control system through their powerful lobbies because they do not want to spend money to purchase, install and operate controls. He said that only recently has industry started to consider social values as well as economic profits.

"Industry talks about economies but the big question that remains is what is economical to society as a whole. I think the American people are too intelligent to think that a country which produced a space technology can't cope with the air pollution problem," he said.

"We're asked to wait for positive proof that air pollution is harmful to health but we are living with a false sense of complacency. We've already waited much too long for ultimate answers. The tragic fact is that pollution can cause sickness and death," Mr. Megonnell declared.

The HEW official defended the Clean Air Act of 1965 against charges that it is a Federal takeover of air pollution control. He said the cities and states have the primary responsibility of solving their pollution problems.

Mr. Megonnell explained that the act encourages cooperation among local and regional governments and calls for similar standards and enforcement policies for neighboring jurisdictions.

"We want to avoid putting any business or industry at an economic disadvantage because of unequal controls," the speaker said.

So far six states have been involved in interstate air pollution abatement conferences, according to Mr. Megonnell. The largest of these was the New York-New Jersey air pollution abatement conference in January.

"It remains to be seen if the recommendations of the Clean Air Act will be followed by the states and cities. Otherwise, the Federal Government will have to take action," Mr. Megonnell said.

The air pollution specialist agrees with President Johnson that the air pollution abatement program has moved too slowly in the past. He said the bill now pending in Congress would allow Secretary Gardner to establish regional commissions and set air qualities in laggard areas.

Only one inter-state compact has been submitted to Congress since the Clean Air Act was adopted, according to Mr. Megonnell, and that has not been acted on because Congress thinks it is defective.

"I shall never be convinced that we have to contend with filth in our atmosphere. It will destroy my faith in the spirit of this country if we accept dirty air as a fact of life," Mr. Megonnell said.

In conclusion the official said he was optimistic because of the response of Congress to the public outcry about pollution and the promise that advanced technology holds for cleaning the air.

Dr. Lawrence E. Hinkle Jr., Director of the Division of Human Ecology at Cornell University Medical College, told the audience. that currently there are no good laboratories to detect substances in the environment which may cause ill health.

"Our labs are not equipped to test the long term and chronic effects of the many relatively new chemical and physical agents in our environment. Since it is not yet known how much long term exposure to pollution will be harmful, it is almost impossible to set meaningful tolerance levels," he explained.

The doctor pointed out that pollution is no new problem for the human race. He suggested that it may even be less of a problem today because man has eliminated many bacteria which were the source of spoiled and dirty food.

"Now, however, we're faced with new kinds of pollution such as lead, food additives and detergents, acting in small amounts. And we don't know what they are doing to us, what they will do to our offspring," Dr. Hinkle said.

"We are constantly exposing the population to pollution over long periods of time and the biological effects will probably only show up after generations when the results will be irreversible," he warned.

The doctor, who heads a team investigating the effects of environmental factors on heart disease, said that man's biological defense mechanisms cannot evolve enough in a few decades to cope with the mass of new pollutants in his environment.

"Because of modern technology the world is increasingly different from the world in which man evolved. We can guess at the future effects of new pollutants on man from our knowledge of the results of past biological adaptation in humans. Adaptation often leaves us with harmful side effects," Dr. Hinkle said.

To document his point, the doctor noted that people living in smoky areas eventually develop colds, bronchitis, coughs, airtrack congestion and finally severe lung damage.

"Chemical substances can change the future character of human genes. They may lead to mutations and affect the survival, vigor or fertility of man. Pollution could alter the character of the population," Dr. Hinkle said.

Dr. Hinkle suggested that the only rational course is for organized society not to discharge any substances which are either foreign to man's biological enviornment or which disturb his health. He called on scientists to support every effort to clean the air and water.

The president of a research and consulting firm specializing in the hazards of urban noise declared that the problem of noise is probably incurable in cities.

Leo L. Beranek called noise "the price we pay for industrial civilization." He said that noise is getting worse in urban areas because of increased transportation facilities, building construction and more children.

Mr. Beranek, who has written a manual on what to do about noise control, divided the problem into three aspects: technical, economic and political. He said laboratories must develop controls and cities should institute them regardless of the cost which is outweighed by the advantage of reduced noise levels.

The expert said noise has physiological and psychological effects on man although these are hard to measure. Noise may be the cause of nervous breakdowns and heart trouble in some particularly sensitive people, according to Mr. Beranek.

Other effects of excessive noise are impairment to hearing and interference with speech and sleep, he said.

Studies in noisy areas such as London and New York City have shown that people react differently to noise. Mr. Beranek said that in New York one study found one fourth of those interviewed were not disturbed by noise, while one tenth were disturbed by any noise they did not create themselves. The studies did not reveal any correlation with age, sex, income or education and sensitivity to noise.

Mr. Beranek reported that some physiologists believe man has a biological protective mechanism which tells him if noise is bad for him.

The noise specialist, a lecturer at M.I.T., said scientists now have data which can be used as guidelines in establishing tolerable noise levels and setting up controls in offices, homes and recreation areas.

"Noise can be controlled and not at excessive prices. You can hang floors, float ceilings, install silent bath fixtures and quiet air conditioning systems," Mr. Beranek said.

"Codes are the major problem," he continued. "Builders say they would follow the codes if they existed but controls will raise apartment house costs five to ten per cent."

Mr. Beranek noted that New York City is seriously considering a code which could serve as a model for other U.S. cities. He also recommended a common building code for the whole nation.

The noise consultant pointed out that Sweden, France and Switzerland recognized the need for national regulations and established noise levels.

"General Electric has said that for $300 a truck it could reduce the noise of its transcontinental trucks, but the trucking people are not willing to pay unless they are forced to." Here again Mr. Beranek thinks a nationwide code is the answer.

"Aircraft noise is a big problem. The one organization in the U.S. that has taken a stand is the New York Port Authority. They have set noise limits for jet takeoff," Mr. Beranek said.

The expert admitted that new airplane engines have not increased the noise level but he emphasized that they have not decreased it either. He said designers should "start from scratch to design non-noisy engines."

Mr. Speaker, I include at this point in the Record, the remarks of Dr. Lawrence E. Hinkle:

HEALTH ASPECTS OF ENVIRONMENTAL POLLUTION

(By Lawrence E. Hinkle, Jr., M.D., Cornell University Medical College)

I should like to start this presentation with a disclaimer. I wish to make it very clear that I know nothing special or technical about the problem of pollution—whether of air, water or food. There are many people in this country who know more about the details and the intricacies of this topic than I do. Some of them are sitting here, and there are a number of them at my own medical school. But, having said this, I want to enter another disclaimer. I wish to say that pollution is a topic that nobody knows much about, insofar as it affects health, at the levels at which it occurs in most of our food, air and water most of the time. Because this is the most important fact about pollution, I shall presume to speak about it, since the relation of men to their environment has been my interest for a number of years.

At the present time I believe that there is no really clear-cut evidence that pollutants, other than microbial agents, at the levels at which they occur ordinarily in the air or water in the United States, are responsible for any significant amount of disease in our population. It is true that the dank, smoke-laden air of parts of Great Britain and the Ruhr Valley may be responsible for the prevalence of chronic bronchitis in those areas. It is true that there is increasing evidence of damage to plants and wild-life in polluted areas of the United States—indeed, these are being devastated in many areas. It is true that certain acute events, like the smog in Donora or London, have produced a temporary increase in mortality and morbidity among the aged and the ill. Yet the hard evidence that pollution *in general* is creating much ill-health among our population *right now*, is, I believe, very scanty. Even the much publicized smog in New York City last Thanksgiving does not seem to have created many new cases of illness or disability at that time.

But this, it seems to me, is not the point. Let me say what I think the important points are: (1) We are constantly exposing our population to the inhalation and ingestion of new chemical and physical substances over long periods of time. (2) We have every reason to believe that sooner or later some of these substances, alone or in combinations, may have profoundly bad effects upon the health of our population. (3) It is quite possible that the biological effects of these substances may be produced by processes which go on slowly and silently, over decades or generations before their results become evident, and that by then they may be irreversible. (4) At the present time we have no good laboratory or experimental methods for detecting the pollutants in our environment that may be the most important causes of future ill health.

Let me tell you why I think this is true.

As I am sure all of you know, a constant interaction with the environment is a feature of living things. To stay alive requires a constant input of energy, oxygen and water, as well as of chemicals that we cannot manufacture in our bodies. To stay alive also requires that our bodies be guarded constantly against an intake of substances that might damage the many and intricate biochemical processes upon which the maintenance of life depends. The need for providing safeguards against damaging agents from the environment is no new problem for the living organism. It is a problem as old as life itself.

Long before there was any modern civilization, not only man, but all other animals and plants, had developed means for dealing with toxic materials and invaders from without, and they had constant need for these protective devices. A man breathes in about two gallons of air each minute. From time immemorial this air that men breathe has been laden with dust, pollen, viruses, bacteria and fungi. For at least 10,000 years, and probably for much longer, men and women have been living in smoke-filled huts, and bending over cooking fires, breathing in the smoke of burning wood and coal.

The smoke of coal fires became such a problem in medieval London that Parliament passed a law in 1273 regulating the building of such fires. However, men have biological defense mechanisms in their noses and throats which rather efficiently trap the harmful particles of dirt, smoke and bacteria that are inhaled, wash most of them away in mucous, and occasionally cough or sneeze them out. If any such substance should get past these outer defenses, men have immune mechanisms that attack them in the blood stream, and cells that engulf them and render them harmless.

So, likewise, with food and water: for men and all other animals these have always been full of too many minerals, not enough minerals, or the wrong kind of minerals; full of dirt, indigestible particles, toxic substances, parasites, bacteria and viruses. Coping with these has always been one of the major biological challenges to staying alive. We are all painfully familiar with the violent reactions that may occur at both ends of our gastrointestinal tracts if we eat contaminated food. Most of us are less familiar with the complex biochemical protective reactions that occur when a potentially dangerous chemical gets into our blood stream. But these are just as effective as the grosser defense mechanisms of the GI tract, and they are as constantly on guard.

"Pollution", then, is no new problem for the human race. One might even argue that it is less of a problem now then it used to be. We no longer have to worry very much about bacteria in our water or food. Spoiled, dirty or contaminated food is much less common now than it once was. This is one reason why so many of us are living so much longer than many people did three generations ago. Why then all the modern concern about pollution? The concern arises because we are faced with new kinds of pollution, acting in small amounts over long periods of time, and we do not know what it may be doing to us, or possibly to our offspring several generations hence.

What is this new kind of pollution? In the air it consists of the complex chemicals, the minerals such as lead, and the minute particles of solid materials that get into the air we breathe from millions of automobile exhausts, jet engines, factory chimneys, home incinerators, and household fires, which are ground up from the surfaces of roadways, swept up from the floors of offices and stores, and which we breathe in from spot removers, paint thinners, hair sprays, plant sprays, insecticides and innumerable other sources. In our food and water this new pollution consists of the incredible number of medications we take, the many food additives and food preservatives that we eat, and all of the incidental chemicals—including the detergents—which get through our water purification systems and into our drinking water in minute amounts. We have to include in this the chemicals that are absorbed by the fruits and vegetables we eat, and those that are consumed by the animals and fish whose flesh we, in turn, consume.

Why is this "new"? It is "new" not because our biological defenses have never had to deal with complex chemicals before, but because, by and large, the specific chemical and physical agents that we now have to deal with are relatively new to our environment. They have been around only a few years, or a few decades. We have had at most only a few generations of experience with them, or less. Our biological defense mechanisms were not evolved specifically to cope with them, and we do not know what they may do to us, or to our species over the long run.

I do not mean to say that we don't know what these new pollutants will do to us acutely. This becomes evident pretty quickly whenever a new one is introduced. We know quite well what will happen to a man if he breathes too much carbon monoxide or swallows too much phenobarbital. The acute effects and the subacute effects of pollutants are often dramatically clear. They are constantly sought for in the laboratory and in the clinic. Federal, state, and local agencies, and a host of private laboratories, look for these acute and subacute effects in any new drug or food additive that may be introduced, and in many chemicals to which men are likely to be exposed. By and large they do an excellent job of detecting these effects. They attempt also to determine the long term and chronic effects of these substances; but here they are less successful. The difficulty is that our laboratory methods are not sensitive enough, or cannot be carried out long enough, and with enough laboratory animals, to provide the answer. The reason we do not know whether a daily exposure to 20 parts per million of carbon monoxide over 20 years might cause meaningful impairment of human brain function is just that it is quite impossible to carry out an experiment with a large number of people, over a long period of time, under controlled conditions, and then to measure their highest level of intellectual functions with sufficient accuracy to provide an answer.

The big problem in all of modern pollution, whether by air, water, or food, is the problem of getting the answer to how much long term exposure to small amounts of a pollutant will be harmful to people, and in what way. When there is no chronic effect of a pollutant that is readily apparent to scientists and clinicians, it is almost impossible to set a tolerance limit that has any meaning whatsoever. Yet, we do know this: that it is always hazardous—very hazardous—to assume that there is no damage to health from chronic exposure just because none has yet appeared. The history of medicine is studded with innumerable examples of the fallacy of this assumption.

One of the most recent, cruel and glaring examples of this fallacy has been provided by the self-induced form of air pollution that is caused by smoking cigarettes. When cigarettes began to become widely popular before World War I they were denounced by many well meaning people as "coffin nails". Physicians advised against them, and parents forbade their sons to smoke them. But then other physicians, who were skeptical of *a priori* judgments, took a cooler look, and they found it very hard to show that smoking had any deleterious effects on health except for a bit of throat irritation and an occasional cough. In the 1920's cigarette smoking became positively fashionable. It became as much a part of the national scene as cocktails, speakeasies, short skirts, bobbed hair, and Babe Ruth. In the absence of evidence of its harmfulness, the physicians looked on complacently, while a whole nation smoked its way through the 30's and 40's—and the doctors puffed away with the best of them. It was only in the 1950's, after three decades of exposure of millions of people, that the horrible effects of smoking began to unfold. Since that time, each passing year has made it more and more apparent that smoking cigarettes, which is essentially harmless in the short run, is in the long run a major cause of cancer of the lung, coronary heart disease, and pulmonary emphysema. The doctors, with wry smiles, have gradually ceased to smoke. Now, at medical meetings, the blue haze of cigarette smoke has become thin enough so that one can begin to see the slides that are shown on the screen. Unfortunately, the rest of the nation puffs merrily ahead.

We have seen this sort of thing happen again and again in medicine. There were the miners long ago who worked in "harmless" dust until we learned about silicosis; the girls in the 1920's who painted watch dials with "harmless" radium until they got cancer of the jaw in the 1930's; the mothers who dosed their children's cold with "harmless" silver compounds that later caused the children's skin to turn a slate gray color; there were the headache remedies, popular for decades, that were finally found to cause kidney disease; there were the antibiotics that caused babies to have mottled teeth; and, most recently, the sleeping pills that produced children with deformed arms and legs. Exposure to any substances over a long time may have unexpected ill effects. It is the knowledge of this that is causing the medical profession to keep such a close eye on the effects of the oral contraceptives that so many millions of women are taking, even though these medications have appeared to be quite harmless up to now.

You may say that all of the substances that I describe are drugs or industrial hazards, and not common pollutants of air or water—and I must agree. But the unexpected results of long-term, intentional exposure to these substances are produced by the same sorts of biological processes that occur during long-term unintentional exposure to environmental pollutants. The future effects of new environmental pollutants may be anticipated from our knowledge of the characteristics of some of the biological processes of adaptation.

A major problem created by long-term exposure to any agent from the environment is that the process of adapting to it is almost certain to have some unwanted side-effects. Thus, the process of adapting to inhaled smoke involves a secretion of mucous from the bronchial tree. Therefore, those who live in smoky environments for long periods of time are likely to have more mucous in their bronchial trees over longer periods of time than those who do not. Over the short run this has very little effect on their health; but over the long run it seems to make them more likely to have colds and bronchitis, to make them have a little more difficulty in moving air in and out of their lungs, and to make them cough more. Ultimately, over many years it seems to produce severe damage to their lungs—or, in any case, this is what many physicians believe.

This, however, is one of the simpler problems produced by adaptations to the environment. There are others that are more complex and devilish. An organism that adapts to one set of conditions is forced to direct its internal processes in a way that may interfere with its adapting to other sets of conditions.

Ordinarily, a man can inhale a modest amount of carbon tetrachloride without evident ill effects. The chemical is "detoxified" by enzymes in his liver, and is prevented from doing him damage. But if the man has had a few drinks—if he ingests any alcohol—at the same time that he is inhaling the carbon tetrachloride, he may suffer severe damage to his liver and other internal organs. In non-scientific terms, one might say that the enzyme systems of his liver already are busy detoxifying the alcohol that he has drunk, and are overwhelmed by the carbon tetrachloride that he inhales. The same sort of thing might well happen with the chronic ingestion of many chemicals in small amounts over a long period of time.

The more subtle long-term effects of pollutants might come to light first in future generations. Chemical substances, even in small amounts, can affect the development of the baby *in utero*, as did thalidomide. Radioactive pollutants can also produce genetic mutations, which change the character of the offspring, usually in a deleterious manner. In addition to this, if they affect the survival, vigor, or fertility of the living generation, they may, over a number of generations, alter the characteristics of the population. This change might be desirable in certain circumstances. But undesirable in others. An example of what might happen is provided by the experience of the Central African Negroes with malaria. This disease is highly prevalent in those regions, and reduces the vigor of many members of the population. A small proportion of the population, who had inherited an abnormality of the hemoglobin in their red cells, were more resistant to malaria. Over the course of time, the process of natural selection caused people with such abnormal hemoglobin to become a larger and larger proportion of the total. The descendants of these people, transplanted to America where there is no malaria, now may suffer from a crippling anemia caused by the abnormal hemoglobin that they have inherited.

This is no isolated instance in the biological world.

All of this leads me to the conclusion that I stated at the beginning: although there is no definite evidence that air and water pollution is a major cause of disease at the present time, there is every reason to believe that it may become a serious hazard to health if it continues.

I also believe that the only rational course for men, from the biological point of view, is to organize their society in such a manner that over the long run it does not discharge into our environment, any substance that is not ordinarily a part of the biological system, or is not capable of becoming a part of it without disturbing it. It was all very well to use the air as a sewer for volatile waste when the number of men in the world was in the millions, and their fires relatively few, and made of wood. It is quite another matter to use the air as a sewer when the number of men is in the billions, and the waste comes from innumerable complex chemical and mechanical processes. So equally with our water, our food additives, our cattle feeds, our fertilizers, and our pesticides. As a result of our technological explosion we find ourselves living in intimate contact with a world that is increasingly different from the world from which we evolved. Eventually we must come to the day when we would no more think of turning the untreated effluent of any factory chimney into the air, or of any dishwasher into a stream, than we would now think of pouring sewage directly into our drinking water.

Clearly this has to be a long-term goal, to be attained—over many decades. But I believe that we will have to come to it; for I believe that it will not be possible to develop any practical method that will detect, before the event, all of the complex combination of pollutants that might, over the long run, adversely affect our health. Clearly we must proceed toward this goal only with deliberate speed, bearing in mind the limitations of our technology, and the profound economic and social consequences that may proceed from many attempts to reduce pollution. Yet it seems to me that the health scientists can support, now, every deliberate, cautious, and well-thought-out effort to improve the quality of the air we breathe and the food and water that we ingest. The freedom of our environment from pollution ultimately may be the most important determinant of of our health, even though pollution, as we know it, has not yet been proven to be a cause of any large amount of illness.

Mr. Speaker, I include at this point in the Record the remarks of Ron M. Linton, Chairman, Task Force on Environmental Health and Related Problems, U.S. Department of Health, Education, and Welfare:

REMARKS DELIVERED TO THE SEVENTH ANNUAL WEST SIDE COMMUNITY CONFERENCE

(By Ron M. Linton)

I thank Congressman Ryan for this opportunity to come to New York and share some of what I have been privileged to learn in the last few months as Chairman of Secretary Gardner's Task Force on Environmental Health. Congressman Ryan has spent many years concerning himself with public policy in this field and this conference is but one of many valuable contributions he has made to improving the quality of life.

I am not going to tell you this morning that our environment is a mess and getting worse; that would be gratuitous. You live with one of the most polluted physical environments in the world.

You are aware, I am certain, that the junk clogging the air you breathe does nothing to enhance your life—or prolong it.

You have conceived, I'm sure, that those thousands of metal trash cans which battle you for sidewalk space are telling you something of solid waste disposal problems.

And the East River isn't very much like the bubbling brooks that poets and trout enjoy so much, is it?

And congestion?

And noise? You know. You live here.

What I do wish to discuss this morning is how to speed up the removal of these insults to your health and senses.

The Federal Government, and particularly the Department of Health, Education and Welfare, has been given responsibility by Congress to help provide for your optimum health. In some areas the people in Washington charged with helping you protect your health have done an outstanding job; in others, improvement is called for.

The National Institutes of Health have been very successful in their research into the cause and control of common disease killers. The Communicable Disease Center has done a good job in controlling the classical contagious diseases; and we have recently received word that measles will soon be eradicated in this country.

But now, in my opinion, the Department of Health, Education and Welfare must more effectively muster its resources to do battle with the physical and sensual insults to our people caused by the continued deterioration of our natural environment.

First, we must clearly do more monitoring of the environment. What has man and his technology placed in the air, water, and embedded in our earth? And once we know what our environment contains, it is essential that we know what is deleterious to our health, and at what levels of exposure. These are proper tasks for the Federal Government to perform.

Are we doing enough human ecological research now? The evidence leads me to answer in the negative. When our Task Force met in your city recently, we were addressed by Dr. Rene Dubos, an eminent microbiologist and human ecologist associated with the Rockefeller Institute. He informed us that there is no facility in the United States equipped to do basic research on the impact of crowding and various pollutants on successive generations of laboratory animals. If we haven't begun to perform long-term experiments on the impact of crowding on animals, what do we know about the effect of urbanization on man? Little! The Federal Government must undertake more research in human ecology—man's relation and interaction with his environment.

When we have determined the impact of a particular environmental "insult" on man, the Federal Government must establish tolerance standards for that insult, and set a goal towards which we should aim. In other words, it is not enough to set a level of sulphur dioxide that can be tolerated in the air in New York City today, we must also set what we want that level to be five or ten years from now.

We need more pollution abatement technology—and fast. The Federal Government should support systematized development of abatement hardware and systems. This means using industry. We made virtually unbelievable breakthroughs in space technology using the intellectual and production capability of American industry. I believe the same approach must be taken if we are to abate pollution at the source. And certainly, abatement at the source should be a fundamental public policy.

But in the meantime, what are the cities and their satellite communities doing? New York has reorganized in the environmental health field in order to more efficiently manage the functions which control its environment—public health, pollution control and waste management. Organization is important, but it is not decisive.

I was struck by the statement of Lewis Mumford, as reported in the New York Times last week, that New York City had two million too many people living in it. Now, overcrowding *is* a decisive issue.

What are New Yorkers doing about "too many people" within the confines of their city? The problems of environmental pollution and deterioration come down, after all, to the core issue of too many people living, working and wasting in too little natural space. Assuming that man has always wasted, and he has, and assuming that effective sanctions against the individual who dumps his wastes into society's domain will not be created tomorrow, and they won't, what steps are going to be taken in the cities *today* to adjust to further population growth?

To talk about too many people living in an area is to tilt windmills—the people are here, the job is to make the environment fit the needs of the people. What are the cities going to do about that?

Are we going to find a way out of the jurisdictional straitjacket that gives New Jersey the freedom to dump its waste on New York and vice versa?

Will the cities and states carry on the long legal exercise to finally deny the right of its individual and corporate citizens to pollute; or will they wait for the Federal Government to pre-empt pollution control and do it from Washington?

Has the Mayor of this city been given the authority to virtually phase New York City into a state of industrial and transport inertia if smog again seriously threatens the lives of thousands of its citizens?

It seems to me that the task is clear. We must look and deal with the environmental problems in totality and we must deal with them as they affect man. Certainly, the Federal Government must do more. Certainly, no local government can solve its problems without regard to what its neighbors are doing. But while the greater need of Federal assistance and the contribution to the problem by surrounding territories are facts, they are also excuses.

No city today can afford to wait for the full impact of Federal assistance or the total agreement of its neighbors to do what is good for the entire area. It must do what it needs to now, even if this means some inefficiency, and if the cities take these steps they will more clearly demonstrate the responsibility their neighbors have as well as the responsibility of the states and the Federal government.

There is little question that the fiscal problems of the cities are the most significant deterrent to taking the action that must be taken. Yet, a judgment must be made as to where the limited funds that cities have are going to be allocated. What comes first—clean air, or repaved streets? Each city must make its own choice, but the choice it makes will decide its future.

Mr. Speaker, I include at this point in the RECORD the remarks of William H. Megonnell, chief, abatement program, National Center for Air Pollution:

TECHNICAL ASPECTS OF POLLUTION CONTROL AND ENFORCEMENT

(By William H. Megonnell, chief, abatement program, National Center for Air Pollution Control, Public Health Service, U.S. Department of Health, Education, and Welfare, of Washington, D.C.)

As a former resident of New York City, for seven and one-half years, I always am delighted to have an opportunity to return—even on a Saturday, when I'm supposed to be home relaxing.

I am particularly happy for the chance to participate in this conference, for it concerns important problems of great magnitude and concern to the millions of people in this area. Without hesitation, therefore, I accepted Congressman Ryan's invitation. That was several months ago and, just last night, I began to think seriously about what I might say. It was then I discovered that the assigned topic (Technical Aspects of Pollution Control and Enforcement) refers to pollution generally, rather than only air pollution.

While I can speak with any authority only about air pollution, I am sure some of my remarks will have parallels in other forms of pollution as well. Pollution of land, air, and water frequently is interrelated.

It was necessary for me to make certain assumptions regarding the audience I would be addressing. I hope I did not guess too far wrong. Since this is a "community conference," and not a professional society meeting, I assumed that you would not be particularly interested, despite the title of my talk, in the technical aspects of air pollution control. By that I mean the hardware, the control devices and systems that can be applied to alleviate air pollution.

So I am not going to spend much time on that. Suffice it to say—although a few perplexing technical problems remain—that the greatest deterrents to clean air are economic, social and political—not technologic—in nature.

There is available a wide variety of control devices—inertial separators, filters, scrubbers, electrostatic precipitators, absorbers, adsorbers, direct-flame and catalytic incinerators, and other equipment that can be used singly and in combination to remove or reduce most air pollutants.

Unfortunately, these usually are beyond the comprehension of the layman—and there seems to have been an organized effort to keep him uninformed and misinformed. He has been confused by technical jargon, intimidated by threats of unemployment, frightened by the prospect of greatly increased prices and higher taxes to the point where he has accepted pollution as the price of progress—an inevitable adjunct to modern living.

This is an archaic, outmoded concept. Dirty air and prosperity need not be synonymous. Clean air wrongly has been equated with empty pocketbooks and poverty. Although we are living with the consequences of past mistakes, it needn't be so in the future. We can have—and in the world's richest country we have the right to expect—both wholesome air *and* a high standard of living.

We have been lulled into a false sense of complacency by those who stand to gain most from polluted air. We are asked to wait before taking control action until positive proof is available that pollution is detrimental to health and welfare, until more efficient control devices are developed, until systems are worked out that will not disrupt the economy.

I submit that we already have waited much too long. We have waited for the ultimate answers on effects and controls while our property is soiled, our metals corrode, our buildings and monuments are eaten away, our vegetation wilts and—most tragic of all—our people become sick and die. These things are not fantasy. They have happened. They are happening. They have been carefully documented. Still, the polluter, through his powerful lobbies at all levels of government, says we must wait until definite, irrefutable proof is found. He decries what he calls "control for control's sake." Meanwhile, we watch pollution grow worse—while we await development of the perfect control system: one that costs no money to purchase, install or operate; requires no space; needs no maintenance; uses no power; does not interfere with our convenience; presents no disposal problem; and recovers a profitable product.

Much has been said and written about "economic feasibility" and "undue cost" of controlling air pollution. Recently, however, there is a tendency—rightly, I believe—to consider social values rather than traditional economic issues. Unquestionably, a base broader than the traditional profit incentive must be used in future decision making processes. When the economic issue is raised, we must consider: Economical to whom? To the fuel, steel, cement, chemical, transportation or power industry? Or economical to society as a whole?

As regards air pollution, if we had adequate means of evaluating the benefits, certainly the scales would be tipped in favor of prevention, control and abatement. I believe the American people are much too sophisticated, much too intelligent to believe that a technology that can put men into space cannot cope with the mundane, down-to-earth problem of air pollution. I know their patience has been exhausted. They have made their desires known through their elected representatives—like Congressman Ryan—and on the Federal level, I assure you, the Congress has responded.

This brings me to the second part of my assigned topic, enforcement. In view of what I have said regarding control capabilities, you probably can guess that I believe the principal missing ingredient in our quest for clean air is resolute, aggressive and forthright regulatory and enforcement action.

I believe that reasonably clean air is possible and practicable—else I would not be spending so much time and energy toward achievement of that goal. Permit me to express my philosophies in that regard.

First of all, despite what some may suspect, I firmly believe that air pollution control authority should be vested in the lowest level of government capable of coping with the problem in its entirety. The last three words are extremely important. "Lowest level of government" does not necessarily mean a city, a group of cities, a county, or even a State—which should be apparent to any citizen of New York City. This philosophy was expressed by the Congress in the preamble of the Clean Air Act, which states "that the prevention and control of air pollution at its source is the primary responsibility of States and local governments." Recognizing that pollution often is multi-jurisdicitional, however, the Act encourages, in principal and financially, cooperative activities among agencies, formation of regional programs and uniform regulations and enforcement.

I consider this good and wise legislation. It is desirable that different jurisdictions, particularly neighboring ones, adopt regulations of similar stringency and enforce them universally and equitably against any and all sources. To do otherwise is inconsiderate of the citizen who must contend with air pollution arising in his own or a neighboring community, and it is eminently unfair to industry in that competitors in lax jurisdictions gain a cost-of-doing-business advantage over those located in jurisdictions with aggressive and progressive enforcement programs. It is regrettable and unfair, but nonetheless true, that the "good-citizen" industrial operator is placed at an economic disadvantage by his "do-nothing" competitor.

Insofar as air pollution which arises in one State and endangers the health and welfare of persons in another State is concerned, the Clean Air Act provides authority for Federal abatement action. This does not, however, constitute a Federal "take-over." Rather, the carefully designed provisions of the Act provide every opportunity for the appropriate State and local agencies to accept their responsibilities before Federal enforcement action is substituted.

I am deeply involved in administering the abatement provisions of the Clean Air Act, and I think our actions thus far have been quite effective. We have conducted six interstate abatement conferences so far—the largest, of course, involving the New York-New Jersey area. In each case, I believe we have successfully defined the sources, nature and effects of the problem. And we have, in each case, delineated practicable corrective measures that can be taken. It remains to be seen whether recommended corrective action will be taken by the respective State and local agencies. If not, we are prepared to proceed with subsequent procedural steps, which ultimately can lead to action in the Federal courts.

We look on the Federal abatement authority as a catalytic force—a means whereby affected State and local agencies can be brought together to discuss a mutual problem and, with Federal technical and financial assistance, arrive at an equitable solution. If this "carrot" does not prove to be sufficiently enticing, however, the more persuasive "stick" lurks in the background.

While we in the Federal abatement program who are nearest to the activities and feel that we are working extremely hard may be convinced that significant progress has been and will continue to be made under the present law, many believe that abatement and control are proceeding much too slowly. Not the least of these is President Johnson, who has called for accelerated action. Congress quickly responded, and the Air Quality Act of 1967, now pending before that body, would simplify procedures and more deeply involve the Federal Government in direct abatement, control and enforcement activities.

The pending bill contains some unprecedented, somewhat revolutionary provisions. It would authorize the Secretary of Health, Education, and Welfare to set national emission standards for those industries which contribute substantially to air pollution. I do not see how this could fail to be of direct benefit to the citizen, State and local government or industry. Certainly, it would, in time, remove some of the gross inequities that exist today.

Another major provision would authorize the Secretary of Health, Education, and Welfare to establish Regional Air Quality Commissions in interstate areas where ineffective State and local action has been taken to protect health and welfare. This authority may appear drastic, but it is necessitated by the fact that, despite obvious interstate problems and the incentives of the current act, only one interstate compact has been submitted to Congress in the 3 years since the Clean Air Act was adopted.

It should be pointed out that the proposed Federal emission standards and federally created air quality commissions would be applicable only where State and local governments fail to protect adequately the health and welfare of their citizens. The only "right" such action might violate is the right of any governmental jurisdiction to fail completely to do anything to control air pollution—a questionable right in the first place.

I cannot, of course, predict the outcome of the pending legislation. I can tell you, however, that Congress has been very sympathetic and responsive to the citizens' desire for clean air. Our host today, Congressman Ryan, has taken a forthright stand against all forms of environmental hazards, and I am sure he will have his constituents' best interests in mind on this and future air pollution bills.

After many decades of neglect, it is encouraging to see the attention being devoted to the quality of the air we all must breathe. I never did, I do not today, and I never shall be convinced that we have to contend with the aerial filth that is now so prevalent in our atmosphere. I cannot believe that, I dare not believe it—for it would destroy my faith in the spirit, the ingenuity and the ability that have made our Nation so great and progressive.

Past performance and existing conditions reasonably could lead to extreme pessimism regarding the prospects for easier breathing, but I believe that an aroused public, enlightened governments and advanced technology leave much room for optimism. In my opinion, the key is adequate regulation and resolute enforcement. Although much has been said about the merits of voluntary cooperation—and I would like to think that it could be relied on—I doubt that it ever can or will be sufficient to cope with our serious air pollution problems.

Mr. Speaker, the morning panel on "Health Care and Social Policy" was moderated by Edward O'Rourke, M.D., New York City Commissioner of Health. Panel members were: Harry Becker, executive secretary, Committee on Special Studies, New York Academy of Medicine; I. S. Falk, professor of public health, School of Medicine, Yale University; George A. Silver, M.D., Deputy Assistant Secretary for Health and Scientific Affairs, U.S. Department of Health, Education, and Welfare; and Herman M. Somers, professor of politics and public aaffirs, Woodrow Wilson School of Public and International affairs, Princeton University.

The report on this panel follows:

REPORT ON "HEALTH CARE AND SOCIAL POLICY"

The panel discussion emphasized the need for both local and Federal government participation in health care in order to meet growing problems.

Panel members noted, however, that health services alone are not enough. To ensure the health of the population, society must also wipe out or ameliorate overt or marginal poverty.

Federal, State and local governments now support many basic health service programs, including research, health program planning, environmental and community-wide services, professional and technical education and training, and construction and modernization of hospitals and other health care facilities.

Dr. I. S. Falk pointed out in his remarks that these programs should also extend into three new areas. He called for greatly expanded health education of the public, some form of national comprehensive health insurance through social insurance, and projects and demonstrations to stimulate improvement in the organization of health services through group medical practice.

Members of the panel noted that many other Federal, State and local government programs and support provide the environment and make possible the achievement of health care. Many of these programs must be expanded and extended.

To break the vicious circle of poverty and disease, society must ensure employment security, reasonable social insurance income benefits, welfare services that will be adequate to the need, as well as low-cost housing and other programs.

Members of the panel also noted that despite explosive expansion in knowledge and skill, and despite America's vast economic resources, health services are far from adequate.

Dr. Falk declared, "The 'gap' between the potential and the performance for health care is probably not narrowing, and many believe it may even be widening."

He claimed that the gap has come about as the result of two failures. He said that programs proposed 35 years ago failed because of "voluntarism" and state-by-state action. Further, he said, our health care has failed because of the inadequacy of Federal and Federal-State programs "after the focus shifted to Washington during the economic depression of the 1930's."

Dr. Falk declared that among the principal reasons for the American failure in health care are "the continuing defeat of national health insurance, and the inadequacies of voluntary health insurance (despite its massive growth and extension)."

Other members of the panel also detailed the problems and needs to ensure more adequate health care. Members of the panel generally agreed that solving organization and financial problems of health care are central to further progress. Panel members differed on the amount of government and private activity necessary.

Dr. Falk insisted in his remarks:

"An improved health insurance program for all should have built-in incentives for comprehensive care, for observance of quality standards, and for containment of rising costs. And it should be coupled with a strong new program to stimulate and encourage the development of comprehensive group practice, because this is the only tested pattern of service that offers real promise for providing comprehensive care, improving effective use of skilled manpower, and of extending the observance of quality standards outside the hospital, while making a major contribution toward containing the steeply rising costs of medical care.

I include at this point in the RECORD the introductory remarks of Prof. I. S. Falk:

HEALTH CARE AND SOCIAL POLICY

SUMMARY OF INTRODUCTORY REMARKS AT THE PANEL SESSION IN THE CONFERENCE ON HEALTH IN OUR CITIES, NEW YORK CITY, APRIL 1, 1967

(By I. S. Falk, professor of public health (medical care), Yale School of Medicine, New Haven, Conn.)

Our cities have their own unique health problems, requiring local programs and locally adapted services; and many of our cities are making heroic efforts to meet the health needs of their populations. In the main, however, the health problems of the cities are basically the same as the health problems of the nation; and the cities—and even the states—cannot do more than partially solve them without the aid and participation of the Federal Government.

This is all the more acutely the case because the nature and the dimensions of health needs far exceed the reach of health service programs. The health of a population in modern society requires the specific health services which have been made possible by progress in science, medical art and our national economic resources. It also requires the non-specific contributions from many other programs which contribute to health through the amelioration or eradication of overt or marginal poverty. Health progress needs all the developments in our affluent society that can contribute to education, well-being and security.

The needed *basic* health service programs extend to continuing Federal, State and local support of: research, health program planning, environmental and community-wide services, professional and technical education and training, and construction and modernization of hospitals and other health care facilities. These programs should also extend to three new areas: greatly expanded health education of the public, national comprehensive health insurance through social insurance, and projects and demonstrations to stimulate improvement in the organization of health services through group medical practice.

The *collateral* programs for health extend to: an adequate national program for employment security, adequate levels in national social insurance income benefits, adequate back-up welfare services, and adequate program for low-cost housing, and many other programs that contribute to well-being and security. These programs are needed to join with the health *service* programs in breaking the vicious circle of poverty and disease.

The need for a broadened program for health reflects the widespread evidence and conviction that health services are far from adequate despite the explosive expansion in knowledge and skill, and despite our vast economic resources. The "gap" between the potential and the performance for health care is probably not narrowing, and many believe it may even be widening. How did we get into this jam?

First, from the failure of programs proposed thirty-five years ago through "voluntarism" and state-by-state action; and, second, by the inadequacy of Federal and Federal-state programs after the focus shifted to Washington during the economic depression of the 1930's. The continuing defeat of national health insurance, and the inadequacies of voluntary health insurance (despite its massive growth and extension) are among the principal reasons.

The recent crisis over Medicare reflected that the time had come for a new direction and for new action programs. The enactment of Medicare, Medicaid, and related programs provided new signposts and the beginning of new undertakings. The legislation included some compromises which now plague and frustrate the effective implementation of the programs. We will have to hope that amendments will strengthen Medicare, clear it of its bad and weak features, and provide a sound basis for extension from the aged alone to the entire population. This should assure the financial availability of the best comprehensive care that our national resources will be able to provide.

Solving the financial and the organizational problems are central to progress in the health services. An improved health insurance program for all should have built-in incentives for comprehensive care, for observance of quality standards, and for containment of rising costs. And it should be coupled with a strong new program to stimulate and encourage the development of comprehensive group practice, because this is the only tested pattern of service that offers real promise for providing comprehensive care, improving effective use of skilled manpower, and of extending the observance of quality standards outside the hospital, while making a major contribution toward containing the steeply rising costs of medical care.

I would emphasize again that health progress requires not only the basic health service programs but also the collateral programs that contribute to health. Social policies should support both, because, as long as our economy prospers, we can afford both and because programs for health are an obligation of a modern society while also being largely an investment toward economic stability and progress.

Mr. Speaker, the report on the afternoon panel on "Hospitals in Crisis" was prepared by William J. Fuller III.

The panel was moderated by William L. Kissick, M.D., Director, Program Planning and Evaluation, Office of the Surgeon General, U.S. Public Health Service. Members of the panel were Martin Charkasky, M.D., director, Montefiore Hospital and Medical Center; Leon J. Davis, president, Local 1199, Drug and Hospital Employees Union; John H. Knowles, M.D., general director, Massachusetts General Hospital; Frank van Dyke, professor of administrative medicine, Columbia University School of Public Health and Administrative Medicine; Alonzo S. Yerby, M.D., head of Department of Health Services Administration School of Public Health, Harvard University.

REPORT ON "HOSPITALS IN CRISIS"

(By William J. Fuller III)

The crisis facing our hospitals today is in general a manpower shortage. And in particular it is inadequate funds to pay hospital personnel and purchase essential facilities for proper medical care.

Dr. John H. Knowles, general director of Massachusetts General Hospital, said that hospitals face a shortage of manpower because of low salaries, poor working conditions and inadequate fringe benefits. It takes at least three years beyond a high school education to become a nurse, Dr. Knowles said, but nurses still were making only $2.00 an hour just a few years ago.

"Spend money," the doctor concluded, "and manpower needs will drop." But the cost of providing substantial pay increases for hospital employees would be phenomenal since, as Dr. Knowles pointed out, salaries and fringe benefits constitute 75 per cent of all hospital costs.

In order to explain the high cost of hospital care, Leon Davis who is president of Local 1199 of the Drug and Hospital Employees Union, compared caring for a hospital bed with fixing an automobile. It takes 2½ to 3 workers to care for just one bed, he said. The hospital fee for occupying that bed, he explained, is not so outrageous when one considers what it would cost to have 2½ mechanics work on one car for a single day.

And the hospital worker, for example, makes much less than the mechanic. "There's nothing worse than having disgruntled people to take care of patients" Mr. Davis said, alluding to the hospital personnel's dissatisfaction with their income.

In the largest New York City hospitals today, the union's local president noted, a Registered Nurse gets only $2.70 an hour. "You can imagine what the dish washer gets," he said.

And nurses must work days, nights, Sundays and holidays too, Mr. Davis explained. Considering how little the nurse aide is paid, for example, he said, "We discourage any young person from going into that field."

And he said, "If hospitals treated their patients like they treated their workers, then God save the patients." This is manpower's point of view.

What do patients want from medical care? "They want to be well," said Dr. Martin Cherkasky, director of Montefiore Hospital and Medical Center in New York City. But in the first place, not everyone gets medical care, he said. And of those people who do get treated, "some get great care and some get murderous care," Dr. Cherkasky explained.

He cited the medical care which the Teamsters Union gets as being 40 per cent of the time "down right dangerous" even though it is probably the most comprehensive of group medical coverage.

Furthermore, Dr. Cherkasky explained that a woman really doesn't know how skilled the surgeon is who operates on her uterus for cancer. But the skills makes all the difference. She stands a 50 per cent chance of cure if the surgeon is skilled, Dr. Cherkasky noted, and only a 20 per cent chance is he is not.

It was not explained, however, whether or not slipshod medical practice followed doctor shortages, improper hospital supervision or lack of other hospital personnel.

The director of Montefiore said that municipal and voluntary hospital systems, like schools, may be separate but they can never be equal.

He said that the poor people will always be sloughed off on the inferior of the two systems. "Scrap the municipal system," he said, and improve on the best of the voluntary.

Then give the controls to the community, he said. Dr. Cherkasky suggested creating a central planning group with teeth in it to represent the community before the hospital management. This means reorganization in order to cope with crisis.

Dr. Frank van Dyke, professor of administrative medicine at Columbia University's School of Public Health and Administrative Medicine, agreed with Dr. Cherkasky's description of unequal medical treatment in the two hospital systems as they exist today.

But, he said, communities should strengthen the municipal system, not dispose of it, and open it to private patients.

Dr. Van Dyke said it is "archaic" that the poor patients should be used as "teaching material" with separate hospital entrances and waiting rooms. The people who pay, he said, get another kind of treatment altogether.

Dr. William Kissick, director of program planning and evaluation for the Office of Surgeon General of the U.S. Public Health Service, explained that health care is coming closer each day to becoming a human right, at least in social conviction.

But basically, there just aren't enough hospitals and doctors to go round. And there seems to be no easy solution to the problem.

"Doctors as a group have never been busier in their lives," explained Dr. John H. Knowles, the director of Massachusetts General Hospital. And there are waiting lists for patients at most hospitals, he said.

But while hospitals are moving closer to the community these days, they should not be expected to organize or help organize every community health service, contends Dr. Alonzo Yerby, head of the department of Health Services Administration at Harvard University's School of Public Health.

This is one way in which both manpower and facilities can be saved.

Dr. Yerby said also that we must create "a totally new organism" to provide adequate medical care in the future. He explained that hospitals need more people, for instance, who can work at the doctor's side "not as handmaidens but as equals," which would create new patterns within the health profession.

Furthermore, in Dr. Yerby's opinion, the medical profession has not been fulfilling its responsibilities to help solve the hospital crisis. But he did not elaborate.

Dr. Knowles had explained earlier that peer discipline in the health field was inferior to federal supervision. And he suggested that the Federal officials might act on those hospitals, for example, which don't operate after 2 p.m. on weekdays or on Saturdays.

And he said hospitals have not provided adequate after-care facilities, created a successful voluntary regional planning organization or participated effectively in the political arena.

Dr. Knowles explained that the need for more hospital funds, for better medical facilities, for greater manpower and for more doctors such as pathologists and radiologists will be increasingly acute as days pass by.

Perhaps this is all part of the transition of the hospital from its earlier missionary origins to the dynamic enterprise which it is today.

Nevertheless, where the money and manpower will come from and how the medical care of the future will be organized are the perplexing questions which both remain unanswered and lie at the heart of the crisis facing our hospitals today.

Mr. Speaker, I include at this point in the RECORD the remarks of Dr. John H. Knowles:

HOSPITALS IN CRISIS

(By John H. Knowles, M.D.[1])

On July 1, 1966, Public Law 89-97, Amendments to the Social Security Act of 1935, populary known as Medicare, came into being. The law represents both the public's dissatisfaction with previous methods of financing health services as well as the extreme importance Americans attach to health and medical care. The program is financed through the prepayment mechanism of an increased Social Security tax shared by employee and employer for Title 18, as well as general Federal and State tax revenues for Title 19 of the Law. Title 18, Part A provides for the financing of in-hospital, ambulatory, extended care and home health services for the nearly 20 million people of this country, age 65 and over. Part B of Title 18, a voluntary program shared equally by individual and Federal contributions, provides for the payment of doctors' fees. As of this writing, some 17.5 million elderly citizens are eligible for these benefits. Title 19 of the Law provides for hospital, extended care, ambulatory, diagnostic and physician services for those who are judged to be medically indigent according to legislation to be developed by each State. Potentially, 40 million people will be eligible for these benefits. Thus, it is probable in the near future that the medical care of as many as 60 million people or 30% of the population of the United States will be partially or wholly financed by State and Federal tax funds.

In the first six months of Medicare the national figures show some 2.5 million people over 65 have received medical care under Title 18, Part A, for which over 1 billion dollars of benefits have been paid. Some 3.5 million elderly individuals have received doctor care for which 100 million dollars have been paid by the Federal Government. Twenty-five States, including Massachusetts, have Federally approved plans for their implementation of Title 19. Again, nationally, there has been a 5% increase in hospital occupancy and a change from 25% to 35% of all hospitals beds occupied by those 65 and over.

The import of such massive social legislation and its effects on the medical profession, on those in the employ of the health professions, and on all institutions involved in medical care is not yet totally evident. Surely the historians will write that this was one of the most significant changes in medicine in this country during the 20th century. We have entered a new era of combined public and private efforts designed to provide medical care of the highest quality "for all the people". Never has it been more important for the medical profession and voluntary institutions to plan and act responsibly in the public interest. Their survival depends on it. Pluralism is the essence of democracy. The strength of this country depends on private initiative and voluntary action. An ultimately monolithic, Federally supported system of medical care is undesirable, but the price of freedom from central control is local, voluntary responsibility to the public interest. Certainly for the future there must be coordination and cooperation of local public and private interests to provide health services of high quality which neither a local public nor a private system has been willing or able to do alone. The medical profession, if one group be singled out, has the power in its hands to maintain the private practice of medicine and to preserve voluntarism in hospitals—but only if it is willing to assume broad social responsibility in the race to meet public demand.

With the advent of Medicare, several crucial changes and issues will be brought into sharp relief, the most important of which are:

1) Public scrutiny of hospital costs and doctor's fees will increase. Tax money, generated from employees and employers, is being used to pay for "high quality care for all the people." Public and political interest will increase proportionally. Plan B inflation is quite possible and will hit both aged contributor and his Federal partner in the pocketbook. In the first of what will be many demands from our political representatives, President Johnson has already asked for investigation of doctors' fees and hospital costs. Secretary (HEW) Gardner has noted that physicians' fees have risen 7.8% in 1966, the greatest annual increase since 1927, while hospital room rates rose 16.5% in 1966, the greatest annual increase in 18 years.

2) Equitable rates of reimbursement (for patients covered by Title 19) will be forced on State Welfare Departments, which will have to be uniform with rates paid by the Federal Government under Title 18. In this regard, our differences and long battles with the State seem to be nearly over, with the promise that the more equitable reimbursement method adopted by the Federal Government for Medicare patients will be used to pay for the indigent sick by the State of Massachusetts as of January 1, 1967. On the subject of financing, I am happy to report that the Supreme Court of the Commonwealth sustained the legality of our current Blue Cross contract, culminating a nearly 5 year battle for equitable reimbursement from all third party payers.

3) Utilization of doctors and hospitals will increase, and with it, increased demands for better utilization of hospital beds. This has happened at the M.G.H. as well as locally and nationally. Doctors have never been busier, and essentially all the hospitals in the Greater Boston area have waiting lists of patients, a far cry from 10 and even 5 years ago when hospitals averaged 60 to 80% occupancy and there were always beds readily available. The Utilization Committee, required by the Medicare Law, has been established at the M.G.H. to deal with the problems of assuring our patients and the public of optimal utilization of facilities.

4) After-caring (extended care, custodial care, nursing homes and chronic hospitals) facilities will be shown to be grossly inadequate. We have anticipated this with our new Transfer Office within the Social Service Department. Over the past year we have assessed over 100 extended care facilities and established over 40 transfer agreements with the homes best able to care for our patients. We have improved our own practices by early and better discharge planning. Still we have numerous chronically ill individuals who occupy high-cost M.G.H. beds simply because of a lack of other (lower cost) community facilities for extended and chronic care. This is not the best use of our facilities, which the community needs for their acute, curative care. Meanwhile, our waiting lists for admissions to the hospital has lengthened in some cases to as long as 8 weeks, making it difficult for the patient and for the doctor and administrator to serve our community optimally.

5) Hospital facilities will be strained and the need for new capital expenditures will

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[1] General Director, Massachusetts General Hospital.

become acute. It is well known that practically all urban hospitals are in drastic, critical need of capital for both improvement and addition to the plant, and for establishing the increasingly expensive medical technology. Voluntarism is well worth preserving. One has only to contrast the municipal hospitals of the country with the M.G.H. to recognize the fruits of voluntarism and the hazards of complete political control.

6) Manpower shortages will be accentuated. Largely because of low salaries, few fringe benefits, and generally poor working conditions, the hospitals of this country today are largely understaffed. The M.G.H. has taken the lead in improving all three areas and at the moment we are better staffed relative to our workload than we have ever been. Despite protests from some quarters, we raised nurses' salaries as well as all others in 1966—all of which resulted in a $10 rate increase in our charges to the public. Our fringe benefits are competitive with industry and we have made numerous improvements in work areas for our employees, so that they will enjoy pleasant and dignified working conditions.

7) Medical school-teaching hospital relationships will be altered and clinical teaching will change. This will be slow, but is bound to occur. Medical schools are becoming more aware of the social issues of medical care. They are beginning to move into the problems of the delivery and the public preception of medical care with curricular revisions which will include more emphasis on the social science of medicine.

8) The relation of radiologists and others to the hospital and the medical school will change and the manpower shortages here will become more acute. The transition has been relatively smooth at the M.G.H.

9) Costs will continue to increase markedly in both hospitals and in doctors' fees. Three-quarters of our costs are due to the salaries and fringe benefits paid our employees. As an employer of nearly 6000 people, we share the Medicare tax—which of course, is reflected in our charges to patients. We have had to hire over 30 new people to carry out the work of processing Medicare forms and this new cost is passed on to our patients. Doctor fee inflation is occurring around the country as reasonable and customary fees are studied and redefined by the profession.

10) The public and our local and national political leaders will demand and ultimately force regional planning and control. The celebrated Heart Disease, Cancer and Stroke bill has resulted in new attempts to plan regionally while Public Law 89–749 (Comprehensive Health Planning and Public Health Service Act of 1966) was signed into law in November 1966 and provides new funds for State Public Health Departments with which to plan and encourage regional planning for medical care. A new group has been formed in the Boston area to attempt regional planning on a private, voluntary basis. Several of us are active in this group.

11) Our capacity to strike new organizational arrangements within medicine and hospitals and to participate in the political arena will test us drastically and it is in these areas that I believe we have our greatest problems and greatest opportunity. Our political leaders are deeply concerned at this very moment that we in the medical world will not be able to fulfill the new expectations of the public as a consequence of Medicare. Will they sincerely help us give the best care to everyone or will they use us as scapegoats? Will a private-public partnership of government, doctors, and voluntary institutions prove feasible, or will the Federal Leviathan's appetite prove insatiable—in terms of financing (or should I say underfinancing?), planning and controlling *all* medical care in the United States. Part of the answer can be provided by the responsible action of doctors and voluntary institutions.

Finally let me say that one of the most exciting developments in recent years has been the evolution of the modern hospital from the passive receptacle for the indigent sick to the contemporary health center for all social and economic classes. A natural development of its emergence as a center has been the extension of interests from the hospital to the community for purposes of comprehensive health planning, preventive and public health measures and the rationalization of the best use of health facilities. This development will become the wave of the future.

Mr. Speaker, the report on the afternoon panel on "Poverty Versus Health" was prepared by Jan Strasma.

The panel was moderated by Prof. Frank Riessman, Department of Educational Sociology, New York University. Panel members were John M. Frankel, Director, Health Division, Community Action Program, U.S. Office of Economic Opportunity; Jack Geiger, M.D., professor, preventive medicine, Tufts University Medical School; George James, M.D., dean, Mount Sinai Medical School, Mount Sinai Hospital; Harold C. Light, associate director, Gouverneur Health Service Program of Beth Israel Hospital.

Report on "Poverty Versus Health"

(By Jan Strasma)

"The poor are likely to be sick and the sick are likely to be poor," said Dr. Jack Geiger. "And without intervention the sick will get poorer and the poor will get sicker."

That intervention needs to be more than just treating the symptoms of ill health. The poverty problem with all its complexities must be attacked. "To send the poor back unchanged to their social and physical environment is like sending a cholera victim after treatment to drink from the same contaminated water," said Dr. Geiger.

Until now this problem of poverty and ill health has been attacked piecemeal, according to Dr. George James. Numerous agencies have fragmented it because of the difficulty of seeing poverty as a whole.

Complications which poverty adds to health problems, Dr. James said, include: lack of motivation to go to a clinic or doctor; tendency to wait until symptoms appear; lack of information; and the frequent presence of chronic minor diseases.

To attack illness in its context of poverty, neighborhood health centers have been established in a few areas and more are being set up by the Office of Economic Opportunity. These centers bring under one roof many services—social as well as health—which formerly were available only in scattered locations.

Tufts University has been operating such a center since early 1966 at Columbia Point, a low-income housing development in Boston. It's a high risk area for medical services since there are many children, old persons and women of child-bearing age. Before the program began only 25 per cent of the residents had had a general medical check-up, half the women had no prenatal care in the early months of pregnancy and one-third had current ailments.

To prevent a fragmentation of services the center utilizes team treatment. The teams include a pediatrician, an internist, a social worker and others. One member of the team can't refer the patient to another and then duck, said Dr. Geiger. What they can do, he said, is put their information together to treat the health and poverty problem as a whole.

The team treats the individual by examining his entire family. That way they not only treat the person's illness, but also the health and welfare problems of the family.

In the first year the center's staff saw 5,600 out of 6,000 residents, including 99 per cent of the families. They treated as many as 200 persons in 24 hours; that's 3 per cent of the population.

The program has been so successful that Tufts has started a second center in the Delta area of Mississippi. There they are aiding a rural Negro population—the population that has been the source of migration to urban areas of the north.

"It seemed sensible to work on the front end of the migration," said Dr. Geiger.

Another health service, the Gouverneur Hospital clinic, is four years older than the Tufts program. It began in 1961 when the in-patient services of the hospital closed down and the clinic affiliated with the Beth Israel Medical Center on Manhattan's Lower East Side.

Since then it has been providing job training as well as health care for residents of the area. Working with a community antipoverty group, Mobilization for Youth, the Gouverneur service has trained some 400 school dropouts to be health aides. In August 1966 it added adult training to its program under OEO and Manpower grants. Now both federal agencies have asked the center to double its training program, Harold C. Light said.

Based on the performance of these two services, OEO plans to spend $49 million in its 1967 budget to launch 20 to 30 new health care centers, according to Mr. Frankel. And $60 million in 1968 is planned to bring the total number of centers to 40.

This money, he said, is "seed money" to get the programs started. After the second year OEO funds will drop and the burden should be borne by matched state and federal medical aid funds, he said.

The costs of the service at the Columbia Point Center, including dental care, are about $150 a person a year, Dr. Geiger said. If three hospital care days a year for each resident are saved, the center's services would be paid for. He added, "There is no reason to waste money sending people several different places for services when we can use a program of this type."

"But it is too early to talk about the centers as the only system," he noted. "The real danger in setting up a separate system for the poor is that in the past such systems have inevitably become poor systems."

The OEO now has applications for grants to economically integrated areas. In these areas the health services would be available to all residents and not just the poor. But those above the OEO poverty line would pay for the service, according to Dr. Frankel.

To establish neighborhood health centers in all areas where they are needed would cost about $1 billion, Dr. Frankel estimated. But he cautioned that the centers were still in their demonstration phase. It's unwise to project the program too far into the future, he said.

In the centers now operating or soon to open, the poor themselves are being given a voice. In the past they usually have had health services on a take-it-or-leave-it basis, Dr. Frankel said. "Programs designed by professional and dominant groups are simply a majority consensus on how to solve the problems of the poor," he said. "In their silence the poor have not provided scrutiny and advice to the programs."

He continued, "Now we have to enlist a new ally—the people we service." But OEO has no set formula for involving the poor. "We are encouraging invention and innovation in the applications we receive," Dr. Frankel said.

When Tufts decided to set up the Columbia Point center, it held 60 meetings in the homes of residents. According to Dr. Geiger, it wanted to avoid what one resident said she had expected: "Tufts would provide the services and we'd provide the illnesses."

He dismissed the argument that the poor aren't ready to control such projects. "That's the argument used by colonialist powers for years," he said.

The Columbia Point Health Association does not yet have financial and employment control of the center. But Dr. Geiger said he hopes the association will apply for its own federal grant next year.

Besides helping run the centers, the poor should be involved more as employes. Dr. Frankel said, "We increasingly see jobs filled by laymen, needs formerly thought could only be served by professionals. But we can't wait until the professionals are available to fill the positions."

In New York City according to Professor Frank Riessman, there are 8,000 openings for nurses and only 3,000 nurses to fill them. Non-professional aides can and should be used to fill some of the openings, he said.

"As in the industrial revolution we must look at tasks which only a master craftsman can do. Then we should break the work down into steps others can do," Dr. Frankel said.

Many jobs now held by unskilled and semi-skilled workers have little future. They're dead-ended unless the workers go out to get an education, said Professor Riessman. "We're looking for new career models which will enable the poor to move out of their jobs through job-based training," he said. The classroom should be brought into the field and in-service training developed to aid workers in moving from non-professional status to professional, he said.

Securing the support of professionals in the field is one difficulty, however. "Most professionals are very happy to have subprofessionals trained," said Dr. Geiger, "as long as it's for another profession."

Mr. Speaker, I include at this point in the Record the text prepared by Dean George James:

Text by George James, M.D., M.P.H., Dean, Mount Sinai School of Medicine

The unhappy marriage between poverty and disease has been recognized since the earliest days, and for centuries much disease and much poverty was considered expected and inevitable. Indeed, the poor were viewed as receiving just punishment for unspecified misdeeds.

The Old Testament of the Bible (Proverbs 10: 15) say: "The rich man's wealth is a strong city: the destruction of the poor is their poverty," while the New Testament tends to support the theme of the inevitability of poverty.

Eventually, of course, men of curiosity began to look at both poverty and disease as subject to prevention or at least amelioration and as due to identifiable causes. Doctors began to recognize the role of poverty in promoting certain medical conditions. Thus Sir William Osler, who was able to look far beyond the bedside of his patients, called tuberculosis a social problem with medical overtones. He was right, and as much was done to control tuberculosis by raising the general standard of living as was accomplished by purely medical techniques.

The idea of the practical abolition of poverty, however, is 20th Century, and this is now an official objective of United States government policy. Yet there are still some who feel that abolishing poverty involves giving to the poor, that this creates weakness in the receiver and omnipotence on the part of government, and that it may lead to survival of the unfittest.

We often seem to have a tendency to attack the indices of poverty rather than poverty itself. In other words, we tend to specialize, as we do in medicine. Anderson, Bissell and Mosher, writing in the New York State Journal of Medicine, point out that:

"Although the President's Head Start Committee stated that any effort to improve the life of the (poor) child could not be compartmentalized into health, education, and welfare services but *must* be inclusive of all three, experience shows that in the summer of 1965 Head Start emphasis was placed on the social and educational aspects of the program. It is hardly surprising therefore that in terms of priorities health came in a limping third."

We attack old housing, considered an index of poverty—even though, in a wealthy suburb, it may be the rich man who seeks the old house. We pay for the medical care of poor children, under a shrapnel of programs, assuming the children have the ailments on our list. If a child has instead, an ailment on another list, he may have to be shifted to an entirely different program. We attack piecemeal not because we lack intelligence (which none of us would admit) but because the problem of poverty and illness is so enormous and so complicated that few of us can see and comprehend it all of a piece.

Poverty is defined as "the condition of being poor with respect to money, goods, or means of subsistence," and in our society is generally measured in money income, whose inadequacy to assess human situations is well known. We have no yardstick for misery.

Not only do we measure poverty in terms of money, as a convenience, we have a tendency to measure it on an instantaneous basis. That is, we say: as of April 1, 1967: this is a family living in poverty or it is not. This approach fails because poverty in a family does not flick on and off like a flashlight. It is chronic and continuing and is transmissible from one generation to another.

Consider a family living in grinding poverty, its members descendents of forebears who lived in grinding poverty. Then suddenly raise this family's income to an agreed comfortable level. Technically, it might be argued we have thus eliminated the poverty. But have we really eliminated what we know is wrong in the family.

Will the additional income *automatically* bring our family better housing? Not at all. The legacy of generations of poverty may lead the family to stay put, or to invest unwisely. Will additional income mean better medical care? Eventually, perhaps, but not necessarily at once. A sudden increase in income for a really depressed family by no means necessarily leads it to seek vaccines for its children or prenatal care for its women.

When the New York Hospital Welfare project began here, total medical care was offered to 1,000 low income families at home, in the hospital, in offices, wherever they needed it. This, in a sense, was a sudden increase in income since it made possible care of a depth and quality they could previously not afford. But there was no rush to accept this proffered care. To those in this room today the words "New York Hospital" may instantly suggest a great treatment center. Those imbedded in the culture of poverty scarcely react. New York Hospital is not one of their familiar symbols. Many of them have never heard of it.

So much poverty is not of one year or one financial situation, but of generations, decades, and ingrained apathy. Some of it may have begun with simple lack of money, perhaps in another Century. Perhaps, in the beginning, money alone could have saved the situation. Perhaps then, as General de Gaulle once said of Hitlerism, the problem could have been killed in the egg. But now the simple availability of money is not in itself enough for a rapid solution. The small infection has become massive and a quick antibiotic is no longer enough.

We also have a tendency to discuss health in terms of payment for care. Payment is necessary, but it is not an answer by itself. The improvement of our system for delivering medical care should have top priority in the thinking of everyone involved in American medicine. We surely must know by now that if what we really want is disease control, medical care cannot be thought of simply in terms of making it available, in a clinic that is open from 9 a.m. to 4:30 p.m. It may not be practical for the poor to get to such a clinic. Not long ago when an NYU daytime arthritis clinic was extended to night sessions, a different group of patients appeared, and the inference is inescapable that many of these patients would not have received care had not the clinic—by opening at night—made it possible for them to attend.

We need to reach out for patients—to reach those who are now healthy—to reach those who are still ambulatory—to reach those our health messages overshoot. The hard core of the hard to reach is heavily concentrated among the poor.

We have generally approached the health problems of the poor by trying to make health consistent with poverty. This has worked with smallpox, in this country, although not in many underdeveloped nations. In the United States, through the use of compulsion (the child is compelled to attend school and must be vaccinated to get in) we have eliminated smallpox among the poor without laying a finger on poverty itself. And through sanitation we have reduced the toll of some other health problems in the poor.

In spite of these achievements, with their 19th Century flavor, our record with the health of the poor is not good. We cannot say only that some important medical conditions are worse among the poor. *Every* leading cause of death takes a greater toll among our poor, and there is overwhelming evidence that disabling conditions are also worse among the poor than among the comfortable.

So far as death is concerned, we looked at the record in this city a few years ago and concluded that poverty is our third leading cause of death, taking some 13,000 lives a year. That is, if the record of bad districts, such as Central Harlem, could be brought up to the level of better areas, such as Flushing, that many lives would be saved annually. And Flushing, it might be noted, is not a small, wealthy community, but a functioning, generally middle class area.

We tried to make poverty tuberculosis-free, and that didn't work. Tuberculosis is now essentially a disease of the poor, especially of poor old men living alone. We need to learn a great deal more about exactly what it is in the *culture* of poverty that brings this about. Trying to make poverty tuberculosis-free is like trying to make promiscuity syphilis-free. That doesn't work either.

The culture of poverty often promotes ill health in our patients long before we get them. One could cite the development of habits and addictions. One could cite the lack of prenatal care in poorer areas. We are making progress, but even when prenatal care is available free, cultural and practical barriers often prevent poor mothers from getting it—either at all, or early enough. Thus the child of poverty is given a health hazard even before he is born.

We open clinics for the detection of diabetes and cancer of the cervix and the people who present themselves tend, in general, to be those who are alert and take care of themselves anyway. We continue to hunt the others. We test for cancer of the cervix in V.D. clinics now, and our percentage of discovery rises, but we have a long way to go.

The health hazards of poverty, in summation, include:

1. A lack of motivation to seek adequate care.

2. A tendency (which American medicine shares) to wait for symptoms—or, as in pregnancy, for crisis.

3. A lack of information about the availability of care, and about sensible health habits.

4. Practical difficulties in living (need to care for children, etc.) which make it difficult or impossible for poor people to spend the time waiting in clinics to get care.

5. Frequent presence of minor chronic disease which in itself retards presentation for care of more serious problems. For example, the elderly arthritic who can't get across the street in the 45 seconds it takes the light to change and therefore doesn't get to the heart clinic.

We have been sluggish in our approach to the interrelated problems of poverty and illness, but I think now we are at the start of an era of great improvement. We are now working toward the elimination of poverty in America. Poverty has been an hereditary disease, handed down from parents to children. We now believe that chain can be broken.

In the medical world there is ferment leading to the reorientation of medical care around the patient. We are beginning to see that we have got to make medical care fit the patient, instead of trying to make the patient fit into an outmoded system of care.

This means, among other things, packaging care so that it is practical for the patient to get at it. It also means that someone must be in charge, someone who knows what specialty help is available, but who looks at the patient as one human being, no matter how many problems he has.

Welfare people and health people meet in serving poor families in New York—families on relief. I am happy to see from the comments of the welfare commissioner and the commissioner of health that here, too, it is becoming apparent that health and welfare problems in such families are usually so entwined that they cannot be separated. Such families have to be served as a unit instead of as a collection of special problems for very special specialists.

We are learning more about what is wrong with our present approaches. A study is going on at Bellevue now to determine why there is such a high rate of broken appointments for the care of children in the clinics. One known reason is that poor mothers often find it impossible to get someone to stay with the other children while they take one child to a clinic. Eventually we will know the various reasons and their relative importance. Then we can do more to improve the situation.

We have been giving the elderly special problems. Our society pushes them out of the mainstream of life to the extent that the percentage of older people in the labor market has declined as their percentage in the population has risen. To provide basket weaving for the elderly person who has never had any interest in it, is not to give him a useful life. But at the Henry Street Settlement, under a U.S. Public Health Service grant, a program of "Friendly Volunteers" in which elderly people have visited and helped each other, has been extremely successful. The elderly person who helps somebody else knows he's being useful; he doesn't have to be told.

I am encouraged by changing attitudes on family planning. This gets to one of the roots of poverty. The new health commissioner, Dr. O'Rourke, told the other day of a family on relief in New York with not enough food or clothing. There was a young mother with five children under five years of age—a young mother almost overwhelmed by her situation. There was one bed, one cot and one sofa for seven people, including a brother. The mother was afraid the absent husband might again pay a drunken night visit, perhaps starting another child on the way. We all have to follow our consciences in these matters. My own feeling is that unless this woman receives family planning advice and aid, those children, and maybe more, may well be the elderly relief clients of the year 2032, as well as the young ones of 1967.

At least the clouds have broken and we are moving. The concepts that poverty can and should be eliminated, and that all persons are entitled to the best in medical care—these are revolutionary. That we accept them as practical objectives may be well nigh half the battle toward reaching those objectives.

Mr. Speaker, the afternoon panel on "Medicare, Medicaid, and the Public Interest" was moderated by Albert H. Blumenthal, chairman, Committee on Health, New York State Assembly. Members of the panel were James Brindle, president, Health Insurance Plan of Greater New York; James G. Haughton, M.D., first deputy administrator, New York City Health Services Administration; George Himler, M.D., chairman, Coordinating Council of Five County Medical Societies of New York City; James C. Ingram, vice president, Blue Cross; George K. Wyman, New York State Commissioner of Social Welfare.

REPORT ON "MEDICARE, MEDICAID, AND THE PUBLIC INTEREST"

Panel members generally agreed that medicare has been relatively successful in its first months. However, there have been major administrative problems in the medicaid program.

Under the social security system, medicare provides hospital and similar services for retired persons. There is also a voluntary insurance program. Those retired persons who join pay insurance premiums to social security. The insurance pays doctors bills.

Members of the panel concentrated on the administrative rather than on the purely medical aspects of the two programs, which together provide insurance for most medical costs for retired persons.

Although all generally agreed on the need and value of the programs, they made different recommendations to improve administration for the benefit of patients as well as members of the medical professions.

Dr. George Himler, who is chairman of the Coordinating Council of the Five County Medical Societies of New York City, pointed out that members of the State medical society had approved the medicaid program in principal.

While the State health department has responsibility for medical aspects of the program, local departments of social welfare have been responsible for determination of eligibility, enrollment, recordkeeping, and payment to providers of services.

Dr. Himler noted that after a few months' experience, the members of the society "reluctantly concluded that the medical assistance program was a total fiasco as it was being administered."

He said the maximum fee schedule promulgated for physicians and other providers of services was "inadequate." He said that in February of 1967 payments to physicians for services rendered to medicaid patients were at least 3 months behind.

Dr. Himler declared:

> Ironically, the Departments of Health and Social Welfare, while they were quite busy devising qualifications for physicians who wished to participate in Medicaid, had devoted no thought to developing standards of performance for themselves and their local branches. Rather than making it possible for physicians to participate without excessive penalties in terms of time and effort, these departments seemed to have settled on a course designed to dissuade doctors from accepting Medicaid patients.

James Brindle, president of the Health Insurance Plan of Greater New York—HIP—outlined his organization's experience with medicaid and medicare.

He said that 4 years of experience with the New York City Departments of Health and Welfare have demonstrated the "value of the group practice approach both in terms of satisfaction on the part of those who get the service and a high-level of medical care."

As of March 1967, HIP enrolled about 53,000 medicaid eligibles as members and more than 40,000 medicare beneficiaries.

Mr. Brindle pointed out that HIP services go beyond treatment by physicians and encompass preventive health care, home health services through the Visiting Nurse Association, and the services of nutritionists, social workers, and other ancillary personnel.

Instead of working on a fee basis, HIP physicians are paid a flat capitation amount in return for which they are responsible for the overall health care of the member.

The success of this approach, Mr. Brindle noted, is evidenced by the fact that—

> While receiving more medical services, HIP members are hospitalized about 25 per cent less than comparable patients covered by other medical care insurance programs.

I include at this point in the Record the presentation by Dr. George Himler:

Presentation on Medicaid by George Himler, M.D., at Congressman William F. Ryan's Community Conference on Health in Our Cities, April 1, 1967

Physicians have long been aware that, with the steeply rising costs of hospitalization, drugs, and all the other elements entering into medical care, there are a substantial number of persons in this State who cannot afford necessary health services. Although the voluntary and commercial health insurance carriers have made it possible for the public to obtain protection at a reasonable cost by spreading the risk, there are still many individuals who are not insured or who need further care after having exhausted their benefits.

Recognizing these facts, the physicians of New York State, individually and through their State Medical Society, gave their support to the Kerr-Mills Law. When this was supplanted by Title 19 of Public Law 89–97, which we know as Medicaid, they supported that, too, although they had serious reservations about some of its provisions. Immediately on the enactment of the implementing law in Albany, the Medical Society of the State of New York appointed a Techncal Advisory Committee to the State Health Department. The purpose of the committee was to help develop the program along lines acceptable to its prospective beneficiaries, to the providers of health services, and to the administering agencies.

Among the conditions that the committee and the Medical Society considered necessary to a satisfactory plan for medical assistance were the following:

1) That the State develop a uniform and centralized program to avoid the confusion

and delays inherent in completely autonomous local administration.

2) That the Title 18 intermediaries be used to administer the Title 19 program, based on the fact that they have the key personnel, the know-how, and the electronic data processing equipment to do the job efficiently. In addition, they have well-developed lines of communication and good relations with the medical profession, which would make for rapid and smooth development of the program.

3) That the right of the patient to choose his physician and hospital be guaranteed. This right was finally established by an amendment to the rules of the State Department of Social Welfare but is not part of the law.

4) That prior authorization for the care of Title 19 recipients be eliminated so that physicians could exercise their best judgment in the care of their patients.

5) That the fees paid for the care of Medicaid patients be at the "usual, customary, and prevailing" level, in keeping with Governor Rockefeller's public statements of his intention that they receive their medical care in the same manner as persons of private means or those having health insurance coverage. The principle of "usual, customary, and prevailing" fees has also received the public endorsement of Dr. Hollis S. Ingraham, New York State Commissioner of Health, and of Commissioner George K. Wyman, New York State Department of Social Welfare.

When the Medicaid program was put into effect, almost the entire responsibility for its administration was placed on the State Department of Social Welfare until November 1, 1966, after which its further activities were limited to the determination of eligibility, enrollment, record-keeping, and payment to providers of services. On and after November 1, 1966, the State Health Department assumed the responsibility for the medical aspects of the program, including policies applicable to hospitals, doctors, and the paramedical professions. The Health Department was further charged with insuring the availability of care, supervising its quality, and recommending fees. This division of authority did much to delay the development of the medical assistance program, since neither department was willing to take effective action prior to November, 1966.

In February, 1967, after ten months of committee meetings, consultations, and close cooperation with the agencies responsible for Medicaid, the Medical Society of the State of New York, at the annual meeting of its House of Delegates, reviewed the status of the program as it was then being administered and found it wanting in almost every important respect.

There had been no effort made to centralize the program, and the Governor and the Commissioner of Social Welfare had indicated their doubt that the Social Welfare Department had authority over the district offices. This meant that instead of one program, the Society now had to deal with about 62 and that there could be no uniformity in the procedures involved.

The district offices had broken down badly in their registration of eligible persons so that neither patients, physicians, nor hospitals knew who was entitled to assistance.

It was evident that the welfare atmosphere had been carefully preserved. The recipients were not, in fact, enabled to receive their care like anyone else in the community and they were not "brought into the mainstream of medical care" as had been glowingly predicted for them. Both the prospective beneficiaries and the doctors showed their distaste for the conditions under which medical assistance was being offered, by their reluctance to participate.

If registration and record-keeping was bogged down in a morass of red tape, the reporting and billing procedures required of physicians were even more so and constituted an unnecessary and serious imposition on their time. In addition, regulations often varied from one county to another and became quite confusing when doctors treated patients from several adjacent counties, as was often the case.

The Departments of Health and Social Welfare made no effort whatever to encourage the district offices to use the Title 18 intermediaries for Title 19, in spite of the fact that Governor Rockefeller had publicly supported this procedure. In the absence of such direction, most of the welfare districts have elected to administer their own programs in spite of clear evidence that they are not equipped to do so.

In July, 1966, the Director of the Budget promulgated a maximum fee schedule for physicians and other providers of services. This was done over the protests of the Medical Society, since the schedule was 30 to 35 per cent below prevailing fees on a Statewide basis. This substandard rate structure is still in effect while dilatory attempts are being made to "investigate" the concept of usual, customary, and prevailing fees which has already been supported by the Governor and Commissioners Ingraham and Wyman.

Even at these inadequate rates, in February, 1967, payments to physicians for services rendered to Medicaid patients were at least three months behind in most welfare districts, as much as six months behind in many, while in a very substantial number, no payments had been made at all.

In view of these facts, the members of the Medical Society reluctantly concluded that the medical assistance program, which they had approved in principle, was a total fiasco as it was being administered. They also recognized that it was not likely to improve in the near future because of the obvious reluctance of the departments involved to accept suggestions on necessary remedial steps. Finally, they saw that, with the continuing decentralization of the program and with the vesting of final authority in the welfare district offices, it would be difficult or impossible to bring the State program up to acceptable standards.

The House of Delegates of the State Medical Society was keenly aware that, no matter how high the quality of medical care may be, it has no value unless there is an effective system of delivery and payment, and the conditions under which the care is rendered satisfy both the recipients and the providers. They therefore took the following actions:

(1) They indicated the dissatisfaction of the Medical Society of the State of New York with the Medicaid program *as it was then being administered* and withdrew their approval until substantial evidence is forthcoming that representatives of the State government intend to honor their commitments to the people and to the doctors.

(2) They called on Governor Rockefeller to require the State Departments of Health and Social Welfare to submit detailed and workable plans for the centralized and uniform supervision and regulation of the Medicaid program.

(3) They called on Governor Rockefeller to require these departments to create and enforce satisfactory performance standards for the district health and welfare agencies in the administration of the local plans.

(4) They called for the cutting back of eligibility standards to a more appropriate level, since the program was obviously too ambitious, both from the view of its cost and the obvious incapacity of the responsible departments to administer it.

(5) They called on the Governor to instruct the Health and Social Welfare Departments to actively encourage the district offices to use Title 18 intermediaries in the administration of Title 19.

(6) Finally, they called on Governor Rockefeller, in keeping with his publicly avowed policy, to instruct the Director of the Budget to adopt the "usual, customary, and prevailing" method of reimbursement immediately.

There has as yet been no official reaction to these just demands, and it is becoming increasingly clear that it is the official intent to permit this program to muddle along as it has done for the past eleven months. This situation should be a matter of deep concern to everyone, not just the recipients and providers of care.

In the interest of humanity, those who need medical assistance should receive it in dignity and without having barriers interposed in their way. In the interest of fiscal sanity, government must provide effective administration or allow those who can do so to provide it for them. In the interest of developing sound, socially-oriented mechanisms for the purchase and delivery of health services, taxpayers and voters must demand prudence in legislation affecting medical and hospital care so that the essential elements of both may be preserved.

The physicians of this State have demonstrated their willingness to cooperate and to make Medicaid work. The Advisory Committee has continued to meet with the Health Department to make suggestions and recommendaions for improving the program. What is needed now is either a stimulus from the Governor or a go-ahead signal to his commissioners to break the log-jam of official inactivity.

CONGRESSIONAL GUNMAN

Mr. GROSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I am fully aware that it is very late indeed in the closing hours of this session of the 90th Congress to call for the enactment of any new legislation. However, I think we are confronted with an emergency—a situation so serious we should act now even if it would delay our homeward journey for a short time.

I am compelled to this sense of urgency by the televised picture appearing on the front page of our morning newspaper. Frankly, when I first saw this photo I assumed it was a location shot from a remake of Jungle Jim. However, on closer examination and a reading of the caption I saw it was a Member of the other body wildly brandishing an automatic pistol while yelling—"Hey, is this thing on safety, or is it not?"

Mr. Speaker, I solemnly call for the enactment of a gun control law applying to Members of Congress whether on location here or abroad. Handguns are dangerous. With the advent soon of an 11-month campaign season and Members either going to Vietnam or having already been there, I can foresee extensive use of TV film clips, movie shorts, and other forms of audiovisual dramatic productions all designed to help the voters to "see it now".

Mr. Speaker, I have no objections to these efforts, but I believe the public must be protected against the unlicensed brandishing of actual weapons. We must have a gun control law for Members of Congress.

It would be a sad day in the morning if every Member of Congress lugged a gun and tried to make like "Quick Draw McGraw." Think of the self-inflicted wounds that could occur if Members of Congress tried to demonstrate how they could outdraw the Vietcong.

Mr. Speaker, we must have the courage to lay aside partisan differences and act now.

SYNTHESIS OF DNA

Mr. DADDARIO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. DADDARIO. Mr. Speaker, not only the scientific community, but all Americans can take pride in the major advance in science which was announced at Stanford University in California this week. The first synthesis, by biochemists at Stanford University School of Medicine, of a DNA which displays the full biological activity of the natural molecule in living organisms, is a magnificent step forward. It displays the finest coordination of science, the universities, and the Federal Government.

As a demonstration of the key progress which is being made by basic research, this news of the results of more than 11 years must be read against the recognition that this can be what President Johnson described to an audience yesterday, on the eve of the announcement, as "one of the most important stories you'll ever read." It must be read with the recognition that DNA has been described as "the master chemical of life and the substance that describes the hereditary of every living thing."

The identification of DNA and its role in the human process has certainly been one of the great achievements of this century, with prospects yet to unfold. As we entered this decade, scientists noted that "man has an abiding urge to understand himself and his place in the universe." It was clear that our scientists were trembling on the brink of breathtaking discoveries in the knowledge of life itself, and that, as Dr. Theodosius Dobzhansky observed, "our time may stand in the history of science partly, if not mainly, for major advances in the study of life."

When we on the House Committee on Science and Astronautics received the landmark report on "Basic Research and National Goals" in March 1965, a report organized at our request by the National Academy of Sciences, special attention was drawn to the rapid advances which multidisciplinary research was making possible in the life sciences. Congress, which has been asked over the years to lend support to basic research in the national interest, and which has made funds available, should be aware that contributing to the success of the Stanford team has been a National Science Foundation grant and supplementary agreement totaling $111,000, and that NSF support, in compliance with its statutory directive from the Congress to support and strengthen science, began with Dr. Kornberg in 1956 and now totals $266,000 including the present 3-year grant.

But mostly all honors and recognition must go to Dr. Arthur Kornberg, the principal investigator, and his team of associates, including Dr. Mehran Goulian and Dr. Robert L. Sinsheimer. It was in 1959 that Dr. Kornberg won the Nobel Prize by turning a mixture of inert chemicals in a test tube into man-made DNA—deoxyribonucleic acid. A graduate of City College of New York, who was awarded his medical degree at the University of Rochester and later served in the Public Health Service and as Chief of the Enzyme Service at the National Institutes of Health, he is now executive head of the Department of Biochemistry at Stanford.

For further perspective on the magnificent achievement in basic research which is represented by the synthesis of a fully infectious DNA virus, I include the editorial comment which appeared in the New York Times today at this point in the Record:

Uncovering Life's Secrets

The time when life can be manufactured in a test tube is still not yet in sight, assuming it can ever be done at all. However, a small but very significant step toward that goal was announced yesterday by Drs. Mehran Goulian, Arthur Kornberg and Robert L. Sinsheimer. Their feat is the partial synthesis of a form of deoxyribonucleic acid (DNA)—the blueprint that governs heredity and the infectious material in many types of viruses—which shows full biological activity in living organisms.

One is too close to this achievement to assess its full importance. But there springs to mind that milestone passed in scientific history in 1828 when Friedrich Wöhler made a similar partial synthesis of urea, the first compound made in a laboratory after being originally isolated from living organisms. Wöhler's feat showed his astonished contemporaries that the boundary between the worlds of life and non-life were not so fixed and impassable as had been assumed. At the much more complex and sophisticated level of modern molecular biology, a roughly analogous breakthrough seems now to have been achieved.

What is so important in the present work is not the precise form of DNA reproduced, but the technique that has been proved and the new tool that is now available for further exploration. If one virus can be copied, Dr. Kornberg noted yesterday, then so can others. And entirely new viruses can be created—including some unknown in nature—by adjusting the copying process so that some of the building blocks involved are different from the original. Then the action of the altered viruses can be studied to deduce the consequences of the man-made alterations.

The perspectives opened up here are as breathtaking as those exposed several decades ago when biologists first began using "marked atoms" made artificially radioactive so that the fate of different compounds in living organisms could be studied directly.

Ultimately, no doubt, this step forward will have major consequences for curing the sick and for understanding better the nature of life. Now it is simply another advance in basic research, though one with major promise. It took more than a decade to finish the job, and over this period much of the financial aid needed was provided by the United States Government through the National Institutes of Health and National Science Foundation. Coming at this time of extreme financial stringency in Washington, this important step forward in man's knowledge is a particularly useful reminder of the utility of basic research and of the need to provide the means required to permit such investigations to go forward despite competing budgetary requirements.

PROHIBITION OF SALE OF SOPHISTICATED WEAPONS

Mr. LONG of Maryland. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. LONG of Maryland. Mr. Speaker, today the Congress has approved the foreign aid appropriation bill which contains amendments that prohibit the sale or gift of sophisticated weapons to poor nations, and which curtails economic aid to these countries if they buy such weapons despite this prohibition.

I hereby call on and respectfully ask Secretary of State Rusk to make a public declaration that the United States will not give or sell supersonic jets to Latin American nations and other underdeveloped countries.

In a letter some time ago Secretary Rusk indicated his feeling that the majority of the Congress supports jet sales to Latin American countries. This has now been shown by a rollcall vote of the Congress to be erroneous. Both the language of the amendments and their legislative history, as developed in the House debate, makes it clear that all sophisticated weapons systems to underdeveloped countries other than those specified in this bill must stop.

This foreign aid bill is intended to put an end to the squandering of American money on military elites in poor countries—elites more interested in feeding their own pride than their hungry fellow citizens.

Now that the Congress has made the purpose clear, it is up to the State Department to make clear its intent to comply with this directive.

The Latin American nations which had been expected to purchase high-speed jets are: Peru, Brazil, Argentina, Chile, and Venezuela.

Mr. RYAN. Mr. Speaker, will the gentleman yield?

Mr. LONG of Maryland. I am glad to yield to the gentleman.

Mr. RYAN. Mr. Speaker, I should like to commend the gentleman for his very fine statement and join him in insisting that the State Department heed the intent of the Congress and not sell sophisticated jets to Latin American countries.

WHAT FEDERAL FISCAL SYSTEM?

Mr. LAIRD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to

the request of the gentleman from Wisconsin?

There was no objection.

Mr. LAIRD. Mr. Speaker, Prof. Roger A. Freeman, senior staff member of the Hoover Institution at Stanford University, has made a continuing and constructive contribution to the debate on revenue sharing versus categorical grants-in-aid for a considerable number of years.

Recently he participated in the Tax Institute of America symposium on the "Strengths and Weaknesses of Our Present Federal Fiscal System," at the Shoreham Hotel here in Washington on November 29, 1967.

Under unanimous consent, I include the full text of Professor Freeman's address, "What 'Federal Fiscal System'?" in the RECORD at this point:

WHAT "FEDERAL FISCAL SYSTEM"?

(By Roger A. Freeman, senior staff member, the Hoover Institution on War, Revolution, and Peace, Stanford University)

If a foreign observer were to behold the American federal fiscal system he would undoubtedly be impressed by evidence of great strength. During the first two-thirds of the twentieth century gross national product (GNP) multiplied 34 times but the revenues of all governments (federal, state, local) multiplied 133 times. Expressed in dollars of *constant value* GNP multipled 8 times, governmental revenues 31 times.[1] This astounding productivity of our fiscal machinery enabled the country to build up a huge defense establishment, to aid foreign lands all over the globe and to expand the range and intensity of our domestic public services.

But when he looks more closely, our foreign friend will find some cracks in the gleaming facade. He may wonder why the United States was able to meet less than half the cost of World War II from current income while other industrial nations, which employ a different tax structure, managed to finance a larger share of their war outlays from tax receipts. He may also be puzzled by the fact that public revenues, though they soared skyward, were insufficient to meet expenditures in most years, even the prosperous ones, during the past four decades so that federal as well as state and local governments piled up huge debts.

He may then proceed to study in greater detail the financial arrangements under which our national government, 50 state governments and some 80,000 local governments conduct their business which now employs over 15 million persons and expends about one billion dollars each working day. As he does so, he will have increasing difficulty understanding why we—or anybody—would call those arrangements a "fiscal system." In the end he may also ask why we still call our governmental structure "federal" although it has, by all means, long ceased to be that in everything but name.

The term "system" implies an intelligently planned and orderly scheme. But no one planned our intergovernmental financial arrangements—and nobody would possibly have planned them the way they are. There is, at the least, room for doubt whether they should be called intelligent. It is certain that they are not very efficient.

On the revenue side, intelligent planning would suggest that each level of government might have assigned to it, or employ by informal consensus, different taxes or agree with others on joint use. On the expenditure side, the multitude of governments might divide the task of public services by allocating them among each other, with every unit being responsible for whatever programs seem most suitable for it. Such a system of locating taxes and public programs in specific units of government is in use in many foreign lands and was followed, by and large, in the United States until just a few decades ago.

Not so now. To our foreign observer's eye the present overlapping of hundreds of taxes will seem to impose an unnecessary and excessive burden on the taxpayers. He may hold the parallelism, duplication or conflict among a myriad of expenditure programs, run simultaneously by numerous agencies which compete against each other in fierce campaigns of violent noncoordination, to be a state of confusion, disorder and disarray. And he is likely to regard the hundreds of intricate devices by which one level of government pretends to aid, but actually aims and manages to control, others as chaos.

Our observer may then conclude, possibly with regret, that until such time as somebody is able to relate administrative and political organization to policy purpose, input to output in public programs and public investment to return, the present chaos will have to serve the American people as best it can, in lieu of a federal fiscal system. We are gathered here this morning to consider, discuss and evaluate the strengths and weaknesses of our federal fiscal system—or whatever goes for it—with particular attention to intergovernmental relations.

It is unfortunate that the national government and the states have never been able to agree on a division of the revenue sources or on their respective proper spheres of activity under the federal constitution, nor on methods by which financial or technical aid should be extended from one level of government to the other. In fact there have never been negotiations and very rarely has there even been consultation. Most action was taken in response to an emergency, real or pretended, and all of it has been unilateral on the part of the national government.

Of course, the rapid expansion of government—four times faster than the economy that supports it—has inevitably caused much stress and strain, none the least because not all segments of society nor levels of government participated in it equally. Some groups received a larger slice of the benefits while others were made to bear a greater share of the cost. What concerns us here most: the various levels of government did not grow at the same rate.

Most of us have long heard about the great potency of the federal tax mechanism and the incapacity or unwillingness of the states to boost their resources. It comes therefore as a surprise to find that between 1902 and 1966 state revenues (excluding federal aid) multiplied 235 times, federal revenues only 216 times. However, the revenues of local governments meanwhile multiplied only 48 times. So, if we combine state and local revenues, we find that they multiplied 81 times which is less than half as much as the 216 fold rise in federal receipts. This seems to confirm the conclusion that state-local revenues are less elastic than federal.

But, as so often, the averages tend to wash out or hide significant trends. For example, federal revenues have grown at a faster rate than state-local only during shooting wars—in World Wars I and II and during the Korean conflict. That totals about 11 years out of 64. Between 1902 and 1916, 1920 and 1940 and after 1945 (except for 1950 to 1952) state and local tax receipts increased more rapidly than federal.

TABLE I.—GROWTH OF GOVERNMENTAL REVENUES IN THE UNITED STATES, FISCAL YEARS 1902-66, BY LEVEL OF GOVERNMENT, IN WARTIME AND DURING PEACE PERIODS

[Increase (+) or decrease (−), in percent]

	1916–20		1940–45
1. War periods:			
Federal Government	+640		+671
State-local governments	+ 33		+30
2. Peace periods:	1902–16	1920–40	1945–66
Federal Government	+53	−5	+161
State-local governments	+188	+170	+504
Gross national product	+115	+9	+228

Source: Bureau of the Census, "Historical Statistics on Governmental Finances and Employment," 1964; "Governmental Finances in 1965–66," 1967. Estimates for intermediate years for which census data are not available, based on reports of the Treasury Department and computations of the Tax Institute of America.

Since the end of World War II federal revenues have risen 161%, state-local revenues (from their own sources) 504%.

The steep rise in state-local revenues is due largely to the steady rounds of tax boosts—new taxes and increased rates of old taxes—which have characterized the past 20 years. Action at 1967 legislative sessions indicates that the trend continues undiminished.

Significant federal tax increases were rarely enacted except during wartime or for war purposes.[2] It is a fair assumption that Congress would not have approved and the American people would not have tolerated in peacetime a boost to the exorbitant heights to which federal tax rates were lifted during World War II. After the war, the Armed Forces were quickly disbanded but federal income tax rates were only slightly cut. The resulting fiscal leeway was used to expand domestic programs, many of which were channeled through state and local governments. Federal aid payments have multiplied 2000 times since 1902, 20 times since the end of World War II, and their year to year growth is still continuing at comparable rates. Speaking to the state governors on March 18, 1967, the President suggested that federal grants to the states might quadruple in the next five years, i.e., soar from $15 billion in F.Y. 1967 to $60 billion by 1972. To meet demands by special interest groups and state and local officials an increase of that magnitude would be required.

Federal funds are now channeled through state and local governments to the tune of over $17 billion in the current fiscal year (1968) by well over 400 minutely specified authorizations which cover virtually every important state-local activity. They have become the governing factor not only in intergovernmental relations but in the determination of the range and nature of domestic public services in the United States. Many of the public services they finance might not have been provided, at least in their present form, if they had not been established and were not partially paid for by the national government. This method of attaching tight strings to federal funds distributed to state and local governments has, for all practical purposes, converted our federal system of government into a unitary, chain-of-command, system.

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[1] Using 1902 and 1966 as the earliest and latest years respectively for which comprehensive fiscal data are presently available from the U.S. Bureau of the Census.

[2] Tax boosts during the 1930's are an important exception to that rule. They helped to aggravate and prolong the great depression.

One reason frequently cited to prove the need for expansion in federal aid is the discrepancy in income level among the states. For example, per-capita income in New York totals $3497, in Mississippi $1777, a difference of $1720. But the equalizing effect of federal aid is quite small. All federal aid in 1966 amounted to $51.29 per capita in New York, $87.02 in Mississippi. The difference in aid—$35.73—equals only 2% of the difference in per-capita income. Federal taxes exert a far greater impact. The incidence of federal revenues may be estimated at $1002 per capita in New York, at $317 in Mississippi. The difference of $685 is 19 times greater than the difference in federal aid and equals 40% of the difference in per-capita income.

Failure of the states to expand their services in response to population growth and resulting needs is the most frequently used justification for federal aid. But the fact is that during the twentieth century (1902 to 1966) while personal consumption multiplied 29 times, state and local government expenditures (excluding federal aid) multiplied 75 times (in *current* dollars). This suggests no lag on the part of state-local governments, to say the least.[3]

Nor do most other *economic* arguments for the expansion of federal aid seem to stand critical examination. Even the advocates of enlarged aid do not appear to believe that the states are truly on their financial ropes. If they did, why would the proponents insert matching formulas and rewards for tax effort into the federal aid statutes?

Are state constitutions too old, too restrictive and too hard to change? The average state constitution is less than half as old as the federal (87 years vs. 180). That state constitutional restrictions are not very effective is proven by the 6-fold rise in state-local tax receipts and outstanding debt since the end of World War II. Also, state constitutions are far more easily amended than the federal constitution. One hundred sixty amendments have been proposed to the average state constitution of which 89 (=56%) were adopted. Out of over 4500 amendments proposed to the federal constitution only 23 made the grade (=0.05%).

One reason for enlarging federal aid, cited more often than any other, appears to be well substantiated: tax receipts rise faster at the federal level than at state-local levels, if tax rates are held constant. This means that federal expenditures can be steeply increased by holding federal tax rates steady or cutting them less than would otherwise be possible. That is certainly far less of a political risk than to stand up for tax boosts which officeholders at the state and local levels must do if they intend to push expenditures up at a rate faster than the natural growth in tax collections. Local projects seem to come for free, or for 50 cents or 25 cents on the dollar, if they can be wholly or partially financed from federal tax receipts without a rate boost at any level.

But the "built-in" rise in federal tax collections has not kept pace with the "built-in" push for enlarged federal expenditures. This resulted in a $84 billion increase in the national debt over the past twenty years, which suggests that at least part of the simultaneous increase in federal aid by $16 billion came not from growth in revenues but was left unpaid and charged to the future.

Another share of the money was obtained by a sharp relative cutback in outlays for national security. National defense and international relations accounted for 85% of all federal expenditures at the height of World War II in 1944, for 67% at the time of the Korean conflict in 1952, for 56% in 1956 and for 45% in 1966.[4]

This comparison can be brought up-to-date by the use of the national income accounts which are more current than Census Bureau statistics.

According to national income accounts, the federal government spent for defense at an annual rate of $74 billion (seasonally adjusted) in the third quarter of 1967. That amounted to 44% of all federal expenditures. Ten years earlier, in 1957, defense accounted for 56% of federal spending, and in 1952 for 64%. Over the past ten years (1957 to 1967) total federal spending increased $87 billion; $30 billion of this went to defense, $57 billion to other purposes including an $11 billion boost in federal aid to state and local governments.[5] Federal expenditures for defense increased 64% between 1957 and 1967, for domestic service 186%.[6]

It seems then that the most widely used justification for expanded federal aid—availability of funds from increased federal tax collections—is inadequate. The growth in federal expenditures exceeded the added revenues and a material share had to be debt-financed; another share was derived from a relative cutback in national security.

The political attractiveness of federal aid is obvious: it makes it possible for officeholders and office seekers at federal, state and local levels to sponsor large expenditure boosts without having to accept responsibility for higher taxes. The few who advocate offsetting federal tax boosts usually aim them at vote-weak minorities.

Another and potent reason for pushing fiscal responsibility to the federal level lies in the nature of our tax structure: the impact of federal taxes is progressive while most state-local taxes are proportional or regressive. Therefore, those who regard government largely as a vast machine for the redistribution of income, from the more productive to the less productive segments of society, show a strong preference for greater reliance on federal taxation.

Federal aid is widely popular and expanding because it enables public officials to obviate the necessity of facing their constituents with a bill for services rendered, and to convince them that much of the cost of public programs and benefits can be shifted to "others," if financed at the federal level. The trend is therefore likely to continue.

Greater use of the federal tax machinery could be provided by simpler methods than the present multitude of categorical grant programs. Some of those alternatives such as revenue sharing, block grants, tax credits and reallocation of tax sources will be covered by subsequent panels and need not be dealt with here in detail. But the principle needs to be discussed.

Most state governments now share some of their collections from sales, income, liquor, motor vehicle and other taxes with local governments or distribute block grants. In several countries such as Great Britain, Australia, Canada, India, etc., the central government allocates some of its tax receipts to state, provincial, or county governments on a broad or unrestricted basis.

The United States government, however, allows state and local governments no funds which they can apply at their discretion. All aid is earmarked for specific purposes and its use closely supervised. In April 1964, 239 separate authorizations for categorical aids were counted. By January 1965 their number had jumped to 283, and by January 1966 to 399. When classified by type of aid there were 479 separate authorizations of federal aid in January 1966.[7] Several dozens have since been added by the 89th and 90th Congresses.

All of those grants are earmarked for specific purposes with minute prescription of the programs for which they and required state-local matching funds are to be spent. They cover most activities of state and local governments and are tightly controlled by federal administrative officials.

If the reasons for federal aid were merely fiscal—such as inadequate tax capacity of state-local governments, superior federal revenue raising power, more desirable federal tax structure—a purely fiscal aid program would be the logical answer. But proposals for revenue sharing, block grants, or income tax credits for state-local taxes and educational expenditures and donations have run into stiff opposition from the federal departments concerned, from functional interest organizations and related groups. Why are they opposed to letting state and local governments have greater decision-making power over public services? Because they want to concentrate that power increasingly at the federal level where they believe they are in a better position to control the range, nature and content of the programs. They are probably correct: many of the programs now administered by state-local governments under federal rules and supervision would not be provided throughout the country in their present form if state and local legislative bodies, executives—or the communities themselves in direct votes—were free to decide what services they want and how.

A good case can be made against leaving state-local officials free to decide the use of federally-collected monies. Some of the funds might be squandered or misused. This raises the question of just how efficiently the funds are being spent in categorical federally-controlled programs.

Some of the grants undoubtedly accomplished desirable ends and have done much good. But some of the major aid programs—in education, urban renewal and welfare, for example—have been failures which would not have occurred, at least not on such a scale, if state-local governments had been left free to act on their own.

Congress approved the Elementary and Secondary Education Act of 1965 because it was concerned over the educational lag of one to four years among millions of children from poor backgrounds. Now that two years have gone by, that a few billion dollars have been spent, and that at least two dozen studies have been undertaken to evaluate the results of Title I, disillusionment is be-

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[3] All governmental expenditures for domestic purposes equalled 10% of personal consumption at the beginning of the 20th century, 25% in the early 1950's, and reached 35% in the 1960's.

[4] Expenditures for National Security (military, international relations and space research and technology) equalled:

Fiscal years	As a percentage of national income	As a percentage of all governmental expenditures (Federal, State, local)
1944	51	82
1952	17	48
1955	14	39
1966	11	29

Source: Fiscal data from Bureau of the Census (see table I). National income from Department of Commerce, Survey of Current Business.

[5] National income account data from: *Economic Indicators,* October 1967 and 1967 Supplement.

[6] *The Budget of the United States Government* for the Fiscal Year Ending June 30, 1968, Table 21.

[7] I. M. Labovitz, *Number of Authorizations for Federal Assistance to State and Local Governments under Laws in Force at Selected Dates during 1964–1966,* The Library of Congress Legislative Reference Service, Washington, D.C. (proc.) July 1966.

ginning to set in: all of the studies show that the children participating in the programs made no more progress in academic achievements, i.e., in the 3R's, etc., than other children, and that the gap between them and the national norm is as great after the compensatory program as it was before, if not wider.

Urban renewal and slum clearance had been held out to be the answer and solution to central city decay. It has erected many gleaming new structures. But in almost 20 years the program has destroyed 3 or 4 times as many dwellings as it constructed, and most of those built are beyond the range of the families it drove out. The cities which received the largest federal grants and boasted of having model programs, such as New Haven and Detroit, experienced some of the worst riots. As in other areas, disillusionment came late—but it has not prevented demands for a muliplication of federal funds for the same purposes.

Welfare and social security programs were promised, when first enacted over 30 years ago, to help reduce crime, juvenile delinquency, illegitimacy, family breakup and dozens of other social ills. Coverage has since vastly expanded and several amendments were enacted by Congress in the 1950's and 1960's on the promise that they would help reduce welfare rolls. But over the past 10 years, while the number of children under 18 increased 21%, the number of recipients of Aid for Families with Dependent Children more than doubled. Simultaneously the rates of crime, delinquency, illegitimacy and all the other social ills have been soaring—more or less parallel with the federal spending, intended to reduce them.

Whether state and local governments would have done better had they been allowed to follow their own judgment instead of carrying out federal mandates is a moot question on which opinions differ. The results so far suggest that they hardly could have done worse.

But the crucial issue is not whether programs carried out under categorical federal grant authorizations and supervision from Washington are more efficient than those under purely local auspices.

The basic issue in federal aid policy is one of political philosophy: Should local public services be provided according to national decisions—by the Congress and by federal administrators—or by the judgment of the citizens of states and communities which may, and usually do, differ widely in their concepts on how to deal with their problems. Should governmental power be widely dispersed—as the Founders of the Republic clearly intended—or should it be increasingly concentrated in the national government?

Some observers feel that in this day and age, with the speed of travel and communications, with the close integration of the economies of the several states into the national economy, uniformity of services is essential. They believe that a federal system of states and communities each running its own affairs independently is hopelessly out of date and that local preferences must yield to national requirements and direction.

Others are no less convinced that at a time when weapons systems, space exploration, and relations with over 100 foreign countries have become immensely intricate, and matters of national survival, our highest national officials should be left free to concentrate on those questions which only they can decide. For some years, however, the President and members of Congress have devoted most of their time to the consideration of local public services. A succession of grave crises in our foreign affairs, and ominous developments which were unplanned and unintended as well as a decline in America's status in the world may be attributed to inadequate time and attention given to such problems.

The main weakness in our fiscal arrangements—they can be called neither federal nor a system—is the inordinate amount of time which top national officials must give to hundreds of grant-in-aid programs and the services they are to provide. The overriding urgency of national security, international affairs and space technology calls for a division of labor, with consideration and decision over domestic public services left to other, nonfederal, officials. This, aside from the intangible value of local autonomy, calls for drastic changes in our intergovernmental fiscal affairs.

History has proven that freedom is indivisible, and that where home rule withers and a central government assumes all powers, individual freedom diminishes. Responsible free government requires that authority over programs be tied to the responsibility of facing the citizens with the bill for the services, that the pleasure of spending public monies be related to the pain of raising them. This can best be provided by relative independence of governmental units from each other. To the extent to which this is not sufficient, federal income tax credits for state and local taxes can provide an answer. General grants, block grants, revenue sharing, surtax rates (piggybacking) and other types of tax credits are additional means that can be employed.

At the General Assembly of the States in December 1948 Roscoe Drummond after discussing apparent trends concluded:

"The issue has been foreclosed by events. The federal system no longer exists. The trend toward centralized federal government is overwhelming, inevitable, irreversible, and to a degree, irresponsible. It is a part of American life."

Nothing that has happened in the past 19 years would contradict Mr. Drummond's statement. Whether the trend is truly irreversible, will largely be determined by future developments in federal aid.

THE RECORD OF THE 90TH CONGRESS

Mr. GERALD R. FORD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, the 90th Congress compiled a good record during its first year of existence.

It was constructive and productive—and, very importantly, it was responsible.

First of all, the Congress deserves a vote of taxpayer thanks for cutting Federal spending this fiscal year by $4.1 billion in an attack on inflation and high interest rates. The Johnson-Humphrey administration still will incur a huge deficit, now estimated at $19.8 billion, but without a Republican-led campaign to force spending cuts it would have been far worse.

Congress refused to go along with President Johnson's plans to increase income tax bills by 10 percent. That was a wise decision. Not only are the American people already heavily burdened with taxes, but there is good reason to believe a Federal income tax increase at this time might damage the economy.

The 90th Congress passed some good legislation. Republicans and Democrats together launched a massive, regional attack on air pollution, laid the groundwork through House action for a nationwide war on crime, revamped and extended the Teacher Corps, greatly improved Federal and State meat inspection, acted in the House to give more responsibility and control to the States in using Federal school aid, passed a Comprehensive Health Act allowing States and local communities to use Federal funds in line with their own priorities to fight rats, communicable diseases, and drug addiction, increased social security benefits, sought to improve the operation of medicare, tightened up on medicaid, and revised the welfare laws to put able-bodied welfare recipients to work.

Where legislation was clearly in the national interest, Republicans joined hands with Democrats to pass it. House Republicans succeeded in giving some programs new direction. We fought what we thought was bad for the country.

Republicans represented a unified force in the House. In the 24 instances where House Republican policy stands were put to the test on a rollcall vote, 96 percent of the Republican Members present and voting supported the party policy position. On these 24 rollcalls, the GOP position prevailed 18 times.

The Democratic majority was so divided in the House this year that I am not surprised the President again is calling for a rubberstamp-sized majority for his party in the Congress.

There were, of course, areas where Congress fell short. The President should have proposed and Congress should have approved a measure to improve our handling of national emergency strikes. Strong anticrime legislation, as beefed up by House Republicans, should have been written into law this year. Election reform and congressional reform bills pushed by Republicans should have been passed but were sidetracked by House Democratic leaders. This should have been a reform Congress.

But, on the whole, the 90th Congress did a good job.

COMMENDATION TO STAFF AND HOUSE PERSONNEL

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, at the end of the session I am sure the membership will permit me speak for everyone in thanking all the Members of the staffs of the various committees here in the House, the page boys, the telephone boys, our police, and all those who take such real interest in this House and of us. It gives me a great deal of pleasure to have the privilege of saying, "Thank you," to all of you and to wish you the merriest of Christmas and a wonderful Happy New Year.

UNDER SECRETARY BARR FINDS SURCHARGE APPROVAL "CRUCIAL" FOR HOMEBUILDING

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, Treasury Under Secretary Joseph W. Barr has offered a sound and informative analysis of the present need for the President's 10-percent surcharge in a recent speech before the Society of American Registered Architects.

Under Secretary Barr said the question of whether necessary fiscal action will be taken is the prime issue of economic and financial policy and "the outcome will be of crucial importance for residential and commercial construction."

He finds that the Nation, depending upon its fiscal policy, is rapidly coming down to a choice of transition back to stable prices and moderate interest rates, or a turn to restrictive monetary policy and a credit crunch that would hurt housing and other construction most severely. He declared:

> There is still time to put our finances in good order and to avoid sharply higher interest rates and restricted credit availability. But there is not an unlimited amount of time. I remain confident that the Congress will see the need for fiscal restraint and take this necessary, if seemingly unpopular, action in the national interest.

Mr. Speaker, the Secretary's remarks merit careful consideration by our colleagues, regardless of their views on the controversial tax surcharge. Under Secretary Barr's speech, entitled "The Financial Environment for Architectural Design," follows:

The Final Environment for Agricultural Design

(Remarks of the Honorable Joseph W. Barr, Under Secretary of the Treasury, before the 1967 convention of the Society of American Registered Architects, Washington, D.C., November 20, 1967)

It is a pleasure to be with you today on the occasion of your annual convention. As I traveled the relatively short distance across the Potomac from the Treasury building, I was struck by the contrast of old and new and the changes time has brought. To come from that ornate and dignified Treasury building—more than 30 years in the construction—to today's modern and functional surroundings is to come quite a distance from the standpoint of architecture and construction technique.

Certainly, site selection was simpler then. According to the legend handed down through the years and still preserved in our Treasury publications, the cornerstone location for the present Treasury building was determined by President Andrew Jackson in characteristically forthright fashion. One morning back in 1836, displeased by what he felt was undue delay in committee action—a sentiment later Presidents may sometimes have shared—he strode over from the White House, planted his cane into the ground near the northeast corner, and announced that the cornerstone would be set right there.

Later that year, actually on July 4, 1836, Congress authorized the construction of a "fireproof building of such dimensions as may be required for the present and future accommodations" of the Treasury Department. We may assume that the Congress was acting on sound architectural advice in commissioning a fireproof building, or was it perhaps merely the lessons of bitter experience? The first Treasury building in Washington, completed in 1799 and occupied in 1800 by 69 Treasury employees, the full 7-man complement of the State Department, and some personnel of the Navy Department, was partially destroyed by fire just one year later in 1801. Rebuilt, the building was again destroyed by fire in 1814 under circumstances to painful to repeat, but familiar to you, I know. Once again, there was a rebuilding. But, within two decades, the Treasury building met a similar fate, being destroyed by fire in the early morning of March 31, 1833, although this time fortunately not by foreign hands. But the circumstances were scarcely more pleasant. Subsequent investigation suggested strongly that the fire had been set to destroy certain papers which would prove fraudulent conduct by persons engaged as Treasury agents.

With this record of misfortune, the outlook for the new building could hardly have been regarded as a promising one in 1836. But perseverance finally had its reward in the form of the present stately structure. Successive additions and enlargements—interrupted by the Civil War—were finally completed by 1869. After more than a third of a century, the Treasury building became the magnificent structure originally intended. But in the process, one of the results of site selection and expansion was the violation of what some consider to have been a vital feature of L'Enfant's master plan for the Federal City—to leave unobstructed the view from the White House to the Capitol.

If the Treasury building's past has lessons for us even today in the fields of site selection, fireproofing, and respect for an architect's original vision, it certainly has something to say on the subject of construction costs as well. This massive structure was constructed at an estimated total cost of only $8 million. We need search no further for a graphic example of the difference between historical and replacement cost.

As Under Secretary of the Treasury, I take pride in our building's rich architectural past, bound up so closely with the history of this city and our nation. But, I came to speak with you this noon on other matters of more immediate concern to us, and to you as well. I think it can fairly be said that success in your profession requires a unique blend of the creative and the practical. My remarks today will be directed more to your practical side. For I want to discuss with you the stakes that architects and the public they serve have in the preservation of a sound financial environment, free from chronic inflationary strains and wide swings in the cost and availability of credit. Within such a sound financial environment, both nationally and internationally, your efforts to build and to create are much more likely to receive the continuing financial support they deserve. In the absence of overall financial stability and dependable sources of finance your creative activities and those of many others may feel the blight of a hard financial reality.

Certainly, the architectural profession has special reason for concern about the financial conditions that affect commerical and residential construction. One possibility is that expensive financing may lead developers and builders to "economize" on architectural design. At best, the result would be a duplication of an existing and satisfactory design but no progress. And, at the worst, our urban landscape would feature more ghastly examples of "do-it-yourself" architecture.

If expensive financing of residential and commercial construction sometimes takes its toll in the form of false economy, an even more serious consequence of tight money may be the temporary unavailability of financing on almost any terms. This can lead to periods of an inadequate volume of construction which may then be followed by bursts of overhasty construction, riding the tide of speculation and easy credit. Dependable and regular flows of credit and a building expansion closely geared to developing commercial and private needs can avoid the waste and inefficiencies inherent in a "stop-go" approach to construction.

Yet, I think it is perfectly clear to all of us that there are no panaceas in this area. Our institutional framework for the financing of construction is basically sound and improvements and refinements are constantly being sought, both within and without government. But a steady flow of finance into construction is going to be possible only in a balanced economic and financial environment. When total demands for finance far outpace the volume of privately generated savings in a full employment economy, rising interest rates and credit imbalances are the more or less inevitable consequence.

And, all too frequently in the past, periods of heavy pressure in the financial markets have been followed by periods of retrenchment and slack business activity. An adequate and dependable flow of funds into construction and other sectors requires a certain degree of moderation and balance in the economy generally.

There really are two interrelated features of the adequacy of financing for construction activity. One is longer-run in nature and concerns the terms on which long-term debt financing will be available over, say, the next quarter century. This is a complex problem, and I will content myself today simply with raising what seem to be some of the key questions. The second part of the problem is the avoidance of sharp and disruptive contractions and expansions in the short-term availability of financing in the construction field. Last year's experience should be a constant reminder that overloaded financial markets and sharply rising interest rates can deal the construction industry some sharp blows. In this year's situation, with construction activity making a strong recovery, the clear need is for more fiscal restraint to prevent a return to last year's conditions. As I will argue more fully in a few minutes, a tax increase and reductions in government expenditures now can fend off the threat of another "credit crunch" and insure continuing expansion in the construction field. Whether that necessary fiscal action will be taken is the prime issue of economic and financial policy. The outcome will be of crucial importance for residential and commercial construction.

Before I comment in more detail on the immediate need for fiscal restraint, let me raise just a few questions concerning the longer-run outlook for construction financing, and debt financing in general.

By its nature, investment in land and building is inherently a type of capital investment that rests in large part upon debt financing—and relatively long-term debt financing at that. Therefore, those who are concerned with construction activity are inevitably concerned with the future developments that will be influencing the cost and availability of long-term debt financing.

Many in the financial community contend that there is a fundamental movement away from fixed-return investments toward investments which provide some opportunity to share in equity profits. They cite such developments as:

The increasing popularity in recent years of convertible debentures;

The decreasing ratio of debt to equity in the portfolios of such major institutional investors as pension funds and insurance companies;

The movement toward variable rate annuities;

Proposals for increased use of variable rate mortgages.

It is not easy to assess the full implications of these developments or even whether some of them are necessarily of much lasting significance. It is true that over the past decade and a half, there has been some apparent shift in investor preferences toward equities. This is reflected in a rising interest yield on high-grade corporate bonds and declining dividend yields on common stocks.

In 1950 the interest yield on outstanding high-grade corporate bonds (Moody's AAA) was about 2⅝ percent while the dividend yield on 500 common stocks (Standard & Poor's Index) was about 6½ percent. Since then, that relationship has almost exactly reversed itself. By the late 1950's, rising bond yields and falling dividend yields on stocks brought these two rates into approximate equality. The decline in dividend yields on common stocks has continued—with some interruptions—and averages near 3 percent at the present time. On the other hand, high-grade bond yields have accelerated their rise, particularly since 1965, and the average yield on outstanding issues is near 5¾ percent, with yields on top quality new issues as much as ¾ percent higher.

Surely, one factor in the reversal of the earlier relationship between bond and stock yields has been the alteration in investor expectations. In the immediate postwar period, memories of the depression decade were still fresh and the longer-term business outlook was uncertain. During the period that followed, investors came gradually to the view that the economy would be operating near capacity, with only minor lapses. The fact that the current expansion is now the longest in our history has done much to strengthen that view. In a prosperous and growing economy, many investors have wanted an equity share in that growth and have driven dividend yields down in the process.

Another factor has been the development of a view that inflationary pressures were likely to predominate. In the minds of some investors, common stocks became a "hedge against inflation" and some prospective investors in bonds may even have tended to discount their nominal return for an expected degree of inflation.

What will the future hold in terms of the cost and availability of the long-term debt financing so important to construction as well as other sectors? On the one hand, it could be argued that the worldwide need for, and ability to utilize capital, are at the moment increasing more rapidly than the required amount of savings can be mobilized. This fundamental capital scarcity leads to pressures on capital markets and rising interest yields. The tendency toward high rates is reinforced from the monetary side to the extent that more reliance is placed on monetary policy than on fiscal policy to restrain demand and contain inflation. And, in countries where inflation is chronic, investors may demand and receive a premium, either in terms of an even higher interest rate or an equity "kicker", if they are to provide long-term funds.

It is clear that some of these pressures for higher interest rates do exist. But there is no warrant for a fatalistic attitude toward them. We must work toward increasing the rate of capital formation and improving capital markets throughout the world. Particularly in Western Europe there is a need for much better capital markets to mobilize that region's savings and enable it to assume its proper and historic role as an exporter of long-term capital to capital-scarce regions.

Intelligent financial management in the United States—which has so great an influence in world economic affairs—can facilitate greater progress along these lines in other countries.

It is conceivable that the world is entering, or has entered, an era of relative capital scarcity and that the average of long-term interest rates may edge still higher. But I would not be so sure. Certainly in this country there are factors operating in the other direction. The United States economy generates a tremendous volume of savings each year and channels them to productive use through an adaptable and efficient market mechanism. When we read that this bond issue or that carries the highest yield since 1921, or the Civil War, or some other remote date, it should remind us just how far from accustomed levels interest rates are at the present time. And it is worth recalling the fact that the bulk of this sharp rise in rates has occurred within the last two yêars under the pressures of a rapid defense buildup, now apparently reaching its late stages. On the longer view, which as architects and builders you are accustomed to take, the present upsurge in long-term rates may well turn out to be a peak rather than a plateau.

Only time will tell whether the cost of long-term debt financing will soon return to the much lower levels characteristic of most of our own and Western European experience in the past century or so. Much will depend on how flexibly and how effectively fiscal and monetary policies are employed in this and other major countries. In both the short and long range, we must avoid excessive inflation, but do so without undue reliance upon restrictive credit policies. This will require the active use of fiscal policy to help keep the economy on a steady course of sustainable growth and price stability.

That brings me to the present and to the crucial issue facing us at the present time. Right now the need is for this country to apply a measure of fiscal restraint—through control of government expenditures and enactment of the President's tax proposals—in order to forestall excessive expansion in the near future without forcing a turnaround in Federal Reserve monetary policy.

Some have questioned the ground for expecting an excessive rate of economic expansion. Bemused by the appearance of a statistic or two reflecting effects of the Ford strike, they have ignored the overwhelming consensus of informed economic and financial opinion on the economic outlook. Economic forecasts are fallible. But the following is fact, not forecast. It is a fact that our most comprehensive measure of overall economic activity, Gross National Product, has risen by the following quarterly increments this year: first quarter, $4.2 billion; second quarter, $8.8 billion; third quarter, $16.1 billion. Consider further that quarterly gains of $15 billion are at, or beyond, the upper range of the increases the economy can safely tolerate; consider that the actual third quarter gain of $16.1 billion was beyond the noninflationary range and would have been even some $2 billion higher had it not been for the Ford strike; and finally consider that nearly half of that third quarter GNP gain was illusory in the sense of being due to sharply rising prices. What clearer signs could we have of the need to ease off on the accelerator and start applying the brakes?

In terms of financial markets and the Federal deficit the need for prompt fiscal action is equally clear and compelling. In fiscal 1967—the year ending last June 30—net Federal demands on the private credit markets were actually negative. Net Federal credit demands (or supply when negative) is measured by the change in outstanding Treasury issues, agency issues, and participation certificates, *less* the increase in the holdings of these obligations by the Government Investment Accounts and the Federal Reserve. In fiscal 1967, there was a net Federal supply of funds of some $6 billion as debt in private hands was reduced. But this fiscal year, in the absence of tax and expenditure action, there would be a call of as much as $20 billion on private credit markets in the form of net sales of all types of Federal securities above and beyond the normal takings of the Government Investment Accounts and the Federal Reserve. In a total credit market flow of some $70 to $75 billion there would be a net increase of possibly $25 billion in Federal impact. This is simply too much. We know what would happen. The Government would get its money but some private borrowers would not. And, if previous experience is any guide, the construction sector would bear a heavy burden in terms of reduced availability of credit.

Nor can there be any expectation that the Federal Reserve will pump out enough bank credit to fill the gap and tide us over. A failure to accept either fiscal or monetary restraint would produce an unacceptable degree of inflation. The choice of rapidly coming down to fiscal restraint and a transition back to stable prices and moderate interest rates, or a turn to restrictive monetary policy and a credit crunch that would hurt housing and other construction most severely. There is still time to put our finances in good order and to avoid sharply higher interest rates and restricted credit availability. But there is not an unlimited amount of time. I remain confident that the Congress will see the need for fiscal restraint and take this necessary, if seemingly unpopular, action in the national interest.

"TRUTH IN LENDING" IS WORKABLE

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, much has been said and written about truth in lending. One of the big questions has always been: Is it really workable?

To some this question is still a pertinent one even though truth-in-lending legislation has passed the Senate and is virtually certain of approval by the House next year.

For this reason I would like to draw attention to an excellent column on the workability of truth in lending written by columnist Sylvia Porter. She traces Massachusetts' experience with truth in lending and finds that it works. She wrote:

> But it's possible that the most significant effect of the Massachusetts law will never be measured.
>
> This is the vital protection being offered to the impoverished, uneducated consumer who for years has been victimized by the usurious neighborhood loan shark.

Mr. Speaker, I think this article does a very effective job of making the point that truth in lending is really workable. I commend it to my colleagues' attention, as follows:

"TRUTH IN LENDING" WORKS

(By Sylvia Porter)

The "truth in lending" bill is again being pushed off to "next year," but it seems almost certain that in 1968 a law finally will get through Congress.

It is time, therefore, for a look at what might be the impact of a federal law requiring lenders to inform borrowers of the approximate annual finance charges on most credit transactions, both in annual percentages and in dollars and cents.

The experience Massachusetts has had with its own state truth in lending law offers some clues. The details come from the Federal Reserve Bank of Boston and the Massachuetts Consumers' Council.

1. Since the beginning of 1967, retail sales have risen 3 percent in Massachusetts, a large proportion involving credit, of course, versus a rise of only 1 percent in all of New England. This rise has occurred despite a slower growth of personal income in Massachusetts compared with all of New England.

2. Since December, 1966, immediately after the law went into effect in Massachusetts, there has been a 5 percent rise in consumer credit at commercial banks and a 43 percent rise in consumer credit at savings banks. In contrast, consumer credit at finance companies and consumer loan companies has remained the same this year as in 1966, or dropped slightly. The explanation, in the words of Dermont P. Shea, executive Secretary of the Massachusetts Consumers' Council, is that "commercial and savings banks are aggresively competing for consumer credit and advertising their rates in annual interest rates as well as dollar amounts. The finance companies and consumer loan companies have stopped this type of advertising because they cannot compete against the lower rates of the savings banks and commercial banks."

3. According to testimony of one major Massachuetts retailer who does half of his business on credit, "we encountered no problems of any consequence, either with our record-keeping or our customers as a result of this law. The law is informative for the consumer, and fair, workable and helpful to the businessman. It prevents 'tricky' selling of credit programs which . . . tend to cover up the true interest cost and deceive consumers."

4. Also, according to the National Automobile Dealers Association, the law did not "hurt us in any way, shape or manner" and, in fact, it might "clean up the atmosphere in this area—particularly where loan sharking has hurt the ethical automobile dealer."

In brief, the evidence is that Massachusetts consumers now are comparison-shopping to get the most advantageous deal in credit. Misleading credit advertising has been virtually eliminated. Most of the viciously "easy" money lenders have been driven out of the state.

But it's possible that the most significant effect of the Massachusetts law will never be measured. This is the vital protection being offered to the impoverished, uneducated consumer who for years has been victimized by the usurious neighborhood loan shark. In the words of Malcolm C. Webber, chairman of the Massachusetts Commission Against Discrimination:

"I do not believe it is by accident that nationally and locally, during the recent riots, there was much burning and looting of loan companies and stores with reputations for unscrupulous business practices."

EUROPEANS SEE DANGER IF THE UNITED STATES DOESN'T INCREASE TAXES

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, we have been warned time and again by high Government officials that financial leaders of other Nations believe the United States must raise taxes and cut spending if we are to have a responsible financial policy and a sound dollar.

These have not been empty words as I will illustrate today. But first let me cite some examples of what administration officials have said.

On November 16 Treasury Secretary Henry H. Fowler, in a statement declared:

> There is a general, widely held feeling in financial circles here and abroad that a tax increase in the United States is an essential element of responsible financial policy under existing circumstances.

On November 29 Secretary Fowler, in a statement before the Ways and Means Committee, declared:

> Make no mistake about it—confidence in the dollar and the international monetary system depends on the ability and determination of the United States Government to act responsibly. There is a widely held feeling in financial circles at home and abroad that a meaningful reduction in our budget deficit by reducing expenditures and a tax increase is an essential element of responsible financial policy.

And on that same day, William McChesney Martin said in his statement before the Ways and Means Committee:

> The entire world is looking to the United States to see if it has the capability, the will, and the determination to preserve and maintain this period of prosperity which is now the longest in our history. In my judgment, the strategic element in demonstrating that determination will be our success in reducing the prospective deficit for 1968 and thereafter to more manageable levels.

Mr. Speaker, these warnings are coming home to roost. Just the other day, for instance—December 12—the mass media carried stories from Brussels which indicated that the Common Market sees danger if the United States fails to increase taxes. Overseas reports showed that the Executive Commission of the European Common Market warned today of "dangers faced by both European and United States business if Congress continued to balk at raising taxes." In its latest quarterly economic report, the commission was strongly critical of the situation in the United States. It said:

> A tighter hold appears to be being kept on monetary and credit policy than would be necessary if the emphasis of budget policy had been placed, in good time, more on achieving equilibrium in the balance of payments and maintaining price stability.

Mr. Speaker, this European commentary cannot be disregarded. We must keep the views and interests of our allies—on whom confidence in the dollar rests so heavily—very much in mind in our consideration of the President's fiscal program.

Therefore, I believe the warning of the Executive Commission of the Common Market should be of interest to our colleagues.

NATIONAL FEDERATION OF INDEPENDENT BUSINESS CONTINUES SUPPORT FOR AN INDEPENDENT SMALL BUSINESS ADMINISTRATION

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, my good friend George Burger has always been in the forefront of the fight for small business in this country. He has also fought for many years to maintain the independence and integrity of the Small Business Administration.

After a recent attack on the National Federation of Independent Business, which George serves as vice president, he wrote the following letter, which was published in the November 17, 1967, edition of the New Rochelle, N.Y., Standard-Star, I commend it to the attention of our colleagues:

NFID's Record Shows Support of SBA as Independent Agency

To the Standard-Star:

Re: "Lobby stifles slum businessmen," Editorial Page, Nov. 9, 1967.

This letter is in reference to the above which was authored by Messrs. Novak and Evans and appeared in The Standard-Star of Nov. 9, 1967.

As the late Al Smith, a national figure, once remarked, "Let us look at the record." Here it is:

I am attaching herewith an actual log of my action in behalf of the Federation's membership beginning as early as May 1953 and continuing on until July 1966. Before Congressional Committee hearings the position of the Federation has been repeatedly stated. The membership as of November 3, 1967, totals 242,532, all individual members and professional men in the 50 states. Our position has been, with no exceptions, that the Small Business Administration stands as an independent agency with no control of operations by the Department of Commerce.

It is a matter of public record that the Department of Commerce has been angling to get control of the Agency for some time.

Up until recently the Loan Policy Committee of the Small Business Administration has been made up of the SBA Administration and members of the Treasury and Commerce Departments. This was eliminated by the approval of the President during the past year, I believe. The full operation of the Small Business Administration has rested with that Agency up until the present moment.

Note the log as per the attached of the Federation's position in support of the Small Business Administration from 1953 up to the present moment.

(Ed. Note.—The log registers dates of action taken before Congressional hearings by NFIB from the date of the hearings on the creation of Small Business Administration before the House Banking and Currency Committee in May 1953 through a list of 17 items relating to appearances before House committees relative to the progress and extension, operation and amendments of SBA.)

I am calling to your attention the hearings before the Select Committee of Small Business of the United States Senate of March 14 and 15, 1957, of the 85th Congress. On page 45 of that Committee hearing it is noted that in answering a question by Senator Thye, its Chairman, as to my recommendations in making the SBA an independent agency, I advised the Senator by citing an incident at the St. Paul Athletic Club of St. Paul, Minnesota on August 30, 1957. It was a luncheon meeting and I was requested to address that group and would answer any questions. At the completion of my address a gentleman in the audience put the question to me, "Wasn't SBA duplicating the activities of another Government agency?" I answered, "Was he referring to the Department of Commerce?" He answered "Yes." I further remarked that "we in the Federation are solely interested in protecting the Small Business Administration." I was informed by the Chairman of the luncheon that the gentleman who asked the question was an employee of the Department of Commerce in the Twin City area.

It is to be noted that within the past year or so that a former Administrator of the Small Business Administration, then in a high position with the Department of Commerce, recommended that SBA be made a part of the Department of Commerce. We opposed the proposition to members of Congress and finally taking it up with the President of the United States, resulting in the proposal being dropped.

Finally, it is our belief that the Small Business Administration being continued as a permanent and independent agency of the Federal Government will do a thorough job and a complete job for the best interests of the present and future small businesses of this nation.

Sincerely yours,

George J. Burger,

Vice President, National Federation of Independent Business.

SUPPORT FOR A JOINT CRIME COMMITTEE

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, it was my privilege during this first session to join our distinguished colleague from Florida [Mr. Pepper] in the sponsorship of a resolution to establish in the Congress a Joint Committee To Investigate Crime.

I am pleased to note that WMAL here in Washington supports this proposal and I commend their December 10, 1967, editorial on the subject to the attention of our colleagues:

Joint Crime Committee

(An editorial broadcast by WMAL)

The staggering 16 percent national increase in major crimes in the first nine months of this year over the same period of 1966, is not surprising. The surprise is that Congress has talked so much about crime, but has done so little to meet the crisis. It is distressingly clear that Congress is simply not equipped to legislate a comprehensive, intelligent attack on crime. The bitter, tangled disputes over the Administration's Safe Streets bill is a case in point.

Congress urgently needs a Joint Committee on Crime to recommend legislation that will set in motion a coordinated national effort to reduce crime. The Joint Crime Committee must be equipped to explore all the vast legal, social, economic and political questions that complicate an all-out attack on lawlessness.

Congress should pass Representative Claude Pepper's bill to establish a Joint Crime Committee. The Pepper bill has been co-sponsored by more than 60 House members and more than 20 Senators. The latest FBI crime statistics illustrate dramatically the pressing need to establish a Joint Congressional Committee on Crime.

SOUTH AFRICA

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, the 20th century has seen kaleidoscopic changes that have altered the political map of much of the globe. Communications developments have telescoped months and weeks into days, hours, minutes, and seconds. Industrialization, modern economic trends have penetrated remote corners of every continent. But some of the most far-reaching and most difficult changes have been in the realm of political, social, and moral values. In no field of human endeavor have 20th century changes been more significant than in the field of race relations, in the worldwide posing of an ideal that a man's worth, his potential, his opportunities, and his rights should be determined without regard to the pigmentation of his skin.

In this country, we know better than many other peoples how difficult it is to change centuries-old attitudes and to work effectively toward this ideal. But we have made this ideal a matter of formally established national policy, and we are working on it—hard and persistently. Many other multiracial nations also are working on it, with varying degrees of dedication to its achievement and, of course, with varying results. Nevertheless, almost all nations subscribe to the rightness of this ideal.

Today, only one nation, the Republic of South Africa, stubbornly maintains, as a matter of highest national policy, that in that unhappy land, a man's lot in life is determined almost entirely by the pigmentation of his skin. Everything—a man's status in the community, his opportunities, his income, his means of livelihood, the type of education he can obtain, his place of abode, in hundreds of thousands of cases even his right to live with his wife and children—is determined by the government's judgment as to his racial descent.

The U.S. Government, and many others as well, has sought, again and again and again, to persuade the South African Government to embark upon the momentous and difficult transition to a national political policy that a man's worth and his potentialities should be determined by what he is and what he does, and not, as at present, by an accident of color. They should do it in the long-term interest of the dominant white minority as well as in fairness to its large nonwhite majority and their present as well as long-term interests.

South Africans, both official and unofficial, sometimes express great unhappiness at the efforts of foreign nations, notably our own, to persuade them to step into the 20th century in racial as well as in economic matters. South Africans often maintain that Americans are simply misinformed or uninformed on South Africa's racial policies and practices.

I do not believe this is generally true. But I have here four newspaper articles by the distinguished writer, C. L. Sulzberger, who is in Africa now. I want to insert these four articles in the Record so that anyone who wishes may in one place read both sides of the story regarding South Africa's racial policy. In his articles published in the New York Times of December 6 and 8, 1967, Mr. Sulzberger extensively quoted Prime Minister Vorster himself in setting forth his rationale for South Africa's racial policies. In his columns published in the New York Times of December 10 and 13, Mr. Sulzberger presents his own analyses of the problem. Not surprisingly they present a picture at some variance with Mr. Vorster's.

The articles referred to follow:

[From the New York Times, Dec. 6, 1967]

Foreign Affairs: 13 O'Clock

(By C. L. Sulzberger)

Pretoria, South Africa.—B. J. (John) Vorster, earnest, slow-talking Prime Minister of the South African Republic, should read James Thurber's charming fairy tale, "The Thirteen Clocks," because Vorster is convinced thirteen is his lucky number and that during the thirteen years between now and 1980 he can lead this haunted country to peaks of tranquil prosperity. Thurber's story features an unpredictable factor in a magician called The Golux who messes things up. Vorster's Golux is the world revolution in race relationships.

AFTER SHARPEVILLE

The Prime Minister, who rose to power after a madman assassinated his predecessor, Dr. H. J. Verwoerd, first became eminent in national politics when he ruthlessly squelched racial disorders and suspected subversion following the 1960 Sharpeville massacre. He has been a member of the pro-Nazi Ossewabrandwag and was interned by the Smuts Government during World War II. But this never hindered his subsequent career.

During a lengthy conversation the Prime Minister told me: "Thirteen has always been my lucky number. I have been in Parliament thirteen years. When I was named Minister of Justice I was thirteenth in Cabinet seniority. As number thirteen I became Prime Minister on Sept. 13, 1966. I was born a thirteenth child on Dec. 13 1915. My golf handicap is thirteen.

With numerology as a point of reference, I asked Vorster how he envisioned this country in 1980, thirteen years from now. He started off by reciting statistics demonstrating its international importance. He said: "South Africa is only 5 per cent of the continent, geographically, and has only 6.5 per cent of its population. Yet we generate 57 per cent of its electricity and that alone explains our position.

"We have more whites than all the rest of Africa. We produce 70 per cent of the free world's gold. We have more uranium than any Western country but Canada. We furnish 20 per cent of Africa's exports and buy 18 per cent of its imports. We operate 50 per cent of the continent's automotive vehicles and half its telephones. Between now and 1980 the graphs will continue to rise.

"Economically our future and that of our neighbors are bound up with each other and we have demonstrated that neighboring states, in spite of differences in domestic policy, can cooperate to mutual advantage. The constitutional impasse in Rhodesia will come to an end sooner or later and this will eliminate the only stumbling block to southern Africa's economic cooperation.

"But I don't see the future in terms of political federation or confederation. I think along lines like that of the European Common Market and I think existing political frontiers will remain as they are.

"Under British rule, South African policy was to incorporate the black protectorates—Bechuanaland (Botswana), Basutoland (Lesotho) and Swaziland. Even if they were handed over to us we wouldn't take them. They are politically separate entities and it is our policy to assist them.

A MODEL OF HARMONY

"Different attitudes on race are no barrier to regional cooperation. It is my firm conviction that under our policy of separate development" (better known as apartheid), "the whites, Bantus [blacks], Colored [mixed bloods] and Asians (mostly Indians) of this country will settle their problems to the satisfaction of each racial group.

"All the world looks for a solution to the race problem. In 1980 people will visit South Africa not only to see its beauty but to study our society of different colors, outlooks, languages and religions, living harmoniously in one geographical entity.

"We don't expect everyone to subscribe to our policy, but we do expect to be given credit for being sincere in what we are trying to do under difficult circumstances. Disagree with us or condemn our approach, but give us the fair break of recognizing that we are honest."

CULTURAL PESSIMISM

Vorster evidently believes the outside world deliberately distorts South African verities. In this sense he speaks for the white majority and represents a phenomenon described as "cultural pessimism" by the German sociologist Dahrendorf.

Dahrendorf saw that fear of losing its identity could neurotically possess a nation industrialized too fast and stimulate suspicion of foreign influences, moral conservatism, racial complexes and dislike of "degenerate," liberal societies. One cannot ignore South Africa's "Dahrendorf factor." It is the Golux in Vorster's sanguine view of 1980 when the clock here strikes thirteen.

[From the New York Times, Dec. 8, 1967]

Foreign Affairs: The Crazy Quilt

(By C. L. Sulzberger)

Pretoria, South Africa.—Although South Africa is a prosperous industrial republic whose strongly based Government cherishes vigorous anti-Communist bias, it is in deep trouble with the West as well as with neutral and Marxist states. The reason is simple: widespread abhorrence of South Africa's race policy, originally known as apartheid but now called "separate development."

SOUNDS REASONABLE

This policy sounds reasonable when explained by its principal advocate, Prime Minister Vorster. He insists: "Our philosophy of separate development is not based on the assumption that we are better than the other man, richer or more learned. It is simply that we are different. We have lived together for generations and we know they are different, they know we are different. We want to maintain an identity as whites and they want to maintain an identity as Colored [mixed bloods], Asians, Bantus [blacks].

"Separate development is not a denial of human rights. It is a question of making it possible for each racial group to maintain its identity and the creation for each racial group of facilities and opportunities of development which have never existed before.

"Segregation has been the traditional policy here. Under previous governments it was horizontal segregation, but under separate development, segregation is vertical. Previously the non-white could develop up to a limited ceiling, and no more. Now the sky is the limit.

"Take universities. Both 'closed' and 'open' universities existed. The closed universities never admitted non-whites. The open universities did, but there were relatively few and, although the non-white was at the university, he was never of it. Some doors were open and some were closed. No non-white ever had a chance at an open university to become a lecturer, professor or rector.

"When we took over we decided the only moral and practical thing was to create universities for all racial groups and to enable students to be students in the full sense of the word: to give those who could qualify an opportunity to become professors and everything else. That is why we established a series of university colleges for Colored, Asians and Bantus.

"Likewise we are building separate black homelands: the Transkei for Xhosas; Zululand for Zulus; the Northern Transvaal for Vendas; the Western Transvaal for Tswanas. These are black nations which will be led to complete independence like that of Malawi.

"The obvious difference between this system and the aspirations of your black-power extremists is that these black nations here have their own land and have always had it. It is not a question of expelling anyone. You must remember our history. Dutch settlers moved up as Bantu tribes moved down, and each settled portions of the territory. The white man cannot own land in black areas."

DIVIDING THE PIE

Vorster admits 87 per cent of South African territory has been reserved for whites, who constitute less than a fifth of the population, while only 13 per cent is reserved for blacks, who represent more than two-thirds (the rest being Colored and Asian). But he argues that the former British protectorates (Botswana, Lesotho and Swaziland) should be included, bringing the proportion to fifty-fifty. Furthermore, he claims the white area embraces enormous barren sectors in the Kalahari desert and arid Karroo; that most of the truly fertile land is held for Bantus.

He also insists that all mineral wealth discovered in "Bantu lands" will be developed exclusively for them. There are "no strings attached" to their promised independence. They can run their own foreign policy and national defense.

THEIR AFFAIR

Since Vorster had defined South Africa as "violently anti-Communist," the only country that has declared total war on Communism, I asked: "What if a black state inside your territory chooses a Communist government?" He answered coldly: "We would dislike this in the extreme, but that is their business."

I have tried to present this Government's rationale for apartheid meticulously before analyzing its defects and presenting my conclusion that it is immoral, unjust and unreal. There is reason to believe Vorster's sincerity in elaborating this odd patchwork quilt of separate nationalities. Based upon differences of skin pigmentation rather than function, this would divide society as rigidly as the archaic system elaborated by Plato in his Republic, the first truly Fascist state.

[From the New York Times, Dec. 10, 1967]

Foreign Affairs: The Tattered Cloak

(By C. L. Sulzberger)

Pretoria, South Africa.—God is summoned both to defend and attack South Africa's racial policy of separate development or apartheid, but it is probable that economics rather than divine judgment will finally amend its evident injustice. One thing is certain: the present Government, which tailors this country's cloak of many colors, will endure for years and is powerful enough to frustrate forcible attempts to overthrow it.

Some practicants of the Dutch Reformed Church claim the descendants of Noah's son, Ham, were dark skinned and destined to subservience. A textbook advises: "Continued existence of white Christian civilization in spite of the mass of nonwhites can be seen as nothing less than a disposition of the Almighty."

APARTHEID OPPOSED

But the Anglican and Roman Catholic Churches oppose apartheid. In 1952 Catholic bishops issued a statement saying: "Discrimination based exclusively on grounds of color is an offense against the right of non-Europeans to their natural dignity as human persons."

Prime Minister Vorster contends that "Each racial group wants to maintain its own identity and is proud of this identity. Nonwhites as well as whites accept this policy of separate development because they know that it doesn't only work to the advantage of the whites but also to the advantage of the nonwhites."

Nonwhites, however, disagree. The late Albert Luthuli, former Zulu chief and Nobel Peace Prize winner, was exiled to a remote corner because he opposed apartheid. Other dissenters are in jail and outstanding members of Natal's Indian community are preparing to emigrate.

A. LEGACY OF HATRED

Nor is disagreement limited to nonwhites. Sir de Villiers Graaff, head of the opposition United party, said two years ago: "There is more bitterness against the white man than ever before in our history." Mrs. Helen Suzman, Parliament's only Progressive party member, warns: We are sowing a legacy of hatred for ourselves which we may be able to weather but which our children certainly won't."

Apartheid is absurd as well as degrading. It requires complex duplication of public services such as transportation, telephone booths, toilets and entrances to public buildings. It segregates races in residential areas regardless of work requirements. It teaches children to love black nannies and look down on them later. It allows whites to employ blacks as cooks but not to sit next to them on park benches.

It permits only whites to form labor unions and hires indentured workers from less favored Portuguese Africa at less than twenty dollars a month plus subsistence. It forces blacks to register with Government bureaus and accept any job offered.

This policy produces embarrassing contradictions. Children are racially classified by appearance rather than parenthood, creating the case of an 11-year-old girl shifted from one school to another because of administrative arguments concerning her pigmentation. Paraguayan Indian entertainers had to travel on diplomatic passports to qualify for good hotels. Chinese are listed as "nonwhite" but Japanese as honorary whites.

Certain black political leaders are in prison. Hundreds have been detained without trial. There are substantiated cases of torture of black prisoners by white policemen and the execution of Negroes charged with subversion.

Many members of the dominant Nationalist party disregard injustice and believe with Vorster that separate but equal communities are being developed. Nevertheless, 19 per cent of the population—the whites—are awarded 87 per cent of the land. What is intended to be a multiracial commonwealth still has only one Bantustan or black state, called Transkei, featured by poverty and unemployment.

Notwithstanding, numerous white South Africans realize this country's booming economy requires the skilled labor of blacks now excluded from such jobs. T. P. Murray, president of the Trade Union Council, concedes: "If we have not got enough skilled workers, the whole program [of industrial development] will fizzle out."

REVOLUTION OR EVOLUTION?

Pula Kekhotso of South Africa's illegal Communist party claims: "The vicious Vorster regime has left no alternative to armed struggle." I don't believe this any more than I believe that pressure by U.N. will produce any swift results. Indeed, outside threats are counterproductive. Gold is on the rise and world shipping uses South African ports instead of Suez. Some 261 U.S. firms do thriving business here and South Africa feels strong enough to thumb its nose at any menaces on the horizon.

But separate development is both unjust and unworkable for a modern society. Inevitably, political errors will be corrected by economic requirements. Over the long run this, rather than the threat of force, will rend the cloak of many colors called apartheid.

[From the New York Times, Dec. 13, 1967]

Foreign Affairs: No Such People as Fools

(By C. L. Sulzberger)

Durban, South Africa.—South Africa is a legislative dictatorship in which one party holds all power and exercises it without restraint. The dominant Nationalists won 58.6 per cent of the vote in last year's elections. Their closest competitor, the United party, gained 37.1 per cent.

THE POLITICAL PARTIES

The Nationalists, Afrikaner-dominated, are firmly entrenched. The United party, unfortunately, lacks brains and guts. Its parliamentary function is that of a weak voice from the floor meekly muttering "me too." The only true opposition is the pretty, civilized, brave Mrs. Helen Suzman, representing Johannesburg's silk stocking district and sole deputy of the small Progressive party. She has convictions and the courage to express them.

The Nationalists have in effect at last won the Boer War. Prof. C. H. Rautenbach, rector of Pretoria University, acknowledges that Afrikaners were late in learning "the indirect art of politics but we proved very willing apprentices. This helped us accomplish politically what we had failed to do militarily against the British and we are now in control of our country."

Constitutionally the Government can do anything except eliminate the official Afrikaans and English languages. Parliament could enact a law tomorrow decreeing that every South African must paint himself green. When a party caucus decides Nationalist policy, a simple parliamentary majority can institute it. The Afrikaner is very legal minded, but the law is his servant, not his master.

The result is an authoritarian democracy. The South African Government is vigorously anti-Communist and in the name of squashing Marxism it squashes freedom. Injustice is applied by white against nonwhite and also by white against white. In this sense only is the legislative dictatorship racially impartial.

A white liberal, Mrs. Helen Joseph, although never formally charged, has been under house arrest more than five years. Dr. Raymond Hoffenburg, eminent medical scientist, has been stripped of his rights and ordered to remain within a prescribed area. Neither are known Communists.

Alan Paton, famous author and head of the tiny Liberal party, had his passport withdrawn. A young Presbyterian minister, Rev. Ian Thompson, lost his passport and has been "warned" under the Suppression of Communism Act. More than 1,200 persons are in jail for "threats" to state security; another 600 suffer various restrictions.

The Transvaal Education Department has ruled that Nazism and Fascism will no longer be mentioned in provincial school courses. Johannesburg's Rand Daily Mail asks: "Could it be that the fate of Germany and Italy as a result of these aberrations provides too uncomfortable an example to those in this country who have built race prejudice into a national creed and seek to institutionalize it in our laws and policies?"

A delegate to the Transvaal Nationalist Congress complained: "The Roman Catholics are a bigger danger to us than the Communists because at least one can lock up a Communist. Colored people cannot marry my daughter, but when she is 21 a Portuguese can."

THE FACTIONS

The Nationalist party is divided between *verligte* (enlightened) and *verkrampte* (cramped) factions. The reactionary *verkrampte* minority is symbolized by Dr. Albert Hertzog, Minister of Communications and Health.

Hertzog is a charming old man with distinguished manners, the goateed appearance of a refugee from Trilby's Paris and the political theories of Rip Van Winkle. His pet aversion is South Africa's English-speaking press.

In a fascinating conversation Hertzog assured me the English had been stirring up the blacks against the Afrikaners ever since 1806; that this policy was first pushed by missionaries, later by international financiers. He thought South Africa's booming industrialization was unhealthy because "if you have enough work for your population, why try and seek more?"

THERE ARE NO LIBERALS

This kind of reactionary argument is being slowly shunted aside by the eminently pragmatic Prime Minister Vorster, who has come a long way since wartime enternment for pro-Nazi activities. But, even though the *verligte* element is top dog, there is no remote trend toward liberalism. The average Nationalist regards liberals much as Glumov, a character invented by the Russian novelist Saltykov-Schedrin, regarded fools: "There are no such people as fools, only different shades of scoundrels."

THE MANDATORY OIL IMPORT PROGRAM

Mr. PRICE of Texas. Mr. Speaker, the mandatory oil import program administered by the Secretary of the Interior has done a commendable job in the past in achieving its stated objectives.

Those objectives were clearly stated by Secretary of Interior Stewart L. Udall, in testimony before the Senate Finance Committee last October. Mr. Udall said at that time:

> I would like to state here my firm view that in the present world situation, oil imports should be controlled in the interests of our national security. That is the paramount—the only—reason why such imports are controlled.
>
> In the case of oil, our security would be jeopardized unless we have a strong, healthy, domestic oil industry capable of meeting any demand. This we could not do if low cost oil from petroleum exporting countries were to flood this country, with consequent damage to our own energy producing industries.
>
> The relationship between our national security and adequate supplies of oil is clear. On this score, it sufficies to point out that oil is practically the sole source of energy for transportation—both civilian and military.
>
> Adequate domestic supplies depend upon exploration and discoveries and these activities will not be carried on in the absence of an adequate market for domestic production.

Domestic producers could hardly have stated the case for an effective import program more persuasively. It's differences with the Secretary boil down to what constitutes an "effective" program.

In view of most industry elements, small and large, an effective program is one of long-range stability of import volumes, a program not threatened with such recent changes as those which, first, reclassified No. 4 fuel imports as "residual fuel," moving these imports outside the 12.2 ratio; second, gave the Secretary authority to authorize imports of asphalt outside of the 12.2 ratio, and third, authorized "bonus" crude oil import quotas to refineries which produce low-sulphur fuel oil.

But while the Secretary was stating his views one way, his recent decisions in the case of Hess Oil and Chemical Corporation and others in allowing additional low-cost petroleum products into the country are certainly not in the interest of an effective program.

I would like at this point to insert in the record the texts of a letter I wrote Secretary Udall about the import program with particular reference to the Hess case and the Secretary's reply:

December 12, 1967.

Hon. Stewart L. Udall,
Secretary, U.S. Department of the Interior,
Washington, D.C.

Dear Mr. Secretary: My District in Texas is important in production of oil. Among oil people there the interest in government programs affecting oil is understandably keen. As would be expected, I hear frequently from oilmen with respect to such programs, and as to actions affecting these programs.

Judging from my mail, the most disturbing recent action—among many that concern the industry—was the quota given to Hess Oil and Chemical Company to import 15,000 barrels daily of gasoline from the Virgin Islands. Many in the industry frankly did not or could not believe this project would be approved. They view it as a bad precedent leading to eventual destruction of the entire program. From what I understand, I can only agree with these fears.

In attempting to read up on this proposal, I was interested to find in the Oil and Gas Journal for November 13 that you had indicated to a press conference that the Hess quota might be taken from the Defense Department's unused import allocation. It was distressing to learn, a few days later, that Secretary McNamara had decided to reactivate this quota to import jet fuel, and I then noted press reports that DOD's action resulted from fears that its quota would be reassigned to other importers. Whatever the other effects, therefore, it appears the Hess project already has contributed to actions that have increased oil imports almost 30,000 barrels daily and restored a $20-plus million drain on our dollar outflow.

In addition to the possibility that Hess might get its quota partially from the Military's idle quota, I also noted in a news report on an intra-Departmental exchange of Interior memoranda that officials in the Department were of the view that room for the Hess quota had been made by the reclassification of No. 4 fuel oil as "residual," thus removing 20,000 barrels daily of that fuel from controls.

These press reports indicate that the decision was made to grant the Hess quota with no firm plan and no real understanding within the Department as to how these additional imports would be accommodated. Who would be penalized to make room apparently was given little, if any, thought. This appears to me to be, at best, a slipshod manner in which to operate a program whose purpose is to encourage development of enough domestic oil to assure our security for future emergency and defense needs.

When hearings were held on the Hess quota, in May, it was opposed by a number of members of the Congress. If my memory serves me, it was opposed by all elements of the petroleum industry—except Hess. It was supported by the government apparatus, the taxi drivers, the florists, the Chamber of Commerce and the hotel people in the Virgin Islands. How such "witnesses" could bring to bear such persuasion, resulting in an action that has brought confidence in the import program to a new low, is a matter which—to say the least—is filled with intrigue.

In order that I may answer questions raised by my constituents with respect to the Hess project, I would very much appreciate your response to the following specific questions:

1. Since this action has nothing to do with security, what basic purpose does it serve which overrides the defense objectives of the import program?

2. I notice Congressman Kirwan, commenting to Solicitor Barry in support of the Hess arrangement, in March 1 testimony on Interior appropriations, said Hess' payments to the Virgin Islands government ($7,500 a day under the approved quota) would, and I quote, "relieve the annual drain on the U.S. Treasury." Are other government funds for the Virgin Islands being reduced by $7,500 a day? If not, why not?

3. Press reports quoted you as saying the Hess allocation was opposed by the Oil Import Administration but supported by the Office of the Territories. Which of these agencies is best equipped to judge the merits and impacts of such projects on the operations, integrity, and equity of the import program?

4. In your opinion, would Hess Oil be able to make the investments and compete to the extent of 15,000 barrels daily of sales in the mainland market if there were no import quota?

I would appreciate being advised as to the Department's present thinking with respect to the other pending applications involving arrangements similar to the Hess project in Puerto Rico, and Guam. It would seem that if this trend is pursued to its logical end, by seeking to satisfy any and all comers who want to build offshore plants under circumstances giving them special import privilege, then we are going to wind up with a substantial part of our refining capacity strung along small islands in the Caribbean. I cannot possibly see how this could contribute to the purposes of the import program or our security as to energy supplies.

Your earliest convenient response will be appreciated.

Sincerely,

Bob Price,
Member of Congress.

U.S. Department of the Interior,
Washington, D.C., December 14, 1967.
Hon. Robert Price,
House of Representatives,
Washington, D.C.

Dear Mr. Price: I have your letter of December 12, 1967, with respect to the oil import program and the allocation to Hess Oil and Chemical Corporation.

Your letter contains implications about the administration of the oil import program which the record does not justify and cannot support. I am proud of the fact that we have been able to operate a fair and flexible oil import program—within the basic 12.2% limit—over the past seven years. While doing this, we have been able to deal with new problems—such as the need for low sulphur fuel and petrochemical feedstocks—because we were not hamstrung by a rigid program.

The Hess decision was made by me after long study and consultation with many people including, of course, those in this Department who have special responsibilities for the oil import program and our program in the Virgin Islands. I announced my decision and held an extensive press briefing on this subject on November 3. At that time I made clear that the welfare and economic health of the Virgin Islands was a major concern of this Department: that if we could help the Islands' growth without any substantial impact on the oil import program through granting the Hess allocation, it would be in the national interest to do so. As you know, I reduced the Hess application by 10,000 barrels a day to further lessen its impact on the oil import program.

You are suggesting "slipshod" administration because at the time the Hess allocation was announced, it was not clear where the allocation would come from. Actually, as I made clear at my press conference, this was only one of a number of details which remained to be worked out at that time. There were a number of options available to us and we preferred to postpone a final decision until other decisions were made with respect to the 1968 program. This is not the first time—nor will it be the last—that we have worked out details after announcing basic policy decisions.

You have asked what basic objectives are served by the Hess allocation which override the national security objectives of the oil import program. The question suggests a misunderstanding of the program itself. The national security purpose of the program is to restrict the flow of oil imports into this country in order to help the development of the domestic industry. The Hess allocation in no way increases the level of oil imports. The manner in which permissible imports are allocated is a different proposition and a whole range of factors, including national security, are involved. For example, the principle of competitive equity is involved in allocations to petrochemical companies. And factors other than national security are clearly involved in allocations to Canada and Mexico. Thus, the question of overriding national security objectives is simply not involved in the Hess case.

You quote Congressman Kirwan to the effect that the Hess allocation would "relieve the annual drain on the U.S. Treasury," and ask if government payments to the Islands are being reduced by the amount of Hess' payment to the Islands. Of course, I do not know what Congressman Kirwan had in mind, nor was my decision based on relieving a drain on the Treasury. The actual effect of the allocation on the Treasury is twofold: (1) By waiving the exemption on customs duties to which it is entitled, Hess will substantially increase its payments to the Treasury and (2) By providing income for a long overdue Conservation Fund for the Islands, the Hess allocation frees Government funds which would otherwise be required for this work. Your suggestion that we penalize the Virgin Islands in this instance for establishing this fund and securing an agreement with Hess seems inequitable, to say the least.

You ask which agency in my Department is best qualified to judge the impact of the Hess project on the oil import program. I would hope that the Oil Import Administration would play this role. However, as I have indicated above, in weighing the impact on the program, other factors and other interests come into play, and the judgment of the OIA would not necessarily be decisive. For example, we are working closely with the Department of Commerce on the petrochemical feedstock problem and expect to work closely with HEW on the low sulphur fuel problem. In both cases, the impact on the oil import program is one element in the decision-making process.

You have also asked if Hess could make investments and compete to the extent of 15,000 barrels a day in the mainland market without the import quota. I cannot speak for Hess on this score but it is of course obvious that without the quota, Hess could not ship to the mainland products against which import restrictions are in effect.

I expect to announce decisions on at least some of the Puerto Rican applications immediately and will be glad to discuss any questions you may have with respect to them. I hope this letter will help you respond to your constituents who have written about the Hess allocation.

Sincerely yours,

Stewart L. Udall,
Secretary of the Interior.

The decisions the Secretary refers to in the last paragraph of his letter were, in fact, announced the same day he answered my letter. These included additional refined products to be sold in eastern U.S. markets and an increased crude oil quota for a petrochemical plant in Puerto Rico.

In his letter, Secretary Udall said he was "proud of the fact that we have been able to operate a fair and flexible oil import program."

I must certainly agree that the program is flexible, and this latest flexing is further proof, if any was needed, that the oil import program should be written into law by Congress with emphasis on fairness rather than flexibility.

JUSTICE DELAYED IS JUSTICE DENIED

Mr. CAHILL. Mr. Speaker, during this first session of the 90th Congress, my colleague, the gentleman from New Jersey [Mr. Rodino], and I have repeatedly stated to the House our conviction that the time for a congressional review of the automobile insurance industry is long overdue. We were thus deeply concerned by the introduction, yesterday, of a joint resolution by Senator Magnuson and Representative Moss which may postpone effective congressional action in this tremendously important area.

This resolution would authorize and direct the Department of Transportation to conduct a study of "all relevant aspects of the existing motor vehicle compensation system," including—

First, the inadequacies of such existing compensation system in theory and practice;

Second, the public policy objectives to be realized by such a system including an analysis of the costs and benefits; both monetary and otherwise; and

Third, the most effective means for realizing such objectives.

In the declaration of policy, the reasons for such a study are stated to be that motor vehicle accidents and increased national dependence on automotive transportation present critical "social problems."

However, to speak in abstract generalities of the "social problems" occasioned by the traffic victim compensation system, fails to express the tragic suffering of thousands of claimants and their families who have no recourse against, nor hope of compensation from, the some 85 insurance companies which have become insolvent in the past few years. Nor does it adequately express the soaring premium rates paid by motorists throughout the Nation. Certainly, the term "social problem" does not adequately describe the well documented discrimination practiced by the industry against individuals because of their age, race, occupation, or marital status.

Nowhere in the resolution are these aspects of the insurance problem mentioned. By concentrating the focus of the proposed study on the "system of motor vehicle accident compensation," the problems of policy cancellations, soaring premium rates, and insurer insolvencies become secondary to the defects which may exist in the American negligence liability system. Certainly an academic examination of the fault system is necessary, as is a consideration of the various alternative liability or "traffic victim" compensation plans. However, in our judgment, and we believe, that of the American public, the immediate need is for a congressional investigation of the problems and abuses inherent in today's system of insurance regulation.

We would hope that the resolution will not be considered by the Congress as a means of completely fulfilling its immediate responsibility to protect the public interest. Yet, this is the interpretation favored by the insurance industry which has repeatedly stated its fear of an investigation conducted by Members of the Congress. This is also the interpretation of the resolution favored by the National Association of State Insurance Commissioners whose members are presently charged with regulation of the insurance industry.

In effect, the automobile insurance industry and many of its regulators have seen in this resolution an opportunity to apply the adage that "Justice delayed is justice denied."

However, in our judgment, the Congress cannot discharge its obligations to the American public by postponing investigation or by delegating its investigative authority to independent governmental agencies. The problem of automobile insurance is too urgent and too important to be so dispatched.

Since some form of investigation is clearly indicated, immediate congressional investigation would have the advantage of familiarizing the Members with possible legislative solutions, thus saving the time necessary to scrutinize and duplicate efforts of an independent agency.

Moreover, if conducted by Members of the Congress, the process of investigation itself would serve to protect the public against industry and regulatory abuses. The Nation has already been encouraged to learn of voluntary reforms adopted by the insurance industry after individual Members focused public attention on widespread discriminatory practices. However, we are convinced that if Congress delegates its investigatory powers to independent agencies the industry will again disavow its social obligations and return to practices devoted solely to profit maximization.

In short, Mr. Speaker, we will continue to advocate and urge that a special subcommittee of the House Judiciary Committee undertake an intensive investigation of the automobile insurance industry and State regulatory systems.

NEED TO REDUCE THE HIGH PRICE OF SILVER

Mr. CONTE. Mr. Speaker, last Friday the Treasury Department, after consultation with the Office of Emergency Planning, authorized the General Services Administration to offer for sale 1 million ounces of 0.999 fineness silver each week. This action, advocated by the users and producers alike, comes at a time when there is a shortage of silver refining capacity. I commend the Secretary of the Treasury in this decision because it will make available to the market additional silver of a grade which requires no further refining. The addition of this type silver should help bring stability to the hectic and highly speculative market we experience today.

Mr. Speaker, I do not like to keep harping on mismanagement of the silver situation by the Government, but I do think that the Treasury did make an error in judgment when it discontinued the sale of the so-called triple nine—0.999 fine—silver in the face of a shortage in U.S. refining capacity.

While the Office of Emergency Planning is to be commended in its effort to hang on to this highest quality silver, it should not be at the unwarranted expense of the consumer and the silver using industry. The records show that there is enough silver for the stockpile and, if a higher quality silver should be required in the stockpile, the Government can replace the slightly lower grade silver when the refining capacity is back to normal. It would seem that more thought should have been given to this situation last October when the Government ceased to offer silver of the higher fineness.

Everyone who has anything to do with silver is aware of the fact that the silver situation is one of chaos. The markets are in the hands of speculators and respond to every action by the Government and almost every rumor in the trade. The effect of the actions involving the British pound and our critical gold situation spill over into the silver market. The announcement in October of the cessation of the sale of triple nine silver resulted in a price jump of 7 cents. The price has skyrocketed, reaching a price of $2.17 on November 27. A few days ago it was $2. The next day, it was $2.10 per ounce. Who are the winners in this situation? A handful of domestic silver producers, foreign producers, and a large group of domestic and foreign speculators. The losers are the consumers who must pay unrealistically high prices for photographic products including X-ray film, electronic equipment, silverware, and other products where silver is a vital material for which there is no substitute.

I wish to point out the fact that the annual production of this country is around 42 million ounces of silver. This year, because of the copper strike, we will be lucky if it reaches 30 million ounces. Our usage this year could run as high as 165 million ounces. We are normally a net importer and, thus, we either have to import silver or obtain it from other stocks in this country. In addition to the Treasury stocks now amounting to 360 million ounces, there are at least another 1.5 billion ounces in outstanding coins.

For the consumer and the manufacturer of silver products the picture is indeed bleak. Something must be done to break the upward spiral. The following actions could be taken to alleviate the situation:

First, lift the prohibition against melting of outstanding 0.900 fine silver coins;

Second, examine margin requirements in the commodity exchange dealings in silver;

Third, settle the copper strike;

Fourth, sell unneeded Government silver stocks; and,

Fifth, eliminate the use of silver in the minting of coins.

In order to make silver in outstanding coins available, I have introduced H.R. 11910. Others have introduced similar legislation.

I am today calling on the Federal Reserve, the Securities and Exchange Commission, and any other interested departments or agencies to examine margin requirements in the trading of silver futures. At the present time, it is only necessary to put up 5 percent of the value of a silver futures contract involving 10,000 ounces of silver, which in today's market is worth more than $20,000.

I am also calling on the Government to take immediate action to end a copper strike which has reached the critical stage and must be settled. I have written to the President and the Secretary of Labor, recently, requesting them to take all appropriate steps to resolve this conflict.

As soon as the requirements of industry for Treasury silver are established following the resumption of sales of the 0.999 fine silver, the Treasury should authorize an increase in its offerings if such action is indicated.

I cannot emphasize too much my criticism of the failure to take action toward the elimination of silver in the 50-cent piece. Everyone admits silver is not necessary in the half dollar, that it is a drain on our silver supplies which could amount to well over 30 million ounces this year or more than probably will be produced in this country.

I shall push for consideration of my bills as soon as we return in January. I urge my colleagues and all those who have an interest in silver to get off dead center. Unlike the gold situation, the path is clear. Silver is no longer money. It must be made available for useful purposes.

SUMMARY OF THE ACHIEVEMENTS OF THE HOUSE REPUBLICAN TASK FORCE ON CRIME

Mr. GERALD R. FORD. Mr. Speaker, I believe my colleagues will be interested in a summary of the work which the House Republican task force on crime has done since it was established earlier this session under the able chairmanship of the gentleman from Virginia [Mr. Poff]. This is one of our most serious national problems, and the House Republican Committee on Research and Planning headed by the gentleman from New York [Mr. Goodell] moved promptly to develop a constructive legislative program for crime prevention and law enforcement through the combined and very considerable legal and legislative talents of Dick Poff's task force. Under leave to extend my remarks, there follows an exchange of correspondence and two recent statements of the House Republican task force on crime relating to organized crime and proposed legislation aimed at loan sharks.

The following is an exchange of correspondence between House Republican Leader Gerald R. Ford (R-Mich.) and Rep. Richard H. Poff (R-Va.), Chairman of the House Republican Task Force on Crime, summarizing legislative action taken in the 1st Session, 90th Congress, and the prospects for additional action on the part of the Congress and the Administration in 1968.

December 12, 1967.

Hon. Richard H. Poff,
Chairman, House Republican Task Force on Crime, U.S. House of Representatives, Washington, D.C.

Dear Dick: As we approach the close of the first session of the 90th Congress, I want to express to you as Chairman of the House Republican Task Force on Crime the sincere appreciation I feel for the fine work you and all Task Force members have done this year. I have just had an opportunity to review the summary of performance, and the record is truly outstanding. You have made specific and positive proposals for legislation dealing with the prevention and control of crime in America and have stimulated legislative action which otherwise would never have been taken.

Conspicuous among Republican contributions to the legislative successes of the House in the field of crime control were the interstate anti-riot bill authored by Bill Cramer of Florida, the bill introduced by Tom Railsback authorizing prosecution appeals in suppression of evidence orders, the bill granting disability benefits as well as survivorship benefits to local police officers wounded or killed in pursuit of federal law-breakers, the McClory amendment to the crime bill to establish a National Institute on Law Enforcement and Criminal Justice, and the Bill Cahill bloc grant amendment to the crime bill and the juvenile delinquency bill.

I would be interested to have your estimate of the prospects for a genuine crackdown on crime in 1968. Specifically, do you think that the President's recent statements on crime, particularly yesterday's aimed at the Congress, represents a true change of direction? If so, how does the Attorney General fit into this picture?

Wishing you a happy Holiday Season, I am,
Very truly yours,

Gerald R. Ford,
Members of Congress.

December 14, 1967.

Hon. Gerald R. Ford,
Minority Leader,
U.S. House of Representatives,
Washington, D.C.

Dear Jerry: Your letter concerning the Task Force is most gracious. I know all members would want me to express their appreciation not only for these kind words but for the leadership and assistance you have given so faithfully in connection with all our projects.

I will do my best to reply responsively, candidly and yet briefly to your questions. Actually, all three questions are intimately interwoven into one, viz., will there be any escalation in the Administration's war on crime in 1968?

My answer depends upon many imponderables and unpredictables. There is nothing uncertain about the need for escalation; the crime problem is bigger than ever before, growing faster than ever and neglected more than any other. In fairness, it should be said that so far as the President is concerned, neglect has been more unavoidable than purposeful. The President has been necessarily preoccupied with other grave domestic problems and with the tragic war in Vietnam. While it may be that the President's recent statements concerning the crime problem foreshadow a deliberate, methodical campaign in the election year to blame Congress for the problem, I doubt that it is accurate to say that his statements represent any change in philosophical approach.

What is imponderable and unpredictable is how, in your words, the Attorney General fits into the picture. During his short time in office, Attorney General Clark, formerly attached to the lands division of the Justice Department, has shown himself to be something less than a "crime fighter." It was he who persuaded the President to veto the District of Columbia crime package last year and, in the year since, major crime in the District has increased by 34%, a rate more than twice that of the nation at large. It was Clark who issued instructions to all Federal investigative agencies strictly limiting the use of on-person transmitters with remote recorders, an evidence-gathering technique repeatedly and presently sanctioned by the courts. It was Clark who opposed and still opposes legislation conformed carefully to the Constitutional mandates of the Supreme Court which authorizes wiretaps by police officers investigating specific crimes under court warrant and continuing court supervision; persists in his negative posture in the face of endorsements by his three immediate predecessors in office, the Judicial Conference of the United States and every major national organization of law enforcement officials. It was Clark who allowed the whole hot summer of 1967 to pass without even calling public attention to the existence of a Federal crime statute making it a Federal crime to travel from one state to another with the intent to promote or incite arson. It was Clark who delayed until last week end even a minimum administrative and organizational effort to deal with the mass violations of Selective Service laws, and then he was content simply to establish a new unit which functionally can do little more than can already be done under traditional procedures.

More recently, a syndicated columnist reported sharp disagreement between the President and his Attorney General on how to proceed in the matter of Stokely Carmichael.

From the foregoing, you will see that what is unpredictable is how long Mr. Clark will fit into the picture at all. I am sure that you have heard as I have heard speculation that, as the election grows nearer, if the nation's chief law enforcement officer continues to rest on the oars, Clark may go the way McNamara and Goldberg are going and others may go.

In summary, I think that beginning early next year there is likely to be a Presidential crusade to blame Congress for the crime crisis. And there will doubtless be some surface escalation of the war on crime, a political pageant, with or without Ramsey Clark.

Sincerely,

Richard H. Poff,
Member of Congress.

[A press release of the Republican Task Force on Crime, Dec. 5, 1967]

GOP CRIME GROUP UNVEILS COMPREHENSIVE ATTACK ON ORGANIZED CRIME'S MONEY MAKERS

Washington, D.C.—The House Republican Task Force on Crime Tuesday unveiled plans for a "comprehensive legislative" attack on the three major money makers of organized crime, gambling, narcotics trafficking and loan-sharking. They pegged the "take" from these racket activities at "nothing less than $10 billion a year—$50 for every man, woman and child in America."

Federal statutes specifically aimed at those offenses "are largely inadequate," the GOP Crime Task Force charged, and they said "no legislation of significance in these areas has been enacted since 1961."

In a prepared statement, the Task Force outlined its plans for a program "aimed directly at the three most lucrative racket activities. In some instances we will modernize old proposals; in others, we will make recommendations to fill the gaps in existing laws; in still others, we will propose new laws where none now exist," he said.

Because "organized crime cannot be met with programs whose impact will not be felt for twenty years, immediately effective solutions are required," the Crime Group said, and these are "laws and law enforcement".

The Task Force reiterated its support for legislation which would permit court supervised electronic eavesdropping and which would broaden witness immunity procedures, but said that "pending Congressional action on these bills", the enactment of their new program would "greatly aid the Executive Branch" in the war against organized crime.

Rep. Richard H. Poff (R-Va.), Task Force Chairman, indicated that the first part of the program would deal with "loan-sharking" and that the legislation would be introduced "hopefully in a day or so."

Gambling, narcotics trafficking, and loan sharking account for the great preponderance of the illegal dollar loss to the American public that is being channeled today into the pockets of racketeers.

The President's Crime Commission indicated that illegal gambling provided organized crime with a net profit of no less than *seven billion dollars a year*. With respect to loan sharking, the lending of money at higher rates than the legally proscribed limit, they found that it was organized crime's second largest source of revenue and noted that many officials "classify the business in the *multi-billion dollar range.*" The Commission further stated that the illegal heroin trade alone is *three hundred fifty million dollars annually*. This does not take into account the trade in marijuana and hallucinogens like LSD, part, if not all of which is also controlled by organized crime.

In light of these reliable estimates, it seems fair to place the "take" of these three illegal activities at nothing less than *ten billion dollars a year*, or fifty dollars for every man, woman and child in America. This is approximately one-half of the entire cost of the war in Vietnam for the fiscal year 1967, almost *the exact amount* of the federal budget deficit of $9.9 billion for the same year, and *half again* the $6.3 billion the President originally said his 10% surtax on incomes would produce in the first year. We note the Crime Commission's finding that "if organized crime paid income tax on every cent of their vast earnings, everybody's tax bill would go *down* . . ." We do not suggest that all the money that is thus being poured into the coffers of organized crime could or even should be diverted to the Government. Rather, it is our purpose in citing these figures to dramatize the staggering sums that are being siphoned from the American public at the very time when it is being asked to make financial sacrifices to combat inflation, cut the budget deficit, and pay for the increased cost of the war.

The organized criminals of today are generally not the creatures of poverty and despair although surely they principally feed upon the victims of poverty and despair. Organized crime cannot be met with programs whose impact will not be felt for twenty years. It requires immediately effective solutions, laws and law enforcement. Part of the responsibility for enacting the laws lies with the United States Congress; part of the responsibility for enforcing these laws lies with the Executive Branch of the Federal Government.

This Task Force finds that existing federal statutes specifically aimed at gambling, narcotics trafficking and loan-sharking are largely inadequate. The Anti-Racketeering statutes of 1961 have been effective to some degree in this regard but experience has shown that even they are but a partial solution. No substantive legislation of significance in these areas has been enacted since then. It is our intent to propose to the Congress in three stages beginning shortly a comprehensive legislative program aimed directly at these most lucrative racket activities. In some instances we will modernize old proposals; in others, we will make recommendations to fill the gaps in existing law; in still others, we will propose new laws where none now exist.

This Task Force remains committed to the proposition that the enactment of legislation permitting court-supervised electronic eavesdropping would constitute the single most important step the Congress could take in the war against organized crime. In our view, the enactment of a broader witness immunity procedure would also be highly significant. We nonetheless realize that more than even these statutes are necessary if it is to be a full-scale war that we will fight and win. Pending Congressional action on the eavesdropping and immunity bills, we believe that the enactment of the program we propose will partially fulfill the Congress' responsibility in the war and will greatly aid the Executive Branch in discharging its part.

[A press release of the Republican Task Force on Crime, Dec. 11, 1967]

GOP Crime Group Offers "Anti-Loan-Shark Bill

Washington, D.C.—As the first of three steps in its "comprehensive legislative attack" on the major sources of income for organized crime, the House Republican Task Force on Crime today introduced a bill specifically aimed at "loan-sharking."

Last week the GOP Crime Group announced plans for a legislative program directed at gambling, narcotics trafficking and loan-sharking, "the three major money makers of organized crime," whose "take" they estimated at "nothing less than $10 billion a year."

Calling "loan-sharking", or the lending of money at illegal rates of interest, "a source of racket income second only to gambling . . . in the *multi-billion dollar a year range,"* the Task Force cited findings by the President's Crime Commission that typical loan-shark victims are marginal, small businessmen and wage earners in mass employment industries. They said that the classic rate of interest charged was *"20% a week."*

The Task Force pointed out, among other things, that Congressional Committee reports are filled with testimony concerning small businesses which have been taken over lock, stock and barrel by the syndicate which got its first foothold through a loan shark."

Despite this and the fact that loan sharking is clearly part of organized crime on a national level, *"no federal statute exists which deals directly or effectively with it,"* the Crime Group continued. "In our view this constitutes a serious gap in the law."

The GOP bill makes it a federal crime to lend money at illegal rates of interest whenever such a loan interferes with or affects interstate commerce, or whenever any part of the loan transaction or efforts at collection cross state lines. It is based upon the loan for a charge prohibited by State law. "If there is no initial violation of State law, there is no violation of Federal law," a Task Force spokesman said.

The bill is sponsored by Rep. Richard H. Poff (R.-Va.), the Task Force Chairman, by the thirteen other members of the Task Force, and by GOP Minority Leader Gerald R. Ford (R.-Mich.), Rep. William M. McCulloch (R.-Ohio), Ranking Minority Member of the House Judiciary Committee, and Rep. William B. Widnall (R.-N.J.), Ranking Minority Member of the House Banking and Currency Committee.

Among the benefits that will result from the new law is increased jurisdiction "for federal agents to investigate loan-shark allegations," the Task Force explained. And, they added "the mere thought that they may now be involved in a federal crime might be enough to drive many loan-sharks out of business, without anything more."

House Republican Task Force on Crime Statement Concerning Loan-Shark Legislation

According to the President's Crime Commission, "loan-sharking," the lending of money at illegal interest rates, is a source of revenue for organized crime, second only to gambling. The annual "take" from loan-sharking has been estimated at many knowledgeable law enforcement officials to be in the "multi-billion dollar range."

The Commission noted that gamblers borrow to pay their losses and addicts borrow to purchase narcotics. They also found that the same men who take bets from or sell policy slips to employees in the mass employment industries, on the docks for example, lend them money to pay off the gambling debts or to meet household expenses. Small businessmen borrow from loan sharks when legitimate credit channels are closed to them and in this regard, Congressional Committee reports are filled with testimony concerning small businesses which have been taken over lock, stock and barrel by the syndicate after it got its foothold through a loan shark.

The Crime Commission determined that interest rates vary from 1 to 150 percent a week but that the classic 6 for 5, or 20 percent a week, was most common with small borrowers. They observed that the loan shark is usually more interested in perpetuating interest payments than in collecting principal and that force or threats of force of the most brutal kind are used to effect interest collection, eliminate protest when interest rates are raised and prevent the harassed borrower from reporting the activity to enforcement officials.

Despite the wealth of documentation concerning the evils of loan sharking and its clear relation to organized crime on a national level, *no federal statute exists which deals directly or effectively with it.*

Two federal statutes have been used from time to time against loan sharks, but they are applicable only where actual collection methods amount to provable extortion. These statutes are generally anti-racketeering statutes aimed at extortion, among other things. At the time they were enacted, Congress did not have loan sharking specifically in mind. In our view, this constitutes a serious gap in the law for the very practical reason that while extortionate collection may be implied in any loan shark situation, in the overwhelming majority of cases extortion simply cannot be proved.

The dock worker who borrows from the well-known neighborhood loan-shark to pay for family sickness may not be told and does not have to be told precisely what will happen to him if he doesn't pay on time. The clothing store operator who borrows to keep up with legitimate creditors during slack seasons may not be beaten up by the polite yet menacing hoodlums who inquire as to the status of payments. He too knows what the message is. These are the typical situations—the threat merely implied but nonetheless real and effective simply because the syndicate lurking in the background is known to be involved. Under existing federal law, extortion could not be proved in either situation.

The House Republican Task Force on Crime, as the first step in its legislative program against the major sources of income for organized crime, has drafted and introduced in the House of Representatives, a bill specifically aimed at loan sharking. It is intended to expand federal jurisdiction over this activity and to make it a federal crime to lend money at illegal rates of interest, wherever such a loan affects or interferes with interstate commerce. It is thus a two-part bill which approaches loan sharking from two well-established bases of federal jurisdiction. Both parts amend the existing anti-racketeering statutes which we have previously noted.

The first part amends Section 1951 of Title 18, United States Code, which deals with robbery and extortion which interferes with or affects interstate commerce. Loan-sharking would be added as a federal crime under these circumstances, and as a result, an illegal loan to a business which ships its goods from Chicago to Detroit might be the subject of a federal prosecution.

The second part amends Section 1952 of Title 18, which deals with several racketeering activities that are federal crimes when any part of the transaction crosses state lines. Loan-sharking is added to these, and as a result, a telephone call from New York to Miami or travel from New Jersey to Pennsylvania might be the subject of federal prosecution.

Both violations are based upon the lending of money for a charge or rate of interest prohibited by the laws of the State where the loan is made. If there is no initial violation of State law there is no violation of Federal law. Subsequent threats to enforce collection of the loan need not be proved so long as the loan itself is illegal.

There is an abundance of precedent for this legislation and we feel it will go a long way towards drying up a principal source of revenue for organized crime. For one thing it will provide hitherto lacking jurisdiction, except where a potential tax evasion case is present, for federal agents to investigate loan-shark allegations. Further, federal prosecutions will inevitably result but even where they don't, evidence will be turned over to local law officers for prosecution. Finally, the mere thought that they may now be involved in a violation of federal law, might be enough to drive many loan-sharks out of the business without anything more. This, in itself, will be a significant accomplishment.

MORE REPUBLICANS IMPROVED THE 90th CONGRESS

Mr. GERALD R. FORD. Mr. Speaker, this Congress has been a good Congress because of more Republicans in both the House and Senate. President Johnson admits it has been a productive Congress. His majority leader in the Senate, Senator Mansfield, says the record of this Congress has been "good, decent, and respectable," and I agree, as I am sure Senator Dirksen does.

I recall vividly in the middle of the 1965 session of the 89th Congress—the last Congress—Senator MANSFIELD said that the Congress had passed a lot of major bills too hastily, with too many loopholes and too many rough corners, and particularly it had failed to make a proper assessment of the current and ultimate cost of these vast programs.

But the 89th Congress did not listen to Senator MANSFIELD, while the American people did.

The 90th Congress in 1967 has been productive and constructive, primarily because the voters of the Nation in November 1966 gave us a net gain of 47 Republicans in the House and additional strength in the Senate. These new Republicans came from 33 States—from the length and breadth of America. They are attractive, articulate young men and women who are responsive to their voters and who are fighting hard for constructive solutions to the Nation's problems at home and abroad.

This Congress, with 50 more Republicans, has produced this record:

First. Spending limitations totaling more than $4 billion from the President's budget for fiscal 1968: This effort to curb runaway inflation and avoid another tax increase succeeded only because of virtually solid Republican support.

Second. Social security improvements: More benefits for senior citizens who have been hurt by Johnson-Humphrey inflation—without the additional payroll taxes on working citizens that President Johnson wanted. Ninety-nine percent of House Republicans supported this legislation.

Third. Comprehensive health legislation: A partnership-for-health bill providing funds for the Federal Government and the States to attack rats and other pests, narcotics addiction, and so forth. Ninety-eight percent of Republicans supported this legislation.

Fourth. Clean meat inspection law: 99½ percent of Republicans supported.

Fifth: A flammable products control bill to protect families and children from deadly garments, toys, and home products: 100 percent Republican support.

Sixth. A law to clean up the air we breathe: 100 percent Republican support.

In the House of Representatives this session—with Republicans reinforced and on the march—we have passed many forward-looking and much-needed bills. Here are eight of them:

First. A Law Enforcement and Criminal Justice Assistance Act—modified to permit State and local agencies to play their rightful role—99 percent Republican support.

Second. Juvenile delinquency prevention and control legislation—99½ percent Republican support.

Third. Federal antiriot legislation—99 percent Republican support.

Fourth. Adult education legislation—100 percent Republican support.

Fifth. Law to stop desecration of the American flag—100 percent Republican support.

Sixth. Equal benefits for Vietnam veterans and their families—100 percent Republican support.

Seventh. Independent Maritime Administration legislation—opposed by the Johnson-Humphrey administration but backed by 97 percent of House Republicans to try to salvage the neglected U.S. merchant marine.

Eighth. Curbs on excessive nondefense spending—Federal spending in 1960 under the last Republican administration was $48.6 billion. Estimated nondefense spending for fiscal 1968 is nearly double that figure—$95.6 billion. The cumulative Federal deficit since President Johnson entered the White House is expected to exceed $60 billion. As a result, the U.S. dollar is in trouble abroad and buys less and less at home.

This is a good Congress and it is because the American people made some changes from the last one.

Republicans are against the status quo in the handling of our Federal fiscal affairs. We are soldiers fighting the Johnson administration's inflation and the Johnson administration's high interest rates. We believe the American people deserve a better deal. Look at this dollar bill. Since a Republican left the White House about 7 years ago, the purchasing power of this dollar bill has gone down 13 percent.

Just to give you another indication, the cost of living in 1966 went up 3.3 percent. The cost of living this year will probably be close to 4 percent, and next year it appears that the cost of living may even be higher than that.

I think the American people deserve a better break and we as Republicans are fighting to do something about inflation, the higher and higher cost of living and the high interest rates. Talking about high interest rates, let me point out that just a week or so ago our Government, Uncle Sam, sold Federal securities and paid 6.4-percent interest, the highest in 100 years. Now this problem is created, I think, by the fact that the administration has failed to manage effectively and responsibly our Federal taxes and our Federal expenditures.

I have here in my hand a copy of the Federal budget for 1968, that is this fiscal year. We think the mismanagement of this budget has precipitated high interest rates and inflation.

Let me point out the problem that we face in the Congress. When the President submitted this budget to us in January he said the deficit would be $8.1 billion. In August he finally conceded that the deficit would be $29 billion and just a few weeks ago the President—I think quite irresponsibly—said the deficit might reach as high as $35 billion.

The trouble is we just cannot believe the mathematics that the Johnson administration submits to us every year in January. With all the errors they have made in every budget, I often wonder what would happen to a taxpayer if he made similar mistakes on his Federal income tax return. I think any ordinary taxpayer would really be in trouble.

Now when we come right down to it, the Republicans for the last 3 years have tried to make specific, constructive recommendations to attack inflation and high interest rates. The national Republican coordinating committee, of which both Senator DIRKSEN and I are members, recommended in 1965 a nine-point program to straighten out the fiscal problems we face. The coordinating committee in April 1966 made a 13-point recommendation to fight inflation and high interest rates. We in the House of Representatives have been trying to cut Federal expenditures as Republicans also have in the Senate. We have a better solution to the fiscal problems facing this Nation which result in such a severe loss in purchasing power for every American family. We believe it is better to reduce expenditures than to pass the President's tax increase. We believe in responsible, realistic Federal financing. Do you realize that in the last 7 years since a Republican left the White House, there have been accumulated deficits in the Federal Government of over $60 billion? This cannot go on much longer or our dollar will be worth even less than it is today.

Now let me point out the problem we face in crime. In the last 8 years our population has gone up 10 percent, but in the last 8 years crime in this country has gone up 67 percent. The FBI reported just the other day that crime in this country went up 16 percent in the first 9 months of 1967. There have been 120 or more riots in our major metropolitan areas in 1967, in which 118 people lost their lives, some 4,000 have been injured and $270 million in damage was done to public and private property. Yes, we are against this kind of a status quo. Republicans are fighting to do something about the crime problem.

The President early this year sent up a bill to involve the Federal Government in the crime problem. The House of Representatives under Republican leadership threw out the President's crime bill and we passed a meaningful piece of legislation that denies the President's demand for what could become a Federal police force under the control of the Attorney General. Our bill, as the House passed it, gives to the States needed Federal funds and Federal guidance, providing each State has a State plan coordinating the local and State law enforcement organizations. We think the Republican approach to crime is the constructive one. I am proud to repeat that 99 percent of the Republicans in the House supported this crime remedy rather than the dangerous one that the President recommended.

We have talked about the good things this Congress has done, primarily because of the increased numbers of Republican Congressmen the American people in 33 States sent us a year ago to help us battle against the Johnson administration's status quo. But the job of this Congress is not yet completed. We think this Congress should write a good record as a reform Congress. For example, we believe that there should be clean election legislation. We have been operating in this country for a numbr of years with antiquated, inadequate, and ineffective Federal election laws. In the House of Representatives, the Republicans have really carried the ball to try and get meaningful, effective legislation to guarantee clean Federal elections in the 1968 presidential race, in the upcoming Senate races, and in the House races. We believe that there should be strict disclosure as to funds received by candidates and to the expenditures that are made on behalf of a candidate.

We strongly disagree with the President's proposal to finance elections out of taxpayers' money from the Federal Treasury. We think that is the wrong way to get the people interested in good government.

One of the good ideas that our new Republican Members pushed the hardest on—and I am proud of their efforts and of the results—was to establish in the House of Representatives a code of ethics for all Congressmen. They took the lead in getting the House of Representatives to establish a Committee on Standards of Official Conduct. This committee has put together and is about to announce a code of ethics for Members of the House of Representatives. We think this is long overdue, and I hope it will be effective.

This new group of Republicans is a very vigorous lot. They are articulate and attractive and they work hard. They sometimes come up with ideas that should have been thought of before and, believe me, they are a very helpful group when we challenge the status quo of the the Johnson administration on fiscal matters, on crime and law enforcement, and on other matters. I hope that in the next election the American people will send at least 31 more to the House of Representatives, so we can continue trying to straighten out some of our basic problems, trying to get away from the status quo that we are in today.

This is not a rubberstamp Congress. The last Congress was President Johnson's Congress, but this Congress is more nearly representative of the American people.

But, this is the Christmas season, and only minutes ago President Johnson turned the lights on the White House Christmas tree on on behalf of all Americans.

We did not agree and frankly we did not like the President's unfair assessment of the 90th Congress in 1967. But now we have set the record straight, there is something far more important I would like to say. As Republicans, we are not only proud of the work we have done in the session just ending, we are proud of the Congress itself. With increased strength we have immensely improved the quality of laws under which all Americans live, and we intend to continue to play our proper part in the constitutional process of government. We hope the President and the judicial branch will play theirs. We are proud of the way representative government works, and we will keep on fighting to make it work. We are proud of America and have faith in America, and with new Republican leadership in the White House and Republican majorities in the Congress we pledge our countrymen that everyone can be really proud of being an American. Let us never forget that we are all Americans.

On that note, Merry Christmas to you, Mr. President, and Merry Christmas to everybody in this great, good, compassionate and charitable land, which has been good to all of us.

LT. GEN. LEWIS B. HERSHEY: A VALUABLE PUBLIC SERVANT

Mr. BRAY. Mr. Speaker, there is an old Hoosier saying that, "you don't find many clubs under a sour apple tree."

This homey phrase can well be applied to Lt. Gen. Lewis B. Hershey, director of the Selective Service System. Few men in American public life have been the subject of so much controversy and misunderstanding; few men have been so attacked and their resignations demanded; few men have been the targets for criticism from such diverse groups; and few men have rendered such long, patriotic, dedicated and sterling service to their country as has General Hershey.

The Selective Service, or draft, whichever name you care to call it, has never been and will never be popular. The Director of the Selective Service System is naturally criticized. But regardless of criticism, General Hershey has commanded the respect of his countrymen for more than a quarter century—a record that few Americans can claim.

For many years it has been easy to get publicity by attacking General Hershey, but "Old Man River just keeps rollin' along." Five Presidents of the United States, representing both major political parties, have trusted General Hershey, and that trust has not been misplaced. General Hershey's job has not been easy, and there are few men in America who could have filled this difficult position through the years and still maintained the respect and confidence of the American people that General Hershey has.

I will not comment on General Hershey's October 26 recommendation to local draft boards for immediate processing of antiwar protesters who physically impede the work of military recruiters and Selective Service officials. I do not presume to know what decision the Supreme Court would make on this order. I do know that the overwhelming majority of the American people, while believing in the right of protest, are bitterly opposed to mob violence by the "New Left" to prevent Americans from fulfilling their duty and obeying the law.

If Attorney General Ramsey Clark had demonstrated a real interest in enforcing the Selective Service law, General Hershey's recommendation would not have been necessary. Senator PHILIP HART of Michigan demanded on November 10 that Attorney General Clark give a prompt opinion regarding the legality of General Hershey's proposal. Although more than a month has passed, the Attorney General has given no reply.

General Hershey, as the soldier that he is, is acting under the orders of his Commander in Chief, President Johnson, and as General Hershey has said:

> Until he (President Johnson) tells me to change my course, I'll sail it.

As stated by the New York Times:

> At 74 years of age, he is still a tough, direct, honest and combative man who does not shirk a fight. An hour with him convinces most visitors that with Lewis Hershey in charge, not one Indian would have ever made it alive over the stockade wall.
>
> If General Hershey does leave, he can do so with the satisfaction of a record of service held by few individuals in the history of the Federal Government.

PEACE CONFERENCE IN VIETNAM? PITFALLS AND PERILS

Mr. BRAY. Mr. Speaker, our involvement in Vietnam, that has cost us over 120,000 in dead, wounded and missing since 1961, will probably be changing in the near future. It is entirely possible that we will find ourselves at the conference table with North Vietnam.

To date, Hanoi has refused around 30 openly made and no one knows how many secretly made offers from the United States for a conference—anywhere, anytime. So why would they ask for one now?

The North Vietnamese are not stupid and they are fully aware that departure of Secretary of Defense Robert S. McNamara also means departure of the philosophy of "no military victory," which we have pursued for so long. There are many new options open to the United States, both political and military. None of them would give Hanoi any comfort. For instance, mining Haiphong harbor would put a near-fatal headlock on North Vietnam's supply route. The overwhelming majority of its supplies from other Communist countries comes by sea; the rail routes from China are both few and unreliable and airlift alone could not possibly sustain a prolonged military effort.

What we will do is of course at this time unknown and equally uncertain is what Hanoi would do in response. Up until recently, it was felt Hanoi would hold on until after the presidential elections of 1968, but intensified U.S. military and political pressure in the months ahead could very likely rule this out. Choking off supplies and hitting harder in the field could lead to gradual withdrawal of enemy forces north of the 17th parallel, leaving behind only enough to continue guerrilla action. At this point, then, Hanoi would ask for the conference it has so far refused to consider.

If it does, then let no one forget these facts:

Peace conferences do not necessarily mean an end to fighting; Korean truce talks began on July 10, 1951 but fighting did not stop until 12 hours after the armistice was signed on July 27, 1953—2 years and thousands of casualties later.

A peace conference is every bit as dangerous to our interests—both long-run and short-run—as continued fighting, and in many ways even more so. The World War II conferences at Teheran, Yalta, and Potsdam fade from memory, but their disastrous results to the Western World still live, in Russian domination of Central and Eastern Europe, and Communist ascendancy in great sections of Asia.

Dean Acheson, former Secretary of State, has recently given us warning of what to expect from a Vietnam conference:

> When the Communists feel that this effort (war) has not succeeded, they will stop the effort. But if they get to talking with us,

> then we get on this eternal flypaper, in which half the United States will be negotiating for them.

He further stated:

> With us, negotiation is a David Harum business, in which both parties want to reach a result and each one wants to get a slight advantage in reaching a predetermined result—the sale of a horse, the end of a war, whatever it may be.
>
> The Communists have a Clausewitz idea toward negotiation. Negotiation is a war carried out by other means, and what they hope to do in a negotiation is not to bring about peace, but to disadvantage somebody in the course of a war, separate you from your allies, cause you domestic trouble, and so forth.

In any conference with North Vietnam, the United States will be facing a cunning adversary versed in the wiles of the Communist world where no promises, agreement, or commitments are considered sacred.

The United States has a clear warning from the North Vietnamese Communists of what to expect in a conference with them. This warning is given by Truong Chinh, one of the greatest North Vietnamese military and political strategists and writers. But will we listen? The free world ignored the Nazi plans as expressed in detail in Hitler's "Mein Kampf," this to our eternal sorrow. In his book, "Primer for Revolt." Truong Chinh explains the success of taking advantage of conferences and treaties in dealing with the French during the French-Indochina War of 1946–53:

> The Franco-Vietnamese Preliminary agreement as well as the Franco-Vietnamese treaty which may be signed soon are not ultimate aims but only temporary measures in order to give our people a moment's breathing space in which to consolidate the position of the democratic republican regime brought into being by the August revolution to strengthen our real forces to march towards a new stage.
>
> * * * it is possible that the democratic parties in France may hold negotiations with us in order to save the situation. In that case, our long resistance will be interrupted by new talks, and that is precisely one of its characteristics.

Truong Chinh also explains the Communist success in the French-Indochina War by the assistance of anti-French riots and demonstrations in France:

> If France does not negotiate with us soon, these difficulties (anti-France demonstrations) will grow to such an extent that France will be powerless to overcome them.
>
> The more the anti-war movement in France and the revolutionary movement in the French colonies will develop, and the more severely the democratic world will condemn French colonial policy.
>
> The anti-war movement has been launched . . . on March 25, 1947 the general Confederation of Labour organized throughout France many demonstrations embracing millions of people with the slogan: "Immediate negotiations with Vietnam."
>
> The movement against the war and against the die-hards in France grows stronger and more fierce. The peoples in the colonies rise up actively against the French rulers. World opinion severely condemns France, which is isolated diplomatically.
>
> In the struggle for peace and democracy, these (Progressive) forces cannot remain indifferent to our struggle for support Vietnam only by words where deeds are required. They must arraign France before the tribunal of world opinion to judge her and compel her stop the war (in Indochina).
>
> The French people will more strongly oppose war day after day, or will rise up to overthrow the reactionaries.

It is also interesting that Truong Chinh has described in very clear detail their plan for guerrilla warfare:

> When facing more powerful enemy forces, if the guerilla forces want to keep the initiative while fighting, they must follow the four rules drawn up by Comrade Mao Tse-tung:
>
> (a) When the enemy advances, we retreat;
>
> (b) When the enemy halts, we harass him;
>
> (c) When the enemy is worn out, we attack him;
>
> (d) When the enemy runs away, we pursue him;

These quotations of Mao Tse-tung, as given by Truong Chinh, are strikingly similar to the quotes of Sun Tzu, the great Chinese military general and writer of the fifth century B.C.

It is also of interest that Truong Chinh explains what is necessary to win in mobile and guerrilla warfare. From Truong Chinh's statements, it is apparent that today the North Vietnamese are not winning but losing, a fact that must be apparent to them:

> To keep the initiative is the essential principle of tactics in general, and of guerrilla warfare and mobile warfare in particular.

It has now been more than 2 years since the North Vietnamese army lost the initiative and in the hundreds of battles since then, at no time have the Communist forces been able to regain the initiative after the first few hours of attack.

This demonstrates that the Hanoi leadership is aware of what is necessary to win in guerrilla warfare. The North Vietnamese are aware that the phasing out of the McNamara "no win" policy means they will suffer defeat.

The Communists can pull back into North Vietnam, in a sense a defeat; or they can follow the tactics at which the Communists have been so successful in the past, that is, suffering a defeat on the battlefield but accomplishing a victory at the conference table.

U.S. AID TO CONGO TERMED SUCCESS

Mrs. BOLTON. Mr. Speaker, our diplomatic and military officials are continuously faced with situations calling for quick response which is appropriately vigorous and wisely restrained.

Such a delicate U.S. mission in support of the efforts of the Congolese Government headed by President Mobutu to quell an uprising of white mercenaries has just terminated successfully. The last of the three C–130's made available for limited purposes last summer has just returned from the Congo.

This mission was carefully conceived and prudently executed. I am happy to insert into the RECORD a perceptive "wrap-up" story on the episode written by a knowledgeable Washington correspondent of the New York Times, Mr. Benjamin Welles.

U.S. AID TO CONGO TERMED SUCCESS—PLANES SAID TO HAVE HELPED SAVE REGIME IN UPRISING

(By Benjamin Welles)

WASHINGTON, December 10.—The United States withdrew yesterday the last of three transport planes sent to the Congo last summer to assist the Government in quelling an uprising of white mercenaries.

In so doing, the United States ended a five-month operation that officials here are hailing as a substantial success.

Despite repeated tests of will with Gen. Joseph D. Mobutu, the volatile young Congolese chief of state, United States policy-makers now assert that timely American intervention helped prevent the territorial dismemberment of the Congo and the collapse of the Mobutu Government.

Moreover, by its intervention in support of a black African Government against rebellious whites, the officials believe, the United States helped spare the Congo's 70,000 law-abiding white residents—including 1,700 Americans—from a serious threat of racial attack.

The United States also strengthened its image as the friend of independent African nations, diplomats believe.

DOUBTS ABOUT FUTURE

Nonetheless, despite the apparent peace that has now returned to the vast Congo territory, well-posted sources here doubt that the United States would intervene again so rapidly and unilaterally if similar disturbances arise in other self-ruling African countries.

"We took a gamble, we were bitterly criticized at the time, but it seems to have paid off," one informed diplomat said. "I won't deny, though, that it's been a headache."

When the United States sent three C–130 Hercules transports to the Congo July 10 at the urgent pleading of President Mobutu, policy-makers assumed that there would be criticism.

Within hours, Senate leaders, including J. W. Fulbright, chairman of the Foreign Relations Committee, Richard B. Russell, chairman of the Armed Services Committee, and Mike Mansfield, majority leader, had denounced the move as "immoral intervention" that would lead to "another Vietnam."

Two of the three C–130's, which were used to ferry troops and supplies, were withdrawn in early August.

ARMS LAID DOWN

Now, the territorial integrity of the Congo has been maintained and the 130 mercenaries and their 950 Katangese adherents have laid down their arms in neighboring Rwanda.

According to information here, the Katangese have accepted an offer of amnesty from the Congo Government and, with their women and children, are gradually being airlifted back into Katanga on Congolese aircraft.

The white mercenaries, whose numbers have dwindled to 113, are being interrogated on a tea plantation outside Kigali, Rwanda, by a five-nation commission of African magistrates set up by the Organization of African Unity.

The whites—Belgians, French and Italians, plus a smattering of Portuguese, Rhodesians, South Africans, Israelis, West Germans and Greeks—have signed pledges never to engage in mercenary activities again on the African continent.

PLANS ARE WEIGHED

The Organization of African Unity is said to be weighing various plans: to demand from the mercenaries' Governments binding guarantees that their nationals involved will never again become mercenaries in Africa; to demand compensation for damage allegedly done during the fighting; to demand that the European Governments evacuate the mercenaries by air once the guarantees are given and the compensation paid.

"No Government can guarantee that one of its nationals will never again become a mercenary in Africa," a diplomatic source commented. "Controls of that sort just don't exist. And the question of compensation is academic. The best the O.A.U. can hope for is an airlift by the Belgians and French to get all the whites out of Rwanda before anytning happens."

CONGRESSMAN GROVER REPORTS TO CONSTITUENTS

Mr. GROVER. Mr. Speaker, I am privileged to submit for the Record the annual report which I am sending to the constituents of the Second Congressional District in New York reporting on the activities of the first session of the 90th Congress. The report is as follows:

Each year as our Congressional Session closes I make it a policy to report to you my views on the accomplishments of the session and to give an informal account of my duties as your voice in the House of Representatives of the United States Congress.

During the year I have conducted my annual opinion poll; I have written weekly newsletters and taped many radio reports on Vietnam, the War on Poverty, selective service, reapportionment, the credibility gap, East-West trade, tax sharing, and many other issues of the day. In view of that and the shortage of space, this report will not permit re-discussion. I will during the year, however, continue to discuss these problems with you.

This First Session of the 90th Congress convened with a major realignment of voting strength in the House by the addition of 47 new Republican members. Although the Democratic majority was still substantial, the change brought about a more constructive dialogue on many major issues, and for the first time it seemed a caution light was turned on to slow down the administration's legislative steamroller.

Many of the Johnson Administration's high-priority legislative proposals have been deferred until the Second Session convening in January, 1968. These include the tax increase, highway beautification, patent revision, truth in lending, and others.

Among the new successful legislative ventures were a comprehensive health act, a good anti-crime bill, the Air Quality Act, a meat inspection act, Railroad Labor Dispute Legislation, an anti-riot bill, and a flag desecration bill.

Due to the disinterest and lack of leadership in the majority, there were notable failures in the field of election reform, and Congressional procedures reform. President Johnson's stubbornness prevented the Congress from producing a viable new program for our rapidly deteriorating maritime industry.

Serious concern over our nation's economy, rising federal debt, a high budget deficit, and inflation brought about a year long fight in a "guns vs. butter" legislative battle; a fight which saw the forces of "tax and spend" meet head-on with the forces calling for tax reform and reduced Federal expenditures. The outcome of the struggle is still in doubt, with the President and his budget advisors insisting on a tax hike and the economy-minded in Congress (in which group I include myself), insisting on the establishment of priorities and a long range program of controlled Federal spending.

One area in which the Congress demonstrated its economy-mindedness was in its handling of foreign aid. The appropriation for that program was the smallest in twenty years, and well it should be, when we consider the demands upon the taxpayer and the demands upon our government in the light of a United States public debt which even now exceeds the public debt of the entire free world combined.

Th President wanted $3.8 billion to distribute to 100 of those free nations. But there are already $6.8 billion in the pipeline from prior years appropriations.

It is fair to acknowledge the successes of foreign aid while we condemn its failures ($9 billion to France over 20 years); and it is proper to have sympathy for poor emerging nations, but the right approach is not U.S. handouts but rather multi-national participation mixed with a good portion of self-help.

As fourth-ranking Republican on Merchant Marine and Fisheries and third-ranking on Public Works, I have had a busy year of committee work, and as your voice in Congress, I have for the fifth year been among the members with the best attendance records on roll-call votes. This year I have originated and sponsored more legislation than in the prior four years. Among the more important are the following:

H.J. Res. 53, concerning continuance of National Cemetery System

H.R. 659, to remove income limitations of Social Security beneficiaries

H.R. 4476, to create an Independent Maritime Administration

H.R. 5141, to establish a Sandy Hook National Seashore

H.R. 5143, the Human Investment Act

H.R. 8332, to prohibit desecreation of the American flag

H.R. 9642, to reclassify certain postal employees to grades

H.J. Res. 656, Mid-Atlantic Air Pollution Control Compact

H. Res. 715, resolution praising Israel and urging peace in Near-East

H.R. 11307, to remove inequities from Selective Service Law

H.R. 11584, to study means of establishing marine sanctuaries

H.R. 12866, to establish a National Visitors Center

H. Con. Res. 253, provide for printing of a Southeast Asian briefing map

So that I can introduce a bill next year, I am having research done in preparation for a new approach to Federal wetlands conservation which would encourage states to bank their wetlands "forever wild." I am also studying the possibilities of a Hoover-type commission to determine Federal policies and priorities upon our return to a peace-time economy.

Many of my colleagues will be visiting *Vietnam* during our four week recess. I am on no committees which require or permit travel to Vietnam, but as ranking Republican on the Panama Canal Sub-committee, I will *visit Panama* in January to inspect one of the proposed sea-level canal sites.

Both my Washington and Babylon offices and staff are at your service and disposal to assist in your Federally related problems, be they about taxes, veterans, old-age benefits, or whatever. And please let me hear from you. Your letters of opinion and suggestion are valuable to me. They help me better to represent you.

REPUBLICAN LEADERSHIP IN CONGRESS

Mr. RHODES of Arizona. Mr. Speaker, on this last day of the first session of the 90th Congress, I would like to place in the Record the following summaries of the constructive accomplishments of the legislative branch of our Federal Government from the viewpoint of the House Republican leader Representative Gerald R. Ford and the Senate Republican leader, Senator Everett M. Dirksen. I believe they put the record of the first session of the 90th Congress in proper perspective and provide a good starting point for further accomplishments on behalf of the American people next year.

The summaries follow:

Republican Leadership of the Congress

(Excerpts from the comments of Representative Gerald R. Ford, Republican-Michigan, House Republican Leader in reply to President Johnson over ABC, CBS, and NBC television networks, December 15, 1967)

This Congress has been a good Congress. President Johnson admits it has been a productive Congress. His Majority Leader in the Senate, Senator Mansfield, says the record of this Congress has been "good, decent and respectable," and I agree, as I'm sure Senator Dirksen does.

Congress in 1967 has been productive and constructive, primarily because the voters of the nation in November 1966 gave us a net gain of 47 Republicans in the House and additional strength in the Senate. These new Republicans came from 33 states—from the length and breadth of America. They are attractive, articulate young men and women who are responsive to their voters and who are fighting hard for constructive solutions to the Nation's problems at home and abroad.

This Congress with 50 more Republicans has produced this record:

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(2) Social Security Improvements—More benefits for Senior Citizens who have been hurt by Johnson-Humphrey inflation—without the additional payroll taxes on working citizens that President Johnson wanted. 99% of House Republicans supported this legislation.

(3) Comprehensive Health Legislation—A partnership for health bill providing funds for the federal government *and* the states to attack rats and other pests, narcotics addiction, etc. 98% of Republicans supported this legislation.

(4) Clean Meat Inspection Law—99½% of Republicans supported.

(5) A Flammable Products Control Bill to Protect Families and Children from Deadly Garments, Toys and Home Products—100% Republican support.

(6) A Law to Clean up the Air We Breathe—100% Republican support.

In the House of Representatives this session, with Republicans reinforced and on the march, we have passed many forward-looking and much-needed bills. Here are eight of them:

(1) A Law Enforcement and Criminal Justice Assistance Act—Modified to permit state and local agencies to play their rightful role—99% Republican support.

(2) Juvenile Delinquency Prevention and Control Legislation—99½% Republican support.

(3) Federal Anti-Riot Legislation—99% Republican support.

(4) Adult Education Legislation—100% Republican support.

(5) Law to Stop Desecration of the American Flag—100% Republican support.

(6) Equal Benefits for Vietnam Veterans and Their Families—100% Republican support.

(7) Independent Maritime Administration Legislation—Opposed by the Johnson-Humphrey Administration but backed by 97% of House Republicans to try to salvage the neglected U.S. Merchant Marine.

(8) Curbs on Excessive Non-Defense Spending—Federal spending in 1960 under the last Republican Administration was $48.6 billion. Estimated non-defense spending for

fiscal 1968 is nearly double that figure—$95.6 billion. The accumulative federal deficit since President Johnson entered the White House is expected to exceed $60 billion. As a result, the U.S. dollar is in trouble abroad and buys less and less at home.

Ev, this is the Christmas season, and only minutes ago President Johnson turned the lights on the White House Christmas tree on behalf of all Americans. Now that we've set the record straight, there's something far more important I'd like to say. As Republicans, we're not only proud of the work we've done in the session just ending, we're proud of the Congress itself. With increased strength we have immensely improved the quality of laws under which all Americans live, and we intend to continue to play our proper part in the constitutional process of government. We hope the President and the Judicial Branch will play theirs. We're proud of the way representative democracy works, and we'll keep on fighting to make it work. We're proud of America and have faith in America, and with new Republican leadership in the White House and Republican Majorities in the Congress we pledge our countrymen that everyone can be really proud of being an American. Let's never forget that we *are* all Americans and on that note, Merry Christmas to *you*, Mr. President, and Merry Christmas to everybody in this *great, good, compassionate* and *charitable land*.

Good night.

REPUBLICAN LEADERSHIP REPLY TO PRESIDENT

(Excerpts from comments of Senator DIRKSEN in the Republican leadership reply to the President—ABC, CBS, NBC television networks—December 15, 1967)

The President's speech in Miami brought to mind a little story about the bride who made her first biscuits and when her husband tried them with an agonizing expression, she was filled with dismay. She said, "Did I put something in that I shouldn't have?" "Oh, darling," he said, "it isn't what you put in, it's what you left out." So this speech was impressive, somewhat at least, for what it left out.

I wonder if it had occurred to the President that these wooden soldiers, as he called us, are the same Congressional soldiers that stood squarely behind our soldiers on the line when many of his own troops in the House and Senate were flaying him day after day on Vietnam—not only in the House and Senate, but over TV and radio. These soldiers of his didn't give their Commander-in-Chief much comfort!

Still another area in which the "wooden soldiers" have done a good job is that of law enforcement. The Crime Control Bill the Administration wanted was blocked simply because it would have given the Attorney General a whole hatful of money to distribute to law enforcement agencies, but virtually cutting out the Governors and authorities at the state level. Is that any way to bring about law enforcement in this country?

Again, it's not what the President said, it's what he didn't say that was really impressive, such as the subject of foreign aid. I think that both the Congress and the country—the taxpayers—have had an abiding interest in the 140 billion dollars of our money that we have doled out on foreign aid and have decided that something ought to be done about it: the smallest foreign aid appropriation bill in the last 20 years. This is to the credit of the Congress and, I think, to the comfort of the country. The President's speech didn't make note of this.

I noticed other glaring omissions of his. I found no reference to the public debt or to the probable deficit of 30 billion dollars this year. Deficit, you know, is that ducky word for spending more than you take in. Nor did I find any reference to his tax increase proposal, which started out on such an adventurous career and came to naught.

In the first part of his speech, the President catalogued innumerable benefits to be given all our people. But what happens to all those benefits if the dollar slips in its purchasing power and value? There are any number of fiscal authorities who fairly wring their hands about this—like the Chairman of the Federal Reserve Board. He and other people knowledgeable in that field are worried that the dollar may drop to a 40 cent value or even further before we get through. What do you think is going to happen then to all those benefits that the President listed?

The President referred to the "status quo" which to me and a good many others is Latin for "the fix we are in". The 345 billion dollar debt is an example. That's "status quo". The probable 30 billion dollar debt as well. That's a "status quo". The increase in crime across the country, in the cities, in the suburbs, in the rural areas. That's a "status quo". These and many others are glaring examples of the "fix we are in".

As for that old Republican buggy he referred to, I've been thinking and I've remembered all of his appeals and all his Administration's efforts directed to the Republican side of the Congress to have this buggy pull his chromium-plated five-hundred-horsepower "Great Society Special" out of the mud. He may make light of the old buggy but it gets no dirt in its carburetor, it gets no flat tires, its sparkplugs never fail and its motor never gets out of whack. "Get a horse!" Maybe there *is* something in that old saying.

That this has been a productive Congress is one point at least on which we can agree with the President, but for entirely different reasons. It *was* a productive Congress, not only for what it has done but for what it hasn't done. I make the point that when you keep bad legislation off the books, or when you modify it very sharply in the public interest that that's a real service and it makes a productive Congress. It *was* a productive Congress. It was a productive Congress because the Congress asserted itself as no other Congress has done in a long time. It's been determined to recapture its Constitutional place in the sun because the Constitution makes it the exclusive law-making body in the government and it has the exclusive power of the purse.

JUNKETING IN VIETNAM

Mr. BROYHILL of Virginia. Mr. Speaker, today as we reach the final hours of a hectic session of Congress, I should like to call the attention of our colleagues to a letter I just received from a thoughtful constituent, Mr. R. L. Osborne, of Arlington, Va., with which I heartily agree.

Mr. Osborne wrote me as follows:

DEAR CONGRESSMAN: Having been in combat I know that our aircraft are badly needed in Vietnam to transport casualties and combat troops. It would appear more feasible for Congressmen to get their briefings in the War room of the Pentagon than to travel in war areas. Perhaps a public statement on your part would help reduce the Congressional traffic over the Pacific.

Reading Mr. Osborne's letter reminded me of the 1966 congressional campaigns when so many congressional candidates cluttered up the scene in Vietnam that our distinguished chairman and ranking minority member of the House Armed Services Committee were moved to urge the Secretary of Defense to place severe limits on such travel.

On July 19, 1966, they wrote to the Defense Secretary as follows:

MY DEAR MR. SECRETARY: We, the undersigned, the Chairman and the ranking Republican of the House Armed Services Committee, are advised that there have been, and are presently, congressional office seekers in Viet Nam, being transported in military vehicles, aircraft and naval vessels and, in general, consuming the time of our key personnel of our Armed Forces. In our judgment, this political junketing should be banned forthwith. Even if such trips were advisable, it is difficult to see how we can accord such privileges to a few without extending the same opportunity to all. This would result in an utterly impossible situation.

Some Members of Congress, for investigative and legislative purposes, need to travel to war zones. We have been urged by the Administration, and privately by military leaders, to keep these visits to a minimum and we concur and have complied with these expressed desires of the Executive Branch of our government.

On the other hand, we deplore the excursions of those who have no responsibility in this area and who only serve to clutter up our limited facilities and impose upon the time and patience of our hard pressed commanders who are trying to protect the lives of American men who have been sent there.

Political bally-hoo has no place in an area where Americans are dying. Some of the statements which we have read border on or are breaches of American security and should not be countenanced.

A few days after this letter was written, Deputy Secretary of Defense Cyrus Vance, wrote Chairman RIVERS as follows:

In furtherance of my conversation of yesterday with Mr. Bates and your letter of July 19, this is to advise you that the following guidance has been promulgated:

(1) No official transportation will be provided to political candidates to or within Vietnam. This will include air, rail and automobile travel.

(2) Groups or individuals will not be withdrawn from their official duties for the purpose of interviews by or photographs with office seekers.

(3) No personal gear or equipment will be furnished.

(4) Unclassified briefings, if requested, will be provided by Defense, State, USIA and AID personnel.

(5) The above guidance does not apply to members of Congress who are acting in an official capacity.

On September 22, 1966, the Washington Post carried an editorial, entitled "Political Junketing," which I should also like to quote:

There is good sense in the protest of Chairman Rivers and ranking Republican Bates of the House Armed Services Committee against political junketing in Vietnam. An inordinate number of congressional candidates are trying to improve their standing with the voters by associating themselves with the country's No. 1 military problem. The result is a troublesome imposition upon the military officers in Vietnam, whose first concern must necessarily be the conduct of the war.

The complaint does not run, of course, against legislators who have legitimate assignments to investigate what is going on in Vietnam and report their findings. But even their trips can best be confined to nonpolitical seasons. And since it is impossible to accommodate all the congressional candidates who want to go to Vietnam in the interests of their political prestige, the best course would be a complete suspension of such junkets during the campaigns.

Mr. Speaker, it is not my intention to criticize any of our colleagues for visiting war areas, as I am fully aware that there are those among us, serving on the Armed Services Committees and in other sensitive positions who need to go. However, I should like to take this opportunity to urge very careful evaluation of the fact that anyone who is not needed in Vietnam serves no useful purpose there.

NEWSLETTER

Mr. JOHNSON of Pennsylvania. Mr. Speaker, at the close of each congressional session, it has been my policy to send to the people of my congressional district a newsletter embodying some of my observations as to what took place during the legislative year. I am pleased to submit herewith my newsletter for the first session of the 90th Congress:

NEWSLETTER FROM CONGRESSMAN ALBERT W. JOHNSON OF PENNSYLVANIA, DECEMBER 1967

Dear Folks in the 23rd Congressional District, the first Session of the 90th Congress, one of the longest in history, has adjourned to reconvene on January 15, 1968. I am sending you this Newsletter in order to inform you about some of the highlights of the year. It is being delivered to you by patron's mail which is authorized by Public Law 88-248.

DEMOCRATS IN CONTROL THOUGH REDUCED IN NUMBERS

In the 89th Congress the membership stood 295 Democrats to 140 Republicans, a majority of 155 seats. In this 90th Congress the division is 248 Democrats to 187 Republicans, or a Democrat majority of 61 seats. In the 89th Congress, LBJ was able to secure the enactment of almost any program his heart desired. A host of great society legislation was pushed through with ease. We Republicans tried to apply the brakes but were outvoted. The President insisted that we could fight an expensive war in Vietnam and have the Great Society and its huge cost as well.

PROBLEMS FACED BY THIS 90TH CONGRESS

The huge cost of the program enacted in the 89th Congress, and the accelerating cost of the war in Vietnam has created a financial crisis. As a result, in January 1967, the President forecast an $8.1 billion deficit for 1967–68. Later he said it was to go to $30 billion, the largest in "peacetime" history. Also, early in the year the President asked Congress to again raise the national debt ceiling. A rather reluctant Congress on March 2, 1967 increased the debt ceiling from $330 billion to $336 billion. With an ever increasing deficit beyond that first announced, Congress, without my vote, on July 1, 1967 increased the national debt to an allowable $358 billion for 1968 and to $365 billion for 1969. The national debt when President Eisenhower left office: $289.2 billion. I have joined with fellow Republicans and conservative Democrats, who are alarmed by this huge deficit and debt increases and have fought diligently to reduce expenditures. An amendment to cut appropriations by 5% was offered by us to every bill, but always this was voted down.

THIS ADMINISTRATION LIKE THE LOST JETLINER

This reckless spending by the LBJ Administration reminds me of a story going the rounds in Washington. It is about the jet airline captain who at the mike says: "I have good news for you, and bad news. I will first tell you the bad news: We have been flying in a dense fog, our instruments have failed, and we do not know where we are, or where we are going. Now I will give you the good news: We are making wonderful time."

Latest revised budget figures for 1967–68 indicate that expenditures will total $138.8 billion—anticipated receipts $116.4 billion—deficit $22.4 billion. By comparison, the 1959–60 budget showed receipts of $77.7 billion and expenditures of $76.5 billion, or a surplus of $1.2 billion. Only a resolute budget cutting Congress can save this nation from virtual bankruptcy.

LBJ ASKS US TO INCREASE THE INCOME TAX

Another plan to cut the deficit besides borrowing the money was urged upon the Congress on August 3rd by LBJ. This was the request for the 10% increase in income taxes. However, the reasons given for the proposed increase were to stop inflation and curb rising interest rates. More recently the argument is that it is needed to bolster the dollar because of Britain having devaluated the pound. The President's own party has refused to release the plan from Committee for a vote. The so-called "horse and buggy" Republicans insist on a balanced budget through reduced un-necessary spending as the answer. I join those who believe that increasing income taxes is not the only answer to our deficit problem.

FACTS ABOUT THE INCREASE IN SOCIAL SECURITY

The most important bill passed this Session was of course the increase in Social Security benefits because it affects the lives of so many people. I recently reported that the Social Security Program had become "big business". In this Congressional District alone, out of 430,000 persons there were 55,540 receiving Social Security on January 1, 1967, totaling over $4 million per month.

The following table indicates the benefit schedule for each County:

County	December 1966 payments	Number of beneficiaries	Average payment to each beneficiary
Cameron	$64,321	808	$79.60
Centre	554,558	7,616	72.81
Clearfield	780,792	11,242	69.45
Clinton	303,880	4,140	73.40
Elk	364,556	4,589	79.44
Forest	66,269	887	74.71
McKean	607,456	7,877	77.11
Potter	173,481	2,536	68.40
Venango	701,675	9,267	75.71
Warren	497,619	6,578	75.80
Totals	4,114,607	55,540	74.08

I voted for the social security increase which by the new bill is 13% across the board starting in March, 1968, and the minimum monthly benefit was increased from $44 to $55. These increases will be financed by increasing the wage base on which the social security tax is collected from the first $6,600 of annual income to $7,800. The present tax schedule was unchanged. Permissive outside earnings were raised from $1,500 to $1,680 per year.

HOW SOUND IS THE SOCIAL SECURITY PROGRAM

Questions are frequently asked as to how safe is social security. There is only $24.5 billion in the fund now, with the annual cost totaling $21.5 billion. The whole system is financed of course through annual equal payments by employees as well as the employers, as a result of a pay roll tax. Actually in back of it all is the promise of the government to provide the payments. It is a huge promise. If the plan was sponsored privately for the fund to be actuarily sound, the insurance company would be required to have $350 billion in reserve. A similar situation prevails in the Federal Employees Pension Fund. There is $17 billion in the fund, and there should be over $48 billion to be actuarily sound. This fund, too, is based on the solemn promise of the government to respond in payments. The Social Security Administration claims that the annual tax payments plus the obligation of the government back of the whole system, even though only one year's cash is on hand, makes for a sound fund. This promise is the subject of a running debate and is disturbing to say the least.

THE POVERTY PROGRAM GIVEN ANOTHER CHANCE

This Congress extended the life of a controversial program for two years. That is the so-called poverty program. It has been riddled with scandal and proven widespread waste. The object is of course to help poor people to get a new start. People from the district deluged my office with requests that I support the program. In the 23rd District we have a Job Corps Camp near Warren, many head start programs, and responsible people donating their time in community action programs. The whole plan would have been defeated this year except for one reason: no one wants to be blamed for next year's riots. I voted to give the program another lease on life, particularly with the new plan providing more local municipal control.

RIOTS—A GRAVE NATIONAL CATASTROPHE

As indicated above, riots in this nation this past summer and the prospect of more next year are a cause of national concern. Various House and Senate Committees investigating the riots have released these figures: in the three years, 1965, 1966 and 1967, there have been 101 major riots in cities, 130 people have been killed, 3,623 injured, 28,932 arrested, 5,434 convicted, with a combined loss of $714.8 million—a staggering sum. Early investigation reports indicate that in addition to social and economic conditions which the poverty program hopes to improve, the riots are caused by (a) deliberate provocation, (b) subversive elements, (c) inflammatory false reports of brutality, (d) lack of firm prosecution, (e) Communist infiltration, (f) encouragement of civil disobedience.

A great deal of riot provocation is caused by agitators from other states. This year (July 19), the House, with my vote, passed the Cramer bill (R., Fla.) which would impose criminal penalties upon persons traveling across state lines with the intent to incite a riot. The vote was 347 to 70. The measure is still pending in the other body, where a similar bill died last year. What a shame!

THE WAR IN VIETNAM

In my May, 1967 Newsletter I stated: "We are in the worst predicament in Vietnam than we have ever been anywhere in the world in our entire history." Today this is still true, only the situation has become more alarming. Recently, R. W. Apple, Jr., writing in the New York Times stated: "The enemy has progressed from captured rifles and skimpy supplies to rockets, artillery, heavy mortars, a family of automatic infantry weapons and flame throwers, most of which have been brought into Vietnam in the face of American air power."

HOW THE WAR HAS ESCALATED

On October 21, 1964, LBJ, campaigning for re-election, told the American people, "We are not about to send American boys nine or ten thousand miles to do what Asian boys ought to be doing for themselves." However, as the President spoke, plans for a massive escalation of the war were well advanced. And since that time the character of the war of course has changed mightily. In the summer and fall of 1964 our military advisors in Vietnam were ordered "to fire only when fired upon" and only "help the Vietnamese help themselves". The first major escalation began in February, 1965—a sustained bombing offensive. Ground escalation began in March, 1965 when the President sent two battalions of Marines to Da Nang.

When LBJ was elected in November, 1964 there were 23,000 men in Vietnam. In November, 1965 we had 165,700 men there—engaged in combat. Today we have at least 500,000, and more arriving every day, with 15,000 fatalities.

On last December 12th, the President, in his volatile Miami speech did not outline a plan for victory in Vietnam. He said, "I'll continue down the center of the road doing my duty as I see it." However, the same news program that night told of 10,000 airborne troops landing in Vietnam—the largest air armada in history!

SUGGESTIONS FOR ENDING THE CONFLICT

Mail from the district indicates that many people feel that we never should have become involved in war in Vietnam, especially without major allies or United Nations support. However, now that we are massively engaged I do not propose any precipitous action that will jeopardize the 500,000 American boys fighting there, many of whom are from the 23rd Congressional District. I would support a bombing halt if it were a part of a planned, orderly and agreed upon route to peace negotiations, to be repudiated if there was the slightest violation of it.

It goes without saying that this war must be concluded. I would favor strongly it being brought before the Security Council of the United Nations, or on the agenda of a reconvened Geneva Conference. Both of these Russia objects to. I favor General Westmoreland's idea to build up and train the South Vietnamese Army, and gradually turn the conflict over to them. In all of these moves we must protect local civilians from being slaughtered. Recently, Representative Gerald Ford in a floor speech stated that there is a clear, coherent and credible plan for bringing the war to a conclusion, but he says the military has not been allowed to put their plan to a real test.

To those of you in the district who have sons in Vietnam, or who have sons who are destined to be sent there, you can rest assured we are all doing our best here in Washington to end this conflict and hope that the new year will see it's successful conclusion.

A BUSY CONGRESSIONAL SESSION

This has been a hard fought Session, lasting practically the whole year, and much legislation has become law. Some of the most important measures not already discussed and signed by the President, and on which I voted *yes* are as follows: (a) Emergency food relief to India, (b) Making the birthplace of President Kennedy at Brookline, Massachusetts a national historical site, (c) $10.5 million to finance Older American Program, (d) Draft extension, (e) $2.6 billion for Atomic Energy Commission, (f) $4.86 billion for Space Administration, (g) $12.2 billion extra funds to support troops in Vietnam, (h) Restore to business the Investment Tax Credit, (i) $1.1 billion for teacher-training program under the Higher Education Act, (j) $69.9 billion for defense, (k) $428 million for Air Pollution Control, (l) Anti-crime law, (m) 1967 Civil Rights bill, (n) Food Stamp authorization, (o) Federal Meat Inspection, (p) $175 million additional for Appalachia Highway Program, (q) Outlaw discrimination in employment because of age, (r) Federal aid to Libraries, (s) $650 million to aid Small Business.

Some of the measures I voted *no* on: (a) Raising the national debt, (b) Seating of Adam Clayton Powell, (c) Remove silver from silver dollar certificates, (d) Foreign aid, (e) Model City program (too costly), (f) Rent supplements (a bad precedent), (g) Teacher Corps (a state function—not Federal). The list is not complete and my complete voting record will be published after final adjournment.

BOOKS, PAMPHLETS AND MAPS AVAILABLE

Frequently, Congressmen acquire valuable books, pamphlets and maps. At the present time I have the following available for you on request as long as they last: *For Students:* "Our American Government", "How Our Laws Are Made", "The Capitol," "The Constitution," A Summary of Scholarship opportunities for prospective College Students prepared by myself. *For the Farmer:* 1965 Agriculture Yearbook, "Consumers All" (one of the best). *For Parents with Sons in Vietnam:* a large colored map of Vietnam and Asia. *For Fans of President Kennedy:* his Inaugural Address suitable for framing (a limited supply). Note: Those who have not requested the bulletins from the Department of Agriculture may still do so from the selection form sent you recently.

RETURNS TO DISTRICT IN 1968

Despite long Sessions of Congress each week I was able to make 30 return trips to the district during the year and traveled 25,000 miles by car. Some highlights of the year were that Clearfield joined Oil City by being named an All-American City by Look magazine, and St. Marys celebrated its 125th Anniversary. The Flaming Foliage Festival by Renovo was especially nice, though like the 4th of July Parade at Warren, rain fell to interrupt the Queen Crowning ceremony. Many other events were staged in the district which I was glad to attend. Representing ten counties keeps me very busy.

DISTRICT PROJECTS

The district has a number of municipal projects which I have followed closely and which received Federal aid during the year. Some of the awards are as follows: In Centre County, the University Area Joint Authority received $574,020 and the Patton-Ferguson Joint Authority $726,000. Elk County was awarded $236,000 for a water and sewer project in Benzinger Township. Venango County will benefit from $129,540 for an Open-Space Land Program. Appalachia funds were authorized for an access school road at Renovo: $49,251, and $454,000 for a Centre County Vocational-Technical School at Pleasant Gap, Pennsylvania. Large sums were allocated from the poverty and education programs. Lack of space prevents my listing them here.

In closing, I trust that you have found this newsletter interesting and informative and I will be glad to receive your comments.

Sincerely yours,

ALBERT W. JOHNSON.

P.S.—Enclosed is a pocket calendar bearing my photograph featuring the district as the Sportsman's Paradise and indicating my telephone numbers.

CONGRESS WAS APPORTIONED UNCONSTITUTIONALLY IN 1961

Mr. BETTS. Mr. Speaker, the Supreme Court in its zeal to require population equality in every congressional district may well have erred in its prescribed one-man, one-vote formula. The equal protection of the franchise has been abridged for 5.7 million Americans, most of them Negroes and others living in innercity areas who were missed by the 1960 decennial census.

In accordance with statute, a statement was presented to the Congress on January 10, 1961, prepared by the Director of the Census supposedly showing:

> The whole number of persons in each State, as ascertained by the Eighteenth Decennial Census of the population, and the number of Representatives to which each State would be entitled under an apportionment of the existing number of Representatives by the method of equal proportions.

The official population figure was listed as 179,323,175. On this population total, the House of Representatives was apportioned in 1961.

Now, some 7 years later, the Census Bureau reveals corrected population statistics for 1960 which increase the population to 185,025,000, or some 5.7 million persons. This is an understatement of 3.1 percent of the people.

This is particularly relevant to Ohio, Mr. Speaker, because only last week the U.S. Supreme Court threw out Ohio's congressional districts because there was a variance of as much as 13 percent above and 18 percent below the population average according to the 1960 census. If those citizens missed in 1960 are added to Ohio's totals, I expect this variance will decrease, possibly significantly.

I think this shows that even the Supreme Court has been caught without giving full measure of equality to every man's vote. It is not the function of the Court to conduct or validate the decennial census, but I hope these findings will give the Court pause to consider such severe interpretations of the one-man, one-vote rule. If the Court had used reliable revised population statistics prepared under State of Ohio auspices, current to 1965, the variance might well have been within allowable percentages.

Mr. Speaker, this report is of immediate significance because a number of States face congressional redistricting or legislative apportionment, based on inaccurate 1960 census figures, in coming months.

It is obvious that Congress cannot be apportioned on a one-man, one-vote basis with the 1960 census showing a population of 180 million when current figures now indicate the population is over 200 million. It takes no great skill to understand the fallacy of such inflexible reasoning by the Supreme Court. If the Court wants to enforce the one-man, one-vote rule allowing minimal deviation, then it should take into consideration population changes since the 1960 decennial census.

FEDERAL GOVERNMENT AND PRIVATE EMPLOYERS' PARTNERSHIP ACT INTRODUCED BY CONGRESSMAN BURKE

Mr. BURKE of Florida. Mr. Speaker, there is no doubt that the United States of America enjoys the highest standard of living that exists anywhere in the world today. There is no doubt, either, that the Fair Labor Standards Act of 1938 and the successive increases in minimum wages required by its amendments have contributed in no small measure to the Nation's ability to raise its living standards. Nevertheless, although the lot of untold numbers of employed persons has improved with each increase in the minimum wage, each increase has brought hardship to the marginal employee, the employee whose skills are too limited to warrant paying him the increased minimum wage. It is these marginal employees, who will be helped by the Federal Government and Private Employers' Partnership Act of 1968 which I have introduced today. The act will also help those employers who are unable to find enough skilled workers to meet their production demands, yet who cannot afford to pay statutory minimum wages while training unskilled employees on the job. Finally, the act will help the Nation by enabling it to increase the gross national product, by reducing the number of persons dependent upon unemployment benefit or other unproductive forms of welfare or relief and finally by raising the morale of those persons whose newly learned skills will make whole and employable men of them.

Though almost no statute these days can be characterized as a simple one because of the necessity of framing it in language which relates it to existing law, the basic principle of my proposal is a simple one. To persuade employers who have been unable to find enough skilled or semiskilled help to hire unskilled employees and train them on the job, certified employers would be given a refund of a part of the wages paid to certified employees during limited periods of on the job training.

An employee may be certified if:

First. His skills are below those normally required for payment of the minimum wage;

Second. He has sought, but failed, to obtain employment at the minimum wage after a period of at least 5 weeks of unemployment.

Employer certificates would be of two kinds:

First. A 6-month certificate for nonskilled occupations;

Second. A 1-year certificate for skilled occupations. Certificates would be issued by local offices of the U.S. Employment Service in a form prescribed by the Director.

Employers are to be certified by the Administration of the Wage and Hour and Public Contracts Division of the Department of Labor. Upon application, an employer will be certified if the administrator determines that—

First. The employer is covered by the minimum wage provisions of the Fair Labor Standards Act;

Second. The employer has not raised his hiring requirements in expectation of or after passage of the act;

Third. Despite reasonable recruitment efforts, no adequate supply of qualified workers is available;

Fourth. There are no strikes, lockouts or other abnormal labor conditions at the employer's establishment;

Fifth. The employer agrees to afford each certified employee opportunity for continued employment after expiration of the certificate for a period equal to the duration of the certificate. Such employee could still be fired for any reasons which would justify firing a noncertificated employee;

Sixth. The employer's on the job training program is one to which admission is based, in part, on aptitude tests, and which provides not less than 3 nor more than 12 months of training reasonably calculated to result in the qualifications of trainees for suitable employment at or above the minimum wage; and

Seventh. The refunds to the employer will not have the effect of depressing the wages, working standards, or opportunities for full employment of existing employees.

The refund to a certified employer shall be an amount equal to—

First. Forty percent of the statutory minimum wages paid to all certified employees for the first half of the employee's certification period; and

Second. Twenty percent of the wages paid for the second half of the certification period.

No more than 25 percent of an employer's labor force may be certified employees.

The bill also has the usual provisions for review, upon petition of aggrieved persons, by the Administrator of the Wages and Hours Division or the Director of USES as the case may be, of any decisions made at local levels. It is made a misdemeanor for employers knowingly to violate conditions of their certification.

The funds authorized for refunds for the fiscal year ending June 30, 1969, would be $72,000,000 for not more than 100,000 certified employees and for the fiscal year ending June 30, 1970, $144,000,000 for not more than 200,000 certified employees

Where such funds would be inadequate to permit participation of all who seek it, the following priorities are established—

First. In issuing employee certificates to citizens who reside in urban areas with high concentrations of unemployed or low-income persons; and

Second. In issuing employer certificates to employers having the greatest need of the program to meet their demand for trained employees, as well as employers in areas having a high concentration of unemployed or low-income persons.

During the great depression, we had armies of unemployed men walking the streets because there were no jobs for them no matter how highly skilled they were. Our present unemployment problem is not like that at all. It continues to exist despite the fact that employers are crying for qualified employees. To be sure, some employers have had the financial resources to support their own on-the-job programs and the wisdom to recognize that such programs will in the long run increase those resources. The smaller employers, those with fewer financial resources, and we might as well be honest about it, those with too little imagination or courage to risk their own capital in an effort which can have no result other than to improve their financial position, are the ones who will be particularly benefited by this act. Nevertheless the primary beneficiaries will be the Nation and the men and women and the families of the men and women whose talents will be developed under this kind of program more thoroughly, more effectively and more quickly than they could be under any existing program of which I know.

I invite my colleagues in Congress to inform themselves of my intent and to join me in support of this legislation.

CONGRESSIONAL NEWSLETTER

Mr. THOMPSON of Georgia. Mr. Speaker, I have had numerous requests from my colleagues and other people about my regular congressional newsletter. So that it may be available for all who have expressed an interest, I am inserting a copy of the newsletter dated today in the Record. The newsletter follows:

U.S. Congressman Fletcher Thompson Reports to You

Dear Friend: Holidays approaching: Congressional business goes on though the Christmas and New Year's holidays are almost upon us. I had expected to be back in the district by now but am still in Washington working, snow and all. We had 8 inches the other day, and the Capitol was a beautiful sight trimmed in snow.

Why the long session: We've had the longest session since 1963 because this Congress refuses to be a "rubber stamp" for any interest group or party. We are taking a careful look at every bill to see how it affects your rights and pocketbooks. The House has refused to go along with big spending increases suggested by the President and the Senate. This has required conference committees to settle differences between the two Houses.

You should know . . . about your Congressman's offices and the outstanding staff which help him serve you. Congressional staffs have up to 12 members depending on district population. Ours has less but helps me handle almost 200 letters daily. We turn out a surprisingly large volume of mail. Volunteers working in our district office help us do an even more effective job of staying in touch with you.

Other Ways to Serve: A Congressman's primary duty is to study, consider and propose legislation, as well as attend committee meetings, engage in debate on the Floor of Congress and cast votes for the people he represents on various legislation. But with staff help, Congressmen do much more than this. I thought you'd be interested in learning some of the other things we do in your behalf and "meeting" the people who serve you. So, you'll find elsewhere in this report photographs of our Washington and Atlanta staffs and a description of some of the work they perform.

"Case Work": One of the most delicate but rewarding duties of a Congressman is helping the people and their families who are having problems dealing with Federal agencies . . . Marianne Willey heads up this section and works consistently serving you. Examples of what she's helped me to do—find out for a father the extent of his son's wounds in Vietnam; helping a couple obtain $2200 in past due Social Security benefits; and assisting the widow of a Federal employee qualify for her husband's government life insurance policy. The thanks of each individual we've helped amply compensates us for our efforts.

Washington Staff: Left to right: Marianne Willey, Secretary and Case Worker; Carole Lee, Secretary and Special Correspondence; Linda Gustafson, Reception and Scheduling; Trudy Steckbeck, Legislative Assistant; Mrs. Judy Ruderman, Secretary and Special Requests; and Richard A. Ashworth, Administrative Assistant.

Atlanta Staff: Left to right: Mrs. Connie Russel, Office Manager; Mrs. Sally Hale, Secretary; Charles Clark, Field Representative; Mrs. Trudy Carter, Public Relations.

Serving All: When I sought this office, I pledged to serve all the people of the Fifth District. I realize that I had limitations in serving one segment of the Community. For that reason, I appointed the first Negro Field Representative ever to serve the District, Mr. Charles Clark, a graduate of Clark College and a former employee of the Urban League. Charles has provided a valuable service to the Community and to me by keeping me aware of problems I would be unaware of without his help. In addition, his work has been instrumental in finding jobs for 16 people; getting merited increased VA benefits for 4 others; small business loans for 2 people; compassionate reassignments for 2; and hardship discharges for 2.

Service Academies: Each Congressman can make appointments to the Army, Navy, Air Force and Merchant Marine Academies. Scholastic requirements are high and competition for appointments is keen. To be fair to all and to select the most qualified applicants, I have set up a 6-man Military Academy Advisory Board to supervise testing and interviews of applicants. The non-paid Board includes Bernie Abrams, T. M. Alexander, Jr., T. D. James, Jack Barnette, Warren Schmitz, Julian Whitehead. Paul Lopinot serves as Board Secretary.

Questionnaire Results: Your answers to our questionnaire helped me to determine your feelings on issues before the Congress. Thousands returned the questionnaire last month and more replies come in daily. The results are being tabulated and a special report will be sent to all who answered. Some of the findings will also be published in our next Newsletter.

Keeping You Informed: I consider it the foremost duty of a Congressman to let the people know what's going on in their Capitol and to seek their opinions on matters facing Congress. This I am trying to do through this report and the other correspondence we send out. Since there is no money appropriated for this purpose, the report is paid for by me with the help of donations sent in for that purpose. Last month we received contributions from 315 people toward the monthly cost for printing and paper. I cannot overemphasize how much this is appreciated and how much it means in terms of being able to continue these reports to you about what is happening in your Nation's Capitol.

It is a high honor for me to serve you in Washington.

Yours very truly,
FLETCHER THOMPSON,
Member of Congress.

(Printing and paper paid for by myself and from donations sent in for that purpose.)

INDUSTRIAL DEVELOPMENT BONDS

Mr. BYRNES of Wisconsin. Mr. Speaker, as the session draws to a close, I would like again to call the attention of this body to a flagrant practice—which contributes no little to the dislocation in the financial markets today. I refer to the practice of financing resorted to by many of our largest corporations—the issuance of so-called industrial development bonds—exempt from tax and in competition with our school districts and other legitimate local government obligations.

I have had bills pending to close this loophole in our tax laws since last July. Nothing has been done. In the meanwhile, the issuance of these obligations has expanded to more than $1 billion this year alone. Interest rates have reached the highest points in 50 years and much-needed school and other local improvements have been set on the shelf because the community cannot compete in the financial market with a tax-exempt bond issued by a major industrial corporation.

Other counties and municipalities that must borrow funds are having to pay exorbitant rates of interest for tax-exempt obligations used to finance schools and other needed public improvements. I would like to give a few examples of what these authorities have to say about the practice of issuing tax-exempt industrial development bonds.

Philip M. Dearborn, director of budget and research, Fairfax County, Va.:

I am very concerned about the threat of industrial revenue bonds to the ability of local governments to borrow funds at reasonable rates to finance essential obligations. Fairfax County in selling $70 million of bonds during the last six months, has incurred an additional interest cost of over $4 million because of the direct competition of industrial bond sales. With the volume of industrial bond sales increasing rapidly, we can expect even greater penalties in our scheduled financing requirements of over $100 million for schools, parks, hospitals and libraries over the coming few years.

William R. Hamilton, Jr., Department of Health and Hospitals, Boston, Mass.:

The flood of tax-exempt securities to build private plants for private companies has had an adverse effect on the interest rates paid by municipalities. In my opinion, there is no longer a municipal bond market as such, since the structure of that market has been confused and altered by the entry of securities which were formerly sold in the private markets.

James J. Dalglish, commissioner of finance, city of St. Paul, Minn.:

The increased use of industrial aid revenue financing by municipalities poses a dangerous threat to the tax exempt status customarily used by municipalities in their normal public service financing.

H. L. Byram, retired treasurer, county of Los Angeles, Calif.:

It is very disturbing to me to see industrial revenue financing exert upward pressure on municipal interest rates when communities are already hard pressed to finance their legitimate needs such as schools, recreational facilities, libraries and hospitals.

John J. Goodwin, treasurer, city and county of San Francisco, Calif.:

I condemn this type of financing. The tax free status of legitimate municipal projects such as schools, hospitals, sewers, etc. is being placed in jeopardy. Needless to say that higher interest costs that our citizens will be forced to pay for legitimate projects because of competition from industrial revenue financing are unconscionable.

W. Parent, director of finance, city of Dayton, Ohio:

The city of Dayton is opposed to the practice of industrial aid financing which lends municipal credit to private enterprise for economic advantage and urges control be established nationally to eliminate its use. Not only does such financing jeopardize tax free status of municipal bonds but it also absorbs available investors' money which increases the cost of natural municipal borrowing at the expense of the tax paying public.

Morrill M. Crowe, mayor, city of Richmond, Va.:

I express opposition to the continued use of the tax free status now enjoyed by municipal bonds to include industrial development bonds. I believe such an extension increases interest rates on municipal bonds and may in fact jeopardize the tax free privilege of municipal bonds.

Charles O'Connor, finance director, city of Des Moines, Iowa:

Industrial aid financing poses a threat to the tax exempt status of other general obligation bonds, results in higher interest costs and provides an unfair competitive advantage to industries so financed. I strongly urge and back every effort to bring about discontinuance of industrial aid financing.

Arthur Levitt, comptroller, State of New York:

As comptroller of the State of New York I urge extreme caution in the use of industrial revenue financing. Not only does it dissipate the total credit behind public obligations but it may jeopardize the tax exempt status of such obligations.

Joseph W. Watson, city manager, Hollywood, Fla.:

Continued upward pressure on tax exempt interest rates exerted by sale of industrial revenue bonds causes grave concern as does their threat to tax exemption on legitimate municipalities and on the quality of all municipal bonds as investments. Appreciate your efforts toward curtailment or elimination of this type of tax exempt revenue bond.

M. C. Benton, Jr., mayor of Winston-Salem, N.C.:

Industrial bonds jeopardize present status of local governmental issues.

Harold J. Ostey, Los Angeles, county treasurer, Calif.

The necessary tax exempt feature of legitimate general obligation bonds may be lost to state and local government unless abuses of industrial revenue bonds are not stopped.

These are only a few statements from the overwhelming majority of public officials who are concerned over the threat to the pressures on conventional municipal financing brought about by the proliferation of industrial development bonds. I think the time has long passed when the Congress should have faced up to this problem.

THE SOCIAL SECURITY FACTS

Mr. CURTIS. Mr. Speaker, Sylvia Porter, the well-known economic columnist, for whom I have great respect, devoted a recent column of hers to what was headlined "The Social Security Facts," at least in the Washington Star of Thursday, December 14, 1967, where I read the column.

Well it is difficult to fight dogmas, or "facts," if you please, with theories. Theories need to be constantly reevaluated dependent upon the development of new experiences. I find I am constantly in the business, however, of trying to fight dogmas with my theories and protect my theories from dogmatic attacks. Actually, as any student knows, there are really no dogmas; what is passed off as dogma is only a theory trying to get by with bully tactics.

Sylvia Porter's column on the social security facts contains merely a condensation of the "facts" set forth by Wilbur Cohen, Under Secretary of Health, Education, and Welfare, in his rebuttal to Charles Stevenson's article entitled "How Secure Is Your Social Security" appearing in the October issue of Reader's Digest. Our colleague, the gentleman from Arkansas [Mr. MILLS] placed Mr. Cohen's rebuttal in the CONGRESSIONAL RECORD of September 27, 1967, see pages 27026–27029. On October 10, 1967, I inserted my response to Mr. Cohen's rebuttal, see pages 28462–28466, and on November 20, 1967, my colleague, the gentleman from Illinois [Mr. Collier] inserted a response by Mr. Stevenson to Mr. Cohen's rebuttal, see pages 33271–33274. Since then a splendid article has appeared in Fortune magazine, December issue, entitled "Social Security: Drifting Off Course." Mr. Cohen has advised me that he is preparing a response to my observations, which, as I have advised him, I will be pleased to place in the Congressional Record. I look forward to his further comments. I hope we can keep this dialog moving forward.

Incidentally, I was pleased to read the editorial appearing in this morning's Washington Post, entitled "Social Security Package." In another insert in today's Record I will place the entire editorial along with my comments, but for the purposes of this discussion I point up the second paragraph of this editorial:

> A decision to raise social security taxes by 57 per cent over a 20-year period raises a number of important questions. How will this payroll tax affect the demand for labor? Will young people now entering the labor force realize benefits that are commensurate with their contributions? Will not freezing the income base at $7800 preclude the use of general revenues in financing benefits for low income people? None of these questions—and a host of others that impinge on economic growth—received adequate consideration in the course of the debate. And yet they must be answered if Congress is to make intelligent long-range plans.

I also wish to point up the brief colloquy that occurred between myself and my colleague Mr. Mills during the debate on the passage of the conference bill on social security:

> Mr. Curtis. I think it would be well if we pointed out the fact that the actuarial assumption which the gentleman from Arkansas accurately states, will considerably differ from the actuarial assumption with reference to the soundness, for example, of the private pension plans and so forth.
>
> I believe that is where the confusion might lie.
>
> Mr. Mills. This is not what might be called a funded system in the sense that private insurance systems are funded. Of course, I believe my friend from Missouri would admit with me that it is not necessary for a social security system supported by a tax which is compulsory to be on a fully funded basis so as to have in the fund in excess of $300 billion or $350 billion at this time.
>
> Mr. Curtis. I would say not only is it not necessary, I believe that would create other serious problems if we had a fund like that, in a different way. But on the other hand I would observe this, and I believe the gentleman would bear with me, that some of the assumptions in a pay-as-you-go social security system I believe need looking at, and I believe that we have not been doing that. And here we might enter an area where there might be some disagreement.
>
> Mr. Mills. I do not want to take up too much time of the House, but the gentleman is right. Some of these assumptions that are made sometimes disturb all of us. For instance, we were told last year that the balance was plus 0.74 percent of payroll. When we passed the program in 1965, we were told we had no such surplus left. But then the actuaries without disagreement, upon further review, decided that in the year 2000 the average woman would not have 2.5 children, but would have two children, and that the average retiree would not live 15 years beyond 65, he would live 14 years beyond 65 in the year 2000.
>
> As a result of those and other changed assumptions, we found this favorable balance in the social security fund of about three-quarters of 1 percent of payroll. These changes of assumptions do have a disturbing influence on us on the committee who feel this responsibility to the House and to the country as a whole to keep this system actuarially sound.

Now to Sylvia Porter's fact sheet. Fact No. 1 is exhortation. Indeed I wish it were the facts:

> Our Social Security System is studied regularly and *exhaustively* by advisory councils consisting of experts drawn from private business, insurance companies, labor unions and universities.

Now the social security law advances this theory and requires that this be done. What are the facts? Have these councils really studied the system exhaustively? Have they been objective experts drawn from the private sector? This is where theory departs from fact or runs into countertheory.

I have sought to point out over a period of time that the councils have not been making exhaustive studies of the social security system; in fact, the studies have not even been adequate inasmuch as many of the basic assumptions underlying the social security system have not been examined into. I have further pointed out in detail that the experts selected were selected as special pleaders of the system rather than objective critics which the law implies, if not requires they be. I have not quarreled with their claim to expertise, and certainly not with their integrity. I have quarreled with the fact that they have been known advocates of special theories before they were selected. Incidentally, after Sylvia Porter's article she now will qualify for membership on the council, as the appointive authority regrettably has been interpreting the qualification. She is an expert in the subject. She has integrity. And she has shown herself by publishing the article under discussion, to be a partisan of the present theories the social security pleaders are seeking to sustain.

A second syllogism under fact 1, I can personally testify is in error, namely—

> Meanwhile an exhaustive study of the entire program by the House Ways and Means Committee has again concluded that the program is actuarially and financially sound.

Anyone reading the public hearings held by the Ways and Means Committee knows that this is inaccurate. We made no exhaustive study. For example, I pled in vain with the committee to call before us experts to examine into the assumption of the payroll tax. Can it go beyond 10 percent of payroll without getting beyond diminishing returns and endangering the system as no less an expert than the former Secretary of Health, Education, and Welfare, Abraham Ribicoff, now Senator from Connecticut, testified in his capacity as Secretary several years ago? How about the political and demographic assumptions which underlie the acturial computations which render the system sound or unsound? Some of which the Washington Post editorial alludes to. Because indeed it is only the accuracy of the political and demographic assumptions which make the system sound. I have pointed out for years as others are now pointing out the questionability of many of these political and demographic assumptions.

> Fact No. 2. The Supreme Court has ruled that present and future beneficiaries are guaranteed both present and future Social Security benefits under the due process clause in the 5th Amendment to the Constitution prohibiting denial of rights by arbitrary governmental action.

This fact, as semantically restructured from Wilbur Cohen's rebuttal, is even more misleading than Cohen's. All the fact really states is that if a Federal law grants a bounty to a class, no law can deprive a member of the class from participating in the bounty. The Supreme Court held in this decision that social security benefits were gratuities not rights, and that any Congress could take away these benefits, alter them upward or downward as it chose, provided this was done equitably on a whole or properly classified basis. It is this Supreme Court decision that lies at the base of the Internal Revenue ruling that social security benfits are not taxable income because they are gratuities and gratuities are not taxable under our Federal income tax laws. To clarify the picture: civil service retirement benefits are rights which can be enforced in the Federal courts and Congress may not pass laws abridging these property rights. Congress may—not that the Congresses of this decade will—pass a law which eliminates or alters radically social security benefits for everyone, and there is no judicial recourse. The only recourse is political—at the polls in electing Congressmen.

Facts No. 3 and No. 4, of course, are interesting theories. They are obviously not facts, as anyone reading them can determine for himself. As theories they deserve discussion.

I entitled one of my papers on the social security system "Politics Can Destroy Social Security." The theme was that if the advocates of the present theory of social security continued to resist honest criticism and discussion by bullying tactics, by vituperation, accusing those who seek to discuss it in order to reform it and to preserve its usefulness, then, indeed, it would be destroyed.

Insisting that theories are dogmas, are "facts" to avoid honest criticism will destroy the social security system. Here follows Sylvia Porter's article:

THE SOCIAL SECURITY FACTS

(By Sylvia Porter)

While Congress was completing details on 1967's omnibus Social Security bill in recent weeks, scare stories such as the following appeared from coast to coast:

"There's no guarantee of future payments, no reserve fund . . . Monthly benefit payments . . . may be downgraded or even discontinued at some future date . . ."

"Recent disclosures are raising grave doubts as to how much—if anything—today's taxpayer will get back when his time for retirement comes . . ."

"All that's left in the Social Security kitty for your old age are a bunch of paper IOU's signed by your own grandchildren . . ."

"The Social Security Administration is bankrupt."

"If any insurance company were administered as the government administers your 'Social Security insurance' its resources would be impounded and its officers would be thrown into jail."

These denunciations, mind you, are being broadcast to 23 million beneficiaries on the Social Security rolls. These accusations are being heard by the 80 million of us who are contributing Social Security taxes toward our own future security.

The facts cry out for attention. Specifically:

Fact No. 1: Our Social Security System is studied regularly and exhaustively by advisory councils consisting of experts drawn from private business, insurance companies, labor unions and universities.

The most recent advisory council concluded in 1965, as did previous councils, that the Social Security system is soundly financed; that its present trust funds can adequately meet all near-term obligations to beneficiaries, and that its expected income from taxes provided under law will be sufficient to meet its obligations in the distant future. Projections for Social Security income and outgo are regularly made for as far ahead as the year 2050.

The next Social Security advisory council is due to be appointed next year, but meanwhile an exhaustive study of the entire program by the House Ways and Means Committee has again concluded that the program is actuarially and financially sound.

Fact No. 2: The Supreme Court has ruled that present and future beneficiaries are guaranteed both present and future Social Security benefits under the due process clause in the 5th Amendment to the Constitution prohibiting denial of rights by arbitrary governmental action.

Fact No. 3: The Social Security system is under obligation to pay present and future beneficiaries a total of $350 billion—although it now has only about $26 billion in the OASI and Disability trust funds. But Social Security taxes are compulsory; the system is assured of a steady flow of new funds; it would be an obvious impossibility for the system even to try to maintain a reserve running into hundreds of billions.

Actually, the danger is that a huge reserve kitty could turn into a Federal financial "big brother" which could dominate and disrupt the nation's money markets. Many sophisticated students of finance argue that $26 billion is becoming too unwieldy.

Fact No. 4: Counting disability insurance protection, widow's benefits and wife's benefits, Social Security actuaries estimate that total protection over the young worker's lifetime will amount to at least 15 to 20 percent more than his total contribtuion—and this doesn't take into consideration the virtual certainly that benefit levels will continue to rise over future years as they have over the past. The older worker is, of course, way ahead.

BATTLE AGAINST PRESIDENT'S TAX INCREASE

Mr. RIEGLE. Mr. Speaker, as Congressman from the Seventh District of Michigan, which includes Genesee and Lapeer Counties and the city of Flint, I have received several petitions which express solid opposition to the proposed tax increase.

These people are speaking out loudly against excessive and wasteful Government spending, and they are tired of taxes which do not result in tangible effective services for the people.

Because these views are typical, I believe, of American opinion at this time, I am entering them in the CONGRESSIONAL RECORD so they may be shared by Congress, the President, and the public at large.

I also include my personal statement to each of the petition signers.

Statement from 70 Hurley Hospital employees:

We the undersigned, very strongly urge you to vote against any tax increases such as the Surcharge of 10% or more that Mr. Johnson is saying he needs again. The majority of us signing this letter live in the district you are representing, and all of us are employed at Hurley Hospital in Flint.

Please do whatever you can to stop any more increases in taxes because with the Federal Income Tax, a City Income Tax, and now a State Income Tax, we are getting fed up with the way the cost of government is spiraling upward.

Statement from 3,000 working men and women in Genesee County:

We the undersigned registered voters of Genesee County object to and urge a no-vote by Congress on the tax increase proposed by the President on January 10, 1967. Furthermore, we would ask the President and Congress to begin an immediate re-evaluation of all non-defense spending program and curtailment of all except those vital to the welfare of this country.

We believe this action would allow the U.S. to meet the rising cost of the Vietnam War effort without added financial burden to the taxpayer.

Respectfully,

ANTITAX INCREASE COMMITTEE,
DANIEL L. MANARD, *Chairman*.

I have sent the following response to each of these petition signers:

OUR CONTINUING FIGHT AGAINST THE PRESIDENT'S TAX INCREASE

The petition you signed opposing the tax increase has been forwarded to me as your Representative in Congress. Like you, I have pledged my opposition to this tax increase and I want to report personally to you on the fight that I and others in Congress are waging against it.

I. THE PROBLEM

In the face of a massive federal deficit ($30 billion) the Administration's only suggestion for solving it has been to demand higher taxes. This unwillingness to first: *control spending, set spending priorities,* and *control inflation,* is the cause of the rising cost of living that is eating into every pay check. Overspending by the federal government last year added over 266,076 new bureaucrats to the executive branch of the federal government alone.

II. THE FIGHT

For months now, I have been fighting against increases in federal spending. I have voted against increasing the national debt limit and have voted for a strict limitation on spending until the war in Vietnam is over, including sharp cutbacks in such programs as the Space program, Public Works "pork barrel," foreign aid program, etc. As a member of the House Appropriations Committee, I have participated in cutting over $6 billion from the existing federal budget—over strong White House opposition. We need to cut out much more, and there will be further showdowns on spending cuts in the future.

III. THE GOVERNMENT'S RESPONSIBILITY TO THE PEOPLE

We need less spending—not more taxes. The federal government should take in its belt before it asks the average citizen to sacrifice more of his take-home pay. With higher local taxes, a new state income tax, increased social security taxes, and the inflation "tax," I believe we have to fight against further increases in federal income taxes. Until the Vietnam question is resolved, however, the Administration must make some tough choices on how much we can afford to spend on various federal programs instead of the current policy of trying to do everything, everywhere, for everybody—but doing nothing well.

IV. YOUR PETITION

Your signature and your petition in opposition to the tax increase is the strongest weapon that I, as your Congressman, have. I am putting your petition statement in the *Congressional Record* so that Congress and the President will know how the man on the street feels about this tax increase.

Thank you for standing up and being counted. I can assure you that I will fight to see that your voice is heard. Please contact me in Washington or in my Flint office if I can ever be of service to you or your family.

Sincerely,

DONALD W. RIEGLE, JR.,
Member of Congress.

INTRODUCTORY REMARKS FOR VIETNAM STUDY GROUP PAPERS

Mr. RIEGLE. Mr. Speaker, several months ago, I became aware of an extensive analysis and review of the war in Vietnam being conducted by a group of professors at the University of Michigan. Five scholars at this outstanding university in Ann Arbor, Mich., had independently decided to undertake a thorough and systematic examination of the many complex interrelated issues we face in South Vietnam. When I became aware of the group's efforts on Vietnam, I asked the group if it would be willing to appraise the Vietnam situation in a structural context that would be most useful to a Member of Congress.

Under the leadership of Dr. Alexander Eckstein, professor of economics and director of the center for Chinese studies at the university, the group, all academic experts on the Far East, agreed to this structural context and set out to analyze the key issues on this conflict and to identify and recommend a "best interest" solution for the United States.

The Vietnam Study Group was specifically asked to:

First. Give complete and precise definition to the existing Vietnam problem.

Second. List and assess the various major alternative courses of action available for resolving the war.

Third. Measure the impact on U.S. national security of the different tactical or strategic alternative plans.

Fourth. Develop a specific recommendation for moving the war to a U.S. best interests conclusion.

Their presentation is presented in the six sections outlined below:

1. "The Vietnam Conflict: A Definition of the Issues"—Dr. Alexander Eckstein;
2. "Vietnam: The Military Options"—Dr. Walter Goldstein;
3. "Political Settlement and Future of Vietnam"—Dr. Rhoads Murphey;
4. "Response of Vietnam's Neighbors to American Involvement"—Dr. Roger Smith;
5. "China and the Vietnam Conflict"—Dr. Richard Solomon;
6. "The Vietnam Conflict: An Alternative Solution"—Dr. Alexander Eckstein.

I have inserted these papers in the CONGRESSIONAL RECORD today because I believe they represent a fresh, independent, and competent appraisal of the present problem. Seldom does one find in the current literature on Vietnam such a dispassionate and thorough analysis of this exceedingly tough issue. These papers are analytical in their approach to the problem and constructive in that they offer a recommended alternative course of action for the United States. The thoughts expressed in these papers were developed and refined after considerable study and debate and are devoid of any political or partisan flavoring.

On November 28, 1967, all five members of this group came to Washington to present their papers to a select bipartisan group of 19 Congressmen from the House of Representatives. While the members of the study group volunteered their time and efforts, their travel expenses to Washington were underwritten by a group of interested citizens in my district. The 19 House Members—all of whom had previously exhibited special interest and initiative regarding the Vietnam problem—who attended the presentation were very evenly divided between Republicans and Democrats, and represented a broad range of individual positions on the Vietnam issue. The presentation was made in the Appropriations Committee room of the Capitol, and—including a lengthy question-and-answer period—lasted some 4 hours.

The general reaction to this meeting from the Members of Congress attending was sufficiently complimentary that I thought the presentation should be inserted in the RECORD so that it might be available to all Members. The question-and-answer period that occurred after the formal presentation is presently being edited. Since the final editing of this material is not complete, I have chosen to insert into the RECORD at this time the formal presentation and will follow this up by inserting the other material at a later date.

So that the objectivity of this work can be verified and this material can be assessed on its own merits, I want to disclaim any influence over these men and their papers. The thoughts expressed in these papers are solely their own and were arrived at independently after considerable research and effort. I am hopeful that all Members of the Congress will find the ideas in these papers informative and useful. The papers follow:

THE VIETNAM CONFLICT: A DEFINITION OF THE ISSUES

(By Dr. Alexander Eckstein)

Mr. Chairman, Congressmen: The five of us together with several other colleagues at the University of Michigan, all of them academic specialists on the Far East, have been meeting informally for several months to see whether through systematic study of the Vietnamese problem we could evolve some approaches to its solution. Congressman Riegle became aware of our study and was kind enough to invite us to come here and share some of our conclusions with you. I want to express our appreciation to all of you for this kind invitation and for the opportunity thus provided to explore with you one of the most difficult and complex set of problems facing our country since World War II. In confronting the dilemmas inherent in the Vietnamese conflict, we would like to analyze the issues as we see them and examine the alternative courses of action open to the United States.

By way of introduction, I would like to first very briefly review our objectives in Vietnam as officially stated by our government, second, examine these objectives, third, appraise whether these objectives are attainable, fourth, point to some of the alternative solutions open to us and fifth, explore some of the costs entailed and/or benefits flowing from the pursuit of these various alternatives. My colleagues will then address themselves to more specific aspects of the overall problem.

Dr. Walter Goldstein will examine the military situation and prospects in Vietnam. Dr. Goldstein is an Associate Professor of International Relations in the City University of New York and is presently completing a book on *Military Strategy and International Change*. He will be followed by Rhoads Murphey, who is a Professor of Geography at the University of Michigan. Dr. Murphey is a specialist on China and India, former editor of the *Journal of Asian Studies*, and author of three books on China and East Asia. He will explore several alternative patterns of settlement. Prof. Smith will then appraise the possible reaction of Vietnam's neighbors to a continued conflict on the one hand and a withdrawal on the other. Roger Smith is Assistant Professor of Political Science and a Research Associate of the Center for South and Southeast Asian Studies at the University of Michigan. He recently published a book on *Cambodia's Foreign Policy*. Our formal presentations will be concluded by Richard Solomon who will examine China's position in this conflict. Dr. Solomon is Assistant Professor of Political Science and Research Associate at the Center for Chinese Studies at the University of Michigan. He is now completing a book on Chinese political behavior. Finally, I will attempt a very brief summing up and we will then welcome questions and discussion.

Proceeding on this basis, let us first ask why are we in Vietnam? There are the following six reasons given for the U.S. military presence in Vietnam with relative weight assigned to each of these shifting from time to time:

(a) Containment of Communist China.

(b) Containment of Communism in Asia.

(c) To prove that national liberation wars do not pay.

(d) Protection of non-Communist Asia.

(e) To buy time for nation-building in South Vietnam.

(f) To guarantee and protect the national interests and security of the United States.

Let me examine very briefly, each of these, starting in reverse order.

What is the U.S. national and security interest in Vietnam and in Southeast Asia? Is the United States itself threatened there directly? If so, what is the nature of the threat and who is threatening us? There is a strong fear that the advent of Communism in Vietnam will lead to extension of Chinese power and influence which will then spill over into all of Southeast Asia. Are we also worried that a Communist Southeast Asia under Chinese tutelage would threaten the territorial integrity or security of the United States? Or are we less concerned about ourselves, but more concerned about guaranteeing self-determination and freedom for the peoples of Asia as a matter of principle? It seems to me that there is a great deal of fuzziness in this whole area. There is a fear of Communist China and there is a fear of Asian Communism. Are these two necessarily the same? Regardless of that, what is the nature of the Chinese Communist threat?

It would be fair to say that there is no such thing today as a monolithic united world Communist movement controlled from a single power center. Not only are the Communist parties of China and the Soviet Union locked in bitter dispute and enmity, but so are the Chinese and Japanese Communist parties as well as the Indian and Chinese parties. Moreover, even the Chinese Communist party itself is in a state of turmoil at present. The experience of the last ten years has taught us that both in Europe and in Asia, nationalism may be at least as strong a force as Communism.

This suggests then that it is very misleading to speak of Chinese and Asian Communism as if it were the same thing. Some Asian parties are controlled by Peking, some by Moscow, and some are more or less independent. This independence is being facilitated by the Sino-Soviet split.

This seems to be precisely the situation in Vietnam. Ho Chi Minh is dependent for supplies both on the Soviets and China. At the same time, each of them is bidding for influence in Hanoi. Thus Hanoi gains a certain room for maneuver since it is neither a Chinese satellite nor a Soviet satellite, but is allied with both as a matter of self-interest.

On the other hand, all of the available evidence suggests that whoever controls the NFL it is not the Chinese. Their attempts to gain leverage on Ho Chi Minh by bidding for influence over the NLF have thus far been apparently unsuccessful.

If this reasoning is valid, then we are not fighting China in Vietnam, nor Asian Communism, but Vietnamese nationalism which combined with a Communist ideology has gained tremendously in potency. Actually, many leaders in Southeast Asia have argued that by fighting Vietnamese nationalism we are in the process of destroying the only effective bulwark to the spread of Chinese influence and power in Vietnam.

Are we then in Vietnam to prevent the rise of national Communism? If that is our policy, why? Are we committed to eradicating communism anywhere in the world? Does national communism in Vietnam present more of a threat to the U.S. than it has presented in Yugoslavia or Rumania?

What about China? I would suggest that the Chinese threat has been highly exaggerated. China may represent a potential threat in the future, perhaps fifty years from now. As of now, China is economically and militarily weak, even if she is on the road to acquiring modest nuclear capability. She has for some years assumed a posture of militancy to compensate for the hard realities of her weakness. She has used this posture to create an illusion of power without the hardware to back up this power. Therefore, repeated statements by Mr. Rusk and others evoking the image of a powerful and threatening Cuba unwittingly serve Chinese objectives better than ours.

This does not mean that China would not wish to gain influence in other countries, or subvert them. On the contrary. But there is very little evidence to support the notion that China is bent on military expansion. Political subversion, however, can best be met by encouraging the growth of indigenous nationalism and by providing the wherewithal for political, social, and economic stability rather than by military means.

This then leads me to a consideration of the other reasons given for our military presence, namely to provide a curtain of security behind which nation building efforts can proceed. However, is this really feasible? Is this not a contradiction in terms? There has been no case on historical record that we know of where national identity, national integration, and stability were built on the backs of large numbers of foreign troops, with the foreign troops not helping nationals to fight foreigners, but helping them to fight their own blood brothers. Moreover, the large injection of U.S. troops in Vietnam necessarily and automatically means rampant inflation, loosening of national morale, growing corruption, etc., all of which is bound to lead to increasing instability, rather than stability. This is bound to be further aggravated by the very nature of the struggle. How can bombing and destruction lead to stability?

Perhaps the most decisive argument advanced for our continued presence in Vietnam is that having made this degree of commitment, disengagement would be very costly in terms of U.S. prestige and that it could lead to a serious weakening of the U.S. security system in the Western Pacific, and to an undermining of the governments in Southeast Asia that we cannot afford it. This really focuses on the central dilemma facing us today and forces us to weigh the costs entailed either in escalation or withdrawal and the variants thereof.

Before turning to this question, may I call your attention to the fact that up to two years ago, we were told by military experts in and out of the government that to win a guerrilla war you need to have a ten to one ratio between conventional forces and insurgents. The ratio at present is, however, only at best four to one, if we count all of the South Vietnamese army on our side and include 50,000 North Vietnamese regulars on the other side. To attain a ten to one ratio, we would need a force of three million on our side. On the other hand, even if we succeeded somehow to assemble three million troops, they would only need 750,000 to maintain the present four to one ratio. It is estimated that the North Vietnamese standing army is 250,000 with 500,000 in reserve. Present V.C. strength is estimated around 250,000. Quite apart from this, where could the three million for our side come from? Are we prepared to engage in full-scale mobilization and everything that implies for our people in order to fight the war in Vietnam? Even if we as a people were prepared to do that what would this do to our commitments in other parts of the world? Moreover, stepping up the scale of effort to those levels or anywhere near them would almost certainly widen the conflict and threaten a confrontation with the Soviet Union and/or China.

Faced with these grim prospects, what other alternatives are open to us? This really depends on what are our objectives. It would seem that official U.S. policy is committed to imposing a Korea-type settlement. But since such a settlement may be militarily unattainable, don't we have an obligation to seek avenues of a compromise which might mean considerable influence for the NLF in a South Vietnamese government, leading possibly to an eventual unification of North and South Vietnam? As I tried to suggest above, as desirable as a Korea-type settlement may be, it seems to be militarily and politically unattainable short of total mobilization in the U.S. and pulverization of the countryside in Vietnam.

This then raises the question of what type of compromise could we live with. Would it be a coalition government? Would it be a government dominated by the NLF? What would be the role of the South Vietnamese military in such a government?

I purposely place the stress on the terms of political settlement since it seems to me that is primary. From it flow decisions as to escalation or de-escalation, invasion or withdrawal and its consequences which my colleagues will deal with.

VIETNAM: THE MILITARY OPTIONS

(By Dr. Walter Goldstein)

Mr. Chairman, Congressmen: It is always difficult to collect accurate data on military operations or to draw precise inferences from battle reports; indeed, we even find difficulty in each decade in compiling an accurate census of the U.S. population. Working exclusively from reports in the public press, however, it is possible to test the logical consistency of the successes claimed in the Vietnam war by the Administration. Efforts to do so allow questions to be asked about the feasibility of the military strategy that is now being pursued—or about the benefits that might be gained if new goals were to be pursued.

The numbers game poses a difficult problem to be resolved. Conflicting reports suggest that enemy forces are 300,000 strong, or 250,000 weak; other estimates vary by 20% up or down. Sometimes the V.C. is supposed to find great difficulty in recruiting in South Vietnam; or the North Vietnamese are supposed to find difficulty in infiltrating reinforcements into the South. Moreover, the Administration now claims that 40,000 enemy have been killed in the last six months. Hence, some suspect that we must have killed the enemy several times over—unless we have erred about his ability to recruit or to infiltrate further reinforcements. Numbers have also been confusing in considering the combat-readiness both of the enemy and of ARVN forces. A recent count indicates that 76 of 163 enemy battalions are now unfit for combat. If this is true, we must ask how they were able to stage such large battles at Conthien and Dakto? Similarly, if 200,000 of the 630,000 ARVN troops are combat-ready, we must ask what has happened to the rest and why U.S. casualties are greater than those of the combat-ready contingents?

These questions must be raised in appraising General Westmoreland's recent statements that (a) within two years there could be a sizable phasing-down of U.S. forces in Vietnam; because (b) the enemy force is becoming demoralized and severely depleted; and because (c) ARVN forces are growing stronger and better able to take over this highly Americanized war. Questions must be raised about these naked assertions since many of them sound strangely similar to the predictions so confidently issued by General Harkins (Westmoreland's predecessor) and by Secretary McNamara four years ago. If four years of devastating war should teach us anything, it is that military intelligence projections can be consistently inaccurate.

I. BOMBING OF NORTH VIETNAM

First of all, there is a great uncertainty about the effectiveness of U.S. bombing operations in the North. Over 2,000 targets have been systematically attacked and 750 U.S. fixed-wing planes have been lost in the last two years. In critically important testimony before the Senate Preparedness Subcommittee, on August 25, Secretary McNamara revealed that only 57 targets on the list submitted by the Joint Chiefs of Staff had *not* been attacked—though in the last three months most of the 57 were hit. He added that if they were attacked it would "not materially shorten the duration of the war." Unfortunately, many influential people have disagreed. Leaders within the Congress and in the Joint Chiefs of Staff have insisted that the bombing *must* escalate; significantly, none has marshalled hard evidence while disagreeing with Mr. McNamara. If saturation raids were launched on Hanoi and Haiphong (through which only 550 tons of materiel pass each day, and only 10% of which is military equipment bound for the South), it would still be possible for the North Vietnamese to devise alternative routes of communication and supply. Ships outside Haiphong are already offloaded onto barges and hence pounding the dockside would not particularly arrest the flow of trade—though it might sink Soviet shipping. 85% of the electricity generators in North Vietnam and most railroad bridges have also been knocked out—but Secretary McNamara has noted how difficult it is to destroy the war-making potential of an agricultural economy. North Vietnam's primitive infrastructue and its mass of unskilled labor can probably withstand many more months of U.S. bombing. It might even gain in morale, too!

If the intention of the bombing is to "punish" North Vietnam, or to make it pay a high price for *not* negotiating, our 2,000 bombing sorties a month would appear to have failed. The North has enough peasant manpower to make hasty repairs to its roads and canals and it has received sufficient supplies from China and the Soviet Union to take care of urgent needs. That it will collapse under the psychological duress imposed by the bombing is also improbable. As the *Strategic Bombing Survey* revealed, the German population withstood sustained bombing for 3 or 4 years without any sign of cracking in morale.

If the intention of the bombing is to interdict supplies and men flowing down the Ho-Chi-Minh Trail to the South, this too has not succeeded. Secretary McNamara reports that the forces in the South require only 100 tons of supplies a day, at the maximum. This means that only a few trucks a day need get through or that a fleet of several hundred bicycles (carrying 500 pound each) need traverse the bombed supply routes. It is hardly surprising that the North Vietnamese have been able to send through about 6,000 new troops each month and to keep them adequately supplied to fight sizable battles against U.S. forces. Evidence has yet to be cited that the bombing of the North, as a purely military operation, has achieved its purposes or that its cessation would be unbearably costly to the U.S. (Nor should one minimize the fact that the rest of the world' press has reported that a great number of Bomb Cluster Units, or anti-personnel *guava* bombs, have been dropped by U.S. planes on Northern cities. This raises a terrible moral problem that should exercise our consciences while we are calculating the cost/effectiveness of bombing a nation with which we are technically not at war.)

II. THE WAR IN THE SOUTH

It is impossible to estimate exactly what progress has been made since 1965 in the war in the South. In 1965, as General Westmoreland recently admitted, it seemed that disaster loomed near: large sections of the country were under permanent V.C. control and the country was almost cut in two. Since 1965 we have seen a massive escalation of the war in terms of American costs, casualties and combat units. The U.S. force strength rose from 385,000 to 525,000 over one and a half years; the cost has risen from 6 billion dollars in 1966 to more than 22 billion dollars in 1967; and our casualties have at least doubled. But what has been gained from this increase besides the assurance that our enormous force will not be defeated by a puny opponent? The number of roads that are "open" or the percentage of the 17,000,000 people living in "secure" areas cannot be definitely measured. More important, the enemy has been free and able to stage pitched battles at Dak To, the Iadrang Valley, Song Be, Loc Ninh and Conthien. The purpose of these battles was: (a) to draw American troops away from the rice-growing areas on the coast, especially at harvest time, so that the V.C. could replenish its supplies; (b) to impose higher casualties upon U.S. forces in order to deepen political divisions within the United States; and (c) to impede any U.S. and ARVN progress in pacification. Each one of these V.C. goals has been attained, though admittedly at a high price. It appears that the enemy can still mount operations at almost a Division level, despite all the punishment and demoralization that we claim to have meted out in recent months. Though there is no longer a danger of military disaster to our position in Vietnam, neither is there promise of final victory. What we have in fact attained, and what we should never fear to deny, is a stable and theater-wide condition of military stalemate. Though we might win every battle because of our superior fire power, it should not be assumed that we will therefore "win" the war.

III. PACIFICATION

There are 12,000 hamlets and agricultural units within South Vietnam but it is impossible to calculate what percentage of them remain permanently under U.S. or friendly control. Many of the friendly villages have to be "cleared" several times a month and many of our own people refuse to spend the night in them. Even if we use computerized calculations, it is difficult to judge (and *not* just count) that 67% of the population lives in "secure zones," especially when the ARVN often leave village affairs to the V.C. The effectiveness of the V.C. can be shown in the widespread and considerable support (in food, supplies, and information) which it has been able to provide all over the country; it certainly does not look like a demoralized or decimated force verging on the point of collapse. Were the dubious Revolutionary Development Corps maintained by Saigon only half as effective as the V.C., our newspapers would not have to report the ambush of U.S. patrols in a dozen different locales of this wretched war on every day of the week. Considering the gross distortions in the daily "body count" and in other supposedly hard data issued by Saigon, it is necessary to question General Westmoreland's new basis for projection. If there were 30,000 defectors in recent months, for example, were they hardcore or irregular forces; or did they really desert from the ARVN (for which they are stringently punished) but claim a defector's reward? More important, does this and other data about the 17 million Vietnamese come from the Provincial authorities, many of whom have been vehemently despised for collaborating with the French against the popular Vietminh rebellion 15 years ago?

Additionally, one must consider the fate of the refugees who have in many cases been forcibly removed by U.S. troops from areas of combat. There is not even exact knowledge of their number. Normally it is assumed that there are 2 million out of a population of 17 million, but Senator Edward Kennedy and others have made estimates ranging up to 4 million. What is certainly known is that the refugees live in miserable conditions on 8 cents a day, that their loyalty to and support of the Saigon regime is dubious, that few of them thank us for liberating them from their family land. If we are fighting to preserve the social and political fabric of Vietnam, our harsh treatment of this numerous group is reprehensible both on humanitarian and political grounds. Indeed, our failure to calculate civilian fatalities and to remedy the refugees' misery suggests that we have been remiss in tending to the welfare of the people whom we now claim to defend.

IV. OPTIONS AVAILABLE IN THE NEXT FEW MONTHS

General Westmoreland and Ambassador Bunker recently suggested a four-phase scenario of how the Vietnam War might be "won." Reasonable doubts must be raised about their estimates of: (a) whether the enemy is truly being ground down in a war of attrition; (b) whether the ARVN forces can reverse the present process of Americanizing the war; and (c) whether the United States can continue to afford the astronomic political and economic costs of continuing present levels of operation over the next two years? Looking back upon the equally visionary assessments of victory advanced between 1963 and 1966, and after inspecting the alleged "data" cited by General Westmoreland or Prof. W. W. Rostow, it is difficult to agree that the American people will shortly be presented with a decisive military solution to this mightmare of political-military confrontation which we call the War.

There are three different outcomes or options currently available to the United States and we should evaluate each one as openly as possible.

(1) *To sustain the present level of combat activity* and to hope that General Westmoreland's two-year projection of phasing-down will come true. If we maintain the present level of war, in the hope of sealing off the 17th parallel and achieving a Korea-type solution (permanently dividing North from South Vietnam), we must also assume that the U.S. can throw even greater resources into the unlimited pursuit of a limited war. We know that the adversary has great staying power, that our allies are impossibly weak, and that we must continue to fight in a largely hopeless terrain. It is utterly unlikely that the enemy will negotiate while North Vietnam is being bombed or while he knows that the U.S. is so vulnerable to high casualty lists. Hanoi aims to maintain the present level of combat for at least another year, until the U.S. election campaign has ended. This will put a great strain upon the ability of the U.S. and Saigon to improve the military stalemate that has dragged on for two years at such a high cost. A careful assessment of the evidence suggests that our position next year will *not* provide a sizable improvement over our current prospects. If we need to seal off the North before phasing down the U.S. effort, the war is likely to last for much longer than two years.

(2) *Alternately we could escalate the war* by either engaging in a massive destruction of North Vietnam, or by using chemical (or even nuclear) weapons to seal off the infiltration routes from North into South Vietnam, or by putting a million men into the land war; we could also try to invade North Vietnam in an attempt at a "win-the-war strategy" (such as the Gallipoli landing tried in the First World War or the Inchon Bay landing attempted in the Korean War). None of these escalations could be guaranteed to provide a decisive or "knock-out" blow and it is probable that they would be exorbitantly costly to the U.S. in men and materiel. Probably our most tempting mistake will be to invade the swamp lands of the Delta. This could bog down U.S. forces and waste as many lives as were squandered in the trench war of Flanders in 1917.

(3) *The last option available is to find some manner of de-escalating* the level of combat and the area of conflict. Unfortunately, misunderstandings have been aired in the past about the concept of "enclaves" and de-escalation. Without rehearsing them, it can be suggested that were U.S. troops to withdraw to the coastal plains (on which a large part of the South Vietnamese population is located), U.S. casualties and battle operations could be significantly reduced. Within this area it might be possible for the Saigon Government to repair its useless attempts at nation-building; and the U.S. could then afford to cease its bombing of the North. But it must be emphasized that the purposes of phasing back to the coastal plains would be (a) to "buy time" for negotiations to begin; and (b) to allow the U.S. to lower tension, to disavow its pursuit of a military solution, and to move towards a political settlement.

POLITICAL SETTLEMENT AND FUTURE OF VIETNAM

(By Dr. Rhoads Murphey)

Mr. Chairman, Congressmen—Whatever may be the military prospects in Vietnam, the problem there is primarily political, to which military force can at best provide only a temporary answer. The immediate issue of insurgency has diverted attention from the more fundamental issues which are not only key factors in the insurgency but which will remain after the fighting stops. Unless we somehow reach a workable political solution, even the most complete military conclusion will be of no lasting effect.

There are two overriding political issues. The first is Vietnamese nationalism. This is certainly the most important. The drive for genuine independence from all forms of outside domination. This is a very ancient struggle, fought successfully for many centuries against the Chinese state, then against the French and the Japanese. The United States has now replaced the French as an outside power attempting to exercise a major influence. Although we may have no wish to build a permanent position of control, this is not clearly seen by many, perhaps most, Vietnamese, who see instead the growth of the U.S. military establishment in their country, the permanent look of U.S. bases, and the important American influence on the government of Saigon.

The second of these two issues is the need for a political order which represents the aspirations of the people and which makes at least an honest effort to attack the problems which result from economic underdevelopment which have been grossly magnified by the destruction of a generation of warfare. Vietnam has been at war for at least 25 years. But economic growth cannot take place without political stability, and without the cooperation of most of the population. Any successful government must be broadly representative of the people as a whole, and must win their confidence through its willingness to confront these long-neglected problems.

It is not possible to examine the nature of possible political settlements at this point. It can be realistically suggested, though, that without a deescalation of combat in the South, together with the cessation of bombing in the North, it will never be possible for the combatants in Vietnam to explore a durable political settlement. If the present course of combat should continue, the war will impose an immense cost in lives and in national aspirations. It might irreparably damage the social and political fabric of the nation of Vietnam. A political settlement, by contrast, will preserve Vietnam from endless and hopeless destruction. For these reasons, a careful re-appraisal of Administration claims is urgently required and an evaluation of possible alternative options must be rigorously pursued. We should not be bemused by the newly-found vigor with which optimistic projections of "victory" are now presented to us. We cannot suppress our skepticism interminably nor shrink from the destruction that persists because of our doubts. In a choice between the optimistic soothsaying of Administration and the general welfare of the suffering Vietnamese, we must not be too credulous about official claims of skill at playing the numbers game.

To what extent does the present government of South Vietnam meet either of these issues? The United States has in effect put all its money on the Saigon government, as the sole vehicle through which American objectives in Vietnam are to be achieved. But that government's role as a leader of Vietnamese nationalism which I think is the key factor is compromised by its dependence on American military assistance and influence. And it falls far short of representing, in its composition or its actions, more than a small sector of the country's people. Despite its announced policies and despite a great deal of American effort, it has accomplished next to nothing in promoting economic development or in pursuing the vital job of land reform, as Congressman Riegle made clear in his discussion with Mr. Poats of AID before the Foreign Operations Subcommittee last May.

It has not won substantial popular support. Even its army is at best half-hearted in meeting the emergency military demands of defense against insurgency. There seems little doubt that if American support were withdrawn, the Saigon government would not only be unable to continue the war but would quickly collapse.

The elections of last September 3 which have been variously interpreted but have their most important message in revealing the weakness of the Saigon government. With the powerful leverage of office-holding, the elimination from the contest of the strongest candidates and of all politically suspect voters (suspect is interpreted to mean "neutralist" as well as "leftist" although these things were not defined) and the virtually automatic votes of the armed forces, the official ticket received only about a third of the total ballots. But only a little over half of the total electorate in the areas controlled by Saigon voted, or were permitted to vote, so that the government still won the support of only 19 percent of the electorate even in its own area, let alone the larger area controlled by the Viet Cong. This is not a surprising result in view of the government's character, as I outlined it above, and given the widespread disenchantment with the war, but it reinforces the need to begin thinking now about Vietnam's political future. If the United States is to achieve its aims in Vietnam, it must direct its efforts toward increasing the chances for a viable and stable government once the American presence is withdrawn. No solution which depends on permanent American military involvement would be acceptable to either the American or the Vietnamese people, nor could it be made to work.

The political landscape of Vietnam is highly complex. In addition to the interests represented in the Saigon government, there is a variety of Buddhist sects with an equal variety of political orientations, a Catholic group indigenous to the south plus the roughly one million largely Catholic refugees from the north, a bewildering assortment of non-Vietnamese tribal and mountain people ("Montagnards" as the French called them), and a substantial number of Khmers, closely related to the people of Cambodia, and, like the Montagnards, not Vietnamese, although they are all included within the present borders of the Vietnamese state. The Khmers are down here, in this delta landscape, which I have visited twice, and which I would maintain, in response to the point raised earlier, does present a serious military problem for any attacking force. It is not just that the area is heavily cultivated and densely settled, but that it is interlaced with irrigation canals for the rice paddies and with a braided pattern of larger streams and rivers which form the distributary mouths of the Mekong. There are also extensive areas of swampy terrain, and many thousands of acres under rubber trees. The rice fields themselves and the closely spaced villages of the cultivated areas (most of which are accompanied by bamboo thickets and other tree clumps for village use) provide in addition excellent cover, especially once the crop is reasonably high, for guerrilla action. To try to put a military force of tanks, airplanes, or ground troops alone into such a landscape is, I think, to invite the kind of bloody stalemate which guerrilla operations are ideally suited to create, and to maintain a sticky military situation from the point of view of an attacking force almost indefinitely. Most of the groups I have mentioned above, and many other smaller ones, have little or no representation in the present government. But no government which does not take at least some account of their interests can rest on a secure basis without massive outside support.

Finally, there is the National Liberation Front, which still controls most of South Vietnam's area (by one definition or another, it depends on how you want to read this word "controls") and has the enforced, willing, or tacit support of a large share of the population as a whole. It is, without much question, politically the strongest and most effective group in the country. Resentment of the American presence, the urgency and bitterness of the socio-economic problems, and dissatisfaction with the Saigon government's ineffective response to those problems have influenced large numbers of the normally indifferent masses of the Vietnamese people to support the NLF's revolutionary and nationalist movement—two qualities which the Saigon government notably lacks. The rising onslaught of U.S. military power has not significantly weakened the political position of the NLF, and has instead strengthened its nationalist appeal. The Viet Cong uses terrorism and is often feared and resented, but, despite these handicaps, it has captured the political leadership in South Vietnam, as the principal head of what is increasingly seen as a nationalist effort against American intervention on the one hand and against reaction and corruption in Saigon on the other.

To produce from this complex assortment of divergent groups a stable, representative, and effective government is in effect the task which we have undertaken as a result of our intervention. There is no need to underline its difficulty. But there can be no hope of permanent success unless the political arena is opened to all politically important groups. This is not just something they can subscribe to on the basis of arising out of our belief in the democratic process, but it seems to be an essential condition for the emergence of an essentially stable political solution. This would result, at least to begin with, in a good deal of disorder and confusion. It would be at best an uncertain situation in which a variety of groups jockeyed for power, and there could be no assurance that violence would be absent. But I don't think there is any need to assume that the presently most effective group, the NLF, would automatically win out unopposed. In a contest for political power, efforts would have to be concentrated on winning the widest possible support. Given the political variety of South Vietnam, no party which ignored this variety or refused to make concessions to it could make much secure progress. The interests now represented in the Saigon government are also far from powerless, even apart from American support, and in a open political field could be expected to remain in the contest and to achieve some position in the outcome. The force of the Buddhist and other non-communist groups currently outside the government could also be counted on to exert influence on any solution.

If an international framework of guarantee and supervision could be established, then a free political field in South Vietnam might be ensured. Here the American role would be vital, but would be most effectively exercised in cooperation either with representatives of the Geneva powers or with a newly appointed international commission. The outcome of any free political choice in Vietnam would almost certainly be, in international terms, some shade of neutralization. Such an outcome, and the opportunity of free political choice, have already been accepted, explicitly or in principle, as compatible with U.S. objectives in Vietnam, and they also coincide with the interests and wishes of the great majority of the Vietnamese people. Nevertheless, it would probably be necessary to obtain in advance, through private discussions, the agreement of the Soviet Union, China, and North Vietnam to accept where they cannot actively support the opening of the political arena in South Vietnam and the ultimate neutralization of the country. From both the Russian and the Chinese points of view, as from our own, these should be acceptable solutions, threatening no vital national interest and providing a viable means for the disengagement of the present pattern of multiple intervention and conflict. China's reaction is of course the most problematical; but it is far from inconceivable that even now the Chinese could tacitly accept the neutralization of Vietnam and the consequent removal of American forces whose active role close to China's borders contains as much embarrassment from the Chinese point of view as it does propaganda value. As Professor Eckstein has already pointed out the Chinese state is militarily weak, especially in terms of any conflict with U.S. power, and it has been unwilling to respond to what are clearly provocative actions, from its point of view.

Freedom of political maneuver in South Vietnam and the emergence of some form of coalition government could lead to overtures to the Hanoi government, or even to participation of that government in the southern political arena. We might be confronted with a situation which in some respects resembled that in 1954 at the conclusion of the Geneva Conference, under which North and South Vietnam might move toward unification through political rather than military processes. If this should take place, within the context of neutralization, it would be the best outcome we could hope for from the present dismal situation in Vietnam, given the unattainability of wider aims from our point of view. Vietnam is one country, temporarily and artificially divided. The division is unstable, given the uniformity of Vietnamese national aspirations; even now as I am sure you gentlemen are well aware, many northerners including Marshall Ky, occupy prominent positions in the Saigon government and its army. If the division can be resolved by any means short of war, long-run stability will be ensured as it can by nothing else. For a variety of reasons, the Korean case is not parallel, and no Korean type solution can be imposed on Vietnam except at the cost of continued violence. A unified Vietnam would leave many questions open as far as internal political alignments were concerned, but the issue of neutralization externally would not be in serious doubt. Whether a unitary government of Vietnam were communist, anticommunist, or based on a broad coalition, and whatever its formal relations with China, it would focus its external relations on the maintenance of independence from China and freedom of Vietnamese political maneuver. All of the long course of Vietnamese history testifies to this, including the history and actions of the present government in Hanoi.

Whatever regime emerged from the political process in Vietnam, under the supervision of an international commission, could be offerred military guarantees by the United States, or preferably by an international alliance of powers, to protect the present borders of Vietnam against outside aggression. American and/or United Nations economic and technical assistance could also be powerful assets for the success of any Vietnamese government, but outside military commitments to the internal support of any given regime could only be counter-productive of the long-run stability and progress which are our aims in Vietnam. There is some risk that a left-dominated government in the south, or in a unified Vietnam, might take reprisals especially against the million or more religious and political refugees who fled south in 1954 and later. The effort to command the widest possible support would presumably militate against any such action. But if the risk became real, the United States would have a clear obligation to arrange external sanctuary for all who saw themselves in jeopardy, since they became refugees originally on the strength of an American guarantee.

In sum, we must give primary attention to the political aspects of what is above all a political problem. Our objectives in Vietnam cannot be won by military means, no matter how successful military action may be. We must look at the far more lasting political realities, and must shape our policy in the light of what they suggest if we are not to perpetuate a tragic waste of American and Vietnamese lives. Thank you.

Response of Vietnam's Neighbors to American Involvement

(By Dr. Roger M. Smith)

Mr. Chairman, Congressmen: The question to which I would like to address myself concerns the response of Vietnam's neighbors to (1) a continued high level of American involvement in that country and (2) American de-escalation and phased withdrawal.

Of South Vietnam's neighbors, only one, Cambodia, has been outspokenly critical of American military involvement in Vietnam. The governments of Thailand and Laos, because of the restrictions imposed upon them by their alliance with the United States, have publicly voiced support of our actions in Vietnam. At least in *Thailand*, however, there is growing uneasiness about the intensification of the Vietnamese war. If the past is in any way indicative of the future, continuation of the war will inevitably lead to further escalation and ultimately to the involvement of other powers, in particular of China. When this should occur, Thailand's own peace and security which she has strived to maintain, will be directly threatened. But even if the worst does not come to pass, Thai leaders are aware that in the face of a continuation of the *status quo*, increased pressure will be brought to bear upon them to provide more tangible support for our position. This they are reluctant to do for several reasons, among them being: (1) their feeling that they cannot afford to divert military manpower from their efforts to cope with insurgency within their own borders, and (2) their belief that mobilization of men to fight in Vietnam would eventually bring to a halt the remarkable strides they have been making in economic development. Moreover, as more and more demands are made upon Thailand by its military alliance with the United States, her leaders feel that her freedom of action will become correspondingly limited. At present, there are certain members of the Thai elite who feel uncomfortable with respect to the presence of American military bases and troops in their country. Paramount in their minds is their fear that these may serve to invite the hostile acts of certain neighbors. Apart from this consideration there is widespread displeasure at the inroads which the American military presence, so evident in Bangkok and other urban centers, is making into Thai culture.

In underscoring the apprehensions with which Thai leaders regard the high level of American involvement in Vietnam, I do not mean to imply that the Thai would welcome an unqualified withdrawal of the United States from her commitments there. Such an eventuality would imply to the Thai that we have lost interest in Southeast Asia and, therefore in Thailand, leaving a balance of power in favor of China and North Vietnam, fear of whom is rooted both in historical relationships with these countries and in modern ideological differences. However, if withdrawal were to follow negotiations in which we affirm our interest in seeing peace and stability restored in Vietnam and preserved in other parts of Southeast Asia, we need leave no question in the mind of Hanoi, Peking or of our allies that we are determined to help the Thai people. Moreover, continued and increased economic assistance to the Thai would be further evidence of our unwavering interest.

LAOS

In Laos, Prince Souvannaphouma's government is maintained in power by a very tenuous balance. As in the case of the South Vietnamese government, it depends for its continued existence on intensive American support, both economic and military. Even then, it can claim jurisdiction over only one-half of Laos, the remaining portion being under the effective control of the Hanoi-backed Pathet Lao. Given this dependence of the Lao government on the United States, one might reasonably expect that it would favor the continuation of a strong American involvement in Vietnam. Yet, Souvannaphouma has refrained from addressing himself to the American commitment in Vietnam, and on the few occasions when he has been led to do so, he has been extremely circumspect in his treatment of the issue.

The Lao leaders with whom I have spoken seem to realize that their government will never be more than nominal unless it gains the recognition and support of the people. Yet, attempts to establish lines of communication with them and to undertake social and economic reforms are foiled by the fact that both sides in the Vietnamese struggle use their country as a corridor between North and South Vietnam. In light of this, they look forward to an early settlement of the Vietnamese war, but not in the form of a complete abandonment of the American position in Indo-China. Ever mindful of the historical rivalry between Thailand and Vietnam to exert dominance over Laos, usually by playing off local factions against each other, they are fearful that with the withdrawal of the protective umbrella of the United States, they will once more fall prey to their neighbors. In modern terms, they perceive the greater threat as emanating from North Vietnam, who, as already noted, has cultivated a close relationship with the Pathet Lao.

For this reason Lao leaders would like to have come about a negotiated settlement in Vietnam, which would include a promise by the North Vietnamese to cease their material support of the Pathet Lao and guarantees by the United States which would give substance to Vietnamese assurances. In short, they would like to see terminated all foreign intervention in what they regard essentially to be a struggle for power among domestic elements. Some hope that when this state is achieved, the Pathet Lao will be forced to yield their recalcitrant position and that a compromise can be worked out with them.

CAMBODIA

Cambodia is unique among the former Indo-China states in having enjoyed peace and stability during all of her post-independence years. This is in no small part due to the political ingenuity of Prince Norodom Sihanouk, who from the beginning of this period has dedicated himself to the goals of national unity and freedom of action in international affairs. His task has not been easy, for he has had to contend with political rivalries among his subordinates and with pressures exerted on his country by one or the other blocs in the cold war.

For several years he has viewed with alarm the increasing military activity of the United States in Vietnam. In Sihanouk's view, American intervention undermines the very respect of international law on which Cambodia depends for her survival. Furthermore, the Cambodian leader believes that because it offends Vietnamese nationalism, American policy can in the end lead only to a North Vietnamese victory, the reunification of Vietnam, a discrediting of the United States and its subsequent banishment from Indo-China. To many of you familiar only with Sihanouk's castigations of American policy, it may appear puzzling that he should be so concerned with the preservation of American influence in Indo-China and Southeast Asia. The fact is that on many occasions he has declared that for her survival Cambodia depends on the balance of power in Southeast Asia fostered by the American presence. Prince Sihanouk is keenly aware that his country's independence to a large degree depends upon opportunities to balance one rival power against another. When this balance is upset by the fading influence of one or the other antagonist, he fears that Cambodia will be at the mercy of the remaining power. He feels that in following her present course in Vietnam, the United States faces inevitable defeat, and her resulting diminishment in the eyes of both allies and foe will render her useless as a countervailing force in Asia. He suspects that Cambodia will be among the first to suffer in consequence, for he believes that Thailand, unchecked by the persuasions of her formerly powerful ally, and Vietnam, now unified and emboldened, will resume the expansionist policies which characterized their relationships with Cambodia before the French intervention in 1862.

Apart from the dire consequences which he has predicted, Prince Sihanouk opposes the Vietnam war on still other grounds, including the fact that Cambodian villages bordering on Vietnam have been bombed and strafed, albeit accidentally, on several occasions. Moreover, he is apprehensive that with further intensification of the fighting, it will inevitably engulf all of Cambodia.

For these reasons, then, Cambodia is anxious for the cessation of hostilities in Vietnam. Beyond this, Cambodia, having her own survival in mind, would like to have assurances of American recognition of and respect for her borders, either as part of the Vietnamese settlement or in the form of separate agreements. In essence, it is hoped that this would have the effect of putting all potential aggressors on notice that the United States is standing behind Cambodia in her efforts to remain independent.

In summary, on the basis of the feelings of the Cambodian, Lao and Thai leaders, one can conclude that we stand to lose face and faith more from a protracted "no-win" war than from a negotiated withdrawal. Even if military victory were eventually to be ours, it could be won only at a cost in lives so tremendous as to arouse the repugnance of even our allies. It would be a hollow victory which would cause our friends as well as our foes to fear us, and one could be certain that no sane nation would ever again seek our assistance in stamping out subversion.

China and the Vietnam Conflict

(By Dr. Richard H. Solomon)

Mr. Chairman, Congressmen: The sense of uncertainty and foreboding of the American public concerning the Vietnam war seems related in no small measure to the uncertainties of China's involvement in this conflict. For the most part our public debate on the war has strangely excluded the issue of China, as if her indirect relationship to the insurgency made her irrelevant to a solution. Yet periodically our public leaders inject China into the debate with the most threatening of images: the spectre of "a billion Chinese . . . armed with nuclear weapons" led by an expansionist group of leaders directing a "militant, aggressive Asian Communism, with its headquarters in Peking, China." Between these extremes of irrelevance and doom, however, lies a more complex reality.

How does China see the Vietnam conflict, and the American involvement there? And what might Chinese reactions be to various attempts to reach a settlement?

I think it can be said that the present extent of America's involvement in the Vietnam war is perceived by Mao Tse-tung as quite advantageous for a China with limited means to insure her own security. And at a time when China's leadership is seriously divided over such issues as an effective national defense policy, the most appropriate stand to take in dealings with the Soviet Union, and the best measures to adopt in promoting economic development and social change within China, the present dimensions of the Vietnam situation have tended to strengthen the hand of the more radical Maoist leadership faction. On the one hand, the active American presence on the country's southern flank tends to confirm Mao's image of "U.S. imperialism," and helps him to justify to the

Chinese people the application of more radical policies within China. On the other, the limited nature of American objectives and involvement in Vietnam means that China pays no direct cost herself, while we bear the burden of fighting a drawn out and costly insurgency that ties down our resources and weakens our sense of national unity and purpose.

One has the feeling that Mao sees himself in a "we win if you do withdraw; we win if you don't" position regarding our present commitment in Vietnam. If we should seek to end this conflict in a way that would affirm the effectiveness of a "people's war" strategy of political insurgency, this could only strengthen Mao's position in a divided China, and within a now fragmented world Communist movement. Yet if we do remain in this conflict our most important national resources—a sense of unity and purpose, our skilled manpower, and economic wealth—are drained away in a seemingly interminable struggle.

The Chinese do have apprehensions about the Vietnam situation, however; and these grow from their perceptions of the advantages of the present condition of the war. To have the conflict increase in scope to the point where direct Chinese military intervention would be considered necessary is something they fear, not just because of China's military weakness vis-a-vis the United States, and the highly uncertain Russian defense commitment, but now particularly because of the domestic turmoil of the "Cultural Revolution" which has preoccupied the army with extensive tasks of maintaining political stability and public order within China.

On the other side of the coin, the Chinese leaders also seem to fear a negotiated or peaceful resolution of the conflict, particularly if it would leave an effective and long term United States or Soviet presence in the area, and if it would degrade the sense of legitimacy that the war has given to both a strategy of political insurgency and to Mao's policy of the need to actively oppose what he sees as an "expansionist" United States and "revisionist" Soviet Union. Moreover, the experience of their struggle for power during the war against Japan has taught the Chinese Communists that an intrusive foreign presence is their best ally in bringing nationalist sentiments to their cause; and they are quick to turn the American Asian presence to their advantage in their continuing efforts to develop a new "anti-imperialists" united front. Thus just as she fears an expanded conflict, China also seems determined to use her limited influence—threats to intervene in Vietnam if a "sell-out" peace is reached, the provision of arms to North Vietnam, and the attempts to develop independent ties with the National Liberation Front—to prevent a resolution of the conflict on any terms other than a victory for the insurgents.

How can the United States extricate herself from the bind of the Vietnam situation, yet in a way that will not simply trade present costs for future risks by leaving a political situation on China's southern border that she can seek to manipulate—through intimidation and subversion—for her own ends; and without degrading the credibility of United States commitments elsewhere in the world?

If there can be any movement at all in this direction, it must come from a recognition of the relationship of the Vietnam situation to the broader problems of the Indo-China peninsula; and within the context of an attempt to resolve the long-standing border disputes and the political tensions of the region, primarily those between the Vietnamese and Cambodians, the Cambodians and the Thais, the Vietnamese and the Laos—and of China to the entire area. If there is any room for agreement with the Chinese at all it would appear to lie in the realm of some form of neutralization of the entire peninsula to outside intervention be it American, Russian, or Chinese.

The specific dimensions and the diplomatic context of a United States effort to secure a neutralization of the Indo-China peninsula must be the burden of American policy makers; yet the mutual interests for such a move would seem to encompass China's desire to exclude a direct and permanent American military presence on her borders, her desire to limit Soviet influence in this area, and America's concern to see the present protracted conflict brought to a stable conclusion. We also should consider exploring whatever room for diplomatic movement may have come about as a result of China's subversive pressures on Burma, Thailand, and Cambodia that have become more apparent with the "Cultural Revolution". Perhaps these states, in the face of the larger threat posed by China, now are more willing to work out their regional differences and to seek security in the context of international guarantees for their borders and internal security against subversion.

Efforts to create a just and secure neutralization of Indo-China would seem to require two basic and interrelated guidelines: first, that there be no armed takeover of South Vietnam by the North or by armed organizations under its control—yet concurrent acceptance by the United States of the high probability that a political solution would lead before long to a reunification of the country under North Vietnamese organizational auspices. (Stated somewhat differently, the United States must re-examine and perhaps give up the doubtful prospect of attaining a "Korea" type solution in Vietnam.) Secondly, but closely related to the first point, there must be a general diplomatic resolution of the boundary disputes of the entire region, with international guarantees of the security of each of the Indo-China states from all external military aid, political subversion and intervention.

The prospects for implementing these general guidelines hardly seem bright; yet even unsuccessful diplomatic efforts in this direction would have a number of advantages for the United States: The full relationship of the American commitment in Vietnam to the security of the entire region would be made clear both to the world and to our own people; and such a positive move on our part would help to shift some of the burdens of resolving this conflict onto the international community. Such an effort, even if only partly successful, could work to expose more fully Sino-Soviet differences over the proper way to conduct international relations, and their profoundly differing interests in this region. And by confronting China with such a diplomatic alternative to the present conflict, the policy difference and divisions among her leaders might become all the more obvious.

China's constructive participation in such an international resolution of the problems of this area would obviously be most useful, and necessary to long term stability in Indo-China. But even if the Chinese Communists chose to isolate themselves from some form of diplomatic solution, they might continue to face the counterweight of an international commitment sanctioning intervention if they should continue their efforts to arm and infiltrate insurgents into the area, or to play on the political rivalries of the region.

The advantages of a neutralization solution, if workable, only begin with an end to the Vietnam conflict and the desensitization of a region where the United States and China now risk being drawn into a direct clash over local disputes. Yet workable or not, efforts to move in such a direction seem the only promising alternative to a continuation of the present war of attrition in Vietnam, to a destabilizing United States withdrawal, or to a further escalation of the level of violence which could very well mean war with China.

THE VIETNAM CONFLICT: AN ALTERNATIVE SOLUTION

(By Dr. Alexander Eckstein)

Mr. Chairman, Congressmen: In our presentations this morning, we started by defining the objectives of our government's policy in Vietnam. Securing a Korea-type settlement emerged as the nub of these.

The essentiality of this objective is defended on a variety of grounds, which can perhaps be ultimately reduced to:

(a) Stopping the spread of Communism.

(b) Defense of non-Communist nationalism in Southeast Asia.

(c) Demonstrating the credibility of our commitments not only in Vietnam and Southeast Asia, but in all parts of the world.

We then tried to demonstrate that we are not fighting World Communism, Asian Communism, or China in Vietnam, but native Vietnamese communist nationalism. We went on to point out that a Korea-type settlement is unattainable for a number of reasons. We concluded that the Korean analogy is inapplicable to Vietnam. First of all, the North Korean government was a satellite regime imposed by the Soviets in 1945, devoid of national legitimization, while the government of Syngman Rhee—with all its inadequacies—was a genuine carrier of Korean nationalism. This very fact barred the way to effective subversion by the North Korean regime in South Korea. North Korea's satellite status in contrast to South Korea's capacity to pose as the genuine defender of nationalism was further symbolized by the fact that even the attack on the South in 1950 was initiated at the behest and upon the urgings of the Soviet Union.

In sharp contrast, the tables are reversed in Vietnam. Ho Chi-minh was not imposed upon the Vietnamese by the Soviets, the Chinese Communists, the French or any other foreign power, but emerged as a genuine nationalist leader during the struggles against French colonialism. Moreover, he has maintained this position of leadership in spite of his communist connections.

Thus in Vietnam the satellite is not the North, but the South, which is governed by a regime that can survive only with the backing and support of foreign powers, most notably the United States. This fact was dramatically driven home in the testimony by Mr. Poats, Deputy AID Administrator before the Foreign Operations Subcommittee of the Committee on Appropriations last May.

Due to these hard political realities the entire character of the war in Vietnam differs markedly from Korea. The differing political situations sap the southern regime in Vietnam of its national and nationalist legitimacy, thus opening the way to far-reaching subversion. As a result, while in Korea we were fighting a conventional war in support of a legitimately based regime, in Vietnam we are fighting a guerrilla war against national communism and in support of a regime which at most enjoys the allegiance of 20 percent of the people.

Moreover, we are fighting in support of a regime which has such a weak identification as a carrier of nationalism that it is incapable of mobilizing its people. As a result, we find ourselves fighting a war in which not only the military effort, but the pacification program, and the whole task of government administration is becoming increasingly Americanized. In effect then in the name of and for the sake of nation-building, we are in the process of destroying whatever still remains of non-communist nationalism in South Vietnam.

In the light of these circumstances to win the war in Vietnam, that is to secure a Korea-type settlement, recent optimism notwithstanding, would require a level of U.S. military effort well beyond current commitments. As was indicated earlier, this would require at least partial and eventually perhaps total mobilization in the United States.

At the same time it would demand such a total concentration of our energies and resources in Vietnam that our capacity to meet our treaty commitments and obligations in other parts of the world would be seriously weakened. Thus, the very credibility of our commitments for which we are allegedly fighting in Vietnam would be profoundly undermined.

Moreover, such a high degree of escalation in the U.S. war effort would very greatly increase the risk of confrontation with the Soviet Union and/or China.

Last, but not least, a U.S. victory won in such a way is bound to be an empty one. We would be masters of a destroyed and devastated country with no capacity for self-government.

What are the alternatives to this cataclysmic course? Administration spokesmen almost always present the problem of Vietnam in polarized terms: persevere to victory or betray your commitments with consequent collapse of the free nations of Southeast Asia and the credibility of our commitments in other parts of the world.

We tried to show that this is a false dichotomy, that the choice is not continued conflict and escalation versus collapse. On the contrary, we tried to demonstrate that our present course entails grave dangers for the very independence of Cambodia, Laos, and even Thailand which we are so anxious to preserve and protect. Furthermore, our present course not only undermines our capacity to meet commitments in other parts of the world, but it is bound to discourage other nations from asking our help against subversion and from invoking the commitments we have made to them. Thus, the lesson we seem to be teaching in Vietnam is that the only way to beat subversion and fight national liberation wars is by Americanization, destruction and national suicide.

The lesson of Vietnam may turn out to be that nations threatened by national liberation wars will think twice before inviting U.S. help.

On the other side of the ledger, the alternative need not be collapse, the domino theory notwithstanding. The alternatives are not escalation or abandonment. This would hold only if we were to pull out of Vietnam suddenly from one day to the next, an alternative that no thoughtful and responsible analyst can serious contemplate.

Our analysis suggests that a carefully phased withdrawal coupled with a political settlement based on a compromise has a much better chance of maintaining stability and protecting the non-Communist nations of Southeast Asia than our present course.

This pattern of settlement might be based on the following principles:

1. Cessation of the bombing in North Vietnam followed by the start of negotiations.

2. Maintenance of our troop strength and continued military activity in South Vietnam until such time as a negotiated settlement is concluded.

3. Upon conclusion of the settlement, United Nations peacekeeping forces should move in to assure basic security in the country and United States forces should move out.

4. When basic security is established by the United Nations forces, free and open elections should be held—under United Nations supervision with full participation by all citizens of voting age—and new constitutional forms should be crystallized.

5. United Nations forces should remain in Vietnam at least until a government based on the elections has been formed.

6. Guarantee of the territorial integrity and boundaries of Vietnam, Laos, Cambodia and Thailand.

7. Neutralization of Laos and Cambodia at the least, internationally guaranteed by North and South Vietnam, Thailand, the U.S., the U.S.S.R., and Communist China.

8. Possible neutralization not only of the two smaller states but of Thailand and Vietnam as well, internationally guaranteed by Communist China, the Soviet Union and the United States.

9. A sizeable international aid effort with a strong U.S. component but under United Nations auspices to help rebuild Vietnam and assist the economic development of all countries in the region.

Mr. Chairman, in conclusion, let me thank you and all of your colleagues for your time and your patience in listening to us. In proposing this way out, we do not pretend to bring easy or magic solutions. We are aware of the difficulties, complexities and pitfalls in implementing such a plan or indeed any plan. But we are firmly convinced that we must develop solutions before we reach the point of no return.

Thank you very much.

A brief biography of the authors of the above papers follows:

Dr. Alexander Eckstein: Dr. Alexander Eckstein is one of the leading American scholars in the field of Communist China's economic development. Dr. Eckstein is Professor of Economics and Director of the Center for Chinese Studies at the University of Michigan: he is the author of *Communist China's Economic Growth and Foreign Trade* and *The National Income of Communist China,* and of numerous monographs and articles on related subjects. He is a member of the Joint Committee of the Social Science Research Council and the American Council of Learned Societies for the Study of Contemporary China and a former member of the Board of Directors of the Association of Asian Studies.

Dr. Richard H. Solomon: Assistant Professor of Political Science at the University of Michigan, and research associate of the University's center for Chinese Studies. He recently spent two years in Asia interviewing emigres from Communist China and is now at work on a book on Chinese political behavior. He has served as a consultant to several corporations engaged in studies of Asian international relations and he has published articles on Chinese politics in several scholarly journals.

Dr. Rhoads Murphey: Professor of Geography and member of the Executive Committee of the Center for Chinese Studies at the University of Michigan. Editor, *Journal of Asian Studies,* 1959–1965. Board of Directors, Association for Asian Studies, 1959–65 and 1967–70. He has published three books on China and East Asia, including *A New China Policy* (1965); his numerous articles in various academic journals include (most recently), "China and the Dominoes," in *Asian Survey,* September 1966. He has lived and worked for six years in different parts of Asia, including Vietnam, and he has made many study visits to the area during the past 15 years. In 1964, he visited Saigon and traveled in much of the rest of Southeast Asia.

Dr. Walter Goldstein: Formerly an Associate Professor of International Relations in the City University of New York and also a Visiting Professor at the School of International Affairs at Columbia University. He has served as a consultant on political-military affairs to the International Security Affairs agency in the Office of the Secretary of Defense, and he has consulted at the RAND, MITRE, and Research Analysis Corporations. The author of several monographs on defense issues, and a contributor to several academic journals, he is presently completing a book on *Military Strategy and International Change.*

Dr. Roger M. Smith: Assistant Professor of Political Science and a Research Associate of the Center for South and Southeast Asian Studies at the University of Michigan. He visited Cambodia, Laos, Thailand, and Vietnam in 1960–62 and 1966–67 under grants from the Rockefeller and Ford Foundations. He studied various problems of local politics and inter-state relations in the Indo-China peninsula, and he recently published a book (based on this work) on *Cambodia's Foreign Policy.*

YEAREND WRAP-UP

Mr. COWGER. Mr. Speaker, it has been my pleasure this year to serve as the president of the 90th Club. It has been a particular pleasure since this organization of newly elected Republican Congressmen has a membership of 59, the largest number in recent times although one that will surely be exceeded by the 91st Club.

It has also been my honor to serve with the distinguished Representative from Alaska [Mr. POLLOCK], who, along with the gentleman from California [Mr. PETTIS], has represented the club on the Republican policy committee. As part of his service to the people of Alaska, Mr. POLLOCK has made for radio and television a summary of the actions of the 90th Congress. It is a comprehensive summary. I ask to insert the transcript of this summary in the RECORD following my remarks:

YEAREND WRAP-UP

(By HOWARD W. POLLOCK)

It has been my great pleasure and privilege for this past year to serve you, the people of Alaska, as your lone spokesman in the United States House of Representatives. The first session of the 90th Congress has now come to an end after over eleven months of continuous deliberation. It is appropriate, I believe, to come before you now and discuss the record of this Congress and Alaska's part in it.

At the beginning of the year, I requested and received assignment to two standing committees that handle much legislation of direct interest to the State. These are the Committee on Merchant Marine and Fisheries and the Committee on Interior and Insular Affairs. It was also my good fortune to have been elected by the fifty-nine first-term Republican Congressmen as their spokesman on the Republican policy committee. This committee, representing the Republican Members of the House, issues statements giving the consensus of Republican opinion on major legislation currently before the Congress. I was also appointed to the committee on committees and the national congressional committee. Almost all of these assignments were first for Alaska.

A most important piece of legislation considered by Congress this year concerning Alaska was S. 223, the bill authorizing the sale of the Alaska communications system. Though passed by the Senate twice, previously it had not before been considered by the House. Hearings were held in August, and the bill passed the House in October by a vote of 357 to 1. For years, no improvements have been made to Alaska's long distance communications network, despite the fact that a modern system with inexpensive rates is absolutely basic and essential to the development of any area like Alaska. The law requires a prospective buyer to have a plan for upgrading the entire system. Several large companies are interested in the purchase, but a final sale will probably not take place for a year or two. Alaskans can finally look forward to the day when the State will receive communications services comparable to the best found in our sister States. This will include live television.

In this regard, the Communication Satellite Corporation is presently studying the feasibility of locating a ground station in Alaska that would enable the State to utilize the Pacific Ocean satellites for educational and commercial T.V.

Also enacted this year was a bill extending the life of the Federal field committee for development planning in Alaska. This committee headed by Joseph H. Fitzgerald was established after the 1964 earthquake to coordinate Federal planning for Alaska's economic development and to recommend appropriate Federal action to achieve this goal. The committee is making a valuable contribution to our progress. A recognition of this contribution is the fact that the bill was passed by the House without dissent.

Congress also passed legislation designed to furnish nursing home care to veterans in Alaska and Hawaii. This law was needed since the Veterans Administration does not operate such facilities in either State.

Committee hearings were held on an amendment to the Jones Act to utilize the British Columbia ferry system in Southeast Alaska, but final action has not been taken. A decision on this bill is expected early next year.

In November a bill passed the Senate removing the ban against BIA scholarships for Indian students attending sectarian institutions of higher education. This bill is now before the House Interior Committee along with a similar bill I have introduced. It should be considered next year.

The prospect of a huge budget deficit, the greatest ever in "peacetime," and several controversial requests made the job of getting appropriations for Alaska particularly difficult this year. Nevertheless, several million dollars were obtained; $2.6 million was allocated for earthquake mortgage relief, the last of the earthquake programs to be funded; $5½ million was appropriated for public works in Alaska, including $4.7 million to continue construction of the important Snettisham Power project south of Juneau. Of particular importance is the $5 million provided for development of roads and highway maintenance in Alaska. The president had recommended nothing for this program and indeed, had actively opposed it. In an unusual action, the House overrode the objections of the administration, and for the first time allocated special highway funds for the State notwithstanding the fact that this was an addition to an enormous budget which seriously concerned Congress.

Not all our requests for funds were successful. A bitter disappointment came with the refusal of the Congress to furnish the money to begin the native housing program. The State's plan for this program is, however, well advanced. Next year, a major effort will be made to obtain the Federal money necessary to begin this vital program. I am confident we will be successful.

On the national scene, the main concern of the Congress was the extremely large Federal budget and the massive budget deficit. At the beginning of the year, the President proposed expenditures of over $135 billion. This budget, swollen by increased costs for the Vietnam war and great society programs, is equal to one sixth of our entire gross national product. The President predicted a deficit of $9 billion, but within six months the deficit was estimated to be $30 billion—an intolerable high and very inflationary figure. To trim this deficit, the Congress cut the budget by about $5.0 billion or 4%, a sum insufficient to make a significant impact on the deficit. The President has requested a 10% surtax to meet part of the deficit, but the executive reached an impasse with a Congress that argued that further spending reductions should come before the hardpressed taxpayer has to dig further into his pocket again to pay for the profligate spending. The seriousness of the financial picture was hightened by loss of confidence in the dollar following Britain's devaluation of the pound. I regret to say that neither the President nor the Congress found a satisfactory solution to this critical problem at this juncture. I am convinced that significant spending cuts must be made in such areas as space, our troop commitments in Europe, foreign aid, and some great society programs to name a few. We should, however, be aware that even deep cuts will not solve the problem. A tax increase may be unavoidable to avoid runaway inflation.

In my humble estimation, Congress suffered from poor and indecisive leadership on the majority side this year. As a result, bills in process were delayed long past the time they should have been considered. Some agencies even ran out of funds waiting for routine appropriations. When bills were brought to the floor, however, they were for the most part subject to thorough debate, a situation unlike that of the 89th Congress. Significant changes were made by the House in some areas. Republicans rewrote several bills by substantially cutting restrictive Federal controls on aid going to State and local governments, giving these governments the right to run their own programs without undue interference from Washington. This was done in the field of Federal aid to education, the anti-crime bill, teacher corps and the juvenile delinquency prevention act. The Senate, however, has not acted on the anti-crime or juvenile delinquency bills during the first session of this 90th Congress. Also passed by the House, but not acted upon by the Senate are a civil rights bill and an extensive revision of the copyright laws. A flood insurance bill was passed by both chambers, but it has been stalled in a conference committee since November 2nd.

Significant progress was made in some important areas. Laws were enacted for air pollution control and meat inspection. The draft laws were revised and the poverty program extended. Postal rates and federal salaries were increased as were social security benefits. A bill was enacted expanding federal assistance to educational television. The House report on this bill specifically mentioned Alaska as a likely State for benefits under this law.

How can we rate the 90th Congress so far? A short time ago, the Republican minority leader, Gerald Ford of Michigan, expressed the opinion that this certainly has not been a "do-nothing" Congress, but neither has it been "great." The truth lies somewhere in between. Significant legislation has been passed, but on the larger issues, such as the war and last sumer's riots neither the Congress nor the President have found the right answers. These problems will not just go away, but must be squarely faced and adequately resolved. Indeed, before any improvement is seen, these situations will probably further deteriorate. It will be the job of the second session of the 90th Congress to again seek and hopefully find the correct response to the challenges of our times.

I am deeply privileged to represent you in the Congress.

A PLAN FOR URBAN HOMEOWNERSHIP

Mr. RUMSFELD. Mr. Speaker, the Republican coordinating committee has adopted and issued a paper on "Urban Homeownership." This paper endorses the principles of a bill originally introduced in the House of Representatives by the gentleman from New Jersey [Mr. Widnall], joined by more than 100 other Members, and in the Senate by Mr. Percy, joined by all other Republican Senators.

The statement endorsed by the coordinating committee was prepared by a Republican task force chaired by the gentleman from Ohio [Mr. Taft]. It sets out a plan which many of us hope will soon be implemented by legislation. The full text of the statement follows.

A Plan for Urban Home Ownership

In America today, there is no challenge more vital, and more difficult than meeting the problems of our cities and their residents. We believe that any strategy designed to solve these problems must include, as key elements, programs to help realize the goal of "a decent home and suitable living environment for every American"—the national goal enunciated by Congress in the landmark Housing Act of 1949. Republican leadership in the development and passage of this and numerous other important housing measures reflects our belief in the fundamental importance of housing to the wellbeing of our urban residents.

This year a Republican plan for home ownership has been sponsored by Senator Charles H. Percy of Illinois and Congressman William B. Widnall of New Jersey, with wide endorsement of Republicans in both Houses of Congress. The purpose of this program is to upgrade the quality of the nation's housing, to make home ownership available to lower-income families who have or can develop the capacity to accept this responsibility, and to provide needed technical assistance to local community organizations.

The central element of the plan is the establishment of a private, non-profit National Home Ownership Foundation which would raise funds through the sale of Federally guaranteed bonds to private lenders. The Foundation would have two major functions:

It would *provide mortgage funds* to non-profit, community organizations equipped to undertake a program of rehabilitation or construction of single or multiple family housing units, to be sold in turn to individual lower-income families. In this way private, mortgage financing, private organizations, and local initiative would be mobilized to make home ownership a reality to many for whom the means are unavailable today. Federal funds would be used only to provide a partial interest subsidy to the homeowner, which would be repaid if later his income increases. For each million dollars of continuing Federal interest subsidy, private home purchases of approximately $33 million could be supported.

It would provide, when necessary, *technical assistance* to the community organizations to enable them to undertake and manage a sound home ownership program. In addition, it would offer to help these organizations participate in or develop programs such as basic education, job training, credit counseling and other support skills for the prospective home buyer. In helping to supply these tools of successful home ownership, at the same time, the Foundation could provide the service of aiding local organizations and individuals to find their way through the present maze of government agencies and aid programs.

Another feature of the plan would provide for the establishment of a system of mortgage payment insurance through private companies, if possible, to protect home buyers from foreclosures due to temporary interruption of income for causes beyond their control. Also, should the owner decide to sell his property, any capital gain would be his profit, after repaying the Foundation for the interest support he has received. This should encourage home improvements and proper maintenance.

This new plan of action is a most imaginative and constructive approach to improving the quality of our housing and the lives of lower-income families.

Under this plan the enormous resources, imagination, and strength of private organizations would be brought to bear against the problems of housing, particularly in urban areas. The operations of the Foundation and community organizations would encourage involvement of business, labor, the professions, universities, churches, civic groups, and other non-profit organizations, whose talents and energies for assisting in the solution of public problems have not been adequately tapped.

Government activity would be limited to risk bearing through a Federal guarantee of the National Home Ownership Foundation's bonds, and limited financial assistance for the interest subsidy. The emphasis of government would be on these supporting functions and away from direct operations and control.

Also, the residents of our blighted city areas would be encouraged to involve themselves actively in self-help programs leading to better housing, improved skills, and economic advancement. Too often, present programs have failed to generate a sense of self-reliance and self-help which will permit a man to advance through his own efforts.

Congressional hearings have evidenced a broadly based enthusiasm for this home ownership measure among community organizations and private enterprise groups who would be directly involved. We urge the Department of Housing and Urban Development to withdraw its opposition; for increased home ownership deserves bipartisan support and early action from Congress on a broadly acceptable measure.

This home ownership plan typifies the innovative and imaginative approach of Republicans to problems of housing and the urban environment, and demonstrates the Republican Party's commitment to finding new solutions to the growing problems of our lower-income urban citizens. The States and cities can also demonstrate their initiative in this field. For example, the State of Pennsylvania has created a housing agency to promote home ownership and rehabilitation to benefit the underprivileged.

These proposals are testimony to our belief that individual dignity, self-help and the involvement of private organizations are indispensable principles in shaping solutions to the complex problems facing urban America.

LT. GEN. LEWIS B. HERSHEY—A VALUABLE PUBLIC SERVANT

Mr. BRAY. Mr. Speaker, there is an old Hoosier saying that, "you don't find many clubs under a sour apple tree."

This homey phrase can well be applied to Lt. Gen. Lewis B. Hershey, Director of the Selective Service System. Few men in American public life have been the subject of so much controversy and misunderstanding; few men have been so attacked and their resignation demanded; few men have been the targets for criticism from such diverse groups; and few men have rendered such long, patriotic, dedicated, and sterling service to their country as has General Hershey.

The selective service, or draft, whichever name you care to call it, has never been and will never be popular. The Director of the Selective Service System is naturally criticized. But regardless of criticism, General Hershey has commanded the respect of his countrymen for more than a quarter century—a record that few Americans can claim.

For many years it has been easy to get publicity by attacking General Hershey, but "Old Man River just keeps rollin' along." Five Presidents of the United States, representing both major political parties, have trusted General Hershey, and that trust has not been misplaced. General Hershey's job has not been easy, and there are few men in America who could have filled this difficult position through the years and still maintained the respect and confidence of the American people that General Hershey has.

I will not comment on General Hershey's October 26 recommendation to local draft boards for immediate processing of antiwar protesters who physically impede the work of military recruiters and Selective Service officials. I do not presume to know what decision the Supreme Court would make on this order. I do know that the overwhelming majority of the American people, while believing in the right of protest, are bitterly against mob violence by the "new left" to prevent Americans from fulfilling their duty and obeying the law.

If Attorney General Ramsey Clark had demonstrated a real interest in enforcing the selective service law, General Hershey's recommendation would not have been necessary. Senator PHILIP HART, of Michigan, demanded on November 10 that Attorney General Clark give a prompt opinion regarding the legality of General Hershey's proposal. Although more than a month has passed, the Attorney General has given no reply.

General Hershey, as the soldier that he is, is acting under the orders of his Commander in Chief, President Johnson, and as General Hershey has said:

> Until he (President Johnson) tells me to change my course, I'll sail it.

As stated by the New York Times:

> At 74 years of age, he is still a tough, direct, honest and combative man who does not shirk a fight. An hour with him convinces most visitors that with Lewis Hershey in charge, not one Indian would have ever made it alive over the stockade wall.
>
> If General Hershey does leave, he can do so with the satisfaction of a record of service held by few individuals in the history of the Federal Government.

FOREIGN AID BILL

Mr. SCHWENGEL. Mr. Speaker, the House yesterday rejected an important piece of legislation. We sent the foreign aid bill back to the conference committee for further study with the view of taking out some foreign aid funds that had been restored by the Senate. This, in my mind, was unfortunate, especially right now when there are areas in the world that need our aid, that need our technical know-how, that need our encouragement and endorsement.

Mr. Speaker, I have just returned from Vietnam where eight other citizens and Congressman COWGER joined me to make a penetrating, on the scenes, study of the problems of Vietnam. They are many—they are varied—they are complex. They are difficult. We have a commitment in Vietnam because we responded to a request on the part of the Government to help them resist one of the worst tyrannies of all times—communism. One way to fight communism, of course, is with the military. This is one way to inhibit its expansion and growth.

With the Army we can prove our military might and by and large our soldiers have done a great job defending freedom there. But we have spent almost $65 billion in the military operations over there now protecting 15 million people from the influences, and yes, in certain instances, the horrors of communism. I do not resent having spent this money at great sacrifice of some of the needed American programs on the domestic scene because it had stemmed communism for most surely we want to do that. But we must do more than fight communism—we must conquer it. So we must find ways and means to conquer it.

Mr. Speaker, communism is more than a military force, it is more than a materialistic promise to the hearts and minds of those who they want committed to it, it is also an idealism that promises to give advantages to people but in doing that people must sacrifice the basic freedoms—the freedom of religion, the freedom from fear, the freedom of press, and the freedom of movement—are denied and are eliminated under communism. These are the great freedoms we have and with which we become great. With these there can be no real assurance for progress, for economic improvement, for peace, and for well-being of people.

From history we can learn too that an ideal or idealism cannot be killed with a gun—with physical power. You have to do something to reach the hearts and minds of the people. The foreign aid program that we have instituted, sometimes called a mutual security program, with all its many shortcomings—with all its many mistakes—with all its often lack of purpose, has done much to bring stability and progress to the world, and to win the hearts and minds of people. Witness the testimony of the Marshall plan which revived Europe, the rebuilding of Japan and many parts of the world. There we had programs which brought hope to these people.

It is my feeling that if the extra money which we apparently have voted down on the House side were put into well-planned, well-managed aid programs in Vietnam to increase the progress and well-being of the Vietnamese people would do more than billions of dollars spent on the military.

Mr. Speaker, there is testimony and proof that foreign aid does work, and that is the foreign aid that came to this continent when we founded America. This Nation we call our country has received more foreign aid of various forms than any other nation. What nation can boast of an immigration to its confines of 45 million people—from all over the world? People that came here with the virtues and values that were needed to build a free society. They came with their cultures. They came with their ideas and idealisms. They came with their technical know-how. They came with their religions and with their often limited funds to our country so they could be free—so they could receive the promise of the Declaration of Independence. They came to receive the security of a society that not only enjoyed the basic freedoms but promoted them for ourselves and for the world.

There are five of these freedoms and like the Lord's Prayer, they ought to be noted daily. They are freedom from fear and want, freedom of speech and religion, and the freedom of movement of men and goods. These freedoms were assured in our title deed to freedom—the Constitution of the United States. We were not always completely fair in its application but we have tried and we have grown great—we have become powerful. The power of our materialistic progress is tremendous.

We have most surely received the Biblical promise of an abundant life more than any other nation on earth. We have developed a defense system and a military structure but the greatest of all our powers is in the spirit in the hearts and minds of Americans that was articulated in the great state papers and demonstrated on the battlefields of the great conflicts that lead to and preserved freedom. Our most American American, Abraham Lincoln, stated our purpose so well in his second inaugural.

In 74 words he set the goals for ourselves and our Nation and from which all can benefit. Read them, heed them:

> With malice toward none, with charity for all, with firmness in the right as God gives us to see the right, let us strive on to finish the work we are in, to bind up the Nation's wounds, to care for him who shall have borne the battle and for his widow and his orphan, to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations.

Mr. Speaker, I hope that in the years ahead we will not forget that we have been beneficiaries of so much foreign aid and that a nation that has received so much must give some of what it received to others. We have heard for it was said by a foreigner in these Halls:

> For those who are truly great have a message that cannot be confined in a particular country but is for all the world.

That was said by Mr. Nehru on October 14, 1939, from the podium of this House. Foreign aid can, with the proper spirit and administration, help bring freedom and well-being and prosperity to the world. Let us then note this, let us then respond in the future as Americans have so often responded in the past to the challenge with their generosity which was heeded so often in many ways throughout our history. The admonition of an organization to which so many of us belong reads: "The more we have the more we owe to those who do not have." We have so much we should give more than a pittance.

An American said:

> There is a destiny that makes us brothers. None goes this way alone. To all that we send into the lives of others comes back into the lives of our own.

How often we have benefited by the gesture of generosity.

Mr. Speaker, there are right ways and wrong ways to do what is right as there are right places and wrong places to do what is right. It is right to be helpful. We will have an opportunity today and in the days ahead to do what is right and this we are assured is our might.

ETHICS AND REFORM NOT LAUGHING MATTERS

Mr. SCHWENGEL. Mr. Speaker, in what has become a customary yearend spectacle of Congress rushing to adjourn, I rise to call attention to the very sad failure of the Democratic leadership of the House to schedule for action by this session of the 90th Congress the congressional reorganization bill.

The recommendations for improved congressional procedures which this bill is designed to put into motion were filed with the Congress in July 1966 by a unanimous vote of the evenly bipartisan Joint Committee on the Organization of the Congress. The bill passed the Senate last March by a vote of 75 to 9. The bill is a modest reform measure; in my opinion, it is about the least we could do and be able to claim with any justification that we had taken some steps toward modernizing our National Legislature.

What is the picture as we prepare to adjourn? Not only has the House Rules Committee succeeded in bottling up the reorganization bill, allowing only 1 partial day of hearing on the measure, since March 9, but it has refused even to report the resolution offered by the Republican members of the committee to extend the life of the bill's parent Joint Committee on the Organization of the Congress.

I commend to my colleagues the following editorial appearing in the Los Angeles Times on December 12, and may I say to that great newspaper, thank you for your sentiments and be assured that the question in 1968 will not be whether congressional reform is a major campaign issue, but only—since we may still hope for action by the second session on the elementary recommendations pending in S. 555—how much.

ETHICS, REFORM NOT LAUGHING MATTERS

Disclose the income and assets of U.S. Senators?

"Ha, ha, ha and I might add ho, ho, ho!" quoth Sen. Everett M. Dirksen.

Although the Senate minority leader made that remark a year ago, it still reflects the prevailing sentiment in Washington regarding a Senate code of ethics.

It also appears to apply equally well to the reaction of the House leadership to long-delayed congressional reform. Both proposals are stagnating in the closing days of the First Session of the 90th Congress.

The Senate passed the congressional reorganization measure early in March by a top-heavy vote, but a coalition of senior Democrats, some Republicans and various lobbyists, has succeeded in bottling it up in the House Rules Committee.

Major opposition comes from committee chairmen who object to the fact that their tremendous powers would be curbed and the influence of minority Republicans would be enhanced. But there is also significant behind-the-scenes maneuvering against sections of the act which would bolster lobby controls for the first time in 21 years.

Lobbyist registration and receipts and expenditure reports, now handled by congressional employes who have no real enforcement authority, would be tightened and transferred to the General Accounting Office under the Senate measure.

The Joint Committee on Congressional Organization, which spent 22 months drafting the act, is slated to expire on Dec. 31 and efforts to prolong its life into the Second Session have been unavailing. Those cool toward reform insist on tacking riders onto the extension resolution which would assure its defeat.

Even though prospects for House action next year are said to be slim, the Senate has already been put on notice that an effort will be made to take up the ethics code in January.

Perhaps this, too, will run into road blocks at that time. If that occurs, then both matters should become campaign issues in order to "put the monkey on the backs" of those covertly opposed to proper remedial action.

Congressional leaders must be brought to a realization that ethics and reform are not "Ha, ha, ha and Ho, ho, ho!" items as far as the electorate is concerned.

"NO SWEAT, SIR, WE WON'T LET YOU DOWN"

Mr. DEL CLAWSON. Mr. Speaker, the morning's mail in my office contained a letter which I would like to share with my colleagues. Like many other Hill offices, we participated in the project which collected gifts for troops in Vietnam, and thought others might like to read our letter. I do not believe there is one of us who will not agree that the thanks expressed is returned from Stateside, a thousandfold, to Nui Ba Den Mountain, and all those other distant and hard-to-pronounce places where some Americans will spend Christmas this year. The letter follows:

NUI BA DEN,
December 9, 1967.

DEAR SIR: Received your most welcomed Christmas package from you and your Staff. Needless to say, this unexpected gift was received with open arms and our heartfelt thanks to you all. I'm sure that you and your co-workers put forth much time, work and money in our behalf. A thank you isn't much of a payment for your generosity, but it's all that we have at the moment, we all sure do appreciate what you've done.

Special Forces Team A–324, is stationed on top of Nui Ba Den Mountain, 55 miles northwest of Saigon, near the city of Tay Ninh. It's also referred to as the "Black Virgin Mountain." We are completely isolated and the V.C. control the lower slopes. Along with various other units, we provide radio relay capabilities for our units in the flat-lands.

The Christmas season over here doesn't change things very much, but we have been receiving cards and a few packages from all over the country. It indicates to us that the citizens themselves are fully aware of, and support, our military stand here in Viet Nam.

Once again, sir, we thank you and all the people that were involved in your Christmas project. Please pass on our thanks for their time and support. No Sweat, Sir, we won't let you down!! Have a Merry Christmas and may the New Year find our country at peace once again.

SFC. PETER T. SHEERIN,
Team Sgt. Det A–324, 5th Special Forces Gp. (ABN).

SAN DIEGO IS PROUD TO BE A NAVY TOWN

Mr. BOB WILSON. Mr. Speaker, I respectfully ask unanimous consent to insert the attached article from the New York Times entitled "San Diego Is Proud To Be a Navy Town," as a portion of my remarks.

[From the New York Times, Nov. 26, 1967]

SAN DIEGO IS PROUD TO BE A NAVY TOWN—140,000 PERSONNEL TRAIN, WORK AND RETIRE IN PORT

SAN DIEGO.—The San Diego Chamber of Commerce is sure that 140,000 Navy men can't be wrong.

This Southern California city, which is in a not-so-friendly rivalry with Norfolk, Va., as the nation's biggest Navy town, jumps, hums and rocks with officers and white hats (enlisted men).

The Navy itself estimates that there are

140,000 Navy personnel—exclusive of the Marines at nearby Camp Pendleton—on duty in the San Diego area, or aboard ships of the fleet whose home port is San Diego.

Coronado, just across the harbor, has become virtually "Retired Row" for many former officers and men, and La Jolla and other outlying towns owe some of their high real estate values to the old sailors' insatiable demand for a place in the Southern sun.

ONE IN FOUR IS NAVAL

About one of every four people on the streets of San Diego—a city of 672,000 people—are either in the Navy, dependents of Navy men, retired Navy personnel, civil servants working for the Navy, or contractors to the Navy.

Furthermore, Navy payrolls and contracts put about $1-billion into San Diego's economy last year.

Rear Adm. Marshall E. Dornin commands the Eleventh Naval District and the Naval Base of San Diego, with its complex facilities. There are many Pacific fleet and independent naval commands rimming the broad harbor.

The Naval Training Center here is duplicated in some of its facilities only by the Great Lakes Naval Training Center near Chicago.

A third center is being established by the Navy at Orlando, Fla., to reduce the expense of moving all recruits either to Chicago or San Diego and to take some of the training load from the two long-established centers.

Each year more than 50,000 young men from west of the Mississippi come here for "boot" training—a nine-week transition from civilian to bluejacket. They follow a rigorous schedule, even though they never go near the sea.

Even before the recruits have exchanged their civilian clothes for uniforms they have learned to jump to attention when an officer enters the room, and to answer "Aye Aye, Sir," which means an order is understood and will be carried out.

The recruit gets a great deal of physical training and he must learn to swim before he "graduates."

Indoctrination and motivation are stressed throughout the training period, which is spent largely isolated from the outside world. The recruit gets no liberty during his training period.

In his first three weeks, the "boot" must scrub his own clothes out of a bucket, a carry-over from the old Navy when laundry machines were unheard of aboard ship.

Capt. Ralph H. Lockwood, commander of the training center, believes that this requirement, more than any other training aid, instills into the recruit the necessity for cleanliness and personal hygiene.

Captain Lockwood says the nine-week course turns boys into men, but he speaks in high praise of the material he gets. The average recruit, he says, is 18 years old, a high school graduate, a volunteer and motivated.

"But, unlike the old days, he doesn't come into the Navy to go to sea, but to get an education or a trade—or so he tells us," the captain said.

The attrition rate in recruit training is small. About 1.9 per cent of those who enter are discharged during the nine weeks for medical or other disabilities.

In addition to turning out 50,000 sailors every year for the fleet, the training center provides advanced technical and specialized instruction for 28,000 men annually in courses of from one to 37 weeks.

MARINE MILESTONES FOR CALIFORNIA

Mr. BOB WILSON. Mr. Speaker, I respectfully request unanimous consent to insert the following article entitled "Marine Milestones for California" as a portion of my remarks.

MARINE MILESTONES FOR CALIFORNIA

(By T. R. Gillenwaters, colonel, U.S. Air Force (retired), oceanic advisor to the Governor and staff, State of California)

(NOTE.—T. R. Gillenwaters is Oceanic Advisor to Governor Reagan and Staff Member: Oregon State Bar; California State Bar; American Bar Association (Committee on Natural Resources and Law of the Sea); Marine Technology Society; American Society of Oceanography. He is also Legal Counsel and Secretary, Oceanic Research Institute Ad hoc Committee, National Academy of Sciences Oceanographic Information and Colonel, U.S. Air Force, retired.)

The primary obligation of state government is to manage its resources for the welfare of its people. This responsibility, when applied to the ocean, immediately includes our national posture. California's Governor Ronald Reagan emphasized this early in 1967. By Executive Order he re-established the Governor's Advisory Commission on Ocean Resources (GACOR) and followed this with the creation of the Interagency Council on Ocean Resources (ICOR).

The original Commission of 1964 was composed of both government agency and private sector members, but their deliberations and recommendations over the two years following were not actually accepted and acted upon. It became obvious that the functions of the new GACOR should be redefined and its membership confined to representation of the private sector, educational and research organizations.

OCEAN MANAGEMENT

One of the very first recommendations passed to Governor Reagan by the newly constructed Commission was the appointment of an interagency body with a directive to prepare comprehensive ocean resources plan for California. The 1967 Legislature with administrative concurrence enacted the Marine Resources Act which provided the Governor with a mandate to present a plan for the management of our ocean area to the 1969 session.

The Interagency Council on Ocean Resources (ICOR) is composed of Lt. Governor Robert H. Finch, Chairman; Houston B. Flournoy, Chairman of the State Lands Commission; Gordon C. Luce, Administrator of the Transportation Agency; Norman B. Livermore, Administrator of the Resources Agency; and Spencer Williams, Administrator of the Health and Welfare Agency. There are to be four additional appointees from within government as the plan progresses. This is without question one of the most powerful Councils within the California State Government. It has the authority to require agency and departmental response to request for information, planning assistance and finally to designate the lead agency to carry out specific marine projects.

SYSTEMS APPROACH

This has been termed by experts in governmental organization as the most progressive action taken by any state government involved in marine activities. The Council is initiating a systems approach to be applied to all phases of the broad spectrum of ocean-oriented activities! This writer, as Oceanic Advisor to the Governor and staff, is charged with the responsibility of the liaison between GACOR, the Governor and ICOR.

A systematic documentation of our ongoing ocean projects will soon render more effective the already over-extended capabilities of our top-flight scientists and engineers. These men should be encouraged to prepare massive proposals directed toward the economic development of our ocean resources. Those proposals will of necessity include many "research for the sake of research" projects, but they hopefully will result in providing more qualified graduate students, more trained oceanic technicians, information experts and succeed in properly reorienting many scientists from the aerospace industry to the ocean!

DEVELOPMENT PLAN

It seems to me that the most constructive message that can be given to other state governments will be found in the following excerpt from Chapter V, State Development Plan Program, Draft No. 4, Pages 15–16, "Resources: Their Management and Utilization for the Urban State".

"In enunciating long range goals, it is the intention of the Development Plan Program to provide a basic direction for policies and programs at *all* levels of government, and the private sector of the economy, without regard to the divisions of responsibility which are, or should be, involved.

"In the interest of the general welfare, the long-term goals for the State of California for the management of its resources should be:

1. to contribute to the highest possible long-range welfare of its citizens at the least possible cost in human and material resources and to seek equal opportunity for all citizens to share in the fuller life provided;

2. to preserve and enhance the quality of life of present and future citizens by preventing a degradation of the natural environment and by seeking an optimum balance between the economic and social benefits to be derived from the state's natural resources;

3. to distribute the full range of benefits of resources management as widely and equitable as possible, consistent with the national interest and to avoid, whenever possible, decisions which result in regional disadvantages;

4. to preserve for subsequent generations the greatest possible range and freedom of choice in the use and enjoyment of the State's natural resources.

5. to encourage allied research and advance the science and technology of resources management in order that the other resources goals can be more easily and fully attained;

6. to find ways of organizing and promoting combinations of public and private efforts in order to effect adequate resources management;

7. to seek to increase all Californians' appreciation of their natural environment, and to deepen their understanding of it as a source of human enrichment vital to their existence in an urban society.

"In order to more effectively attain the above goals, it is the intent of the State Development Plan Program and its component parts to provide direction as well as to recommend policies and programs towards these ends."

The major objective of our plan is the conservation and orderly utilization of our vast ocean resources. "Conservation" is a term that is subject to a multitude of definitions, interpretations and applications.

In view of the tremendous impingement of our environmental diet upon our limited natural resources, we are faced with balancing demands and requirements on a statewide basis. The management of a single resource cannot be viewed in isolation from all resources. This obvious fact demands a positive concept of "resource management" which leads us again directly to a "systems approach".

Again, quoting from the State Development Plan Program report to the Governor, "Despite the vital role of state and other levels of government in resource management the attainment of the state's primary resource management objectives will be dependent in large part upon the degree to which it is able to influence the activities of the private sector. Strong political leadership at the highest level is a requisite for the encouragement of individuals and corporations to expand their present involvement. This will require the State to provide incentives and submit realistic plans that will result in a cooperative public-private attack on resource management problems."

COOPERATIVE EFFORTS

In California, we believe a pattern for state, federal and private sector cooperation is developing. A communication has been directed by Governor Reagan to Vice President Hubert Humphrey, as chairman of the National Council advising him of the actions taken at the state level. The state's offer of cooperation with the Federal Government at all levels is primarily in the interest of our national posture in dealing with the international confrontations that are continually developing.

California's 3427 miles of detailed coastline includes four of the six large west coast ports, major offshore oil production, its fisheries represent the largest portion of the Nation's catch and its recreation resources serve 20,000,000 people. The economic input to our national gross product establishes our position as a leading maritime state.

Finally our Pacific States with common interests in the conservation and orderly utilization of their ocean resources are being encouraged to develop a Pacific Basin Marine Community organization. This will require time and major effort, but the need is great and this will be accomplished. Marine milestones in terms of identifiable progress are difficult to establish, we feel California's present state organization qualifies and can be so identified.

THE PEOPLE ARE STRONG AND HAVE THE LION'S HEART

Mr. RIEGLE. Mr. Speaker, I offer today, for the public record, the personal views of our citizens in Genesee and Lapeer Counties in Michigan on the critical national problems—particularly those on economy in Government and the Vietnam war. These are the opinions of over 14,000 people who responded to a comprehensive questionnaire which I sent to all 143,000 households in our district. These people are working men and women who represent a typical cross section of all age groups and occupations. Their views carry special weight because they are, I believe, shared by a majority of Americans today.

We are in a time when the individual citizen too often feels removed from his Government, when people feel they have little direct voice in the affairs of state. The average American finds it hard to believe that his personal needs and opinions are being considered by a vast, complex, and impersonal government bureaucracy, and yet everywhere there is growing evidence of the concern which Americans feel about our Nation's problems. People want to be heard and they want to have a part in shaping action and events which will determine the quality of life in this country and provide our national security.

The most direct link between the individual and his Federal Government is through the U.S. Congressman. Because of this, I feel that one of my most solemn responsibilities is to learn the will of the people in Genesee and Lapeer Counties and then interpret it in light of our national interest. These opinions, ideas, and concerns are the strongest weapon that I, as a Congressman, have as I work with my colleagues on the problems before us.

Here, then, are the views expressed by the people of my district. They are more than questionnaire statistics. They are corroborated by thousands of letters and personal conversations in which Genesee and Lapeer County people speak out, with deep concern and conviction. This is America at the grassroots—this is the people's voice—the greatest force and resources we have as a nation. I commend these views to every concerned public official.

To paraphrase a statement from Winston Churchill: "The people are strong and have the Lion's heart"; now we in Congress are called upon to give the lion its roar—and then convert these concerns to action.

The material referred to follows:

THE MOST OUTSPOKEN OPINIONS

ECONOMY, GOVERNMENT SPENDING AND TAXES

Seventy-four percent want to cut back government spending and services—almost everyone is against a tax increase.

People disagree with the priorities the federal government has placed on national problems and feel strongly that programs should be run more effectively with less waste.

Seventy percent say the government is doing a poor job of spending tax dollars.

VIETNAM

Nearly 70 percent disagree with, or do not understand, the present U.S. policy in Vietnam.

Forty-two percent of those disagreeing feel we should start some kind of withdrawal.

Forty-seven percent say step-up the war.

Many people express doubt and impatience saying "What are we really doing there?" and "Let's win or get out!"

Seventy-four percent feel the Administration is not providing complete and accurate information about Vietnam. Another 14 percent are not sure.

QUESTIONNAIRE

Each and every day, the U.S. Congress is taking action on vital issues that affect every individual American and every American family. If our country is to have a sound and secure future—we must make good decisions today.

Representing you in Congress is a big job—and a job that belongs to both of us. As your Congressman, I work for you and I need your personal opinions on the key issues if I am going to represent you effectively.

This questionnaire is designed so that you can express your personal opinions. I intend to use your views as a guide to my actions in Congress. If you tell me you need more and better information about any of these problems then I will work to provide it.

Please fill out and mail back your questionnaire as soon as possible, and I will report the results to you. Thank you.

I. MAJOR ISSUES

	Percent
1. What should we do about gun legislation?	
(No answer)	9
(a) Strong bill requiring all citizens to register firearms	24
(b) Strong bill providing tougher penalties for criminals	56
(c) No additional laws required	11
2. What should we do about the war on poverty?	
(No answer)	7
(a) Increase expenditures and services	4
(b) Overhaul and reorganize program	51
(c) Continue program at present level	5
(d) Decrease program	12
(e) Eliminate program entirely	21

	Percent			
	Yes	No	Have not decided	No answer
3. Regarding an increase in social security benefits—which do you favor?				
(a) An 8-percent increase paid from existing surplus funds with future increases tied to the cost of living	69	7	10	14
(b) 20-percent increase which would require higher social security taxes	10	27	5	58
4. Do you favor a constitutional amendment to permit voluntary prayers in public schools?	80	14	4	2
5. Would you favor a tax credit for families who are financing college educations for their children?	66	26	5	3
6. Should the United States try to improve relations with Russia by trading with Russia and other Communist countries while we are at war in Vietnam?	25	62	11	2
7. Would you favor a Federal tax-sharing program where part of the Federal taxes would be returned to States and local government with no strings attached?	57	28	12	3

II. VIETNAM

There are serious differences of opinion about the present conduct of the war in Vietnam. The administration's policy in Vietnam today is to continue gradual but steady military escalation—including bombing of North Vietnam and sending more U.S. troops to Vietnam if necessary—in the hope that North Vietnam will agree to negotiate. The United States also plans to continue to make a large amount of financial assistance available to maintain economic and political stability in South Vietnam. This year the administration is committing 450,000 U.S. troops and spending nearly $30,000,000,000 to carry out this policy.

	Percent
1. How do you feel about this policy?	
(No answer)	8
(a) Don't really understand U.S. position	15
(b) Agree strongly	8
(c) Agree	15
(d) Disagree	25
(e) Disagree strongly	29
2. If you disagree—which one, or more, of the following best describes how you feel?	
(a) Should stop bombing North Vietnam but continue present policy in South Vietnam	3
(b) Should start withdrawing—not worth lives and costs—try to negotiate settlement now—offer economic assistance only	42
(c) Should step-up war in an attempt to achieve a decisive military victory—commit as many U.S. troops as necessary	32
(d) Should use nuclear weapons if necessary to win the war and use bombing raids in Red China to wipe out her nuclear capability and military threat to the rest of Asia	15
(e) Against war for moral reasons	3
(f) Other comments	5

	Percent			
	Yes	No	Have not decided	No answer
3. Do you feel the administration is providing the public with reliable, accurate, and complete information about Vietnam?	12	74	11	3

II. VIETNAM—Continued

	Percent
4. Which of the following parts of the Vietnam problem do you feel you need to know more about?	
(a) Why we are there	37
(b) Military strategy	23
(c) Cost of the war	22
(d) Casualties: American, South and North Vietnamese	20
(e) How U.S. war policy is made	46
(f) Russian, Chinese, and North Vietnam policies	26
(g) The problems of negotiating	28
(h) The risks of escalation	21
(i) Our nonmilitary AID program	27
(j) Whether the bombing is working	---------
(k) The participation of other countries	---------

	Percent		
	Always	Sometimes	Never
5. Generally what should be the role of the United States in world trouble spots (e.g. Middle East, Asia, Latin America, Africa)?			
(a) Serve as a world policeman–ready to commit our Armed Forces to help safeguard friendly countries	6	38	21
(b) Supply just military materials but no U.S. troops	7	44	10
(c) Work through United Nations, send a U.S. peacekeeping force only in joint effort with other nations	54	21	4
(d) Let other countries fight their own battles even if their conflict may not turn out the way we want; help only when our own territory or interests are directly threatened	33	28	10
(e) Help countries to strengthen themselves with U.S. nonmilitary aid in an attempt to head off serious conflict	31	36	4

III. ECONOMY IN GOVERNMENT

Managing the Federal budget is much like managing your own family budget. Here are 2 of the key decisions we face today in Government that you probably also face in your family budget.

(A) How do you spend the money you have available in order to do the most important things and "get the most for your money," and

(B) If you decide to spend more money than you have, then how far in debt is it wise to go?

A family earning $7,000 today pays about $750 in Federal income taxes. Your tax dollars provide the Government with its money, and the Government tries to spend it on those activities that it thinks are most important. This year, the Government is planning to spend some $25,000,000,000 dollars more than it has available.

	Percent			
	Yes	No	Have not decided	No answer
1. So the Government faces a basic decision among 3 choices. What do you think should be done?				
(a) Borrow the money and increase the national debt	4	40	5	51
(b) Raise the money by increasing taxes	11	35	5	49
(c) Do not spend the money by cutting back on Government services	74	5	6	1

III. ECONOMY IN GOVERNMENT—Continued

	Percent			
	Yes	No	Have not decided	No answer
2. Would you spend more or less of your own tax dollars for the following Government services: (No comments, 60 percent; comments, short, 31 percent; comments, long and letters, 9 percent. Area response: Flint City, 49 percent; Flint, suburbs, 15 percent; Clio, 5 percent; Davison, 3 percent; Fenton, 4 percent; Flushing, 4 percent; Grand Blanc, 4 percent; Mount Morris, 3 percent; Swartz Creek, 2 percent; and Lapeer, 12 percent.)				
Defense	13	40	32	15
Foreign aid	3	15	70	12
Agriculture	17	38	31	14
Education	42	36	9	13
Health	32	42	11	15
Crime	68	17	3	12
Poverty program	13	24	50	13
Highways	16	53	16	15
Space program	8	30	50	12
Aid to cities	20	32	34	14

3. If there were not enough dollars to go around, and you were responsible for trimming the above programs, which 4 would you trim? Indicate by drawing a circle around 4 items on the above list.

(Circles were drawn around foreign aid, space program, poverty program, and aid to cities.)

4. How well do you feel the Federal Government is spending your tax dollars?

Very effectively, 1 percent; reasonably well, 11 percent; satisfactorily, 14 percent; not very well, 70 percent. No answer, 4 percent.

IV. GENERAL INFORMATION

	Percent			
	Much	Average	Limited	No answer
How much do each of the following sources provide information on which you base your opinions?				
(a) Radio	25	39	21	15
(b) Newspapers	55	32	6	6
(c) TV	43	35	13	9
(d) Magazines	29	28	26	17
(e) Friends	4	20	49	27

YOUR OWN DESCRIPTION

The following information will help me do a better job representing you if I know how different individuals in Genesee and Lapeer Counties feel about national problems. However, you need not fill in this information if you do not wish to.

Sex: Male, 66 percent; female, 23 percent; and husband/wife, 4 percent. No answer, 7 percent.

Age: 18 to 30, 23 percent; 31 to 40, 21 percent; 41 to 50, 21 percent; and 51 up, 29 percent. No answer, 6 percent.

Occupation: Hourly employee, 22 percent; salaried employee, 18 percent; business or profession, 21 percent; farmer, 1 percent; housewife, 11 percent; retiree, 11 percent; and other, 3 percent. No answer, 13 percent.

If you wish, please include your name and address. You will receive a copy of the tabulated results.

Name, 88 percent.

Thank you for taking the time to share your opinions with me.

A WILD PLAN FOR SOUTH AMERICA'S WILDS

Mr. RUMSFELD. Mr. Speaker—

A U.S. think tank has inspired a breathtaking new program to make over much of South America. Plans include a new interocean connection and a huge inland sea.

This description introduces "A Wild Plan for South America's Wilds," which appears in the recent issue of Fortune.

The South American development program was proposed by the Hudson Institute, a policy-research group located in New York and headed by Herman Kahn. Kahn, who founded the institute in 1961, is a mathematician and physicist, best known for his several books, in particular "On Thermonuclear War." His belief is "that the right projects in the right place will work, and by succeeding will stimulate a national will to get on with the job of development."

The plan for South America proposed by the institute may well prove to be the right projects in the right place, and is worth our thoughtful consideration. I insert for the RECORD, the text of "A Wild Plan for South America's Wilds," by Tom Alexander:

A WILD PLAN FOR SOUTH AMERICA'S WILDS

(By Tom Alexander)

Americans have become rather blasé in recent years about new economic schemes for underdeveloped countries, but one proposal now in the works—though not much publicized as yet—is so colossal that it would seem to demand a respectful interest on that count alone. The proposal would affect most of South America before it was completed. And for the last year an increasing number of South American officials, international financiers, and U.S. experts have been lending support to it. Whether they are right or wrong, they certainly cannot be faulted for lack of vision.

First off, the plan proposes a low-cost method of cutting a water route through Colombia's Chocó Valley that will join the Caribbean to the Pacific and provide an alternative to the Panama Canal. Although it will surprise Americans who have been deafened by rhetoric on the subject of a new interocean connection, construction work on one of the lakes that could become part of the Chocó Valley canal may be under way within a year or two. But while this is the most advanced segment, it is not the most dramatic. That honor must be awarded either to a dam that will block the Amazon, by far the world's largest river, in order to create an inland sea almost the size of East and West Germany combined; or to a proposal in which the three immense river systems of South America—the Amazon, the Orinoco, and the Paraguay-Paraná—would be interconnected to permit large ships to steam through the continent's interior between Brazil, Venezuela, Colombia, Peru, Bolivia, Paraguay, and Argentina.

All together, the plan would involve the construction of at least nine low dams and the creation of six or more small lakes in addition to the Amazon Sea. (In this context "small" means roughly the size of Lake Ontario.) Besides creating an immense transportation system on a continent badly in need of new lines of communication, the plan would make available virtually unlimited supplies of inexpensive electric power. Since the Amazon alone has a flow equivalent to fourteen Mississippis, that dam itself could provide as much power as 28 percent of the generating capacity in the U.S. for 1 mill per kilowatt-hour—a rock-bottom price. In addition, the lakes would inundate the continent's great swamps, open up well-drained lands rich in minerals and timber, create richly silted agricultural land, and possibly give rise to a host of business enterprises, including a fishing industry that could help add proteins to the diet of many South Americans.

DOING SOMETHING ABOUT THE WEATHER

The unifying element in the vast scheme is an engineering approach that the Romans would have considered old-fashioned. The dams, for instance, would actually be little more than earthen dikes about 100 feet high. As a result of the simple technology required, the project might be obtained at a bargain price. Preliminary cost estimates, not including any electrical generating equipment or navigation locks, range from $250 million to $500 million. Locks and generating equipment might bring the cost to ten times that but not all the power facilities would be installed immediately, nor would the power potential of the dams have to be maximized to justify many of the projects economically. Conversely, the electric-power output that would be obtained as a part of the Chocó Valley canal project might itself be sufficient to amortize the full cost of that project. (The implications of that fact will be rather unsettling to Panamanians. Tolls on the Panama Canal now run close to $1 a ton; Colombia could charge 10 cents and pocket it all as profit.)

Before many of the dams are built, a good deal of additional investigation and negotiation will be needed. The project would require agreement and cooperation among as many as eight South American nations that have never shown much tendency in this direction before. Among other things, Brazil would have to flood a substantial portion of its territory to give landlocked Bolivia access to the sea and foreign markets. This might be hard to sell to Brazilians, even though the bulk of the land is quite worthless at present. Moreover, some of the potential long-range effects are vast and rather frightening. The new Amazon Sea might, for example, so change the heat-moisture balance at the equator that the world's weather would be marketedly influenced. There would certainly be some effect upon the ecology of the Amazon-Paraguay-Orinoco Basin—an area larger than the U.S. Stopping the turbid Amazon's discharge of nutrients to the sea might wipe out the shellfish industry as far north as the U.S. east coast. And one French engineer speculates that the weight of all this additional water at the equator could slow down the rotation of the earth and add three seconds or so to the length of a year.

In the usual course of things, vast schemes such as this one are proposed, noticed, exclaimed over by a few people, and then forgotten—especially when they are suggested for capital-short nations. It is remarkable, then, how much official attention the "great lakes" proposal has received. Colombia has formed a blue-ribbon presidential commission and enlisted the help of several international consulting teams that are investigating the advantages and problems associated with the Chocó Valley project. (Test borings have already been made at the key points of the proposed waterway and a hydraulic model of the system has been built in Bogotá.) Peru and Bolivia have both established commissions made up of government representatives, engineers, geologists, and military men. Brazil intends to form an interministerial commission under the Ministry of Planning. Engineers from a number of international engineering firms have toured the Amazon Basin. Several international and national development aid agencies have expressed official or unofficial interest in the project. And efforts are being made to assemble groups of private foreign investors.

THE BRAINS BEHIND THE FLOOD

The idea for a system of South American great lakes was born a long way from the Amazon, in a group of buildings perched on a bluff overlooking the Hudson River in New York's Westchester County. The buildings are the headquarters of the Hudson Institute, an uninhibited policy-research group of a kind now often identified as a "think tank." Hudson was founded by Herman Kahn, an amiable, overweight, prodigiously erudite mathematician and physicist who worked at the Rand Corp. in the 1950's, and achieved considerable attention for several of his books, particularly *On Thermonuclear War*. In 1961, Kahn left Rand to form his own group. Since then Hudson has devoted its greatest efforts to military and foreign policy matters, mostly under contract for the U.S. Defense Department. But Kahn and his associates have also been searching for ways to apply their diverse talents to the problems of economic development.

Among other things, the Hudson group has concluded that many aid projects in underdeveloped countries are "counterproductive." They point out, for example, to urban-housing projects in several countries that create an impression of growth and activity for visitors but that work, in the long run, to draw unskilled people from the countryside and lead to urban crowding and more misery.

As the institute sees it, when development projects fail, or create more problems than they solve, the loss is even greater than it first appears. The nation and its development professionals become disillusioned and conclude that nothing will work—so why try? Kahn's belief is that the right projects in the right place *will* work, and by succeeding will stimulate a national will to get on with the job of development. The goal, as one Hudson Institute member puts it, is to find projects with "high visibility that will energize the whole society."

In a search for the right place for the right project, Kahn and his colleagues have divided South America into three economically distinguishable zones. The "A" country is the booming, twentieth-century industrialized urban area; the "B" country is the larger but more stagnant rural-agricultural area, which is a blend of both the seventeenth and the twentieth centuries (e.g., a peasant farmer with a transistor radio); and the "C" country is the largely unexploited, partly unexplored, and sparsely populated frontier that makes up nearly four-fifths of the land area. It is the "C" country, the institute believes, that provides developers with their greatest opportunities. Projects in this area not only are less likely to encounter opposition from vested interests, but can be made large enough and dramatic enough to capture the imagination of the nation.

Hudson is scarcely the first group to look for ways to exploit the lush heartlands of South America. But most past attempts (for example, the many efforts to establish plantations far up in the vast Amazon Basin) have been defeated. The "C" country is a vastly forbidding place. Among many uninviting characteristics, it suffers from having too much water. Much of it is pelted with some of the world's heaviest rainfalls—up to 400 inches a year. Furthermore, while other continents are high in the middle, which allows the water to run off rapidly, South America's interior consists mostly of great low-lying basins—the remnants of an inland sea that eventually cut its way out to the Atlantic Ocean. The flat floor of the basins floods frequently and is laced with the serpentine meanderings of the large rivers and their dozens of tributaries.

Most of the South American rivers are more or less navigable and, in fact, provide the only access to much of the interior. And for centuries Latin Americans have considered connecting various parts of their great river systems by means of canals to form a transportation network that would help integrate South America into a common market. But currents in places are swift and treacherous, with frequent stretches of rapids. Channels shift constantly and are laden with floating timber. All of the rivers are bordered by huge expanses of swampy land, making it hard to get from the river to dry ground. And, worst of all, the costs of clearing and joining the rivers have seemed prohibitively high.

CONNECTIONS IN A MICROCOSM

The first Hudson Institute member to get a close look at South America's "C" country was Robert Panero, a second-generation Italian-American engineer. Panero, who is thirty-nine, worked with Kahn at Rand on the North American Air Defense System. In 1964 he joined Hudson as director of economic development studies and was almost immediately handed the task of exploring the "C" country in Colombia in search of projects that might stimulate the country's economy.

Colombia was chosen as a pilot project partly because it seemed a microcosm of South America, partly because of the extensive and potentially useful connections Panero has there. Panero's wife is a Colombian, and through her he has become acquainted with most of the country's close-knit political hierarchy. At the suggestion of a Colombian engineer friend, Marcello de Leva, with whom he had often discussed the notion of catalytic development projects, Panero first turned his attention to the possibilities of damming a Colombian river to improve navigation and yield electric power. More or less arbitrarily, he decided to start with the Caquetá, a tributary of the Amazon in the southwestern part of the nation. Accompanied by a Stanford Research Institute engineer, William McGuigan, and an Inter-American Development Bank economist, Daniel Fernandez, Panero borrowed a Colombian Air Force plane and crew to fly over the river.

During these flights the team made a crucial observation. From ordinary flying altitudes, most South American river basins look like a "green sea"—endless stretches of vegetation that are apparently as flat as a billiard table. But when the plane descends to treetop level, the apparently flat terrain resolves into a network of rolling, gentle ridges, some of which rise several hundred feet or so above the surrounding valleys. It occurred to Panero and the others that the topography offered an opportunity to build low dams across the valleys and thereby create very large, long lakes.

Large, relatively shallow lakes are usually anathema to planners of hydroelectric projects. The planners seek out stretches of steeply descending rivers and narrow gorges where they can construct the shortest, highest dam possible and thereby gain maximum head while flooding a minimum of real estate. But far from being a liability, a huge lake would benefit the river-basin country by submerging the swampy areas and permitting access to the well-drained, slightly higher ground. At the same time, the lake would cover the serpentine river courses and sharply reduce the distance between points in the valley. And for power generation the immense rainfalls in the Chocó would provide enough water to offset the lack of height. Most important, instead of sophisticated and expensive steel and concrete dams, the flat river courses could be easily—and inexpensively—blocked by simple low dams or "dikes" of stone or earth.

A few months after returning from the Caquetá expedition, Panero happened to be with Kahn at a meeting at Livermore Laboratories at the University of California. The subject was the possible uses of nuclear explosive devices for excavation. Panero put forth the idea there that nuclear devices ought to be used on small projects. Casting about for an example to support his case, he more or less arbitrarily pointed to the Chocó Valley on a handy topographic map of Colombia and suggested that the Livermore scientists look there to see whether small nuclear explosions couldn't be used to build an ocean-to-ocean waterway. Coming back on the plane, Kahn asked Panero if *he* had ever taken a look at the Chocó Valley himself and Panero admitted he hadn't. Within a few weeks he was back in Colombia doing so.

A SYNERGISTIC SEAWAY

An interocean connection through the Chocó Valley had been toyed with as far back as the seventeenth century. In the north the valley is pierced by the Atrato River, which flows into the Caribbean. At the southern end of the valley the San Juan River empties into the Pacific. Between the headwaters of the two rivers is the lowest continental divide in the Western Hemisphere. Flying through the valley, a group including Panero and the Colombian engineer, de Leva, discovered that dams across the lower stretches of the two rivers would create long lakes that would back up toward each other. The lakes would be separated only by a divide some thirty-one miles long and 230 feet high at its highest point. A canal through this, plus approach canals in the lower ends of the two rivers, would create a 260-mile passage from the Atlantic to the Pacific.

The Chocó would probably never be a complete substitute for a canal through Panama. Especially for traffic to and from the U.S. West Coast, it might be prohibitively long. But its advantages would be real enough; it would be a reasonable shortcut for ships moving to and from South America's west coast; it would open up the interior of Colombia to the sea; and it would be relatively inexpensive. Moreover, some 400 inches of rain fall annually in the valley, and the power that could be generated on the San Juan and Atrato lakes alone might be sufficient reason for the dams. The Chocó region now is one of the poorest in Colombia. Besides providing electric power, the new lakes would open up the vast quantities of high-grade, fast-growing timber that are known to be there, plus a variety of minerals, including gold, platinum, copper, zinc, bauxite, and oil, that are either known or believed to be there. Advocates of the project feel sure that the synergistic effects of power, minerals, timber, and transportation are enough to turn parts of the unprospering valley into major new industrial centers.

Furthermore, the benefits would not be limited to the Chocó Valley. The neighboring Cauca Valley, some fifty miles to the east, is Colombia's commercial-industrial heartland. This valley has three cities—Medellin, Manizales, and Cali—with a total of 1,600,000 inhabitants and all are doubling their rate of electric-energy consumption about every seven years. The Chocó lakes could provide some 3,600,000 kilowatts at the relatively low installed price for hydroelectric projects of about $124 a kilowatt (including costs of transmission lines but not including costs of converting the two lakes into an interocean passageway). Moreover, a Chocó waterway would, in effect, bring each of these landlocked cities within 75 to 100 miles of both an Atlantic and a Pacific port.

The plan is not without its opponents. Some engineers believe that it does not represent an optimum solution to Colombia's shortage of electricity. Others contend that people will never want to live and work in the Chocó Valley's hot, humid climate. But the San Juan lake portion of the scheme has now been given a high-priority position in Colombia's master development plan. At a projected cost of only about $80 million, the San Juan hydroelectric project would be comparatively easy to finance in the international money market. Once it had proved itself, it should then be possible to finance the four-times-costlier hydroelectric project on the Atrato River to the north. And once *that* was built, the mere existence of the two huge lakes would make the case for the canals creating an interocean waterway almost irresistible.

Some prominent Colombian statesmen seem to agree with the Hudson Institute's conviction that large, highly visible projects such as the Chocó could do much to galvanize the productive energies of the Colombian people. Colombia's President, Dr. Carlos Lleras Restrepo, a hardheaded economist, has appointed his cousin, Dr. Alberto Lleras Camargo, himself a former President, to head a special presidential commission to investigate the feasibilities of the project. Says Lleras Camargo, "For the last ten years, we've had no good news in Colombia. This will be the first."

SLICING A FEW RIVERS

After his flight over the Chocó, Panero began to look elsewhere in South America for additional applications of the low-dam, long-lake technology. He soon found potential sites in a half-dozen places (he believes that many others are still to be uncovered) and this led him to devise the bold scheme to connect the major river systems of South America. In the north, one lake could flood a low divide between the Orinoco and Negro rivers in the Pimichin area along the Colombia-Venezuela border. Since the Negro is one of the largest tributaries of the Amazon, this would have the effect of connecting the Orinoco into the vast Amazon system. Similarly, in the south, the Guaporé River could be connected by a 370-mile-long lake or series of lakes to the large Paraguay River system, which discharges into the Atlantic past Buenos Aires and Montevideo. When these two lakes plus others shown on the map on page 148 are built, the entire heart of the continent would be opened to shipping.

For a long time, Panero resisted the idea of tampering with the mighty Amazon River itself. But then geologist James Geraghty, who had been working as a consultant on the project, began to argue that if they were really serious, they should also tackle the world's biggest river. Gradually, the temptations of true grandiosity seem to have prevailed; in any case, Panero is now intensely interested in a dam that would create immense power sources, make it possible to get at the mineral resources in the Amazon Basin, create an inland fishing industry, and further improve inland transportation.

The estimated total cost of the Amazon project—some $2 billion to $3 billion, including partial exploitation of the electrical potential—would be roughly equal to the cost of Egypt's Aswan Dam, but the project could be carried out in phases after an initial expense of some $200 million. There would also be some large social costs. Brazilians will have to give thought to the possibility that they will be altering weather and ecology, as well as to the fact that two river towns, Obidos and Santarém, and some 100,000 people probably would have to be moved to higher ground. Brazil's million-dollar jute industry would also go by the board (though it has been coming under severe attack from Japanese synthetic imports anyway). And any attempt to market all the timber before it was inundated would probably wreck the world timber market. Moreover, the Amazon power would actually be produced nearly 1,500 miles from Brazil's major population centers. Until the scheme is studied further, even Panero stops short of saying that damming up the Amazon would be a good thing. But he says, wistfully, "It would certainly change things."

THE VIEW FROM THE MOON

Panero is now stepping a long way out of his role of a think-factory engineer by actively promoting his scheme. One of his aims is to try to accelerate the projects, and this means piquing the interest of both international lending agencies and private investors. Mostly by dint of sheer energy and enthusiasm, he has assembled an impressive gallery of supporters, including Frank Davidson, the American lawyer who is also helping to put together a consortium of the French and British governments and several banks and companies to build the $700-million channel tunnel between France and Britain. Davidson is already acting as a consultant to Hudson on a similar scheme for financing the Chocó and other "great lakes" projects.

The French Government is also demonstrating a strong interest in the plan. Panero has been to France to brief officials. The government-controlled Laboratoire Central d' Hydraulique has been doing some engineering work on the Chocó project for Colombia. And several French banks, including the government-owned Banque Nationale de Paris, have informally expressed interest in financing parts of the project. President de Gaulle apparently sees French participation as a steppingstone to greater French influence in South America.

There is at least no doubt that everyone involved is thinking big. Panero is motivated to some extent by a view of himself as another Ferdinand de Lesseps, the Frenchman who conceived both the Suez and the Panama canals. "You know," says he, "the only man-made thing on earth that will be visible from the moon will be those lakes. Except," he adds, "the Great Wall of China."

CORRECTING THE RECORD ON PUBLIC WORKS DISTORTED BY PRESIDENT'S POLITICAL SPEECH AT BAL HARBOUR, FLA.

Mr. CRAMER. Mr. Speaker, on December 12, in Bal Harbour, Fla., the President of the United States spoke to the convention of the AFL–CIO. During the course of his speech, the President sought to give the Democrat Party credit for the good legislation and to blame the Republican Party for legislation which has not been enacted. As is too frequently the case, the President sought to claim credit where no credit is due, and sought to place blame where there is no cause for blame. A few examples will serve to illustrate how misleading the President's speech was.

In his speech, the President said:

> For the first time, we recommended and passed the bills through Congress to give us the weapons to make an all-out attack on the filth that fouls our water and air.

The first comprehensive Water Pollution Control Act was enacted in 1956, during the Eisenhower administration. This act was amended in 1961 and again in 1963 and in 1965. In 1966, the Clean Water Restoration Act of 1966 was enacted. This bill was a bipartisan measure strongly supported by the Republicans, and was reported favorably by the House Committee on Public Works and passed by the House of Representatives without a dissenting vote.

The President referred to the Highway Safety Act of 1966, and by implication, at least, claimed credit for it. The President did not acknowledge the fact that the first highway safety measure providing that all State highway departments should have a highway safety program, was enacted as a part of the highway legislation in 1965. The highway safety provision was the result of an amendment offered by the late respected John

Baldwin, Republican, of California. The Highway Safety Act of 1966 is nothing more than a more detailed treatment of the so-called Baldwin amendment. In fact, the Highway Safety Act of 1966 is frequently referred to as "the Baldwin amendment with money."

While the President was busy claiming credit for the Democrat Party for legislation which was bipartisan in nature, he failed to give credit to the Republican Party for making substantial improvements in legislation and then supporting the improved version.

One example of this is the Disaster Relief Act of 1966. The Republicans supported the Disaster Relief Act of 1966, but strongly opposed one section of the act which would have authorized Federal grants to farmers to replace livestock or crops destroyed as a result of a major disaster. This opposition was based on the fact that it would create a new grant program of unknown cost, that it was discriminatory, that it was unnecessary because of substantial assistance already available, and that it was premature because the Public Works Committee was then considering recommendations for Federal flood insurance.

The Congress agreed with the Republican position, and enacted the Disaster Relief Act of 1966 without that unwise provision.

The Disaster Relief Act was passed by the House without opposition by a voice vote under suspension of the rules.

The Highway Safety Act was passed by the overwhelming vote of 317 to 3, and the three Members on record as voting against the bill are Democrats.

A TRIBUTE TO CHAIRMAN HARLEY O. STAGGERS, OF THE HOUSE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. BRADEMAS. Mr. Speaker, I should like to take this opportunity to congratulate the House Committee on Interstate and Foreign Commerce, and particularly its able and conscientious chairman, the Honorable Harley O. Staggers, on an outstanding record of accomplishment during the session of Congress that is now closing.

This committee first managed to cope with the furor created by the dispute between the railroads and their employees, and then went on to put on the statute books an impressive list of enactments affecting the daily lives of people. I am thinking particularly of the legislation bringing health facilities into local communities, of the Flammable Fabrics Act, the Clean Air Act, the Products Safety Act, public broadcasting, and other measures which will make life better, safer, and healthier for millions of Americans.

Mr. Speaker, I feel sure that the extraordinary achievement of this committee is due in large part to the tact, the keen judgment, and the infinite patience of its distinguished chairman, Harley Staggers, of West Virginia. Most of the measures originating in his committee were supported by both sides of the aisle. This result represents leadership of the highest quality, and promises well for the future. I want to congratulate Congressman Staggers on his fine performance.

THE MIDDLE EAST SITUATION

Mr. GROSS. Mr. Speaker, in order to present another view of the situation in the Middle East, I present for printing in the Record an address delivered by British Lt. Gen. Sir John Bagot Glubb, K.C.B., to the Middle East Institute at Georgetown University, Washington, D.C.

The address follows:

Address Delivered by Lt. Gen. Sir John Bagot Glubb, K.C.B., to the Middle East Institute, October 26, 1967, Georgetown University, Washington, D.C.

Mr. Chairman, ladies and gentlemen. I don't know if you know the story of the two old ladies who came out of their houses into their back yards one morning and they saw each other over the fence. One said to the other, "Good morning, Mrs. Jones. How are you this morning? You are looking rather worried; nothing wrong, I hope." So the other one said, "Well, yes, I am, I am real worried, Mrs. Smith. I sent my husband out yesterday afternoon to buy a cabbage for our dinner today, and he hasn't come back. He has been out all night." So the first one said, "Oh, I shouldn't worry about that, dear, if he doesn't come back, you can always open a can of peas."

You see the point is that these two ladies were both confronted with the same situation but their reactions were different regarding the important element in this situation. What I want to try and do this evening is to present to you a point of view regarding recent events in the Middle East, which is not identical, I think, with the one which is usually represented in the press.

History as we know it began 5,000 or so years ago. And in the intervening period, quite a lot of nations have succeeded one another as the dominant power of their time. You can start way back with the Pharaohs, the Assyrians, the Babylonians, the Ancient Persians, Alexander the Great and the Greeks, the Romans, the Arabs, the Ottomans, and even the British.

Well, that pretty well covers the so-called empires of the past except the Spaniards who did it over here; but otherwise, there is a curious, single factor which all these empires in history for 5,000 years have shared, and that is every single one of those held Egypt. Now this seems rather striking when you think of it—they were in all sorts of different parts of the world—but every one of them made a bee-line for Egypt as soon as they could. And I think if we analyze this, we can find very good reasons for their choice. The first is, of course, if you visualize a map of the old world that Egypt and the Middle East are the only passageway connecting Europe and the Mediterranean with the Indian Ocean, India, the Far East, Indonesia, and nowadays, Australia.

Secondly, if again you visualize the old world, omitting China perhaps, which always led its own life, the Middle East is exactly the center of the continents of Europe, Asia and Africa. It is also the only land connection between these three continents. And, as a result, any great power at any period of history which held Egypt was able itself either to move into Europe, Asia or Africa, or conversely and perhaps at times even more important, by, so-to-speak, establishing a roadblock at this crossroads they could prevent anybody else from going to any other place.

Now it takes a bit too long this evening to start 5,000 years ago, so I am going to start in the 7th Century after Christ. At that time the world was divided into two halves, much as it is today—an eastern and a western power bloc. The western bloc was the Roman Empire, and the eastern bloc was the Persian Empire, and the border between the two was almost exactly along the frontier between Syria and Iraq today. And you will remember, that immediately south of that frontier lies the Peninsula of Arabia. This peninsula in the 7th Century—it's mostly desert—was inhabited by a number of nomadic tribes who were looked down upon with some contempt by the inhabitants of these old and cultured empires.

There is only one other point worth noting here and that is that the Roman Empire included all the frontiers, all the shores of the Mediterranean, and so, many countries which we consider oriental—such as Turkey today, Syria, Palestine, Egypt, what we call Tunisia, Algeria, Morocco—were until the 7th Century, you might say, part of Europe. Their official languages were Greek and Latin, and the inhabitants were Christians.

Mohammed was born in 570 A.D. down in this desert peninsula. He began to preach in 614 and he died in 632. Two years after his death, these despised and backward nomads suddenly broke out of their desert peninsula; towards the east they completely eliminated the Persian Empire, crossed what we now call Afghanistan, and over into the plains of northern India. Another lot went further to the left or north, up into what is now Soviet territory, north of Tibet until they came to the frontiers of China.

Anybody with any sense, of course, when the world is divided into two power blocs, if he wants to attack one power bloc, makes friends with the other. But the Arabs didn't do this; they attacked both the power blocs at once. While half of them were going east in this direction, the other half were going west. They quickly overran Syria, Palestine and Egypt, across North Africa to Morocco, over the Straits of Gibraltar, up through Spain, over the Pyrenees, and up through France, and, I am glad to say, they eventually stopped 250 miles from the coast of England. Within the life-time of one man, these people who had no education, no technology, no particular government, no form of organization, you might almost say, defeated both the world power blocs and established an empire which extended from the Atlantic Ocean to the borders of China.

Now the curious part about this fantastic conquest is the small number of men who carried it out. Nearly all of these countries were conquered by armies of 12–15,000 men. And the result was that when this immense empire had been conquered, it has been estimated that Arabs constituted around 1% of the inhabitants of the territory which they had conquered. The remainder was populated by all sorts of different races—South of France was in there first, Spain, people from North Germany such as the Goths and the Vandals, Berbers in North Africa, Egyptians, Syrians, Greeks, Armenians, Persians, Turks, Indians—14 or 15 utterly different ethnic races were all involved in this empire.

I think this is of tremendous significance today. We are sometimes told by propaganda that anybody from Morocco to Persia is now an Arab, and, of course, anybody can call himself anthing he likes if he wants to. But we are apt to conclude from this that this is a homogeneous ethnic group, extending from Morocco to Persia. This is completely illusory. In fact, they are all entirely different nations, very often with quite contradictory qualities. Fortunately we still have in [the] original a report written by the Arab Governor of Turkestan which is now in Soviet Russia, to the Caliph in Damascus, 75 years after the Arabs broke out of Arabia. And in his letter, he says, there have been so many conversions to Islam during the past year that if things go on this way, very soon everybody in this country will be an "Arab".

This is a very natural, you see, mixup. The idea of Arab was associated with the Moslem religion, and easily enough, anybody who became a Moslem (in fact, many of them did it for this reason—the Arabs enjoyed so much prestige after their conquests) that anybody, whatever his origin—although he might be from North Germany—when he adopted the Moslem religion, claimed to be a member of the conquering race.

In fact, it always seems to me that Latin America is probably the nearest parallel. There everybody speaks Spanish and they are all Roman Catholics. But they are not Spaniards. Just as in the case of the Arab countries of today, they acquired their language and their religion from a military conquest many centuries ago.

In the 8th, 9th and 10th centuries, the relative positions of this Arab Empire and of Europe were just about the opposite of what they are today. Everything that we connect with ourselves belonged to them. Everything we attribute to them belonged to us. For example, such things as industry, banking, science, education, shipping, commerce, naval command of the sea, all these things were a monopoly of the Arab Empire. If you lived in Europe, when you wanted a manufactured article you had to import it from some Arab country. So complete was their naval command of the Mediterranean and the Red Sea, that a contemporary writer said, no Christian can any longer so much as float a wooden plank on the Mediterranean.

This complete domination of the world as it then was lasted for 250 years. In between brackets that's exactly the same time the British Empire lasted. After 250 years it broke up into separate segments, but even so, Spain, Morocco, to Turkestan and Northern India were still all Moslem states. After the loss of their political domination, they remained the intellectual leaders for another 250 years. And I think they may well be called the pioneers of modern science, because they introduced to us our method of writing numbers, which we still, incidentally call Arabic numerals, namely having units, tens, hundreds and thousands, next door to one another. The Romans, you will remember, used to write a thing like MM, CC, LXXX, VVV, III. How anybody added or subtracted that, much less divided or multiplied, I have never found out.

Anyhow by introducing this method of numerical notation, they laid the foundation of our mathematics. Although I lived with them for 36 years, I always had a sneaking resentment against the Arabs becuse they went on from that to invent logarithms, algebra and trigonometry.

For many centuries they were the leaders of the world in medicine, ophthalmology, chemistry, zoology and all the minor sciences. Among other things, they introduced to Europe rhyming poetry. Again the Greeks and the Latins, you may remember, used to scan their lines but the final syllable didn't rhyme. As the result of Arab influence, our poetry has sounded quite nice since then—until quite recently.

They also introduced to Europe the manufacture of paper, and to be perfectly candid, they didn't invent this, the Chinese did; but as the boundaries of the Moslem Empire extended from China to Spain, they brought the manufacture of paper to Europe. They actually accurately measured the circumference of the earth 600 years before Europe got around to admitting the darned thing wasn't flat.

Now the interesting thing about this period is what happened to Europe while all this was going on. The Roman community was very similar to our own. It was a commercial and a capitalist society. The big men were business men and bankers. The cities dominated the country-side, and they maintained active overseas commerce with India and China and were, of course, enabled to do this because the Romans held Egypt and had a fleet on the Red Sea as well as on the Mediterranean. But as soon as the Arabs interposed this long line of country from Morocco over to China, along the south of Europe, Europe found itself suddenly cut off from all overseas commerce. Of course, America and the Cape of Good Hope had not been discovered, and within a few years this prosperous financial society withered away. For around five centuries Europe became an agricultural community. There was no money, all they did was they grew their own food and from the wool of their sheep they manufactured their own clothing.

Where there is no money, land becomes the standard of wealth instead of cash. When the bankers disappeared, the barons became the leaders, and, I think it is a sobering thought to remember that until the beginning of this very century in which we are living—until after I was actually born—in western Europe, land owners were considered socially superior to businessmen; that is, that this 500-year Moslem blockade of Europe distorted the social development of Europe for something like 12 centuries.

I can't help feeling—at least this is what happened to me—that knowledge of this period changed the whole of my outlook on life. When I was at school, I suffered a certain amount about the Greeks and the Romans, but after that, we went on to William the Conquerer and the conquest of England, and I must admit when I was a school boy I didn't even notice that 800 years had been missed out. But when you discover those 800 years, especially if you live in the Middle East where the remains of them are visible every day, you suddenly get a new outlook on history.

Of the 5,000 years of history we can trace, for 4,500 years Syria and Egypt were in the leadership of human progress. It is only in the last 500 years that we in the west have not only caught up but now out-distance them. And I must say it sort of made a philosophical change in my thought. Of course, like everybody else, I had always assumed that the western races were so superior to the other poor chaps who happened to be around in this world that they weren't in anything like the same category. And to find out that both the Romans and the Arabs during the centuries of their predominance had been just as brilliant, just as powerful, just as far ahead of everybody else, as the western European and North American peoples are now, just as absolutely convinced of their natural superiority—which, of course, they assumed would last till the day of resurrection—made me think again about our own vast superiority over everybody else.

Now some people say to me "Now this can't be true because I have never heard about it before." I think this is the most masterly piece of censorship that is recorded in history. And the only explanation you can get is that for that 500 years Europe had been blockaded, her prosperity had withered away, and she had lived in continual fear of invasion or attack from North Africa or from the Middle East.

After the conquests I have already outlined, the Arabs went on to occupy the Balearic Islands, Corsica, Sardinia, Sicily, southern Italy, Crete. They landed in Rome and burned St. Peter's. They landed frequently in northern Italy and they had complete command of the Mediterranean. And it does appear as if when Europe eventually overtook and passed them, and the Renaissance got in full swing, they tacitly agreed that the least said about the previous period, the better.

This Arab culture which lead the world for so many centuries concluded, perhaps. We may say, in 1055. I have just chosen this as a suitable date. It happens to be the date in which the Seljuk Turks captured Baghdad. From then onwards, a whole stream of disasters ensued. The Seljuks were not too bad in the end, but then came the Mongols, and you have all heard of Genghis Khan, Hulagu, Tamerlane, and people of that kind. Their policy was, whenever they came to a city, not only to destroy it, burn it and plow it up, but to collect all the inhabitants of the ctiy regardless of age or sex and murder them on a plane outside.

The Mongols were followed by the Mamelukes who were also Turks and then by the Ottomans. But an interesting factor of this is that these Central Asian barbarians did not get to Egypt or across North Africa, and this highly cultured Arab civilization remained unadulterated, one might almost say, in Spain and Sicily and the fringes of Southern Europe. And as they weakened, it was from them that Europe once again learned civilization, culture and the high standard of living.

But even though the Europeans acquired a certain amount of civilization from these outposts, Europe was still blockaded. It was only just before 1500 that the turning point came.

In 1492 Columbus discovered America and five years later, in 1497, Vasco da Gama sailed around the Cape of Good Hope. All of a sudden, within five years, Europe which had been blockaded for 600 years found the oceans of the world open to her. Not only so, but the Europeans quickly nipped around the Cape of Good Hope and obtained naval command of the Indian Ocean—first the Portuguese, then the Dutch and afterwards the English. And from the Indian Ocean they sailed back up the Red Sea, and whereas the holders of Egypt had always enjoyed all the free commerce with the East, Egypt and the Muslim countries now found themselves in turn blockaded by Europeans so that they couldn't trade, and this put the whole situation into reverse. The Dark Ages of Europe came to an end, and the Dark Ages of the Middle East began.

So if we take this year 1500—it's an easy one to remember—three years after the Cape of Good Hope was discovered—we may take that as the turning point. On top of that, in 1517, Syria and Egypt were conquered by the Ottoman Turks. I think it's worth noticing that the long period of the Dark Ages of Europe, during which the Arabs were enjoying their brilliant period, and the reverse—the commencement of the Middle Ages (the Dark Ages of the Middle East) during which Europe enjoyed predominance—were switched across merely by the blocking and the opening of a trade route.

From 1500 to nearly 1800, three hundred years, the oceans of the world were covered with ships. Europe was forging far ahead, and the Muslim countries were blockaded on the Mediterranean side and in the Red Sea. From being, since the beginning of history, the center of human progress, Egypt, Syria and the neighboring countries became complete backwaters.

The first man who seems to have looked at the map and realized how important this area was, was Napoleon Bonaparte. You may remember in 1798 France was at war with practically the whole of Europe. Napoleon was just commencing his career, but instead of driving back the enemies of France he took a chance on it; he put his army onto ships, crossed the Mediterranean, and occupied Egypt. And his plan was to establish a French base in Egypt, to hold command of the Mediterranean, and to build a French fleet on the Red Sea. And he reckoned that a French fleet in the Red Sea, based on Egypt, would be able to snatch naval command of the Indian Ocean from the English, whose fleet was maintained by the far more distant route round the Cape of Good Hope. He made a slight miscalculation because while he was occupying Egypt he left his fleet moored in the mouth of the Nile, and Lord Nelson came in and destroyed it. And this spoiled the whole plan. Napoleon was cut off from France, the campaign was abandoned, and he had to go back home. But in the last years of his life, when he was in St. Helena and when he was dictating his memoirs, one of the things he emphasized was that his career had been changed by his failure to hold the Middle East. And on a different occasion, to the Governor of St. Helena, Sir Hudson Lowe, he said, "The great thing to remember is that Egypt is the most important country in the world."

The Napoleonic debacle resulted in a period of confusion in Egypt. The Ottomans had lost their grip, so they sent a force of Albanians, commanded by one Mohammed Ali, to tidy up Egypt for them. Mohammed Ali and the Albanians tidied the place up all right, but they didn't do it for the Ottomans. Mohammed Ali kept it for himself, and as you know, his descendents ruled Egypt until 1952.

This is extremely relevant to the present situation, because Mohammed Ali, although a Muslim, was a European, born on the border of Macedonia and Albania. And he was the first ruler of the Middle East who introduced European officers and European technicians. His army was trained by French officers, and he also brought in doctors, engineers, and other similar experts. This gave Egypt a hundred years' lead on the other Arab countries which were still occupied by the Ottomans. People often say to me, "Of course, Egyptians are the traditional leaders of the Arabs." But this, as a matter of fact, is an illusion. During the great days of the Arabs, their first capital was at Medina, in the Peninsula; the next one was in Damascus, and the third one was in Baghdad.

Mohammed Ali's grandson, Khedive Ismail, was an even more enthusiastic westernizer than Mohammed Ali himself. He boasted that he had made Egypt a part of Europe. Egypt was covered with railways, telegraphs, harbors, even a French opera house in Cairo. The unfortunate part was that you couldn't in those days travel first and pay afterwards. He did it all on credit, and that wasn't so fashionable then as it is now, and after a bit, the creditors began asking for some money or at least some interest, and when he couldn't pay Khedive Ismail went bankrupt.

To begin with, Britain and France established a financial commission and afterwards the French fell out and Britain took over alone. But before this happened, Ismail had made one of the big reversals of history. In 1869 he opened the Suez Canal. As I said before, from 1500 onwards, Egypt had been a backwater. It is true, it was increasingly used for passenger traffic—they got off at Alexandria and rode across the Suez where they got onto another ship. The East India Company used to use it for urgent dispatches or valuable stores or something of this kind, but the main route of commerce was round the Cape. From 1869 onwards, everybody could see what only Napoleon had seen before, that Egypt was once again the most important country in the world.

Throughout the ensuing period, until World War I, Britain was the country with the biggest stake in this passageway through the Middle East, because she was the biggest maritime, commercial power. Everybody in Western Europe was involved in it, but Britain more than the others. We mustn't forget, of course, that some of the most active maritime peoples in Western Europe are the Dutch, the Danes, the Norwegians, and the Swedes—and all these West European peoples were deeply concerned in the Suez Canal.

The policy adopted by Britain throughout the nineteenth century was to prop up the Ottoman Empire in order to keep another great power from getting astride of the trade route. She was assisted on all sorts of different occasions by the other powers of Western Europe. In the Crimean War, for example, Italy and France joined. During the nineteenth century there were, I think, eleven different wars between Russia and the Ottoman Empire, Russia trying to get down to the Mediterranean and to the Middle East passageway. In most or all of these, the powers of Western Europe intervened to support the Ottomans, sometimes Austria-Hungary came in, sometimes Germany came in, nearly always Britain and France were involved—because this was the life-line of Western Europe.

I may perhaps interject a note here, that neither Russia nor the United States use this passageway to any vital extent. Russia, of course, has land connections with Asia, and unfortunately the United States is exactly the opposite side of the globe. So if from America people want to get to the Indian Ocean it's quicker for them to go across the Pacific than it is across the Atlantic, the Mediterranean, and through the Middle East defile.

When World War I came, this traditional policy was all of a sudden destroyed. The Ottomans joined the Germans, and in 1914 and '15 a Turko-German force actually reached the banks of the Suez Canal. The British were obliged to detach a large army from the defense of the West and send it to Egypt where it gradually pushed the Germans and the Ottomans back up through Palestine to Syria. When the war was over, however, Britain was faced with the problem of how to continue her traditional policy which was to support the local government, whatever it might be, in order to keep out major powers, which were on the same level as herself. These were either Russia or Germany. Nobody had ever been afraid that the Ottomans would try and block it, and so Britain had the idea that "Why not let the Arabs be independent governments—or a government—in this area and we will behave with them as we behaved to the Ottomans, letting them run their own show and propping them up if Russia or Germany appear on the horizon."

This, during World War I, appeared also to be the best thing for the Arabs themselves. They had been ruled by the Ottomans for 400 years, and to recreate national government required the assistance of somebody from outside. In 1917, however, the British Government issued the Balfour Declaration.

Now this is extremely interesting because you see here a contradiction of policies. We have to remember that in 1917 Russia made peace with Germany and Austria-Hungary, and in the autumn of 1917 Britain and France realized that in the spring of 1918 all the Central Powers would turn on them. And this was the absolute crisis of the war. Even as things worked out, as you know, in April and May 1918 there was nothing to choose—it might have gone any way at a moment's notice. And so in the autumn of 1917 they decided that something must be done to get the United States into the war before they were exhausted. And from the documents which we now have available we see that it was thought that the Balfour Declaration would bring the United States into the war. Now this is very interesting because you see here two policies, one the traditional policy, more than 100 years old, of propping up the local government, and another, a short-term policy of trying to save themselves from defeat by a conflicting promise.

After the war, the French also insisted on directly governing Syria, which was not in the original plan, and so the traditional policy of supporting the Arabs in order to put something up against the Germans or the Russians was partly vitiated by these two diversions. The French didn't allow the Arabs in Syria to have their independent state, and Zionist immigration began into Palestine.

It's interesting to look back now to the beginning of World War II, when in 1940 and '41 Britain was fighting alone against the whole of Europe, exactly the way France had been in 1798. And Winston Churchill, exactly like Napoleon Bonaparte, although Britain was threatened with invasion across the Channel, loaded a British army onto the sea, sent it around the Cape of Good Hope, and told it to hang on to Egypt whatever happened. Both these are the greatest—or some of the greatest—strategic experts that the world has seen, and under precisely similar circumstances they both decided to risk the safety of their own countries in order to hold on to Egypt.

As you remember, in World War II the tide turned when the Western powers not only held Egypt but occupied North Africa. As soon as the American and British armies held the whole of North Africa it was all over but the shouting.

When the war was over the British Government made another bid to revive their traditional policy. They got, I think, seven Arab governments together—it might be nine, I can't remember offhand—and persuaded them to form a thing called the Arab League. People have expressed various opinions, firstly, "The British were fools, why did they do it?" and secondly, The British were doublecrossing everybody else." But in actual fact, this is a perfectly obvious move.

The one thing they were longing to do all the time was to get some kind of a local set-up which would look after these countries and with a certain amount of assistance from Western Europe would be able to keep major powers from straddling the Middle East causeway. They also succeeded in persuading or hustling or pushing the French out of Syria, and this old grievance was cleared up. But they failed to solve the problem of Palestine. Unfortunately, at the time, the United States and Russia together, in almost identical words, pressurized the British out of Palestine. Fighting began, and has continued as you know until today.

It's interesting to notice that when this plan of independent Arabs, supported by the West, keeping out other powers proved to be impracticable, Mr. Dulles and the British had another crack and they worked up a thing called the Baghdad Pact, consisting of Turkey, Persia, Iraq, and Pakistan. This is the same old principle again—support the local governments so that they'll keep the Germans and the Russians out.

Now we can get on to the events of the last summer. My own opinion, which I may as well start off with, is that the Russians laid the whole party on. I think many people when I say that are inclined to giggle, but when you've followed the whole history of the Middle East, the fact that the Russians have tried to get to the Mediterranean and to the Middle East since Catherine the Great—200 years they've been trying to do this—and the fact that every great power which has dominated Europe has started as early as possible by seizing Egypt, I think one gets a new slant on these developments. However, in actual fact it seems to me that the details of events lead to the same conclusion.

When the Egyptian army crossed the Suez Canal, it was a complete surprise to the whole world. Even the other Arab countries had no idea this was going to happen. But almost immediately the Russians issued a statement in support and said that their ships were coming through the Bosphorus. This may not be complete proof in itself, but it seems rather significant that the Russians seemed to know what Egypt was going to do before anybody else in the world. In his so-called resignation speech, President Nasser said that the Russians had told him that Israel was going to attack Syria and this had started it off. Well, you put it that way if you like, but even so you find it was the Russians who made the first move.

Now as you all remember, last June, all the press in Britain and in America went off in wild delirium of joy, saying, "Israel is our friend and she has won—Nasser was our enemy and a friend of Russia and he's lost, and therefore the Russians have taken a frightful knock in the eye." Well, the theory I wish to submit to you is that it was essential for the Russians that Egypt should be defeated.

Fortunately, ten years ago I published a book in which I wrote, "If there should ever again be fighting between Israel and Egypt, it couldn't last more than five or six days." To tell you the truth I'd forgotten all about it until somebody wrote to me last June and said, "See page so and so of your book." But I'm not telling you this to show how clever I am, I'm telling you this to prove that even the most stupid people knew that this would happen. And it's quite impossible for you to convince me that the Russians thought that Egypt could defeat Israel. Therefore, the Russians knew that Egypt was going to be defeated and they wanted it that way. You may say, "But why on earth should one want one's ally to be defeated?" I think this is fairly simple also, if you assume that the Russians, as I have said, for two hundred years had been trying to pull this one off. But they couldn't, as the British and the French unfortunately did, crash in like a bull in a china shop and try and take the place, because the Russians spend all their time denouncing *American* imperialism. Therefore, it was necessary to get in by some other way. But this was a very good moment because the United States was so preoccupied in Vietnam.

And so, according to my theory—you can contradict it if you like—I'm trying to justify it by logic—according to my theory the Russian plan had two stages. Stage one was to develop a threat against Israel, which was achieved by the Egyptian army crossing the Canal. The Russians knew that as soon as this happened, the United States and possibly Britain would come out with a statement in support of Israel. This was absolutely essential to the success of the Russian plan, because by that means all the Arab countries were automatically cut off from cooperation or aid from America. The next stage was to get the Arabs defeated. Then the Arabs would have to look round for somebody to help, and by a curious coincidence the Russian Ambassador was standing right there. And that, in fact, is exactly what happened. People say to me, "The Russians aren't all that cute." Well, it doesn't really make any difference—say they did it by mistake! But that is the result which they achieved.

Once again I think a mistake we make is, we say now the Israelis are extremely strong, they completely dominate the military situation, and, thank heaven, they are friends of ours. The Arabs are very weak and therefore they're no good and they are Russia's friends. But the whole point of this is not the people who live in this country but that the Arabs live along the eastern and southern shores of the Mediterranean. The lesson I have tried to draw from history is whoever holds the eastern and southern shores of the Mediterranean dominates Europe. Of course, the Arabs are not in a position to dominate Europe, and, therefore, the thing to be feared is that the Russians will hold the eastern and southern shores of the Mediterranean.

In any case whether the Russians did it on purpose or by mistake, the result is fairly sensational. As I said, for 200 years they have tried to get a fleet into the Mediterranean in vain. Until three or four years ago it was very rare if ever that you saw a Russian warship in the Mediterranean. I understand they now have a fleet of between 40 and 50 ships. These are making use of the former British naval base at Alexandria. But what is more striking is that they are now taking over the naval base in Algeria. Now this is extremely alarming because I think I am right in saying—if I am not you can contradict me in a few minutes—I think there was a treaty between France and Algeria, when the French evacuated the country, that this naval base should be used by France for the next fifteen years.

If I am right in that, that scares me even more, because it seems to show that our great General is showing the Russians in.

Now Egypt cuts off the whole trade of Europe to the East. But Algeria is just opposite Spain, France and Italy. It is in the western Mediterranean. It is only a few miles from the Straits of Gibraltar.

It seems to me, when we weigh these things up, the argument which is often made to me, "Oh, look, the Russians lost so many million pounds worth of weapons they had given to the Egyptians." . . . But what are a few million pounds in comparison with the blockade of Europe? I believe that the whole of this has been laid on by the Russians in order to get into just that position the Arabs enjoyed for 500 years, during which they caused the whole of Europe to wither away into the Dark Ages.

Now although the Arabs now only go as far as the border of Persia, the countries they conquered in their great time are still all Muslim, and these go on through Persia, and up to 20 million Muslims actually in Southern Soviet territory, not to mention Pakistan and detachments in Malaya, Indonesia, China, etc.

And you will remember that Mr. Dulles' Baghdad Pact selected Turkey, Persia and Pakistan as the bulwark which was to keep the Russians out. As you probably have noticed, six weeks ago, the President of Pakistan paid a state visit to Moscow.

During the course of this trip of mine, when I have been going around the United States, on two occasions, after speaking, I have been accosted by Indians who have said to me, "How wonderful to hear you put this. Everybody back home is so furious with the Americans and the British, and they think the Russians are so wonderful. It is very nice to hear an Englishman, say, take another point of view." Both these people were Hindus, not Moslems.

I have a friend who was an officer in the Arab Legion when I was there; and he is now in Malaya where he is planting tea, coffee, rubber or whatever you plant in Malaya, I am not quite sure. And he wrote to me the other day and said, "It's very unpleasant here; everybody hates the British and the Americans; they are all so angry about what's happened in the Middle East."

And so, in a word, I believe this is a plot which threatens to destroy NATO. In the course of the last month or six weeks, the President—and Mr. Dean Rusk, I think—have both made speeches or statements in which they said the North Atlantic Treaty is the basis of American policy. In other words, western Europe are the United States' best allies, and, I believe, the Russians are moving in. If they get away with it indefinitely, one by one the states of western Europe, as the Arabs are obliged to do now, will fly off to Moscow and make their own terms. Europe cannot survive if a great power holds the Middle East and North Africa.

At the same time, just at this minute, I believe that there is a moment of reaction. I believe that the Russians lead Nasser up the garden path. He didn't realize quite what he was in for, but now Egypt is suddenly realizing that she has become a Russian colony, and she is anxious to reestablish contact with the west so as not to be solely at the mercy of one great power.

There are two or three Arab states which are very difficult, notably Syria and now, unfortunately, Algeria, but people always quote what Nasser or Egypt has said and say, "The Arabs say this or the Arabs say that." I would like to draw your attention to the fact that there are thirteen Arab states in the United Nations, and I reckon that nine of those are still firmly based on the Western Powers. And so my immediate plea is this. I do not for one moment suggest that the United States should now abandon Israel or arm the Arabs against her. However, I do think you might exercise a little attempt to control her because every step forward the Israelis make from now onward, more Arabs will say to the Russians, for heaven's sake come here. Israel completely dominates the military situation, and there is no use mincing matters about it.

Secondly, if you cannot make friends at once with Syria or Algeria, we will say, why not let's show ourselves a bit friendly with some of the nine other ones? The majority of these have not been in the least involved in the operations of this summer. You can start and count them up from Lebanon, Iraq is a bit doubtful perhaps, but I think is win-backable if that is the correct word, Kuwait, Saudi Arabia, Sudan, Libya, Tunisia, Morocco—I think I have forgotten a couple somewhere. Anyhow, there are more Arab states that are still based on the west than there are which are entirely in the hands of Russia.

Personally I should like to see the really great powers intervene and say this is the answer to your dispute and what's more you've all got to behave yourselves and we guarantee everybody's frontiers. We could have done this—in fact, to some extent we did in 1948 when the United States, Britain and France guaranteed the borders after the first burst of fighting.

Now we can no longer do it because the Russians are there and so if we are going to have a stabilizing guarantee you've got to have Russia in with the United States. This might or might not be possible, I don't know. It seems to me the best thing if it can be done. But if it can't be done, if the Russians won't cooperate, if they can see their profit in further trouble, for heavens sake, my plea is don't let's lump all the Arabs together. Let's make friends with the nine, some of whom are thousands of miles from the scene of this conflict. And if the Russians do get well dug in, in two or three Arab countries, well then the Western Powers will be dug in in the intervening Arab countries, and we shall have a sort of chess board with the alternative countries, some on the eastern side and some on the west.

But I feel most strongly that if the United States stands out now and remains aloof, all the Arab countries will give up hope; they will all believe that Britain and America are solely favorable to Israel, and they will all fly off to Russia, and that means the virtual withering up of the wealth of Europe, the collapse of the North Atlantic Treaty, and the United States' remaining without allies.

WHAT'S WRONG WITH QUOTAS?

Mr. MOORE. Mr. Speaker, I have today introduced in the Congress legislation to restrict the flow of foreign imports of steel into this country inasmuch as I believe this has reached critical proportions.

Much discussion has been had as to the validity to the quota approach, and under unanimous consent, I include in my remarks an article from the Economist of November 18, 1967, entitled "What's Wrong With Quotas?" which I strongly recommend to my colleagues, as follows:

WHAT'S WRONG WITH QUOTAS?

Although the puzzling surge of protectionism in Congress has to be taken seriously, it is perhaps not quite so terrifying as it looks. The fact is that the United States is experiencing problems in a few specific industries, caused by sharply rising imports—problems of a kind that have sometimes led to restraints on imports in the past without a collapse of American trade policy. The difference this year is that some of the products, particularly steel and textiles, are of major significance in the foreign trade of the United States as well as in its domestic economy and, further, that any import-restricting measures would have an unhappy psychlogical effect, coming as they would so hard upon the constructive outcome of the Kennedy Round of reciprocal tariff reductions.

The thrust for quota legislation, which reached its peak in October, has abated to the extent that its leading strategists in the Senate have abandoned plans for action this year, except for a possible vote on a textile import quota Bill. But the issue will be very much alive next year. The situation can be appreciated only after an examination of the individual products involved and only with an awareness of the difference between this year's approach and the truly menacing protectionism of the unlamented past of 30 years ago.

One has to start with textiles. Here the inescapable fact is that an import quota system already exists for cotton textiles, enforced not only by the United States but by the Europeans as well. Equally inescapable is the fact that imports of the woollen and worsted fabrics used in making men's suits have now reached 50 per cent of American production, with Japan the chief supplier. Imports of finished garments made of man-made fibres rose more than 350 per cent between 1962 and 1966. The industry does not seek to cut off imports or to raise tariffs, but to negotiate a sort of market-sharing agreement like that already applying to cottons.

The case of steel causes a certain discomfort even to the most convinced free-trader. Imports have risen from practically nothing ten years ago to 11 per cent of the total market; there is persistent worldwide over-capacity and foreign sellers traditionally use exports at almost any price as a means of keeping their plants going. Liberals see nothing wrong with imports at their present level, particularly when they have provided a sort of safety valve for the United States during times of heavy demand (such as pre-strike periods) at home. But what if they reach 25 or 30 or 40 per cent? Steel remains, after all, the symbol of industrial power and the thought of really heavy reliance on imports is a bit disconcerting.

The case of oil is simply an effort by the domestic producers to add an extra padlock to the door that was locked as long ago as 1959. There has been pressure from various sources, including the domestic petrochemical industry, for certain specific liberalisations of the existing quota system, which was established under executive order by President Eisenhower following great congressional pressure and a permissive amendment in the 1958 trade legislation. The quota Bill this year would write the existing system into law and would bar any future liberalisation, but it would not reduce the present level of imports. Dairy products are a similar case. There have been quotas for years, as there are for other agricultural products, and the new legislation would simply tighten them somewhat. The proposals for lead and zinc, again, would restore in modified form a quota system that used to exist and was permitted to expire by presidential order in 1965. A new entry, much like steel, is electronic equipment. Here again there has been a tremendous surge of imports, often produced by American subsidiaries abroad.

What is different from the past is the turning toward the quota device, on a product basis, instead of a more general effort to keep a high tariff and to resist its reduction across-the-board. In spite of all the alarms, the quota Bills this year would not touch 90 per cent of the tariff classifications covering American imports, though of course the volume of imports affected by the Bills is much more than 10 per cent of the total. There was probably more of a potential threat to exporting, countries in the generalised "escape clause" and "peril point" amendments of the old days, for no one knew to what products they might apply.

As for quotas themselves as a device, there is something to be said on both sides. On the positive side, they can (and would under the pending Bills) permit a substantial volume of imports, and even growth in imports, while a tariff can be so high as to be prohibitive. By leaving the tariff low they leave exporters' profits unaffected. On the negative side the quota sets absolute limits to foreign competition, regardless of costs; unless it can be administered flexibly under presidential discretion, it rules out the opportunity of using imports to meet temporary shortages at home, as steel imports have been used in the past; it raises all sorts of administrative problems in allocating shares to individual importers and to foreign exporting countries; and finally, it happens to be illegal under the General Agreement on Tariffs and Trade.

In any case, good or bad, the sudden imposition of quota restraints on even five or six products all at once is bound to look like a reversal of America's trade policy and the Johnson Administration has so reacted. The thunderous words of Mr. William Roth, the President's special representative for trade negotiations, have raised terrifying threats of foreign retaliation against up to $12 billion worth of American exports. The President has said that the Bills would increase prices to consumers (which they probably would not, at least not enough to be visible) and has promised a veto. The importing community, backed by a handful of Senators such as Mr. Percy of Illinois and Mr. Javits of New York, is belatedly trying to rally public opinion against the Bills. Editorials in newspapers have been almost universally opposed to them and some 40 foreign countries have protested.

Where, then, does the situation stand? The prospect is that the majority of Senators, under heavy pressure from the geographically widespread textile industry, will be given a chance to satisfy their constituents and vote on the Bill extending the quota systems to textiles of wool and man-made fibres. This would be attached as a rider to a minor Bill reducing the duty on Chinese gooseberries, an exotic fruit from New Zealand that a group in Oregon wants to import for distribution to members of its "Fruit of the Month" club. What will happen to this manoeuvre in the House of Representatives is uncertain, although Mr. Mills, chairman of the Ways and Means Committee, has introduced a textile quota Bill himself.

In any event, if the Bill should reach the President's desk, he would probably veto it and there is little chance his veto would be over-ridden—even though one element in the drive for restraints on imports is disillusionment with the nation's foreign policy and with the President himself.

But assuming that the avalanche of protectionist proposals can be stopped this year, the problem will not go away. One begins to wonder whether a sensible "least bad" solution might be for the major exporters, particularly Japan, simply to exercise a bit of restraint in this market for a while. Fortunately, steel imports have already turned downward in the past three months and part of the explanation may be a decision by the Japanese to take it easy. Whether restraints by the British, Japanese and Italian woollen industries are possible is difficult to say, but they may be the alternative to something worse. If the actual pressure of imports were relieved for a while, the liberal forces in America would be greatly strengthened. The battle is not going to be won by preaching free-trade theory.

In the background is a separate problem—namely, the more positive trade legislation that the Administration intends to propose for consideration next year. Its main feature is repeal of the "American Selling Price" system of valuation of benzenoid chemicals, the key to the separate chemicals package negotiated in the Kennedy Round which involves a major further reduction of European, including British, duties on chemicals. In the present protectionist climate, the chances of this Bill scarcely appear good.

And has any one thought of Unctad (the United Nations Conference on Trade and Development) and the probability that the meeting at New Delhi in the new year will approve the principle of preferences for manufactured and semi-manufactured goods from the poor countries? This would appear a sick joke in the light of the present mood of Congress and, to say the least, the problem of getting liberal trade measures past the United States Congress has hardly been in the forefront of the Unctad debates up to this point. In short, even if the worst of the quota measures can be headed off, and even if they are less downright wicked than they have been painted, this is hardly a bright moment for the liberals on trade policy.

BONINS GO BACK

Mr. Sato, the Japanese prime minister, is returning to Tokyo from Washington with the Bonin Islands, which were taken from Japan during the Pacific war, under his belt. This concession may help to satisfy his vociferous nationalist critics at home and costs the United States little: the Bonins are of negligible strategic value. But on Okinawa, a much more real thorn in the relations between the United States and Japan, Mr. Sato had to be satisfied with the President's promise to be guided by "the aim of returning the Ryukyu Islands" (of which Okinawa is one) to Japan.

Mr. Sato could not have expected, indeed may not really have wanted, more at this time. Okinawa is a billion dollar nuclear fortress, the keystone of American defence in the Pacific and the gate through which American troops flow to Vietnam. In a speech in Washington Mr. Sato said that Japan fully recognized its importance to the maintenance of peace and security in the Far East, including that of Japan. He argued, nevertheless, that the island could be returned without ceasing to be an "effective" military base. But the American military authorities strongly oppose any step which would subject the island to the terms of the defence treaty between the two countries; this contains a provision for "prior consultation" with Japan before decisions are taken to employ troops and weapons from American bases on Japanese soil.

The defence authorities would be most unwilling to have their use of Okinawa subject to Japanese approval or even to a dispute over the precise meaning of the words "prior consultation." And Mr. Sato was not prepared to promise that, if Okinawa was returned to Japan, the United States would retain the right to launch military missions from it and to store nuclear weapons there. Okinawa, it is felt in Washington, should stay in American hands until Japan is prepared to play a bigger part in Pacific defence.

Both Mr. Sato and President Johnson recognise each other's political problems. Mr. Sato, in the past a cautious upholder of American policy in Vietnam, made his contribution by calling on North Vietnam to give some sign that a pause in the American bombing would lead to peace talks. A suspension of the bombing was sought, he said, not

> just for itself, but as a step toward the realisation of peace—a view strongly held by President Johnson.

SAM HUFF—A LEGEND IN HIS TIME

Mr. MOORE. Mr. Speaker, we have all been consumed with the details of this, the first session of the 90th Congress, and, while many important legislative matters in which the country is genuinely interested have been considered, there this week has been other news in the Nation's Capital which have occupied as much discussion as has the Nation's business.

The violent world of Robert Lee "Sam" Huff, of Marion County, W. Va., has closed as far as the Nation's professional gridiron wars are concerned. The announcement by Sam Huff that, following the final game of the Washington Redskins, he would retire from the active ranks of professional football is truly the passing of a legend. Sam, who came out of Farmington High School in Marion County, W. Va., to football fame at West Virginia University, has indeed acquitted himself well. In a State like West Virginia, which takes particular pride in its athletes, Sam Huff has always been everything that we West Virginians expected him to be. From All America at West Virginia University to all professional with the New York Giants, to defensive captain, and later of the Washington Redskins, Sam has become not only the idol of West Virginians but sports fans throughout the Nation.

Sam Huff and I went to school together. We are close and firm friends, and I am sure all of us wish him well and in the years ahead wherein he will apply the All America credentials which are his to the life of Sam Huff, businessman.

SS "HOPE"

Mr. SPRINGER. Mr. Speaker, earlier this week, I had an opportunity to talk with Dr. William B. Walsh, the founder and president of SS *Hope*, and some of his associates who had just returned from Cartagena, Colombia, their seventh and latest voyage.

In Colombia, as in its voyages to Indonesia and South Vietnam in 1960, Peru in 1962, Ecuador in 1963, Guinea in 1964, and Nicaragua in 1966, the SS *Hope* and its dedicated staff of medical personnel brought not only the medical technology and material means to help the people in these countries, but the manifestation of the American people in their sincere desire to share with the less privileged peoples of the world their good fortune.

I doubt if there is any need for me to elaborate in any great detail the accomplishments of Dr. Walsh and all those in the medical profession who so willingly volunteer their services in promoting good health and good will from the American people to others throughout the world. Praises of their work are legion. It is carried on without benefit of Government subsidy, but through the generosity of the individual American and private industry. A California newsman summed up *Hope*'s purpose and achievements in this way:

> One aspect of the Hope experience is the result of its massivenses. If you think of a country in which the health problems are overpowering, and of long-standing, and in which relatively few trained doctors and nurses are available, you can see why there is apathy. Why start when there is so much to do?
>
> Then the big ship, loaded with equipment and trained people who believe that the world can be changed, pulls up to the dock. The people start to work with the drive of dedicated souls. They teach, they organize, they clean up, they vaccinate, they encourage. Soon they have infected others with their determination. Then there are results and a new word is on people's lips.

A Cartagena, Colombia, doctor, Dr. Adolfo Pareja Jimenez, had this to say about *Hope*'s mission there:

> We who contributed in a decisive manner to the *Hope*'s coming to Cartagena will never be sorry for taking the initiative. Each day manifests more and more the extraordinary influence that this Project has brought. Not only is the health of our people improved, but we are provided with modern teaching of paramedical personnel, as well as the good fortune of having nurses, auxiliaries, lab and EKG technicians who are lending their efficient services in our city, state and outlying regions, while simultaneously training our personnel. This signifies that the original impact of *Hope* will be followed up by a higher level of scientific efficiency by these auxiliaries who are so necessary to the medical profession.

Hope's eighth trip will begin in March 1968 when the refitted Navy hospital ship, U.S.S. *Consolation*, will sail for Ceylon for another 10-month mission. As much as there is a need and desire for peace in the world and especially it is uppermost in our minds during this sacred time of the year, there is also the overwhelming necessity to give hope for a better life. Dr. Walsh and his people are doing this and may they continue to have the means, the opportunity, and the inspiration to carry on their work.

LABOR VERSUS THE GOP

Mr. ASHBROOK. Mr. Speaker, I read in Wednesday's Wall Street Journal that the labor leaders plan to hang their political hat on a familiar peg during the months prior to the 1968 elections. Their plan, as announced, amounts to "playing down the hot issues" and "labeling the Republicans."

Presumably, these leaders believe they can erase the war in Vietnam—and the way the President is failing to handle it—inflation, crime, poverty, massive Government excesses, threats of even higher taxes, and the other "hot" issues by shoveling more COPE into the propaganda furnace.

I sincerely doubt that union members are as gullible as this position must assume or that the union propaganda machines are powerful enough to cover over the true issues which voters will face.

In addition, as this article indicates, there appears to be a parallel of divisions within the ranks between the labor leaders and the administration which they support. This could interrupt both dreams and plans.

I include the Journal article at this point as an excellent treatment of "Labor Versus the GOP":

LABOR VERSUS THE GOP: UNIONS AIM TO FRIGHTEN MEMBERS INTO BACKING JOHNSON IN 1968 ELECTION PLAN IS TO LABEL REPUBLICANS ANTIUNION AND PLAY DOWN HOT ISSUES LIKE VIETNAM—BACKLASH VOTE POSES PROBLEM

(By James P. Gannon)

> MIAMI BEACH.—Labor's political strategists, fearing that rank-and-filers may stray from Lyndon Johnson and the Democrats in 1968, are working up a "scare" campaign to keep union voters in line.
>
> They aim to divert the members' attention from such divisive issues as Vietnam, racial unrest, inflation and taxes by raising the specter of a direct threat to their union's power—and thus to members' pocketbooks. Union political agents will pound the theme that a Republican Presidential victory and further GOP gains in Congress would bring legislation to outlaw industry-wide bargaining, put unions under antitrust laws or otherwise weaken the muscle of organized labor.
>
> "We are urging each international union to set up a special task force so that each member will fully understand this danger," says Alexander Barkan, director of the AFL-CIO's Committee on Political Education (COPE).
>
> This strategy for solidifying the labor vote behind the Democrats emerged from huddles of labor's top politicos held here during the AFL-CIO's biennial convention, which ended last night. (Mr. Johnson, the chief potential beneficiary of this strategy, spoke last night before the convention's closing session.) The labor federation is also planning better ways to get the union vote to the polls next November. One early step will be a series of four regional planning conferences for union staff workers next spring. AFL-CIO President George Meany will conduct the unprecedented sessions himself, to demonstrate the importance of the political task ahead.
>
> #### RUNNING SCARED
>
> Labor strategists are running scared for 1968, even though they profess basic optimism about Democratic chances. In the end, union leaders maintain, labor's efforts in pivotal states will help LBJ win reelection and preserve or perhaps slightly strengthen the Democratic forces in Congress.
>
> "We are going to have more money and more manpower in 1968 than ever before," promises Mr. Barkan. That means, he adds, that "we can win in 1968, and by we I mean Johnson and Humphrey."
>
> A minority of union officials here worry, however that the labor vote will split deeply in 1968 and that the Democrats will lose the White House along with Congressional seats.
>
> It's questionable, certainly, whether the purported GOP threat to unions can be made real and important enough to neutralize members' strong feelings on current issues. Labor chiefs themselves concede this task will be tough.
>
> It's true that labor's politicians scored a success with a scare campaign against Republican Presidential candidate Barry Goldwater in 1964. But Mr. Goldwater, with his outspoken criticism of Social Security and other Government programs, made a rather easy target.
>
> #### LABOR AND REAGAN
>
> Next year's GOP standard-bearer, whoever he may be, will probably be much less cooperative. While California Gov. Ronald Reagan may seem the closest to a Goldwater type among the Republican prospects, he won plenty of labor votes in his victory last year; white backlash was evident. And one union analyst fears, Caucasian blue-collar workers in urban areas would "flock to him in droves" if he ran in 1968.
>
> With full awareness of such obstacles,

union strategists are pursuing their plans for next year's scare campaign. To recapture union members who voted with the white backlash in 1966, "We'll say, 'Go ahead and vote for Reagan or a Wallace, but look at what is going to happen to your union contract,'" Mr. Barkan says. The implication, right or wrong, is that restrictive new laws would hinder labor's bargaining power.

In a meeting of union newspaper editors here, a key aide of AFL–CIO President Meany sounded a keynote for the campaign: "If we lose 20 seats in the House and five in the Senate in 1968, then within two years the labor movement will have trouble functioning."

THE "EMOTIONAL" ISSUES

Along with the scare strategy, the federation will undertake an education campaign to help avert defections on the divisive issues. The AFL–CIO's education department and COPE jointly plan an unusual effort next year to minimize the impact of what officials call "emotional" issues, such as open housing or urban crime. There will be a new program of weekend political seminars for local union officials in 10 states that carry big electoral votes and look like toss-ups next year.

The seminars, which will probably begin next summer, will seek to win local leaders to Mr. Johnson's cause and to equip them to answer rank-and-file questions and counter "emotional appeals," according to an AFL–CIO planner. Civil rights, social welfare legislation, the need for tax increases are among the issues that might be successfully handled, he says. But he adds that he doesn't "know if we can sell our Vietnam position" to dissenters through such seminars. The AFL–CIO executive council strongly supports LBJ's Vietnam policy, but within individual unions there are dovish officials who are deeply unhappy about the war.

Labor strategists optimistic about marshalling rank-and-file support for President Johnson figure their prospects will begin to brighten just as soon as the Republicans pick a Presidential candidate, who will then become more vulnerable to effective attack.

"The grass-roots support for LBJ in my union isn't what I'd like it to be," says one major union president, "but when it gets down to the alternatives, they'll go for him. The hostility to the President stops at the edge of the alternatives."

Most labor politicians profess to be little worried about any inroads that former Vice President Richard Nixon, Michigan Gov. George Romney or California Gov. Reagan might make in the union vote.

The man most do seem to fear is New York Gov. Nelson Rockefeller. They consider him liberal enough to draw many union members away from the Democratic column. "He'd split the labor vote in New York down the middle," says a union political director from that state. Labor's analysts also note that polls show the New Yorker is the strongest challenger among voters generally. One poll, a sampling of Ohio voters taken for the AFL–CIO and discussed at meetings here, showed President Johnson would defeat any Republican except Mr. Rockefeller.

Whoever the GOP candidate turns out to be, the war will make trouble next year for labor's Democratic loyalists. The political education director of one union declares he is "just not going to work" for Mr. Johnson's reelection. "I'm going to work only for dove Senators and dove Congressmen." He plans to dispatch a staff man or two to South Dakota next year to aid the campaign of Sen. George McGovern, an antiwar Democrat, even though his union has almost no members in that state. Another war critic, the president of a New York local with over 25,000 members, says he aims to aid Congressional candidates who oppose LBJ's Vietnam policy.

HAWKS DOMINANT

At this point, it's impossible to measure the probable extent of such dissidence. In general, union members appear to be more hawkish than Johnson Administration policy-makers, judging by polls taken among 3,829 delegates at 14 conventions of AFL–CIO unions and state federations. Those straw votes show only 21% of the delegates preferred some easing in U.S. war involvement, while 38% wanted a tougher war policy and 41% backed the Administration's current position.

Some union leaders fear the growing number of younger members (who generally don't serve as convention delegates) are more dovish than the convention polls indicate and may vote against LBJ next year. The No. 2 officer of one industrial union says: "The younger people in the union are more anxious to get the war over. They don't know how to do it, but they just want out." About one-fourth of union members are under 30, it's estimated.

There's considerable fear, too, that the issues of Negro rights and urban riots could become more damaging than Vietnam to labor-backed Democratic candidates. Union men agree much will depend on events next summer, when another series of city riots could stir white backlash and erode union members' support for LBJ and liberal Congressional candidates. In the 1966 election, a COPE report to the current convention noted, "our members weren't immune" to the white backlash that showed up in working-class neighborhoods in many cities.

The 1966 backlash resulted in a steep drop in Democratic vote totals. One COPE analysis showed that in Detroit, Gov. Romney polled 11,000 fewer votes than he had in the previous off-year election of 1962, but the vote for the Democratic gubernatorial candidate fell by a dramatic 152,000 votes. Similar patterns developed in Caucasian blue-collar wards in many cities, the analysis said.

RELYING ON COMPUTERS

To union strategists, those findings mean a successful get-out-the-vote drive is more essential than ever. Wider use of computers for this purpose is planned for 1968. COPE has collected membership lists of more than two million names from several unions; the computers can shuffle these to work up lists of voters in certain Congressional districts or city wards, giving local workers a valuable tool for reaching union voters.

A major unknown is the 1968 role of Walter Reuther's United Auto Workers, whose leaders stayed in Detroit to bargain with General Motors Corp., instead of coming here to bargain with Mr. Meany over their policy disagreements with the AFL–CIO.

The UAW, which may pull out of the labor federation before the 1968 elections, already has cut off its contributions to the national COPE treasury, a loss of about $175,000 this year alone. The UAW also has refused to supply COPE with membership lists for the computer operations; that will hamper the get-out-the-vote program in states with many UAW members.

But the UAW is expected to stay politically active in any event. "We'll probably be working as hard or harder than before," Emil Mazey, UAW secretary-treasurer, says in a phone interview.

"We understand the necessity to elect a liberal Congres," he adds. And what about reelecting President Johnson? Mr. Mazey says he expects no UAW endorsement of a Presidential candidate until after next summer's political conventions. Several weeks ago, however, Mr. Reuther personally endorsed Mr. Johnson for reelection.

Mr. Mazey, when asked, denied rumors heard here that the UAW is helping finance the primary campaigns of Minnesota Sen. Eugene McCarthy, the Democratic dove who is challenging President Johnson. Says Mr. Mazey: "We have contributed nothing to him, and we probably won't."

A CASE LESSON IN SCHOOL SANCTIONS

Mr. ASHBROOK. Mr. Speaker, the education of our youth is of vital concern to all of us, and it is therefore disturbing to read accounts of the sanctions being imposed by teachers' organizations in Florida.

It seems that there are continuing attempts from all sides to remove the control over the education of our youth from the local areas, to consolidate districts, to thwart the wishes and votes of the citizen whose children are effected and whose taxes are spent.

Writing in the Manchester, N.H., Union-Leader, Meldrim Thomson has presented a two-part discussion of the present situation in Florida. I include the two articles in the Congressional Record based on a point which he raises and which must be considered valid: the example and the circumstances are in Florida but this is only a case lesson for other areas.

The articles from the November 30 and December 1 Union-Leader follow:

School Sanctions in Florida: A Case Lesson for New Hampshire

(By Meldrim Thomson, Jr.)

The first dark shadow of professional sanctions fell across the schools of Florida on May 24, 1967, and grew even darker on June 5 with the imposition of additional sanctions by the Florida Education Association (FEA), with the backing of the National Education Association, (NEA).

By sanctions the FEA proposes to bring Florida's Gov. Claude R. Kirk Jr. "to his knees."

Sanctions, according to NEA mean in part "censure, suspension or expulsion of a member . . . severance of relationship with an affiliated association or other agency imposing a deterrent against a Board of Education or other agency controlling the welfare of schools . . . or the application of one or more steps in the withholding services."

Thousands of black-bordered notices were posted over the state to advise "all educators that conditions exist in the State of Florida which, in our opinion, cause this state to be an unsatisfactory place to render public school service."

Last spring and summer two mass meetings attended by an estimated 30,000 teachers were held in Orlando. Black funeral bands bearing the words "Sanctions In Florida" were worn by FEA sympathizers. At the NEA's national delegate convention the Florida booth featured a map of Florida draped in black and over which was hung a funeral wreath and the word "Sanctions."

What is happening in the war of sanctions in Florida is of vital concern to the people of New Hampshire. The threat that school sanctions will be imposed on the Granite State in 1968 is a real danger to our educational progress.

At the annual meeting of the New Hampshire Education Association (NHEA) in October 1966, leaders of NHEA first warned openly that sanctions might be imposed here.

During the 1967 session of our General Court, when bills for full implementation of the minimum foundation fund and a minimum teachers' salary were under consideration, Robert H. Lewis, the NHEA executive secretary and lobbyist, made reference several times to a possible investigation of educational conditions in our state by the powerful NEA.

"I feel that sanctions are a last resort," said Lewis in July. "I think that the imposition of sanctions (here) is a reality, but I don't feel we have exhausted the possibility of other positive courses of action."

The NHEA assembly of delegates meeting last August 26, called for an NEA-NHEA investigation into "undesirable educational conditions" in this state. After a preliminary inquiry in late October and a finding of "seriously deteriorating educational conditions" in New Hampshire, the NEA agreed to send in a team of experts to conduct a full-scale investigation.

SANCTIONS FOLLOWED

Whenever the NEA has conducted statewide investigations, as it has thus far in Utah, Oklahoma and Florida, sanctions have followed as surely as report cards follow classroom instruction. Thus, it is reasonable to expect that the black shadow of school sanctions will fall upon New Hampshire in 1968 when the report of the NEA's investigation is published!

FLORIDA'S PUBLIC SCHOOLS

For the past three decades Florida has been one of the fastest growing states in the nation. In recent years it actually has grown faster than any other state.

Florida ranks ninth among the states in population; it is also ninth in number of students enrolled, number of public school teachers, and in public school expenditures.

With a population of a little more than 6,000,000, it has a student enrollment in grades 1–12 of 1,287,000. It employs 53,500 teachers and 7,000 principals and administrators. In higher education it supports seven universities and 26 junior colleges with 155,000 students and 14,000 faculty and administrative positions.

The total of the current biennial budgets for its educational systems amounts to $952 millions. The state's commitment to education is 67 per cent of its total general revenue fund, which is made up of all unmarked new revenue.

AMONG THE FIRST

Florida was among the earliest of the states to adopt a minimum foundation program, which it instituted in 1947. When fully implemented the foundation formula calls for a division of support for public education of roughly 75 per cent by the state and 25 per cent by local effort at the county level. At present about 43 per cent of total public school support comes from the state, 45 per cent from local effort, with the balance from various Federal programs.

Last year the average salary for Florida teachers was $6,530 for 180 actual teaching days, the highest of all southern states except for Maryland, and just $290 short of the national average. The pupil-teacher ratio in Florida is 24 per class, which is the national average.

There are 67 local school boards in Florida, one for each county. Each county has a superintendent of education who is elected in a county-wide vote. The state commissioner of education is elected on a state-wide basis, as are also the members of the state board of education.

Local financial support for the Florida schools is raised by means of district and county millage elections, as provided by the constitution. Apparently weary of school extravagances and inefficiencies, voters reduced millage support of schools this year in many local elections.

Gov. Claude R. Kirk, Jr., is the first Republican to be elected governor of the Sunshine State in 100 years. During the gubernatorial campaign of 1966 Kirk promised that he would raise no new taxes. Florida then had a 3 per cent sales tax. His opponent, Mayor High of Miami, known as a spender, was reputed to have the backing of the political action committee of the FEA.

The "FEA through subterfuge used the dues paid by Florida teachers to announce that the FEA was backing the candidate (that lost)," said Charles E. Perry, special assistant to the governor in educational affairs, in a letter of September 22, 1967, addressed to the Republican members of the Legislature.

When schools opened in Florida last September school budgets had been increased 25 per cent over the prior budgetary period. In actual dollars Florida had increased its educational spending by $245,000,000, of which $80,000,000 was earmarked for teacher salary increases over the next two years. This teacher salary increase would average $1,050 per teacher by 1968, and raise the total average teacher salary to $7,500.

"This is the largest single teacher pay increase ever granted by the state of Florida," said Governor Kirk.

HAS DONE ITS UTMOST

"The hue and cry raised by professional education lobbying organizations has had the effect of obscuring the very real fact that, within the limits of our present capability, Florida has done its utmost and strained its financial capacity to fund education for the two years immediately ahead," added the Governor.

In addition to this financial effort, the governor established a Commission for Quality Education in Florida and charged it with developing a master plan for the total future educational program of the state. Implementation of the plan is to extend over a five year period.

But these bona fide efforts of the Kirk Administration to improve Florida education were not enough to satisfy the FEA, and so sanctions were imposed.

The FEA demanded a half-billion dollars in new state and county revenue, or half again the total amount now being spent for education in Florida. Their motive, according to an "off the cuff" remark attributed to the president of FEA was for "cash on the barrel." They are not concerned with how this huge sum of money is to be raised. If all of it were to be raised by sales taxes it would mean that the present 3 cent tax would have to be more than doubled.

Thus the battle over sanctions was joined in Florida between the FEA–NEA which in its March 1966 "Report of An Investigation" said, Florida is not envied by her sister states for her "public school system and the reluctance of her political leadership to promote educational programs clearly in the best interests of the majority of her citizens," and a governor who contends that the actions of the FEA–NEA are understandable "if the aura of professionalism is removed and they are viewed in a more accurate focus as unions whose purpose is to use whatever conditions may actually exist for the ultimate benefit of their membership."

Just what are the goals of the FEA–NEA in Florida and what specific sanctions have been imposed to achieve these ends?

SCHOOL SANCTIONS IN FLORIDA: A CASE LESSON FOR NEW HAMPSHIRE

(By Meldrim Thomson, Jr.)

A temporary truce exists in Florida's school sanction battle between the Florida Education Association (FEA) and the administration of Republican Gov. Claude R. Kirk, Jr.

The governor has advanced the target date for the report of his Commission for Quality Education in Florida to January 1968 and has indicated he might call a special session of the Legislature then to provide for statute and constitutional changes which might be suggested by the commission. FEA experts are working with the commission in a stepped up effort to reach a satisfactory accord.

Sanctions, a form of coercive action utilized frequently in recent years by the National Education Association (NEA and its affiliates), were imposed in Florida by the FEA on May 24, and further strengthened on June 5 of this year.

"The objectives of sanctions is not to bring a neglectful segment of the people to its knees, but rather to bring it to its senses," declared NEA Executive Secretary William G. Carr.

While only in recent months have NEA officials cautiously used the word "strike" as a synonym for "sanctions," the NEA has for some time supported mass walkouts of teachers called by its local affiliates.

Its policy now follows closely that of its rival, the American Federation of Teachers (AFT). Albert Shanker, president of AFT, says that Florida's teacher associations "have essentially become unions."

The announced purpose of the sanctions was to make Florida a satisfactory "place to render public school service." Florida's educational shortcomings were cataloged in detail in a 200-page "Report of an investigation" published in March 1966, by the NEA.

The goals of FEA were summarized in its 1967 legislative priority program, and, had these been enacted by the Legislature, presumably sanction would not have been imposed. The four primary goals of FEA are to—

1. Obtain about $500,000,000 in new state and county revenue;
2. Provide a professional negotiation statute;
3. Strengthen the teacher continuing contract law; and
4. Eliminate millage elections.

Part of the new half billion dollars would be used to reduce the pupil-teacher ratio. FEA says the present ratio is 27 and they would reduce it to 25. The Governor's Office says the ratio is, in fact, 24.

More than 300 million of the new money would be used for the salaries from K through Junior College on a scale ranging from $6,000 to $11,000.

Some 51 millions would provide for released time for teachers to plan their work and for a 30-minute lunch period free from supervision responsibilities.

It is important for taxpayers here in New Hampshire to note that in addition to increasing by ⅓ the total financial commitment to education, the FEA would (1) curtail the authority of the state budget commission and (2) eliminate controls now exercised by county budget commissions over the fiscal affairs of county school districts.

Finally, in fiscal matters the FEA would take from local voters any say on the imposition of local school taxes by eliminating the millage tax. This power would be vested exclusively in the county school boards, which within constitutional limits would be given a completely free hand in levying local school taxes.

WOULD EMASCULATE BOARDS

The FEA would emasculate school boards so that they would be only policy making bodies with no practical areas left in which to make policy.

This would be accomplished by (1) reducing the number of members on boards, (2) consolidation of districts, even as large as county units, (3) utilization and ad hoc advisory committees to assist in the study of special school problems, and (4) by enactment of a professional negotiation statute.

The professional negotiation law would guarantee, at the request of the local teachers' association, "a set of procedures, written and officially adopted by the local association and the school board, which would provide an orderly method for the school board and the local association to negotiate, through professional channels on matters of mutual concern, to reach agreement on these matters and to establish channels for mediation and appeal in the event of impasse."

The NEA investigation committee found there were too many small schools (they wil have a field day in New Hampshire!); too few kindergartens; and too few remedial classes.

The FEA has pulled all the stoppers on the NEA sanction shelf except the last and most drastic one of mass resignation. In some counties there have been temporary walkouts.

It has advised out-of-state teachers, current graduates of Florida institutions, and teachers in Florida presently unemployed not to take jobs in Florida schools in violation of sanctions. Teachers under contract may not transfer to a different Florida school system.

It has censured the governor and those legislators who supported his program on schools.

On June 21, 1967 the FEA sent letters to the presidents of leading U.S. corporations advising them that sanctions had been invoked in Florida.

In a confidential "Action" sheet of June 6, it requested its members to send in the names and addresses of any business or industries which its members might know were considering moving to Florida.

As to the effectiveness of the FEA campaign to prevent new business from moving to Florida, Charles E. Perry, special assistant to the governor for educational affairs, said in September, "they failed to keep business from coming to the state . . . or to the other states where they have used sanctions. Business keeps coming because anyone intelligent enough to be president of a corporation is also wise enough to see through the selfish aims of FEA and NEA."

SANCTION IN OPERATION

The FEA claims a membership of 50,000. The average annual dues for a teacher is $40.00, half of which goes to the FEA, $10 to the NEA, and $10 to the local association. Thus the FEA has an annual income of one million dollars.

The NEA which claims a national membership of one million has an income from dues of $10 millions. The combined resources of these two professional educational associations permit them to mount quite an effective campaign; and this is just what they have done in Florida.

Action papers of NEA indicate that it will provide funds, legal advice, and staff assistance to resolve impasses between teacher organizations and school systems.

SENT STAFF HELP

The NEA sent the FEA 12 staff members and four public relations men to help in the sanctions campaign. In addition the FEA hired three aides for the Communication Division and engaged an advertising firm and a public relations consultant. Liberal use was made of bumper stickers, billboards, brochures, newspaper and radio advertisements.

During last summer the sanction campaign in Florida reached a peak in tension. With hot tempers boiling the governor was called a sham and charlatan who would be brought to his knees, and the educational system was referred to as "the cesspool of education in Florida." Teachers who violated sanctions were castigated as "dregs."

In Miami the FEA expelled some members of the Dade County Teachers' Association because they opposed as "unprofessional" the threat of mass resignations.

LAST POWERFUL ARROW

The FEA prepared to use the last powerful arrow in its quiver by calling a mass walkout of teachers despite a state statute that prohibited strikes by public employees. The FEA sought, and claimed that it received and has in safe keeping for possible future use, 35,000 undated resignations by teachers. The governor's office believes this to be a gross exaggeration and that at most the FEA might have 15,000 such resignations.

In turn the governor's forces prepared to do battle with the FEA. Plans were made to seek an injunction to deprive FEA of its charter to operate in the state and to strike down its tax exempt status. Other forceful legal actions were also under consideration.

It was at this juncture that the two opposing forces began an undeclared truce, which, here in November, gives promise of reaching a constructive compromise.

MEAN, NASTY BUSINESS

Sanctions can be mean, even nasty, business as demonstrated by the sanction fight in Florida.

Sanctions that seek primarily new tax dollars could and should be avoided until the advice of the St. Petersburg teacher of 32 years experience given to the executive-secretary of the FEA is followed. She wrote, in answer to his plea for support of sanctions, "I suggest we expend our energies to economize in areas where waste exists and to operate schools in a more businesslike financial manner."

Governor Kirk voiced the same economy sentiment in his special report on education when he said there has grown up "a generation of people who have been inculcated with the belief that money automatically produces education and therefore more money can be depended upon to produce more education. Whether or not any of the money produces good education, or even satisfactory education, remains largely unexplored territory on our government maps."

STEEL IMPORT QUOTAS A NECESSITY

Mr. MOORE. Mr. Speaker, I rise to speak in support of legislation which I introduced in the House earlier today. This bill, entitled "The Iron and Steel Orderly Trade Act of 1967," provides a means for maintaining orderly trade in iron and steel mill products, which is necessary to preserve the viability of the American steel industry. The needs to which this bill is addressed are vital to our national interest and security, and deserve the full attention of the Members of this body.

WHAT THE BILL ACCOMPLISHES

The Iron and Steel Orderly Trade Act of 1967 limits imports in any year to 9.6 percent of the average amount of steel consumed in the United States during the 3 years preceding each quota year. This percentage represents the share of domestic consumption attributable to iron and steel imports for the years 1964–66. Product and country of origin limitations are also imposed, similarly based upon their percentage share of total imports during this 3-year base period.

The bill gives the President authority to establish these limitations through negotiation, either bilateral or multilateral, with historic supplying nations. Any such nations which do not choose to enter into a negotiated agreement will be limited to the percentage of recent consumption equal to that supplied during a longer base period, 1959–66.

The Secretary of Commerce will administer these limitations. He is also given the power to remedy any disruption of regional markets caused by the flow of imported steel products into a particular geographic region. He is directed to review the entire quota program after it has been in effect for 5 years, and may recommend to the Congress the continuation, modification, or termination of the quotas.

In short, the Iron and Steel Orderly Trade Act of 1967 authorizes a moderate and enlightened quota program for imported steel products. Historic supplying nations will have the right to supply that percentage of domestic consumption which they have been supplying over the last 3 years. As our consumption grows, the supplying nations will have the right to compete in supplying increasing amounts of imports.

THE RECENT GROWTH OF STEEL IMPORTS

As a sponsor of this bill, I fully recognize that in today's world of trade, any proposal for an import quota program must overcome a heavy burden. However, I believe that an examination of the relevant facts pertaining to steel imports fully justifies the imposition of import limitations, and indeed is necessary if we are to maintain a viable domestic steel industry that can fulfill the requirements of our national security.

Our present steel consumption is roughly 100 million tons per year, and is expected to grow by approximately 2 percent a year. Of this 100 million tons, imported steel products in 1966 constituted 10.9 percent, or nearly 11 million tons. However, in contrast to the projected annual domestic consumption growth rate of 2 percent, these imports over the last 5 years have risen by a phenomenal 25 percent annual rate of growth. If this annual growth of imported steel products continues and is unchecked, by 1971 we could expect imported steel to approximate 34 million tons, or more than 30 percent of total domestic consumption.

These are the facts. I believe we must ask ourselves certain questions about them. First, Why is this sharp growth of imported steel products occurring? Second, is this development a healthy one, is it consistent with the best interests of our Nation—above all, our national security? Last, if we find present steel import trends incompatible with the national interest, what alternatives are available to remedy the problem? Let me answer these questions in order.

WHY STEEL IMPORTS HAVE INCREASED

There are three principal reasons for the recent sharp growth of imported steel products into our country.

First. In the world steel market, production capacity presently exceeds demand by a substantial margin, and we can expect this imbalance to increase during the next decade. World capacity already exceeds consumption by more than 50 million tons. Nevertheless, European countries are proceeding to expand their total steel capacity, and the Japanese alone are planning to increase their capacity by an additional 50 million tons over the next 10 years. Within the next decade, Japan will apparently be seeking to export the product of up to 40 million tons per year of this capacity. If, as has been true in recent years, one-half of these exports come to our shores, the United States could shortly be receiving approximately the equivalent of 20 million tons of Japanese steel, as compared to 7 million tons today.

Second. Labor costs in the other steel-producing countries are far below those in the United States. Our steelworkers earn an average of $4.63 per hour, which represents an estimated $63 per ton of steel produced. In comparison, in the European steel community, the equivalent wage is $1.75 per hour, or approximately $35 per ton, and in Japan the equivalent wage is just over $1 per hour, or approximately $20 per ton. In many industries, such disparity in labor costs reflects a similar disparity in human productivity. However, this is manifestly untrue with regard to steel. Available data indicate that the United States has an advantage in productive efficiency over both European and Japanese producers, but steel labor productivity in the United States would have to be 2½ times that of the European and 4½ times that of the Japanese to equalize their advantage of lower labor rates. And when capital is available to install technology, there is no way to gain such an advantage over the foreign producer.

This disparity in labor costs, however, is only a part of the problem American manufacturers face in competing with foreign steel product prices.

In Europe and in Japan, the steel industries have, in large part, been relieved by the governments from the rate of return discipline that motivates private industry in the United States. In those countries, the steel industry is a major instrument of national policy. It is recognized as the indispensable basis for all kinds of industrial growth. It is recognized as the principal means of limiting adverse balances by minimizing the need to import steel and by maximizing steel exports. These major national objectives are being pursued by these countries at the expense of achieving a reasonable rate of return, as measured by private investment standards. If, for example, capital for exchange is needed and cannot be obtained from private sources, the Government steps in to provide it.

This combination of a world market in which production capacity exceeds demand, coupled with lower foreign prices resulting from low labor costs and low rates of return, explains the recent alarming growth of imported steel products in the United States. What does this growth mean to us?

THE SIGNIFICANCE OF FOREIGN IMPORTS

First, it means jobs. Every million tons of domestic steel mill products shipped reflects employment for approximately 7,700 Americans. That means that the 11 million tons imported into this country in 1966, in effect, represented an export of some 85,000 jobs. If the growth of steel product imports continues at its present 25-percent annual rate, the 34 million tons which will enter our shores in 1971 will be costing us approximately 260,000 jobs. It is not surprising that the United Steel Workers of America support this bill.

Moreover, the steel import problem presently constitutes a major part of our Nation's adverse balance-of-payments deficit. During this same recent period in which imports have risen so sharply, our steel exports have been declining. In 1966 our steel trade deficit was almost $1 billion; the balance-of-payments deficit for the entire Nation was $1.4 billion. Assuming the present average import price of $115 per ton before U.S. duties continues over the next 5 years, the 34 million tons that will enter in 1971 would be reflected in a $3.9 billion deficit in our steel trade alone.

However, in my mind, these significant problems of domestic employment and balance of payments are overshadowed by the major threat that the unchecked growth of imported steel presents to our national security. President Johnson has described steel as "basic to our economy and essential to our security." Steel has always been the core of the strong industrial base needed for modern warfare. We must ask ourselves whether our Nation will be assured of the adequate industrial base needed for national defense if 5 years from now 30 percent of our total supply comes from foreign nations existing under the shadow of the two major Communist world powers.

For myself, I do not believe that we can afford to become increasingly dependent on such markets, from which we may be cut off in the time of a national emergency.

If domestic requirements grow at 2 percent a year while imports grow at 25 percent, it is obvious that total domestic production will ease. Assuming conservatively that the present level of U.S. exports is maintained through 1971, the shipments of steel products by U.S. producers may well decrease from 90 million to 75 million tons per year.

Moreover, the problem is not only one of quantity. Our defense needs encompass the widest range of steel products, from the most basic to the most sophisticated. While our domestic industry presently produces this full range of steel products, it may well be that it would react to a diminishing market by leaving certain products to foreign producers and concentrating on competing for the bigger volume, basic market staples. Thus, it is highly possible that in the event we were cut off from foreign sources, we would be left with a domestic industry that was not presently producing the full range of sophisticated products necessary for national security, and we could not be sure, under crisis conditions, that this production gap could be overcome in time to prevent serious military shortages.

THE NEED FOR A QUOTA SYSTEM

These facts compel the conclusion that our national security demands that our steel industry be preserved. How is this to be achieved?

It may be suggested that our industry should respond by turning to foreign markets. However, since we possess no significant technological advantages over foreign producers, and since our production costs are higher due to lower foreign wage rates, it should be obvious that our steel products cannot expect to gain any appreciable share of the foreign market. Second, it may be suggested that significant technological advances will, in fact, be achieved. But, while technological advances are being made in our steel industry at probably a faster development pace than in Europe or Japan, steel technology is basically international and innovations, wherever they arise, become available to all producers within a short period of time. Moreover, the cost of building the new facilities which reflect these technological improvements is much lower abroad than in the United States, again due largely to the wage differential.

If, after all efforts, our steel industry cannot remain viable and if its viability is necessary to our national security, the only solution available is that of an enlightened quota limitation. The bill I have introduced in the House today provides the means by which this may be achieved.

I have been led to propose this bill only after satisfying myself that no other solution is available to preserve a vital domestic industry. Barriers to free trade are generally to be avoided. However, the steel import problem presents us with a direct threat to our national security—a threat which must be met. Imposition of the quotas directed by this bill will not remove foreign imports from our markets, but in fact will allow them to share in the growth of American consumption. I urge you to give prompt consideration to this necessary measure.

Thank you, Mr. Speaker.

FEDERAL ESTATE TAX

Mr. DOLE. Mr. Speaker, today I am introducing legislation which will provide relief to those hardest hit by inflation and the cost-price squeeze—the ranchers, the farmers, and the small businessmen. There is a tragic inequity in Federal tax laws which discriminates against these enterprises and is, therefore, destroying many family businesses each year.

I refer to the Federal estate tax. It is called the "death tax." This tax all too often destroys the work and planning of a lifetime; it prevents the son from following in his father's footsteps. Today, inflated land prices—and inflated real estate prices, generally—are used as a basis for determining the estate tax levied upon the property. These prices are often driven up by speculators, who do not intend to use the property for agricultural purposes.

The inflated market values—leading to the exorbitant estate taxes—very often result in the destruction of the family enterprise and a forced liquidation to meet the inescapable reality of the tax.

It is alarming to view the great migration to the urban areas of over half a million persons a year. A major domestic concern is to reverse this trend and to provide relief to young men and women by encouraging them to remain in the family business and to contribute to the economy of rural America.

The legislation I am introducing will provide a fair alternative to the present estate tax law. It will allow the estate's heirs to have the option of having the decedent's interest in the business valued at either its market value—as is done now—or the higher of, first, the decedent's cost basis; or second, value based on the reasonable earning power of the business.

The bill further provides the decedent must have been in business 10 years prior to his death, and that his heirs must continue to operate the business for 5 years after his death.

This bill is, in my opinion, a fair approach to a problem for small businessmen and farmers and ranchers across the Nation.

THE FREEDOM OF INFORMATION ACT

Mr. RUMSFELD. Mr. Speaker, the Federal Public Records Law—Public Law 89-487—passed in the 89th Congress, is one of the most important pieces of legislation to be approved by Congress in the past 20 years.

Since the law became effective on July 4, 1967, there have been varying opinions given as to the law's usefulness.

An analysis of the law and its impact on our Nation was made recently by Robert O. Blanchard in an article in the fall 1967 edition of the Columbia Journalism Review. Mr. Blanchard's views are of particular interest because he is an acknowledged authority on this subject.

I submit Mr. Blanchard's article for the Record, as follows:

The Freedom of Information Act—Disappointment and Hope

(By Robert O. Blanchard)

Freedom of information crusaders hailed July 4, 1966, as a day of triumph. On that chosen date, President Johnson signed into law S. 1160, the so-called "Freedom of Information Act," now popularly known as the Federal Public Records Law.

Members of the American Society of Newspaper Editors, for example, received an analysis of the law in their *Bulletin* under the heading, "'Twas a Sparkling Fourth for FOI Crusaders." The report compared the President's bill-signing statement to libertarian (even seditious) statements of Patrick Henry and James Madison. The spirit of the occasion moved *The Arizona Republic* to offer a rare interpretation of contemporary politics: in signing the bill President Johnson "proved he is not one of those who believe in news management."

The President, in reality, did not quite live up to this triumphant moment. The President news-managed the release of his strong freedom-of-information statement, which was recalled from reporters minutes after distribution and replaced by a toned-down version. The later version appeared eleven months later as a guide to agencies in the Attorney General's memorandum on the law.

There was further confusion when a second FOI law was quietly enacted in June, 1967. It made about a hundred changes in the original to conform to language of other provisions in Title 5 of the Administrative Procedure Act, of which the Public Records Law is a part. This nullified the legislation (and significance) of July 4, 1966.

There has been more serious confusion also in the months since. As FOI advocates have studied the provisions of the law more closely, they have found it ambiguous at best. One of the chief problems is the indeterminate character of the law's nine phrases describing exempt categories of information. Several of the phrases seem bound to encourage continued, perhaps more sophisticated, federal agency discretion in release of information. Ironically, the court-enforcement provision of the law adds to the possibilities of blockage.

In fact, eight of the exemptions violate the blueprint for a public records law laid down by such originators as Harold L. Cross. V. M. Newton, Jr., a founder of the FOI movement, calls the exemptions "nothing more than an open invitation to the federal bureaucrat to withhold legitimate information from the American people."

In great part, the ambiguity of the law stems from its mixed ancestry. Although press and bar are far apart on the question of free press and fair trial, in the case of the public records law they formed a twelve-year alliance. The bar's administrative reform movement, begun in the 1930's, culminated in the Administrative Procedure Act of 1946. Later, the bar joined the journalists' freedom-of-information crusade of the 1950's to work to amend the public information section of the act.

Both reform efforts revealed awareness that functions traditionally in the judicial and legislative branches had been emigrating behind executive walls through agency powers granted by Congress.

By different routes, the attention of the two professions met in concern over availability of information. The lawyers' primary goal was procedural regularity within agencies whose rules were having the effect of law. Some of this "law" combined prosecuting, legislative, and judicial functions. Lawyers soon recognized that keeping the public informed about agency organization, rules, and procedures was important. The result was the information section of the 1946 act. But less than a decade later, there was widespread disenchantment in the bar over this provision.

Meanwhile, the journalists' goal was establishment of rights of access. They found that common law and access to governmental information applied only to state and local agencies; statutory remedies were necessary for federal agencies. The need for new laws, as well as federal tightening under cold-war tensions, sparked the FOI crusade. Harold L. Cross, a lawyer and journalism professor, was primarily responsible for leading the movement to suggest statutory changes, especially the enactment of a general information act. Asked in 1950 by the ASNE to analyze all legal ramifications of FOI, Cross identified five major roadblocks.

Two of the major statutory blocks were 5 U.S.C. 22, the 178-year-old "Housekeeping Statute," interpreted by agencies as a traditional protection of their discretion, and Section 3 of the act of 1946. With the latter, the bar had intended to correct a defect in administrative law—a simple lack of public information concerning its substance and procedure. But, by twisting and stretching the exemption phrases, some agencies had turned Section 3 into an authority to withhold information. Other agencies ignored it. The courts, failing to find specific statutes compelling disclosure, generally supported the agencies.

Cross said that only Congress could remedy wrong administrative interpretations:

"Congress is the primary source of relief. The time is ripe for an end to ineffectual sputtering about executive refusals of access to official records and for Congress to begin exercising effectually its function to legislate freedom of information for itself, the public and the press."

Cross advocated that the chief control of disclosure policy be exercised by the legislative (not the executive) branch.

The political climate became amenable to this strategy when the first Democratic Congress in the Eisenhower Administration was elected in 1954. The new Congress was an eager and willing forum for the FOI movement.

Before they put their resources seriously behind a new public records statute, House and Senate FOI spokesmen first amended the ancient Housekeeping Statute. They also placed information provisions in such legislation as that creating the National Aeronautics and Space Administration. These and other statutory accomplishments of a three-year crusade were widely praised in the press.

Yet they have since disappointed, even embarrassed, many crusaders. The 1958 "Freedom of Information Law" (the amendment to the Housekeeping Statute) failed to move any agencies to provide new information availability. FOI spokesmen in Congress also admitted that some agencies continued to use the Housekeeping Statute, though amended, to justify secrecy. Similar disappointment has been experienced with NASA and other FOI provisions.

Congressional FOI spokesmen have been aware of the apparently built-in-limits to such legislation. In 1958, Representative John E. Moss told the California State Publishers Association that:

"Fighting for recognition of freedom of information . . . is like stepping on a balloon. You stamp out excessive secrecy in one place and it pops up somewhere else. . . . We can pass laws and require rules and regulations honoring the people's right to know, but unless there is a government-wide attitude opposing excessive secrecy, the laws can be twisted and ignored."

Recalcitrant bureaucrats have found comfort partly because of the statutes of Congress, which is either unable or unwilling to pass disclosure legislation without leaving room for secrecy exemption couched in ambiguous language. It has passed at least 170 statutes requiring secrecy and, of course, widely practices secrecy itself. Indeed, Congress is exempt from the Federal Public Records Law.

This side of the "Congressional dilemma," as Francis E. Rourke characterized it six years ago in his classic analysis, *Secrecy and Publicity,* can be seen in the Federal Public Records Law of 1967. The present administration has wasted no time in pointing to the ambiguities in the nine exemption phrases. Assistant Attorney General Frank M. Wozencraft, whose Office of Legal Counsel drafted the administrative "guidelines" for the law, appears to be making a genuine effort to insure its implementation. However, he left no doubt about the ambiguity in the statute. He told federal information officials this year: "The exemptions are very vague and ambiguous phrases which will have to be interpreted by the courts." He also said that the conclusion by a legal symposium in Washington was that "one thing is clear about the FOI act: the FOI act is not clear."

An Associated Press survey in July, 1967, found the law would have "little or no effect" on the information policies of thirty-seven agencies queried. Other journalistic investigations have yielded similar results.

Representative Donald Rumsfeld of Illinois, an original sponsor of the legislation and a member of the Foreign Operations and Government Information (Moss) subcommittee, reported that more than one federal agency was seeking to avoid the law's provisions by "considering a plan to conduct much of its business verbally" so there would be no records. He added: "Another agency is attempting to categorize everything under one or more of the law's nine exemptions so that virtually none of the information under its control will be available."

The exemption phrases are a major source of weakness in the Federal Public Records Law.

A former Moss Committee staff director, Samuel J. Archibald, points to "muddy" language in the exemption of trade, commercial, and financial information; to a "minor grace" in exemption of inter- and intra-agency memos, and letters; and exemption of "internal personnel rules and practices." Two exemptions are duplications of the "muddy" exemption. Presidential privilege to order secret anything "in the interest of national defense or foreign policy" is engrossed in one exemption: "Investigatory files" are protected. Two exemptions prevent an "unwarranted" invasion of privacy and information covered by existing nondisclosure statutes. Total: nine.

Cross anticipated this possibility in his recommendations for a general public records law. He said that any new amendment should appeal all of the five exemption phrases in the 1946 act, not replace them with futile attempts to spell out what government information should be protected from the public eye. Instead, he advocated *one* exemption: "except as otherwise provided by law." Along with this exemption was to be a declaration of the right of public records inspection and a court review of denials of inspection.

In Cross's plan, if the agencies wanted information kept secret they would have to find a specific statute permitting it. Not finding one they were to approach Congress, hat in hand, with a request for a statutory exemption. Therefore, Cross believed *Congress*, not the agencies, would weigh the political, legal, administrative, and economic variables to be considered in any judgment withholding government information. The courts, with no ambiguous exemptions in the law, would not have to rule on discretion.

The Federal Public Records Law of 1967 fell short of Cross's strategy. Besides the fact that Congress was not up to the strategy, there are at least two others reasons for this failure, both of them due partly to the press-bar involvement in the legislation. An understanding of these reasons could contribute to effective political compensation for the legal weaknesses of the act.

First, the choice of amendment of the 1946 act as a vehicle for a Federal Public Records Law has invited some agencies to claim that the law does not apply to them. The act was designed to reform administrative law and was aimed at regulatory agencies. On this foundation, the FOI movement chose to build a public records statute that had to apply to all agencies. As a result, many non-rule-making agencies claimed that the law did not cover them. Other agencies argued that the section was not an information disclosure section, or that the section authorized *non*-disclosure.

As late as 1965 many agencies still claimed the information section did not apply to them—this, despite the legislative history and the language of the act, subsequent interpretations by the Attorney General's Office, and ten years of congressional speeches and hearings to the contrary. The Attorney General's memorandum stipulates that the new law applies to all agencies. It may continue to be ignored.

The most important set of circumstances contributing to the compromise of Cross' conception of a true public records law was the decline of the FOI movement of the 1950's. This was followed, not surprisingly, by a decline of FOI activity in Congress. The result was compromise of FOI interests at crucial legislative points.

While the FOI forces in the 1950's were working on their limited legislative goals, American Bar Association spokesmen introduced several proposed amendments to the 1946 act. The disclosure section in these proposals was generally unsatisfactory to FOI spokesmen. In 1957, FOI leaders in the House introduced a proposed amendment, but it made no progress and was not billed in press releases as a public records law.

In 1960, a major FOI draft amendment was proposed. The author of this draft was Jacob Scher, also a journalism professor and a lawyer, who continued Cross' work and added considerable research of his own. Scher's draft met Cross' public records law requirements, except that he listed two additional exemptions—information protected by executive order for reasons of national defense and information "the disclosure of which would be a clearly unwarranted invasion of privacy."

Thus, at this point, there was an agency-discretion foothold in a proposed public records law. But there were more serious and vague exemptions to come. Six months before Scher's death in 1961, the House subcommittee reported it was turning over Scher's extensive work on a public information section for the 1946 act to the Senate Judiciary subcommittee. From then on, the amendment of Section 3 was in the lawyers' camp and a declining FOI movement had neither the political nor the legal resources to preserve the exemption limits.

The bar has been far more willing to accept exemptions than the press. Rourke explains:

"There are many reasons why lawyers on both sides of regulatory proceedings might prefer privacy—the need to carry on negotiations, to protect clients from adverse publicity, or to prevent premature publicity in cases in which this might be to a private party's economic advantage . . . All these factors might make a lawyer resist disclosure."

Various ABA-inspired Senate bills were introduced in the early 1960's. In 1964, the Senate unanimously passed two of these bills; one was an amendment to the disclosure section of the 1946 act. Both bills died in the House, but both were revived in the 89th Congress. Not surprisingly, the proposed amendment contained *eight* exemptions, the new ones being added in the Senate after intense agency pressure. This bar-oriented Senate bill, S. 1160, with an additional exemption (still strongly opposed by the agencies), passed the House in 1966 hardly touched by FOI hands.

In spite of such legislative setbacks, the passage of the bill against monolithic federal agency opposition was a demonstration of the political power of joint press-bar efforts. It is doubtful the bar could have amended the 1946 act without press support. Of all proposed amendments to the act only this one and one on attorney's practice succeeded. The former enjoyed press-bar support and the latter was spared agency opposition.

Given the elements of weakness in the history of the law, how can the FOI movement affect the political and administrative environment to develop whatever potential strengths it contains?

The first step is to avoid the major weakness by avoiding dependence on court testing of the nine exemptions. The court enforcement provision was conceived as one half of Cross' "pincer" strategy to eliminate administrative discretion. The other half of the strategy, the single exemption, did not succeed. Given nine exemptions, some ambiguous, the enforcement provision seems to invite the courts to exercise their long-established sympathy for administrative discretion. Moreover, court action is not a good news-gathering tool, and success in court probably will not set a precedent since the law stipulates each case must be considered *de novo* on its merits.

Avoiding the law's legal weaknesses is half of the strategy. Making political use of the law is the other half. The key to this attack is to reaffirm the principle of specific congressional determination of agency disclosure policy.

But experience has also shown that Congress functions as a watchdog, its oversight powers can be profoundly effective, especially when given incentive by outside interest groups. Press cooperation with congressional publicity techniques (hearings, publications, announcements, member speeches, committee prints, progress reports, questionnaires to agencies, staff investigations) enhanced the effectiveness of congressional oversight of information policies in the 1950's. As a result, Congress, not the courts, was the most successful recourse the press had to information abuses. When it has the incentive, Congress can extract more facts and information from agencies more quickly and efficiently than can the press. It can also enforce rules and laws within agencies more efficiently than the courts.

The information problems in Washington this decade are different from those of the 1950's. Assistant Attorney General Wozencraft shows attitudes consistent with the sophisticated administrative and information styles of post-Eisenhower administrations. He evidences a determination not to get the administration involved in an unnecessary *cause celébrè* over the law. In advising public information officers, he said the law's vagueness "poses a genuine problem of statesmanship work with the press and the public." Essentially, the major thrust of his manual leaves interpretation of the Federal Public Records Law to each agency, with strong advice to open their records. Thus, constant publicity pressure should be applied to each agency and to information abuses not covered by the law (which, for instance, is not a credibility-gap detector).

There is an additional suggestion in the past of the law—the potential of press-bar cooperation. FOI groups should join with bar representatives, particularly with the ABA, for political action. The press has an interest in administrative reform, not just because it is good for the bar, but because it can result in more open, reportable government.

The Federal Public Records Law probably represents the best that Congress can or will do in the way of statutory FOI reform. The legislative means recommended by Harold L. Cross for libertarian ends have apparently reached their limit. It is not enough. It is now more obvious than ever that revived and more intensive press-Congress surveillance of executive information policy is necessary.

SPEECH OF COVEY T. OLIVER

Mr. MORSE of Massachusetts. Mr. Speaker, in a speech delivered December 7, 1967, in New Orleans, La., Covey T. Oliver, Assistant Secretary of State for Inter-American Affairs, made some highly significant remarks with respect to U.S. policy in Latin America.

He enunciated clearly official U.S. attitudes toward political structures in this hemisphere by denouncing authoritarian regimes and the "highly privileged few who have narrowly and selfishly set themselves against the whole idea of the Alliance." He acknowledged that there is only one kind of government which recognizes the need for change and reform and which can and does provide for adjustments when they are necessary: "It is a democratic government."

I enthusiastically applaud these remarks by Secretary Oliver and I hope they will be accompanied by increasingly effective assistance by the United States to the task of building and strengthening democratic institutions throughout the hemisphere.

I insert the full text of Secretary Oliver's speech in the Record:

Remarks by Covey T. Oliver, Assistant Secretary of State for Inter-American Affairs and U.S. Coordinator, Alliance for Progress, on Accepting the Thomas F. Cunningham Award at New Orleans, La., December 7, 1967

I am deeply honored that you have chosen me to receive the Thomas F. Cunningham Award for 1967.

When I think of those who have been given this Award before me, I recall that their talents have been many, their styles and interests diverse, and that as a group they are in the forefront of those in this country who have contributed significantly to the excellent relations we now enjoy with our neighbors in the Home Hemisphere. Among the talents that are highly important in our inter-American relations is that of sensitivity: the capacity to let our neighbors feel that they are respected, indeed, loved. To treat them with kindliness, with friendliness, with verve, and warmth is to open doors that golden keys can never open. This gift your onetime mayor and later your country's representative to the Organization of American States, a man to whom you gave this Award, the late De Lesseps S. Morrison, had in rich abundance.

His talents are your talents in this historic, multicultural, and thoroughly wonderful city. How impressive and heartening it is that so many distinguished citizens of New Orleans have taken the time from busy lives to be here tonight for a ceremony that ostensibly honors a man but really honors a relationship with Latin (say it proudly!) America!

Also, when I think of my illustrious predecessors on this roster and how much they have contributed to inter-America relations, I wonder whether perhaps you have not been too generous this year. The thought comes that you, with the courtesy and kindliness that characterize Louisiana, have decided to encourage one who is working—and thinking—hard to help the Americas. If this is so, I thank you with all my heart for your trust in me personally.

Further, that you have chosen this particular Federal official to recognize this year, I take as a sign of approval for the task that this nation has undertaken to help the people of Latin America to build better and more modern societies—economically more viable and stable, socially more just, and politically more effective and democratic. This task is now the heart of our relations with Latin America. It is the task of doing our part in the Alliance for Progress. It is the task for which President Johnson has made me generally responsible. It is a task for which I need all the help I can get, just as my predecessors did and as my successors will.

For the encouragement that your generosity symbolizes, then, as well as for the great honor, my sincere thanks.

Implicit in the fact the Cunningham Award is given to one who has "improved" relations among the peoples of our Home Hemisphere is recognition that the results of the effort were less than perfect. In the task I described, we can improve, but we cannot perfect. This is the difference between social and physical engineering. Always in dealing with man's systems we must guard against these tendencies: to recoil in horror, to become impatient, to succumb to cynicism, to play God.

I accept this award, then, as marking the end of only one phase of my commitment to the Home Hemisphere—the years during which I have been challenged to devote increasing time and energy to helping to improve the lives of millions of Latin Americans for whom, not too long ago, the future held only fear of poverty, disease, hunger, and denial of human dignity.

In 1961, with the signing of the Charter of Punta del Este, the member nations of the Alliance formally dedicated themselves to replace fear with hope. We promised to work together to reform old habits of societal neglect. The Latin American countries would reform the structures of societies that had handsomely benefited the few without giving opportunities for a decent life to the great majority. All peoples of this hemisphere would be enlisted in this common task to achieve development. We would help, not only with technical assistance, but also with ideas and money.

The promise of Punta del Este has touched all our lives in some way. I am sure many of you have taken active roles, either through your business or your church or in "People to People Programs," to help in some part of this development effort. Some of you may have sons or daughters working in the Peace Corps or as AID or foundation men in the remote high Andes or rain forest hinterlands. And all of us, subject to the will of our elected representatives while in office, help a little with our taxes, the taxes that are the price—not too dear—that we pay for civilization.

But, as is natural, the impact of the Alliance is felt much more strongly in Latin America. There, both wise men and humble people sense it may be the last best hope against chaos, violence, the herd state. There, ordinary villagers come alive with ideas and energy when they begin to see that they can, often with very little help other than from the concept of self-help itself, do things themselves to improve their village lives, such as building a school room, or piping good water down from the mountain. There, brilliant, dedicated—but still too few—young administrators go at the challenges of modernizing government agencies and business enterprises. There the promise of better gains from greater consumer purchasing power spurs entrepreneurs, many of these rising in status to broaden the middle class. There men of innate scholarly bent begin to hope that they may sometime expect to be paid enough to be full-time teachers in vivid contact with students and to add by research to the world's body of knowledge.

There *is* in our Home Hemisphere a new pride and a new hope for a better future. New leaders have come forward, dedicated to development and with vision and political courage second to none. They were among the Presidents at Punta del Este last April who pledged themselves and their nations to even greater efforts and greater sacrifices to hasten and intensify the development process. These leaders have promised their peoples that change would be achieved by due process of law and without recourse to tyranny. Your Government supports such leadership. As President Johnson once said: ". . . we are on the side of those who want constitutional governments. We are not on the side of those who say that dictatorships are necessary for efficient economic development or as a bulwark against Communism."

But in human affairs change is never without its traumas for some. Wise and humane governments recognize that it is not always easy for men to adapt; that frequently politics must include doses of social therapy. We call this "Leadership." There is only one kind of government that treats change in these ways, and provides for adjustments when mistakes are made It is a democratic government. Think about this point: How many totalitarian governments have permitted any significant variations from the dictator's original premises? And of the very few authoritarian regimes that have, at what costs?

But I have no time here to deal with the old-fashioned, highly privileged few who have narrowly and selfishly set themselves against the whole idea of the Alliance, because to them it is "radical" or "communistic". Like the dinosauers, they have gone, or—at least are going, fast. They vanish, because they are not intelligent enough socially to survive in modernizing societies.

A far more important challenge of change is to those literate, privileged, intelligent people in Latin America who consider themselves individually to be modern, who generally support the goals of the Alliance, either from idealism or from fear of the alternative, but who are afraid that they will be required to carry a greater share of the development burden or that their societies simply cannot achieve effective change. This type of person should be no stranger to those of us who have lived politics in this country over the last 40 years. But just as we of that age are not always well understood by our affluent youth of today, the Latin Americans I am talking about here do not find much toleration from the impatient, poor young in Latin America. Demographically, Latin Americans are very young. This observation presents a related, second challenge: that of the urgency of change.

Now we in this country have gone through many periods of massive change—the depression, the war years, and various technological revolutions. We not only have grown to accept the temporary disequilibrium brought by change, we almost seem to regard it as the very stuff of survival. We are inclined to forget that in countries that have not changed enough for centuries, change is psychologically difficult.

It is in this area that we in government need your help.

We who work in the Alliance every day have tried to foresee the dislocations and temporary inequalities—the personal sacrifices—that are and will be required if our hemisphere is to succeed in its Grand Design for Progress. We have made plans, whenever possible, to soften the individual blows that some sectors must suffer. But you and I know that there can be no panacea for all traumas of change.

The people of New Orleans and Louisiana have always played a unique role in the history of this country's relations with Latin America. Thousands of Latin Americans come here every year to trade their goods, to enjoy your city, to use your fine medical centers or to study in your schools and universities. The beauty of this city has done much to counter the widespread belief in the countries to the south that we are a materialistic and uncouth people. You are one of our great cultural bridges.

With your traditional ties of friendship and understanding, you can do much to imbue your Latin American friends and acquaintances with your own belief in the Alliance and to offer them the benefit of your own experiences in meeting the demands of a rapidly changing world.

Many of you have had to face and resolve the problems inherent in our changing society. What was your experience? How did you do it? What were some of the bad effects you could have avoided and which might be avoided by those in Latin America who, for the first time, may face similar problems?

Some of you have had invaluable experience as to world trade and the European Economic Community. How much of what you learned there can be applied in Latin America as that common market comes into being?

Others of you have gone through the throes of modernization required by the changing markets and changing tastes in our own country. How did you meet this challenge?

Improving relations between the Latin American private sector and Latin American education is just one of the areas in which you have much to offer. It is axiomatic in this country that private citizens such as Thomas F. Cunningham take an active and leading role to ensure that our schools produce the trained manpower needed by our society. Our relatively new schools of business, economics and public administration are examples of how our educational systems change to meet our changing needs. In law, so vital to democratic society, our great law schools including those of Tulane and LSU have been in the forefront of change. And I wish to recall that the Tulane Law School has long led in our legal associations with Latin America. American business has contributed much to the founding of such schools. Some of you have donated scholarships in fields particularly important to your work.

And this is only one example of the work private citizens such as you can do so much better than we in government. We can help identify the needs. You can do much to generate the imaginative answers to them. You all have experiences and knowledge which neither we nor the governments of Latin America can buy. We depend on your good will and dynamism to make this experience available. I ask all of you to make the extra effort—to go to your counterpart in the hemisphere, not as teacher to pupil, but rather as fellow businessman, fellow teacher, or fellow church leader to identify the problem and, from your experience, suggest a solution or open a dialogue.

We are all in this together. Not because the Alliance Charter or the Presidents' Declaration say we should be, but because we have recognized that our well-being depends on the well-being of our neighbors; that if they suffer, so, sooner or later, shall we. Or in Secretary McNamara's words:

"Security *is* development. *Without* development, there can be no security."

Twenty-six years ago today, we suffered the bitter consequences of isolationism. Isolationism was blind tradition, fear, even selfishness and cynicism. In our Home Hemisphere, especially in the past six years, we have done much to make certain that another kind of Pearl Harbor does not take place in our doorstep. We have already given the lie to those whose loyalties are to dictatorial political systems alien to this hemisphere and our common tradition of liberty. We have shown here that great changes can be achieved without recourse to violence and tyranny. We have begun a true revolution in peace. We must jealously guard what we have gained as we work together for even more rapid progress.

And, with your help, ladies and gentlemen, we and other like-minded peoples in the Home Hemisphere will prevail—prevail for Peace, for justice, for Social Virtue.

SMALL TOWN IN A GREAT SOCIETY

Mr. MORSE of Massachusetts. Mr. Speaker, on December 8, 1967, Robert C. Wood, Under Secretary of the Department of Housing and Urban Development addressed the Bemis Lecture Series in Lincoln, Mass. I want to commend the Under Secretary for his thoughtful and provocative discussion of the powerful forces at work in this country which are contributing to the polarization of our society.

Secretary Wood has dropped cliches and platitudes in his approach to this difficult problem. It is not his intention here to dwell on the plight of the urban poor, though he knows it better than most, or to preach of the necessity to achieve a better and fuller life for all citizens, though he knows we must. He has taken upon himself in this speech to discuss the roles of all segments of our society in the business of building a better future and particularly to define and discuss that large body of Americans who are resisting change, resisting the achievement of a better life for the greatly deprived, the "nonurbanites," as he calls them, who have turned off any acknowledgement of public obligation. The questions posed here are: Who are they? Why do they feel and act as they do? And, what can be done about it?

Although I may not agree fully with every point or proposal expressed, I commend this excellent speech to my colleagues and urge them to give it their careful attention. For as Secretary Wood points out, the special tasks ahead of us, in building communities on a scale never dreamed of before while retaining a sense of community and a cohesive society of quality, challenge "every piece of wit and wisdom and instinct for common humanity that we possess."

I include the full text of Secretary Wood's remarks in the RECORD:

SMALL TOWN IN A GREAT SOCIETY

(Remarks by Robert C. Wood)

I rejoin you tonight, with great pleasure, on a point of personal privilege and in an entirely unofficial capacity.

This is, I think, a position made appropriate by the tradition of the Bemis Lecture; encouraged by the spirit of the occasion; and dictated by common prudence—unless the partisan temper of this town has reversed itself in the past two years.

There are, of course, sacrifices for us all in my adopting such an unofficial posture.

On your part, the Selectmen cannot expect tonight to receive a Federal water and sewer grant or even the renewal, for a third time, of a Federal comprehensive town planning award.

On my part, I cannot suggest that the President will recommend in his State of the Union Message a national program for bicycle paths.

But there are advantages as well. Unofficially I can talk in candid ways with many old friends and with good neighbors all, on two topics of general concern. These are, in a time of great stress, the condition of the American community and the great national society of which it is a part.

I do not view these conditions in a spirit of despair. I do not, for example, believe them to be as distressing as the condition Emerson described in 1844:

"In politics it is easy to see the progress of dissent. The country is full of rebellion; the country is full of kings. Hands off! Let there be no control and interference in the administration of the affairs of this kingdom of me . . . I confess the motto of the GLOBE newspaper is so attractive to me that I can seldom find much appetite to read what is below it in its columns, 'The world is governed too much.' So the country is frequently affording solitary examples of resistence to the government, solitary nullifers, who throw themselves on their reserved rights; nay, who have reserved all their rights; who reply to the assessor, and to the clerk of court, that they do not know the State; and embarrass the courts of law, by non-juring, and the commander-in-chief of the militia, by nonresistance."

Although our situation is not yet so difficult, I do believe our problems are severe enough to be worth talking about.

We are involved these days in a special task of community building on a scale and at a rate never undertaken before. Already the fourth largest nation in world history, we will double the volume of fixed structures on this continent before the century is out.

How to do this—and still retain a sense of community and a cohesive society of some quality—challenges every piece of wit and wisdom and instinct for common humanity that we possess.

It is about this challenge of achieving simultaneously the virtues of the small town and the energies of the great society that I wish to speak tonight.

The propositions I make about this challenge are two:

First, the modern American community is no longer divided between urbanites and suburbanites so much as it is between pro-urbanites and non-urbanites: that is, between those who from widely differing backgrounds are engaged in building common ties and those who are essentially disengaged from that process.

Second, by the degree to which the latter join the former, the great society flourishes.

Definitions are critical here. Urban and suburban, up until a few years ago, were divided not only by geography but also by ethnic and income lines. Urban American originally meant poor, and laborer, and Catholic, and Irish, or hayseed or Italian or French-Canadian. Suburban meant well-to-do, respectable, Protestant and Yankee. Only awkwardly did the two meet.

In this metropolitan era we remember too well what the Yankees said about the Irish as they left the city: "they have too many children; their politics are corrupt; they don't want to work; they only want the dole."

For the post World War II generation the relative conditions of suburb and central city, geographically and politically separated, was a subject of constant political table talk. The flight from the city, its loss of taxes and jobs, its deteriorating housing were the topics of debate.

Over recent years much of this division and separation of people by ethnic groups dissolved. Prejudice declined as the newer groups made themselves respectable by the standards of the old. Increasingly, the distinction lost its meaning.

Increasingly, too, a union developed between the central city poor, more and more Negro, and the educated, economically secure, mostly white, Protestant suburbanite. Although the alliance may be tentative and insecure these groups are joining together in common educational, cultural and political endeavors. They are both, in philosophical terms, pro-urbanites.

Make no mistake about it—this is a development to be applauded and strengthened.

In place of the garrison suburb, practicing station-wagon socialism, the dormitory subdivision divorced from urban concerns, rich, exclusive, and gold-plated, comes now: "the suburb that cares." Beginning in the early 1960s Lincoln was one of an increasing number of suburban areas that evidenced this disposition to care, responding to the call for fair, equal, decent treatment of minority groups.

The pro-urbanites who lived in suburbia developed a special empathy with the Negro slum-family who had left rural America, in search of a better life.

Surburban pro-urbanites challenged the cliche that the slum family is inherently interested in living on welfare;

They recognized the educational deprivations that have too often limited these families' horizons;

They learned that jobs are not always available just as opportunities for advancement are often limited;

They read about, if they did not experience family life in dilapidated and shockingly expensive housing—without plumbing, rat-infested, peeling plaster.

And they came to understand that the fathers' role as head of the household is fragile for reasons which lie in both the past and present.

These newly discovered inequities became the pro-urbanites cafe klatsch conversation in place of the discussion of central city physical and fiscal problems that predominated only 10 years before.

More and more, pro-urbanites in the suburbs reexamine the fabric of a society that robs a man, because of his color, of the opportunity to participate in the greater society.

It is significant that communities like Lincoln respond not only to the denial of life and liberty in the South; but to the denial of opportunity in the North as well.

Their action forms an incipient union of minorities, central city and established suburb to compose the pro-urbanites of our nation.

This is a union timely and desirable.

This is a union hopeful for its concern with social justices.

This is a union defective only in one principal respect. It does not constitute a majority.

It is a union of minorities, combining the least and most privileged of society—the Negro and the Puerto Rican with the Jew and the WASP. But it is not a majority.

Lacking the power of numbers it cannot pose as a community.

To do so, to become the genuine community in the Great Society this union of minorities must engage the non-urbanite, the majority of our citizens. Not the agitator, not the dissident, not the intellectual, not the educated housewife, nor the conscious-stricken executive—but the working American. The ordinary employee in factory and office, blue collar and white, who now constitutes the majority of the nation's working force, rarely acknowledges his public obligations.

It takes special efforts to develop a sense of community—that feeling of invisible bonds linking men to one another by virtue of creed, craft, language and race. So far, this sense of community has scarcely penetrated beyond the minorities who economically or psychologically require it most.

Community can come from compulsion—when a group must draw together to survive. It can come voluntarily as in the established suburb where groups know where they belong and find worthwhile projects for joint efforts. Kindergartens, museums, festivals, theatre groups are such examples.

It has not come yet to the working American.

In the rightful drive to secure rights and educational opportunities for minorities, pro-urbanites have witnessed growing resistance in the working American's ranks. He is the one who most typically: refuses to open his neighborhoods to minorities, denies their entrance into his unions, rejects the idea of minorities going to school with his children, votes against the pro-urbanites' candidate for office.

Yet, until and unless the working American joins the process of community building, the process cannot succeed. So the hard questions come:

Has the pro-urbanite unconsciously alienated the working American from his community?

Has he been given equal time as we respond to the vocal spokesmen of the minority groups?

Have viable alternatives been available in elections?

Or has he been lost in the shuffle of self-righteous efforts?

To begin to sort out some answers we need to know with some precision the subject of our concern. Who is the working American? What does he want? How does he live? Why does he react so strongly to the upward mobility of minority groups?

Ten years ago defining the working American was a relatively easy assignment. He was an "honest, decent citizen," the "backbone of the community"—the policeman, fireman, service station attendant, factory worker, foreman, department store salesman. The flavor of the forgotten man and the underdog still clung to the terms "wage earner" and "blue collar."

Today the definition is more complicated. Certainly we discard the "Grapes of Wrath" image of the working American as hollow-eyed, mute, exploited and poverty stricken. Yet clearly we are not ready to enshrine the man sitting before a TV set oblivious to the great issues of the day as a folk-hero. How do we describe the steady, employable, contributor to the gross national product?

As a starter, here are some scatterings of what we know about the "Working American".

Statistically, he is a white employed male in the United States earning between $5,000 and $10,000. He works regularly, steadily, dependably, wearing blue collar or white collar. Yet the frontiers of his career expectations have been fixed since he reached the age of thirty-five, when he found he had too many obligations, too much family, and too few skills to match opportunities with aspirations.

This definition of the "Working American" involves almost 20 million American families.

The working American lives at the "grey area" fringes of a central city or in a close-in or very far out cheaper suburban subdivision of a large metropolitan area. He is likely to own a home and a car, especially as his income begins to rise. Of those earning between $6,000 and $7,500, 70% own their own homes and 94% drive their own cars.

94% have no education beyond high school and 43% have only completed the eighth grade.

So far as domestic stability is concerned the "working American" exceeds the national average. He fits the "familyman" image better than the pro-urbanite, central city or established suburb. Three-fourths are married with two children and live with their wives.

The working man's family sets the norm of the American standard of living—spending over 25% on food, 29% on housing, 14% on clothing and personal care, 7% on medical expenses, 14% on transportation, and 10% on numerous other expenses.

In terms of debts the working man's family owes around $5,000—$700 of which is installment debts. But he does not necessarily live well.

A recent study by the Department of Labor concludes that it cost, in 1966, $9,200 for a family of four to live at a moderate standard (neither subsistence nor luxury) in urban areas of the United States.

In the Boston area $9,200 inflates to $10,141—a cost of living exceeded only by New York and Honolulu. This $10,141 would allow the typical Bostonian working American to spend every week $44.55 for food; $52.53 on providing a home for his family; $15.60 on transportation; $19.15 on clothing and personal care, and $9.06 on medical care. In addition, he has $14.40 a week to spend on other family consumption—such as recreation, vacation, reading, tobacco, alcoholic beverages and other miscellaneous.

Yet the picture of these families is not exactly one of deprivation: 87% have refrigerators, 77% have washing machines, 41% have radios and phonograph equipment, 37% have clothes dryers, 24% have air conditioning, 9% have dishwashers, and 97% have television sets—18% of which are color.

What emerges from this sifting of statistics is a highly personalized world. When we ask what this citizen wants, when we isolate his aspirations, the response is principally inner—not outer—directed. The working American is preoccupied not with nation or community or even neighborhood but with the protection of highly personal possessions, to wit: his job, his family, and his home.

To the pro-urbanite, these preoccupations may seem outdated, self centered. In the modern times when Franklin Roosevelt established the political climate for a strong labor movement, many commentators believed he had ushered in an era of unlimited security for the working man equal almost to that of the Federal civil servant.

Today, this seems especially true after 82 consecutive months of prosperity when the:

Gross National Product has grown by 57%.

Living standards have expanded by 37%.

Wages, salaries and other compensation have grown by $178 billion.

Unemployment dropped fom 6.8% in 1961 to 3.9% in 1967.

Clearly, labor unions have offered more security, higher salaries, better working conditions, and shorter hours to the working American. Yet that security is far from complete. Blue collar and white collar alike still live too near "lay-offs," "reductions," "strikes," "plant relocation" to be personally secure. These terrifyingly impersonal events come with no advance warning—and offer no opportunity for individal influence or control. An unpredictable environment apparently undirectable by the collective, inexorable and intractable, presses in from every side.

As it does so, again and again the typical citizen is made aware that he has only labor, not capital, as a source for the well being of his family and children. He knows that whatever his legacy may be, it will not typically include stocks, securities or real estate holdings to his children. So one can hear with considerable sympathy this letter of August 3, 1963 to the New York Times:

"Some men leave their sons money, some large investments, some business connections, and some a profession. I have only one worthwhile thing to give: my trade. I hope to follow a centuries-old tradition and sponsor my sons for an apprenticeship.

"For this simple father's wish it is said that I discriminate against Negroes. Don't all of us discriminate? Which of us when it comes to a choice will not choose a son over all others?

"I believe that an apprenticeship in my union is no more a public trust, to be shared by all, than a millionaire's money is a public trust. Why should the government, be it local, state, or federal, have any more right to decide how I dispose of my heritage than it does how the corner grocer disposes of his?"

Job security then is a condition highly desired, and never taken for granted.

In this working world, "getting ahead" is a limited concept for the working American. He can aspire to becoming a foreman in the plant perhaps, but not plant manager or executive.

So strong is his sense of insecurity that, as David Riesman has pointed out, he equates security with getting ahead as the remark of a truck driver with three children indicates:

"If you've got security, if you've got something you can fall back on, you're getting ahead . . . If you work during a layoff . . . that's my idea of working up."

So one comes to understand the tension that upward mobility of the rising minority class generates. Too frequently the working American can envision only one destination for minority mobility—his job.

High-minded concepts of long-range benefits of the open and free society are not easily received. Long-range prospects offer no balm for the immediate danger of loss of income. The ambiguities and inferences of the ideal generate confusion, disorder, and discomfort compared to the "here-and-now" issues of pay, homes and the adequacy of washroom facilities.

The hunger for job security does not make the working American a hero—but neither does it stamp him as a bigot. Respectable reasons for poverty he can understand—strikes, depressions, and lay-offs. The permanent welfare recipients, however, are "lazy," "really don't want jobs," "spend all of their money on liquor."

Why welfare people should be offered his job is hard for him to understand. It is harder for him to explain. Why he feels threatened, in time of material well-being, why he is belligerent and ungraceful is hard for a man untutored in the spoken and written word to convey.

If protection of job is the first elemental concern of the working American, protection of family is his second. Over and beyond simple food requirements is the overriding requirement for a safe home in decent surroundings.

These are not complicated prerequisites. No elaborate concepts of neighborhood or community are involved. The working American's contacts with the world are basically two—family and fellow-workers. And he needs only to conform to their beliefs. Social contacts are limited. He may join the local veteran's organization whose membership includes immediate neighbors. He might participate in the Little League to help his children, and come to know his next-door neighbors.

Yet, as the extended family is the principal group, so the television set is his largest source of entertainment—with sporting events and Western features ranking highest among programs.

His wife figures prominently. An "appliance-rich, modernized kitchen" and "real cute bedrooms for the children" are highly prized status symbols among neighbors and in-laws.

But above all, the working American's aspirations center on his children. He wants a better education for them—perhaps including college. This dream is often thwarted by lack of funds, the cultivated competitiveness of the children and the pleasurable seductions of a job, a car, a girl and cash. Yet it persists.

While the children are young the family concern is with safety. If they are to be bussed great distances to poorer schools or if undesirables are allowed in their neighborhood schools, there may be trouble.

Lose the "home town" atmosphere for the family, allow "irresponsible" elements to move into the community, and family safety is threatened.

The third elemental concern of the working American is his home. Ownership of a home is his largest single investment and saving to make a downpayment on this home is a responsibility owed his family. Success is "a nice home in the suburbs with a small yard—far from the city slums. And to achieve this success he typically assumes a $14,000 mortgage.

A home serves as a haven against the outside world, the new minority, the upper middle class. It is a place for family and close neighbors to get together. It keeps out other people, legally and easily.

Moreover, the home justifies an unconscious attitude. The working American compares his new house, new car, new freezer, patio and good credit rating to what he sees about him.

He looks at the drabness of urban slums.

He reads about rising crime rates in city streets.

And, he wants no part of them.

They present only a threat to his home and family.

It is to this working American, the majority American, that the pro-urbanites now address their demands. They ask him to make room in his plant for the unemployed minorities, to open up his neighborhoods, to bus slum children to his neighborhood schools, or to bus his children to downtown schools.

In making these demands pro-urbanites talk in generalities about; how we cannot remain a free society with depressed minorities, how years of deprivation in educational opportunities contribute to unemployment, and how all segments of society must give and bend to correct this moral injustice.

These are splendid concepts that this nation must realize.

But we can scarcely believe that they are communicated easily with our fellow Americans. Especially when pro-urbanites only talk—not act—in accordance with these demands.

Here is Richard Hoggart's description of the problem of the British workingman:

"Today he is so bespattered by the ceaseless esoteric voices, is invited so frequently to feel this, this and this, to do that, to believe this—that in recoil he often decides to feel none of these things, neither the glories nor the horrors, he goes dead to it all. He develops a strong patina of resistance, a thick solid skin for not taking notice."

But a thick skin is only one way he defends himself. A retreat into fantasy is another.

Our cultural myths strongly urge Americans to aspire, to strive, to succeed. But, the working American soon learns to frame his ambitions in more narrow terms and usually he modestly measures his options. Here is a New England machine operator.

"I believe anybody that has the potential to become a scientific man, or a professor, or a lawyer, or a doctor, should have the opportunity to pursue it, but there's a lot of us that are just made to run a machine in a factory. I mean, everybody isn't Joe DiMaggio."

Yet achievement, even of limited goals, involves serious difficulties. In time, his hopes like his television, become largely escapist—the dream of a family business, a grocery, a tool and die shop, a little motel, maybe even a small farm. His prospects of fulfillment are small indeed and he becomes alienated from the larger society.

The future of city-building in modern America, turns less on the indignation of the disprivileged or the conscience of the exceptional than commonly supposed. The issue becomes increasingly how to dispose the working American to reorient his life from one of relative isolation and alienation and to find real aspirations in participation in a genuine community. How does he find new satisfaction in a modern metropolitan area akin to the old town atmosphere of mixed population—where butcher, blacksmith, baker, give life and character to the community.

The answer to generating new aspirations turns, of course, on the options that leadership, private and public, can open up. We should know now that simple pressure, without providing viable alternatives, is unworkable. To march to the core city, to preach, to scold can only serve to make the working American confront, not encounter the urban newcomer. Those acts do not reduce the temptation to polarize this country between black militants and white reactionaries.

Pro-urbanites who are simply flag bearers for an open society make little contribution to providing genuine options. Their talk, their token actions underscore the great differences in outlook and concept that persist between pro-urbanite and non-urbanite.

Emerson again—although new magnitudes of size and scale compound the difference, he describes:

"We are students of words: we are shut up in schools, and colleges, and recitation-rooms, for ten or fifteen years, and come out at last with a bag of wind, a memory of words, and do not know a thing. We cannot use our hands, or our legs, or our eyes, or our arms . . . And it seems as if man should learn to plant, or to fish or to hunt, that he might secure his subsistence at all events, and not be painful to his friends and fellow men."

The appropriate response in a working American's language may be Edgar Guest:

"The lectures you deliver may be very wise and true;
But I'd rather get my lessons by observing what you do
For I may misunderstand you and the high advice you give
But there's no misunderstanding how you act and how you live."

If we are to resolve the conflict between men of words and men of action—or between pro-urbanites and non-urbanites—at least three approaches present themselves: a nation-wide realignment of land value and more equitable assignment of its financial returns; a state-wide reassessment and restructuring of educational taxation policies; and a local civic commitment toward community involvement.

First we need reconsider, on a national basis the practices, instruments and institutions that govern the financing of land and homes. The increase in land value in metropolitan areas of the United States in the last twenty years has been little short of phenomenal. Just looking at the past five years we have seen an average yearly increase of 15% in the price of raw usable land—a total 80% increase. And in large metropolitan areas increases have been more striking. For example, undeveloped land in Philadelphia has increased almost 1300% since 1945. Yet such is the character of the American mortgage instrument and the customs of American housing financing, that the realization of increased equity is difficult for the average homeowner to achieve.

But this is the principal resource of the working American, and his inability to tap these increases in land value is a persistent source of insecurity. As Americans multiply, it grows more and more difficult to explain why we leave the lion's share of land profit that growing numbers create to the developer, the speculator, or the retiring farmer.

Not only is the homeowners equity often difficult to turn into cash, but it is also capable of drastic fluctuation in value. The vagaries of the sudden mobility of our population are many. And if the transition of a neighborhood in income and race do not necessarily lead to precipitous drops in prices—they are often *believed* to result in such depression. Not for years has the compulsion of the self-fulfilling prophecy caused such impact on human events.

So, as a nation we need to devise ways and means to assure working Americans that their home equity can be as marketable as other assets and that homeowners with civil and constitutional impulses are not penalized.

Second, at the state level, we need a hard look at the pattern of local tax inequities that most metropolitan areas present. For a generation we have experimented with so-called state minimum foundation programs in public educations, seeking to at least put a floor under the range of our investment in the resource our children represent. We are now rich enough, to consider a rule of equality for our schools. The accident of birth in the Boston metropolitan area—Brookline or Somerville, Chelsea or Newton—should not be the governing factor in the excellence of education. The state is the appropriate instrument to undertake such a program.

Finally, there are special opportunities for local civic action. If the pace of metropolitan growth is inexorable, the practice of local isolation is not ordained. Bridges can be built not only between core city and suburb but among suburbs as well.

The best bridge to downtown is for suburbs that have the capacity to share their destiny to put into limited practice what they generally preach. Quite simply, this means making some deliberate arrangements for providing sites for public low and moderate income housing development in communities otherwise destined to become exclusive. Policies of land conservation, of preservation of scenery and wildlife are devoutly to be encouraged in an over-crowded America. But a community that adopts those policies has also the obligation to ask who benefits from them. Diversity in people must accompany diversity in land use.

There are also opportunities for suburb-to-suburb relations. The joint participation in common facilities offer the best, if un-dramatic, examples. Inter-town dumps are mundane beginnings; regional schools more venturesome. Others follow: in recreation and transportation and open space. Whatever the program, it is the practice of collaboration, participation, negotiation that is the critical objective of community building to be pursued.

These are not exactly earth-shaking proposals—at national or state or local level. They make no recommendation for the massive infusion of private capital into ghettos, encouraged by high profits and no-risk guarantees. They offer no proposals for the transformation of human behavior or the comprehensive resurgence of beauty everywhere.

We work with what we have—honest, decent folk, God-fearing in the way they know God. We neglect the working American at our peril. If we can provide him reassurance as to his personal affairs; offer him equality in his market transactions; help to find his identity in an open America—then a majoritarian urban community appears.

It is by majoritarian communities that America has progressed. Mostly colonial and commercial; and then mostly frontier and agrarian; and then mostly capitalistic and industrial. Now, we must find a way to be mostly pro-urban and civilized.

When we do, we are on our way to building a society that is both large and great—because it is composed of thousands and thousands of small communities, each secure as it encounters the others, and therefore excellent.

No other nation will have ever realized such an achievement.

REPORT FROM CONGRESSMAN MYERS

Mr. MYERS. Mr. Speaker, much has been written pro and con about the first session of the 90th Congress but I believe it went a long way toward reviving the classic principle of American Government—namely, that the President proposes and the Congress disposes. It was one of the longest sessions in the history of Congress and did set a new record for rollcalls and quorum calls.

During the 89th Congress when the President had massive majorities from his party in both the Senate and the House, many lawmakers on Capitol Hill rightly, I believe, developed the label of "rubberstamp."

During the first session of the 90th Congress, after the 1966 elections helped restore some balance between the two parties in the House of Representatives, the situation changed. Congress, in short, has gotten back into the act. Even though outnumbered three to two, minority Members of Congress helped to write a constructive record of legislation.

The major issues in the first session of the 90th Congress were the Vietnam conflict, deficit spending and the related tax increase proposal, law enforcement, social security and the antipoverty program. These, too, are the issues which dominated most of the mail we received from residents of the Seventh District.

VIETNAM

Those of us concerned about the conduct of the war have kept pressure on the administration to use our military strength to the best advantage, which it has consistently failed to do; to improve the pacification program; to seek political stability in the Saigon government; and to persuade our allies to provide more help.

More than 30 young men from the Seventh Congressional District have given their lives in Vietnam during the past year and thousands of others place their lives on the line each day in that faraway land. We must support them with every available means.

To those who point an accusing finger at Congress for the conduct of the war, I remind them the conflict is the full responsibility of the President as Commander in Chief. He is the one who must answer to those who remember his 1964 campaign promise to let Asian boys bear the brunt of the fighting.

Badly needed now are fresh new approaches to military strategy, to the economic requirements, and to the diplomatic and home front tasks which are essential if we are to find a lasting peace in Southeast Asia.

BUILDING BRIDGES

In the American people's interest, I have continued to hold the line against a unilateral "building of bridges" with the Communist nations of the world. It is neither sensible nor safe to provide our enemy with the very tools which are striking down young Americans in Vietnam. In every corner of this globe the Communists are conspiring for the destruction of free America and the sooner we realize these bridges are one-way streets for the advantage of the Communists the better off we will be.

FOREIGN AID

One of the major victories for the economy bloc came when we reduced the foreign aid appropriation to the lowest point since this program was begun 20 years ago. We were able to cut more than $1 billion from the President's proposal and approved numerous restrictions on how the money is to be spent.

TAXES

Throughout the year the President insisted that Congress should enact a tax increase to pay for all the Great Society programs. Because of the improved position of the minority, we were able to block any attempt to increase taxes and I will continue to oppose such an increase as long as the administration refuses to agree to substantial reductions in nonessential spending.

We fought all year for fiscal sanity in government—trying to head off the disastrous effects of inflation which massive Federal spending and huge deficits bring on. Although we were not entirely successful, we did manage to save taxpayers more than four billion this fiscal year.

On two dozen major votes, I joined with the other members of the minority in voting for cuts in spending. It is noteworthy to point out that we were able to reduce appropriations below the President's budget estimates to a greater extent than at any time in more than a decade.

RIOTS

One of the important measures which I supported included an antiriot bill which would impose criminal penalties on persons traveling interstate with intent to incite a riot. Unfortunately, this bill became bogged down in the Senate. The same is true of the flag desecration bill which passed the House in June but has been ignored by the Senate.

MORAL LEADERSHIP

Last year alone urban rioting caused more than $100 million in property damage. Cities, counties, and States spent millions in overtime for police and fire departments and calling up of National Guard units. More than 16,000 persons were arrested during outbreaks of violence in 67 cities, more than 3,200 injured, and 85 killed.

These statistics starkly dramatize the crisis in law enforcement in this country. There has been a definite lack of strong and effective leadership during this grave period in our Nation's history. The administration must first enforce law and order with all the vigor at its disposal. We must put the future of our country above all partisan desires.

The Congress can and did enact strong laws to help curb crime and lawlessness. It is the executive branch that must enforce the laws. The basic problem stems from a lack of moral leadership. Our country needs its President to be strong and determined to uphold and enforce the laws with vigor.

INCREASED BENEFITS

Long overdue legislation giving Vietnam war veterans benefits equal to those of veterans of other conflicts and increasing benefits to veterans' widows and children to help offset inflation was also approved.

Just as important were the increased social security benefits which were approved, but benefits will not be received until March 1, 1968. While many of us had hoped for an increase which would not necessitate a hike in the payroll tax, there was an urgent need for an increase in the social security benefits to help those persons on fixed incomes meet the spiraling cost of living.

LOCAL CONTROL

Consistent with my stand against Government waste and extravagance has been the effort to transfer some of the decisionmaking in Government from Washington to our States and communities. Those of us in the minority were greatly heartened by our success in shifting a sizable number of the so-called Great Society programs away from the Federal bureaucracies with their categorical grants to our State and local officials. These make it possible for those at home, who know the problems best, to solve them with greatest speed and effect.

The Comprehensive Health Act, the Law Enforcement and Criminal Justice Assistance Act, the Juvenile Delinquency Prevention and Control Act, the Elementary and Secondary Education Act, the Air Quality Act and the Meat Inspection Act, in their final House versions, provide concrete examples of this new direction and approach.

OEO

The so-called war on poverty won another 2-year extension during the first session. While I voted for the appropriation, I regret that at the time the Economic Opportunity Amendment was considered by the House most of our efforts to improve the legislation and to develop a more effective and beneficial program were defeated. For that reason I could not support the authorization. The need for a meaningful and effective antipoverty program has at no time been more critical. But there are many of us who are convinced these programs could be shaped to better accomplish their objectives.

FARM PROBLEM

As a member of the House Agriculture Committee, I have been able to study firsthand the nature of the serious problem facing our Nation's farmers. The simple facts are these: Farm prices are at an alltime low and the cost of operating the farm is at alltime high. The farmer is one of the most important citizens of this Nation and yet he has been driven far down the economic ladder by the administration which by and large has chosen to ignore his pleas for help and instead keeps telling him they have never had it so good. There are alternatives to the present course in rural America, but until the administration is willing to listen to the farmer, we will not begin to find answers to the problem.

CONCLUSION

It has been a most exciting year for me as I have done my best to represent the people of the District. Your comments have been most helpful and I hope you will never hesitate to call on me if we can be of help. We have heard from thousands of Seventh District residents. More than 10,000 responded to our questionnaire last spring.

You deserve an effective and productive Congress. I am fully prepared to do everything in my power to continue to provide you with that kind of representation. I have outlined our main objectives and accomplishments in this report. While those of us in the minority have been voted down on numerous occasions as we laid the groundwork for additional controls on Government spending, we have shown what we stand for and what we believe must be done if we are to restore America to the position of greatness we once enjoyed.

YEAREND NEWSLETTER

Mr. BATTIN. Mr. Speaker, as in past years, I plan to report to the people in eastern Montana on actions of the 90th Congress, first session, and my own part of these actions. Much has been said and written about this Congress. It has been maligned and praised, depending on the perceiver, but as an inside observer, I have a more optimistic attitude toward the accomplishments of this first session and the outlook for next year.

My thoughts on the first session and a summary of my own position are contained in the following report to my constituents:

YEAREND NEWSLETTER

Dear Friends, this letter, addressed to the good people of Eastern Montana, is intended as a report on my activity during the past year as your representative to the world's best effort toward freedom, justice and equality. Although at times this session of the 90th Congress has been tagged protectionistic and negative or visionary and positive, depending on the mood of the commentator, I am generally pleased with accomplishments of the year and my own part in these actions. *Whatever else it may be called, the 90th Congress has been representative of a new mood in America.*

In this annual report I decided to break down my work into four sections: Committee work, legislation, Montana projects and constituent service. In turn, I will attempt to explain the philosophy that guided my actions.

COMMITTEE WORK

As a member of the House Ways and Means Committee—which incidentally has the reputation of being the hardest working committee in Congress—I was deeply involved in Social Security legislation. For six months the committee held hearings and worked on drafting a benefit scale that would replace the purchasing power that inflation has taken from retired Americans. I supported increased payments to the elderly, but I also worked to limit the withholding rate from present workers. In both areas, the committee's final decision corresponded with my position. Social Security benefits were increased 13% and payroll taxes were kept at a minimum with an increase only in the base salary subject to withholding. I opposed the Administration's proposal that would have given benefit increases of from 20% to 50%, requiring large increases in withholding. Most of the benefit increase was covered by funds collected in past years.

My committee also was responsible for blocking the proposal for a 10% tax increase. In this instance, I opposed increased taxation because it would have resulted in more spending money for runaway domestic programs. Next year, when the President's budget is presented to Congress, I will have a better idea on how I will vote on the tax increase, but in the meantime I will oppose further consideration. *The tax bill could have been decided during the first session if the Administration had approached this matter more directly and honestly.* In effect, a tax increase asks every American to exercise restraint in his personal economy. The result of increased taxes is not only more revenues for the government, but also a dampening effect on the economy. When money is taken out of the general economy through taxation, the initial effect is an abrupt slow-down in construction, spending and industrial development. If the economy is strong enough, the initial effect is gradually diminished until stability results. However, if the economy is sluggish to begin with, a tax increase can also mean a decrease in revenues. For instance, if increased taxes resulted in a slow-down that couldn't be absorbed, revenue would fall because production and wages, the two major tax contributors, would drop. For these reasons, the tax reduction in 1964 actually resulted in increased revenues because it spurred the economy.

When the President's tax proposal is brought up next year, its approval will depend on the strength of the economy, the size of the new budget and the mood of the nation.

Other items before the Ways and Means Committee in the past year were investment tax credits and interest equalization taxes. The first allows businesses tax breaks for money spent to improve or enlarge their plans and was intended as a stimulant during a lag in the economy. The second applies to foreign investments by Americans and was intended to reduce the outflow of American capital. Both were passed by the committee and the House.

The Administration supported the investment tax credit and an income tax increase, and in that support lies a paradox—on one hand, the President offered tax reductions for industry, and a few months later a tax increase for individuals and corporations. This reminds me of the story about a man who saw his neighbor dragging a heavy log chain across his back lawn and asked, "Why are you pulling that chain around?" The neighbor replied, "Did you ever try to push one, stupid?" *You can't push and pull the economy at the same time either.*

In summation, the committee has taken a positive attitude toward Social Security and a negative attitude toward the tax increase. For these actions, I am willing to be called a protectionist—as long as it is clearly stated I protected your pocket and our elderly citizens' pensions.

LEGISLATION

A major legislative accomplishment that I am glad to report was passage of a vital farm bill late in the session. My bill to provide early payments for holders of domestic wheat certificates was cleared by the House Agriculture Committee and unanimously passed by the House. This bill will pay wheat farmers half of the value of their domestic wheat certificates in the spring of the year, provided it is passed by the Senate. The Department of Agriculture opposed this bill because they felt the bookkeeping involved wasn't worth the bother, but the committee and House decided that wheat farmers needed help.

The bill that I introduced along with Congressman Olsen and Senators Metcalf and Mansfield to convert Glasgow Air Force Base to a civilian vocational educational center has been passed by the Senate. I expect early hearings in the House next session and hopefully, early passage. *This legislation has sparked the imagination of private industry and to date, two major proposals for use of the base have been presented.* Packard-Bell of California has presented a two-inch thick report on a program for training skilled aviation personnel at the base. It would be a shame to let this $100 million base sit empty when the Air Force is withdrawn next July, and I think a job training school would make good use of this excellent facility.

A group of bills that I have introduced could be called a legislative package, since they deal with different subjects but one principle. I have introduced bills to limit the import of beef, milk and dairy products, mink pelts, honey, lead-zinc products, and textiles. This may appear to be an attempt to close our import market, but actually what this legislation would do is protect American markets from unfair competition from abroad.

As with almost all legislation, the need for import quotas is grounded in the inflation spiral. Other nations whose standard of living is lower than ours have much to gain in the American market. Our producers have much to lose if the import field is not controlled. A country with a lower wage base, lower material cost and every reason in the world to want to get into our market can undercut American producers and corner local markets. *This is the legislation that has been termed protectionistic and rightfully so.* Those members of Congress who introduced these bills, and I speak for myself as well, want to assure our producers the first shot at the market and only after their share is guaranteed, to open the market to the world. Inflation has skyrocketed prices of all American products so high that any country in the world can undersell local producers. The proportion of foreign goods that have flooded the market already threatens many of our industries. My intent is not to close our borders but to assure American producers of a market before we allow foreigners to fill their pockets. In order to allow absolutely free trade, we would have to compromise our standard of living with theirs. We cannot bring up the economies of other countries by tearing ours down.

In addition to this legislation, I have introduced bills to allow Indians to extend leases on their lands; clarify the tax status of American Indians; designate the Lincoln Back Country a wilderness area; allow further development of coal fields in the West, particularly Eastern Montana; allow tax exemption for advertising in publications printed and distributed by non-profit organizations; expand Custer Battlefield National Cemetery; tax deductions for cost of higher education and job training; and for construction of a paved highway between Alaska and Montana.

MONTANA PROJECTS

Glasgow Air Force Base and the Alaskan Highway took legislative effort from the entire Montana Congressional Delegation, but often work for Montana can be done in Washington without specific legislation. Many problems are encountered that don't have a legislative answer. For instance, when the President announced that he was calling a halt in the progress of the Interstate Highway System by withholding Highway Trust Funds, I corresponded directly with Mr. Johnson. I also introduced a House resolution which would have expressed Congress' disapproval with the President's decision. It turned out that this legislation wasn't needed, though, because the opposition in Congress evidently convinced the President to rescind his directive. You see, Highway Trust Funds come from the 10¢ per gallon that you pay whenever you buy a gallon of gasoline. They could not rightfully be withheld. But it took letters, speeches on the floor and testimony before a Senate Committee to talk the President out of this cutback.

I was also able to get assurances from the Agriculture Department that the Soil Conservation Offices in several Montana counties would not be eliminated without providing service to the farmers in the affected areas.

When a number of employees at Malmstrom Air Force Base complained of working conditions, I undertook to have an investigation held that resulted in some management changes and overall improved conditions. This brings me to the fourth part of my report.

CONSTITUENT SERVICE

One of my most important duties is to be on call for any request by the citizens of Eastern Montana. Between 200 and 300 letters arrive in my office each week during legislative sessions. This mail solicits my support or opposition on various legislation. Some of the letters are requests for help in contacting some agency in the vast federal network. A letter from a small town in Montana gets more attention—for some strange reason—if your Congressman inquires about your problem. This shouldn't be so, but it happens when government expands and high-placed officials are out of reach of the electorate. This aloofness that develops is even more reason for a Congressman to keep in close touch with his constituents and be the liaison with their agencies.

Some of the matters which I am able to help with are Social Security benefit confusion, information on relatives in uniform, problems of ranchers with the Bureau of Land Management, problems of farmers with the Soil Conservation Service, Civil Service questions, and myriads of other instances. Any time you do have a question on the federal government or something that I may be able to help with, do not hesitate to write me. After seven years in Congress, I've found ways to get around the usual red tape and to the base of your problems. I can't promise success every time, but if I don't know offhand what to do, I do know where to find the answers.

MY THOUGHTS

It has been a good year, regardless of the nay-sayers who feel Congress hasn't accomplished anything. The old story of whose bull is being gored applied here. Congress accomplished much in what it did, and possibly more in what it refused to do this session. In all, I would say, a mood of restraint was evident and real moves were taken to apply reason to the cause of inflation. During the coming session, I look forward to serving you in your needs and also am eager to accept the challenge of an even more eventful year during the second session of the 90th Congress. The problems facing the economy must be faced with positive programs and my efforts will be directed toward keeping spending within revenues while at the same time answering the needs of our people.

AN INTEGRATED INTERNATIONAL ECONOMIC POLICY: NEW PROVISION FOR ADEQUATE REVIEW AND POLICY FORMULATION

Mr. CURTIS. Mr. Speaker, there is an urgent need to integrate U.S. policies in the broad field of international economic affairs.

In the executive branch, foreign economic policy matters are spread among many agencies. At present the President's Special Representative for Trade Negotiations in the Executive Office has authority for conducting trade negotiations and a central role in many aspects of trade policy as a coordinator among the many agencies with interests in foreign trade. But this is an incomplete coordinative function. Major aspects of foreign economic policy, including but much broader than foreign trade, rest in many departments of the government. For example, the Interior Department has primary jurisdiction in the area of oil imports, the Labor Department has a stake in the question of international labor standards and foreign trade, including the International Labor Office—ILO—and the Treasury has primary authority in international taxation problems, private and governmental capital movements, and conduct of U.S. relationships with the great international lending and financial institutions such as the World Bank and the International Monetary Fund. Certainly the State Department is among the list of agencies with a deep stake in U.S. international economic policy, and the Commerce Department has an equally great interest. A longer list would include the Justice Department for its role in the international business practices of U.S. corporations, and the behavior of foreign entities in U.S. commerce, and even the Post Office Department for such things as international postal agreements.

In my view the lack of a cohesive foreign economic policy that would integrate all these activities and direct them toward achieving a well defined purpose is a serious national handicap.

And Congress cannot be excused from its responsibilities in this area. There are at least two immediate ways in which the Congress itself can strengthen its fulfillment of the power to regulate foreign commerce.

The first of these "reforms" or innovations would be to develop more effective means of coordinating the work of all the committees of Congress which share the congressional power to regulate foreign commerce. Of the 20 committees of the House—16 in the Senate—there are about 16 whose jurisdictions in at least some way include foreign economic policy.

A partial accounting would include the Banking and Currency Committee for its work in the field of export financing and international monetary problems, the Agriculture Committee for its jurisdiction over Public Law 480, the sugar quota program, and the cotton textiles quota program, the Judiciary Committee for its role in international antitrust, patent and copyright problems, and the Education and Labor Committee for its peripheral authority in the area of fair labor standards, and in the International Labor Office.

It is entirely possible for Congress to create its own task forces, ad hoc or continuing, including members of Congress from all the relevant committees, to properly synthesize congressional work on the broad range of foreign economic issues in which so many of its committees have a part. This is one needed innovation.

The second would be to set up the machinery for a thorough annual review of the entire foreign trade field, including problems of export trade and industrial commodities for which we have special programs, like sugar and cotton.

An ideal forum for this thoroughgoing annual review is the Joint Economic Committee. I propose that the Employment Act of 1946 should be amended to require the joint committee to give the same annual attention to examining foreign economic policy as it does to examining domestic economic policy as presented in the annual report of the President's Council of Economic Advisers. Such an annual review of foreign trade and economic policy would do much to improve public understanding and coordinated Congressional action in the foreign economic field. It would have wide national and international effect. It would, in my view, bring a sense of order and consistent purpose to our international economic policy.

Thus I am today introducing a bill to require the President's Council of Economic Advisers to present as part of its annual economic report a separate section reporting on foreign economic policy. The bill provides specific criteria for such an annual accounting.

THE CHEMICAL INDUSTRY AND INTERNATIONAL ECONOMIC POLICY

Mr. CURTIS. Mr. Speaker, the U.S. chemical industry is considered one of the most innovative and dynamic sectors of American industry. For 1966 the industry's research and development expenditures approximated $1.3 billion. Of the industry's more than 10,000 products, nearly half were unknown 20 years ago, according to a recent statement by the Manufacturing Chemists Association submitted to the Senate Finance Committee in conjunction with its legislative oversight review of U.S. trade policy.

The U.S. chemical industry is a potent force in the international economy as in the national economy. Internationally, the chemical industry has been a major contributor to the balance of trade by maintaining a continually growing surplus of exports over imports. According to data presented in the September 4, 1967, edition of the Chemical and Engineering News Record, the estimated chemical trade surplus will be $1.98 billion in 1968, compared to an estimated surplus of $1.77 billion in 1967, and $1.73 in 1965. Nonetheless, the Manufacturing Chemists Association statement cited above notes:

> The average annual growth rate of U.S. chemical exports since 1957 has been 7.5% compared to 14.6% for chemical imports.

Internationally, the U.S. chemical industry has also played a major role through its extensive direct investments in foreign manufacturing facilities. This foreign investment has made a major contribution to the U.S. balance of payments, both because of repatriation of profits on the investment, and also because of the exports generated by U.S. plants' subsidiaries which purchase from their parent corporations in the United States.

The Manufacturing Chemists Association—MCA—in comparing the relatively more rapid growth of chemical production and employment in foreign countries than in the United States, neglects to mention that an important part of this foreign chemical industry must surely be American-owned investment. So that, while the average annual growth rate in the period 1957–65 was 23 percent in Japan, 11 percent in the EEC, 8 percent in the United States, some account should be made of the fact that, except for Japan, U.S. foreign investment had a share in that foreign growth.

Thus it is evident that the U.S. chemical industry has a large stake in international markets, and therefore a large stake in international economic stability and overall prosperity.

But the position of the U.S. chemical industry vis-a-vis its foreign trade and investment interests shows some inconsistency.

In the area of foreign trade in raw materials, notably petrochemical feedstocks, nine important firms in the chemical industry have taken a position in favor of trade liberalization. Specifically, they have presented strong arguments that their petroleum raw material supplies—feedstocks—should be more freely available either by incorporating their full need into the existing 12.2-percent quota that applies to imports east of the Rockies, or by making oil imports for the petroleum feedstocks free of the quota entirely.

There are strong arguments for the latter course particularly, and in my report on chemical sector negotiations in the Kennedy round in the CONGRESSIONAL RECORD of July 10, page 18202, I discussed this problem and advocated that the chemical companies should have full access to the cheaper foreign raw materials they need to remain competitive in international markets.

In taking this position the nine chemical companies have opposed the Senate bill S. 2332, introduced by Senator LONG and others, that would freeze the present administrative quotas into statute, and deny the chemical companies increased imported feedstock supplies.

This position is, however, contradicted by the trade stands of some of these companies on other issues.

One of these is the issue of quotas on manmade fibers. At least four of the nine companies which have advocated freer access to imported raw materials have joined the large integrated, mainly cotton-based, textile manufacturers and have advocated that access to imported manmade fibers and articles made of those fibers, and blends of those fibers, be restricted by means of quotas. While considered by these companies to be in their interests at least in the short term, there is an inherent and obvious contradiction between their position on textiles and that on petrochemical feedstocks.

Another inconsistency is these companies' apparent position on the American selling price system of customs valuation. Although a most complex and difficult issue, the question is perhaps in its most essential aspect one of competition. The chemical companies, acting in apparent unanimity through their trade associations, oppose alteration of the American selling price system, which applies to a type of chemical that accounts for about 5 to 7 percent of total U.S. chemical production. Again, the complete unwillingness of strong segments of the chemical industry to make any change in the American selling price system, which was established under special circumstances in 1922, and effectively applies only to benzenoid chemicals and to rubber-soled footwear, is contradictory in spirit to the position taken on feedstock imports.

There are other elements of contradiction. The Manufacturing Chemists Association, rightly recognizing the contribution to world economic development and to the U.S. balance of payments of the United States direct to private foreign investments, advocates that the so-called government "voluntary" programs that control these capital flows be removed. I am in strong sympathy with this point of view, and sought to implement it during the 1966 Ways and Means Committee consideration of renewal of the interest equalization tax. But I must point out that, again, the MCA position in regard to freer capital flows conflicts with other positions I have discussed here.

The chemical industry has expressed a cautious policy on imports, as I have indicated. Its trade objectives, in the words of the above-cited Manufacturing Chemists Association statement, are "to lessen the impact of imports on the U.S. economy," while at the same time to "increase exports" in part by means of export incentives.

Of course we wish to further a trade policy that will minimize all types of unfair competitive practices in world trade, including the whole gamut of substandard labor practices, and of course we wish to the extent feasible and consistent with sound economics, to promote exports. But a trade policy devoted singlemindedly to this objective is of dubious virtue. Our objective in international trade must be to promote the fair operation of a competitive marketplace. To adopt the reverse policy is to adopt a policy of mercantilism: one aspect of which was to maximize exports while minimizing imports through Government policies specifically for those purposes.

This cannot be the objective of a future U.S. trade policy.

So I would urge our greatly productive chemical industries to review their positions on international economic policy, just as I urge our Federal Government to make more consistent its own policies with regard to trade, payments, primary commodities, and the myriad other concerns of the international economy.

REPUBLICANS DESERVE BETTER, MR. PRESIDENT

Mrs. DWYER. Mr. Speaker, in tonight's issue of the Washington Evening Star, the well-known columnist, Mr. Richard Wilson, has addressed some needed advice to the President in an article entitled, "No, Mr. President, Insulting GOP Won't Do!"

While I would take some exception to certain of Mr. Wilson's asides, the main thrust of his article is completely valid. It is also pointed and timely. It is simply this: That Republicans in Congress, as well as Democrats, have shown themselves to be progressive and responsible and devoted to the public interest, that Republican votes and initiatives have been responsible for much good legislation, and that any President who proposes to lead a united country must respect the contributions of members of both parties.

At a time like the present, Mr. Speaker, when the myriad problems facing the country demand the best of all Americans, Mr. Wilson's good advice should be listened to and I commend his article to our colleagues.

The article follows:

NO, MR. PRESIDENT, INSULTING GOP WON'T DO

(By Richard Wilson)

No, Mr. President, you are not going down the center of the road regardless of the polls and regardless of the elections. You are aligning yourself with the Old Left of the Democratic party in the traditional frontal assault on the Republicans as political troglodytes, malefactors and "wooden soldiers of the status quo."

This is not Eisenhower's middle of the road; it is the side of the road on which the Democratic party travelled for 30 years hand-in-hand with organized labor, the farmers and the ethnic, racial and religious minorities bulwarked by the intellectual community.

That side of the road has grown increasingly rocky because the Vietnam War, the racial question and economic issues have splintered the old Democratic coalition. The hazards shards of this once solid rock are strewn all over the highway.

Because that side of the road is so rocky, Mr. President, you might wish to walk with Republicans who do not like to be called wooden soldiers. They may be wooden, but they are not the "summer soldiers" to whom you refer in your own party, and they are not obstructionists or unprogressive, either.

Mr. President, you may need their votes if you are to win again, as you won them in 1964, but there is nothing to equal epithets in rejecting them and driving them back into the arms of any one of several Republican candidates whom they do not particularly like.

Mr. President, a very great many Republicans regard prospective Presidential nominees of their party with indifference and in some instances with loathing.

You fall short of perfection in their eyes but you are regarded as better than any visible alternative. These, Mr. President, are Republicans to be cherished, so why call them bad names?

Why make them think there is never to be any hope of moderation? Why alarm them with visions of uncontrollable government programs snowballing into deficits at the $30 or $40 billion level? Why make them think that excessiveness is more than ever to be the hallmark of the Johnson administration?

Why cause them to think that organized labor is backing you not because of its support of the Vietnam War but because next year is to be the year to end all years in highly inflationary wage increases which you will highly condemn but do nothing about? In your own official family, Mr. President, these increases are regarded as self-defeating.

Why reject Republicans who supplied the margin to save the rat control bill, who passed a meat inspection bill without your participation, who have been trying to improve and not scrap, the poverty program, who have somewhat different ideas than yours on the scope and nature of aid to education?

How would you have passed the model cities bill, and revisions of the education act without the margin supplied by northern urban Republican votes in Congress?

These same Republicans or their counterparts made it possible to overcome diehard conservative Democrats to pass civil rights legislation. What would you have done, Mr. President without the help of Republican Leader Everett M. Dirksen?

Who prevents the passage of a tax bill? The Republicans or Democratic Chairman Wilbur Mills of the House Ways and Means Committee, whom you can't control?

It is a heady business speaking to a convention of the AFL–CIO which has ringingly endorsed the candidacy of an incumbent President. John F. Kennedy went to Atlantic City under similar circumstances and observed that he had almost forgotten who elected him, but now he remembered.

It was different then. The labor movement is not wholly united on the Vietnam War. The farmers are in revolt against the Johnson administration. A New Left regards the Old Left as bloodthirsty bumblers. The once solid Negro support of the Democratic party is splintered, part hostile and part apathetic.

Given a chance to vote for anyone but Richard M. Nixon, the vote in the Jewish community might veer toward the Republicans. A significant part of the intellectual community is wholly alienated from Johnson. The traditional Democratic South is no longer of a mind to do its duty and vote for any Democratic nominee.

These all are factors which place a higher premium this year on the support, or at least the votes, of good, old, square Willkie-type Republicans who even think that Eisenhower was not so bad.

STATES UNFINISHED BUSINESS ON URBAN PROBLEMS

Mrs. DWYER. Mr. Speaker, from time to time I have voiced my concern that many of our State governments are not sufficiently involving themselves in the problems of our great metropolitan areas. Too frequently, during the past few years, we have tended to look to the Federal Government for all of the answers when part of the time we should be looking to the States.

It was with much interest and considerable satisfaction that I have just seen a very comprehensive study entitled "The States and Urban Problems" completed in October and now under consideration by the State-Urban Relations Committee of the National Governors' Conference. This study was carried out under the direction of a bipartisan working committee made up of such able people as Joseph Barr, secretary of community affairs, Commonwealth of Pennsylvania, Paul Ylvisaker, commissioner of community development in New Jersey, Albert Giles, director of the State Bureau of Urban Affairs in Ohio, S. H. Roberts, assistant to Governor Ellington, of Tennessee, and several others. Mr. Michael Herbert, of New Jersey, directed the study staff.

The report contains an imposing list of recommendations for State legislative and administrative action to come to grips with our major urban problems. A glance at this list of recommendations should convince anyone that the States can and should do much about this dominant domestic problem of our times. In effect, it constitutes a checklist of unfinished business for our Governors and State legislatures.

I do not necessarily endorse each and every one of the listed proposals; however, I agree with many of them and certainly commend the study report to the serious attention of those at all levels of government who are concerned with urban affairs.

Since 1959 I have had the privilege of serving as one of the three Representatives of this House on the Advisory Commission on Intergovernmental Relations—a bipartisan national body charged by the Congress with maintaining a continuing review of Federal-State-local relations and making recommendations to all levels of government as to ways in which the Federal system might be strengthened. For several years the Commission has been urging the States to begin to live up to their responsibilities to the urban areas, and the Commission has submitted a large number of legislative proposals for the consideration of the States. These proposals are in draft bill form and are published cumulatively in the Commission's State legislative program. I was pleased and proud to notice that a considerable number of the recommendations contained in the Governors' Conference study were drawn from the ACIR legislative program.

Mr. Speaker, under unanimous consent I insert the list of recommendations at this point in the Record:

The States and Urban Problems: Recommendations of the Staff Study for Committee on State-Urban Relations of the National Governors' Conference

This study, published in October 1967, was prepared as a background report for use by the State-Urban Relations Committee, Governor Richard Hughes, Chairman, in formulating the Committee's report to the 1967 Governors' Conference. The report provides an imposing checklist of "unfinished business" by State governments in the field of urban affairs.

Recommendation 1: Unemployment within our cities is an immediate national problem of significant magnitude to warrant the establishment of an Urban Public Service Program. Such a program would provide for an expansion of present job creation efforts and would be directed toward placing young and older poor in a variety of public service positions. While such a program would be financed almost entirely by the federal government, the states would play a strong role in providing meaningful employment and would be given greater responsibility for program administration so as to fully integrate job creation programs as the first component in an overall state manpower program.

Recommendation 2: Given the structure of our economy, private industry must be involved in the employment and training of our urban poor, and state governments should establish manpower development agencies or other appropriate mechanisms which will include private industry, unions and government in a mutual effort to greatly expand and uplift employment for our urban poor.

Recommendation 3: The hard core unemployment problems of our cities require a fresh analysis of existing federal manpower statutes and administrative regulations along with increased appropriations in selected programs. It is recommended that the Department of Labor, in cooperation with the Bureau of the Budget and relevant congressional committees, immediately undertake this analysis and recommend appropriate legislative changes or implement relevant administrative measures. Some immediate steps could be:

(a) A fundamental commitment to provide basic education (i.e., literacy and computational skills) on a broader basis as a preliminary component to Manpower Development and Training programs to link the unskilled and socially disadvantaged unemployed with eventual occupational training.

(b) The adoption of flexible eligibility criteria to allow any out-of-school youth from a low income urban area to be enrolled in the Neighborhood Youth Corps program.

(c) A revision in reimbursement policy by the Federal Bureau of Employment Service to State Employment Service agencies to provide maximum reimbursement for placement of hard core unemployed, particularly urban youth. If this increase requires a subsidy to sustain the Employment Compensation Trust Fund, adequate appropriations should be requested.

Recommendation 4: States should be permitted to submit overall Cooperative State-Area Manpower plans directly to the federal government in Washington and, after approval, these plans should be strictly adhered to by the federal government in allocating any manpower money to a state or any agency within a state. In this way, a State Manpower Coordinating Committee could "package" all existing federal manpower resources into one comprehensive plan reflecting the particular state's problems and resources and thereby eliminate the present duplication and conflict caused by the existing proliferation of programs at the local level.

It is further recommended that a flexible amount of money be given to the State Manpower Coordinating Committees to allow them to effectively implement coordinated manpower programs based upon the Cooperative State-Area Manpower plan.

Recommendation 5: With the assistance of the federal government, the state should adopt programs to expand the role of the public school, particularly in vocational education, to more adequately prepare central city youngsters for available skilled employment.

Recommendation 6: Through liberal enabling legislation, states should authorize localities to undertake urban renewal powers without specific legislation and should promote interjurisdictional cooperation for more rational and efficient urban renewal activities. To overcome territorial limitations, counties should also be authorized to undertake urban renewal activities, and in some cases it might be advisable for the state itself to become directly involved.

Recommendation 7: States should be involved actively in a range of planning programs, providing assistance to localities, coordinating local efforts through a statewide comprehensive plan, and engaging in surveys and other activities which are beyond the purview of local planners; in order to rationalize federal-state-local planning efforts, federal agencies should administer their programs in districts which conform to those established by state planning agencies.

Recommendation 8: The states should provide generous technical assistance in order to broaden local participation in the urban renewal program, especially to smaller cities where staff problems are most acute.

Recommendation 9: Recognizing the vital need for trained manpower to solve present and future urban problems, the states should strive to make public service an attractive career opportunity for talented young men and women and should institute training and intern programs through state departments or universities.

Recommendation 10: States should encourage redevelopment activities by providing appropriate tax incentives and favorable credit opportunities, possibly through special urban development funds; similarly, states should reduce restrictions and unnecessary complications associated with local government borrowing power and debt limits.

Recommendation 11: Recognizing the financial limitations placed upon local communities, it is recommended that the states contribute financially toward the non-federal share of urban renewal programs, thereby broadening participation by the localities. States should also sponsor and finance programs which can fill gaps in federal renewal programs and meet special local or regional needs.

Recommendation 12: Recognizing the vital role of states as laboratories for new ideas, state governments should not merely follow the lead of the federal government's urban renewal program but should appropriate sufficient funds to experiment with new ideas to supplement the federal program and give special attention to influencing a redirection of priorities.

Recommendation 13: The states should accept the responsibility for assuring uniformity of treatment, in the form of advisory and technical assistance, to all persons displaced by public action; states should take up the option of sharing in payments to those displaced by highway construction and should enact state programs of assistance to those not covered by federal assistance provisions; priority should be given to displacees in public housing and other programs and to relocating on the project site. State agencies should be created to oversee the relocation process and to see that hardships and injustices are minimized. More state agencies should also provide technical and financial assistance in order to facilitate the objective of uniform fair treatment. Finally, states could contribute to improving relocation procedures by fostering an areawide perspective on relocation problems, authorizing interlocal agreements and contracts, and encouraging the formation of central relocation agencies in municipalities.

Recommendation 14: In order to broaden the application of the "model cities" principle of a coordinated, comprehensive attack on the physical and social problems of the cities, states should enact (where appropriate) their own "state model cities programs," assist localities in applying for the federal grants by providing technical and financial assistance, and apply the model cities concept to existing state assistance programs.

Recommendation 15: States should consider the adoption of a comprehensive housing policy containing provision for minimum standards of housing and neighborhoods for all residents. Such a policy should, further, provide for minimal environmental standards for children; special facilities for the elderly or the handicapped; and coordination of housing programs with the location of employment opportunities, public transportation, open space, and recreation facilities.

Recommendation 16: In order to achieve a broadening of the effective market for low-income housing, states should foster a regional approach to the problem of providing such housing, either by assigning new responsibilities to the counties or by assuming a direct role in the programs.

Recommendation 17: State governments should encourage local housing authorities in the trend away from the drab stereotype of public housing toward such new approaches as scatter-type housing and, by involving private enterprise more fully, rent certificate programs, turnkey programs, and rehabilitation and purchase programs; states should also assist in the maintenance and improvement of existing projects and should, where necessary, help meet rising costs to local authorities by providing financial assistance in order to relieve the pressure on rents to tenants.

Recommendation 18: Where the need exists, states should accept increased responsibility toward landlords who rent to low-income individuals and families by instituting programs of social and supplementary services to public housing and nonprofit private programs, by furnishing security deposits to landlords, and by sponsoring and participating in programs for instruction in housekeeping, child care, and related subjects for residents of low-income housing projects.

Recommendation 19: Given the positive response of private enterprise to the federal rent supplement program, and the resulting improvements in public housing in many cities, states should encourage participation in this federal program, possibly with state assistance in the form of subsidies, and should consider instituting parallel state rent supplement programs where there is a demonstrated need for them.

Recommendation 20: Through demonstration grants and state-aided research, state governments should participate actively in the search for a new technology which could prove crucial in reducing the cost of housing to low-income families.

Recommendation 21: In order to increase the supply of available moderate- and low-income housing, states should establish housing finances agencies empowered to offer low-interest loans to nonprofit sponsors of moderate- and low-income housing projects; special funds should be available to be used as advances to such sponsors in order to ease the financial burden of developing plans and proposals.

Recommendation 22: In order to stabilize old city neighborhoods, satisfy long-thwarted desires for home ownership, and remove imbalances in the mortgage-financing market, states should undertake programs to guarantee low-interest mortgages and should experiment with the application of the "sweat equity" principle of allowing a prospective buyer to contribute his labor to reduce his down payment.

Recommendation 23: States should provide tax and credit incentives to low- and moderate-income housing sponsors in order to encourage the construction of more such units.

Recommendation 24: In order to facilitate the repair and improvement of existing housing, and to remove disincentives which frequently exist to such progress, states should authorize and encourage localities to abate taxes on any increase in the assessed valuation rising from certain improvements to residential dwellings.

Recommendation 25: As in the case of urban renewal, states should liberalize restrictions on local borrowing power and should raise debt limitations in order to stimulate an increase in the low- and middle-income housing supply.

Recommendation 26: States should adopt mandatory minimum building codes, and, in addition, should prepare state model building codes which localities can adopt by reference; further, states should provide technical, educational, training and research services in order to promote modernization and uniformity in state-wide codes and should license inspectors, and foster rationalization in inspection systems.

Recommendation 27: States should take the lead in adopting high standard housing codes and should seek to increase their coverage and effectiveness. States should also help the localities finance their participation in federally assisted code enforcement programs and should initiate state code enforcement programs to meet special problems beyond those covered by the federal programs.

Recommendation 28: In order to promote better housing conditions, the states should authorize such practices as rent withholding and rent escrow and should, where appropriate, enact laws which would impose rent control on buildings that violate housing codes severely or for extended periods of time. Since government contributes substantially to rent payments of people on welfare, the state should be most vigilant in the case of welfare recipients to ensure that public funds do not inadvertently subsidize the slums.

Recommendation 29: Exercising their responsibility to protect the general welfare of their citizens, states should act to oversee mortgage credit and home finance practices, as well as the home repair industry, in order to guard against various forms of consumer fraud related to housing.

Recommendation 30: As an alternative to the perpetuation of present ghettos and the creation of future ghettos, states should enact general and comprehensive open housing legislation to apply both to rental and purchase housing; fair housing commissions should be provided with tools adequate to enforce these laws, such as adequate staff and financing, the power to act on their own motion, and the right to seek injunctive relief. States should also provide vigilant assistance to house-seekers, through counseling services with appropriate follow-up services; and, where barriers continue in the face of law, states should consider conditioning financial aids on compliance to open housing goals.

Recommendation 31: States should act more energetically in recognition of their responsibilities for proper land use and should not be content to delegate unconditionally all zoning authority to localities; there should be procedures by which alleged abuses of zoning might be reviewed above the local level, not limited to the courts in the first instance. The states should foster a regional perspective in zoning practice by the development of a state land use plan, or regional plans, with procedures for obtaining conformance to such plans; and, where necessary to promote sound growth patterns, states should give zoning powers to counties or metropolitan planning agencies or should provide municipalities with extraterritorial zoning powers, especially with regard to unincorporated areas beyond their boundaries.

Recommendation 32: In order to rationalize the proper development of communities and regions within its borders, states should encourage the merging of zoning and planning functions into one unit in order that the former may be the servant of the latter, rather than the reverse.

Recommendation 33: As a means of promoting more efficient use of land and the development of imaginative and creative communities, states should enact legislation authorizing local units of government to allow flexible zoning and innovative planning through planned unit development.

Recommendation 34: States should support the adoption of a national new towns development policy, recognizing the numerous advantages of the new towns solution to urban growth problems—in terms of economy, efficiency, and social and physical attractiveness—in addition to such a policy's usefulness in easing migration which puts additional pressure on the already congested cities and offering increased opportunities for ghetto residents to regain a sense of community and hope.

Recommendation 35: In order to help implement a new towns policy in America, the states can play an active and crucial role by providing for the incorporation of new towns development corporations, assisting in the assembling of suitable parcels of land through the power of eminent domain, cooperative planning to build roads and public facilities in order to attract industry to the towns, assisting in financing the large-scale undertakings by bond issues or other devices, and providing the necessary governmental structures and planning controls.

Recommendation 36: In the spirit of genuine "Creative Federalism," it is reasonable to expect that agenices charged with administration and implementation of federal grant programs have adequate opportunity to express their views concerning rules and regulations and administrative procedures governing the program; given the states' superior knowledge of local conditions, their representations must carry sufficient weight in federal circles, possibly through periodic meetings held by the Bureau of Public Roads through the medium of AASHO.

In order to minimize delays and duplication, consideration should be given to decentralization of authority from Washington to regional BPR offices; and, to the maximum possible extent, funding, procedures in the highway program should be regularized in order to eliminate or reduce uncertainties that hinder efficient planning and operations in state highways departments.

Recommendation 37: Given the fact that present apportionment formulas and funding procedures in the federal-aid highway program limit the states in their efforts to utilize federal funds to combat congestion in urban areas, the states should support measures which would attach greater emphasis to the solution of urban transportation problems.

As an immediate step, flexibility should be provided for in the apportionment of funds for Primary, Secondary and Urban Roads under the A.B.C. Program to enable states to distribute funds among the three categories according to priorities that they may set, thereby increasing their ability to respond to urban transportation problems.

In order to assure more equitable treatment of the road construction and improvement requirements of urban areas, apportionment formulas within the A.B.C. Program should be modified to take into account the vast demographic changes that have occurred in the nation since 1944 when the formula for allocating only 25% of federal aid highway funds for urban roads was enacted. New formulas should give due weight to such factors as road usage, motor vehicle registration, population density and construction costs.

Recommendation 38: In conformance with the proposed re-orientation of the Federal-Aid Highway program, state governments should recognize the urgency of urban transportation problems by readjusting priorities, where necessary, in funding and formulas for distribution of aid to localities in highway construction and improvement; apportionment formulas should reflect density, construction costs, and motor vehicle registration.

States should, further, continue to accept additional responsibilitiy for urban transportation problems by increasing state aid for extensions of state highway systems in urban areas and by providing additional cash grants to cities for expenditures on local streets; programs should also be developed for the creation of local networks to complement state highway systems.

Recommendation 39: The states should provide technical assistance to urban areas with a view toward the implementation of specialized techniques in traffic engineering that may be beyond the capability of local personnel but yet within the locality's budgetary capacity; such assistance could best be provided through strong urban divisions in state highway departments and, if administration is regionalized, through regional offices of state agencies; similarly, state research and development activities in the field of transportation should be directed toward finding methods to use existing facilities most efficiently, especially in urban areas where additional construction would involve prohibitive financial and social costs.

Recommendation 40: As a means of promotion rational and efficient development of road and highway networks within their boundaries, states should prepare master plans for transportation improvements and integration; localities should be consulted during the planning process and should be encouraged especially in urban areas, to act in a concerted manner to facilitate expressway development; as a logical extension of this objective, states should foster transportation agencies with areawide representation and scope.

Recommendation 41: In recognition of the numerous interrelationships between transportation facilities and community development, states should support efforts by federal agencies to promote joint developments in these fields and to maximize the potentially beneficial impact of the one upon the other; states should further facilitate coordinated transportation and urban development planning and should assign high priority to community values in formulating transportation policy.

Recommendation 42: Supplementing efforts undertaken by the Federal Government to discover and implement innovative techniques for provision and management of mass transportation facilities, states should encourage and assist experimental projects and foster research and development activities aimed at increasing the efficiency and attractiveness of mass transportation and reducing the costs of providing it.

(No Recommendation 43 due to clerical error in numbering.)

Recommendation 44: Recognizing the high social and individual costs of limited mobility among certain segments of the urban population, states should provide financial and technical assistance to localities where expansion and improvement of existing mass transportation facilities is desirable or where new systems are feasible. Additional forms of assistance include planning programs and authorization of interjurisdictional, cooperation for the provision of mass transportation facilities.

Recommendation 45: States should utilize their powers of regulation and taxation in such a way as to ease the financial burdens borne by many transit companies and commuter rail lines, recognizing the potential for relieving congestion on the streets by concentrating travelers in a more efficient mode; to help make these mass transportation facilities more attractive, states should be ready to extend credit on favorable terms and should, in some cases, be prepared to subsidize mass transit and commuter operations; the federal urban mass transit program should permit pre-financing in order to expedite improvements in and expansion of mass transportation systems.

Recommendation 46: Since many benefits may derive from effective and imaginative coordination of different modes of transportation, while lack of integration of potentially related systems can reduce the utility of each, government at all levels should strive to relate the various modes in a balanced and efficient comprehensive transportation system; where a range of systems exists or could profitably be developed within a state, the state government should house responsibility for the various modes in a single administrative department or agency; or, as a minimum, meaningful coordinating authority must be lodged in an agency charged with encouraging a unified approach to the solution of the urban transportation problem.

Recommendation 47: In order to meet the problems of recruitment caused by criteria such as character, physical, age, and residency requirements, state governments should initiate studies of existing standards within their areas, paying special attention to the question of why so few applicants eventually obtain positions. With this information the states should formulate minimum statewide standards for their areas so that the quality of police protection is better equalized within a state and local departments can extend their recruiting efforts beyond their borders in search of the best qualified individuals.

Recommendation 48: The states should play an active role in raising the educational level of police with special emphasis upon recruiting college trained personnel. Specifically, it is suggested that:

(a) The states can encourage and make grants available to universities and colleges for the development of courses in fields related to the administration of criminal justice.

(b) The states should make available fellowships and loan funds for study in police administration and law enforcement fields. Consideration should be given to modifying the National Defense Education Act system (NDEA) to permit law enforcement work to have the same status as teaching in regard to the reduction of a loan principle subjected to repayment. Existing state educational loan programs similar to the NDEA could be changed directly by the states in this manner. Consideration should also be given to making loans 100% forgivable for officer graduates who work for central city departments.[1]

(c) The states should consider the implementation of police ROTC programs in the state institutions which would allow an interested high school graduate to pursue his education while at the same time working part time and as a summer intern in local police agencies. Changes in police promotion policies would have to be made so that the graduate police ROTC would enter at a level justified by his education and his intern experience.

(d) The state governments should provide a recruiting service to local agencies who lack the funds and personnel to conduct such recruitment campaigns far from their cities. A state recruitment service, supported by funds from regional groupings of local department, would be able to conduct recruitment campaigns at both in- and out-of-state colleges and universities. Specifically, this service could provide college career offices with full information on the opportunities available for police work in their state. It could also obtain basic background information on individuals interested in public work and forward them to the relevant areas for follow-up efforts by local departments.

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[1] A precedent for so doing can be found in the Health Professions Study Loan Program of the Public Health Service Act whereby borrowers who subsequently practice in poor rural areas can have their loan principals cancelled up to 100%. Surely poor urban areas demand the same consideration today in student loan programs for any public service career category.

Recommendation 49: Recognizing the need to recruit minority group members who do not meet educational standards, local Police Departments should be encouraged to initiate Community Service Officer (CSO) Programs.

The states can play an important role in implementing such a concept by providing grants-in-aid to local departments or groupings of departments to undertake pilot projects and surveys of existing cadet programs with regard to their adaptability to CSO programs.

Recommendation 50: As part of a general program to provide more state financial assistance to local government, the states should consider the granting of financial assistance to localities to aid in the improvement of the salary structures of local departments; grants made for this purpose should only be made to local departments who submit plan designs to structure compensation scales in such a way as to permit educational attainment to be reflected in salary levels.

Recommendation 51: In order to fill the need for bettering and increasing the quality of police training programs, state governments should undertake the establishment of regional or state-level training facilities for the use of local police departments. Such facilities should offer a high degree of training in the major problem areas of community relations, riot control, and the use of discretionary power. Also, the states should consider the adoption of California Commission on Peace Officers Standards and Training program as a model in order to induce the adoption of minimum statewide selection standards.

Recommendation 52: The states should assist urban police departments in establishing effective precinct level community relations programs through grants-in-aid for pilot projects. In so doing the states should require that recipient localities make their community relations unit a distinct and yet an integral part of their department and provide it with adequate prestige and power to affect departmental policies.

Recommendation 53: In terms of personnel assistance, state police training facilities should provide special training for officers from community relations units in such subjects as community problem solving and organizing techniques. Such training should also include equipping the officer with a knowledge of relevant social welfare and poverty programs and projects so that he might better assume the role of "problem expediter" for local residents who have need for resolving complaints against other public agencies.

Recommendation 54: In terms of technical assistance, state controlled real and personal property such as National Guard camps, armories, and transportation facilities should be made available to police departments for use in providing recreational programs for inner-city youth through their Police Athletic Leagues. The recent summer events have surely established sufficient precedent for such cooperation.

Recommendation 55: Based on a survey of existing "home rule" legislation in their jurisdictions, state governments should formulate and adopt broad exercise-of-power acts modeled as closely as possible on the Council of State Government's Model Act and the California Act. Also state and federal aid controlled by the states should be made available as "seed" money for the development and implementation of specific plans for interlocal compacts dealing with police functions.[3]

Recommendation 56: State-level data gathering and dissemination agencies should be established on a comparable basis to the New York Intelligence and Identification System. Such an agency should provide financial and technical assistance to aid local officials in gathering and submitting complete and up-to-date data from the many local agencies involved in criminal justice administration.

Recommendation 57: States should provide central laboratory facilities capable of performing complex and sophisticated scientific evaluations needed in police work. Within larger states, regional laboratories could be established for specialized scientific analysis. Local agencies could forward all complex work to this agency, and perform only routine work themselves.

Recommendation 58: The governor of each state should establish a State Commission on Law Enforcement Research and Development, composed of federal, state and local officials and private citizens involved in the administration of criminal justice within a state. A first step for such a Commission would be the preparation of an extensive survey of crime and law enforcement efforts to identify the chief problem areas so that a comprehensive state attack can be made on crime. State legislation authorizing such a Commission could be based on the Model Police Council Act of the American Bar Association. Certainly the Commission should give special consideration to the problems of central city areas as they suffer from the highest crime rates and from a growing incapacity to support needed extensions and improvements in their law enforcement agencies.

Recommendation 59: In order to establish the basic administrative framework for dealing with urban problems, it is recommended that appropriate constitutional and statutory action be taken to provide that all heads of operating departments and agencies with programs affecting urban areas be directly responsible to the governor. It is further recommended that appropriate constitutional and statutory action be taken, where required, to place ultimate authority for the executive budget with the governor prior to its submission to the legislature.

Recommendation 60: To fully secure the support of state legislatures in undertaking programs to assist urban areas, it is recommended that they be provided with adequate research and other staff with particular training in the general area of urban problems.

Recommendation 61: Recognizing the vast complexity of urban problems and the difficulties of responding to local urban needs in a coordinated and comprehensive manner, it is recommended that state governments that have not already done so create administrative machinery designed to perform the following general functions:

a. coordinate federal and state urban-grant programs;

b. coordinate other state agencies dealing with urban problems;

c. encourage mutual, cooperative solutions to urban problems;

d. study local government operations and seek ways to improve state-local relations;

e. serve as a clearinghouse for information relating to urban programs and as a central data bank for the state;

f. supply financial, technical and advisory assistance to localities in a convenient and coordinated manner;

g. act as a liaison between localities and state agencies, and also between localities and the federal government;

h. promote cooperative training and personnel programs for state and local units.

In view of differing traditions, needs and existing arrangements among the states, no set pattern of organization can be expected to apply to all states where urban problems exist; such "administrative machinery" might therefore vary widely, from separate line departments dealing with both coordination and services, to coordinating arms within the governor's office coupled with services provided by separate agencies. In any event, it is recommended that program coordination be related to executive control, either directly or indirectly, and that state services be at least centrally listed for each reference when a locality comes to the state with a wide range of needs.

Recommendation 62: As a means of achieving the most efficient utilization of available federal funds for urban grant programs, and in order to harmonize their objectives with state urban programs, the state government must have an opportunity to review and comment upon applications for federal assistance prepared by state agencies and by local government units; as a minimum, an office or committee for federal program coordination should be established in all state capitals, and regular communications should be conducted between such an agency and a central information office in the federal government.

Recommendation 63: Comprehensive state plans should be developed and should become meaningful policy planning documents; procedures should be developed whereby local and regional planning programs, including federally assisted planning and development, are routinely checked against the state plan to determine harmony of overall purpose and conformity to the aims and directions of previously existing projects. Consideration should be given to the variety of proposals which could promote more effective statewide planning. These include: options in federal funding procedures; consolidation of categorical grant programs into broader functional categories; delegation to the states of increased responsibilities for program evaluation, funding and refunding; and conformity of federal development districts with state-designated regional planning areas or multi-purpose districts.

Recommendation 64: States must accept the important responsibility of providing full information to localities and state agencies concerning the availability, purposes, requirements and sponsoring agencies of the various federal and state programs which could contribute toward solution of urban problems; a necessary companion measure is the establishment at the state level of a central data bank and computer facility, available not only to state agencies but also to local governments and private organizations with an interest in programs of benefit to the states and its municipalities. In order to further rationalize the use of data for management, budgeting and policy-making purposes, state governments should consider the introduction of planning-programming-budgeting or similar systems into the state administrative apparatus.

Recommendation 65: State governments must recognize the difficulties encountered by many localities in assembling the expertise and manpower necessary to become familiar with the wide range of grant programs available to them, both from the state and from the federal government, to understand their intricacies and to apply for their benefits in an efficient and creative way; in recognition, further, of the increasing complexity of government operations, the states must accommodate these local needs by providing technical and advisory assistance, especially to smaller municipalities or local governments which need to improve their services to meet urban problems.

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[3] The use of State "seed" money to implement interlocal compact plans is suggested in the report, *Metropolitan Texas: A Workable Approach to Its Problems,* A Report to Governor John Connally and the 60th Texas Legislature, by the Texas Research League (Austin, 1967), p. 45.

In order to make such assistance more readily available, a central agency which could provide "on-stop" service might be useful; as a minimum, a state agency should be created which could serve as a liaison between the localities and the agency offering assistance, either federal or state, thereby offering coordinated aids indirectly.

Recommendation 66: In recognition of the critical present and future needs for skilled manpower in public service employment, especially at the state and local level where manpower requirements are growing most rapidly, state governments should sponsor training programs to supplement those offered by Washington on a joint basis and should encourage local units and private organizations to participate in such programs. Understanding that no program is any better than the quality of its administration, state governments should foster: 1) pre-service training programs, to attract talented young people into government service by offering scholarships and fellowships in public affairs; 2) in-service training programs, to maximize the potential of current public employees by upgrading skills and providing opportunities for advancement; 3) interchange of personnel among various levels of government, to broaden the scope of experience and expertise at all levels; and, 4) internship programs for high school, college and graduate students, to stimulate interest in careers in public service.

Recommendation 67: States should today devote their considerable energies toward devising and developing new techniques and new programs for solving the many problems of urban areas; in exercising this capacity for research and development, the states should seek to implement creative new forms of state-local relations, to design more effective intergovernmental assistance programs, and to demonstrate original ideas which could be adopted nationally as well as by other states and local governments.

Recommendation 68: Recognizing the necessity for modern local governments to possess adequate authority to raise financial resources and sufficient flexibility to utilize those resources efficiently state governments should:

a. ease restrictions on local property taxing powers;

b. improve property tax administration;

c. give serious study to the possibility of authorizing local governments to utilize non-property taxes;

d. ease restrictions on local government borrowing powers; and

e. remove constitutional and statutory prohibitions against investment of state and local funds.

Recommendation 69: Recognizing that many kinds of local government reorganizations are only feasible if the state provides the proper setting:

a. States should consider granting greater functional powers to selected units of local government;

b. State legislatures, as a general policy, should use broad language in amending and enacting new legislation affecting the powers of local government;

c. States should provide for the adoption by municipalities of optional forms of municipal government; and

d. States should provide for the adoption by counties of optional forms of county government.

Recommendation 70: a. Where effective county planning, zoning, and subdivision regulation do not exist in the fringe area, the states should enact legislation making extra-territorial planning, zoning, and subdivision regulation of unincorporated fringe areas available to their municipalities, with provision for the residents of the unincorporated areas to have a voice in the imposition of the regulations.

Recommendation 71:

a. The States should examine critically their present constitutional and statutory provisions governing annexation of territory to municipalities; they should act promptly to eliminate or amend provisions that now hamper the orderly and equitable extension of municipal boundaries so as to embrace unincorporated territory in which urban development is underway or is prospect. Authority to initiate annexation proceedings should not rest solely with the area or residents desiring annexation but should also be available to city governing bodies. There is also merit in the proposition that the inhabitants of minor outlying unincorporated territory should not possess an absolute power to veto a proposed annexation.

b. The States should alter incorporation procedures so as to minimize the impact of hasty or "defensive" incorporations on the local government structure; they should enact legislation providing rigorous statutory standards for the establishment of new municipal incorporations in metropolitan areas and providing for administrative review and approval of proposed incorporations by an appropriate agency of state government.

Recommendation 72: a. The States should enact legislation authorizing governmental units wholly within a county to transfer responsibility for specified governmental services to the county by coordinate mutual action of the governing bodies concerned in the specific instance. Conversely, states may find it desirable to broaden this proposed enactment to permit counties to transfer certain of their functions to cities.

Recommendation 73: a. The States should permit county and municipal governments to establish machinery for the performance of service functions desired and required by their residents. Such legislation should contain the option of establishing areawide or subarea service corporations or special districts. Such corporations should be endowed with authority to borrow and exact user charges, to provide facilities and perform governmental services, but should be made completely and directly responsible to the local governing bodies, and provision should be made for state oversight and review of special district operations as well as procedures for continuing and dissolving them.

Recommendation 74:

a. States should enact legislation authorizing two or more units of local government to exercise jointly or cooperatively any power possessed by one or more of the units concerned and to contract with one another for the rendering of governmental services; additionally both federal and state governments should incorporate into their grant-in-aid programs appropriate incentives to small units of government to join together in the administration of the function being given grant assistance.

b. States should authorize the formation of metropolitan councils of elected public officials. Councils can be established on a strictly voluntary basis, pursuant to specific statutory authorization, or under general interlocal cooperation legislation. Serious consideration should be given to endowing such councils with broader legal and functional powers.

c. The states should authorize the establishment of metropolitan area commissions on local government structure and services, for the purpose of developing proposals for revising and improving local government structure and services within the area. The commissions should be created either by mutual and concurrent action of the governing bodies of the local governments, or by initiative petition and election of the voters of the metropolitan area.

d. States should adopt legislation authorizing the establishment of metropolitan area planning agencies representing the political subdivision of the metropolitan area.

Recommendation 75: As a measure to reduce fiscal disparities among local governments in the metropolitan area, it is recommended that the states and the federal government should consider the assumption of primary financial responsibility for certain poverty-related functions.

In this regard, public welfare in particular would most appropriately be financed entirely by the federal government. However, in lieu of federal action, the states should assume increased financial responsibility for both the non-federal share of all public welfare programs and the General Assistance programs which is not now supported by the federal government. Furthermore, it is recommended that the state's share of health and hospitals cost be substantially increased.

Recommendation 76: Each state should examine its present system of grants and shared taxes and remove all features that aggravate differences in local fiscal capacity to deal with service requirements in metropolitan areas and that encourage or support the proliferation of local governments within these areas.

Recommendation 77: In order to reduce education disparities and to improve the quality of central city education, it is recommended (1) that distribution formulae for state school aid be adjusted to better reflect both the higher costs per pupil among the disadvantaged and the relative local tax efforts and (2) that States undertake or expand supplemental assistance programs for the education of the culturally disadvantaged.

Recommendation 78: The states should re-examine their present tax structure in order to insure adequate financial resources for growing urban and central city needs. Greater reliance should be placed on the use of state broad-based revenue sources. Consideration should also be given to various methods that will facilitate and coordinate the expansion of non-property taxes at the local level.

Recommendation 79: The federal government should increase significantly its financial assistance to state and local governments. In view of the present restraints on the state-local tax system, the superior fiscal resources of the federal government must constitute the major source of public funds for the great expansion in domestic expenditure that is necessary to meet the present crisis in our cities.

Recommendation 80: A basic consolidation in the number of categorical grants-in-aid must be undertaken by the federal government. To the maximum extent possible, categorical grants within the same functional area should be consolidated into a single program, with a single set of statutory requirements and a single authorization and appropriation and be administered by a single federal agency. It is quite feasible that the number of separate grant authorizations can be reduced to half the present number without sacrifice of essential national priorities in the provision of financial assistance to states and localities.

Recommendation 81: In order to facilitate meaningful consolidation of grants-in-aid, Congress should pass enabling legislation to allow the President to submit consolidation plans. After due consideration in Congress and without a negative resolution, the proposed consolidation would become effective.

Recommendation 82: The federal government should take immediate steps to simplify the procedural requirements placed on grants-in-aid in order to facilitate joint funding of two or more grant programs which support multi-purpose projects.

Recommendation 83: A revised system of grants-in-aid should continue to be the primary method of federal assistance to states and localities but study should be given to supplementing grants-in-aid with new fiscal arrangements. The study is strongly opposed to the replacement or substitution of existing and future grants-in-aid with new fiscal arrangements.

Recommendation 84: While not taking a stand in support of any one plan for new fiscal arrangements to supplement grants-in-aid or on the feasibility of initiating any such plan at the present time, it is still recommended that a full and frank study of the alternatives in intergovernmental fiscal reform be undertaken. Such a study is essential in light of both the critical financial plight of state and local government and the possible implications for state-urban relations.

Recommendation 85: In providing further financial assistance to urban areas, the federal government should place particular emphasis on increased funding and improvement of the comprehensive grants such as the Demonstration Cities and Metropolitan Development Act. The number of demonstration programs should also be increased and the size of the demonstration areas should be expanded. To the maximum feasible extent possible, the states should be given an enlarged participating role in the administration of the program.

THE ROBEL CASE

Mr. CHAMBERLAIN. Mr. Speaker, I share the deep concern of many Americans over the decision of the U.S. Supreme Court in the Robel case handed down this week in declaring unconstitutional a provision of the Subversive Activities Control Act which makes it unlawful for a member of a Communist organization to be employed by a defense facility. This controversial ruling demands the greatest scrutiny of the Executive and legislative branches of our Government in view of the ramifications that it portends for maintenance of our national security. I am advised that already corrective legislation is being formulated and it will have my most careful study. With over 500,000 fighting men in Vietnam this is no time for our Government to permit security standards at home to be weakened. At this point in the Record I include an editorial entitled "Nation's Defenses Are Being Destroyed," appearing in the Jackson Citizen Patriot, Jackson, Mich., Tuesday, December 12, 1967, which I commend to the attention of my colleagues:

Nation's Defenses Are Being Destroyed

In a decision holding invalid a federal law which bars employment of members of Communist-action groups in defense plants, the United States Supreme Court has created another handicap for the government in its war against internal subversion.

In the opinion, supported by six of the justices, Chief Justice Earl Warren took note of the problem and conceded the power of the Congress to "keep from sensitive positions in defense facilities those who would use their positions to disrupt the nation's production facilities."

The majority insisted, however, that mere membership in a Communist-action group is not valid proof of the intentions of a worker; that his freedom of associations is abridged if he is denied a job because of that membership.

Although the court holds that "narrowly drawn legislation" may be used to protect the government from possible subversion, Congress seems to be left wtih no maneuvering room to do the job.

At this point the court seems to be saying that the government would have to prove that an individual actually advocates direct action to overthrow the government by force before it could deny him access to a sensitive position. Membership in the Communist Party or any other group advocating such overthrow of the government by force would not suffice.

The decision is frightening because no one who joins the Communist Party or other subversive organizations can be so naive as to misunderstand their motives. Yet the Supreme Court holds that such membership is no proof of intent.

The ruling should not, however, come as a surprise. It is in line with actions of the court in the past decade with respect to the right of association as opposed to the efforts of the government to defend iteself.

Monday's decision is exactly in line with a landmark ruling of 1957 when the Warren Court said that a person could not be prosecuted for advocating the overthrow of the United States government by force unless he actually advocates action to accomplish the overthrow.

In a 1958 decision, the court denied the State Department the right to withhold passports from suspected Communists because of their "beliefs or associations."

These and other decision indicate that the court has taken to itself the right to exercise the greatest latitude in interpreting the First Amendment and in limiting the right of the Congress to place restraints on persons who may be dangerous to America.

The new ruling seems to swing wide open to subversives of all types the doors of the most sensitive establishments in America.

The nation's defenses are crumbling, not from assault from without, but from interpretation of law from within.

FRANCE'S WAR DEBT

Mr. CHAMBERLAIN. Mr. Speaker, the recent actions and statements of French President de Gaulle in effect declaring economic war on the United States demand that the administration face up to this problem instead of continuing to ignore its existence. In no sense should De Gaulle or any possible successor be encouraged by any failure on the part of our Government to defend the rightful interests of our country. American troops fought to save France in two world wars and the American people are irate because of De Gaulle's destructive and ungrateful attitude. In this regard I believe particular attention should be given to the question of pressing France for repayment of its World War I debt if De Gaulle continues upon his present course. At this point in the Record I wish to insert a thoughtful article by David Lawrence appearing in the Washington Evening Star of November 30, 1967, entitled "France's Hand Called on War Debt," and an editorial appearing in the Jackson Citizen Patriot November 25, 1967, entitled "Be Kind to De Gaulle Attitude Must End":

[From the Washington (D.C.) Star, Nov. 30, 1967]

France's Hand Called on War Debt

(By David Lawrence)

Maybe the time has come for the United States government to become as hard-boiled in its relations with the French government as President De Gaulle has revealed himself to be in his attitude towards this country. He insisted that American military forces get out of France last year, and now is seeking to repulse what he regards as an economic and financial "invasion" by the United States.

America can, however, become realistic, too, and ask France to pay back the money borrowed from this country in World War I and World War II. Members of Congress are urging this. The unnpaid bill runs as follows:

1. World War I debts of France to the United States include $4.1 billion of original loans and $3.2 billion of interest charges. There has been a repayment of only $486 million, made mostly in the early 1920s. So the total bill to date is nearly $6.9 billion.

2. Of the foregoing sum, $5.1 billion is past due and in default, and principal payments of $1.8 billion are payable in future years.

3. In the period after World War II ended, France borrowed $2.5 billion from the United States, most of it before 1950. Of this sum, $2.2 billion have been repaid, some of it in advance of the due date, so there is only about $300 million of World War II debt outstanding.

Contrary to the general impression, the debts owed by France for money borrowed in World War I have never been canceled by the United States, though a deferment was granted during the Hoover administration because of the international financial crisis. The last French payment on World War I debts was made in 1931. Up to that time, France had paid off about $226 million of its debt, leaving $3.9 billion of loans still to be paid. There the situation has remained ever since, with no payments on principal or interest.

France has given as the reason for nonpayment the fact that Germany did not pay its World War I reparations to France. The United States government, however, has always maintained the position that there is connection between the two debts. Some $2 billion in loans to France have matured and are past due, plus interest. The United States considered this to be a valid obligation.

It would help the balance of payments problem of this country if the French government paid its debts to the United States government. Due to the outflow of gold, all sorts of restraints are being placed nowadays on the export of funds by American businesses to Europe. Legally, France has the option of paying its war debts in gold or in any legal tender of the United States.

French gold stocks currently amount to about $5.2 billion more than three times the $1.6 billion held by France at the end of 1960. Certainly there is a greater need for this gold to be paid to the United States than to be hoarded by France.

The United States, on the other hand, has spent big sums for the defense of France by means of the NATO alliance and in otherwise providing for the safety of Western European peoples, plus economic aid. But today this country has only $12.9 billion in gold, as contrasted with $17.8 billion it held at the end of 1960.

The United States has to keep $10 billion of gold as a reserve to back its paper money, and it now has left less than $3 billion to meet potenial foreign claims of ten times that figure. So payment by France of its debts would be real benefit to the United States.

Very little was said in government circles here during the 1950s about the World War I debts, as it was considered more tactful to wait till the European debtors could get into a healthier financial situation. But France has already reached that point. Since De Gaulle has made it clear that he wants to pursue an independent course, economically as well as militarily, it would seem logical for the United States to ask the French government to begin to pay its debts and help establish in the world a sounder financial condition. For much of the French gold should flow to the United States, which is legally and morally entitled to it, especially since this country's loss of gold is due to a philanthropic interest in Europe. This deserves at least some acts of gratitude on the part of France.

[From Jackson (Mich.) Citizen Patriot, Nov. 25, 1967]

In Our Opinion—Be Kind to De Gaulle Attitude Must End

The United States, faced with spiraling inflation at home, is close to the brink of another major financial problem abroad.

For several years there has been concern in Washington and elsewhere over the American balance of payments deficit, with more gold and dollars flowing out of the country than are coming in.

Now, with the devaluation of the British pound sterling and the ensuing devaluation of other currencies around the world that are based on the pound, the pressure on the stability of the United States dollar is growing.

It would not be an insurmountable problem if it were not for one Charles de Gaulle, president of France and aging dreamer of restoration of the Napoleonic empire.

Paris has served notice it intends to start demanding gold for the dollars it holds, a process it had well under way once before, but which was interrupted when France started to run short of dollars.

British officials and financial men are positive a number of things tie together into a pat hand held by De Gaulle. They cite the French president's consistent veto of Britain's entry into the Common Market and the run on gold reserves as but two prongs of a De Gaulle offensive. Its objective is to bring down the pound and dollar while making the franc the free world's basic monetary medium. De Gaulle has also stated frequently the opinion that the world should go off the gold standard and again use silver, a move obviously to his benefit.

In the meantime, gold trading on the major markets of the world—from Johannesburg to Zurich, Paris and London—has become nearly chaotic as investors scramble to buy on speculation that the world price of gold will be driven up.

The United States is committed to buy and sell gold at $35 an ounce. If the price is forced upward it will mean the dollar is devalued in world circles and a real financial whirlwind will have been spawned.

It would also mean De Gaulle was meeting with success in his efforts to humble other nations financially while feathering his own nest.

The United States and seven other nations, including France, formed a pool to stabilize the price of gold, but De Gaulle pulled out last June. He has now put the world on notice he is ready for the finale.

There are a number of countermoves available to the United States, ranging from those aimed at slowing the bullion rush to actually regaining control of the situation.

None voiced publicly so far, however, envisions the use of the ultimate economic weapon available.

That would be the issuance of a demand for immediate payment of the billions of dollars of debts due this nation by others—with France in the forefront.

It seems the time has arrived for Washington to put away the carrot and use the stick on Charles de Gaulle.

If the grandiose dreamer of France wants to play for keeps by undercutting the United States, then this nation should play the game with the same weapons and stop him squarely in his tracks.

France—De Gaulle included—was happy to have the United States go to bat for it against the German armies and was just as happy to have financial help following World Wars I and II so it could rebuild.

It surely is not impertinent at this point to spike Charles de Gaulle's guns by asking for repayment of the long overdue loans that date back as far as 50 years.

Nor would it be out of line to use the same strategy on any other nation that joins him in his game.

Collection of just the overdue loans would put this nation in financial clover instead of on the brink of disaster.

THE HONORABLE MILTON W. GLENN

Mr. RODINO. Mr. Speaker, it was with great sorrow that I learned today of the sudden passing of our former colleague, Milton W. Glenn.

After distinguished service in municipal, county, and State governments, Milton Glenn was elected to Congress from New Jersey's Second District in 1957. He served his district until 1965 with outstanding ability and dedication.

While we were of opposite political persuasions, I was proud to call Milton Glenn my warm friend. Despite our differing views on issues, I had the greatest respect for the sincerity of his convictions and his fine service to his district and to the Nation.

Mr. Speaker, I mourn this untimely passing of my good friend Milton Glenn, and I want to extend my deepest sympathy to his fine family at their great loss.

ATTACK ON McNAMARA

Mr. LEGGETT. Mr. Speaker, I must say that it was with the greatest regret that I read the wholly inaccurate, intemperate, and abusive attack on Secretary McNamara, contained in the publication Liberty Lowdown, which was inserted in the Record of November 20, 1967, by the Representative of the Sixth District of Louisiana.

The scurrilous article he inserted from this extremist publication is so wholly irresponsible in its assertions that it calls for responsible rebuttal. The article purports to be an indictment of Secretary McNamara, and attacks him on 28 specific points.

I have, therefore, requested the Department of Defense—not to attack the article in return—but merely to supply me with a simple and straightforward record of the facts with respect to these same 28 points. They have done so; and I should like, in the interest of decency and accuracy, to insert into the Record the information the Department of Defense has provided.

Preliminarily I want to insert a more reasonable analysis of Secretary McNamara's performance as set forth last week by Ken Leake in California's Woodland Daily Democrat.

The material follows:

[From the Woodland Daily Democrat]

As We See It—Robert McNamara a Great American

Defense Secretary Robert S. McNamara, soon to become president of the World Bank, is the ablest of the eight secretaries who have held the post since it was created in 1947.

The brilliant Phi Beta Kappa from the University of California is the only secretary to have crashed the Pentagon's brass curtain. He is a "take charge" guy as compared to his more placid predecessors who were trucemakers in constant skirmishes with the three services.

President Truman's four Defense Secretaries, including James V. Forrestal, Lewis A. Johnson, George C. Marshall and Robert A. Lovett, all found the job strenuous. Forrestal cracked under the strain and committed suicide.

Charles A. Wilson was President Eisenhower's first defense boss. He was from General Motors and remembered vividly from his casual remark, "What's good for G.M. is good for the country." The other Eisenhower secretaries, Neil McElroy and Thomas S. Gates, Jr., were so bombarded with advice that they knuckled under. "It was like backing into a buzz saw," said Secretary Lovett.

The secretaries proposed, but the admirals and generals deposed.

However, the San Francisco-born secretary, now 51, does his own thinking and he's not too timid to stand up and express himself.

Most department heads appear at congressional hearings with a retinue of experts. But not so with McNamara. He shows up with only one or two consultants and he answers questions with precision and without losing his composure.

Fortunately, McNamara is to stay with his defense assignment until the 1969 military program and defense budgets are completed next year. He really grits his teeth and digs deep in slashing budgets. The economies he is responsible for run well into the billions. The closing of 52 useless military bases brought tears to the politically-minded congress, but McNamara stood pat and has long since been vindicated.

At the age of 43, McNamara quit his $400,000-a-year job as president of the Ford Motor company to take the government position that pays $25,000. He also voluntarily surrendered thousands of dollars in blue chip stocks.

During his seven years tenure he has also rejected tempting high-paying jobs in private business that would have netted him upwards of $4 million.

Such unselfishness and loyalty to his country are only typical of a true patriot!

His profound interest in the economic development of the poorer countries led him to accept the World Bank presidency.

The President and McNamara are weathering a storm of abuse over Vietnam, uncomplainingly, and without flinching or backing down. They have been patient with dissenters, pleading with them to come up with a practical proposal to end the war. The polls are revealing that in recent weeks sentiment has grown more favorable toward the administration's war policy. Even former Senator Barry Goldwater broke down recently in acknowledging to the Commonwealth club: "I think we are doing precisely right, now in Vietnam." None of McNamara's critics have been more bitter than Goldwater.

This country will forever be in debt to the Defense Secretary for his personal sacrifices and his generous contributions as a dedicated public servant.

We can never adequately express our appreciation.

Along with the President, he is an outstanding American!

Department of Defense Comments on Article Titled "Robert Strange McNamara: An Indictment"

The basic theme of the article is that during the past seven years, the military strength of the United States has intentionally been cut back. This assertion is completely contrary to fact.

Since 1961, *excluding* those forces added because of operations in Vietnam, we have increased our military capability in every essential category:

A 45% increase in the number of combat assigned Army divisions—from 11 to 16.

A 73% increase in the funds for general ship construction and conversion to modernize the fleet.

A 200% increase in the number of guided missile surface ships—from 23 to 72.

A 300% increase in our inventory of nuclear-powered ships—from 19 to 77.

A 40% increase in the number of Air Force tactical fighter squadrons—from 67 to 94—and a 100% increase in the total payload capability of all our fighter and attack aircraft, Air Force, Navy and Marine Corps.

A 300% increase in helicopter troop lift capability.

A 340% increase in our fixed-wing airlift capability—an increase which will reach 1000% in the 1970s with the introduction of the mammoth new C-5A transport.

A 100% increase in the number of nuclear weapons deployed in NATO Europe.

A 160% increase in the number and total megatonnage of nuclear weapons in the strategic alert forces.

Nor do these increases tell the full story. We have developed or have been developing over the past several years a broad new array of weapons which include:

The SR-71: a highly sophisticated reconnaissance aircraft that can fly three times the speed of sound.

The Poseidon intercontinental missile which will have five to ten times the destructive power of the POLARIS missile it replaces.

The CH-54 flying crane: our first heavy-lift helicopter, which has paid for itself many times over in recovering battle-damaged helicopters, as well as performing an expanded range of supply and logistic functions in support of our troops.

The family for F-111 aircraft: the most sophisticated and effective attack aircraft in the world today—and recognized as such by foreign governments who are buying it in preference to aircraft produced in their own countries.

The multi-warhead ballistic missile reentry system which multiplies the effectiveness of our missile force.

The Walleye guided bomb, which uses a television guidance system, enabling aircraft to hit targets with conventional explosives in Southeast Asia today with extreme accuracy and effectiveness.

The Spartan and Sprint anti-ballistic missiles which will provide defense against a possible Chinese attack in the 1970s.

The Phoenix air-to-air missile system, which will provide us with the capability of destroying formations of enemy aircraft in the air at substantially greater distances.

The SRAM air-to-surface missile, which will increase the effectiveness of our strategic bombers, and enable us to penetrate advanced enemy defenses.

The Huey Cobra attack helicopter, providing faster, more flexible support of our ground troops.

The A-7 attack aircraft, giving our Navy and the Air Force an improved capability to support our ground forces, with its greater bomb capacity and longer range.

And scores of other weapon systems and sub-systems—many of them, of course, still highly classified.

In short, we have met and are meeting our first and overriding responsibility in the Defense Department: we were, we are, and we will continue to remain in a high state of combat readiness.

Our specific comments, briefly put, on the 28 individual paragraphs in the article are as follows:

1. *Skybolt*. This air-to-surface missile program, begun in 1959, was canceled in 1962 while still in the development stage, in part because of skyrocketing costs, difficult technical problems, and slippage in the program. Also, by 1962, other missiles, such as Minuteman, were approaching operational dates and demonstrating that they could perform the proposed Skybolt missions more effectively and at less cost than Skybolt.

2. *Dynasoar*. This was not contemplated as a weapon system or even as a prototype of a weapon system. As an experimental flight vehicle, its primary purpose was to explore the hypersonic flight regime, with secondary objectives of payload (less than the X-15) and achievement of orbital capability. Air Force subsequently found that the Dynasoar vehicle would not produce on-orbit operational capabilities of any military significance, its estimated cost would exceed $800 million, and reentry technology could be provided at a fraction of the cost by a separate unmanned reentry vehicle flight test program. Such considerations finally led to the decision to cancel this expensive program.

3. *Pluto*. This was the name given in 1955 to the possible development of a nuclear power plant for a low altitude missile. By 1964, any apparent benefits of a high-cost nuclear powered low altitude missile system appeared less attractive because of the successful development of a diversified force of sea and land based missiles as well as manned bombers. These factors, together with several difficult technical problems, led to the decision that the nuclear portion of a low altitude missile program should be cancelled.

4. *Atlas*. Although Minuteman warheads are smaller than those carried by the phased out Atlas, Minuteman is far more reliable and more accurate, with a much higher probability of destroying its target. Furthermore, for the cost of one Atlas we can buy several Minuteman missiles. Atlas was our oldest intercontinental missile; liquid fueled, very slow reacting, costly to maintain and extremely vulnerable to enemy attack. Minuteman is solid fueled, capable of instant reaction, and deployed in dispersed and hardened underground silos.

5. *Mobile Minuteman*. The plan to deploy Minuteman missiles on railway cars was cancelled in 1961 because the mobile Minuteman would be less accurate and reliable than fixed-base missiles, more vulnerable to sabotage, and more costly to develop and operate. Moreover, POLARIS submarines provide a mobile, concealed offensive capability. Our present force of 1,000 Minuteman missiles is deployed in widely dispersed and extremely hard sites; to destroy them all would take far more missiles than the Soviet Union now has or is likely to have.

6. *Coin-Lara Aircraft*. The production of a new counterinsurgency aircraft has proceeded rapidly in view of the advanced engineering techniques it embodies. The time between when bids were solicited from industry and the first production delivery of the aircraft was 3½ years, a full year shorter than normal development time. During the development of this aircraft, our forces in Vietnam have received excellent reconnaissance, logistics, and fire support from helicopters and fixed-wing aircraft already in the inventory.

7. *B-70*. This program initiated in the mid-1950s called for a supersonically cruising high altitude bomber of large payload capacity. By the early 1960s, it became plain that with the development of intercontinental ballistic missiles, and the increasing defense capabilities of ground-to-air missiles, the speed and altitude of the B-70 presented no significant advantage. The decision not to produce and deploy the B-70 saved $10 billion dollars or more on a weapon system that would not have improved our strategic position.

8 and 10. *Presently Existing Bombers and Phasing out SAC*. We have no plans to phase out manned bombers or SAC by 1972 or any other year in our planning program. In fact, we have ordered production of more than two-hundred FB-111s, a dual purpose manned strategic bomber which will be added to our bomber forces over the next few years. In addition, we are continuing to develop aircraft system components that could lead to another new bomber in the future if needed. Manned bombers are, of course, only a part of our strategic offensive forces, which also include land and sea based missiles.

9. *Grounding of SAC*. The limited SAC airborne alert—2% of the force—began in 1960 as an interim measure to protect our bomber forces against a surprise Soviet missile attack. In addition, we maintained the capability to keep one-eighth of the force on continuous airborne alert. By the mid 1960s, when we had an adequate attack warning system and a large dispersed and hardened missile force, it was no longer necessary to continue this costly airborne alert. SAC has the capability to resume an airborne alert during periods of heightened tension. We are maintaining 40% of the SAC forces on 15 minute ground alert.

11. *TFX—F-111*. The performance capabilities of the F-111A have been verified in more than 5,000 hours of actual flight testing, and Tactical Air Command Crews have already begun operational training with production aircraft. The F-111A has longer range and greater payload capability and is more sophisticated and effective than any fighter aircraft in the world today. The Navy confidently believes that the F-111B will be a satisfactory carrier suitable aircraft, and that the F-111B weapon system, with the advanced Phoenix air-to-air missile, will provide the most effective and economical fleet air defense against the severest threats in the 1970's.

12. *Anti-Ballistic Missiles*. Our strategic offensive forces now and in the future will be able to reach their targets and destroy very substantial portions of the Soviet Union regardless of any ABM defense they might develop. Similarly, even if we were to spend tens of billions of dollars to deploy an extensive ABM system to counter Soviet missiles, the USSR could expand and improve its offensive forces and offset our defense capabilities at a much smaller cost. But the Sentinel ABM system which we will deploy will be highly effective against a possible Chinese Communist missile attack in the 1970s.

13. *Chemical and Bacteriological Weapon Systems*. The United States has had and is continuing an extensive program for developing chemical and biological weapons and defensive means to counter their use against us. The hazards of using such weapons are great because it is difficult to localize the effects of these weapons, thus threatening the user along with his victim, and because both sides are fully capable of retaliation. Our capability to employ these weapons is expected to continue to be an adequate deterrent to their use against our forces as it has since World War I.

14. *Nuclear Powered Fleet*. During the past 6 years there has been a 300% increase in the number of nuclear powered ships in the fleet, including 54 nuclear submarines, a nuclear aircraft carrier, and 3 nuclear powered escorts. Another nuclear powered carrier and a fourth nuclear powered escort have already been funded. Nuclear power is authorized whenever its benefits will justify the substantial increase in cost over conventional power. The U.S.S. John F. Kennedy is not obsolete. When it goes to sea next year it will be the most modern, best equipped naval combat vessel in the world.

15. *The Savannah*. This ship was built by the Maritime Commission for experimental commercial operation. It was not built by or for the Department of Defense nor was it ever planned to be used by Defense. After it became clear that the Savannah was far too expensive to operate as a commercial ship, it was offered for use to Defense. Defense has no need for this ship and the offer was turned down. We have an adequate num-

ber of merchant ships to support combat operations in Vietnam. In fact, some of the older ships that were reactivated earlier to support our forces are now being inactivated.

16. *Typhon*. The Typhon weapons system development program was begun by the Navy in 1959. After sea tests in 1963 of an experimental model of its radar, Typhon was cancelled in favor of development of a more versatile and compact Advanced Surface Missile System. Many advances made in the Typhon development program have been used in other Navy missile programs. Navy's present air defense system, combining fighter aircraft equipped with Sparrow and sidewinder missiles and more than 70 missile-equipped surface ships, provides a good defense against enemy aircraft. We are continuing efforts to improve the Navy's air defense capability.

17. *Withdrawal of Missile Bases*. There was no "deal with Khrushchev" concerning any of our forces in the NATO area. The Jupiter missiles were removed from both Turkey and Italy because they were obsolescent and vulnerable and were being phased out with the introduction of more modern Polaris and Minuteman missiles. Removal of the Jupiter bases was considered within the U.S. Government from the beginning of the Kennedy administration and had been recommended by the Joint Congressional Committee on Atomic Energy. In August 1962, President Kennedy personally issued instructions for the removal of these missiles. This was two months prior to the Cuban crisis of October 1962.

18. *Closing of Shipyards*. On April 18, 1962, Secretary McNamara testified before the Congress: "Progress in air power, with its ability to quickly deliver military forces to trouble spots around the world has not lessened the importance of sustained mass cargo support which can best move by sea . . . Thus, adequate merchant marine capacity is essential to direct support of our military forces . . ." The backlogs of cargo destined for Vietnam experienced earlier built up because of port congestion in Vietnam, not for lack of ships. There is now no backlog. Certain Naval shipyards and ship repair facilities were inactivated or merged as a result of a comprehensive 1964 study which revealed that there was an excess overall capacity in the United States shipbuilding industry. Naval yards serve U.S. Navy ships exclusively. Only in extraordinary circumstances are they used for Merchant Marine ships. Therefore, Naval shipyard closure actions do not affect the strength or readiness of the Merchant Marine.

19. *Reserve Forces Reorganization*. Secretary McNamara's actions have consistently been aimed at increasing the ability of the Reserves on short notice to augment significantly the active forces during times of international tension or limited war. For example, in 1962, following the lessons of the Berlin callup, he initiated a realignment and updating of the Army Reserve force structure to permit its rapid integration into the active Army in the event of mobilization. In 1965, he created a Selected Reserve Force which was authorized 100% of its combat strength and was given accelerated training and first priority for equipment. In 1967–68 a further realignment is being made to improve the early deployment capability and combat readiness of the Army National Guard and Reserve forces. The Reserves as a whole have attained the highest level of combat readiness in their history.

20. *Regular Army Reserve Strength*. The Army Strategic Reserve Force of 5 divisions in the U.S. is fully adequate to meet contingencies. Some of these units are combat ready now and others can be made ready in a short time if they are needed. (Use of Strategic Reserve units for basic training missions ended in early June 1967.) A division from these forces is being deployed to Southeast Asia. The Army is currently forming another division to replace it.

21. *Vietnam Shortages*. The most effective logistical support system ever assembled has transported approximately 8 million short tons of supplies and equipment—over 300,000 different items—to our fighting men in Vietnam. From time to time, certain items have been in short supply in certain units or locations, but such unavoidable delays in the supply distribution system have been temporary and have not affected combat operations. General Westmoreland has said: "Never before in the history of warfare have men created such a responsive logistical system . . . not once have the fighting troops been restricted in their operations against the enemy for want of essential supplies." In fact, the operational readiness of major equipment has been for higher than the norms established by our commanders. Ammunition items have met or exceeded standards of reliability.

22. *Vietnam Pilots*. We have today more pilots than are needed to operate the forces, to supervise flying activities, and to man the training bases. We will continue to have enough pilots in the future. All the Services agree that we have and will have enough pilots to meet our commitments. Any problems caused by wartime activities should not lead anyone to believe the contrary.

23. *Cost Reduction*. The record of Secretary McNamara's cost-reduction program is there for all to see. It has produced verified savings to the taxpayers of more than $15 billion during his administration, without sacrificing combat readiness. The 7,500 bombs sold by the Air Force in 1964 were 750 lb. conventional weapons, located in Europe, which were considered excess in view of anticipated needs. At that time there were no plans to use B–52s for conventional bombing operations in Vietnam. Subsequently, in order to continue the vital B–52 missions—which consumed ordnance at a tremendous rate—it became necessary to reopen production lines that had been closed for 10 years. Each new 750 lb. bomb cost between $300 and $400, but the Air Force was able to buy back and refurbish at $20 apiece some of the bombs it had sold for scrap.

24. *Unilateral disarmament*. Secretary McNamara has built our strategic nuclear and general purpose forces to an unparalleled state of strength and readiness. His statement regarding the elimination of Defense expenditures is taken out of context. Secretary McNamara said earlier this year that both the United States and the Soviet Union "would benefit from a properly safe-guarded agreement first to limit, and later to reduce, both our offensive and defensive strategic nuclear forces," but this does not imply any suggestion of unilateral disarmament on the part of the United States. As Secretary McNamara told the Congress in 1963, "Until we can find a safe and sure road to disarmament, we must continue to build our own defenses."

25. *Nuclear Test Ban Treaty*. Secretary McNamara did not deal with the possibility of electromagnetic pulse effects from high altitude nuclear tests because he testified in an open hearing. National security considerations required that such information be protected and not released to the public, but other Defense officials covered this matter in executive session. There was no attempt to deceive the Congress and there was no deception.

26. *Paul Nitze*. The full, public record of Mr. Nitze's November 1963 testimony before the Senate Armed Services Committee reveals that he never made the alleged statement concerning unilateral suspension of nuclear tests. It was contained in a report of a Section of a 1958 National Council of Churches Conference. Mr. Nitze was the chairman of that Section but had no part in drafting the report or voting on it, and he testified that he did not agree with its contents. Mr. Nitze also told the same Senate Committee, "I am a strong believer in the importance of maintaining superiority over the Communist bloc in every element of our military power. I believe that the United States must maintain its strategic superiority over the USSR."

27. *Top Officers Who Tell The Truth*. In 1963 Secretary McNamara assured the Chairman of the Senate Armed Services Committee in writing that "no adverse action whatever" has been taken or will be taken against a military officer who expresses his personal disagreement with established policy on matters within his area of competence when questioned by appropriate agencies of Congress.

Admiral George W. Anderson resigned from the Navy in 1963, after serving a full 2-year term as Chief of Naval Operations, and was appointed by President Kennedy to be the United States Ambassador to Portugal. With but one exception all of Admiral Anderson's 6 predecessors as Chief of Naval Operations since World War II had served a single, 2-year term.

General Curtis LeMay's service as Chief of Staff of the Air Force was extended twice, for a total of 19 months, after the expiration of his 2-year term in 1963.

At the time of his retirement in 1963, General Lauris Norstad had served for 6 years as Supreme Commander of the Allied Forces in Europe. His service in that post has exceeded that of any other incumbent of this position.

28. *Patriotism in Officers' Speeches*. In accordance with a practice long antedating Secretary McNamara's administration, public speeches on Governmental matters of Department of Defense employees—military and civilian—must be submitted for security and policy review. This procedure is necessary to protect the individual and the national interest from disclosure of classified information and from conflict with established Department of Defense and Government policies and programs. Major General Edwin Walker resigned from the Army in 1961, a few months after he had received an administrative admonition by the Army, for taking injudicious actions and for making derogatory public statements about prominent Americans while in command of the 24th Infantry Division in Germany.

* * * * *

I would not want to summarize the preceding moderate assessment of the past 7 years of Bob McNamara's management of the Department of Defense, but I do want to make a few comments.

To accuse the Secretary of unilateral disarmament while he has supervised a cost effective Defense Budget from $41 billion in 1960 to $81 billion in 1967 hardly seems fair.

We have lost several thousand airplanes over the past 3 years in Vietnam, not all to enemy action, and many pilots have been recovered. This situation has caused the Air Force to retrain many of its desk and cargo pilots to handle fighter-bomber aircraft. We have dropped over the past year more total tonnage of bombs over North Vietnam than the Port of Haiphong handled in total shipping tonnage. With this record it isn't fair to charge the Air Force with personnel shortage and allege by innuendo mismanagement.

If the Department of Defense can be challenged, I think they are mainly vulnerable in not developing a surface nuclear Navy. However, in this area my Armed Services Committee is providing leadership to both the Department of Defense and the country. In this subject area I am frankly biased since I represent the greatest Navy shipyard of them all—the Mare Island Division of the San Francisco Bay Naval Shipyard.

MERCHANT MARINE NEEDS NUCLEAR-POWERED FRIGATES

Mr. DOWNING. Mr. Speaker, I am at a loss to understand why the Secretary of the Navy refuses to award contracts for two nuclear-powered frigates which have been authorized by the Congress. It is a matter of law that these contracts be awarded "as soon as practicable unless the President fully advises the Congress that their construction is not in the national interest."

As pointed out on the floor of the House Wednesday by Chairman MENDEL RIVERS of the House Committee on Armed Services, the Department of Defense persists in "studying" the situation. I feel that the necessary "studies" have been completed. They were made by the Navy and the committee. They were affirmed by the Congress which represents the people. We have established our superiority as the leader in nuclear naval power. We must not relinquish this position. We have already seen our position of leadership in the merchant marine go down the drain and the Congress is faced with almost superhuman efforts of its own to rebuild. Heaven help us if our nuclear Navy follows the same course.

There is no need for this to happen. The people have spoken through their Representatives in Congress. It is now up to the Department of Defense to act and act promptly unless the President says "No."

THE 90TH CONGRESS: FIRST SESSION

Mr. ROONEY of Pennsylvania. Mr. Speaker, when the 90th Congress convened in January there was a great deal of speculation about its potential for achievement. There was a great deal of pessimism that this Congress could accomplish very much at all.

True, this first session was a lengthy one, and some of the objectives we had hoped to attain evaded us. But the 90th Congress, I firmly believe, has made very pertinent contributions to advance our Nation and the welfare of its citizens.

Despite very obvious attempts in this session to scuttle some of the vitally important legislative strides made by the 89th Congress, we have seen extended programs to improve educational opportunity for all of our young people and to combat poverty.

We have taken new steps to improve the opportunities for our senior citizens to enjoy their retirement years through increased social security and medicare benefits. We have enacted legislation to protect the health and welfare of all our citizens. Literally, scores of important measures have been passed.

I am convinced the 90th Congress thus far has been more than a mediocre Congress. It has achieved significance because the leadership has been able to muster support necessary to insure success of many important legislative proposals. The credit for this, I believe, must be given in large measure to our distinguished colleague, the Speaker of the House of Representatives.

Speaker MCCORMACK has performed the responsibilities of his office with distinction and has drawn from this body a great deal more good than I had ever suspected would be possible. Our distinguished Speaker deserves our sincere gratitude. I also wish to extend to our Speaker the warmest of holiday greetings. I look forward to his continued leadership in this Chamber for many sessions to come.

THE GOLD RUN

Mr. ALBERT. Mr. Speaker, much has been said, more will be said about the currency of the United States and the gold loss of the United States.

This Nation owes some $30 billion to foreign nations payable on demand in gold in most cases. If we reevaluate gold by increasing its value to say $70 an ounce we will still have to pay with $35 an ounce gold making our liability $60 billion.

In spite of this, we must have a gold reserve if the dollar is to hold its value worldwide.

What to do, and you can get any answer you want from all kinds of experts.

My firm belief is that we must maintain our gold backing for our currency at any cost.

I have studied our gold production reports as well as world production. Our production has lowered and world production has about held at static levels in late years.

The gold supply must be increased and it can be.

Subsidies have a bad name and yet subsidies have been used successfully to increase supplies of short production of various products and services in this and other countries from the earliest days of commerce.

We have in this Nation today subsidies on products that are being produced in surplus.

We pay more for cotton and wheat just to name the outstanding examples that are in surplus and then we resell at prices lower than our Government cost, in domestic as well as foreign markets.

We can do the same with gold.

We should pay a subsidy on new gold produced in this hemisphere and still maintain the world selling price of $35 an ounce.

We would put the new gold in storage as backing for our currency and pay off our debts with our present supply.

This will keep our debts in line with our dollar, it will build and maintain confidence in our dollar and above all will pay a realistic price for gold received under today's high cost of production.

It will help our industries at the same time.

Gold is available in the United States, Central and South America, and in Canada.

The foreign nations cannot complain if we pay more for gold than we value it for trading purposes since they gladly accept our wheat and cotton at prices lower than the U.S. cost of production.

A SERIOUS RESIDUAL FLOOD PROBLEM

Mr. DE LA GARZA. Mr. Speaker, a serious residual flood problem persists in a large agricultural area of my congressional district. The area in question, comprised of an estimated 60,000 acres in Hidalgo, Willacy, and Cameron Counties, is flat and poorly drained. Antecedent rains had saturated the soil, and the Beulah rains resulted in large-scale inundation. Numbers of residences and farm buildings are isolated and agricultural activity is suspended.

There are 40,000 acres out of the 60,000 that are cultivated for vegetables, grain, cotton, and some citrus fruits. The remaining 20,000 acres are grazing lands.

Thirty houses are still surrounded by the ponded waters.

It has been estimated that there is a net agricultural loss of $1,500,000 in this 60,000-acre area.

Prolonged saturation threatens the life of the citrus orchards, and the livelihood of the owners.

Because of the lack of drainage, seasonally low evaporation rate, and intervening rains, the level and extent of inundation have remained unchanged for several weeks, and there is little prospect for substantial reduction of the inundation through natural causes for several months.

Local interests in the affected portion of the Rio Grande Valley have requested from the U.S. Army Corps of Engineers a flood control study in the area and have been informed of the requirements and time phasing of such a study. However, their immediate concern is relief from the existing emergency situation. In some instances the situation is so severe that children of families living off the main highways have difficulty getting out to catch the schoolbus.

It is believed that the majority of the area could be drained by a combination of extensive ditching and pumping at an estimated cost between $500,000 and $1,000,000. Suitable topographic mapping is not available on which to base a refined drainage plan and cost estimate.

In hopes of obtaining relief for residents of this inundated area I have today introduced legislation to alleviate the substantial hardship by providing for special drainage measures designed to remove these surface waters from lands in Hidalgo, Willacy, and Cameron Counties, Tex., that have accumulated from rainfall incidental to Hurricane Beulah in September 1967, and from subsequent rainfall. If enacted, my bill would provide that the President, acting through the Office of Emergency Planning and the Corps of Engineers of the U.S. Army, would be authorized to determine and to carry out necessary emergency measures for the removal of these surface waters from the land with economic and engineering considerations to be taken into account in the determination of the work to be undertaken.

While I realize, Mr. Speaker, that we are on the verge of adjournment of this first session of the 90th Congress, it is my sincere hope that this bill will be afforded early consideration when we reconvene in January.

PRESIDENT MOVES TO KEEP NEW HAVEN RAILROAD RUNNING

Mr. TENZER. Mr. Speaker, President Johnson has taken direct and positive action to avert the financial crisis of the New Haven Railroad.

The continued running of the New Haven is a necessity for 40,000 commuters who daily depend upon it to get to work and for 5 million people for whom it provides the only available railway service.

While the fate of the New Haven awaits permanent solution in the courts it has tottered on the brink of financial disaster—and disaster for its many users. President Johnson's action will help avert a breakdown in service.

The President authorized the injection of substantial Federal capital into the New Haven's veins through mass transit and right-of-way grants and a Federal debt deferral.

This will not provide a final answer to the New Haven problems. However, by his actions today the President has given us time to search for these answers.

The President has performed a service for residents of New York and New England which they will long remember. They know they have a Government which cares.

The statement by the President follows:

STATEMENT BY THE PRESIDENT

The Federal Government is acting today to keep the New Haven Railroad running.

We are acting on behalf of:

The 40,000 commuters who use it daily to get to their jobs; and,

The five million people for whom the New Haven provides the only available railway service.

Last May I met with the New England Governors at Windsor Locks in Connecticut. High on the agenda was the plight of the New Haven. I pledged the full cooperation of the Federal Government. I directed officials of the Department of Housing and Urban Development and the Department of Transportation to remain in close touch with officials of the Railroad and the States of Connecticut, New York, Massachusetts and Rhode Island.

The problem today is even more urgent.

The New Haven now awaits inclusion in the proposed merger of the New York Central and Pennsylvania Railroads. But this is still before the courts.

In the meantime, the New Haven is close to financial disaster. Within months, it may not be able to meet its payroll. It needs help now.

To keep the New Haven running until a permanent solution is found, I have authorized the following immediate actions:

1. Secretary Weaver has approved the awarding of an Urban Mass Transit capital grant. It will provide more than $28 million to improve the Railroad's West End commuter service in the next few years. Details of the grant will be developed in response to specific requirements by officials of the Federal Government, the New Haven, and the States of Connecticut and New York. But the purpose of this action is clear—to provide better commuter service between New York City and its northern suburbs.

2. Secretary Boyd will speed action to provide about $500,000 for improvements to the Railroad's right-of-way. This is part of the Department of Transportation's demonstration program for high-speed ground transportation.

3. To assist the New Haven with its cash emergency, the Federal Government is agreeing, subject to court approval, to a plan for immediate debt deferral. In effect, this would make available to the Railroad $1.7 million in cash, funds now earmarked for payment to the Federal Government. Under the proposed agreement, the Federal Government's financial interest will be fully protected. As part of this plan, the Government will not press various disputed claims for interest.

These actions are not the final answers for the New Haven. They do help avert an immediate crisis.

The New Haven's problems are symptomatic of what afflicts much of America's system or urban transportation. Even as we act today, we rededicate ourselves to the ideal of a national transportation network worthy of the people it serves.

Mr. Speaker, I agree with and most heartily endorse the President's statement and the action he has taken to assist the New Haven Railroad.

REPORT ON THE ACTIVITIES OF THE SUBCOMMITTEE ON INTERNATIONAL ORGANIZATIONS AND MOVEMENTS

Mr. FASCELL. Mr. Speaker, I submit a report of the activities of the Subcommittee on International Organizations and Movements of the Committee on Foreign Affairs. As chairman of the subcommittee I have felt that the Congress and public should be informed about our work.

I. WINNING THE COLD WAR: THE U.S. IDEOLOGICAL OFFENSIVE—A. MODERN COMMUNICATIONS AND FOREIGN POLICY

For the past 5 years the subcommittee has pursued a study in depth of the U.S. ideological offensive in the cold war. It has concerned itself with efficacy of a wide range of undertakings, both governmental and private, which contribute to the shaping of the U.S. image abroad and which influence the attitudes and actions of foreign nations. In February, the subcommittee undertook to explore the use of the tool employed to meet the challenge of the cold war: communications. The question we asked ourselves as central to our inquiry was: Are America's policies and purposes coming through loud, clear, and persuasively to the people of the world?

To answer that question, the subcommittee initiated a study into the areas where the United States may not be doing enough to avail itself of the opportunities provided by new technologies and techniques in the field of communications. Fifteen witnesses, experts working for communications media, academic specialists and several Government officials testified before the subcommittee on such topics as "The Role of Public Opinion in International Relations," "Techniques of Modern Communications," "U.S. Communications With the Developing Countries," and "Establishing Internal Communications in Developing Societies."

The results of our study and hearings appear in a report, "Modern Communications and Foreign Policy—House report 362, 80th Congress, first session. Our report and the hearings appended to it, underline the impact of the 20th century revolution in communications on national and international relationships. The influence—past, present, and future—of the various communications media was analyzed, and the affect of communications satellites, expanded and improved electronic communications, and the computer, on international communication, was explored. We found that modern communications have changed both the form and the substance of international diplomacy. Such inventions as radio, television, and teletype are credited with speeding the breakup of the old order and stimulating the widespread social, economic, and political revolutions of our age. These same developments have also complicated the conduct of diplomacy by reducing the time available for the solution of international crises and catapulting every essentially local occurrence into the center of the world arena.

Aware of the complexity of the issues, the subcommittee made certain general recommendations:

First. That the U.S. Government continue its present policy of promoting an open dialog with all foreign nations, and that we assign much higher priority to this task;

Second. That the executive branch, particularly those agencies involved in the dissemination of information abroad, be urged to confine their activities to undertakings which complement rather than compete with the private media;

Third. That the form and fact content of information relating to foreign affairs are in need of improvement and we recommend that appropriate steps be taken to remedy this situation;

Fourth. That an expanded effort should be undertaken to assure a systematic, coordinated use of international communication tools available to our Government;

Fifth. That the Department of State and related agencies directly involved in foreign policy operations stop procrastinating and gear up for the effective handling of the huge flow of information resulting from the 20th century breakthrough in communications; and

Sixth. That officials of our Government concerned with the conduct of foreign affairs—particularly those in positions of responsibility—become "sensitized" to the psychological and public information aspects of foreign policy.

More specifically, on the issue of communications with developing countries, our report recommended—

First. That our Government employ modern communications on a broad scale to launch a frontal attack on the basic problems of the developing countries, altering as necessary the scale of priorities which until now has dominated the structure of our foreign aid program;

Second. That our Government exert special effort to make the content of our communications responsive to the aspirations and conditions of the people in developing countries. We should also strive to discover and employ the combination of media best suited to promote the process of development in each given case; and finally,

Third. The United States should endeavor to assist the developing countries in organizing and developing their internal communications systems in order to advance their development objectives.

B. ENCOURAGING PRIVATE PARTICIPATION IN INTERNATIONAL ACTIVITIES

Early in the year, H.R. 7484 and similar and related bills were introduced, designed to support private U.S. participation in certain international activities through the establishment of an Institute of International Affairs. The proposed legislation stemmed from our subcommittee's continuing study of foreign policy operations and of the U.S. image abroad. Other bills with a somewhat different approach were also introduced and referred to the subcommittee, but all were directed to the solution of the problem brought to the fore by the revelations of covert Government support of the National Student Association and various other private organizations.

Under H.R. 7484 the activities which were government supported would be entrusted to a newly created Institute on International Affairs, managed by a board of directors composed of distinguished private individuals and Government officials. The majority of the board members would be drawn from private life. The institute would use both governmental and private funds to strengthen private U.S. participation in various international activities to encourage the development of "free and democratic institutions", and to provide support for studies of communism and of "other political ideologies which may impair peaceful international relations."

Another bill, H.R. 6990, provides for an independent corporation, the American International Cultural and Educational Council, which could advise student, labor, journalistic, scientific, and educational organizations in support of foreign policy. Its management would be vested in a board of trustees to include certain cabinet heads among its 20 members.

Still another bill, H.R. 8724, calls for the establishment of a new public agency, an American Council for International Exchange, instituted to develop and promote a broad national policy of financial support for the overseas activities of American private voluntary associations.

These and similar bills were considered by the Subcommittee during 2 days of intensive hearings with testimony received and amendments suggested by congressional sponsors.

In March, the President announced that he had requested Secretary of State Rusk to serve as Chairman of a special committee comprised of representatives of the executive branch, the Congress and the private community, to review issues relating to the provision of Federal funds for the overseas operations of private organizations deserving public support. The subcommittee has therefore withheld action on this legislation until it can review the findings and recommendations of the President's special committee.

II. THE UNITED NATIONS

A. THE UNITED NATIONS AND THE ISSUE OF DEEP OCEAN RESOURCES

On August 17, 1967, the Permanent Mission of Malta to the United Nations proposed that the agenda of the 22d U.N. General Assembly, scheduled to convene in New York on September 19, include the following item:

> Declaration and treaty concerning the reservation exclusively for peaceful purposes of the seabed and of the ocean floor, underlying the seas beyond the limits of present national jurisdiction, and the use of their resources in the interests of mankind.

An explanatory memorandum accompanying this proposal expressed concern that the rapid progress in marine technology could lead to the extension of national claims to the ocean floor, the appropriation of resources "of immense potential benefit to the world" by the technologically developed countries, and the use of the seabed and the ocean floor for military purposes. In order to forestall such developments, the memorandum proposed that the ocean floor be declared "a common heritage of mankind" and reserved exclusively for peaceful purposes. It was further proposed that an international framework be created for the use and economic exploitation of the seabed and the ocean floor. The net financial benefits derived from such activities were proposed to be used "primarily to promote the development of poor countries."

On September 13, House Joint Resolution 816, the first of nearly two dozen similar resolutions, was introduced, expressing opposition to vesting title to the ocean floor in the United Nations. These resolutions, along with several endorsing the approach suggested by Malta, were referred to the Subcommittee on International Organizations and Movements. Hearings before the subcommittee began on September 22 and continued with 4 additional days of intensive hearings, ending on October 31. Testimony was received from Members of Congress, executive branch officials and public witnesses. In both open and executive session the subcommittee addressed itself to the wording of the resolution before it; to the procedures used in arriving at, and the substance of, the U.S. Government's position on the pending legislation and the proposal by Malta; to the operational maritime programs of various U.S. Government agencies, including those of the Department of the Interior and the Defense Establishment; to the activities of the National Council on Marine Resources and Engineering Development, and of the Commission on Marine Science, Enginering, and Resources; and to the complex legal, political, and economic considerations.

On November 2 the subcommittee decided to issue an interim report of its findings and recommendations. The report, first issued as a Committee print on November 3, 1967, was subsequently filed, with hearings appended, as House Report 999, 90th Congress, first session. On the basis of the hearings conducted by the subcommittee, its findings and recommendations were as follows:

First. At the present time, the oceans and their potential for sustaining and enriching life are still largely unknown;

Second. Numerous private, national and international undertakings are currently in progress, aimed at enlarging our knowledge of the oceans and their resources;

Third. Many uncertainties, unresolved questions and possible conflicts exist in international law and usage on the use of the seas and exploitation of ocean resources; and,

Fourth. The proposal to internationalize the seabed and the ocean floor cuts across a broad spectrum of scientific, economic, political and security considerations and could profoundly affect the entire structure of private, national, and international marine undertakings.

Based on the above, the subcommittee believed that it would be precipitate, unwise and possibly injurious to the objectives which both the United States and the United Nations have in common, to reach a decision at this time on a matter which vitally affects the welfare of future generations. The subcommittee therefore recommended:

First. That the studies undertaken pursuant to the United Nations General Assembly resolution of December 1966 and the Marine Resources and Engineering Act of 1966, be pursued to a conclusion;

Second. That the U.S. Government actively discourage any action to reach a decision at this time with respect to the vesting of title to the seabed, the ocean floor or ocean resources in any existing or new international organization; and,

Third. That the U.S. Government, while continuing to encourage and support constructive international cooperation in the exploration of the oceans, proceed in this field with greatest caution so as not to limit or prejudice our national interests in the exploration, use and economic exploitation of ocean resources. The United States should urge further study of all the issues and problems relating to this entire subject.

In concluding, the subcommittee stated that in its opinion hasty action in this field could create more problems than it would solve or avert.

When Committee I in the United Nations began its consideration of the Maltese proposal, it was on a revised item which eliminated mention of "Declaration and Treaty" and referred instead to "Examination of the question of the reservation exclusively for peaceful purposes of the seabed."

On November 8, Ambassador Goldberg, our representative to the United Nations, proposed that the General Assembly establish in this session a Committee on the Oceans which would act as a servant to and assist the General Assembly on all marine questions, and which would make recommendations on all proposals placed before the General Assembly on marine matters. While no action has been taken on this proposal in this session of the General Assembly, Committee I adopted a resolution which was cosponsored by nearly 40 member states, including the United States.

This resolution calls for the establishment of an ad hoc committee composed of 35 members states to study the scope and various aspects of the agenda item and to prepare for consideration by the General Assembly at the next session, its 23d, a study which would include a survey of past and present activities of the United Nations, special agencies, International Atomic Energy Agency and other intergovernmental bodies with regard to the seabed and ocean floor, and of existing international agreements concerning these areas; an account of scientific, technical, economic, legal and other aspects of this item; and indications of practical means to promote international cooperation in all these areas. It is expected that the General Assembly will approve the resolution by December 19.

B. OTHER MATTERS RELATING TO THE U.N.

Following a practice pursued early in each session of Congress, the Subcommittee was briefed in executive session by Ambassador Arthur Goldberg, U.S. Representative to the United Nations, on the activities of the 21st session of the General Assembly, giving us also an assessment of the program ahead.

The subcommittee has continued its interest in the preparations for U.S. observance of the International Human Rights Year in 1968 by the special committee appointed by the U.S. National Commission for UNESCO. Progress reports by that committee were included in the RECORD on June 21 and October 19, 1967.

And finally, but certainly not least, I am delighted that the ranking majority member of the Subcommittee on International Organizations and Movements, Representative L. H. FOUNTAIN, of North Carolina, was named as a member of the U.S. delegation to the 22d General Assembly where he is serving with distinction in company with Representative WILLIAM S. BROOMFIED of Michigan, our colleague on the full Committee on Foreign Affairs.

CONCLUSION

Mr. Speaker, in concluding this report, I want to express my deep appreciation to the membership of the subcommittee for their devotion to the work of the subcommittee and their cooperation and contributions in fulfilling the tasks undertaken by the subcommittee. I should like to include in this report the names of the Members who serve on the Subcommittee on International Organizations and Movements. They are: Hon. L. H. FOUNTAIN, Democrat, of North Carolina; Hon. OMAR BURLESON, Democrat, of Texas; Hon. DONALD M. FRASER, Democrat, of Minnesota; Hon. BENJAMIN S. ROSENTHAL, Democrat, of New York; Hon. EDWARD R. ROYBAL, Democrat, of California; Hon. H. R. GROSS, Republican, of Iowa; Hon. PETER H. B. FRELINGHUYSEN, Republican, of New Jersey; Hon. EDWARD J. DERWINSKI, Republican, of Illinois; and Hon. PAUL FINDLEY, Republican, of Illinois.

WAR ON POVERTY

Mr. THOMPSON of New Jersey. Mr. Speaker, nearly 3 years ago the President, the Congress, and the Nation declared war on poverty in America.

Today that war is still far from won. But we have made a significant beginning.

One could hardly hope for a single program—or a set of them—which would erase poverty and its debilitating effects instantly or in a single year or even in several years. The dimensions of the blight of poverty are, after all, enormous. At least 30 million Americans are living at income levels which are inadequate to provide what most of us would consider subsistence. Between 3½ and 4 million persons—persons willing and able to work—cannot find jobs. Beyond simple dollar considerations, the poor are caught in a tangle of hopelessness and despair which destroys initiative, inoculates youngsters against ambition, breeds crime, and splinters families.

In the face of a monumental task, the war against poverty has begun to win important victories in the effort to build a new world for the inhabitants of America's urban slums and rural poverty pockets.

Since it began operation in 1965, the poverty program has:

Enrolled 1.3 million children in summer and year-round Headstart programs.

Provided work and training for 800,000 young men and women in the Neighborhood Youth Corps.

Given basic adult education and vocational training to 60,000 Job Corps enrollees.

Provided work experience to some 140,000 adults, most of them on public assistance.

Approved 33,700 rural loans.

Prepared 22,400 students for college in 224 institutions of higher education through the Upward Bound program.

Chartered 1,100 community action agencies serving areas which cover 70 percent of the Nation's poor.

Sent 3,500 VISTA volunteers into poverty areas across the country.

In all, the war on poverty has provided various benefits directly to some 8 million people in 3,000 of the 3,132 counties in the United States.

More important than the statistics of the poverty war, perhaps, is the sense of hope which it is spreading among the poor and disadvantaged. It has begun to tell our fellow Americans who live in the "other America" that there is a place for them in the economy and in the society. It has begun to tell them that someone cares and that their efforts to help themselves will not be ignored. The programs administered by the Office of Economic Opportunity have begun to replace alienation and frustration with a sense of doing and belonging.

The benefits of the war on poverty are not limited to those who live in poverty. Poverty costs the American economy billions of dollars each year in lost economic growth, idle plants and machines and in welfare and subsistence payments. The antipoverty program is designed not to perpetuate the poor in comfortable poverty or to continue this drain on the economy, it is designed to help the poor out of poverty and to help them become productive citizens.

Removing the approximately 1 million nonaged, nondisabled families currently receiving welfare payments from welfare rolls would save $17 billion in welfare payments in the next 10 years. Returning one-half million unemployed to the economy would add $1.7 billion in new wages and production in the first year.

The real achievements of the war on poverty and its promises for the future have been recognized by many Americans. All year we in Congress have been hearing from businessmen, religious and educational groups, elected officeholders of both parties, labor and professional organizations, charitable groups, and just plain citizens—all of whom have praised the antipoverty program. A recent Louis Harris survey shows that 60 percent of the American people are now behind the war on poverty and want it continued or expanded.

Despite the battles which the fight against poverty has been winning and the support which it has received, there are some in Congress who doubt the wisdom of the effort to eradicate poverty. Drumbeating speeches condemning OEO and its programs have been frequent. The House imposed a partially payless payday on the employees of the Office of Economic Opportunity and excluded them from the pay raise which we voted for other Federal employees. Fortunately, the conferees on the Federal pay bill eliminated the discriminatory restriction against these employees.

Many Republican legislators were particularly harsh in their criticism of the poverty program, They repeatedly charged that the antipoverty program was not doing its job in helping the poor and was an administrative "nightmare." The Republican solution to the poverty problem was their opportunity crusade, a program which would have broken up OEO and distributed its programs among other agencies.

On the face of it, one had to look at the Republican alternative with a great deal of skepticism. That alternative was the work of the same Republicans who, in 1964, voted by 70 percent to kill the original Economic Opportunity Act by recommittal—after they had first attempted to cripple it with amendments. These same Republicans in 1965 supported, by a vote of 90 percent, a similar recommittal move. Again in 1966 the same Republicans, showing increasing consistency, supported a recommittal move by a 96-percent margin.

What the Republicans were proposing, I think, was that they had hit upon a magic formula for increasing the economy, efficiency, and effectiveness of the Office of Economic Opportunity by abolition. How could an organization be uneconomical, inefficient, or ineffective if it did not even exist? In the place of OEO, the Republicans would have erected a myriad of little antipoverty bureaucracies all over Washington.

What the Republicans and the doubters overlook is that, in the first place, OEO is one of the most effective programs operated by the Federal Government and, in the second, its administrative costs—which are about 3 percent of its total budget—are among the lowest of any Federal agency.

As the first session of the 90th Congress draws to a close, both the House and Senate rejected the counsel of the doubters and the Republicans and overwhelmingly approved an extension of the war on poverty. The House passed the extension legislation by a vote of 382 to 129. The Senate gave the program an equally rousing endorsement—by a 60-to-21 vote.

The 1967 Economic Opportunity Amendments provide for a 2-year continuation of the poverty program and authorize $1.98 billion for its operations in fiscal year 1968 and $2.18 billion for fiscal year 1969. They also provide technical changes in the operation of the program to iron out some of the bugs which have developed in its first 2 years. New programs authorized by the amendments include emergency food assistance to hungry people, day care and technical assistance to small business.

To supplement the antipoverty program, the Congress, in 1967, extended several other related programs aimed at alleviating poverty and poverty-related conditions.

In September, both Houses gave final approval to a bill extending the 1965 Applachian Regional Development Act, which was the first—and one of the most successful—of President Johnson's antipoverty proposals enacted by Congress. This year's extension authorized $886.7 million for fiscal year 1968–69 administrative costs, $715 million for highways in fiscal years 1968–71, and $170 million for nonhighway programs in fiscal years 1968 and 1969.

Included as part of the Appalachia bill was legislation extending the Public Works and Economic Development Act of 1965 and authorizing $75 million to operate five new regional Commissions similar to the Appalachia Commission. These Commissions serve the Ozarks, Upper Great Lakes, New England, Coastal Plains, and Four Corners regions.

Congress this year provided funds for two important housing programs aimed at improving areas now slums and helping poor people find decent housing. These two programs are the rent supplements program, designed to help the poor afford the costs of renting nonslum housing, at the same time, to encourage them to improve their incomes, and the model cities program, which combines a number of community renewal progams into a comprehensive package. The rent supplements program received $10 million for its operations during this fiscal year. The model cities program received $312 million.

Still another antipoverty measure extended during the first session of the 89th Congress was the food stamp program, which allows needy eligible families to purchase Government food stamps at a discount and then use the stamp to purchase food. Legislation passed this year extended the program for 2 years and authorized appropriations of $200 million for fiscal year 1968 and $225 million for fiscal year 1969.

Passing the legislation to extend the war on poverty and other antipoverty legislation was not easy. In every case bruising fights were waged over the terms of the particular bill. Several of the programs suffered one or more reverses on their way through the legislative mill. Whatever the trials and tribulations which the antipoverty programs experienced at the hands of Congress this year, however, I think that we can say that we have not backed off from our national commitments against poverty—we are going to stay for the long pull.

PERSONAL EXPLANATION

Mr. FOUNTAIN. Mr. Speaker, while on official leave status granted by the House and serving as one of the two official delegates from the Congress of the United States to the 22d session of the General Assembly of the United Nations during the period of September 16 to December 20, I have naturally not been able to answer all rollcalls in the House. During this period, however, I have secured pairs whenever possible.

On those bills when pairs were not possible, I wish to state that had I been personally present I would have voted as hereinafter indicated on the following bills:

H.R. 13048: Extends to June 30, 1968, the provisions of the Library Service and Construction Act pertaining to payment to States eligible under this act. Provides that the Trust Territories of the Pacific Islands shall receive 100 percent of the total sums expended pursuant to a plan under this act.

On the motion to suspend rules and pass—October 16—I would have voted "yea."

Senate Joint Resolution 112: Extends until December 31, 1968, the time for filing the report of the Commission on Urban Problems.

On the motion to suspend rules and pass as amended—October 16—I would have voted "yea."

H.R. 11456: Makes appropriations for the Department of Transportation for the fiscal year ending June 30, 1968.

On the motion to recommit conference report with instructions—insist on disagreement to Senate amendments which exceed the administrative budget request therefor, October 17—I would have voted "nay."

On passage of the conference report, I would have voted "yea."

On Boland motion to recede and concur in Senate amendment No. 13—make $140,000 available for an airport at Kelly Flats, Mont.—I would have voted "nay."

H.R. 159 amends title II of the Merchant Marine Act of 1936 to create an independent Federal Maritime Administration.

On passage of the bill—October 17—I would have voted "yea."

H.R. 13178 provides more effectively for the regulation of the use of, and for the preservation of safety and order within, the U.S. Capitol Buildings and the U.S. Capitol Grounds.

On passage of the bill—October 19—I would have voted "yea."

House Resolution 947 the rule for consideration of H.R. 10442, facilitating exchanges of land under the act of March 20, 1922, for use for public schools.

On passage of the measure, I would have voted "yea"—October 20.

H.R. 10442 allows the Secretary of Agriculture to make an exchange of national forest lands with a public school authority which does not have sufficient lands for making the exchange if the school authority deposits with the Secretary the value of the selected land.

On the motion to recommit the bill with instructions to delete language regarding a special fund provided to the Secretary of Agriculture for purchase of lands—October 20—I would have voted "nay."

House Resolution 241 transfers jurisdiction over military and national cemeteries from the Committee on Interior and Insular Affairs to the Committee on Veterans' Affairs.

On passage of the bill—October 20—I would have voted "yea."

H.R. 11627 authorizes the State Roads Commission of the State of Maryland, or its successor, to construct, maintain, and operate a bridge parallel to the existing Chesapeake Bay Bridge, two additional bridges across or tunnels under the Chesapeake Bay, and one bridge across or tunnel under the Patapsco River.

On passage of the bill—October 23—I would have voted "yea."

H.R. 11641, the Public Works and Atomic Energy Commission Appropriation Act, 1968.

On Kirwan motion to provide $967,599,000 for fiscal 1968 construction of Army Corps of Engineers and elimination of planning funds for Dickey-Lincoln project.

On passage of the bill—October 25—I would have voted "yea."

H.R. 9960 makes appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, offices, and the Department of Housing and Urban Development for the fiscal year ending June 30, 1968.

On adoption of the conference report—October 26—I would have voted "nay."

H.R. 2508: Congressional district standard. MacGregor motion to recommit conference report with instructions.

On the motion to recommit—October 26—I would have voted "nay."

On adoption of the conference report, I would have voted "yea."

H.R. 13510, the bill increasing the regular compensation of servicemen by 4.5 percent retroactive to October 1 and making certain other adjustments in military pay.

On passage of the bill—October 26—I would have voted "yea."

H.R. 12144, the bill strengthening inspection regulations for meat in interstate commerce and authorizing a program to aid States in improving their own inspection programs.

On passage of the bill—October 31—I would have voted "yea."

S. 780, a bill authorizing funds over 3 years to combat air pollution—Air Quality Act.

On passage of the bill—November 2—I would have voted "yea."

NORTH CAROLINA PEANUTS AT THE U.N.

Mr. FOUNTAIN. Mr. Speaker, North Carolina is a land of many outstanding qualities. One of those qualities is the peanut—small in size but noble in flavor and nourishment.

Eastern North Carolina is a major producer of the peanut, which is also known in some places as the goober or as the groundnut. It has been my good fortune to help the Carolina peanut go international—so to speak.

As you know, I have spent many days this autumn in New York, serving as a member of our country's delegation to the 22d General Assembly of the United Nations.

Through the generosity of the North Carolina Peanut Growers Association, Inc., I have been able to provide samples of the nourishing peanut to many diplomats serving in the U.N. from other countries. Many of them have expressed to me their delight at discovering this savory nut.

The greatest tribute, however, came from Ambassador Arthur Goldberg and other members of the U.S. delegation. During the long hours of discusions and negotiations over the critical situations in the Middle East and Cyprus, the Carolina peanut often was the only readily available source of refreshment and nourishment. It served well as the following testament, which I wish to insert in the RECORD so that my colleagues may read it, indicates:

THE REPRESENTATIVE OF THE
UNITED STATES OF AMERICA TO
THE UNITED NATIONS,
December 1, 1967.

DEAR CONGRESSMAN FOUNTAIN: We wish to thank you for sustaining the 11th Floor throughout the long negotiations in regard to the Middle East crisis and now the Cyprus crisis. These negotiations are invariably conducted during hours when there are no restaurants open. Without your North Carolina peanuts, we could scarcely have survived.

Sincerely,
Arthur J. Goldberg, Bill Buffum, Richard F. Pedersen, Max Finger, Lillian Liccardi, Rita Brown, Kathryn Eno, Don R. Toussaint, Betsy Levin, Norma M. Garaventa.

ADDRESS OF SECRETARY OF COMMERCE

Mr. HAMILTON. Mr. Speaker, a few days ago our able Secretary of Commerce, Alexander Trowbridge, spoke before the Aluminum Association and discussed the contributions of business and Government to our record 81 months of prosperity.

Although I do not necessarily share all of Mr. Trowbridge's views, I do think it is important for us to have them, and for this reason I am pleased to insert in the RECORD his remarks:

ADDRESS BY SECRETARY OF COMMERCE, ALEXANDER B. TROWBRIDGE, BEFORE THE ALUMINUM ASSOCIATION, NEW YORK, N.Y., NOVEMBER 30, 1967

It is my particular pleasure to join you here this evening, and to be with so many friends in this vital and innovative industry so unique to America. Many things have gone into making our nation great, but surely the imagination that flows from free and unfettered minds is one of the principal factors. In men like John Harper you have the kind of straight forward, realistic and creative leadership which has helped aluminum become an agent for transforming much of modern America.

And today your industry is continuing that transformation—for example in helping to alleviate our city's problems through creative ventures in slum rehabilitation.

It is this kind of voluntary, private action that is adding a bright new dimension to the free enterprise system. We in the Commerce Department are particularly anxious to see the genius of American business become involved in the process of solving public as well as private problems. For the resources of our entire community will have to be marshalled to solve some of the stubborn and cruel dilemmas we face—even in the midst of great abundance and strength.

Tonight the clock is ticking away the final hours of a new record performance in the economic history of the United States. At the stroke of midnight the counter moves from 80 to 81: 81 months of the longest, strongest, most widely shared prosperity we have ever experienced.

By any test, this is a significant event that calls for proud recognition. Business' spectacular gains since 1961 include a near doubling in corporate profits after taxes, an increase of 63 percent in real business fixed investment, a 71 percent gain in dividends, and an increase of $365 billion, or 80 percent, in the value of outstanding shares.

Individual Americans have seen total wages, salaries, and other compensation paid to workers and executives grow by 60 percent, or $178 billion. Total employment has risen by nearly 9 million persons, and the unemployment rate has fallen from 6.8 percent to about 4 percent.

But this great economic advance has done much more than increase our wealth and well-being.

Today we are a different people. We have lifted our sights. We have increased our expectations. We look forward to even better tomorrows. We think in terms of success, not failure. Our future plans are built around achievement, not defeat. Our reflexes are conditioned to progress, not regression.

Great expectations, once loosed, are never easily corked again. A nation that has known and enjoyed the sustained progress we have in the past six and one-half years will never again be content with the halting movement that's based on two steps forward and one step backward.

We won't be satisfied because we now know that government has the management tools that can help assure a smoother ride. I don't mean that government can now prevent all recessions or that economic laws governing the business cycle have been repealed forever.

This is, after all, a free economy, the freest in the world, whose course is determined by the whole mix, by millions of decisions by consumers, workers, businessmen, and government officials, as well as by events beyond our shores and often beyond our control.

But government has demonstrated a keen managerial ability in the use of fiscal and monetary policy to help maintain the kind of healthy economic climate that fosters confidence among businessmen and consumers.

And every American expects government to continue to use these tools with all the skill and foresight it can muster.

But this very night, right now, even as the clock ticks toward establishment of the new expansion record, there is real and present danger that government may fail the test in this, a most critical juncture of our economic affairs.

This test revolves around whether Congress will enact President Johnson's new proposal calling for a 10 percent income tax surcharge and a cut in Federal spending that together would reduce the Federal budget's deficit by $11 billion.

This is an effective, double-barreled measure which takes dead aim on the serious fiscal problems that may be partially hidden today, but which could wreak havoc with the national economy next year.

Certainly the American people, accustomed to progress, are going to ask some very pointed questions if this does happen. When prices start climbing and dollars start shrinking; when employment starts going down and unemployment becomes high, when the prospects for better education for our children become dimmer, instead of brighter; when the hardest hit of all are the aged living on fixed income and the poor whom we are trying desperately to help; when and if all this starts happening, I think there's going to be the very devil to pay.

It is unthinkable, of course, that we will let it happen. I personally don't think it will come about, because I think Congress is going to enact this new measure. It's going to do it, among other reasons, in order to meet the new and urgent situation created in the international monetary field by devaluation of the British pound.

Even before that event the need for the tax increase was compelling enough.

The size of the projected Federal budget deficit alone, soaring to possibly as much as $25 billion in fiscal '68, is reason enough.

Treasury borrowing to finance a deficit of such proportions would make excessive demands on the money market, driving interest rates even higher—and they are already higher than the 1966 peak. On top of Treasury needs are the climbing capital requirements of state and local government.

Then we must add housing, which suffered so badly from the lack of mortgage money during the credit crunch last year and which is only now making a valiant comeback. I know the aluminum industry, with more than one-fifth of its product going into construction, will not welcome a repeat of last year's development in this area.

A second compelling reason for the surcharge is the need to curb the inflationary trend by moderating overall demand from the private sector.

Spendable incomes of both consumers and business are increased by sizable Federal deficits, as government puts out more money than it takes in. Consumers alone purchase about two-thirds of all goods and services. Personal income, which increased slowly in the first five months of this year, has begun a strong upward movement, increasing at an annual rate of more than seven percent since June. Not all of this increase is going into effective demand, as consumers are saving an unusually high proportion of their disposable income. But only a slight change in the consumer saving rate could add billions of dollars to retail sales.

Prices already are beginning to creep up as a result of increased costs, and if they continue to rise under the stimulus of excessive demand, an "inflation tax" will be levied on everybody.

A third reason for the tax surcharge is the simple one that to defend freedom costs money. With our gallant men putting their lives on the line in Vietnam, we should be willing to lay our dollars on the line here at home. To fight Communist aggression we not only need military hardware at the front, we also must have a strong and viable economy that can continue to produce that hardware. And to pay as we go, at least partially, is one of the best ways of assuring the maintenance of that economic strength.

The fourth reason for the surcharge involves our balance of payments problem—and here we come back to the devaluation of the British pound.

Now the reasons for the pound's devaluation are understandable.

Britain must restore a viable balance in its international transactions and repay the very large loans it has used to defend the pound.

Devaluation means that British goods will be less expensive in export markets. Imports, on the other hand, will be more expensive in Britain, and their volume is likely to drop.

In addition, British labor will be cheaper relative to that in other countries. This should help make Britain more attractive to investors, especially to foreign firms producing goods which can be sold in countries that have not devalued. Tourists too will find added attractions in a less expensive visit to Great Britain.

We earnestly hope that Britain is successful in its efforts to bring its international payments into better balance. Economic disturbances in a major trading nation affect other countries and create uncertainties. If the ailing country is also a reserve currency country, as in the case of Britain, the uncertainties relate not just to the country itself, but to the soundness of the entire world monetary system. The dollar is the principal reserve currency, and in such times its future position and role come under scrutiny.

The pound's devaluation therefore adds to the challenges we in the U.S. face in international trade and increases the importance of strengthening the international position of the dollar.

For Britain to regain her financial equilibrium does not mean that our balance of payments must be weakened commensurately. Britain does not compete with us alone; it competes with the other industrialized countries. A recovery in Britain's trade and payments could also result in bringing some of the countries in continental Europe which now have a strong surplus in their international transactions closer to a balance. If that happens the international transactions among the major industrial countries in the world would be closer to an equilibrium than they have been, and the road to a renewed expansion of world trade and production would be opened up.

Devaluation will result in an improvement in the competitive position of British exports in world markets, but the burden on American exporters will not be onerous. Of the $1.8 billion of U.S. exports to the United Kingdom, some 40 percent are raw materials and food products for which domestic substitutes are not readily available. Five percent are consumer products, many of them in the sophisticated category where quality, not price, is the principal consideration. Most of our remaining exports are capital equipment, incorporating our advanced technology, purchased by business to do a specific job and where performance is the deciding factor; this category may suffer slightly in the short run because high interest rates and general uncertainties may delay investment decisions; but this situation is not expected to last.

In the next six months, the rate of improvement in the United Kingdom economy may slow down somewhat as a result of the devaluation shock and the necessary readjustment to austerity measures. This could adversely affect our overall trade with the U.K. in the first half of 1968. But as the beneficial effects of devaluation begin to be felt, and Britain's export industry expands, the structural changes in the economy should provide our firms with an expanding market for capital goods of the latest design.

As for third markets, where our industries compete with Britain's, theirs may have some advantage, but how much will depend largely on the increased cost of raw materials to them and on their ability to keep wages from rising. But certainly this advantage will be less than the full devaluation rate of 14.3 percent. Britain's decision to raise its corporation tax and to remove the export rebate works to reduce the probable advantage to British exporters to between 6 and 8 percent.

The British devaluation poses three obvious requirements that demand our immediate attention. The first is to eliminate any doubt as to our determination to preserve the relationship between gold and the dollar at $35 per ounce. The second is to maintain confidence in the dollar. And the third is to meet the test which confronts our political, military, and commercial positions world wide.

The basic methods of achieving these objectives are already in operation. They include the use of multilateral cooperation to hold devaluation in line. So far this has been successful, and the area of devaluation has been limited to a small circle of countries. The second is to protect the price of gold through cooperative efforts with other countries. Here too the international community is meeting the test.

But the essential question of confidence in the dollar can be answered only by action by the United States, and not just by our promises. That confidence can best be maintained and strengthened by a clear demonstration of our will and capacity to keep our financial affairs under control and in good order.

Today, the international financial community is taking a very cold, hard look at the size of our projected Federal deficit for fiscal '68. It is frankly wondering whether we will increase taxes and cut back expenditures, measures which are seen as vital to the maintenance of confidence in the dollar.

Obviously such a package is needed if we are to relieve the additional pressure on our balance of trade which the pound's devaluation has posed.

For sound management of Federal finances will hold inflationary trends in check and thereby help increase our competitive strength in the world market.

American business must have the benefit of such basic economic conditions at home if it is to compete successfully in that market. In addition, our resources must not be so strained that delivery periods for American products are longer than those for competing products produced abroad. In fact, to compete with lower labor costs abroad, our delivery periods and our credit terms must steadily be more attractive to foreign buyers.

It is another story, but American labor's demand for excessive wage increases also must be moderated if we are to hold the price line. Already many labor contracts include increases that are well in excess of normal productivity gains. There is a real danger that wage and price increases will interact to produce an inflationary spiral that would weaken the contribution to price stability that a tax increase and budget reduction could make.

In the same way that the tax increase will moderate demand from the private sector, the reduction in Federal expenditures will help hold inflation in check by lessening demand from the government sector.

We must, therefore, cut expenditures wherever possible, and President Johnson's new proposal reflects his firm determination to trim every single ounce of fat from government spending. The reductions proposed by the President will result in a $4 billion expenditure reduction in this fiscal year, coming from a reduction of some $9 billion in obligational authority.

As Secretary Fowler made clear in his testimony yesterday before the House Ways and Means Committee, the combined tax increase and expenditure reductions under the new measure would:

Cut the estimated budget deficit from upwards of $25 billion to below $14 billion.

Reduce the pressure on our credit markets by Treasury borrowing, which drives up interest rates despite an easy monetary policy.

Remove the threat of a credit crunch that would hurt the housing recovery and lessen the availability of credit to State and local government and small business.

Help hold down prices and enable business to expand our trade surplus, which is vital to our balance of payments position and international confidence in the dollar.

This is nothing less than a measure to keep us from slipping once more into the old boom and bust cycle that has governed far too much of our past.

Raising taxes and paring important government programs are never pleasant tasks, but compared with the alternatives, they are vastly more desirable.

I know that most businessmen will recognize the President's new proposal as a necessary exercise of fiscal responsibility. It is clear that our nation has the capacity, the wealth and the talent to meet this test of responsibility. What is now being questioned is our will—our determination—to make the hard but necessary choices which come as part of the price tag of greatness. I for one am sure that we have—as we must—that will.

Thank you very much.

MAN AND OUR SPACE EFFORT

Mr. CHARLES H. WILSON. Mr. Speaker, in my continuing efforts to emphasize the importance of our country's space efforts, I would like to bring to your attention an article that appeared in the November issue of Liturgical Arts. The article is entitled "The Impact of the Space Program," by T. W. Adams, Ph. D.

Dr. Adams is one of 22 Federal Government executives selected as congressional fellows in a program sponsored by the U.S. Civil Service Commission and the American Political Science Association. The object of the fellow program is to provide an opportunity for promising young executives to acquire an understanding of congressional operations.

As participants in the program, the fellows will attend a comprehensive orientation program prepared by APSA in preparation for their work assignments, and they will fill the position in the offices of Congressmen and Senators, and as staff members of congressional committees. Dr. Adams has held the position of sociopolitical specialist with the Office of Policy at NASA Headquarters since 1964.

Mr. Speaker, with the permission of the House, I include Dr. Adams' article in the RECORD:

THE IMPACT OF THE SPACE PROGRAM

(By T. W. Adams, Ph. D.)

Since the start of recorded history, man has gazed upward at the heavens and pondered the mystery of the stars and the limitless expanse through which they are hurtling. Thousands of years of speculation passed before Russian scientists launched the first man-made moon into an orbit around the earth on October 4, 1957. Soon after, man himself had ventured above the atmosphere, orbiting the earth at a height of 100 to 200 miles and returning safely. Outer space began to come within the earthling's reach. Our thoughts in this new age of discovery now turn to landing on the moon and probing the far horizons of space. Can anyone imagine what this encounter with the universe ultimately means to man and his world? How will man resolve what new knowledge he will uncover with his present existence? The prospects are both exciting and terrifying.

One can view the adventure into space a number of different ways as a means to increase our understanding of the universe and in turn to help man to learn more about himself; or as the opening of a vast unexplored domain with rich resources to be exploited for the economic and social benefit of all nations on earth; or even as a catalyst for the emergence of superordinate goals whereby the nations of the world could work together for peaceful purposes and for the benefit of mankind. Certain social scientists and historians have also speculated that the exploration of space might become in time a substitute for war—that the absorption of energies, resources, imagination and aggressiveness in the exploration of space might contribute to the maintenance of international stability and cooperation here on earth. At the same time there are those concerned with the arts, humanities and religion who need to keep abreast of rapidly developing science and technology in order to assure that these forces of nature serve to enrich man inwardly as well in the material aspects of life. To be sure, the adventure into space invites all these possibilities!

Possibly the most psychologically important fact that could come out of space exploration is the confirmation that there are other planets with intelligent life. British astronomer Sir Bernard Lovell states that there must be at least 100 million planets in our Milky Way galaxy alone capable of sustaining not only life but intelligent life. In fact, it is entirely conceivable that within perhaps a century, earth-men will have communicated with intelligent beings in other star systems. For this possibility and for many other reasons, it is surely not overstating to say the Space Age is bound to have an increasing impact on all elements of today's mobile society.

By and large we must depend on telemetry and radio to determine that our platforms in space are operating. The placing into the night sky of a new star, Echo, however, was viewed with the naked eye by millions around the globe and was likened by some observers to the star Bethlehem. In the words of Dean Gerhart D. Wiebe, in 1962 (of the school of public relations and communication, Boston University) "This association between a man-made star and the story of the birth of Christ might be presumed to have engaged the imagination of millions of people regarding space flight and religion." An important impact of space exploration may therefore be a new awareness of man's relationship to the heavens and an intellectual stimulus to interpret that place through science. Those churchmen who feared in 1623 that Galileo's heliocentric theory and the methodology behind it could change men's conceptions of religion proved to be right.

In just two or three more years, we will experience the fantastic excitement of landing men on the moon. By the end of the century, trips to the moon may be commonplace—for astronauts, that is. Scientists have had the ingenuity to provide a compatible environment on the hostile frontier of space to make astronauts just as at home as man would be in the jungle, in the desert, in the mountains or in the Arctic and Antarctic wastes. Man survived in the wilderness by carrying with him as much of his normal environment as he could. Outer space is mastered in much the same fashion.

By 2000 AD there may be human settlements on or in the moon, but these will probably be simply functional way stations for scientists such as radio-astronomers. The problems of accommodating to weightlessness and grappling with the lunar surface will probably be too formidable to expect any one person to stay on that barren place very long. Thus, the moon will hardly be a tourist haven or a homesteader's delight in thirty-three years, nor will there be much need for anything but the most utilitarian celestial architecture. Yet man will have nonetheless gained his place on the moon and with it a new perspective on planet Earth, our solar system, our galaxy, and himself.

The March 24, 1967 editorial in *Life* magazine was entitled, "The Solar System is Our Parish," and concluded that we would be "lesser people" if we chose not to claim our human dominion over space—"the modern equivalent of the American frontier." The launching of the Space Age is surely a crucial time in the evolution of our culture as well as our metaphysical concepts. The collective power of man is infinitesimal compared to the great forces of nature, but this nation has nonetheless committed its intellectual, scientific and technological prowess to harnessing the forces of nature in the conquest of space. Despite some setbacks the American space goal is now essentially the same as President Kennedy declared in 1962: "This is the new ocean and I believe the United States must learn to sail on it and be in a position second to none."

NATIONAL CRIME BILL UNFINISHED

Mr. FULTON of Tennessee. Mr. Speaker, as this session draws to a close, we have left unfinished one of the most needed pieces of legislation before the Congress this year. This is the important national crime or "safe streets" bill which we had hoped might be cleared this week. However, controversy over certain provisions in the bill in the other body seems to have removed any chance of passage this year.

Mr. Speaker, this is a tragedy. The statistics on crime in this Nation are increasing at an ever-alarming rate. But even worse, behind each statistic there is an individual citizen who has personally suffered to some degree at the hands of some thug, rapist, thief, con man or swindler.

Even more disturbing is the alarming increase in so-called street crime or crimes of wanton violence perpetrated against innocent and most often defenseless individuals.

It is statistically true that many of our citizens, a majority of them, are fearful to venture forth onto our public streets and places after dark in many urban centers of the Nation and their fear is not based on alarm but by the knowledge that there is an increasing chance that they, too, will become a victim and an added statistic to the Nation's crime rate, a crime rate which is a profound disgrace.

Mr. Speaker, the national crime bill passed by the House earlier this year was a good bill. It may have included more than some wished or less than others had hoped, but it was a good cornerstone upon which to build if necessary.

Last January President Johnson, in his state of the Union address, called on the Congress for early action to protect our citizens and safeguard the security of our streets and communities. Now, nearly a year later, the Congress has still not acted.

This is a deplorable situation. We can appropriate billions of dollars for a war in Southeast Asia within a week, but in a full year we cannot pass a modest bill totaling much less than $100 million to protect the safety and well-being of our own citizens.

I can only add that consideration of this legislation must be a priority concern just as soon as the Congress reconvenes in January.

ECONOMIC PROGRESS IN AMERICA

Mr. HOLLAND. Mr. Speaker, the Labor Department has just released figures which show a decided improvement in the well-being of our Nation. And, since statistical good news is too often obscured by sensational bad, I would like to bring those figures to the attention of my distinguished colleagues.

The numbers involved concern employment—a seasonally adjusted 450,000 rise in employment between October and November. Just as important, unemployment also dropped in that time, from a high 4.3 percent to 3.9 percent.

Since employment is a vital indicator of the prosperity of any nation or community or family, these improvements mark definite economic progress for America.

Also noteworthy is the fact that these improvements did not come solely from government or from business or from labor, but from all these sectors working together toward the common American goal of a better life for all.

Unfortunately, the employment increase is not "big news." It will not rate intensive television or newspaper coverage or long, heated discussion by armchair experts.

It is, however, big news to all those Americans who are no longer on the unemployment rolls, all those children whose Christmas will be a little happier than it might have been, and all of us who care about the true economic status of America and her people.

ECONOMIC OPPORTUNITY

Mr. HOLLAND. Mr. Speaker, I am happy to report on the progress that America has made in providing her disadvantaged with training and job opportunities through programs created by the Economic Opportunity Act.

Since the first 14 Neighborhood Youth Corps projects were announced in November 1964—and those original projects are still in operation—over 1½ million work-training opportunities have been opened to our Nation's disadvantaged youngsters.

We have also made great progress through special impact, new careers, and Operation Mainstream—the programs created by the 1966 amendments to the antipoverty law. As of November 30, the Labor Department had opened 28,837 training and job opportunities to disadvantaged Americans through these programs.

NEIGHBORHOOD YOUTH CORPS

In the 3 years since its inception, the Neighborhood Youth Corps has funded more than 1½ million job opportunities for economically disadvantaged young men and women.

While working on NYC projects, these youngsters have been given a chance to continue their education, contribute to the support of themselves and their families, and gain self-esteem through productive work while they perform public service jobs in their community.

SPECIAL IMPACT

This program mobilizes Federal, State, and local resources in order to provide training, education, health, and community services for disadvantaged persons 16 and over who come from low-income areas.

The first special impact project was launched late in fiscal year 1967 in Bedford-Stuyvesant, N.Y. Training and job opportunities under this program are now being made available to 4,000 area residents.

Through November, the total number of opportunities available through this program increased to 10,494.

NEW CAREERS

New careers provides unemployed and underemployed men and women 22 or older the opportunity to prepare for promising subprofessional careers in human service occupations such as medicine and education.

Through November 30, the Department had signed project agreements for 9,151 enrollment opportunities. So far, three new careers programs have been completed:

A pilot program started by the Office of Economic Opportunity for 31 Asheville, N.C., enrollees who were placed in support-professional jobs in home management, social services, and youth development;

A crash program for 50 basic surveying trainees from Fairbanks, Alaska who were urgently needed in the aftermath of an earthquake that badly damaged the State; and

A program to train 37 hard-core unemployed women in Cleveland as caseworkers and home health aides.

OPERATION MAINSTREAM

Through this program, we have opened 9,192 job opportunities for chronically unemployed adults, particularly the elderly. Operation Mainstream enrollees gain work experience on training projects that improve low-income rural and smalltown communities through conservation and beautification projects.

The opportunities that have been made available through all these programs testify to our continuing determination to provide full employment opportunity for every American.

The success of our efforts is illustrated very clearly by stories of the men and women who have progressed from poverty and hopelessness to steady wages, promising careers, and self-dignity through these programs.

Earline Hill, of Jacksonville, Fla., is only one example. A member of a family who had lived on public assistance funds for three generations, Earline was a high school dropout with no hope of ever finding a better job than her low-paying one in a laundry.

With the help of NYC, however, Earline became a nurse's aide and was able to return to school. After graduation, she was hired full time.

This year, she married a boy working as a press machine operator, and she wants to go back to school to become a registered nurse.

Through NYC, Earline found a happy ending to a long story of poverty and welfare. Her success—and the success of other disadvantaged Americans who have benefited through our antipoverty programs—demonstrate the real progress that America is making in meeting the challenge of unemployment.

ROBERT S. McNAMARA

Mr. NEDZI. Mr. Speaker, Robert S. McNamara's 7 years of outstanding service as Secretary of Defense have been unprecedented. He has commanded the world's mightiest military aggregation with vision, firmness, and almost superhuman energy. During times of peace he prepared our military forces to meet any kind of aggression—guerrilla, conventional, or nuclear. During times of conflict he has helped make our combat personnel the best trained, best equipped, and most spirited in our military history. At all times he has stressed intraservice cooperation and coordinated planning, and personally symbolized the constitutional wisdom of civilian control.

His forthcoming departure has been given such thorough, in-depth coverage by the news media that it would be presumptuous of me to seek to review his brilliant record of accomplishment. I do, however, wish to add a personal note, based upon my association with him as a result of my membership on the House Armed Services Committee.

I have the highest personal regard for Secretary McNamara and for the job he did in seven critical, bone-wearying years and one of the most difficult assignments in man's history, running a $70 billion a year operation that has the power of life and death over mankind.

Robert S. McNamara has been one of Michigan's greatest contributions to the Nation. At 51 he is still a young man. I hope that after a deserved interval of comparative rest, he will again be available for a high position in the public life of our Nation.

OUR COMMON GOALS FOR AMERICAN PROGRESS CAN BE ATTAINED BY THE COOPERATIVE ACTION OF GOVERNMENT AND PRIVATE ENTERPRISE

Mr. DONOHUE. Mr. Speaker, early last month the very able and dedicated special assistant to the President, Joseph A. Califano, Jr., returned to his alma mater, Holy Cross College in Worcester, Mass., to address the college's Cross and Scroll Society.

Mr. Califano delivered a well-documented, thought-provoking address on the problems of our time in which he stressed that solutions to them can only be reached, and our common goals for American progress can only be realized, through the strengthened cooperation of Government and private enterprise.

The talk was exceptionally well received and since all Members of Congress are deeply interested in the challenging subject of progressive accomplishment through the combined initiative and resources of private enterprise and Government working together at all levels of our society I would like to include Mr. Califano's address at this point:

THE PUBLIC INTEREST PARTNERSHIP: A CREATIVE REVOLUTION

(Remarks by Joseph A. Califano, Jr., special assistant to the President before the Cross and Scroll Society, College of the Holy Cross, Worcester, Mass., Nov. 2, 1967)

Yesterday, something happened in the United States that in any other country would be cause for a national celebration. Yet it passed with relatively little notice. We have become accustomed in America to making the remarkable the routine.

Yesterday, November 1, 1967, we entered our 81st month of unbroken prosperity—the longest such period in our history.

In these six and one-half years we have seen over 9 million jobs added to the economy. In that same time American families have added $325 billion to their assets. The income of Americans, after taxes and corrected for price increases, is up 40 percent. Seventy-four and one-half million Americans are working today, at better paying and more secure jobs than ever.

What does that mean? Where do we go from here?

The events of today pass with such speed that we rarely have an occasion to pause and dwell on the undercurrents of American life. But tonight we have that opportunity—and I would like to reflect on some significant changes in American society over the past several years.

Tonight I would like to talk to you about myths, and partnerships, and creative revolution.

Two major myths are the fashion today and, I believe they increasingly blur our perception of America:

First, there is the myth that the conflict in Vietnam so saps our resources and strains our budget, that the unfinished work on our urgent needs at home must stop, or indeed has stopped, until the war is over.

Second, there is the myth that the Federal Government is some kind of "Machiavellian sugar daddy", bent on dominating the process of change in American schools, in the cities and in the life of individual citizens, spending money as fast as it can be printed.

Those who hold the myth about the impact of the Vietnam war on our domestic programs do so for a variety of reasons. But rarely do they face the real issue—the test of will.

To be sure, Vietnam imposes an obvious budgetary strain and clear and present pressure on our economy. But the problem is not whether our economy can carry the costs of the Vietnam war, while still maintaining forward progress on domestic programs. Of course, it can—if we have the will to devote the necessary resources and energies to the social problems of our day.

To those who say we must stop these programs, let me say that over the past four years including Fiscal 1968, even with the costs of the Vietnam war, budget expenditures should average less than 16% of our gross national product. This is slightly below the level of the late 1950's when there was no major military buildup in Vietnam. The costs of the Vietnam war amount to but three percent of the Nation's output and income.

To those who say we have stopped, let me say that we are now devoting more and more resources to our urgent domestic problems:

In 1960, federal aid to the poor was $9.9 billion. In 1968 it will be $25.6 billion—a 150 percent increase in the past seven years.

In 1960 we were spending about $6.6 billion for health, training and education. This year it will be over $22 billion.

In 1960 there were no federal programs to train unskilled Americans for useful jobs. In 1967, one million Americans will be trained through Federal programs.

And you must remember that every federal dollar summons up additional capital from the private sector and state and local governments.

This may not be as much as many of you, or I, might like to see spent on our domestic programs at this time. But those who believe we should do more must recognize that the end of the war in Vietnam will not produce some magic rainbow with a pot of additional gold for domestic programs. Vietnam expenditures, now totalling some $24 billion annually, will not automatically be transferred by the Congress to domestic programs when the war ends. The likelihood is that the Congress will turn back a large part (perhaps more than half) of that $24 billion to the American taxpayer rather than turn it over to the American bureaucrat—regardless of your social aims or mine. This has been the pattern of American history after every prior conflict in this century.

The Vietnam war provides a handy excuse for some who never really wanted the Great Society programs. These are the men who believe that poverty is the eternal lot of those born into it, something to be changed by chance and not by choice; who think that good health is the privilege of the few who can afford it, rather than the right of all; who consider a good job a privilege for those who can pay for education and training, rather than a birthright opportunity for those with the necessary talent and ambition. War or no war, these men will oppose Great Society programs.

There are also those who oppose these programs because they have a vested interest in disaster. The idea that a democratic society—with a free enterprise economy—can meet its enormous social needs, is anathema to them. They would rather condemn those who are trying to heal the wounds of centuries of neglect and discrimination, than put their own hands to that task.

What Vietnam presents, therefore, is not primarily a budgetary or a resource problem. Vietnam presents, rather, one of the greatest tests of will the American people have ever faced. It is a test of will abroad, surely. But tonight I wish to speak of the test it applies to our will at home.

This brings us to the second myth I mentioned earlier—that the federal government is some "Machiavellian sugar daddy" bent on dominating every aspect of American life.

Theodore Roosevelt's daughter Alice once said: "Father wants to be the bride at every wedding and the corpse at every funeral." Too many Americans are ready to make the President the Mayor of every city, the Governor of every state, the head of every school district and the chairman of every corporate board.

In the last few years, we have learned that the federal government—particularly if it is to reach the individual—can operate most effectively, and in many cases only, with the states and the cities, the foundations and the private charities, business and labor, and hosts of individuals at the grass roots of America.

This brings me to the central theme I would like to discuss with you tonight.

We have witnessed the development of truly significant partnerships in our society—alliances between the private sector and the government—which have grown out of a recognition of the limits of what the federal government can achieve alone.

We know that much remains to be done—so much so that on the White House staff, because we found ourselves having to say it so often, we tried to come up with 50 ways to say "much remains to be done"; there is much to do, unfinished work lies before us, there are myriad problems ahead, et cetera, et cetera.

The point is not that much remains to be done—we all know that. The point is that the federal government cannot do it alone.

The federal government cannot do it alone because it cannot wish or command and have it done—not in a free country.

The federal government cannot do the job alone because it does not have all the skills.

The federal government cannot do it alone because it is not enough in a free country for a few hundred federal officials to have the will:

Lawyers must be willing to represent the poor.

Small unions in hundreds of cities and towns must be willing to open their apprenticeship programs.

Big businessmen must be willing to help small businessmen.

Doctors must be willing to spend more of their time with the poor and to reorient their system for the delivery of health services.

The federal government cannot do these things by fiat. And it cannot buy them. In short, we must find the will and the ways to establish, on an individual basis, the kinds of partnerships that are developing between business and the federal government.

President Johnson articulated this clearly in his 1966 Economic Report to the Congress:

"The tasks involve new and growing problems of an increasingly complex and interdependent economy and society. Only the Federal Government can assume these tasks. But the Federal Government by itself cannot create prosperity, reduce unemployment, avoid inflation, balance our external accounts, restore our cities, strengthen agriculture, eliminate poverty, or make people healthy.

"Only through a creative and cooperative partnership of all private interests and all levels of government—a creative Federalism—can our economic and social objectives be attained."

In the last year or so that partnership has taken a new course—a creative revolution—in the deepening involvement of the private sector in the public and social problems of our society.

That partnership grew, out of self-interest, in arm's length transactions, where an uneasy government-business relationship developed because profits to stockholders coincided with the urgent need of the government to fulfill its most basic responsibility to the people it serves: the survival of their society. It has become a partnership familiar to the federal government in times of national security crises.

Let me call this the *skill partnership* of the 1940's and 1950's.

In the mid-1950's, for example, the government, in order to obtain the skills it needed—but which its own arsenals and laboratories lacked—sponsored new private profit and non-profit organizations, literally extensions of the government, to help develop strategic ballistic missiles and indeed strategy itself. While beating the clock in that race for survival, these relationships also helped break down some of the old barriers between government and the private sector.

This *skill partnership* of the late 1950's not only built the military hardware and weapons systems of deterrence. It also launched our effort in space. In the process, the technological fallout from this partnership helped make life easier and better for most Americans—in jet transports, television, transistor radios and even teflon frying pans.

The *skill partnership* achieved something much more significant. It set in motion an entirely new set of problem solving techniques—the "total" or "systems" approach—which Secretary McNamara brought to the Defense Department and which President Johnson is bringing to the government in the domestic field.

That early *skill partnership* set the stage for the next development. What would happen if the time were ripe for a major commercial technological advance, a major thrust forward that was far beyond the ability of private industry to finance?

How would the democratic, free enterprise system respond to a situation where military need did not justify the expenditure of defense funds, but where national need and opportunity inspired risks beyond the capability of private industry to absorb totally.

Let me call this the *risk partnership*.

Its most publicized—and controversial—example is the supersonic transport. The development of a supersonic transport was considered beyond the financial capability of any commercial firm. The vast technological advances imposed enormous economic risks. Unlike most of the commercial aviation advances that preceded it, the SST did not have the bonus of extensive military technology at the taxpayer's expense. The Defense Department foresaw no military requirement for such a plane.

Nevertheless, the promise of thousands of new jobs for American workers, millions of dollars of new orders for our factories, and the desire to maintain world leadership in commercial aviation in the face of foreign competition, led the government to join in a new venture with the private sector.

The government selected the manufacturers and the Congress appropriated the funds to help finance the development of a supersonic transport. And the government will recover its share of the risk capital—and make a profit—if the enterprise succeeds.

Almost simultaneously with the development of the *risk partnership*, we saw another cooperative effort, where a legitimate public interest, representing all the people, was fused in hybrid partnership with legitimate private interests, working for a limited group of investors.

Let me call this a *common interest partnership*.

As the Nation grappled with the problems of developing and launching commercial satellites, the formation of a specially chartered Congressional corporation—COMSAT—was needed to accommodate inseparable public and private interests. The response to this problem was an arrangement which preserved private enterprise, but recognized the overriding national and international considerations involved in a world-wide communications system with a limited number of frequencies.

In the last two years, we have seen another dimension of the *common interest partnership*. In 1965, President Johnson called upon the business community to join in a voluntary balance of payments program, to forestall the mounting deficits in our international accounts. Early last year, as the economy threatened to overheat and interest rates rose sharply, the President called on the business community to show voluntary restraint: to put off building new plants and buying new equipment, to hold back on price increases. He called on labor leaders to show restraint in their wage demands, to stay within or close to the wage-price guidelines.

By heeding many of those appeals—made personally by the President in literally scores of meetings, large and small—elements of the private sector and the Government joined in *common interest partnerships* for another vital purpose—to help keep our economy on a steady course.

In the case of the *skill partnership*, the private sector came to the aid of the government. In the case of the *risk partnership*, the government came to the aid of the private sector. With the *common interest partnerships*, the government and the private sector joined for their mutual benefit.

These partnerships do not always fit into the neat categories I have pictured tonight. They often overlap. They have one common denominator: in all three partnerships, both the government and the concerned portion of the private sector had the will—the energy and the drive—and dedicated it to a common goal.

Now, I believe, we are beginning to see a fourth kind of partnership developing, a broader partnership for the benefit of third parties: the school child, the poverty stricken, the worker out of a job.

Let me call this the *public interest partnership*.

This is one of the little noticed—and most significant—achievements during the Johnson Administration.

This *public interest partnership* takes on a number of dimensions.

On a greater scale than ever before, the President has involved the private sector in the process of shaping the Nation's legislative and administrative programs. On any given day, you will find a dozen or more businessmen and labor leaders, professors and foundation researchers, doctors and lawyers coming to Washington to advise and help plan America's future. Out of this process has come some of our most imaginative programs—model cities, head start, rent supplements.

Now—nurtured and encouraged for three years by the President— the *public interest partnership* is moving into the operational field through a series of pioneering ventures.

Within the last few months, for example, the Nation's life insurance companies pledged $1 billion of their own capital to finance homes for low and middle-income families. Millions of dollars have already been put to work. Dollar for dollar, this private capital can free federal funds for more low and moderate-income housing.

We have also witnessed the start of a new approach to public housing. Called "Turnkey", it departs from the traditional method of government contracting for low-income housing projects. Now, private builders can acquire their own land, frame their own designs and present the government with a package to build and operate low-income housing projects. By involving more heavily the private sector and by cutting red tape, this new "Turnkey" approach promises to reduce sharply the time needed to build housing for the poor.

In keeping with this *public interest partnership*, the President recently began a new job training program in which the government takes the special risks out of setting up new businesses in or near ghetto areas and in training the hard core unemployed for productive work. In this pilot effort, the government cuts the red tape by providing one stop service for the interested businessmen. The businessmen provide full-time, continuing jobs in the growing private sector.

With the recent enactment of the President's proposal for a Public Television Corporation, we are about to see another example of the *public interest partnership* at work. Public Television can be an exciting and vital force in our daily lives, in our homes and in our classrooms. While government financial support is needed, government control must be avoided. While private resources and talents will be required, commercial control must also be avoided. To respond to the larger national interests, the President proposed a special public corporation with a board of directors selected by the President, confirmed by the Senate, but drawn mainly from the private sector. The corporation will be accountable neither to special commercial interests, selected shareholders, nor the Administration in power—only to the American people it will serve.

What accounts for the willingness of the private sector to involve itself deeply in public problems.

Only a generation ago the attitude of too many big businessmen was summed up in the words of the robber barons, "let the public be damned." Then, in the 1920's, America heard Calvin Coolidge say, "the business of America is business." Today, in our time, we are moving to the more hopeful dictum that "the business of business is America."

For many years, doctors and lawyers, labor unions and corporations have given funds to charitable and worthwhile causes—through donations to scholarship funds, private charities and foundations. Now, they themselves are becoming involved partners in the work to solve the social problems of our day.

Why?

No one can say with certainty what the answer is.

Part of the answer lies in the universities and colleges like Holy Cross which, in Professor Woodrow Wilson's words, are turning out not only an educated man but "a man of his nation as well as a man of his time."

But Wilson was ahead of his time, and it is the generation of men who came after him—the men of World War II, Korea and now Vietnam, who see their Nation through the eyes of men who fought to save it, who see their struggle as part of the larger issues involved. That, too, is part of the answer.

Much of the answer flows from the towering and sustained prosperity of the past six and one-half years. The spotlight of that prosperity illuminates ever more clearly the unfinished work of America. It highlights as never before the awareness that business does not live in isolation but has a destiny shaped by the future of the community it serves and the security of the Nation in which it flourishes. In short, part of the answer is enlightened self-interest.

Thus, when business sets up a merit scholarship, or supports the arts, or helps to rebuild a slum, it strengthens itself by improving the society in which it exists.

When business helps to train an unskilled, unemployed citizen to become a productive worker, it not only strengthens society but creates another consumer to buy its goods.

When business sends a group of executives to help developing nations stimulate industry, it makes a long-term investment in its own future by helping to insure a peaceful world and opening new markets abroad.

When business engages itself in the task of testing new methods and materials to renew and reclaim a slum, it may be on the threshold of a vast and untapped market in the midst of America.

Part of the answer is that new bridges of communication and understanding are being built between government and the private sector. To that task, the personal energy of the President is deeply committed on a scale unprecedented and hardly realized by the average citizen, whether in the man-to-man meetings of the President with a key labor leader, in the frank give and take of a business council dinner at the White House, or in a well-publicized public appeal.

The President has stimulated and fostered a healthy climate in which the relationships between the private sector and the government have grown, bringing it to the point of the *public interest partnership* we see today. This *public interest partnership* was not achieved overnight. It became possible as the uneasiness between business and a Democratic Administration decreased. It blossomed as businessmen realized that the Administration was trying to recognize legitimate private interests as it sought to secure the public interest. It has flourished as pragmatic liberals like Johnson and Humphrey took the reins of government, and public-sector oriented executives like Ford and Kaiser took over the corporate empires of our nation.

The foundations of this partnership are solidly based in our free enterprise system. In that system, of course, the propelling force of business is profit. For labor, the sustaining force is increased productivity and higher wages. As the President sees it, the challenge is to harness these forces with the resources of the government to promote the greater good of all.

Recognizing this, the government is encouraging industry to enter hitherto untapped areas of domestic concern—to see whether they will yield a fair profit.

One of the techniques is to minimize or reduce the risk. Thus, for example, through a network of special guarantees and loans, the government seeks to attract business investment and research in the renewal of our neighborhoods. By reducing red tape and bureaucratic obstacles, the government hopes to interest more builders in the low-income housing field.

These are, I believe, some of the reasons why this *public interest partnership* is taking hold.

No one can predict its ultimate outcome, whether it will be only a passing trend or the beginning of a balanced relationship that will become rooted in the American experience. Already, however, we can see it bearing early fruit:

In the Job Corps Center run by a space-age contractor.

In the doctor who brings his healing skills to the War on Poverty or to a Peace Corps mission.

In the participation of a firm in a Neighborhood Youth Corps Center to salvage high school drop-outs.

In the involvement of a union, a church group or a fraternal organization in the Rent Supplement Program.

In the lawyer who offers his legal services to help and counsel people in poor neighborhoods.

Technology—the electrifying dynamic of our time—is no longer the barrier to progress in a free, federal system. With its quantum leap forward since the end of World War II, the technology needed to improve man's condition is now within our reach.

The roadblock is not technology. It lies in individual and institutional inertia, fear of change and lack of imagination. *Public interest partnerships* of the kind I have described tonight—and others still beyond the horizon—may be the key to create a climate of action and constructive change to better the quality of American life.

The truly hard work lies ahead.

The unfinished agenda of America tells of 30 million poverty-stricken citizens in a Nation of abundance. It tells of crumbling tenements in our cities and of 7 million eroding houses which must be rebuilt. It tells of thousands of citizens who are capable of working, but who need the extra training and education and opportunities which lifetimes of discrimination and other men's prejudice have denied them. It tells of poisoned air and polluted water—the spectacular debris of the world's most technically advanced Nation.

Let me take one specific example from the catalog of this Nation's unfinished work—and how the problem can be approached through partnerships of the public and private sectors.

Take the health problem in our country. Today, on radio, on television, in fund-raising campaigns and indeed too often in the Government itself, we look at the health problem in terms of specific, categorical diseases. We hear that heart disease is the Number One killer, and that cancer is the Number Two killer and that emphysema and stroke are not far behind. We hear that venereal disease is reaching epidemic proportions in some of our largest cities.

But this is not the way to look at our health problem except for purposes of scientific investigation. While we need scientists in our laboratories to trace down viruses, that is only part of the solution to our Nation's health problem. For we now have powerful evidence that the number one preventable killer and crippler, the number one health problem in our Nation, is not heart disease of cancer or stroke. It is poverty—poverty aggravated by discrimination.

These sobering statistics give truth to the statement that "the sick get poorer and the poor get sicker."

If you are poor and non-white, the chances are you will die seven years sooner than the average American. Life expectancy has increased since the turn of the century. But a wide gap in the life span still exists: 64 years for the non-white. 71 years for the white.

If you are a poor non-white mother, the chances of your dying in childbirth are four times greater than the average white mother. 90 maternal deaths per 100,000 deliveries for the poor Negro mother. 22 maternal deaths per 100,000 for the white mother.

If you are born poor and non-white, you are twice as likely to die in infancy as the average child. 40 deaths per 1,000 non-white children; 21 deaths per 1,000 white children.

If you are poor and non-white, the chances are twice as great that you will die from tuberculosis, influenza and pneumonia, diseases which are easily controlled and cured when caught in time.

If you are part of a family with an income of less than $2,000, and there are 17 million Americans in this category, you are four times more likely to have a chronic handicap—heart trouble, arthritis, problems with your arms and legs—than if your family income were over $7,000.

If you are part of a family with an income of less than $2,000, each year you will spend 3½ times as many days bed-ridden or otherwise confined than if your family income were over $7,000.

Our work to close this health gap has only begun.

Because we are analyzing domestic problems in a new way for the first time—the "systems" or "total" approach I mentioned earlier—we are beginning to see that the only way to solve those problems is to attack all of their many parts.

When we now approach our Nation's health problem, we can look at it not merely in the setting of a specific disease but in its totality—in as broad a context as the environment of poverty itself that breeds disease, ill health and premature death.

We are able, thanks to this new method, to analyze poverty's tragic mark on the health—and the lives—of Americans. We can see emerge for the first time, a blueprint of action to cope with the problem. And the Federal Government cannot cope with it alone. Our Nation's health problem is an ideal task for a host of *public interest partnerships*.

Health for the poor is the problem of the slum and the depressed rural area. It is nutrition. It is transportation. It is an attitude towards doctors and hospitals shaped by years of crisis-oriented attention, after waiting hours in an inaccessible clinic miles across town—if indeed help was available even then. It is education and jobs. It is the need to find new ways to bring health services to the poor and the poor to health services. It is insurance and financing. It is overcoming the shortage of trained health workers and finding enough doctors to serve the poor. It is rat infested housing, leaking roofs and filthy public streets.

To succeed will take the talents and commitment of people in fields as diverse as the problem itself. It will take the bacteriologist and the doctor—but at least equally important are insurance executive and the accountant; the nutritionist and the nurse; the financier and the farmer; the labor leader and the building contractor; the professor and the priest.

As you can see, no matter what you do when you leave Holy Cross, this problem will touch you. No matter what skill you acquire here or in later professional training, that skill can play its part in solving your country's health problem. And health is only one of our national problems.

For the fundamental fact I hope I leave with you tonight is that government alone cannot meet and master the great social problems of our day. It will take the matchless skill and enterprise of the private sector working closely with government at all levels. It will take *public interest partnerships* of a scope we cannot yet perceive.

In this state, a great American leader said: "Let us develop the resources of our land, call forth its power, build up all its institutions, and see whether we in our day and generation may not perform something to be remembered."

These words were spoken by Daniel Webster over a century ago. He might have been speaking to you.

Never will you be as challenged as when you leave this campus. But never will you know greater satisfaction than the reward of continuing to build your Nation anew.

You will perform something to be remembered, if as E. M. Forster said, you "connect"—if you build your own destiny knowing that it will be linked to that of your fellow man.

ANOTHER STEP IN MEETING HOUSING NEED

Mr. BURKE of Massachusetts. Mr. Speaker, the Johnson administration has taken another step in meeting the demand for decent low-cost housing with the announcement of a major housing rehabilitation program in the blighted areas of Boston.

Two thousand Boston apartments will be transformed into attractive places to live—a 20-percent increase in the number of units produced in the Boston area during the entire 6-year period of the Federal Housing Administration's reduced interest rate program. This will be no mere cosmetic patching-up, for new kitchens, bathrooms, floors, roofs, heating, wiring, plumbing will be installed, and the exteriors will be restored to first-class condition.

This is another of the President's new housing programs for 1967. Through the rent supplement program; extension of the promising Turnkey approach to public housing; encouragement of private investment in ghetto housing and the President's directive to free surplus Federal land for development of model communities, we have been brought closer to the day when every American will have a decent place in which to live.

The President has recognized that inadequate housing is a cancer which eats away at the dignity of those forced to survive in it. None should rest easy until inadequate housing is eradicated from the heart of our urban areas.

Government cannot win this battle without the help of every sector of society. The Boston rehabilitation program is being undertaken by seven private developers. This is exactly the kind of active involvement by private industry which has been sought to direct to our nations urban problems.

The Boston rehabilitation program is a renewed pledge by the President that the American dream of a good job, a good home and self-respect for every American is the goal of his administration.

LYNDON B. JOHNSON—THE CONSUMER'S PRESIDENT

Mr. HOWARD. Mr. Speaker, we have all heard the story, repeated year after year and Congress after Congress, that the only person who does not have a lobby in Washington is the American consumer.

That might have been true years ago. But times have changed radically.

Today, the American consumer has as his special representative in Washington a personage no less than the President of the United States, and with him his allies and friends in the Congress.

The President took his strong stand for the American consumer very early in his Presidency—the historic truth-in-packaging bill approved by the 89th Congress, finally gives the housewife her long awaited break by eliminating deceptive packaging procedures.

The National Traffic and Motor Vehicle Safety Act of 1966 is a monument to the Government's concern for the man who wants a safe auto for himself and his family. For the first time in history, the U.S. Government asserted its responsibility for auto safety by establishing safety standards for autos, trucks, buses, equipment, and tires.

Having achieved these landmark pieces of consumer protection legislation, Lyndon B. Johnson and his friends in the Congress did not believe the whole job was done.

In this very Congress, the President introduced a comprehensive package of 12 new consumer protection bills, representing, as the President himself said, a bill of rights for the American consumer.

What is that consumer bill of rights the President was describing?

First, the product safety bill which establishes a Commission to study new ways to protect the consumer against injurious and hazardous products. The President has already signed it into law.

Second, the clinical laboratories bill—part of the partnership for health amendments—which require higher standards in laboratories performing medical tests for millions of American citizens.

Third, the Flammable Fabrics Act which will aid in preventing injuries and deaths which result from dangerous garments or fabrics. The President signed this act into law yesterday at the White House.

Fourth, the Wholesome Meat Act, which will be signed today, protects the American housewife from the hazards of spoiled or doctored meat for the family table.

Fifth, the Truth-in-Lending Act, of which I am a strong supporter, and which for the first time will compel public disclosure of interest charged on loans and credit accounts.

This measure has not yet become law, but in my opinion it is one of the great pieces of landmark consumer legislation ever proposed by any President, and Lyndon Johnson must be given full credit for it.

There are still a series of consumer measures pending—the Pipeline Safety Act, a Fire Research and Safety Act, a Welfare and Pensions Disclosure Act, an interstate land sales disclosure bill, and the Investment Company Amendments of 1967 which protect investors in mutual funds.

If this series of well-thought-out bills does not represent a bill of rights for the American consumer, then I do not understand legislation.

The Congress has adopted almost half of the consumer package presented by the President. Time is short for the enactment of the others. But, in their totality, whether adopted this session or the next, Lyndon Johnson has done more to help and aid and protect the American consumer than any President in history.

I am honored to have had a part in adopting these programs. And I ask consent to insert in the RECORD the text of remarks by the President at the signing of the Flammable Fabrics Act at the White House yesterday.

TEXT OF THE REMARKS OF THE PRESIDENT UPON SIGNING AMENDMENTS TO THE FLAMMABLE FABRICS ACT, S. 1003, DECEMBER 14, 1967

About a year ago, an 11-year-old girl struck a match—for no reason—just the way children sometimes do. The match fell onto her cotton blouse, which burst into flame. The child tried to beat out the fire. She panicked and ran. That fanned the flames. Her mother wrapped her in a towel, but the blouse still burned. Finally, she pushed the little girl into a shower to douse the flames. The girl spent nine weeks in the hospital—six in the care of plastic surgeons. The doctors used every miracle of medicine. Still, she remains badly scarred. But the burns were not the only price she paid. Her mind was scarred, too. Now she is under a psychiatrist's care.

Later, her father had the remains of the blouse tested. Surely, he thought, the law must protect our children from cases like this. He found that the fabric met all the standards under that law—the first Flammable Fabrics Act, passed fourteen years ago. That law has failed us. The little girl was the victim of a terrible blow of fate—and of an insufficient law. But her case is not unique:

More than 3,000 Americans still die each year because their clothing catches fire.

Tens of thousands still spend painful weeks in the hospital, badly burned by fabrics that become deadly torches.

Today, we strengthen that law. Today, in this new Flammable Fabrics Act, we help shield our families from anguish and agony. Here is what this bill does:

The Secretary of Commerce will be able to set modern and effective safety standards. He will not need an act of Congress every time a new standard is needed for a fabric used in a sweater or a child's cowboy-and-Indian suit. I have asked Secretary Trowbridge to put his best experts to work quickly in setting these standards.

The law's coverage of clothing is strengthened and broadened. And for the first time, fabrics used in blankets, rugs, drapes, and upholstery will come under the law's protection. So will hats, gloves and shoes.

The bill will better protect us from imported fabrics which do not meet safety standards.

It will give us new power to discover how and why fabrics burn—how they can be made less flammable.

This law does not blacklist anyone. It won't put any reputable firms out of business. It will protect the honest manufacturer from unscrupulous competition. But above all, it will protect the American people.

Our 1967 countdown for consumers is underway.

It began with number twelve—the number of consumer bills I proposed to Congress this year.

I checked off number twelve three weeks ago—when I signed the Product Safety Bill.

I checked off number eleven last week—the Clinical Laboratories Bill, part of the Partnership for Health Amendments.

Today I check off number ten.

Tomorrow number nine comes up—the Wholesome Meat Act.

That still leaves eight—a Truth-In-Lending Bill, a gas pipelines safety bill, and the others I'd like to come back here and sign with you.

Our society—more prosperous, and more complex, than any the world has ever known—has not altogether eliminated petty deceits or avoidable dangers from its channels of trade. Good government and common sense requires that we make every effort to protect ourselves from those deceits and dangers.

I pledge you that we are going to try.

BREAKTHROUGH IN POST OFFICE FINANCING AND FEDERAL CIVILIAN PAY SYSTEMS

Mr. UDALL. Mr. Speaker, the Postal Revenue and Federal Salary Act of 1967, which President Johnson is expected to shortly sign into law, is clearly the greatest breakthrough in post office financing and Federal civilian pay systems since World War II.

This historic legislation is so broad in scope, and so sweeping in effect, however, that little beyond its major reforms has yet been noted.

The chief thrust of the bill is to update postage rates, bringing them more closely in line with postal expenses, and to finally make good on a 5-year-old guarantee that postal and other Federal employees' salaries shall be placed on a par with pay in private enterprise.

POSTAL FINANCES

Highlights of the postal rate reforms, well publicized, have met with enthusiastic public acceptance. In the extremely complex field of postage rates, this legislation will add $900 million a year in postal revenues—a 50 percent greater increase than ever before enacted.

The rate increases are spread across-the-board, and apply equitably to all classes of mail users. First-class and airmail stamps are increased 20 percent. Second-class rates, on magazines and newspapers, are increased 25 percent. Third-class advertising rates are increased by more than one-third.

With the substantial hike in advertising postage, bulk advertising mailers will be paying 100 cents—or more—for every dollar's worth of postal service they receive. This will be most welcome to the many thousands of individual citizens who have urged Congress to make advertising mailers pay their full way.

The overall effect of the $900 million added revenue is to bring postal income in line with the cost of postal operations after public service allowances.

But there was so much of this legislation that was long overdue—and it does so many things to correct so many shortcomings—that some of its other improvements have been largely overlooked.

The high cost of mailing packages to and from military personnel in combat and other foreign areas has been a real burden to servicemen and women and their parents and loved ones at home. The Dulski amendment, included in this legislation, greatly reduces this burden. It permits packages up to 30 pounds to be airlifted to and from the military personnel at low surface mail rates. For example, a 10-pound package sent by air from an east coast U.S. city to a soldier in Vietnam formerly cost the sender more than $8 in postage. Under the bill, the package can be airlifted at a postage cost of slightly over $3 .

The amendment also extends the airlift privilege to hometown newspapers and other news value publications mailed to servicemen in combat support areas and at isolated duty posts. This service formerly was limited to servicemen in actual combat areas.

One feature of the bill is of real interest in the field of agriculture. The present special postage rates will continue to apply on publications devoted to promoting the science of agriculture when mailed for delivery within postal zones 1 and 2—150 miles—if at least 70 percent of copies distributed go to subscribers in rural areas.

Another change in the general public interest permits messages and notices of a civic or public service nature to be inscribed on wrappers or covers of newspapers and magazines sent through the mails at regular second-class rates. This serves a valuable civic and community purpose, and also reduces administrative costs.

A costly loophole in the second-class mailing laws also is closed by this legislation. Many newspaper and magazine mailers have been enclosing their bills under the low second-class postage rates, whereas higher rates should apply and would if the bills were sent separately. Hereafter, the higher rates will apply to these bills as well as to advertising supplements mailed with the publications.

In recent years the public has been exposed to swindling through false advertising by crooks who send out solicitations for orders in a form carefully designed to look like bills for goods or services. These fraudulent schemes have grown by leaps and bounds, with heavy losses to unsuspecting postal patrons. Hereafter, such material will be nonmailable unless it bears on its face a conspicuous notice that it is a solicitation and is not a bill or invoice.

FEDERAL SALARIES

The Federal salary provisions will place salaries of postal and other Federal employees on a par with those in private enterprise, as promised by the Congress in 1962.

The 730,000 postal employees receive a 6-percent pay raise retroactive to October 7, a second raise of 5 percent in July of 1968, and whatever further adjustment is needed in July of 1969 for full private enterprise comparability.

Over 1.1 million classified and other administrative personnel receive 4½-percent raises retroactive to October 6, 1947, a minimum of 3 percent next July, and a final "comparability" adjustment in July of 1969.

These adjustments provide a firm foundation for continued implementation of the comparability policy, when all of the other parts of the new law have taken effect.

The cornerstone of needed salary increases for critically important scientific, research, professional, and management positions—so that the Government can compete fairly in the market for these skills—is the Quadrennial Commission to recommend executive, judicial, and legislative salaries established by the legislation.

Up to this time, executive, judicial, and legislative salaries have had a most damaging compressive effect on pay levels in the career services. They have prevented even remote progress toward comparability with private enterprise rates in the most important career Government positions. The heavily populated lower salaried jobs will achieve full comparability with the pay raises in this bill, but the upper middle and higher levels will still lag far behind comparability.

Once the first Quadrennial Commission, created for the 1969 fiscal year, has made its proposals, and the President's subsequent recommendations in a budget message have become law, the compression will be relieved so that the Congress can then fix realistic top career salary rates. A new Commission will act every fourth year thereafter, providing the basis for future career pay adjustments to be decided upon by the Congress.

It is to be emphasized that the Congress retains the final say on any recommendations by the Commission and the President for executive, judicial, and legislative salaries. The bill specifically reserves to the House of Representatives and the Senate, or either of them, the power to veto any such recommendation.

Leading authorities agree that this Commission approach, on a regular periodic basis, is the right approach, and the only practical approach, to dealing with the dual problems of adequate salaries for our most responsible career positions and Federal executives, judges, and legislators.

EMPLOYEES' FRINGE BENEFITS

Aside from those generally known salary reforms, the new law makes a number of other, less-publicized, improvements in employee fringe benefits.

Employees required to travel on official business on their own time will have part of their traveltime counted as hours of work.

Others, who are called on for uncontrollable irregular overtime work—such as FBI agents and border patrolmen—will receive from 10 percent to 25 percent premium pay, where the former range was zero to 15 percent.

Approximately 800,000 blue-collar employees, in the trades and crafts, are granted right to appeal the classifications of their jobs—a right that Federal white-collar workers already have.

The Federal employees' life insurance program is modernized to grant an employee insurance equal to his annual pay plus $2,000, with a minimum of $10,000 and a maximum of $32,000. The $2,000 added insurance is a new feature, and the former maximum of insurance was $20,000. Each employee also may obtain $10,000 additional insurance by paying the full premium cost.

"CLEAN MAIL"

The antipandering provisions in title III of the bill are a significant and effective response to widespread public demand for further measures to keep obscenity and pornography out of the mails.

The Postmaster General is authorized to issue cease and desist orders to anyone who uses the mails to pander to prurient sexual interest—that is, offers for sale matter that is advertised as being erotically arousing or sexually provocative. A postal patron who receives mail that, in his judgment, is pandering merely has to file a complaint with his postmaster to set this corrective measure in motion.

The language of this title was drafted to guarantee full public benefit from the far-reaching Supreme Court decision in the case of Ginsburg against United States, upholding the conviction of a mailer of "pandering" advertisements.

NEPOTISM PROHIBITED

Prohibition of nepotism in Federal appointments and promotions, is another very important measure in the public interest which has received relatively little attention outside of official Government circles.

This is a far-reaching and long-advocated answer to demands that personal and family patronage be ruled out of Federal job appointments once and for all. It applies across-the-board, from the highest office to the lowest paid job, with equal force and effect. No official in any of the three branches of the Government—no Cabinet or sub-Cabinet officer or career official, no judge or other judicial officer, and no Member of Congress or legislative official—may appoint or promote a relative to any position under his or her control or jurisdiction. This is the strongest possible guarantee against any abuse of Federal appointive authority and any preference in Federal positions that is adverse to the public interest.

MAILING PRIVILEGES FOR U.S. ARMED FORCES

Mr. DULSKI. Mr. Speaker, today I have introduced legislation to clear up two remaining inequities with respect to the mail of members of our Armed Forces who are assigned to duty overseas.

My new bill is a reintroduction of two key improvements in mail of military personnel which twice have been overwhelmingly approved by the House of Representatives but for which we have not yet been able to obtain favorable action in the other body. These provisions were contained in H.R. 10226, which passed the House under suspension of the rules on June 5, 1967, with a record vote of 316 yeas.

When the other body did not act on that bill, I proposed all of its provisions as an amendment to H.R. 7977, the postal rate and Federal salary bill, and the Committee on Post Office and Civil Service agreed. The provisions, therefore, were enacted by the House again on October 11, as part of that bill. All of the provisions were deleted in the Senate enactment of H.R. 7977, and constituted a major item of difference taken to conference on that legislation.

Mr. Speaker, both the House and Senate conferees took very strong positions on the several differences between the bills approved by the two bodies, and this made compromise extremely difficult. But there was so much of that legislation that was long overdue and necessary—including reforms in mail for the Armed Forces—that we all realized some form of final agreement was essential. As in other areas of disagreement, we had to compromise on military mail and only parts of the benefits of my military mail amendment were agreed to.

Perhaps the most important of these provisions in the conference agreement permits the airlifting of packages up to 30 pounds in weight to and from APO's at low surface postage rates. For example, where it formerly cost over $8 to airmail a 10-pound package from an east coast city to Vietnam, the airlift costs under H.R. 7977 will be slightly over $3. This will relieve a very real and expensive hardship for the servicemen and their parents and other loved ones here in the States.

My amendment to H.R. 7977 also would have granted free mail privileges to all servicemen stationed overseas or hospitalized as a result of disease or injury incurred while on active duty, and would have authorized airlift to those servicemen of hometown newspapers and other news-value publications.

The Senate struck out this free mail privilege for servicemen, as well as the airlift for publications, along with the rest of my amendment.

We were able, in conference, to restore part of the publications airlift, but it is still limited to publications addressed to Armed Forces personnel in combat areas, combat support areas, and hardship posts overseas.

Mr. Speaker, the bill I introduced today will extend the free mail privilege to all Armed Forces personnel overseas, whether or not in combat areas, combat support areas, or hardship posts, and will permit airlifting of hometown newspapers and other news-value publications to such servicemen—exactly as already twice approved by the House of Representatives.

Extending these small benefits and privileges to all servicemen overseas is a simple matter of equity and fair treatment. Servicemen separated from their homes by thousands of miles of ocean should not have to wait 30 or more days to receive their hometown newspapers, any more than such delay should be suffered by those in combat areas. Assignment to a combat or noncombat zone should not be the decisive factor as to the timeliness of hometown news reaching servicemen. Nor is a soldier or sailor or marine, who enters the service of his country and is sent overseas to a noncombat area, any more financially able to pay postage than are his counterparts selected for service against hostile forces. They are all in the service of their country and entitled to our every consideration.

Mr. Speaker, I intend to make every effort in the second session—for the fourth time in the last two Congresses—to obtain final enactment of these needed benefits for members of our Armed Forces.

ANOTHER GAIN FOR CLEAN AIR

Mr. ROONEY of Pennsylvania. Mr. Speaker, an editorial published by the Philadelphia Inquirer emphasizes an important point concerning the Air Quality Act of 1967, which President Johnson recently signed into law.

The editorial says:

> The States are in effect being handed an ultimatum to take the initiative in setting up clean air standards and organizing their own clean air campaigns or have the Federal Government do it for them.
>
> If the States do not respond in good faith, it may be expected not only that the Secretary of Health, Education, and Welfare will intervene on behalf of the public but that much more arbitrary legislation will be forthcoming from Congress in the next few years.

Mr. Speaker, we are pouring 130 million tons of poisons into the air each year. By 1980, a third more people will be living in our cities. We will have 40 percent more cars and trucks. As a nation, we will be burning half again as much fuel.

As the Inquirer correctly observes:

> Air pollution control cannot be attained except through a long, hard fight for acceptance of disciplinary action against offenders and development of equipment required by industry and other polluters to avoid offense.

I include the editorial in the RECORD.

ANOTHER GAIN FOR CLEAN AIR

Those who fully understand the menace of air pollution are disappointed that the new bill passed by Congress to combat this evil does not authorize national emission standards. But Congress was probably right in believing that this step would be meaningless until further research had been undertaken to establish what the desirable standards ought to be in different regions across the land.

The measure that has finally come out of Congress definitely represents another gain for the public even if it is less than was sought by the President and originally approved by the Senate. Air pollution control cannot be attained except through a long, hard fight for acceptance of disciplinary action against offenders and development of equipment required by industry and other polluters to avoid offense.

As it is, the new measure authorizes the Federal Government to take drastic steps when a community or region is threatened by an air pollution emergency such as hit New York City and other cities in the Northeast at Thanksgiving in 1966. The U.S. Secretary of Health is empowered to shut down factories, halt automobiles and stop emissions from all sources when he believes atmospheric conditions warrant such action.

Meanwhile, the States are in effect being handed an ultimatum to take the initiative in setting up clean air standards and organizing their own clean air campaigns or have the Federal Government do it for them. If the States do not respond in good faith, it may be expected not only that the Secretary of Health will intervene on behalf of the public but that much more arbitrary legislation will be forthcoming from Congress in the next few years. There is every indication that endless studies, reports and committee hearings are no longer being accepted in lieu of action.

POVERTY FOR CHRISTMAS

Mr. RESNICK. Mr. Speaker, in a few hours the House will adjourn for a Christmas recess. I hope that the Members, particularly the members of the House Agriculture Committee, will take the time to read the article from the December 26, 1967, issue of Look magazine, which I am inserting into the RECORD today.

As we sit down to our succulent turkey dinners, let us pause and reflect upon Teresa Pilgrim and the thousands like her who are starving in the delta.

The tragedy is not that there are hungry people but that we have done nothing about it.

Hopefully, at the opening of the next session this august body can extend the spirit of good will to all men—even the starving poor of our land. The article follows:

THE HUNGRY WORLD OF TERESA PILGRIM

"I like the s'ghetti one with cheese best 'cause it's goooood!" She pointed up to the spaghetti steaming away in the torn-out ad on the kitchen wall, then tipped her six-year-old head sideways and squinted at it. Alongside—papering over more cracks in the planks—was another one from some women's section, dated May 20, 1958, and headlined: "Two Fresh New Designs in Needlepoint." Through the window came the soft stare of cold cotton plants, spaced in rows wide enough for the picking machines. The plants grew so close they almost came in the kitchen. Teresa didn't know why they called it a "kitchen." There was no stove, no refrigerator—just flies, trash and old jars. Up in the front room, where the Pilgrim family slept and just sat, little Dometa Jo broke into a breakfast-cereal jingle, "It's gonna be a *nice day*. . . ." The frail, black frame of a boy called "Pig," age five, danced a few steps. "That be an advertise-ment on TV," Teresa explained. Nathan, her father, got the TV from a burnt-out house. Its knobs were melted out of shape. Near the TV, a bric-a-brac shelf held the food supply: flour, a quarter jar of instant coffee and an inch of rice in a cellophane bag. Cardboard and newspaper scraps covered gaps in the wall over Teresa's head. The headline of one yellowed recipe asked: "Chicken, Everyone?" "I had me some bologna las' week. Ain't had nair milk. Naw," she slowly shook her head, "we don' get much of th' won'erful things folks eats." "We jus stays 'roun here," said Teresa, swinging her legs from the edge of the porch. (Dometa Jo played near the porch in the tub of a broken wringer washer. "Daniel Boone was a maaan . . . yes, a maaan . . . oh, a maaan," she sang, twitching her shoulders.) Teresa raised her eyebrows, "My father, he take me to the sto' once. Hooo, that sto' got everything. They got food there. They got chicken an flour an lard an balls an things. Got balloons, too—an shoes an neckties an watches an macaroni an 'nanas an beans an horanges. I likes the fish too. Fish. Fish," the child said—squinting, feeling the sound—"Fish."

Inside, little Lerlene remained asleep in the single bed that all four children slept on, crossways. Nathan had gone to wait with a crowd of others in front of Woo Hor Grocery, where Yazoo City whites came if they needed a day laborer. Teresa's mother, big Lerlene, stared defeatedly at the TV. ("My husban' los' his job when the ce-ment plant went out of bus'ness. They say he's 'able-bodied,' an lessn' he leaves me, we don' get no kinda welfare.")

"They some chur'un down yonder," Teresa pointed to some shacks, "but they too ol'. I seen white chur'un downtown. Some of 'em lick their tongues at me." She stuck out her tongue. "I think they have mo' than th' coloreds. I don' know about white people." Pig, licking rice grease off his fingers, came out, and Teresa hopped to her feet "Come on, Pig, les' run," and they struck off around the house. (The house stands frozen in the act of collapse, on a dirt road a half mile off U.S. 49W, with no mailbox—they get no mail—no phone, water, flush toilet or glass in most of the windows, and no warmth except from the tiny wood burner in the front room. It is raised off the ground so that, through holes rotted in the floor, you can see earth and daylight and, on occasional hot days, a snake keeping cool, coiled. The bricks that propped the left-rear corner have crumbled, and the house twists slouchways and droops as if it were going to sink like a ship, stern first into the ground.)

Teresa wandered inside and pretended to iron a shredded sweater. She wants to "wash an iron" when she grows up—or else "hoe in the fiel' " or "go to New Yo'k an get me a job an a 'frigerator an a stove an then eat all th' food." The only thing that takes her from the house is school—"But they makes fun of me 'cause I cain't learn nothin'." She liked the time she went to church and wants to go again. ("She ain't fixed up 'nuff to go to church," said big Lerlene. "Got no shoes.")

"I believes in God," Teresa nodded, "cause He *do* things. He bring you food." Sometimes, Nathan brings home $2 worth of starchy, filling food. Then the Pilgrims gorge themselves silently, sit listless in front of the TV amid the whine of flies, and drop to sleep on reeking sheets—if, that is, he has found work that day. If not, they just go to sleep a little earlier.

"I lay . . . with my head muffled . . . to keep from hearing the bellowing of that ox, which the hungry nomads were leaping on from all sides, tearing morsels out of its living flesh with their teeth"

Five small children ripped apart a live, shrieking hen and devoured it uncooked, feathers, blood and all. It was the first meat they had eaten in three months.

The first of these scenes took place in the Gothic starkness of a Franz Kafka fable. The second, no less Kafkaesque, actually took place this year near the Virginia-Tennessee border. It's obvious that Kafka's nomads are starving. But would we think the same of American children? Says Dr. Leslie Dunbar, cochairman of the Citizen's Board of Inquiry into Hunger and Malnutrition, "It would take some degree of embarrassment before the Government would admit to hunger approaching starvation in this country.'

Yet such hunger exists. "We do not want to quibble over words . . .," a six-man medical team reported last summer to a Senate subcommittee, upon returning from the Mississippi Delta. "The boys and girls we saw were hungry—weak, in pain, sick; their lives are being shortened; they are, in fact, visibly and predictably losing their health, their energy, their spirits. They are suffering from hunger and disease and directly or indirectly they are dying from them—which is exactly what 'starvation' means."

Though it can be a matter of semantics, the issue comes clearer when defined not in words but children. Sunken eyes, spindly legs, running sores. rampant mental retardation, skin eruptions, lethargic unawareness and hideously bloated bellies are harder to argue with. One Negro mother in Yazoo City, having neither milk nor food nor hopes of getting any, fed her baby a lethal dose of lye.

"The salient thing about the hungry," says Dr. Dunbar, "is the monotony of their story." When human existence is reduced to the endless, animal—often unsuccessful—fight for food, a petrified sameness sets in. It becomes nontransferable destitution. Nathan Pilgrim, third-grade educated and earning perhaps $600 a year, says, "If'n I had enough money, we'd leave here tonight. Chicago's a nice little town. But any kind of money I get got to be eat off of." Through the food-stamp program, 50 cents worth of stamps can buy $12 in groceries for a needy family. But this program is locally administered, and in the case of some Delta towns, that often means arbitrarily or racially administered. Says one Negro, "Lessn' you got some big white man to fill out the stamp-verification form, they jus' looks at it"—he unfolds his hands like a book cover—"an pass it back to you."

At no point does the Federal bureaucracy touch the lives of the Pilgrims. And as for local help: "The mo'jority of white folks here, you ain't workin' fo' em, they don' help you." So, without understanding where they went wrong or how it could have been otherwise, the Pilgrims plod along as if they realize they had been condemned on the day they were born. They have no decent food, no money to buy food, no prospects for money in Yazoo City, no means of getting out of town—and absolutely no hope of being able to assure their children a future life any less primitive. Malnutrition becomes the hub in a circle of self-perpetuating poverty.

The most severe and permanent damage from malnutrition—specifically, from the lack of protein—takes place in the brains of children before they reach age four. "If they don't get enough protein during the critical period," says a scientist for the U.S. Department of Agriculture, "the brain just never does develop properly." Such malnutrition-induced brain damage, many now believe, may be the perpetuator of poverty from generation to generation as well as the drag on progress in the underdeveloped nations of the world. In their Delta investigations, the doctors found that three-quarters of all the children they examined were getting less than the vital amount of protein. There exists today, in fact, a silent, half-hidden subculture—an underdeveloped nation within our nation—whose constant hunger seems so out-of-place in this "most affluent, prosperous [etc., etc.] period in U.S. history" that no efforts have been made even to determine its extent. Says the U.S. Surgeon General, not only does the Government not know the number of malnourished Americans—but it is not even the specific job of any Federal agency to find out.

Northern ghettos get their share of poor Negro field hands who found they were obsolete on newly mechanized Southern farms. But it is the ones left behind, the poorest of the poor, who often live forgotten lives outside every social, legal and medical advance of this century. And their reproduction rate almost makes up for the number of those who migrate to the cities. ("You sees what happens when you eat them commodity beans," laughs a large mother-to-be in Belzoni, Miss. "You sprouts!") The remnant who are unaided by Federal food programs—estimated to number from 400,000 to 4 million—lead such isolated, inarticulate, single-focus lives that they are, says sociologist Gunnar Myrdal, "the world's least revolutionary proletariat." They are not riot fodder.

When mass malnutrition in the Delta came to light, the Senate rammed through a $75 million emergency measure to feed and help the undernourished in America. The senators acknowledged that the nation's commodity-distribution and food-stamp programs now reached only a fraction of those in need. Yet by the time the bill got to the House Agriculture Committee, its members were suddenly struck with "compassion fatigue." The congressmen quoted Biblically to each other: "The poor you have with you always." (Besides, if these people are really so poor that they can't eat, they won't be with us very long anyway.) At any rate, the Senate's emergency bill was shelved this fall, until the congressmen someday can study where all these strange, hungry, quiet folk came from and what kind of statistics can be made from them and whether a hopeless, empty child is a national concern to begin with.

Meanwhile, the Teresa Pilgrims—who are neither statistics nor "causes"—continue to exist on rice, grits, collards, tree bark, laundry starch, clay and almost anything else chewable. Meanwhile, their bodies suffer steady depletion of tissues, slow disintegration and the progressive, piecemeal abbreviation of life. In time, they become physical and psychological cripples. But still, there is some taste of hope. There may come a day when different and indifferent groups like the House Agriculture Committee will run dry of words and act. And it may happen, though the Pilgrims don't expect it, that something just might turn up, perhaps by dinner—some Christmas.

THE "UNTOUCHABLE" POWER STRUCTURE

Mr. RARICK. Mr. Speaker, another eyeopening report from the Herald of Freedom continues to enlighten the American people as to what goes on in the Foggy Bottom establishment known as the State Department.

Apparently the only code of ethics among the untouchables is to cover up for their buddies and destroy the accusers.

Americans pay taxes to support this kind of operation? Knowingly?

I include the Herald of Freedom for December 15, 1967, entitled "The Untouchable"—part III—for the reading of all Members:

THE UNTOUCHABLES (PART III)

The Untouchables, "above the law, above the people, and above criticism or comment," who abound in our government departments and the government-financed think-factories, have ways of eliminating their enemies by cooperation, collusion and conspiracy. In the case of Otto Otepka, forced out of his State Department job ostensibly for "leaking" information to a Senate Committee, a long Senate Hearing laid bare the machinations of the conspirators.

Although Otepka was not an "insider" he had still managed to remain in the State Department. However, his doom was sealed when he turned down Dean Rusk when they made a personal visit to persuade him to grant a security clearance to Walt Rostow. John F. Reilly, was put over Otepka and assigned the job to "get Otepka." Reilly used Elmer Dewey Hill for the job of tapping Otepka's phones. Both ran into trouble when they lied under oath about having done this, so they decided they had better tell the truth.

These men also cooperated with others of the same clique, with better success, when another State Department employee was eased out through the "selected out" process of finding his work unsatisfactory. This man had made the mistake of reporting Hill's bad conduct while under the influence of liquor. Reilly protected Hill by suppressing this and other bad reports. He was quoted as stating, "I don't care what your report was, the only thing is I cannot let anything happen to Mr. Hill, regardless."—"I cannot have anything happen to that man, so I will have to disregard the reports completely."

Reilly's remarks were made during an inspection visit to Frankfurt, Germany, where he was entertained at a cocktail party. It was a most unusual and unwise party, for all the security and CIA men in the entire area were invited to attend. The party honored Reilly and Raymond W. Laugel and was held on October 21, 1962. Arthur Brunetti, a security officer at Belgrade, brought along his fiancee, a Yugoslav national. Yugoslavia being a Communist country, the question was raised as to the possibility of this woman being a UDBA (Yugoslav Secret Police) agent with one of the security officers present suggesting that this was so. It is important to keep the identity of the security agents secret as they operate in the embassies and consulates usually under the cover of other jobs.

Elmer Hill was at this time in charge of the security of the new embassy building in the process of construction in Warsaw, Poland. Hill had joined the State Department in January 1962, having been hired by John D. Iams at the same time as Maclyn Hale Musser. Both new employees were distinguished by the fact that they wore beards and beatnik attire at the time they were hired.

American activities in Warsaw were of great interest to the Soviet Union which had been busy compromising the embassy personnel and Marine guards assigned to it. The reason for this stepped-up activity was the fact that the United States had informed Peking in August, 1958, that it wished to resume a diplomatic dialogue adjourned at Geneva a short time before. U.S. Ambassador Jacob D. Beam headed the American delegation, and Ambassador Wang Ping-man the Red Chinese. With a Red Chinese delegation about to hold secret talks with an American delegation the Russians had to know what they were all about.

Around this time a high Polish intelligence officer began to send information on Soviet espionage activities in Poland. This information helped expose what became known as the "Warsaw Spy and Sex Scandals." Unfortunately, while Great Britain exposed its Burgess, McLean and, finally, Philby (all top people), the only one who made the news in the United States was the unimportant Scarbeck. Somehow the United States Government does not like knowledge of its spies in high places to become public. Soviet agents do not have to flee to the U.S.S.R. when exposed, they are merely retired from the State Department on fat government pensions or quietly transferred to an out of the way place until the heat is off. Top agents are untouchable, as was evidenced by the furore over Hiss.

Much of the information which kept arriving about the Warsaw Embassy was not allowed to be seen by top security officer Otepka; it was kept only for the eyes of the "insiders." When the information started coming in, Otepka was Deputy Director of the Office of Security under William O. Boswell. Boswell selected Charles W. Lyons to work with him on the "Polish allegations" and Otepka was not permitted to even look at the information. Early in 1962 Boswell decided that he did not need a "Deputy Director" on his staff and Otepka was transferred to the position of Chief, Division of Evaluation. In this position Lyons was nominally under him but continued to take his orders from "higher-up," and to perform assignments kept secret from Otepka.

In 1961 construction was begun on an impressive new embassy building in Warsaw and the Communists saw to it that even the bricks were bugged. Elmer Dewey Hill, the bugger of Otepka's phones, was sent over to the Regional Technical Center which was established in Franfurt with a staff responsible for providing technical security coverage for all Foreign Service posts in eastern and western Europe. In August 1962 Elmer Dewey Hill was assigned as the engineer responsible for monitoring the construction of the new building. He had previously made a trip to the construction site accompanied by George Pasquale and they were entertained at a party at the home of Mr. and Mrs. Victor Dikeos, along with Frederick Galvin, a security officer stationed at Frankfurt.

The new embassy building was completed and occupied first in September, 1963. In the spring of 1964 extensive wired microphone systems were found in the Embassy at Moscow and subsequently it was decided that it might be wise to check for such things in all embassies behind the Iron Curtain. The brand new embassy building in Warsaw which had cost the U.S. taxpayers $1,626,299.00 was then subjected to partial demolition and repairs which were completed on February 2, 1965. One room was completely demolished and approximately thirty more partially demolished. Wires were found going through concrete in the floors, down through pillars, etc. Elmer Dewey Hill, the man responsible for seeing that such bugging did not take place during the construction work, had obviously not done a very good job. When it had been suggested to him that standard procedure be followed (certain portions of the walls be torn out for examination) Hill reportedly rejected the idea because "he had an electronic device that would be adequate." An official of the State Department testified that he did not think Hill could have said this because "the Department of State did not at that time possess any device which is absolutely effective against all types of listening devices."

Hill was protected so that he might stay on this particular job (of not doing the proper checking) by Reilly who reportedly said, "I don't give a hoot about the report—I cannot let anything happen to this man, to Mr. Hill." The report about which Mr. Reilly did not "give a hoot" described Hill's drunken conduct, the use of "four-letter" words in mixed company, praise for Lenin and socialism, and distaste for women. Hill had made a public scene in front of Communists in a public place, as well, and would not be considered as a very good representative of the U.S. Government. George Pasquale, the security officer, who sent in a derogatory report of Hill was requested to resign even though two months earlier he had been told his work was quite satisfactory. He suddenly got "bad ratings" and was "unsatisfactory." Hill testified that he had written an efficiency report on Pasquale and found him incompetent so naturally on the basis of such an unbiased report, Pasquale had to go.

Victor Dikeos, a security officer at the U.S. Embassy in Warsaw, knew better than to send in such a report. He simply said diplomatically that Hill "had a little too much to drink" when requested to report on Hill's conduct by Henry Boudreau at the request of John F. Reilly in his "covering-up" efforts. Dikeos said that Hill was definitely "able to walk." Diekeos is in and Pasquale is out.

Reilly and Hill are also out because their conduct in lying to a Senate Committee was too raw even for the untouchables. They are not down and out, however. Reilly was well taken care of by being hired by the Federal Communications Commission. Hill is working for a private firm which reportedly has some government connections. The untouchables always look after their friends even if they are sometimes unable to keep them in their jobs.

Warsaw was a hot-bed of subversion and sex and it became quite a problem for the untouchables, who don't look upon S & S as sins, to keep it quiet and protect their important people. In the period following the start of the 1958 "Dialogue" between the United States and Red Chinese diplomats there was probably no secret in the Warsaw Embassy to which the U.S.S.R. did not have access in one way or another. "To start with, both the Russian and Polish secret police organizations had staffs in Warsaw. In addition, the KGB had an agent inside the U.S. Embassy in the figure of a second-level American diplomat who had been faithfully supplying classified data for more than a decade from posts all over the world."

This "second-level American diplomat" was Edward Symans (Szimanski) who is now living in Grand Rapids, Mich. on a government pension. Symans had reportedly been recruited into Soviet Intelligence while assigned to Moscow in 1941. He has served in Turkey, Paraguay, Lebanon, France, Germany, U.S.S.R. and Poland. During these assignments he made friends with numerous other "security risks" and, when the net was closing in on him, was tipped off in advance. An agent from the CIA in Frankfurt, Germany, visited him to "discuss" the matter of "other people" in the Embassy having been exposed as compromised. This visit was natural since Symans himself had been in the employ of the CIA while actually working for the Soviet KGB.

Symans was exposed by the Polish Intelligence officer who also disclosed the fact that there were 19 Americans working for the KGB (Soviet Secret Police), 12 in the State Department, 4 in the CIA and 3 in U.S. scientific laboratories, according to Guy Richards in an article entitled, "The Spy We Set Free." In this article Mr. Richards states:

"An American diplomat, caught with irrefutable evidence that he had been a Soviet spy for 18 years, was allowed to resign and disappear in 1961 for fear his prosecution would trigger a major State Department scandal. . . .

"It was the Russians—not any U.S. operative—who broke the Warsaw spy case (Scarbeck) of 1960–61.

"They did it to save the valued professional agent they had in our embassy there. They did it because they knew the heat was on and if they 'surfaced' some minor offenders it could provide enough diversionary fanfare to deflect suspicion from their man (Symans).

"Their ruse succeeded for a few months. Then it blew up with a bang. . . .

"This blockbuster was exposure of a KGB agent in our Warsaw embassy . . . He was a lifetime State Department career man.

"He was recalled to Washington instantly . . . The case against him was wrapped up tight. It was devastating and irrefutable . . .

"Great was the surprise of the American investigators when a . . decision came down from the command post in Foggy Bottom. The word was, 'No prosecution. No word of the case to anyone.' "

This is how high-level spies get treated in the United States. While in Warsaw, although married and living with his wife, Symans had a mistress who was also employed in the embassy in Warsaw. She was a State Department secretary named Dorothy Cwynar. Miss Cwynar was recalled when Symans was exposed and questioned concerning the case. When the case was dropped she returned to Europe and reportedly has married a Polish national. Symans also returned to Europe, making a "pleasure trip" to various countries and later returned to his wife and his birthplace, Grand Rapids, Mich.

Symans and his wife, Therese, now live in a lovely home in a fine section of Grand Rapids, 235 Plymouth St. N.E. Mrs. Symans is employed as a teacher of French in the East Grand Rapids High School and reportedly took a group of school children to Europe last summer under the auspices of the State Department. Symans did research on a book, "The Story of Grand Rapids," The New History of the City, which was published by Kregel Publications. Robert L. Kregel, the head of the firm, told reporters that copies of the book are being sold all over America and in foreign countries. He pointed out that a request for a copy had even been received from Z. Klejn, Editor of Nasza Ojcyzyzna, a Warsaw, Poland, publication.

Syman's home is reportedly filled with truly beautiful and expensive paintings and objets d'art, while he and his Communist friends are pushing degraded forms of art upon the American public as true art.

Among the many Americans involved in the S & S scandals in Warsaw was Daroslau S. Vlahovich, a political officer who came to Warsaw from the State Department Bureau of Intelligence and Research. Even after it was known that he had been compromised by Communist secret police agents, he was not dismissed but was transferred to Toronto, Canada. He is now at Kuala Lampur in Malaysia where he is charge of the Consular Section.

Another was Edward Rowland Kelley who was First Secretary in Warsaw and was reported as compromised because of loose living, homosexuality and other factors. He is still with the State Department, having been moved around a bit, however, first to Paris, then Benghazi, Tripoli and finally Rangoon in Burma.

Also reportedly compromised in Warsaw by female agent or agents of the Communist secret police was Thomas Anthony Donovan, a First Secretary of the Embassy. He was transferred to Berlin, Germany and later to Khorramshahr in Iran until everything quieted down, and is now in the Bureau of Intelligence and Research of the State Department in Washington, D.C. While in Berlin, Donovan was the immediate superior of Stephen Koczak who, like Pasquale, was "selected out" because of his reports on his superior's misconduct.

Donovan made trips to East Berlin (Communist) and, while there, placed phone calls to Communists in Warsaw from which city he had just been removed because of having been compromised. (Donovan's apartment in Warsaw had been bugged by Polish intelligence and later by the CIA.) Koczak learned of Donovan's unauthorized phone calls, as well as an unauthorized secret trip to Poland, and felt it his duty to report them to Donovan's superior who was Howard Trivers.

Howard Trivers, himself a serious security risk reported in 1956, naturally did nothing about the situation. He has a brother, Paul, who is a notorious Communist in California who has held Communist Party meetings in his home. Secret phone calls and trips by one of his employees did not bother Trivers who is now Consul General in Zurich, Switzerland.

Koczak, still worried when nothing was done about Donovan, took the matter to Trivers' superior, Edward Allen Lightner, Jr., who took the same action as Trivers—he did nothing. Lightner is now Deputy at the U.S. National War College.

Donovan, Trivers and Lightner are "IN," but Koczak who tried to be a loyal American, is "OUT," "selected out" into forced early retirement in 1966 after 19 years as a veteran Foreign Service Office. With him it was not as easy as with Pasquale for Koczak had been a long-time competent and satisfactory employee of the State Department. In order to get rid of Koczak his personnel rating sheets had to be altered, others forged and documents removed from his file. A new low rating replaced the former high one and it was on this basis that he was "selected out." Appeals concerning this unfair treatment have been to no avail for the Untouchables must be protected.

The only person who was prosecuted out of the nest of sex and subversion in the Warsaw Embassy was poor unimportant Irving (Irwin, Erwin) Scarbeck. Guy Richards states that he was tossed to the wolves by the Soviets themselves in an effort to protect their important agent, Symans. The unfortunate Scarbeck was compromised and forced into supplying information to the Communists by a female agent, Urszula Maria Discher. Miss Discher was even obliging enough to come to the United States to testify against Scarbeck. After the trial she refused political asylum which was offered her and trotted back to her Communist bosses (mission accomplished).

Since the Communists could not take open credit for exposing Scarbeck, an American took credit for "developing the first lead on Scarbeck." This person was none other than Victor Dikeos, the man who knew enough not to give a bad report on Elmer Dewey Hill. Dikeos refused to testify as to HOW he got his first lead on Scarbeck, however. He also "claimed executive privilege" again when questioned concerning Symans.

The Scarbeck Case was carefully handled in the State Department with Boswell and Lyons handling it exclusively and refusing to let Otto Otepka (presumably Lyons' superior) review the files. This was something for the eyes of the "insiders" only.

Of the three persons discussed in this issue whom the State Department has decided to unload, Otto Otepka has been the most difficult to remove. He has fought back against the unfair treatment accorded him. His case has been the subject of hearings before the Senate Internal Security Subcommittee, on which Parts I to XX have been published. The Government employees exchange of Nov. 15, 1967 writes concerning the final "Otepka Report:" "It was reported by the informant that Senator Birch Bayh, a close personal friend of Richard Helms, the Director of CIA, has undertaken to keep out of the published report all material which would reflect badly on the CIA. Likewise, the authority maintained that Senator Edward Kennedy has agreed to support Senator Bayh in return for reciprocal support to keep out all material detrimental to Senator Robert F. Kennedy."

So we get another glimpse of how the untouchables keep information detrimental to themselves and their friends away from the American public. It is interesting to note the interweaving of the activities of persons connected with these attempts to conceal derogatory information concerning "insiders" by forcing out "outsiders" who do not go along with subversion, perversion and other questionable conduct.

One of the main enemies of Otto Otepka in the State Department was William J. Crockett, Jr., whose testimony before the Senate Internal Security Subcommittee was arrogant and evasive. Crockett was assigned to Beirut, Lebanon as of October 1, 1952 as was Edward A. Symans. As of October 1954 the following individuals were assigned to Rome, Italy: William O. Boswell, William J. Crockett and Raymond W. Laugel. In February 1961 Crockett became Assistant Secretary for Administration and since June 1963 served as Under Secretary of State for Administration. He has now left the State Department and is reportedly with the I.B.M. Corporation. Boswell served as Director of the Office of Security from September 1958 to July 1962. Laugel (who was honored at the unusual cocktail party with Reilly) became Deputy Chief of the Division of Physical Security, Office of Security in March 1960. In April 1962 he became Chief of the Division of Foreign Operations, a newly created division when the Physical Security Division was split up by Boswell. In November 1963 when John F. Reilly was forced to resign because he had perjured himself before a Senate Committee (although no action was ever taken against him) Laugel became acting head of the Office of Security, remaining there until March 1964.

Jacob Beam, Ambassador to Poland during the S&S scandals, graduated from Princeton in 1929. Howard Trivers and Allen Lightner, Jr. graduated from Princeton in 1930. In 1948 Beam was Chief of the State Department's Division of Central European Affairs and Howard Trivers was his Asst. Chief.

It is a small world for the "insiders" in the State Department. They have known each other and worked together in most cases for many years. The cover-up of the Warsaw Spy and Sex Scandals is but one instance of how The Untouchables work together.

STATE DEPARTMENT'S TRIPLE STANDARD

Mr. RARICK. Mr. Speaker, something is drastically wrong in our State Department when it adheres to a triple standard of application of our law.

The State Department found nothing wrong in permitting Igor Bubnov, a KGB from the Russian Embassy who replaced the notorious spy, Nikolai Popov, freedom of travel to go to LSU and speak to a campus rally.

State waived passport requirement to six native-born black Rhodesians last September 10 to attend U.S. colleges.

Yet, State forbade a visa to the Honorable Ian Smith, Prime Minister of Rhodesia, to enter the United States and speak before a University of Virginia student group, and likewise refused a visa to permit Moise Tshombe, of Katanga, to enter the United States.

Most assuredly a triple standard—one for Russian Communists, one for Rhodesian blacks, and a separate standard for Christian anti-Communists.

Why does the State Department discriminate against Christian leaders of friendly nations?

Mr. Speaker, I insert the Fort Victoria address of Hon. J. J. Wrathall, Deputy Prime Minister of Rhodesia, as follows:

REPORT OF A SPEECH BY THE DEPUTY PRIME MINISTER, THE HON. J. J. WRATHALL AT FORT VICTORIA

There is probably no need for me to remind you of the historical association for which Fort Victoria is well known, and particularly of the fact that Fort Victoria is the oldest town in Rhodesia and was established by the pioneers as they trekked northwards. Important as the past is, however, it is the future to which we must look both for ourselves and for the generations to come.

PLANNED FUTURE DEVELOPMENT

Much thought has already been given to the shape of future development in this part of Rhodesia. There are nearly 750,000 acres of irrigable soils in the lowveld and it has been estimated that, with the full potential under irrigation, the area could support a population of over a million people. The Sabi-Limpopo Authority hopes to develop, over the next 25 years, two large new irrigation complexes, one in the Lundi Valley and the other in the Sabi Valley. It hopes also to develop several smaller irrigation schemes, one on the upper Nuanetsi, another on the lower Nuanetsi and others on the banks of the Limpopo and near the Lundi Sabi confluence. This enormous agricultural development will need to be backed up by the services which can only be provided in urban centres, and this means new towns and added prosperity for existing towns such at Fort Victoria.

SMASHING BRITAIN'S SANCTIONS POLICY

While much of the development to which I have been referring is still only on paper, this great potential could well be realized sooner than many people have hitherto thought possible. I believe that a rising tide of confidence in Rhodesia's future is spreading through the country, and if we have confidence in ourselves others will have confidence in us too. Smashing the British Government's vindictive sanctions policy has taken on the nature of a national effort. Indeed it has become more than a national effort; it is an international effort which is stretching into every corner of the world and which is achieving ever increasing success. And British firms, with the connivance of the British Board of Trade, are climbing on the bandwagon too. For example the value of British imports into Rhodesia during the first seven months of 1967 was £5.9 million, or only £600,000 lower than in the corresponding period of 1966, when a great many goods were, of course, still in the pipeline from before sanctions. These imports covered a wide field of commodities including motor vehicles and textiles.

This situation shows, I think, how little the British people care for Mr. Wilson's policies and for the views of the lunatic fringe such as Sir Dingle Foot, who would be happy to have a blood bath in Rhodesia in order to put his socialist theories into practice. And as for Mr. George Thomas and his support for the murderers of decent, innocent people in Rhodesia, his recent outburst certainly takes the prize for blatant distortion and lends added support to the theory that there are three main degrees of untruth—white lies, straight lies and British Socialist Party propaganda! It seems to me that Mr. Wilson and his ministers are now being forced to adopt the tactics used by bankrupt governments the world over. They have to keep Rhodesia on the front page of the newspapers in order to divert attention from the increasing economic chaos into which Britain has been led by their socialist policies.

There must be many of you who, like me, feel that there is more than a touch of pathos about Britain these days; the drifting from one economic crisis to the next; the rebuffs from the Common Market; the fawning at Mr. Simbule's repeated "toothless bulldog" jibes; the decadence of the hippies and the flower-people and the love-ins; the make-believe of Sir Sidney Caine; Yorkshire's defeat by a third rate Whitehall eleven; the reluctance, except under provocation, to condemn terrorism in Rhodesia; and the actual surrender to the terrorists who have been murdering British servicemen in Aden.

DOUBLE-DEALING

Let me also give you a remarkable example of duplicity and double-dealing in another part of the world. You have all read recently that the United States State Department discouraged an attempt by the University of Virginia Student Group to invite the Prime Minister of Rhodesia to speak at their University. The State Department indicated that any Rhodesian could legally be admitted to the United States if he had a valid travel document and satisfied the visa laws and that since the State Department recognized Britain as being sovereign in Rhodesia the document would have to be a British passport.

This is in strange contrast to what happened less than two weeks ago, on September 10, when six people born in Rhodesia left this country on a Boeing 707. Their destination was the United States of America, where they had been awarded scholarships. All six had post-U.D.I. passports issued by the Rhodesian Government. They were also in possession of visas from the United States which had been issued on separate sheets of paper carrying the following endorsement—"Waiver of passport granted under Provision 22 C.S.R. 41.6(F)". There used to be a saying that what is sauce for the goose is sauce for the gander, but clearly the State Department does not recognize this democratic principle. The Prime Minister is a white Rhodesian; the six persons concerned were black Rhodesians. Thus racial discrimination exists even in the State Department.

BRITAIN'S FAILURE

Perhaps the most striking feature of the situation is Britain's failure to realize the nature of the struggle which is taking place in the world today.

Since the end of the Second World War the communists have conquered or neutralized enormous areas in Europe and Africa; they have infiltrated into the Americas by absorbing Cuba; and they have stepped up the war in Vietnam in an all-out attempt to extend their hold in Asia.

In North Africa they have footholds which give them control of the southern shores of the Mediterranean and the Red Sea. Their next essential step towards controlling the whole of this continent is to advance into southern Africa, which is the key to the sea route round the Cape to Australia, New Zealand and the southern Indian Ocean. They realize that Rhodesia is the bastion of southern Africa; if Rhodesia falls, Malawi and the Portuguese provinces of Angola and Mozambique will be outflanked and the way will be open to the frontiers of South West Africa and of South Africa itself.

The front line is as clearly defined on the Zambezi as it is in Vietnam, and Rhodesia is engaged in the same battle in Africa as America, Australia and New Zealand are fighting in Asia. If Vietnam goes, Australia and New Zealand and all the East will fall prey to communism, but the same result could well follow if southern Africa were to be overcome. The one arm of the pincer movement is being held back in Vietnam and the other in Rhodesia.

Yet what are Mr. Wilson and his Government doing to assist in the struggle against communism? They expand their trade with Cuba and North Vietnam, enemies of the

West, while trying to undermine Rhodesia's economy and her ability to resist. They persuade America to support their sanctions against Rhodesia as their price for not denouncing American policy in Vietnam. And they use economic blackmail to force Australia and New Zealand to continue opposing us, although they are fighting the same enemy as Rhodesia.

We can, however, take comfort from the thought that the qualities of integrity, courage and steadfastness, which once made Britain great, still flourish in Rhodesia, and for as long as this holds we need have no fear for the future. Rhodesians will stand firm for what they believe to be right, no matter what new weapons are used against them, whether they be further economic sanctions, psychological pressures, military force or terrorist attacks. At the same time Rhodesians have every right to ask their allies—the British people, the Americans, the Australians and the New Zealanders—to acknowledge that they are fighting for a common cause.

WASHINGTON REPORT

Mr. WHITENER. Mr. Speaker, I have prepared a résumé of the activities of the first session of the 90th Congress which I include as a part of my remarks at this point in the RECORD:

RÉSUMÉ OF FIRST SESSION, 90TH CONGRESS (1967)

1967 has seen one of the longest sessions of the Congress since World War II. It has been characterized by careful and prudent consideration of budgetary matters and a continuing concern with reference to the United States involvement in Southeast Asia.

We believe that 1967 was properly a year for evaluation of programs previously authorized and a season for improving existing activities of the government rather than enter upon costly non-essential new programs.

The national debt has increased due primarily to defense commitments. The Congress has generally resisted authorizing additional domestic programs and has taken the lead in demanding a reduction in overall federal expenditures. It is hoped the Second Session of the 90th Congress convening in January will continue this trend in reducing non-essential expenditures.

In addition to the legislative activities, our office has been privileged to serve the individual citizens and local governments in the 10th District in a multiplicity of contacts with agencies of government. These requests for assistance and advice have been heavier than any other session of the Congress which we have served.

While it is not possible in this report to mention every legislative action taken by the Congress this year, the following is a partial list of action in many major areas:

AGRICULTURE

Agricultural Adjustment Act of 1938 amended to simplify computation of tobacco acreage allotments for individual farms.

Federal Meat Inspection Act of 1967 establishes federal and state meat inspection arrangement encouraging states to give greater emphasis to such inspections. U.S. Department of Agriculture given authority to protect consumers from contaminated meat if states fail within three years to establish adequate meat inspection regulations.

Tobacco Allotment Lease and Transfer Act permits lease, sale or transfer of acreage allotment or acreage poundage quota of certain types of tobacco for up to 5 years (former law limited to 1 year). Farms must be within same county and allotment must not exceed 10 acres.

PL 90–52 removes limit of 5 acres on amount of tobacco acreage allotment that may be leased on an annual basis. Act does not apply to burley, cigar filler or binder acreage.

ECONOMIC AND SOCIAL

Food Aid to India Act authorizes the President to supply India with three million tons of food grain to alleviate famine.

Saline Water Conversion Act Amendment authorizes the Secretary of the Interior to participate, to the extent of $57.2 million, in the costs of constructing and operating a large dual purpose plant for sea water conversion and nuclear power generation.

Saline Water Conversion Act amended to authorize an additional $26,782,000 for the salt water conversion program.

Education Professions Development Act of 1967 broadens and coordinates federal program known as National Teacher Corps by: (1) creating council to advise Education Department on programs for development of qualified teachers; (2) extends Teacher Corps for 2 years and makes provision for utilization of experienced teachers in low-income areas; (3) creates fellowships for graduate students in elementary and secondary education; (4) assists states in meeting critical teacher shortage by special training programs; (5) provides graduate fellowships in vocational training fields; (6) provides short-term pre-service or in-service training for teachers or persons preparing to serve as teachers; (7) provides for grants to help train persons at institutions of higher education who are preparing to serve as teachers and educators.

Interest Equalization Tax Extension Act of 1967 imposes a tax upon the acquisition "by a United States person" of stock in a foreign corporation and a graduated tax upon his acquisition of a debt obligation of a foreign obligor. The rate of tax on foreign stock is 15% of the actual value and on foreign obligations ranges from 1½% to 15%. Act authorizes the President to adjust rate of tax.

Economic Opportunity Act Amendments of 1967 extends OEO for two years; gives state and local authorities increased control over community action programs. Places restrictions upon personnel in poverty programs as to political activity and administrative procedures.

Postal Revenue and Federal Salary Act of 1967 increases rates of postage on first, second and third classes of mail; salary adjustments averaging 4.5% for federal workers; creates executive, judicial and legislative salary study commission; establishes a program for combating pornographic mail distribution.

The Social Security Amendments Act of 1967 revises the schedule of Social Security benefits upward; raises taxable salary limits; places restriction upon welfare payments by states and eligibility requirements of recipients; increases allowable earnings by Social Security recipient to $2,400 per year.

Urban Studies Act extends for three years from July 1, 1967, the authority of the Secretary of Housing and Urban Development to grant fellowships up to half a million dollars annually in city planning and urban development.

Tax Allowance for Dependent Children Act provides that when parents are separated or divorced the tax deduction for their dependent children goes to the parent who has custody of the children for the longer period during the year.

Social Security Act amended to extend from December 31, 1967, to March 31, 1968, the period within which Social Security beneficiaries may re-enroll for supplementary medical insurance benefits.

Vcoational Rehabilitation Act amended to extend the law through fiscal year 1970 and to (a) authorize a national center for the deaf and blind; (b) authorize grants for the rehabilitation of handicapped, migratory agricultural workers and members of their families; (c) require state vocational agencies to assist handicapped persons regardless of residence.

Pornography Commission Act establishes a commission to be known as the Commission on Obscenity and Pornography.

Obstruction of Criminal Investigation Act imposes a criminal penalty upon persons who obstruct or delay a criminal investigation or inquiry before a formal proceeding has been initiated.

GENERAL WELFARE

Post Office Lease Authority Act extends to June 30, 1972 authority of the Postmaster General to negotiate and enter into lease agreements, covering periods up to thirty years, for special purpose post office buildings.

National Housing Act amended to reflect the creation of the new Department of Housing and Urban Development and the transfer to the Secretary of the Department of the powers and functions previously vested in the Housing and Home Finance Agency and its officials.

Silver and Silver Certificates Act eliminates the requirement that the Secretary of the Treasury maintain an amount of silver of a monetary value to the face amount of all outstanding silver certificates.

Community Mental Health Centers Act amended to extend for three years from June 30, 1967, authority of Secretary of Health, Education and Welfare to make grants to the states for the construction of community mental health centers. Extends for two years from June 30, 1968, HEW's authority to make grants for the training of professional and technical staff to operate community health centers.

The Veterans' Pension and Readjustment Assistance Act of 1967, providing:

(1) cost-of-living increases in pensions paid to veterans, their widows and dependent children, larger increases going to those with low incomes;

(2) for veterans of the Vietnam war with military service after August 5, 1964, (a) extends full pensions to veterans, their widows, and children for non-service-connected disability or death; (b) extends a burial allowance of $250; (c) requires provision of drugs and medicines to veterans who need aid and attendance;

(3) extends a presumption that a psychosis developing within two years of a veteran's discharge from service is service-connected;

(4) authorizes a $1,600 allowance for the purchase of an automobile by a veteran who has suffered a service-connected loss of a hand or foot or impairment of vision;

(5) for service-connected physical losses, permits payments for more than one such loss;

(6) permits veterans with educational disadvantages to receive payments while they complete a high school course without charging the payments against their college entitlements;

(7) increases college benefits to $130 per month for a single veteran, to $155 per month for a veteran with one dependent, to $175 per month with two dependents, and $10 per month more for each additional dependent;

(8) authorizes allowances during on-the-job vocational training;

(9) increases to $25,000 the maximum amount of authorized direct loans to veterans; and

(10) liberalizes eligibilities to pensions and allowances.

Appalachian Regional Development Act Amendments of 1967 providing for the extension of the Appalachian Regional Development Act of 1965 which authorized a program for the economic development of the Appalachian Region. The program consists of limited grants and loans for new roads, health centers, sewage treatment plants, the development and conservation of land, timber and water. Program also covers: surveys of resources, technical assistance, the redevelopment of mining and depressed areas, and vocational education for the people therein.

Small Business Act Amendments of 1967 which extends from 10 to 15 years the maximum maturity of loans for plant construction and increases the SBA revolving fund by $650 million. Also directs SBA Administrator to conduct a study concerning effects of robbery, burglary, shoplifting, vandalism, and other criminal activities upon small business.

NATIONAL DEFENSE

Military Selective Service Act of 1967 amends basic act to provide (1) that the National Security Council will advise Selective Service System on deferment of graduates students and others whose studies or duties are vital to national health, safety, or interest; (2) President is directed to issue rules and regulations to guide draft boards in deferment of students and scientific people so as to create uniform standards in the nation; (3) full-time undergraduate students are to be deferred until they receive a bachelor's degree, leave college or reach age 24. Undergraduates to be permitted to complete a school year. Undergraduates must be doing satisfactory work to be deferred; (4) tests, examinations, class standing, and other means are not to be used in determining deferment.

Uniform Services Pay Act increases pay of military personnel in amounts equivalent to increase given to civilian employees of the federal government in the Federal Salary Act of 1967.

Supplemental Military Procurement, Research and Construction Authorizations, 1967. Supplemental funds during fiscal year 1967 for procurement of aircraft, missiles and tracked combat vehicles, also for research, development, test, evaluation and military construction by the Armed Forces.

Supplemental Defense Appropriation Act, 1967. Appropriates $12,196,520,000 supplemental funds for defense during balance of fiscal year 1967. The appropriated money was primarily to support the war in Southeast Asia.

Defense Procurement Act authorizes $21,168,032,000 for defense procurement, research and development during fiscal year 1968.

Savings for Armed Forces Captured or Missing Personnel Act authorizes the secretaries of the military department to initiate savings deposits with interest at 10% for members of the Armed Forces who are captured or are missing in action.

CONCLUSION

The résumé set forth above will indicate that the year 1967 has not been as unproductive as many would assert. The year has not seen many new departures by the Congress, but it is felt that the legislative results are substantial.

As we look forward to the new session on January 15, 1968, we express the hope that there will be a continuation of Congressional sentiment for sound budgetary practices and a continuing effort to avoid legislative excesses.

I express to all of those who have permitted me to serve in this important period of our history my deepest appreciation. It is my hope that the votes that I have cast reflect the thinking of the majority of those whom I represent in the Congress. In any event, I can assure all that the constant aim and desire has been to be recorded on the side of right and not on the side of political expediency.

Sincerely,

BASIL L. WHITENER.

UNO RACISM

Mr. RARICK. Mr. Speaker, the ununprecedented barbarianism of U Thant, so-called Secretary General of the UNO in leading a walkout on the South African representative, Dr. Hilgard Muller. Not only was U Thant's protest rude and lacking of any indication of diplomacy, it manifested his hate and prejudice against peaceful, advancing, free nations.

I insert the report of the Independence League of Salisbury to be here reproduced in the RECORD for all our Members to examine. This is the conduct of the UNO bunch subsidized by U.S. taxpayers, that wants to rule and regulate mankind. Hogwash!

THE UNITED NATIONS—WHAT USE IS IT?

Many people look upon Monday as "black". Certainly the Monday of this week will long be remembered as one of the most shameful days in the history of the "United Nations Organisation". What happened? The session was opened by the newest member, Chief Leabua Jonathan of Lesotho; several new members were in attendance; representatives of Botswana, Malawi and Lesotho. One of the speakers was Dr. Hilgard Muller, representing South Africa, one of the oldest members of the U.N.O. As the most progressive of the many nations in Africa, his speech should have been of interest to all members, but especially to those representing other states in Africa; but Dr. Muller has a white face and so he was not welcome to the predominantly black members of U.N.O., nor to its paid Secretary-General.

The Organisation was founded as a nonracial group; its paid officers are all expected to forget, during their course of duty, their own nations and become quite unprejudiced. When Dr. Muller started to speak, U Thant, the paid Secretary-General of the organisation, rose and walked out, followed by the Chairman of the Assembly; they were closely followed by a large number of the Afro-Asian group. What an exhibition for the new members of the organisation! All of these men are financed by their countrymen; they are sent to New York and are expected to learn from the speeches which are delivered by the various members. Only about sixty members out of a possible one-hundred-and-thirty remained to listen to Dr. Muller. He is a busy man and had gone to New York to give his country's views on World Affairs. One will hardly be surprised if he, (and his powerful country), decide that the whole exercise is a waste of time. May other powerful nations, such as Portugal, Australia, Canada and New Zealand, not think the same and decide to resign from an institution which has become a platform, reserved for *anti-white racialism?* If these countries all draw out, who will pay for this very expensive organisation? Who will pay U Thant's salary? Will the United States of America, which already pays the lion's share, be prepared to foot the whole, or most of the bill?

At present, seven nations provide two-thirds of the more than a *hundred million pounds* which is the yearly budget of U.N., and the remaining one-third is provided by more than a hundred members, among them the gentlemen who walked out this week.

A majority can be obtained from states which contribute less than one-third of the money required. No other institution could, or would, continue to operate under such conditions. The new nations who pay little, or nothing, for the privilege of airing their views on the world stage, are encouraged to act in an irresponsible way because they have been given power for which they are not prepared. This is the tragedy which the U.N. has caused. The idea was to inculcate a sense of responsibility in small nations, but the opposite has been the case. Banded together, they can exert considerable influence; influence which is far beyond their importance in the world, especially when it is used, as it is now, for selfish and racial ends. Tribalism and animosity, caused by jealousy, between African states is so acute that they are useless as peace-keepers, which is the original object of the foundation of the U.N. Quiet mediation and far-sighted statesmanship, instead of a noisy babble from each bloc, intent on promoting its own purely selfish interests, is what is needed. The only chance of obtaining real and unprejudiced arbitration in world affairs lies in disbanding the U.N. It was idealistic in conception and might have been a wonderful force for peace, but it has turned out to be a hopeless muddle in practice.

For ten years U.N. maintained a guard in the Gaza Strip (which was Egyptian soil) to protect Egypt against the Jews; this did not prevent the war in June; what it did was to allow Colonel Nasser to arm and so may even have precipitated the Israeli-Arab war this year. As soon as war threatened, the peace-keeping force was withdrawn.

In the Congo, the U.N. helped the rest of the Congo to crush Katanga which, under Moise Tshombe, was the best-governed and most peaceful province, until the interference by the U.N. which again started a war which might never have happened.

The U.N. in Cyprus has taken the side of Makarios against the Turkish minority, again reinforcing one side against the other and certainly not promoting peace.

Members of the U.N. are constantly criticising the internal policies of Portugal, S. Africa and Rhodesia which are the most peaceful and happy countries on the face of the globe. They are trying to stir up strife where none exists.

The former French colonies in Africa receive preferential treatment and so are bound to Europe. Belgium is not likely to forget her treatment by it in the Congo and Katanga. Holland suffered by its interference in Indonesia; Portugal has not forgotten Goa, an act of aggression by India with no extenuating circumstances. Yet the U.N. did nothing. Portugal will not easily forget the blockade of Beira with its loss of trade. Mr. Adlai Stevenson said of Goa that it "could only lead to the disintegration of the U.N.".

America is gradually learning that her influence in U.N. is waning. The British and French discovered at Suez the misuse to which the U.N. can be put when it suits someone's purpose. When the Cuban crisis exploded in 1962, neither Russia nor the U.S.A. bothered about the world organization, which had been created and was financed for settling just such disputes. The nuclear test ban treaty between the U.S.A., Russia and Britain was agreed to without any reference to U.N. It is not important enough to influence such policy.

The conflict in Vietnam continues and the U.N. is powerless to do anything about it. The civil war in Nigeria is another problem which is far too big for the world body. *What use is it?* When a representative of a stable and prosperous country and one of the oldest members of the U.N. takes the trouble to address the General Assembly, more than half the members, led by the Secretary-General and the current Chairman walk out.

There can be no doubt that the U.N. has outlived its usefulness, if it ever had any. It is useless and very expensive. The concept of world domination is contrary to the human instincts of self-reliance and individual gain. Its officials consist of *men*, not *supermen*. When there is a great national disaster, nations do not wait for the U.N. to organise relief, individual nations make their own decisions without any reference to a world body. It gives employment to a large number of parasites at huge salaries. A cocktail party, with free drinks, etc. for 2,000 people, held in Rome in a specially constructed marble hall, cost three million pounds and its purpose was to launch a campaign against hunger. Is this typical of the way U.N. money is spent?

The White, Western, original U.N.O. of fifty-one nations which was founded with such high hopes for keeping the world at peace and had its first meeting in Westminster Hall in London in 1946, has disappeared. Practically every new state has become a dictatorship; the body entirely excludes one-fifth of the world's population; it provides a stage on which the micro-states can make a great noise; it emphasizes racial differences and even creates them where none exist. The Daily Herald in 1944 said, "We run the risk of being committed to the support of regimes which may be tempted to become progressively dictatorial." This is just what has happened and very much sooner than was expected by anyone. The new dictatorships raise their voices on the world stage but walk out when a representative of a really responsible state gives his country's views.

Above one of the world-body buildings there is a modern ornament which consists of flimsy arms which flap about in the wind and respond to every breeze; it is meaningless, useless and was very expensive. A similar decoration should be placed over the main building by the East River, on E. 42nd Street, in New York. No symbol could be more suitable for the U.N.O. which is absolutely useless and continues to cost huge sums of money. Could this money not be used for the relief of disease, ignorance and hunger? There are plenty of these ills in the world today and the body which is supposed to represent the world does nothing about it. Get rid of it.

(Written expecially for the Independence League, Salisbury by Mrs. E. Kellar, B.A. London; M.A. Honours, Sydney, October, 1967.)

SECOND MORTGAGES

Mr. GREEN of Pennsylvania. Mr. Speaker, I had intended to rise yesterday with Congressman William Cahill to discuss what seemed to both of us to be certain irregularities in the second mortgage business. Urgent and unexpected business prevented my doing so when the time for the special order arranged for by Congressman Cahill arrived. I wish at this time to commend Congressman Cahill and join him at this point by placing in the Record now some of the comments that I would have made could I have been here yesterday.

In recent months a number of stories have appeared in newspapers in Washington and in several New Jersey cities describing how homeowners have been victimized by unscrupulous, second mortgage operations. As early as 1965, Philadelphia, a magazine in my home city, detailed operations in the second mortgage business. All have pointed to unsavory practices which prey on the people least able to cope with them.

Tantalized by the chance for quick cash for food freezers, home improvement plans, debt consolidation programs—hundreds of people plagued by unpaid bills signed on the dotted line to buy relief in easy monthly payments only to discover they had weighted their houses down with a second mortgage. Many did not learn the significance of the papers they signed until they missed a few payments and the mortgage on their house was foreclosed.

I am concerned about this problem, because thousands of people are purposely misled into believing their money problems are over when actually they have just begun and I am additionally distressed because my city, Philadelphia, appears to be the capital for some of these shady operations.

The stories of people in Washington and throughout New Jersey indicate that the headquarters and brains for much of this activity is in Philadelphia.

Washington homeowners caught up in the home improvement plans discovered in many cases that their payments eventually went to Philadelphia.

New Jersey people attracted by ads for easy cash went to offices in Camden for loans and soon found themselves riding across the bridge to Philadelphia to sign a plethora of papers, only to discover later they had added a second mortgage to their homes—and the so-called gifts which were purchased at exorbitant cost during the deal were lumped in with exorbitant fees for their loans. In the end they paid 70, 85, 95 percent interest over 4 years.

What is disturbing about these flim-flam operations which bilk unknown numbers of homeowners is not simply that unethical firms are allowed to prey on innocent people because of loopholes in the law, but they carve out their financial empires with the aid of conventional and respectable banking interests.

The banks themselves underwrite many of these deals, by providing financial aid to the second mortgage operators or either through loans or through handling their commercial paper.

What is unconscionable is that the eventual possessor of the second mortgage—called the holder in due course—receives the absolute protection of the law while the victim receives almost none.

Second mortgages are legal credit devices. They are fine as long as the people taking them know what they are getting, and understand the obligations they assume, and what obligations the firm assumes.

But this method of masking the true nature of the second mortgage, of selling by deceit, and of taking advantage of people's financial distress, must stop.

I commend the gentleman from New Jersey for calling the attention to this ugly situation.

I am pleased that the Federal Trade Commission has opened an investigation of unscrupulous activities in this area. I would urge the FTC to place more people on this job and to make an intensive study of the Philadelphia area operation as means of a start in determining the magnitude of this problem nationally.

PRESIDENT ACTS TO KEEP NEW HAVEN RAILROAD RUNNING

Mr. OTTINGER. Mr. Speaker, President Johnson has moved decisively and responsibly to help the people of New York and New England by enabling the New Haven Railroad to continue its operations.

The New Haven has been on the verge of financial disaster while awaiting court approval of its consolidation with the pending Pennsylvania-New York Central merger. It needed immediate and substantial help, and that help came today from the President.

The President authorized a large mass transit grant to improve the New Haven's commuter service, speed action to improve its right-of-way for high-speed ground transportation, and, subject to court approval, agreed to debt deferrals freeing $1.7 million in cash.

These actions are obviously only stopgap measures, but they will enable the New Haven to keep running until a long-run solution is found.

The 40,000 commuters who use the New Haven daily to get to work and the 5 million people for whom it provides the only available railway service will join me in hailing the President's action. I present for inclusion in the Record the President's statement, as follows:

Statement by the President

The Federal Government is acting today to keep the New Haven Railroad running.

We are acting on behalf of:

The 40,000 commuters who use it daily to get to their jobs.

The five million people for whom the New Haven provides the only available railway service.

Last May I met with the New England Governors at Windsor Locks in Connecticut. High on the agenda was the plight of the New Haven. I pledged the full cooperation of the Federal Government. I directed officials of the Department of Housing and Urban Development and the Department of Transportation to remain in close touch with officials of the Railroad and the States of Connecticut, New York, Massachusetts and Rhode Island.

The problem today is even more urgent.

The New Haven now awaits inclusion in the proposed merger of the New York Central and Pennsylvania Railroads. But this is still before the courts.

In the meantime, the New Haven is close to financial disaster. Within months, it may not be able to meet its payroll. It needs help now.

To keep the New Haven running until a permanent solution is found, I have authorized the following immediate actions:

1. Secretary Weaver has approved the awarding of an Urban Mass Transit capital grant. It will provide more than $28 million to improve the Railroad's West End commuter service in the next few years. Details of the grant will be developed in response to specific requirements by officials of the Federal Government, the New Haven, and the States of Connecticut and New York. But the purpose of this action is clear—to provide better commuter service between New York City and its northern suburbs.

2. Secretary Boyd will speed action to provide about $500,000 for improvements to the Railroad's right-of-way. This is part of the Department of Transportation's demonstration program for high-speed ground transportation.

3. To assist the New Haven with its cash emergency, the Federal Government is agreeing, subject to court approval, to a plan for immediate debt deferral. In effect, this would make available to the Railroad $1.7 million in cash, funds now earmarked for payment to the Federal Government. Under the proposed agreement, the Federal Government's financial interest will be fully protected. As part of this plan, the Government will not press various disputed claims for interest.

These actions are not the final answers for the New Haven. They do help avert an immediate crisis.

The New Haven's problems are symptomatic of what afflicts much of America's system of urban transportation. Even as we act today, we rededicate ourselves to the ideal of a national transportation network worthy of the people it serves.

BILL OF RIGHTS DAY

Mr. CORMAN. Mr. Speaker, today, on December 15, we observe the anniversary of the adoption of the first 10 amendments to the Constitution, known to history and to the world as the Bill of Rights.

A majority of the members of that extraordinary gathering, the Constitutional Convention, had decided that a detailed list of limitations on the powers of the Federal Government was unnecessary, because it was thought that the newly devised system could exercise only the powers enumerated in the Constitution, all other powers having been reserved to the States. This was the principle eventually made explicit by the 10th amendment.

However, the opponents of the new Constitution argued that the omission of a Bill of Rights, the lack of an enumeration of limitations on the powers of the Federal Government, was an intentional subversion of the liberties of the American people. During the contest over ratification of the Constitution, it was therefore agreed by the Constitution's supporters that a Bill of Rights would be proposed to the States as constitutional amendments by the first session of Congress organized under the new Government. This agreement by the proponents of the Constitution became a condition of ratification in some of the States.

In almost two centuries of constitutional interpretation, the Supreme Court has defined and applied the guarantees of freedom found in the Bill of Rights. Although considered originally to be limitations only on the powers of the Federal Government, many of the rights protected against Federal interference by the Bill of Rights are now asserted against the powers of a State under the Supreme Court's interpretation of the due process clause of the 14th amendment.

Among the advocates of a Bill of Rights was Thomas Jefferson. He wrote to James Madison:

> A Bill of Rights is what the people are entitled to against every government.

The constitutional amendments drafted by Madison are the most effective guarantees of individual liberty possessed by any people in the world.

Freedom of speech, freedom of religion, freedom of the press, the rights of assembly and petition, the rights to public trial and to jury trial, the protection of one's home and property against the abuses of public power, these are precious things indeed.

Thus it is that the Bill of Rights has meaning in the lives of all of us. We take many of our precious freedoms for granted. Far from being the least of those we take for granted are the liberties protected for us by the Bill of Rights.

An occasion such as Bill of Rights Day is therefore a useful opportunity for us to remind ourselves of our magnificent heritage of freedom. We would miss the rights protected by the Bill of Rights soon enough if they were taken away from us. Let us be grateful for them without that terrible experience. After all, it has been to protect and defend this system of government and the rights it affords that so many American lives have been lost in the wars our country has fought against the enemies of individual liberty.

Mr. Speaker, the Bill of Rights is one of the great achievements of the United States and its people. It is a bulwark of our free society. On Bill of Rights Day we publicly attest to our realization of its importance.

CHAMPIONSHIP TOWN: OAKLAND, CALIF.

Mr. COHELAN. Mr. Speaker, many people have always thought that Oakland, Calif., was a championship town, but now they have proof. The Oakland Raiders of the American Football League have won their division championship.

I would like to take this opportunity to congratulate the Raiders on their accomplishments and to express the hope that they will prove, in the next few weeks, that they are the best football team in either league—as many of us now believe they are.

Mr. Speaker, I do not wish to appear over prideful about my fine city, but I would like to insert in the Record at this point a recent article from Sports Illustrated magazine which I think well portrays the championship character of the sporting attractions of our town.

The article follows:

Footloose: San Francisco's Poor Relation Across the Bay Strikes It Rich at Long Last

(By Emmett Watson)

For many years—oh, so many painful years—the good citizens of Oakland have suffered those barbs aimed by its swinging sister city across the Bay—and, indeed, San Franciscans still roguishly suggest that Oakland's only reason for existence is to have a place for the Bay Bridge to end. If they tell you much about Oakland at all, San Franciscans like to say it is what Gertrude Stein had in mind when she complained, "There is no there there."

Well, for a long time there wasn't, but no longer. Now all sorts of things are there, including five major league sports franchises: football's Raiders, basketball's Oaks and (for at least half their home games) Warriors, League's Seals and, last but not least, Charles O. Finley's Athletics, late of Kansas City.

What brought on this sudden wealth of major sports—and thereby ignited Oakland's civic pride? A new $24.5 million entertainment center, properly called the Oakland-Alameda County Coliseum Complex, located smack in the geographical center of 4.2 million people.

"I guess we had a certain neurotic motivation when we built this," admits Robert T. Nahas, who heads up Coliseum, Inc., the nonprofit corporation that runs its affairs. "All that needling over the years from San Francisco began to help."

Located on 120 acres, Oakland's Coliseum includes a three-tiered stadium, with a sunken field, that seats 53,000 for football and 50,000 for baseball. The indoor arena is a circular, sort of high-rise multipurpose structure with a glass exterior, designed to handle all indoor sports, shows and spectaculars, with seating from 13,000 to 15,000. Connecting the two is some 120,000 square feet of exhibit space, including an exhibit hall adjacent to the arena floor, which is ideally suited for boat shows, auto shows and the like.

All this has made Oakland a major sports city, and though the city fathers have been reluctant to give adequate support of their high school athletic programs (Scorecard, June 27, 1966 *et seq.*), Oakland's environs provide a spectrum of outdoor recreational opportunity unmatched by any city in the U.S. As long ago as 1930 local citizens banded together to save surplus lands from speculators, and the result was the East Bay Regional Park District, which now administers 12 regional parks with a total of 17,000 acres. They offer everything from nature hikes to cricket, and it may surprise an Oakland visitor to learn that he can hop in a cab, and, after a short ride, put away an afternoon at the McCrea trout ponds, a simulated stream and regulation-size casting pool—paying only for his cab fare and the fish according to size. Largest of the East Bay parks is Anthony Chabot, a 4,750-acre preserve that boasts open grassland and chaparral, densely wooded stands of madrone, live oak, eucalyptus, manzanita and redwood, a 315-acre lake open for fishing and boating, an 18-hole golf course, archery and rifle ranges, bridle trails and an equestrian center.

Not the least of East Bay's attractions is Oakland's Knowland Park Zoo, which claims the "only elephant house with a built-in elephant belly scratcher in any zoo." If you ask any veteran resident what the city's main attraction is, he'll probably point to Lake Merritt ("largest saltwater tidal lake within any city in the world"), where canoeing and sailboat racing have long been a tradition in the heart of downtown.

But, you ask, where's the action? Well, it was in Oakland that Trader Vic got his start, and his original spot on San Pablo Avenue is still going strong. A cluster of other good ones, the Sea Wolf, The Grotto, the Elegant Farmer and the Marco Polo can be found in Jack London Square, a tourist center named after the famed adventurer-novelist.

Oakland has a good, working waterfront, whose excitement is often sparked by the unadvertised appearance of a roaring mob of Hell's Angels, the motorcycle bums who have found the city hospitable. A Jack London hangout, Heinhold's First and Last Chance Saloon, is one of the district's main attractions. "William Howard Taft—the only President to visit the First and Last Chance while in office," proclaims a sign on the wall, and it would be a delinquent waterfront historian indeed who failed to remind you that Bret Harte and Joaquin Miller hung out here, or that Robert Louis Stevenson paced the docks while his *Casco* was being readied for her South Seas voyage.

Oakland, many bars echo the nerve-wracking noise caused by one of the East Bay manias—slamming down dice and leather cups during those incessant games of liar's dice, boss and three's out. Bars are where the memories are, and Oakland has a large number of working-class fans who never heard of Gertrude Stein. But they can tell you all about big-league managers. They know that Oakland is where Chuck Dressen and Mel Ott managed, and it's where Casey Stengel won a pennant with the old Oaks at ramshackle Emeryville Park. And don't forget, Billy Martin punched his first nose at Emeryville.

Memories are fine, but to Bob Nahas and a whole new generation of boosters, Oakland has a future. "For a long time we were the ugly duckling to San Francisco," says Nahas. "They think we're square, and maybe we *are*, a little. But it's the squares who build stadiums and museums and parks and all the rest. As long last Oakland is beginning to believe in itself."

THE 100TH ANNIVERSARY OF MARIE SKLODOVSKI-CURIE

Mr. ROONEY of New York. Mr. Speaker, it is fortunate for all of us that in these days our deeply sensitive Polish-American friends are making significant efforts to accord justifiable honor to a famed daughter of Poland in the year commemorating her 100th birthday anniversary.

Since November 7, the birthdate of

Marie Sklodovski-Curie, I have been impressed with the manner in which many fine Polish-American organizations are stressing the contribution which this famous woman scientist has made to mankind throughout the world. Successive generations to the very limits of time will profit from what this shy, retiring little woman accomplished in her discovery and production of radium. Humanity will forever be indebted to this saintly Polish girl for her far-reaching concepts of beneficial usages of X-ray and of radium for the cure and prevention of diseases as well as for speeding up the repairs upon human bodies resulting from the shattering effects of wars.

I wish all American youth, as well as their parents, could benefit from the deeper knowledge of Marie Curie's life which the children in Polish-American homes will be receiving these coming months.

Every American youth who is frustrated and dissatisfied with home and school would place a new set of values upon the educational opportunities which are his in contrast to the struggle and handicaps which Marie Curie had to overcome to prepare herself for her place in the world's hall of fame.

American youth who questioned today the value of our independence and the existence of freedoms which are ours to enjoy would be forced to reconsider their protest actions and senseless demonstrations if they could be made aware of the stifling and oppressive situation which faced Marie Curie in her formative years. As is true today, Poland a hundred years ago was under the thumb of the Russians. The despotic rule and subjagation of the Polish people then is not too different from what the generation of Poles today faces under the Communists. Even then a foreign power drained off much of Poland's resources and her economy. Even then efforts were made to control the thinking of the masses of Polish people and to superimpose a multitude of obstacles to preclude personal advancement in independent scientific attainment.

Even then the people of Poland maintained an unquenched thirst for freedom and self-determination. Even then the dreams of a free and sovereign Poland was constant in the minds of every man, woman and child.

Much has been written over the years about Madame Curie and her husband Pierre. There is universal praise for her brilliant scientific mind and the achievements which she and her physicist husband attained. Her self-denial and self-sacrifice along with almost a full lifetime of exposure to personal poverty and want of even the barest scientific equipment and facilities is repeated by writer after writer. But it has fallen to her own daughter Eve to give the world the intimate glimpse of the true characteristics of her illustrious mother in her biography "Madame Curie."

How meaningful it is to read of Marie Sklodovskis' childhood and early life; to sense her budding greatness because of her intensity toward learning and her aptitude for mathematics and scientific studies. We marvel at this lovely, petite, blond Miss possessing such savage patriotism and such furious distaste for the foreign power under which she and her countrymen lived.

But relentless as this young girl was in seeking knowledge, and determined as she was to explore the mysteries of the composition of the world and the laws of nature which governs its existence, she gives us a shining example of family responsibility.

In spite of her extremely high scholastic achievements and her all-possessing desire to move forward in the pursuit of learning she assumed responsibility for supplementing the meager family income of her professor father by serving as a governess. She made this difficult decision in order that her sister Bronya could continue her studies to become a doctor.

For 6 long and tedious years Marie served as a poorly paid governess turning over to the family her total wages. This was a period in which the aspiring girl learned the great lessons of patience and forbearance and became accustomed to hunger and cold. Six years of self-denial and acceptance of family responsibilities portrays those traits of character which are too often missing in family life today.

We read of Marie's great anguish in making the decision to utilize her pitiful savings and make the heartrending decision to leave her father and her native land to go to Paris to live with her sister and renew her quest for learning. Surely no greater example of love of family and country is to be found than that demonstrated by this Polish country girl as she set forth with her pitiful savings and even more pitiful belongings to study in Paris.

The weeks extended into months and into years as Marie Sklodovski applied herself to the task of learning. So limited were her funds and so frugal was her enforced living she saw little of Paris and of her family. But she was keenly aware of the freedom of thought and action abounding in France in contrast to the restricted atmosphere which pervaded her native Poland.

We marvel at the girl's insatiable appetite for learning. Not content with her original coveted goal of attaining a master's degree in physics she lived even more frugally for another year to obtain her master's degree in mathematics. Both degrees were conferred upon her with highest honors, for Marie prepared herself so thoroughly in both the classroom and the laboratory there was no question as to her mastery of the two difficult subject areas. In addition she applied herself to develop a thorough mastery of the French language so as to be completely at home in the language of the professors, her fellow students and the text material, the pages of which she devoured by the thousands.

We read with fascination, too, daughter Eve's account of her mother's almost "purely scientific" romance with the eminent young French physicist Pierre Curie. Marie needed laboratory room and equipment to fulfill a commission to analyze the magnetic properties of steel. Pierre could help her meet her needs and so quietly the gifted young French scientist became more and more attached to the equally gifted young Polish scientist.

Marriage to a French citizen and a permanent separation from her family and the country of her birth were factors which Marie had to weigh and measure with the same scientific exactness which she employed in all her experiments. Thus she required a full year to resolve her problem and agree to marry her persistent suitor.

Marie devoted herself to the demands of a perfect marriage with the same ardor which she employed in her scientific works. In this day of broken homes and marriage failures among couples both in pursuit of careers, much could be gained by studying the ingredients which both Marie and Pierre provided in order to attain such complete marital bliss and such charming interdependence one upon the other. The budding young scientist and one of the very first of her sex, put the same high degree of excellency in meeting the demands of being a wife as she did in the performance of her complex and exacting scientific research and experimentation. So we see the dutiful daughter and the unselfish sister now emerge as a constant companion and true helpmate of the man to whom she was truly wedded in holy matrimony and in scientific pursuits as well.

The words of Marie's daughter are illuminating when she said:

> The idea of choosing between family life and the scientific career did not even cross Marie's mind. She was resolved to face love, maternity and science all three, and to cheat none of them. By passion and will, she was to succeed.

And succeed she did. It was only natural that both Pierre and Marie should move forward from the magnificent achievements Pierre had made in the field of crystalline physics to a joint exploration of the mysterious phenomena of the X-ray just discovered by Roentgen and the possibility of similar rays being emitted by so-called fluorescent bodies. The phenomenon of the rays emitted by uranium salts was to receive the name "radio activity" by Marie, which has become commonplace even to the layman today.

As is so often true in one's own country, France was slower to recognize the scientific eminence of Pierre and Marie than did the scientific leaders of other countries. This tragic failure denied the Curies even a decent place in which to work or with even a minimum of the essential laboratory equipment and supplies so essential to their work. Marie was to share Pierre's repugnance of hollow honors, expressing candidly the needs of a laboratory rather than medals or scrolls.

None of us today can fully comprehend the degree of actual physical suffering, to say nothing of the mental stress, involved in the 4 long years in which Marie and her husband labored in a cold and leaking shed to treat batches of pitchblends to obtain the elusive measureable quantities of polonium and radium which they knew were contained in the ore.

It is interesting to note that in this scientific partnership Marie chose the "man's job," almost that of a day laborer, of handling raw ore, keeping fires burning under the crucibles, while Pierre applied himself to the more delicate experiments involved in determining the nature of radium.

Although we cannot fully appreciate the suffering and privations which the Curies endured in their search to acquire even a small amount of pure radium, we can sense the jubilation and happiness the pair experienced when Marie was able to produce a decigram of pure radium. Now the skeptics were silenced and the scientific world could accept radium as a fact and not a theory.

The fame of the Curies spread. Offers of professorships, facilities for further research as well as honors came to the couple from outside France, but unfortunately the French universities and the French Government offered them no academic advancement or no improvements in their pitiful working and living arrangements, which the Curies preferred to uprooting their children and moving to more advantageous areas.

Even the awarding of half the Nobel Prize in Physics to Marie and Pierre in 1903 was not sufficient reason for the Curies to absent themselves from Paris to attend the awards ceremonies because of their unwillingness to disrupt their teaching responsibilities.

But unforeseen by both Marie and Pierre were the personal tragedies which would come to them because of their sudden rise to fame emphasized by the unprecedented press coverage in connection with receiving the Nobel Prize. Pursued by the journalists and photographers, deluged with mail, and calls by both real and pseudoscientists and overwhelmed by an unending avalanche of curious and selfish persons, Marie and Pierre were hard put to maintain their composure to say nothing of continuing their consuming interest in further research and experimentation.

At long last the University of Paris gave them their coveted assignments to the faculty—Marie being the first woman to receive a full professorship as chief-of-works in physics in the faculty of science. It seemed at last that the Curies could now enjoy the fruits of their long struggle for scientific achievements as well as to have opportunity to enjoy their daughters and their growing host of friends. But this well-earned bliss was to be short lived. Pierre was to meet sudden death beneath the crushing hooves of runaway horses on the streets of Paris. One can only imagine the depth of the shock which her beloved husband's death made upon Marie. Gone was her mentor, her helpmate, her confidant, and her lover. Marie became, as her daughter describes her, "an icy automaton" for weeks to come, oblivious of her family and friends, unaware of her surroundings, and uninterested in anything.

It was only as the grief-stricken little widow in succeeding her illustrious husband to the chair occupied by him in the Sorbonne delivered her first lecture that she succeeded in emerging from the tight shell in which she had existed since Pierre's death.

One of the greatest honors of the many to be showered upon Marie and the one which gave her utmost satisfaction was to be included as a member of the Society of Sciences made up of Polish intellectuals and to journey to Warsaw to inaugurate a laboratory of radio activity created in her honor. The joy of being back in her homeland, of being able to give a scientific lecture in native Polish tongue and of being acclaimed by her own people as "the first and greatest woman scientist in the world" did much to restore Marie's health which had been seriously impaired since Pierre's death.

But once more the prospect of a pleasant routine of research and teaching blended with the enjoyment of family and friends was to be denied Marie. Just as she reached the peak of her world acclaim and just as she was to realize one of the greatest dreams of her life when the "Institute du Radium, Pavilion Curie" was finished and ready for its workers and its director, in July 1914, the clouds of war opened with their downpour of death and destruction.

Separated from her daughters whom she had sent with a governess to a little villa Brittany for the summer, Marie chose to remain in Paris in spite of the threat of a German invasion. Once more the heroic stature of this frail little woman is to be seen. Realizing the need her adopted country, France, had for her services she denied herself the desire to join her daughters. Instead, almost singlehandedly, she mobilized a comprehensive mobile X-ray system that seems beyond our comprehension. At the outbreak of the war only a few Roentgen X-ray machines existed in France and these were in the private hands of radiographic doctors. The wartime French Military Health Service had been able to provide such equipment in but a few large centers.

Realizing the advantages of X-ray in the instantaneous ability to locate bullets or shell fragments in the growing number of wounded men, Marie began at once to mobilize her own and all other available resources to effect the broadest distribution possible of these essential lifesaving items. She recruited voluntary operators for the equipment from among professors, engineers, and scientists. She converted an ordinary automobile into a self-contained mobile unit complete with X-ray and generator to supply its needed current.

Fearful of the disposition to which her precious gram of radium might be made if it were to fall into enemy hands, she personally transported the heavy lead encased box and its almost irreplaceable treasure for safekeeping in Bordeaux then hurriedly returned to Paris to do her part.

Calling upon her friends and any other person possessing a motorcar Marie succeeded in transforming 20 vehicles into mobile units to be dubbed "little Curies." Retaining one of these units for herself she manned it personally day after day wherever the victims of battle were most numerous and the demands for X-ray facilities were most pronounced.

Besides the 20 mobile units which Marie equipped and kept in service she succeeded in installing the phenominal number of 200 radiological rooms. It seems almost unbelievable that this tired, pale, and slight little woman was able to provide X-ray treatment to over a million wounded persons including our own American soldiers fighting with General Pershing in the American Expeditionary Forces.

Even this day-by-day exposure to danger and exhausting labor on a round-the-clock basis was not enough for Marie Curie to do for her adopted country in its most dire hours. In response to the stricken country's call for funds to finance its defense, Marie gave her gold and the money of her second Nobel Prize to help France in its hour of need. She offered her gold and silver medals, but even the desperate French officials wisely saw fit to refuse her offer.

One of Marie's greatest thrills was to see at the close of the war the realization of a lifelong dream—that her beloved Poland would be free. This event did much to compensate Marie for the disruption war had wrought to her scientific work and the financial ruin and loss of health which she had faced at the cessation of hostilities.

During the quiet which came as an aftermath to war, Marie was able to renew her laboratory probings and to become reacquainted with her two lovely daughters and her many friends. But even in the comparative calm of this postwar period Marie had to be on guard constantly to maintain even a semblance of privacy.

One outstanding invasion of Marie's self-imposed isolation was her final acquiescence to journey to America there to receive from the President himself a much-needed gram of radium which had been purchased for her by popular subscription involving thousands of Americans. The American public idolized Marie to such an extent that she was almost killed by our enthusiastic hospitality extended to her and her daughters. Honors were heaped upon her by our greatest colleges and universities, crowds overwhelmed her in their eagerness to show the affection and admiration they held for her. But, in spite of her illness and the weariness which resulted from America's moving adoration and respect which was so widely demonstrated to her, Marie looked back on her triumphal visit with considerable satisfaction. In addition, the visit to the United States convinced her that she could not shut herself up in a laboratory or submerge herself in books. She came to realize that subjecting herself to the world's acclaims and the cruel glare of public notice, although repugnant and unwanted to her, personally afforded her opportunity to advance the cause of scientists along countless fronts.

With this apparent realization of a new and added mission in her life, Marie traveled widely not only throughout Europe but to South America as well. Elected unanimously by the Council of the League of Nations as a member of the International Committee on Intellectual Cooperation, she began the making of a magnificent contribution in behalf of pure science.

Haunted by an ever-recurring dream to have her native country participate actively in radium research and in study of the treatment of cancer, Marie made repeated trips to Poland in her efforts to have her dream realized. And her dream did come true when, in 1925, she journeyed to Warsaw to lay the cornerstone of the Marie Sklodovski-Curie Institute. This returning visit was a triumphal one indeed. Showered with academic degrees and honors and lauded by Marshal Pilsudski himself, along with other high state officials, Marie received the heart-warming homage of her own people.

But even with the completion of the institute buildings, Marie's dream was only partially fulfilled. The institute needed a stock of radium to permit the research on cancer to start. Again Marie journeyed to America to thank her American friends in person for their generous response to her second appeal for help—a heart-warming response in spite of the financial crisis with which this country was being faced in October of 1929. Again America received this famous woman with open arms and showered her with gifts and honors. Again she was received by the President in the White House, and again Marie departed with a great feeling of oneness with the American people.

Her last trip to her beloved Poland in May 1932 was to participate in the inauguration of the imposing Radium Institute of Warsaw, which had already been admitting cancer patients for cures by "Curietherapy." As the weeks sped into months upon Marie's return to Paris, she kept to her rugged schedule demanded by the Radium Institute. In spite of the eminence of many of its workers, these scientists found Marie a veritable fountain of knowledge. For over 40 years she had amassed almost all there was to know about radium and kindred fields directly and indirectly related to radioactivity. Master of five languages, she was an authority on every scientific publication related to her field of interest. As a research director she had no equal. She tolerated no quibbling over fine-spun theories or unproven postulations but she was quick to reward merit and commend honest effort on the part of her colleagues. These coworkers were to feel a distinct loss when one day their beloved director was ordered to bed from which she was never to arise.

Marie Sklodovski-Curie died on July 4, 1934, after a painful illness which seemed to baffle the most learned doctors. The final cause of this illustrious woman's death was a combination of pernicious anemia coupled with severe damage of the bone marrow resulting from a long accumulation of radiations.

Mr. Speaker, this magnificent scientist and devoted mother gave to the world a fabulous gift of a powerful medium for saving lives. She paved the way for a long succession of beneficial usages of radium and X-ray. Her experiments and her research are today helping us to penetrate the mysteries of space and to open up whole new areas of scientific exploration. Just as the excess of radiation helped to take Marie's life, not all the uses to which her findings are being applied are in the interest of mankind but involve mankind's grim determination to destroy itself.

The goals of Marie Curie's painstaking research and that of her husband and the high moral purposes to which she hoped their findings would be applied should be studied and restudied by everyone who controls even to the slightest degree the destiny of the world. The leaders of every nation would profit by familiarizing themselves with the rich life story of Marie Curie. Men, women, and children of all ages, all races, all creeds, and all walks of life will find enrichment and encouragement if they read only a portion of what has been written about one of the most dynamic people in history.

I am glad our Polish-American societies are affording so many Americans this opportunity to profit from learning more intimately about Marie Sklodovski-Curie. I commend them for their efforts and wish them great success.

H.R. 14302 NOT ADEQUATE

Mr. DIGGS. Mr. Speaker, I am listed as one of the cosponsors of H.R. 14302 to provide certain services and assistance for districts which are temporarily without representation in the House, except when such vacancies are due to death, resignation, or explusion. The bill provides that the House shall supply office space and equipment as well as reasonable allowances for stationery, and office supplies, postage stamps, long-distance telephone and telegrams. In addition, each office shall be entitled to the actual cost of one round trip between Washington and their district every 2 months. The bill also gives the Speaker the authority to make nomination to the service academies when a seat is vacant at the time such nominations are required to be made.

Mr. Speaker, when I was first approached about cosponsoring this proposal, it appeared to be a feasible answer to an obvious void in fulfilling the needs of constitutents so affected. I know, for example, that the 18th Congressional District of New York for which our colleague, the Honorable ADAM CLAYTON POWELL has been elected to represent but unfortunately not seated, is struggling along with two clerks assigned to said office by the Clerk of the House. I know that this is inadequate.

The enactment of this bill, however, Mr. Speaker, would also be inadequate and would seem to suggest that constitutent services is the only need which should be fulfilled. It overlooks the fact that a voice is missing, a vote is not being cast and a whole congressional district is not being educated with respect to the issues, as we would expect if the Member-elect had been seated. As one who fought hard for the seating of Congressman-elect ADAM CLAYTON POWELL as the duly elected Representative of the 18th Congressional District of New York, I am compelled to qualify my support of H.R. 14302, since I cannot withdraw my sponsorship of this measure once it has been printed. I am sure that our colleague, the gentleman from New York, Congressman SCHEUER, the principal sponsor, is sincere in his desire that traditional services and assistance be provided for constituents under the circumstances, I do not wish to leave the impression that I think it really meets the issue.

ADDITIONAL SECURITY

Mr. MONAGAN. Mr. Speaker, the passage into law of this year's social security amendments is a welcome event to many millions of Americans. But were it not for the passage of another bill—H.R. 12555 which guarantees that veterans will not suffer a decrease in their pensions as a result of increased social security benefits—over 1 million former members of our Armed Forces would end up receiving less money than they do now.

Past experience has shown the unfortunate effects of the lawmakers' failure to consider this necessary adjustment, and for those fellow Americans who have served their country well this is the least that we could have done.

I am pleased to note that the final vote in the House for H.R. 12555 was 353 to 0.

MEETING THE URBAN CRISIS

Mr. BINGHAM. Mr. Speaker, appearing recently on a national radio interview program, Nathaniel Goldfinger, director of the AFL–CIO's Department of Research and a leading labor economist warned that the Nation's urban crisis will never be solved in an atmosphere of public apathy. All of us, I think, would find Mr. Goldfinger's answer to reporters' questions helpful to a better understanding of the very real problems the Nation faces and the steps that must be taken to find effective solutions to them. Therefore, I now present the transcript of Labor News Conference, broadcast on the Mutual Radio Network, as follows:

MEETING THE URBAN CRISIS

Guest: Nathaniel Goldfinger, director of the Department of Research, AFL–CIO.

Panel: Sam Sharkey, labor specialist for the Newhouse Newspapers; Kenneth Crawford, contributing editor and columnist for Newsweek magazine.

Moderator: Frank Harden.

HARDEN. Labor News Conference. Welcome to another edition of Labor News Conference, a public affairs program brought to you by the AFL–CIO. Labor News Conference brings together leading AFL–CIO representatives and ranking members of the press. Today's guest is Nathaniel Goldfinger, director of the AFL–CIO's Department of Research.

At its recent meeting, the AFL–CIO Executive Council called for an immediate 10-point national program to meet the problems of America's crisis-stricken urban areas. Here to question Mr. Goldfinger about that program and how it can be accomplished are Kenneth Crawford, contributing editor and columnist for Newsweek magazine, and Sam Sharkey, labor specialist for the Newhouse Newspapers. Your moderator, Frank Harden.

And now, Mr. Sharkey, I believe you have the first question?

Sharkey. Mr. Goldfinger, what is the thrust of this AFL–CIO program and what are some of its major specifics?

Goldfinger. Mr. Sharkey, on September 12th, the Executive Council of the AFL–CIO and the Economic Policy Committee of the AFL–CIO adopted a statement of analysis and a program concerning the urban crisis in this country.

It is our view that this crisis is based on radical social and economic changes that the country has been going through during the past quarter of a century, such as the rapid growth of the cities, the impact of automation, the technological revolution that has been spreading through the economy, as well as the 350-odd years of tragic history of Negro slavery, segregation and discrimination.

We have come up with a program, Mr. Sharkey, with a fairly large number of points, basically centered on the need for job opportunities for those who are now unemployed or seriously under-employed.

Secondly, a massive housing program—new construction and rehabilitation—particularly low-cost public housing for low-income families.

Thirdly, in connection with the rebuilding of the metropolitan areas, we need a real step-up in the development of such community facilities as playgrounds, parks, streets, roads and water supplies. We need more effort toward clear air, clean water and so on.

We think that our program makes a lot of sense and that it would meet the basic issues, in terms of the problems that we face. However, we are convinced that there are no gimmicks—that there are no quick, overnight answers to this problem. The problem grew over a long period of time and we had better get to work doing something about it.

Sharkey. Mr. Goldfinger, you mentioned jobs as one of the key points. What do you think would be the most effective way of creating or generating jobs?

Goldfinger. Well, in terms of the problem that we face, we are calling for a federal appropriation of approximately $4 billion, as proposed in a bill offered by Congressman James G. O'Hara of Michigan (D), and supported by 76 of his colleagues. This $4 billion would help cities, states and non-profit institutions finance the creation of public service employment opportunities for unskilled and low-skilled workers in activities such as playgrounds, libraries, hospitals, schools. Those facilities would provide services that are not now provided—services that society badly needs.

Crawford. Mr. Goldfinger, one hears it said these days that all of this is fine, but it has to wait the outcome of the war in Vietnam—that we can't afford both the war and these things—and that while the war is on, the costs probably have to come out of the kind of improvements that you are proposing here. With the Gross National Product about to run to about $800 billion, what do you say to that?

Goldfinger. Well, we disagrree with that contention. We disagree vigorously, Mr. Crawford. It is our view that this country is rich enough—that this country has the ingenuity and the resources—the men and materials—to take care of our international commitments in Vietnam and elsewhere, and, at the same time, move rapidly ahead in solving our domestic economic and social problems.

We think that the money is in an economy such as you describe—an economy that can produce $800 billion in goods and services. We have the money for our international commitments and the money to take care of these domestic problems.

Crawford. It seems to me, Mr. Goldfinger, that part of this argument is made by people who want to get out of Vietnam and that they use it as a pry to further their own ideas about international policy. Do you feel that there is anything in that?

Goldfinger. Well, I think you are right, Mr. Crawford. I think the view that we can't handle both of these issues at the same time is held, in part, by some of those who are opposed to our participation in the war in Vietnam.

However, I think it is also held by an opposite group—the conservatives and reactionaries who want to slash-away at our domestic programs in any case.

We have a very interesting combination of people who want to pull out of Vietnam completely and the conservatives and reactionaries who want to slash-away at any kind of domestic social and economic programs.

Sharkey. Mr. Goldfinger, speaking of programs, we are pouring a good many hundred millions of dollars into various sorts of job programs around the country. What is wrong with them? Why aren't they doing the job?

Goldfinger. We are not doing very much at all, Mr. Sharkey, in job creation.

In the first place, we started dealing with these basic social and economic problems very late in the day. These problems developed and festered, but we didn't start working to solve them at all until about 1961, 1962, when the Congress and the Administration pushed hard on adopting such measures as the Manpower Training Program, the Area Redevelopment Program, and later, the Anti-Poverty Program. We got started very late in the day and these programs have not been funded as well as they should have been, in part, frankly, because of public apathy. I mean, the public in general has been apathetic about a good number of these problems.

There hasn't been enough will to move ahead fast and strongly on them. Moreover, we haven't had enough experience with these kinds of programs—we haven't had enough trained personnel.

Furthermore, I am convinced that these programs were over-sold to the public. None of them can produce overnight solutions to the kind of problems that we are talking about, because the problems developed over many, many years. The programs that have been adopted, alone, are really peripheral to the serious problems that exist.

For example, as I said at the outset, Mr. Sharkey, there is very little job creation. We need to create job opportunities for those people, particularly in the ghetto and slum areas, who are unemployed or seriously underemployed. These people, if they earn anything during the course of the year, may earn $2,000 or $3,000 in part-time work, on a catch-as-catch-can basis. They should be provided with job opportunities in providing the services that we need—not make-work. We are not proposing make-work here at all.

Sharkey. Mr. Goldfinger, how do you regard the proposals for a Human Investment Act that would give tax credits to industry to create these jobs, so that government alone shouldn't be the sole functionary?

Goldfinger. We don't think that private business, in general, is going to create the kind of jobs needed for the people who are now the long-term unemployed and seriously under-employed.

Now, the people I am talking about—those who very badly need jobs—are not all the unemployed, but a large number of the unemployed. They are people who cannot compete adequately in the job market. Many of them have come to the cities from rural areas, particularly the rural South. A large number of these people are Negroes, Mexican-Americans and Puerto Ricans, who face discriminatory practices. Moreover, they have—as a result of segregation, discrimination and so on in the areas they come from—low levels of education. They have limited skills and little, if any, regular job experience.

These people have to be given an opportunity to get into the mainstream of American society.

I think that the kind of program we are suggesting—one million public service job opportunities—would begin to move these people into the mainstream of our society.

Sharkey. So far, the thrust of the government programs has all been on job training, and there seems to be considerable evidence that they have resorted to what is called "creaming", which is trying to put into these jobs the people who would have the best chance of success, without trickling-down to the people you have just been talking about. What do you think can be done to get this "creaming" spread around—down to the lower levels, where they really need it?

Goldfinger. Your complaint about our manpower training programs is essentially correct, as I see it. The manpower training programs do need improvement. The AFL–CIO Executive Council statement adopted September 12 last, states that at least two major changes should be made.

In the first place, there should be an increase in training allowances. Training allowances now are so low that heads of families cannot afford, usually, to stay in these programs all the way through. Frequently, people get into a program and as soon as they get any kind of job opportunity—perhaps even at part-time work—they drop out, and accept the opportunity to have a better income.

Secondly, we think that there should be a much more direct link between manpower training and job placement. There is very little of that kind of linkage at present.

Crawford. I take it, Mr. Goldfinger, that you don't think much of the proposal that the government be the employer of last resort. This is, that it take up the slack which inevitably will be left. This, to my mind, implies sort of a make-work program.

Goldfinger. Oh, yes, Mr. Crawford, we do believe that the government should be the employer of last resort, in the sense of creating the public service employment-type of job opportunities that I mentioned.

In fact, Mr. Crawford, as Mr. Meany stated at the press conference on September 12, in explaining the AFL–CIO proposals, it is his view that the federal government should be the employer of last resort and the landlord of last resort, to the extent that the private enterprise system and the private market—the dominant parts of this economy—cannot take care of the basic social and economic problems affecting, perhaps, 15, 20 or 25 percent of our population—certainly affecting large percentages of the urban population in the core cities.

It is the federal government's responsibility. We don't believe that any of the cities, or any of the state governments, or private enterprise can solve the problem alone. It needs federal action and federal funds, with plenty of local initiative on the part of city governments, state governments and private groups.

But the key initiative and the key drive, in terms of programs, funds, technical assistance, insurance and loans, would have to come from the federal government.

Crawford. Well, it's your position then, that the government, as the employer of last resort, wouldn't have to make work—that there is plenty of useful work.

Goldfinger. Oh, yes sir, Mr. Crawford. When we look around—and I would imagine that all of us here are in general agreement—when we look around the cities we can see plenty of opportunities for services—playgrounds, parks, libraries, hospitals and all kinds of public services that are not adequately taken care of at this point.

Sharkey. Mr. Goldfinger, one of the country's leading job analysts, Garth Mangun, suggests that the government, as an employer of last resort, must be the last resort for the government, as well as the individual. Do you think we are down to that kind of situation today?

Goldfinger. I agree with Professor Mangun on that—I agree wholeheartedly. I think that we should strive for as full employment as possible in the private sector and in the regular operations of this economic system.

However, in terms of the current scene, we need to supplement whatever the private market and the regular operations of this economy can provide. And that supplement is job opportunities provided by the federal government, with the assistance of the state and local governments, along the lines that we have discussed.

HARDEN. Mr. Goldfinger, item number four of the Executive Council statement calls for accelerated construction of public facilities such as water supplies, sewage systems, mass transit, schools, etc., all of which are needed facilities. And it calls for a $2 billion a year program to aid state and local governments in doing this. Now, implicit in that point, of course, is the creation of jobs. If this $2 billion a year were made available to the state and local governments, they, in turn, would contract with private industry, which, in turn, would provide jobs, but on the same basis as they have always done it. Then the unskilled and untrained workers would still be at a loss for jobs.

GOLDFINGER. Well, to the extent that we would have accelerated construction of public facilities, we would be creating job opportunities in the private sector. It is the private construction companies and private businesses that put up the bridges, the libraries and the hospitals. And, it's private business that produces the equipment and machinery that go into these facilities.

We think that here too, there is a need to accelerate the kind of programs that are being developed. This would create jobs. It would create jobs in the private sector in the various types of on-site construction and in the manufacture and distribution of the equipment and machinery that go into the facilities. It would provide job opportunities for those people who are now unemployed and under-employed, once they get some adequate training, to move into these new job opportunities as they expand.

HARDEN. So, point four must necessarily be correlated with training programs, because if a trained artisan is needed, but he is not there, there is still going to be the same problem we have now.

GOLDFINGER. Oh, yes sir.

SHARKEY. Mr. Goldfinger, what can trade unionists specifically do to advance this program? The AFL-CIO consists of something like 15 million members. What can they do as individuals?

GOLDFINGER. Well, the trade union movement, in terms of the federation—the AFL-CIO and its affiliated city, state and local organizations and affiliated national and international unions—has been doing something along the lines of seeking federal legislation where it is required.

But, in addition to that, the labor movement is quite active in the various training programs that are under way at present.

Moreover, figures from the Department of Housing and Urban Development indicate that something like one-third to one-half of all the non-profit housing projects in the country in the last several years, have been union-sponsored.

So the trade union movement has been doing something—perhaps not enough—but the trade union movement has been involved in action—positive action—in these areas.

SHARKEY. In that connection, one of the charges that is made against trade unions is that one area in which the totally-unemployed day laborer could work is in the building and construction trades. Yet, there is discrimination in admission, advancement and so on.

GOLDFINGER. There are programs under way in the trade union movement in this area as well—programs to open up apprenticeship opportunities in the construction trades. In something like 20 cities at present, there are pre-apprenticeship training programs either actually under way, Mr. Sharkey, or about to get under way—programs in which young people, largely from disadvantaged groups, low-income and Negro families, are being given the opportunity to train themselves for entry into apprenticeship programs.

CRAWFORD. Mr. Goldfinger, I notice that in your point nine here, you have some proposals that one hears more about these days. Generally, they are to improve the quality of life in the rural communities, so that you can at least slow down the migration of farm workers into the city, where they are so badly equipped to compete. What would you say about that?

GOLDFINGER. Mr. Crawford, we feel that this is an important aspect of the over-all program to get at the urban crisis. A good part of our critical situation in the cities today is due to the very large-scale migration of people from the farms and rural areas to the cities. The cities of the North and the West are now paying for the social delinquency of the rural areas, particularly in the Southern and Southwestern states.

Well, we have suggested a number of measures, including an emphasis on education, vocational and technical training, particularly of young people, in the rural areas. We have proposed—and we have been strongly urging this to the Congress—legislation to give the same protections to farm workers that are afforded to other workers—unemployment insurance and the right to organize unions and bargain collectively, for instance.

We think that the rural areas are urgently in need of the kind of public facilities that we discussed a couple of minutes ago. We think that the approach of the Appalachian Regional Development Program, adopted by the federal government a couple of years ago, could provide a model for other rural areas—with federal aid for the establishment of highways, roads, hospitals, health centers, vocational and technical training schools.

HARDEN. Thank you, gentlemen. Today's guest on Labor News Conference was Nathaniel Goldfinger, director of the AFL-CIO's Department of Research. Representing the press were Sam Sharkey, labor specialist for the Newhouse Newspapers, and Kenneth Crawford, contributing editor and columnist for Newsweek magazine. This is your moderator, Frank Harden, inviting you to listen again next week. Labor News Conference is a public affairs production of the AFL-CIO, produced in cooperation with the Mutual Radio Network.

CONSUMER PROTECTION

Mr. BINGHAM. Mr. Speaker, we are inching our way to enacting some sound legislation for protection of the American consumer. Then months ago, President Johnson, in his consumer message, offered the 90th Congress a challenge to help all Americans enjoy the abundance of the marketplace without the high cost of deceit, misinformation, confusion, and danger.

I share the President's sense of disappointment that only two consumer protection bills have been completed in 1967, but I remain hopeful for the second session. On November 20, when the President signed Public Law 90-146, to establish the National Commission on Product Safety, he noted that it was the first major consumer law he had signed in 1967, adding that "it ought to be the 12th consumer law" of the 90th Congress.

Mr. Speaker, I am able to report to my constituents that this Congress is meeting a part of its responsibility in consumer protection matters. However, I detect a certain disparity in the treatment afforded by this Congress to the best interests of the Nation's citizens.

A huge appropriation bill for defense can be handled expeditiously by the Congress. Dramatic events have led to swift passage of bills to prevent flag burning. In contrast, the plight of the consumer, which has been demonstrated and which could be remedied with no large expenditure, remains largely unheeded as needed legislation creeps along.

Mr. Speaker, it is not "antibusiness" to question the character of the marketplace. There are problems urgently in need of correction, so that the consumer can get a dollar's value for a dollar spent. The reputably responsible businessman will benefit—if flimflam practices can be eliminated or at least curtailed.

Where are we on the consumer protection front at the end of this first session? Here are the major proposals:

Flammable fabrics: The Flammable Fabrics Act of 1967, Public Law 90-189, will provide for standards of flammability of many modern materials used in various household articles, in addition to clothing. In recent years, there have been far too many tragedies from ignited clothing, baby blankets, toys, and other items.

Wholesome meat: H.R. 12144, the Wholesome Meat Act of 1967, was signed by the President today. A vital public health and consumer protection measure, the meat bill was recommended by President Johnson to help raise standards of meat inspection and carry out an improved inspection program, allowing both interstate and intrastate sales to be covered by equally stringent rules. Fortunately, the House version of the bill was strengthened so that "4-D" meat can be prevented from reaching the market; "4-D" meat is that obtained from dead, dying, diseased, or disabled animals. It has been adequately shown that some merchants have sold this kind of meat after cutting away portions of the carcasses.

Truth in lending: The Senate has passed its bill, S. 5, and the Committee on Banking and Currency has reported the Consumer Credit Protection Act, H.R. 11601 to the House, for action hopefully early next year. H.R. 11601 is superior, I believe, to the Senate bill, in that it covers advertising, provides for a limitation on the amount of wages that can be garnished, and alerts buyers to the different types of open-end credit to be offered. However, both House and Senate versions are inadequate to meet consumer credit needs, in that they leave exempt from the requirement that the annual interest rate be stated in two major areas: First, transactions whose finance charges are under $10; and second, revolving credit accounts of the type most commonly associated with department stores. I shall continue to work for elimination of those two exemptions.

Fire safety: The Fire Safety and Research Act, H.R. 11284, awaiting action on the House floor next year, is another presidential recommendation. Under its terms, the Federal Government will assist communities willing to innovate in fire control and prevention. It also will support programs of information collection and publication on causes of fire, and aid research and pilot projects for upgrading of fire departments and for applying fire prevention principles to construction.

Gas pipeline safety: The Natural Gas Pipeline Safety Act of 1967, S. 1166, also a part of the President's consumer message, has been passed by the Senate and awaits House action. The President has asked the Congress to establish standards of design, installation, operation, and maintenance of existing and proposed pipelines for enforcement by the Secretary of Transportation, so as to prevent further pipeline safety regulations, and that many other States have either weak or outmoded regulations.

In addition, there are the following consumer protection proposals awaiting our return from the recess, most of which were in the President's message:

Interstate land sales: Land developers engaged in land sales via interstate commerce would be required to register with the Securities and Exchange Commission. We need only look to the suburbs of Washington, where one land development company offered vacation homesites, but neglected to inform buyers that before they could build their dream cottages or summer homes they would need sewer and water facilities—at extra cost. The President's proposal would require full disclosure of all material facts for the buyer to make an informed choice.

Medical devices: Under present law, dangerous or worthless medical devices may be marketed until the Government discovers them and gathers the necessary evidence to go into court and act against their sale. The ill and elderly are the usual victims of this costly, time-consuming process, which may delay the victim's visit to his doctor, and thus causing his medical condition to further deteriorate. The President's proposal, H.R. 10726, would give the Food and Drug Administration the power to clear in advance the use of such materials in, or on, the body, and set standards of safety and performance.

Clinical laboratories: Laboratories engaged in interstate commerce would be licensed by the Surgeon General and required to comply with minimum performance standards. Inaccurate tests by some laboratories have led to serious injury or death from mismatched blood types, incorrect hemoglobin readings, and erroneous prescription of toxic drugs. One authoritative study indicates that possibly 25 percent of laboratory tests are incorrect. Under the Partnership for Health Act, Public Law 90–174, matching grants are being made available to city and State health agencies to strengthen their procedures for evaluating the performance of laboratories not engaged in interstate commerce.

Mutual funds: The President endorsed the 346-page Securities and Exchange Commission study which questioned the level of participation that the mutual fund investor enjoys, as well as the sales commission to be paid before investing. The President suggested that amendments to the Investment Company Act of 1940 might be in order. Several investigations are underway in the Congress, and if after careful study a need is shown for corrective legislation, I hope it will be undertaken in the second session.

Electricity: In treating of the need for fully dependable electric power, the President said:

> Power systems must be carefully planned, coordinated and strengthened to protect the consumer against cascading power failures.

As a result of the Federal Power Commission study of the November 1965 Northeast power blackout, the President has asked the Congress to enact the Electric Power Reliability Act, H.R. 10721, S. 1934. There is also legislation to enable hospitals to purchase emergency standby electric generators so that their operations would not again be brought to a standstill during another power failure. The need for these measures is obvious.

Pension and welfare funds: The President asked for yearly audits, more complete disclosure of investment and other financial activities of fund trustees, and other safeguards for the 40 million American workers now participating in such programs. In 1967, the private welfare and pension plans of the United States had more than $90 billion in assets. No action has been taken in Congress on this bill.

Mr. Speaker, subsequent to the President's consumer message, several other noteworthy measures have been proposed. I hope that the 90th Congress also will consider the following:

Medical restraint of Trade Act, S. 260, to ban medical practitioners from profiting by prescribing drugs or devices, and to outlaw the growing practice of doctors owning interests in drug companies or pharmacies. A doctor who profits from the prescription of drugs may not be truly objective, and may have a conflict of interest through ordering such drugs. It also is possible that many unneeded drugs will be prescribed.

Radiation Control for Health and Safety Act, H.R. 10790, to provide for research, development, and administration of tolerable radiation levels from electronics products, notably television sets and X-ray machines.

Unsolicited Credit Cards Act, H.R. 14045, to restrict issuance of credit cards to those who apply for them and to require that the total amount that can be borrowed must be stated.

Mr. Speaker, the President's concluding remarks in his message stated the case most cogently:

> The cost to taxpayers of carrying out these proposals is very small. The savings to them as consumers will be great—in dollars, in safety and in peace of mind. These proposals call for the united support of business, labor and consumers.
>
> Their purpose is to provide the greatest good for the greatest number.

FAIR COMPENSATION FOR TENANTS AND APARTMENT DWELLERS FORCED TO MOVE BY GSA

Mr. BINGHAM. Mr. Speaker, back in 1964, the administration approved plans for construction of a new post office and Federal office building in my congressional district. Since then the privately owned buildings which occupied the site to be used for the new Federal building have been acquired by the General Services Administration and their owners have either been fully compensated or their claims for compensation are being litigated in the courts.

However, many, many other people have suffered substantial losses because they are forced to move their personal effects and business operations. For example, many of the people adversely affected are tenants in these buildings who operate small neighborhood businesses; such as, delicatessens and pet shops, and have been forced to either discontinue their businesses or move to less desirable locations in anticipation of their future eviction. These people have great difficulty in finding other suitable quarters in the neighborhood. They must suffer all the expenses of moving and relocating and building up a new clientele. Some of the more elderly proprietors must discontinue their businesses without receiving any compensation for the capital investment made over the many years they have spent in their stores.

With congressional approval of the $16.3 million appropriation this year, actual construction of the building is scheduled to begin within the next 6 months. The few tenants who have not yet relocated will now be forced out within a short time.

Under current statutory authority, GSA can give compensation only to the owners of the acquired buildings. I am introducing legislation today to give fair compensation payments to those tenants, both apartment dwellers and business proprietors, who have been forced to move because of GSA acquisition of their property.

Under the bill, applicants are given their choice between "fair and reasonable relocation payments" to be determined by GSA as compensation for the actual and reasonable expenses of moving either family businesses or personal property—or fixed allowances which are spelled out in the legislation. Under the schedule of fixed allowances, a business would be allowed either $5,000 or its average annual net earnings after Federal, State, and local taxes, computed over a 2-year period, and a family or individual moving from a dwelling would be allowed up to $500 for moving expenses and up to $250 for the incidental expenses of moving.

I think that these payments represent an equitable way of compensating the many small businesses and individual families which have suffered inconvenience, hardship, and out-of-pocket expenses because of the construction of Federal buildings. Those who are being displaced by the Bronx Federal Building are not the only ones to be so disadvantaged, since 22 other Federal buildings were also approved in the 1968 appropriations for GSA. Therefore, I have extended the terms of my legislation to all those adversely affected by GSA acquisitions of land for Federal buildings since January 1, 1964.

I am hopeful that with successful administration of this program, we shall see its benefits extended in the future to all who may be dispossessed because of plans for construction of Federal buildings. It is shameful that, up until now, we have forced tenants to bear the entire burden of moving, expenses, finding adequate apartments and store space, and all the miscellaneous costs of relocating personal and commercial belongings.

The bill I introduce today, which is substantially similar to the relocation assistance program offered by the Urban Renewal Administration, will remedy this inequity and provide fair and reasonable relocation payments for those who must give up familiar surroundings to make way for new—and usually much-needed—public buildings.

OPPRESSION OF JEWS IN SOVIET UNION

Mr. BARRETT. Mr. Speaker, we are approaching a season of holidays—a time of the year when most religious faiths of man will celebrate an event of major importance. Those of us of the Christian faith will celebrate the birth of Christ, an occasion of joy and glad tidings. Those of the Jewish faith will be celebrating Hanukkah the Festival of Lights—and commemorating the rededication of the Temple of Jerusalem defiled by Antiochus of Syria.

The Jewish community of Greater Philadelphia is joining with the entire Jewish community of America in using this occassion to call attention and protest to the continued oppression and persecution of its Jewish citizens by the Soviet Union.

In protest, the Jewish Community Relation Council of Greater Philadelphia will conduct a night of vigil from darkness to light at Independence Square in Philadelphia, Pa., beginning at 7 p.m. on Tuesday evening December 26, 1967, the first night of Hanukkah, during which an eternal light will be maintained and guarded.

Mr. Speaker, on January 17, 1967, I introduced House Concurrent Resolution 68, condemning the continued oppression and persecution of Jews in the Soviet Union and the attitude of that Government contrary to its constitutional guarantees of freedom of religion. We know that since the events of this past June in the Middle East, the oppression and persecution of Jews in the Soviet Union has increased. And, notwithstanding the assurances of Soviet leaders to permit the emigration of Jews from the Soviet Union, this has never really occurred.

As a Member of Congress I shall always be alert to the needs and interests of the Jewish people who reside in the Soviet Union, and assist in the effort to obtain for them the right fo free exercise of religion—the same freedom of worship as we enjoy here in the United States.

CONGRESSIONAL ETHICS

Mr. CONYERS. Mr. Speaker, during this session of the 90th Congress, both Houses have been confronted with problems relating to the conduct of certain of their Members. The lack of any specific code of ethics and fair means of dealing with problems in this area gives rise to incidents of this nature which have resulted in the questioning of the integrity and good faith of all Congressmen and Senators.

As of now, both the Senate and the House have specific Committees on Congressional Standards and Ethics. I would like to insert a resolution into the RECORD which I feel may be useful as a guideline to both committees and which might be a basis for future legislation in this area. This resolution was pased by the general board of the National Council of Churches of Christ in the U.S.A. and forwarded to all Members of Congress.

Because I feel that this resolution is doubly important due to its content and due to the high esteem in which we all hold the National Council of Churches, I believe it imperative that I again call your attention to that resolution and the excellent recommendations contained therein.

RESOLUTION ON CONGRESSIONAL STANDARDS

(Approved by the general board of the National Council of the Churches of Christ in the U.S.A., June 1, 1967)

The churches have contributed historically to the enlargement of man's understanding of justice. They have a continuing responsibility to see justice clearly realized in the affairs of men. In the tradition of the prophets and the apostles, they are obliged to call attention to injustice and to seek its rectification.

Recently, two members of the Congress of the United States have been charged with breaches of ethics and each has been investigated by a special committee of the house of which he was a member. While the General Board of the National Council of Churches is not a tribunal competent to determine the truth of the charges against either man, it does not condone the acts which they are alleged to have committed.

However, the disparate recommendations of the two investigating committees do raise serious doubts that justice has been realized in either case. The contrast in the handling of the two cases may be attributable to differences between the House of Representatives and the Senate, or to differences in the reputation, personality, race, or private conduct of the two men, but these cannot justify the following results.

One is denied his seat in Congress during the investigation, while the other retains his. One is stripped of his chairmanship before investigation, the other remains chairman of three subcommittees while under investigation.

One was found to have misused public funds, for which the investigating committee proposed that he be fined $40,000, stripped permanently of his seniority and publicly rebuked; but this punishment was not deemed severe enough by the House, which excluded him altogether. The other was found to have misused both public and campaign funds, for which the investigating committee recommended only that he be censured. It was not proposed that he be fined or compelled to make restitution of the misused funds. It was not proposed that he lose seniority or his subcommittee chairmanships. It was not proposed that he be expelled from the Senate.

Whatever the reasons for this difference of treatment, the contrast is obvious. The outcome of the cases was certainly rendered more uncertain by the absence of clearly defined standards of ethical conduct for members of the legislative branch of our government.

Moreover, allegations of serious abuses of legislative prerogatives by one of the two men were never investigated. The people deserve to know whether or not the charges can be substantiated, and the accused should be afforded an opportunity to exonerate himself. Justice must not be covert. Justice must not only be done; it must be seen to be done and seen to be just.

Believing that the Congress should adopt an explicit code of ethical conduct for its members, covering the raising and disposition of campaign funds, conflict of interest, public accounting for committee expenditures, travel at public expense, and public disclosure of personal finances, which should be impartially enforced, the General Board:

Affirms the right of citizens in each case to be represented in Congress by a person chosen in a fair and noncorrupt election, provided he meets the constitutional tests for office, except when he is unable to serve because he is prevented by proper judicial processes or by expulsion by a two-thirds vote of the house of which he is a member, after due process according to the rules of that house applied without discrimination; and

Urges the Congress of the United States to adopt and enforce a code of high ethical standards for the conduct of its members to the end that the misuse of public trust shall be clearly outlawed, and that provision be made for continual, impartial review of members' practices covered by the code, and for vigorous enforcement of its requirements; and

Recommends the adoption by Congress of legislation requiring that members of Congress, candidates for Congress, staff members of Congressional committees and officials of the executive branch earning more than $15,000 per year, be required to file reports covering amounts and sources of income, liabilities, and assets and transactions in commodities and property, and making such reports freely accessible to the press and the public; and

Directs that this resolution be communicated to the member communions of the National Council of Churches and to the members of Congress.

LETTER FROM VIETNAM

Mr. MINISH. Mr. Speaker, amid the clamor of the youthful voices of dissent against our Government's role in Vietnam, one seldom hears the point of view of their contemporaries fighting the war there. Irrespective of one's position on the war, no one will deny the courage and self-denial of our gallant servicemen who are bearing so heavy a burden for our Nation, and their judgments, based upon their on-the-scene observations, are surely deserving of attention. I recently received a moving letter from a 19-year-old soldier, who I am honored to claim as a constituent, in which he affirmed his belief in the need for our presence in Vietnam. Pfc. Arthur J. Kaufman, of the 25th Infantry Division, is the son of Mr. and Mrs. A. Kaufman, Newark, N.J., who have every reason for pride in rearing a young man of his caliber.

I know that our colleagues will be as impressed as I was at Private First Class Kaufman's maturity and perception, and I am accordingly inserting his letter below:

SIR: I am a young soldier of 19 years of age fighting in Viet Nam, and I want to say that I'm proud to be here fighting for what my nation firmly believes in.

Sir, I write you this letter because of the deep concern I have for my home land. As you know we over here hear of the childish and the disgracing behavior of some of the people in the United States. We often wonder why or what makes people do such idiotic things. Sir, the people don't know the real story of what's going on over here. If they did maybe they wouldn't act so childish and start acting like the adults they're suppose to be.

A soldier over here in Viet Nam, does not have it as bad as people think. Sure men have died, and there be more that will die. But that's the price one pays for freedom. For freedom is worth any price, whether you're near or far.

But we need the strength, for without it, we could never be.

I firmly believe that the people of our nation have an obligation, and that obligation is to help us through this war. For it is up to you who strive to protect us.

At times I just wanted to be there where they were, so I could do them some kind of harm. But I thought better of the idea and came to the conclusion that these people who think that they know it all are not worth the trouble.

Because of these actions I feel that these, so-called Americans, are hiding something from the rest of the world. But it's very plain to me, they are afraid to face reality and want to live in their own little world of make believe.

Sir, I think something should be done so that these people (which by the way is a small minority) can understand and see that we're fighting for a just cause.

But all they do is cry out peace, peace, but there is no peace for the war is actually begun and will not end until the aggressor has been driven from South Viet Nam. And when this is done then and only then can we once more say that our nation is at peace once again.

To me these people show very little patriotism. And to me patriotism is putting one's country before one's self. All they're showing me is that they are a greedy bunch of people who have what they want and the hell with the other people of other nations.

Thank you sir for taking the time to read this letter. And thank those who are backing us soldiers up in Viet Nam. For we all are very thankful for your support.

FOREST PRODUCTS INDUSTRY EXECUTIVE PRAISES U.S. FOREST PRODUCTS LABORATORY

Mr. KASTENMEIER. Mr. Speaker, I would like to call to the attention of my colleagues a notable address given by one of the Nation's leading business executives, Mr. Gene C. Brewer, president of U.S. Plywood-Champion Papers, Inc., at the dedication of the new wood fiber products research facilities at the U.S. Forest Products Laboratory in Madison, Wis., on November 8, 1967.

Mr. Brewer praised the many technical contributions the Forest Products Laboratory has made during its 57 years of existence, and he spoke of the outstanding cooperation that has always existed between the Forest Products Lab and the forest products industry. The Laboratory, Mr. Brewer said, was a classic example of the continuing long-term benefits of Government and industry cooperating and diligently working together.

Mr. Speaker, Mr. Brewer's remarks are as follows:

I appreciate the privilege of speaking to you tonight as part of the dedication of the new facilities we saw today which will increase research in forest products, serving the industry that produces them and, in final analysis, benefiting the people of our nation who use them.

Wisconsin has a long history in the forest industries—a record of important contributions, not the least of which are the benefits derived from the Forestry School here and the Forest Products Laboratory. Just today I learned of the origin of the idea of locating the laboratory here, and I think we can all be grateful to those farsighted men back in 1910 who prevailed in the struggle with a university of a neighboring state. I'm sure they would have been very proud, if they could have been here today, to see the progress made in the past 57 years.

How many times have we in the forest products field here and abroad been accused of having fixed attitudes, of being behind the times, and even retrogressive? I am sure each of us has heard comments to that effect from time to time. Having been subjected to such criticisms, I think we can take particular pride in having gathered today at the laboratory which has been the world's leader in the improvement of forest products utilization for more than half a century. This progressive institution is "proof positive" that Forest Products Research is in tune with modern developments in other fields. It is evidence, as well, that wood, man's oldest building material, through innovation in form and application can always be as new as tomorrow.

If my remarks seem to be mostly concerned with the wood products side of our business, you will have to forgive me, for that's where I've spent most of my life.

The companies in our industry, The National Forest Products Association, The American Plywood Association, American Paper Institute and others are proud to have been partners in some of the planning which led to research breakthroughs and profitable ideas from this center of knowledge and curiosity.

We in industry would like to express our gratitude for the many fine technical contributions the Forest Products Laboratory has made in the past, is making now, and will make in the future.

And we are all most appreciative of the fine spirit of cooperation existing between industry and the Laboratory, and for the continuing reinforcement of this partnership toward which the late Dr. Ed Locke worked with such dedication. We anticipate, with Dr. Fleischer's help, maintenance and nurturing of the rapport which Dr. Locke and many others before him established here.

Mutual progress requires mutual understanding and exchange of ideas. Among the many productive cooperative ventures which we have undertaken together are a series of research conferences to increase the understanding of the opportunities we have. These include symposia here in Madison on dimensional stabilization, adhesives and fasteners, as well as conferences on paints and progress through technology in connection with industry meetings in New Orleans and Palm Springs.

Along this line, the National Forest Products Association is sponsoring another congress on technology, engineering and marketing in New Orleans on Friday and Saturday of this week. That meeting will undertake to define major problem areas in the use of wood products and to help solve them through the application of technical knowledge and study. We recognize the many contributions of laboratory personnel in past meetings of this type, and we look forward to their participation in this forthcoming congress.

In general terms, goals of the laboratory in broadening our knowledge of the growing forest and its derivation are the same as those of the industry in expanding the market for forest products. In a broader aspect, the advancement of the forest resource is in the best interests of our entire nation. Wise use of the resource for the benefit of all our people requires technological progress of the highest order. Trees and people are essential elements in a sound economic formula.

In a series of lectures throughout Europe last year, Dr. E. George Stern of Virginia Polytechnic Institute discussed an interesting hypothesis.

He correlated a nation's living standard with the extent of its wood using practice. According to Dr. Stern, the standard of living has risen with wood utilization no matter whether the country involved is itself a wood producer or not. As examples in bearing out this hypothesis, New Zealand, with a relatively high standard of living, was cited as having 85 percent of its dwellings of wood construction. In China, frame buildings are uncommon and a shortage of timber exists. However, in Brazil, there is a vast supply of wood that is not used to any great extent domestically. And both China and Brazil have lagging economies.

Certainly here at home, major elements of our economy are keyed to wise use of our forest resource. Lumber and plywood and other wood products are most important to construction—a 75 billion dollar industry this year. At the same time, the paper industry, in all its varied activities, is making tremendous contributions to our well being.

It seems clear that the major market for wood products will continue to be in the residential construction field, with growing emphasis on industrial applications. In the home building field, we will probably see more factory fabrication and application of the systems approach, such as UNICOM, which has progressed with your support, beginning with your first prefabricated house with stressed skin panels in the thirties. The fact that this early building could be moved intact to a new location after 29 years, as recently happened, speaks well for the performance and durability of this type of construction, as well as the vision of those who had the courage to pioneer it.

Low-cost housing is a vital issue of our times. Of course, it is one reason for the rising popularity of the so-called mobile home which as we know is increasingly used for permanent housing. Here, the systems approach is a logical solution to production problems. Increasingly, too, systems and components are becoming major factors in other types of construction such as schools, university housing and industrial buildings.

Forest product materials are especially well suited to the forthcoming changes in construction and industrial markets. We are most fortunate that the laboratory has sustained and extended its early involvement in meeting the needs of developing market trends.

Construction industry growth is a good indication of the general fortunes of our economy. It bodes well for our national prosperity that our Federal government is becoming more concerned with maintenance of housing starts at a favorable level, and, as a corollary, that the most popular and versatile material for housing construction, wood, is a renewable resource.

But resources have no real value unless their blessings derive to the people. At this time with our many urban problems, the forest products industry not only affords the bounty of the forests to the entire population through useful products, but also affords rural employment, community stability, and opportunity for rural investment and progress. In that connection, we should all be pleased that Secretary Freeman has spoken out forcefully on this subject. And I note a cabinet level meeting to discuss these matters is scheduled for December 11 in Washington.

The direct benefits of past Forest Products Laboratory research, as used so effectively in the new buildings we saw today, aptly demonstrate its own contribution to the national effort to provide jobs at the community level. The beautiful glued laminated wood arches in the new pilot plant originated in the small town of Peshtigo, Wis. The FPL work in developing the first glued-laminated lumber 32 years ago led to the establishment of a thriving industry at this location. I take satisfaction personally in the Tedlar-covered plywood pioneered by my company, used in the manufacture of the stressed skin panels for your pilot plant. These were fabricated at the little known rural Minnesota community of Lester Prairie, 40 miles due West of Minneapolis.

These are cogent examples of products and manufacturing processes which originated or were advanced here at the laboratory and which have contributed substantially to establishment of community stability and corporate investment, as well as to improved utilization of wood.

We realize, of course, that the forest resource also benefits our citizenry in many other ways, including recreational usage. However, as an industry, we are opposed to any forest management system that affords incidental pleasures for only a few to the exclusion of productive jobs and housing for the many.

We in industry and research share a common interest in intensifying the use of products from our forests to the benefits of all of our citizens and in the strengthening of our economy through wholesome competition with other industrial materials.

In industry we must be marketing and sales oriented. And research is a vital link in the marketing chain in our company. I have defined marketing as it relates to our entire organization in giving full consideration first to customer needs and desires in all major policy decisions, and then setting our goal to satisfy those customers needs at a reasonable profit. You in research, I'm sure, have related aims in determining ways in which our timber resource can be used in the best interests of the consuming public.

The government-industry partnership to achieve these ends begins with the growing trees. Demands on the raw material supply are constantly increasing. Government, the largest owner and seller of timber, has done much to insure a steadily increasing inventory. In the field of genetics, private companies as well as the forest service and university scientists are developing individual trees that not only will grow faster but produce a higher weight usable material per unit volume of wood. Dr. Herb McKean of Potlatch Forests Inc. has reported an already foreseeable increase in productivity of a given area of land by at least 20 percent in wood weight.

Cooperative efforts such as the density surveys which depend on this laboratory for evaluation, aid in improving the end use of our products. Besides providing for better assessment of mechanical properties, the density studies help in locating superior trees for a genetically improved forest.

We must all be vigilant in obtaining the maximum benefit from such productivity increases through effective utilization for all, rather than locking up forest productivity in exceedingly large preserves and wilderness areas in deference to the wishes of a small minority. Our government must be as aware of the many problems of the consumers and the private producers of forest products, as it is of the demands of those who advocate the restriction of forest areas for recreation and relaxation.

The Department of Agriculture has demonstrated an effective leadership in facilitating the use of forest products through the development of fundamental knowledge at this laboratory. The buildings for wood fiber and wood chemistry research which were dedicated today exemplify processes for modern pulping and papermaking. In its plans and projections, the laboratory has been guided by the policy of seeking the broadest and fullest possible utilization of the total timber supply. You know, we certainly have come a long way from the days when spruce and hemlock were the only recognized pulpwoods. In a similar vein, the wood chemistry research here has produced valuable basic information used by producers of pulp and paper, as well as purified cellulose pulps for explosives and propellants, photographic and other films, plastics and synthetic textiles.

Fundamental knowledge is the essential precursor of applied knowledge in our many bread and butter operations. So industry is pleased to see that the laboratory has increased its capabilities in mathematical and engineering theory, physical and organic chemistry, pathology, entomology and basic technology in such areas as machine mechanics, wood-moisture relations, electron microscopy and X-Ray diffraction. Fiber research has led the way to an expanded use of reconstituted wood. Some good examples are hardboard, particleboard, and molded shapes—all showing continuing growth. There is, however, a great need to bridge the gap between basic knowledge and its applicability in manufacturing and the marketplace. This is particularly true at the engineering level.

We may view the provision of these first, new laboratory buildings as a significant step toward achievement of our ultimate aims and objectives. However, in some ways the proposed laboratory expansion which has not progressed beyond the planning stage may be of even more direct urgency to attainment of early improvements in production and utilization of forest products.

Phase II of this building program, which is to provide for an addition to existing engineering facilities and a new wood engineering laboratory, is needed to assist in producing urgently needed answers to today's pressing engineering problems. The fact that wood is a heterogeneous and variable material, until quite recently has made its engineering use difficult unless a large excess of material was used to perform a desired function. It is only since the early days of this laboratory when mechanical properties of woods were investigated and such important concepts as the fiber saturation point were defined, that there has been any basic for truly engineered applications of wood.

We are much in need of improvements in engineering procedures today. Only through application of knowledge to permit the maximum performance from each pound or each cubic inch of wood in a structural function can wood be a truly competitive building material and thus make a maximum contribution.

We must be able to assign dependable design stresses that are not based on ultra-conservatism, ignorance or hesitancy, but rather on confidence and accuracy. The hallmark of modern research is the "daring," not the "reactionary." This is not an easy feat to achieve. To fear new concepts because they provide more liberal utilization data when compared with historically conservative values is not in keeping with the trends in development of data for other building materials. To adhere to overly conservative data in an effort to compensate for willful misuse or design ignorance ultimately is to penalize the conscientious producer, designer and consumer. On the other hand, to go too far in the other direction is to confuse dreams with practical possibilities. This laboratory can play a leading role in determining how wood can be used most effectively.

Data reports from the Forest Products Laboratory have developed a deserved and enviable reputation for accuracy and authenticity. However, there have been, and no doubt will continue to be, attempts to misconstrue and misuse data for competitive reasons. The laboratory should have the capability and manpower to refute such attempts whenever and wherever they may occur. It is unjust and morally wrong to permit irresponsible criticism to discredit good pieces of work. And, above all, the laboratory must maintain its high standards of objectivity and integrity. And I am sure under Dr. Feischer's leadership, this philosophy will be maintained.

We must be prepared to back up our claims on the performance that may be expected from our wood products so that unwarranted penalties are not incurred through arbitrary stipulation of building code or regulatory agencies. Where research shows modifications of stresses to be in order, the laboratory needs to take the lead with proper recommendations to avoid insistence on improper adjustment factors by competitive interests. The expansion of related engineering efforts along these lines will be most helpful in achieving these objectives.

Wood moisture relationships and size as affected by moisture are related to stress considerations and point up another important field of investigation. Beyond engineering studies, this problem also extends to the solid wood products portion of your organization which, I believe, is to be expanded through phase III of your building program.

The wood products industry is quite concerned that this important phase of your operation be fully outfitted and staffed at the earliest opportunity. Assuredly such work as is included in this category—moisture relations, machining and veneer cutting, wood drying, wood finishing, gluing, fire performance, environmental effects, preservation, fungi and insects—encompasses many of our production and utilization concerns.

Fire performance and wood preservation are two important areas that, as in the case of stress data, can be misunderstood and misused unless steps are taken to document proven behavior characteristics. Competitive interests are constantly at work to discredit all wood construction, because wood is a combustible material. The concept of fire safety as opposed to combustibility is one that deserves continuing and increasing attention.

In highlighting some of the most important work that has been forthcoming from this laboratory, the need for an expanded staff operation is obvious. It is truly amazing how much important information has been published as a result of the devoted work of a comparatively small staff at this institution. The reputation which this laboratory has earned over the years has led forest products interests throughout the world to look to it for leadership. This is as it should be.

But it would seem unfair to expect more and more performance without appropriate expansion in manpower as well as in physical plant. The approximately 450 employees at the laboratory today do not form a very large nucleus when it is realized that many private company laboratories, some within the wood industry, employ 200 people and more. Yet, from 1958 to 1966, our industry's employment of scientists has actually declined according to the National Science Foundation.

In contrast, employment of R & D scientists and engineers showed substantial gains in almost all other major industries over the 8-year period. The exceptions—lumber and wood products, furniture and fabricated metal products—are said to have reported declines of about 25 percent. If private industry is deficient in its forest products research investments as accused, it would appear that government activity in this field may be even less progressive. Growth of the laboratory has not kept pace with many other government research expenditures, and in view of the large timber holdings of the government, the record in sponsored research related to the utilization of our forest resource is not exceptionally favorable. We acknowledge, however, with thanks that federal research in the whole area of forestry in recent years has grown steadily, if not as spectacularly as in other fields. We in industry strongly support increased budget allotments for the valuable work of the Forest Products Laboratory. For it is from here and similar laboratories across the land that new concepts will come to play a key role in developing products that simultaneously make the best use of our forest resources and serve the needs of our society.

From an industry point of view, what are some things that might be done to improve and make more effective the working relationships with forest products laboratories?

A first step, in my opinion, is to improve communications between the FPL and the industry. For one, I'd like to see companies sponsor more visits from FPL specialists. I believe that the people here at Madison make a valuable contribution toward solving industry problems when they are invited into the field to make direct contact with industry problems. Of course, they are on a limited budget. Therefore, I think that more of their time in the field should be paid for by the company or companies since it's directed toward helping solve their problems.

When the FPL visits individual companies to tackle industry problems, it helps when more than one man is sent. And when the FPL team arrives, the individual companies should insure that they talk to technically trained people who speak their language and will direct them to the right places and personnel for maximum effectiveness during their stay.

To the extent that it's being done, I feel that industry is getting excellent help from the FPL on specific individual company problems. However, I think communications could be improved by more concise summaries of some detailed and lengthy FPL reports. This would save time for, and be appreciated by, industry executives who may not be well versed in the individual technical problems.

I'd also like to suggest a regular FPL-industry research seminar, sponsored by industry and conducted by the FPL. In this seminar, I envision a dialogue between the Forest Products Laboratories and industry people that would be beneficial to both, and therefore should not necessarily be limited to forest oriented organizations. There are also opportunities for individual company seminars with FPL groups here at Madison. While written reports are valuable, there is no substitute for face-to-face talk in effective communications and solving mutual problems.

So it seems to me that we in industry have a continuing opportunity as well as a responsibility to help in finding solutions to complex problems by cooperation with the laboratory either in groups or as individual companies. And while I may be treading on dangerous ground, I believe that if the end result is good for a company it's also good for the industry—and vice versa—as well as the American people we serve.

This laboratory is a classic example of the continuing long-term benefits of government and industry cooperating and diligently working together. From a business viewpoint, industry's working with government at the laboratory is a practical matter, as it is tax supported.

You know we have a true partnership with government in that it takes approximately half of our profits as taxes. And if that isn't a partnership, I've never heard of one. Certainly in this case, I think the government has a responsibility, too, to insure that this laboratory's work is enhanced and accelerated through adequate budgeting.

Another point that has occurred to me is that the Forest Products Laboratory is potentially one of the best training grounds for industry people. Perhaps, without dislocating its key people, the FPL might set up to train industry personnel. This could provide more valuable training and education than possibly the graduate school level because it would be oriented on a more specific and practical base.

You know, our industry always thought that we had a God-given right to the land. But now as a result of economic, population, social and other factors, we increasingly find that we are in competition for the land. Our use of the land must measure up to the other demands for it by society. Through research and development, we must upgrade the forest and its products for the benefit of the American people so that we can fully justify our use of the land in the future on both economic and social grounds.

Tonight, we have reason to feel proud of the many accomplishments of the Forest Products Laboratory, and the fine cooperation with an appreciative industry that has shared in the benefits of the work of the laboratory. We in industry join with you in your enthusiasm and pride in having these new buildings to carry on and build upon past successes. We salute you on almost six decades of accomplishment in research, and we are confident that these new facilities herald the beginning of even greater accomplishments.

The opportunities that lie ahead are much more significant and complex than in the past. While the past is an imperfect guide to the future, we have no control over it. The only time period that we can do anything about is the future. And that is the real reason that we are here tonight. These new facilities, which represent the future, will greatly help make realities out of what are now visions in the forest products field.

However, building and equipment by themselves mean little. It takes people—and good people—to make creative programs come alive. We are fortunate that the laboratory has good people, and we look forward to more of them here.

The one thing which neither industry nor government can accommodate is complacency. The prestige of the laboratory and the prosperity of our industry are linked together. We will each succeed in direct proportion to our effectiveness in aiding each other. We have a responsibility in helping to build a better America for future generations. I, for one, am optimistic over those prospects. If "the past is prologue," the best chapters of our forest products history are yet to be written.

Mankind's goal and finest reward is to make life better. Surely that's a great challenge for all of us.

Thank you.

ALAN JAY MOSCOV

Mr. REES. Mr. Speaker, I address the House concerning the recent appointment of Alan Jay Moscov as General Counsel of the Federal Home Loan Bank Board. It is my good fortune to have known Alan Moscov as a friend for many years, and I would like to take this opportunity to congratulate him on his appointment and wish him a successful tenure in that important office.

Alan Moscov was born and raised in New York State, is a graduate of Syracuse University, where he received Phi Beta Kappa honors. Following his graduation, he attended Yale Law School and, after earning his LL.D. degree, was appointed as clerk to the U.S. Court of Appeals, Second Circuit. Following his service there, he became clerk to Supreme Court Justice Harold Burton.

As with so many enlightened Americans, Alan Moscov moved to California, becoming assistant professor of law at Stanford University. His many talents were noticed by California Gov. Edmund G. Brown, and he was brought into the State government as assistant to the Governor. Later he was appointed cabinet secretary, the first such appointment in the history of the State. In 1963 he was designated Deputy General Counsel to the Home Loan Bank Board. Since then he has given outstanding service to the Board.

Alan Moscov is married to the former Susan Dreifus, of San Francisco, Calif., and they have three children: Elizabeth Ann, June Gais, and Joshua Carroll.

I know that all of you will join me in congratulating Alan Moscov on his most recent appointment. I feel that we are all fortunate to have his excellent talents so well utilized by our Government.

DEVELOPMENT ASSISTANCE

Mr. WILLIAM D. FORD. Mr. Speaker, the Administrator of the Agency for International Development, William S. Gaud, spoke to the Economic Club of Detroit on December 4, 1967. His address was a good one, presenting a realistic picture of development assistance without the clutter of platitudes and fancy promises.

His remarks centered around two basic propositions which he feels must be understood by the American people in order for them to accept and understand the foreign aid program: "First, development aid does work. Second, it is not a woolly-headed giveaway. It is a program which definitely and concretely serves our interests."

I commend Mr. Gaud's address to my colleagues and include it in the Record:

Address by the Honorable William S. Gaud, Administrator, Agency for International Development, Department of State, Before the Economic Club of Detroit, Veterans Memorial Building, Civic Center, Detroit, Mich., December 4, 1967

It is a pleasure to be in Detroit and to be with the Economic Club. This city has contributed a great deal to the economic and social development of the United States. And this forum has a national reputation for attracting and involving the leaders of Detroit. It is a privilege to appear before you.

I propose to talk to you today not about foreign aid in general, nor about military assistance, but about that part of our foreign aid program which is designed to promote economic and social development in the emerging nations. And let me make no bones about it: I want to enlist your active support for this part of our program. Foreign aid today badly needs domestic help.

I

Twenty years ago, the then senior Senator from Michigan, Arthur Vandenberg, led the bipartisan effort for adoption of the Marshall Plan. Senator Vandenberg said it was in "the clear self-interest of the United States" to help in the rebuilding of Europe.

The Marshall Plan put economic starch into our commitment to European security. It represented, in effect, a peace-time extension of our war-time alliance. Everyone will agree, I am sure, that it was both very much in our interest and highly successful.

Today, the Old World no longer needs our aid. But as President Eisenhower put it in 1957, "new forces and new nations stir and strive across the earth, with power to bring . . . great good or great evil to the free world . . ." These nations do need our aid. President Eisenhower declared in this same speech that, "one-third of all mankind" was in need of "at least a spark of hope, the hope of progress." That is still true.

Today, there is a real possibility that this hope for progress will not be realized. The Decade of Development is in danger of becoming the Decade of Disappointment.

The Congress has not yet passed a foreign aid appropriation bill for the fiscal year which began last July 1. It will probably do so within the next week or ten days. When it does, there is every likelihood that it will be the smallest aid bill ever. In the opinion of the President, in the opinion of the Secretary of State and in my own opinion it will be too small to serve our interests adequately. For example:

We will have to reduce sharply our programs in India, in Pakistan and in Africa.

We will not be able to carry out our part of the plans made last spring at the Punta del Este Conference to increase efforts in agriculture, education and health under the Alliance for Progress.

We will have to short-change our security oriented and military aid programs in East Asia and elsewhere.

This decline in the fortunes of foreign aid is not a phenomenon which has come upon us over night. President George Woods of the World Bank has repeatedly stated that the needs of the developing world for outside assistance are not being met. Yet, while our gross national product has increased nearly 150 per cent over the past 15 years, the share of our gross national product which we are devoting to foreign aid has shrunk by roughly 50 per cent. In short, as we have been able to afford more, we have done less.

There is a tendency to blame the difficulties of foreign aid on the Congress. Or, if one looks beyond the Congress, to blame them on Vietnam, summer violence in our cities, the budget deficit, the tax bill or our balance of payments situation.

These are easy explanations, but I think the real explanation lies elsewhere. In my view, it lies with the American people. Too few Americans understand the purposes of the foreign aid program and how it serves their interests. Too many are asking: what has this got to do with us? How does this help the United States? Why should we have foreign aid?

Misinformation about foreign aid may be partly responsible for this confusion and uncertainty. Some misinformation about a program as varied and as complex as this is inevitable. But I feel that our primary problem arises from a lack of understanding of two very simple and very basic propositions. First, development aid does work. Second, it is not a wooly-headed give-away. It is a program which definitely and concretely serves our interests.

It is these two propositions which I want to talk about today.

II

First, however, let me say a few words as to why the developing nations need help.

The development of our own country took many years. It was supported by considerable outside capital and investment. It was our good fortune that England, Germany, the Netherlands and other European powers invested heavily in this country.

Loans were made first to state and local governments; later, increasingly, to private industry. Shortly after 1800, we had foreign obligations of $75 million. By 1843 the total was $225 million. At the start of this century, it was $3.3 billion.

British capital helped develop our railroads. The Erie and Ohio Canals were both financed in considerable part with European money.

Until the turn of the present century our development proceeded at a relatively slow pace. We had time to develop slowly. Nothing in the world moved as fast then as it does today. The world was larger, less inter-dependent; the expectations of both men and nations were more modest; and they were more patient about realizing them. The United States could afford to wait for its foreign exchange earnings to increase to the point where they could finance loans from abroad. We were under no pressure to move faster.

None of this is true of today's world. The emerging nations of the 20th century are under pressure to grow at a much faster rate than that at which we grew in the 18th and 19th centuries.

One source of this new pressure is internal. It comes from surging birth rates. When Europe and this country were developing we desperately needed people to operate new industries and to expand markets for agriculture and manufacturing. Population growth stimulated progress. Today, in the backward countries, high birth rates hobble development. In many, agriculture is inadequate to feed their people. And there is not enough industry to employ them. Scarce resources must be used for food aid and to modernize agriculture.

In the United States and Europe, development preceded population growth. In today's developing world, the sequence has been reversed. This change in timing is an unlucky fact of history. The modern world has no choice but to cope with it.

Demand for progress in the new nations also arises from outside factors. The people of the less developed nations now know what goes on in the developed world. Communities which have stood still for centuries are determined to change. Backward, pastoral ways are no longer tolerated. More and more of the governments of the new nations feel this pressure. More and more of them are reponding with development programs.

In sum, the developing world is no longer content with inadequate diets, illiteracy, disease and lack of opportunity. They want to change, and they want and need to change fast.

III

Now for the first of my two propositions—namely, that development aid can and does work.

What is development aid? It consists primarily of two things: development loans and technical assistance. Development loans are dollar loans made on concessionary terms to nations with inadequate foreign exchange resources. They are made for specific purposes: to cover the costs of specific projects, or to cover the imports of specific commodities and raw materials. They must be spent in the United States. Indeed, better than 88 percent of all foreign aid funds spent by the Agency for International Development are spent in the United States for U.S. goods, products and services.

Technical assistance is the present day equivalent of President Truman's Point IV program. Its purpose is to help the developing nations acquire the trained manpower and institutions they need to develop their economies, achieve necessary social reforms and build viable social and political institutions. We rely heavily upon American universities, cooperatives, savings and loan institutions and labor unions and on other private concerns to carry out these technical assistance programs.

Last week we celebrated the end of our program of economic aid to Iran. From now on, Iran will look to its own resources—and to conventional lending sources—to finance its further growth.

There is a temptation to explain this success with one word—oil. And it is true that Iran is lucky in its geology. Oil revenues have been essential to Iran's progress. But the important thing has been the use Iran had made of its oil revenue. Three-fourths of it has been applied to development—much of it to the land reform which the Shah calls the "white revolution" to distinguish it from "red" revolutions in other countries. Between 1952 and 1966, nearly $3 billion in Iranian funds went into development—about five times the total of United States economic aid.

But money by itself—no matter where it comes from—will not alone do the job of development. Development involves painful choices—sacrifices. It takes courage and toughness to exact them—leaders with a sure sense of direction, with the will and political strength to make development policies stick. It also takes people who are willing to respond to such leadership. All of these Iran has had. The Shah and his people have proven their commitment to the task of development.

Iran is agricultural. Nearly four-fifths of its people are rural. Farming accounts for almost one-third of the gross national product. The country's effort has focused on agriculture. Nearly one-quarter of the funds spent under the current development plan have been used to bring additional land into production; to assist farmers in buying fertilizer, pesticides and equipment; and for irrigation, electrification and community development.

Most important, land that used to be closely held is now widely distributed. A new class of small farm-owners has emerged. Their interest in the land is a vital incentive. As would be expected, their output has jumped: rice, sugar, tea and cotton crops have all doubled in the past ten years. At the same time their purchasing power has gone up. The "white revolution" has given 14 million Iranians a direct stake in agricultural progress and thereby engaged them in the national effort to develop their nation.

Industry has also grown. Production is up 88 per cent over 1956—exports by more than a third. The gross national product has increased by $1.8 billion since 1962.

Development has worked in Iran because of Iran's own efforts. We helped—yes—by supporting the government and its programs when help was needed most. Since 1952 our aid to Iran—part of it in loans and part of it in grants—has totaled $605 million. Significantly, only $37 million of this—roughly 6 per cent—was extended in the last five years. In short, Iran's reliance on outside assistance has been decreasing steadily for a number of years. Iran has now reached the end of economic aid—or the beginning of self-sufficiency. Put it either way you like. To the United States and to other developed nations, this also means that Iran now offers important opportunities both for investment and for export trade.

Iran is not the only country where we have concluded development aid. Taiwan and Greece are two more. And steady, substantial progress is being made in a number of other countries where the necessary will and resources are at work.

In Korea in the late 1950's and early '60's, aid did little more than keep the Korean economy barely afloat. A raging inflation, shortsighted fiscal, monetary and economic policies and ineffective leadership all but dissipated our help.

Then, in the early 1960's a new government with pride and a sense of nationhood set out to stabilize the Korean economy. Tight ceilings, limited credit, government deficits, the use of foreign exchange, and the incurring of foreign commercial debt. United States aid was conditioned on the performance of these and other stabilization and reform measures.

It worked. Inflation abated. Investment became attractive. Domestic savings—vital to development—began to grow. Manufacturing flourished. Exports jumped—from $20 to $30 million yearly in the 1950's to $250 million last year. Today, American and other foreign investors are being attracted to Korea. Korea is on its way. Internal leadership and drive, complemented by outside assistance, are making a success of Korea's development program.

Many factors go to make up a successful development effort. Few, in my view, are more significant than an active, growing, driving private sector.

In some underdeveloped countries there has been ideological resistance to giving the private sector its head. In some, private enterprise is linked with colonialism or imperialism.

But in recent years, as the leaders of developing nations have had to face up to the tough problems of raising production and organizing regional and national economies, more and more of them have come to realize the importance of private initiative and private enterprise. Today, most of the nations high on the growth lists display vigorous and growing private sectors.

On Taiwan, remarkable growth has directly paralleled the change in the economy from one mainly controlled by government, to one that consists mostly of private enterprise. In India, in the past, there was considerable doctrinaire hostility to private enterprise. Today, an industry key to Indian progress—fertilizer production—has been opened up to private enterprise. In Colombia, Korea, Mexico, Pakistan, Thailand and other countries where economies are moving ahead, much of the push comes from the private sector.

We are convinced that no country can develop except through its own efforts—through what we call self-help.The question thus arises of what we can do to induce or persuade a country to take the self-help measures that will move it along the path of progress. We use our influence to promote sound development policies and the sensible use of a country's own resources. In fact, however, only one-sixth of all investment in the developing countries comes from the outside. The rest is self-financed.

Our contribution to any one country's development effort is relatively small, and thus our influence—or leverage—is limited. Nevertheless, we can and do link development aid with specific economic policies, administrative measures and social reforms.

This process works. Indeed, it often works because the very self-help measures we are supporting need outside financial support if they are to succeed.

For example, in Pakistan several years ago, shortages of foreign exchange meant that industrial raw materials were chronically scarce. As a result, manufacturing plants were underused, production was low, prices high. In 1964, after much encouragement from us, the Pakistan Government lifted import controls. They did this with our assurance that we would provide a large part of our assistance in the form of scarce industrial commodities and raw materials. Thus, supplies of key materials would increase without draining away precious foreign exchange. The controls went off, supplies increased, production went up and prices went down. Pakistan market forces and free enterprise got more play. Outside aid both encouraged and made possible the specific policy reform we had been urging.

The developing world does not consist exclusively of Pakistans and Koreas. Not all the new nations have the trained manpower and institutions to make good use of development aid. Not all can mobilize enough capital of their own to carry out a development program. Not all have the political strength to insist on unpopular self-help measures. And not all are sophisticated enough to handle relations with aid donors who make policy reforms a condition of aid.

This shortage of qualified candidates for development explains why our development aid is concentrated in only a few countries. In the current fiscal year, about four-fifths of A.I.D.'s development loans will go to just seven countries: Brazil, Chile, Colombia, India, Korea, Pakistan, and Turkey.

We do as you know, have aid programs in many more countries than these. Some of them, such as our programs in Vietnam, the Dominican Republic, and the Congo, are security oriented. They have their roots in political considerations. Others are in countries which have not yet progressed enough to support a broad development program. In these countries our programs are modest in size. They consist primarily of technical assistance, chiefly in the fields of agriculture, education and health. Here, our interest is in training individuals, creating institutions and building infrastructure against the day when these new nations can undertake more ambitious development programs.

But almost all of the dozen or so countries which have been receiving large amounts of development assistance over the past several years have made appreciable progress. Their growth rates are high. Their ability to sustain these rates is substantial and improving. About half the group have considerably reduced their dependence on outside assistance. A few, as I have mentioned, have dispensed with concessional aid altogether.

All in all, this is an impressive record of performance. Development aid *can* work. It is working now in many parts of this restless world.

Now for my second proposition: That it is in our national interest to carry on a foreign aid program aimed at development.

Our interests in the world, as well as the objectives of our aid program, have changed greatly since the days of the Marshall Plan—and also since the early days of the Cold War when our aid program was preponderantly security-oriented and extended military assistance. Many people fail to recognize these differences. They judge the new by the standards of the old. As a result, they often expect the wrong things from today's aid program and are dissatisfied when their expectations are not realized.

The earlier programs which helped to rebuild Europe—and which built up the defenses of Greece, Turkey, Taiwan and Korea—had deep fears behind them. Fear of the future of the Western Alliance, fear of Communist aggression, fear that the cold war would go against us. The Western Alliance was designed to contain the causes of our fear. The aid programs which supported that Alliance clearly served the national interest. The connection between our assistance program and our interests abroad was crystal clear.

Today, many of the fears of the early Cold War have waned, and the tie between our foreign aid and our foreign policy is more complex.

There is a second key difference between foreign aid 20 years ago and today. It is in our relations with the nations which receive our assistance. In the aftermath of the war, much of our aid program was an extension of wartime relations with intimate allies. Aid went largely to old friends—to nations with whom Americans felt strong common bonds. In 1948, when Senator Vandenberg introduced the European Recovery Program in the Senate, he pointed out that Europe was "the stock which has largely made America." As he put it, the Marshall Plan was essential because "western civilization" depended on European independence.

Today, outside Latin America, the nations receiving development aid from the United States are not, by and large, this country's old friends. They are our new neighbors. Many are new to nationhood. They have emerged from the wave of decolonization which, since the war, has more than doubled the number of sovereign states. In the past, most of their people had little to do with the United States. Our present relations with them lack the historical ties and political and military intimacy that supported the Western Alliance after the war. In short, where fear for our security helped to motivate aid we are now less afraid. Where we gave aid to old friends, we now help new nations. Where aid supported key alliances, it is now extended outside the old defense framework.

These differences are grounded in changes in the world—and in changes in our interests in the world. The focus of United States foreign policy has widened since the years immediately following World War II. The challenges to that policy have also changed. But today's challenges are no less real, no less compelling than the challenge of fifteen and twenty years ago.

The dominant interest of the nations of more than half the free world has switched in recent years—from traditional political goals to development. National progress now overshadows all other goals in the less developed world. This drive for national progress has become a paramount fact of world affairs. Nothing is more characteristic of the world today—nothing will do more to shape the world tomorrow—than the determination of the new nations to realize goals which are still far beyond their reach.

How can a strong program to assist development serve our national interests in today's world?

First, let me say that Americans should disabuse themselves of the notion that the purpose of such a program is to win friends, earn gratitude or gain votes in the United Nations. Development aid is a poor tool for the attainment of any of these goals. Development aid serves our foreign policy in ways which go far beyond these.

The critical fact for our relations with the developing nations is that their new goals *are* beyond their reach. They cannot attain them alone. They need help, and they look to us and other developed nations to provide it.

To conduct meaningful relations with the backward half of the world, the United States must recognize the urgency of its need for progress. As a major power, we have the strength to force our way on issues that concern us. But political relations involve more than the threat of force; our own sensibilities tend to curb the use of force. So long as national progress is the overwhelming concern of the new nations, we must work with them to achieve their goals. Our aid programs offer a way to meet both our national interests in the world and the aspirations of the developing nations.

Foreign aid is also right. As citizens of the richest and most powerful nation on earth, it would be wrong for us to shrug our shoulders at the conditions in which the people of the developing countries now live.

Finally, development is necessary for the achievement of a stable peace. The underdeveloped nations are dependent and vulnerable; their weakness leads to instability in the world; their increased independence can help to keep the peace. Aid for development will not guarantee stability or peace. But when we neglect development, we invite instability and collisions between nations.

In neglecting development, we also encourage unrest, racism and hostility within the new nations. The target, inevitably, is the developed half of the world. When we neglect development, we jeopardize the possibility of peace.

To conclude: in half the world, there is tremendous and unprecedented pressure for development. There has never been anything like it. We do not have pat solutions to all the problems this pressure raises. Indeed, the main response must come from the emerging nations themselves. But we can play an important role, and we have already done so. We have made key contributions to development success in some countries, and we have promising work underway in many others. Development aid does work.

Development aid does not meet all the foreign policy objectives of the United States. Indeed, day-to-day, our assistance efforts can raise problems—while we are meeting problems that run from decade-to-decade.

But for the rest of this century, the phenomena of development will be a large part of the raw material of American foreign relations. This is certain. We must accept it. It means that foreign aid for development will be integral to our foreign policy, and essential to our interests.

Twenty years ago, when the United States ended the war, we did not enter the world in order to police it or to expand our influence, or even to play Santa Claus and give away our share. The new compactness of the world put us in the world and has kept us in it. There is no getting out. Our size and wealth endow us with a large role on this planet. We cannot hide from our own dimensions and power.

These, it seems to me, are facts of life—just as the drive for development is a fact of life. Are we now to ignore these facts, turn our backs on the world and tell other nations to solve their problems without our help? Could we do this even if we wished? Do we care about international stability, about peace, about the kind of world we will leave to our children?

These questions answer themselves. The choice is clear. It lies between investing in international stability and surrendering to the frustrations of living in a difficult and imperfect world.

I urge you to make your choice and—having made it—see that your counsel is heard.

ANOTHER INCREDIBLE SUPREME COURT DECISION

Mr. SELDEN. Mr. Speaker, recent years have witnessed the growth of what may be called an "incredibility gap" between the American people and the U.S. Supreme Court.

This week's majority decision of the Court, protecting a Communist Party member's right to hold a job in a national defense plant, is difficult to believe. I doubt that even U.S. Communist Party boss Gus Hall, who hailed Monday's decision, could have expected in his wildest dream that the opportunity to subvert and sabotage would ever be declared by the highest court in the land to be a constitutional right.

This, however, is but the latest in a long series of U.S. Supreme Court decisions that can only be considered incredible in the light of the Communist threat to our country.

Once again, a majority of the U.S. Supreme Court has demonstrated a frightening blind spot with regard to the dangers posed to our country's security and free institutions by members of the Communist Party.

JOY TO THE WORLD

Mr. PHILBIN. Mr. Speaker, history records that once in ancient Syria the mighty King Antiochus decreed that the holy temple of the Hebrews be destroyed and ordered his soldiers to attack the Jews.

However, a small, but determined band of men led and inspired by Judas Maccabee, fought off the soldiers, while the other Jews sought refuge inside the walls.

As they lay in the temple under siege, a miracle occurred. Only a small amount of oil was left in the temple, enough to keep the ark light burning for just 1 day.

But at the end of the day, the light did not go out.

It burned on and on for 8 days until the siege was over, the Syrian armies repulsed, and the temple rededicated.

Thus, Hanukkah is known as the Festival of Light. It begins this year on December 27, 1967, and is celebrated by the devout Jews and their friends all over the world by the lighting of one candle each night until all eight candles in the menorah, an eight-armed candleholder, are set ablaze. Gifts are exchanged the holiday season, just as they are for Christmas.

Down through the years, the lesson and the message of Hanukkah have never lost their significance for the Jews, whose modern history in the brave new State of Israel and throughout the entire world, is replete with heroic victories, forged by superb courage, ceaseless loyalty, great faith, and united action in the face of overwhelming odds to uphold their cherished cause.

Such is the history of Hanukkah, so sacred to the Jewish people wherever they may be, and celebrated at the same time as the birthday of the Prince of Peace on Christmas Day.

By these expressions of unalterable faith, of two great branches of mankind, where the Star of Bethlehem and the Star of David shed their warming, hopeful rays, may all peoples, all races, and all nations soon find the way to understanding, brotherhood, and peace.

Merry Christmas and Happy Hanukkah to all, and may the prayerful bliss of these great days bring the joys and blessings of health, prosperity, and happiness to the whole human race.

ALLGOOD SOLDIER AWARDED DSC

Mr. BEVILL. Mr. Speaker, Sp5c. Lonnie R. Butts, of Allgood, Ala., has been posthumously awarded the Distinguished Service Cross by direction of the President of the United States.

Mr. Speaker, the heroic actions of our young men such as Specialist Lonnie Butts, exemplify the dedication to duty and the devotion to country of our young men in Vietnam. Specialist Butts' extraordinary heroism and devotion to duty, at the cost of his life, were truly in keeping with the highest traditions of the military service and reflect great credit upon Specialist Butts and all those who fight by his side.

Mr. Speaker, under unanimous consent, I insert in the CONGRESSIONAL RECORD an article that appeared in the November 30 issue of the Southern Democrat, a weekly newspaper published in Oneonta, Ala. This article sets forth Specialist Butts' supreme effort in battle with little thought for his own safety. I commend this article to the attention of all of my colleagues in Congress:

ALLGOOD SOLDIER AWARDED DSC

Sp/5 Lonnie R. Butts has been posthumously awarded the Distinguished Service Cross by direction of the President under General Orders Number 4149 published August 15 by United States Army Headquarters in Vietnam. The award and citation were presented to Butts' mother, Mrs. J. C. Hand (Avil Phillips), November 20 by Lt. Col. H. G. Cummings, Birmingham Sub-Sector Command, at the Hands' home in Allgood.

Son of the late Roy Felton Butts, the 21-year-old soldier was killed May 15 in Vietnam where he had been serving since the previous October as medical corpsman with the 101st Airborne Division. In addition to the Distinguished Service Cross—next highest honor to the Congressional Medal of Honor—Butts has posthumously been awarded the Purple Heart and the Bronze Star for valor.

The DSC was awarded Butts "for extraordinary heroism in connection with military operations involving conflict with an armed hostile force in the Republic of Vietnam." The citation accompanying the medal listed details of the soldier's heroism: "Specialist Five Butts distinguished himself by exceptionally valorous actions of 15 May 1967 while serving as senior medical aidman during a search and destroy mission near Duc Pho.

"When the lead element of his unit became pinned down by machine gun fire, Specialist Butts executed a flanking movement on the hostile emplacement and silenced the two Viet Cong who were manning it. He continued forward, moving from one emplacement to another and drove the enemy back with hand grenades and machine gun fire. One insurgent threw a grenade between Specialist Butts and his platoon sergeant. Taking no heed of his own safety, he threw himself between the sergeant and the grenade, catching most of the shrapnel in his legs. Although he was seriously wounded, Specialist Butts went to the assistance of another casualty and treated his wounds. During the remainder of the fire fight, he refused medical attention until all of the other wounded men were treated. Specialist Butts was mortally wounded as he moved toward a helicopter for evacuation.

"Specialist Five Butts' extraordinary heroism and devotion to duty, at the cost of his life, were in keeping with the highest traditions of the military service and reflect great credit upon himself, his unit, and the United States Army."

NEW APPROACH TO RIOT INSURANCE

Mr. MOORHEAD. Mr. Speaker, the problem of insurance availability in our central cities came to national attention last summer as a result of the riots that cost insurers $100 million and uninsured property owners many more hundreds of millions of dollars.

The gentleman from Wisconsin [Mr. REUSS], the gentlemen from Ohio [Messrs. ASHLEY and FEIGHAN] and I have introduced H.R. 14263, the Urban Property Protection, Rehabilitation and Reinsurance Act of 1968, which we think will go a long way toward increasing the availability of property insurance in central cities and enabling the insurance industry to continue furnishing riot coverage in all its property policies.

In an editorial in its December 14, 1967, edition, the Pittsburgh Post-Gazette commented favorable on our proposals. Under leave to extend my remarks, I insert the editorial at this point in the RECORD and commend it to the attention of all my colleagues who are concerned about the problems of our cities:

NEW APPROACH TO RIOT INSURANCE

> Congressman William S. Moorhead of Allegheny County has proposed a sensible plan that should encourage private insurance companies to risk insuring homes and businesses in urban areas where riots may occur.
>
> Under the Moorhead plan, the federal government, in cases of extreme damage due solely to rioting, would pay for that part of the damage claim which was above what a private company would normally insure. Company participation in the plan, at rates yet to be determined, would be voluntary.
>
> This federal re-insurance would be offered to insurance firms on the condition that they make fire and extended coverage insurance (for smoke, wind, hail, etc.) available to all their clients at regular commercial rates, no matter where the clients own property. The slum property owner would thus be able to get insurance which he usually cannot get now. (Without insurance, mortgages are not obtainable.)
>
> Moorhead's bill, H.R. 14263, would also offer insurance inspection for deteriorated property, so that owners would be informed of what improvements had to be made to entitle them to obtain insurance at regular commercial rates. The measure would, in addition, provide 20-year, 3 per cent loans to owners who could make renovations but who couldn't obtain credit from lenders. Congress would be expected to fund the program with an initial $500 million appropriation.
>
> Moorhead believes that insurance firms cannot be blamed for avoiding higher risks than they normally insure. But fire and extended coverage insurance is much in need in riot-prone areas. The Moorhead bill, by helping to meet this need, should at the same time help to facilitate private investment in the renovation of slum areas.

THE NATIONAL SCIENCE FOUNDATION

Mr. COHELAN. Mr. Speaker, after many months of controversy the National Science Foundation on November 27, 1967, announced that it had awarded a grant of $87,500 to the University of California to support the research of Prof. Stephen Smale, who is probably the most eminent mathematician in his field in the world.

To me this controversy is most regrettable. It is regrettable because it is having and will continue to have a chilling and stifling effect on the academic community of this country.

The reason for this inhibition is that the controversy over the grant has not stemmed from the merit or quality of Dr. Smale's work—which is reputed to be brilliant and impeccable—but from the political and social views which Dr. Smale has expressed.

Dr. Smale has expressed his opinions in Moscow and in the United States and has been most critical of both the Soviet Union and the United States in his statements.

I do not wish to comment on the rectitude of Dr. Smale's views, but I do wish to comment on the effects of threats to cut off the funds of such a researcher when he expresses unpopular views.

In the United States today there is not a single institution of higher education which is not in need of governmental financial assistance. If the price these institutions must pay to receive this assistance is conformity to noncontroversial views, the great sufferer will be the United States which has rightly always pointed to its heritage of academic freedom as one of the pillars of its society.

The university has now received the funds for Dr. Smale's research, but damage has been done. How many in the universities will lose their constitutionally protected rights to freedom of speech through the back door methods of the threatened loss of governmental support for their work?

Mr. Speaker, whether the academic community can ever successfully accept governmental assistance on the scale on which it will be needed will depend on how well we as legislators and how well the executive as administrators are able to steer a neutral course in regard to the political views of those who are dependent upon the Government for financial help.

The grants of the National Science Foundation are not a bonus given out to reward those researchers which hold the most popular or noncontroversial views, but they are awards to foster increased knowledge for all people. We will not foster the accumulation of this knowledge if we insist on supporting only those who do not criticize the Republic.

There are those in the House who would seek to remove Federal assistance from Dr. Smale, and they would do so because he has made remarks critical of the United States. Those who would seek this objective would do a great disservice to the heritage of free expression which this country so rightly cherishes. The question here presented is whether we will continue to expose the academic community to ideological blackmail. I think that we must not.

Mr. Speaker, I am pleased that the National Science Foundation has seen fit to award this grant to the university to support Dr. Smale. The Foundation should know that the majority of us in the House are convinced of the merits of free academic inquiry and will support the Foundation so long as it follows this principle.

Again, let me say that I am pleased with the outcome in this matter, and it would be my hope that we will in the future continue to see the Foundation able to support deserving researchers even when their views are controversial.

AMENDMENT OF CONSOLIDATED FARMERS HOME ADMINISTRATION ACT OF 1961

Mr. JONES of Alabama. Mr. Speaker, many of the farmers in my area are facing a compounded disaster of unparalleled proportions in the almost complete failure of the cotton crop due to adverse weather conditions during the planting, growing, and harvesting seasons.

So that my colleagues may know of the extent of this devastating situation, I want to briefly review what has happened to the 1967 cotton crop in the Southeast.

During the spring planting season, below normal temperatures and drought conditions prevailed necessitating extra expenses in new planting of cotton seeds.

During the growing season, the farmers experienced extensive rainfall and flooding to further curtail production expectations.

As a result of these conditions, the Department of Agriculture in October declared much of the area a natural disaster as far as the cotton crop was concerned. This made the farmers eligible for emergency loans by the Farmers Home Administration under provisions of section 321 of Public Law 87–128.

Before the first application for assistance could be filed, disaster struck again in the form of an early freeze. Coming as the cotton was maturing and before it could be harvested, this hard freeze just about ended any prospects for cotton in 1967.

In so doing, it left the cotton farmers in dire financial conditions. In most cases, less than 10 percent of the expected cotton crop could be salvaged.

You must understand that most of these farmers depend on credit from year to year to finance their cotton crop. In the spring, loans are sought to finance the purchase of seeds, fertilizer, equipment, and other continuing farm expenses on the expectation that the loan will be repayed when the cotton is harvested.

Because of the natural disaster which ended the cotton crop, the farmers face the situation now of being unable to repay their obligations on the 1967 loan and unable to secure funds to make a crop for the 1968 year.

The emergency loan program of the Farmers Home Administration has been very helpful to a great many farmers in many cases in the past. The program, however, has limitations which, I believe, should be removed.

Under existing FHA emergency loan procedures, the prior creditors of the farmer must agree to subordinate their debts to the FHA loan. You can readily understand that it is not always possible to get creditors to do this because of their own heavy burdens.

A second restriction concerns the repayment period of the emergency loans under the Farmers Home Administration program. These loans are made only for a term of 1 year. It usually takes several years for a farmer to recover from the setback of a natural disaster and in cases such as this where the loss is extremely severe, you can be certain that the income from several years' crops will be required to cover the losses.

The Farmers Home Administration has, of course, renewed their loans from year to year as the farmer works his way out of his loss, but nevertheless, the loan is due and payable at the end of 1 year.

To provide relief in this situation and in future situations where severe production losses are experienced as a result of a natural disaster, I have introduced H.R. 14339, a bill to amend the Consolidated Farmers Home Administration Act of 1961.

This legislation would allow the Farmers Home Administration to make emergency loans in an amount sufficient to reasonably insure the continued operation of the farm for the repayment period of such loan, plus such amount as may be necessary to pay those debt obligations of the farmer which the Secretary determines the farmer could have been reasonably expected to pay, in whole or in substantial part, out of proceeds which the farmer would have realized from the sale of the crop which was destroyed as the result of the natural disaster.

The proposed legislation would also define the minimum repayment period for any such loan to be 3 years unless the farmer requests a shorter repayment period.

At this time, this legislation is needed to provide assistance to the cotton farmers in the Southeast who have been the victim of this natural disaster.

Its advantages, however, are not limited to cotton nor to the Southeast. The proposal would help farmers all over this Nation whose continued operations may be in jeopardy because of a natural disaster.

ANTICRIME ACTION NEEDED NOW

Mr. O'HARA of Michigan. Mr. Speaker, crime is in many ways our most serious domestic problem. The FBI tells us that the crime rate is increasing five times faster than the population. Every day lives are lost or shattered in violent crimes. There is mounting fear among our citizens and an increasingly rapid erosion of public spirit. The costs of crime, whether economic, physical, or psychological, are spread through every alley and every street in every city.

Consider for a moment a few figures. In this country there is one murder committed every hour, one forcible rape every 23 minutes, one robbery every 4½ minutes, one aggravated assault every 2½ minutes, one burglary every 27 seconds, one serious larceny every 41 seconds, and one auto theft every minute. In total, there are five serious crimes committed every minute.

The huge and increasing rate of crime has been complicated in recent summers by explosive outbreaks of lawlessness and violence in the streets of our cities.

Last summer alone rioting, arson, and looting struck in more than two-score American cities. Nearly 100 persons were killed and many thousands more were injured. Property damage ran into the millions of dollars. Hundreds upon hundreds of families lost their homes and belongings. Many sections of major urban centers were without adequate supplies of food and other essentials for periods running to several days. In many cases normally peaceful streets were turned into raging battlefields.

The cause of crime and violence are exceedingly complex and diverse. Massive and immediate programs—especially the creation of jobs—are needed to root out and cure the conditions in which crime is bred.

Developing long-range solutions will be a difficult task. Honest, sincere men may differ over alternatives. But there should be no disagreement over the fundamental proposition that the first order of business is assuring the most effective law enforcement possible. Crime prevention is of paramount importance.

Our law-enforcement agencies are fighting a losing battle against crime. There are not enough policemen. They are not paid enough. They lack the necessary equipment and technical assistance. In many communities local tax sources are inadequate to finance the necessary level of police operations.

Right now, today, there are about 50,000 vacancies in police forces all over the country. The average patrolman in the large city—where the worst crime problems are—will receive a starting salary of about $5,300. And, worse still, he will not be offered an adequate pay incentive to stay on the force. The average city will pay a patrolman only about $1,000 more per year than his $5,300 starting pay after he has been working some 15 or 20 years.

Hampered as they are by lack of adequate resources, the police need help.

The Federal Government, I believe, has a responsibility to provide this help.

Law enforcement has been, and I hope always will be, a local responsibility. As a nation we have preached local law enforcement. And as a nation we have practiced it. The city of New York alone has more law enforcement officers than the Federal Government.

None of us would have it any other way. Our safety and liberty depend on excellence in law enforcement at the local level.

But in a time of crisis the National Government is obliged to lend a helping hand. It must help local law enforcement agencies provide better protection for law abiding citizens. It must help them prepare to mount an effective counterattack against the muggers and thugs, the burglars and rapists, who prowl our cities and plague the innocent. The National Government must help local communities put more policemen on the streets and develop new techniques and tools to deal with crime and violence.

During the past year in Congress, we have been considering several pieces of legislation which would strengthen our national effort against crime.

The most important of this legislation was President Johnson's Safe Streets and Crime Control Act. The programs envisioned in this legislation as it was proposed would have provided a dramatic and badly needed backstop to local police. It would do so, in addition, without infringing upon local responsibility for law enforcement.

The major section of the bill would have provided 90 percent of the cost to States, cities, regional, and metropolitan bodies for developing plans to improve police, courts, and correctional systems and 60 percent of the cost of carrying out these plans. The activities covered by this section could include specialized police training, modernization of equipment, programs for the reorganization of personnel structures, high speed information processing systems and crime prevention programs in schools, colleges, welfare agencies, and other institutions.

Other sections of the bill would have provided 50 percent of the cost of construction of new types of facilities, such as crime laboratories, community correction centers and police academies, and 100 percent of the cost of contracts with public agencies, institutions of higher learning, and other organizations for national and regional research and education projects and for the establishment of institutes to carry out such research.

Under the proposed Safe Streets and Crime Control Act it was proposed that the Federal Government would spend $50 million during the current fiscal year. Next year—fiscal year 1969—grants under the program were to run to $300 million. The President suggested that, in future years, the figure would run even higher.

The infusion of this amount of Federal aid would be a massive shot in the arm for law enforcement. The total bill for police services all over the country has amounted in recent years to only a little over $2.5 billion.

Unfortunately not everyone in Washington is as concerned with crime—or at least with the need to do something about crime—as they might be. The administration crime bill, designed to help the police make our streets safe from muggers, was itself mugged when it came to the House floor.

The mugging was committed by the Republicans aided by a few Southern Democrats. They were the same Republicans, by the way, which have spent much of the session railing about crime in the streets.

When it came time to do something about crime, as the President has proposed, the Republicans equivocated. Where the President's plan offered immediate action to improve law enforcement, the Republicans began to suggest further studies. Where the President asked for funds to beef up local police forces, the Republicans called for research. The President suggested incentives to communities to improve support for local police, but the Republicans could do little better than counsel inaction while the problem was thought over again. The President called for a war on all types of crime, but the Republicans responded by fretting about organized crime—as if no other crime existed.

The muggers were successful in adding several damaging amendments to the bill, renamed the Law Enforcement and Criminal Justice Act. The basic elements of the program, however, survived pretty much intact. The House-passed bill still authorizes Federal funds to help States and municipalities improve, upgrade, and modernize their law enforcement efforts.

If the crime bill was mugged in the House, it has been kidnapped in the Senate. After moving through the House and being sent to the other side of Capitol Hill, the bill disappeared into the Senate Judiciary Committee and has not been heard from since.

It seems that a number of conservative members of that committee are less concerned with an action program to fight crime than they are with using such a program as a vehicle to strip from accused persons several of the protections afforded them under the Bill of Rights.

Their determination to convert the anticrime bill into an anti-Supreme Court bill has blocked action upon this urgently needed legislation.

Just this past Monday, President Johnson noted that statistics indicate a 16-percent increase in crime during the first 9 months of the year. If Congress had acted on this major crime legislation, said President Johnson, "our police and others in the frontline in the fight against crime would be receiving new support which they so desperately need."

While the major anticrime legislation was stalled, three key attacks on crime emerged from the legislative process relatively unscathed and have become law. The Senate ratified the International Convention on Narcotic Drugs, first proposed in 1961, which established an International Narcotics Control Board. Both House and Senate cleared and sent to the President a bill which he requested, creating a Federal Judicial Center in the Administrative Office of the U.S. Courts. The center will undertake analysis, research, and planning to improve the efficiency of the Federal court system. Also enacted into law was legislation strengthening the existing Federal law against interfering with witnesses in Federal investigations.

But other anticrime legislation is still in the process of being considered.

Among the bills which have passed the Senate and are awaiting House action is one providing a statutory grant of immunity from prosecution to witnesses in return for testimony or documents which they were compelled to produce in Federal grand jury or court proceedings.

The House has passed the Juvenile Delinquency Prevention and Control Act, which is pending in the Senate. The bill authorizes a $25 million program of grants to States to assist them in developing juvenile delinquency prevention and control programs.

In citing unfinished business, a very important part of the Law Enforcement and Criminal Justice Act must be mentioned. This is a provision for a $30 million fund for emergency aid to help local law enforcement agencies prevent and control riots and civil disorder. This, as part of the major anticrime bill, is also stalled in the Senate Judiciary Committee.

Two other important pieces of anticrime legislation have not even been taken up by Congress. One bill would control the mail order sale of guns in interstate commerce. The other would unify all Federal correctional agencies within the Department of Justice.

These measures—the Law Enforcement and Criminal Justice Act, Juvenile Delinquency Prevention, gun control legislation and unification of correction agencies—are components of the total attack of crime.

All are urgently needed to brake the Nation's growing crime rate.

Lost time means lost lives; Congressional inaction means more pain and suffering for the victims of lawlessness, along with heavy financial loss in stolen goods and higher insurance rates, for every American.

"JAPANESE-AMERICAN RELATIONS": REPORT OF THE JAPANESE-AMERICAN ASSEMBLY, SEPTEMBER 14–17, 1967, SHIMODA, JAPAN

Mr. BRADEMAS. Mr. Speaker, on September 14, 1967 a number of Members of the House of Representatives and the Senate had the privilege of being members of a group of 76 Americans and Japanese of differing occupations and viewpoints who met in Shimoda, Japan to participate in the Japanese-American Assembly.

This meeting, which was held under the auspices of the American Assembly of Columbia University and the Japan Council for International Understanding, provided an opportunity for 3 days of discussions of a number of major political, economic, military, and social issues between the United States and Japan.

Among the participants in the Japanese-American Assembly were our distinguished colleagues, Senator Edmund S. Muskie, of Maine, and Representatives Jeffery Cohelan, of California, James G. O'Hara of Michigan, Donald Rumsfeld, of Illinois, and Wendell Wyatt, of Oregon.

The distinguished majority leader of the U.S. Senate, the Honorable Mike Mansfield, also delivered a formal address to the Assembly.

Because of the increasing awareness of the importance of our relations with Japan, I am sure that Members of the House and Senate will find useful the final report of the Assembly and I will insert the report along with a list of participants in the Assembly in the Record at the conclusion of my remarks.

I should like, Mr. Speaker, to draw particular attention to one of the recommendations in the Assembly Report; namely, that "steps should be taken to insure a continuous and informal exchange of information, including periodic inter-Parliamentary conferences."

I hope very much, as I know all of my congressional colleagues who attended the Assembly will do, that it will prove possible to establish some system of exchange visits between Members of the U.S. Congress and Members of the Japanese Diet.

The report follows:

Japanese-American Relations

(Report of the Japanese-American Assembly, September 14–17, 1967, Shimoda, Japan)

PREFACE

On September 14, 1967 a group of 76 Japanese and Americans representing various occupations and viewpoints gathered at the Tokyu Hotel, Shimoda, Japan, for The Japanese-American Assembly, under the auspices of The Japan Council for International Understanding and The American Assembly of Columbia University.

During three days of discussion in depth the participants considered a number of political, economic, military and social issues between the two nations. Their discussions were based on two volumes of background readings; one largely by American writers (*The United States and Japan*, ed. Passin, Prentice-Hall, Inc., Englewood Cliffs, N.J.); the second largely by Japanese writers under the supervision of Kinhide Mushakoji and Herbert Passin, to be published in Japan next spring.

The Assembly heard formal addresses by Naka Funada, Chairman of the Security Research Council of the Liberal Democratic Party and former Speaker, Japanese House of Representatives; by Mike Mansfield, United States Senate Majority Leader; and by Masaru Ibuka, President of Sony Corporation.

On the fourth day the participants reviewed, and adopted in plenary session the report contained herein, which had been presented to them after preparation by a drafting committee consisting of: Tokusaburo Kosaka, Clifford Nelson, Kinhide Mushakoji, Herbert Passin, Kazushige Hirasawa, Noboru Kamakura, Robert Scalapino, James Crowley, James Abegglen, Masataka Kohsaka.

The report as drafted in committee endeavored to reflect the views of the entire Assembly rather than those of individual members of the Committee.

Tokusaburo Kosaka,
President, Japan Council for International Understanding.
Clifford C. Nelson,
President, The American Assembly.

Final Report of the Japanese-American Assembly

(At the close of their discussions participants in the Japanese-American Assembly, co-sponsored by the Japan Council for International Understanding and The American Assembly of Columbia University, reviewed the following report in plenary session. However, no one signed the report, and it must be clearly understood that not every participant agreed with every statement that follows.)

The Japanese-American relationship is one of the remarkable achievements of the postwar period. It is based upon a wide congruence of interests and has in general functioned well in the interest of both countries.

Today, however, we are entering a new era in that relationship. This arises from the vast changes that have taken place in the atmosphere of international relations throughout the world over the past years. First, in Asia we have witnessed the emergence into independent statehood of former colonies, the changes of internal regimes in many countries, shifts in blocs and alliances, differential stages in economic development achieved by various countries. Second, new technological advances affect the possibilities of economic development, the relations between states, and the character of security strategy. Third, Japan's remarkable economic development and rising national self confidence are leading it toward a participation in international affairs that corresponds more appropriately to her position in the world. Fourth, the United States is currently discussing and re-examining its international policies.

It is desirable to move further toward the complete liquidation of the unfinished business of the war. The international situation often makes this process slower than we would like. Even in Europe, which is a relatively stable area, not all of the post war problems have been resolved. It is all the more difficult in an Asia that is unstable and in the midst of drastic social, political and military turmoil.

Within the present international context of delicate nuclear balance, complex relations between countries often must be altered slowly, by small increments rather than by drastic jumps. Sudden changes that radically alter the balance of relations between countries are unsettling. They may provoke counter-reactions and anxieties that create new tensions for the future. Patience and wisdom are therefore required. This should not, however, be a pretext for inaction. We all have the obligation to find the proper balance between too much urgency and too much complacency.

The alternation of situations inherited from the past requires a continuing dialogue and imaginative proposals on the part of

Japan and the United States which will give full consideration to the needs, preoccupations, and national interests of each country.

There is sometimes a gap between the level of public attention, awareness, and concern in Japan and the United States. Issues that at a particular time are central in the public concern of one country may be peripheral in the other. This condition is dangerous. It may become a source of tension. We must realize that we cannot reasonably expect identity of views. What we can expect is better understanding of the other's position. This must be achieved by special attentiveness to the concerns of the other country, by more information, and by the greatest possible frankness in discussion and exposition of the respective positions.

The United States and Japan share basically the same objectives of peace and development in Asia as well as throughout the world. There are some conflicts, and also many differences in priority and emphasis. While maintaining the partnership between Japan and the United States, each nation will have its independent policies. These need not jeopardize our broad, mutual interests, provided that both countries make continual efforts to reach full understanding. This is the best course for the future.

The following points deserve consideration—they are not necessarily presented in the order of their importance.

1. Japan and the United States, along with other interested nations, should make the economic development of Asia a major common objective. In addition to cooperative programs, there will be many situations in which the two countries act independently of each other, and situations in which their programs are independent but parallel. Each country should properly concentrate on programs of special interest to itself, and in which it also has special competence. Examples include: intensive wet-rice agriculture, efficient small-scale industry, technical education, tropical medicine, public health, population control, educational development, and electronic communications.

2. We look forward to broader, multilateral frameworks for aid activities in Asia, ranging from regional arrangements to cooperation through the U.N. The growing interest in Pacific, Asian, and Southeast Asian regional cooperation as exemplified in such institutions as the Asian Development Bank and the Asian Broadcasting Union, represents a highly desirable tendency that should be encouraged by both governments and supported by an informed public opinion.

3. It is highly desirable that Japan become a more positive proponent of ideas and a more active participant in programs of the international community, particularly with respect to Asian development. We recognize that routine forms of economic aid are not sufficient to meet the problems of Asia. Japan and the United States should strive to work out a coordinated program of helping the various countries of Asia achieve genuine economic progress by improving their trade position, strengthening the infrastructure of economic and social development, and rapidly acquiring the technology they require for attaining satisfactory economic growth levels.

4. The close relationship between Japan and the United States owes much to their substantial economic interaction. Further expansion of economic relations will be a source of strength in maintaining ties between our countries. We urge that both countries continue to work for elimination of barriers to trade, and we further urge that current restrictions on capital movement between the two countries be eliminated as rapidly as conditions permit.

5. The United States and Japan are both required to give serious thought to the problems of Asian political stability. Clearly, a complex balance of economic, political, and military commitment is currently required—no portion can be omitted. Some differences in policy and in emphasis are, of course, appropriate to the respective conditions of our two countries. But neither isolation nor massive intervention are promising techniques. The Japanese role must be increased, and the American role constantly reformulated in the light of changing needs and circumstances.

6. After considering the possibilities for mutual security arrangements available under present circumstances, it is difficult to find a generally agreed-upon alternative to a Mutual Security Treaty between our two countries at this time. We should not, however, rest content with existing arrangements, and we should continue our careful study of alternative future possibilities.

7. Over the long run, the integration of a peaceful Mainland China into the Asian and the general world community is essential to the stability and peace of Asia and in the interests of Japan and the United States. Although the two countries tend to see the situation differently because of their distinctive historical experiences, geographic position, strategic needs, and immediate problems, their policies must share two basic objectives: dealing with the undesirable features of Mainland China's relations with other parts of the world; and bringing Mainland China into the world community. We consider it desirable that in formulating policy, the necessity of maximizing the flow of peaceful relations with Mainland China should be kept in mind, but the success of such a policy requires that Mainland China also be responsive. We see no objections, but perhaps even some advantages, in the two countries approaching these objectives independently and with different timing.

8. A continuing factor in our deliberations was the situation in Vietnam. In a democratic society—and between democratic societies—it is as important to accommodate differences as to seek consensus. The issue of Vietnam is being strenuously debated in both the United States and Japan. Our differences of opinion mirror those within the two societies. We are united however in the hope that violence can give way to peace, and that the people of both South and North Vietnam will, as soon as possible, be able to develop under political and economic forms of their own choice.

9. The United States should make every effort to overcome whatever obstacles may exist to the speedy return of the Bonin Islands to full Japanese sovereignty.

10. Okinawa should be returned to Japan in the nearest possible future. This must be done with full regard for the requirements of Asian and American security—requirements that must be carefully formulated by mutual agreement between Japan and the United States—and for the legitimacy of Japanese concern about national sovereignty in Okinawa. It is essential that a more definite time-table be established as quickly as possible.

Finally, steps should be taken to insure a continuous and informal exchange of information (including periodic inter-Parliamentary conferences) and that encouragement be given to cultural exchanges of all kinds, including the exchange of students and scholars.

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THE AMERICAN ASSEMBLY

The American Assembly was established by Dwight D. Eisenhower at Columbia University in 1950. It holds non-partisan meetings and publishes authoritative books to illuminate issues of United States policy.

An affiliate of Columbia, with offices in the Graduate School of Business, the Assembly is a national, educational institution incorporated in the State of New York.

The Assembly seeks to provide information, stimulate discussion, and evoke independent conclusions in matters of vital public interest.

American Assembly sessions

At least two national programs are initiated each year. Authorities are retained to write background papers presenting essential data and defining the main issues in each subject.

About 60 men and women representing a broad range of experience, competence, and American leadership meet for several days to discuss the Assembly topic and consider alternatives for national policy.

All Assemblies follow the same procedure. The background papers are sent to participants in advance of the Assembly. The Assembly meets in small groups for four or five lengthy periods. All groups use the same agenda. At the close of these informal sessions participants adopt in plenary session a final report of findings and recommendations.

Regional, state, and local Assemblies are held following the national session at Arden House. Assemblies have also been held in England, Switzerland, Malaysia, Canada, the Caribbean, South America, Japan and the Philippines. Over ninety institutions have co-sponsored one or more Assemblies.

American Assembly books

The background papers for each Assembly program are published in cloth and paperbound editions for use by individuals, libraries, businesses, public agencies, non-governmental organizations, educational institutions, discussion and service groups. In this way the deliberations of Assembly sessions are continued and extended.

Arden House

Home of The American Assembly and scene of the national sessions is Arden House, which was given to Columbia University in 1950 by W. Averell Harriman. E. Roland Harriman joined his brother in contributing toward adaptation of the property for conference purposes. The buildings and surrounding land, known as the Harriman Campus of Columbia University, are 50 miles north of New York City.

Arden House is a distinguished conference center. It is self-supporting and operates throughout the year for use by organizations with educational objectives. The American Assembly is a tenant of this Columbia University facility only during Assembly sessions.

THE JAPAN COUNCIL FOR INTERNATIONAL UNDERSTANDING

(Marunouchi Building, Tokyo)

The Japan Council for International Understanding was founded in 1962 by Japanese business and civic leaders. Its purpose is to stimulate research and discussion on international issues.

The Japan Council endeavors through regular contacts with foreign organizations of a similar nature to maintain a flow of information between Japan and other free nations on an unofficial basis.

Through the efforts of the Japan Council, Japanese leaders from many fields of specialization are afforded an opportunity to candidly exchange views with leaders of other countries in informal settings.

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THE FIRST SESSION OF THE 90TH CONGRESS

The SPEAKER. Under a previous order of the House, the gentleman from Ohio [Mr. VANIK], is recognized for 15 minutes.

Mr. VANIK. Mr. Speaker, the first session of the 90th Congress has dealt more aggressively with current problems than most of its predecessors. The House met 191 days and the rollcall was taken over 450 times. Never before has the voting record of a Member of Congress been so squarely on the record.

Legislative solutions were not easy since the administration lost working control in the 1966 elections. Its capacity to pass important legislative programs was hampered by considerable opposition. The result was prolonged debate and extended conferences in order to find legislative solutions.

FOREIGN AFFAIRS

The cloud of the Vietnam conflict was gravely suspended over all actions of this Congress. The mounting casualties and the tremendous financial burden exceeding $2 billion a month disrupted the economic life of the country and set in motion inflationary forces. The administration endeavored to pursue firm policies in Southeast Asia without exercising wage and price controls.

Congress deplores the fact of war and hopes that the administration will pursue a policy that will bring it to an early conclusion. However, more of the military burden must be shifted to the Government of South Vietnam. It is my hope that our position in Southeast Asia has been sufficiently strengthened to permit our forces to operate without exposure to enemy fire so that we can rebuild the economy of the country and reestablish the faith of the Vietnamese people in successful democratic government.

ECONOMIC POLICY

On the homefront the economic life of the country would be strong except for the mounting costs of our efforts in South Vietnam. When this expenditure is added to the total defense budget of some $72 billion, it is quite obvious that the civilian functions of the Government are operating rationally and with restraint. Large-scale spending programs are being curtailed and public construction is being deferred.

The gross national product, personal income, and savings have risen beyond all expectations. While there are less than 3,000,000 people unemployed, we cannot overlook the fact that over 75,000,000 Americans are working, and receiving a paycheck every week with which to support their families.

TAXES

The appalling Federal debt of almost $345 billion is of grave concern to every

American citizen. As a member of the Ways and Means Committee, I wrestled many times with the administration's request for an increase in the surtax, in order to bring Federal revenue in line with Federal spending. When the President first advised us of this year's deficit, which he estimated at $29 billion, he proposed that we meet the deficit one quarter by reduced expenditures, one quarter by increased taxes, and the remainder by borrowing. During the course of the session, the President was unable to produce spending cuts to the degree he promised and our committee refused to act on the tax proposal.

It is my position that we should not move in the direction of a tax increase until we have an opportunity to review the 1969 fiscal budget and the economic report which will be available in the next 30 days. With higher local income taxes, sales taxes, and property taxes, the citizen should not be overwhelmed with new taxes if they can be avoided. A Federal tax increase could result in less Federal revenue by slowing consumer demand and stifling expansion.

During the discussions on the surtax proposal, I argued that the required revenues could be acquired through tax reform by closing tax loopholes, such as capital gains at death, the oil depletion allowance, and tax-free bonds. Tax justice must be preserved in America. The quality of a civilization can always be determined by its achievement of tax equality.

SOCIAL SECURITY

After almost a full year of deliberation involving 64 executive sessions of the Ways and Means Committee of which I am a member, and the work of the Senate and House conferees, a social security increase was finally agreed upon which provides for a 13-percent increase in social security benefits across the board and an increase in minimum benefits from $40 to $55. The increased benefits will be financed by utilizing the social security trust fund surplus and increasing the taxable base from $6,600 to $7,800. The amount of outside earnings a person can receive without a reduction in social security benefits was raised from $1,500 to $1,680.

The Congress added my amendment to the medicare law permitting a medicare patient to submit an unpaid doctor's bill for his medicare entitlement. Under the old law, the patient had to first pay the bill and then apply for his medicare benefits.

The increased benefits will flow in checks beginning in March 1968 since it requires almost 60 days to change over to the new monthly benefit schedule. The 1967 amendments will pay out an additional $3.4 billion to 24 million people during the first year of operation.

Although the resulting bill falls far short of the President's original recommendation, it does represent a noteworthy effort to bring retirement benefits in line with the spiraling cost of living. The extension of disability insurance to totally disabled persons over 31 years of age provides an additional element of coverage to the younger worker in the event of his total disability in addition to coverage for his young family in the event of his total impairment or death.

AID TO THE NEEDY

The social security bill constitutes the primary antipoverty legislation in America in providing financial resources on a regular basis to the elderly. However, an effort was made to curtail the threat of multiplying costs in the welfare program by providing a ceiling limitation on those eligible. Under the new law, the States must begin work training programs for welfare recipients—providing an incentive to the recipient to move from welfare to a job.

I vigorously opposed efforts to freeze the number of children who could be included in the aid-to-dependent-children program on the basis that expenditure ceilings cannot fulfill our commitment to the needy. If the freeze on eligibility develops into a special hardship for Ohio, I will endeavor to see that the law is changed in the 1968 session of Congress.

It is preposterous to suppose that we can meet our obligation to the dependent children of America simply by saying that there can be no new dependent children or that dependent children in excess of those already on the rolls could not receive the benefit of the program. The need of the dependent child is not related to population, census, or percentage-of-increase factors. One dependent child stands equally entitled as any other regardless of where he is born or where he lives. His needs are not lessened in any way because his state of residence may sustain an increment in the welfare problem that is not covered by the law.

ANTIPOVERTY AMENDMENT

After a full year's haggling, Congress continued the antipoverty program. This program had a tremendous impact on Cleveland this year. It provided 6,000 Neighborhood Youth Corps job opportunities. The summer camp program provided 2,900 youngsters with their first camping experience. The tremendously successful Summer Arts Festival and the unique summer camp program provided a national example of what can be done when a community pulls together.

During the late spring, I endeavored to secure the use of Camp Perry for the development of a summer camp for underprivileged city children. My hope was that this utilization of the camp could be worked in along with the National Rifle Matches. Now that the Army's participation in the rifle matches has been canceled, it is my hope that the State of Ohio will expand the utilization of this facility to include opportunities for children.

When those who can work in a community are provided with training opportunities which actually lead to employment, and when young people are led through character-guiding experiences like the Neighborhood Youth Corps, and when the younger children are involved in a summer camp or summer arts festival, the streets and the neighborhoods become peaceful and safe arteries of progress.

VETERANS' AFFAIRS

This Congress provided an average cost-of-living increase of 5.4 percent for all veterans, their widows and children, and a substantially greater increase—approximately 8.5 percent—for widows and widows with children in the lowest income categories.

In addition, the law granted GI benefits to veterans of South Vietnam, including educational allowances and training. The Congress also increased the rate of non-service-connected pensions for 1,170,743 pensioners who receive their pension benefit in addition to social security.

CONSUMER AFFAIRS

During the course of this session of Congress, I vigorously pursued many consumer causes. Many times I spoke out on problems of automobile warranty, truth-in-packaging, and unjustified price increases. The constant struggle against inflation demands that national attention be directed toward arbitrary and unjustifiable price increases.

Although the truth-in-packaging legislation was passed over a year ago, I was shocked to learn that most manufacturers of packaged goods were still selling these foods in containers designed to confuse the consumer. While the industry was bantering about for regulations, no substantial effort has been made to bring about uniformity and fairplay in container sizes.

In this session, I vigorously supported stringent meat inspection proposals. In addition, I urged the establishment of meat quality control, so that the consumer can be protected through some form of labeling on meat quality. Without meat quality standards, the consumer is at the mercy of the wrapped package of meat. Like the buyer of the candy store "grab bag," he does not know whether his meat purchase is prime, choice, commercial, or just plain "utility." If the Government can establish acceptable food standards for potatoes, eggs, tomatoes, and oranges, there is no reason why all meat should not be classified, so that the consumer can compare quality with price.

Interest and credit is one of the most vital consumer commodities. During the past several years, interest rates have risen beyond all justification and reason. People who buy homes today are compelled to pay interest rates of 6½ percent and more, in addition to paying a premium to the institution which provides the loan. Interest rates have risen on automobiles and all consumer items as a result of the "interest squeeze." I am serving on the steering committee of the House of Representatives dealing with this issue and hope that we can bring pressure upon our Federal financial institutions to insure that the interest rate spiral does not ruin the American consumer.

CONCLUSION

Since 1968 will be a national campaign year, it is doubtful that the legislative production will match the achievements of the first session. In keeping with our political system, the next session will be one of review, debate, and analysis. The legislative goals of the administration are on the record and must face the test of public reaction.

I continue to be impressed with the steady and progressive development of Federal legislation—from efforts to preserve democracy to efforts to insure clean and wholesome food, air, and water.

I am always pleased with the growing number of Cleveland visitors to the Washington scene. The Parma school system sends the largest delegations in America in a well-organized effort to familiarize young people with the workings of the Government.

My Cleveland office at 107 Federal Building provides me with a source of invaluable public reaction to legislative programs and administrative procedures. In addition to solving some problems, these visits provide me with valuable ammunition for the legislative session ahead. As frequently as possible, I expect to be in my Cleveland office. Please feel free to drop in or telephone 522–4252. Do not hesitate to tell me how our Government can do a better job for you.

FARM LABOR

The SPEAKER. Under a previous order of the House, the gentleman from California Mr. [COHELAN], is recognized for 15 minutes.

Mr. COHELAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter and tables.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. COHELAN. Mr. Speaker, every Member of the Congress is keenly aware of the farm-labor controversy that erupted in the United States—especially in California—3 years ago with the end of Public Law 78 which allowed the importation of temporary farm labor, including braceros.

At that time, and for a long time afterward, we heard an avalanche of protest that American agriculture would collapse without the use of foreign workers.

Stridently and repeatedly, a misguided few harped that crops would rot in the field without imported workers because Americans would not do the job. Americans, they cried, will not do "stoop labor."

If an observer of American agriculture returned today from a 3-year journey into outerspace, he would find a mountain of evidence that these prophesies of gloom and doom never materialized.

Indeed, this returning space traveler could quickly see the historic progress made since 1964 toward pushing agriculture in line with other industries—toward the mainstream of our economic life.

The record made in agriculture since Congress' wise decision to end the infamous bracero program clearly shows that American farmers can get along very well by employing only American workers.

In 1967, net farm income registered $14.8 billion—up $2.7 billion over 1964, the last year of the mass importation of foreign agricultural workers.

For the most part, production of farm items between 1964 and 1967 has either remained the same or has shown from moderate to large increases.

Significantly, production of a good many crops that employed large numbers of foreign workers in 1964 has climbed in the 3 years since the bracero program was terminated.

Between 1964 and 1967, for example—

Production of cucumbers for processing has increased by 156,000 tons to 578,000 tons.

Production of tomatoes for processing has increased by 446,000 tons to 5,092,000 tons.

Production of lettuce has increased by more than 3.6 million hundredweight to 42,310,000 hundredweight.

Production of potatoes has increased by more than 60 million hundredweight to 303,160,000 hundredweight.

Production of oranges have increased by more than 59 million boxes to 180.3 million boxes.

Production of grapefruit has increased by more than 10.4 million boxes to 51.5 million boxes.

Production of lemons has increased by more than 2.8 million boxes to 17.5 million boxes.

It is a great moral, economic, and historic importance that domestic workers in 1967 shouldered the lion's share of bringing in the crops that wind up on all of our tables.

Their performance this year—as well as in 1965 and 1966—explodes forever the illusion dreamed up by a devious few that Americans will not or cannot perform agricultural work.

I say emphatically: There is absolutely no rationale for allowing a single foreign agricultural worker to enter the country as long as there are able-bodied residents of this country to do the same work.

In 1964, about 200,000 foreign workers were admitted into the United States for temporary agricultural employment in 29 States. In fact, the number admitted had dwindled to only 24,000 in 11 States.

Eighteen States, which employed between a handful and more than 15,000 foreign workers at peak time in 1964, did not use a single alien fieldhand in 1967.

My State of California, by far the largest employer of foreign agricultural labor, used only 6,100 of these workers at season's peak in 1967, compared with a staggering 63,900 in 1964.

And seven major crops that employed as many as 18,000 foreign workers at peak times in 1964 did not use a single one in 1967.

Clearly, the drastic reduction in the number of foreigners imported for farm work has led to a more favorable job situation for domestic workers. This happened even though the long-term decline in farm employment continues. Mechanization is a major factor in the decline.

One of the best known hoaxes exposed in agriculture during the past 3 years was that Americans will not perform so-called stoop labor. Anyone familiar with the traditionally low wage structure in American agriculture knows quite well that our people will not do stoop labor for stoop wages. The pasture—and the pay—is greener elsewhere.

Yet, since 1964, Americans have been stooping and reaching in the fields, vineyards and orchards of this vast country, because, for the most part, they were being paid better wages and they were being treated more as human beings than as beasts of burden that serve only the profitmaking schemes of others.

Between 1964 and 1967, I am delighted to say, average hourly farm wage rates for the Nation as a whole pushed up from $1.08 to $1.33—a rise of 23 percent. In contrast, the hourly earnings of factory workers rose by only 11 percent. However, the agricultural worker, despite this sizable gain, still earns nearly a dollar and a half per hour less than his fellow American working in manufacturing.

There has been substantial progress on the wage front, then, but there is still a long distance to travel in order to bring the wages of farmworkers more equitably in line with those of employees in other industries.

Those employers who have made a conscious effort to make farm employment more attractive to American workers—through higher wages, improved housing, and more positive efforts to recruit and hold workers—have experienced far less difficulty in the changeover from topheavy reliance on foreign workers. The generally higher wage rates reflect in part, I believe, an increased recognition by farm employers that they must take affirmative action to get and hold U.S. workers.

In California and Florida, employers in the citrus industry, for instance, have redesigned their rate structures to yield higher earnings—averaging better than $2 an hour in 1967—and have taken necessary steps to make employment more attractive for domestic workers. As a result, the California citrus crop has been harvested without the use of foreign workers since early 1965 and the Florida crop has been harvested with very small number of aliens for brief periods in the past two seasons.

The pickle industry in Michigan offers another good example of an improved work climate. During the bracero period, the pickle harvest was accomplished almost exclusively by foreign workers. Truly "stoop" labor, this work was shunned by American workers mainly because the earnings, based on a complex system of grading the size to determine the crop value, averaged less than $1 an hour.

But times have changed. Since 1964, the crop has been harvested exclusively by domestic workers. The stooping nature of the work has not changed, but the method of paying workers has. Most workers now pick by the pail without regard to grade or size and, as a result, can earn $2 or more an hour. At such earnings, American workers have shown a willingness to perform stoop labor.

Contrary to what has been said by a small group driven by self-interest, the higher wages being paid to domestic workers have not led to burdensome expenses for farmers. Quite the opposite.

cost of hired labor as a proportion of total farm production expenditures has actually declined since 1964. In 1964, hired labor represented 14 percent of total farm production expenses. In 1966, it represented only 12 percent. In fact, the cost of hired labor, in actual dollars, 802,000 in 1966.

But too many agricultural employers have not seen the light. They are doing little, if anything, to make employment appealing enough to draw domestic workers.

Consequently, there are still crops where foreign workers are used every year. This does not have to happen. Steps can be taken by the employer to attract Americans. The sugar cane industry in Florida is noteworthy in this negligence. Cane cutting, where the use of foreign workers is greatest, is dirty, dangerous, and unhealthy. Moreover, it is relatively low-paying work. It is therefore hardly surprising that our own workers would turn their backs on this work and leave it to West Indians, who will work for less pay.

Other farm employers have also been negligent in their efforts to attract American workers. This includes growers of cannery tomatoes in California, who still insist they must have braceros despite the fact that about 80 percent of the crop is harvested by machines; it includes growers of potatoes in Maine, who continue to rely strongly on Canadians, and it includes applegrowers in nine east coast States, who find it necessary to import foreign workers to help harvest their crops.

It would be easy to understand the desire of these growers to import foreign workers if there was a shortage of domestic field hands. But this is not the case. In fact, there is very convincing evidence that there is a large pool of people available for farmwork in the United States. Every year, it is estimated that more than 800,000 people migrate from rural to urban areas.

Another 2¾ million people, all residents of the United States, engaged in some farmwork for pay in 1966, the U.S. Department of Agriculture reports. Significantly, about 350,000 of these individuals were willing to travel from their homes to work on the Nation's farms.

Yet, in the face of this overwhelming evidence that American workers are available for farmwork in sufficient numbers, applegrowers in Vermont had to use 150 foreign workers to harvest their crops in 1967 because they say they could not find enough domestic workers. And, in Rhode Island, 50 foreign workers had to be used to harvest apples and potatoes.

Honestly, it just does not seem reasonable for anyone to insist that this small number of workers could not be found among the 2¾ million persons who worked in agriculture in or among the nearly 3 million Americans who are actively seeking jobs but cannot find them today.

This leads to a related problem—the alien commuter problem. Some aliens, under the rules and regulations of the Immigration and Naturalization Service, are permitted to live in Mexico or Canada and commute to jobs in the United States. Although their legal status is different from that of temporary foreign farmworkers, their adverse impact on domestic workers is no less pervasive.

These alien commuters increase the supply of labor in our border areas. The resulting surplus of workers lessens the competition among employers for labor, depresses wage rates, and tends to push up unemployment. On the Mexican border, this problem is especially acute, because increasing mechanization in agriculture has dimmed the employment picture for U.S. residents. These Americans face intense competition for jobs even without the commuters.

Furthermore, in addition to the competition they pose, alien commuters are often willing to accept substandard working conditions. As a result, employers make little or no effort to improve wages and working conditions as long as this surplus of labor is available.

I do not believe any Member of this Congress or any fairminded American thinks that aliens should be permitted to live abroad and work in the United States under conditions that hinder our own resident workers. Whether it be by Federal administrative action or by legislative action, I think fair and reasonable criteria should be established to limit the admission of alien commuters so that they no longer have an adverse effect on American workers in agriculture.

Our Nation will soon be entering the seventh year of the most fantastic economic expansion in its history. This unprecedented boom has brought prosperity to the overwhelming majority of our people. It has pushed employment, wages and business profits to new heights as unemployment has moved downward.

Yet our journey to these new heights has been marred by the fact that too many fellow citizens have been passed by. Among those left furthest behind are the country's farmworkers—the men and women who toil so that we may have fruits and vegetables at our table. There has been progress for these hard-working citizens, but not nearly enough.

I urge every Member of this Congress to do everything within his or her power to insure that American farmworkers are treated just like workers in other industries have been treated for a long, long time now. All farmworkers must be protected by laws regarding collective bargaining, workmen's compensation, unemployment insurance, health and sanitation, and minimum wages. Let us insist that they receive this protection.

CURRENT FARM PRODUCTION EXPENSES, 1964 AND 1966

[Dollar amounts in millions]

Item	1964		1966	
	Amount	Percent of total	Amount	Percent of total
Total	20,657	100	23,206	100
Hired labor	2,848	14	2,802	12
Feed purchased	5,700	27	6,345	27
Livestock purchased	2,417	12	3,514	15
Seed purchased	565	3	621	3
Fertilizer and lime	1,688	8	1,901	8
Repairs and operation of capital items	3,929	19	4,185	18
Miscellaneous	3,510	17	3,838	17

Source: Farm Income, U.S. Department of Labor.

GROSS AND NET INCOME FROM FARMING, SEASONALLY ADJUSTED AT ANNUAL RATES [1] 1964 AND 1967

[In billions of dollars]

	1964	1967
Cash receipts from farm marketings	37.0	42.6
Nonmoney income and Government payments	5.2	6.6
Realized gross farm income	42.2	49.2
Farm production expenses	29.3	34.4
Farm operators' realized net income	12.9	14.8
Net change in farm inventories	−.8	0
Farm operators' total net income	12.1	14.8

[1] Based on average in first three quarters.

Source: Farm Income, U.S. Department of Agriculture.

ACREAGE AND PRODUCTION IN MAJOR CROPS EMPLOYING LARGE NUMBERS OF FOREIGN WORKERS IN 1964

[Harvested acreage in thousands of acres]

	Harvested acreage		Production		
	1964	1967 [1]	Units	1964	1967 [1]
Cucumbers for processing	111	151	1,000 tons	422	578
Tomatoes for processing	268	325	do	4,546	5,092
California	143	180		3,003	3,150
Strawberries	87	67	1,000,000 pounds	549	475
California	9	8		229	208
Lettuce	213	221	1,000 hundredweight.	38,624	42,310
Asparagus	147	129	do	3,425	3,040
Sugar beets	1,398	1,153	1,000 tons	23,184	19,398
Sugarcane	686	623	do	25,179	26,321
Florida	226	197	do	7,119	6,336
Potatoes	1,307	1,461	1,000 hundredweight	242,869	303,160
Maine	145	163		39,874	38,631
Apples			1,000 bushels	140,345	120,650
New England				8,310	8,180
New York				22,500	22,500
Virginia-West Virginia				15,100	12,600
Grapes			1,000 tons	3,505	3,092
California				3,165	2,750
Oranges			1,000 boxes	[2] 121,108	[3] 180,300
California				31,600	33,000
Florida				86,200	142,400
Grapefruit			do	[2] 41,030	[3] 51,500
Florida				31,900	39,500
Lemons			do	[2] 14,610	[3] 17,500
California				13,500	15,000
Arizona				1,110	2,500

[1] Most of the acreage and production figures for 1967 are preliminary.
[2] Production figures are for the harvest which began in 1964 and was completed in 1965.
[3] Production figures are for the harvest which began in 1966 and was completed in 1967.

AVERAGE EMPLOYMENT OF SEASONAL HIRED WORKERS, UNITED STATES AND SELECTED STATES, JANUARY–NOVEMBER 1964 AND 1967

State	Total [1]		Domestic [1]		Foreign [1]	
	1964	1967	1964	1967	1964	1967
United States	739.1	617.8	684.5	613.4	54.6	4.4
California	134.4	117.3	104.8	116.7	29.6	.6
Florida	49.9	52.3	43.8	49.2	6.1	3.1
Texas	120.0	96.4	112.9	96.4	7.1	0

[1] Thousands of workers.

NUMBER OF FOREIGN WORKERS ADMITTED FOR TEMPORARY EMPLOYMENT IN U.S. AGRICULTURE, BY NATIONALITY, 1964 AND 1967

	1964	1967
Total	200,022	23,975
Mexican	177,736	6,125
British West Indian	14,361	[1] 14,000
Canadian	7,900	3,850
Japanese and Filipino	25	0

[1] Admissions total for January–October plus estimate for November and December, based on admissions in last 2 months of 1966.

II. PEAK EMPLOYMENT OF FOREIGN WORKERS, BY MAJOR CROP,[1] 1964 AND 1967

Crop	Number of foreign workers at peak		Percent of total seasonal employment on same date	
	1964	1967	1964	1967
All crops	92,800	12,500	9	2
Vegetables:				
Tomatoes	39,200	5,900	39	7
Cucumbers	18,800	0	50	0
Lettuce	9,500	0	66	0
Potatoes	4,600	2,800	10	3
Asparagus	4,200	0	20	0
Fruits, berries, and melons:				
Strawberries	10,500	0	14	0
Citrus	8,600	2,800	28	8
Melons	4,200	0	28	0
Apples	2,700	3,300	3	4
Grapes	2,500	0	6	0
Field crops:				
Cotton	12,400	0	6	0
Sugar beets	12,100	0	20	0
Sugarcane (Florida only)	9,500	([2])	83	([2])

[1] Crops listed are those in which over 2,500 foreign workers were employed. Smaller numbers of foreign workers were employed in more than a dozen other crops in 1964, and 2 other crops (brussel sprouts and peppers) in 1967.

[2] Peak will probably be in late December and is estimated to be approximately 9,000 foreign workers, 90 percent of total seasonal employment at that time.

I. PEAK NUMBER OF FOREIGN WORKERS EMPLOYED, BY STATE, 1964 AND 1967

State	1964	1967
California	63,900	6,100
Texas	15,600	0
Florida	13,300	9,000
Michigan	12,800	0
Arizona	7,200	0
Maine	7,000	3,200
Colorado	6,000	0
Arkansas	4,000	0
Nebraska	1,800	0
Montana	1,700	0
Connecticut	1,400	100
Wyoming	1,400	0
New Mexico	1,300	0
Virginia	1,000	650
Massachusetts	900	350
New Jersey	800	0
Wisconsin	700	0
New York	500	900
Utah	500	0
New Hampshire	400	350
West Virginia	400	350
Indiana	300	0
Kansas	300	0
Louisiana	300	0
Oregon	200	0
Rhode Island	100	50
Vermont	100	150
South Dakota	50	0
Minnesota	10	0
United States	92,800	12,500
Number of States	29	11

Note: U.S. peak is maximum number employed at any one time during year in United States as a whole, not sum of State peaks.

AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING, UNITED STATES AND SELECTED STATES, 1964 AND 1967

	1964	1967 [1]	Percent increase
United States	$2.53	$2.82	11
Arizona	2.72	2.91	7
Arkansas	1.71	1.99	16
California*	2.96	3.27	10
Colorado	2.74	2.98	9
Connecticut*	2.62	2.90	11
Florida*	2.11	2.36	12
Indiana	2.81	3.10	7
Kansas	2.65	2.80	6
Louisiana	2.49	2.72	9
Maine*	2.00	2.25	13
Massachusetts*	2.37	2.68	13
Michigan	3.17	3.45	9
Minnesota	2.64	2.90	10
Montana	2.71	3.05	13
Nebraska	2.36	2.59	10
New Hampshire*	2.00	2.24	12
New Jersey	2.67	2.92	9
New Mexico	2.29	2.41	6
New York*	2.60	2.87	10
Oregon	2.85	3.12	9
Rhode Island*	2.11	2.37	12
South Dakota	2.34	2.55	9
Texas	2.42	2.65	10
Utah	2.77	3.02	9
Vermont*	2.08	2.41	16
Virginia*	2.15	2.27	6
West Virginia*	2.67	2.87	7
Wisconsin	2.66	2.97	12
Wyoming	2.82	3.13	11

[1] 1967 estimated on basis of trend for first 3 quarters of year.

* Denotes States in which foreign workers were employed in 1967.

Source: Bureau of Labor Statistics.

AVERAGE HOURLY FARM WAGE RATES WITHOUT BOARD OR ROOM, UNITED STATES AND SELECTED STATES, 1964 AND 1967

	1964	1967 [1]	Percent increase
United States	$1.08	$1.33	23
Arizona	1.06	1.25	18
Arkansas	.84	1.10	33
California [2]	1.35	1.57	16
Colorado	1.22	1.36	11
Connecticut [2]	1.40	1.62	16
Florida [2]	.94	1.11	18
Indiana	1.16	1.35	16
Kansas	1.23	1.35	10
Louisiana	.74	1.00	35
Maine [2]	1.20	1.42	18
Massachusetts [2]	1.33	1.59	20
Michigan	1.13	1.38	22
Minnesota	1.19	1.34	13
Montana	1.21	1.38	14
Nebraska	1.21	1.35	11
New Hampshire [2]	1.26	1.47	17
New Jersey	1.25	1.49	19
New Mexico	.92	1.09	18
New York [2]	1.23	1.40	14
Oregon	1.32	1.46	11
Rhode Island [2]	1.39	1.60	15
South Dakota	1.13	1.25	11
Texas	.91	1.10	21
Utah	1.34	1.42	6
Vermont [2]	1.25	1.48	18
Virginia [2]	.89	1.09	22
West Virginia [2]	.83	.98	18
Wisconsin	1.21	1.37	13
Wyoming	1.20	1.34	12

[1] 1967 estimated on basis of data through Oct. 1, 1967.

[2] Denotes States in which foreign workers were employed in 1967.

Source: U.S. Department of Agriculture.

INDIAN CLAIMS COMMISSION NOMINEES

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, on Monday, December 4, 1967, President Johnson sent to the other body the nominations of three individuals to be Commissioners of the Indian Claims Commission. The nominees are Jerome K. Kuykendall, John T. Vance, and Richard W. Yarborough.

The act of April 10, 1967, Public Law 90-9, as enacted by this first session of the 90th Congress, increased the number of Indian Claims Commissioners from three to five. The purpose and need of this action by the Congress is well documented in the House and Senate reports and a conference report. However, the President and his advisers have neglected to read these reports and the legislative history in view of the nominations made for the newly created positions as Commissioner of the Indian Claims Commission.

But, as has become traditional in most of the present administration appointments, the duties and responsibilities of performance bear no relationship to qualifications. As is characteristic of the Johnson appointments, the question of political indebtedness again arises in the nomination of these three individuals. But the real question is why did the President overlook the qualified lawyers presently serving the Indian Claims Commission? And, why was the President not persuasive enough to enlist one of the prominent Indian trial lawyers to accept an appointment as Commissioner of the Indian Claims Commission?

The work of the Indian Claims Commission is not a political policymaking body. It is a quasi-judicial body—a legislative court and an arm of the Congress. The work of this Commission involves Indian claims cases, a highly specialized field. Only a few lawyers have experience in Indian claims litigation and past experience, I am told, shows that it takes 2 to 4 years of study and exposure to Indian claims adjudication for the average lawyer to become effective.

Notwithstanding past experience and minimum prerequisites, the President in his recent nominations to fill the newly created positions of Commissioners failed to consider the 10 lawyers who serve as assistants to the present Commissioners and serve the Commission as a whole. The prudent use of such experience would bring about the basic congressional intent of Public Law 90-9, for these men already have a basic understanding of the problems, et cetera, involved in the litigation of Indian claims.

Now, let us look at the qualifications of the Presidential nominees.

Mr. Jerome K. Kuykendall is 60 years of age. He is a lawyer and former Chairman of the Federal Power Commission. Mr. Kuykendall's personal history statement indicates no experience in Indian claims and litigation. Apart from being a lawyer in good standing before the bar, Mr. Kuykendall has no known expertise regarding Indians and Indian claims to qualify him to serve as Commissioner of the Indian Claims Commission.

Mr. John Thomas Vance is 46 years old, is a lawyer and member in good standing of the Montana Bar Association and a pilot. Mr. Vance has served as deputy county attorney for Missoula County, Mont.; counsel to the Montana Trade Commission; city attorney of Helena, Mont.; a visiting associate professor of law; elected commissioner of public safety in Missoula, Mont. Mr. Vance served in World War II as commander of the Montana Wing, Civil Air Patrol.

While Mr. Vance has been in public life as Mr. Kuykendall, his personal history statement indicates no experience or expertise in Indian matters, claims, and litigation.

The personal history statement of Mr. Richard W. Yarborough contains a total of 25 lines of biographical information. A total of 15 lines describe Mr. Yarborough's residence, family and marital status, education, and military service. A total of 10 lines explains his imminent qualifications involving Indian claims and litigation such as are involved in the general civil practice of law for the period of 1 year, serving as legislative assistant to the Honorable RALPH W. YARBOROUGH, and membership in the Texas, Federal, and U.S. Supreme Court Bar Associations.

Mr. Speaker, I shall be willing to give these individuals the benefit of the doubt which surrounds their nomination. I ask that my colleagues be more acutely aware of their legislative responsibility when creating new positions for Presidential nomination. On April 10, 1972, we shall be able to determine if the legislative intent of the Congress has been fulfilled by the enactment of Public Law 90-9.

CALAMITY HITS COTTON FARMER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. GATHINGS] is recognized for 30 minutes.

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter and tables.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. GATHINGS. Mr. Speaker, a calamity of major proportions has hit the cotton farmer from the Carolinas to north Texas. Farmers who usually produce a bale to a bale and two-thirds to the acre of cotton have only harvested one fourth to one-half a bale in 1967.

The 1966 year was the worst year for the cotton farmer in certain parts of the belt that has existed for many crop years past.

Some say that 1966 was the worst in yield per acre since the drought year of 1930. The 1967 cotton yields were much less than 1966 making 2 years in a row of crop failures in the Midsouth area. The income derived from cotton production in the disaster affected areas has been reduced to such a large degree that these producers cannot pay their crop production loans and annual payments due on their farm implements or machinery accounts. These farmers, in addition, are faced with heavy open accounts and other debts including repair parts, fertilizer, seed purchases, and actual living expenses.

Cotton requires a long growing season with warm nights during the summer months to obtain the best results in yield. Both 1966 and 1967 were almost unprecedented in unseasonable conditions. During the spring planting season excessive rainfall was a serious deterrent. The result of these downpours washed out cotton that had been planted requiring a second and third planting. This greatly added to the cost of the farm operation. In many instances in the adversely affected areas the farmer did not obtain a good stand of cotton even after planting the second and third time. The summer months were much cooler than usual in the northern portion of the cotton-growing areas. After these two setbacks these farmers still had hoped that the cotton bolls would mature before frost and the freezing temperatures arrived. During both 1966 and 1967 early freezes occurred which stopped the growth of the cotton bolls, causing them to rot on the stalks, the result being that the farmer's income from cotton had been cut back by as much as three-fourths of what he would have ordinarily received for his cotton and cottonseed.

A hearing was held before the Cotton Subcommittee of the House Commitee on Agriculture, which I am privileged to serve as chairman, on November 21, 1967, in which Mr. Jack Frost, Director of the Emergency Loan Division of the Farmers Home Administration, Department of Agriculture, and Mr. Clarence Cowles, Director of the Office of Disaster Loans, Small Business Administration, as well as Mr. William Strickland, Deputy Director of the Office of Business Loans, Small Business Administration, appeared and testified as to the programs that are now available for disaster-ridden farmers and all types of business operations where disasters occurred.

The cotton ginner is the hardest hit businessman in the cotton area during these most devastating years of 1966 and 1967. The Department of Agriculture and the Small Business Administration were most cooperative and helpful, as they have been over the years in aiding farm people and farm communities. Both the Farmers Home Administration and Small Business Administration advised our subcommittee that they would issue releases showing the programs that are available. This has been done and extensive coverage was made of these releases. Our farmers and business interests fear that due to the severity of the crop production losses and resultant small incomes derived from cotton operations with two crop failures in a row, additional repayment time is required and badly needed for the farmer to recoup his losses and be able to continue in possession of his implements and machinery and carry on his farming operations in 1968. At least 3 years would be required to liquidate his indebtedness.

I have, along with many of my colleagues, introduced a bill H.R. 14339, which is as follows:

H.R. 14339

A bill to amend the Consolidated Farmers Home Administration Act of 1961, as amended, in order to provide additional loan assistance under such Act to farmers who have suffered severe production losses as the result of national disaster

Be it enacted by The Senate and House of Representatives of the United States of

America in Congress assembled, That section 324 of the Consolidated Farmers Home Administration Act of 1961, as amended, is amended by adding at the end thereof a new sentence as follows: "Notwithstanding any other provision of this Act, whenever a loan is made under this subtitle to any farmer who has suffered severe production losses as the result of a natural disaster (1) the amount of such loan shall be an amount sufficient to reasonably insure the continued operation of the farm for the repayment period of such loan, plus such amount as may be necessary to pay those debt obligations of the farmer which the Secretary determines the farmer could have been reasonably expected to pay, in whole or in substantial part, out of proceeds which the farmer would have realized from the sale of the crop which was destroyed as the result of the natural disaster, and (2) the minimum repayment period for any such loan shall be three years unless the farmer requests a shorter repayment period."

This legislation is a companion bill of one that was introduced in the Senate by several Senators who represent cotton crop failure States.

In communities where cotton is the principal crop the income derived from cotton is most vital and essential to the well-being of the community and general area. This legislation provides for loans over a 3-year period of time to make available to the farmer the funds he would have derived had he been privileged to produce a usual average yield without disaster losses, which were the result of an act of God.

The farmers do not seek alms, the dole or relief handouts. They only ask from their Government the right to continue in the business of farming by and through a 3-year loan. Mr. Jack Frost of the Farmers Home Administration advised the subcommittee that approximately 95 percent of emergency loans have been repaid with interest. These 3-year loans, too, will be paid back in the same manner.

Let us take a look at what has actually happened in cotton producing areas in the First Congressional District of Arkansas, which is only a small part of the adversely affected territory.

Mr. R. J. McKinnon, a businessman of Manila, Ark., and chairman of the Manila Chamber of Commerce and Retail Merchandising Division, sent me some authentic examples of the disaster that has befallen farmers in western Mississippi County, Ark. These are typical yield losses suffered by outstanding cotton farmers:

FARMER W

	Bales per acre
1965: 175 acres planted, yielded 275 bales	1.57
1966: 175 acres planted, yielded 120 bales	.68
1967: 154 acres planted, yielded 37 bales	.23

(No cotton left in field.)

FARMER X

1965: 220 acres planted, yielded 275 bales	1.25
1966: 220 acres planted, yielded 225 bales	1.02
1967: 180 acres planted, yielded 75 bales	.41

FARMER Y

1965: 70 acres planted, yielded 83 bales.
1966: 62 acres planted, yielded 43 bales.
1967: 62 acres planted, yielded 24 bales.

FARMER Z

1965: 240 acres planted, yielded 326 bales.
1966: 210 acres planted, yielded 210 bales.
1967: 175 acres planted, yielded 47 bales.

The following two cases were described by Garrett of the Caudell Bros.:

FARMER A

	Bales per acre
1964: 225 acres planted, yielded 380 bales	1.69
1965: 355 acres planted, yielded 535 bales	1.56
1966: 375 acres planted, yielded 165 bales	.44
1967: 198 acres planted, yielded 47 bales	.24

FARMER B

1964: 180 acres planted, yielded 360 bales	2
1965: 265 acres planted, yielded 327 bales	1.23
1966: 265 acres planted, yielded 130 bales	.49
1967: 270 acres planted, yielded 75 bales	.28

Mr. John Caudill, of Blytheville, gives the following information with regard to "good" farmers in the Milligan Ridge area of Mississippi County:

We picked out as examples two of our better farmers at Milligan Ridge:

MR. KIBEL HOLT, ROUTE 2, MANILA

1964: 180 acres planted cotton, 260 bales ginned.

1965: 265 acres planted cotton, 327 bales ginned.

1966: 265 acres planted cotton, 130 bales ginned.

1967: 270 acres planted cotton, 75 bales ginned.

MR. B. C. MINTON, ROUTE 2, MANILA

1964: 255 acres planted cotton, 380 bales ginned.

1965: 355 acres planted cotton, 535 bales ginned.

1966: 375 acres planted cotton. 165 bales ginned.

1967: 198 acres planted cotton, 47 bales ginned.

Mr. Caudill further stated to me by phone on December 14, 1967:

In connection with our ginning, we have been ginning about 6,000 bales at Milligan Ridge (1964/65). We bought the Manila gin in 1965. We ginned approximately 5,000 bales. Last year we ginned 2,353 at Manila, and here at Milligan Ridge 1,624 bales last year. This year we did not even crank up this gin at Milligan Ridge and hauled 1,235 bales so far at Manila, cotton for both places.

We have not gotten enough cotton there to pay expenses. We will probably still gin a little cotton, but it will just be scrappy. It is practically all ginned.

Mr. J. C. Portis, Portis Mercantile Co., Lepanto, Ark., lives close to the county lines of Poinsett, Craighead, and Mississippi. He gave cotton production figures from farmers located in all three counties as follows:

J. C. PORTIS, A FORMER STATE ASC COMMITTEEMAN

Mr. Barrrett Watkins, Route 1, Lepanto, Farm contract No. D–425, Mississippi Co.: 1965, 77 bales; 1966, 20 bales; and 1967, 13 bales.

(In the years 1966 and 1967 he had diverted 35% of his normal acreage. He should have made 65% of the normal. He only made one half of what he should have made. In 1967 he only made one third.)

Mr. Selbert Thomas, Black Oak, Route 1, Craighead Co., Farm contract No. D–166: 1965, 73 bales; 1966, 37 bales; and 1967, 18 bales.

(He was also a 35% diversion man in the years 1966 and 1967.)

Mr. Leon McGinnis, Lepanto, Poinsett Co., Farm No. P–3: 1965, 95 bales; 1966, 51 bales; and 1967, 18 bales.

(He also was a 35% diversion man.)

Mr. G. C. Shornacy, Lepanto, Poinsett Co., Farm No. 0–101: 1965, 164 bales; 1966, 77 bales; and 1967, 51 bales.

The three year ginning records of Portis Gin Company, Lepanto, Arkansas, is as follows: 1965, 14,338; 1966, 3,969; and 1967, 2,066 (we may gin 100 more bales).

Mr. D. B. White, manager of the Jonesboro Production Credit Association, Jonesboro, Ark., gives us the following information regarding the severity of production losses in his area:

BURNIS WHITE, JONESBORO PRODUCTION CREDIT ASSOCIATION, JONESBORO, ARK.

The cotton situation in the disaster area is the worst he ever saw.

Farmer "A" (Mr. White) planted 32 acres of cotton in 1965 which yielded 63/64 bales, these 32 acres in 1966 yielded 29 bales. This year he had 32 acres and picked 11 bales—there is none left in the field.

Farmer "B" (Mr. Roy Byrd from Bay) planted 75 acres in 1965 which yielded 118 bales. 75 acres in 1966 yielded 65 bales. 70 acres in 1967 yielded 27 bales.

Farmer "C" (Mr. Jimmy Thomas from Paragould—Route 5) had 81 acres in 1966 which yielded 67 bales. In 1967 he planted these 81 acres again and had to plow it up. He produced nothing this year. He is one of the best farmers and has good land.

The "Cotton Report as of December 1, 1967" from the Crop Reporting Board, which was released on December 8, 1967, estimated the 1967 crop of 7,618,000 bales as against the 5-year average of 14,935,000 bales which was the average production of the years 1961–65. "The 1967 crop is the smallest since 1895."

The lint cotton production per acre in the State of Arkansas for the 5-year average 1961–65 was 557 pounds per acre. In 1966 this per acre production had dropped to 418 pounds. In 1967 the estimate is 349 pounds of lint cotton production to the acre throughout Arkansas, even though a good part of the area located in southeast Arkansas was not affected by adverse weather conditions.

A few days ago I visited Osceola, Mississippi County, Ark., and had a conference with a delegation of farmers and businessmen from the Manila, Ark., area composed of Mr. R. J. McKinnon, Mr. A. A. Tipton, Mr. Joe Hornberger, Hon. J. B. Brown, mayor of Manila, Mr. Garrod Caudill, and Mr. Pete Ballard. The group presented to me the following resume of the effect of the drastic reduction in cotton production for 1967 in the Manila area. I attach hereto this statement which reflects the critical effect the cutback in cotton production has upon this particular community:

DISASTER LOAN, MANILA, ARK.,
NOVEMBER 30, 1967

A superficial check of small farmers in our area reflects that, as a result of the weather conditions prevailing in this area, the past two years, their financial position has progressively deteriorated to the point that assuming another bad crop year in 1967, a goodly portion of our farmers in this area will be forced into bankruptcy and out of business.

The above statement, is authenticated by seed, fertilizer, tractor supply parts, implement and chemical dealers.

A closer look at the picture reflects that the building material dealers, contractors and home furnishing dealers business has taken a nose dive.

Unquestionably, the greater portion of our farmers will be able to refinance their secured obligation, on the other hand, unsecured open accounts representing purchases of needed supplies for producing a crop will go begging for non-payment.

It is a well known fact, that in the production of a crop the usual procedure of the cotton farmer in this area is to borrow a number of dollars from a lending institution, such as PCA and banks, with said loans secured both by equipment as well as crops produced. In addition to the production loads the farmer has an established open line of credit with the service dealers.

The full impact of the problems of the farmer will not be felt until the spring of 1968, when because of non-payment of his unsecured obligation he finds that some of his suppliers have of necessity cut off his open lines of credit. With this line of credit cut off, the lending institutions could find themselves in the position of having to increase the operators loan, when in fact the lending institutions already have extended the maximum justifiable product on loan.

The farmers cost of operation in 1967 has risen above an expected norm. (1) Because of increased labor cost. (2) Because of two months additional interest that has accrued as a result of the late harvesting season. (3) Unpaid refinanced debts are also drawing additional interest. Seven to 10 per cent interest on carry over debts of one to thirty thousand dollars will take a lot of food out of the small farmer's mouth and will materially affect the economy of our area.

The implications of a deeply indebted farmer are far-reaching and deserving of the attention of every clear-thinking business man in the area.

If we are to have a strong economic climate in the field of agriculture in our area, then we must have assistance for the farmer, especially the *operator*. Local lending institutions by their very nature cannot take on the marginal risk.

It is imperative that we buy some time for the farmers at the lowest cost possible.

In our search of the various agricultural agencies for a solution to the problem nowhere do we find an answer. Neither PCA nor F.H.A. in their present concept of operations have the ability to cope with the situation.

It is imperative that this be declared a disaster area.

Long term low interest rate loans, must be made available at once.

To oversimply the solution of the problem, food and fiber producers need a long term low interest rate loan, patterned after the present small business loans presently administered by small business administration.

There is precedence for an intelligent approach to our problem.

Small business administration was set up originally by the Federal Government to assist small business of the nation where the borrower was not a bankable risk. The production of food and fiber has become a highly specialized business. The units of farming have become increasingly larger each year requiring sizable sums of money in order to carry on a profitable operation. It like other types of business should come under the same umbrella of thinking that brought SBA into being.

Inasmuch as the Farmers Home Administration in its original concept was to assist the farmer, consideration should be given to this particular agency administering the loans in question. A practical analysis of the farmers plight, will indicate that possibly SBA with their know-how should be brought into the picture. State director of F.H.A., Mr. Hankins, informs me that he is short handed by ninety employees, therefore; it will be necessary that the disaster loan in question, be handled in the manner that all catastrophic loans are taken care of, namely, bring out of state assistants in to expedite the loans.

Repayment of the loans should be on an escalated basis. Assuming an 8 year loan, the principal payment for the first 3 years should be 1/16 of the principal plus accrued interest, 4th and 5th years should be 1/8 of the principal plus accrued interest, 6th, 7th, and 8th year payments should be 3/16 of the principal plus accrued interest.

The loans envisioned contemplates picking up all obligations of the farmer both secured as well as unsecured.

A sufficient amount of money should be made available to wipe out all obligations as well as provide an adequate amount necessary to produce a crop in 1968. Cost of living must be considered.

The loans should be a government guaranteed loan with bank or PCA participation at 5 per cent.

A complete evaluation by experts in the field of agricultural financing, in the case of any and all applicants, would be the desirable approach. By so handling this procedure would have a tendency to make better business men out of the operators. In those cases where good business practices are not engaged in by the farmers, the farmer should be instructed that whereas the Federal Government is willing to assist him it becomes mandatory that he alter his farming procedures accordingly.

In addition to direct loans to the farmer, consideration must be given to the plight of the small businesses in the affected area, especially retail or service dealers, if we are to rehabilitate the rural communities.

Inasmuch as the Federal Government is already subsidizing the farming industry to the tune of 6 billion dollars annually, it certainly bespeaks good business practice on the part of the Federal Government and investors in the farming industry to see that the operators of the farming industry have the necessary tool with which to do a job . . ., in this instance the tool in question happens to be money, or operating capital without which no business can survive.

MANILA CHAMBER OF COMMERCE,
R. J. MCKINNON, *Chairman*.

At the hearing before the Subcommittee on Cotton of the House Committee on Agriculture, Mr. John Baldwin, editor of the Weekly Weather and Crop Report, Department of Commerce, was asked if he would furnish a report summary of the effect of weather on the cotton crops in the main part of the cotton belt for the years 1965, 1966, and 1967. Mr. Baldwin's report is as follows:

WEATHER AND ITS EFFECT ON THE 1965 COTTON CROP IN THE MAIN BELT

The weather was more favorable than usual for the 1965 cotton crop. Mostly above normal warmth and near normal rainfall during the season generally favored planting, germination, development, maturity, and the harvest.

After a cold March planting in the Main Belt advanced rapidly under the influence of warm, mostly open weather during April. Favorable weather permitted active planting during May, especially in the eastern portion of the Belt, but showers caused interruptions in the western portion (these showers were heavy from central Texas to Oklahoma and Arkansas, necessitating some replanting). Planting was near completion by the end of May, except in northwestern Texas and in Oklahoma where this work was advancing favorably. A warm May stimulated germination and growth. The crop as a whole got off to a good start.

Temperature and rainfall were mostly favorable during the summer, although showers were heavy at times during June and July in eastern areas. Developing dry areas were generally relieved by timely showers, and cotton responded favorably. Weather conditions continued mostly favorable during September in eastern sections and during the first 3 weeks of the month in the Texas-Oklahoma area. Hurricane Betsy brought damaging winds and heavy rains to Louisiana, Mississippi, Arkansas, western Tennessee, and southeastern Missouri on September 9–10. Heavy rains and cool weather the last 10 days of the month slowed growth and caused some damage in the Central Belt and Texas.

October was cool and November unusually warm. A few heavy showers occurred in eastern and western sections, but the weather generally favored maturity and harvest during these months. Picking was more advanced in most areas than in most previous years. By the first of November cotton in the late northwestern part of the Belt was ready for a hard freeze to defoliate the plants; it did not come until November 29.

WEATHER AND ITS EFFECT ON THE 1966 COTTON CROP IN THE MAIN BELT

Mostly cool weather, with many wet periods and a few dry periods during the 1966 crop season delayed planting, limited germination and proper development, caused much abandonment, and slowed maturity and the harvest. An unusually early November freeze killed immature bolls in northern areas. The weather for cotton during the 1966 season appears to have been the worst, especially in northern and middle sections, since 1950 and possibly since 1946.

Mostly normal temperatures and less than usual rainfall favored cotton planting in the early areas during March. The weather became very cold the first part of April over the Belt, and heavy rains occurred in the middle portion and in the northeast Texas-Oklahoma area the latter part. During May rainfall was light in the northwestern part, near normal in north-central areas, and heavy in coastal sections, but the month was colder than usual, limiting germination and growth. The crop got off to a poor start, with reports of considerable abandonment in many northern areas. Cool weather continued during June slowing growth, but July was mostly warmer than usual. Much below normal rainfall during these two months caused droughty conditions over wide areas, limiting development.

Shower activity increased the first three weeks of August. These showers replenished soil moisture in the eastern and middle portions of the Belt and in middle and eastern Texas. Much of Texas and Oklahoma, however, continued unfavorably dry until heavy rains occurred the last week of August. Cool weather generally persisted through August, September, and October, slowing development and maturity. Heavy showers during much of August and September delayed harvests in many areas and damaged some open cotton. October weather was mostly fair and sunny, except in the eastern portion of the Belt.

The cool weather that had persisted during most of the 1966 cotton season reached a climax on November 2 to 4 when an usually early hard freeze overspread nearly all of the Belt. Temperatures dropped to the teens and low 20's across northern and middle sections of the Belt and freezing extended to the Gulf coast. This hard freeze, coming 2 to 4 weeks early, destroyed a considerable number of immature cotton bolls across the northern part of the Belt where the crop was 2 to 3 weeks late. A record early snowstorm (Nov. 2–4) in the northern part of the Belt (to 6 inches in Tennessee and to 4 inches in northern Alabama) caused additional damage.

Weather and Its Effect on the 1967 Cotton Crop in the Main Belt

Mostly persistent cool weather and above normal rainfall during the 1967 cotton season in the main Belt delayed planting and limited germination in northern sections, were unfavorable for proper development, caused much abandonment, and slowed maturity and harvest. An unusually early November freeze, as in the preceding year, killed immature cotton bolls in northern areas. The weather for cotton, especially in the northern two-thirds of the middle and eastern portions of the Belt, was apparently the worst since 1921. These two consecutive seasons (1966–67) of bad weather for cotton are comparable to the consecutive seasons of 1945–46 and 1921–22.

Above normal temperatures and less than the usual rainfall during March and April favored planting in the main Cotton Belt, but this activity was limited in some areas because of dry soil. Heavy rains of 4 to 12 inches the second week of April replenished soil moisture in southern Oklahoma, eastern Texas, and the southern Louisiana area. The weather became quite cold at the end of April and first week of May, with heavy rain of 4 to over 12 inches over the middle half of the Belt and the Tennessee-Carolina area—very bad for planting and the newly-planted cotton. The next week was warm and mostly fair, but the last half of May was unfavorably cool with near normal shower activity. It was reported that this was one of the worst planting seasons of record in many north-central and northeastern sections of the Belt.

During the first few days of June heavy rains occurred from the High Plains of Texas to the western Carolinas, causing some damage. Planting, however, had been held up by dry soils in northwestern Texas until these rains. The remainder of June had near normal temperatures and rainfall, except for mostly fair weather in the middle portion of the Belt and no rain across south-central and northeastern Texas.

Cool weather generally persisted over the Cotton Belt from early July to mid-November. During this period of 19 weeks, only 2 weeks were warmer than usual over the middle and eastern portions of the Belt and 4 weeks in the Texas-Oklahoma area. Complaints of slow growth and delayed maturity were numerous. Rainfall was heavy in July over northern and middle portions of the Belt, in August over southern Texas and south-central and eastern portions of the Belt, in September from southern Texas to southeastern Missouri, and in October from east-central Texas to Missouri and from the middle Gulf coast to the lower Appalachians. Cotton was practically harvested in southern Texas when Hurricane Beulah struck on September 20, but heavy rains damaged the crop in central Texas.

The cool weather that had prevailed during most of the 1967 cotton season was climaxed—as in the 1966—by an early November cold wave which overspread practically the entire Belt. From the 4th to the 6th of the month temperatures dropped to the mid-20's as far south as the middle of the Gulf States and freezing extended to the middle Gulf and Georgia coasts. This hard freeze coming 2 to 4 weeks earlier than usual killed a considerable number of immature cotton bolls across the northern portion of the Belt where the crop was 2 to 3 weeks late. Cold, damp weather and above normal rainfall generally persisted to mid-November. The following week was mostly fair and warm, permitting harvest to move toward completion.

Every effort will be exerted by me to obtain early action in the Committee on Agriculture on this most vital legislation. A request for a report on the bills have been asked from the Department of Agriculture. It is hoped that this report will be a favorable one and made available in time for action in both Houses as early as possible after the reconvening of Congress in January 1968.

THE NATION'S SPACE PROGRAM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. Ryan] is recognized for 30 minutes.

Mr. RYAN. Mr. Speaker, I reserved this time to discuss in the closing hours of the first session of the 90th Congress our Nation's space program. Because of the pressures of adjournment I realize that I cannot explore this subject, in any depth. Over the past year, there were two dramatic events in the space program—first, the major disaster which befell the Apollo project on January 27, 1967, with the deaths of three brave American astronauts who lost their lives in the Apollo 204 space capsule during a routine ground test; and, second, later in the year, on November 9, the successful firing of the Saturn V rocket.

Mr. Speaker, instead of making the extensive remarks I had planned for the floor today, I have decided to make them available to the public in the next few days.

But I would like to mention now several things of great importance. Congress held hearings in the spring to investigate the January Apollo disaster. During the course of the hearings two major things became clear.

One is that management of the space program is severely deficient, and the program is in danger. If serious and substantive improvement is not undertaken—far beyond anything that NASA has yet suggested—we may soon face further preventable disasters. The other is that Congress has not yet determined to play a forceful role in demanding or overseeing the necessary improvement. NASA's extreme arrogance toward Congress and lack of candor in its testimony and program status reports remain substantially unchallenged by Congress.

Faced with growing criticism about its air of abdication, and faced with the threat that a more penetrating appraisal would ensue in spite of the committee's general reluctance to pursue the matter in such fashion, the hearings were called to a premature close—leaving evasive and contradictory testimony and unanswered questions to stand without serious condemnation. Careful reading of the hearings, in fact, shows that in some instances the committee aided and abetted NASA's efforts to withhold vital Apollo-related information. The classic example was, of course, the handling of the Phillips report. NASA was more than gently treated about the report's suppression, and no formal request was ever made that NASA produce the essential information. The blatant false statement under oath by the President of North American Aviation concerning this report was ignored.

The committee has completely defaulted on its responsibilities to report to the Nation. Seven months after the close of the hearings, neither the House Committee on Science and Astronautics nor the Senate Committee on Aeronautics and Space Sciences has seen fit to issue a report on the hearings concerning our $25 billion Apollo program. While reasons for this can be devised, the implications of this congressional default are very serious for this Nation.

Since the hearings there was the successful launching of the Saturn V rocket. While extremely gratifying, there is great danger that together with Congressional silence on the Apollo program's status, it will help to further whitewash the severe problems that exist in the Nation's most ambitious and costly technological program.

To put it bluntly, congressional silence is helping to lull the public into an unfounded confidence about the management of its space program and how its tax dollars are being spent.

I have been hoping that the committee would fulfill its responsibility to the public. But this session of the Congress is ending, and there is no committee report. In face of this serious omission, I wish to submit my own report so that the American people may be informed. It is neither a comprehensive account of the hearings nor a history of the Apollo program and the growth of its difficulties. There was insufficient time and manpower for me to provide the kind of detailed analysis and careful documentation of the problems which is necessary and which the committee's facilities are so much better equipped to provide.

My report then is a statement in which I try to describe the atmosphere and clarify some of the larger issues raised by this sorry chapter in the history of the space program.

The report includes mention of the kind of guidance from technicians working in the space program itself which I received while developing my views. Letters, comments and documents poured in without my request. They were sent to enlighten me and encourage me. I have never publicly released or mentioned most of these illustrative communications because a history of reprisals exists which has greeted space program personnel who voiced their criticisms in the past.

The report necessarily includes discussion of NASA's lack of candor and how suppression of facts and realities harms even the quality of the program it presumes to protect.

The statement includes my assessment of the gravity of some of the remaining unanswered questions and what I believe Congress must do to make amends.

My report should have constituted additional views to a committee report. It is no substitute for a thorough accounting. However, it represents my evaluation of some of the major problems with which Congress must come to grips if it is to exercise its proper oversight function.

OUR VITAL TRANSPORTATION SYSTEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. Skubitz] is recognized for 10 minutes.

Mr. SKUBITZ. Mr. Speaker, today I

introduce a resolution which I hope will be of interest to a majority of my colleagues. It pertains to the vital transportation system of our country, the facet of our lives most responsible for the progress we have enjoyed in the 20th century. Were it not for the cross-country paths made possible by the development of railways, highways, and airways, and for the concern shown these developments by the Federal Government, this country would not be the truly United States of America that it is today, nor would the United States of America afford the freedom of mobility we proclaim a No. 1 factor to our success as a free nation.

I am disturbed by developments which bear directly on the future system of transportation in this country. My purpose in introducing this resolution is not to calmly throw blame—but to draw the attention of the Congress to a most pressing problem.

Since May of this year, the Post Office Department has initiated and carried out decisions to withdraw railway post office operations from 18 trains in my district of Kansas alone. Since October of this year, notifications by the railroads have been given to the Interstate Commerce Commission of the railroads' intentions to discontinue passenger train service on 18 trains in my district of Kansas alone. The 18 passenger train discontinuance notifications are not identical to those 18 trains from which the Post Office has withdrawn railway post office contracts since May. However, the railroads which have notified the ICC of their intentions to withdraw passenger train service share one thing in common—in each case, the straw breaking the camel's back, so to speak, is the withdrawal of post office contracts.

While I am able to understand that there are extenuating circumstances whereby both the Post Office and the railroads find these actions necessary, I am also acutely aware and most concerned for the effects of such actions on the development and the system of transportation in this country in the foreseeable and far distant future. The resolution I introduced today recommends that an investigation and study of this matter be conducted by the House Interstate and Foreign Commerce Committee. The resolution asks that the committee seek to determine what effects are, and/or will result from the rash of passenger train abandonments occurring across the country, hitting hard on the Midwest—as well as overall effects on transportation by Post Office decisions determining how the U.S. mail shall be transported. The committee would be charged with the duty of determining the advisability of a coordination by the Secretary of Transportation of actions which bear directly on the nationwide development and system of transportation and all other matters which would promote a full consideration of the need for a balanced and optimum use of the Nation's transportation system in the carriage of passengers and the mail.

Speaking for my part of the country and for the citizens I represent, public opinion on this question is running very high. I have received more complaints and protests on the issue of mail and passenger train service than I have received on the proposed tax increase. If anything strikes the public awareness to such a degree as when their pocketbooks are threatened, it is this question of transportation and mail services. When our citizenry believes itself the victim of "bigness and bureaucracy," it tends to rear back and spout fire towards those deemed by them responsible for the victimizing. Some have accused the Post Office Department of ignoring the public interest, of effecting a deterioration of mail service, and of being responsible for the removal of passenger trains. Others have accused the railroads for not fighting to retain postal contracts, of ignoring a responsibility to the public, and of bringing economic hardship and disaster to communities and towns.

Consequently, the two defendants against public criticism have started accusing one another, neither feeling responsible nor deserving of blame. And such statements as the following come forth. I quote Postmaster General Lawrence O'Brien as he was quoted in the U.S. News & World Report magazine of December 18, 1967.

> In the last 15 years alone 7 of every 10 passenger trains dropped by the railroads were still carrying mail at the time they were discontinued. In other words, mail as well as passengers were left standing on the platform in 70 percent of all passenger train discontinuances.

Now, with one big motion, Postmaster General O'Brien has attempted to clear the slate and pass the plate of blame. Upon reading his comment, I contacted one of the major railroads in this country and asked whether they had, in some instances, discontinued passenger trains prior to the decision by the Post Office Department to remove railway postal offices from those subject trains. The answer was, "No."

I do not question the word of the Postmaster General and I am certain he has statistical figures and facts to substantiate the statement. At the same time, it is obvious that at least one of the major railroads involved presently in many passenger train discontinuance actions, has never taken trains off, leaving the mail on the platform.

Personally, I think it is unfortunate that the problem has come to such a level of "blame throwing" and accusations. It is a result of the public concern, not just for the mail service, not only for the passenger service—but of their concern for the possibility that they are being totally ignored when these decisions, made or sanctioned by the Federal Government, come about. Can the public interest or should the public interest be given equal time in the face of the tremendous revenue issues pressing down on both the Post Office and the railroads? I do know that present laws do not provide but for a minimum presentation or consideration of that vague but widely used term, the "public interest." If on a scale of 100, we attempted to chart the value placed on the public interest, I fear it would carry as few as 15 of the 100 decisionmaking points. The public pulse is never more readily discernible than when that public feels it is being cut off from the outside world of which it is inherently a part and in which it must carry a full share of the total responsibilities and load.

In conclusion, what I ask is not a verdict of "guilty or not guilty"—but for a study of this question. I ask that the issue be referred to the House Interstate and Foreign Commerce Committee for a determination of whether or not the development and system of nationwide transportation is being adversely or otherwise affected by these actions and for recommendations from the Interstate Commerce Committee as it may deem advisable.

MUCH SMOKE—NO FIRE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. DOLE] is recognized for 10 minutes.

Mr. DOLE. Mr. Speaker, my colleague from New York, Congressman JOSEPH Y. RESNICK, has for a number of months been attacking the American Farm Bureau Federation. As I have said publicly and I repeat today, it is neither my intention nor my responsibility to defend the American Farm Bureau Federation. The American Farm Bureau Federation is capable of defending itself if the need should arise.

KANSAS OFFICIALS

I paid very little attention to the remarks made by the gentleman from New York until his attacks and charges centered on Kansas public officials and Kansas Farm Bureau officials. On August 29, 1967, my colleague the gentleman from New York [Mr. RESNICK] inserted a statement in the CONGRESSIONAL RECORD which appears on page 24474. This statement contained many inferences, many charges, and much innuendo. The statement reflected adversely upon the character and integrity of the insurance Commissioner of Kansas, Mr. Frank Sullivan, a longtime, dedicated, public servant who enjoys the confidence of the great majority of Kansans. Needless to say, the statement was widely publicized in Kansas papers. I doubt the publicity was accidental, but all in all the loose charges and innuendo have caused Mr. Sullivan, and others in his office, undue and unjustified harassment and embarrassment. There are always some quick to believe the worst without having the facts or without investigating the source of the charges. The gentleman from New York knows that the hearings he conducted were unofficial, that he had no authority to subpena witnesses, and that the hearings themselves were nothing more than "fishing expeditions." To criticize Mr. Sullivan for not coming to Washington, D.C., at his own expense, to appear, before the "one-man" fishing expedition does a disservice and a great injustice to Mr. Sullivan.

ATTORNEY GENERAL'S REPORT

The point is that, following an attack on the insurance commissioner, his office, and on unnamed farm bureau officials, the Governor of Kansas, Robert

Docking, a Democrat, at the request of Mr. RESNICK, requested the attorney general of Kansas to make an investigation and report his findings. The attorney general did investigate, though, I might add, very little information was furnished by my colleague from New York, who suddenly became silent and declined to name the source or sources of his information. In essence, the attorney general's investigation absolved the insurance commissioner, the commissioner's office, the Kansas Farm Bureau, and the Kansas Farm Bureau insurance companies. The report was made public and a copy furnished to my colleague from New York and he very quickly inserted a statement in the RECORD on November 14, 1967, page 32437, ridiculing the attorney general and his opinion. When all was said and done, there had been much smoke but no fire insofar as the State of Kansas is concerned. Since the gentleman from New York has gone to great lengths to fill the RECORD with inferences, allegations, and innuendo, in my opinion, the attorney general's report and opinion should be made a matter of public record. Therefore, I request the complete report be included in the RECORD at this point.

REPORT OF INVESTIGATION

(By Robert C. Londerholm, Attorney General, re Kansas Farm Bureau Insurance Companies and the Kansas Department of Insurance)

INTRODUCTION

Congressman Joseph Y. Resnick of New York has made certain allegations concerning the Kansas Insurance Commissioner's office and the Kansas Farm Bureau Insurance Companies. These allegations were forwarded to the Governor, who has referred them to this office and requested an investigation.

The congressman alleges that the companies have made "highly improper gifts" to the office of the insurance commissioner, including annual season football and basketball tickets. He further alleges that the insurance department has "overlooked numerous improper activities" of the companies. Without saying it outright, he implies that the commissioner and his office have accorded favored treatment to the companies in exchange for these gifts, and that this has resulted in approval of unjustifiably high insurance rates for the companies.

The alleged "improper activities" of the companies, have been broken down into the following specific charges:

1. That the companies have furnished season football and basketball tickets to their top executives, their wives and families.

2. That the companies spend several thousand dollars each year for membership in an expensive Kansas country club for their top executive personnel.

3. That the expense accounts of these executives are highly padded. In particular, it is alleged that the company provides automobiles to its executives for their personal use and that the company pays for nearly one million miles of personal mileage per year. It is also alleged that many of these cars are provided with trailer hitches for the employees' own boats. It is alleged that one board member with an office in the Farm Bureau Insurance Company drives a round trip distance of about 550 miles per week to and from her home and that her mileage is paid for by the company.

4. That there is a "blatant and direct overlap" between the duties, jobs, and functions of the insurance agents and the employees of the Kansas Farm Bureau, and that there is a similar overlap in the office space used by the insurance companies and that used by the Kansas Farm Bureau. It is alleged that this overlap has the effect of funneling income from the insurance companies into the Kansas Farm Bureau for use in carrying on its "various economic and political activities."

This investigation, and the report which follows, have focused in detail on these allegations. The question of the present federal tax status of the farm bureau and similar agricultural co-operatives, which has also been raised by Congressman Resnick, is a matter outside the jurisdiction of this office and is a policy question to be settled by Congress.

EXPENSE PRACTICES OF THE COMPANIES

By way of background, it is noted that the Kansas Farm Bureau is a cooperative marketing association organized under the Kansas Cooperative Marketing Act (K.S.A. 17-1601 to 17-1636). It is affiliated with local county farm bureaus organized under the same act. Both the state and county farm bureaus are membership organizations and are financed primarily by dues. Receipt of the dues is exempt from federal income taxes. The Kansas Farm Bureau is also affiliated with four separate profit making organizations which are liable for federal income taxes. These are:

1. The Farm Bureau Mutual Insurance Company, Inc., a mutual fire and casualty company,

2. Kansas Farm Life Insurance Company, Inc., a stock legal reserve life insurance company,

3. K.F.B. Company, Inc., a subsidiary of Farm Bureau Mutual, selling insurance on growing crops and motor vehicles, and

4. KAMA, a separate cooperative marketing association engaged in the marketing of livestock and the bulk purchasing of tires and batteries for resale to farmers.

The first three of these organizations are subject to the regulation of the Kansas Insurance Commissioner.

Athletic tickets

The Kansas Farm Bureau and its affiliated companies are all headquartered in Manhattan. It has been the practice of Farm Bureau Mutual and Kansas Farm Life to purchase a block of season football and basketball tickets at Kansas State University in Manhattan. Tickets paid for by the companies are used to entertain guests of the companies. Officers of the company have advised the insurance commissioner's office that if the commissioner or a member of his staff wished to attend a Kansas State game, two tickets from this block would be available for their use. Season tickets have not been furnished to the commissioner's office by the companies. In the past four or five years, the commissioner himself has utilized this offer once for a football game and once for a basketball game. Other members of his staff have utilized these tickets on an occasional basis for football games and so forth.

With regard to their executive officers, the policy of the companies is to require these officers to purchase their own personal athletic tickets for themselves and their relatives, although they may buy these tickets from the block of tickets originally purchased by the company in order to be in the same section with guests. Tickets, ultimately paid for by the companies are reserved for use by company guests. When these guest tickets are not all to be used for a particular game, the remaining ones are sold by the companies to members of the public or are given without charge to non-executive employees of the companies.

Automobiles and travel

The Farm Bureau Mutual Insurance Company maintains a fleet of 64 automobiles which are assigned to its individual employees and officers. The bulk of these are utilized for claim investigation work in connection with the company's fire and casualty business. Kansas Farm Life furnishes a car to its manager. Company rules allow personal use of these cars before and after established business hours. Gasoline, oil, and repair services are paid for by the driver, who then makes claim for reimbursement from the company on a prescribed form. This form requires the claimant to specify the number of personal miles driven during the period involved, and requires him to deduct five cents for each personal mile from his claim for reimbursement. As of August 31, 1967, the fleet of 64 cars owned by the Mutual Company had been driven a total of 1,371,179 miles, of which 114,163 were deducted as personal. The cost of maintaining these cars averages 3.7 cents per mile, excluding depreciation. The company estimates depreciation cost at approximately two cents per mile. Hence the five cents per mile charged employees and officers for personal use of company automobiles includes an amount for depreciation. Although this amount is not the full two cents estimated, the depreciation is attributable more to company use than to personal use.

The practice of assigning company cars to employees and officers, and permitting personal use of these cars during non-business hours is common in the insurance industry. Likewise, many companies purchase country club memberships for business use.

With regard to the use of trailer hitches on company cars, it appears that one district sales supervisor for the Mutual Company stationed away from Manhattan has equipped his company car with a trailer hitch. This was done for the purpose of transporting his own boat to a nearby lake, where he uses the boat in part to entertain business guests. It should be pointed out that the Kansas Farm Bureau itself maintains automobiles with trailer hitches, for use in hauling safety demonstration equipment. These automobiles have no connection with the insurance companies. However, they and the insurance companies' cars are all marked on the rear window "Kansas Farm Bureau Services," and it might be difficult for a casual observer to distinguish the farm bureau cars from the insurance company cars.

There is one member of the Board of Directors of the insurance companies who is also employed on a part-time basis by the Kansas Farm Bureau as a supervisor of its women's activities throughout the state. In this capacity, she travels widely around the state from her home in western Kansas. However, her per diem compensation and her travel expenses in this capacity are paid for solely by the Kansas Farm Bureau, and not by any of the insurance companies. Although she has an office in the Farm Bureau's headquarters in Manhattan, the major part of her work is done outside Manhattan. On the other hand, as a director of the Farm Bureau she also serves, as do the other directors of the Farm Bureau, as a director of the affiliated organizations, including the insurance companies. Board meetings of these organizations are all conducted in conjunction with board meetings of the Farm Bureau. Her director's fees and travel expenses to the meetings are paid for by the Farm Bureau and the Farm Bureau is then partially reimbursed by each of the affiliated services.

Employees and office space

The Kansas Farm Bureau and its four affiliated companies all have their offices in the same building in Manhattan. This building is owned by Farm Bureau Mutual Insurance Company; and the Kansas Farm Bureau and the other services pay rent to the Mutual Company on a square footage basis for the space they occupy. There is no overlap in the office space used by the insurance companies and that used by the Kansas Farm Bureau.

Nor do we find any instance in which employees and agents of the insurance companies perform services for the Kansas Farm Bureau. The insurance agents are not employees but independent contractors with offices throughout the state. With regard to the officers and directors, there is an overlap as follows: As mentioned above, the board of directors of the Kansas Farm Bureau, which consists of 13 persons elected on a state-wide basis by Farm Bureau members, constitutes also the board of directors of the three insurance companies. Board members are compensated on a per diem basis and are also reimbursed for their travel expenses. These amounts are paid by the Farm Bureau, which is then reimbursed by the insurance companies in proportion to the services rendered to them by the board members. In the case of officers, the president of the Kansas Farm Bureau also serves as president of each of the affiliated companies. The same is true of the vice president and the general counsel. Other officers of the Farm Bureau in a few instances serve as officers of the insurance companies. All of these persons receive their compensation directly from the Farm Bureau, which is then reimbursed by the affiliated companies, according to the amount of services rendered to them. It should be pointed out that day-to-day operation of insurance companies is conducted by a director of insurance services for all three companies and an operating manager for each. These persons are compensated directly by the companies.

There are two other areas in which the insurance companies make direct payments to the Kansas Farm Bureau, in each case for services rendered to the companies by employees of the Farm Bureau. The Farm Bureau maintains a legislative department, which conducts research, provides information to Farm Bureau members, and performs lobbying services for the Bureau during the legislative sessions. The Farm Bureau is interested in a wide variety of matters, and this legislative department deals with all of them. The insurance companies do not employ separate research and lobbying services but instead contract with the legislative department of the Farm Bureau to perform these functions for them. The volume of insurance bills before the legislature in each session is substantial. In 1967 it is estimated there were 96 bills whose passage could affect the insurance business.

The companies compensate the Farm Bureau for these services by financing a portion of the legislative department's budget. For instance, in 1966 they furnished 19,000 dollars, or 40% of the total budget of 47,329.41 dollars. This amount was shared by the three insurance companies as follows: Farm Bureau Mutual paid $13,500 or 28.5% of the budget; Kansas Farm Life paid $5,000 or 10.5% of the budget; and K.F.B. paid $500 or 1% of the budget. The larger share for the Mutual Company is based on the fact that the bulk of the bills relating to insurance affect only the casualty and fire business.

The Kansas Farm Bureau also maintains a safety department, which carries on an extensive safety education program throughout the state. This includes driver's education programs in the schools, demonstrations at local farm bureau meetings and a contest in conjunction with Future Farmers of America on inspection of farms for fire hazards. Almost all of the budget of the safety department is financed by the insurance companies, on the theory that safety education reduces accidents and thus keeps down insurance claims and costs. This kind of financial support for safety education is common among casualty insurance companies. The farm bureau companies apparently prefer to have their safety education program carried on in the name of the Farm Bureau itself, without reference to any insurance company, because this allows them to reach audiences which would not otherwise be available. In 1966, the companies contributed $37,000, or 97.4% of the total safety department budget of $37,966.68. The companies' proportionate contributions were as follows: Farm Bureau Mutual, $29,500 or 77.7%; Kansas Farm Life, $6500 or 17.1%; and K.F.B., $1000 or 2.6%.

Country club memberships

Prior to 1955, Farm Bureau Mutual and Kansas Farm Life each maintained a company membership in the Manhattan Country Club. In that year a change in the club rules required every membership to be in the name of an individual. Since that time each company has continued to pay for a membership in the name of its operating manager, who is also its vice-president. Dues in the club are $27 per month, or $324 per year, for each membership. These two memberships are used for entertaining business guests of the insurance companies. They are not purchased for the personal use of the companies' executives or employees. Additional expenses incurred at the club are paid for by the company only when they are attributable to company business. Many of the executives and employees of the insurance companies and the Kansas Farm Bureau also maintain personal memberships in the country club. However, their dues are paid for by them personally and not by their employer.

ACTIONS OF THE INSURANCE COMMISSIONER

The control of expenses in an insurance company is primarily the responsibility of company management. The insurance commissioner is not empowered to dictate the expense policies of the various insurance companies he regulates. He does approve fire insurance and casualty insurance rates, pursuant to K.S.A. 40–927 and 20–1112. These sections of the statutes provide in substance that the rates must be approved by the commissioner unless they are excessive, unreasonable, inadequate, or unfairly discriminatory. They also provide that rates shall be given due consideration to past and prospective loss experience, catastrophe hazards, a reasonable margin for profit and contingencies, dividends, past and prospective.

Farm Bureau Mutual was first authorized to engage in the fire and casualty business in 1938, and since that time it has filed two applications for rate changes on automobile insurance. Its current rates, which were approved effective March 29, 1967, are based on a predicted expense factor of 29.69% of the premium dollar. In other words, the rates approved by the commissioner were based on an expectation that the company would spend for expenses 29.69 cents of each dollar received in premium. This does not compare unfavorably with the expense factors used by other, similar companies in securing approval of their current rates for automobile insurance. For instance, the expense factor for Alliance Mutual Casualty Company was 41.91% of the premium dollar; for Farmers Alliance Mutual Company, 42.91%; and for Western Casualty and Surety Company, 42.98%.

Current automobile insurance rates charged by Farm Bureau Mutual also compare favorably with rates charged by similar companies (see exhibit # 1). The same is true of actual expenses incurred (see exhibit #2). In 1965 Farm Bureau Mutual's actual expenses amounted to 30.03% of its premium dollar, as compared with an average for all companies in the state of 40.5%.

The Commissioner is not required by statute to approve life insurance rates and hence Kansas Farm Life's expenses are not subject to review by the commissioner. However, Best's Life Insurance Reports, an independent rating service, states in reference to Kansas Farm Life that "in operations a very important item is expenses, which have been kept very low."

The insurance commissioner does exercise other regulatory powers with regard to companies such as the Farm Bureau insurance companies. However, a review of his actions in these other fields discloses no favoritism toward the Farm Bureau companies.

One recent matter concerning the Farm Bureau Mutual is noted. On September 6, 1967, the commissioner approved an agreement between Farm Bureau Mutual and the Midland Mutual Fire Insurance Company, of Newton, under which Farm Bureau Mutual assumed all outstanding liabilities of Midland in exchange for all the assets of Midland. The financial condition of Midland Mutual had become a subject of concern to its management and the insurance commissioner. The company's balance sheet as of December 31, 1966, had shown a surplus of $100,121.00. Since K.S.A. 1965 Supp. 40–1027 required the company to maintain a surplus of at least $100,000.00 in order to write homeowners insurance policies, an examination was conducted by the insurance department. It showed that the surplus as of December 31, 1966, was actually less than $100,000.00. As a result, the commissioner, on May 1, 1967, refused to renew the company's authority to sell homeowners policies. However, the company was not required by law to maintain this surplus in order to sell certain types of fire and disaster insurance and the commissioner therefore renewed its certificate of authority for that purpose.

On August 22, 1967, the secretary of Midland Mutual informed the commissioner's office that the capital of the company was impaired by some $12,500.00, and that the company had ceased writing policies and paying losses as of August 21, 1967. The commissioner thereupon ordered an examination of the company's financial position. This examination was completed on August 28, and it revealed a possible capital deficit of $88,000.00. That same day the commissioner, pursuant to K.S.A. 40–222, held a hearing and suspended Midland's authority to engage in the insurance business.

During the period from August 22 to August 28, the management of Midland Mutual, as well as the Insurance Commissioners' office, had discussed with representatives of the Kansas Association of Mutual Insurance Companies the possibility of solving Midland's financial difficulties without a dissolution and the resulting injury to policyholders with claims. It was apparent that the Kansas mutual casualty companies, acting as group, were not interested in reinsuring Midland's policies. The Alliance Mutual Companies of McPherson (Alliance Mutual Casualty Company and Farmers Alliance Mutual Insurance Company) and Farm Bureau Mutual of Manhattan were the only Kansas mutual companies of sufficient size to be capable of reinsuring Midland's risks individually.[*] Prior to the 28th, the Alliance Mutual Companies indicated to the insurance department that it was not interested in doing this. On the 28th, the commissioner's office contacted Farm Bureau Mutual and asked the company to consider the project, since no other source of reinsurance appeared to be available. On August 31st, Farm Bureau Mutual and Midland Mutual entered into an initial agreement whereby Farm Bureau would reinsure all claims arising after September 1, 1967. On September 6, they entered into a complete reinsurance and assumption agreement whereby all past and future insurance claims and liabilities of Midland were assumed by Farm Bureau Mutual and all assets of Midland were transferred to Farm Bureau Mutual.

It appears that the insurance commissioner acted effectively to protect the insurance policyholders of Midland Mutual from financial loss. His role in securing the reinsurance agreement between Farm Bureau and Midland Mutual was in pursuit of this objective and took place after consultation with the industry through its Kansas Association and other individual companies capable of reinsuring the risks declined to do so.

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[*] Alliance Mutual Companies—combined assets, 20.8 million dollars: combined surplus, 6.2 million dollars. Farm Bureau Mutual—assets, 18.9 million dollars; surplus: 8.5 million dollars.

CONCLUSIONS

1. The Farm Bureau Insurance companies have not provided the office of the insurance commissioner with season football and basketball tickets to Kansas State University games but have offered to make available guest tickets if the commissioner or a member of the staff wished to come up to a game. This offer has occasionally been accepted, usually by a member of the staff and on rare occasion by the commissioner.

2. The companies have not furnished season football and basketball tickets free of charge to their top executives and families.

3. The companies do not spend thousands of dollars each year for personal country club memberships for their executives. Farm Bureau Mutual and Kansas Farm Life each maintain one business membership in the Manhattan Country Club. Club rules require these memberships to be in the name of an individual, and hence they are maintained in the name of the companies' operating managers. However they are not purchased for private use by these persons. Various company personnel have private memberships paid for by themselves.

4. The various allegations of "padded" expense accounts made by Congressman Resnick are not borne out by this investigation. The companies furnish a total of 65 automobiles to their officers and employees. These cars are used primarily for business purposes. Personal use after business hours is permitted, but the officer or employee is required to offset personal mileage on his expense account. One car owned by the insurance companies is equipped with a trailer hitch, and this appears to have a legitimate business purpose. The insurance companies do not pay round trip mileage of 550 miles per week for a board member with an office in the home office building at Manhattan.

5. There is no overlap in office space or employees' duties between the Kansas Farm Bureau and its affiliated insurance companies which has the effect of "funneling income" from the insurance companies into the Farm Bureau. All organizations are officed in the same building; but this building is owned by Farm Bureau Mutual, which is paid rent by the other organizations for their space. The legislative and safety departments of the Kansas Farm Bureau are extensively utilized by the insurance companies, and the companies compensate the Farm Bureau directly for these services on a pro rata basis. The amounts paid do not appear to be excessive.

6. We find no evidence of unlawful expenses by the companies. Nor do we find that the insurance commissioner has overlooked any. The commissioner has reviewed expenses of Farm Bureau Mutual in exercising his statutory power to approve or disapprove increases in its fire and casualty rates. The record shows that the rates of this company which have been approved by the commissioner, as well as the expense factors upon which the increases were requested, do not compare unfavorably with those of other, comparable companies.

7. The record of the commissioner's dealings with the Farm Bureau Insurance Companies reveals no favoritism on his part toward them.

EXHIBIT NO. 1

AUTOMOBILE RATE COMPARISON EXHIBIT

The following rate exhibit was based on 1967 Chevrolet Sedan 2 door carrying the following coverages: 10,000/20,000 Bodily Injury, 10,000 Property Damage, Comprehensive Collision and Uninsured Motorists for a six-month term.

EXHIBIT B.—ADULT OPERATOR OVER 25 YEARS OF AGE

Territory	Farm Bureau	State Farm	Alliance Mutual Casualty	NBCU and NAUA
Remainder of State	$44.70	$57.50	$63	$60
Topeka	49.17	58.10	66	71
Wichita	53.64	63.70	75	80
Kansas City	67.05	69.20	87	95

EXHIBIT C.—ADULT OPERATOR OVER 25 YEARS OF AGE IN THE OCCUPATION OF FARMING

Reminder of State	$44.70	$46.50	$51	$55
Topeka	49.17	46.20	51	54
Wichita	53.64	49.70	51	61
Kansas City	67.05	53.80	51	69

EXHIBIT D.—SINGLE MALE OWNER OR OPERATOR UNDER 25 YEARS OF AGE

Territory	Farm Bureau	State Farm	Alliance Mutual Casualty	NBCU and NAUA
Remainder of State	$44.70	$130.90	$128	$128
Topeka	49.17	144.10	147	147
Wichita	53.64	158.60	163	163
Kansas City	67.05	189.70	206	206

EXHIBIT E.—SINGLE MALE UNDER 25 YEARS OF AGE IN THE OCCUPATION OF FARMING

Remainder of State	$44.70	$101.60	$97	$97
Topeka	49.17	110.30	97	107
Wichita	53.64	120.90	97	119
Kansas City	67.05	144.30	97	147

EXHIBIT NO. 2

COMPARISON OF EXPENSES FOR 1965

[In percentages of the premium dollar]

	Farm Bureau Mutual	Farmers Alliance Mutual	Alliance Mutual Casualty	State Farm Mutual	State Farm Fire & Casualty	Western Fire Insurance Co.	Western Casualty & Surety	National Bureau of Casualty Underwriters	Kansas Insurance Bureau	All companies in Kansas
Fire and extended coverage	37.2	46.2	....	....	54.0	43.0	....	....	47.0	....
Automobile	30.03	....	44.44	34.96	....	....	46.71	42.5	....	40.5
Total, all lines	32.2	47.7	44.9	34.6	45.1	41.9	47.4	....	....	....

PERMISSION FOR THE SPEAKER TO MAKE A REPORT ON THE ACCOMPLISHMENTS OF THE FIRST SESSION OF THE 90TH CONGRESS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Speaker may insert in the RECORD, either today or in any postsession RECORD, a detailed statement of the accomplishments of the first session of the 90th Congress, together with tables, extraneous matter, charts, and any other material pertinent to the issue.

The SPEAKER pro tempore (Mr. MATSUNAGA). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

ACCOMPLISHMENTS OF THE FIRST SESSION OF THE 90TH CONGRESS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, once more the pleasant duty falls to me to review the legislative record of this, the first session of the 90th Congress.

The record of the first session of the 90th Congress has been, by almost any yardstick, a highly constructive and profitable one. It has come very close to being one of those rare Congresses which turn up only once in a generation. Except for the 89th—the 63d, Woodrow Wilson's first Congress—and the 73d, Franklin Roosevelt's first Congress—in my judgment the first session of the 90th Congress measures up well to any of this century.

This has been a year which kept the Congress in session longer than usual. This is in part traceable to the vast job of legislative oversight that faced the 90th Congress in light of the truly remarkable accomplishments realized during the 88th and 89th Congresses. In a very real sense, this Congress can be called a Congress of consolidation, for we have been engaged for a large part of these many months in continuing and refining the multitude of Federal programs initiated by legislation enacted during the two preceding Congresses, and in certain instances even before then.

This painstaking but absolutely necessary task we all realized would be time consuming and occasionally frustrating. It is to the credit of the Members of Congress that we have done so well. It is worth noting in passing that so trenchant and distinguished a commentator as Walter Lippmann remarked in January of this year that a pause for reexamination of the host of Federal programs begun with the administration of Franklin Roosevelt and expanded under Presidents Kennedy and Johnson was in order. To this reexamination the Members of the House and Senate have devoted long hours of arduous labor both in committee and on the floor.

The job of the Congress has not, however, been limited to that of refining, examining, and improving programs established by preceding Congresses. The first session of the 90th Congress has initiated important new programs, some of which stalled in its historic predecessor. These include such bills as the Public Broadcasting Act and the clean air and meat inspection bills.

In the House of Representatives Members on both sides of the aisle have offered the abundance of their opinions, talents, and time in hammering out the compromises so essential to the legislative process. The magnitude of such labor remains invisible to the simple recitation here of the end product of that legislative process. The amounts of labor and time invested in the Social Security Amendments of 1967, for example, cannot be adequately recounted in this report, yet we all know that they were huge and demanding. In like fashion substantial energy was expended on the Economic Opportunity Act of 1967, on the Selective Service Extension Act, and on the Elementary and Secondary Education Act amendments. This list could be extended even further.

To further this long process of examination the Democratic leadership has endeavored to act in a responsible fashion. Consistently, the majority party in the House has labored to preserve what is essential to viable Federal programs, to reform those programs that needed reform, and to eliminate only those parts of a program which have previously failed or become obsolete. Never has the majority party endorsed a blanket policy of petty retribution against either an agency of the Government or a particular group of American citizens. Such a policy is anathema to a party which has enjoyed the support of the American people to a substantial degree for the last 37 years.

Our party has enjoyed that support for the fundamental reason that we have been a party responsive to the changing needs of changing times. We have been a party alert to social injustice and ready to remedy the defects which preclude a "more perfect Union." We have been a party that realizes the meaninglessness of freedom to those confined to subsistence living and we have endeavored to assist these people to help themselves; to extend to them the benefits of the American way of life.

This year we have been brutally reminded of just how imperative this task is. Frustration and grievance have given way to violence and disorder. The orderly progress of society cannot endure these terrible disruptions. Our cities have been horribly scarred in some instances. We all remember the horrid specter of Detroit following the disorder there in late July of this summer. On-the-spot reports likened the blackened and desolate sections of Woodward Avenue, 12th Street, and Grand River Boulevard to bombed out cities during World War II. Equally destructive violence wracked the city of Newark, N.J.

In the summer of 1967 alone there were more than 40 such incidents of civil disorder, resulting in almost 80 deaths, more than 3,000 injuries, and scores of arrests. Property and economic loss was estimated at more than a half billion dollars.

In his report to the Nation on July 27, the President rightly noted:

> There is no American right to loot stores, or to burn buildings, or to fire rifles from the rooftops.

He observed:

> Nothing can destroy good will more than a period of needless strife and suspicion between the races.

At the same time, the President asked of the Congress that it cooperate with him in the efforts begun to extend to Negro citizens the full benefits of citizenship in the greatest democracy yet known to man.

The best way in which Congress can give that assistance is to continue those Federal programs so meaningful to our cities and the people in them. Today we live in a society approaching 70-percent urbanization. As more and more people have moved into the cities, the cities have found their resources to provide necessary governmental services badly strained and inadequate. They have applied to the National Government to assist them in meeting the legitimate yet overtaxing demands on them.

Certainly in the past few years we have all been astounded by the anguished pleas emanating from the mayoralty offices across our land. Last year, before the Senate Government Operations Subcommittee on Executive Reorganization, Mayor Lindsay of New York City conjectured that $50 billion in Federal aid would be required in New York City alone in the next 10 years to make it a "thoroughly livable and exciting place in which to live." For some this mind-boggling sum seems unrealistic.

Yet, the very next day, the mayor of Detroit, Jerome Cavanagh, estimated that full financing of existing major programs of assistance to cities by the Congress over the next decade would cost $250 billion.

These are immense sums of money. Irrespective of the amounts which will actually be funded in the years to come, there can be no blinking the fact that the Congress has a responsibility to make good on the promise to aid our cities in coping with the problems they face. Control of air and water pollution, eradication of slums, elimination of traffic congestion, provision of adequate medical facilities, sufficient recreation facilities, effective police protection, improved education, good housing, intelligent and humane welfare programs—all these tasks and more confront our cities now and in the years to come. If remedial legislation is not consistently forthcoming from Congress, the fight to build a safe and sound America will be impaired. In the long run, the costs will be increased by the failure to act now.

The administration and Democratic Party in this session of Congress have striven mightily to guarantee that this "good fight" continues. If we have not been so successful as some might have wished, it is equally true that we have not been a total failure. Essential programs have been continued and new programs considered if not launched.

There remains yet another session of the 90th Congress during which we must continue to grapple with the weighty problems of today in the expectation of lightening the heavy burdens of tomorrow.

Anyone familiar with military tactics knows that once an objective has been seized it is imperative that one's position be consolidated. The Democratic Party in Congress this past year has been consolidating the victories of yesterday in preparation for the battles to come. We are setting a firm base of operations from which to carry on the never-ending struggle to insure to one and all the promise of the Declaration of Independence: life, liberty, and the pursuit of happiness.

Before detailing the specific accomplishments of this legislative session I must pause to pay compliment to our distinguished and beloved Speaker, JOHN MCCORMACK, who, on November 6 of this year, celebrated 39 years of service to the people of Massachusetts and the Nation in this House of Representatives. Having worked with him since 1955 as part of the Democratic leadership, I can attest to his dedication to duty and his sacrifice of personal welfare in insuring that the members of his party and of all the Congress shall receive superb guidance and assistance. He has truly established himself as one of the great Speakers in the history of the House.

To my esteemed friend, HALE BOGGS, must go once more deep thanks for his generous assistance and invaluable help as whip. His unstinting labor, as always, has contributed significantly to the goal of effective legislating. And to all Members of the House I extend thanks for their countless deeds of cooperation without which the legislative machinery could not function so well.

APPROPRIATIONS

The appropriations bills considered and enacted during the first session of the 90th Congress provide a microcosmic profile of congressional action this year to sustain the operations of the Government during fiscal year 1968. Similarly, they are a measure of the support which the administration's antipoverty war obtained from Congress.

It would blink the facts to argue that the President received all that he desired in support of these programs—fashioned in the 89th Congress—aimed at eliminating poverty in the richest Nation on this earth. The hard facts say otherwise. Time and again specific antipoverty programs, like the Teacher Corps, rent supplements, and model cities, had to weather opposition. All survived, which can be considered no small victory.

That they did survive is in part attributable to the outpouring of support for them from the grassroots level. Not only officials at the local level, but ordinary people—the poor as well as the concerned—pleaded with their Congressmen and Senators to preserve the promise for a better tomorrow.

No more meaningful endorsement of Government programs in a democracy exists apart from genuine and vocal grassroots support. It is of interest to note in this regard, that a late November poll by Louis Harris showed that 57 percent of the American people favor total elimination of city slums through Government action. It would appear that the people are once more ahead of their Government, or at least some in that Government, in their determination to remove an ugly blot from the social landscape. It is for us, their leaders, to heed well this compassionate and humane advice.

A concerted effort in Congress to economize on Government expenditure is visible in the action taken on this year's appropriations bills. Every single regular appropriation was cut, in some instances by a substantial sum.

DEFENSE SUPPLEMENTAL, 1967

To provide the support necessary for continued successful military operations in the Vietnam conflict during fiscal year 1967, the administration requested that Congress appropriate an additional $12.3 billion in supplemental funds. This it did, in great part, in a two-step process.

Initially, the Congress authorized in Public Law 90–5 (S. 665) an additional $4.5 billion expenditure for procurement of military machinery—aircraft, tracked vehicles, and missiles—and for research and development. Subsequent to this action of March 8, the Congress passed a $12,196,520,000 Vietnam Supplemental Appropriation Act on March 21, 1967—Public Law 90–8.

This marked the third straight year in which the Congress had to provide additional funds for financing the Vietnam war. The extent of our operations in Vietnam has expanded considerably in those 3 years. This is reflected both in the number of military personnel assigned to the theater of operations—approaching 500,000—and in dollars and cents.

In his budget message for 1968, the President included data showing "the costs which are clearly attributable to special efforts in that area—Vietnam—and in excess of what might have been the defense budgets for the years shown—1965–68—in the absence of the Vietnam conflict."

The totals from those figures indicate that between July 1, 1964, and June 30, 1968, at least $58.2 billion in new obligational authority for the Department of Defense will result because of the Vietnam conflict. For that same time period, more than $47.2 billion actually will be spent in the struggle to preserve independence for South Vietnam.

It is not necessary here to reiterate the reasons for our active promotion of freedom's cause in Southeast Asia. Suffice it to say that if the cost is staggering, the alternative is yet more frightening. In his state of the Union address, the President aptly quoted Thomas Jefferson with reference to our present course of action in Vietnam, to wit:

> It is the melancholy law of human societies to be compelled sometimes to choose a great evil in order to ward off a greater.

The President also noted then that he could not promise or report that the conflict would soon be over. "We face," he said, "more cost, more loss, and more agony."

From the very beginning of this session there has been widespread concern and debate within the Congress on the conflict in Vietnam. A noteworthy reminder of this is the Vietnam policy statement added by Congress to Public Law 90–5. The first such congressional declaration since the Gulf of Tonkin resolution of 1964, this policy statement declares that Congress is firmly committed to providing all necessary support for members of the Armed Forces of the United States fighting in Vietnam.

It further supports the President and other men of good will in their efforts to obtain a negotiated settlement to the conflict while preserving honor, the vital interests of the Nation, and self-determination for the South Vietnamese people.

Finally, the declaration supports a convening of the nations that participated in the Geneva conference following the conclusion of the French war efforts in then Indochina, or any other meeting of nations similarly involved and interested, for the purpose of "pursuing the general principles of the Geneva Accords of 1954 and 1962 and for formulating plans for bringing the conflict to an honorable conclusion."

SECOND SUPPLEMENTAL APPROPRIATIONS, 1967

On May 29, 1967, the President signed the Second Supplemental Appropriations Act of 1967—Public Law 90–21—providing $2,197,931,417 to cover expenses incurred by agencies but not appropriated for in earlier acts.

The most controversial item among those approved in this package was a $3.8 million appropriation for continuation of the Teacher Corps. Established under authority of part B, title V of the Higher Education Act of 1965, the Teacher Corps has been a target for attack by those opposed to the administration's antipoverty program.

As envisioned in the Higher Education Act, the Teacher Corps provides an infusion of teaching talent where it is most needed; that is, in schools with concentrations of children from low-income families. Clearly, this kind of added talent is necessary if students from low-income homes are to realize maximum benefit from their educational experience.

As finally signed into law, the Supplemental Appropriations Act provided $3,823,700 for the Teacher Corps, contingent upon congressional action prior to July 1, 1967, to authorize continuation of the Corps in 1968. That action was taken in late June—Public Law—thereby releasing the $3.8 million for use in financing this worthy program.

A major item in the supplemental appropriations was $473,898,680 to fund pay increase costs within Government agencies.

Provisos in the bill, in addition to that on the Teacher Corps, included: First, Federal participation in rebuilding college facilities damaged by a natural disaster at not more than 50 percent of the cost of replacement or restoration; second, spending by the National Science Foundation of up to $1 million in fiscal year 1967 to initiate grants under the National Sea Grant College Act of 1966; third, raising from $490 to $515 the per pupil expenditure limitation on the Defense Department's overseas educational program; and fourth, prohibiting the Office of Economic Opportunity from authorizing the expenditure of or spending funds for the establishment of a newspaper or radio or television station.

INTERIOR APPROPRIATIONS ACT, 1968

The first regular appropriations act to clear the 90th Congress provided $1,382,848,350 for the major operations of the Interior Department and related agencies, with the exception of the Reclamation Bureau and the power marketing agencies which were separately provided for in the Public Works Appropriations Act.

The amount appropriated was more than $75 million below that requested by the administration, a pattern of economizing followed in every subsequent appropriation bill enacted.

Public Law 90–28 included $237,504,000 for the Bureau of Indian Affairs. All told, more than $336 million was appropriated for health, education, and welfare benefits to the American Indian. As many Members know, more than 365,000 of the half million Indians in the population live on or near a reservation and partake of Federal assistance. It is absolutely necessary that Government assistance be provided Indians for the simple reason that almost half of all employable Indians are without work.

The Federal Government's relationship with the American Indian dates to the beginning of the Republic when the Government accepted responsibility for providing public services to the Indians. Between 1789 and 1967, the Government has spent more than $5 billion on Indian service programs.

The moneys appropriated for the Department also help to keep our national parks beautiful and functional, and to support mineral and water resources research. Conservation of fish and wildlife is another important enterprise within the Department's jurisdiction.

Among the related agencies provided for in the act are the Smithsonian Institution, $31,611,000; National Foundation on the Arts and Humanities, $12,200,000; National Capital Planning Commission, $995,000; and the Forest Service, $357,626,000.

POST OFFICE, TREASURY, AND INDEPENDENT OFFICES APPROPRIATIONS ACT, 1968

Cleared on June 29, and signed by the President on July 7, 1967, the Post Office, Treasury, and Independent Offices Appropriations Act of 1968—Public Law 90–47—provided $7,545,641,000 to finance the activities of these two Departments, the Executive Offices of the President, and two independent agencies, the U.S. Tax Court and the Advisory Commission on Intergovernmental Relations.

Of the more than $7.5 billion appropriated, $921,887,000 was for the operations of the Treasury Department, which includes the Bureau of Accounts, the Bureau of Customs, the Bureau of the Mint, the Bureau of Narcotics, the Internal Revenue Service, and the U.S. Secret Service.

Slightly more than $6.6 billion of the total appropriation was for the operations of the Post Office Department which does such an admirable job in keeping the mail flowing in his country. Estimations are that the Post Office will handle close to 82 billion pieces of mail this year—a total which exceeds the mail handling of the entire rest of the world combined.

For the operations of the White House, the Bureau of the Budget, the Council of Economic Advisers, the National Security Council, and other offices under the Executive, a total of $17,739,000 was appropriated in the bill. In addition, $2,407,000 was provided to finance the activity of the Tax Court and $510,000 for the operations of the Intergovernmental Relations Commission. The Tax Court, of course, adjudicates controversies involving deficiencies or overpayments of Federal taxes and holds hearings in cases of alleged excess profits by war contractors.

The final appropriation figure was $69.5 million less than that requested in the budget.

ATOMIC ENERGY COMMISSION APPROPRIATIONS AUTHORIZATION

On July 26, 1967, the President signed into law the 1968 appropriations authorization for the vital Atomic Energy Commission. Public Law 90–56 authorizes the Commission to spend up to $2,633,876 on nuclear research and development in fiscal year 1968. It further extended for a year the cooperative power reactor demonstration program. Presently under construction by authority of this program is a gas-cooled reactor in Colorado, which it is hoped will be operational by March 31, 1972.

Almost $29.9 million was approved for Project Plowshare, which is a program seeking civilian uses for nuclear explosions. Also included in the authorization was $7,333,000 for the construction of a nuclear accelerator at Weston, Ill.

Actually appropriated for the AEC for operations during 1968 were $2,509,133,000—Public Law 90–147. Both the authorization and the appropriation were less than the amount requested by the administration.

LEGISLATIVE BRANCH APPROPRIATIONS ACT OF 1968

As finally cleared by the Congress, the Legislative Branch Appropriations Act of 1968—Public Law 90–57—provided $275,699,035 for financing the activities of Congress, the Library of Congress, the Architect of the Capitol, the Botanic Garden, the Government Printing Office, and the General Accounting Office.

A sum of $8,534,000 was included in the bill to reimburse the Post Office for the cost of congressional franked mail in 1966. It will be of interest to Members to know that mail volume for that year increased 63 percent over 1965.

Finally, the bill included no funds for the extension of the west front of the Capitol, for a third building for the Library of Congress, or for the new Government Printing Office plant. In view of the need to cut back on nonessential expenditures, it was felt that these projects should not be started in the current fiscal year.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION'S APPROPRIATIONS AUTHORIZATION

Propelled by man's endless quest to conquer new frontiers, this country has invested money and manpower to explore the infinity of space. By any measure the results have been breathtaking. Countless satellites have circled the earth, photographed the moon, and probed the mysteries of our sister planets. Weather satellites have aided meteorologists in understanding and predicting weather conditions.

Project Apollo, despite setbacks and the tragic deaths of astronauts Gus Grissom, Edward White, and Roger Chaffee in late January this year, has moved forward. In early November Saturn 5, in a mighty roar of potency, lifted into space from Cape Kennedy, thereby restoring hopes that we can reach the moon by 1970. The most powerful rocket ever to hurtle into space, the reverberations from its blastoff were so powerful, reported the Lamont Geological Observatory, that only nuclear explosions, the Krakatoa volcano eruption of 1883, and the great Siberian meteorite in 1908 have produced stronger air waves.

To continue the laudable efforts of past years, Congress on August 8 sent to the President a NASA authorization bill entitling the agency to spend $4,865,751,000 in fiscal year 1968—Public Law 90–67. This authorization was lower than that of 1967, and marked the fourth straight year in which space authorizations have been reduced. The main reason for these reductions is to aid in cutting back Government expenditure.

The largest single item in the authorization is for the Apollo moon project—$2,521,500,000. In addition to monetary authorization, the bill established a nine-member Aerospace Advisory Panel to review safety studies and safety standards. Since the fire tragedy of January, we are ever more safety conscious.

On October 26, the Congress approved Public Law 90–131 appropriating $4,588,900,000 to finance the space program during 1968. This sum was more than $500 million below the budget request of the President and almost $280 million below the 1968 authorization. The President, however, publicly stated that he found the cuts acceptable.

MARITIME ADMINISTRATION AUTHORIZATION ACT

Through Public Law 90–81, the Congress initiated annual authorizations for Maritime Administration appropriations. Heretofore hearings for funds for the Administration were held only before the Appropriations Committees. From now on the Administration must also appear before the House Merchant Marine and Fisheries Committee and the Senate Commerce Committee to obtain funding approval for certain of its programs.

This practice of dual approval for appropriations is a growing trend with its beginning at the conclusion of World War II. Agencies now affected besides the Maritime Administration include the Department of Defense, the National Space and Aeronautics Administration, the Atomic Energy Commission, and the Coast Guard.

Public Law 90–133 appropriated $347,917,000 for the 1968 operations of the Maritime Administration. Beginning next year, however, the Maritime Administration must receive House-Senate "parent" committee spending authorizations for, first, acquisition, construction, or reconstruction of vessels; second, payment of construction-differential subsidies; third, payment of operating-differential subsidies; fourth, research and development expenses; fifth, reserve fleet expenses; sixth, training for employees at the Merchant Marine Academy; seventh, Federal payments to State marine schools; and eighth, payments to the vessel operations revolving fund.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1968

On September 29, 1967, the President signed the Department of Defense Appropriations Act of 1968—Public Law 90–96. As finally passed by Congress, the measure appropriated $69,936,620,000 for national defense purposes. Of this sum, an estimated $20 billion will finance operations directly related to the Vietnam conflict.

This act contains funds for all Department of Defense activities except military construction, military assistance abroad, military family housing, and civil defense. Defense, of course, is a primary function of the state. It is not surprising, therefore, that more than 50 percent of the money expended by the Federal Government in fiscal 1968 will be related in some way to that function.

It is perhaps but a temporary footnote in history to note that Public Law 96 is the largest single appropriations bill ever passed by the Congress. Despite its near $70 billion in appropriations, it was almost $1.65 billion less than requested by the President, and slightly more than $293 million below the amount appropriated for fiscal 1967 for defense activity—included in the 1967 total are $12,196,520,000 in supplemental funds.

Reductions in the bill included $139.1 million less than requested for procurement of the Navy fighter aircraft F–111B, $123 million for the first prototype of a new class of amphibious assault ship, $103 million for the Air Force A–7D ground-attack aircraft, and $52.7 million for implementation of a new accounting system in the Department of Defense. Another major contributor to reduction was congressional refusal to authorize $467.7 million worth of expenditures requested in the Armed Forces weaponry authorization—Public Law 90–22.

Aside from funds for the continuation of the Vietnam war effort, major items in the act are: First, $718.9 million for the Nike-X antiballistic missile—House and Senate reports accompanying the bill to the floor recommended a minimum deployment of such missiles around our major cities to protect against sudden nuclear attack; second, a proviso prohibiting construction in a foreign shipyard of any naval vessel funded under the bill; third, $21,781,500,000 for reimbursement of active, reserve, and retired military personnel; fourth, $19,034,520,000 for operation and maintenance of the several branches of the Armed Forces, including $6.9 billion for the Army, $4.653 billion for the Navy, $391.6 million for the Marine Corps, and $5,367,025,000 for the Air Force; fifth, $22,000,800,000 for procurement of military hardware; and sixth, $7,108,600,000 for research and development programs.

It should be understood that expenditures for the Vietnam conflict are scattered throughout the sums appropriated for the major categories of activity noted in the above paragraph.

TRANSPORTATION DEPARTMENT APPROPRIATIONS ACT, 1968

On October 23, 1967, the President signed the first full-year appropriation for the Department of Transportation, which began operations on April 1, 1967. Public Law 90-112 appropriated $1,581,905,772 to fund the activities of the several agencies under authority of the Secretary of Transportation.

Major items in the act include $521,965,000 for the Coast Guard, $907,435,000 for the Federal Aviation Administration—including $142,375,000 for development of the SST—$119,111,772 for the Federal Highway Administration, and $16,044,000 for the Federal Railroad Administration.

Other aspects of Public Law 90-112 include appropriation of $3,770,872,000 from the highway trust fund to meet fiscal 1968 Federal-aid highway construction obligations; a $59,927,000 limitation on research and administration expenditures by the Federal Highway Administration during the fiscal year; a $514,000 ceiling on administration expenditures by the St. Lawrence Seaway Development Corporation during the year; authorization for Federal participation in the construction of two prototype planes in the program to develop the SST; and a prohibition on the Transportation Department's using Federal Highway Administration funds for planning or executing State and community highway safety programs which will require obligation of more than $25 million in fiscal 1968.

Although the amount appropriated in Public Law 90-112 was $136.7 million less than requested by the administration in its budget, the Congress did appropriate $25.6 million more for air safety equipment than requested by the President.

AGRICULTURE APPROPRIATIONS ACT, 1968

On October 10, 1967, the Congress sent to the President H.R. 10509—Public Law 90-113—appropriating $4,952,945,700 in fiscal 1968 for the Department of Agriculture and related agencies. This sum was $68,151,700 less than requested in the budget, and more than $2 billion below the amount appropriated in fiscal year 1967.

The significant drop between the 1967 and 1968 appropriations is attributable in main to the nonreimbursement this year of the Commodity Credit Corporation's losses in previous fiscal years for price supports, commodity storage and export, and similar programs. If the agency's programs are to continue, however, the Congress must eventually make up CCC's losses. Aside from the decreases in CCC funds, few other reductions in agriculture programs were made.

As many Members are aware, appropriations for agriculture programs have been among the largest provided for Federal activities for many years. These large expenditures are concentrated, however, in a few programs, for example, CCC, commodity export, the Agricultural Stabilization and Conservation Service, and the Consumer and Marketing Service.

Other important programs funded included the special milk program to provide 3.2 billion half pints of milk to schoolchildren—$104 million; the school lunch program to provide an estimated 3.4 billion meals in the next school year—$227,825,000; the pilot school breakfast program, authorized in 1966, to provide a morning meal for children who come to school without one—$3.5 million; and the very successful food-stamp program, which enables needy families to buy more for their dollar—$185 million. See agriculture section of this report for a separate discussion of the food-stamp program.

Another major item in the act authorized the sale of $750 million worth of participation certificates in outstanding loans of the Farmers Home Administration. The sale of these certificates to private investors enables the Farmers Home Administration to broaden its assistance to individual farmers and other rural groups striving to build homes, improve farms, and conserve land and water resources.

Numerous other provisions were also included in this year's Agriculture Appropriations Act. Several activities were financed through the 30 percent of U.S. customs receipts earmarked each year for section 32 of Public Law 74-320, 1935. These include the special milk program and agricultural research programs. The President asked that $195 million be taken from these funds to finance the food-stamp program for the ensuing year. Congress, however, directly appropriated for this activity. In all, $167,117,000 of section 32 funds were authorized for use.

Also authorized in the bill, but not directly appropriated for, were $434.6 million in electrification and telephone service loans by the Rural Electrification Administration and $225 million in real estate purchase, operation, and rural housing loans by the Farmers Home Administration.

Up to $220 million in contracts were authorized for the agricultural conservation program. Other provisions were: First, reappropriation of $2 million in unused fiscal 1967 funds for research salaries and expenses of the Agricultural Research Service in 1968; second, transfer of $275,000 from the CCC appropriation to the Agricultural Research Service for cotton research; third, limitation of $15 million on future budget estimates for transfers of section 32 funds for agricultural research; fourth, authorization for the Soil Conservation Service of $7.5 million from the direct loan account of the Farmers Home Administration—$5 million for watershed protection, $1 million for flood protection, $1.5 million for resource conservation and development; fifth, reappropriation for 1968 of $23.2 million in unused 1967 funds for the food stamp program; sixth, transfer of $58,608,600 from the CCC to the Agricultural Stabilization and Conservation Service for incurred expenses; seventh, authorization for the Government to enter into cropland adjustment agreements in fiscal year 1968 totaling no more than $52.2 million in commitments; eighth, $410 million authorization for the Farmers Home Administration direct loan account; ninth, $15 million authorization for the Farmers Home Administration rural housing direct loan account; tenth, transfer of $2,250,000 from the agriculture credit insurance fund and of $500,000 from miscellaneous program funds for salaries and expenses of the Farmers Home Administration; eleventh, $31,500,000 ceiling for administrative expenses for the CCC; twelfth, authorization of $1.6 million for administrative and operating expenses of the Federal Crop Insurance Corporation—funded through premium income; and thirteenth, $3,224,000 limitation on administrative expenses for the Farm Credit Administration.

Finally, the act stipulated that no funds in the appropriation could be used to finance the Food for Peace program—Public Laws 83-480 and 89-808—for any nation selling or transporting goods to North Vietnam while that country remains under Communist rule.

In the many services continued and financed by the Agricultural Appropriations Act of 1968, the Congress has once more supported the programs so vital to continued economic welfare for the American farmer. These are but a well-deserved appreciation for the bountiful produce the American farmer provides not only for domestic consumption but for many thousands of persons in foreign lands as well.

No other nation's farmers can match the productivity of the farmers of the United States. The cornucopia of goods available for purchase in our giant supermarkets is eloquent testimony to the capability of the slightly more than 3 million farmers in the United States, who constitute about 6.5 percent of the labor force.

HOUSING AND URBAN DEVELOPMENT DEPARTMENT, INDEPENDENT OFFICES APPROPRIATIONS ACT, 1968

To finance the 1968 operations of the Housing and Urban Development Department, the Congress appropriated $1,636,000,000 in Public Law 90-121. Additional authorizations were also contained in the measure. All told, the act appropriated $10,139,473,900 for the activities not only of HUD but of various executive offices and independent agencies as well. Although one of the larger appropriations acts passed by Congress this year, the amount provided was still more than $681 million below budget estimates.

Two controversial but important parts of the President's antipoverty program survived tests during consideration of this bill—H.R. 9960: the rent supplements and model cities programs. The President had asked for $40 million to continue the rent supplements program, which provides assistance in rental payments for low-income families so that they might enjoy standard housing. Congress, however, granted contract authority for the program totaling only $10 million.

The promising model cities program received a $312 million appropriation for which the administration had requested $662 million. Through this program it is anticipated that entire neighborhoods in cities will be rehabilitated and rebuilt. Housing and slum experts have testified that this "integrated" approach to urban redevelopment is one of the more notable concepts to surface in some years. It is most encouraging, therefore, that Congress financed the program despite substantial opposition in the House and despite the shrinking of the final figure adopted.

Other major items in the bill included: first, authorization for Government sale of $3,235,000,000 in participation certificates to finance loans and bolster assets, including $2,385,000,000 in HUD securities and $850 million in Veterans' Administration securities; second, $6,649,279,000 to pay for the many services to our veterans provided by the Veterans' Administration; third, $61,483,000 for the activities of the Civil Aeronautics Board; fourth, $149,048,000 for the Civil Service Commission; fifth, $19,100,000 for the Federal Communications Commission; sixth, $14,220,000 for the Federal Power Commission; seventh, $15,150,000 for the Federal Trade Commission; eighth, $532,184,900 for the General Services Administration, the housekeeping and supply agency for the Government; ninth, $23,460,000 for the Interstate Commerce Commission; tenth, $495,000,000 for the prestigious National Science Foundation, which during its 16 years of operation has done so much to advance research in, and teaching of, the sciences in the United States; eleventh, $2,600,000 for the Renegotiation Board; twelfth, $17,350,000 for the Securities and Exchange Commission; thirteenth, $57,455,000 for the Selective Service System by which the draft laws are implemented; fourteenth, $86,100,000 for the civil defense programs administered through the Defense Department; and fifteenth, $9,000,000 for the Public Health Service, a part of the Department of Health, Education, and Welfare.

In his budget message to the Congress this year, the President noted that the "problems of the American city are great and vexing." That "in the declining centers of our cities are the poor and the victims of discrimination"—persons trapped by their fiscal incapacity to solve the problems confronting them.

The programs financed through the almost $2 billion appropriated or authorized for the Housing and Urban Development Department are designed to alleviate and eliminate the conditions which foster decay in our cities. These programs, however, are long range and subject to the inevitable consequences of trial and error. It is a mistake to expect overnight miracles.

It is vital, therefore, that the Congress continue to respond to the very great needs of our cities, large and small. Change the programs that need changing, to be sure, but do not eviscerate them. The results of inaction bode ill for our cities and this Nation: further decay, further frustration, further alienation, further civil discontent.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS ACT, 1968

The Department of Labor and Department of Health, Education, and Welfare and related agencies appropriations act of 1968—Public Law 90–132—passed Congress on October 27, 1967. Altogether it provided $13,255,356,000 to finance the activities and programs of these Departments and agencies. The amount provided was $168,790,000 below administration requests, but $238,792,000 above the appropriation for 1967.

HEW receives $12,569,999,100, including indefinite appropriations, of the funds provided in H.R. 10196. Included in this amount were $1,677,907,000 for elementary and secondary education, and $1,158,194,000 for higher education activities. Members will remember passage of landmark legislation in these fields in 1965.

Also included in the HEW appropriation were $2,729,218,000 for the Public Health Service—$1,178,924,000 of that for the National Institutes of Health—and $4,379,636,000 for the Welfare Administration. Contained in the bill also was $13.5 million for the Teacher Corps, considerably less than the $33 million requested by the President.

In addition, the act authorizes the sale of participation certificates to private investors to cover loans made for the construction of academic facilities at colleges and for education and nurses' training in health professions. The total sales authorized amounted to $115 million.

A sum of $4,511,000 for civil rights enforcement by the Health, Education, and Welfare Department was approved in the bill. For the Labor Department, $1,103,000 were appropriated for civil rights responsibilities. The act stipulated that no funds were to be used by persons convicted of "inciting, promoting or carrying on a riot."

The Labor Department appropriation totaled $625,524,000 to finance activities by the Manpower Administration, Bureau of Employment Security, Wage and Labor Standards, Bureau of Employees' Compensation, Bureau of Labor Statistics, and other agencies within the Department.

Among important Health, Education and Welfare agencies appropriated for and not yet noted were the Food and Drug Administration, $67,150,000; the Vocational Rehabilitation Administration, $386,606,000; the Social Security Administration, $1,011,631,000; and the Administration on Aging, $18,450,000.

The important work of the many agencies noted here cannot be exaggerated. Taken together they amount to a concerted effort by the Federal Government, often working in creative cooperation with State and local officials, to ensure the health and welfare of the American people. The recent entrance of the Federal Government into the education field represents a recognition of its proper role in guaranteeing to American youth the best possible education. Especially significant are the strides being made to build new and better schools and to aid in recruiting teachers of excellent quality. This administration can be justifiably proud, as can this and the previous Congress, for the efforts made to improve the quality of American education.

DEPARTMENTS OF STATE, JUSTICE, COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1968

Public Law 90–133, the Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriations Act of 1968, provided $2,169,012,500 to fund the activities of these Departments, the Federal courts, and 12 other Federal agencies.

This amount was $178,790,695 below the administration request. Major economy cuts were made in the Department of Commerce's appropriation, including $30 million for highways in the Appalachia region, $19 million for the Environmental Science Services Administration, and the entire $20 million requested by the Census Bureau for a sample survey of households in 1968. All told, more than $104 million was pared from the Commerce appropriation.

State Department funds were cut by more than $22 million; the Justice Department by $19.8 million; the Office of Education's civil rights activities by $20 million; the U.S. Information Agency, $6,683,000; and the U.S. Arms Control and Disarmament Agency, $1 million.

As finally enacted in law, the bill allotted $385,667,400 for the State Department, $417,623,000 for the Justice Department—including the FBI—and $1,304,291,000 for the Commerce Department. Included in the Commerce Department appropriation was $374,917,000 for the Maritime Administration, $36.9 million for the Bureau of the Census, $345 million for Economic Development Assistance, $163,050,000 for the Weather Bureau and other environmental science services, $38.2 million for the Patent Office, and $32,490,000 for the National Bureau of Standards.

A total of $93,947,100 was appropriated to meet the cost of running the Supreme Court and the other courts of the Federal Government. Important independent agencies appropriated for were the Commission on Civil Rights, $2,650,000; HEW, Office of Education, civil rights functions, $10,000,000; Equal Employment Opportunity Commission, $6,500,000; Small Business Administration, $11,250,000; Tariff Commission, $3,675,000; U.S. Arms Control and Disarmament Agency, $9,000,000; the Subversive Activities Control Board, $295,000; and the U.S. Information Agency, $186,379,000. Altogether, $237,484,000 were appropriated to finance the operations of 12 independent agencies.

In addition, Public Law 90–133 authorized the sale of $150 million of participation certificates in Small Business Administration loans. It prohibited use of funds in the bill for construction of any ship in a foreign country or for laying up the NS *Savannah*. Finally, it reiterated congressional opposition to the admittance of Communist China to the United Nations and to the use of any U.S. funds to promote world government.

PUBLIC WORKS AND THE ATOMIC ENERGY COMMISSION APPROPRIATIONS ACT OF 1968

On November 9, Congress sent to the President H.R. 11641, the $4,689,938,000 Public Works and Atomic Energy Commission Appropriations Act of 1968. The funds provided by this act will support the operations and activities of the Army Corps of Engineers, the Bureau of Reclamation, the Federal Water Pollution Control Administration, and the Atomic Energy Commission. Its funds will additionally finance the activities of several independent agencies including the Tennessee Valley Authority, power agencies within the Interior Department—for example, the Bonneville Power Administration—and the Panama Canal. The sum appropriated was almost $178 million below budget estimates.

Public Law 90–147 allots $2,509,133,000 to the Atomic Energy Commission, including $7,333,000 for the nuclear accelerator to be built at Weston, Ill.

Appropriations for the Corps of Engineers public works projects totaled $1,298,129,000, more than $9.5 million below administration requests but $7,070,000 above 1967 appropriations for similar purposes.

In an attempt to hold down domestic Federal spending commitments, the Congress funded only 34 new construction starts by the Corps in 1968, as compared with 58 new starts begun last year. The President, furthermore, has responded to congressional calls for reduced spending by slowing work on public works projects.

For the first time, the Public Works-AEC Appropriations Act contained moneys for the Federal Water Pollution Control Administration, which, until May 10, 1966, had been part of HEW, but which is now part of the Interior Department. Altogether, $295,800,000 were appropriated to finance water pollution control programs, including those authorized under the legislation passed in 1966—Public Law 89–753.

Major new public works projects launched by the act include the Overton-Red River Waterway in Louisiana—total estimated cost to the Federal Government: $135 million—improvement of the New York Harbor, and the Trotter Shoals project on the Savannah River.

ECONOMY IN GOVERNMENT SPENDING

Late in the year the President announced that he would cut Government payrolls by 2 percent and spending on Government programs by 10 percent in an effort to prevent an excessively high budget deficit. In taking this action the President was hopeful that the Congress would give favorable and early attention in 1968 to his proposal for a 10-percent surtax on personal and corporation income taxes.

The Congress, in full agreement with the President's efforts to decrease Government expenditure, incorporated his economy proposals in House Joint Resolution 888. The effect of the proposed reductions and earlier congressional cuts in appropriations measures will be to push spending more than $4 billion below the administration's estimates for 1968.

MILITARY CONSTRUCTION APPROPRIATION, 1968 (NATIONAL SECURITY)

Public Law 90–180 appropriated $2,093,362,000 for construction in 1968 of military housing and other installations at home and abroad. This sum was $843,638,000 less than requested by the President, but almost $490 million above the 1967 appropriation.

Of the funds approved in the measure, $1,377,691,000 were for new construction at military bases, $671,271,000 were for family housing, $244,000,000 were for construction of facilities for the Reserve and National Guard, and $20 million were for assistance to military and civilian homeowners who incurred losses on their homes because of the closure of a Federal installation where they were stationed or employed.

FIRST SUPPLEMENTAL APPROPRIATIOONS, 1968

In one of its last official acts of the first session, Congress passed a $1,842,923,790 Supplemental Appropriations Act. The bulk of this appropriation—$1.773 billion—will finance the many programs of the Office of Economic Opportunity. Other items in the bill were: $57,445,750 for programs and administrative expenses in connection with regional development in Appalachia; $10 million for administrative costs in the Office of Saline Water, Department of Interior; $2.2 million for administrative costs of the Public Land Law Review Commission; and $278,040 for various expenses in the legislative branch.

Language included in the conference report on H.R. 14397 directed the Office of Economic Opportunity to examine, reexamine, and continuously evaluate its programs with "a view toward weeding out programs that are insufficient and replacing them with either proven or new programs which are more promising." Earmarking of funds was eliminated in order to permit the Director to channel money where it is most needed. This provision was necessary in view of the amount of money appropriated for 1968 operation of poverty programs, a sum lower than the total for 1967.

NATIONAL SECURITY AND VETERANS' AFFAIRS

THE WAR IN SOUTH VIETNAM

The continuing struggle in the jungles and mountains of South Vietnam to preserve the independence of its beleaguered people and to maintain our commitment to the democratic nations of Asia has occupied the attention of the President, of the Congress, of the American people, indeed, of the world this past year.

Because it is a guerrilla war, it is a frustrating enterprise. It presents few cleanly won battles. It produces few dramatic successes. It baffles, bewilders, and bedevils.

Yet, we are winning the war. Reports indicate that the government in Saigon now controls some two-thirds of the land area in South Vietnam. Reports indicate that the pacification programs are succeeding despite relentless opposition and terror by the Vietcong.

This past year, elections were held in Vietnam and the chosen leaders are now engaged in the hard work of implementing a civilian government.

Slowly and painfully, then, we are, together with our allies there, achieving a victory the ramifications of which extend beyond the very legitimate goal of an independent South Vietnam. We are proving by our preseverance in this tiny Asian country that the United States will not stand aside indifferently and permit the subversion of budding democracies. We are saying to friend and foe alike that the largest democracy on earth is not obvious of its obligations to sister republics. We are demonstrating that we will honor our foreign policy commitments. These are signally important if this country is to continue as the leader of the free world.

It will be remembered that this arduous and thankless task was assumed by us following the conclusion of the Second World War. It was this basic commitment which inculcated the Marshall plan, which fostered NATO, which produced Point Four, which supported the United Nations, which defended South Korea from aggression. It is a policy which has been carried on by four Presidents: Harry Truman, Dwight Eisenhower, John Kennedy, and now Lyndon Johnson. It is a policy which recognizes the cardinal fact that our own national security is intimately bound together with the security of our free allies.

The President comprehends well the meaning and necessity of this policy. He has been involved with it, in one capacity or another, since its inception. It is to his everlasting credit that he now demonstrates steadfast resolve in implementing its mandates.

It is undoubtedly true that never before has the country been so cruelly confronted with the cost of being the leader of the free world. We find ourselves fighting for liberty on distant shores in a perplexing confrontation. It seems a heavy price to pay but we do well to recall the counsel of the late President Kennedy:

> We shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe, in order to assure the survival and the success of liberty.

The President has not weakened in his determination to see this war through to an honorable conclusion. Despite vigorous opposition, his resolution remains firm. In the face of dissent verging on calumny, he has shown restraint.

Congress was called upon many times in the past 12 months to meet its responsibilities to our forces in Vietnam. In early spring it enacted a $12,196,520,000 Vietnam Supplemental Appropriations Act to help meet the costs of the war during 1967. It is estimated that almost $20 billion were expended during 1967 in fighting the war in Vietnam and that at least $20 billion more will be required to continue the effort in 1968.

The war costs have increased Defense

Department appropriations significantly. In Public Law 90–96 the Congress appropriated more than $69.9 billion to fund the Department of Defense during 1968. This is a figure for defense expenditure exceeded only twice before in our history—in 1944 and 1945 during the height of the Second World War.

WEAPONS, VESSELS, AND CONSTRUCTION AUTHORIZATIONS

Several bills were passed to authorize the procurement of weapons, the construction of naval vessels, and the construction of military housing and installations.

In May Congress sent to the President a bill authorizing $21,168,032,000 for development and procurement in 1968 of military hardware. Public Law 90–22 authorized expenditures exceeding $13.8 billion for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, items of particular need and significance given our engagement in South Vietnam. It further authorized expenditure of more than $7.3 billion for research and development. These authorizations were later funded in the 1968 Department of Defense Appropriations Act.

Of particular interest in this act was a standby authorization for development of an antiballistic missile system should the administration decide that the installation of one is advisable. The revelation in late fall of the Soviet Union's capability to launch nuclear weapons from satellites emphasizes the importance of this standby authorization.

Public Law 90–22 authorized $377 million in ABM development funds which, together with an earlier authorization, provides a total of $544.9 million for installation purposes. The Defense Department Appropriations Act subsequently appropriated $297.6 million for deployment of the ABM missile, the Nike X, and $421.3 million for continued development of it—only $2 million less than the amount authorized in Public Law 90–22.

The Congress added $101.6 million more to the total authorization than was requested by the administration, mainly because of low administration estimates as to weaponry needs in the Vietnam conflict. Major items added to the authorization were, first, $294.7 million for procurement of additional aircraft by the Air Force, Navy, and Marine Corps and for procurement of improved electronic equipment for existing Air Force craft; second, an additional $83 million for the construction of two nuclear-powered missile frigates instead of the two conventionally powered missile destroyers requested by the administration; and third, an additional $25 million for development of an advanced manned strategic aircraft—a proposed successor to the B–52 bomber due to be phased out in the 1970's.

Counterbalancing these $402.7 million in add-ons were cuts made in requested authorizations for a fleet of fast deployment logistic ships designed to provide rapid supply to troops in future brushfire wars. Congress eliminated the $233.5 million request for FDL ship development made in the administration bill. It further rescinded a fiscal 1966 appropriation of $67.6 million for construction of two such ships.

Significant provisos in the act include establishment, as of January 1, 1969, of 4-year terms of appointment for the Chiefs of Staff of the Army and the Air Force, the Chief of Naval Operations, and the Commandant of the Marine Corps. Existing law requires a 4-year term of appointment only for the Marine Corps Commandant with the option of appointing other Chiefs for terms up to 4 years. Present law also permits the reappointment of the Army, Air Force, and Navy Chiefs for any period of time. This will no longer be true as the new provisions stipulate that reappointment of any Chief can occur only during a war or state of national emergency as declared by the Congress after December 31, 1968.

A second proviso in the act extends authority to merge Defense Department funds supporting the war effort in Vietnam with other sums appropriated for military assistance there and broadens that authority to include the support of allied forces in Laos and Thailand.

On June 30 the President signed H.R. 5424—Public Law 90–37—authorizing $165,014,000 in fiscal 1968 for the Coast Guard. This sum was $58 million more than requested by the administration. That extra amount is to finance the construction of five high-endurance cutters instead of the one requested by the administration.

All told, the construction of 10 vessels was authorized, as were the designing of an icebreaker, and improvements on existing vessels. The total authorization for this purpose was $97,776,000. An additional $25,475,000 were authorized for helicopter and airplane procurement; $37,963,000 for 22 shore installations and other facilities; and $3,800,000 for alteration of railroad and public highway bridges to permit free navigation.

Finally, the act required that all vessels authorized by it be constructed in U.S. shipyards.

In the Transportation Appropriations Act—Public Law 90–112—the Congress appropriated only the $107,014,000 requested by the administration for Coast Guard vessel acquisition and installation construction.

Public Law 90–110, signed October 21, authorized $2,333,255,000 for construction at U.S. military bases in the United States and abroad and for construction and maintenance of military family housing. Later, in the Military Construction Appropriations Act, Congress provided only $2,093,362,000 of the authorized amount for actual expenditure during 1968—Public Law 90–.

In an important related development, the Department of Defense ordered a freeze on all new military construction except for that connected with either the Vietnam war or the deployment of new weapons systems. This halt will affect previously authorized construction and, if it remains in effect long enough, that approved in Public Law 90–110. The action was ordered by the Secretary of Defense in order to hold down Government expenditure.

The final authorization was $327,128,000 below administration requests but $1.3 billion more than authorized in fiscal 1967. This large increase in authorization was necessary in order to replace "temporary" facilities constructed during World War II but still in use and because of the need for new military family housing.

MILITARY SELECTIVE SERVICE ACT OF 1967

Since 1940 the United States has had some form of selective service. In 1951 the debate as to the advisability of universal military training was resolved in favor of a continuing peacetime draft. The uncertainties resulting from the cold war and the aggression in South Korea convinced Congress that militarily trained reserves of men were vital to our foreign policy commitments and national security.

This year Congress once more had to determine whether or not the draft should be extended and if so, in what form. Beginning in the fall of 1966, suggestions for changes in the selective service law were forthcoming from numerous sources. Suggestions included abolishing the draft in favor of well-paid voluntary Armed Forces, elimination of student deferments, and selection of draftees by lot.

During congressional debate, however, a consensus developed that our present military commitment in Vietnam precluded sweeping revisions in the existing draft laws. On June 20, therefore, the Congress sent a bill to the President which provided in the main only for extension of the draft through July 1, 1971.

Provisions in Public Law 90–40 included: First, authority to induct men between the ages of 18½ and 26, or up to 35 for those who receive deferments; second, authority to issue special calls for physicians, dentists, and allied technicians if they have received deferments for professional education; third, suspension of permanent limitations on the active duty strength of the Armed Forces; fourth, authority to pay a quarters allowance to all enlisted members of the Armed Forces with dependents, irrespective of the rank of these members, if Government quarters for dependents are not available; and fifth, authority to pay physicians and dentists up to an additional $350 a month—based on their length of service—and to pay veterinarians an additional $100 a month, regardless of their period of service.

Language written into the bill prohibits the President from instituting a draft lottery or other means of random selection of draftees without the specific approval of Congress. The President had expressed the desire to have some form of lottery selection written into law in order to make the draft more equitable. Under his discretionary authority to order revisions in draft procedures, the President could institute a reform of this nature. The congressional expression in Public Law 90–40 not to do so without consultation with the Congress makes it unlikely that that will occur.

College undergraduate deferments will continue to be given unless the President determines that the military manpower needs of the country require their restriction or termination. The new draft law does provide, however, that unless a student later receives a graduate or occupational deferment, or unless his induction would work a severe hardship on dependents, he shall be placed in an age group most vulnerable to immediate draft upon his graduation, or his withdrawal or expulsion from school, or his 24th birthday, whichever may come first.

The new law further provides that an undergraduate deferment once granted shall continue so long as a student remains enrolled in a full-time course of instruction. The effect of this language is to preclude the drafting of students whose work performance is less than satisfactory yet not so poor as to cause withdrawal or suspension. Some draft boards did previously induct students in this category.

The President's authority to prescribe criteria for the granting of graduate and occupational deferments was continued. Congress, however, directed the National Security Council to assume responsibility for identifying those critical skills which would warrant occupational or graduate deferment and advising the Director of Selective Service on the same. In its consideration of this matter the Council is to give equal weight to both civilian and military needs.

Heretofore, doctors entering the Public Health Service were given draft exempt status. This has been curtailed significantly in the new law. Only PHS doctors assigned to the National Institutes of Health, the Coast Guard, Bureau of Prisons, and the Environmental Science Services Administration will retain the exemption. Those assigned to the Peace Corps, Food and Drug Administration, Office of Economic Opportunity, or other Government agency will be liable to the draft.

In 1964 the Supreme Court in *Seeger, Jacobson, and Peter* v. *United States* (380 U.S. 163) stated that belief in a "Supreme Being" as a basis for conscientious exemption from the draft includes:

> A belief that is sincere and meaningful[ly] occupies a place in the life of its possessor parallel to that filled by the orthodox belief in God of one who clearly qualifies for the exemption.

The effect of this decision was significantly to broaden the intent of Congress in permitting exemption from the draft for conscientious objectors.

Congress took steps in the present act, therefore, to obviate the impact of the Supreme Court decision. Specifically, it removed from the law, as the definition of "religious training and belief," a belief in a relationship with a Supreme Being which transcends merely human relationships.

The intention of the new language is to clarify to the Court that Congress approves a conscientious exemption only for those persons who claim such exemption on the basis of "religious training and belief." The language includes stipulation that the phrase "religious training and belief" does not include "essentially political, sociological, or philosophical views, or a merely personal moral code."

The act also deleted from the law a requirement that the Justice Department conduct a background investigation of a claim for exemption on conscientious grounds if such claim received unfavorable action by an appeals board. Investigations conducted under existing authority have not substantially altered board decisions but instead merely contributed to delay in the litigation process.

A mounting wave of attempts to evade or obstruct the draft prompted inclusion in the law of provisions directing the Department of Justice, upon request of the Director of Selective Service, to expedite prosecutions for draft law violations including: first, evasion; second, counsel that advocates evasion or obstruction, and, third, in the case of conscientious objectors, refusal to perform 2 years of "critical" civilian duty in lieu of military service.

The law further stipulates that the Department of Justice must explain to the Congress any failure on its part to expedite such prosecutions as are requested by the Director of Selective Service. Cases involving draft law violations are to be given precedence on the dockets of Federal courts.

Language in the act clarified an existing statute that prohibits court review of a registrant's draft classification until after he has been ordered to report for induction and responded either affirmatively or negatively to the order.

Public Law 90–40 requires the Director of Selective Service to report to Congress semiannually on operations of the system including breakdowns by State on the number of persons registered, inducted, or deferred from the draft, the reasons for granting deferments, and other specifics as Congress may direct.

The act authorizes the President to establish criteria for draft classification of registrants and to recommend, as he deems advisable, uniform application of such criteria by local draft boards.

A reserve enlistment alternative included in the act permits the Governors of the States to allow persons to enlist in the National Guard and the President to allow persons to enlist in reserve units, in lieu of being drafted, at any time prior to their induction date. This authority may not be used, however, unless previous affirmation is made that component strength of such units cannot otherwise be maintained.

The President is given authority by the act to call up for active duty reservists who have not fulfilled 2 years of active duty and are not assigned to or satisfactorily participating in a Reserve or National Guard unit.

Of particular importance in the act is the absence of any restriction on the President's altering the order in which men shall be drafted. The usual procedure followed is to call older men up first. This often interrupts a person's career development or leaves men of draftable age in difficult straits in looking for career-type work. The President has given serious consideration to reversing the order for draft induction by inducting 19-year-olds first. Under normal peacetime conditions it is estimated that only one in seven 19-year-olds will be drafted to meet military needs. Those passed over can be relatively assured of exemption from the draft after age 20 and be in a better job-finding position than now exists. No such reversal had been ordered by the President as of the date of this report.

Minor provisions in the Military Selective Service Act of 1967 include extension of a man's draft eligibility beyond age 26 should litigation brought by him also extend beyond that age and a final decision judge him qualified for the draft; permission for reserve officers on inactive duty to serve as Government appeals agents and counselors to registrants; permission to induct alien physicians and dentists to age 35 even though they are older than age 26 upon entry into the country.

Finally, the act designates the "chief clerk" of local draft boards to be henceforth called the "executive secretary," and limits his tenure to 10 years, unless reappointed. Furthermore, a draft board member's total service is limited to 25 years and age 75 requires resignation. Women may not be discriminated against in the selection of board members.

UNIFORMED SERVICES PAY ACT OF 1967

The fighting men of the Nation deserve to be paid well for their arduous and dangerous labors protecting out national security and that of our allies. Towards that end, therefore, the Congress enacted this session a Uniformed Services Pay Act which will provide a $2.7 billion pay raise for the Nation's 3.5 million servicemen and women.

The act provides monthly increases in salary ranging from $5.10 for a buck private to $123.60 for a member of the Joint Chiefs of Staff, retroactive to Octotober 1, 1967. In addition to the 4.5-percent increase in basic salary, the act authories a 1.1-percent increase in allowances for such things as food and housing. The act further provides that military personnel shall receive pay raises in 1968 and 1969 and stipulates that in future years they shall receive pay raises whenever classified civil servants do.

This Congress can take pride in the passage of this legislation in support of America's fighting forces.

RESERVE FORCES BILL OF RIGHTS AND VITALIZATION ACT OF 1967

Passage in early December of the Reserve Forces Bill of Rights and Vitalization Act of 1967 clarified the status of the Nation's Armed Forces Reserves and National Guard units. This act provides for a Selected Reserve composed of units from the Army Reserve, the Army Guard, the Naval Reserve, the Marine Corps Reserve, the Air National Guard, the Air Force Reserve, and the Coast Guard Reserve. Language in the act stipulates that Selected Reserve components shall consist of "intact" units drawn from the above noted Reserves. The effect of this provision is to preclude meshing of the National Guard with regular Armed Forces' reserve units—a concept promoted over the past 3 years by the Secretary of Defense. Additional provisions in the act will facilitate Reserve Force mobilization for meeting emergency situations and wars.

VETERANS' LEGISLATION

Public Law 90-77, the Veterans' Pension and Readjustment Assistance Act of 1967, constituted a significant action by the Congress for the benefit of those brave young Americans serving the cause of freedom in Vietnam and on other frontiers of democracy. This act augments the provisions of the GI cold war bill passed in the last Congress.

Title I of Public Law 90-77 contained authorizations providing for a 5.4-percent average increase in the non-service-connected pensions of veterans, their wives, and children and an average 8.5-percent increase in the pensions of widows and children in the lowest income categories.

It further authorized a $5 per month increase in the pensions of Spanish-American War widows, widows of earlier wars, and in the pensions of disabled veterans confined to their houses. Veterans receiving benefits under laws passed before 1960, who are "housebound," will now receive $100 per month.

Title I authorized various increases for those on pension who require "regular aid and attendance" and allowed pensioners over 65 to claim "permanent and total disability" benefits.

The estimated first-year cost of financing the benefits provided under this title is $107,002,000.

Title II of the act provides truly significant and richly deserved benefits for those veterans who have served during the Vietnam era—a period beginning August 5, 1964, and ending on a date to be determined by the President or by concurrent resolution of Congress.

These benefits include disability compensation at full wartime rates; non-service-connected death and disability pensions for veterans and their dependents as currently provided for veterans of earlier wars; a burial allowance of $250; presumption that active psychosis, evident within 2 years after discharge, was a service-connected disability; medical benefits in State homes for a non-service-connected disability; and drugs and medicines for pensioners receiving continual care.

For disabled veterans serving on or after January 31, 1955, there will be available a $1,600 allowance for the purchase of a specially equipped automobile, provided these veterans were disabled in the direct line of duty.

The first-year cost of these "equalization" provisions is estimated at $14,639,000.

Title III of the act increases the educational assistance payments available to veterans by authority of the cold war GI bill—Public Law 89-358. A single veteran will now receive $130 a month, a veteran with one dependent $155 a month, a veteran with two dependents $175 a month. For each dependent thereafter an additional $10 per month will be provided a veteran.

This educational assistance is the finest appreciation a people can show for those who risk their lives in military service for the Nation. I know there is no Member of the Congress, and probably no person in the country, who begrudges this "helping hand" to veterans so that they might further themselves upon return to civilian life.

Additional assistance to veterans under title III will aid those seeking flight training in pursuit of a commercial pilot's license; those enrolled in Federal or State approved apprenticeship or training programs; and those taking farming courses at an educational institution.

Title III amends the war orphans educational assistance program by extending the eligibility limit from age 23 to age 26. It authorizes full educational benefits to "educationally disadvantaged veterans" so that they might finish high school and continue on with college. It authorizes compensation up to $400 per month for persons who lose limbs as a result of military action.

Finally, it permits issuance of a burial flag to the families of those serving after May 27, 1941, whose bodies were never recovered.

The cost of implementing the authorizations contained in title III is placed at $162,662,000 for the first year.

The final title of the act—title IV—authorizes recompense to educational institutions for the cost of reporting to the Veterans' Administration on those veterans attending them under GI bills. The recompense formula is $3 times the number of veterans enrolled.

This title also extends the eligibility period of World War II veterans for coverage by the VA loan guarantee program. The termination date is now July 25, 1970. It increased the maximum loan available to veterans under the direct home loan program from $17,500 to $25,000. First-year cost for these authorizations is estimated at $1,300,000.

Overall first-year cost for programs authorized in Public Law 90-77 totals $285,603,000. This act is one of the truly splendid accomplishments of the first session of the 90th Congress. In signing the bill into law on August 31, the President noted that while it exceeded by $115 million the amount requested by the Administration, the added funds were acceptable because of their future impact on the well-being of returning servicemen and on the well-being of the Nation.

MISCELLANEOUS DEFENSE AND VETERANS LEGISLATION

Several minor bills were passed this session which support the activities of the Armed Forces or assist our veterans. Public Law 90-140 extends through 1970 a milk program which makes dairy products acquired under the price support program available to veterans' hospitals, the Armed Forces, Department of Defense hospitals, and the U.S. Merchant Marine Academy.

Public Law 90-130 removed provisions in the law which limited career opportunities available to women officers in the Armed Forces. Henceforth they will enjoy the same promotion and tenure opportunities previously enjoyed only by male officers. I am sure the ladies in our military services appreciate their newly gained status of equality.

Public Law 90-122 permits the Secretaries of the military departments to continue savings deposit allotments for members of the Armed Forces captured or missing in action. This act supplements the savings deposit program initiated in 1966—Public Law 89-538—which permits members in the Armed Forces to invest part of their pay in savings at an attractive rate of interest of 10 percent annually.

A JUDGE ADVOCATE GENERAL'S CORPS IN THE NAVY

Public Law 90-179 establishes a Judge Advocate General's Corps in the Navy. The creation of this corps as a separate branch of the Navy was necessary in order, first, to insure adequate legal service within the Navy for servicemen, and, second, to attract and keep lawyers and law specialists in the middle pay grades. Surveys of former legal aides in the Navy indicated that the absence of professional status was a psychological impediment to remaining in the Navy as lawyers. It is to be hoped that the creation of the JAG Corps in the Navy will have the desired effects which prompted its establishment.

ARMED FORCES, SUNDRY LEGISLATION

H.R. 8547 simplifies and makes uniform a variety of personnel laws for the Armed Forces. H.R. 12961 authorizes storage of household effects of military personnel who are in a missing-in-action status.

SUBVERSIVE ACTIVITIES CONTROLL BOARD AMENDMENTS

During consideration of the State, Justice, Commerce, and Judiciary Appropriations Act of 1968—Public Law 90-133—the Senate spent a considerable amount of time debating the advisability of appropriating $295,000 to finance the activities of the Subversive Activities Control Board.

Precipitating this debate was a dearth of activity by the Board following the 1965 Supreme Court decision which invalidated, on fifth amendment grounds, an order of the Board requiring, in default of registration by the Communist Party, registration by persons found to be members of the party *Albertson* v. *S.A.C.B.*, 382 U.S. 70. The effect of this decision was to strip the Board of those powers given it by the Congress in the 1950 Internal Security Act.

In the debate on Public Law 90-133 opinion divided over whether to eliminate the Board altogether by denying it funds or whether to amend the Internal Security Act in order to conform with the Court's 1965 decision in the Albertson case. Neither course was followed. Instead funds were appropriated to continue the Board with an understanding that final determination with respect to SACB should be made as soon as possible by Congress in view of the Supreme Court ruling.

Congress made that determination late in the first session when it passed S. 2171.

The Subversive Activities Control Board Amendments of 1967 eliminated the Board's power to require a Communist-action or Communist-front organization, or its members, to register as such with the Attorney General—no organization or person ever did so register during the 17 years in which that part of the law was in force.

The 1967 act declared that the protection of our national security requires that Communist-action and Communist-front organizations be exposed to the critical light of publicity. This shall henceforth be the primary purpose of hearings and declarations by the SACB.

The 1967 amendments provide that: First, members of any organization determined to be Communist-action—for example, the party—or Communist-front may not apply for jobs with any Federal agency or defense facility without disclosing membership in such organizations and may not obtain employment with the Federal Government; two, membership in a Communist-action organization shall preclude employment in any defense establishment—a recent Supreme Court decision weakens the impact of this provision; third, membership in any Communist-action organization shall preclude holding office in a labor union; fourth, no SACB determined Communist-action or Communist-front organization may use the mails or broadcasting facilities to transmit its message unless appropriate identification is provided to indicate that it has been adjudged a Communist-action or Communist-front organization; fifth, no such organizations may be given tax-exempt status nor may contributions to them be claimed for deduction purposes from Federal income tax; sixth, failure of an organization or person to appear before the Board for scheduled hearings shall not prevent those hearings from being held; seventh, immunity from prosecution privileges are available to the Board in order that it may compel witness testimony and the production of pertinent documents; eighth, disruption of proceedings before the Board shall be punishable by fine, or imprisonment, or both; ninth, the Board shall maintain appropriate records of its action which shall be available to the public; and tenth, the Board shall issue annual reports on its activities to the Congress and the President.

Provisions included in the amendments stipulate that failure by the Board to hold any hearings from the date of passage of S. 2171 through December 31, 1968, shall cause the Board to cease existence as of July 1969. The Attorney General must report to the Congress, on or before July 1968, any proceedings he has instituted before the Board. If he institutes none, he must explain his failure to do so. The Board must also explain its failure to hold any hearings.

BENEFITS FOR EMPLOYEES IN HIGH-RISK SITUATIONS

Federal Government employees who work under risky conditions abroad deserve special benefits and Congress from time to time passes legislation to accord them such benefits.

This session it passed S. 1785 to provide: authority for the payment of travel expenses for two round trips each year by certain Foreign Service personnel in order that they might visit with their families; authority for payment of travel expenses of Foreign Service personnel, stationed abroad, to visit their families in emergency situations; medical benefits in certain circumstances to Foreign Service personnel even though they are separated from the Service, and to their dependents after the death of any Foreign Service officer or employee to whom this provision is applicable; that no leave shall be charged for a period of up to 1 year, when a Government employee serving abroad is forced to be absent from duty because of injury from hostile action.

All these provisions were adopted because of our military involvement in Vietnam, and were recommended by the President.

FOREIGN POLICY AND TRADE

The 20th century has shrunk the world and made obsolete the policy of isolation. Once it was possible to remain distant from the affairs of other nations. The airplane, the missile, the satellite, all have contributed to the impossibility of that luxury.

The decline of imperialism has made ever more imperative the obligations of the rich nations to the poor nations. President Johnson is keenly aware of those obligations. So were Presidents Franklin Roosevelt, Harry Truman, Dwight Eisenhower, and John Kennedy. The failure of the rich nations to assist the poor nations spells worldwide disaster, as Barbara Ward has so wisely observed in her book on the subject.

Since the conclusion of World War II, the United States has had a foreign aid program designed, as President Truman said, to "assist free people to work out their own destinies in their own way." In February of this year the President sent a detailed message to Congress requesting that economic and military assistance be continued and that programs promoting "self-help" be the touchstone of our foreign aid policy.

He wrote in that message that:

> The programs I propose represent the minimum contribution to mutual security and international development which we can safely make.
>
> There are some who say that even this request should be foregone in view of needs at home and the costs of the struggle in Viet Nam.
>
> Nothing could be more short-sighted and self-defeating. This country—the wealthiest in human history—can well afford to devote less than seven-tenths of one percent of the national income to reduce the chances of future Viet Nams.

These were the terms, then, upon which the President called for continuation of our foreign assistance policy.

THE FOREIGN ASSISTANCE ACT OF 1967

The feeling prevailed within the Congress, however, that the heavy expenditures in Vietnam and the expectation of a large deficit demanded an absolute minimum foreign aid authorization. Consequently, Public Law 90–137, the Foreign Assistance Act of 1967, provided the lowest aid authorization in the 20-year history of the program.

The act provides that 1968 foreign aid appropriations may not exceed $2,674,614,000 for both economic and military assistance. This sum was $28.7 million less than had ever previously been authorized and $787,691,000 below the administration request.

These minimum authorizations will require careful dispensation of foreign aid by the administration and will further require frugality and economy in the use of that money by those foreign nations receiving assistance in 1968.

The development loan program was the most severely trimmed of those programs in which cuts were made. The administration request of $750 million for that program was reduced to $450 million. Technical assistance was cut from $243 to $210 million; the Alliance for Progress—our Latin American aid program—from $750 to $578 million; assistance for nations facing an external Communist threat from $720 to $660 million; the President's contingency aid fund from $100 to $50 million, and military assistance from $680.1 to $510 million.

Several provisos contained in the Foreign Assistance Act exemplify a continued interest and involvement by the Congress in the purpose and effect of our foreign aid programs.

One of these provisos terminates as of June 30, 1968, the Defense Department's authority to finance credit arms sales to underdeveloped nations. Congress took this action because it felt that the United States, through such arms sales, might be contributing to international violence and warfare.

Congress also placed new restraints on military aid to Africa and Latin America where the potential for internal or external conflict is high. Again, Congress felt that the United States should exercise caution in feeding that potential for conflict.

Another proviso required that aid be terminated to nations whose defense spending interferes materially with their economic growth. A primary purpose of U.S. foreign assistance is to promote economic growth and stability in those nations receiving it. If a recipient nation is embarked on a program of defense buildup to such an extent that it ignores its economic progress, then American aid is not serving the purpose for which it is intended.

Another proviso in the act imposed new ceilings on the number of countries that could receive most types of foreign aid. Still another required that the administration furnish the Congress greater detail about its projected aid commitments.

The 1967 Foreign Assistance Act contained a statement of principles to be followed by the Agency for International Development in administering the foreign aid program. These are: First, U.S. assistance should be used in support of, rather than in addition to, a nation's own development effort; second, countries other than the United States should be urged to play a greater role in aiding underdeveloped nations; third, assistance should be utilized to encourage regional cooperation by underdeveloped countries in the solution of common problems; fourth, the primary objects of assistance should be to support the efforts of underdeveloped countries to meet their fundamental needs for sufficient food, good helath, home ownership and decent housing, and the opportunity to gain basic knowledge and skills; fifth, assistance, whenever practicable, should consist of U.S. products and services in a manner consistent with U.S. balance-of-payments objectives; sixth, assistance should be furnished in such a manner that the United States obtains maximum possible effectiveness for each dollar spent; and seventh, agricultural sales under the food-for-peace program and foreign assistance under other acts should, as far as practicable, be coordinated with assistance under the Foreign Assistance Act.

The act expressed the sense of Congress that this Nation should seek a permanent settlement of the Middle East conflict by encouraging direct talks between Israel and the Arab nations and by implementing foreign aid policies in that area which will contribute to the realization of those talks.

The act expressed the sense of Congress that the President should suspend all foreign assistance, including food products, to any nation which has broken diplomatic relations with the United States and that at such time as relations are resumed the resumption of assistance should not be made before a thorough study of our foreign policy objectives with respect to that nation.

In addition to reducing the amounts of money available in 1968 for development loans to foreign countries, the act directed the President to place appropriate emphasis on the following criteria in granting such loans: First, assuring maximum participation by the people of a recipient nation through the encouragement of strong economic, political, and social institutions; second, assisting programs aimed at enabling the recipient nation to meet its food needs through development of its own resources; third, assisting recipient countries to meet their trained manpower needs by improving their educational institutions; fourth, developing programs to combat malnutrition, eradicate disease, clear slums, improve sewage disposal systems, provide voluntary family planning assistance, and upgrade health services; fifth, assisting other activities, such as the growth of free labor unions, cooperatives, improvement of transportation and communications systems, development of capabilities for sound economic planning, urban development, and modernized economic development plans, which will contribute to the growth and stabilization of a recipient nation.

The Congress also increased the number of countries which could receive development loans in any fiscal year from 10 to 20 but removed from the law a provision permitting the President to authorize additional bans when he felt they would be in the national interest. The interest rate on development loans during the first 10 years was raised from 1 to 2 percent.

Loans for technical development within a recipient nation, authorized at $210 million during fiscal 1968, were limited to an annual maximum of 40 countries, as was previously the case. The President's power was rescinded to make additional loans after consultation with the Congress and when he felt they were in the national interest.

Loans for building schools and hospitals were authorized up to $14 million for 1968. An additional $2.9 million were authorized for grants to build two schools for Israel.

Ceilings on guarantees that AID can make to private investors in underdeveloped countries were raised by the Congress in Public Law 90-137. The specific risk guarantee ceiling was raised from $7 billion to $8 billion; the extended risk guarantee ceiling from $375 million to $475 million; and the Latin American housing guarantee ceiling from $450 million to $500 million. The act also increased from $300 million to $325 million the amount of authorization available for "demonstration," private-housing projects.

A sum of $2,100,000 was authorized for private enterprise surveys of investment opportunities in underdeveloped countries. This authorization will remain in effect until appropriations have reached it and been expended.

The Alliance for Progress was continued but at a reduced authorization for 1968—$578 million. An existing authorization for 1969 was rescinded. A sum of $714,000 was approved for support of the Partners of the Alliance program through which 31 States voluntarily provide technical assistance to Latin America.

The population explosion threatens the well-being of many nations in the world. In this act, therefore, Congress approved programs which will authorize U.S. assistance in the development of voluntary family planning. In carrying out such programs, however, no attempts shall be made to coerce individuals to practice methods "inconsistent with his or her moral, philosophical, or religious belief."

Appropriations of $141 million were authorized for 1968 assistance through international organizations and programs. Of particular note was a 1969 authorization of $51,220,000 for the Indus Basin development program undertaken by the World Bank in India and Pakistan.

Included in this section of the act was a sense of Congress proviso encouraging U.S. promotion of a permanent United Nations peacekeeping force. The existence of such a force would ensure rapid U.N. response to small outbreaks of conflict.

Supporting assistance aid programs were authorized for appropriations of $660 million during fiscal 1968. The number of countries to which such assistance could be offered was set at 12 and the President's power to make additional loans above that number was removed. Congress urged the President to seek the establishment of a $10 million special account in U.S. dollars by South Vietnam for withdrawals to satisfy claims arising from the commodity assistance program.

The President was directed to submit 1969 foreign aid proposals which will foster agricultural research and capacities in tropical and subtropical regions of Asia, Africa, and Latin America.

Military assistance for 1968—excluding funds for South Vietnam, Laos, and Thailand which were budgeted under the Defense Department Appropriations Act—was authorized at $510 million. Included in this section of the act was expression of the sense of Congress that military aid should be given on a priority basis to countries threatened by external Communist aggression or internal Communist-supported subversion. Congress further stipulated that no defense item or service should be provided a nation unless the President found that the transaction would promote world peace and strengthen our national security and unless the recipient nation guaranteed that it would not then sell such items to a third country without the consent of the President. The President is to report any such consent agreement to the Congress.

Other general provisions of note in the act First, repealed an existing prohibition on aid to Indonesia unless the President certified it in the national interest; second, directed the President to suspend aid to nations which permit or fail to take adequate action against destruction of U.S. property in their countries; third, prohibited all forms of aid to countries which trade with North Vietnam while that country is engaged in subversion of the government of South Vietnam—the President retains authority to waive this ban with respect to the sale of defense articles and services to countries trading with North Vietnam if he determines that continuation of such sale is in the national interest and promotes world peace—and fourth, directed AID to take into account a nation's status in paying its United Nations' dues before providing the nation with foreign aid and to gain assurances that payments in arrears will be made if they exist.

To fund the administrative expenses of AID, the act provided an authorization of $55,814,000 for fiscal 1968.

While the Foreign Assistance Act did not in every particular conform with the expectations and desires of the President, it did include provisions emphasizing that foreign aid programs should be aimed at encouraging "self-help" efforts by recipient nations—as the President had requested.

FOREIGN AID AND PEACE CORPS APPROPRIATIONS

In H.R. 13893, Congress appropriated $2,876,591,000 for 1968 foreign aid programs and related agencies. Included in the amount was $107.5 million to finance the Peace Corps. The sum appropriated was more than $950 million below that requested by the President.

Specific items in the appropriation included: $180 million for technical cooperation grants; $11.5 million for the construction of overseas schools and hospitals; $1.25 million for financing surveys to test the advisability of private enterprise investment abroad; $130 million for the support of international organizations; $600 million for supporting assistance to Vietnam and other countries; $10 million for the President's emergency contingent fund; $469.3 million for the Alliance for Progress; $435 million for the development loan program; $400 million for military aid; $300 million for the Inter-American Development Bank; $104 million for the International Development Association—World Bank—$107.5 million for the Peace Corps; $69,456,000 for other foreign aid programs; $55.3 million for the administrative expenses of the Agency for International Development; and $3.255 million for State Department expenses connected with foreign aid.

These moneys will provide economic aid to an estimated 74 countries and military assistance to 34.

INTER-AMERICAN DEVELOPMENT BANK

The Inter-American Development Bank was created by members of the Organization of American States in 1959 to assist in the economic and social development of Latin American nations by providing capital and technical assistance and promoting private investment in development projects. It began operations in 1961 and is the chief banking instrument of the Alliance for Progress.

It carries out its operations through two funds: the ordinary capital fund, which provides loans on conventional terms, and the fund for special operations, which makes loans on a more lenient basis.

This session Congress, in Public Law 90–88, authorized U.S. participation in a $1.2 billion boosting of the fund for special operations at a cost of $900 million to us. A proviso attached to the law requested that the Comptroller General of the United States recommend procedures to the IDB for auditing loan accounts with it.

THE EURATOM ACT OF 1967

Congress approved legislation late in the session increasing the maximum amount of uranium-235 that may be transferred to the European Atomic Energy Community from 70,000 kilograms to 215,000 kilograms. The act further increased plutonium transfers from 500 kilograms to 1,500 kilograms, and authorized the Atomic Energy Commission to render other assistance to Euratom and to assist States or local governments in the United States in developing programs to protect the public against radiation.

Euratom for the past 10 years has been developing programs which foster the peaceful uses of the atom among members of the Common Market. These new authorizations will help it maintain and expand its pace.

NAVAL VESSEL LOAN EXTENSION

Late in the session congressional approval was granted to continue the loan of naval vessels to 10 foreign nations for another 5 years. Vessels involved include destroyers, destroyer escorts, and submarines. Countries to which they are loaned include Argentina, three destroyers; Brazil, two destroyers and two submarines; West Germany, one destroyer; Greece, two destroyers and one submarine; South Korea, three destroyer escorts and one destroyer; Portugal, two destroyer escorts and one destroyer; and Spain, two destroyers.

The extension act also agreed to new loans of two destroyers to South Korea and one destroyer to the Republic of China.

THE PEACE CORPS

The Peace Corps has enjoyed enormous success. Since its beginnings in 1961, the Peace Corps has sent hundreds of dedicated young Americans to foreign countries requesting their presence. These young men and women go into the villages and rural areas of the nations to which they are sent and there carry out programs to improve the education of the people, to build sanitation projects, to promote local government planning, and in many other ways to help these people to help themselves.

The present Vice President of the United States, the Honorable HUBERT HUMPHREY, was an early promoter of the Peace Corps and I know that he takes great pride in the work that these young Americans are doing. They are indeed ambassadors for America abroad.

To continue the splendid work of the Peace Corps, Congress authorized appropriations in fiscal 1968 totaling $115.7 million—Public Law 90–175. Though below the amount requested by the President, this sum was $5.7 million higher than the 1967 authorization. Actual appropriations for 1968 were provided in the foreign aid appropriations and amounted to $107,500,000.

TARIFFS

The Trade Expansion Act of 1962 endorses a policy of low tariffs and reciprocal trade agreements. It is the considered opinion of most trade economists that the Nation benefits when tariffs are kept at a minimum and when trade reciprocity is encouraged and promoted between ourselves and other nations. While it is true that some few industries at home may find competition with foreign imports difficult, for the most part freer trade policies mean an expanding industrial and consumer market. Moreover, Congress is careful to afford needed protection and recompense to American industries damaged by foreign competition.

The President is an enthusiastic supporter of free trade, as was his predecessor, President Kennedy. He has several times in the past year discouraged any attempts to institute by legislation harsh protective tariffs which might damage our trade posture in the world market.

While no major tariff legislation was forthcoming from Congress this year, a number of items did receive final approval. Those passed continue a policy of free trade.

Public Law 90–14 delegates authority to the President to eliminate the duty on imports of dicyandiamide, pursuant to reciprocal trade agreements. Public Law 90–36 extended through September 30, 1967, the time in which importers could request reclassification of imports under the lower tariff rate provisions of the Tariff Schedule Technical Amendments Act of 1965, and obtain a refund on the tariffs involved.

Public Law 90–145 continues through June 30, 1969, existing suspensions of duties for metal waste and scrap imports. Public Law 90–48 continued through September 30, 1967, suspension of duties on ferronickel, unwrought nickel, and nickel powder—the President has authority to extend, by his own action, the suspension even longer, or permanently. Finally, Public Law 90–49 continued through June 30, 1967, existing duty suspensions on certain manganese ore.

EDUCATION

The President has several times expressed the hope that his time in office will be remembered as an "era of educational advancement." His credentials are formidable to support such a claim. During the 89th Congress two giant education bills were enacted into law: the Elementary and Secondary Education Act and the Higher Education Act. In addition, education programs were initiated by the war on poverty: for example, the highly respected Headstart project; and by the Housing Act of 1964. Also begun was the Teacher Corps, a program which upgrades teaching in low-income areas.

During the past year the Congress continued to fund those education programs already authorized. Before the conclusion of the 90th Congress, it will in all probability act to extend the National Defense Education Act of 1958, the Higher Education Act of 1965, and the National Vocational Student Loan Insurance Act of 1965.

In passing the HEW Appropriations Act of 1968—Public Law 90–132—Congress provided $13.5 million to finance the Teacher Corps, $1,677,907,000 for activities under the Elementary and Secondary Education Act, $439,137,000 for aid to education in federally impacted areas, $156.5 million for libraries and community service, more than $1.1 billion for higher education, and $53.4 million for the education of handicapped children.

All these programs mark success for the President's policy of "cooperative federalism" for they assist the States and their local governments in providing ever better education. Were Thomas Jefferson alive today he would be mightily pleased, as he always contended that a democracy thrives in proportion to the educational attainment level of its people.

PUBLIC BROADCASTING ACT OF 1967

Congress continued beyond the mere funding of existing programs. In early November it sent to the President the Public Broadcasting Act of 1967—Public Law 90–129—which establishes a public corporation to provide financial assistance for noncommercial educational television and radio broadcasting.

The law contains two major titles. Title I extends Public Law 87–447, a 1962 act which authorized Federal grants for construction of educational television broadcasting facilities. It also broadens the provisions of the previous act by including grant authority for radio educational broadcasting. For these purposes the act authorizes $38 million: $10.5 million in 1968; $12.5 million in 1969; and $15 million in 1970.

Title II of the act establishes a nonprofit, nongovernmental Corporation for Public Broadcasting. The Corporation is authorized to grant financial assistance for educational groups and broadcasting stations to promote educational programs and defray operational costs. It is further authorized to arrange for regional and nationwide connection systems among broadcasting stations in order to foster wider dissemination of educational programs.

Yet to be determined by legislative action is the precise manner in which the activities of the Public Broadcasting

Corporation shall be financed. Once this is determined, a truly landmark advance in the promotion of education in this Nation will be achieved. The President has promised to submit proposals in 1968 for long-term financing of the Corporation.

Education broadcasting experts have testified that the Corporation cannot promote controversial programs with impunity unless it is assured of permanent funds and thus freed from influences which might hamper honest pursuit of knowledge.

Particular pains were taken by the Congress to insulate the Corporation from political pressures. Emphasis was given both in the act and in committee reports to local control over program content.

The Corporation, composed of 15 directors, may not have any Federal employee on its board. The directors will be appointed by the President with Senate confirmation. No more than eight may belong to the same political party and each is limited to two consecutive 6-year terms with the Corporation.

The Corporation is not permitted to have any financial interests in or to own any television or radio station, system or network, community antenna television system, or to have any interconnections with educational program production units.

While the Corporation can establish regional and nationwide interconnections for dissemination of programs, it cannot require that any local station broadcast a program.

Despite concern within the Congress about financing arrangements for the Corporation and undue political pressures, the Public Broadcasting Act commanded wide support. The House passed the measure by a 265 to 91 rollcall vote; the Senate, by voice vote.

The concept has enormous potential for excellence and benefit. Realization of that potential will rest with continued wholehearted support from the Congress and intelligent and dispassionate administration by the Corporation.

At the bill-signing ceremony the President noted that the act will dedicate the airways for the enlightenment of all the people and observed:

> . . . [T]he time has come to stake another claim in the name of all the people, stake a claim based upon the combined resources of communications. . . . [T]he time has come to enlist the computer and the satellite, as well as television and radio and to enlist them in the cause of education.

This is precisely the intention of the Public Broadcasting Act.

LIBRARY SERVICES AND CONSTRUCTION ACT AMENDMENTS

On November 24, 1967, the President signed Public Law 90-194, the Library Services and Construction Act Amendments of 1967.

The first Library Services Act was passed in 1956 and provided assistance to only those communities with populations under 10,000, and to rural areas. In 1964, these provisions were significantly expanded and assistance was authorized to urban and suburban areas. New emphasis was given to the construction of library facilities.

Ten years of Federal assistance to community libraries have produced heartwarming results. Thirteen million Americans have received library assistance for the first time under existing provisions. Local libraries have been enabled to purchase more than 27 million books and other education items. New libraries built have numbered 719. Federal funds of $100 million have been matched by $321 million in State and local funds.

All these benefits have increased local community capacity for improving the education of its young. No longer is access to information confined to large urban populations.

Public Law 154 continues and expands a decade of progress. Particularly noteworthy was continuation of 100 percent Federal sharing in new State library programs. New programs authorized in the act will promote interlibrary cooperation, provide library facilities for State institutions, and give special library service to physically handicapped persons.

COLLEGE WORK-STUDY PROGRAM

Congress extended and revised the college work-study program first authorized in the Higher Education Act of 1965. Under the provisions of Public Law 90-82 the nongovernment share in financing the program will be increased in the next 2 years. First year Federal share in the program amounted to 90 percent of its cost. That share is reduced to 85 percent in 1967, 80 percent in 1968, and 75 percent in 1969.

Provision was contained in the new law to limit student work to a maximum average of 15 hours a week during a semester. This permits variation from week to week in the amount of work a student shall perform but over the long run prevents his working so much as to affect harmfully his studies.

The program especially aids low-income students to obtain a college education, opening new vistas and opportunities for them.

LAND EXCHANGE, SCHOOLS

It is not unusual for school districts in certain parts of the country to locate their schools on land owned by the Forest Service. These districts pay fees for permits entitling them to use the land. Problems arise in these exchanges because of the limited tenure of such permits, lack of assurance in regard to fees, and legal problems encountered in obtaining necessary financing for improvements on these lands which the districts do not own. School districts often purchase title to the land to obviate such problems.

Congress passed H.R. 10442 to facilitate school districts in obtaining title of the public land on which a school is located. The law requires that school districts purchasing title to public land provide equivalent private land in exchange. This is not always possible. H.R. 10442 provides them the alternative of depositing a sum of money with the Forest Service equivalent to the value of the purchased land. The Forest Service shall use such money to purchase land for our national forests.

ELEMENTARY AND SECONDARY EDUCATION ACT

On the eve of adjournment House-Senate conferees reported a compromise Elementary and Secondary Education Act of 1967. This act continues the many fine educational assistance programs initiated in 1965 and continued in 1966. It further initiates additional programs of assistance and alters funding procedures in certain instances.

The 1967 act contains seven titles and also continues programs of assistance to federally impacted areas. All programs are authorized through June 30, 1970, by H.R. 7819. Total authorizations for 1969 amount to $4.4 billion and for 1970 to almost $4.8 billion. For the 2-year period they total $9,229,860,644.

Title I of the bill authorizes $2.7 billion in 1969 and $2.8 billion in 1970 for assistance for the education of children of low-income families. These sums account for more than half the total Federal aid funds authorized in each year.

Of particular importance in the allocation of these funds among the States during fiscal 1968 is a provision stipulating that no local educational agency shall receive less money than it did in fiscal 1967. This provision was necessary because 1968 appropriations for low-income educational assistance programs are not sufficient to permit full allocation of title I funds authorized to the States during 1968.

The purpose of these funds is to equalize education among the States; to afford, as nearly as possible, equal educational opportunities for all children in every State. To do this, a special provision is contained in the law to provide additional funds to those States which most need them. Appropriations for 1968 will not permit full funding of these additional funds. The 1967 amendments, therefore, guarantee to every local educational agency its 1967 allocation and divide remaining funds among the more needy States according to a formula different from that which would apply were sufficient funds available.

Title I of the 1967 act also provides for a new program of special incentive grants, beginning with fiscal 1939. Authorizations for 1969 and 1970 are in the amount of $50 million each year.

Special incentive grants will be made to those State and local educational agencies spending above the national average per pupil expenditure in an effort to improve their educational programs and facilities. The purpose of the program is to reward and assist those States making special improvement efforts. No State, however, may receive more than 15 percent of the total amount appropriated for these special grants during any fiscal year. Funds are to be distributed among a State's local educational agencies on a priority basis of need.

Title II of the 1967 act continues the aid programs begun in the 81st Congress for those areas in the country adversely affected by the presence of Federal Government operations. It was this aid to so-called federally impacted areas which marked the beginning of modern-day Federal aid to education programs. School construction authorizations for 1969 are set at $66 million. They are authorized in the same amount for 1970. Funds available for school maintenance and operations costs are authorized at

$510 million in 1969 and $545 million in 1970.

Additional provisions of this title: First, modified construction programs on Indian lands to provide for housing construction for unhoused children; second, deleted from law certain provisions requiring the deduction of "other Federal payments" from sums allocated under the provisions of the impacted-areas programs; and, third, provided for construction assistance for schools damaged or destroyed by flood, hurricane, earthquake, storm, or fire—except fire caused by negligence or malicious action—irrespective of whether an area has been declared a disaster area.

Title III of H.R. 7819 alters the method for funding grant programs for supplementary educational centers and services. The alteration removes funding authority from the Commissioner of Education by providing for State plans for the allocation of supplementary educational funds. The changeover will be accomplished by a two-step process.

In 1969, States will submit plans for the allocation of these funds. Approval of a plan by the Commissioner of Education will result in a block allocation to a State of 75 percent of its allotment. The remaining 25 percent shall be allocated by the Commissioner. In 1970, a State with an approved plan shall receive 100 percent of its authorized allotment. Provision, however, is included in the law to withhold in 1970 whatever sums of money are necessary for completion of programs previously authorized by the Commissioner.

To assist them in the formulation of plans for the spending of these supplementary funds, States are to appoint advisory councils. The 1967 act further stipulates that 50 percent of a State's funds shall be used for establishing or expanding innovative educational programs. It further provides that 15 percent of such funds shall be used for programs to educate the handicapped.

The revision of title III programs becomes effective with fiscal 1969, except that the provisions applicable to State advisory councils are effective upon the President's signature.

Administrative cost for these programs is separately provided for at a rate of 7½ percent of a State's allotment—or $150,000, whichever is greater. During fiscal 1970 only, 5 percent—or $35,000, whichever is larger—of a State's allocation may be used for administrative purposes.

Also provided for in title III amendments is the appointment by the President of a National Advisory Committee on Supplementary Centers and Services. This committee shall review the operations and effect of title III supplementary programs.

Authorizations for this grant program are $515 million in 1968, $527.8 million in 1969, and $566.5 million in 1970.

Title III of the 1967 act also extends the school library resources, textbooks, and other instructional materials assistance provided for in title II of the 1965 act. No substantive changes in this program were made by the 1967 act. Authorizations are for $154.5 million in 1968, $167,375,000 in 1969, and $206 million in 1970.

Title IV of the 1967 act directs the Secretary of Health, Education, and Welfare to plan for new programs and to evaluate present ones. He shall report the results of this evaluation to the appropriate legislative and appropriations committees of Congress no later than January 31 of each year. This will permit Congress to judge better the effect of old programs and the need for new ones.

Also authorized by this title is appropriation of funds for programs a year in advance of the year in which they will be obligated. This will permit schools and the States to plan effectively their programs without having to worry about what money will be available to them.

Finally, the title authorizes payments to educational institutions or agencies on an academic year basis when that differs from the fiscal year.

Title V of the act extends the adult education programs authorized by title III of the 1966 amendments. Amounts authorized are $60 million for 1968, $70 million for 1969, and $80 million for 1970. The act also authorizes for the first time assistance to private nonprofit agencies engaged in adult education programs. It extends 90 percent Federal funding of adult-education grants—100 percent for the Pacific Trust Territories.

Title V also continues programs for strengthening State departments of education and authorizes $80 million for this purpose during both 1969 and 1970. Forty percent of the funds available for this program shall be divided equally among the States. The remaining 60 percent shall be distributed according to the number of students in public schools in each State.

A State must make 10 percent of its title V allotments available to local educational agencies for improvement purposes.

Title V authorizes a new program—without providing any funds—to begin in 1969 for comprehensive planning by local, metropolitan, and statewide agencies in order to meet future needs. This new authorization stipulates that 25 percent of funds available for this purpose shall be available for regional and metropolitan planning efforts. The remaining 75 percent shall go to States.

Title VI authorizes five grant programs intended to help in educating the handicapped and also authorizes the Secretary of HEW and the Secretary of Transportation to undertake a study of safety standards for the operation of school buses. The school bus study results are to be reported to the Congress on or before January 31, 1969. An authorization of $150,000 was included to finance the study.

Programs to aid the handicapped include, first, grants to States, $154 million in 1968, $167,375,000 in 1969, and $206 million in 1970; second, regional resources centers, $7.75 million in 1969, $10 million in 1970; third, a new program to provide centers and services to educate and train children who are deaf or blind, $3 million in 1969, $7 million in 1970; fourth, grants for the recruitment of personnel for educating and training the handicapped, $1 million in 1969 and also in 1970; and fifth, an expanded program for use of captioned films to train the handicapped, $5 million in 1968, $8 million in 1969, and $10 million in 1970.

Also authorized in this title were $18 million to finance retardation projects during 1970 as approved in the 1967 Mental Retardation Amendments Act.

The last title of the act, title VII authorizes the Commissioner of Education, upon the request of a State educational agency, to provide technical assistance to schools in rural areas in the obtaining of available Federal benefits. Often rural schools simply are without the staff to undertake the submission of the necessary documents. Monetary authorizations for this purpose are $2 million during 1968, $3.7 million during 1969, and $4 million during 1970.

Also authorized by title VII were a limited number of projects in urban and rural areas with excessive dropout rates. These projects will attempt to reverse this regrettable trend. Funds authorized total $30 million in fiscal 1969 and $30 million in fiscal 1970.

Finally, a new bilingual assistance program is authorized in title VII. This assistance will foster planning programs to meet the special needs of schoolchildren with a native language different from English. These children often have a difficult time of it in school and these funds will expand their educational horizons. Authorizations for 1969 are $30 million and for 1970, $40 million.

Included in the language of the 1967 Elementary and Secondary Education Act was a proviso stating that compliance by a local educational agency with a final order or judgment of a Federal court for the desegregation of the school or school system shall constitute compliance with title VI of the Civil Rights Act of 1964 insofar as the matters in such order of judgment are concerned.

In retrospect, passage of this mammoth $9 billion aid to education measure was a fitting capstone to the first session of the 90th Congress. It does much to insure that the quality of education in America shall improve and as that improves, so shall the Nation.

HOUSING AND URBAN AFFAIRS

Several laws affecting housing and urban problems were enacted this year in addition to the appropriations act which provided more than $1.6 billion to finance the operations of the Department of Housing and Urban Development.

House Journal Resolution 601, passed in June, extended through October 1967 the emergency mass transportation grant program authorized in the 1964 Urban Mass Transportation Act. Under this program grants are made to localities in urgent need of assistance in meeting transportation problems but which at the time do not have a comprehensive urban mass transit program. The grants cover half the cost of construction. Another third will be forthcoming from the Federal Government if the local government submits a satisfactory comprehensive planning program within 3 years of an emergency grant.

Subsequently, Congress extended the emergency mass transportation program through October 1968 with the passage of Public Law 90–169.

Public Law 90–118 extends until December 31, 1968, the deadline for the National Commission on Urban Problems to file its massive report on all aspects of housing. The Commission will study and make recommendations respecting building laws, standards, codes and regulations at the State and local levels, zoning and land-use laws, and Federal, State, and local tax policies and their effect on housing. A sum of $1.5 million has been appropriated for the task.

Section 810 of the 1964 Housing Act—Public Law 88–560—authorized yearly fellowships for graduate study in city planning and urban development. Authority for the program expired this year so Congress in Public Law 90–66 extended it to July 1, 1970. The act further authorizes a $500,000 annual expenditure in support of grants.

THE WAR ON POVERTY

In his 1964 state of the Union address, the President declared:

> This administration today, here and now, declares unconditional war on poverty in America. I urge this Congress and Americans to join with me in that effort.
>
> It will not be a short or easy struggle, no single weapon or strategy will suffice, but we shall not rest until the war is won.

Most of the poverty programs are now in their third or fourth year of existence. Together they represent a coordinated assault on the roots of poverty: joblessness, poor education, bad housing, family distintegration, discrimination.

The Economic Opportunity Act of 1964 was the beginning—a beginning continued by the 89th Congress. The President in his letter transmitting to the Congress the second annual report of the Office of Economic Opportunity noted some of the gains made against poverty in fiscal 1966:

> (1) 733,000 young children from poor families were given a chance to make a decent beginning in life through the Head Start program; (2) 528,000 jobs were made available by the Neighborhood Youth Corps, enabling disadvantaged youths to stay in school or prepare for meaningful employment; (3) 57,430 young people, once lost and forgotten in our society, found new confidence and new skills with the Job Corps; (4) more than 20,000 high school students from poor homes received the educational help they needed to go on the college through Upward Bound; (5) more than 335,000 adults began to overcome illiteracy with basic educational instruction; (6) 3,592 VISTA Volunteers helped communities across the land undertake needed self-help projects; (7) more than 1,000 lawyers provided legal services in 43 States, showing that the law can serve the poor as well as it serves the rest of society.

Programs to redevelop and revive industry in economically depressed areas, begun with the Kennedy administration, were coordinated with those new antipoverty programs begun by the Johnson administration. Included in the former were manpower training, area redevelopment, and accelerated public works.

As with all beginnings, that of the war on poverty has not been without its failures and mistakes. Any reasonable person would not expect otherwise. Some, however, have seized upon shortcomings to decry the very existence of the antipoverty effort. Either they would desire its total demise or they would vitiate its effectiveness by disbanding the Office of Economic Opportunity.

Indeed, the latter attack upon the poverty program had to be voted down on the floor of the House during consideration of the Office of Economic Opportunity Amendments of 1967. It was no small or unimportant victory for the President, the program, and the poor when a majority in the House determined that the poverty effort should be left in the hands of the Office of Economic Opportunity.

The administration achieved a notable victory and the Congress acted responsibly when the Economic Opportunity Act Amendments of 1967 were passed late in the session.

Their passage means that the effort shall continue, that the quiet revolution in America shall not cease. No piece of legislation passed during the first session of the 90th Congress more precisely exemplifies the purpose and the hope of the Johnson Presidency: "Let us continue."

As finally approved by the Congress, the OEO amendments of 1967 continue the poverty programs through fiscal 1968 and fiscal 1969. They authorize appropriations of $1.98 billion in 1968 and $2.18 billion in 1969.

An important amendment contained in the act provides for local government involvement in community action programs. The community action programs are at the heart of the war on poverty. They focus the resources available in a community on the problem of poverty and how best to solve it. Education, manpower training, community organization, housing, and social services are all coordinated through the local community action office.

The local government amendment is intended to draw public officials in a community into the effort to overcome poverty conditions. It is to be hoped that their response will be generous and helpful to the effort. If any public officials in a city are derelict in instituting programs to implement community action, the act provides that direct appeal may be made to the Economic Opportunity Office, which is authorized to take appropriate action. Local governments are authorized to assume administrative power over community action programs no later than February 1, 1969.

Included among the authorizations were $25 million to feed the hungry this year. The Senate had previously passed a separate measure providing such an authorization but no final action on it had been taken in the House.

Authorization for regular poverty programs included: First, $950 million for community action, including Headstart and the program to feed the hungry; second, $295 million for the Job Corps; third, $476 million for Neighborhood Youth Corps and other work-training programs; fourth, $60 million to attract business to ghettos; fifth, $20 million for rural loans; sixth, $27 million for migrant workers; seventh, $10 million for small business loans; eighth, $25 million for day care centers; ninth, $70 million to train welfare recipients for jobs; tenth, $30 million for VISTA; and eleventh, $16 million for administration expenses.

Other provisions of the act: First, institute a day-care program for working mothers; second, prohibit political activity by poverty workers during working hours; third, prohibit legal services from a poverty agency for persons charged with crimes committed during a demonstration; fourth, limit supergrade positions in the Office of Economic Opportunity to one per 100 employees; and fifth, limit the use of special consultants by OEO to 100 days per consultant.

Appropriations to finance the 1968 operations and programs of the Office of Economic Opportunity were contained in the First Supplemental Appropriations Act of 1968. The amount provided totaled $1,773,000,000.

THE TEACHER CORPS

Another key aspect of the poverty program received congressional approval in late June of 1967. Public Law 90–35 extended for 3 years—through fiscal 1970—the life of the Teacher Corps. President Johnson signed the bill into law in Philadelphia and called on "young, dedicated Americans to come forward and apply for this great adventure."

The purpose of the Corps is to send teams of teachers and student interns into urban slums and impoverished rural areas to upgrade the standard of education. Public Law 90–35 insures that this program will continue by authorizing for that purpose $135 million for fiscal years 1968–70.

The law additionally authorizes $435 million in fiscal 1969–70 for graduate fellowships for elementary and secondary school teachers and grants to colleges and universities for improvement of their graduate education facilities.

Four new programs were authorized for beginning in 1969: First, grants to attract qualified persons to the field of education; second, grants to assist local education agencies to carry out programs to attract and qualify teachers and teacher aides; third, grants for advanced training and retraining for persons serving in elementary and secondary school programs; and fourth, fellowships and other training for college and university teachers and administrators.

Of particular importance in Public Law 35 was a proviso specifying that the recruitment, selection, and enrollment of Corps volunteers is to be carried out by local education agencies and the colleges and universities. This proviso insures that local decisions will determine how the Teacher Corps programs are to be implemented and administered at the local level.

VOCATIONAL REHABILITATION AMENDMENTS OF 1967

Part of the President's total strategy in attacking poverty has been to improve longstanding programs of Federal assistance to the handicapped. These programs have aided hundreds of thousands of handicapped Americans to obtain gainful employment.

The Federal Government first began assisting the handicapped 47 years ago with the passage of the Vocational Rehabilitation Act of 1920—Public Law 66–236. In 1943, the programs begun by that act were expanded under the provisions of Public Law 78–113. In addition to the occupational training and counseling programs which existed under authority of the original act, the 1943 law authorized State rehabilitation agencies to provide to handicapped persons limited medical and vocational diagnoses to determine their rehabilitation potential and aid them in realizing it. In 1954 Congress continued and expanded these programs—Public Law 83–565.

In 1965, Congress enacted Public Law 89–333 which increased the number of physically and mentally handicapped persons to be rehabilitated annually from 120,000 to 200,000. The intent of the law was to expand services available and to place special emphasis on rehabilitation of the mentally retarded and severely handicapped.

In March of this year the President called upon Congress to enact yet further expansion of vocational rehabilitation programs and to provide 90 percent Federal reimbursement for such services to disabled migratory farm workers. This the Congress did in Public Law 90–99.

The 1967 amendments further provided for the establishment of a new National Center for Deaf-Blind Youths and Adults, which will coordinate efforts to train these handicapped persons for employment.

The new law authorizes $500 million in 1969 and $600 million in 1970 for grants to the States for basic vocational rehabilitation services. In 1967 and 1968, by comparison, authorizations were, respectively, $350 million and $400 million.

Estimates by the Health, Education and Welfare Department put the number of disabled Americans needing rehabilitation training at 4 million, with an annual increase of 400,000 There is need, therefore, to expand the scope of rehabilitation programs. Consequently, the new law raises the number to be rehabilitated in 1969 to 247,000 and in 1970 to 278,000. Even so, we are playing catch-up.

AMENDMENT OF THE APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965 AND THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965

In late September Congress completed action on S. 602, which amended the 1965 Appalachian Regional Development Act and Public Works and Economic Development Act.

The Appalachian Regional Development Act was the first piece of Great Society legislation enacted by the 89th Congress—Public Law 89–4. The 1967 amendments to it—Public Law 90–103—authorize a total of $886.7 million for all Appalachian development programs, including: First, $1.7 million for administrative purposes during fiscal 1968–1969; second, $715 million for highways in the region during fiscal 1968–71; and third, $170 million for nonhighway programs in fiscal 1968–69.

Amendments to the Public Works and Economic Development Act—Public Law 89–136—in S. 602 authorize $75 million for five regional commissions which administer public works grants in their regions as does the Appalachian Regional Commission in its region. These Commissions are the Ozarks, the Upper Great Lakes, the New England, the Coastal Plains, and the Four Corners. This new authorization was not requested by the President.

The programs administered by these six commissions will economically revive their respective regions, all of which contain pockets of poverty. The programs authorized are improving the highways, Community facilities, land and water resources, housing, and related potential contributors to economic recovery. Ultimate success in the programs will go far toward eliminating hard-core poverty in these regions.

INDIAN LEGISLATION

For many years the Government has been responsible for the welfare of the American Indian. Numerous programs have been initiated to assist Indians in overcoming handicaps they face. The effort to aid the Indians received added impetus from the poverty program. During fiscal 1966 $19,874,680 was spent on education, welfare, and community improvement programs administered through the Office of Economic Opportunity for the benefit of American Indians. Training programs sponsored by OEO expended $4,598,238 during the same year in an effort to help Indians help themselves. Over 260 Vista volunteers worked on 56 reservations at a cost of $891,100.

In the 1968 Interior Appropriations Act—Public Law 90–28—$336 million was appropriated to continue health, education, and welfare programs among the Indians. An additional $237,504,000 was provided the Bureau of Indian Affairs to fund its operations and activities.

These may seem like substantial sums of money but in actuality we are just beginning to give adequate assistance to the American Indian. The day may come when the Indian will be more integrated into society than he presently is and the education and training programs now in operation will prepare Indians for that integration. Beyond that, this administration is committed to elimination of second-class citizenship in the United States. Indians too long have been second-class citizens.

A substantial number of acts passed Congress this year allocating the expenditure of judgment funds awarded Indian tribes by the Indians Claim Commission. For the most part, these funds are spent to improve education and community development among the Indians.

It is important to note that the life of the Indian Claims Commission was extended by Public Law 90–9 through April 10, 1972, and that the number of Commissioners was increased from three to five. The Indian Claims Commission has been in operation since late 1946 for the purpose of adjudicating claims against the U.S. Government by Indian tribes. There have been 852 such claims filed and the Commission has been engaged for more than 20 years in adjudication procedures. The 852 claims were consolidated into 583 dockets. As of early 1967 only 236 dockets had been fully adjudicated, resulting in 103 awards to Indian tribes totaling well over $200 million. The job, however, is only half done and so the life of the Commission was extended and its membership increased to expedite the remaining work.

HEALTH AND WELFARE

Several significant measures were enacted during the first session of the 90th Congress which bear on the health and welfare of the American people. Of particular note were the Social Security Act amendments, the Older Americans' Act amendments, the Mental Health Act amendments, the Partnership for Health Act amendments, and the Clean Air Act amendments. Taken together they demonstrate beyond a reasonable doubt that this was indeed a Congress which consolidated gains made during previous Democratic administrations, particularly in the field of public health and welfare.

SOCIAL SECURITY AMENDMENTS OF 1967

Consideration of amendments to the Social Security Act received far more than cursory attention during the first session.

Provisions are included in the 1967 Social Security Amendments to continue and expand social welfare programs which provide assistance and guidance to the families and children on welfare. Included are grants to education institutions to expand undergraduate and graduate social work training.

Still another section of the act continues and expands various public health programs to provide adequate medical and dental care for all Americans. Programs of this nature include maternity care, crippled children's care, dental care, and early identification of health defects in children.

Those sections of the act pertaining to social security benefits increase the amounts of monthly benefits for recipients and alter the financing system to pay for those increases.

The increases in monthly benefits will permit the almost 24 million older Americans receiving social security payments to lead a little better life. Senate-House conferees agreed to a 13-percent across-the-board increase in social security benefits effective in March of 1968. At the same time the minimum monthly payment was raised from $44 to $55. During the first full year of operation the increased benefits will pay out an extra $3.6 billion. In some cases, the President's signature on this act will eliminate poverty conditions for older Americans.

To finance the benefits increase the wage base on which the social security tax is collected will be raised from the first $6,600 to the first $7,800 of annual income. No alteration was made in the existing tax rate schedule, which provides that in 1987 the 4.4 percent now paid by both worker and employer will rise to 5.9 percent. The maximum amount a worker paid into the social security fund under the old $6,600 ceiling was $290.40. Under the new $7,800 ceiling, it will increase to $343.32 per year.

Other improvements in the social security program were contained in the 1967 amendments including monthly payments to disabled widows and widowers at age 50 at reduced rates and an increase from $1,500 to $1,680 in the amount of money which a beneficiary may earn without having his social security payments decreased.

The medicare program was improved by amending it to provide for, first, additional coverage of days in a hospital; second, elimination of the requirement for physician certification of the necessity for admission of an older person under medicare to a hospital or for outpatient services; third, alternative procedures for submission by physicians, hospitals, and patients of bills for medical expenses; and fourth, other improvements designed to achieve economy or improve services to patients.

Finally, this omnibus measure modifies the medicaid program by establishing limits on Federal participation in the program. Medicaid assists indigent families to obtain necessary medical attention. The Congress felt that some States had interpreted too liberally its intent in providing aid to families. A clause in the 1967 act, therefore, provides that no person shall be eligible for medicaid if his earnings exceed one-third the ceiling on welfare income. This more narrowly defines the scope of the program which provides assistance to persons with too much income to qualify for welfare and too little to pay large medical bills.

These then were some of the extensive 1967 amendments to the Social Security Act. In a summary report like this it is not possible to explore and explain all the amendments enacted into law. Their volume is indicated by the length of the House and Senate reports accompanying H.R. 12080 to the floor, 241 and 341 pages respectively. Their enactment insures that social security, medicare, medicaid, AFDC, child welfare and public assistance, and child and maternal health programs in the United States shall continue to afford benefit to millions of elderly or indigent Americans.

MEDICAL ENROLLMENT ACT OF 1967

One of the truly landmark accomplishments of the 89th Congress was passage of the Medicare Act which relieves older persons from the financial burdens which may accompany declining health. Funded under the social security program, medicare, in its 2 years of existence, has been phenomenally successful and well received. Indeed, I can think of few programs enacted by Congress in recent memory which have been so well received by the American people. For the first time old persons do not have to worry about intolerably burdening their families due to ill health. Medicare is a program exemplifying the best in Government action to meet the needs of its people.

The many fine aspects of the medicare program were continued with passage of the social security amendments. This action came late in the session, however, prompting the Congress to enact at an earlier date an extension of the time period during which persons could enroll in the supplementary medical insurance program initiated October 1, 1967. Provisions in the original Medicare Act stipulated that the initial enrollment period for the supplementary medical insurance program was to be from October 1 through December 31, 1967. Subsequent general enrollment periods will begin October 1 and end December 31 of each odd-numbered year.

This year's social security amendments both increased the protection provided by supplementary medical insurance and raised the rates to be charged. Knowledge that this would occur strongly implied the necessity of extending the initial enrollment period beyond the December 31 deadline. Public Law 90-97, therefore, did extend the enrollment period through March 31, 1968, to permit those older persons contemplating enrollment in the supplementary insurance program adequate time in which to form a decision. New premium rates for the program are to be announced prior to January 1, 1968.

OLDER AMERICANS ACT AMENDMENTS

The Older Americans Act of 1965 created the Administration on Aging which oversees and coordinates Federal programs related to the elderly. The act was part of the Johnson administration's concerted attack on poverty as well as an effort to provide a better way of life, a more productive and significant life, for older American citizens.

During 1966 and 1967 Federal grant authorizations for community aging programs totaled $17.5 million. These grants went to States and public and private nonprofit organizations engaged in programs to aid the elderly.

This year Congress voted to continue the efforts begun with the 1965 act. Public Law 90-42 extends the provisions of the 1965 act through 1972. It authorizes appropriations in 1968 of $10,550,000 and in 1969 of $16 million for community programs and of $6.4 million in 1968 and $10 million in 1969 for research, demonstration, and training programs.

In asking Congress to extend and expand the Older Americans Act of 1965 the President noted that "our goal is not merely to prolong our citizens' lives, but to enrich them." Public Law 42 promotes that goal.

AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967

The President has many times lamented the tragic waste of talent of older Americans. Too often they are discriminated against in seeking employment merely because it is thought that they are too old. In a June 1965 report from the Secretary of Labor, it was proposed that a clear-cut Federal policy be implemented to promote hiring without discrimination on the basis of age.

This year the President requested that Congress enact such legislation. This it did in the Age Discrimination in Employment Act of 1967. The act requires that persons between 40 and 65 years of age, who are otherwise qualified, cannot be turned down for a job or for union membership on the basis of their age. It additionally authorizes the Secretary of Labor to carry on programs of education to reduce barriers to the employment of workers age 45 to 65. Where age is a bona fide reason for denying employment, the proscriptions of this act do not apply.

PARTNERSHIP FOR HEALTH AMENDMENTS OF 1967

In late November Congress sent to the President the Partnership for Health Amendments Act of 1967—Public Law 90-174. Enactment of this legislation will continue the work begun by the 1966 Comprehensive Health Planning and Services Act—Public Law 89-749—which authorized grants to the States for use as they deem important in developing health services. The 1966 act further authorized grants for projects designed to meet specialized or regional needs and grants to promote statewide and areawide health planning and research programs.

All these fine programs were continued and expanded through fiscal 1970 by Public Law 90-174. The 1967 amendments also initiated a new program of Federal licensing of clinical laboratories dealing in interstate commerce. A new grant program to develop more efficient health services and facilities was also authorized in the 1967 act.

Of particular note in the act was a $40 million rat-control authorization to finance projects for eliminating the rat from slums in our cities. These funds will aid in ridding our cities of this deadly pest which injures and kills little children and destroys property.

The act further authorizes the Secretary of Health, Education, and Welfare to conduct a survey of the extent and seriousness of hunger and malnutrition in the United States and to report recommendations to Congress within 6 months.

An additional $48.5 million was authorized in Public Law 90-174 to finance the health grant programs during 1968. Previous 1968 authorizations for these grants amounted to $157 million. The administration requested that some of this amount be provided in the first supplemental appropriation of 1968. It also requested an appropriation of $20 million in the first supplemental for rat-control projects.

MENTAL HEALTH AMENDMENTS OF 1967

It is only within the past few decades that a concerted effort has been made to treat persons suffering from mental diseases in the enlightened fashion with which persons suffering from physical diseases are treated. Who can forget the horrible conditions which prevailed in the late 19th and early 20th centuries at institutions for treating the mentally ill? The word "bedlam" became part of the English language to describe the chaos that was to be found at St. Mary of Bethlehem Hospital in London—a madhouse in more ways than one.

It has taken a great deal of educative effort to overcome the ignorance which prevailed on the subject of mental disease. Sadly, too, the States have only recently begun to provide adequate facilities for the treatment of the mentally ill. The costs of treatment at private mental health institutions stagger the imagination, sometimes exceeding $1,000 per month. A primary cause of high cost and of the inability to treat the mentally ill adequately is the lack of sufficient facilities.

In 1963 the Federal Government began to assist in the construction of new public and private nonprofit mental health centers. Congress that year enacted Public Law 88-164, which authorized spending $150 million during the period 1965 through 1967 for the constuction of treatment and rehabilitation centers in communities across the land.

In 1965, Public Law 89-105 amended the Mental Health Act of 1963 to authorize $73.5 million over fiscal 1966-68 for the salaries of professional and technical staff in such community centers.

This year Congress further strengthened the Mental Health Act of 1963 by providing in Public Law 90-31 for an extension through 1970 of Federal grants for construction of community centers for the treatment of mental illness. It authorized in the act the expenditure of $50 million in 1968, $60 million in 1969, and $70 million in 1970 to assist in the construction of these mental health centers.

The act also extends through 1970 grants for staffing the centers and authorizes for this purpose $26 million in 1969 and $32 million in 1970.

The definition of the term "construction" is broadened to permit the acquiring of existing buildings in good condition as well as the erecting of new ones or remodeling of old ones.

The 1967 amendments provide that effective July 1, 1969, State plans for mental health centers must provide for enforcement of minimum operation and maintenance standards.

Finally, provision was contained in the amendments permitting the Public Health Service to give research, training, or demonstration project grants to Federal hospitals on the same terms as grants are given to non-Federal institutions.

MENTAL RETARDATION AMENDMENTS OF 1967

Enactment of the Mental Retardation Amendments of 1967—Public Law 90-170—extended and expanded the programs initiated by the 1963 act. The purpose of these programs is to assist in combating mental retardation through grants for construction of community facilities and research centers specializing in treatment of the mentally retarded.

Since the establishment of the program, more than 160 projects have been started to build community facilities for the mentally retarded at a total cost of $107 million, of which the Federal share has been $31 million. Twelve projects have been begun for the construction of mental retardation research centers at a cost of $38 million, of which the Federal share has been $25 million. In addition, 14 university-affiliated facilities for the treatment of the mentally retarded have received a total of $30 million in Federal funds to support their activities.

The 1967 amendments will continue these efforts to aid the more than 6 million Americans burdened by the crushing afflictions of mental retardation. Matching grant programs for the university and community retardation centers are extended through June 30, 1970, by the 1967 amendments, as are newly authorized programs to train and educate these handicapped persons. An additional grant program was initiated for assistance in the staffing of community retardation centers. Spending authority provided in the act totals $281.8 million for fiscal 1968-70. This figure includes $19 million in new authority.

Surely this money is spent in a worthwhile cause.

AIR QUALITY ACT OF 1967

One of the major accomplishments of the first session was enactment of the Air Quality Act of 1967. Technological advancement, industrial growth, increased vehicular use of highways, increased airplane traffic, concentration of population in urban centers, all have combined to create a vicious air pollution problem in this country.

Moreover, air pollution is a problem of national dimensions. Pollution is not confined by State boundaries. During the 88th and 89th Congresses, therefore, Congress enacted legislation authorizing Federal assistance programs for combating air pollution.

The Air Quality Act of 1967 is a major advancement in the massive effort launched to purify the air we breathe. This is an absolute necessity. The danger of dirty air to the health of people is a well-known fact, as the increase in respiratory diseases among Americans so dramatically demonstrates.

The Air Quality Act of 1967—Public Law 90-148—authorizes $428.3 million for Federal air pollution control efforts in fiscal 1968, 1969, and 1970. This money is to be spent researching both the causes of air pollution and methods by which to control it.

Of special note in the new law is a provision authorizing the Federal Government to issue national uniform emission standards for specific pollutants. A 2-year study will be made to test the effect of national emission standards.

The Secretary of Health, Education, and Welfare is given discretionary power to halt the emission of air pollutants by court injunction when they present a grave danger to public health. He is further empowered to designate air quality control regions, to provide full Federal financing of commissions established by gubernatorial appointment in those regions, and to enforce air quality standards in regions where the commission fails to do so.

During 1968 and 1969 a $125 million study is authorized of the effects of fuel combustion, a major air-pollution culprit. Manufacturers of fuel will henceforth be required to register all fuel additives with the Secretary of HEW in order that information will be available on their purpose and effect.

Except for California, which has more stringent standards, all automobile exhaust standards shall henceforth be federally determined. The California exemption was necessary because of the particularly severe problems faced by that State in this area.

In addition, the new law strengthens Federal support of State programs for combating air pollution.

The very tough measures contained in this law represent a firm commitment on the part of the National Government to attack and eliminate this insidious danger. Every effort will be made to stimulate our States to develop effective air pollution control programs. If they fail to do so, however, the Air Quality Act of 1967 authorizes the Federal Government to fill the void and to enforce air pollution standards. Working together, the cities, States, and Federal Government can bring this problem under control, as they must. Public Law 90-148 provides the tools, the authority, and the funds necessary for ultimate victory.

CONSUMER-PROTECTION LEGISLATION

In the 89th Congress legislation was passed protecting the American consumer from false packaging claims—89 to 755—and requiring automobile manufacturers to install additional and more adequate safety devices on cars—89 to 563.

Additional consumer-protection legislation was forthcoming from Congress during the first session of the 90th Congress.

NATIONAL COMMISSION ON PRODUCT SAFETY

The adoption of Senate Joint Resolution 33—Public Law 90-146—by the Congress established a National Commission on Product Safety, which will review the scope, adequacy, and uniformity of existing voluntary industry self-regulation, and Federal, States, and local law relating to consumer protection against hazardous substances.

The purpose of the Commission is to insure that safety standards for dangerous chemical, mechanical, and electrical products are adequate and that warnings accompanying such products clearly stipulate the dangers involved in their use. The Commission will endeavor to obtain uniformity among self-regulating and governmental standards in order both to protect the consumer and assist the manufacturer.

FLAMMABLE FABRICS ACT AMENDMENTS OF 1967

The President called upon Congress this year to amend the 1953 Flammable Fabrics Act, noting that it had grown deficient after 14 years and was too narrowly restricted.

Congress responded by enacting the Flammable Fabrics Amendments of 1967. They established new standards to provide protection against the sale of highly flammable wearing apparel, blankets, bedding, drapes, upholstery, and other interior furnishing products.

The 1967 act authorized the Secretary of Commerce to issue standards for the flammability of fabrics after investigation in order to protect against unreasonable risk of injury, death, or property loss to the public. The standards must be reasonable, practicable, and appropriate. This is a power heretofore denied the Secretary of Commerce.

Standards and regulations must be promulgated in accordance with the provisions of the Administrative Procedure Act which insure fair treatment to persons involved through requirements on evidence, hearings, and relevant information. Judicial review is authorized for the standards and regulations issued. The Federal Trade Commission shall be the enforcing, administrative, and recordkeeping agency for standards and regulations.

A National Advisory Committee for the Flammable Fabrics Act was established by the 1967 amendments, composed of at least nine members representing industry and the consumer public. Members will serve 2-year terms and will be consulted on the promulgation of standards.

The Secretary of Health, Education, and Welfare is directed to conduct such studies as are necessary to determine the loss of life and property and the injury resulting from burning fabrics.

Appropriation authorizations total $1.5 million for fiscal 1968 and $2,250,000 for each of fiscal years 1969 and 1970.

THE FEDERAL MEAT INSPECTION ACT

Revelations this year of deplorable meat production practices in meatpacking plants selling their products only within a State prompted the Congress to pass the Federal Meat Inspection Act of 1967. This act provides for Federal-State cooperation to establish adequate intrastate meat inspection standards. These standards must at least equal those employed by the Federal Government. States will have 2 years in which to design and enforce meat inspection programs. If any fails to do so, the Secretary of Agriculture is authorized to assume actual inspection of a State's plants doing only intrastate business. The Secretary was also empowered to impose immediate Federal inspection on any intrastate plant processing meat dangerous to the public if a State fails to take appropriate action.

The passage of this legislation will help eliminate the problem of unsanitary and downright dangerous meat being sold to Americans. There is no excuse for such abuse of the consumer by those who engage in sloppy meat production practices. Failure of an industry to police itself in such vital matters requires that Government intercede on behalf of the innocent and unprotected public. This Congress has done with the passage of the Meat Inspection Act.

CIVIL RIGHTS

CIVIL RIGHTS COMMISSION EXTENSION

The Civil Rights Commission was created under authority of the 1957 Civil Rights Act. During its 10 years of existence it has investigated situations in which persons have been denied their constitutional or legal rights because of race, color, religion, or national origin. It has submitted for the record many excellent reports detailing the information which has come to its attention. Its work has been of substantial importance in furthering the cause of equality before the law for all Americans.

It would be a great delight to report that the need for the Commission no longer exists. This, however, is not the case. The need persists. The Civil Rights Acts of 1957, 1960, 1964, and 1965 have done much to eliminate former legal barriers to full participation of minorities, particularly the Negro, in the political processes of this Nation and to guarantee to their children an adequate and equal education.

The task yet remains to implement effectively these guarantees and protections. Here the Civil Rights Commission will play an important role. To insure that these goals shall be reached, Congress in Public Law 90– approved a 5-year extension for the Civil Rights Commission with an annual spending authorization of $2.6 million.

CRIME

For those Americans who obey the laws—local, State, and Federal—the rising rate of crime on our streets and in our homes is a disturbing phenomenon. FBI crime reports indicate that crime of almost every variety is increasing in greater proportion than the population rises. We do not begin to comprehend precisely why this is so. This past year a Presidential Crime Commission issued an authoritative report on the incidence of crime and the steps which must be taken to halt the crime spiral, "The Challenge of Crime in a Free Society."

In a followup to its proposals the President sent a message to the Congress calling for programs of Federal assistance to strengthen the effectiveness of crime prevention and police protection at the State and local levels. A companion message called for revitalization of efforts and special emphasis in solving the disturbing rise of juvenile delinquency. It has rightly been observed that rehabilitating the youthful offender is the best insurance against his becoming an adult criminal.

Congress did not take final action on either of these proposals during the first session of the 90th Congress. It is to be hoped that it will report and pass measures in the second session which will implement the many constructive recommendations contained in the President's messages.

Congress did take action to provide protection for citizens who are harassed or intimidated because they give information to a Federal agency during the course of a criminal investigation. Public Law 90–123 plugs a loophole in existing law. Previous to its enactment protection against intimidation was, according to court interpretation, available only after a criminal case had reached a court of law. A dangerous inconsistency in the law resulted, for a witness or informant is subject to intimidation, or more violent harassment, at the investigative stage of a case just as surely as he is when and if a case comes to court.

Pretrial intimidation is a favorite tactic of organized crime and the provisions of Public Law 90–123 are aimed in particular at affording protection to those courageous enough to provide information to Federal agencies on crime syndicate activities. This newly afforded protection should assist the FBI in its efforts to investigate the pernicious activities of organized crime in the United States.

Public Law 90–159 raised from $25,000 to $28,500 the total annual dues authorized for U.S. membership in the International Criminal Police Organization. Since 1938, the Attorney General has authorized U.S. cooperation with Interpol, which assimilates and disseminates information to members on international criminals and criminal activities. The Bureau of Narcotics, the Bureau of Customs, the Secret Service, and the Intelligence Division of the Internal Revenue Service all presently benefit from the services of Interpol.

ECONOMIC, FISCAL, AND REVENUE POLICY

TAX INVESTMENT CREDIT FOR BUSINESSES

The President requested early in the session that Congress reenact the 7-percent investment tax credit and accelerated depreciation law which was repealed by Public Law 89–800 in October 1966. This tax break for businessmen was suspended last year in an attempt to curb inflation. A notable drop in business investment between then and the new year convinced the administration that reinstitution of the tax credit and depreciation allowance would not excessively heat up the economy.

The House quickly passed the restoration provisions, but the bill was held up in the Senate for more than 5 weeks while intense debate occurred on a rider repealing the 1966 Presidential Election Campaign Fund Act.

The Senate finally voted to repeal the Campaign Fund Act until such time as the Congress determined by law guidelines governing the distribution of money from the Public Treasury to political parties and candidates.

In addition to this provision, Public Law 90–26 permits a maximum $25,000 tax credit for business investments plus 50-percent credit against tax liability above $25,000 and allows unused credits to be carried forward for 7 years. This is a liberalization of the previous tax credit provisions. The credit is effective for business investments, including equipment, ordered or begun after March 9, 1967.

INTEREST EQUALIZATION TAX EXTENSION

On July 31 the President signed into law the Interest Equalization Tax Extension Act of 1967—Public Law 90–59—a measure designed to redress in part our unfavorable balance-of-payments deficit. The effect of this measure is to make it more costly for foreign borrowers to obtain capital from U.S. sources if such loans adversely affect our balance of payments.

The President is vested with the authority to raise or lower the annual interest rates on loans to foreigners from zero to 1.5 percent. To prevent evasion of the law, Americans are prohibited from selling foreign-obtained stocks to another American unless the equalization tax has been paid on the purchased stocks. The law was first passed in 1963, extended in 1965 for 2 years, and is extended 2 more years by Public Law 90–59. Exempted from the tax are mortgages and debt obligations on property purchased by Americans overseas.

ANTITRUST EXEMPTIONS AND THE BALANCE-OF-PAYMENTS PROBLEM

In 1965, the administration, in its efforts to counteract the unfavorable balance-of-payments situation facing the country, asked for and received authority from the Congress to enter into agreements with financial, charitable, and educational institutions exempting them from from antitrust action if an enterprise in which they engaged would help stem the flow of American dollars abroad. This authority, Public Law 89–175, expired in May of 1967 and the Treasury requested that it be extended until June 30, 1969.

Consequently, Congress, in Public Law 90–62, did so. Despite the fact that the administration entered into no compacts with any firm under authority of Public Law 89–175, it felt that the continuing unfavorable balance-of-payments situation merited continuing its authority to do so. The fact that the authority was not used is attributable to the splendid cooperation which the business community has given to the President in his efforts to correct the problem.

As defined by the law, contracts, exempting institutions from antitrust action can be made only if they will clearly safeguard the Nation's balance-of-payments position and may be entered into only after full consultation with the Attorney General.

TAX EXEMPTION CLAIMS ON CHILDREN OF DIVORCED OR SEPARATED PARENTS

For many years now the Internal Revenue Service has been plagued by the dilemma of determining which one of divorced or separated parents shall be privileged to claim a child for exemption on his income tax. Often the situation is not clear and there have been inadequate legal guidelines to assist IRS in its determination.

Congress, therefore, enacted Public Law 90–78 to clarify and simplify IRS's work. The new rules provide that if the child is in custody of the parents, the one having him in custody for the longer period of time during the year shall be entitled to the deduction; except that, first, if a parent contributes at least $600 to the support of a child and the divorce or separation decree or an agreement between the parents provides that he shall have privilege to claim the exemption, then he shall claim the exemption irrespective of custody; or second, if he provides more than $1,200 of child support—regardless of the number of children involved—and the parent in custody cannot validate a greater amount of support on his part, then the noncustody parent may claim the exemption(s).

TEMPORARY INCREASE IN THE PUBLIC DEBT LIMIT

In his message to the Congress submitting the 1968 budget, the President requested that early consideration be given to raising the temporary ceiling for the public debt. The temporary ceiling then in effect was set at $330 billion but at the end of fiscal year 1967 would revert to the permanent ceiling figure of $285 billion.

As the President noted in his message, the debt on June 30, 1967, would be $327.3 billion. For fiscal year 1968 it is expected to rise above $335 billion. It was imperative, therefore, that action be taken to provide the Government room for maneuverability in managing debt operations and other fiscal policies.

A two-step operation was necessary. First, because of the perilous flirtation with the 1967 temporary ceiling of $330 billion, an increase in the temporary limit through June 30, 1967, was required. Second, the permanent ceiling of $285 billion was hopelessly dated, requiring the Treasury to appeal to Congress year in and year out for temporary hikes of the debt limit. A more sensible action was to raise the permanent ceiling to a realistic level. The President called for a permanent ceiling of $365 billion through fiscal year 1969.

Accordingly, Congress enacted a temporary increase to $336 billion, Public Law 90–3, in late February. In June, H.R. 10867 was cleared for Presidential signature, Public Law 90–39, establishing a permanent ceiling at $358 billion, with a proviso for temporary borrowing authority up to $365 billion each fiscal year.

The additional $7 billion temporary increase was included to accommodate seasonal fluctuation in borrowing requirements.

The increase in the permanent debt ceiling was the first since 1959. Public Law 90–39 also requires, that the face value of participation certificates issued by the Federal National Mortgage Association for itself and other agencies be included within the debt limit during fiscal 1968. It further authorizes the Treasury to issue notes with a maturity of up to 7 years, rather than 5 years as previously provided. In this regard, it should be noted that such Government notes will not be subject to the 4.25 percent interest rate ceiling applicable to Government bonds.

REGULATION OF INTEREST AND DIVIDEND RATES

In 1966, the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board were given temporary authority to be more flexible with respect to interest rate ceilings on savings accounts, reserve requirements for banks, and engaging in open market operations.

These authorizations proved useful to the concerned agencies and they requested an extension of them which the Congress gave in Public Law 90–87.

LOANS TO OFFICERS OF BANKS IN THE FEDERAL RESERVE SYSTEM AND TO OFFICERS OF FEDERAL CREDIT UNIONS

Until passage of Public Law 90–44, officers of member banks of the Federal Reserve System and officers and committee members of Federal credit unions were seriously limited in the amounts of money which they could borrow from their parent organization.

Public Law 90–44 increases their ability to borrow. Executive officers of banks may now obtain loans up to $5,000, additional loans up to $10,000 to finance the education of their children, and additional loans up to $30,000 to finance a first mortgage.

Supervisors and members of Federal credit union committees may now obtain loans up to $5,000, which places them on par with all other members of Federal credit unions.

SILVER CERTIFICATES

Industrial demands for Government silver have reduced the supply of silver to the point where backing of silver certificates in circulation creates a serious monetary problem.

To free additional silver for sale to industry, therefore, the Congress passed Public Law 90–29 which authorizes the Secretary of the Treasury to rescind the backing of up to $200 million worth of silver certificates this year. By doing this, the market price of silver can be maintained at $1.29 per ounce and there will be no danger of a coinage shortage. A rise in the price of silver would make impossible the continued circulation of 90-percent silver coins as their silver value would exceed their monetary worth.

Under the term of Public Law 29, the Secretary will determine the amount of silver certificates which shall no longer be redeemable for bullion. The money will continue in circulation but without redemption value.

The certificate act also requires the Treasury to transfer 165 million ounces of silver to the defense strategic materials stockpile next year and allows the Bureau of the Mint to resume the use of mint marks on coins.

BANKRUPTCY ACT AMENDMENTS

Several procedural amendments to the National Bankruptcy Act were passed by the Congress during the first session. Public Laws 90–156, 157, 158, and 161 made the following changes in the bankruptcy law:

Under a 1963 amendment to the Bankruptcy Act, creditors were required to file a claim under chapter XI within 6 months of a declared bankruptcy. This permitted more equitable and expeditious settlement of claims than had previously been the case. While the effect of the 1963 amendment was for the most part salutary, the 6-month deadline for filing claims sometimes worked a hardship on creditors. To rectify this, Public Law 90–156 provides that creditors shall henceforth have until the date of confirmation of a bankruptcy to file claims. In some cases this may be less than 6 months, but in most it will be more. The new provision should eliminate some of the confusion that occurred under the 6-month deadline.

Public Law 90–157 improves the machinery in superseding bankruptcy proceedings for processing debts that were incurred in debtor relief proceedings under chapters X, XI, and XII of the Bankruptcy Act. The purpose of the law is to distinguish between those debts incurred before relief bankruptcy proceedings and those incurred between then and the time of superseding bankruptcy proceedings. Such distinction will simplify the latter proceedings.

Under the provisions of Public Law 90–158, the functions of a creditor committee appointed to administer a bankruptcy case are clarified and the legitimate expenses it may incur are defined. This act further precludes a debtor, named administrator of his own case by the court, from claiming compensation for serving as disbursing agent of a bankruptcy and limits the compensation which may be claimed by any other person acting as disbursing agent.

Finally, Public Law 90–161 reduces from $5 to $3 a Federal district court clerk's portion of a filing fee for bankruptcy and allots the remaining $5 of the fee to the referees' salary and expense fund. This will increase the salary and expense fund by approximately $825,000 annually, thereby obviating the necessity of increasing percentage changes against bankrupt estates in order to reimburse referee expenses.

PROHIBITING THE SALE OF LOTTERY TICKETS IN FEDERALLY INSURED BANKS

The States of New York and New Hampshire presently sponsor lotteries as a method for obtaining additional revenue. Congress determined this year that no federally insured bank or savings and loan association should act as an agency for the sale of such lottery tickets. This practice was in particular use in the State of New York. The act also prohibits banks from publicizing such lotteries. Its passage is in keeping with a longstanding Federal policy against cooperating in any sort of lottery.

INCOME TAX TREATMENT OF CERTAIN DISTRIBUTIONS PURSUANT TO BANK HOLDING ACT

Amendments in 1966 to the 1956 Bank Holding Act had the effect of making a certain corporation by definition a bank holding company. This classification requires that this corporation divest itself of either banking or nonbanking interests. It would be unfair to subject the shareholders of divested stocks to income tax liability. Congress, therefore, passed H.R. 4765 granting tax exemption status to shareholders of divested stock or property. Additional provisions in H.R. 4765, first, repealed an existing provision of the law preventing the carryback to earlier years of an unused credit investment resulting from an operating loss connected with the original application for the investment credit; second, permit, in certain situations, a 5-year net operating loss carryback and a 3-year carryforward; and third, permit a subsidiary company, which is a life insurance company, to distribute the stock of another corporation, also a life insurance company, to its parent corporation without payment of certain taxes.

AGRICULTURE AND LABOR

FOOD FOR INDIA

In 1966, the Congress passed the Food for Peace Act—Public Law 89–808—which extended and expanded U.S. efforts to help those nations of the world facing agricultural deficiencies. With our own surpluses being taxed heavily to feed the hungry abroad, we realized that a new emphasis must be given to helping foreign nations improve their own agricultural productivity, and last year's act contained provisions for such programs.

No nation faces graver feeding problems than India, which has a population equal to that of 66 other members of the United Nations combined. At this point in its economic growth India simply cannot produce enough food to fill the mouths of its people. The long-range programs of the food for peace plan cannot alleviate the imminent starvation problem it faces.

In early February, therefore, the President dispatched a lengthy message to the Congress asking that immediate steps be taken to assist India in meeting and overcoming famine. He called upon the Congress to allocate up to 3 million tons of food grain in 1967, in addition to the assistance already being given to India.

The Congress moved swiftly to answer this humanitarian plea. Public Law 90–7 did allocate 3 million additional tons of grain to India this year. It further authorized U.S. participation in a 10-nation India Aid Consortium to provide 10 million tons of food to India during 1967. This effort is coordinated through the World Bank, and its success depends on other nations joining with the United States.

It is hoped that the programs envisioned in the Food for Peace Act will increase agricultural self-sufficiency among those nations dependent on the good will of others to supply their food needs.

EXTENSION OF THE FOOD STAMP PROGRAM

The food stamp program was authorized by Public Law 88–525, signed August 31, 1964. At that time President Johnson called it "one of our most valuable weapons for the war on poverty." This it has certainly proved to be.

This program increases the food-buying power of low-income persons. Needy families purchase food stamps for a small amount of money and with these stamps buy food worth more than the cost to them of the stamps. The difference between what a family pays for the stamps and the food which these stamps purchase is made up in full by the Federal Government.

The program has succeeded beyond all expectations. In 1964, some 351,000 persons were participating in 43 pilot programs located in 22 States. As of January 1967, the program was operating in 41 States and the District of Columbia with 1.4 million participants. By the end of June 1967 it is estimated that 2 million participants were involved in the food stamp program.

Spending to subsidize the program increased from $35.1 million in fiscal 1965, to $70.3 million in fiscal 1966, to $140 million in fiscal 1967.

The phenomenal success of the program and the very worthy benefits it has bestowed upon low-income families suggested continuation of it in the years to come. This the administration requested and this the Congress did despite considerable opposition to it.

On September 19, Congress gave final approval to S. 953, which extends the food stamp program 2 years and authorizes 1968 appropriations of $200 million and 1969 appropriations of $225 million.

When signing the bill into law on September 27, 1967, Public Law 90–91, the President said:

> Poverty's cruelest wound is hunger. The act that we will sign today . . . will do some little something to relieve some of that hunger.

In the subsequently enacted 1968 Agriculture Appropriations Act, Congress provided $185 million to fund the food stamp program in fiscal year 1968, and reappropriated for use during the new fiscal year $23.2 million in unused 1967 food stamp funds. Thus, a total of $288.2 million will be available to assist needy families in providing adequate food for their diets.

OTHER AGRICULTURAL LEGISLATION

In Public Law 90–113, $4,952,945,700 was appropriated to finance the operations, activities, and programs administered by the Agriculture Department and related agencies.

Four measures were enacted affecting tobacco quotas and allotments. Public Law 90–6 repealed certain proscriptions on tobacco allotments in the State of Maryland, thereby placing tobacco farmers in that State on equal footing with those in other States.

Public Law 90–52 removed from law a section which stipulated that not more than 5 acres of new allotment may be leased or transferred to any single farm. With this removal the law now reads that no tobacco farm may use more than 50 percent of its acreage for raising tobacco.

Public Law 90–51 authorizes the lease, transfer, and sale of acreage allotments and poundage quotas for Fire-cured, dark, Air-cured, and Virginia Sun-cured tobacco to other farms in the same county.

Finally, Public Law 90–106 facilitates the computation of tobacco acreage allotments by providing for conversion of the national marketing quota for tobacco into a national acreage allotment to be apportioned among farms. Previously, the national tobacco quota was apportioned among the States, each of which then converted its quota into acreage allotments among its farms. The new law simplifies the computation procedure for allotment by centralizing the task in the hands of the Secretary of Agriculture.

To counteract possible pernicious effects from milk containing chemical residues, the Government has the power to order removal of such milk from the market. This it does to protect the health of the populace, particularly our young children.

Often, however, a farmer is unfairly penalized in the process because the harmful residues in his milk result from pesticides approved by the Government but subsequently found dangerous. In the Economic Opportunity Act of 1964, therefore, provision was contained authorizing the Secretary of Agriculture to indemnify farmers whose milk is removed from the market because of residues from Government-approved chemicals.

Since then, every effort has been made to eliminate use of harmful pesticides. It was anticipated that this program would be complete by June of 1967. Unfortunately, it has not yet eliminated all harmful chemicals and Congress, therefore, extended the indemnification authority through June 30, 1968—Public Law 90–95.

PEANUT ACREAGE ALLOTMENTS

H.R. 11565, passed late in the session, authorizes the Secretary of Agriculture to sell, lease, or transfer peanut acreage allotments during the 1968 and 1969 crop years.

This authority is given to the Secretary in order to permit the consolidation of peanut allotments. The elimination of allotments following World War II led to inception of many small peanut farms so that reactivation of allotment policy in 1949 meant the reduction of allotment sizes to comport with the existence of the small peanut farms.

During the past 20 years, mechanization and production costs have made it infeasible to realize profits for some farmers with their small allotments. H.R. 11565 will permit an increase in these allotments. Safeguards are written into the law to prevent speculation and overproduction.

WHEAT ACREAGE ALLOTMENTS

S. 1722 provides for adjustment of wheat allotments in counties where wheat is the principal grain crop and where allotments are low in relation to cropland because farmers shifted prior to 1951 from wheat to another crop which proved unprofitable or sustained loss of markets. Allocation of additional wheat acreage to those farmers will permit them to operate on an equal basis with competitors.

FARM LOAN ACT

Late in November Congress sent to the President S. 2565, which removes the 6-percent statutory interest limitation provided for in the Farm Loan Act and the Farm Credit Act.

The removal of that ceiling will permit banks and associations in the farm credit system to charge higher interest rates to farmers and ranchers—a necessity in view of the rising cost of money on the lending market. Banks and loan associations were sustaining losses because of the old ceiling.

MARKETING RESEARCH ADVISORY COMMITTEE

S. 1477 reduces the number of meetings required to be held by the Marketing Research Advisory Committee from quarterly to once each year. There was no real reason for continuing quarterly meetings which resulted only in unnecessary expenses. Authority to hold such additional meetings as prove necessary is given the Secretary of Agriculture. The Advisory Committee is a means for obtaining cooperation among Federal and State agencies, producers, farm organizations, and private industry involved with farm products.

ELIGIBILITY FOR CROPLAND ADJUSTMENT PROGRAM

S. 2126 authorizes eligibility to the cropland adjustment program for any farm acquired to replace one transferred to an agency having the right of eminent domain.

AVERTING A NATIONAL RAILROAD STRIKE

Neither a President nor the Congress likes to intrude into collective bargaining between labor and management. To do so denigrates the vital processes of the free enterprise system. Occasionally, however, the national interest must override the legitimate claims of private enterprise to work out solutions to their own problems. This is particularly true when the industry involved profoundly affects the entire economy.

For that reason, the Congress on three occasions this past year found it necessary to intervene in the negotiations between the railroads and railway unions.

These negotiations began in May of 1966 with small progress being made during the summer months. In the fall of 1966, with negotiation at a standstill, the services of the Federal National Mediation Board were sought. Talks continued under the auspices of the Board through January of this year without agreement being reached. The Board suggested arbitration but this was rejected by the unions, which authorized a strike for February 13.

The President took immediate action and under authority of the Railway Labor Act created an emergency panel to study the situation and offer recommendations for settlement. During this period of study, the unions and the railroad companies promised to avoid precipitous action.

In March the panel recommended a solution which, while agreeable to management, was rejected by the unions. The Nation faced a strike which would have crippled its ability to supply war material to the fighting man in Vietnam. The President estimated that 95 percent of railroad traffic would be closed down by a national railway strike.

To permit the strike, the President felt, was a dangerous luxury and he called upon Congress to pass legislation preventing it. This it did on April 11 (P.L. 90–10), thereby precluding an April 13 walkout. The act extended until May 3 Government-ordered prohibition of a strike. Despite this delay, the two sides were still unable to reach an agreement and so Congress further staved off a strike in Public Law 90–13, which extended the strike deadline from May 3 to June 19.

At this time the President suggested that positive action to resolve the differences between the parties must be forthcoming from the Government.

There were strong feelings within the Congress that the Government should not dictate terms of settlement. Consequently, the prohibition on a strike lapsed without Congress producing the legislation requested by the President.

The Congress then passed Public Law 90–54 on July 17. As signed into law, Senate Joint Resolution 81 authorized the President to create a special board to mediate the rail dispute for the first 30 days of the 90-day period allotted for settlement. If the parties had not reached a settlement by then, the Board was empowered to recommend a settlement which would become binding on the 91st day and which would last until the parties formed their own settlement or until January 1, 1969, at the latest.

POSTAL LEGISLATION

INCREASE IN THE COST OF POSTAGE

In part to offset the pay increase for postal employees and in part to offset increased mail costs, the Postal Revenue Act of 1967 provided for increases in the cost of postage stamps and in rates.

The new postal rates will raise an additional $900 million annually upon taking effect January 7, 1968. First-class letters will henceforth cost 6 cents to mail, postcards 5 cents. Airmail rates will increase to 10 cents for a letter and 8 cents for a postcard.

Second-class mail rates for magazines and newspapers will be increased by about 23 percent over a 3-year period. Mail rates for third-class mail—for example, advertisement—will increase from 2.7 cents a piece to 3.6 cents a piece for the next 18 months beginning January 7. Thereafter, any mailing in excess of 250,000 pieces will cost 4 cents a piece, any below 250,000 will cost 3.8 cents a piece.

These postal increases will permit the Post Office to maintain the high level of performance to which we have all grown accustomed. Each year the Post Office processes as much mail as the rest of the world combined. In 1967 this amounted to over 80 billion items, and estimates indicate that by 1976 the Post Office will handle in excess of 100 billion pieces a year.

This volume demands that the Post Office continuously engage in efforts to improve its processing system and to build new post offices. The additional funds provided by this revenue increase will assist the Department in coping with that demand.

Of interest to the public will be a new, $2 postage-stamp book replacing the present $1 book. The new book will contain 32 6-cent stamps and eight 1-cent stamps, marking the first time that the Post Office Department has ever issued a combination standbook. Presently, the Bureau of Engraving and Printing is busily engaged in producing 5 billion 6-cent and 10-cent stamps for use in January.

An additional provision of singular importance to American parents included in the Postal Revenue and Salary Act establishes procedures by which persons may stop delivery to their homes of mail advertisement that panders, arouses, and provokes sexually or erotically. Each year the Post Office Department receives hundreds of thousands of complaints from irate parents about the delivery of such offensive mail to their homes. They are particularly disturbed when this material falls into possession of their children.

Under provisions of this act, persons may lodge a complaint about such delivery with the Post Office and request that it be stopped. If the Postmaster General determines that the material in question is offensive, he shall notify the sender to desist mailing of further material and to remove the complaining recipient's address from his mailing list. Punitive provisions are included in the act for enforcing the Postmaster General's order to desist if voluntary compliance is not forthcoming.

LEASE AUTHORITY OF THE POSTMASTER GENERAL

Public Law 90–15 extends through June 30, 1972, the Postmaster General's authority to lease buildings for postal purposes and to acquire land or dispose of real property. The Postmaster General has had such authority since 1954 and the need for it continues.

RATES OF TRANSPORTATION OF MAIL BY VESSEL

Until the passage of Public Law 90–109, the Post Office Department was prohibited from entering into contracts with shippers for transporting mail by vessel at rates exceeding 80 cents per pound for letters and cards, and 8 cents per pound for other mail matter. These ceilings, particularly the 8-cent ceiling, placed a severe handicap on U.S. vessels hauling mail. These rates were below those approved by the Universal Postal Union.

To remedy the situation, Public Law 90–109 removes the ceilings and authorizes the Postmaster General to fix more appropriate rates of compensation for transportation of mail by such vessels after negotiation.

COMMISSION ON OBSCENITY AND PORNOGRAPHY

For a number of years there has been grave concern about the possibly harmful effects of obscene and pornographic literature, film, photographs, and the like. There is particular concern that the young may be harmfully influenced by pornography which falls into their possession via the mail. There is disagreement, however, as to just what relationship, if any, obtains between prurient material and antisocial behavior. In view of the gravity of this problem, the Congress this year authorized the establishment of a Presidentially appointed Commission on Obscenity and Pornography to study the whole issue of the effects of obscene material.

Public Law 90–100 establishes an 18-member Commission and requires that it submit a report on its finding not later than January 31, 1970. The Commission will cease to exist 10 days after that report is submitted. Commission members will be psychiatrists, sociologists, psychologists, criminologists, jurists, and lawyers.

The Commission will study obscenity laws, evaluate their effectiveness, and recommend definitions of obscenity and pornography. It is to determine what methods are employed to distribute obscene materials and the volume of traffic of such materials. It is to study the effects of obscene materials on the public, particularly children, and the relationship, if any, between such material and criminal or other antisocial behavior. Finally, it is to recommend legislative, administrative, and other actions to control the traffic of obscene materials without interfering in any way with constitutional rights.

EXECUTIVE BRANCH AND CIVIL SERVICE PAY RAISE FOR CIVIL SERVICE AND POSTAL EMPLOYEES

The 1962 Federal Salary Reform Act establishes the principle that salaries for classified civil servants, postal employees, Federal executives, and others working for the Government should as nearly as possible correspond with private enterprise salaries for similar categories of work. Since the passage of the 1962 act, there have been pay increases for Government workers every year except 1963.

This session the Congress enacted a salary increase act which will go far toward realizing the goal established by the 1962 act. The 1967 Postal Revenue and Federal Salary Act provides an average 4.5-percent increase in base salary for 1.3 million classified civil servants and related workers and a 6-percent increase for 725,000 postal employees, retroactive to October 1, 1967.

To implement further the comparability policy, provisions are included in the act providing for pay increases in 1968 and 1969 for postal and civil service employees. Beginning July 1968, postal workers will receive an average 5-percent increase in their base salaries; classified civil servants and related workers either a minimum 3-percent increase or an increase which would narrow to within one-half the difference between their salary levels and comparable private enterprise salary levels. In 1969, both postal and civil service workers will receive whatever adjustment in salary is necessary to bring their salaries on par with those paid by private enterprise. These comparability adjustments are determined from Bureau of Labor Statistics surveys.

This culmination of the comparability principle should place the Government in a competitive position with private enterprise except at the highest levels. It will, therefore, make work with the Government more attractive and ensure that competent, bright young Americans will give more serious consideration to working for the Government than has sometimes been true in the past. This is a goal to which both Presidents Kennedy and Johnson have been committed.

Public Law 88–426, the Federal Salary Act of 1964, formalized and established Government executive salary levels. According to those provisions, an executive at a particular level receives a set amount of money irrespective of his job in the Government. Furthermore, there are no in-grade step increases in salary for such executives.

The 1967 salary act provides for increases for executives in levels III, IV, and V—respectively to $29,500, $28,750, and $28,000—in order to accommodate the general salary increases proposed for career employees.

The 1967 act further provides for the establishment of a "Quadrennial Commission" to determine the proper levels for executive, congressional, and judicial salaries once every 4 years. Beginning with fiscal 1969, each Commission will make a 1-year study and submit its recommendations to the President. The President, based on their report, shall include in the next budget his recommendations for the exact rates of pay for Federal executives, judges, and Members of Congress. Those recommendations shall become effective the first pay period beginning more than 30 days after transmittal of the budget, unless Congress otherwise determines by law or unless one or the other House specifically disapproves any or all of the recommendations.

Another section of the act provides for additional life insurance for Federal employees. Minimum individual coverage will now be $10,000 with a maximum available of $32,000. For those employees not covered under this provision, an extra $2,000 coverage is made available. To pay for these insurance increases an employee's biweekly contribution will increase from 25 cents to 27½ cents and the Government's contribution from 12½ cents to 14 cents per $1,000 of insurance.

Employees shall have 60 days from the effective date of this law to exercise for the first time the option of buying, at regular rates, up to $10,000 additional life insurance. Any employee who dies within that period will be considered to have exercised the option to buy. This additional insurance must be purchased entirely by the individual. The Government will contribute nothing toward its purchase.

The 800,000 wage board, or blue-collar, employees shall henceforth be permitted to appeal job reclassifications to the Civil Service Commission, a privilege already available to classified and postal employees.

Provision was contained in the salary act to prohibit in the future the practice of nepotism. From now on no public official, including the President, Vice President, and Members of Congress, may appoint or advocate the appointment of a relative to any Federal office. Discovery of such an appointment will result in the removal of the appointee from office. Any relative presently on the Government payroll, by appointment or advocacy of a public official, is not subject to the provisions of this section of the act. An additional provision permits the temporary appointment of a relative in an emergency situation, if the Civil Service Commission so rules.

Additional sections of the act: First, authorize the Civil Service Commission to increase starting salaries of short-supply employees to the tops of their respective grades; second, extend the 4.5-percent pay increase to U.S. attorneys and their assistants; third, extend the 4.5-percent pay increase to District of Columbia employees who are classified, but not to others; fourth, raise the salary of Commissioners of the U.S. Court of Claims from $26,000 to $29,000; fifth, raise the salaries of the Director and Deputy Director of the Administrative Office of the U.S. Courts, respectively, from $27,000 and $26,000 to $30,000 and $28,000; sixth, raise from $65,000 to $80,000 the office funds available to former Presidents of the United States with the authority to pay a staff director $30,000; seventh, limit the top Senate salary of $28,000 to the Secretary of the Senate, the Sergeant at Arms, and the Legislative Counsel; eighth, permit Senators to prohibit their office employees from benefiting from the 4.5-percent pay increase; ninth, limit Senate officers, paid more than committee clerks, to $27,000 per annum and those now paid $24,480 to $26,000 per annum; tenth, increase from $27,000 to $28,000 the annual salary of the Public Printer, the Architect of the Capitol, the Librarian of Congress, and the General Counsel of the General Accounting Office; and eleventh, increase from $25,500 to $27,250 the annual salary of the Deputy Librarian, the Deputy Public Printer, and the Assistant Architect, and from $23,500 to $25,000 the annual salary of the Second Assistant Architect.

LIGHTHOUSE SERVICE EMPLOYEE LEGISLATION

The Congress passed four measures which affect former employees of the Lighthouse Service or their families. The first of these, Public Law 90–163, provide for an increase in the monthly annuity payments to widows of former employees of the Lighthouse Service. The law raises the monthly payments from $75 to $100. This will place widows of former Lighthouse Service employees on par with widows of regular civil service employees. Total cost in the first year because of the increase amounts to $120,000.

Public Law 90–164 reduces the normal retirement age of employees of the Lighthouse Service—now defunct—from 60 to 55 years provided they have 30 years of service. This places former Lighthouse Service employees in a retirement position comparable with other civil servants.

The third measure, Public Law 90–165, increases the retirement annuities of former employees of the Service, thus maintaining parity with the benefits afforded regular civil servants. The terms of the law provide for an 11.3-percent increase in benefits if retirement occurred prior to January 1, 1966, and a 4.1-percent increase if retirement occurred during 1966 but before January 1, 1967. First year cost of the increase is estimated at $170,000.

Public Law 90–167 provides annuity benefits for previously excluded widows of certain former professional employees of the Lighthouse Service.

The purpose of all these measures was to provide annuity benefits for former employees of the Lighthouse Service or their widows, commensurate with the benefits provided other civil servants.

ADDITIONAL EXECUTIVE BRANCH LEGISLATION

In addition to the pay raise for civil servants and the funding of executive agency operations in various appropriations acts, several other measures received congressional approval this year which pertain to Government employees or the executive branch.

Public Law 90–55 extended to December 31, 1967, the life of the Commission on Political Activity of Government Personnel, established in 1966 by Public Law 89–617. The Commission is engaged in studying the Hatch Political Activities Act of 1939 to determine whether its prohibitions on political activity by Government workers are valid and realistic after almost 30 years. The Commission is to report to the Congress on proposed changes in the law, if any. The 1966 mandate to the Commission stressed caution against changing of the law in such a way as to reactivate such pernicious abuses as coerced political donations, salary kickbacks, and forced partisan political work.

Public Law 90–105 provides for the career appointment of certain civil servants and postal employees who complete 3 years of temporary employment.

The Highway Safety Act of 1966 provided for the establishment of a National Highway Safety Advisory Committee, appointed by the President, to advise and consult with the Secretary of Transportation on highway safety. Public Law 90–150 increases the size of that Committee from 29 to 35 so that adequate representation on it can be given major highway users, State legislatures, and State police. Their representation will strengthen the Committee's capacity for sound advice.

LEGISLATIVE BRANCH

In April, the House by the overwhelming vote of 400 to 0 created a Standing Committee on Standards of Official Conduct—House Resolution 418—and directed it to submit to the House as soon as practicable guidelines of official conduct. The distinguished chairman of the committee, the gentleman from Illinois [Mr. PRICE], has indicated that a report from the Standards of Official Conduct Committee can be anticipated in the second session.

SECURITY OF THE CAPITOL BUILDINGS AND GROUNDS

Several incidents on the grounds and in the Halls of Congress in the past year prompted strengthening and clarification of statutes governing behavior within the U.S. Capitol and its grounds. Particularly distressing were abusive language from the visitors' gallery in the House, dropping of propaganda leaflets on the Senate floor, and a sit-in demonstration at a committee hearing. Such disruptions not only demean the legislative process but also endanger the safety of Members of the Congress.

Existing statutes were vague and in contradiction with each other. To remedy this, Congress enacted Public Law 90–108. It provides that a felony charge, carrying a penalty of $5,000 fine and/or 5 years' imprisonment, may be brought against any person who: first carries or discharges firearms and other dangerous devices on the Capitol grounds or buildings—Members are exempted from the prohibition on carrying firearms; or second, knowingly, with force or violence, enters or remains upon the floor of either House of Congress.

The law provides that it shall be a misdemeanor, punishable by a $500 fine and/or 6 months' imprisonment, for any unauthorized person willfully and knowingly to: first, enter or remain on the floor of either House or the cloakrooms, lobbies, or other private rooms, or in the gallery of either House in violation of the rules; second, enter or remain in any room in the Capitol buildings with intent to disrupt the orderly conduct of official business; third, utter loud or abusive language or engage in disorderly conduct on the grounds or in the buildings with the intent of disrupting official business; or fourth, obstruct passages or engage in acts of violence in the buildings or grounds or to picket or demonstrate within the Capitol buildings.

These amendments to existing law should make it clear to one and all that disruptive action in the Halls of Congress will not be tolerated as it must not be tolerated if Congress is to fulfill its legal functions.

TERRITORIES, TRUSTS, NATIONAL PARKS, AND HISTORICAL SITES

JOHN FITZGERALD KENNEDY HISTORICAL SITE

Pubic Law 90–20 established the two-story frame house at 83 Beals Street, Brookline, Mass., as the John Fitzgerald Kennedy National Historic Site. It was in this house that the late President Kennedy was born on May 29, 1917, and lived until the age of 3. The house was repurchased by the Kennedy family and given to the people of the United States.

When signing the bill into law, President Johnson said:

> I am happy to sign this bill today. For years to come, for great numbers of visitors it will make more rich, more vivid, and more meaningful the memory of a great American.

COLONIAL NATIONAL HISTORICAL PARK

The Colonial National Historical Park was established in the 1930's. It has proved to be one of the more popular national parks. In 1966, only one other park attracted more visitors than it did.

Public Law 90–74 authorizes the acquisition of additional land for the park, specifically the George Waller Blow estate in the heart of Yorktown, Va. The Blow estate has an ancient history, dating to 1691, and includes four very handsome homes typifying the architecture of their day.

A sum of $777,000 was authorized for the acquisition.

CIVIL GOVERNMENT FOR THE TRUST TERRITORY OF THE PACIFIC ISLANDS

Public Law 90–16 provides for the continuance of civil government for the Trust Territory of the Pacific Islands and increases appropriations for civil works and administrative costs.

Those islands to which the law applies came within the trust of the United States following conclusion of the Second World War. They include the Marianas, the Carolines, and the Marshalls. Although they total less than 700 square miles, they are scattered over almost 3 million square miles of open ocean.

Since 1947, the United States has provided government administration for these islands. U.S. authority is vested in a High Commissioner, who, until the passage of Public Law 90–16, was appointed by the Secretary of the Interior. Henceforth, however, the President will appoint him.

This law also increases the appropriation authorization for the islands from $17,500,000 to $25 million for fiscal 1967, and $35 million for fiscal 1968 and fiscal 1969. This added authority will permit expediting construction of community facilities on the islands.

RYUKYU ISLANDS DEVELOPMENT

Public Law 90–126 increases from $12 million to $17.5 million the authorization for aid for the economic and social development of the Ryukyu Islands, which include the island of Okinawa, a vital link in our Far Eastern military network.

The added authorization will permit more rapid development of economic growth on the islands, as well as improvement of community facilities—health, education, and welfare. The islands have been a trust of the United States since 1945.

PUBLIC LAND REVIEW COMMISSION

H.R. 12121 extends the life of the Public Land Review Commission, established in 1964, and authorizes an additional $3,390,000 to finance its work. The Commission is engaged in a comprehensive review of all laws and policies applicable to the use, management, and disposition of the public lands of the United States. H.R. 12121 permits it 1½ more years in which to complete the review. Conclusion of its work will mean that comprehensive land-use planning and cooperation will be made possible between private and public interests.

NATURAL RESOURCES AND PUBLIC WORKS

From the days of Gifford Pinchot, Robert LaFollette, Sr., and George Norris in the early part of this 20th century, America has been on a crusade to conserve natural resources, restore natural beauty, and make improvements in our river systems. In response to this impulse there has poured forth from the Congress legislation, too extensive to catalog, intended to achieve the good purposes noted above.

This year was no exception. Much legislation was enacted to continue or expand efforts for improving river basins and harbors, converting saline water to a potable state, and protecting our mineral and land resources.

CALIFORNIA DESALINATION PLANT

In Public Law 90–18, for example, Congress approved Government participation in the construction of a large-scale desalting plant in the State of California. A second purpose of the plant will be the production of nuclear power.

The project will be built in the Metropolitan Water District of Southern California in partnership with public and private electric utilities. When completed, the installation will produce 150 million gallons of fresh water per day and 1,500 megawatts of net electrical power.

The Federal Government contribution to the project will involve the costs of testing a desalting process known as multistage flash distillation.

The advantage to the Government in cooperating in the California project is that it will thereby avoid having to build its own desalination plant to test the effectiveness of the process.

Total Federal expenditure is not expected to exceed $72.2 million—$57.2 million of which will be provided through the Office of Saline Water in the Department of the Interior and $15 million of which will come from the Atomic Energy Commission.

The joining together in this project of Federal, State, and private agencies marks a successful venture in cooperation in which we can all take pride.

In a companion action, Congress, in Public Law 90–30, approved a $26.7 million fiscal 1968 authorization for the saline water conversion program begun in 1952. This new authorization will permit the search to continue for a feasible and economical method for conversion of salt water into fresh water. Together with Federal participation in the construction of the California desalination plant, it holds forth the promise that we may soon benefit from 15 years of research.

IRRIGATION AND WATER RESOURCE PROJECTS

Efforts to increase through irrigation the capacity of arid lands to produce food were expanded through acts passed in the first session. Public Law 90–65 authorizes an enlargement and realinement of the last 50 miles of the Tehama-Colusa Canal of the West Sacramento Canal unit. This additional capacity will be needed once the west canal unit is authorized and constructed, and its authorization in this act is a long-range savings device. The canal is part of the Sacramento Valley-Central Valley irrigation project begun in the early 1950's.

Public Law 90–72 incorporates the San Felipe division—composed of parts of Santa Clara, San Benito, Santa Cruz, and Monterey Counties—in the Central Valley project of California. Water resources in the San Felipe division have been developed to their utmost and it was necessary to include the division within the scope of the Central Valley project. The division is authorized a yearly quota of 273,000 acre-feet of water from the Central Valley system, which will provide the extra water it requires.

RIVER BASIN DEVELOPMENT

Several measures continue the river basin projects previously approved by the Congress. Public Law 90–17 increased the monetary authorizations of 13 comprehensive river basin plans already authorized and authorized the completion of basin monetary authorizations for one basin project.

The 13 projects, under development by the Army Corps of Engineers, include the following basins: Alabama-Coosa River, Arkansas River, Brazos River, central and southern Florida, Columbia River, Missouri River, Ohio River, Ouachita River, San Joaquin River, South Platte River, Upper Mississippi River, West Branch/Susquehanna River, and White River. More than $450 million was authorized by the act to cover additional costs for improving these basins.

An additional $7 million was authorized by the act to permit completion of the initial phase of work on the Sacramento River flood protection project authorized by the 1960 Flood Control Act.

Public Law 90–89 authorized an additional $9 million, which, together with a 1966 authorization of $60 million, will permit continuation of the Department of the Interior's Missouri River Basin project. Work is presently underway to strengthen the Tiber Dam of the Lower Marias.

A companion action by the Congress authorized the Secretary of the Interior to construct, operate, and maintain the Nebraska mid-State division of the Missouri River Basin project. Public Law 90–136 approves a multipurpose project along the north side of the Platte River in central Nebraska, which will provide irrigation, flood control, and recreation benefits. Estimated cost of the project is $106.1 million. Authorization of the project brings to fruition plans laid as long ago as 1943.

Public Law 90–142 authorizes a Federal payment of $172,000 to defray the cost of certain construction work on the small-boat harbor at Manele Bay, Lanai, Hawaii. This harbor improvement was originally authorized in 1960, with Federal assistance not to exceed $200,000. Certain unforeseen conditions have increased the cost of the project and necessitated this additional authorization.

Public Law 90–149 declares a portion of Bayou Lafourche in Louisiana nonnavigable, thereby permitting local interests to construct a dam across it, which will permit the area to have adequate municipal, industrial, and recreational water supplies.

MINERAL RIGHTS AND DISPOSALS

A 1962 law permitted the Secretary of the Interior to sell 340 acres of U.S. property to the city of Needles, Calif., with the proviso that the United States maintain all mineral rights to the land. This provision has made it difficult for Needles to obtain subdivision or industrial development of the land. Public Law 90–138 eliminates the U.S. reservation to mineral rights in order to permit the city to realize maximum benefit from its land purchase. Surveys of the land indicated that there was little mineral value under it.

Three laws, Public Laws 90–151, 152, 153, grant congressional approval for the disposal of certain minerals from the national stockpile—respectively, 15 million pounds of molybdenum, 7,640 short dry tons of rare-earth oxide materials, and 1,200,000 pounds of bismuth.

Public Law 90–111 extends through June 30, 1971, a 1962 law permitting persons to obtain title to land once used for mining purposes but now turned into residential sites. The law was necessary to afford purchasers of unpatented mining claims the chance to obtain title to land on which they have built homes. The purchase of a claim does not bring with it title to the land, which many buyers failed to realize.

MODIFICATIONS IN THE INTERSTATE HIGHWAY SYSTEM

A total of 41,000 miles was authorized for construction of an Interstate Highway System. That System is nearly half completed now, and all but 25 of the 41,000 miles authorized have been used in the design of highways. A critical need for additional mileage prompted Congress to approve an additional 200 miles in H.R. 13933. This authorizing legislation stipulates, however, that modifications or revisions made in highway construction with this additional authorization must not add to construction costs.

Gaps in the present Interstate Highway System will be the subject of hearings by the Public Works Committee in 1968, and it can be anticipated that present deficiencies will be corrected in a Federal-Aid Highway Act of 1968.

MARINE RESOURCES AND ENGINEERING DEVELOPMENT ACT AMENDMENTS

Congressional approval of H.R. 13273 extended to January 9, 1969, the deadline for submission of the report by the Commission on Marine Science, Engineering, and Resources established in 1967—but authorized in 1966. The measure also extended the life of the National Council on Marine Resources and Engineering Development—an advisory body—to June 30, 1969. Both the Commission and the Council were instituted to assist in the development of long-range marine science activities by the Federal Government.

WETLANDS PRESERVATION

Passage of H.R. 480 extended for 8 years—through fiscal 1976—the period during which Congress may make advance appropriations for the acquisition of wetlands for migratory bird conservation. The extension will permit the Interior Department to continue its program of acquiring wetlands. The Federal Government is authorized to purchase 7.5 million acres for wild bird refuge. So far it has acquired about 6 million of that total.

DISTRICT OF COLUMBIA

On August 11, 1967, a new form of government was authorized for the District of Columbia. For 89 years—1878–1967—the District was administered by three Commissioners—two civilians and an Army officer from the Corps of Engineers.

Under his reorganization powers, President Johnson altered the form of local government in the District this year. By a vote of 160 to 244 the House rejected a resolution disapproving of the change.

The new District government is now composed of a single Commissioner, a Deputy Commissioner, and a nine-member City Council. These officials, together with the Congress, will henceforth govern the Nation's Capital.

The reorganization does not give any new legislative powers to the city government. These will remain with the Congress, as presently is the case. The plan did transfer to the City Council the duty of making alterations in those regulatory and revenue powers previously assigned to the city government's purview. The Council will also consider and make recommendations, in conjunction with the Commissioner and Deputy Commissioner, on the city's budgetary needs.

DISTRICT OF COLUMBIA, FEDERAL PAYMENT AND APPROPRIATIONS, 1968

Historians will record that 1967 was a "red letter" year for the District of Columbia. As already noted, its form of government was altered for the first time in 89 years when the three-man Commissioner government was replaced by a single Commissioner and a Presidentially appointed nine-member City Council.

Beyond this, however, it is significant to speak of the additional contributions which Congress made this year to the advancement of effective government in the District. By constitutional mandate, the Congress is charged with overseeing the government of the District. One of the more important ways in which it exercises that mandate is through annual authorizations of District borrowing authority and the sum of money the Federal Government shall contribute as its share of the cost of running the Capital. Furthermore, the Congress each year determines the appropriations which shall be available to the District Government to finance its operations and programs.

As the ninth largest city in the land, Washington confronts the same perplexing problems facing all of our major cities: problems of transportation, of inadequate and deficient housing, of too many poor, of financial strain.

These problems are aggravated in the District by the presence of the National Government, particularly the matter of adequate finances. Street maintenance in the Nation's Capital is made more difficult because of the influx of tourists. The standards for public work construction are more exacting and more expensive because buildings must be majestic and handsome.

It would be unfair to expect the residents of the community to bear this burden alone and so the Federal Government must contribute its share to insure a beautiful and safe Capital.

In response to pleas from city officials to provide adequate assistance, the Congress this year authorized a Federal payment of $70 million, $10 million more than was authorized for fiscal 1967.

In addition, Public Law 90–120 significantly increased the District's borrowing authority. The formula written into law provides that over the next 3 years the District may borrow at a rate equal to 6 percent of the sum of estimated annual revenues from local taxes and the Federal payment. In effect, this raised its debt ceiling from $290 to $3.38 million for 1968. By 1969, it will be authorized to borrow up to $363.9 million, and by 1970 that authority will reach $392.3 million.

Of this total amount, $50 million is earmarked for rail rapid transit construction and $40 million for construction of the Federal City College and the Washington Technical Institute, higher education institutions authorized in 1966.

It is the hope and intention of the Congress that this increased borrowing authority will help to alleviate the financial pinch in which the city finds itself.

For the first time in history, the Congress approved in Public Law 90–134 appropriations for the District of Columbia exceeding a half billion dollars. The District of Columbia Appropriations Act of 1968 provides $500,954,300 to finance the many activities of the District government: police, fire protection, welfare, general operations, education, recreation, highway and street maintenance, and sanitation. While a considerable sum of money, the figure was still more than $30 million less than requested.

The amount appropriated for the Federal payment was $63,979,200, $6 million less than authorized in Public Law 90–120. This sum will finance activities funded through the general fund. In addition, $3,499,000 in Federal money will support water and sewage programs in the city. The remaining $433.4 million to finance District operations in fiscal 1968 will be derived through local income, real estate, and sales taxes and loans.

OTHER DISTRICT LEGISLATION

A number of additional legislative measures affecting the District were passed during the first session of the 90th Congress.

Public Law 90–33 permits the District government to reduce by more than $10,000 its claim in a suit contesting settlement of an estate. Under existing law this was not possible, sometimes embroiling the District in costly litigation when the power to reduce its claim more than $10,000 could have settled the case without court action. The District becomes involved in these cases when some person dies and there are no heirs within the fifth degree of ancestry. Any surplus from an estate becomes the property of the District to be used for benefit of the poor. Contests are sometimes brought against the District by heirs beyond the fifth degree. The new law gives the District more flexibility for reaching a compromise in such contests.

Public Law 90–43 permits the owner of a motor vehicle or trailer to register his spouse as coowner without having to pay full registration fees. Coregistration will permit a surviving spouse to claim possession of a vehicle or trailer without delay following the death of the other.

Public Law 90–53 transfers from the Federal District Court for the District of Columbia to the District of Columbia court of general sessions the authority to waive the premarital blood test requirement and the waiting period requirement related to the issuance of a marriage license in the District.

Public Law 90–84 increased by $12.5 million the Federal contribution to the construction of the interceptor sewer connecting Dulles Airport and surrounding communities with the District of Columbia sewer system. The interceptor sewer was authorized in 1960 and is presently under construction. The additional Federal contribution is considered more commensurate with its obligation to the construction of the connecting pipe.

Public Law 90–115 authorizes the District government to employ qualified physicians and dentists who are licensed in a State or other jurisdicition of the United States, but who are not licensed to practice in the District of Columbia.

These physicians and dentists will perform medical and dental service solely under the administration of the District of Columbia Department of Health.

Public Law 90–172 eliminates the requirement that applications to the District of Columbia Director of Motor Vehicles for official certificates of title, and statements in such applications relating to liens, be made under oath. Under present law this was necessary and the cause of discontent among vehicle owners who had to appear before notaries public to verify title transfers. There remain in law provisions for punishment by fine of any person who swears falsely to an application, thus affording sufficient protection against fraud.

Public Law 90–173 amends the 1906 District Crematorium Act to provide that the public crematorium shall be used only for public health reasons. The purpose of the amendments was to remove from law those provisions which allowed the disposal of bodies in the crematorium for other than public health reasons, for example, lack of funds by survivors. These provisions created a great deal of work for the District government because it was often necessary to waive fees authorized to be charged for such services.

WATERFRONT PRIORITY HOLDERS

Public Law 90–176 extends to certain previously excluded businesses to be displaced by the waterfront channel redevelopment in Washington priority rights and District government assistance for the relocation of their businesses. Those accorded this privilege were inadvertently excluded in the first "reestablishment" act of 1960—Public Law 86–736.

DISTRICT TRANSIT PROGRAM

H.R. 11395 passed the Congress in early December and amended the National Capital Transportation Act of 1965, which provides for a rail rapid transit—subway—system in the Nation's Capital.

The amendments alter the proposed system lines by authorizing a line through the Federal triangle and the southwest section of the District of Columbia and by deleting the previously authorized Columbia Heights route in the north-central section of the District. Surveys of passenger use of buses suggested the advisability of the enacted alterations.

CRIMINAL PROCEDURE IN THE DISTRICT OF COLUMBIA

To assist the police and the courts in combating crime in the District, Congress passed H.R. 10783, which amends the criminal procedures code for the District. In 1966, Congress passed a bill of similar intent but the President vetoed it on the grounds that certain parts of it were probably unconstitutional. H.R. 10783 attempts to meet the President's criticisms of the previously passed measure—H.R. 5688.

Title I of the bill permits a District policeman to arrest without warrant, or to take into custody, any person caught committing, or threatening to commit, a crime in his presence. A policeman may further arrest without warrant if he has probable cause to believe a person has committed a crime and if failure to arrest might lead to infliction of personal injury or property damage by the suspect. Crimes for which such arrests can be made include assault, breaking and entering, receiving stolen goods, grand larceny, and auto theft.

Title II of the bill provides for the speedy return of escaped, mentally ill persons by issuance of court orders effective throughout the United States. It also stipulates that a plea of not guilty by reason of insanity must be entered at the time of initial court proceedings or within 15 days thereafter, in a criminal case, before any District, Federal, or local court. Courts are given the option to permit later pleas of insanity.

Title III, the most controversial section of the bill, provides that the police in the District may question a suspect up to 3 hours immediately following his arrest. There is some feeling that this is a violation of Supreme Court decisions relative to the rights of persons arrested—the Miranda decision in particular. The bill, however, contains specific safeguards against this by stipulating that any person subject to investigatory interrogation must be advised of and accorded all his rights applicable under law, including the right to remain silent and the right to counsel. Any statement, admission, or confession obtained during this 3-hour period of interrogation shall be admissible in later court action. Persons not charged with a crime after interrogation shall not be recorded as arrested in official records.

Inclusion of this power in the bill was felt essential if the police are to be able to cope with crime. The first few hours after arrest are often critical in solving a crime. Prudent use of this power by the police should guarantee against abuse to arrested persons.

Title IV makes it a crime to bribe, intimidate, or threaten any juror, witness, or officer of a court, or to impede or attempt to obstruct the investigation of crime by preventing communication of information relating to a crime to the proper authorities. Punishment shall be a fine of not more than $1,000 or imprisonment for not more than 3 years, or both.

Title V adds burglary and robbery to the category of crimes defined as "crimes of violence."

Title VI makes sundry changes in the criminal code including first, terms of sentences for various crimes; second, definitions of burglary; third, proscription on suspended sentences for any person committing a crime of violence in which weapons of any variety are used; and fourth, extensive definition of illegalities concerned with the sale or advertisement of obscene materials or presentations, with appropriate punishment for violation of the law. This title further provides penalties for making a false report to the commission of a crime. Punishment shall be a fine of not more than $300 or imprisonment not exceeding 30 days. The intention of this addition to the code is to stem crank reports of crime.

Title VII permits the issuance of citations by policemen for the commitment of misdemeanors. This new authority will expedite justice and avoid having to take into custody persons who commit minor violations of the law. Citations can be issued on the spot and persons receiving them are required to appear before appropriate authorities of the Police Department. Failure to appear is punishable by fine or imprisonment, or both.

Title VII of the bill also amends the 1966 District of Columbia Bail Act by authorizing the District of Columbia Bail Agency to secure pertinent information for judicial officers or police officials about persons for whom citation or bail determination must be made.

Title VIII of the bill authorizes the District Commissioner to provide such facilities and personnel as prove necessary for the treatment and rehabilitation of juvenile delinquents who violate the law. He is further authorized to contract with the Director of the U.S. Bureau of Prisons for necessary assistance—including space—in such treatment and rehabilitation. The purpose of these amendments is to authorize an adequate program for rehabilitating the youthful offender.

Also included in this title of the bill is provision for paying witness fees and travel allowances in criminal cases before the District court of general sessions at the same rate as those paid witnesses attending Federal court proceedings in the District.

Title IX defines a riot as an assemblage of five or more persons bent on disruptive conduct which threatens others' well-being or property. Willful engagement and willful incitement of a riot shall be punishable by not more than $1,000 in fines, or 1 year imprisonment, or both. If in the course of a riot a person is injured or property damage exceeds $5,000, any person convicted of willful engagement or incitement is liable to imprisonment up to 10 years, or a fine up to $10,000, or both.

Title X creates the Commission on Revision of the Criminal Laws of the District of Columbia composed of two Members of the Senate, two Members of the House, four members appointed by the District Commissioner—one of whom shall be designated as chairman—one District Federal circuit judge, one District Federal district judge, and one District general sessions judge. The Commission shall study and make recommendations for changes in the District criminal code, including codification, elimination of unnecessary or undesirable statutes, and alterations in penalties. Its final report is due within 2 years. Provisions for staffing are included in the bill as well as a $150,000 authorization for expenses.

Finally, title XI of H.R. 10783 confers pro futura status on all the provisions contained in the bill relating to criminal penalty and stipulates that the declaration of invalidation of any part of the act shall not apply to any other parts in it.

The President had not signed this bill at the time of preparation of this report.

SUNDRY DISTRICT LEGISLATION

H.R. 10964 authorizes the District to receive Federal financial assistance as provided by the medicaid provisions of the Social Security Act, thereby permitting the District to give monetary aid to low-income families unable to meet their medical expenses.

H.R. 12505 provides that District public school teachers may now retire on full annuity at age 55 after 30 years of service or at age 60 after 20 years of service.

H.R. 5709 eliminated restrictions on the accumulation of sick leave by public school teachers in the District and provided that they may accumulate an unlimited number of days of sick leave. It further provided that they may borrow up to 30 days of sick leave.

H.R. 8715 amended the Alcoholic Beverage Control Act to restrict the amount of wines, spirits, and beer that may be sent into the District to anyone other than a licensed dealer. The limitation is 1 quart of any of the above per month.

H.R. 8582 authorized the appointment of three additional associate judges to the District of Columbia Court of Appeals, thus increasing the number of associate judges from two to five. This expansion will permit the expedition of appeals cases. The load of the court has more than doubled since 1941 when the court was created, justifying the authorized increase.

OTHER LEGISLATIVE ACCOMPLISHMENTS

Additional legislative accomplishments worth mentioning are noted in this concluding section of the report.

SMALL BUSINESS ACT AMENDMENTS OF 1967

Since 1953, the Small Business Administration has been assisting and protecting the interests of small business concerns and insuring that a fair proportion of the total Government purchases and contracts for supplies, services, research, and development are placed with small business enterprises. The Administration also grants loans to small businesses either to promote growth or to assist them when damage from natural catastrophies threatens their existence.

To strengthen the programs of the Small Business Administration, Congress in Public Law 90–104 increased the amount of money the SBA may have outstanding in loans and facilitated access of small business investment companies to SBA money.

The 1967 act increases SBA's revolving loan fund by $650 million, which enables it to continue its lending programs until

June 30, 1967. The act increases Federal funds available for loan to small business investment companies from $4.7 million to $10 million and liberalizes the technical aspects for obtaining loans by such companies.

Another provision of the law authorizes SBA use of the mails to distribute information about its programs.

COPYRIGHT PROTECTION EXTENSION

The need to revise the copyright laws has been with us since the advent of technological advances in communications and the capacity to copy inexpensively printed materials. A massive study of the problems involved was made by the Copyright Office of the Library of Congress. After 10 years study, the Copyright Office submitted proposed legislation in 1965. No final action was taken during the 89th Congress on a copyright revision; nor did Congress complete action in the first session of the 90th Congress, although the House voted favorably on a revision. It is anticipated that the Senate will vote on the revision during the second session.

To continue copyright protections presently afforded by law the Congress passed Public Law 90–141.

SECRET SERVICE PROTECTION FOR MRS. JOHN F. KENNEDY

Subsequent to the assassination of President John F. Kennedy in November 1963, the Congress authorized Secret Service protection for Mrs. Kennedy and her children—Public Law 88–195. In 1965, in Public Law 89–186, Congress stipulated that the widow and children of a former President shall receive 4 years of protection by the Secret Service after his death. Mrs. Kennedy's privilege to such protection, under this law, expired November 23, 1967.

Congress, however, in Public Law 90–145, extended it for another 15 months, until March 1, 1969, because Mrs. Kennedy and her children are still subject to considerable publicity, to idle curiosity, and to potential crank threats. Mrs. Kennedy retains the option of declining the protection at any time.

ALASKA DEVELOPMENT PLANNING AUTHORIZATION ACT

Public Law 90–69 authorizes an appropriation not to exceed $300,000 per year, beginning with fiscal year 1968, for the operations of the Federal Field Commission for Development Planning in Alaska. This Commission was established by Executive order in 1964 and funded by section 5 of the 1964 amendments to the Alaska Omnibus Act—Public Law 88–451.

The Commission is a joint Federal-State planning group which has been guiding efforts in Alaska to develop its resources in both the private and public sectors. Public Law 90–69 was necessitated by the expiration of the Commission's authorization as of June 30, 1967.

FEDERAL JUDICIAL CENTER

During the past decade our courts, both Federal and State, have found themselves buried beneath a deluge of litigation and criminal prosecution. Steps have been taken to remedy this judicial plight, including the authorization of additional judges.

Congress, this year, approved a measure which will provide yet another method for expediting the work of Federal courts. Passage of H.R. 6111 establishes a Federal Judicial Center within the judicial branch to further the development and adoption of improved judicial administration of Federal courts.

The Center will study court operations, develop recommendations for the Judicial Conference of the United States, stimulate and conduct training programs for judges and other judicial personnel, and provide staff assistance to the Judicial Conference.

The Center will be supervised by a Board composed of the Chief Justice of the United States as permanent Chairman, the director of the Administrative Office of the United States as a permanent member, two active Federal courts of appeals judges, and three active Federal district court judges. Judges on the Board will be selected by the Judicial Conference but may not be members of the Conference. Their terms shall be for 4 years and they may not be reelected. The Board will establish general policy, including the application of automatic data processing to court administration. It will also issue annual reports to the Judicial Conference and to the Attorney General and keep the Senate and House Judiciary Committees advised of its activities.

The Board will appoint a director for the Judicial Center, who will appoint staff members.

THE AMERICAN REVOLUTION BICENTENNIAL COMMISSION

In 1966 an American Revolution Bicentennial Commission was established to plan appropriate commemorative activities in celebration of the 200th anniversary of the American Revolution. The Commission was directed to issue its recommendations on or before July 4, 1968. Twenty-six persons were appointed to the Commission, including four Senators and four Representatives.

This year, Commission members requested that the reporting date for its recommendations be extended and that the Secretary of Commerce be accorded membership on the Commission in light of the proposed international exposition to celebrate the event. The Commerce Secretary is the executive officer responsible for major fairs and expositions.

The Congress approved these requests. The report deadline was advanced to July 4, 1969. The Secretary of Commerce was accorded Commission membership and the Senate and House membership on the Commission was increased by two for each House. In addition, an appropriation authorization of $450,000 was approved for paying salaries and expenses for staff personnel necessary for coordinating the planning of the celebration. Money to finance the proposed celebration will come from public contribution.

This gala event will celebrate the beginning of the most outstanding governmental experiment ever launched by mankind: Government by the people.

IMMIGRATION AMENDMENT

Passage of H.R. 2138 amended section 319 of the Immigration and Nationality Act to provide that a period of residence abroad in the employ of certain U.S. nonprofit organizations engaged in disseminating information which significantly promotes U.S. interests shall be considered as constructive residence and constructive physical presence in the United States for naturalization purposes. This amendment will benefit persons wishing to become U.S. citizens who are often employed abroad by such organizations as Radio Free Europe or the Radio Liberty Committee.

FEDERAL SHIP MORTGAGE

Congress enacted two measures affecting Federal ship mortgage insurance. S. 2247 amends the Merchant Marine Act of 1936 to increase the amount of mortgage insurance available for tugs of more than 2,500 horsepower, and of barges of more than 2,500 gross tons. Under previous law the mortgage guarantee for these vessels was set at 75 percent of actual cost. Henceforth, it shall be at 87½ percent. This increase should encourage the construction of oceangoing tugs and barges for use on inland rivers and waterways.

S. 2211—Public Law 90–183—increases the amount of Federal ship mortgage insurance available for passenger vessels of not less than 1,000 gross tons with a sustained speed capability of at least 8 knots operating on inland rivers and waterways. Again the guarantee is raised from 75 to 87½ percent of actual construction cost. This increase should encourage the construction of such vessels.

Neither increase is expected to cost the Government additional money.

It is clear from the foregoing that this first session of the 90th Congress has indeed had a productive and effective legislative year. In every area of legislative responsibility, both foreign and domestic, we have faced up to the responsibilities of this age and have, I believe, remained faithful to the trust imposed in us by those we seek to serve. Every Member can be proud of this record of legislative accomplishments and of having served in the 90th Congress.

FIRST SESSION OF THE 90TH CONGRESS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, we are about to come to the end of the first session of the 90th Congress. It has been a long and arduous session, but it is a session which has had many rewards. It has been a productive session. We have met our commitments at home and abroad. We have faced up to our responsibilities in Vietnam. We have supported our fighting men. We have simultaneously attacked the problems which press us at home. We have waged war on ignorance, poverty, and disease; we have developed our natural resources. We have upgraded the opportunities of our people.

I will not attempt to list at this point all the major laws enacted in this first session. I will undertake to do this by extending my remarks in the first CONGRESSIONAL RECORD to be published subsequent to adjournment. For the present suffice it to say that the widespread and beneficial effects of our accomplishments, touching the lives of millions of people throughout the Nation, will be felt and seen for years to come.

I congratulate all who have helped to write this record. Particularly do I congratulate and applaud our distinguished and beloved Speaker, the Honorable JOHN W. MCCORMACK, who is devoted to this House and to the people of this country. Far more than many realize, the good that we have accomplished is the product of his work, his effort, his leadership, his guidance, his patience, and his great and infinite wisdom. To every Member of the House the Speaker has been a warm and compassionate friend and close adviser. He has presided over the House with dignity, courtesy, and impartiality which has characterized the occupants of his high office through the years. In all my life I have never known a greater, finer man than JOHN MCCORMACK. This House has never had a greater Speaker. He loves this House and this House loves him.

For my own part, may I say to my colleagues that no experience in my lifetime has been more rewarding than the opportunity to work at the right hand of JOHN MCCORMACK. I shall be grateful to him through all the years of my life for the many kindnesses which he has extended to me and the generous considerations which he has shown to me at all times.

I also salute my close friend and coworker, our Majority Whip HALE BOGGS. His leadership has been indispensable to the enactment of the program of which we have a right to be proud. He has been a tireless worker, a performer of the highest order, and one of the greatest legislators of our time. It has been a joy and a privilege to work with him.

I also want to express my gratitude to the distinguished minority leader of the House. He has always been helpful in matters of procedure. He has served his party and his country with great strength and courage. I am grateful to him for the consideration he has extended to the Democratic leadership generally and to myself personally. He has always cooperated in resolving the problems of the House and in carrying forward its legislative business. I trust that in the next session he will lend his capable hand to the enactment of the progressive program of the Democratic Party.

I congratulate and thank also the distinguished minority whip and other members of the Republican leadership. They have been most helpful, courteous, and considerate to me at all times.

I, of course, am exceedingly grateful to my own colleagues on the Democratic side of the aisle who have been so kind to me over the years. I am grateful to all Members on both sides of the aisle for their friendship. I believe that all of us have worked diligently, industriously and courageously for the good of the country. I think the record of this Congress testifies to the quality of its membership.

I must also express my gratitude for the work of the Parliamentarian without whose efforts I could not have done my job. I am grateful to the Clerk, the Sergeant at Arms, the Doorkeeper, the Postmaster and all the officers and employees of the House. They have been most helpful and diligent to us all in their service.

I am appreciative, too, of our great President who against tremendous odds and while overseeing terrible battles for freedom abroad, has never once faltered in his belief that the Great Society is not a resting place for the contented but is an arena of action, of adventure, of search for the greatest good for the greatest number for the greatest country in the world.

Mr. Speaker, I yield to the distinguished minority leader.

Mr. GERALD R. FORD. Mr. Speaker, I am grateful that the distinguished minority leader has yielded to me at this point.

First, may I express my deep appreciation for his kind comments. Let me say, without hesitation or reservation, it has been a great pleasure and privilege for me to work with him in making certain that the necessary business of the House of Representatives was accomplished during this session, 1967. The distinguished majority leader is my friend and I value his friendship.

Mr. Speaker, it has been a long and controversial session, but in my judgment, the product that has been turned out by the Congress this year is most impressive. All of us can be proud of the record that has been written.

Mr. Speaker, I want to say to you—and I say it as sincerely and as deeply as I can—your friendship, your understanding, your cooperation has been a great inspiration to me. You have always done everything you could to make certain that the rights of the minority were protected and that we were accorded every privilege in the greatest legislative body in the history of mankind.

I speak for every Republican when I say we are indebted to you for your consideration, your kindness, and most of all your help and assistance.

I want to say to the rest of the Democratic leadership: We differ. We have had times when all of us were saying things and maybe doing things that we regretted the next minute or the next day, but I want each and every one of you individually and collectively to know that our leadership on our side admires all of you, respects each and every one of you greatly, and looks forward to working with you in the next session.

I would be most remiss, Mr. Speaker, if I did not thank on this occasion those who have been associated with me on our side in the Republican leadership team. We have been most fortunate to have welded together a group of men from various geographic areas, with some differing philosophies within the blueprint of the Republican Party, into a group and a team that has worked well and gotten the kind of cooperation we needed from our 187 Members on our side. I want to thank my colleagues on this side of the aisle for their support and assistance. We have had fine unity during this session and I am grateful for such strong support in the issues we have developed and programs we have presented.

May I say just a word about my colleagues in general on the other side of the aisle. You are gentlemen of the highest order, vigorous exponents of the Democratic philosophy. You are good friends of all of us, and we admire and respect each and everyone of you even when we differ.

Mr. Speaker, each of us on both sides of the aisle is most appreciative of the help and assistance of the employees of the House. I would like to reiterate what the distinguished majority leader has said about the Parliamentarian, Lewis Deschler, but there are many others who help us on a day-to-day basis, who cooperate fully, and who make this House operate as it should. Speaking for the Members on my side of the aisle, we are grateful, we are indebted, and we are most appreciative.

Mr. Speaker, it has been a privilege to work with you and all other Members. I extend to you, and I wish all other Members, the merriest Christmas and finest New Year.

Mr. ALBERT. Mr. Speaker, I thank the distinguished minority leader for his very kind remarks, which all of us over here reciprocate.

Mr. Speaker, I am happy to yield to the distinguished majority whip.

Mr. BOGGS. Mr. Speaker, I thank the gentleman for yielding.

There is little that I can add to the words that have been uttered by the distinguished majority leader and the distinguished minority leader. I think all of us have a feeling of fraternity in this body, which overrides any partisan considerations. The thing that most of us enjoy the greatest is the association we have with one another. In days of controversy—and by the very nature of this institution, there must be controversy—sometimes our tempers flare and emotions assert themselves. But frankly, I have never seen a session of Congress where the debates have been more to the point, where there has been less of anything that could be characterized as indulging in personalities.

I think this is largely due to the leadership of CARL ALBERT and GERRY FORD, and the great Speaker of the House of Representatives.

I can only say that I share in every word that has been said about JOHN MCCORMACK. His virtues are so numerous and his humility is so great that it would be difficult for me to try to describe them in a matter of minutes. Suffice it to say that above all he is a great American. He is a real Christian. He is totally devoted to this institution and what it stands for.

All of us know that without a strong Congress, without a strong House of Representatives, our system of Government, which is the envy of mankind, could not prevail.

JOHN MCCORMACK loves this institution. The contribution which he has made to it will live long after any of us have departed this body.

Yet he has so many other virtues.

He is so considerate of his fellow Members.

I have seen JOHN McCORMACK go out of his way, not once but many, many times to help a Member, regardless of what side of the aisle he might be on—to suit the Members convenience, to help him meet a family emergency. He tries to help Members of the House of Representatives whether they be Democrats or Republicans.

Yet he is totally firm in his convictions. He is dedicated to this institution. He loves the Democratic Party, for which he has been a voice for well over a quarter century, and has been a Rock of Gibraltar in presenting the policies of that great party.

So, Mr. Speaker, it is always with a degree of reluctance and sadness that we close a session of Congress, because it is a period in our lives, yet it is also something of an occasion of joy.

I am proud of this session of Congress. I believe it has been most constructive.

To work with CARL ALBERT is a joy and a pleasure. I am so glad that he stands here this evening, as we close this first session of the 90th Congress, strong, active, vigorous, in good health. He had suffered, as all of us know, a heart attack. Today his health is better than it has ever been. He has worked day in and day out in behalf of the program of our party.

There are many things one could say about CARL ALBERT, but the greatest thing about him is that he is a big man. He never thinks small. I have never seen him act in a petty fashion. I have never seen him carry a grudge.

I have seen him, also, concerned about the welfare of Members of this body. To work with him is an inspiration.

The whip's organization, which he did so much to build and strengthen, has worked with him day in and day out in this Congress. As the distinguished minority leader will certainly say, we have had 47 fewer Members here, and our job has been much more difficult, but I believe we have succeeded beyond our fondest expectations.

So, Mr. Speaker, I say these things to all on both sides of the aisle, and to all who work with us every day; to Lewis Deschler; to the clerks, to Turner Robertson, to C. H. Emerson, to Arthur E. Cameron, and so many others, the whole staff—"Fishbait" Miller. How could I leave him out? I would not dare.

All of you make this institution possible. Those of us who have some responsibility for its operation are very grateful indeed to all of you. I thank each and every one of you.

All of us wish all of you a very, very, very Merry Christmas, from the youngest page to BARRATT O'HARA, and a very Happy New Year.

I neglected to mention one thing I did not intend to. There is also the fourth estate, who are with us each day and who work with us so closely. The press has its function and we have ours.

I believe, Mr. Majority Leader, that we have the finest press corps of any group in America. They are fairminded. They are objective. I would be remiss if I did not pay tribute to them as well.

I thank the gentleman very much.

Mr. ALBERT. I thank the gentleman, and I agree with him.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I gladly yield to the distinguished Speaker.

Mr. McCORMACK. Mr. Speaker, I appreciate very much, being human, the very generous things said about me. The fact that my distinguished and dear friends have made these remarks about me leads me to know that they believe what they have said and that what they have expressed are their innnermost thoughts, which I consider to be most generous. While I doubt I deserve them, as a human being I value very much the fact that they think that way about me.

Mr. Speaker, my dear and distinguished colleagues, I would like at this time to express my great pleasure not only in working with you but in the personal friendships that have developed between us throughout the years. I would wish to express my pleasure to the new Members, also, during this first year of this session of Congress. The spirit of this House since this session began last January has been one of outstanding cooperation and harmony and of reasonable understanding and give and take. I would like especially to pay my respects today to the distinguished and exceptional majority leader, CARL ALBERT, and the outstanding majority whip, HALE BOGGS, both of whom have served with remarkable ability throughout this session. I wish to thank them for their loyalty and their devotion to me. I am very grateful and I shall never forget it.

I also wish to mention the extraordinary and very able minority leader, GERALD FORD, and the minority whip, LESLIE ARENDS, both my dear and valued friends, whose services to their party and to the House and, yes, to me in my capacity as Speaker and as a friend, on the basis of a friendly relationship, have rendered them of great service in all that transpired during all of this year—and I do not necessarily confine it to this year.

Mr. Speaker, as in the past, I have endeavored to play the role, in an impartial way, to the fullest extent possible, in my official position. When I take the chair every day, I take it as Speaker and not as JOHN McCORMACK, the Democrat and the leader of my party in the House. May I say that this task has been made considerably easier by the courtesy extended to me by Members on both sides of the aisle. My objective has always been to apply the rules as fairly as possible to every Member of every party and to protect the rights of all. If I have one ambition after my days as Speaker are over, it is my hope I will be remembered as the Members' Speaker. This is an honor that I would consider to be the highest that could be conferred upon me, because I know of no greater thought that animates my mind than my association with my fellow colleagues, my colleagues here, and the confidence, the respect, and the friendship that they have for me. They can feel when they come to me as Speaker that they are not talking to JOHN McCORMACK, the Democrat or the leader of the Democratic Party, but they are talking to a friend, one who loves the House of Representatives as has been referred to by the gentleman from Michigan [Mr. FORD], and my friends on the Democratic side. So that is one ambition that I have, and I hope I shall attain it, that is, to be recognized as the Members' Speaker.

In looking back on this session, I am fully aware of the important roles played by the employees of the House of Representatives who have performed their duties with diligence and who certainly deserve the thanks of every Member. I wish that time would permit me to mention each by name. However, I do want to pay my respects to and thank the Clerk of the House, Pat Jennings, the Doorkeeper, Bill Miller, the Sergeant at Arms, Zeake Johnson, the Postmaster, Hap Morris, and our Chaplain, Dr. Latch.

But, over and above all, I want to extend my very special gratitude to that great human being, that man equally brilliant and practical, that fountain of wisdom, our great Parliamentarian, Lewis Deschler. And through him I want to express my thanks to the members of his staff, to Bill Cochrane, and all the other members of the Parliamentarian's office.

Mr. Speaker, I also wish to extend my thanks to the pages, the telephone operators, and to the members of the press, radio and television, with whom I have enjoyed a most pleasant association, a continuance of which I am looking forward to in the next session. I extend my greetings of the season, and to their loved ones, to everyone who is connected with the House of Representatives, because they are all a part of this great body and of this great organization.

Mr. Speaker, the performance of the House of Representatives in the first session of the 90th Congress is such that all of us, without regard to party affiliation or partisanship, can justly be proud.

Mr. Speaker, in closing, permit me to state that I deeply appreciate the manifestations of friendship and respect, not only upon this occasion, but what has been extended to me throughout the years during which I have served in this great body as the majority leader and now as Speaker of the House of Representatives.

Mr. Speaker, I love the House of Representatives. My whole heart and mind, outside of the sacredness of family life, is centered in this great body. I have served here for many years, and I have never regretted one second of my service in the House of Representatives which is truly the legislative body that represents the people of our great country.

Mr. Speaker, I extend to you, and to my dear and valued colleagues, as well as the officers and employees of the House of Representatives, the blessings of the Holy Season and of the coming New Year.

Mr. ALBERT. Mr. Speaker, I thank the distinguished gentleman from Massachusetts for his eloquent and distinguished remarks.

Mr. Speaker, I yield back the balance of my time.

RECESS

The SPEAKER. Pursuant to the authority heretofore granted, the Chair declare the House in recess at this time subject to the call of the Chair.

Accordingly (at 5 o'clock and 47 minutes p.m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 6 o'clock and 35 minutes p.m.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill, a joint resolution, and a concurrent resolution of the House of the following titles:

H.R. 11292. An act for the relief of Jung Soo Bok;

H.J. Res. 960. Joint resolution establishing that the second regular session of the 90th Congress convene at noon on Monday, January 15, 1968; and

H. Con. Res. 604. Concurrent resolution providing for sine die adjournment of the two Houses of Congress on Friday, December 15, 1967.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a concurrent resolution of the House of the following title:

H. Con. Res. 605. A concurrent resolution notwithstanding the sine die adjournment, the Speaker of the House and the President of the Senate are authorized to sign enrolled bills and joint resolutions duly passed by the two Houses, and found truly enrolled.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13893) entitled "An act making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 19, 22, and 23 to the foregoing bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14397) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 3 and 19 to the foregoing bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7819) entitled "An act to strengthen and improve programs of assistance for elementary and secondary education by extending authority for allocation of funds to be used for education of Indian children and children in overseas dependents schools of the Department of Defense, by extending and amending the National Teacher Corps program, by providing assistance for comprehensive educational planning, and by improving programs of education for the handicapped; to improve authority for assistance to schools in federally impacted areas and areas suffering a major disaster; and for other purposes."

AUTHORIZING THE SPEAKER OF THE HOUSE AND THE PRESIDENT OF THE SENATE TO SIGN ENROLLED BILLS AND RESOLUTIONS

Mr. ALBERT. Mr. Speaker, I call up House Concurrent Resolution 605, with a Senate amendment thereto, and ask that the House concur in the Senate amendment.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendment, as follows:

On page 1, line 5, after "Senate," insert: ", the President pro tempore, or the acting President pro tempore,"

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mrs. Dwyer (at the request of Mr. Gerald R. Ford), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr Vanik, today, for 15 minutes; to revise and extend his remarks and to include extraneous matter.

Mr. Cohelan, for 15 minutes, today.

Mr. Ryan, for 30 minutes, today, to revise and extend his remarks and include extraneous matter.

The following Members (at the request of Mr. Watkins), to revise and extend their remarks and to include extraneous material:

Mr. Laird, for 30 minutes, today.

Mr. Skubitz, for 10 minutes, today.

Mr. Dole, for 10 minutes, today.

Mr. Halpern, for 15 minutes, today.

Mr Gathings, for 30 minutes, today; to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks was granted to:

(Mr. ALBERT asked and was given permission to extend his remarks in the Record and to include a detailed list of the accomplishments of the first session of the 90th Congress and to include therewith extraneous, pertinent matter such as charts and tables prior to the printing of the last Record.)

Mr. Laird to revise and extend his remarks in connection with supplemental appropriation bill and to include certain charts and graphs.

Mr. Mahon to revise and extend his remarks and include certain tables and pertinent information on the conference report on supplemental appropriations for 1968, H.R. 14397.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1245. An act to authorize the Commissioner of the District of Columbia to lease airspace above and below freeway rights-of-way within the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

S. 1246. An act to authorize the Commissioner of the District of Columbia to enter into leases for the rental of, or to use or permit the use of, public space in, on, over, and under the streets and alleys under his jurisdiction, other than freeways, and for other purposes; to the Committee on the District of Columbia.

S. 1902. An act for the relief of Greene County, Miss.; to the Committee on the Judiciary.

S. 1941. An act to prevent, abate, and control air pollution in the District of Columbia, and for other purposes, to the Committee on the District of Columbia.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 664. An act to amend the Tariff Act of 1930 to provide that bagpipes and parts thereof shall be admitted free of duty;

H.R. 4765. An act to amend the Internal Revenue Code of 1954 with respect to the income tax treatment of certain distributions pursuant to the Bank Holding Company Act of 1956, as amended, and for other purposes;

H.R. 5575. An act for the relief of Panagiotis Paulus;

H.R. 10783. An act relating to crime and criminal procedure in the District of Columbia;

H.R. 10964. An act to enable the District of Columbia to receive Federal financial assistance under title XIX of the Social Security Act for a medical assistance program, and for other purposes;

H.R. 13273. An act to amend the Marine Resources and Engineering Development Act of 1966, as amended, to extend the period of time within which the Commission on Marine Science, Engineering, and Resources is to submit its final report and to provide for a fixed expiration date for the National Council on Marine Resources and Engineering Development;

H.R. 13833. An act to provide that the post office and Federal office building to be constructed in Bronx, N.Y., shall be named the "Charles A. Buckley Post Office and Federal Office Building" in memory of the late Charles A. Buckley, a Member of the U.S. House of Representatives from the State of New York from 1935 through 1964;

H.R. 13933. An act to amend section 103 of title 23, United States Code to authorize modifications or revisions in the Interstate System;

H.R. 12505. An act to provide that a District of Columbia public school teacher may retire on a full annuity at age 55 after 30 years of service or at age 60 after 20 years of service, and for other purposes; and

H.R. 12961. An act to amend title 37, United States Code, to authorize the nontemporary storage of household effects of members of a missing status.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 174. An act for the relief of Dr. Eduardo Gonzalez;

S. 294. An act for the relief of Eloy C. Navarro;

S. 866. An act for the relief of Giuseppe Pacino Biancarosso;

S. 1477. An act to amend section 301 of title III of the act of August 14, 1946, relating to the establishment by the Secretary of Agriculture of a national advisory committee, to provide for annual meetings of such committee.

S. 1722. An act to amend the wheat acreage allotment provisions of the Agricultural Adjustment Act of 1938, as amended;

S. 2119. An act for the relief of Dr. Octavio Suarez-Murias;

S. 2153. An act for the relief of Dr. Jose Rafael Montalvo y Urrutibeascoa;

S. 2171. An act to amend the Subversive Activities Control Act of 1950, so as to accord with certain decisions of the courts;

S. 2206. An act for the relief of Dr. Jorge Rolando Guerra-Reyes; and

S. 2265. An act for the relief of Christopher Nicholas Rushton.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following days present to the President, for his approval, bills of the House of the following titles:

On December 14, 1967:

H.R. 5709. An act to amend the District of Columbia Teachers Leave Act of 1949 to remove certain limitations, and for other purposes;

H.R. 6167. An act to authorize the extension of certain naval vessel loans now in existence and new loans, and for other purposes;

H.R. 8338. An act to create a new division for the western district of Texas, and for other purposes;

H.R. 8715. An act to amend the District of Columbia Alcoholic Beverage Control Act to limit the amount of wines, spirits, and beer that may be brought into the District of Columbia; and

H.R. 10595. An act to prohibit certain banks and savings and loan associations from fostering or participating in gambling activities.

On December 15, 1967:

H.R. 4765. An act to amend the Internal Revenue Code of 1954 with respect to the income tax treatment of certain distributions pursuant to the Bank Holding Company Act of 1956, as amended, and for other purposes;

H.R. 10783. An act relating to crime and criminal procedure in the District of Columbia; and

H.R. 10964. An act to enable the District of Columbia to receive Federal financial assistance under title XIX of the Social Security Act for a medical assistance program, and for other purposes.

SINE DIE ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER. In accordance with the provisions of House Concurrent Resolution 604, the Chair declares the first session of the 90th Congress adjourned sine die.

Thereupon (at 6 o'clock and 36 minutes p.m.), pursuant to House Concurrent Resolution 604 the House adjourned sine die.

SENATE ENROLLED BILL SIGNED AFTER SINE DIE ADJOURNMENT

Pursuant to the authority granted the Speaker by House Concurrent Resolution 605, 90th Congress, he did on December 16, 1967, sign an enrolled bill of the Senate of the following title:

S. 1566. An act to amend sections 3 and 4 of the act approved September 22, 1964 (78 Stat. 990), providing for an investigation and study to determine a site for the contruction of a sea-level canal connecting the Atlantic and Pacific Oceans.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED AFTER SINE DIE ADJOURNMENT

Pursuant to the authority granted the Speaker by House Concurrent Resolution 605, 90th Congress, he did on December 16, 1967, sign enrolled bills and a joint resolution of the House of the following titles:

H.R. 1141. An act to continue the duty-free status of certain gifts by members of the Armed Forces serving in combat zones, and for other purposes;

H.R. 1341. An act to amend section 701 of title 10, United States Code, to authorize additional accumulation of leave in certain foreign areas;

H.R. 3031. An act for the relief of Mr. and Mrs. Christos Photinos-Svoronos;

H.R. 3982. An act to amend section 409 of title 37, United States Code, relating to the transportation of house trailers and mobile dwellings of members of the uniformed services;

H.R. 6326. An act for the relief of Chrisanthe Savas Karatapanis;

H.R. 7427. An act for the relief of Maria Kolometroutsis;

H.R. 7819. An act to strengthen, improve, and extend programs of assistance for elementary and secondary education, and for other purposes;

H.R. 8476. An act to confer U.S. citizenship posthumously upon Pfc. Alfred Sevenski;

H.R. 8547. An act to amend title 10, United States Code, to simplify laws relating to members of the Army, Navy, Air Force, and Marine Corps, and for other purposes;

H.R. 8580. An act to declare that certain lands are held in trust for the Squaxin Island Indian Tribe;

H.R. 10242. An act to amend title 10, United States Code, relating to the authorized strengths by grade for medical and dental officers on active duty in the Army, Navy, and Air Force;

H.R. 10397. An act for the relief of Nguyen Van Be (James Be Roellig);

H.R. 11292. An act for the relief of Jung Soo Bok;

H.R. 11542. An act for the relief of Marshall County, Ind.;

H.R. 12080. An act to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes;

H.R. 13893. An act making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes;

H.R. 14397. An act making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes; and

H.J. Res. 960. Joint resolution establishing that the second regular session of the 90th Congress convene at noon on Monday, January 15, 1968.

BILLS AND A JOINT RESOLUTION PRESENTED TO THE PRESIDENT AFTER SINE DIE ADJOURNMENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following dates, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

On December 21, 1967:

H.R. 664. An act to amend the Tariff Act of 1930 to provide that bagpipes and parts thereof shall be admitted free of duty;

H.R. 1141. An act to continue the duty-free status of certain gifts by members of the Armed Forces serving in combat zones, and for other purposes;

H.R. 1341. An act to amend section 701 of title 10, United States Code, to authorize additional accumulation of leave in certain foreign areas;

H.R. 3031. An act for the relief of Mr. and Mrs. Christos Photinos-Svoronos;

H.R. 3982. An act to amend section 409 of title 37, United States Code, relating to the transportation of house trailers and mobile dwellings of members of the uniformed services;

H.R. 6326. An act for the relief of Chrisanthe Savas Karatapanis;

H.R. 7527. An act for the relief of Maria Kolometroutsis;

H.R. 7819. An act to strengthen, improve, and extend programs of assistance for elementary and secondary education, and for other purposes;

H.R. 8476. An act to confer U.S. citizenship posthumously upon Pfc. Alfred Sevenski;

H.R. 8547. An act to amend title 10, United States Code, to simplify laws relating to members of the Army, Navy, Air Force, and Marine Corps, and for other purposes;

H.R. 8580. An act to declare that certain lands are held in trust for the Squaxin Island Indian Tribe;

H.R. 10242. An act to amend title 10, United States Code, relating to the authorized strengths by grade for medical and dental officers on active duty in the Army, Navy, and Air Force;

H.R. 10397. An act for the relief of Nguyen Van Be (James Be Roellig);

H.R. 11292. An act for the relief of Jung Soo Bok;

H.R. 11542. An act for the relief of Marshall County, Ind.;

H.R. 12080. An act to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes;

H.R. 12505. An act to provide that a District of Columbia public school teacher may retire on a full annuity at age 55 after 30 years of service or at age 60 after 20 years of service, and for other purposes;

H.R. 12961. An act to amend title 37, United States Code, to authorize the nontemporary storage of household effects of members of a missing status;

H.R. 13273. An act to amend the Marine Resources and Engineering Development Act of 1966, as amended, to extend the period of time within which the Commission on Marine Science, Engineering, and Resources is to submit its final report and to provide for a fixed expiration date for the National Council on Marine Resources and Engineering Development;

H.R. 13833. An act to provide that the post office and Federal office building to be constructed in Bronx, N.Y., shall be named the "Charles A. Buckley Post Office and Federal Office Building," in memory of the late Charles A. Buckley, a Member of the U.S. House of Representatives from the State of New York from 1935 through 1964;

H.R. 13893. An act making appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes;

H.R. 13933. An act to amend section 103 of title 23, United States Code, to authorize modifications or revisions in the Interstate System;

H.R. 14397. An act making supplemental appropriations for the fiscal year ending June 30, 1968, and for other purposes; and

H.J. Res. 960. An act establishing that the second regular session of the 90th Congress convene at noon on Monday, January 15, 1968.

On December 26, 1967:

H.R. 5575. An act for the relief of Penagiotis Paulus.

BILLS AND JOINT RESOLUTIONS APPROVED AFTER SINE DIE ADJOURNMENT

The President, subsequent to the sine die adjournment of the Congress, notified the Clerk of the House that on the following dates he had approved and signed bills and joint resolutions of the House of the following titles:

On November 24, 1967:

H.R. 5784. An act to authorize the disposal of molybdenum from the national stockpile;

H.R. 5787. An act to authorize the disposal of rare-earth materials from the national stockpile and the supplemental stockpile;

H.R. 5788. An act to authorize the disposal of bismuth from the national stockpile and the supplemental stockpile; and

H.R. 13048. An act to make certain technical amendments to the Library Services and Construction Act.

On November 28, 1967:

H.R. 1963. An act for the relief of employees of General Services Administration;

H.R. 2517. An act to amend sections 64a, 238, 378, and 483 of the Bankruptcy Act and to repeal sections 354 and 459 of the act;

H.R. 2518. An act to amend sections 337 and 338 of the Bankruptcy Act and to add new section 339;

H.R. 2519. An act to amend sections 334, 355, 367, and 369 of the Bankruptcy Act;

H.R. 2834. An act to amend the act of June 10, 1938, relating to the participation of the United States in the International Criminal Police Organization;

H.R. 3403. An act for the relief of Harry LeRoy Jones;

H.R. 3474. An act to require the Foreign Claims Settlement Commission to determine the amount and validity of the claim of Ike Ignac Klein against the Government of Hungary, and for other purposes;

H.R. 3727. An act for the relief of Elpidio Dimacali Damazo and Natividad Simsuangco Damazo;

H.R. 3799. An act for the relief of the city of Pawtucket, R.I.;

H.R. 6324. An act for the relief of John A. Danisch;

H.R. 7599. An act for the relief of Dr. Emanuel Marcus;

H.R. 7811. An act for the relief of Richard Alan White;

H.R. 8632. An act to amend sections 40c(1) and 52a of the Bankruptcy Act so as to reallocate part of the filing fee from the clerk's earnings to the Referees' Salary and Expense Fund; and

H.J. Res. 936. Joint resolution making continuing appropriations for the fiscal year 1968, and for other purposes.

On November 29, 1967:

H.R. 168. An act to amend the act of June 20, 1918, relating to the retirement age requirements of certain personnel of the Coast Guard;

H.R. 169. An act to increase the amount of benefits payable to widows of certain former employees of the Lighthouse Service, and thereafter to provide for cost-of-living increases in benefits payable to such widows and to such former employees;

H.R. 1006. An act to provide an increase in the retired pay of certain members of the former Lighthouse Service; and

H.R. 3351. An act to amend the act of August 19, 1950, to provide annuity benefits for an additional number of widows of employees of the Lighthouse Service.

On December 1, 1967:

H.R. 2. An act to amend titles 10, 32, and 37, United States Code, to strengthen the Reserve components of the Armed Forces, and for other purposes; and

H.J. Res. 859. Joint resolution extending for 1 year the emergency provisions of the urban mass transportation program.

On December 4, 1967:

H.R. 6430. An act to amend the public health laws relating to mental retardation to extend, expand, and improve them, and for other purposes; and

H.R. 10442. An act to facilitate exchanges of land under the act of March 20, 1922 (42 Stat. 465), for use for public schools, and for other purposes.

On December 5, 1967:

H.R. 6418. An act to amend the Public Health Service Act to extend and expand the authorizations for grants for comprehensive health planning and services, to broaden and improve the authorization for research and demonstrations relating to the delivery of health services, to improve the performance of clinical laboratories, and to authorize cooperative activities between the Public Health Service hospitals and community facilities, and for other purposes.

On December 6, 1967:

H.R. 2529. An act to amend the act of September 8, 1960, relating to the Washington Channel waterfront.

On December 8, 1967:

H.R. 2154. An act to provide long-term leasing for the Gila River Indian Reservation;

H.R. 8582. An act to amend chapter 7 of title 11 of the District of Columbia Code to increase the number of associate judges on the District of Columbia court of appeals from two to five, and for other purposes;

H.R. 12910. An act to establish a Judge Advocate General's Corps in the Navy, and for other purposes; and

H.R. 13606. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1968, and for other purposes.

On December 10, 1967:

H.R. 4920. An act to amend the act of August 9, 1955, to authorize longer term leases of Indian lands on the San Carlos Apache Reservation in Arizona.

On December 12, 1967:

H.R. 8629. An act to amend the act of July 4, 1966 (Public Law 89–491).

On December 14, 1967:

H.R. 2275. An act for the relief of Dr. Ricardo Vallejo Samala and to provide for congressional redistricting;

H.R. 2730. An act authorizing the Administrator of Veterans' Affairs to convey certain property to Temple Junior College, Temple, Tex.;

H.R. 2828. An act to provide for the disposition of funds appropriated to pay a judgment in favor of the Iowa Tribes of Kansas and Nebraska and of Oklahoma in Indian Claims Commission dockets Nos. 138 and 79, and for other purposes;

H.R. 4983. An act to disclaim any right, title, or interest by the United States in certain lands in the State of Arizona;

H.R. 10805. An act to extend the life of the Civil Rights Commission;

H.R. 12638. An act to authorize the exchange of certain vessels for conversion and operation in unsubsidized service between the west coast of the United States and the territory of Guam; and

H.R. 12912. An act to give the consent of Congress to the State of Ohio to become a party to the agreement relating to bus taxation proration and reciprocity as set forth in title II of the act of April 14, 1965 (79 Stat. 60), and consented to by Congress in that act and in the acts of November 1, 1965 (79 Stat. 1157), and November 2, 1966 (80 Stat. 1156).

On December 15, 1967:

H.R. 480. An act to amend the act of October 4, 1961, relating to the acquisition of wetlands for conservation of migratory waterfowl, to extend for an additional 8 years the period during which funds may be appropriated under that act, and for other purposes;

H.R. 1592, An act for the relief of Dr. Rene Jose Triay;

H.R. 3516, An act for the relief of Andres Mauricio Candela, M.D.;

H.R. 3525, An act for the relief of Israel Mizrahy, M.D.;

H.R. 3528, An act for the relief of Isaac Chervony, M.D.;

H.R. 3866. An Act for the relief of Dr. Eduardo Enrique Ramos;

H.R. 4974. An act for the relief of Dr. Manuel A. Turbat;

H.R. 5186. An act for the relief of Dr. Armando Cobelo;

H.R. 5187. An act for the relief of Dr. Hector Alfredo E. Planas-Pina;

H.R. 6088. An act for the relief of Dr. Manuel Jose Coto;

H.R. 6670. An act for the relief of Dr. Virgilio A. Ganganelli Valle;

H.R. 6766. An act for the relief of Dr. Raul Gustavo Fors Docal;

H.R. 7890. An act for the relief of Dr. Josefina Quintos Marcelo;

H.R. 7896. An act for the relief of Dr. Jose A. Rico Fernandez;

H.R. 7898. An act for the relief of Dr. Nemesio Vazquez Fernandez;

H.R. 8256. An act for the relief of Dr. Hermes Q. Cuervo.

H.R. 8258. An act for the relief of Jorge Gabriel Lazcano, M.D.;

H.R. 8407. An act for the relief of Dr. Raquel Maria Cruz-Flores;

H.R. 8738. An act for the relief of Guillermo Ramon Palacio Sela;

H.R. 9081. An act for the relief of Dr. Josefina Esther Kouri-Barreto de Pelleya;

H.R. 10595. An act to prohibit certain banks and savings associations from fostering or participating in gambling activities; and

H.R. 12144. An act to clarify and otherwise amend the Meat Inspection Act, to provide for cooperation with appropriate State agencies with respect to State meat inspection programs, and for other purposes.

On December 16, 1967:

H.R. 7977. An act to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes; and

H.R. 13510. An act to increase the basic pay for members of the uniformed services, and for other purposes.

On December 18, 1967:

H.R. 1894. An act for the relief of Our Lady of Pillar Catholic Church in Santa Ana, Calif.;

H.R. 2138. An act to amend section 319 of the Immigration and Nationality Act to permit naturalization for certain employees of U.S. nonprofit organizations engaged in disseminating information which significantly promotes U.S. interest, and for other purposes;

H.R. 2152. An act to amend the act incorporating the Disabled American Veterans so as to provide for an annual audit of their accounts;

H.R. 3032. An act for the relief of Mrs. Karen Wood Davila;

H.R. 3889. An act for the relief of the Standard Meat Co.;

H.R. 5709. An act to amend the District of Columbia Teachers' Leave Act of 1949 to remove certain limitations, and for other purposes;

H.R. 5853. An act for the relief of Raymond E. Grail;

H.R. 6096. An act for the relief of Mrs. Inge Hemmersbach Hilton;

H.R. 8338. An act to create a new division for the western district of Texas, and for other purposes;

H.R. 8376. An act to provide that the U.S. District Court for the Eastern District of New York shall be held at Brooklyn, N.Y., and Mineola, N.Y.;

H.R. 9574. An act for the relief of Joseph J. Wojcik;

H.R. 10449. An act for the relief of Camille Anita Dobson;

H.R. 11565. An act to amend section 358 of the Agricultural Adjustment Act of 1938, as amended, to authorize the transfer of peanut acreage allotments;

H.R. 12121. An act to amend the act of September 19, 1964 (78 Stat. 983), establishing the Public Land Law Review Commission, and for other purposes; and

H.J. Res. 888. Joint resolution making continuing appropriations for the fiscal year 1968, and for other purposes.

On December 20, 1967:

H.R. 6111. An act to provide for the establishment of a Federal Judicial Center, and for other purposes; and

H.R. 11395. An act to amend the National Capital Transportation Act of 1965 authorizing the prosecution of a transit development program for the National Capital region and to further the objectives of the act of July 14, 1960.

On December 26, 1967:

H.R. 6167. An act to authorize the extension of certain naval vessel loans now in existence and new loans, and for other purposes; and

H.R. 8715. An act to amend the District of Columbia Alcoholic Beverage Control Act to limit the amount of wines, spirits, and beer that may be brought into the District of Columbia.

On December 27, 1967:

H.R. 4765. An act to amend the Internal Revenue Code of 1954 with respect to the income tax treatment of certain distributions pursuant to the Bank Holding Company Act of 1956, as amended, and for other purposes;

H.R. 10783. An act relating to crime and criminal procedure in the District of Columbia; and

H.R. 10964. An act to enable the District of Columbia to receive Federal financial assistance under title XIX of the Social Security Act for a medical assistance program, and for other purposes.

On December 28, 1967:

H.R. 5575. An act for the relief of Panagiotis Paulus; and

H.R. 10242. An act to amend title 10, United States Code, relating to the authorized strengths by grade for medical and dental officers on active duty in the Army, Navy, and Air Force.

On December 29, 1967:

H.R. 3031. An act for the relief of Mr. and Mrs. Christos Photinos-Svoronos;

H.R. 8476. An act to confer U.S. citizenship posthumously upon Pfc. Alfred Sevenski;

H.R. 8580. An act to declare that certain lands are held in trust for the Squaxin Island Indian Tribe;

H.R. 12505. An act to provide that a District of Columbia public school teacher may retire on a full annuity at age 55 after 30 years of service or at age 60 after 20 years of service, and for other purposes;

H.R. 13833. An act to provide that the post office and Federal office building to be constructed in Bronx, N.Y., shall be named the "Charles A. Buckley Post Office and Federal Office Building" in memory of the late Charles A. Buckley, a Member of the U.S. House of Representatives from the State of New York from 1935 through 1964; and

H.J. Res. 960. Joint resolution establishing that the second regular session of the 90th Congress convene at noon on Monday, January 15, 1968.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1287. A letter from the Governor, Farm Credit Administration, transmitting the 34th Annual Report of the Farm Credit Administration covering the fiscal year ending June 30, 1967, pursuant to the provisions of section 3 of the Federal Farm Loan Act (H. Doc. No. 228); to the Committee on Agriculture, and ordered to be printed with illustrations.

1288. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed concession contract under which Arlington Hotel Co., Inc., will be authorized to continue to provide bathing facilities and related services for the registered guests of the Arlington Hotel in the city of Hot Springs, Ark., for a 5-year period from January 1, 1968, through December 31, 1972, pursuant to the provisions of 79 Stat. 969; 16 U.S.C. 20; to the Committee on Interior and Insular Affairs.

1289. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to repeal the laws authorizing limitation of shipowners' liability for personal injury or death; to the Committee on Merchant Marine and Fisheries.

1290. A letter from the Assistant Secretary for Congressional Relations, Department of State, transmitting the text of a recommendation concerning the status of teachers, adopted by a Special Intergovernmental Conference convened by UNESCO in Paris, September 21 to October 5, 1966, pursuant to the provisions of article IV of the Constitution of the United Nations Educational, Scientific, and Cultural Organization; to the Committee on Foreign Affairs.

1291. A letter from the Comptroller General, transmitting a report of opportunities for improvement in administration of the contract for operation of the Kitt Peak National Observatory, Tucson, Ariz., National Science Foundation; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HALEY: Committee on Interior and Insular Affairs. S. 491. An act to determine the rights and interests of the Navajo Tribe and the Ute Mountain Tribe of the Ute Mountain Reservation in and to certain lands in the State of New Mexico, and for other purposes (Rept. No. 1048). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee of conference. H.R. 7819. An act to strengthen and improve programs of assistance for elementary and secondary education by extending authority for allocation of funds to be used for education of Indian children and children in overseas dependents schools of the Department of Defense, by extending and amending the National Teacher Corps program, by providing assistance for comprehensive educational planning, and by improving programs of education for the handicapped; to improve authority for assistance to schools in federally impacted areas and areas suffering a major disaster; and for other purposes (Rept. No. 1049). Ordered to be printed.

Mr. WILLIS: Committee on Un-American Activities. H.R. 735. A bill to create the Freedom Commission and the Freedom Academy, to conduct research to develop an integrated body of operational knowledge in the political, psychological, economic, technological, and organizational areas to increase the nonmilitary capabilities of the United States and other nations in the global struggle between freedom and communism, to educate and train Government personnel and private citizens to understand and implement this body of knowledge, and also to provide education and training for foreign students in these areas of knowledge under appropriate conditions (Rept. No. 1050). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BERRY:

H.R. 14523. A bill to amend title 37 of the United States Code to provide a dependents' allowance for certain persons in the Reserves and National Guard ordered to active duty for training for a period of more than 30 days; to the Committee on Armed Services.

H.R. 14524. A bill to amend the Soldiers' and Sailors' Civil Relief Act of 1940 in order to clarify the provisions of that act with respect to certain persons in the Reserves and National Guard ordered to active duty for training for a period of more than 30 days; to the Committee on Veterans' Affairs.

By Mr. BROYHILL of North Carolina:

H.R. 14525. A bill to amend title II of the Social Security Act to provide for the payment of child's insurance benefits beyond age 18 on the basis of a disability which began between age 18 and age 22; to the Committee on Ways and Means.

By Mr. BROYHILL of Virginia:

H.R. 14526. A bill to amend the District of Columbia Teachers' Salary Act of 1955 to provide salary increases for teachers and school officials in the District of Columbia public schools, and for other purposes; to the Committee on the District of Columbia.

By Mr. COLLIER:

H.R. 14527. A bill to amend the Universal

Military Training and Service Act to provide that a person, regardless of age, shall receive a draft deferment while satisfactorily pursuing a full-time course of instruction at a high school; to the Committee on Armed Services.

By Mr. EILBERG:

H.R. 14528. A bill to provide for a Federal Athletic Commission to regulate organized sports when and to the extent that such regulation is in the public interest; to the Committee on Interstate and Foreign Commerce.

By Mr. FARBSTEIN:

H.R. 14529. A bill to amend the Internal Revenue Code of 1954 to provide that amounts deducted from pay under the civil service retirement system shall be excluded from gross income and that such amounts shall be treated as contributed by the employer in determining the income tax treatment of amounts received under the system; to the Committee on Ways and Means.

By Mrs. GREEN of Oregon:

H.R. 14530. A bill to amend title 10, United States Code, with respect to crediting certain service of females sworn in as members of telephone operating units, Signal Corps; to the Committee on Armed Services.

By Mr. HOLLAND:

H.R. 14531. A bill to amend title 38 of the United States Code to provide increased disability compensation rates, to liberalize income limitations, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. KORNEGAY:

H.R. 14532. A bill to provide criminal penalties for certain travel under a U.S. passport in violation of certain passport restrictions; to the Committee on the Judiciary.

By Mr. LLOYD:

H.R. 14533. A bill to provide for orderly trade in iron and steel mill products; to the Committee on Ways and Means.

By Mr. PATMAN:

H.R. 14534. A bill to amend the Military Selective Service Act of 1967 with respect to student deferments for persons who are not candidates for the baccalaureate degree; to the Committee on Armed Services.

By Mr. ST. ONGE:

H.R. 14535. A bill to authorize the Maritime Administrator to undertake investigations and studies culminating in contract plans and specifications with respect to the establishment and development of integrated total marine transport systems utilizing nuclear-powered merchant vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. STEED:

H.R. 14536. A bill to provide for the establishment and maintenance of reserve stocks of agricultural commodities by producers and the Commodity Credit Corporation for national security, public protection, meeting international commitments, and for other purposes; to the Committee on Agriculture.

By Mr. ASHMORE:

H.R. 14537. A bill to designate the hospital authorized to be constructed at Fort Jackson, S.C., as the John J. Riley Memorial Hospital; to the Committee on Armed Services.

By Mr. BINGHAM:

H.R. 14538. A bill to provide for equitable acquisition practices, fair compensation, and effective relocation assistance in real property acquisitions made in order to construct certain public buildings specified in the Independent Offices and Department of Housing and Urban Development Appropriations Act, 1968, Public Law 90-121, approved November 3, 1967, 81 Stat. 345; to the Committee on Public Works.

By Mr. BLATNIK:

H.R. 14539. A bill to provide for orderly trade in iron ore, iron and steel mill products; to the Committee on Ways and Means.

By Mr. BURKE of Florida:

H.R. 14540. A bill to provide training and employment opportunities for those individuals whose lack of skills and education acts as a barrier to their employment at or above the Federal minimum wage, by means of subsidies to employers on a decreasing scale in order to compensate such employers for the risk of hiring the poor and unskilled in their local communities; to the Committee on Education and Labor.

By Mr. CONYERS:

H.R. 14541. A bill to provide improved judicial machinery for the selection of Federal juries, and for other purposes; to the Committee on the Judiciary.

H.R. 14542. A bill to provide improved judicial machinery for the selection of juries, and for other purposes; to the Committee on the Judiciary.

H.R. 14543. A bill to provide for the permanent status of the Civil Rights Commission; to the Committee on the Judiciary.

H.R. 14544. A bill to repeal section 14(b) of the National Labor Relations Act, as amended, and section 705(b) of the Labor-Management Reporting and Disclosure Act of 1959 and to amend the first proviso of section 8(a)(3) of the National Labor Relations Act, as amended; to the Committee on Education and Labor.

H.R. 14545. A bill to amend section 8(b)(4) of the National Labor Relations Act, as amended, with respect to strikes at the sites of construction projects; to the Commitee on Education and Labor.

H.R. 14546. A bill to safeguard the consumer in connection with the utilization of credit by requiring full disclosure of the terms and conditions of finance charges in credit transactions or in offers to extend credit; by establishing maximum rates of finance charges in credit transactions; by authorizing the Board of Governors of the Federal Reserve System to issue regulations dealing with the excessive use of credit for the purpose of trading in commodity futures contracts affecting consumer prices; by establishing machinery for the use during periods of national emergency of temporary controls over credit to prevent inflationary spirals; by prohibiting the garnishment of wages; by creating the National Commission on Consumer Finance to study and make recommendations on the need for further regulation of the consumer finance industry; and for other purposes; to the Committee on Banking and Currency.

By Mr. de la GARZA:

H.R. 14547. A bill to authorize emergency measures for removal of surface water accumulation resulting from the recent hurricane (Hurricane Beulah); to the Committee on Public Works.

By Mr. DINGELL:

H.R. 14548. A bill to provide for improved development of public airports and related facilities, and for other purposes; to the Committee on Ways and Means.

By Mr. DULSKI:

H.R. 14549. A bill to amend title 39, United States Code, to provide additional free letter mail and air transportation mailing privileges for certain members of the U.S. Armed Forces, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DUNCAN:

H.R. 14550. A bill to amend the Uniform Time Act of 1966 to provide that daylight saving time shall end on Labor Day each year; to the Committee on Interstate and Foreign Commerce.

By Mr. EVANS of Colorado:

H.R. 14551. A bill to provide medicare for dependents of reservists who die in a training status; to the Committee on Armed Services.

By Mr. FRASER:

H.R. 14552. A bill to accelerate research for a quiet jet aircraft engine; to the Committee on Science and Astronautics.

By Mr. GILBERT:

H.R. 14553. A bill to facilitate the transaction of certain business incident to the representation of a congressional district in the House of Representatives when vacancies occur in such representation, and for other purposes; to the Committee on House Administration.

By Mr. GONZALEZ:

H.R. 14554. A bill to assure to every American a full opportunity to have adequate employment, housing, and education, free from any discrimination on account of race, color, religion, or national origin, and for other purposes; to the Committee on Education and Labor.

By Mr. HORTON:

H.R. 14555. A bill to promote the availability of private insurance coverage in areas where there may exist high risks of loss due to riots and civil disturbances; to the Committee on Banking and Currency.

H.R. 14556. A bill to amend the Vocational Education Act of 1963 to provide for a more effective and economical utilization of the Nation's vocational training resources through arrangements with private vocational training institutions; to the Committee on Education and Labor.

By Mr. MARSH:

H.R. 14557. A bill to establish the Government Program Evaluation Commission; to the Committee on Government Operations.

By Mr. O'HARA of Michigan (for himself, Mr. Perkins, Mrs. Green of Oregon, Mr. Thompson of New Jersey, Mr. Holland, Mr. Dent, Mr. Brademas, Mr. Carey, Mr. Gibbons, Mr. William D. Ford, Mrs. Mink, Mr. Burton of California, Mr. Hawkins, Mr. Daniels, Mr. Scheuer, Mr. Meeds, and Mr. Hathaway):

H.R. 14558. A bill to authorize the Secretary of Labor to provide supplementary compensation for permanent total disability or death from lung cancer resulting from exposure to ionizing radiation in uranium mines; to provide grants to States for research and planning with respect to ionizing radiation injuries in uranium mines; and for other purposes; to the Committee on Education and Labor.

By Mr. OTTINGER:

H.R. 14559. A bill to amend the Universal Military Training and Service Act; to the Committee on Armed Services.

By Mr. PEPPER:

H.R. 14560. A bill to protect the Nation's consumers and to assist the commercial fishing industry through the inspection of establishments processing fish and fishery products in commerce; to the Committee on Merchant Marine and Fisheries.

By Mr. RYAN:

H.R. 14561. A bill to amend the United States Housing Act of 1937 to provide additional opportunities for occupants of dwelling units in low-rent housing projects to purchase such units; to the Committee on Banking and Currency.

H.R. 14562. A bill to establish a Federal oil shale development program, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STAGGERS:

H.R. 14563. A bill to amend the Railroad Retirement Act of 1937 and the Railroad Unemployment Insurance Act to provide for increase in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WYDLER (for himself and Mr. GROVER):

H.R. 14564. A bill to provide for the construction of a Federal building on that portion of the former Mitchell Field, Nassau County, N.Y., which is owned by the United States; to the Committee on Public Works.

By Mr. BROYHILL of Virginia (by request):

H.R. 14565. A bill to relieve citizens of the United States of liability to repay to the United States amounts of money advanced to them to enable them to evacuate foreign zones of war or civil disturbance, and for other purposes; to the Committee on Foreign Affairs.

By Mr. DOWDY:

H.R. 14566. A bill to require students and teachers in the District of Columbia public schools to wear protective devices for their eyes while engaged in certain activities in those schools; to the Committee on the District of Columbia.

By Mr. KASTENMEIER:

H.R. 14567. A bill to provide for a study by the Secretary of the Interior of depredations by migratory birds and other wildlife; to the Commitee on Merchant Marine and Fisheries.

By Mr. MOORE:

H.R. 14568. A bill to provide for orderly trade in iron and steel mill products; to the Committee on Ways and Means.

H.R. 14569. A bill to provide for orderly trade in iron ore, iron and steel mill products; to the Committee on Ways and Means.

By Mr. DOLE:

H.R. 14570. A bill to amend the Internal Revenue Code of 1954 to provide for the valuation of a decedent's interest in a closely held business for estate tax purposes; to the Committee on Ways and Means.

By Mr. CURTIS:

H.R. 14571. A bill to amend the Employment Act of 1946 to provide for an international economic report; to the Committee on Government Operations.

By Mr. GONZALEZ:

H.R. 14572. A bill to amend the Federal Voting Assistance Act of 1955 so as to recommend to the several States that its absentee registration and voting procedures be extended to all citizens temporarily residing abroad; to the Committee on House Administration.

By Mr. DUNCAN:

H.J. Res. 961. Joint resolution proposing an amendment to the Constitution of the United States relating to employment of subversives in defense facilities; to the Committee on the Judiciary.

By Mr. PATTEN:

H.J. Res. 962. Joint resolution to authorize and direct the Federal Trade Commission to conduct a comprehensive investigation of unfair methods of competition and unfair or deceptive acts or practices in the home improvement industry, to expand its enforcement activities in this area, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PRICE of Texas:

H.J. Res. 963. Joint resolution proposing an amendment to the Constitution of the United Sates relating to employment of subversives in defense facilities; to the Committee on the Judiciary.

By Mr. QUILLEN

H.J. Res. 964. Joint resolution proposing an amendment to the Constitution of the United States relating to employment of subversives in defense facilities; to the Committee on the Judiciary.

By Mr. RARICK:

H.J. Res. 965. Joint resolution proposing an amendment to the Constitution of the United States relating to employment of subversives in defense facilities; to the Committee on the Judiciary.

By Mr. SANDMAN:

H.J. Res. 966. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. WIDNALL:

H.J. Res. 967. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. ADAMS:

H.J. Res. 968. Joint resolution to authorize and direct the Federal Trade Commission to conduct a comprehensive investigation of unfair methods of competition and unfair or deceptive acts or practices in the home improvement industry, to expand its enforcement activities in this area, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDREWS of Alabama:

H.J. Res. 969. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. BURKE of Florida:

H.J. Res. 970. Joint resolution proposing an amendment to the Constitution of the United States relating to employment of subversives in defense facilities; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.J. Res. 971. Joint resolution to provide that it be the sense of Congress that a White House Conference on Aging be called by the President of the United States in January 1970, to be planned and conducted by the Secretary of Health, Education, and Welfare to assist the States in conducting similar conferences on aging prior to the White House Conference on Aging, and for related purposes; to the Committee on Education and Labor.

By Mr. FARBSTEIN:

H. Res. 1010. Resolution to express the sense of the House of Representatives concerning a means toward achieving a stable and durable peace in the Middle East; to the Committee on Foreign Affairs.

By Mr. SKUBITZ (for himself, Mr. ANDREWS of North Dakota, Mr. DOLE, Mr. PRICE of Texas, Mr. KYL, Mr. THOMSON of Wisconsin, Mr. BROWN of Ohio, Mr. CARTER, Mr. GROSS, Mr. HUTCHINSON, Mr. CUNNINGHAM, Mr. BURTON of Utah, Mr. BARING, Mr. BELCHER, Mr. BATTIN, Mr. WINN, Mr. SHRIVER, Mr. ERLENBORN, Mr. DENNEY, Mr. BERRY, Mr. SCHERLE, Mr. LANGEN, Mr. MYERS, Mr. SCHWENGEL, and Mr. HALL):

H. Res. 1011. Resolution to authorize the Committee on Interstate and Foreign Commerce to conduct an investigation and study of the decline in railroad passenger service and the discontinuance of railway mail contracts and the resulting effects of these actions on the overall transportation system in the United States; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

297. The SPEAKER presented a memorial of the Legislature of the Commonwealth of Massachusetts, relative to amendment the Immigration Act of 1965 to make it possible for more unskilled workers of Ireland to immigrate to America, which was referred to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BINGHAM:

H.R. 1473. A bill for the relief of May McCormick; to the Committee on the Judiciary.

By Mrs. BOLTON:

H.R. 14574. A bill for the relief of Peh-an Chang; to the Committee on the Judiciary.

By Mr. BRASCO:

H.R. 14575. A bill for the relief of Maxime Hebbon; to the Committee on the Judiciary.

H.R. 14576. A bill for the relief of Filippo Di Leonardo; to the Committee on the Judiciary.

By Mr. BURKE of Massachusetts:

H.R. 14577. A bill for the relief of Sabat Bizzaro; to the Committee on the Judiciary.

By Mr. DANIELS:

H.R. 14578. A bill for the relief of Dimitrios Kalpouzos; to the Committee on the Judiciary.

By Mr. FINO:

H.R. 14579. A bill for the relief of certain nurses; to the Committee on the Judiciary.

By Mr. GUDE:

H.R. 14580. A bill for the relief of Felipe Perez Bazan and Carmen O. Bazan; to the Committee on the Judiciary.

By Mr. JOELSON:

H.R. 14581. A bill for the relief of Carlo Bieco; to the Committee on the Judiciary.

H.R. 14582. A bill for the relief of Nicholas P. Voidakos; to the Committee on the Judiciary.

By Mr. MACDONALD of Massachusetts:

H.R. 14583. A bill for the relief of Dimitrious Bebezas; to the Committee on the Judiciary.

By Mr. MACHEN:

H.F. 14584. A bill for the relief of Mario Simoes Da Fonesca; to the Committee on the Judiciary.

By Mr. MULTER:

H.R. 14585. A bill for the relief of Giuseppe Labarbera; to the Committee on the Judiciary.

H.R. 14586. A bill for the relief of Salvatore Mazzara; to the Committee on the Judiciary.

By Mr. ROSENTHAL:

H.R. 14587. A bill for the relief of Giuseppe Barile; to the Committee on the Judiciary.

H.R. 14588. A bill for the relief of Fausto Lucignani; to the Committee on the Judiciary.

H.R. 14589. A bill for the relief of Aurelio Tortora; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 14590. A bill for the relief of Young Kue Jin and his wife, Mary Bocktari Jin; to the Committee on the Judiciary.

By Mr. SANDMAN:

H.R. 14591. A bill for the relief of Pietro and Gabriella Bianco; to the Committee on the Judiciary.

By Mr. TENZER:

H.R. 14592. A bill for the relief of Mrs. Myrtle Chambers; to the Committee on the Judiciary.

H.R. 14593. A bill for the relief of Miss Paulita Salva; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

216. The SPEAKER presented a petition of Henry Stoner, Avon Park, Fla., relative to the selection of juries, which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

The Antipoverty Program Works

EXTENSION OF REMARKS

OF

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. UDALL. Mr. Speaker, in December 1964 work experience and training programs under title V of the Economic Opportunity Act were initiated. Public welfare agencies in 804 communities have administered these projects with grants from the Social and Rehabilitation Service of the Department of Health, Education, and Welfare. Through October of this year, some 188,700 persons were enrolled in these projects. It is estimated that an additional 54,000 will receive training and job-related services in the current fiscal year.

Most of the trainees are needy mothers and fathers with dependent children. They are poverty stricken, unskilled, untrained, part of the hard-core unemployed. Less than 21 percent have completed high school. Approximately 33 percent of all trainees have never held a job for as long as 6 months.

Of the past trainees, 56,000 found jobs immediately or went into advanced training after completing their project assignments. An additional 71,000 achieved literacy.

Last Friday, December 8, six outstanding graduates of work experience programs were honored at a ceremony here in Washington, D.C. Miss Mary Switzer, Administrator of Social and Rehabilitation Services of the Department of Health, Education, and Welfare presented citations of outstanding achievement to them.

Among the award recipients was Mrs. Fanny Tellio of Phoenix, Ariz. Mrs. Tellio's story is one of continuing determination despite misfortune. Mrs. Tellio's mother died when she was 7. Thereafter she took care of the family and worked in the fields, giving her little opportunity to attend school. Although she attended school intermittently during 6 different years, she was never able to complete an entire year at any one time.

Mrs. Tellio moved to Arizona with her husband, a migrant worker, in 1960. At that time she could speak no English.

Mrs. Tellio is now 26 years old and the sole support of her four children. In 1965 she entered the title V program. At Phoenix College she was enrolled in prevocational home management, child care, and adult basic education courses. Subsequently she was trained for 4 months as a nurse's aid at St. Luke's Hospital, Phoenix.

In December 1966, Mrs. Tellio obtained employment at the Maricopa County Hospital in Phoenix. She has been employed there for 1 year and is now supporting her family without dependence on a welfare check. This is what the antipoverty program is about—preparing people to help themselves.

Mr. Speaker, I congratulate Mrs. Tellio and the other successful graduates of work experience programs for their success in attaining financial independence.

Hon. William H. Tucker: A Great American

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. PHILBIN. Mr. Speaker, I have read with sincere approval and much appreciation the remarks of the very able and distinguished Senator from Rhode Island, Mr. CLAIBORNE PELL, concerning the service of my esteemed friend, Hon. William H. Tucker, Chairman of our great Interstate Commerce Commission.

I want to subscribe to the views and comments that were so appropriately and thoughtfully made by Senator PELL concerning the service accomplishments and contributions of Bill Tucker with the ICC.

This young man came to the Federal service highly qualified by way of education, training, and experience in the field. His service with the Commission was marked by total dedication to his important work, outstanding ability in coping with its complex problems, courtesy and consideration of all those with whom he came in contact and willingness to work around the clock when necesasry in order to complete his important tasks with promptitude, efficiency, and constructive results.

I am proud of the fine impression and splendid record that Mr. Tucker has made during his incumbency as Chairman of one of our greatest Federal regulatory commissions. Clear-minded, farsighted, well-informed, sensible, and discriminating, Bill Tucker was philosophically apt, professionally expert, and administratively skillful in performing his tasks.

While he was flexible in his approach, he took great pride in carrying out in every particular his mandate under the law, to pursue the public interest, to reconcile it with the objectives of free enterprise, and to do so without sacrificing the ends of justice and the desirable objectives of a sound, well-ordered transportation system.

I take pleasure in extending my heartiest congratulations and thanks to Bill Tucker and his family. He has served his Government with outstanding ability, talent, and dedication; and I am proud of his fine work and his memorable contributions.

He will leave behind him in the ICC an enviable and memorable record of enlightened public service and adherence to its highest standards of efficiency and skillful performance that we like to believe exemplifies the best in our civil service.

I wish for him and his proud, devoted family every measure of continued good health, success, prosperity, happiness, and peace for many years to come.

I appreciated the honor of reading the very timely article by Mr. Lewis W. Wolfson having reference to Mr. Tucker's outstanding service entitled "The Passengers' Friend."

I can conceive of few greater tributes to a public servant of any agency dealing with transportation, and Bill Tucker should be noted, hailed, lauded, and honored for his role of being "The Passengers' Friend."

This thumbnail description of Commissioner Tucker speaks more eloquently than any words I could possibly speak, and I want to commend and thank Mr. Wolfson for giving such an excellent accounting of Mr. Tucker—the ability, patriotism, and high sense of responsibility which has typified his service in Washington.

Commissioner Tucker is still a very young man and has his best years ahead of him, and I hope they will be replete with real accomplishments for the American people and success and happiness for himself and family.

I am very proud, as all Massachusetts people are, of the outstanding work of Commissioner Tucker, and I have every confidence that he will reach all his goals in civilian life, just as he has done in his governmental career. I hope that the Commissioner will feel free to keep in touch with me and to call upon me any time he thinks I may be able to assist him with any of his objectives.

Heartiest congratulations and all best wishes for the future to Commissioner Tucker and his lovely family.

Dickey and the Consumer

EXTENSION OF REMARKS

OF

HON. ROBERT T. STAFFORD

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. STAFFORD. Mr. Speaker, at the request of interested citizens of Vermont, I place in the RECORD a speech of the distinguished Senator from Maine [Mr. MUSKIE], which he delivered to the New England Association of Active Co-Ops in Boston, Mass., on December 6, 1967. It concerns the so-called Dickey-Lincoln School Hydroelectric Project on Maine's St. John River:

DICKEY AND THE CONSUMER

(Remarks by Senator EDMUND S. MUSKIE, to the New England Association of Electric Co-Ops, Boston, Mass., December 6, 1967)

I am grateful for this opportunity to meet with you today. It is appropriate that we do so.

We share a desire to see power rates in the Northeast reduced. We understand the value of public power. And we know firsthand that the consumers' interest is not always placed first in the planning and operations of our region's privately-owned utilities.

There is more at stake in the congressional debate over Dickey than the construction of a large multipurpose water resource project.

The fight over the Dickey-Lincoln School hydroelectric project on Maine's St. John River helps illuminate the major obstacles to achieving lower-cost power: the private utilities and their lobby.

At issue is—

Whether the private utilities will retain their stranglehold on our region:

Whether their lobby can quash a justified, beneficial project;

Whether the public interest will be represented in the planning and development of a balanced and integrated power system for our region;

Whether the basic national policy for resource development will survive; and

Whether the Northeast is an equal partner among other regions under that policy.

Let me begin by reviewing the policy and the development of the Dickey proposal.

Since 1959, I have been a member of the Public Works Committee, where the bulk of our resource development projects are reviewed and evaluated. In the nearly nine years I have worked with my colleagues on hundreds of projects, I have followed a simple rule: A project should be evaluated on its merits—without reference to the region in which it is located—it should be approved if it meets the tests of being in the public interest, if it contributes to the welfare of the area in which it is located and if it is economically feasible. These are the tests the Public Works Committee and the Senate have applied.

When it is examined objectively, Dickey-Lincoln School meets all of these tests.

The project is the product of a long series of studies beginning with the New England-New York interagency study of the late 1940's and early 1950's, coupled with the earlier Passamaquoddy tidal power project, advocated by President Franklin D. Roosevelt. I know many of you are familiar with the history of the project, but it may be helpful for us to to recall some of the details which have been obscured in recent debates.

In 1959, the Joint Engineering Board of the International Joint Commission (United States and Canada) recommended the construction of the Passamaquoddy tidal power project, coupled with the construction of a high dam on the upper St. John River at Rankin Rapids. The Rankin Rapids project was designed to provide low-cost, flexible hydroelectric energy to smooth out the peaks and valleys in power production at the tidal generating station. It would have flooded the upper St. John and the Allagash rivers.

The engineering report was referred to the International Joint Commission for review and evaluation. In April, 1961, the Commission rejected the proposed Passamaquoddy tidal power project, but suggested possible development of the upper St. John.

In the meantime, the National Park Service of the United States had proposed the protection of the Allagash River as a free-flowing, "wilderness" waterway.

I recommended to President Kennedy that the Department of the Interior be assigned the responsibility of reviewing the recommendations of the Joint Engineering Board, the findings of the International Joint Commission and the recommendations of the National Park Service for the purpose of recommending a balanced development of the resources of northern and eastern Maine.

In July, 1963, after two years of study, Secretary of the Interior Udall recommended to the President the development of the Dickey project as a flood control and hydroelectric program, designed to provide 100,000 kilowatts of low-cost firm energy, and 650,000 kilowatts of low-cost peaking power. The project would consist of a high dam on the upper St. John, above the confluence of the St. John River and the Allagash River in the town of Dickey, and a low, reregulating dam below the confluence of the two rivers at the site of Lincoln School. The project, which would fit into the power requirements of Maine and New England, was hailed by conservationists because of the protection it provided the Allagash River.

This past year the State of Maine and the Department of the Interior entered into an agreement under which the State of Maine is acquiring title to land on both sides of the Allagash and protecting this beautiful river in its primitive state. The Federal Government and the State are sharing in the costs of the project.

The 1963 proposal contained an additional recommendation that the Passamaquoddy project should receive continuing study, particularly with reference to technological advances.

I want to underscore the fact that the 1963 proposal, which is the foundation for the present project, was based on the concept of a generating station designed to produce the bulk of its energy as peaking power. This is absolutely essential to a soundly balanced power system in which there are very large thermal plants—fueled either by fossil fuels or nuclear energy. Dickey-Lincoln school is not an alternative to thermal plants; it is essential to their economic and efficient operation as part of a regional system.

Dickey-Lincoln School is important to New England as a substantial source of power which will be available for short periods of peak demand such as rush hours, early evening and early morning—the kind of power the Northeast needed and didn't have during the blackout of November 9, 1965.

Dickey-Lincoln School is an eminently sound project, with a benefit-cost ratio of 1.91–1. It would provide wholesale firm energy for Maine communities at rates two-thirds below those now charged by the private utilities. It would supply essential peaking power to the New England market at rates nearly one-third below current charges and at costs lower than the best alternative proposals made by the private companies.

Since its authorization in 1965, Dickey-Lincoln School has been the subject of the most intensive re-study ever required for a public works project. The staff of the House Committee on Appropriations conducted a special study of the project, including an extensive analysis of the findings of the Corps of Engineers, the Department of the Interior and the Federal Power Commission. They reviewed the allegations made by New England's private utilities. The staff findings sustained the favorable verdict of the public agencies and discredited the arguments advanced by the private companies.

The private power companies have claimed that Dickey-Lincoln School would not affect power rates in New England. The fact is that the threat of Dickey-Lincoln has already had an impact on the power companies of my own State.

Between 1946 and 1963 the three privately owned power companies in Maine sought increases—but no reductions—in their rates. Indeed, during my terms as Governor, the Public Utilities Commission was under constant pressure from power company attempts to push their rates higher and higher.

But in 1963, when the Department of the Interior recommended the construction of the Dickey-Lincoln School project, the three companies, within two months of the Dickey proposal, suddenly discovered it was possible to reduce rates. The reductions weren't impressive and they provided almost no benefits for homeowners, but they were reductions. The total reductions, in 18 announcements made by the power companies since the advent of the Dickey-Lincoln proposal, have totaled $4,161,527.

It should be noted that since 1965, all but one of the reductions were announced just prior to or during the hearings and floor consideration of the Dickey-Lincoln School project.

This record is extraordinary for companies which had not sought reductions and had been busy pushing rates up for the preceding 17 years. This record and the record of rate reductions in other areas of the country where publicly owned power projects are located indicate the desirability of competition in the power business.

I could cite case after case where the presence of a competitor or even a prospective competitor has caused a power company to reduce rates or forestall increases. But let me cite only the most recent example. In Texas, the Southwestern Public Service Company has proposed rate increases in 60 west Texas towns. But in three communities, which also are served by municipal systems, the company is not seeking increases.

In Maine, it should be noted that the rate reductions did not result in any belt-tightening by the private utilities. A study of the rate of return received by the power companies indicates that during and since the reductions, two of the three utilities involved have been getting returns in excess of the six percent normally set by the Maine Public Utilities Commission. As a result of the discussion stimulated by Senator Metcalf's book, *"Overcharge,"* the Maine Public Utilities Commission contracted for a special study of rates of return for Maine utilities. That study moved Governor Curtis to ask the Public Utilities Commission to institute a rate case seeking reductions.

The Maine overcharge problem is matched in the rest of New England. A study of Federal Power Commission statistics shows that in 1965, for instance, the New England private power monopoly overcharged New England consumers $21,034,000. This estimate is based on the normal rate of return of 6 percent applied to this industry.

A study of 28 New England power companies shows that 14 of them had a rate of return of 7 percent or more. Five had a rate of return of 8 percent or more, and one had a rate of 11.18 percent. At these rates of return, it is not surprising that New England homeowners pay up to 35 percent more for power than the national average.

The private power companies have made one other gesture in the direction of improved operations since the advent of the Dickey-Lincoln School project—even that is a mixed blessing.

In January, 1966, the power companies released a series of advertisements, announcing the establishment of the "big 11 power loop." In and of itself, it was a confession of past weaknesses, but it promised an integrated power system for the region, based on large nuclear power plants and larger transmission lines.

Later, however, one of the power company executives admitted in a Vermont public hearing that planning for the "big 11" program consisted solely of preparing the advertisement. The House Public Works Committee could find no evidence of regional planning by the utilities, including generation and transmission, except in the advertisements. The staff study concluded that, "although representatives of the council advised that they have planned to meet the problems of supplying the power needs of New England on a central coordinated basis, they have not produced any document supporting this central planning with the exception of an advertisement that appeared in the public press in January, 1966.

Recent developments indicate that the underlying intent of the private companies in promoting the "big 11" proposal is not so much an improvement in reliability and service as it is another step in their effort to tighten their grip on the New England power market. As you know, they have flatly refused to permit the publicly owned utilities to join in a regional transmission system.

The Massachusetts case should not surprise us. What the Federal Power Commission has learned here has been echoed across the country. The FPC counsel has determined that the Massachusetts municipals were denied participation in the planning activities of the New England utilities. The FPC also found that such exclusion is detrimental to the city-owned systems and constitutes possible violations of anti-trust statutes.

Further evidence that the private utilities want to keep nuclear power all to themselves is overwhelming—in proceedings before the FPC, the Atomic Energy Commission, the Securities and Exchange Commission and the House of Representatives.

The private utilities are even trying to prevent any Federal agency from building a nuclear power facility.

In another effort to detract from Dickey-Lincoln School, the private power companies have attacked the project as a "subsidized" venture while suggesting that they never receive subsidies or any other considerations. The fact is, of course, that the companies benefit from the assured rate of return which is part of the consideration granted a public utility, and in their heavily advertised nuclear power plants, they have been receiving considerable assistance from the public investment in nuclear technology development and in indirect assistance under the Federal Atomic Energy program.

I would like to call your attention to the subsidies received by the Yankee Atomic Plant at Rowe, Massachusetts, the only operating nuclear power facility in New England.

1. Research and development assistance: This amounted to $5 million for AEC assistance in the design, engineering and fabrication of the reactor portion of the plant.

2. Waiver of fuel use charge: The cost of the initial load of fuel in the reactor was $3.7 million, but the fuel was supplied free of charge by the AEC (enriched uranium from Oak Ridge). This was part of the AEC's role due to the experimental nature of the reactor.

3. Plutonium buy-back—$2.1 million: At the time of construction of the Rowe, Massachusetts, plant, there was no private market for uranium and, therefore, had the AEC not agreed to buy back the plutonium, the utilities would have had to dispose of it as waste.

These aids total $10.8 million.

The subsidies will not be available to the nuclear power plants being constructed, considered or advertised in the New England area, but the new plans will continue to receive the benefits of nearly two billion dollars that the Atomic Energy Commission has spent in research and development of the civilian nuclear power program and related reactor technology and safety programs. The companies also will benefit from the incentives provided by the Price-Anderson indemnity act. It provides liability protection between the coverage provided by the private insurance companies and total liability of $560 million. In the instance of the Connecticut Yankee Atomic Plans, the utility will be able to obtain $485 million worth of liability coverage from the Federal government at a cost of $44,000 per year, while obtaining only $74 million worth of liability insurance from private sources for $280,000 a year. That is one-seventh the protection for six-times the cost.

I do not object to these incentives, or subsidies. They are designed to accomplish a positive public good. I do object to the doubletalk we get on the subsidy question.

In connection with the subsidy argument, it should be noted that the Dickey-Lincoln school project would repay the entire federal investment, with interest, in 50 years. It will return to the federal treasury nearly two dollars for every one of the $227 million in federal funds invested in the project during that time period. It will continue to pay a substantial return on the public investment many, many years beyond the end of the payback period.

I have yet to hear one private power company offer to reimburse the federal treasury for the nearly $2 billion federal investment in the civil nuclear reactor program.

Beyond these substantive issues, there are two other observations which should be made. Without a public power yardstick to guage the operations of the private utilities, and to stimulate them to develop economies, there is litle hope that the northeast will ever catch up with the lower power costs of every other region of the country. Unless the federal government builds nuclear or other thermal plants in New England, and I have heard of no such proposal, the yardstick must be a hydro plant. There are few suitable sites in New England for large hydro plants. This means if Dickey fails, the chances would be slim for the success of any other public power proposal for our region. In the end, without a yardstick, likelihood of meaningful reductions in power rates would be negligible.

The other observation is this: the Northeast, and New England in particular, has not received the heavy investment in resource development funds which have benefited every other region.

From 1960 to 1966, the per capital distribution of public works authorizations showed a consistent pattern of large investments in areas outside the Northeast. We received only 58 percent of the Midwest's share; 45 percent of the South's share; 33 percent of the Southwest's share, and 35 percent of the Far West's share.

The 1967 public works bill was even less favorable for us. We received 37 percent of the Midwest's share, 23 percent of the South's share, 23 percent of the Southwest's share, and only 15 percent of the Far West's share.

Finally, I want to point out that many of the opponents of Dickey have been inconsistent in their positions on the public works appropriations bill, voting against Dickey—while supporting rivers and harbors projects in their own districts which do not measure up to the Maine project.

In the House vote of July 25, for example, Congressmen representing districts in which 193 projects covered by the bill were located voted against the Dickey-Lincoln School project, 134 of those projects, with appropriations totaling $241,527,000, had no benefit-cost estimate or had a benefit-cost ratio of less than Dickey's 1.9–1. This represented 24 percent of the total appropriations approved by the Senate for construction and planning of public works projects.

I cite these figures to demonstrate that there is no consistency in the opposition to Dickey, that the House position threatens a national policy based on the merits and economic feasibility of projects, and that our region is not one to be placed at the top of the list for cutting back on public works projects.

To my mind, the inconsistency can only be explained as the product of one of the most heavy-handed lobbying campaigns in memory.

Congressmen from districts thousands of miles from New England were approached by representatives of their local utilities, and given erroneous information on the project.

The private utility lobby even rewrote a favorable analysis by the Federal Power Commission, attempting to show that the Commission opposed the project.

This move, carried out by the coordinating council of New England, was the most brazen distortion of the findings of an independent government agency in the history of Federal power projects.

The private power companies sought to confuse the public and mislead the Congress. The nature of the companies' campaign convinces me that their oppositions to Dickey is not motivated by concern for the merits. They obviously enjoy their monopolies and are determined to maintain then . . . at the expense of the public.

The private power lobby was successful this year. We will, of course, pursue the project again in the next session, and we face a tough job. If you share my commitment to Dickey, I urge you to do everything you can to encourage support for it from our region. If my mail is any indication, increasing numbers of New Englanders are becoming alert to the high cost of our power, and to the benefits of Dickey. This concern, however, must be translated into political strength. The Congressmen from Massachusetts and Connecticut especially must understand that there is support for Dickey among their constituents. If we are to reverse the House votes against Dickey, the project must have stronger support from within our region.

You who understand the issue can play a strategic role in education on this issue, in organizing a regional program of support, and in carrying the fight to the Congress. And in that fight, you can count on me.

End of Year Report

EXTENSION OF REMARKS

OF

HON. W. E. (BILL) BROCK

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. BROCK. Mr. Speaker, with the end of this session of the Congress at hand, I insert a summary of the accomplishments of this body into the CONGRESSIONAL RECORD. It is my hope that this end-of-the-year report will convey an idea of some of the key decisions and achievements made by the 90th Congress over the past year:

NEWSLETTER, CONGRESSMAN BILL BROCK

DECEMBER 1967.

DEAR FRIEND: As another year draws to a close, may I just take a moment to say "thank you." We have so much to be grateful for in this nation, our spiritual heritage, our political and economic system of freedom, our neighbors who constantly walk the extra mile.

It is at this time of the year, when our friends and families unite for spiritual replenishment, that the real meaning of America becomes clear again. Now, as half a million men in Viet Nam strive to preserve this meaning, our rededication can make their efforts worthwhile.

Throughout this year Tennesseans have continued to build a better community, to give their time and interest in behalf of others. This expression of concern has produced results in terms of more jobs and better schools. More importantly it reflects the very real faith of this nation in the values which made it great.

Thus may I simply add my deep gratitude to you, for the acceptance of personal responsibilities so evident throughout our area. And may Muffett and I extend to you and yours our best wishes for a meaningful Christmas and a wonderful year to come.

Sincerely,

BILL BROCK.

A LONG HAUL

The first session of the 90th Congress has been a long one. In recent years, the trend has been for Congressional sessions to stretch and stretch until, for all practical purposes, the Congress is in session the year around. There is a statutory limit on the length of a Congressional session, set back in 1946 at the last day in July. But an exception providing for longer sessions in times of war or national emergency has become the rule, and the 1946 deadline has been forgotten in the flood of legislative business that Congress has assumed through the years. At any rate, in this letter I would like to list some of the major Congressional actions of 1967:

SOCIAL SECURITY

Provides for an increase in benefits for all beneficiaries. The amount of earnings subject to tax is increased from $6,600 to $7,800 and the amount of outside earnings permitted without a loss in benefits is increased from $1,680 to $2,880 with reduced benefits. Disabled persons over 50 years are eligible for benefits. A serious omission is the bill's failure to provide for automatic cost of living increases in benefits. However, the bill does provide for a major tightening up on welfare fraud and abuse, something sorely needed. I supported this bill.

AIR POLLUTION CONTROL

Requires regional air quality standards to be set up by the States and provides that the Federal government may step in if a state fails to set or enforce clean air standards. I voted for this measure.

FEDERAL PAY-POSTAL RATES

Increases Federal classified employees' salaries by 4.5% and postal employees' pay by 6%. First-class mail rates are increased from 5c to 6c, and airmail rates from 8c to 10c. Third-class mail rates are increased by approximately 40% to 3.6c in 1968 and 4c in 1969. I voted for this legislation.

VETERANS' BENEFITS

Gives veterans and their dependents a cost-of-living increase in pension payments, provides full wartime rates of compensation for those injured during the Vietnam era and pensions for those who become disabled. Provides higher educational allowances for veterans attending college and new training programs under the Cold War GI Bill. I actively supported the legislation.

HIGHER EDUCATION

Extended, in amended form, the controversial Teacher Corps through fiscal 1970, ensuring local control of the program. Authorized funds for graduate fellowship programs, elementary and secondary personnel training, and higher education personnel training. I voted for these amendments.

MEAT INSPECTION

This bill provides that the Federal government will pay up to ½ of each state's meat inspection costs in which the meat inspection program meets the Federal standards established in the Act. Federal inspection by the Secretary of Agriculture will be instituted after a three year period in states which do not conform to the prescribed standards. Tennessee is now 1 of 29 states with strong inspection laws and, upon approval by the Department of Agriculture, would be eligible for the Federal payments provided under this legislation. I supported this bill.

TAX SURCHARGE

Hearings before the House Ways and Means Committee were resumed on the President's proposed 10% surtax and on a new Administration expenditure-reduction plan for 1968. There is no chance that final action will be taken until next year. Many of us question the need for a tax increase under the present economic situation. I also question the right of Washington to raise personal taxes when this government refuses to reduce its spending programs.

POVERTY BILL

Authorizes $1.98 billion for fiscal 1968 and $2.18 billion for fiscal 1969. Provides that control of Community Action Programs be turned over to public officials on the local level. Also, includes restrictions on the administration of the program and two anti-riot amendments. In light of administration refusal to correct basic inequities in this program, I opposed the bill.

FOREIGN AID

Congress approved $2.3 billion for fiscal 1968 for the Foreign Aid program. I voted against this appropriation, because the Senate refused to accept the cutback in funds recommended by the House of Representatives, and I couldn't justify excessive spending for the program in light of the present economic situation.

OUR NATIONAL GOVERNMENT

With the federal government growing bigger and bigger each year, Congress' job of carefully scrutinizing spending becomes much more difficult. Perhaps even more important, it is almost impossible for private citizens and even local governments to keep informed on all the federal programs available.

In its role as "watchdog" of your tax dollars, the Congress must make a much greater effort to determine our national priorities. We can no longer vote on each program without considering its relationship to and effect upon the national economy. Thus a growing number of us are insisting upon a "legislative budget" to be prepared here. We have also asked that consideration be given to a shift in the nation's fiscal year back to January 1st in order that more time could be spent in study, consideration, and debate.

The problem facing our communities and states is even greater. Thus in the coming year I hope to gain more support for the bill I introduced which provides federal tax sharing for education. We must give local government a broader base of resources if they are going to continue to meet their responsibilities.

The idea of tax sharing on an automatic basis without federal controls has received the endorsement of school groups throughout the country, as well as the unanimous support of the 50 governors.

Perhaps 1968 will see a major breakthrough in restoring responsibilities to our local communities and to our Congress. I hope so.

NEXT SESSION

Congress will reconvene on January 15, 1968.

VISITORS

Chattanooga: Carl L. Gibson, Herbert M. Houston, Dr. and Mrs. William B. Hendrix, Mrs. Anne M. McCallie, Elgin Smith, Mrs. Dorothy Hicks, Raymond Hale, Mrs. Parle Langley and Lee, C. L. Dickson, Gloria Carter, Charles E. Chamberlin, III, Dr. Alfred Quinton.

Report to the People of the Ninth District of Tennessee

EXTENSION OF REMARKS

OF

HON. DAN KUYKENDALL

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. KUYKENDALL. Mr. Speaker, under permission to extend my remarks in the RECORD I include my final report for the first session of the 90th Congress as submitted to the people of the Ninth District of Tennessee.

The report follows:

REPORT FROM WASHINGTON TO THE NINTH CONGRESSIONAL DISTRICT OF TENNESSEE

LONG SESSION NEARS END

The first session of the 90th Congress will soon be history. It has been a long session and, like the proverbial hot stove league in baseball, there will be many arguments during the coming months as to just what was accomplished. Just to give you some idea of the actual schedule and production that goes into a session of Congress, here is a resumé of the activity which actually took place in the House and Senate to November 1.

DATA ON LEGISLATIVE ACTIVITY

[Jan. 10 through Oct. 31, 1967]

	Senate	House	Total
Days in session	171	160	
Time in session	(1)	(2)	
Congressional Record:			
Pages of proceedings	15,641	14,312	29,953
Appendix			5,356
Public bills enacted into law	53	64	117
Private bills enacted into law	47	57	104
Bills in conference	4	6	
Bills through conference	12	21	
Measures passed, total	698	690	
Senate bills	362	123	
House bills	147	341	
Senate joint resolutions	33	13	
House joint resolutions	9	12	
Senate concurrent resolutions	14	9	
House concurrent resolutions	17	18	
Simple resolutions	116	174	290
Measures reported, total	[3] 786	[3] 798	
Senate bills	390	122	
House bills	155	489	
Senate joint resolutions	37	7	
House joint resolutions	8	16	
Senate concurrent resolutions	19	7	
House concurrent resolutions	17	12	
Simple resolutions	160	145	305
Special reports	24	42	
Conference reports		37	
Reported measures not acted on	26	143	
Measures introduced, total	2,956	16,230	19,219
Bills	2,607	13,791	16,398
Joint resolutions	118	918	1,036
Concurrent resolutions	49	566	615
Simple resolutions	182	961	1,143
Quorum calls	69	105	
Yea-and-nay votes	234	189	
Bills vetoed		1	1
Vetoes overridden			

[1] 894 hours, 04 minutes.

[2] 711 hours, 22 minutes.

[3] These figures on measures reported included all placed on calendar or acted on by Senate even if there was no accompanying report. A total of 704 reports has been filed in the Senate; a total of 877 has been filed in the House.

Remember, this is a record of the actual activity taking place on the Floor of Congress. As many or more hours are spent by a member in Committee. The remaining time is taken up in office work, meeting people from home, attending hearings, briefings, and meetings away from the Capitol itself.

WHAT WAS ACCOMPLISHED?

Many people judge the success of a session of Congress by the number of bills passed or by how much of the program suggested by the President is approved. Much more often the important accomplishments of Congress are the bills it defeats and in holding the line on a sometimes over-ambitious Administration. For instance, when the final record of this session is written it will show that Congress will have cut nearly 5 billion dollars from requests for spending made by the President. This has been done without hurting the war effort in Vietnam in the least and without cutting a single necessary or essential government service. Without a hard-working, conscientious group of Congressmen, led by the 187 Republicans in the House, you would have had to cough up more than 145 billion dollars in the fiscal year 1968 to run the government and there would have been a deficit of around 35 billion dollars. This would have further increased inflation and would mean you could buy even less with the dollars you work so hard to earn. Although the Republicans are outnumbered by Democrats in this Congress, 247 to 187, we have been able to get spending cuts through on practically every appropriation bill. In addition, by refusing to rush through a tax increase as demanded by the President we have already forced the Administration to agree to an additional 4 billion dollar cut in spending. It is quite likely that before any tax hike is approved we will have a guaranteed cut in spending of around $7 billion.

THE NINTH DISTRICT CONGRESSIONAL OFFICE

We are rather proud of the work your Congressman and his staff did for the people of Memphis during this first term as your Representative.

Casework: Actual cases handled involving Social Security claims, Veterans Affairs, military problems and matters with practically every department of the Federal Government through December 1 were 746. In addition there were several hundred problems taken up with the Departments and Agencies which do not all come strictly within the category of a case.

Requests: More than 1,000 requests for information covering almost every field of activity. This included sending out thousands of pamphlets, books and research materials.

Personal contact: We have been most happy to welcome several hundred visitors to our Washington office and assist in making their visits to the Nation's Capital more interesting. In keeping with a promise made during my campaign, I arranged for "open house" meetings in Memphis. I arranged to hold office hours in many neighborhoods throughout the city about every four weeks in order to make it possible for those with problems to meet their Congressman without a trip downtown or writing to Washington.

Information: This report on Washington was issued about every six weeks for the past year to keep you informed on important legislation before Congress and to point out the more important issues facing the Nation. A questionnaire was sent to 131,000 homes in Memphis early in the session to learn how the people at home felt about the more pressing problems. Over 16,000 of you returned the questionnaire giving me the benefit of your opinions.

LEGISLATIVE ACTIVITY

In this first session I have introduced or have co-sponsored 26 bills. Two important measures have passed the House, a bill to make desecration of the Flag a Federal offense and one to make it a Federal offense to cross state lines to instigate a riot or violent demonstration. The other bills dealt with many problems including increased penalties for the possession and use of LSD, prohibiting trade with Communist countries, restrictions on imports of cotton, taking the appointment of postmasters out of politics, and many others.

As a part of my work on the Interstate and Foreign Commerce Committee, I was appointed a member of a study mission on the development of the Super Sonic Transport, and as a conferee to help avert a national railroad strike. I was invited to the White House to participate in the signing of six bills on which I had worked as a member of the Committee. The most important of these were the amendments to the Health Act of 1967 and the Air Pollution Act.

All in all, this has been a productive session of Congress and the views of the people of the 9th District have been given wide circulation in Congress. A careful analysis of my mail indicates that I am presenting these views in Congress in accordance with the thinking of the majority of the people of Memphis and I am voting on most issues as the people of Memphis would have voted if they were in my place and had the advantage of the information I have.

CHRISTMAS MESSAGE

"And suddenly there was with the angel a multitude of the heavenly host praising God, and saying, 'Glory to God in the highest and on earth peace, good will toward men.' "

And it is the prayer of the Kuykendall family that this message from the Scripture will prevail throughout the world, and that peace, justice and mercy will be given to all men.

The Kee Report: Christmas

EXTENSION OF REMARKS

OF

HON. JAMES KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. KEE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include next week's public service radio and television newscast, "The Kee Report." The subject discussed in this report is Christmas. The report follows:

THE KEE REPORT: CHRISTMAS

This is Jim Kee—bringing you the Kee Report.

We are now only a few days away from the festival of the Nativity, which for most Americans is the most sacred day of the calendar year.

The observance of Christmas is a religious practice and by the terms of our Constitution, there must be a wall of separation between church and state. The wisdom of this rule has been evident since its adoption. But, while the Government must stand apart from religious observance, it would be a mistake to assume that the framers of the Constitution intended that our country should be hostile or indifferent to the practice of religion.

On the contrary, from the earliest times, the Nation's leaders have emphasized their belief that the destiny of the United States lies in the will of Divine Providence, Historians point out that this mighty nation began its pilgrimage through history on that day of April 30 in the year 1789, when George Washington delivered his first inaugural to a joint session of Congress. It is significant that after this solemn event, President Washington, Vice-President Adams, and the Members of Congress went in a body to attend divine services at St. Paul's Chapel.

One of the early biographers of Lincoln said that he was a skeptic during his early prairie years. Customs were crude in those frontier times and Lincoln may have looked with disfavor on some of the religious practices then in vogue. Yet, a brilliant English student said that Lincoln must be regarded as the most spiritual of all our Presidents.

Throughout his White House years, as this historian pointed out, he never wavered in his conviction that only by divine aid could he preserve the unity of our country. It is often charged that we Americans go to church more than any people on earth and do less to put in practice the doctrine of neighborly love. This harsh criticism is certainly not true today. On the contrary, I believe that as a people, we grow more conscious each year of our social responsibilities and more willing to lend a helping hand to those in need. Our record is far from perfect, but we are doing much to aid those who suffer the misfortunes of poverty, physical disability, or mental affliction.

Nowhere is this progress more apparent than in our treatment of handicapped persons. Only a few decades ago, most citizens so afflicted were compelled to live in a shadow world. They were regarded as unemployable. It was simply assumed that the blind man, or the man missing both arms or both legs, was permanently unable to follow a trade. Yet, today thousands of these handicapped persons, both men and women, are enjoying the fruits of useful employment.

The story of the mentally retarded is even more inspiring. A few years ago, most people assumed that nothing could be done for them. From the cradle to the grave, they were compelled to stand aside in work or play. And then the plight of these unfortunates was brought to the attention of the Nation by the late President John F. Kennedy. He initiated the movement to help them with all the resources of Government. Today, there are nearly 700,000 mentally retarded receiving useful training in schools established for that purpose. I think this is the spirit of neighborly love.

Christmas, by tradition, is a time for family meeting and family feasting. I am happy to observe that this beautiful custom is still carried on in our home State of West Virginia. So, to each of you, I wish a most joyous Christmas.

Thank you for listening.

Supreme Court Decisions

EXTENSION OF REMARKS

OF

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. HUNT. Mr. Speaker, the latest of the U.S. Supreme Court decisions, declaring unconstitutional a provision of the Subversive Activities Control Act of 1950 which bars members of Communist-action groups from working in defense plants, is yet another tragic example of the Court's perversion of the public interest in the name of constitutional liberties.

I would be the first to admit, Mr. Speaker, that the rights of the individual guaranteed by the Constitution are to be cherished and preserved with every ounce of wisdom that can be mustered in these times of changing social values and complex ideological philosophies, but these rights are not absolute. Without having to be a constitutional lawyer, it is plain commonsense that there are public rights which are to be equally weighed in guarding against those individuals who insidiously seek to undermine and destroy the very essence of our way of life. It is in the context of this balance—the rights of individuals and those of society—that we should view with grave concern the Supreme Court's decision and the evolving pattern of decisions which have crippled those statutes promulgated by Congress and the several States to insure the preservation of our democratic ideals and institutions.

In 1964, Mr. Harold W. Kennedy, then county counsel for the County of Los Angeles, in a perceptive analysis of the adverse effects of U.S. Supreme Court decisions on subversive activities, aptly stated:

> The test employed where constitutional rights are asserted to bar governmental efforts aimed at eliminating a threat to its internal security involves a balancing by the courts of the competing private and public interests at stake.
>
> The Court in resolving this issue must determine whether the subordinating interests of the state, in protecting itself, overcomes the individual constitutional rights at issue.
>
> A lawyer's duty is to protect and enhance the effectiveness of the judiciary and our judicial system. It is also assuredly a lawyer's duty, when he finds conditions warrant, to criticize the tone and trend of decisions—especially so where those decisions have a profound and lasting effect on the very preservation of our society. Against the background of the frightening and inescapable evidence as to the intent of the Communist Party of the United States and the widespread internal Communist conspiracy, the Supreme Court has without doubt swung the scales of justice too far to the side of individual rights. As a result, the needs of the people in this critical time are made subservient and subject to the dictates of subversive individuals.

In recognition, Mr. Speaker, that the basis for the Supreme Court's latest decision is founded on an implied "right of association." Justice White, joined by Justice Harlan, dissented, stating:

> The right of association is not mentioned in the Constitution. It is a judicial construct appended to the First Amendment rights to speak freely, to assemble, and to petition for redress of grievances.
>
> Having less confidence that the majority in the prescience of this remote body when dealing with threats to the security of the country. I much prefer the judgment of Congress and the Executive Branch that the interest of respondent (Eugene Frank Robel, a machinist for Todd Shipyard in Seattle) in remaining a member of the Communist Party, knowing that it has been adjudicated a Communist-action organization, is less substantial than the public interest in excluding him from employment in critical defense industries.

Mr. Speaker, I can only feel that amidst the most solemn declarations to uphold and defend the Constitution, we are los-ing the country through judicial prerogative and permissiveness.

New Fiscal Policy Needed to Defuse the Time Bomb

EXTENSION OF REMARKS

OF

HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. COLLIER. Mr. Speaker, today I am making the last of a series of three inserts regarding Federal expenditures. The second of the inserts consisted of a tabulation which listed 112 new programs. Today's insertion shows how 28 earlier programs have also been greatly expanded.

Altogether, these 140 programs account for an increase of more than $22 billion in the administrative budget since fiscal 1955.

The table follows:

EXPANSIONS OF EXISTING PROGRAMS, FISCAL 1956 TO FISCAL 1968, INCLUSIVE

[In million of dollars]

Program	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967 [1]	1968 [1]
Grants to States for public assistance	1,427	1,455	1,556	1,795	1,966	2,286	2,167	2,432	2,730	2,944	3,060	3,528	3,926	4,153
National Science Foundation	10	14	30	36	99	119	143	183	207	310	311	369	395	455
Impacted area school aid:														
Maintenance	85	86	98	109	139	175	208	226	277	284	311	410	422	422
Construction	100	95	76	80	77	83	71	57	66	51	38			
Grants, vocational rehabilitation services	26	33	37	44	49	49	54	63	71	84	96	153	250	302
School lunch program	83	83	99	100	144	153	154	169	170	181	179	197	214	243
Agricultural Research Service	56	78	87	99	136	132	148	155	167	185	203	195	220	236
Hospital construction activities	73	56	73	107	136	145	158	167	189	195	203	200	225	235
Grants, maternal and child welfare	29	34	38	41	44	47	52	68	76	89	110	151	205	231
Mental health research and services	13	18	30	36	48	60	72	91	12	160	149	164	196	219
National Cancer Institute	21	24	39	45	63	74	86	103	119	137	114	134	154	162
U.S. Information Agency	81	85	103	104	103	101	103	112	122	131	140	142	150	157
National Heart Institute	17	19	33	34	41	57	76	91	111	129	97	111	138	147
National Institute of Metabolic Diseases	8	11	16	18	30	41	50	68	88	106	86	98	117	128
Conservation operations	60	63	66	62	84	80	87	89	93	96	105	109	112	114
National Institute of Neurological Diseases	7	9	17	18	27	36	41	54	68	81	70	76	98	103
Cooperative extension work	42	48	52	59	63	64	67	70	75	79	85	90	93	97
Consumer protective marketing programs	19	24	25	28	39	38	46	38	41	44	40	77	86	79
National Institute of Infectious Diseases	6	8	13	17	22	31	38	46	57	66	56	63	76	78
Watershed protection	6	10	11	14	20	27	33	40	53	63	61	68	68	72
General research and services	5	6	11	14	26	40	56	84	114	150	125	120	66	69
Cooperative State Research Service	19	25	29	31	32	32	33	36	38	42	47	52	57	64
Vocational rehabilitation, research, and training	1	2	3	4	5	11	15	19	24	32	37	44	56	61
Communicable disease activities	4	6	6	7	7	8	14	10	11	19	28	38	43	53
Foreign agricultural service	2	4	4	4	4	6	7	8	12	17	17	19	24	27
National Institute of Dental Research	2	2	6	6	7	9	12	12	18	20	15	19	23	24
Construction of radio facilities, U.S. Information Agency	3	1	1	1	1	3	4	16	15	12	7	7	15	15
Consumer and marketing payments to States	1	1	1	1	1	1	1	1	1	2	2	2	2	2
Increase over preceding year (28 existing programs)	------	94	260	354	499	495	88	512	517	684	82	845	795	509
Cumulative increase over 1955	------	94	354	708	1,207	1,702	1,790	2,302	2,819	3,503	3,585	4,430	5,225	5,734

[1] Estimated.

Note: Columns will not necessarily add to totals due to rounding.

Total (112 new programs)	$16,542,000,000
Cumulative increases (28 existing programs)	5,734,000,000
Total (140 programs)	22,276,000,000

New Seattle Air Service Begins December 17

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. PELLY. Mr. Speaker, another indication of the manner in which air travel is shrinking our globe is the inauguration December 17, 1967, of service by Northwest Orient Airlines from Seattle-Tacoma to Hilo, Hawaii. Presently, there is only service to Honolulu, but the new flight will bring "two Hawaiis" to the people of the great Pacific Northwest.

Once again, Mr. Speaker, the Seattle-Tacoma area receives recognition as a major air terminal in world travel.

This new direct service will place the black beaches of Hilo, Hawaii, within just over 5 hours of the tall evergreen trees of the Pacific Northwest.

Mr. Speaker, I am proud that, once again, aviation history is written in Seattle.

See Your Congressman This January—Where and When

EXTENSION OF REMARKS

OF

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. BRAY. Mr. Speaker, personal contact with constituents is not only helpful to Members of Congress but is also one of our most important duties.

Ever since I first came to the Congress in 1951 I have made district tours in nonelection years, nonpartisan in nature, open to all, on prearranged and well-publicized schedules, to make myself available to any group or individual with questions, problems, or comments on any and all matters.

Due to the late adjournment of Congress in 1967, it has been necessary to schedule the tour immediately after the holidays, in the first week of January 1968. And due to Congress coming back into session in January 1968, it is impossible to spend as much time on the tour as I would like.

However, the following schedule has been worked out to cover as much ground as possible in the time available:

On Tuesday, January 2, 1968:

Frankfort, the GAR room of the Clinton County Courthouse, 9 a.m.

Lebanon, the GAR room of the Boone County Courthouse, 2 p.m.

Indianapolis, the auditorium of the city-county building, 7 p.m.

On Wednesday, January 3, 1968:

Crawfordsville, the Community Room of the Union Federal Savings & Loan Association, 221 East Main Street, 9 a.m.

Danville, the Assembly Room of the Hendricks County Courthouse, 2 p.m.

Indianapolis, Holiday Inn West, 4665 West 16th Street, 7 p.m.

On Thursday, January 4, 1968:

Martinsville, the city hall, 9 a.m.

Franklin, the city hall, 2 p.m.

Indianapolis, Holiday Inn South, 520 East Thompson Road, 7 p.m.

Year 1968 holds many problems which concern all Americans. Our troop strength in Vietnam is going to increase to almost 600,000 men. Congress will have to consider an administration request for some sort of a personal income tax increase. Inflation continues to shrink the consumer's dollar.

I am going to my constituents for their comments, questions and problems, and do my very best noting the comments, answering the questions, and doing all I can to help solve the problems.

U.S. Economy Now in 82d Month of Unprecedented Expansion and Growth

EXTENSION OF REMARKS

OF

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. ROYBAL. Mr. Speaker, the Department of Labor has released some very heartening Christmas news for the American people.

The Nation's employment picture brightened substantially between October and November as seasonally adjusted employment rose 450,000 and the unemployment rate plunged from 4.3 to 3.9 percent.

These developments are especially cheering since they mark an end to a 2-month upward trend in unemployment—a development that had caused great hardship on many of our fellow citizens.

I strongly believe that this bright new turn in the job situation provides strong evidence that our economy is still quite robust as we move forward in the 82d month of the greatest expansion of all time.

It is most encouraging to learn that major declines in joblessness occurred among women and teenagers—two groups of workers who had suffered from large increases over the past 2 months.

And it is equally encouraging that the jobless rate among married men, our family breadwinners, dropped by two-tenths of 1 percent to 1.7 percent over the month.

This most cheerful news should reinforce our national commitment to achieving full employment and eliminating disadvantage in America. The progress we have made over the past 7 years shows us that, by combining sound economic policies with a vigorous manpower program, we can reach our highest goals.

Nasser's Game Threatens World Peace

EXTENSION OF REMARKS

OF

HON. WILLIAM L. SPRINGER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. SPRINGER. Mr. Speaker, as we approach the season of Christmas, it is sad to note that the Egyptian dictator seems bent on precipitating another tragic Israel-Arab conflict in the land where Jesus was born.

President Nasser of the United Arab Republic is playing a dangerous game. When the drubbing he took in last June's lightning war is recalled, it is unbelievable that he would invite another encounter with the Israelis.

Yet the Economist of London reports from Jerusalem that "few Israelis now see any way to avoid another war and they expect it sooner than later."

Israel blames Nasser for recent acts of terrorism against Israelis by gangs operating from Jordan. With the Israelis firmly ensconced on the Suez within easy striking distance of Cairo itself, Nasser has no stomach for another desert war on his own territory. King Hussein, a big loser in last June's conflict, wants to keep the terrorists in check, but according to the Economist, the King's efforts are "being eroded by Nasser's new-thrust to regain the initiative in Middle East affairs."

"Israel will take only so much," says the Economist, pointing out that peacemaking efforts in the United Nations "must come up against the fundamental urge to destroy Israel."

That is the crux of the problem. Nasser is unwilling to recognize Israel's right to exist.

There is going to be trouble in the Middle East as long as Israel's security continues to be threatened by its neighbors.

If the Arab and non-Arab countries were left alone to work out their problems by themselves they doubtlessly would have a better chance to work out a peaceful and lasting solution. They have everything to gain by cooperating with each other instead of fighting.

Unfortunately, there always have been too many outsiders who have found it profitable to meddle in the situation. The Soviet Union, for one, appears to have vested interest in Middle East strife. And lately General de Gaulle has joined Russia on the Arab side. De Gaulle has put out his own warped version of the war last summer, accusing Israel of being the aggressor.

Not content with keeping Britain out of the European common market, stirring up discord in Canada and trying to destroy the American dollar, De Gaulle, by his statements, has helped increase the tensions in the Middle East.

If he accomplishes nothing else, De Gaulle may take away the Soviet Union's title as champion international troublemaker.

Nasser may feel that Russian and French support will give him a better chance next time against the tough armed forces of tiny Israel. He is said to have acquired ground-to-ground missiles with a range of 250 kilometers and 1 ton of TNT warheads. It is reasonable to assume, in the light of recent public remarks of one Israeli official, that Israel will be able to retaliate in kind. As more sophisticated weaponry is brought into play, the always dangerous Middle Eastern situation will have an even greater potential for involving the great nuclear powers.

This is why the game Nasser is playing is so hazardous, not only for himself and the Israeli but for the rest of us throughout the world.

Social Security Amendments of 1967—Conference Report

EXTENSION OF REMARKS

OF

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. KASTENMEIER. Mr. Speaker, I would like to take this opportunity to comment on the conference report on the Social Security Amendments of 1967, H.R. 12080.

As I pointed out last August, I have always been a strong supporter of the extension and improvement of our social security program in order to provide financial security and medical care for our older citizens.

I voted for the conference report on the social security amendments because I feel an increase in benefits is essential and long overdue. I regret the increase was not larger, particularly for those receiving the smallest payments, since it is obvious no one can live on $55 a month. However, I do believe this legislation will provide a chance for many of our senior citizens to more than catch up with increases in the cost-of-living which have taken place since the last social security increase in 1965 and I will continue to work for further liberalization of our social security system in the future.

I am greatly disturbed that the restrictive welfare provisions approved by the House last summer have been only slightly modified by the conference committee. I was quite disappointed that the conferees recommended a freeze on the proportion of children in each State who could qualify for federally supported aid-to-dependent children payments. This and the section encouraging State and local welfare agencies to pressure mothers of dependent children to leave home and to go work are really antiwelfare provisions.

Although these provisions constitute a misguided effort to reduce illegitimacy and cut welfare costs, their real effect will be to penalize innocent children and contribute to a further breadown in the family life of those on welfare.

Unfortunately, this conference report came before the House and Senate so late in this session of Congress that it is impossible to seek a change in the antiwelfare provision without jeopardizing the social security benefits increase and, consequently, I felt it necessary to support this measure.

Operation Serviceman

EXTENSION OF REMARKS

OF

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. EILBERG. Mr. Speaker, in Vietnam, many young men lie wounded, injured, or sick in the Army hospitals or on board the Navy hospital ships.

Since October 1966, thousands of gift packages have been mailed by citizens of our neighborhood to these young men of America.

A package should contain candy, gum, smokes, cool drink powder, and other like items that would be enjoyed by a teenager lying in a hospital half way around the world. This would support, and be appreciated by, our men in Vietnam. I submit the following addresses:

Any Patient, c/o The Chaplain,
Naval Hospital Ship Repose, FPO 96601.
2nd Surgical Hosiptal, APO 96490.
7th Surgical Hospital, APO 96225.
45th Surgical Hospital, APO 96256.
3rd Field Hospital, APO 96307.
8th Field Hospital, APO 96240.
3rd Surgical Hospital, APO 96227.
18th Surgical Hospital, APO 96318.
6th Medical Center, APO 96312.
17th Field Hospital, APO 96243.
12th Evacuation Hospital, APO 96225.
24th Evacuation Hospital, APO 96491.
36th Evacuation Hospital, APO 96261.
67th Evacuation Hospital, APO 96238.
85th Evacuation Hospital, APO 96238.
71st Evacuation Hospital, APO 96318.
91st Evacuation Hospital, APO 96316.
93rd Evacuation Hospital, APO 96491.

All these addresses are "care of Postmaster, San Francisco, Calif."

A package should not exceed 1 pound. It should be mailed straight parcel post. It would be delivered by air mail. It should contain items a teenager lying in a hospital bed half way around the world, hurt, discouraged and lonely, would appreciate. The contents should be dirtproof, moistureproof, and rodentproof.

This would show your support of our men in combat in Vietnam.

Remember these thousands of hospital beds are filled every day of the year. Thousands are wounded every month. Could you mail at least one gift per month? Please remember to put your name and address on the package.

Clare E. Hoffman

EXTENSION OF REMARKS

OF

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. DORN. Mr. Speaker, when I first came to the Congress in January 1947, I was assigned to the Committee on Government Operations. The chairman of that committee was the unforgettable Clare E. Hoffman of Michigan. Mr. Hoffman possessed a keen mind and a dynamic and unique personality.

The membership of the Government Operations Committee at that time was composed of some of the outstanding leaders in the history of the U.S. Congress. Yet, quite often Mr. Hoffman would call for comments on important issues from those of us at the foot of the table. As often as not he would call upon me—the least in seniority—to question witnesses before the committee and then gradually work up to my senior colleagues.

The unusual was a characteristic of Mr. Hoffman, but always he was fair and had the welfare of our country constantly in mind. Under his leadership, and often it was stormy and controversial, our committee wrote the most important piece of defense legislation of this entire era. The Unification Act passed this committee and became law in 1947. All of the great generals and admirals of our Armed Forces appeared before the committee. The law called for a Department of Defense with a Secretary of Defense—a civilian with the necessary power to unite our Armed Forces and establish a defense program.

Serving with Mr. Hoffman as chairman was an invaluable experience, one that I will always cherish and shall certainly never forget. He was a great American who served during critical and tough times.

Mr. Hoffman encouraged me to speak out and stand alone if necessary. I believe that I am a better Congressman and that this House is a greater body today having known and associated with Clare E. Hoffman.

Mr. Hoffman's first allegiance was to his country, our Constitution, and our great private enterprise system. He often disagreed, and did not hesitate to do so, with the policy of his own party as readily as he did with the Democratic Party.

I attribute some of Mr. Hoffman's love of country and his greatness to the fact that he liked the great out-of-doors. He was a sportsman and lover of nature.

Although Mr. Hoffman lived more than a full life, I was shocked and saddened at his passing. He was a warm personal friend and one to whom I shall always be grateful, as he was a father to me in the 80th Congress.

Mrs. Dorn and my family join in extending my deepest sympathy to his family.

The Proud Record of the 90th Congress

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. McCORMACK. Mr. Speaker, the first session of the 90th Congress has adjourned and leaves behind solid accomplishments, some unfinished business, and some unanswered questions.

To my mind, there is only one yardstick to assess the accomplishments of any session of Congress: Have the American people benefited from our actions?

Is American society more secure, our institutions more purposeful, our commitment to the American future more clearly defined by our labors here?

I believe this session of Congress can answer both of these questions in the affirmative.

I know there are some who claim otherwise, and view our achievements in comparison to the historic 89th Congress. And, of course, in relation to the unprecedented record of the 89th Congress, few other sessions in our history would appear productive.

But the 90th Congress has compiled a fine record in its own right. We have approved over 40 major administration proposals.

In fact, a number of landmark bills—some signed into law and some now pending—such as the Consular Treaty, the Outer Space Treaty, truth-in-lending, wholesome meat, public broadcasting, are some which were stalled in the historic 89th Congress.

A Congress consists of a 2-year period. By the time we finish our work next year, the 90th Congress will rank high among the most productive Congresses in our history.

Last January, there was talk about whether the American people could meet their commitments both at home and abroad. Could we have both progressive domestic legislation and adequate national defense.

This Congress has answered that question affirmatively. And we have done so not through legislative quantity, but by practicing legislative quality.

We have focused our legislative sights on areas of the most pressing national needs. And by intensive review and study we have helped to improve, and often redirect, new legislative programs passed in previous sessions.

We began this session with 47 fewer Democrats than we had in the 89th Congress—and these 47, as a group, had a 75 percent favorable voting record on administration proposals.

But in spite of this significant loss in support, and in the face of persistent Republican opposition of a big majority of the Republicans on nearly every proposal offered by the administration and the Democrats, the 90th Congress has performed very well indeed. This Congress has enacted legislation of historic importance to the health and well-being of the American people. The first session of the 90th Congress has, against difficulties, made substantial progress.

It has met its responsibilities in the field of health.

The Congress enacted the Partnership for Health Amendments of 1967 authorizing $589 million for fiscal 1967–70 for grants to the States for comprehensive health planning and service, including a $40 million authorization intended for rat control projects in fiscal 1968–69. The Comprehensive Health Planning and Services Act of 1966 authorized grants to States to be used for whichever health services each State deemed most important. The 1967 law extends these programs at expanded authorization levels. It also initiates a new program of Federal licensing of clinical laboratories dealing in interstate commerce and establishes a program of grants for research and demonstrations to develop more efficient health services and facilities.

We passed the Mental Retardation Amendments of 1967 providing a total of $281.8 million for fiscal years 1968 through 1970, including $19 million in new authority for fiscal 1968. These funds will be used for university-affiliated construction, $50 million; community centers, $80 million; staffing, $88.8 million; education for the handicapped, $55 million; and the training of recreation teachers, $10 million. A portion of the university facilities constructed under the law can be used for research activities. Two percent of the funds for the construction of community mental retardation centers can be used to pay for the cost of administering the program at the State level. Four million dollars of the funds for training physical education and recreation teachers may be used for demonstration projects in this area.

We have passed the Air Quality Act of 1967 which authorizes $428.3 million for Federal air pollution control for fiscal 1968–70. Of the total authorization, $125 million is earmarked for fiscal 1968 and 1969 for research on pollution caused by fuels combustion. Public Law 90–148 greatly enlarges the existing Federal responsibility for air pollution control. It authorizes a 2-year study of the impact of national emissions standards. It also authorizes the Secretary of HEW in time of imminent and substantial danger to public health from air pollution to seek a court injunction against the continued emission of such pollutants as might be necessary to protect the public health. The Secretary of HEW is authorized to designate air quality control regions throughout the country, provide full Federal financing for regional control commissions to be established by State Governors, and empowers him to enforce air quality standards in the control regions, if the regional commissions fail to enforce guidelines for air purity which are to be supplied by HEW. It requires the registration of all fuel additives with the HEW Secretary. Moreover, fuel manufacturers are required to notify the Secretary of the type, concentration, and purpose of all additives which are used in their fuels. It provides that automobile exhaust standards can be issued only by the Federal Government except in California which is permitted to enforce its own more stringent control standards. Finally, the measure provides for Federal support for State automobile pollution control device inspection program.

It has met its responsibilities and its obligations to our senior citizens.

The Congress amended the Social Security Act to provide an across-the-board increase of at least 13 percent for all social security beneficiaries with minimum monthly benefits being increased from $44 to $55. This is the largest increase in social security benefits in 32 years. It also raises the amount of outstanding permissible earnings for social security beneficiaries from $1,500 to $1,680. To finance these liberalizations, the taxable wage base is raised from $6,000 to $7,800. There is also created a 60-day, lifetime reserve and hospital benefits under medicare but with the requirement that the patient pay $20 a day toward the cost of this coverage. The estimated cost of the increased benefits is $3.6 billion for the first full year of operation. There are some controversial provisions which can receive future considerations.

We have enacted the Older Americans Act providing for an extension of the Older Americans Act of 1965 for 5 years through fiscal year 1972. It authorizes appropriations of $10,550,000 for fiscal 1968 and $16,950,000 for fiscal 1969 for community aging programs, and appropriations of $6.4 million in fiscal 1968 and $10 million in fiscal 1969 for research, demonstration and training programs. Finally, it authorizes the Secretary of HEW to conduct a study for the need of training personnel in the field of the aging.

The 90th Congress has likewise acted to bar discrimination against workers between the ages of 40 and 65 because of their age.

The Age Discrimination Act of 1967 enacted by this Congress, bars discrimination against workers or potential workers between the ages of 40 and 65 because of their age. It prohibits employers, employment agencies, and labor organizations from engaging in any discriminatory practice in hiring workers between the ages of 40 and 65. The investigation and enforcement of the provisions of the act are similar to those of the Fair Labor Standards Act. Any aggrieved individual, as well as the Secretary of Labor, is authorized to bring court action against a violator if the Secretary of Labor has failed to bring voluntary compliance through conciliation. The Secretary of Labor is also authorized to carry out an education program to reduce the barriers to employment for older workers. A $3 million annual appropriation is authorized.

The first session of the 90th Congress also acted to meet its responsibilities to the consumer.

Congress enacted into law a strong program of Federal standards in inspection of meat and meat products. This measure authorizes a program of Federal-State cooperation to bring State meat inspection systems to a level comparable to the Federal inspection system. States would be required to initiate meat inspection at least equal to Federal requirements. If a State failed to design and enforce such a program within 2 years, the Agriculture Secretary would be authorized to assume actual inspection of the State's plants doing intrastate business. The measure also contains emergency authority for the Secretary to impose Federal inspection of any intrastate plant which is processing meat dangerous to the public.

Congress acted to strengthen the 1953 Flammable Fabrics Act in order to cover all wearing apparel and home and office interior furnishings made of fabric or related materials. It also provided for more flexible operation of the 1953 law. The Government will now be able to force a halt to manufacturers' sales of goods not meeting standards set by the Secretary of Commerce. In addition, for the first time, interior furnishings are covered in order to provide protection against dangerous materials in drapes, bedding, blankets, upholstery, and other products. There is authorized to be appropriated $1.5 million for fiscal 1968 and $2,250,000 for each of fiscal years 1969 and 1970 to implement the legislation.

We also acted to establish a seven-member National Commission on Product Safety. The Commissioner would be appointed by the President and is directed to identify categories of household products which may present an unreasonable hazard to consumers. It is also directed to study the effectiveness of existing State and Federal law in controlling such products and to report to Congress its findings and recommendations 2 years after the resolution is enacted. Two million dollars is authorized to be appropriated to cover expenses of the Commission.

The Congress also acted to meet its responsibilities in the field of education.

Congress acted to extend the Elementary and Secondary Education Act for an additional 2 years with an authorization larger than that ever before provided.

The Education Professions Development Act extended title V of the Higher Education Act of 1965, including the Teacher Corps and a teacher fellowship program, and created four new teacher training programs effective in fiscal 1969.

In fiscal 1968, $33 million; $46 million in fiscal 1969, and $56 million in fiscal 1970 is provided for the Teacher Corps. In addition, the new law specifies that the recruitment, selection and enrollment of Corps volunteers must be carried out locally and that the colleges and universities under contract with the Commissioner of Education would act as a clearinghouse for applications and could aid the local institutions in promoting the program. There is authorized $50 million in fiscal 1969 and $65 million in fiscal 1970 for grants to the States to enable them to assist local educational agencies in attracting persons into teaching; $195 million for fiscal 1969 and $240 million for fiscal 1970 is provided for graduate fellowship programs in education and program development grants under the Higher Education Act of 1965. There is authorized for fiscal 1969, $70 million, and for fiscal 1970, $90 million, for grants to State and local agencies and colleges in order to carry out a variety of inservice training programs aimed at improving the professional qualifications of personnel in elementary and secondary schools. Finally, the 1967 Education Professions Development Act provides $21.5 million for fiscal 1969 and $36 million for fiscal 1970 in grants to institutions of higher learning for the training of personnel, either teachers or administrators, in institutions of higher learning.

The Congress also passed legislation to continue and expand the Vocational Rehabilitation Act. This measure authorizes $500 million for fiscal 1969 and $600 million for fiscal 1970 for grants to States for basic vocational rehabilitation for 247,000 people in 1969 and 278,600 in 1970. Also extended was a program of grants to States for statewide planning in rehabilitation. These grants will insure that each State has a basis for developing service programs so that by July 1, 1975, each State will be able to furnish vocational rehabilitation to all those in need of it. In addition, the 1967 Vocational Rehabilitation Act authorizes two new programs—one, a program of grants for pilot projects to provide vocational rehabilitation to migrant workers, the other to establish a new national center for deaf-blind youths and adults.

The Public Broadcasting Act of 1967 provides for a 3-year extension of the 1960 law authorizing Federal grants to construct educational television broadcasting facilities. The 1967 measure also includes educational radio broadcasting. There is authorized to be appropriated for these purposes a total of $38 million; $10.5 million for fiscal 1968, $12.5 million for fiscal 1969, and $15 million for fiscal 1970. The new public television law also provides for the establishment of a nonprofit, nongovernmental Corporation for Public Broadcasting. This Corporation will strengthen and improve educational radio and television by providing an independent source of funds to produce programs and operate and interconnect stations. The Corporation is authorized to provide financial aids to noncommercial stations to produce educational radio and television programs. It can also make payments to local educational stations to help produce local programs and meet other operating costs. It is likewise authorized to arrange for systems to connect separate stations regionally or throughout the Nation to permit distribution of educational programs. A $19 million appropriation is authorized for fiscal 1968 to finance the activities of the Corporation.

We enacted Public Law 90-154 which extends for 1 year to June 30, 1968, the period during which the Federal Government can finance the total cost of interlibrary cooperation programs, State institutional library services, and library services to the physically handicapped. After June 30, the Federal Government will pay 50 percent of the program costs and State and local governments will be required to pay the remaining 50 percent.

The first session of the 90th Congress also met its responsibilities to aid and assist the economically deprived and depressed.

The Economic Opportunity Amendments of 1967, the antipoverty program, authorizes the continuation of the economic opportunity program for 2 years through fiscal 1969, with an authorization of $1,900,000,000 for fiscal 1968 and $2,181,000,000 for fiscal 1969. It contains a new provision requiring that after February 1, 1969, community action programs shall, except under unusual circumstances, be carried on by local governments. It also earmarks $25 million for a program to feed the hungry, and authorizes a new program of day-care centers to assist working mothers.

The Congress acted to provide a 2-year extension of the food stamp program by authorizing $200 million for fiscal 1968 and $225 million for fiscal 1969. This outstanding program, initially enacted on a pilot basis in 1961 and established on a 3-year basis in 1964, enables low-income families in both the urban slums and depressed areas to purchase government-subsidized stamps which increases their food-buying power at grocery stores. This program has permitted these citizens to supply their children with something approaching the basic nutritional diet necessary for sound physical and mental growth. Its continuation was truly a great humanitarian gesture on the part of the Congress.

We passed the Appalachia Redevelopment Act amendments of 1967. This measure authorizes appropriations of $1.7 million for fiscal 1968 and 1969 for administrative expenses of the Appalachian Regional Commission. In addition, it authorizes an appropriation to the President of $715 million for the 4-year period ending June 30, 1971, an increase of $175 million over the existing authorization for the same period, for the highway program. For the nonhighway program, there is authorized for fiscal 1968–69 an appropriation of $170 million. Of this amount there is authorized up to $50 million for expanded demonstration health programs, up to $19 million for land stabilization and conservation programs, up to $2 million for hardwood research programs, up to $2 million for the water resources program, up to $26 million for vocational education programs, and up to $6 million for sewage treatment plants. Up to $97 million is provided for supplemental grant programs which will allow Federal payments of up to 80 percent on projects covered by existing grant-in-aid programs. A $5 million revolving fund is established for technical assistance grants and loans for up to 80 percent of initial planning and management costs of low and median-income housing projects. Twenty counties in Mississippi, two in Alabama, and one each in New York and Tennessee were added to the Appalachian Region. In addition to extending and modifying the Appalachia program, this law also provides for the development of comprehensive long-range economic planning by the five regional commissions established under the Public Works and Economic Development Act of 1965. There is also established a new program of supplemental grants for these five regions. There is authorized a total of $75 million for this new supplemental grant program.

The Congress also acted to meet its responsibilities to both the Government civilian employees and the armed services.

Congress passed the Postal Revenue and Federal Salary Act of 1967 providing a first-step raise of 6 percent for 725,000 postal employees and a 4.5 percent increase for 1.3 million classified workers retroactive to October 1, 1967, making various adjustments in postal rates, establishing a commission on executive, legislative and judicial salaries whose function will be to review salaries of Federal executives, Members of Congress and Federal judges and submit a report of its views and recommendations to the President, and making it illegal for Federal officials to hire a relative. In addition, postal employees will receive a second pay increase of 5 percent in July of 1968, and the President would be authorized to give classified employees adjustments in July of 1968 to close one-half of the difference between their salary levels and comparable private enterprise salary levels. The final third phase adjustment is provided for July of 1969 for all Government employees to bring their salaries up to a par with private enterprise salaries.

Congress also enacted a military pay bill. It provides for an increase in the monthly pay of servicemen, effective October 1, 1967, a 4.5 percent increase for regular compensation, including basic pay, quarters, and subsistence allowance. Further, it provides for automatic military pay raises in the future that would correspond to salary increases for Federal civilian employees.

The first session of the 90th Congress acted to meet its responsibilities to our veterans.

We enacted into law the Veterans' Pension and Readjustment Assistance Act of 1967. This measure gives veterans and their dependents a cost-of-living increase in pension payments, provides full wartime rates of compensation for those injured during the Vietnam era, and pensions for those who become disabled, higher educational allowances for veterans attending college under the cold war GI bill and a number of new training programs under that law.

We acted to meet our responsibilities in the international field.

Public Law 90-7, Food for India, approved the participation of the United States in cooperation with other countries and multilateral organizations such as the World Bank, the OECE, and FAO, in international efforts to develop a self-help approach to the war on hunger, to assist India to achieve food self-sufficiency, and to help meet India's critical food shortages by providing agricultural commodities and other resources needed for food procurement or production. It also authorized the provision by the United States of up to 3 million tons of food grain to India, provided it was appropriately matched, and provided for the allocation of approximately $190 million in calendar year 1967 to cover the estimated cost of the grain. It also authorized the President to provide an additional $25 million of emergency food relief for distribution by CARE and other American volunteer agencies.

Public Law 90-88—the Inter-American Development Bank—authorized an additional U.S. contribution to the Inter-American Development Bank of $900 million over a 3-year period—fiscal 1968-70. This will cover the U.S. share of the $1.2 billion increase in contributions to the Fund for Special Operations of the Inter-American Development Bank agreed to at the Inter-American summit conference at Punta del Este last April. It represents a $150 million increase over the 3-year period compared with the previous level of the U.S. contribution.

The Congress in the Foreign Aid Authorization Act provided an authorization of $2,674,614,000 for foreign economic aid and military assistance for fiscal 1968.

We acted to extend the Peace Corps and authorized an appropriation of $115.7 million for this organization during fiscal 1968.

The Interest Equalization Tax Extension Act of 1967 extended the interest equalization tax for 2 more years. This measure is aimed at relieving the chronic U.S. balance-of-payments deficit by making it more expensive for foreigners to borrow from U.S. sources. The new law also gives the President the authority to eliminate the tax or set it at any level up to 50 percent above the current amount of the levy.

The Congress also acted in a responsible manner in the area of fiscal policy.

We faced up to our responsibilities in the fiscal area by twice raising the debt ceiling. Public Law 90-3 raised the temporary national debt ceiling limit from $330 billion to $336 billion through June 30, 1967. Public Law 90-39 increased the permanent national debt limit to $358 billion effective in fiscal 1968. It also provided a $7 billion increase in the temporary debt limit to $365 billion in subsequent years. In addition, it required that the face amount of participation certificates issued by the Federal National Mortgage Association for itself or other agencies for fiscal 1968 be included under the debt limit, and finally it permitted the Secretary of the Treasury to issue notes with a maturity of up to 7 years rather than the existing 5 years.

Congress met its responsibility to our cities. Appropriations for $10 million for rent supplements and $312 million for model cities was provided. In addition, an additional $750 million was provided for urban renewal, $165 million for water and sewer facilities under the community facility program, and $175 million for the urban mass transit program. The low-rent public housing program was continued.

Congress also met its responsibilities to small business. Public Law 90-104 amends the Small Business Act to increase the amount of loans, guarantees, and any other obligations or commitments which may be outstanding at any one time from Small Business Loan and Investment Fund, and to give small business investment companies access to more SBA money. The maturity for regular business loans made for constructing facilities was also increased from 10 to 15 years.

We have likewise met our responsibilities for the general public interest.

Congress acted to end the first nationwide railway strike in more than 20 years. Public Law 90-54 authorized the President to create a special board to mediate the rail dispute for the first 30 days of a 90-day period. If the parties did not reach agreement at the end of that 30-day period, the board was directed to hold hearings on the April 22 report of the special mediation panel. The board was then directed to make recommendations based on the April 22 report, if no accord were reached by the 60th day, and to submit them to the President and the Congress. If by the 91st day the parties had not reached an agreement, the terms recommended by the board would take effect. These recommendations would remain in effect until the parties settled their dispute, or until January 1, 1969, at the latest.

Congress also met its responsibilities in the judicial field.

We enacted legislation establishing a Federal Judicial Center to further the development and adoption of improved judicial administration of Federal courts. This Center will study court operations, develop recommendations for the Judicial Conference of the United States, stimulate and conduct training programs for judges and other judicial branch personnel, and provide staff assistance to the Judicial Conference. The Center is to be supervised by a board composed of the Chief Justice as permanent chairman, the Director of the Administrative Office of the U.S. Courts as a permanent member, two active Federal court of appeals judges, and three active Federal district judges.

It met its responsibilities to the District of Columbia. Reorganization Plan No. 3 replaced the existing three District of Columbia Commissioners with a single Commissioner and a nine-member City Council, nominated by the President and confirmed by the Senate. This organization plan went into effect on August 11, after the House on August 9 rejected by a rollcall vote of 244 to 160 a disapproving resolution. It will greatly increase the efficiency of the government of the District of Columbia.

It also met its responsibilities in the field of natural resources.

We enacted into law a measure authorizing additional appropriations for the saline water conversion program, from $90 million to $106 million for fiscal 1968 and authorizing the Secretary of the Interior to construct test bed facilities, and clarifying existing provisions in the law relating to the sequence of water conversion facilities to be constructed by the OSW.

We authorized the nuclear desalting plant. This measure authorizes the Interior Department to participate in the construction of a very large nuclear power and desalting plant in southern California. There is authorized to be appropriated $57.2 million as the Interior Department's share of the project's total cost of $444.3 million. The plant is to be built in cooperation with the AEC, the Metropolitan Water District of Southern California, and three California power companies. This southern California project offers the prospect of the first large-scale application of nuclear energy to the desalting process, the first large combined power and desalting plant, and the production of an unprecedented volume of commercially competitive desalted water.

This session of the 90th Congress has also dealt responsibly with the problems and opportunities surrounding America's role as a force for peace in the world.

The overwhelming majority of our Members, on both sides of the aisle, stand firmly with President Johnson on Vietnam. I think we would all agree that the United States has amply demonstrated its sincere desire to negotiate a peaceful and honorable conclusion to the terrible struggle in that troubled land. And I think we would agree further that the onus for peace now rests squarely with Hanoi.

It is Hanoi, not Washington, that has turned down more than 36 proposals for ending the fighting. It is Hanoi, not Washington, that refuses to even consider the possibilities of negotiations until all fighting stops and all allied troops withdraw from the South.

Vietnam is a painful and costly war. But there can be no quick and easy solution. In the meantime, the United States is determined to stay the course, fulfill its commitments, and uphold the principle upon which our intervention is based; namely, that the Communists do not have an open invitation to commit aggression upon weak and underdeveloped nations.

This Congress has demonstrated its support of the administration's position by both word and deed.

We have provided a $70 billion defense appropriation, the highest in our history, to keep our Nation secure at home and abroad. We have quickly passed H.R. 9481, a $12.1 billion supplemental appropriation for support of the military effort in Vietnam.

In addition, we have passed an $843 million military construction bill.

We acted to extend the military draft and related statutes for 4 years to July 1, 1971. The new law changes the name of the 1951 Universal Military Training Services Act to the Military Selective Service Act of 1967. Besides extending the draft for men ages 18½ through 26, or up to 35 for those who receive deferment, it continues the authority to issue special calls for physicians and dentists to age 35 when they have been deferred for professional education. It also suspends the permanent limitations on the active duty strength of the Armed Forces. The President would be prohibited from ending college undergraduate deferments unless he found that restriction or termination of such deferments was necessary in view of the Armed Forces' manpower needs. The President's existing authority to prescribe criteria for the granting of graduate and occupational deferments was continued. The measure also directs the Department of Justice upon the request of the Director of Selective Service to proceed as expeditiously as possible to prosecute draft law violations and requires that the Justice Department, in the event it failed to honor the Selective Service Director's request, to inform Congress in writing as to its reasons for failing to do so.

I submit that this is not the record of an indifferent, indecisive, or irresponsible Congress. It is the record of a determined Congress, determined to overcome political negativism and obstruction to support the leadership of the Johnson administration during these troubled times.

There are some who say "Congress should do more."

This could be said of every Congress, including the 89th. For no matter how much we accomplish, it is never enough so long as one American lacks opportunity or education or a decent house and future.

But by every realistic assessment, I think we can be proud of what we have accomplished during the past 11 months.

This Congress has performed well in spite of loud and persistent opposition from those committed to the proposition that we possess neither the funds, resources, or the will to build toward the progressive and humanitarian American society our people envision.

But I would also be less than candid if I leave the impression that we have completed the priority items on the legislative agenda. We shall return in January to confront several vital, unfinished matters. I am speaking, of course, of the tax surcharge proposal, truth-in-lending, and the safe streets act, among others.

The American people need this legislation. And I think they shall have it before the 90th Congress is finished.

In the meantime, we can assure President Johnson that the majority in this Congress will continue to support the legislative program of his administration. And we shall continue to do so, not out of blind partisanship or unthinking loyalty, but out of a conviction that this President and this administration reflect the real hopes and aspirations of the American people.

President Asks for Fair Share for the American Farmer

EXTENSION OF REMARKS

OF

HON. NEAL SMITH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. SMITH of Iowa. Mr. Speaker, in an excellent address over national educational television, President Johnson presented to the Nation the report of the National Advisory Commission on Food and Fiber.

As the President noted in his remarks, America owes much more to its farmers than we have returned to them.

Our farmers have made us the best-fed people on earth, they have richly contributed to our Nation's economic well-being, and they have enabled America to nobly respond to the pleas of the world's hungry millions. Yet, as the President put it, the farmer "gets less than his fair share of the prosperity."

For this reason, the President established 2 years ago the Advisory Commission to help America provide a fair income to its farmers and a fair profit to its food and fiber industries.

The labors of this special commission underscore the President's concern for finding the hard answers to farm problems which have eluded 35 Presidents.

Few men are as uniquely qualified to tackle the problems as President Johnson—as he said, "agriculture is a subject that has been very close to my heart all my life."

Let us hope that the Advisory Commission's report will equip his administration and the Nation with the tools to bring the full blessings of American prosperity to the American farmer and his family.

I include in the RECORD the President's remarks on the food and fiber report:

REMARKS OF THE PRESIDENT FOR NATIONAL EDUCATIONAL TELEVISION, FOOD AND FIBER REPORT, TELEVISED DECEMBER 7, 1967

Every man enjoys the chance to talk about something that he knows something about. I think that is even true of Presidents.

Agriculture is a subject that has been very close to my heart all of my life. My roots have always been in rural America. That is why I am very happy today to have this chance to remind my fellow Americans of the debt that I think we owe to the American farmer and to his family.

Our farmers have made us the healthiest and the best fed people in all the world, throughout all history. They have given us much more than just the necessities of life. Every day, they bring us a harvest of great quantity and rare quality—and they do it at a cost that the average housewife can easily afford.

Our farmers have shared the richness of their skill and the earth with a hungry world. They have literally saved millions of people from starvation.

American farm products are vital to our own economic health, and to our strength in the markets of the world. They form the largest part of America's international trade.

American farming techniques today are miracles that create many of the blessings of our abundance. Their efficiency is the envy and the hope of so many nations that seek peaceful and stable development.

Yes, the American farmer has given a great deal to his nation, and he has given much to the world. And—yes—he gets the short end of the stick in return.

Far too often, he gets less than his fair share of the prosperity that he has helped create and that he supports. He gets up at daylight, he works all day long, he comes home hot or cold and tired to his family—and he finally finds that he has been short-changed for his labors. So instead of going to bed, he sits up with his wife, wrestling with the unpaid bills and wondering how to meet the payments.

These things are pretty discouraging. The bills are hard to pay because the farmer himself is underpaid. We must do better by our farmers. We owe it to them to be fair. We owe it to ourselves to be just—and I am not sure that we have been either.

All of us—the college people, the government people, the city people, the farm people, the American people, if you please—should join in conscience and bring new life to the American farmer and to our agricultural programs.

Two years ago, I, as the President of the American people, established the National Advisory Commission on Food and Fiber to try to help us achieve that. We sought and secured 30 outstanding Americans to serve on this Commission. Dean Sherwood Berg, of the Institute of Agriculture at the great University of Minnesota, acted as Chairman.

The President asked this Commission to take a good, hard, long look at our agricultural and our foreign trade policies. I now have their findings and recommendations—and I am encouraged.

Their report will, I hope, move us forward to the goal we seek—giving a fair income to our farmers for their labors—and giving a fair return to the investor in our food and fiber industries.

That is our common responsibility as Americans. We ought to live up to that responsibility. We haven't lived up to it. We have to do something about it. So I am very grateful to every member of this Commission for helping us to recognize our debt to our farmers—for showing us how we must and how we may repay the farmer—in full.

I know that we don't have all the final answers. I know that many of them are around the corner that we haven't turned. But I do believe they will not come easy for any of us; and I do think that I ought to tell you this:—The search is underway.—The search is not going to stop.—We have the very best men that the President can find doing the searching.

"Farming," it has been said, "looks mighty easy when your plow is a pencil, and you are sitting back in an air conditioned room a thousand miles from a cornfield."

This Commission has not been looking at farming from an air conditioned room with a pencil over the ear a thousand miles from the farm. From the very first, this Commission understood that there were no easy answers to this problem. If there were, it would have been given to the 35 Presidents who preceded me. This Commission has rejected the extremes of pessimism and optimism.

Our farmers generally have a good deal of pessimism in their system and they have a good deal of justification for it. Now and then we have an adventurer and one that is overly optimistic.

But this Commission has looked instead, not for pessimism or optimism, but for constructive ideas—for fair proposals—for what they believe would be reasonable and yet realistic solutions.

Too often we have had idealistic people that had their eyes on the stars but did not keep their feet on the ground.

I hope, and I believe, that the Commission has succeeded in its general purpose. I believe we are all now better equipped in our national purpose.

So I am very grateful to all of you who believe as I believe—that there is a better day coming for the American farmer, particularly if the farmer himself will unite and will give some of his good hard-headed thinking to this subject.

I think that we need not wait until the cows come home to see this day come. Let's get with it. Let's go at it. Let's unite and put our shoulders to the wheel.

In adversity, you know, the family comes a little closer together. Now, things are not so bad as to say we are all living in adversity. But we do need to better conditions on the farms. If we don't, people are not going to be on the farms any more. There are too few there now. One of the reasons for all of our problems, is that so many have left the farms because they were forced to.

So let's try to put aside our prejudices and our selfishness and our individual viewpoints and try to find an area of agreement where the farmers of the nation can come together and unite in a common cause—a cause of moving forward for a better world for those who till the soil, and a better world for all of those who live in it.

Thank you very much.

Report on the 90th Congress by Congressman Ben B. Blackburn, Fourth District of Georgia

EXTENSION OF REMARKS

OF

HON. BENJAMIN B. BLACKBURN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. BLACKBURN. Mr. Speaker, as the first session of the 90th Congress moves toward adjournment, I have had time to think about some pieces of major legislation which we have acted upon. It is quite obvious that the actions of the 90th Congress will have a major effect on the lives of all Americans for many years to come.

Therefore, I have decided to send a newsletter to my constituents explaining the actions taken by this Congress. For my colleague's information, I hereby insert my monthly newsletter into the RECORD:

REPORT ON THE 90TH CONGRESS BY CONGRESSMAN BEN B. BLACKBURN, FOURTH DISTRICT OF GEORGIA

DEAR FRIENDS: The 90th Congress is now over, the results in, and its theme: *"return to responsible, representative government."* Most obvious in the House; not so obvious in Senate where Johnson controls. The Administration procedure this year was to depend on large Senate majorities to force compromise on most of its War on Poverty bills and appropriations bills. House would vote cuts in spending; Senate would authorize more than Administration asked for; then, be able to drive bills through in conference committees. Only one vote for House conferees and one for Senate conferees there. Compromise bill usually resulted. No bill is all bad.

War on Poverty legislation is example. Poverty does exist; efforts to eliminate continued. But, not by direct hand-outs. One of first bills I introduced (*H.R. 4582—Human Investment Act*) provided a tax credit to industry for setting up manpower training programs to increase skills of the poor. Called for locating these industries in blighted or poor areas. *I believe private enterprise system can best train labor forces "on-the-job."* Present program encourages recipients to seek "something for nothing"; discourages seeking employment; encourages illegitimacy and indolence.

Joined Senator Charles H. Percy (R. Ill.) and number of House colleagues in co-sponsoring *Home Ownership Foundation Act*. This bill encourages and permits home ownership by low income groups. Home ownership stabilizes families; develops pride and responsibility. Also, joined colleagues in co-sponsoring the *Goodell bill for "Economic Crusade"*. This was alternative to O.E.O.; called for structural changes in welfare programs. Would have broken up O.E.O., put functions under Departments already established; would prevent federal agencies from bypassing state organizations; would prevent O.E.O. personnel from building political organizations. I felt an affirmative vote for O.E.O. was an endorsement of inefficiency and waste.

Next year, above bills will be pushed. Many House Democrats favor this approach. Many joined with us this year, reacting to widespread discontent with administration policies by constituents. Tax increase legislation is good example. Republican leadership, *supported by many House Democrats,* asked for no tax increase unless accompanied with sizable cuts in non-defense spending. Johnson refused. House Ways and Means Committee, chaired by Wilbur Mills (D. Ark.) refused to do anything about taxes unless Administration, in good faith, cut spending. Deficit spending by federal government is primary source of inflation. *Tax increases have been used to stabilize small inflationary trends, but would not be sufficient now to cut deficit by more than 6 billion.* Let's look at this.

Spending and taxes were basic issue in 90th Congress. Since 1961, Administration spent 61 billion more than taken in, mostly non-defense spending. Between 1960 and fiscal 1968, increased from 48.6 billion to 95.6 billion. "Guns and butter" was Johnson law, and to persuade 90th Congress to pass tax increase *he deliberately underestimated cost of Vietnam War to make deficit look small.* Look at documented record. January. Johnson forecast deficit of 8.7 billion. By June, this was 11 billion. By June 30th, Congress estimated true deficit of between 30–35 billion. Gardner Ackley, top Johnson economic advisor, cried "Outrageous". Johnson reversed him six weeks later, admitted "29 billion deficit possible". *Credibility gap very real here.* To say 21 billion error in forecast in six months was "poor planning", as Johnson admitted, was ridiculous. *It was deliberate, designed to mislead Congress and American people.*

Johnson's tax proposals followed identical pattern. In January, he said he would propose a 6% surtax. Months passed. No proposal. *On August 3rd, his tax message was sent, but for 10%!* He promised two billion cut in spending, if Congress would approve tax proposal. House Ways and Means said only a token gesture, refused to take any action until Johnson made real cuts. When Britain devalued pound, Johnson rushed to Congress. A tax cut now "necessity to rescue the dollar." Promised real cuts, but figures were rigged. *More than half of four billion in cuts were not real cuts, but "savings".* Ways and Means Chairman Mills again was not fooled, again refused to consider bill for tax cut. Credibility again very suspect. *Promises by Johnson broken here time after time.* Agencies issue false reports on command; press issues big headlines on Johnson positions, later shifted, but not reported *American people reject this type of government.*

It was a busy year for your Congressman. *Of 22 bills entered,* most far-reaching were those providing for the Human Investment Act; *H.R. 7608, providing for increasing the Standard Income Tax Deduction from $600.00 to $1,000.00;* H.R. 13313 providing for allowing Diploma Schools of Nursing to participate in funds available under the National Nursing Act. Sixty-five percent of the nurses graduated each year are from diploma schools. *H.R. 13503 provided for a tax credit for higher education, up to $675.00; includes colleges, business, technical and vocational schools;* H.R. 13753 provides a mandatory penalty of 10 years for first offense committed with weapon that has moved in interstate or foreign commerce; 25 years for second offense. *Does not affect average citizen in any way.*

Also entered bills *to prevent Supreme Court from overruling or reviewing* decision of lower courts where confession, *freely obtained,* was used in evidence; a resolution demanding *Johnson cease and desist from withholding highway funds;* one stating the *Panama Canal is vital to our defense* and must remain under U.S. jurisdiction; one calling for *overthrow of Castro;* one instructing Attorney-General Ramsey to *prosecute all who willfully violate Selective Service Act,* burn draft cards; and one, to *bring the anti-riot bill* before the House for consideration.

Your Washington office and new District office (now in former post office building in Decatur) is staffed to serve *you. Nearly 400 cases were processed* this year—problems constituents had with the military, social security, draft boards, H.E.W., H.U.D., and others. *Can't guarantee success everytime,* but do help in most cases. Cut red-tape mostly, get answers fast when emergencies face you. *If you visit Washington, office arranges tours*—White House, Congress, F.B.I. Staff has "can-do" attitude, proud of their opportunity to serve you.

First come, first served. Some 400 brand-new annuals from Department of Agriculture, Outdoors, U.S.A. Also, some *500 Vietnam War Maps,* and *over 200 new Congressional Calendars for 1968.* Just write for your free copies to: Congressman Ben B. Blackburn, Fourth District of Georgia, 1019 Longworth House Office Building, Washington, D.C. 20515.

This Report is being sent to every home in the Fourth District. It's paid for by me and *anyone else who sends in a donation for this purpose.* It's been our experience that news of what Congress is doing occasionally is very spotty, facts are lacking. Stories, especially about Republicans, are often not complete; lack depth; often slanted. Feel you would rather receive periodic reports; get my point-of-view so you can evaluate it in line with your thinking on vital issues. *Let me hear from you on this.*

Thank you very much for letting me serve you in Congress,

Very Sincerely yours,

BEN B. BLACKBURN,
Member of Congress.

Salute to Tennessee's 1967 Volunteer Team

EXTENSION OF REMARKS

OF

HON. W. E. (BILL) BROCK

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. BROCK. Mr. Speaker, it is a well-known fact that we Tennesseans take our football seriously. For this reason, I hope that my colleagues will forgive me a little serious bragging on the exploits and accomplishments of the Nation's finest football team.

The University of Tennessee's 1967 Volunteer team has just recently completed one of the most successful and inspiring seasons in the school's football history. Despite a crippling series of injuries to key players, the Vols fought through one of the toughest schedules in college football to compile a 9–1 record, win the No. 2 position in both major national rankings, and earn an invitation to play in the Orange Bowl classic at Miami on New Year's Day. This justifies a little bragging.

When Coach Doug Dickey talks about the 1967 Vols, he always stresses the word team. No one can deny that what Coach Dickey and his boys accomplished required a maximum of cooperation and unity of purpose. It also required that each player possess that extra measure of courage, personal responsibility, and pride that makes up a champion. Tennessee is proud of every man.

I could spend some time talking about individuals, for there were many great performances by outstanding players. Dewey Warren, hobbled all season by injuries, still managed to turn in some spectacular duty at quarterback. Charlie Fulton and Bubba Wyche, Walter Chadwick and Derrick Weatherford, were all outstanding. Albert Dorsey, the tough defensive back, and Richmond Flowers, the lightning-fast flanker, have been honored by selection as All Americas.

But, I feel compelled to express a great deal of extra pride in a young man from the city of Cleveland in my own Third District of Tennessee. His name is Bob Johnson, and you will find him listed on every All-America team.

Longtime Vol watchers have labeled Bob as the best center in the team's history. He is a great blocker; a hard competitor with the size, strength, speed, and natural ability to earn lasting respect from teammates and opponents alike. Coach Dickey has characterized Bob as an excellent leader both on and off the field, a player who can be counted on to do his job on every play of every game. That is a pretty solid rating, and one in which I wholly concur.

I salute Tennessee's Volunteers and Bob Johnson and hope to be at the Orange Bowl when they win their next great victory. As representatives of our State, they are a real source of pride to every Tennessean.

Washington Newsletter to Wisconsin's Sixth District

EXTENSION OF REMARKS

OF

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. STEIGER of Wisconsin. Mr. Speaker, today I am sending a report of my work during recent weeks to the constituents of my district who have indicated that they want to receive my regular reports. At this time I wish to place in the CONGRESSIONAL RECORD the text of my Washington Newsletter:

DEAR FRIEND: This is the first of my monthly newsletters to go to those who are requesting it. As you can imagine it has taken some time to alphabetize your cards and prepare mailing plates for the many who wish to be included. All is in order now, and you will receive this on a regular monthly basis. If your address is incorrect, or if you receive a duplicate, please let me know.

With this newsletter I enclose the results of my questionnaire. And, again, I want to thank each of you who responded.

There is much to report. As you know, the House of Representatives has passed the Economic Opportunity Act. Passage of the poverty bill capped six months of study of the complex program. Hearings took place in the Committee on Education & Labor, on which I serve. After spending untold hours examining antipoverty projects, I was deeply and genuinely disappointed that the type of meaningful redirection I had pressed for was not accepted by the House. What was accepted fails to provide sufficient citizen and private sector involvement which I believe is crucial. My vote in favor of passage is a recognition of the urgent need but I am determined to press for further congressional action to improve this program.

ACTION ON MINK IMPORT PROBLEMS

Earlier this year I sponsored a meeting for sixth district mink ranchers to meet with appropriate officers in the federal government. The meeting attracted mink raisers from throughout Wisconsin and the Midwest. Since then telegrams have gone out from Secretary of State Rusk's office urging an evaluation of foreign mink production with an eye to making informal agreements which might decrease mink imports.

Some progress has been made. Reports from abroad indicate mink imports in 1968 shouldn't have the disasterous effect on mink ranchers here that those did in 1967.

We are still far from a solution. But the work done by 6th district mink ranchers in presenting their problems to federal officials has performed a major role in helping the entire U.S. mink industry.

FOREIGN AID LOWEST IN 20 YEARS

On Nov. 8, the House passed the lowest annual authorization for foreign aid in the 20 year history of the program. The $2.6 billion was $787 million less than the smallest previous appropriation.

I voted to reduce the foreign aid appropriation because I believe more must be done to promote the self-help approach in foreign assistance (typified by U.S. technical assistance programs) rather than persist with a program that has long proven so ineffectual.

ROLL CALLS HIGHEST IN 20 YEARS

The House in 1967 has had more roll call votes than in any other year since World War II.

As of Dec. 6, the House has answered 427 roll calls for quorum calls and record votes. I've answered 407 of these, and have an attendance record of 95%.

I frankly was unhappy with the slow progress of the 90th Congress early this year, and I had hoped we could adjourn well before December. For this reason I joined with 27 of my colleagues in asking that the Speaker of the House schedule sessions on Friday and Saturday if necessary. Since then Congress has held session almost every Friday. While important legislation has not come up we have been able to get some bills out of the way.

Although Friday sessions and increased Committee work have decreased my travel to the 6th district, I think we all agree that a full Congressional work week is a healthy step toward better government.

Janie and I plan to be home in Oshkosh during the holiday season. Congress is not expected to return until about Jan. 15. I will be having office hours in each of the 7 counties of the 6th district, and I look forward to seeing many of you.

ATTACK ON INLAND LAKE POLLUTION

Pollution of Wisconsin's inland lakes is the target of H.R. 13312, a bill that I introduced Oct. 4.

The bill provides for grants to local and state officials developing effective ways to save inland lakes.

H.R. 13312 has been endorsed by the Department of the Interior. A similar bill has been reported favorably by the Committee on Public Works, in the Senate. I am hopeful (with help from 12 other members who joined in introducing this measure) that we will hold hearings and pass the bill.

This move could be a real boost to Lake Winnebago, Green Lake, Randon Lake, Elkhart Lake, Big Cedar Lake, Lake Butts des Morts and our other inland lakes.

I have received a limited allotment of Vietnam maps. As long as the supply lasts I'd like to make them available. Particularly I would welcome requests from families of military personnel serving in Vietnam, for I am sure your letters and the news reports would be made more meaningful with this map for reference.

My very best wishes for 1968.

WILLIAM A. STEIGER.

Advances in Agriculture

EXTENSION OF REMARKS

OF

HON. JOHN G. DOW

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. DOW. Mr. Speaker, today because of farm programs fought for and won by a Democratic administration and Democratic Members of the Congress, the agricultural market is freer of Government control now than it has been for 30 years, and nearer supply-demand balance than it has been for half a century. Most of our farm programs are now voluntary.

The surpluses of the fifties are gone. The Commodity Credit Corporation investment in farm commodities is down to $3.59 billion, a reduction of $2.39 billion from the previous year, and about $5 billion less than the peak investment years of 1956 and 1959. And equally important, the surpluses were worked off without depressing farm income.

Instead, prices of commodities in surplus moved steadily up as the surpluses were put into use. Since the Benson era ended, leaving us with a stockpile of 1.4 billion bushels of wheat and 85 million tons of feed grains, American farmers have had 6 years of steady progress. The contrast between the last 6 years and the 8 that preceded them—1953 to early 1969—is startling.

In the 8-year period ending with 1960, net farm income dropped $2.4 billion—a loss of 17 percent. In the 6 years since 1960, net farm income rose $4.6 billion—a gain of 40 percent. Net farm income in

1966 reached its second highest point in history, jumping to $16.4 billion.

In the Benson years, gross farm income rose only 3 percent. Since 1960, it has risen 31 percent, and in 1966 alone, it rose to $49.5 billion—an alltime record.

Net income per farm, between 1952 and 1960, rose by 9 percent; in the 6 years since, it rose 70 percent, reaching $5,049—the highest in history—in 1966.

Six years ago, U.S. agricultural exports had climbed to a then alltime high of $4.8 billion. Last fiscal year our exports were $6.7 billion—up 44 percent—and rose above $6.8 billion in 1967, despite increasingly stiff competition from abroad and less tonnage in certain commodities.

Our dollar sales have grown rapidly, from $3.3 billion in 1960 to $5.1 billion in 1966—nearly a 60-percent gain. We set a new dollar record of $5.4 billion this year—more than our total shipments amounted to in any year prior to 1963.

A decade ago, domestic farm policy was largely out of tune with exports—and our exports showed it. One of the important goals since a Democratic administration took over in 1961 has been to design and administer wheat, feed grain, and cotton programs to encourage a maximum flow into world trade, for the benefit of U.S. producers. We now have some 37 percent of the world wheat trade—almost half the world feed grain trade—and over 90 percent of the world soybean trade.

The programs enacted during the past 6 years also enable us to make better use of our abundance. At least 45 million Americans—12 million more than in 1960—are now being helped to better diets, better nutrition, better health, through various food distribution programs.

In 1961 the food stamp program was launched on a pilot basis in eight areas. It is now operating in about 838 communities and serving 1.8 million needy persons. On September 27, 1967, President Johnson signed into law S. 953, the bill providing a 2-year extension of the food stamp program and authorizing appropriations of $200 million for fiscal 1968 and $225 million for fiscal 1969. Prior to passage in the House, an amendment which would have required States to pay 20 percent of the cost of the program—heretofore they were only responsible for administrative costs—was rejected by a 173-to-191 rollcall vote. Voting for the amendment—which would have seriously crippled the program in many States and ended it in others—were 82 percent of the Republicans. On passage of the bill, 70 percent of the Republicans voted "nay," thus showing their lack of concern for both the poor whose food-buying power is increased by the program and the farmer who benefits from the increased food consumption created by this buying power.

Another way in which our food abundance is being better utilized is our food-for-India program, which earlier this year was expanded to meet the emergency situation in India created by a 2-year drought. As enacted, Public Law 90-7 provides congressional approval to supply India with an additional 3 million tons of food grain for calendar year 1967 at an estimated cost of $190 million as the U.S. share toward meeting the India food deficit. It also provides for an additional $25 million of emergency food relief for distribution by CARE and other voluntary agencies.

Other legislation that has been acted on in this session that would benefit rural areas includes:

The Wholesome Meat Act—or the Meat Inspection Amendments: signed by the President today, H.R. 12144 authorizes a program of federal assistance to States to enable them to upgrade their meat inspection programs to a level at least equal to Federal inspection. It also directs the Secretary of Agriculture to step in and impose Federal inspection in States which fail to adopt adequate inspection within 2 years, and permits the Secretary—if State officials refuse to act—to assume inspection of any intrastate plant producing dangerous meat. This bill will assure livestock producers, as well as consumers, of upgraded meat inspection practices throughout the Nation.

Commodity Exchange Act Amendments (H.R. 13094): Passed by the House November 29, the bill amends the Commodity Exchange Act in such a way so as to provide incentive for more cooperative action between the Commodity Exchange Authority and contract markets in order to minimize the effects of abusive situations now in existence, and thus improve the dignity and usefulness of futures markets.

Economic Opportunity Amendments of 1967 (S. 2388): Cleared for the President December 11, the bill includes a program for rural areas which would extend to the elderly eligibility for loans to rural residents to assist in initiation or expansion of agricultural or nonagricultural enterprises that will enable them to increase their income; and authorizes $47 million for this rural loan program and for migrant programs.

Dairy farmers indemnity payments program extension—Public Law 90-95: With the original dairy indemnity authority due to expire June 30, 1967, this bill was passed extending through fiscal 1968 the authority of the Secretary of Agriculture to make indemnity payments to dairy farmers ordered to remove their milk from commercial markets because it was contaminated by pesticides registered and approved for use by the Federal Government.

Rural telephone bank (H.R. 12066): Reported favorably by the House Agriculture Committee October 6, the bill provides supplemental financing for the rural telephone program and establishes a rural telephone account and rural telephone bank.

One program, which would have added thousands of dollars to the pocketbooks of distressed wheat farmers, was defeated in an Agriculture Committee's subcommittee recently by the Republican members. The bill, H.R. 12067, provided for the establishment and maintenance by the Commodity Credit Corporation of reserve stocks of agricultural commodities for national security, public protection, meeting international commitments, and other purposes, and would have raised the price of every bushel of corn, grain sorghum, wheat, and soybeans for every farmer in this country. It is unfortunate that Republicans cannot translate their criticism of Democratic programs into constructive alternatives, rather than simply reacting negatively to everything proposed by the Democrats.

In all probability net farm income will be down this year from last year's near-record high and Democrats are doing everything they can to improve the situation. We realize that there is legitimate reason for concern on the part of farmers today. But, while the buying power of the various programs such as the school lunch program and the food-for-freedom purchases is being skillfully used to strengthen farm prices, under present law and marketing practices, there is not much more the Government can do. In these no-program commodities, the farmer is essentially going it alone in the market. And some 60 percent of farmers' cash receipts come from the sale of crops and livestock not covered by farm programs. Here the responsibility for maintaining supply-demand balance, and therefore strong prices, rests primarily with the farmer himself. But much can be done by farmers themselves to gain muscle in the marketplace.

A fairly new concept of increasing farmers' bargaining power has been making the rounds in agricultural circles. And should this issue come to the forefront sometime in the near future, I cannot predict what the Republican Members—who have voted consistently against every farm program for the last 6 years—will do. But the ideas of the farmers themselves—when and if this concept or any other is put forward—will be sympathetically considered by the members of my party which has pioneered other farm legislation ever since the days of the New Deal.

Senior Citizens Conference

EXTENSION OF REMARKS

OF

HON. ROBERT DOLE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. DOLE. Mr. Speaker, on Saturday, December 9, it was my pleasure to conduct a Senior Citizens Conference in Salina, Kans.

Despite cold, wet weather, nearly 500 residents from Saline, Ottawa, Cloud, Republic, Jewell, Mitchell, Lincoln, and Ellsworth Counties attended the afternoon conference in the Salina High School auditorium.

Designed to review and explain Government programs affecting persons over age 60, the Salina conference was the first of a series to be held in western Kansas.

Similar conferences have been conducted by other members, and I felt the idea was worthwhile because of the volume of mail I have received reflecting substantial interest in and some confusion about programs for senior citizens.

It was gratifying, therefore, to hear the panel discussion by Federal and State officials followed by a lively exchange of questions and answers.

Panel members were: Mrs. Loudell Frazier, of Topeka, director, division of services for the aging, State Department of Social Welfare; E. H. Hagan, of Salina, Social Security Administration; John M. Hobble, of Wichita, management assistant specialist, Small Business Administration; John B. Mathena, Jr., of Salina, Kansas Veterans' Commission; and Virgil E. Neil, of Wichita, Veterans' Administration Center.

Since it is highly important to focus attention upon the problems and challenges of growing older in modern-day America, I include in the Record my remarks and a brief summary of the panel members' remarks, as follows:

Remarks of Congressman Bob Dole at the Salina Area Senior Citizens Conference

It is good to see so many here this afternoon. I feel privileged to have an opportunity to participate in this conference and am hopeful it will be helpful to you.

By coming together to explore new ideas and to review existing government programs affecting senior citizens, perhaps we can alert the people of Kansas, and the Nation, to some of the challenges and problems in this vital area.

Senior citizens. Who are they? To me—my mother and father. To my daughter, they are "grandma" and "grandpa." To statisticians, they are 19 million Americans. To the panel members and me today, they are you.

DRAMATIC DEVELOPMENTS

In your lifetime you have had front-row seats in witnessing dramatic developments in science, communication, manufacturing, and transportation. As individuals, you have helped create progress. During this same period, medical science and nutrition were making quiet, but revolutionary advances into life expectancy. As medical science tacked on years to life, it thrust upon us the need to adapt to an entirely different set of personal and social problems; for example: To live again as a 2-person family for 14 or more years after the last child has left home; to experience additional years of widowhood; to leave the labor force; to make constructive, satisfying use of increased leisure time; to live on reduced income; to face waning physical energy; to accept changes in housing.

As a Nation, we were rather not prepared to deal with these problems. There had always been senior citizens, but not in such large numbers. More than anything perhaps, it was the impact of numbers which awakened the American people and, more particularly, those at all levels of government.

INCREASED NUMBERS

Let's look, for a moment, at the figures. At the turn of the century, for example, there were just over three million persons over 65 in the United States. Today the figure has skyrocketed to 19 million senior citizens—six times as many as in 1900.

In Kansas, the numbers are even more startling. Last year in this State, senior citizens comprised over 11 percent of the population. From 1960–66, the total Kansas population grew 3.2 percent, while senior citizens' population grew 7.1 percent—more than double.

Future predictions are equally dramatic. The Administration on Aging says 1985 will see 25 million senior citizens. In the year 2000—just 33 years from now—there will be more than 28 million.

Simply because there are more older people today than there were some sixty or so years ago is not enough to bring about a change in attitudes toward growing older. As you know, a great deal has been done to help meet the problems which confront older Americans, yet regrettably, our attention on problems has made it almost impossible to highlight the strengths and assets which the aged possess and which are not being utilized by our communities to their fullest degree. It is up to you, therefore—the people in this audience—to demonstrate to your communities and State that you are no longer satisfied to remain outside of the mainstream of community affairs, that you have a wealth of knowledge and experience which can be of value to the community, and that you are entitled to an opportunity to continue the contributions which you have made in the past to build a vigorous and strong America.

WHAT IS BEING DONE?

Now having said this, what is being done to meet the needs of senior citizens?

At the national level, the Congress has enacted a great deal of legislation which directly or indirectly benefits the older citizens of this State. We have representatives at the conference from agencies of the Government whom I'm sure can tell you of these many and varied programs, such as social security, veterans' programs, and programs which utilize the experience of retired businessmen and farmers to help others getting started in their communities, and the many other Federal and State programs which benefit or involve the older people of Kansas.

As you know, we in the Congress are working now to bring about needed improvements in a number of these programs. Major changes in the social security and medicare programs will be forthcoming shortly. Action is being taken to open new employment; the Older Americans Act, a program which enables the State to evaluate its own needs for the elderly as it sees fit, has been extended this year.

Those of us who are concerned with providing opportunities for older people must assure that the elderly receive their rightful place among the Nation's priority structure and that we work to support programs and national policies which will help older Americans preserve their dignity—their independence—and their security.

To preserve the dignity of the individual older person, we must recognize that retirement from employment is not retirement from life, and that there must exist, therefore, opportunities for older people to continue their contributions. To preserve independence does not mean that each older person must be expected to fend for himself at all times. But it does mean that there must exist varying programs of assistance and real alternatives from which the older person may choose a course of action for himself.

SELF RELIANCE

If we take away self-reliance, we destroy personal dignity. Loss of dignity is no less important to the elderly than it is to the young. To preserve security, we must begin to eliminate policies and practices which serve only to highlight the problems of older people, particularly those which necesarily involve dependency. We must guarantee economic security by protecting the income sources of the older person from the ravages of inflationary pressures. We must guarantee physical and social security by assuring that alternative living arrangements exist for those who wish to relieve themselves of chores which are burdensome and the source of difficulty.

Dignity, independence, and *security*—these, then, are our goals. Older people like all people are distinct from each—their interests, capabilities, limitations, and desires vary widely. We must therefore provide the widest possible latitude for the expression of these differences.

CHANGE OF ATTITUDE

Perhaps the most significant change in the attitude of Americans toward growing older has been the recognition that there is no single "best" solution to all the problems and needs of the elderly. I hope that this conference will continue to find these new alternatives to the problems of the elderly, and in so doing will help us reach a new appreciation and understanding of the rather important role and distinction of being a "senior citizen".

Fortunately for all of us, greater attention to the needs of the older individual is being given, and we are casting aside the ignorant and fearful stereotype of the dependent, helpless, and useless older person. Much of our difficulty in coming to grips with the problems of growing older, I suspect, has been caused and compounded by the fact that we value youth and youthful things so highly. Holding this value dearly, many Americans still look upon the prospect of growing older as a depressing prospect, usually without reason. Wisely, however, we are beginning to see that the stereotype of constant youth, just like the stereotype of old age, is an outworn concept.

The elderly have special problems requiring special programs and attention—of this there can be no doubt—and we have indeed come a long way in finding many solutions to some of these problems. What we have failed to do is to define the role the elderly can play in contributing to the growth and improvement of our communities and Nation as a whole. To help in this definition, we in the Congress, and for that matter, the American people, are turning largely to you, since you better than anyone else know what is needed and the best manner in which we can meet these needs. This, then, explains the reason for the conference and others being planned in western Kansas. I hope they will be productive and successful and, above all, beneficial, in some way, to you.

Remarks by Panel Members

The following are brief descriptions of the subject matter of each panelist.

John Hobble, Small Business Administration: Hobble discussed the opportunities available to senior citizens with business experience through SBA's Service Corps of Retired Executives (SCORE). Through this program, he said, senior citizens can help guide and strengthen small businesses.

E. H. Hagan, Social Security Administration: In his remarks, Hagan pointed out senior citizens should contact their Social Security office on at least three occasions—(1) when they reach age 62 or 65; (2) if they become disabled before age 65, and (3) if some working member of the family dies.

Discussing the Medicare health insurance program, Hagan said payment of claims can be speeded up by insuring proper completion of claim forms. When poor health prevents a personal visit to the Social Security office, Hagan said senior citizens may request home calls by a Social Security representative.

John Mathena, Kansas Veterans' Commission: Mathena pointed out the Kansas Veterans' Commission helps veterans file claims for benefits due them.

The Commission, he said, maintains the Kansas Soldiers' Home at Fort Dodge near Dodge City. In addition, he noted the Commission helps provide indigent veterans with clothing, food, shelter and medicine.

Virgil Neil, Veterans' Administration Center: Neil said the Veterans' Administration Center in Wichita administers veterans benefits for about 284,000 Kansas Veterans.

In his remarks, Neil reviewed recent increases in veterans benefits.

Mrs. Loudell Frazier, Division of Services for the Aging, State Department of Social Welfare: Mrs. Frazier described the educational and recreational services and resources available through the Division of Services for the Aging. She also explained how the Division administers Title III of the Older Americans Act of 1965. Title III provides grants to the states for community planning, services and training to aid senior citizens.

Report of Trip to Vietnam

EXTENSION OF REMARKS

OF

HON. WILLIAM O. COWGER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. COWGER. Mr. Speaker, on November 9, 1967, I stated on the floor of the House that upon my return from a 2-week inspection tour of Southeast Asia I would make a report to my colleagues in the U.S. House of Representatives. The following is a preliminary report of my activities:

REPORT FROM VIETNAM

This month my entire Report From Congress is being devoted to giving you my impressions of our country's involvement in Vietnam derived from my recent trip to the war zone.

Realizing that Vietnam is the single most important issue facing our nation today, we organized a fact-finding team and toured the area entirely at our own expense, seeking answers to the many questions arising from the conflicting array of reports and rumors reaching us by press and commentary. Our team included a renowned political scientist, a businessman, a minister, a farmer, a mayor, a housewife, and another Congressman. Each in his own way was particularly suited by experience, or particularly interested for personal reasons, in this project. Our intention was to study first-hand the military, political, economic and social war in Vietnam. For more than three months this team of experts has been studying American commitments in the Pacific.

SAIGON

We arrived in the capital city of Saigon which has been called the Paris of the Far East and the Pearl of the Orient. Well—don't believe it. Saigon is like every other city I have seen during war time. It is hard to believe, but after three years of United States all-out effort, you can still see and hear the war within a few miles of the capital city. Just a few weeks ago the communists threw three rounds of mortar fire at Vice President Humphrey, less than 300 yards from my hotel. On every important street corner you will find gun emplacements. We have almost 60,000 American troops in the area, but the province is far from being safe and secure. In the 4th Corps area, just South of Saigon, it is estimated that there are 80,000 of the enemy. The Iron Triangle to the North of the city is still being hit by our big B-52 bombers.

The first order of business after arriving in Saigon was to attend a conference at the United States Military Assistance Command Headquarters where we were brought up to date on military operations and current intelligence. We were also briefed by officials of the United States Agency for International Development who explained economic stabilization, pacification, educational and civic development and agricultural programs.

In order to cover as much territory as possible, our group divided itself. Some toured military installations at Long Binh, North of Saigon; some met with religious leaders, while others visited industrial projects and farming areas.

THE NATIONAL GOVERNING BODY OF SOUTH VIETNAM

I attended a session of the newly elected Constituent Assembly which is the national governing body of South Vietnam. The Senate is elected for a term of six years and each Member represents 100,000 citizens. The House of Representatives is elected every four years and each Member serves a constituency of 50,000 voters. The National Assembly meets twice a year for a three month period, April through June, then recesses and is back for another session, October through December.

It was a real privilege to witness the legislative process in the newest democracy in the world. I am confident that this government will succeed. True—it must walk before it runs—but succeed it will.

DA NANG AND THE BATTLE ZONE

In an Air Force T-39 twin jet aircraft, I flew from Ton Son Nhut Air Force Base near Saigon to Da Nang, our Marine Corps center of operation and the I Corps area near the 17th parallel. Flying North, we followed the Cambodian border over the Central Highlands near Pleiku and directly above the fighting at Dak To. This important battle started when elements of a North Vietnamese Army Division attempted to overrun an American Special Forces camp. We moved troops of the 4th Infantry Division and units of the South Vietnamese Army into the battle area. This fire-fight continued for several days. At Da Nang, I transferred to a Navy observation plane and took off for an air inspection of the battleground around the demilitarized zone. We flew at an altitude of only 2,500 feet, which is just high enough to be safe from ground fire, but not high enough to worry about the Russian made S.A.M. missiles. I occupied the co-pilot's seat where there was a perfect view of the DMZ, Con Thein and the Marine outposts along the line. Just below us, ground control was calling for Naval offshore shelling and at the same time we could hear on our earphones American pilots in the area requesting new bombing targets. There was also a warning that "bandits" were in the sky, which meant that enemy MIG fighters were in the air to the North of us. We could plainly see the effects of the B-52 bombing near the DMZ where we had completely saturated an enemy stronghold. We made three passes over the area and then headed back to Da Nang.

The next day I made a tree-level inspection of Da Nang and our Marine outpost on the perimeter of the city. Our turbo jet helicopter carried us up in the mountains to the First Marine Division Headquarters. All the United States Marines are stationed in I Corps with the Third Division fighting up near the DMZ and the First Division fighting in the Da Nang area. The 24,000 Marines in the First Division have a large territory and over one million people to protect. The Korean battalions are providing excellent support to the South of us. These Rock forces are deployed to protect Highway One on the way down the coast to Cam Ranh Bay.

From Da Nang, I flew out to the U.S.S. Coral Sea, an American aircraft carrier operating off the coast of North Vietnam. It was quite thrill to land on a moving carrier and to be catapulted off in a twin turbo jet Navy plane. Catching the wire on the deck calls for precision flying.

OUR FLEET OPERATIONS

The U.S.S. Coral Sea is the flagship of the American fleet operations at Yankee Station in the Gulf of Tonkin. Our fleet consists of five aircraft carriers—The Coral Sea, the Intrepid, the Oriskany, the Kitty Hawk and the Ranger. We also have a cruiser, numerous destroyers, and other support craft.

The primary mission of our fleet is to bomb strategic enemy military targets in North Vietnam. Navy bombers have carried out thousands of sorties against the enemy. Important targets have been the capital city of Hanoi and the port city of Haiphong. MIG aircraft bases, railroads facilities, ammunition dumps, troop concentrations, bridges and highways have all felt the weight of our bomb and missile strikes. My former service, the United States Navy, is playing a vital role in our war effort in Vietnam.

THANKSGIVING

It was my privilege to have Thanksgiving dinner in the crew mess hall of the Aircraft Carrier Coral Sea. There were twenty-seven Kentucky sailors serving on this carrier, with eight of the group being from Louisville. While enjoying our turkey and pumpkin pie, we discussed our nation's war effort in the Far East. To a man, they understood why they were there, the commitments our country had in that part of the world, and their individual willingness to see to it that the United States honor its commitments. At the same time, they assured me that their families back home understood and had an appreciation for the reasons they were fighting this war.

These twenty-seven Kentuckians also had some questions for me. They wanted to know about the peace groups, the draft card burners, and the Pentagon marchers. Because they were taking part in a day-to-day operation of our bombing of North Vietnam, they questioned me about the off-limit targets that have been denied our pilots. Actually, the morale of our fighting men is excellent. Sure—they would prefer to be home—but they are there and are willing to accept their share of responsibility for our commitments in the Pacific.

THAILAND AND TAIWAN

Following my trip to Vietnam, I visited Bangkok, the capital city of Thailand. This country is one of our best and most loyal allies in the Far East. There are 2,500 Thai soldiers fighting in Vietnam as a result of a call for volunteers. Twenty thousand responded, so the Thai government is increasing its military involvement to a full division. In addition, Thailand is allowing the United States the use of its airfields to make bomber and fighter strikes against North Vietnam. There are 40,000 American Air Force personnel in Thailand manning the giant B-52 Bombers. They not only provide support for our ground troops near the DMZ, but also bomb military targets in North Vietnam.

United States aid is providing assistance to the Thai government to improve its agricultural production. The University of Kentucky has a contract with Bangkok to do farming research in seeds and fertilizers.

The city of Bangkok, the old capital of Siam, is a fabulous city. The Thai people are proud allies of ours, and we, in turn, are grateful for their resistance against international communism.

The island of Taiwan was formerly known as Formosa and is now the seat of government for the Republic of China. Free China has received much of our aid, but for the past two years it has been completely independent. It has a highly trained military force of some 600,000 men facing the communist mainland. Since 1958 and 1959 when Red China had hopes of conquering Taiwan, this little war has continued. Every other day, on the odd days of the week, the communists shell the island of Quemoy and Free China responds.

Economically, the Republic of China is the fastest growing nation in the world. Just during the past year, with new techniques, they have increased their rice production fifty percent. Free China is helping in Vietnam by sending a team of eighty agricultural experts to the Delta area to introduce the new Philippine rice. This advanced strain of rice, with improved plant rotation, could make Vietnam self-supporting in food production.

The Republic of China has continued for generations to be one of the United States' strongest allies in the Far East. There are more than 17 million Chinese scattered throughout the Pacific area who are the businessmen and merchants of Southeast Asia. Continued American-Chinese cooperation is imperative if we are to stabilize this part of the world.

MY IMPRESSIONS

It would take weeks to cover every aspect of our involvement in Vietnam without a team such as ours which split up to study and investigate the religious problem, Revolutionary Development, the various volunteer organizations, farm and business advancement, the military situation, our A.I.D. program, social economic and political problems and the plight of the refugee.

I am listing eight impressions gained from study and observation:

1. The Vietnamese people are capable of a better life with our help and guidance. They are worthy of the assistance we are committed to give them.
2. We have some good allies in the Far East, such as Thailand, the Republic of China, Korea, the Philippines and Australia.
3. Our military morale is exceedingly high. In every case where I discussed our involvement with our troops, they were well aware of our commitment in the Far East.
4. I am proud of both the U.S. military and civilian dedication to a very difficult situation.
5. South Vietnamese participation in defense of their country must be beefed up.
6. I observed excellent future leadership in the new Constituent Assembly. Both in the House and the Senate there are a number of fully qualified civilian leaders.
7. The Revolutionary Development Program (Pacification) must be further emphasized and improved.
8. The United States must re-evaluate our whole Pacific involvement. We have fought three wars in the Far East in the last twenty-five years. This country was an Asian power before it was a European power, and long before we became a world power. In my opinion, we should proclaim an American Doctrine for Asia which should make letter clear our inescapable involvement in the Far East. This doctrine should enumerate our interests, our commitments, our alliances and our responsibilities in this area. It is in the self-interest of the United States to continue its involvement in the Pacific. We must, however, announce to friend and foe alike, our determination to remain an Asian Power.

U.S. Soldiers' Home

EXTENSION OF REMARKS

OF

HON. L. MENDEL RIVERS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. RIVERS. Mr. Speaker, I take this time to bring to the attention of the House an apparent attempt by the National Capital Planning Commission to take some land from the U.S. Soldiers' Home; and to make available to the Members of the House an exchange of correspondence that I had with the Secretary of the Army to assure that this land-grab does not succeed.

Mr. Speaker, some Members of the House may not be aware that the Soldiers' Home is not financed by appropriated funds but by the members of the armed services themselves. The home was originally established in 1851 with a fund of $118,000 brought back from the Mexican War of 1848 by Gen. Winfield Scott. Since then, the Soldiers' Home has been financed with monthly contributions of 10 cents each from the pay of regular Army and Air Force enlisted personnel and warrant officers. The home's annual expenditures are approved by Congress but the money comes from the Soldiers' Home Permanent Fund—not tax dollars.

The National Capital Planning Commission, for reasons known to itself, included 20 acres of Soldiers' Home land in its development plan for the area adjacent to the home. The NCPC plan has been presented in some instances in the press as if it were virtually an accomplished fact and it may be that some representatives of the Commission have the mistaken impression that they have the power to take the Soldiers' Home land. However worthy the NCPC development project might be, it is unclear to me why NCPC should presume to want to use land belonging to old soldiers.

As you can see in the exchange of correspondence between the Secretary of the Army and me, title to the Soldiers' Home property is vested in the Government of the United States and is held in trust for the Soldiers' Home. You will note that the Secretary of the Army specifically states the following:

> The Department of the Army is not aware of any specific statutory authority which would authorize the National Capital Planning Commission to take property belonging to the Soldiers' Home.
>
> * * * * *
>
> On March 20, 1967, the Board of Commissioners of the Soldiers' Home, the governing body and trustees of the Home, adopted the following Resolution:
>
> "Resolved: That none of the land of the U.S. Soldiers' Home be released for any purpose."
>
> It does not at this time appear that legislation is required. The National Capital Planning Commission is presently receiving and evaluating comments on its proposal and has not taken any definite action. The views and plans of the Soldiers' Home have been presented in detail to the Commission. The Commission itself has no authority to take the land."

There is attached to the Secretary of the Army letter an extract from a memorandum of the Office of the Judge Advocate General concerning legal authority to the Soldiers' Home land. This extract makes it clear that the Congress has delegated to the Board of Commissioners of the Home the power to control the property of the home. It also makes clear that the Congress did not relinquish legislative powers over the home. Of congressional authority, the extract states:

> It may, therefore, legislate and control the Board of Commissioners and the Soldiers' Home to any extent it so desires to include the disposition of any real estate held in trust for the Home.

I bring this to the attention of the House at this time, Mr. Speaker, because some Members of the House might have gotten the erroneous impression from some newspaper articles that the Congress does not have the power to prevent this land grab, and also because my latest information is that the NCPC has not removed this provision from its area development plan despite the clearly stated objectives of the Board of Governors. I think the NCPC should remove from any of its plans under discussion any proposals for using Soldiers' Home land.

I would like to reiterate, as I indicated in my letter to the Secretary of the Army, that should it appear that at any time in the future legislation is required to prevent this land grab, I shall be prepared to introduce it expeditiously and shall call on the House to act promptly to defend the interest of the career enlisted men in our Armed Forces.

I pointed out that all regular enlisted men contribute 10 cents a month to a fund for the home and will earn the right to care in the home when they are retired.

Contrary to what you may have heard, Mr. Speaker, old soldiers do not fade away. I have been informed that Department of the Army estimates that the home will require space for approximately 15,000 soldiers by 1985. This is more than three times the number now there. It is quite clear, therefore, that the home is going to need all of its available land for future expansion.

My correspondence with the Secretary of the Army follows and I also include, as part of my remarks, an article on the subject by Mr. Tom Scanlan, the very able assistant editor of the Army Times:

Hon. STANLEY R. RESOR,
Secretary of the Army,
Washington, D.C.

DEAR MR. SECRETARY: I was shocked to learn through the newspapers that the National Capital Planning Commission is attempting to take away some of the land of the Soldiers' Home in Washington, D.C.

As the Army is the Executive Branch agency that has control of the Soldiers' Home property, I would appreciate a response from you as to the status of this attempt to expropriate Soldiers' Home land and the steps the Army is taking to prevent it.

You are aware, I am sure, that the Soldiers' Home belongs to the enlisted people of the Army and Air Force. It is financed by monthly contributions of ten cents from the pay of Regular Army and Air Force enlisted personnel and warrant officers. Its only other income is interest on its fund and fines and forfeitures imposed by courts-martial. The Soldiers' Home was established by a $118,000 fund brought back from the Mexican War of 1848 by General Winfield Scott.

While the annual expenditures for the Soldiers' Home are approved by Congress, the money comes from the Soldiers' Home Permanent Fund and not from tax dollars.

With the present size of the Armed Forces, it is only reasonable to assume that the Soldiers' Home is going to require space for expansion in the future. The development of the City of Washington would appear to be such that if land is taken away now from the Soldiers' Home, it would be impossible to replace it in the future. I would remind you that there will be a continuing commitment to those soldiers who are now contributing to the Soldiers' Home fund.

While the National Capital Planning Commission may desire land for worthy purposes, this does not alter the fact that neither the Planning Commission nor the District of Columbia Government has any right to Soldiers' Home land.

It is my understanding that the title to the Soldiers' Home property is held by the Government of the United States. It is, therefore, unclear to me how land belonging to the Soldiers' Home could be disposed of without action by the Congress.

In view of the foregoing, I would like specific answers to the following:

Under what authority does the National Capital Planning Commissison presume to take land from the Soldiers' Home?

What is the status of this project at present?

What is the position of the Soldiers' Home Board of Commissioners?

What steps is the Army taking to protect the integrity of the Soldiers' Home land?

And finally, do you believe any legislative action would be required to prevent the loss of land by the Soldiers' Home?

If you do feel that legislation is required, I shall be prepared to introduce it expeditiously.

Sincerely yours,

L. MENDEL RIVERS,
Chairman.

DEPARTMENT OF THE ARMY,
Washington, D.C., November 27, 1967.
Hon. L. MENDEL RIVERS,
Chairman, Committee on Armed Services,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your recent letter concerning the United States Soldiers' Home and the proposal of the National Capital Planning Commission to convert a large segment of the Home's property to local use.

The following are answers to the specific questions raised in your letter:

The National Capital Planning Commission has its origins in the Acts of June 6, 1924, ch. 270 (43 Stat. 463), and April 30, 1926, ch. 198 (44 Stat. 374). Its present authority is contained in the National Capital Planning Act of 1952, as amended (40 U.S.C. 71 et seq.). The Department of the Army is not aware of any specific statutory authority which would authorize the National Capital Planning Commission to take property belonging to the Soldiers' Home.

The Commission initially prepared a proposal to consider the inclusion of twenty acres on the west side of the Home in its "Proposed Comprehensive Plan for the National Capital" for development as an educational campus and recreational facility. Acting as required by statute, the Commission submitted this proposal to interested agencies and community groups for evaluation and comment. In a June 5, 1967 letter the Governor of the Soldiers' Home informed the Commission of his opposition to this proposal. Representatives of the Home met with the Staff Director of the Commission in September 1967 and submitted a detailed plan showing the need for retention of the site in question, the proposed use to include needed dormitories and other facilities. At present, the Commission is still receiving comments on its proposal. It is expected that the Commission will meet in executive session to consider these comments within the next month.

An extract of the opinion of the Chief, Lands Division, Office of The Judge Advocate General, dated March 30, 1967, that title to the property is held by the United States in trust for the Home, is enclosed. On March 20, 1967, the Board of Commissioners of the Soldiers' Home, the governing body and trustees of the Home, adopted the following Resolution: "RESOLVED: That none of the land of the U. S. Soldiers' Home be released for any purpose."

It does not at this time appear that legislation is required. The National Capital Planning Commission is presently receiving and evaluating comments on its proposal and has not taken any definite action. The views and plans of the Soldiers' Home have been presented in detail to the Commission. The Commission itself has no authority to take the land.

I trust that this supplies the information that you requested. Your interest in this matter is appreciated.

Sincerely,

STANLEY R. RESOR,
Secretary of the Army.

EXTRACT OF MEMORANDUM DATED MARCH 30, 1967 FROM CHIEF, LANDS DIVISION, OFFICE OF THE JUDGE ADVOCATE GENERAL, TO THE JUDGE ADVOCATE GENERAL—SUBJECT: LAND ACQUISITION FOR U.S. SOLDIERS' HOME

7. Based on the foregoing I am of the opinion that,

a. All tracts of land presently comprising the United States Soldiers' Home were purchased by the Board of Commissioners under authority of the act of March 3, 1851.

b. Title to all tracts of land is vested in the United States of America.

c. The four tracts of land that specifically state that they are to be held in trust for the Soldiers' Home are in fact held in trust and may be disposed of only if such a disposal is held to be in the best interests of and for the benefit of the Soldiers' Home by the Board of Commissioners. These tracts are the Corcoran tract, the Woods' tract, and the two tracts comprising the roadway (Gass and Whitney).

d. A similar trust exists as to the other tracts of land even though these do not specifically so state. This would include the Stone tract, title to which cannot be verified, and which may or may not still be a portion of the Home. The greater portion of this tract appears to have been used for roadway purposes.

e. The power to govern and manage the affairs of the Soldiers' Home is vested in the Board of Commissioners, and it has the power to dispose of the property of the Home provided such disposal is determined by it to be in the best interests of and for the benefit of the Home, and is otherwise authorized by law.

f. The Congress of the United States although vesting the Board of Commissioners with authority to control and supervise the Home, did not thereby relinquish any of its legislative power over the Home. It may, therefore, legislate and control the Board of Commissioners and the Soldiers' Home to any extent it so desires to include the disposition of any real estate held in trust for the Home.

g. All tracts of land purchased by the Board of Commissioners for the Military Asylum were purchased from funds that were not appropriated from the general treasury.

h. The proceeds of any sale of lands of the Home must be deposited to the credit of the Home since all tracts are held in trust for the Home.

[From the Army Times, Oct. 25, 1967]

A PLAN TO STEAL SOLDIER PROPERTY

(By Tom Scanlan)

All present, past, and future Regular Army enlisted men and women—meaning those on active duty, those retired, and those not yet born—are about to be cheated by Washington's National Capital Planning Commission.

Reference is to the National Capital Planning Commission's plan to swipe Soldiers Home property and "transfer" the land to the District of Columbia government (a non-elected government with no consent of the governed, by the way).

The D.C. government—even if it were elected—has no right to the Soldiers Home land. The United States Soldiers Home is not local, but national. It is owned by the enlisted men and women of the United States Army and the United States Air Force. They paid for it, they are still paying for it, and the United States government should not allow its pledge, its promise, to the United States soldier to be broken.

The United States Army should declare war on the National Capital Planning Commission. And the Congress of the United States should nip this brazen land-grabbing scheme in the bud. (Bud? That's not right, either. Full-bloom seems more accurate.)

If you are a Regular Army or Regular Air Force enlisted man or warrant officer, you have 10 cents deducted from your pay for Soldiers Home each month (before 1943 it was 25 cents a month). With this money plus fines and forfeitures imposed by courts-martial, plus annual interest from a 100 million dollar kitty, this historic Home pays its own way, as it has since it first opened 116 years ago.

Founded by Act of Congress in March, 1851, the Home began with an allotment of $100,000 from the war indemnity payment collected from Mexico following the Mexican War.

Soldiers Home has never received another penny from Congress. And it has never received one cent of taxpayers' money.

Right now the Home is home for some 2600 retired enlisted men and 26 retired enlisted women. Soldiers Home is self-sufficient. The old soldiers there are not just withering or fading away. And they need never leave the gates to see a first-run movie or grab a beer. There is a post office, theater, hospital, chapel, gym, beer hall, workshops, a fascinating model railroad layout, card rooms, pool tables, garden plots, a nine-hole golf course, and much more.

Today, when many enlisted retirees are understandably fearful that their meager incomes offer small protection against the inflated demands of a seemingly ever-rising cost-of-living, Soldiers Home offers security and warmth and fellowship and activity and a renewed source of hope and belonging.

The Home has expansion plans. As always, it must expand, today more than ever. It must therefore necessarily keep all the land it has now. And the land is not needed merely for new buildings. It is needed for living.

Gardening is good for the soul and who is to deny an old soldier a small plot of land to raise some red ripe tomatoes or a few yellow dahlias? Who is to deny him that "easy" non-professional nine-hole golf course? Who is to deny him those lovely old trees that invite a walk in the shade on a hot, humid, summer Washington day? (The National Capital Planning Commission, that's who.)

So, Soldiers Home has lost land before. In 1953, 70 acres were taken for a hospital center and 28 acres were taken for street purposes. In 1959, a church purchased five acres for use as a parking lot. In 1964, Trinity College purchased another 24 acres.

But Soldiers Home must retain all the land it has left now. The United States must meet its pledge to the soldiers who are told that their dime a month is—as they are told—a rare kind of security.

The current land-grabbing plan is to swipe 20 acres of 300-acre Soldiers Home for new school grounds and a new community center.

The plan is due for final approval by the end of the year. The Soldiers Home Board of Commissioners has told the Planning Commission that no more land within the Home's boundaries could be relinquished "for any purpose." The Soldiers Home Board of Commissioners is right.

New schools and new community centers are fine. But land-grabbing from Soldiers Home is not the answer. "Urban renewal," as they call it, is a better answer. Cleaning up and tearing down some of the rat-infested slums—some not far from Soldiers Home—is marvelous grist for the mill of the National Capital Planning Commission. Soldiers Home land is not.

Raconteur John M. Virden, a retired colonel whose forceful writing livened up several Army Times Company publications in years past, was talking with proper indignation about this proposed steal of Soldiers Home property the other day.

Virden summed it up well: "The National Capital Planning Commission has no more right for arbitrarily grabbing part of the grounds of the Soldiers Home than it has to commandeer the campus of Georgetown University or the front yard of the White House. Maybe not as much. The Home belongs to the enlisted soldiers and to nobody else."

The United States has many commitments throughout the world. Some may question some of these commitments. But who—including the National Capital Planning Commission—can question—much less retract—the commitment the United States makes to its Regular Army enlisted soldiers when it takes that dime a month from each man for Soldiers Home?

Floral Stamps Proposed To Mark International Botanical Congress

EXTENSION OF REMARKS

OF

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. DULSKI. Mr. Speaker, botany is the very basis of the agriculture which sustains this country, and as such we look forward to the accomplishments of its practitioners as we look forward to the solution of our agricultural problems.

Botany enriches our lives as it makes known new kinds of ornamental and crop plants, new drugs, new building materials, new fibers, and so forth.

Botany also helps us to understand the reasons for the pollution of our air and waters that are the life's blood of our citizenry and our wildlife.

In August, 1969, the United States of America will be host to a great worldwide conclave of botanists.

The International Botanical Congress will be held in Seattle, Washington, in recognition of the longstanding and meaningful role played by our Nation's botanists in studying the plants and plant products of the world for the benefit of mankind.

This is the first time that such a meeting has been held on our shores and for several years now strenuous efforts have gone into making this conference the most important and significant of all.

In recognition of this opportunity and responsibility, the organizing body of the Botanical Congress is making an attempt to honor the assembled scientists through the issuance of a series of botanical stamps portraying the enormously varied and beautiful floral wealth of this Nation of ours.

I support this effort. I am asking the Post Office Department to give favorable consideration to a commemorative stamp or panel of stamps to be issued in connection with the international conclave.

To locate a single floral subject representative of the diversity of our native plants is most difficult, if not impossible.

That is why the Stamp Committee of the XI International Botanical Congress has recommended four subjects, one showing a plant from each of the four quadrants of the continental United States:

First. The brightly colored ocotillo—*Fouquieria splendens*—was selected as a representative from the great deserts of our Southwest.

Second. The lofty Douglas-fir—*Pseudotsuga menziesii*—was picked to represent the magnificent forests of the Northwest.

Third. The delicate ladyslipper—*Cypripedium reginae*—from the moist forest glens of the Northeast was chosen.

Fourth. The historically significant Franklinia tree—*Franklinia alatamaha*—represents the Southeast.

Each of these selections is unique and peculiarly American, and represents the vast storehouse of our native floral beauty.

I hope that the Post Office Department and the Postmaster General's Stamp Advisory Committee will look favorably upon this proposal.

Legislative Assessment of the First Session of the 90th Congress

EXTENSION OF REMARKS

OF

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. CONTE. Mr. Speaker, my December newsletter contains an evaluation of the successes and failures of the first session of the 90th Congress. In it I have drawn attention to the marked contrast in the accomplishments of this session and those of the 89th Congress. I have pointed out that what successes there have been, have involved the continuation of programs rather than the carrying forward of new ideas.

My newsletter also carries a photograph of Sgt. David A. Verheyn, of Lenoxdale, in the First District of Massachusetts, receiving the Nation's second highest combat award, the Navy Cross. Sgt. Verheyn is one of 12,000 boys from Massachusetts who are now serving in Vietnam. He is shown receiving the decoration from Vice President HUBERT HUMPHREY in the presence of General Westmoreland.

My newsletter has also given me an opportunity to state my pleasure in recently having the privilege of welcoming as a guest of western Massachusetts, our Nation's First Lady, Mrs. Lyndon B. Johnson. Mrs. Johnson received an honorary degree from Williams College in recognition of her outstanding efforts on behalf of beautification and conservation of our natural resources. The photograph of Mrs. Johnson carried in the newsletter was taken at Williams College where I was able to tell her personally how especially meaningful her programs were to the First Congressional District because of its unparalled natural beauty and scenery.

Under unanimous consent, I insert this newsletter which includes my Christmas letter to the people of the first district at this point in the RECORD.

As we come to the close of the first session of the 90th Congress, we are faced with a remarkable contrast with the events of the 89th Congress. The accomplishments of the 89th Congress were probably as outstanding as any Congress that we have ever had in our history.

An enormous scope of activities were dealt with and landmark legislation was the rule rather than the exception. This year, on the other hand, our legislative accomplishments have been very limited. The major successes furthermore have involved the continuation of programs begun in previous sessions rather than the creation and carrying forward of any new ideas. Thus, after very difficult struggles bills were passed, which I supported, to continue our aid to elementary education and teacher corps programs, as well as our poverty and our foreign assistance programs.

A few new programs were created, which I also supported, including legislation to provide the framework for a public television system, to create much more stringent air pollution controls and to provide much stiffer meat inspection regulations. But the plain hard facts are that this Congress to date has just not even approached the standard of excellence established by the 89th Congress.

I would like to point out, however, that there is a very clear reason why this has occurred. It is also the reason why we have not been able to properly fund and implement so many of our recently established programs.

The reason is the war in Vietnam.

This war has affected just about everything that has gone on in Washington this year. It has been the major concern and the major consideration of the Executive and the Legislative branches. It has called for and received the highest priority on our resources, both human and financial. As a result of this, the necessary attention and the necessary resources have been drawn away from all of the other very serious matters which must be dealt with by the Federal Government.

When we are spending $30 billion a year on a war in Asia, we literally cannot afford to provide our domestic programs with the funds they need. Problems which deserve and demand the immediate and full attention of our Government have to be deferred. Until we achieve a settlement of the conflict in Vietnam, we can look forward, unfortunately, to an even less effective government and a less productive Congress than we have had this year.

The following is my Christmas letter to the people of the first district of Massachusetts:

WASHINGTON, D.C.,
December 1967.

DEAR FRIENDS: As the old year draws to a close and we look forward to 1968, we must remind ourselves that man can and must live in peace with his neighbors.

In the twenty centuries that have passed since the sacred moment of Christ's birth, mankind has never been wholly free of the scourge of war and the ravages of disease, illiteracy and hunger. Yet the spirit of Christmas burns in our hearts at this season with a warmth that is not diminished by the years or discouraged by failures.

Although much remains to be done, we can take great solace from the fact that our nation has been confronted with challenge after challenge since our beginning 191 years ago. Each time we have successfully risen to meet and overcome the challenge. We can be confident—in fact we can be sure—that we will successfully meet and overcome it again.

I'm sure all of us want to extend a special word of gratitude and appreciation to the men and women who are serving the United States abroad. More than a million Americans will celebrate this Christmas in the service of our nation away from their homes and families. It is for them that we wish the best of Christmases.

To all of you I send my very best wishes. Corinne and the children join me in sending each of you greetings for a blessed and happy Christmas and a peaceful and prosperous New Year.

Cordially yours,

SILVIO O. CONTE.

Report to the People

EXTENSION OF REMARKS

OF

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. PICKLE. Mr. Speaker, at this point in the RECORD I wish to set out my final report for the first session of the 90th Congress as submitted to the people of the 10th District of Texas, as follows:

ANNUAL REPORT FROM CONGRESS

Legislators have drawn to a close—within sight of the end of the 1967 calendar year—the first session of the 90th Congress. I would like to take this time to pause to see what new trends are appearing and to assess the work of the past year.

So much political discussion centers around the war in Viet Nam that any account of the national mood and fields of American endeavor must begin with a current evaluation of our commitment in Southeast Asia. I have supported the American policy in Viet Nam and there is growing support for our sane determination to avoid both World War III or a meaningless U.S. surrender. The facts that we are winning the war speak for themselves and include:

Success in the pacification program—a total of 4,645 secured hamlets in the third quarter of 1967 as compared to less than 3,600 secured hamlets in the third quarter of 1965.

Enemy killed in action—combat fatalities for the Viet Cong rose to 6,839 in the third quarter of 1967, compared to a total of 3,513 during the same time in 1965. American and Vietnamese deaths rose only slightly from nearly 1,000 to 1,661 during a time when the kill ratio reached 4.1 to 1 for allied forces.

Increased Vietnamese response—loyal government forces increased from 622,300 in the past two years to 719,238 and in doing so have taken over a larger responsibility in the war.

South Vietnamese desertions—a marked decrease in the past 24 months from nearly 20 soldiers per thousand going over the hill during a given month to less than 10 per thousand.

Viet Cong defections—the monthly average of the Chieu Hoi—open arms—program has risen from 1,109 in the third quarter of 1965 to 1,814 in 1967.

Highway operations—overland hauls of materials and goods in the summer of 1966 totaled 701,000 tons because the Viet Cong controlled highways. During the past summer operations increased to 1,229,110 tons—a clear indication that VC strength in this area is lessening.

In recent weeks major accomplishments of this policy and assistance have come to the forefront. Latest reports from the fields and swamps of Viet Nam are encouraging, and there is talk of a reduction of American forces. I hope and pray—as I know you do—that this will come. We learned in World War II and in Korea that unchecked aggression has an appetite that is difficult to satisfy and I hope we will remain steadfast in the American determination in Southeast Asia. Critics take delight in attacking our efforts against hostile enemies, but in my opinion, I don't think they could come up with a more workable solution to this delicate problem. Certainly demonstrators who burn up draft cards and try to close down induction centers are not providing a genuine solution and for the most part, they have abused their privileges of free speech and I have no sympathy for them. The United States is giving leadership to the free world and people everywhere have concrete proof that we do not intend to let communist aggression prevail over the future lives of free men.

DOMESTIC UNREST

There is nothing so shocking to see and listen to than reports of crime, riots, demonstrations and civil disobediences that have led to violence. The cries of Americans angry at rebellions fell on sympathetic ears in the Congress this year. Congress worked to assume its responsibility to safeguard the American public and guarantee protection of constitutional rights. I supported legislation authorizing riot-control training for National Guardsmen and Reservists and I supported H.R. 421 in the House which provided penalties for inciting riots.

I opposed Administration legislation to funnel huge sums of federal money into areas wracked by rioting because I do not believe you can "buy" respect for laws. I did support action, however, to assist local law enforcement and voted for H.R. 5037, which was designed to give local lawmen financial help to train officers, design new anti-crime techniques and research the causes of crime. I hope the Senate takes action on this measure.

I'm inclined to think such help will improve local law enforcement and criminal procedures, however, I do not see the need for a rash of new laws to deal with criminals since most federal statutes are adequate and simply must be enforced. Along with this, primary importance must be given to the public to insure that advocates of violence will be dealt with in a manner fitting to the seriousness of their crimes; and respect for the laws and institutions must be encouraged.

NATIONAL ECONOMY

Despite periodic pressures on our national fiscal policies, the American economy has never been stronger. For 80 months, this nation has produced a record of growing prosperity that has yielded economic gains that are impressive and significant by almost any standard. The current picture looks a little like this:

Gross national product—the GNP (the value of our total output of goods and services) looms near $800 billion. The GNP has grown by nearly 57% in the 26 quarters between 1961 and the last quarter of 1967.

American income—added protection has provided growing incomes for all groups of Americans. Total wages, salaries and other compensations paid to workers and executives grew by 60% during this 80-month boom or by $178 billion—an amount more than double the nation's food bill in 1960.

Business—owners of businesses have benefited, too. Corporate profits have risen 91% after taxes and 75% before taxes, dividends have advanced and the value of outstanding shares of stock has climbed.

Agriculture—despite persistent problems in our agricultural sector, farm income has increased 35% from 1960 to 1966; with the value of total farm assets climbing nearly 28%.

Buying power—even in the face of economic pressures, family income has increased and today the average family's buying power is nearly 70% more than what it was 20 years ago.

These facts, however, were not blazoned across the front pages of newspapers last year. What was heralded was the surcharge tax proposal, which was resting in the Ways and Means Committee when Congress closed up shop. Viet Nam, more than any other reason, was given for the need to increase taxes and for the $20 billion plus deficit spending of the government. Certainly, the war has had its influence on money matters the same as it has affected other national policies. This Congress took another hitch in the nation's budget belt and made several across-the-board cuts in spending. I supported these cuts as one method to ease demands on the budget.

As best as can be determined, Congress this session reduced the President's budget by some $9 billion. This represents an actual savings in spending of more than $1.6 billion and additional cuts by the Executive Department total nearly $2.8 billion. The total represents a reduction of nearly $4.8 billion in federal spending. There still may be need, however, for a limited increase in federal revenues to ease inflation and certainly the economic indicators will have to be watched closely. In early 1964, this Administration gave American taxpayers a tax reduction which has meant savings of some $25 billion to our citizens. Now a 10% surcharge tax, i.e., a 1% tax on gross earnings, is being asked. Recently, a bank president in Austin told me that he "had rather see a 10% surcharge tax for one year, two years, or even three than see a man sign his name to a 20-year mortgage at 7½% or 8%."

MY COMMITTEE WORK

My legislative activities on the House Committee on Interstate and Foreign Commerce have been as varied as they have been interesting in the past 12 months. Within the committee structure, the word-by-word, phrase-by-phrase, page-by-page examination of proposed laws is conducted.

Without a doubt, legislation to prevent an economically disastrous, long and involved railroad strike this past fall received by far the most discussion and debate. The committee worked over several proposals—including H.R. 5638, a bill I introduced—before we arrived at legislation that was eventually passed by Congress and signed into law. In my opinion, we have reached a point in American life where this nation cannot tolerate a national transportation strike. Neither management nor labor should put themselves above national interest and my bill was aimed at providing guidelines to settle disputes of this nation. Other key measures acted on in the committee included:

Partnership in health, H.R. 6418—a proposal to insure the safety and accuracy of tests performed by clinical laboratories and to help states attack epidemics and disease, including rat control.

Mental health retardation, H.R. 6430, H.R. 6431—measures to carry forward research and treatment for crippling mental afflictions.

Flammable fabrics, S. 1003—a key consumer bill to keep unsafe and hazardous fabrics and articles of clothing off the market.

Air pollution, S. 780—a law to expand authority for states to band together to conduct research and assist in establishing air quality standards and also establish state programs for inspecting automobile emissions and generally protect the air we breathe.

Nurse training, H.R. 13405—a proposal I introduced to alleviate the critical shortage of nurses and para-medical personnel in our country through assistance to hospital nursing schools.

Public television (ETV) S. 1160—a measure to help non-profit cultural and educational television stations programming and service. This might become one of the most important bills passed this year.

PICKLE BILLS

Throughout the year I have introduced and sponsored a variety of legislation. The current status of some of these bills in the legislative mill shows:

LSD bill, H.R. 14096—amending the Food and Drug Act to provide penalties for possession, sale or use of LSD, Pending; equal rights, H.J. Res. 744—a proposal to amend the U.S. Constitution to provide equal rights for women, Pending; visitors' Center, H.R. 12693—establishing a visitors' center in Washington to make it easier to tour the Nation's Capital and ease visitor congestion. Passed; highway bill, H.R. 9237—designating U.S. highway 81, including parts in Central Texas, from Laredo to North Dakota as the Pan American Highway, Pending; import quotas, H.R. 10632, H.R. 9239, H.R. 11951—to establish import quotas on meat and meat products, dairy products and oil, All pending; flood insurance, H.R. 5010—provide for the creation of a national flood insurance program so that residents of low-lying areas can get insurance at reasonable costs, Passed; alcoholic care, H.R. 9895—a proposal to make additional beds available at Veterans Administration hospitals for the treatment of veterans who are alcoholics, Pending.

The 10th District

Federal programs designed to improve the quality of life in our district played a major role in my activities during the past 12 months. During the past year, there have been many projects materialize for our district in which you and I have worked together. Some of these include:

Approval of postal facilities at Buda, Garwood, Round Top, Chapel Hill, Capitol Station and Northwest Station in Austin, Industry, Sealy, Washington-on-the-Brazos, Hempstead, Flatonia, Rock Island and Dime Box; transfer of land and facilities for educational and municipal use to the City of Bastrop, the University of Texas and the Bellville Independent School District; development of the Veterans Administration Computer Center and the Internal Revenue Service Center in Austin; appropriations for the San Gabriel River project and the Somerville Dam; approval of a parking area at the Brenham Federal Building; approval of a public facilities loan to help expand and remodel the Sheppard Hospital in Burnet and approval of additional funds for the Bastrop hospital; grant funds for the development of creation facilities at Lake Bastrop; approval of low-rent housing money and urban renewal funds for Schulenburg, Flatonia, Austin, Georgetown; approval of funds to help finance development of rural water and sewer systems in more than a dozen Central Texas cities; grants and loans to the colleges and universities to improve the general educational level; continuation of Community Action and Neighborhood Youth Corps programs: improved air service; restoration of the 1967 rice crop to the 1966 level; rural electric loans and Bergstrom Air Force Base construction.

LEGISLATIVE HIGHLIGHTS

All of the issues that were before Congress this year in one way or another influence our individual lives and shape our future development. Many of the proposals of the Administration did not receive my support. For example, the Teacher Corps bill H.R. 7819, was not justified particularly in our state and I did not support it. Likewise, I did not vote for the Food Stamp program since I thought our state should be willing to pay a portion of the program's cost.

In general, I believe my votes reflect my disapproval of the general trend for bigger government and more control over state governments. I believe we must have a strong State-Federal government balance, thus I supported federal funds to states for education—to be distributed by the state—for funds to help control riots and civil rebellions—through the state's established procedures—and for non-categorical help to our State Health Departments. To me, this is the proper approach for realistic and workable federal-state relations.

It was for this reason that I opposed the Appalachian bill since I believe public works programs ought to be directed on a national level through the state governments. Appalachia is no worse off than many Texas counties. I also voted against funds in the school aid program that would have permitted the busing of students to overcome racial imbalance. Likewise I did not support the Education-Professions Act.

Space and time do not permit me to delve into all the legislation considered this session. Some of the other major issues which I supported include:

Investment tax credit restoration, H.R. 6950—to allow the investment credit and accelerated depreciation which was suspended in 1966 in order to provide incentives for economic growth; college work study programs, H.R. 11945; elementary and secondary education amendments, H.R. 7819—a building of the 1965 Act which has served more than 9 million students; Selective Service extension, S. 1432—a basic continuation of the 20-year-old selective service law; Vietnam veteran benefits, S. 16—authorizing Americans returning from Vietnam to be eligible for Veterans' benefits; Library Services Act, H.R. 13048—a continuation of the current program of assistance; Social Security, H.R. 12080—the largest increase in benefits since the program was begun 32 years ago. An average increase of nearly 13½ per cent; wholesale meat, H.R. 12144—to insure the purity and safety of meat served on the family dinner table, I supported this after the House-Senate compromise committee provided two to three years for states to set up standards of purity before federal enforcement; poverty bill, S. 2388—to carry forward the major programs to provide a helping hand for the 20 million Americans still trapped in poverty. I supported this with appropriations to continue at the present level. We simply cannot expand this program now; civilian and military pay, H.R. 7977—H.R. 13510—to increase the pay of federal workers, particularly postal employees and members of the Armed Forces in a move toward comparability with the private sector; postal rate increase, H.R. 7977—to raise additional revenue to put the Post Office on a sounder fiscal basis and provide funds for modernization and improvement of service; military construction appropriations, H.R. 13606—to provide funds needed to build our bases at home and abroad; foreign aid bill, S. 1872—to extend the foreign assistance program that has served America's security for the past two decades, however, at the lowest level in 20 years; housing and urban assistance, H.R. 9960—to continue assistance programs to cities to provide low-rent housing, urban rehabilitation model city planning, water and sewer system construction and rent supplements. In years past I have not supported forms of rent supplement and versions of the model city program because they were extravagant. However, this year safeguards and limitations were written into the law and both are being approached cautiously. Therefore, I supported the modest appropriation of these programs, although I do not feel the answer to our urban problems is simply pumping money into cities.

Congressman Horton Praises Vice President Humphrey's Model Cities Address in Rochester, N.Y.

EXTENSION OF REMARKS

OF

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. HORTON. Mr. Speaker, on December 4, the city of Rochester, N.Y., was honored as the first of seven cities chosen as model cities to be visited by a group of national newsmen and members of national organizations.

On the day of the tour hosted by Mayor Frank T. Lamb and the city manager, Dr. Seymour Scher, a luncheon held for the visiting dignitaries was attended by an overflow crowd. I had the pleasure of briefly addressing the luncheon audience before the featured speaker, the Vice President of the United States delivered his remarks.

Mr. Humphrey noted the extensive commitment to social betterment which has been made by the leaders of industry and by private organizations in Rochester. His address contains an eloquent description of the aims of the model cities program and what it will mean to Rochester and the other 62 model cities.

Mr. Speaker, I would like to share Vice President Humphrey's remarks with you and with our colleagues, as follows:

Remarks by Vice President Hubert Humphrey, Model Cities Tour Luncheon, Rochester, N.Y., December 4, 1967

We are all here today because we are concerned about America's cities. Even though the riots of last summer are now off the front pages, the poverty, overcrowding, poor housing, poor schools, unemployment—the frustration and the agitation that lay behind them are still there.

For any of us who needs a reminder, there is a new publication that should be required reading.

Here is one passage from it:

"When they have to get out on the street at 14 or 15 they consider themselves to be a man and are going to take on some responsibility because he is the only man in the house and he has little brothers and sisters in the house and he sees his mother and brothers and sisters going hungry, half starving and trying to get the rent in. It is a bare house, like it is a cold feeling even to be there and you have to go out on the street and become the subject of the same thing out there. There has to be a breaking point."

Here is another passage:

"Like it's nice of you ladies and gentlemen to come down and set up the . . . hearings, but it's too bad you don't have the power to do anything about it. But you put in more statistics and that is where it goes. You spend more money on statistics than on solving the problem."

Those words are from testimony gathered by the Commission on Civil Rights. They were published a few days ago in a book called "A Time To Listen—A Time To Act." I suggest that anyone who wants to know the dimensions of the task ahead of us in urban America get a copy and read it.

This is the time to act; and I hope and

believe that the Model Cities program is the beginning of concerted action against the challenge of urban blight in America.

I believe that we are now embarked upon a program that can remake our cities and, even more important, *rescue people*—people who lack the income to do more than struggle for survival . . . people who live in housing that is unfit for human use . . . people who are deprived of the health and educational opportunities that a decent and productive life requires.

For years the Federal Government, through a whole range of grant-in-aid programs, has attacked single problems with single weapons. More than 200 separate programs have been developed, each with a specialized goal, each in response to a real need. State and local governments, private organizations and industries all over the country have established similar complementary programs.

Those programs have produced significant results. But the results have been isolated, separated—fragmented victories.

Model Cities is more than a new program. It is a catalyst designed to permit comprehensive, not isolated, use of resources to produce comprehensive, not isolated, results.

The comprehensive *input* consists of all existing local programs . . . federal programs . . . private programs . . . and unused resources which can be brought to bear on any aspect of urban decay or poverty.

The comprehensive *output* must be not just jobs . . . . not just houses . . . not just transport . . . not just schools, but a new urban society. . . a society of full opportunity and full humanity for all.

We expect a lot from this coordinated and concentrated use of Federal, state, local and private initiative—this partnership for progress in urban America.

We expect to develop neighborhoods—now the most neglected ones with the most difficult problems—where all employable residents will be offered the opportunity for training and work—at a living wage and with prospects for advancement.

We expect to develop neighborhoods where every family can earn a decent standard of living by their own efforts.

We expect to see health standards brought up to the national average . . . schools that provide training commensurate with the ability and potential of the youngsters in them . . . recreation, transportation, public services fully comparable with those in the best neighborhoods.

We expect to see a substantial increase in the supply of decent low-cost housing—*open* housing.

We expect full participation by inner city leaders and residents themselves.

True, the program is off to a modest start considering the enormity of the task before us.

For awhile it was doubtful that Congress would pass any program at all. Then the President's request for appropriations was cut in half. But by mobilizing existing resources and consolidating programs that are already underway, the Model Cities program can mean solid progress.

It is appropriate that this week's tour of Model Cities areas should begin here in the state of New York and in the city of Rochester.

New York State has a great record of experimentation and innovation in meeting urban needs—first with low-cost public housing, first with labor union-sponsored housing projects, first with tenement housing laws which were the beginnings of today's housing codes.

Rochester's successful Model Cities application reveals that it is an important example of both the needs and the opportunities that exist in urban America today. The typical urban ills are all here.

But so are the critical positive ingredients—a dynamic Mayor, Frank Lamb . . . responsible and active leadership in the inner city communities . . . industries like Kodak, Xerox, Graflex and many, many others which are ready to cooperate in job training and employment efforts.

There are private groups already active in the assault in slum housing—Rochester Neighbors, Inc., Better Rochester Living, Inc., The Metropolitan Rochester Foundation, Rochester United Settlement House Corporation, Rochester Area Council of Churches Development, Inc., Community Interests, Inc.

I doubt if most of these names existed five years ago. Today they spell public concern, private commitment to public problems . . . and progress.

And there is a record of successful public-private cooperation.

The Midtown Plaza—the very building in which we are having lunch today—is a result of creative partnership between business and government. So is the Genesee Crossroad Urban Renewal Project not far from here.

Rochester is a leader, but it is not unique. The Model Cities applications received this year all reported similar efforts underway.

Equally important, all reflected the beginnings of a constructive dialogue between city halls and the residents of depressed neighborhoods. All reflected soul-searching, and a new awareness that this is indeed the time to act. All reflected a determination to seek solutions—solutions that are more than a bandaid or a hand out . . . solutions that mean real opportunity to participate in the mainstream of American life for people who are now excluded.

Rochester and the 62 other cities which received Model Cities planning grants are now entering a third and critical phase in the development of the Model Cities attack on slumism.

Phase I was mobilizing public support and passing the legislation. There was time when success in this phase was clearly uncertain. But we did it.

Phase II was the intensive preparation, both at the local and federal levels, that went into the first Model Cities proposals—proposals which I believe have been, for the most part, imaginative and well-conceived.

In Phase III, our task will be to find the resources which we all believe are there . . . to mobilize the energies that we presume to exist . . . and embark on programs which will provide visible evidence of progress.

Permanent results—a prospering, peaceful urban America—will be *Phase IV*. And it will not come overnight.

Every American . . . every inner city leader . . . every slum resident must recognize that fact.

"Are we moving?"—not "Are we finished?"—will be the only realistic test of success for some time to come.

Permanent results are going to come slowly because the depair in some neighborhoods is so deep, the legacy of deprivation so heavy—even though the people involved are a small minority of Americans.

Permanent results will come slowly because rebuilding will cost a lot—even in this society which is rich and growing richer.

Permanent results will come slowly because too many Americans still tolerate prejudice in their housing codes, in their employment and promotion practices, in their hearts—even though this nation professes to be the land of the free.

I do not counsel only patience—although we will need that. "Patience" for too long has served some as an excuse for inaction.

I counsel diligence, courage, responsibility and faith.

In the words of Thomas Wolfe: "To every man his chance, to every man, regardless of his birth his shining golden opportunity. To every man the right to live, to work, to be himself; and to become whatever things his manhood and his vision can combine to make him. This . . . is the promise of America."

Working together, we shall fulfill that promise.

Mr. Speaker, the permanent results which the Vice President described will not come overnight. But the civic and industrial leaders of Rochester have already shown that they welcome the opportunities that the model cities program offers to continue their already determined efforts to further progress in Rochester, N.Y.

The Latin American Scholarship Program of American Universities

REMARKS

OF

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. BRADEMAS. Mr. Speaker, shortly after President Kennedy outlined the Alliance for Progress, in the spring of 1961, I went to Argentina, along with my distinguished colleague, Congressman ROBERT GIAIMO, of Connecticut, then also on the House Education and Labor Committee, for the purpose of gathering information on the potential role of higher education in achieving the objectives of the Alliance.

That visit persuaded me that Latin American universities are the indispensable key to the economic development and social reform that these nations must have if they are to create enduring democratic societies and free political institutions. It is equally clear to me that the universities of the United States have a vital role to play in helping to strengthen the universities of Latin America.

For these reasons, Mr. Speaker, I would like to call the attention of my colleagues to an unusually promising venture in international education. I refer to the Latin American Scholarship Program of American Universities—or LASPAU—a 2-year-old project that already links 106 Latin American universities in 18 different countries with 173 U.S. colleges in 37 different States. Over 300 Latin American students, including 17 in my own State of Indiana, already benefit from this program. Another 200 will be added in 1968.

LATIN AMERICA'S SHORTAGE OF UNIVERSITY PROFESSORS

We all know that Latin American universities are plagued by inadequate budgets, part-time instructors, sporadic student strikes. More important, these institutions are critically short of well-qualified, full-time teachers. LASPAU seeks to meet this shortage.

U.S. colleges are ready to accommodate foreign students because they broaden the perspective and perceptions of our own citizens. But our ultimate objective must be to prepare these guests to return home, equipped and eager to contribute to the vitality of the educational, social, and political institutions of their own nations. LASPAU serves this objective.

The LASPAU program began in 1966 by asking Latin American university rectors and deans to nominate outstanding candidates from among their own undergraduates and to support their transfer to U.S. colleges to complete a first degree and then seek a master's degree. Latin American university officials are cooperating enthusiastically with LASPAU because the purpose of the program is to strengthen their institutions in precisely the areas that they themselves wish to build up.

LASPAU COUNTERACTS "BRAIN DRAIN"

Over 300 LASPAU scholarship winners have agreed that, on completion of their training in this country, they will return home to teach for 4 years in the Latin American university that first nominated them. Both the student and his university agreed to this obligation before he came to the United States. I should here note that the students' contracts or agreements are with their own people. Because a job awaits them at home, LASPAU's students accept the responsibility willingly and proudly to improve the educational systems of their own nations.

Mr. Speaker, I want also to point out that the program focuses on students of limited means. It offers them full scholarship aid in return for their later service at home. The participating U.S. colleges, including seven in my own State, have committed over $1.8 million of their own funds to finance the students' tuitions and fees. The average college contribution is $1,500 per year. The U.S. Agency for International Development provides for their board, room, and books plus the program's direct costs of administration at an average annual rate of less than $2,900 per student. The students themselves have each borrowed $1,000 to $1,500 from Latin American sources to pay for their international transportation and English language training in the United States—despite the fact that the median taxable income of their parents is less than $1,500 a year. Thus, every dollar contributed by the U.S. taxpayer is matched by another dollar from other sources.

The cooperative funding plan allows LASPAU to select students not previously able to attend U.S. universities. These young people do not come from unusually privileged Latin American homes, but from working households which are more representative of their nation. From inception through commitment to conclusion, the program closely involves all LASPAU students with the welfare and future of their own countries.

Mr. Speaker, I believe that it is clear that the universities of Latin America must produce the engineers, the agricultural specialists, the economists, the scientists, the public administrators and teachers needed to fight hunger, poverty, and disease and to move the economies of their countries into the 20th century.

Mr. Speaker, I submit that LASPAU is a good example of how the United States can best help the countries of Latin America achieve these crucial objectives.

Voting and Attendance Record, 90th Congress, First Session, 1967

EXTENSION OF REMARKS

OF

HON. GERALD R. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. GERALD R. FORD. Mr. Speaker, under leave to extend my remarks, I include a report of my voting and attendance record during the first session of the 90th Congress.

The record includes all rollcall votes and all quorum calls. The description of bills is for the purpose of identification only; no attempt has been made to describe the bills completely or to elaborate upon the issues involved.

The purpose of this report is to collect in one place information which is scattered through thousands of pages of the CONGRESSIONAL RECORD. I want to be able to provide any interested constituent with a simple compilation of my voting and attendance record.

The report is as follows:

GERALD R. FORD'S VOTING RECORD, 1ST SESS., 90TH CONG.

Rollcall No.	Date	Measure, question, and result	Vote
1	Jan. 10	Call of the House	Present.
2	Jan. 10	Election of the Speaker (McCormack, 246; Ford, 186)	Not voting.
3	Jan. 10	H. Res. 1: On a motion to close debate and vote on the resolution calling for an investigation of the right of Representative-elect Powell to take his seat; in the interim he may vote as a Member. (Defeated 126 to 305.)	No.
4	Jan. 10	H. Res. 1: To adopt a substitute motion denying Mr. Powell the right to vote in the House while a committee investigates his right to his seat. (Passed 364 to 64.)	Yes.
5	Jan. 10	H. Res. 7: On a motion to close debate and vote on the resolution calling for the adoption of the rules of the 89th Cong. as the rules of this Congress. (Defeated 196 to 224.)	No.
6	Jan. 10	H. Res. 7: To amend the resolution to remove from the rules of the House, the "21-day rule" as it applied to the Committee on Rules in the 89th Cong. (Passed 232 to 185.)	Yes.
7	Jan. 23	Quorum call	Present.
8	Jan. 24	Quorum call	Present.
9	Jan. 31	Quorum call	Present.
10	Feb. 8	Quorum call	Present.
11	Feb. 8	H. Res. 226: To adopt the rule for consideration of the debt limitation bill (H.R. 4573) permitting no amendments from the floor. (Passed 223 to 184.)	No.
12	Feb. 8	H.R. 4573: To recommit to committee the bill raising the debt limitation in order to include within the limitation the sale of participation certificates and to remove the 4¼-percent limitation on long-term U.S. bonds. (Defeated 155 to 261.)	Yes.
13	Feb. 8	H.R. 4573: To increase the public debt limit from $330,000,000,000 to $336,000,000,000. (Passed 215 to 199.)	No.
14	Feb. 20	Quorum call	Present.
15	Feb. 20	H. Res. 2: To suspend the rules and adopt the "Reserve Bill of Rights". (Passed 324 to 13.)	Yes.
16	Feb. 21	Quorum call	Absent.[1]
17	Feb. 21	H. Res. 83: On ordering "the previous question" on the resolution authorizing the Committee on Agriculture to make studies and investigations. (Passed 231 to 85.)	Absent.[3]
18	Feb. 21	H. Res. 83: To approve the resolution authorizing the Committee on Agriculture to make studies and investigations, as amended not to include overseas travel. (Passed 304 to 18.)	Absent.[3]
19	Feb. 28	Quorum call	Present.
20	Mar. 1	Quorum call	Present.
21	Mar. 1	Quorum call	Present.
22	Mar. 1	H. Res. 278: To adopt the "previous question" halting debate and calling for a vote without amendments on the resolution regarding Representative-elect Powell. (Defeated 222 to 202.)	Yes.
23	Mar. 1	H. Res. 278: To order the "previous question" on the substitute motion to exclude Mr. Powell from membership in the 90th Cong. (Passed 263 to 161.)	No.
24	Mar. 1	H.R. 278: To substitute for the recommendations of the select committee, a resolution excluding Mr. Powell from membership in the 90th Cong. (Passed 248 to 176.)	No.
25	Mar. 1	H. Res. 278: To approve the resolution as amended to exclude Mr. Powell from membership in the 90th Cong. (Passed 307 to 116.)	Yes.
26	Mar. 1	H. Res. 278: To order the "previous question" on a motion to adopt the foreamble to the resolution. (Passed 307 to 9.)	Yes.
27	Mar. 2	Quorum call	Absent.[1]
28	Mar. 2	H.R. 4515: To recommit to committee the bill authorizing supplemental military procurement, research, and construction in order to provide that none of the funds authorized in this bill shall be used to carry out military operations in or over North Vietnam. (Defeated 18 to 372.)	Absent.[3]
29	Mar. 6	Quorum call	Present.
30	Mar. 9	S. 665: To approve the conference report on the bill authorizing supplemental military procurements, research, and construction for fiscal year 1967. (Passed 363 to 13.)	Yes.
31	Mar. 9	Quorum call	Present.
32	Mar. 9	H.J. Res. 267: To approve the resolution calling for emergency food assistance to India. (Passed 311 to 63.)	Yes.
33	Mar. 9	H. Res. 376: To order the "previous question" on the resolution authorizing the House of Representatives to employ special counsel in the court case filed by Adam Clayton Powell, Jr., et al. (Passed 254 to 85.)	Yes.
34	Mar. 13	Quorum call	Present.
35	Mar. 15	Quorum call	Present.
36	Mar. 15	H.R. 6098: To extend for 2 years the interest equalization tax. (Passed 261 to 138.)	Yes.
37	Mar. 16	Quorum call	Present.
38	Mar. 16	H.R. 7123: To approve the bill providing a $12,190,000,000 supplemental appropriation for the Department of Defense. (Passed 385 to 11.)	Yes.
39	Mar. 16	H.R. 6950: To approve the bill restarting the 7-percent investment credit and the allowance for accelerated depreciation in the case of certain real property. (Passed 386 to 2.)	Yes.
40	Mar. 20	H.R. 2068: To suspend the rules and pass the bill relative to veterans' pension and other benefits. (Passed 395 to 0.)	Absent.[2]
41	Mar. 20	H.R. 2513: To suspend the rules and pass the bill to establish a Commission on National Observances and Holidays. (Passed 313 to 35.)	Absent.[3]
42	Mar. 21	Quorum call	Present.
43	Mar. 21	H.R. 5277: To approve the bill authorizing appropriations for the Trust Territory of the Pacific Islands and other purposes relative to the territory. (Passed 371 to 15.)	Yes.
44	Mar. 22	Quorum call	Present.
45	Mar. 22	H.R. 7501: To adopt an amendment cutting $185,000 from the appropriations bill for the Treasury Department to eliminate 15 positions from the Office of the Secretary of the Treasury. (Passed 210 to 175.)	Yes.
46	Mar. 22	H.R. 7501: On a motion to recommit to committee the Treasury-Post Office appropriations bill in order to make a 5-percent reduction in the appropriation as recommended by the President. (Defeated 168 to 217.)	Yes.
47	Mar. 22	H. R. 7501: On final passage of the Treasury, Post Office, and Executive Office appropriation bill for 1968 in the amount of $7,500,000,000. (Passed 371 to 7.)	Yes.

See footnotes at end of table.

GERALD R. FORD'S VOTING RECORD, 1ST SESS., 90TH CONG.—Continued

Roll-call No.	Date	Measure, question, and result	Vote
48	Mar. 22	Quorum call	Present.
49	Mar. 22	H.J. Res. 428: On motion to recommit to committee the resolution on the Alliance for Progress in order to strike out all after the resolving clause and to adopt language stating that the Congress will give sympathetic consideration to ways of implementing any agreements to be made at Punta del Este. (Defeated 147 to 210.)	No.
50	Mar. 22	H.J. Res. 428: To approve the resolution in support for a new phase of the Alliance for Progress at this meeting of American Chiefs of State to be held at Punta del Este. (Passed 234 to 118.)	Yes.
51	Apr. 5	Quorum call	Present.
52	Apr. 5	H. Res. 364: To recommit to committee the resolution providing $250,000 for use by the Committee on Science for employmenti travel, etc., in order to provide $30,000 more for employment and staff assistants to the minority. (Defeated 176 to 215.)	Yes.
53	Apr. 5	H. Res. 221: On a motion to order the "previous question" on the resolution providing $350,000 for investigative expenses by the House Committee on Un-American Activities. (Passed 305 to 92.)	Yes.
54	Apr. 5	H. Res. 221: On a motion to recommit to committee, the resolution providing funds for investigations by the House Committee on Un-American Activities in order that open hearings may be held on the request of the committee. (Defeated 92 to 304.)	No.
55	Apr. 5	H. Res. 221: To approve the resolution providing $350,000 for the investigative functions of the Committee on Un-American Activities. (Passed 348 to 43.)	Yes.
56	Apr. 6	Quorum call	Present.
57	Apr. 6	H. Res. 413: To adopt the rule under which H.R. 2512, the copyright provision bill is to be considered. (Passed 347 to 42.)	Yes.
58	Apr. 6	Quorum call	Present.
59	Apr. 6	Quorum call	Present.
60	Apr. 6	H. R. 2512: On a motion to strike the enacting clause from the bill providing for a general revision of the copyright laws. (Defeated 126 to 252.)	No.
61	Apr. 11	Quorum call	Present.
62	Apr. 11	H.J. Res. 493 (S.J. Res. 65): To suspend the rules and approve the resolution extending for 20 days until May 3, the date at which the railroad strike could take place. (Passed 396 to 8.)	Yes.
63	Apr. 11	H. R. 2512: To approve the Copyright Provision Act as amended by the House. (Passed 379 to 29.)	Yes.
64	Apr. 12	Quorum call	Present.
65	Apr. 12	H. R. 5404: To approve the bill amending the National Science Foundation Act to make certain changes with organization and operation of the Foundation. (Passed 391 to 22).	Yes.
66	Apr. 13	Quorum call	Present.
67	Apr. 13	Quorum call	Present.
68	Apr. 13	H. Res. 418: To adopt the resolution establishing a Committee on Standards of Official Condust. (Passed 400 to 0.)	Yes.
69	Apr. 17	Quorum call	Present.
70	Apr. 20	H. Res. 443: To approve the resolution expressing sympathy to the people of West Germany in the death of Konrad Adenauer. (Passed 357 to 0.)	Yes.
71	Apr. 20	H. Res. 207: To provide for the participation of the Department of the Interior in the construction and operation of a large prototype desalting plant. (Passed 315 to 38.)	Yes.
72	Apr. 26	Quorum call	Present.
73	Apr. 27	H.R. 9029: On a motion to recommit to committee the 1968 appropriating bill for the Department of the Interior in order to make a 5-percent across-the-board reduction in the appropriation as recommended by the President. (Defeated 158 to 231.)	Yes.
74	Apr. 27	H.R. 9029: To approve the $1,300,000,000 appropriation bill (1968) for the Department of the Interior and related agencies. (Passed 376 to 11.)	Yes.
75	Apr. 27	H.R. 442: To adopt the "previous question" on the resolution providing for the consideration of H.R. 2508, the bill relative to establishing Federal standards for congressional redistricting. (Passed 284 to 99.)	Yes.
76	Apr. 27	H.R. 2508: On a motion to recommit to committee the bill on Federal standards for congressional redistricting for the purpose of striking out the provisions that "the States of Hawaii and New Mexico may continue to elect their Representative at Large. (Defeated 161 to 203.)	Yes.
77	Apr. 27	H.R. 2508: On final passage of the bill establishing Federal standards for congressional redistricting. (Passed 289 to 63.)	Yes.
78	May 1	Quorum call	Present.
79	May 1	H.J. Res. 543: To suspend the rules and pass the resolution extending the "cooling-off" period in the potential railroad strike to June 19. (Passed 301 to 56.)	Yes.
80	May 3	Quorum call	Absent.[1]
81	May 3	H.R. 9481: To approve the 2d supplemental appropriations bill in the amount of $2,040,000,000. (Passed 391 to 6.)	Yes.
82	May 4	Quorum call	Present.
83	May 9	Quorum call	Present.
84	May 9	H.R. 9240: To approve the bill authorizing defense procurement, research, and development in the amount of $21,400,000,000. (Passed 401 to 3.)	Yes.
85	May 11	Quorum call	Present.
86	May 11	H. Res. 161: To approve the resolution providing up to $100 additional allowance for telephone service in the district office of Members of the House. (Passed 189 to 157.)	Yes.
87	May 11	H. Res. 464: To approve the resolution adding 78 officers and members to the Capitol Police Force. (Passed 334 to 16.)	Yes.
88	May 15	Quorum call	Present.
89	May 15	Quorum call	Present.
90	May 16	Quorum call	Present.
91	May 17	Quorum call	Present.
92	May 17	H.R. 9960: To amend the appropriation bill for independent offices and the Department of Housing and Urban Development by striking out the provision authorizing new contracts in the rent supplement program. (Passed 232 to 171.)	Yes.
93	May 17	H.R. 9960: To recommit to committee the independent office and HUD appropriation bill in order to reduce the appropriation for model cities from $237,000,000 to $12,000,000. (Defeated 193 to 213.)	Yes.
94	May 17	H. R. 9960: To approve the $10,000,000,000 appropriation bill for independent offices and the Department of Housing and Urban Development. (Passed 347 to 56.)	No.
95	May 17	H. R. 6431: To approve the Mental Health Amendment of 1967. of 1967. (Passed 353 to 0.)	Yes.
96	May 22	Quorum call	Present.
97	May 22	Quorum call	Present.
98	May 23	Quorum call	Present.
99	May 23	Quorum call	Present.
100	May 24	Quorum call	Absent.[1]
101	May 24	Quorum call	Present.
102	May 24	H. R. 7819: To adopt an amendment to the elementary and secondary education bill which would tend to give more Federal assistance to the poorer States. (Passed 221 to 195.)	Yes.
103	May 24	H. R. 7819: To adopt an amendment to the elementary and secondary education bill which would provide more State control over certain programs under the act. (Passed 230 to 185.)	Yes.
104	May 24	H. R. 7819: To recommit to committee the bill amending the Elementary and Secondary Education Act in order to hold further hearings on the bill and all germane amendments. (Defeated 180 to 236.)	Yes.
105	May 24	H. R. 7819: On final passage of the Elementary and Secondary Education Amendments of 1967. (Passed 294 to 122.)	No.
106	May 25	Quorum call	Present.
107	May 25	Quorum call	Present.
108	May 25	S. 1423: To approve the bill amending the Universal Training and Service Act as amended by the House. (Passed 362 to 9.)	Yes.
109	May 31	Quorum call	Present.
110	May 31	H.R. 10345: To amend the appropriation bill for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies in order to limit to $1,350,000 the subsidy SBA participation certificate. (Passed 185 to 44.)	Yes
111	May 31	H.R. 10345: To recommit to committee the appropriation bill for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies in order to limit expenditures in these departments and agencies (except FBI) to 95 percent of the amount requested by the President in the budget. (Passed 171 to 156.)	Yes.
112	June 1	Quorum call	Present.
113	June 1	Quorum call	Present.
114	June 1	Quorum call	Present.
115	June 1	Quorum call	Present
116	June 5	H.R. 10226: To suspend the rules and pass the bill providing additional free letter mail and air transportation mailing privileges of the Armed Forces. (Passed 315 to 0.)	Absent.[3]
117	June 6	Quorum call	Present.
118	June 6	Quorum call	Present.
119	June 6	H.R. 10509: To recommit to committee the agricultural appropriation bill in order to make a 5-percent reduction in the bill as recommended by the President. (Except for the school lunch and school milk program.) (Defeated 175 to 222.)	Yes.
120	June 6	H.R. 10509: To approve the $4,700,000,000 Department of Agriculture appropriation bill. (Passed 357 to 38.)	No.
121	June 7	Quorum call	Present.
122	June 7	H. Res. 504: To order the "previous question" on the resolution under which the bill authorizing an increase in the debt limitation was to be considered. (Passed 291 to 99.)	Yes.
123	June 7	H. R. 10328: To approve the bill raising the public debt limit to $365,000,000,000. (Defeated 197 to 210.)	No.
124	June 8	Quorum call	Present.
125	June 8	Quorum call	Present.
126	June 8	H. R. 9029: To approve the conference report on the $1,400,000,000 appropriation bill for the Department of the Interior and related agencies which was $5,300,000,000 above the bill as approved by the House originally. (Passed 321 to 49.)	No.
127	June 8	Quorum call	Present.
128	June 8	H.R. 1318 (S. 953): To amend the bill relating to the food stamp program in order to require States or local political units to pay for 20 percent of the free coupons distributed in the area. (Defeated 173 to 191.)	Yes.
129	June 8	H.R. 1318 (S. 953): On a final passage of the bill to amend the Food Stamp Act of 1964. (Passed 230 to 128.)	No.
130	June 12	Quorum call	Present.
131	June 12	H.R. 7476 (S. 1352): To approve the bill authorizing adjustments in the amount of outstanding silver certificates. (Passed 234 to 109.)	Yes.
132	June 13	Quorum call	Present.
133	June 13	Quorum call	Present.
134	June 13	Quorum call	Present.
135	June 13	H.R. 10738: To approve the $70,000,000,000 defense appropriation bill. (Passed 407 to 1.)	Yes.
136	June 14	Quorum call	Present.
137	June 14	Quorum call	Present.
138	June 15	Quorum call	Present.
139	June 19	H.R. 6111: To suspend the rules and pass the bill providing for the establishment of a Federal Judicial Center. (Passed 229 to 98.)	Yes.
140	June 19	H.R. 10730: To suspend the rules and pass the bill to amend the Older Americans Act of 1965. (Passed 331 to 0.)	Yes.
141	June 19	H.R. 480: To suspend the rules and pass the bill extending for an additional 8 years the act relating to the acquisition of wet lands. (Passed 328 to 8.)	Yes.
142	June 19	H.R. 482: To suspend the rules and pass the bill authorizing an increase in fee for migrating bird hunting stamps. (Passed 238 to 97.)	Yes.
143	June 20	Quorum call	Present.
144	June 20	S. 1432: To adopt the conference report on the bill to amend and extend the Universal Military Training and Service Act. (Passed 397 to 29.)	Yes.
145	June 20	H.R. 10480: To approve the bill to make it a Federal offense to desecrate the U.S. flag. (Passed 385 to 16.)	Absent.[3]
146	June 21	Quorum call	Present.
147	June 21	H.R. 10867: To recommit to committee the bill increasing the public debt ceiling in order to set the limit at $336,000,000,000. (Defeated 191 to 224.)	Yes.
148	June 21	H.R. 10867: On final passage of the bill to increase the permanent debt limit to $358,000,000,000 with a "supplementary $7,000,000,000" for fiscal year 1969 and subsequently. (Passed 217 to 196.)	No.
149	June 22	Quorum call	Present.

See footnotes at end of table.

GERALD R. FORD'S VOTING RECORD, 1ST SESS., 90TH CONG.—Continued

Roll-call No.	Date	Measure, question, and result	Vote
149	June 22	Quorum call	Present.
150	June 22	Quorum call	Present.
151	June 22	Quorum call	Present.
152	June 22	Quorum call	Present.
153	June 26	S. 1226: To approve the bill relating to the issuance of marriage licenses in the District of Columbia. (Passed 335 to 6.)	Yes.
154	June 27	H.R. 10783: To approve the bill relating to crime and criminal procedure in the District of Columbia. (Passed 355 to 14.)	Yes.
155	June 27	Quorum call	Present.
156	June 27	H.R. 10943: To recommit to committee the higher education bill in order to strike provisions for the Teacher Corps from the bill. (Defeated 146 to 257.)	No.
157	June 27	H.R. 10943: To approve the bill amending and extending title V of the Higher Education Act of 1965. (Passed 311 to 88.)	Yes.
158	June 28	Quorum call	Present.
159	June 28	Quorum call	Present.
160	June 28	H.R. 10340 (S. 1296): To recommit to committee the NASA authorization bill in order to cut $136,500,000 from the bill and to provide for an Aerospace Safety Advisory Panel. (Passed 238 to 157.)	Yes.
161	June 28	H.R. 10340 (S. 1296): To approve the NASA authorization bill as amended. (Passed 342 to 53.)	Yes.
162	July 11	Quorum call	Present.
163	July 11	H.R. 10805: To suspend the rules and pass the bill extending the existence of the U.S. Civil Rights Commission for 5 years to Jan. 31, 1973. (Passed 283 to 89.)	Yes.
164	July 12	Quorum call	Absent.[1]
165	July 12	S. 20: To establish a National Water Commission to make a comprehensive review of national water resource problems and programs. (Passed 369 to 18.)	Absent.[2]
166	July 13	Quorum call	Present.
167	July 13	H.R. 10595: To recommit to committee the bill prohibiting certain financial institutions from acting as lottery agencies. (Defeated 135 to 257.)	No.
168	July 13	H.R. 10595: To approve the bill prohibiting certain financial institutions (in New York State) from acting as lottery agencies. (Passed 271 to 111.)	Yes.
169	July 17	Quorum call	Present.
170	July 17	S.J. Res. 81: To pass the resolution for a settlement of the railway strike. (Passed 244 to 148.)	Yes.
171	July 18	Quorum call	Present.
172	July 18	Quorum call	Present.
173	July 18	H.R. 11456: To recommit to committee the appropriation bill for the Department of Transportation in order to reduce expenditures in fiscal 1968 by 5 percent of the budgetary request. (Passed 218 to 189.)	Yes.
174	July 18	H.R. 11456: To approve the $1,500,000,000 appropriation bill for the Department of Defense as amended. (Passed 393 to 5.)	Yes.
175	July 19	Quorum call	Present.
176	July 19	H.R. 421: To approve the bill making it a Federal offense to travel or use the facilities in interstate or foreign commerce with intent to incite riot. (Passed 347 to 70.)	Yes.
177	July 20	Quorum call	Absent.[1]
178	July 20	H. Res. 749: To adopt the resolution making it in order to consider H.R. 11000, the Rat Extermination Act of 1967. (Defeated 176 to 207.)	Absent.[3]
179	July 25	Quorum call	Present.
180	July 25	H.R. 11641: To delete from the public works appropriation bill planning funds in the amount of $1,600,000 for the Dickey-Lincoln hydroelectric dam in Maine. (Passed 233 to 169.)	Yes.
181	July 25	H.R. 11641: To recommit to committee the appropriation bill for public works and Atomic Energy Commission in order to reduce the appropriations for each item by 5 percent. (Defeated 168 to 239.)	Yes.
182	July 25	H.R. 11641: On final passage of the $4,600,000,000 appropriations bill for public works and the Atomic Energy Commission. (Passed 375 to 26.)	No.
183	July 26	Quorum call	Present.
184	July 26	Quorum call	Present.
185	July 26	Quorum call	Present.
186	July 26	H.R. 9547: To recommit to committee the bill authorizing funds for the Inter-American Development Bank in order to cut the amount from $900,000,000 to $750,000,000. (Defeated 185 to 217.)	Yes.
187	July 26	H.R. 9547: To authorize funds in the amount of $900,000,000 for the Inter-American Development Bank. (Passed 275 to 122.)	Absent.
188	July 27	Quorum call	Present.
189	July 27	H.R. 8630: To approve the bill extending the authority for exemptions from the antitrust laws to assist in safeguarding the balance-of-payments position of the United States. (Passed 308 to 66.)	Yes.
190	July 31	H.R. 6098: To adopt the conference report on the Interest Equalization Tax Extension Act of 1967. (Passed 223 to 83.)	Yes.
191	Aug. 1	Quorum call	Present.
192	Aug. 1	H.R. 11722: To approve the military construction authorization bill for 1968. (Passed 394 to 2.)	Yes.
193	Aug. 2	Quorum call	Present.
194	Aug. 2	Quorum call	Present.
195	Aug. 2	Quorum call	Present.
196	Aug. 2	Quorum call	Present.
197	Aug. 3	Quorum call	Present.
198	Aug. 3	Quorum call	Present.
199	Aug. 8	Quorum call	Present.
200	Aug. 8	H.R. 5037: To amend the Law Enforcement and Criminal Justice Assistance Act in order to strengthen the authority of the States in planning and administering the programs under the act. (Passed 256 to 147.)	Yes.
201	Aug. 8	H.R. 5037: To approve the Law Enforcement and Criminal Justice Assistance Act as amended. (Passed 377 to 23.)	Yes.
202	Aug. 9	Quorum call	Present.
203	Aug. 9	Quorum call	Present.
204	Aug. 9	H.Res. 512: To adopt the resolution disapproving the President's Reorganization Plan No. 3 relating to the government of the District of Columbia. (Defeated 160 to 244.)	Yes.
205	Aug. 10	Quorum call	Present.
206	Aug. 10	H.R. 7659: To adopt the bill providing for a mid-decade census beginning in 1975. (Passed 255 to 127.)	No.
207	Aug. 14	Quorum call	Present.
208	Aug. 14	H.R. 43: To adopt the bill authorizing the Secretary of Interior to construct, operate, and maintain the San Felipe division, Central Valley project, California. (Passed 235 to 83.)	Yes.
209	Aug. 14	H.R. 6279: To amend bill authorizing the Secretary of Commerce to provide for the collection, compilation, evaluation, publication, and sale of standard reference data by limiting the authorization for an appropriation to 1 year in the amount of $1,860,000. (Passed 319 to 2.)	Yes.
210	Aug. 14	Quorum call	Present.
211	Aug. 15	Quorum call	Present.
212	Aug. 15	Quorum call	Present.
213	Aug. 15	Quorum call	Present.
214	Aug. 15	H.R. 856: To adopt the "rule" under which to consider H.R. 2516, the bill for providing penalties for interference with civil rights. (Passed 330 to 77.)	Yes.
215	Aug. 15	Quorum call	Present.
216	Aug. 15	Quorum call	Present.
217	Aug. 15	Quorum call	Present.
218	Aug. 16	Quorum call	Present.
219	Aug. 16	Quorum call	Present.
220	Aug. 16	H.R. 2516: To approve the bill, as amended, providing penalties for interference with the proper exercise of civil rights. (Passed 326 to 93.)	Yes.
221	Aug. 17	Quorum call	Present.
222	Aug. 17	H.R. 12080: To adopt the Social Security Amendments of 1967. (Passed 415 to 3.)	Yes.
223	Aug. 17	S. 16: To adopt the conference report on the Veterans' Pension and Readjustment Assistance Act of 1967. (Passed 404 to 0.)	Yes.
224	Aug. 21	H.R. 12257: To suspend the rules and pass the Vocational Rehabilitation Amendments of 1967. (Passed 340 to 0.)	Absent.[3]
225	Aug. 21	Quorum call	Absent.[1]
226	Aug. 21	H.R. 11565: To suspend the rules and pass the bill authorizing during the 1968 and 1969 crop years the intracountry lease, sale, and transfer of acreage allotment for peanuts among farms. (Defeated 208 to 146; a ⅔ vote being necessary.)	Absent.[3]
227	Aug. 21	Quorum call	Absent.[1]
228	Aug. 22	Quorum call	Present.
229	Aug. 22	H.R. 12474: To approve the appropriation bill in the amount of $4,500,000,000 for the National Aeronautics and Space Administration. (Passed 312 to 92.)	Yes.
230	Aug. 22	Quorum call	Present.
231	Aug. 23	Quorum call	Present.
232	Aug. 23	Quorum call	Present.
233	Aug. 24	Quorum call	Present.
234	Aug. 24	Quorum call	Present.
235	Aug. 25	H.R. 12048: To eliminate from the foreign aid authorization bill the provision giving new authority for the President to arrange credit sales of military arms and services by private supplies with U.S. Government guarantee. (Passed 236 to 157.)	Yes.
236	Aug. 25	H.R. 12048: To recommit to committee the foreign aid authorization bill in order to reduce the amount of the authorization for technical cooperation and development in fiscal year 1968 from $243,000,000 to $210,000,000 and to eliminate the $260 000,000 authorization for 1969. (Passed 234 to 163.)	Yes.
237	Aug. 25	H.R. 12048: To approve the Foreign Assistance Act of 1947 as amended. (Passed 202 to 194.)	Yes.
238	Aug. 28	Quorum call	Present.
239	Aug. 28	H.R. 8965: To approve the bill increasing the contribution of the Federal Government for construction of the interceptor sewer for the Dulles Airport from $3,000,000 to $15,500,000. (Passed 118 to 109.)	Yes.
240	Sept. 11	H.R. 11816: To approve the bill providing benefits to State and local law enforcement officers or their survivors when they are disabled or killed while apprehending a person who has violated a Federal law. (Passed 310 to 0.)	Yes.
241	Sept. 11	H.R. 8654: To approve the bill providing for an appeal by the United States from decisions sustaining motions to suppress evidence. (Passed 310 to 0.)	Yes.
242	Sept. 11	H.R. 8775: To approve the bill increasing the appropriation authorization for continuing work on the Missouri River Basin. (Passed 225 to 83.)	Yes.
243	Sept. 12	Quorum call	Present.
244	Sept. 12	H.R. 10738: To approve that portion of the defense appropriation conference report on which there was no disagreement. (Passed 365 to 4.)	Yes.
245	Sept. 12	H.R. 10738: On a motion that the House agree to strike from the defense appropriation bill the provision, "that none of the funds herein provided shall be used for the construction of any naval vessel in foreign shipyards." (Defeated 144 to 233.)	No.
246	Sept. 12	Quorum call	Present.
247	Sept. 13	Quorum call	Present.
248	Sept. 13	Quorum call	Present.
249	Sept. 13	Quorum call	Present.
250	Sept. 13	Quorum call	Present.
251	Sept. 14	Quorum call	Absent.[1]
252	Sept. 14	Quorum call	Absent.[1]
253	Sept. 14	S. 602: On a motion to reduce the authorization in the Appalachian Regional Development Act Amendments of 1967 by $50,000,000. (Passed 199 to 161.)	Yes.
254	Sept. 14	S. 602: On a motion to recommit to committee the Appalachian authorization bill in order to provide the funds to the Secretary of Transportation instead of the President, to make changes in provisions relative to housing projects, and to supply funds to attack the alewife problem of the Great Lakes area. (Defeated 178 to 184.)	Yes.
255	Sept. 14	S. 602: On final passage of the Appalachian Regional Development Amendment of 1967 and amendment to the Public Works and Development Act of 1965. (Passed 189 to 168.)	No.
256	Sept. 18	Quorum call	Absent.[4]
257	Sept. 18	H.R. 4451: To suspend the rules and pass the Fisherman's Protective Act of 1967. (Defeated 147 to 175.)	Absent.[3]
258	Sept. 18	S. 1657: To suspend the rules and pass the bill extending for 1 year the authority of the Secretary of Agriculture to make certain dairy indemnity payments. (Passed 320 to 7.)	Absent [3]

See footnotes at end of table.

GERALD R. FORD'S VOTING RECORD, 1ST SESS., 90TH CONG.—Continued

Roll-call No.	Date	Measure, question, and result	Vote
259	Sept. 18	H.R. 838: To suspend the rules and pass the resolution authorizing the Committee on the Judiciary to observe and study the United Nations High Commissioner for Refugees. (Passed 262 to 52.)	Absent.[3]
260	Sept. 19	Quorum call	Absent.[4]
261	Sept. 19	Quorum call	Absent.[4]
262	Sept. 19	S. 953: To adopt the conference report on the amendments to the Food Stamp Act. (Passed 196 to 154.)	Absent.
263	Sept. 20	Quorum call	Present.
264	Sept. 20	H.R. 9547: To recommit to the conference committee the bill amending the Inter-American Development Bank Act in order to insist upon retaining sec. 1 of the House-passed bill providing for an audit of the Bank. (Passed 274 to 126.)	Yes.
265	Sept. 20	H.R. 6418: On a motion to amend the Partnership of Health Amendments of 1967 in order to add $20,000,000 in each of 2 years intended to be spent for rat control. (Passed 227 to 173.)	No.
266	Sept. 20	H.R. 6418: On final passage of the Partnership of Health Amendments of 1967 as amended. (Passed 395 to 7.)	Yes.
267	Sept. 20	H.R. 6430: To approve the Mental Retardation Amendments of 1967. (Passed 389 to 0.)	Yes.
268	Sept. 21	Quorum call	Present.
269	Sept. 21	Quorum call	Present.
270	Sept. 21	H.R. 6736: To recommit to committee the Public Broadcasting Act of 1967 in order to delete title II establishing a nonprofit educational broadcasting corporation, and in order to authorize $5,000,000 for assistance to existing educational broadcasting stations. (Defeated 167 to 194.)	Yes.
271	Sept. 21	H.R. 6736 (S. 1160): On final passage of the Public Broadcasting Act of 1967. (Passed 265 to 91.)	Yes.
272	Sept. 25	Quorum call	Present.
273	Sept. 25	H.R. 13042: To approve the bill providing for the election of the school board in the District of Columbia. (Passed 324 to 3.)	Yes.
274	Sept. 25	H.R. 13025: To approve the bill authorizing the District of Columbia Council to make regulations relating to the sale of alcoholic beverages and to alter the regulations on serving of alcoholic beverages at hotels and clubs in the District of Columbia. (Defeated 153 to 182.)	No.
275	Sept. 26	Quorum call	Present.
276	Sept. 26	Quorum call	Present.
277	Sept. 26	H.R. 12120: On an amendment to the Juvenile Delinquency Prevention and Control Act of 1967 to give States and local governments more control over the program. (Passed 234 to 139.)	Yes.
278	Sept. 26	H.R. 12120: On an amendment to the Juvenile Delinquency Prevention and Control Act to prevent any use of funds authorized under this bill by the Office of Economic Opportunity. (Passed 241 to 132.)	Yes.
279	Sept. 27	Quorum call	Present.
280	Sept. 27	Quorum call	Present.
281	Sept. 27	Quorum call	Present.
282	Sept. 27	H.J. Res. 849: To recommit to committee the resolution continuing appropriations from Sept. 30 to Oct. 31. (Passed 202 to 182.)	Yes.
283	Sept. 28	Quorum call	Present.
284	Sept. 28	Quorum call	Present.
285	Sept. 28	H.R. 478: To approve the bill establishing procedures to relieve domestic industries and workers injured by increased imports from low-wage area. (Passed 340 to 29.)	Yes.
286	Sept. 29	Quorum call	Present.
287	Sept. 29	H.R. 10673: To approve the bill amending the Packers and Stockyards Act of 1921 to strengthen and clarify stockyard owners' rights and responsibilities for the management of their stockyards. (Passed 234 to 6.)	Yes.
288	Oct. 2	Quorum call	Absent.[1]
289	Oct. 2	H.R. 4903: To suspend the rules and pass the bill amending the act providing for the economic and social development in the Ryukyu Islands. (Passed 284 to 80.)	Absent.[3]
290	Oct. 2	S. 233: To suspend the rules and pass the bill authorizing disposal of the Government-owned, long-lines communication facilities in Alaska. (Passed 357 to 1.)	Absent.[3]
291	Oct. 2	H.R. 9796: To suspend the rules and pass the bill extending the loan of 15 vessels to certain foreign countries. (Passed 321 to 42.)	Yes.
292	Oct. 3	Quorum call	Present.
293	Oct. 3	H. Res. 938: To adopt the "previous question" on the resolution to take up and consider H.J. Res. 853 (continuing appropriations) which would mean that no amendments could be considered. (Passed 213 to 205.)	No.
294	Oct. 3	H.R. 11722: To adopt the conference report on the Military Construction Authorization Act. (Passed 377 to 33.)	Yes.
295	Oct. 4	Quorum call	Present.
296	Oct. 4	H.R. 10196: To recommit to conference the Labor-HEW appropriation bill in order to make reductions of $20,000,000 on those items in excess of budget request. (Passed 226 to 173.)	Yes.
297	Oct. 4	H.R. 1411: To approve the bill amending the law relative to use of the mails to obtain money or property under false representation. (Passed 353 to 32.)	Yes.
298	Oct. 9	Quorum call	Absent.[1]
299	Oct. 10	Quorum call	Present.
300	Oct. 10	H.R. 10509: On a motion to insist on House position on conference report on Department of Agriculture appropriations bill that funds for the cropland adjustment program be held at a level to meet existing contracts rather than increased by $52,200,000 to take 2,000,000 additional acres out of production. (Passed 377 to 8.)	Yes.
301	Oct. 10	H.R. 10509: On a motion to insist on House position on conference report on Department of Agriculture appropriation bill that funds for the Farmers Home Administration be kept at budget request rather than increased by $25,000,000. (Passed 326 to 24.)	Yes.
302	Oct. 10	H.R. 10509: On a motion to insist on House position on conference report on Department of Agriculture appropriation bill that funds for the Commodity Credit Corporation be kept at budget request rather than increased from $1,400,000,000 to $3,000,000,000. (Passed 391 to 3.)	yes.
303	Oct. 10	Quorum call	Present.
304	Oct. 10	Quorum call	Present.
305	Oct. 11	Quorum call	Present.
306	Oct. 11	H.R. 7977: To recommit to committee the postal rate and Federal pay bill in order to eliminate from the bill provision for a 2d- and 3d-year pay increase and the provision for a "quadrennial commission" to set Federal salaries. (Defeated 199 to 211.)	Yes.
307	Oct. 11	H.R. 7977: On final passage of the Postal Revenue and Federal Salary Act of 1967. (Passed 318 to 89.)	No.
308	Oct. 16	Quorum call	Present
309	Oct. 16	H.R. 13048: To suspend the rules and pass the bill making certain technical amendments in the Library Services and Construction Act. (Passed 371 to 0.)	Yes.
310	Oct. 16	S.J. Res. 112: To suspend the rules and pass the resolution extending from Mar. 6 to Dec. 31, 1968, the deadline for the report of the National Commission on Urban Problems. (Passed 343 to 10.)	Yes.
311	Oct. 17	Quorum call	Present.
312	Oct. 17	Quorum call	Present.
313	Oct. 17	H.R. 11456: To recommit to committee the conference report on the Department of Transportation appropriation bill in order to insist on House disagreement with Senate amendments which exceed the President's budget requests. (Defeated 124 to 268.)	Yes.
314	Oct. 17	H.R. 11456: To approve the conference report on the Department of Transportation appropriations bill. (Passed 367 to 22.)	Yes.
315	Oct. 17	H.R. 11456: On a motion to agree to a Senate amendment to the Department of Transportation appropriations bill providing up to $140,000 in Federal funds for construction of an airport facility at Kelly Flats, Mont. (Defeated 161 to 222.)	No.
316	Oct. 17	H.R. 159: On final passage of the bill to establish an independent Federal Maritime Administration. (Passed 324 to 44.)	Yes.
317	Oct. 18	Quorum call	Present.
318	Oct. 18	Quorum call	Present.
319	Oct. 18	H.J. Res. 888: To adopt the Whitten substitute resolution providing that Federal expenditures in fiscal 1968 shall not exceed those of 1967 with certain exceptions; the net administrative budget shall not exceed $131,500,000,000 except those expenditures in excess of $22,000,000,000 which the President finds necessary for war in Vietnam; OEO is limited to $1,200,000,000 and foreign aid to $2,000,000,000. (Passed 239 to 164.)	Yes.
320	Oct. 18	H.J. Res. 888: To recommit to committee the continuing (and economy) resolution as amended. (Defeated 158 to 244.)	No.
321	Oct. 18	H.J. Res. 888: On final passage of the continuing (and economy) resolution as amended. (Passed 258 to 143.)	Yes.
322	Oct. 19	Quorum call	Absent.[1]
323	Oct. 19	H.R. 13178: To pass the bill relative to the safety of the Capitol buildings and grounds. (Passed 336 to 20.)	Absent.[3]
324	Oct. 19	Quorum call	Absent.[1]
325	Oct. 19	S. 678: To pass the bill prohibiting the obstruction of criminal investigations of the United States. (Passed 275 to 47.)	Absent.[3]
326	Oct. 20	Quorum call	Present.
327	Oct. 20	H. Res. 241: To transfer jurisdiction over matters involving military cemeteries of the United States in which veterans are buried from the Committee on Interior and Insular Affairs to the Committee on Veterans' Affairs. (Passed 227 to 0.)	Yes.
328	Oct. 20	H. Res. 947: To approve the resolution involving the "rule" under which the House would consider H.R. 10442, the bill to facilitate the exchange of Forest Service land for public school use. (Passed 221 to 1.)	Yes.
329	Oct. 20	H.R. 10442: To recommit to committee the bill to facilitate the exchange of Forest Service land for public school use in order to provide that any money received from the sale of land should go into the general fund of the Treasury rather than into a special fund in Department of Agriculture. (Defeated 30 to 191.)	Yes.
330	Oct. 23	Quorum call	Present.
331	Oct. 23	Quorum call	Present.
332	Oct. 23	Quorum call	Present.
333	Oct. 23	H.R. 11627: To authorize the State of Maryland to construct and operate 4 bridges or tunnels across the Chesapeake Bay. (Passed 342 to 9.)	Yes.
334	Oct. 24	Quorum call	Present.
335	Oct. 24	H.R. 9960: To recommit to the conference committee the independent offices and Department of Housing and Urban Development appropriation bill in order to insist on the House disagreement with the Senate in 7 instances. (Defeated 184 to 208.)	Yes.
336	Oct. 24	H.R. 9960: On a motion to agree to the Senate amendment to the HUD appropriation bill increasing by $300,000,000 for model cities and certain urban renewal. (Defeated 156 to 241.)	No.
337	Oct. 24	H.R. 9960: On a motion to agree to the Senate amendment to the HUD appropriation bill providing $40,000,000 for new contracts under the rent supplement program. (Defeated 152 to 250.)	No.
338	Oct. 24	H.R. 13606: To approve the $2,100,000 military construction appropriation bill. (Passed 362 to 26.)	Yes.
339	Oct. 25	Quorum call	Present.
340	Oct. 25	H.R. 11641: On a motion to recommit to conference the public works and atomic energy appropriation bill. (Defeated 117 to 278.)	Yes.
341	Oct. 25	H.R. 11641: On a motion to agree to the Senate amendment providing $875,000 to continue planning on the Dickey-Lincoln School Dam and Reservoirs, Maine. (Defeated 162 to 236.)	No.
342	Oct. 25	H.R. 11641: On a motion to remove from the public works appropriation bill the $875,000 to fund continual planning on the Dickey-Lincoln School project in Maine. (Defeated 283 to 111.)	Yes.
343	Oct. 26	H.R. 9960: To recommit to conference the appropriation bill on Independent offices and Department of Housing and Urban Development in order to insist upon the House position eliminating funds for new contracts for rent susbidies. (Defeated 184 to 198.)	Yes.
344	Oct. 26	H.R. 9960: To approve the conference report on the Independent offices and Department of Housing and Urban Development appropriation bill. (Passed 296 to 88.)	Yes.
345	Oct. 26	H.R. 13510: To approve the bill increasing the basic pay for members of the uniformed services. (Passed 385 to 2.)	Yes.
346	Oct. 26	H.R. 2508: To recommit to conference the bill on congressional redistricting in order to add certain provisions. (Defeated 82 to 283.)	No.

See footnotes at end of table.

GERALD R. FORD'S VOTING RECORD, 1ST SESS., 90TH CONG.—Continued

Roll-call No.	Date	Measure, question, and result	Vote
347	Oct. 26	H.R. 2508: To approve the conference report on the bill on congressional redistricting. (Passed 241 to 105.)	Yes.
348	Oct. 30	Quorum call	Absent.[1]
349	Oct. 30	H.R. 10915: To recommit to committee the bill regarding reduction of extra-long-staple cotton quota. (Defeated 101 to 244.)	No.
350	Oct. 30	H.R. 10915: On final passage of the bill to give to U.S. growers most of the world quota for extra-long-staple cotton. (Passed 275 to 63.)	Yes.
351	Oct. 31	Quorum call	Present.
352	Oct. 31	Quorum call	Present.
353	Oct. 31	Quorum call	Present.
354	Oct. 31	H.R. 12144: On final passage of the Federal Meat Inspection Act. (Defeated 403 to 1.)	No.
355	Nov. 1	Quorum call	Absent.[1]
356	Nov. 1	Quorum call	Absent.[1]
357	Nov. 2	Quorum call	Present.
358	Nov. 2	Quorum call	Present.
359	Nov. 2	S. 780: To approve the Air Quality Act of 1967 as approved. (Passed 362 to 0.)	Yes.
360	Nov. 3	Quorum call	Present.
361	Nov. 3	H. Res. 966: To adopt the rule under which S. 2388 (economic opportunity amendments) is to be considered. (Passed 262 to 39.)	Yes.
362	Nov. 6	H.R. 11565: To suspend the rules and pass the bill authorizing the transfer of peanut acreage allotments. (Passed 255 to 57.)	Absent.[3]
363	Nov. 6	S.J. Res 33: To suspend the rules and pass the resolution establishing a National Commission on Product Safety. (Passed 206 to 102.)	Absent.[3]
364	Nov. 6	H.R. 3639: To suspend the rules and pass the bill relating to the safety and effectiveness of new animal drugs. (Passed 317 to 0.)	Absent.[2]
365	Nov. 6	H.R. 13165: To suspend the rules and pass the bill extending to Mar. 1, 1969, the Secret Service protection of Mrs. John F. Kennedy and children. (Passed 302 to 11.)	Absent.[3]
366	Nov. 6	S.J. Res. 114: To suspend the rules and pass the resolution extending the duration of copyright protection in certain cases. (Passed 308 to 6.)	Absent.[3]
367	Nov. 6	H.R. 3982: To suspend the rules and pass the bill relating to the transportation of house trailers of members of the uniformed services. (Passed 319 to 0.)	Absent.[2]
368	Nov. 6	H.R. 13669: To suspend the rules and pass the bill relating to military claims and improvement of the administration and settlement of these claims. (Passed 317 to 0.)	Absent.[2]
369	Nov. 6	S. 1552: To suspend the rules and pass the Highway Safety Act of 1966. (Passed 252 to 65.)	Absent.[3]
370	Nov 6	S. 423: To suspend the rules and pass the bill authorizing funds to help defray certain increased costs of harbor at Manele Bay, Lanai, Hawaii. (Passed 291 to 25.)	Absent.[3]
371	Nov. 7	Quorum call	Absent.[1]
372	Nov. 7	Quorum call	Absent.[1]
373	Nov. 8	Quorum call	Present.
374	Nov. 8	S. 1872: To recommit to committee the conference report on the foreign aid authorization bill in order to insist upon the House amendment which provides that no defense articles may be sold to or purchased from any nation which supplies the Vietcong enemy in North Vietnam, and that Poland shall not have most-favored-nation treatment relative to tariffs as long as she furnishes supplies to Vietnamese Communists. (Defeated 196 to 200.)	Yes.
375	Nov. 8	S. 1872: to approve the conference report authorizing $2,600,000,000 for the foreign assistance program. (Passed 205 to 187.)	Yes.
376	Nov. 8	Quorum call	Present.
377	Nov. 9	Quorum call	Present.
378	Nov. 9	H.R. 11641: To approve the motion to agree to the Senate amendment to the civil functions appropriation bill (public works) providing $875,000 for the Dickey-Lincoln School hydroelectric project in Maine. (Defeated 118 to 263.)	No.
379	Nov. 9	Quorum call	Present.
380	Nov. 9	H.R. 8569: To approve the $500,000,000 District of Columbia appropriations bill. (Passed 354 to 6.)	Yes.
381	Nov. 13	Quorum call	Present.
382	Nov. 14	Quorum call	Present.
383	Nov. 14	Quorum call	Present.
384	Nov. 14	Quorum call	Present.
385	Nov. 15	Quorum call	Present.
386	Nov. 15	S. 2388: To amend the economic opportunity bill by prohibiting use of OEO funds to provide legal defense for anyone charged with a crime growing out of any unlawful demonstration or civil disturbance. (Passed 332 to 79.)	Yes.
387	Nov. 15	S. 2388: To recommit to committee the Economic Opportunity Amendments of 1967 in order to reduce the authorization of funds from $2,060,000,000 to $1,600,000,000. (Passed 221 to 190.)	Yes.
388	Nov. 15	S. 2388: On final passage of the Economic Opportunity Amendments of 1967. (Passed 283 to 129.)	No.
389	Nov. 16	Quorum call	Present.
390	Nov. 16	H.Res. 978: To approve the rule waiving points of order against the bill making appropriations for foreign assistance. (Passed 200 to 190.)	Yes.
391	Nov. 16	Quorum call	Present.
392	Nov. 16	Quorum call	Present.
393	Nov. 17	Quorum call	Present
394	Nov. 17	H.R. 13893: To recommit to committee the foreign aid appropriation bill. (Defeated 135 to 177.)	No.
395	Nov. 17	H.R. 13893: On final passage of the $2,700,000,000 foreign aid appropriation bill as amended. (Passed 167 to 143.)	Yes.
396	Nov. 17	H. Res. 509: To approve the rule under which the House will consider H.R. 8 relative to obstruction of the Armed Forces. (Passed 211 to 37.)	Yes.
397	Nov. 20	Quorum call	Present.
398	Nov. 20	Quorum call	Present.
399	Nov. 20	H.R. 13933: To suspend the rules and pass the bill to modify the Interstate Highway System by allocating 200 additional miles to the 41,000 miles already authorized. (Passed 361 to 1.)	Yes.
400	Nov. 20	H.R. 12010: To suspend the rules and pass the bill granting the consent of the United States to the Wheeling Creek watershed protection and flood prevention district compact. (Passed 356 to 2.)	Yes.
401	Nov. 20	H.R. 9063: To suspend the rules and pass the bill amending the International Claims Settlement Act of 1949. (Passed 348 to 10.)	Yes.
402	Nov. 20	H.R. 11527: To suspend the rules and pass a bill relative to the transfer of U.S. land to the University of Maine. (Passed 326 to 24.)	Yes.
403	Nov. 21	Quorum call	Present.
404	Nov. 21	H.R. 6430: To approve the conference report on the Mental Retardation Amendments of 1967. (Passed 354 to 0.)	Yes.
405	Nov. 21	H.R. 6418: To approve the conference report on the Partnerships of Health Amendments of 1967. (Passed 347 to 3.)	Yes.
406	Nov. 21	S. 1031: To recommit to committee the Peace Corps authorization bill in order to reduce the 1968 authorizations from $115,700,000 to $105,000,000 and to prohibit Peace Corps officials and employees from attempting to obtain a selective service deferment for anyone on account of his service in the Peace Corps. (Defeated 141 to 203.)	Yes.
407	Nov. 21	S. 1031: To approve the Peace Corps authorization bill providing $115,700,000 for the fiscal year 1968. (Passed 312 to 32.)	Yes.
408	Nov. 21	Quorum call	Present.
409	Nov. 27	Quorum call	Present.
410	Nov. 27	H.R. 12603: To approve the National Visitor Center Facilities Act of 1967. (Passed 316 to 34.)	Yes.
411	Nov. 27	S. 1003: To approve the bill amending the Flammable Fabrics Act to increase the protection afforded consumers against injurious flammable fabrics. (Passed 325 to 0.)	Yes.
412	Nov. 28	Quorum call	Present.
413	Nov. 28	H.J. Res. 936: To extend the date of the "continuing resolution on appropriations" to Dec. 2, 1967. (Passed 368 to 13.)	Yes.
414	Nov. 28	H. Res. 985: On ordering the "previous question" on the resolution providing for consideration of H.R. 2275, a private bill which had been amended by the Senate to include legislation relative to congressional districts. (Passed 201 to 179.)	No.
415	Nov. 28	H.R. 12601 (S. 2171): On a bill to amend the Internal Security Act with regard to the provisions of that act that deal with registration of Communist organizations. (Passed 269 to 104.)	Absent.[3]
416	Nov. 29	Quorum call	Present.
417	Nov. 29	H.R. 12144: On a motion to instruct the managers on the part of the House to agree to the Senate amendment to the Federal meat inspection bill. (Defeated 166 to 207.)	Absent.[4]
418	Nov. 29	H.R. 13706 (S. 2565): On a motion to recommit to committee the bill to amend the Federal Farm Loan Act and the Farm Credit Act in order to remove the 6-percent interest rate limitations for 2 years. (Defeated 102 to 269.)	Absent.[4]
419	Nov. 30	Quorum call	Present.
420	Dec. 4	Quorum call	Present.
421	Dec. 4	H.R. 11276: To suspend the rules and pass the bill authorizing appropriations to carry out the Adult Education Act of 1966 for 2 additional years. (Passed 352 to 0.)	Yes.
422	Dec. 4	H.R. 13054 (S. 830): To suspend the rules and pass the bill relative to age discrimination in employment. (Passed 344 to 13.)	Yes.
423	Dec. 4	H. Res. 996: To approve the resolution insisting upon the House amendments to S. 2171, to amend the Subversive Activities Control Act, and to agree to a conference with the Senate. (Passed 287 to 58.)	
424	Dec. 5	Quorum call	Absent.
425	Dec. 6	Quorum call	Present.
426	Dec. 6	H.R. 6111: To adopt the conference report on the bill establishing a Federal judicial center. (Passed 230 to 126.)	Yes.
427	Dec. 6	H.R. 12144: To adopt the conference report on the bill amending the Meat Inspection Act. (Passed 336 to 28.)	Yes.
428	Dec. 11	Quorum call	Present.
429	Dec. 11	S. 2388: To adopt the conference report on the Economic Opportunity Act Amendments of 1967. (Passed 247 to 149.)	No.
430	Dec. 11	H.J. Res. 888: To order the previous question on the conference report on a resolution making continuing appropriations for fiscal 1968—thus blocking a Republican motion for an additional $1,600,000,000 expenditure reduction. (Passed 213 to 183.)	No.
431	Dec. 11	H. J. Res. 888: To adopt the conference report on the resolution ordering expenditure reductions in fiscal 1968 totaling $4,100,000,000. (Passed 367 to 26.)	Yes.
432	Dec. 11	Quorum call	Present.
433	Dec. 11	H.R. 7977: To adopt the conference report on the Postal Revenue and Federal Salary Act of 1967. (Passed 327 to 62.)	Yes.
434	Dec. 12	Quorum call	Absent.[1]
435	Dec. 12	H.R. 14397: To pass the bill making supplemental appropriations for the fiscal year ending June 30, 1968. (Passed 307 to 77.)	Absent.[3]
436	Dec. 12	H.R. 4765: To adopt the conference report on the bill affecting income tax treatment of certain distributions pursuant to the Bank Holding Company Act of 1956. (Passed 274 to 104.)	Absent.[2]
437	Dec. 12	H.R. 10595: To adopt the bill prohibiting certain banks and savings and loan associations from selling State lottery tickets. (Passed 289 to 74.)	Absent.[2]
438	Dec. 13	Quorum call	Present.
439	Dec. 13	H.R. 12080: To adopt the conference report on the bill increasing social security benefits, providing benefits for additional categories of individuals, and improving the public assistance program and programs affecting the health and welfare of children. (Passed 390 to 3.)	Yes.
440	Dec. 13	Quorum call	Present.
441	Dec. 13	S. 2171: To adopt the conference report on the bill amending the Subversive Activities Control Act in accordance with certain decisions of the courts. (Passed 276 to 114.)	Yes.
442	Dec. 14	Quorum call	Present.
443	Dec. 14	H.R. 13893: A motion to recommit conference report on the bill making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968. (Passed 196 to 185.)	Yes.
444	Dec. 15	H.R. 13893: To adopt a conference report on the bill making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968. (Passed 198 to 158.)	Yes.
445	Dec. 15	H.R. 7819: To adopt a conference report on the bill amending and extending the Elementary and Secondary School Aid Act. (Passed 286 to 73.)	Yes.
446	Dec. 15	H.R. 12555: To suspend the House rules and pass the bill liberalizing provisions governing veterans pensions and to prevent an adverse impact on those pensions by social security increases. (Passed 354 to 0.)	Yes.

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[1] Speaking engagement.
[2] If present, would have voted "Yes."
[3] If present, would have voted "No."
[4] Home for mother's funeral.

President Johnson Transforms Surplus Federal Lands Into Model Communities

EXTENSION OF REMARKS

OF

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. GONZALEZ. Mr. Speaker, San Antonio, Tex., is proud to be one of the first cities chosen by the Government for its imaginative program to use surplus Federal lands and facilities for model balanced communities.

As the President pointed out in August, this is an effort to create balanced communities through construction of housing at all income levels and development of job opportunities on land and using facilities surplus to Government needs.

The new San Antonio community will be located on surplus acreage at Fort Sam Houston. It will eventually house some 4,500 citizens—mainly low-income families. In addition, there will be developed a light industry center which could provide training facilities for many of the residents.

When the President announced some months ago that he was asking the full cooperation of business in his effort to rebuild America, his proposal was just an ideal until hundreds of major insurance companies said they would go into the ghettoes with a billion dollars in new housing funds.

And when the President ordered a nationwide study of Federal surplus lands for possible residential and industrial use, that was still an ideal.

But, today, Washington, D.C., San Antonio, and Atlanta are moving forward to transform surplus Federal facilities into new communities. Another 48 cities are being surveyed. The result may well be a series of new balanced communities across the country.

Every day we can see why Lyndon Johnson of the Southwest is being described rightfully as the urban President of the 20th century.

With consent I insert in the RECORD the White House news release designating San Antonio and Atlanta as the sites for two new balanced communities:

The White House today announced plans to transform surplus Federal land into model communities in two cities—Atlanta and San Antonio.

The plans were a further step in a program launched by President Johnson last August to convert idle military and other surplus Federal properties into vital and useful community resources.

At that time, the Nation's Capital City became the site of the first pilot project.

The selection of Atlanta and San Antonio was based on an extensive survey by a special Cabinet-level task force created by the President.

The new community in Atlanta will be located on a 95-acre surplus Department of Justice tract. The property is adjacent to the Thomasville Urban Renewal Project and near the Atlanta business district. When completed the community will include 400 housing units for poor and middle income families, parklands, schools and a light industrial area.

The new San Antonio community will be located on 200 surplus acres at Fort Sam Houston. More than 4500 citizens, mainly low-income families, will be housed on the site. Job opportunities for the unemployed will be provided through special training programs and a light manufacturing center.

In San Antonio and Atlanta, representatives of the Federal Government worked closely with state and local officials in developing these plans.

The President made the following statement in connection with the announcement:

"The property of the Federal Government belongs to all of the people.

"Wherever possible, surplus land should be turned to their benefit.

"The Federal Government will cooperate fully with private enterprise and state and local government to transform these surplus and idle lands into new communities.

"The American people, I believe, want to see government and private enterprise join together to build decent homes for citizens who have never known their comfort, and to provide new training opportunities for those who want to improve their lives.

"The projects in Atlanta and San Antonio are directed to those goals. We hope in the months ahead to see more communities for the people take shape on surplus Federal land."

The special Presidential Task Force on the Use of Surplus Property is headed by GSA Administrator Lawson B. Knott, Jr., and includes Secretary of Defense McNamara; Secretary of the Department of Housing and Urban Development, Robert C. Weaver; and Attorney General Ramsey Clark.

This Task Force is now continuing its surveys for prospective new community sites on Federal surplus land in 48 cities across the Nation.

Facing Reality in an Insecure World

EXTENSION OF REMARKS

OF

HON. THOMAS H. KUCHEL

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Friday, December 15, 1967

Mr. KUCHEL. Mr. President, I was honored to speak before the Commonwealth Club of California at the Sheraton-Palace Hotel in San Francisco on Friday, December 15. I ask unanimous consent that a partial text of my remarks be printed in the RECORD at this point.

There being no objection, the partial text was ordered to be printed in the RECORD, as follows:

FACING REALITY IN AN INSECURE WORLD

Mr. Chairman and members of the distinguished Commonwealth Club of San Francisco, I am honored to return to San Francisco as the first session of the 90th Congress draws to a close. Its record, like those of most of its predecessors, was both good and bad. For our State of California, there were a number of significant gains. The Senate has recognized that there is a national obligation to preserve the ancient coastal redwoods. Our bill has a very good chance of favorable House consideration next year, and I am encouraged to believe it is on its way to enactment.

We have made some progress with the water problem. I sponsored a bill, now the law, authorizing the Federal Government to participate in a joint venture with public agencies and private utilities to construct a 44-acre island a mile off the Orange County coast line on which, by nuclear power, 150 million gallons of potable water will be made from the sea, to run into the water system which services the whole metropolitan area. In addition, more electricity will be manufactured in the process than is produced today at Hoover Dam. In northern California I authored a bill, now law, authorizing a $100 million reclamation project, repayable by the users to bring badly needed additional water from the San Luis reservoir in the San Joaquin Valley, across the Pacheco pass, to San Jose, the rest of Santa Clara County, and the Counties of San Benito, Santa Cruz and Monterey as well. These counties were not included in the Feather River plan.

The fight against air pollution has been widely expanded, and California's standards will remain intact, tougher than those established by Congress for the rest of the nation.

This session has labored under a growing cloud of fiscal confusion and danger, produced by a widening gap between Federal income and Federal expenditure. A priority task has been to reduce non-essential spending. We have lived through deficits before, but it is now apparent to all that the national government cannot be annually programmed around a vacuum of 30 billion dollars. The Senate Committee on Appropriations, of which I am a member, cut nearly five billion dollars from this year's appropriations. In the closing week of the session, Congress reduced expenditures by over four billion dollars.

Limitations on spending have intensified the arguments over continuation of major Federal grant programs. Last summer's tragic riots showed how little progress has been made in the search for the causes and cure of urban unrest.

This great, free republic was founded upon respect for law and order, and if we keep it, it will be because we maintain that respect, and penalize those who break the law and who thus show disrespect for it. Solving the problems of the American ghetto is basic to our survival. Inculcating respect for our system is fundamental. The solution is surely variegated. It includes education, manpower training, decent housing, recognition that the dignity of the individual is important and that an American ought to be judged on his worth as a constructive, law-abiding citizen, and not on his patrimony or his creed. That is part of the American dream.

Certainly, the nation has a role to play in seeking to make it come true. Legislative programs like Model Cities and Head Start have, I think, proved themselves and ought to be past partisan cavil. A full evaluation of all programs associated with the war on poverty is still required, but this ought not to imply that the Congress is indifferent to this critical problem. I cite an example. This year's poverty bill was once marked for early burial in the House. But when the oratory ended and the final vote came, it was passed by the largest margin in history. There is now substantial bipartisan agreement that the Federal Government must act to help save our cities. I respectfully suggest that the whole problem requires leadership from the top, which is largely lacking today in Washington.

We have the same bipartisan view regarding education. Local taxes, particularly property taxes, have made it impossible for suburban school districts to help meet the needs of city center. The urban school has become a major focus of Federal educational legislation. In this year's Senate bill on elementary and secondary education, there were no less than 23 constructive Republican amendments, all aimed at this problem and all accepted unanimously. The national philosophy, as it has formed since the Land Ordinance of 1785 and Lincoln's Land Grant College Act, follows closely the dictum of the late Senator Robert Taft who believed strongly in local control of education. Every piece of Federal legislation since his time has contained a strong caveat against Federal domination of the education of our children.

In this fast-moving final third of the twentieth century, the development of American education, in keeping with our democratic traditions, has become a vital factor in our national growth. The uncertain future for this insecure world requires all of us to look at our own first. America cannot venture forth—she cannot successfully discharge the inevitable burden of world leadership for peace with honor, unless she has met her responsibilities at home.

We live in a dynamic world. That great American philosopher, whose views are imbedded in the minds of more than one generation of thinking Americans, Mr. Alfred North Whitehead, has written, "The major advances in civilization are processes that all but wreck the societies in which they occur." Our era is memorable for its rapid pace and rapid change. There has been more scientific progress in the last fifty years, certainly in the last century, than there has been in the last 2,000 years. Stanford University has created the genetic materials of a living virus in a test tube. The trouble is that human virtue has not kept pace with science. Many wonder whether so-called advances have not forever permanently altered and perhaps destroyed much of the blessings of a familiar, happier, and far more simple age.

For the past twenty years, Americans have tended to view the world as divided between those who believe in democracy and those bound to a dogmatic doctrine of materialism and revolution. Mentally dividing the world in this manner between Communists and the Free has given us a kind of moral certainty. The Cold War made it easy to understand the world. If the other fellow is a devil, how much more certain are we in our own cause?

Americans have assumed that other peoples who see life generally as we do, or, at any rate, don't like dictatorships, would agree to joint measures of defense against a common potential enemy. We sought to apply the old American axiom, "In union there is strength," to the nation states of the world, and by a policy of collective security, create a far greater defensive strength than any one of us could create alone.

But these formulae have run up against limits. The holocausts of the First and Second World Wars should have made it painfully clear to all how suicidal and self-defeating is global conflict. If war on a broad scale means self-destruction, neither the United States, nor any Western democracy acting alone, can operate as the world's policeman. No one nation is strong or safe enough to set aright the wrongs of all others without risking a Frankenstein fate for itself.

Even the concept of joint action sometimes seems less urgent now, as leaders in the Soviet Union promise more cars and refrigerators for their people. Some sophisticated, less doctrinaire Communists in countries like Yugoslavia, have begun to speak of economic freedom and to toy with the profit motive. Our allies in Western Europe, weary at the end of empire, show little abiding concern for the future of the territories in Africa and Asia which they once ruled.

But in the new emerging states, the destructive possibilties of nuclear power in warfare are beginning to be appreciated. In the Near East, where the world has endured a major conflict in each of the last three decades, we may again see another grim round which could include the whole gamut of obliterating devices. A nation which lacks the technical know-how to use them can easily apply to a friendly Soviet technician to aim it properly, to arm its warhead and inform the local commander to press button A. And if he fails there, he can always try standby button B. While the concept of joint action weakens, the number of challenges to world stability do not diminish. They seem to increase and intensify.

These limits on American power are poignantly evident in the continuing conflict in Southeast Asia. We are repeatedly warned that American military action may provoke the Communists to launch World War III. Our Treasury, as I have mentioned earlier, is running a huge deficit. Our European allies speak of dangers to both European and American business if our economic house is not set in order including some kind of anti-inflation tax law. Rumor has it that the completely incredible President of France now seeks to lure Spain into cancelling her defense agreements with our country in exchange for a ticket for admission into the Common Market. The western world begins clearly to understand what Churchill had in mind in recalling the largest and most burdensome cross he had to bear in the Second World War.

Many Americans, remembering the great conclave at the War Memorial Opera House in 1945, still hope to see the United Nations with a worldwide responsibility for peace and stability. Last month, the Senate called upon the Administration to seek settlement in Viet Nam through the United Nations Security Council. I favored that measure, but, as I said in this city some weeks earlier, the United Nations does not have the presence in Southeast Asia to facilitate a settlement. Not the necessary experience, nor the cadres of experienced diplomats, nor the lines of communication, nor the possibility of establishing an adequate force to guarantee a settlement are available to the U.N. in this region. The *Near East* is the likely place to begin to use a U.N. peace force in a broader role. The recent events on Cyprus have deepened my conviction. In the Near East, as contrasted with Southeast Asia, the U.N. has a long record of patient and humanitarian work for peace, where all the nations involved have long been U.N. members. The United Nations is not now equipped to be a worldwide peacekeeping organization. Only the pious, unrealistic expression of eternal hope could lead anyone to think the U.N. can do the job without prior agreement among the major powers. To some, the wish has simply become father to the thought. Meanwhile, the one language which any would-be aggressor understands is the language of strength of his potential quarry and its friends. The interdependence of free nations for purposes of their common defense remains the best deterrent to attack and aggression.

As we convene for the second session of the 90th Congress, it is well to ask: What are the realities in this insecure world? What are the strengths we can muster? What weaknesses must be overcome?

A major task in the months ahead is to meet the current crisis of confidence in the dollar as an international reserve currency in the aftermath of the devaluation of the British pound. This is a subtle, psychological problem. Our position is strong, not weak as one sole world figure hopes and alleges. Indeed, the undoubted majority of the world financial community, from the Frankfurt Gold Pool to our gallant friend and neighbor, the Republic of Mexico, have joined in pledging their gold to support our dollar. They need, as we do, a strong American dollar.

Since the Second World War, the United States has provided the stable medium of exchange which, along with gold, has formed the core of the international monetary system. Our pre-eminent position has brought great advantages in terms of trade and investment. It has also left us with a singular dilemma—we alone in the world must base our reserve exclusively on gold. We can rely on no other currency.

Men don't toil for gold in the hills of California as they once did. The supply is closely restricted; we do not even produce enough in the United States today to supply the industrial need for gold. In the long run, the link between our own currency and gold may ultimately be replaced by some kind of international reserve system. Unquestionably, the world currency reserve must be able to grow along with world production and trade. But this is for the future. Our immediate task is literally to keep our currency "as good as gold."

America is going to have to put her house in order, not only for her own sake but for the other free nations of the globe. We have a choice between exorbitant interest rates and devastating inflation, with all their dire effects on growth and investment and fixed incomes, or a relatively small revenue increase coupled with expenditure reduction designed to avoid the enormous drain on our financial markets which the 1967 deficit might otherwise create. I regret that the Chairman of the House Ways and Means Committee has delayed action on tax legislation. A major asset is our sound economy. We cannot delay in putting it right—we have much else to do.

In the time of monetary stress all issues tend to become financial. We cannot move as forcefully and as fully as we might to improve education, to rebuild our cities or to save our precious natural resources. There is a cruel paradox between the cold indifference of de Gaulle and the condition of forlorn children in our blighted city centers. His every emphasis on a gold standard works a hardship on our nation. We carry the responsibility of providing the financial base of world commerce. So, in this moment of crisis, we are forced to settle our accounts before taking up more tender concerns.

Modern interdependent society survives on a network of trust and security. In this century, the community of Western civilization as described by the arc of the Atlantic Alliance and the close tie between these growing economies and their democratic societies has been the foundation of international order and economic growth.

The Atlantic Alliance must endure, even if for a few fleeting moments in time, our French ally of two centuries is led away from us by its irrational leader. Even if he were able to make the break complete, it would be a temporary schism at worst. France would be back.

On the borders of Western Europe, there remain fifty or more divisions of the Warsaw Pact forces and over 3000 aircraft. And in the Mediterranean, Soviet naval craft of many types are constantly in view. Even with an expanding trade between Eastern and Western Europe, the potential for trouble remains. We and our European allies, absent France, are now deciding the basis for a multinational NATO destroyer fleet able to demonstrate Western European concern by being sent to a trouble spot in short time. As an American I devotedly believe in the Atlantic Alliance. It has proved its value. Surely, the integrity and the welfare of Western Europe are of deep concern to the United States, and vice versa. We need to take together appropriate military steps by which we shall stand together in time of crisis.

By the same token, we have no obligation to keep American troops on European soil, if they are not called for. Both Britain and West Germany are reducing their NATO-committed forces, the former by 6,500, the latter by 45,000. NATO, and the United States in particular, must determine whether our forces are needed in their countries and at what strength in order to maintain a credible system of mutual defenses.

But our allies must not be misled. Withdrawal to "Fortress America" would be a prelude to international disaster. We recognize our need for collective security, and we are prepared to keep our part of the bargain.

I believe that the United States must expand and improve her high level consultations with our NATO allies. At this critical juncture in the history of our 200-year-old Atlantic community, we must have full and frank understanding. Let it be clear that America's hand is open. We want to keep the Atlantic relationship.

Many of the difficulties between America and her partners in the Alliance have come from uncertainty and insecurity produced by the conflict in Southeast Asia. I believe the era of uncertainty on this issue is passing.

The war in Viet Nam is enormously tragic. Its casualties, civilian and military, are high. Its causes have been misinterpreted and misrepresented. The old aphorism is still correct: In war, the first casualty is truth.

But two facts remain uncontestable. The allied Armed Forces—the South Vietnamese, we and the other gallant allies—have demonstrated their capability to deal with North Vietnamese aggression and Viet Cong insurgency. And the nations of the Pacific, of which we are one, have shown a common desire to put an end to the cycle of warfare that has ruled our fate for more than twenty years. Every nation in Asia has fought a subversive threat since the end of World War II, save the Japanese. And every one of those nations which are non-Communist wants an end to this threat. Some of them have made substantial commitments to South Viet Nam. Their effort in this regard has been consistently underrated. It now clearly appears that the Communist doctrine of violent revolution and the misnamed "wars of national liberation" have been weakened, possibly defeated, due in part to America's presence in South Viet Nam.

America cannot turn its back on Asia—nor for that matter can Continental Europe. The ferment in the Orient is largely the product of the conflict between Asian versions of ideas imported from the West. The prophetic Irish poet, James Joyce, once wrote:

> "The West will shake the East awake
> While ye have night for morn."

The causes, both political and ideological, are closely concerned with the expansion of Western ideas and Western civilization. It is later than many of us imagine. The struggle for stability in Asia, which has raged for over a quarter century, is not the unfolding of a new chapter in the Cold War era but, hopefully, the beginning of the end of that time.

In our nation there has been a raging controversy over Viet Nam. It has been explained as "stopping aggression," achieving "self-determination" for the Vietnamese, and even as "containing" Red China. Last September I had the opportunity to visit Southeast Asia and to speak with the new breed of leaders emerging in this latest post-war, post-colonial period. They are determined that Communist "wars of national liberation" be demonstrably defeated. They are deeply afraid that the natural and human longing for peace on the part of the citizens of our country will result in an American withdrawal. Many of them recognize the need for collective security in Asia. Last October, the Australian Prime Minister said:

"Let me repeat . . . why we are in Vietnam: We are there because we believe in the right of the people to be free. We are there because we responded to an appeal for aid against aggression. We are there because security and stability in Southeast Asia are vital to our own security and stability. We are there because we want peace, not war, and independence, not serfdom, to be the lot of the peoples of Asia. We are there because we do not believe that our great Pacific partner, the United States, should stand alone for freedom."

But the anti-war demonstrations, the March on Washington, attempts to produce local municipal referenda on Viet Nam, all have backfired. The people of this nation, are not ready to betray the cause for which our own men have fought three times in the far Pacific in one generation. They will not yield to the mammoth hoax that Communism is the inevitable wave of the future in Asia, or, for that matter, anywhere else. The people know this, the elected representatives, I am sure, know it—part of our problem is to make it clear to the rest of the world. The sooner we are able to do this, the sooner we shall have peace.

These in my view are the hard concerns that Congress must take up in the coming session—to achieve economic and social stability, to reconstruct the crucial cords of the Atlantic Alliance, and to maintain a steadfast position in Viet Nam.

God knows we do not live in a perfect world. It is unrealistic to assume that the United Nations, or any other group is now ready to assume the responsibility for worldwide peacekeeping without the forces at its disposal to carry out such a mission.

We must have no illusions where we stand in the march of human progress. Free men, to paraphrase Franklin, must hang together, or they will go down one by one.

Our resolve must be unswerving, for America and for the world, for this generation and for those which follow: "Leave to live by no man's leave, underneath the law."

Your Senator Reports: By Senator Charles H. Percy of Illinois

EXTENSION OF REMARKS

OF

HON. CHARLES H. PERCY

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Friday, December 15, 1967

Mr. PERCY. Mr. President, I ask unanimous consent that my yearend newsletter to my constituents in Illinois be printed in the RECORD at this point, and, also, at the close of my first year in office, I would like to share my view of this session with my colleagues.

There being no objection, the newsletter and views were ordered to be printed in the RECORD, as follows:

YOUR SENATOR REPORTS

(By Senator CHARLES H. PERCY of Illinois)

HOUSING

Much of my time and energy has been directed toward putting home ownership within reach of low-income Americans. An omnibus bill now making its way through Congress would help accomplish this, just as the FHA helped provide housing for millions of middle-income Americans in recent years.

The omnibus bill could enable 200,000 families during the next three years to own their own homes—families which never could have achieved this considering their limited resources and their difficulty in obtaining mortgage funds in low income areas.

The home ownership opportunities bill which I introduced last April with the support of 39 other Senators, and 112 members of the House of Representatives, was based upon four principles:

Home ownership.—It provides people with a sense of dignity in themselves, and a feeling of pride in their homes and participation in their communities.

Private Sector Involvement.—Government can not always act effectively alone. Together the public and private sectors can go far toward solving many of the problems facing our nation.

Coordinated approach.—The National Home Ownership Foundation would provide not only home ownership opportunities, but on-the-job training in the crafts, assistance in household management and coordination of existing programs, both public and private.

Self-help.—Many mayors and other government officials are hesitant about relinquishing control over projects in their areas to the people who will be involved in such projects. But if one is to be lifted to higher plateaus of achievement and aspiration, I believe he must help uplift himself.

POLLUTION

This summer a 75 mile oil slick appeared on Lake Michigan. It was a stark reminder that Lake Michigan, like other great lakes, may be dying.

We worked with Senator Dirksen in drafting the Oil Dumping Bill of 1967, which empowers the Secretary of Interior and other agencies to take prompt action against polluters.

Much more must be done. The polluters of our water and air must be identified and stopped, whether they be the dumpers of industrial wastes, the runoff of soil nutrients from farm lands, or dumping by government agencies. Future generations will not forgive us if we fail to act forcefully and effectively.

INFLATION AND TAXES

I was the last member of the "freshman class" of senators to make a so-called "maiden speech." I devoted that speech last June to a call for cuts in federal spending of $5 billion to $6 billion.

I asked the President to recognize that this nation cannot afford to do all things at once for all people; to set up a responsible and accurate budget, and work within it; and to run the government with the same common-sense budgetary rules used by housewives and businessmen.

This year, as last, I took the position that if there was to be a tax increase, there must be a dollar for dollar cut in spending, too. The two must be coupled. I unhappily anticipate that in the eight fiscal years ending in June 1969, the government will have spent $100 billion more than it took in.

If expenditures are drastically cut, Congress may give the President his tax increase early enough in the new year to help arrest the ruinous effects of inflation—a tax which burdens every American.

VIETNAM

All of us hope for an honorable peace in Vietnam.

For two years I have called for additional assistance from our Asian allies so that this war will not continue to be an American war rather than an Asian war with American support. I believe the Asian nations can and should do more.

And since early October, when I introduced a Senate resolution calling for additional Asian support, Thailand, New Zealand and Australia have increased their forces in Vietnam.

THE OFFICE

Staff meetings. Each Monday morning at 8:15 my entire Washington staff, including our volunteers, meet with me. We study the legislative calendar for the week, receive status reports from each department in our office, and discuss what Illinois constituents are concerned—and writing—about.

LETTERS

We get letters. We have handled about one million letters this year. These include about 325,000 letters received, the same number answered, and an equal number initiated.

Some letters are long, some short. Some are exquisitely composed, some are scrawled. Some are complimentary, some condemn.

Persons write who have not received their Social Security check or whose veterans benefits have been mishandled. The prompt action that results from our follow-up is often heartwarming.

One set of correspondence dealt with a young man who lost an arm and leg as the result of an enemy hand grenade in Vietnam. He was impatient at being consigned to an American Veterans Hospital, and wanted to enroll for the fall session at Roosevelt University. But the deadline was almost upon him. We were able to reduce the normal discharge process from seven months to two weeks.

Sometimes soldiers are slow to write home, or perhaps are engaged in combat and can not. Anxious parents have written. Generally we have been able to get word from the Department of Defense and assurance back to the parents in 24 hours that their son is all right.

These past 12 months, my first as a United States Senator, have been the most fulfilling of my life. I am sending you this year-end report to share with you some of the highlights of the year just past, and our hopes for the year ahead.

Dear Friends: So often during those many long months last year, when my family and I criss-crossed Illinois, people would say to me, "Now don't forget us when you get to Washington."

We haven't.

The Capitol is an endlessly exciting and intensively hard working place for a freshman United States Senator. One is suddenly in great demand, by legislators and constituents, by one's party and the press. Frequently I must remind my supporters and staff that it is the office more than the man that attracts the attention.

But always my mind and heart is drawn back to Illinois—and to the people we serve. As our first year in Washington draws to a close, our thoughts turn again to our friends—old and new—whose interest and encouragement has meant so much.

The year has been full of challenges and rewards. Most rewarding has been the opportunity to help the tens of thousands of constituents who have written or visited us personally. Legislatively, we have managed to fulfill nearly all of our campaign pledges. I am especially gratified to have played a part in making home ownership for low-income families a matter of national concern.

Of course, there have been failures and frustrations. The hours are long, there is never enough time with one's family, and sometimes one wishes the wheels of government would turn a little faster.

But ultimately the job is immensely satisfying. The opportunity to serve so many is the most rewarding thing I have ever known.

To each of you who helped send us here, I think you know the depth of our graditude.

To each of you who has taken an interest this past year in what we are trying to accomplish, your encouragement and support have been deeply appreciated.

And to all of you, we extend our very best wishes and wish you a year as fulfilling as this one has been for us.

Kindest regards,

Chuck and Loraine Percy.

Christmas in Athenia

EXTENSION OF REMARKS

OF

HON. THOMAS H. KUCHEL

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Friday, December 15, 1967

Mr. KUCHEL. Mr. President, I was honored to speak at the annual Christmas dinner of the Athenian-Nile Club, of Oakland, Calif., on the evening of December 13. I ask unanimous consent that a partial text of my remarks be printed in the Record at this point.

There being no objection, the partial text was ordered to be printed in the Record, as follows:

President Arthur Breed, Jr., and members of the Athenian-Nile Club, I am highly honored to be a guest at this Annual Christmas Dinner of the Athenian-Nile Club. Some of your members I have known well and intimately for a long period of time, and I deeply cherish their friendship, and I am most happy to see them here.

This is not the first time that I have been privileged to attend your Annual Christmas Dinner Party. I was last here at your invitation in 1939. I think it reasonable to say, therefore, that surely, I am not wearing out my welcome. To spend a delightful and stimulating evening with friends once every thirty years should not be considered excessive incursion on their time. I should like to hope that I might be invited back again, perhaps, at a somewhat accelerated rate. At the present one, it would be in 1997 before I could hope for another invitation, and that might be a little too far off for some of us to make any definite plans.

Tonight's celebration certainly is not totally dissimilar from that happy one of almost 30 years ago. Everyone was full of good spirits then, as all of us are tonight. The spirit of Christmas surely must pervade each of these pleasant friendly evenings, and to that extent all of them must be somewhat alike.

I remember the occasion when the late, great President John F. Kennedy came back to the United States Capitol one afternoon for a meeting with some Senators. Before returning to the White House he wanted to see his old stomping grounds so he quietly opened one of the doors to the Senate Chamber to see what was going on. A filibuster was taking place. One Senator was filibustering. One single Senator on the other side of the aisle, bored beyond belief, sat in his seat. The only other Senator in the chamber was seated in the presiding officer's chair. "Just like when I left it the last time" the late President chuckled, as he walked away. And so I may truthfully say that this happy occasion reminds me of that happy evening, long years ago, when I attended your Christmas dinner of 1939.

Thirty years ago our state was far different. We had a population of 6 million. Today we are first in the nation with 20 million. In 30 more years, 50 million people will call California their home. And, we are told, though I'm not prepared to believe it, if the present fantastic population growth rate of our state continues, our California population will be 1 billion 500 million people a century hence.

Thirty years ago our gross product in this state was $7 billion a year. Today it is $88 billion. We produce more than any state in the nation and any country in the world except for: Japan, France, the United Kingdom, West Germany and our own United States. In 1939, we had 20 members of the House of Representatives. Today we are almost doubled to 38. And before this century will have terminated our Congressional delegation will be on the order of 60 to 70.

All in all we were relatively carefree and happy 30 years ago. Those were relatively halcyon, untroubled days before the impending furies of a world-engulfing storm were to break suddenly over almost all the world. We, most of us, almost turned our backs on the ugly, eery signs from across the seas. We were all younger, and life was far less complicated. There were no laser beams, no transistors, no supersonic aircraft, no nuclear power and no television to contend with. We were on the mend from the terrible economic depression of a decade earlier.

Our country was relatively isolated and we wanted it to remain so. Europe and Asia seemed a long ways away. "Stay out of Europe's troubles," many leading Americans were saying to the rest of us, and the words of General Washington in his Farewell Address of 1796 were repeated to prove the correctness of their position. To many of us, Corporal Hitler sometimes seemed almost comical, rather than the repository of the world's most virulent hatred, and Mussolini looked like a phony. Japanese aggression against Manchuria seemed far away. Still, some Americans were beginning to worry about what it might all mean to our own.

That night long years ago when I was last the guest of this club, I spoke of the most meaningful story in all recorded history which, for Christians, points to the gateway for man's salvation. The birth anniversary of the Prince of Peace was drawing near. Our hearts were full. It was a good time to voice the ageless prayer of peace on earth, good will to all men. I spoke of good and evil, of an apparently constant conflict between the two. Evil of every kind has dogged man's feeble atempts to improve in every generation. Good has usually, but not always, triumphed. I recently read something on this general subject in "East of Eden," by John Steinbeck:

"I believe that there is one story in the world, and only one, that has frightened and inspired us, so that we live in a Pearl White serial of continuing thought and wonder. Humans are caught—in their lives, in their thoughts, in their hungers and ambitions, in their avarice and cruelty, and in their kindness and generosity too—in a net of good and evil. I think this is the only story we have and that it occurs on all levels of feeling and intelligence. Virtue and vice were warp and woof of our first consciousness, and they will be the fabric of our last, and this despite any changes we may impose on field and river and mountain, on economy and manners. There is no other story. A man, after he has brushed off the dust and chips of his life, will have left only the hard, clean question: Was it good or was it evil? Have I done well—or ill?"

For me, and perhaps for all of you, this evening's celebration just about marks the opening of the feast and the festival of Christmas. We approach the birthday of the Prince of Peace with a reawakened interest in his teachings. They are an eternal symbol of light for the darkness man must ever face. They comprise the gospel for the Christian. Beyond that, they are respected and venerated by those of every faith as the pathway by which good may triumph over evil. And so the light of Christmas has now shown for almost 2000 years.

Gentlemen, progress has been made since the star in the east guided the wise men to Bethlehem, but it has been far greater in the fields of new physical discovery and scientific achievement than in virtue or in any vast increase in the goodness of man. Many secrets have been unraveled by the scientific community, and many strange, sometimes foreboding doors of nature have been unlocked by them. And the processes of physical discovery and scientific development have moved at a far more rapid pace in the last few generations. I have no doubt that we are on the verge of more startling discoveries in the physical sciences. And, like most of those which have come in the past, they are available for purposes, either good or bad, depending on the choice of him who controls them. It has always been comforting to me to know that nuclear energy, which in evil hands could obliterate the whole world and all its people, can be and is being used for good purposes, to cure cancer, to make waters of the sea sweet and potable, and to produce vast quantities of electricity. Thus, while it can be used for evil, it is being used for good.

But to effect good, to accomplish it, requires a certain amount of wisdom and moral courage, and a recognition of the evil which needs to be challenged. Each of us, and our country, share many burdens. There are some in our society who would like to cast the weight of their burdens aside, and live in some kind of a dream world, turning their backs on reality, and refusing to recognize that there still is evil on this globe and that wickedness, lust for power, and hatred motivate some in this world who may be possessed of great power.

Good still needs to be on guard. We cannot throw our burdens away. We cannot live unto ourselves alone. In this shrunken and shrinking planet, we cannot isolate ourselves from the problems which plague and torment mankind, nor can we ignore evil in the human race.

Do you remember "A Christmas Carol," of Dickens? Through the fastened door of Ebeneezer Scrooge's gloomy suite of rooms, there suddenly appeared the ghost of his late partner, Jacob Marley, chained by the cash boxes, the deeds, and heavy purses wrought of steel, like those in the counting-house when they were in business together. "It is required of every man," said the Ghost to a terrified Scrooge, "that the spirit within him should walk abroad among his fellowmen, and travel far and wide; and if that spirit does not go forth in life, it is condemned to do so after death." "But you were always a good man of business, Jacob," faltered Scrooge, who now began to apply this to himself.

"Business!" cried the Ghost, wringing its hands again. "Mankind was my business. The common welfare was my business; charity, mercy, forbearance, and benevolence, were, all, my business. The dealings of my trade were but a drop of water in the comprehensive ocean of my business!"

Gentlemen, Marley's ghost put the matter in the proper perspective for Scrooge, and for us. Mankind—and the common welfare—are the business, the pre-eminently important business, of each of us, and of our beloved country, and this happy holiday season is the best time, and the most happy time, to view the whole ocean, rather than the single drop of water we occupy.

Merry Christmas, everyone.

Congressman Hamilton's Summary of Major 1967 Social Security Amendments

EXTENSION OF REMARKS

OF

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. HAMILTON. Mr. Speaker, the outstanding achievement of the first session of the 90th Congress is passage of the Social Security Amendments of 1967. This legislation is of paramount concern to many citizens of the Ninth District of Indiana. Thousands of them have spoken or written to me and expressed their support of this legislation.

The amendments provide an increase in benefits, which will appear in the March checks, of an average 13 percent for over 23 million people. More than $3.7 billion in additional benefits will be paid out during the first full year of operation, making this increase by far the largest one in the history of the social security program. About 1,000,000 persons will also be removed from the poverty level—a greater immediate benefit than any other type of poverty program. The earnings limitation has been raised from $1,500 to $1,680 per year. This means that a beneficiary can earn $140 per month instead of $120, without having a penny deducted from his social security benefits.

Before supporting this legislation, Members of the Congress were assured repeatedly that the social security system is soundly financed.

I was pleased to join with my colleagues in the Congress in support of this legislation.

I have included below a summary of some of the more significant changes in both social security and health insurance benefits:

SUMMARY OF SOCIAL SECURITY AMENDMENTS OF 1967

Increase in social security benefits

The amendments provide an increase in benefit payments of 13 percent for all beneficiaries on the social security rolls. The average monthly benefit paid to a retired worker with an eligible wife now on the rolls is increased from $145 to $165. The minimum benefit for a worker retiring at age 65 is increased from $44 to $55 a month. Monthly benefits will range from $55 to $160.50, for retired workers now on social security rolls who began to draw benefits at age 65 or later.

The amount of earnings subject to tax and used in the computation of benefits is increased from $6,600 to $7,800 in 1968.

The $168 maximum benefit (based on average monthly earnings of $550—or $6,600 per year) eventually payable under present law would be increased to $189.90. The increase in the amount of earnings that can be used in the benefit computation would result in a maximum benefit of $218 (based on average monthly earnings of $650—$7,800 a year) in the future. The maximum benefits payable to a family on a single earnings record is $434.40. To qualify for the maximum retirement benefits just outlined, a wage earner who retires at age 65 in the future must have earned the maximum under the new earnings bases for a number of years.

Effective date.—The increased benefits are first payable for the month of February 1968 and will be reflected in checks received early in March. It is estimated that 22.9 million people are paid increased benefits. More than $3 billion in additional benefits will be paid in the first 12 months.

Special benefits for people age 72 and over

The special payments made to uninsured individuals aged 72 and over are increased from $35 to $40 a month for a single person and from $52.50 to $60 a month for a couple.

Effective date.—The increased benefits will be first payable for February 1968 and will be reflected in checks received in March 1968.

The retirement test

The amendments provide for an increase from $1,500 to $1,680 in the amount of annual earnings a beneficiary under age 72 can have without having any benefits withheld. Provision is made for an increase from $125 to $140 in the amount of monthly earnings a person can have and still get a benefit for the month. The bill provides that $1 in benefits be withheld for each $2 of earnings between $1,680 and $2,880 and $1 in benefits for each $1 in earnings above $2,880.

Effective date.—The provision is effective for earnings in 1968. It is estimated that about $175 million in additional benefits would be paid for 1968 to 76,000 people.

Benefits for disabled widows and widowers

The amendments provide for the payment of monthly benefits to certain disabled widows and widowers of deceased workers who are between the ages of 50 and 62. If a disabled widow or widower first receives benefits at age 50, then the benefit would be 50 percent of the primary insurance amount. The amount payable would increase up to 82½ percent of the primary insurance amount, depending on the age at which benefits began. The reduction would continue to apply to benefits which were paid after the recipient reached age 62.

A widow or widower would be deemed disabled only if the disability is one that, under regulations prescribed by the Secretary of Health, Education, and Welfare, would preclude any gainful activity.

To be eligible for the benefits, the widow or widower must have become totally disabled not later than 7 years after the spouse's death, or in the case of a widowed mother, before the end of her benefits as a mother or within 7 years thereafter.

Effective date.—About 65,000 disabled widows and widowers could be eligible for benefits and about 60 million in benefits would be paid during the first 12 months of operation. Benefits would be payable starting for February 1968.

Dependency of a child on the mother

The amendments provide that a child will be considered dependent on the mother under the same conditions that he is now considered dependent on the father. As a result, a child could be entitled to benefits if the mother was either fully or currently insured at the time she died, retired, or became disabled. Under present law a mother must have currently insured status (six out of the last 13 quarters ending with death, retirement, or disability) unless she was actually supporting the child.

Effective date.—Benefits will be payable beginning for February 1968. It is estimated that 175,000 children will be eligible for benefits and that $83 million in additional benefits will be payable in the first 12 months.

Additional wage credits for servicemen

For social security benefit purposes, the amendments will provide that in the future the pay of a person in the uniformed service would be deemed to be $100 a month more than his basic pay. The additional cost of paying the benefits resulting from this provision would be paid out of general revenues.

HEALTH INSURANCE BENEFITS

Payment of physician bills under the supplementary medical insurance program

Under present law, payment may be made only upon assignment to the physician or to the patient upon presentation of a receipted bill. The amendment would permit payment either to the patient on the basis of an itemized bill (which could be either receipted or unpaid) or to the physician under the present assignment method. This provision would make it possible for patients to pay their medical bills without depleting their savings or resorting to loans.

Additional days of hospital care

Each medicare beneficiary will be provided with a lifetime reserve of 60 days of hospital care after the 90 days covered in a "spell of illness" have been exhausted. Coinsurance of $20 for each day would be applicable to such added days of coverage.

I am also including at this point a table showing the amounts of benefits under the old law and what they will be under the new. It can be seen that while the average increase in benefits is approximately 13 percent, there are instances where the increase exceeds 25 percent, as in the case of the minimum payment going from $44 to $55 per month.

COMPARISON OF MONTHLY CASH BENEFITS UNDER PRESENT LAW AND UNDER THE NEW LAW

Average monthly earnings after 1950	$67 or less		$150		$250		$300		$350		$400		$550		$650[1]
	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	H.R. 12080
1. Retirement at 65 or disability benefit	$44.50	$55.00	$78.20	$88.40	$101.70	$115.00	$112.40	$127.10	$124.20	$140.40	$135.90	$153.60	$168.00	$189.90	$218.00
2. Retirement at 62	35.20	44.00	62.60	70.80	81.40	92.00	90.00	101.70	99.40	112.40	108.80	122.90	134.40	152.00	174.40
3. Wife's benefit at 65 or with child in her care	22.00	27.50	39.10	44.20	50.90	57.50	56.20	63.60	62.10	70.20	68.00	76.80	84.00	95.00	[2]105.00
4. Wife's benefit at 62	16.50	20.70	29.40	33.20	38.20	43.20	42.20	47.70	46.60	52.70	51.00	57.60	63.00	71.30	78.80
5. 1 child of retired or disabled worker	22.00	27.50	39.10	44.20	50.90	57.50	56.20	63.60	62.10	70.20	68.00	76.80	84.00	95.00	109.00
6. Widow, 62 or older	44.00	55.00	64.60	73.00	84.00	94.90	92.80	104.90	102.50	115.90	112.20	126.80	138.60	156.70	179.90
7. Widow at 60, no child	38.20	47.70	56.00	63.30	72.80	82.30	80.50	91.00	88.90	100.50	97.30	109.90	120.20	135.90	156.00
8. Disabled widow at age 60	------	33.40	------	44.50	--------	57.60	--------	63.60	--------	70.30	--------	76.90	--------	95.00	109.10
9. Widow under 62 and 1 child	66.00	82.50	117.40	132.60	152.60	172.60	168.60	190.80	186.40	210.60	204.00	230.40	252.00	285.00	327.00
10. Widow under 62 and 2 children	66.00	82.50	102.00	132.60	202.40	202.40	240.00	240.00	279.60	280.80	306.00	322.40	368.00	395.60	434.40
11. 1 surviving child	44.00	55.00	58.70	66.30	76.30	86.30	84.30	95.40	93.20	105.30	102.00	115.20	126.00	142.50	163.50
12. 2 surviving children	66.00	82.50	117.40	132.60	152.60	172.60	168.60	190.80	186.40	210.60	204.00	230.40	252.00	285.00	327.00
13. Maximum family benefit	66.00	82.50	120.00	132.60	202.40	202.40	240.00	240.00	280.80	280.80	309.20	322.40	368.00	395.60	434.40
14. Maximum lump-sum death payment	132.00	165.00	234.60	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00

[1] Maximum AME under H.R. 12080.

[2] Maximum wife's benefit.

Source: Social Security Administration.

Summary of Activities of Senate Committee on Armed Services, 90th Congress, First Session

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Friday, December 15, 1967

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD the summary of activities of the Senate Committee on Armed Services, reported by the distinguished Senator from Georgia, RICHARD B. RUSSELL, chairman of the Committee on Armed Services.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF ACTIVITIES OF SENATE COMMITTEE ON ARMED SERVICES, 90TH CONGRESS, FIRST SESSION

LEGISLATION

P.L. 90–5 (S. 665): Supplemental 1967 authorization for the procurement of aircraft, missiles, tracked combat vehicles, research, development, test, and evaluation and military construction for the Armed Forces.

Authorizes appropriations for these purposes in the amount of $4,548,200,000.

P.L. 90–22 (S. 666): Authorizing appropriations during fiscal year 1968 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and for research, development, test, and evaluation for the Armed Forces.

Authorizes appropriations for these purposes in the amount of $21,168,032,000.

P.L. 90–110 (H.R. 11722): Military Construction Authorization.

Authorizes military construction and provides authorization for housing construction and maintenance in the amount of $2,303,292,000. This amount also included $27,000,000 for homeowners' assistance.

P.L. 90–40 (S. 1432): Military Selective Service Act of 1967.

Amends and extends the authority to induct persons into the Armed Forces and extends (1) the authority to issue Selective Service calls for physicians and dentists; (2) the suspension of permanent limitation on the active duty strength of the Armed Forces; (3) the authority to pay quarters allowances to enlisted members of the Armed Forces in the lower pay grades; and (4) the authority for special pay to physicians, dentists, and veterinarians.

P.L. 90–168: (H.R. 2, title I): Reserve Forces Bill of Rights and Vitalization Act.

Provides for the improved administration and equipping of the Reserve components of the Armed Forces and for the annual establishment by law of the personnel strength of the Selected Reserve.

P.L. 90– (H.R. 13510): Uniformed Services Pay Act of 1967.

(1) Increases the basic pay for all members of the uniformed services by 5.6% effective October 1, 1967. (2) Increases allowances for dependents of enlisted personnel in the lower pay grades. (3) Provides authority for payment of quarters allowances and dislocation allowances to bachelors upon a permanent change of station. (4) Provides a special basic pay for senior non-commissioned officer in each military service. (5) Provides permissive authority for the payment of continuation pay to certain physicians and dentists of the uniformed services. (6) Refines the formula for computing increases in the retired pay of former members of the uniformed services as a result of changes in the Consumer Price Index. (7) Authorizes automatic increases for members of the armed services equivalent to those that may be granted civilian employees of the federal government, unless different military pay increases are approved under later legislation.

P.L. 90–130 (H.R. 5894): Removes restrictions on the careers of women officers of the armed forces.

P.L. 90–126 (H.R. 4903): Amends the act providing for the economic and social development of the Ryukyu Islands.

Increases from $12 million to $17 million the amount authorized to be appropriated in any fiscal year for economic and social programs in the Ryukyu Islands that are approved by the President.

P.L. 90–179 (H.R. 12910): Establishes a Judge Advocate General's Corps in the Navy.

P.L. 90– (H.R. 6167): Extension of Naval vessel loans.

Authorizes extension of existing loans of 25 vessels of the destroyer, destroyer escort, and submarine types to ten different countries and new loans of two destroyers to the Government of Korea and one destroyer to the Republic of China.

P.L. 90–122 (H.R. 4772): Authorizes the Secretaries of the military departments to start allotments in the uniformed services deposit program for persons missing in action or captured by the enemy.

P.L. 90–135 (S. 223): Alaska Communications Disposal Act.

Authorizes the disposal of government-owned long-line communication facilities in the state of Alaska.

P.L. 90–151 (H.R. 5784): Authorizes the disposal of molybdenum from the national stockpile.

P.L. 90–152 (H.R. 5787): Authorizes the disposal of rare earth minerals from the national stockpile and the supplemental stockpile.

P.L. 90–153 (H.R. 5788): Authorizes the disposal of bismuth from the national stockpile and the supplemental stockpile.

P.L. 90–119 (H.R. 11767): Land retrocession to the state of California.

Authorizes adjustment of the legislative jurisdiction exercised by the United States over lands constituting the U.S. Naval station at Long Beach, California.

P.L. 90–166 (S. 2412, S. 2428): Land exchange with state of Washington.

Authorizes the Secretary of the Army to convey certain lands in the counties of Yakima and Kittitas, Washington, to the state in exchange for certain other lands.

(S. 320): land restriction release in North Carolina.

Authorizes the Secretary of the Army to release certain use restrictions on a tract of land at Camp Butner, North Carolina, in order that a water supply lake may be created.

P.L. 90– (H.R. 10242): Increasing grade authorizations for medical officers.

Permits the secretaries of the military departments under regulations approved by the Secretary of Defense, to establish a more liberal promotion system for medical officers and to provide more uniformity in the career opportunities available to medical officers in the different armed forces.

P.L. 90– (H.R. 8547): Simplifying laws relating to personnel administration.

Attempts to simplify and make uniform a variety of personnel administration laws applicable to the armed forces and to eliminate unjustifiable differences in personnel administration practices.

P.L. 90– (H.R. 3982): Increasing allowances for transportation of house trailers.

Increases from 51 cents per mile to 74 cents per mile payable for transporting house trailers owned by a member of the uniformed services when the government makes arrangements by commercial means for such transportation.

P.L. 90– (H.R. 1341): Additional accumulation of leave in certain foreign areas.

Would allow a member of the armed forces to accumulate more than 60 days of leave if the member has served more than 120 days in a foreign area where there is hostile activity.

P.L. 90– (H.R. 12961): Storage of household effects of a member of the uniformed services who is in a missing status.

Authorizes the secretary of a military department to increase from 180 days to one year or longer if justified the maximum period in which the government will pay for the storage of the household effects for a member of the uniformed services who is in a missing status.

(S. 793) Land conveyance Redstone Arsenal, Alabama.

Would authorize the Secretary of the Army to convey approximately 35 acres of land to the Alabama State Science Exhibit Commission on the condition that the land be used as a permanent site for displaying suitable public exhibits of United States weaponry, developments of the National Aeronautics and Space Administration, and space-oriented exhibits of other departments of the government.

(S. 108): Land restriction release, Kennebec Arsenal, Augusta, Maine.

Would authorize the Secretary of the Army to convey to the State of Maine all the right, title, and interests of the United States as reserved in a conveyance of the Kennebec Arsenal property to the state under the Act of March 3, 1905.

(S. 1036): Prohibiting coercion in the solicitation of charitable contributions and purchase of government securities.

Subjects a member of the armed forces who coerces or attempts to coerce another member of the armed forces to secure a charitable contribution or the purchase of government securities to an offense under the Uniform Code of Military Justice.

(S. 1216): Homeowners assistance.

Proposes to authorize appropriations during fiscal year 1967 for assistance to members of the armed forces and civilian employees to reduce their losses resulting from the sale of their homes when military installations are closed.

(S. 2634): United States Court of Military Appeals.

Changes the name of the Court of Military Appeals to the United States Court of Military Appeals and declares that this Court is established under Article I of the Constitution.

NOMINATIONS

Considered 62,924 military nominations. Eight Committee meetings were scheduled for the consideration of civilian and military nominations to fill statutory offices involving personal appearances by the nominees before the Committee.

SUBCOMMITTEE ACTIVITIES

Preparedness investigating subcommittee

Continued and intensive examination of subjects related to the war in Vietnam.

Held 23 formal meetings and hearings on the air war against North Vietnam, military pilot training, the Army's rifle procurement and distribution program, requirements and inventories, and worldwide military commitments. All these hearings except the study of our worldwide military commitments resulted in the issuance of formal reports containing findings and recommendations.

Issued additional reports on (1) The U.S. Army in Vietnam, (2) U.S. Air Force Tactical Air Operations in Southeast Asia, (3) Airlift and Sealift to South Vietnam, (4) The Enemy Threat, Free World Forces, the Revolutionary Development Program, and the Economy of South Vietnam, and (5) U.S. Navy and U.S. Marine Corps in Southeast Asia.

Continued surveillance and monitoring of the safeguards prescribed in connection with the limited nuclear test ban treaty.

Received and disposed of hundreds of inquiries and complaints of a miscellaneous nature relating to the national defense and military preparedness.

Central Intelligence Agency Subcommittee

Exercised legislative review over the Central Intelligence Agency and the policies and programs being carried out by that Agency under the National Security Act and the Central Intelligence Act of 1949.

National Stockpile and Naval Petroleum Reserves Subcommittee

Considered and favorably reported bills authorizing the disposal of bismuth, molybdenum, and rare earths from the national and supplemental stockpiles.

Effected consultation for the Committee on Armed Services with the Department of the Navy on contracts affecting Naval petroleum reserves.

Status of Forces Subcommittee

Conducted hearings and issued report on that part of the NATO Status of Forces Treaty relating to criminal jurisdiction not waived by host countries in which United States forces are stationed.

Officer Grade Limitations Subcommittee

Considered reports submitted by military departments on officer grade distribution.

"Quo Vadis?" Whither America: The Republican Report of U.S. Senator Everett McKinley Dirksen, of Illinois, Minority Leader for the First Session, 90th Congress

EXTENSION OF REMARKS

OF

Hon. EVERETT McKINLEY DIRKSEN

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Friday, December 15, 1967

Mr. DIRKSEN. Mr. President, in the most critical days of the Roman Empire, the question most frequently asked by the people and, indeed, by many of their leaders, was "Quo vadis?" Where are we going? How much longer this fearful road? What next? What next?

The outcry is not without reason today, in this America of ours and throughout the world. As population growth continues everywhere almost unabated, as adequate supplies of food and water for these added millions remain uncertain, as leadership in too many countries, newborn or old, appears lacking in both vision and courage, as the dreadful clouds of the nuclear age affect every man's spirit and thought, we may well ask, as did the ancient Romans, "Quo vadis?" I dare to suggest, however, that despite the fearful complexities of these times there is yet good reason for hope in the future if we will but screw our courage to the sticking place, face these realities honestly and unafraid and consider clearly and in good temper what we now must do to overcome them.

I. ON THE WORLD SCENE

In Western Europe, in spite of its remarkable economic rebirth since World War II, there is growing dismay and distrust as to the future. The structure of NATO is weakening. France, under General de Gaulle's strange governance, seems determined to thwart every proposal of merit, by whomever made. The tension between West and East Germany continues unabated and the wall grows higher and more impenetrable. The fate of the Common Market remains seriously in doubt, as France muddies its earlier promising waters and keeps Britain from even their edge. Further south, Spain is restive and now contentious over Gibraltar and American military bases. Italy faces with each passing month the continual agitations of its Communist Party and in Greece the threat of civil war, or, at best, of heavyhanded dictatorship of the generals, makes doubtful her stability and vitality for many months to come.

Because, in our view, we must never for a moment give to Western Europe other than the highest of priorities in our foreign policy considerations and decisions, its highly disturbed state alarms us, for we fail to see in this administration's policies, practices, and philosophy any hope of solution for it.

In the Middle East, Iran stands in growing strength, sufficiently so as to have been able in recent weeks to require no longer that economic aid from us which for many years she received. But her neighbor, Turkey, is again embroiled with Greece over Cyprus and the uncertain truce of the moment between them is far from reassuring. In Israel, we have hoped for months for the implementation by this administration of the atomic desalinization plan placed before it some time ago by Americans of unquestioned ability and patriotic purpose and overwhelmingly endorsed by Republicans in Congress and across the Nation. We are now informed by the Department of State that this extraordinary project—which might well change the entire atmosphere in the eastern Mediterranean—is "not politically feasible." This we cannot believe. The proposal represents a thoughtful, practical instrument for peace without parallel in recent years. It might well provide the means of achieving political and economic stability in that grievously troubled part of the world. Contrary to those State Department nay-sayers, who, not for the first time, seem remote from reality, we urge the retrieval and adoption of that proposal and its implementation at the earliest possible moment.

And in Vietnam, America's stake becomes ever greater as our casualties mount daily, the skyrocketing costs of combat soar beyond sight, the unpopularity of the war among our people intensifies hourly and there is little evident reason to hope for victory in the foreseeable future.

And as America's expenditure of blood and of treasure continues unabated, the Communists—Red and yellow—conspire without respite to undermine us at home and abroad, to do all that may yet, they believe, achieve their dominance of us and the destruction of free America.

"Quo vadis?" Well might we ask—not with just the intensity of recent years but, now, with righteous anger. For there is no prospect of peace, no promise of stability, no hope for the better in the policies of this administration. The American people must take action at the polls in 1968 if we are to have restored that vision without which a people perish, that strength of purpose and performance that alone can assure our survival in an explosive world and reestablish that position of respect and trust that once was ours as a government and a people in the estimate of mankind.

II. ACROSS THE COUNTRY

In his state of the Union message at the beginning of this session of the Congress, the President identified this as "a time of testing for our Nation." And so it is, perhaps as never before in all our history. For to the problems and perils we face about the world, most particularly those spawned by the war in Vietnam, there have now been added those of civil violence, unprecedented racial tension, mounting crime, escalating inflation, and overpowering growth and expenditures by the Federal Government that make ever-higher taxes inevitable if they are not both brought up short.

The harsh statistics in support of these glaring facts are plain.

CRIME AND VIOLENCE

Riots have shaken 137 different cities and towns in our country in the last 33 months. In 70 of these, 120 persons, including 12 police officers, were slain, 3,623 other persons injured; 28,932 were arrested; a quarter of a billion dollars in property damage resulted; an estimated half a billion dollars of economic loss was sustained. And in this past year alone, there have been more than 200 civil disorders in as many cities and on college campuses. Such statistics contain the seeds of revolution, in the eyes of many Americans, and the present vacuum of leadership fails to hearten us as to the future.

When an American family feels it cannot safely walk its neighborhood streets after dark—when this is especially true in the Nation's very Capital—then crime has indeed become a specter of fearful proportions. The Federal Bureau of Investigation reports all too reliably that whereas our population has increased in size but 10 percent since 1960, our national crime rate has gone up 67 percent—with an annual increase of 15 percent accurately predictable this very year. Add to this what might be called the quiet crime—the dreadfully quiet crime —of the organized underworld, whether of native or of foreign descent, which, like an unseen vampire sucks the economic blood of the Nation's citizens in countless daily ways. This underworld of quiet crime is one with which this administration seems wholly incapable of dealing, for its depredations and its defiance of law and authority increase steadily.

INFLATION

How does the housewife spell "inflation"? By the way in which her weekly budget is drained increasingly by higher prices of what she buys at the market. How does the wage earner spell "inflation"? By the increasingly painful realization that what he brings home in a paycheck, even after a raise, just will not meet his family's needs any longer. How does the businessman spell "inflation"? By the now certain knowledge that his costs of operation continue more and more to exceed the profit margin without which he cannot keep going. How does the pensioner, the retired older person, spell "inflation"? By the dreadful fact that his and her income checks cannot possibly keep abreast of the runaway prices and living costs of these days, even where only the most Spartan and basic of needs are concerned.

Since every American knows well how to spell "inflation" there is no need to define it here. The facts of inflation, like its letters, are stark and clear and the inflation cursing our people today has but two chief causes: the war in Vietnam and the needless, reckless spending of our people's money by an administration that truly believes—in defiance of all commonsense and all history—that we can have both guns and butter.

FEDERAL SPENDING

These are, indeed, the "debt-propelled sixties." In them, Federal spending—much of it wholly unnecessary—has run wild. And this administration cannot be allowed to use the Vietnam war as an excuse for it. Although defense spending has risen by 68 percent since 1960, nondefense spending has increased 97 percent—from $48.6 billion in fiscal 1960 to an estimated $95.6 billion for fiscal 1968. And too much—far too much—of this has been spent for the promotion and expansion of domestic social program of highly doubtful value under incompetent management. Apart from Vietnam, this administration's willful, wasteful spending of the people's money for such things is the primary cause of the high cost of living for us all.

And, like a vitamin-fed Topsy, the size of the Federal Government grows apace. There are now more than 3,000,000 employees of our Government and, as of this writing, there appears no end to their increase. A year ago, the President ordered a 25-percent reduction in Government employment and a freeze on all new jobs until further notice. Since that date, 183,000 persons have been added to the Government payrolls. As this Government grows and grows, and this administration spends and spends—in neither case with the application of plain, old-fashioned horse sense to its policies or programs—we can, confidently but with heart-stopping trepidation, expect national bankruptcy unless this reckless process is brought to an abrupt halt next November.

VIETNAM

Overshadowing the Nation and the thinking of every American is the specter of Vietnam. Now, with more than 500,000 of our young lives committed to conflict in Southeast Asia, with the cost of the war exceeding $2.5 billion a month, with the casualty lists mounting hourly, with our ties with onetime allies strained to the breaking point, and with dissent and violence rampant throughout the land over the causes and conduct of that conflict, America indeed faces and is enduring a "time of testing" never before known for such reasons or to such degree.

III. IN THE CONGRESS

What the Congres did—and what it refused to do—in 1967, reflected chiefly the lengthening shadows of the war in Vietnam and the intense frustration over the conflict felt by every American. What it did—and what it refused to do—reflected to an almost equal degree its irritation, then its anger, with those who to achieve their own social and civil ends chose to resort to violence, to arson and even to murder, however unpremeditated.

The sole objective of the Republicans in Congress in these past months, as over the years, has been the very best interests of all of the American people, at all times and on every issue and this has been reflected consistently in their votes. To help achieve those best interests we have had historic demands made upon us as the party of loyal opposition—historic because we have been faced with certain problems unparalleled in the Nation's annals; demands because they have compelled us from time to time to make harsh and unpleasant judgments and decisions in order that those best interests might be fully served and fully protected.

FOREIGN POLICY—VIETNAM

Most importantly, we have given unhesitating support to every requirement and need of our fighting forces in Southeast Asia and our armed services elsewhere in the world. This we will continue to do, however heavy the burden. Americans prepared to give their lives in conflict must be given by us every single item of weaponry and other support they may at any moment need—and they will be.

The conduct of the conflict in Vietnam is, as under our Constitution it must be, the full responsibility of the President in his capacity as Commander in Chief. Only he has the authority, only he has the duty, only he has the full information available for the execution of that responsibility. The decisions made and to be made can and must be made by him and him alone.

In order, however, that his hand may be guided and strengthened in this, it is imperative that the most thoughtful discussion possible continue in the Congress and among our people to this end. Let it be emphasized anew, nevertheless, that as we search together for a solution to Vietnam we demonstrate our unity of purpose by conducting such discussion in a fully free but wholly orderly manner. Dissent is one thing; disagreement by violence is quite another. Dissent we encourage and approve. Violence, in any form and for whatever purpose, we condemn, now and hereafter. There is no right to act against the public safety, by anyone, anywhere, anytime—for any reason.

We have urged repeatedly in recent months that this administration—to a degree and with a vigor not yet evident—look beyond Vietnam and consider where we shall stand and with whom we shall sit when this conflict ceases. The Congress and the people have seen all too little evidence of genuine effort to explore and exploit the diplomatic opportunities available to us in this regard. Channels of diplomacy—economic and otherwise—still remain open for our use.

The Republicans in Congress have been concerned not alone with the war in Vietnam. Other aspects of our foreign policy have been given equally sharp scrutiny. We have not hesitated to recommend or to implore an immediate reshaping of it, whenever and wherever we have believed it necessary in the Nation's interest. Our endorsement of the atomic desalinization plant project in Israel is one such example. Our votes for a reduction in Alliance for Progress funds in Latin America—until that ambitious program can better prove its worth—is another. Such endorsements, such votes, have been cast in the enlightened self-interest of the United States and the American taxpayer. The mismanaged outpouring of our people's dollars into another country serves neither America's nor that nation's best interest.

In that same interest, we have continued to hold the line against the "building of bridges" with the Communist nations of the world. It is neither sensible nor safe to strengthen in the slightest degree the hand of an enemy which is at this moment striking down young Americans in Vietnam—and in every corner of the globe conspiring actively for our destruction as a people. Where and when in the Senate, as in the House, we have taken this stand, we have done so for this reason and no other. If, in the months to come, we should be given good and convincing reason to expect otherwise of the Communists—Red and yellow—we shall be pleased indeed to reassess our own thinking in this regard.

DOMESTIC POLICY

The mood of the Congress has been one of vexation, of frustration, of deep-seated concern as it has surveyed the scene at home. We Republicans see an administration wholly blind in its belief that the enormous costs of the war in Vietnam can and will be borne by our people while at the same time the administration seeks unrestrained license to promote and finance multibillion-dollar social programs. These have in too many instances proved valueless or dangerous or both. Yet we are asked to support more and more such projects stamped out in the same socialistic mint.

At this very moment the international air is filled with conversation and concern regarding the "defense of the dollar" now that the British pound has been devalued. The record is crystal clear that the socialistic experiments experience of Great Britain in recent years have been the primary reason for the near collapse of her economy. A continuation and multiplication of the so-called Great Society's experiments could bring identical results here. Socialism and a sound economy simply will not mix. Despite our Nation's enormous resources our economy cannot long stand such abuse. To the extent that our numbers have permitted, Republicans in the Senate have refused to approve it. As our numbers are increased at the polls next November, we can succeed in preventing it.

The numerical makeup of the Congress in this first session, 1967, was this:

In the Senate: Democrats, 64; Republicans, 36.

In the House: Democrats, 248; Republicans, 187.

No recital of legislative effort is valid without a first reference to these clear majorities enjoyed by the Democrats. No attempt to indict the Republicans as obstructionists or defeatists has any basis whatsoever in the light of these figures. All too often a good bill was saved, or a bad bill defeated, solely by united Republican action, in which a sufficient number of dismayed Democrats joined to win the day.

Despite the strong majorities held by the Democrats, Republicans added significant amendments to many of the major bills of this session, either in committee or on the Senate and House floors; sustaining the Nation's defense needs; cutting back nonessential expenditures; trimming bloated appropriations for the future; checking inflationary measures; channeling more authority and responsibility to the States and local communities; making crime legislation truly meaningful; and preventing many simply bad, politically motivated programs from coming into being.

Let it be remembered that opposition to, and defeat of, poor or bad legislation represents fully as much of a needed public service as does approval and passage of legislation of merit. To vote the return of a bill to committee does not connote a desire to "kill" it. Rather, it indicates an insistence that it be improved prior to passage in the public interest. The 89th Congress—the President's "own"—rammed legislation through committees and both Chambers by sheer force of weight and numbers. We—and our children and their children—will live to regret the absence of calm, firm majority opposition to those steamrollered votes in a Congress that may well be recorded as the most expensive in the Nation's history.

The following are but a few examples of Republican legislative activity, determination, and achievement in this first session of the 90th Congress:

Republicans have worked to strengthen law enforcement agencies of the Nation without placing them under Federal control—this will be the first order of business before the Senate in 1968.

Republicans led the fight to protect our children from the ravages of smut and violence.

Republicans kept social security from placing an unfair burden on the Nation's younger wage earners while at the same time providing maximum benefits for the senior citizens.

Republicans improved the Elementary and Secondary Education Act with 23 major amendments—strengthening programs that first began under the Republican Eisenhower administration.

Republicans demanded fair play for the Nation's farmers squeezed by higher costs and appalled by lower cash incomes.

Republicans led the fight to establish a sound, fair, and workable code of ethics for the Congress, to reform and improve congressional procedures through the Legislative Reorganization Act, which lies buried in the Democrat-controlled House Rules Committee.

Republicans in both the Senate and the House fought for human resources legislation which is a sound approach to eliminating poverty compared to the hit-or-miss, poorly devised notions presented to the Congress by the administration.

Republicans unanimously introduced legislation to provide low-income housing through a partnership between private enterprise and Government.

Republicans performed surgery to eliminate giveaway items in the foreign aid program while retaining those programs essential to the defense of the free world and the fight against global communism.

Republicans insisted that there could be no 10-percent tax surcharge without adequate reductions in Federal spending.

Republicans strongly supported legislation to extend the GI bill of rights to Vietnam veterans.

Republicans successfully insisted on $4.1 billion cut in nonessential Federal spending. Republicans will insist on even further reductions in fiscal 1969 expenditures.

Republicans insisted on humane and sound approaches to solving the problems of a growing urban society.

Republicans backed legislation to protect civil servants from pressures for political contributions.

Republicans were the first to demand higher standards for clinical laboratories performing medical tests and analysis for the public.

Republicans were the first to propose FHA mortgage insurance guarantees for homes and businesses in deprived and potentially explosive areas.

Republicans were in the forefront of the fight for revenue-sharing by the Federal Government with State and local governments.

Republicans continued the fight to help hard-pressed college students and parents of college students through a reasonable tax credit.

Republicans called for a constitutional amendment giving women equal rights.

In full support of these Republican legislative activities on Capitol Hill have been the studies and reports of the multiple task forces of the Republican coordinating committee, a group that includes all former Republican candidates for the Presidency, selected Governors, the Republican leadership of the Congress and representatives of Republican organizations across the Nation. Their thoughtful and well-documented proposals and programs have included the following:

October 1966: Further comment on the rising costs of living.

April 1967: Our North Atlantic Alliance.

April 1967: A call for new fiscal policies for the Government of the United States.

April 1967: Job training and employment opportunities for all Americans.

April 1967: Our older citizens, a national responsibility.

April 1967: The restoration of federalism in America.

July 1967: The Middle East—crisis and opportunity.

July 1967: Foreign economic assistance.

July 1967: Revitalizing our rural areas.

July 1967: Where the jobs are.

July 1967: Clean air, our most basic resource.

December 1967: The restoration of federalism in America.

December 1967: Full and equal employment opportunities.

December 1967: Improving social welfare.

December 1967: Water pollution control, promise and performance.

December 1967: Modern urban transportation.

Unified as never before across the country, from every precinct to the Congress, strengthened in Congress by the electoral mandate of 1966 and the consistent new mood of the Nation, confident that the American people will insist that the Great Society's abuses and excesses no longer be tolerated, Republicans move into 1968 along that constructive center earlier charted for the benefit of all our citizens.

In the Senate, as in the House, we Republicans have labored hard to give a good account of our stewardship, hopeful that our efforts may deserve reinforcement, believing, as Othello put it that—

> We have done the state some service and they know't.

"Quo Vadis?" Whither America?

West Front Project

EXTENSION OF REMARKS

OF

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. SCHWENGEL. Mr. Speaker, you have known of my continued interest in the Capitol and my interest in not only its preservation but its improvement in all the ways we can improve it so that it becomes more functional as well as more available to the public who want to visit and catch something of the spirit of the Capitol Building. As you know, Mr. Speaker, there is a continuing debate going on about the west front, and it seems that too much of only the one side has been written without a proper evaluation and explanation of the promoters of the west front extension.

There appeared in the December 8, 1967, issue of the Washington Post an article entitled "'Swag-Bellied' West Front?" by Wolf Von Eckardt:

> Frederick Law Olmsted, who designed the Capitol grounds and terraces 90 years ago, "would have been horrified" at the proposal to extend the west front of the Capitol.
>
> Or so claims Dr. Charles McLaughlin, professor of American civilization at American University, who has uncovered hundreds of letters by Olmsted and who addressed the Washington Center for Metropolitan Studies yesterday.

Upon inquiry on my part I learned from the Architect of the Capitol that he had made available the data in their files on Olmsted for what they understood to be a serious research on the famous 19th-century landscape architect. Instead, it apparently turned out to be an effort to undermine the west front project.

If Dr. Charles McLaughlin had done his work carefully he should have known that Olmsted could not possibly "have been horrified" at the proposal to extend the west front of the Capitol as Thomas U. Walter had made studies in 1882 showing drastic modifications and extensions far beyond those now generally proposed. Olmsted showed the area between the west central wing and the Senate and House wings as a flattened out extended area which would have changed the configuration of the Capitol and boxed it out completely.

Quoting further from the Washington Post:

> Under the $34-million extension proposal advanced by Capitol Architect J. George Stewart, Olmsted's careful design would be ruined, McLaughlin asserted.

The modifications currently proposed in the extension are so slight that few persons would ever detect the difference. Actually one notable senior Senator when viewing the model of the proposed work was prompted to inquire as to whether he was looking at the model of the building as is. He could not detect that any changes had been made.

It is unfortunate that a college professor doing research on such a subject does not confine himself to the facts—all the facts, rather than jumping on the popular bandwagon of those who criticize with the apparent view of obtaining headline publicity.

By contrast to the views expressed by Dr. McLaughlin are those of the American Society of Landscape Architects, to whom Olmsted is the "patron saint." Their panel, after examining the west front extension plan, found no fault with it and agreed to take no position thereon "in view of the fact that it has been in preparation for years with private and public knowledge and approval, and is in the hands of eminently qualified professional persons of high standing in their own organizations."

It is time that the critics realize that the efforts to correct this dilapidated section of the National Capitol are serious and genuine and are put forth by men dedicated and knowledgeable in this period of architecture. This project should proceed as soon as possible.

Mr. Speaker, there is in the Archives in the Capitol a set of pictures that explain the plans for the west front extension that dates back to 1874 by Thomas U. Walter, the fourth Architect of the Capitol. It is one of the various schemes developed by him for the proposed enlargement of the Capitol. This was the result of having added the Senate and House wings and the enlarged dome; thereby, necessitating the extension of the east and west fronts to once again bring the architectural composition into proper balance.

The then proposed extension of the west central front is almost identical in configuration to the now proposed scheme for extension except that each element projects farther than now proposed.

Mr. Walter as well as the current Architect of the Capitol in proposing these extensions have endeavored to maintain the original elements of the facade except to extend them out from the present facade.

There is also a rendering perspective of the west front of the U.S. Capitol. It was prepared by Frederick Law Olmsted, landscape architect, for the terraces in 1882. It depicts a complete redesign of the west front including: enlarged central portico, pediments over all three porticoes, extended areas in front of the old Senate and House wings eliminating the Senate and House connections and presenting a flattened out front. If executed, this would have drastically altered the architectural character of the building.

So from this evidence, and I am sure there is much more that can be made available for a serious student, it can be proved beyond question of doubt that far from being horrid, as Dr. Charles McLaughlin has suggested, there is every reason to believe that he would have lauded and applauded the plans we are finally giving serious consideration to.

Mr. Speaker, I am planning to continue my study on this with the view of documenting and proving beyond questions not only the need but the advisability of some important improvements on the west front.

Eighteenth Annual Congressional Questionnaire

EXTENSION OF REMARKS

OF

HON. FRANK T. BOW

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. BOW. Mr. Speaker, my 18th annual congressional questionnaire is ready to go to the people of the 16th Congressional District of Ohio seeking their opinions on some of the issues that will come before the Congress during its 1968 session. The questionnaire is especially helpful in measuring public opinion during a time when the prolonged session of Congress makes it impossible for a Representative to be in his district and talk with his people. I hope there will be a good response.

I include it at this point for the RECORD:

> Do you favor or oppose—
>
> 1. "Block-grant" federal aid programs, providing lump sums for a general purpose (i.e. health), leaving it to the States to determine specific purposes for which money will be spent. (Instead of specific federal aid projects.)
>
> 2. Federal revenue sharing, returning percentage of federal tax revenue to the States. (Instead of specific federal aid.)
>
> 3. Human Investment Act providing tax credit incentive to employers for part of cost of training workers on the job.
>
> 4. Phase out urban renewal program as we know it in favor of incentives to promote private rebuilding and improvement.
>
> 5. Senate-passed bill providing use of federal government funds to finance both parties in political campaigns.

6. Johnson request for 10 per cent surcharge on individual and corporate income taxes (exempting lowest income tax brackets).

7. Would you favor continuing about the present rate, increasing or reducing federal programs for the following:

[In billions]

	Present spending	Same	Increase	Reduce
Health	$3.0	------	--------	-------
Education	4.0	------	--------	-------
Welfare	4.5	------	--------	-------
Natural resources	3.2	------	--------	-------
Defense other than Vietnam	50.8	------	--------	-------
Space	5.6	------	--------	-------
Foreign aid	3.0	------	--------	-------

8. Which policy do you recommend in Vietnam? (check one):

(a) Withdraw U.S. forces.

(b) Continue military effort at present levels while continuing to seek avenues for negotiation.

(c) Intensify military effort including non-nuclear bombing of ports and installations, and hot pursuit into Cambodia or other neutral sanctuaries.

(d) De-escalate military effort while pursuing negotiation.

9. Please check your preference for President in 1968:

Republican

Nixon ------
Percy ------
Reagan ------
Rhodes ------
Rockefeller ------
Romney ------

Democrat

Johnson ------
Kennedy ------
McCarthy ------

Third Party

Wallace ------

Dickey-Lincoln—Unfinished Business of the 90th Congress

EXTENSION OF REMARKS

OF

HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Friday, December 15, 1967

Mr. METCALF. Mr. President, high on the list of unfinished business that should be completed in the second session of the 90th Congress is appropriation of funds for the Dickey-Lincoln hydroelectric project on the St. John River in Maine.

Dickey-Lincoln meets every test established by the Congress and the administration. Funds were deleted from the public works appropriation bill for one reason. The power lobby generated barrels of misinformation and transmitted it around the country, whence it was distributed to Members of the House of Representatives, which refused to concur in the Senate provision for Dickey-Lincoln funds.

Dickey-Lincoln thus far has met the same fate, in the same manner, that befell Hells Canyon Dam and Knowles Dam, which were targets of national propaganda campaigns by the power lobby.

This Nation can ill afford to forgo Dickey-Lincoln simply because the investor-owned utilities that dominate New England do not want a yardstick powerplant which would force them to reduce their overcharges to New England consumers, who pay the highest power rates in the country.

Competition is more effective than regulation as a means of reducing utility rates and improving utility services. The surest, quickest way to reduce the size of the electricity bill in New England homes is through construction of Dickey-Lincoln.

The men and women who appreciate the role that Dickey-Lincoln can play in reducing electricity costs cannot begin to counter, by themselves, the national propaganda campaign against the project conducted by the investor-owned utilities. Mr. President, my files are full of editorials against Dickey-Lincoln written and distributed throughout the country by utility agents such as Public Service magazine and Industrial News Review. California Feature Service, published by Whitaker & Baxter, has now begun to disseminate editorials advocating private monopoly of nuclear power, the only likely alternative to Dickey-Lincoln as a means of reducing electric costs in New England, whose investor-owned utilities are attempting to exclude city-owned and customer-owned power systems from participation in the large nuclear generation and transmission systems.

The case for Dickey-Lincoln is nowhere more succinctly stated than in two recent speeches by the distinguished junior Senator from Maine [Mr. MUSKIE]. He spoke before the New England Association of Electric Co-ops in Boston on December 6, and before the Mid-West Electric Consumers Association in Omaha on December 8.

Mr. President, I ask unanimous consent to place these two addresses by Senator MUSKIE in the RECORD. I hope that my good friends and former colleagues in the House of Representatives will take time from their busy schedules to read them. For the good of New England, for the sake of our national effort in wise resource development, Dickey-Lincoln funds should be appropriated during the second session of this Congress.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DICKEY AND THE CONSUMER

(Remarks by Senator EDMUND S. MUSKIE to the New England Association of Electric Co-Ops, Boston, Mass., December 6, 1967)

I am grateful for this opportunity to meet with you today. It is appropriate that we do so.

We share a desire to see power rates in the Northeast reduced. We understand the value of public power. And we know firsthand that the consumers' interest is not always placed first in the planning and operations of our region's privately owned utilities.

There is more at stake in the congressional debate over Dickey than the construction of a large multipurpose water resource project.

The fight over the Dickey-Lincoln School hydroelectric project on Maine's St. John River helps illuminate the major obstacles to achieving lower-cost power: the private utilities and their lobby.

At issue is—

Whether the private utilities will retain their stranglehold on our region;

Whether their lobby can quash a justified, beneficial project;

Whether the public interest will be represented in the planning and development of a balanced and integrated power system for our region;

Whether the basic national policy for resource development will survive; and

Whether the Northeast is an equal partner among other regions under that policy.

Let me begin by reviewing the policy and the development of the Dickey proposal.

Since 1959, I have been a member of the Public Works Committee, where the bulk of our resource development projects are reviewed and evaluated. In the nearly 9 years I have worked with my colleagues on hundreds of projects, I have followed a simple rule: A project should be evaluated on its merits—without reference to the region in which it is located—it should be approved if it meets the test of being in the public interest, if it contributes to the welfare of the area in which it is located and if it is economically feasible. These are the tests the Public Works Committee and the Senate have applied.

When it is examined objectively, Dickey-Lincoln School meets all of these tests.

The project is the product of a long series of studies beginning with the New England-New York interagency study of the late 1940's and early 1950's. I know many of you are familiar with the history of the project, but it may be helpful for us to recall some of the details which have been obscured in recent debates.

In 1959, the Joint Engineering Board of the International Joint Commission (United States and Canada) recommended the construction of the Passamaquoddy tidal power project, coupled with the construction of a high dam on the upper St. John River at Rankin Rapids. The Rankin Rapids project was designed to provide low-cost, flexible hydroelectric energy to smooth out the peaks and valleys in power production at the tidal generating station. It would have flooded the upper St. John and the Allagash Rivers.

The engineering report was referred to the International Joint Commission for review and evaluation. In April, 1961, the Commission rejected the proposed Passamaquoddy Tidal Power project, but suggested possible development of the upper St. John.

In the meantime, the National Park Service of the United States had proposed the protection of the Allagash River as a free-flowing, "wilderness" waterway.

I recommended to President Kennedy that the Department of the Interior be assigned the responsibility of reviewing the recommendations of the Joint Engineering Board, the findings of the International Joint Commission and the recommendations of the National Park Service for the purpose of recommending a balanced development of the resources of northern and eastern Maine.

In July, 1963, after two years of study, Secretary of the Interior Udall recommended to the President the development of the Passamaquoddy Tidal Power project coupled with the Dickey project as a flood control and hydroelectric program, designed to provide 100,000 kilowatts of low-cost firm energy, and 650,000 kilowatts of low-cost peaking power. The project would consist of a high dam on the upper St. John, above the confluence of the St. John River and the Allagash River in the town of Dickey, and a low, re-regulating dam below the confluence of the two rivers at the site of Lincoln School. The project, which would fit into the power requirements of Maine and New England, was hailed by conservationists because of the protection it provided the Allagash River.

This past year the State of Maine and the Department of the Interior entered into an agreement under which the State of Maine is acquiring title to land on both sides of the Allagash and protecting this beautiful river in its primitive state. The Federal Government and the State are sharing in the costs of the project.

By 1965, the Passamaquoddy project had dropped below the 1-1 benefit-ratio which is the accepted test of economic feasibility but Dickey was sent to the Congress by President Johnson in a separate message with the strong recommendation that it be constructed.

The 1965 proposal contained an additional recommendation that the Passamaquoddy project should receive continuing study, particularly with reference to technological advances.

I want to underscore the fact that the 1963 and 1965 proposals, which are the foundation for the present project, were based on the concept of a generating station designed to produce the bulk of its energy as peaking power. This is absolutely essential to a soundly balanced power system in which there are very large thermal plants—fueled either by fossil fuels or nuclear energy. Dickey-Lincoln School is not an alternative to thermal plants; it is essential to their economic and efficient operation as part of a regional system.

Dickey-Lincoln School is important to New England as a substantial source of power which will be available for short periods of peak demand such as rush hours, early evening and early morning—the kind of power the Northeast needed and didn't have during the blackout of November 9, 1965.

Dickey-Lincoln School is an eminently sound project, with a benefit-cost ratio of 1.91-1. It would provide wholesale firm energy for Maine communities at rates two-thirds below those now charged by the private utilities. It would supply essential peaking power to the New England market at rates nearly one-third below current charges and at costs lower than the best alternative proposals made by the private companies.

Since its authorization in 1965, Dickey-Lincoln School has been the subject of the most intensive re-study ever required for a public works project. The staff of the House Committee on Appropriations conducted a special study of the project, including an extensive anlysis of the findings of the Corps of Engineers, the Department of the Interior and the Federal Power Commission. They review the allegations made by New England's private utilities. The staff findings sustained the favorable verdict of the public agencies and discredited the arguments advanced by the private companies.

The private power companies have claimed that Dickey-Lincoln School would not affect power rates in New England. The fact is that the threat of Dickey-Lincoln has already had an impact on the power companies of my own State.

Between 1946 and 1965 the three privately-owned power companies in Maine sought increases—*but no reductions*—in their rates. Indeed, during my terms as Governor, the Public Utilities Commission was under constant pressure from power company attempts to push their rates higher and higher.

But in 1965, when the Department of the Interior recommended the construction of the Dickey-Lincoln School project, the three companies, within two months of the Dickey proposal, suddenly discovered it was possible to reduce rates. The reductions weren't impressive and they provided almost no benefits for homeowners, but they were reductions. The total reductions, in 18 announcements made by the power companies since the advent of the Dickey-Lincoln proposal, have totaled $4,161,527.

It should be noted that since 1965, all but one of the reductions were announced just prior to or during the hearings and floor consideration of the Dickey-Lincoln School project.

This record is extraordinary for companies which had not sought reductions and had been busy pushing rates up for the preceding 17 years. This record and the record of rate reductions in other areas of the country where publicly owned power projects are located indicate the desirability of competition in the power business.

I could cite case after case where the presence of a competitor or even a prospective competitor has caused a power company to reduce rates or forestall increases. But let me cite only the most recent example. In Texas, the Southwestern Public Service Company has proposed rate increases in 60 west Texas towns. But in three communities, which also are served by municipal systems, the company is not seeking increases.

In Maine, it should be noted that the rate reductions did not result in any belt-tightening by the private utilities. A study of the rate of return received by the power companies indicates that during and since the reductions, two of the three utilities involved have been getting returns in excess of the six per cent normally set by the Maine Public Utilities Commission. As a result of the discussion stimulated by Senator Metcalf's and Vic Reinemer's book, *"Overcharge,"* the Maine Public Utilities Commission contracted for a special study of rates of return for Maine utilities. That study moved Governor Curtis to ask the commission to institute a rate case seeking reductions.

The Maine overcharge problem is matched in the rest of New England. A study of Federal Power Commission statistics shows that in 1965, for instance, the New England private power monopoly overcharged New England consumers $21,034,000. This estimate is based on the normal rate of return of 6 percent applied to this industry.

A study of 28 New England power companies shows that 14 of them had a rate of return of 7 percent or more. Five had a rate of return of 8 percent or more, and one had a rate of 11.18 percent. At these rates of return, it is not surprising that New England homeowners pay up to 35 percent more for power than the national average.

The private power companies have made one other gesture in the direction of improved operations since the advent of the Dickey-Lincoln school project. Even that is a mixed blessing.

In January, 1966, the power companies released a series of advertisements, announcing the establishment of the "Big 11 Power Loop." In and of itself, it was a confession of past weaknesses, but it promised an integrated power system for the region, based on large nuclear power plants and larger transmission lines.

Later, however, one of the power company executives admitted in a Vermont public hearing that planning for the "Big 11" program consisted solely of preparing the advertisement. The House Public Works Committee could find no evidence of regional planning by the utilities, including generation and transmission, except in the advertisements. The staff study concluded that, "although representatives of the council advised that they have planned to meet the problems of supplying the power needs of New England on a central coordinated basis, they have not produced any document supporting this central planning with the exception of an advertisement that appeared in the public press in January, 1966."

Recent developments indicate that the underlying intent of the private companies in promoting the "Big 11" proposal is not so much an improvement in reliability and service as it is another step in their effort to tighten their grip on the New England power market. As you know, they have flatly refused to permit the publicly owned utilities to join in a regional transmission system.

The Massachusetts case should not surprise us. What the Federal Power Commission has learned here has been echoed across the country. The FPC Counsel has determined that the Massachusetts municipals were denied participation in the planning activities of the New England utilities. The FPC also found that such exclusion is detrimental to the city-owned systems and constitutes possible violation of anti-trust statutes.

Further evidence that the private utilities want to keep nuclear power all to themselves is overwhelming—in proceedings before the FPC, the Atomic Energy Commission, the Securities and Exchange Commission, and the House of Representatives.

The private utilities are even trying to prevent any Federal agency from building a nuclear power facility.

In another effort to detract from Dickey-Lincoln school, the private power companies have attacked the project as a "subsidized" venture while suggesting that they never receive subsidies of any other considerations. The fact is, of course, that the companies benefit from the assured rate of return which is part of the consideration granted a public utility, and in their heavily advertised nuclear power plants, they have been receiving considerable assistance from the public investment in nuclear technology development and in indirect assistance under the Federal atomic energy program.

I would like to call your attention to the subsidies received by the Yankee Atomic Plant at Rowe, Massachusetts, the only operating nuclear power facility in New England.

1. Research and development assistance: This amounted to $5 million for AEC assistance in the design, engineering and fabrication of the reactor portion of the plant.

2. Waiver of fuel use charge: The cost of the initial load of fuel in the reactor was $3.7 million, but the fuel was supplied free of charge by the AEC (enriched uranium from Oak Ridge.) This was part of the AEC's role due to the experimental nature of the reactor.

3. Plutonium buy-back—$2.1 million: At the time of construction of the Rowe, Massachusetts, plant, there was no private market for uranium and, therefore, had the AEC not agreed to buy back the plutonium, the utilities would have had to dispose of it as waste.

These aids total $10.8 million.

The subsidies will not be available to the nuclear power plants being constructed, considered or advertised in the New England area, but the new plants will continue to receive the benefits of nearly two billion dollars that the Atomic Energy Commission has spent in research and development of the civilian nuclear power program and related reactor technology and safety programs. The companies also will benefit from the incentives provided by the Price-Anderson Indemnity Act. It provides liability protection between the coverage provided by the private insurance companies and total liability of $560 million. In the instance of the Connecticut Yankee Atomic Plant, the utility will be able to obtain $486 million worth of liability coverage from the Federal Government at a cost of $44,000 per year, while obtaining only $74 million worth of liability insurance from private sources for $280,000 a year. That is one-seventh the protection for six-times the cost.

I do not object to these incentives, or subsidies. They are designed to accomplish a positive public good. I do object to the doubletalk we get on the subsidy question.

In connection with the subsidy argument, it should be noted that the Dickey-Lincoln school project would repay the entire Federal investment, with interest, in 50 years. It will return to the Federal Treasury nearly two dollars for every one of the $227 million in Federal funds invested in the project during that time period. It will continue to pay a substantial return on the public investment many, many years beyond the end of the pay-back period.

I have yet to hear one private power company offer to reimburse the Federal Treasury for the nearly $2 billion Federal investment in the civil nuclear reactor program.

Beyond these substantive issues, there are two other observations which should be made. Without a public power yardstick to gauge the operations of the private utilities, and to stimulate them to develop economies, there is little hope that the Northeast will ever catch up with the lower power costs of every other region of the country. Unless the Federal Government builds nuclear or other thermal plants in New England, and I have heard of no such proposal, the yardstick must be a hydro plant. There are few suitable sites in New England for large hydro plants. This means if Dickey fails, the chances would be slim for the success of any other public power proposal for our region. In the end, without a yardstick, likelihood of meaningful reductions in power rates would be negligible.

The other observation is this: The Northeast, and New England in particular, has not received the heavy investment in resource development funds which have benefited every other region.

From 1960 to 1966, the per capita distribution of public works authorizations showed a consistent pattern of large investments in areas outside the Northeast. We received only 58 percent of the Midwest's share; 45 percent of the South's share; 33 percent of the Southwest's share; and 35 percent of the Far West's share.

The 1967 public works bill was even less favorable for us. We received 37 percent of the Midwest's share, 23 percent of the South's share, 23 percent of the Southwest's share, and only 15 percent of the Far West's share.

Finally, I want to point out that many of the opponents of Dickey have been inconsistent in their positions on the public works appropriations bill, voting against Dickey—while supporting rivers and harbors projects in their own districts which do not measure up to the Maine project.

In the House vote of July 25, for example, Congressmen representing districts in which 193 projects covered by the bill were located voted against the Dickey-Lincoln School project. One hundred and thirty-four of those projects, with appropriations totaling $241,527,000, had no benefit-cost estimate or had a benefit-cost ratio of less than Dickey's 1.9-1. This represented 24 percent of the total appropriations approved by the Senate for construction and planning of public works projects.

I cite these figures to demonstrate that there is no consistency in the opposition to Dickey, that the House position threatens a national policy based on the merits and economic feasibility of projects, and that our region is not one to be placed at the top of the list for cutting back on public works projects.

To my mind, the inconsistency can only be explained as the product of one of the most heavy-handed lobbying campaigns in memory.

Congressmen from districts thousands of miles from New England were approached by representatives of their local utilities, and given erroneous information on the project.

The private utility lobby even rewrote a favorable analysis by the Federal Power Commission, attempting to show that the Commission opposed the project.

This move, carried out by the coordinating council of New England, was the most brazen distortion of the findings of an independent Government agency in the history of Federal power projects.

The private power companies sought to confuse the public and mislead the Congress. The nature of the companies' campaign convinces me that their opposition to Dickey is not motivated by concern for the merits. They obviously enjoy their monopolies and are determined to maintain them . . . at the expense of the public.

The private power lobby was successful this year. We will, of course, pursue the project again in the next session, and we face a tough job. If you share my commitment to Dickey, I urge you to do everything you can to encourage support for it from our region. If my mail is any indication, increasing numbers of New Englanders are becoming alert to the high cost of our power, and to the benefits of Dickey. This concern, however, must be translated into political strength. The Congressmen from Massachusetts and Connecticut especially must understand that there is support for Dickey among their constituents. If we are to reverse the House votes against Dickey, the project must have stronger support from within our region.

You who understand the issue can play a strategic role in education on the issue, in organizing a regional program of support, and in carrying the fight to the Congress. And in that fight, you can count on me.

REMARKS BY SENATOR EDMUND S. MUSKIE TO THE ANNUAL MEETING OF THE MID-WEST ELECTRIC CONSUMERS ASSOCIATION, OMAHA, NEBR., DECEMBER 8, 1967

I welcome this opportunity to meet with you. Although your region and mine are separated by hundreds of miles, we are united by a genuine desire for reduced power costs. I was grateful to learn that your able executive director, Mr. Fred Simonton, was especially helpful in the formation of the New England Electric Consumers Association.

We are bound by other ties. We understand the value of the consumer of public power. And we know first hand that the consumer's interest is not always foremost in the planning and operations of our privately owned utilities.

With these shared concerns in mind, I would like to discuss with you the opportunities for reduced power costs across the Nation, and the importance of Maine's Dickey-Lincoln school hydroelectric project to my region's prospects for lower rates.

The Federal Power Commission has estimated that by 1980, savings of $11 billion a year can be realized from new interconnection, larger and more efficient plants, and nuclear power. That estimate may prove conservative if the technological obstacles are removed from the nuclear breeder reactor which will produce more fuel than it consumes.

The question we ask is whether these savings will be passed on to the consumer. Judging from past and present performance by the private power industry, I have my doubts.

My colleague, Senator Metcalf of Montana, and his executive secretary, Vic Reinemer, have written an illuminating book on the power industry called "Overcharge." Many of you, I am sure, are familiar with the book. Senator Metcalf estimates that the private companies presently overcharge consumers by $618 million a year. If these overcharges were removed, rate reductions would actually amount to more than a billion dollars. He reasons that when an overcharge is reduced, the company's profit and 48 percent tax on profit also are reduced, thus permitting further rate reductions.

How is this padding possible? Senator Metcalf found that many states are more lenient than the Federal Power Commission. They allow inclusion in the rate base of such factors as estimated fair value of facilities, accumulated tax deferrals, and construction work in progress.

Senator Metcalf and Mr. Reinemer also found that some utilities simply make more than they are allowed to, and that the State Public Utilities Commission do not or cannot do anything about it.

Thus, while the State commissions report that the median rate of return for power companies is 6.1 percent, the Federal Power Commission computes the actual median rate of return at 7.4 percent.

Here is the known overcharge to consumers. We also have evidence that even this calculation is understated. Rate cases in Florida and New York show that power companies there have misstated revenues and expenses. It is not unreasonable to wonder whether such practices are not common elsewhere. The Florida Public Service Commission, never one to hound its utilities, disallowed millions of dollars in excess depreciation when the facts were put before it. The New York Commission, in the Consolidated Edison case still in progress, has received evidence that substantial political and institutional advertising expenditures have been slipped into a number of operating expense accounts, and thus charged to customers rather than stockholders.

There is reason to believe that New England's private utilities have used the same trick with their heavy costs of campaigning against the Dickey-Lincoln School project. Only one of the major power companies in my region listed on their FPC reports contributions to the coordinating council which lobbied against Dickey.

The authority of the Federal Power Commission is relatively limited, so our first defense against abuses by the power industry are the State utility commissions. But are they up to the job of policing the Nation's biggest industry?

Senator Metcalf believes not. He writes, "The regulated industries account for about one-fifth of this Nation's gross national product. Yet the regulatory commissions, especially at the State level, are the most neglected arms of the Government—neglected by most of the press; neglected by the universities and foundations; neglected by the legislatures, both State and Federal, including appropriations committees.

"On these commissions you will find men at both the commission and staff level attempting under the most trying circumstances to fulfill their public responsibility. Nevertheless, in State after State, a similar story is told about their insufficiency."

A survey by my Subcommittee on Intergovernmental Relations supports Senator Metcalf's belief. We found case after case in which the commissions were understaffed, underpaid, and overwhelmed by batteries of attorneys and accountants for the private utilities.

In Massachusetts, the State utility commission has only three accountants, and they are responsible for the accuracy of financial statements filed by all the electric, gas, railroad, bus, telephone, and telegram companies in the State. The Boston Herald observed that a full rate case would be impossible because of the staff limitations of the commission.

Without effective regulation by State utility commissions, what alternative methods are there for encouraging the private power companies to keep their rates down to reasonable levels?

Experience indicates that competition is the best bet. The yardstick of Federal, city-owned, and other consumer-owned power systems has proven to be effective.

Throughout the country, the nearer a Federal power project, the lower the electric bills. Municipal and cooperative customers pay a third less than their neighbors served by private companies.

It is no wonder, then, as Senator Metcalf says, that the private utilities fear the yardstick of competition more than regulation. I could cite scores of cases where competition or the threat of competition stimulates the private companies to reduce rates or forestall rate increases. Let me mention only the most recent example. In Texas, the Southwestern Public Service Company has proposed rate increases in 60 west Texas towns. But in three communities, served also by municipal systems, the company has not suggested increases.

In my own State of Maine, just the threat of Dickey power has caused reductions, which I will detail later.

Today, the Northeast is the only region of the Nation without a Federal power project. It is understandable, therefore, that my region suffers from the highest power rates in the country. This also helps explain why the private power lobby, in New England and across the Nation, has organized its campaign against Dickey. The Northeast is the last competition-free preserve for the power industry, and the industry obviously wants to keep it that way.

For your background information, I would like to outline the development of the Dickey-Lincoln school proposal, and to describe its importance to my region and to the national policy of resource development.

There is more at stake in the Congressional debate over Dickey than the construction of a large multi-purpose water resource project.

At issue is—

1. Whether the private utilities will retain their stranglehold on New England;

2. Whether their lobby can squash a justified, beneficial project;

3. Whether the public interest will be represented in the planning and development of a balanced and integrated power system for my region;

4. Whether the basic national policy for resource development will survive; and

5. Whether the Northeast is an equal partner among other regions under that policy.

Let me begin by reviewing the policy and the development of the Dickey proposal.

Since 1959, I have been a member of the Public Works Committee, where the bulk of our resource development projects are reviewed and evaluated. In the nearly 9 years that I have worked with my colleagues on hundreds of projects, I have followed a simple rule: A project should be evaluated on its merits—without reference to the region in which it is located. It should be approved if it meets the tests of being in the public interest. If it contributes to the welfare of the area in which it is located, and if it is economically feasible. These are the tests the Public Works Committee and the Senate have applied.

When Dickey is examined objectively, it meets all of these tests.

The project is the product of a long series of studies beginning with the New England-New York interagency study of the late 1940's and early 1950's, coupled with the earlier Passamaquoddy Tidal Power Project, advocated by President Franklin D. Roosevelt.

In 1959, the Joint Engineering Board of the International Joint Commission (United States and Canada) recommended the construction of the Passamaquoddy Tidal Power project, coupled with the construction of a high dam on the Upper St. John River at Rankin Rapids, which would have flooded the Upper St. John and the Allagash Rivers.

The engineering report was referred to the International Joint Commission for review and evaluation. In April, 1961, the Commission rejected the proposed Passamaquoddy Tidal Power project, but suggested possible development of the Upper St. John.

In the meantime, the National Park Service of the United States had proposed the protection of the Allagash River as a free-flowing, "wilderness" waterway.

I recommended to President Kennedy that the Department of the Interior be assigned the responsibility of reviewing the recommendations of the Joint Engineering Board, the findings of the International Joint Commission, and the recommendations of the National Park Service, for the purpose of recommending a balanced development of the resources of northern and eastern Maine.

In July, 1963, after two years of study, Secretary of the Interior Udall recommended to the President the development of the Dickey project as a flood control and hydroelectric program, designed to provide 100,000 kilowatts of low-cost firm energy, and 650,000 kilowatts of low-cost peaking power. The project would consist of a high dam on the Upper St. John in the town of Dickey, and a low, re-regulating dam at the site of Lincoln school house. The project would fit into the power requirements of Maine and New England, and would spare the Allagash. The plan was hailed by conservationists because of the protection it provided the Allagash River.

The 1963 proposal contained an additional recommendation that the Passamaquoddy project should receive continuing study, particularly with reference to technological advances.

I want to underscore the fact that the 1963 proposal, which is the foundation for the present project, was based on the concept of a generating station designed to produce the bulk of its energy as peaking power. This is absolutely essential to a soundly balanced power system in which there are very large thermal plants—fueled either by fossil fuels or nuclear energy. Dickey-Lincoln school is not an alternative to thermal plants; it is essential to their economic and efficient operation as part of a regional system.

Dickey is an eminently sound project, with a benefit-cost ratio of 1.9–1. It would provide wholesale firm energy for Maine communities at rates two-thirds below those now charged by the private utilities. It would supply essential peaking power to the New England market at rates nearly one-third below current charges and at costs lower than the best alternative proposals made by the private companies.

Since its authorization in 1965, Dickey-Lincoln school has been the subject of the most intensive re-study ever required for a public works project. The staff of the House Committee on Appropriations conducted a special study of the project, including an extensive analysis of the findings of the Corps of Engineers, the Department of the Interior and the Federal Power Commission. They reviewed the allegations made by New England's private utilities. The staff findings sustained the favorable verdict of the public agencies and discredited the arguments advanced by the private companies. The Senate has always supported the project. The House, however, this year disregarded the findings of its own subcommittee, and voted down Dickey.

The private power companies have claimed that Dickey-Lincoln School would not affect power rates in New England. The fact is that the threat of Dickey-Lincoln has already had an impact on the power companies of my own State.

Between 1946 and 1963 the three privately owned power companies in Maine sought increases—*but no reductions*—in their rates. Indeed, during my terms as Governor, the Public Utilities Commission was under constant pressure from power company attempts to push their rates higher and higher.

But in 1963, when the Department of the Interior recommended the construction of Dickey, the three companies, within two months of the Dickey proposal, suddenly discovered it was possible to reduce rates. The reductions weren't impressive and they provided almost no benefits for homeowners, but they were reductions. The total reductions, in 16 announcements made by the power companies since the advent of the Dickey-Lincoln proposal, have totaled $4,161,527.

It should be noted that since 1965, all but one of the reductions were announced just prior to or during the hearings and floor considerations of the Dickey-Lincoln School project.

This record is extraordinary for companies which had not sought reductions and had been busy pushing rates up for the preceding 17 years. This record and the experience of rate reductions in other areas of the country were publicly owned power projects are located indicate the desirability of competition in the power business.

In Maine, it should be noted that the rate reductions did not result in any belt-tightening by the private utilities. A study of the rate of return received by the power companies indicates that during and since the reductions, two of the three utilities involved have been getting returns in excess of the six percent normally set by the Maine Public Utilities Commission. As a result of the discussion stimulated by Senator Metcalf's and Vic Reinemer's book, the Maine Public Utilities Commission contracted for a special study of rates of return for Maine utilities. That study moved Governor Curtis to ask the Public Utilities Commission to institute a rate case seeking reductions.

The Maine overcharge problem is matched in the rest of New England. A study of Federal Power Commission statistics shows that in 1965, for instance, the New England private power monopoly overcharged New England consumers $21,034,000. This estimate is based on the normal rate of return of 6 percent applied to this industry.

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The private power companies have made one other gesture in the direction of improved operations since the advent of the Dickey-Lincoln School project. Even that is a mixed blessing.

In January, 1966, the power companies released a series of advertisements, announcing the establishment of the "big 11 power loop." In and of itself, it was a confession of past weaknesses, but it promised an integrated power system for the region, based on large nuclear power plants and larger transmission lines.

Later, however, one of the power company executives admitted in a Vermont public hearing that planning for the "big 11" program consisted solely of preparing the advertisement. The House Public Works Committee could find no evidence of regional planning by the utilities, except in the advertisements.

Recent developments indicate that the underlying intent of the private companies in promoting the "big 11" proposal is not so much an improvement in reliability and service as it is another step in their effort to tighten their grip on the New England power market. They have flatly refused to permit publicly owned utilities in Massachusetts to join in a regional transmission system.

The Massachusetts case should not surprise us. What the Federal Power Commission has learned here has been echoed across the country. The FPC counsel has determined that the Massachusetts municipals were denied participation in the planning activities of the New England utilities. The FPC also found that such exclusion is detrimental to the city-owned systems and constitutes possible violation of anti-trust statutes.

Further evidence that the private utilities want to keep nuclear power all to themselves is overwhelming—in proceedings before the

FPC, the Atomic Energy Commission, the Securities and Exchange Commission and the House of Representatives.

The private utilities are even trying to prevent any Federal agency from building a nuclear power facility.

It should be noted that Dickey would repay the entire Federal investment, with interest, in 50 years. It will return to the Federal Treasury nearly two dollars for every one of the $227 million in Federal funds invested in the project during that time period. It will continue to pay a substantial return on the public investment many, many years beyond the end of the pay-back period.

I have yet to hear the private power industry offer to reimburse the Federal Treasury for the nearly $2 billion Federal investment in the civil nuclear reactor program.

There are two other observations which should be made. Without a public power yardstick to gauge the operations of the private utilities, and to stimulate them to develop economies, there is little hope that the Northeast will ever catch up with the lower power costs of every other region of the country. Unless the Federal Government builds nuclear or other thermal plants in New England, and I have heard of no such proposal, the yardstick must be a hydro plant. There are few suitable sites in New England for large hydro plants. This means if Dickey fails, the chances would be slim for the success of any other Federal public power proposal for my region. In the end, without a yardstick, likelihood of meaningful reductions in power rates would be negligible. Furthermore, if the House does not reverse itself and fund Dickey, no economically feasible project, anywhere in the country, will be safe from raids by the lobbyists of private interests.

I want to point out that many of the House opponents of Dickey have been inconsistent in their positions on the public works appropriations bill, voting against Dickey—while supporting Rivers and Harbors projects in their own districts which do not measure up to the Maine project.

In the House vote of July 25, for example, Congressmen voting against Dickey had 134 projects in their districts which had no benefit-cost estimate, or had a benefit-cost ratio lower than Dickey's. These projects represented 24 percent of the total appropriations approved by the Senate for construction and planning of public works projects—$241.5 million.

I cite these figures to demonstrate that there is no justified pattern in the House opposition to Dickey, and that the House position threatens a national policy based on the merits and economic feasibility of projects.

To my mind, the inconsistency can only be explained as the product of one of the most heavy-handed lobbying campaigns in memory.

Congressmen from districts thousands of miles from New England were approached by Representatives of their local utilities, and given erroneous information on the project.

The private utility lobby even rewrote a favorable analysis by the Federal Power Commission, attempting to show that the Commission opposed the project.

This move, carried out by the Electric Coordinating Council of New England, was the most brazen distortion of the findings of an independent Government agency in the history of Federal power projects.

From the beginning, the private power companies sought to confuse the public and mislead the Congress. The nature of the companies' campaign convinces me that their opposition to Dickey is not motivated by concern for the merits. They obviously enjoy their monopolies and are determined to maintain them . . . at the expense of the public.

The private power lobby was successful this year. We will, of course, pursue the project again in the next session, and we face a tough job. If you share my commitment to Dickey, I urge you to do everything you can to encourage support for it from your region. If my mail is any indication, increasing numbers of residents of New England and other sections are becoming alert to the high cost of power in the northeast, and to the benefits of Dickey. This concern, however, must be translated into political strength, in and out of New England.

You who understand the issue can play a strategic role in education on the issue, in organizing a regional program of support, and in carrying the fight to your Members of the House of Representatives. And in that fight, you can count on me.

Institute for Urban Development

EXTENSION OF REMARKS

OF

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. GONZALEZ. Mr. Speaker, on December 4 President Lyndon B. Johnson asked six well-known Americans to begin the process of setting up an Institute for Urban Development—an independent, nonprofit research organization.

It has been charged that this step was taken only as a result of last summer's riots and out of dissatisfaction with HUD's handling of urban problems. Those who make such charges have not examined the record. The Institute for Urban Development is the next logical step in a progression begun by the President in his message on Urban and Rural Poverty last April and it has been and will be intimately associated with the Department.

In his message the President gave special emphasis to the need "to build a basic foundation of urban knowledge." He requested a $20 million research budget for the Department of Housing and Urban Development and called upon the Secretary "to encourage the establishment of an Institute for Urban Development, as a separate and distinct organization."

He said:

> Such an organization would look beyond immediate problems and immediate concerns to future urban requirements, and engage in basic inquiries as to how they may be satisfied.

The Institute is now coming into existence. Though it will be an independent organization, it will work closely with the Department of Housing and Urban Development. The Institute's initial capital will come from HUD research funds and it will receive day-to-day guidance from and perform research tasks for the Department. The relationship will be essentially the same as that existing between the Department of Defense and the Rand Corp. I am not aware of any charge that the existence of the Rand organization implies the inability of the Department of Defense to protect our national security.

Indeed, it is the success of the Rand-Defense relationship in problem solving activity that has led to the formation of the Institute. There are a number of urban studies centers at universities but their primary concern has been basic research. The Institute for Urban Development will combine research with the solving of specific problems posed by the Department's daily activities.

As an independent organization, the Institute for Urban Development will be able to develop a capacity for analyzing urban problems in relation to Federal and local efforts to solve them and for ranking priorities of need, effectiveness and investment.

It will conduct long-range studies in order to gather data on all aspects of urban problems.

The Institute will gather representatives of various disciplines, pool their knowledge and share their various insights.

Last, the Institute will provide an independent, objective base for the review and evaluation of existing and proposed programs.

It is true that many Americans, many Members of Congress, were unaware of this Nation's pressing urban problems until the civil disturbances of last summer. Many continue to be unwilling to recognize the basic problems that caused these disturbances or to take the necessary steps to overcome them. But the President of the United States is totally committed to rebuilding America's cities and the shattered lives of those who live in the urban ghettos. The Institute for Urban Development is simply one new tool in his all-out attack on human misery.

Social Security Amendments of 1967

EXTENSION OF REMARKS

OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. DINGELL. Mr. Speaker, the social security program has long since demonstrated its great worth to the people of America.

Since its inception, the program has enabled millions upon millions of our citizens to have a modest degree of financial security during their retirement years.

At present, an estimated 23 million persons are receiving retirement and disability benefits. Most of them are also protected by the medicare program.

Social security retirement benefits were first set at very modest levels, indeed. Over the years, as the country's economy progressed, the Congress has found it possible to improve these levels, while protecting the soundness of the social security trust fund.

The goal of the social security program is to provide the fullest possible degree of financial security and independence to the people covered by its provisions. I believe that the Social Security Amendments of 1967 go a long way toward achieving this goal.

The legislation provides an increase in benefit payments of 13 percent for all beneficiaries on the social security rolls. The average monthly benefit paid to a retired worker with an eligible wife now on the rolls is increased from $145 to $165. The minimum benefit for a worker retiring at age 65 is increased from $44 to $55 a month. Monthly benefits will range from $55 to $160.50, for retired workers now on social security rolls who began to draw benefits at age 65 or later.

The maximum monthly benefits payable under the program were raised substantially. The present $168 maximum benefit for an individual eventually payable under the old law will go to $218 in the future. The similar figure for families will be raised from $368 to $434.

The amendments, in addition to increasing benefits, raised the amount which a social security recipient may earn, and still receive his full benefit check, from $1,500 of earnings in a year to $1,680.

The 13-percent increase was smaller than the 15-percent increase requested by President Johnson and less than I feel is adequate to fully adjust the level of social security benefits to current needs. I believe an increase of more than 15 percent would be justified by economic realities. The 1967 amendments, nonetheless, are a major step toward a more adequate social security system.

To cover the cost of the increased benefits, the amendments include provisions to raise the wage base subject to the payroll tax from $6,600 to $7,800 in 1968. The amendments, however, did not make any change in the tax rate.

The Social Security Amendments of 1967 were approved in both the House and the Senate by overwhelming margins. However, in the months preceding passage, the enemies of the social security program sought in every way possible to oppose program improvements. Particularly annoying to me were comments in the press and elsewhere which were calculated to undermine the confidence of the elderly in the administration of the social security program. These purveyors of misleading and inaccurate information succeeded only in arousing fear and concern in the minds of elderly folks and doubts among younger wage earners concerning future benefits. Fortunately, such unprincipled opposition failed to carry the day.

The medicare amendments were adopted to iron out some of the bugs in the program which have been discovered in its first couple of years of operation and to improve some of its benefits. Among the changes were liberalization of eligibility requirements for those reaching 65 after 1968, reduction in the paperwork involved in the hospital insurance program and extension of the number of days of hospitalization which could be available to those covered by medicare. The amendments also extended medicare benefits to cover certain services of podiatrists and outpatient physical therapists.

The Social Security Amendments of 1967, in addition to revising the provisions of the law relating to retirement and disability benefits, made various improvements in the medicare program and in the welfare programs contained in the Social Security Act.

The revisions in public welfare amendments, particularly as they relate to aid for dependent children and their mothers, generated considerable controversy. I am not entirely happy with the provision which limits the proportion of dependent children a State can have on welfare rolls at the January 1967 level. However, I feel that the requirement that welfare recipients who are able to work shall enroll in work training programs—and thereafter seek appropriate work—is an innovation which offers a mechanism which might assist in breaking the chain of dependency. The children of such welfare recipients will be provided for in day care centers while their parents are at work, thereby being fully protected against neglect. Hopefully, the adult welfare recipients will become contributors to the economic well-being of themselves and of society as a whole.

Reported Turbogenerator Contract to Switzerland

EXTENSION OF REMARKS

OF

HON. GEORGE A. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. GOODLING. Mr. Speaker, I recently wrote a letter to Secretary of the Interior Udall, asking him for an explanation of a reported award of a $28 million contract for turbogenerators to a company in Switzerland. Because this matter might have the interest of my colleagues, I submit it to the CONGRESSIONAL RECORD:

DECEMBER 15, 1967.

Hon. STEWART L. UDALL,
Secretary, U.S. Department of the Interior,
Washington, D.C.

DEAR MR. SECRETARY: It has come to me that *The Wall Street Journal* reports the award of a contract for turbo-generators for a new coal-fired plant near Nashville, Tennessee, to Brown-Boveri Company of Switzerland, the amount of the contract being $28,523,000.

I would appreciate being advised as to the justification for the purchase of this equipment from a foreign source, when all the while there are industries in America—some of which are located in my Congressional District—that are equipped to produce high-quality turbo-generators.

Such a transaction would not be in the best economic interests of the United States, for the expenditure of American money for this foreign equipment will have an adverse effect on our balance of payments position. The transaction would make our already shaky international trade position even more unstable.

In addition, Mr. Secretary, such a contract award will have a very definite negative effect on the job situation in the United States. American workers would be denied many man-hours of employment and industry if this country would be kept from sharing in economic benefits that had their origin in America.

I would remind you, Mr. Secretary, that charity begins at home, and I would appreciate your prompt reply to this communication and your advice as to why the instant contract should not be awarded to one of our domestic industries that are superbly equipped to manufacture this type of turbogenerator.

Sincerely yours,
GEORGE A. GOODLING,
Member of Congress.

A Report to My Constituents

EXTENSION OF REMARKS

OF

HON. WILLIAM L. ST. ONGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. ST. ONGE. Mr. Speaker, one of our colleagues has a plaque in his office on which are inscribed the following words:

> I promise to remember who I am, where I am from, and who sent me.

This is a pledge that all public servants should remember at all times.

I have made it a practice throughout my years in Congress to report to my constituents at the conclusion of each session on my activities during the year. This is my way of keeping them informed of their Congressman's activities, his efforts and his views on major legislation. This is my way, as a responsible public official, of giving an account of my stewardship and remembering "who sent me." This, then, is my fifth annual report covering the year 1967.

At the conclusion of my fifth year as your Representative in Congress from the Second District of Connecticut, I wish to thank all my constituents for the privilege of serving them and our country. I am very grateful for this privilege and look forward to continuing these services in 1968.

THE 1967 SESSION

The 1967 session, known officially as the first session of the 90th Congress, was one of the longest in our history. It began on January 10 and ended on December 15, a total of more than 11 months of continuous work. Incidentally, during my 5 years in Congress we have been in session for 52 out of 60 months, thus averaging nearly 10 and a half months per year. This is certainly a full-time job which requires full dedication.

The previous Congress, the 89th, was widely recognized as one of the most productive in our history. By comparison, the first session of the present Congress has been slow-moving and not as dramatic in its achievements. In some quarters there is even some disappointment with its "meager" results. This was perhaps to be expected. Coming after the productive 89th, any session of Congress would seem less industrious. The truth, however, is that the 1967 session was no less hardworking. It was in many ways more cautious, somewhat more conservative in its approach to national problems, and from its inception assumed an attitude of "let's watch and see" how the Nation will adjust to legislation adopted by the previous Congress.

It is also worth bearing in mind that the 90th Congress has another year to go and much can happen during the coming year in the way of legislation. The record may seem entirely different by the time the 1968 session is concluded. Let us, therefore, not be too hasty with criticism. Let me assure my constituents that, as their Representative in Congress, I am well aware of the many problems confronting our Nation at home and abroad and I shall at all times keep the interests of our country uppermost in mind when fulfilling my duties as your Representative.

As in the past, I shall continue to keep my constituents informed of my activities and deeds. This will be done, as in previous years, through the press, radio and television, newsletters, reports, correspondence, public appearances, and personal contact.

It would be false to assume that the 1967 session produced little in the way of important legislation. Some of the bills passed during the session, in my estimation, will prove to be quite meaningful to the average citizen as the years go on. In fact, because of its legislative achievements in such fields as social security, aid to education, consumer protection, air pollution control, and aid to the poor and needy, I feel that in due time the session will be rated better than average. To be sure, there is much that remains unfinished. This, however, will be the task of the 1968 session which convenes on January 15.

THE INTERNATIONAL SCENE

There is no doubt that the war in Vietnam was the overriding issue throughout the entire year 1967. Practically every bill, every problem, every vote taken, was overshadowed by the war or was considered under its impact. I have been deeply concerned with the Vietnam situation over the past 2 years and on several occasions I joined with some of my colleagues in Congress in urging steps to end the war. Among the steps advocated were cessation of bombing to encourage North Vietnam to enter into peace negotiations, turning over the Vietnam problem to the United Nations, and establishing United Nations peacekeeping forces.

More recently, I came to the conclusion that the time is ripe to undertake a reevaluation of our role in Vietnam and a reassessment of our position there. The conflict has become a very costly one for us in the way of lives and resources. Recently there are indications that the people of South Vietnam have achieved a more stable government, one which should in time be able to concentrate on the war effort with greater success and pursue its own struggle for freedom. There is even more recent evidence that South Vietnamese troops have taken a more effective part in the actual fighting. I trust this will enable us in the coming year to begin a gradual withdrawal of our troops from Vietnam.

In the meantime, we are going through a very trying period in our history, one which requires patience, courage, and hope on the part of all of us. Many voices of dissent have risen and they are entitled to be heard, but they are not entitled to incite to violence or cause disruption of our lawful governmental functions. North Vietnam and its supporters in Peking and Moscow must realize that the American people are sincerely seeking peace with freedom and honor, and should not misinterpret this search as a sign of weakness. Many of my constituents have written me about this most vital issue, and these expressions and views are always welcome.

MAJOR LEGISLATION

In judging the record of a Congress, the questions should always be asked: Have the American people benefited from its action? Is the United States more secure, its way of life and its institutions more purposeful? I am convinced that the American people possess the intelligence to judge for themselves when presented with the facts.

The 1967 session enacted into law about 500 bills and adopted several hundred resolutions, but not all of these are of national significance. Perhaps no more than 50 of these could be considered of major importance. Because of limitation of space, I should like to list briefly only a few of these:

Social security: New amendments provide for a 13-percent increase for all beneficiaries, minimum monthly benefits jump from $44 to $55, the amount of outside earnings is raised from $1,500 to $1,680 annually, and certain improvements are made in medicare, disability, child health, and other benefits.

Two other measures affecting our older and middle-aged citizens are worth mentioning: The Older Americans Act, which is extended for another 5 years and provides training and community programs for the elderly; Age Discrimination Act, to prohibit employers and employment agencies from discriminatory practices in hiring workers between the ages of 40 and 65 because of their age.

In the field of health several important bills were enacted: Partnership for health, which authorizes $589 million for the next 3 years as grants to the States for comprehensive health planning and services, including $40 million for rat control projects; mental retardation amendments, which provides $282 million for construction of mental retardation facilities, staffing of centers, training teachers for the handicapped, and so forth; vocational rehabilitation, authorizes grants to the States for training and services to the physically handicapped, migrant workers, and establishment of a National Center for Deaf and Blind Youths and Adults; Air Quality Act, which authorizes $428 million over the next 3 years for air pollution control.

Congress took important steps toward consumer protection by passing these measures: Meat Inspection Act, which provides for a strong program of Federal standards in inspection of meat and meat products and raises the level of State inspection to Federal requirements; Flammable Fabrics Act, is extended to all items of wearing apparel and household furnishings, while the sale of goods not meeting safety standards is prohibited; establishment of a seven-member National Commission on Product Safety to identify products which present a hazard to consumers.

Although the previous Congress was known for its enactment of many worthwhile measures in the field of education, time may prove that the 1967 session overshadowed it. One of the greatest measures of all time is undoubtedly the Elementary and Secondary Education Act, which provides $9.3 billion over the next 2 years, the largest sum ever provided in our history for education. This act includes aid to education on a vast scale, including supplemental education, a new bilingual program, studies on school dropouts in urban areas, adult education, et cetera. Mention should also be made of enactment of the Teacher Corps—volunteer teachers in poor areas; Education Professions Development Act—new teacher training programs; and the program to provide library services to the physically handicapped. Of notable interest is the new Public Broadcasting Act, which will provide Federal assistance for broadening and improving educational television and radio programs.

In the field of aid to the poor and to economically depressed areas there are several important measures, among them: Economic opportunity amendments under which Congress appropriated nearly $1.8 billion for the antipoverty program, now extended for another 2 years. Several new programs will be launched, including day-care centers to assist working mothers and $25 million for a special program to feed the hungry and needy. Food Stamp Act, which provides for a 2-year extension of this successful program enabling low-income families in slum sections and depressed areas to increase their food-purchasing power. Appalachia Redevelopment Act, authorizes $715 million over a 4-year period to help the depressed Appalachian area, encompassing sections of 11 States extending from New York and Pennsylvania to Mississippi and Alabama. It includes public works, highways, land and water conservation, low-rent housing, et cetera.

Nor was the economy of the Nation overlooked by Congress. In this sphere we enacted: The Small Business Act, amended to increase the amount of loans and guarantees for small business firms; the interest equalization tax, extended for another 2 years to relieve the U.S. balance-of-payments deficit by making it more costly for foreigners to borrow from U.S. sources; the investment tax credit was restored and other measures were taken.

In international affairs may be listed: Emergency food aid to India—in cooperation with other countries—to help meet India's critical food shortage; the foreign aid program—reduced from $3.1 billion last year to $2.6 billion this year; extension of the Peace Corps; U.S. participation in the Inter-American Development Bank to help Latin America; and two treaties with the Soviet Union to establish consulates and to ban nuclear weapons from space.

The list is far from ended. For our cities Congress enacted the rent supplement and model cities programs, extension of urban renewal, more water and sewer facilities, and more low-rent housing. A Veterans Pension and Readjustment Act was adopted to provide benefits to all those who entered service in the last 3 years, including educational benefits, and a cost-of-living increase in benefits for all veterans, their widows and dependents. Pay increases were approved for those in military service, and for Federal employees and postal workers. The draft was extended for another 4 years, funds were appropriated for our national defense needs, as well as for the various Government departments and agencies.

In other words, Congress has dealt responsibly with the problems facing America and its role as a force for peace and stability in the world.

ST. ONGE BILLS

During the 1967 session I introduced a total of 67 bills and resolutions: 49 public measures and 18 private bills, the latter being immigration or claims bills. This is the most I have introduced in any one of my 5 years in Congress. Several of them were enacted, others are still in process and should be enacted in 1968. Among some of my major bills are:

Increase in social security benefits, including cost-of-living adjustments—enacted in part; Older Americans Act to provide community services for the elderly—enacted; establishment of a Small Tax Division in the U.S. Tax Court to help small taxpayers; a national program of flood insurance; extend the right to vote to persons 18 years of age and over; reclassification of certain positions in the postal service; regulation of imports of milk and dairy products to help dairy farmers—adopted by Executive order of the President; establish United Nations peacekeeping operations; designate October 12 as a legal holiday in honor of Columbus; revision of U.S. copyright laws; improvement of Federal-State program of child welfare services.

Also care and treatment of veterans in State veterans homes; protect veterans against loss of pension resulting from increased social security benefits—enacted; preserve and protect estuarine areas, such as Connecticut shoreline; include prescribed drugs for elderly people under the medicare program; resolution on permanent peace in the Middle East; protection of U.S. textile industry against import of textiles from abroad; construction and rehabilitation of adequate housing for every American family; better employment opportunities for the unemployed; instruction in Chinese language and culture at our universities and high schools; provide a greater share of Government contracts to businesses in smaller cities; and development of a total marine transport system, including nuclear-powered merchant vessels and submarines.

CONCLUSION

Throughout the year my staff and I made every effort to answer all letters and to be helpful in every way possible to constituents requesting help or information, to communities seeking assistance with Federal applications, and to organizations, schools, and visitors. Efforts were made to obtain more public works projects, Federal contracts for industry, small business loans, grants for educational projects, new post offices and extension of old ones, aid to poultry and dairy farmers, and housing for the elderly.

On a personal basis help was provided to many individuals and families with social security matters, veterans pensions, servicemen's cases, welfare needs, student aid, housing problems, employment, and others. Tours were arranged for constituents coming to Washington, especially large numbers of schoolchildren. In short, the needs of my district and my constituents received priority at all times.

As your Congressman, I am always glad to receive your views on vital legislation, or your call for assistance on matters dealing with the Federal Government or any of its agencies. I deeply appreciate the support and confidence the people of the Second District have shown me. For any information or assistance, please address all correspondence to me as follows: Congressman William L. St. Onge, room 1405, Longworth House Office Building, Washington, D.C. 20515.

The Outward Looking Advisory Commission on International Education and Cultural Affairs

EXTENSION OF REMARKS

OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. CURTIS. Mr. Speaker, the fall 1967 issue of the Exchange, a publication by the U.S. Advisory Commission on International Education and Cultural Affairs, is most noteworthy for the healthy perspective it takes on the great variety of programs in the private sector in this area in context with public sector efforts. One of the most helpful services of government in this, and in most other areas, is to direct public attention and support to efforts undertaken in the private sector to what we deem to be worthy public goals. For this reason congratulations are due to the Advisory Commission, and to help bring this matter to the attention of all Members, I am placing my supporting letter to the staff director, Mr. James Donovan, in the Record at this point:

December 18, 1967.

Mr. James A. Donovan, Jr.,
Staff Director, U.S. Advisory Commission on International Educational and Cultural Affairs, Washington, D.C.

Dear Mr. Donovan: I wish to extend my congratulations and appreciation to the Commission for the excellence in the selection of topics for discussion and the excellence of the topical papers in the Fall 1967 "Exchange" published by the Commission.

I am pleased that Section 107, Public Law 87–256, as cited: "The Commission . . . shall make reports to the public in the United States and abroad to develop a better understanding of and support for the programs authorized by this Act" has been interpreted broadly to mean "a better understanding of and support for the objectives to which the programs authorized by this Act seek to contribute."

I have been critical at times in the past of both the actions and the reports of the Commission in seeming to center on the governmental programs per se rather than on the objectives to which hopefully these programs contribute, in context with the many more programs in numbers and in variety which exist in the private sector.

It is my own judgment that the area for direct governmental programs is quite limited, but that the area of government in providing an exchange of information about programs in existence or in contemplation and the area of government facilitating programs in meeting their objectives and facilitating new programs to come into being is quite large and in need of constant and considerable development.

Certainly the Fall 1967 "Exchange" moves admirably in the proper direction, as I see it. I hope that all members of Congress will read the articles in the Fall 1967 Exchange. To further this end in a modest way, I am placing a copy of this letter in the Congressional Record.

Sincerely,

Thomas B. Curtis.

Civil Air Patrol Award

EXTENSION OF REMARKS

OF

HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Friday, December 15, 1967

Mr. METCALF. Mr. President, during the first week of November of this year, Civil Air Patrol held its annual national board meeting in Las Vegas, Nev. While the leaders of this volunteer organization were planning the future of their program, they held a concurrent meeting of representative outstanding Civil Air Patrol cadet leaders. The purpose of the cadet leader meeting was to obtain from the young people themselves, first hand, objective evaluation of what the cadet program could have done to it to improve it.

Civil Air Patrol represents an outstanding example to the Nation of the finest possible blending of public and private resources to attain local, State, and National objectives. It is an organization of volunteers—both youth and adult. It combines U.S. Air Force personnel and equipment on a modest scale with the equipment and talents and time of thousands of our citizens. Most important, it seems to me, in these times of lack of dialog between youth and adults is Civil Air Patrol's emphasis on seeking the opinions of its youthful members. We could all learn from this.

Montana's youthful representative to the Civil Air Patrol meeting was Cadet Ronald Frazee, of Billings, Mont. He is an outstanding young man. We in our State are proud to have him as a youthful leader. I congratulate Brig. Gen. William W. Wilcox, national commander of the Civil Air Patrol and his staff of Air Force officers, airmen, and civilians. Also, I salute Col. Lyle W. Castle, CAP, chairman of the National Board of Civil Air Patrol and all of the men and women, adult members and the boys and girls who make up the cadet corps of Civil Air Patrol.

On December 1 of 1967, Civil Air Patrol celebrates its 26th anniversary. In view of the important youth leadership training and aerospace education programs of Civil Air Patrol, I ask unanimous consent to insert in the Record at this point, more detailed background material on Civil Air Patrol in general and Cadet Ronald Frazee in particular. This material was used as background when it was my privilege to award Ronald Frazee, of Billings, Mont., with the highest cadet award attainable in Civil Air Patrol.

Among the items discussed at the recent Civil Air Patrol Board meeting is the possibility of establishing a CAP Civil Air Academy. If such an institution is established and it can produce young men and women like Ronald Frazee, our Nation will be the better. Perhaps such an institution can be established at the Glasgow Air Force Base.

There being no objection, the background material was ordered to be printed in the Record, as follows:

Presentation of the Civil Air Patrol General Carl A. Spaatz Award to Cadet Ronald L. Frazee of Billings, Mont., May 20, 1967, Helena, Mont.

(Address of Senator Lee Metcalf)

Since first learning that Ronald Frazee had attained the highest cadet award possible in the Civil Air Patrol, I have been looking forward to an opportunity to present this richly deserved and hard earned recognition.

Newspaper headlines and columns detail many examples of youth who are in difficulty. All too often, outstanding examples of dedicated voluntary effort by young people—and adults who work with them—go unheralded, unannounced, unappreciated.

Today, it is my privilege to recognize a fine young Montanan who is typical of the conscientious young people who make up our real hope for the future.

Ronald Frazee is in an elite group. He is the 29th young person in the nation to attain the coveted Civil Air Patrol General Carl A. Spaatz Award.

Members of the Congress have a considerable interest in the Civil Air Patrol and the Ronald Frazees of the nation. A number of Public Laws relate to this official civilian auxiliary of the United States Air Force. These laws are an expression of confidence and trust by the people of the nation—through their elected representatives.

Cadet Ronald Frazee's recognition today is testimony and tribute to Civil Air Patrol's history of service to the nation. It is tribute, too, to one of Civil Air Patrol's and America's outstanding aviation leaders—General Carl A. Spaatz' outstanding contribution to America's aviation developments and air supremacy. Few, however, realize that while he was the Chief of Staff of the Air Force he was a great booster of Civil Air Patrol. Further, upon his retirement, he became Chairman of the Board of Civil Air Patrol. In this capacity, General Spaatz donated his outstanding organizational and administrative ability in helping guide the voluntary Civil Air Patrol members in their crucial post-war period. Thus, today, through Ronald L. Frazee we recognize a generation of young men and women, the cadets of Civil Air Patrol and their dedicated volunteer leaders—the adult senior members of this organization.

Last December first, the Civil Air Patrol celebrated its 25th anniversary. On that December day in 1941, just before Pearl Harbor, farsighted Americans like the late Gill Robb Wilson and the then Director of Civilian Defense for the nation—former New York City Mayor Fiorello H. LaGuardia joined the effort of many leaders and established the Civil Air Patrol. Major General John F. Curry of the U.S. Army Air Force became the first national commander of this voluntary organization.

Civil Air Patrol volunteers earned the gratitude of the entire nation for their World War II record of courier missions, anti-submarine patrol and spotting along with aerial target towing for the coast artillery, carrying priority passengers and parts, and many other important war-time missions. Some Civil Air Patrol members gave their lives in non-paid volunteer service to their country during this period.

After World War II, Civil Air Patrol entered a new phase of its continuing contributions.

By various acts of Congress, Civil Air Patrol has steadily received recognition and support for its programs. On 1 July 1946, President Truman signed Public Law 476 of the 79th Congress. This law incorporated the Civil Air Patrol as a benevolent, non-profit organization. That law details the objectives and programs Civil Air Patrol has undertaken in recent years:

"The objects and purposes of the corporation shall be:

(a) To provide an organization to encourage and aid American citizens in the contribution of their efforts, services, and resources in the development of aviation and in the maintenance of air supremacy, and to encourage and develop by example the voluntary contribution of private citizens to the public welfare.

(b) To provide aviation education and training especially to its senior and cadet members; to encourage and foster civil aviation in local communities and to provide an organization of private citizens with adequate facilities to assist in meeting local and national emergencies.

Thousands of Civil Air Patrol adult and youthful members regularly work as volunteers in meeting the broad objectives approved by Congress. Cadet Frazee is a living symbol of and testimony to the splendid programs conducted by CAP volunteers.

Further Congressional recognition of Civil Air Patrol stems from Public Law 557 of the 80th Congress. Signed into law on 26 May 1948, this legislation established the Civil Air Patrol as a civilian auxiliary of the United States Air Force.

One of the remarkable features of Civil Air Patrol is that for many, membership is a family affair. Teenage boys and girls are often Cadet members with either or both parents serving in a responsible Senior capacity.

With CAP's dedication to such missions as search and rescue, communications and aerospace education and training, it is in the forefront of the aerospace and educational leaders of the nation.

People live today because Civil Air Patrol volunteers manned the communications network and others volunteered to fly a search and rescue mission and find pilot and passengers in time to save lives.

Former outstanding CAP Cadets are serving their country well and in ways in which they use the skills and discipline learned in their voluntary classes. Many former cadets—both young men and women—are among the enlisted and commissioned members of the armed forces in the Army, Navy, Air Force, Marines and Coast Guard. Annapolis, West Point and the U.S. Air Force Academy number many of their enrollees as former distinguished CAP Cadets. In short, Civil Air Patrol is a genuine leadership laboratory for the youth of the nation.

Civil Air Patrol members give much to their organization and to the nation. CAP in turn does much for those who participate in its many missions and programs.

Cadet Frazee has given much to his organization as evidenced by the award with which we recognize him today. He is truly an active, giving, leading and inspiring young man. His family, community, state and nation join in recognizing him. Civil Air Patrol and all of its officials and dedicated volunteer members merit the special thanks of all Americans for the programs that make it possible for the Ronald Frazees of the nation to contribute their efforts and resources to youthful aerospace education, training and leadership.

The United States enjoys a position of world leadership in aviation. No small part of this stems from the strength of our citizens who in times of peace or war join in voluntary efforts. The Civil Air Patrol in general and Ronald L. Frazee in particular represent the highest form of voluntary contribution to this nation's security and aviation progress. Cadet Frazee, I join with my fellow Montanans in saluting your fine record of attainment. May you always remain an inspiration to those who know you and realize that you do honor to your community, your state and your nation as you wear the badge of recognition evidenced by the General Carl A. Spaatz Award. Congratulations.

Trick or Treating for UNICEF

EXTENSION OF REMARKS

OF

HON. RICHARD D. McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. McCARTHY. Mr. Speaker, last Halloween, like thousands of other children across the country, several youngsters in the district I represent were trick or treating for UNICEF. When they rang the doorbell of one home, they were abruptly rejected and handed a hate-filled, anti-UNICEF pamphlet which suggested they were trick or treating for Communists.

This folder blatently asserts that UNICEF funds were used to "finance the U.N. invasion of pro-Western, anti-Communist Katanga" in 1961. Moreover, it indicts the whole U.N. organization as an instrument of a conspiracy to overthrow the American Government and asserts that the "U.N. Covenant on Human Rights" violates the American Bill of Rights and the Declaration of Independence.

Although the distributors of this pamphlet sought to conceal its source, an investigation by my office traced it to a John Birch Society outlet at 1230 Hertel Avenue, Buffalo, N.Y.

The incredible fact about these hate flyers is that they are attacking what the late President Herbert Hoover called "the major beneficial service of the United Nations." I wonder if the Birchers are suggesting that President Hoover, like President Eisenhower, was a conscious agent of the Communist conspiracy?

UNICEF, the United Nations Children's Fund, formerly the United Nations International Emergency Fund, was established to meet the emergency needs of children in the war-ravaged nations immediately after the Second World War. Today the work of this great organization still goes on in underdeveloped countries: In maternal and child care facilities, in disease immunization facilities, wiping out malaria in the Carribean, providing milk processing facilities and supplements to children's diets—the list goes on and on.

Mr. Speaker, the work of UNICEF stands as one of the great humanitarian achievements of this century. In 1965, UNICEF was awarded the Nobel Peace Prize. It has been acclaimed by Pope Paul VI, the American Jewish Committee, and the General Board of the National Council of Churches of Christ. As further testimony to the value of its achievements, I cite the following statements of five American Presidents:

> Millions of people all over the world were pleased to learn that UNICEF has been selected for the 1965 Nobel Peace Prize. Never was an award more aptly made.
>
> UNICEF is giving new hope for a better life to the generations in whose hands the security of the world soon will rest. There is no nobler work for peace.
>
> Your UNICEF Trick or Treat Day has helped turn a holiday too often marred by youthful vandalism into a program of basic training in world citizenship.
>
> Your great humanitarian program aids innocent children who are the victims of mankinds oldest enemies—disease, hunger, and ignorance. I want to express to you, your staff, and the hundreds of thousands of young Americans who are participating in this annual event my deep appreciation for your unselfish work on behalf of children everywhere. (Lyndon B. Johnson, October 27, 1965)
>
> Children are the world's most valuable resource and its best hope for the future. It is a real tragedy that in an era of vast technological progress and scientific achievement millions of children should still suffer from lack of medical care, proper nutrition, adequate education, and be subjected to the handicaps and uncertainties for a low-income, substandard environment.
>
> Through the years, the efforts of the United Nations Children's Fund to meet this great challenge and alleviate such needs have met with a remarkable measure of success. Our own children and adults who have contributed to this work, mostly through UNICEF's Halloween and Greeting Card programs, can be proud of the results of their generosity.
>
> At a time when UNICEF's endeavors encompass more than 500 programs for children and mothers in 116 countries, much remains to be done. I urge all Americans to respond once again in a spirit and good will to UNICEF's appeal this fall. (John F. Kennedy, July 25, 1963)
>
> It is heartwarming to follow the work of UNICEF, the United Nations Children's Fund.
>
> Please give my congratulations to the members of the United Nations Committee for UNICEF for their unceasing efforts to alleviate hunger and disease among "all the world's children". In their program, which enlists the support of many generous citizens, they contribute much to the lives of millions in need. (Dwight D. Eisenhower, October 23, 1959)
>
> I have always had a special interest in the work and program of the United Nations Children's Fund, and have followed with satisfaction the humanitarian services performed by them in many countries the world over.
>
> The people of the United States have always maintained close ties and a special concern for the plight of children, whoever they may be and whatever their origin.
>
> I wish you continued success in your high purpose. (Harry S. Truman, October 9, 1963)
>
> It is my conviction that UNICEF is ably and honestly conducted. Its director is a former associate of mine. To me it is the major beneficial service of the United Nations. (Herbert Hoover, October 19, 1962)

No further statements are required to attest to the high purpose and great achievements of this humanitarian organization. The help they have rendered to millions of underprivileged children and mothers stands in eloquent rebuttal to the malicious slanders of the John Birch Society.

But to answer their specific charge that UNICEF funds were used to support the U.N. action in the Congo in 1961, I offer the following clarification:

In 1961, the U.S. Government allocated $10 million in support of UNICEF. Prior to actual payment, the Secretary General required emergency funds to carry on U.N. action in the Congo. Acting under U.N. Resolution 1341, authorizing him to borrow funds from special accounts, and after consulting with UNICEF and the U.S. Government, the Secretary General was advanced the $10 million, which was repaid in full to UNICEF before the end of the year.

Therefore, the money specified for UNICEF, went to UNICEF.

Mr. Speaker, I believe this clears the record of this wild charge. And, as I stated before, the record UNICEF has made in its humanitarian endeavors is, in itself, the best rebuttal to these charges.

As for the second contention in the pamphlet, that the U.N. is an instrument of an international Communist conspiracy, this is founded on a gross misunderstanding of the purpose of the U.N.

The purpose of the United Nations is not a forum for invective, nor is it an instrument of U.S. foreign policy; rather, it is an organization particularly established to promote world peace and to serve as an arena where nations may weigh the results of their actions by the judgments, resolutions, and sanctions of the world community. But the Birchers would like to think that the over 115 sovereign nations of the General Assembly ought to forsake their own national goals for those of the United States. I believe the response to this position is best summed up in the words of the late President John F. Kennedy:

> We shall not always expect to find them supporting our view. But we shall always hope to find them strongly supporting their own freedom.

The third allegation in the pamphlet is that the "U.N. Covenant on Human Rights violates the Bill of Rights and the Declaration of Independence."

First of all, it is impossible to "violate" the Declaration of Independence. It is, as it says, a declaration, not a law.

Second, as for the "U.N. Covenant on Human Rights"; there is no such document.

Third, the pamphlet quotes from article 15, section 3 and article 20 of the "U.N. Covenant on Human Rights." This is incorrect. What the authors are quoting is not the "U.N. Covenant on Human Rights," but the "U.N. Covenant on Civil and Political Rights"; not article 15, section 3, but article 18, section 3, and article 20.

Fourth, let us examine these quotations. Article 15, section 3:

> Freedom to manifest one's religion or beliefs may be subject only to such limitations *as are prescribed by law.*

Note here that the quote goes on in the original text. What was omitted was the following:

> . . . and which are necessary in a democratic society in the interest of national security, or public safety, public order, the protection of public health or morals or the protection of the rights and freedoms of others.

The same kind of half-truth was expressed in the citation of article 20:

> Article 20, The right of peaceful assembly shall be recognized. No restriction may be placed on the exercise of this right other than those imposed *in conformity with the law.*

Again a half statement. The following was omitted:

> . . . and are necessary to protect the public safety, order, health or morals of the fundamental rights and freedoms of others.

Mr. Speaker, these two statements, when read in full, are in complete agreement with our own domestic rights as expressed in the Bill of Rights.

Finally, these misquoted documents, which the John Birch Society imputes are stealing our citizens' basic rights, were not even signed by the U.S. Government.

But even if they had been signed by the United States, international statements of this type have absolutely no legal character nor binding effect on this or any other nation on earth.

What this pamphlet amounts to then, Mr. Speaker, is pure printed poison fraught with tiny shards of half-truths and semifacts deliberately designed to mislead the American public.

I call upon all Americans to recognize this for what it is—to reject this call to hatred—and to reject those anonymous phantoms who create and distribute it.

Our Mexican American Citizens

EXTENSION OF REMARKS

OF

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. GONZALEZ. Mr. Speaker, I am happy to report the progress being made in bringing our Mexican American citizens into the mainstream of the American economy.

The campaign to teach new job skills to these Americans has gained momentum since your formation last June of an interagency committee on Mexican American affairs.

In those few short months, projects have been organized providing for enrolling more than 3,400 Mexican Americans in on-the-job training programs designed to make them self-sufficient members of their communities.

This brings to 6,300 the total number of on-the-job training slots for Mexican

Americans approved under the Manpower Development and Training Act.

These programs are designed to serve the unemployed former farmhand or the residents of Spanish-speaking ghettos with no job skills and often with little command of English. Most of the programs are coupled with prejob classroom instruction.

Among the new programs are:

One in Texas for 750 unemployed migrant farmworkers from the Rio Grande Valley. These trainees will be job oriented in their hometowns of Harlengen, McAllen, and Rio Grande City, then relocated with their families and household goods to the Dallas area for on-the-job training at Ling-Temco-Vought Aerospace Corp.

Six in California affording training for a total of 2,600 individuals in Los Angeles, Fresno, Salinas, Santa Rosa, San Diego, and Richmond. Contracts for these projects are held by social service agencies in the various cities, with the actual training subcontracted to private employers.

One in Albuquerque, N. Mex., for training 75 Mexican-Americans under a program called Jobs for Progress, Inc.

In the programs already completed, individuals have been trained as electronics assemblers, machinists, draftsmen, office clerks, delivery truck drivers, sheetmetal workers, welders, and restaurant workers.

There have been heart-warming individual successes such as that of the young Mexican-American who, after being coached in English for several weeks, was placed in a training slot as a busboy. After working for a time as a busboy, he was promoted to waiter and is now the captain in one of the plush dining rooms in the San Diego area.

In the months to come, we shall continue to forge ahead to see that every deserving Mexican-American is given the opportunity for job training so that he may achieve the dignity of employment which is his birthright.

Report to the People of the Second Congressional District of Nebraska

EXTENSION OF REMARKS

OF

HON. GLENN CUNNINGHAM

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. CUNNINGHAM. Mr. Speaker, I have compiled a report from official records which lists my voting and attendance record during the first session of the 90th Congress. I will make this record available to the people of the Second Congressional District of Nebraska, which district I have the honor to represent in the U.S. House of Representatives.

The purpose of this report is to collect in one place and in concise form information which is scattered through thousands of pages of the CONGRESSIONAL RECORD. The description of bills is for identification only; no attempt has been made herein to describe the bills completely or to elaborate upon the issues involved.

This first session of the 90th Congress was in session until December 15 and therefore as a stewardship report to those I am privileged to represent, I am listing a compilation of the votes I cast from the opening of the 90th Congress, January 10, 1967, to December 15, 1967. This session of the Congress established an all-time high in the number of votes cast.

This report includes all rollcall votes, where Congressmen are publicly recorded for or against an issue. However, the 447 votes listed in this report represent only about one-fourth of the votes cast by the Members of the House of Representatives. Rollcall votes are not publicly recorded on the majority of bills as most of the legislation is decided by voice vote. In addition there were hundreds of quorum calls—attendance checks—taken in the House which are omitted here to conserve space. This accounts for the nonconsecutive numbering of the rollcalls in this report.

Many of the votes were controversial as you well know, Mr. Speaker, but I, like all Members, must stand and be counted by voting either "yes" or "no." That is our duty and responsibility.

When the people note the title of the votes listed here they will gain a better understanding of the complexities of the issues which are voted upon in the House of Representatives.

I am proud of my voting and attendance record during my 11 years as a Member of the House of Representatives. My attendance record is in the upper 5 percent among all Members of Congress during these past 10 years for being on the job and answering the call of the roll when votes are cast and when official attendance records are compiled.

The record referred to follows:

REPORT ON RECORDED VOTES CAST BY CONGRESSMAN GLENN CUNNINGHAM, 1ST SESS., 90TH CONG.

Roll-call No.	Date 1967	Measure, question, and result	My vote
2	Jan. 10	Election of Speaker. (McCormack 246, Ford 186.) (See note 3, last page.)	Ford.
3	Jan. 10	H. Res. 1, authorizing the seating of Adam Clayton Powell: On ordering previous question (ending debate). (Rejected 126 to 305.)	No.
4	Jan. 10	On resolution as amended. (Agreed to 363 to 65.)	Yes.
		H. Res. 7, adopting rules of House to cut off debate and prevent presentation of amendment to abolish 21-day rule adopted as part of rules of previous Congress:	
5	Jan. 10	On ordering previous question (ending debate). (Rejected 196 to 225.)	No.
6	Jan. 10	On amendment to eliminate the 21-day rule. (Agreed to 233 to 185.)	Yes.
11	Feb. 8	H. Res. 226, providing for consideration of H.R. 4573, the national debt limit increase: On ordering previous question (ending debate). (Agreed to 223 to 183.)	No.
		H.R. 4573, national debt limit increase:	
12	Feb. 8	On motion to recommit with instructions. (Rejected 155 to 261.)	No.
13	Feb. 8	On passage (to increase the debt ceiling). (Passed 215 to 199.)	No.
15	Feb. 20	H.R. 2, amending United States Code to strengthen the Reserve components of the Armed Forces and clarify status of National Guard technicians: On motion to suspend rules and pass. (Passed 325 to 13.)	Yes.
		H. Res. 83, authorizing Agriculture Committee investigations:	
17	Feb. 21	On ordering previous question (ending debate). (Passed 230 to 85.)	Yes.
18	Feb. 21	On resolution as amended to exclude overseas travel. (Agreed to 306 to 18.)	Yes.
		H. Res. 278, seating of Representative-elect Adam Clayton Powell:	
22	Mar. 1	On ordering previous question (ending debate). (Rejected 202 to 222.)	No.
23	Mar. 1	On ordering previous question on amendment to exclude Adam Clayton Powell from membership in 90th Cong. as a substitute to the resolution. (Passed 263 to 161.)	Yes.
24	Mar. 1	On amendment. (Passed 248 to 176.)	Yes.
25	Mar. 1	On resolution as amended to exclude Adam Clayton Powell from being seated as a Member of the House of Representatives. (Passed 307 to 116.)	Yes.
26	Mar. 1	On ordering previous question on preamble. (Passed 311 to 9.)	Yes.
28	Mar. 2	H.R. 4515, authorizing supplemental military procurement for fiscal 1967: On motion to recommit with instructions that none of the funds could be used to carry out military operations in or over North Vietnam. (Rejected 18 to 372.)	No.
30	Mar. 8	S. 665, authorizing supplemental military procurement for fiscal year 1967: On conference report. (Passed 364 to 13.)	N.R.
32	Mar. 9	H.J. Res. 267, for emergency food assistance to India: On passage. (Passed 312 to 63.)	Yes.
33	Mar. 9	H. Res. 376, authorizing the Speaker to appoint a special counsel to represent the House in litigation filed by Adam Clayton Powell: On ordering previous question (ending debate). (Passed 254 to 85.)	Yes.
36	Mar. 15	H.R. 6098, providing for an extension of the interest equalization tax: On passage. (Passed 261 to 138.)	No.
38	Mar. 16	H.R. 7123, providing supplemental Defense appropriations for fiscal year 1967: On passage. (Passed 385 to 11.)	Yes.
39	Mar. 16	H.R. 6950, restoring the investment credit and the allowance of accelerated depreciation in the case of certain real property: On passage. (Passed 386 to 2.)	Yes.
40	Mar. 20	H.R 2068, increasing veterans' pensions: On motion to suspend rules and pass. (Passed 360 to 0.)	N.R.
41	Mar. 20	H.R. 2513, proposing a Commission on National Observances and Holidays: On motion to suspend rules and pass. (Passed 315 to 35.)	N.R.
43	Mar. 21	H.R. 5277, increasing the present authorization for Pacific Trust Territory civil government for fiscal 1967, 1968, 1969: On passage. (Passed 371 to 15.)	N.R.
		H.R. 7501, authorizing appropriations for the Departments of the Post Office and Treasury and related agencies for fiscal 1968:	
45	Mar. 22	On amendment providing for 15 proposed new positions in the Office of the Secretary of the Treasury. (Passed 211 to 175.)	N.R.
46	Mar. 22	On motion to recommit with instructions to limit spending to 95 percent of 1968 budget estimates. (Rejected 168 to 217.)	N.R.
47	Mar. 22	On passage. (Passed 372 to 7.)	N.R.
		H.J. Res. 428, supporting other American Republics in an historic new phase of the Alliance for Progress:	
49	Mar. 22	On motion to recommit with instructions to reword the resolution to the effect of giving sympathetic consideration to ways and means of implementing agreements reached at Punta del Este, Uruguay. (Defeated 147 to 210.)	N.R.
50	Mar. 22	On passage. (Passed 234 to 117.)	N.R.

See notes at end of table.

REPORT ON RECORDED VOTES CAST BY CONGRESSMAN GLENN CUNNINGHAM, 1ST SESS., 90TH CONG.—Continued

Roll-call No.	Date 1967	Measure, question, and result	My vote
52	Apr. 5	H. Res. 364, providing funds for the expenses of the Science and Astronautics Committee: On motion to recommit with instructions to provide additional funds to hire Republican minority staff employees. (Rejected 176 to 216.)	Yes.
		H. Res. 221, providing funds for the expenses of the Committee on Un-American Activities:	
53	Apr. 5	On ordering previous question on resolution and amendments. (Passed 305 to 92.)	Yes.
54	Apr. 5	On motion to recommit with instructions that open hearings be held to justify additional funds for committee. (Rejected 92 to 304.)	No.
55	Apr. 5	On resolution providing funds for continuance of committee investigation un-American activities. (Agreed to 350 to 43.)	Yes.
57	Apr. 6	H. Res. 413, providing for consideration of H.R. 2512, copyright law revision: On resolution. (Agreed to 347 to 42.)	Yes.
60	Apr. 6	H.R. 2512, revising the Copyright Law: On motion to strike enacting clause. (Rejected 126 to 252.)	No.
62	Apr. 11	H.J. Res. 493, adding 20 days to the 60-day "cooling off period" during which a strike or change in work rules was illegal under the Railway Labor Act applicable to the current dispute: On motion to suspend rules and pass. (Passed 396 to 8.)	Yes.
63	Apr. 11	H.R. 2512, revising the Copyright Law: On passage. (Passed 379 to 29.)	Yes.
65	Apr. 12	H.R. 5404, amending National Science Foundation Act of 1950: On passage. (Passed 391 to 22.)	Yes.
68	Apr. 13	H. Res. 418, establishing a standing committee known as the Committee on Standards of Official Conduct: On resolution. (Passed 400 to 0.)	Yes.
70	Apr. 20	H. Res. 443, expressing sympathy of the House on death of Konrad Adenauer: On resolution (Passed 357 to 0.)	Yes.
71	Apr. 20	H.R. 207, authorizing Interior Department financial participation in a large water desalting and nuclear power plant: On passage. (Passed 315 to 38.)	N.R.
		H.R. 9029, making appropriations for Interior Department for fiscal 1968:	
73	Apr. 27	On motion to recommit with instructions to limit spending to 95 percent of 1968 budget estimate. Rejected (158 to 231.)	No.
74	Apr. 27	On passage. (Passed 377 to 11.)	Yes.
75	Apr. 27	H. Res. 442, providing for consideration of H.R. 2508, congressional redistricting: On ordering previous question (ending debate). (Passed 284 to 99.)	Yes.
		H.R. 2508, providing for congressional redistricting:	
76	Apr. 27	On motion to recommit with instructions to delete provision permitting Hawaii and New Mexico to continue electing their Representatives at Large. (Rejected 161 to 203.)	N.R.
77	Apr. 27	On passage. (Passed 289 to 63.)	N.R.
79	May 1	H. J. Res. 543, extending the period for 47 additional days during which a strike or change in work rules was illegal under the Railway Labor Act applicable to the current dispute: On motion to suspend rules and pass. (Passed 302 to 56.)	Yes.
81	May 3	H.R. 9481, making supplemental appropriations for fiscal 1967: On passage. (Passed 391 to 6.)	Yes.
84	May 9	H.R. 9240, authorizing appropriations during fiscal 1968 for military procurement: On passage. (Passed 401 to 3.)	Yes.
86	May 11	H. Res. 161, providing additional $1,200 per year telephone allowance for Members of Congress to use in their home districts: On resolution. (Passed 189 to 157.)	No.
87	May 11	H. Res. 464, authorizing the hiring of 78 additional Capitol policemen: On resolution. (Passed 334 to 16.)	Yes.
		H.R. 9960, making appropriations for Independent Offices and Department of Housing and Urban Development for fiscal 1968:	
92	May 17	On amendment to cut out $10,000,000 rent supplement contract authority. (Passed 233 to 171.)	Yes.
93	May 17	On motion to recommit with instructions to decrease from $225,000,000 to $12,000,000 funds to be used for model cities programs. (Rejected 193 to 213.)	Yes.
94	May 17	On final passage. (Passed 347 to 56.)	Yes.
95	May 17	H.R. 6431, extending the programs of Federal matching grants for the construction and staffing of community mental health centers: On passage. (Passed 355 to 0.)	Yes.
		H.R. 7819, authorizing appropriation of funds for Federal aid to elementary and secondary education programs for fiscal 1969:	
102	May 24	On amendment changing the formula for distribution of title I funds to school districts with needy children, so that 15 poorer States would receive more money. (Passed 222 to 194.)	Yes.
103	May 24	On amendment providing that Federal funds for supplementary centers and services go directly to the qualifying State departments of education. (Passed 230 to 185.)	Yes.
104	May 24	On motion to recommit with instructions that committee hold further hearings. (Rejected 180 to 236.)	Yes.
105	May 24	On passage. (Passed 294 to 122.)	No.
108	May 25	S. 1432, extending the draft law for 4 years: On passage. (Passed 362 to 9.)	Yes.
		H.R. 10345, making appropriations for the Departments of State, Justice, Commerce, Judiciary:	
110	May 31	On amendment to limit amount of Federal subsidy in the sale of Small Business Administration participation certificates. (Passed 186 to 144.)	Yes.
111	May 31	On motion to recommit with instructions to limit spending to 95 percent of 1968 budget estimate excluding FBI funds. (Passed 171 to 156.)	Yes.
116	June 5	H.R. 10226, providing additional free letter mail and air transportation mailing privileges for more servicemen: On motion to suspend rules and pass. (Passed 316 to 0.)	Yes.
		H.R. 10509, making appropriations for Agriculture Department for fiscal 1968:	
119	June 6	On motion to recommit with instructions to limit spending to 95 percent of 1968 budget estimate, but this exclusion not to apply to special milk and school lunch programs. (Rejected 175 to 222.)	Yes.
120	June 6	On final passage. (Passed 357 to 38.)	Yes.
122	June 7	H. Res. 504, providing for consideration of H.R. 10328, to increase national debt ceiling: On ordering previous question (ending debate). (Passed 291 to 99.)	No.
123	June 7	H.R. 10328, increasing the national debt ceiling: On passage. (Rejected 197 to 211.)	No.
126	June 8	H.R. 9029, making appropriations for Interior Department for fiscal year 1968: On conference report. (Agreed to 321 to 49.)	Yes.
		H.R. 1318, authorizing funds for food stamp program for fiscal 1968:	
128	June 8	On amendment requiring states to pay 20 percent of program costs. (Rejected 173 to 191.)	Yes.
129	June 8	On passage. (Passed 230 to 128.)	No.
131	June 12	H.R. 7476, authorizing adjustments in the amount of outstanding silver certificates: On passage. (Passed 234 to 109.)	Yes.
135	June 13	H.R. 10738, authorizing appropriations for Defense Department for fiscal 1968: On passage. (Passed 407 to 1.)	Yes.
139	June 19	H.R. 6111, providing for establishment of a Federal Judicial Center: On motion to suspend rules and pass. (Passed 230 to 97.)	Yes.
140	June 19	H.R. 10730, extending provisions of the Older American Act: On motion to supend rules and pass. (Passed 333 to 0.)	Yes.
141	June 19	H.R. 480, extending the period during which Federal funds could be appropriated to continue the purchase of wetlands for migratory waterfowl conservation: On motion to suspend rules and pass. (Passed 329 to 8.)	Yes.
142	June 19	H.R. 482, increasing the price of the Federal migratory bird hunting stamps from $3 to $5: On motion to suspend rules and pass. (Passed 238 to 97.)	Yes.
144	June 20	S. 1432, extending the draft law for 4 years: On conference report. (Agreed to 377 to 29.)	Yes.
145	June 20	H.R. 10480, prohibiting desecration of the U.S. flag: On passage. (Passed 387 to 16.)	Yes.
		H.R. 10867, increasing the national debt limit:	
147	June 21	On motion to recommit with instructions to make permanent the present temporary national debt limit ceiling of $336,000,000,000, with any increases beyond this figure temporary in nature. (Rejected 191 to 223.)	Yes.
148	June 21	On passage. (Passed 217 to 196.)	No.
153	June 26	H.R. 8582, increasing the number of associate judges on the District of Columbia Court of Appeals: On passage. (Passed 335 to 6.)	Yes.
154	June 26	H.R. 10783, relating to crime and criminal procedure in the District of Columbia: On passage. (Passed 355 to 14.)	Yes.
		H.R. 10943, authorizing funds to continue modified Teacher Corps and training programs:	
156	June 27	On motion to recommit with instructions to delete Teacher Corps. (Rejected 146 to 257.)	No.
157	June 27	On passage. (Passed 312 to 88.)	Yes.
		H.R. 10340, authorizing appropriations for the National Aeronautics and Space Administration for fiscal 1968:	
160	June 28	On motion to recommit with instructions to decrease funds by $136,400,000 and set up an Aerospace Safety Advisory Panel. (Passed 239 to 157.)	Yes.
161	June 28	On passage. (Passed 342 to 53.)	Yes.
163	July 11	H.R. 10805, extending the life of the Civil Rights Commission: On motion to suspend rules and pass. (Passed 284 to 89.)	Yes.
165	July 12	S. 20, providing for a comprehensive review of national water resource problems and programs: On passage. (Passed 369 to 19.)	Yes.
		H.R. 10595, prohibiting the sale of State lottery tickets by most banks and savings and loan institutions:	
167	July 13	On motion to recommit. (Rejected 135 to 257.)	Yes.
168	July 13	On passage. (Passed 271 to 111.)	No.
170	July 17	S.J. Res. 81, providing for the settlement of the labor dispute between certain carriers by railroad and certain of their employees: On motion to concur in Senate amendments to House amendment binding determination of Special Board to take effect in absence of agreement between parties to dispute. (Passed 244 to 148.)	Yes.
		H.R. 11456, making appropriations for the Transportation Department for fiscal 1968:	
173	July 18	On motion to recommit with instructions to limit spending to 95 percent of 1968 budget estimate. (Passed 213 to 189.)	Yes.
174	July 18	On passage. (Passed 393 to 5.)	Yes.
176	July 19	H.R. 421, prohibiting travel or use of any facility in interstate or foreign commerce with intent to incite a riot or other violent civil disturbance: On passage. (Passed 347 to 70.)	Yes.
178	July 20	H. Res. 749, providing for the consideration of H.R. 11000, for Federal rat control: On resolution. (Rejected 176 to 207.)	No.
		H.R. 11641, making appropriations for the Atomic Energy Commission, for Army engineers and Interior Department public works projects and for various independent agencies:	
180	July 25	On amendment to delete planning funds for the Dickey-Lincoln hydroelectric plant in Maine. (Passed 233 to 169.)	Yes.
181	July 25	On motion to recommit with instructions to reduce each appropriation item contained in the bill by 5 percent for a cut of $231,000,000. (Defeated 166 to 239.)	Yes.
182	July 25	On passage. (Passed 376 to 26.)	Yes.
		H.R. 9547, amending the Inter-American Development Bank Act to authorize the United States to participate in an increase in the resources of the Fund for Special Operation of the Inter-American Development Bank:	
186	July 26	On motion to recommit with instructions to decrease share payable by the United States from $900,000,000 to $750,000,000. (Defeated 185 to 217.)	Yes.
187	July 26	On passage. (Passed 275 to 122.)	No.
189	July 27	H.R. 8630, extending the authority for exemptions from the antitrust laws to assist in safeguarding the balance-of-payments position of the United States: On passage. (Passed 308 to 66.)	No.
190	July 31	H.R. 6098, providing for an extension of the interest equalization tax: On conference report. (Agreed to 223 to 83.)	A.
192	Aug. 1	H.R. 11722, authorization construction at military installations: On passage. (Passed 394 to 2.)	Yes.
		H.R. 5037, authorizing Federal grants to State and local governments to assist in the reduction of crime and improvement of law enforcement:	
200	Aug. 8	On amendment providing that most of funds would generally go in block grants to State agencies for distribution and highest priority given to riot control and prevention. (Passed 256 to 147.)	Yes.
201	Aug. 8	On passage. (Passed 378 to 23.)	Yes.

See notes at end of table.

REPORT ON RECORDED VOTES CAST BY CONGRESSMAN GLENN CUNNINGHAM, 1ST SESS., 90TH CONG.—Continued

Roll-call No.	Date 1967	Measure, question, and result	My vote
204	Aug. 9	H. Res. 512, expressing disapproval of the House of Representatives at proposed plan to reorganize the District of Columbia government: On resolution. (Rejected 160 to 244.)	Yes.
206	Aug. 10	H.R. 7659, providing for a mid-decade census in 1975 and every 10 years thereafter: On passage. (Passed 255 to 127.)	No.
208	Aug. 14	H.R. 43, authorizing the Central Valley project in California: On passage. (Passed 235 to 83.)	Yes.
209	Aug. 14	H.R. 6279, providing for the collection, compilation, critical evaluation. publication, and sale of standard reference data for physical science standard reference program of Bureau of Standards: On amendment to limit the fiscal 1968 authorization and requiring annual authorizations for this project. (Passed 320 to 2.)	Yes.
214	Aug. 15	H. Res. 856, providing for consideration of H.R. 2516, Civil Rights Amendments of 1967: On resolution. (Agreed to 330 to 77.)	Yes.
220	Aug. 16	H.R. 2516, Civil Rights Amendments of 1967: On passage. (Passed 326 to 93.)	Yes.
222	Aug. 17	H.R. 12080, social security amendments: On passage. (Passed 415 to 3.)	Yes.
223	Aug. 17	S. 16, increasing veterans' pensions: On conference report. (Agreed to 404 to 0.)	Yes.
224	Aug. 21	H.R. 12257, extending and expanding authorization for vocational rehabilitation: On motion to suspend rules and pass. (Passed 340 to 0.)	Yes.
226	Aug. 21	H.R. 11565, amending the Agricultural Adjustment Act to authorize the transfer of peanut acreage allotments: On motion to suspend rules and pass. (Rejected 208 to 146, a two-thirds majority being required.)	Yes.
229	Aug. 22	H.R. 12474, making appropriations for the National Aeronautics and Space Administration for fiscal 1968: On passage. (Passed 312 to 92.)	No.
		H.R. 12048, authorizing foreign aid appropriations for fiscal 1968:	
235	Aug. 25	On amendment to prevent Export-Import Bank financing of arms sales to foreign nations. (Passed 236 to 157.)	Yes.
236	Aug. 25	On motion to recommit with instructions to cut the technical assistance authorization from $243,000,000 to $210,000,000. (Passed 234 to 163.)	Yes.
237	Aug. 25	On passage. (Passed 202 to 194.)	No.
239	Aug. 28	H.R. 8965, increasing the amount of Federal funds needed for building a pollution control measure to benefit Washington, D.C.: On passage. (Passed 118 to 109.)	No.
240	Sept. 11	H.R. 11816, providing disability and death benefits for State and local police or their survivors when officers are injured or killed in apprehending or attempting to apprehend violators of Federal laws: On motion to suspend rules and pass. (Passed 310 to 0.)	Yes.
241	Sept. 11	H.R. 8654, permitting in certain cases appeals by the United States from pretrial orders for return of seized property or to suppress evidence: On motion to suspend rules and pass. (Passed 311 to 1.)	Yes.
242	Sept. 11	H.R. 8775, increasing the authorization for Interior Department work in the Missouri River Basin from $60,000,000 to $68,000,000: On motion to suspend rules and pass. (Passed 225 to 83.)	Yes.
		H.R. 10738, authorizing appropriations for Defense Department for fiscal 1968:	
244	Sept. 12	On conference report. (Agreed to 365 to 4.)	Yes.
245	Sept. 12	On motion to recede and concur with Senate amendment prohibiting funds under the bill from being expended to build Navy ships outside of the United States. (Rejected 144 to 233.)	No.
		S. 602, authorizing funds for Appalachian and regional development commissions:	
253	Sept. 14	On amendment to reduce authorization. (Passed 199 to 161.)	Yes.
254	Sept. 14	On motion to recommit with instructions that authority for spending funds go to the Federal agencies involved, to delete $5,000,000 housing program authorization and add $2,500,000 for Great Lakes fishery conservation grants. (Defeated 178 to 184.)	Yes.
255	Sept. 14	On passage. (Passed 189 to 168.)	No.
257	Sept. 18	H.R. 4451, providing protection for U.S. fishing vessel owners: On motion to suspend rules and pass. (Rejected 147 to 175.)	No.
258	Sept. 18	S. 1657, extending authority for indemnity payments to dairy farmers: On motion to suspend rules and pass. (Passed 320 to 7.)	Yes.
259	Sept. 18	H. Res. 838, authorizing House Judiciary Committee to conduct various investigations involving overseas travel by its members and employees: On motion to suspend rules and pass. (Passed 262 to 52.)	Yes.
262	Sept. 19	S. 953, authorizing funds for food stamp programs for fiscal 1968 and 1969: On motion to recede and concur with Senate conference report amendments. (Passed 196 to 154.)	No.
264	Sept. 20	H.R. 9547, amending the Inter-American Development Bank Act to authorize the United States to participate in an increase in the resources of the Fund for Special Operation of the Inter-American Development Bank: On motion to recommit conference report with instructions to insist on retaining proposal for a continuing audit of the bank's operations. (Passed 274 to 126.)	Yes.
		H.R. 6418, the partnership for health amendments:	
265	Sept. 20	On amendment to increase authorization by $40,000,000 for grants for special health programs. (Passed 227 to 173.)	Yes.
266	Sept. 20	On passage. (Passed 395 to 7.)	Yes.
267	Sept. 20	H.R. 6430, Mental Retardation Amendments of 1967: On passage. (Passed 389 to 0.)	Yes.
		H.R. 6736, proposing the creation of a Public Broadcasting Corp.:	
270	Sept. 21	On motion to recommit with instructions to delete provisions for a Public Broadcasting Corp. adding that funds be distributed among educational TV stations. (Rejected 167 to 194.)	No.
271	Sept. 21	On passage. (Passed 265 to 91.)	Yes.
273	Sept. 25	H.R. 13042, authorizing an elected school board for the District of Columbia: On Passage. (Passed 324 to 3.)	Yes.
274	Sept. 25	H.R. 13025, allowing the new District of Columbia Council to make rules and regulations under the District of Columbia Alcoholic Beverage Control Act: On passage. (Rejected 153 to 182.)	No.
		H.R. 12120, Juvenile Delinquency Prevention and Control Act of 1967:	
277	Sept. 26	On amendment substituting block grants to the States in place of Federal agencies granting funds to local agencies. (Passed 234 to 139.)	Yes.
278	Sept. 26	On amendment to prohibit the receipt of funds under this act by agencies administered, funded or contracted by the OEO. (Passed 241 to 132.)	Yes.
282	Sept. 27	H. J. Res. 849, continuing appropriations for many Federal agencies for the month of October: On motion to recommit. (Passed 202 to 182.)	Yes.
285	Sept. 28	H.R. 478, making studies of the impact on American workers of low-wage imports from foreign countries: On passage. (Passed 340 to 29.)	Yes.
287	Sept. 29	H.R. 10673, proposing to strengthen and clarify stockyard owners' rights and responsibilities with respect to the management of their stockyards: On passage. (Passed 234 to 6.)	No.
289	Oct. 2	H.R. 4903, increasing the ceiling on annual appropriations for Ryukyu Islands' social and economic aid: On motion to suspend rules and pass. (Passed 284 to 80.)	No.
290	Oct. 2	S. 223, authorizing the sale to private industry of certain Government-owned communications in Alaska: On motion to suspend rules and pass. (Passed 357 to 1.)	Yes.
291	Oct. 2	H.R. 9796, authorizing loan of warships to foreign governments: On motion to suspend rules and pass. (Passed 321 to 42.)	Yes.
293	Oct. 3	H. Res. 938, providing for consideration of H.J. Res. 853 making continuing appropriations for fiscal 1968: On ordering previous question (ending debate). (Passed 213 to 205.)	No.
294	Oct. 3	H.R. 11722, authorizing construction at military installations: On conference report. (Agreed to 377 to 33.)	Yes.
296	Oct. 4	H.R. 10196, making appropriations for Labor and Health, Education, and Welfare Departments for fiscal 1968: On motion to recommit conference report with instructions that House conferees disagree to Senate amendments which exceed the budget requests. (Passed 226 to 173.)	Yes.
297	Oct. 4	H.R. 1411, permitting the Postmaster General to issue a mail stop order against false representations without the additional previous requirement of proof of intent to deceive: On passage. (Passed 353 to 32.)	Yes.
		H.R. 10509, making appropriations for the Agriculture Department for fiscal 1968:	
300	Oct. 10	On motion to disagree to Senate amendment No. 43 increasing appropriations above budget recommendations to the conference report. (Passed 377 to 8.)	Yes.
301	Oct. 10	On motion to disagree to Senate amendment No. 56 (same reason as above). (Passed 362 to 24.)	Yes.
302	Oct. 10	On motion to disagree to Senate amendment No. 63 (same reason as above.) (Passed 391 to 3.)	Yes.
		H.R. 7977, adjusting postal rates, increasing Federal and postal employees pay and regulating the mailing of pandering advertisements:	
306	Oct. 11	On motion to recommit with instructions to report back with additional amendments. (Defeated 199 to 211.)	No.
307	Oct. 11	On passage. (Passed 318 to 89.)	Yes.
309	Oct. 16	H.R. 13048, extending and amending the Library Services and Construction Act: On motion to suspend rules and pass. (Passed 371 to 0.)	Yes.
310	Oct. 16	S.J. Res. 112, extending until Dec. 31, 1968, the time for filing the report of Commission on Urban Problems: On motion to suspend rules and pass. (Passed 310 to 10.)	Yes.
		H.R. 11456, making appropriations for the Transportation Department for fiscal 1968:	
313	Oct. 17	On motion to recommit conference report with instructions to hold the line on items increased by Senate over House. (Defeated 124 to 268.).	Yes.
314	Oct. 17	On conference report. (Agreed to 367 to 22.)	Yes.
315	Oct. 17	On motion to recede and concur on Senate amendment 13 providing funds for an airport at Kelley Flats, Mont. (Defeated 161 to 222.).	No.
316	Oct. 17	H.R. 159, providing for establishment of a Federal Maritime Administration: On passage. (Passed 324 to 44.).	Yes.
		H. J. Res. 888, making continuing appropriations for fiscal year 1968 until Nov. 23, 1967:	
319	Oct. 18	On amendment providing that Federal spending shall not exceed the amount spent during fiscal 1967. (Passed 239 to 164.)	Yes.
320	Oct. 18	On motion to recommit the resolution to committee. (Rejected 158 to 244.)	No.
321	Oct. 18	On passage. (Passed 253 to 144.)	Yes.
323	Oct. 19	H.R. 13178, providing for safety on the U.S. Capitol Building and Grounds: On passage. (Passed 336 to 20.)	Yes.
325	Oct. 19	S. 676, making it unlawful to intercept, disclose or use the contents of a wire communication except in normal course of employment or by President under special conditions: On passage. (Passed 275 to 47.)	Yes.
327	Oct. 20	H. Res. 241, transferring jurisdiction over military and national cemeteries to the Veterans' Affairs Committee: On passage. (Passed 227 to 0.)	Yes.
328	Oct. 20	H. Res. 947, providing for consideration of H.R. 10442, facilitating the exchanges of land for use for public schools: On resolution. (Agreed to 221 to 1.)	Yes.
329	Oct. 20	H.R. 10442, facilitating the exchanges of land for use for public schools: On motion to recommit with instructions to delete language regarding special fund provided to Agriculture Secretary for purchase of lands. (Rejected 30 to 191.)	No.
333	Oct. 23	H.R. 11627, authorizing construction of tunnels and bridges in Maryland: On passage. (Passed 342 to 9.)	Yes.
		H.R. 9960, making appropriations for independent offices and Department of Housing and Urban Development for fiscal 1968:	
335	Oct. 24	On motion to recommit the conference report with instructions that House disagrees to certain Senate amendments. (Rejected 184 to 208.)	Yes.
336	Oct. 24	On motion to recede and concur on Senate increases for model cities. (Rejected 156 to 241.)	No.
337	Oct. 24	On motion to recede and concur on Senate amendment, rent supplement program. (Rejected 152 to 250.)	No.

See notes at end of table.

REPORT ON RECORDED VOTES CAST BY CONGRESSMAN GLENN CUNNINGHAM, 1ST SESS., 90TH CONG.—Continued

Roll-call No.	Date 1967	Measure, question, and result	My vote
338	Oct. 24	H.R. 13606, making appropriations for military construction for the Defense Department for fiscal 1968: On passage. (Passed 362 to 26.)	Yes.
		H.R. 11641, making appropriations for Public Works and Atomic Energy Commission for fiscal 1968:	
340	Oct. 25	On motion to recommit the conference report. (Rejected 117 to 278.)	Yes.
341	Oct. 25	On motion to recede and concur with amendment of Senate to provide additional funds for the Dickey-Lincoln project. (Rejected by 162 to 231.)	No.
342	Oct. 25	On motion to recede and concur with Senate amendment designed to eliminate funds for the Dickey-Lincoln project. (Passed 283 to 111.)	Yes.
		H.R. 9960, making appropriations for independent offices and Department of Housing and Urban Development for fiscal 1968:	
343	Oct. 26	On motion to recommit the conference report with instructions to insist on House disagreement to Senate amendment No. 67, rent supplement program. (Rejected 184 to 198.)	Yes.
344	Oct. 26	On conference report. (Agreed to 295 to 88.)	Yes.
345	Oct. 26	H.R. 13510, adjusting pay of the uniformed services both active and retired: On passage. (Passed 385 to 2.)	Yes.
		H.R. 2508, providing for congressional redistricting:	
346	Oct. 26	On motion to recommit the conference report with instructions. (Rejected 82 to 283.)	Yes.
347	Oct. 26	On conference report. (Agreed to 241 to 105.)	No.
		H.R. 10915, regarding reduction of extra-long-staple cotton quota:	
349	Oct. 30	On motion to recommit. (Rejected 101 to 244.)	No.
350	Oct. 30	On passage. (Passed 274 to 64.)	Yes.
354	Oct. 31	H.R. 12144, Meat Inspection Act: On passage. (Passed 403 to 1.)	Yes.
359	Nov. 2	S. 780, extending the Clean Air Act: On passage. (Passed 362 to 0.)	N.R.
361	Nov. 3	H. Res. 966, providing for consideration of S. 2388, to provide for an improvement and to authorize funds for the Economic Opportunity Act: On resolution. (Passed 262 to 39.),	N.R.
362	Nov. 6	H.R. 11565, amending the Agricultural Adjustment Act to authorize the transfer of peanut acreage allotments: On motion to suspend rules and pass. (Passed 255 to 57.)	Yes.
363	Nov. 6	S.J. Res. 33, establishing a National Commission on Product Safety: On motion to suspend rules and pass. (Passed 206 to 102.)	Yes.
364	Nov. 6	H.R. 3639, protecting the public health by amending the Federal Food, Drug, and Cosmetic Act to consolidate certain provisions assuring the safety and effectiveness of new animal drugs: On motion to suspend rules and pass. (Passed 317 to 0.)	Yes.
365	Nov. 6	H.R. 13165, extending until Mar. 1, 1969, Secret Service protection for widow and minor children of a former President: On motion to suspend rules and pass. (Passed 302 to 11.)	Yes.
366	Nov. 6	S.J. Res. 114, extending the duration of copyright protection in certain cases: On motion to suspend rules and pass. (Passed 308 to 6.)	Yes.
367	Nov. 6	H.R. 3982, relating to transportation of housetrailers and mobile dwellings of members of the uniformed services: On motion to suspend rules and pass. (Passed 319 to 0.)	Yes.
368	Nov. 6	H.R. 13669, permitting the use of officers of any of the services on claims commissions: On motion to suspend rules and pass. (Passed 317 to 0.)	Yes.
369	Nov. 6	S. 1552, amending the Highway Safety Act: On motion to suspend rules and pass. (Passed 252 to 65.)	No.
370	Nov. 6	S. 423, authorizing use of additional funds to defray certain increased costs associated with the construction of the small boat harbor at Manele Bay, Lanai, Hawaii: On motion to suspend rules and pass. (Passed 291 to 25.)	Yes.
		S. 1872, Foreign Assistance Act:	
374	Nov. 8	On motion to recommit the conference report with instructions regarding countries with ships carrying supplies to North Vietnam. (Rejected 196 to 200.)	Yes.
375	Nov. 8	On conference report. (Agreed to 205 to 187.)	No.
378	Nov. 9	H.R. 11641, making appropriations for Public Works and Atomic Energy Commission for fiscal 1968: On motion to concur in Senate amendment providing planning funds for Dickey-Lincoln School power project. (Rejected 118 to 263.)	No.
380	Nov. 9	H.R. 8569, making appropriations for the District of Columbia for fiscal 1968: On conference report. (Agreed to 354 to 6.)	Yes.
		S. 2388, providing an improved Economic Opportunity Act and authorizing funds for continued operation of its programs:	
386	Nov. 15	On amendment prohibiting use of funds to defend persons involved in unlawful civil disturbances or riots. (Passed 332 to 79.)	Yes.
387	Nov. 15	On motion to recommit with instructions to provide a $1,600,000,000 authorization instead of an $2,060,000,000 authorization. (Passed 221 to 190.)	Yes.
388	Nov. 15	On passage. (Passed 283 to 129.)	Yes.
390	Nov. 16	H. Res. 978, providing for consideration of H.R. 13893, foreign assistance and related agencies appropriations for fiscal 1968: On ordering previous question. (Passed 200 to 190.)	Yes.
		H.R. 13893, making appropriations for foreign assistance (foreign aid) and related agencies for fiscal 1968:	
394	Nov. 17	On motion to recommit to committee. (Rejected 135 to 177.)	Yes.
395	Nov. 17	On passage. (Passed 167 to 143.)	No.
396	Nov. 17	H. Res. 509, providing for consideration of H.R. 8, regarding obstruction of Armed Forces: On resolution. (Agreed to 211 to 37.)	Yes.
399	Nov. 20	H.R. 13933, authorizing modifications or revisions in the Interstate System: On motion to suspend rules and pass. (Passed 361 to 1.)	Yes.
400	Nov. 20	H.R. 12010, creating a bistate watershed protection and flood prevention district: On motion to suspend rules and pass. (Passed 356 to 2.)	Yes.
401	Nov. 20	H.R. 9063, providing for the timely determination of certain claims of American nationals: On motion to suspend rules and pass. (Passed 326 to 24.)	Yes.
402	Nov. 20	H.R. 11527, providing for land transfer to University of Maine: On motion to suspend rules and pass. (Passed 326 to 24.)	Yes.
404	Nov. 21	H.R. 6430, Mental Retardation Amendments of 1967: On conference report. (Agreed to 354 to 0.)	Yes.
405	Nov. 21	H.R. 6418, the partnership for health amendments: On conference report. (Agreed to 347 to 3.)	Yes.
		S. 1031, authorizing appropriation for Peace Corps Act for fiscal 1968:	
406	Nov. 21	On motion to recommit with instructions regarding a reduction of $10,700,000 from the authorization and regarding deferments from military service because of service in the Peace Corps. (Rejected 141 to 203.)	Yes.
407	Nov. 21	On passage. (Passed 312 to 32.)	Yes.
410	Nov. 27	H.R. 12603, the National Visitor Center Facilities Act of 1967: On passage. (Passed 316 to 34.)	Yes.
411	Nov. 27	S. 1003, increasing the protection afforded consumers against injurious flammable fabrics: On passage. (Passed 325 to 0.)	Yes.
413	Nov. 28	H. J. Res. 936, making continuing appropriations for fiscal 1968 to provide that joint resolution of Oct. 5, 1967 (Public Law 90–102), be further amended by striking out Nov. 9, 1967, and inserting in lieu thereof Dec. 9, 1967: On passage. (Passed 368 to 13.)	Yes.
414	Nov. 28	H.R. 2275, providing for the relief of Dr. Ricardo Vallejo Samala with Senate amendment for congressional redistricting: On ordering previous question. (Passed 201 to 179.)	No.
415	Nov. 28	H.R. 12601, strengthening the Attorney General's office and the Subversive Activities Control Board to better facilitate a system of public disclosure of the identity of Communist organizations and members of Communist-action organizations: On passage. (Passed 269 to 104.)	Yes.
417	Nov. 29	H.R. 12144, Federal Meat Inspection Act: On preferential motion to instruct conferees to accept the Senate amendments to bill. (Rejected 166 to 207.)	No.
418	Nov. 29	H.R. 13706, amending Federal Farm Loan Act and Federal Farm Credit Act of 1933: On motion to recommit with instructions designed to remove the 6 percent interest rate limitations for a period of 2 years. (Rejected 102 to 269.)	No.
421	Dec. 4	H.R. 11276, authorizing appropriations to carry out the Adult Education Act of 1966 for 2 additional years: On motion to suspend rules and pass. (Passed 352 to 0.)	Yes.
422	Dec. 4	H.R. 13054, relating to age discrimination in employment: On motion to suspend rules and pass. (Passed 344 to 13.)	Yes.
423	Dec. 4	H. Res. 996, resolution to send Subversive Activities Control Act amendments to conference: On resolution. (Agreed to 287 to 58.)	Yes.
426	Dec. 6	H.R. 6111, establishing a Federal Judicial Center: On conference report. (Agreed to 230 to 126.)	No.
427	Dec. 6	H.R. 12144, Federal Meat Inspection Act: On conference report. (Agreed to 336 to 28.)	Yes.
429	Dec. 11	S. 2388, providing an improved Economic Opportunity Act and authorizing funds for continued operation of its programs: On conference report. (Agreed to 247 to 149.)	Yes.
		H.J. Res. 888, making continuing appropriations for fiscal year 1968:	
430	Dec. 11	On ordering previous question on amendment No. 2 of conference report. (Passed 213 to 183.)	No.
431	Dec. 11	On motion to recede and concur in amendment No. 2 with amendment. (Passed 366 to 26.)	Yes.
433	Dec. 11	H.R. 7977, adjusting postal rates, increasing Federal and postal employees' pay and regulating the mailing of pandering and obscene advertisements: On motion to recede and concur on Senate amendment to conference report. (Passed 327 to 63.)	Yes.
435	Dec. 12	H.R. 14397, making supplemental appropriations for fiscal 1968: On passage. (Passed 307 to 77.)	Yes.
436	Dec. 12	H.R. 4765, relating to the income tax treatment of certain distributions pursuant to the Bank Holding Company Act of 1956: On conference report. (Agreed to 274 to 104.)	Yes.
437	Dec. 12	H.R. 10595, prohibiting certain banks and savings and loan associations from fostering or participating in gambling activities: On conference report. (Agreed to 289 to 74.)	Yes.
439	Dec. 13	H.R. 12080, the Social Security Amendments of 1967: On conference report. (Agreed 390 to 3.)	Yes.
441	Dec. 13	S. 2171, the Subversive Activities Control Act: On conference report. (Agreed to 276 to 134.)	Yes.
443	Dec. 14	H.R. 13893, Foreign Assistance Act: On motion to recommit. (Passed 276 to 114.)	Yes.
444	Dec. 15	H.R. 13893, Foreign Assistance Act: On passage. (Passed 198 to 158.)	No.
445	Dec. 15	H.R. 14397, Supplemental Appropriations: On motion to recommit. (Rejected 108 to 254.)	No.
446	Dec. 15	H.R. 7819, Elementary and Secondary Education Act: On passage. (Passed 286 to 73.)	Yes.
447	Dec. 15	H.R. 12555, veterans pensions: On motion to suspend rules and pass. (Passed 353 to 0.)	Yes.

NOTES

1. A straight motion to recommit a bill means a motion to send it back to committee for further study. A motion to recommit with instructions means the bill was amended with certain language to change, add to or delete certain features. If such a recommittal motion is passed the committee does not meet but is instructed to report the bill back to the House "forthwith" and the bill is then passed immediately with the changes ordered in the recommittal motion.

2. These bill titles may be unclear to you. Please write me if you wish any further explanation of these votes as space does not permit a detailed explanation here.

3. This is the only strictly party vote of the entire session where Democrats vote straight Democratic and Republicans vote straight Republican. This is the key vote because the election of the Speaker determines the makeup of Congress by political party and all committee chairmanships are determined that way. In this case we refer to the Democratic Party as the majority party because they outnumber the Republicans and have complete control of the Congress, including which bills come up for consideration, etc.

4. These are only the "recorded" votes. These votes represent only about ¼ of the total votes which are made by simply saying "yes" or "no" with no one knowing who said which. The Speaker listens to the voice votes and determines which sounded in the affirmative. There are other ways in which nonrecord votes are taken and should you be interested in a fuller explanation please let me know.

Congressman Zion Makes Yearend Report

EXTENSION OF REMARKS
OF

HON. ROGER H. ZION

OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Friday, December 15, 1967

Mr. ZION. Mr. Speaker, Congress having finally concluded its lengthy first session, it is appropriate that I notify the people of Indiana's Eighth District as to just what has been accomplished. I am pleased to present this report, as follows:

THE ROGER ZION REPORT: "PEACE ON EARTH, GOOD WILL TOWARD MEN"

Christmastime is the time of year when one is inclined to look back and consider the happenings of the past twelve months. It is a time for thinking of the true meaning of Christmas and for counting our blessings. Christmas and the birth of the New Year is the time to make resolutions for the coming year and to rededicate ourselves to a life of cooperation with others. We must be determined to promote a true feeling of brotherhood among men if we are to solve our problems at home and abroad!

Christmastime is a state of mind, besides being our most revered holiday. It's a time sacred to most people when men truly have a feeling of "peace on earth, good will toward men." It's too bad that this feeling doesn't exist year-round.

While our popular carols are chanting "peace", our soldiers are fighting in a far-off country located much closer to the holy birthplace of Christ than our own homes. The prayer of "good will toward men" was also hushed during the heat of a summer torn with riots and civil unrest.

Christmas wishes and blessings seem to mock us when we remember the hatred shown so frequently during the remainder of the year. Ceasefires are declared in the hope that our fighting men may enjoy a brief period of peace. Unfortunately, these well-meant gestures do little good when aimed at an enemy with absolutely no concept of the spirit of Christmas. When the ceasefire is broken, it gets a little publicity and then is forgotten as a fresh battle season begins.

True peace can only be felt within a person or a people. The American people hope to gain their peace through the recognition of honor and responsibility. I have talked with many of our returning servicemen. They feel they are fighting to defend our honor in the form of a commitment we made to a frightened people many years ago. They don't believe our peace can be gained by refusing to honor this promise nor by refusing to stand up for what is right and just. It can't be attained by walking out on this commitment. Peace can only be achieved by finishing what was started in good faith.

This holiday season finds our nation engaged in a battle for individual freedom. Let the peace for which we long this Christmas be a goal for which we strive the other 364 days. Let us pray for a speedy and honorable conclusion to our fighting commitment. This will enable a just and proper peace to emerge—a peace that will allow our boys to rightfully return to their homes.

I believe that before the next year is over and another Christmas season is upon us, much will happen to lighten our hearts and provide renewed confidence in the future of the world. I also believe that so much we have longed for will be closer to our reach within the coming year.

In the last few years too many of us have lost pride in our country, have been ashamed of the road it has taken, have been bewildered at the twistings and turnings that seem to lead nowhere. However, before 1968 is over, I am convinced we will have done much to restore our national pride and to regain our national courage and international respect. We will know better where we are headed! Yes, I am optimistic about the future! I believe that by Christmastime, 1968, the United States will be headed back onto the course which made it the greatest nation in the world.

My staff and I wish you the very happiest of holidays and a healthful and prosperous 1968.

THE LEGISLATIVE YEAR IN REVIEW

It is difficult to judge the record of a given Congress! This one has reached the half-way mark in a flurry of conference reports and funding measures in the final rush to adjournment.

Probably history itself must be the final judge of what was accomplished by the 90th Congress' first session. It was surely one of the longest in duration in America's history and it did surpass the record for number of roll call votes in the House, hitting the 400 mark in late November, bettering an old record of 399.

As a Congressman, I do not necessarily believe that the measure of a good Congress is the mere enactment of volumes of legislation. Sometimes it is in what Congress does *not* do that the real measure of a deliberative body is drawn. Unlike the "rubber-stamp" 89th Congress, this body often had the courage to stand up to White House bulldozing. In 1967 Republicans, joined often by economy-minded Democrats, helped hold the line on spending policies of the Johnson Administration—policies which have been responsible for the terrible inflationary trend which is felt by every housewife and small businessman. Unfortunately, many of our spending commitments were already established by the free-wheeling 89th Congress and we had little choice but to pay the next installment on their bill.

President Johnson was adamant in his refusal to cut back on non-essential spending priorities! His spokesmen unsuccessfully tried to "sell Congress on the idea that we could have both guns and butter. A minority of us opposed, on three occasions, Administration efforts to increase the debt ceiling. We did finally succeed in paring $4 billion from the White House request for new spending authority. It was made clear to the President that his demand for a tax increase would have to be accompanied by a significant cut in expenditures. When the President was unwilling to furnish this commitment, Congress tabled the tax hike!

Congress provided the necessary tools for our fighting forces in Vietnam while demanding some policy guidelines for our conduct of that tragic war. The labels "hawk" and "dove" were often bandied about with too much ease. Many responsible Congressmen, who would wear neither label lightly, questioned the Administration's conduct of the war and yet believed our men in the field are entitled to the best in working, modern equipment. I joined many of my colleagues in questioning policies of trade and aid to our enemies and those who help them in their conduct of this war. While no positive legislation emerged in this area, some necessary beginnings were made.

On the home front, Congress faced the growing crisis in American cities with the attendant wave of crime and violence that swept the nation this summer. The Johnson policy of large, categorical grants—administered by huge bureaucracies such as the Office of Economic Opportunity—was proved a failure to meet the challenge! Anti-riot bills, flag desecration measures, and legislation to strengthen state and local officials in their fight against crime and disorder were enacted by the House as a result.

The constructive approach to enlist the resources of the private sector of the economy in the War on Poverty was not approved. Poverty funding was kept at a high level despite minority efforts to re-direct poverty assistance to the benefit of the poor themselves.

Recognizing the plight of our older citizens whose fixed incomes are being ravaged by inflation, Congress moved to pass a meaningful Social Security increase. The House version provided 12½ percent increase in benefits, a large increase and yet fiscally responsible. The bill also contained provisions to encourage states to establish programs designed to get welfare recipients into training programs and back into the ranks of the productive. The strong leadership of Ways and Means Committee Chairman Wilbur Mills resulted in the House version prevailing for the most part in conference although a somewhat more generous program was finally agreed upon.

Congress also moved to bring relief to the consumer! Strong meat inspection legislation was passed which would affect intrastate operations and require state inspection programs to meet Federal standards. It also appeared that a "truth-in-lending" proposal would shortly pass both Houses of Congress, requiring annual interest disclosure to be spelled out for the consumer obtaining credit.

A long, hard look at ethics of individual Members of Congress was forced by cases involving Adam Clayton Powell and Senator Dodd. The former was denied his seat in the House and the latter subjected to censure by the Senate for actions reflecting upon these Members' ethical conduct. Great impetus was provided for so-called "ethics and disclosure" legislation to provide standards of conduct for the Congress.

Veterans received over $285 million in increases and extensions in benefits including living pension increases of $102 million and GI Bill provisions of $158 million. The contribution of Vietnam veterans was recognized in this legislation by the provision for full wartime rates and pension payments for these fighting men.

The House passed a compromise school-aid bill protecting both private and parochial schools and giving states control of limited areas of the program, primarily in the area of teacher training. The Teacher Corps itself was barely refunded and student-loan programs for higher education were continued.

Congress acted on the problem of air pollution by passing legislation to encourage research and establish regulatory machinery throughout the country. Emphasis was on local approaches to the problem with Federal advice and money. More action will be forthcoming in this critical area.

The smallest foreign-aid package in many years was passed, half a billion dollars under the President's request. A growing awareness of the role of U.S. military-aid dollars in creating world tensions was evidenced during Congressional debate. The Arab-Israel and the Cyprus crises provided two sharp examples of this! These tensions, coupled with our Vietnam commitment, forced an extension of the draft law which continued deferments and limited the President's authority to establish a lottery. The new law is far from perfect and will undoubtedly be subject to early reviews and, hopefully, improvements. Again, debate revealed the hope of many Members for an eventual volunteer military force and the corresponding elimination of the draft.

My own freshman year was an exciting and challenging one. I was fortunate in receiving assignment to the powerful House Public Works Committee where I hope to be of real service in helping to obtain better roads for Southern Indiana. My assignment to five subcommittees of Public Works provided me with a full schedule for my time away from the House floor.

In addition to attempting to be conscientious by being present for House voting, I managed to introduce my own bills on a number of diverse subjects! These included bills attacking trade with our enemies, encouraging private industry to enter the War on Poverty, providing emergency Social Security benefits, establishing a Congressional committee on ethics and conduct, providing for "clean elections," opposing destruction of American rights in the Panama Canal Zone, strengthening the American petroleum industry, providing more accurate crop reporting services for the American farmer, and giving greater flexibility to highway planners in designing Interstate routes.

Some of these bills or their counterparts were to pass the House, giving me a feeling of pride and accomplishment for the Eighth District. I had occasion to take some unpopular stands in 1967, but I never cast a vote against what I believe sincerely to be in the best interest of the people I represent! That is the job of a Congressman and while I respect and encourage the views of all my constituents, I did not bow to organized "pressure" mail when I felt that the request was not in the best interest of the Eighth District.

Although I was disappointed in what Congress did NOT accomplish, I would judge it a far more responsible body than its predecessor! With the coming of the new year and the Second Session, I look forward to the new challenges and the hard work that goes with effective representation.

IT HAS BEEN A FULL, BUSY YEAR

The first session of the 90th Congress, one of the longest in history, is now at an end! It has been a busy year. There have been more than 400 roll call votes, breaking all previous records. I am most happy to say that I was able to be present for more than 90 percent of these votes.

While the legislative work load has been heavy, I was able to keep my pledge of last year, to keep in close touch with the people of the 8th District. This has been accomplished by trips each weekend back to the District which enabled me to fill more than 140 speaking engagements and personal appearances this year. Other important facets of continuous communication with the people of the 8th Congressional District have been the weekly television and radio reports, press releases, weekly news columns, and this newsletter.

The right to write

Letters, many requesting assistance and many voicing views on legislation, have been a vital link in communications with my office and the people of the 8th District. Nearly 5,000 letters coming to my Washington office have involved "casework," or assistance to constituents in their dealings with the Federal Government.

One file drawer in my office, labeled "Department of Defense," contains nearly 600 requests, each in turn demanding an answer, letters of inquiry to agencies, and followup work. While a particular case is not always resolved in favor of a constituent, we do our best in behalf of folks at home who need help in dealing with Federal agencies. At this writing there have been 150 cases pertaining to the Army—requests involving hardship discharges, compassionate transfers, allotments, reassignments, and dozens of other problems. Nearly 100 other cases involve similar problems with men in the Air Force, Navy, and Marines.

The volume of requests dealing with Social Security and Medicare, along with those in the field of education and public health involves nearly as much contact with the Department of Health, Education, and Welfare as with Defense. Many times we are asked to "plead the case" on behalf of constituents desiring to establish a claim for disability benefits, or to inquire about entitlement in an effort to determine that they are obtaining maximum benefits under the law.

A third major source of casework letters has brought more than 400 requests in the first eleven months of the year involving veteran's benefits.

Considerable casework, much of it demanding time-consuming research, involves requests from local government agencies, cities and towns, utility companies, civic groups, hospitals, schools, industries, and businesses.

Involved in making contacts to help with constituent problems are hundreds of agencies within the Executive Branch. Among the larger categories of most contact are—in addition to V.A., Defense Department, and H.E.W.—the Department of Agriculture, Civil Service Commission, Housing and Urban Development, Department of Interior, Interstate Commerce Commission, Labor Department, the Office of Economic Opportunity, the Post Office Department, Small Business Administration, State Department, etc.

District Offices busy too

Harry Cooper, who co-ordinates activities in the field offices in New Albany, Vincennes, and Evansville, has been most active in consulting personally with constituents. He has traveled more than 40,000 miles during the year on behalf of constituents, including periodic trips to the District Offices. Harvey Ramsey, Irvin Fleischer, and Russell Lloyd, who are my liaison men in the three corners of the District, have evaluated and transmitted hundreds of cases from their offices to my Washington office or to Mr. Cooper.

Casework in the District, involving personal contact, encompasses a variety of subjects. Many times, these calls involve elderly people who find it difficult to write letters and state their problems. More than half of these cases involve Social Security, Medicare, and Veteran's Benefits. Other requests for personal contact come from industries, small businesses, water and recreation projects, armed services, and just about anything the Government is involved with.

It is my feeling of great pride that I commend the capable, hard-working people of our 8th District staff for their dedicated efforts.

Sincerely,

ROGER H. ZION.

A Report on County Welfare Programs In the Ninth District of Indiana

EXTENSION OF REMARKS

OF

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. HAMILTON. Mr. Speaker, on October 28, 1967, I met with county welfare directors in the 17 counties of the Ninth Congressional District of Indiana to discuss the problems and progress of public assistance programs. This meeting was another in a series of factfinding sessions I have sponsored to review major Federal programs.

I had been pleased with the success of my August meetings with school superintendents and hospital administrators, and the October meetings with community action program directors and leaders of veterans groups. These meetings had broadened my own knowledge of the needs and views of these important groups and I felt they produced a number of constructive suggestions for improvement in programs, which I have previously summarized in separate reports and submitted to the proper congressional committees and Federal agencies for consideration and appropriate action.

The public concern is reflected in many ways. Prominent critics say the public welfare system is bankrupt, archaic, and inefficient. But when Congress tries to change the situation, as it did this year, it stirs up a hornet's nest of criticism and debate; and a Senate filibuster is avoided only because critics of the welfare changes were outmaneuvered.

Some complain that the welfare rolls are packed with bums, deadbeats and loafers, as several comments made to me recently suggest:

"I don't support giveaway programs."

"Why is the number of welfare cases going up?"

"Don't we have too many on the welfare rolls?"

"I believe we should help those not able to help themselves, but I don't favor any handouts. If they can work, make them work."

Many persons question whether the welfare programs usefully serve the poor and effectively assist those who can be redeemed from poverty. Some advocate, and others fear, strikingly different plans of public assistance, like the negative income tax or guaranteed income.

Few can understand why, in a period of prosperity, the number of welfare cases are increasing. Many just do not know very much about the present welfare system, but want to know more.

This report, then, is written to present a capsule view of our public assistance programs, especially as they operate in the Ninth District, and, hopefully, will make several helpful suggestions for improvement.

One impression from this concern and the meeting with county directors stands out: No one is satisfied with present welfare programs, and everyone thinks there is much room for improvement. All agree with the objectives of welfare programs to prevent or reduce dependency, to encourage self-care and self-support, and to maintain family life when it is adequate and to restore it when it is deficient. There is broad agreement that we should assist the blind, the indigent aged, the permanently and totally disabled, and neglected children, but there is great dissatisfaction with the way it is done.

At the outset, I should commend the Ninth District county welfare directors and their staffs for the excellent job they do in difficult circumstances. The hours are long, the pay is below what they would earn in the private sector, the work often unappreciated by the community, and the funds are short. Working with the most destitute elements of our population can be depressing work. But they are a dedicated, concerned group, and the rest of us owe them a vote of appreciation for hard work well done.

THE PRESENT WELFARE SYSTEM

For the benefit of those who are not familiar with the broad outlines of our present public assistance program, a review of several of its fundamental features and some general information about it is appropriate.

The public assistance programs of the Nation are designed to provide maintenance payments and rehabilitative services to persons unable to provide for themselves and are aged, blind, permanently and totally disabled, or from families with dependent children.

Under this system the States have primary responsibility for the programs and have wide latitude for determining the nature and scope of their programs.

Public assistance programs play a role secondary to the social insurance program in providing income maintenance.

EXTENT OF THE WELFARE SYSTEM

The Federal Government provides about $4.5 billion to States for public assistance programs. The programs serve about 7.7 million people of whom 3.5 million are children, 2.1 million are older people—average age about 76—700,000 are disabled or blind, and 5 million are in families with dependent children. Of this number, about 3.7 million are children.

It is estimated that about 50,000 of the jobless fathers have a good chance of becoming employed if given proper training, and some 200,000 or 300,000 of the mothers might also become more nearly self-sufficient, if appropriate training is given and satisfactory arrangements made for the care of their children.

Thus, only 7.7 million of 32 million people in this Nation who live below the poverty line receive any support from public welfare agencies. Among those not being helped are most needy adults under 65 who are unemployed or unable to earn adequate income, many children in need because of unemployed parents, needy, disabled adults who are not considered by State standards to be both permanently and totally disabled, and persons with incomes above a State's eligibility standards, but far below the poverty level as defined.

The total cost of public assistance will reach about $7.8 billion this year, with three-fifths of this total, or $4.5 billion, representing the Federal share. Of the total amount, $2.6 billion is estimated for aid to families with dependent children, $1.9 billion for old-age assistance, $700 million for aid to the blind and disabled, and $2.6 billion for all medical vendor payments. Total public assistance expenditures, though rising, represent about the same portion of the gross national product as they did in 1950.

Of the population of the Nation, 3.8 percent receive public assistance, ranging from a low of 1.4 percent in Indiana to a high of 8 percent in Mississippi.

The Federal share of the budget of Indiana county welfare offices is about 60 percent with the State providing about 25 percent and localities providing approximately 15 percent. From July 1, 1966, to June 30, 1967, 6,165 welfare recipients in the ninth district received $3,693,025 in Federal funds. Welfare, then, is "big business" in the ninth district. A further breakdown of this Federal assistance is listed below.

Number of Welfare Recipients during Fiscal Year 1967 for the State of Indiana and the Ninth Congressional District. Number given is an average monthly number except for Medical Assistance for the Aged which is a mid-year figure (December).

Old-age assistance	19,002
Aid to the blind	1,600
Aid to the permanently and totally disabled	2,000
Aid to families with dependent children	47,400
Medical assistance for the aged	1,537
Total State	71,539

NINTH CONGRESSIONAL DISTRICT

Old-age assistance	2,300
Aid to the blind	210
Aid to the permanently and totally disabled	280
Aid to families with dependent children	3,200
Medical assistance for the aged	175
Total, 9th District	6,165

CHILDREN'S BUREAU GRANTS

State of Indiana, fiscal year 1967—Federal funds:	
Maternal and child health services	$735,000
Services for crippled children	610,959
Child welfare services	1,122,458
Total, children's bureau	2,468,417

CHILDREN'S BUREAU GRANTS

Indiana—9th Congressional District, fiscal year 1967—Federal funds:	
Maternal and child health services	2,000
Services for crippled children	35,805
Child welfare services	80,177
Total, children's bureau	117,982
Total, public assistance and children's bureau—State of Indiana	37,803,678
Total, public assistance and children's bureau—9th Congressional District	3,199,982

PUBLIC ASSISTANCE GRANTS

State of Indiana, fiscal year 1967—Federal Funds:	
Old-age assistance	14,753,885
Medical assistance for the aged	1,755,661
Aid to families with dependent children	15,007,457
Aid to the blind	1,162,977
Aid to the permanently and totally disabled	1,631,439
Total	34,311,419
Title V—Work experience programs	1,023,842

PUBLIC ASSISTANCE GRANTS

Indiana—9th Congressional District, fiscal year 1967—Federal funds:	
Old-age assistance	1,564,000
Medical assistance for the aged	107,000
Aid to families with dependent children	1,050,000
Aid to the blind	164,000
Aid to the permanently and totally disabled	197,000
Total	3,082,000
Title V—Work experience programs	(1)

[1] There were 4 counties of the 9th Congressional District included in a 49-county project, for which Federal funds amounted to $493,043. The 4 counties are Fayette, Lawrence, Orange, and Shelby. It is not possible to determine the specific amount allocated to these counties.

WHY THE WELFARE SYSTEM GROWS

There are many reasons for the steady growth of the welfare system: population growth—especially in the dependent age groups—reduced demand for unskilled labor and increased demand for highly trained technicians, the movement of rural people to the cities, weakened family units, racial discrimination, and a society which has become more prosperous and less tolerant of poverty. The old, the young, the disabled, the unskilled, the uneducated are the victims of the economic and social pressures of the 1960's.

The number of persons receiving old-age assistance has declined consistently since 1950 despite the increase in the age of the population because of the continuing growth in the number who receive social insurance benefits. In the aid to families with dependent children category, the upward trend from 2 million to 5 million in the last 15 years is a result primarily of the increase in the number of children in the population, together with a sharp increase in the number of families broken by divorce, separation or desertion, or headed by an unmarried mother. Also the extension of the program for aid to families with dependent children to cover children of unemployed parents effective in 1961 has contributed to the rise in the number of recipients.

PROBLEMS IN WELFARE SYSTEM

The welfare business, as any other, does not always run smoothly. In the course of my conversations with the directors and my own investigation, several problems were raised which should be noted:

First. Paperwork. The Department of Health, Education, and Welfare requires the States to submit long, detailed reports on a variety of subjects, including monthly, semiannual, and annual reports on the number of persons receiving assistance and expenditures, social services provided, medical care, personnel employed, and source of funds. The States, of course, obtain this information from the county welfare directors. The directors complained that the reports are time consuming, unproductive, and exasperating. They often do not understand for what purpose the data is required and see little relationship between the information they supply and the work they must do.

The directors understand that some reports are necessary since HEW must develop policies, standards, and recommend legislation; and, in order to do this effectively, must have all kinds of factual information and data pertaining to need and present programs. Officials also must answer questions from the general public and the Congress on assistance programs across the country.

But the directors complained that far too much of the time of their trained social workers and themselves is spent in filling out forms. Much of the material is not useful to them and by the time the data is compiled and returned, it is out of date.

Second. Money. The directors were unanimous that the most pressing problem was a shortage of funds to meet the claims and demands for welfare services in their respective communities. However, since 60 percent of their budget already comes from the Federal Government, the directors look to local and State sources, as well as Federal for additional funds.

The lack of funds has been created to a large extent by the increase in the number of people on welfare rolls, and rapidly rising medical costs, particularly nursing homes and medical supplies. Of course, all costs have increased, contributing to the problem of welfare assistance, but medical costs are the fastest rising component of the cost-of-living index.

For instance, the cost for medical care for the Nation's welfare recipients rose from $211,882,000 in 1955 to $1,367,125,000 in 1965, due to increased services provided and spending costs of services.

Third. Staff. All of the directors complained that the workload was greater than they could meet with their staffs. Moreover, it is increasingly difficult to keep their staffs at present levels of size and effectiveness, much less hire additional people. Each director was concerned with the high turnover rate of his staff, caused by low salaries and a heavy workload.

In this view, the directors reflect a nationwide shortage of welfare manpower. The country needs 95,000 social workers by 1970 to meet program requirements now in being, and additional needs are being generated each year. But only 3,000 social workers now complete graduate social training each year.

The gap between the available number of social workers with graduate social work education and those estimated as needed by 1970 approaches 100,000.

There is an especially initial shortage of skilled caseworkers. Only 1 percent of the caseworkers and 13 percent of the supervisors working in public assistance and 15 percent of the caseworkers and 60 percent of the supervisors in child welfare have completed graduate social work training.

Some directors, especially from the more rural counties, voiced the opinion that the college degree requirement precluded hiring some noncollege, but otherwise qualified, people who could be social workers. But most of the directors thought that, on balance, this was a very good requirement because it upgraded welfare services offered.

Fourth. Public understanding. The directors said they needed to improve the image of welfare work in their respective communities. They felt a definite lack of interest in welfare problems by the community and even a refusal by some to admit that there were persons in the county needing public assistance. To improve this image, the directors agreed they must do a better job of keeping the county commission, county council, and the community at large informed of their problems and activities.

Like community action program directors, welfare directors must work to gain community support for their programs. In some cases, they encounter strong resistance. More often than not this resistance comes from persons who are poorly informed about the work and the problems of the county welfare departments. For example, many persons complain of "freeloaders" receiving welfare benefits. The directors all agreed this was not as serious a problem as many thought and pointed out that a high percentage of their administrative expenses go into investigations of eligibility.

Fifth. Complexity of welfare system. The multiplicity of categories of assistance causes confusion, administrative tangles, increased paperwork, unequal treatment among groups of needy persons, and denies assistance to many in need. Large numbers in desperate need, including many children, are denied assistance because of requirements unrelated to need, such as long residence requirements, age, degree of disability, low earnings, lack of provisions for emergency assistance, alleged unemployability, and unreasonable requirements of family contribution.

Sometimes the present system helps to break up, not maintain the family, as in the case of a low-wage earner, unable to provide sufficient income for his family, who becomes an absent father so his family may qualify under the category of aid to dependent children.

Some persons cannot participate simply because the State in which they reside does not participate. For example, in only 21 of 54 jurisdictions is Federal aid available to families in need because the parent is unemployed. Some States deny aid to mothers of dependent children who are employable even if no jobs are available. Some States will deny any assistance to an employed person regardless of how inadequate his earnings may be. In 1964, 40 percent of all poor children lived in families where the breadwinner, while employed year round, received wages too low to meet basic family needs.

The methods of determining and redetermining eligibility for assistance and the amount to which the applicant is entitled are confusing, time consuming, and complex.

The current formulas for Federal financial participation in public assistance programs are too many and too complicated. Current formulas provide more Federal financial support for some groups of needy persons than for others. For example, Federal assistance for children is less than half assistance for the aged, blind, and disabled.

Sixth. Relationship with community action agencies. This year has been marked by improved cooperation and a better working relationship between community action agencies and county welfare departments. Cooperation between these groups is essential if the resources of the community are to be most effectively employed to help the disadvantaged.

The welfare directors were especially complimentary of the Operation Mainstream and Headstart programs which are sponsored by the community action agencies.

RECOMMENDATIONS

First. Reduction of paperwork. Every effort must be made by the Department of Health, Education, and Welfare to reduce the number and the complexity of forms local directors are required to complete. I recommend that the Department initiate an agonizing reappraisal of the paperwork it requires of county welfare directors and reduce sharply the data required. The Department should take whatever measures may be necessary, including legislative recommendations to the Congress, to sharply reduce it. These forms are becoming an enormous burden for directors. When statistical information is required, every effort should be made by the Department to advise the directors of the significance of it.

Second. Research. Far more welfare research is needed into the causes of social problems, the forces in a community that generate them, and ways to deal with them more effectively. Equally important is that the results of this research be made immediately available to local directors and officials.

Third. Public understanding. Greater efforts have to be made to improve public understanding of public welfare programs.

Few programs suffer from less public understanding than public welfare programs. The importance of communications from public welfare officials to the public and from the public to the officials needs to be greatly expanded. County directors are coming to recognize that public understanding is critical to the success of their operation. The involvement of community leaders must be sought through advisory committees, public hearings and educational programs in the increased use of all kinds of news media, and every effort made to inform public officials and the general public of welfare programs.

Fourth. Simplified formula of cost sharing. Public assistance should be based upon a uniform, simple plan for Federal-State sharing in costs of all public assistance programs. This plan should provide for equitable, reasonable fiscal effort by the States and should recognize the relative fiscal capacities of the Federal and State Governments.

If the cost of welfare were based on a single comprehensive public welfare formula, it would assure more equity in the system and sharply reduce administrative complexities. The administration of the programs would still reside with the States.

Fifth. Manpower shortage. Because the shortage of qualified personnel for social welfare programs is critical, concentrated efforts must be made to increase social workers, social work aides, auxiliary personnel, and to explore ways of using these persons to maximum advantage. Federal and State support for undergraduate and graduate social work education is essential, including funds to enlarge faculty, research staffs, and facilities.

Sixth. Public assistance based on need. The most serious consideration ought to be given to the establishment of need as the sole measurement of entitlement to public assistance, excluding the irrelevant considerations. This would eliminate the burdensome categories, assure equity of service among groups and would sharply reduce administrative redtape. Review of eligible recipients would, of course, have to continue.

CONCLUSION

If public welfare is to be improved it must receive far more attention and active interest than it has in the past. The rising tide of dissatisfaction with the system may generate beneficial changes. There is already evidence of this in the current changes adopted by Congress, requiring a new program of providing welfare recipients with work and training, complete with day-care centers, denial of benefits to any mother, father, or teenage child on the aid to dependent child rolls if they do not accept training or work, and the "freezing" of the proportion of children receiving welfare benefits because of the absence of a parent from the house.

I am hopeful this overview of the welfare system as it operates in the Ninth District will contribute constructively to the improvement of public assistance in this Nation.

Senator McCarthy Raises Questions About Vietnam

EXTENSION OF REMARKS

OF

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. EDWARDS of California. Mr. Speaker, a distinguished Member of the U.S. Senate, EUGENE MCCARTHY, of Minnesota, has written a very important book dealing with the role of the United States in today's world. Under leave to extend my remarks, I ask that excerpts from that book and from a recent speech by Senator MCCARTHY be included at this point in the RECORD.

[From "The Limits of Power—America's Role in the World" by Senator EUGENE J. MCCARTHY, 1967]

NEW MCCARTHY BOOK QUESTIONS WASTE OF U.S. STRENGTH IN VIETNAM

There is never a totally painless way to pull back from either unwise, ill-advised, or outdated commitments. But throughout history mighty nations have learned the limits of power. There are lessons to be learned from Athens, from Rome, from sixteenth-century Spain, and from England and France in this century.

Many of our problems today are the result of our unwillingness or inability in the past to anticipate what might be the shape of the world twenty years in the future.

Few Americans expected in 1945 that twenty years later we would still have 250,000 troops in Europe. We have 55,000 troops in South Korea fourteen years after the end of the fighting; yet, at the height of the Korean conflict we never had as many troops committed as we have in Vietnam.

We must ask whether the United States is prepared to maintain from 100,000 to 200,000 troops in South Vietnam as well, for fifteen or twenty years after the fighting stops.

The process must be reversed before temporary commitment assumes the character of a permanent establishment and an irritation in the changed context of another generation. We must begin now the adjustments of attitude which will be necessary if we are to reduce or liquidate our commitments in Asia.

TOWARD WHAT OBJECTIVE IN VIETNAM?

(From a speech at the Macalester College International Affairs Symposium, November 1967)

Today our potential foreign obligations are almost unlimited. We have moved from a position of isolation and rejection of world responsibility to a position of isolated, almost singular responsibility for the whole world.

The important questions are these: In the name of what do we struggle? Toward what objective? By what means?

American commitments abroad can be sustained and justified only to the extent to which they reflect the relationship of power and objectives, of ends and means.

We have had in recent years a kind of reverse order of relationships in the United States position in the world, particularly in Southeast Asia. The objectives have become a function of power. Commitment has followed engagement; the flag has followed military forces rather than the traditional order.

The time has come to raise the essential moral question as to whether or not there is a proper balance in what we may gain, in what is projected as victory, in contrast with the loss of life, the loss of material goods, the loss of moral integrity and moral energy which goes with the effort.

The answer, I think, is that there is not.

Sherrill C. Corwin

EXTENSION OF REMARKS

OF

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. REES. Mr. Speaker, Sherrill C. Corwin is a great American. Never has there been a member of our community who has given so tirelessly of himself and his resources for his fellow man. Sherrill Corwin is my warm personal friend, and the information that follows touches only briefly upon his many interests and contributions.

Showman, businessman and civic leader, Sherrill C. Corwin of Los Angeles on October 20, 1967, retired as president of the National Association of Theatre Owners to become chairman of the board, of this, the largest, and most important, exhibitor organization in motion picture history, representing more than 10,000 theaters.

President of the Metropolitan Theatres Corp. and its subsidiaries, he directs the operations of one of the west coast's leading circuits of 35 conventional and drive-in theaters. The company is headquartered in its new office building at 8727 West Third Street, Los Angeles, Calif.

In addition to his theater interests, Mr. Corwin is a director of the Union Bank, Los Angeles, and the Executive Life Insurance Co., Beverly Hills. He is vice president and a director of KAKE Television and Radio, Inc., Wichita, Kans. He owns and operates radio KGUD AM and FM, Santa Barbara, Calif., and is partnered in TV channel 20, San Francisco.

Identified with many humanitarian and civic activities, he is on the board of trustees of the Will Rogers Memorial Fund which operates Will Rogers Hospital, Saranac Lake, N.Y. He is also on the board of governors of Cedars-Sinai Hospitals, Los Angeles. Mr. Corwin has served as Los Angeles chairman for the Theatres and Exchanges Division of the United Crusade—Community Chest—and of the United Jewish Welfare Fund. He is an international vice president of Variety Club, devoted to the welfare of underprivileged children. He is a past president of Temple Israel of Hollywood.

Mr. Corwin served as president of Hillcrest Country Club, Los Angeles, for 3 years and he is a lifetime member of its board of directors. He is a vice president on the board of the National Club Association and is a member of Tamarisk Country Club, Palm Springs, and the Los Angeles Club.

A longtime leader in exhibition matters, Mr. Corwin became a director of the Theatre Owners of America in 1948. He served as vice president in 1951–52 and assistant to the president in 1964–65. When TOA merged with Allied States Association of Motion Picture Exhibitors to form the mammoth National Association of Theatre Owners—NATO—in January 1966, he was named president-designate to take office for the first full term starting in October 1966. He is also president of his regional unit, NATO of southern California.

Sherrill Corwin's father was a theater owner in Iowa as early as 1919. After the family moved to Los Angeles in 1923, he attended the University of Southern California and later joined in the operation of the family theater interests. Early in his career he managed Los Angeles' famed Orpheum Theatre, which is still an integral part of his circuit, producing and supervising stage shows which over the years utilized more than 5,000 acts, including the initial opportunities of many of today's top stars.

I know that the distinguished Members of the House of Representatives of the Congress of the United States join me in praising this fine American and wishing him happiness for the years to come.

Activities of the Senate Committee on the District of Columbia, First Session, 90th Congress

EXTENSION OF REMARKS

OF

HON. ALAN BIBLE

OF NEVADA

IN THE SENATE OF THE UNITED STATES

Friday, December 15, 1967

Mr. BIBLE. Mr. President, I submit to the Senate a report of the activities of the Senate Committee on the District of Columbia for the first session of the 90th Congress. This presentation provides a report in detail of the committee's activities for that period of time plus a statistical summary of committee activities.

Crime in the District of Columbia was the foremost problem considered by the committee during the first session of the 90th Congress. No subject has approached receiving the in-depth attention of this committee over the past 10 years than has the problem of crime and how to deal with it in the Nation's Capital City. Hearings conducted in the 90th Congress, supplementing those in the

87th, 88th, and 89th Congresses, further amplified the need for legislation to control crime in the District of Columbia.

The Senate this year approved H.R. 10783, which makes certain changes in and amendments to the District of Columbia Criminal Code, including criminal procedures, so as to advance the war on crime in the District of Columbia. Many sections of the bill have been included in anticrime bills advocated by this committee during past Congresses. Other provisions implement recommendations of the President's Commission on Crime in the District of Columbia and respond to the President's call to strengthen District laws.

The bill is divided into 11 separate titles which may be capsulized as follows:

First. Title I amends existing law to authorize arrest upon probable cause but without a warrant for certain serious misdeameanors not committed in the arresting officer's presence.

Second. Title II amends existing law so as to require a defendant in the District of Columbia to give the government written notice of intention to raise the insanity defense in a criminal proceeding in the District of Columbia. It also provides for return of persons who escape from mental institutions after confinement in connection with criminal charges in the District of Columbia.

Third. Title III authorizes up to 3 hours' questioning of persons arrested in the District of Columbia, and insures the admissibility in evidence in criminal trials in the District of voluntary confessions, admissions, or statements made within 3 hours after arrest. Title III is a legislative clarification for use in the District of the term "unnecessary delay" as contained in rule 5(a) of the Federal Rules of Criminal Procedure and interpreted by the Supreme Court in the Mallory case. The title affords the defendant all his legal rights, while permitting the police to question him for a reasonable period following his arrest.

Fourth. Title IV amends existing law to provide that obstruction of criminal investigations in the District of Columbia shall be a felony.

Fifth. Title V amends existing law to include robbery among the crimes of violence in the District of Columbia.

Sixth. Title VI amends certain existing criminal laws in the District of Columbia to specify minimum sentences for certain crimes of violence, and increase other penal provisions. It rewrites and strengthens District laws dealing with burglary and obscenity.

Seventh. Title VII frees police time for handling serious criminal activity by authorizing issuance of citations in lieu of arrest or custody in certain misdemeanor cases.

Eighth. Title VIII amends existing law so as to improve the supervision of youthful offenders and provides better training for prisoners. It also increases witness fees for persons testifying in criminal cases in the District of Columbia court of general sessions.

Ninth. Title IX relates to rioting and incitement to riot in the District of Columbia and provides substantial penalties for these offenses.

Tenth. Title X creates a Commission on Revision of the Criminal Law of the District of Columbia and authorizes it to formulate and recommend to the Congress a code of criminal laws which will contain provisions adequate for present-day law-enforcement needs.

Eleventh. Title XI is a saving provision with respect to criminal offenses committed prior to enactment of the bill.

H.R. 10783 is presently awaiting Presidential action.

The Congress also approved H.R. 8718, a revenue authorization for the District of Columbia. The Senate has long favored replacing the fixed Federal payment and borrowing authority for the District with a formula approach related to local tax revenues. This year, the House agreed to a 3-year trial on a formula for determining borrowing authority, by which the amount of revenue the District can use for debt retirement is limited to 6 percent of the sum of the estimated general fund revenues from local taxes and the annual Federal payment. The estimated debt ceiling using this formula will be raised from the fixed amount of $290 million to $333.8 million in fiscal 1968, $363.9 million in 1969, and $392.3 million in 1970. The authorized Federal payment will remain a fixed amount, but has been increased by $10 million to a new level of $70 million. Public Law 90–120.

The committee acted to provide the residents of the District of Columbia with an elected school board—H.R. 13402. The bill provides for the election of a nonpartisan, 11-member Board of Education in lieu of the present nine-member Board appointed by the judges of the U.S. District Court for the District of Columbia. Three of the members are to be elected at large, and eight are to be elected from each of eight school election wards to be established by the Board of Elections. The bill as passed by the House requires the first election to be held in April 1968, with subsequent elections in November of the odd-numbered years. The Senate amended the bill to require the first election to be held in November 1968, with subsequent elections in November of even-numbered years. Because of this and other differences between the Senate and House versions, the bill has been rereferred to the House. No conference was held before adjournment.

The Subcommittee on Business and Commerce and the Subcommittee on Public Health, Education, Welfare, and Safety held extensive hearings early in the session on the problems of air pollution in the District of Columbia. These hearings resulted in consideration by the Business and Commerce Subcommittee of S. 1941, which was approved by the Senate and referred to the House late in the session.

This bill authorizes a comprehensive system for prevention, abatement, and control of air pollution in the District. It establishes an Air Pollution Control Board and an Advisory Council to be appointed by the District of Columbia Commissioner. The Board would have authority to investigate sources of pollution and to establish regulations and emission standards, and to issue orders enforcing standards and regulations. The Board will have the power to approve construction and operation of sources of pollution and to determine whether such facilities are operated properly. The bill contains an emergency procedure permitting the shutdown of pollution sources when there is a generalized condition of pollution at dangerous levels or when emissions from particular sources are causing imminent danger to health or safety. Emergency orders are enforceable by court injunctions.

The Senate approved and referred to the House S. 1999, to permit the Federal City College to qualify as a land-grant college. This would enable the Federal City College to qualify under various Federal laws for Federal grants and to participate as a land-grant college in several programs administered by the Federal Government through the land-grant colleges. The Federal City College and the Washington Technical Institute were established in 1966 under Public Law 89–791, and are now in the process of developing curriculums for course offerings in September 1968.

The full committee also acted on H.R. 11395, to amend the National Capital Transportation Act of 1965, relating to establishment of a system of rail rapid transit lines and related facilities. H.R. 11395 modified the authorized system by adding a line to serve the new and rapidly growing concentration of Federal employment in Southwest Washington and by deleting the authorized spur line to Columbia Heights, which would have branched off the Connecticut Avenue route. These changes in the system were requested by the Washington Metropolitan Area Transit Authority as a result of recent traffic studies and surveys. H.R. 11395 is presently awaiting Presidential action.

The full committee acted on several nominations during the first session. Pursuant to Reorganization Plan No. 3 of 1967, the District of Columbia government underwent revision, whereby the Board of Commissioners was abolished and replaced by a Commissioner, an Assistant to the Commissioner, and a nine-member Council, all appointed by the President with the consent of the Senate. The committee conducted thorough public hearings on all the nominees, after which they were approved by the Senate. The committee also acted on the nominations of six persons to be judges in the courts of the District of Columbia, and reported favorably on nominations for several other positions.

The Subcommittee on Fiscal Affairs took final action on several bills in addition to H.R. 8718, already discussed.

First. S. 1633, to increase the amount of the Federal contribution to the cost of the Potomac interceptor sewer to 50 percent. This interceptor sewer runs from Dulles International Airport to the District line, and connects suburban Virginia and Maryland into the District sewer system. This legislation provides more equitable treatment for the Washington metropolitan area in line with Federal legislation nationwide in scope that was enacted after the Potomac interceptor sewer was authorized, and will aid in protecting the water sources of the Capital from pollution. Public Law 90-84.

Second. H.R. 5709, to provide an unlimited number of days of earned sick leave for all teachers, and to increase the number of days of sick leave that may be "borrowed." This bill gives District teachers the same benefits that are extended to teachers in other local systems and to Federal employees. Public Law 90-212.

Third. H.R. 12505, to permit teachers to retire at age 55 with full annuity if they have 30 years of service or at age 60 after 20 years of service. The act contains several other revisions of the teacher retirement law, designed to make this law conform to civil service retirement that applies to Federal and District government employees. Awaiting Presidential action.

Fourth. H.R. 827 amends the Presidential Inaugural Ceremonies Act to authorize the District government to employ sanitarians from other jurisdictions to assist in supervising the preparation of food during the inaugural periods, to provide meals for District government employees who are unable to leave their posts at regular mealtimes, and to issue special motor vehicle license tags, valid for 90 days, for use by the Inaugural Committee. Returned to the House.

Fifth. H.R. 8715, to limit the amount of alcoholic beverages that may be mailed into the District for delivery to any person other than a licensed manufacturer, wholesaler, or retailer in the liquor trade. The alcoholic beverages in question enter the District without local taxes and beyond the control of the Alcoholic Beverage Control Board. The permissible amount is reduced from "1 gallon at any one time" to "1 quart in any 1 calendar month." Awaiting Presidential action.

The Subcommittee on the Judiciary, which acted on H.R. 10783, the omnibus crime bill already discussed, also took action on several other bills.

First. S. 762 authorizes the District government to issue and renew motor vehicle operator permits for periods of less than 3 years whenever it is found, on the basis of medical evidence, that the physical or mental condition of the applicant is such as to indicate the advisability of limiting his permit to drive. The bill passed the Senate and was referred to the House.

Second. S. 763 will facilitate the addition to the District of Columbia registration of a motor vehicle or trailer of the name of the spouse of the owner of any such vehicle or trailer. Public Law 90-43.

Third. S. 764 eliminates the requirements that applications for motor vehicle title certificates and certain lien information related to them must be submitted under oath. Public Law 90-172.

Fourth. S. 1226 transfers to the court of general sessions authority to waive the premarital blood test requirements and the waiting period requirements of laws relating to the issuance of marriage licenses in the District of Columbia. All other functions relating to the issuance of marriage licenses have previously been transferred from the U.S. district court to the District of Columbia court of general sessions. Public Law 90-53.

Fifth. S. 1227 provides that a judgment or decree of the U.S. District Court for the District of Columbia shall not constitute a lien until filed and recorded in the office of the Recorder of Deeds. The effect of S. 1227 is to establish the same recordation requirements for final judgments, decrees, and forfeited recognizance of both the U.S. district court and the court of general sessions. S. 1227 passed the Senate, and passed the House with amendments, but the Senate took no further action before adjournment.

Sixth. H.R. 834 removes the dollar limit on the authority of the District government to settle claims of the District of Columbia in escheat cases, subject to district court approval. The prior law, prohibiting compromises that would reduce the District's claim by more than $10,000, sometimes tied up estates for several years and consumed substantial parts of the estates in attempts to locate heirs to the estates. Public Law 90-33.

Seventh. H.R. 8582 increases the number of associate judges of the District of Columbia court of appeals from two to five, and authorizes the court to separate into divisions of three judges each for hearing and determining cases and controversies. Public Law 90-178.

The Subcommittee on Public Health, Education, Welfare, and Safety was active on many fronts during the first session. Two bills acted on by this subcommittee, S. 1999—to permit the Federal City College to qualify as a land-grant college—and H.R. 13042—to provide for an elected Board of Education—have already been discussed in this report. The subcommittee also acted on the following bills that passed the Senate:

First. S. 318, to provide day-care centers for dependent children.

Second. S. 765, to make it illegal for any person to operate a motor vehicle in the District of Columbia while under the influence of a nonnarcotic drug that renders him incapable of operating a motor vehicle safety.

Third. S. 768, to provide that all children under 18 years of age be included in a school census for the District of Columbia.

Fourth. S. 770, relating to the public crematorium, deletes provisions requiring the District government to prescribe and collect fees for cremations and to waive or reduce the charges for cremation. This will allow the District to operate the crematorium only for public health purposes. Public Law 90-173.

Fifth. S. 1224, to establish a register of blind persons and to provide for mandatory reporting of information concerning blind persons, so that such persons can be made aware of benefits and services for which they might qualify.

Sixth. S. 1228, to authorize supplementary Federal assistance for the District government for modernization of public or nonprofit private hospitals, and for the construction of health centers, long-term and extended care facilities, diagnostic or treatment centers, rehabilitation facilities, community mental health centers, and facilities for the mentally retarded. This bill would meet the special needs for hospitals and other medical facilities in the District of Columbia that result from a combination of factors, including: substantial utilization of existing facilities by residents of surrounding jurisdictions; lack of usual sources of non-Federal construction funds, such as corporation contributions; and a low allotment of Federal funds, based on per capita income and population, under existing Federal programs.

Seventh. S. 1631, to raise the maximum age limit of schoolchildren entitled to transportation at a reduced fare while going to and from school.

Eighth. S. 2012, to authorize appropriations for operating the Office of Central Management of the Food Services Department in the public schools. Presently, salaries of all employees of the Food Services Department are paid from receipts of the school lunch program. The bill also provides for the appropriation of public money to pay for lunches furnished to all needy elementary and secondary public school children, even though their parents are not recipients of public assistance. The distinction between children whose families receive public assistance and other needy children is presently made only in the secondary schools.

Ninth. H.R. 3973, to authorize the employment in the District of Columbia Department of Public Health of qualified physicians and dentists who are licensed in other States, but not in the District of Columbia. Public Law 90-115.

Tenth. H.R. 10964, to authorize the District of Columbia to qualify for participation in the medicaid program under title XIX of the Social Security Act. Awaiting Presidential action.

Eleventh. H.R. 11638, to amend the laws of the District of Columbia relating to industrial safety. This bill broadens the coverage of industrial safety laws to include all places of private employment, rather than just "industrial" employment. It also amends existing law relating to the granting of variances to require a public hearing at which the employer could present his case. The bill also provides for increased penalties for violations.

The Senate amended the bill passed by the House to give employee and employee representatives and other affected persons an opportunity to be heard on a requested variance. Other amendments approved by the Senate would permit appeals from the granting of variances as well as denials of variances, and to prohibit the forfeiture of collateral when a violation of regulations has been charged and the case involves a death or serious personal injury. The House took no action on the amended bill passed by the Senate.

The Subcommittee on Business and Commerce reported several important bills that were passed by the Senate, including the air pollution control bill, S. 1941, already discussed.

First. S. 944 seeks to provide an effective method for dealing with the present and future need for motor vehicle parking facilities in the District of Columbia. The bill creates a Parking Board and Advisory Council to carry out the purposes of the act, and authorizes the Board to acquire property for the operation of off-street parking facilities, to construct and lease or sell facilities or lease property for development as parking facilities, or to operate the facilities if that is in the public interest. The Board may issue nontaxable obligations to finance its operations.

Second. S. 1245 authorizes the District government to make use of airspace in freeway rights-of-way for public purposes, including low income housing, recreation and other municipal uses, or to lease or grant permits for the use of such freeway airspace under terms specified in the bill. The bill permits the use of airspace for resettlement of families displaced by freeway construction and by urban renewal, and will aid in rejoining portions of the District separated by the freeways.

Third. S. 1246 authorizes the District to use or rent space over or under public streets other than freeways. This bill will permit more efficient use of available space in the downtown area for municipal, governmental, or private purposes. S. 1246 contains numerous safeguards to prevent excessive use of the airspace over the streets, and requires that anyone constructing in such space must have title to the property abutting on both sides of the street.

Fourth. S. 1247 authorizes the District government to fix and collect rents for private use of public space on, over, or under the streets. It will permit the District government to charge for the use of vaults under the streets and sidewalks as well as to police the maintenance of this space. It will also permit the District to charge rent for business use of public space at street level for such activities as sidewalk cafes and motor vehicle parking.

Fifth. S. 1532 requires that contracts for construction of public work be accompanied by a performance bond protecting the District of Columbia and by an additional bond for the protection of persons furnishing material and labor. This bill provides the same requirements for District of Columbia construction as are required for Federal construction under the Miller Act.

Sixth. S. 1629 authorizes the District government to enter into joint contracts for supplies and services on behalf of the District of Columbia, and for other political divisions and subdivisions in the National Capital area.

Seventh. H.R. 2529 extends priority rights for reestablishment to all businesses displaced from the waterfront area of Southwest Washington, and establishes rental terms for their return. The priorities are to be personal to the owners of the displaced businesses and their immediate families and are not otherwise transferable. Approval of this legislation clears up a situation that had existed for several years since the businesses were forced to vacate and were promised the right to return. Public Law 90-176.

In addition to the bills that the subcommittee reported for Senate action, the Business and Commerce Subcommittee has been engaged in extensive hearings in the fields of housing and consumer protection. Further hearings on bills concerning these subjects are to be held early in the second session.

Senate District of Columbia Committee activities of the 90th Congress, 1st session

Number of bills, acts, resolutions, and nominations referred to committee	175
Number of bills, acts, resolutions and nominations reported to the Senate	55
Number of bills, acts, resolutions and nominations on which hearings were held	98
Number of hearings held by subcommittees on Senate bills	96
Number of hearings held by subcomittees on House bills	17
Number of hearings held by full committee on bills and nominations	24
Number of hearings held by full committee in joint session with House committee	0
Number of bills which have passed both Houses and are still awaiting President's signature	5
Number of bills which have become public law	11
Number of studies and investigations	2

EXECUTIVE MEETINGS

Full committee	6
Subcommittee	11
Total	17

The Holy Land: Still No Peace

EXTENSION OF REMARKS
OF

HON. VANCE HARTKE

OF INDIANA
IN THE SENATE OF THE UNITED STATES
Friday, December 15, 1967

Mr. HARTKE. Mr. President, at the end of the first session of the 90th Congress and during the blessed Christmas season, our thoughts naturally turn to the little town of Bethlehem and the Holy Land.

Six and a half months have passed between the last large armed explosion in the land of the Prince of Peace. Yet, there is no peace.

The angry cries from Soviet-oriented Arabs and from those who pretend to be our friends ring out alike. These warlike cries resemble the same hysterical shouting that preceded the 6-day war of last June.

What was the war about?

President Nasser of the United Arab Republic, having told us to keep our foreign aid and having told us, in effect to jump in the ocean, on May 26 trumpeted:

> We have been biding our time until we were perfectly ready and prepared . . . we now feel that we are sufficiently strong and that, in engaging in war with Israel, we can, with God's help, be victorious.

Later that day, he said:

> The Arab people is firmly resolved to wipe Israel off the face of the globe.

Then, with armies massing on the borders of Israel and the air forces ready to strike, Israel's neighbors prepared for the invasion. Israel's firing of the first shot was only a technicality. Not alone had her neighbors massed their armies and sworn to eliminate her, they had engaged in systematic and dastardly sabotage for 19 years of Israeli independence, maintaining a legal state of war against Israel. Moreover, Nasser himself denied use of the Suez Canal to Israel in violation of pledges and had only a few days before he closed the straits of Tiran—a distinct act of war.

There is no question in the minds of anyone—even those who are pro-Arab—that Israel's army could have marched on to Damascus, Amman, and Cairo. The army halted on request of the U.N. asking in exchange that Israel and her Arab neighbors be allowed to negotiate for themselves permanent treaties of peace and access to all international waterways, including Tiran and Suez.

Today Israel still asks for a peace conference and a treaty to seal this peace with each of her neighbors. Adamantly, the Arabs refuse to talk, apparently in anger that Israel has refused to allow itself to be destroyed.

This adamant attitude, of course, finds backing among the Soviets, who have hastened to rearm their Arab allies. But we note with anxiety that the adamance finds some support even in this country.

For instance, we are penalizing Israel with our arms sales policies, refusing to sell modern equipment to our only true ally in the Mideast. We do not, I fear, give lip service to our commitment to Israel's independence and right to exist.

For instance, just the other day the Washington newspapers carried a story about a professor at the University of Maryland who had organized a symposium on the Middle East. She invited representatives of our Government's State Department as well as embassy officials from the major powers, certain Eastern European nations, the Arab countries and Israel. The Arabs refused to attend and appear on the same platform with an Israeli on grounds this would tend to recognize the existence of Israel. The Iron Curtain countries had less plausible reasons. And the United States just plain refused. How we stand up for principle.

In this Christmas season, I hope that our Government will resolve to bend new efforts to seek permanent peace in the Middle East in our own enlightened self-interest, in the interest of our allies in the interest of world peace.

Address of Hon. W. R. Poage Before the Rotary Club of Waco, Tex.

EXTENSION OF REMARKS
OF

HON. OLIN E. TEAGUE

OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Friday, December 15, 1967

Mr. TEAGUE of Texas. Mr. Speaker, a thoughtful address on one of the most serious problems facing our Nation, crime and law enforcement, was delivered before the Waco, Tex., Rotary Club by my esteemed friend and colleague, the Honorable W. R. "BOB" POAGE.

As a lawyer and a member of the Texas State Legislature before coming to this

House in 1937, Congressman POAGE points to a tendency on the part of many of our people to flout a law if it does not happen to be to their liking.

In his address entitled "The Letter of the Law," he calls for a greater respect of all statutes which are enacted by legislatures and upheld by the courts. Under unanimous consent I insert his speech in the RECORD and commend its reading to all in this body:

THE LETTER OF THE LAW

(Speech of Congressman W. R. POAGE, before the Waco Rotary Club)

Mr. Chairman, it is most pleasing to me to be able to say "and my neighbors and my friends." I am truly happy to be in my hometown after eleven and a half months of a rather frustrating session of Congress. It is always a pleasure to meet with this group of city builders—the Waco Rotary Club. I have some friends who liken themselves to the "king of beasts" who have spread a rumor that the members of this organization are all patriarchs. I don't understand that charge because my father was one of the early members of Rotary in Waco and I am at this time three years older than he was at his death. Then I have a much younger brother who has been one of your senior members for many years. I just don't like the implication about my age.

Last summer, while we thought we would have lots of time at home, I arranged a schedule of talks at home. I had hoped in this manner to cover a number of the more important subjects confronting our country. It now appears that we will have an opportunity to discuss only two or three of the ten or a dozen subjects I felt were worthy of your attention. About a month ago I was able at Killeen to discuss our Vietnam involvement. I had announced that I would discuss our agricultural policy in Temple last week. As you know, the session of Congress prevented that. I had thought I would discuss the involvement of the Federal Government in city building on this occasion, but since it appears that I may have no other opportunity to do so, I feel that it's necessary to talk to you about a subject which I think involves our entire future as a people, as a city, and as a nation. I want to speak about respect for law and order—specifically, about "The Letter of the Law."

A number of years ago there was a very self-reliant District Judge—not a thousand miles from Waco—who was urged by counsel to release his client. The Judge asked, "On what basis do you make this request?" The lawyer answered, "Just the plain letter of the law, Judge, the plain letter of the law." The Judge replied, "The Court overrules the plain letter of the law." On appeal the Appellate Court said, "The learned court erred in overruling the 'plain letter of the law.' The plain letter of the law was written for the learned court to follow and not to overrule." I can only express the wish that at least five of the nine best known, but I sometimes think, least learned judges in Washington might express such a sound appraisal of the law today.

Possibly, I am encouraged to speak more frankly about lawlessness in Waco because we outgrew the name "Six Shooter Justice" about 100 years ago. I am proud that Waco has a fine record of law enforcement and of cooperation with the law enforcement agencies. I am glad that our citizens saw fit just last week to pay tribute to a great law enforcement officer, Colonel Homer Garrison, but neither Waco nor any other part of our country can be exactly proud of our own record—about all we can do is to point to someone else and say that we have done better than Washington, Los Angeles or some other city—and so we have, but none of us has done enough.

Nor is this breakdown of law and order a phenomenon confined to any one segment of our society. It is not confined to Detroit or to Mississippi. It is not confined to colored or to white citizens. It is not a problem just of the ignorant or of the slum dweller, or just of the hippies or the intellectuals or of college graduates—although I think I must say that there is less excuse for what has been happening on the campus of the University of California than there is for the inexcusable violence in the slums of Los Angeles.

But, whenever we find citizens assuming for themselves the right to decide what laws they will obey and violating those which they decide are bad we have anarchy, and anarchy is *always*—"always" I said—followed by dictatorship. Anarchy can only exist long enough for the strong to assume control. It will always happen—the weak—the needy—the oppressed—will quickly lose all influence and all hope. The irony of this thing is that those who have the most lose—those who most need the protection of the law—are in the forefront of the destruction of all law—for let it be very clear there is no such thing as law enforcement where only those laws which the individual looks upon as "good" are obeyed. Law enforcement is indivisible—you either try to enforce all laws or soon you will be enforcing no laws.

Everyone, except the uneducated and the overeducated—and apparently the U.S. Supreme Court—knows these fundamentals of human behavior. All ordinary people who think in terms of human experience and of human limitations recognize that in any inhabited part of the world, where people come in contact with many other people each day, that it is possible to obtain freedom only "under law"—and through the impartial enforcement of all law.

The American founding fathers knew quite well that even a government selected by a majority of the people could destroy the rights of the individual just as truly as the government of King George III. They, therefore, sought to limit the fields of governmental activity, but surely they intended to offer no comfort to those who took the law in their own hands—and that, my friends, is the burden of my indictment of our modern scofflaws. No man has the right to ignore even what he considers to be a wicked or unjust law. His recourse is to seek to change the law.

There are, unfortunately, a great many people who are deterred from crime only by the certainty, and possibly to some degree by the severity, of prompt punishment. I would not strike down any of the devices of the law which have been built up over the years to assure that no innocent man be punished, but I do object to those decisions and requirements of our present Supreme Court which add nothing to the protection of the innocent but simply make it difficult or impossible to arrest and to convict the guilty. I submit that until all our efforts are directed at a determination of the facts that we can have neither justice for the accused nor security for the masses of our people. I am afraid that in our proper zeal to protect the rights of the accused, we may have overlooked the basis and the purpose of all criminal law—and that is to protect the public from lawless acts.

May I digress just long enough to mention three specific aspects of the present crime wave.

The first peculiar aspect is the reluctance and even refusal of so many of our citizenship to help cooperate with law enforcement officials. Certainly, if an officer on the streets of Waco were to call for help, I am confident that he would get it from at least most of those within sound of his voice, but if an officer were to call for help in Washington, D.C., or Cleveland, Ohio, he better hope that some fellow officer is within hearing distance. There are too many instances of crowds of *cowardly* civilians allowing crimes to be committed in their presence without any effort whatever to stop the criminals. In many instances the onlookers would not even call the police. I am happy that this is not yet the attitude of everyone. Just a short time ago a young Mexican boy—Primativio Garcia—saw a bunch of thugs attack his teacher in Kansas City. He went to her rescue. The thugs killed him. I want to bow my head in admiration to that Mexican boy. He was a real hero. I wish we had more of his kind. I hope no court excuses his murderers on the grounds that they were six foot, 20-year-old, "juvenile" guerrillas.

A second aspect of the present wave of lawlessness possibly grows out of the attitude I have just mentioned. It is the prominence of violence—so-called "crime on our streets"—the unlawful use of force. Bands of human jackals are running loose in most of our large cities. They are generally the type who can only understand the use of force—the certainty of harsh punishment. I think that our easy parole practices have given them much encouragement.

Yet a third group which lends color although not respectability to our present era is the so-called "Peaceniks." I have a feeling that most of these are just cowards who are still afraid to join in the wolf gangs who attack old ladies on the streets. They are the group who are more likely to get their excitement by the use of dope—they are the type who like to cover their lack of patriotism with some kind of cloak of organizational respectability. They delight in describing their disobedience to the law as "non-violent." They are the maggots who make their home with, and get their living from, the dregs of society, and yet all too many of our educational institutions and of our self-professed educators give them a degree of sympathy and a reflection of respectability. I am proud that neither Baylor University, Paul Quinn College, nor James Connally Institute have embraced any of these unshaven vermin.

And now I want to mention something which is possibly even more fundamental and even more disturbing. Most lawlessness develops from childhood disobedience. The obedient child is very likely to make a good and successful citizen. The disobedient child is a mighty good candidate for the penitentiary. As one who has no child I am not going to tell you parents how you should properly train your children. I will simply observe that it seems to an outsider that in all too many American homes there is little or no effort to teach the child that he must accept authority as long as he is a member of human society.

And this in turn leads me to the one aspect of lawlessness which, as I see it, is the most inexcusable of all criminal practices—and yet, it is unfortunately of widespread occurrence. I think that the crime of vandalism—that is, the useless and purposeless destruction of property, public or private—probably leads to more serious crime than any other single practice. And there is simply no need, use or justification for the breaking of street lights, windows in a school building, the scattering of bottles on the highway, the cutting of trees or flowers on other people's lawns, the slashing of auto tires, or the desecration of a cemetery. There is no act which does the actor so little good and which makes the world so much poorer than a purposeless act of wanton destruction.

If a boy or girl gets the idea that it is all right to *destroy* or mutilate someone else's property, a little later that boy or girl is mighty likely to get the idea that it is all right to *take* another's property for his own use—and sometimes I wonder if there is not really more excuse for the thief (who always convinces himself that he *needs* what he takes) than there is for the vandal who just subtracts from the sum total of the world's goods.

Let me, therefore, leave you with this thought. No one ever makes his rights secure by ignoring the rights of his neighbor, and no one ever increases his own wealth by destroying the property of his neighbor—and finally, no group can, merely by calling it a "peaceful demonstration," change a riot into a picnic party, nor can one justify looting and shooting by calling it "an expression of free speech."

If you and I are to be free and secure in our freedom, we must obey the letter of the law—all the law including all those decisions of the Supreme Court, whether we like it or not—and we must require all others to obey. If we don't like a law or a decision, we should seek to change it in an orderly manner, not to defy it.

Representative Edward R. Roybal's 16th Report From Washington to the Residents of Los Angeles' 30th Congressional District

EXTENSION OF REMARKS

OF

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. ROYBAL. Mr. Speaker, I believe that one of the most important duties of a Representative in Congress is to make regular reports on his activities in Washington to his constituents at home.

For that reason, I would like to include in today's CONGRESSIONAL RECORD the text of my 16th report from Washington to the residents of the 30th District in California.

In addition to the regular reports from Washington, I have also sent out 12 special reports designed to cover all other major items of legislation considered by Congress, events of national and international significance, and particularly, those matters of immediate concern to the Metropolitan Los Angeles and southern California area.

The 16th report from Washington follows:

NINETIETH CONGRESS—FIRST SESSION REPORT

I am happy to send you this "end-of-the-session" Report from Washington, one of a series of regular reports to the residents of the 30th District on my activities as your Representative in the Nation's Capital—and covering some of the significant events and major legislative issues of particular interest to citizens of our own Metropolitan Los Angeles area.

CLEAN AIR VICTORY

California won a sensational victory for the cause of clean air in our State with the unanimous passage of the Air Quality Act of 1967, representing a tremendous step forward in our efforts to organize a truly national program to eliminate, once and for all, the dangerous impurities in the air we breathe, and to create the kind of clean, wholesome atmosphere we want for ourselves and for our children.

I was also delighted at our success in obtaining overwhelming approval of the so-called California Amendment to the bill, allowing the Golden State to enforce, and continue to strengthen, our pioneering auto-smog air pollution control regulations.

This was an unprecedented legislative victory, marking a major milestone in protecting the health of our nearly 20 million citizens against the increasing threat of a potential smog disaster caused by a concentration of deadly car exhaust fumes in the Los Angeles Basin, or in one of California's other urban metropolitan areas.

VETERANS BENEFITS

Almost $1 million in increased benefits will go to 30th District veterans and their dependents next year under provisions of the 1967 G.I. Bill recently enacted into law by Congress.

In addition to a substantial cost-of-living pension increase for some 8,000 District residents, this legislation will also provide greater educational, job training, and readjustment assistance for more than 1,700 local veterans serving during the Vietnam conflict.

For detailed information on the entire range of new benefits and services available under this law, interested persons should call the VA's Los Angeles Regional Headquarters on 478-3711.

ELEMENTARY AND SECONDARY EDUCATION

One of this year's legislative highlights was passage—on the final day of the Session, and in the midst of the hectic pre-holiday season rush for adjournment—of the largest aid to education bill in our Nation's history.

The bill emphasizes better education for America's 6 million underprivileged youth from low income families concentrated in our heavily populated cities—where the ever-increasing demand for more schools and teachers has placed a tremendous strain on existing sources of state and local tax revenues.

It also illustrates a strong feeling in Congress that nothing is more important, as a solid investment in the future of our country, than the fullest possible development of our human educational resources.

I was particularly pleased at our success in securing enactment of a new bilingual education plan, of which I was co-author, to assist school districts with special bilingual teaching programs to help overcome the serious language barriers that handicap an estimated 4 million elementary and secondary students with limited English-speaking ability—nearly 1 million of whom live in the State of California.

U.S. school children from a wide variety of linguistic and cultural backgrounds will share in the benefits of this legislation, and have a better chance to participate more fully in the rich abundance of our modern, highly industrialized society—where job opportunities, economic advancement, and personal and family well-being, are closely linked to educational achievement and the ability to communicate effectively with one another.

NUCLEAR PROLIFERATION

As a member of the House Foreign Affairs Committee, I have consistently urged the President to explore every possibility for international agreement on stopping the spread of nuclear weapons.

Recent developments at the 17-nation Geneva Disarmament Conference seem to point toward progress in working out acceptable terms for a non-proliferation treaty, with adequate safeguards and inspection control provisions.

We all have a vital stake in the success of these continuing negotiations, which may be civilization's last real chance to avoid nuclear destruction.

SOCIAL SECURITY INCREASE

With active parliamentary maneuvering going on right down to the adjournment line, Congress finally settled for a compromise 13 percent across-the-board increase in social security benefits for more than 23 million elderly and disabled Americans, including over 2 million California residents.

I had worked for a larger cost-of-living benefit increase, and a substantial raise in the $55-a-month minimum payment figure, as well as an outside earning limit maximum higher than the $1680 amount agreed on before a retired person starts losing social security benefits.

In addition, I disagreed with the bill's arbitrary child-aid freeze and rigid welfare work-training provisions. I intend to support an effort early in the next session of Congress to make significant revisions in these inequitable sections of what otherwise was a generally good piece of legislation.

MEAT INSPECTION

American housewives scored another landmark victory this year when Congress adopted a strong meat inspection bill to protect the health of U.S. consumers against the danger of unwholesome or contaminated meat products being placed on sale in the nation's food markets.

The first major change in the 60-year-old federal meat inspection program, the new law will extend strict sanitation standards and inspection criteria nation-wide, to help guarantee to every American family that the meat on their dinner table and in their stores and supermarkets will be safe and fit for human consumption.

PEACE IN VIETNAM

The cause of peace in Vietnam is one in which every citizen of Los Angeles, and the nation at large, has an intense, personal interest.

And no one hopes for a peaceful settlement of this tragic conflict more than our own young men now serving in the Armed Forces in South Vietnam. For they know the terrible meaning of war, and must pray for the early success of our continued efforts to start meaningful negotiations, get the conflict away from the battlefield, and bring it to the conference table.

Each of my fellow members of the House Foreign Affairs Committee also shares with me an urgent desire to find the basis for achieving equitable terms on which to build an enduring and workable peace with freedom in that war-torn part of the world.

So, I was greatly encouraged this year by the overwhelming approval by both the House and Senate of the "Statement of Congressional Policy" expressing firm support for efforts being made by men of good will throughout the world, such as Pope Paul VI and United Nations Secretary General U Thant, to try to prevent an expansion of the war in Vietnam and to bring the conflict to an end through a negotiated settlement which would preserve the honor of the United States, protect the vital interests of both countries, and allow the people of South Vietnam to determine the affairs of their nation in their own way.

I was also deeply gratified by the recent unanimous 82-0 Senate vote urging that the United States again seek action in the United Nations Security Council in support of our endeavors to achieve a peaceful settlement. As one of the members of the House who joined in asking the President to take such action more than a year ago, I am hopeful the world community of nations will now assume its rightful responsibility for maintaining peace in Southeast Asia.

Within the past few weeks, there have been increasing indications that seem to foreshadow a greater degree of diplomatic flexibility on both sides. We should be quick to seize this chance, together with the renewed opportunity presented by the holiday truce periods, to establish discussions that could well mark the key turning point toward a just and lasting peace in Vietnam.

Then, we can join with other like-minded nations in working with the people of a Southeast Asia no longer ravaged by the terrible scourge of war, to turn the tremendous resources and energies of this entire area, once and for all, away from conflict, and toward the creative task of building a more secure foundation for a better way of life in the future.

JOBS FOR OLDER AMERICANS

Congress this year also enacted legislation to promote expansion of job opportunities for older citizens, and to prevent arbitrary age discrimination in employment of workers between 40 and 65.

This long-overdue measure should go a long way toward full utilization of this country's valuable reservoir of experienced, reliable, and willing workers in the upper age brackets, as well as help eliminate, through both educational programs and remedial procedures, discriminatory practices which have prevented thousands of older Americans from finding worthwhile jobs.

WAR ON POVERTY

Though just three years old, and experiencing the usual administrative growing pains to be expected in any relatively new program, the nation's War on Poverty holds promise of developing a series of new approaches (Head Start, Job Corps, VISTA, Neighborhood Youth Corps, Upward Bound, etc.) to solving the tragic paradox of extreme poverty for more than 30 million disadvantaged fellow citizens, in the midst of an all-time-record-high prosperity for most Americans.

For a while this fall, it appeared that the anti-poverty program would be defeated. Now, however, after a concentrated effort by those of us who favored its continuation, passage of the War on Poverty bill is regarded as one of the greatest legislative victories of the first session of the 90th Congress.

Nevertheless, I am disappointed that in spite of all our efforts, we were not successful in providing more adequate support for many of our urgent domestic needs, such as expanded educational and job opportunities, as well as critical housing and other urban development requirements of the country's fast-growing metropolitan centers like Los Angeles, where 80 per cent of our people will soon reside.

As the richest nation on earth, with a population now exceeding 200 million, and a Gross National Product approaching $800 billion a year, I firmly believe that we in the United States can afford to meet our obligations both here and abroad, without shortchanging our own disadvantaged citizens at home.

So I will continue to speak out in support of these domestic programs, which I consider essential to the country's prosperity and growth.

Discussing ways of improving the effectiveness of Los Angeles County's anti-poverty program are Congressman Roybal; Ted Berry, Special Aide to Economic Opportunity Director Sargent Shriver; Mrs. Alice Gordon, Executive Assistant to San Fernando Valley Rep. Jim Corman; and Rep. Gus Hawkins, Los Angeles' member of the House Education & Labor Committee which handles anti-poverty legislation.

MARINE CORPS SILVER STAR WINNER

During a recent short break in the schedule of legislative business in Washington, I was able to spend some time in our 30th Congressional District, where I was proud to have had the opportunity of talking with U.S. Marine Corps Staff Sergeant & Mrs. Librado Flores.

Awarded both the Silver and Bronze Stars for his conspicuous gallantry in action while serving as a Patrol Leader during combat operations in Vietnam, Sergeant Flores is now stationed with the 5th Marine Division at Camp Pendleton, California.

FREE ENTERPRISE BUSINESS LEADERSHIP

A recent industry-wide exhibit featured some of the outstanding accomplishments of California's important Aerospace Industry in promoting continued economic expansion and business prosperity in our growing Los Angeles Metropolitan Area.

Space industry leadership has sparked the private business community, not only in such areas as basic and applied research, new product development, consumer-oriented marketing techniques, systems approach to problem solving, etc., but has also been in the forefront of progressive thinking aimed at finding practical and workable answers to some of our Nation's most difficult urban problems.

I have introduced several pieces of legislation in the present Congress to provide additional incentives for American private industry to invest in new job-producing enterprises, and housing and other economic development projects, to help solve acute long-term hard-core unemployment—which for years has plagued Los Angeles' mid-city area, as well as nearly every other major U.S. population center.

With Southern California's population spiraling from 10 to over 30 million residents by the year 2000, this kind of healthy industry-government cooperation is vital to our future prosperity.

Though more jobs are not the only answer to the complex problems facing our society, reaching the goal of "full employment in an expanding economy" is certainly one of the most essential requirements for correcting the desperate conditions found in many of our cities today.

CARE

In its more than 21 years of service to humanity, CARE has brought aid, on a person-to-person basis, to millions all over the world. And with our support, CARE will continue to fulfill this vital role as long as there are hungry or needy people.

If you want to help in the worldwide CARE Food Crusade, or assist in the current CARE Vietnam Relief Drive to aid civilian war victims and refugees in Vietnam, send your contribution to: CARE, Room 1220, 215 West 5th Street, Los Angeles, California 90013, phone: 626-3625.

AT YOUR SERVICE

The members of my Congressional office staff in Washington, as well as those in our Los Angeles District Office are anxious to help you in any way they can. Please continue to make full use of the many services available through our offices by contacting us whenever you feel we can be of personal assistance.

With Best Wishes for the Holiday Season,

EDWARD R. ROYBAL,
Member of Congress.

Bronze Star Medal Awarded to 1st Lt. Wesley A. Jennings

EXTENSION OF REMARKS
OF
HON. CLARENCE D. LONG
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Friday, December 15, 1967

Mr. LONG of Maryland. Mr. Speaker, 1st Lt. Wesley A. Jennings, son of Mrs. Audrey S. Brooks, 2216 Ruskin Avenue, Baltimore, Md., was recently awarded the Bronze Star Medal for "heroism in connection with military operations against a hostile force in the Republic of Vietnam." Lieutenant Jennings, a 1965 graduate of Morgan State College in Baltimore, exposed himself to enemy fire to evacuate wounded during a mission near the Dong Nai River, South Vietnam.

I wish to commend Lieutenant Jennings for his bravery and service to his country, and to congratulate his mother on her fine son.

Congressman Poage Speaks to Farm Bureau

EXTENSION OF REMARKS
OF
HON. GRAHAM PURCELL
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Friday, December 15, 1967

Mr. PURCELL. Mr. Speaker, during 1967 the chairman of the House Committee on Agriculture, the Honorable W. R. "BOB" POAGE, of Texas, delivered a number of addresses stressing one central theme: The necessity of providing farmers with fair compensation for their labor and capital investment in order to assure adequate food and fiber for a burgeoning population.

On December 12 he spoke in Chicago before the 49th annual meeting of the American Farm Bureau Federation, the world's largest farm organization, on the subject "How Well Will Americans Eat in the Year 2000?"

As a member of the committee over which Congressman POAGE presides, I know that he is certainly one of the most knowledgeable and authoritative individuals in this Nation in regard to agriculture. So when he sounds a warning that depressed crop prices can only bring shortages, I think it is time that all of us as consumers take heed.

I ask that his address in Chicago be published in the CONGRESSIONAL RECORD at this point:

HOW WELL WILL AMERICANS EAT IN THE YEAR 2000?

(Speech of Congressman W. R. POAGE before the American Farm Bureau Convention, Chicago, Ill., December 12, 1967)

Mr. Chairman, it is customary to say: "I am happy to be here today," so let me hasten to say in all sincerity that I am indeed happy to be meeting with this, the largest farm organization in the world. And I am happy to be in Chicago, both because Chicago has a long history as an agriculture center and because it gives me an opportunity to speak to the type of people with whom I want to reason.

Since I became Chairman of the Agriculture Committee a few months ago I have felt that I had a special responsibility to present the farmers' case to the people of our country and especially to the people of the big cities. But like the preacher who always finds himself preaching to the faithful, who do not need his message, I have too often found myself talking to producers, like you, who actually know more about the relationship between farm prices and production than I do. I hope that together we can have the attention of urban people, without hitting them over the head with a two-by-four, because I feel that they probably have even more at stake than you, as producers, have in the answer to the question of our ability to feed and clothe our people in the Year 2000.

At the first mention of the Year 2000 one is inclined to think of a distant future. Yet, that is just 32 years and 18 days away. Reversing the calendar, that would put us back to the middle of the Depression, a period that doesn't seem very long to many of us. So, it is high time we give thought to ways and means of meeting the food and fiber needs of our people when the 21st Century arrives.

During the past 32 years there have been drastic changes in the social make-up and economics of America. We have seen an accelerated movement of the population from the country to the cities and urban areas. We have seen the population of the nation increase from 127 million people in 1935 to 200 million people, a mark reached just last month. In that time the number of persons living on farms has decreased from 30 million in 1937, the year I came to Congress, to less than 11 million today. Yet, we have seen such great advances in agricultural technology and farm practices that our people are now eating better and are better clothed than ever before. The obvious question, then, is "How Well Will Americans Eat in the Year 2000?" when our population will reach an estimated 300 million.

In answering the question whether Agriculture can continue to meet the demands of such a population, one must bear in mind that for the past 100 years there has been a steady flow of farm people into our cities. This is still going on at the rate of half a million people a year from the farms to the cities. And this includes 200,000 young people. For every 177 rural youngsters who reach working age today there are only 100 jobs available in the countryside. As early as 1917, Americans were beginning to recognize some of the implications of this migration. In that World War I year there was a popular song which, referring to the Dough Boys, asked: "How're You Going to Keep Them Down on the Farm, After They're seen Pare-ee?"

Right here, I'm reminded of a story stemming from debate in the Texas State Senate, where I served before coming to the Congress. A bill was under consideration to do away with executions by hanging—to require the use of the electric chair instead. The bill also provided that upon its passage executions no longer should be held in the county seats but at the State penitentiary. The bill passed, but over the objections of one senator who declared that historically, hangings had been a source of interest and much entertainment in many of the county seats in rural communities. He ruefully noted that, even then, the youth were leaving the country for the cities and that this bill was just one more step to speed up the migration.

Maybe we haven't provided enough of the right kind of entertainment in the country. Anyway, we do still have the very real and crucial problem of migration from our farms to our cities. On the one hand we are draining our farms of needed brains and manpower. On the other hand we are adding tremendously to the housing and to the relief problems of our cities.

The population of the world, it is estimated, will reach six billion persons by the Year 2000. The United States will account for only five percent of that, although we will still probably be the major supplier of food and fiber. Throughout most of historical times world population has been held in check by famine, pestilence and war. In the first 1,600 years of the Christian era, it is generally agreed that world population just about doubled, from 250 million to some 500 million. By 1960 it was up 3 billion and will roughly double during the next thirty years.

There is, therefore, much serious concern in our country over our ability to feed and clothe our own people, twenty, fifty or a hundred years from now, but when I try to analyze this question I find myself befuddled and confused, and I am reminded of the boy who was walking down the road early one morning dragging a rope. A neighbor drove by and stopped. He said, "What are you going to do with the rope, Tom? Are you going down to the woods to hang yourself?" The boy replied, "No, I am not going to hang myself, I'm just befuddled and confused. I don't know whether I found this rope or lost my mule."

And I am not sure whether I should be sounding the alarm of approaching famine or whether I should be seeking a more effective balance between supply and demand. Probably we should be doing some of both because the ability of the world to feed itself in the foreseeable future clearly varies greatly from country to country—but I am convinced that in every country the ability to increase the production of food and of fiber depends on the ability of farmers to use the most modern techniques, and that this ability in turn depends on their ability to pay for these modern techniques.

I have never been too alarmed by the Malthusian theory to the effect that increases in population are bound to outrun increases in the supply of food and fiber. I don't think that this will necessarily occur in the United States, but I do realize that in many nations this desperate situation is very close and in the view of some able analysts is certain to occur in the next decade—long before the Year 2000.

Farmers now have the technical know-how to produce all the food and fiber needed in this country for the foreseeable future. Certainly, with the development and improvements we can reasonably expect from our agricultural schools and scientists over the next three decades, the output should be adequate to take care of our needs, and we should be able to contribute mightily to the needs of our friends across the seas. Indeed, one of our very practical problems of the moment is to avoid the production of price-depressing surpluses. They are likely to plague us much longer than we like to think.

What the future holds in respect to increased production is yet to be seen, but there are studies indicating that by the Year 2000 we will be growing 300 bushels of wheat per acre. A farmer in Washington State actually grew 182 bushels on a commercial farm year before last. These studies indicate a possible 500 bushels of corn. A Mississippi farmer has already grown 300 bushels, and the average in the State of Illinois has on several years exceeded 100 bushels. We are told cows will be bred to quadruple their milk production, and cotton will be grown with the bolls clustered on the top of the stalk to increase the efficiency of mechanical pickers. We may have early maturing seeds so that two crops will be produced a year instead of one for some commodities. Farm equipment will be improved. Fertilizers, insecticides, pesticides, and other chemicals will be more effective. Weather satellites will help determine the proper time for planting and harvesting. In fact, I think I would like to live another fifty years just to see the developments I feel sure will take place in agriculture.

But all these developments, those already at hand and those yet to come, cost money. Unless the farmer is going to get his money back, he simply can't use these modern aids to production. In other words, over the long run, low prices definitely limit the productivity of agriculture. To use 1967 technology we must pay 1967 prices for our labor, our machinery, and our supplies. To pay 1967 prices farmers must get comparable prices for what they grow. There is no other source from which these costs can be met.

Farmers have made an outstanding record of production under most crushing handicaps. The per capita investment per worker in agriculture averages around $36,000, as compared with about $21,000 per worker in manufacturing—and yet most comparisons of farm and non-farm income completely ignore any return on this capital investment—and in 1966 the realized net income of all farm labor, including management, averaged only $1.66 per hour as against an average wage for industrial workers (management excluded) of $2.72 per hour.

To view the same comparisons from a slightly different angle, it is interesting to note that during the past twenty years the hourly earnings of industrial workers have increased 133 percent and corporate dividends are up 271 percent. During the same period farm prices have come down ten percent. Have the members of any other substantial segment of our society accepted an actual net reduction in their per hour wages or in the price per unit of what they produce, since 1947? I can't think of any.

In fact, these figures are so shocking that you probably question them, as I did. If you will but look at the price of some of our basic farm products, I think that you will see that my figures must be approximately correct.

Corn now brings a little less than $1.00 on Mid-West farms—and some of you will point out that you got a whole lot less last week. In 1947, corn brought $2.16.

Wheat (including the value of the certificates) now averages $1.87. In 1947, $2.29.

At this time, I think it is safe to say that *no* other member of our society is taking less for his labor and services that he did in 1947. This is a distinction in which farmers have a monopoly.

Now, just what are the implications of this monopoly? In the long run what this means is that farmers are not going to be able to produce all that they might, simply because they can't pay for modern practices and for needed inputs from the returns they are presently getting.

Doubtless there are areas of the world where it is not possible for consumers to pay enough to get maximum production. India is the classic example.

The reason for this chronic shortage is complex. Certainly, in India the sacred cow problem is serious, but it does not yield to outside pressure. The rapid increase in population, due in large part to improved sanitation and a decline in the death rate, presents serious, and if long continued, insurmountable difficulties, but, basically, India cannot feed herself because with the prices they now receive her peasant farmers can't afford to use the fertilizer, the power, the improved seeds, the insecticides, etc., that they know they should use to grow larger crops.

As I see it, the basic fault with Indian agricultural policy is that their government, like so many governments, has sought to lower the price of the cereals which their farmers produce, with the thought that this would help their consuming masses. Of course, the result has been to limit the production of needed cereals and to increase the production of non-food crops.

I cited India as an example of a nation where general buying power is so low that it is extremely difficult for the public to pay enough to enable farmers to produce to the maximum. There is no such limitation in the United States. On the contrary, the American consumer buys her family's food needs for a smaller part of the family's disposable income than any people anywhere or at any time in history. Actually, Americans spend only about 18 percent of their disposable income in the grocery store, and farmers get only about 39 percent of this 18 percent. In other words, nearly two-thirds of what the consumer looks upon as food money goes for transportation, processing, packaging, labor, distribution, etc.

I am not suggesting, as so many speakers do, that these charges are necessarily unfair. Most of them involve real costs which must be included in the final retail price. Many of these costs can be properly described as paying for "built-in maid service." There is nothing wrong with the grocery store selling "maid service." I am only saying that the farmer gets a minor part of what the consumer pays—and far less than most consumers suppose he gets.

Fortunately, as nations improve their living standards, there is a tendency for the birth rate to drop. Fortunately, also, there is, as I see it, no reason to assume that as farm income increases that agricultural technology will not advance just as rapidly in the future as it has in the past. The world will, in my opinion, be able to greatly increase its food and fiber resources and to feed and clothe most of its people for a long time to come.

Now, I would like to make it clear right here that I don't believe the American people should have to pay more than a parity price. You, the farmers of America, are no more entitled to an exorbitant return for your labor and your investment than is American business or American labor, but the farmer is entitled to a fair return, just as is business and labor. He hasn't been getting that fair return for a long time.

Over the years our farm programs have sought to provide the prospect of a reasonable return by attempting to achieve a rough balance between supply and demand. That is still the basis of our governmental agricultural policy. We seek to encourage farmers to limit their production to something like the anticipated demand for their products, at close to parity prices. Today there is much feeling that this can best be accomplished by a more effective use of cooperatives—so-called "Muscle in the Market Place." But whether it be by cooperatives, withholding actions, marketing orders, or land retirement or allotments, most friends of agriculture want to give farmers a better bargaining position, while relatively few of us want to resort to "strong arm" tactics. We want to cooperate with consumers—not to take advantage of them.

Congress has never tried, as so many have said, to "repeal the Law of Supply and Demand." On the contrary, Congress has tried to enable farmers to use the Law of Supply and Demand to their advantage, just as our labor unions, our public utilities, and all our competitive business institutions have tried to use that same law. We have tried to enable farmers to approach a balance between supply and demand. At the same time we have never sought to achieve an actual or exact balance because we have always wanted to be sure that consumers would have all the food and fiber they might need.

I think, by and large, this program has worked, although in our anxiety to avoid any scarcities we have probably, in most instances, let over-production reach a point where it has reacted on the price structure in a manner most unfavorable to farmers.

Neither am I saying that the only way to approach the needed balance is through reduced production. On the contrary, I think that increased consumption is a far more desirable way of getting the balance which we all want, but we can't always increase consumption as we would like to do. Our present farm laws seek to increase consumption through a rather liberal use of subsidies. In spite of the admitted difficulties which have been so forcefully pointed out by the American Farm Bureau, such payments do play a vital part in keeping certain farm products like cotton competitive with synthetics and with foreign growths. But, unfortunately, if we are to bring the income of farmers up solely by the use of subsidies to a point where they can use the needed techniques for abundant production, we are going to face governmental costs which I feel would be entirely unacceptable. Besides, most Americans are now eating about all they need to eat. You can hardly solve the wheat surplus by asking a weight-conscious business girl to eat an extra slice of toast each morning.

I think the American consumer is much more knowledgeable and much more willing to pay a fair price than some of us have assumed. Basically, consumers do not know the economics of agriculture. They have assumed that because land prices were rising that farmers were all getting rich. They have not recognized that for the great bulk of our real producers, whether landowners or renters, these increased land prices have achieved nothing except to add to the cost of production. Nor has the public, or a great many farmers, realized that the only way a farmer can profit from rising land prices is to quit being a farmer.

This job of educating the public can't be done overnight. We are 50 to 100 years late now. Labor has done a much better job of educating the public than has agriculture, but we have the irrefutable evidence which I think will convince any fair minded group that the only way to guarantee abundance of food and fiber in the years ahead is to increase the income of farmers. It must be increased to such an extent that they can buy all of the needed inputs to assure production at all times sufficient for our needs and to maintain the world's highest standard of living.

As members of the nation's largest farm organization, and as producers of much of the nation's food and fiber, each of you has an especial responsibility to make our city people understand:

First: That without the use of modern techniques there can be no substantial increase in agricultural production;

Second: That these modern techniques are terribly expensive and that without higher prices American farmers won't be able to provide the needed food and fiber;

Third: That no one asks any greater increase in the price of agricultural products than the increase in the price of things which farmers are required to buy in order to produce abundantly—that is, "parity"; and

Finally: That, even with full parity prices to farmers, the American people will still be buying more and better food for a smaller percent of their disposable income than any people anywhere at any time in history.

This is not a job which the Agriculture Committee can do alone, nor even all the farm organizations. Until we begin getting this needed understanding, we are not going to make progress. It is true that understanding alone is not enough, but without understanding there is little reason to expect any progress.

Now, I come to another point that I cannot overemphasize. In spite of all of our frustrations, we still live in a democracy and the Congress is hardly likely to help raise farm prices, even if it could, without support for such a move from the masses of the people—and 87 percent of the people live in town. That means that the life or death power over legislation vital to the farmer rests in the hands of Congressmen elected from urban districts. The decisions of the Supreme Court in this respect haven't helped any. They have shifted ever greater power to the populous areas. I think those decisions are wrong, but it is still the word of the *supreme* court and we must live with situations as they exist, not as we would like.

While the prospects may seem discouraging, they simply mean to me that we have all got to work together as we have never worked together before. We can and will differ about detail as thinking people have always differed, but we cannot differ about the necessity of getting cooperation from our city cousins. Without it, agriculture is lost. I am, therefore, going to do all I conscientiously can do to cooperate with the urban majority, wherever I can, without violating my principles.

For instance, I have been criticized for voting for the rat extermination program and some of you have joined in that criticism. Now, I think it is a pretty good idea to exterminate rats in both rural and urban communities, just as I believe in the extermination of predatory animals and mosquitoes. When I voted for this bill, I felt I was also voting to exterminate screwworms and fire ants. How do you expect a handful of rural Congressmen to get support for our needed programs if we fight all of the programs the city people want? And how do you expect to get the essential city understanding and support of fair farm prices if we refuse to try to understand and help with city problems?

We are all interested in our own problems, as we should be, but we must also be interested in our neighbor's problems. So, because I know that our population is increasing by 5,290 people every day, and by the Year 2000 will have probably passed the 300,000,000 mark, I feel hopeful when I invite every resident of Chicago and New York City, of Los Angeles and Dallas, to accept and understand the farmer's situation.

The Malthusian theory need never be more than theory in this great land of ours and will not, if the people see to it that farmers are paid enough to produce to their full potential. In the long run it is clearly in the self interest of the consumer in every city and hamlet of this country to support the farmer in his fight for a fair return for his labor and operating costs. In this way we can be assured that Americans will still be eating well and at a reasonable cost when the Year 2000 rolls around.

John P. Saylor—Dedicated Conservationist

EXTENSION OF REMARKS

OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. DINGELL. Mr. Speaker, in honoring JOHN P. SAYLOR for contributing most in the field of conservation, the Belle W. Baruch Foundation manifests the feeling of millions of Americans who deeply appreciate the countless contributions made by our distinguished colleague from Pennsylvania in the Nation's behalf.

The Bernard M. Baruch prize is another outstanding tribute to the father of the Wilderness Act and of other legislation designed to preserve for future generations some of the natural environment which God created and man would otherwise thoughtlessly take away. Congressman SAYLOR is a previous recipient of the Conservationist of the Year Award from the National Wildlife Federation, and he has been recognized by many other groups for untiring efforts that motivated Congress and State and local governments to action against continued intrusion into primitive areas that need to be protected from defilement and maintained as places of comfort and enjoyment and a bulwark against absolute materialism.

In simultaneously selecting President Theodore Roosevelt and Governor Pinchot of Pennsylvania as posthumous award winners, the Baruch Foundation places Congressman Saylor on a pedestal reserved for the outstanding conservationists in the history of our country. No one could be more deserving of the tribute than John Saylor, for he has worked untiringly in defense of a philosophy which came late to a young country and has been especially difficult to advance in an era of robust expansion.

We admire John Saylor for his inspiring leadership, his guidance born of experience and dedication, and his wide knowledge in the field of conservation. We congratulate him as recipient of the Bernard M. Baruch prize.

Selections From the Congressional Record and Review

EXTENSION OF REMARKS

OF

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. HELSTOSKI. Mr. Speaker, in the October 18 issue of the Congressional Record, the gentleman from Maryland [Mr. Morton] draws attention to a new magazine Interplay.

I do not doubt for one minute that the publication will make every endeavor to attain the purpose for which it was founded. But, I would like to bring to the attention of my colleagues an educational publication entitled, "Selections Review."

Selections Review is a new educational publication designed to stimulate interest in government and its operation. It differs from others of its kind because Members of both Houses of Congress express their views—through excerpts from the Congressional Record—and the editors refrain from injecting theirs.

A recent poll revealed that more than half of the American people are unable to identify their Congressmen and more than 80 percent do not know how their Representatives voted on any major bills presented in the first session of the 89th Congress. Selections Review hopes to contribute toward correcting this lamentable situation for an enlightened electorate has always been considered a prerequisite for the establishment and maintenance of a truly representative form of government.

The first number of Selections Review will long retain its relevance for it covers an unusually productive session of Congress and deals with six major bills then enacted into law: Water pollution, air pollution, beautification, immigration, medicare, and arts and humanities.

Not only are the debates on these subjects covered in this publication, but some of the additional features include an appropriate listing of reading; "Our National Heritage," a graphic description of the Library of Congress; a profile of the dean of the Senate, Carl Hayden, of Arizona, who has represented his State since 1912 when it joined the Union; and "Italy" in the section "The Earth Is the Lord's."

It is hoped that these selections of the pro and con, the give and take of the legislators at work, will indeed convey far and wide a realistic picture of legislative processes in a democracy.

School boards have been advised that Selections Review will lend itself well as a basis for "mock sessions of Congress," and it is confidently believed that many adults will find the journal enlightening as to how the legislative process works in our democratic form of government.

Personal Request by Representative L. H. Fountain

EXTENSION OF REMARKS

OF

HON. L. H. FOUNTAIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. FOUNTAIN. Mr. Speaker, while serving as one of the two official delegates from the Congress of the United States to the 22d session of the General Assembly of the United Nations during the period of September 16–December 20, I have naturally not been able to answer all rollcalls in the House. During this period, however, I have secured pairs whenever possible.

On those bills when pairs were not possible, I wish to state that had I been personally present I would have voted as hereinafter indicated on the following bills:

H.R. 13893, foreign aid appropriations: On the Young motion to consider the previous question on adoption of a rule for floor consideration, I would have voted "yea." November 16.

H.R. 8569, District funds: On adoption of the conference report on the bill—November 9—I would have voted "yea."

H.R. 13933, bill authorizing States—with approval of Transportation Department Secretary—to shift interstate highway mileage from designated projects to other projects of no higher cost. On passage of the bill—November 20—I would have voted "yea."

H.R. 12010, bill granting the consent of Congress to the Wheeling Creek Watershed Protection and Flood Prevention District compact between Pennsylvania and West Virginia. On passage of the bill—November 20—I would have voted "yea."

H.R. 9063, bill amending the International Claims Settlement Act of 1949, authorizing final compensation for certain World War II damage claims of U.S. citizens not covered in former treaties. On passage of the bill—November 20—I would have voted "yea."

H.R. 11527, bill amending conditions for use of Federal land conveyed to the University of Maine in 1955 in order to permit sale of portions of the property. On passage of the bill—November 20—I would have voted "yea."

H.R. 6430, bill authorizing $281 million for mental retardation activities in fiscal year 1968. On adoption of the conference report—November 21—I would have voted "yea."

S. 1031, bill authorizing appropriations of $115.7 million for the Peace Corps in fiscal year 1968. On passage of the bill—November 21—I would have voted "yea."

H.R. 6418, bill authorizing $589 million in fiscal 1968–70 for State and local health programs, including $40 million in fiscal year 1968–69 for rat control. On adoption of the conference report—November 21—I would have voted "yea."

Retirement of Matthew Hale, Chief Counsel of the Senate Banking and Currency Committee

EXTENSION OF REMARKS

OF

HON. JOHN SHERMAN COOPER

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Friday, December 15, 1967

Mr. COOPER. Mr. President, as this session of the Congress comes to a close, I would like to take this opportunity to note the retirement of Mr. Matthew Hale earlier this year as staff director and as chief counsel of the Senate Banking and Currency Committee.

I first met Mr. Hale when I came to the Senate in 1947. At that time I was serving on the Senate Judiciary Committee as chairman of a subcommittee dealing with certain problems relating to the Export-Import Act, and Mr. Hale was advising the Department of Commerce in these matters. In April of 1955 Mr. Hale left the executive department and began his 12 years of service on the staff of the Senate Banking and Currency Committee, first as assistant counsel, then chief counsel and chief of staff until his retirement in June of this year.

On banking and housing legislation that has come before the committee in areas of my particular interest, I have always found Mr. Hale's advice and counsel helpful and his suggestions informed and objective. During the period of his association with the committee he has earned and merited the respect and confidence of Members of the Senate on both sides of the aisle for his resourcefulness, judgment, and expertise in matters relating to banking and housing legislation.

I am sure that I voice the thoughts of many other Members in commending him for his distinguished past service in the executive and legislative branches of the Government and to wish him every success in his new responsibilities as general counsel of the American Banking Association.

I ask unanimous consent to include a brief biographical sketch of Mr. Hale at this point in the Record.

There being no objection, the biographical sketch was ordered to be printed in the Record, as follows:

Résumé of Matthew Hale

Born: Boston, Massachusetts, November 21, 1909.

Harvard College: 1932 A.B.

Harvard Law School: 1935 L.L.B.

Private Practice with Reynolds, Richards and McCutcheon, New York 1935–42.

Asst Counsel, Counsel: War Production Board, 1942–45.

Asst General Counsel: Civilian Production Administration, 1945–47.

Asst Solicitor: Department of Commerce, 1947–51.

Deputy General Counsel: Office of Defense Mobilization, 1951–52.

Deputy General Counsel: Mutual Security Administration-Foreign Operations Agency, 1952–54.

Asst Counsel, Chief Counsel and Chief of Staff: Senate Banking and Currency Committee, 1955–1967.

David Chambers Mearns Retires From Library of Congress

EXTENSION OF REMARKS

OF

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. SCHWENGEL. Mr. Speaker, recently I attended a gathering with many historians, students of literature, and employees of the Library of Congress to pay tribute to a great American who had announced his intention to retire from his responsible position in the Library of Congress where he has served the Library and his country so well and so unselfishly.

Mr. Speaker, it would be in the public interest to not only note this but to note what was said at the public gathering about this remarkable man, and so I include the remarks in the RECORD along with my own remarks addressed to him:

David Chambers Mearns, Lincoln scholar of national repute and historian as well as librarian and author, retired from the Library of Congress in December of 1967, as Chief of the Manuscript Division, incumbent of the Library's Chair of American History, and Assistant Librarian for the American Collections. He had held those posts for 16 years and entered his 50th year of service to the Library and to the Nation on the date he retired. Fortunately, the Librarian of Congress, L. Quincy Mumford, has secured some of the future services to scholarship; at a dinner of tribute to Dr. Mearns in Washington, attended by 250 friends and colleagues, Dr. Mumford announced on December 16 that he had appointed him Honorary Consultant in the Humanities for a 3-year term. Until now, only one other man has held that particular title—the poet Robert Frost, who became Honorary Consultant in the Humanities after he had completed his term as Consultant in Poetry.

That the name of the new honorary consultant will live on in the Library of Congress and in the world of scholarship has been insured by both the sponsors of the dinner and about 150 other sponsors in absentia. To the Library's David C. Mearns Fund for the purchase of Americana in the manuscript collections, friends and colleagues have to date contributed more than $3,000, Dr. Mumford announced.

The Mearns career to which personal and official tribute was paid last week began in 1918 with sorting by size books destined to restore the library at the University of Louvain and with a brief interval as "an index-finger typist." Then came a long and fruitful period of service in the Main Reading Room. Ten years later David Mearns was chief assistant to Martin Roberts, then Superintendent of the Reading Rooms, a post to which Dr. Mearns advanced in 1937. After the Library's reorganization under Librarian MacLeish's tenure (1939–44), he became Director of the Reference Department in 1943. In 1949 he became Assistant Librarian. Since 1951 he has served as Chief of the Manuscript Division, longer than any previous occupant of that post, and an Assistant Librarian for the American Collections.

The first reference to him in an Annual Report of a Librarian of Congress concerned his research on a quotation persistently attributed to Lincoln and his report for the Manuscript Division. It is fitting that Mearns, Lincoln, and manuscripts were thus early yoked together, for it is as a Lincoln scholar and a student of Lincoln manuscripts that he is best known. His numerous contributions to Lincoln studies include *The Lincoln Papers* (1948, 2 volumes), an account of the Library's Robert Todd Lincoln Collection; *Three Presidents and Their Books* (1955), with Jonathan Daniels and Arthur Bestor, Jr.; and *Largely Lincoln* (1961). Dr. Mearns has represented the Library on the U.S. Civil War Centennial Commission and the National Historical Publications Commission, and he has served as a member of the White House Library Committee, the advisory board of the Papers of Woodrow Wilson, and the cooperating committee of the Papers of Benjamin Franklin. Elected to the American Antiquarian Society in 1966, he is also a member of the American Historical Association, the Society of American Archivists (fellow), the Manuscript Society (of which he was president in 1961–62), the Bibliographical Society of America, and other historical groups. Among his awards have been the National Abraham Lincoln Service Award, the U.S. Lincoln Sesquicentennial Commission's medal of honor, and the U.S. Civil War Centennial Commission's medallion of honor. A native of Washington, D.C., he attended St. Albans School and studied at the George Washington University and the University of Virginia. Elected to Phi Beta Kappa in 1961, he was awarded the Litt. D. degree by Lincoln College in 1960 and holds the Lincoln Diploma of Honor from the Lincoln Memorial University.

In the last 49 years, David Mearns not only became an excellent reference librarian and an outstanding historian but remained constant in qualities obviously developed in boyhood—a talented writer, a steadfast friend to all who came to know him, a man with a genius for gentle manners and kindness for human beings, yet a man who could see the humor in human foibles and understand the sorrows of the human condition. Those qualities underlay the nature of the messages that poured in from friends in many quarters of the country when news of his impending retirement spread this month. As many of the sponsors of the Mearns Fund who possibly could do so traveled to Washington for the dinner, and when the Librarian announced his appointment of David Mearns as successor to Robert Frost in the post of Honorary Consultant in the Humanities, nearly 250 men and women rose spontaneously to their feet with a burst of thundering and emotional applause before Dr. Mumford could even read the citation. Because that sparkling occasion was a night to remember in the history of great men who have served this Nation well, some remarks from the three speeches of tribute should be reprinted here to sketch the nature of the man.

Verner W. Clapp was a colleague of Dr. Mearns from 1923 to 1956, when he, too, served the Library as a reference librarian and later as Chief Assistant Librarian and—in 1953–54—as Acting Librarian of Congress. Now retired as President of the Council on Library Resources, Inc., and serving the Council as Consultant, he recalled his friend's career, as the Library witnessed and enjoyed it, in these words, in part:

"Dave, I have promised to be brief. Let me come quickly to the point. I want to say to you, and to your friends assembled here, that in you we know one of the greatest reference librarians—perhaps the greatest—of all time. And I may add with further immodesty, that I think that I am not entirely unqualified to judge.

"Let me explain. It is my conviction that in David Mearns there met a number of the elements necessary for the making of a great reference librarian, and that he was ideally capable of making use of them. It was a case of the right man at the right place and the right time.

"To give you an adequate idea of how the man, the place and the time interacted would require a blow-by-blow account of life in the Library of Congress from about 1920 on. Since this is not possible, let me give you a few highlights.

"In 1920 the Central Desk in the Main Reading Room, the headquarters of the reference staff, was still at the center of the Library both geographically and in other respects. Symmetrically disposed around it were the classified book collections—some 3 million volumes. Beyond them, but still within a minute's walk in any direction, were the collections of newspapers, unbound periodicals, documents, maps, music, manuscripts, prints, and the Smithsonian Deposit. The Copyright Office, the Office of the Secretary, the Branch Printing Office and Bindery were all within easy reach. The Order, Classification and Catalogue Divisions were equally close by, and the Card Division occupied the space where the Hispanic Foundation is now. In the front of the building the House of Representatives Reading Room, still in active use by Members of Congress, was closely linked to the Main Reading Room in staff and service.

"The Reading Rooms were responsible not only for the book collections but for the services which principally depended upon them—reader service of course, lending service to Congress and the Government Departments as well as interlibrary loan and the service to the blind; services to the holders of the reserved tables around the periphery of the Main Reading Room, in the Balcony and in the North Curtain there were already 160 of these in 1920, and they provided work-space to a significant number of distinguished authors. In addition to these responsibilities there was the reference correspondence work. Exhibits work at this time was largely performed by the Prints Division, though later taken over by the Reading Rooms. But the law collections were still at this time serviced by the Reading Rooms, while the rare book and other lock-up collections were in the special care of the reference staff at the Central Desk.

"Other factors also played their part in the situation. One of these was that the collections had not yet all been recataloged and reclassified under the new system which commenced in 1897; large blocs of "old class" material were still lodged at various places in the stacks, and to get at their contents one had to know, besides, how to use the old catalog records, organized in various ways and located in various out-of-the-way corners.

"The reference staff, which was responsible to the Superintendent of the Reading Room, was organized in two shifts of 5 to 6 persons (all male) each of whom served on alternate days from 9 AM to 4:30 PM and from 2 to 10 PM, including Saturdays. The titular head of the reference staff for most of the 1920's was Henry M. Lower, who was distinguished for his possession of a Harvard M. A. Mr.

Lower could sit at a desk, but for the most of the day the rest of the staff had to circumambulate the desk. The hours between 2 and 4:30 PM, however, when the two shifts overlapped, were those that counted. Then the staff could check dealers' catalogs (it was still possible for some members of the staff to be authorities on parts of the collections) or engage in bibliographic enterprises such as tracing the original contents of the Jefferson Library, the surviving volumes of which were still in the Office of the Superintendent, or survey the new books, or answer reference correspondence or simply explore the collections.

"From this flexibility of assignment, as well as centrality of location, it transpired that the reference staff constituted the most conspicuous and probably the best-known group in the Library. And this was of great assistance in the work, for the staff was enormously dependent—then as now—not only upon other divisions of the Library, but also upon particular individuals in the division. A considerable measure of intimacy developed. It commenced perhaps with Mr. Martel, the Chief of the Catalogue Division, who spent his evenings in the Library and would often be found checking in the Public Catalogue, where his assistance could be enlisted on a reference question or his sympathy involved on some improvement in cataloging. But the intimacy went much further, and I think it is safe to say that the members of the Central Desk staff at that time knew a large proportion of the 900 members of the Library staffs sufficiently well to be able to seek aid from them in the course of duties.

"What ideal circumstances in which to soak up reference librarianship! And a number of the staff did so. Never again, I am convinced, did any reference librarian have the opportunities in collections, in geographical arrangements, in staffing and administrative dispositions, in assignments, colleagues, and finally in bosses, as did the Central Desk staff of the '20's.

"The Superintendent of the Reading Room during the first seven years of that decade was Frederick William Ashley, known especially for his catalogs of the John Boyd Thacher Collection. (On his retirement in 1936 Dave Mearns wrote for him the immortal lines:

" 'Come ye shades of Hain and Proctor,
Join in homage to the Doctor.'

"I wish I could equal those for you, Dave.) Under his administration David Mearns was already well on the way to being a first class reference librarian. But then, on April 1, 1927, Mr. Ashley was succeeded by Martin Arnold Roberts. * * *

"Almost immediately following Mr. Roberts' arrival in the Reading Room, the assignments began to multiply and diversify. David Mearns, who had been a senior reference assistant, soon also became Assistant Superintendent. With increasing frequency he became the leader of a task force to execute some project involving bibliography, reference work or collections. Let me merely list, hardly more than by title, a number of those that still live vividly in the memories of those who participated in them.

"Among the earliest was the cataloging of the Presidential library of Calvin Coolidge, and it was this, I suppose, that established the pattern and demonstrated its success. This was only the first of a long-continued connection that Dave Mearns has had with the Presidential libraries, which continues, I believe, to the present day.

"Shortly after this came an assignment of a much more of a reference character—an inquiry into the metallurgical activities of Herbert Hoover.

"An attempt, by exhaustively examining the literature of gipsydom and of tramp folklore, to assist toward the solution of the Lindbergh kidnapping case through identification of the symbols left at the scene of the murder.

"The organization of the exhibit of the Vollbehr Collection (some 3,000 incunabula) in a matter of a few weeks following its arrival in this country.

"In preparation for the dedication of the Supreme Court Building, a history of the locations in which the Supreme Court had sat throughout its history.

"The inventory of the estate of Justice Oliver Wendell Holmes.

"Histories of a number of important basic charters—the Constitution of the United States, the Declaration of Independence and the Lincoln Cathedral copy of Magna Carta.

"A record of the reading of the justices of the Supreme Court.

"These are examples of topics to which Dave Mearns' attention has been called and on which he has left a definitive record. Then as the date for opening of the Lincoln Papers approached in July 1947 his interest was more and more engaged, as we all know, in that most moving of historical dramas for which much of the script is in the collections of the Library, the story of Abraham Lincoln.

"And then the *The Story Up to Now*, 1946.

"These are high spots. But concurrently, at every level of importance, and I may say at every level of seriousity or humor—for Dave's waggishness is an essential part of his style—he has amazed us with the information which he could extract from the collections. I suppose that no one here but has heard him introduce a speaker with facts from his life which the speaker supposed to be completely beyond recall, nowhere indexed, under the control of no bibliography, any cataloging record."

The second speaker was a friend from boyhood—Jonathan Daniels, historian and author, Editor of the Raleigh *News and Observer* in North Carolina, and a schoolmate at St. Albans School in Washington. He spoke in a sense not only as a lifelong friend but on behalf of all those historians who have used the great manuscript collections that form so important a part of the Library's original source material for the history of this Nation and the American people:

"I come here tonight not to praise, but to protest.

"When I first heard the evidently irresponsible rumors that David Mearns planned to retire I assumed comfortably that they were incredible. Then one day my secretary who is both pretty and perceptive came rushing in distress into my office with the news in her hand.

" 'How are you ever going to write another book if David Mearns retires?'

"It was a good question. And it was one which sounded not only in my room in Raleigh but also in other rooms of other men throughout the land. Long before he ever dreamed of an epitaph, the name of David Mearns began to be enscrolled in the Sources and Acknowledgments of practically every work of history which appeared in the land. And David not only gave facts but friendship as well to the aspiring writers and the great writers, too. . . .

"I set myself up as an expert on the Library of Congress. Do not misunderstand me. I am as innocent about cataloging as I am about incunabula. I wouldn't have the vaguest ideas about collection and I begin with hardened arteries on the subject of circulation.

"But I've spent more than half a century studying the Library of Congress since I first came to be shown the turtles and the mermaids before it more than half a century ago. That's a pretty long time until you recall that David has served under and with the appreciation of Librarians of Congress who have occupied the painted vault of that office since March 1890. . . .

"The mausoleum impression about libraries is old. Sometimes as a sort of cultural lag it still persists. But for the company you make, I might have the feeling that one saying farewell to an ancient manuscripter might visualize a ponderous old gentleman with a great white beard below a glistening dome. David begins to glisten but he long ago swept the beard away not so much from himself as from the library. . . .

"I am sure that David in the stacks and the big reading room showed all those virtues of punctuality, politeness and increasing pedantry upon which all great libraries depend and for which all great librarians should be praised. But I know he brought into the library a sense of humor, gaiety and wit. There has been no such prodigious punster in Washington since Clarence King of LaFayette Square made even John Hay and Henry Adams gay with his playfulness with the language. Dr. Mearns came to the library which could only exist in Washington with the roots of a cave dweller who was able to see both Washington and history as a parade in passage. And from somewhere he brought the ability not only to read but write with grace, charm and erudition. My own feeling as one whom he has magnificently served and who has watched him serving others is that his greatest gift as he presided over papers was that he always understood that manuscripts were men and women. Thank God he was not one of those archivists and historians who solemnly watch history from the gallery. He joined it on the floor, often dancing.

"He has been not only a scholar about Lincoln; he has been the sort of fellow Lincoln would have liked. As a young Librarian arranging books on a lower shelf in the White House, he could mistake Calvin Coolidge for a dog nudging him from behind and get away with it. He was not only one who could help Franklin Roosevelt seem the casual scholar in the most erudite matters. Also he and Roosevelt were men who could match whimsey in learning. Some of you may recall that when Roosevelt planned to hide from the press and public on a cruise in 1940 he pulled out of his head or hat a destination to which he said he was going. Evidently it came out of his unconsciousness which he thought was his memory. Among the places he was going he said was 'the Cherable Isles.' Then vague about this vagary, he asked the Library of Congress to locate the geography or the literary source of the Cherable Isles. David searched not only in atlases but also in Edward Lear, Lewis Carroll, W. S. Gilbert, even Alexander Woollcott but his report to the President was a poem for the President. He sang:

" 'To hunt for an island named Cherable,
Is a job that is almost unbearable;
Pray accept my apologies,
But nonsense anthologies
Are giving us hemorrhages cerebral.'

"Roosevelt, of course, was delighted. And, of course, he went off to the Cherable Islands all the same. Now standing on this shore and no longer able to tell myself that David Mearns is not departing, I have a hunch that he is going to the Cherable Islands, too. I am happy to have been able to join in the fund for manuscript materials which will forever honor his name. I hope they will reflect his spirit. Somehow, I fear, however, that they will contain no materials about a subject in scatological scholarship to which David and I across half a century have given much learning and laughter. But then maybe there are no manuscripts or artifacts about the folklore of the Constipated Indian with which we have been much concerned. But I doubt that if there were they would be very valuable without David's laughter accompanying the collection.

"He will take the laughter, the learning and the gay erudition with him to the Cherable Isles. We would not withhold them from him. But farewell to David on this evening is less important than the hope, the desperate hope, that something of the Cherable Isles he sought and will now surely find is left in the Library of Congress behind the turtles and the mermaids and among the manuscripts and the books. Sometimes I almost think we could spare the books and papers. We can never spare the blithe spirit David put and kept among them."

Dr. Mumford, who has watched Dr. Mearns' career since 1954, closed the dinner with this address:

"Recently I mentioned Dave Mearns' retirement to a scholar outside the Library who knew him only by reputation. He asked: 'Where was Mr. Mearns trained?' I replied without hesitation: 'In the Library of Congress.' Just as Herman Melville said that a whaling ship was his Yale and Harvard, so the great institution which many of us here tonight serve was adequate to develop the unique personal gifts of David C. Mearns. I do not underestimate the formative influences of his beloved St. Albans School, which Dr. Boyd reminds me was then called in the lower forms the 'School for Manly Boys!'—nor the role of learning played by the George Washington University and the University of Virginia. But, to judge from the life and character of our guest of honor, the Library of Congress in the days of Herbert Putnam must have been the school for manly men.

"If the Library of Congress did much for Dave, he has reciprocated abundantly. His contributions to Lincoln studies have been fundamental and substantial. Equally important have been his contributions to the history of the Library of Congress. His book, *The Story Up to Now*, told the story of the Library during its first 145 years of existence, a story deepened and enriched in his book, *Herbert Putnam: A Memorial Volume*. In 1958, Dave received the Library's highest and rarest honor, the Distinguished Service Award. Only ten such awards have been given, and David Mearns was among the first to be so honored. The honor which the Library then bestowed was, of course, a reflection of the honor which his scholarship and dedicated service had brought upon it.

"That dedicated service has been given *in* the Library of Congress but *to* the United States Government as a whole, as well as to the scholarly world. He has been a servant to Congressmen, Senators, Cabinet members, and to Presidents, in many ways. That service has been recognized not only by the Library of Congress and by the Congress, but in the Executive Branch as well. Symbolic of that recognition is a letter I have in hand now. Let me read it to you:

"The White House,
"Washington, December 15, 1967.

"Mr. David C. Mearns,
"Library of Congress,
"Washington, D.C.

"Dear Mr. Mearns: All branches of the Government and scholars throughout the nation regret your retirement from Federal service.

"You can be proud that your productive career in the Library of Congress spans half a century of public achievement. And you must derive great satisfaction from the knowledge that you have served so many—so well.

"Your learning, and your generosity in sharing it, has earned you our enduring admiration and our thanks.

"Sincerely,

"Lyndon B. Johnson.

"David, it has been my pleasure to present to you in past years two Federal Service Award pins—one representing 40 years of service in 1958, when you also received the Library's Distinguished Service Award, and one bearing the numerals '45' in 1963. At close of day yesterday, December 15, 1967, you were a 'forty-niner.' But today, the anniversary date of your first day of service on December 16, 1918, you enter your 50th year of service. That computation is according to the records on paper. But I have been computing your actual hours of service, not all of which appear in the record. There were the nights you spent on duty at the Central Desk in the Main Reading Room when Congress remained in session all through the night. There was the weekend in July 1947 when you came to work on Friday morning and went off duty Saturday night—working straight through the night after the Lincoln papers were opened at that famous midnight premiere in the Manuscript Division. And there were the many hours you gave to assist the Library in special needs that you have never reported to any Librarian of Congress. Your coming back to work at midnight to provide the White House with information it needed after the tragic death of President Kennedy is perhaps best known to all of us here, but there were many other occasions. By these computations, you have given far more than 50 working years of service to your Library and your Government. I would, therefore, now like to present you with that rare badge of Federal service, the 50-year pin. It has been inscribed by Galt and Company for a beloved mentor, who has given so freely, so thoughtfully, and so unsparingly of himself to his colleagues and his friends. Inscribed on it are two sets of initials which will forever be linked—'LC–DCM.'

"David, as you recall, when Robert Frost had completed his memorable service to the Library of Congress as Consultant in Poetry, he was appointed to a new role as Honorary Consultant in the Humanities. He was the first and, thus far, the only person to hold that particular title. It seemed to me that the unique and special quality of service which you have rendered to the Library of Congress could be recognized in no more fitting way than to invite you to become the second occupant of that post.

"In the presence of your friends and well-wishers, I now ask you to continue your relationship with the Library and to accept this appointment for the customary term of three years. And, for the moment presuming upon your acceptance, I should like to read the citation:

" 'The Library of Congress in recognition of his superlative contributions to humane learning and in anticipation of continuing benefits from his wise counsel appoints David C. Mearns Honorary Consultant in the Humanities.

" 'L. Quincy Mumford,
" 'Librarian of Congress.' "

The subject of all this tribute responded with the wistful, understated humor that is part of his style:

"DIMINUENDO, DECEMBER 1967

"I am stunned. Indeed, I feel that you have left no stun unturned. The tone, the spirit, the gentleness and grace of these proceedings inevitably remind me of the imperishable Trixie Friganza, who along with Eva Tanguay, Ethel Barrymore, Harry Houdini, and Jock-the-monk, used once to adorn the Keith-Orpheum Circuit. Trixie had a little song which she entitled, 'There's No Fun in a Graveyard, So Bring me *my* Flowers Now.'

"In my season of vacillation and indecision I have sometimes pondered what I might say if and when at long last I might be permitted to say a few words for myself. I have thought of such a beginning as 'No one, not in my situation can appreciate my feeling of sadness at this parting. To this place, and the kindness of these people, I owe everything. Here I have lived two quarters of a century, and have passed from a young to an old man.' [Pause.] The sentiment, it seems to me is admirable, but the phrasing is too widely familiar to escape a charge of outrageous piracy. This is a minor objection; others are more serious: I am not going anywhere, and the task before me really isn't greater than that that rested upon Washington.

"With that opening discarded, I have softly repeated this language: 'Younger men, with months of activity before them, with fresher schemes and notions, with newer enthusiasms have pressed forward . . . *Cedo junioribus*. Indeed, I stand aside with no regret. For to be outmoded is to become a classic.' [Pause.] This resounding renunciation is also unacceptable, for the reason that when he wrote it Max Beerbohm was only twenty-three and shamefully wanting in modesty.

"In the course of my intense, my fumbling, my desperate research I made a discovery; there is no special magic in fifty, no special magic in the Roman numeral L. When Aristotle composed his *Rhetoric* he wrote: 'The body is at its best between the ages of thirty and thirty-five; the mind is at its best about the age forty-nine.' I am, by Library reckoning, completely and forever forty-nine.

"An Englishman, calling himself Kipling, gave another example when he noted that:

" 'The blush that flies at seventeen
Is fixed at forty-nine.'

"Again, I introduce for your consideration the lilting lyric of Percy Montrose:

" 'In a cavern, in a canyon,
Excavating for a mine,
Dwelt a miner, a forty-niner,
And his daughter, Clementine.'

"But I digress: when I have excused myself for staying on long after the last of my contemporaries had been turned out to pastures green, I have thought of myself as a bridge over which another generation could cross into the full meaning of the resources and responsibilities of the greatest library in any world present or prospective. Fortunately, my back did not begin to hurt until they were safely on the other side. Perhaps some of them will remember Yogi Berra's simple explanation: 'Mr. Dickey learned me all of his experience.'

"With a full and overflowing heart I thank you."

Dr. David Mearns, Willard Hotel,
Washington, D.C.

Hello David: How appropriate to have this affair honoring your services and reluctant farewell at the Willard Hotel. And, how nice that so many friends can join us tonight as we pay tribute and say thank you to a noble character, fine man and great mind with perceptive insight and blessed with the ability to make proper evaluations and judgments.

Too often we do not recognize or pay tribute to authors. But, when we have authors who are living source books for other authors, who have great ideas and who unselfishly make their contributions to literature through other institutions and men, it is indeed fitting and proper that we recognize, laud and applaud this kind of character.

I, as much as anyone I believe, can testify to your unselfish contribution to literature through other men for I seem to have arrived on the scene when I could participate in events, occasions and re-enactments which had for their purpose recalling, renewing, and, hopefully, rededication to the ideas and examples of great men and great moments in history.

Dave, you and I had some wonderful times and experiences together—some high moments. My life has become richer because fate had me here during the preparation for the Lincoln Sesquicentennial and the initiation and fulfillment of the Lincoln Inaugural re-enactments. In the official records, I am the author of the resolutions which made these things possible but the truth is, Dave, you were the author and your authorship, through me, is now in official documents.

These resolutions resulted in re-creating great events and rich memories.

How can we ever forget that day when our mutual friend, recently deceased, Carl Sandburg, spoke so eloquently to the Joint Session of Congress. Greater opening and closing statements were never written. You will recall, "Not often in the story of mankind does a man arrive on earth who is both steel and velvet, who is as hard as rock and soft as drifting fog . . ." And then that magnificent closing, saying among other things, "And how did Lincoln say he would like to be remembered? Something of it is in this present occasion . . ." That was drama, that was history recalled so effectively.

Then came the re-enactment of the First Inaugural. Again our friend Sandburg was called and twice as many people showed up as were present 100 years before that date.

Then there was the re-enactment of the Second Inaugural and our mutual friend, at your suggestion, Bruce Catton, spoke so appropriately along with some of the great political leaders of our time.

There was also the Civil War Centennial Commission and the critical times like Charleston. I remember now and never shall forget your expression when certain facts were made known. "Horrible," you said, "we have got to do something about this," and we did. With your guiding hand and encouragement from others, things came out alright and we built a great monument with a series of books suggested by another mutual friend, Allen Nevins, who became Chairman of the United States Civil War Centennial Commission. This was a success and you sat with us and gave guidance and encouragement so often and so well.

All of these experiences are in impressive official Reports. Dave, in a very real sense you are the initiator and author of these House Documents (86–211, 87–523 and 89–497). These are the Reports of those high moments at the Capitol which helped recall the man you call a "friendly stranger and a strange friend." These reports are now collector's items. The record shows Congress is the author but, David, there might have been reports without you and your talents but most surely they wouldn't have been of the quality, of the import and impact without you.

I recall the last words of a letter Lincoln wrote in response to an invitation which seem pertinent to this situation. They read, "Let him have the marble monuments along with the well assured and most enduring memorial in the hearts of those who love liberty, unselfishly for all mankind." You have had this unselfish spirit that is implied and so evident in Lincoln.

All of this came because you were at the Library. You were available so often to so many people and so often you went beyond the call of duty. How can we thank you? We can't adequately, but be assured that you live, like Lincoln, in the hearts and minds of people and you will continue to live so long as there is a Library of Congress and students can see your footprints, the evidence of what you have done so well.

All of these reports and our mutual experiences had something to do with commemorations. I like commemorations for I know of no better way for men to rise above themselves or, more precisely, to commune with the best in himself than to evoke the memory of great minds and personalities. Veneration, that love which proceeds from the inferior to the superior, is always marked by a certain solemnity. This gala, a sad and glad occasion, offers a happy pretext for recalling a truly illustrious writer, lover of Lincoln et al, advisor, finder of facts, displayer of good humor and delightfully humorous with a dedication combined with capability far beyond the average.

I join with your friends in wishing you well and Godspeed, just now, like Markham wrote about our mutual friend, Lincoln, I recall these lines. They are apropros. "He was a man to hold against the world, a man to match the mountains and the sea."

So, we say farewell and welcome to a period when you can more fully give yourself in your own way and on your own time to a greater cause which calls us all—the cause of the people.

Commemorationally yours,
Fred Schwengel,
Member of Congress,
First District of Iowa, Republican.

Education: The Continuing Commitment of the 90th Congress

EXTENSION OF REMARKS
OF
HON. JOHN BRADEMAS
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Friday, December 15, 1967

Mr. BRADEMAS. Mr. Speaker, the Democratic-controlled 89th Congress, which served the American people in 1965 and 1966, won widespread praise as a result of the major legislative accomplishments of those 2 years. For example, the 89th has been called the "Education Congress," a term that aptly describes a Congress that enacted more education legislation than any Congress in the history of our country.

Not only did that Congress produce a larger number of education bills, but it produced more in terms of quality. The most significant breakthrough in education was, of course, the landmark "Elementary and Secondary Education Act of 1965"—ESEA—America's first major commitment to erasing inequality of opportunity in our schools. This was a bill that would benefit not only disadvantaged children in public schools but those in private schools as well.

Today, at the end of the first session of the 90th Congress, we are already in the third year of the implementation of title I, that section of the ESEA directed at the special needs of children in school districts with high concentrations of poor families.

The delicate balance achieved in the church-state issues and the ESEA of 1965 was threatened this year by a Republican move to convert title I into direct block grants to the States.

Had this GOP attempt been successful, we might well have seen renewed strife on the church-state issue. As ESEA now operates, disadvantaged private-school students are able to participate in many local public school programs. By channeling funds directly to State education departments, the substitute, or Quie amendment, would have threatened the exclusion of many private school children from such programs, particularly in States which have constitutional prohibitions against direct or indirect State aid to nonpublic schools. Fortunately, in spite of the increased strength of the Republicans in this Congress, the Quie amendment was defeated by a teller vote of 168 to 197.

The 1967 amendments passed by Congress extend the ESEA for 2 more years, authorizing more than $9 billion in Federal funds—the largest authorization ever enacted—for fiscal 1969–70. The measure also stipulates under title I, that no State shall receive less during 1969–70 than it received in fiscal 1967.

Title III, which provides support for supplemental and innovative education programs, is substantially altered by the new amendments, in that 75 percent of the funds available for this title in fiscal 1969 and 100 percent in fiscal 1970 will be administered directly by State education departments. In order to qualify for this money, a State must develop a State plan that is approved by the U.S. Commissioner of Education.

Another major change in the 1967 amendments concerns title V, which is aimed at education departments. Under title V, beginning in fiscal 1969, 95 percent of the available funds will be distributed directly to the States, with the requirement that 10 percent be allocated to local boards of education. The remaining 5 percent will be reserved to the U.S. Commissioner of Education so that he may recognize and fund interstate and other special projects, designed to help solve problems common to two or more State education agencies.

Mr. Speaker, the new ESEA legislation also incorporates some very important provisions relating to the education of handicapped children. Under an amendment to title III, for example, 15 percent of all title III funds, beginning next July 1, must be used for supporting projects that help meet the special needs of the handicapped. A provision in title VI authorizes an $11 million program for developing specialized services to aid deaf-blind children.

The 1967 ESEA amendments also authorize several other new programs: aid to children of limited English-speaking ability, technical help to rural areas in preparing federally financed project applications, and a demonstration project to prevent dropouts.

ADVANCE FUNDING AUTHORIZED

Mr. Speaker, a serious and widely recognized hindrance to the administration of title I has been the problem of late funding by Congress. Because of the uncertainty of congressional appropriations, local school officials in making up their budgets have not always had the opportunity to plan effectively for the use of title I funds.

The 1967 amendments to ESEA include provisions designed to help solve the late-funding problem. Most important, the new amendments permit appropriations for elementary and secondary programs to be made 1 year in advance of the year in which they will be obligated.

In order to give schools time to plan programs, it is clear that we must expedite congressional timetables for both appropriations and authorizations. President Lyndon B. Johnson, in his February 28, 1967, message to Congress on education and health, noted the difficulties created by late funding of education programs and pointed out that one way to ease the problem is "to seek the earliest practical renewal of authorizations for major education measures."

The Republicans in the House demonstrated their lack of sensitivity to the need for early authorization and funding by moving to recommit the 1967 amendments to the House Education and Labor Committee in order that further hearings could be held on the bill. Fortunately—for the school administrators, teachers, and the children in this country—this delaying tactic was defeated on a 180 to 236 rollcall vote, with 74 percent of the Republicans voting for the recommittal motion.

TEACHER CORPS EXTENDED

Mr. Speaker, on May 25, the House and Senate adopted a conference report on the Second Supplemental Appropriations Act for fiscal 1967. In the act, $3.8 million was provided for the Teacher Corps, with the condition that the funds were not to be used unless Congress enacted before the end of fiscal 1967—June 30—a bill extending the Corps through fiscal 1968.

Acting quickly, the Congress passed and President Johnson signed into law, with 1 day to spare, a 3-year, $135 million extension of the Teacher Corps. Prior to final passage, the Republicans moved to recommit the bill and to delete the provision for the Teacher Corps. The GOP argument was that the Teacher Corps was a dangerous federally controlled program. The recommittal motion went down to defeat and the bill, known as the Education Professions Development Act, was enacted.

While there are nearly 1,900 members enrolled in the Corps this year, much more must be done to meet the national shortage of teachers in areas of poverty. By 1970, a total of 9,000 members could either be enrolled or have served 2 years in the expanded Teachers Corps now authorized, if Congress provides enough money.

THE EDUCATION PROFESSIONS DEVELOPMENT ACT OF 1967

But, Mr. Speaker, not only do we desperately need more teachers for disadvantaged schoolchildren, the Nation requires more and better teachers at every level of education from preschool through graduate school.

The Education Professions Development Act—Public Law 90–35—in addition to extending the Teacher Corps, which Congress passed this year, will enable the Office of Education, in conjunction with educators and others, to pull together existing fragmented training programs and concentrate resources on meeting the most acute shortages of teachers and other educational personnel. The new law—

Extends for 2 years the existing teacher fellowship program and expands to include fellowships for preschool, adult education, and vocational education teachers, as well as for work beyond the master's degree;

Establishes a higher education personnel training program, beginning in fiscal 1969, to provide grants for contracts to universities to improve programs for training college teachers, administrators, and education specialists;

Broadens and replaces present NDEA institute programs for training teachers, and includes training for preschool, vocational, education, and adult education teachers and supervisors, as well as for teacher aides, counselors, child psychologists, and persons in other occupations who can teach full or part time;

Creates a new program starting in fiscal 1969 for short-term training of teachers for school districts facing severe teacher shortages and for training teacher aides; and

Provides for grants and contracts with institutions of higher education, State and local education agencies, and other nonprofit institutions to identify and encourage able people to pursue careers in education.

Mr. Speaker, the Education Professions Development Act will go a long way toward insuring our country well-trained teachers at all levels of education—preschool, vocational, elementary, secondary, and higher.

PUBLIC BROADCASTING ACT OF 1967

Another important accomplishment of the first session of the 90th Congress is the Public Broadcasting Act, signed by the President November 7, 1967.

House debate on this bill centered on the provision to create a public corporation. Democratic supporters of the plan argued that the corporation was necessary to develop the potential of television as a medium of information. They contended that Government program controls were prevented by the provisions in the bill stipulating that, first, the corporation would be independent and private; second, that its directors and employees could not be Federal employees; third, that no more than eight of the 15 directors could be from the same political party; fourth, that the corporation could not own stations, a network, or interconnection facilities; and fifth, that local stations would have complete freedom to accept or reject programs.

Despite these persuasive points, 79 percent of the Republicans in the House voted for a motion to recommit the bill and delete the provisions of the Public Broadcasting Corporation. Fortunately, the motion was defeated and the bill was passed intact.

Mr. Speaker, the Public Broadcasting Act—Public Law 90–129—creates a nonprofit public corporation to strengthen noncommerical radio and television by assisting in the construction of station facilities, by stimulating further development of high quality programs, and by providing for fuller research into how electronics can play a bigger role in education. The act authorizes a comprehensive study of the uses by schools in classrooms of television, radio, and allied electronic instructional media. As President Johnson said, when he signed the act into law November 7:

> While we work every day to produce new goods and to create new wealth, we want most of all to enrich man's spirit.
>
> That is the purpose of this act.
>
> It will give a wider, and, I think, stronger voice to educational radio and television by providing new funds for broadcast facilities.
>
> It will launch a major study of television's use in the Nation's classrooms and their potential use throughout the world.
>
> Finally—and most important—it builds a new institution: the Corporation of Public Broadcasting.
>
> So today we rededicate a part of the airways—which belong to all the people—and we dedicate them for the enlightenment of all the people.

COLLEGE WORK-STUDY AMENDED

College students were further aided this year by the enactment of a bill amending the college work-study program—Public Law 90–82—to set the Federal share of the college work-study program at 85 percent in 1967—it had been scheduled to drop from 90 to 75 percent on August 20—80 percent in 1968, and 75 percent in 1969.

The measure also provided that the maximum time students may work is an average of 15 hours a week over the course of a year, instead of a maximum of 15 hours in any one week. This new provision will enable students to follow a more flexible work schedule whenever their schoolwork demands more of their attention.

LIBRARY SERVICES AND CONSTRUCTION ACT AMENDED

Mr. Speaker, the Library Services and Construction Act Amendments of 1967—Public Law 90–154—extends through fiscal 1968 authority for the Federal Government to pay the entire cost of interlibrary cooperation programs, State institutional library services, and library services for the handicapped. After June 30, 1968, the Federal Government will pay 50 percent of the program costs, and State and local governments will be required to pay the remaining 50 percent. The 1-year extension of 100-percent Federal financing was approved by Congress because it would allow a majority of the States, which have only now completed planning for the new programs authorized in 1966, to embark on the first stages of these programs, while developing support for the matching funds required in succeeding years.

ADULT EDUCATION ADVANCED

Nor, Mr. Speaker, were adults and veterans neglected in this Congress. On December 4, the House passed and sent to the Senate the Adult Education Amendments of 1967. The House bill extended through fiscal 1970, Federal programs to assist the States in educating 24 million illiterate and undereducated adult Americans, authorizing $60 million for fiscal 1969 and setting no expenditure limit for fiscal 1970.

The Senate then incorporated these provisions into its version of the Elementary and Secondary Act amendments. In the conference committee on ESEA, the adult education amendments were accepted by both House and Senate conferees and therefore became part of the elementary and secondary bill sent to the President.

COLD WAR GI BILL STRENGTHENED

On August 31, President Johnson signed into law the Veterans' Pension and Readjustment Assistance Act of 1967—Public Law 90–77—otherwise known as the cold war GI bill amendments of 1967.

The bill expands and strengthens earlier legislation by increasing the amount of education allowance to peacetime and Vietnam veterans, broadening the range of subjects that can be studied, increasing the eligibility aid for war orphans' assistance, and making special help available to educationally disadvantaged veterans to enable them to complete high school before commencing college-level studies.

Mr. Speaker, pending in the House Education and Labor Committee are the higher education amendments—H.R. 6232—which would extend through fiscal 1973 the student aid provisions of the NDEA and the Higher Education Act of 1965 and make a number of improvements, including a revision of the guaranteed student loan program to bring about a major expansion of lending authority. Action on these amendments is expected early in 1968.

Despite our loss of 47 Democratic seats in the 1966 election, and despite the resurgence of the conservative coalition in the 90th Congress, education legislation in 1967 has probably fared better than legislation in many other fields.

To those of us who believe that as President John F. Kennedy said, "Education is the keystone in the arch of freedom and progress," the record of the first session of the 90th Congress in education has been encouraging.

For, as President Johnson has made clear, "This Nation is determined to give all of our youth the education they deserve."

Miller Clinic-Hospital Completes 30 Years of Service to Nashville Community

EXTENSION OF REMARKS

OF

HON. RICHARD FULTON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. FULTON of Tennessee. Mr. Speaker, one of the most crucial issues that faces our country here at home is our ability to provide the Nation's citizens with proper hospital and medical care, and to do it at the most reasonable cost. This is a task that requires all of our resources and our most creative efforts.

Among the country's some 8,000 hospitals are about 800 that are doing a generally excellent job and getting very little public recognition. These are the proprietary, or privately owned hospitals, and we have an excellent example of how such an institution should be run in my city of Nashville.

The first building of the Miller Clinic was completed 30 years ago, and the first operation was performed on July 1, 1937. For the first 5 years the clinic housed Dr. Cleo Miller and three of his associates.

Its growth has been steady and directly related to its ability to serve the community. During World War II, three of its four staff doctors were in the military service and the premises were occupied only by Dr. George Holcomb. Then, after the war was ended, the clinic started on a new era of growth.

Now, after 30 years, it plays an important part in Nashville's medical picture. Five years ago a hospital was opened with 50 beds. The expansion continued with the addition of emergency facilities, a coronary care unit, as well as a cafeteria and maintenance shop. During the past 5 years the Miller Hospital has admitted 14,119 patients and been the scene of 7,983 operations. Over 300 patients are now treated each day. The magnitude of this venture can be best described by pointing out that it employs some 275 people and has an annual payroll of $1,650,000.

The Miller Clinic-Hospital in Nashville is typical of the best type of proprietary hospital. Hundreds of them were started by doctors who have seen the need of additional hospital facilities and, with the typical American spirit, started out to do something about it.

Another proprietary hospital of which my State can be proud is the Park View Hospital with its more than 200 beds. Its president, Dr. Thomas Frist, in discussing the role of private hospitals said recently:

> A study made in 1960 by the Tennessee Council on Aging indicated the great need for nursing home facilities and hospital beds. This study resulted in the building of the former Park View Nursing Home and the subsequent changeover to present 200 bed Park View Hospital. Efficient services and excellent architectural planning are advantages of private hospitals. The history of business has shown that when people invest their own money, they expect and demand that the money be used in the most effective manner and there is, of course, personal interest and pride. Overall efficiency carries over in operating the proprietary hospital, resulting in reduced cost per patient day. Major departments such as pathology, laboratory, X-ray, and pharmacy are privately owned and when the owner of a department has the full financial and provisional responsibility, he runs a more effective and productive department. The owner further secures industrious, qualified, and ambitious people for these departments. The satisfaction of the owners in rendering service to the community is another advantage, as well as the pride of ownership, and the pride of efficiency by owner and employee.

Dr. Cleo Miller, who helped to found the Miller Clinic and Hospital, is a graduate of Vanderbilt University Medical School and one of his city's outstanding citizens. He is a past president of the Nashville Academy of Medicine, and chief of surgery at Nashville General Hospital. Nor are his hours limited to the narrow confines of the academic. He is also a director of the Sand Lot Baseball League, and president of the Nashville baseball club. He also serves as team physician for the Isaac Litton High School.

This will identify the type of man who has helped create the Miller Clinic and Hospital, a proprietary hospital that has done much in the Nashville area.

As it completes 30 years of service, it is well to call attention to the class of proprietary hospital which it represents. It is fully accredited by the Joint Commission on Accreditation of Hospitals and is a member of the American Association of Medical Clinics.

Thus, it seems clear that the United States should insist on quality in proprietary hospitals just as it should insist on quality in nonprofit and institutional hospitals. But it should, at the same time, recognize that such hospitals, that make up almost 10 percent of all hospitals in the United States, are doing a very necessary job, and they should be encouraged to do that job to the best of their ability in the true American tradition.

Proposal for Total Merchant Marine Transport System

EXTENSION OF REMARKS

OF

HON. WILLIAM L. ST. ONGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. St. ONGE. Mr. Speaker, I am today introducing a bill authorizing the Maritime Administrator to undertake studies culminating in contract plans and specifications with respect to the establishment of an integrated total marine transport system utilizing nuclear-powered merchant vessels. It is the purpose of this legislation to utilize the latest organizational and analytical techniques as a means of marshaling the scientific and industrial skills of this country in order to create a viable marine transportation system capable of competing with the best in the world.

It is with dismay that one considers the history of the U.S. merchant marine which abounds with the imaginative use of our natural maritime advantages, and yet at the same time has witnessed periods of gross neglect in which other nations have exploited the fruits of our genius. The economic and strategic reasons are too imperative, the growing competition from the Soviet Union is too ominous, and the leadership in technology which we now enjoy is too temporary for us not to assert our position as a leading maritime power.

A brief reference to the history of our merchant navy provides a useful historic framework in which to consider how we may avoid the mistakes of the past, and build for a more successful tomorrow.

The story of the U.S. merchant marine has been marked by outstanding innovation and achievement alternating with periods of decline and neglect. The original Colonies had long coastlines, many fine natural harbors, and an abundance of the materials necessary for shipbuilding. They developed skillful sailors, shipbuilders, and adept traders. Their craft were seen on every ocean and in every port, and in return their country grew and prospered. The Colonies also developed new, faster, and more beautiful types of ships, such as the schooner and the clipper. They earned necessary foreign exchange by selling ships to other countries, and by the end of the 18th century American vessels carried most of the Nation's growing trade.

After the War of 1812, American shipping enjoyed 40 years of expansion, together with many improvements in shipbuilding and navigation techniques. During this time and before the establishment of transcontinental railroads, our mercantile fleet helped tie the Nation together by carrying goods and cargo from one coast to the other and made possible the rapid development of the rich Western areas of the country. The period of the flowering of our merchant marine was capped by the magnificient clipper ships capable of speed of 18 knots which exceeds that of many of today's cargo vessels.

Although the steamboat was the creation of the American inventor, Robert Fulton, it fell to the British to exploit this new means of propulsion and assume the leadership among maritime nations. They had the advantage of abundant coal close to the sea and adequate labor force which included skilled ironworkers. In addition, the talent and money of the adventuresome in the United States was being directed largely to building railroads and opening the vast area of the West.

The Civil War took a heavy toll of American shipping. Many vessels were damaged, sunk, or sold abroad, and following the war price increases and taxation limited efforts to stimulate the industry. The Government tried to help by granting contracts for carrying mail, or allowing the importation of materials used in shipbuilding tariff free. However, by the turn of the century, only one American trans-Atlantic line was in operation and our ships were carrying less than 10 percent of U.S. trade.

United States entry into the First World War created a tremendous demand for additional merchant ships, but most of the vessels built to meet this need were not delivered until after the war was over. Many of these ships were designed under emergency conditions and were not suited to peacetime use. The drop in merchant shipping associated with the worldwide depression in the 1930's brought the U.S. commercial fleet to unsatisfactorily low levels. In 1936, our merchant marine was fourth among the six top maritime nations in tonnage, sixth in vessels 10 years of age or less, and fifth in vessels with speeds of 12 knots or over.

The programs envisaged in the creation of the Merchant Marine Act of 1936 called for the construction of 500 new ships in the next 10 years. A new basic type of cargo ship was designed and the outstanding passenger liner, the U.S.S. *America*, was built as a result of this legislation. The Second World War created unprecedented challenges for our maritime industry. The technical skills and industrial capacity were equal to this task, and between 1942 and 1945 the staggering total of 5,592 merchant ships were built. This new merchant fleet carried millions of men and vast quantities of supplies to the war fronts, and on their return voyages brought back needed raw materials for the war effort and items required to maintain the civilian economy.

As in previous periods in U.S. history, the end of the need brought about by hostilities saw a contraction in the size and importance of the merchant marine. A large percentage of the cargo vessels constructed during the war emergency were either sold or retired to a reserve fleet status. By the beginning of 1951, 1,956 ships had been sold; 343 to American-flag operators and 1,113 to foreign-flag operators.

The decline from the pinnacle, where the merchant fleet under control of the War Shipping Administration carried four-fifths of the supplies for the entire war effort, is well illustrated by reference to the following statistics for the years 1951 through 1965.

In this period the world fleet increased by over 62 percent while the U.S. privately owned fleet went down by over 26 percent. The world fleet total aggregate deadweight tonnage increased by 156 percent, while the U.S. fleet decreased by 2.7 percent. Passenger combination ships declined in number in practically every country, however, the world fleet decreased by only 1.1 percent while the U.S. privately owned fleet was reduced by 41.4 percent. Freighters rose by over 51 percent on a worldwide basis, but the United States showed a drop during the same period of over 17 percent. The world tanker fleet went up by 64.7 percent in number while the U.S. tanker fleet showed a decrease of 38.3 percent. The only classification in which the United States registered a gain was in bulk carriers yet here the U.S. increase was 11 percent in number as against a world increase of 295 percent.

Considering the U.S. fleet as a whole, including Government-owned and the National Defense Reserve Fleet for the same period, there was a drop of 34 percent in the number of ships and a decrease of 26 percent in total deadweight tonnage.

While the United States is less dependent upon its merchant marine than some countries, it does, nevertheless, make a major contribution to our economy. This Nation consumes about 50 percent of the world production of raw materials, a large percentage of which must be imported. Among the principal waterborne imports are 100 percent of the tin, 89 percent of the nickel, 84 percent of the bauxite and aluminum, 73 percent of the newsprint, 55 percent of the zinc, 34 percent of the copper and almost 100 percent of the rubber. In addition, ships bring in 50 percent of the sugar, 53 percent of the raw wool and 100 percent of the cocoa, coffee, and tea. One out of every 6 acres of land in the United States produces material for export—this includes all land, not just that devoted to agriculture—one out of every seven farmworkers produces for export, and one out of every 20 motor vehicles manufactured in the United States is exported by ship.

Figures of June 1965 reported the maritime industry generates $1.5 billion of GNP, and directly and indirectly employs 200,000 persons. During the nonstrike months of 1965, shipboard jobs averaged 47,160. In commercial shipyards capable of building oceangoing vessels the monthly average of production jobs was about 53,000. Approvimately 88,000 longshoremen are generally available for work; of these, scme 19,000 are classified as casual labor, and the rest represent the normal labor force.

In 1961 maritime industry employment was 104,000, including American steamship lines in domestic and foreign trade, and private ship construction and repair yards. Seagoing crews numbered 55,000, office workers 30,000, workers in private shipyards engaged in commercial ship construction or repair work 19,490. Wages paid to employees totaled more than $631 million; approximately $513 million to shipping fleet employees and $118 million to shipyard workers.

A survey conducted by the Department of Labor in 1963 indicated some 3.1 million American jobs were supported by exports and many others partly dependent on exports. Among the most important jobs were 1.3 million in manufacturing, 900,000 in farming, 200,000 in trade, 200,000 in transportation, 100,000 in mining, and 400,000 in other areas.

As a customer in 1961, the private commercial shipbuilding industry purchased $115 million of products for new ship construction. If other purchases and maintenance and repair work were included, the amount would be substantially increased.

In 1961, the 300 freighters and combination vessels of the 15 subsidized lines spent $22.2 million for food and grocery provisions, $15.3 million for fuel, and $26.5 million for repair expenses. All these expenditures provide a direct stimulus to the economy along with indirect benefits. In 1964, the seven passenger lines purchased U.S. food supplies and services for use on vessels amounting to $21 million.

Significant contributions to the economy also stem from taxpayments, both Federal and State, by the merchant marine industry. For 1961, the total direct taxes paid amounted to $63.6 million, with $60 million going to the Federal Government. The subsidized shipping companies reportedly pay about 26 percent of earnings as taxes.

The latest figures—1962—indicate that the merchant marine contributed $924 million toward reducing the balance-of-payments deficit. The 300 vessels of the subsidized fleet—about one-third of the total—contributed $526 million to the payments account in that year. This support would be considerably greater if a larger percentage of the U.S. foreign trade were carried in U.S.-flag vessels. A survey of worldwide operations of the flag lines showed that when U.S. cargo is routed to foreign-flag vessels, about 73 cents of every freight dollar goes outside the United States, and when routed to U.S. flags about 77 cents of every freight dollar is retained in the U.S. economy.

The economic penalty for having an inadequate merchant marine is seen in the payment of $100,000,000 to British shipowners for transporting U.S. troops during World War II. Dependence upon foreign-flag vessels has always proven expensive in the past, if in fact such ships were available. Vice Adm. John Sylvester stated in 1963:

> The interests of the United States are global, and emergencies may well arise wherein our interests would not be identical with those of our European allies.

It appears that we are now in one of those situations.

The Soviet Union is presenting an increasingly serious challenge to free world shipping and in particular to the declining role played by the U.S. merchant marine. The Soviets are outbuilding the United States on a 12-to-1 ratio in number of new merchant ships and 8 to 1 in tonnage. At this rate, the Soviets will excel the United States as a maritime power in a matter of years, and reach their announced goal of control of the sealanes of the world and domination of world trade. It is conceivable that with such a powerful economic weapon, ocean-freight rates of the future could be manipulated to eliminate free world shipping. The United States is the only country with the resources sufficient to challenge this Soviet domination.

The Russians have shown an acute awareness of the strategic value of their merchant navy in carrying out their political goals. For years the Soviet Union has been using its ships to export arms, strategic materials, volunteers, and technicians to such diverse trouble spots as New Guinea, Egypt, Indonesia, Algeria, Cuba, and Vietnam. The wide-ranging use of the sealanes by a large and active fleet would permit the Soviets to gain vital footholds with men and materials throughout the world. In addition, this country cannot allow itself to become dependent upon new and enlarged Russian fleets for sea transportation.

The commercial cargoes lost because regular trade route lines are busy with military orders cannot always be reacquired by the U.S. lines. It has been reported that between July and December 1965, a $16.5 million revenue loss was sustained because of the cancellation of sailings by ships on MSTS charter. This cargo was carried by foreign-flag lines and thus, in addition to the revenue loss, there was also a harmful effect on the U.S. balance of payments. This threat of permanent cargo loss to foreign-flag operators also creates a problem for tramp vessels which are now carrying military rather than commercial cargoes. During the Korean war, ocean transport was sufficient due to the large number of ships still available from World War II and which were not yet obsolete. Unfortunately, no reserve fleet is now available for a comparable emergency.

Vice Admiral Sylvester summarized this situation when he said:

> The ability to meet our anticipated military and civilian economy wartime needs must be insured to the maximum possible degree in peacetime by the ready availability of active, privately owned merchant ships employed in gainful ocean commerce. Only actively employed merchant ships can provide the rapid response required. Further, it is only the active merchant marine that will provide in peacetime the employment for skilled American seafarers in sufficient numbers to allow effective wartime personnel expansion of our maritime effort.

It is indeed ironic that the Soviet Union now appears to be embarking on a deliberate policy of maritime expansion which was first set forth by the famous American admiral and theoretician, Alfred Thayer Mahan. He pointed out that nations may rise or decline but never stand still, and that expansion—political, economic, and cultural—is the essence of national greatness. Mahan stressed that in order to support a program of expansion, a government must have access to accumulated wealth, and a large and flourishing foreign commerce is the surest means of accumulating wealth.

Mahan interpreted history as a continuing struggle for control of the sea and demonstrated that to compete successfully in the worldwide competition for markets, a nation must maintain a large merchant marine. In addition, he argued, such a maritime industry would itself contribute materially to a nation's wealth by sharing in carrying trade that would otherwise go to the ships of competing nations.

Drawing upon his historical scholarship, Admiral Mahan further points out in his writings that a strong navy is necessary to guarantee security to a nation's shipping and that a prosperous merchant marine is, at the same time, the backbone of its naval power. Such a maritime industry fostered a shield of defensive power behind which a people gain time in an emergency to develop its reserve to strength. In countries with a representative form of government, such a maritime industry could be depended upon to exert the political pressure and influence necessary to keep the navy at a high standard of strength and efficiency.

Although Mahan's interpretation of history does not envision the consequences of airpower or ballistic missiles, the fact remains that waterborne commerce is the primary means of intercontinental trade; and that in time of war, victory or defeat depends to the greatest extent on ocean carriers.

I am optimistic that this country, which is in the forefront of knowledge concerning the elements of efficient ocean trade, such as containerization, nuclear propulsion, and automated ship controls and cargo handling, and has the industrial capability to produce them as competitively as any other country, will be able to assemble them into an integrated program. Together with the elements of such a program, this country also has the added advantage of wide experience in the systems approach to modern technology.

In general terms, the systems analytical method is an organizational and conceptual framework that enables us to bring together on a large task many different skills and techniques, to keep track of progress, and to coordinate the various operations involved. Among the techniques usually employed are applied mathematics, computer services, interdisciplinary teams selected for specific tasks, and techniques of numerical and graphical presentation of the total assignment and all its parts. Developing a new system requires the defining of what is to be built, planning in advance, subdivision of the job into tasks, relating of the parts to the whole, a continuous testing of the parts, assembling them, and starting up the whole system.

Within the systems framework, I wish to point out some of the key elements which I believe will help insure the future success of a unified maritime transport plan.

NUCLEAR SUBMARINES

The state of our knowledge in the construction of underwater nuclear craft has advanced to the point where serious consideration should be given to the feasibility of employing such vessels as cargo carriers. Nuclear-powered submarines are capable of operating under any type of sea or weather conditions without fear of damage to either the vessel or its cargo. The normal impairments to surface ship operation such as fog, high seas, and tropical storms, have almost negligible effect upon submarines traveling in the tranquil depths of the ocean.

The Navy's nuclear submarines have demonstrated that it is possible to navigate under the polar ice cap, and cargo submarines could duplicate this feat thereby taking advantage of routes which are permanently blocked by ice or open only for short periods of time in the summer to surface vessels. Underwater craft can also operate with impunity on the shorter great circle routes, across which drifting ice poses a serious threat during certain times of the year to conventional ships.

CONTAINERIZATION

Starting with sailing vessels, the most common means of removing a ship's cargo was in bits and pieces; boxes and sacks in slings and nets. From this admittedly haphazard approach come the more effective method of strapping the goods on pallets which were handy to lift in or out of the ship's holds. A companion to the pallet was the forklift truck able to run on the decks of the ship and stowing the pallets after they were lowered through the hatchway. Pallets could be stowed on the pier in the same way, and could also be lifted onto trucks that were taking them to their destination. Empty pallets were easy to return, since they were flat and did not take much room.

However, the use of pallets does not approach the container as an efficient and economical factor in a cargo-handling system. Significant savings in time, insurance, pilferage, and handling costs result from the use of containers, and this in turn has led to lower freight rates. One of the greatest advantages of containerization is that cargo goes from the shipper to the recipient on a single bill of lading without the goods being touched. Crated for overseas shipment is becoming archaic. Items for ocean shipment from the United States are packed in cardboard cartons at the point of origin, placed in containers, and the next time they see the light of day is at the receiving room of the customer. The opportunities for pilferage, loss, and damage, as well as the expenses of repacking and handling, are greatly reduced.

In spite of the fact that containers must be purchased or rented by the carrier and he must either go into the trucking business or recommend one to the shipper so he can provide a single bill of lading, the carrier's ships can be utilized much more. Ships represent the carriers' largest capital investment, and as now operated they spend half their time in port where they earn nothing for their owners. Container ships will cut dockside time very substantially.

While containers are not absolutely pilfer-proof, they do result in lower insurance costs. It is difficult to break into and steal something from a container, there is less handling of the goods, and they arrive at the destination in better condition in spite of the fact that no expensive overseas crating is required. With containerizaton, it is the container which takes the bumps and scratches and not the goods.

It should be recognized that while containers are adaptable for packaged goods, they are also suitable for dry-bulk items such as feed, caustic soda, phosphates and other chemicals and eliminate the need for bags and similar packaging. The liquid-tank container gives the convenience and economy of shipping relatively small quantities of liquids, which were previously available only in a vessel's deep tanks. The container eliminates the need for drums or carboys in the shipment of fluids such as ink, lube oils and tallow.

A properly planned shipment of goods by container will result in a further saving to the shipper by reducing goods tied up in inventory. In the modern and efficient container port, the time elapsed between arrival of the goods on the pier and when they are deposited in the ship's hold is usually only a matter of hours. This shorter turn-around time of the ship means that the container will be on its way faster, and likewise will arrive at its destination sooner. More savings will accrue to the shipper as a result of speeded-up deliveries. The container, mounted on a truck chassis, goes from door to door, and the freight rate per ton is less than if the goods were trucked conventionally, thus giving some savings in domestic transportation.

One of the most interesting and encouraging results of containerization is the effect which it will have on the price of imported goods in all countries. It should make the cost of goods the United States sells abroad cheaper, as well as bringing down the ultimate cost of goods imported into the United States. While some American products have never been competitive in Europe, others have needed only a small price difference to capture a portion of the European market. Containerization will make this difference and the manufacturers of these items will find a whole new market.

It is important to emphasize some of the significant advantages which will accrue to our labor force as the result of the introduction and growth of containerization. Financially, workers on both coasts have already benefited substantially from container use. West coast dock workers have been granted higher wages and pensions in return for their cooperation in the unlimited development of containerization. The first guaranteed annual wage in waterfront history, in addition to increased pensions, was given to Port of New York longshoremen in return for cooperation in the increased use of containers.

No substantial number of regular longshoremen have lost their jobs as the result of the introduction of containerization. In fact, quite the opposite is true; because where this type of operation has been introduced, regular dockworkers have been able to expect a higher degree of consistent employment. The use of containers has also created new types of related jobs, such as the maneuvering of containers in marshaling areas.

Perhaps the greatest benefit to dockworkers has been the additional safety which containers provide dockworkers. Loading and offloading of ships has long been recognized as one of the most hazardous occupations. In the past longshoremen have been killed or seriously injured by loose packages falling from slings in breakbulk operations. Obviously, when goods are shipped by container this danger is greatly reduced and the whole working environment is given an additional climate of security.

AUTOMATION

Automation should benefit the U.S. merchant marine more than any other in the world. Our technological knowhow and industrial capacity is capable of keeping the added costs of automation comparable to those of other competing advanced nations, while the resulting savings in wage and accommodation costs should be much greater. High wages are economically justifiable through the maintenance of high productivity. Therefore, those interested in the long-term welfare of our merchant seamen should do all they can to encourage the shift from a labor-intensive to a capital-intensive U.S. merchant marine. Even though ship crews may be smaller with the application of automation, an enlarged and revitalized nuclear merchant marine could more than make up for this loss.

In addition, the jobs available will be more challenging, the working and living conditions more amenable, and the compensation higher.

MANPOWER

Currently, there is a serious shortage of trained maritime personnel. Evidence of this is shown by the fact that the Coast Guard was requested to issue manning waivers for 244 vessel sailings in the period June 1 through August 15, 1966. It has been estimated that to maintain our current merchant fleet under normal conditions will require a yearly increase of approximately 1,000 officers. However, the Merchant Marine Academy and the State maritime schools graduated less than 525 officers in 1967, and not all of these men will follow maritime careers.

This shortage has caused numerous delays in ship sailings and a resulting serious economic loss. What is even more important than the economic loss has been the fact that many of these ships were destined for Vietnam with supplies for our war effort there.

Specific immediate proposals which I hope will be adopted include:

First. Short-term training programs.

Second. Early graduation of the Merchant Marine Academies.

Third. Improvement of morale items to attract additional men to the Vietnam sealift service.

Fourth. Action by Government agencies to accelerate examination and clearance of additional men for jobs aboard ship.

It is my intention that the studies leading to the development of an integrated total marine transport system, as provided in this bill, shall include a thorough consideration of the needs for manpower training and retraining. I believe that such a system will ultimately lead to more better paying and safer jobs in the merchant marine and related segments of the transportation industry. However, in establishing a total marine transport system, certain job dislocations are bound to result, and as part of the systems analytical approach precise plans must be drawn to prepare our transportation employees for the more challenging jobs which will result.

I am hopeful that manpower training for a nuclear-propelled merchant marine combined with the impetus of a revitalized, vigorous, and modernized merchant fleet, will attract able young men in sufficient quantities to overcome the shortage of necessary personnel in the future.

NUCLEAR PROPULSION

At present we are only on the threshold of appreciating the full potential of the atom as a source of energy, but even at this early date the advantages of applying nuclear power to ship propulsion are enormous. The more outstanding of these are:

First. Nuclear energy frees us from our dependence upon fossil fuel. Eventually the supply of these fuels will be exhausted and substitutes must be found.

Second. The weight and volume of fuel in a nuclear ship is fixed, and all of the remaining open space onboard is always available for cargo.

Third. Refueling is required only every 3 years. This not only saves in-port time, it improves our balance-of-payments situation through the fact that purchases of fuel in foreign ports is no longer required.

Fourth. Nuclear power and extremely high speeds can be developed without regard to the weight and volume of fuel consumed.

Fifth. A nuclear powerplant requires less maintenance and provides greatly increased availability and reliability.

Sixth. There are no soot or stack gases from a nuclear plant. This means a much cleaner ship, and consequently less routine hull maintenance and upkeep.

Seventh. There is no chance that combustion smoke or gases will foul the airconditioning or ventilation systems of a nuclear ship.

Eighth. The absence of open fires in the boilers and of accumulated fuel vapors in the tanks or bilges greatly reduces the possibility of fire.

Ninth. A nuclear ship cannot foul rivers, bays, oceans, or beachfronts by the inadvertent or deliberate discharge of fuel oil or bilge deposits.

Tenth. Nuclear fuel will help in the protection of fish and wildlife. Sea birds and estuarine life cannot survive when impregnated with fuel oil and other wastes from conventional propulsion units.

Eleventh. Nuclear power will eliminate the need for tankers and underway replenishment of fuel and reduce the vulnerability to submarine attack.

Twelfth. The application of nuclear power will eventually eliminate the need to maintain fossil fuel depots around the world.

Thirteenth. Continuous high speed availability is limited only by the capacity of conventional turbines and gears.

NUCLEAR SHIP "SAVANNAH"

The construction of the nuclear ship *Savannah* was a bold and inspired venture which is increasingly proving its worth by providing the knowledge and experience necessary to develop what will probably be the principal source of marine power in the future. Partially as the result of what we have learned from the construction and operation of the *Savannah*, the United States has a clear lead in the application of atomic energy to the operation of ocean vessels. Because of sometimes conflicting reports on the accomplishments of the *Savannah*, I believe it is useful to list below its major achievements to date. The NS *Savannah* has—

First. Demonstrated that a nuclear merchant ship can operate safely and reliably in a regularly scheduled service.

Second. Demonstrated a favorable reaction on the part of shippers toward using nuclear transportation.

Third. Produced information that could lead to reduced cost of operation of any future nuclear ships.

Fourth. Added to the prestige of the United States through demonstrations of an advanced-type ship.

Fifth. Demonstrated to the world the sincerity of the U.S. efforts to use nuclear power for peaceful purposes.

Sixth. Kept maritime regulatory problems before the regulatory bodies and industry, thus stimulating efforts to establish optimum requirements which will be applicable to any future nuclear merchant ships.

The more important operational results obtained from the experience with the NS *Savannah* were:

First. Acceptance by foreign regulatory authorities. The problems which did arise concerned the extent of legal indemnification, rather than with ship reactor safety.

Second. The reactor and primary system have proven to be highly reliable. An availability of over 99.7 percent was shown for the nuclear plant during the time at sea for the initial year of operation. Certain modifications were made to increase reactor plant reliability and these have given an even higher plant availability at sea. Nuclear systems in general have shown a much higher availability than conventional steamplant systems.

Third. The ability to train and license seagoing engineering personnel within the short period of 6 months has been demonstrated, as well as the capability of these operating engineers to maintain and operate the plant successfully.

Fourth. Experience has shown that liquid waste disposal from waste-water storage tanks has produced extremely low levels of radioactivity. In 3 years of operation the *Savannah* has released a total of only about 1 curie of radioactive material; so little in fact that no dilution has been required.

Fifth. After 4 years of actual operation and 3 years of maneuvering at power, the core has shown no evidence of any fission product leakage or fuel dissipation. The low level of radioactivity in the liquid waste water is largely attributable to the favorable functioning of the core.

Sixth. Radiation experience has been shown to pose no serious problems. Film badge readings have shown essentially zero readings in the ship's living and working spaces located outside the containment vessel and a few controlled access areas. As a result it has been possible to reduce personnel monitoring requirements for the crews.

Seventh. In the operation of the ship, deck officers report that the nuclear powerplant responds more readily in maneuvering than do conventional sources of propulsion. The absence of normal stack waste has tended to reduce the need for painting and deck weather maintenance.

INTEGRATED TRANSPORTATION SYSTEM

The integrated transportation plan, envisioned by my bill, will be built around high-speed nuclear-powered cargo vessels designed exclusively to carry containers. This system will require the development of land facilities for the gathering of containers and cargo to put into containers, special machinery to load the containers onto ships, and related equipment. Such a plan represents a whole new approach to the preparation and shipping of goods on the high seas, and it is one of the purposes of my bill to study in depth the most efficient way this may be done. Some of the anticipated characteristics and advantages of a system based upon high-speed nuclear-propelled container ships are summarized below:

First. The use of an all-container, high-speed nuclear ship capable of maintaining a sea speed of 30 knots is feasible over a route of 7,000 miles round trip. It has the added advantage of glamour for attracting premium cargo.

Second. A 30-knot ship can effectively maintain a schedule of 26 voyages a year when supported by a terminal capable of a 36-hour turn-around. The design and construction of such a ship-terminal system is well within our industrial and technical capacity.

Third. The overall economic rationale for a nuclear ship operating to and from terminals designed specifically to support the ship and its cargo of containers is very encouraging. The initial construction costs of the ship are high, but the operating expenses, cargo-handling cost, and terminal allocations offset these other costs to make this alternative financially sound on the basis of cost per ton per mile of cargo.

Fourth. Although both the ship and the terminal will probably have some extra room at the beginning of service, they can be placed into service with the realization that as cargo is generated, the system will be flexible enough to handle it. This will also allow for variations in cargo volumes that could occur due to seasonal or cyclical conditions.

When publicized and adopted, however, such a system could generate cargo from manufacturers who are not presently engaged in export for various reasons and will attract much of the cargo that is costly or urgently needed away from the slower foreign carriers. This system will demand the opening up and exploitation of added opportunities for motor carriers, railroads, and the barges operating on the inland waterways in both the United States and in Europe.

From the theoretical and the factual evidence, therefore, end-to-end integration of all elements of a marine transport system would seem to provide the maximum profit environment. When marine shipping is integrated into an overall freight system and offers a high-speed, premium service to complement other modes of transportation, it will be able to compete with foreign shippers for its own share of expanding world trade.

I believe that the systems analytical approach combined with the application of nuclear-powered vessels, containerization, specially designed cargo consolidation and port facilities, and the other advanced developments of our technology offer a unique opportunity for the United States to compete successfully with the merchant navies of the world. Hopefully, once in operation, such a system will prove efficient and productive to the point where it will be able to pay back to the Treasury the initial planning and construction costs.

Mr. Speaker, the needs of our merchant marine are so pressing, and the economic advantages to be gained from an integrated marine transport system are so great, that action on this bill should be one of the first orders of business when the 90th Congress reconvenes in January.

Economic Opportunity Amendments of 1967

EXTENSION OF REMARKS

OF

HON. JOSEPH S. CLARK

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Friday, December 15, 1967

Mr. CLARK. Mr. President, this year's amendments to the Economic Opportunity Act are quite complex, and a number of colleagues have asked me questions about them which I think deserve to be answered on the record. I did not want to occupy the time of the Senate with these matters in the closing days of the session in view of the press of preadjournment business, but I would like to take an opportunity to do so under the general leave to extend.

One of the questions that has arisen is whether it is the intention of the legislation to convert the community action program from a local program to a State program. In my opinion there is no such intention in the amendments to title II. At two points in section 210, the bill recognizes that a State may become a community action agency or designate a public or private nonprofit agency as a community action agency, but this is no more than a recognition of what has always been true—a State may in some cases be an appropriate vehicle for community action. It has long been recognized, for example, that a single community action program should probably cover most, if not all, of Alaska. OEO may conclude that there are other cases of that sort, but it need not abandon its policy in favor of locally sponsored community action programs.

Section 210 defines a community action program as a program which is "community based and operated." It defines a community as including a "city, county, multicity, or multicounty unit, an Indian reservation, or a neighborhood or other area—irrespective of boundaries or political subdivisions—which provides a suitable organizational base and possesses the commonality of interest needed for a community action program." While the act does not exclude a State from the definition of community, neither does it specifically mention State as among the named areas. Thus, there is no suggestion that a State would ordinarily be encompassed within the term "community." As a normal matter, when a local community is able to conduct its own community action program itself or through an agency designated by the local government, those are the preferred routes.

If there were otherwise any doubt about this conclusion, it is nailed down by section 210(e) of the bill. That subsection permits the governing officials of a political subdivision to decline to be included in the community action program of a designated community action agency. The small political subdivision may then seek its own community action program. Thus, for example, if a Governor of a State attempted to run a statewide community action program, a State or county in the State would nevertheless have the clear right to stay out of that program and, if it satisfied the criteria laid down by the Director of OEO, have its own program. That, I think, makes it clear that the statute was not intended to change the community-based nature of community action.

Another question I have been asked relates to the requirement of one-third representation of public officials on community action boards and governing boards of community action agencies. The statute provides that one-third of the members of the board shall be public officials unless the number of such officials reasonably available or willing to serve is less than one-third of the membership of the board. It has been suggested that a case may arise in which some public officials decline to serve and in which those who choose to serve then claim the right to one-third of the seats. While I think we had best leave the details of specific situations to be worked out administratively, I do not think that such a mechanical interpretation of this section is required. It is certainly not intended that any member hold more than one seat or have more than one vote. If the public officials who choose not to serve are the governing officials of the county or of its largest city, I think it would be entirely reasonable to leave a number of seats vacant for them or to reduce the level of public representation.

Some of my colleagues have also expressed concern as to whether a State or political subdivision, by designating itself or a public agency as the community action agency, might make it impossible under some State laws or constitutions to continue using religious groups in the community action program. We are all aware of the magnificent contributions that churches and religious groups have made in the poverty program. There is nothing in this bill that threatens the continuance of that contribution. On the contrary, under section 210(a) of the bill, a community action agency is required to have the power and authority to perform the functions of community action agencies as set forth in section 212. Section 212 states that a community action agency must be empowered to transfer funds and delegate powers to other agencies, and that the power to transfer funds and delegate powers must include the power to make delegations in every case where this will contribute to efficiency and effectiveness. Thus, if a religious organization is the best qualified local organization to administer a particular component, the community action agency must have the power to delegate to that religious organization. Under the bill, the Director may not recognize as a community action agency an organization which lacks that power.

I have also been asked whether, under the new language governing comprehensive health services programs in section 222(a)(4), OEO may continue existing arrangements under which some programs pay part of the cost of medical care for needy families whose incomes are just above the usual title XIX or other eligibility guidelines of OEO for such programs. I think it is clear that such arrangements may be continued. The use of the phrase "low income" in defining the group to be served is not meant to require that any particular income figures be used. Where there are low-income families who can pay for part but not all of the medical care they need, there is no reason why they should not participate on the basis of paying part of the cost. Moreover, it is essential that these programs be able to perform their intake and provide needed services without first subjecting neighborhood residents to detailed income tests. The health services programs are target area programs and we all recognize that even in the poorest areas, family incomes vary a good deal. What can be done under present law can also be done under this bill, which is to set a scale for Federal assistance according to family income. At the top of this scale, people might pay all of the accountable costs of their services. In that case, of course, they might not be "low income" in the normal sense, but the program would be fully reimbursed for the cost of service to them. I would add that the trend to prepayment of these medical costs would also be covered, and that grant funds could be used to cover a portion of the prepayment in those cases where low-income families can bear part of the cost themselves.

Finally, I would like to clarify a matter relating to the payment of allotments to dependents of Job Corps men. The bill provides that enrollees shall not receive readjustment allowances unless they have served in the Corps for at least 90 days. It also provides that a portion of the readjustment allowance, not exceeding $25 per month, may be paid directly to an enrollee's dependent during his period of service. The Senate bill specifically authorized payments to dependents in cases in which enrollees had not yet served the required minimum period. The House bill, on the other hand, did not specifically mention the point. I would like to make it clear that the adoption of the House language was not meant to imply that dependents' allotments could not be paid during the first 90 days. On the contrary, it is my understanding that the House language prohibits only payments to enrollees who do not remain for 90 days, and does not prohibit the payment of an allotment to the dependent of an enrollee. This is how the House committee interpreted the language of the House bill, and I concur.

Year 1967 Massachusetts Congressional Redistricting

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. HOSMER. Mr. Speaker, during 1967 Massachusetts, California, and several other jurisdictions drew new congressional district lines. The former district had been held unconstitutional. Elections to Congress in 1968 will be based on the new districts.

States did not gain or lose congressional seats. Massachusetts still has 12 and California 38. But district boundaries were changed to equalize populations of the districts. At this point, however, the redistricting parallel between Massachusetts and California stops. In California lines were redrawn to help incumbents stay in office. In Massachusetts this was not necessarily the case.

Massachusetts' new Third District, now represented by Representative PHILIP J. PHILBIN, is a most dramatic example.

The city of Newton was shifted from the 10th District into the new Third District which was also changed radically in other respects. Approximately the southern half of the old Third District was cut away and attached elsewhere. Replacement territory was added to the new Third District, including not only Newton, but also the city of Waltham and the towns of Lincoln, Weston, Watertown, and Concord. The latter is a special interest to me since my family lived in Concord for generations.

Many eyes will be on Massachusetts' new Third District during the next election because of the redistricting's political implications. Representative PHILBIN will face the 1968 contest having lost about half of his old voters and having taken on approximately the same number of new ones. He has served in the Congress for 25 years and in recent years has had light opposition or none at all. Already it appears that in 1968 he will face opposition both in the Democratic primary and from a strong Republican opponent later.

Regarded as his most likely GOP opponent in 1968 is former veteran Congressman Laurence Curtis, of Newton. He represented Newton in Congress for 10 years, 1953–62, and left Congress only because the redistricting of 1962 obliterated his constituency as it then existed. At that time Newton was switched to the district represented by former GOP House Speaker Joseph W. Martin, Jr., because Massachusetts had lost two seats in the House due to population changes in the Nation.

Newton constitutes the largest block of votes in the new Third District. It is a key factor in appraising the situation because Mr. Curtis represented that area for 10 years and received heavy support there.

Having served in the Congress and having won reelection four times, he starts from a better position than most challengers for a seat in Congress.

As a candidate for Congress again Mr. Curtis also would have other factors working for him.

As a former member of the House Foreign Affairs Committee he is entitled to reappointment to that committee on return to Congress and thus to a particularly important post in wartime.

Besides having represented Newton previously, he campaigned extensively throughout the new Third District in his 1962 bid for the U.S. Senate after being redistricted out of Congress.

Also Mr. Curtis can point to experience and past performance rather than relying merely on promises to attract support. He made his start in elective office as a member of the Boston City Council. He served 10 years in both branches of the State legislature and for a term as Massachusetts State treasurer in addition to his decade in the House of Representatives.

Republicans and Democrats alike look forward to a real battle next fall for Representative from the new Third District. Republicans sense a good opportunity to turn over this seat from the Democratic column to their own.

A Factual Digest of Some of the Major Public Laws Resulting From Congressional Actions This Session

EXTENSION OF REMARKS
OF
Hon. EVERETT McKINLEY DIRKSEN
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Friday, December 15, 1967

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a factual digest of some of the major public laws resulting from congressional action this session.

There being no objection, the digest was ordered to be printed in the RECORD, as follows:

A FACTUAL DIGEST OF SOME OF THE MAJOR PUBLIC LAWS RESULTING FROM CONGRESSIONAL ACTIONS THIS SESSION

AGRICULTURE

Lease, sale, and transfer of tobacco acreage allotments and acre-poundage quotas

Public Law 90–51, approved July 7, 1967: This law (H.R. 8265) amended the Agricultural Adjustment Act of 1938, as amended, to authorize the transfer of tobacco acreage allotments and acreage-poundage quotas.

Removal of 5-acre limitation on lease and transfer of certain tobacco acreage allotments

Public Law 90–52, approved July 7, 1967: This law (H.R. 5702) amended the Agricultural Adjustment Act of 1938, as amended, to remove the 5-acre limitation on the amount of tobacco allotment acreage which may be leased.

Facilitating computation of tobacco acreage allotments

Public Law 90–106, approved October 12, 1967: This law (S. 1564) amended the marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, to facilitate the computation of tobacco acreage allotments by providing for conversion of the national marketing quota for tobacco into a national acreage allotment to be apportioned among farms. The law also provided for a maximum reserve of 1 percent for new farms.

APPROPRIATIONS

Department of Defense supplemental appropriation, fiscal 1967

Public Law 90–8, approved April 4, 1967: This law (H.R. 7123) made supplemental appropriations of $12,196,520,000 to the Department of Defense for continued support of military operations in Southeast Asia in fiscal 1967.

It provided additional funds for military personnel; operation and maintenance; procurement; research, development, test, and evaluation; military construction; and revolving and management funds.

Second supplemental appropriations, fiscal 1967

Public Law 90–21, approved May 29, 1967: This law (H.R. 9481) provided $2,197,931,417 in supplemental appropriations for the various departments and agencies. The largest items went for the Department of Defense, social security and welfare, and increased pay costs.

Interior Department appropriations, fiscal 1968

Public Law 90–28, approved June 24, 1967: This law (H.R. 9029) made appropriations of $1,399,048,350 (including $16,200,000 borrowing authority) for the Department of the Interior and related agencies for fiscal year 1968.

The Interior Department total was $892,781,350. For related agencies the total was $506,267,000, including funds for the Forest Service, the Public Health Service, the Indian Claims Commission, the National Capital Planning Commission, the National Capital Transportation Agency, and the National Foundation on the Arts and the Humanities.

Continuing appropriations, fiscal 1968

Public Law 90–38, approved June 30, 1967: This law (H.J. Res. 652) provided for financing continuing Government functions with respect to which annual appropriations bills had not been signed into law prior to August 31, 1967.

Treasury-Post Office Departments appropriations, fiscal 1968

Public Law 90–47, approved July 7, 1967: This law (H.R. 7501) made appropriations of $7,545,641,000 for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies for fiscal year 1968.

The Treasury Department total was $921,887,000. The Post Office Department total was $6,603,098,000. For the Executive Office of the President the total was $17,739,000, including the Emergency Fund for the President and expenses of management improvement. The total for independent agencies was $2,917,000, including funds for the Tax Court of the United States and the Advisory Commission on Intergovernmental Relations.

Legislative branch appropriations, fiscal 1968

Public Law 90–57, approved July 28, 1967: This law (H.R. 10368) made appropriations in the amount of $275,699,035 for the legislative branch for fiscal year 1968. The Senate total was $44,125,205; the House $80,368,670.

Other agencies for which appropriations were included in this law were the Library of Congress, the Office of the Architect of the Capitol, and the Government Printing Office.

Continuing appropriations, fiscal 1968

Public Law 90–75, approved August 29, 1967: This law (H.J. Res. 804) provided for financing continuing Government functions with respect to which annual appropriations bills had not been signed into law prior to September 30, 1967.

Defense Department appropriations, fiscal 1968

Public Law 90–96, approved September 29, 1967: This law (H.R. 10738) made total appropriations for the Defense Establishment of $69,936,620,000 for fiscal 1968. Of this appropriation, for all services, $21,781,500,000 was appropriated for Title I (Military Personnel); $19,034,520,000, for Title II (Operation and Maintenance); $22,000,800,000, for Title III (Procurement); $7,108,600,000 for Title IV (Research, Development, Test, and Evaluation); and $11,200,000 for Title V (Special Foreign Currency Program).

Continuing appropriations, fiscal 1968

Public Law 90–102, approved October 5, 1967: This law (H.J. Res. 853) provided for financing continuing Government functions with respect to which annual appropriations bills had not been signed into law prior to October 23, 1967.

Department of Transportation appropriapriations, fiscal 1968

Public Law 90–112, approved October 23, 1967: This law (H.R. 11456) made appropriations of $1,581,905,772 for the Department of Transportation for fiscal 1968.

Included in this total were funds for: Salaries, expenses, and research, $13,350,000; Coast Guard, $521,965,000; Federal Aviation Administration, $907,435,000; Federal Highway Administration, $119,111,772; Federal Railroad Administration, $16,044,000; and for other activities, $4,000,000.

Further, the total included, under Federal Highway Administration, $1.2 million for administrative expenses in carrying out the highway beautification program, and $21,034,000 in new funds for expenses to discharge the functions of the Secretary with respect to traffic and highway safety. The law also authorized expenditures from Highway Trust Fund of $3,770,872,000 for the Federal highway program.

Department of Agriculture and related agencies appropriations, fiscal 1968

Public Law 90–113, approved October 24, 1967: This law (H.R. 10509) made appropriations of $4,952,945,700 for the Department of Agriculture and related agencies for fiscal

1968. The total included $1,797,249,700 for general activities of the Department; $116,813,000 for REA and FHA; $3,038,708,000 for the Commodity Credit Corporation, the Federal Crop Insurance Corporation, Public Law 480, and bartered materials for the supplemental stockpile; and $175,000 for related agencies.

The total of funds available for the Food Stamp Program was $185,000.

The total loan authorization under REA for electrification and telephone was $434,600,000. The total participation sales authorization under FHA was $750,000,000. The total loan authorization under REA and FHA was $859,600,000.

Independent offices and Department of Housing and Urban Development appropriations, fiscal 1968

Public Law 90–121, approved November 3, 1967: This law (H.R. 9960) made total appropriations of $10,139,473,900 for the Department of Housing and Urban Development and the various independent offices, of which $1,948,000,000 was for HUD and $8,036,354,900 for independent offices of Government. Provision was made for a $10 million annual contract authorization for the controversial rent supplement program under HUD.

The appropriations for independent offices included funds for: Civil Aeronautics Board, Civil Service Commission, Federal Communications Commission, Federal Power Commission, Federal Trade Commission, General Services Administration, Interstate Commerce Commission, National Capital Housing Authority, National Science Foundation, Renegotiation Board, Securities and Exchange Commission, Selective Service System, and Veterans' Administration.

Also included were funds for the Office of Science and Technology in the Executive Office of the President, Civil Defense in the Department of Defense, and emergency health activities in the Public Health Service. The law also contained a limitation on amounts of corporate funds that could be expended by the following agencies: Federal Home Loan Bank Board, Federal Savings and Loan Insurance Corporation, Department of Housing and Urban Development, Federal Housing Administration, and Federal National Mortgage Association.

National Aeronautics and Space Administration appropriations, fiscal 1968

Public Law 90–131, approved November 8, 1967: This law (H.R. 12474) made appropriations of $4,588,900,000 for the National Aeronautics and Space Administration for fiscal 1968, as follows: $3,925,000,000 for research and development; $35,900,000 for construction of facilities; and $628,000,000 for administrative operations. The law divided into 20 major categories all of NASA's research and development work. This represented the first time NASA funds were not included in the Independent Offices appropriation bill.

Labor-Health, Education, and Welfare Departments appropriations, fiscal 1968

Public Law 90–132, approved November 8, 1967: This law (H.R. 10196) made appropriations of $13,255,356,000 for the Departments of Labor and Health, Education, and Welfare, and related agencies for fiscal year 1968.

The Labor Department total was $625,524,000. The HEW total was $12,569,999,000, including funds for the National Institutes of Health ($1,178,924,000).

Among related agencies funded were the National Labor Relations Board, National Mediation Board, and the Railroad Retirement Board.

State-Justice-Commerce Departments appropriations, fiscal 1968

Public Law 90–133, approved November 8, 1967: This law (H.R. 10345) made appropriations of $2,169,012,500 for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for fiscal year 1968.

Of this appropriation, the State Department total was $385,667,400; the Justice Department, $417,623,000; the Commerce Department, $1,034,291,000; the judiciary, $93,947,100; the Commission on Civil Rights, $2,650,000; the Equal Employment Opportunity Commission, $6,500,000; and the U.S. Information Agency, $186,379,000.

District of Columbia appropriations, fiscal 1968

Public Law 90–134, approved November 13, 1967: This law (H.R. 8569) authorized the District of Columbia to spend out of District of Columbia funds $381,290,800 for fiscal 1968, set a total loan authorization of $79,200,000, and appropriated a total Federal payment out of general revenues of the Treasury of $67,478,200. The total of all funds available for fiscal 1968 was $500,954,300.

Public Works and Atomic Energy Commission appropriations, fiscal 1968

Public Law 90–147, approved November 20, 1967: This law (H.R. 11641) made appropriations of $4,689,938,000 for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, and the Water Resources Council, for the fiscal year ending June 30, 1968.

Of this total appropriation, the Defense Department total was $1,359,829,000; the Interior Department, $750,152,000; the Atomic Energy Commission, $2,509,133,000; and independent offices, $70,824,000.

Continuing appropriations, fiscal 1968

Public Law 90–162, approved November 28, 1967: This law (H.J. Res. 936) provided for financing continuing Government functions with respect to which annual appropriation bills had not been signed into law prior to December 2, 1967.

Appropriations for military construction, fiscal 1968

Public Law 90–180, approved December 8, 1967: This law (H.R. 13606) made appropriations of $2,093,362,000 for construction at military installations in the United States and abroad, including $671,271,000 for military family housing projects, for fiscal 1968.

ATOMIC ENERGY

Atomic Energy Commission appropriation authorization, fiscal 1968

Public Law 90–56, approved July 26, 1967: This law (H.R. 10918) authorized appropriation of $2,633,876,000 for fiscal 1968 for the Atomic Energy Commission. For operating expenses, $2,164,843,000 was authorized, and for plant and capital equipment, $469,033,000.

Amendment of Atomic Energy Acts

Public Law 90–190, approved December 14, 1967: This law (S. 2644), among other things, amended the Atomic Energy Community Act of 1955, as amended, by revising the system of priorities applicable to the sale of apartment houses at Los Alamos, N. Mex., by requiring the Atomic Energy Commission to continue to make assistance payments to the Cities of Oak Ridge, Tenn., and Richland, Wash., and to the Richland School District, and to state more explicitly the criteria for making such payments. The law provided that all appropriations must be authorized previously by Congress.

The law also amended the Atomic Energy Act of 1954, as amended, to give the Director of the AEC's Division of Military Application the new title of Assistant General Manager for Military Application, to provide certain additional authority for the AEC to perform research for others pertaining to the protection of public health and safety, to eliminate the requirement for determinations by the President of the quantities of special nuclear material to be produced and the amounts to be available for distribution by the AEC.

It also amended the Euratom Cooperation Act of 1958, as amended, to authorize the transfer of an additional 145,000 kilograms of contained uranium 235 to the European Atomic Energy Community, to authorize the transfer of an additional 1,000 kilograms of plutonium to Euratom, and to authorize the AEC to perform uranium enrichment services for Euratom.

CIVIL RIGHTS

National Advisory Commission on Civil Disorders, subpena power

Public Law 90–61; approved August 2, 1967: This law (S.J. Res. 98) authorized the National Advisory Commission on Civil Disorders to compel the attendance and testimony of witnesses and to the production of evidence.

Extension of the U.S. Civil Rights Commission

Public Law 90–198; approved December 14, 1967: This law (H.R. 10805) extended the life of the Civil Rights Commission and authorized appropriations for fiscal 1968, and for each of the four succeeding fiscal years, $2,650,000 for each such fiscal year.

EDUCATION

Amendment and extension of Higher Education Act

Pubic Law 90–35, approved June 29, 1967: This law (H.R. 10943) extended through fiscal 1970 and amended title V of the Higher Education Act of 1965 involving the Teacher Corps program and a program of graduate fellowships for elementary and secondary schools. The law also established a National Advisory Council on Education Professions Development and four new programs (to begin in fiscal 1969) which would provide (1) grants and contracts for the purpose of attracting qualified persons to the field of education; (2) grants to local educational agencies experiencing critical shortages of teachers to carry out programs to attract and qualify teachers and teacher aides; (3) grants and contracts to provide advanced training and retraining (preservice and inservice training) for personnel serving in programs of elementary and secondary education; and (4) fellowships, taineeships, institutes, and preservice and inservice training for personnel serving as teachers, administrators, or educational specialists in colleges and universities.

Major changes in the Teacher Corps program would make it a local program designed and carried out by local authority to meet local needs. State educational agency approval of the local educational agency's request for Corps members would be required.

The total authorization for fiscal 1968 was $33,100,000; for 1969, $385,200,000; and for 1970, $492,200,000.

Amendment of college work-study program of Economic Opportunity Act of 1964

Public Law 90–82, approved September 6, 1967: This law (H.R. 11945) amended section 124(d) of the Economic Opportunity Act of 1964 (1) to make the college work-study program more flexible as to the maximum number of hours students may work in a week (15) by permitting averaging over a semester, and (2) to limit the increase on the non-Federal share of compensation paid students (from 10 percent to 25 percent) by substituting an increase of 5 percent a year from August 20, 1967, until the 25 percent maximum is reached.

Vocational Rehabilitation Amendments of 1967

Public Law 90–99, approved October 3, 1967: This law (H.R. 12257) amended the Vocational Rehabilitation Act to (1) extend through fiscal years 1969 and 1970 the appropriation authorization for grants to States for the basic program of vocational rehabilitation services for handicapped individuals; (2) authorize 1 additional year of appropriations for support of statewide planning in vocational rehabilitation by the States, through June 30, 1968; (3) authorize the Secretary to enter into an agreement with a public or nonprofit private agency or organization for the establishment and operation of a National Center for Deaf-Blind Youths and Adults; (4) authorize a program of project grants to States for providing vocational rehabilitation services to handicapped migratory agricultural workers and their families; (5) require that vocational rehabilitation services be provided by State vocational rehabilitation agencies without regard to the place of residence of the individual; and (6) provided a fixed allotment percentage for the District of Columbia. The law authorized $500 million for fiscal 1969 and $600 million in fiscal 1970.

FINANCE AND TAXATION

Temporary increase in public debt limit

Public Law 90–3, approved March 2, 1967: This law (H.R. 4573) provided a temporary debt limit of $336 billion for the period from the date of enactment to June 30, 1967. The temporary debt limit for fiscal 1967 was $330 billion. (The debt ceiling under permanent law is $285 billion.)

Investment tax credit and accelerated depreciation restoration

Public Law 90–26, approved June 13, 1967: This law (H.R. 6950) restored the investment tax credit and the use of accelerated depreciation with respect to certain real property (which had been suspended for the period from October 10, 1966, through December 31, 1967), effective after March 9, 1967. The new limitation on the amount of investment credit was 50 percent, rather than 25 percent of tax liabilities in excess of $25,000. Property ordered during the suspension period, but delivered on or after May 24, would be eligible for the investment credit.

The law extended the investment credit to certain aircraft operating outside the United States (so-called Vietnam airlift amendment).

The law also provided that, under the Presidential Election Campaign Fund Act of 1966, funds could be appropriated and disbursed only after adoption by law of guidelines governing their distribution.

Silver certificates

Public Law 90–29, approved June 24, 1967: This law (S. 1352) authorized the Secretary of the Treasury to write off silver certificates he determines have been destroyed, irretrivably lost, or held in collections; required holders wishing to convert certificates to silver to do so within 1 year; required maintenance of an adequate supply of silver for defense purposes; and permitted the reintroduction of mint marks. The purpose of the law was to assure an adequate supply of coins to meet the needs of the economy during the remaining stages of the transition from silver coins to the new clad coins pursuant to the Coinage Act of 1965.

Public debt limit

Public Law 90–39, approved June 30, 1967: This law (H.R. 10867) increased the permanent public debt limit set forth in section 21 of the Second Liberty Bond Act from $285 billion to $358 billion, effective July 1, 1967. Beginning fiscal 1969, this debt limitation would be increased temporarily by $7 billion during the course of each fiscal year, but the debt limit will fall back to the permanent $358 billion limit on the last day (June 30) of each fiscal year.

The law also (1) brought participation certificates issued in fiscal 1968 into the determination of debt subject to the limitation, and (2) amended existing law to provide for issuance of notes with maturities up to 7 years (rather than 5 years) outside the 4¼-percent limitation on interest.

Temporary suspension of duties on metal scrap

Public Law 90–45, approved July 3, 1967: This law (H.R. 5615) amended the Tariff Schedules of the United States to continue for 2 years, to June 30, 1969, the existing suspension of duties on metal waste and scrap, unwrought metal and articles of metal (except copper scrap and waste copper articles).

Suspension of duties on certain forms of nickel

Public Law 90–48, approved July 7, 1967: This law (H.R. 3349) continued through September 30, 1967, the existing suspension of duties on ferronickel, unwrought nickel, and nickel powder.

Suspension of duty on manganese ore

Public Law 90–49, approved July 7, 1967: This law (H.R. 3652) continued through June 30, 1970, the existing suspension of duties on certain manganese ore (including ferruginous ore) and related products.

Payments in lieu of taxes with respect to certain real property

Public Law 90–50, approved July 7, 1967: This law (H.R. 4241) extended for 2 years (to December 31, 1968) the period for which payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments.

Interest equalization tax extension

Public Law 90–59, approved July 31, 1967: This law (H.R. 6098), among other things, extended the Interest Equalization Tax Act for 2 years, to July 31, 1969, increased the maximum tax rate from 15 to 22½ percent, and empowered the President to vary this rate from zero to 22½ percent on the basis of balance-of-payments considerations.

Existing law provided, in effect, for the equivalent of a 1 percentage point per annum increase in interest costs for foreigners who obtained capital from U.S. sources either through the sale of stock or through the sale of debt obligations with a maturity of 1 year or more.

The existing tax on foreign stock purchases by Americans was 15 percent of the actual value of the stock, and the rates of tax on debt obligations with maturities of 1 year or more varied from 1.05 percent of the obligations with the shortest maturity to 15 percent on those with a maturity of 28½ years of more. These rates provided as nearly as possible the equivalent of a 1 percentage point increase in interest costs.

The law also provided a new system for administering the tax in order to prevent evasion.

Antitrust laws exemptions

Public Law 90–62, approved August 9, 1967: This law (S. 1648) extended until June 30, 1969, the present law so as to continue the authority for granting exemptions from the antitrust laws to assist in safeguarding the balance-of-payments position of the United States.

Extension of authority for more flexible regulations of certain rates of interest

Public Law 90–87, approved September 21, 1967: This law (S. 1956) extended for 2 years the authority expiring September 21, 1967, for the financial regulatory agencies (the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board) to set interest rate ceilings on savings accounts, to require higher reserves for member banks, and to permit open market operations in direct or fully guaranteed obligations of any agency of the United States.

GOVERNMENT

Amendment of Indian Claims Commission Act

Public Law 90–9, approved April 10, 1967: This law (H.R. 2536) amended the Indian Claims Commission Act of 1946 to provide (1) for termination of the Commission at the end of 10 years from and after April 10, 1962 (5-year extension), (2) for expansion of the Commission from three to five members (the three present Commissioners to serve until June 30, 1968, unless previously reappointed by the President), and (3) for preparation by the Commission of a trial calendar setting a date not later than December 31, 1970, for trial of each pending claim.

Post Office Department 30-year-lease authority

Public Law 90–15, approved May 8, 1967: This law (S. 1039) extended the authority of the Postmaster General to enter into leases of real property for periods not exceeding 30 years under certain specified conditions.

Commission on Obscenity and Pornography

Public Law 90–100, approved October 3, 1967: This law (S. 188) created a Commission on Obscenity and Pornography consisting of 18 members having expert knowledge in the fields of obscenity and antisocial behavior appointed by the President. The Commission shall (1) analyze the laws pertaining to the control of obscenity and pornography; (2) ascertain the methods employed in the distribution of obscene and pornographic materials to explore the nature and volume of traffic in such materials; (3) study the effect of obscenity and pornography upon the public, particularly minors, and its relationship to crime and other antisocial behavior; (4) recommend such legislative, administrative, or other action necessary to regulate effectively the flow of such traffic, without interfering with constitutional rights; and (5) report to the President and the Congress no later than January 31, 1970.

Career status for certain temporary Government employees

Public Law 90–105, approved October 11, 1967: This law (S. 1320) provided for the acquisition of career status by certain temporary employees (TAPER appointments) of the Federal Government, plus those in the postal field service.

Security of the Capitol Buildings and Grounds

Public Law 90–108, approved October 19, 1967: This law (S. 2310) tightened the laws governing security of the Capitol Buildings and Grounds, plus all U.S. public buildings within the District of Columbia.

District of Columbia Federal payment and borrowing authority

Public Law 90–120, approved November 3, 1967: This law (H.R. 8718) increased the authorized annual Federal payment to the District of Columbia from $60 million to $70 million; increased the authorized D.C. borrowing authority to provide an estimated ceiling of $333.8 million in 1968, $363.9 million in 1969, and $392.3 million in 1970; and prohibited discrimination on grounds of residence, religion, race, color, or national origin in employment in the D.C. Government.

Obstruction of criminal investigations

Public Law 90–123, approved November 3, 1967: This law (S. 676) amended chapter 73, title 18, United States Code (relating to obstruction of the administration of justice), by adding a new section prohibiting the obstruction of Federal criminal investigations before a proceeding has been initiated before a Federal agency, or an inquiry or investigation by either House of the Congress or a congressional committee.

Public Broadcasting Act of 1967

Public Law 90–129, approved November 7, 1967: This law (S. 1160) amended the Communications Act of 1934 (a) by extending and improving its provisions relating to grants for construction of educational television broadcasting facilities and authorizing for this purpose appropriations of $10,500,000 for fiscal 1968, $12,500,000 for fiscal 1969, and $15,000,000 for fiscal 1970; (b) by authorizing assistance in the construction of noncommercial educational radio broadcasting facilities; (c) by establishing a nonprofit corporation (Corporation for Public Broadcasting) to assist in establishing innovative educational programs, to facilitate educational program availability, to aid the operation of educational broadcasting facilities, and authorizing for expenses $9 million for fiscal 1968; and (d) by authorizing a comprehensive study of instructional television and radio with appropriation authorization for expenses of not to exceed $500,000.

Extending the durction of copyright protection in certain cases

Public Law 90–141, approved November 16, 1967: This law (S.J. Res. 114) extended to December 31, 1968, the renewal term of any copyright subsisting on the date of approval of this legislation, or the term as extended by Public Law 87–668 or by Public Law 89–442 where such term would otherwise expire prior to December 31, 1968. This was the third such interim extension of copyright.

Modernization of Federal credit union loan and dividend procedures

Public Law 90–188, approved December 13, 1967: This law (S. 1085) amended the Federal Credit Union Act to modernize Federal credit union procedures to accord with present day lending practices. It permitted (1) the credit union committee to delegate lending authority to a loan officer, (2) the payment of quarterly dividends, and (3) crediting funds received during the first 10 days of a month for the entire month in computing dividends.

Relief of Dr. R. V. Samala and congressional redistricting

Public Law 90–196, approved December 14, 1967: This law (H.R. 2275), a private naturalization bill, was amended by adding a provision that all seats in the House of Representatives shall be filled by districts except that a State which is entitled to more than one representative and which has in all previous elections elected its representatives at large may elect its representatives at large to the 91st Congress (New Mexico and Hawaii).

INTERNATIONAL AFFAIRS

Emergency food assistance to India

Public Law 90–7, approved April 1, 1967: This law (H.J. Res. 267) expressed requested congressional support of the President's (administration) policy.

It approved the concepts of self-help, multilateral action, and comprehensive planning. It recommended that the United States provide up to an additional 3 million tons of food grains to India, at an estimated $190 million cost, and an additional $25 million of emergency food relief for distribution by American voluntary agencies.

Inter-American Development Bank Act Amendments of 1967

Public Law 90–88, approved September 22, 1967: This law (H.R. 9547) amended the Inter-American Development Bank Act to authorize a U.S. vote in favor of an increase of $1,200,000,000 in resources of the Fund for Special Operations and to authorize a U.S. payment of $900,000,000; to require the Secretary of the Treasury to propose establishment of a program of audit of the Bank; and to provide that the Comptroller General (1) provide assistance to the U.S. Executive Director in connection with such audit and reporting standards, and (2) periodically review audit reports and report thereon to the Secretary of the Treasury and Congress. The law also directed that in consideration of the U.S. balance-of-payments deficit any local cost financing with the funds so authorized be held to the minimum possible level and provided that the U.S. voting power disapprove any loan which might assist the recipient country directly or indirectly in acquiring sophisticated or heavy military equipment.

Foreign Assistance Act of 1967

Public Law 90–137, approved November 14, 1967: This law (S. 1872) authorized an aggregate appropriation of $2,674,614,000 for fiscal 1968 for the foreign aid program. The authorization for economic assistance was $2,164,614,000; for military assistance, $510 million. The authorization was limited to 1 year.

Among other things, the law limited development loans to 20 countries in any fiscal year; technical assistance to 40; and supporting assistance to 12. Military assistance was limited to 40 countries.

The law also provided a ceiling of $500 million for the Latin American housing program and a ceiling of $75 million on all military grants and sales to Latin America except training. A ceiling of $40 million was provided for military assistance to Africa.

Peace Corps Act amendments

Public Law 90–175, approved December 5, 1967: This law (S. 1031) amended the Peace Corps Act, as amended, to authorize an appropriation of $115,700,000 for Peace Corps activities in fiscal 1968.

LABOR

Railway labor-management dispute

Public Law 90–10, approved April 12, 1967: This law (S.J. Res. 65) extended the provisions of existing law prohibiting for a limited time strikes and changes in the work rules involved in the current dispute between railroad carriers represented by the National Railway Labor Conference and certain of their employees. The extension was for an additional 20 days (to May 3, 1967) to provide additional time after April 13, 1967, to resolve the issues through collective bargaining and avoid a shutdown of service on all major U.S. railroads.

Public Law 90–13, approved May 2, 1967: This law (H.J. Res. 543) further extended the provisions of existing law prohibiting for a limited time strikes and changes in the work rules involved in the current dispute between railroad carriers represented by the National Railway Labor Conference and certain of their employees. Public Law 90–10 had extended the time from April 13, 1967, to May 3, 1967, and this law extended the time to June 19, 1967, to resolve the issues through collective bargaining and avoid a shutdown of service on all major U.S. railroads.

Public Law 90–54, approved July 17, 1967: This law (S.J. Res. 81) provided for the settlement of the labor dispute between railroad carriers represented by the National Railway Labor Conference and certain of their employees. The law established a five-member Special Board (named by the President) to operate during a 90-day no-strike, no-lockout period to begin immediately upon enactment of the law.

During the first 30 days, the Board would undertake intensive mediation efforts with both sides in an effort to find a mutually agreed upon and satisfactory solution. In case of no agreement, beginning on the 31st day, the Board was authorized to hold hearings to study the equity of the proposals of the President's Special Mediation Panel of April 21, 1967.

If no agreement was reached by the 60th day, the Board would file its determination with Congress and the President, stating whether any modification of the Special Mediation Panel's proposals was deemed necessary to (1) be in the public interest, (2) achieve a fair and equitable settlement within the limits of the collective bargaining and mediation efforts in the current case, (3) protect the collective bargaining process, and (4) fulfill the purpose of the Railway Labor Act.

If no collective bargaining agreement was reached, on the 91st day the determination of the Special Board would take effect and become the collective bargaining agreement for such period, up to 2 years from January 1, 1967, as the Special Board shall state in its determination. Such determination would be considered as though it were a collective-bargaining agreement freely arrived at by the parties. Such determination would cease to have any force and effect upon the signing of a collective-bargaining agreement by the parties.

NATIONAL DEFENSE

Supplemental military procurement and construction authorizations, fiscal 1967

Public Law 90–5, approved March 16, 1967: This law (S. 665) authorized total supplemental appropriations of $4,548,200,000 for the Armed Forces for fiscal 1967 for (1) procurement of aircraft, missiles, and tracked combat vehicles ($3,788,700,000); (2) research, development, test, and evaluation ($135 million); and (3) military construction (not to exceed $624,500,000). (This authorization was required in support of our efforts in Southeast Asia.)

Authorization for aircraft, missiles, naval vessels, and tracked combat vehicles, fiscal 1968

Public Law 90–22, approved June 5, 1967: This law (S. 666) authorized appropriations for fiscal 1968 of $21,168,032,000 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and research, development, test, and evaluation for the Armed Forces. The authorization would also support procurement for the Vietnamese and other free world forces in Southeast Asia.

Coast Guard authorization, fiscal 1968

Public Law 90–37, approved June 30, 1967: This law (H.R. 5424) authorized appropriation of $165,014,000 to the Coast Guard for fiscal 1968 to procure vessels and aircraft and to construct shore and offshore establishments.

Military Selective Service Act of 1967

Public Law 90–40, approved June 30, 1967: This law (S. 1432) amended the Universal Military Training and Service Act making the following principal changes in the law: (1) changed the name of the law to Military Selective Service Act of 1967; (2) extended the law for 4 years—July 1, 1967, to July 1, 1971; (3) insured liability to draft for selectees who delay induction through litigation beyond age 26; (4) directed National Security Council to advise the Director of Selective Service on occupational and student deferments; (5) required an act of Congress for any change in the method of selecting inductees, such as FAIR or lottery system; (6) allowed enlistment in Reserve or National Guard up to day of induction; (7) subjected alien doctors and dentists to draft up to age 35, on same basis as U.S. doctors and dentists; (8) ended deferments for Public Health Service officers assigned to the Peace Corps, Food and Drug Administration, Department of Agriculture, and OEO; (9) required the President to continue undergraduate deferments until graduation or attainment of age 24, if work is satisfactory, unless needs of Armed Forces require curtailment or termination of such deferments. Authorized the President to grant graduate deferments for medical, dental, and certain essential subjects, and authorized limited occupational deferments for highly skilled persons who have completed graduate study.

Urged nationwide uniformity in classification criteria whenever practicable; (10) based test for conscientious objectors only on "religious training and belief" and did not include "essentially political, sociological, or philosophical views, or a merely personal moral code." Eliminated test of an individual's belief in a relationship to a Supreme Being, and the requirement for a hearing by the Department of Justice on appeal from a local board's denial of conscientious objector status; (11) allowed Reserve personnel not on active duty to act as appeal agent; (12) prevented judicial review of classification by local board except as defense to criminal prosecution; (13) gave precedence on both trial and appeal to cases arising under Military Selective Service Act; (14) required the Department of Justice to prosecute all cases recommended by Director, or advise Congress of reasons for not doing so; and (15) allowed call-up of individual Reservists not satisfactorily participating in, or assigned to, a Reserve unit, if full Reserve obligation is not discharged.

This law (1) expressed no opposition to the President's plan to reverse order of induction from age 26 to age 19; (2) recommended apprentice deferments in critical occupations on same basis as undergraduate deferments; (3) recommended retention of State quota system of meeting military manpower needs; and (4) expressed opposition to eliminating local boards.

Maritime Administration authorization

Public Law 90–81, approved September 5, 1967: This law (H.R. 158) amended section 209 of the Merchant Marine Act, 1936, to require specific authorization by Congress of funds for certain programs of the Maritime Administration.

Military construction authorization, fiscal 1968

Public Law 90–110, approved October 21, 1967: This law (H.R. 11722) authorized the Secretaries of Defense, the Army, the Navy, and the Air Force to establish or develop military installations and facilities by acquiring, constructing, or rehabilitating, permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, with total authorizations of $2,333,255,000, including deficiency authorizations of $29,963,000. Included also in this authorization was $750,225,000 for military family housing.

Allotments of pay and allowances of missing or captured members of the Armed Forces

Public Law 90–122, approved November 3, 1967: This law (H.R. 4772) authorized the Secretaries of the military departments to initiate allotments to the uniformed savings deposit program for members of the Armed Forces who have been captured or are missing in action. The President prescribed an interest rate of 10 percent annually compounded quarterly effective September 1, 1966.

Removing promotion restrictions on women in the Armed Forces

Public Law 90–130, approved November 8, 1967: This law (H.R. 5894) amended titles 10, 32, and 37 of the United States Code to remove the provisions that limit the career opportunities available to women officers in the Armed Forces so that on the basis of merit they may have the same promotion and career tenure opportunities as male officers in similar circumstances.

Reserve components of the Armed Forces

Public Law 90–168, approved December 4, 1967: This law (H.R. 2) provided certain statutory changes in the organizational and administrative structure of the Reserve components of the Armed Forces.

Among other things, the law (1) required an annual legislative authorization for the personnel and strength of the Selected Reserves prior to the annual appropriation; (2) required that each Secretary be responsible for the personnel, equipment, facilities, and logistic support necessary to satisfy training and mobilization requirements for the Ready Reserve; (3) created the position of Deputy Secretary of Defense for Reserve Affairs in the Office of the Assistant Secretary for Manpower and Reserve Affairs; (4) created in each of the three military departments an Assistant Secretary for all manpower matters, including Reserves, and increased the number of Assistant Secretaries in each Department; and (5) authorized the Air Force, until June 30, 1969, to exceed the statutory Reserve officer personnel ceilings in order to make unit promotions to the grades of major and lieutenant colonel in the organized units of the Air Reserve and Air National Guard.

NATIONAL ECONOMY

Amendment of Tariff Schedules Technical Amendments Act

Public Law 90–36, approved June 29, 1967: This law (H.R. 4880) not only extended the time within which certain requests may be filed under the Tariff Schedules Technical Amendments Act of 1965, but it also extended seven temporary welfare programs from July 1, 1967, to June 30, 1968. The most important of these programs was that providing aid to dependent children of unemployed parents, with an authorization of $115 million.

Small Business Act Amendments of 1967

Public Law 90–104, approved October 11, 1967: This law (S. 1862) amended the Small Business Administration's authorizing legislation by adding $650 million for the SBA's revolving fund; increased the maturity of regular business loans made for the purpose of constructing facilities from 10 to 15 years; permitted SBA to set up advisory boards and gave SBA permission to use the mails to send information about its programs; required each Small Business Investment Corporation (SBIC) operating under the act to have not less than $150,000 private capital and capital in an amount sufficient to assure sound and profitable operation, and active and prudent management; increased from 2 to 5 percent the maximum a bank could invest in an SBIC and provided the bank could not acquire 50 percent or more of the stock of an SBIC; set up new techniques for providing funds to SBIC's by SBA; provided incentives for SBICs to make more equity investments in small businesses; changed the method of computing the permissible amount which an SBIC can invest in a single small business, restricting this to 20 percent of the SBIC's private capital; required yearly SBA examinations of SBICs; required as part of SBA's annual report additional information regarding the actions of SBA, Treasury, Bureau of the Budget, and SEC on matters affecting SBICs; and authorized SBA to conduct a study to determine the best ways for small business to protect itself from criminal acts.

NATURAL RESOURCES

Water desalting plant in California

Public Law 90–18, approved May 19, 1967: This law (S. 270) authorized the Secretary of the Interior to participate in developing technology for a large-scale desalting plant for the Metropolitan Water District of Southern California, which plant would be part of a dual-purpose electrical power generation and desalting project in the southern California area.

Saline water conversion program amendment and authorization

Public Law 90–30, approved June 24, 1967: This law (H.R. 6133) authorized an increase in fiscal 1968 appropriations for the saline water conversion program to $105,782,000, plus such additional sums as the Congress may hereafter authorize and appropriate but not to exceed $169,218,000. The law also amended the Saline Water Conversion Act to authorize test plants and prototype plants; integrate the demonstration plant program into the regular research and development program; and require a detailed report on any test bed plant, module, or component costing more than $1 million to the Committees on Interior and Insular Affairs of the Senate and the House of Representatives.

Clean Air Act Amendments of 1967

Public Law 90–148, approved November 21, 1967: This law (S. 780) amended the Clean Air Act to authorize planning grants to air pollution control agencies, expand research provisions relating to fuels and vehicles, provide for interstate air pollution control agencies or commissions, and authorize the establishment of air quality standards.

The law authorized total appropriations of $428.3 million for fiscal 1968, 1969, and 1970. It authorized a total of $125 million for fiscal 1968 and 1969 for research into combustion byproducts of fuels. Operations authorizations were $74 million for fiscal 1968, $95 million for fiscal 1969, and $134.3 million for fiscal 1970.

Consenting to extension of the interstate oil and gas compact

Public Law 90–185, approved December 11, 1967: This law (S.J. Res. 35) gave the consent of the Congress to the extension and renewal, for a period of 2 years, from September 1, 1967, to September 1, 1969, of the Interstate Compact To Conserve Oil and Gas, originally signed in Dallas, Tex., on February 16, 1935. It also required the Attorney General of the United States to report on the operations of the compact not later than December 31, 1968.

PUBLIC WELFARE

Mental Health Amendments of 1967

Public Law 90–31, approved June 24, 1967: This law (H.R. 6431) amended the public health laws relating to mental health, with provision for Federal grants to assist in the construction of community mental health centers; extended the program for 3 additional years through fiscal 1970; and authorized appropriations of $50 million for fiscal 1968, $60 million for fiscal 1969, and $70 million for fiscal 1970.

The law also extended the program of matching grants to assist in staffing of community mental health centers for 2 additional years through fiscal 1970, and authorized appropriations of $30 million for fiscal 1968, $26 million for fiscal 1969, and $32 million for fiscal 1970.

The law also amended the Public Health Service Act by making Federal institutions eligible for project grants for research, training, or demonstration, on the same terms and conditions as applied to non-Federal institutions, effective July 1, 1968.

Older Americans Act Amendments of 1967

Public Law 90–42, approved July 1, 1967: This law (H.R. 10730) amended the Older Americans Act of 1965 and extended its grant provisions authorized under titles III (community planning, service, and training), IV (research and development projects), and V (training projects) through fiscal 1972.

The law authorized appropriations for the State grants program (title III) of $10,550,000 for fiscal 1968 and $16 million for fiscal 1969. For the 3 succeeding fiscal years, such sums would be appropriated as the Congress might hereafter authorize by law.

The law also authorized $6,400,000 for fiscal 1968 and $10 million for fiscal 1969 for the research, demonstration, and training grant programs (titles IV and V). Authorizations for fiscal 1970 through 1972 would be in such amounts as Congress hereafter authorized by law.

The law would raise State plan administration funds to 10 percent of their allotment under title III or $25,000, whichever was greater; made mandatory the reallotment of any funds available to a State which were not required for carrying out the State plan (if any) approved under the law; and provided for a study of the need for trained personnel in the field of aging and the Secretary of Health, Education, and Welfare would be authorized to undertake this study and to report to the President and to the Congress on or before March 31, 1968.

Food stamp program appropriations authorization

Public Law 90–91, approved September 27, 1967: This law (S. 953) amended the Food Stamp Act of 1964 to authorize appropriation of up to $200 million for fiscal 1968 and $225 million for fiscal 1969. The law also required that the act shall be carried out only with funds appropriated from the general fund of the Treasury for that specific purpose, and in no event with funds derived from permanent appropriations.

Appalachian Regional Development Act Amendments of 1967 and amendment of the Public Works and Economic Development Act of 1965

Public Law 90–103, approved October 11, 1967: This law (S. 602), in title I, revised and extended the Appalachian Regional Development Act of 1965 and, in title II, amended the Public Works and Economic Development Act of 1965. *Title I* (1) authorized appropriations of not to exceed $1,700,000 for administration of the Appalachian Regional Development Commission for 2-fiscal-year period, 1968 and 1969; (2) provided job status protection for Commission employees; (3) authorized a grant-in-aid program for construction of the development highway system and of local access roads, with authorization of appropriations of $715,000,000 for 4-fiscal-year period, 1968–1971; (4) authorized nonhighway grant programs, including (a) demonstration health projects, (b) land stabilization and conservation, (c) Appalachian hardwood research, (d) mining area restoration, (e) water resource survey, (f) assistance for planning and other preliminary expenses of proposed housing projects under section 221 of the National Housing Act, (g) vocational education, (h) sewage treatment, (i) supplemental grants-in-aid, (j) grants for administrative expenses of local development districts and research and development projects, and (k) authorized appropriations of $170,000,000 for 2-fiscal-year period 1968 and 1969 for these purposes (subject to a ceiling for each program). *Title II* of the bill amended title V of the Public Works and Economic Development Act of 1965 to authorize appropriation of $5,000,000 for fiscal 1968 and $10,000,000 for fiscal 1969 for supplemental grants-in-aid to assist States and other entities within eligible economic development regions to take maximum advantage of Federal grant-in-aid programs.

National Commission on Product Safety

Public Law 90–146, approved November 20, 1967: This law (S.J. Res. 33) established a seven-member National Commission on Product Safety, not more than four of whom may be members of the same political party, to review the scope, adequacy, and uniformity of existing voluntary industry self-regulation, and Federal, State, and local law relating to consumer protection against hazardous substances. The law authorized appropriation of not to exceed $2 million to carry out the provisions of the act.

Mental Retardation Amendments of 1967

Public Law 90–170, approved December 4, 1967: This law (H.R. 6430) amended to extend, expand, and improve the public health laws relating to mental retardation and authorized total appropriations of $281 million over a 3-year period through fiscal 1970.

Among other things, the law amended the Mental Retardation Facilities Construction Act to authorize appropriation of $10 million each for fiscal 1966, 1967, and 1968, and $20 million each for fiscal 1969 and 1970, for grants for the construction of university-affiliated mental retardation facilities.

It also amended the Mental Retardation Facilities Construction Act to authorize appropriation of $30 million each for fiscal 1968 and 1969, and $50 million for fiscal 1970, for grants for construction of community facilities for the mentally retarded.

The law extended existing law through fiscal 1970 for the training of teachers of handicapped children and authorized appropriation of $55 million for the program.

It also amended the Mental Retardation Facilities and Community Mental Health Center Construction Act of 1963, as amended, to authorize appropriations of $6 million over the 3-year period through fiscal 1970, to assist in training physical education teachers and recreation personnel for mentally retarded and other handicapped children, and to authorize appropriations of $4 million for grants to finance research and demonstration projects relative to physical education and recreation for handicapped children.

Partnership for Health Amendments of 1967

Public Law 90–174, approved December 5, 1967: This law (H.R. 6418) amended the Public Health Service Act to, among other things, (1) extend and expand the existing program of formula and project grants for comprehensive health planning and public health services; (2) consolidate and expand existing authorities in the Public Health Service Act for research and demonstration; (3) establish a new program for licensing clinical laboratories that solicit and receive specimens in interstate commerce; (4) extend and expand the existing program of grants for schools of public health; (5) authorize P.H.S. health care facilities to accept the uncompensated services of volunteers, cooperate in the interchange and sharing of scarce or highly specialized health resources, assist in community planning to meet health needs in the case of emergencies or disasters and provide health services to Federal employees at remote stations and to certain seamen trainees; (6) permit the use of not to exceed 1 percent of certain grant program funds for program evaluation purposes; (7) extend the existing contract authority of the Public Health Service Act; (8) amend the Hill-Burton Act to authorize the loan of not to exceed two-thirds of the additional costs for experimental hospital construction; (9) amend the Nurse Training Act to include nurse students as eligible for loan funds; and (10) authorize the Secretary of Health, Education, and Welfare to make a comprehensive survey of serious hunger and malnutrition and health problems related thereto in the United States.

Under the heading "Health Service Development Grants," section 314 (e) of the "Public Health Service Act" was amended by authorizing new appropriations ($20 million for 1968 and further sums thereafter) which could be used for rat control, in conformity with approved State plans.

The law authorized total appropriations of $589 million over the 3 fiscal years 1968–1970.

Flammable Fabrics Act Amendment of 1967

Public Law 90–189, approved December 14, 1967: This law (S. 1003), among other things, amended the Flammable Fabrics Act (1) to extend coverage to certain interior furnishings and to fabrics and related materials intended for use in articles of wearing apparel or interior furnishings, (2) to authorize the Secretary of Commerce to issue standards of flammability or regulations (including labeling) for such furnishings, fabrics, and materials, (3) to provide for the appointment of a National Advisory Committee for the Flammable Fabrics Act, (4) to authorize the Federal Trade Commission to provide for maintenance of records relating to matters subject to the act, (5) to provide for a more effective means of enforcement for imported goods, (6) to make clear the act would not apply to exported goods for foreign consumption, and (7) to supersede laws of States or political subdivisions which are inconsistent with provisions of the law.

The law also authorized appropriations of $1,500,000 for fiscal 1968 and $2,250,000 for each fiscal 1969 and 1970.

Federal Meat Inspection Act

Public Law 9–201, approved December 15, 1967: This law (H.R. 12144) amended the Meat Inspection Act, among other things, to broaden the present inspection program by establishing a Federal-State cooperative meat inspection arrangement under which the Federal Government would provide both personnel and financial assistance to State agencies; to provide for modernizing present meat inspection statutes as a single Federal Meat Inspection Act; to give the Department of Agriculure new authority to eliminate opportunities now present to defraud consumers and endanger the public health; to require annual reports on the administration of the imported meat provisions of the law; to permit the Secretary of Agriculture to grant exemptions in the unorganized territories from the application of the law; to use the term "at least equal to" to describe the standards which States must meet in order to qualify for Federal inspection to all intrastate operations under certain circumstances; and to require more detailed reports concerning the operation and administration of the law to be submitted annually to the Agriculture Committees of the Senate and the House.

PUBLIC WORKS

Additional authorization for certain river basin plans

Public Law 90–17, approved May 12, 1967: This law (H.R. 8363) provided increased authorization of $472 million total for prosecution of river basin plans for flood control and related purposes under the jurisdiction of the Secretary of the Army and the Chief of Engineers. Not to exceed $465 million of the total was authorized for the following: Alabama-Coosa River, Arkansas River, Brazos River, Central and Southern Florida, Columbia River, Missouri River, Ohio River, Ouachita River, San Juaquin River, South Platte River, Upper Mississippi River, West Branch Susquehanna River, and White River. The $7,000 balance would go for bank erosion control and setback levees on the Sacramento River, California.

San Felipe Division, Central Valley project, California

Public Law 90–72, approved August 27, 1967: This law (S. 1111) authorized the Secretary of the Interior to construct, operate, and maintain the San Felipe division, Central Valley project, California, under Federal reclamation laws, for irrigation and municipal and industrial water supplies, fish and wildlife, and recreation purposes. The law authorized appropriations of $92,380,000 for construction of the unit. It also authorized appropriations of such sums as may be required for operation and maintenance of the project.

Appropriation authorization increase, Missouri River Basin project

Public Law 90–89, approved September 22, 1967: This law (S. 1601) increased the appropriation authorization for continuing the going work on the Missouri River Basin project. The law increased the authorization of $60 million authorized in the act of July 19, 1966, for fiscal 1967 and 1968, by $8 million to continue work on the Tiber Dam of the Lower Marias unit and the Fort Thompson-Grand Island 345-kilovolt transmission line and transmission facilities.

Nebraska Midstate Division, Missouri River Basin project

Public Law 90–136; approved November 14, 1967: This law (H.R. 845) authorized the Secretary of the Interior to construct, operate, and maintain the Nebraska Mid-State division of the Missouri River Basin multiple-purpose project to provide irrigation and flood control benefits and outdoor recreation opportunities. The estimated cost at current price and wage levels was $106,135,000.

SOCIAL SECURITY

Medical Enrollment Act of 1967

Public Law 90–97; approved September 30, 1967: This law (H.R. 13026) provided that the general enrollment period in the supplementary medical insurance program under the medicare law, scheduled to begin October 1, 1967, and to end December 31, 1967, would be extended through March 31, 1968, and the current $3 per month premium rate would apply through March 1968. The new supplementary medical insurance premium rate would be announced prior to January 1, 1968, and would be effective for supplementary medical insurance purposes beginning April 1, 1968, and ending December 31, 1969. The enrollment of persons who disenroll prior to January 1, 1968, would terminate December 31, 1967. Persons who disenroll in the period January–March 1968 would have their enrollment period terminated March 31. Persons who enroll or reenroll during the general enrollment period would have their supplementary medical insurance coverage period begin July 1, 1968. If a person disenrolls and changes his mind in the October–December period or the January–March period, his coverage would not be affected. If a person disenrolls in the October–December period and changes his mind in the January–March period, he would have to reenroll and his coverage, which terminated December 31, would not resume until July 1, 1968.

SPACE AND AERONAUTICS

National Aeronautics and Space Administration appropriation authorization, fiscal 1968

Public Law 90–67, approved August 21, 1967: This law (S. 1296) authorized appropriations of $4,865,751,000 to the National Aeronautics and Space Administration as follows: (a) Research and development, $4,147,565,000; (b) construction of facilities, $69,980,000; and (c) administrative operations, $648,206,000. For the moon shot (Apollo) program, $2,521,500,000 was authorized.

TRANSPORTATION

Urban mass transportation program

Public Law 90–34, approved June 28, 1967: This law (H.J. Res. 601) amended the Urban Mass Transportation Act of 1964 to extend its emergency provisions to November 1, 1967.

Federal ship mortgage insurance

Public Law 90–183, approved December 10, 1967: This law (S. 2211) amended section 509 of the Merchant Marine Act of 1936 to increase the amount of Federal ship mortgage insurance available for passenger vessels of not less than 1,000 gross tons with a sustained speed capability of at least 8 knots operating on inland rivers and waterways.

TREATIES

Convention for the International Council for the Exploration of the Sea

Executive H, 89th Congress, second session, ratified March 1, 1967: The International Council for the Exploration of the Sea creates a commission to study fishery resources in the Atlantic Ocean, with particular emphasis on the North Atlantic.

Notes amending the convention on Great Lakes fisheries

Executive T, 89th Congress, second session, ratified March 1, 1967: Purpose of the Notes was to clarify a point in the Great Lakes Fisheries Convention between Canada and the United States.

International Convention for the Conservation of Atlantic Tunas

Executive U, 89th Congress, second session, ratified March 1, 1967: This international convention was designed to place fishing limitations on Atlantic tuna and to develop means of conserving this type of fish.

Inter-American Convention on Facilitation of International Waterborne Transportation

Executive Q, 89th Congress, second session, ratified March 1, 1967: Purpose of this convention was to simplify and standardize paperwork for vessels on international voyages.

Convention on Facilitation of International Maritime Traffic

Executive R, 89th Congress, second session, ratified March 1, 1967: The convention was designed to ease the burden of paperwork for vessels involved in international trade.

Customs convention on the temporary importation of professional equipment

Executive K, 89th Congress, second session, ratified March 1, 1967: Under this convention such professional materials as television and radio equipment, typewriters, movie cameras, and scientific devices could be imported duty free provided they were reexported within 6 months.

Customs convention on the ATA carnet for the temporary admission of goods

Executive L, 89th Congress, second session, ratified March 1, 1967: Professional materials imported temporarily under provisions of the customs convention on professional materials could be documented under this convention without the need for posting a bond, the administering body to be the U.S. Council of the International Chamber of Commerce.

Customs convention regarding ECS carnets for commercial samples

Executive M, 89th Congress, second session, ratified March 1, 1967: The U.S. Council of the International Chamber of Commerce would be the issuing authority for commercial samples and advertising material carnets under this convention.

Customs convention on containers

Executive J, 89th Congress, second session, ratified March 1, 1967: This convention provided for duty free temporary importation, usually for 3 months, of large containers used in international trade.

Customs convention on the international transport of goods under cover of TIR carnets

Executive N, 89th Congress, second session, ratified March 1, 1967: Containers used in international trade would be permitted under this convention to transit through a country without inspection.

Consular convention with the Soviet Union

Executive D, 88th Congress, second session, ratified March 16, 1967: Provisions for spelling out establishment of consulates in both countries were established by this convention. It also established rights, privileges, and immunities for consular officials stationed in each of the two countries.

Amendments to the International Convention for the Safety of Life at Sea

Executive E, 90th Congress, first session, ratified March 21, 1967: These amendments were to the 1960 Safety of Life at Sea convention and were designed to improve fire safety regulations on an international scale, particularly with reference to passenger vessels.

Convention on the Service Abroad of Judicial and Extrajudicial Documents

Executive C, 90th Congress, first session, ratified April 14, 1967: This convention provided for the service abroad of judicial and extrajudicial documents in all civil and commercial cases.

International Telecommunication Convention and Protocol

Executive O, 89th Congress, second session, ratified April 18, 1967: The convention brought up to date and modified provisions of the 1959 Geneva convention on international telecommunications and made new provisions for the composition, purpose, and structure of the International Telecommunications Union, first created by the Madrid conference of 1931.

Treaty on Outer Space

Executive D, 90th Congress, first session, ratified April 25, 1967: Purpose of this treaty was to provide general principles for the peaceful exploration and use of outer space. Under this treaty signatories agreed that exploration and use of outer space must be for the benefit of all mankind; it also prohibits claims of sovereignty over any celestial body by any nation, and prohibits establishment of military bases on celestial bodies and their use for military maneuvers.

Conventions on the international exchange of publications and documents

Executive C, 88th Congress, first session, ratified May 8, 1967: The treaty was designed to encourage the exchange of publications, both governmental and nongovernmental, and documents between the signatory governments.

United Nations Charter—Amendment to article 109

Executive A, 90th Congress, first session, ratified May 8, 1967: This is a corrective amendment to bring Article 109 of the U.N. charter into line with changes made in Security Council voting procedures by the amendments ratified by the Senate in 1965.

Convention on Narcotic Drugs

Executive G, 90th Congress, first session, ratified May 8, 1967: Limits on production, distribution, and sale of narcotic drugs are provided in this convention.

Partial revision of the radio regulations with additional protocol

Executive H, 90th Congress, first session, ratified August 2, 1967: This treaty revises the allocation of high frequency waves for use by the aeronautical mobile service.

Treaty of Amity and Economic Relations Between the United States and Thailand

Executive P, 89th Congress, second session, ratified September 11, 1967: This commercial treaty between the United States and Thailand contained in general the same terms as other commercial treaties entered into by the United States since World War II.

Consular convention with France

Executive I, 90th Congress, first session, ratified September 18, 1967: This convention terminated and replaced an earlier consular convention with France signed in 1953. The new convention brought the 1953 agreements up to date.

Supplementary Slavery Convention

Executive L, 88th Congress, first session, ratified November 2, 1967: Under a convention signed in 1926, to which the United States is a party, slavery itself was outlawed. The current supplementary contention extends the antislavery treaty to cover situations akin to slavery such as debt bondage, forced marriage, serfdom, exploitation of children, sale of women, transfer of widows as inherited property, etc.

Supplementary Income Tax Convention with Canada

Executive B, 90th Congress, first session, ratified November 2, 1967: Under the 1942 convention with Canada on income taxes third-country residents had been able to use

Canadian companies to avoid payment of United States taxes. This supplementary convention closed that loophole.

Income Tax Convention with Trinidad and Tobago

Executive F, 90th Congress, first session, ratified November 2, 1967: This was an interim convention and dealt only with the rate of withholding taxes on dividends.

Protocol to International Sugar Agreement

Executive K, 90th Congress, first session, ratified December 6, 1967: This protocol extended the administrative provisions of the International Sugar Agreement of 1958 from December 31, 1966, to December 31, 1968. This protocol did not affect prices or quotas.

Intergovernmental Maritime Consultative Organization—Amendments to article 28

Executive M, 90th Congress, first session, ratified December 11, 1967: This agreement increased the size of the IMCO maritime Safety Committee from 14 to 16 members.

VETERANS

Veterans' Pension and Readjustment Assistance Act of 1967

Public Law 90–77, approved August 31, 1967: This law (S. 16) increased and broadened pension and other benefits for veterans and their dependents, extended wartime rates of benefits for Vietnam veterans and their dependents, and increased readjustment assistance and educational and training allowances, with a total estimated first year cost of $285,603,000.

Congressman John Brademas Sends Newsletter on 1967 Session of Congress to People of Third Indiana District

EXTENSION OF REMARKS

OF

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. BRADEMAS. Mr. Speaker, by unanimous consent I am including my report to the people of the Third Indiana District on the legislative accomplishments of the first session of the 90th Congress.

The text of the report follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., December 1967.

DEAR FRIEND: As I begin my tenth year working as your Representative in Washington, I want to send you this report on the first session of the 90th Congress. It was one of the longest sessions in history, stretching from January 10 to December 15, or 340 days.

Although the record of this Congress so far falls short of the extraordinary productivity of the historic 89th, *during 1967 Congress did compile a respectable record of legislative achievement.*

This report to the people of the Third District summarizes the major actions of the first session. You will be hearing from me soon on how you can obtain more detailed reports on the most important laws Congress passed in 1967.

One more word as we begin a new year. . . . As Americans, our responsibilities are great but our opportunities are greater still—to help build a world of peace and justice and freedom. On this conviction, I believe the overwhelming majority of Americans agree. I hope, as I know you do, that 1968 will see, in Congress and in our country, solid progress toward these goals.

I count it a high honor—indeed, a privilege—*to work for you in Washington.* Please be sure to let me know if there is any way I can serve you better.

Cordially,

JOHN BRADEMAS,
Member of Congress.

INDIANA SHARES IN RECORD PROSPERITY

Indiana and the Third District continue to share in the longest period of prosperity the nation has ever known. The U.S. now has entered a record 83rd consecutive month of business expansion and economists say the boom is picking up still more momentum.

Some key indicators, based on mid-November 1967 figures:

Nationwide *unemployment* fell to 3.9% of the work force, *sharpest monthly drop in six years.* In the South Bend metropolitan area, the figure was lower still—only 2.8% of the labor force out of work.

U.S. employment climbed to 75.2 million, nearly 10 million more than the 1960 average.

Personal income increased to a *record annual rate* of $641 billion.

Industrial production made the sharpest monthly gain since 1964 and appears to be headed for a new high.

After-tax corporate profits rose from the first half of 1967 and the 1968 prospect for businessmen is bright.

Housing starts, on the rise since early 1967, went up again briskly in November.

President Johnson and Congress continue to be troubled, however, by problems, all inter-related, of inflation, balance of payments deficits and speculation in gold against the dollar.

Congress expressed this concern by insisting on a number of *cuts in government spending.* Specifically Congress wrote into law President Johnson's pledge to slash all "controllable" expenditures by 10% and payrolls by 2%. The result: spending cuts by Congress of $4.1 billion, including the $1.5 billion already lopped off several appropriations bills before they were sent to the President.

Chairman Wilbur Mills of the House Ways and Means Committee shelved the President's proposal for a tax hike last year but has promised that his committee will consider it this month.

Congress did restore the 7% tax credit for investment and fast depreciation write-offs both suspended over a year ago.

SPONSORS TWO MAJOR EDUCATION MEASURES

I sponsored two of the three major education bills Congress passed last year. One extends for two years the landmark Elementary and Education Secondary Act of 1965 and the other, a new Education Professions Development Act, aims at attracting more people to careers in education and providing better training for them.

The Elementary and Secondary Education Act Amendments of 1967, of which I was floor manager in the House debate, authorizes $9.3 billion over two years to finance a variety of programs to help elementary and secondary schools.

Some key changes the new law makes:

Allowing funds to be appropriated a year in advance of the year in which they are to be obligated, thus enabling hard-pressed local school officials to know how much Federal money they can count on when they make up their budgets.

Setting a floor on funds states receive for compensatory education programs for poor children, no state to receive less than it got in 1967.

Turning over to states 75% of funds in Fiscal 1969 and 100% in 1970 for programs to stimulate quality and innovation in education.

The measure also establishes several new programs: for handicapped children; for children of limited English-speaking ability; technical assistance to rural areas seeking Federal funds and demonstration projects to prevent dropouts.

The Education Professions Development Act coordinates a number of fragmented programs for training people for careers in education. It extends two measures I originally sponsored: the *Teacher Corps,* which brings young teachers to work with educationally disadvantaged children in urban and rural areas, and the program of *graduate fellowships for elementary and secondary school teachers.*

(NOTE.—*Teacher Corps interns are now teaching at Studebaker and Harrison Schools in South Bend. The University of Notre Dame is conducting several teacher institute and fellowship programs under the* Education Professions Development.)

The Public Broadcasting Act is the third major education bill Congress passed in 1967. It establishes a non-profit Corporation for Public Broadcasting and gives it $9 million to *strengthen noncommercial educational radio and television.* The bill also extends for three years a 1962 law which provided grants to build educational broadcasting facilities.

The top items on the Congressional education agenda this year will be: revising aid to college students and strengthening vocational training programs.

WAR ON POVERTY IS EXTENDED FOR 2 YEARS

Congressional approval of a two-year extension of the anti-poverty program was a *top victory* of the 1967 session. The bill was a major triumph for those who want to help the poor help themselves and bring new hope and new opportunity to millions of Americans who need better education, employment and living conditions.

The final measure continued the war on poverty largely intact, retaining programs now in operation in the Third District and throughout the nation. Some examples: Head Start, Neighborhood Youth Corps, Upward Bound, Legal Services, VISTA and aid to migrant workers.

One *major change* the new law provides is a larger role for elected local officials in running community action programs.

After considerable tugging and hauling, Congress appropriated $1.773 billion for the Office of Economic Opportunity for the current fiscal year.

Shortly after Congressional action on antipoverty funds, the OEO approved grants totaling $363,600 to continue South Bend's *Neighborhood Youth Corps* programs, which provide work experience, counselling and remedial education for several hundred in-school and out-of-school youth. Earlier OEO had awarded a $203,324 grant for programs administered by ACTION, Inc., the antipoverty agency in St. Joseph County.

Last summer Michigan City received $117,031 for a twelve-month *Head Start* program of training and services for 100 disadvantaged *pre-school* children.

MEAT INSPECTION APPROVED

Faced with clear evidence that dirty meat is being sold to American housewives, Congress overwhelmingly passed legislation requiring states to bring their meat inspection programs up to par with the strong Federal standards. If states fail, after two years, to do the job, the Federal government will inspect the states' plants processing meat sold in intrastate commerce. This year Congress may extend similar protection to poultry.

VIETNAM REMAINS THE MAJOR CONCERN OF THE NATION

The war in Vietnam continued to be the *overriding problem* facing the country. Congress voted a record $70 billion Fiscal 1968 defense appropriation bill, of which $20 billion was directly related to the war.

Nearly all Americans are agreed in wanting to bring the war to an end but have honest differences on the policy most likely to achieve this goal. On two points, however, I believe there is widespread agreement: 1) opposition to a unilateral withdrawal of American troops from Vietnam; and 2) continuing efforts to commence negotiations that will lead to an honorable and lasting peace.

Among major foreign policy actions by Congress during 1967:

Foreign Aid: reduced the program to $2.3 billion, nearly $1 billion below the Administration request and the lowest level in the 20-year history of the program.

Food to India: authorized up to 3 million more tons of U.S. grain for drought-stricken India.

Consular Treaty: Senate ratified agreement with Soviet Union on diplomatic rights.

Inter-American Development Bank: increased by $50 million the U.S. contribution to this fund for economic and social development projects.

Peace Corps: extended this highly effective program . . . to send 15,000 volunteers to 58 countries this year.

NOTABLE ADVANCES IN HEALTH CARE

The 90th Congress already has made significant advances in health legislation:

The Partnerships for Health Amendments provide $589 million over a three-year period for grants to the states for comprehensive health planning and services. The bill includes a $40 million program to eradicate rats, which was originally—and disgracefully—rejected by the House. The law also initiates a new program of Federal licensing of clinical laboratories dealing in interstate commerce.

I was glad to help win approval, under an earlier law, of an $85,000 two-year health planning grant from the U.S. Public Health Service to determine the need for health facilities and services in an eight-county area of northern Indiana. All Third District counties are included.

The Mental Retardation Amendments of 1967 extend programs for constructing facilities; authorize grants for staffing centers; extend for three years a program to train teachers of handicapped children, and start a new program for training teachers in physical education and recreation for the handicapped.

(NOTE.—In late November I was able to "unfreeze" a final $278,000 in Federal funds to clear the way for the Council of Retarded of St. Joseph County to start construction in South Bend of a $1.6 million comprehensive mental retardation center.)

(NOTE.—Saint Mary's College received grants of $18,000 last year for specialized training of teachers of mentally retarded and other handicapped children.)

With the *Air Quality Act of 1967,* Congress responded to the increasing hazard of air pollution.

Because dirty air respects no city, county or state boundaries, Congress authorized regional air pollution control commissions. Where they fail to act against polluters, the Federal government will have power to enforce air purity standards.

There will also be intensive research on pollution caused by fuel combustion to try to find the means to prevent fuel residues from fouling the air over our cities.

Thousands of handicapped and disabled persons will be trained to hold jobs under a bill I co-sponsored which extends and expands the *Vocational Rehabilitation Act.* The new law increases the number to be rehabilitated from 173,000 in 1966 to 278,000 in 1970.

The measure authorizes $500 million in fiscal 1969 and $600 in 1970 in grants to states for rehabilitation services and also establishes a new National Center for Deaf-Blind Youths and Adults.

SOCIAL SECURITY BENEFITS INCREASED FOR OLDER CITIZENS

Nearly 24 million Americans—about *50,000* of them *in the Third District*—will get one of the largest increases in social security benefits in history, beginning with the check they receive in March.

Congress made these improvements:

Increased benefits 13% across the board.

Raised the minimum monthly benefit from $44 to $55 for individuals and from $66 to $82.50 for couples.

Increased to $1,680 a year (from $1,500) the amount a person receiving social security benefits can earn at a job. I favored Indiana Senator Birch Bayh's proposal to *raise the earnings limit* still higher—to $2,400.

To finance these increased benefits, the wage base for social security taxes will go up from $6,600 to $7,800, and the payroll tax rate for both employers and employees rises to 4.8% in 1969 with later periodic increases to a top of 5.9% in 1987.

Congress passed two other measures important to older citizens. I cosponsored both:

The Older Americans Act of 1967 extends the original 1965 law for five years, provides for community projects related to the elderly. South Bend's REAL (Resources for Enriching Adult Living) program has been conducting a demonstration project for the elderly with a $38,683 grant under this law.

The Age Discrimination Act prohibits employers, employment agencies and labor unions from discriminatory practices in hiring, promotion, pay or union membership of workers between the ages of 40 and 65.

CONGRESSIONAL ACTION TO CONTROL CRIME

Congress enacted bills making it a Federal crime to obstruct Federal criminal investigations and establishing a Federal Judicial Center to improve judicial administration in Federal courts.

The House voted on the President's *major crime control proposal* but changed it considerably to provide for grants to the states rather than to communities, and to stress programs to deal with riots and with organized crime.

The House adopted an amendment I cosponsored which earmarks $30 million to *help local police prevent and control riots.* The Senate has not yet acted on the bill but I feel sure that crime control legislation will receive considerable attention during this session of Congress.

Here is what I told a state-wide conference of *Indiana Jaycees* last fall:

"Crime in America is a problem of vast proportions and the most serious implications for our state and nation.

"There are both hawks and doves on the subject of crime control.

"The more hawkish critics blast away at 'bleeding-heart liberals' and their alleged coddling of criminals. To them the accent in controlling crime is properly placed on punitive measures of arrest, detention and incarceration.

"The doves are at the other end of the spectrum. The more extreme among them see a disproportionately large part of the problem in terms of police brutality. While correctly underscoring the festering social conditions which breed crime, they pay little or no attention to the help which local and state law enforcement agencies very much need and deserve.

"We must find answers to the problem of crime in both camps . . . We should not lose sight of the fact that a great deal of juvenile crime is inextricably bound up with the problems of urban decay and the cruel pathology of the slums . . . At the same time, it is very clear that we must act now to strengthen the capacity of both local and state police forces to do a more effective job."

POSTAL RATES RISE, FEDERAL EMPLOYEES VOTED PAY HIKES

Congress approved legislation increasing postage on all classes of mail and granting pay raises to over 5.5 million Federal civilian employees and military personnel.

Postal rates: the hikes will produce some $900 million in new revenue annually when fully effective. Much of the money will go to *streamlining the U.S. postal service* which handles as much mail as all other nations combined.

This month cost of stamps for first-class letters went from 5 to 6 cents; postcards, 4 to 5 cents; airmail letters, from 8 to 10 cents. Rates also go up on other classes of mail.

Pay raises: Federal civilian employees' salaries rise 4.5%, postal workers, 6%; three million military personnel get an average 5.6% hike.

The legislation provides future automatic pay raises for servicemen to correspond to salary boosts for Federal civilian employees.

MICHIGAN CITY HARBOR PROJECT

Among the items in the 1967 Public Works Appropriation Act were $280,000 to continue *major rehabilitation* of the Michigan City harbor and $60,000 for operation and maintenance. Enough money has previously been set aside to complete a *navigation and flood control survey* of the St. Joseph River Basin in Indiana and Michigan.

MODEL CITIES FUNDS VOTED

Congress provided $312 million, only half the President's request, for the Model Cities program to *rebuild urban areas.* In November, 63 cities were awarded the first round of planning grants. Once they have decided on *coordinated programs* to attack problems like slum housing, poor schools and unemployment, these communities will share in $300 million earmarked for Model Cities aid.

The Mental Retardation Amendments of 1967

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. PHILBIN. Mr. Speaker, the first session of the 90th Congress has been highly productive in many fields, but I think of the many decisions which have been made on the floor of this House, one has not yet received the attention it deserves although it represents the unanimous strong support of this House of a most important and vital program.

I refer, Mr. Speaker, to H.R. 6430, now Public Law 90-31, the Mental Retardation Amendments of 1967, which extends the programs authorized by the Mental Retardation Facilities Construction Act of 1963 and which makes several important changes to make that program even more effective.

H.R. 6430 unanimously passed the House on September 20 and was approved by the Senate with changes on November 6. The measure finally cleared Congress on November 21 and was signed into law by the President on December 4.

When this legislation, which always has had my strong and active support, was first passed in 1963, it provided a significant increase in the funds available to public and voluntary groups for construction of new facilities for the mentally retarded. During the 4 years since the legislation was enacted we have witnessed great progress. A total of 12 research centers have been built with the assistance of $25 million in Federal funds. Some of these are already in operation, seeking the causes of mental retardation, working to develop methods for prevention, and searching for new techniques for the care and treatment of the retarded.

Since 1963, grants have been made to aid in the construction of 14 university-affiliated facilities, including two in Massachusetts. A total of $30,348,901 in Federal funds have been used for this purpose. These facilities offer a wide range of inpatient and outpatient services to the mentally retarded, as well as training programs to alleviate the acute shortages of professional and technical personnel required to care for the mentally retarded. In the 14 university-affiliated facilities, each year nearly 10,000 professionals—physicians, nurses, psychologists, speech therapists, educators—will receive training related to the prevention and treatment of mental retardation.

As I stated earlier, two such facilities have been constructed in my home State of Massachusetts. One of these is located at the Walter E. Fernald State School in Waltham, and the other at the Children's Hospital Medical Center in Boston. The Federal grant of $724,725 to the State school is helping to construct a community evaluation and rehabilitation center to provide programs for carrying out diagnostic and evaluation procedures and for training in medical specialities, special education, psychology, social work, nursing, and other disciplines. The $863,250 grant to the Children's Hospital will help build a child development research and evaluation center, to permit the hospital to expand its program so that it will service mentally retarded children not only in the immediate Boston area, but throughout much of New England as well.

The 1967 legislation authorizes the extension of this program through fiscal year 1970. It provides for increased authorizations of $10 million for fiscal year 1968, and $20 million each for the next 2 fiscal years. This will allow for the construction of many more university-affiliated facilities, so that each area of the country can benefit from this type of specialized service.

The third facility which has been built with Federal funds is the community mental retardation facility, designed to fill the gaps in available services at the State or local level. Since 1963, 167 construction projects for community facilities have been funded. The total construction cost of these facilities is $108 million. The Federal share is $31 million, and State and local funds have financed the remainder of the cost. An additional 23,543 children will be able to receive services, as these new centers become operational. Three grants have been made in the State of Massachusetts, two to the Hawthorne State School, and one to the Community Agencies Building, at Concord, so that their facilities and services may be expanded.

These Federal programs have encouraged State and local initiative in this area and have provided incentives through financial and technical assistance. A continuation of this program will enable more community centers to be built. The authorizations for this program are increased to $30 million each for fiscal years 1968 and 1969, and $50 million for fiscal year 1970.

An important new provision is added to this legislation, authorizing grants to be made for the initial operation of new facilities for the mentally retarded or for new services in existing facilities. The purpose of this program is to enable the new centers which have been constructed with the help of Federal funds to begin operation as soon as possible. It will also encourage existing facilities to initiate new services and programs which, due to lack of funds, they might not otherwise do. Federal funds will be used to supplement and increase the level of State, local, and other non-Federal funds for mental retardation services.

The Mental Retardation Amendments of 1967 provide for the continuation and expansion of another successful program, that of training teachers of handicapped children. Since 1959 this program has awarded 32,000 individual fellowships and traineeships, and has helped 245 colleges and universities develop curriculum in this area of teacher education. Nine institutions in Massachusetts receive grants for this program.

I fully support all of these programs, providing diagnostic treatment and educational services to the retarded.

Another area which deserves attention is that of physical education and recreation activities for mentally retarded and other handicapped children. Experts readily agree to the vital role of exercise, sports, and games in the growth and development of all children. However, recreational opportunities for the physically, emotionally, and mentally handicapped are usually lacking in most communities. Special programs and specially trained personnel are needed if such programs are to become a reality across the country. Over 200 colleges are now attempting to provide such training but are severely limited by lack of financial support.

The new law will enable colleges to establish training programs in the physical education and recreation for the retarded and handicapped through program development grants. It will also provide funds for traineeships and fellowships for personnel specializing in this field, summer study institutes and short-term courses to train those already working. A total of $10 million is authorized for this program, and for research and demonstration projects. Though this sum of money is modest, it should act to encourage further efforts at the State and local levels in this all important endeavor.

Mental retardation affects persons in all walks of life. It is a heartbreaking experience for the parents and families. But the knowledge we now have does offer hope to these persons, the hope that many of the retarded may, through adequate education and training, become happy, productive adults.

In order for this to be accomplished, specialized services must be available to all persons, no matter what their economic status or their geographical location. This legislation has been effective over the past 4 years and should continue to make progress in combating this national problem.

A concerted attack on mental retardation has been long past due. This session of the Congress in passing the Mental Retardation Amendments of 1967 has made an effective contribution to the Nation by making it possible for many unfortunate people to get needed assistance in leading gainful and useful lives in our society.

Summary of Public Works Legislation in First Session of 90th Congress

EXTENSION OF REMARKS

OF

HON. GEORGE H. FALLON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. FALLON. Mr. Speaker, under leave to extend my remarks, I submit the following summary of public works legislation and various actions taken by the Committee on Public Works during the first session of the 90th Congress.

GENERAL STATEMENT

May I first express my appreciation for the efforts of the committee during a long and difficult session. Particularly, I want to say on public works that the majority and the minority have been helpful in the operations of the committee and in consideration of the legislation the committee handled this first session of the 90th Congress.

The committee had 465 bills referred to it during the first session. These dealt with a multitude of subjects covering many fields, including river basin monetary authorizations, revising and extending the Appalachian Regional Development Act of 1965, and amending the Public Works and Economic Development Act of 1965, amending the Highway Beautification Act, establishing a National Visitors Center, amendments to the Highway Safety Act of 1966, authorizing additional bridges and tunnels in the State of Maryland, as well as an Interstate Highway System modification. Hearings were held on the status of the existing water pollution program; on the overall problem of needed highway construction in the District of Columbia and the surrounding metropolitan area of Maryland and Virginia; on the question of entrance admission and user's fees at Corps of Engineers projects; and on legislation to amend the Tennessee Valley Authority Bridge Act of 1941 regarding alteration, reconstruction, or relocation of certain highway and railroad bridges.

The House and Senate Committees on Public Works joined forces and held intensive hearings on the Presidential freeze of highway construction funds. As a result of these hearings the cutbacks of funds were released so that the States could proceed with their scheduled programs.

The committee adopted 47 navigation, flood control, and beach erosion resolutions proposed by individual Members of Congress which require only committee action. The civil works resolutions authorized review survey studies by the Corps of Engineers, Department of the Army, that will ultimately result in the submission of project reports to Congress if the projects are found feasible and are approved by the Board of Engineers for Rivers and Harbors and the Chief of Engineers. The committee adopted 14 watershed resolutions, approved pursuant to the Watershed Protection and Flood Prevention Act—Public Law 566, 83d Congress, as amended—which requires major watershed projects having not more than 12,500 acre-feet of flood control capacity to be approved by the Committee on Public Works.

The committee approved six modifications of existing public buildings authorized under the Public Buildings Act of 1959.

In addition, subcommittees made three special inspection trips to investigate disastrous floods in the States of West Virginia, Ohio, Alaska, and Texas.

SPECIAL SUBCOMMITTEE ON THE FEDERAL-AID HIGHWAY PROGRAM

TOLL FACILITIES HEARINGS

During August of 1967 the Special Subcommittee on the Federal-Aid Highway Program filed with the House its report on public hearings previously held on the subject of toll roads and their relationship to our national network of highways—House Report No. 597.

Serious problems were aired, many for the first time, as a result of these hearings. They included evidence that a tremendous growth has taken place in the number of toll facilities astride America's roads. The investigation disclosed that, after 10 years of an accelerated highway program, with more than 2,000 miles of toll roads having already been incorporated into the Interstate System alone, an additional 2,000 miles of toll facilities was being proposed, some of it already under construction.

The subcommittee's investigation, hearings, and report represent the most searching, thorough examination of the whole toll road problem in the history of the highway program. Testimony by witnesses disclosed problems in the areas of toll facility finance, connections lacking between important Federal-aid roads and toll highways, a need for legal interpretation to remove uncertainty about applicable Federal laws, and an absence of jurisdiction on the part of the Federal Government to permit or prohibit new toll facilities on Federal-aid highways.

Continued study and attention is being afforded to this vitally important problem area.

HIGHWAY SAFETY HEARINGS

Public hearings were held during May, June, and July of 1967 following an investigation of roadside hazards by the Special Subcommittee on the Federal-Aid Highway Program. The hearings represented the opening phase of the subcommittee's study of highway safety, design, and operational efficiency.

This segment of the inquiry concerned itself with the presence along our roadsides of thousands of fixed objects, many of them capable of demolishing an out-of-control car and killing or maiming its occupants.

Questions had arisen on whether or not the design of new highways has been such as to take full advantage of available experience and research, in order to make the country's roads as safe as might reasonably be expected.

Witnesses described a number of roadside hazards due to fixed objects that had been designed and built into the roadways. Witnesses brought forth photographic slides to document the testimony, and as these were displayed upon the hearing-room screen a panel of nationally known highway design experts and traffic engineers commented upon the hazards thus revealed.

The testimony disclosed conditions in the design of the Nation's highways, roads and streets that require changes. Included was evidence that conditions shown were not limited to the older roads, but extend to the primary and secondary Federal-aid highways, and even the Interstate System.

Witnesses experienced in highway planning and construction affirmed that not only would it not have cost more to construct some of these projects more safely, but in many cases they could actually have been built more safely for much less money. For instance, many sign structures costing thousands of dollars apiece could have been eliminated entirely, by placing the signs on existing bridge structures. In addition to the dollars saved, greater safety would have resulted.

A succession of witnesses described massive sign supports of steel pipe or I-beam, often imbedded in sturdy, waist-high concrete bases; unprotected concrete bridge ends which have no practical function; turnoff and roadside areas so studded with steel pipe, concrete objects, and other hardware as to present formidable hazards to out-of-control vehicles.

Other design features disclosed were concrete bridge piers with no protecting guardrail to keep a car from crashing against them; improperly installed guardrail, often placed "head on" toward the motorist; deep ditches that can guide a car directly into a concrete wall; heavy-duty steel light poles where, as with sign supports, "breakaway" type poles are available. These and many other types of existing hazards were disclosed as the hearing days continued. A need for prompt and positive action was indicated by the hearings, in order to save lives and to prevent innumerable, oftentimes unnecessary accidents.

The subcommittee is aware that, as a result of its interest in this aspect of highway design, the Department of Transportation, the Bureau of Public Roads, the American Association of State Highway Officials—AASHO—and the individual State highway departments have already taken positive corrective measures.

Further hearings are anticipated by the subcommittee during the coming months on additional aspects of safe highway design.

SPECIAL SUBCOMMITTEE ON ECONOMIC DEVELOPMENT PROGRAMS

Early in the first session of this 90th Congress the Special Subcommittee on Economic Development Programs filed its first interim report on March 8, 1967—House Report No. 82. The report is based on testimony received in hearings in the latter part of 1966—89-46. Status and progress reports were received at these hearings from the top officials of the Economic Development Administration and the Appalachian Regional Commission regarding their respective programs. In addition, testimony was received from Members of Congress who wished to offer their experience with the administration of the Public Works and Economic Development Act of 1965 or the Appalachian Regional Development Act of 1965.

The report indicated certain problem areas, as suggested by the testimony, where the subcommittee felt further inquiry or investigation was needed. These areas were listed in a series of questions which are as follows:

First. What criteria are being used by the Economic Development Administration to comply with the constraint of section 102: Prevention of Unfair Competition of the Public Works and Economic Development Act of 1965? If there is difficulty in legal interpretation of this section, further legislative clarification may be necessary.

Second. What procedures or instructions are in existence and available to communities to assist them in fulfilling the requirements of an overall economic development plan—OEDP? What steps are being taken to assure that smaller, more disadvantaged and less organized communities are receiving their fair share of the program? Are the richer communities in depressed areas getting a disproportionate share?

Third. To what extent is there coordination to prevent duplication of technical assistance or research grants available from other Federal, State, or local agencies?

Fourth. What steps have been taken to assure that guidelines and policy are uniformly applied to all areas throughout the country in view of the decentralization of the organization? What authority has been delegated to field personnel?

Fifth. What background information is required and what investigation is made of loan applications? Could EDA loans be more efficiently processed if the entire loan function were turned over to the Small Business Administration, as is now the case of the Office of Economic Opportunity loans, or would it be desirable to eliminate SBA entirely and let EDA handle loans independently?

Sixth. What audit function is in existence to check expenditures on approved projects?

Seventh. What alternative methods are available to update the statistics to be applied to the outmigration standards in determining eligibility? What efforts can be made to alleviate the tide of rural decline and outmigration and the resulting immigration to urban areas with the attendant problems connected therewith?

Eighth. In addition to the criteria listed in section 401 of the Public Works and Economic Development Act of 1965, what other criteria, statistics, and techniques are available or should be made available to more effectively designate and evaluate eligible areas and communities?

Ninth. To what extent does economic development planning cross international borders when such borders are in close proximity to the area under consideration?

Tenth. It is recognized that both acts fulfill needs of today's relatively prosperous economy but what plans are being formulated in the event future national economic crises increase these needs? Are the acts being administered with a strategic view toward far greater implementation and state of readiness in the event of an economic recession?

Thereafter, the officials of the Economic Development Administration were given an opportunity to discuss and reply to the questions raised in the report. This hearing was held on April 11, 1967, and the printed hearing is available—No. 90-5. In addition to the reply to the questions by the officials of the Economic Development Administration, additional questions were raised regarding the application of section 702 of the Public Works and Economic Development Act of 1965.

In the latter part of April the staff of the subcommittee was sent to Oakland, Calif., for about a week where they made a preliminary review and inquiry concerning the Economic Development Administration projects and activities in that city.

The subcommittee again had the officials of the Economic Development Administration testify at public hearings on November 15, 1967, as to the overall status of Economic Development Administration projects. The subcommittee was interested in knowing how many had been approved, how many had been turned down and how many had been placed in the reserve status.

In addition, the Economic Development Administration was requested to give a detailed explanation of its interpretation and administration of section 702 of the Public Works and Economic Development Act of 1965. The hearing was not concluded.

During the hearing, conflicting statements were introduced into the record which made it apparent that a detailed investigation of the facts involving the application of section 702 of the act to a business loan being discussed would be needed. In addition, two other business loan projects were questioned in regard to the application of section 702 of this act. The subcommittee staff is presently conducting an in-depth investigation of the application of section 702 by EDA to the three separate projects named at the hearing—90-20.

Upon completion of the in-depth investigation of the named projects and the procedures of applying the restraint of section 702, it is expected that these hearings will continue in the next session in order to clarify the facts of what actually occurred in regard to the application of section 702 in the three projects named as well as a clarification of the actual practices and procedures of the Economic Development Administration in applying this section of the act.

Following is a more detailed listing of specific major bills and items which the committee has considered or approved:

RIVER BASIN MONETARY AUTHORIZATION ACT OF 1967: PUBLIC LAW 90-17

This legislation provides increased authorizations for the prosecution of river basin plans for flood control and related purposes under the jurisdiction of the Secretary of the Army and the Chief of Engineers. The appropriations covered by the increased and completion authorizations are those for fiscal year 1968 and the summer and fall construction season of fiscal year 1969. Allowance is made for the amount of monetary authorization carried over on June 30, 1967. The necessity for these increased authorizations is explained below.

Monetary authorizations first were put into effect by the Flood Control Acts of 1936 and 1938. They limit authority to appropriate and expend funds within specified basins or specified major projects to levels below the total costs of the authorized basin or project developments. In this way they give the Congress opportunity to review and control the rate of accomplishment of the basin plans and major projects to which they apply.

In these plans, the Congress has approved an entire plan for development of a river basin in the interest of flood control, navigation, power, and allied water uses, but limited the amounts of funds to anticipated appropriations for a specified period of years, allowing accomplishment of only part of the plan. Subsequently the Congress has augmented some of the previously approved plans, by authorizing additional projects, or modifications of projects, and increased the monetary authorization to provide for additional appropriations. When the monetary authorization limit of a plan is approached, legislation is required to provide additional authorization so that appropriations can be made to permit the plan to continue. If such legislation is not forthcoming when needed, construction of projects in the basin plan cannot proceed, even if funds have been appropriated for this purpose.

In addition to projects comprising these basin plans subject to monetary authorization, Congress has authorized other projects in the basins for which full monetary authorization for appropriations has been provided under the terms of the authorizing act. Projects in this category require no further monetary authorization action by the Congress.

At the present time there are 20 basin development plans subject to basin monetary authorization limitations. Authorizations provided to date, including the most recent provided by legislation in 1965, are generally adequate for work to be performed through the end of fiscal year 1967. However, the 14 basins listed in this legislation will run out of authorization in fiscal year 1968, unless additional authorization is provided. The following table gives a list of the basins, the dates of original authorization, and the amount of increased authorizations needed for the work to be performed through the summer and fall construction season of 1968.

The table contains 13 basins and excludes the Sacramento River Basin which is covered by separate language in the legislation because it requires special wording to close out the completion of the first phase which covers bank erosion control and setback levees.

TOTAL COST

The total amount of the table below is $465 million and in the Sacramento River Basin it is $7 million, making a grand total of $472 million.

The committee wishes to point out again that this is additional monetary authorization for projects already authorized.

Basin	Act of Congress	Amount
Alabama-Coosa River	Mar. 2, 1945	$34,000,000
Arkansas River	June 28, 1938	170,000,000
Brazos River	Sept. 3, 1954	9,000,000
Central and southern Florida	June 30, 1948	14,000,000
Columbia River	June 28, 1938	153,000,000
Missouri River	do	20,000,000
Ohio River	June 22, 1936	38,000,000
Ouachita River	May 17, 1950	8,000,000
San Joaquin River	Dec. 22, 1944	2,000,000
South Platte River	May 17, 1950	2,000,000
Upper Mississippi River	June 28, 1938	4,000,000
West Branch Susquehanna River	Sept. 3, 1954	9,000,000
White River	June 28, 1938	2,000,000
Total		465,000,000

SACRAMENTO RIVER BASIN

The project for flood protection on the Sacramento River, Calif., was first authorized by the Flood Control Act of March 1, 1917, as amended and modified by subsequent acts of Congress. The most recent modification was authorized by the 1960 Flood Control Act in accordance with the recommendations contained in Senate Document 103, 86th Congress. This document recommended modification of the existing Sacramento River flood control project to include a long-range program of bank erosion control works and setback levees at a total estimated cost of $21,260,000. Congress authorized $14,240,000 to be appropriated for prosecution of the initial phase of this work under a cost-sharing arrangement whereby two-thirds of the total cost would be borne by the Federal Government and one-third by the local interests.

Owing to increased costs for rights-of-way and relocations, rising price levels since authorization, and to inclusion of recreation facilities in the project, the total cost estimate for the initial phase of this work has increased from $21,360,000 to $31,800,000. Although sufficient Federal monetary authority remains to cover construction through fiscal year 1969, the State monetary authority, limited by California State law to one-third of the Federal authorization, will be exhausted in fiscal year 1967.

An increase in the Federal monetary authorization to cover the currently estimated Federal cost of the initial phase would enable an increase in the State's monetary authorization sufficient to permit orderly continuation of the project. Accordingly, an increase in monetary authorization of $7,000,000 is needed to permit completion of the initial phase of the work authorized in the 1960 Flood Control Act.

The legislation modifies the plan of improvement for the Brazos River Basin, Tex., authorized by the Flood Control Act of 1954, so as to provide that all additional construction costs occasioned by the occurrence of a slide in the embankment of Waco Dam on the Bosque River during the fall of 1961 shall be borne by the United States. In 1958 the Brazos River Authority entered into an agreement pursuant to section 6 of the Flood Control Act of 1944 to purchase the surplus water available at the reservoir for the purpose of supplying water to the city of Waco at reasonable prices. Because of the unforeseen disaster in 1961 the increased costs assessed to the authority under the terms of the original agreement were determined to be $1,174,000. Section 6 of the Flood Control Act of 1944, however, provides for the sale of such surplus water at such prices and on such terms as are deemed reasonable. The committee believes that the assessment of these unanticipated costs would frustrate the purpose of section 6. Accordingly, the committee considers that it is equitable in this instance for the United States to assume the additional costs for repairs caused by the slide which were not foreseen at the time the project was authorized.

REVISE AND EXTEND THE APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965 AND AMEND THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965: PUBLIC LAW 90–103

SECTION-BY-SECTION ANALYSIS OF TITLE I, THE APPALACHIAN REGIONAL DEVELOPMENT ACT AMENDMENTS OF 1967, OF PUBLIC LAW 90–103

Section 101: Short title, citing title I as the Appalachian Regional Development Act Amendments of 1967.

Section 102. Functions of the Commission: Amends section 102 of the Appalachian Regional Development Act of 1965—hereinafter referred to as "the act"—to eliminate clause (9) concerning advice to the Secretary of Commerce on grants for administrative expenses of local development districts. The amendment conforms this section to the redefined role of the Commission in approving rather than recommending projects.

Section 103. Administrative expenses of the Commission: Amends section 105 of the act to authorize the appropriation of $1,700,000 to the Commission for the 2-fiscal-year period ending June 30, 1969, including $400,000 for expenses of the Federal cochairman and his staff. Commission expenses are to be shared 50–50 by the Federal Government and the States, except that the Federal Government will bear the full cost of the administrative expenses of the Federal cochairman and his staff.

Section 104. Administrative powers of the Commission: Amends section 106 of the act to authorize the Commission to lease office space for any term expiring not later than June 30, 1971.

Section 105. Commission employee protections: Adds a new section 109 to title I of the act. It permits Federal agencies to treat service with the Appalachian Regional Commission, or with any regional commission established pursuant to the Public Works and Economic Development Act of 1965, as if Federal service, for the purpose of determining the rate of pay of an individual who was a Federal employee immediately prior to such commission service but who returns to Federal employment within 6 months after completing such commission service.

Section 106. Appalachian highway program: Amends section 201 of the act as follows:

First. Authorizes the appropriation of funds to the President for the highway program. Transfers to the Commission all other functions of the Secretary of Commerce under section 201 not previously transferred to the Secretary of Transportation under the Department of Transportation Act. The Secretary of Transportation will continue to carry out the program.

Second. Provides an authorization of $715 million, including $540 million previously authorized but not appropriated, and $175 million new authority, for the 4-fiscal-year period ending June 30, 1971. This increases the total authorization for the highway program from $840 million to $1,015 million in order to provide for the construction of an east-west corridor in New York State and a connecting corridor in Pennsylvania, and an additional $35 million for the access road program.

Third. Increases the construction mileage limitation for the development highway system from 2,350 to 2,700 miles, and the access road mileage limitation from 1,000 to 1,600 miles.

Fourth. Permits States to give preference to indigenous "materials and products" in highway construction. Present authority permits preference for indigenous "mineral resource materials."

Fifth. Permits the Appalachian States to construct, with their own funds, development highway projects which meet Commission criteria, under regular Federal-aid highway procedures, subject to possible Federal reimbursement from future appropriations. This provision may not be used to increase the total construction authorization.

Section 107. Demonstration health projects: Amends section 202 of the act to authorize $50 million for the demonstration health program for the 2-fiscal-year period ending June 30, 1969. This is in addition to the $23.5 million previously appropriated, which will continue to be available until expended for the purposes of this section.

The amendment broadens section 202 to authorize the use of funds for the acquisition of privately owned facilities not operated for profit, where needed to provide an integrated system of health services. Funds also will be available to support the Commission's Health Advisory Committee and to provide 75-percent planning grants for developing and evaluating demonstration health projects.

Operating grants will no longer be limited to facilities constructed with section 202 funds. Funds may be used for an existing hospital or any other health facility which is a component of a demonstration health project, including a facility constructed under title I of the Public Works and Economic Development Act. Operating grants may be made only for facilities which are publicly owned or are owned by a nonprofit organization and not operated for profit. Projects must be conducted under good management practices designed to obviate operating deficits.

Construction or equipment grants may be funded either entirely from section 202 or from a combination of 202 grants and grants from other programs such as the Hill-Burton, the mental retardation facilities, and the community mental health programs, and will be made in accordance with the applicable provisions of such acts. Federal contributions to operating costs will be charged against individual components of a demonstration project, and the 5-year limit in the act will begin, for each facility or service, on the first day that the facility or service is in operation as a part of the project.

Section 108. Land stabilization, conservation, and erosion control: Continues the program authorized by section 203 of the act and provides $19 million for the 2-fiscal-year period ending June 30, 1969.

Section 109. Timber development organizations: Authorizes $2 million for a new program of grants for Appalachian hardwood products research, studies, and demonstrations, with priority for higher education institutions having demonstrated capability to perform such work. No additional funds are provided for the technical assistance and loan programs in section 204(a) of the act. The unexpended balance of appropriations for the purpose of section 204(a) remains available until expended.

Section 110. Mining area restoration: Amends section 205 of the act to authorize $30 million for the 2-fiscal-year period ending June 30, 1969. The amendment permits Federal participation in reasonable project planning and engineering costs and permits the States to apply costs incurred for land acquisition toward their non-Federal share of project costs. The program for sealing and filling voids in abandoned coal mines is broadened to include abandoned oil and gas wells, and the strip and surface mine reclamation program is broadened to authorize the reclamation of areas covered with waste from surface and subsurface mining activities. The amendment also eliminates the authority in the act for expanding and accelerating fish and wildlife restoration projects.

Section 111. Water resources survey: Amends section 206 of the act to authorize $2 million for the 2-fiscal-year period ending June 30, 1969, to complete the water resources survey of the region.

Section 112. Assistance for planning and other preliminary expenses of proposed housing projects under section 221 of the National Housing Act: Adds a new section 207 to title II of the act. It provides advances, loans, and grants for planning and technical assistance to stimulate the use of the insured mortgage program provided by section 221 of the National Housing Act in areas of the region determined by the Commission to have significant potential for future growth.

A revolving fund is established, and the Secretary of Housing and Urban Development is authorized to make loans from the fund for up to 80 percent of the preliminary costs of planning a project and of obtaining an insured mortgage under section 221 of the National Housing Act, including such costs as preliminary surveys and analyses of market needs, preliminary site engineering and architectural fees, site options, FHA and FNMA fees, and construction loan fees and discounts. Loans may be made without interest, or at any market or below-market interest rate authorized for a mortgage insured under section 221, except for loans to organizations established for profit, which must be at market interest rates. The Secretary can waive the repayment of all or any part of a loan, except a loan to an organization established for profit, which he finds the borrower is unable to recover from the proceeds of a mortgage insured under section 221.

Section 207 also authorizes technical assistance grants from the revolving fund for up to 80 percent of the administrative expenses, not recoverable under a section 221 insured mortgage, which are incurred incident to planning a project and obtaining an insured mortgage, such as the preparation of applications to FHA and FNMA, coordination, and management activities.

Five million dollars is authorized to carry out this section.

Section 113. Vocational education facilities: Amends section 211 of the act to authorize $26 million for the 2-fiscal-year period ending June 30, 1969. The amendment makes these funds available for equipping existing facilities as well as constructing and equipping new facilities.

Section 114. Sewage treatment works: Amends section 212 of the act providing assistance for sewage treatment works, to authorize $6 million for the 2-fiscal-year period ending June 30, 1969.

Section 115. Amendments to National Housing Act of 1954: Amends section 701 of the Housing Act of 1954 to make local development districts, certified to the Commission by the Governors of the States in which they are located, eligible for 75-percent grants for comprehensive planning in their areas, and for planning Appalachian region programs.

Section 116. Supplements to Federal grant-in-aid programs: Amends section 214 of the act to authorize $97 million for the 2-fiscal-year period ending June 30, 1969. The President is authorized to provide supplemental grant funds for Federal grant-in-aid programs assisting in the construction or equipment of facilities, or the acquisition of land, which are enacted on or before December 31, 1967. The amendment also adds a new provision designed to eliminate unnecessary duplication of requirements for documentation in connection with the approval of basic and supplemental grants. Where a grant applicant is required to submit specific documentation to the head of a Federal department or agency administering a basic grant-in-aid program, such documentation will be accepted by the Federal Cochairman in considering a supplemental grant.

Section 117. Maintenance of effort: Amends section 221 of the act to make it clear that a State's expenditures for participation in the Interstate System and expenditures of local funds are not to be considered in determining compliance with section 221.

Section 118. Program implementation: Amends section 223 of the act to redefine the responsibilities of the Commission and the Federal departments and agencies. The amendment provides that, with respect to applying Appalachian Act program criteria, the Commission's judgment shall be final and not subject to further review by the Federal departments and agencies. The technical evaluation of projects and the actual accomplishment of programs and projects continue to be the responsibility of the Federal departments and agencies.

Section 119. Program development criteria: Amends section 224 of the act to conform to the redefined role of the Commission in approving rather than recommending projects, and to make it clear that no financial assistance under the act may be used to assist establishments relocating from one area to another.

Section 120. Grants for administrative expenses of local development districts and for research and demonstration projects: Amends section 302 of the act to authorize the President to make grants to the Commission for the administrative expenses of local development districts and for investigation, research, studies, technical assistance, and demonstration projects, and for training programs, which will further the purposes of the act. The Commission and all recipients of Federal assistance are required to maintain adequate records with respect to such assistance and to make them available for Federal audit.

The amendment also provides for the Commission to make a study, in cooperation with the Department of the Interior and other Federal and State agencies, of acid pollution in the region resulting from mining activities and the effects of such pollution, with the objective of developing a program for the appropriate control, reduction, or elimination of acid pollution. The Commission is required to submit a report, including specific recommendations for the program and the policies under which it should be conducted, to the President for transmittal to the Congress together with his recommendations not later than March 31, 1969.

Eleven million dollars is authorized to carry out this section for the 2-fiscal-year period ending June 30, 1969, of which not to exceed $3 million is to be available for the acid mine pollution study.

Section 121. Project approval: Amends section 303 of the act to clarify the procedure and responsibilities for processing and evaluating applications for assistance under the act. Applications must be submitted through the appropriate State member of the Commission and evaluated by him. Only those applications which are approved by a State member as meeting the requirement of the act and submitted by him to the Commission may receive Commission approval.

The amendment also includes a provision that the Commission shall not approve a project unless it is satisfied that the project will be properly administered, operated, and maintained.

Section 122. Authorization of appropriations: Amends section 401 of the act to authorize appropriations to the President of not to exceed $170 million for the 2-fiscal-year period ending June 30, 1969, to be available until expended, to carry out the respective provisions of the act, except sections 105 and 201 which provide their own authorizations. The $170 million authorized in this section for the various programs is $77 million less than the sum of the individual ceilings established in the applicable program sections.

Section 123. Definition of Appalachian region: Amends section 403 of the act to redefine the region by adding two counties in Alabama, 20 counties in Mississippi, 14 counties in New York—including 13 counties added to the region by the Commission in 1965 pursuant to section 403—and one county in Tennessee.

The amendment also includes language which prohibits the Commission from proposing or considering any further changes in the definition of the region except at the direction of the Committee on Public Works of the House or of the Senate.

PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT

SECTION-BY-SECTION ANALYSIS OF TITLE II, AMENDMENTS TO THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965, OF PUBLIC LAW 90-103

Section 201: This section amends section 503(a) of the Public Works and Economic Development Act of 1965 by adding to the functions of each regional commission established under such act the responsibility to develop a comprehensive long-range economic plan approved by the Secretary of Commerce.

Section 202: This section amends section 505(c) of the Public Works and Economic Development Act of 1965 to provide that the Secretary of Commerce shall allocate for the purposes of grants to each regional commission established under the act not to exceed $2½ million for each fiscal year for technical assistance, including studies, plans and research, and for administrative expenses of each commission.

Section 203: This section amends title V of the Public Works and Economic Development Act of 1965 by adding a new section authorizing for each regional commission under the act a program of supplemental grants to basic Federal grant-in-aid programs in existence on or before December 31, 1967, assisting in the acquisition of land or the construction or equipment of facilities. The Secretary is authorized, once a regional commission has a comprehensive, long-range economic plan in effect, to provide funds to the Federal Cochairman to increase up to an 80-percent maximum the Federal share of the cost of projects which have been recommended by the commission and approved by the appropriate State member thereof. These supplemental grants may be made on behalf of States and other entities eligible to receive the basic grant but unable, because of their economic situation, to provide the required matching share; $5 million is authorized to be appropriated for each region for the fiscal year ending June 30, 1968, and $10 million for each region for the fiscal year ending June 30, 1969.

Section 204: This section amends title VI of the Public Works and Economic Development Act of 1965 by adding a new section to provide that no assistance shall be approved under the act unless the Secretary is satisfied that the project for which Federal assistance is granted will be properly and efficiently administered, operated, and maintained.

SAFETY OF CAPITOL BUILDINGS AND GROUNDS: PUBLIC LAW 90–108

Until recently, the act of July 31, 1946, together with the existing general laws of the United States and of the District of Columbia, appeared to be sufficient to cope with the occasional breach of the peace which occurred on the Capitol Grounds or within the Capitol Buildings. However, in the past few years there has been a substantial increase in the number of incidents of excessive disruption or disorderly conduct.

Without examining the reasons for this rise in disruptive activity, it may be noted that Congress has had before it legislation which brings into focus the extremely frustrating and difficult issues confronting the Nation. These are by their very nature issues on which people have strong views. Many people have grown impatient with the delays inherent in seeking workable solutions to these problems, if not with the proposals for solving them.

The Committee on Public Works has given full recognition to the need to provide every legitimate opportunity for the public expression of dissenting views in a reasonable and proper fashion. The committee also has given consideration to the need to provide and maintain necessary safeguards for protecting the conduct of public business in the Federal Legislature.

The committee at all times sought to accommodate these sometimes conflicting goals in such a way as to insure to every individual or group of individuals the guarantees to which the Constitution of the United States entitles them, while at the same time protecting the integrity of the legislative process. Public Law 90–108 prohibits activities which the committee strongly believes are not those who any reasonable person could consider as falling within the guarantees of the first amendment. The committee exercised great caution and gave careful attention to the need for legislative constraint in this matter. The nature of the legislative process, and the problems which now confront us as a Nation, are such that people with strong feelings must be assured of the rights of freedom of expression and of assembly and the right to petition their Government, but under no circumstances should the guarantee of these rights be extended to a license for a minority to delay, impede, or otherwise disrupt the orderly processes of the legislature which represents all Americans.

SECTION-BY-SECTION ANALYSIS

Subsection (a) of the first section of this legislation amends 40 U.S.C. 193a and the corresponding portion of the District of Columbia Code, 9–118, by defining the Capitol Grounds to include all additions to those grounds subsequent to June 25, 1946.

Subsection (b) of section 1 amends 40 U.S.C. 193f and District of Columbia Code 9–123 by providing "that except as authorized by regulations promulgated by the Capitol Police Board no one may: First, carry any firearm, dangerous weapon, explosive, or incendiary device; second, discharge any firearm or explosive, use any dangerous weapon, or ignite any incendiary device; or third, transport by any means any explosive or incendiary device."

The activities proscribed by paragraphs (A), (B), and (C) relate to both the Capitol Grounds and the Capitol Buildings.

It will be necessary for the Capitol Police Board to develop a list of incendiary devices which are prohibited.

In this connection, the committee requested the views of the U.S. attorney for the District of Columbia on possible definitions of this term. He submitted several, and the committee recommends to the Capitol Police Board the following definition for inclusion in its regulations:

> The term "incendiary device" means any substance, material, or item, or any combination thereof (including, but not limited to, spontaneously inflammable, oxidizing thermal, metallic, and modified oil mixtures), capable of igniting other materials by means of combustion, explosion, intense heat, or otherwise, but does not include ordinary matches, flint and steel lighters, or gas lighters intended primarily for personal or household use.

All of the other terms—"firearms," "dangerous weapons," and "explosives"—are specifically defined elsewhere in this bill.

Subsection (b) of the first section further amends existing law by making forcible and violent entry upon the floor of either House a felony. The description of specific felonies set out in the revision of section 6 does not preclude prosecution under the existing or future felony statutes of the United States or the District of Columbia for acts not enumerated herein. The laws relating to murder, arson, assaulting a police officer and the like will continue to be applicable upon the Capitol Grounds and in the Capitol Buildings.

Subsection (b) of the first section of Public Law 90–108 further amends 40 U.S.C. 193f and District of Columbia Code 9–123 by adding a new subsection (b) to section 6 of the act of July 31, 1946. This subsection is a seven-part proscription of activities which would subject the perpetrator thereof to misdemeanor prosecution.

Under the terms of this new language, it is unlawful for any person or group of persons willfully and knowingly—

First, to enter or remain upon the floor of either House, the cloakroom, lobbies adjacent to such places, or the Rayburn Room of the House, or the Marble Room of the Senate unless such person is authorized to do so under rules or authority given by either House. The inclusion of the words "willfully and knowingly" would protect against prosecutions for actions by persons not intending to violate these provisions. The actions involved in this misdemeanor differ from the actions proscribed under subparagraph (2) of new subsection 6(a) in that the felony created therein requires knowledge and force and violence and is designed to prohibit actions which would endanger the Members of the House or the Senate, or which would threaten physical harm to them, or which would impede or disrupt the proceedings of either the House or the Senate;

Second, to enter or remain in the gallery of either House in violation of the rules governing admission or conduct therein;

Third, to enter or remain in any room within any of the Capitol Buildings which have been set aside or designated for use by the House or Senate or any Member of either body or any committee, subcommittee, officer or employee, if the entry or remaining is with the intent to disrupt the orderly conduct of official business;

Fourth, to utter loud, threatening, or abusive language or to engage in any disruptive or disorderly conduct, on the Capitol Grounds or in the Capitol Buildings when such actions are intended to impede, disrupt, or disturb the orderly conduct of the public business of the United States. The proscription against loud, threatening or abusive language contained in subparagraph (4) is the only prohibition against speech contained in this measure. The purpose of this paragraph is to prohibit any conduct which would unreasonably and unnecessarily hinder the prosecution of legislative business. The activities proscribed by this paragraph will not be permitted anywhere on the Capitol Grounds or in the Capitol Buildings.

Fifth, to obstruct, or impede passage through or within, the grounds or buildings;

Sixth, to commit acts of physical violence; and

Seventh, to parade, demonstrate, or picket within the buildings.

Paragraphs (4), (5), (6), and (7) enumerate and describe conduct for which there is no justification. They would provide the Capitol Police with additional authority for handling those whose purpose it is to engage in mischief or cause trouble.

As used in subparagraph (5) the term "obstruct" means to render impassable without having to show unreasonable inconvenience or hazard. The term "impede" means to interfere with, set in the way of, or block. Everyone lawfully present on the Capitol Grounds or within the Capitol Buildings is entitled to free and unhampered passage along the walkways, passages, or halls.

The phrase "act of physical violence" is defined in subsection (d) of section 1 of Public Law 90-108.

Subsection (b) further amends existing law by providing that the proscriptions contained therein do not apply to Members of Congress, their employees, or the officers or employees of the Congress or any committee or subcommittee thereof while they are engaged in the lawful discharge of their official duties.

Subsection (c) of the first section of this legislation revises 40 U.S.C. 193h and District of Columbia Code 9-125 by providing penalties to cover the acts delineated as wrongful in subsection (b) of the bill. Felonious conduct would subject the offender to a maximum fine of $5,000 or imprisonment for up to 5 years or both. Misdemeanors as defined by the act, which include all of new section 6(b) and sections 2, 3, 4, 5, and 7 of the act of July 31, 1946, would involve a maximum penalty of $500 or imprisonment for up to 6 months or both.

The bill would add language to section 8 of the act of July 31, 1946, to make it clear that prosecution may be had for attempting or conspiring to commit such offenses.

Prosecution for all cases arising under the act as amended by the reported bill would be by the U.S. attorney in the name of the United States. Any prosecution for a violation of this act could be joined with a prosecution for a violation of the general laws of the United States and the District of Columbia in a single action. Where the prosecution is for one of the enumerated felonies, the proceedings shall be in the U.S. District Court for the District of Columbia. All other violations may be tried in the District of Columbia court of general sessions, which is more properly set up for the handling of misdemeanor offenses.

The penalties provided for in this amendment are substantially greater than those contained in the 1946 act, which was $100 or 60 days, and are far greater than those which can now be imposed if disorderly conduct occurs in public buildings, i.e., a fine of not more than $50. One of the principal matters of concern of the committee has been that the penalty assessed under District of Columbia Code 22-3111 can be satisfied by the posting of $10 collateral. The substantial difference between the penalty which may now be levied and that which is presently provided for is such that the committee does not believe that summary disposition of these cases will continue.

Subsection (d) of the first section of the legislation amends section 16 of the act of July 31, 1946, 40 U.S.C. 193m, and District of Columbia Code 9-132, to specifically include the Capitol Buildings within the scope of the act. As defined, these buildings include all buildings situated upon the Capitol Grounds and all subways or enclosed passages connecting two or more of these buildings. The act of 1946 specifically excluded the Capitol Buildings from coverage.

Subsection (d) also defines the terms "firearm," "dangerous weapons," "explosive," and "act of physical violence."

Section 2 amends the 1892 statute, more commonly referred to as "District of Columbia Code 22-3111," by increasing the penalty for disorderly conduct in public buildings of the United States located in the District of Columbia from a fine of not more than $50 to a fine of not more than $500 or imprisonment for not more than 6 months or both.

Section 3 of the legislation insures that prosecutions for offenses committed prior to enactment of the act will be prosecuted under the then existing laws and that prosecutions for violations occurring after the enactment of the act will be pursuant to provisions of it.

NATIONAL VISITOR CENTER FACILITIES ACT OF 1967 (H.R. 12603)

This bill was reported by the committee and has passed the House. It is now pending for consideration by the Senate.

SECTION-BY-SECTION ANALYSIS OF H.R. 12603, AS REPORTED

Section 1 provides that the bill may be cited as the "National Visitor Center Facilities Act of 1967."

TITLE I

Section 101 authorizes the Secretary of the Interior, in consultation with the Administrator of General Services, to make agreements and leases with the Washington Terminal Co. for the use of its Union Station property in the District of Columbia for a National Visitor Center and a parking facility for the Center.

Section 102 provides that such agreements and leases will be subject to the following terms and conditions: First, the company will alter the Union Station building to provide adequate visitor facilities, construct a 4,000-vehicle parking facility in the air space immediately northerly of the building, and lease the building and the parking facility to the United States for a term not to exceed 20 years; second, the total cost of such alterations may not exceed $5 million, and the total cost of such alterations and construction may not exceed $16 million; third, the rentals paid by the United States may not exceed the fair rental value of the property, and the aggregate annual cost to the United States of the above leases may not exceed $3 million; fourth, after the first year of the leases, the United States will have an option to purchase the leased property from the company on 1 year's written notice at not more than fair market value, and on such terms and conditions, including credit toward the purchase price of rentals paid by the United States, as are mutually agreed upon; fifth, the company will construct a new railroad passenger station in the area between or adjacent to the National Visitor Center parking facility; and sixth, the agreements and leases will be subject to such other terms and conditions as the Secretary of the Interior and the Administrator of General Services jointly prescribe.

Section 103 requires the Secretary of the Interior to administer the leased property, as well as the property acquired, altered, or constructed under section 18 of the Public Buildings Act of 1949 for other visitor facilities in the Nation's Capital, in accordance with the statutory authority available to him for administration of the national park system.

Section 104 requires the Secretary of the Interior, on or before January 15, 1968, to report to Congress the results of a complete study of the problems of transporting visitors along the Mall and its vicinity, the U.S. Capitol Grounds, and the National Visitor Center, together with proposed legislation to carry out his recommendations.

Section 105 prohibits the District of Columbia from including in the assessed valuation for tax purposes of property now owned by the Washington Terminal Co., an increased valuation of such property by reason of the agreements, leases, or improvements made pursuant to title I of this bill on behalf of the Federal Government.

Section 106 requires the District of Columbia, in connection with the construction of the National Visitor Center parking facility, to transfer to the Secretary of the Interior any real property under its jurisdiction needed for vehicular access to public roads and highways in the immediate area of such facility. The section requires consultation with the Architect of the Capitol before any alteration is made of the existing traffic pattern in Union Station Plaza.

Section 107 directs the Secretary of the Interior to make a continuing study of the needs of visitors to the Washington metropolitan area, including the necessity and desirability of different or additional visitor facilities and of altering existing facilities, and to recommend to the Administrator of General Services that he acquire, alter, or construct such facilities in accordance with section 18 of the Public Buildings Act of 1959. The Secretary is required to submit annual reports to the Congress on the National Visitor Center and all other visitor facilities authorized by this bill.

Section 108 repeals existing laws or parts thereof to the extent they are inconsistent with the provisions of this bill.

Section 109 amends the act of November 5, 1966—Public Law 89-759—which authorized the Administrator of General Services to select an available Government-owned site in the District of Columbia for a temporary heliport, by directing the Administrator to select the National Visitor Center parking facility for a permanent heliport.

Section 110 authorizes the appropriation of such sums as may be necessary to carry out the provisions of the bill.

Section 111 requires the laborers and mechanics employed by contractors or subcontractors in the alteration of Union Station and the construction of the Visitor Center parking facility to be paid wages at rates not less than those prevailing for the same type of work on similar construction in the locality, as determined by the Secretary of Labor in accordance with the Davis-Bacon Act of March 3, 1931, as amended.

TITLE II

Section 201 establishes a National Visitor Facilities Advisory Commission to conduct a continuing review of the National Visitor Center; to conduct continuing studies of sites and plans for additional facilities for visitors and students to the Nation's Capital; and to advise the Secretary of the Interior and the Administrator of General Services with respect to the planning, construction, acquisition, and operation of all such facilities.

Section 202 provides for the Advisory Commission to be composed of 22 members, for the Secretary of the Interior to be Chairman of the Commission, for the members of the Commission—other than those who are officers or employees of the Federal or District of Columbia Governments—to receive certain compensation and travel expenses, and for the Director of the National Park Service to provide necessary staff and facilities to assist the Commission's work.

Section 203 requires the Advisory Commission to report to the Secretary of the Interior and the Administrator of General Services from time to time on the results of its studies including, in the case of additional facilities recommendations as to sites, preliminary plans, specifications, and architectural drawings and estimates of cost.

TITLE III

Section 301 directs the Architect of the Capitol, in consultation with the Senate and House Office Building Commissions, to provide adequate space and facilities in the Capitol Building for an educational and informational center and information and distribution stations for the benefit of visitors to the Capitol Building. The section requires that all materials distributed by such center and stations be approved by the Architect of the Capitol, after consultation with the House Committee on House Administration, the Senate Committee on Rules and Administration, the U.S. Capitol Historical Society, and such other educational and historical groups as the Architect of the Capitol deems appropriate.

TITLE IV

Section 401 amends the Public Buildings Act of 1949 (73 Stat. 479; 40 U.S.C. 601 et seq.), by adding a new section 18 which provides that whenever the Secretary of the Interior determines there is a need for the acquisition or construction of any facility for visitors to the Nation's Capital—other than those specifically authorized by title I of this bill—or a need to alter any existing visitor facility, he shall recommend such action to the Administrator of General Services who shall transmit to Congress a prospectus of the proposed project. The section provides that no appropriation will be made to construct, alter, or acquire any additional visitor facility under this title if such construction, alteration, or acquisition has not been approved by resolutions adopted by the Senate and House Committees on Public Works, and that if the appropriation has not been made within 1 year after such approval, the approval may thereafter be rescinded at any time before the appropriation is made.

HIGHWAY BEAUTIFICATION PROGRAMS

Highway beautification legislation—S. 1467—reported by the committee providing authorization for continuing the programs established by the Highway Beautification Act of 1965 during the first year 1968, authorizes $5 million for outdoor advertising control, $10 million for junkyard control and $70 million for landscape and scenic enhancement. The bill is now pending for consideration before the Committee on Rules of the House. It might be pointed out that in the process of considering this highway beautification legislation the committee held a comprehensive review of the overall highway beautification program itself before proceeding to approve the authorization.

INTERSTATE SYSTEM MODIFICATIONS: H.R. 13933

Authorization of certain modifications of the Interstate System has passed both bodies of the Congress and is now at the White House awaiting the President's signature.

An explanation of the legislation follows:

The Interstate System is limited by existing law to a total of 41,000 miles and, also by statute, it is required to be located so as to connect by routes as direct as practicable, the principal metropolitan areas, cities, and industrial centers. The governing law also requires that to the extent practical, suitable, and feasible, local highway needs shall be given equal consideration with the needs of interstate commerce.

The Interstate System is now more than half complete. It will, in all probability, be 1975 before it is entirely complete. The route designations laid out by the States and approved by the Secretary of Transportation or his predecessors have used all but about 25 miles of the 41,000 miles authorized by the statute. There are gaps in the system, areas that it is now obvious should be covered but which the existing mileage limitation necessarily excludes. The Subcommittee on Roads will address itself to this problem in January of 1968, preparatory to making recommendations for the Federal-Aid Highway Act of 1968. It is unlikely, however, that those recommendations will be presented to the Congress before well into next year.

In the meantime, some acute problems have developed in some urban areas across the country, problems which for a variety of valid reasons will make it extremely difficult—and in some cases perhaps impossible—for limited amounts of mileage to be constructed within the present Interstate System completion schedule. In some of the same States in which these problems have developed, there are alternate routes, usually in nonurban areas, which should be included in the system but which, because of the mileage limitation previously referred to, have not heretofore been included. The urban mileage involved in these situations is usually short and expensive; the appropriate alternate mileage is usually longer but substantially less expensive.

The 25 miles of remaining uncommitted mileage is insufficient to permit the Secretary to approve the alternate routes, even when a State recommends and the Secretary approves the withdrawal of specific urban mileage. That, in brief, is the problem H.R. 13933 is designed to relieve.

The bill authorizes the addition of 200 miles to the Interstate System to be used in making these modifications or revisions in the system, but at no additional cost in construction.

Under the bill, if a State and the Secretary are agreed that a portion of an interstate route is not essential to a unified and connected system and will not be constructed as part of the system, and provided the Secretary is assured that the State does not intend to construct a toll road in that traffic corridor, the Secretary may redesignate that withdrawn mileage, with or without, as may be required, additional miles from the 200 miles H.R. 13933 makes available, to other interstate routes or parts of routes.

The philosophy underlying the Interstate System structure precludes a given State's laying claim to a given amount of interstate mileage. The bill therefore does not limit the Secretary's authority so as to require that withdrawn mileage be redesignated to the State from which it came. Although, as a practical matter, it seems unlikely that any other arrangement would occur, the committee recognizes that there are hardship situations which this legislation might desirably relieve if the withdrawn mileage can be made available for that use.

The additional mileage this legislation provides will not add to the cost of the Interstate System. The bill specifically requires that the cost of all of the mileage used for these modifications or revisions in the system shall be no greater than the cost of the mileage withdrawn from the system as that cost was included in the 1965 Interstate System cost estimate.

For example, if State A and the Secretary agree to withdraw 10 miles, estimated in 1965 to cost $20 million, and those 10 miles together with 10 miles from the 200 the bill authorizes are redesignated to another route, the redesignated 20 miles cannot cost more than the $20 million the original 10 miles would have cost. Or, to put it another way, if a total of 50 miles is withdrawn nationwide, and the whole 200 miles authorized by the bill are also used in redesignation, the resulting 250 miles cannot cost more than the original 50 miles would have cost in 1965.

This legislation, as an interim emergency measure, will make it possible for certain States to complete essential interstate mileage at 1965 cost levels in lieu of mileage which they cannot now hope to construct within the present Interstate System completion schedule. If this legislation is not enacted, and action to provide this needed flexibility is deferred until some time late next year, many months of valuable construction time will be needlessly lost, with the inevitable loss of lives and continued tangled traffic that necessarily implies.

In addition to this, the committee reported legislation which included name changes in Army water resource projects which is now Public Law 90-46. Legislation for additional bridges and tunnels in the State of Maryland became Public Law 90-144. Legislation designating the Federal office building in Detroit, Mich., as the Patrick V. McNamara Federal Office Building is now Public Law 90–186. Additional funding for a small-boat harbor at Manele Bay, Lanai, Hawaii, is now Public Law 90–142. An amendment to the Highway Safety Act of 1966 increases by six the membership of the National Highway Safety Advisory Committee and is Public Law 90–150. H.R. 13833 provides that the post office and Federal office building in Bronx, N.Y., be named the Charles A. Buckley Post Office and Federal Office Building after the former chairman of the Committee on Public Works and is now at the White House awaiting the President's signature.

My sincere appreciation for their splendid cooperation goes to the committee members, particularly the subcommittee chairmen, Congressman JOHN A. BLATNIK, chairman of the Subcommittee on Rivers and Harbors and the Federal-Aid Highway Program Subcommittee; Congressman ROBERT E. JONES, chairman of the Subcommittee on Flood Control, and Ad Hoc Subcommittee on Appalachia; Congressman JOHN C. KLUCZYNSKI, chairman of the Subcommittee on Roads; Congressman KENNETH J. GRAY, chairman of the Subcommittee on Public Buildings and Grounds; Congressman JIM WRIGHT, chairman of the Subcommittee on Watershed Development; and Congressman ED EDMONDSON, chairman of the Special Subcommittee on Economic Development Programs.

To Congressman WILLIAM C. CRAMER, of Florida, the ranking minority member of the committee, as well as the other able members of the minority side who have done much to further the work of the committee, I wish to extend my deep and sincere appreciation also. To all the staff of the committee and subcommittees may I thank you sincerely for a job well done.

SUMMARY

Following is a summary of the bills and resolutions acted upon by the committee in the first session:

BILLS AND RESOLUTIONS ENACTED INTO LAW

Public Law No.	Bill number	Date approved	Title
17	H.R. 8363	May 12, 1967	River Basin Monetary Authorization Act of 1967.
46	S. 1649	July 4, 1967	Name changes in Army water resource projects.
103	S. 602	Oct. 11, 1967	Revise and extend the Appalachian Regional Development Act of 1965 and amend the Public Works and Economic Development Act of 1965.
108	H.R. 13178	Oct. 20, 1967	Safety of Capitol Buildings and Grounds.
142	S. 423	Nov. 16, 1967	Additional funds small-boat harbor at Manele Bay, Lanai, Hawaii.
144	H.R. 11627	Nov. 17, 1967	Additional bridges and tunnels in State of Maryland.
150	S. 1552	Nov. 24, 1967	Highway Safety Act of 1966 amend re National Highway Safety Advisory Committee increase size.
186	S. 343	Dec. 12, 1967	Detroit, Mich., Federal office building, name the Patrick N. McNamara Federal Office Building.

BILL PASSED BY THE HOUSE AND PENDING IN SENATE COMMITTEE

Bill No.	Passed House	Title
H.R. 12603	Nov. 27, 1967	National Visitor Center Facilities Act of 1967.

BILL REPORTED BY THE COMMITTEE AND PENDING ON THE HOUSE UNION CALENDAR

B I No.	Date reported	Title
S. 1467	Sept. 27, 1967	Provide authorizations to carry out the beautification program under title 23, United States Code.

BILLS AT WHITE HOUSE AWAITING APPROVAL BY THE PRESIDENT

Bill No.	Passed House	Passed Senate	Title
H.R. 13833	Dec. 4, 1967	Dec. 14, 1967	Bronx, N.Y., post office and Federal office building, name the Charles A. Buckley Post Office and Federal Office Building.
H.R. 13933	Nov. 20, 1967	do	Interstate System modifications.

Vice President's Challenge Accepted by U.S. Business

EXTENSION OF REMARKS

OF

HON. JOSEPH S. CLARK

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Friday, December 15, 1967

Mr. CLARK. Mr. President, the year drawing to a close has witnessed a successful continuation of the war on poverty that began in 1964 and also enactment by Congress of the strongest antipoverty legislation yet written into Federal law.

As chairman of the Senate Subcommittee on Employment, Manpower, and Poverty, which developed this legislation, and as Senate floor manager of the bill, I am deeply gratified that the Government's war on poverty continues to make progress. That progress represents one of the brightest hopes that we can and will realize the American dream, that an ever-greater measure of economic justice and opportunity will be achieved for all Americans, and that our national economy will be vastly strengthened by full employment and the eradication of penury, slums, and inadequate education.

But now, Mr. President, I believe we have reason for new and even greater gratification. There is sound basis to believe that private enterprise—the American business and industrial community—are prepared to join wholeheartedly in the war on poverty and to make the unique and enormous contribution that only they can make.

This was disclosed recently when Vice President HUBERT HUMPHREY, in a brilliantly persuasive speech to the National Businessmen's Council, threw out a vigorous but friendly challenge to the Nation's businessmen and industrialists to add their great resources to the struggle for more jobs, more and better housing, more and better schools.

The council reacted swifty and favorably to the Vice President's challenge to help wipe out hard-core unemployment, slums, and decrepit schools.

Vice President HUMPHREY's superb speech and the response by Eugene Lang, chairman of the National Businessmen's Council, deserve to be read and absorbed by all Members of Congress and by as many citizens as possible. The two speeches taken together constitute a glowing beacon of hope that mankind's oldest problems and worst social evils will, at long last, be resolved.

For these reasons, Mr. President, I ask unanimous consent that Vice President HUMPHREY's speech and Chairman Lang's response be placed in the RECORD at this point.

There being no objection, the speeches were ordered to be printed in the RECORD, as follows:

ADDRESS BY VICE PRESIDENT HUBERT HUMPHREY TO THE NATIONAL BUSINESSMEN'S COUNCIL

Poverty and blighted opportunity in America are no longer the special preserve of social reformers, the charitably inclined, and struggling government agencies. The challenge they offer our cherished democratic principles has been taken up by a broader section of this society, and particularly by the business community.

The Urban Coalition says, "All representatives of the private sector in the Urban Coalition decisively commit themselves to assist the deprived among us to achieve full participation in the economy as self-supporting citizens."

The life insurance companies of America pledge a billion dollars to build low cost housing and finance enterprises that will create jobs in city core areas.

A responsible savings and loan official urges his industry to invest sixty billion dollars over the next twelve years in rebuilding the inner city—and he has found an enthusiastic audience.

Companies all over the United States have expressed interest in hiring and training the hard-core unemployed. Some say they are ready to put new factories in the inner city areas.

How significant is this new upsurge of civic spirit?

Professor Galbraith is doubtful. He thinks the economic incentive will not be strong enough to elicit a meaningful contribution from the private sector. He may have a point.

Michael Harrington, one of the great social critics of our time, is fearful: "When business methods are sincerely and honestly applied to urban problems, with very good intentions," he says, "they still inevitably lead to antisocial results . . . What the cities need are 'uneconomic' allocations of resources." There is truth here too.

Hubert Humphrey is hopeful—cautiously hopeful.

Having talked with businessmen in nearly every state during the last year, I am convinced that we are seeing something much deeper than an ephemeral display of civic virtue. I have found a hard-headed and pragmatic determination to make a businesslike assault on slumism.

Businessmen I have talked to are counting on support from governments at all levels to make their contribution financially feasible and acceptable to their stockholders—a partnership with the public sector. But they are also willing to take some risks.

It is the risk-takers of our free enterprise system who have given most Americans unprecedented prosperity; and risk-taking will be a critical ingredient in any successful assault on the complex disabilities which still shackle a seventh of the American people to poverty.

The dollars, the momentum and, yes, the determination are there as never before—but now let me tell you why I am only cautiously hopeful:

Those resources may very well molder in the gilded treasury of the establishment unless they are offered on terms acceptable to the poor minority of America.

I can tell you from my own experience during the last few months that inner city communities and the minority leaders in this country are developing a rather clear idea of what they want. They need help, want help, and will gratefully accept it—but only if it promises the kind of progress they can make for themselves.

The mood and the needs that characterize the American slums of today are similar to those we find in underdeveloped countries all over the post-colonial world of Asia, Africa and Latin America.

People who have long suffered oppression are now claiming their place in the sun.

After decades of being badly served by schools, businesses, and public services run by "outsiders," they want their voice. They want—and they deserve—the right to determine their own destiny through their own efforts.

There is fierce cultural pride, there are high ideals, there are abundant energies which can either build or explode.

And there are crippling shortages of almost everything but expectations.

Decades of second-class citizenship have left a dearth of managerial skill and political experience. The means of production are lacking. Interest rates are exorbitant because capital is scarce.

There is the usual quotient of human misery—ill-clad children, illiterate adults, pestilential housing the ravages of unnecessary disease.

But through it all there is the burning vision of a better life—not just a little better, but radically better. And there is a proud, sometimes arrogant, even militant, determination that things must improve—now.

That mood was at first a serious obstacle in our foreign assistance programs. We did not fully recognize it as a critical source of energy, and considered it an expression of ingratitude.

The recipient nations, for their part, considered the technical advice and suggestions which are part of any responsible aid program to be inhibiting and demeaning "strings." Only slowly have we achieved enough mutual understanding and respect to sustain the kind of hard bargaining that makes for constructive and efficient aid programs.

I regret to say that the level of mutual understanding between the developed and underdeveloped parts of American society seems to be lower than between this country and many of its less developed neighbors.

Most of us have been thinking far too small when we talk, for example, about providing jobs. We usually have in mind jobs that are only one step better than living on welfare.

Let me tell you that there are plenty of unemployed, unskilled high school dropouts in the inner city today who have the potential to be executives, entrepreneurs, police chiefs, military officers, pilots, bank clerks, hairdressers, dental technicians, or switchboard operators. They know it, and their leaders know it.

Those youngsters want and need real, marketable skills, not minimal training. Any training program calculated to make them successful janitors and housemaids for the rest of their lives is simply not going to be acceptable.

And their first jobs, no matter how lowly, have to visibly and actually represent the first rung on the ladder of advancement. Even if they never reach the top, I believe the clear prospect of future progress is the only thing that can make an unsatisfactory present bearable.

Let me emphasize that the need for advancement opportunities is just as critical for the vast majority of Negroes and others who already hold jobs—but jobs that are dead-end.

I am afraid we are thinking small on housing, too. We tend to think of minimum housing as adequate.

How do you describe an adequate house?—as a place free of rats, a place where there is no rubbish in the halls, where there is hot and cold running water?

I don't. I describe it as a place that has enough space to give a family some privacy, where children have access to a park with grass and trees in it, where there are modern plumbing facilities and some comfortable furniture. And it is in an integrated neighborhood.

That is what we have to build toward if we want to solve the problem of slum housing.

The same goes for schools. We are wasting our time if we mean to improve the educational opportunities available to inner city youngsters just enough to insure that they will form a pool of cheap labor for the rest of their lives.

The only test of an adequate education that any Negro, Spanish American or Mexican-American parent will accept today—and the only test America should accept—is this: Does my child have the same chance in life as the child of the average middle-class American?

Now I don't want the American business community to say, "Humphrey is upping the ante before we even begin to play." But if the American private sector, along with government, is going into the business of wiping out poverty and slums, we had better be prepared to accept goals which the people we want to help consider realistic.

And we have to be ready to deal with those people not as wards but as equals.

The emerging minority leaders, for their part, are going to have to exhibit the most deft kind of statesmanship if they hope to take advantage of the money, skill and good will that are now available to them within the American private sector.

Like leaders all over the developing world, they must both speak for the needs and feelings of their followers, keeping alive the distant vision of a better future, and at the same time deal pragmatically and responsibly with the harsh realities of the present.

They are going to have to convert frustrations and impatience into energies for progress rather than turmoil.

The temptation to be demagogic and self-indulgent is an occupational hazard of leaders in their position. I have just seen the results of that kind of leadership in the potentially rich country of Indonesia where a new government is now struggling painfully to make a fresh start amidst the half-finished, decaying monuments to one man's ego.

Vision is the mother of accomplishment; and slogans have their place. But they are a weak substitute for solid achievement.

You and I have been through some tough liberal battles together, and I know of no group in the American business community better equipped in spirit and understanding to go out and deal man to man with the inner city leadership of America today.

I think you are prepared to accept and support their aspirations and I think you can elicit their cooperation.

So I am now going to issue a very specific challenge for action: Can you set some promising Negroes and Puerto Ricans up in business in their own neighborhoods?

If you can, you will have gone a long way toward bridging the gap between the resources of prosperous America and the aspirations of our disadvantaged minorities.

I believe the entrepreneurial energies are there—but the skills are not. The financing is available—but the mechanism for successfully putting it to work in ghetto-owned enterprises is not.

I am asking you to use your entrepreneurial skills and experience to develop a package of know-how and financing that will prime the pump—that will build viable enterprises from the available ingredients.

How do you tap a stable market with potential for expansion that will sustain a new inner city enterprise?

By establishing small industries to produce items for your own firms?

By winning federal or state procurement contracts for your own companies and then breaking them into manageable subcontracts for new satellite firms?

I know of a large Baltimore firm that issues eight thousand subcontracts a year—and not one of them goes to a Negro-owned firm because they just don't exist.

Where will you find your proteges? Will you seek people with management experience in large firms? Will you try radically to upgrade existing minority-owned shops?

How will you extend the technical assistance upon which your success is obviously going to depend?

What kind of enterprise will have the greatest economic impact on the ghetto? I am not talking about a poverty program, but I nevertheless hope you will emphasize products that can be sold outside the ghetto. Restaurants and other establishments which serve only the depressed area itself will produce no new income for neighborhoods that desperately need it. Like developing countries, ghettos need export earnings.

Can you build some job-training provisions into your new enterprises?

The federal government can give you some help.

The Small Business Administration operates an active lending program for central cities which includes Economic Opportunity Loans on liberal terms.

Under broadened legislation enacted by Congress and signed by the President just last month, the Small Business Administration is prepared to guarantee leases of small businessmen in depressed areas.

Within the last few days, the SBA has decided to allow local development companies to borrow up to 90 per cent of the construction costs for small business plants to be established in high unemployment areas.

It will run training workshops for prospective small business owners. It offers management counseling through SCORE, the Service Corps of Retired Executives, which now has almost 200 chapters and over 3200 participants.

The Department of Labor is ready to help finance any reasonable job training program.

Mr. William Zisch, now on loan to the Department of Commerce from Aerojet General, is prepared to call a meeting of all appropriate government agencies at your request, find out what kind of support you need to provide job opportunities, and issue tentative commitments on the spot.

What more can you suggest? How can we better use the purchasing power of federal contracts to support new companies in depressed areas? How can we expand federal guarantees, which cost the government very little, to stimulate private financing of ghetto-based enterprises?

Would tax incentives provide an equitable and effective stimulus to the kind of projects we are talking about?

There is government-owned land standing idle in nearly every city in America. How can we make it a productive asset?

This nation must apply the same ingenuity and creative energy to the problem of putting the inner cities on their feet that it has applied to building a free enterprise system which serves the public interests—and we can afford even less trial and error.

Yours will not be an easy task. If you are going to win confidence, you will have to work from the very beginning as equal partners with people whose background is very different from yours.

You will not need to be charitable—the time for that has passed. You can be hard-nosed and realistic. You can be perfectly frank. Above all you must be infinitely creative.

If you succeed, you will have done much more than provide new employment opportunities and new incomes—something you could have done by putting a plant of your own in a depressed neighborhood.

You will have developed a dramatic new formula for private sector participation in the War on Poverty—a formula which can serve as an example for hundreds of similar ventures throughout the country.

You will have given some individual Americans a full and equal chance, as well as the help they need, to reach the top; and through those leaders you will have served the aspirations of an entire community.

You will have proven that the American free enterprise system can produce not only plenty, but full and equal opportunity for all.

Real opportunity for every American, a stake in society—that is good public policy. As John Stuart Mill wrote, "Let a man have nothing to do for his country and he will have no love for it."

It is good economics. Some 15 per cent of the American people today are neither adequate producers nor effective consumers. They are also poor tax payers.

They need houses, furniture, clothes, food, and everything else the majority of American families consume every day. They are America's new economic frontier, if we can but tap their strength, and their creative energies.

And, finally, helping others to help themselves, sharing abundance with those who have too little—that is good morals.

In the words of Thomas Wolfe: "To every man his chance, to every man regardless of his birth, his shining, golden opportunity. To every man the right to live, to work, to be himself. And to become whatever things his manhood and his vision can combine to make him. This . . . is the promise of America."

RESPONSE BY CHAIRMAN EUGENE LANG, NATIONAL BUSINESSMEN'S COUNCIL, TO VICE PRESIDENT HUMPHREY

For the economically disenfranchised, opportunities can permit an inherently able inner city resident to become the peer of any man in this room. More than that, we must provide the know-how, experience, and guidance to help make these opportunities come alive. The immensity of the total problem may well intimidate any organization of government or industry, let alone individual businessmen. But Mr. Vice President, the National Businessmen's Council has resolved not to be intimidated.

A democratic society and a free enterprise economy demands that we maintain faith in the capacity of the individual. Each businessman in this room lives this truism. So, in facing the total inner city problem in all of its immensity, I need but recall President Kennedy's restatement of a Chinese proverb: "That the voyage of a thousand miles starts with a single step."

Mr. Vice President, we accept your challenge and, enthused by your support, I can tell you that the National Buisnessmen's Council is ready to take that step, now. In fact, we now pledge you at least three steps, a three-part program.

By June 30, 1968, the National Businessmen's Council will initiate and sponsor the creation of at least three new manufacturing enterprises in inner city areas of New York. Each of these will be founded on a viable business concept that will be developed with the technical and management guidance of NBMC members, and each will be owned by inner city residents with the desire and the inherent ability to succeed as entrepreneurs. Each will start small, but as ventures that will have the capacity for permanence and growth along with the abilities of their indiginous owners.

Second, by the end of 1968 the National Businessmen's Council will establish at least fifty manufacturing concepts that we consider workable in our inner city areas. With these concepts we will try to bring together all of the facilities and advantages that you have set forth. We will try to bring together the technical know-how, the management ability, the capital and markets, all elements that, together with local ambitions, can foster the export expansion of our underprivileged communities. In this effort, we will seek help from our business world and from government at all levels.

And in this regard, I am happy to report that Mayor Lindsay has assured us that, as part of his economic development program, we will receive the fullest cooperation of the City, and I would like at this point to read this telegram that I received earlier from the Mayor:

"Because of a previous commitment, Commissioner Lewisohn and I regret that we will not be able to be with you at your luncheon on November 16th. I have asked Commissioner Ganz to represent the City." Commissioner Ganz is the Manpower Commissioner. I think they're over there somewhere. Sam, do you want to stand up and take a bow.

"New York City is vitally interested in the development of entrepreneurial talent in minority communities. The City's Department of Commerce and Industrial Development, under the leadership of Commissioner Lewisohn is planning a major program for promotion of local business ownerships. The proposed project of the National Businessmen's Council will help to provide the much-needed assistance of private industry, without which the City's efforts could not succeed. The City and the Council must continue to cooperate to make these programs effective. Please accept my congratulations and best wishes for success.

"JOHN V. LINDSAY, *Mayor*."

Third, the National Businessmen's Council is setting up a Vice President's Committee for Community Export Expansion. This Committee will serve as a clearinghouse for businessmen who accept your challenge. It will cooperate with the agencies of government and with other business groups who wish to set up similar projects.

In fact, in the same evangelical fervour that you have expressed, I'd like to start to do some recruiting right here and now. I would ask that any businessman, all businessmen in this room, who would like to work with us on our Vice President's Committee or independently, let us know. There are cards on your table. You can note your name and address and drop the cards off at the reception desk when you leave. We need your ideas and support, and I promise you a satisfactory and rewarding experience.

Mr. Vice President, there is a time for surveys and broad-gauged planning. But the prospective entrepreneurs of the ghetto should not wait. Each new entrepreneur is the yeast that will breed its own culture of economic development. There is a time for words of appreciation and thanks, and that time is now, except we are giving you more than words. The National Businessmen's Council proposes action and results. We know that our program is not easy and that we will surely stub our toes, many times, along the way. If it becomes too painful, we will come to you, not to cry, just to regenerate the enthusiastic sense of purpose that you have instilled in us today.

Thank you, Mr. Vice President.

Amelia Fenichel

EXTENSION OF REMARKS

OF

HON. WILLIAM F. RYAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. RYAN. Mr. Speaker, as 1967 draws to a close, I wish to record the loss that many of us in New York have felt since the death of Amelia Fenichel.

For 5 years Amelia Fenichel was administrator of the New York office of the 20th Congressional District. With devotion and empathy, she managed to help thousands of men and women from every walk of life and every corner of the West Side, Washington Heights, Inwood, and Marble Hill.

Amelia Fenichel had already enjoyed a full life when she became my New York district assistant. As a young woman, she had been a reporter on the old Brooklyn Eagle. She had become a professional social worker. She had had years of happiness with her late husband, Sol Fenichel. She had raised two outstanding and charming children, Robert and Tedda. She had served life well.

But this was not enough for her.

She joined my staff first as a volunteer and then as the full-time district assistant. The New York office of the 20th Congressional District is a center of social service for constituents who need help. Before her death she had so organized the office that it could be used as a training ground for young social workers.

As she had helped thousands, she had come to know the intricacies of various Federal agencies and the ramifications of New York's enormous bureaucracies in welfare, housing, medicine, veterans' affairs, civil service, the courts. She had become an expert at asking the right officials at the right time, and at finding the right answers to help individuals.

But she ran the office not simply with administrative efficiency. She ran it with human efficiency, which is more important. She saw each human being as no more and no less than an individual. She saw misery and unhappiness in terms of the people who suffered it, and in terms of what she could do about it.

She worked for the lonely, the lost; those who needed housing and those without enough to eat. She helped children in trouble; those who needed jobs and those who did not know where else to turn. She gave unstintingly of her energy, her time and talent and warmth so that others lived better.

There are no simple answers to any of our human problems, or to any of the failures or needs of our modern civilization.

But to approach any meaningful answers, we will have to have Amelia Fenichel's insight. We will have to see our problems basically in terms of people. Those who do manage to find solutions, who can lead us forward, will have to look on the world with Amelia Fenichel's insight, with glasses which filter out the nonsense and bitterness and the desperation, and somehow always manage to see the individual person.

The great contribution of her years as administrator was not in her office work or in her volunteer organization or even in the love which she engendered. Primarily, her contribution was in the things that she accomplished which have made other lives better—jobs, decent housing, social security benefits, child care, medical help.

Amelia Fenichel died suddenly early this year after one of her typical long, devoted days at the district office.

She had made life bearable and better for thousands, and better for everyone who knew her. She has left a great gap in our lives and in our community, and this year, as we have missed her more and more, we have come to know her true value more than ever.

When It Rains It Pours

EXTENSION OF REMARKS

OF

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. LONG of Maryland. Mr. Speaker, my colleague from the First District of Maryland [Mr. Morton] has made a comradely attempt to absolve Governor Agnew of conflict of interest in his ownership of land near the site of the proposed parallel bridge across the Chesapeake Bay.

My colleague refers to the Governor's "alleged ownership." Far from being "alleged," the Governor's ownership is indisputable. It has been admitted by him publicly and is documented in the land records of Anne Arundel County.

Mr. Agnew himself acknowledged conflict of interest by his statement last year that he was going to arrange for sale of this land through a trust agreement to avoid "suspicion." Only after being prodded by me and others to live up to his promise, did he actually carry out the sale of this land.

Who bought this land from the Governor? Mr. Morton reports that "the only bid at the auction was by a representative of the other owners of the property to whom the property was sold." The owners' representative was Henry D. Blair, Jr., an attorney whom Governor Agnew appointed last June to the Maryland Tax Court.

The partners in this landownership with Governor Agnew who bought out his share include political and business associates of the Governor who still stand to gain from location of the parallel bridge near this property.

One of these is Harry A. Dundore, a former chairman of the Baltimore County Planning Board, appointed by Governor Agnew when the latter was county executive of Baltimore County.

J. Walter Jones, a former owner, who sold his share of the land just before Governor Agnew was prodded into selling, is a Baltimore County real estate investor and a close political adviser to the Governor.

These friends of the Governor who still own this land can hardly fail to gain from location of the parallel bridge near their property. Governor Agnew was aware of this when he rammed the parallel bridge bill through the legislature, after it had been defeated on public referendum by the people of Maryland. The Governor, therefore, is still in conflict of interest.

Indeed, in 1966 the Baltimore Sun noted editorially:

> Mr. Agnew has put himself in a position from which he may derive personal profit if a parallel span is constructed. Representative Long is right in saying that Mr. Agnew's land purchase raises a question of his fitness to make a bridge-location decision if elected Governor. Even if he disposes of his interest now or after the elction, Mr. Agnew could find himself in the awkward position of having to make a decision directly affecting former business associates.

Veterans Pension Benefits H.R. 12555

EXTENSION OF REMARKS

OF

HON. EDNA F. KELLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mrs. KELLY. Mr. Speaker, on December 15, 1967, the House of Representatives passed the bill H.R. 12555, to amend the income limitation provision for veterans and widows of veterans receiving non-service-connected disability pensions and to increase the rate of non-service-connected pensions.

This bill offers greater protection for every veteran, widow and child receiving VA pension benefits by prohibiting reductions or termination of benefits that might result from the Social Security Amendments of 1967.

H.R. 12555 insures that there will be no termination or reduction of VA pension benefits as a result of an increase in social security benefits. The bill increases the overall maximum income limitation by $200, so that a veteran will not lose his pension solely as a result of his raise in social security.

Early in the 90th Congress, on February 2, 1967, I introduced H.R. 4756, to amend title 38 of the United States Code to provide that monthly social security payments shall not be considered as income in determining eligibility for pensions under that title. On March 2, I testified before the House Committee on Veterans' Affairs in support of my bill, H.R. 4756. At that time, I stated:

> Social Security benefits are not gifts or grants from our government. These benefits are insurance which is paid for during productive years by employers and employees. I see no reason to consider these benefits as income in determining eligibility for veterans pensions.

On September 19, 1967, I again testified before the House Committee on Veterans' Affairs. During the course of my statement, I said:

> While my bill excludes only Social Security benefits from consideration as income to determine eligibility for veterans pensions, it has come to my attention that veterans receiving Federal pensions and other types of annuities are similarly affected by our present laws. Therefore, I hope that this Committee will also take into consideration the elimination of retirement annuities from consideration as income in determining eligibility for veterans pensions.

Mr. Speaker, I now urge that the Senate as one of the first orders of business in the second session of the 90th Congress, consider and act favorably on H.R. 12555.

The Disbursement of Vocational Education Funds to the States

EXTENSION OF REMARKS

OF

HON. CHARLES E. GOODELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. GOODELL. Mr. Speaker, I take great pleasure in calling to the attention of the House a very important address by my friend and colleague, the Honorable Albert H. Quie, given in New York City on December 8, 1967, before the National Association of Manufacturers.

Mr. Quie makes the highly important recommendation that we must reorganize our vocational education, training, and manpower programs, and urges the creation of a new Cabinet-level Department of Education and Manpower.

I am sure that this recommendation will be picked up by other experts in the field and, hopefully, will come before the Congress where I hope there will be favorable action.

I commend my colleague for his new and direct approach to these problems.

The text of his address follows:

> THE DISBURSEMENT OF VOCATIONAL EDUCATION FUNDS TO THE STATES
>
> (Remarks of Albert H. Quie, Member of Congress, before the National Association of Manufacturers, New York City, December 8, 1967)
>
> As we meet here today, another major education controversy looms large on the national horizon. This controversy will revolve

around the future direction of American vocational education. Thus far, the rumblings of those who are dissatisfied have remained largely out of public earshot. Commissioner of Education, Harold Howe, II, has publicly stated that he is disappointed in its progress. Many of my colleagues on the House Education and Labor Committee have severely criticized vocational education as a creature that looks backward—offerings job skills and training that are now obsolete and out-of-step with the sophisticated employment demands that are imposed by a fast-moving and dynamic urban society.

My distinguished colleague from Oregon, Representative Edith Green, with whom I serve on the House Subcommittee on Education, has indicated that vocational education should be a top-priority item on the Congressional agenda. Congressman Roman Pucinski, Chairman of the General Education Subcommittee of the Education and Labor Committee, has given me assurance that a thorough, in-depth study of vocational education will be made next year with an eye toward writing comprehensive legislation to expand the level of Federal support and participation.

Sometime next month, the Advisory Council on Vocational Education, created under the provisions of the Act of 1963 and chaired by the Commissioner of Education, will submit its initial evaluation of our vocational education programs. The recommendations submitted by this Council are expected to have a major impact on any amendments that will receive Congressional consideration during the Second Session of the 90th Congress.

All in all, it looks like an exciting and challenging year ahead for all parties interested in the future of vocational education.

Vocational education has evolved from an individually-initiated, informal educational experience into a major component of our American educational curriculum. Other than the Land Grant college legislation, it was one of the earliest to receive Federal support. Its importance, in relationship to the growth of our national economy and the development of our human resources, is now fully recognized by educational policy-makers at all levels.

Passage of the Smith-Hughes Act in 1917 marked early Congressional concern and the beginning of our national commitment to support this facet of education. It seems to me that Congress functions most effectively when a national crisis strikes. In 1917, as World War I neared an end, there was a realization that oceans could no longer protect us from the problems of nations that are away from our continent. Rather, it was our great industrial might that enabled us to win the war. Congress reacted by enacting legislation to provide further training in vocational skills.

The Smith-Hughes Act was narrow and limited in scope. Funds were allotted to the States for the salaries of teachers, supervisors, and directors of agricultural subjects as well as for teachers of trade, home economics, and industrial subjects. In addition, funds were earmarked for aid in the preparation of teachers in these subject areas.

Congress reacted in a similar manner after the end of World War II, when the Vocational Education Act of 1946 was enacted. More popularly referred to as the George-Barden Act, it was also based on the categorical approach with funds earmarked for agriculture, home economics, trade and industry, distributive education, fishing trades and industry, practical nurse training, and the training of highly skilled technicians in occupations requiring expertise in scientific fields necessary for our national defense.

This reaction-to-a-crisis approach was again seen with the enactment of the National Defense Education Act of 1958. At that time, the American people were shocked by the fact that the Russians were capable of launching a Sputnik space vehicle. The Soviets successfully launched their vehicle well in advance of comparable American efforts. It was concluded that our scientific and mathematical abilities and expertise were lacking. And, if we were to retain world leadership, we would have to expand our store of knowledge of these areas as well as in modern foreign languages. Congressional reaction to this crisis took the form of the National Defense Education Act of 1958.

Most recently, the Elementary and Secondary Education Act of 1965 reflected a deep national concern—a concern for the Nation's poor. As the result of the book, *The Other America* by Michael Harrington, the American conscience was heavy with guilt over the plight of the poor. According to the provisions of ESEA, the greatest amounts of money are allocated to the Nation's school districts based on the number of poor children attending. These funds, however, are not distributed among "poverty" children. Rather, each school district receives monies on the basis of the number of "poor" children living within its boundaries in 1959. When I mention the date 1959, this should give you some idea of just how outdated our statistical base is. For example, in Kentucky, 81 counties have had a net reduction in the number of children between the ages of five and seventeen. But the mechanism of the Act perpetuates this inequitable distribution of funds. In a word, in 1967, we were distributing monies to school districts on the basis of the number of poor children that they had back in 1959.

But let's return to vocational education. Seventeen years elapsed—from 1946 until 1963—before the Congress took concerted action to align vocational education with the Nation's projected manpower needs and passed the Vocational Education Act of 1963.

That Act incorporated some major changes. First, the agricultural bias or weighting that had characterized previous legislation was eliminated, and second, the so-called "block grant" concept was introduced into the realm of vocational education.

To remove the agricultural bias or emphasis that was so much a part of the Smith-Hughes and George-Barden Acts, the Vocational Education Act of 1963 contained language that would permit any of the funds that had been earmarked exclusively for agricultural training to be transferred to or combined with the funds that had been authorized to support new training programs. In other words, a State could use its money for whatever programs it felt would lead to gainful employment. Prior to this, as I have said, vocational education had been categorically limited to agriculture, home economics, trade and industry, and distributive education. Now, business and industry, too, offered a broad range of employment opportunities—but there were no federally-assisted vocational training programs for them.

That there was a need and a desire for this was evident in the huge over-matching of the States and the communities in vocational education.

Not only was the agricultural bias removed, but the distribution formula was completely revamped. Funds were no longer allocated on the basis of rural or farm population, but on income and the population within the State. Let me add, parenthetically, that I believe that this is an ideal foundation on which to base other Federal aid. For, in the Vocational Education Act of 1963, there was at least an attempt made to develop a national manpower policy. There was no such policy and I am frank to admit that. As Dr. Venn has said, we have no manpower policy today. Whether or not Dr. Levitan said in as many words, one had only to listen to his speech—for the point was made that we have no national manpower policy today. At least we do have some of the makings for such a policy and the beginning of the development of one in the Vocational Education Act of 1963. That Act, with its block grant structure, required that each State develop and submit a comprehensive State plan to the Commissioner of Education for his approval. In its plan, a State must establish its policies and spell out those procedures that will determine its allocation of these Federal monies—giving adequate assurance that the manpower needs and employment opportunities within the State are given appropriate consideration. Though State involvement was limited, States were, nonetheless, required to develop a long-range blueprint for the spending of vocational education funds awarded to them by the Federal government. Under the terms of the Vocational Education Act, the school districts receive their monies but not on a project-by-project basis which finds the Office of Education, the OEO, and the Department of Labor flooded with thousands and thousands of individual project proposals that must be processed and reviewed.

The Vocational Education Act of 1963, then, represents our first real national commitment to support vocational education. In that Act, we laid the foundation for future action that would guarantee us the capability to meet the challenge of the manpower crisis that will confront us in the decade of the 1970's. Our commitment was a firm one; the legislative history of the Act makes it abundantly clear that our intent was the right one.

The question still remains: Have we honored and fulfilled that commitment? In dollars and cents terms, I think that we have done a fairly good job. But, this is not to say that we don't need substantial increases in the appropriations in the years that lie ahead—for the obvious need is now recognizable.

In the fiscal year 1967, the Federal government alone expended $1.4 billion for three manpower training and vocational efforts. Two-hundred and seventy-eight million dollars was spent for Vocational Education; $390 million for Manpower Development and Training, plus $734 million for a variety of work training programs authorized under the Economic Opportunity Act of 1964. In addition, $353 million was spent for Project Headstart and over one billion dollars for the Elementary and Secondary Education Act of 1965. So, you can see, in terms of money, the Federal government has made a substantial commitment.

But the authorization and appropriation of funds in Washington is not the sole answer. These funds must be funneled to the States and the local communities in order to have them used in the most effective way. The Federal government doesn't run these programs itself. If the Federal government is going to make large commitments of dollars and, if when the War in Vietnam comes to a close there is a substantial increase in this Federal outlay, we must determine how to best make this available to the States and the local communities. This is the vital question confronting us at this time. Currently there is no single method for financing vocational education programs at the State and local levels. The method of funding is different for each of the programs that I have mentioned—so much so that I consider these programs, for the most part, to be merely Federal "patches" on the total governmental and private effort.

In my conversations with school administrators across the country, one theme runs through all of our discussions: State and local educational authorities are finding it increasingly difficult to carry out educational programs according to priorities which are responsive to local needs. This is the case because in order to participate in Federal categorical aid programs and to receive needed Federal dollar assistance, State and local educators must devote more and more of their time to paperwork and red tape. This costs the American taxpayer millions of dollars annually—and these dollars should be going to support bona fide educational programs for our children.

The tragedy of all of this is that carefully designed programs and adequate dollar expenditures do not add up to a national manpower policy. In the absence of such a policy, conflict, duplication, and waste will prevent us from fully honoring our commitment to first-rate, quality vocational education training.

Let us, for a moment, look at some of the conflicts that have arisen and at the effects of present methods of funneling Federal funds to the local levels. First, let's consider the matching requirements of the various vocational education programs. Vocational education under the auspices of HEW requires 50 percent State matching, while vocational rehabilitation requires only 25 percent. The Neighborhood Youth Corps, MDTA, and adult education under the Office of Economic Opportunity require a 10 percent State matching of funds, while in the Job Corps and ESEA there is no requirement for State matching of Federal dollars. These are only a few of a vast number of Federal programs that all have different matching provisions.

What this means is that when you try to determine just how your local or your State money is to be utilized, you are left with "bargain basement shopping." You try to get as much of the Federal money for the least amount of local or State money. And this undertaking will throw the entire program—the national as well as State and local efforts—out of balance.

We must also consider how the States apply for their funds. Most of the operative programs find funds granted on a project-by-project basis. This is not a block grant approach but a categorical one in which the projects are developed locally.

I enjoyed a comment that appeared in a new study that is being conducted now on the educational systems for the 1970's. And that comment was that they are going to ask for unsolicited proposals. And, I wonder whether or not that is really possible. All of this categorical aid—all of the project-by-project allocation of funds requires that one become proficient in the art of "grantsmanship"—that is the ability to weave one's way through the endless bureaucratic maze and the mountainous piles of red tape. Those who are able to develop a project proposal that is the kind that the reader likes to read will usually get their projects funded. You must develop a program that will include not only what you really want and need but also one that you think will get funded. Only in this way can you be assured of getting your money. And, if you don't get your money, then your superior isn't going to like you very well. In the field of higher education, they say "publish or perish"—here it is "get your grants or you're out."

Let me reiterate—the costs of this type of administration are high. The waste in terms of talent and in terms of the taxpayers' dollars defies precise calculation on a nationwide basis. Dr. Arthur Swanson, Council Associate for the Western New York School Study Council, told the Members of the House Education and Labor Committee that "the New York State Education Department requires approximately 30 times the manpower to distribute $1 of Federal (categorical) aid than is required to distribute $1 of State aid."

Poorer and smaller State and local educational agencies just do not have sufficient manpower to satisfy Federal paperwork requirements. Unable to surmount the bureaucratic barriers that confront them, they see Federal monies awarded to larger and wealthier educational agencies and districts whose needs are not the most urgent or critical. Finally, the State matching requirements serve merely to broaden the gap that exists between the wealthy and the poor States. In some of the programs, we do have an equalizing factor so there is more money available to the poorer States. But then, in vocational education, they have that 50 percent that they have to contribute themselves which makes it extremely difficult for some of them. I must say, for a number of the poorer States, that they have done extremely well in the field of vocational education. If one wants to criticize the southern States—and this seems to be the fad these days—one should look at vocational education and compare some of the southern States with the northern States and see how well these southern States have done in vocational education.

There are a number of conflicts that plague this area. There is the conflict between the academic and the vocational which is going on in the secondary schools. There is a conflict between technical education at the higher education level and vocational education that is post high school and won't fit into the college curriculum or into vocational education at the secondary school level. There is also the conflict between institutional programs and the on-the-job training programs. None of these has been resolved. They have been kept below the surface as much as possible. I always think it better if these disputes are brought out into the open and the various points of view aired. Perhaps some parties who are not directly involved in the field could play a major part in resolving them. It is, in a sense, much like when my Democratic colleagues begin fighting with each other and we suggest that they ought to let a Republican come into their midst and help them to resolve their differences.

Francis Keppel said that education is too important to be left to the educators. Maybe in some of the conflicts among educators, outsiders ought to be welcomed in their midst in an effort to bring about agreeable solutions. So, if there are educators among us there today, as I know there are, I would say to you that you should feel free to share your problems with your business and industrial leaders, with your community—and let them help you.

In the conflict that pits academic against vocational education, the major emphasis in our secondary schools is on the curriculum for the college-bound student. My daughter who is now a junior in high school would like to pursue something like the Peace Corps or perhaps a line that would enable her to work with less-fortunate individuals. She wants to do this right after high school. She tells me that most of the guidance and counseling is in terms of what college she ought to go to. I have asked her what kind of training she is going to get in high school for what she would like to do and she says that nobody ever talks about that.

And so our whole emphasis is on preparation for that 30 percent that are college-bound—or perhaps on that 20 percent that go far enough in college so that they can learn a skill from it. I have seen the statistics that show that of the young people who leave school and go out to work with less than a baccalaureate degree, only one in ten have a job skill to take with them. And that's a pretty poor record for our educational system.

The heartening fact is, however, that our educators are aware of this shortcoming in our system and I expect that they will play their role in making long-needed changes.

The development of a sound national manpower policy is an urgent and necessary undertaking. It is important that we address ourselves to doing this and doing it now. At the same time that the Federal government is developing a national policy, State and local governments should be encouraged to do the same at their respective levels. Each of these partners must establish a policy and make plans for implementing it. The passing of time will not resolve our problems. We're moving at too fast a pace. And we must plan for the future. Industry would not be where it is today, if it neglected to plan. This is what we must do in the manpower field.

We have a multitude of programs, not only in vocational education and in poverty, but also in the Department of Labor. I doubt that it will ever be possible to develop a national manpower policy if the people in the Office of Education jealously hang on to their prerogatives, and those in the Office of Economic Opportunity and the Department of Labor cling to theirs. Surely, none will suggest that some of these prerogatives be given up.

We hope to do a thorough study on the creation of a single manpower agency this year—and the result should be a new Department of Education and Manpower. I believe that we should place all of the education and manpower training functions and responsibilities that are now in the Office of Education, the Office of Economic Opportunity, the Department of Labor, and in the National Science Foundation in a new cabinet-level department. The manpower programs of the Department of Labor cannot and should not be isolated—for academic and vocational education go hand in hand. The Office of Economic Opportunity cannot go it alone. It would be a tragic mistake if we continue segregated programs in which a "poor" person is identified as somebody who is different. The "poor" must associate with other people—and we shouldn't run these programs only for them. What is more, there are a significant number of young people who need the experience that Project Headstart provides, who need vocational training, who need manpower training—young persons who do not come from families that are in the "poverty" category.

I personally believe that now is the time to start gathering together and consolidating into a unified whole the fragmented parts of our national education and manpower programs. Once such a consolidation is effected, we can then begin to devote ourselves to the task of perfecting and expanding our vocational education programs and in so doing draw upon the creative and innovative potential and expertise of the three co-equal governmental partners—Federal, State, and local.

Many of you may be familiar with the recent controversy over my amendment to the Elementary and Secondary Education Act—an amendment that would have consolidated all of Titles I (aid to educationally-deprived children), II (textbooks and library resources), III (innovative programs and supplemental centers), and V (aid to State departments of education) under a single title, with all of the programs administered through a single State plan. Each State, after having drawn upon the expertise of all interested parties, would have prepared a comprehensive State plan that would be submitted to the U.S. Commissioner of Education for his approval. Federal aid would then go from the Commissioner to the State. The Commissioner would not then be dealing with thousands of school districts around the country, but with the 50 States. The States, in turn, would be dealing with the hundreds of school districts within their jurisdictions. I believe that this is the direction in which we should be moving.

I was not successful; my proposal was defeated. But, as a result of the ESEA debate, it is widely recognized that the anti-crime bill that passed the House—a bill that incorporates the block grant concept—came as a result of the ESEA identification and dramatization of the block grant approach. The juvenile delinquency program, heretofore quite unsuccessful in its five years of operation, now has that as well.

Some might say that this is the basis of the Green Amendment to the anti-poverty legislation. I say that it is not. And here I would like to point out another factor that is of primary importance in the partnership, among the Federal, State, and local spheres of government. In that partnership, the people who are to benefit from a program must be involved in some way—and this is especially important in the field of poverty. The poor must play a major role in their self-betterment. This is the key to the success of Leon Sullivan's O.I.C. program in Philadelphia. The poor are involved. The same can be said of Project Bootstrap that operates in Los Angeles and, by the way, without a cent of Federal money. Involvement of those who are to be helped has been a major ingredient of Bootstrap's success—boasting a record of placing 92 percent of those whom it trains—most of them in electronics and communications.

And the same should apply in our schools. In our rural schools, in the old one-room schoolhouse, there was a source of strength that we seem to have discarded. I am not advocating that we return to the one-room schoolhouse—I went to one—but I would never want my kids to go to one. But the strength of the rural one-room schoolhouse was the fact that the teacher had to live on a farm in that community and the parents of all the children had the responsibility, at least once a year, if not twice, to invite the teacher to come to the home for dinner. The kids were scared to death.

But the parents were pleased with this arrangement. For in the environment of the home, they could discuss the child's education. Now, parents are expected to go to the school for meetings with the teacher. The children, of course, don't come along. In the ghettos, the parents are scared because the teacher or instructor looks like "authority" and is practically like the policeman. I do know of some schools that require that the teacher visit the homes of her students. In New York, you can't do that because of the union. Teachers can only work six hours and twenty minutes a day, I believe, in New York, and you can't tell a teacher to go and visit the students' parents in their homes.

But, where they do this, the parents don't come into a strange environment, frightened to death. Rather, the teacher goes into the home environment, frightened to death perhaps. But by this, they were able to accomplish more than school social workers. And this is an ingredient that we must remember—the individual's part in his own development.

With respect to job programs, it is imperative that persons are put on policy-making boards who have been graduated from industrial vocational education programs. And it is important to have persons who have gone through these programs within the last five years—for they know the problems that existed for them—not the problems that existed some 20 or 30 years ago when they might have gone to some vocational education program.

Let me summarize briefly. We must work to create a new cabinet-level Department of Education and Manpower. I would suggest that we should lump together programs in certain categories—and I say this because I do not believe that we should put all education and manpower programs together under one single block grant. We have to do this a step at a time. We should put the elementary and secondary education programs, ESEA Titles I, II, III, and V, the National Defense Education Act, Title IIIA—which is the equipment title, Headstart and Follow through together into one block grant and develop a comprehensive plan. Vocational education, too, should have a block grant. The Smith-Hughes Act, the George-Barden Act, the Vocational Education Act of 1963, MDTA, the Neighborhood Youth Corps, the Job Corps and similar programs should be placed together in that block grant.

I believe that this way we can have the coordination that is necessary, develop a policy, have the flexibility, and have the strength of programs that will have dynamic effect on the opportunity for the nine out of ten young people who need to learn some occupational skills as well as all the other training that they need, in order that we actually can solve the problems that face us in the cities and the rural regions of America, because jobs come closest to being the answer. Education is necessary now, in order that people might have jobs.

Point Pleasant Bridge Collapse Should Delay Maryland Parallel Span

EXTENSION OF REMARKS

OF

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. LONG of Maryland. Mr. Speaker, the State Roads Commission of Maryland should hold up design and construction of the proposed parallel bay bridge and other new spans until completion of probes into the recent bridge collapse over the Ohio River.

President Johnson has appointed a study group to inquire into the cause of this bridge collapse. The Senate plans another investigation into this collapse, and into the structures of a thousand other bridges besides. Ohio and West Virginia officials are launching a bistate probe. A wealth of information to guide the Maryland Roads Commission will thus be available at the conclusion of these probes, perhaps the first major investigations ever made into bridge safety. The cause of this bridge collapse has not been established. The fault may or may not turn out to be the design. But more than three score persons were killed. Others remain missing. This disaster would not necessarily be duplicated in Maryland. But why not make sure? After all, the present bridge is still operating at only half its rated capacity. It is congested on no more than a half dozen weekends a year. The people of Maryland do not even want the parallel bridge to begin with, having rejected it last November on statewide referendum. A study of bridges in Baltimore County has brought out that 10 of these structures are unsafe for vehicular travel.

With the lives of Marylanders at stake, to say nothing of $70 to $100 million of toll-taxpayers' money, would it not be less then prudent to proceed with new suspension bridge design and construction until the safety lessons from these probes are available, particularly when the same firm designed and supervised construction of the collapsed bridge?

The bridge at Point Pleasant which collapsed and killed more than 30 people was designed by the J. E. Greiner Co., and built under its supervision.[1] The J. E. Greiner Co. designed and supervised the present Chesapeake Bay Bridge in Maryland and is under contract to design and supervise construction of the parallel bridge. The Point Pleasant bridge which collapsed was a suspension span. So is the Chesapeake Bay Bridge. So also will be the parallel bridge.

Summing Up

EXTENSION OF REMARKS

OF

HON. CATHERINE MAY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mrs. MAY. Mr. Speaker, with the conclusion of the first session of the 90th Congress, I am sending to a number of my constituents in the Fourth District of the State of Washington a special report on what I consider to be the accomplishments and failures of the Congress in 1967 and a brief look into 1968 and the problems that I believe require attention.

Under unanimous consent I include in the RECORD this special report, as follows:

SUMMING UP: A SPECIAL REPORT FROM CATHERINE MAY, U.S. REPRESENTATIVE, FOURTH DISTRICT

JANUARY 1968.

DEAR FRIEND: The 1st Session of the 90th Congress lasted 11 months. It began on January 10, 1967, and ended on December 15. The 2nd Session will start in less than two weeks—on January 15. This Special Report is my assessment of the accomplishments and failures of the recent session, and a look at what may be expected in the new one.

THE ACCOMPLISHMENTS

The Congress, on a bipartisan basis, fully met our national defense and security requirements, and provided for other essential and desirable Federal activities.

Republicans, with the increased strength gained in the 1966 elections, initiated a series of actions to bring about a reduction in both the appropriations and the amount to be spent in the future. These efforts made the country and the Congress "fiscal conscious" and economy minded. The result has been a taxpayer savings of $4 billion 100 million in proposed spending this fiscal year and a cut of $5 billion 800 million from the President's new appropriation requests.

At Republican insistence, the "grants-in-aid" program was changed. The method of "block grants" to the states was adopted in the Aid to Education bill, the Law Enforcement and Criminal Justice bill, and in the Comprehensive Health programs. This represents a new emphasis on our states and *less Federal control* over programs.

To me, these achievements are fundamental and most significant. They demonstrate that the views and desires of the American people were reflected in Congressional action and that the power of the Legislative Branch of government has been restored.

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[1] *Engineering News Record*, June 20, 1929, page 1001, article by Wilson T. Ballard, Vice President, J. E. Greiner Company, Consulting Engineers, Baltimore, Maryland. "The bridge was designed by the J. E. Greiner Company, and built under its supervision."

ON THE MINUS SIDE—SOME SERIOUS PROBLEMS HAVE NOT BEEN SOLVED

Although Congress reduced the budget and received pledges of reductions from the Administration, *inflation* has not yet been effectively curbed. Some of the budget reductions were offset because it was necessary to increase benefits for Social Security recipients and the pay of military and Federal civilians due to the impact that inflation has had on them.

The problems of *unemployment*, *social unrest* and *crime* remain unsolved. Congress continued to appropriate funds for the Poverty Program but refused to make substantial changes advocated by House Republicans. Nor has Congress approved a significant new housing program which would give private industry an important role in slum rehabilitation. Hearings on riots and the social unrest were initiated, but Congress still must approve a much-needed Safe Streets and Crime Act.

The greatest failure in resolving the economic dilemma of *farmers* came with the lack of constructive action from the Administration. Agriculture committees did not hold hearings on proposals to shore up agriculture introduced by me and others because the Department of Agriculture refused to support them.

LOOKING AHEAD INTO 1966

The new year finds our country facing many serious problems:

1. The war in Vietnam continues. We have over half a million American troops committed, and casualties since January 1, 1961 of both killed and wounded American boys now total over 107,000. Draft calls in 1968 are expected to be increased to take care of future buildups in Vietnam and to provide for the rotation of troops.

2. Riots are expected to erupt again in the summer of 1968 at a pace that could be greater than in 1967, accompanied by looting and destruction of property.

3. The severe attack on the dollar from abroad and the drain on our supply of gold is expected to continue. The Congress may consider repealing the law which requires us to keep on hand about $10 billion in gold to back up our Federal Reserve notes.

4. The cost of living (inflation) will continue to rise at a rapid rate, due in part to the fact that our government continues to spend a great deal more than it takes in. The President's proposed tax increase may be considered by the Congress, particularly if additional spending reductions are insufficient to cool an overheated economy.

5. Unless present Administration policies are reversed, farm prices are likely to remain at ruinously low levels. Increasing grain production and a possibility of decreasing overseas farm markets could intensify farm problems, as well as would pressures to unionize farm workers.

Some 1967 actions in Congress will alleviate some problems in 1968:

1. Bills which went through part of the legislative process in 1967 may be enacted in 1968. High priority has been given to bills for *crime control, higher education, codes of ethics for Congressmen* and *reorganization of Congressional procedures*. A *truth-in-lending bill* which passed the Senate in 1967 will be taken up in the House.

2. 1967 enactment of a bill I sponsored in the House will help *Klickitat County wheat growers* offset losses caused by alfalfa decline. Washington State wheat growers will get a Congressional hearing on my bill to *restore acreage losses* caused by erroneous advice of authorized agents of the U.S. Department of Agriculture.

3. The *Poultry Inspection Act* can be expected to be updated to correspond with improvements made for inspection of red meat under the *Wholesome Meat Act of 1967* which I helped formulate and steer through Congress.

GOVERNMENT CAN BE RESPONSIVE

The most dangerous thing that has been happening in our society is the feeling of frustration, of isolation of our individual citizens. Our whole system, including government, has become so big and so complex that it has been difficult for people to feel that they individually can play a meaningful role. Yet, I believe that the proceses of *representative government* in 1967 proved that Congress *can* be responsive to our citizens.

When Congress reconvenes this month, I am hopeful we will face squarely the difficult questions before us and find the best answers in the interest of all Americans. I look ahead to 1968 with hope and renewed determination that we can, through constructive approach, solve our most pressing problems.

Yours sincerely,

CATHERINE MAY,
Representative in Congress.

Report to Constituents

EXTENSION OF REMARKS
OF

HON. ROBERT PRICE

OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Friday, December 15, 1967

Mr. PRICE of Texas. Mr. Speaker, as this session of Congress comes to a close and as I complete the first half of my first term as a Member, I plan to report to the people of the Panhandle of Texas on the activities of the 90th Congress and my own part in those activities.

My impressions of the first session are contained in the following report to my constituents.

THE FIRST YEAR

As the first session of the 90th Congress finally ground to halt just before Christmas, a Washington newspaper correspondent asked me what I thought of my first year in Congress.

Between my office and the Capitol and during lunch between rollcall votes on last-minute bills, Ken Scheibel, a veteran Capitol Hill correspondent, took some notes and sent out a story which may have appeared in some Panhandle newspapers. So rather than offering my own version, I will take the liberty of repeating here what he wrote:

STORY BY KEN SCHEIBEL

Washington.—Back in Pampa, Tex., Bob Price determined to do something about this nation's perplexing problems. But when he arrived in Congress as the newly elected Republican from the 18th District, he found that it's a lot tougher job than he imagined.

Price has learned a lot on the job in his first year in Congress. Uppermost is the fact that it takes time and patience to get action on Capitol Hill. What Price says in so many words is what many newly elected lawmakers conclude after a tough year on the job—that things seem simpler viewed from afar.

Price chatted in his office about his first year in Washington: "You just can't get things done overnight," he said. "There is so much that goes into making laws—even to change things one little bit."

The 18th District lawmaker obviously has matured under fire during the first half of his term. He was asked what impresses him most about his service in Congress. He said candidly, "the enormous problems of this country—how complex, vast and interwoven they are."

The forty-year-old-Texas-rancher-turned-lawmaker has concluded that no matter how hard Congress works to be fair to all Americans, some inequities do exist. "What helps one person may hurt another," he said.

Like his colleagues in the House of Representatives, Price is overwhelmed with material to study on the problems confronting Congress. He often puts in a 16-hour day on the job, but even that is not enough to keep up with everything. "I have to rely on my staff. They have been invaluable, and I couldn't have done much without them," he said.

Price's greatest pleasure so far has been in mixing with other members of Congress. Each has a different background. "They have all come here under different circumstances. It affects their outlook."

His biggest disappointment is "the length of time it takes to get legislation through Congress." Another is the fact that he can't spend more time with his family.

For a freshman lawmaker, Price hasn't done badly with legislation. He resisted the urge to toss a flock of bills in the hopper which probably would have gone to a dusty pigeonhole. Instead he selected certain problem areas to concentrate on. He won approval of two amendments in a meat inspection bill to discourage meat imports. One of these was later defeated after meat importers became alarmed.

Several bills Price introduced or cosponsored have been passed by the House. These include a ban on Egyptian cotton imports, one to allow advance loan payments to wheat producers and an anti-riot bill. His name is also on several anti-crime bills sponsored by the Republican Task Force on Crime to which he was appointed.

He has testified in hearings, introduced a bill and made several floor speeches on oil imports which he wants limited and has defended the industry's 27½ percent depletion allowance.

Despite Price's disappointments here, he seems self-assured and confident in his job. He and his wife enjoy the advantages of life in the Capital.

Once Price went to his ranch at Pampa, where he spent many weary hours in the saddle. Upon his return to Washington, a friend asked how he liked being a Congressman. "Well," drawled the saddlesore lawmaker thoughtfully, "it sure beats rounding up cattle in a blizzard."

On a typical day, Price arrives at his office at 8 a.m. after a 14½ mile drive from his home in Virginia. First thing on his schedule is a Republican meeting, or maybe a briefing by the State Department or some other agency on top issues. By 9 a.m. Price has conferred with his crack administrative assistant, Texan Nolan McKean. Then he goes to work on the mail, dictating letters to his secretary, Miss Alice Chervinsky, who is cool under fire and highly efficient.

At 10 a.m. there is usually a meeting of the House Agriculture Committee on which Price serves. This runs two hours. Often it consists of a public hearing on a farm bill or a closed door session so members can thrash out their differences. Price has made his influence felt on this committee although he's been a member only a short time.

At noon, Price heads for the House Chamber for the day's session. This may run until 6 p.m., or until 9 or 10 at night. Occasionally, they have gone until 1 or 2 in the morning. Price's attendance record is one of the best in Congress. He's answered 98 percent of the quorum and roll call votes this year out of a total of 419.

Price is not generally in agreement with fellow-Texan Lyndon Johnson and has opposed Great Society spending proposals. The Americans for Constitutional Action, a conservative political rating group rated Price with a score of 100 in September.

Price supported increases in social security benefits, the Peace Corps, an adult education bill and pay raises for postal, civil service and military personnel and veterans. But he opposed such landmark bills as the poverty program, foreign aid, rent subsidies and will oppose a tax increase unless he is convinced that the Administration is making some concentrated, effective efforts to cut non-essential domestic spending.

Asked where he stands in the political spectrum, Price said, "I think political labels hurt the country. They just confuse everyone." But there is no doubt Price is a conservative at heart—although he does not advertise the fact flagrantly, especially in a district where registration is four-to-one Democratic.

Price drew the ire of his neighboring Texan, Rep. Graham Purcell, for helping defeat the Purcell grain reserve bill. The fact that Purcell redrafted his bill to meet Republican objections may have proved Price right.

Price was successful in getting an amendment to the meat inspection bill to require that all foreign packing plants measure up to the same sanitary standards as U.S. plants. "This is strictly an amendment to limit meat imports," he said candidly. "It was just another way to approach it." In other words, Price wasn't trying to fool anybody about the intent of his amendment. He is dead set against unrestricted meat imports and makes no bones about it.

Price may be a newcomer to Congress, but he doesn't walk away from a scrap, once he is committed. He believes in sticking up for his point of view—no matter who may be on the other side. His opponents made it plain they were unhappy with him on several votes—and Price felt it was mutual.

Price hasn't been bashful about asking for what he wants. He was not happy that Republican newcomers in Congress did not get the same briefings as everyone else from the military on the war in Viet-Nam. He proposed that the Joint Chiefs of Staff arrange a once-a-month briefing for new Republican members. The JCS agreed. This was an innovation—and the 18th District member was responsible.

Price is looking forward to a lively fight next year when he runs for re-election. He expects to be jumped for what his critics call "negative" voting habits.

"But when I vote I ask myself if this expenditure could not be put off a little longer," he said. "I don't say that certain programs are not needed, but these things must come in steps. We can't spend more than we make, and keep up. Right now, we are reaping the results of some people who have been experimenting with our society."

He grinned at the double meaning of the last word. But he made his point.

After a year in Congress, Bob Price of Pampa, Tex., has picked up lots of political "savvy." He's more knowledgeable, articulate and effective than when he arrived a scant 12 months ago. And knowing he can't do everything all at once, he's more realistic, too.

NEWS AND VIEWS OF A CONGRESSMAN'S WIFE IN WASHINGTON

In the hurried and often harried pace of the Nation's Capital, a Congressman's activities include more than official duties—conventions, dinners, receptions, breakfasts, and visits with the many friends and constituents who come to Washington.

A report on my first year in Congress would not be complete without a glimpse at the most important role of my wife, Marty.

The following are excerpts from a feature story of a freshman Congressman's wife in Washington written by a Washington newspaper correspondent:

STORY BY JO ANN FITZPATRICK

The glamour of Washington—which some people relish more than the political heat—has not turned Mrs. Price's pretty head. "Other than being removed from (her) home and friends," the petite wife of Rep. Bob Price conducts business as usual in her suburban home.

Family life is very different, Mrs. Price admits, mainly because the Congressman has to put in more than twice as many hours as he did operating his Texas cattle ranch. Marty Price forsakes the busy social schedule favored by many "Hill wives" in the interest of caring for her family. As she puts it, simply, "I like to be there when the children come home from school."

She does attend most functions of the 90th Congress Club, a social organization composed of wives of freshman members of Congress which meets once a month. In September the club entertained ambassadors' wives at a coffee at the home of Republican Senator Mark Hatfield of Oregon, and Mrs. Price was delegated to escort the wife of the Ambassador of Panama.

There is a round of receptions and dinners for visiting 18th district constituents which keeps the Prices busy at least two nights a week, and these are social "musts" which both enjoy.

But most of the time Marty Price can be found at their suburban home in Waynewood, a section of Alexandria, Virginia, "doing the same things I did in Pampa."

The Price youngsters proved their ability as "outdoorsmen" at a country fair given by President and Mrs. Johnson for the children of members of Congress on the south lawn of the White House. All members of the Price trio won prizes, and Janice caught Lady Bird Johnson's eye after repeated victories in the sack races.

"The First Lady asked Janice her name and she asked if her Daddy was a Congressman—but she didn't ask if he was a Republican or Democrat," Mrs. Price relates with a sly twinkle in her eye.

Marty Price didn't want to move to Washington, though she "wanted him to win the election."

But now that she is here she looks forward to an extended stay. "We need to be here," she says matter-of-factly, "because he is doing a good job."

Following is a résumé of the major bills and resolutions I introduced during the first session of the 90th Congress. Action taken is denoted in the footnotes.

Bills not acted upon during the first session are carried over to the second session which convenes January 15, 1968.

During the first session, there were 20,387 measures introduced—public bills, private bills, joint resolutions, concurrent resolutions, and simple resolutions. Of these, 892 were passed by the House, 965 by the Senate, and only 202 public bills were enacted into law.

In spite of the odds, I intend to introduce several other bills during the second session including an inheritance tax revision which would benefit small business enterprises and family farms and ranches.

BILLS AND RESOLUTIONS

To improve farm prices.

To restrict expansion of trade with Communist countries.

To preserve U.S. sovereignty over the Panama Canal.

To prohibit meat imports from any country not free of hoof and mouth disease.

To amend the Constitution of the United States with respect to prayer in public schools.

To establish a Commission on National Defense Policy.

To establish a Commission on a World Food Study.

To establish a Commission on balanced economic development for rural revitalization.

To designate 1968 as National Helium Centennial Year.

To establish a Select Committee on Standards and Conduct.

To insist on certain conditions for lasting peace in the Middle East.

To establish a Select House Committee to investigate riots.

To authorize an investigation of the discontinuance of railway mail service and resulting effects on passenger train service.

Allow tax credit to employers for expenses of job training programs.

Veterans Pension and Readjustment bills.[3]

Prohibit political interference in appointment of postmasters and others.

Investigate effect of agricultural imports and provide remedial action.

Revise and reduce quotas on meat imports.

Prohibit desecration of the flag.[1]

Write oil import program into law.

Prohibit import of Egyptian cotton.[1]

Anti-riot bill.[2]

Criminal Procedure Revision Act.

Establish Commission for Elimination or Duplication and Waste in Government.

Limit textile imports.

Deduction of educational expenses from income.

Advance payments to wheat producers.[1]

Limit political activity by OEO employees.[3]

Electronic Surveillance Control Act.

Higher payments for nursing home costs to veterans.

Prevent loss of veteran pension benefits from Social Security increases.[3]

Limit categories of questions required by law in next census.

Amend Federal Farm Loan and Credit Act.[2]

Include County Extension Agents in farm statistical reporting process.

Anti-loan shark bill.

Authorize feasibility study of plan to import water from Missouri River into Panhandle and West Texas.

KEY ISSUES

The big issues, as I see them, for the second session of the 90th Congress, as they were for the first session, are:

First. The showdown in Vietnam between freedom and tyranny—the free world versus communism.

Second. The alarming rise in crime and lawlessness and the very real threat of insurrection in our cities.

Third. Inflation—the wage-price spiral and the question of whether the Federal Government can or will effectively head off a fiscal and monetary crisis such as Great Britain has just undergone.

The first session of the 90th Congress has at least forced a slowdown in Federal nondefense spending and started an investigation of the waste in military spending. The Federal budget deficit will undoubtedly be one of the highest on record.

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[1] Passed by House.

[2] Enacted into law.

[3] Passed in modified form or with other legislation.

The record of the past 6 years has been one of continually mounting deficits and an astronomical public debt even in times of so-called prosperity—the longest period on record, we are told.

The new economics of this administration calls for a high rate of expansion in the economy which, in itself, is good. But the annual rise in prices that has accompanied this expansion has left many stranded or worse off than they were as the buying power of the dollar was eroded away. Farmers whose net income has actually declined and those on fixed or retirement incomes and the poor are the real victims of inflation.

But the overriding issue with which the next session of Congress and the country is faced will be the problem of riots and insurrection in the cities. The first session failed to pass any really effective crime legislation although the House did send an antiriot bill and the Law Enforcement and Criminal Justice Assistance Act of 1967 to the Senate where they now repose.

In the meantime, further massive demonstrations and disruptions are planned for the Nation's Capital and other cities by so-called civil rights leaders and the recently returned Stokely Carmichael, who stumped the Communist capitals of the world calling for U.S. defeat in Vietnam. He did not stop there, though, but went all the way in urging Negroes in this country to take up guerrilla warfare and destroy our system of government.

It will be a hollow victory in Vietnam if returning veterans of that war must face civil war at home.

In spite of the enormous losses and costs of the Vietnam conflict, I am convinced we are winning. I believe, as does former President Eisenhower and many of our military leaders, that when a nation applies force as we have in Vietnam, then the force should be overwhelming. This Nation has the capability of applying such force and should have done so 2 years ago rather than allowing the Communists to counter each move we have made by infiltrating more troops into South Vietnam.

The farm problem is one Congress must face up to. In spite of the rise in wages, prices and costs in all other segments of the economy, prices the farmer receives for his products have gone down rather than up—but his costs have gone up like everyone else's.

Continued migration from the farm to already overcrowded and problem-ridden cities adds to the threat of more unrest and riots and is helping neither the rural areas nor the mass population centers.

Those are the major issues. There are many more including excessive imports which add to the farmer's and cattlemen's woes.

The problem of health, education, poverty, and many others must be tackled and the first session of the 90th at least made a start. I hope the second session gets up a full head of steam in tackling the real crisis of crime, lawlessness, and insurrection as well as the war in Vietnam, inflation, and the farm problem.

Crime, 1967

EXTENSION OF REMARKS

OF

HON. ED REINECKE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mr. REINECKE. Mr. Speaker, we have again been informed by the FBI of the latest rise in the crime statistics. The preliminary 9-month figures for 1967 show a 16-percent increase over the same period in 1966. The crimes classified as crimes of violence—consisting of murder and nonnegligent manslaughter, rape, aggravated assault, and robbery—are up 15 percent, with a startling increase of 16 percent in murder. Crimes against property—burglary, larceny $50 and over, and auto theft—are up 16 percent over the same period in 1966.

These statistics reflect the carnage of the summer's riots. However, lawlessness in this country is not confined to our rioters alone. Crime has been spiraling upward in all its categories and in all areas of the country. Crime since 1960 has increased at a rate almost seven times greater than the rate of population growth. During the first 9 months of this year 18,297 cars were stolen in Los Angeles; 9,217 people were assaulted in Chicago; 1,462 women were raped in New York City; 174 people were murdered in Philadelphia.

Crime and the fear it engenders are affecting the very quality of American life. Far from becoming a great society, we are becoming a violent society—and a frightened society. A national survey conducted by the President's Commission on Law Enforcement and Administration of Justice indicated that one-third of a representative sample of all Americans do not believe it is safe to walk in their neighborhoods alone at night. A study conducted in the major crime areas in two large cities showed that close to half of the people interviewed stayed off the streets at night, and one-fifth of them wanted to move to a safer neighborhood. The FBI statistics would seem to indicate that these fears are soundly based.

It is imperative, as a first step to checking the increase of crime, that we strengthen all aspects of our criminal justice system, and particularly our police. The Federal Government can be of assistance here in two ways: first, by providing much needed funds with—and let me emphasize this—no Federal strings attached; and second, by passing legislation to strengthen the ability of local, State, and Federal police to keep the peace.

A step toward meeting the first of these objectives would be the passage of the Law Enforcement and Criminal Justice Act of 1967. As you know, this bill passed the House August 8 and is now pending before the full Senate Judiciary Committee. The purpose of this bill is, first, to provide money for the establishment of State planning agencies to develop comprehensive plans as to how they can best strengthen all elements of the law enforcement and criminal justice system.

Second, the bill provides funds to be administered by these State agencies for specific programs to improve law enforcement and the administration of criminal justice within the State.

Third, the bill makes available funds for the establishment of a National Institute of Law Enforcement and Criminal Justice and regional branches for the purpose of improving research and training throughout the professions related to crime control.

This bill, originally introduced for the administration as the safe streets and crime control bill, was quite substantially amended on the House floor. In its original form, the entire planning, action, and research grant program would have been administered by the U.S. Attorney General, through a new office in the Department of Justice. Furthermore, and this feature was amended by the House Judiciary Committee, up to one-third of the title II action grant money would have been available for subsidy of State and local police salaries. The effect of such legislation would have been to put the reins of State and local police control in the hands of the Federal Government. This must—and will—be avoided by us at all cost. The alternative to control by the Attorney General proposed by the House was the establishment of State planning agencies to administer Federal funds.

The need for Federal funds in this area is acute. Quite simply, the rate at which crime is increasing in this country indicates a need for immediate and effective action beyond the budgets and current capabilities of most State and local governments. For example, the police spend from 85 to 90 percent of their total budget on salary, but they are unable to afford either the quantity or quality of men that they need. According to the recent report by the President's Commission on Law Enforcement and Administration of Justice, the median salary for a big-city patrolman was $5,300 and the maximum salary a patrolman can make is typically less than $1,000 more than his starting salary. This kind of salary range clearly goes a long way in explaining the need for 50,000 men to fill positions authorized for 1967 alone, and the low educational requirements for entry into police service. Fewer than two dozen of our 40,000 police departments require college credits and less than 70 percent require a high school diploma.

As I indicated previously, I am firmly opposed to Federal subsidy of State and local police salaries. However, the Federal Government can, with sufficient controls, subsidize research programs to help the police maximize the benefits potentially available to them from modern science and technology. They can provide the means for improving and increasing training. They can finance State and local efforts to plan and coordinate their crime control efforts. These are some of the types of projects which passage of the Federal crime control bill would make financially feasible.

In addition to redesignating control of

the funds which the crime control bill would make available, the House also increased them: from $50 million for the first fiscal year to $75 million, with the specific provision that $30 million be spent on developing techniques of riot prevention and control. The danger of riots, of the outbreak of race warfare, is very serious. Militant Negroes tell us that this summer was only the beginning, that next summer will see the outbreak of guerrilla warfare in the cities, the paralysis of public services and utilities, and considerably more deaths and destruction.

As I said before, I believe there are two ways in which the Federal Government can—and must—be effective in checking the current wave of domestic crime and upheaval. The first is by providing financial assistance, the second by passing legislation to strengthen the ability of local, State, and Federal police to keep the peace. I have been particularly and personally concerned with this second approach, especially with regards to two specific areas—obscenity and riots. I have introduced four bills this session which would facilitate control in these two areas of decay in our society, and which would enable the Federal Government to act in genuine partnership with State and local officials for protecting law, order, and decency. In the area of obscenity control, these bills are H.R. 8793, to strengthen criminal penalties for mailing, importing, or transporting of obscene matter, and H.R. 11824, to create a Commission on Noxious and Obscene Matters and Materials. The bills relating to riot control are H.R. 8794, to prohibit interstate or foreign commerce travel to incite riots; and House Resolution 841, to create a select committee to investigate the cause of riots in large metropolitan areas.

We are putting too much emphasis these days on the civil rights of the few—the underprivileged and the twisted—at the expense of the many. These measures I have introduced are designed to support values and beliefs which in the past were taken for granted, which did not need the protection of Federal legislation. Mr. Thomas Reddin, chief of the Los Angeles police force, commented recently at the graduation exercises of the FBI's National Academy, on the accusation by some critics that the police are 50 years behind the times:

> There are moments, I confess, when I do feel as though I have lost track of things. Twenty years ago, if a person stepped before a public formum and seriously advocated disobedience to any law with which he was in philosophical disagreement, we would have been hard put to save him from the mob. Today, the same pronouncement will attract a large and loyal following.

Civil rights do not include the freedom to incite riots, nor do they include the freedom to pollute our communications media with obscenity.

I have been discussing the ways in which the Federal Government can be of assistance in controlling crime, and about the problems facing the law enforcement profession. Let me turn briefly, in closing to the all-important role of the private individual in controlling crime. We live in a very curious time, when the greatest wave of protest movements for public causes is accompanied by widespread apathy with regard to private responsibility. A recent television synopsis of a Miami, Fla., Police Department study of crime and apathy recorded instances where bystanders observed unmistakable violence and did nothing. In one instance, a 10-year old girl was dragged kicking and screaming into a car by two disguised policemen. This was repeated on two different occasions, and both times people stared, walked away, did nothing. One observer was eating his lunch in a drugstore window directly opposite the incident; when asked afterward what he did when he saw it, he replied, "I went on eating." It had not even occurred to him to get the car's license number. In a Washington, D.C., park recently in the middle of the afternoon, a crowd of hippies stood and watched while a couple on their way through the park was attacked and the girl stripped of her clothes. In New York City, not long ago, 37 people listened while a young woman shrieked for help before being stabbed to death. In practically every incident of this type, the reply to the question, "Why didn't you do anything?" was "I didn't want to get involved."

The responsibility for controlling crime does not rest with the government at its various levels, or with the police, the criminal courts, and the correctional institutions alone. It rests also, and most importantly, with the individual citizen. This responsibility was defined by the National Crime Commission report in the following words:

> The responsibility of the individual citizen runs far deeper than cooperating with the police or accepting jury duty or insuring the safety of his family by installing adequate locks—important as they are. He must respect the law, refuse to cut corners, reject the cynical argument that "anything goes as long as you don't get caught."
>
> Most important of all, he must, on his own and through the organizations he belongs to, interest himself in the problems of crime and criminal justice, seek information, express his views, use his vote wisely, get involved.

Social Security Amendments of 1967

EXTENSION OF REMARKS

OF

HON. EDNA F. KELLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mrs. KELLY. Mr. Speaker, one of the outstanding achievements of the first session of the 90th Congress was the passage of the Social Security Amendments of 1967. Although there are some provisions of the act which by their nature are controversial, and have been criticized, the benefits contained in this legislation far outweigh the areas of dispute and, therefore, its passage was of vast importance to all our citizens and in particular, the majority of my constituents. It is my conviction that if any of the controversial sections are or prove to be detrimental to any person or groups of persons, these sections should be amended in the next session of the Congress.

Mr. Speaker, at this point I would like to include in the RECORD, for the benefit of my constituents, a summary of some of the significant changes in both the social security and health benefits as contained in this legislation:

SUMMARY OF SOCIAL SECURITY AMENDMENTS OF 1967

INCREASE IN SOCIAL SECURITY BENEFITS

The amendments provide an increase in benefit payments of 13 percent for all beneficiaries on the social security rolls. The average monthly benefit paid to a retired worker with an eligible wife now on the rolls is increased from $145 to $165. The minimum benefit for a worker retiring at age 65 is increased from $44 to $55 a month. Monthly benefits will range from $55 to $160.50, for retired workers now on social security rolls who began to draw benefits at age 65 or later.

The amount of earnings subject to tax and used in the computation of benefits is increased from $6,600 to $7,800 in 1968.

The $168 maximum benefit (based on average monthly earnings of $550—or $6,600 per year) eventually payable under present law would be increased to $189.90. The increase in the amount of earnings that can be used in the benefit computation would result in a maximum benefit of $218 (based on average monthly earnings of $650—$7,800 a year) in the future. The maximum benefits payable to a family on a single earnings record is $434.40. To qualify for the maximum retirement benefits just outlined, a wage earner who retires at age 65 in the future must have earned the maximum under the new earnings bases for a number of years.

Effective date—the increased benefits are first payable for the month of February 1968 and will be reflected in checks received early in March. It is estimated that 22.9 million people are paid increased benefits. More than $3 billion in additional benefits will be paid in the first 12 months.

Special benefits for people age 72 and over

The special payments made to uninsured individuals aged 72 and over are increased from $35 to $40 a month for a single person and from $52.50 to $60 a month for a couple.

Effective date—the increased benefits will be first payable for February 1968 and will be reflected in checks received in March 1968.

The retirement test

The amendments provide for an increase from $1,500 to $1,680 in the amount of annual earnings a beneficiary under age 72 can have without having any benefits withheld. Provision is made for an increase from $125 to $140 in the amount of monthly earnings a person can have and still get a benefit for the month. The bill provides that $1 in benefits be withheld for each $2 of earnings between $1,680 and $2,880 and $1 in benefits for each $1 in earnings above $2,880.

Effective date.—The provision is effective for earnings in 1968. It is estimated that about $175 million in additional benefits would be paid for 1968 to 76,000 people.

Benefits for disabled widows and widowers

The amendments provide for the payment of monthly benefits to certain disabled widows and widowers of deceased workers who are between the ages of 50 and 62. If a disabled widow or widower first receives benefits at age 50, then the benefit would be 50 percent of the primary insurance amount. The amount payable would increase up to 82½ percent of the primary insurance amount, depending on the age at which benefits began. The reduction would continue to apply to benefits which were paid after the recipient reached age 62.

A widow or widower would be deemed disabled only if the disability is one that, under regulations prescribed by the Secretary of Health, Education, and Welfare, would preclude any gainful activity.

To be eligible for the benefits, the widow or widower must have become totally disabled not later than 7 years after the spouse's death, or in the case of a widowed mother, before the end of her benefits as a mother or within 7 years thereafter.

Effective date—About 65,000 disabled widows and widowers could be eligible for benefits and about 60 million in benefits would be paid during the first 12 months of operation. Benefits would be payable starting for February 1968.

Dependency of a child on the mother

The amendments provide that a child will be considered dependent on the mother under the same conditions that he is now considered dependent on the father. As a result, a child could be entitled to benefits if the mother was either fully or currently insured at the time she died, retired, or became disabled. Under present law a mother must have currently insured status (six out of the last 13 quarters ending with death, retirement, or disability) and unless she was actually supporting the child.

Effective date—Benefits will be payable beginning for February 1968. It is estimated that 175,000 children will be eligible for benefits and that $83 million in additional benefits will be payable in the first 12 months.

Additional wage credits for servicemen

For social security benefit purposes, the amendments will provide that in the future the pay of a person in the uniformed service would be deemed to be $100 a month more than his basic pay. The additional cost of paying the benefits resulting from this provision would be paid out of general revenues.

HEALTH INSURANCE BENEFITS

Payment of physician bills under the supplementary medical insurance program

Under present law, payment may be made only upon assignment to the physician or to the patient upon presentation of a receipted bill. The amendment would permit payment either to the patient on the basis of an itemized bill (which could be either receipted or unpaid) or to the physician under the present assignment method. This provision would make it possible for patients to pay their medical bills without depleting their savings or resorting to loans.

Additional days of hospital care

Each medicare beneficiary will be provided with a lifetime reserve of 60 days of hospital care after the 90 days covered in a "spell of illness" have been exhausted. Co-insurance of $20 for each day would be applicable to such added days of coverage.

I am also including at this point a table showing the amounts of benefits under the old law and what they will be under the new. It can be seen that while the average increase in benefits is approximately 13 percent, there are instances where the increase exceeds 25 percent, as in the case of the minimum payment going from $44 to $55 per month.

COMPARISON OF MONTHLY CASH BENEFITS UNDER PRESENT LAW AND UNDER THE NEW LAW

Average monthly earnings after 1950	$67 or less		$150		$250		$300		$350		$400		$550		$650[1]—
	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080	H.R. 12080
1. Retirement at 65 or disability benefit	$44.50	$55.00	$78.20	$88.40	$101.70	$115.00	$112.40	$127.10	$124.20	$140.40	$135.90	$153.60	$168.00	$189.90	$218.00
2. Retirement at 62	35.20	44.00	62.60	70.80	81.40	92.00	90.00	101.70	99.40	112.40	108.80	122.90	134.40	152.00	174.40
3. Wife's benefit at 65 or with child in her care	22.00	27.50	39.10	44.20	50.90	57.50	56.20	63.60	62.10	70.20	68.00	76.80	84.00	95.00	[2] 105.00
4. Wife's benefit at 62	16.50	20.70	29.40	33.20	38.20	43.20	42.20	47.70	46.60	52.70	51.00	57.60	63.00	71.30	78.80
5. 1 child of retired or disabled worker	22.00	27.50	39.10	44.20	50.90	57.50	56.20	63.60	62.10	70.20	68.00	76.80	84.00	95.00	109.00
6. Widow, 62 or older	44.00	55.00	64.60	73.00	84.00	94.90	92.80	104.90	102.50	115.90	112.20	126.80	138.60	156.70	179.90
7. Widow at 60, no child	38.20	47.70	56.00	63.30	72.80	82.30	80.50	91.00	88.90	100.50	97.30	109.90	120.20	135.90	156.00
8. Disabled widow at age 60	------	33.40	------	44.50	--------	57.60	--------	63.60	--------	70.30	--------	76.90	--------	95.00	109.10
9. Widow under 62 and 1 child	66.00	82.50	117.40	132.60	152.60	172.60	168.60	190.80	186.40	210.60	204.00	230.40	252.00	285.00	327.00
10. Widow under 62 and 2 children	66.00	82.50	102.00	132.60	202.40	202.40	240.00	240.00	279.60	280.80	306.00	322.40	368.00	395.60	434.40
11. 1 surviving child	44.00	55.00	58.70	66.30	76.30	86.30	84.30	95.40	93.20	105.30	102.00	115.20	126.00	142.50	163.50
12. 2 surviving children	66.00	82.50	117.40	132.60	152.60	172.60	168.60	190.80	186.40	210.60	204.00	230.40	252.00	285.00	327.00
13. Maximum family benefit	66.00	82.50	120.00	132.60	202.40	202.40	240.00	240.00	280.80	280.80	309.20	322.40	368.00	395.60	434.40
14. Maximum lump-sum death payment	132.00	165.00	234.60	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00	255.00

[1] Maximum AME under H.R. 12080.

[2] Maximum wife's benefit.

Source: Social Security Administration.

Fort Martin Power Station Dedication Was Significant West Virginia Event in 1967

EXTENSION OF REMARKS

OF

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, December 15, 1967

Mr. RANDOLPH. Mr. President, a truly significant event in West Virginia during 1967 was the official dedication on October 19 of the Fort Martin Power Station, which has the distinction of having the two largest cooling towers in the world.

The station, located on the Monongahela River about a half mile south of the West Virginia-Pennsylvania border, will have a capacity to produce 1,080,000 kilowatts of electricity from West Virginia coal. The first unit, with one of the 370-foot cooling towers in operation, was producing at the rate of 540,000 kilowatts on the October 19, 1967, dedication day. The second unit, a twin of the first, is still under construction and is scheduled for completion in October of 1968.

Lee C. White, Chairman of the Federal Power Commission, was the speaker at the dedication luncheon in a tent pitched beneath the second unit cooling tower. More than 400 guests were present to hear J. Lee Rice, chairman of the board of the Allegheny Power System, Inc., declare the Fort Martin Power Station "dedicated to the service of electricity and to the customers of its owners," and he added:

> May Fort Martin, which once served as a frontier outpost to a young and adventurous nation, now serve to enrich the quality of life of those who will use its kilowatt-hours.

The Fort Martin Power Station property includes the site of a fort of that name erected in 1769 as a defense against Indian attacks.

The new power station is jointly owned by the three operating companies of the Allegheny Power System, Inc.—Monongahela Power, with its general offices in Fairmont, W. Va.; West Penn, with general offices in Greensburg, Pa.; and the Potomac Edison Co., with general offices in Hagerstown, Md.—and by the Duquesne Light Co. of Pittsburgh, Pa.

Ground breaking for the power station was held September 11, 1964, and it was my privilege to have participated in both that event and in the October 19, 1967, dedication.

During the construction period, 600 to 1,100 construction workers were employed. The first unit was sufficiently completed by May 30, 1967, to begin the breaking-in period of its giant turbine.

The station, when both units are in full operation, will use annually 3 million tons of coal produced in nearby West Virginia coal mines and thus assure year-around employment to 500 miners.

As of the date of the Fort Martin dedication, 5 years had passed since 18 investor-owned electric companies in the Mid-Atlantic area announced initial plans for a $350 million coordinated mine-mouth power station and extra-high-voltage transmission construction program in November 1962. The major elements in the program are:

First, 15 miles of 500,000-volt transmission line between Ohio Power Co.'s Kammer Power Station at Captina, W. Va., south of Wheeling, and the Pennsylvania border, being built by Ohio Power Co., an operating unit of the American Electric Power System;

Second, 35 miles of 500,000-volt transmission line being built by West Penn Power Co. between the Pennsylvania border and the new Fort Martin Power Station;

Third, the Fort Martin Power Station, just south of the Pennsylvania-West Virginia border along the west bank of the Monongahela River near Point Marion, Pa., being built by Allegheny power system companies and Duquesne Light Co., and to be operated by Monongahela Power Co.;

Fourth, 75 miles of 500,000-volt line being built by West Penn Power Co., between Fort Martin Station and the new Keystone Power Station;

Fifth, about 200 miles of 500,000-volt line east from Fort Martin Station to the eastern service area of Potomac Edison Co., in Maryland and northern Virginia, and the northern service area of Virginia Electric & Power Co., being built by those two companies and Monongahela Power Co.

Sixth, the Keystone Power Station, near Elderton on the eastern edge of Armstrong County, Pa., being built by eastern Pennsylvania, New Jersey, Delaware, and Maryland electric companies; and

Seventh, 525 miles of 500,000-volt line east from Keystone Station, one line of 225 miles to the Philadelphia area, and one of 300 miles to northern new Jersey and the New York metropolitan area, being built by Pennsylvania, New Jersey, and Maryland electric companies.

In addition to the Fort Martin and Keystone Power Stations, a total of about 1,000 miles of extra-high-voltage powerlines is involved.

Mr. President, Philip A. Fleger, chairman of the board of the Duquesne Light Co., one of the coowners of the Fort Martin Power Station, introduced Federal Power Commission Chairman White. Mr. Fleger noted that—

> The Fort Martin Station represents another major step in a long history of interconnection and pooling, dating back to the early twenties, between the Allegheny power system and the Duquesne Light Co. and between other companies in the electric utility industry. . . . Today, there is hardly a major electric utility system in the United States that is not a member of at least one of the large interconnected regional systems that extend from border to border and from coast to coast. . . . Fort Martin is one of many such facilities being installed.

Mr. President, the Fort Martin Power Station is situated within the Second Congressional District of West Virginia, which was the district I was privileged to represent 14 years when a Member of the House of Representatives. The present Representative of the district, the man of the House Committee on Interstate and Foreign Commerce, will be in his 20th consecutive year of distinguished service when the second session of the 90th Congress convenes. Important business before his committee prevented Representative Staggers from being present for the dedication, but he sent a timely and cogent message which I ask unanimous consent to have printed, in part, in the Appendix of the Record, along with excerpts from the address by Federal Power Commission Chairman Lee White.

There being no objection, the material was ordered to be printed in the Record, as follows:

Message by Representative Harley O. Staggers, of West Virginia, to Fort Martin Power Station Dedication, Morgantown, W. Va., October 19, 1967

On September 11, 1964, a number of the people assembled here today met on approximately this spot to participate in a groundbreaking ceremony. That was a day of anticipation and hope. Some of the builders of this Nation's industrial empire had a dream of a new power plant designed to feed the power-hungry northeast quadrant of the country. The planning stage of the project had already been completed. The designs were already on paper. The money to execute the job was in sight. The skilled workmen who could fashion a variety of materials into a practical operating plant were known to be available.

Today, a little more than three years later, anticipation has been turned into realization. An empty field is now the site from which more than a million kilowatts of energy move out over wires to satisfy the needs of millions of our fellow citizens.

This day brings varied feelings and emotions to those of us who have had some interest or who have actually participated in the project.

To the citizens of this State, and especially of this community, the completion of this project means one more step toward the much-desired industrialization of an area which needs it badly. It means jobs for local workmen, demand for local coal, money in the pockets of merchants and service industries.

To the powerful industry which has built and which will operate this plant, the completion of this project means that it will begin to get some return on its investment. To me, one of the most interesting and thought-provoking things about this whole matter is the apparent ease with which money may be obtained to invest in promising projects. It is both a cause and a result. Because our Nation is rich, we have money to invest. Because we invest money, we grow richer and more powerful. But we would not invest, and would not pile up wealth, if there was not widespread faith in the integrity and in the stability of a benevolent government.

Someone said that money once meant power and influence and arrogance and leisure and luxury; but today it most frequently means education and medicine and productive enterprises and jobs and human compassion. This plant is a conspicuous example of the dedication of the ten talents with which this nation was endowed to constructive purposes, and I congratulate the managers and owners of this plant on their humanistic impulses no less than on their business enterprise and vision.

There is one other sentiment that may be present in all of us. The use of the electric current is a practice that has developed within the lifetime of many of us. Most of us have no great understanding of it, except that we can push a button and get instant light and heat and power. When we are confronted with the machines and instruments involved in its production and distribution, we can only stand before them in awe and wonderment. We understand that man has acquired enough wisdom to utilize the laws of nature to accomplish purposes useful to himself. God has blessed us with immense resources if we only have faith enough in Him to follow the way which He has pointed out. So, in order to indicate something of the awe which this machinery holds for me, I quote a few lines from a religious song which has become popular:

"O Lord, my God, when I in awesome wonder,
Consider all the works Thy hands have made,
I see the Stars. I hear the mighty thunder,
Thy power throughout the universe displayed,
Then sings my soul, my Saviour God to Thee,
How great Thou art, how great Thou art."

Excerpts From Remarks of Lee C. White, Chairman, Federal Power Commission, at the Dedication of the Fort Martin Generating Station, Morgantown, W. Va., October 19, 1967

One of the more pleasant aspects of being Chairman of the Federal Power Commission is that occasionally I am invited to dedication ceremonies such as this and have an opportunity to see firsthand the tremendous advances which the electric power industry is making in the technology of power generation and transmission. Of course, as one of my colleagues pointed out to me, attending dedications could get to be a full-time job, for in order to meet the nation's rapidly expanding power needs, 1,500 generating stations the size of this one would have to be built between now and the end of the century. Fortunately, my term will expire before then, but the Fort Martin plant is unique in many respects and I am happy to represent the Federal Power Commission on this occasion.

Electric power is one of the nation's fundamental needs and its abundance in the United States is a significant contributing factor to our high standard of living. I am sure it will come as no surprise to you that our country leads the world in the consumption of electricity, producing more than one-third of the total while having only six percent of the world's population. Our annual per capita use of electricity is more than nine times the average for the rest of the world.

Aside from supplying a large part of the energy that runs the nation's industrial complex and brings convenience and comfort into our homes, the electric power industry makes significant contributions to the nation's economy. For example, the industry has revenues of about $17 billion a year and spends $7 billion annually on construction. Moreover, it employs nearly 450,000 people and pays out roughly $4 billion in salaries yearly.

I am sure you are well aware of the contribution which the Fort Martin Generating Plant which we dedicated today will make toward the economy and well-being of this region. I understand that about $125 million will be expended in its construction and that more than 500 people have been employed at one time or another during its construction. The plant will be fueled with the vast resources of high-grade coal which will be carried by barge from deep mines only five miles upstream. It is estimated that close to three million tons of this coal will be consumed annually, thus contributing millions of dollars and many jobs to the local economy.

Due to its proximity to the coal fields and the efficiency of its supercritical pressure boilers it is estimated that the station's fuel costs—about 15 cents per million Btu—will be among the lowest in the nation. Here is a plant whose two units when completed next year will be able to produce more than a million kilowatts of power which can be transmitted to points several hundred miles away over 500-kv transmission lines. This is enough to supply one million of the two and one-half million people in the Allegheny service area. For these and other reasons, I believe it is obvious that the Fort Martin Generating Station will help promote the economy of Appalachia.

There are a few rather advanced and unique features of this facility which should be noted. The location of the plant in the heart of the mine fields many miles from the load centers it will serve, for example, has been made possible by recent advances in the technology of power transmission. In earlier days generating stations had to be situated close to the load centers because it was too expensive and inefficient to transmit power over long distances. However, through the new technology of extra-high-voltage transmission it is now possible to transmit large blocks of power great distances at relatively low cost. When this factor combined with the increases in costs of fuel transportation over the last few decades, it was natural that the concept of "mine-mouth" plants would be developed, thereby not only minimizing fuel costs but permitting realization of the additional economies which result from the construction of large rather than small generating plants.

The 500-kilovolt lines with which the Fort Martin lines will connect will be part of a giant interstate grid tying together separate systems in a five-state area (Pennsylvania, New Jersey, Maryland, Delaware and West Virginia) with extensions into other states. These 500-kilovolt lines are the highest voltage lines presently in existence in the United States, but the American Electric Power Company has recently announced plans for construction of a 765-kilovolt EHV project scheduled to go into operation in stages between February 1969 and June 1972. In addition the Pacific Northwest-Pacific Southwest intertie now under construction which will involve both 500-kilovolt a-c lines and 750-kilovolt d-c lines.

As you know, in the past few years there has been much public attention focused on matters such as air and water pollution, aesthetics and natural beauty, and it appears that the public is no longer willing to tolerate undesirable intrusions in our environment in the name of technological progress. These things, therefore, have become of increasing importance to the utility industry in the planning and operation of power facilities. For example, it is clear that even though this plant is not located in the heart of a metropolitan area that consideration has been given to the problems of air and water pollution. Its 550-foot discharge stacks are equipped with highly efficient electrostatic precipitators designed after extensive wind tunnel tests. Also, in order to meet its needs for a large amount of water to cool the boilers without adversely affecting the ecology and fish life of the Monongahela River, a relatively new type of recycling cooling tower has been installed. I understand this is only the third installation in the United States of the hyperbolic, natural-draft type towers, either built or well along in construction; the other two being at the existing Big Sandy plant on the American Electric Power System and the Keystone Plant, being built by three members of the PJM pool, whose output will also be transmitted over the EHV lines I mentioned earlier.

As you may know, the FPC has broad responsibilities with respect to the electric power industry. On a regulatory level, we fix interstate wholesale power rates and establish uniform accounting and reporting procedures. In addition we have licensing authority and other responsibility with respect to hydroelectric facilities. But over and above these regulatory responsibilities the Commission is charged with a broad mandate under Section 202(a) of the Federal Power Act to assure "an abundant supply of electric energy throughout the United States with the greatest possible economy and with regard to the proper utilization and conservation of natural resources". This assignment to provide for the best possible allocation of resources has become one of the Commission's most significant functions.

You will recall the massive power failure of November 9–10, 1965, which blacked out most of the Northeastern United States and parts of Canada and, more recently, the PJM failure of June 5, 1967, which affected eastern Pennsylvania, New Jersey, and the Maryland-Delaware peninsula. These and similar events in other parts of the United States have served to emphasize the great public interest in a reliable power system.

Investigations which the Commission, in cooperation with the industry, has undertaken in the past year and one-half have revealed much useful information about the adequacy of our interconnected grids. First of all they confirmed what we already knew, that the United States has the most reliable and well-run power system in the world. But with the experience of the Northeast Blackout behind us, we were not willing to stop there. What causes cascading power failures? How can they be prevented? What steps should be taken to minimize their impact when they do occur? These were the questions to which we sought answers, and, I think, with some success. The reports of the Commission and its industry advisory committee on power failures which were published last July contain many useful recommendations which, if acted upon, should materially enhance the reliability of the nation's bulk power supply. It is fair to say there is not complete unanimity on how to best accomplish this objective but all segments of the power industry and interested government agencies are firmly committed to its realization.

* * * * *

I would note in passing that the creation last January of the East Central Area Reliability Coordination Agreement of which the Allegheny Power System is a participant, is an encouraging development which hopefully will result in increased cooperation and coordination among all utilities in this region.

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In closing, I want to express the thanks of the Federal Power Commission for the help that the Allegheny Power System gave us during preparation of our National Power Survey and is now continuing to provide in the updating of the work.

* * * * *

I want to thank you for giving me this opportunity to be with you today and to share my thoughts with you on some of the significant challenges facing the electric power industry.

Legislative Report of Senator Ralph Yarborough: First Session of 90th Congress

EXTENSION OF REMARKS
OF
HON. RALPH YARBOROUGH
OF TEXAS
IN THE SENATE OF THE UNITED STATES
Friday, December 15, 1967

Mr. YARBOROUGH. Mr. President, I take this opportunity to report to the people of Texas upon my activities on their behalf during the first session of the 90th Congress. This session was one of the longest in our history—11 months. A Congress can only be judged by its 2-year record, and I feel that by the end of next year the accomplishments of this 90th Congress will be great.

The recordbreaking 89th Congress set up a number of programs in creating the structure for a Great Society. It became the role of the 90th to dig deeper into each major issue and assess and amend the tools which the 89th created. This task takes longer for completion and its successes are less visible than the creation of new laws.

The job has been made more difficult by the fact that the 90th Congress has 47 fewer Democrats than the 89th which gave the President such a clear mandate. An additional problem is the overwhelming issue of Vietnam which continues to cause Congress to divert its attention away from domestic activities.

I. MAJOR ACCOMPLISHMENTS

My position on committees in the Senate continues to become more favorable and enables me to work actively on a wide range of issues confronting America and Texas. As a member of 17 subcommittees of four main committees, I am involved in such increasingly important areas as arts and humanities, education, health, labor, poverty, veterans affairs, postal affairs, appropriations for agriculture, and problems of the elderly.

In the beginning half of this Congress I have had five main legislative accomplishments:

COLD WAR GI BILL

My cold war GI bill was initially enacted into law in 1966 after a 7-year-long struggle. It provides new educational opportunities and training for 6 million veterans, 4 million of them already discharged, who have placed their lives at stake for the cause of freedom during the period we have called the cold war. This year my revised cold war GI bill was signed into law, bringing these veterans, 300,000 of them Texans, new benefits for high school, college, trade or business school, on-the-job, farm or flight training. All honorably discharged veterans who served 6 months or more since 1955 are eligible.

BILINGUAL EDUCATION

This new educational concept which I introduced this year won overwhelming support. Over 12 percent of the entire population of the Southwest speak Spanish as their mother tongue. When 3 million children enter our schools knowing little or no English, they find schooling so difficult that they eventually drop out. Without adequate education, they find that making a decent living is almost impossible. A basic problem is that these 3 million American citizens are denied the use of their native language when they enter schools and are forced to struggle along in a foreign tongue. My bilingual education bill was adopted as part of the Elementary and Secondary Education Act of 1967 and will provide the means for our schools to blaze new trails in double language educational programs.

AGE DISCRIMINATION IN EMPLOYMENT

My age discrimination bill, passed by this Congress, would protect Americans 40 to 65 years old from firing and from discrimination in hiring because of age. That affects some 40 million Americans, over 2,400,000 of which are in Texas. This age group finds itself increasingly disadvantaged in trying to retain jobs, and in trying to regain employment when laid off or otherwise displaced from their jobs. These are experienced and capable people who want to work but are told they are too old. As Secretary of Labor Wirtz testified to my subcommittee:

> There are more people discriminated against, so far as employment and opportunity are concerned, because their hair is white than because their skin is black.

This new law will prevent this harmful discrimination and promote employment based on ability rather than age.

HURRICANE BEULAH DISASTER

In a time of immense disaster such as that caused when Hurricane Beulah struck south Texas this fall, the Federal Government can offer great assistance. I was the only member of the Appropriation Committee of either branch of Congress that visited the devastated area to estimate the needs for immediate assistance. I was able to obtain an appropriation of $5 million for the President's emergency disaster relief fund, and an additional $1 million to help repair navigation channels and canals which were clogged with debris. I have been in close contact with persons affected by the disaster and will continue to seek legislative means for further relief.

FEDERAL EMPLOYEES' PAY

As the ranking majority member on the Post Office and Civil Service Committee I am proud of the new Federal pay bill. Over 150,000 Texans will be affected by the new wage increase and other benefits. All employees will receive a 4½-percent boost and postal workers will receive a 6-percent raise. By July of 1969, the wages of those in Federal employment will be made comparable to wages in similar jobs in private industry.

In addition to these five main accomplishments, I authored and cosponsored many other measures—some of which have already passed and others which will be considered during this next session—including: truth in lending; safe streets and crime control; air pollution; Older Americans Act; Social Security Act; international health, education, and labor program; urban employment opportunities development; Economic Opportunity Act; International Wildlife Conservation Conference; universal higher education; compensation to innocent victims of crime; meat inspection; regulation of cigarette and alcohol advertising; and the Big Thicket National Park.

II. VIETNAM

The conflict in Vietnam remains an overwhelming issue for several reasons. Higher appropriations for our military expenditures have caused cutbacks in other important programs in every conceivable area. All elements of our foreign relations are strained because of our priority in Southeast Asia. Discontent over the war has bogged down many coalitions, and many in Congress have been persuaded that we can do nothing new, nor even extend aid to existing programs, because of the needs of the war.

While the necessary debate continues over our Vietnam policy, we continue our support for our men in the field. A $69.9 billion defense appropriation was voted, including over $20 billion for Vietnam, $12.2 billion for military operations in other parts of Southeast Asia, and $2.3 billion for military construction. In regard to our manpower needs the Selective Service Act was extended to 1971 and our Reserve structures were strengthened. Reflecting the contributions which our men are making in the Armed Forces, we voted a military pay raise, a 5.4-percent cost-of-living increase in pension payments, and increased veteran benefits including larger educational allowances through my cold war GI bill.

The Senate will continue to play its constitutional role in seeking a solution to this costly war. I have made clear my position that defending the rights of self-determination in South Vietnam do not justify the invasion of North Vietnam or other countries neighboring on the borders of South Vietnam. The major attempt at a solution has been the unanimous resolution of the Senate that the Vietnam question should be brought before the United Nations Security Council for full consideration. If all nations are threatened by this war then all nations must be consulted for a solution.

We must also be ready to propose solutions to the long-range problems caused by the war. Whatever the solution of the present conflict, there must be economic development of Southeast Asia to repair the vast destruction that has been rained on that area. And there must be aid for a new life for the hundreds of thousands of currently untreated civilian amputees and literally millions of refugees that have resulted from the technique currently being employed by both sides to secure areas from the enemy.

In addition, many domestic repercussions have been felt by our draft policy. Although the Senate renewed the draft law, which was necessary since the draft authority was about to expire, we must look deeply into it again this next session to assure that our current manpower procurement policy will not leave us with still another long-range by-product of this Asian conflict.

III. URBAN CRISIS

The great English philosopher, Thomas Hobbes, has written that life for an individual in a state of nature can be "solitary, poor, nasty, brutish, and short." Yet in this most civilized of all countries, Hobbes' phrase comes close to describing life in our cities—especially for those thousands of citizens living in dark, urban ghettos and trapped in the shadow of American affluence. Jobs, housing, transportation, schools, pollution, health—these are elements of the urban crisis, and these are problems that have concerned this Congress. With the exception of our Vietnam involvement, no subject has been of greater concern during this session than the challenge of the cities.

If anything, the urbanization trend is accelerating, and we must continue to dedicate our most creative efforts to the search for an urban solution. This search has particular relevance to Texas, where 75 percent of the population lives in areas labeled as metropolitan by the Bureau of the Census.

The Texas population of 9.5 million in 1960 is expected to nearly double by 1990, and the huge majority of this increase will have to be absorbed by Texas cities.

CIVIL DISORDERS

The most publicized dimension of the urban problem is that of civil disorder. The right to assemble and to petition for redress of grievances has taken many Americans into the streets asking for the justice that an insensitive majority has unconsciously withheld. But some persons have also taken to the streets in a campaign of lawlessness. The crimes of murder and arson are not protected by the Constitution, and these rioters will be punished. The Senate Government Operations Committee has been voted adequate funds to continue its study into the cause of these riots in the hope that they can be prevented in the future.

INADEQUATE HOUSING

An attack on the problem of inadequate housing was begun. An appropriation of $312 million for model cities and $10 million for rent supplements has been made. Four of the first model cities will be San Antonio, Texarkana, Waco, and Laredo. Much more is contemplated this next session, including plans for enabling private enterprise to build lower cost homes in areas of highest need, and plans for promoting the ideal of private home ownership among the lower income groups.

EMPLOYMENT OPPORTUNITY

The only true solution to the problems of the urban crisis will come with employment of the impoverished in the so-called inner city. These people are trapped inside the city and in addition to poor housing, inadequate health, and little education, they suffer from no job training, and poor employment opportunity. Without jobs these people cannot be expected to be able to help themselves. American free enterprise can be the greatest weapon in our fight against poverty if private firms can be induced by special incentives to build and create jobs in slum areas. I am a cosponsor of a bill in this Congress to provide employment opportunities compatible with the needs of the city in a comprehensive attack on the urban crisis.

OFFICE OF ECONOMIC OPPORTUNITY

The chief agency in attacking the problems of the poor in the urban areas, as elsewhere, is the Office of Economic Opportunity. Its problems in administration were debated thoroughly before the Senate appropriated funds for continuation of this vital new agency. OEO will lead the war on poverty in 1968 with $1.9 billion and $2.1 billion in 1969. The National Teacher Corps was voted $13.1 million to begin recruiting volunteer teachers to work in impoverished areas meeting the special educational needs of the poor.

IV. HEALTH

The commitment of national resources by the Federal Government to meet the major health needs of the American people largely has been developed during the productive years of the Kennedy and Johnson administrations. As Wilbur Cohen, the Under Secretary for Health, Education, and Welfare, pointed out in a recent hearing:

> There has been more landmark health legislation enacted in this period of time than in any other comparable period, or I would say, any other period three times as long.

Through some 36 major health bills enacted during these 7 years, we have constructed a foundation upon which we can base our future health efforts. I have found great satisfaction in playing my part in this historic endeavor.

As the ranking Democrat on the Senate Subcommittee on Health I have sought legislatively this session to begin building on that foundation a national health program that effectively and efficiently can bring health services to all who need it, when they need it, at a cost they can afford to pay.

During 1967, $180 million was appropriated for community mental health centers, $226 million was made available for expanding programs relating to mental retardation, and an additional $589 million was approved for the partnership for health programs emphasizing research. These appropriations represent a significant advance in this Nation's total health effort, and I have been especially pleased to work for their passage.

One health problem that will face us all is that of air pollution, and $428 million has been appropriated this session for a 3-year expanded program. I was pleased to cosponsor and work for this very important law, which is of great importance to those Texans living in the urban centers of the State and suffering from the pollution that they are forced to breathe. The Air Quality Act of 1967 will help to eliminate the health hazard of polluted air and improve the quality of urban life.

Problems of poor health among the lower income persons in America can cause problems that will prevent other poverty programs from being of any aid. For example, recent medical testimony indicates that malnutrition at an early age can contribute to mental retardation. A retarded child could not be reached later by many of our poverty programs. To meet the responsibilities to provide adequate food to those who cannot afford it, the Senate authorized $425 million for the food stamp program. Forty million dollars was appropriated to begin a rat control program that will eradicate rat-carried diseases as well as freeing many parents from the fear that their child will be bitten by a rat while sleeping, simply because our society does not care enough to pay to eradicate rats.

Consumer safety bills were passed to promote the general public interest in health and much more will be done next session. The Flammable Fabrics Act has already been signed by the President, and a Product Safety Safety Commission has been established to look into other areas of unsafe products. A meat inspection bill was passed in the closing days of the session to protect the unsuspecting consumer from the dangers of eating bad meat products.

Our greatest responsibility in the health field during this next session will be in the area of providing enough food to feed this Nation. We will be hearing more in the coming months about thousands of citizens who are suffering from various degrees of starvation. We have long believed that no one could starve in this land of plenty but we must be prepared to accept the facts and the responsibility for a solution.

V. EDUCATION

The greatest resource in this country is our brainpower. The greatest investment in our future and the greatest guardian of a democracy is the fullest education of the greatest number of citizens. The Elementary and Secondary Education Act was extended this year to 1971 with an appropriation of $14.2 billion. As the ranking majority member of the Education Subcommittee I supported this bill as well as authoring an amendment on bilingual education, a new concept in our elementary education system which will mean a chance for an equal education for those citizens who begin life speaking another language as their native tongue.

The Adult Education Act was extended also through 1971 with $240 million to be the Federal share for its cost, and $1.1 billion has been authorized for grants to the States for vocational education.

This year a Corporation for Public Broadcasting was established which will facilitate the development and operation of educational radio and television broadcasting and could have a great impact on the quality of education of this Nation.

A long-range goal in education which we must begin seeking now, and which I will continue to call attention to in this next half of the 90th Congress, will be the goal of universal higher education. Education according to ability and not in regard to financial resources is the only system compatible with and conducive to our democracy. We must begin today to provide the educational system that can and will meet the educational demands of tomorrow's America.

VI. WELFARE

The Social Security Amendments of 1967 was a landmark in the 30-year history of social security legislation. Unfortunately, there are several elements of the bill that create undue compulsion on mothers of small children to work, and that might rupture family relationships, but when these are reconsidered in the next session this bill will be of major benefit to America and the over 1 million Texans who are affected by this legislation. This bill will extend coverage to an additional 1 million Americans, with an average increase of 13 percent in benefits. Our system can support such an increase, despite comments made by those who wish to undermine the confidence of the elderly in the administration of the social security system. This new law will provide a surplus of revenue over benefits and no one need fear that he will not receive his full share.

Medicare amendments removed some of the problems discovered in the first few years of operation of that program. Eligibility requirements were liberalized, paperwork by doctors and hospitals was reduced, and number of days of hospitalization available to those covered under medicare was extended. In addition, medicare benefits will now cover certain services of podiatrists and outpatient physical therapists services vitally needed by the elderly.

Another new provision would provide a constructive means by which welfare recipients can be given needed employment thus enabling them to get off the welfare rolls. By hiring welfare recipients as subprofessional aides to work on their own problems, we increase the quantity of services provided while enabling the currently unemployed to learn a highly transferable skill.

VII. FOREIGN AFFAIRS

There are many activities in foreign affairs other than Vietnam, and the one I take the greatest pride in is the Chamizal border settlement which occurred during this first session. That dispute lasted more than 100 years before President Kennedy and then President Mateos of Mexico agreed to transfer the 437-acre tract to Mexico. I led the Senate fight for this last year, and this year it was my privilege to accompany both President Johnson and President Diaz Ordaz on a flight aboard *Air Force One* from Washington to the border to participate with them in this historic occasion. More than an end to a disagreement, this is the beginning of a new era in cooperation between the United States and Mexico. It is a model settlement, and powerful evidence that peaceful negotiations in an atmosphere of mutual respect can bring about true harmony and understanding between two nations.

In pursuit of equally good relations with other nations the Senate ratified 27 treaties, including the Outer Space Treaty which establishes principles for peaceful exploration and prohibits the use of nuclear weapons in space, and the Consular Convention with the Soviet Union. As world famine becomes an increasing possibility the Senate authorized $190 million to provide 3 million tons of food grain for India, and an additional $25 million for the emergency food relief programs run by CARE and other voluntary organizations. $2.6 billion was appropriated for the entire foreign aid program for this next year and an additional $115 million was provided for the Peace Corps.

The role that the individual American citizen can play in international relations, so amply demonstrated in the Peace Corps, has also been employed under the Partners of the Alliance program of the Agency for International Development. I was pleased to propose an amendment that made certain this program would receive the money it needed for transportation and minimal living expenses of private American citizens who volunteer their expertise, energies, and time to lend a helping hand directly to people of Latin America. I have also introduced a bill to promote international health, education, and labor programs so that we can mobilize our most precious asset—the individual initiative of our citizens—to promote the development of free institutions in the newer nations of the world through self-help projects. These are the least expensive and most effective form of foreign aid, and wholly consistent with the philosophy of our foreign policy.

VIII. LAW ENFORCEMENT AND THE ADMINISTRATION OF JUSTICE

One of the greatest issues facing the American society is that of legal administration and justice. As demonstrated this past summer, our machinery for law enforcement must undergo extensive examination and alteration if it is to remain competent to cope justly with elements that threaten to destroy social order.

In 1789, George Washington wrote that he was "impressed with the conviction that the due administration of justice is the firmest pillar of good government." It is from this same conviction that I have sought approval this session of legislation to improve our law enforcement and judicial machinery.

I have introduced the criminal injuries compensation bill to provide humane and socially responsible treatment of innocent people victimized and brutalized by acts of violence stemming from crime. Our consideration here is for the innocent victims of crime. Along with 10 other Senators, I am cosponsor of the omnibus crime control and safe streets bill, which seeks to prevent crime and to insure the greater safety of the people of America by better coordinating and modernizing law enforcement efforts at all levels of government. Included in this measure are grants for better and more extensive education of law enforcement personnel, grants for the control of organized crime, grants to assist in the prevention and control of riots, and grants for research and demonstration projects, as well as provisions concerned with the admissibility of certain evidence and wiretapping.

Also this session, the Congress created a new Midland-Odessa division of the Federal district court in the western district of Texas. These two cities have become major population centers since the previous divisions were made, and the new places of holding court are greatly needed to reduce the expense and inconvenience to litigants, lawyers, and witnesses. This new act will facilitate the administration of justice in west Texas.

My work this session was possible only with the wonderful cooperation that I have received from my colleagues in the Senate and House—especially my fellow members of the Texas delegation. We have a strong and able team. I am also grateful for the courtesy and support received from the Senate Democratic majority leader, MIKE MANSFIELD. I am already at work on new proposals for the second part of the 90th Congress, and I continue my pledge to the people of Texas to provide enlightened, progressive leadership in Congress.

Poultry Inspection Act Should Now Be Brought Into Conformance With Federal Meat Inspection Law

EXTENSION OF REMARKS

OF

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, December 15, 1967

Mrs. SULLIVAN. Mr. Speaker, 11 years ago I began working on the problem of assuring wholesome poultry for America's consumers, and with the help of many groups, and particularly the Amalgamated Meat Cutters Union, we succeeded in enacting the Poultry Products Inspection Act of 1957. It was a landmark piece of legislation in that it not only provided for Federal inspection of all poultry in interstate commerce but also set up machinery for requiring Federal inspection, under certain circumstances, of poultry moving only in intrastate commerce.

Unfortunately, that machinery for intrastate inspection has never been used. I have tried for many years to have it invoked for the St. Louis area so that we could be protected against unwholesome poultry from within the State of Missouri.

In 1962, when President John F. Kennedy noted in his consumer message the significant danger to American consumers from uninspected red meats moving only in intrastate commerce, I introduced on that same day a bill on which I had been working to adapt to Federal meat inspection a provision such as we had in the Poultry Act for compulsory Federal inspection under certain circumstances of intrastate shipments. The Department of Agriculture did not support this idea at the time and instead came forward later with its own proposed bill dealing with meat in intrastate commerce; and we have now passed legislation containing the Department's 1962 suggestions, along with strengthening provisions added in the Congress.

BOTH LAWS SHOULD HAVE BEEN CONSOLIDATED

It was my feeling in 1956 and 1957 that the best approach to securing effective Federal inspection of poultry was just to amend the Federal Meat Inspection Act to include poultry. I think if we had done that, we would be a lot further today toward assuring the wholesomeness of all poultry sold in this country.

However, since there does not seem to be any disposition on the part of the Department of Agriculture to support consolidation of the inspection laws on meat and on poultry, and since the Committee on Agriculture also declined to support my recommendation on that point, it is now urgent that we proceed to amend the Poultry Products Inspection Act of 1957 to get at the problem of unwholesome poultry moving only in intrastate commerce, just as we have tried to cover the red meats.

LETTER TO SECRETARY OF AGRICULTURE FREEMAN

In the debate in the House of Representatives on October 31 on the wholesome meat bill, and again on December 6 when we passed the conference report on H.R. 12144, I outlined the problem of unwholesome poultry in intrastate commerce and stated that it was my intention to press in the new session for legislation to tighten the Poultry Products Inspection Act of 1957 to cover all poultry.

On December 11, I therefore addressed the following letter to Secretary of Agriculture Orville L. Freeman, which I hope will clear the way for prompt action on this matter in the second session of the 90th Congress:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., December 11, 1967.

Hon. ORVILLE L. FREEMAN,
Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C.

DEAR ORVILLE: Can I involve you in another issue? I need your help.

If you have had a chance to read the debate in the House on the Meat Inspection bill, you probably noticed my references to the need for getting at the problem of bad poultry processed and sold in intrastate commerce. I am enclosing a copy of my remarks in case you missed them.

Please look them over. And, if you have the hearings of the House Agriculture Committee on the Meat Inspection bill, I hope you will turn to my testimony beginning on page 41 through page 63. It deals more with poultry than with meat.

I am writing to you rather than to the Consumer and Marketing Service people because they know all about this issue already and what I need is some guidance or assistance from you.

I have never been able to understand the need for separate Poultry and Meat Inspection laws. When I started on the poultry problem 11 years ago, my inclination was merely to amend the Meat Inspection law to include poultry. But I was talked out of that by some of the strategists who felt that we would have a better chance of getting help from Members of the Agriculture Committee from poultry-raising areas if they thought that whatever distinctive or unique aspects of poultry, compared to meat, could be taken care of in the legislation.

So for 10 years we have had two separate laws, even though now both are under the same administrative direction. I pleaded with the Agriculture Committee to handle the problem of intrastate inspection for both meat and poultry in the same way—either by adopting the "major consuming area" machinery of the Poultry Act for Meat Inspection or else amending the Poultry Act to conform to whatever setup was devised for Meat Inspection. As you know, the idea did not get very far in this session.

It is my intention to offer new legislation in the second session to provide authority for coverage of poultry in intrastate commerce. I would appreciate help from you on this, specifically:

(1) A draft of a suitable bill which I could introduce;

(2) The initiation by your Department of the kind of study into conditions in the non-inspected poultry plants similar to the surveys made by your meat inspectors into conditions in the uninspected meat packing plants.

The information developed by the meat inspectors was a prime factor in getting Congress to pass H.R. 12144.

In asking for this assistance, I perhaps should point out that I was the first Member of Congress to call for compulsory Federal inspection of poultry and, although it was not a bill with my name on it which became law, I feel I am justified in claiming the credit for its enactment in 1957. So I am not trying to jump on someone else's project. As a matter of fact, some of those who were most active in the fight for the Meat Inspection bill have indicated their desire to join me now in bringing the Poultry Act up to date and meeting the problems of intrastate poultry fitness. We have failed in implementing the machinery of the 1957 Act for intrastate use. If that Act is not practical, then I want something which I could introduce which would solve this problem.

I am sure there must be millions of pounds of poultry sold only in intrastate commerce and I would suspect that most of this comes from plants which could not possibly meet the requirements for Federal inspection.

Sincerely yours,
Leonor K. Sullivan
Mrs. John B. Sullivan,
Member of Congress.

Activities of First Session of 90th Congress

EXTENSION OF REMARKS
OF
HON. ROBERT P. GRIFFIN
OF MICHIGAN
IN THE SENATE OF THE UNITED STATES
Friday, December 15, 1967

Mr. GRIFFIN. Mr. President, set forth below is the text of a newsletter which relates to activities during the first session of the 90th Congress:

Six New Senate Faces

Awaiting the opening of the second session of the 90th Congress are six freshmen senators who made their presence felt during the long session which recently adjourned.

Senator Brooke of Massachusetts is 47 and the former attorney general of his state. He is the first Negro to be elected to the Senate since Reconstruction. A decorated infantry officer in World War II, he joined with Italian partisans to fight behind enemy lines.

Senator Griffin, 44, of Michigan, co-authored the Landrum-Griffin Act and was a veteran legislator with nearly 10 years service in the U.S. House of Representatives before coming to the Senate in 1966.

Senator Percy of Illinois came to the Senate at age 47 after a brilliant career in the business world. He was president of Bell & Howell Company at 29, youngest man ever to head a major U.S. corporation.

Senator Hatfield, 45, of Oregon, has an unbroken string of elections to public office dating back to 1950, when he ran for the state legislature. He served eight years as governor of his state before moving to the Senate.

Senator Hansen of Wyoming was governor before his election to the Senate. He is 55 and a successful rancher and cattleman. His great grandparents came to America from Denmark.

Senator Baker of Tennessee, is 42. He commanded a PT boat in the Pacific during World War II when he was 19. Both of his parents served in Congress, and he is the son-in-law of Minority Leader Everett Dirksen.

Local Law Enforcement: America's First Line of Defense

Credible law enforcement is our first line of defense. Without that, our rights as citizens can soon become meaningless.

As each month passes, our society is confronted with fresh evidence of an inability to provide law-abiding Americans with the basic protection against crime to which they are entitled.

In view of these alarming trends, and the critical nature of both police and fire protection, I believe that every possible effort must be exerted to encourage recruitment and retention of competent personnel in these two hazardous fields.

We cannot afford to be remiss in this vital public service, which most directly affects the health and well-being of our citizens.

Although the crime rate in the U.S. has been climbing seven times faster than the population, Congress took no significant action during the past session to assist local law enforcement agencies in the effort to combat this alarming trend.

In the large cities, police departments are not only undermanned but they are having trouble recruiting new personnel. In order to clarify and stabilize one federal policy that affects this problem, I introduced legislation to provide a statutory draft deferment for those who serve as policemen and firemen. As I see it, their jobs are as crucial to national security as the various categories of skilled workers who are automatically deferred.

The Alewife Menace

At one time Benjamin Franklin wryly observed that: "Fish and visitors smell in three days."

When visitors smell we are likely to grin and bear it; after all, tourism is the second most important industry in Michigan. But the smell of decaying fish we cannot stand—Before Senate Commerce Committee hearing.

At my suggestion, Job Corps trainees were quickly utilized to help clean away millions of dead alewife fish that had washed ashore on Great Lakes beaches last summer.

Obviously, a long range control program is needed. Legislation which I strongly advocate would give a significant boost to coho salmon and other sport fishing in the Great Lakes while restoring balance, at the same time, in the alewife population.

A Look at Detroit's Riot

From Watts to Newark to Detroit, a wave of violence has shaken a complacent America.

Each of the civil disorders, and the Detroit riot in particular, signaled a powerful reaction against authority.

It would be easy to focus our wrath upon outside militant fanatics. But we would miss the point and overlook the real problem if we fail to focus also upon the underlying conditions of mind and matter—which provide the climate and the kindling for chaos and violence—Before Michigan State Kiwanis Convention.

Crisis in the Ghetto

Government may be able to point the way toward a better society—but people will have to build it.

In attacking the problems of urban America, government cannot, and should not be expected to, carry the fight alone.

Both business and labor can play leading roles in creating job opportunities for the unskilled and the unemployed. Congress should provide tax credits to encourage such programs.

During the session just ended, Congress grappled again with the anti-poverty program but failed to adopt revisions which are needed, in my opinion, to stimulate maximum involvement by industry and the private sector of our society.

In the bill which passed, Congress actually took a step backward by shifting more control to the machine politicians and giving less voice to the poor.

There may be some in the ghetto who want more welfare. But I am convinced that most of those who live in the depressing slums of our cities want *opportunity*—opportunity for meaningful jobs that hold a promise for tomorrow.

They are not likely to be content with government handouts which take the form of "leaf-raking, makework" jobs that offer no dignity and no future.

In the session ahead I shall continue my efforts to win approval for the Human Investment Act, a legislative proposal which I have co-sponsored to encourage private industry, through tax incentives, to hire and train the hard core unemployed. It is encouraging to note that, even without such incentives, some civic-spirited Michigan companies have already taken bold steps in this direction.

If You're Visiting Washington

If you are plannng to visit the Nation's Capital, we suggest that you write us several weeks in advance. We will be glad to send you a number of sightseeing pamphlets and other information which will be helpful in scheduling your time. For example, we will include information concerning tours of the Capitol, the White House, the F.B.I., the Department of State and the Voice of America.

Gold Rush: Pressure on the Dollar

This is no time for buck-passing. The Johnson Administration and Congress must share responsibility for fiscal policy—and they must work together if Americans are to be spared the inflationary consequences of a $30 billion budget deficit.

British devaluation of the pound, the recent rush for gold and spiraling inflation at home should awaken all Americans to the urgency of putting our financial house in order.

Like Britain, the U.S. has been running deficits at home and abroad. Our gold stock has dwindled to less than $13 billion—a $10 *billion* loss over the past decade.

Although our assets are far greater than Britain's, the new mini-pound is tangible evidence that a nation cannot afford to live beyond its means indefinitely.

There is doubt that the proposed tax surcharge (to produce additional revenue of $6 billion) will be sufficient, by itself, to shore up needed confidence in the management of U.S. fiscal affairs. Many in Congress will continue to insist that substantial cuts in domestic spending are absolutely essential.

Social Security: Senior Citizens Gain

In the waning days of the 1967 session, Congress enacted broad social security increases for 23 million beneficiaries.

Some major features of the new bill are:

benefits will rise by an average 13%, effective in February, 1968;

the minimum monthly retirement payment, for single individuals, will increase from $44 to $55;

the average monthly benefit paid to a retired worker with an eligible wife now on the rolls will go up from $145 to $165;

the taxable wage base will be raised from $6,600 to $7,800;

the amount of annual outside income a recipient may earn without losing benefits is increased from $1,500 to $1,680.

Also included in the legislation is a provision aimed at speeding up the processing of retirement benefit checks. New procedures to accomplish this objective are scheduled to take effect next July.

The expedited payment provision results from legislation which I co-sponsored with Sen. Hugh Scott (Pa.) earlier in the session. We hope it will help to overcome the widespread and long delays which countless Americans have encountered in the handling of their social security claims.

Speaking Out on the Issues

(Excerpts from statements by Senator Griffin in 1967)

AUTO SAFETY

Solving the problem of traffic safety involves far more than the vehicle itself. Indeed, if I had to single out just one factor—it would be the "nut attached to the steering wheel."

The automobile is, and will remain, a powerful instrument for pleasure and progress. But despite all the safety regulations, the automobile is—and will remain—a dangerous and lethal weapon in the hands of those who have no respect or concern for the rights of others.

WATER POLLUTION

America is slowly losing its fight to prevent pollution from ruining many of the Nation's 100,000 inland lakes.

When a beautiful lake turns into a swamp, resort areas become ghost towns and the property values that generate local taxes decline.

Unless an effective and practical program is undertaken to reverse this ominous pollution trend, a great many of the Nation's lakes are literally threatened with extinction.

The Federal government can and should help—particularly in the area of research. Preservation of our lakes is of paramount importance.

THE GREAT SOCIETY

I should like to suggest that a Great Society will not, and cannot, be the gift of government or of any politician. Indeed, it will never be a gift at all. Rather, it can only be the achievement of people; people who individually possess characteristics that are the essential ingredients of a great society: strength of character, dedication to a spirit of brotherhood, self-discipline, respect for law and order, and the willingness to work.

THE ECONOMY

Our underlying economic problem is the accelerating wage-price spiral which threatens inflation that is unacceptable—unacceptable from the standpoint of the consumer, and unacceptable from the standpoint of our balance of payments.

Domestic priorities must be established. Spending in some areas can be cut—or at least deferred.

When we have a half million young Americans fighting a war in Viet Nam that costs nearly $2½ billion a month, we can't afford a "business as usual" attitude here at home.

Legislation Introduced by Senator Griffin in the 90th Congress—A Capsule Summary

Below are some of the bills and resolutions introduced or co-sponsored by Senator Griffin during the 1967 session. A copy of any measure and more detailed information will be gladly supplied upon request.

S. 16, Viet Nam Era Veterans Act, authorizing benefits for Viet Nam veterans roughly comparable to those provided for WW II and Korean War veterans. (Enacted into law)

S. 47, establishes a second "Hoover Commission" of outstanding citizens, to make recommendations for the elimination of waste and duplication in the federal government.

S. 343, designates proposed new federal office building in Detroit as the "Patrick V. McNamara Building." (Enacted into law)

S. 734, Pollution Abatement Act, to provide limited tax incentive for industries which install anti-pollution equipment.

S. 812, Human Investment Act, to encourage private industry, through tax incentives, to hire and train the "hard core" unemployed.

S. 2356, Metric Study bill would direct Commerce Department to determine, on an industry-by-industry basis within U.S., the advantages and disadvantages of converting to metric system of weights and measures.

S. 2541, authorizes issuance of special postage stamp to commemorate 50th anniversary of independence of the Baltic States.

S. 2572, establishes Domestic Development Bank to help finance business projects in poverty areas where funds are not available.

S. 2573, establishes Economic Opportunity Corporation to encourage use of more resources of private enterprise in federal government's anti-poverty effort.

S. 2582, provides statutory draft deferment for policemen and firemen.

S. 2969, designates a lock under construction at Sault Ste. Marie to be named the "Father Marquette Lock."

S. 2705, requires Farmers Home Administration to recognize state health and safety standards under program providing grants and loans for rural water supply and waste disposal system.

S. 835, education Tax Credit, to give parents a tax break, up to $325 per student for costs of higher education.

S. 1236, Revenue Sharing Act, to return a share of federal tax revenues to state and local units of governments.

S. 1353, would abolish NLRB and establish a 15-judge U.S. Labor Court in its place.

S. 1455, to restructure financial base of the St. Lawrence Seaway Corporation to prevent toll increase.

S. 1592, establishes National Home Ownership Foundation, to provide opportunities for low-income families, particularly in ghettos, to buy homes.

S. 1611, requires Congress to approve the total of all spending bills each year before any one of them goes into effect.

S. 1954, establishes procedure to reduce red-tape and delays in the processing of routine claims for social security benefits. (Enacted into law)

S. 2123, to establish a comprehensive program for combating the alewife menace in the Great Lakes.

S.J. Res. 66, establishes Joint Congressional Committee to recommend improvements in laws relating to industrywide bargaining, strikes and lockouts.

S. Res. 83, expresses strong U.S. support for the North Atlantic Treaty Organization (NATO).

S. Res. 123, expresses opposition to proposed taxation of social security and railroad retirement benefits.

S. Res. 143, emphasizes importance of peace and stability in the Middle East, and the interest of the United States therein.

S. Res. 146, to establish Select Committee on Civil Disorder to investigate problems relating to urban riots. (Presidential Commission was established.)

S. Res. 155, encourages construction of nuclear desalting plants in the Middle East to help promote peace and cooperation among the nations of the area. (Adopted by Senate)

S. Res. 180, urges President to take appropriate steps to bring the Viet Nam issue before the U.N. Security Council. (Adopted by Senate)

Statement by Senator John O. Pastore, Chairman, Joint Committee on Atomic Energy, U.S. Senate

EXTENSION OF REMARKS

OF

HON. JOHN O. PASTORE

OF RHODE ISLAND

IN THE SENATE OF THE UNITED STATES

Friday, December 15, 1967

Mr. PASTORE. Mr. President, as chairman of the Joint Committee on Atomic Energy and on behalf of all of the members, I am privileged to make the following report to the Congress and for the benefit of the executive branch and the public at large.

I wish to thank all the members of the committee for their hard work and fine cooperation in the committee's work. In order to inform the Members of Congress and the public as to the work of the committee, I ask unanimous consent to include in the Record at this point the report on the activities and accomplishments of the Joint Committee on Atomic Energy during the 90th Congress, first session.

There being no objection the report of the activities and accomplishments of the Joint Committee on Atomic Energy to the Congress was ordered to be printed in the Record, as follows:

Activities and Accomplishments of the Joint Committee on Atomic Energy in the 90th Congress, First Session (1967)

FOREWORD

The Joint Committee on Atomic Energy was first organized on August 2, 1946, and is a House-Senate Committee consisting of nine members from each body, of which no more than five from each body can be members of the same party. Following is a listing of the present membership:

John O. Pastore, Rhode Island, Chairman.
Chet Holifield, California, Vice Chairman.
Melvin Price, Illinois.
Wayne N. Aspinall, Colorado.
Thomas G. Morris, New Mexico.
John Young, Texas.
Craig Hosmer, California.
William H. Bates, Massachusetts.
John B. Anderson, Illinois.
William M. McCulloch, Ohio.
Richard B. Russell, Georgia.
Clinton P. Anderson, New Mexico.
Albert Gore, Tennessee.
Henry M. Jackson, Washington.
Bourke B. Hickenlooper, Iowa.
George D. Aiken, Vermont.
Wallace F. Bennett, Utah.
Carl T. Curtis, Nebraska.

The Joint Committee is one of the few committees established by statute, rather than by rule of each house, and is unique in several respects. For example, it is the only Joint Committee of the Congress with legislative functions, including the receipt and reporting of legislative proposals. The Committee is also charged by law with legislative responsibility as "watchdog" of the United States atomic energy program. As part of its responsibilities, the Committee follows closely the classified activities of executive agencies, including the Atomic Energy Commission and the Departments of Defense and State, concerning the military applications of atomic energy.

In all these activities, the Joint Committee on Atomic Energy as representative of Congress and the public seeks to assure the implementation of the following statutory policy expressed in the Atomic Energy Act of 1954: "the development, use and control of atomic energy shall be directed so as to make the maximum contribution to the general welfare, subject at all times to the paramount objective of making the maximum contribution to the common defense and security . . ."

During the 90th Congress, first session, the Joint Committee met on a total of 74 different occasions, 49 of which were public and 25 of which were executive meetings.

A total of 12 publications consisting of hearings and Committee prints were published or are in the process of being printed by the Joint Committee in the first session of the 90th Congress. These publications include testimony taken in executive session with classified material deleted before printing. A list of these publications follows:

"AEC Authorizing Legislation, FY 1968": Part 1, Hearings Jan. 25, Feb. 7, 8, 9, and 28, 1967; Part 2, Hearings Mar. 14 and 15, 1967; Part 3, Hearings Feb. 28, Mar. 2 and 3, 1967.

"Atomic Energy Legislation Through the 90th Cong., 1st Session," Committee print (Dec. 1967).

"LaCrosse Boiling Water Reactor Project," Hearing May 4, 1967 (available when printed).

"Licensing and Regulation of Nuclear Reactors," Part I, Hearings Apr. 4, 5, 6, 20 and May 3, 1967.

"Licensing and Regulation of Nuclear Reactors," Part II, Hearings Sept. 12, 13 and 14, 1967 (available when printed).

"Naval Nuclear Propulsion Program, 1967," Hearing Mar. 16, 1967 (In preparation).

"Nuclear Propulsion for Major Fleet Escorts," Committee print (In preparation).

"AEC Omnibus Legislation, 1967," Hearings August 11, 15, and 24, 1967.

"Radiation Exposure of Uranium Miners," Hearings May 9, 10, 23, June 6, 7, 8, 9, July 26 27, and August 8 and 10, 1967.

"Scope, Magnitude and Implications of the United States ABM Program," Hearings November 6 and 7, 1967 (available when printed).

I. LEGISLATIVE ACTIVITIES

A. Atomic Energy Commission fiscal year 1968 Authorization Act (Public Law 90–56)

In accordance with Section 261 of the Atomic Energy Act of 1954, as amended, the Joint Committee in 1967 reviewed the proposed fiscal year 1968 authorization for all appropriations to the Atomic Energy Commission.

Extensive hearings on the AEC's proposed authorization bill (S. 611; H.R. 3647) and proposed amendments thereto were held by the Joint Committee over a period of seven weeks beginning January 25, 1967, the day following delivery of the President's budget message. The Committee's hearings extended through March 16, 1967, and included review not only of the Commission's operating funds authorization but also its request for authorization of funds for plant and capital equipment obligations. Major items in the Commission's various programs were examined in depth during the hearings. In connection with those AEC programs which were not the subject of detailed Committee hearings, the Committee requested the Commission to submit statements for the record and to furnish written answers to questions. Several hearings—concerning the AEC's weapons program and the naval nuclear propulsion program—were held in executive session because they involved the review of classified information.

In addition to the hearings described above, related hearings were held before the Subcommittee on Research, Development, and Radiation concerning the scope and management of the proposed 200 Bev accelerator, and (in executive session) by the Subcommittee on Military Applications concerning nuclear weapons policy and special nuclear materials requirements.

All of the foregoing hearings, except for those held in executive session because of the classified nature of the subject matter, were published in three volumes under the title "AEC Authorizing Legislation, Fiscal Year 1968."

The hearings culminated in the introduction of "clean bills" by Chairman Pastore (S. 1963) and by Vice Chairman Holifield (H.R. 10918). These bills were reported in the Senate and House on June 23 and June 19, 1967, respectively (Senate Report No. 349, House Report No. 369), together with the separate views of Chairman Pastore, in which Senators Jackson and Aiken concurred, recommending against authorization of appropriations for the proposed 200 Bev accelerator project at this time.

The recommended authorization bill, which amounted to about $4.4 million less than the Administration had requested, was passed without amendment by the Senate and House, and authorized appropriations for the Atomic Energy Commission for fiscal year 1968 in the amount of $2,633,876,000 as follows:

Operating expenses	$2,164,843,000
Plant and capital equipment	469,033,000
Total authorization	2,633,876,000

Among the highlights of the Joint Committee report which accompanied the authorization bill were the following:

1. With respect to the *Weapons Program*, the Joint Committee recommended an increase of $15 million in the Commission's request for $700.5 million for weapons program operating funds. It was apparent to the Committee that a more intensive development and testing program than would be possible with the amount of money requested by the AEC was required if development of new weapons systems and their entry into production were to occur at a pace consistent with the national security. Since that time the decision has been made to deploy the "thin" antiballistic missile (ABM) system.

2. In the *Civilian Power Reactor Program*, the Committee recommended authorization of $80 million in construction funds (beyond the previously authorized $7.5 million for architect-engineering) for the proposed Fast Flux Test Facility, a critically needed test facility for the sodium cooled fast breeder reactor program. The breeder reactor program, the program to which the Atomic Energy Commission is increasingly devoting its civilian nuclear power research and development funds, holds the promise of developing economically competitive nuclear reactors capable of supplying their own needs for fissile materials. Successful development and wide adoption of such self-sustaining reactors would have a tremendously beneficial impact on the energy resources of this nation.

The Committee also noted the continuing surge of orders by the nation's electric utility companies for nuclear powerplants of the type now being sold commercially. The continued rapid pace of nuclear powerplant procurements in 1966 and 1967, coupled with the extrapolation to much larger sized plants, caused the Committee to reemphasize to the designers, manufacturers and users of these plants the need for unparalleled attention to the details of design, construction and operation to assure that performance and safety requirements are fully met. In view of the planned major dependence on nuclear power to meet the nation's need for new generating capacity in the early 1970's, the industry must remain ever mindful that any significant delays or failures to meet required nuclear plant availability factors could have adverse effects on the availability of electric power in certain parts of the country. The Committee also emphasized the need for quality control in reactor design and construction to assure that the components and systems essential to the continued reliability of these plants are of high quality.

The Committee particularly commended the Commission for its continued efforts to "weed out" civilian reactor concepts not sufficiently promising to continue. In this connection the Commission, in line with the Committee's earlier comments and specific suggestions, reviewed the heavy water organic cooled reactor program and decided to terminate the program except for a modest heavy water reactor base R&D program which would maintain the option to exploit this type of reactor in the future if developments so dictate. The Committee firmly supports the Commission's policy of conducting periodic reviews to determine whether the technical and economic factors involved in a specific concept, when reviewed in relation to the potential of competing reactor systems, justify the expenditure of resources necessary to carry out the program. Such a policy should be a cornerstone of any efficient research and development program.

With respect to the Commission's program to develop reactors for space propulsion systems, the Committee voiced continued support of the Rover program and recommended approval of the full amount requested by the AEC for the program in fiscal year 1968. The AEC's fiscal 1968 budget request reflected a newly defined objective to develop a large nuclear rocket engine (NERVA II) having a thrust level of 200,000 to 250,000 pounds. At the same time the Committee recommended that the Commission undertake immediately to perform further intensive analyses to verify the true growth potential of the smaller nuclear rocket engine (NERVA I), with particular emphasis on clarifying the question of the versatility of such an engine in terms of meeting earlier unmanned mission requirements as well as subsequent manned missions.

3. As part of the Commission's *Physical Research Program* the Committee recommended authorization of $7,333,000 of the $10 million requested by the AEC for initial work on the proposed 200 Bev accelerator. The Committee also adopted without change a report of the Subcommittee on Research, Development and Radiation concerning the scope and management of this national facility.[1] Among other things, the report calls for the construction of this facility with greater design intensity and more experimental facilities than were provided for in the reduced scope accelerator proposed by the Executive Branch. The reduction in the scope of the accelerator proposed by the Executive Branch for budgetary (rather than technical) reasons was rejected on the the grounds that to do so, in the knowledge that it would have to be modified to fuller scope once it entered into operation, would be false economy.

The Committee also recommended authorization of $50.3 million for construction of the Meson physics facility and $8.5 million for construction of a project designed to house and power the proposed Scyllac controlled fusion experimental device. Both of these projects would be located at the Los Alamos Scientific Laboratory.

4. The Committee expressed its deep concern that planned Plowshare excavation experiments, which comprise a significant part of the Commission's important program for development of *Civilian Applications of Nuclear Explosives*, have not been conducted. The Committee, recalling the assurances given to the Congress by the Executive Branch in 1963, prior to ratification of the Limited Nuclear Test Ban Treaty, that Plowshare cratering experiments could be performed notwithstanding existence of the Treaty, noted its belief that an overly strict interpretation is being placed on the Treaty by the Executive Branch. It urged the Executive Branch to get on with the task of developing the technology for civilian applications of nuclear explosives so that, pursuant to the President's offer made to the Eighteen-Nation Disarmament Conference, this country may make available to other nations nuclear explosive services for peaceful purposes under appropriate international safeguards.

The Committee also recommended authorization of the remaining funds ($1.5 million) necessary to carry out Project Gasbuggy, an experiment using nuclear explosives to demonstrate the feasibility of stimulating the production of natural gas by means of contained underground nuclear explosions. The previous year the Joint Committee had recommended, and Congress approved, an increase of $1.5 million in the Commission's fiscal year 1967 authorization bill to permit this promising project to move forward. The detonation, conducted in cooperation with the El Paso Natural Gas Company and the Department of the Interior, was successfully carried out on December 10, 1967 in the low-permeability Pictured Cliff formation in northern New Mexico.

Final action on the bill

On June 29, 1967, the authorization bill was debated and passed in the House of Representatives by a voice vote, after a proposed amendment thereto to strike from it authorization of $7,333,000 for the 200 Bev accelerator had been defeated. On July 12, 1967 the Senate considered and passed the bill by a voice vote after a proposed amendment to the bill, to strike from it authorization of $7,333,000 for the 200 Bev accelerator, was defeated. The bill was then forwarded to the President and approved by him on July 26, 1967 as Public Law 90–56.

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[1] Published as Appendix C in Senate Report No. 349 and House Report No. 369 on, respectively, S. 1963 and H.R. 10918, and in Part 1, hearings on "AEC Authorizing Legislation, Fiscal Year 1968."

B. AEC "omnibus" bill for 1967 (Public Law 90–190)

The AEC's omnibus bill for 1967 incorporated the major provisions of five separate legislative proposals submitted to the Joint Committee by the AEC, as well as two others originated by the Joint Committee and its members. The Committee took no further action on two items of proposed legislation submitted by the Executive Branch—one by the AEC and the other by the Department of Defense.

Public hearings were held on these matters on August 11, 15, and 24, 1967 before the Subcommittees on Communities and Legislation. These hearings were printed under the title "AEC Omnibus Legislation—1967." As the result of these hearings, and of four executive sessions of the Joint Committee, the Committee approved the introduction of identical "clean bills" (S. 2644 and H.R. 13934) and adopted a favorable Committee report thereon (S. Rept. No. 743, filed November 13, 1967; H. Rept. No. 911, filed November 9, 1967).

As reported by the Committee and approved by Congress, the bill:

Amends section 58 of the Atomic Energy Community Act of 1955 to revise the system of priorities applicable to the sale of apartment houses at Los Alamos, N. Mex. As amended, section 58 authorizes sale of these dwellings on a priority basis not only to housing cooperatives but to certain others as well;

Amends sections 91, 94, and 118 of the Community Act to authorize the AEC to continue to make assistance payments to the Cities of Oak Ridge, Tenn., and Richland, Wash., and to the Richland School District, and to state more explicitly the criteria for making such payments. Under the amendment, and contracts entered into by the AEC to provide such assistance after June 30, 1979, would be subject to the availability of appropriartions. The amendments also provide that no appropriations shall be made to carry out the provisions and purposes of the Community Act unless previously authorized by legislation enacted by Congress;

Amends subsection 25 a. and section 28 of the Atomic Energy Act of 1954 to confer on the Director of the AEC's Division of Military Application the new title of Assistant General Manager for Military Application. The amendment also provides that the officer serving in the position shall have general or flag rank, and that his service shall be reimbursed by the Commission for his military pay and allowances;

Amends section 33 of the Atomic Energy Act of 1954 to provide certain additional authority for the AEC to perform research for others pertaining to the protection of public health and safety;

Amends subsection 41 b. of the Atomic Energy Act of 1954 to eliminate the requirement for determinations by the President of the quantities of special nuclear material to be produced under section 41, and the amounts to be available for distribution by the AEC pursuant to sections 53 and 54 of the act;

Amends subsection 53 f. of the Atomic Energy Act of 1954 to eliminate a reference to the Presidential determinations under subsection 41 b. of the act that no longer is applicable;

Effects technical amendments to the Atomic Energy Act, which do not make any substantive changes;

Amends section 5 of the EURATOM cooperation Act of 1958 to authorize, first, the transfer of an additional 145,000 kilograms of contained uranium 235 to the European Atomic Energy Community, second the transfer of an additional 1,000 kilograms of plutonium to Euratom, and third, the AEC to perform uranium enrichment services for Euratom; and,

Adds a new heading in the table of contents of the Atomic Energy Community Act of 1955, reflecting the amendment of that act by section 1 of the bill.

The omnibus bill was considered and passed in the Senate on November 15, 1967, and in the House on November 30, 1967. On December 14, the bill was approved by the President as P.L. 90–190.

II. AGREEMENTS FOR COOPERATION

Section 123 of the Atomic Energy Act of 1954 requires that agreements for cooperation in the peaceful uses of atomic energy be submitted to and lie before the Joint Committee for a period of thirty days while Congress is in session before becoming effective. Pursuant to this requirement four civil agreements were submitted to the Committee by the Department of State and the Atomic Energy Commission during 1967.

Of the four agreements considered by the Committee, three were new civilian power agreements under which the United States gave long-term assurances as to the availability of nuclear fuel for reactors constructed under the cooperating countries' atomic power programs. These agreements are with the countries of Australia, Norway, and South Africa. The fourth agreement submitted was an amendment to the research-type agreement for cooperation with the Republic of Colombia which extended the existing agreement for an additional 10 years.

Pursuant to the United States policy of transferring safeguards responsibilities to the International Atomic Energy Agency—a policy strongly supported by the Joint Committee—provision was made in the new Norwegian and Colombian agreements for bringing facilities in those countries receiving United States assistance under international safeguards. Australia and South Africa had previously agreed to the transfer to the IAEA of responsibility for applying safeguards to the facilities and materials transferred pursuant to their agreements with this country, and agreed to a continuation of that policy under their new agreements. The responsibility transferred to the IAEA entails periodic inspections of the facilities, equipment and materials involved to insure against the diversion of fissionable materials to military purposes.

III. INFORMATIONAL HEARINGS

A. LaCrosse reactor program—Revised justification data

The Subcommittee on Legislation met in public session on May 4, 1967, to review revised justification data concerning the LaCrosse Boiling Water Reactor Project submitted by the AEC in accordance with the requirements of the P.L. 85–162.[3] Specifically, the Committee reviewed the reasons for the schedule slippages and cost increases which have marked the progress of the project.

Testimony was received from representatives of the Atomic Energy Commission, the Dairyland Power Cooperative of LaCrosse, Wisconsin (the electrical utility involved in the cooperative arrangement), and the Allis Chalmers Manufacturing Company (the reactor designer). The reasons for the increase in AEC costs from $9,211,000, which were the estimated costs in 1961, to presently estimated costs of $13,314,000, were explored. Plans for further work on the project were also reviewed in detail, including the schedule for plant operations.

B. Radiation exposure of uranium miners

On May 9, 10, 23, June 6, 7, 8, 9, July 26, 27 and August 8 and 10, 1967 the Joint Committee's Subcommittee on Research Development, and Radiation conducted public hearings on the subject of radiation exposure of uranium miners. The extensive hearings were conducted as part of the subcommittee's continuing study of the problems of radiation exposure and its effect upon humans.

Witnesses included representatives of Federal and State departments and agencies having responsibilities in this matter, labor unions, and mining companies, as well as radiation protection experts and medical doctors. Two members of the President's Cabinet—Secretary of Labor W. Willard Wirtz and Secretary of Health, Education, and Welfare John W. Gardner—were among those who presented their views to the subcommittee. One Highlight of the hearings was the testimony by a 12-member panel, whose membership was especially selected by the subcommittee in order to present the divergent viewpoints on this complex subject.

One of the primary objectives of the hearings was to determine whether uranium miners were being protected by adequate standards and to determine why it was taking so long to establish a standard at the Federal government level. Toward the latter part of the hearings, the Federal Radiation Council—pursuant to the Atomic Energy Act of 1954—transmitted to the President findings and recommendations for the guidance of Federal agencies in the conduct of their radiation protection activities applicable to underground uranium mining. The President approved these recommendations on July 27, 1967.

The two-part, 1373-page record of the hearings constitutes the most comprehensive collection of information ever gathered concerning the exposure of humans to radiation incident to the mining of uranium. In keeping with past practice of the Committee and its subcommittees when dealing with unusually complex problems characterized by strong differences of opinion among the witnesses, the Committee staff is currently preparing a summary analysis of the hearing record.

C. ABM hearings and safeguards

Hearings in open session before the Subcommittee on Military Applications, in conjunction with members of the Preparedness Subcommittee of the Senate Armed Services Committee, were held on November 6 and 7, 1967, with the Honorable Paul H. Nitze, Deputy Secretary of Defense, and Dr. John S. Foster, Director, Defense Research and Engineering, as witnesses for the purpose of bringing the Joint Committee up to date on plans and programs relating to our ABM program with particular emphasis on the scope, magnitude, and implications of the U.S. Program as announced by Secretary of Defense McNamara on September 18, 1967. Other witnesses were:

Professor Philip E. Mosely of Columbia University, an expert on the internal and foreign policies of the Soviet Union;

Dr. Thomas W. Wolfe of the Rand Corporation, analyst of Sino-Soviet affairs; and

Mrs. Alice Langley Hsieh of the Rand Corporation, analyst of Communist China's external political and military policies.

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[3] In accordance with Joint Committee practice the record of this single hearing will not be published in book form until it can be consolidated with the record of other hearings dealing with similar subject matters. During the interim, the record of this hearing is available to the public in transcript form at the Joint Committee offices. Moreover, interested persons will find the revised justification data submitted for this project set forth beginning at page 1340 of Part 1, "AEC Authorizing Legislation, Fiscal Year 1968" (1967).

D. Chinese nuclear weapons

During the year the Committee conducted a special inquiry regarding Chinese Communist nuclear weapons development. Testimony was received in executive session as follows:

January 11, 1967: Richard Helms, Director of the Central Intelligence Agency.

February 1, 1967: Dr. Norris Bradbury, Director, Los Alamos Scientific Laboratory; Dr. Michael May, Director, Livermore Radiation Laboratory.

March 13, 1967: Secretary of State Dean Rusk.

July 13, 1967: Representatives of the Department of Defense, CIA and AEC.

An unclassified report was prepared as a result of this inquiry entitled *Impact of Chinese Communist Nuclear Weapons Progress on United States National Security* and published July, 1967. In the Summary the report stated, "The Joint Committee believes that the American public needs to know the threat that is posed by Red China. Communist China has emerged with a fledgling, but effective, nuclear weapons capability."

"Perhaps most significant for the United States is the fact that a low order of magnitude attack could possibly be launched by the Chinese Communists against the United States by the early 1970s. At present we do not have an effective anti-ballistic missile system which could repel such a suicidal (for the Chinese) but nevertheless possible strike."

E. Confirmation hearings

The Senate Section of the Joint Committee met in public session on June 8, 1967, to consider the nomination (reappointment) of Wilfred E. Johnson to be a member of the Atomic Energy Commission for a term of five years, expiring June 30, 1972. He was confirmed by the Senate on June 15, 1967.

F. Licensing and regulation of nuclear reactors

The structure and conduct of the AEC's regulatory program has been one of the principal areas of interest of the Joint Committee. In addition to maintaining day-to-day contact with these matters, the Committee has on various occasions conducted detailed reviews of this program. For example, past studies undertaken by the Joint Committee staff at the Committee's direction have ultimately led to major changes in the legislation underlying the AEC's regulatory activities.

It has always been recognized that in a field as dynamic as that of nuclear energy, new problems emerge so rapidly that reconsideration of this subject is desirable from time to time. For this reason, the Committee scheduled a series of hearings in the spring and fall of 1967 pertaining to the licensing and regulation of nuclear reactors.

The first part of the hearings occupied a period of five days in April and May. At that time, the Committee received oral and written testimony from, among other persons, officials of the AEC and representatives of various organizations (that is, the Advisory Committee on Reactor Safeguards and the Atomic Safety and Licensing Board Panel) which participate in the regulatory review process.

Thereafter, the Committee published the record of these hearings under the title "Licensing and Regulation of Nuclear Reactors," Part 1. The Committee also formulated a series of 12 key policy issues to which the Committee would direct its attention in the second phase of the hearings. These issues were set forth in a letter from the Chairman which was sent to a large number of individuals and organizations, soliciting comments on the issues and the hearing record developed to that date.

In September the public hearings resumed, with three additional days of testimony. Those testifying before the Committee included witnesses from investor-owned and publicly-owned electric utilities, equipment manufacturers, members of the general public, representatives of the coal industry and of professional societies, and attorneys engaged in practice before the AEC. Among other things, these hearings disclosed a growing dispute over the right to participate in the ownership and electrical output of large nuclear powerplants; and disagreement concerning the scope of the AEC's regulatory jurisdiction. The September hearings are in the process of being prepared for publication, under the title "Licensing and Regulation of Nuclear Reactors," Part 2.

It is reasonable to expect that, as the result of these hearings, there will be a better mutual understanding of all these matters on the part of the public, the nuclear industry, the Executive Branch and the Congress. Further, it is expected that the complete hearing record will serve as a valuable reference text in future years, particularly to those who are newly acquainted with the regulatory program.

The Committee intends to consider the entire record of these hearings in order to determine what the most appropriate next step may be, including further studies by the Committee and its staff, and possible legislative recommendations.

G. 200 Bev accelerator

Hearings were held on the AEC request for authorization of $10 million in architect-engineering funds for the proposed 200 Bev Accelerator by the full Committee on February 7–9, 1967.

The Subcommittee on Research, Development and Radiation held hearings on February 15 and 16 for the purpose of exploring with the AEC the management organization to oversee design, construction and operation of the proposed facility and the scope of the accelerator to be constructed. In the Subcommittee's report recommendations were made that:

(1) An accelerator with a design intensity of 3×10^{13} protons per pulse be constructed.

(2) Provision be made in the initial design of the machine for experimental areas which are consistent with the national scope and purpose of the facility.

(3) The AEC give careful study to the possibility of constructing the accelerator so as to permit a possible later increase in energy to 300 Bev or higher.

(4) The AEC assure itself that the organization(s) selected for the architect-engineering and construction management of this facility are reliable and experienced and that major design changes and procurements affecting the machine will be made only with AEC approval.

The full Committee accepted without change the Subcommittee's report and recommended authorization of $7,333,000 for the 200 Bev accelerator for Fiscal Year 1968.

IV. CLASSIFIED ACTIVITIES

A. ABM and safeguards

In hearings in executive session on November 8 and 15, 1967, testimony was received on classified aspects of the ABM deployment from:

Mr. Richard Helms, Director, Central Intelligence Agency;

General Earle G. Wheeler, Chairman, Joint Chiefs of Staff;

Dr. John S. Foster, Director, Defense Research and Engineering;

Commissioner Gerald F. Tape of the Atomic Energy Commission;

Brigadier General Edward B. Giller, USAF, Director of Military Applications, AEC;

Dr. Raemer E. Schreiber, Technical Associate Director, Los Alamos Scientific Laboratory;

Dr. Harold Agnew, Division Leader, Los Alamos Scientific Laboratory;

Mr. J. A. Hornbeck, President, Sandia Corporation; and,

Dr. Michael M. May, Director, Livermore Laboratory.

During these hearings testimony was also heard regarding the implementation of the four safeguards established in connection with the Limited Nuclear Test Ban Treaty.

B. Intelligence briefings

On January 11, 1967, the Joint Committee received an intelligence briefing on recent developments affecting the field of atomic energy from Mr. Richard Helms, Director of the Central Intelligence Agency. On July 13, 1967, Mr. Helms briefed the Committee concerning advances being made by Communist China in developing nuclear weapons, and on November 8, 1967, he briefed the Subcommittee on Military Applications on foreign activities relating to the U.S. defense posture vis-a-vis potential aggressors.

C. Nuclear weapons requirements

A series of hearings in executive session were held by the Subcommittee on Military Applications to consider nuclear weapons requirements. Dr. Alain Enthoven, Assistant Secretary of Defense (Systems Analysis), the principal Defense Department witness, explained Defense policy objectives and nuclear weapon requirements in hearings on February 21 and 23, 1967. General Earle G. Wheeler, Chairman, Joint Chiefs of Staff and Lt. General Austin W. Betts, USA, Chief, Research and Development, and Nike X Systems Manager, testified in subsequent hearings held March 8 and April 11, 1967.

D. AEC policies on gas centrifuge development

On March 9, 1967, the Joint Committee received a briefing from the Atomic Energy Commission concerning development of the gas centrifuge process, and related matters. AEC representatives discussed the status of foreign and domestic programs in the gas centrifuge field, including Government and private efforts. The various considerations associated with the AEC's present and future policies were considered in depth. Following this meeting, the AEC announced new policies on gas centrifuge development including a determination by the Commission, after careful weighing of all factors involved, that national security interests would best be served if work on the gas centrifuge process for separation of isotopes were limited to Government sponsored projects.

V. OTHER ACTIVITIES

A. IAEA 11th General Conference

The Chairman and three members of the Joint Committee on Atomic Energy participated in the 11th General Conference of the International Atomic Energy Agency in Vienna in September, 1967. One of the principal items discussed in the Conference was IAEA safeguards inspection to assure that fissionable material is not directed to other than peaceful uses in connection with the proposed nuclear weapons non-proliferation treaty.

B. Disarmament negotiations

On March 13, 1967, the Committee received testimony in executive session from the Secretary of State concerning plans and status of disarmament negotiations with emphasis on the proposed non-proliferation treaty negotiations.

On May 17, 1967, the Committee received testimony in executive session from officials of the U.S. Arms Control and Disarmament Agency concerning the plans and policy position which was to be taken by the U.S. representatives to the Eighteen-Nation Disarmament Conference (ENDC) when it reconvened in Geneva on May 18, 1967.

Throughout the year the Committee received reports on developments concerning disarmament negotiations as they progress. Members of the Committee and staff visited and conferred with U.S. representatives in Geneva at the Eighteen-Nation Disarmament Conference.

C. Foreign trips

Foreign inspection and informational visits were made by the Committee and staff as follows:

EURATOM Headquarters, Brussels, Belgium.

Frascati Nuclear Center, Frascati, Italy.

Geneva Disarmament Negotiations, Geneva, Switzerland.

International Atomic Energy Agency, Vienna, Austria.

NATO Installations in Germany.

NATO Headquarters, Paris, France.

New NATO Headquarters, Brussels, Belgium.

Nuclear Ship *Otto Hahn*, Kiel, Germany.

D. Domestic installation trips

The Committee members and staff continued their practice of obtaining firsthand information by visiting various Atomic Energy Commission, Department of Defense, NASA, and U.S. Government contractor installations in the United States. During the first session, 90th Congress, visits were made to the following facilities, among others:

Aerojet General, Azusa, California.

Aerojet General, Sacramento, California.

Ames Laboratory (NASA), Sunnyvale, California.

Atomics International, Downey, California.

Charleston Naval Shipyard, Charleston, South Carolina.

Electric Boat Division of General Dynamics Corporation, Groton, Connecticut.

Gasbuggy Symposium and Detonation, Farmington, New Mexico.

General Electric, APO, Sunnyvale, California.

General Electric Company, Vallecitos, California.

General Electric Valley Forge (Pennsylvania) Space Laboratory.

Gulf General Atomic, LaJolla, California.

Hawaii Development Irradiator, Honolulu, Hawaii.

Huntington Beach, California (proposed site of Bolsa Island Power-Desalting Plant).

Laboratory of Nuclear Medicine and Radiation Biology, University of California at Los Angeles.

LaCrosse Boiling Water Reactor Project, LaCrosse, Wisconsin.

Lawrence Radiation Laboratory, Livermore, California.

Los Alamos Scientific Laboratory, New Mexico.

MIT, Physics Department.

NS Savannah, Hoboken, New Jersey.

Nuclear Fuel Services, Inc., West Valley, New York.

Nuclear Materials and Equipment Corporation, Apollo, Pennsylvania.

Oak Ridge National Laboratory, Oak Ridge, Tennessee.

Oyster Creek Nuclear Power Station, Oyster Creek, New Jersey.

Pacific Missile Range at Barking Sands, Island of Kauia, Hawaii.

Pacific Northwest Laboratories, Washington.

Piqua Nuclear Power Facility, Piqua, Ohio.

Sandia Corporation, Albuquerque, New Mexico.

Savannah River Plant, Aiken, South Carolina.

Schwartzwalder Uranium Mine, Golden, Colorado.

Stanford Linear Accelerator Center, Stanford, California.

Thermo-Electron Engineering Corporation, Waltham, Massachusetts.

UCLA Laboratory of Nuclear Medicine and Radiation Biology.

Walhalla, South Carolina (Atomic Safety and Licensing Board hearings on Oconee Nuclear Station Units 1, 2 and 3).